

RES GESTAE, SOCIMI, S.A.

Annual Accounts and Director's Report for
financial year 2023 together with Audit Report
on the Annual Accounts issued by an
independent auditor

26 June 2024



RES GESTAE, SOCIMI, S.A.

Annual accounts and Director's Report corresponding to the financial year 2023 along with the Audit Report on the Annual Accounts

AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS

ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2023:

- Balance Sheet at 31 December 2023 and 2022
- Profit Loss Account for the financial year 2023 and 2022
- Statement of Changes in Net Equity for the financial year 2023 and 2022
- Cash Flow Statement for the years 2023 and 2022
- Annual report for the financial year 2023

DIRECTOR'S REPORT FOR THE YEAR 2023

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RES GESTAE, SOCIMI, S.A.

AUDITOR´S REPORT ON ANNUAL ACCOUNTS

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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.

Audit report on the annual accounts issued by an independent auditor

To Shareholders of **RES GESTAE, SOCIMI, S.A.**

Opinion

We have audited the the annual accounts of **RES GESTAE, SOCIMI, S.A.** (the Company), which comprise the balance sheet at 31 December 2023, the profit and loss account, the statement of changes in equity, the statement of cash flows and the report for the financial year ended on that date.

In our opinion, the attached annual accounts give, in all material respects, a true and fair view of the Company's equity and financial position as at 31 December 2023, as well as its results and cash flows for the financial year ending on said date, in accordance with the application of the regulatory framework of financial information (identified in note 2 a) of the report) and, in particular, with the accounting principles and criteria contained therein.

Basis for opinion

We have performed our audit in accordance with the current regulations governing the auditing of accounts in Spain. Our responsibilities in accordance with these regulations are described later in the section *Auditor's Responsibilities relating to the audit of the annual accounts* of our report.

We are independent of the Company in accordance with the ethical requirements, including those of independence, which are applicable to our audit of the annual accounts in Spain as required by the regulations governing the activity of auditing accounts. Accordingly, we have not provided services other than those of the audit of accounts nor have concurred situations or circumstances that, in accordance with the provisions of the aforementioned governing regulations, have compromised the necessary independence.

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

Key audit matters

The key audit matters are matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. Our audit procedures relating to these matters were designed in the context of our audit of the annual accounts as a whole, and in the formation of our opinion on these and we do not express a separate opinion on those matters.

Key Audit matters	Audit response
<p data-bbox="277 421 512 454"><i>Income recognition</i></p> <p data-bbox="277 477 790 584">As indicated in note 1 of the attached report, the Company's main activity is the rental of real estate properties of own.</p> <p data-bbox="277 607 790 857">The recognition of income is a significant and susceptible area for inaccuracies, especially with regard to the integrity, accuracy and adequate temporary allocation, for this reason we have considered this issue as a key audit matter.</p>	<p data-bbox="825 477 1340 544">We have performed, amongst others, the following audit procedures:</p> <ul data-bbox="825 566 1340 1442" style="list-style-type: none"><li data-bbox="825 566 1340 745">- Obtain an understanding of the internal controls established by the Company's Directors to assurance the integrity and accuracy of the income figure.<li data-bbox="825 768 1340 947">- Analysis of the reasonableness of the income recorded, through analytical reviews of the different income concepts, comparing these with previous years.<li data-bbox="825 969 1340 1115">- Review a sample of transactions to ensure that the recording of income is made based on the accrual principle.<li data-bbox="825 1137 1340 1317">- Analysis of the main lease contracts in force and check that the recorded turnover corresponds with the conditions set out in the mentioned contracts.<li data-bbox="825 1339 1340 1442">- Verification that the information included in the annual accounts is timely and sufficient.

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Key Audit matters	Audit response
<p data-bbox="279 414 678 448"><i>Tax regime applicable to SOCIMI</i></p> <p data-bbox="279 470 798 873">As indicated in notes 1 b) and 2 c) of the attached report, the Company is governed, among other regulations, by Law 11/2009, of 26 October as amended by Law 16/2012, of 27 December and Law 11/2021, of 9 July, regulating Publicly Listed Investment Companies in the real estate market ("SOCIMIS law"). One of the main characteristics of this type of company is that the tax rate for Corporation Tax is set at 0%.</p> <p data-bbox="279 896 798 1153">The SOCIMIS Law requires the Company to comply with certain requirements in making investments, the nature of the income obtained, the permanence of real estate assets in the portfolio, as well as the distribution of dividends, under the terms and deadlines set.</p> <p data-bbox="279 1176 798 1355">The correct application of the regulations applicable to SOCIMIS is a significant risk, since tax exemption has a significant impact on the annual accounts, so we have considered this issue as key Audit matter.</p>	<p data-bbox="821 470 1339 548">We have performed, amongst others, the following audit procedures:</p> <ul data-bbox="821 571 1339 1724" style="list-style-type: none"><li data-bbox="821 571 1339 817">- Understanding of the requirements established in Law 11/2009, of 26 October, as amended by Law 16/2012, of 27 December and Law 11/2021, of 9 July regulating Publicly Listed Investment Companies in the real estate market.<li data-bbox="821 840 1339 952">- Verification of the compliance requirements of minimum share capital required by SOCIMIS law.<li data-bbox="821 974 1339 1220">- Verification that the Company joined the "EURONEXT ACCESS PARIS" Market as a SOCIMI for the trading of ordinary shares issued by the Company in the Multilateral Facility of "Euronext Access" operated by Euronext Access Paris S.A.<li data-bbox="821 1243 1339 1355">- Verification of the investment requirements established by SOCIMIS law.<li data-bbox="821 1377 1339 1489">- Verification of the requirements for the distribution of results established in the SOCIMIS law.<li data-bbox="821 1512 1339 1724">- Verification that the information included in the annual accounts is timely and sufficient, especially as established by the tax regulations that regulate the special SOCIMIS regime.

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Other information: Director's Report

The other information comprises exclusively the Director's Report for financial year 2023, the formulation of which is the responsibility of the Company's Directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the Director's Report. Our responsibility over the Director's Report, in accordance with the requirements of the regulations governing the audit activity, consists of evaluating and reporting on the consistency of the Director's Report with the annual accounts based on the knowledge of the Company obtained in carrying out the audit of the aforementioned annual accounts, as well as evaluating and reporting on whether the content and presentation of the Director's Report are in accordance with the applicable regulations. If based on the work we have performed, we conclude that there is a material misstatement, we would be obliged to report this.

Based on the work performed, as described in the previous paragraph, the information contained in the Director's Report agrees with that in the annual accounts for financial year 2023 and its content and presentation is in accordance with the applicable regulations.

The responsibility of the Directors in respect of the annual accounts

The Directors are responsible for formulating the accompanying annual accounts, so that they give a true image of the assets, the financial situation and the results of the Company, in accordance with the regulatory framework on financial information applicable to the Entity in Spain, and of the internal control that they consider necessary to allow the preparation of the annual accounts free of material misstatement, due to fraud or error.

In the preparation of the annual accounts, the Directors are responsible for assessing the Company's ability to continue as a going concern, revealing, as appropriate, the matters related with a company in operation and using the accounting principle of a going concern except if the Directors intend to liquidate the Company or cease operations, or if there is no other realistic alternative.

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The auditor's responsibility for the audit of the annual accounts

Our objectives are to obtain reasonable assurance that the annual accounts as a whole are free from material misstatement, due to fraud or error, and to issue an audit report that contains our opinion.

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

As part of an audit in accordance with the current regulations governing the account auditing activity in Spain, we exercise professional judgment and maintain an attitude of professional skepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement in the annual accounts, due to fraud or error, design and perform audit procedures to respond 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or circumvention of internal control.
- We obtain knowledge of the 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 Entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and disclosures made by Directors.
- We conclude whether the use, by Directors, of the accounting principle of the company as a going concern is adequate and, based on the audit evidence obtained, we conclude on whether or not there is a material uncertainty related to events or conditions that can generate significant doubts about the ability of the Company to continue as a going concern. If we conclude that there is material uncertainty, we are required to draw attention in our audit report to the corresponding information disclosed in the annual accounts or, if such disclosures are not adequate, we express a modified opinion. Our conclusions are based on the audit evidence obtained at the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.

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- We evaluate the overall presentation, structure and content of the annual accounts, including the disclosures and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with the Entity's Directors of regarding, amongst other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the course of the audit.

Amongst the matters that have been communicated to the Entity's Directors, we determine those that have been of the greatest significance in the audit of the annual accounts of the current period and that are, consequently, the key matters of the audit.

We describe those matters in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter.

BDO Auditores, S.L.P.

26 June 2024

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RES GESTAE, SOCIMI, S.A.

ANNUAL ACCOUNTS FOR FINANCIAL YEAR 2023

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Annual accounts of RES GESTAE, SOCIMI, S.A. – Financial year 2023

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RES GESTAE, SOCIMI, S.A.

