IBI LION SOCIMI S.A

In accordance with the provisions of article 228 of Law 6/2023, of 17 March, on Securities Markets and Investment Services, as well as Circular 3/2020 of the BME Growth trading segment of BME MTF Equity ("BME Growth"), and ancillary regulations, IBI Lion SOCIMI, S.A. (the "Company") hereby informs of the following

OTHER RELEVANT INFORMATION

The following is a trading update containing information of the Company and its group and the macroeconomic situation.

The past year has been characterized by significant changes around the world. After two difficult years for the real estate sector, in light of rising interest rates and high inflation, in the second half of 2024, we began to see interest rate cuts in the US and Europe, after inflation reached the central banks target. The change can also be seen in the stock indices, which recorded a dream year for investors. The European economy is showing signs of stabilization, with the moderation of inflation and potential interest rate cuts, which, according to forecasts, are expected to decline by another 1.0 percent to about 2.0 percent at the end of 2025.[1] The interest rate cuts, together with the increase in consumer and investor confidence, create a positive background for growth in all income-producing real estate sectors.

Spain's economy had a phenomenal year as the country ended 2024 with the highest growth in Europe and continues to be the bright spot in Europe when looking to 2025. Strong tourism, an increase in the power of consumption, population growth due to positive immigration and an improvement in the labor force are expected to be the engines of growth in the coming year as well, with the growth forecast for Spain amounting to about 2.1 percent according to the International Monetary Fund. [2]

The latest Global Real Estate Sentiment Survey conducted by JLL also indicates a change in tastes and optimism in the field[3]. As of November 2024, the survey presented the strongest result in almost three years, with the majority of respondents indicating that they think conditions in the income-producing real estate sector will improve even more over the next six months.We also estimate that we will see an abundance of investment opportunities in the coming year, but in order to thrive in 2025, real estate investors will have to choose the right real estate, as there is a large difference between the sectors, the quality of the properties and their location.

For IBI Lion, the macro changes in the market led us to increase the pace of purchases, and accordingly, at the beginning of January, we signed a significant deal, for the purchase of a cooling logistics center for about 25 million euros. The property, with a scope of about 22,000 square meters,

[1] https://www.ey.com/content/dam/ey-unified-site/ey-com/en-pl/insights/economic-analysis-team/documents/ey-european-economic-outlook-oct24-abridged-final.pdf

[2] https://www.imf.org/-/media/Files/Publications/WEO/2024/October/English/text.ashx

[3] https://www.us.jll.com/en/trends-and-insights/research/global/global-real-estate-outlook

is leased to a large public logistics company on a long-term contract and is added to the company's logistics portfolio, which also includes the properties in Valencia and Madrid. The transaction was executed as part of a refinancing deal we executed for our large property in Valencia, which extends the loan repayment date and improves the company's cash flow.

Following the acquisition, the company's total assets amount to approximately 125 million euros, and we plan to continue to expand our supermarket portfolio this year, along with the acquisition of additional logistics assets. To this end, we completed an additional capital raising in January that will be used to purchase new properties. The next allocation in the company is expected, subject to the relevant approvals and authorisations, for March/April 25, and as with any allocation, all investors will receive notice of this from the bank, including the right to participate in the allocation if they wish. In addition, in March, the Company expects to to make its semi-annual distribution, subject to the corresponding approval by the general shareholders meeting, which is expected to be in line with recent semi-annual distributions.

Attached to this letter is a brief overview of index yields and the macro situation in Europe and a real estate forecast for 2025.

We wish all our investors a Happy New Year!

