

Elix Rental Housing SOCIMI II, S.A.

Auditor's report

Abbreviated annual accounts at December 31, 2023



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

Independent auditor's report on the abbreviated annual accounts

To the shareholders of Elix Rental Housing SOCIMI II, S.A.

Opinion

We have audited the abbreviated annual accounts of Elix Rental Housing SOCIMI II, S.A. (the Company), which comprise the abbreviated balance sheet as at 31 December 2023, and the abbreviated income statement and related abbreviated notes for the year then ended.

In our opinion, the accompanying abbreviated annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2023, as well as its financial performance for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2.1 of the notes to the abbreviated annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

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

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

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

Most relevant aspects of the audit

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

*PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111, Fax: +34 915 685 400, www.pwc.es*

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
<p>Valuation of investment properties</p> <p>The investment properties approximately constitute 86% of the assets of the Company. The company values its investments properties at its acquisition cost less the corresponding accumulated depreciation and any impairment losses that may have occurred, as detailed in note 4.1 of the abbreviated annual accounts. The total investment properties recorded in the non-current assets of the abbreviated balance sheet amount to 9,233,116 euros as of December 31, 2023.</p> <p>When there is evidence of impairment, the Company reviews the possible impairment of its investment properties comparing if the realizable value is less than its book value. As of December 31, 2023, the Company has not booked any impairment of its investment properties.</p> <p>The realizable value of investment properties is based on the valuation prepared by an independent expert. The valuation has been prepared in accordance with international standards as mentioned in note 4.1 of the abbreviated annual accounts.</p> <p>This is a relevant aspect of the audit due to the magnitude of this financial statement line and its significance in relation to the annual accounts as a whole, and the importance of the judgments and estimates that the valuations entail.</p>	<p>For the additions of investment properties registered in the year, we have carried out the following procedures:</p> <ul style="list-style-type: none"> • Verification of supporting documentation, such as the deed of sale of the property acquired, invoices, collections, etc. Additionally, we have reviewed the advance payment contracts made during the year. <p>Regarding potential impairment losses, we have obtained the valuation report of the investment properties prepared by the management expert and we have made the following procedures:</p> <ul style="list-style-type: none"> • Verification of the competence, capacity and independence of the management expert by confirming and verifying its recognized prestige in the market. • Verification that the valuation has been prepared in accordance with accepted methodology. • Evaluation of the main assumptions used in the valuation, contrasting the coherence of the estimates taking into account market conditions. • Carrying out substantive tests to verify the accuracy of the most relevant data provided by management to the expert and that have been used in the valuation. <p>Additionally, we assessed the sufficiency of the information disclosed in the annual accounts.</p> <p>The results of the procedures performed has enabled the audit objectives for which such procedures were designed to be reasonably attained.</p>

Responsibility of the directors for the abbreviated annual accounts

The directors are responsible for the preparation of the accompanying abbreviated annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of abbreviated annual accounts that are free from material misstatement, whether due to fraud or error.



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

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

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

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

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

- Identify and assess the risks of material misstatement of the abbreviated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the abbreviated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the abbreviated annual accounts, including the disclosures, and whether the abbreviated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Elix Rental Housing SOCIMI II, S.A.

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

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Rafael Pérez Guerra (20738)

29 April 2024

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged Balance Sheet as at 31 December 2023
(expressed in euro)

ASSETS	Notes to the Report	31/12/2023	31/12/2022	EQUITY AND LIABILITIES	Notes to the Report	31/12/2023	31/12/2022
NON-CURRENT ASSETS:				EQUITY:			
Investment property	Note 5	9,233,116	-	SHAREHOLDERS' EQUITY	Note 10		
Long-term financial investments	Note 7	255,178	-	Capital		378,803	15,000
				Registered capital		378,803	60,000
Total non-current assets		9,488,294	-	Uncalled capital		-	(45,000)
				Share premium		6,057,242	-
				Treasury shares		(60,000)	-
				Negative results from previous years		(16,731)	-
				Profit/(loss) for the year		(817,318)	(16,731)
				Total equity		5,541,996	(1,731)
				NON-CURRENT LIABILITIES:			
				Long-term liabilities	Note 9	3,953,537	-
				Interest-bearing loans and borrowings		3,950,597	-
				Other financial liabilities		2,940	-
				Total non-current liabilities		3,953,537	-
				CURRENT LIABILITIES:			
				Short-term liabilities	Note 9	1,134,669	-
				Interest-bearing loans and borrowings		453,883	-
				Other financial liabilities		680,786	-
CURRENT ASSETS:				Trade and other payables	Note 9	130,037	16,246
Trade and other receivables		21,025	961	Sundry accounts payable	Note 9	126,884	16,133
Sundry accounts receivable		9,305	-	Other tax payables	Note 13	3,153	113
Other tax receivables	Note 13	11,720	961	Total current liabilities		1,264,706	16,246
Cash and cash equivalents	Note 8	1,250,920	13,554	TOTAL EQUITY AND LIABILITIES		10,760,239	14,515
Total current assets		1,271,945	14,515				
TOTAL ASSETS		10,760,239	14,515				

The accompanying Notes 1 to 18 are an integral part of the abridged annual accounts at 31 December 2023.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged profit and loss account for the 2023 financial year
(expressed in euro)

	Notes to the Report	Period from 1 January 2023 to 31 December 2023	Period from 30 May 2022 to 31 December 2022
CONTINUING OPERATION:			
Net turnover	Note 14	29,580	-
Other operating expenses	Note 14	(797,597)	(16,731)
Fixed asset amortisation		-	-
Other profit/(loss)		-	-
Operating profit/(loss)		(768,017)	(16,731)
Financial income		5,178	-
From marketable securities and other financial instruments		5,178	-
From third parties		5,178	-
Financial expenses		(54,479)	-
For debts to third parties		(54,479)	-
Financial profit/(loss)		(49,301)	-
Profit/(loss) before tax		(817,318)	(16,731)
Income taxes		-	-
Profit/(loss) for the year from continuing operations		(817,318)	(16,731)
Profit/(loss) for the year		(817,318)	(16,731)

The accompanying Notes 1 to 18 are an integral part of the abridged annual accounts at 31 December 2023.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

1. Company's activity

Elix Rental Housing SOCIMI II, S.A. (hereinafter the 'Company') is a Spanish company, incorporated for perpetual existence on 30 May 2022 with Spanish tax ID no. A10751857 under the name of Prilzana Investments, S.A.U. Subsequently, on 2 December 2022, it changed its corporate name to Prilzana Investments SOCIMI, S.A.U. and on 28 December 2022 it changed its corporate name to the current one. Its registered office is located at Calle Serrano 51, piso 4º, puerta derecha, 28006, Madrid.

The Company is covered by the special regime for listed public limited companies for investment in the real estate market ('SOCIMI', as per its Spanish acronym), regulated by Spanish Law 11/2009 of 26 October 2009. The Company opted for this regime on 22 June 2023, date on which the corresponding notification was sent to the Spanish Tax Agency.

The Company's corporate purpose consists of the following activities:

- a) The acquisition and development of urban real estate for leasing. Development includes refurbishing buildings under the terms laid down in Spanish Law 37/1992, of 28 December, on Value Added Tax, as amended at any given time.
- b) The holding of shares in the capital of other SOCIMIs or in the capital of other entities which are not residents in Spain which have the same corporate purpose as these SOCIMIs and which are subject to a regime similar to the one established for SOCIMIs in terms of the mandatory legal or statutory profit distribution policy.
- c) The holding of shares in the capital of other entities, whether or not resident in Spain, the main corporate purpose of which is the acquisition of urban real estate for leasing and which are subject to the same regime established for SOCIMIs in terms of the mandatory legal or statutory profit distribution policy and which meet the investment requirements referred to in Article 3 of Spanish Law 11/2009, of 26 October, which regulates listed public limited companies for investment in the real estate market (the 'SOCIMIs Law').
- d) The holding of shares or holdings in Collective Investment Property Undertakings regulated in Spanish Law 35/2003, of 4 November, on collective investment undertakings, or any regulation that may replace it in the future.
- e) Additionally, together with the economic activity derived from the main corporate purpose, the Company may carry out other ancillary activities, understood as any whose income represents as a whole less than 20% of the Company's income in each tax period, or those that may be considered ancillary in accordance with the law applicable at any given time.

In view of the business activity in which the Company engages, it has no environmental liabilities, expenses, assets, provisions or contingencies that might be significant to its equity, financial position or profit/(losses). For that reason, no specific disclosures on environmental issues are included in this report on the abridged annual accounts.

