

LA CALA GOLF CLUB S.L.
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2024

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of La Cala Golf Club, S.L.,

Opinion

We have audited the financial statements of La Cala Golf Club, S.L. (the Company), which comprise the balance sheet as at 31 December 2024, and the abridged statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2.1 to the financial statements) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

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

Most Significant Audit Matters

The most significant audit matters are those matters that, in our professional judgement, were considered to be the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those risks.

Completeness and occurrence of revenue

Description

As indicated in Note 1 to the accompanying financial statements, the Company's object consists of the operation of golf courses forming part of a resort, and the revenue recognised by the Company relates to the sale of green fees, the provision of various services, and sales indicated in Note 14.1 to the financial statements, net of discounts, VAT and other revenue-related taxes.

The recognition of this revenue, under the Company's habitual terms and conditions, is not complex, since it gives rise to accounts receivable that are convertible into cash in a short period of time and with historically immaterial sales returns percentages. However, in view of the large number of billable transactions and the existence of various rates and billable services, the assessment of the completeness and occurrence of the revenue was considered to be one of the most significant matters in our audit.

Procedures applied in the audit

Our audit procedures included checking the effectiveness of the controls over the revenue-accounts receivable process and performing substantive procedures such as: checking the design, implementation and operating effectiveness of the relevant controls supporting the recognition of the billable transactions and, in this connection, the completeness and occurrence of the revenue, as well as the related accounting and recognition procedure; evaluating the reasonableness of the revenue volumes in 2024 with respect to prior years' trends and the business activity data provided by the Company's management information; and performing tests of details on the entries recorded in revenue and trade receivable accounts.

Lastly, we evaluated whether the disclosures made by the Company in relation to these matters, which are included in Note 14.1 to the accompanying financial statements, contained the information required by the applicable accounting regulations.

Other Information: Directors' Report

The other information comprises only the directors' report for 2024, the preparation of which is the responsibility of the Company's directors and which does not form part of the financial statements.

Our audit opinion on the financial statements does not cover the directors' report. Our responsibility relating to the directors' report, in accordance with the applicable audit regulations, consists of evaluating and reporting on whether the directors' report is consistent with the financial statements, based on our knowledge of the entity obtained in the audit of those financial statements, as well as evaluating and reporting on whether the content and presentation of the directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described in the preceding paragraph, the information in the directors' report is consistent with that contained in the financial statements for 2024 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the Company's equity, financial position and results in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in Appendix I to this auditor's report. This description, which is on the following two pages, forms part of our auditor's report.

DELOITTE AUDITORES, S.L.

Registered in ROAC under no. S0692

Juan Calles Porras

Registered in ROAC under no. 22608

4 April 2025

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 use by the directors 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements 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 financial statements of the current period and are therefore the most significant assessed risks.

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

LA CALA GOLF CLUB, S.L.

BALANCES AS AT DECEMBER 31, 2024 AND 2023 (Euros)

ASSETS	Notes	31/12/2024	31/12/2023	EQUITY AND LIABILITIES	Notes	31/12/2024	31/12/2023
NON-CURRENT ASSETS				EQUITY			
Intangible fixed assets	Note 5	9,011,247.76	8,551,335.62	SHAREHOLDERS FUNDS	Note 10	8,418,721.35	7,369,139.04
Tangible fixed assets	Note 6	8,714,649.43	8,202,369.95	Share capital		8,418,721.35	7,369,139.04
Land and buildings		6,810,608.85	6,818,286.69	Called and paid-up capital		6,945,000.00	6,945,000.00
Technical installations and other assets		1,495,151.18	1,384,083.26	Reserves		6,945,000.00	6,945,000.00
Fixed assets in progress and advances		408,889.40	.00	Legal and statutory		1,321,854.26	1,321,854.26
Investments in group and associated companies-long-term	Note 15.2	120,202.42	120,202.42	Other reserves		242,163.60	242,163.60
Other financial assets- Deposits and guarantees	Note 8	120,202.42	120,202.42	Results from prior years		1,079,690.66	1,079,690.66
Long-term investments	Note 13.5	1,881.62	1,881.62	Losses from prior years		(897,715.22)	(1,693,957.14)
Deferred tax assets		174,514.29	226,881.63	Result for the year		(897,715.22)	(1,693,957.14)
						1,049,582.31	796,241.92
CURRENT ASSETS				NON-CURRENT LIABILITIES			
Inventories	Note 9	3,351,489.81	3,001,167.26	Long-term provisions	Note 11	875,491.98	1,074,057.78
Merchandise		288,399.93	203,113.93	Long-term commitments with staff		301,664.51	293,664.51
Raw materials		231,935.37	178,625.71	Other provisions		297,264.01	289,264.01
Trade and other receivable		56,464.56	24,486.22	Long-term liabilities	Note 12.1	4,400.50	4,400.50
Trade receivable- third parties		1,723,867.33	833,211.63	Bank loans		571,952.57	772,422.59
Trade receivable- group companies		43,895.28	41,653.28	Finance lease payables		294,601.59	411,253.73
Other debtors	Note 15.2	1,522,231.64	636,755.55	Other financial liabilities		258,861.98	345,179.86
Other receivable from Public Bodies	Note 13.1	157,740.41	146,400.52	Deferred tax liabilities	Note 13.7	18,489.00	15,989.00
Short-term investments	Note 8	239.04	8,402.28			1,874.90	7,970.68
Other financial assets		239.04	239.04	CURRENT LIABILITIES			
Accruals		13,254.50	10,897.94	Short-term liabilities	Note 12.2	3,068,504.24	3,109,306.06
Cash and cash equivalents		1,325,709.01	1,953,704.72	Bank loans		255,132.66	290,343.41
Bank balances and cash		1,325,709.01	1,953,704.72	Finance lease payables		116,652.14	162,602.11
				Other financial liabilities		86,317.88	82,721.83
				Payable to group and associated companies		52,162.64	45,019.47
				Trade payables	Note 15.2	346,622.96	184,655.19
				Creditors-third parties		2,085,257.77	2,290,261.36
				Creditors-group companies		702,895.87	594,221.33
				Other creditors		547,766.80	1,018,468.94
				Employees		246,686.47	206,617.32
				Public bodies		54,218.99	47,968.87
				Advances from clients	Note 13.1	105,233.87	80,971.45
				Accruals		428,455.77	342,013.45
						381,490.85	344,046.10
TOTAL ASSETS		12,362,717.57	11,552,502.88	TOTAL EQUITY AND LIABILITIES		12,362,717.57	11,552,502.88

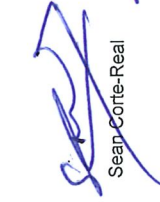
The accompanying Notes 1 to 18 are an integral part of the balance sheet as at December 31, 2024

La Cala de Mijas, February 18, 2025

Directors:

 David Kelly

 Lars A. Granberg

 Sean Corte-Real

 Joaquín Jiménez

LA CALA GOLF CLUB S.L.

ABRIDGED PROFIT & LOSS ACCOUNTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Euros)

	Notes	Year 2024	Year 2023
Revenue	Note 14.1	9.035.655,38	7.966.281,37
Cost of sales	Note 14.2	(1.044.605,40)	(948.433,83)
Other operating income		88.334,82	76.350,52
Employee costs	Note 14.3	(2.625.080,02)	(2.414.137,47)
Other operating expenses	Note 14.4	(3.563.675,44)	(3.240.780,84)
Depreciation	Notes 5 & 6	(511.655,10)	(424.526,12)
Other results		3.586,88	,00
OPERATING RESULT		1.382.561,12	1.014.753,63
Financial income		68.069,20	27.600,50
Financial expenses		(48.582,75)	(30.448,59)
Exchange differences			
FINANCIAL RESULT		19.486,45	(2.848,09)
RESULT BEFORE TAX		1.402.047,57	1.011.905,54
Corporate income tax	Note 13	(352.465,26)	(215.663,62)
RESULT FOR THE YEAR		1.049.582,31	796.241,92

The accompanying Notes 1 to 18 are an integral part of the profit & loss for the year ended December 31, 2024

La Cala de Mijas, February 18, 2025

Directors:

David Kelly

Lars A. Granberg

Per M. Bonasson

Sean Corte-Real

Joaquín Jiménez

LA CALA GOLF CLUB S.L.

