

**Wellness Resorts SOCIMI, S.A.
and its subsidiaries**

Auditor's report
Consolidated annual accounts at December 31, 2024
and consolidated management report



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

Independent auditor's report on the consolidated annual accounts

To the shareholders of Wellness Resorts SOCIMI, S.A.:

Opinion

We have audited the consolidated annual accounts of Wellness Resorts SOCIMI, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2024, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 3 of the notes to the consolidated annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

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Most relevant aspects of the audit

Valuation of investment properties

At 31 December 2024, the carrying amount of investment properties recorded under non-current assets is 21,828,955.11 euros, as detailed in note 6 to the consolidated annual accounts.

The Group values investment properties at cost which may be the acquisition price or production cost. If investment properties require more than one year to be ready for use, the financial expenses accruing prior to their being in condition for intended use are included in the acquisition price or production cost. The Group subsequently values investment properties at cost less the relevant accumulated depreciation and if appropriate, accumulated impairment losses recognised, as outlined in note 5.1 to the accompanying consolidated annual accounts.

At least at year-end the Group assesses whether there are indications of impairment and analyses investment properties with a view to determining whether the recoverable amount is less than carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In order to consider the recoverable amount of investment properties, the Company bases itself on the valuation carried out by an independent expert. The valuation was carried out in accordance with the methodology described in note 5.1 to the accompanying consolidated annual accounts.

We consider the valuation of investment properties a key audit matter largely due to its significance with respect to the consolidated annual accounts as a whole and the fact that there is a risk associated with their valuation.

How our audit addressed the most relevant aspects of the audit

For additions for the year, we tested a sample to determine whether they were being correctly treated in accordance with the relevant accounting policy and third-party supporting evidence.

With respect to potential impairment losses, we obtained the valuation of investment properties carried out by the independent expert engaged by the parent company, on which we performed the following procedures, among others:

- Verification of the valuer's competence, capacity and independence by obtaining confirmation and corroborating its professional standing in the market.
- Verification that the valuation was performed according to accepted methodology.
- Substantive tests to verify the accuracy of the most relevant data provided by the Group to the valuer and used by it in the valuation.
- Comparison of the carrying amount of investment properties with the market value included in the valuation.

Additionally, we assessed the sufficiency of the information disclosed in the consolidated annual accounts.

The results of the procedures performed have enabled the audit objectives for which such procedures were designed to be reasonably attained.

Emphasis of matter

We draw attention to note 3.5 to the accompanying consolidated annual accounts, indicating that on 3 July 2024 the parent company, Wellness Resorts, SOCIMI, S.A., acquired the subsidiary Solana 224 Asset Management, S.L., and therefore the year ended 31 December 2024 is the first year in which there is a group of companies and the Company is required to present consolidated annual accounts. Taking this into account and in accordance with the regulations applicable to first consolidation, the Group has opted not to include comparative figures in the accompanying consolidated annual accounts. Our opinion has not been modified for this matter.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2024 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2024 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the Parent company's directors for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with the financial reporting framework applicable to the Group in Spain, as identified in note 3 of the attached notes to the consolidated annual accounts, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company'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 aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts 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 legislation governing the audit practice 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 annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, 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 company's directors.
- Conclude on the appropriateness of the Parent company's directors' use 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 annual accounts 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 annual accounts, including the disclosures, and whether the consolidated annual accounts 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 consolidated annual accounts. 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 company's directors 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.

From the significant risks communicated with the directors of the Parent company, we determine those risks that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, considered to be the most significant risks.

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

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Federico González Iglesias

30 April 2025

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Annual Accounts and Consolidated Management Report for the
year ended 31 December 2024

**WELLNESS RESORTS SOCIMI, S.A.
and Subsidiaries**

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2024

(Euro)

ASSETS	Notes to the accounts	(*) 31/12/2024	EQUITY AND LIABILITIES	Notes to the accounts	(*) 31/12/2024
Investment property	Note 6	21,828,955.11	EQUITY:	Note 9	
Land		15,000,000.00	SHAREHOLDERS' FUNDS	Note 9.1	5,718,208.00
Buildings		6,828,955.11	Share capital		5,718,208.00
Total non-current assets		21,828,955.11	Authorised capital	Note 9.1	5,344,526.44
			Share premium	Note 9.2	(60,000.00)
			(Treasury shares)	Note 9.3	(177,795.49)
			Reserves	Note 9.4	3,933,723.73
			Other shareholder contributions		(2,167,328.18)
			Profit/(loss) for the year		12,591,334.50
			Total equity		
			NON-CURRENT LIABILITIES:		
			Long-term payables	Note 7.2	14,517,360.81
			Bank borrowings		14,517,360.81
			Total non-current liabilities		14,517,360.81
CURRENT ASSETS:			CURRENT LIABILITIES:		
Trade and other receivables		464,320.45	Short-term payables	Note 7.2	944.96
Other amounts receivable from Public Administrations	Note 11.1	464,320.45	Other financial liabilities		944.96
Short-term financial assets	Note 7.1	193.44	Trade and other payables		2,407,831.22
Cash and cash equivalents	Note 8	7,224,002.49	Sundry payables	Note 7.2	2,352,164.90
Cash		7,224,002.49	Other amounts payable to Public Administrations	Note 11.1	55,666.32
Total current assets		7,688,516.38	Total current liabilities		2,408,776.18
TOTAL ASSETS		29,517,471.49	TOTAL EQUITY AND LIABILITIES		29,517,471.49

The accompanying Notes 1 to 16 to the consolidated annual accounts are an integral part of the consolidated balance sheet for the year ended 31 December 2024.

(*) The financial year ended 31 December 2024 is the first for which the Group's consolidated annual accounts are issued and therefore no comparative information is presented (Note 3.5).

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

(Euro)

	Notes to the accounts	(*) FY 2024
CONTINUING OPERATIONS		
Other operating expenses	Note 12.1	(2,097,229.59)
External services		(2,090,430.90)
Taxes		(6,798.69)
OPERATING PROFIT/(LOSS)		(2,097,229.59)
Financial expenses		(70,098.59)
On payables to third parties	Note 12.2	(1,297,509.31)
Capitalised financial expense on investment property	Note 6	1,227,410.72
NET FINANCIAL INCOME/(EXPENSE)		(70,098.59)
PROFIT/(LOSS) BEFORE TAXES		(2,167,328.18)
Income tax	Note 11.2	-
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		(2,167,328.18)
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		(2,167,328.18)
Profit/(loss) attributed to parent company		(2,167,328.18)
Profit/(loss) attributed to non-controlling interests		-

The accompanying Notes 1 to 16 to the consolidated annual accounts are an integral part of the consolidated income statement for the year ended 31 December 2024.

(*) The financial year ended 31 December 2024 is the first for which the Group's consolidated annual accounts are issued and therefore no comparative information is presented (Note 3.5).

**WELLNESS RESORTS SOCIMI, S.A.
and Subsidiaries**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER
2024**

A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Euro)

	Notes to the accounts	(*) FY 2024
RESULTS RECOGNISED IN THE INCOME STATEMENT (I)		(2,167,328.18)
TOTAL INCOME AND EXPENSE ATTRIBUTED DIRECTLY TO EQUITY (II)		-
TOTAL TRANSFERS TO THE INCOME STATEMENT (III)		-
TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)		(2,167,328.18)
Total income and expense attributed to the parent company		(2,167,328.18)
Total income and expenses attributed to non-controlling interests		-

The accompanying Notes 1 to 16 to the consolidated annual accounts are an integral part of the consolidated statement of recognised income and expense for the year ended 31 December 2024.

(*) The financial year ended 31 December 2024 is the first for which the Group's consolidated annual accounts are issued and therefore no comparative information is presented (Note 3.5).

**WELLNESS RESORTS SOCIMI, S.A.
and Subsidiaries**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024
B) CONSOLIDATED TOTAL STATEMENT OF CHANGES IN EQUITY

(Euro)

	Notes to the accounts	Share capital	Share premium	(Treasury shares)	Reserves	Other shareholder contributions	Profit/(loss) for the year	TOTAL
BALANCE AT 1 JANUARY 2024 (*)	Note 9	1,672,500.00	537,500.00	-	-	-	(177,010.75)	2,032,989.25
Total recognised income and expense		-	-	-	-	-	(2,167,328.18)	(2,167,328.18)
Transactions with shareholders or owners								
Capital increases		4,045,708.00	4,807,026.20	-	-	3,933,723.97	-	12,786,458.17
Other changes		-	-	(60,000.00)	(784.74)	-	-	(60,784.74)
Distribution of prior-year profit/(loss)		-	-	-	(177,010.75)	-	177,010.75	-
BALANCE AT 31 DECEMBER 2024		5,718,208.00	5,344,526.20	(60,000.00)	(177,795.49)	3,933,723.97	(2,167,328.18)	12,591,334.50

The accompanying Notes 1 to 16 to the consolidated annual accounts are an integral part of the consolidated total statement of changes in equity for the year ended 31 December 2024.

(*) The financial year ended 31 December 2024 is the first for which the Group's consolidated annual accounts are issued and therefore no comparative information is presented (Note 3.5).

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER **2024** (Euro)

	Notes to the accounts	(*) FY 2024
CASH FLOWS FROM OPERATING ACTIVITIES (I)		(4,034,428.62)
Profit/(loss) for the year before tax		(2,167,328.18)
Adjustments to results		70,098.59
- Financial expense on payables to third parties	Note 12.2	1,297,509.31
- Capitalised financial expense on investment property	Note 6	(1,227,410.72)
Changes in working capital		(906,980.37)
- Debtors and other receivables		(171,046.80)
- Creditors and other payables		(740,275.64)
- Other current assets and liabilities		4,342.07
Other cash flows from operating activities		(1,030,218.66)
- Interest paid		(1,030,218.66)
CASH FLOWS FROM INVESTING ACTIVITIES (II)		(18,261,424.19)
Amounts paid on investments		(18,261,424.19)
- Investment property	Note 6	(18,261,424.19)
CASH FLOWS FROM FINANCING ACTIVITIES (III)		29,401,927.67
Collections and payments, equity instruments	Note 9	12,726,458.17
- Equity instruments issued		12,786,458.17
- Acquisition of parent company's equity instruments		(60,000.00)
Collections and payments, financial liability instruments		16,675,469.50
- Debt issues, financial institutions	Note 7.2	19,662,972.67
- Repayment of bank borrowings		(2,987,503.17)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		7,106,073.86
Cash and cash equivalents at beginning of the year		117,928.63
Cash and cash equivalents at year-end	Note 8	7,224,002.49

The accompanying Notes 1 to 16 to the consolidated annual accounts are an integral part of the consolidated cash flow statement for the year ended 31 December 2024.

