



## **REPORT ISSUED BY THE BOARD OF DIRECTORS OF IBI LION SOCIMI, S.A. IN RELATION WITH THE PROPOSAL TO REDUCE ITS SHARE CAPITAL WITH THE AIM OF REPAYING SHAREHOLDER CONTRIBUTIONS BY REDUCING THE NOMINAL VALUE OF THE SHARES**

### **1. PURPOSE OF THE REPORT**

This report is issued by the board of directors of IBI Lion SOCIMI, S.A. (the “**Company**”), in accordance with articles 286 and 318 of the consolidated text of the Spanish companies law approved by Royal Legislative Decree 1/2010 of 2 July (“**LSC**”), to justify the proposal submitted to the general shareholders meeting for its approval under item Five of its agenda related to the share capital reduction in the amount of EUR 0.031 of the nominal value of the Company’s shares in the amount, considering the number of shares currently in circulation, of EUR 2,199,284.646 in accordance with the provisions of article 317 of the LSC, and the subsequent amendment of article 6 of the articles of association of the Company (the “**Capital Reduction**”).

Pursuant to the aforementioned articles of the LSC, the board of directors must issue a report providing the rationale of the proposal submitted to the general meeting, due to the fact that the Capital Reduction entails the amendment of the article of association that determines the share capital.

### **2. RATIONALE FOR THE PROPOSAL**

The decision of the board of directors to submit the Capital Reduction to the general meeting is intended to remunerate the Company’s shareholders by reducing the nominal value of the Company’s shares and subsequently repaying the contributions made, as well as to optimize and rationalize the Company’s own resources.

The board of directors has analyzed the different alternatives to compensate shareholders of the Company and has considered that the most appropriate way is to reduce the nominal value of the shares, with which the shareholders are refunded part of the contributions that were made to the Company.

It is hereby stated that there is no differentiated treatment among the Company’s shareholders, since the Capital Reduction affects each and every one of the shares that are in circulation in the same way.

### **3. MAIN TERMS AND CONDITIONS OF THE CAPITAL REDUCTION**

Article 317.1 of the LSC, when regulating capital reduction modalities, establishes that the purpose of the reduction may be to refund the value of contributions and, in its paragraph 2 specifies that the capital reduction may be carried out by reducing the nominal value of the shares.

In accordance with the provisions of article 318.1 of the LSC, the capital reduction must be approved by the general meeting with the requirements established for the amendment of the articles of association, which, for public limited companies, as established in article 286 of the LSC, are the drafting by the directors of the full text of the proposal and of a written report justifying such proposal.

In addition to these general requirements, article 318.2 of the LSC details the minimum content of the resolution of the general meeting, and establishes it must determine, at least, the amount of the share capital reduction, the purpose of the reduction, the procedure through which the Company has decided to execute it, the term for



execution and the amount to be paid, where applicable, to shareholders. In this regard, the aforementioned proposal submitted by the board of directors to the general meeting includes the minimum content required by the aforementioned articles of the LSC.

Therefore, the aforementioned proposal states that the amount of the Capital Reduction is, considering the number of shares currently in circulation, EUR 2,199,284.646; its purpose is to refund shareholder contributions; the proposed procedure consists in reducing the nominal value of the shares outstanding in an amount of EUR 0.031 per share; and the amount that, where applicable, must be paid to shareholders, which is equal to the amount in which the nominal value of the shares in the Company would be reduced in the Capital Reduction, i.e. EUR 2,199,284.646. The proposed resolution also includes the term for execution of the Capital Reduction.

If, prior to the execution of the capital reduction that is the object of the proposed resolution, the number of outstanding shares of the Company has increased, the aggregate total amount of the capital reduction shall also increase by the corresponding amount.

#### **4. RESOLUTION PROPOSAL**

The resolution proposal submitted for approval by the general shareholders meeting of the Company is the following:

***“Fifth. Review and, where appropriate, approval of a share capital reduction with the aim of refunding shareholder contributions by reducing the nominal value of the shares in EUR 0.031, in the amount of, considering the number of shares currently outstanding, of EUR 2,199,284.646 (with express delegation to adapt such total amount in light of the number of shares outstanding upon execution thereof) and subsequent amendment of article 6 of the articles of association.*”**

*To reduce the share capital of IBI Lion SOCIMI, S.A. (the “Company”) by reducing by EUR 0.031 the nominal value of the shares, with the aim of refunding shareholder contributions, all in accordance with the provisions of article 317 of the consolidated text of the Spanish Companies Law approved by Royal Legislative Decree 1/2010 of 2 July (the “LSC”). As a consequence of this reduction, the nominal value of the shares will change from EUR 0.866 to EUR 0.835 and the difference of EUR 0.031 per share will be paid to the shareholders of the Company.*

*Consequently, considering that at the time of calling this general meeting there are 70,944,666 outstanding shares of the Company, the amount of the capital reduction object of this resolution amounts to EUR 2,199,284.646. If, prior to the execution of the capital reduction that is the object of this resolution, the number of outstanding shares of the Company has increased, the aggregate total amount of the capital reduction shall also increase by the corresponding amount. It is resolved to grant powers in favour of the Board of Directors, with express powers of substitution in each of its members, to adapt that total amount in light of the number of shares outstanding upon execution of the capital reduction.*

