

**Castellana Properties Socimi, S.A.
and its subsidiaries**

Report on review of the
Condensed Consolidated Interim Financial Statements
for the six-month period ended 30 September 2024



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 version of our report takes precedence over this translation.

Report on review of condensed consolidated interim financial statements

To the shareholders of Castellana Properties Socimi, S.A.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Castellana Properties Socimi, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the interim balance sheet as at 30 September 2024, and the interim income statement, interim statement of comprehensive income, interim statement of changes in equity, interim cash flow statement and related notes, all condensed and consolidated, for the seis-month period then ended. The Parent company's directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of condensed interim financial statements. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our limited review.

Scope of review

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

Conclusion

Based on our review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of condensed interim financial statements.

Emphasis of matter

We draw attention to the accompanying note 2.1, in which it is mentioned that these condensed consolidated interim financial statements do not include all the information required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and therefore the accompanying condensed consolidated interim financial statements should be read together with the consolidated annual accounts of the Group for the year ended 31 March 2024. Our conclusion is not modified in respect of this matter.



Other matters

This report has been prepared at the request of the Board of Directors in relation to the publication of the half-yearly financial report required by Circular 3/2020 of Spanish Stock Exchanges and Markets on Information to be provided by companies listed for trading in the BME Growth segment of BME MTF Equity.

PricewaterhouseCoopers Auditores, S.L.

Original signed by

Rafael Pérez Guerra

13 November 2024

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements
for the six-month period ended
30 September 2024

Note

Condensed consolidated interim balance sheet

Condensed consolidated interim income statement

Condensed consolidated interim statement of comprehensive income

Condensed consolidated interim statement of changes in equity

Condensed consolidated interim cash flow statement

Notes to the condensed consolidated interim financial statements

- 1 Activities and general information
- 2 Basis for the presentation of the condensed consolidated interim financial statements
- 3 Significant changes during the period
- 4 Financial risk management
- 5 Segment reporting
- 6 Investment property
- 7 Financial assets
- 8 Shareholders' funds
- 9 Reserves and retained earnings
- 10 Financial liabilities
- 11 Provisions and contingencies
- 12 Parent company directors' remuneration, shareholdings and balances
- 13 Related-party transactions and balances
- 14 Other information
- 15 Information requirements resulting from SOCIMI status
- 16 Events after the reporting period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AT 30 SEPTEMBER 2024

(Thousand euro)

ASSETS	Note	Thousand euro	
		30 September 2024 (*)	31 March 2024
Non-current assets			
Intangible assets		217	203
Property, plant and equipment		101	101
Investment property	6	1,029,194	1,026,880
Equity-accounted investments		527	201
Financial assets at fair value through other comprehensive income	7	-	173,684
Other non-current financial assets	7	6,854	6,807
		1,036,893	1,207,876
Current assets			
Trade receivables for sales and services	7	1,864	1,756
Trade receivables, related companies	7, 13	75	-
Other accounts receivable from Public Administrations		924	351
Other current financial assets	7	6,302	1,027
Short-term prepayments and accrued income		697	387
Cash and cash equivalents	4	149,195	34,773
		159,057	38,294
Non-current assets held for sale	7	193,928	-
		352,985	38,294
Total assets		1,389,878	1,246,170

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AT 30 SEPTEMBER 2024

(Thousand euro)

EQUITY AND LIABILITIES	Note	Thousand euro	
		30 September 2024 (*)	31 March 2024
Equity			
Equity attributable to the owners of the parent company			
Share capital	8	115,417	101,152
Share premium	8	487,821	423,864
Legal reserve	9	10,426	9,578
Other reserves	9	10,913	10,932
Treasury shares	8	(323)	(333)
Retained earnings	9	88,785	74,829
Interim dividend		-	(5,000)
Profit/(loss) for the year	8	32,991	22,435
Measurement adjustments	9	69,776	49,782
		815,806	687,239
Liabilities			
Non-current liabilities			
Bank borrowings	10	429,435	488,922
Deferred tax liabilities		437	437
Other non-current financial liabilities	10	16,113	15,226
		445,985	504,585
Current liabilities			
Bank borrowings	10	6,919	5,583
Short-term payables to Group companies	10, 13	108,413	37,413
Trade and other payables	10	7,340	5,779
Other current financial liabilities	10	2,175	1,751
Other liabilities	10	1,929	1,976
Other accounts payable to Public Administrations		1,311	1,844
		128,087	54,346
Total liabilities		574,072	558,931
Total equity and liabilities		1,388,878	1,246,170

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT FOR THE SIX-MONTH PERIOD ENDED 30
 SEPTEMBER 2024**
 (Thousand euro)

	Note	Thousand euro	
		Six-month period ended 30 September 2024 (*)	Six-month period ended 30 September 2023 (*)
Provision of services		44,401	46,171
Staff costs		(3,385)	(3,032)
Other operating expenses		(13,684)	(13,031)
Other profit/(loss)		(270)	(14)
OPERATING PROFIT/(LOSS) BEFORE VALUATION OF INVESTMENT PROPERTY		27,062	30,094
Changes in fair value of investment property	6	970	(5,733)
OPERATING PROFIT/(LOSS)		28,032	24,361
Financial income	7	20,096	137
Financial expenses	10	(15,101)	(8,279)
NET FINANCIAL INCOME/(EXPENSE)		4,995	(8,142)
RESULTS FROM EQUITY ACCOUNTED SUBSIDIARIES		(36)	-
PROFIT/(LOSS) BEFORE TAX		32,991	16,219
Income tax		-	-
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		32,991	16,219
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY			
Basic and diluted earnings per share	10	0.31	0.16

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH
PERIOD ENDED 30 SEPTEMBER 2024
(Thousand euro)

	Note	Thousand euro	
		Six-month period ended 30 September 2024 (*)	Six-month period ended 30 September 2023 (*)
Profit for the six-month period ended 30 September 2023		32,991	16,219
Other comprehensive income			
<i>Items that may be reclassified to profit/(loss)</i>			
Other profit/(loss)		-	-
<i>Items that will not be reclassified to profit/(loss)</i>			
Investments in equity instruments	7	19,994	13,175
Other comprehensive income for the year, after tax		19,994	13,175
Total comprehensive income for the six- month period ended 30 September 2023		52,985	29,394

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2024

(Thousand euro)

	Share capital (Note 8)	Share premium (Note 8)	Legal reserve (Note 9)	Other reserves (Note 9)	Treasury shares (Note 8)	Retained earnings (Note 9)	Profit/(loss) for the year	Interim dividend	Other equity instruments	Measurement adjustments (Note 7)	TOTAL
BALANCE AT 1 APRIL 2023	101,152	442,960	8,030	10,943	(343)	43,759	46,548	(7,000)	-	(2,273)	643,776
Profit/(loss) for the period	-	-	-	-	-	-	16,219	-	-	-	16,219
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	13,175	13,175
Total comprehensive income for the period	-	-	-	-	-	-	16,219	-	-	13,175	29,394
Distribution of prior year profit/(loss)	-	-	1,548	-	-	31,070	(46,548)	13,930	-	-	-
Dividend distribution	-	(17,096)	-	-	-	-	-	(6,930)	-	-	(24,026)
Treasury share transactions	-	-	-	1	10	-	-	-	-	-	11
Other movements	-	-	-	-	-	-	-	-	-	-	(11)
Total transactions with owners, recognised directly in equity	-	(17,096)	1,548	(10)	10	31,070	(46,548)	7,000	-	-	(24,026)
BALANCE AT 30 SEPTEMBER 2023 (*)	101,152	425,864	9,578	10,933	(333)	74,829	16,219	-	-	10,902	649,144
Profit/(loss) for the period	-	-	-	-	-	-	6,216	-	-	-	6,216
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	38,880	38,880
Total comprehensive income for the period	-	-	-	-	-	-	6,216	-	-	38,880	45,096
Dividend distribution	-	(2,000)	-	-	-	-	-	(5,000)	-	-	(7,000)
Changes to consolidation scope	-	-	-	(1)	-	-	-	-	-	-	(1)
Treasury share transactions	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners, recognised directly in equity	-	(2,000)	-	(1)	-	-	-	(5,000)	-	-	(7,001)
BALANCE AT 1 APRIL 2024	101,152	423,864	9,578	10,932	(333)	74,829	22,435	(5,000)	-	49,782	687,239
Profit/(loss) for the period	-	-	-	-	-	-	32,991	-	-	-	32,991
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	19,994	19,994
Total comprehensive income for the period	-	-	-	-	-	-	32,991	-	-	19,994	52,985
Distribution of prior year profit/(loss)	-	-	848	-	-	13,956	(22,435)	7,631	-	-	-
Share capital increase	14,265	82,735	-	(20)	-	-	-	-	-	-	96,980
Dividend distribution	-	(18,778)	-	-	-	-	-	(2,631)	-	-	(21,409)
Changes to consolidation scope	-	-	-	-	-	-	-	-	-	-	-
Treasury share transactions	-	-	-	1	10	-	-	-	-	-	11
Other movements	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners, recognised directly in equity	14,265	63,957	848	(19)	10	13,956	(22,435)	5,000	-	-	75,582
BALANCE AT 30 SEPTEMBER 2024 (*)	115,417	487,821	10,426	10,913	(323)	88,785	32,991	-	-	69,766	815,806

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2024

(Thousand euro)

