Colonial SFL, SOCIMI, S.A. and Subsidiaries

Consolidated Financial Statements
for the year ended 31 December 2025
and Consolidated Directors' Report,
together with Independent Auditor's
Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

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INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Colonial SFL, SOCIMI, S.A. (formerly Inmobiliaria Colonial, SOCIMI, S.A.),

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Colonial SFL, SOCIMI, S.A. (the Parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2025, and its consolidated results and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the consolidated financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment property	
Description	**Procedures applied in the audit**
The Group manages a portfolio of property assets for lease, recognised under "Investment Property" in the consolidated statement of financial position, whose carrying amount at 31 December 2025 was EUR 11,203 million (see Note 9), representing 90% of total assets. As described in Note 4.4 to the consolidated financial statements, investment property is measured at fair value. The changes in fair value with respect to the previous year resulted in the recognition of income of EUR 133 million in the consolidated statement of profit or loss for 2025 (see Notes 9 and 19.7). The fair value is determined on the basis of valuations performed by independent third-party experts engaged by the Group. The valuation of the investment property at year-end is one of the key matters in our audit since it requires the use of estimates with a significant degree of uncertainty. In particular, the valuation method generally used for rental property assets is the discounted cash flow method, which requires estimates to be made of the future rental income from each property, based on available information and market studies, as well as the residual value of the asset at the end of the projection period and the exit yield to be determined.	Our audit procedures included, among others, obtaining the valuation reports of the experts engaged by the Group to value the investment property, and evaluating the competence, capability and objectivity of the experts and the adequacy of their work for use as audit evidence. In this regard, with the assistance of our internal valuation experts, we evaluated the main assumptions considered in the valuations, as well as the calculation methodology used by the expert engaged by the Group, taking into account the information available on the industry. In addition, we replicated the calculation made by the Group to verify the fair value recognised, and we evaluated the sensitivity analysis performed by the Parent's directors on the main assumptions used, and its impact on the fair value of the property assets. Lastly, we evaluated whether the disclosures included in Notes 4.4, 9 and 19.7 to the accompanying consolidated financial statements in connection with this matter were in conformity with those required by the regulatory financial reporting framework applicable to the Group.

Valuation of investment property	
Description	**Procedures applied in the audit**
In addition, small percentage changes in the key assumptions used for the valuation of the property assets could give rise to significant changes in the consolidated financial statements.	

Compliance with the special tax regime for Spanish Real Estate Investment Trusts (REITs)	
Description	**Procedures applied in the audit**
The Parent and most of its Spanish subsidiaries avail themselves of the special tax regime for Spanish REITs, which is regulated by Spanish Real Estate Investment Trusts (REIT) Law 11/2009, of 26 October, amended by Law 16/2012, of 27 December. One of the main characteristics of companies of this nature is that they are basically subject to an income tax rate of 0%. As indicated in Notes 1, 4.14, 18.1 and 18.8, the applicability of the REIT tax regime is conditional upon compliance with certain relatively complex obligations, since the obligations under this regime include, inter alia, certain requirements to invest in properties for lease, either directly or through other entities, and requirements in relation to the nature of the revenue obtained, to the length of time for which property assets must be held and to the distribution of dividends. In this connection, substantially all the transactions performed by the Group in France are carried out through a permanent establishment or companies that have availed themselves of the special regime applicable to French REITs, equivalent to the tax regime for Spanish REITs.	Our audit procedures included, among others, obtaining the calculations performed by the Parent's directors in relation to compliance with the obligations associated with this tax regime, together with the related supporting documentation. Also, we obtained the analysis performed by the experts engaged by the Group, evaluated the competence, capability and objectivity of those experts, and analysed the main criteria considered by the Parent's directors in assessing compliance with the obligations of the special tax regime for REITs. In this connection, we involved our internal tax experts to evaluate the reasonableness of the information obtained, as well as the completeness thereof in relation to the matters provided for in the legislation in force at the analysis date.

Compliance with the special tax regime for Spanish Real Estate Investment Trusts (REITs)	
Description	**Procedures applied in the audit**
At year-end, the Parent of the Group assesses its compliance with the conditions of the REIT special tax regime taking into account, inter alia, the analysis conducted by independent third-party experts engaged by the Group. In this context, compliance with the aforementioned regime is one of the key audit matters because the applicability of this regime is the basis of the Group's business model given the material impact of applying the 0% tax rate provided for by the regime on the financial statements and on shareholder returns.	We also evaluated whether Notes 1, 4.14, 18.1 and 18.8 to the accompanying consolidated financial statements contained the necessary disclosures relating to compliance with the conditions required by the special tax regime for REITs and other matters associated with the taxation of the Group.

Other Matter

The Group's consolidated financial statements for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 27 February 2025.

Other Information: Consolidated Directors' Report

The other information comprises only the consolidated directors' report for 2025, the preparation of which is the responsibility of the Parent's directors and which does not form part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility relating to the consolidated directors' report, in accordance with the audit regulations in force, consists of:

a) Solely checking that certain information included in the Annual Corporate Governance Report and the Annual Directors' Remuneration Report, to which the Spanish Audit Law refers, have been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.

b) Evaluating and reporting on whether the other information included in the consolidated directors' report is consistent with the consolidated financial statements, based on the knowledge of the Group obtained in the audit of those consolidated financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the consolidated directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above had been furnished as provided for in the applicable legislation and that the other information in the consolidated directors' report was consistent with that contained in the consolidated financial statements for 2025 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors and Audit and Control Committee of the Parent for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the Group's consolidated equity, consolidated financial position and consolidated results in accordance with EU-IFRSs and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Parent's audit and control committee is responsible for overseeing the process involved in the preparation and presentation of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in Appendix I to this auditor's report. This description, which is on pages 9 and 10 of this document, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

European Single Electronic Format

We have examined the digital files in European Single Electronic Format (ESEF) of Colonial SFL, SOCIMI, S.A. and subsidiaries for 2025, which comprise the XHTML file including the consolidated financial statements for 2025 and the XBRL files with the tagging performed by the entity, which will form part of the annual financial report.

The directors of Colonial SFL, SOCIMI, S.A. are responsible for presenting the annual financial report for 2025 in accordance with the format and markup requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation"). In this regard, the Annual Corporate Governance Report and the Annual Directors' Remuneration Report were included by reference in the consolidated directors' report.

Our responsibility is to examine the digital files prepared by the Parent's directors, in accordance with the audit regulations in force in Spain. Those regulations require that we plan and perform our audit procedures in order to ascertain whether the content of the consolidated financial statements included in the aforementioned digital files corresponds in full to that of the consolidated financial statements that we have audited, and whether those consolidated financial statements and the aforementioned files were formatted and marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined correspond in full to the audited consolidated financial statements, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Additional Report to the Parent's Audit and Control Committee

The opinion expressed in this report is consistent with the content of our additional report to the Parent's audit and control committee dated 24 February 2026.

Engagement Period

The Annual General Meeting held on 13 June 2024 appointed us as auditors of the Group for a period of three years from the year ended 31 December 2025.

DELOITTE AUDITORES, S.L.
Registered in ROAC under no. S0692

Francesc Ganyet Olivé
Registered in ROAC under no. 21334

26 February 2026

Appendix I to our auditor's report

Further to the information contained in our auditor’s report, in this Appendix we include our responsibilities in relation to the audit of the consolidated financial statements.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent’s directors.

- Conclude on the appropriateness of the use by the Parent’s directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent's audit and control committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit and control committee with a statement that we have complied with relevant ethical requirements regarding independence, and we have communicated with it all matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards applied to eliminate or reduce the corresponding threat.

From the matters communicated with the Parent's audit and control committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Colonial SFL, SOCIMI, S.A. and subsidiaries
(formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated financial statements for the year ended December 31st, 2025, prepared in accordance with International Financial Reporting Standards as adopted by the European Union and consolidated management report

Translation of Consolidated statement of financial position for the year ended 31 December 2025, prepared in accordance with international financial reporting standards (Note 2) and consolidated management report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Explanation added for translation to English: Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Colonial SFL, SOCIMI, S.A. and subsidiaries
(formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated statement of financial position for the year ended December 31st, 2025

ASSETS	Note	Thousands of euros December 31st, 2025	Thousands of euros December 31st, 2024
Intangible assets		6,306	6,409
Right-of-use assets	7	10,440	11,765
Property, plant and equipment	8	48,274	46,862
Investment property	9	11,203,030	11,314,725
Investments accounted for using the equity method	2.6	224,973	14,623
Non-current financial assets	11	30,874	24,576
Derivative financial instruments	15	21,463	–
Non-current deferred tax assets	18	1,856	486
Other non-current assets	12	163,827	155,906
NON-CURRENT ASSETS		**11,711,043**	**11,575,352**
Trade and other receivables	12	75,340	69,428
Financial assets	11	4,152	10,537
Derivative financial instruments	15	5,052	171
Tax assets	18	19,079	21,637
Cash and cash equivalents	14	150,391	542,717
CURRENT ASSETS		**254,014**	**644,490**
Assets classified as held for sale	23	**463,671**	**16,660**
TOTAL ASSETS		**12,428,728**	**12,236,502**

EQUITY AND LIABILITIES	Note	Thousands of euros December 31st, 2025	Thousands of euros December 31st, 2024
Share capital		1,568,362	1,568,362
Issue premium		1,847,691	1,847,691
Own shares		(48,079)	(61,187)
Other reserves		493,425	514,079
Retained earnings		2,011,646	1,808,375
Equity attributable to shareholders of the Parent		**5,873,045**	**5,677,320**
Non-controlling interests		**978,348**	**1,048,537**
EQUITY	13	**6,851,393**	**6,725,857**
Bank borrowings and other financial liabilities	14	292,353	291,172
Bonds and similar securities issued	14	4,091,662	3,494,771
Derivative financial instruments	15	1,757	10,713
Lease liabilities	7	10,709	11,907
Non-current deferred tax liabilities	18	164,105	237,825
Non-current provisions	17	1,458	1,509
Other non-current liabilities	16	90,308	83,021
NON-CURRENT LIABILITIES		**4,652,352**	**4,130,918**
Bank borrowings and other financial liabilities	14	19,734	355
Bonds and similar securities issued	14	730,446	1,014,786
Issue of promissory notes	14	–	185,000
Derivative financial instruments	15	87	1,707
Lease liabilities	7	1,732	1,952
Trade and other payables	16	134,886	144,228
Tax liabilities	18	34,600	24,825
Current provisions	17	3,498	6,874
CURRENT LIABILITIES		**924,983**	**1,379,727**
TOTAL LIABILITIES AND EQUITY		**12,428,728**	**12,236,502**

Notes 1 to 25 and the Appendix described in the consolidated financial statements form an integral part of the consolidated statement of financial position for the year ended December 31st, 2025.

Colonial SFL, SOCIMI, S.A. and subsidiaries
(formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated income statement and consolidated statement of comprehensive income for the year ended December 31st, 2025

		Thousands of euros	
INCOME STATEMENT	**Note**	**2025**	**2024**
Revenue – Investment property	19.1	408,400	395,577
Revenue – Inventories	2.6	–	106,835
Cost of sales – Inventories		–	(92,344)
Other income	19.2	15,506	8,236
Personnel expenses	19.3	(37,348)	(39,289)
Other operating expenses	19.4	(62,120)	(53,250)
Depreciation and amortisation		(6,207)	(7,332)
Profit or loss of entities accountinf for using the equity method	2.6 and 10	1,128	1,649
Net gains/(losses) on sales of assets	19.5	2,571	15,063
Changes in the value of investment property	19.7	132,705	102,399
Gains/(losses) on changes in value of assets due to impairment	19.6	(2,886)	(1,343)
Operating profit		**451,749**	**436,201**
Finance income	19.8	17,149	25,565
Finance expenses	19.8	(105,429)	(105,976)
Impairment losses on financial assets	19.8	(1,095)	(247)
Profit/(loss) before tax		**362,374**	**355,543**
Income tax	18	27,911	35,003
Net consolidated income		**390,285**	**390,546**
Net profit/(loss) for the year attributable to the Parent	5	344,449	307,395
Net profit/(loss) attributed to non-controlling interests	13.6	45,836	83,151
Basic earnings per share (euros)	5	0.56	0.53
Diluted earnings per share (euros)	5	0.56	0.53

		Thousands of euros	
STATEMENT OF COMPREHENSIVE INCOME	**Note**	**2025**	**2024**
Net consolidated income		**390,285**	**390,546**
Other items of comprehensive income recognised directly in equity		**24,931**	**(14,625)**
Gains/(losses) on financial instrument hedges	13.4	37,147	(6,409)
Share in other comprehensive income of investments accounted for using the equity method	13.4	906	183
Transfer to other comprehensive income of gains and losses on hedging financial instruments	13.4	(13,122)	(8,399)
Consolidated comprehensive income		**415,216**	**375,921**
Comprehensive profit/(loss) for the year attributable to the Parent		369,380	292,891
Comprehensive income attributable to non-controlling interests		45,836	83,030

The accompanying Notes 1 to 25 and the Appendix are an integral part of the consolidated income statement and consolidated statement of comprehensive income for the year ended December 31st, 2025.

Colonial SFL, SOCIMI, S.A. and subsidiaries
(formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated statement of changes in equity for the year ended December 31st, 2025

(Thousands of euros)	Note	Share capital	Issue premium	Own shares	Other reserves	Retained earnings	Equity attributable to shareholders of the Parent	Non-controlling interests	Equity
Balance at 31 December 2023	**13**	**1,349,039**	**1,463,600**	**(64,928)**	**462,272**	**1,725,573**	**4,935,556**	**1,011,646**	**5,947,202**
Total recognised income and expense for the year		–	–	–	(14,504)	307,395	**292,891**	83,030	**375,921**
Transactions with shareholders:									
Capital increases		219,323	403,150	–	(4,587)	–	**617,886**	–	**617,886**
Own share portfolio		–	(19,059)	2,312	–	(9,521)	**(26,268)**	–	**(26,268)**
Distribution of profits		–	–	–	69,257	(212,866)	**(143,609)**	(36,387)	**(179,996)**
Share-based remuneration payments		–	–	1,429	5,516	65	**7,010**	68	**7,078**
Changes in scope		–	–	–	(5,699)	(881)	**(6,580)**	(9,832)	**(16,412)**
Other changes		–	–	–	1,824	(1,390)	**434**	12	**446**
Balance at December 31st, 2024	**13**	**1,568,362**	**1,847,691**	**(61,187)**	**514,079**	**1,808,375**	**5,677,320**	**1,048,537**	**6,725,857**
Total recognised income and expense for the year		–	–	–	24,931	344,449	**369,380**	45,836	**415,216**
Transactions with shareholders:									
Own shares portfolio		–	–	(36,812)	–	10	**(36,802)**	–	**(36,802)**
Distribution of profits		–	–	–	(30,140)	(153,332)	**(183,472)**	(56,834)	**(240,306)**
Share-based remuneration payments		–	–	49,920	7,758	(10,562)	**47,116**	–	**47,116**
Changes in scope		–	–	–	(1,668)	–	**(1,668)**	(59,349)	**(61,017)**
Other changes		–	–	–	(21,535)	22,706	**1,171**	158	**1,329**
Balance at December 31st, 2025	**13**	**1,568,362**	**1,847,691**	**(48,079)**	**493,425**	**2,011,646**	**5,873,045**	**978,348**	**6,851,393**

Notes 1 to 25 and the Appendix described in the consolidated report are part of the statement of changes in consolidated equity for the year ended December 31st, 2025.

Colonial SFL, SOCIMI, S.A. and subsidiaries
(formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated statement of cash flows for the year ended December 31st, 2025

	Note	Thousands of euros	
		2025	**2024**
CASH FLOWS FROM OPERATIONS			
1. CASH FLOWS FROM OPERATING ACTIVITIES			
Net consolidated income		390,285	390,546
Adjustments to profit/(loss):			
Depreciation and amortisation (+)		6,207	7,332
Provisions (+/-)	19.4	(1,590)	829
Changes in value of investment property (+/-)	19.7	(132,705)	(102,399)
Gains/(losses) on changes in value of assets due to impairment (+/-)	19.6	2,886	1,343
Result of entities through the participation procedure (+/-)	2.6 and 10	(1,128)	(1,649)
Other		(739)	(39,590)
Gains/(losses) on sale of investment property (+/-)	19.5	(2,571)	(15,063)
Net financial profit (+)	19.8	89,375	80,658
Income tax expense (+/-)	18	(27,911)	(35,003)
Adjusted profit/(loss)		**322,109**	**287,004**
Taxes refunded / (paid) (+/-)		(40,169)	(646)
Dividends received from associates (+)		410	–
Interest received (+)		23,224	13,794
Increase/(decrease) in current assets and liabilities			
Inventories (+/-)		–	78,548
Increase/(decrease) in receivables (+/-)		(13,830)	(23,349)
Increase/(decrease) in payables (+/-)		(3,981)	5,827
Increase/(decrease) in other assets and liabilities (+/-)		–	1,230
Total net cash flows from/(used in) operating activities		**287,763**	**362,408**
2. CASH FLOWS FROM INVESTING ACTIVITIES			
Investments in (-)			
Intangible assets		(2,175)	(3,278)
Property, plant and equipment	8	(3,159)	(957)
investment property	9	(201,688)	(161,012)
Investments accounted for using the equity method		(208,726)	–
Non-current assets classified as held for sale	23	(21)	(6,277)
Non-current financial assets and others	11	(6,128)	(2,684)
		(421,897)	**(174,208)**
Divestments in (+)			
Investment property and assets classified as held for sale	9 and 23	15,016	168,989
Investments accounted for using the equity method		–	241
Financial assets	11	(959)	381
Receipts from government grants		11	9
		14,068	169,620
Total net cash flows from investing activities		**(407,829)**	**(4,588)**
3. CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid (-)	13	(240,306)	(179,996)
Debt repayment (-)	14	(1,185,000)	(399,575)
Interest paid (+/-)		(102,579)	(117,912)
Redemption of financial instruments (-)		(5,810)	(4,705)
Purchase of non-controlling interests (-)		(15,642)	–
Own share transactions (+/-)		(44,566)	(26,116)
Obtainment of new financing (+)	14	1,300,000	130,000
Capital increase		–	345,414
Other proceeds/(payments) for current financial investments and other (+/-)		21,643	(3)
Total net cash flows from/(used in) financing activities		**(272,260)**	**(252,893)**
4. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS			
Cash flow for the year	**14**	**(392,326)**	**104,927**
Cash or cash equivalents at beginning of year	**14**	**542,717**	**437,790**
Cash or cash equivalents at end of year	**14**	**150,391**	**542,717**

Notes 1 to 25 and the Appendix described in the consolidated financial statements form an integral part of the consolidated statement of cash flows for the year ended December 31st, 2025.

Colonial SFL, SOCIMI, S.A. and subsidiaries (formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Notes to the consolidated financial statements for the year ended December 31st, 2025

1. Business activities of the Colonial Group

Colonial SFL, SOCIMI, S.A., formerly known as Inmobiliaria Colonial, SOCIMI, S.A. (hereinafter, the “Parent”) is a public limited company incorporated in Spain, for an indefinite term, on 8 November 1956. Its registered offices are located 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 Parent submitted a request to the tax authorities to be included in the REIT tax system, applicable as of 1 January 2017.

The Parent's purpose, as set out in its articles of association, is as follows:

- 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 engaged in 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 articles of association;
- 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 carry on any other ancillary activities, i.e., those that they generate income representing less than 20%, taken as a whole, of its income in each tax period, or those that may be considered ancillary activities under the legislation applicable at any time, 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.

Activities that by law are attributable exclusively to special purpose vehicles are expressly excluded from its corporate purpose.

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 natural persons or legal persons other than this Parent company.

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.

Colonial SFL, SOCIMI, S.A. is listed on the continuous market of Bolsas y Mercados Españoles and on 19 June 2017 it became part of the IBEX-35 bluechip stock market index.

On 3 and 4 March 2025, the boards of directors of the Parent and its subsidiary, Société Foncière Lyonnaise, S.A. (hereinafter, "SFL"), respectively, approved the common draft terms of merger by absorption between the Parent, as the absorbing company, and SFL, as the absorbed company (hereinafter, the "merger"), in accordance with the provisions of Royal Decree-Law 5/2023 of 28 June and the French Commercial Code.

On 23 April 2025, the annual general meeting of shareholders of SFL resolved to approve the merger, and on 27 May 2025, the annual general meeting of shareholders of the Parent also resolved to approve the merger, in both cases in accordance with the common draft terms of merger. Likewise, at its meeting held on 27 May 2025, the board of directors of the Parent resolved to implement the merger resolution approved by Colonial's annual general meeting of shareholders on 27 May 2025, with the merger taking effect on 23 April 2025.

The conditions precedent for the merger to be effective included:

1. Confirmation from the Autorité des Marchés Financiers (hereinafter, the "AMF") that the Parent company was not required to submit a delisting offer for SFL.
2. Approval of the merger by the general shareholders' meetings of the absorbed and absorbing companies.
3. Issuance by the President of the Paris Commercial Court of the certificate confirming that the process is lawful.
4. Legal compliance review by the Madrid Mercantile Registry, with no objections.

Meanwhile, on 19 June 2025, the President of the Commercial Court of Paris concluded the corresponding lawfulness review of the merger from the perspective of French law and issued, in favour of SFL, the pre-merger certificate (certificat de conformité), certifying that SFL had complied with all the required conditions and that all the necessary procedures and formalities had been duly completed in accordance with French law and regulations.

Accordingly, on 1 October 2025, the cross-border merger transaction was filed with the Mercantile Registry of Madrid, and the corporate name of the resulting company was changed to Colonial SFL, SOCIMI, S.A.

Colonial SFL, SOCIMI, S.A. and its subsidiaries (hereinafter, the Group) carry out their activities in Spain (mainly in Barcelona and Madrid) and in France (Paris) through the group of which SFL was formerly the parent, up to the date of the merger in April 2025. Subsequent to that date, activities in France have been carried out through the permanent establishment and the investee companies.

During 2025, the parent company maintained the credit ratings assigned by (i) Standard & Poor's Rating Credit Market Services Europe Limited of "BBB+" for the long term and "A-2" for the short term; and (ii) Moody's of "Baa1", in both cases with a stable outlook.

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 explanatory notes. However, the Group does apply an active environmental policy in relation to urban processes of construction and maintenance and the preservation of its property portfolio.

2. Basis of presentation of the consolidated financial statements

2.1. Basis of presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (EU-IFRSs) as adopted by the European Union, taking into account all mandatory accounting policies and rules and measurement bases, the Spanish Code of Commerce, the Spanish Limited Liability Companies Law, the Spanish Securities Markets Law and other applicable company law, as well as regulations laid down by the Spanish National Securities Market Commission (CNMV), to present a true and fair view of the Group's consolidated equity and financial position at December 31st, 2025 and of the income from its operations, the changes in consolidated equity and the consolidated cash flows for the year then ended.

The consolidated annual financial statements of Colonial SFL, SOCIMI, S.A. and its subsidiaries for the year ended December 31st, 2025, which have been drawn up on the basis of the accounting records maintained by the Parent and the other entities included in the Group, were authorised for issue by the directors of the Parent at a meeting of its board of directors held on 26 February 2026.

However, since the accounting policies and measurement bases used in preparing the Group's consolidated financial statements at December 31st, 2025 may differ from those used by certain Group companies, the required adjustments and reclassifications were made on consolidation to unify the policies and bases used and to make them compliant with EU-IFRSs.

In order to present on a consistent basis the various items that make up the consolidated financial statements, the accounting principles and measurement bases used by the Parent were applied to all the companies included in the scope of consolidation.

The Group's consolidated financial statements for the year ended December 31st, 2024 were approved by the shareholders of the Parent at the Annual General Meeting held on 27 May 2025.

2.2. Adoption of International Financial Reporting Standards

The Group's consolidated financial statements are presented in accordance with EU-IFRS, pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002. In Spain, the obligation to present consolidated financial statements under European IFRS is also regulated in final provision eleven of Law 62/2003, of 30 December, on tax, administrative and social measures.

The main accounting policies and valuation standards adopted by the Group are presented in Note 4.

2.2.1. Standards and interpretations effective this year

New accounting standards came into force in 2025 and were taken into account accordingly when drawing up these consolidated financial statements. These new standards are as follows:

- IAS 21 (Amendments) "Lack of Exchangeability"

These standards have been taken into account with effect from 1 January 2025, their impact on these consolidated financial statements was not material.

2.2.2. Standards and interpretations issued and not in force that can be adopted in advance

At the date of authorisation for issue of these consolidated financial statements, the following standards, amendments or interpretations were published by the IASB and the IFRS Interpretations Committee, but have not yet come into force, although they can be adopted in advance:

- IFRS 7 (Amendments) and IFRS 9 (Amendments) "Classification and Measurement of Financial Instruments"."
- IFRS 7 (Amendments) and IFRS 9 (Amendments) "Nature-dependent electricity contracts"".
- Annual improvements aimed at clarifying or correcting minor aspects.
- IFRS 18 "Presentation and Disclosure in Financial Statements". These amendments are effective annual periods beginning on or after 1 January 2027.

The Parent's directors have reviewed the potential impacts of the future application of these standards and consider that their entry into force will not have a material impact on the Group's consolidated annual financial statements.

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

At the date of authorisation for issue of these consolidated 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 19 "Subsidiaries without Public Accountability: Disclosures". This amendment effective for years beginning on or after 1 January 2027. Earlier application of the amendment is permitted, although approval by the European Union is pending.

- Amendments to IFRS 9 “Subsidiaries without Public Accountability: Disclosures”. These amendments are effective for financial years beginning on or after 1 January 2027. Early adoption is permitted, although the amendments have yet to be approved by the European Union.
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Currency Presentation". These amendments are effective for financial years beginning on or after 1 January 2027. Early adoption is permitted, although the amendments have yet to be approved by the European Union.

The application of new standards, amendments and interpretations will be considered by the Group once they have been ratified and adopted, as the case may be, by the European Union.

The Parent’s directors have reviewed the potential impacts of the future application of these standards and consider that their entry into force will not have a material effect on the consolidated financial statements.

2.3. Functional currency

These financial statements are presented in the Group’s functional currency, the euro, as this is the currency of the main economic area in which the Group operates.

2.4. Responsibility for the information provided and accounting estimates and judgements made

The information in these consolidated financial statements is the responsibility of the Parent’s directors. Management of the Parent has made estimates based on objective data in order to quantify certain assets, liabilities, income, expenses and commitments reported herein. The relevant estimates and criteria relate to:

- The market value of properties for own use and investment property (Notes 4.3, 4.4, 8 and 9). The market value was obtained from the appraisals periodically made (half-yearly and yearly) by independent experts. These appraisals were prepared at December 31st, 2025 and 2024, applying the methods described in Notes 4.3 y 4.4.
- Measurement of deferred tax liabilities recognised in the consolidated statement of financial position (Notes 4.14 and 18).
- The classification and measurement of assets classified as held for sale (Notes 4.20 and 23).
- The market value of derivative financial instruments (Notes 4.12, 4.21 and 15).
- The assessment of control over investees requires the exercise of significant judgement, taking into account actual voting rights, potential voting rights exercisable at the reporting date, contractual arrangements, the ability to direct relevant activities, and exposure to variable returns (Note 2.5).

Although these estimates were made on the basis of the best available information at the date of authorising these consolidated financial statements for issue, events that take place in the future might make it necessary to change these estimates (upwards or downwards). Changes in accounting estimates would be applied prospectively and would be recognised in the consolidated income statement.

2.5. Basis of consolidation

The accompanying consolidated financial statements were prepared from the accounting records of Colonial SFL, SOCIMI, S.A. and of the companies controlled thereby, whose financial statements were prepared by each Group company's management. The Parent is considered to have effective control in the circumstances outlined below.

The results of the subsidiaries acquired or sold during the year are included in consolidated income from the effective date of acquisition and are no longer included from the date of disposal, as appropriate.