(*) The financial year ended 31 December 2024 is the first for which the Group's consolidated annual accounts are issued and therefore no comparative information is presented (Note 3.5).

1. General information on the Group and its activities

WELLNESS RESORTS SOCIMI, S.A. (the “parent company”) is a Spanish company incorporated for an open-ended period on 20 April 2023 under the name GASPIGUS INVESTMENTS, S.A., with tax code A-13677489. The current name was subsequently taken on 18 July 2023. The parent company’s registered office is located at Paseo de la Castellana, 91, planta 8, 28046 Madrid.

On 5 September 2023, the parent company availed itself of the special scheme for Listed Property Investment Companies (“SOCIMIs”) provided by Law 11/2009 of 26 October on Listed Property Investment Companies (“SOCIMI Law”), when the relevant notification was submitted to the tax authorities.

The parent company’s corporate purpose covers the following activities:

- a) Acquisition and development of municipal properties for leasing. The development activity includes the renovation of buildings in the terms of Law 37/1992 of 28 December on Value Added Tax, as amended from time to time.
- b) Holding of shares in other listed property investment companies (“SOCIMIs”) or in other entities not resident in Spain having the same corporate purpose as a SOCIMI and subject to a scheme similar to the SOCIMI scheme as regards the mandatory profit distribution policy, whether by law or under bylaws.
- c) Holding of shares in other resident or non-resident entities the main corporate purpose of which is to acquire municipal property for rent, which are subject to the same scheme as SOCIMIs as regards mandatory profit distribution, whether by Law or under the Bylaws, and which fulfil the investment requirements referred to in Article 3 of the SOCIMI Law.
- d) Holding of shares or interests in collective property investment undertakings regulated by Law 35/2003 of 4 November on collective investment undertakings, or any legislation that may supersede it in the future.

In addition, together with the economic activity derived from the primary corporate purpose, the parent company may carry out other incidental activities, which are understood to be those the income from which represents, in total, less than 20 percent of the parent company’s income for each tax period, or those that may be regarded as incidental in conformity with legislation applicable from time to time.

At 31 December 2024, WELLNESS RESORTS SOCIMI, S.A. is the parent of a group (“the Group”) formed by two companies: the parent company WELLNESS RESORTS SOCIMI, S.A. and the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L. (“Solana” or “the Sub-SOCIMI”). The subsidiary was incorporated on 18 April 2024 and the tax authorities were notified of the decision to apply the SOCIMI scheme on 10 September 2024.

In view of the Group’s activities, there are no environmental liabilities, expenses, assets, provisions or contingencies that could be significant with respect to its equity, financial situation and results. For this reason, no specific disclosures are provided in these notes to the consolidated annual accounts regarding environmental matters.

Framework Investment and Shareholder Agreement, Earnest Money Agreement, Development Management Agreement, Lease Agreement and Group Management Agreement

The parent company is the vehicle for an investment project regulated by a framework investment and shareholder agreement (the “Framework Investment and Shareholder Agreement”) entered into on 27 July 2023 between the parent company, its shareholders and the management company so as to establish the project terms and conditions (investment approach, strategy and rules), shareholder relations and the parent company's functions, management and organisational structure. The main aspects of this agreement are described below:

- The investment project consists of the parent company acquiring a plot of land on which a medical resort is to be developed, promoted, leased for the long term and operated by a reputable sector company (the “Project”).

As regards the land purchase, on 27 July 2023 the parent company signed an earnest money agreement (the “Earnest Money Agreement”) for the acquisition of a plot in the town of Casares, after meeting certain conditions precedent stipulated in the agreement, which entailed obtaining the licences needed to begin to build and a construction budget for the development of the asset at market prices. The conditions precedent were fulfilled and the land was purchased by the subsidiary on 31 July 2024.

For the development of the first-class health resort, on 27 July 2023 the parent company entered into a Development Management Agreement (“DMA”) with a professional developer that has sufficient resources and broad experience in similar projects, so that, as development manager, it will fully develop and hand over the asset on a turnkey basis for immediate use by the Group.

Additionally, on 27 July 2023 the parent company entered into a lease agreement (“Lease Agreement”) with a leading health resort operator to lease the asset for the long term for exploitation under its own brand.

On 27 July 2023, the parent company concluded a management agreement (the “Management Agreement”) with Altamar Real Estate, S.L.U. (“the Manager”) to delegate the parent company's ordinary, administrative and financial management, as well as tasks related to the control and monitoring of the promotion and development of the Project.

On 3 July 2024, the parent company acquired 100% of the shares in the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L. to become its sole shareholder.

On 24 July 2024, the parent company assigned its contractual position under the above-mentioned “Earnest Money Agreement”, “Development Management Agreement” (“DMA”) and “Lease Agreement” to its subsidiary. On the same date, the parent company authorised its subsidiary's adherence to the above-mentioned “Management Agreement” entered into with Altamar Real Estate, S.L.U. on 27 July 2023. (“the Manager”).

SOCIMI SCHEME:

On 15 September 2023, the parent company notified the tax authorities that it wished to apply the SOCIMI scheme. On 10 September 2024, the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L. notified the tax authorities that it would apply the scheme.

Article 3 of the SOCIMI Law imposes the following requirements on SOCIMIs:

- i. **Corporate purpose obligation:** A SOCIMI's main corporate purpose must be the holding of municipal real property for lease or the holding of shares in other SOCIMIs or companies having similar objects and subject to the same dividend distribution scheme, or in collective investment undertakings.
- ii. **Investment obligation:** A SOCIMI must invest at least 80% of its assets in municipal property for leasing, in land to develop such property, provided the development commences within three years as from the acquisition of the land, or in equity interests in other entities having similar objects and the same dividend distribution rules as those of a SOCIMI.
 - This percentage will be calculated based on the consolidated balance sheet if the company is the parent of a group, as defined in Article 42 of the Code of Commerce.
 - 80% of its income for the tax period must derive from: (i) property leases; and/or (ii) dividends from ownership interests held in the pursuit of its corporate purpose. This percentage will be calculated based on the consolidated income statement if the company is the parent of a group as defined in Article 42 of the Code of Commerce, irrespective of residence and of the obligation to issue consolidated annual accounts. The group will consist solely of the SOCIMI and the other entities referred to in Article 2.1 of Law 11/2009. In view of the parent company's current structure, there is a Group in accordance with the criteria laid down in Article 42 of the Code of Commerce.
 - The real property must remain leased for at least three years (for calculation purposes, up to one year of the period in which the property was available for leasing may be added). The ownership interests held in pursuit of its corporate purpose must remain in assets for at least three years.
- iii. **Regulated market trading obligation:** SOCIMIs must be listed on a regulated market or a multilateral trading system, whether in Spain or in any other country with which Spain has a tax information exchange arrangement. The shares must be nominative. This requirement must be met by the parent company. The parent company's shares are listed on Euronext Access Paris at the issuance date of these consolidated annual accounts.
- iv. **Profit distribution obligation:** The Company must pay out the profit for the year as dividends, after meeting legal requirements. The distribution resolution must be adopted within six months as from the year-end, in the following terms:
 - 100% of profits from dividends or shares of profits distributed by the entities referred to in Article 2.1 of Law 11/2009.
 - At least 50% of profits from the transfer of real property, shares or ownership interests referred to in Article 2.1 of Law 11/2009 and held to fulfil the core corporate purpose, completed once the minimum holding period has elapsed. The remainder of these profits must be reinvested in other property or interests held in order to fulfil the said purpose, within three years as from the transfer date.

- At least 80% of all other profits obtained. Where dividends are paid out of reserves deriving from profits for a period in which the special tax scheme has been applied, the distribution must be made as described above.
- v. **Information obligation:** SOCIMIs must disclose in the notes to their annual accounts the information required by tax legislation governing the special scheme for SOCIMIs.
- vi. **Minimum capital:** A SOCIMI's minimum share capital is €5 million. The parent company's share capital stands at €5,718,208.00 at 31 December 2024.

The failure to fulfil any of the above-mentioned conditions will mean that the company will be taxed under the general corporate income tax regime as from the tax period in which the infringement takes place, unless it is remedied in the following year, save for the nonfulfillment of the obligation to distribute dividends or delisting, which cannot be remedied.

Should the infringement not be remedied during the following year, the company will be taxed under the general corporate income tax regime, with effect as from the year in question.

In general, the corporate income tax rate for SOCIMIs is 0%. However, when the dividends distributed by the SOCIMI to its shareholders holding interests of over 5% are exempt or the shareholders are taxed at a rate below 10%, the SOCIMI will pay a special 19% tax on the amount of the dividend paid out to those shareholders, which will be treated as an income tax payment. If applicable, this special tax must be paid by the SOCIMI within two months as from the dividend distribution resolution date.

With effect in financial years beginning on or after 1 January 2024, Law 11/2021 of 9 July on measures to prevent and combat tax fraud amends Article 9.4 of the SOCIMI Law. Specifically, a special 15% tax is applied to the profit for the year obtained and not distributed, in the portion deriving from: a) income that has not been taxed at the general corporate income tax rate; and b) income that does not derive from the transfer of qualifying assets, once the three-year holding period has elapsed and to which the three-year reinvestment period provided by Article 6.1.b) of Law 16/2012 of 27 December has been applied. This special tax will be treated as an income tax payment and will accrue on the day of the resolution made by the general shareholders' meeting or equivalent body to distribute profits for the year. The tax must be self-assessed and paid in within two months following accrual.