BALANCE SHEETS AT 31 DECEMBER 2023 AND 2022

(Stated in euros)

ASSETS	Notes to the Report	2023	2022
NON-CURRENT ASSETS		12,257,116.38	12,280,396.60
Property, plant and equipment	Note 5	9,771.02	11,482.58
Technical installations and other property, plant and equipment		9,771.02	11,482.58
Real estate investments	Note 5	11,949,059.56	11,980,328.24
Investments in land and natural resources		10,983,802.00	10,983,802.00
Investments in buildings		965,257.56	996,526.24
Long-term financial investments	Note 8	298,285.80	288,585.78
Other financial assets		298,285.80	288,585.78
CURRENT ASSETS		3,937,204.21	3,440,964.45
Trade and other receivables		27,643.44	24,999.92
Clients for sales and provision of services	Note 8	27,643.44	24,999.92
Short-term financial investments	Note 8	2,028,014.26	2,033,192.21
Other short-term equity instruments		2,028,014.26	2,033,192.21
Cash and cash equivalents	Note 8	1,881,546.51	1,382,772.32
Treasury		1,881,546.51	1,382,772.32
TOTAL ASSETS		16,194,320.59	15,721,361.05

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RES GESTAE, SOCIMI, S.A.

BALANCE SHEETS AT 31 DECEMBER 2023 AND 2022

(Stated in euros)

EQUITY AND LIABILITIES	Notes to the Report	2023	2022
EQUITY		14,299,814.86	13,773,402.44
Shareholders' funds		14,299,814.86	13,773,402.44
Share capital	Note 9	6,026,000.00	6,026,000.00
Share Premium	Note 9	6,026,000.00	6,026,000.00
Reserves		289,761.91	130,690.72
Legal and statutory reserve	Note 9	306,377.30	147,306.11
Other reserves		(16,615.39)	(16,615.39)
Results for the year	Note 3	1,958,052.95	1,590,711.72
NON-CURRENT LIABILITIES		1,585,153.37	1,659,803.33
Long-term debt	Note 10	385,153.37	359,803.33
Other financial liabilities		385,153.37	359,803.33
Long-term accruals	Note 4 h	1,200,000.00	1,300,000.00
CURRENT LIABILITIES		309,352.36	288,155.28
Short-term debt	Note 10	26,489.48	23,833.70
Other financial liabilities		26,489.48	23,833.70
Trade creditors and other accounts payable		182,862.88	164,321.58
Suppliers	Note 10	4,808.54	4,808.54
Sundry Creditors	Note 10	20,930.38	31,558.25
Personnel (Remuneration pending payment)	Note 10	6,286.03	4,156.76
Current tax liabilities	Note 11	12,043.40	12,310.00
Other debt with the Public Administrations	Note 11	126,220.21	111,488.03
Customer advances	Note 10	12,574.32	-
Current accruals	Note 4 h	100,000.00	100,000.00
TOTAL EQUITY AND LIABILITIES		16,194,320.59	15,721,361.05

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RES GESTAE, SOCIMI, S.A.

PROFIT AND LOSS ACCOUNTS FOR FINANCIAL YEARS ENDED

31 DECEMBER 2023 AND 2022

(Stated in euros)

	Notes to the Report	2023	2022
Net turnover		2,355,171.28	2,200,086.35
Provision of services	Notes 6.1 & 13	2,355,171.28	2,200,086.35
Other operating income		1,148.16	1,148.16
Ancillary and other operating income		1,148.16	1,148.16
Personnel expenses	Note 13	(177,550.60)	(164,852.36)
Salaries, wages and others		(132,302.25)	(122,606.42)
Social charges		(45,248.35)	(42,245.94)
Other operating expenses		(258,849.93)	(233,512.89)
External services		(210,873.14)	(193,548.78)
Taxes		(47,976.79)	(39,964.11)
Depreciation and amortisation and of property, plant and equipment	Note 5	(33,697.50)	(33,697.50)
Extraordinary results		9.49	-
OPERATING RESULT		1,886,230.90	1,769,171.76
Financial income	Note 8	2,000.00	13,500.00
Financial expenses		-	(152.25)
Variation in fair value of financial instruments- Trading portfolio and others	Note 8	94,822.05	(166,807.79)
FINANCIAL RESULT		96,822.05	(153,460.04)
RESULT BEFORE TAX		1,983,052.95	1,615,711.72
Corporate income tax	Note 11	(25,000.00)	(25,000.00)
RESULT FOR THE YEAR		1,958,052.95	1,590,711.72

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RES GESTAE, SOCIMI, S.A.

STATEMENT OF CHANGES IN EQUITY

(Stated in euros)

B) STATEMENT OF TOTAL CHANGES IN EQUITY IN THE FINANCIAL YEARS ENDED AT 31 DECEMBER 2023 AND 2022

	Subscribed Share Capital	Issue Premium	Reserves	Result of the year	Total
BALANCE OF THE YEAR ENDED 31 DECEMBER 2022	6,026,000.00	6,026,000.00	(804.84)	1,314,955.62	13,366,150.78
Total recognized income and expenses	-	-	-	1,590,711.72	1,590,711.72
<i>Operations with shareholders or owners</i>					
Distribution of dividends (note 9 c)	-	-	-	(1,183,460.06)	(1,183,460.06)
<i>Other changes in equity</i>					
Distribution of prior year's result (see note 9 c)	-	-	131,495.56	(131,495.56)	-
CLOSING BALANCE FOR FINANCIAL YEAR-ENDED 31 DECEMBER 2022	6,026,000.00	6,026,000.00	130,690.72	1,590,711.72	13,773,402.44
OPENING BALANCE FOR FINANCIAL YEAR-ENDED 31 DECEMBER 2023	6,026,000.00	6,026,000.00	130,690.72	1,590,711.72	13,773,402.44
Total recognized income and expenses	-	-	-	1,958,052.95	1,958,052.95
<i>Operations with shareholders or owners</i>					
Distribution of dividends (note 9 c)	-	-	-	(1,431,640.54)	(1,431,640.54)
<i>Other changes in equity</i>					
Distribution of prior year's result (see note 9 c)	-	-	159,071.19	(159,071.18)	0.01
CLOSING BALANCE FOR FINANCIAL YEAR-ENDED 31 DECEMBER 2023	6,026,000.00	6,026,000.00	289,761.91	1,958,052.95	14,299,814.86

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RES GESTAE, SOCIMI, S.A.

CASH FLOW STATEMENT FOR THE FINANCIAL YEARS 2023 AND 2022

(Stated in euros)

	Notes to the Report	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Result before taxes		1,983,052.95	1,615,711.72
Adjustments to the result		(163,124.55)	87,005.29
Depreciation and amortisation of property, plant and equipment	Note 5	33,697.50	33,697.50
Other income and expenses		(100,000.00)	(100,000.00)
Financial income	Note 8	(2,000.00)	(13,500.00)
Variation in fair value of financial instruments	Note 8	(94,822.05)	166,807.79
Changes in current capital		18,820.18	50,184.08
Debtors and other receivables		(2,643.52)	7,599.33
Creditors and other accounts payable		18,807.90	43,416.13
Other current liabilities		2,655.80	(831.38)
Other cash flows from operating activities		(23,266.60)	(35,440.00)
Interest collections		2,000.00	-
Collection (payment) of corporation tax		(25,266.60)	(35,440.00)
Cash flows from operating activities		1,815,481.98	1,717,461.09
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments		(10,417.28)	(3,105,983.68)
Property, plant and equipment	Note 5	(717.26)	-
Other financial assets	Note 8	(9,700.02)	(3,105,983.68)
Divestment collections		100,000.00	913,500.00
Other financial assets	Note 8	100,000.00	913,500.00
Cash flows from investing activities		89,582.72	(2,192,483.68)
CASH FLOWS FROM FINANCING ACTIVITIES			
Collections and payments for liabilities instruments		25,350.03	14,850.00
Issue of other debt		25,350.03	15,000.00
Repayment and amortization of debts with credit institutions		-	(150.00)
Dividend payments and remuneration of other equity instruments		(1,431,640.54)	(1,183,460.06)
Dividends	Note 9	(1,431,640.54)	(1,183,460.06)
Cash flows from financing activities		(1,406,290.51)	(1,168,610.06)

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Annual accounts of RES GESTAE, SOCIMI, S.A. – Financial year 2023

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RES GESTAE, SOCIMI, S.A.

CASH FLOW STATEMENT FOR THE FINANCIAL YEARS 2023 AND 2022

(Stated in euros)

	Notes to the Report	2023	2022
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS		498,774.19	(1,643,632.65)
Cash and cash equivalents at beginning of the period		1,382,772.32	3,026,404.97
Cash and cash equivalents at end of the period		1,881,546.51	1,382,772.32

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RES GESTAE, SOCIMI, S.A.

ANNUAL REPORT FOR FINANCIAL YEAR 2023

NOTE 1. INCORPORATION, BUSINESS ACTIVITY AND THE LEGAL REGIME OF THE COMPANY

a) Nature and principle business activities

RES GESTAE, SOCIMI, S.A. (hereinafter RES GESTAE or the Company) was incorporated as a limited liability company on 25 September 2020 as a limited company with the name of ECBATANA, S.L. On 23 March 2021 the agreements on the change from a limited company into a SOCIMI, S.A. (SOCIMI, *Real Estate Investment Trust*), are raised to public.

Its corporate purpose and business activity consist in:

- a. The acquisition and promotion of urban real estate for lease (CNAE 6820). The promotion activity includes the refurbishment of buildings under the terms established in Law 37/1992, of 28 December of the Value Added Tax or regulation that may replace it in the future,
- b. The holding of shares in the capital of other SOCIMIs or those of other entities resident or not in Spanish territory that have the same corporate purpose and that are subject to a regime similar to that established for the SOCIMIs in terms of mandatory, legal or statutory, profit distribution policy. (CNAE 6420),
- c. The holding of shares in the capital of other entities, resident or not in Spanish territory, whose main corporate purpose is the acquisition of urban real estate for lease and that are subject to a regime similar to that established for the SOCIMIs in terms of mandatory, legal or statutory, profit distribution policy and meet the investment requirements referred to in article 3 of the SOCIMIs Law. (CNAE 6420),
- d. The ownership of shares or holdings of Real Estate Investment Trusts regulated by Law 35/2003, of 4 November on Collective Investment Trusts, or the regulations that may replace it in the future. (CNAE 6420).