Nadav Berkowitz

Chairman of the Board of Directors

The IBILeon Team

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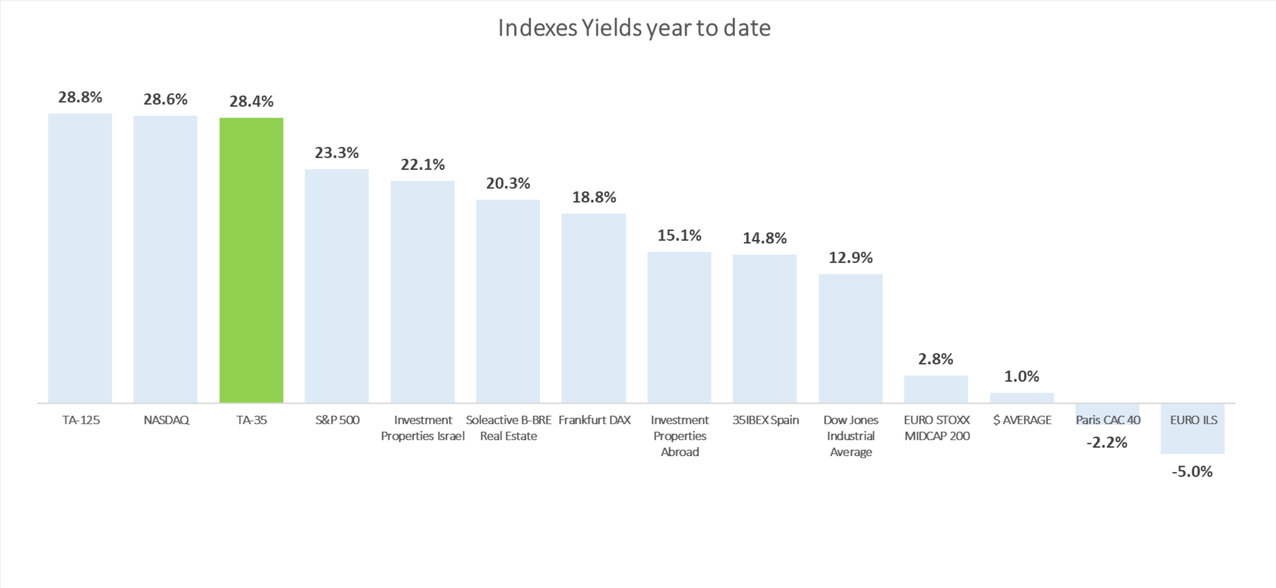
Macro Europe

As you know, 2024 was a record year in terms of stock indices. Surprisingly, the leading indices this year were the Tel Aviv stock indices together with the Nasdaq index, which ended the year with an impressive return of about 28%.[4]. European indices ended the year with a return of about 19% for the DAX index and about 15% forthe Spanish IBEX35 index.[5]

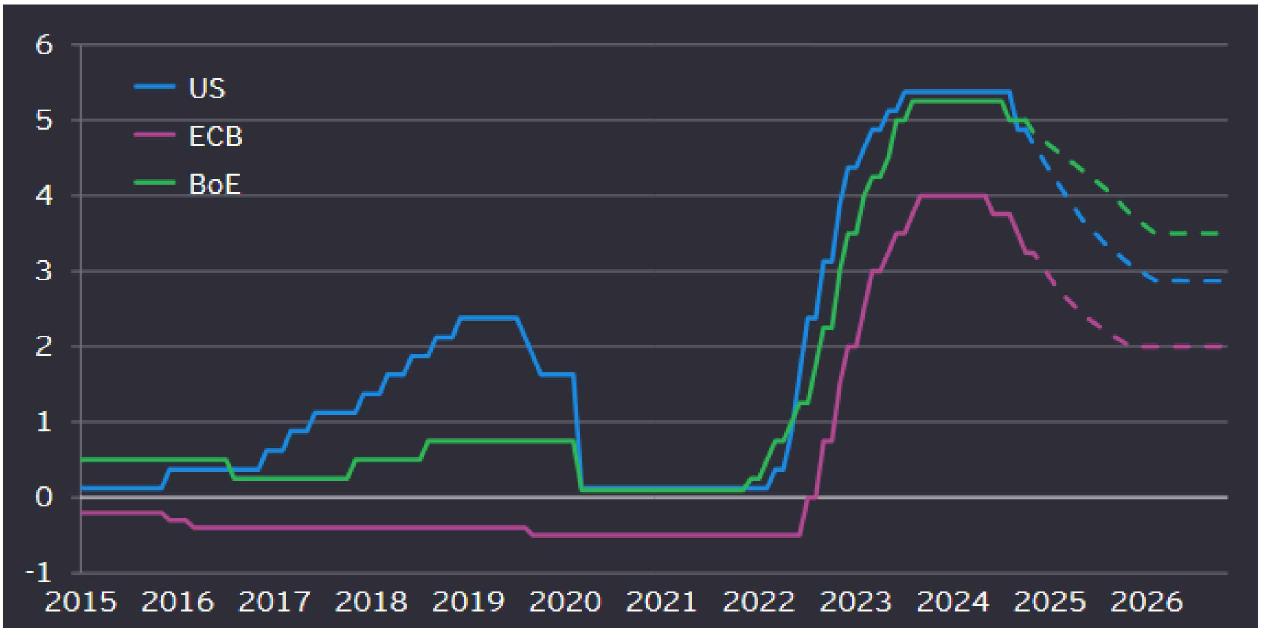


*A-ONLINE Trend Data

Bond yields recorded a mixed year, with US government bond yields (10 years) rising during the year from 3.9% to about 4%.In contrast, Spain's bond yields, in light of the improvement in the state of the economy, fell this year from 3.6% to 3.0% in 10-year bonds.