All accounts receivable and payable and other transactions between the consolidated companies have been eliminated on consolidation.

Where necessary, the financial statements of the subsidiaries are adjusted to ensure uniformity with the accounting policies applied by the Parent. All subsidiaries have the same reporting date as the Parent, i.e., 31 December.

All the companies comprising the Group have been consolidated using the full consolidation method (with the exception of the associate companies Inmocol Torre Europa, S.A., HQ América Advisory Co and SID, SOCIMI, S.A.), which have been consolidated using the equity method, the main characteristics of which are set out below:

- Subsidiaries are fully consolidated and are considered to be all entities in which the Group directly or indirectly controls the financial and operating policies such that power is exercised over the investee. This is generally accompanied by an ownership interest of more than half of an entity's voting rights. In addition, to evaluate whether the Group controls another entity, it considers the power over the investee; the exposure or rights to variable returns of the investment; and the ability to use this power over the investee to affect the amount of the investor's returns. When assessing whether the Group exercises control over another entity, the existence and effect of potential voting rights are taken into account, whether held by the parent company or by third parties, provided that such rights are substantive, are exercisable at the reporting date and are financially feasible.
- Subsidiaries are accounted for using the acquisition method. The acquisition cost is the fair value of the assets delivered, the equity instruments issued and the liabilities incurred or assumed at the acquisition date. Identifiable assets acquired and identifiable liabilities and contingencies incurred in a business combination are measured initially at fair value at the acquisition date, regardless of the effect of non-controlling interests. When the acquisition cost is higher than the fair value of the Group's interest in the identifiable net assets acquired, the difference is recognised as goodwill. If the acquisition cost is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement (details of the companies consolidated at December 31st, 2025 and 2024 and are included in the Appendix).

Associate companies, as at December 31st, 2025 and 2024, have been accounted for using the equity method, whereby the investment is initially recognised at cost and subsequently adjusted to recognise, in profit or loss, the Group's share of the associate's results after acquisition and, in other comprehensive income, the Group's share of the associate's movements recognised in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the share of losses attributable to the Group on an equity-accounted investment equals or exceeds its stake in the entity, including any other unsecured long-term receivables, the group does not recognise additional losses unless it has incurred obligations or made payments on behalf of the other entity.

The Group recognises the results of companies accounted for using the equity method within operating profit, as those companies are engaged in the Group's principal activity.

The accompanying consolidated financial statements do not include the tax effect, if any, of transferring the reserves of the consolidated companies to the Parent's equity, since it is considered that these reserves will be used to finance the operations of each company and any potential distributions will not represent a significant additional tax cost.

Non-controlling interests are stated at the proportion of the fair values of the identifiable assets and liabilities recognised. Non-controlling interests in:

- Investees' equity: recognised in equity under "Non-controlling interests" in the consolidated statement of financial position.
- Profit or loss for the year: recognised under "Net profit attributable to non-controlling interests" in the consolidated income statement.

2.6. Changes in the scope of consolidation

The following changes occurred in the scope of consolidation in 2025:

- With effect from 23 April 2025, the merger between the Parent, as the absorbing company, and SFL, as the absorbed company, was completed (Note 1). As a result of this merger, the Group acquired the SFL shares held by the non-controlling shareholders of the absorbed company for a total amount of 59,722 thousand euros, of which 15,642 thousand euros were paid through the ""exit mechanism included in the merger agreement, and the remaining 44,080 thousand euros were exchanged for shares of the parent company at the ratio established in the merger agreement. The transaction was accounted for as an acquisition of non-controlling interests.

- In 2025, the Parent partnered up with Stoneshield Capital to create a pan-European real estate platform dedicated to science and innovation (“Deeplabs”).

  Along these lines, the parent company acquired 95.5% of the share capital of Science and Innovation Districts SOCIMI, S.A. (formerly GS Jalor, S.A. and hereinafter "SID SOCIMI"), a company that indirectly owns a portfolio of real estate assets located in Madrid and Barcelona, comprising 138,000 square metres of premises, mainly scientific facilities, spread across three campuses in Barcelona and Madrid, in exchange for approximately 196,490 thousand euros. The Parent maintains a guarantee for the amount corresponding to any tax liability that may arise from the sale of the properties held by SID SOCIMI. The directors of the parent company consider that the net assets acquired through the interest in SID SOCIMI do not constitute a business for accounting purposes, and the costs associated with the acquisition of that interest have been recognised in the consolidated income statement for 2025 in an amount of 5,304 thousand euros. Likewise, pursuant to the agreements entered into between the parent company and Stoneshield Capital, S&I Advisory, S.L. (formerly GS Andes, S.L. and hereinafter, S&I Advisory) was incorporated. The company is owned equally by both partners and is the entity responsible for setting the investment and management strategy of SID SOCIMI.

  SID SOCIMI has its own ordinary management team, which is responsible for implementing the annual budget approved by the company S&I Advisory. Any relevant deviation not contemplated in the approved annual budget of SID SOCIMI must be submitted for approval by the company S&I Advisory. Likewise, in the event of any disagreement between the partners of S&I Advisory, that is, between Colonial and Stoneshield Capital, the agreements entered into provide for a series of mechanisms to resolve situations of deadlock, ultimately providing for the mediation of a third party in order to resolve any such deadlock. Finally, the business plan contemplated by the shareholders foresees that the Parent Company's stake in SID SOCIMI will be significantly reduced through the entry of new shareholders into the capital of said company.

  The agreements entered into between Colonial and Stoneshield Capital include a call option in favour of Colonial, granting it the right, but not the obligation, to acquire the remaining interest not held in SID SOCIMI, as well as the 50% interest in S&I Advisory, in the event that, after 24 months, the parent company’s interest in SID SOCIMI has not been reduced. This purchase option, which is not exercisable as of December 31, 2025 or as of the date of preparation of these consolidated financial statements, has a price set at fair value calculated on the basis of the market value of the properties held by SID SOCIMI.

  Based on all of the above, the directors of the parent company have concluded that the partners exercise joint control over both SID SOCIMI and S&I Advisory, and accordingly those interests have been accounted for using the equity method.

  In addition, the agreements signed contemplate the accrual of a promote fee by Colonial in the event that the investment in SID SOCIMI reaches certain levels of profitability. At year-end 2025, the income accrued in respect of that item was not significant.

- Lastly, on 5 December 2025, HQ America, SOCIMI, S.A. was incorporated with a share capital of 10,000 shares, each with a nominal value of 1 thousand euros, together with a share premium of 4,100 thousand euros per share. The parent company acquired 2,400 shares, representing 24% of the share capital, for a total amount of 12,240 thousand euros. Moreover parent company granted a loan in the amount of 5,000 thousand euros and maturing in the long term. The aforementioned company has been accounted for using the equity method.

During the 2024 financial year , the following variations occurred in the scope of consolidation:

- On 1 January 2024, as a result of the shareholders’ agreements signed between the two parties, the Parent ceased to have control over the subsidiary Inmocol Torre Europa, S.A., which is now accounted for using the equity method (Note 10).

- On 7 March 2024, the shares held by the parent company in the subsidiary company Peñalvento, S.L.U. were sold to Grupo Occidente. This company was the owner of a property located in Madrid. The transfer amounted to 106,835 thousand euros, of which 28,278 thousand euros had already been collected by the Parent in previous years as advances. On the same date, the advances received by the Parent, which were recorded under “Trade and other payables” in the condensed consolidated statement of financial position, were derecognised.
- As part of the tender offer for all SFL shares held by shareholders other than Colonial and Predica in 2021, the Parent agreed with certain SFL executives who were beneficiaries of SFL share plans whose shares could not yet be disposed of, the option to exchange each SFL share for 46.66 euros and five shares of the Parent. At December 31st, 2024, a total of 26,784 shares in SFL had been acquired (Note 13.3). Also in 2024, subsidiary company SFL increased its capital by 65,128 shares charged to reserves. Following these transactions, the Parent’s stake stood at 98.24%.
- As part of the share capital increase subscribed by means of both cash and non-cash contributions, subsidiary company Colonial Living, S.L.U. (wholly-owned by the Parent) was incorporated and various residential properties were contributed to the company for a total of 162,067 thousand euros (Notes 1 and 9).

At December 31st, 2025 and 2024 , the subsidiaries Colonial Tramit, S.L.U., Inmocol One, S.A.U., Inmocol Two, S.L.U., Colonial Lab, S.L.U., SAS SB2, SAS SB3 and SCI SB3 were all dormant.

2.7. Comparison of information

The information contained in this consolidated report referring to the 2025 financial year is presented for comparative purposes with the information for the 2024 financial year .

2.8. Aggregation of items

Certain items in the consolidated statement of financial position, the consolidated income statement and statements of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows are presented in a grouped manner to facilitate their understanding, although, to the extent that it is significant, the disaggregated information has been included in the corresponding notes to the report.

2.9. Correction of errors

In the preparation of the consolidated financial statements, no significant error has been detected that has led to the restatement of the amounts included in the consolidated financial statements for the 2024 financial year .

2.10. Climate change

Climate change brings with it major changes in the economy, making it necessary to be increasingly aware of its impacts on the financial and non-financial performance of companies. The major issues associated with these changes have led to very ambitious objectives that imply radical transformations, framed within the framework of European pacts and regulations, also resulting from the different conferences organised by the United Nations and agreements at international level with the aim of aligning commitments and action plans to mitigate the effects of climate change, the latest being the one held in Brazil (COP30) in November 2025.

The purpose of this note is to present the impact of these changes on the Group's business and performance, as well as the main accounting impacts on the consolidated accounts.

Effects of climate-related changes on the Group's financial position

The real estate sector is a sector with a high climate impact. For this reason, the Group has put a strategy in place to ensure that the risks and impacts of climate change and the measures to address them are monitored.

The potential impacts on the consolidated financial statements related to climate change have been analysed and assessed on an approximate basis, given how inherently complex this process as it is difficult to disassociate the impacts from other factors to have influenced the Group's performance during the period. On this basis, the major impacts on the financial data are as follows:

- The fact that the asset portfolio has a high degree of energy performance assurance (Breeam, Leed, HQE) is positive for the valuation of the Group's properties, as they are recognised for their high levels of sustainability, thus minimising the emissions generated in their use (as can be seen from the certifications obtained).
- An increase in the investment and operating costs of property to anticipate regulatory developments and adapt to changes in customer demand for more sustainable spaces. These include, for example, the installation of lighting systems, the selection and implementation of more efficient air-conditioning systems, the installation of photovoltaic panels, and the digitalisation of buildings to optimise energy consumption.
- Various expenses, such as the costs of environmental certification of properties, costs linked to the publication of ESG data, and elements of remuneration of certain employees or directors linked to the achievement of ESG objectives.
- Higher volume of green energy procurement expenditures. There has been a sharp increase in demand for guarantees of origin, thus making these certificates and assurances for other sources of renewable energy more expensive to obtain.
- Increase in the cost of projects due to the incorporation of life cycle analysis in the study and design phase, as well as the use of new, more sustainable materials with a lower impact on the carbon footprint and due to waste management and the promotion of the circular economy.

Other potential impacts on consolidated accounts

Other potential impacts of climate change, which have no current impact on the consolidated financial statements, are as follows:

- Risks associated with financial instruments (IFRS 7): As of the closing date of these consolidated financial statements, all of the Group's bonds are rated as green bonds amounting to €4,823 million (€4,523 million as of December 31st, 2024). In addition, the Group has 6% of the rest of its financial liabilities drawn down indexed to ESG indicators (6% as of December 31, 2024), whose interest rates could vary depending on the evolution of these indicators.
- In addition, as of December 31st, 2025 , the Group has fully available credit lines amounting to €2,085 million indexed to ESG indicators (€2,570 million as of December 31, 2024), whose interest rates could vary depending on the evolution of these indicators.
- Fees and taxes related to environmental regulation (IAS37): the investments made by the Group have enabled it to be in line with the regulations in force regarding climate change. As a result, the Group has not received any sanctions for non-compliance with these regulations. The Group has also implemented a monitoring system to anticipate regulatory developments in this area and to take the necessary actions to ensure compliance. The Group had not posted any provisions at either December 31st, 2025 or December 31st, 2024 to cover possible sanctions for non-compliance with prevailing environmental regulations.
- The depreciation of assets (IAS36) or the re-estimation of the useful lives and residual values of fixed assets (IAS16): the Group's assets are mainly recorded at fair value and therefore the Group's financial statements do not include any significant impact arising from these standards.

2.11. Financial Situation

As at December 31st, 2025, the Group’s current liabilities exceeded its current assets by 207,298 thousand euros. The Group has undrawn long-term financing facilities amounting to 2,085,000 thousand euros.

3. Distribution of the Parent's profit

The distribution of profit for 2025 proposed by the board of directors of the Parent and that will be submitted for approval at the annual general meeting is as follows:

	Thousands of Euros
Profit for the year of the Company	**171,059**
To legal reserve	17,106
To dividends	153,953
Total	**171,059**

The Parent’s board of directors may propose an additional distribution of available reserves and the return of share premium.

The proposed appropriation of profit for 2024 approved at the annual general meeting held on 27 May 2025 was approved without amendment.

In the past five years, the Parent has distributed the following dividends:

Year	2020	2021	2022	2023	2024
Amounts distributed (thousands of euros)	111,087	127,540	132,873	143,609	183,472

4. Measurement bases

The main measurement bases used to prepare the consolidated financial statements, in accordance with EU-IFRS and the interpretations in force when these consolidated financial statements were prepared, are as follows:

4.1. Business Combinations and Asset Acquisitions

For each transaction involving the acquisition of control of a subsidiary, the directors of the Parent have, since 2025 and on an optional basis, performed the concentration test provided for in IFRS 3 – Business Combinations, in order to assess whether the set of activities and assets acquired constitutes a business. To this end, it is assessed whether the fair value of the gross assets acquired is concentrated in a single identifiable asset or in a set of similar identifiable assets. The directors of the Parent Company consider that this test is passed and, consequently, the transaction is not classified as a business from an accounting perspective, in the event that an amount equal to or greater than 90% is concentrated in a set of similar assets.

In assessing whether assets are similar, the directors primarily consider whether the properties are put to a homogeneous use, whether they are located in the same city, and whether there are differing risks across the various locations, taking into account, among other factors, the discount rates and yields used in the valuations performed by independent third-party experts. In this regard, investment properties and the amount of the receivable recognised in the accounts arising from the straight-lining of incentives under lease contracts associated with those investment properties are considered similar assets.

Where the transaction passes the test and, therefore, does not qualify as a business, the purchase price is allocated to the gross assets acquired on a pro rata basis according to their fair value.

On the other hand, in the event that the transaction does not pass the aforementioned concentration test, the operation is classified as a business combination. Business combinations are accounted for by applying the acquisition method.

The cost of the business combination is allocated at the acquisition date by recognising, at fair value, all assets, liabilities and contingent liabilities of the acquired entity that meet the criteria for recognition established in IFRS 3. The excess of the cost of a business combination over the acquiree’s allocated assets, liabilities and contingent liabilities is recognised as goodwill, which, accordingly, represents advance payments made by the Colonial Group for future economic benefits generated by the assets of the acquiree that are not individually and separately identifiable and recognisable.

The negative difference, if any, between the cost of the business combination and the allocation to assets, liabilities and contingent liabilities of the acquired entity is recognised as a gain or loss in the year in which it arises.

If a business combination is achieved in stages, the acquirer remeasures its previously held equity interest in the acquiree at fair value at the acquisition date and recognises any resulting gain or loss in the consolidated statement of comprehensive income or under other consolidated comprehensive income, where appropriate.

4.2. Intangible assets

As a general rule, intangible assets are initially measured at their acquisition or production cost. They are then measured at cost less the corresponding accumulated amortisation and, where applicable, less any impairment losses. The breakdown of the depreciation of these assets according to their useful life is as follows:

	Years of estimated useful life
Computer	3 to 10
Other intangible assets	7 to 10

4.3. Property, plant and equipment

Land and buildings intended for own use as well as other property, plant and equipment are recognised at historical cost less accumulated depreciation and impairment losses.

Historical cost includes the acquisition price at the date of recognition of the asset and expenses directly attributable to the acquisition of those assets. Possible impairment losses on real estate are recognised in accordance with the same valuation assumptions described in Note 4.4.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset only when they can be measured reliably and it is probable that future economic benefits associated with them will flow to the entity. The remaining costs of day-to-day servicing of assets are charged to the consolidated income statement in the year in which they are incurred.

Group companies depreciate their property, plant and equipment for own use and other property, plant and equipment using the straight-line method, distributing the cost of the assets over the years of estimated useful life and provided that the residual value does not change or changes insignificantly.

The Parent has revised the estimated useful lives of certain items of property, plant and equipment by extending their useful lives. The breakdown of the useful life of property for own use is as follows:

	Years of estimated useful life
Property for own use:	
Constructions	50 to 118
Facilities	5 to 29
Other tangible fixed assets	2 to 20

Gains or losses arising on the sale (Note 19.5) or derecognition of an asset (Note 19.6) under this heading are determined as the difference between the selling price and its carrying amount and are recognised in the consolidated income statement.

Although these estimates were made on the basis of the best information available at year-end 2024, future events may make it necessary to change these estimates (upwards or downwards) in subsequent reporting periods. Any changes in accounting estimates are recognised prospectively, with recognition of the effects of the change of estimate in profit and loss. As at December 31st, 2025, it is estimated that no circumstances have arisen that would require the useful lives of the Group’s assets to be reassessed.

4.4. investment property

"Investment property" in the consolidated statement of financial position reflects the values of the land, buildings, considered in whole or in part or both and other constructions held to earn rents or for capital appreciation upon disposals due to future increases in their respective market prices.

The acquisition of an asset or group of assets through a partnership that does not represent a business combination as defined in IFRS 3 - Business Combinations shall be recognised in the statement of financial position as investment property.

In accordance with the option provided by IAS 40 - Investment Property, the Group chooses to present the investment property is presented at fair value at the end of the reporting period and is not depreciated.

Profit or loss arising from changes in the fair value of investment property is included in the profit of the period in which it occurs and recognised under “Changes in value of investment property” in the consolidated income statement (Note 19.7).

Gains or losses resulting from the derecognition or disposal of an investment property are determined as the difference between the net proceeds from the transaction and the carrying amount of the asset and are recognised in the consolidated income statement for the period in which the derecognition occurs (Note 19.5).

When the Group recognises as an increase in fair value of an investment property the cost of an asset that replaces another already included in such amount, the Group reduces the value of the property by the fair value of the asset replaced, recognising the impact under “Gains/(losses) on changes in value of assets due to impairment” in the consolidated income statement (Note 19.6). When the fair value of the replaced asset cannot be identified, it is recorded by increasing the fair value of the property, and subsequently revalued periodically by reference to independent external valuations carried out in accordance with the valuation and appraisal standards published by the Royal Institute of Chartered Surveyors (RICS) of Great Britain, and in accordance with the International Valuation Standards (IVS) published by the International Valuation Standards Committee (IVSC).

Assets are transferred from investment property in progress to investment property when they are ready for use. The classification of an investment property to investment property in progress takes place only when the rehabilitation or renovation project will exceed one year in length.

Investment property whose disposal is highly probable is reclassified as "Assets classified as held for sale" and measured at fair value in accordance with IFRS 5 - Non-current assets held for sale and discontinued operations.

In accordance with IAS 40, the Group determines the fair value of investment property every half year, i.e. at 30 June and 31 December of each period. Such fair value is determined by reference to valuations carried out by independent third-party experts (Level 3 fair value hierarchy) as at the date of preparation of the consolidated statement of financial position: Savills and &Cushman Wakefield for 2025,& and CB Richard Ellis Valuation and Cushman Wakefield for 2024 in Spain; and CB Richard Ellis Valuation and BNP Paribas in France for both years. Accordingly, at the end of each reporting period, fair value reflects the market conditions of the investment property assets as 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.

The methodology used to determine the market value of the Group’s investment properties during 2025 and 2024 is primarily the discounted cash flow method (Discounted Cash Flow, hereinafter “DCF”).

The DCF method applied over a 10-year horizon is used, in accordance with current market practices, unless the specific characteristics of the investment suggest another course of action. The cash flow is considered throughout the period on a monthly basis to reflect increases in the CPI, the timetable for future rent reviews, the maturity of operating leases, etc.

With regard the increases in the CPI, the generally accepted forecasts are normally adopted.

Given that the appraiser does not know with certainty whether there will be periods of vacancy in the future, nor their duration, their forecasts are prepared based on the quality and location of the building, and they will generally adopt an average lease period if there is no information about the future intentions of each tenant. The assumptions determined in relation to the periods of vacancy and other factors are explained in each valuation.

The final profitability or Terminal Capitalisation Rate (hereinafter, “TCR”) adopted in each case refers not only to the market conditions forecast at the end of each cash flow period, but also to the leasing conditions that are expected to be maintained and the physical location of the property, taking into account any possible improvements planned for the property and included in the analysis.

With regard to acceptable discount rates, conversations are regularly held with various institutions to assess their attitude towards different investment rates. This general consensus, together with the data on any sales made and market forecasts relating to variations in the discount rates, serve as starting points for the appraisers to determine the appropriate discount rate in each case.

The properties were assessed individually, considering each of the lease agreements in force at the end of the reporting period. Buildings with unlet floor space were valued on the basis of future estimated rental income, net of an estimated letting period.

The most relevant key inputs of this method for the purposes of sensitivity analysis are the determination of net income and the rate of return, especially as it is a 10-year discounted cash flow model. The other variables considered, although they are taken into account in determining fair value, are not considered to be key, and therefore no quantitative information is included, nor are they sensitised, since any possible reasonable variations would not entail a significant change in the fair values of the assets.

The estimated yields are mainly determined by the type, age and location of the properties, by the technical quality of the asset, as well as the type of tenant and occupancy rate, etc.

The details of the yields considered, as well as the assumptions used in the estimation of expected cash flow growth, for the years 2025 and 2024, are detailed in the following tables:

	Gross	
Weighted Yields (%) - Offices	December 31st, 2025	December 31st, 2024
Barcelona – Prime Yield		
Portfolio in operation	4.97	5.12
Total portfolio	4.96	5.10
Madrid – Prime Yield		
Portfolio in operation	4.82	4.89
Total portfolio	4.82	4.89
Paris – Prime Yield		
Portfolio in operation	4.07	4.09
Total portfolio	4.10	4.12

Assumptions made at December 31st, 2025					
Rent increases (%) – Offices	Year 1	Year 2	Year 3	Year 4	Year 5 and thereafter
Barcelona –					
Portfolio in operation	3	2.75	2.5	2.5	2.5
Total portfolio	3	2.75	2.5	2.5	2.5
Madrid –					
Portfolio in operation	3.5	2.5	2.5	2.5	2.5
Total portfolio	3.5	2.5	2.5	2.5	2.5
Paris –					
Portfolio in operation	1.5	2.3	2.3	2.3	2.3
Total portfolio	1.5	2.3	2.3	2.3	2.3

Assumptions made at December 31st, 2024					
Rent increases (%) – Offices	Year 1	Year 2	Year 3	Year 4	Year 5 and thereafter
Barcelona –					
Portfolio in operation	3.5	2.75	2.5	2.5	2.5
Total portfolio	3.5	2.75	2.5	2.5	2.5
Madrid –					
Portfolio in operation	3.5	2.5	2.5	2.5	2.5
Total portfolio	3.5	2.5	2.5	2.5	2.5
Paris –					
Portfolio in operation	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 25 basis points in the yields has the following impact on the valuations used by the Group at December 31st, 2025 and 2024, to determine the value of its property assets (Property, plant and equipment – own use, investment property, and assets classified as held for sale):

	Thousands of euros		
Valuation sensitivity to +/- 25 basis point changes in rates of return	Measurement	Decrease of one quarter of a point	Increase of one quarter of a point
December 2025 (*)	11,991,738	628,839	(568,358)
December 2024 (*)	11,646,424	684,406	(614,225)

(*) Includes the valuation of the Plaza Europa, 34 asset of associate company Inmocol Torre Europa, S.A., amounting to 53,327 and 52,300 thousand euros as at December 2025 and 2024, respectively. (Note 2.6 and 10).

Analysis of sensitivity to increases in rent

Rent increases have the following impact on the valuations used by the Group at December 31st, 2025 and 2024 to determine the value of its real estate assets (property, plant and equipment – own use, investment property and assets classified as held for sale):

	Thousands of euros		
2025	Sensitivity of valuation to percentage growth in rent		
Sensitivity of valuations to changes in the rates of return (yield)	-2.5%	0 %	2,5%
-25bp	12,362,130	12,620,576	12,855,932
0 bp	11,766,886	11,991,738	12,212,237
+25 bp	11,262,079	11,423,380	11,639,333

	Thousands of euros		
2024	Sensitivity of valuation to percentage growth in rent		
Sensitivity of valuations to changes in the rates of return (yield)	-2.5%	0 %	2,5%
-25bp	12,107,203	12,330,830	12,552,489
0 bp	11,440,215	11,646,424	11,853,503
+25 bp	10,840,005	11,032,199	11,232,686

Below is a reconciliation between the valuations used by the Group and the carrying values of the headings of the statement of financial position where the valued assets are located:

(Thousands of euros)	December 31st, 2025	December 31st, 2024
Headings of the consolidated statement of financial position -		
Property, plant and equipment – Own use (Note 8)	39,266	37,377
Investment property (Note 9)	11,203,030	11,314,725
Assets classified as held for sale (Note 23)	463,671	16,660
Lease incentives (Note 12)	183,086	177,638
Trade and other receivables - Acquired lease rights	–	21
Total headings of the consolidated statement of financial position	**11,889,053**	**11,546,421**
Other adjustments made to the valuation	(93)	335
Valuations of properties recognised by the equity method (Note 2.6)	264,615	52,300
Unrealised gains on assets recognised in property, plant and equipment	49,451	47,368
Measurement (*)	**12,203,026**	**11,646,424**

(*) This valuation includes the investment in third-party equity interests.

The income earned in 2025 and 2024 from the rental of investment property in the property segment (traditional business) amounted to 403,473 thousand euros and 377,548 thousand euros (Note 19.1), respectively, and are recognised under “Revenue” in the consolidated income statement.

The bulk of repair and maintenance expenses incurred by the Group in connection with the operation of its investment properties is passed on to the respective tenants (Note 4.18).

Direct operating expenses associated with investment properties which generated rental income in 2025 and 2024, as included under “Operating profit” in the consolidated income statement amounted to 94,840 thousand euros and 83,387 thousand euros, respectively, prior to deducting the costs passed on to the lessees. Expenses incurred in connection with investment properties that did not generate rental income were not material.

4.5. Impairment of plant, property and equipment

At each reporting date, the Group assesses the carrying amounts of its property, plant and equipment to determine if there are indications that the assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of the fair value of the asset less costs to sell or otherwise dispose of the asset and value in use. Where the asset does not generate cash inflows that are independent of those from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount; however, the increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.

4.6. Financial assets and liabilities

4.6.1. Financial assets

Classification

The Group classifies its financial assets in the following valuation categories:

- those that are subsequently measured at fair value (either through profit or loss or other comprehensive income); and
- assets measured at amortised cost.

The classification depends on the entity's business model for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in the income statement or in other comprehensive income. For investments in equity instruments not held for trading, this depends on whether the Group made an irrevocable election at initial recognition to account for the investment in equity at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when it changes its business model to manage those assets.

Recognition and derecognition

Conventional purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group undertakes to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets expire or are transferred and the Group has transferred substantially all the risks and rewards of ownership.