Transitional Provision One of the SOCIMI Law permits the application of the SOCIMI tax scheme in the terms stipulated in Article 8 of that law even if the requirements are not fulfilled when the scheme is initially applied, on the condition that the requirements are met within two years as from the date on which the decision is taken to apply the scheme. The Group companies partially comply with the SOCIMI Law at 31 December 2024. Although all the SOCIMI scheme requirements are not met at the issuance date of these consolidated annual accounts, the parent company's directors consider that they will be fulfilled in time and form, as stipulated by the Law.

2. Basis of consolidation

2.1 Consolidation principles

Acquisition of control

A parent company is an entity that directly or indirectly exercises or is able to exercise control over another company or companies, which will be classed as subsidiaries, whatever their legal form and registered address. Control is the power to direct an entity's financial and operating policies so as to obtain economic benefits from its activities.

Control is presumed to exist when an entity, classed as a parent company, is related to another company, classed as a subsidiary, in any of the following situations:

- a) It holds the majority of voting rights.
- b) It is empowered to appoint or dismiss the majority of the administrative body's members.
- c) It may cast the majority of the voting rights under agreements with third parties.
- d) It has appointed, with its votes, the majority of the administrative body's members, who hold their positions at the time the consolidated accounts are drawn up and for the two immediately preceding years. In particular, this will be assumed to be the case when the majority of the members of the subsidiary's administrative body are members of the administrative body or senior managers of the parent company or any other company controlled by the latter. This will not give rise to consolidation if the company whose directors are appointed is related to another company in any of the cases envisaged in the first two points of this section.

Besides the situations described, circumstances could arise in which a company has control even though it holds half or less than half of the voting rights, or even where it holds hardly any or no ownership interest in other companies or undertakings, or where management power has not been specified, as in the case of special-purpose entities. When assessing whether such entities form part of the group, the group's share of the entity's risks and rewards will be taken into consideration, as well as its ability to take part in the entity's operating and financial decisions.

The parent company controls and is the parent company and sole director of the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L.

Consolidation method

The subsidiary has been fully consolidated. The purpose of the full consolidation method is to present fairly the equity, financial situation and results of the group companies taken as a single reporting entity. Accordingly, the group of companies classifies, recognises, measures and carries transactions based on their economic substance, considering that the group acts as a single accounting entity, regardless of the legal form and accounting treatment that has been afforded to the transactions in the group companies' individual annual accounts.

Any minority interests in the equity and results of the consolidated subsidiary are presented under "Non-controlling interests" in "Equity" in the consolidated balance sheet and in "Profit/(loss) attributed to non-controlling interests" in the consolidated income statement, respectively.

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Therefore, the application of the full consolidation method entails including in the balance sheet, income statement, statement of changes in equity and cash flow statement of the company required to consolidate all the assets, liabilities, income, expenses, cash flows and other items carried in the group companies' annual accounts, after making the relevant consistency adjustments and eliminations, as described below.

Transactions between consolidated companies

Balances, transactions, gains and losses between the parent company and its subsidiary are eliminated during the consolidation process.

Uniform disclosure

The accounting principles and procedures used by the Group companies are consistent so as to present the consolidated annual accounts based on uniform measurements.

2.2 *Subsidiary*

On 3 July 2024, WELLNESS RESORTS SOCIMI, S.A. acquired 100% of the shares in the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L., the parent company being its sole shareholder. The Group has therefore existed since that date.

The parent company's shareholders' funds break down as follows at 31 December 2024:

31 December 2024

	Euros
Name	SOLANA 224 ASSET MANAGEMENT S.L. (*)
Address	Paseo de la Castellana 91, Planta 8, 28046 Madrid
Activity	The leasing of municipal real estate located in Spain, and the acquisition, subdivision, development, promotion and construction of such real estate, as well as other consequent or complementary real estate operations.
Shareholding: Direct	100%
Capital	3,000.00
Reserves	(784.74)
Other shareholder contributions	11,585,274.43
Net profit/(loss) for the year	(1,940,316.76)

(*) 2024 Annual Accounts audited by PricewaterhouseCoopers Auditores, S.L.

3. Basis of presentation of the consolidated annual accounts

3.1 *Financial reporting regulatory framework applicable to the Group*

These consolidated annual accounts are presented in accordance with current commercial legislation contained in the Code of Commerce, as amended under Law 16/2007 of 4 July on the reform and adaptation of accounting legislation for international harmonisation under EU regulations; Royal Decree 1514/2007 of 20 November, as amended by Royal Decree 602/2016 and by Royal Decree 1/2021, whereby the Spanish Chart of Accounts was introduced, and Royal Decree 1159/2010 of 17 September containing the rules for the preparation of consolidated annual accounts ("NOFCAC") and subsequent amendments, the latest under Royal Decree 1/2021 of 12 January, for all matters that do not conflict with the reform of commercial legislation referred to above, in order to present fairly the Group's net worth, financial situation and results, and the accuracy of the cash flows included in the consolidated cash flow statement. The following legislation is also applicable:

- a) Mandatory rules approved by the Institute of Accounting and Auditing to develop the Chart of Accounts and complementary legislation.
- b) Law 11/2009 of 26 October, as amended by Law 16/2012 of 27 December and Law 11/2021 of 9 July on Listed Property Investment Companies (SOCIMI Law).
- c) Other applicable Spanish accounting regulations.

3.2 *Fair presentation*

The consolidated annual accounts have been obtained from the accounting records of the parent company and its subsidiary and are presented in accordance with the applicable financial reporting regulatory framework and, in particular, with the accounting principles and methods contained therein, so as to present fairly the Group's equity, financial position, results and cash flows generated during the year.

3.3 *Non-mandatory accounting principles applied*

No non-mandatory accounting principles were applied. The parent company's directors have approved the accompanying consolidated annual accounts taking into account all applicable mandatory accounting principles and standards that have a significant effect. All mandatory accounting principles were applied.

3.4 *Critical measurement issues and estimates of uncertainty*

When preparing the consolidated annual accounts, certain estimates were made based on past experience and other factors which are deemed reasonable in the circumstances and are the basis for determining the carrying amounts of certain assets, liabilities, income, expenses and commitments the value of which is not easily obtainable using other sources. The parent company's directors continuously review the estimates.

The main forward-looking assumptions used and other relevant sources of uncertainty in the year-end estimates which could have a significant effect on the consolidated annual accounts in the coming year refer to:

- Measurement and impairment of investment property (Note 5.1).
- Evaluation of litigation, commitments and contingent assets and liabilities (Note 5.7).
- Estimation of compliance with the requirements of the SOCIMI scheme and of corporate income tax expense under legislation applicable to SOCIMI scheme companies (Notes 1 and 15).

- Corporate income tax (Note 5.5).

Although these estimates were made by the parent company's Board of Directors using the best information available at the 31 December 2024 year-end, on the basis of their best estimates and market knowledge, possible future events may force the Group to make adjustments in the coming years, which would be made prospectively.

The parent company evaluates investment property annually for signs of impairment when advisable in the circumstances. This is done by determining the recoverable amounts of the assets.

Certain accounting policies require the calculation of the fair values of financial and non-financial assets, where applicable.

In order to determine the fair value of an asset or liability, the Group employs observable market data whenever possible. Fair values are classified at different fair value hierarchy levels based on the inputs used in the valuation techniques, as follows:

- Level 1: price quoted (unadjusted) on active markets for identical assets or liabilities.
- Level 2: inputs other than the quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the input data used to measure the fair value of an asset or liability can be categorised into different levels of the fair value hierarchy, then the measurement is entirely classified on the same level of the fair value hierarchy, corresponding to the significant input data level for full measurement as per the lower level.

The Group records transfers between fair value hierarchy levels at the end of the year in which the change takes place.

The parent company and its subsidiary have availed themselves of the scheme provided by Law 11/2009 of 26 October on listed property investment companies (SOCIMIs), which in practice entails that they are subject to 0% corporate income tax, provided certain requirements are met. The directors monitor compliance with legal requirements. In this regard, the directors consider that the requirements will be met in due time and form.

3.5 Comparability

These are the first consolidated annual accounts to be issued in accordance with the provisions of prevailing commercial legislation and with the standards provided by the Spanish Chart of Accounts introduced under Royal Decree 1514/2007, as well as the amendments brought in by Royal Decree 1189/2010, whereby the standards on the preparation of consolidated annual accounts were introduced, because Wellness Resorts Socimi, S.A. acquired Solana 224 Asset Management, S.L. on 3 July 2024, the latter company having been incorporated on 18 April 2024. Therefore, the financial year ended 31 December 2024 is the first year in which the group of companies exists and consolidated accounts are issued. Accordingly, the option not to include comparative figures has been applied, as permitted by provisions governing first-time consolidation.

3.6 *Groupings of items*

Certain items in the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement are grouped together for clarity although, insofar as it is significant, the relevant breakdown has been included in the notes to the consolidated accounts.

All amounts are presented in euros, unless otherwise indicated.

3.7 *Going concern principle*

The Group records positive working capital of €5,279,740.20 at 31 December 2024.

The parent company's directors monitor the Group's cash position using a cash budget that includes the investors' capital flows and financing flows.

The parent company's directors have drawn up these consolidated annual accounts on a going concern basis, entailing the recovery of assets and settlement of liabilities at the amounts and according to the classification reflected in the accompanying consolidated balance sheet, considering that operating cash flow generation and funding sources (capital and debt) mitigate any uncertainty regarding the continuity of the Group companies' operations.

