

Lleida, 8th April 2026

Other Relevant Event

LLEIDANETWORKS SERVEIS TELEMÀTICS S.A.

Overview of 2025 Data Consolidated Accounts and Audit Presentation, Parent Company Individual Accounts and Audit Presentation, and Organizational Structure Presentation.

Under the provisions of Article 17 of the Regulation (EU) No 596/2014 regarding market abuse and Article 228 of the modified text of the Spanish Stock Market Act, approved by Spanish Royal Legislative Decree 4/2015 of 23 October and related provisions, as well as Circular 3/2020 of BME MTF Equity, we are hereby informing you of the following information relating to LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. ("Lleida.net", the "Company", or the "Group") :

On 19TH February 2026, the Company published a Relevant Event, a preview of the Company's leading figures for P&L and consolidated debt. This preview was drawn up based on the available accounting information.

As of today, the following documents are provided and attached to this PDF file to complement that information:

- Audit Report and Consolidated Annual Accounts for 2025
- Audits Report and Individual annual accounts for the financial year 2025.
- Report on Organisational Structure and Internal Control System.
- Excel file with the financial data.

We are available for any clarifications needed.

Sincerely,
Francisco Sapena Soler
CEO of Lleida.net



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Highlights from the Lleida.net Group's 2025 financial year

On February 19, 2026, Lleida.net Group released preliminary unaudited results based on provisional figures. Following the audit of the company's accounts, we now provide a reconciliation between the preliminary figures and those formally approved by the Board of Directors in the audited consolidated financial statements.

<i>Figures in thousands of euros consolidated</i>	Preliminary Relevant Event	Audited 2025	Var. €	Var.%
Sales	19,323	19,323	0	0%
Sales Cost	(8,711)	(8,711)	0	0%
Gross Margin	10,612	10,612	0	0%
<i>% Gross Margin</i>	<i>54.92%</i>	<i>54.92%</i>		
Personal Expenses	(5,483)	(5,483)	0	0%
External Services	(2,161)	(2,159)	(2)	0%
EBITDA CASH	2,968	2,970	2	0%
<i>% of Gross Margin</i>	<i>-8%</i>	<i>28%</i>		
Capitalizations	1,076	1,076	0	0%
EBITDA	4,044	4,046	2	0%
<i>% of Gross Margin</i>	<i>38%</i>	<i>38%</i>		
Depreciation	(2,112)	(2,111)	(1)	0%
Other Income	75	75	0	0%
Other Results	6	26	20	333%
Compensations	(190)	(190)	0	0%
Provisions for Trade Receivables	(158)	(211)	(53)	34%
Operating Profit	1,665	1,635	(30)	2%
Net Financial Debt	(171)	(172)	(1)	-1%
Exchange Rate Differences	(94)	(104)	(10)	11%
Profit before Tax	1,400	1,359	(41)	3%

The differences between the preliminary and final figures are not significant and are mainly due to higher provisions for trade receivables and adjustments to other results.

The main variations compared to the 2024 financial year figures are as follows:



<i>Figures in thousands of euros consolidated</i>	2024	2025	Var. €	Var.%
Sales	19,059	19,323	264	1%
Sales Cost	(8,874)	(8,711)	(163)	-2%
Gross Margin	10,185	10,612	427	4%
Personal Expenses	(5,473)	(5,483)	10	0%
External Services	(2,502)	(2,159)	(343)	-14%
Capitalizations	1,030	1,076	46	4%
EBITDA	3,240	4,046	806	25%
Other Income	58	75	17	29%
Depreciation	(2,077)	(2,111)	34	2%
Provisions for Trade Receivables	(83)	(211)	128	154%
Other Results	(9)	26	35	389%
Compensations	(30)	(190)	160	533%
Operating Profit	1,099	1,635	536	49%
Net Financial Debt	(203)	(172)	(31)	-15%
Exchange Rate Differences	(30)	(104)	74	247%
Profit before Tax	866	1,359	493	57%
Tax	17	(114)	131	771%
Profit After Tax	883	1,245	362	41%

The Lleida.net Group closed the 2025 financial year with a very positive performance in its main financial metrics, consolidating the improvement in operating profitability and strengthening its business model.

Sales per business line Thousands Euros

	2024	2025	Var. €	Var.%
Contracting	3,466	3,563	97	3%
Notification	2,044	2,386	342	17%
Other SaaS	2,847	2,370	(477)	(17%)
SMS Solutions	3,776	4,215	439	12%
ICX-Wholesale Solutions	6,926	6,789	(137)	(2%)
Total	19,059	19,323	264	1%

Revenue reached 19.323 thousand euros, representing an increase of 1% compared to the previous year. This growth is supported by the strong performance of the main business lines, particularly SMS Solutions, which grew by 12% to 4.215 thousand euros, and Notification, which increased by 17% to 2.386 thousand euros.

Likewise, the Contracting line maintained a positive trend with growth of 3%. Meanwhile, ICX Wholesale Solutions showed a slight decrease of 2%, while Other SaaS recorded a one-off adjustment, reflecting the ongoing optimisation of the service portfolio. Overall, the diversification of the business and the momentum in higher-growth areas reinforce the strength of the Group's revenues.

This commercial performance, together with improved operational efficiency, has enabled the gross margin to increase to 10.612 thousand euros, 4% higher than in 2024, supported by a 2% reduction in cost of sales.



It is worth highlighting the significant improvement in the cost structure, particularly in external services, which decreased by 14%, while personnel expenses remained stable, reflecting appropriate cost control. Likewise, capitalised costs increased by 4%, contributing positively to value generation.

As a result of all the above, EBITDA increased significantly to 4.046 thousand euros, up 25% from the previous year, demonstrating a clear improvement in the ability to generate operating results.

Operating profit reached 1.635 thousand euros, with a growth of 49%, driven both by the improvement in EBITDA and by the favourable performance of other results, which turned positive during the year. Despite the increase in depreciation and in impairment losses and provisions, the strength of the business has made it possible to maintain a clearly upward trend in results. Net financial result improved by 15%, reducing its negative impact thanks to the reduction in debt.

As a result, profit before tax amounted to 1.359 thousand euros, 57% higher than in 2024.

Finally, consolidated profit after tax reached 1.245 thousand euros, representing an increase of 41%, reflecting the Group's strong overall performance, the robustness of its operating model, and its ability to significantly improve profitability, thereby laying solid foundations for future growth.



<i>Consolidated Balance sheet in thousands of Euros</i>	31/12/2024	31/12/2025	Var. €	Var.%
NON-CURRENT ASSETS	11,054	10,531	(523)	-5%
Intangible Assets	8,820	8,001	(819)	-9%
Tangible Fixed Assets	396	463	67	17%
Long-term Financial Investments	94	73	(21)	-22%
Deferred Tax Assets	1,744	1,994	250	14%
CURRENT ASSETS	6,468	5,857	(611)	-9%
Trade and other receivables	5,158	4,527	(631)	-12%
Short-term Financial assets	42	13	(29)	-69%
Short-term accruals	286	139	(147)	-51%
Cash and cash equivalent	982	1,178	196	20%
TOTAL ASSETS	17,522	16,388	(1,134)	-6%
	31/12/2024	31/12/2025	Var. €	Var.%
TOTAL EQUITY	4,063	5,537	1,474	36%
Equity	4,235	5,595	1,360	32%
Conversion differences	-2	113	115	11700%
Minority interest	-170	-171	(1)	1%
NON-CURRENT LIABILITIES	3,728	3,157	(571)	-15%
Long-term provisions	9	1	(8)	
Long-term debts	3,695	3,156	(539)	-15%
Deferred tax liabilities	24	0	(24)	-100%
CURRENT LIABILITIES	9,731	7,694	(2,037)	-21%
Short-term provisions	217	9	(208)	-96%
Short-term debts	4,748	3,820	(928)	-20%
Trade and other payables	4,464	3,774	(690)	-15%
Short-term accruals	302	91	(211)	-70%
TOTAL EQUITY AND LIABILITIES	17,522	16,388	(1,134)	-6%

At the balance sheet level, there is a decrease in intangible assets due to the depreciation of goodwill, as well as a lower level of capitalisation in relation to the period's depreciation. The Group continues to invest in R&D, allocating 1 million euros during the period to remain a pioneer in the sector.

The variation in property, plant and equipment corresponds to additions made by the Group to support its future growth.

The increase in deferred tax assets arises from withholdings incurred abroad in the Group's companies; their recovery through corporate income tax will take place over a period exceeding one year. Therefore, the Group has classified them as long-term assets.

Within current assets, trade receivables decreased compared to the previous year, driven by the Group's strict collection policy and provisions made for older balances.



The Group's total available funds (cash and cash equivalents plus short-term financial investments) increased by €167 thousand, supported by the results achieved in 2025.

In equity, the 36% increase is explained by profits generated in 2025 and by foreign currency translation differences.

Trade and other payables decreased by 15%, reflecting the Group's policy of complying with supplier payment terms.

Financial debt decreased from €8.4 million in December 2023 to €7 million, as a result of the regular repayments of the Group's long-term loans.