Framework Investment Agreement and Management Contract

The Company is the vehicle of an investment project initially regulated under an investment framework agreement (hereinafter, the 'Investment Framework Agreement') which was signed on 28 December 2022 between the Company, its shareholders, the management company and the management team to define the project, the criteria, the investment strategy and regulation, and the relationship between the shareholders and the SOCIMI's management. The main objective is to build up a real estate portfolio, acquiring buildings for renovation or refurbishment and subsequently leasing them, thereby increasing the supply available in the housing stock.

On 28 December 2022 the Company signed a management contract with Elix Advice, S.L.U. (hereinafter, the 'Management Company') to delegate the ordinary, administrative and financial management of the Company, as well as the implementation and development of its real estate operations, to it.

On 28 December 2022, the Company signed a management contract with Altamar Real Estate, S.L.U. (hereinafter, Altamar) to develop and implement the project, regulate the investments, interface with the shareholders, manage investment commitments and coordinate the relationship between the Company, Elix Advice, the promoters of the project and the shareholders.

Both management contracts will terminate at the end of the investment project defined above, although early termination clauses have been included, which mainly refer to possible contract breaches. The Company's directors affirm that there have been no contractual breaches as at 31 December 2023.

Transactions during the year ended 31 December 2023

During the 2023 financial year, significant milestones were reached in accordance with the plan to launch the investment project:

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

- Total investment commitments with shareholders for 67,343,869 euros have been entered into during the 2023 financial year. In this respect, three capital increases totalling 318,803.00 euros in share capital and 6,057,238.80 euros in share premiums have been made public through the issue of 318,803 new shares.
- In addition, in December 2023, a new capital call was made to new investors for a total amount of 881,889.12 euros (including share capital and share premium), from which funds amounting to 659,874.32 euros were raised up to 31 December 2023. The remaining funds have been received during the first months of 2024. This capital call was formalised by means of a capital increase and share premium and was made public on 14 February 2024. A total of 44,093 new shares were issued totalling a capital of 44,093.00 euros and a share premium of 837,793.12 euros.
- Furthermore, the Company was listed on the Access market of the Euronext Paris stock exchange on 28 November 2023.
- In relation to investment activity, during the financial year a building was purchased in Madrid and several earnest money contracts were signed for assets that are expected to be notarised during the first half of 2024.
- The necessary work to draft the technical projects and obtain the requisite urban development permits for the refurbishment of the aforementioned assets have commenced.

SOCIMI regime

The Company is regulated by Spanish Law 11/2009, of 26 October, as amended by Spanish Law 16/2012, of 27 December, and by Spanish Law 11/2021, of 9 July, which regulates listed public limited companies for investment in the real estate market. These companies are subject to a special tax regime and must comply with the following obligations, among others:

1. Corporate purpose obligation. Their main corporate purpose must be to hold urban real estate for leasing and shares in other SOCIMIs or companies with a similar corporate purpose and with the same dividend distribution regime, as well as in Collective Investment Institutions.
2. Investment obligation.
 - They must invest 80% of their assets in real estate intended for lease, in land for the development of real estate that is to be used for this purpose, provided that the development begins within three years of its acquisition, and in shares in the capital of other companies with a corporate purpose similar to SOCIMIs'.
 - This percentage shall be calculated using the consolidated balance sheet in the event that the company is the parent of a group under the criteria established in Article 42 of Spanish Commercial Code, irrespective of residence and the obligation to file consolidated annual accounts. This group shall be made up exclusively of SOCIMIs and the other companies referred to in section 1 of Article 2 of Spanish Law 11/2009.
 - The book value of the assets may be replaced by their market value. Cash/credit rights arising from transferring these assets will not be taken into account as long as the maximum reinvestment periods established are not exceeded.
 - Furthermore, 80% of its revenues must come from income from: (i) real estate leasing; and (ii) dividends from holdings. This percentage shall be calculated using the consolidated balance sheet if the company is the parent of a group according to the criteria set out in Article 42 of Spanish Commercial Code, irrespective of residence and the obligation to file consolidated annual accounts. This group shall be made up exclusively of SOCIMIs and the other companies referred to in Article 2(1) of Spanish Law 11/2009.
 - The real estate must remain leased for at least three years (for the purposes of calculation, up to one year may be added to this period for the time it has been offered for lease). Shares must remain in the asset for at least three years.
3. Obligation to trade on a regulated market. SOCIMIs must be admitted to trading on a regulated market in Spain or in any other country where there is tax information exchange. The shares must be registered.
4. Obligation to distribute profits. Once commercial requirements have been met, the Company must distribute as dividends:
 - 100% of the profits from dividends or shares in profits distributed by the companies referred to in section 1 of Article 2 of Spanish Law 11/2009.
 - At least 50% of the profits arising from the transfer of real estate and shares or units referred to in Article 2(1) of Spanish Law 11/2009, made upon expiry of the minimum holding periods, allocated to the

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

fulfilment of their main corporate purpose. The remainder of these profits must be reinvested in other properties or holdings assigned to the fulfilment of this corporate purpose within three years of the date of transfer.

- At least 80% of the remaining profits obtained. When the distribution of dividends is made out of reserves from profits of a financial year in which the special tax regime has been applied, the distribution must be carried out as described above.
 - The legal reserve for companies which have opted to apply the special tax regime established in this Law may not exceed 20% of the share capital. The articles of association of these companies may not establish any other reserve of an unavailable nature other than the foregoing.
5. Disclosure obligations (see Notes 2 and 14). SOCIMIs must include in the notes to their annual accounts the information required by the tax regulations governing the special SOCIMI regime.
 6. Minimum capital. The minimum share capital is set at 5 million euros.

The special tax regime may be adopted under the terms established in Article 8 of the Spanish Law even if the requirements set out therein are not met, provided that such requirements are met within two years of the date on which the special tax regime was applied.

Failure to comply with any of the above conditions shall result in the Company being taxed under the general corporate income tax regime from the tax period in which this non-compliance becomes manifest unless it is remedied in the following year. Moreover, the Company shall be obliged to pay, together with the tax liability for that tax period, the difference between the tax liability resulting from applying the general system and the tax liability resulting from applying the special tax system in previous tax periods, without prejudice to any late payment interest, surcharges and penalties, if any, that may be applicable.

The corporate income tax rate for SOCIMIs is 0%. However, when SOCIMIs distribute dividends to their shareholders with a shareholding higher than 5% that are exempt or taxed at a rate of less than 10%, the SOCIMI shall be subject to a special levy of 19%, which shall be considered a corporate income tax liability, on the amount of the dividend distributed to those shareholders. If applicable, this special tax must be paid by the SOCIMI within two months of the date the dividend was distributed.

In relation to compliance with the requirements of the SOCIMI regime, the following should be noted:

In accordance with the applicable administrative regimes, during the 2023 financial year, 93% of the rental income derived from leasing residential properties.

As of the year ended 31 December 2023, the two-year period after which compliance with all of the above SOCIMI regime requirements is mandatory has not elapsed.

2. Basis for presentation of the abridged annual accounts

2.1. Regulatory financial reporting framework applicable to the Company

These abridged annual accounts have been prepared by the Company's directors in accordance with the regulatory financial reporting framework applicable to the Company, which is set out in:

- a) The Spanish Commercial Code, the Spanish Law on Structural Modifications and other commercial legislation.
- b) The General Accounting Plan approved by Spanish Royal Decree 1514/2007, which was amended by Spanish Royal Decree 602/2016 and Spanish Royal Decree 1/2021 and its sectoral adaptations, in particular, the Sectoral Adaptation of the General Accounting Plan for Real Estate Companies approved by Order of 28 December 1994.
- c) The mandatory rules approved by the Spanish Accounting and Audit Institute.
- d) All other applicable Spanish accounting regulations.

2.2. True and fair view

The accompanying abridged annual accounts have been drawn from the Company's accounting records and are submitted in accordance with the applicable regulatory financial reporting framework and in particular the accounting principles and criteria contained therein to fairly present the Company's net worth, financial position, profit or loss and cash flows for the corresponding year. These abridged annual accounts, which have been prepared by the Directors of the Company, shall be submitted for the General Shareholders' Meeting's approval, and it is expected that they will be approved without any changes. The abridged annual accounts for 2022 were approved by the sole shareholder at that time, Altamar Real Estate, S.L.U., on 26 June 2023.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

2.3. Non-mandatory accounting principles applied

No non-mandatory accounting principles have been applied. In addition, the directors have prepared these abridged annual accounts taking into account all the mandatory accounting principles and standards that have a significant effect on these abridged annual accounts. There are no accounting principles which, being mandatory, are no longer applied.