		Thousands of euros	
	Note	Six-month period ended 30 September 2024 (*)	Six-month period ended 30 September 2023 (*)
A) CASH FLOW FROM OPERATING ACTIVITIES			
Pre-tax profit/(loss) for the year		32.991	16.219
Adjustments to profit/(loss)		(4.986)	14.734
Fixed asset depreciation		9	12
Changes in fair value of investment property	6	(970)	5.733
Change in provisions		709	710
Results from disposals		261	-
Financial incomes		(20.096)	-
Financial expenses		15.101	8.279
Changes in working capital		426	(1.368)
Trade and other receivables	7	(985)	(538)
Other current assets		(128)	34
Trade and other payables	10	1.029	1.314
Other current liabilities		(331)	(3.235)
Other non-current assets and liabilities		841	1.057
Cash flows from operating activities		28.431	29.585
B) CASH FLOW FROM INVESTMENT ACTIVITIES			
Payments on investments		(15.784)	(7.481)
Group companies, associates and business units		(327)	-
Intangible Assets		(16)	(45)
Property, plant and equipment		(8)	(18)
Investment property	6	(10.183)	(7.418)
Other financial assets		(5.250)	-
Collections on disvestment and dividends		27.396	12.852
Investment property		8.579	-
Collection on dividends	7	18.817	12.852
Cash flow from investment activities		11.612	5.371
C) CASH FLOW FROM FINANCING ACTIVITIES			
Collections and payments from equity instruments		(9)	1
Issue of equity instruments	8 and 13	(20)	(10)
Acquisition of own equity instruments	8	(9)	(5)
Disposal of equity instruments		20	16
Collections and payments on financial liabilities	10	95.797	(3.415)
Receivables on financial borrowings		-	5.000
Receivables on Related companies Loan	13	168.413	-
Interest paid		(12.745)	(6.602)
Debt repayment		(60.921)	(1.813)
Interest collection		1.050	-
Dividend payments and return on other equity instruments:		(21.409)	(24.026)
Dividends		(21.409)	(24.026)
Cash flow from financing activities		74.379	(27.440)
NET INCREASE/REDUCTION IN CASH AND CASH EQUIVALENTS		114.422	7.516
Cash and cash equivalents at the start of the financial year		34.773	31.309
Cash and cash equivalents at the end of the financial year		149.195	38.825

Notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

(*) Unaudited period

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

1. ACTIVITIES AND GENERAL INFORMATION

Castellana Properties Socimi, S.A. (hereinafter, “”) was incorporated in Spain on 19 May 2015 under the Spanish Companies Act. Originally called Vinemont Investment, S.A., its name was changed to the current one on 30 May 2016. Its registered office is at Glorieta de Rubén Darío, 3 – 1ª Planta derecha, 28010 Madrid.

Its corporate purpose is described in Article 2 of its Articles of Association and consists of:

- The acquisition and development of urban properties intended for lease. The development activity includes refurbishment of buildings according to the terms of Value Added Tax Law 37 of 28 December 1992.
- The ownership of interests in the share capital of other Spanish Real Estate Investment Trusts (*Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario*, “SOCIMI”) or other companies that are not resident in Spain, that have the same corporate purpose, and that are governed by rules similar to those governing SOCIMIs in Spain as regards the compulsory, legal or statutory policy on profit distribution.
- The ownership of shares or interests in the share capital of other companies that are both resident and non-resident in Spain, whose main purpose is the acquisition of urban properties to let, and which are governed by the same legal framework that governs SOCIMIs as regards the compulsory, legal and statutory policy on profit distribution, and which meet the investment requirements set out in Article 3 of the Spanish SOCIMI Law 11 of 26 October 2009.
- The ownership of shares or interests in Collective Real Estate Investment Institutions governed by Spanish Collective Investment Institutions Law 35 of 4 November 2003.

The Company may also engage in other ancillary activities, this being understood to mean activities that generate income accounting for less than 20% of the Company’s total income over a single tax period.

Any activity that must by law meet special requirements that are not met by the Company are excluded.

The aforementioned business activities may also be fully or partially engaged in indirectly by the Company through the ownership of interests in another company or companies with a similar corporate purpose.

The Company is in turn majority owned by the group of companies parented by Vukile Property Fund Limited, a South African company listed on the Johannesburg Stock Exchange.

On 21 December 2017, the General Shareholders' Meeting approved the change of the Group companies' financial year end to 31 March each year (previously 31 December). Accordingly, the financial year of the parent company and its subsidiaries runs from 1 April to 31 March of the following year.

On 22 May 2024, the Castellana Properties Socimi, S.A. General Shareholders' Meeting approved the Individual and Consolidated Annual Accounts for the financial year ended 31 March 2024.

These condensed consolidated interim financial statements have been prepared by the Board of Directors of the parent company on 13 November 2024.

On 30 September 2024, Castellana Group’s EPRA NTA stood at €816 thousand (€7.07 per share), and on 31 March 2024 it stood at €687 thousand (€6.39 per share).

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

a) Regulatory regime

The Company is regulated under the Spanish Companies Act.

In addition, on 15 September 2016 the Company informed the tax authorities that it wished to avail itself of the rules governing Spanish Real Estate Investment Trusts (SOCIMIs) and is therefore subject to Law 11 of 26 October 2009, as amended by Law 16 of 27 December 2012 on SOCIMIs. Law 11 of 9 July 2021 on measures to prevent and combat tax fraud requires SOCIMIs to pay 15% tax on retained earnings as from financial years beginning on or after 1 January 2021.

Article 3 of Law 11 of 26 October 2009 sets out certain requirements that must be met by this type of company, namely:

- i) They must have invested at least 80% of the value of their assets in urban properties intended for lease, or in land for the development of properties that are to be used for the same purpose, provided that development begins within three years following its acquisition, or in equity investments in other companies, as set out in Article 2.1 of the aforementioned Law.
- ii) At least 80% of the income for the tax period corresponding to each year, excluding the income deriving from the transfer of ownership interests and real estate properties used by the Company to pursue its main corporate purpose, once the retention period referred to in the following paragraph has elapsed, must come from the lease of properties and from dividends or shares in profits associated with the aforementioned investments.
- iii) The real estate properties that make up the Company's assets must remain leased for at least three years. The calculation of this term will include the time that the properties have been offered for lease, up to a maximum of one year.

Transitional Provision One of the SOCIMI Law allows for application of the SOCIMI tax rules under the terms set out in Article 8 of the SOCIMI Law, even when the requirements it contains are not met on the date of incorporation, on the condition that these requirements are met during the two years following the date on which it is decided to opt for application of the said tax rules. It is the opinion of the Company's directors that these requirements will be met.

All of the shares of Castellana Properties Socimi, S.A. have been listed on the BME Growth of BME MTF Equity (formerly the Spanish Alternative Stock Exchange (MAB)) since 25 July 2018, within the BME Growth segment of BME MTF Equity.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

b) Subsidiaries

As at 30 September 2024, Castellana Properties Socimi, S.A. is the parent company of a Group of companies (hereinafter, the Group) comprised of the following subsidiaries:

Company	Registered address	Corporate purpose	Shareholding %	Date control was acquired
Junction Parque Castellón S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Principado, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Castellana Parque Alcorcón, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Huelva, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Motril, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Granada, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Cáceres, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Mérida, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Castellana Parque Villanueva, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	30 June 2017
Junction Parque Alameda, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	5 December 2017
Junction Parque Habaneras, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	9 May 2018
Morzal Property Iberia, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Shopping Centre Leasing	100%	27 November 2018
Castellana Innovación, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Project development	100%	22 July 2021
Castellana Green, S.L.U.	Glorieta Rubén Darío, no. 3 (Madrid)	Energy production	50%	25 January 2022
Caminho Propício, S.A.	Av. Fontes Pereira de Melo 14, 6 1050-121 Lisbon	Shopping Centre Leasing	100%	18 September 2024

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

2. BASIS FOR THE PRESENTATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The main accounting policies adopted in the preparation of these condensed consolidated interim financial statements are described below. These policies have been applied consistently to all the periods shown, unless otherwise stated.

2.1 Basis of presentation

These condensed consolidated interim financial statements for the six-month period ended 30 September 2024 have been prepared under IAS 34 “Interim Financial Reporting” and do not therefore include all the information that would be required of full consolidated financial statements drawn up under the International Financial Reporting Standards adopted by the European Union, so the accompanying condensed consolidated interim financial statements must be read together with the Group's consolidated annual accounts for the financial year ended 31 March 2024, prepared in compliance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU).

These condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Union (collectively, IFRS-EU), pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council and successive amendments.

The preparation of these condensed consolidated interim financial statements in accordance with IFRS-EU requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies.

The condensed consolidated interim financial statements have been prepared on a historical cost basis and adjusted as the result of the restatement of investment properties, financial assets and financial liabilities (including derivatives) at fair value through profit/(loss) or through equity.

Unless otherwise stated, the figures contained in these condensed consolidated interim financial statements are expressed in thousands of euros.

These condensed consolidated interim financial statements have been submitted for limited review, but they have not been audited.