STATEMENT OF CHANGES IN EQUITY FOR YEARS 2024 AND 2023

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Euros)

	Notes	Year 2024	Year 2023
RESULT FOR THE YEAR (I)		1.049.582,31	796.241,92
Income recognised directly in equity			
- Revaluation increase (decrease) of financial instruments			
- Financial assets available for sale			
- Grants received			
- Tax effect			
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)			
Transfers to the profit & loss account			
- Revaluation increase (decrease) of financial instruments			
- Financial assets available for sale			
- Grants received			
- Tax effect			
TOTAL TRANSFERS TO THE PROFIT & LOSS ACCOUNT (III)			
TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)		1.049.582,31	796.241,92

B) STATEMENT OF CHANGES IN SHAREHOLDERS FUNDS

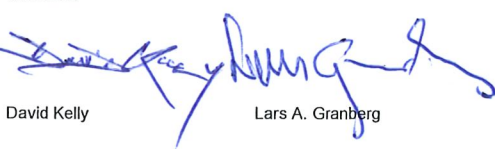
(Euros)

	Share capital	Reserves	Results from prior years	Result for the year	Grants received	TOTAL
BALANCE AS AT 31ST DECEMBER 2022	6.945.000,00	1.321.854,26	(2.475.295,90)	781.338,76	-	6.572.897,12
Adjustments-accounting principles changes 2022						
Adjustments-accounting errors 2022						
ADJUSTED BALANCE AS AT 1ST JANUARY 2023	6.945.000,00	1.321.854,26	(2.475.295,90)	781.338,76	-	6.572.897,12
Total recognised income and expense				796.241,92		796.241,92
Other changes in shareholders funds			781.338,76	(781.338,76)		
BALANCE AS AT 31ST DECEMBER 2023	6.945.000,00	1.321.854,26	(1.693.957,14)	796.241,92	-	7.369.139,04
Adjustments-accounting principles changes 2023						
Adjustments-accounting errors 2023						
ADJUSTED BALANCE AS AT 1ST JANUARY 2024	6.945.000,00	1.321.854,26	(1.693.957,14)	796.241,92	-	7.369.139,04
Total recognised income and expense				1.049.582,31		1.049.582,31
Other changes in shareholders funds			796.241,92	(796.241,92)		
BALANCE AS AT 31ST DECEMBER 2024	6.945.000,00	1.321.854,26	(897.715,22)	1.049.582,31	-	8.418.721,35

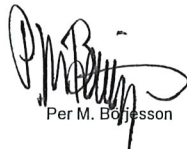
The accompanying Notes 1 to 18 are an integral part of these Statement of Changes in Equity for year 2024

La Cala de Mijas, February 18, 2025

Directors:

 David Kelly

Lars A. Granberg

 Per M. Björsson

 Sean Corte-Real

 Joaquín Jiménez

LA CALA GOLF CLUB S.L.

CASH FLOW STATEMENTS FOR YEARS 2024 AND 2023

(Euros)

	Notes	Year 2024	Year 2023
CASH FLOWS FROM OPERATING ACTIVITIES (I)		790.318,81	1.693.709,19
Result before tax		1.402.047,57	1.011.905,54
Adjustments for:			
- Depreciation of property and equipment	Notes 5 & 6	511.655,10	424.526,12
- Valuation adjustments for deterioration	Note 9	5.000,00	
- Variation of provisions	Note 11	8.000,00	(13.239,43)
- Grants recognised in the income statement			
- Proceeds from disposal of fixed assets	Note 6	21.098,43	16.132,91
- Financial income		(68.069,20)	(27.600,50)
- Financial expenses		48.582,75	30.448,59
Changes in working capital			
- Inventories		(90.286,00)	(58.692,74)
- Trade and other receivable		(890.655,70)	(658.814,22)
- Other current assets		(2.356,56)	(138,07)
- Trade and other payable		(205.003,59)	1.187.408,33
- Other current liabilities		37.444,75	5.701,22
- Other non-current assets and liabilities			
Other cash flow from operating activities			
- Interest paid		(48.582,75)	(30.448,59)
- Interest received		68.069,20	27.600,50
- Income taxes collected (paid)		(6.625,19)	(221.080,47)
- Other collection (payments)			
CASH FLOWS FROM INVESTING ACTIVITIES (II)		(1.045.033,01)	(799.367,89)
Investments paid			
- Group and associates companies			
- Intangible fixed assets			
- Tangible fixed assets	Note 6	(1.045.033,01)	(799.367,89)
Proceeds from sale of investments			
- Group and associates companies			
- Intangible fixed assets			
- Tangible fixed assets			
CASH FLOWS FROM FINANCING ACTIVITIES (III)		(373.281,51)	203.725,50
Proceeds and payments for equity instruments			
- Grants received			
Proceeds and payments of financial liability instruments			
- Increase in debts with financial entities	Note 12		455.000,00
- Increase in debts with group companies			
- Other debts		9.643,17	4.454,22
- Decrease in debts with financial entities	Note 12	(245.323,94)	(255.228,72)
- Decrease in debts with group companies		(137.600,74)	
- Decrease in other debts			(500,00)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES (IV)		-	-
INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS (I+II+III+IV)		(627.995,71)	1.098.066,80
Cash and cash equivalents at the beginning of the year		1.953.704,72	855.637,92
Cash and cash equivalents at the end of the year		1.325.709,01	1.953.704,72

The accompanying Notes 1 to 18 are an integral part of this cash flow statements for year 2024

La Cala de Mijas, February 18, 2025

Directors:

David Kelly

Lars A. Granberg

Rer M. Börjesson

Sean Corte-Real

Joaquín Jiménez

LA CALA GOLF CLUB S.L.

Notes to the Annual Accounts for the year ended 31st December 2024

1.- Company's activities

La Cala Golf Club S.L. was formed in Spain as a limited company by means of a public deed dated on 12 January 1989, having been converted into a private limited company by agreement of the Shareholders' Meeting held on 13th November 2006 which was notarised on 22 December, 2006, and filed into the Mercantile Register of Málaga in February 2007. Its registered offices and activities are located in La Cala de Mijas (Mijas, Málaga).

It is principally engaged in the conservation, maintenance and management of the golf center at urbanisation La Cala Golf, situated in Mijas (Málaga, Spain). The services provided by Ranchos Reunidos S.A. concerning the golf facility are currently regulated by the operating management agreement signed by both companies, effective 1st January, 1997 and subsequent extensions and annexes. In accordance with these agreements, the golf facility is running as part of La Cala Resort.

The company's majority shareholder is Ranchos Reunidos S.A., which pertains to a Spanish holding company, Fodeintur S.A., which is not required to prepare consolidated annual accounts due to the small size of the group. The mentioned companies and the Spanish company Sunset Beach Club S.A. are owned by PLL Property & Leisure Limited (before called FBD Property & Leisure Limited), which is owned by Farmer Business Developments plc, both with registered office in Ireland in which consolidated financial statements are included the Company's financial information.

2.- Basis of presentation

2.1 Framework of financial information rules applicable to the Company

The annual accounts have been prepared by the Directors in accordance with the framework of financial information applicable to the Company, which is the one established by: a) the Commercial Code and the other commercial rules, b) the accounting plan approved by the Spanish Royal Decree 1514/2007, modified by Royal Decree 602/2016 and Royal Decree 1/2021, and the corresponding sector of economic activity adaptations, c) the mandatory rules approved by the Spanish Institute of Accountancy and Audit developing the accounting plan and complementary rules, d) the rest of applicable Spanish accounting rules.