Its main business activity is the rental of real estate on its own account.

The accounting financial year is from 1 January to 31 December of the same year.

It has its registered office in Malaga, Calle Marqués de Larios, N° 6, 3° left PC 29015.

It is governed by its Statutes, the Capital Companies Act, and especially the application of Royal Decree 1514/2007 as amended by Royal Decree 1159/2010, which approves the General Accounting Plan, and complementary provisions of commercial legislation. The Company is also governed by Law 11/2009, of 26 October on Publicly Listed Investment Companies in the real estate market (“SOCIMI’s Act”).

Since 28 June 2021, the entity was included in the Euronext Listing Board to trading of the ordinary shares issued by the Company on the Multilateral Facility of “Euronext Access” operated by Euronext Access Paris S.A.

Given the business activity in which the Company is engaged, there are no responsibilities, expenses, assets, nor provisions and contingencies of an environmental nature that could be significant in relation to equity, financial situation and results. For this reason, no specific breakdowns are included in this annual report on the annual accounts regarding information on environmental matters.

b) Regime of SOCIMI

The Company is regulated by Law 11/2009, of October 26, modified by Law 16/2012, of December 27 and Law 11/2021 of July 9, which regulates Listed Public Investment Companies in the Real Estate Market ("LSOCIMI"). These companies have a special tax regime, having to comply, among others, with the following obligations:

1. **Obligation of the corporate purpose:** The company must have as main corporate purpose ownership of investment property of an urban nature for its lease, holding of shares in other SOCIMIs or companies with a similar corporate purpose and with the same distribution of dividends, as well as Collective Investment Institutions.
2. **Investment Obligation:**
 - The company must invest 80% of the assets in investment property allocated to the lease, in land for the promotion of real estate that is destined for this purpose, provided that the promotion begins within three years after its acquisition and in participations in the capital of other entities with a corporate purpose similar to that of the SOCIMI.
 - This is the case of calculating the balance in the case of the dominant company of a group according to the criteria established in article 42 of the Commercial Code, with the independence of the residence and the obligation of Consolidated Annual Forms. This group will be automatically integrated by the company and the rest of the entities that refer to section 1 of article 2 of Law 11/2009.

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- There is the option of substituting the book value of the assets for their market value. Or treasury / credit rights derived from the transfer of said assets will be computed as long as the established reinvestment maximum periods are exceeded.
 - Likewise, 80% of their income must come from the income corresponding to (i) leasing of investment propose; and (ii) of the dividends from the participations. This percentage will be calculated on the balance sheet in the event that the Company is dominant in a group according to the criteria established in article 42 of the Commercial Code, regardless of the residence and the obligation to prepare Consolidated Annual Accounts. This group will be integrated exclusively by the SOCIMI and the other entities referred to in section 1 of article 2 of Law 11/2009.
 - The investment property must remain leased for at least three years (for the calculation, you can add up to one year of the period that has been offered in lease). The participations must remain in the asset for at least three years.
3. Obligation of negotiations in the regulated market. SOCIMIs must be admitted to a negotiation in a regulated Spanish market or in any other country where there is an exchange of tax information. The shares must be nominative.
4. Obligation to distribute results. The companies distributed as dividends, once the mercantile requirements have been met:
- 100% of the profits from dividends or profit sharing distributed by the entities referred to in section 1 of article 2 of Law 11/2009.
 - At least 50% of the profits derived from the transfer of real estate and shares or participations referred to in section 1 of article 2 of Law 11/2009, made once the minimum holding periods have elapsed, subject to the fulfillment of its main corporate purpose. The rest of these benefits must be reinvested in other properties or participations affected by said object, within three years after the date of transmission.
 - At least 80% of the rest of the benefits obtained. When the distribution of dividends is made with a charge to reserves derived from profits of an exercise in which the special fiscal regime has been applied, its distribution shall be obligatorily adopted in the manner described above.
5. Information Obligation (see note 16): The SOCIMIs must include in the notes of their Annual Accounts the information required by the tax regulations that regulate the special regime of the SOCIMIs.
6. Minimum capital: The minimum share capital is set at 5 million euros.

The application of the special fiscal regime may be chosen in the terms established in Article 8 of the Law, even if the requirements stipulated in it are not met, provided that such requirements are met within two years following the date of the option to apply said regime.

Failure to comply with any of the above conditions will mean that RES GESTAE, SOCIMI, S.A. would pass to be taxed by the general regime of Corporation Tax as of the tax period itself in which said non-compliance is manifested unless it is remedied in the following financial year. In addition, RES GESTAE, SOCIMI, S.A., will be required to pay, together with the quota of said tax period, the difference between the quota for said tax results from applying the general regime and the quota paid that resulted from applying the special tax regime in the previous tax periods, without prejudice to late payment interest, surcharges and penalties, where appropriate, that are applicable.

The tax rate of SOCIMIs in Corporate Tax is set at 0%. However, when the dividends that the SOCIMI distributes to its shareholders with a percentage holding greater than 5%, these are exempt or taxed at a rate lower than 10%, the SOCIMI will be subject to a special tax of 19%, which will have the consideration of share tax of Corporation Tax, on the amount of the dividend distributed to the shareholders. If applicable, this special tax must be paid by the SOCIMI within two months from the date of distribution of the dividend. For tax periods from 1 January 2021, the Company will be subject to a special tax of 15% on the profits obtained in the year that are not distributed, in the part that does not come from income that has not been taxed to the general rate of corporate income tax or in the case of income covered by the reinvestment period as determined by Law 11/2021 of 9 July.

NOTE 2. BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

a) True and Fair View and Regulatory framework

These annual accounts have been prepared by the Directors in accordance with the regulatory framework for financial information applicable to the Company, which is established in:

- Commercial Code and the remaining commercial legislation.
- The General Accounting Plan approved by Royal Decree 1514/2007, which was modified by Royal Decree 1159/2010, of 17 September and by Royal Decree 602/2016, of 2 December and Royal Decree 1/2021 of 12 January, as well as with the rest of current commercial legislation.
- The mandatory standards approved by the Institute of Accounting and Account Audits developed in the General Accounting Plan and its complementary standards.
- The remainder of the Spanish accounting regulations that are applicable.

b) True image

The accompanying annual accounts have been obtained from the accounting records of the Company and are presented in accordance with the regulatory framework of financial information that is applicable to it and in particular, the accounting principles and criteria contained therein, so that they show a true image of equity, of the financial situation, and of the company's results during the corresponding financial year. These annual accounts, which have been prepared by the Company's Directors, will be submitted for approval by the General Shareholders' Meeting, it being considered that they will be approved without modification.

c) Critical aspects of valuation and estimation of uncertainty

In the preparation of the attached annual accounts, estimates made by the Company's Directors have been used to value some of the assets, liabilities, income, expenses and commitments that are recorded therein. Basically, these estimates refer:

- The evaluation of possible impairment losses of certain assets (note 4).
- The useful life of property, plant and equipment, intangible assets and real estate investments (note 4).
- Risks related to the adoption of the SOCIMI regime.

In relation to the risks related to the adoption of the SOCIMI regime, the Company is under the regime established in Law 11/2009, of 26 October which regulates the Publicly Listed Investment Companies in the real estate market (SOCIMI) that in practise requires the fulfilment of certain requirements for the company to be subject to a tax rate of 0% in relation to Corporation Tax. The Company's Directors performs a monitoring of compliance with the requirements established in the legislation in order to maintain the tax advantages established therein. In this regard, the Directors considers that these requirements will be met in the terms and deadlines set, and it is not necessary to record any type of result derived from the Corporation Tax.

Although these estimates have been made on the basis of the best information available at financial year-end 2023 it is possible that events may take place in the future that may require them to be modified (upwards or downwards) in the coming years, that would be carried out, where appropriate, prospectively.

d) Comparative of information

The information contained in this report referring to the year 2022 is presented for comparison purposes with the information for the year 2023. The items of both years are comparable and homogeneous.

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e) Grouping of items

Certain items of the balance sheet, the profit and loss account, the statement of changes in equity and the cash flows statement are presented in a grouped form to facilitate their understanding, although, to the extent that it is significant, have included the disaggregated information in the corresponding notes of the report.

f) Errors

In financial year 2023, no significant error has been detected that has led to the correction of the annual accounts for financial year 2022.

g) Changes in Accounting Criteria

There have been no changes in accounting criteria.

NOTE 3. APPLICATION OF RESULTS

The Directors will submit the following distribution of 2023 results for the approval of the General Shareholders' Meeting:

	2023	2022
Basis of distribution:		
Profit in the year	1,958,052.95	1,590,711.72
Total	1,958,052.95	1,590,711.72
Distribution to:		
Reserves	195,805.30	159,071.17
Dividends	1,762,247.65	1,431,640.55
Total	1,958,052.95	1,590,711.72

The General Meeting will decide on the distribution of result in accordance with the approved balance sheet, distributing dividends to the shareholders in proportion to the capital that they have disbursed, in accordance with the provisions of article 6 of the SOCIMI Law charged to profits or reserves freely available, once the legal reserve is covered and provided that the equity value is not or does not result, as a result of the distribution, less than the share capital.