<i>Figures in thousands of euros consolidated</i>	31/12/2024	31/12/2025
Long-term debts	3,695	3,156
Short-term debts	4,748	3,820
Total Debts	8,443	6,976
Short-term Financial assets	42	13
Cash and cash equivalent	982	1,178
Total Available	1,024	1,191
NET FINANCIAL DEBT (DFN)	7,419	5,785

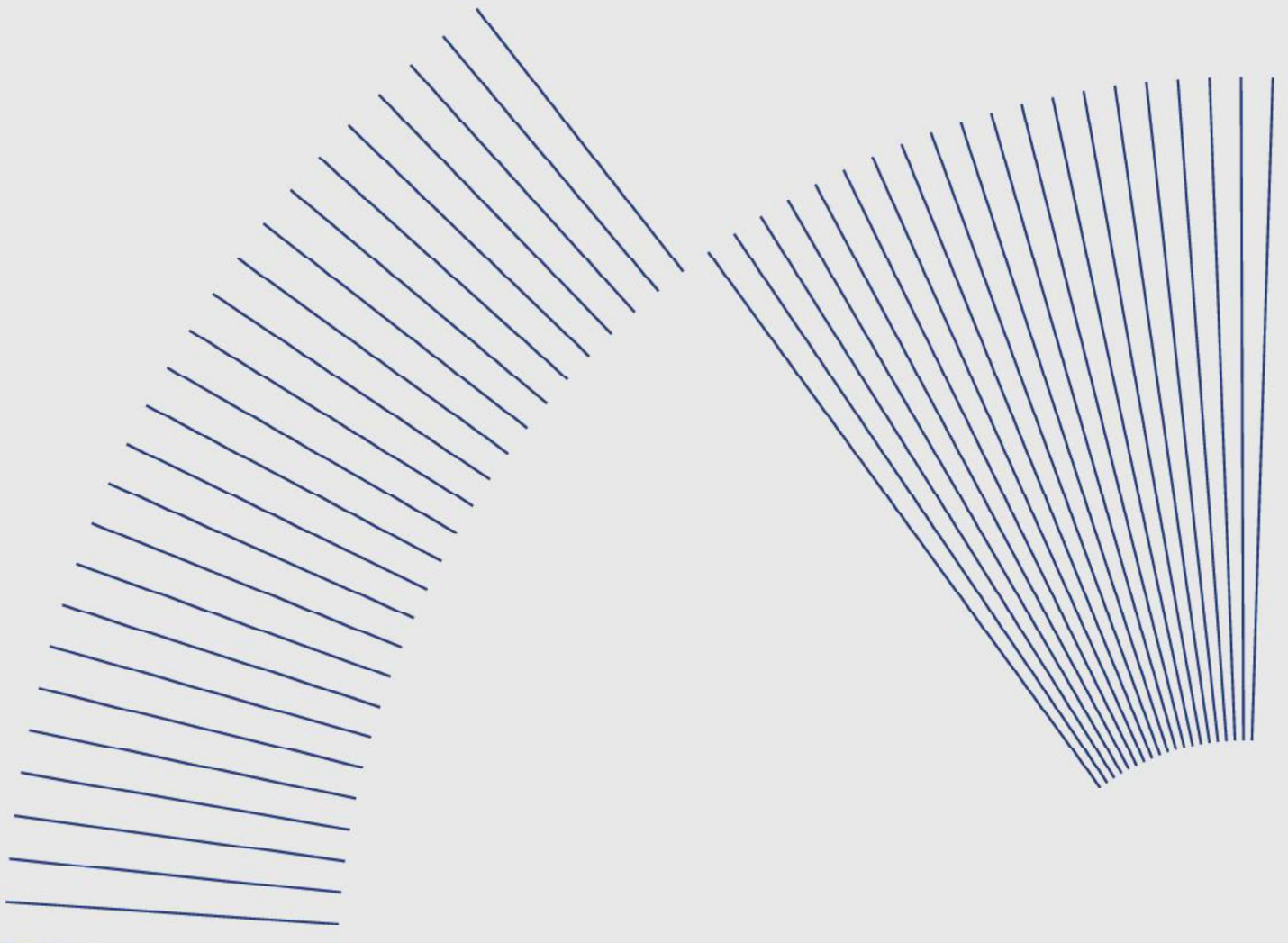
In the preliminary unaudited cumulative results published on 19 February 2026, net financial debt of €5.7 million was reported, a figure that differs minimally from the figures included in the audited consolidated annual accounts. Net financial debt represents 1.43x EBITDA, compared to 2.29x at the end of the 2024 financial year.



PKF
Attest

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A

**CONSOLIDATED FINANCIAL STATEMENTS AND
CONSOLIDATED DIRECTOR'S REPORT FOR THE 2025
FINANCIAL YEAR TOGETHER WITH THE AUDIT REPORT ON
THE CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN
INDEPENDENT AUDITOR**



Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated annual accounts originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 2.a). In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED ANNUAL ACCOUNTS

To the Shareholders of LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

Report on the annual consolidated accounts

Opinion

We have audited the consolidated annual accounts of LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. (the Parent Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2025, the consolidated income statement, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes thereto for the year then ended.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group as at December 31, 2025, and of its consolidated results and cash flows for the year then ended in accordance with the applicable regulatory financial reporting framework (identified in Note 2.a of the consolidated annual accounts) and, in particular, with the accounting principles and policies contained therein.

Basis for opinion

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

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated annual accounts in Spain as required by the audit regulations in force. In this regard, we have not provided services other than those relating to the audit of accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned audit regulations, have affected our necessary independence such that it has been compromised.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that the matter described below is the most significant risk considered in the audit and should be communicated in our report:

Recoverability of capitalised amounts related to Intangible Assets – Research and Development and Deferred Tax Assets

As explained in Note 5 of the accompanying consolidated financial statements, as at 31 December 2025, the Group has capitalised cost incurred in research projects, net of the related amortisation, amounting to 2,975,530.17€, recognised under the heading “*Intangible assets – Research*” within non-current assets in the consolidated balance sheet. Furthermore, as disclosed in Note 14 to the accompanying consolidated financial statements, as at 31 December 2025, the Group has recognised an amount of 1,994,273.46€ under the heading “*Deferred tax assets*” within non-current assets in the consolidated balance sheet, corresponding to tax credits arising from certain deductions and tax loss carryforwards available for offset at that date. In addition, as at 31 December 2025, the Group has deductions and tax loss carryforwards pending application amounting to 2,920,343.88€ and 982,379.76, respectively, which have not been recognised in the consolidated balance sheet, as the Directors of the Parent Company consider that, at that date, the accounting recognition criteria for deferred tax assets are not met. The recoverability of the aforementioned assets is supported by the business plan prepared by the Directors of the Parent Company, which in turn is based on studies, analyses, assumptions and other highly technical financial and funding projections requiring the application of significant judgement and estimates by management. Accordingly, this matter has been identified as an area of significant focus in our audit.

As part of our audit procedures, we discussed the progress of the Group’s project with management. In this regard, we analysed the estimation of expected future revenue cash flows and assessed the reasonableness of the assumptions used in the preparation of the business plan. Our audit procedures also included evaluating the assumptions and estimates made by the Directors of the Parent Company in relation to the Group’s ability to generate future taxable profits supporting the amount of deferred tax assets recognised, as well as justifying the non-recognition of the remaining deductions and tax loss carryforwards. This analysis considered, among other factors, the future projection period, sensitivity analysis and the financial support available for the execution of the envisaged business plan.

Other Matters

The consolidated financial statements for the previous financial year were audited by another auditor, who issued an audit report dated 25 April 2025, expressing an unqualified opinion.

Other information: Consolidated Directors’ report

The other information comprises exclusively the consolidated Directors’ report for 2025, the preparation of which is the responsibility of the Parent Company’s Directors and which does not form part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated Directors’ report. Our responsibility relating to the consolidated Directors’ report, in accordance with the audit regulations in force, consists of evaluating and reporting on the consistency of the consolidated Directors’ report with the consolidated annual accounts, based on the knowledge of the Group obtained in the audit of those consolidated annual accounts, as well as evaluating and reporting on whether the content and presentation of the consolidated 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 above, the information contained in the consolidated Directors' report is consistent with that disclosed in the consolidated annual accounts for 2025 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Directors and the Audit Committee for the consolidated annual accounts

The Directors of the Parent Company are responsible for the preparation of the accompanying consolidated annual accounts so that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated results of the Group, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Directors of the Parent Company are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee of the Parent Company is responsible for overseeing the process involved in the preparation and presentation of the consolidated annual accounts.

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated annual accounts.

A further description of our responsibilities for the audit of the consolidated annual accounts is included in Appendix 1 of this auditor's report. This description, which is located at pages 5 and 6, forms part of our auditor's report.

Report on other legal and regulatory requirements

Additional report to the Audit Committee of the Parent Company

The opinion expressed in this report is consistent with the content of our additional report to the Parent Company's Audit Committee dated on April 8, 2026.

Engagement period

The Extraordinary General Shareholders' Meeting of the Parent Company held on June 5, 2025 appointed us as auditors for a period of 3 years from the year ended December 31, 2025.



PKF ATTEST SERVICIOS
EMPRESARIALES, S.L.

2026 Núm. 03/26/01703

SELLO CORPORATIVO: 96.00 EUR

Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional

April 8, 2026

PKF ATTEST Servicios Empresariales, S.L.
Registered in ROAC (Spanish Official
Register of Auditors) under No. S1520

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Appendix 1 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 consolidated annual accounts.

Auditor's responsibilities for the audit of the consolidated annual accounts.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Parent Company.
- Conclude on the appropriateness of the Parent Company Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Parent Company 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.

We also provide the Audit Committee of the Parent Company with a statement that we have complied with relevant ethical requirements regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Parent Company, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the key audit matters.

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

**LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS AND
CONSOLIDATED DIRECTOR'S REPORT FOR THE 2025
FINANCIAL YEAR TOGETHER WITH THE AUDIT REPORT ON
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INDEPENDENT AUDITOR

*(TRANSLATION FROM THE FINANCIAL STATEMENTS TO BE ISSUED ORIGINALLY IN SPANISH AND
PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN SPAIN. IN THE
EVENT OF A DISCREPANCY, THE SPANISH-LANGUAGE VERSION PREVAILS)*

**LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES**

Consolidated Financial Statements and
Consolidated Director's Report for the Financial Year 2025
together with Audit Report on the Consolidated Annual Accounts issued by an
Independent Auditor.

AUDIT REPORT ON THE CONSOLIDATED ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

**CONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE FINANCIAL YEAR ENDED ON
DECEMBER 31, 2025:**

Consolidated Balance Sheets as of December 31, 2025 and December 31, 2024.
Consolidated Income and Expenses Statement for the Financial Year ended as of December
31, 2025 and December 31, 2024.
Consolidated Statements of Changes in Equity for the Financial Year ended as of December
31, 2025 and December 31, 2024.
Consolidated Statements of Cash Flows for the Financial Year ended as of December 31, 2025
and December 31, 2024.
Notes to the Consolidated Interim Financial Statements as of December 31, 2025.