2.2 True reflection

The annual accounts for year 2024, which have been obtained from the Company's accounting records as of 31st December 2024, are presented with the framework of the applicable financial information rules and in particular with the accounting principles and criteria contained in the mentioned framework and give a true and fair view of the equity, financial situation, results and cash flows of the Company for the accounting year. These annual accounts, which have been adopted by the Directors, are pending approval by the Shareholders Meeting, being the Directors opinion that such accounts will be approved without modifications. The annual accounts for year 2023 were approved by the Shareholders Meeting held on 20th May 2024.

2.3 Non-compulsory accounting principles applied

Non-compulsory accounting principles have not been applied. In addition, the Directors have prepared these annual accounts taking into consideration all of the compulsory accounting principles and rules having a significant effect in such accounts. There is no accounting principle that being compulsory has not been applied.

2.4 Critical aspects of the valuation and estimation of uncertainty

In preparing the annual accounts the Directors makes estimates that affect the reported amounts of assets, liabilities, income, expense and commitments. Basically these estimates relate to:

- The evaluation of potential losses for the deterioration of certain assets (see Note 4.2 and 6)
- The hypothesis used in the calculation of other commitments with staff and other provisions (see Note 4.12)
- The useful life of the tangible and intangible fixed assets (Notes 4.1 and 4.2)
- The recoverability of the recorded tax asset (see Note 13).

Although these estimates have been made based on the most accurate information available at the end of year 2024, it is possible the future events could provoke the modification (up or down) of such estimates in future years which would be made on a prospective basis.

In the opinion of the Directors, the Company will generate sufficient cash flow to meet its obligations on a timely basis and, if necessary, will continue obtaining from Group Companies additional financing or refinancing as might be required. Consequently, the annual accounts have been prepared on a going-concern basis, which contemplated the realization of assets and the satisfaction of liabilities in the normal course of business.

2.5 Comparison of the information

The information included in the Notes corresponding to year 2023 is presented for comparative purposes with the corresponding information for year 2024 except in the cases that the comparison is not required.

2.6 Grouping of items

Certain items of the balance sheet, the profit and loss account, the statements of changes in equity and the cash flow statement have been grouped to facilitate their understanding although if significant the corresponding disclosures have been included in the Notes.

2.7 Changes in accounting principles

During year 2024 there have not been significant changes in the accounting principles with respect to those applied in 2022.

2.8 Error adjustments

In preparing the annual accounts for year 2024 no significant errors requiring the reformulation of the annual accounts for year 2023 have been detected.

3.- Application of the result

The proposal for the application of the 2024 year's result (profit) which the Board of Directors will submit to the Shareholder's Meeting is as follows:

	Year 2024
To compensate losses from previous years	897.715,22
To Legal reserve	104.958,23
To Other reserves	46.908,86
Total	1.049.582,31

The Company has not distributed any dividends in the last five years and there are no shareholders voting against the proposal for the application of the results.

4.- Accounting and recording policies

The principal accounting policies adopted by the Company in preparing the annual accounts for year 2023, in accordance with those established in the general accounting rules, are the following:

4.1 Intangible fixed assets

Generally, the intangible assets are initially valued at the acquisition price or production cost. Afterwards, such assets are valued at cost less the accumulated depreciation and, if applicable, any deterioration in value. Such assets are amortized over their estimated useful lives.

The Company includes in the caption "Software" those costs incurred in the acquisition and development of computer programs. The related maintenance costs are recorded in the profit and loss account when incurred. Software is amortized on a straight-line basis over a period of 4 years.

4.2 Tangible fixed assets

Tangible assets are initially valued at the acquisition price or production cost and subsequently valued at cost less the accumulated depreciation and, if applicable, any deterioration in value.

Repair and maintenance expenses are considered as current expenses when incurred. On the contrary, the costs of expansion, modernization or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful life of the assets are capitalized.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	Depreciation percentage
Buildings	2-8%
Technical installations	12-15%
Machinery	12-15%
Other installations and furniture	10-15%
Vehicles	16%
Other	10-25%

Certain part of the costs incurred in the construction of the golf courses and connected facilities (for a total amount of approximately 3.657.500,00 euros) are considered as permanent improvements to the land and, consequently, not subject to depreciation.

At each balance sheet date or if considered necessary, the Company reviews the carrying amounts of its tangible assets by means of the "impairment test", to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

4.3 Leasing

Financial leases

Leases are classified as financial leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance leases are recognised as assets of the Company at their acquisition cost and simultaneously the corresponding liability to the lessor is included in the balance sheet as a finance lease obligation for the same amount. This amount will be the lower between the fair value of the asset and the actual value of the minimum rental agreed when signing the contract, including the purchase option when there are no doubts that the Company will exercise such options. Possible contingent rental instalments, cost of services and recoverable tax will not be included. Finance costs are charged to the profit and loss account over the term of the relevant lease applying the effective interest tax rate. Contingent rental instalments, if any, are recognised when incurred.

Depreciation is calculated based on the respective useful life of the assets corresponding to these contracts.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account when incurred.

Any collection or payment when contracting an operating lease will be treated as an advance and will be spread on a straight-line basis over the lease term.

4.4 Financial instruments

4.4.1 Financial assets

Classification-

The financial assets are classified in the category of "Financial assets at amortized cost", which includes the financial assets for which the Company maintains the investment in order to receive the cash flows derived from the execution of the contracts, and the contractual conditions of the asset give rise, in specific dates, to cash flows that are solely collections of principal and interest on the outstanding amount.

In general this category includes:

- a) Trade receivable originated in the sale of goods and services having a trade commercial origin with deferred payment.
- b) Credits for non-commercial operations: they are originated by loan or credit operations provided by the Company, whose collections are of a determined or determinable amount. This heading includes: a) loans and debit balances with group companies, b) guarantees and deposits, c) sundry debtors and other account receivable.

Initial valuation -

Financial assets are recorded initially at the fair value of the payments given, including any direct attributable transaction costs.

Subsequent valuation -

Trade receivable are valued at amortised costs, which is their initial value increased by interest accrued according with the effective interest rate method and reduced by the principal and interest collected, taking into account, in addition, any possible reductions due to impairment or default.

Guarantee and deposits given and short-term debit balances with group companies are valued at cash disbursed, which does not differ appreciably from their fair value.

Impairment -

At least at year end the Company reviews the carrying amounts of those financial assets not recorded at fair value. It is considered that those assets have suffered an impairment loss if their recoverable amount is less than the book value. Such impairment loss, if any, is recorded in the profit and loss account.

Specifically with respect to the trade receivables, the allowances for estimated irrecoverable or doubtful accounts are calculated based on an individual analysis considering the following criteria: outstanding due over one year, difficult recovery or doubtful collection based on the solvency of the debtors. Movement in allowances for "Trade receivable" during years 2024 and 2023 have been respectively as follows:

	Euros
Allowances at end of year 2022	30.226,09
Allowances at end of year 2023	-
Allowances at end of year 2023	30.226,09
Allowances recorded in year 2024	-
Allowances at end of year 2024	30.226,09

The detail of the financial assets ageing having amounts overdue (included in the headings "Trade receivable-third parties" and "Other debtors") and the corresponding allowance for doubtful accounts is as follows:

	Euros			
	2024		2023	
	Book value	Allowance for doubtful accounts	Book value	Allowance for doubtful accounts
Amount not overdue	201.635,69	-	188.053,80	-
Overdue amount unpaid: More than 360 days	30.226,09	(30.226,09)	30.226,09	(30.226,09)
	231.861,78	(30.226,09)	218.279,89	(30.226,09)

The Company derecognizes financial assets when the rights to the cash flows of the corresponding financial asset expire or have been transferred and the risks and rewards inherent to their ownership have been substantially transferred.