2.4. Critical issues in valuation and estimate of uncertainty

In preparing the accompanying abridged annual accounts estimates have been made based on past experience and other factors that are considered reasonable under current circumstances and which constitute the basis for establishing the carrying amounts of certain assets, liabilities, income, expenses and commitments whose value cannot be readily ascertained from other sources. The Company continually reviews its estimates.

Although these estimates have been made based using the best information available at year-end 2023, future events may make it necessary to change them (upwards or downwards) in the coming years, prospectively if necessary.

The main assumptions made and other significant sources of estimate uncertainty at the closing date, which could have a material effect on the abridged annual accounts in the coming year, relate to:

- The assessment of the financial position (Note 2.8).
- The useful life of investment property.
- The recoverable value of investment property based on valuations carried out by independent third-party experts.
- The estimate of the asset management fee detailed in Note 1.
- The estimate of compliance with the conditions set out in the SOCIMI regime and the corporate income tax expense pursuant to the regulations applicable to SOCIMI regime companies (Note 14).
- The assessment of litigation, commitments, contingent assets and liabilities at year-end (Note 9).

2.5. Information comparison

The application of the accounting criteria in financial years 2023 and 2022 has been uniform and, therefore, there are no transactions or operations that have been recorded following different accounting principles that might give rise to discrepancies when interpreting the comparative figures for both periods.

The information in this abridged report in relation to the 2022 financial year refers only to the period between 30 May 2022 (date of the Company's incorporation) and 31 December 2022, as this was the Company's first financial year.

2.6. Grouping of items

Certain items on the balance sheet, profit and loss account, statement of changes in equity and the cash flow statement are grouped together to facilitate their understanding, although, to the extent that it is significant, disaggregated information has been included in the corresponding notes to the abridged report.

2.7. Changes in accounting policies

During the financial year that ended 31 December 2023 there have been no significant changes in accounting criteria with respect to the criteria applied in the 2022 financial year.

2.8. Financial position

At 31 December 2023 the Company has a positive working capital of 7,239 euros (negative working capital at 31 December 2022 of 1,731 euros). Additionally, the company has a positive equity of 5,541,996 euros (negative equity at 31 December 2022 amounting to 1,731 euros).

In this context, the Company's directors have decided to prepare these abridged annual accounts on a going concern basis, which implies the recovery of assets and the settlement of liabilities for the amounts and according to the classification in the accompanying balance sheet, considering that the generation of operating cash flows, sources of financing together with possible commitments to defer the debts with related parties described, as well as the investment commitments acquired by the shareholders, mitigate the uncertainty regarding the continuity of the Company's operations.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

3. Appropriation of Profit/(loss)

The negative result shown in the profit and loss account for the year ended 31 December 2023 will be applied to negative results from previous years.

3.1. Restrictions on dividend distribution

The Company is obliged to allocate 10% of the profit for the year to the legal reserve until it reaches at least 20% of the share capital. This reserve may not be distributed to shareholders until it exceeds 20% of the share capital.

Dividends may only be distributed out of the profit for the year, or out of unrestricted reserves, if the value of the net assets is not or, as a result of the distribution, does not turn out to be less than the share capital, after the amounts provided for by law or the Articles of Association have been covered. For these purposes, profits attributed directly to equity may not be distributed, either directly or indirectly. If there are losses from previous years that cause the value of the Company's equity to be less than the share capital, the profit shall be used to offset these losses.

As at 31 December 2023 and 2022, the Company has not distributed any dividends.

3.2. Compulsory distribution of dividends

As a result of its inclusion in the SOCIMI regime and as set out in Article 29 of its Articles of Association, the Company is obliged to distribute the profit obtained during the year to its shareholders in the form of dividends once the corresponding commercial obligations have been met, in accordance with the provisions of Article 6 of Spanish Law 11/2009, of 26 October, which regulates listed public limited companies for investment in the real estate market (SOCIMI).

4. Recording and valuation rules

4.1. Investment property

Investment property on the balance sheet comprises the values of land, buildings and other structures held either to operate them on a rental basis or to obtain a capital gain on their sale due to future increases in their respective market prices.

Investment property is initially measured at acquisition or production cost and are subsequently reduced by any related accumulated depreciation and impairment losses.

The costs of expansion, modernisation or improvements resulting in increased productivity, capacity or efficiency or a lengthening of the useful lives of the assets are capitalised as an increase in the cost of the assets concerned, while upkeep and maintenance expenses are charged to the profit and loss account the year they are incurred.

For investment property that require more than one year to be ready for use, the capitalised costs include financial expenses accrued before the asset is ready for use and which have been drawn down by the supplier or relate to loans or other specific or general external financing directly attributable to the acquisition or manufacture of the asset. In 2023, no finance costs have been capitalised under this item.

The Company depreciates its investment property using the straight-line method, distributing the assets' cost over the years of estimated useful life, as follows:

	Years of estimated useful life
Buildings	50
Furniture	10

Given the programme's investment strategy of purchasing assets that require urban development and refurbishment, depreciation is taken to begin once that work has been completed and the buildings are ready to be marketed for rental. Until that time, any leased properties are considered residual.

Profits or losses from the sale or retirement of an asset are determined as the difference between its net book value and its selling price and are recognised under 'Impairment and gains or losses on disposal of fixed assets' in the profit and loss account.

When there are indications of impairment, the Company analyses each investment property to assess whether the assets' recoverable amount has fallen below their carrying amount, with the recoverable amount being the higher of fair value less cost of sale and value in use. Value in use is defined as the present value of the

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

estimated future cash flows that are expected to arise from the continuing use of the asset and, where appropriate, from its sale or disposal by other means, taking into account its current condition, and applying a discount according to risk-free market interest rates, adjusted for risks specific to the assets for which the estimated future cash flows have not been adjusted.

The Company makes appropriate provisions for impairment of investment property when the recoverable amount is lower than the carrying amount. The directors use valuations performed by independent third-party experts to establish the recoverable amount. At year-end 2023 that valuation was carried out by Savills.

The valuation basis used by the independent expert valuer is market value, which has been carried out in accordance with the Red Book 'RICS Valuations (Royal Institute Chartered Surveyor) - Professional Standards. Incorporating the International Valuations Standards', based on the edition published in November 2021 and effective as of 31 January 2022: 'the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.

The valuation methodology used by the independent third-party expert was based on individual valuations with inspection of the properties. For the valuation of the units, the discounted cash flow method was used, as these are assets that are yielding a return. In this regard, the valuation has been carried out on the basis of a discounted cash flow with the income generated by the rental income and the costs inherent to maintaining these assets (taxes, maintenance), as well as an estimate of the cost of refurbishing the asset once the lease contract has terminated and prior to marketing it for sale.

The methodology for the terminal value or exit price was the Comparison Method, with a view to obtaining comparable real estate for sale in the unit's area of influence.

The properties have been valued individually, considering each of the lease contracts in force at the end of the year. Buildings with unlet surface areas have been valued on the basis of estimated future rentals, discounting a marketing period.

This method's key variables are the determination of the net income, the period over which the income is discounted, the approximation of the value at the end of each period and the target internal rate of return used to discount the cash flows.

At 31 December 2023, according to the valuation report drawn up by the independent expert, the valuation of the investment property shows no indications of impairment, with the market value of the already acquired asset being 8,922 thousand euros (this valuation does not include advances on future acquisitions). At 31 December 2023 no impairment was recorded in the company. In this respect, a potential 10% decrease in valuations would not result in any impairment being recorded at the end of the period.

Current investment property

Amounts paid on account of future acquisitions of investment property are recorded as assets and adjustments arising from the revaluation of the asset associated with the advance give rise to the recording of financial income as they accrue. No discounting is required in the case of advances maturing within one year whose financial effect is not material.

Advances are derecognised when the investment property is incorporated, in progress or completed, into the Company's assets. Where there are doubts as to the recoverability of the advance payment's carrying amount, the Company recognises the corresponding impairment loss on the same basis as it does for investment property.

4.2. Leases

Leases are classified as finance leases provided that the terms thereof show that all the risks and rewards incidental to ownership of the leased asset are substantially transferred to the lessee. Other leases are classified as operating leases.

At 31 December 2023, all leases held by the Company are considered to be operating leases.

Operating leases -

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

In addition, the acquisition cost of the leased asset is recognised in the balance sheet according to its nature, increased by the amount of directly attributable contract costs, which are recognised as an expense over the term of the contract, applying the same criteria used to recognise lease income.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

Any collections or payments that may be made under an operating lease are treated as prepayments or collections and are recognised in profit or loss over the lease term as the profits of the leased asset are transferred or received.