**CONSOLIDATED DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31,
2025**

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2025

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2025 AND DECEMBER 31, 2024
(Expressed in euros)

ASSETS	Notes to the Consolidated Annual Accounts	31/12/2025	31/12/2024
NON-CURRENT ASSETS		10.530.725,45	11.053.598,13
Intangible Assets	Note 5	8.000.976,76	8.819.641,22
Consolidation goodwill	Note 22	2.606.796,29	3.054.106,31
Research		2.975.530,17	2.918.218,82
Patents, licenses, trademarks and similar		756.507,50	809.063,09
Computer applications		1.119.495,46	1.523.335,61
Other intangible assets		542.647,34	514.917,39
Tangible fixed assets	Note 6	462.821,91	395.515,02
Computer applications		133.165,81	138.303,11
Other intangible assets		267.533,07	199.831,31
Computer applications		62.123,03	57.380,60
Long-term financial investments	Note 8	72.653,32	94.014,12
Deferred Tax Assets	Note 14	1.994.273,46	1.744.427,77
CURRENT ASSETS		5.857.397,63	6.468.064,22
Trade and other receivables		4.527.087,33	5.157.514,44
Client receivables for sales and services	Note 8.2	3.855.537,92	4.605.608,13
Sundry debtors	Note 8.2	100.831,65	86.674,60
Staff	Note 8.2	288,96	836,19
Current tax assets	Note 14	422.946,28	394.417,88
Other receivables from Public Authorities	Note 14	147.482,52	69.977,64
Short-term financial assets	Note 8.2	12.558,60	42.018,99
Short-term accruals		139.387,20	286.393,33
Cash and cash equivalent	Note 8.1	1.178.364,50	982.137,46
Cash		1.178.364,50	982.137,46
TOTAL ASSETS		16.388.123,08	17.521.662,35

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2025 AND DECEMBER 31, 2024
(Expressed in euros)

EQUITY AND LIABILITIES	Notes to the Consolidated Annual Accounts	31/12/2025	31/12/2024
EQUITY		5.536.750,96	4.062.585,32
Equity		5.595.020,83	4.235.097,69
Capital	Note 12.1	320.998,86	320.998,86
Share Capital		320.998,86	320.998,86
Issue Premium	Note 12.3	5.244.344,28	5.244.344,28
Reserves	Note 12.2	1.782.278,17	1.677.578,53
Legal y statutory		64.199,77	64.199,77
Other Reserves		1.718.078,40	1.613.378,76
Result from previous exercises		(2.701.600,96)	(3.791.720,32)
(Shares and own holdings in equity)	Note 12.4	(223.400,03)	(205.051,35)
Other reserves of the parent company		1.110.287,56	1.316.408,20
Reserves in consolidated companies		(1.191.544,26)	(1.242.411,78)
Financial year result attributed to the parent company	Note 18	1.253.657,21	914.951,27
Translation differences		113.222,84	(2.370,30)
Non-controlling interests	Note 4	(171.492,71)	(170.142,07)
NON-CURRENT LIABILITIES		3.156.716,71	3.726.571,87
Long-term provisions	Note 19	797,94	8.474,44
Long-term debts		3.155.918,77	3.694.500,82
Debts with credit institutions	Note 9.1	2.622.262,64	3.208.616,49
Finance lease liabilities		47.771,80	-
Other financial liabilities	Note 9.1	485.884,33	485.884,33
Deferred tax liabilities		-	23.596,61
CURRENT LIABILITIES		7.694.655,41	9.732.505,16
Short-term provisions	Note 19	9.035,66	217.604,61
Other provisions		9.035,66	217.604,61
Short-term debts	Note 9.1	3.820.330,55	4.748.540,97
Debts with credit institutions		3.511.869,35	3.893.719,58
Finance lease liabilities		12.000,01	-
Other financial liabilities		296.461,19	854.821,39
Trade and other payables		3.774.571,54	4.464.042,29
Suppliers	Note 9.1	2.618.981,77	2.826.021,64
Sundry creditors	Note 9.1	276.591,98	707.765,18
Personnel (outstanding salaries)	Note 9.1	194.403,09	94.880,20
Current tax liability	Note 14	1.511,10	35.835,05
Other debts with Public Authorities	Note 14	519.786,82	585.882,85
Advances from clients	Note 9.1	163.296,78	213.657,37
Short-term accruals		90.717,66	302.317,29
TOTAL EQUITY AND LIABILITIES		16.388.123,08	17.521.662,35

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNTS
FOR THE FINANCIAL YEAR 2025 AND 2024

(Expressed in euros)

PROFIT AND LOSS ACCOUNTS	Notes to the Consolidated Annual Accounts	2025	2024
Net turnover	Note 15.a	19.322.938,60	19.059.442,69
Work performed by the company for its assets	Note 5	1.076.995,08	1.029.656,11
Supplies	Note 15.b	(8.710.976,34)	(8.874.294,52)
Goods consumed		(8.697.091,32)	(8.857.311,04)
Work performed for other companies		(13.885,02)	(16.983,48)
Other operating income		75.096,10	57.619,24
Staff expenses		(5.673.730,97)	(5.503.119,44)
Wages, salaries and the like	Note 15.c	(4.576.826,09)	(4.263.106,30)
Fringe benefits	Note 15.c	(1.096.904,88)	(1.240.013,14)
Other operating expenses		(2.369.757,87)	(2.585.174,77)
External charges for services		(2.053.751,01)	(2.341.257,55)
Taxes		(104.905,46)	(100.517,91)
Losses, impairment and change in trade provisions		(211.101,40)	(83.370,51)
Other current operating expenses		(60.028,81)	(60.028,81)
Amortization of fixed assets	Notes 5 and 6	(2.111.667,38)	(2.077.470,10)
Impairment and profit or loss on disposal fixed assets		-	220,48
Otros earnings	Note 19	26.430,57	(8.817,67)
OPERATING EARNINGS		1.635.327,79	1.098.062,02
Financial income	Note 15.d	11.225,52	19.681,68
Financial expenses	Note 15.d	(184.014,13)	(222.142,07)
Exchange differences	Note 15.d	(104.387,42)	(29.635,56)
Impairment of financial instruments		1.221,38	
FINANCIAL EARNINGS		(275.954,65)	(232.095,95)
PRE-TAX EARNING		1.359.373,14	865.966,07
Profit tax	Note 14	(114.425,59)	16.875,23
FINANCIAL YEAR'S EARNINGS	Note 18	1.244.947,55	882.841,30
Result attributed to the Parent Company		1.253.657,21	914.951,27
Result attributed to minority interests		(8.709,66)	(32.109,97)

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

**A) CONSOLIDATED STATEMENTS OF RECOGNISED
INCOME AND EXPENSE FOR THE FINANCIAL YEAR ENDED 2025 AND 2024**

(Expressed in euros)

	2025	2024
CONSOLIDATED RESULT FOR THE YEAR	1.244.947,55	882.841,30
Income and expenses recognised directly to equity		
Conversion differences	115.593,14	(77.944,00)
Other	7.359,02	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY CONSOLIDATED EQUITY	122.952,16	804.897,30
Transfers to the profit and loss account	-	-
TOTAL TRANSFERS TO CONSOLIDATED PROFIT AND LOSS ACCOUNT	-	-
TOTAL RECOGNISED CONSOLIDATED CONSOLIDATED RECOGNISED INCOME AND EXPENSES	1.367.899,71	804.897,30
Total income and expenses attributable to the Parent Company	1.366.549,07	784.737,31
Total income and expenses attributed to minority interests	1.350,64	20.159,99

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 2025 Y 2024
(Expressed in euros)

	Share Capital	Share Premium	Reserves and previous financial year's income	Own holdings in equity	Result attributed to the Parent Company	Adjustments for changes in value	Minority interests	Total
BALANCE, END OF 2023	320,998,86	5,244,344,28	1,517,220,86	(1,448,058,18)	(2,614,015,03)	63,623,71	(126,082,10)	2,958,032,39
Total recognized income and expenses	-	-	-	-	914,951,27	(65,994,01)	(44,059,96)	804,897,30
Transactions with shareholders:	-	-	(951,225,12)	1,243,006,83	-	-	-	291,781,71
Transactions with own equity instruments (net)	-	-	(951,225,12)	1,243,006,83	-	-	-	291,781,71
Other changes in equity:	-	-	(2,606,141,11)	-	2,614,015,03	-	-	7,873,92
Distribution of earnings from the previous year	-	-	(2,614,015,03)	-	2,614,015,03	-	-	-
Other movements	-	-	7,873,92	-	-	-	-	7,873,92
BALANCE, END OF 2024	320,998,86	5,244,344,28	(2,040,145,37)	(205,051,35)	914,951,27	(2,370,30)	(170,142,06)	4,062,585,32
Total recognized income and expenses	-	-	-	-	1,253,657,21	115,593,14	(1,350,64)	1,367,899,71
Transactions with shareholders:	-	-	104,699,64	(18,348,68)	-	-	-	86,350,96
Transactions with own equity instruments (net)	-	-	104,699,64	(18,348,68)	-	-	-	86,350,96
Other changes in equity:	-	-	934,866,24	-	(914,951,27)	-	-	19,914,97
Distribution of earnings from the previous year	-	-	914,951,27	-	(914,951,27)	-	-	-
Other movements	-	-	19,914,97	-	-	-	-	19,914,97
BALANCE, END OF 2025	320,998,86	5,244,344,28	(1,000,579,49)	(223,400,03)	1,253,657,21	113,222,84	(171,492,71)	5,536,750,96

**GROUP LLEIDANETWORKS SERVEIS TELEMÀTICS
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 2025 Y 2024**

(Expressed in euros)