On the contrary, the Company does not derecognize financial assets, and recognizes a financial liability for an amount equal to the consideration received, in the transfers of financial assets in which substantially retains the risks and benefits inherent to its ownership.

4.4.2 Financial liabilities

The financial liabilities assumed or incurred by the Company are classified in the valuation category of "Financial liabilities at amortized cost" and consist of those debts and items payable originated in the commercial purchase of goods and services, or those that not having a trade commercial origin and not being derivative instruments come from loan or credit operations received by the Company.

These liabilities are initially valued at the fair value of the consideration received, adjusted for directly attributable transactions costs. Subsequently, these liabilities are valued according to their amortized cost.

Financial liabilities are written off the balance sheet when the corresponding obligations have been settled.

4.4.3 Equity instruments

An equity instrument represents a participation in the Company's equity after deducting all the liabilities.

The equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4.5 Inventories

Inventories are stated at the lower of cost and net realisable value. The commercial discounts, rebates and other similar items and the interest included in the nominal value of debts are deducted from the acquisition price.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Cost is calculated using the weighted average method.

The corresponding loss is recognized in the profit and loss account when the net realizable value is less than cost value.

4.6 Transactions in other currencies

The functional currency used by the Company is Euro. Consequently, the transactions in currencies other than Euro are recorded at the rates of exchanges prevailing on the dates of the transactions.

Monetary assets and liabilities in foreign currencies have been translated into Euro at closing rates at the balance sheet date. Gains and losses on translation are recognised in the profit and loss account in the period in which they arise.

4.7 Corporate income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. The deductions and other tax incentives in the tax quotas, withholding tax excluded, as well as the tax losses from prior years and effectively applied result in a lesser tax payment.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the annual accounts and the corresponding tax assessment basis used in the computation of the taxable result and is accounted for using the balance sheet liability method. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws enacted or substantially enacted at the balance sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences, except those related to the initial recognition of goodwill or other assets and liabilities not having any effect in both the tax and the accounting result and is not a business combination. Similarly deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

When deferred tax relates to items charged or credited directly to equity, the deferred tax is also dealt with in equity

At year end the Company reviews the carrying amount of the deferred tax assets recorded to determine whether any adjustment is necessary and recording the corresponding impairment loss if applicable. Also at each balance sheet date the deferred tax assets not recorded are evaluated and recognised in the balance sheet if it is considered that their recovery with future taxable results is probable.

4.8 Income and expenses

Income and expenses are recognised on an accrual basis, this means when the actual cash flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Income is recorded at nominal value, discounts and deductible tax deducted.

Ordinary income from the sale of goods and services is valued at the monetary amount received or, in the case, at the fair value of the consideration received or expected to be received, and which, except for evidence in the contrary, will be the agreed price deducting any discount, taxes and interest included in the nominal value of the credits.

Revenue is recognised when (or at the time when) the control of the goods and services are transferred to the clients.

Revenue recognition over the time when corresponding to goods and services whose control are transferred during a period is valued considering the degree of completion at the balance date, as long as reliable information is available to reliably measure such stage of completion. Otherwise, revenue will be only recognized in an amount equivalent to the costs incurred that are expected to be reasonably recovered in the future.

Interest income and financial expenses are accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. In any case interest income accrued after the acquisition date is recognised in the profit and loss account.

4.9 Provisions and contingencies

In preparing the annual accounts the Directors differentiate between:

- a) Provisions: credit balances covering present obligations as a result of past events which it is probable that will result in an outflow of economic benefits that can be reasonably estimated but being indeterminate with respect to the exact amount and date of settlement.
- b) Contingent liabilities: possible obligations because of past events whose future occurrence or not is conditioned on future events that are independently of the Company's control.

The annual accounts include all the provisions in connection with which there are more probabilities to pay than the contrary. Contingent liabilities are not recorded in the annual accounts but disclosed in the Notes to the accounts unless the occurrence is considered remote. The Directors are not aware of relevant contingent liabilities at year-end or at the date of issuing these annual accounts.

Provisions are recorded at the actual value of the best estimation of the necessary amount to settle or transfer the obligation, considering the pertinent available information of the corresponding event and their consequences, being recorded the possible adjustment for the estimation update as financial expenses on an accrual basis.

4.10 Indemnities for dismissal

According with labour legislation the Company is obliged to pay indemnities to those employees that under certain conditions are dismissed. Therefore, these indemnities are recorded as expenses in the year when the termination decision is adopted. The annual accounts do not include any provision for this concept as events of this nature are not expected.

4.11 Assets of environmental nature

Assets of environmental nature are considered as those used in the normal activities of the Company with the purpose of minimizing the adverse environmental impact and those contributing to the protection and improvement of the environment, including the reduction or elimination of future contamination.

The activities of the Company do not have a significant environmental impact.

4.12 Commitments and obligations with employees

The current collective wage agreement applicable to most of the employees recognises certain incentives upon voluntary leaving, retirement, or permanent total disability, at a cost (equivalent to certain periods of remunerated holidays), in such case, proportional to their salary and calculated based on the employee's age and length of service. According to Management's estimation based on actuarial hypothesis, the Company maintains a provision of 297.264,01 and 289.264,01 euros for this concept at 31st December 2024 and 2023 respectively. This estimate takes into account a retirement age of 65, an average salary growth of 3.25%, an update rate of approximately 3.41%, as well as an employee's turnover based on the Company's historical experience.

The commitments assumed by the Company for the contingencies of death or total disability of working staff are covered with insurance policies.

4.13 Transactions with group and related companies

The Company carries out its transactions with group companies on an arm's-length basis, being the prices adequately documented. Therefore, there are no specific risks with respect to this matter for which significant liabilities would arise in the future.

4.14 Grants

Grants are recognized in accordance with the following criteria:

- a) Non-refundable capital grants: They are recorded at fair value depending if being monetary or non-monetary grants and are allocated to the profit and loss account on a systematic and rational basis in proportion with the



depreciation charges for the corresponding assets or, if applicable, when the assets are disposed of, impaired or derecognized, with the exception of grants received from equity holders or owners which are directly recognized as reserves and not considered as income, independently of the type of grant involved assuming that is non-refundable.

- b) Repayable grants: They are recorded as liabilities until meeting the criteria for classification as non-refundable.
- c) Grants awarded to finance specific expenses: they are recognized as income in the reporting period in which the financed expenses are accrued. The Company considers that will meet all the requirements to which such discounts are subject.

5.- Intangible fixed assets

The movement in this caption of the balance sheet during 2024 and 2023 is coincident and was as follows (in euros):

Cost	At beginning of the year	Additions	Disposals	At end of the year
Software	54.354,32	-	-	54.354,32
Total cost	54.354,32	-	-	54.354,32

Depreciation	At beginning of the year	Additions	Disposals	At end of the year
Software	(54.354,32)	-	-	(54.354,32)
Total depreciation	(54.354,32)	-	-	(54.354,32)

Total intangible assets	At beginning of the year	At end of the year
Cost	54.354,32	54.354,32
Depreciation	(54.354,32)	(54.354,32)
Deterioration	-	-
Total net	-	-

At 31st December 2024 the cost of fully depreciated assets amounted to 54.354,32 euros (52.354,32 euros at 31st December 2023).