Thus, once the attentions provided by the commercial legislation and Law 11/2009 are covered, the distribution of dividends charged to the profit of the year, or to freely available reserves, will be carried out in accordance with the following rules:

- a) The General Meeting must necessarily agree on the distribution of one hundred percent (100%) of the profit derived from dividends or holdings distributed by the entities referred to in article 2 of the Statutes.

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- b) Likewise, it must agree on the distribution of at least fifty percent (50%) of the profit derived from the transfer of real estate and shares or holdings referred to in article 2 of these Statutes, made after the deadlines referred to in section 3 of article 3 of Law 11/2009, regarding the fulfilment of its main corporate purpose. The remainder of the profit must be reinvested in other properties or shares subject to compliance with said object, within three (3) years after the date of transmission. Failing that, said profit must be distributed in its entirety together with the profit, if any, that comes from the year in which the reinvestment period ends. If the elements subject to reinvestment are transmitted before the previous maintenance period, the profit must be fully distributed together with the profit, if any, that come from the year in which they were transmitted.
- c) The General Meeting will distribute among all shareholders a minimum annual dividend of eighty percent (80%) of the Company's remaining distributable profit, once the provisions of sections a) and b) above have been fulfilled. The General Meeting will decide on the distribution of the financial year's result and the distribution of the profit in accordance with the provisions of the preceding paragraphs, within the first six (6) months of each financial year. Dividends will be distributed among the shareholders in the proportion corresponding to the capital they have disbursed; the payment being made on the date determined by the General Meeting itself within a maximum period of one (1) month from the date of the distribution agreement.

NOTE 4. RECORDING AND VALUATION STANDARDS

The main valuation standards used by the Company to prepare the Interim Annual accounts for financial year 2023, in accordance with the standards set forth in the General Accounting Plan, are as follows:

a) Property, plant and equipment

Property, plant and equipment are initially valued at acquisition cost or production cost. It is subsequently valued at its cost reduced by the corresponding accumulated depreciation and, if applicable, in accordance with the criteria mentioned in note 4 a).

Upkeep and maintenance expenses incurred in the financial year are charged to the Profit and Loss Account. The costs of renovating, expanding or improving property, plant and equipment are capitalised as an increase in the value of the pertinent asset if they represent an increase in the asset's capacity or productivity or a lengthening of its useful life, and the carrying amount of the items replaced is derecognised.

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For those fixed assets that need a period of time greater than one year to be in conditions of use, the capitalized costs include the financial expenses that have accrued before the asset was put into operation conditions and that have been transferred by the supplier or correspond to loans or other type of external financing, specific or generic, directly attributable to the acquisition or manufacture of the same.

Property, plant and equipment, net of residual value, are depreciated by distributing the cost of the assets in question in a straight line over the years of estimated useful life during which the Company expects the assets to be in use, according to the following table:

	Years of useful life
Buildings and other constructions	33
Machinery	8.33
Furnishings	10
Other property, plant and equipment	5

b) Real estate investments

This heading includes the value of the land and buildings that are maintained for exploitation on a rental basis. These assets are valued and amortized using the criteria indicated in note 4 a) above.

In the 2020 financial year, the majority shareholder of the Company contributed, in the incorporation of the Company, a branch of activity that includes 3 properties for an amount of 12,050,000 euros, determined by an independent expert (notes 6 and 9).

c) Value impairment of property, plant and equipment and real estate investments

Whenever there are indications of loss of value, the Company proceeds to estimate by means of the so-called “impairment test” the possible existence of value losses that reduce the recoverable value of these assets to an amount less than their carrying value.

The recoverable amount is determined as the highest amount between fair value less the costs to sell and value in use.

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d) Leases

Leases are classified as financial leases provided that from their conditions can be deducted that the risks and rewards inherent to ownership of the asset subject to the contract are substantially transferred to the lessee. Other leases are classified as operating leases.

- Operating leases

When the Company acts as lessor

Income and expenses derived from operating lease agreements are charged to the profit and loss account in the year in which they are accrued.

Likewise, the acquisition cost of the leased asset is presented in the balance sheet according to its nature, increased by the amount of directly attributable contract costs, which are recognized as an expense in the term of the contract, applying the same criteria used for the contract. recognition of lease income.

Any collection or payment that could be made when contracting an operating lease will be treated as a prepayment or payment that will be charged to income over the period of the lease, as the benefits of the leased asset are ceded or received.

e) Financial instruments

Financial assets

The Company records under the heading of financial instruments those contracts that give rise to a financial asset in a company and, simultaneously, to a financial liability or an equity instrument in another company.

A financial asset is any asset that is: cash, an equity instrument of another company, or entails a contractual right to receive cash or another financial asset (a debt instrument), or to exchange financial assets or liabilities with third parties under conditions potentially favourable.

Classification

Financial assets, for the purposes of their valuation, are classified in one of the following categories:

1. Financial assets at fair value with changes in the profit and loss account.
2. Financial assets at depreciated cost.
3. Financial assets at cost.

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The financial instruments issued, incurred or assumed are classified as financial liabilities, in whole or in part, provided that, in accordance with their economic reality, these imply a direct or indirect contractual obligation for the Company to deliver cash or another asset or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions.

Financial liabilities, for the purposes of their valuation, are classified in one of the following categories:

1. Financial liabilities at depreciated cost.

This treatment is applicable to the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets;
- Credits for trade operations: clients and sundry debtors;
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets;
- Other financial assets: such as deposits in credit institutions, personal loans, guarantees and deposits, dividends receivable and disbursements required on own equity instruments.

b) Financial liabilities:

- Debt for trade operations: suppliers and sundry creditors;
- Debt with credit institutions;
- Other financial liabilities: debt with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.

Financial assets at fair value with changes in the profit and loss account

Financial assets held for trading are mandatorily included in this category. The concept of trading financial instruments generally reflects active and frequent buying and selling with the objective of generating a profit from short-term fluctuations in price or intermediation margin.

In any case, the Company may, at the time of initial recognition, irrevocably designate a financial asset as measured at fair value with changes in the profit and loss account if doing so eliminates or significantly reduces a valuation inconsistency or asymmetry.

A financial asset is considered to be held for trading when:

- a) It is originated or acquired with the purpose of selling it in the short term (for example, debt securities, regardless of their maturity period, or equity instruments, listed, that are acquired to sell them in the short term).

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- b) At the time of initial recognition, it forms part of a portfolio of jointly identified and managed financial instruments for which there is evidence of recent actions to obtain short-term gains, or
- c) It is a derivative financial instrument, provided it is not a financial guarantee contract nor has it been designated as a hedging instrument.

Initial valuation

The financial assets included in this category are initially valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration given. Transaction costs that are directly attributable to them are recognized in the profit and loss account for the year.

Subsequent valuation

After initial recognition, the company values the financial assets included in this category at fair value with changes in the profit and loss account.

Financial assets at depreciated cost

A financial asset is included in this category, even when it is admitted to trading on an organized market, if the Company maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

The contractual cash flows that are solely collections of principal and interest on the amount of the outstanding principal are inherent to an agreement that has the nature of an ordinary or common loan, notwithstanding that the operation is agreed at a zero interest rate or at below market rates.

In classified this category are:

- a) Credits for trade operations: financial assets originating from the sale of goods and the provision of services for traffic operations, and
- b) Credits for non-trade operations: financial assets that, not being equity instruments or derivatives, do not have a trade origin, whose collections are of a determined or determinable amount.

Financial liabilities at depreciated cost

Classified in this category are:

- a) Debt for trade operations: financial liabilities originated by the purchase of goods and services for traffic operations, and
- b) Debt for non-trade operations: financial liabilities that, not being derivative instruments, do not have a trade origin, but come from loan or credit operations received by the Company.

Initial valuation

Initially, the financial assets and liabilities included in this category are valued at their fair value, which is the transaction price, which is equal to the fair value of the consideration given plus the transaction costs that are directly attributable to these.

Notwithstanding, what is indicated in the previous paragraph, the credits and debits for trade operations with maturity not exceeding one year and that do not have a contractual interest rate, as well as, where appropriate, advances and credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short-term, and the disbursements required by third parties on shares, the amount of which is expected to be paid in the short-term, are valued at their nominal value when the effect of not updating the cash flows is not significant.

Subsequent valuation

In subsequent valuations, both assets and liabilities are valued at depreciated cost. Accrued interest is recorded in the profit and loss account, applying the effective interest rate method. Notwithstanding the above, credits and debits maturing in no more than one year, which were initially valued at their nominal value, continue to be valued at that amount, except, in the case of credits, that have been impaired.

Impairment of value of financial assets at depreciated cost

At least at financial year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset, or of a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events that have occurred after initial recognition and that cause a reduction or delay in future estimated cash flows, that could be motivated by the insolvency of the debtor.

The loss due to impairment of the value of these financial assets is the difference between their carrying value and the current value of future cash flows, including, where appropriate, those from the execution of real and personal guarantees, which is estimated will be generated, discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at a variable interest rate, the effective interest rate corresponding to the closing date of the annual accounts is used in accordance with the contractual conditions. In calculating the impairment losses of a group of financial assets, models based on statistical formulas or methods may be used.

In general, the Company impairs loans maturing in more than six months.