Valuation

On initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset that is not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. The transaction costs of financial assets recognised at fair value through profit and loss are recognised as an expense in the income statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are only the payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and on the characteristics of the asset's cash flows. There are three measurement categories in which the Group classifies its debt instruments:

- Amortised cost: Assets held for the collection of contractual cash flows when those cash flows represent only principal and interest payments are measured at amortised cost. Interest income on these financial assets is included in interest income in accordance with the effective interest rate method. Any gain or loss arising when they are derecognised is recognised directly in profit and loss. Impairment losses are presented as a separate line item in the consolidated income statement.
- Fair value through other comprehensive income: Assets held for the collection of contractual cash flows and for the sale of financial assets, when the cash flows from the assets represent only principal and interest payments, are measured at fair value through other comprehensive income. Changes in the carrying amount are taken to other comprehensive income, except for the recognition of impairment losses, interest income and exchange gains or losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit and loss and recognised in finance costs. Interest income on these financial assets is included in interest income in accordance with the effective interest rate method. Exchange gains and losses are presented in finance costs and the impairment expense is presented as a separate line item in the consolidated income statement.
- Fair value through profit or loss: Assets that do not meet the criteria for measurement at amortised cost or at fair value through other comprehensive income are recognised at fair value through profit or loss. A profit or loss on a debt investment that is subsequently recognised at fair value through profit or loss is recognised in profit or loss and presented net in the consolidated income statement within finance costs in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. When Group management has chosen to present gains and losses in the fair value of investments in equity in other comprehensive income, there is no subsequent reclassification of gains and losses in the fair value to income following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive the payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in finance costs in the consolidated income statement when applicable. Impairment losses (and reversals of impairment losses) on investments in equity measured at fair value through other comprehensive income are not presented separately from other changes in fair value.

Impairment

The group assesses on a prospective basis the expected credit losses associated with its assets at amortised cost and at fair value through other comprehensive income. The method applied for impairment depends on whether there has been a significant increase in credit risk.

For trade receivables, given the composition of the Group's portfolio, which is made up of companies of acknowledged prestige and proven financial solvency, the low history of losses from debtor balances over the last 10 years, including the years of financial crisis, the Group has considered that the expected impairment of these financial assets is immaterial (Note 12).

4.6.2. Financial liabilities

Financial liabilities are accounts payable by the Group that have arisen from the purchase of goods and services in the course of the Company's business and those which, not arising from trading activities, cannot be considered to be derivative financial instruments.

Classification

The Group classifies its financial liabilities in the following valuation categories:

- Financial liabilities at amortised cost: accounts payable are initially recognised at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are subsequently carried at amortised cost.
- Financial liabilities at fair value through profit or loss: these are liabilities that are acquired for the purpose of selling them in the short term. These financial liabilities are initially and subsequently measured at fair value, with changes in fair value recognised in the consolidated income statement for the year.

Recognition and derecognition

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

The Group classifies as short-term trade payables the retentions made to regular suppliers in construction projects, which are normally due within 12 months from the completion of the projects, as they are considered to be liabilities that are incurred in the normal operating cycle of the Group's business.

4.7. Receivables

Trade receivables are carried at recoverable value, i.e., net, where applicable, of the allowances recognised to cover balances of a certain age (Note 4.6), whose circumstances reasonably warrant their consideration as doubtful receivables.

4.8. Cash and cash equivalents

This heading includes bank deposits, carried at the lower of cost or market value.

Financial investments that are readily convertible into a known amount of cash and that are not subject to any significant risk of changes in value are deemed to be cash equivalents.

Bank overdrafts are not considered to be cash and cash equivalents.

4.9. Own equity instruments

An equity instrument represents a residual interest in the assets of the Parent after deducting all of its liabilities.

Equity instruments issued by the Parent are recognised in equity at the proceeds received, net of direct issue costs.

Any Parent shares acquired during the year are recognised as a deduction from equity at the value of the consideration paid. Any gains or losses on the acquisition, sale, issue or retirement of own equity instruments are recognised directly in equity and not in the consolidated income statement.

4.10. Provisions and contingent liabilities

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

- Provisions: creditor balances covering obligations arising as a consequence of past events which could give rise to liabilities at the Group companies, the nature of which is certain but the amount and timing of which cannot be determined, and
- Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of consolidated companies.

The consolidated financial statements include all the material provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised, but are disclosed in Note 17.

Provisions, which are quantified taking into consideration the best information available concerning the consequences of the events on which they are based, and which are revised at each reporting close, are recognised in order to cover the specific and likely risks for which they were originally recognised, and are fully or partially reversed if and when said risks cease to exist or are reduced.

4.11. Employee benefits

4.11.1. Termination benefits -

Under current Spanish legislation, the Group is required to pay termination benefits to employees terminated under certain conditions. Severance payments which can be reasonably quantified are recorded as an expense in the year in which the decision to terminate the contract is taken and a valid expectation regarding termination is transmitted to third parties. At December 31st, 2025 and 2024, the Group did not record any provisions in this connection.

4.11.2. Pension obligations -

The Parent assumed a commitment with executive directors and one member of senior management to make a defined contribution to an external pension plan that meets the requirements established by Royal Decree 1588/1999, of 15 October.

The Parent maintains several defined benefit pension plans. Defined benefit obligations are calculated on a regular basis by independent actuarial experts. The actuarial assumptions used to calculate these liabilities are adapted to the situation and to applicable French legislation, in accordance with IAS 19. The actuarial cost recorded in the consolidated statement of comprehensive income in relation to these plans is the sum of the service costs for the period, the interest expense and actuarial gains and losses.

4.11.3. Share-based payments -

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

In the case of transactions settled with equity instruments, both the services rendered and the increase in equity are measured at the fair value of the services received, unless that of the equity instruments transferred is more reliable, by reference to the grant agreement date. If, on the other hand, they are settled in cash, the goods and services received and the corresponding liability are recognised at the fair value of the goods and services received as of the date on which the recognition requirements are met. In the case of the plans described in Note 20, it has been decided to measure them at the amount of the equity instruments transferred.

4.11.4. Defined contribution pension plans-

A defined contribution plan is a plan under which fixed contributions are made to a separate entity and has no legal, contractual or constructive obligation to make further contributions if the separate entity does not have sufficient assets with which to honour its commitments.

For defined contribution plans, the Parent pays contributions to privately managed pension insurance plans on the basis of the fixed salary of all employees joining the Company on or after 1 February 2024, the date of entry into force of the 7th General Agreement of the Construction Sector, to which the Parent is subject.

Once the contributions have been paid, the Group has no obligation to make further payments. Contributions are recognised as employee benefits when they accrue. The Group recognises a liability for contributions to be made when, at year-end, accrued contributions remain unpaid.

4.12. Derivative financial instruments

The Group uses financial derivatives to manage its exposure to variations in interest rates. All derivative financial instruments, whether or not they are designated as hedging instruments, are carried at fair value, market value in the case of listed securities, or using option valuation methods or discounted cash flow analysis for non-listed securities. In determining the fair value of derivative financial instruments, reference has been made to the valuations performed by an independent third-party expert, Analistas Financieros Internacionales, S.A. (AFI) (formerly Solventis A.V., S.A.), for both 2025 and 2024.

In accordance with IFRS 13, the Group estimated its own credit risk and that of the counterparty in the measurement of its derivative portfolio.

The Group’s use of financial derivatives is governed by a set of approved risk management policies and hedges.

The following measurement base was used to recognise each of the following:

- Cash flow hedges: positive or negative changes in the valuation of transactions with hedge accounting treatment are recognised, net of tax, directly in "Other reserves" in equity until the committed or expected transaction occurs, at which time they are reclassified to "Finance costs" in the consolidated income statement. Any valuation gains and losses on the ineffective portion of the hedge are recognised directly as financial profit or loss in the consolidated income statement.
- Treatment of financial instruments that are not allocated to a specific liability and do not qualify for hedge accounting: gains or losses arising from the restatement at fair value of these financial instruments are recognised directly as financial profit or loss in the consolidated income statement.

Hedge accounting is discontinued when a hedging instrument expires or is sold or exercised, or when the hedge no longer qualifies for hedge accounting. Gains or losses on hedging instruments recognised in consolidated comprehensive income remain under this heading until the related transaction is performed. Once the related cash flow occurs, any cumulative gain or loss recognised in consolidated comprehensive income is transferred to consolidated net profit or loss for the year. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other consolidated comprehensive income is transferred to consolidated comprehensive net profit or loss for the year.

Prospective and retrospective testing for hedging instrument effectiveness is carried out on a quarterly basis:

- Retrospective tests measure how effectively the derivative instrument would have hedged the liability over its life, using historical interest rates to date.
- Prospective tests measure the instrument’s expected effectiveness on the basis of forward interest rates as published by Bloomberg at the measurement date. This is adjusted monthly from the inception of the hedge on the basis of the historical interest rates already established.

The method used to determine the effectiveness of hedging financial instruments consists of calculating the statistical correlation between the reference interest rates at each fixing date of the derivative and the related hedged liability.

4.13. Current/non-current

The ordinary operating cycle is defined as the period from the acquisition of the assets used to carry on the Group's lines of business to the date that they are turned into cash or cash equivalents.

The Group's main business is its rentals business, for which it is considered that the normal cycle of its operations corresponds to the calendar year; hence, assets and liabilities maturing at less than one year are classified as current and those maturing at over one year are classified as non-current.

Bank borrowings are classified as non-current if the Group has the irrevocable right to make payments after twelve months from the end of the reporting period.

4.14. Income tax

The expense for Spanish corporate income tax and similar taxes applicable to consolidated foreign operations is recognised in the consolidated statement of comprehensive income, except when the tax expense is generated by a transaction whose gains or losses are taken directly to equity, in which case the corresponding tax is also recognised in equity.

Income tax expense is the sum of the tax payable on profit for the year and the variation in recognised deferred tax assets and liabilities.

Corporate income tax expense for the year is calculated based on taxable profit for the year, which differs from the net profit or loss presented in the consolidated statement of comprehensive income because it excludes certain taxable profit and deductible expenses from prior years, as well as other exempt items. The Group's current tax liabilities are calculated using tax rates that have been enacted or substantively enacted by the reporting date.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised in the consolidated statement of financial position to the extent that it has become probable that they will be recovered through future taxable profits. In accordance with IAS 12, changes in deferred tax assets and liabilities caused by changes in tax rates or tax laws are recognised in the consolidated income statement for the year in which these changes are approved.

In accordance with IAS 12, when measuring deferred tax liabilities the Group reflects the tax consequences that would arise from the manner in which the carrying amount of its assets is expected to be recovered or settled. In this regard, for deferred tax liabilities that arise from investment properties that are measured using the IAS 40 fair value model, there is a rebuttable presumption that their carrying amount will be recovered through their (Note 18.6).

Until 31 December 2016, the Parent was the head of a group of companies filing consolidated tax returns in Spain under tax group no. 6/08.

4.14.1. REIT regime

Effective as of 1 January 2017, the tax system of the Parent and the majority of its Spanish subsidiaries is governed by Law 11/2009, of 26 October, as amended by Law 16/2012, of 27 December, governing listed real estate investment trusts (REITs). Article 3 establishes the investment requirements of this type of company, namely:

1. REITs must have invested at least 80% of the value of their assets in urban properties earmarked for lease, in land to develop properties to be earmarked for that purpose, provided that development begins within three years following their acquisition, and in equity investments in other companies referred to in Article 2.1 of the aforementioned Law.

2. Similarly, at least 80% of the rental income from the tax period corresponding to each year, excluding the rental income arising from the transfer of the ownership interests and the properties used by the company to achieve its main corporate purpose, once the holding period referred to below has elapsed, should be obtained from the lease of properties and dividends or shares of profits arising from the aforementioned investments.

3. The properties included in the REIT's assets should remain leased for at least three years. The time during which the properties have been made available for lease will be included in calculating this term, with a maximum of one year.

The term will be calculated:

a) For properties that are included in the REIT's assets before the company avails itself of the regime, from the beginning of the first tax period in which the special tax regime set forth in this Law is applied, provided that the property is leased or offered for lease at that date. Otherwise the following shall apply.

b) For properties developed or acquired subsequently by the REIT, from the date on which they were leased or made available for lease for the first time.

c) In the case of shares or ownership interests in the companies referred to in Article 2.1 of this Law, they should be retained on the asset side of the REIT's balance sheet for at least three years following their acquisition or, as appropriate, from the beginning of the first tax period in which the special tax regime set forth in this Law is applied.

As established in transitional provision one of Law 11/2009, of 26 October, amended by Law 16/2012, of 27 December, governing listed real estate investment companies, these companies may opt to apply the special tax regime under the terms and conditions established in Article 8 of this Law, even if it does not meet the requirements established therein, provided that such requirements are met within two years after the date of the option to apply that regime.

Failure to meet this condition will require the REIT to file income tax returns under the general tax regime from the tax period in which the aforementioned condition is not met. The REIT will also be obliged to pay, together with the amount relating to the aforementioned tax period, the difference between the amount of tax payable under the general tax regime and the amount paid under the special tax regime in the previous tax periods, including any applicable late-payment interest, surcharges and penalties.

The corporate income tax rate for REITs is set at 0%. However, where the dividends that the REIT distributes to its shareholders holding an ownership interest equal to or exceeding 5% are exempt from tax or are subject to a tax rate lower than 10%, at the main office of this shareholder, the REIT shall be subject to a special charge of 19%, which shall be considered to be the income tax charge, on the amount of the dividend distributed to these shareholders. If applicable, this special charge must be paid by the REIT within two months after the dividend distribution date.

SOCIMIs are obliged to distribute 80% of ordinary profits, 50% of the profits derived from the transfer of real estate or shares that have met the maintenance requirement, as dividends on an annual basis, provided that the other 50% is reinvested in eligible assets within a period of three years; if the other 50% is not reinvested within this period, such profits must be distributed in full together with "ordinary" profits, if any, arising from the year in which the reinvestment period ends and 100% of the profit from dividends from companies qualifying as qualifying investments (SOCIMIs and/or REITs).

If the SOCIMI does not pay out all of its accounting profit, it must pay tax at a rate of 15% on the amount of the profits obtained in the year that are not paid out, in respect of the part arising from income that has not been taxed at the general corporate income tax rate and is not income covered by the three-year reinvestment period from the transfer of real estate or shares that have completed the holding period. This tax is treated as a corporate income tax liability.

4.14.2. SIIC Regime – SFL Subgroup

On 17 April 2025, the Company notified the French tax authorities of the reaffirmation of the application of the French tax regime applicable to listed real estate investment companies (the SIIC regime) to the permanent establishment of Colonial SFL, SOCIMI, S.A., succursale française (hereinafter, the “PE”), following completion of the merger.

This regime enabled the assets allocated to the rental business to be recognised at market value at the date on which it availed itself of this tax regime, currently subject to a tax rate of 19% (exit tax), payable within a period of four years, on the capital gains recognised.

This regime allows the leasing activity in France to be exempt from tax on the income generated from its property business operations, as well as on capital gains arising from the sale of properties, provided that the following amounts are distributed annually as dividends: 95% of the profits attributable to that activity, 70% of the capital gains arising from property disposals by companies subject to the regime, and 100% of dividends.

4.15. Income and expense

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

However, in accordance with the accounting principles established in the EU-IFRS conceptual framework, the Group recognises revenue when it is earned together with all the necessary associated expenses. The sale of goods is recognised when the goods have been delivered and ownership transferred.

Interest income is accrued on a time proportion basis, according to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts the future cash receipts estimated over the expected life of the financial asset from the asset's carrying amount.

Dividend income from investments is recognised when the shareholder’s rights to receive payment have been established, i.e. when shareholders at the Annual General Meetings of the subsidiaries approve the distribution of the corresponding dividend.

4.15.1. Property leases

In accordance with IFRS 16, leases are classified as finance leases whenever their terms imply that substantially all the risks and rewards incidental to ownership of the leased asset have been transferred to the lessee. Other leases are classified as operating leases. At December 31st, 2025 and 2024, all of the Group’s leases qualify as operating leases.

4.15.2. Property leases-Lessor

Revenue from operating leases is recognised as income on a straight-line basis over the term of the lease, and the initial direct costs incurred in arranging these operating leases are taken to the consolidated income statement on a straight-line basis over the minimum term of the lease agreement.

The minimum term of a lease is considered to be the time elapsed from the start of the lease to the first option for renewing the lease.

4.15.3. Specific lease terms and conditions: lease incentives

Lease agreements include certain specific conditions linked to incentives or rent-free periods offered by the Group to its clients. The Group recognises the aggregate cost of incentives granted as a reduction in rental income of the lease. The effects of the rent-free periods are recognised during the minimum term of the lease on a straight-line basis.

Indemnity payments made by lessees to cancel their leases prior to their minimum termination date are also recognised as income in the consolidated income statement on the date on which they become due and payable to the Group.

4.15.4. Property leases-Lessee

Leases are recognised as a right-of-use asset and the corresponding liability is posted on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between liabilities and interest expense. The financial expense is charged to profit or loss over the term of the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. The right-of-use asset is amortised over the shorter of the asset's useful life or the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including fixed payments in substance), less any incentive for lease receivables,
- variable lease payments that depend on an index or rate,
- amounts the lessee is expected to pay as residual value guarantees,
- the exercise price of a call option if the lessee is reasonably certain that it will exercise the option, and
- penalty payments on termination of the lease, if the term of the lease reflects the exercise by the lessee of that option.

Lease payments are discounted using the interest rate implied in the lease. If that rate cannot be determined, the incremental rate of borrowing is used, being the rate that the lessee would have to pay to borrow the necessary funds to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost, which includes the following:

- the amount of the initial measurement of the lease liability,
- any lease payments made on or before the start date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Payments under short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a term of 12 months or less.

4.16. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of investment property (Notes 9 and 19.8.1), which require preparation during a significant period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

4.17. Consolidated statement of cash flows (indirect method)

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

- Cash flows: inflows and outflows of cash and cash equivalents. Cash equivalents are highly liquid, low-risk short-term investments.
- Operating activities: the principal revenue-producing activities and other activities that are not investing or financing activities.
- Investing activities: the acquisition and disposal of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: non-operating activities that result in changes in the size and composition of equity and liabilities.

4.18. Costs passed on to lessees

In accordance with EU-IFRS, the Group does not consider the costs incurred by lessees from its investment properties as revenue and they are recognised, less the corresponding costs, in the consolidated income statement. The amounts charged for these items in 2025 and 2024 amounted to 77,117 thousand euros and 73,870 thousand euros, respectively.

4.19. Transactions with related parties

All the Group’s transactions with related parties are at arm’s length. Transfer prices are adequately supported, and consequently the Parent's directors consider that no significant risks exist in this respect from which significant liabilities could arise in the future.

4.20. Assets classified as held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, the assets are available for immediate sale and the sale is highly probable and will occur no more than twelve months after classification of the asset as held for sale. The Group classifies assets classified as held for sale when there is a formal decision by the board of directors or the executive committee and the sale is expected to be completed within 12 months.

They are measured at the lower of carrying amount and fair value less costs to sell, except for deferred tax assets, assets arising from employee benefits, financial assets, investment property carried at fair value and contractual rights under insurance contracts, which are specifically exempted from this requirement.

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

Non-current assets (or disposal groups) are presented separately from other assets in the consolidated statement of financial position, both assets classified as held for sale and assets of a disposal group classified as held for sale under "Assets classified as held for sale". Liabilities that form part of a disposal group classified as held for sale are also presented separately from other liabilities in the consolidated statement of financial position under "Liabilities associated with assets classified as held for sale". These assets and liabilities shall not be offset or presented as a single amount.

4.21. Fair value hierarchy

Financial assets and liabilities measured at fair value are classified according to the following hierarchy established in IFRS 7 and IFRS 13:

- Level 1: Inputs are based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are based on quoted prices for similar assets or liabilities in active markets (not included in level 1), prices quoted for identical or similar assets or liabilities in markets that are not active, techniques based on valuation models for which all relevant inputs are observable in the market or can be corroborated by observable market data.
- Level 3: In general, inputs are unobservable and reflect estimates based on market assumptions to determine the price of the asset or liability. Unobservable data used in the valuation models are significant in the fair values of the assets and liabilities.

In accordance with IFRS 13, the Group estimated the bilateral credit risk in order to reflect both its own risk and the counterparty risk on the fair value of its derivatives (Note 4.12). Credit risk at December 31st, 2025 and 2024 was not considered to be material.

The detail of the Group's financial assets and liabilities measured at fair value according to the aforementioned levels is as follows:

December 31st, 2025	Thousands of euros		
	Level 1	Level 2	Level 3
Assets			
Other L/T financial instruments (Note 11)	–	–	5,395
Derivative financial instruments (Note 15):			
Classified as hedges	–	26,515	–
Not classified as hedges	–	–	–
Total assets	**–**	**26,515**	**5,395**
Liabilities			
Derivative financial instruments:			
Classified as hedges	–	1,844	–
Not classified as hedges	–	–	–
Total liabilities (Note 15)	**–**	**1,844**	**–**

December 31st, 2024	Thousands of euros		
	Level 1	Level 2	Level 3
Assets			
Other L/T financial instruments (Note 11)	–	–	5,086
Derivative financial instruments (Note 15):			
Classified as hedges	–	–	–
Not classified as hedges	–	–	–
Total assets	**–**	**–**	**5,086**
Liabilities			
Derivative financial instruments:			
Classified as hedges	–	12,420	–
Not classified as hedges	–	–	–
Total liabilities (Note 15)	**–**	**12,420**	**–**

4.22. Companies accounted for using the equity method

Investments in associates are accounted for using the equity method and are stated at the value of the portion of the investee's net assets which they represent, increased by the value of any goodwill remaining at the balance sheet date.

Companies accounted for by the equity method arising from a loss of control are carried at fair value at the time of the transaction and are reviewed annually for possible evidence of impairment.

The Group's investments in investees over which it exercises joint control or significant influence are accounted for in accordance with IAS 28 — Investments in Associates and Joint Ventures.

In accordance with that standard, once the equity method has been applied and the associate's losses for the year have been recognised, it must be considered whether there is objective evidence of impairment of the Group's net investment. The Group considers that a net investment in an associate is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment resulting from one or more events that occurred following the initial recognition of the net investment and that loss event has an impact on the estimated future cash flows of the investment that can be reliably estimated.

5. 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 plus all dilutive effects inherent in potential ordinary shares.

Both at December 31st, 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 20).

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

	2025	2024
Net consolidated profit attributable to the Parent (Thousands of euros)	344,449	307,395
Average number of ordinary shares outstanding excluding treasury shares (Thousands)	615,452	576,863
Basic earnings per share (in euros)	**0.56**	**0.53**
Net consolidated profit attributable to the Parent (Thousands of euros)	344,449	307,395
Average number of potential common shares outstanding (Thousands)	615,452	576,863
Diluted earnings per share (in euros)	**0.56**	**0.53**

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

	Thousands of shares	
	2025	2024
Ordinary shares outstanding at the beginning of the period (Note 13.1)	627,345	539,616
Average adjustment of own shares	(11,893)	(8,308)
Average adjustment for outstanding ordinary shares (excluding treasury shares)	–	45,555
Average number of ordinary shares outstanding excluding treasury shares	**615,452**	**576,863**
Impact of dilution on the average number of ordinary shares	–	–
Average number of potential common shares outstanding	**615,452**	**576,863**

There have been no transactions involving ordinary shares or potential ordinary shares other than those recorded between the closing date at December 31st, 2025 and the preparation of the consolidated financial statements that would significantly change the number of ordinary shares or potential ordinary shares outstanding at the end of the period.

6. Segment reporting

6.1. Segmentation criteria

Segment reporting is organised, first, on the basis of the Group's business segments, and, secondly, by geographical segment.

The business lines described below have been defined in line with the Group's organisational structure at December 31st, 2025 and 2024, which has been used by the Group's management to analyse the financial performance of the various operating segments.

The property segment (or traditional business) comprises the activity associated with office leasing; the asset management segment comprises the activity associated with the management of real estate assets owned by third parties; and the flexible business segment comprises the activity associated with coworking in spaces leased from third parties. At year-end 2025, the segment relating to the management of real estate assets owned by third parties was incorporated.

6.2. Basis and methodology for business segment reporting

The segment information below is based on monthly reports prepared by Group management, generated using the same computer application that prepares all of the Group's accounting data.

Segment revenue comprises revenue directly attributable to each segment, as well as gains from the sale of investment properties. Segment revenue excludes both interest and dividend income.

Segment expenses comprise operating expenses directly attributable to each segment and losses on the sale of investment properties. Allocated expenses do not include interest, the income tax expense or general administrative expenses incurred in the provision of general services that are not directly allocated to any business segment.

Segment assets and liabilities are those directly related to the segment's operating activities. The Group has no set criteria for allocating borrowings or equity by business segment. Borrowings are attributed in full to the "Corporate Unit".

Segment information for these businesses is as follows:

2025 segment reporting	Thousands of euros							
	Rentals (Traditional business)				Flexible business	Asset management	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity				
Revenue								
Revenue - Investment property (Note 19.1)	51,573	105,561	246,339	403,473	4,927	–	–	408,400
Revenue – Inventories (Note 19.1)	–	–	–	–	–	–	–	–
Cost of sales – Inventories	–	–	–	–	–	–	–	–
Other income (Note 19.2)	2	14	10,104	10,120	–	2,924	2,462	15,506
Result of entities through the participation procedure	–	–	–	–	–	1,128	–	1,128
Net gain/(loss) on sales of assets (Note 19.5)	434	2,137	–	2,571	–	–	–	2,571
Changes in value of investment property (Note 19.7)	28,052	114,508	(9,855)	132,705	–	–	–	132,705
Gains/(losses) on changes in the value of assets and impairment (Note 19.6)	(923)	(2,197)	203	(2,917)	66	–	(35)	(2,886)
Operating profit/(loss) (*)	70,948	206,107	237,259	514,314	1,372	(4,456)	(59,481)	451,749
Financial profit (Note 19.8)	–	–	–	–	–	–	(89,375)	(89,375)
Profit/(loss) before tax	–	–	–	–	–	–	362,374	362,374
Net consolidated income	–	–	–	–	–	–	390,285	390,285
Net profit attributable to non-controlling interests (Note 13.6)	–	–	–	–	–	–	(45,836)	(45,836)
Net profit/(loss) attributable to shareholders of the Parent (Note 5)	–	–	–	–	–	–	344,449	344,449

(*) As indicated in the Alternative Performance Measure (APM) EBITDA Income, the operating profit/(loss) shown in the consolidated income statement includes personnel expenses and other operating expenses of the Flexible Business and the Corporate Unit amounting to 6,097 and 54,752 thousand euros, respectively. Likewise, and as stated in the same APM, the operating profit/(loss) of the Corporate Unit and the Asset Management Unit includes 10,452 and 2,075 thousand euros, respectively, relating to extraordinary costs, as well as 1,590 thousand euros relating to changes in provisions.