6.- Tangible fixed assets

The movements in this caption of the balance sheet during 2024 and 2023 respectively, and the most connected relevant information were (in euros):

Year 2024

Cost	At beginning of the year	Additions	Transfers	Disposals	At end of the year
Land and buildings	11.885.912,53	186.151,71	-	-	12.072.064,24
Technical installations	442.017,20	19.585,88	-	(2.582,12)	439.020,96
Machinery	2.230.650,63	295.701,18	-	(74.485,73)	2.451.866,08
Other installations and furniture	185.211,92	1.390,70	-	-	186.602,62
Vehicles	788.396,45	78.398,89	-	-	866.795,34
Data processing equipment and other	395.446,65	54.915,25	-	(29.436,43)	420.925,47
Fixed assets in progress	-	408.889,40	-	-	408.889,40
Total cost	15.907.635,38	1.045.033,01	-	(106.504,28)	16.846.164,11

Depreciation	At beginning of the year	Additions	Transfers	Disposals	At end of the year
Land and buildings	(5.067.625,84)	(193.829,55)	-	-	(5.261.455,39)
Technical installations	(240.143,61)	(35.455,39)	-	2.582,12	(273.016,88)
Machinery	(1.684.041,51)	(135.375,07)	-	74.485,73	(1.744.930,85)
Other installations and furniture	(179.650,07)	(1.528,90)	-	-	(181.178,97)
Vehicles	(202.649,71)	(128.525,26)	-	-	(331.174,97)
Data processing equipment and other	(331.154,69)	(16.940,93)	-	8.338,00	(339.757,62)
Total depreciation	(7.705.265,43)	(511.655,10)	-	85.405,85	(8.131.514,68)

Total tangible fixed assets	At beginning of the year	At end of the year
Cost	15.907.635,38	16.846.164,11
Depreciation	(7.705.265,43)	(8.131.514,68)
Deterioration	-	-
Total net	8.202.369,95	8.714.649,43

Year 2023

Cost	At beginning of the year	Additions	Transfers	Disposals	At end of the year
Land and buildings	11.800.913,49	84.999,04	-	-	11.885.912,53
Technical installations	309.512,51	-	112.504,69	-	442.017,20
Machinery	2.068.366,21	162.284,42	-	-	2.230.650,63
Other installations and furniture	184.216,25	995,67	-	-	185.211,92
Vehicles	286.005,76	502.390,69	-	-	788.396,45
Data processing equipment and other	401.443,79	11.252,21	2.259,02	(19.508,37)	395.446,65
Fixed assets in progress	77.317,85	37.445,86	(114.763,71)	-	-
Total cost	15.127.775,86	799.367,89	-	(19.508,37)	15.907.635,38

Depreciation	At beginning of the year	Additions	Transfers	Disposals	At end of the year
Land and buildings	(4.873.206,13)	(194.419,71)	-	-	(5.067.625,84)
Technical installations	(210.844,76)	(29.298,85)	-	-	(240.143,61)
Machinery	(1.559.697,45)	(124.344,06)	-	-	(1.684.041,51)
Other installations and furniture	(178.207,59)	(1.442,48)	-	-	(179.650,07)
Vehicles	(142.751,92)	(59.897,79)	-	-	(202.649,71)
Data processing equipment and other	(319.406,92)	(15.123,23)	-	3.375,46	(331.154,69)
Total depreciation	(7.284.114,77)	(424.526,12)	-	3.375,46	(7.705.265,43)

Total tangible fixed assets	At beginning of the year	At end of the year
Cost	15.127.775,86	15.907.635,38
Depreciation	(7.284.114,77)	(7.705.265,43)
Deterioration	-	-
Total net	7.843.661,09	8.202.369,95

At 31st December 2024 and 2023 Land and buildings includes:

	Euros	
Cost	31/12/2024	31/12/2023
Golf courses I & II:		
-Land	8.611.271,08	8.436.303,14
-Building	211.112,39	211.112,39
Golf academy:		
-Land	811.021,97	811.021,97
-Building	299.821,98	299.821,98
Other building:		
-Club house	981.378,56	981.378,56
-Buggy paths	337.174,83	337.174,83
-Machine shed and warehouse	555.164,60	548.552,36
-Grass nursery	141.607,44	141.607,44
-Other assets	123.511,39	118.939,86
Total	12.072.064,24	11.885.912,53

In the opinion of the Directors, taking into consideration the valuation report issued by independent experts at the end of 2024, considering, among other factors, the business plans and forecasted free cash flows for the next years, the market value of tangible fixed assets is higher than book value. The most relevant hypothesis of the valuation made in the context of an overall valuation of La Cala Resort assets owned by the majority shareholder are the following: a) main valuation methods: forecasted discounted cash flows, b) discount rate of 11%, c) average increase in annual revenue in the period 2023 to 2028 of 2% and 0% between 2029 and 2034 and an average EBITDA over revenue of 33,2% in such 2025 to 2034 period and d) an exit yield of 9%.

At 31st December 2024 and 2023 the detail of the cost of fully depreciated assets in use was respectively as follows: (in euros):

Description	Gross accounting value at 31/12/2024	Gross accounting value at 31/12/2023
Golf courses installations	2.950.958,58	2.662.829,55
Technical installations and machinery	1.403.578,46	1.324.681,47
Other installations and furniture	173.258,35	172.964,83
Vehicles	110.405,77	107.874,54
Other assets	307.579,62	284.812,54
Total	4.945.780,78	4.553.162,93

At the end of the 2024 financial year, the Company had firm commitments to acquire fixed assets (works to expand the parking lot and other constructions) amounting to approximately 1.372.000 euros.

The Company has taken out insurance policies to cover the possible risks to which its various tangible fixed assets are subject and the possible claims which might be made against it as a result of the exercise of its activity; it is considered that these policies sufficiently cover the risks to which such assets are subject to.

7.- Leasing

7.1 Finance leases

At 31st December 2024 and 2023 the detail of the assets under finance leases is respectively as follows: (in euros):

	Assets valued at the current value of the minimum payments	
	31/12/2024	31/12/2023
Tangible fixed assets-cost	455.000,00	455.000,00
Investment properties	-	-
Intangible fixed assets	-	-
Total	455.000,00	455.000,00

At the end of years 2024 and 2023 the minimum debt instalments (including if appropriate the purchase options) as a consequence of the contracts in force, not considering possible repercussion of common expenses or any possible future increase of the agreed rental amounts are respectively as follows (in euros):

Finance leases Minimum instalments	2024		2023	
	Nominal value	Actual value	Nominal value	Actual value
Less than one year	99.361,80	86.317,88	99.361,80	82.721,83
One to five years	274.196,87	258.861,98	373.558,67	345.179,86
More than five years	-	-	-	-
Total	373.558,67	345.179,86	472.920,47	427.901,69

The above information corresponds to golf buggy cars finance lease contracts signed in 2023 for five years, with average interest rate of 4,26%, amounting the nominal value of the purchase options to 8.280,15 euros.

Rental instalments paid in years 2024 and 2023, interest non-included, amounted to 82.721,83 and 27.098,31 euros respectively.

7.2 Operating leases

At 31st December 2024 and 2023 the minimum rental debts as a consequence of the contracts in force, not considering possible repercussion of common expenses or any possible future increase of the agreed rental amounts are respectively as follows (in euros):

Operating leases Minimum amounts	Nominal Value	
	31/12/2024	31/12/2023
Less than one year	465.725,56	461.788,16
One to five years	64.241,31	528.748,00
More than five years	-	-
Total	529.966,87	990.536,16

The detail of the operating lease rental charged to the profit and loss accounts of years 2024 and 2023 is respectively as follows (in euros):

	2024	2023
Minimum rental payments	591.997,82	651.832,46
Contingent instalments paid	-	-
Total net	591.997,82	651.832,46

As lessee the most important contracts in force at the end of years 2024 and 2023 respectively are the following:

1.- Rental of a golf course and other golf installations from the group company Ranchos Reunidos, S.A. The golf course contract period started on 1st January 2005, with a new contract in 2023 for a period of 3 years ending on 31st December 2025 (see Note 15.2). The annual rental price amounts to 400.000 euros and will be updated annually based on the consumer index price evolution. In 2024 and 2023 the corresponding total annual rental prices amounted to 412.400,00 and 400.000,00 euros respectively.