3.8 *Effects of the current macroeconomic and geopolitical context*

Although geopolitical tensions persisted in 2024 due primarily to the ongoing conflicts in Eastern Europe and the Middle East, global economic activity was remarkably resilient and accelerated slightly, driven mainly by lower interest rates. Following an unprecedented period of monetary tightening that began in July 2022, the European Central Bank implemented four consecutive interest rate cuts of 25 basis points each so as to stimulate the euro area's economy and bring inflation closer to its target of 2%. In this arena, Spain's economy achieved higher-than-expected growth, leading the field among the euro area's major economies with a 3.2% increase in gross domestic product in 2024, above the European average. The jobless rate fell to its lowest level in more than a decade and inflation moderated to an annual average of 2.8% thanks to stabilising energy and food prices.

Given the geopolitical uncertainty and volatility, the parent company's directors are still permanently monitoring developments in the conflicts and the consequences so as to successfully tackle any future effects that may arise.

4. Distribution of the parent company's results

4.1 *Proposed application*

The proposed distribution of profit/(loss) for financial years 2024 and 2023 reflected in the individual annual accounts, prepared by the parent company's directors to be proposed to the General Shareholders' Meeting, is set out below:

	2024
Available for distribution	
Profit/(loss) for the year	(227,011.42)
Distribution to:	
Prior-year losses	(227,011.42)
	(227,011.42)

4.2 *Restrictions on the payment of dividends*

The parent company is required to transfer 10% of profits for each year to the legal reserve until the balance in this reserve reaches at least 20% of share capital. This reserve may not be distributed to the shareholders until it exceeds 20% of share capital.

As the parent company is a SOCIMI for tax purposes, it is required to distribute the profit for the financial year as dividends to its shareholders, after meeting legal obligations, pursuant to Article 6 of the SOCIMI Law.

5. Accounting policies

As explained in Note 3, the Group has applied accounting policies in accordance with the principles and standards contained in the Spanish Code of Commerce, as developed in the Chart of Accounts currently in force (2007 Chart), and other commercial legislation in force at the closing date of these consolidated annual accounts. There follow details only of the accounting policies that are specific to the Group's business and those that are considered to be significant based on the nature of its activities.

5.1 *Investment property*

The consolidated balance sheet heading "Investment property" reflects the values of land, buildings and other constructions held for rent or to obtain a capital gain on their sale as a result of future increases in market prices.

Initial measurement

The assets carried under "Investment property" are stated at cost, whether acquisition price or production cost.

Indirect taxes on property, plant and equipment are only included in the acquisition price or cost of production when they are not directly recoverable from the tax authorities.

The acquisition price or production cost of investment properties requiring more than one year before they are ready for use will include any financial expense that accrues before the investment properties are operational and are charged by the supplier, or relates to loans or other external funding, whether specific or general, directly attributable to the asset's acquisition, manufacture or construction.

The acquisition price includes, in addition to the amount invoiced by the seller after deducting any discount or rebate, all additional, directly related expenses incurred until the asset is ready for use, including placement in the relevant location and any other aspect necessary so that it may be operated in the intended manner, such as levelling and demolition costs, transportation, customs duties, insurance, fitting, assembly and other similar expenses.

Interest costs directly attributable to the acquisition or construction of property, plant and equipment that require more than one year before they may be brought into use are included in the cost of the assets until they are ready for use.

Subsequent measurement

Following initial recognition, investment properties are carried at cost less accumulated depreciation and any cumulative impairment adjustments. Investment property maintenance and repair costs that do not improve future cash flows from the cash-generating unit of which they form part, or its useful life, are taken to the consolidated income statement for the period in which they are incurred. Extension or improvement costs that give rise to an increase in production capacity or extend the useful lives of the assets are included as an increase in the asset's value.

Investment property is depreciated on a straight-line basis, distributing the cost of the assets over the years of useful life.

Years of estimated useful life of investment property are as follows:

Description	Years	Annual %
Buildings	50	2%
Plant	10	10%

Gains or losses on the sale or retirement of an asset are the difference between their carrying amount and their selling price; they are recognised in the consolidated income statement item "Impairment and profit/(loss) on fixed asset disposals".

Impairment

At each year-end, the Group reviews the carrying amounts of investment properties to determine whether there are any indications that they might have suffered an impairment loss. When there are indications of impairment, the Group analyses each investment property to ascertain whether the recoverable amount has fallen below the carrying amount.

The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is defined as the present value of estimated future cash flows that will foreseeably be generated through the continued use of the asset and, where applicable, through the sale or disposal through other means of the asset, taking account of its current state and applying a discount based on risk-free market interest rates, adjusted for specific risks affecting the asset for which the estimated future cash flows have not been adjusted.

At each year-end, the Group commissions independent valuations of its investment properties.

They are valued using the discounted cash flow method.

This method consists of analysing the development potential of the land and sale on completion, discounting costs necessary to carry out the project. This gives rise to a cash flow that is discounted to present value at the valuation date, applying a discount rate reflecting the level of risk the developer is willing to accept, as well as the expected return.

The valuation was carried out in accordance with the “Red book” Valuation Standards published by the Royal Institute of Chartered Surveyors (RICS).

The value in use of investment property need not be identical to its fair value, since value in use relates to specific factors affecting the Group, mainly the capacity to impose prices above or below market levels thanks to the acceptance of different risks or the contraction of costs (construction or selling costs, for investment properties in course of construction; refurbishment costs; maintenance costs, etc.) other than those applicable to industry companies in general.

The carrying amount of the Group’s investment properties is adjusted at each year-end, recognising any impairment loss in order to arrive at the recoverable amount when fair value is below the carrying amount.

When an impairment loss is reversed, the asset’s carrying amount is increased to the adjusted estimate of its recoverable amount, without exceeding the carrying amount that would have been calculated had no impairment loss been recognised in prior years. The reversal of impairment losses is recognised as income.

Investment property in course of construction

Amounts paid on account of future acquisitions of investment property will be recognised in assets and adjustments arising to discount the value of the asset associated with the prepayment will lead to the recognition of financial income on an accrual basis. When the prepayments fall due in one year or less and the financial effect is immaterial, no type of discounting will be necessary.

Prepayments are written off when the investment properties, whether in progress or finished, are recognised as assets by the Company. Where there are doubts as to the recovery of the carrying amount of the prepayment, the Group recognises the corresponding impairment loss on the same terms applicable to the investment property.

5.2 Financial instruments

Financial assets

Financial assets at amortised cost

This category includes financial assets, including those traded on an organised market, in which the Group invests in order to receive cash flows when the contract is performed and the contractual conditions of the financial asset give rise, on specific dates, to cash flows that consist only of receipts of principal and interest on the outstanding amount of principal.

Contractual cash flows that are only receipts of principal and interest on the outstanding principal are inherent in an arrangement that has the nature of an ordinary or common loan, regardless of whether or not the agreed interest rate is zero or below market.

The category includes trade and non-trade receivables:

- a) Trade receivables: financial assets arising from the sale of goods or provision of services in business transactions completed on deferred payment terms; and
- b) Non-trade receivables: financial assets that are not equity instruments or derivatives, do not arise from commercial transactions, give rise to receipts in determined or determinable amounts and derive from loans or credit granted by the entity.

Initial measurement

Financial assets in this category are initially measured at fair value which, unless otherwise evidenced, will be the transaction price, which will be equal to the fair value of the consideration paid plus directly attributable transaction costs.

Nonetheless, trade receivables maturing in one year or less, for which there is no explicit contractual interest rate, and loans to employees, dividends receivable and payments due on equity instruments, the amount of which is expected to be received in the short term, are measured at face value, provided the effect of not discounting cash flows is immaterial.

Subsequent measurement

Financial assets included in this category are measured at amortised cost. Accrued interest is recorded in the consolidated income statement (financial income) using the effective interest method.

Receivables maturing in one year or less and initially carried at face value as indicated above will continue to be carried at face value unless they become impaired.

When the contractual cash flows from a financial asset change due to the issuer's financial difficulties, the entity analyses whether or not to recognise an impairment loss.

Impairment

The necessary value adjustments are made at the year-end at least and provided that there is objective evidence that the value of a financial asset or group of financial assets with similar risk characteristics measured collectively has become impaired as a result of one or more events occurring after their initial recognition and that result in a reduction or delay in estimated future cash flows, which may be triggered by the debtor's insolvency.

In general, the impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows including, if applicable, those deriving from the enforcement of security interests and personal guarantees, which it is estimated will be generated, discounted at the effective interest rate calculated at the time of their initial recognition. For financial assets at variable interest rates, the effective interest rate at the closing date of the consolidated annual accounts will be used in accordance with contractual conditions.

Impairment adjustments and related reversals, where the amount of the impairment loss decreases as a result of a subsequent event, are recognised as an expense or income, respectively, in the consolidated income statement. The reversal of impairment is limited to the carrying amount of the asset that would have been recognised at the reversal date had no impairment been recorded.

Financial assets at cost

This measurement category includes the following assets:

- a) Investments in equity instruments (of undertakings not forming part of the consolidated group) the fair value of which cannot be determined by reference to a quoted price on an active market for an identical instrument, or cannot be reliably estimated, and derivatives for which these investments serve as underlying assets.
- b) Hybrid financial assets whose fair value cannot be reliably estimated, unless amortised cost accounting requirements are met.
- c) Contributions made as a result of a joint venture or similar arrangement.
- d) Participating loans accruing contingent interest, either because a fixed or variable interest rate is agreed and made conditional on the achievement of a milestone by the borrower entity (for example, the obtainment of profits), or because it is calculated exclusively by reference to the said entity's business performance.
- e) Any other financial asset that must initially be included in the fair value through profit or loss portfolio where a reliable estimate of fair value cannot be obtained.

The Group records no financial assets at cost at the date these consolidated annual accounts are issued.

Financial liabilities

Financial liabilities at amortised cost

In general, this category includes trade and non-trade payables.

- a) Trade payables: financial liabilities arising from the purchase of goods and services in business transactions completed on deferred payment terms; and
- b) Non-trade payables: financial liabilities that are not derivatives and do not arise from commercial transactions but from loans or credit received by the entity.

Initial measurement

Financial liabilities in this category are initially measured at fair value, which is the transaction price and is equal to the fair value of the consideration received, as adjusted for directly attributable transaction costs.