The most significant transactions between segments in 2025 were as follows:

	Thousands of euros			
	Traditional business	Flexible business	Corporate unit	Total Group
Net turnover amount	–	2,800	–	2,800
Operating profit/(loss)	(2,800)	2,800	–	–

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

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Assets							
Intangible assets, right-of-use assets, property, plant and equipment, investment property, and assets classified as held for sale (Notes 7, 8, 9 and 23)	1,352,505	2,808,569	7,526,503	11,687,577	12,099	32,045	11,731,721
Investments accounted for using the equity method	224,973	–	–	224,973	–	–	224,973
Financial assets, derivative financial instruments and cash and cash equivalents	8,355	12,792	–	21,147	386	190,399	211,932
Other non-current assets	–	–	–	–	–	165,683	165,683
Trade receivables and other current assets	–	–	–	–	–	94,419	94,419
Total assets	**1,585,833**	**2,821,361**	**7,526,503**	**11,933,697**	**12,485**	**482,546**	**12,428,728**

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Liabilities							
Bank borrowings and other financial liabilities (Note 14)	–	–	–	–	–	312,087	312,087
Bonds and similar securities issued (Note 14)	–	–	–	–	–	4,822,108	4,822,108
Issuance of promissory notes (Note 14)	–	–	–	–	–	–	–
Derivative financial instruments (Note 15)	–	–	–	–	–	1,844	1,844
Lease liabilities (Note 7)	–	–	–	–	12,441	–	12,441
Operating liabilities (suppliers and payables)	–	–	–	–	–	134,886	134,886
Other liabilities	–	–	–	–	–	293,969	293,969
Total liabilities	**–**	**–**	**–**	**–**	**12,441**	**5,564,894**	**5,577,335**

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Other information							
Investments in intangible assets, property, plant and equipment, investment property, and assets classified as held for sale	22,033	36,656	155,633	214,322	35	2,642	216,999
Depreciation and amortisation	(154)	(128)	(417)	(699)	(2,300)	(3,208)	(6,207)
Expenses that do not entail outflows of cash other than the depreciation and amortisation for the year:							
- Changes in provisions (Note 19.4)	(483)	(55)	528	(10)	(11)	1,611	1,590
-Changes in value of investment property (Note 19.7)	28,052	114,508	(9,855)	132,705	–	–	132,705
- Gains/(losses) on changes in the value of assets and impairment (Note 19.6)	(923)	(2,197)	203	(2,917)	66	(35)	(2,886)

2024 segment reporting	Thousands of euros							
	Rentals (Traditional business)				Flexible business	Asset management	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity				
Revenue								
Revenue - Investment property (Note 19.1)	43,754	84,965	248,829	377,548	18,029	–	–	395,577
Revenue – Inventories (Note 19.1)	–	106,835	–	106,835	–	–	–	106,835
Cost of sales – Inventories	–	(92,344)	–	(92,344)	–	–	–	(92,344)
Other income (Note 19.2)	31	11	6,115	6,157	–	–	2,079	8,236
Result of entities through the participation procedure	–	–	–	–	–	1,649	–	1,649
Net gain/(loss) on sales of assets (Note 19.5)	–	15,063	–	15,063	–	–	–	15,063
Changes in value of investment property (Note 19.7)	(13,441)	11,306	104,534	102,399	–	–	–	102,399
Gains/(losses) on changes in the value of assets and impairment (Note 19.6)	(511)	(811)	139	(1,183)	(154)	–	(6)	(1,343)
Operating profit/(loss) (*)	25,325	101,243	354,315	480,883	10,393	–	(55,075)	436,201
Financial profit (Note 19.8)	–	–	–	–	–	–	(80,658)	(80,658)
Profit/(loss) before tax	–	–	–	–	–	–	355,543	355,543
Net consolidated income	–	–	–	–	–	–	390,546	390,546
Net profit attributable to non-controlling interests (Note 13.6)	–	–	–	–	–	–	(83,151)	(83,151)
Net profit/(loss) attributable to shareholders of the Parent (Note 5)	–	–	–	–	–	–	307,395	307,395

The most significant transactions between segments in 2024 were as follows:

	Thousands of euros			
	Traditional business	Flexible business	Corporate unit	Total Group
Net turnover amount	7,863	–	–	7,863
Operating profit/(loss)	9,675	(9,675)	–	–

None of the Group’s customers represented more than 10% of income from ordinary activities.

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Assets							
Intangible assets, right-of-use assets, property, plant and equipment, investment property, and assets classified as held for sale (Notes 7, 8, 9 and 23)	1,303,497	2,670,570	7,375,831	11,349,898	13,822	32,701	11,396,421
Investments accounted for using the equity method	14,623	–	–	14,623	–	–	14,623
Financial assets, derivative financial instruments and cash and cash equivalents	8,182	11,930	–	20,112	444	557,445	578,001
Other non-current assets	–	–	–	–	–	156,392	156,392
Trade receivables and other current assets	–	–	–	–	–	91,065	91,065
Total assets	**1,326,302**	**2,682,500**	**7,375,831**	**11,384,633**	**14,266**	**837,603**	**12,236,502**

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Liabilities							
Bank borrowings and other financial liabilities (Note 14)	–	–	–	–	–	291,527	291,527
Bonds and similar securities issued (Note 14)	–	–	–	–	–	4,509,557	4,509,557
Issuance of promissory notes (Note 14)	–	–	–	–	–	185,000	185,000
Derivative financial instruments (Note 15)	–	–	–	–	–	12,420	12,420
Lease liabilities (Note 7)	–	–	–	–	13,859	–	13,859
Operating liabilities (suppliers and payables)	–	–	–	–	–	144,228	144,228
Other liabilities	–	–	–	–	–	354,054	354,054
Total liabilities	**–**	**–**	**–**	**–**	**13,859**	**5,496,786**	**5,510,645**

	Thousands of euros						
	Rentals (Traditional business)				Flexible business	Corporate unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Other information							
Investments in non-current assets, intangible assets, property, plant and equipment, investment property, inventories and assets classified as held for sale	22,524	52,322	97,466	172,312	474	3,615	176,401
Depreciation and amortisation	(34)	(11)	(167)	(212)	(3,764)	(3,356)	(7,332)
Expenses that do not entail outflows of cash other than the depreciation and amortisation for the year:							
- Changes in provisions (Note 19.4)	(347)	(80)	2,414	1,987	(44)	(2,772)	(829)
-Changes in value of investment property (Note 19.7)	(13,441)	11,306	104,534	102,399	–	–	102,399
- Gains/(losses) on changes in the value of assets and impairment (Note 19.6)	(511)	(811)	139	(1,183)	(154)	(6)	(1,343)

7. Leases

The subsidiary Utopicus rents several offices as a lessee. The duration of rental contracts, from the date of signature of the contract and taking into account maximum extensions, is 4 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. Leases do not impose covenants, but the leased assets cannot be used as collateral for loans.

7.1. Right-of-use assets

	Thousands of euros	
	December 31st, 2025	December 31st, 2024
Property, plant and equipment	10,440	11,765
Right-of-use assets	**10,440**	**11,765**

7.2. Deferred taxes relating to rights of use

		Thousands of euros	
	Note	December 31st, 2025	December 31st, 2024
Deferred tax assets relating to rights of use	18.5	500	486
Deferred taxes relating to rights of use		**500**	**486**

7.3. Lease liabilities

	Thousands of euros	
	December 31st, 2025	December 31st, 2024
Non-current lease liabilities	10,709	11,907
Current lease liabilities	1,732	1,952
Lease liabilities	**12,441**	**13,859**

7.4. Operating leases as lessee

The subsidiary Utopicus has agreed under contract the following minimum lease payments with the lessors in accordance with the contracts in force, taking into account the impact of expenses, future CPI increases and other agreed rent updates:

	Thousands of euros	
	2025	2024
Up to 12 months	2,508	2,605
Between 1 and 5 years	3,494	6,083
More than 5 years	–	–
Total minimum operating lease payments - as lessee	**6,002**	**8,688**

These amounts relate to the leases signed by the subsidiary Utopicus for the premises where it carries out its business.

7.5. Impacts on the consolidated income statement

The impacts on the consolidated income statement are presented in the following table:

	Thousands of euros	
	2025	2024
Depreciation and amortisation	(2,014)	(2,218)
Financial expenses per update	(671)	(789)
Total	**(2,685)**	**(3,007)**

8. Property, plant and equipment

The changes in this caption of the consolidated statement of financial position have been the following:

	Note	Thousands of euros		
		Property for own use	Other tangible fixed assets	Total
December 31st 2023		**37,502**	**19,173**	**56,675**
Acquisition cost		*43,821*	*34,607*	*78,428*
Accumulated depreciation and amortisation		*(6,319)*	*(15,434)*	*(21,753)*
Accumulated impairment		–	–	–
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	19.6	–	(119)	(119)
December 31st, 2024		**37,377**	**9,485**	**46,862**
Acquisition cost		*44,046*	*21,856*	*65,902*
Accumulated depreciation and amortisation		*(6,669)*	*(12,252)*	*(18,921)*
Accumulated impairment		–	*(119)*	*(119)*
Additions		2,429	730	3,159
Depreciation charge		(540)	(1,375)	(1,915)
Disposals acquisition cost		–	(784)	(784)
Disposals accumulated depreciation		–	429	429
Transfers acquisition cost	9	–	404	404
Impairment	19.6	–	119	119
December 31st, 2025		**39,266**	**9,008**	**48,274**
Acquisition cost		*46,475*	*22,206*	*68,681*
Accumulated depreciation and amortisation		*(7,209)*	*(13,198)*	*(20,407)*
Accumulated impairment		–	–	–

At December 31st, 2025 and 2024, the Group used, for its business, two floors of the building located at Avenida Diagonal, 532, in Barcelona, one floor of the building located at Paseo de la Castellana, 52, in Madrid, and part of one floor in the building located at 42, rue Washington in Paris, while the rest of these buildings were held for leasing purposes. The cost of buildings earmarked for the Group's own use is recognised under "Properties for own use".

During 2025, an asset amounting to 404 thousand euros was transferred from the investment properties line item of the consolidated statement of financial position of the subsidiary SAS Maud (Note 9.1).

As at December 31st, 2024, the subsidiary Utopicus Innovación Cultural, S.L. sold to the parent company the assets associated with the flexible office spaces owned by the parent company, resulting in a transfer (acquisition cost and accumulated depreciation) to the investment properties line item in the consolidated statement of financial position, for an amount of 7,505 thousand euros (Note 9). In addition, subsidiary company SFL transferred 50 thousand euros from intangible assets to property, plant and equipment in the consolidated statement of financial position.

In 2024, the subsidiary Utopicus Innovación Cultural, S.L. reassessed the useful life of the assets associated with a flexible office space, which resulted in the recognition of an impairment loss on those assets amounting to 119 thousand euros. In 2025, the impairment was reversed in the amount of 119 thousand euros (Note 4.3).

9. Investment property

The changes in this caption of the consolidated statement of financial position have been the following:

	Note	Thousands of euros	
		2025	2024
Opening balance		**11,314,725**	**10,869,018**
Additions for subsequent capitalised disbursements		210,171	165,140
Non-monetary contribution (Note 1)	13.1	–	272,473
Additions arising from acquisitions		1,473	–
Changes in the scope of consolidation (to investments accounted for by the equity method)	2.6 and 10	–	(47,932)
Sale or disposal by other means	19.5	(290)	–
Transfers to and from "Assets classified as held for sale".	23	(466,136)	(56,263)
Net gain/(loss) from fair value adjustments	19.7	146,611	106,106
Other transfers	8	(404)	7,505
Other entries		(3,120)	(1,322)
Ending balance		**11,203,030**	**11,314,725**

9.1. Movements in 2025

Additions for subsequent capitalised disbursements relate to investments made in real estate assets, both in development and in operation, amounting to 210,171 thousand euros, including 9,956 thousand euros of capitalised financial expenses (Note 19.8.1).

On 10 December 2025, the parent company recognised additions of 1,473 thousand euros arising from acquisitions, relating to the purchase of the 11th floor and two parking spaces of the office building located at 30 Gran Vía, Madrid.

On 29 December 2025, the subsidiary Colonial Living, S.L.U. disposed of an apartment located in Madrid for a total sale price of 351 thousand euros, resulting in the recognition of a gain of 49 thousand euros in the consolidated income statement, inclusive of indirect selling costs.

Moreover, three properties (two in Madrid and one in Paris) owned by the parent company, together with all the residential units in a residential building in Madrid owned by the subsidiary Colonial Living, S.L.U., were reclassified to the line “Assets classified as held for sale” in the consolidated statement of financial position, for a total net amount of 466,136 thousand euros.

Likewise, an asset of the subsidiary SAS Maud was transferred to the property, plant and equipment line in the consolidated statement of financial position for an amount of 404 thousand euros (Note 8).

The other movements correspond to disposals due to replacement for a total amount of 3,120 thousand euros.

9.2. Movements in 2024

Additions for subsequent capitalised disbursements corresponded to investments made in real estate assets, both in development and in operation, amounting to 165,140 thousand euros, including 4,128 thousand euros of capitalised financial expenses (Note 19.8.1).

The non-monetary contribution related to the contribution of real estate by Criteria Caixa, S.A.U. and certain of its subsidiaries, within the broader framework of the capital increase described in Note 1, for an aggregate amount of 272,473 thousand euros.

On 1 January 2024, and following the shareholders’ agreements signed by both parties, the Parent ceased to exercise control over the subsidiary Inmocol Torre Europa, S.A., which is now accounted for using the equity method, thus giving rise to a derecognition amounting to 47,932 thousand euros (Note 10).

In 2024, two properties and one business establishment were reclassified to "Assets classified as held for sale" in the condensed consolidated statement of financial position, for a net total of 56,263 thousand euros.

As at December 31st, 2024, the subsidiary Utopicus Innovación Cultural, S.L. sold to the parent company the assets associated with the flexible office spaces owned by the parent company, which, for accounting purposes, was recognised as a transfer to the investment properties line item in the consolidated statement of financial position for an amount of 7,505 thousand euros (Note 8).

The other entries corresponded to assets amounting to a total of 1,322 thousand euros being derecognised due to being replaced.

9.3. Changes in value of investment property

The "Changes in value of investment property" heading in the consolidated income statement includes the results from the revaluation of investment property, according to valuations by independent experts as of December 31st, 2025 and 2024 (Notes 4.4 and 19.7).

9.4. Other information

The total surface area (above and under-ground) of investment property and projects under development is as follows:

	Total floor area (m^2) of investment property					
	investment property		Investment property in progress (**)		Total	
	December 31st, 2025	December 31st, 2024	December 31st, 2025	December 31st, 2024	December 31st, 2025	December 31st, 2024
Barcelona (*)	370,822	368,894	28,287	30,660	399,109	399,554
Madrid	536,613	602,499	111,857	139,708	648,470	742,207
Paris (*)	357,739	377,613	80,561	85,054	438,300	462,667
	1,265,174	**1,349,006**	**220,705**	**255,422**	**1,485,879**	**1,604,428**

(*) For 2025 and 2024, 100% of the floor area of the properties whose companies have been consolidated using the full consolidation method is included.
(**) The surface areas of 137,672 m^2 and 23,545 m^2, corresponding to 2025 and 2024, respectively, relating to real estate assets recognised under the line item “Assets classified as held for sale” (Note 23), are not included.

At December 31st, 2025 and 2024, the Group had no assets pledged as collateral for mortgage loans.

10. Investments accounted for using the equity method

This line item of the consolidated statement of financial position includes the equity interests held by the Group companies that meet the conditions set out in Note 4.22.

Inmocol Torre Europa, S.A. -

The Parent holds a 50% stake in the share capital of Inmocol Torre Europa, S.A. This company owns a property located in Barcelona which is held for rental.

Under the terms of the shareholders’ agreement, the parent company is assured two seats on the board of directors of Inmocol Torre Europa, S.A. and is involved in all major financial and operating decisions. Therefore, the Group has determined that it exercises significant influence over this company.

Moreover, the other shareholders of that company hold put options allowing them to sell their shares to Colonial, exercisable during certain periods. The exercise price of that option is determined at fair value, based on the market value of the office property held by that company. Accordingly, the accompanying consolidated financial statements do not reflect the impact of that put option. However, the amount involved is not believed to be significant.

Science & Innovation District, SOCIMI, S.A. and S&I Advisory Co, S.L. -

As described in Note 2.6, during 2025 the Parent partnered up with Stoneshield Capital to create a pan-European real estate platform dedicated to science and innovation (“Deeplabs”).

HQ América, SOCIMI, S.A. -

Finally, in December 2025, the Parent acquired a 24% stake in HQ América, SOCIMI, S.A., the owner of a property located on Avenida de América in Madrid. The Parent has a member on the board of directors and, accordingly, the directors have concluded that the Parent exercises significant influence over the company HQ América.

The following tables provide summarised financial information on the stakes held in the aforementioned companies. The information shown reflects the amounts presented in the associate's financial statements and not the Parent's share of those amounts. They have been amended to reflect the adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policies.

2025

Reconciliation with carrying amounts	Thousands of euros			
	Inmocol Torre Europa, S.A.	Science & Innovation Districts, SOCIMI, S.A.	S&I Advisory Co, S.L.	HQ America, SOCIMI, S.A.
Non-current assets	52,078	356,751	64	87,897
Current assets	4,169	17,366	57	2,195
Non-current liabilities	24,833	152,095	–	38,987
Current liabilities	378	11,214	64	73
Net assets	**31,036**	**210,808**	**57**	**51,032**
Initial net assets at 1 January	**29,246**	**–**	**–**	**–**
Profit/(loss) for the year	1,790	2,327	(47)	50
Other comprehensive income	–	1,059	–	–
Other entries	–	207,422	104	50,982
Dividends paid	–	–	–	–
Net assets at period-end	**31,036**	**210,808**	**57**	**51,032**
Part of the group as a %	50%	95.5%	50%	24%
Group share (thousand euros)	15,518	201,322	29	12,248
Goodwill	–	–	–	–
Carrying amount	**15,518**	**197,143**	**29**	**12,283**

2024

Reconciliation with carrying amounts	Thousands of euros Inmocol Torre Europa, S.A.
Non-current assets	53,142
Current assets	3,483
Non-current liabilities	26,850
Current liabilities	529
Net assets	**29,246**
Initial net assets at 1 January	
Scope of consolidation changes (Note 2.6)	25,764
Net profit/(loss) for the year	3,299
Other comprehensive income	183
Dividends paid	–
Net assets at period-end	**29,246**
Part of the group as a %	50%
Part of the group as u.m.	14,623
Goodwill	–
Carrying amount	**14,623**

11. Financial assets

The changes in this caption of the consolidated statement of financial position have been the following:

		Thousands of euros			
	December 31st, 2024	Inclusions	Derecognitions	Change in consolidation scope (to investments accounted for using the equity method)	December 31st, 2025
Deposits and guarantees given	19,490	1,113	(136)	–	20,467
L/T loans	–	5,024	–	–	5,024
Total non-current financial assets at amortised cost	**19,490**	**6,137**	**(136)**	**–**	**25,491**
Other financial instruments	5,086	1,392	(1,095)	–	5,383
Total non-current financial assets at fair value	**5,086**	**1,392**	**(1,095)**	**–**	**5,383**
Total non-current financial assets	**24,576**	**7,529**	**(1,231)**	**–**	**30,874**
Deposits and guarantees given	10,525	(6,385)	–	–	4,140
Total current financial assets at amortised cost	**10,525**	**(6,385)**	**–**	**–**	**4,140**
Other financial instruments	12	–	–	–	12
Total current financial assets at fair value	**12**	**–**	**–**	**–**	**12**
Total current financial assets	**10,537**	**(6,385)**	**–**	**–**	**4,152**

	Thousands of euros				
	31 December 2023	Inclusions	Derecognitions	Change in consolidation scope (to investments accounted for using the equity method)	December 31st, 2024
Deposits and guarantees given	21,992	40	(2,044)	(498)	19,490
Total non-current financial assets at amortised cost	**21,992**	**40**	**(2,044)**	**(498)**	**19,490**
Other financial instruments	3,711	1,689	(314)	–	5,086
Total non-current financial assets at fair value	**3,711**	**1,689**	**(314)**	**–**	**5,086**
Total non-current financial assets	**25,703**	**1,729**	**(2,358)**	**(498)**	**24,576**
Other financial assets	670	–	(670)	–	–
Deposits and guarantees given	–	10,525	–	–	10,525
Total current financial assets at amortised cost	**670**	**10,525**	**(670)**	**–**	**10,525**
Other financial instruments	9	3	–		12
Total current financial assets at fair value	**9**	**3**	**–**	**–**	**12**
Total current financial assets	**679**	**10,528**	**(670)**	**–**	**10,537**

Deposits and guarantees largely relate to deposits made with official bodies for guarantees collected for property leases in accordance with current legislation. The other financial instruments correspond to equity interests in other companies.

12. Trade receivables and other non-current assets

The composition of this current asset heading in the consolidated statement of financial position is as follows:

		Thousands of euros			
		December 31, 2025		December 31, 2024	
	Note	Current	Non-Current	Current	Non-Current
Trade receivables for sales and services	12.1	25,062	–	10,243	–
Trade receivables for sale of properties	12.2	130	–	22,293	–
Accrual of lease incentives	12.3	19,259	163,827	21,733	155,906
Other receivables		2,440	–	326	–
Other assets		35,804	–	21,756	–
Impairment of receivables -					
- Trade receivables for sales and services		(7,208)	–	(6,776)	–
- Other receivables		(147)	–	(147)	–
Total trade and other receivables		**75,340**	**163,827**	**69,428**	**155,906**

12.1. Trade receivables for sales and services

This mainly includes the amounts receivable from customers, fundamentally from the Group's rentals business, that are billed monthly, quarterly or yearly with no significant overdue balances not provided for at December 31st, 2025 and 2024.

12.2. Trade receivables for sales of properties

This mainly includes amounts receivable arising from asset sales that are duly collateralised.

12.3. 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 consolidated income statement during the minimum operating lease term. In 2025, an amount of 6,091 thousand euros was reclassified from the heading "Trade and other receivables" to "Assets classified as held for sale", following the resolutions passed by the Parent's board of directors.

12.4. Other assets

As at December 2025, advances to suppliers of the Parent's permanent establishment and its subsidiaries in France amounting to 35,598 thousand euros were recognised. In 2024, it amounted to 20,868 thousand euros.

13. Equity

13.1. Share capital

As at December 31st, 2025 and December 31st, 2024, the Parent's share capital stood at 1,568,362 thousand euros, represented by 627,344,687 shares, each with a nominal value of 2.50 euros.

On 3 July 2024, the public deed relating to the capital increase approved by the extraordinary general meeting of shareholders of the Parent held on 12 June 2024 was filed with the Companies Registry of Madrid. This approved share capital increase, excluding pre-emptive subscription rights, and charged to cash and non-cash contributions, involved the issue and flotation of 87,729,050 new ordinary shares of the Parent, each with a par value of 2.50 euros and a share premium of 384,091 thousand euros, all of the same class and series as those currently in circulation. The consideration for this capital increase consisted of 350,000 thousand euros in cash and a number of residential and office properties owned by Criteria Caixa, S.A.U. and certain wholly-owned subsidiaries, valued at 272,473 thousand euros, giving a total effective consideration of 622,473 thousand euros.

According to the detail included in section A.2 of the Annual Corporate Governance Report of the Parent for 2025, shareholders owning significant stakes in the Parent's share capital, both direct and indirect, as at December 31st, 2025 and 2024, were as follows:

	December 31st, 2025		December 31st, 2024	
	Number of shares*	% ownership	Number of shares*	% ownership
Name or corporate name of the shareholder:				
Criteria Caixa, S.A.U.	108,661,558	17.32%	108,661,558	17.32%
Qatar Investment Authority (**)	102,675,757	16.37%	102,675,757	16.37%
Fernández González, Carlos (***)	80,028,647	12.76%	80,028,647	12.76%
Quaestor Holdings, S.A.(****)	50,608,520	8.07%	50,608,520	8.07%
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 (*)	18,152,690	2.89%	19,712,594	3.14%

* On 22 September 2025, BlackRock Inc. notified the CNMV that it had acquired an indirect interest in the share capital of Colonial SFL, SOCIMI, S.A. (formerly Inmobiliaria Colonial, SOCIMI, S.A.) amounting to a total of 2.893%, comprising 2.639% of voting rights attached to shares and a further 0.254% of voting rights through financial instruments.
** 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.
**** Quaestor Holdings, S.A. (formerly Puig, S.A.), which controls the capital of Exea Ventures, S.L.

The Parent is not aware of any other significant shareholdings.

The annual general meeting of shareholders 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.

The annual general meeting held on 27 May 2025 resolved to authorise the board of directors, in accordance with Article 297(1)(b) of the Spanish Companies Act, to increase the share capital by way of cash contributions by up to one half of the share capital, within a maximum period of five years, on one or more occasions and at such time and in such amount as it may deem appropriate. Within the maximum amount indicated, the board of directors is authorised to disapply the pre-emption right up to a maximum of 20% of the share capital.

13.2. Issue premium

At December 31st, 2025 and December 31st, 2024, the share premium amounted to 1,847,691 thousand euros.

13.3. Own shares

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

	December 31st, 2025		December 31st, 2024	
	No. of shares	Thousands of euros	No. of shares	Thousands of euros
Free tranche	7,531,103	46,592	9,110,154	59,606
Liquidity contracts	229,064	1,487	265,968	1,581
Ending balance	**7,760,167**	**48,079**	**9,376,122**	**61,187**

13.3.1. Treasury shares – Free tranche

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

	Note	December 31st, 2025		December 31st, 2024	
		No. of shares	Thousands of Euros	No. of shares	Thousands of Euros
Beginning balance		**9,110,154**	**59,606**	**7,784,518**	**63,417**
Delivery of incentives plan shares (Note 21-d)	20	(128,556)	(811)	(175,398)	(1,429)
Other acquisitions		6,506,142	37,023	5,058,350	26,521
Other share deliveries		–	–	(3,557,316)	(28,903)
Movements with non-controlling interests		(7,956,637)	(49,226)	–	–
Ending balance		**7,531,103**	**46,592**	**9,110,154**	**59,606**

In 2025, a total of 128,556 shares were delivered to the beneficiaries of the long-term incentive plan described in Note 20.1. 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 Parent to meet the tax liability arising from such delivery. Shares received in this respect amounted to 19,688.

On 27 February 2025, the Parent announced the launch of a share buyback programme for 6,506,142 own shares, representing 0.41% of the share capital, for a total cash amount of 37,048 thousand euros, including acquisition costs, in connection with the merger transaction with SFL (Note 1).

Moreover, the Parent delivered 7,956,637 shares, with an associated cost of 49,225 thousand euros, in connection with the merger transaction with SFL (Note 1). That merger transaction provides for an exchange of 13 shares of the parent company for each share of the subsidiary SFL.

In 2024, the Parent acquired 5,000,000 own shares, representing 0.80% of the share capital, for a cash amount of 26,217 thousand euros, including acquisition costs, within the framework of the Accelerated Bookbuild Offering carried out by certain companies controlled by the former shareholder Aguila Ltd.

In the context of the capital increase carried out with Criteria Caixa, S.A.U. (Note 1), the Company delivered a total of 3,418,734 shares, with an associated cost of 27,774 thousand euros, in exchange for the dividend paid by the Company prior to the capital increase, which had not been considered by the parties when determining the value of the contribution, all as set out in the management report and the independent expert's report for the capital increase.

Meanwhile, as part of the tender offer for all SFL shares held by shareholders other than Colonial and Predica in 2021, the Parent agreed with certain SFL executives who were beneficiaries of SFL share plans whose shares could not yet be disposed of, the option to exchange each SFL share for 46.66 euros and five shares of the Parent. As at December 31st, 2024, a total of 26,784 SFL shares had been acquired, resulting in the delivery of 138,582 shares of the Parent and 1,259 thousand euros in cash.

13.3.2. Own shares - Liquidity contracts

The Parent enters into liquidity contracts to enhance the liquidity of its transactions and the regularity of its listed share price.