2.- Contracts related to buggy cars, gps and other services for golf players. Rental paid in 2024 and 2023 amounted to 54.616,39 and 115.730,59 euros respectively.

8.- Investments (long and short term)

The movements in these captions of the balance sheet during 2024 and 2023 respectively, and the most connected relevant information were (in euros):

Year 2024

	Euros		
	31/12/2023	Additions/(Disposals)	31/12/2024
Deposits and guarantees given:			
Long-term	1.881,62	-	1.881,62
Short-term	239,04	-	239,04

Year 2023

	Euros		
	31/12/2022	Additions/(Disposals)	31/12/2023
Deposits and guarantees given:			
Long-term	1.881,62	-	1.881,62
Short-term	239,04	-	239,04

Information of the nature and level of risks of the financial investments

Quality information

The Management of the Group to which the Company pertains has established the necessary procedures in order to control the exposure to the variation in interest rates and exchange rates as well as the credit and liquidity risks. Disclosed as follows are the main financial risks that could affect to the Company:

a) Credit risks:

Generally the Company maintains cash and cash equivalents in banks with adequate rates.

There are no impaired customer accounts not provisioned or overdue at the end of year 2024.

b) Liquidity risk:

To ensure liquidity and settle the trade and connected liabilities, the Company has the cash and cash equivalents disclosed in the balance sheet, as well as, if necessary, the financial support of other group companies.

c) Market risk (includes interest rate, exchange rate and other price rates):

Both cash and debts with financial institutions are exposed to the interest rate risk which in the current circumstances would not be considered to have a significant effect in the financial results and cash flow.

Foreign currency risk is not relevant.

9.- Inventories

Inventories mainly include pro shop merchandise for sale.

The movement of the inventory depreciation was as follows:

Year 2024

	At beginning of the year	Additions	Reversals	Disposals	At end of the year
Inventory depreciation	(23.675,39)	(5.000,00)	-	-	(28.675,39)

Year 2023

	At beginning of the year	Additions	Reversals	Disposals	At end of the year
Inventory depreciation	(23.675,39)	-	-	-	(23.675,39)

The inventory depreciation figure and updates have been based on an individual analysis of the items, considering possible obsolescence and rotation of the merchandise.

10.- Equity and Shareholders Funds

At 31st December 2024 and 2023 the Company's share capital amounted to 6.945.000,00 euros, represented by 2.315 registered shares with a par value of 3.000,00 euros each, all of the same type and fully subscribed and paid up.

The composition of the share capital was respectively as follows:

Nominative shareholder	%	
	31/12/2024	31/12/2023
Ranchos Reunidos, S.A.	81,04	80,13
Other individual and corporate shareholders	18,96	19,87
	100,00	100,00

10.1 Legal Reserve

In accordance with Spanish Company Law, 10% of profits of private limited liability companies must be set aside to a legal reserve until such reserve is equal to 20% of the share capital. The legal reserve can be used to increase the share capital if exceeding such 20% or to offset losses in the event that there are no other funds available for this purpose.

10.2 Reserve of capitalization

At 31st December 2024 this reserve, which is non-disposable in the terms established by the tax legislation in force, amounted to 78.726,92 euros (78.726,92 euros at 31st December 2023).

The reserve of capitalization corresponds to the application of article 25 of Law 27/2014, which consists of a reduction of the tax base of 10% of the amount of the increase in own funds, provided that the following requirements are met:

- That the amount of the increase in the entity's own funds be maintained for a period of 5 years from the end of the tax period to which this reduction corresponds, except for the existence of accounting losses in the entity.
- That a reserve be allocated for the amount of the reduction that must appear in the balance sheet with absolute separation and appropriate title and will be unavailable during the term established in the previous paragraph.

11.- Provisions and contingencies

The detail of this caption is as follows (in euros):

Type of provision	31/12/2024		31/12/2023	
	Long-term	Short-term	Long-term	Short-term
Provisions- Commitments with staff (a)	297.264,01	-	289.264,01	-
Other provisions (b)	4.400,50	-	4.400,50	-
Total	301.664,51	-	293.664,51	-

(a) The provisions included in the balance sheet at the end of years 2024 and 2023 respectively correspond to retirement benefit with the staff (see Note 4.12). The current value of the staff retirement benefit obligation has been obtained from the specific analysis carried out by qualified insurance companies in prior years, being the major assumptions: age of retirements 65 and annual average salary rate increase of 3%.

(b) The balance at the end of year 2024 covers possible future payments derived from labour accidents.

12.- Liabilities (long and short-term)

12.1 Long-term liabilities

The detail of this caption at the end of years 2024 and 2023 is respectively as follows (in euros):

Categories \ Types	Long-term financial instruments					
	Bank and Finance Lease Entities		Other		Total	
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized costs	553.463,57	756.433,59	18.489,00	15.989,00	571.952,57	772.422,59
Total	553.463,57	756.433,59	18.489,00	15.989,00	571.952,57	772.422,59

The maturity years of the debts includes under the financial "Long-term liabilities" caption is as follows (in euros):

Year 2024

	2026	2027	2028	Total
Bank loans	118.616,13	120.614,08	55.371,37	294.601,59
Obligations under finance leases	90.070,23	93.985,74	74.806,01	258.861,98
Other	15.989,00			15.989,00
Total	224.675,36	214.599,82	130.177,38	571.952,57
Interest debt	13.373,64	6.747,91	1.701,65	21.823,20

Year 2023

	2025	2026	2027	2028	Total
Bank loans	116.652,15	118.616,13	120.614,08	55.371,37	411.253,73
Obligations under finance leases	86.317,88	90.070,23	93.985,74	74.806,01	345.179,86
Other	15.989,00				15.989,00
Total	218.959,03	208.686,36	214.599,82	130.177,38	772.422,59
Interest debt	19.089,97	13.373,64	6.747,91	1.701,65	40.913,17

12.2 Short-term liabilities

The detail of this caption at the end of years 2024 and 2023 is respectively as follows (in euros):

Categories \ Type	Short-term financial instruments					
	Bank Entities		Other		Total	
	2024	2023	2024	2023	2024	2023
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized costs	202.970,02	245.323,94	52.162,64	45.019,47	255.132,66	290.343,41
Total	202.970,02	245.323,94	52.162,64	45.019,47	255.132,66	290.343,41

The loans are not affected to any mortgage or other real guarantees and accrue interest at fix rates between 1,5 and 4,29%, being planned to pay interest in the amount of 19.089,97 euros in 2025..

At the end of year 2024 the available and non- disposed bank credit lines amounted to 300.000,00 euros.