4.3. Financial instruments

4.3.1. Financial assets at amortised cost

This category includes financial assets, including those admitted to trading on an organised market, in which the Company holds the investment to receive the cash flows arising from the performance of the contract, and the contractual terms of the financial asset give rise, at specific dates, to cash flows that are solely collections of principal and interest on the outstanding principal.

Contractual cash flows that are solely collections of principal and interest on the outstanding principal are inherent in an arrangement that is of a regular or ordinary loan type, regardless of whether the transaction is arranged at a zero or below-market interest rate.

This category includes trade receivables and non-trade receivables:

(a) Trade receivables: financial assets arising from the sale of goods and the rendering of services in the ordinary course of business with deferred payment; and

(b) Non-trade receivables: financial assets which, while not being equity instruments or derivatives, do not arise from trade transactions and whose collections are of a fixed or determinable amount and which arise from loans or credit operations granted by the company.

Initial valuation

Financial assets classified in this category are initially valued at fair value, which, unless there is evidence to the contrary, is the transaction price or the fair value of the consideration given plus any directly attributable transaction costs.

However, trade receivables maturing within one year that do not have an explicit contractual interest rate, as well as receivables from employees, dividends receivable and payments due on equity instruments, the amount of which is expected to be received in the short term, are measured at nominal value insofar as the effect of not discounting the cash flows is deemed not to be material.

Subsequent valuation

Financial assets included in this category are valued at amortised cost. Accrued interest shall be recognised in the profit and loss account using the effective interest method.

However, receivables maturing within one year which, in accordance with the provisions of the preceding paragraph, are initially valued at their nominal value, continue to be valued at that amount, unless they are impaired.

When the contractual cash flows of a financial asset change because of the issuer's financial difficulties, the company assesses whether an impairment loss should be recognised.

Impairment

Impairment losses are recognised at least at the balance sheet date and whenever there is objective evidence that a financial asset, or a group of financial assets with similar risk characteristics valued collectively, is impaired due to one or more events occurring after its initial recognition that result in a reduction or delay in the estimated future cash flows, which may be caused by the debtor's insolvency.

In general, the impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows, including, where applicable, those from the enforcement of collateral and personal guarantees, which are considered will occur, discounted at the effective interest rate calculated at the time of initial recognition. For floating rate financial assets, the effective interest rate at the closing date of the abridged annual accounts is used in accordance with the contractual conditions.

Impairment losses, as well as their reversal when the impairment loss decreases due to a subsequent event, are recognised as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would have been recognised at the date of reversal if no impairment had been recognised.

4.3.2. Financial assets at cost

In any case, the following are included in this valuation category:

- a) Investments in the equity of group companies, jointly controlled entities and associates.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

b) Other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or cannot be reliably estimated, and derivatives that have these as their underlying investments.

c) Hybrid financial assets whose fair value cannot be reliably estimated, unless they qualify for recognition at amortised cost.

d) Contributions made as a result of a joint venture and similar agreements.

e) Participating loans whose interest is contingent either because a fixed or variable interest rate is agreed to be payable on the achievement of a milestone in the borrower's company (e.g. the achievement of profits) or because it is calculated solely by reference to the performance of the borrower's activity.

f) Any other financial asset that is initially classified at fair value through profit or loss when it is not possible to obtain a reliable estimate of its fair value.

Initial valuation

Investments included in this category are initially valued at cost, which is the fair value of the consideration given plus directly attributable transaction costs, the latter not being included in the cost of investments in group companies.

However, where an investment exists prior to its classification as a group company, jointly-controlled entity or associate, the cost of this investment is deemed to be the book value that the investment should have had immediately before the company was classified as such.

The initial valuation includes the amount of any pre-emption rights and similar rights that may have been acquired.

Subsequent valuation

Equity instruments included in this category are valued at cost less any accumulated impairment losses.

When these assets are to be valued due to derecognition or otherwise, the weighted average cost method is applied for homogeneous groups, i.e. securities with equal rights.

In the case of the sale of pre-emption rights and similar rights or the segregation thereof for the purpose of exercising them, the cost of the rights reduces the carrying amount of the respective assets.

Contributions made following a joint venture and similar contracts are valued at cost, increased or decreased by the profit or loss, respectively, accruing to the company as non-managing venturer, less any accumulated impairment losses.

The same applies to participating loans whose interest is contingent either because a fixed or variable interest rate conditional on the achievement of a milestone in the borrowing company (e.g. profit) is agreed, or because it is calculated solely by reference to the performance of the borrower's business. If irrevocable fixed interest is agreed in addition to contingent interest, the latter is accounted for as financial income on an accruals basis. Transaction costs are taken to the profit and loss account on a straight-line basis over the life of the equity loan.

Impairment

The necessary value adjustments are made at least at year-end whenever there is objective evidence that the carrying amount of an investment will not be recoverable. The amount of the impairment loss is the difference between the carrying amount and the recoverable amount, which is the higher of fair value less selling costs and the present value of the future cash flows arising from the investment, which in the case of equity instruments is calculated either by estimating the future cash flows from the investment or by calculating the future cash flows from the investment, either by estimating those expected to be received from the dividend distribution by the investee and from the disposal or derecognition of the investment in the investee or by estimating its share of the cash flows expected to be generated by the investee from its ordinary activities and from its disposal or derecognition.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the impairment loss on this type of asset is calculated on the basis of the equity of the investee and the unrealised gains existing at the valuation date, net of the tax effect. In determining this value, and provided that the investee has itself invested in another investee, the equity included in the consolidated annual accounts prepared in accordance with the criteria of the Spanish Commercial Code and its implementing regulations is taken into account.

The recognition of impairment losses and, where applicable, their reversal, are recorded as an expense or income, respectively, on the income statement. The reversal of impairment is limited to the carrying amount of the investment that would have been recognised at the date of reversal if no impairment had been recognised.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

However, if an investment in the company had been made prior to its classification as a group company, jointly controlled entity or associate and, prior to that classification, valuation adjustments have been made and recognised directly in equity for that investment, those adjustments are retained after classification until the investment is disposed of or derecognised, at which time they are recognised in the profit and loss account, or until the following circumstances occur:

(a) In the case of previous valuation adjustments for value increases, impairment allowances shall be recorded against the equity item reflecting the valuation adjustments previously made up to the amount of the adjustments and any excess shall be recorded in the profit and loss account. Impairment losses recognised directly in equity are not reversed.

b) In the case of previous impairment adjustments, when the recoverable amount subsequently exceeds the investments' carrying amount, the latter is increased up to the limit of the aforementioned reduction in value against the item that has recorded the previous impairment adjustments and from that moment onwards the new amount arising is considered the investment's cost. However, if there is objective evidence of impairment of the investment's value, the accumulated losses are recognised directly under equity in the profit and loss account.

With respect to impairment losses in trade and other receivables, the Company calculates any impairment losses on the basis of a specific analysis for each debtor based on its creditworthiness. At 31 December 2023, there are no debtor balances with a risk of default that have not been provisioned for.

4.3.3. Financial liabilities at amortised cost

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

a) Trade payables: financial liabilities arising from the purchase of goods and services for business transactions with deferred payment; and

b) Non-trade payables: financial liabilities which are not derivative instruments and do not have a trade origin, but rather arise from loan or credit transactions received by the company.

Equity loans that resemble ordinary or common loans are also included in this category without prejudice to the agreed interest rate (zero or below market).

Initial valuation.

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

However, trade payables falling due within one year and which do not have a contractual interest rate, as well as disbursements required by third parties on holdings, the amount of which is expected to be paid in the short term, are valued at their nominal value when the effect of not discounting the cash flows is not material.

Subsequent valuation.

Financial liabilities included in this category are valued at amortised cost. Accrued interest is recognised in the profit and loss account using the effective interest method.

However, debts maturing within one year that are initially measured at nominal value continue to be valued at that amount.

4.4. Income tax

General regime

The income tax expense or income comprises the current tax expense or income and the deferred tax expense or income.

Current tax is the amount payable by the Company as a result of income tax assessments for a period. Tax credits and other tax benefits, excluding withholdings and prepayments, as well as tax losses carried forward from previous years and effectively applied in the current year, result in a lower amount of current tax.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences which are identified as amounts expected to be payable or recoverable arising from differences between the carrying amounts of assets and liabilities and their tax bases, as well as tax loss carryforwards and tax credit carryforwards. These amounts are recognised by applying the tax rate at which they are expected to be recovered or settled to the corresponding temporary difference or credit.

Deferred tax liabilities are recognised for all taxable temporary differences, except those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit and is not a business combination.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

Deferred tax assets are only recognised to the extent that it is considered likely that future taxable profit will be available against which the deferred tax asset can be utilised.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised with offset in equity.