Value corrections due to impairment, as well as their reversal when the amount of said loss decreases for reasons related to a subsequent event, are recognized as an expense or revenue respectively, in the profit and loss account. The reversal of impairment is limited to the carrying value of the asset that would be recognized on the reversal date if the impairment had not been recorded.

However, as a substitute for the current value of future cash flows, the market value of the instrument may be used, provided that it is reliable enough to be considered representative of the value that the Company could recover.

The recognition of interests of credit-impaired financial assets will follow the general rules, without prejudice to the fact that the Company must simultaneously assess whether said amount will be subject to recovery and, if applicable, record the corresponding impairment loss.

Reclassification of Financial Assets

When the Company changes the way in which it manages its financial assets to generate cash flows, it will reclassify all the affected assets in accordance with the criteria previously indicated. The reclassification of category is not a case of loss of balance but a change in the valuation criteria.

Withdrawal of Financial Instruments

The Company derecognizes a financial asset, or part thereof, when the contractual rights over the cash flows of the financial asset expire or have been transferred and the risks and rewards inherent to its ownership have been substantially transferred, in circumstances that are evaluated by comparing the Company's exposure, before and after the transfer, to the variation in the amounts and in the timing of the net cash flows of the transferred asset. It is understood that the risks and benefits inherent to the ownership of the financial asset have been substantially transferred when its exposure to such variation ceases to be significant in relation to the total variation in the present value of the net future cash flows associated with the financial asset.

If the Company has not substantially transferred or retained the risks and benefits, the financial asset will be derecognized when control has not been retained, a situation that will be determined depending on the unilateral capacity of the assignee to transfer said asset, in full and without imposing conditions, to an unrelated third party. If the transferring company maintains control of the asset, it will continue to recognize it for the amount to which the Company is exposed to changes in the value of the transferred asset, that is, due to its continued involvement, and it will recognize an associated liability.

When the financial asset is derecognized, the difference between the consideration received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying value of the financial asset, determines the gain or loss arising on derecognizing said asset, and it forms part of the result of the year in which it occurs.

The above criteria will also apply to transfers of a group of financial assets or part thereof.

The Company does not derecognize the financial assets and recognizes a financial liability for an amount equal to the consideration received, in the transfers of financial assets in which it has substantially retained the risks and benefits inherent to its ownership, such as in the discount of effects, "recourse factoring", sales of financial assets with a repurchase agreement at a fixed price or at the sale price plus interest and securitizations of financial assets in which the assigning company retains subordinated financing or other types of guarantees that absorb substantially all expected losses.

Withdrawal of Financial Liabilities

The Company withdraws a financial liability, or part thereof, when the obligation has been extinguished; that is, when it has been satisfied, cancelled or has expired. It also withdraws its own financial liabilities that it acquires, even if it is with the intention of relocating these in the future.

If there is an exchange of debt instruments between a lender and a borrower, as long as these have substantially different conditions, the original financial liability will be derecognized and the new financial liability that arises will be recognised. In the same way, a substantial modification of the current conditions of a financial liability will be recorded.

The difference between the carrying value of the financial liability or of the part thereof that has been derecognized and the consideration paid, including the costs or commissions incurred and which also includes any transferred asset other than cash or assumed liability, is recognized in the profit and loss account for the financial year in which it occurs.

In the case of an exchange of debt instruments that do not have substantially different conditions, the original financial liability is not derecognized from the balance sheet. Any transaction cost or commission incurred adjusts the carrying amount of the financial liability. At that date, the depreciated cost of the financial liability is determined by applying the effective interest rate that equals the carrying value of the financial liability with the cash flows to be paid under the new conditions.

Deposits Delivered and received

Deposits or guarantees constituted as collateral for certain obligations are valued at the amount actually paid, which does not differ significantly from their fair value.

In the guarantees delivered or received for operating leases or for the provision of services, the difference between their fair value and the amount disbursed (due, for example, to the fact that the guarantee is long-term and is not remunerated) is considered as a payment or advance collection for the lease or provision of the service, which is charged to the profit and loss account during the lease period, in accordance with the provisions of the standards on leases and other operations of a similar nature, or during the period in which the services is provided, in accordance with the rule on revenue from sales and provision of services.

When estimating the fair value of the guarantees, the remaining period is taken as the minimum contractual period committed during which the amount cannot be returned, without taking into account the statistical behaviour of returns.

When the guarantee is short-term, it is not necessary to discount cash flows if its effect is not significant.

f) Corporate income tax

The expense or income from income tax includes the part related to the expense or income from the current tax and the part corresponding to the expense or income from deferred tax.

The current tax is the amount that the Company satisfies as a result of the tax payments of the income tax relating to a financial year. Deductions and other tax benefits in the tax base, excluding withholdings and payments on account, as well as the compensable tax losses of prior financial years and effectively applied in it, give rise to a lower amount of the current tax.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include timing differences that are identified as those amounts that are expected to be payable or recoverable derived from the differences between the carrying amounts of assets and liabilities and their tax value, as well as the negative tax bases pending compensation and the credits for tax deductions not applied. These amounts are recorded by applying to the timing difference or credit that corresponds to the type of tax that is expected to be recovered or settled.

These amounts are recorded by applying to the relevant temporary difference or credit the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognized for all taxable timing differences, except those derived from the initial recognition of goodwill or other assets and liabilities in an operation that does not affect either the tax result or the accounting result and is not a business combination.

Furthermore, deferred tax assets are only recognized to the extent that it is considered probable that the Company will have future taxable profits against which they can be made effective.

Deferred tax assets and liabilities, arising from operations with direct charges or payments in equity accounts, are also accounted for in equity.

At each accounting close, the recorded deferred tax assets are reconsidered, making the appropriate corrections to them whilst there are doubts about their future recovery. Likewise, at each close, deferred tax assets not recorded in the balance sheet are evaluated and they are subject to recognition to the extent that their recovery with future tax benefits becomes probable.

Regime of SOCIMI

By virtue of Law 11/2009, of 26 October, modified by Law 16/2012, of December 27 and Law 11/2021 of July 9, which regulates the Public Limited Companies of investment in the real estate market, the entities that opt for the application of the special fiscal regime foreseen in said Law will be taxed at a rate of 0% tax on Company Tax. In the case of generating negative tax bases, article 25 of the Consolidated Text of the Corporate Tax Law, approved by Royal Legislative Decree 4/2004, of 5 March, will not be applicable. Likewise, the system of deductions and bonuses established in Chapters II, III and IV of said norm will not be applicable. In everything else not foreseen in Law 11/2009, the provisions of the Consolidated Text of the Corporate Income Tax Law will be applicable.

The entity will be subject to a special tax of 19% on the total amount of the dividends or profit sharing distributed to shareholders whose shareholding in the company's capital is equal to or greater than 5%, when such dividends, at the headquarters of its partners, are exempt or taxed at a rate of less than 10%. Mentioned tax will be considered as a Tax on Companies contribution.

The application of the SOCIMI regime described above will be carried out during the year 2020, notwithstanding the fact that, during the year, the Company does not comply with all the requirements demanded by the standard for its application, since, by virtue of the Transitory Provision First of Law 11/2009 of the SOCIMI regime, the Company has a period of two years from the date of the option for the application of the regime to comply with all the requirements demanded by the standard.

That said, it is worth mentioning that on 28 September 2020, the Company adopted the decision to benefit from the regime regulated by law 11/2009, of October 26, which regulates the Listed Companies of Investment in the Market Real Estate ("SOCIMI") with effect from 1 January 2020. This placement was communicated to the State Agency of the Tax Administration in writing dated 28 September 2020.

g) Income and expenses

As indicated in note 1, the main activity of the Company consists of Renting of own real estate.

Revenue recognition from sales and provision of services

The Company recognizes the revenue for the ordinary development of its activity at the time (or as) the transfer to the client of the control of the promised goods or services takes place. At that time, the Company values the revenue for the amount that reflects the consideration to which it expects to be entitled in exchange for said goods or services.

Control of goods or service (an asset) refers to the ability to fully decide on the use of that asset and obtain substantially all of its remaining benefits. Control includes the ability to prevent other entities from deciding on the use of the asset and obtaining its benefits.

In order to apply this fundamental criterion for the accounting recording of revenue, the Company follows a complete process consisting of the following successive stages:

- a) Identify the contract (or contracts) with the client, understood as an agreement between two or more parties that creates enforceable rights and obligations for these.
- b) Identify the obligation or obligations to be fulfilled in the contract, representative of the commitments to transfer goods or provide services to a client.

- c) Determine the price of the transaction, or consideration of the contract to which the company expects to be entitled in exchange for the transfer of goods or the provision of services committed to the client.
- d) Assign the price of the transaction to the obligations to be fulfilled, which must be carried out based on the individual sale prices of each different good or service that have been committed to in the contract, or, where appropriate, following an estimate of the sale price when it is not observable independently.
- e) Recognize revenue from ordinary activities when (as) the company fulfils an obligation committed through the transfer of goods or the provision of a service; fulfilment that takes place when the client obtains control of that good or service, so that the amount of revenue recognized from ordinary activities will be the amount assigned to the satisfied contractual obligation.

For each obligation to be fulfilled (delivery of goods or provision of services) identified, the Company determines at the beginning of the contract whether the commitment assumed is fulfilled over time or at a specific moment.

Compliance with the obligation over time

It is understood that the Company transfers control of an asset or service over time provided that the following criteria/s are met:

- a) The client simultaneously receives and consumes the benefits provided by the Company's activity as the entity develops it.
- b) The Company produces or improves an asset (tangible or intangible) that the client controls as the activity is carried out.
- c) The Company produces a specific asset for the client (in general, a complex technical service or installation or a particular good with unique specifications) without an alternative use and the company has an enforceable right to payment for the activity that has been completed to date.