13.- Public Bodies and Tax situation

13.1 Current balances with Public Bodies

The composition of the current balances with Public Bodies is as follows (in euros):

Debit balances

	31/12/2024	31/12/2023
VAT receivable	-	8.402,28
Total	-	8.402,28

Credit balances

	31/12/2024	31/12/2023
VAT payable	16.765,40	-
Staff Income tax payable.	27.224,45	25.410,75
Social security payable	61.244,02	55.560,70
Total	105.233,87	80.971,45

13.2 Reconciliation between net accounting result with the taxable corporate income

The reconciliation between book result before tax and the taxable Corporate Income is as follows:

Year 2024

	Profit & loss account		Income and expenses recognized directly in equity		Total
Income and expenses for the year	1.049.582,31				1.049.582,31
	Increases	Decreases	Increases	Decreases	
Corporate income tax	352.511,89	(46,63)			352.465,26
Permanent differences –	8.000,00				8.000,00
Temporary differences –					
Attributable to the year:					
Attributable to prior years:	24.383,10	(17.865,07)			6.518,03
Set-off of prior years' tax losses					
Taxable income					1.416.565,60

Year 2023

	Profit & loss account		Income and expenses recognized directly in equity		Total
Income and expenses for the year	796.241,92				796.241,92
	Increases	Decreases	Increases	Decreases	
Corporate income tax	249.666,52	(34.002,90)			215.663,62
Permanent differences –		(13.239,43)			(13.239,43)
Temporary differences					
Attributable to the year:					
Attributable to prior years:	41.056,52	(17.865,15)			23.191,37
Set-off of prior years' tax losses					
Taxable income					1.021.857,48

13.3 Reconciliation of the accounting result and the Corporate Income tax expense

The reconciliation between the accounting result and the Corporate Income tax expense is as follows (in euros):

	2024	2023
Accounting result before tax	1.402.047,57	1.011.905,54
Adjustments to the accounting result:		
Permanent differences	8.000,00	(13.239,43)
Temporary differences:		
Financial lease operations	24.383,10	41.056,52
Fixed assets depreciation	(17.875,07)	(17.875,15)
Set-off of prior years' tax losses	-	-
Tax base	1.416.565,60	1.021.857,48
Tax quota	354.141,40	255.464,37
Temporary and permanent differences impact	(736,25)	(4.904,58)
Deductions- Other	(893,26)	(893,26)
Adjustments from prior years	(46,63)	-
Capitalization of tax credits from prior years	-	(34.002,90)
Total Corporate income tax expense (income) recognised in the profit and loss account	352.465,26	215.663,62

13.4 Breakdown of the Corporate Income tax expense

The breakdown of the Corporate Income tax expense is as follows (in euros):

	2024	2023
Current tax:		
Continuing operations	353.201,51	254.571,10
Discontinuing operations		
Deferred tax:		
Continuing operations	(736,25)	(38.907,48)
Discontinuing operations		
Total corporate income tax (expense) income	352.465,26	215.663,62

13.5 Deferred tax assets recorded

The detail of this caption at 31st December 2024 and 2023 respectively is as follows (in euros):

	2024	2023
Tax credit losses-25% rate	174.514,29	221.522,11
Temporary differences for fixed assets depreciation-30% rate	-	5.359,52
Total deferred tax assets	174.514,29	226.663,62

The mentioned deferred tax assets have been recorded in the balance sheet because in the opinion of the Directors, the Company will recover such assets as there are deferred tax liabilities for the same amount.

At the end of years 2024 and 2023 the detail of these recorded assets was respectively as follows:

	2024		2023	
	Tax base	Quota (25% rate)	Tax base	Quota (25% rate)
Tax losses:				
- 2011	-	-	59.100,64	14.775,16
- 2012	7.080,16	1.770,04	136.011,59	34.002,90
- 2020	690.986,10	172.744,27	690.986,10	172.744,27
Timing differences (at 30% rate)	-	-	17.865,07	5.359,52
Total deferred tax assets recorded	698.057,26	174.514,29	903.963,40	226.881,63

It is forecasted to offset all the negative tax bases from previous years in consolidated income tax return for year 2024.

13.6 Deferred tax liabilities

The detail of this caption at the end of years 2024 and 2023 was respectively as follows (in euros):

	2024	2023
Finance lease contracts	1.870,90	7.970,68
Total deferred tax liabilities	1.870,90	7.970,68

13.8 Years open to tax inspections

Under tax legislation in force, tax returns may not be deemed to be final until they have been accepted by the tax authorities or until the period of 4 years established in this connection has elapsed. At the end of year 2024 the year 2020 and following are opened for tax inspection for most of the applicable taxes (while the open periods for prior tax losses is ten years) and other tax returns. The Directors consider that the tax returns have been adequately prepared and paid and that consequently in the case of discrepancies derived from the different interpretation of the current tax legislation in specific issued, the contingencies which might become liabilities would not significantly impact the annual.

The Company files consolidated Corporate Income tax returns with Fodeintur S.A. (the parent company), which includes Ranchos Reunidos S.A., its subsidiaries (with which consolidated V.A.T. returns are also filed), and since 2015 and 2017 Sunset Beach Club S.A. and other companies respectively. The corresponding credit balance maintained with Fodeintur S.A. at 31st December 2024 amounts to 484.223,70 euros (credit balance of 184.655,19 euros at 31st December 2023).

14.- Income and expense

14.1 Turnover

Turnover for years 2024 and 2023 corresponds to sale of goods and services provide in Spain, as follows (in euros):

	2024	2023
Golf services (green fees, academy, buggy rental and other minor)	7.762.759,15	6.839.000,41
Sale of goods	1.272.896,23	1.127.280,96
Total	9.035.655,38	7.966.281,37

As of December 31, 2024, the Company had no services rendered that were pending billing. Otherwise, the Company had liabilities as of December 31, 2024 corresponding to customer advances and non-accrued membership fees amounting to 428.455,77 and 381.490,85 euros respectively (to 342.013,45 and 344.046,10 respectively as of December 31, 2023) for services that are estimated to be provided within the following twelve months. The Company has not identified incremental costs of obtaining or fulfilling contracts signed with customers, nor the existence of a financing component to the extent that the collection period is, in any case, less than one year and the effect is not significant.

14.2 Supplies

The balances of the captions "Merchandise cost of sales" and "Raw materials cost of sales" for years 2024 and 2023 are as follows (in euros):

	2024	2023
Merchandise cost of sale:		
Purchases	534.690,40	487.798,01
Inventory variation	(58.709,66)	(57.703,34)
Allowances variation, net (See Note 9)	5.000,00	-
Total	480.980,74	430.094,67
Raw materials:		
Purchases	595.601,00	519.328,56
Inventory variation	(31.976,34)	(989,40)
Total	563.624,66	518.339,16

The detail of the origin of the Purchases was respectively as follows (in euros):

Year 2024

	Domestic	European Union	Import
Purchases	961.154,65	167.312,51	1.824,24

Year 2023

	Domestic	European Union	Import
Purchases	917.237,58	87.223,86	2.665,13

14.3 Employee costs

The breakdown of Employee costs for years 2024 and 2023 are respectively follows (in euros):

	2024	2023
Wages and salaries (including leaving indemnities in the case)	1.892.936,35	1.748.176,20
Staff welfare charges		
Retirement incentives and similar	8.000,00	-
Other welfare charges	724.143,67	665.961,27
	732.143,67	665.961,27
Total	2.625.080,02	2.414.137,47

14.4 Other operating expenses

The detail of this heading of the profit and loss account is as follows (in euros):

	2024	2023
Rental and royalties	593.757,82	652.142,46
Repair and maintenance	742.426,06	706.619,42
External profesional services	138.147,67	96.975,15
Transports	20.264,20	20.278,64
Insurance premiums	42.635,31	36.935,40
Bank services and similar	81.046,02	63.118,08
Advertising and publicity	378.445,12	350.826,16
Supplies	417.122,35	383.346,63
Other services	1.050.223,47	834.442,55
Taxes	99.607,42	96.096,35
	3.563.675,44	3.240.780,84

15.- Transactions and balances with group companies

15.1 Transactions with group companies

The detail of the transactions with group companies during years 2024 and 2023 is respectively as follows (in euros):

	2024		2023	
	Parent company (Ranchos Reunidos S.A.)	Other group companies	Parent company (Ranchos Reunidos S.A.)	Other group companies
Sales and services rendered	-	(*) 1.783.982,61	-	(*) 1.817.346,27
Purchases and services received	(1.462.323,61)	(123.831,48)	(1.261.688,97)	(124.046,45)
Costs charges to	26.626,44	79.539,80	26.400,00	82.272,00
Costs charges from	(375.924,11)	(22.280,26)	(423.773,85)	(23.185,79)
Financial interest, net	(20.363,75)	34.895,41	(12.049,72)	16.430,07

(*) Bay Management, S.L. and Sunset Beach Club S.A.