2.2 New IFRS-EU standards, amendments and IFRIC interpretations issued

- a) Standards, amendments and mandatory interpretations for financial years commencing on or after 1 April 2024:
- IFRS 16 (Amendment) “Lease liability in a sale and leaseback”.
 - IAS 1 (Amendment) “Classifying liabilities as current or non-current” and IAS 1 (Amendment) “Non-current liabilities with covenants”.
 - IAS 7 (Amendment) and IFRS 7 (Amendment) “Supplier finance arrangements (“reverse factoring”)”.
- b) Standards, amendments and interpretations that are not yet in force, but which may be adopted in advance:
- None to date.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

- c) Standards, interpretations and amendments of existing rules that cannot be adopted early or have not been adopted by the European Union:

On the date on which these condensed interim consolidated financial statements were authorised for issue, the IASB and IFRS Interpretations Committee had published the standards, amendments and interpretations that are outlined below, which may not be adopted in advance, and which are pending adoption by the European Union:

- IFRS 10 (Amendment) and IAS 28 (Amendment) "Sales or contributions of assets between an investor and its associate/joint venture".
- IAS 21 (Amendment) "Lack of exchangeability".
- IFRS 18 "Presentation and disclosure in financial statements"
- IFRS 19 "Subsidiaries without public accountability: disclosures".
- Amendments to IFRS 9 and IFRS 7 "Amendments to the classification and measurement of financial instruments"

Should any of the above-mentioned standards be adopted by the European Union or were it possible to early adopt them, the Group would apply the standards and reflect the corresponding effects in its condensed consolidated interim financial statements.

The application of these amendments and interpretations will not have a material effect on the Group's financial statements.

During the preparation of these condensed interim consolidated financial statements, significant judgements made by management when applying the Group's accounting policies and the key sources of uncertainty in estimates are the same as for the consolidated annual accounts for the financial year ended 31 March 2024.

2.3 Comparability

In accordance with the International Financial Reporting Standards adopted by the European Union, for comparative purposes, the condensed interim consolidated income statement, the condensed interim consolidated statement of comprehensive income, the condensed interim consolidated statement of changes in equity and the condensed interim consolidated cash flow statement at 30 September 2024 are presented together with information for the six-month period ended 30 September 2023, and the condensed interim consolidated balance sheet is presented together with information for the financial year ended 31 March 2024.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

2.4 Going concern

These condensed consolidated interim financial statements have been drawn up on a going concern basis, assuming that the Group will realise its assets and settle its commitments in the ordinary course of business.

At 30 September 2024, the Group's working capital is positive in the amount of €224,898 thousand (negative in the amount of €16,051 thousand at 31 March 2024).

At 30 September 2024, the Group has a reasonable cash position of €149,195 thousand. The leverage ratio (Note 4.2) stands at 32.65%, in line with the market. The Group's cash flows amounted to €28,431 thousand during the six-month period ended 30 September 2024.

2.5 Materiality

In determining the information to be disclosed in these notes to the condensed consolidated interim financial statements and other matters, the Group, in accordance with IAS 34, has taken into account their materiality in relation to the condensed consolidated interim financial statements for the six-month period ended on 30 September 2024.

3. SIGNIFICANT CHANGES DURING THE CURRENT REPORTING PERIOD

There were no particularly relevant events during the six-month period ended 30 September 2024 reported in these condensed consolidated interim financial statements that could affect the information set out in these notes.

4. FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to various financial risks: market risk (interest rate and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on uncertainty in financial markets and seeks to minimise any potential adverse impact on its financial profitability.

Risk management is overseen by the Group's Finance Department, which identifies, evaluates and hedges financial risks in accordance with the policies approved by the parent company's Board of Directors. The Board provides policies for overall risk management and policies covering specific areas such as interest rate risk, liquidity risk, the use of derivatives and non-derivatives and investing cash surpluses.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

4.1 Financial risk management

a) Market risk

i) Price risk

The Company is exposed to equity instrument price risk due to the investments held and carried in the balance sheet at fair value through other comprehensive income.

The Company invests in mature markets and companies showing low volatility and risk when managing price risk affecting equity investments.

The Company's equity investments are quoted on the Spanish continuous market.

Sensitivity analysis

The following table summarises the effect of an increase/decrease in the stock market index on the Group's profit after tax and equity for the year. This analysis assumes a 1% increase/decrease in the index with the other variables remaining constant and that all the Group's equity instruments would change in accordance with the historical correlation to the index:

Index	Thousand euro			
	Effect on profit after tax		Effect on equity components	
	30/09/2024	31/03/2024	30/09/2024	31/03/2024
Lar España Real Estate Socimi, S.A.	-	-	1,939	1,737

ii) Cash flow and fair value interest rate risk

The Group's interest rate risk relates to borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. At 30 September 2024, circa 6.06% (56.61% at 31 March 2024) of its financing was linked to a variable rate. The Group's borrowings at variable interest rates are denominated in euros. Fixed interest rates vary between 3.03% and 4.62% (31 March 2024: 3.03% and 4.62%) and variable interest rates vary between 5.42% and 6.04% (31 March 2024: around 2.28% and 5.95%).

The Group analyses its exposure to interest rate risk dynamically. Several scenarios are generated, taking account of financing and hedging alternatives. Based on these scenarios, the Group estimates the impact of a certain interest rate change on the result (scenarios are only used for liabilities that represent the most significant positions subject to interest rates).

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

These analyses take the following into account:

- The economic environment in which it conducts its business: The design of different economic scenarios, modifying the key variables that may affect the Group (interest rates, share price, percentage occupancy of investment property, etc.). The identification of interdependent variables and the degree to which they are connected.
- The assessment timeframe: The timeframe for the analysis and any potential departures will be taken into account.

At 30 September 2024, had interest rates on euro borrowings been 1% higher/lower, the other variables remaining constant, financial expenses for the period would have been €1,298 thousand higher or €1,298 thousand lower (€1,568 thousand higher or €1,568 thousand lower at 31 March 2024), due primarily to higher/lower interest expense on variable-rate loans. Simulations are performed regularly to ensure that the potential maximum loss remains within the limits established by management.

On the basis of these different scenarios, the Group manages cash flow interest rate risk through variable-to-fixed interest rate swaps. These interest rate swaps have the economic effect of converting variable interest borrowings to fixed interest borrowings. In general, the Group obtains long-term borrowings at variable interest rates and swaps them for borrowings at fixed interest rates lower than those which would be available if the Group obtained borrowings directly at fixed interest rates. Under interest rate swaps, the Group undertakes with third parties to exchange, on a regular basis, the difference between fixed and variable interest, calculated on the basis of the notional principal amount contracted.

b) Credit risk

Credit risk is managed at Group level. The Group defines its policy for managing and analysing credit risk relating to new customers before offering them the ordinary terms and conditions. Credit risk mainly arises from deposits made with the relevant organisations, financial derivatives and receivables for sales and services rendered, as well as sundry debtors.

The Group's credit risk controls set out the credit quality that must be displayed by customers, taking account of their financial situation, past experience and other factors. Individual credit limits are set on the basis of internal and external ratings. The use of credit limits is regularly reviewed.

The Group believes that it does not have any significant concentrations of credit risk, this being understood to refer to the possible impact that a default on receivables could have on the income statement.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

The Group's maximum exposure to credit risk by type of financial asset (excluding financial derivatives and deposits) is as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Current assets net of impairment provisions		
Trade and other receivables (Note 7)	1,939	1,756
Cash and cash equivalents	149,195	34,773
	151,134	36,529

The fair value of "Cash and cash equivalents" approximates the carrying amount shown in the above table.

c) Liquidity risk

Cash flow forecasts are made by the Group's Finance Department. This department monitors forecasts of the Group's liquidity requirements in order to ensure that it has sufficient cash to meet its operational needs, while maintaining sufficient available liquidity at all times to ensure that the Group does not breach its financing limits and covenants. These forecasts take account of the Group's financing plans, ratio compliance, fulfilment of internal objectives and, where applicable, any regulatory or legal requirements (Note 10).

d) Tax risk

As mentioned in Note 1, the parent company has applied the special tax scheme for Spanish Listed Real Estate Investment Trusts (SOCIMIs). Pursuant to the contents of Article 6 of Law 11 of 26 October 2009, as amended by the SOCIMI Law 16 of 27 December 2012, companies that have applied this scheme are required to distribute the profits they obtain over the course of the year to their shareholders in the form of dividends, after fulfilling the relevant corporate obligations. Distribution must be approved within the six months following the year end and paid within one month of the date of the distribution resolution (see Note 9).

If the General Shareholders' Meeting does not approve the dividend distribution proposed by the Board of Directors, calculated in accordance with the requirements of the said Law, they will be in breach of the Law and will therefore be taxed under the general tax rules, rather than the rules that apply to SOCIMIs.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

4.2 Capital management

The Group's main capital management objectives are to ensure long- and short-term financial stability, the positive performance of Castellana Properties Socimi, S.A.'s shares, the appropriate financing of investments and a reduction in debt levels. Financial leverage ratios, calculated as: (Net borrowings at amortised cost / (Net borrowings at amortised cost + equity)) at 30 September 2024 and 31 March 2024 were as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Net borrowings (Note 10)	395,572	497,145
Equity	815,806	687,239
Leveraging	32.65%	41.97%

Management believes that the Group's level of indebtedness is low.

Leverage ratios on real estate investments, calculated as borrowings at amortised cost over the fair value of investment property at 30 September 2024 and 31 March 2024 were 38% and 48% respectively, and the Group aims to keep these ratios at between 40% and 50%.