Nonetheless, trade payables maturing in one year or less for which there is no contractual interest rate, and amounts payable to third parties on shares, the amount of which is expected to be paid in the short term, are carried at face value, provided the effect of not discounting cash flows is not significant.

Subsequent measurement

Financial liabilities included in this category are carried at amortised cost. Accrued interest is recorded in the consolidated income statement using the effective interest method.

Nonetheless, payables falling due in less than one year and initially measured at face value will continue to be reflected in that amount.

5.3 *Cash and cash equivalents*

This consolidated balance sheet caption includes cash, bank current accounts, deposits and asset repos that meet all of the following requirements:

- They are convertible into cash.
- On acquisition, they will mature in three months or less.
- They are not subject to significant value fluctuation risk.
- They form part of the Group's ordinary cash management policy.

5.4 *Functional currency*

The euro is the presentation currency of these consolidated annual accounts and the Group companies' functional currency.

5.5 *Corporate income tax*

General regime

Income tax expense or income comprises current tax expense or income and deferred tax expense or income.

Current tax is the amount paid by the Group as a result of corporate income tax assessments for the year. Deductions and other tax benefits applied to tax payable, without taking into consideration withholdings and interim payments, as well as tax-loss carryforwards actually applied in the current year, are recognised as a reduction in current tax.

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

Deferred tax liabilities are recognised for all temporary taxable differences, barring those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that does not affect either taxable income or the reported result and is not a business combination.

Deferred tax assets are only recognised insofar as it is considered probable that the Group will have future taxable income against which to offset them.

Deferred tax assets and liabilities, resulting from transactions charged or credited to equity accounts, are also accounted for with a balancing entry in equity.

At each accounting close, deferred tax assets recognised are reconsidered and the relevant adjustments are made where there are doubts as to their future recovery. Additionally, at each closing, deferred tax assets not reflected in the balance sheet are assessed and recognised to the extent that their recovery against future taxable income is deemed to be probable.

SOCIMI scheme

On 15 September 2023, the parent company notified its local Tax Administration State Agency Office of the decision to apply the special SOCIMI tax scheme. On 10 September 2024, the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L. notified the tax authorities that it would apply the scheme.

Under Law 11/2009 of 26 October, as amended by Law 16/2012 of 27 December and Law 11/2021 of 9 July on listed property investment companies, entities that meet legal requirements and opt to apply the special tax scheme provided by that law generally pay 0% corporate income tax.

In the event of tax losses, Article 26 of Law 27/2014 of 27 November on Corporate Income Tax does not apply. The rules for deductions and allowances provided by Chapters II, III and IV of that law are not applicable either. All matters not envisaged in the SOCIMI Law are governed by Law 27/2014 on Corporate Income Tax.

The entity is subject to a special 19% tax on the entire amount of dividends or shares of profits paid to shareholders owning at least 5% of share capital, where the dividends, for the shareholders, are tax exempt or subject to a tax below 10%.

In addition, with effect in tax periods beginning on or after 1 January 2021, the amendment brought in by Final Provision Two of Law 11/2021 of 9 July consists of a new special 15% tax on the amount of profits for the year that are not distributed to shareholders, affecting the portion of income not taxed at the general income tax rate and not in the reinvestment period regulated by Article 6.1.b) of the SOCIMI Law. This tax is also treated as corporate income tax payable.

5.6 Current and non-current items

Current assets are assets that relate to the ordinary operating cycle, which is generally a one-year cycle, as well as other assets the maturity, sale or realisation of which is expected in the short term as from the year-end, financial assets held for trading, except for derivatives with settlement periods exceeding one year, and cash and cash equivalents. Assets that do not meet these requirements are classed as non-current.

Similarly, current liabilities are liabilities that relate to the ordinary operating cycle, as well as financial liabilities held for trading, except for derivatives with settlement periods exceeding one year and, in general, all obligations that will fall due or be extinguished in the short term. Otherwise, they are presented as non-current.

5.7 Provisions and contingencies

The parent company's directors have prepared the consolidated annual accounts distinguishing between:

- a) Provisions: creditor balances that cover present obligations deriving from past events, the settlement of which is likely to trigger an outflow of funds the amount or timing of which cannot be determined.
- b) Contingent liabilities: possible obligations resulting from past events, the future materialisation of which is contingent upon the occurrence or otherwise of one or more future events that are beyond the Group's control.

The consolidated annual accounts reflect all provisions in respect of which it is more likely than not that the obligation will have to be fulfilled. Unless they are deemed to be remote, contingent liabilities are not recognised in the consolidated annual accounts but are reported in the notes to the consolidated accounts.

Provisions are carried at the present value of the best possible estimate of the amount necessary to settle or transfer the obligation, taking into account the information available on the event and its consequences. Any adjustments arising on the updating of such provisions are reflected as a financial expense on an accrual basis.

The consideration receivable from a third party when the obligation is settled is recognised as an asset, provided there are no doubts that the consideration will be received, except in the event that there is a legal relationship through which a part of the risk has been externalised and whereby the Group is not liable; in this situation, the consideration will be taken into account to estimate the amount of the relevant provision.

5.8 *Income and expense*

Income is recognised as the goods or services are effectively delivered to customers, when control is understood to be transferred. The amount recognised reflects the value of the agreed consideration, adjusted for discounts, rebates, returns, chargeable taxes (such as VAT) and any other item that reduces the receivable, provided that the income forms part of the Group's ordinary activity, whether under contracts with customers or other customary transactions.

Where commercial agreements include variable price components (such as volume discounts or covenants), the Group includes in the income recognised the part of the consideration that, based on historical data and specific analyses of transaction type, customer and contractual terms, meets a probability threshold that is sufficient to avoid subsequent material adjustments. This estimate is reviewed regularly to ensure consistency with the principles of prudence and reliability, as required by accounting legislation.

Rental income

The Group accounts for income from its real estate activity when the inherent risks and rewards are transferred to the buyer, which is usually when the title deed is signed. In the case of leases, income is apportioned uniformly over the lease period, simultaneously recognising the costs associated with each instalment, including impairment adjustments and expenses incurred during the year. Properties let to third parties under operating leases are carried in the balance sheet under "Investment property". Income from the sale of land and plots is recognised when the risks and rewards are transferred to the buyer, which usually coincides with the signing of the public deed effectively transferring the property.

In 2024, the Group did not recognise income from leased investment property, since the asset has been in the construction phase since September 2024.

5.9 *Related-party transactions*

Related-party transactions are recognised applying the general standards, irrespective of the relationship. The Group carries out all transactions with related parties at arm's length. Additionally, transfer prices are adequately supported and therefore the parent company's directors consider that there are no significant risks in this respect that could give rise to material liabilities in the future.

5.10 *Consolidated cash flow statement*

The terms employed in the consolidated cash flow statement have the following meanings:

- Cash flows: inflows and outflows of cash and cash equivalents, the latter being short-term, highly-liquid investments with no significant risk of value changes.
- Operating activities: typical operating activities and other activities that may not be classified as investing or financing activities.

- Investing activities: acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of equity and of liabilities, and do not form part of operating activities.

For the purposes of preparing the consolidated cash flow statement, “Cash and cash equivalents” are deemed to include cash on hand and demand bank deposits, as well as highly-liquid short-term investments that may be easily converted into specific amounts of cash and are subject to immaterial risk of value changes.

5.11 Equity

Share capital consists of ordinary shares.

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

In the event that any Group company acquires parent company shares (treasury shares), the consideration paid, including any directly attributable incremental cost, is deducted from equity until the treasury shares are redeemed, reissued or sold. When treasury shares are subsequently sold or reissued, any amount received is taken to equity net of any directly attributable incremental transaction costs.

5.12 Segment reporting

The Group identifies its segments based on internal reports on the various components, which form the basis of the administrative body's regular reviews, discussions and assessments. The directors consider that the Group has a single operating segment, which is property leasing.

All its activities are carried on in Spain.

6. Investment property

Set out below is an analysis of investment property showing movements at 31 December 2024:

2024				
	1.1.2024	Additions	Disposals	31.12.2024
Cost				
Land	1,000,000.00	14,000,000.00	-	15,000,000.00
Work in progress	720,240.00	6,108,715.11	-	6,828,955.11
Total	1,720,240.00	20,108,715.11	-	21,828,955.11
Carrying amount	1,720,240.00	20,108,715.11	-	21,828,955.11

The Group's investment project consists of the investee acquiring a plot of land on which a medical resort is to be developed, promoted, leased for the long term and operated by a reputable sector company (the “Project”) in Finca Cortesín, Málaga, Spain.

Land additions during the year reflect the purchase of a plot for €15,000,000.00 plus VAT (of which €1,000,000 plus VAT was paid by Wellness in 2023 under the Earnest Money Agreement signed by the parent company on 27 July 2023). Solana also incurred other expenses relating to the promotion and development of the asset in 2024: i) expenses relating to the land purchase (including non-recoverable taxes) in the amount of €188,460.94; ii) costs incurred during the year for the construction of the building in the amount of €4,692,843.45 and iii) financial expense on related loans amounting to €1,227,410.72 (Note 7.1).

Investment property additions in 2023 reflect the above-mentioned Earnest Money Agreement signed by the Company on 27 July 2023 for €1,000,000. Wellness also incurred other expenditure relating to the promotion and development of the asset totalling €720,240.00, which was transferred to Solana in 2024.

a) Impairment losses

At 31 December 2024, a RICS valuation was performed by an independent expert. The value was found to be €26,494,000, which is above the carrying amount of the investment property. Therefore, no impairment adjustments to investment property were recognised or reversed in 2024.

b) Fully-depreciated assets

There are no fully-depreciated assets at 31 December 2024.

c) Insurance

It is Group policy to take out all the insurance policies necessary to cover possible risks affecting investment property. At 31 December 2024, the Group is an additional beneficiary under the All-Risk Construction and ALOP policy taken out by the builder of the asset and under the third-party liability policy taken out by the development manager and the builder. The directors consider policy coverage to be sufficient for the risks mentioned.

d) Mortgage guarantees

Investment properties are secured by a mortgage at 31 December 2024. The maximum total mortgage liability is €71,500,000.