15.2 Balances with group companies

The balances with group companies are as follows (in euros):

	31/12/2024		31/12/2023	
	Parent company (Ranchos Reunidos S.A.)	Other group companies	Parent company (Ranchos Reunidos S.A.)	Other group companies
Long-term investments:				
Other financial assets	120.202,42		120.202,42	
Trade debtors:		1.522.231,64		636.755,55
Short-term investments				
Short-term liabilities:		(346.622,96)		(184.655,19)
Trade payable and other creditors:	(443.211,03)	(104.555,77)	(912.030,58)	(106.438,36)

"Long-term investments-Other financial assets" for an amount of 120.202,42 euros corresponds to the amount paid to the main shareholder of the Company, Ranchos Reunidos S.A., arising from the rental agreement signed on October 1, 2001 regarding the third golf course owned by the mentioned group company. Such deposit has been maintained in the subsequent rental contracts signed.

15.3 Retribution of the Board of Directors and Top Management and other information related to the Directors

The Directors have not earned any retribution during years 2024 and 2023, either wages, expense allowances, pension plans, insurance premiums, indemnities, share options or other, neither are any loans or advances granted to them at 31st December 2024 and 31st December 2023. There are no top management employees.

At the end of year 2024 and 2023 none of the Board members have reported to the other members any possible situation of conflict of interest, direct or indirect, in which them or their respective related party, as defined in the Spanish Company's Law, would have with the Company's interest.

16.- Environmental information

At the end of year 2024 and 2023 respectively, the environmental nature assets maintained are the following:

	2024	2023
Photovoltaic installation:		
Cost	112.504,69	112.504,69
Accumulated depreciation	(15.844,41)	(4.593,94)
Total net	96.660,28	107.910,75

This installation contributes to mitigating climate change through the generation of renewable energy.

Considering their activities, the Company has no responsibilities, expenses, provisions or contingencies of an environmental nature that would significantly affect its shareholders funds, financial position or results. As a consequence, no specific details are included in the notes to the annual accounts in connection with environmental matters.

17.- Other information

17.1 Staff

In years 2024 and 2023 the average number of employees rendering effective services and distributed by professional category was respectively as follows:

Categories	2024	2023
Management and operations	3,00	2,00
Greenkeeping and maintenance	38,89	39,05
Pro shop	9,73	8,11
Player assistants	14,86	15,80
Academy	2,00	2,00
Total	68,48	66,96

The average number of employees with a disability equal of higher 33% during 2024 was 1,00.

In addition, the distribution by sex of Staff at the end of the year and 2024 and 2023 disclosed by categories was respectively as follows:

	2024		2023	
	Males	Females	Males	Females
Management and Operations	3	-	2	-
Greenkeeping and maintenance	39	-	39	-
Pro shop & buggy bar	-	10	-	9
Player assistants	14	1	15	1
Academy	1	2	-	2
Total	57	13	56	12

The Board of Directors is composed by five members (males).

17.2 Audit fees

During year 2024 the audit fees charged by the auditor firm Deloitte S.L. amounted to 10.920,00 euros. There are not other services provided by the auditor or group or related companies of the auditor.

17.3 Information of weighted average period of payments. Third transitional rule of Law 15/2010, of 5 July.

The information required by third transitional rule of Law 15/2010 is as follows:

	Year 2024	Year 2023
	Days	Days
Weighted average period of payments	57,72	60,59
Paid debts ratio	58,67	62,15
Pending debts ratio	49,71	48,31
	Amount (euros)	Amount (euros)
Total payments	3.110.002.47	2.701.783.25
Total pending payments	372.087,07	342.894,13

The additional information introduced by Law 18/2022 about the average period of payments to suppliers is as follows:

	Year 2024	Year 2023
Total payments made in a shorter period than the maximum established (in euros)	526.235,64	473.904,59
% of payments in a shorter period than the maximum established with respect to the total payments made	16,92%	17,54%
Number of invoices paid in a shorter period than the maximum established	352	379
% Number of invoices paid in a shorter period than the maximum established with respect to the total invoices paid	19,39%	21,60%

The above-mentioned information corresponds to trade creditors, excluding group companies, providing goods and services, and consequently includes debts under the caption "Creditors-third parties" and "Other creditors" of the current liabilities side of the balance sheet.

Law 11/2013 establish a maximum payment period of 30 days except in the case of agreements between the parties with a maximum payment period of 60 days being this the case applicable to the Company.

18. Explanation added for translation to English

These annual accounts are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

La Cala de Mijas, February 18, 2025

Directors:



David Kelly	Lars A. Granberg	Per M. Borjesson	Sean Corte-Real	Joaquín Jiménez
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LA CALA GOLF CLUB, S.L.

Management Report for the year ended 31st December 2024

The Directors of La Cala Golf Club, S.L. hereby submit their Management Report for the 2024 financial year.

Results and business development for 2024 and company situation

Turnover for year 2024 has increased by approximately 13,4% with respect to the prior year, this due to the increase of 2,7% in the number of rounds while the remaining is basically attributable to the improvement in the average revenue per golfer.

On the other side, the Company's recurrent operational costs and expenses, including payroll, have increased by approximately 10 % compared to those incurred in 2023.

Therefore, the net operating result has moved from a profit of 1.014,8 thousand euros in the prior year to a profit of 1.382,5 thousand euros in 2024. Otherwise, the financial result has experienced a significant positive evolution, moving from a loss of 2,8 thousand euros in 2023 to a profit of 19,5 thousand euros in 2024. In conclusion, the Company has obtained in 2024 a net profit before tax of 1.402,0 thousand euros, which represents an increase of 38,5% with respect to the prior year.

Main risks and uncertainties associated with the business

The Company's activities and hence its operations and results are exposed to risks due to the environment in which they are carried out and also to outside factors, such as, in the case, the adverse climate conditions (drought, etc.), the health crisis, the political uncertainties, and the macroeconomic evolution including the general significant costs increase, the economic performance of the main tourism markets (UK, other European countries, etc.); the evolution of the sterling pound exchange rate and the competition of other touristic can also have a negative impact on the Company's operations and results.

In general terms, the Company considers relevant those risks that could impact the profitability of its operations, the financial solvency, the corporate reputation or the integrity of its employees.

In managing and monitoring risks, the Company classifies its main exposures in the following categories: Strategic risks, Business processes risks, Risks relating to financial management, Technology risks, Risks arising from the reliability of financial and technical information.

The Company has put in place procedures and control systems conceived for the effective identification, measurement, evaluation and priority of the risks. These systems provide sufficient and accurate information to decide on an individual basis if such risks are assumed in controlled conditions or mitigated or avoided.

Future developments

For year 2025 the Company expects to improve its revenue and the operational result in approximately 6% with respect to the prior year.

Our efforts continue to be focused on making the resort a success in its own right by enhancing our facilities and quality of services. We are committed to maintaining the resort to the standards expected in the industry and we are confident that this strategy will lead to increased profitability and cash flow in the future.



1

Use of financial instruments

The Company periodically analyses and considers the adequacy of entering into exchange rate hedging contracts in order to hedge exposure to fluctuations in exchange and interest rates where considered advisable in view of the performance of its operations and the market situation.

At 31st December 2024, the Company has not arranged any exchange nor interest rate hedging contracts.

Own shares, post-balance sheet events and other information

There have not been any important subsequent events for the Company after year-end.

During the year 2024 the Company has not carried out any research and development activities, nor has the Company acquired its own shares.

Actions that could have a significant impact on the Company's employees are not expected.

The Company continues developing an efficient plan for supplier payments with the objective of meeting the deadlines established in current legislation

La Cala de Mijas, 18 February, 2025

Directors:



David Kelly



Lars A. Granberg



Per M. Börjesson



Sean Corte-Real



Joaquín Jiménez