	Notes to the Consolidated Annual Accounts	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		1.914.157,22	2.924.000,60
Financial year's pre-tax earnings		1.359.373,14	865.966,07
Adjustments to earnings		1.522.949,72	2.363.080,52
Fixed asset amortisation	Notes 5 and 6	2.111.667,38	2.077.470,10
Valuation changes for impairment	Notes 15.d and 8.2	211.101,40	83.370,51
Profit and losses on derecognition and disposal of fixed assets	Note 17	-	-
Financial income		-	(220,48)
Financial expenses	Note 15.d	(11.225,52)	(19.681,68)
Exchange differences	Note 15.d	184.014,13	222.142,07
Other income and expenses		104.387,42	-
Fixed asset amortisation		(1.076.995,08)	-
Changes in current capital		(489.411,67)	2231.355,74
Stocks		-	147,84
Debtors and other accounts receivable		447.372,28	(857.280,73)
Other current assets		147.006,13	(2.160,06)
Trade payables and other accounts payable		(655.146,80)	1.017.487,48
Other current liabilities		(420.168,83)	73.161,21
Other non-current assets and liabilities		(8.474,44)	-
Other cash flow from operating activities		(478.753,98)	(536.401,73)
Interest payments		(184.014,13)	(222.142,07)
Receipts of interests		11.225,52	19.681,68
Receipts (payments) for profit tax		(305.965,37)	(333.941,33)
CASH FLOW FROM INVESTMENT ACTIVITIES		(233.101,25)	(862.870,24)
Payment for investments		(284.408,44)	(1.214.808,97)
Intangible assets	Note 5	-	(1.172.166,04)
Tangible assets	Note 6	(44.949,41)	(12.947,25)
Other financial assets		(239.459,03)	(29.695,68)
Divestment proceeds		51.307,19	351.938,73
Intangible assets		486,00	-
Tangible assets		-	1.938,73
Other financial assets		50.821,19	350.000,00
CASH FLOW FROM FINANCING ACTIVITIES		(1.380.441,51)	(2.096.216,77)
Receipts and payments for equity instruments		86.350,96	(64.631,54)
Disposals (Acquisitions) of own equity instruments		86.350,96	(64.631,54)
Receipts and payments for financial-liability instruments		(1.466.792,47)	(2.031.585,23)
Issuance		984.771,81	551.910,82
Amounts owed to credit institutions		925.000,00	551.910,82
Other debts		59.771,81	-
Refund		(2.451.564,28)	(2.582.496,05)
Amounts owed to credit institutions		(1.893.204,08)	(2.429.807,42)
Other debts		(558.360,20)	(153.688,63)
EFFECT OF EXCHANGE RATE FLUCTUATIONS		(104.387,42)	-
NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS		196.227,04	(35.086,41)
Cash and cash equivalents at start of the financial year	Note 8.1	982.137,46	1.017.223,87
Cash and cash equivalents at end of the financial year	Note 8.1	1.178.364,50	982.137,46

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES

CONSOLIDATED ANNUAL REPORT
FOR THE 2025 FINANCIAL YEAR

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

a) Incorporation and Registered Office of the Parent Company

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. (hereinafter "the Company") was incorporated in Lleida on 30 January 1995. On 26 October 2021, the Board of Directors agreed to move the Company's registered office to Calle Téllez, 56 Local C, Madrid. Previously, its registered office was located at Parc Científic i Tecnològic Agroalimentari de Lleida, Edifici H1, Planta 2, Lleida.

On June 30, 2011, the General Shareholders' Meeting resolved the transformation from a Limited Company to a Public Limited Company. On December 12, 2011, the agreement reached at the aforementioned meeting was submitted to the Mercantile Registry on February 17, 2012.

b) Activity of the Parent Company

Its activity consists of acting as a telecommunications operator for Short Message Service (SMS) management via the Internet, electronic notification and contracting services, as well as any other activity related to the aforementioned corporate purpose.

c) Legal Regime of the Parent Company

The Parent Company is governed by its Articles of Association and by the current Corporate Enterprise Act.

d) Financial year and closing date of the latest Annual Accounts

The financial year of the Parent Company begins on 1 January and ends on 31 December of each year. The latest annual accounts prepared and approved by the Parent Company correspond to the financial year ended 31 December 2024.

The Group intends to file its consolidated annual accounts with the Mercantile Registry of Madrid.

e) Listing on Stock Markets

On 1 June 2015, the Parent Company approved at its Shareholders' Meeting the request for the admission to trading of all the Parent Company's shares on the Alternative Stock Market (MAB), currently known as BME Growth.

On 7 October 2015, the Board of Directors of Bolsas y Mercados Españoles, Sistemas de Negociación, S.A., approved the admission to the growth companies segment of the Alternative Stock Market, effective from 9 October 2015, of 16.049.943 shares with a par value of 0,02 euros each. The Parent Company has currently appointed Solventis A.V., S.A. as its liquidity provider and Registered Advisor. On 19 December 2018, the Company began trading under a dual listing on Euronext Growth Paris, with Invest Securities acting as the Listing Sponsor. On 2 November 2020, the Company began trading on the OTCQX market in New York and ceased to be listed on the same on 1 January 2026.

1.1) Subsidiaries

The Parent Company directly holds stakes in various national and international companies and exercises direct control over them. On 1 January 2016, the first consolidation of the companies forming the Group was carried out.

The main activity of the subsidiaries consists of providing telecommunications services, software development, sending text messages and emails, and providing study and analysis services for computer processes in general.

Companies included in the Consolidation Perimeter:

The detail of the Subsidiary Companies included in the consolidation perimeter, as of 31 December 2025, is as follows:

	Cost of Holding in euros	Impairment of the participation in euros	Net amount of the participation in euros	Percentage of Holding	Direct or Indirect Holding	Indirect Holding	Applied Method of consolidation
Parent company							
Lleidatrans Serveis Telemàtics, S.A.	Parent Company			100%	Directa	0%	Consolidation Method
Subsidiaries							
Lleidatrans USA Inc	397.591,09	(397.591,09)	-	100%	100%	0%	Consolidation Method
Lleidatrans Honduras, SA	659,05	(659,05)	-	70%	70%	0%	Consolidation Method
Lleidatrans Dominicana, SRL	29.713,97	(29.713,97)	-	99,98%	99,98%	0%	Consolidation Method
Lleida SAS	195.789,60	-	195.789,60	100%	100%	0%	Consolidation Method
Lleida Chile SPA	3.256,83	(3.286,83)	-	100%	100%	0%	Consolidation Method
Lleidatrans do Brasil Ltda	10.800,00	-	10.800,00	99,99%	99,99%	0%	Consolidation Method
Lleidatrans Guatemala	3.234,00	-	3.234,00	80%	80%	0%	Consolidation Method
Portabilidades Españolas, S.L.U.	13.000,00	-	13.000,00	100%	100%	0%	Consolidation Method
Lleidatrans Perú	182.498,43	(182.498,43)	-	100%	100%	0%	Consolidation Method
Lleida Information Technology Network Services	34.141,19	(34.141,19)	-	49%	49%	0%	Consolidation Method
Lleidatrans PKI S.L.	7.100.000,00	(2.311.208,96)	4.788.791,04	100%	100%	0%	Consolidation Method
Associated companies							
Lleidatrans India	6.575,00	(6.575,00)	-	25%	25%	0%	Equity method
7.977.259,16	(2.965.674,52)	5.011.614,64					

The detail of the Subsidiary Companies included in the consolidation perimeter, as of 31 December 2024, is as follows:

	Cost of the investment in euros	Impairment of the investment in euros	Net amount of the investment in euros	Ownership Percentage	Direct or Indirect Ownership	Indirect Ownership	Consolidation method applied
Parent company							
Lleidanetworks Serveis Telemàtics, S.A.	Parent Company			100%	Directa	0%	Consolidation Method
Subsidiaries							
Lleidanet USA Inc	397.591,09	(397.591,09)	-	100%	100%	0%	Consolidation Method
Lleidanet Honduras, SA	659,05	(659,05)	-	70%	70%	0%	Consolidation Method
Lleidanet Dominicana, SRL	29.713,97	(29.713,97)	-	99,98%	99,98%	0%	Consolidation Method
Lleida SAS	195.789,60	-	195.789,60	100%	100%	0%	Consolidation Method
Lleida Chile SPA	3.256,83	(3.286,83)	-	100%	100%	0%	Consolidation Method
Lleidanet do Brasil Ltda	10.800,00	-	10.800,00	99,99%	99,99%	0%	Consolidation Method
Lleidanet Guatemala	3.234,00	-	3.234,00	80%	80%	0%	Consolidation Method
Portabilidades Españolas, S.L.U.	13.000,00	-	13.000,00	100%	100%	0%	Consolidation Method
Lleidanet Costa Rica	16,06	(16,06)	-	100%	100%	0%	Consolidation Method
Lleidanet Perú	182.498,43	(182.498,43)	-	100%	100%	0%	Consolidation Method
Lleida Information Technology Network Services	34.141,19	(34.141,19)	-	49%	49%	0%	Consolidation Method
Lleidanet PKI S.L.	7.100.000,00	(2.311.208,96)	4.788.791,04	100%	100%	0%	Consolidation Method
Associated companies							
Lleidanet India	6.575,00	(6.575,00)	-	25%	25%	0%	Equity method
	7.977.275,22	(2.965.690,58)	5.011.614,64				

The classification of the companies detailed above as subsidiaries is determined by the case set forth in section 1.a) of Article 2 of the Rules for the Preparation of Consolidated Annual Accounts, approved by Royal Decree 1159/2010 of 17 September, as the Parent Company holds, directly or indirectly, the majority of the voting rights of said companies, except in the case of Lleida Information Technology Network Services, which has been included in the consolidation perimeter using the full consolidation method, as the parent company is considered to exercise control over its management through existing agreements between the shareholders.

The financial year of the subsidiary companies begins on 1 January and ends on 31 December of each year. The latest annual accounts prepared for the subsidiaries correspond to the financial year ended 31 December 2025.

During the 2025 financial year, a change occurred in the consolidation perimeter as a result of the closure of the subsidiary in Costa Rica. Said company ceased its activity and was excluded from the consolidation perimeter as of the effective closing date, 8 May 2025. This decision is part of the process of streamlining and optimizing the Group's international structure, with the aim of concentrating activity in the most strategic and profitable markets. This change does not have a significant impact on the consolidated financial statements, nor on the Group's operating performance, given the minor weight of the company in the consolidated figures.

Additionally, in April 2025, the subsidiary Lleidanetworks Serveis Telemàtics, LTD in the United Kingdom was liquidated, which has not had a significant impact on the consolidated financial statements or the Group's operating performance, given the minor weight of this subsidiary in the consolidated figures.

The details of the registered office and activities of the Subsidiaries included in the consolidation perimeter as of 31 December 2025 are as follows:

Lleidanetworks Serveis Telemàtics, LTD

Incorporated on 28 December 2005 in Dublin with a permanent establishment in London, and its registered office at Birchin Court 20, Birchin Lane, London (United Kingdom). Its main activity is that of a telecommunications operator. The company was liquidated on 10 April 2025.