4.3 Estimation of fair value

The table shown below contains an analysis of the financial instruments that are measured at fair value, classified by valuation method. The different levels have been defined as follows:

- Quoted prices (non-adjusted) in active markets for identical assets and liabilities (Level 1).
- Inputs that differ from the quoted price included in Level 1 and are observable for the asset or liability, either directly (the prices themselves) or indirectly (derived from prices) (Level 2).
- Data for the asset or liability not based on observable market input (i.e. unobservable inputs) (Level 3).

The following table shows the Group's financial assets and liabilities at fair value. See Note 6, which reports on the fair value of investment property.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

30 September 2024	Thousand euro			
Assets	Level 1	Level 2	Level 3	Total
Long-term financial investments				
Investment property	-	-	1,029,194	1,029,194
Short-term financial assets				
Non-current financial assets held for sale	193,928	-	-	193,928
Total assets	193,928	-	1,029,194	1,223,122
Liabilities				
Long-term and short-term payables	-	-	-	-
Total liabilities	-	-	-	-

31 March 2024	Thousand euro			
Assets	Level 1	Level 2	Level 3	Total
Long-term financial investments				
Financial assets at fair value through other consolidated comprehensive income	173,684	-	-	173,684
Investment property	-	-	1,026,880	1,026,880
Total assets	173,684	-	1,026,880	1,200,564
Liabilities				
Long-term and short-term payables	-	-	-	-
Total liabilities	-	-	-	-

The fair value of financial instruments traded in active markets (such as exchange-traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

During the six-month period ending on 30 September 2024, no transfers between levels occurred.

4.4 Offset of financial assets and liabilities

The Group's only financial assets and liabilities are, respectively, security deposits with official bodies and security deposits to be returned to tenants. It is the Group's intention that if these amounts are repaid they will be settled on a gross basis, so they have not been offset.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

5. SEGMENT REPORTING

The Investments Committee, together with the parent company's Board of Directors, represent the Group's highest decision-making authority. Management has defined operating segments based on information which is reviewed by these bodies for the purposes of allocating resources and evaluating the Group's performance. Management identifies three reporting segments: Shopping centers, Retail Parks and Corporate.

Segment information for these activities is as follows:

Six-month period ended 30 September 2024

Description	Thousand euro			
	Shopping centres	Retail parks	Corporate	Total
Provision of services	32,834	11,567	-	44,401
Changes in fair value of investment property	(3,546)	4,516	-	970
Staff costs	-	-	(3,385)	(3,385)
Other operating expenses	(9,573)	(1,999)	(2,112)	(13,684)
Other profit/(loss)	-	(261)	(9)	(270)
Operating profit/(loss)	19,715	13,823	(5,506)	28,032
Financial income from ownership interests in other companies	-	-	19,046	19,046
Financial income from other financial instruments	-	-	1,050	1,050
Financial expenses	(11,362)	(2,559)	(1,180)	(15,101)
Net financial income/(expense)	(11,362)	(2,559)	18,916	4,995
Share of net profit/(loss) of equity-accounted associates and joint ventures	-	-	(36)	(36)
Profit/(loss) before tax	8,353	11,264	13,374	32,991
Income tax	-	-	-	-
Profit/(loss) for the year	8,353	11,264	13,374	32,991

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

Six-month period ended 30 September 2023

Description	Thousand euro			
	Shopping centres	Retail parks	Corporate	Total
Provision of services	34,950	11,221	-	46,171
Changes in fair value of investment property	(10,220)	4,487	-	(5,733)
Staff costs	-	-	(3,032)	(3,032)
Other operating expenses	(9,088)	(1,989)	(1,954)	(13,031)
Other profit/(loss)	-	-	(14)	(14)
Operating profit/(loss)	15,642	13,719	(5,000)	24,361
Financial income from ownership interests in other companies	-	-	-	-
Financial income from other financial instruments	-	-	137	137
Financial expenses	(5,422)	(2,465)	(392)	(8,279)
Net financial income/(expense)	(5,422)	(2,465)	(255)	(8,142)
Share of net profit/(loss) of equity-accounted associates and joint ventures	-	-	-	-
Profit/(loss) before tax	10,220	11,254	(5,255)	16,219
Income tax	-	-	-	-
Profit/(loss) for the year	10,220	11,254	(5,255)	16,219

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

The amounts provided to the Investments Committee and the Board of Directors in respect of total assets and liabilities are valued in accordance with the same criteria as those applied in the condensed consolidated interim financial statements. These assets and liabilities are assigned on the basis of segment activities.

30 September 2024	Thousand euro			
	Description	Shopping centres	Retail parks	Corporate
Investment property	739,574	289,620	-	1,029,194
Investments in equity instruments	-	-	527	527
Other non-current assets	4,852	2,002	318	7,172
Non-current assets	744,426	291,622	845	1,036,893
Trade and other receivables	953	911	75	1,939
Other current assets	2,188	160	154,770	157,118
Current assets held for sale	-	-	193,928	193,928
Current assets	3,141	1,071	348,773	352,985
Total assets	747,567	292,693	349,618	1,389,878
Bank borrowings	297,689	129,202	2,544	429,435
Other non-current liabilities	9,487	3,814	3,249	16,550
Non-current liabilities	307,176	133,016	5,793	445,985
Bank borrowings	2,235	2,197	2,487	6,919
Related companies loan	-	-	108,413	108,413
Other current liabilities	6,826	632	5,297	12,755
Current liabilities	9,061	2,829	116,197	128,087
Total liabilities	316,237	135,845	121,990	574,072

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

31 March 2024

Thousand euro

Description	Shopping centres	Retail parks	Corporate	Total
Investment property	726,990	299,890	-	1,026,880
Investments in equity instruments	-	-	173,885	173,885
Other non-current assets	4,866	1,941	304	7,111
Non-current assets	731,856	301,831	174,189	1,207,876
Trade and other receivables	1,472	284	-	1,756
Other current assets	10,346	9,277	16,914	36,538
Current assets	11,818	9,561	16,914	38,294
Total assets	743,674	311,392	191,103	1,246,170
Bank borrowings	350,475	134,672	3,775	488,922
Other non-current liabilities	9,302	3,763	2,598	15,663
Non-current liabilities	359,777	138,435	6,373	504,585
Bank borrowings	2,073	2,256	1,254	5,583
Related companies loan	-	-	37,413	37,413
Other current liabilities	4,506	590	6,254	6,254
Current liabilities	6,579	2,846	44,921	54,346
Total liabilities	366,356	141,281	51,294	558,931

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

6. INVESTMENT PROPERTY

Investment property primarily includes shopping centres and retail parks owned by the Group that are held to obtain long-term rental income and are not occupied by the Group.

The following table contains a breakdown of the investment property and related movements:

Balance at 31/03/2023	1,012,275
Acquisitions	9,409
Capitalised subsequent disbursements	16,706
Profit/(loss) net of fair value adjustments	(11,510)
Balance at 31/03/2024	1,026,880
Acquisitions	-
Capitalised subsequent disbursements	10,183
Disposals	(8,839)
Profit/(loss) net of fair value adjustments	970
Balance at 30/09/2024	1,029,194

The property “Retail Park Mejostilla” was sold for €8,839 thousand during the period, which had a negative effect of €261 thousand carried under the heading “Other profit/(loss)”.

Note 15 contains detailed information on the properties included in this item.

Several mortgage guarantees have been put in place for certain properties, the market values of which stand at €1,029,194 thousand (€1,026,880 thousand at 31 March 2024), securing the Group’s fulfilment of the terms and conditions of the financing obtained. At 30 September 2024, the nominal value of this financing amounted to €443,628 thousand (€495,426 thousand at 31 March 2024) (see Note 10).

a) Income and expenses on investment property

The following income and expenses on investment property have been taken to the income statement:

Description	Thousand euro	
	Six-month period ended 30 September 2024	Six-month period ended 30 September 2023
Rental income	44,401	46,171
Operating expenses related to investment properties that generate rental income	(11,573)	(11,152)
	32,828	35,019

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

b) Operating leases

Total future minimum receipts under non-cancellable operating leases are as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Less than one year	62,453	62,468
Between one and two years	41,715	38,571
Between two and three years	27,845	25,977
Between three and four years	17,388	16,139
Between four and five years	9,404	10,548
More than five years	15,773	19,692
	174,578	173,395

c) Insurance

The Group has a policy of taking out all the insurance policies necessary to cover any possible risk that might affect any aspect of its investment properties. The coverage provided by these policies is deemed to be sufficient.

d) Obligations

At 30 September 2024, the Group did not have any contractual obligations to acquire, build or develop investment properties, or to repair, maintain or insure them, besides those already reported in this Note.

e) Valuation process

The cost and fair value of investment property at 30 September 2024 and 31 March 2024 are detailed below:

Description	Thousand euro			
	30/09/2024		31/03/2024	
	Cost	Fair value	Cost	Fair value
Investment property	1,000,102	1,029,194	998,758	1,026,880
	1,000,102	1,029,194	998,758	1,026,880

The valuations were carried out adopting the “market value” approach, in accordance with the Property Appraisal and Valuation method and the Guidance Notes published by the Royal Institution of Chartered Surveyors of Great Britain (RICS), Valuation Standards, 8th edition. The market value of the Group's properties has been determined on the basis of a valuation carried out by independent expert valuers (Colliers International).