At each balance sheet date, the deferred tax assets recognised are reviewed and adjusted if there are doubts as to their future recoverability. Likewise, off-balance sheet deferred tax assets are assessed at each balance sheet date and recognised to the extent that it becomes likely that they will be recoverable against future taxable profits.

SOCIMI Regime

Pursuant to Spanish Law 11/2009 of 26 October 2009, as amended by Spanish Law 16/2012 of 27 December 2012 and by Spanish Law 11/2021 of 9 July 21, which regulates listed public limited companies for investment in the real estate market, companies meeting the requirements defined in the regulations and opting to apply the special tax regime provided for in the aforementioned Law will be taxed at a corporate income tax rate of 0%. The amendment to Law 11/2021 imposes a 15% tax on profits not distributed through dividends, which is not applicable to the Company in the year ended 31 December 2022. In the event that tax losses are generated, Article 26 of Spanish Law 27/2014, 27 November, on Corporate Income Tax, will not be applicable. Likewise, the system of deductions and allowances established in Chapters II, III and IV of the aforementioned law shall not apply. In all other matters not provided for in the SOCIMI Law, the provisions of Spanish Law 27/2014 on Corporate Income Tax shall apply supplementarily.

The Company shall be subject to a special tax of 19% on the full amount of dividends or shares in profits distributed to shareholders whose interest in the share capital of the company is equal to or greater than 5%, when such dividends are exempt or taxed at a tax rate of less than 10%. This tax shall be treated as a corporate income tax liability.

The provisions of the preceding paragraph shall not apply when the shareholder receiving the dividend is a company to which this Law applies.

Furthermore, as detailed in the amendments included in Spanish Law 11/2021 of 9 July, the company shall be subject to a special tax of 15% on the amount of the profits obtained in the financial year that are not distributed, in respect of the part deriving from income that has not been taxed at the general corporate income tax rate or income subject to the reinvestment period regulated in letter b) of section 1 of 6 of this Law. This tax shall be treated as a corporate income tax liability.

At 31 December 2023, the directors declare that there is no breach of the requirements of the SOCIMI Regime, as the two-year period from the date of application to adhere to the SOCIMI Regime has not elapsed, after which compliance with the SOCIMI Regime is required. In any event, the Company's directors periodically monitor compliance with the conditions established in the aforementioned tax regime.

4.5. Cash and cash equivalents

This balance sheet caption includes cash on hand, current bank accounts and deposits and reverse repurchase agreements that meet all of the following requirements:

- They are convertible into cash.
- At the time of acquisition, their maturity did not exceed three months.
- They are not subject to a significant risk of change in value.
- They form part of the Company's normal cash management policy.

4.6. Equity

Share capital is represented by ordinary shares.

In the case of acquisition of the Company's own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until cancellation, reissue or disposal. When these shares are subsequently sold or reissued, any amount received, net of any directly attributable incremental transaction costs, is included in equity.

4.7. Current and non-current items

Current assets are defined as assets related to the normal operating cycle, which is generally considered to be one year, as well as other assets whose maturity, disposal or realisation is expected to occur in the short term from the reporting date, financial assets held for trading, with the exception of financial derivatives with a settlement period exceeding one year and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

Similarly, current liabilities are those linked to the normal operating cycle, financial liabilities held for trading, with the exception of financial derivatives whose settlement period exceeds one year and, in general, all obligations maturing or coming due in the short term. Otherwise, they are classified as non-current.

4.8. Functional currency

The information in these notes to the abridged report is expressed in euros, as this is the currency of the main economic environment in which the Company operates.

4.9. Provisions and contingencies

In preparing the abridged annual accounts, the Company's directors make a distinction between:

- a) Provisions: credit balances covering present obligations arising from past events, the settlement of which is likely to give rise to an outflow of resources but which are uncertain as to their amount and/or timing.
- b) Contingent liabilities: possible obligations arising from past events, the future realisation of which is conditional on the occurrence or non-occurrence of one or more future events beyond the Company's control.

The abridged annual accounts include all provisions for which it is considered more likely than unlikely that the obligation will have to be settled. Unless they are considered remote, contingent liabilities are not recognised in the abridged annual accounts and are disclosed in the notes to the abridged report.

Provisions are valued at the present value of the best possible estimate of the amount required to settle or transfer the obligation taking into account available information on the event and its consequences, with adjustments arising from the discounting of such provisions being recognised as a finance cost as accrued.

The compensation to be received from a third party at the time of settlement of the obligation, provided that there is no doubt that that reimbursement will be received, is recorded as an asset except when there is a legal link whereby part of the risk has been externalised and the Company is not liable; in this situation, the compensation is taken into account when estimating the amount for which, if any, the corresponding provision will be recorded.

4.10. Transactions with related parties

The Company carries out all transactions with related parties at market values. In addition, transfer prices are properly supported and, therefore, the Company's directors consider that there are no significant risks in this respect that could give rise to material liabilities in the future.

4.11. Income and expenses

Revenues are recognised at the fair value of the consideration receivable and represent the amounts receivable for services rendered in the ordinary course of the Company's business, less returns, rebates, discounts and value added tax.

Service provision

The following successive steps must be followed to apply the above fundamental principle:

- identify customer contracts;
- identify the obligations to be fulfilled;
- determine the price or consideration for the contract transaction;
- allocate the transaction price among the obligations to be fulfilled; and
- recognise revenue when (or as) the entity satisfies each committed obligation.

The Company provides rental services. Based on the Company's analysis, all revenue is derived from property leases which are recorded under the heading 'Investment property' under the classification of operating leases. These revenues are recognised based on their accrual and the fulfilment of the obligation of use, with the incentive benefits and the initial costs of the lease contracts being distributed on a straight-line basis.

The costs related to each lease instalment, including impairment charges, are recognised as an expense.

4.12. Environmental assets and liabilities

Environmental assets are considered to be assets used on a lasting basis in the Company's activity, the main purpose of which is to minimise the environmental impact and protect and improve the environment, including reducing or eliminating future pollution.

ELIX RENTAL HOUSING SOCIMI II, S.A. Abridged report for the 2023 financial year

In view of the Company's current activities, it does not record any environmental liabilities, expenses, assets, provisions or contingencies that could be material to its equity, financial position or profit/(loss).

The Company's Directors consider that there are no significant contingencies related to the protection and improvement of the environment and do not consider recording any provision for environmental risks and expenses at 31 December 2023 and 2022 necessary.

5. Investment property

The movements in this heading in the balance sheet for the year ended 31 December 2023, as well as the most significant information affecting this caption, were as follows:

2023 financial year

	Euros			
	31/12/2022	Euros	Euros	31/12/2023
Land and buildings:				
Investments in land	-	5,777,520	-	5,777,520
Investments in buildings	-	1,643,774	-	1,643,774
Advances to suppliers	-	1,811,822	-	1,811,822
Accumulated depreciation	-	-	-	-
Total	-	9,233,116	-	9,233,116

The Company's investment property corresponds to properties intended for refurbishment and subsequent rental operation.

Additions during 2023 relate mainly to the acquisition of a property located in Madrid and the amounts paid in the earnest money contract for several additional buildings.

In this regard, on 31 October 2023, the Company acquired a residential property located in Madrid for 7,100,000 euros.

At the end of 2023, the Company has firm commitments to carry out new investments corresponding to the aforementioned engaged properties for 1,734,500 euros, with the acquisitions expected to be formalised during the first half of 2024.

As at 31 December 2023 there are no fully depreciated investment property.

The information on operating income and expenses generated by investment property is as follows:

	As at 31 December 2023
Rental income	29,580
Operating expenses arising from investment property generating rental income	814,594
Operating expenses arising from investment property not generating rental income	-

At year-end 2023 the Company has assets with a cost value of 7,420,939 euros with a mortgage charge for financing contracts or others amounting to 4,000,000 euros (note 10). The associated loans have accrued interest expenses of 41,714 euros recorded under the balance of the profit and loss account heading 'Financial expenses'.

At year-end 2023, there are no restrictions on the realisation of new investment property or on the collection of income therefrom nor are there any restrictions on the proceeds from a possible disposal.

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

The Company's policy is to take out insurance policies to cover any risks to which the different elements of its investment property are subject. At year-end 2023, there is no shortfall in coverage for these risks.

6. Leases

In its position as lessee, at 31 December 2023, most of the Company's operating leases can be terminated by the lessees with a notice period of one month, for the most part.

Operating leases minimum lease payments	Euros
	31.12.2023
Less than one year	67,735
Between one and five years	63,691
More than five years	9,019

At year-end 2023, the Company held 2,940 euros as amounts received from lessees as required deposits and guarantees (Note 10).