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

	December 31st, 2025		December 31st, 2024	
	No. of shares	Thousands of Euros	No. of shares	Thousands of Euros
Beginning balance	**265,968**	**1,581**	**209,247**	**1,511**
Purchase	12,588,395	69,703	19,199,909	107,922
Sale	(12,625,299)	(69,797)	(19,143,188)	(107,852)
Ending balance	**229,064**	**1,487**	**265,968**	**1,581**

13.4. 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					
	Legal reserve	Other reserves	Measurement of financial instrument hedges	Share-based payments	Transactions with non-controlling interests	**Total**
At December 31st, 2024	**91,559**	**185,157**	**200,057**	**29,713**	**7,593**	**514,079**
Revaluation – gross	–	–	37,147	–	–	37,147
Deferred tax	–	–	–	–	–	–
Non-controlling interest in revaluation - gross	–	–	–	–	–	–
Deferred tax	–	–	–	–	–	–
Other reserves attributable to equity-accounted investees	–	–	906	–	–	906
Reclassification to profit - gross	–	–	(13,122)	–	–	(13,122)
Non-controlling interest in reclassification to profit/(loss) - gross	–	–	–	–	–	–
Deferred tax	–	–	–	–	–	–
Other comprehensive income	**–**	**–**	**24,931**	**–**	**–**	**24,931**
Transfer to/from retained earnings	15,333	–	–	–	–	15,333
Capital increase costs	–	–	–	–	–	–
Changes in scope	–	–	–	–	(1,668)	(1,668)
Other changes	–	(57)	10	(21,488)	–	(21,535)
Dividends paid	–	(45,473)	–	–	–	(45,473)
Subsidies	–	–	–	–	–	–
Transactions with owners in their capacity as such:						
Share-based payments (Note 20)	–	–	–	7,758	–	7,758
Transactions with non-controlling interests	–	–	–	–	–	–
At December 31st, 2025	**106,892**	**139,627**	**224,998**	**15,983**	**5,925**	**493,425**

	Thousands of euros					
	Legal reserve	Other reserves	Measurement of financial instrument hedges	Share-based payments	Transactions with non-controlling interests	**Total**
At December 31st 2023	**70,273**	**142,009**	**214,929**	**22,167**	**12,894**	**462,272** –
Revaluation – gross	–	–	(6,409)	–	–	(6,409)
Deferred tax	–	–	–	–	–	–
Non-controlling interest in revaluation - gross	–	–	54	–	–	54
Deferred tax	–	–	–	–	–	–
Other reserves attributable to equity-accounted investees	–	–	183	–	–	183
Reclassification to profit - gross	–	–	(8,399)	–	–	(8,399)
Non-controlling interest in reclassification to profit/(loss) - gross	–	–	67	–	–	67
Deferred tax	–	–	–	–	–	–
Other comprehensive income	**–**	**–**	**(14,504)**	**–**	**–**	**(14,504)**
Transfer to/from retained earnings	21,286	47,738	–	2,060	–	71,084
Capital increase costs	–	(4,587)	–	–	–	(4,587)
Subsidies	–	(3)	–	–	–	(3)
Transactions with owners in their capacity as such:						–
Share-based payments (Note 20)	–	–	–	5,516	–	5,516
Transactions with non-controlling interests	–	–	(368)	(30)	(5,301)	(5,699)
At December 31st, 2024	**91,559**	**185,157**	**200,057**	**29,713**	**7,593**	**514,079**

13.4.1. Legal Reserve

Under the Consolidated Spanish Companies Law, 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of share capital.

The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, this reserve may only be used to set off losses and provided no other sufficient reserves are available for this purpose.

At December 31st, 2024, the allocation to the legal reserve, as included in the distribution of the Company's 2023 earnings approved at the annual general meeting held on 13 June 2024, amounted to 21,286 thousand euros.

At December 31st, 2025, considering the allocation to the legal reserve included in the distribution of 2024 earnings of the Parent approved at the Annual General Meeting held on 27 May 2025, amounting to 15,333 thousand euros, the legal reserve amounted to 106,892 thousand euros. However, at the date of authorisation for issue of these annual financial statements, the legal reserve had not yet been fully posted (91,559 thousand euros at December 31st, 2024).

13.4.2. Other reserves

At December 31st, 2024, the Parent held 217,411 thousand euros of voluntary reserves. This item also included the merger reserve generated by the operations carried out in 2019, presenting a debit balance of 27,468 thousand euros.

As at December 31st, 2025, following the distribution of the Parent's 2024 results approved at the annual general meeting of shareholders held on 27 May 2025, the voluntary reserve amounted to 217,411 thousand euros.

13.5. Retained earnings

The changes in retained earnings are as follows:

	Note	Thousands of euros	
		2025	2024
Balance at 31 December of the previous year		**1,808,375**	**1,725,573**
Net profit/(loss) for the year attributable to the Parent	5	344,449	307,395
To legal reserve	13.4.1	(15,333)	(21,286)
Transfer to/from other reserves	13.4.2	(45,473)	(47,971)
Other items of comprehensive income recognised directly in retained earnings:			
Losses due to transactions using own shares		(10,552)	(9,456)
Dividends paid		(137,999)	(143,609)
Changes in scope		–	(881)
Other gains/(losses)		22,706	(1,390)
Balance at 31 December		**1,966,173**	**1,808,375**

The results from transactions involving treasury shares relate to the delivery of treasury shares to the beneficiaries of the long-term incentive plan (Note 20), calculated as the difference between the carrying amount of the shares delivered and the amount of the obligation assumed by the Parent (Note 4.11); to transactions carried out by the financial intermediary under the liquidity agreement; and to the transaction involving the delivery of the Parent's treasury shares to the minority shareholders of SFL in the context of the merger between the Parent and SFL (Notes 1 and 2.6), calculated as the difference between the value agreed in the draft terms of merger and the amount of the obligation assumed by the Parent.

13.6. Non-controlling interests

The changes in this caption of the consolidated statement of financial position have been the following:

	Thousands of euros		
	Inmocol Torre Europa, S.A.	Subsidiaries in France	Total
Balance at 31 December 2023	**13,135**	**998,511**	**1,011,646**
Income for the financial year (Note 19.9)	–	83,151	83,151
Dividends and other	–	(36,307)	(36,307)
Changes to scope (Note 2.6)	(13,135)	3,303	(9,832)
Financial instrument hedges	–	(121)	(121)
Balance at December 31st, 2024	**–**	**1,048,537**	**1,048,537**
Income for the financial year (Note 19.9)	–	45,836	45,836
Dividends and other	–	(56,303)	(56,303)
Changes to scope (Note 2.6)	–	(59,722)	(59,722)
Financial instrument hedges	–	–	–
Balance at December 31st, 2025	**–**	**978,348**	**978,348**

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

	Thousands of euros	
	December 31st, 2025	December 31st, 2024
Dividend paid by subsidiaries of the SFL subgroup to non-controlling interests	(56,834)	(36,387)
Other	531	80
Total	**(56,303)**	**(36,307)**

The Parent has the following shareholders’ agreements in effect with Prédica:

- Through its permanent establishment, the Parent holds non-controlling interests of 49% in SCI Paul Cézanne, SCI 103 Grenelle, SAS Cloud and SAS Champs-Elysées, in respect of which the Parent and Prédica entered into a new shareholders’ agreement. Based on the shareholders’ agreement, under which the conditions required to classify those interests as conferring control are met (as the decisions with the most significant impact on the companies are controlled by the Parent), the Parent exercises exclusive control over the four companies. As a result, the Group has fully consolidated the four subsidiaries.

13.6.1. Summarised financial information on the main subsidiaries with non-controlling interests

The following table shows the summarised financial information for the main subsidiaries with non-controlling interests:

		Thousands of euros							
Non-controlling	% non-controlling	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Ordinary income	Profit/(loss) for the year	Total comprehen sive income	Cash flows
SCI 103 Grenelle	49.00%	318,481	11,347	4,692	3,177	12,035	3,501	6,360	6,307
SCI Paul Cézanne	49.00%	620,606	11,566	3,812	5,025	22,224	18,067	35,276	16,762
SAS Cloud	49.00%	706,168	16,908	4,440	25,586	22,893	12,017	22,803	11,021
SAS 92 Champs Elysées	49.00%	361,235	16,561	3,773	683	12,979	13,733	26,782	14,021

14. Bank borrowings, other financial liabilities and bonds and similar securities issued

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

December 31st, 2025	Thousands of euros							
	Current	Non-current						
	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	Total
Bank borrowings:								
Lines of credit	–	–	–	–	–	–	–	–
Préstamos	–	–	–	300,000	–	–	300,000	300,000
Syndicated financing	–	–	–	–	–	–	–	–
Interest	445	–	–	–	–	–	–	445
Debt arrangement costs	(2,395)	(2,133)	(2,286)	(2,198)	(1,030)	–	(7,647)	(10,042)
Total debts with credit institutions	(1,950)	(2,133)	(2,286)	297,802	(1,030)	–	292,353	290,403
Other financial liabilities	21,684	–	–	–	–	–	–	21,684
Total other financial liabilities	21,684	–	–	–	–	–	–	21,684
Total debts with credit institutions and other financial liabilities	**19,734**	**(2,133)**	**(2,286)**	**297,802**	**(1,030)**	**–**	**292,353**	**312,087**
Issue of debentures and similar securities:								
Issuing bonds	700,000	599,000	1,099,000	1,125,000	500,000	800,000	4,123,000	4,823,000
Interest	43,888	–	–	–	–	–	–	43,888
Debt arrangement costs	(13,442)	(11,033)	(9,294)	(7,076)	(2,245)	(1,690)	(31,338)	(44,780)
Total issue of debentures and similar securities	**730,446**	**587,967**	**1,089,706**	**1,117,924**	**497,755**	**798,310**	**4,091,662**	**4,822,108**
Issue of promissory notes	–	–	–	–	–	–	–	–
Total issuance of promissory notes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**750,180**	**585,834**	**1,087,420**	**1,415,726**	**496,725**	**798,310**	**4,384,015**	**5,134,195**

December 31st, 2024	Thousands of euros							
	Current	Non-current						
	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	Total
Bank borrowings:								
Lines of credit	–	–	–	–	–	–	–	–
Loans	–	–	–	–	300,000	–	300,000	300,000
Syndicated financing	–	–	–	–	–	–	–	–
Interest	635	–	–	–	–	–	–	635
Debt arrangement costs	(2,753)	(2,702)	(2,525)	(2,368)	(1,233)	–	(8,828)	(11,581)
Total debts with credit institutions	(2,118)	(2,702)	(2,525)	(2,368)	298,767	–	291,172	289,054
Other financial liabilities	2,473	–	–	–	–	–	–	2,473
Total other financial liabilities	2,473	–	–	–	–	–	–	2,473
Total debts with credit institutions and other financial liabilities	**355**	**(2,702)**	**(2,525)**	**(2,368)**	**298,767**	**–**	**291,172**	**291,527**
Issue of debentures and similar securities:	–	–	–	–	–	–	–	–
Issuing bonds	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)
Total issue of debentures and similar securities	**1,014,786**	**689,778**	**590,241**	**1,093,233**	**1,121,519**	**–**	**3,494,771**	**4,509,557**
Issue of promissory notes	185,000	–	–	–	–	–	–	185,000
Total issuance of promissory notes	**185,000**	**–**	**–**	**–**	**–**	**–**	**–**	**185,000**
Total	**1,200,141**	**687,076**	**587,716**	**1,090,865**	**1,420,286**	**–**	**3,785,943**	**4,986,084**

The changes in net financial debt in 2025 and 2024, which arose from cash flows and other, are presented in the table below:

	Thousands of euros		
	December 31st, 2024	Cash flows	December 31st, 2025
Lines of credit	–	–	–
Loans	300,000	–	300,000
Syndicated financing	–	–	–
Issue of promissory notes	185,000	(185,000)	–
Issuing bonds	4,523,000	300,000	4,823,000
Gross financial debt (nominal gross debt)	**5,008,000**	**115,000**	**5,123,000**
Cash and cash equivalents	(542,717)	392,326	(150,391)
Net financial debt	**4,465,283**	**507,326**	**4,972,609**

	Thousands of euros			
	31 December 2023	Cash flows	Changes in scope of consolidation investments accounted for by the equity method (Note 2.6)	December 31st, 2024
Lines of credit	375	(375)	–	–
Loans	324,200	–	(24,200)	300,000
Syndicated financing	105,000	(105,000)	–	–
Issue of promissory notes	292,000	(107,000)	–	185,000
Issuing bonds	4,580,200	(57,200)	–	4,523,000
Gross financial debt (nominal gross debt)	**5,301,775**	**(269,575)**	**(24,200)**	**5,008,000**
Cash and cash equivalents	(437,790)	(104,927)	–	(542,717)
Net financial debt	**4,863,985**	**(374,502)**	**(24,200)**	**4,465,283**

14.1. Issues of the Parent's straight bonds

The detail of the issues of standard debentures made by the parent company is as follows:

				Thousands of euros		
Issue date	Duration	Maturity	Fixed coupon payable annually	Initial amount of the issue	December 31st, 2025	December 31st, 2024
10-11-16	10 years	11-2026	1.875%	50,000	50,000	50,000
28-11-17	8 years	11-2025	1.625%	500,000	–	500,000
28-11-17	12 years	11-2029	2.500%	300,000	500,000	500,000
17-04-18	8 years	04-2026	2.000%	650,000	650,000	650,000
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
14-10-20	8 years	10-2028	1.350%	500,000	500,000	500,000
22-06-21	8 years	06-2029	0.750%	625,000	625,000	625,000
21-10-21	6,5 years	04-2028	0.500%	599,000	599,000	599,000
22-01-25	5 years	01-2030	3.250%	500,000	500,000	–
23-09-25	6 years	09-2031	3.125%	800,000	800,000	–
Total issues					**4,823,000**	**4,523,000**

During 2025, under the EMTN (European Medium Term Note) programme, the parent company carried out two issuances of senior unsecured bonds. The first issuance, carried out in January 2025, amounted to a nominal value of 500,000 thousand euros, with an annual coupon of 3.25% and maturity in January 2030. The second issuance took place in September 2025, for a nominal value of 800,000 thousand euros, with an annual coupon of 3.125% and maturity in September 2031.

In May and November 2025, bond issues amounting to 500,000 thousand euros each were redeemed, with maturities falling on 29 May 2025 and 28 November 2025, respectively.

The bond issuances dated 14 October 2020 and 22 June 2021 were admitted to trading on the regulated market (the AIAF Fixed Income Securities Market) of the Madrid Stock Exchange, under the supervision of the CNMV. The bond issues dated 5 June 2020 and 21 October 2021 constitute unsubordinated obligations with no preference among them, and have been admitted to trading on the regulated market of Euronext Paris. The remaining bond issues are listed on the regulated market (Main Securities Market) of the Irish Stock Exchange.

All outstanding bond issues are subject to the Green Financing Framework, as published in November 2024, the pillars of which are energy efficiency, prevention and reduction of carbon emissions from the Group's assets.

At December 31st, 2025 and 2024, the fair value of the bonds issued by the Parent was 4,705,891 thousand euros and 4,357,694 thousand euros, respectively.

14.1.1. European Medium Term Note Programme -

On 5 October 2016, the Parent registered a 12-month European Medium Term Note programme for 3,000,000 thousand euros, which can be extended to 7,000,000 thousand euros, on the Irish Stock Exchange. On 10 September 2025, the Irish Stock Exchange approved the registration of the programme renewal in the official registers of the Parent’s Euro Medium Term Note Programme.

14.1.2. Compliance with financial ratios -

The senior unsecured bonds currently outstanding, with the exception of those issued on 5 June 2020 and 21 October 2021, require compliance with certain financial ratios as at 30 June and 31 December of each year. As at December 31st, 2025 and 2024, the above ratios were met, and there were no additional liabilities to be met.

14.2. Issue of promissory notes by the Parent

The parent company registered a European Commercial Paper programme on the Irish Stock Exchange in December 2018 for a maximum limit of 300,000 thousand euros with a short-term maturity, subsequently extended to 500,000 thousand euros. The programme was renewed on 6 November 2025. As at December 31st, 2025 and 2024, there were no outstanding issues.

In September 2018, the Parent, through its permanent establishment in France, registered a NEU CP commercial paper issuance programme for a maximum amount of 500,000 thousand euros and maturing in the short term. This programme was renewed in May 2025. As at December 31st, 2025 , there were no outstanding issues. The outstanding balance at December 31st, 2024 stood at 185,000 thousand euros.

14.3. Credit facility at the Parent

The Parent’s credit facilities are broken down in the following table:

Thousands of euros	Maturity	December 31st, 2025		December 31st, 2024	
		Limit	Nominal drawn down	Limit	Nominal drawn down
Syndicated Line of Credit	06-2030	1,000,000	–	1,000,000	–
Syndicated Line of Credit	06-2030	835,000	–	835,000	–
Credit facility 1	06-2027	–	–	145,000	–
Credit facility 2	07-2027	–	–	140,000	–
Credit facility 3	06-2029	–	–	100,000	–
Credit facility 4	10-2025	–	–	100,000	–
Credit facility 5	12-2028	100,000	–	100,000	–
Credit facility 6	03-2027	100,000	–	100,000	–
Credit facility 7	11-2027	50,000	–	50,000	–
Total credit facility of the Parent		**2,085,000**	**–**	**2,570,000**	**–**

On 28 June 2024, a novation of the syndicated credit facility amounting to 1,000,000 thousand euros was formalised, with a five-year maturity (to June 2029), extendable on a 1+1 basis, improving the margin applicable over EURIBOR and updating the financial ratios. This line is considered sustainable because its margin is referenced to different sustainability ratios. At December 31st, 2024, all the sustainability targets had been met, resulting in a margin

reduction of 3 basis points. In June 2025, the option to extend the maturity for an additional year was exercised, extending it to June 2030.

In April 2025, the second one-year extension of the syndicated credit facility amounting to 835,000 thousand euros was exercised, extending its maturity to June 2030. This facility is classified as sustainable and includes three ESG performance indicators.

Moreover, credit facilities that were fully available were repaid early for a total amount of 485,000 thousand euros.

The interest rate set for the new credit line is variable with a margin linked to EURIBOR.

14.3.1. Compliance with financial ratios -

At December 31st, 2025 and 2024, the Parent complied with all financial ratios and there were no additional liabilities to be met.

14.4. Other loans

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

		December 31st, 2025		December 31st, 2024	
Thousands of euros	Maturity	Limit	Nominal drawn down	Limit	Nominal drawn down
Other loan 1	12-2029	300,000	300,000	300,000	300,000
Total other loans		**300,000**	**300,000**	**300,000**	**300,000**

14.4.1. Compliance with financial ratios

The loan is subject to compliance with certain financial ratios, on a half-yearly basis. At December 31st, 2025 and 2024, SFL was fully compliant with the financial covenants set out in its financing contract and there were no further liabilities that were due.

14.5. Guarantees delivered

At December 31st, 2025, the Group had granted guarantees to government bodies, clients and suppliers in the amount of 5,733 thousand euros (6,680 thousand euros at December 31st, 2024).

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.

14.6. Cash and cash equivalents

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. At December 31st, 2025 and 2024, this heading included cash and cash equivalents amounting to 150,391 thousand euros and 542,717 thousand euros, respectively, as follows:

	Thousands of euros	
	December 31st, 2025	December 31st, 2024
Cash in banks and savings banks	53,348	100,130
Other cash equivalents	97,043	442,587
Total	**150,391**	**542,717**

A total of 1,618 thousand euros under the line “Cash in banks and savings banks” was pledged at December 31st, 2025 (2024: 1,461thousand euros).

14.7. Debt arrangement costs

In 2025 and 2024, the Group recognised in the consolidated income statement a total of 5,582 thousand euros and 5,627 thousand euros, respectively, in connection with arrangement costs paid during the year (Note 19.8).

14.8. Financing interest

The Group’s average interest rate in 2025 was 1.69% (1.42% in 2024), or 2.00% when including the accrual of fees (1.78% in 2024). The average interest rate on the Group’s outstanding debt as at December 31st, 2025 (spot) was 1.91% (1.70% as at December 31st, 2024).

The amount of accrued interest pending payment recorded in the consolidated statement of financial position amounts to:

	Thousands of euros	
	December 31st, 2025	December 31st, 2024
Obligations	43,888	26,464
Bank borrowings	445	635
Total	**44,333**	**27,099**

14.9. Capital management and risk management policy

Companies that operate in the real estate sector require a significant level of investment to guarantee the development of their projects and the growth of their business through the acquisition of real estate in equity and/or land.

The Group's financial structure requires its sources of financing to be diversified in entities as well as products and maturity, with the objective of ensuring its companies continue to be profitable businesses and being able to maximise shareholder return.

14.10. Financial risk management policy

The Group efficiently manages financial risks with the objective of having an adequate financial structure that allows high levels of liquidity to be maintained as well as minimising financing costs, reducing volatility due to capital changes and ensuring compliance with its business plans.

Interest-rate risk: The risk management policy has the objective of limiting and controlling the impact of variations in interest rates on the result and cash flows, maintaining the level of indebtedness and the overall cost of debt in line with the Group's credit rating.

To achieve this objective, interest rate hedging instruments are contracted, if necessary, to cover possible financial cost fluctuations. The Group's policy is to contract instruments that comply with the provisions of the accounting regulations to be considered as efficient accounting coverage, and thus record its market value variations directly in the Group's other consolidated result. At December 31st, 2025 and 2024, the percentage of hedged or fixed-rate debt as a percentage of the Group's total debt was 100%.

Liquidity risk: In order to manage liquidity risk and meet the diverse needs for funds, based on the annual treasury budget, the Group monitors the treasury forecasts monthly.

The Group considers the following mitigating factors for liquidity risk management: (i) the generation of recurring cash in the businesses on which the Group bases its activity; (ii) the ability to renegotiate and obtain new financing facilities based on long-term business plans and (iii) the quality of the Group's assets.

Occasionally there may be excess cash making it possible to have undrawn credit facilities or highly-liquid deposits with no risk. At December 31st, 2025, the Group had sufficient financing facilities to meet its honour its short-term maturities. The Group does not arrange high-risk financial products as a method of investing cash surpluses.

Counterparty risk: The Group mitigates this risk by carrying out financial operations with leading institutions, as well as accessing the debt market through bond issues.

Credit risk: the Group analyses the exposure implied by at-risk accounts receivable on an ongoing basis, monitoring their settlements and recognising charges whenever its receivables are deemed impaired.

15. 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) (*)
Cash flow hedges-						
Swap	Colonial SFL	2.4240%	–	2029	100,000	(613)
Swap	Colonial SFL	2.493%	–	2029	200,000	(1,231)
Cash flow hedges of planned future transactions-						
Swap	Colonial SFL	2.4500%	2027	2032	173,500	3,590
Swap	Colonial SFL	2.4173%	2027	2032	173,300	3,721
Swap	Colonial SFL	2.4820%	2028	2033	213,500	4,851
Swap	Colonial SFL	2.4709%	2028	2033	213,350	4,949
Swap	Colonial SFL	2.6400%	2028	2033	102,750	1,884
Swap	Colonial SFL	2.4995%	2028	2033	101,470	2,468
Swap	Colonial SFL	2.3890%	2026	2031	250,000	2,611
Swap	Colonial SFL	2.4035%	2026	2031	250,000	2,441
Total December 31st, 2025					**1,777,870**	**24,671**

(*) Including accrued interest on cash flow hedges.

					Thousands of euros	
	Company	Interest rate	Early settlement	Maturity	Nominal (Thousands of euros)	Fair value - Assets / (Liabilities)(*) (Thousands of Euros)
Cash flow hedges-						
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)
Cash flow hedges of planned future transactions-						
Swap	Colonial	2,2790%	2025	2030	747,500	(1,707)
Swap	Colonial	2,4500%	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)
Total December 31st, 2024					**2,325,370**	**(12,249)**

(*) Including accrued interest receivable on cash flow hedges amounting to 171 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 250,000 thousand euros and 250,000 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.

As at December 31st, 2025 and 2024, income of 13,122 and 8,399 thousand euros, respectively, arising from the recycling of cancelled forward-starting hedges was recognised under the line item “Finance costs” in the consolidated income statement (Note 19.8). Likewise, in that same line item, a total of 418 thousand euros of finance costs relating to interest on the hedges in force were recognised in 2025 (2024: 6,073thousand euros in finance income).

15.1. Hedge accounting

At December 31st, 2025 and 2024, the Parent and SFL applied hedge accounting to different derivative financial instruments.

As at December 31st, 2025, the cumulative impact recognised directly in equity in the consolidated statement of financial position from hedge accounting (Note 13.4) amounted to a credit balance of 224,998 thousand euros, after recognising the tax effect and consolidation adjustments. At December 31st, 2024, the impact recorded amounted to a credit balance of 200,057 thousand euros (Note 13.4).

15.2. Fair value of derivative financial instruments

The fair value of the derivatives was calculated by discounting estimated future cash flows based on an interest rate curve and on assigned volatility at December 31st, 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 of 21,500 thousand euros and -21,912 thousand euros, respectively (2024: 25,812 thousand and -26,338 thousand euros, respectively).

16. Trade creditors and other non-current liabilities

The breakdown of these headings by nature and due dates of the consolidated financial statements is as follows:

	Thousands of euros			
	December 31st, 2025		December 31st, 2024	
	Current	Non-Current	Current	Non-current
Trade and other payables	92,891	–	89,185	–
Payables for real estate purchases	163	–	269	–
Advances	26,584	–	34,661	–
Guarantees and deposits received	–	90,250	–	82,863
Debts with Social Security	2,049	–	3,042	–
Advanced income	3,434	–	6,364	–
Other payables and liabilities	9,765	58	10,707	158
Total	**134,886**	**90,308**	**144,228**	**83,021**

16.1. Trade and other payables

This mainly collects the outstanding amounts for trade purchases made by the Group, and their related costs.

16.2. Payables for real estate purchases

It shows liabilities arising from the Parent's acquisitions of equity interests and/or properties in Spain.

16.3. Customer advances

Non-current advances mainly comprise amounts collected in advance from customers of the Parent and its French subsidiaries. At December 31st, 2025 and 2024, the amount stood at 25,536 thousand euros and 29,538 thousand euros, respectively.

16.4. Guarantees and deposits received

This essentially shows the amounts delivered by the tenants as collateral.

16.5. Advanced income

It comprises the amounts received by the Parent's permanent establishment in respect of entry fees, which relate to amounts invoiced to tenants for the reservation of a specific space and are recognised as income on a straight-line basis over the minimum term of the relevant lease agreement.

16.6. Average payment period to suppliers and trade creditors

The information required by Law 18/2022, of 28 September, on the incorporation and growth of companies, and by the second final provision of Law 31/2014, of 3 December, which amends the Companies Act to improve corporate governance, and by the third additional provision of Law 15/2010, of 5 July, which amends Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, is detailed below, all in accordance with the provisions of the Resolution of 29 January 2016 of the Spanish Institute of Chartered Accountants (ICAC) on the information to be included in the notes to the consolidated financial statements regarding the average payment terms to suppliers in commercial transactions of the various Spanish companies that make up the Group.

	2025	2024
	Days	Days
Average period of payment to suppliers	38	38
Ratio of transactions paid	24	38
Ratio of outstanding transactions	37	30
	Amount (thousands of euros)	
Total payments made	118,316	122,012
Total number of invoices paid	21,957	19,983
Total outstanding payments	9,180	9,846
Total payments made within the maximum legal deadline	104,569	105,837
Total payments made within the maximum legal deadline over total payments made	88.4%	86.7%
Total invoices paid within the maximum legal deadline	21,288	19.128
Total invoices paid within the maximum legal deadline as a percentage of total invoices paid	97.0%	95.7%

The data included in the previous table on payments to suppliers refer to those that by their nature are accounts payable for debts with suppliers of goods and services, so that data related to certain items of the "Trade payables and other accounts payable" are included from the consolidated statement of financial position.

On 26 July 2013, Law 11/2013 on measures to support entrepreneurs, stimulate growth and job creation, which modifies the Late Payment Law (Law 3/2004, of 29 December) entered into force. This modification establishes that the maximum period of payment to suppliers, from 29 July 2013, will be 30 days, unless there is a contract between the parties that raises this to a maximum of 60 days.

In relation to payments made outside the maximum legal term set, these correspond mainly to payments related to contracting works and real estate renovation, which are paid within the term established in the corresponding contracts signed with the contractors.

17. Provisions and contingent assets and liabilities

The movement of the headings of the consolidated statement of financial position "Current provisions" and "Non-current provisions" and their corresponding detail is as follows:

	Thousands of euros	
	Non-current	Current
	Staff provisions	Provisions for risks and other provisions
Beginning balance	**1,509**	**6,874**
Provisions	(77)	–
Reversal	–	(3,350)
Transfers	26	(26)
Ending balance	**1,458**	**3,498**

17.1. Non-current provisions

It includes amounts relating to retirement indemnities and long-service awards for employees of the Parent's permanent establishment (Note 4.11), amounting to 1,112 thousand euros as at December 31st, 2025 (1,083 thousand euros as at December 31st, 2024).

17.2. Current provisions

Current provisions include an estimate of various future risks of the parent company.