“Market Value” is defined as the estimated amount at which a property should exchange on the valuation date, between a willing seller and a willing buyer and after a reasonable sales marketing period, during which both parties have acted knowledgeably, prudently and without compulsion.

The valuation methodology adopted by the independent valuers in order to determine fair value was primarily the 10-year discounted cash flow method.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

The discounted cash flow method is based on forecasts of the probable net income that will be generated by assets over a specific time period, taking into account the residual value of the assets in question at the end of that period. Cash flows are discounted at an internal rate of return in order to arrive at net present value. This internal rate of return is adjusted to reflect the risk associated with the investment and assumptions used. Key variables are therefore net income and the discount rate.

The estimated yields depend on the type and age of the properties and their location. The properties have been valued individually, via calculations based on the lease agreements in place at the end of the financial year and, if applicable, the forecast value based on current market rents for the different areas, as well as comparables and completed transactions.

On the basis of the simulations performed, the recalculated impact that a variation of 0.25% on the yield ("discount rates") and exit yield would have on the fair value of the property would be as follows:

30 September 2024

	Thousand euro	
Change in discount rates	(0.25%)	0.25%
Retail	17,480	(17,280)
Land	-	-
Theoretical profit/(loss)	17,480	(17,280)

31 March 2024

	Thousand euro	
Change in discount rates	(0.25%)	0.25%
Retail	17,550	(17,170)
Land	260	(240)
Theoretical profit/(loss)	17,810	(17,410)

30 September 2024

	Thousand euro	
Exit yield variance	(0.25%)	0.25%
Retail	21,440	(19,980)
Land	-	-
Theoretical profit/(loss)	21,440	(19,980)

31 March 2024

	Thousand euro	
Exit yield variance	(0.25%)	0.25%
Retail	21,460	(19,910)
Land	830	(830)
Theoretical profit/(loss)	22,290	(20,740)

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

The yield and discount rate range applied is as follows:

<u>30 September 2024</u>	<u>Minimum</u>	<u>Maximum</u>
Exit Yield		
Retail	6.00%	7.00%
Discount rates		
Retail	8.25%	10.50%

<u>31 March 2024</u>	<u>Minimum</u>	<u>Maximum</u>
Exit Yield		
Retail	6.00%	7.00%
Discount rates		
Retail	8.25%	10.50%

The effect of a 10% variation in the rental increases considered has a significant impact on consolidated assets and on the consolidated income statement as regards investment property:

	<u>30/09/2024</u>		<u>31/03/2024</u>	
	Assets	Net consolidated profit/(loss)	Assets	Net consolidated profit/(loss)
10% increase in market rents	69,270	69,270	69,430	69,430
10% decrease in market rents	(69,380)	(69,380)	(69,400)	(69,400)

The valuation of investment property is classified under level 3, according to the definition detailed above in Note 4.3. The fair value of investment property has been calculated by independent expert valuers using valuation techniques involving observable and available market data, based, to a lesser extent, on specific estimates by the organisations.

During the six-month period ending on 30 September 2024, no transfers between levels occurred.

The total fees, including the fee for this assignment, earned by Colliers International Spain (or other companies forming part of the same group of companies in Spain) from the recipient of the services (or other companies forming part of the same group of companies) are less than 5% of the company's total revenue.

7. FINANCIAL ASSETS

As of 30 September 2024 and 31 March 2024, the breakdown of this heading is as follows:

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

	30/09/2024	31/03/2024
Long-term financial assets:		
- Equity-accounted investments	527	201
- Financial assets at fair value through other comprehensive income	-	173,684
- Other non-current financial assets (financial assets at amortised cost)	6,854	6,807
	7,381	180,692
Short-term financial assets (financial assets at amortised cost):		
- Trade receivables for sales and services	1,864	1,756
- Trade receivables, related companies (Note 13)	75	-
- Other current financial assets	6,302	1,027
	8,241	2,783
Non-current assets held for sale		
- Financial assets at fair value through other comprehensive income	193,928	-
	193,928	-
	209,550	183,475

The heading "Other current financial assets" includes a deposit of €5,000 thousand certified by a notary public to secure Castellana Properties Socimi, S.A.'s commitment to complete the transaction involving the Portuguese companies disclosed in Note 16.

The heading "Financial assets at fair value through other comprehensive income" reflected the Group's investment in Lar España Real Estate SOCIMI, S.A. (€7.22 per share at 31 March 2024), for a total ownership interest of 28.74% at 31 March 2024. Movements during the period are set out below:

	Amount
Fair value at 31/03/2023	105,949
Additions	15,680
Disposals	-
Reduction in investment	-
Measurement adjustments	52,055
Fair value at 31/03/2024	173,684
Additions	250
Disposals	-
Reduction in investment	-
Measurement adjustments	19,994
Fair value at 30/09/2024	193,928

The investment's fair value rose by €19,994 during the period (increase of €52,055 thousand at 31 March 2024).

On 25 April 2024, Lar España Real Estate SOCIMI, S.A.'s Annual General Meeting approved a dividend of €0.7906 per share, Castellana Properties Socimi, S.A. receiving a total amount of €19,046 thousand based on its 28.784% stake which are recognised in the caption of financial income.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

On 12 July 2024, the consortium formed by Hines European Real Estate Partners III and the Lar Group announced a voluntary takeover bid for 100% of the shares in Lar España Real Estate SOCIMI, S.A., through the Spanish special-purpose company Helios RE, S.A. The bid consisted of paying €8.10 per share, entailing a 16% premium on the closing price of the stock on the day before the announcement. As indicated in Note 16, the bid was subsequently improved.

On 30 September 2024, the parent company's directors agreed the signing of an irrevocable agreement to the sale of the investment at the improved offer of €8.30/share, which was therefore reclassified to "Non-current assets held for sale", at €8.05 per share (quoted price) for the 28.78% ownership interest at that date. This irrevocable agreement was signed on 2 October 2024.

The carrying amounts of financial assets (both long and short term), approximate their fair values, since the effect of discounting is immaterial.

The entry "Other long-term and short-term financial assets" includes the amounts deposited with the competent organisations in each Autonomous Region.

At 30 September 2024, the total amount of short-term loans and receivables includes €1,252 thousand in trade receivables (€1,183 thousand at 31 March 2024). At the end of the period, the trade receivables heading includes the amount of €2,311 thousand yet to be invoiced to tenants (€2,027 thousand at 31 March 2024), mainly for variable rent accrued and not invoiced, and common area revenue not yet billed. This heading includes a provision of €1,699 thousand (€1,454 thousand at 31 March 2024) reflecting the policy for recognising the age of trade receivables under IFRS 9 and the Group's assessment of the balances in question.

All the amounts reported in this section are past due and unprovisioned, which the Group expects to recover.

The following table contains a breakdown of the age of trade receivables for sales and services, receivables from related parties and sundry receivables:

Description	Thousand euro	
	30/09/2024	31/03/2024
Up to 3 months	158	59
Between 3 and 6 months	20	33
More than 6 months	1,074	1,091
	1,252	1,183

The carrying amount of loans and receivables is denominated in euros.

The balance in "Trade receivables" is shown net of impairment adjustments. The corresponding provisions are set aside for bad debts.

Movements in the bad debt provision during the period were as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Opening balance	(1,454)	(1,458)
Appropriation	(263)	(377)
Reversal	18	176
Application	-	205
Closing balance	(1,699)	(1,454)

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

Maturities of financial assets at 30 September 2024 and 31 March 2024:

30 September 2024	Thousand euro						
	Financial assets						
	Sep-25	Sep-26	Sep-27	Sep-28	Sep-29	Subsequent years	Total
Non-current assets held for sale							
- Investments in equity instruments	193,928	-	-	-	-	-	193,928
Equity-accounted investments:	-	-	-	-	-	527	527
Financial assets at amortised cost:							
- Trade receivables for sales and services	1,864	-	-	-	-	-	1,864
- Trade receivables, Group companies and associates	75	-	-	-	-	-	75
- Guarantees and deposits given	973	452	482	566	841	4,513	7,827
- Other financial assets	5,329	-	-	-	-	-	5,329
	202,169	452	482	566	841	5,040	209,550

31 March 2024	Thousand euro						
	Financial assets						
	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29	Subsequent years	Total
Financial assets at fair value through other comprehensive income:							
- Investments in equity instruments	-	-	-	-	-	173,864	173,864
Equity-accounted investments	-	-	-	-	-	201	201
Financial assets at amortised cost:							
- Trade receivables for sales and services	1,756	-	-	-	-	-	1,756
- Guarantees and deposits given	927	735	512	667	970	3,923	7,734
- Other financial assets	100	-	-	-	-	-	100
	2,783	735	512	667	970	177,808	183,475

8. SHAREHOLDERS' FUNDS
a) Share capital

At 30 September 2024 and 31 March 2024, share capital stood at €115,417 thousand and €101,152, consisting of 115,416,704 shares with a par value of €1 each, all in the same class, fully subscribed and paid up.

As at 30 September 2024, the shareholder with more than a 3% stake in the parent company is Vukile Properties Limited (Vukile Properties Limited at 31 March 2024).

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

The breakdown is as follows:

	30/09/2024		31/03/2024	
	No. of shares	% Share	No. of shares	% Share
Vukile Property Fund Limited	114,933,409	99.58%	100,668,704	99.52%

On 10 May 2023, Vukile Property Fund Limited, a company listed on the Johannesburg Stock Exchange (South Africa), which held 88.80% of Castellana Properties SOCIMI, S.A.’s share capital at 31 March 2024, acquired €9.8 million in shares from Morze European Real Estate Ventures (MEREV) to own 99.52% of the parent company of the Group.