7. Financial instruments

7.1 Financial liabilities at amortised cost

The balances of each class of financial liability at 31 December 2024 are set out below:

	31.12.2024
Non-current	
Long-term bank borrowings	14,517,360.81
Current	
Short-term financial liabilities	944.96
Sundry payables	2,352,164.9
Total financial liabilities at amortised cost	16,870,470.67

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Sundry payables relate mainly to invoices pending payment, primarily for the construction of the asset, and to provisions for invoices pending receipt for services accrued in 2024, amounting to €621,831.32.

Bank borrowings reflect a financing agreement entered into on 25 July 2024 between Solana and Santander Real Estate Debt I and Project Aurora Property Company B Sarl, for a maximum amount of €55,000,000.00, divided into three tranches:

- Tranche A of €44,732,061 to fund the purchase of the land and development of the asset. Solana has utilised €10,250,000 of Tranche A at 31 December 2024.
- Tranche B of €2,583.000 to fund expenses associated with the arrangement of the financing. Solana has fully utilised Tranche B at 31 December 2024.
- Tranche C of €7,684,939 to set up the Reserve Account, which can only be used to service the debt (cash interest) and pay the commitment fee. Solana has drawn down €3,842,470 on Tranche C at 31 December 2024.

The loan has a 42-month term and two six-month extensions subject to the fulfilment of certain conditions stipulated in the financing agreement.

From the agreement signing date to 31 December 2024, interest and financial expense accrued on the above-mentioned loan in the amount of €1,227,410.72, of which €963,270.07 was paid, €213,262.12 was capitalised as an increase in the balance drawn (PIK interest) at 31 December 2024 and the remainder is the loan's amortised cost expense.

The financing agreement is subject to the fulfilment of certain financial covenants, including Loan-to-Value, Loan-to-Cost and Maximum Capex ratios. Nonfulfilment of any of these obligations could lead to the partial early repayment of the above-mentioned borrowings, among other consequences. The sole director of the subsidiary "Solana" considers that the covenants are met at 31 December 2024.

On 29 July 2024, Wellness arranged a credit line with a limit of €3,150,000.00 to finance VAT on the land purchase. The credit line was fully repaid on 23 December 2024. In 2024, interest and fees accrued in the amount of €70,098.59 (see Note 12.2), there being no balance pending payment at 31 December 2024.

Financial liabilities: breakdown of maturities

	2025	2026	2027	2028	2029	Beyond
Bank borrowings	-	-	-	-	14,517,360.81	-
Short-term financial liabilities	944.96	-	-	-	-	-
Sundry payables	2,352,164.9	-	-	-	-	-
TOTAL	2,353,109.86	-	-	-	14,517,360.81	-

7.2 Financial risk factors

The Group's activities are exposed to various types of financial risk: market risk, credit risk, liquidity risk and tax risk relating to compliance with the SOCIMI scheme. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The uncertain macroeconomic and geopolitical circumstances continued in 2024, mainly as a result of the ongoing conflicts in Eastern Europe and the Middle East, with inflation yet to stabilise and interest rates on the downward path while still being updated.

After assessing the situation at the issuance date of these consolidated annual accounts, the Group considers that the conflicts will have no direct or material impact on its operations, so no consequences are envisaged.

Market risk

Foreign exchange risk

The Company operates in the domestic market and all transactions are completed in euros. Therefore, its functional currency is not exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations, which the Company does not undertake.

Price risk

As the balance sheet includes no listed financial instruments, the Company has no material exposure to equity instrument price risk.

Cash flow and fair value interest rate risks

The Company's interest rate risk arises from borrowings. Loans issued at variable rates expose the Company to cash flow interest rate risk, which is partially offset by cash held at variable rates. Fixed interest rate loans expose it to fair value interest rate risk.

Credit risk

This is defined as the risk of financial loss to which the Group is exposed if a customer or counterparty does not fulfil its contractual obligations. The Group keeps cash and cash equivalents at financial institutions with a high credit standing.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash or other financial assets. The Group manages liquidity risk prudently and only obtains borrowings from highly solvent financial institutions, where applicable.

Operational risk

These circumstances and the potential indirect effects are being monitored by the directors. Given the geopolitical uncertainty and volatility, the parent company's directors are still permanently monitoring developments in the conflicts and the consequences so as to successfully tackle any future effects that may arise.

Tax risk

The parent company and its subsidiary file tax returns under the special scheme for listed property investment companies (SOCIMIs) pursuant to Article 6 of Law 11/2009 of 26 October, as amended by Law 16/2012 of 27 December. Companies that opt to apply this scheme must fulfil the legal and tax obligations described in Notes 2 and 15, including dividend distributions to shareholders once the corresponding commercial obligations have been fulfilled, whereby the decision to distribute the profit for the year must be taken within six months as from each year-end and the dividend must be paid out within one month as from the date of the distribution resolution. Should any of the conditions not be fulfilled, the companies would be taxed under the general regime if the infringement were not corrected in the following financial year. The directors monitor compliance with legal requirements. In this regard, the directors consider that the requirements will be met in due time and form.

7.3 Information on the average supplier payment period

There follows a breakdown of the information required by Additional Provision Three of Law 15/2010 of 5 July (amended by Final Provision Two of Law 31/2014 of 3 December and by Article 9 of Law 18/2022 of 28 September on business creation and growth), prepared in accordance with the Resolution of the Spanish Institute of Accounting and Auditing (ICAC) of 29 January 2016, on the information to be included in the notes to the annual accounts in relation to the average supplier payment period in commercial transactions:

	2024
	Days
Average supplier payment period	7.01
Ratio of transactions settled	5.99
Ratio of transactions pending payment	26.98
	Euros
Total payments made	25,818,405.72
Total payments pending	1,536,720.46

Pursuant to the ICAC's Resolution, the average supplier payment period has been calculated taking into account commercial transactions comprising supplies of goods or provisions of services accrued each year.

Solely for the purposes of providing the information required by this Resolution, suppliers are trade creditors for goods or services included under "Trade payables" and "Other payables" in current liabilities in the consolidated balance sheet.

"Average supplier payment period" means the period that elapses from the supply of goods or provision of services by the supplier to the actual transaction payment date.

There follows a breakdown of the monetary amount (in euros) and number of invoices settled within the stipulated legal period:

	2024
Monetary amount of invoices settled within a period shorter than the maximum period stipulated by law (euros)	24,038,225.20
<i>Percentage of total payments made</i>	93%
Number of invoices settled within a period shorter than the maximum period stipulated by law	143
<i>Percentage of total invoices settled</i>	76%

The ratio of transactions settled is calculated as a quotient in which the numerator is the sum of amounts paid multiplied by the number of payment days (difference between the calendar days elapsed from the end of the legal maximum payment period to the actual payment date) and the denominator is the total amount of payments made.

The ratio of transactions pending payment is calculated as a quotient in which the numerator is the sum of amounts pending payment multiplied by the number of days pending payment (calendar days elapsed from the end of the legal maximum payment period to the date the annual accounts are closed) and the denominator is the total amount of payments outstanding.

The legal maximum payment period applicable to the Group companies under Law 11/2013 of 26 July on measures to combat late payment in commercial transactions is a maximum of 30 days, unless the parties agree on a maximum 60-day period.

The Group companies' cash budget envisages sufficient cash flow generation to meet forecast short-term commitments.

8. Cash and cash equivalents

This heading is analysed below at 31 December 2024:

	2024
Cash and cash equivalents	7,224,002.49
Total	7,224,002.49

At 31 December 2024, the balance under "Cash and cash equivalents" is unrestricted, except for €2,878,927.42 in the Reserve Account, which may only be used to service the debt (cash interest) and pay the commitment fee (Note 7.1).

9. Consolidated equity

9.1 Parent company's share capital and share premium

The parent company was incorporated on 20 April 2023 with a share capital of €60,000 consisting of 60,000 shares with a par value of €1 each, numbered sequentially one through 60,000. The shares were 25% paid up in the amount of €15,000.

On 18 July 2023, the parent company's shares were acquired by Altamar Real Estate, S.L.U. at a price of €15,000, reflecting the paid-up share capital at the acquisition date.

Subsequently, on 4 August 2023, the parent company's sole shareholder Altamar Real Estate, S.L.U. paid up the remaining share capital of €45,000, reflecting 75% of the par value of all the shares, numbered one through 60,000. In the same act, the parent company's sole shareholder increased share capital by €1,612,500 by issuing 1,612,500 new shares with a par value of €1 each, numbered sequentially 60,001 through 1,672,500. The new shares carried a total share premium of €537,500.

On 24 July 2024, the parent company's shareholders' meeting resolved to increase share capital by €45,706.00 by issuing 45,706 new shares with a par value of €1 each, numbered sequentially 1,672,501 through 1,718,206, with a total share premium of €15,234.44. The capital increase was executed in a public deed on 31 July 2024 and entered in the Madrid Commercial Register on 14 August 2024.

In the same act, the parent company's shareholders' meeting resolved to increase share capital by up to €6,000,000, increasing the parent company's shareholders' funds by a total amount (par value plus share premium) of up to €11,000,000, and to delegate implementation of the capital increase to the parent company's Board of Directors. Therefore, on 12 September 2024, the parent company's Board of Directors increased capital by €4,000,002.00, issuing 4,000,002 new shares with a par value of €1 each, numbered sequentially 1,718,207 through 5,718,208. The new shares carried a total share premium of €4,791,792. The capital increase was executed in a public deed on 27 September 2024 and entered in the Madrid Commercial Register on 29 October 2024.

Therefore, at 31 December 2024 the parent company's share capital stands at €5,718,208.00, consisting of 5,718,208 fully-subscribed and paid-up shares with a par value of €1 each, all in the same class and carrying the same rights. The parent company's shares have been listed on Euronext Access Paris since 30 December 2024. The quoted price at 31 December 2024 is €2.20 per share.