18. Tax situation

18.1. Option for SOCIMI and SIIC Tax Regime

On 30 June 2017, the parent company opted for the REIT tax regime (Note 1). Since 1 January 2003, SFL has been subject to the French tax regime applicable to listed real estate investment companies (hereinafter referred to as the SIIC regime). Following the merger by absorption of SFL by the Parent, Colonial now has a permanent establishment in France that maintains SIIC status.

18.2. Balances held with public administrations

Details of "Tax assets" and "Deferred and non-current tax assets" in the consolidated statement of financial position are as follows:

		Thousands of euros			
		Current		Non-current	
	Note	December 31st, 2025	December 31st, 2024	December 31st, 2025	December 31st, 2024
Public Treasury, debtor for tax concepts		1	5	–	–
Public Treasury, debtor for corporate taxes		826	7,836	–	–
Public Treasury, VAT debtor		18,251	13,796	–	–
Deferred tax assets	18.5	1	–	1,856	486
Total		**19,079**	**21,637**	**1,856**	**486**

Details of "Tax liabilities" and "Deferred and non-current tax liabilities" in the consolidated statement of financial position are as follows:

		Thousands of euros			
		Current		Non-current	
	Note	December 31st, 2025	December 31st, 2024	December 31st, 2025	December 31st, 2024
Public Treasury, company tax credit		29,403	18,328	43,150	22,909
Public Treasury, creditor for tax concepts		1,220	3,254	–	–
Public Treasury, VAT creditor		3,977	3,243	–	–
Pasivos por impuestos diferidos	18.6	–	–	120,955	214,916
Total		**34,600**	**24,825**	**164,105**	**237,825**

The line item “Corporate income tax payable” includes the impact of the exit tax arising from the election for the French SIIC regime by the subsidiaries Parchamps, Pargal and Parhaus, of which 28,070 thousand euros is current and 43,150 thousand euros is non-current, to be settled in 2027 and 2028.

18.3. Reconciliation of income tax results

Law 27/2014, of 27 November, on corporate tax, effective 1 January 2015, established in its article 29 that the general tax rate for taxpayers was 25 percent.

On 30 June 2017, the Parent opted for the SOCIMI tax regime, which was applicable with effect 1 January 2017 (Note 1). After adhering to the REIT regime, the profit arising from REIT activities will be taxed at a rate of 0%, provided that the stipulated requirements are met (Note 4.14).

The details of the "Income tax" heading of the consolidated income statement was as follows:

	Thousands of euros	
	2025	2024
Income tax expense	(65,581)	(39,615)
Deferred tax revaluation assets at fair value (IAS 40)	93,492	75,080
Other non-main components	–	(462)
Income tax	**27,911**	**35,003**

18.4. Reconciliation between income tax expense and prima facie tax

	Thousands of euros	
	2025	2024
Profit from continuing activities before tax	362,374	355,543
	362,374	**355,543**
Taxed at the Spanish tax rate of 25%	(89,198)	(88,474)
Tax effect of amounts that are not deductible (taxable) in the calculation of the tax benefit:		
IAS 40 application (revaluations and redemptions of depreciation)	68,841	115,305
Other adjustments	28,667	45,748
Subtotal	**8,310**	**72,580**
Difference in tax rates by REIT and SIIC regime	17,466	(44,267)
Difference in foreign tax rates	201	(1,546)
Adjustments to current tax for previous years	305	(30)
Unrecognised tax losses previously used to reduce deferred tax expense	–	1
Unrecognised tax losses previously recovered now to reduce current tax expense	–	51
Tax losses for the year not recognised in accounting	1,629	8,214
Income tax expense	**27,911**	**35,003**

18.5. Deferred tax assets

The detail of deferred tax assets registered by the Group is as follows:

		Thousands of euros			
		Recognised in accounting			
	Note	December 31st, 2024	Inclusions	Write-offs	December 31st, 2025
Leases	7.2	486	91	(77)	500
Asset revaluation-Spain-		–	1,325	–	1,325
Other		–	31	–	31
Total		**486**	**1,447**	**(77)**	**1,856**

18.5.1. Prior years' tax losses pending offset –

The tax loss carryforwards of Spanish companies accumulated at December 31st, 2025 amounted to 5,335,422 thousand euros.

18.5.2. Deferred assets for tax credits through deductions -

At December 31st, 2025, the Group had no deductions yet to be used (2024: 0 thousand euros).

18.6. Pasivos por impuestos diferidos

The details of deferred tax liabilities along with their movements are detailed in the following tables:

	Thousands of euros				
	December 31st, 2024	Additions	Derecognitions	Scope of consolidation changes (Note 2.6)	December 31st, 2025
Asset revaluation	210,580	3,448	(97,236)	–	116,792
Asset revaluation-Spain-	113,344	3,448	–	–	116,792
Asset revaluation-France-	97,236	–	(97,236)	–	–
Deferral for reinvestment	3,862	–	(173)	–	3,689
Hedge Instruments	–	–	–	–	–
Other	474	–	–	–	474
Total	**214,916**	**3,448**	**(97,409)**	**–**	**120,955**

18.6.1. Deferred liability for asset revaluation -

This corresponds, essentially, to the difference between the accounting cost of market-valued real estate investments (IFRS base) and their tax cost (valued at acquisition cost, net of amortisation and impairment of the value that would have been deductible).

Asset revaluation - Spain -

This includes the amount of deferred taxes associated with the Group's real estate investments located in Spain, which would be accrued if said assets are transmitted at the fair value to which they are registered, using the effective rate that would apply to each of companies taking into account the applicable regulations and the existence of unregistered tax credits.

Following the adoption of the SOCIMI tax regime in 2017, the changes in deferred taxes recognised at the effective rate relate mainly to deferred taxes to have accrued prior to the SOCIMI properties opting to convert to the SOCIMI tax regime. In the calculation of deferred tax liabilities, the Group considers the application of 30,930 thousand euros of deferred tax assets arising from tax loss carryforwards.

Asset revaluation - France -

Includes the amount of the deferred taxes associated with the Group's investment property located in France, which would accrue if those assets are sold. It should be noted that practically all of the assets in France are subject to the SIIC regime (Note 4.14), and therefore no additional tax would arise at the time of their sale. During 2025, the subsidiaries Parchamps and Parhaus elected to apply the SIIC regime, which resulted in the derecognition of the existing deferred tax in an amount of 97,236 thousand euros. As at December 31st, 2025, all French companies with real estate investments are subject to the SIIC regime.

18.7. Tax years pending verification and inspection actions

For the most part, the Group has the last four tax years open for inspection for all taxes applicable to it in Spain and France, except for corporate income tax of Spanish companies with negative tax bases to be offset or deductions pending application, in which case the inspection period extends to 10 tax years.

On 2 November 2022, the Parent was notified of the commencement of general verification and investigation audits for corporate income tax for 2018 to 2021, and for value added tax, withholdings on account of non-residents and withholdings and payments on account of income from employment, professional activities and economic activities for the period October 2018 to December 2021.

The tax settlements were signed in agreement between June and July 2024 and did not have a significant impact for the Parent. Likewise, in the context of the tax inspection proceedings, the effects arising from the declaration of unconstitutionality of Royal Decree-Law 3/2016, which limited the offsetting of tax loss carryforwards for certain entities, were regularised. This adjustment resulted in a rebate to the Parent of 9,283 thousand euros, which was recognised as income under “Income tax” in the Company’s income statement.

During May 2025, the French tax authorities initiated a tax inspection in respect of Société Foncière Lyonnaise, whose tax liabilities were transferred to the Parent as a result of the merger described in Note 1. The tax inspection covers the 2022 to 2024 financial years. As at the date of authorisation of these consolidated annual financial statements, the inspection remains ongoing for the 2023 and 2024 financial years. With respect to the 2022 financial year, the inspection has been completed without any material impact on the Parent.

It is not expected that additional liabilities will be accrued for the Group as a result of a possible inspection.

18.8. Disclosure requirements relating to REIT status, Law 11/2009, as amended by Law 16/2012

The information requirements relating to the REIT status of the Parent and its subsidiaries are included in the corresponding notes to the individual financial statements.

18.9. Adherence to the code of good tax practices –

On 10 December 2015, the Board of Directors of the Parent agreed to adhere to the Code of Best Tax Practices ("CBPT" hereinafter). This resolution was communicated to tax authorities on 8 January 2016. In 2025, the Parent presented the Annual Tax Transparency Report for companies adhering to the CBTP for 2024, following the proposal to strengthen good corporate tax transparency practices for companies adhering to the CBTP, as approved at the plenary board meeting held on of 20 December 2016.

19. Income and expense

19.1. Net turnover amount

The net amount of turnover corresponds to the ordinary income from contracts with clients for rents derived from the Group's equity activity, which basically focuses on the markets of Barcelona, Madrid and Paris. The net amount of turnover and its distribution by segments is included in the following table:

	Thousands of euros	
	2025	2024
Barcelona	51,573	43,754
Madrid	105,561	84,965
Paris	246,339	248,829
Total assets (traditional business)	**403,473**	**377,548**
Total flexible business	**4,927**	**18,029**
Total net turnover	**408,400**	**395,577**

Revenue for 2025 and 2024 includes the effect of the lease incentives throughout the minimum term of the lease agreement (Note 4.15). Revenue also includes the accrued amounts received in connection to rights of entry (Note 16.5). At December 31st, 2025, the impact of the above accruals led to an increase in turnover of 11,839 thousand euros (30,533 thousand euros for 2024).

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 (*)	
	December 31st, 2025	December 31st, 2024
Less than one year	*399,050*	*350,266*
Spain	150,540	144,424
France	248,510	205,842
Between one and five years	*980,080*	*968,303*
Spain	260,863	262,504
France	719,217	705,799
More than five years	*547,302*	*618,616*
Spain	60,828	42,827
France	486,474	575,789
Total	**1,926,432**	**1,937,185**
Spain	*472,231*	*449,755*
France	*1,454,201*	*1,487,430*

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

In 2024, the heading “Turnover – Inventories” related to the sale of the equity interests in the subsidiary Peñalvento, S.L.U. (Note 2.6), which owns the asset classified under “Inventories” in the consolidated statement of financial position. On 3 October 2018, the Parent entered into a sale and purchase agreement, subject to a condition precedent, for 100% of the shares in the subsidiary Peñalvento. Under the terms of the contract, the sale and purchase was to be completed in 2024, provided that the conditions precedent were fulfilled. The Group received a total of 28,287 thousand euros in prepayments (see Note 16.3).

On 7 March 2024, the Group sold the shares of subsidiary company Peñalvento, S.L.U. (Note 2.6), which owns the asset classified under “Inventories” in the consolidated statement of financial position.

19.2. Other operating income

They correspond, fundamentally, to the provision of real estate services. and amounted to 15,506 thousand euros and 8,236 thousand euros at December 31st, 2025 and 2024, respectively.

19.3. Personnel expenses

The "Personnel expenses" heading in the consolidated income statement is as follows:

	Thousands of euros	
	2025	2024
Wages and salaries	21,316	20,643
Compensation	169	2,868
Social Security expenses borne by the Company	5,511	6,330
Other welfare expenses	11,390	10,546
Contributions to defined benefit plans	294	222
Internal reallocation	(1,332)	(1,320)
Total Employee costs	**37,348**	**39,289**
Spain	*21,025*	*19,214*
France	*16,323*	*20,075*

The heading “Other employee expenses” shows the amounts relating to the accrual for 2025 arising from the cost of the Parent’s long-term remuneration plan (Note 20.1), amounting to 8,736 thousand euros (7,118 thousand euros in 2024).

Contributions to defined benefit plans made by the Parent in 2025 and 2024 amount to 294 thousand euros and 222 thousand euros, respectively. At the end of both years, there are no outstanding amounts to contribute to the mentioned pension plan.

The number of people employed by the Group, as well as the average number of employees during the year distributed by categories and gender, was as follows:

	No. employees				Average 2025		Average 2024	
	2025		2024					
	Men	Women	Men	Women	Men	Women	Men	Women
General and Area Management	8	8	10	6	8.0	7.3	11	7
Qualified technicians and middle managers	35	32	38	46	35.1	33.2	40	49
Office clerks	41	100	39	84	41.1	99.4	38	85
Other	2	–	3	–	2.4	–	3	–
Total employees by gender	**86**	**140**	**90**	**136**	**86.6**	**139.9**	**92**	**141**
Total Group employees	**226**		**226**		**226.5**		**233**	

Of the total number of employees of the Group, the number of employees with a disability of 33% or more as at December 31st, 2025 is 3 (2024: 3 people).

19.4. Other operating expenses

The "Other operating expenses" heading of the consolidated income statement is as follows:

	Thousands of euros	
	2025	2024
External services and other expenses	45,589	40,910
Taxes	16,531	12,340
Total Other operating expenses	**62,120**	**53,250**

19.4.1. Net change in provisions

The movement in the year in the operating provisions included in external services and other expenses is as follows:

	Thousands of euros	
	2025	2024
Net provision for insolvencies and other provisions	993	(3,382)
Other allocations/(reversal) of provisions	(2,583)	4,211
Total Net variation of provisions	**(1,590)**	**829**

19.5. Net gain/(loss) 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	
	2025	2024	2025	2024	2025	2024
Sale price	13,882	188,247	–	–	13,882	188,247
Asset derecognition (Notes 9 and 23)	(11,621)	(165,098)	–	–	(11,621)	(165,098)
Indirect and other costs	310	(8,086)	–	–	310	(8,086)
Net gain/(loss) on sales of assets	**2,571**	**15,063**	**–**	**–**	**2,571**	**15,063**

19.6. Gains/(losses) on changes in value of assets due to impairment

The following table breaks down the impairment shown under the heading “Gains/(losses) on changes in value of assets due to impairment” in the consolidated income statement:

		Thousands of euros	
	Note	2025	2024
Impairment / (Reversal) of property for own use	8	119	(119)
Substitute write-offs		(2,952)	(1,224)
Right-of-use assets		(53)	–
Result due to variation in asset value and impairment		**(2,886)**	**(1,343)**

19.7. Changes in the value of investment property

The balance shown in the “Changes in value in investment property” heading of the consolidated income statement breaks down as follows:

		Thousands of euros	
	Note	2025	2024
Investment property	9	146,611	106,106
Assets classified as held for sale – Investment property	23	(13,906)	(3,707)
Variations in property investment value		**132,705**	**102,399**
Spain		142,560	(2,135)
France		(9,855)	104,534

19.8. Income and finance costs

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

	Note	Thousands of euros 2025	2024
Financial income:			
Other interests and similar income		15,861	24,183
Financial income for updating	18.2	1,288	1,382
Total Financial Income		**17,149**	**25,565**
Financial expenses:			
Financial expenses and similar expenses		(102,892)	(105,908)
Capitalised financial costs	9	9,956	4,910
Financial expenses per update	7 and 18.2	(671)	(789)
Financial costs associated with debt cancellation and restructuring		(5,822)	(4,635)
Finance costs associated with arrangement expenses	14.7	(5,582)	(5,627)
Interest on derivative financial instruments	15	(418)	6,073
Total Financial Expenses		**(105,429)**	**(105,976)**
Impairment losses on financial assets		(1,095)	(247)
Total Financial Result (Loss)		**(89,375)**	**(80,658)**

19.8.1. Capitalised interest costs

The following table shows finance costs capitalised as a higher cost of investment property, inventories and assets classified as held for sale:

	Thousands of euros			
	Investment property (Note 9)	Stock	Assets classified as held for sale (Note 23)	Average interest rate
2025				
Colonial SFL, SOCIMI, S.A.	6,936	–	–	1.90%
SAS Parhaus	904	–	–	2.05%
SNC Condorcet Propco	2,116	–	–	2.14%
Total 2025	**9,956**	**–**	**–**	
2024				
Inmobiliaria Colonial, SOCIMI, S.A.	2,429	–	752	1.13%
Peñalvento, S.L	–	30	–	1.13%
SFL Subgroup	1,699	–	–	2.06%
Total 2024	**4,128**	**30**	**752**	

19.9. Result by company

The contribution of each company included in the scope of consolidation to the consolidated results for the year was as follows:

	Thousands of euros					
	Net consolidated income		Net profit/(loss) attributed to non-controlling interests		Net profit/(loss) for the year attributable to the Parent	
	2025	2024	2025	2024	2025	2024
Colonial SFL, SOCIMI, S.A.	199,065	89,650	–	–	199,065	89,650
Spanish subsidiaries:						
Colonial Tramit, S.LU	–	1	–	–	–	1
Utopicus Innovación Cultural, S.L.	(2,780)	7,565	–	–	(2,780)	7,565
Wittywood, S.L.	469	129	–	–	469	129
Inmocol One, S.A.U.	–	–	–	–	–	–
Inmocol Two, S.L.U.	–	–	–	–	–	–
Colonial Lab, S.L.U.	–	(258)	–	–	–	(258)
Colonial Living, S.L.U.	6,050	5,228	–	–	6,050	5,228
Peñalvento, S.L.U.	–	111	–	–	–	111
French subsidiaries:						
SA Société Foncière Lyonnaise	3,840	(47,695)	(390)	268	3,450	(47,427)
SA Segpim	(3)	(2)	–	(1)	(3)	(3)
SAS Locaparis	(3,009)	(2,131)	(12)	(15)	(3,021)	(2,146)
SAS Maud	2,210	2,197	3	–	2,213	2,197
SAS Parchamps	29,144	584	(525)	68	28,619	652
SAS Pargal	9,411	35,619	(37)	(558)	9,374	35,061
SAS Parhaus	11,398	(5,541)	(218)	209	11,180	(5,332)
SAS SB2	(1)	(1)	–	–	(1)	(1)
SAS SB3	(1)	(1)	–	–	(1)	(1)
SCI SB3	(1)	(1)	–	–	(1)	(1)
SCI 103 Grenelle	6,360	14,104	(2,859)	(6,913)	3,501	7,191
SCI Paul Cézanne	35,276	52,670	(17,210)	(26,063)	18,066	26,607
SCI Washington	51,234	66,853	(600)	(1,073)	50,634	65,780
SNC Condorcet Holding	(3)	(1)	47	86	44	85
SNC Condorcet Propco	(3,141)	23,632	(62)	(348)	(3,203)	23,284
SAS Cloud	22,803	85,898	(10,786)	(42,617)	12,017	43,281
SAS 92 Champs Elysées	26,782	11,261	(13,049)	(5,482)	13,733	5,779
SCI Pasteur 123	(5,945)	49,026	(138)	(712)	(6,083)	48,314
Spanish associate companies:						
Inmocol Torre Europa, S.A.	1,108	1,649	–	–	1,108	1,649
S&I Districts SOCIMI, S.A.	–	–	–	–	–	–
S&I AdvisoryCo, S.L.	(24)	–	–	–	(24)	–
HQ América SOCIMI, S.A.	43	–	–	–	43	–
Total	**390,285**	**390,546**	**(45,836)**	**(83,151)**	**344,449**	**307,395**

20. Stock option plans

20.1. Long-term remuneration plan of the Parent

On 30 June 2021, the General Shareholders' Meeting approved a long-term incentive plan 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 will have a duration of five years and will be divided into three overlapping annual cycles of three years each, independent of each other. The first cycle of the Plan corresponds to the three-year period from 1 January 2021 to 31 December 2023; the second cycle of the Plan to the three-year period from 1 January 2022 to December 31st, 2024; and the third cycle of the Plan to the three-year period from 1 January 2023 to December 31st, 2025. The maximum number of shares to be delivered to the executive directors in the first cycle of the Plan is 170,196 shares for the executive chairman of the board of directors of the parent company and 340,392 shares for Colonial's chief executive officer.

On 13 June 2024, shareholders at the Annual General Meeting approved a new long-term incentive plan consisting of the delivery of shares in the Parent, aimed at executives, including the Parent's chief executive officer, and other employees of the Colonial Group (the "New Plan").

The New Plan runs for five years and is divided into three overlapping annual cycles of three years each, independent of each other. The first cycle of the Plan will cover the three-year period from 1 January 2024 to 31 December 2026, the second cycle of the Plan the three-year period from 1 January 2025 to 31 December 2027, and the third cycle of the Plan the three-year period from 1 January 2026 to 31 December 2028. The maximum number of shares to be delivered to the chief executive officer in the first cycle of the New Plan is 454,759 shares. For the second and third cycles, the maximum number of shares to be delivered to the chief executive officer amounts, in aggregate, to 1,038,220 shares of the Parent.

Shares received under this plan may not be sold or transferred by beneficiaries within the first year of receiving them, except as required to pay any taxes chargeable in this regard.

On 21 March 2024, the shares of the Parent pertaining to the first cycle of the Plan were delivered, for a total of 175,398 shares, including 58,350 shares set aside for the fulfilment of the related tax obligations.

The delivery of the Parent's shares corresponding to the second cycle of the Plan took place on 9 May 2025 and consisted of the delivery of 96,152 shares, including 19,688 shares intended to meet the associated tax obligations.

In turn, as of December 31, 2025, the parent company, through its permanent establishment in France, maintains a free share award plan, the details of which are as follows:

	Plan 6	Plan 7	Plan 8a	Plan 8b	9DB Plan	Plan 9
Meeting date	15.04.2021	15.04.2021	15.04.2021	15.04.2021	16.04.2024	16.04.2024
Board of Directors Date	14.02.2023	14.02.2023	14.02.2024	18.02.2025	06.11.2024	06.11.2024
Initial target number	4,980	22,500	31,507	28,180	1,500	7,383
% initially expected	100%	100%	100%	100%	100%	100%
Number initially expected	4,980	22,500	31,507	28,180	1,500	7,383
Value per share (euros)	72.91	72.91	40.24	60.98	70.15	73.55
Options cancelled / outflows	(1,040)	–	(2,885)	(70)	–	–
% expected at closing	200%	165%	59%	86%	100%	100%
Shares acquired	56	–	–	–	–	–
Estimated number at closing	**3,996**	**22,500**	**28,622**	**28,110**	**1,500**	**7,383**

Each share allocation plan has been calculated based on the expected number of shares multiplied by the unit fair value of those shares. This expected number of shares corresponds to the total number of shares multiplied by the expected purchase attribution percentage. The resulting amount is allocated linearly during the allocation period.

The fair value of the attributed shares is determined by the price at the date of attribution, corrected by the updated value of future dividends paid during the acquisition period, applying the Capital Asset Pricing Model (CAPM) method.

During the first half of 2025, a total of 7,024 free shares in SFL under number 6 of 2022 were delivered. Moreover, during November 2025, 19,500 free shares of the parent company were delivered under Plan No. 9DB of 2025.

During 2024, a total of 65,128 free shares of SFL were delivered under Plan No. 5 of 2021.

In 2025, an expense of 8,736 thousand euros (an expense of 7,118 thousand euros in 2024) has been recorded under the heading "Personnel expenses" in the 2024 consolidated income statement (Note 19.3).

21. Transactions and balances with related parties

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 Parent's directors have considered their shareholders and the companies controlled by them as related parties.

At December 31st, 2025 and 2024, the Group did not have any balances outstanding with related parties, with the exception of those disclosed below.

Related party transactions

During 2025, the Parent recognised rental income from a company in which Criteria holds an interest amounting to 321 thousand euros (316 thousand euros in the previous year). This lease agreement was formalised on 15 April 2019.

Moreover, the investee company Inmocol Torre Europa, S.A. recognised rental income from two companies in which Quaestor Holdings, S.A. holds an interest amounting to 2,276 thousand euros (2,319 thousand euros in the prior year).

Finally, during 2025, Juan José Brugera exchanged 12,000 SFL shares for 156,000 shares of the Parent, applying the same terms and conditions agreed in the common draft terms of merger.

Related party balances

At December 31st, 2025 and 2024, 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. At year-end 2024, the Parent had a debit balance of 22,000 thousand euros with a company in which Criteria holds a stake, said balance arising from a property purchase and sale transaction entered into in 2023.

Lastly, as at December 31st, 2025, the consolidated company Inmocol Torre Europa, S.A. had current trade receivables and deposits received with certain companies in which Quaestor Holdings, S.A. holds an interest, amounting to 0 and 419 thousand euros, respectively (22 and 409 thousand euros, respectively, in the prior year).

22. Director and senior management compensation and other benefits

22.1. Composition of the Parent's Board of Directors

At December 31st, 2025, the Board of Directors of the Parent consists of 7 men and 6 women (7 men and 6 women in 2024).

At December 31st, 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-chair	Executive
Ms Elena Salgado Mendez	Proprietary	director
Mr Felipe Matias Caviedes	Proprietary	director
Sheikh Ali Jassim M. J. Al-Thani	Proprietary	director
Mr Giuliano Rotondo	Proprietary	director
Mr Carlos Fernández González	Proprietary	director
Ms Begoña Orgambide García	Proprietary	director
Manuel Puig Rocha	Proprietary	director
Ms Silvia Mónica Alonso-Castrillo Allain	Independent	director
Ms Ana Lucrecia Bolado Valle	Independent	director
Ms Ana Cristina Peralta Moreno	Independent	director
Ms Miriam González-Amézqueta López	Independent	director

Pursuant to Article 229 of the Spanish Limited Liability Companies Law, at the close of 2025, the directors of the Parent reported that neither they nor any parties related thereto have any direct or indirect conflict with the interests of the Parent.

22.2. Remuneration of Board members

The breakdown of remuneration received in 2025 and 2024 by the members of the Parent’s board of directors, by item, is as follows:

	Thousands of euros					
	December 31st, 2025			December 31st, 2024		
	Parent company	Other group companies	Total	Parent company	Other group companies	Total
Remuneration accrued by executive directors (*):	**1,654**	**–**	**1,654**	**1,670**	**–**	**1,670**
Non-executive directors per diems:	**1,097**	**18**	**1,115**	**1,151**	**15**	**1,166**
Fixed remuneration for non-executive directors:	**1,434**	**20**	**1,454**	**1,363**	**20**	**1,383**
Directors' remuneration	1,100	20	1,120	1,102	20	1,122
Additional compensation audit and control committee	125	–	125	134	–	134
Additional remuneration of the Nomination and Remuneration Committee	125	–	125	127	–	127
Remuneration of the sustainability committee	84	–	84	–	–	–
Remuneration of executive directors (*):	**–**	**–**	–	**–**	**–**	**–**
Total	**4,185**	**38**	**4,223**	**4,184**	**35**	**4,219**
Amount of remuneration received by the executive directors (*):	1,654	–	1,654	1,670	–	1,670

(*) The amount corresponding to the accrued expense associated with the long-term incentive plan described in Note 20 is not included.

At December 31st, 2025 and 2024, the Parent had a civil liability insurance policy covering all of its directors, executives and staff, with a premium of 199 thousand euros and 320 thousand euros, respectively. The aforementioned amount includes, for both years, the civil liability insurance premium paid for damages caused by acts or omissions.

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. At December 31st, 2025 and 2024, the Parent recognised 120 and 120 thousand euros, respectively, in this connection under “Staff costs” in the consolidated statement of income.

On 9 April 2025, following a resolution of the board of directors of the Parent, a total of 128,744 shares relating to the second cycle of the long-term incentive plan were delivered, including 19,688 shares intended to meet the associated tax obligations.

On 27 May 2025, following a resolution of the parent company’s shareholders’ meeting, the delivery of 48,197 shares corresponding to the extraordinary incentive granted to Pedro Viñolas Serra was approved; these shares will be delivered during 2026.

On 21 March 2024, following a resolution of the board of directors of the Parent, 175,398 shares were delivered, including 58,350 shares intended to meet the associated tax obligations. The shares had a market value at time of delivery of 913 thousand euros.

Furthermore, following a resolution of the board of directors of the parent company, 16,911 shares were granted to Pedro Viñolas Serra as part of the remuneration for 2025; these shares will be delivered during 2027.

In addition to the matters described in the preceding paragraph, the Group has not granted loans to, nor entered into any further pension plans or life insurance policies for, former or current members of the Parent’s board of directors.

At December 31st, 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 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.