On 17 July 2024, the General Shareholders’ Meeting agreed to increase share capital by capitalising three loans with the sole shareholder Vukile Property Fund Limited, amounting to a total of €97,000 thousand, and issuing 14,264,705 new shares with a par value of €1 each (€14,265 thousand) and a share premium of approximately €5.8 per share (€82,735 thousand).

All the shares issued were fully subscribed by the shareholder Vukile Property Fund Limited.

As of 30 September 2024 and 31 March 2024, the breakdown of share capital is as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Authorised capital	115,417	101,152
Unpaid share capital	-	-
	115,417	101,152

b) Share premium

This reserve is unrestricted so long as distribution would not result in the parent company’s shareholders’ funds falling below the share capital figure (Note 9).

On 22 May 2024, the Board of Directors agreed to distribute €18,778 thousand to the shareholders, in addition to the share premium increase of €82,735 thousand disclosed in section a)

As of 30 September 2024 and 31 March 2024, the breakdown of share premium is as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Share premium	487,821	442,960
	487,821	442,960

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

c) Treasury shares

Movements in treasury shares over the period have been as follows:

Description	30/09/2024		31/03/2024	
	Number of treasury shares	Thousand euro	Number of treasury shares	Thousand euro
Opening balance	53,710	333	55,315	343
Additions/purchases	1,420	9	77	1
Decreases	(3,150)	(19)	(1,682)	(11)
Closing balance	51,980	323	53,710	333

On 10 July 2018, Castellana Properties entered into a liquidity agreement with Renta 4 Banco, S.A. with the aim of increasing liquidity and favouring the stability of the Company's stock price. This agreement came into effect on 25 July 2018.

The parent company's treasury shares held at 30 September 2024 represented 0.05% of the Company's share capital (0.05% at 31 March 2024) and totalled 51,980 shares (53,710 at 31 March 2024). The average cost of the Company's treasury shares at 30 September 2024 and 31 March 2024 was €6.21 per share.

These shares are recognised as a reduction of €323 thousand in the value of the Company's shareholders' funds at 30 September 2024 (€333 thousand at 31 March 2024).

The parent company has complied with the requirements of Article 509 of the Spanish Companies Act, which stipulates that the par value of acquired shares listed on official secondary markets, together with those already held by the parent company and its subsidiaries, must not exceed 10% of share capital. The subsidiaries do not hold either treasury shares or parent company shares.

d) Earnings per share

Basic earnings per share are calculated by dividing the net profit/(loss) attributable to the parent company's owners for the period by the weighted average number of ordinary shares in circulation during the period, excluding the weighted average number of treasury shares held over the period.

Diluted earnings per share are calculated by dividing the net profit/(loss) attributable to the parent company's owners for the period by the weighted average number of ordinary shares in circulation during the period, plus the weighted average number of ordinary shares that would be issued during the conversion of all potentially dilutive instruments.

The following table shows the income figures and information on the number of shares used to calculate basic and diluted earnings per share:

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

Calculation of basic and diluted earnings

Description	Six-month period ended 30 September 2024	Six-month period ended 30 September 2023
Net profit (thousands of euros)	32,991	16,219
Average number of shares issued (shares)	106,998,190	101,151,999
Average number of treasury shares held (shares)	53,061	54,913
Basic and diluted earnings per share (euros)	0.31	0.16

With regard to the calculation of earnings per share, there were no transactions involving ordinary shares or potential ordinary shares between the closing date of the condensed consolidated interim financial statements and the date they were authorised for issue that were not taken into account when calculating such earnings for the six-month period ended 30 September 2024.

9. RESERVES AND RETAINED EARNINGS

At 30 September 2024, €10,426 thousand (€9,578 thousand at 31 March 2024) corresponded to the legal reserve. This reserve has been set aside under the terms of Article 274 of the Spanish Companies Act, which establishes that companies must in all cases allocate an amount equal to 10% of their profits for the year to this reserve, until the total reaches at least 20% of the share capital figure. It cannot be distributed, and if it is used to offset losses when the other available reserves are not sufficient for this purpose, it must be replenished with future profits.

Description	Thousand euro	
	30/09/2024	31/03/2024
Legal reserve	10,426	9,578
Other reserves	10,913	10,932
Measurement adjustments	69,776	49,782
Treasury shares	(323)	(333)
Total reserves	90,792	69,959
Retained earnings	181,672	160,085
Dividend distribution	(92,887)	(85,256)
Total retained earnings	88,785	74,829

Other reserves are unrestricted.

Distribution of previous year profit/(loss)

The proposed distribution of the profit/(loss) and reserves of the parent company Castellana Properties Socimi, S.A.'s for the financial year ended on 31 March 2024, which was approved by the General Shareholders' Meeting on 17 July 2024, was as follows:

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

Description	Thousand euro
Available for distribution	
Profit/(loss) for the year	8,840
	8,840
Application	
Legal reserve	848
Interim dividend 14 November 2023	5,000
Interim dividend 21 May 2024	2,632
	8,840

10. FINANCIAL LIABILITIES

Description	Thousand euro	
	30/09/2024	31/03/2024
Long-term financial liabilities at amortised cost:		
Bank borrowings	429,435	488,922
Other financial liabilities	16,113	15,226
	445,548	504,148
Short-term financial liabilities at amortised cost:		
Bank borrowings	6,919	5,583
Short-term payables to Group companies (Note 13)	108,413	37,413
Trade and other payables	7,340	5,779
Other current financial liabilities	2,175	1,751
Other liabilities	1,929	1,976
	126,776	52,502
	572,324	556,650

The carrying amounts of creditors and payables, both long and short term, approximate their fair values, since the effect of discounting is immaterial. Bank borrowings are recognised at amortised cost.

Guarantee deposits received from tenants as per the lease agreements signed are recorded as other long-term and short-term financial liabilities.

The amount pending payment under the long-term incentive plan is also carried under other financial liabilities.

Trade and other payables primarily include balances payable in respect of investments in assets in the course of construction and provisions relating to property management.

The carrying amount of creditors and payables is denominated in euros.

Bank borrowings includes the balance of three loans granted to the Group.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

The maturities of these bank borrowings are set out below at face value:

Description	Thousand euro	
	30/09/2024	
	Non-current	Current
September 2025	-	6,919
September 2026	6,567	-
September 2027	4,288	-
September 2028	5,150	-
September 2029	409,388	-
Subsequent years	11,615	-
	437,008	6,919

Description	Thousand euro	
	31/03/2024	
	Non-current	Current
March 2025	-	5,583
March 2026	300,168	-
March 2027	5,305	-
March 2028	4,863	-
March 2029	172,129	-
Subsequent years	12,765	-
	495,230	5,583

The Group has included an amortised cost of €7,572 thousand (€6,308 thousand at 31 March 2024) on the balance sheet in respect of loan arrangement costs. At 30 September 2024, accrued unmatured interest amounted to €298 thousand (€387 thousand at 31 March 2024). Interest expense accrued during the period on bank borrowings totalled €11,208 thousand (€6,818 thousand at 30 September 2023). The other financial expenses recognised in the condensed interim consolidated income statement relate to interest on the loans from the principal shareholder and to financial expenses at amortised cost.

The loans are secured by a mortgage on certain properties whose market value at 30 September 2024 totalled €1,029,194 thousand (Note 6), €1,026,880 thousand at 31 March 2024. The loan from the Group company Morzal Property Iberia, S.L.U. is also secured by a pledge on 100% of the borrower's shares.

Loans:	Thousand euro					
	Nominal amount		Amortised cost		Total	
	30/09/2024	31/03/2024	30/09/2024	31/03/2024	30/09/2024	31/03/2024
A) Syndicated	174,819	181,230	(3,285)	(3,758)	171,533	177,472
B) Morzal	243,670	293,669	(4,020)	(2,254)	239,649	291,414
C) Puerta Europa	20,140	20,527	(244)	(267)	19,896	20,261
D) Other financing	5,000	5,000	(23)	(29)	4,977	4,971
	443,629	500,426	(7,572)	(6,308)	436,056	494,118

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

- RETAIL PARK PORTFOLIO AND HABANERAS SHOPPING CENTRE FINANCING

On 15 February 2022, the Group entered into a financing agreement with Aareal Bank to refinance the syndicated loan granted by Banco Santander and Caixabank for the purposes of funding the retail park portfolio. The new financing of €184,793 thousand includes the Habaneras shopping centre borrowings previously obtained from Aareal Bank and the borrowings of the Pinatar Fase II retail park. This loan matures in 2029.

On 28 May 2024 the assets owned by the Group Company Junction Parque Cáceres were sold and the loan corresponding to this company was cancelled for a total amount of 6,411 thousand euros. The restructuring expenses of the financing after the cancellation of the debt amount to 58 thousand euros.