Set out below is a list of shareholders holding significant interests (10% or more) in the parent company at 31 December 2024:

Shareholder contributions	% capital	No. shares
INBEST GPF MULTI ASSET CLASS PRIME IV, S.A.	23.30%	1,332,170.00

9.2 Treasury shares

At 31 December 2024, the parent company holds a total of 60,000 treasury shares representing 1.05% of share capital following the increase.

Pursuant to Article 148 of Royal Decree-Law 1/2010, whereby the Spanish Companies Act was introduced, and other applicable legislation, treasury shares acquired carry no voting or dividend rights while they are in the treasury share portfolio.

Set out below is an analysis of the treasury share portfolio showing movements at 31 December 2024:

	No. of shares	Amount €
1 January 2024	-	-
Increases / Purchases	60,000	60,000
Sales / Disposals	-	-
31 December 2024	60,000	60,000

9.3 Legal reserve and other reserves

The parent company's legal reserve stands at €0.00 at 31 December 2024.

The parent company has posted losses since incorporation and is not therefore required to fund the legal reserve.

In accordance with Article 274 of Royal Decree-Law 1/2010 of 2 July, whereby the consolidated text of the Spanish Companies Act was introduced, companies must transfer 10% of profits for the year to the legal reserve until the reserve balance reaches at least 20% of share capital. The legal reserve may only be used to increase share capital. Otherwise, until the balance exceeds 20% of capital, the legal reserve may only be used to offset losses, provided other unrestricted reserves are insufficient to do so.

Under the SOCIMI Law, the legal reserve of companies that have opted to apply the special scheme provided by this law must not exceed 20% of share capital. The bylaws of these companies may not stipulate any other reserve.

At 31 December 2024, the negative balance of reserves amounts to €177,795.49, reflecting the parent company's prior-year losses, also including €784.74 relating to the subsidiary's formation expenses. Those formation expenses, which include costs of legal, notary and administrative formalities required to set up the company or increase share capital, are recognised as voluntary reserves directly in equity, as laid down in accounting policy 9.4 of the Spanish Chart of Accounts.

9.4 Shareholder contribution

The parent company's shareholders made contributions totalling €3,933,723.73 in 2024.

10. Provisions and contingencies

At 31 December 2024, the Group is unaware of any contingency or litigation that, if successful, could have a material adverse effect on its financial and/or equity position.

11. Tax situation

11.1 Balances with Public Administrations

Set out below is a breakdown of current balances with Public Administrations at 31 December 2024:

	2024	
	Receivable	Payable
Value added tax	464,320.45	-
Personal income tax withholdings and interim payments	-	55,666.32
TOTAL	464,320.45	55,666.32

11.2 Reconciliation of reported profit/(loss) and income tax base

The reconciliation between reported profit/(loss) and the corporate income tax base for 2024 is set out below:

	2024
Reported profit/(loss) before tax	(2,167,328.18)
Permanent differences	(784.74)
Increases	-
Decreases	(784.74)
Temporary differences	-
Increases	-
Decreases	-
Tax base	(2,168,112.92)

11.3 Reconciliation of reported profit/(loss) and income tax expense

Corporate income tax is calculated on the basis of reported profits/(loss) determined by applying generally accepted accounting principles and does not necessarily coincide with the tax assessment base. Set out below is the reconciliation of 2024 income and expenses with the income tax assessment base:

2024	Euros		
	Increases	Decreases	Total
Reported profit/(loss) before tax			(2,167,328.18)
Permanent differences	-	(784.74)	(784.74)
Temporary differences	-	-	-
Tax base			(2,168,112.92)
0% tax (SOCIMI scheme)			-
Total income / (expense) recognised in the consolidated income statement			-

11.4 Years open to inspection and tax inspections

In accordance with current legislation, tax assessments may not be considered definitive until the returns filed have been inspected by the tax authorities or the four-year limitation period has ended. At year-end 2024, the Group companies are open to inspection for all taxes applicable since they were incorporated. The directors consider that the relevant tax returns were filed correctly and therefore, even in the event that its interpretation of prevailing regulations on the tax treatment of transactions is questioned, any resulting liabilities will not significantly affect the consolidated annual accounts.

12. Income and expenses

12.1 Other operating expenses

Set out below is a breakdown “Other operating expenses” in the accompanying consolidated income statement:

	31.12.2024
Independent professional services	2,082,976.60
Banking and similar services	839.55
Other expenses	6,614.74
Taxes	6,798.69
Total other operating expenses	2,097,229.58

Expenses carried by the Group under “Independent professional services” relate to fees accrued during the structuring of the vehicle and the project, as well as to various services provided to allow the Group to operate.

12.2 Net financial income/(expense)

In 2024, interest and financial expenses accrued to the Group in the amount of €1,297,509.31 under the following contracts:

- Financing agreement entered into on 25 July 2024 between Solana, Santander Real Estate Debt I and Project Aurora Property Company B Sarl for a maximum amount of €55,000,000.00 to purchase the land and develop and promote the asset.
At 31 December 2024, financial expenses under the agreement amount to €1,227,410.72, having been capitalised as an increase in the cost of investment property (Note 6).

Credit line arranged on 29 July 2024 between Wellness and Bankinter, with a limit of €3,150,000.00, to finance VAT on the land purchase, which was fully repaid on 23 December 2024. In 2024, interest and fees accrued in the amount of €70,098.59, there being no balance pending payment at 31 December 2024.

13. Related-party transactions and balances**13.1 Related-party transactions**

There follows a breakdown of transactions with related parties at 31 December 2024:

31 December 2024	Other operating expenses (Note 12.1)
Altamar Real Estate, S.L.U.	1,395,459.17
Altamar Global Investments, S.A., A.V.	99,737.50
Total	1,495,196.67

13.1 Related-party balances

Set out below is a breakdown of outstanding balances with related parties at 31 December 2024:

31 December 2024	Trade payables, Group companies and associates (Note 7.1)
Altamar Real Estate, S.L.U.	342,464.33
Altamar Global Investments, S.A., A.V.	99,737.50
Total	442,201.83

13.3 Balances and transactions with directors and senior management

In 2024, no remuneration of any kind accrued to the parent company's directors for holding office or in any other capacity.

No contributions were made to pension plans or funds for former or current members of the parent company's administrative body. No commitments were entered into in this respect during the year.

The parent company's directors received no remuneration in the form of profit sharing and no directors' liability insurance premiums were paid in their name. They received no shares or stock options during the year, exercised no options and hold no options to be exercised.

The Group has no senior management personnel, these functions being performed by Altamar under the agreement for services described in Note 1.

Information relating to directors' conflicts of interest

Article 229 of the Spanish Companies Act, introduced under Royal Decree-Law 1/2010 of 2 July and amended by Law 31/2014 of 3 December, which in particular amended the content of Article 229, imposes on the directors the duty to inform the Board of Directors or, failing this, the other directors or the General Meeting of any direct or indirect conflict of interest with the company.

The directors must avoid conflicts of interest, as established in Articles 228 and 229 of the Spanish Companies Act. These articles also stipulate that conflicts of interest affecting the directors must be reported in the annual accounts.

In 2024, neither the directors nor persons related to them as defined in the Spanish Companies Act reported to the parent company's governing bodies any direct or indirect conflict of interest they may have with the parent company.

14. Other information

14.1 Employee information

The Group has no personnel of its own at 31 December 2024.

14.2 Audit fees

In 2024, the fees for the audit of the consolidated and individual annual accounts and other services provided by the Group's auditor, PricewaterhouseCoopers Auditores, S.L., or by a company related to the auditor through control, common ownership or management, are as follows:

	2024
Audit fees	40,000.00
Total	40,000.00

No non-audit services or tax services were provided by or required from the auditor under applicable legislation in 2024.

15. Reporting requirements applicable to SOCIMIs, Law 11/2009

- a) Reserves arising in periods prior to the application of the tax scheme provided by Law 11/2009, as amended by Law 16/2012 of 27 December and Law 11/2021 of 9 July.

The Group companies recognised no reserves prior to the application of the special SOCIMI tax scheme.

- b) Reserves for periods in which the special tax scheme provided by Law 11/2009, as amended by Law 16/2012 of 27 December and Law 11/2021 of 9 July, was applied, distinguishing the part that derives from income subject to the 0%, 15% and 19% tax rates from the income taxed at the general rate, if applicable.

This is not currently applicable.

- c) Dividends paid out of profits for each period in which the tax scheme established in the SOCIMI Law has been applicable, distinguishing the part that derives from income subject to the 0% tax rate, the 15% tax rate or the 19% tax rate, from the income taxed at the general rate, if applicable.

This is not applicable, since the Group companies have not yet posted profits.

- d) If dividends have been charged to reserves, indication of the periods in which the reserves applied were generated and whether the reserves were taxed at 0%, 15%, 19% or the general rate.

This is not applicable, since the Group companies have not yet posted profits.

- e) Date of the resolution to pay out the dividends referred to in letters c) and d) above.

This is not applicable, since the Group companies have not yet posted profits.

- f) Acquisition date of leased properties and of shareholdings in entities referred to in Article 2.1 of this Law.

The Group acquired the land on which to develop and subsequently lease out the asset on 31 July 2024.

- g) Identification of assets included in the 80% referred to in Article 3.1 of this Act

Plot under development in Finca Cortesín, Málaga, Spain.

- h) Reserves for periods in which the special tax scheme has been applicable and that have been utilised during the tax period, other than for distribution or to offset losses, stating the period in which the reserves were generated.

This is not currently applicable.

16. Events after the reporting period

On 17 January 2025, the parent company contributed €2,700,000.00 to the investee's shareholders' funds, structured as a cash contribution by shareholders.

There were no other significant events from 31 December 2024 to the issuance date of these annual accounts that affect the accounts but are not disclosed or the knowledge of which could be useful to a user of the accounts.