Lleidanet USA Inc

Incorporated on 12 May 2009 and its registered office is located at 2719 Hollywood Boulevard Street 21 FL33020, Hollywood. Its main activity is that of a telecommunications operator.

Lleidanet Honduras, S.A.

With its registered office in Tegucigalpa (Honduras), it was incorporated on 11 January 2012, with Lleidanetworks Serveis Telemàtics, S.A. subscribing to 175 shares out of a total of 250 issued. Its main activity is SMS operation, based on a network of interconnections with mobile and fixed-line operators in the Republic of Honduras.

Lleidanet Dominicana, S.R.L.

With its registered office at Calle Tetelo Vargas 12, Santo Domingo (Dominican Republic), it was incorporated on 26 June 2012.

Lleida SAS

With its registered office at Calle 70 n°4, Bogotá (Colombia), it was incorporated on 16 November 2012.

Lleida Chile SPA

With its registered office in Santiago (Chile), it was incorporated on 12 March 2013. Its main activity is based on the provision, organization, and commercialization of telecommunications services.

Lleidanet do Brasil Ltda

With its registered office at Rua Tabapuã 72, São Paulo (Brazil), it was incorporated on 2 October 2013. Its main activity is based on the provision of telecommunications services, software development, sending text messages and emails, and providing study and analysis services for computer processes in general.

Lleidanet Guatemala, Sociedad Anónima

With its registered office in Guatemala (Guatemala), it was incorporated on 7 November 2013. Its main activity is based on the provision, organization, and commercialization of telecommunications services and activities, such as mobile messaging services (SMS and MMS), carriers, etc., the creation, generation, and exploitation of information and communication technologies, and the provision of consulting and advisory services on these matters.

Portabilidades Españolas, S.L.U.

Incorporated on 4 December 2015, with its registered office at Parque Tecnológico de Gardeny, Edificio H, Lleida. Its corporate purpose is the commercialization of services based on number portability data for telecommunications operators for the routing of telephone traffic and short text messages.

Lleidanet Costa Rica Empresa Individual de Responsabilidad Limitada

On March 31, 2016, the Parent Company acquired 100% of this company, located in San José (Costa Rica), from Mr. Francisco José Sapena Soler for an amount of 16,06 euros. Its main activity is based on the provision, organization, and commercialization of telecommunications services and activities, such as mobile messaging services (SMS and MMS), carriers, etc., the creation, generation, and exploitation of information and communication technologies, and the provision of consulting and advisory services on these matters. The company was closed on May 8, 2025.

Lleidanet Perú

With its registered office at Cañón del Pato No. 103, Lima (Peru). Its main activity is based on the provision, organization, and commercialization of telecommunications services and activities, such as mobile messaging services (SMS and MMS), carriers, etc., the creation, generation, and exploitation of information and communication technologies, and the provision of consulting and advisory services on these matters.

Lleida Information Technology Network Services

On 1 October 2020, the Company was incorporated with its registered office in Dubai (United Arab Emirates), together with the partner Adil Ismail Ali Al Fahem, with a share capital of 300 shares, 147 of which were subscribed by Lleidanetworks Serveis Telemàtics, S.A., representing 49% of the share capital of the incorporated company.

Lleida.net PKI, S.L.U.

On 30 November 2021, the Parent Company acquired 100% of the shares of the company Indenova, S.L., with its registered office at Calle Traginers, 14 - 2º B, Valencia, for a cost of 7.100.000,00 euros. On 19 April 2024, the Company changed its corporate name to Lleidanet PKI, S.L., replacing the former corporate name Indenova, S.L.U.

Lleida Networks India Private Limited

With its registered office in New Delhi (India), it was incorporated on 7 January 2013. Its main activity is based on the creation of a telecommunications operator in India, as well as offering VAS (Value Added Services), including SMS, MMS, UMS, and other types of messaging.

None of the Subsidiary Companies included in the consolidation perimeter are listed on a Stock Exchange.

There are no significant restrictions on the ability of the Subsidiary Companies to transfer funds to the Parent Company in the form of cash dividends or to repay loans. Likewise, none of the companies have been classified as held for sale.

NOTA 2. BASIS OF PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

a) Fair Presentation and Financial Reporting Framework applicable to the Group

These consolidated annual accounts have been prepared by the Directors of the Parent Company in accordance with the regulatory financial reporting framework applicable to the Group, which is established in:

- a) The Code of Commerce and all other commercial legislation.
- b) The General Accounting Plan approved by Royal Decree 1514/2007 and its subsequent amendments and adaptations.
- c) Royal Decree 1159/2010, of 17 September, which approves the Rules for the Preparation of Consolidated Annual Accounts and modifies the General Accounting Plan.
- d) The mandatory standards approved by the Institute of Accounting and Auditing (ICAC) in the development of the General Accounting Plan and its complementary standards.
- e) Legislative Royal Decree 1/2010, of 2 July, which approves the Consolidated Text of the Capital Companies Act.
- f) All other applicable Spanish accounting regulations.

The consolidated annual accounts for the 2025 financial year have been prepared based on the accounting records of the Parent Company and the consolidated companies (Note 1) and include, where applicable, the adjustments and reclassifications necessary for appropriate temporal and/or valuation homogenization.

The consolidated annual accounts are presented in accordance with the applicable regulatory financial reporting framework and, in particular, with the accounting principles and criteria contained therein, so that they show a true and fair view of the consolidated equity and the consolidated financial position of the Group at the year-end date, as well as the consolidated results of its operations and its consolidated cash flows for the annual period ended on that date. These consolidated annual accounts, which have been prepared by the Directors of the Parent Company, are pending approval by the General Shareholders' Meeting, and it is expected that they will be approved without significant modifications. Meanwhile, the prepared consolidated annual accounts for the 2024 financial year were approved by the General Shareholders' Meeting of the Parent Company on 5 June 2025.

There are no exceptional reasons why, in order to show a true and fair view, legal provisions regarding accounting matters have not been applied.

b) Accounting Principles

For the preparation of the consolidated annual accounts for the 2025 financial year, the applicable regulatory financial reporting framework has been followed, and in particular, the recognition and valuation standards described in Note 5. The Directors of the Parent Company have prepared these consolidated annual accounts considering all mandatory accounting principles and standards that have a significant effect on said consolidated annual accounts. There is no mandatory accounting principle that has been omitted in the preparation of these consolidated annual accounts. Furthermore, no non-mandatory accounting principles have been applied.

c) Functional and Presentation Currency

In accordance with current accounting legislation, the Consolidated Financial Statements are presented in euros. The euro is the functional currency of the Parent Company and all other subsidiaries, except for those listed below:

- Lleidanet USA Inc: US Dollars (USD)
- Lleidanet Honduras, SA: Honduran Lempira (HNL)
- Lleidanet Dominicana, SRL: Dominican Peso (DOP)
- Lleida SAS: Colombian Peso (COP)
- Lleida Chile SPA: Chilean Peso (CLP)
- Lleidanet do Brasil Ltda: Brazilian Real (BRL)
- Lleidanet Guatemala: Guatemalan Quetzal (GTQ)
- Lleidanet Perú: Peruvian Sol (PEN)
- Lleida Information Technology Network Services: UAE Dirham (AED)
- Lleidanet India: Indian Rupee (INR)

d) Critical Aspects of Valuation and Estimation of Uncertainty

In the preparation of the accompanying consolidated financial statements, estimates made by the Board of Directors of the Parent Company have been used to value some of the assets, liabilities, income, and expenses recorded therein. These estimates and criteria refer to:

- Reasonableness of the capitalization and recoverability of research and development projects.
- Reasonableness of the recognition and recoverability of the consolidation goodwill arising from the acquisition of Lleidanet PKI, S.L.
- Reasonableness of the recognition and recoverability of deferred tax assets.

Although these estimates have been made based on the best information available at the close of the period ended 31 December 2025, it is possible that future events may require modifications (either upwards or downwards) in coming years. These would be applied prospectively, recognizing the effects of the change in estimate in the corresponding consolidated profit and loss account.

There have been no significant changes in accounting estimates affecting the current financial year or that are expected to affect future years.

Negative Working Capital

As of 31 December 2025, the Group presents a negative working capital amounting to 1.8 million euros (compared to a negative working capital of 3,2 million euros as of 31 December 2024). Considering the expected cash flows for the coming financial years, the Directors of the Parent Company do not estimate that this circumstance will cause any financial or liquidity problems for the Group.

e) Comparison of Information

In accordance with commercial legislation, the Board of Directors of the Parent Company presents, for comparative purposes with each of the items in the consolidated balance sheet, the figures for the previous financial year in addition to those as of 31 December 2025. Likewise, for comparative purposes with each of the items in the consolidated profit and loss account, the consolidated statement of changes in equity, and the consolidated cash flow statement, it presents the figures for the period ended 31 December 2024, in addition to those for the period ended 31 December 2025.

Regarding the consolidated notes to the financial statements (the report), the figures for the previous financial year are presented for comparative purposes alongside the figures corresponding to 31 December 2025.

The items for both financial years are comparable and consistent.

f) Changes in Accounting Policies

There have been no significant changes in accounting policies compared to the policies applied in the previous financial year.

g) Correction of Errors

The consolidated financial statements for the financial year ended 31 December 2025 do not include adjustments derived from errors detected in the consolidated annual accounts of previous years.

h) Materiality

In determining the information to be disclosed in these consolidated notes regarding the various financial statement line items or other matters, the Group, in accordance with the Conceptual Framework of the General Accounting Plan, has taken into account materiality in relation to the consolidated financial statements for the financial year ended 31 December 2025.

NOTE 3. RECOGNITION AND VALUATION STANDARDS

The main valuation standards used by the Group in the preparation of its Consolidated Annual Accounts for the 2025 financial year, in accordance with those established by the applicable Financial Reporting Framework, have been the following:

a) Consolidation principles

The most important consolidation principles applied have been the following:

Subsidiary Companies-

Subsidiaries are all entities over which the Group holds or may hold, directly or indirectly, control. Control is understood as the power to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities. In assessing whether the Group controls another entity, the existence of potential voting rights that are currently exercisable or convertible is taken into consideration. Subsidiaries are consolidated from the date of the first consolidation (1 January 2024), and from that date, their income, expenses, and cash flows are recognized in the consolidated annual accounts. Subsidiaries are excluded from consolidation from the date on which control is lost.