22.3. Compensation to senior management

The Parent's senior management, excluding the Chief Executive Officer, whose remuneration is included in the remuneration of the members of the board of directors, consists of all senior executives and persons other than the Chief Executive Officer who, reporting directly to the Chief Executive Officer, are responsible for the running of the Parent. At December 31st, 2025 , the senior management team was made up of three men and four women (2024: three men and three women).

The cash remuneration received by senior management in 2025 amounted to 3,287 thousand euros (2,412 thousand euros in 2024).

The board meeting held on 27 July 2016 approved the granting to a member of senior management of a defined contribution pension scheme to cover the contingencies of retirement and, where appropriate, disability and death. At December 31st, 2025 and 2024, the Parent recognised 81 and 73 thousand euros, respectively, in this connection under “Staff costs” in the consolidated statement of income.

At December 31st, 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.

23. Assets classified as held for sale

23.1. Assets classified as held for sale

Movements in this section of the statement of financial position are as follows:

		Thousands of euros	
		Investment property	
	Note	December 31st, 2025	December 31st, 2024
Opening balance		**16,660**	**122,173**
Additions for subsequent capitalised disbursements		21	7,029
Transfers	9 and 12.3	472,227	56,263
Sale or disposal by other means	19.5	(11,331)	(165,098)
Net gain/(loss) from fair value adjustments	19.7	(13,906)	(3,707)
Ending balance		**463,671**	**16,660**

23.1.1. Movements in 2025 –

Additions from capitalised subsequent expenditures relate to investments made in a property under development amounting to 21 thousand euros. During 2025, no borrowing costs were capitalised (Note 19.8.1).

During 2025, the Group transferred three office buildings—two in Madrid and one in Paris—as well as all the assets of the subsidiary Colonial Living, from the line item “Investment properties” in the consolidated statement of financial position, for an amount of 466,136 thousand euros (Note 9). Moreover, a total amount of 6,091 thousand euros was transferred from "Trade and other receivables", in relation to the accrual of lease incentives.

In 2025, a total of 24 units in a residential building located in Madrid and owned by the subsidiary Colonial Living, S.L.U. were sold for total sale proceeds of 13,531 thousand euros. The Group recorded a gain of 1,787 thousand euros in the consolidated income statement, including indirect costs of sale (Note 19.5).

23.1.2. Movements in 2024 -

Additions for subsequent capitalised disbursements relate to investments made in a real estate asset under development amounted to 7,029 thousand euros, including 752 thousand euros of capitalised financial expenses (Note 19.8.1).

In 2024, two properties located in Madrid were sold, one floor of the building at Recoletos, 27 and business premises in Palma de Mallorca, both owned by the Parent, in exchange for a total of 188,247 thousand euros. The Group recognised a gain of 13,835 thousand euros in the consolidated income statement, including indirect costs of sale (Note 19.5).

In 2024, the Group transferred two assets and one business premises from the "Investment property" heading of the consolidated statement of financial position in the amount of 56,263 thousand euros (Note 9).

23.1.3. Changes in the value of investment property classified as held for sale -

The “Changes in value of investment property” heading in the consolidated income statement includes the revaluation results of assets classified as held for sale according to independent expert valuations (Note 4.4), as well as additional information available at year-end.

24. Remuneration to auditors

The fees accrued in respect of statutory audit services for the financial years 2025 and 2024 of the various companies comprising the Group, provided by the principal auditor and by other auditors, amounted to the following:

	Thousands of euros					
	2025			2024		
	Principal auditor	Other companies in the Deloitte network	Other auditors	Principal auditor	Other companies in the PwC network	Other auditors
Audit services	534	167	39	410	394	375
Other verification services	118	99	150	67	25	29
Total audit and related services	**652**	**266**	**189**	**477**	**419**	**404**
Tax advice services	–	–	–	–	–	120
Other services	–	204	198	118	45	23
Total other professional services	**–**	**204**	**198**	**118**	**45**	**143**
Total services	**652**	**470**	**387**	**595**	**464**	**547**

The Group’s lead auditor for 2025 is Deloitte Auditores, S.L., while for 2024 it was PricewaterhouseCoopers Auditores, S.L.

The heading “Other assurance services”, amounting to 118 thousand euros, relates to services provided to the Group by the principal auditor, consisting of limited reviews, the issuance of comfort letters and agreed-upon procedures reports on ratios linked to financing agreements (67 thousand euros in 2024, provided by PwC for the same analogous services). Meanwhile, firms within the Deloitte network provided other assurance services to the Group for a total amount of 99 thousand euros, relating to limited reviews and the issuance of comfort letters (25 thousand euros in 2024, provided by PwC for the issuance of a comfort letter).

At December 31st, 2025, no fees were recognised in respect of other services provided by the Group’s principal auditor (118 thousand euros in 2024, relating to services provided by PwC, consisting of the review of ESG indicators included in the Integrated Annual Report, reviews of the Green Bonds Report, and an independent review of the greenhouse gas (GHG) inventory).

In addition, firms within the Deloitte network provided non-audit services to the Group for a total amount of 204 thousand euros, relating to other professional services for due diligence projects (45 thousand euros as at December 31st, 2024, provided by firms within the PwC network, relating to reviews of English translations of corporate information).

The principal auditor’s fees represent less than 1% of the Group's billings in Spain.

25. Events after the reporting date

From December 31st, 2025 to the date on which these consolidated financial statements were authorised for issue, no significant events took place with the exception of:

- On 14 January 2026, the parent company formalised the sale of the building located at 37 Ramírez Arellano Street, Madrid, for a consideration of 26,300 thousand euros. This particular asset was classified as a non-current asset held for sale as at December 31st, 2025.
- On 11 February 2026, the Parent completed the sale of the building located at calle Juan Ignacio Luca de Tena 7, Madrid, in exchange for 16,622 thousand euros. This particular asset was classified as a non-current asset held for sale as at December 31st, 2025.
- Lastly, on 26 February 2026, the Parent completed the sale of the building located at Avenue Marceau 83, Paris, in exchange for 242,450 thousand euros. This particular asset was classified as a non-current asset held for sale as at December 31st, 2025.

Those transactions were carried out at prices equal to or higher than the fair value at which those properties were recognised as at December 31st, 2025.

Appendix

Companies included in the scope of consolidation-

At December 31st, 2025 and 2024, the fully consolidated subsidiaries and the information thereon were as follows:

<u>*Spanish subsidiaries*</u>

	% shareholding				Shareholder	Activity
	Direct		Indirect			
	2025	2024	2025	2024		
Colonial Tramit, S.L.U. Avda. Diagonal 532 08006 Barcelona (Spain)	100%	100%	–	–	Parent company	Real estate company
Wittywood, S.L. Avda. Diagonal 532 08006 Barcelona (Spain)	100%	100%	–	–	Parent company	Real estate company
Inmocol One, S.A.U. Pº de la Castellana, 52 28046 Madrid (Spain)	100%	100%	–	–	Parent company	Real estate company
Inmocol Two, S.L.U. Pº de la Castellana, 52 28046 Madrid (Spain)	100%	100%	–	–	Parent company	Real estate company
Colonial LAB, S.L.U. Pº de la Castellana, 52 28046 Madrid (Spain)	100%	100%	–	–	Parent company	Real estate company
Colonial Living, S.L.U. (*) Pº de la Castellana, 52 28046 Madrid (Spain)	100%	100%	–	–	Parent company	Real estate company
Utopicus Innovación Cultural, S.L. (*) Príncipe de Vergara, 112 28002 Madrid (Spain)	100%	100%	–	–	Parent company	Coworking

*Companies audited in 2025 by Deloitte Auditores, S.L. and in 2024 by PricewaterhouseCoopers.

French subsidiaries

	% shareholding				Shareholder	Activity
	Direct		Indirect			
	2025	2024	2025	2024		
SA Société Foncière Lyonnaise (SFL) (*) 42, rue Washington 75008 Paris (France)	Fusionada	98.24%	–	–	Parent company (SFL in 2024)	Real estate company
SNC Condorcet Holding 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SNC Condorcet Propco (**) 42, rue Washington 75008 Paris (France)	–	–	100%	100%	SNC Condorcet Holding	Real estate company
SCI Washington (***) 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SCI 103 Grenelle (**) 42, rue Washington 75008 Paris (France)	51%	–	–	51%	Parent company (SFL in 2024)	Real estate company
SCI Paul Cézanne (***) 42, rue Washington 75008 Paris (France)	51%	–	–	51%	Parent company (SFL in 2024)	Real estate company
SA Segpim 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Marketing of real estate and provision of services
SAS Locaparis (****) 42, rue Washington 75008 Paris (France)	–	–	100%	100%	Segpim	Marketing of real estate and provision of services
SAS Maud (****) 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS SB2 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS SB3 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SCI SB3 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS 92 Champs-Elysées (**) 42, rue Washington 75008 Paris (France)	51%	–	–	51%	Parent company (SFL in 2024)	Real estate company
SAS Cloud (**) 42, rue Washington 75008 Paris (France)	51%	–	–	51%	Parent company (SFL in 2024)	Real estate company
SCI Pasteur 123 (**) 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS Parchamps 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS Pargal (***) 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company
SAS Parhaus (****) 42, rue Washington 75008 Paris (France)	100%	–	–	100%	Parent company (SFL in 2024)	Real estate company

* Company co-audited in 2024 by PricewaterhouseCoopers and Deloitte &Associés.
** Companies audited by Deloitte & Associés.
*** Companies audited by PricewaterhouseCoopers in 2024 and by Deloitte &Associés in 2025.
**** Companies audited by PricewaterhouseCoopers

Spanish associate companies

	% shareholding				Shareholder	Activity
	Direct		Indirect			
	2025	2024	2025	2024		
Inmocol Torre Europa, S.A. (*)	50%	50%	–	–	Parent company	Real estate company
Avda. Diagonal 532						
08006 Barcelona (Spain)						
Science & Innovation District, Socimi, S.A.	95.5%	–	–	–	Parent company	Real estate company
Calle del Príncipe de Vergara, 112						
28002 Madrid (Spain)						
S&I Advisory Co, SL	50%	–	–	–	Parent company	Real estate company
Calle del Príncipe de Vergara, 112						
28002 Madrid (Spain)						
HQ América, Socimi, S.A.	24.0%	–	–	–	Parent company	Real estate company
Avenida de América, 38						
28028 Madrid (Spain)						

* Company audited by PricewaterhouseCoopers in 2024.

As at December 31st, 2025 , the Group companies were being audited by Deloitte Auditores, S.L. (PricewaterhouseCoopers Auditores, S.L., in 2024), except for the SFL Group, which was jointly audited by Deloitte and PricewaterhouseCoopers.

Colonial SFL, SOCIMI, S.A. and subsidiaries (formerly Inmobiliaria Colonial, SOCIMI, S.A.)

Consolidated management report for the year ended December 31st, 2025

1. Group outlook

Rental market outlook

Barcelona

In Barcelona, market demand increased by +16% versus the same period of the previous year, exceeding 318,586 sqm signed, with the 22@ district accounting for more than 43% of take-up (compared with 31% in 2024). Vacancy in 22@ decreased by 378 basis points since 4Q 2024. Office availability in the CBD stood at 3.9%, while Grade A offices reached 1.1%. Prime rents increased in 2025 to €31.50/sqm/month (€30/sqm/month at December 2024).

In Barcelona, prime yields reached 4.75% and the capital value amounted to €7,958/sqm

Madrid

In Madrid in 2025, office space demand reached 485,549 sqm (-7% versus 2024). Take-up in the City Centre amounted to 84,573 sqm (+28% year-on-year), while CBD take-up reached 149,493 sqm. The total market vacancy stood at around 10.4%, while CBD vacancy remained at approximately 2.8%, marking the lowest level of the past 10 years. This scarcity of available space pushed prime rents up to €43.75/sqm/month (€42.25/sqm/month at December 2024).

In Madrid, prime yields stood at 4.60%, with capital values at €11,413/sqm,

Paris

In Paris in 2025, take-up reached 1,638,100 sqm. The CBD and the City Centre accounted for approximately 46% of demand, totaling 754,600 sqm. Vacancy in the CBD stood at 5.6%, with Grade A assets availability at 1.2%. Prime rents for the best buildings in the CBD reached €1,250/sqm/year (€1,200/sqm/year at December 2024).

The investment volume in the Paris metropolitan region office market reached €5,671m in 2025, representing a 51% increase compared to 2024, prime yields stood at 4.25%, and the capital value per sqm amounted to €29,412/sqm

Organisational structure and operation

Colonial SFL 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 3,400 million euros with a free float of around 50%, and manages an asset volume of more than 12,200 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.

The integration of SFL was completed during the year, consolidating a single, listed structure in Spain under the new name Colonial SFL. The new corporate structure strengthens the Group's pan-European dimension, improves access to capital markets, and supports a new phase of sustainable growth.

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.

It has also adopted a comprehensive approach in all areas of corporate social responsibility and aspires to maximum standards of (1) sustainability and energy efficiency, (2) corporate governance and transparency, and (3) excellence in human resources and social actions, 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 year-end 2025, the Colonial Group had a robust capital structure with a solid “Investment Grade” rating. The Group’s LTV (loan to value) stands at 37.1% as at the date of publication of this report.

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 with:

- 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.

Staff management

Colonial professionals are the Group's main asset. At year-end 2025, the Colonial Group team comprised a total of 226 employees, divided into four categories.

The number of people employed by the Group, as well as the average number of employees during the year distributed by category and gender, are as follows:

	No. employees				Average 2025		Average 2024	
	2025		2024					
	Men	Women	Men	Women	Men	Women	Men	Women
General and Area Management	8	8	10	6	8.0	7.3	11	7
Qualified technicians and middle managers	35	32	38	46	35.1	33.2	40	49
Office clerks	41	100	39	84	41.1	99.4	38	85
Other	2	–	3	–	2.4	–	3	–
Total employees by gender	**86**	**140**	**90**	**136**	**86.6**	**139.9**	**92**	**141**
Total Group employees	**226**		**226**		**226.5**		**233**	

Of the total number of employees of the Group, the number of employees with a disability of 33% or more as at December 31st, 2025 is 3 (2024: three people).

2. Business performance and results

Introduction

At year-end 2025, the Group's revenue amounted to 408 million euros.

According to independent appraisals carried out by Savills, Cushman & Wakefield, CB Richard Ellis and BNP Paribas in Spain and France, investment property and assets classified as held for sale at year-end were revalued at 133 million euros.

Net financial profit/(loss) amounted to (89) million euros.

Profit/(loss) before tax and non-controlling interests at the end of 2025 amounted to 362 million euros.

Lastly, after subtracting profit attributable to non-controlling interests (46) million euros, and income tax of 28 million euros, the profit after tax attributable to the Group amounted to 344 million euros.

Results for 2025

1. Solid increase in the Group's results at all levels

Colonial SFL's prime pan-European strategy enables substantial increases in rental income, driving recurring results and cash flow generation.

The Colonial prime portfolio has achieved rental income growth of +6% on a like-for-like basis, one of the highest in the sector. The Group's prime assets attract tenants willing to pay the highest rents in the market in order to lease the best product. This has enabled a +6% like-for-like rental increase, exceeding inflation by more than 300 basis points.

- Rental income of 399 million euros, +6% like-for-like vs. the previous year
- Rental EBITDA of 371 million euros, +5% like-for-like vs. the previous year
- Recurring net profit of 211 million euros, +9% vs. the previous year
- Recurring net profit per share of €33.60cts

Asset value growth reached +3% on a like-for-like basis, allowing for the recognition of value change gains of more than 130 million euros. As a result, the Group's net profit amounts to €344m, an increase of +12% compared to the previous year.

2. Gross Rental Income and EBITDA rents with strong growth

Continued solid revenue growth driven by prime positioning

Colonial SFL closed 2025 with gross rental income of 399 million euros and net rental income of 371 million euros.

The Group's rental income increased by +6% like-for-like, thanks to the Group's prime positioning. Our strategy benefits from the polarization of the prime market, characterized by strong demand and a lack of quality product such as that offered by Colonial SFL.

Particularly noteworthy is the strength of the Paris portfolio, with +7% like-for-like growth, and Barcelona with +4% like-for-like.

1. In the Paris portfolio, rental income decreased by 3% compared to the previous year, mainly due to the entry into refurbishment of the Condorcet and Haussmann assets.
In like-for-like terms, rental income increased by +7%, driven by higher rents in the Edouard VII, Louvre Saint Honoré, Washington Plaza, #Cloud and 103 Grenelle assets, among others.

2. In the Madrid portfolio, rental income increased by +16% compared to the previous year, mainly due to income generated by the delivery of the Madnum project and acquisitions completed.
In like-for-like terms, income increased by +3%, due to higher income in the Discovery Building, Castellana 163, Recoletos 37, José Abascal 45 and Castellana 52 assets, among others, based on a combination of higher rents and improved occupancy levels.

3. In the Barcelona portfolio, Gross Rental Income increased by +4% compared to the same period of the previous year, both in absolute terms and in like-for-like terms, driven by a combination of higher rents and improved occupancy levels in assets such as Illacuna, Travessera 47-49, Diagonal 530 and Torre BCN, among others.

Revenue growth based on a prime business model and urban transformation

At the close of the 2025, rental income increased by +8 million euros compared to the previous year, based on a business model focused on prime assets with strong pricing power and Alpha value generation through urban transformation projects

1. Pricing Power: Growth in signed rents - +5% contribution to total growth
The Core portfolio contributed +21 million euros in revenue growth, based on solid +6% like-for-like growth driven by strong pricing power, fully capturing the impact of indexation, as well as signing at maximum market rents.

2. Project deliveries and acquisitions - +3% contribution to total growth
Project deliveries and the renovation program, as well as acquisitions completed during the year, contributed +11million euros 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 temporary (6%)1 decrease in rental income. It is worth highlighting that these initiatives form part of the 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 initial rental levels).

3. Solid growth in the value of the Group's assets

The value of the Group's assets at the close of 2025 amounts to 12,203 million euros (12,887 million euros including transfer costs), representing an increase of +5% compared to the previous year (+3% during the second half of the year).

In like-for-like terms, the portfolio has been revalued by +3% versus the previous year, highlighting the increase in assets in the Madrid market of +6%, followed by assets located in the Barcelona market with +4% and, finally, the Paris market with a +2% revaluation.

The Group's pan-European prime positioning provides solid value growth combined with resilience and optionality, through diversification across several cities together with an element of Alpha value creation through urban regeneration projects.

Of the total valuation of the property business, 11,992 million euros corresponds to the asset portfolio directly owned by the Colonial Group, with the remainder corresponding to investments in third-party capital businesses.

Following a period of high volatility and interest rate hikes, market conditions continue to stabilize, with asset values showing growth during the year. This increase reflects the strength and resilience of our portfolio, as well as its ability to adapt effectively to changing market conditions, and is mainly due to:

1. The high concentration in prime CBD locations with strong fundamentals, allowing greater protection in downturn cycles and a better growth profile in upward cycles.
2. The superior quality of the buildings, which attracts clients with maximum solvency and high levels of loyalty.
3. A proven diversification strategy that enables the optimization of the portfolio's risk profile.
4. An industrial focus on value creation through the repositioning of assets, enabling the creation of Alpha real estate value with a market differential resulting in above-average profitability.

Resilient Net Asset Value (NAV)

The Net Asset Value (NTA) at 31 December 2025 amounted to 6,085 million euros, with an increase of 49 million euros compared to the close of the previous financial year.

Strong operating fundamentals in all segments

1. Colonial signed mo**re than 147,000 sqm exceeding the previous year**

Colonial SFL closed 2025 with 147,580 sqm signed with top-tier clients, exceeding the previous year by more than 12,000 sqm.

The letting activity corresponds to annualized rents of 64 million euros, representing an increase of +22% compared to 2024.

Outstanding performance of the Colonial-SFL portfolio in Paris

The Paris portfolio recorded extraordinary commercial performance, with more than 24 million euros in annual rents signed across 27 contracts.

Among the most notable transactions are €2m signed at the Haussmann asset and more than €3m at the "Louvre Saint-Honoré Bureaux" building, where achieved rental levels exceed €1,000/sqm/year. Special mention should be made of the contract formalized in the retail area of the 92 Champs-Elysées asset, covering a surface area of 2,121 sqm and generating annual rents of €8m, with a rental price above €3,700/sqm/year.

More than 129,000 sqm signed in Madrid and Barcelona

Letting activity in the Madrid and Barcelona portfolios was particularly strong, with 129,499 sqm signed in financial year 2025, generating annual income of €40m. In Madrid, 70,554 sqm were signed, and in Barcelona 58,946 sqm, reflecting the strong demand that Colonial SFL's prime product continues to attract

In Barcelona, a total of 58,946 sqm were signed during 2025. Of this total, 41,557 sqm were signed in the 22@ district, reflecting the acceleration in demand for top-quality assets in the area with the greatest future potential in the city.

In Madrid, noteworthy is the signing of more than 26,000 sqm at the Madnum complex, consolidating its positioning as one of the projects with the strongest commercial momentum in the market.

2. Solid occupancy levels - 96% on a like-for-like basis

At the close of 2025, Colonial SFL's total occupancy rate stood at 92%, which reflects a temporary adjustment resulting from the entry into operation of newly renovated assets currently in the leasing phase.

The Paris office portfolio showed an occupancy rate of 95%, reflecting a decrease compared to the previous year due to the recent entry into operation of renovated space at the Haussmann asset, which is currently in the commercialization phase.

Excluding this asset, the occupancy rate of the Paris office portfolio would stand at 98%, reflecting the strong operating performance of the remaining assets and the resilience of the prime Paris market.

The Madrid office portfolio has an occupancy rate of 88%, a decline compared to the previous year mainly due to the completion and delivery of the Madnum Urban Complex. This high-quality asset, located in the dynamic Méndez Álvaro submarket, presents significant value creation potential through future rental growth and is currently in an active commercialization phase.

Compared to the last quarter reported, the occupancy rate showed a positive evolution, driven by recent lease signings in assets such as Madnum, Poeta Joan Maragall and Tucumán, among others. Excluding the Madnum asset, occupancy across the rest of the portfolio stood at 96%.

Meanwhile, the occupancy rate of the Madrid CBD office portfolio stood at 98%, reflecting the strength of demand in the capital's prime locations.

The Barcelona office portfolio showed an occupancy rate of 82%, an improved rate compared to the previous year thanks to recent lease agreements in assets such as Illacuna, Torre Marenostrum, Diagonal 197 and Travessera 11, among others, which partially offset the entry into operation of renovated space at Travessera 47–49 and Llull 331.

The current vacancy in Barcelona is mainly due to the incorporation of renovated spaces, such as Diagonal 197 and Torre Marenostrum, as well as tenant rotation in secondary assets. Excluding these assets, the occupancy rate of the Barcelona portfolio stood at a high 98%, reflecting the strong operating performance of the rest of the portfolio in this market.

3. Colonial SFL's prime portfolio captures strong rental growth

Strong rental growth with acceleration versus the previous year across the three cities

The Colonial portfolio has captured +7% rental growth[1] driven by the pricing power of its prime assets.

- Rental growth exceeds indexation levels by more than 400 bps across all markets.

- The rental growth achieved is higher than in 2024 across all portfolios.
- Paris stands out with rental growth of +9%, well above the 6% recorded the previous year.
- Madrid and Barcelona achieved rental growth of +6% and +5%, respectively, well above the +4% recorded in 2024.

<u>"Release Spread" reaches +8% driven by Paris</u>

The Colonial portfolio has captured a release spread of +8%, exceeding indexation by 600 bps.

- Paris stands out with a release spread of +16% (+19% in the office portfolio)
- The Madrid portfolio reached +4%, well above the +1% in 2024
- The Barcelona portfolio recorded a +1% release spread (negative in the previous year)

Active portfolio management & Capital structure

1. Acceleration in the execution of the new disposal program

In November 2025, Colonial SFL announced a disposal program of more than 500 million euros, focused on mature and/or non-strategic assets with no further value-creation potential, with an expected execution period of approximately 18 months.

As of the publication date of this report, the Group has already completed disposals of more than 300 million euros, representing over 60% of the total program, at prices equal to or above appraisal values.

Particularly noteworthy is the sale of the Marceau property in Paris at a price above €240m, setting one of the highest transaction levels recorded in the Paris market in recent years.

2. Reduction in leverage versus 30/09/2025

Disposals completed to date, together with the increase in the value of the Group's property portfolio, have reduced leverage:

- Pro forma net debt stands at €4,684m, a reduction of (5%) vs. 3Q 2025
- Pro forma LTV stands at 37.1%, 100 bps lower than 3Q 2025
- Pro forma EPRA LTV stands at 45.4%, 160 bps lower than 3Q 2025

At the close of 2025, Colonial SFL reported a solid balance sheet with an LTV of 37.1% and liquidity of 2,235 million euros between cash and undrawn credit lines, enabling the Group to cover all debt maturities through 2028. The Group's financing cost stood at 1.91% (spot cost of of gross financial debt), remaining below 2%.

Colonial SFL maintains solid credit ratings from Standard & Poor's and Moody's, BBB+ and Baa1 respectively, both with stable outlooks.

3. Capital recycling with financial discipline

<u>Disposals confirming asset values with no further upside potential</u>

The disposal program is being executed at yields of around 4% or below for non-strategic and/or mature assets with no remaining value upside, with IRRs in the 5% range based on expected sale prices.

<u>Acquisitions with highly attractive returns</u>

Acquisitions have been completed at highly attractive returns, improving the portfolio's average profitability and maximizing value for Group shareholders.

The 197million euros invested in the pan-European Science & Innovation platform together with Stoneshield delivers IRRs of 13–17% and Yield on Cost of 6–9%.

The 12 million euros invested for a 24% stake in a vehicle managed by Colonial SFL, which acquired Naturgy's Madrid headquarters through a third-party capital structure, delivers an IRR of around 10%, with yields on cost of 6–7%.

ESG strategy & Decarbonisation

1. Decarbonisation strategy – transition to carbon neutrality

The Colonial Group maintains a firm commitment to the decarbonization of its portfolio, the progressive reduction of resource consumption, and the promotion of the circular economy, which are key pillars of its ESG strategy. As part of this vision, the approved Decarbonization Plan establishes the objective that its entire asset portfolio becomes carbon neutral, thereby contributing to the achievement of the targets set out in the 2015 Paris Agreement.

At the close of 2025, the Colonial Group's total emissions amounted to 50,524 tCO_2e. This result represents a 57% reduction compared to the 2021 base year, an achievement that demonstrates the Group's commitment to sustainability and its transition towards a low-carbon economy.

Regarding operational emissions (Scopes 1 and 2) and in terms of carbon intensity per square metre, the Group has achieved an 80% reduction since the 2018 base year, reaching a level of 3.6 $kgCO_2e$/sqm, one of the lowest ratios in the sector.

Extending the analysis to Scope 3 emissions, which include clients' private areas, total carbon intensity stood at 8.4 $kgCO_2e$/sqm, representing a 78% reduction.

2. Energy efficiency of the Group's asset portfolio

99.6% of the Colonial Group's office portfolio in operation hold LEED or BREEAM energy certification labels, a figure that has been increasing and maintained over recent years, reaching almost the entirety of the certified portfolio.

This high level of certifications places Colonial in a position of European leadership in energy efficiency.

In particular, the value of assets with BREEAM certifications amounts to 8,667 million euros, and those with LEED certification amount to 2,443million euros.

This level of certifications is clearly above the sector average. Likewise, the strategic sustainability plan implements energy efficiency initiatives, focusing on continuous improvement asset by asset.

3. Consolidation of leadership in ESG ratings

The Colonial Group continues to consolidate its leadership in sustainability, obtaining the highest scores in the main ESG ratings, reflecting its firm commitment to the highest environmental standards.

<u>Sustainalytics – 1st IBEX 35 company with a score of 6.0 points (Top percentile)</u>

Sustainalytics has granted Colonial SFL a rating of 6.0 points in ESG risk, in line with the previous year's rating.

- The company is ranked in the Top 4 of the 410 listed real estate companies analyzed (European REITs).
- The company is ranked in the Top 0.5% of the covered real estate companies (5th position out of 950 real estate companies covered).
- Globally, Colonial SFL is ranked in the Top 0.2% of the companies analyzed (Top 22 out of 14,412 companies in total).