In the case of contractual obligations that are fulfilled at a certain time, the revenue derived from their execution will be recognized on that date.

h) Accruals

The company registers in this balance sheet item, the anticipated income derived from the billing for rentals to customers.

i) Severance payments

In accordance with current legislation, the Company is obliged to pay compensation to those employees with whom, under certain conditions, it terminates their labour relations. Therefore, severance payments that are subject to reasonable quantification are recorded as an expense in the year in which the dismissal decision is taken. In the attached annual accounts, no provision has been recorded for this concept, since situations of this nature are not foreseen.

j) Transactions between related parties

In general, items subject to a related party transaction are initially accounted for at fair value. The subsequent evaluation is carried out in accordance with the provisions of the corresponding standards.

NOTE 5. PROPERTY PLANT AND EQUIPMENT AND REAL ESTATE INVESTMENTS

The movement during financial years ended 31 December 2023 and 2022 in the different accounts of property, plant and equipment and their corresponding accumulated depreciation have been the following (in euros):

31 December 2023

	Balance at 01/01/2023	Additions	Balance at 31/12/2023
At cost			
Technical installations and other property, plant and equipment	14,638.70	-	14,638.70
	14,638.70	-	14,638.70
Accumulated depreciation			
Technical installations and other property, plant and equipment	(3,156.12)	(1,711.56)	(4,867.68)
	(3,156.12)	(1,711.56)	(4,867.68)
	11,482.58	(1,711.56)	9,771.02

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31 December 2022

	Balance at 01/01/2022	Additions	Balance at 31/12/2022
At cost			
Technical installations and other property, plant and equipment	14,638.70	-	14,638.70
	14,638.70	-	14,638.70
Accumulated depreciation			
Technical installations and other property, plant and equipment	(1,444.56)	(1,711.56)	(3,156.12)
	(1,444.56)	(1,711.56)	(3,156.12)
	13,194.14	(1,711.56)	11,482.58

The movement during financial years ended 31 December 2023 and 2022 in the different Real Estate Investment accounts and their corresponding accumulated depreciation has been the following (in euros):

31 December 2023

	Balance at 01/01/2023	Additions	Balance at 31/12/2023
At cost			
Land and buildings	12,050,000.00	717.26	12,050,717.26
	12,050,000.00	717.26	12,050,717.26
Accumulated depreciation			
Land and buildings	(69,671.76)	(31,985.94)	(101,657.70)
	(69,671.76)	(31,985.94)	(101,657.70)
	11,980,328.24	(31,268.68)	11,949,059.56

31 December 2022

	Balance at 01/01/2022	Additions	Balance at 31/12/2022
At cost			
Land and buildings	12,050,000.00	-	12,050,000.00
	12,050,000.00	-	12,050,000.00
Accumulated depreciation			
Land and buildings	(37,685.82)	(31,985.94)	(69,671.76)
	(37,685.82)	(31,985.94)	(69,671.76)
	12,012,314.18	(31,985.94)	11,980,328.24

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Under the heading "Real estate investments" at 31 December 2023 and 2022, 3 real states properties for rent are included (see note 6).

The breakdown between land and buildings is shown below:

Financial year 2023

	At cost 31/12/2023	Accumulated depreciation 31/12/2023	Net accounting value 31/12/2023
Land	10,983,802.00	-	10,983,802.00
Buildings	1,066,915.26	(101,657.70)	965,257.56
	12,050,717.26	(101,657.70)	11,949,059.56

Financial year 2022

	At cost 31/12/2022	Accumulated depreciation 31/12/2022	Net accounting value 31/12/2022
Land	10,983,802.00	-	10,983,802.00
Buildings	1,066,198.00	(69,671.76)	996,526.24
	12,050,000.00	(69,671.76)	11,980,328.24

There has been no circumstance that has led to a significant impact that affects the current or future financial years that affect the estimates of the costs of dismantling, retirement or rehabilitation, useful lives and depreciation methods.

No financial expenses have been capitalized in financial years 2023 and 2022.

No valuation correction of property, plant and equipment has been made.

At 31 December 2023 and 2022 there is no fully depreciated items.

The Company's policy is to formalize insurance policies to cover the possible risks to which the various elements of its property, plant and equipment are subject. Management reviews annually, or when circumstance makes it necessary, the risks and the cover insured and the amounts to be insured for the following year are agreed.

NOTE 6. LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE

6.1) Operating Leases (the Company as lessor)

The income of the Company as a lessee amounted to euros 2,355,171.28 euros (2,200,086.35 euros in financial year 2022) (see note 13).

The amount of minimum future collections corresponding to the most significant non-cancellable operating leases is broken down below:

	2023	2022
Up to 1 year	2,363,060.32	2,303,132.32
Between 1 and 5 years	8,753,471.59	8,520,769.89
More than 5 years	16,578,135.27	17,641,069.97
Total	27,694,667.18	28,464,972.18

In its position as lessor, the most significant operating lease contracts that the Company has are those corresponding to the assets indicated in note 5 above.

NOTE 7. INFORMATION ON THE NATURE AND LEVEL OF RISK OF FINANCIAL INSTRUMENTS

The management of the Company's financial risks is centralised in its Financial Management, which has the necessary mechanisms established for controlling exposure to the variations in interest rates and exchange rates, as well as to the credit and liquidity risk. Indicated below are the main financial risks that have an impact on the Company:

– Credit risk:

The Company's main financial assets are cash and cash balances, trade debtors and other accounts receivable, and investments, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The Company's credit risk is mainly attributable to its trade debt. The amounts are reflected in the balance sheet, net of provisions for insolvencies, estimated by the Company's Management based on the experience of previous years and its assessment of the current economic environment.

The Company does not have a significant concentration of credit risk.

– Liquidity risk:

The detail of the maturities of financial liability instruments at financial year-ends 2023 and 2022 is shown in note 10.

In order to ensure liquidity and be able to meet all the payment commitments arising from its activity, the Company has the treasury shown in its balance sheet and the financial investments shown in note 8.

– Interest rate risk:

Variations in interest rates modify the fair value of those assets and liabilities that accrue a fixed interest rate, as well as the future flows of assets and liabilities referenced to a variable interest rate.

The objective of interest rate risk management is to achieve a balance in the debt structure that makes it possible to minimize the cost of the debt over a multi-year horizon with reduced volatility in the profit and loss account.

Depending on the Company's estimates and the objectives of the debt structure, hedging operations may be carried out by contracting derivatives that mitigate these risks. Variations in interest rates modify the fair value of those assets and liabilities that accrue a fixed interest rate, as well as the future flows of assets and liabilities referenced to a variable interest rate.

– Market risk (including interest rate and other price risks):

Both the treasury and the financial debt of the Company are exposed to both interest rate risk and fluctuations in the price of electricity, which could have an adverse effect on financial results and cash flows.

NOTE 8. FINANCIAL ASSETS

Long-term financial assets

The detail of the Long-term Financial Assets at financial years ended 31 December 2023 and 2022 is as follows (in euros):

Class / Category	Loans, derivatives and others		Total	
	2023	2022	2023	2022
Assets at amortized cost				
Deposits	298,285.80	288,585.78	298,285.80	288,585.78
	298,285.80	288,585.78	298,285.80	288,585.78

These amounts correspond to the bonds of the rental agreements deposited with the Junta de Andalucía.

Short-term financial assets

The detail of the short-term financial assets at financial year-end close 31 December 2023 and 2022 is as follows (in euros):

Class / Category	Loans, derivatives and others		Total	
	2023	2022	2023	2022
Assets at amortized cost				
Debtors and other accounts receivable	27,643.44	24,999.92	27,643.44	24,999.92
Short-term financial investments	-	100,000.00	-	100,000.00
Assets at fair value with changes in profit and loss				
Short-term financial investments	2,028,014.26	1,933,192.21	2,028,014.26	1,933,192.21
Cash and other liquid assets	1,881,546.51	1,382,772.32	1,881,546.51	1,382,772.32
	3,937,204.21	3,440,964.45	3,937,204.21	3,440,964.45

"Assets at fair value through profit and loss" corresponds to a portfolio of 4 investment funds acquired in the financial year 2022 for a total amount of 2,100,000 euros. The change in fair value as at 31 December 2023 amounts to a profit of 94,822.05 euros (a loss of 166,807.79 euros in 2022).

"Short-term investments" corresponds to a partially secured term deposit acquired in 2022 for an amount of 1,000,000 euros, of which 100,000 euros has been cancelled in 2023 and has resulted a profit of 2,000 euros (900,000 euros has been cancelled in 2022 and resulted in income of 13,500.00 euros as at 31 December 2022).

NOTE 9. EQUITY AND SHAREHOLDERS' FUNDS

a) Share capital

RES GESTAE, SOCIMI, S.A. was incorporated as a limited liability company on 25 September 2020 with a share capital of 6,026,000 euros, divided into 6,026,000 shares, equal cumulative and indivisible, with a nominal unit value of one euro (1.00 euros), fully subscribed and paid up as follows:

- 6,025,000 company shares with a unit value of 1 euro and an issue premium of 1 euro: total disbursement of 12,050,000 euros through the contribution of a "property rental branch of activity".
- 1,000 company shares with a unit value of 1 euro and an issue premium of 1 euro: total payment of 2,000.00 euros through monetary contributions.