The loan is distributed among the Group companies as follows:

<u>Company</u>	<u>Property</u>	<u>30/09/2024</u>	<u>31/03/2024</u>
Junction Parque Castellón S.L.U.	Ciudad del Transporte	3,331	3,376
Junction Parque Principado, S.L.U.	Parque Principados Retail Park	16,797	17,022
Castellana Parque Alcorcón, S.L.U.	Parque Oeste Retail Park	23,792	24,111
Junction Parque Huelva, S.L.U.	Marismas del Polvorín Retail Park	12,931	13,103
Junction Parque Motril, S.L.U.	Motril Retail Park	4,026	4,079
Junction Parque Granada, S.L.U.	Kinopolis Retail Park & Leisure Centre	22,409	22,708
Junction Parque Cáceres, S.L.U.	Mejostilla Retail Park	-	4,075
Junction Parque Mérida, S.L.U.	La Heredad Retail Park	9,344	9,469
Castellana Parque Villanueva, S.L.U.	La Serena Retail Park	7,468	7,568
Junction Parque Alameda, S.L.U.	Alameda Shopping Centre	33,754	34,205
Junction Parque Habaneras, S.L.U.	San Pedro Del Pinatar Retail Park	40,967	41,514
		174,819	181,230

- SHOPPING CENTRE PORTFOLIO FINANCING

On 27 September 2018, the subsidiary Morzal Property Iberia, S.L. (contributed in the share capital increase through the non-monetary contribution described in Note 10) signed a mortgage loan with the financial institution Aareal Bank, AG in the amount of €256 million, secured by 4 assets, namely the "El Faro", "Bahía Sur", "Los Arcos" and "Vallsur" shopping centres.

On 24 September 2019, the subsidiary Morzal Property Iberia, S.L. arranged an extension of the mortgage loan from the financial institution Aareal Bank, AG for the purchase of two assets annexed to two shopping centres already owned, "Bahía Sur" and "Los Arcos" and their value-add projects, for a maximum of €47,490 thousand, maturing in 2025.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

On 11 September 2024, the borrowings obtained from Aaeral Bank, AG were refinanced and the existing loan was partially repaid in the amount of €50,000 thousand. Costs incurred for the new refinancing amount to 4,065 thousand euros. The maturity date was also changed to 11 September 2029. The loan now accrues a fixed rate of interest, thereby reducing exposure to any interest rate hikes. €9,820 thousand of the new total loan principal of €253,489 thousand has not been utilised at 30 September 2024.

- PUERTA EUROPA SHOPPING CENTRE FINANCING

On 31 July 2019, the parent company arranged a loan of €23,000 thousand, maturing in 2031, from the banks Liberbank and Banco Pichincha to finance the purchase of the Puerta Europa shopping centre. At 30 September 2024, the outstanding payable amount stood at €20,140 thousand (€20,528 thousand at 31 March 2024).

- OTHER FINANCING

On 20 July 2023, the parent company arranged a loan of €5,000 thousand from Banco Santander, maturing in 2026. This loan is not subject to compliance with financial ratios.

Some of these group loans are subject to compliance with certain covenants, which is standard practice in the sector in which the Group operates, the ratio being calculated every six months. As of 30 September 2024, the Group had complied with all of these covenants

Maturities of financial liabilities at amortised cost:
30 September 2024

	Thousand euro						
	Financial liabilities						
	Sep-25	Sep-26	Sep-27	Sep-28	Sep-29	Subsequent years	Total
Financial liabilities at amortised cost:							
- Bank borrowings	6,838	6,488	4,217	5,069	402,268	11,474	436,354
- Guarantees and deposits	2,175	1,097	1,100	1,396	1,746	7,526	15,040
- Trade and other payables	7,340	-	-	-	-	-	7,340
- Payables to Group companies	108,413	-	-	-	-	-	108,413
- Other liabilities	1,929	3,248	-	-	-	-	5,177
	126,696	10,833	5,317	6,465	404,014	19,000	572,324

31 March 2024

	Thousand euro						
	Financial liabilities						
	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29	Subsequent years	Total
Financial liabilities at amortised cost:							
- Bank borrowings	5,583	297,745	5,223	4,778	168,577	12,599	494,505
- Guarantees and deposits received	1,751	1,570	1,313	1,340	1,869	6,535	14,378
- Trade and other payables	5,779	-	-	-	-	-	5,779
- Payables to Group companies	37,413	-	-	-	-	-	37,413
- Other liabilities	1,976	-	2,599	-	-	-	4,575
	52,502	299,315	9,135	6,118	170,446	19,134	556,650

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

11. PROVISIONS AND CONTINGENCIES

At 30 September 2024 the Group has three third-party technical guarantees in place in the amount of €107 thousand, the maturity of which is linked to construction work completions (€107 thousand at 31 March 2024).

12. PARENT COMPANY DIRECTORS' REMUNERATION, SHAREHOLDINGS AND BALANCES

Shareholdings, positions and activities of the members of the Board of Directors

Article 229 of the Spanish Companies Act, which was approved by Royal Legislative Decree 1 of 2 July 2010, requires directors to notify the Board of Directors (or, in the absence of such a body, the other Directors or the General Shareholders' Meeting) of any direct or indirect conflict of interest they may have with the parent company.

Likewise, directors must disclose any direct or indirect interests they or persons related to them may hold in any company engaging in activities which are identical, analogous or complementary to those comprising the Company's corporate purpose. They must also disclose the positions they hold or duties they perform at such companies. The directors have not notified any conflicts of interest with respect to the Castellana Group.

Directors' remuneration

During the six-month period ended 30 September 2024, remuneration accrued to the directors totalled €876 thousand (€800 thousand at 30 September 2023), of which executive directors received a total of €625 thousand (€589 thousand at 30 September 2023).

The Group has not granted any loans to the Board of Directors and does not have pension funds or any other similar obligations to the benefit of its directors.

There is a long-term incentive plan for the parent company's executive team. The first calculation period ran from 1 April 2019 to 31 March 2022, the executive directors receiving €1,457 thousand. The second calculation period comprises the period from 1 April 2022 to 31 March 2025. At 30 September 2024, the parent company estimated a cost of €650 thousand for the six-month period from 1 April 2024 to 30 September 2024 (€651 thousand for the period from 1 April 2023 to 30 September 2023).

13. RELATED-PARTY TRANSACTIONS AND BALANCES

The following table shows a breakdown of the transactions carried out with related parties:

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

Description	Thousand euro	
	Six-month period ended 30 September 2024	Six-month period ended 30 September 2023
Income		
Reinvoicing of costs (VUKILE PROPERTY FUND LIMITED)	75	342
Reinvoicing of costs (MORZE EUROPEAN REAL ESTATE VENTURES)	-	132
	75	474
Expenses		
Interest (VUKILE PROPERTY FUND LIMITED)	(1,034)	(330)
	(1,034)	(330)

During the six-month period ended 30 September 2024, the Group recognised income of €75 thousand relating to the special tax stipulated in Article 9.2 of Law 11 of 26 October 2009 on SOCIMIS (listed property investment companies) (Note 2.16), which was recharged to the main shareholders by companies that hold a shareholding of over 5% and pay tax at a rate below 10% (€474 thousand at 30 September 2023).

On 15 November 2023 and 14 March 2024, the Company arranged two new loans with its principal shareholder for €17,000 thousand and €20,000 thousand, maturing on 16 November 2024 and 15 March 2025, respectively. The first loan initially accrued interest of 6%, but the interest rate was changed to 5.75% on 15 March 2024. The second loan was arranged with an interest rate of 5.75%. On 4 June 2024 the Group signed an addenda to these loans increasing its capital by €60,000 thousand, maintaining the last interest rate.

On 17 July 2024 the General Shareholders' Meeting approved the capitalization of these loans amounting to 97,000 thousand euros. The capital increase to capitalise loans comprised capital of €14,265 thousand and a share premium of €82,735 thousand. Prior to capitalisation, interest of €1,034 thousand accrued on the loans and was paid in full during the period.

On 20 September 2024, the company arranged two new loans with its principal shareholder for €86,730 thousand and €21,683 thousand, maturing on 14 October 2024 and 25 November 2024, respectively. They accrue interest of 5.50% and 7.75%, respectively.

At 30 September 2023, interest expense in the amount of €330 thousand relates to a shareholder loan of €13,000 thousand, arranged with Vukile Property Fund Limited on 14 November 2022, which matures on 14 November 2023. The loan accrued an annual interest rate of 5%.

As of 30 September 2024 and 31 March 2024, the breakdown of balances with related parties and Group companies is as follows:

Description	Thousand euro	
	30/09/2024	31/03/2024
Receivables (Note 7)		
Vukile Property Fund Limited	75	-
	75	-
Payables (Note 10)		
Vukile Property Fund Limited	108,413	37,413
	108,413	37,413

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

14. OTHER INFORMATION

The average number of employees during the six-month period ended 30 September 2024 and 30 September 2023, shown by professional grade, is as follows:

Description	Number of employees	
	30/09/2024	30/09/2023
Directors	7	7
University graduates or diploma holders	24	23
Administrative personnel and other	3	3
	34	33

15. INFORMATION REQUIREMENTS RESULTING FROM SOCIMI STATUS, LAW 11/2009, AS AMENDED BY LAW 16/2012 AND LAW 11/2021

- a) Reserves from financial years prior to the application of the tax rules set out in Law 11/2009, as amended by Law 16 of 27 December 2012 and Law 11 of 9 July 2021.

Not applicable.

- b) Reserves from years in which the tax rules set out in Law 11/2009, as amended by Law 16 of 27 December 2012, were applied, distinguishing the part that derives from income subject to the zero tax rate, or the 19% rate, from income that has been taxed at the general rate, if applicable.