The acquisition method is used to account for the acquisition of subsidiaries. Under this method, the acquisition cost is the fair value of the assets delivered, the liabilities incurred or assumed, and the equity instruments issued at the date of exchange, as well as the fair value of any contingent consideration that depends on future events or the fulfillment of certain conditions.

The assets, liabilities, income, expenses, and cash flows of the subsidiaries are incorporated into the consolidated annual accounts by applying the full consolidation method, according to which:

- Where necessary, the appropriate adjustments and reclassifications are made in the Group companies to ensure the proper homogenization of timing, valuation, internal operations, and the structure of the annual accounts of the consolidated companies for the purpose of aggregation.

- The carrying amounts representing the equity instruments of the subsidiary held by the parent company are offset, at the acquisition date, against the proportional part of the subsidiary's equity items attributable to said holdings (investment-equity elimination). Generally, this offsetting is performed based on the values resulting from the application of the acquisition method.
- Generally, the identifiable assets acquired and liabilities assumed from the subsidiary are measured at their fair value at the acquisition date.
- At the acquisition date, the difference between the consideration transferred to obtain control of the acquired company (plus, in the case of business combinations achieved in stages, the acquisition-date fair value of any previous equity interest) and the proportional part of the equity representing the shareholding in the subsidiary's capital is recognized, if positive, as consolidation goodwill. In the exceptional event that the difference is negative, such excess is recognized as a positive result for the year in the consolidated profit and loss account, or as Reserves of the Parent Company. However, before recognizing said income, the amounts giving rise to such difference are reassessed.
- Consolidation goodwill is allocated to each of the cash-generating units (CGUs) or groups of units expected to benefit from the business combination. Subsequent to initial recognition, consolidation goodwill is measured at its acquisition price less accumulated amortization and, where applicable, the accumulated amount of impairment losses recognized in accordance with the criteria indicated in Note 5.d) of these consolidated notes.

Consolidation goodwill is amortized over its useful life. The useful life is determined separately for each cash-generating unit (CGU) to which goodwill has been allocated. It is presumed, unless there is evidence to the contrary, that the useful life of consolidation goodwill is ten years and that its recovery is linear. Furthermore, at least annually, an analysis is performed to determine whether there are any indications of impairment of the cash-generating units to which consolidation goodwill has been allocated. If such indications exist, they are tested for potential impairment in accordance with Note 5.d) of these consolidated notes, and, where applicable, the corresponding valuation adjustment is recorded.

Impairment losses recognized for consolidation goodwill, where applicable, are not subject to reversal in subsequent financial years.

- The assets and liabilities of the group companies are incorporated into the consolidated balance sheet at the same carrying amounts as they appear in the respective balance sheets of said companies, except for the assets acquired and liabilities assumed at the acquisition date, which are incorporated into the consolidated balance sheet based on their fair value at the acquisition date, after considering the amortization and impairment incurred since that date.
- Income, expenses, and cash flows of the subsidiaries are incorporated into the consolidated annual accounts from the acquisition date.

- Intercompany receivables and payables between companies included in the consolidation, as well as income, expenses, and cash flows relating to transactions between said companies (intragroup items), are eliminated. Results generated as a consequence of internal operations are eliminated and deferred until they are realized through transactions with third parties outside the Group.
- Internal dividends recorded, where applicable, as income for the year by a group company, which have been distributed by another company belonging to the same group, are eliminated and treated as reserves of the receiving company. In the case of interim dividends, they are eliminated against the equity item representing them in the distributing company.
- Reserves of subsidiaries consolidated using the full consolidation method are presented, where applicable, within consolidated equity under the heading "Shareholders' Equity – Reserves – Reserves in companies consolidated by the full consolidation method" in the consolidated balance sheet.
- The value of the participation of minority shareholders (non-controlling interests), where applicable, is calculated based on their effective share in the equity of the subsidiary consolidated by the full consolidation method and is presented under the heading "Equity – Non-controlling interests" in the consolidated balance sheet. In general, consolidation goodwill is not attributed to non-controlling interests. Likewise, the attributed portion of reserves, valuation adjustments, and grants, donations, and bequests received corresponding to them based on their shareholding are presented under this heading. The value of their share in the results of the subsidiaries is presented, where applicable, under the heading "Profit/Loss attributed to non-controlling interests" in the consolidated profit and loss account.
- When there is an excess between the losses attributable to the non-controlling interests of a subsidiary and the portion of equity (excluding the results for the year) of said company that proportionally corresponds to them, such excess is attributed to the non-controlling interests, even if this implies a debit balance in said item.
- Once control has been obtained, subsequent transactions that result in a modification of the Parent Company's interest in the subsidiary—provided that, in the case of a reduction, they do not involve a loss of control—are treated in the consolidated accounts as a transaction with treasury equity instruments. Consequently, in the investment-equity elimination and in the calculation of non-controlling interests, the following rules apply:
 - a. The amount of consolidation goodwill or recognized negative difference is not modified, nor is that of other assets or liabilities in the consolidated balance sheet.
 - b. In cases of a reduction in the ownership interest without loss of control, the profit or loss recognized in the individual annual accounts is eliminated solely for consolidation purposes; this circumstance gives rise to an adjustment in the reserves of the company reducing its interest.

- c. The amount of "Valuation adjustments" and "Grants, donations, and bequests received" of the subsidiary appearing, where applicable, in the consolidated balance sheet, is quantified based on the percentage of ownership held by the group companies in the capital of said subsidiary after the transaction has been completed.
- d. The participation of non-controlling interests in the equity of the subsidiary is shown in the consolidated balance sheet based on the percentage of ownership held by third parties outside the group in the capital of said company after the transaction, consequently including the percentage of participation in the goodwill recorded in the consolidated accounts associated with the modification that has occurred.
- e. Where applicable, the adjustment required to comply with the provisions in a., c., and d. results in a variation in the reserves of the company that reduces or increases its ownership interest.

Note 1 discloses the identification data of the subsidiaries included in the consolidation perimeter using the full consolidation method.

Associated Companies-

Associated companies are all entities over which any of the group companies exercises significant influence. Significant influence is understood to exist when the Group has a shareholding in the company and the power to intervene in its financial and operating policy decisions, without reaching control or joint control over it.

Associated companies are included in the consolidated accounts by applying the equity method (or "procedure of translation into equity"). When the equity method is applied for the first time, investments in associates are measured in the consolidated balance sheet at the amount that the group companies' investment percentage represents, at the time of investment, of the company's equity. If the difference resulting between the amount at which the shareholding was recorded in the individual accounts and the aforementioned value is positive, the goodwill revealed is included in the carrying amount of the investment recorded under the heading "Investments accounted for using the equity method." In the exceptional case that it is negative, the difference is recognized in the consolidated profit and loss account as a positive result.

The results generated by the company accounted for using the equity method are recognized from the date on which significant influence is acquired.

The carrying amount of the shareholding in the consolidated balance sheet is modified, increasing or decreasing it in the proportion corresponding to the associated companies, by the variations experienced in the equity of the investee company since the initial valuation, after eliminating the proportion proceeding from unrealized results generated in transactions between said company and the associated companies.

Distributed profits from the investee company recorded as income are eliminated and treated as reserves of the company holding the share.

Once the equity method has been applied and, where applicable, the losses of the investee company have been recognized, the Group applies the provisions of section 2.5.3 of recognition and valuation standard 9, "Financial Instruments," of the General Accounting Plan, to determine whether it is necessary to recognize additional impairment losses regarding its net investment in the investee company.

Valuation and timing homogenization is applied to associated investments in the same way as for subsidiaries.

Note 1 discloses the identification data of the associated companies included in the consolidation perimeter using the equity method.

Translation Differences-

The translation of the annual accounts of companies whose functional currency is other than the Euro is carried out in accordance with the following rules:

- Assets and liabilities are translated into euros at the exchange rate prevailing at the closing date of the consolidated financial statements.
- Income statement items are translated using the average exchange rate for the year (considered as the historical exchange rate).
- Equity items, including the profit or loss for the year, are translated at the historical exchange rate.
- The difference between the net amount of assets and liabilities and the equity items is recorded within the equity of the consolidated balance sheet under the heading "Valuation adjustments – Translation differences of consolidated companies," where applicable, net of the tax effect, and after deducting the portion corresponding to non-controlling interests.
- Consolidation goodwill and any fair value adjustments to assets and liabilities arising from the application of the acquisition method are considered elements of the acquired company and are therefore translated at the closing exchange rate.
- Cash flows are translated at the exchange rate on the date the transaction occurred, or using a weighted average exchange rate for the period, provided there have been no significant fluctuations.

b) Intangible Assets

Items included in intangible assets are measured at cost, which is either the acquisition price or the production cost, less any corresponding accumulated amortization and any impairment losses that may have occurred.

The amortizable amount of an intangible asset (its cost less its residual value, where applicable) is distributed on a systematic basis over its useful life. The amortization charge for each period is recognized in the profit or loss for the year.

The Company reviews the residual value, useful life, and amortization method of intangible assets at the end of each financial year. Any modifications to the criteria initially established are recognized as a change in accounting estimate.

The criteria for the recognition of impairment losses on these assets and, where applicable, the reversal of impairment losses recorded in previous years, are described in Note 4.d).

Research and Development Expenses

Research Expenses

Capitalized research expenses are specifically individualized by project, and their cost is clearly established so that it can be distributed over time. Furthermore, the Management of the Parent Company has well-founded reasons for the technical success and the economic-commercial profitability of said projects.

Research expenses appearing as assets are amortized on a straight-line basis over their useful life, at an annual rate of 20%, and always within a 5-year period.

At the moment reasonable doubts arise regarding the technical success or the economic-commercial profitability of a project, the amounts recorded as assets corresponding to said project are directly charged as losses for the financial year.

Development Expenses

Development expenses for the year are capitalized from the moment all of the following conditions are met:

- Existence of a specific and individualized project that allows for a reliable measurement of the costs attributable to the completion of the project.
- The allocation, charging, and temporal distribution of costs for each project are clearly established.
- At all times, there are well-founded reasons for the technical success of the project, both in the event that the Company intends to exploit it directly and in the event of selling the result of the project to a third party upon completion, provided a market exists.
- The economic and commercial profitability of the project is reasonably assured.
- The financing of the various projects is reasonably assured to complete their execution. Furthermore, the availability of adequate technical or other resources to complete the project and to use or sell the intangible asset is ensured.
- There is an intention to complete the intangible asset in question, in order to use it or sell it.