The rise in equities and the decline in bond yields were due to the change in the macro environment, as inflation across Europe continued to decline and reached below the European Central Bank's (ECB) threshold. As of January, the inflation for 2024 is at an annual rate of 2.8 percent, [6] mainly in light of the continued decline in energy prices.In light of these data, and in accordance with the forecast, the ECB lowered the interest rate in December by an additional 0.25 percent, thus completing a reduction of about 1.0 percent from June 2024. Looking at 2025-2026, the interest rate forecasts show that the interest rate in the eurozone will continue to be cut to 2.0 percent (the purple graph).

[4] As of closing of the trading session on [31/12/2024]
[5] As of closing of the trading session on [31/12/2024]
[6] https://www.forexlive.com/news/spain-december-final-cpi-28-vs-28-yy-prelim-20250115/



6 Source: Oxford Economics, Eurostat, ECB, Fed, BoE, BIS, EY EAT forecast.
For Hungary, BUBOR 1M interbank rate.

Despite a slowdown in some eurozone countries, Europe is expected to remain a leading destination for new capital and investment in 2025. Strong demandand favorable pricing, combined with a significant exchange rate differential between Euribor and US and UK rates, is expected to continue to attract investors. Investors are expected to continue to focus on sectors that enjoy positive momentum, such as the residential and logistics sector, which is benefiting from declining yields in cities such as Madrid and Amsterdam.The commercial sector, following a significant drop in prices in recent years, is attracting renewed interest from investors, while the office sector, which has experienced a difficult year in light of the transition to remote work but is still supported by a limited supply of ESG-compliant prime assets, continues to generate interest among local investors.

Geographically, Germany is expected to remain a leading investment destination despite economic challenges. France is experiencing positive momentum in retail and alternative properties, albeit while navigating the evolving political landscape. Spain, supported by broad economic growth, will continue to attract strong focus for investors.

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2025 Real Estate Forecast – Cushman & Wakefield

Offices

The office market has gone through another difficult year, and the forecast is that in 2025 we will continue to see changes in the sector. Property repositioning and repurposing are expected to increase as property owners upgrade older properties to remain competitive, especially in large cities such as London and Paris, while office space in peripheral areas may face a decline in demand, with repurposing emerging as a viable solution for outdated buildings. These trends will continue to exert upward pressure on rental growth in the near term, although C&W The growth rate is expected to soften into 2025 and 2026, and decline back to around 2% and 1.6%, respectively, at the European level. Returns on assets are expected to reach a peak this year with a gradual decline over the next two years, reflecting increased demand and transaction activity, combined with a further decline infinancing costs.

Retail

The fundamentals of the retail sector are expected to strengthen further in 2025, boosting investment in the sector. As consumer dynamics improve along with better occupancy rates, the volume of investments and the value of assets are expected to increase. Returns on high-rated (Class A) assets are expected to decline modestly among the types of retail properties until the end of the year. However, this positive momentum will primarily benefit high-quality properties such as retail parks, top-notch shopping centers, and main streets. Meanwhile, properties in secondary or less desirable locations are likely to face ongoing challenges, both in terms of market fundamentals and investor interest.

Logistics

Investment activity in the European logistics and industrial market remains stable in 2024, with a shortage of available assets limiting transaction volumes, but investors willingness to be flexible in prices and lowering interest rates are increasing market activity and attracting core investors back. Rental growth is expected to continue in 2025 at a more modest pace, with growth being more market-

[7] https://www.cushmanwakefield.com/en/insights/european-outlook

specific, properties meeting ESG (environmental, social justice and corporate governance) criteria, in good locations expected to show excess performance.

Prime Logistics asset pricing has reached a new equilibrium, with prime yields stabilizing in most of Europe, and 37 of the 39 markets in Europe are considered underpriced by the C&W Fair Value Index, indicating the potential for future valuations.

Hotel

Looking ahead to 2025, together with the assumption that the volume of European tourism will continue to break records, the hotel sector is shifting gears. On the one hand, slower growth is expected compared to previous years, but on the other hand, higher availability of loans with favorable pricing will increase investor confidence and cause a reduction in returns (an increase in the value of assets).According to C&W,the hotel sector has entered the growth phase with accelerated investment activity and a continuous upward trend in the market. It is likely that investment and valuations in hotels have reached the bottom, and this is a window of opportunity for 2025.