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

1. The Group's performance during the year

WELLNESS RESORTS SOCIMI, S.A. (the “parent company”) is a Spanish company incorporated for an open-ended period on 20 April 2023 under the name GASPIGUS INVESTMENTS, S.A., with tax code A-13677489. The current name was subsequently taken on 18 July 2023. The parent company’s registered office is located at Paseo de la Castellana, 91, planta 8, 28046 Madrid.

On 5 September 2023, the parent company availed itself of the special scheme for Listed Property Investment Companies (“SOCIMIs”) provided by Law 11/2009 of 26 October on Listed Property Investment Companies (“SOCIMI Law”), when the relevant notification was submitted to the tax authorities.

At 31 December 2024, WELLNESS RESORTS SOCIMI, S.A. is the parent of a group (“the Group”) formed by two companies: the parent company WELLNESS RESORTS SOCIMI, S.A. and the subsidiary SOLANA 224 ASSET MANAGEMENT, S.L. (“Solana” or “the Sub-SOCIMI”). The subsidiary was incorporated on 18 April 2024 and the tax authorities were notified of the decision to apply the SOCIMI scheme on 10 September 2024. The Group operates essentially in the real estate industry.

In 2024, the Group continued to build the medical resort, which will be leased for the long term to a reputable sector company. The investment in this property amounts to €21,828,955.11 at 31 December 2024. No revenue was obtained in 2024, since the property is under construction and the Group therefore posted a consolidated loss of €2,167,328.18, due primarily to fees borne to structure the vehicle and the project. However, the Group’s working capital is positive in the amount of €5,279,740.20 at 31 December 2024.

At 31 December 2024, the parent company’s share capital stands at €5,718,208.00, consisting of 5,718,208 fully-subscribed and paid-up shares with a par value of €1 each, all in the same class and carrying the same rights. The parent company’s shares have been listed on Euronext Access Paris since 30 December 2024. The quoted price at 31 December 2024 is €2.20 per share.

2. Prospects

Going forward, the Group plans to carry on building the medical resort, as indicated, which will then be leased for the long term to a reputable sector company.

3. Average supplier payment period

There follows a breakdown of the information required by Additional Provision Three of Law 15/2010 of 5 July (amended by Final Provision Two of Law 31/2014 of 3 December and by Article 9 of Law 18/2022 of 28 September on business creation and growth), prepared in accordance with the Resolution of the Spanish Institute of Accounting and Auditing (ICAC) of 29 January 2016, on the information to be included in the notes to the annual accounts in relation to the average supplier payment period in commercial transactions:

	2024
	Days
Average supplier payment period	7.01
Ratio of transactions settled	5.99
Ratio of transactions pending payment	26.98
	Euros
Total payments made	25,818,405.72
Total payments pending	1,536,720.46

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Pursuant to the ICAC's Resolution, the average supplier payment period has been calculated taking into account commercial transactions comprising supplies of goods or provisions of services accrued each year.

Solely for the purposes of providing the information required by this Resolution, suppliers are trade creditors for goods or services included under "Trade payables" and "Other payables" in current liabilities in the consolidated balance sheet.

"Average supplier payment period" means the period that elapses from the supply of goods or provision of services by the supplier to the actual transaction payment date.

There follows a breakdown of the monetary amount (in euros) and number of invoices settled within the stipulated legal period:

	2024
Monetary amount of invoices settled within a period shorter than the maximum period stipulated by law (euros) <i>Percentage of total payments made</i>	24,038,225.20 93%
Number of invoices settled within a period shorter than the maximum period stipulated by law <i>Percentage of total invoices settled</i>	143 76%

The ratio of transactions settled is calculated as a quotient in which the numerator is the sum of amounts paid multiplied by the number of payment days (difference between the calendar days elapsed from the end of the legal maximum payment period to the actual payment date) and the denominator is the total amount of payments made.

The ratio of transactions pending payment is calculated as a quotient in which the numerator is the sum of amounts pending payment multiplied by the number of days pending payment (calendar days elapsed from the end of the legal maximum payment period to the date the annual accounts are closed) and the denominator is the total amount of payments outstanding.

The legal maximum payment period applicable to the Group companies under Law 11/2013 of 26 July on measures to combat late payment in commercial transactions is a maximum of 30 days, unless the parties agree on a maximum 60-day period.

The Group companies' cash budget envisages sufficient cash flow generation to meet forecast short-term commitments.

4. Main business risks

The Group is not exposed to material risks or uncertainties at 31 December 2024. In any event, risks and uncertainties are duly provisioned at that date.

5. Treasury share transactions

At 31 December 2024, the parent company holds a total of 60,000 treasury shares representing 1.05% of share capital following the increase.

Pursuant to Article 148 of Royal Decree-Law 1/2010, whereby the Spanish Companies Act was introduced, and other applicable legislation, treasury shares acquired carry no voting or dividend rights while they are in the treasury share portfolio.

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Set out below is an analysis of the treasury share portfolio showing movements at 31 December 2024:

	No. of shares	Amount €
1 January 2024	-	-
Increases / Purchases	60,000	60,000
Sales / Disposals	-	-
31 December 2024	60,000	60,000

6. Research and development activities

In view of the Group's special characteristics, it does not engage in research and development activities.

7. Use of financial instruments

In 2024, the Group utilised a credit line with a limit of €3,150,000.00 arranged on 29 July 2024 to finance VAT accrued on the land purchase. A request was made to cancel the account on 19 December 2024 and the credit line was fully repaid on 23 December 2024.

The Group also has bank borrowings under a financing agreement entered into on 25 July 2024 between Solana and Santander Real Estate Debt I and Project Aurora Property Company B Sarl, for a maximum amount of €55,000,000.00, divided into three tranches:

- Tranche A of €44,732,061 to fund the purchase of the land and development of the asset. Solana has utilised €10,250,000 of Tranche A at 31 December 2024.
- Tranche B of €2,583.000 to fund expenses associated with the arrangement of the financing. Solana has fully utilised Tranche B at 31 December 2024.
- Tranche C of €7,684,939 to set up the Reserve Account, which can only be used to service the debt (cash interest) and pay the commitment fee. Solana has drawn down €3,842,470 on Tranche C at 31 December 2024.

The loan has a 42-month term and two six-month extensions subject to the fulfilment of certain conditions stipulated in the financing agreement.

8. Environmental information

In view of the Group's activities, there are no environmental liabilities, expenses, assets, provisions or contingencies that could be significant with respect to its equity, financial situation and results. For this reason, no specific disclosures are provided in these notes to the consolidated annual accounts regarding environmental matters.

9. Personnel

The Group has no personnel of its own at 31 December 2024, as operations and administration tasks are fully outsourced.

10. Events after the reporting period

On 17 January 2025, the parent company contributed €2,700,000.00 to the investee's shareholders' funds, structured as a cash contribution by shareholders.

There were no other significant events from 31 December 2024 to the issuance date of these annual accounts that affect the accounts but are not disclosed or the knowledge of which could be useful to a user of the accounts.

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Issuance of the consolidated annual accounts and consolidated management report for the year ended 31 December 2024

On 26 March 2024, in compliance with the requirements of Article 253.2 of Royal Decree-Law 1/2010 of 2 July, whereby the consolidated text of the Spanish Companies Act was introduced, and Article 37 of the Royal Decree of 22 August 1885, whereby the Spanish Code of Commerce was published, the Board of Directors of the company WELLNESS RESORTS SOCIMI, S.A. hereby issues the consolidated annual accounts and consolidated management report for the financial year ended 31 December 2024.

The consolidated annual accounts and consolidated management report are set out in the documents preceding this sheet.

Fernando Olaso Echevarría
Board Director and Chairman

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Issuance of the consolidated annual accounts and consolidated management report for the year ended 31 December 2024

On 26 March 2024, in compliance with the requirements of Article 253.2 of Royal Decree-Law 1/2010 of 2 July, whereby the consolidated text of the Spanish Companies Act was introduced, and Article 37 of the Royal Decree of 22 August 1885, whereby the Spanish Code of Commerce was published, the Board of Directors of the company WELLNESS RESORTS SOCIMI, S.A. hereby issues the consolidated annual accounts and consolidated management report for the financial year ended 31 December 2024.

The consolidated annual accounts and consolidated management report are set out in the documents preceding this sheet.

Ignacio Antoñanzas Alvear
Board director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Issuance of the consolidated annual accounts and consolidated management report for the year ended 31 December 2024

On 26 March 2024, in compliance with the requirements of Article 253.2 of Royal Decree-Law 1/2010 of 2 July, whereby the consolidated text of the Spanish Companies Act was introduced, and Article 37 of the Royal Decree of 22 August 1885, whereby the Spanish Code of Commerce was published, the Board of Directors of the company WELLNESS RESORTS SOCIMI, S.A. hereby issues the consolidated annual accounts and consolidated management report for the financial year ended 31 December 2024.

The consolidated annual accounts and consolidated management report are set out in the documents preceding this sheet.

Miguel Zurita Goñi
Board director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

Consolidated Management Report for the year ended 31 December 2024

Issuance of the consolidated annual accounts and consolidated management report for the year ended 31 December 2024

On 26 March 2024, in compliance with the requirements of Article 253.2 of Royal Decree-Law 1/2010 of 2 July, whereby the consolidated text of the Spanish Companies Act was introduced, and Article 37 of the Royal Decree of 22 August 1885, whereby the Spanish Code of Commerce was published, the Board of Directors of the company WELLNESS RESORTS SOCIMI, S.A. hereby issues the consolidated annual accounts and consolidated management report for the financial year ended 31 December 2024.

The consolidated annual accounts and consolidated management report are set out in the documents preceding this sheet.

Carlos Esteban Librero
Board director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

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Christian Harisch
Board director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

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Javier Basagoiti Miranda
Board director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

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Delia Izquierdo Esteban
Board Director

WELLNESS RESORTS SOCIMI, S.A. and Subsidiaries

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Guillermo Castellanos O'Shea
Board director