All shares are fully subscribed and paid up and grant their holders the same rights.

The contribution of the indicated branch of activity entails the transfer of all the material elements for the development of the branch of activity. Within these assets, there are, among others, 3 properties (see note 5). The value of the branch of activity, 12,050,000 euros, has been determined by an independent expert.

b) Reserves

According to the provisions of article 274 of the Capital Companies Act, a figure equal to 10% of the profit for the year will be allocated to the legal reserve until it reaches at least 20% of the share capital. Whilst it does not exceed the indicated limit, it may only be used for compensation of losses in the event that there are no other sufficiently available reserves for this purpose. The legal reserve amounts to 306,377.30 euros at 31 December 2023 (147,306.11 euros at 31 December 2022).

The legal reserve can only be used to cover losses and would only be distributable in the event of liquidation of the Company.

Voluntary Reserves are freely available.

c) Dividends

Once the attentions foreseen by the Corporate legislation and Law 11/2009 have been covered, the distribution of dividends charged to the profit for the year, or to reserves of free disposal, will be made in accordance with the following rules:

1. The General Meeting must necessarily agree on the distribution of one hundred percent (100%) of the profits derived from dividends or profit sharing distributed by the entities referred to in article 2 of the Bylaws.
2. Likewise, it must agree on the distribution of at least fifty percent (50%) of the benefits derived from the transfer of real estate and shares or participations referred to in article 2 of these Bylaws, made once the terms have expired. referred to in section 3 of article 3 of Law 11/2009, subject to compliance with its main corporate purpose. The rest of these benefits must be reinvested in other properties or participations affected by the fulfillment of said object, within three (3) years after the date of transmission. Failing that, these benefits must be distributed in full along with the benefits, if any, that come from the year in which the reinvestment term ends.

If the elements subject to reinvestment are transferred before the previous maintenance period, those benefits must be distributed in full together with the benefits, if any, that come from the year in which they were transferred.

3. The General Meeting will distribute among all the shareholders a minimum annual dividend of eighty percent (80%) of the remaining distributable profits of the Company, once the provisions of sections a) and b) above have been fulfilled. The General Meeting will resolve on the application of the result of the exercise and the distribution of the benefit in accordance with the provisions of the preceding paragraphs, within the first six (6) months of each year. Dividends will be distributed among the shareholders in the proportion corresponding to the capital they have disbursed, with payment being made on the date determined by the General Meeting itself within a maximum period of one (1) month from the date of the distribution agreement.

On 30 June 2023, the General Shareholders' Meeting agreed to distribute 1,431,640.54 euros of dividends for the distribution of the result for the 2022 financial year (1,183,460.06 at 31 December 2022).

NOTE 10. LONG AND SHORT-TERM FINANCIAL LIABILITIES

The detail of long and short-term financial liabilities, at 31 December 2023 and 2022 is as follows:

Financial year 2023

	Derivatives and others		Total	
	Long-term	Short-term	Long-term	Short-term
Liabilities at amortized cost or cost				
Deposits received	385,153.37	-	385,153.37	-
Trade creditors and other accounts payable	-	44,599.27	-	44,599.27
Other financial liabilities (Note 12)	-	26,489.48	-	26,489.48
	385,153.37	71,088.75	385,153.37	71,088.75

Financial year 2022

	Derivatives and others		Total	
	Long-term	Short-term	Long-term	Short-term
Liabilities at amortized cost or cost				
Deposits received	359,803.33	-	359,803.33	-
Trade creditors and other accounts payable	-	40,523.55	-	40,523.55
Other financial liabilities (Note 12)	-	23,833.70	-	23,833.70
	359,803.33	64,357.25	359,803.33	64,357.25

The amount of deposits corresponds to the rental agreements indicated in note 6.

Information on deferred payments to suppliers. Third additional provision. “Duty of information” of Law 15/2010, of 5 July-

Law 15/2010, of 5 July amending Law 3/2004, of 29 December that establishes measures to combat late payments in trade operations, states: “Companies must publish in a clear manner information on payment periods to its suppliers in the Annual Report on the Annual accounts”. In this regard, the Resolution of 29 January 2016, of the Institute of Accounting and Account Audits, on the information to be incorporated in the report on the annual accounts in relation to the average period of payment to suppliers in trade operations, dictates the information to be included in the report in order to comply with the aforementioned Law.

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Concept	2023 Days	2022 Days
Average payment period to suppliers	30	30
Ratio of paid transactions	30	30
Ratio of transactions pending payment	30	30
	Amount (euros)	Amount (euros)
Total payments made	252,167.15	189,099.17
Total payments pending	25,738.92	36,366.79

The information on invoices paid in a period less than the maximum established in the delinquency regulations is as follows:

	2023	2022
Monetary volume paid	252,167.15	189,099.17
Percentage of total monetary payments to suppliers	91%	84%
Number of invoices paid	294	347
Percentage of the total number of invoices paid to suppliers	94%	88%

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NOTE 11. PUBLIC ADMINISTRATIONS AND TAX POSITION

11.1) Current balances with the Public Administrations

The breakdown of the balances with "Public Administrations" at 31 December 2023 and 2022 is as follows:

Financial year 2023

	Debtor balances	Creditor balances
Tax Authority for VAT	-	(115,547.78)
Tax Authority for IRPF	-	(6,405.55)
Social Security bodies	-	(4,266.88)
Current tax assets	-	(12,043.40)
	-	(138,263.61)

Financial year 2022

	Debtor balances	Creditor balances
Tax Authority for VAT	-	(102,599.36)
Tax Authority for IRPF	-	(5,051.79)
Social Security bodies	-	(3,836.88)
Current tax assets	-	(12,310.00)
	-	(123,798.03)

11.2) Reconciliation of accounting result and the taxable base

The Corporation Tax is calculated based on the economic or accounting result, obtained by the application of generally accepted accounting principles, which does not necessarily coincide with the tax result, understood as the taxable base.

Having opted for the tax regime of the SOCIMI, the applicable rate would be 0%. However, in accordance with the provisions of article 12 of Law 11/2009, tax adjustments are taxed at the general rate pending integration into the tax base before the application of the SOCIMI regime. As a result of the approval of Law 11/2021 of July 9, with effect from 1 January 2021, the Company will be subject to a special tax of 15% on the profits obtained in the year that are not distributed, in the part that does not come from income that has not been taxed at the general corporate tax rate or in the case of income covered by the reinvestment period as determined by Law 11/2021 of July 9. Said tax will be considered a Corporation tax liability.

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Therefore, in financial year 2023 the tax base amounts 100,000.00 euro, and income current tax amounts 25,000.00 euro (25,000.00 euro in 2022).

	2022	2021
Accounting result for the year (after taxes)	1,958,052.95	1,590,711.72
Permanent differences - Corporation tax	25,000.00	25,000.00
Tax Base	1,983,052.95	1,615,711.72

11.3) Financial years pending verification and inspection actions

As established by current legislation, taxes cannot be considered definitively settled until the declarations submitted have been inspected by the tax authorities or the statute of limitations of four years has elapsed. At the end of the 2023 financial year, the Company has the years since its incorporation open for inspection by the tax authorities in relation to the main taxes that apply to it. The Company's Directors considers that the settlement of the aforementioned taxes has been adequately practiced, so, even in case of discrepancies in the current legal interpretation for the tax treatment granted to the operations, the possible resulting liabilities, if materialized, would not significantly affect the attached annual accounts.

11.4) SOCIMI REGIME

As indicated in note 1, on 23 Marh 2021 agreements on the transformation from a limited company into SOCIMI, SOCIEDAD ANÓNIMA are raised to public. The General Meeting of Shareholders approved on 11 March 2021 that the Company avails itself of the tax regime a publicly listed investment company in the real estate market (SOCIMI) in accordance with the provisions of art. 8 and following of Law 11/2009, of 26 October regulator of the Publicly Listed Investment Companies in the Real Estate Market (SOCIMI). The information required regarding the "Information Requirements arising from the status of SOCIMI, Law 11/2009, is detailed in note 16 of these attached annual accounts.

11.5) Other information

The capital increase operation with the contribution of a branch of activity (notes 5 and 9) falls under the special tax regime provided for in Chapter VII of Title VII of Law 27/2014, of November 27, on Corporation Tax (LIS).

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In addition, the Company, in compliance with the provisions of article 93 of the aforementioned revised text, reports the following:

- That the shares subscribed by the shareholder who contributed the branch of activity as a result of the non-monetary contributions described above have been accounted for by said sole shareholder at the same book value as the shares and shares contributed as equivalent to the subscribed capital.
- That the Company has booked the assets acquired as consideration for the constitution carried out, at their fair value determined by an independent expert, in accordance with the following detail:

	Asset 1	Asset 2	Asset 3	Total
Book value in the contributor	-	-	-	-
Fair value (note 6)	7,937,000.00	1,631,000.00	2,482,000.00	12,050,000.00
Total	7,937,000.00	1,631,000.00	2,482,000.00	12,050,000.00

NOTE 12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Balances with related parties

The detail of debit balances with related parties as at 31 December 2023 and 2022 are as follows:

	2023	2022
Shareholders	26,792.39	24,136.61
	26,792.39	24,136.61

Transactions with related parties

The main transactions carried out with group companies and other related parties during financial years ended 31 December 2023 and 2022 were the following:

	2023	2022
Other related parties	53,909.75	50,625.40
	53,909.75	50,625.40

The previous balances have their origin in remunerations that in the opinion of the Directors are carried out under normal market conditions.