7. Financial assets

7.1 Long-term and short-term financial assets at amortised cost

The balance of the accounts under the heading 'Long-term financial investments' at 31 December 2023 (no data at 31 December 2022) is as follows:

2023 financial year

	Euros			
	Third-party receivables	Guarantees	Other financial assets	Total non- current
Financial assets at amortised cost	255,178	-	-	255,178
Balance at 31 December 2023	255,178	-	-	255,178

On 17 July 2023 a long-term credit agreement was entered into with one of the Company's shareholders and managers for 250,000 euros, maturing in July 2025 and repayable upon maturity. The balance includes 5,178 euros corresponding to interest accrued in 2023 until 31 December, also payable at maturity and recorded in the profit and loss account under 'Financial income'.

The balance of the accounts under the heading 'Trade and other receivables' as at 31 December 2023 (with no balance as at 31 December 2022) is as follows:

2023 financial year

	Euros		
	Trade receivables	Sundry accounts payable	Total

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

Financial assets at amortised cost	0	9,305	9,305
Balance at 31 December 2023	0	9,305	9,305

At 31 December 2023 the balance of trade receivables for sales was 13,950 euros and corresponds entirely to the balance of unpaid leases at year-end. This balance is fully provisioned for at year-end under 'Impairment losses on trade operations' in the profit and loss account.

8. Cash and cash equivalents

The details of cash and cash equivalents at 31 December 2023 and 2022 are as follows:

	31/12/2023	31/12/2022
Treasury	1,250,920	13,554
	1,250,920	13,554

The company holds 600,000 euros in restricted cash at 31 December 2023 (none at 31 December 2022) as security for the mortgage referred to in note 10.

9. Financial liabilities at amortised cost

The balance of the accounts under 'Short-term liabilities' and 'Trade and other payables' at year-end 2023 and 2022 is as follows:

	Short-term financial instruments			TOTAL
	Interest-bearing loans and borrowings	Other financial liabilities	Sundry accounts payable	
2023 financial year				
Liabilities at amortised cost	453,883	680,786	126,884	1,261,553
TOTAL	453,883	680,786	126,884	1,261,553

	Short-term financial instruments (Sundry accounts payable)	TOTAL
2022 financial year		
Liabilities at amortised cost	16,133	16,133
TOTAL	16,133	16,133

The balance with credit institutions corresponds to the balance of the credit facility at year-end for 403,001 euros and the balance of accrued interest of 50,882 euros pending payment at year-end corresponding to the mortgage (41,714 euros) and accrued interest on the credit facility (9,168 euros).

The item 'Other financial liabilities' mainly corresponds to the amount paid (680,876 euros) by new investors on the basis of the capital contribution request made by the Company in December 2023. This capital call was formalised by means of a capital increase and share premium, which was formalised in a public deed on 14 February 2024. It also includes the balance with various shareholders for the amounts received by the Company and corresponding to these shareholders for financial restatement (amounting to 20,908 euros).

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

The balance of 'Sundry creditors' at year-end 2023 includes 124,986 euros held with the managers of the investment project.

The balance of the accounts under the heading 'Long-term liabilities' at year-end 2023 (no data in 2022) is as follows:

	Long-term financial instruments		TOTAL
	Interest-bearing loans and borrowings	Other financial liabilities	
2023 financial year			
Liabilities at amortised cost	3,950,597	2,940	3,953,537
TOTAL	3,950,597	2,940	3,953,537

The balance of 'Interest-bearing loans and borrowings' includes a 4,000,000 euro debt for the principal of the mortgage referred to in note 9.1. and 49,403 euro of the formalisation expenses for this debt. The 2,940 euros of 'Other financial liabilities' correspond to guarantees received from housing lease customers (note 5).

9.1. Interest-bearing loans and borrowings

In 2023 the Company formalised the following debt operations:

- Mortgage for the acquisition of the property described in note 5, by deed dated 31 October 2023. This loan, with a principal of 5,000,000 euros, has a two-year grace period and a 12-year repayment period with half-yearly instalments. Interest is payable half-yearly, being fixed until 31 October 2024 and thereafter indexed to the 6-month Euribor plus a market spread. Starting 1 January 2026 the loan is subject to compliance with market standard covenants (LTV and RCSD). The balance drawn down at 31 December 2023 amounts to 4,000,000 euros.
- Credit facility with annual maturity, with a limit of 3,000,000 euros, interest payable half-yearly and indexed to 12-month Euribor plus a market spread. The undrawn balance of the policy is at market cost. The balance drawn down at 31 December 2023 amounts to 403,000 euros.

The Company had no balances with credit institutions at 31 December 2022.

10. Equity and shareholders' equity

10.1. Share capital

The Company was incorporated on 30 May 2022 with a share capital of 60,000 euros, represented by 60,000 shares of one euro par value each, numbered sequentially from 1 to 60,000, fully subscribed and 25% paid up. The sole shareholder at that time approved on 26 June 2023 to pay up 75% of the outstanding share capital. In addition, the following capital increases were carried out during 2023:

- On 26 June 2023, the Company's sole shareholder approved a new capital increase by means of a cash contribution amounting to 2,046,385 euros through the issue of 102,318 new ordinary shares and with a share premium of 19 euros per share. This capital increase was registered at the Madrid Commercial Registry on 27 July 2023.
- On 29 July 2023 the Board of Directors, by virtue of the sole shareholder's delegation resolution, partially executed the capital increase –agreed by the sole shareholder resolution of 26 June 2023– which was subsequently executed in a public deed before Mr Antonio Morenés Giles, notary public of Madrid, on 20 October 2023 under number 1,281 of his official records, with a total cash contribution of 829,657 euros, through the issue of 41,483 new shares with a par value of 1 euro and a share premium of 19 euros per share. The total increased capital and share premium amounted to 41,483 euros and 788,174 euros, respectively.
- On 16 October 2023, the Board of Directors, by delegation resolution of the sole shareholder, partially executed the capital increase –agreed by sole shareholder resolution of 26 June 2023– which was subsequently executed in a public deed before Mr Antonio Morenés Giles, notary public of Madrid, on 20 October 2023 under number 1,281 of his official records, by means of a cash contribution for a total amount

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

of 3,500,000 euros, with the issue of 175,002 new shares with a par value of 1 euro and a share premium of 19 euros per share. The total increased capital and share premium amounted to 175,002 euros and 3,324,998 euros, respectively.

At 31 December 2023, the Company's shares are listed on the Access market of Euronext Paris (note 1).

Below is a list of shareholders who, as of 31 December 2023, held a significant shareholding (10% or more) in the Company:

Shareholder	Number of shares	% capital
Altan IV Global, IICIICIL	40,415	12.7%
Fondo de Inversión LarrainVial AltamarCAM Value Add Real Estate España	34,744	10.9%

Below is a list of shareholders who, as of 31 December 2022, held a significant shareholding in the Company:

Shareholder	Number of shares	% capital
Altamar Real Estate S.L.U.	60,000	100.00%

10.2. Legal and other reserves

In accordance with the Spanish Companies Act, the company must transfer 10% of the profit for the year to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may only be used to increase the share capital in the portion of the balance of the legal reserve that exceeds 10% of the increased share capital. Except for the aforementioned purpose, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

In accordance with Spanish Law 11/2009, which regulates listed public limited companies for investment in the real estate market (SOCIMI), the legal reserve of companies that have opted for the application of the special tax regime established in this law may not exceed 20% of the share capital. The articles of association of these companies may not establish any other reserve.

As of 31 December 2023, the minimum legal reserve has not been established.

10.3. Limitations on the distribution of dividends

Given its status as a SOCIMI, and as set out in Article 38 of its Articles of Association, upon fulfilment of the corresponding commercial obligations, the Company is obliged to distribute the profit obtained during the year as dividends to its shareholders in accordance with the provisions of Article 6 of Spanish Law 11/2009 of 26 October, as amended by Spanish Law 16/2012 of 27 December and by Law 11/2021 of 9 July, which regulates listed public limited companies for investment in the real estate market (SOCIMI).

After covering the expenses provided for by law or the Articles of Association, dividends may only be distributed out of the profit for the year, or out of unrestricted reserves, if the value of the net assets is not or does not turn out to be as a result of the distribution less than the share capital. For these purposes, profits charged directly to net assets may not be distributed, either directly or indirectly. If there are losses from previous years that cause the value of the Company's equity to be less than the amount of share capital, the profit shall be used to offset those losses.

At 31 December 2023 and 2022, the Company has not distributed any dividends.

10.4. Treasury shares

In relation to treasury shares or shares of the parent company held by the Company or by a third party acting on its behalf, the following is indicated (zero balance in 2022):

31 December 2023

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

	No. of shares	Acquisition cost (Euros)	Average acquisition price (euros per share)	Total acquisition cost (euros)	Average disposal price (euros per share)	Total amount of disposals (euros)
Treasury shares	60,000	60,000	1	60,000	-	-

This treasury stock is managed by Renta 4, the Company's liquidity provider.