Compliance with all the aforementioned conditions is verified during all financial years in which the project is carried out; the amount to be capitalized is that which is incurred from the moment such conditions are met.

In no case shall expenditures initially recognized as expenses for the year be capitalized if they subsequently meet the aforementioned conditions for capitalization.

Research and development projects commissioned to other companies or institutions are measured at their acquisition price.

Projects carried out using the Company's own resources are measured at their production cost, which includes all directly attributable costs necessary to create, produce, and prepare the asset so that it can operate in the intended manner. This specifically includes: personnel costs directly assigned to the R&D activities; costs of raw materials, consumables, and services used directly in the R&D project; amortization of fixed assets directly assigned to the R&D project; and the portion of indirect costs that can be reasonably allocated to the R&D project activities.

In no case shall the costs of sub-activity or the general overheads of the Company be allocated to research and development projects. For research projects that have been capitalized due to meeting the established requirements, financial expenses are not capitalized either, despite the projects having a duration of more than one year.

The allocation of costs to development projects is carried out until the moment the project is completed, provided there is certainty of the technical and economic success of its exploitation.

Development expenses appearing as assets are amortized according to a systematic plan over their useful life, which does not exceed five years, with amortization beginning from the date of the project's completion. The amount of these capitalized expenses shall in no case include research expenses.

Computer Software

Licenses for computer applications acquired from third parties are capitalized on the basis of the costs incurred to acquire them.

Computer applications are amortized on a straight-line basis over their useful life, at an annual rate of 33%.

Maintenance expenses for computer applications incurred during the financial year are recorded in the Profit and Loss Account.

Industrial Property

This item corresponds to capitalized development expenses for which the corresponding patent or similar right has been obtained. It includes the costs of registration and formalization of industrial property, as well as the costs of acquiring the corresponding rights from third parties.

Throughout these years, the Group has been capable of developing unique methods and technologies in its sector through continuous investment in research and development. As a result of this effort, patents have been published at European, American, and PCT (Patent Cooperation Treaty) levels, showcasing the value of the effort developed over the last few years. These patents allow the Group to license this technology to third parties and protect it against potential copying by other actors in the sector who may be less scrupulous when it comes to creating original models.

Consolidation Goodwill

Consolidation goodwill is recognized as an asset when its value arises from an acquisition for consideration within the context of a business combination. Its amount is determined in accordance with section (q) of this Note and is allocated, from the acquisition date, to each of the Group's cash-generating units (CGUs) expected to benefit from the synergies of the business combination.

Consolidation goodwill arising from business combinations represents the positive difference between the cost of the business combination and the acquisition-date value of the acquired assets, liabilities, and contingent liabilities assumed from the acquired business, as set out in section (m) (Business Combinations).

Subsequent to initial recognition, consolidation goodwill is measured at its acquisition price less accumulated amortization and, where applicable, the cumulative amount of recognized impairment losses.

Consolidation goodwill is amortized over its useful life. The useful life is determined separately for each cash-generating unit to which goodwill has been allocated. Unless there is evidence to the contrary, it is presumed that the useful life of goodwill is a maximum of ten years and that its recovery is linear.

Furthermore, at least annually, the Group assesses whether there are indications of impairment for the cash-generating units to which consolidation goodwill has been allocated. If such indications exist, an impairment test is performed in accordance with the "Impairment of intangible and tangible fixed assets" section of this Note, and the corresponding valuation adjustment is recorded if necessary.

Impairment losses recognized for consolidation goodwill are not reversed in subsequent periods.

c) Tangible Fixed Assets

Tangible fixed assets are measured at their acquisition price, net of the corresponding accumulated depreciation and, where applicable, the cumulative amount of recognized impairment losses, in accordance with the criteria mentioned in Note 4.d).

Repair and maintenance expenses incurred during the financial year are charged to the Profit and Loss Account. The costs of renewal, expansion, or improvement of tangible fixed assets that represent an increase in capacity, productivity, or an extension of their useful life are capitalized as an addition to the cost of the corresponding assets, once the carrying amounts of the replaced elements have been derecognized.

Tangible fixed assets, net of their residual value where applicable, are depreciated by distributing the cost of the various elements that comprise said assets on a straight-line basis over the estimated years of useful life, which constitute the period in which the Group expects to use them, according to the following table:

	Annual Percentage	Estimated Years of Useful Life
Buildings	2,50	40
Technical facilities	8 - 10	12,50 - 10
Machinery	20 - 25	5 - 4
Transport elements	10	10
Other installations	10	10
Furniture	10 - 15	10 - 6,67
Computer equipment	25 - 50	4 - 2
Other tangible fixed assets	15	6,67

The Company reviews the residual value, useful life, and depreciation method of tangible fixed assets at the close of each financial year and, if appropriate, these are adjusted prospectively.

The carrying amount of an item of tangible fixed assets is derecognized upon its disposal or through any other means of divestment.

The gain or loss arising from the derecognition of an item of tangible fixed assets is determined as the difference between the net amount obtained from its disposal or divestment, if any (net of selling costs), and the carrying amount of the item. This gain or loss is charged to the profit and loss account for the financial year in which it occurs.

The criteria for recognizing impairment losses on these assets and, where applicable, the reversal of impairment losses recorded in previous years, are described in Note 4.d).

d) Impairment of Intangible and Tangible Fixed Assets

At the end of each reporting period, the Group assesses whether there are any indications of impairment in the value of an item of intangible or tangible fixed assets, or of any cash-generating unit (CGU), in which case the recoverable amounts are estimated and the necessary valuation adjustments are made.

An impairment loss is understood to exist for an item of intangible or tangible fixed assets when its carrying amount exceeds its recoverable amount, the latter being the higher of its fair value less costs to sell and its value in use. The determination of value in use is based on the expected future cash flows to be derived from the use of the asset.

Valuation adjustments for impairment of intangible or tangible fixed assets, as well as their reversal when the circumstances that motivated them cease to exist, are recognized as an expense or income, respectively, in the profit and loss account.

In the annual periods ended December 31, 2025 and 2024, the Group has not recorded any impairment losses on intangible or tangible fixed assets.

e) Leases and Other Similar Operations

Leases are classified as finance leases whenever the terms of the lease imply that substantially all the risks and rewards inherent to the ownership of the leased asset are transferred to the lessee. All other leases are classified as operating leases. During the 2025 and 2024 financial years, the Company did not hold any finance leases.

Operating lease expenses incurred during the financial year are charged to the Profit and Loss Account.

f) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one company and, simultaneously, to a financial liability or an equity instrument in another company.

The Group classifies financial instruments at the time of initial recognition as a financial asset, a financial liability, or an equity instrument, in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, financial liability, or equity instrument.

The Group recognizes a financial instrument in its balance sheet when it becomes a party to the contract or legal transaction under the provisions thereof, either as an issuer or as a holder or acquirer.

For measurement purposes, the Group classifies financial instruments into the categories of financial assets and liabilities at fair value through profit or loss, separating those initially designated as such from those held for trading and those mandatorily measured at fair value through profit or loss; financial assets and liabilities measured at amortized cost; financial assets measured at fair value through equity (other comprehensive income), separating equity instruments designated as such from other financial assets; and financial assets measured at cost.

The Group classifies financial assets at amortized cost and at fair value through equity, except for designated equity instruments, in accordance with the business model and the characteristics of the contractual cash flows. The Group classifies financial liabilities as measured at amortized cost, except for those designated at fair value through profit or loss and those held for trading.

Financial Assets

Classification and Measurement

The financial assets held by the Group fall into the following categories:

1. Financial Assets at Amortized Cost:

A financial asset is included in this category, even if it is admitted to trading on an organized market, if it is held within a business model whose objective is to hold the investment to collect the cash flows derived from the execution of the contract, and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Contractual cash flows that are solely payments of principal and interest are inherent to an arrangement that has the nature of an ordinary or common loan, regardless of whether the transaction is agreed at a zero or below-market interest rate.

Managing a group of financial assets to obtain their contractual flow does not imply that the Group must hold all instruments until maturity; financial assets may be considered managed with this objective even if sales have occurred or are expected to occur in the future. To this end, the Group considers the frequency, amount, and timing of sales in previous years, the reasons for those sales, and expectations regarding future sales activity. The Group's management of these investments is a matter of fact and does not depend on its intentions for an individual instrument.

In general, this category includes trade receivables (financial assets originating from the sale of goods and the rendering of services in the Group's ordinary course of business with deferred payment) and non-trade receivables (financial assets that, not being equity instruments or derivatives, do not have a commercial origin and whose collections are of a determined or determinable amount, arising from loan or credit operations granted by the Group).

The Group considers that trade and other receivables intended for assignment to third parties, which do not result in their derecognition, are maintained within this business model.

Financial assets classified in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration given plus directly attributable transaction costs. Subsequently, these financial assets are measured at amortized cost. Accrued interest is recognized in the consolidated profit and loss account using the effective interest rate method.

However, trade receivables with a maturity not exceeding one year and which do not have an explicit contractual interest rate, as well as loans to personnel, dividends receivable, and called-up payments on equity instruments expected to be received in the short term, are measured at their nominal value when the effect of not discounting the cash flows is not significant.

When the contractual cash flows of a financial asset are modified due to the issuer's financial difficulties, the Group analyzes whether an impairment loss should be recognized.

At least at each year-end, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics measured collectively, has been impaired as a result of one or more events that occurred after initial recognition and that cause a reduction or delay in estimated future cash flows, which may be motivated by the debtor's insolvency. In such cases, the impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows, including, where applicable, those from the execution of collateral and personal guarantees estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition.

Impairment adjustments, as well as their reversal when the amount of such loss decreases due to an event occurring after the recognition of the impairment, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of the impairment is limited to the carrying amount of the asset that would have been recognized at the date of reversal had the impairment not been recorded.

The recognition of interest on credit-impaired financial assets follows general rules; nevertheless, the Group simultaneously evaluates whether such an amount will be recovered and, if applicable, records the corresponding impairment loss.

The Company directly reduces the carrying amount of a financial asset when it has no reasonable expectations of full or partial recovery.