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Retributions to the Directors and senior management

According with the statutes of the Company, the position of director in his capacity as such is free, without prejudice to the payment of the fees that are accredited by reason of the provision of professional services or employment, as the case may be, with origin in a contractual relationship other than that derived from the position of administrator.

The Directors have not accrued any compensation for their position as administrator during the years ended 31 December 2023 and 2022. Directors' fees for their employment relationship with the Company are indicated in the previous point

The Company has granted advances or loans to the Directors for 26,792.39 euro as at 31 December 2023 (24,136.61 euro at 31 December 2022).

In financial year 2023 and 2022 the Company does not have a Civil Liability Policy for Directors and Managers.

Other information regarding the Company's Directors:

No conflict situations have been revealed, directly or indirectly, in the interest of the Company, in accordance with the applicable regulations (currently, in accordance with the provisions of article 229 of the Capital Companies Act), all of this without prejudice to the information on related transactions reflected in the report. If these situations occurred, the administrator in question will refrain from making decisions.

Likewise, and in accordance with the Capital Companies Act, mentioned above, it is reported that the Directors and persons related to her, have not carried out any activity, personally or for another party, with the Company that may be considered outside the ordinary traffic that has not been done under normal market conditions.

NOTE 13. INCOME AND EXPENSES

Turnover

The net turnover corresponding to the ordinary activity of the Company during the financial year amounted to 2,355,171.28 euro (2,200,086.35 euros in 2022), corresponding to the lease income indicated in note 6 above.

The Company carries out its activity in the Andalusian Autonomous Community.

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Personnel expenses

The breakdown of personnel expenses for financial years 2023 and 2022 is as follows:

	2023	2022
Wages and salaries	132,302.25	122,606.42
Social Security	45,248.35	42,245.94
	177,550.60	164,852.36

NOTE 14. OTHER INFORMATION

The detail of the average staff by categories and gender during financial years 2023 and 2022 is as follows:

Category	31/12/2023			31/12/2022		
	Man	Women	Total	Man	Women	Total
Management	1	-	1	1	-	1
Administrative staff	1	-	1	1	-	1
Cleaning/concierge	1	1	2	1	1	2
TOTAL	3	1	4	3	1	4

The detail of the staff at 31 December 2023 and 2022 is as follows:

Category	31/12/2023			31/12/2022		
	Man	Women	Total	Man	Women	Total
Management	1	-	1	1	-	1
Administrative staff	1	-	1	1	-	1
Cleaning/concierge	1	1	2	1	1	2
TOTAL	3	1	4	3	1	4

The fees related to the auditing services provided by the Company's auditor are shown below:

	2023	2022
Auditor's fees for audit services:		
a) Annual Accounts Audit:	8,000.00	8,000.00
Auditor's fees for other different services:		
a) Others:	600.00	600.00
Total	8,600.00	8,600.00

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NOTE 15. POST BALANCE SHEET EVENTS

There are no relevant events that affect the Annual Accounts of the Company at 31 December 2023.

NOTE 16. INFORMATION REQUIREMENTS DERIVED FROM THE CONDITION OF SOCIMI, LAW 11/2009"

According with the Law 11/2009 of SOCIMIS, the following information is detailed below:

1. The amount of Reserves from years prior to the application of the fiscal regime established by the SOCIMI Law amount to a debit balance of 16,615.39 euros at 31 December 2023 (debit amount of 16,615.39 euros at 31 December 2022).
2. At 31 December 2023 there reserves from tax years in which the tax regime established in this Law has been applied are 306,377.28 euros (147,306.11 euros at 31 December 2022). The tax rate applied was 0%.
3. Dividends distributed with a charge to profits for each year in which the tax regime established in this law has been applicable, differentiating the part that comes from income subject to the tax rate of 0%, 15% or 19%, with respect to those that, if applicable, have been taxed at the general tax rate:

Year from which the results come	Amount	Distribution date	Dividend rate
2020	244,764.36	30/6/2021	Special rate 0%
2021	1,183,460.06	30/6/2022	Special rate 0%
2022	1,431,640.54	30/6/2023	Special rate 0%

In year 2023 neither 2022 no dividends were paid out of reserves from years prior to 2020.

For tax periods from 1 January 2021, the Company will be subject to a special tax of 15% on the profits obtained in the year that are not subject to distribution, in the part that does not come from income that has not been taxed to the general rate of corporate income tax or in the case of income covered by the reinvestment period as determined by Law 11/2021 of July 9.

4. The properties intended for rental indicated in note 5, were contributed to the Company at its incorporation on 25 September 2020 (note 9). The 3 properties are included in the 80 percent referred to in section 1 of article 3 of the SOCIMIS Law.

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5. As at 31 December 2023, 2022, 2021 and 2020, no reserves have been made dispose from years in which the special tax regime established in this Law has been applicable, other than to offset losses or for distribution.

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RES GESTAE, SOCIMI, S.A.

DIRECTOR'S REPORT 2023

1. INTRODUCTION

The Director's Report for financial year 2023 is prepared in accordance with the Capital Companies Act.

RES GESTAE, SOCIMI, S.A. (hereinafter RES GESTAE or the Company) was incorporated as a limited liability company on 25 September 2020 as a limited company with the name of ECBATANA, S.L. On 23 March 2021 the agreements on the change from a limited company into a SOCIMI, S.A. (SOCIMI, Real Estate Investment Trust), are raised to public.

Its corporate purpose and business activity consist in, a) the acquisition and promotion of urban real estate for lease (CNAE 6820). The marketing activity includes the refurbishment of buildings under the terms established in Law 37/1992, of 28 December of the Value Added Tax or regulation that may replace it in the future, b) The holding of shares in the capital of other SOCIMIs or those of other entities resident or not in Spanish territory that have the same corporate purpose and that are subject to a regime similar to that established for the SOCIMIs in terms of mandatory, legal or statutory, profit distribution policy. (CNAE 6420), c) The holding of shares in the capital of other entities, resident or not in Spanish territory, whose main corporate purpose is the acquisition of urban real estate for lease and that are subject to a regime similar to that established for the SOCIMIs in terms of mandatory, legal or statutory, profit distribution policy and meet the investment requirements referred to in article 3 of the SOCIMIs Law. (CNAE 6420), d) The ownership of shares or holdings of Real Estate Investment Trusts regulated in Law 35/2003, of 4 November on Collective Investment Trusts, or the regulations that may replace it in the future. (CNAE 6420).

Since 28 June 2021, the Company is included in the EURONEXT ACCESS PARIS Market as a SOCIMI for trading of the ordinary shares issued by the Company on the Multilateral Facility of "Euronext Access" operated by Euronext Access Paris S.A.

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2. EVOLUTION OF THE BUSINESS

The evolution of the main figures of the balance sheet and the income statement has been as follows:

	2023	2022
Current Assets	3,937,204.21	3,440,964.45
Current Liabilities	309,352.36	288,155.28
Circulating	3,627,851.85	3,152,809.17
Variation	475,042.68	350,115.67
%	15%	12%

	Financial year 2023	Financial year 2022
Turnover	2,355,171.28	2,200,086.35
Change from previous year	155,084.93	414,289.96
Change from previous year %	7%	23%

3. POST BALANCE SHEET EVENTS

There are no other relevant events that affect the Company's Annual Accounts as of 31 December 2023.

4. INFORMATION ON RESEARCH AND DEVELOPMENT ACTIVITIES

The Company has not recorded any amount for research and development expenses in the assets of the balance sheet for financial year 2023, because it has not developed any activity in this area during said year.

5. QUALITY AND ENVIRONMENTAL MANAGEMENT

During financial year 2023, the Company has not incurred expenses derived from environmental activities, nor did it have environmental assets recorded in the balance sheet at 31 December 2023.

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6. INFORMATION REGARDING THE ACQUISITION OF OWN SHARES

The Company does not currently have in its portfolio any package of its own shares nor did it have during financial year 2023 and has not accepted its own shares in pledge, nor in any kind of trade operation or legal business.

7. INFORMATION ON THE AVERAGE PAYMENT PERIOD TO SUPPLIERS

At financial year-end 2023 the Company presents an Average Payment Period to suppliers of 30 days (30 days in 2022). This complies with the provisions of Law 15/2010, of 5 July that establishes measures to combat late payments in trade operations.

8. USE OF FINANCIAL INSTRUMENTS

With regard to the use of financial instruments by the company, and when it is relevant for the valuation of its assets, liabilities, financial situation and results, the management report will include the following:

- a) The company's financial risk management objectives and policies, including the policy applied to hedge each significant type of forecast transaction for which hedge accounting is used.
- b) The company's exposure to price risk, credit risk, liquidity risk and cash flow risk.



RES GESTAE, SOCIMI, S.A.

SIGNATURE DILIGENCE

The Annual Accounts above that comprise the Balance Sheet, the Profit and Loss Account, the Statement of changes in equity, the Cash Flow Statement and the Annual Report, as well as the Director's Report, corresponding to the Financial year ended on 31 December 2023, were prepared by the Directors of the Company on 31 March 2024.

To comply with the provisions of article 253 of the Capital Companies Act, the Directors signs them below:

Málaga, 31 March 2024

D. Gregorio Quesada Contreras
President-Director

D. Gregorio Quesada Diaz-Calero
Contreras
Secretary-Director

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BDO AUDITORES, S.L.P.

D. Pablo Torres Quesada
Director

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