11. Provisions and contingencies

At 31 December 2023, the Company is not aware of any contingencies or litigation in progress that could have a material impact on the accompanying abridged annual accounts (unchanged from the previous year).

12. Financial risk management

12.1 Financial risk factors

The Company's activities are exposed to various financial risks: market risk, credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management programme focuses on the uncertainty of financial markets and seeks to minimise the potential adverse effects on the Company's financial performance.

a) Market risk

Foreign exchange risk

The Company operates domestically and all its operations are conducted in euros. Therefore, its functional currency is not exposed to foreign exchange risk from transactions in foreign currencies. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations that the Company does not carry out.

Price risk

Due to the absence of listed financial instruments recorded on its balance sheet, the Company is not significantly exposed to equity price risk.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from financial debt. Borrowings issued at floating rates expose the Company to cash flow interest rate risk, which is partially offset by cash held at floating rates. Fixed rate borrowings expose the Company to fair value interest rate risk.

b) Credit risk

Credit risk is defined as the risk of financial loss faced by the Company if a customer or counterparty fails to meet its contractual obligations. The Company does not have significant concentrations of credit risk. Likewise, the Company maintains its cash and cash equivalents with financial institutions with a high credit rating.

c) Liquidity risk

Liquidity risk is defined as the risk of the Company encountering difficulties in meeting its obligations related to financial liabilities that are settled by the delivery of cash or other financial assets. The Company manages liquidity risk prudently by borrowing only from financial institutions with high credit ratings.

To ensure liquidity and to be able to meet all payment commitments arising from its business activities, the Company has the cash and cash equivalents shown in its balance sheet. In addition, the Company intends to make capital calls to investors with a formal investment commitment letter prior to the acquisition of new investments.

12.2. Information on average supplier payment period

The information required by the third additional provision of Spanish Law 15/2010, of 5 July (as amended by the second final provision of Spanish Law 31/2014, of 3 December) prepared in accordance with the Resolution of the Spanish Accounting and Audit Institute (ICAC, as per its Spanish acronym) of 29 January 2016, on the information to be included in the abridged annual report of the abridged annual accounts regarding the average supplier payment period for commercial transactions, is detailed below.

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

	2023	2022
	Days	Days
Average supplier payment period	4	39
Ratio of transactions paid	3	43
Ratio of transactions pending payment	18	35
	Amount	Amount
Total payments made	8,193,683	2,643
Total payments pending	129,318	4,127

In accordance with the new regulations required by Article 9 of Spanish Law 18/2022 of 28 September, in addition to the above data, the following information is provided:

Number (units)	2023	2022
Invoices paid before the maximum legal deadline for payment to suppliers	184	8
Percentage of total supplier invoices	89%	73%
Volume (thousands of euros)	2023	2022
Invoices paid before the maximum legal deadline for payment to suppliers	8,112	2,643
Percentage of total supplier invoices	99%	39%

The 'Average supplier payment period' is understood to be the period from the invoice date to the material payment of the transaction, according to the aforementioned Resolution of the Spanish Accounting and Audit Institute.

The ratio of transactions paid is calculated as the quotient formed in the numerator by the sum of the products corresponding to the amounts paid by the number of days of payment (calendar days elapsed from the start of the calculation of the period until the material payment of the transaction) and the total amount of payments made in the denominator.

This 'Average supplier payment period' is calculated as the quotient formed in the numerator by the sum of the ratio of transactions paid by the total amount of payments made plus the ratio of transactions pending payment by the total amount of payments pending and, in the denominator, by the total amount of payments made and payments pending.

Likewise, the ratio of transactions pending payment corresponds to the quotient formed in the numerator by the sum of the products corresponding to the amounts pending payment, by the number of days pending payment (calendar days elapsed from the start of the calculation of the period until the closing date of the abridged annual accounts) and, in the denominator, by the total amount of payments pending.

In accordance with the stipulations of Article 3 of the resolution of the Spanish Accounting and Audit Institute dated 29 January 2016, the transactions accrued prior to the entry into force of Spanish Law 31/2014 of 3 December have not been considered.

The maximum legal payment term applicable to the Company according to Spanish Law 11/2013 of 26 July is 30 days unless the parties agree to a maximum 60-day term.

13. Public administrations and tax situation

13.1. Current balances with Public Administrations

The composition of current balances with Public Administrations at 31 December 2023 and 2022 is as follows:

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

	Euros		Euros	
	31/12/2023		31/12/2022	
	Debit balance	Credit balance	Debit balance	Credit balance
Spanish Treasury VAT receivable	11,720	-	961	-
Spanish Treasury personal income tax payable	-	3,153	-	113
Total	11,720	3,153	961	113

Income from the rental of residential buildings is exempt from VAT. The Company records the VAT associated with the expenses related to these rents as a higher operating expense. The Company also deducts VAT, in accordance with the general regime, on expenses linked to income from non-exempt activities. In the case of general expenses not linked to a specific activity, the Company opts for the application of the special VAT pro rata, where the percentage of non-deductible VAT in its taxable activities is 7% (general regime without pro rata in the previous year).

13.2. Reconciliation of accounting profit and taxable income for tax purposes

The reconciliation between accounting profit and taxable income for corporate income tax purposes in 2023 and 2022 is as follows:

2023 financial year

Item	Euros		
	Increases	Decreases	Total
Accounting profit before tax			(817,318)
Permanent differences:	-	-	-
Temporary differences:	-	-	-
Taxable income for tax purposes	-	-	(817,318)

2022 financial year

Item	Euros		
	Increases	Decreases	Total
Accounting profit before tax			(16,731)
Permanent differences:	-	-	-
Temporary differences:	-	-	-
Taxable income for tax purposes	-	-	(16,731)

13.3. Reconciliation between accounting profit and income tax expense

Corporate income tax is calculated on the basis of the accounting result, obtained by applying generally accepted accounting principles, which does not necessarily coincide with the tax result, understood as the tax base. The reconciliation between income and expenses for 2023 and 2022 and the taxable income for corporate income tax purposes is as follows:

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

2023 financial year

	Euros		
	Increases	Decreases	Total
Accounting profit before tax			(817,318)
Permanent differences	-	-	-
Temporary differences	-	-	-
Taxable income for tax purposes			(817,318)
25% tax rate			-
Total income / (expense) recognised in the profit and loss account			-

2022 financial year

	Euros		
	Increases	Decreases	Total
Accounting profit before tax			(16,731)
Permanent differences	-	-	-
Temporary differences	-	-	-
Taxable income for tax purposes			(16,731)
25% tax rate			-
Total income / (expense) recognised in the profit and loss account			-

13.4. Years pending audit and tax audits

Under current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute of limitations period has elapsed. At year-end 2023, all taxes applicable to the Company since its incorporation are open for review by the tax authorities. The Company's directors consider that the tax returns for the aforementioned taxes have been duly settled and, therefore, even in the event of discrepancies in the interpretation of current legislation due to the tax treatment granted to the transactions, any resulting liabilities, should they materialise, would not have a material effect on the accompanying abridged annual accounts.

13.5. Tax loss carryforwards not capitalised

The tax loss carryforwards that have not been capitalised are as follows:

Item	To offset	Applied	Pending
Neg. Taxab. Base Gen. Reg. 2023 Financial year	817,318	-	817,318
Neg. Taxab. Base Gen. Reg. 2022 Financial year	16,731	-	16,731
Total	834,049	-	834,049

14. Income and expenses

14.1. Net turnover

The distribution of net turnover for the 2023 financial year, broken down by activity category, is as follows:

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

Activities	Euros	
	2023	2022
Commercial premises	1,747	-
Residential buildings	27,833	-
Total	29,580	-

Rental income has been realised entirely in Spain.

14.2 Personnel expenses

The Company did not have any of its own staff in 2023 and 2022.

14.3. Other operating expenses

The headings 'External services' and 'Taxes' in the accompanying profit and loss account for 2023 and 2022 are broken down as follows:

	Euros	
	2023	2022
Repairs and maintenance	400	-
Indep. professional services	664,132	16,731
Insurance premiums	6,654	-
Banking and similar services	676	-
Advertising and publicity	2,825	-
Supplies	146	-
Other expenses	1,915	-
Non-deductible input VAT	105,136	-
Taxes	1,763	-
Total	783,647	16,731

The expenses recorded by the Company under 'Independent professional services' are mainly for fees for the Company's structuring services and consultancy services related to the Company's admission to Euronext. The accrued real estate tax expense and non-deductible input VAT accrued (Note 11.1) have been recorded under 'Taxes'.