The reserves recognised derive from income subject to 0% tax.

- c) Dividends distributed against profits each year in which the tax rules contained in Law 11/2009, as amended by Law 16 of 27 December 2012, applied, distinguishing the portion arising from income subject to 0% or 19% tax from the portion relating to income subject to tax at the general rate.

All of the dividends distributed derive entirely from income subject to 0% tax.

- d) In the case of a distribution charged to reserves, stating the year in which the reserve applied originated and whether it were taxed at 0%, 19% or the general rate.

No dividends were distributed against reserves.

- e) Date of the agreement for the distribution of dividends referred to in c) and d) above.

- Dividend of €134 thousand for the 2016 financial year, approved by the General Shareholders' Meeting on 29 June 2017.
- Dividend of €1,202 thousand for the three-month period ended 31 March 2018, approved by the General Shareholders' Meeting on 13 July 2018.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

- Interim dividend of €10,948 thousand for the financial year ended 31 March 2019, approved by the Board of Directors on 21 May 2018.
- Interim dividend of €6,967 thousand for the financial year ended 31 March 2019, approved by the Board of Directors on 15 November 2018.
- Interim dividend of €8,150 thousand for the financial year ended 31 March 2019, approved by the Board of Directors on 14 May 2019.
- Interim dividend of €17,025 thousand for the financial year ended 31 March 2020, approved by the Board of Directors on 13 November 2019.
- Distribution charged to the share premium account in the amount of €2,107 thousand, approved by the Board of Directors on 13 November 2019.
- Interim dividend of €3,899 thousand for the financial year ended 31 March 2020, approved by the Board of Directors on 13 June 2020.
- Distribution charged to the share premium account in the amount of €17,420 thousand, approved by the Board of Directors on 13 June 2020.
- Interim dividend of €53 thousand for the financial year ended 31 March 2020, approved at the General Shareholders' Meeting on 15 September 2020.
- Distribution charged to the share premium account in the amount of €6,196 thousand, approved by the Board of Directors on 11 November 2020.
- Interim dividend of €6,000 thousand for the financial year ended 31 March 2022, approved by the Board of Directors on 16 November 2021.
- Interim dividend of €17,000 thousand for the financial year ended 31 March 2022, approved by the Board of Directors on 25 May 2022.
- Interim dividend of €7,000 thousand for the financial year ended 31 March 2023, approved by the Board of Directors on 15 November 2022.
- Distribution charged to the share premium account in the amount of €4,300 thousand, approved by the Board of Directors on 15 November 2022.
- Interim dividend of €6,930 thousand for the financial year ended 31 March 2023, approved by the Board of Directors on 24 May 2023.
- Distribution charged to the share premium account in the amount of €17,096 thousand, approved by the Board of Directors on 24 May 2023.
- Interim dividend of €5,000 thousand for the financial year ended 31 March 2024, approved by the Board of Directors on 14 November 2023.
- Dividend charged to the share premium account in the amount of €2,000 thousand, approved by the Board of Directors on 14 November 2023.
- Interim dividend of €2,632 thousand for the financial year ended 31 March 2024, approved by the Board of Directors on 22 May 2024.

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

- Dividend charged to the share premium account in the amount of €18,778 thousand, approved by the Board of Directors on 22 May 2024.
- f) Date of acquisition of properties intended for rent and interests in the share capital of companies referred to in Article 2.1 of this Law.

The parent company owns the following rental properties:

Property	Location	Date acquired
Puerta Europa	A-7 Km-106 11203, Algeciras (Cádiz)	31 July 2019

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2024

(Thousand euro)

The parent company has holdings in the share capital of companies, referred to in Article 2.1 of the Spanish SOCIMI Law:

Company	Date acquired	Property	Location
Junction Parque Castellón S.L.U.	30 June 2017	Ciudad del Transporte	Avenida Europa 231, Castellon De La Plana
Junction Parque Principado, S.L.U.	30 June 2017	Parque Principados Retail Park	LG Paredes 201, Siero (Asturias)
Castellana Parque Alcorcón, S.L.U..	30 June 2017	Parque Oeste Retail Park	Avenida de Europa 4, Alcorcon - Madrid
Junction Parque Huelva, S.L.U.	30 June 2017	Marismas del Polvorín Retail Park	Calle Molino Mareal 1, Huelva
Junction Parque Motril, S.L.U.	30 June 2017	Motril Retail Park	Rambla de las Brujas, Motril, Granada
Junction Parque Granada, S.L.U.	30 June 2017	Kinepolis Retail Park & Leisure Centre	Calle Samuel Billy Wilder 1, Pulianas - Granada
Junction Parque Cáceres, S.L.U.	30 June 2017	-	-
Junction Parque Mérida, S.L.U.	30 June 2017	La Heredad Retail Park	Avenida José Saramago de Sousa, Merida
Castellana Parque Villanueva, S.L.U.	30 June 2017	Villanueva de la Serrena II Retail Park	Carretera Don Benito, S/N, Villanueva de la Serena, Badajoz
Junction Parque Alameda, S.L.U.	5 December 2017	Alameda Shopping Centre San Pedro Del Pinatar Retail Park (Phases I and II)	Calle Luis Buñuel 6, 18197, Pulianas - Granada UA-1 Local Level Plan (<i>Plan Parcial</i>) "Area 3e", Manzana P-9, San Pedro del Pinatar (Murcia)
Junction Parque Habaneras, S.L.U.	9 May 2018	Habaneras Shopping Centre	Avenida Rosa Mazón Valero 7, Torrevieja, Alicante
Morzal Property Iberia S.L.U.	27 November 2018	Vallsur Shopping Centre Los Arcos Shopping Centre Bahía Sur Shopping Centre El Faro Shopping Centre	Paseo de Zorilla, Valladolid Avenida de Andalucía S/N, Seville Avenida Caño Herrera S/N, San Fernando, Cádiz Avenida de Elvas S/N, Badajoz

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

- g) Identification of assets taken into account when calculating the 80% referred to in Article 3.1 of the Law.

The assets taken into account when calculating the 80% referred to in Article 3.1 of the SOCIMI Law are the ones listed in the previous point.

- h) Reserves from years in which the tax scheme provided by the Law was applicable and which have been made use of (not for distribution or offsetting losses) during the tax period, stating the year from which the reserves originate.

Not applicable.

16. EVENTS AFTER THE REPORTING PERIOD

At the issuance date of these financial statements, the parent company's Board of Directors has approved the distribution of €10,000 thousand or €0.0866 per share to shareholders.

The following table details the forecast cash flow statement prepared by the Board of Directors:

Profit/(loss)	25,442
Legal reserve	(2,544)
Distributable profit	22,898
Interim dividend paid out of profit for the year	10,000
Distribution charged to the share premium account	-
Total distribution to shareholders	10,000
Available cash	18,296

On 6 September 2024, the Company entered into a purchase and sale agreement to acquire the companies that owned the shopping centres LoureShopping (29,398 sqm), 8.ª Avenida (21,170 sqm) and Rio Sul (23,515 sqm) in Portugal, for €176.5 million. The effective transfer of the companies under the purchase and sale agreement was subject to the approval of the financing, which was finally confirmed on 1 October.

The transaction was financed with a combination of short-term loans granted by Vukile Property Fund and external financing. The loans of Vukile Property Fund for a total amount of €108,412,500 are as follows: -Loan of €86,730,000 (80% of the total amount) with a maturity date of November 2024, with the intention of being converted into capital and with an interest rate of 5.50%; and loan of €21,682,500 (20% of the total amount) with a maturity date of January 2025, with the intention of being repaid and with an interest rate of 7.75%.

The intention is that from January 2025, twenty percent (20%) of the shares of Caminho Propício, S.A. will be held by RMB Investments and Advisory Proprietary Limited ("RMBIA"). RMBIA is a company incorporated in the Republic of South Africa within the FirstRand Limited Group. Regarding external financing, a mortgage financing agreement has been signed with Banco Santander Totta, S.A. for an amount of 72.5 million euros, a duration of 5 years and a fixed interest rate under market conditions. In addition, this operation also has the participation of Banco Bpi, S.A., Caixa Geral De Depósitos, S.A. and Caixa Central De Crédito Agrícola

CASTELLANA PROPERTIES SOCIMI, S.A. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

(Thousand euro)

Mútu, CRL, so with this agreement Castellana Properties continues to improve the diversification of its financing sources. The Gross Loan to Value (Gross LTV) of the operation is 38%. In accordance with BME Growth Circular 3/2020, it is stated that the information communicated hereby has been prepared under the exclusive responsibility of the Company and its administrators.

CASTELLANA PROPERTIES SOCIMI, S.A.

PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2024

On 13 November 2024, in accordance with Bolsas y Mercados Españoles Circular 3/2020 on information to be submitted by companies listed in the BME Growth of BME MTF Equity segment, the Board of Directors of Castellana Properties Socimi, S.A. hereby issues the condensed interim consolidated financial statements for the period 1 April 2024 to 30 September 2024, set out in the accompanying documents that precede this written submission.

Laurence Gary Rapp
Chairman

Alfonso Brunet
Board Member

Jorge Morán
Board Member

Michael John Potts
Board Member

Nigel George Payne
Board Member

Laurence Cohen
Board Member

Guillermo Massó
Board Member

Debora Santamaría
Board Member

Lucy Lilley
Board Member