<u>CDP: Maximum A score in the leading carbon index</u>

Colonial has continued to achieve the highest "A" score from CDP for the fifth consecutive year, consolidating itself as one of the leading companies in sustainability on a global scale.

This recognition clearly demonstrates the Colonial Group's firm commitment to energy efficiency, reducing emissions and implementing sustainable strategies in the real estate sector.

<u>GRESB 2025 Ranking – Colonial SFL recognised as one of the Global Sector Leaders (Listed)</u>

Colonial SFL has received a '5 Star' rating, demonstrating leadership alongside the best companies in the index, with scores equal to or above 90/100.

This is reflected in a score of 94 out of 100 in the Global Real Estate Sustainability Benchmark (GRESB) for the real estate portfolio, improving its rating by 2 points compared to the previous year and ranking among the four best listed European real estate companies included in the Standing Investments Benchmark.

In the area of sustainable project management, the Development Benchmark, Colonial SFL achieved a rating of 98/100, in line with the previous year's rating. Thanks to this score, Colonial SFL has been recognized as sector leader in the offices segment both in Europe and worldwide.

Award of EPRA Gold sBPR

The Colonial Group obtained the EPRA Gold sBPR rating for the 10th consecutive year, which certifies the highest reporting standards in ESG. In addition, it also obtained the rating of EPRA Gold BPR.

3. Liquidity and capital resources

See "Capital management and risk management policy" under Note 14.9 to the consolidated financial statements for the year ended December 31st, 2025.

The average payment period (APP) of the Group's Spanish companies to their suppliers for 2025 stood at 40 days. In relation to payments made outside the maximum legal term set, these correspond mainly to payments related to contracting works and real estate renovation, which are paid within the term established in the corresponding contracts signed with the contractors.

The Group has set two payment days per month to comply with the requirements established under Law 11/2013 of 26 July. In this regard, the dates of entry are on the 5th and 20th of each month and the corresponding payments are made on the 5th and 20th of the following month.

4. Objective and risk management policies

Asset management is exposed to various internal and external risks and uncertainties that can impact Colonial SFL's activity. The Colonial SFL Group 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 SFL's organisational culture, and for this reason, the Company 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 in place. Likewise, Colonial SFL has developed and implemented a Risk Control and Management System (hereinafter, the RCMS), which establishes the foundations for the efficient and effective management of financial and non-financial risks across the organisation.

To meet these corporate objectives, the risks to which Colonial SFL is exposed are identified, analysed, evaluated, managed, controlled and updated. With the objective of maintaining an effective and updated RCMS, Colonial SFL 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 SFL 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 and multi-year 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 SFL differentiates in two broad areas the different types of risks to which the Group is exposed based on their origin:

- External risks: risks relating to the environment in which Colonial SFL carries out its activity and which 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 SFL 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/or where the capital markets lack appeal.
- 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 SFL faces to achieve its objectives include:

- Strategic risks relating to the Group's geographic and product concentration, the composition of the asset portfolio, and the management of new investee investment vehicles.
- 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 potential loss of SOCIMI status in Spain or SIIC (Société d'Investissements Immobiliers Cotée) status in France.

The inherent risks defined in the Colonial SFL Group's business model in accordance with the different activities it carries out are susceptible to materialise during the course of each financial year. The main risks that materialised during the year are highlighted below:

The geopolitical and macroeconomic landscape remained complex and hard to predict in 2025, marked by the persistence of pre-existing conflict hotspots and simmering international tensions, exacerbated by certain US foreign policy actions and territorial disputes, all of which have contributed to heightened volatility in the global context. As regards Spain and France, the year was marked by the continued presence of legal uncertainty in the sector, largely due to the implementation of urban planning policies aimed at intervening in the rental market, which could negatively affect the sector and make it less attractive to international investors when compared with other European countries. In terms of monetary policy, the anticipated reduction in interest rates materialised during the year, albeit with a longer delay than initially expected. This delay was driven, among other factors, by caution regarding the potential inflationary impact in Europe arising from the possible introduction of new tariffs by the United States. Likewise, 2025 was also characterised by a reopening of the investment market in the sector, with a higher volume of transactions being completed. The Group has executed investment transactions, some of them through newly established investee vehicles, opening up new opportunities though also increasing operational and management complexity.

In 2025, the intensification of the effects of climate change at a global level continued to be evident, reinforcing the relevance of environmental and sustainability risks for economic activity in general and for the real estate sector in particular. In recent years, the physical and transition risks linked to climate change have led to the implementation of policies and strategies in this regard at the Group, more precisely in the form of the approved decarbonisation plan, 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.

The integration of culture and organisational structure in a post-merger context, together with human capital management and talent development in this highly complex environment, remains a priority for Colonial SFL, in order to address changes and new challenges in the business model, mitigate the risks referred to above, and capture new growth and development opportunities for the Group.

In this context, Colonial SFL has reviewed and monitored the evolution of these risks, showing a high level of resilience, particularly in the strategic, operational and financial areas, and the proper functioning of the control systems in place, which has enabled it to manage and mitigate these risks adequately and to guarantee operations and preserve the Group's value.

5. Events after the reporting date

From December 31st, 2025 to the date on which these consolidated financial statements were authorised for issue, no significant events took place with the exception of :

- On 14 January 2026, the parent company formalised the sale of the building located at calle Ramírez Arellano 37, Madrid, in exchange for 26,300 thousand euros. This particular asset was classified as a non-current asset held for sale as at December 31st, 2025.
- On 11 February 2026, the Parent completed the sale of the building located at calle Juan Ignacio Luca de Tena 7, Madrid, in exchange for 16,622 thousand euros. This asset was classified as a non-current asset held for sale as at December 31st, 2025.
- Last but not least, on 26 February 2026, the Parent completed the sale of the building located at Avenue Marceau 83, in Paris, in exchange for 242,450 thousand euros. This particular asset was classified as a non-current asset held for sale as at December 31st, 2025.

Those transactions were carried out at prices equal to or higher than the fair value at which those properties were recognised as at December 31st, 2025.

6. Outlook

The year unfolded in a macroeconomic environment marked by contained inflation, a gradual process of monetary normalisation and a still uncertain geopolitical context. These factors have shaped activity in the European real estate market; however, signs of stabilisation and a gradual recovery have begun to emerge during the period, particularly in the most resilient segments.

After a period of lower investment and leasing activity, the office market is showing a gradual reactivation, concentrated mainly in prime assets located in central, well-connected areas. In the main European markets, and particularly in Madrid and Barcelona, office leasing activity has regained momentum, reaching levels close to those recorded before the pandemic, driven by demand for high-quality space.

The market is moving towards a more selective model, in which asset quality, sustainability, energy efficiency and flexibility are becoming key decision factors for occupiers. In parallel, increased competitive pressure is being observed on modern and refurbished buildings, while obsolete assets face greater leasing challenges, favouring transformation and repositioning processes.

In the short to medium term, the limited addition of new prime supply, together with steady demand from large corporates, points to a favourable outlook for this segment, with resilient rents and strong occupancy rates in the best locations.

Future strategy-

In this context, Colonial maintains a strategy focused on the creation of long-term value through a portfolio of prime assets in well-consolidated urban environments. The company relies on a robust financial position and active portfolio management, focused on the Madrid, Barcelona and Paris markets.

The refurbishment of buildings, continuous improvements in energy efficiency, the incorporation of technological solutions and a firm commitment to ESG criteria are the core pillars of its strategy, enabling assets to be adapted to new market demands and strengthening Colonial's positioning as a European benchmark in high-quality office space.

7. Research and development activities

Owing to the Group's own characteristics, activities and structure, research and development activities are not typically carried out at Colonial SFL, SOCIMI, S.A.

8. Treasury shares

At December 31st, 2025, the Parent held a total of 7,760,167 treasury shares, each with a nominal value of 19,400 thousand euros, representing 1.24% of the Parent's share capital.

9. Other significant information

On 10 December 2015, the Board of Directors of the Parent agreed to adhere to the Code of Best Tax Practices (CBTP). This resolution was communicated to tax authorities on 8 January 2016. In 2025, the Parent presented the Annual Tax Transparency Report for companies adhering to the CBTP for 2024, following the proposal to strengthen good corporate tax transparency practices for companies adhering to the CBTP, as approved at the plenary board meeting held on of 20 December 2016.

10. Annual Corporate Governance Report and Annual Report on Remuneration of Directors of Listed Public Limited Companies

Pursuant to Article 538 of the Spanish Companies Act, it is hereby stated that the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration of listed public limited companies for 2025 are available in full on the website of the Spanish Securities Market Commission (www.cnmv.es) and on the Company's website (www.colonial-sfl.com). They have likewise been disclosed to the CNMV as Other Relevant Information (OIR).

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 reviewed by the Parent's auditor (Deloitte Auditores, S.L.).

Alternative Performance Measure	Form of calculation	Definition/Relevance
Market Value including transaction costs or *GAV including transfer costs*	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.
Market Value excluding transaction costs or *Gross Asset Value (GAV) excluding transfer costs*	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.
***Like-for-like* appraisal**	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 makes it possible to compare, on a like-for-like basis, the change in the portfolio's market valuation.
EPRA NTA **(EPRA Net Tangible Assets)** EPRA (European Public Real Estate Association) which recommends best practice standards to be followed in the real estate 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.
EPRA NDV **(EPRA Net Disposal Value)** EPRA (European Public Real Estate Association) which recommends best practice standards to be followed in the real estate 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.

Alternative Performance Measure	Form of calculation	Definition/Relevance
Group Loan to Value or Group LtV	Calculated as the result of dividing "Net financial debt (NFD)" by the sum of the "Market Valuation including transaction costs of the Group's asset portfolio" plus the "Parent's treasury shares valued at EPRA NTA". Commitments arising from real estate asset purchase and sale transactions are included in the case of Group Loan to Value (pro forma).	This makes it possible to analyse the relationship between net financial debt and the valuation of assets in the Group's portfolio.
Gross Financial Debt (GFD)	Calculated as the sum of the items "Bank borrowings and other financial liabilities", "Issuance of bonds and other similar securities", and "Promissory notes" excluding "Interest" (accrued), "Arrangement expenses", "Other financial liabilities" and "Liabilities associated with assets classified as held for sale" in the consolidated statement of financial position.	Relevant indicator for analysing the Group's financial position.
Net Financial Debt (NFD)	Calculated by adjusting in gross financial debt (GFD) the item "Cash and cash equivalents". Commitments arising from real estate asset purchase and sale transactions are included in net financial debt (pro forma).	Relevant indicator for analysing the Group's financial position.
Like-for-like rent or analytical rental income	Amount of rental income for rentals included in "Revenue" 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.
Analytical EBITDA ***(Earnings Before Interest, Taxes, Depreciation and Amortisation)***	Calculated as “Operating profit” adjusted for “Depreciation and amortisation”, "Net gains/losses on the sale of assets", “Net changes in provisions”, “Changes in the value of investment property”, and “Gains/ (losses) from changes in asset values and impairment”, as well as extraordinary expenses and the expenses incurred under “Depreciation and amortisation” and “Financial gains/(losses)” arising from the application of IFRS 16 — Leases in connection with the flexible (co-working) business; and "changes in the value of investment property of companies consolidated using the equity method".	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.
EBITDA income	Calculated by adjusting, to *analytical EBITDA, the “general expenses” and “extraordinary expenses” not associated with the operation of property.*	Indicator of the Group's earning capacity considering only its leasing activity, before depreciation, provisions, the effect of indebtedness and the tax effect.

Alternative Performance Measure	Form of calculation	Definition/Relevance
Analytical rental income	Calculated as the sum of “*Revenue*” in the consolidated income statement, adjusted for “*Flexible business income*"” and “"*Personnel expenses and Other operating expenses associated with the flexible business of own and third-party centres*"”.	Relevant indicator for analysing the Group’s results.
Analytical net operating expenses	Calculated as the sum of the line items “*Personnel expenses*” and “*Other operating expenses*” in the consolidated income statement, adjusted for “*Personnel expenses and Other operating expenses associated with the corporate segment*"”; “*Personnel expenses and Other operating expenses associated with the flexible business*"”; “*Personnel expenses and Other operating expenses associated with the flexible business of own and third-party centres*"”; “*Extraordinary staff costs and Other operating expenses associated with the corporate segment*”; *"Extraordinary staff costs and Other operating expenses associated with asset management"*; and "*Net changes in provisions*".	Relevant indicator for analysing the Group’s results.
Other analytical income	Calculated as the sum of the line items “*Other income*” and “*Share of profit of entities accounted for using the equity method*” in the consolidated income statement, adjusted for *“Other income relating to the corporate segment"*”; *“Other income relating to the asset management segment"*”; *"Other income and expenses relating to entities accounted for using the equity method"*; *"Leases recognised in accordance with IFRS 16 — Leases"*; and *"Other income and expenses relating to the flexible business with third parties*".	Relevant indicator for analysing the Group’s results.

Alternative Performance Measure	Form of calculation	Definition/Relevance
Analytical overhead costs	Calculated as the sum of the line items "*Other income*"", ""Personnel expenses*" and "*Other operating expenses" in the consolidated income statement, adjusted for "*Net analytical operating expenses"; "Personnel expenses and Other operating expenses associated with the generation of flexible business income"; "Extraordinary staff costs and other operating expenses associated with the corporate segment"*; "Extraordinary staff costs and Other operating expenses associated with asset management""*; "Net changes in provisions"; "Other income associated with the leasing business"; and "Other income associated with the asset management business".*	Relevant indicator for analysing the Group's results.
Analytical extraordinary expenses	Calculated as the sum of the line items "*Personnel expenses*" and "*Other operating expenses*" in the consolidated income statement, adjusted for "*Net analytical operating expenses*", "*Extraordinary staff costs and Other operating expenses associated with the corporate segment*", *"Extraordinary staff costs and Other operating expenses associated with asset management"*, "*Personnel expenses and Other operating expenses associated with the flexible business*", and "*Net changes in provisions".*	Relevant indicator for analysing the Group's results.
Revaluations and sales margin of analytical properties	Calculated as the sum of the items "*Net gain/(loss) on sales of assets*" and "*Changes in value of investment property"* in the consolidated income statement.	Relevant indicator for analysing the Group's results.
Analytical depreciation and provisions	Calculated as the sum of "*Depreciation and amortisation*" and "*Gains/(losses) on changes in value of assets due to impairment"* in the consolidated income statement and adjusted by *"Depreciation and amortisation arising from the recognition in line with the IFRS 16 — Leases*" and "*Net change in provisions".*	Relevant indicator for analysing the Group's results.
Analytical financial result	Calculated as the sum of the line items *"Financial income", "Financial expenses" and ""Impairment result on financial assets""* in the consolidated income statement, adjusted for *"Financial result arising from recognition under IFRS 16 — Leases".*	Relevant indicator for analysing the Group's results.
EPRA Earnings and Recurring net income	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 consolidated financial statements of Colonial SFL, 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.

Set out below is a reconciliation of those alternative performance measures whose origin does not derive, in full, from line items or sub-line items of the consolidated financial statements of Colonial SFL, SOCIMI, S.A. and its subsidiaries, in accordance with paragraph 28 of the aforementioned recommendations.

In 2025, the LTV Holding and LTV Colonial APM was no longer calculated, as it is no longer considered a relevant measure for analysing the Group's financial position.

Market Value excluding transaction costs or GAV excluding Transfer costs

Market Value excluding transaction costs or GAV excluding Transfer costs	Millions of euros	
	2025	2024
Barcelona	1,353	1,305
Madrid	2,077	1,983
Paris	7,183	7,098
Leased out	**10,612**	**10,386**
Projects	1,218	1,091
Other	162	169
Market value of the real estate business excluding transaction costs	**11,992**	**11,646**
Investment in third-party capital business	211	–
Total Market Value excluding transaction costs	**12,203**	**11,646**
Spain	4,479	4,076
France	7,724	7,571

Market Value including transaction costs or GAV including Transfer costs

Market Value including transaction costs or GAV including Transfer costs	Millions of euros	
	2025	2024
Total Market Value excluding transaction costs	12,203	11,646
Plus: transaction costs	684	630
Total Market Value including transaction costs	**12,887**	**12,276**
Spain	4,618	4,201
France	8,269	8,075

Like-for-like Valuation

Like-for-like Valuation	Millions of euros	
	2025	2024
Valuation at 1 January	11,646	11,336
Like for like Spain	202	75
Like for like France	153	239
Acquisitions and divestitures	202	(4)
Valuation at 31 December	**12,203**	**11,646**

EPRA NTA (EPRA Net Tangible Assets)

EPRA NTA (EPRA Net Tangible Assets)	Millions of euros	
	2025	2024
"Net equity attributable to the parent company's shareholders"	**5,873**	**5,677**
Includes/Excludes:		
Adjustments from (i) to (v) with respect to strategic alliance interests	–	–
Diluted NTA	**5,873**	**5,677**
Incluye:		
(ii.a) Revaluation of investment assets	–	–
(ii.b) Revaluation of assets under development	–	–
(ii.c) Revalorización de otras inversiones	125	137
(iii) Revalorización de arrendamientos financieros	–	–
(iv) Stock revaluation	–	–
Diluted NTA at Fair Value	**5,998**	**5,814**
Excluye:		
(v) Deferred taxes	113	210
(vi) Valor de mercado de instrumentos financieros	(26)	12
EPRA NTA	**6,085**	**6,036**
Number of shares (millions)	627.3	627.3
EPRA NTA per share	9.70	9.62

EPRA NDV (Net Disposal Value)

EPRA NDV (EPRA Net Disposal Value)	Millions of euros	
	2025	2024
"Net equity attributable to the parent company's shareholders"	**5,873**	**5,677**
Includes/Excludes:		
Adjustments from (i) to (v) with respect to strategic alliance interests	-	-
Diluted NDV	**5,873**	**5,677**
Incluye:		
(ii.a) Revaluation of investment assets	–	–
(ii.b) Revaluation of assets under development	–	–
(ii.c) Revalorización de otras inversiones	125	137
(iii) Revalorización de arrendamientos financieros	–	–
(iv) Stock revaluation	–	–
Diluted NDV at Fair Value	**5,998**	**5,814**
Excluye:		
(v) Deferred taxes	–	–
(vi) Valor de mercado de instrumentos financieros	–	–
Incluye:		
(ix) Market value of debt	58	113
EPRA NDV	**6,056**	**5,927**
Number of shares (millions)	627.3	627.3
EPRA NDV per share	9.65	9.45

Loan to Value Group or LtV Group

Loan to Value Group or LtV Group	Millions of euros	
	31/12/2025	31/12/2024
Gross financial debt	5,123	5,008
Less: "Cash and cash equivalents"	(150)	(543)
(A) Net financial debt (Note 14)	**4,973**	**4,465**
Market Value including transaction costs [1]	12,847	12,238
Plus: Treasury shares of the Parent valued at EPRA NTA	83	90
(B) Market Value including transaction costs and Parent's treasury shares	**12,930**	**12,328**
Loan to Value Group (A)/(B)	**38.5%**	**36.2%**
(C) Net financial debt (pro-forma)	**4,684**	**—**
(D) Market Value including transaction costs and Parent's treasury shares (Pro-forma)	**12,639**	**—**
Group Loan to Value (pro-forma) (C)/(D) [2]	**37.1%**	**36.2%**

(1) Excludes the valuation of the asset of the subsidiary Inmocol Torre Europa, S.A., which is now accounted for using the equity method, and includes the shareholdings held by the parent company in Inmocol Torre Europa, S.A., HQ América, SOCIMI, S.A. and Science & Innovation District, SOCIMI, S.A., valued at EPRA NDV.

(2) Including commitments of deferrals for transactions selling real estate assets

Like-for-like rental income

Like-for-like rent or analytical rental income	Millions of euros			
	Barcelona	**Madrid**	**Paris**	**Total**
Analytical rental income – 2024	**47**	**89**	**254**	**391**
Like for like	2	3	16	21
Projects and inclusions	(1)	6	(21)	(16)
Investments and divestitures	1	4	–	5
Other and compensation	–	2	(3)	(1)
Analytical rental income – 2025	**49**	**103**	**246**	**399**

Analytical EBITDA

Analytical EBITDA	Millions of euros	
	2025	2024
Operating profit	452	436
Adjustments: “Revenue – Inventories”	–	(106)
Adjustments: "Cost of sales – Inventories"	–	92
Adjustments: "Depreciation and amortisation"	6	7
Adjustments: "Net gains on sales of assets"	(3)	(15)
Adjustments: “Net change in provisions” (Note 19.4.1)	(2)	1
Adjustments: "Reversal of provisions for early retirements"	–	5
Adjustments: “Changes in value in real estate investments”	(133)	(102)
Adjustments: "Gains/(losses) on changes in value of assets due to impairment"	3	1
Adjustments: "Extraordinary items"	10	6
Adjustments: “Depreciation and amortisation arising from the registration in line with IFRS 16 — Leases” (Note 7.5)	(2)	(2)
Adjustments: “Financial gains/(losses) arising from the recognition in line with IFRS 16 — Leases” (Note 7.5)	–	(1)
Adjustments: “Changes in the value of investment property of companies consolidated using the equity method.”	1	–
Analytical EBITDA	**333**	**322**

EBITDA income

EBITDA income	Millions of euros	
	2025	2024
Net turnover amount	408	396
Adjustments: “Flexible business income” (Note 6)	(5)	(18)
Adjustments: “Personnel expenses and Other operating expenses associated with the flexible business of own and third-party centres"	(5)	–
Adjustments: “Revenue eliminated on consolidation associated with the flexible business” (Note 6)	–	8
Adjustments: "Reversal of provisions for early retirements"	–	5
Analytical rental income	**399**	**391**
Personnel expenses	(37)	(39)
Other operating expenses	(62)	(53)
Adjustments: "Personnel expenses and Other operating expenses associated with the corporate segment"	55	56
Adjustments: "Personnel expenses and Other operating expenses not associated with the flexible business"	1	5
Adjustments: “Personnel expenses and Other operating expenses associated with the flexible business of own and third-party centres”	5	–
Adjustments: “Personnel expenses and Other extraordinary operating expenses associated with the corporate segment”	10	6
Adjustments: "Personnel expenses and Other extraordinary operating expenses associated with asset management"	2	–
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	–	2
Adjustments: “Net change in provisions” (Note 19.4.1)	(2)	1
Analytical net operating expenses	**(28)**	**(23)**
EBITDA income	**371**	**368**

Other analytical income

Other analytical income	Millions of euros	
	2025	2024
Otros ingresos	16	8
Profit or loss of entities accountinf for using the equity method	1	2
Adjustments: “Other income relating to the corporate segment” (Note 6)	(2)	(2)
Adjustments: “Other income relating to the asset management segment” (Note 6)	(3)	–
Adjustments: “Other income and expenses related to equity-accounted entities"	2	–
Adjustments: “Net turnover amount and Personnel expenses and Other operating expenses eliminated on consolidation associated with the flexible business"	–	14
Adjustments: “Revenue eliminated on consolidation associated with the flexible business” (Note 6)	–	(10)
Adjustments: “Depreciation and amortisation arising from the registration in line with IFRS 16 — Leases” (Note 7.5)	–	(2)
Adjustments: “Financial gains/(losses) arising from the recognition in line with IFRS 16 — Leases” (Note 7.5)	–	(1)
Adjustments: “Lease arising from the recognition in line with the IFRS 16 finance lease standard”	(3)	–
Adjustments: “Other income and expenses related to the flexible business (with third parties)”	4	–
Other analytical income	**14**	**9**

Analytical overhead costs

Spending structure analytics	Millions of euros	
	2025	2024
Otros ingresos	16	8
Personnel expenses	(37)	(39)
Other operating expenses	(62)	(53)
Adjustments: "Analytical net operating expenses"	28	23
Adjustments: “Personnel expenses and Other operating expenses eliminated on consolidation associated with the flexible business"	6	4
Adjustments: "Personnel expenses and Other operating expenses eliminated on consolidation associated with the flexible business"	10	6
Adjustments: "Personnel expenses and Other extraordinary operating expenses associated with asset management"	2	–
Adjustments: “Net change in provisions” (Note 19.4.1)	(2)	1
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	–	2
Adjustments: “Other revenue associated with the leasing business"	(10)	(6)
Adjustments: “Other income associated with the asset management business”	(3)	—
Spending structure analytics	**(52)**	**(56)**

Analytical extraordinary expenses

Analytical extraordinary expenses	Millions of euros	
	2025	2024
Personnel expenses	(37)	(39)
Other operating expenses	(62)	(53)
Adjustments: "Analytical net operating expenses"	28	23
Adjustments: "Personnel expenses and Other operating expenses associated with the corporate segment"	55	56
Adjustments: "Personnel expenses and Other extraordinary operating expenses associated with asset management"	2	–
Adjustments: "Personnel expenses and Other operating expenses associated with the flexible business"	6	5
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	–	2
Adjustments: "Net change in provisions" (Note 19.4.1)	(2)	1
Analytical extraordinary expenses	**(11)**	**(6)**

Analytical revaluations and property sales margins

Revaluations and sales margin of analytical properties	Millions of euros	
	2025	2024
Net gain/(loss) on sales of assets	3	15
Changes in the value of investment property	133	102
Adjustments: "Revenue – Inventories"	–	106
Adjustments: "Cost of sales – Inventories"	–	(92)
Revaluations and sales margin of analytical properties	**135**	**132**

Analytical depreciation and provisions

Analytical depreciation and provisions	Millions of euros	
	2025	2024
Depreciation and amortisation	(6)	(7)
Gains/(losses) on changes in value of assets due to impairment	(3)	(1)
Adjustments: "Depreciation and amortisation arising from the registration in line with IFRS 16 — Leases" (Note 7.5)	2	2
Adjustments: "Net change in provisions" (Note 19.4.1)	2	(1)
Adjustments: "Reversal of provisions for early retirements"	–	(5)
Analytical depreciation and provisions	**(6)**	**(13)**

Recurrent analytical and analytical financial result

Analytical financial result	Millions of euros	
	2025	2024
Finance income	17	26
Finance cost	(105)	(106)
Impairment losses on financial assets	(1)	0
Adjustments: "Financial gains/(losses) arising from the recognition in line with IFRS 16 — Leases" (Note 7.5)	1	1
Analytical financial result	**(89)**	**(80)**
Adjustments: "Extraordinary financial income and expenses"	5	2
Recurrent analytical financial result	**(83)**	**(77)**

EPRA Earnings and Recurring Net Income

EPRA Earnings and Recurring Net Income	Millions of euros	
	2025	2024
Profit/(loss) attributable to the Group	**344**	**307**
Net profit/(loss) attributable to the Group - Cts€/share	***54.91***	***52.70***
Includes/(excludes):		
(i) Changes in the value of investments, investment projects and other interests	(130)	(101)
(ii) Gains or losses on the sale of assets, investment projects and other interests	(3)	(29)
(iii) Gains or losses on the sale of assets held for sale, including changes in the value of such assets	–	–
(iv) Taxes on the sale of assets	–	(11)
(v) Impairment of goodwill	–	–
(vi) Changes in the value of financial instruments and cancellation costs	6	3
(iv) Deferred tax for considered EPRA adjustments	(27)	(26)
(ix) Adjustments to items (i) to (viii) in respect of strategic alliances (except where included through proportionate consolidation)	(1)	(1)
(x) Non-controlling interests in respect of the above items	9	45
EPRA Earnings (company-specific pre-adjustments)	**199**	**188**
Company-specific adjustments:		
(a) Extraordinary contingencies and charges	12	6
(b) Non-recurring profit/(loss)	–	(1)
(c) Tax credits	–	–
(d) Non-controlling interests in respect of the above items	–	–
Recurring Net Income (post company specific adjustments)	**211**	**193**
Average number of shares (millions)	627.3	583.2
Recurring Net Income (post company specific adjustments) - Cts€/share	***33.60***	***33.02***