15. Transactions and balances with related parties

15.1. Balances and transactions with related parties

Details of balances with related parties at year-end 2023 (without data at year-end 2022) are as follows:

2023 financial year

	Euros		
	Other short-term financial liabilities	Short-term sundry accounts payable	Long-term loans to third parties
Shareholders	185,611	-	-
Shareholders pending their becoming shareholders being put on the record	495,175	-	-
Manager of the vehicle	-	102,420	255,178
Total	680,786	102,420	255,178

ELIX RENTAL HOUSING SOCIMI II, S.A. Abridged report for the 2023 financial year

Details of transactions with related parties in 2023 financial year (no data in previous year) are as follows:

2023 financial year

	Euros	
	Financial income	Expenditure on external professional services
Shareholders	5,178	-
Vehicle manager	-	285,632
Total	5,178	285,632

The Company has entered into management and marketing contracts for the investment programme with Elix Advice, S.L. and Altamar Real Estate (note 1). The expenses invoiced by both entities in 2023 relate to asset management fees and capital raising fees.

In addition, fees for projects and engineering amounting to 76,603 euros and 9,500 euros for due diligence fees, carried out by the management company, have been recorded under 'Investment property' in the balance sheet.

15.2. Remuneration and other benefits paid to directors and senior management

Senior management.

At 31 December 2023 and 2022, there are no senior management personnel. The Company's key planning, management and control decisions, as well as decisions affecting economic and strategic policies, are taken by the Board of Directors of the Company and its shareholders.

Governing Body.

During 2023 and 2022, the Company's Board of Directors has not accrued any remuneration as a result of the representation of its directorships.

Likewise, no contributions have been made to pension funds or pension plans for former or current members of the Company's Board of Directors. Similarly, no such obligations have been incurred over these years.

The Company's Board of Directors has not received any profit-sharing remuneration nor have any liability insurance premiums been paid on its behalf. They have not received any shares or stock options during the year nor have they exercised any options or have any options pending exercise either.

15.3. Information in relation to conflict of interest situations on the part of the Directors

Article 229 of the Spanish Companies Act, approved by Spanish Royal Legislative Decree 1/2010 of 2 July, as amended by Spanish Law 31/2014 of 3 December, which specifically amended the content of Article 229, imposes a duty on directors to inform the Board of Directors and, failing that, the other directors or the General Meeting of any situation of direct or indirect conflict of interest that they may be in with the Company's interests.

Directors have the duty to avoid situations of conflict of interest as established in Articles 228 and 229 of the Spanish Companies Act. In addition, these articles establish that situations of conflict of interest in which directors are involved shall be disclosed in the annual accounts.

As part of its duty to avoid situations of conflict of interest with the interests of the Company, the Board of Directors has complied during the period with the obligations set forth in Article 228 of the Consolidated Text of the Spanish Companies Act. Likewise, both the Board of Directors and the persons related to it have refrained from incurring in the cases of conflict of interest foreseen in Article 229 of the mentioned law, except in those cases in which the corresponding authorisation has been obtained.

16. Information requirements deriving from SOCIMI status, Spanish Law 11/2009, as amended by Spanish Laws 16/2012 and 11/2021

Below are the disclosure requirements deriving from SOCIMI status, Spanish Law 11/2009, as amended by Spanish Laws 16/2012 and 11/2021:

ELIX RENTAL HOUSING SOCIMI II, S.A.

Abridged report for the 2023 financial year

- a) Reserves from financial years prior to the application of the tax regime established in Spanish Law 11/2009, as amended by Spanish Law 16/2012 of 27 December.

At year-end 2023, the Company has no reserves from years prior to the application of the special SOCIMI regime, and therefore it is not applicable.

- b) Reserves from years in which the tax regime established in Spanish Law 11/2009, as amended by Spanish Law 16/2012, of 27 December, has been applied, distinguishing between the part deriving from income taxed at the 0%, 15% or 19% tax rate and the part deriving from income taxed at the general tax rate, if any.

At 31 December 2023, the Company only has negative reserves for losses obtained in 2022 from income taxed at the general tax rate. The breakdown of the reserves by year of origin is as follows:

	Euros
2022 financial year	(16,731)
Total	(16,731)

- c) Dividends distributed out of profits for each year in which the tax regime established in this Law has been applicable, distinguishing between the part deriving from income taxed at the 0%, 15% or 19% tax rate, and the part deriving from income taxed at the general tax rate. The Company has not distributed any dividends since its incorporation.
- d) In the case of dividends paid out of reserves, designation of the year from which the reserve was appropriated and whether the reserves have been taxed at 0%, 15% or 19% tax rate or at the general rate.
- No dividends have been distributed in any financial year.
- e) Date of the resolution to distribute the dividends referred to in c) and d) above.
- They have not been distributed out of reserves in any financial year.
- f) Date of acquisition of the properties for lease and of the shares in the capital of the entities referred to in Article 2(1) of Spanish Law 11/2009.

The detail of the properties held for lease is as follows:

Property	Acquisition date
Madrid	31/10/2023

At 31 December 2023 the market value of the assets is 8,922 thousand euros.

- g) Date of acquisition of the holdings in the capital of the companies referred to in section 1 of Article 2 of this Law. At year-end, the Company has no holdings in this type of companies.
- h) Identification of the assets that are included in the 80% referred to in section 1 of Article 3 of Spanish Law 11/2009.
- The properties described in section f) above have a net book value of 9,232,761 euros, recorded under 'Investment property' in the accompanying balance sheet, representing 97% of total assets excluding 'cash and cash equivalents' in the accompanying balance sheet.
- i) Reserves from years in which the special tax regime established in this Law has been applicable, which have been drawn down in the tax period, other than for distribution or to offset losses, identifying the year from which these reserves were drawn down. Not applicable.

17. Other information

17.1. Personnel

The Company has no hired personnel.

ELIX RENTAL HOUSING SOCIMI II, S.A. Abridged report for the 2023 financial year

17.2. Audit fees

During the year, the fees for auditing and other services rendered by the Company's auditor (PricewaterhouseCoopers Auditores, S.L.) amount to:

	31/12/2023	31/12/2022
Audit services	14,000	11,225
Other non-audit services (*)	-	-
Total Audit services	14,000	11,225

(*) No tax services or other services required of the accounts auditor for an applicable reason were provided during the year nor were services provided by the auditor's network.

The amounts included in the above table include all fees for services performed during 2023 and 2022, irrespective of the time of invoicing.

17.3. Modification or termination of contracts

There has been no early conclusion, modification or termination of any contract between the Company and any of its shareholders or Directors or any person acting on their behalf, when the transaction is outside the ordinary course of business of the Company or is not carried out under normal conditions.

18. Subsequent events

On 14 February 2024, a General Shareholders' Meeting was held at which the shareholders unanimously approved the execution and conversion into public deed of the capital increase corresponding to the capital call made in December 2023. This capital increase was carried out for a total amount of 881,889.12 euros by issuing and putting into circulation 44,093 new ordinary shares with a par value of 1 euro and a share premium of 19 euros each. The formalisation therefore represents an increase of 44,093 euros in share capital and a share premium of 837,793 euros, fully paid up.

On 26 February 2024, the acquisition of all the shares of a company with a share capital of 3,000 euros, whose current name is ELIX RHS PROPERTIES, S.L.U., was carried out.

On 28 February 2024, the Company acquired, through a wholly-owned subsidiary, one of the pledged assets at the end of 2023. This is a residential property located in Madrid, for an acquisition price of 2,600,000 euros, acquired with the Company's available funds.

It was also agreed to create a corporate website with the following URL address: www.elixrentalhousing.es.

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Fernando Olaso Echevarría
Chairman of the Board

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Ignacio Antoñanzas Alvear
Vice-Chairman of the Board

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Carlos Esteban Librero
Director

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Jaime Oliveira Sánchez-Moliní
Director

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Adolf Rousaud Viñas
Director

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Ms Mercedes Grau Monjo
Director

ELIX RENTAL HOUSING SOCIMI II, S.A.
Abridged report for the 2023 financial year

ELIX RENTAL HOUSING SOCIMI II, S.A.

Preparation of the abridged annual accounts for the 2023 financial year
(expressed in euros)

The abridged annual accounts of Elix Rental Housing SOCIMI II, S.A. for the 2023 financial year have been prepared by the Directors for approval by the shareholders at the Annual General Meeting. These abridged annual accounts have been endorsed by the non-director secretary of the Board of Directors.

Madrid, on 13 March 2024

Mr Juan Gómez Acebo
Non-director secretary