*The execution of this capital reduction resolution must be carried out following the end of the term for the exercise of the creditors’ right of opposition established in article 334 of the LSC, as set forth in article 336 of such law. Notwithstanding the above, the capital reduction provided for in this resolution must be executed within a maximum period of one year from the date of this resolution.*

*In accordance with article 334 of the LSC, Company’s creditors whose credits arose prior to the date of the last announcement of the capital reduction resolution, have not matured at that time and until such credits are secured, will have the right to oppose the capital reduction.*



Once the capital reduction provided for in this resolution has been executed, article 6 of the Company's articles of association, related to the share capital, shall be amended as to reflect the resulting share capital and number of shares outstanding. Consequently, assuming that no capital increase is carried out prior to the execution of this capital reduction, article 6 of the articles of association will be drafted as follows: "The share capital amounts fifty-nine million, two hundred thirty-eight thousand, seven hundred ninety-six euros and eleven cents of an euro (EUR 59,238,796.11), divided into seventy million, nine hundred forty-four thousand, six hundred sixty-six (70,944,666) registered shares, each with a nominal value of zero euros and eighty three five cents of an euro (EUR 0.835), fully subscribed and paid up, of a single series and class. All shares are fully subscribed and paid up and grant their holders the same rights". In case that, before the execution of the capital reduction the number of outstanding shares has increased, the language of article 6 of the Company's articles of association will be adapted consequently. It is resolved to grant powers in favour of the Board of Directors, with express powers of substitution in each of its members, to draft the referred article of the Company's articles of association.

Payment of the amount of 0.031 euros per share will be paid to shareholders in accordance with applicable legislation on depositories entities and through the mechanisms made available to participating entities by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear).

Furthermore, it is resolved to jointly and severally delegate to the board of directors, its chairman, the secretary member of the board of directors, the vice-secretary non-member of the board of directors, and the rest of the members of the board so that any of them, jointly and severally and indistinctly, as broadly as required by the law, may proceed to the execution of this resolution and may determine the points that have not been expressly set out in this resolution or which are a consequence of it. In particular, including but not limited to, it is resolved to jointly and severally delegate to the aforementioned persons, as broadly as required by the law, the following powers:

- i) in the event that, prior to the execution of the capital reduction object of this resolution, the number of outstanding shares of the Company had increased as a result of the implementation of any capital increase, adjust the aggregate total amount of the capital reduction covered by this resolution, taking into account the new number of shares outstanding at the time of its implementation;
- ii) to extend and develop this resolution, establishing the terms and conditions of the reduction in all matters not provided for herein and in particular, the exact date on which the return of the shareholders' contributions will become effective;
- iii) to carry out any actions needed to meet the requirements set by the LSC, Law 6/2023, of March 17, on the Securities Market and Investment Services, the Royal Decree 878/2015 of 2 October, on clearing, settlement and registration of tradable securities in the form of book entries, on the legal regime of central securities depositories and central counterparty entities, and on transparency requirements in relation to information about issuers whose securities are admitted to trading in an official secondary market, and other applicable regulations;
- iv) to carry out any actions and procedures that may be necessary to obtain the consent and authorizations required for the full effectiveness of this resolution;
- v) to carry out, on behalf to the Company, any act, statement or procedure that may be required by the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores, "CNMV"), BME Growth segment of BME MTF Equity, the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), Sociedades Rectoras de las Bolsas, Servicio de Liquidación y Compensación de Valores and any other body, entity or register, public or private, national or foreign, in relation to the capital reduction provided for in this resolution;
- vi) to amend the article of the articles of association related to share capital, as to reflect the new share capital and nominal value of the shares, in particular, amending the wording of article 6 of the articles of



*association referred to in the text of this resolution in the event that prior to the implementation of the capital reduction covered by this resolution a capital increase had been implemented;*

- vii) to draft and publish all the notices that are required or convenient in relation to this share capital reduction;*
- viii) to declare, in due course, the expiry of the period for creditors to lodge objections, as well as, where appropriate, to attend to the exercise of the right of objection of those creditors who may exercise it in accordance with the terms provided for in the Law;*
- ix) to grant, on behalf of the Company, as many public or private documents may be necessary or convenient for the capital reduction;*
- x) to declare the capital reduction closed and implemented and to establish any other circumstances necessary to implement it;*
- xi) to make, if appropriate, the corresponding tax withholdings on the amount of the value of the contributions refunded to the shareholders in respect of the capital reduction, to be paid on behalf of the shareholders to the competent Spanish tax authorities, in particular, and by way of illustration only, those derived from the Tax on Capital Transfers and Documented Legal Acts in the form of Corporate Transactions;*
- xii) to correct, clarify, interpret, specify or supplement this resolution, or those in the deeds or documents executed to implement it, and in particular, those faults, omissions or errors, in the form or substance, which may prevent the access of the resolutions and their consequences to the Commercial Registry, to the official register of the CNMV, BME Growth segment of BME MTF Equity or to any others;*
- xiii) to resolve not to execute this resolution, in the event that, in its opinion, there are reasons of corporate interest that so justify it; and*
- xiv) to carry out, in general, as many actions as may be necessary or convenient for the successful execution of this resolution and the effective capital reduction."*

In Madrid, 24 April 2025

\* \* \*