Furthermore, the Group determines the existence of objective evidence of impairment for trade debtors through individualized analysis. However, the Group does not recognize impairment adjustments for balances with Public Administrations, financial institutions, and those balances secured by effective guarantees.

The determination of a debtor's default is made on a case-by-case basis following an individualized analysis considering specific circumstances. Similarly, the Group derecognizes receivables against the corresponding impairment provision when it concludes that such amounts will definitively not be recovered.

2. *Financial Assets at Cost:*

This measurement category includes investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument or cannot be reliably estimated.

Investments included in this category are initially measured at cost, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs; however, the latter are not incorporated into the cost of investments in group companies.

Furthermore, the amount of any preferential subscription rights and similar rights acquired, if any, forms part of the initial measurement of the equity instruments.

Subsequent to initial recognition, equity instruments included in this category are measured at cost less any cumulative impairment losses.

When a value must be assigned to these assets due to derecognition or any other reason, the weighted average cost method is applied to homogeneous groups (understood as securities carrying identical rights).

At least at each year-end, the necessary valuation adjustments are made whenever there is objective evidence that the carrying amount of an investment will not be recoverable. The amount of the valuation adjustment is the difference between its carrying amount and its recoverable amount, the latter being the higher of its fair value less costs to sell and the present value of future cash flows derived from the investment. In the case of equity instruments, this is calculated either by estimating the expected dividends to be received from the investee and the disposal or derecognition of the investment, or by estimating its share in the cash flows expected to be generated by the investee, both from its ordinary activities and from its disposal or derecognition.

Unless better evidence of the recoverable amount of the investments in equity instruments is available, the estimation of the impairment loss for this class of assets is calculated based on the equity of the investee and the tacit capital gains existing at the measurement date, net of the tax effect. In determining this value, if the investee has in turn invested in another company, the equity included in the consolidated annual accounts prepared applying the criteria of the Commercial Code and its implementing regulations is taken into account. When the investee is domiciled outside Spanish territory, the closing exchange rate is applied to the equity and to the tacit capital gains existing at that date.

The recognition of impairment adjustments and, where applicable, their reversal, is recorded as an expense or income, respectively, in the profit and loss account. The reversal of the impairment is limited to the carrying amount of the investment that would have been recognized at the date of reversal had the impairment loss not been recorded.

Interest and Dividends Received from Financial Assets-

Interest and dividends from financial assets accrued after the acquisition date are recognized as income in the consolidated profit and loss account. Interest is recognized using the effective interest rate method, while dividends are recognized when the Group's right to receive payment is established.

Upon the initial measurement of financial assets, the amount of explicit interest accrued and not yet due at that date, as well as the amount of dividends declared but not yet paid by the competent body at the time of acquisition, are recognized independently. These amounts do not form part of the cost of the investment.

If dividends distributed derive from profits generated prior to the acquisition date, they are not recognized as income; instead, they are deducted from the carrying amount of the investment.

Derecognition of Financial Assets

The Group derecognizes a financial asset, or part of it, when the contractual rights to the cash flow from the financial asset expire or have been assigned, and substantially all the risks and rewards inherent to its ownership have been transferred. These circumstances are assessed by comparing the Group's exposure, before and after the assignment, to the variation in the amounts and timing of the net cash flows of the transferred assets. It is understood that substantially all risks and rewards inherent to the ownership of the financial asset have been assigned when its exposure to such variation is no longer significant in relation to the total variation in the present value of the future net cash flows associated with the financial asset.

If the Group has neither assigned nor retained substantially all risks and rewards, the financial asset is derecognized when control over it has not been retained. This situation is determined based on the assignee's unilateral ability to transfer said asset, in its entirety and without imposing conditions, to an unrelated third party. If the Group maintains control of the asset, it continues to recognize it to the extent that the Group is exposed to variations in the value of the assigned asset—that is, through its continuing involvement—and recognizes an associated liability.

When the financial asset is derecognized, the difference between the consideration received net of attributable transaction costs (considering any new asset obtained less any new liability assumed) and the carrying amount of the financial asset determines the gain or loss arising from the derecognition of said asset, which forms part of the profit or loss for the financial year in which it occurs. Likewise, any gain or loss previously accumulated directly in equity is reclassified to the profit and loss account.

Conversely, the Group does not derecognize financial assets, and instead recognizes a financial liability for an amount equal to the consideration received, in assignments of financial assets where substantially all risks and rewards inherent to their ownership are retained, such as in the discounting of bills and factoring with recourse.

Financial Liabilities

Financial instruments issued, incurred, or assumed are classified as financial liabilities, either in their entirety or in part, whenever their economic substance implies a direct or indirect contractual obligation for the Group to deliver cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavorable conditions. This includes financial instruments that provide for their mandatory repurchase by the issuer, or those that grant the holder the right to demand redemption from the issuer on a specific date and for a determined or determinable amount, or to receive a predetermined remuneration provided there are distributable profits, such as certain redeemable shares and non-voting shares or units.

Classification and Measurement

For measurement purposes, the financial liabilities held by the Group are classified within the category of financial liabilities at amortized cost.

In general, this category includes trade payables (financial liabilities arising from the purchase of goods and services in the Company's ordinary course of business with deferred payment) and non-trade payables (financial liabilities that, not being derivative instruments, do not have a commercial origin but arise from loan or credit operations received by the Group).

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration received adjusted for directly attributable transaction costs. Subsequently, these financial liabilities are measured at amortized cost. Accrued interest is recognized in the profit and loss account using the effective interest rate method.

However, trade payables with a maturity not exceeding one year and which do not have a contractual interest rate, as well as called-up payments by third parties on shares, the amount of which is expected to be paid in the short term, are measured at their nominal value when the effect of not discounting the cash flows is not significant.

Derecognition of Financial Liabilities

The Group derecognizes a financial liability, or part of it, when the obligation has been extinguished; that is, when it has been discharged, cancelled, or has expired.

If an exchange of debt instruments occurs between the Group and the counterparty, provided they have substantially different terms, the original financial liability is derecognized and the new financial liability arising is recognized at its fair value. A substantial modification of the current terms of a financial liability is recorded in the same manner. The difference between the carrying amount of the financial liability (or the part derecognized) and the consideration paid—including costs or fees incurred and also accounting for any asset transferred other than cash or liability assumed—is recognized in the profit and loss account for the financial year in which it occurs.

In the event of an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized from the balance sheet, and any transaction costs or fees incurred adjust the carrying amount of the financial liability. From that date, the amortized cost of the financial liability is determined by applying the effective interest rate that equates the carrying amount of the financial liability with the cash flows to be paid under the new terms.

For these purposes, the Group considers contract terms to be substantially different, among other cases, when the present value of the cash flows under the new contract, including any fees paid net of any fees received, differs by at least ten percent from the present value of the remaining cash flows of the original contract, with both amounts discounted at the original effective interest rate. Notwithstanding, the Group also considers qualitative factors to assess whether the terms are substantially different.

Own Equity Instruments

An equity instrument is any legal transaction that evidences or reflects a residual interest in the assets of the company that issues them, after deducting all of its liabilities.

In the event that the company carries out any type of transaction involving its own equity instruments, the amount of these instruments shall be recorded in equity as a variation in shareholders' funds. Under no circumstances may they be recognized as financial assets of the company, nor shall any gain or loss be recorded in the profit and loss account.

Costs arising from these transactions, including issuance costs of these instruments—such as fees for lawyers, notaries, and registrars; printing of prospectuses, bulletins, and certificates; taxes; advertising; commissions; and other placement costs—shall be recorded directly against equity as a reduction in reserves.

Guarantees Given and Received

Deposits or guarantees constituted to secure certain obligations are measured at the amount effectively paid, which does not differ significantly from their fair value.

In the case of guarantees given or received for operating leases or the provision of services, the difference between their fair value and the amount disbursed (due, for instance, to the guarantee being long-term and non-interest bearing) is considered a prepaid lease payment or deferred service income. This amount is recognized in the profit and loss account over the lease term, in accordance with the standard on leases and other operations of a similar nature, or over the period during which the service is provided, in accordance with the standard on revenue from sales and the provision of services.

When estimating the fair value of guarantees, the remaining period taken into account is the minimum committed contractual term during which the amount cannot be refunded, without considering statistical repayment behavior.

When a guarantee is short-term, it is not necessary to discount the cash flows if the effect of doing so is not significant.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer or cancel a liability in an orderly transaction between market participants at the measurement date. Fair value shall be determined without any deduction for transaction costs that might be incurred due to its disposal or transfer by other means. In no case shall fair value be considered the result of a forced or urgent transaction, or one arising from an involuntary liquidation situation.

Fair value is estimated for a specific date and, since market conditions may vary over time, that value may be inappropriate for another date. Furthermore, when estimating fair value, the company must take into account the conditions of the asset or liability that market participants would consider when pricing the asset or liability at the measurement date.

In estimating fair value, it shall be assumed as a hypothesis that the transaction to sell the asset or transfer the liability takes place:

- a) Between knowledgeable and willing parties, in an arm's length transaction;
- b) In the principal market for the asset or liability, understood as the market with the greatest volume and level of activity; or
- c) In the absence of a principal market, in the most advantageous market to which the company has access for the asset or liability, understood as that which maximizes the amount that would be received from the sale of the asset or minimizes the amount that would be paid for the transfer of the liability, after taking into account transaction costs and transport costs.

In general, fair value shall be calculated by reference to a reliable market value.

For those elements for which an active market does not exist, fair value shall be obtained, where applicable, through the application of valuation models and techniques.

The fair value of a financial instrument must reflect, among other factors, credit risk and, specifically in the case of a financial liability, the entity's non-performance risk shall be considered, which includes, among other components, the entity's own credit risk. However, when estimating fair value, no adjustments shall be made for market volume or capacity.

g) Foreign Currency Transactions

Foreign currency transactions are recorded in the accounts at their Euro equivalent, using the exchange rates prevailing on the dates the transactions occur. During the financial year, exchange differences arising between the exchange rate at which the operation was recorded and the rate at the time of collection or payment are recognized in the profit and loss account.

At each financial year-end, monetary items are measured using the exchange rate prevailing at the closing date. The exchange differences, both positive and negative, arising from this process are recognized in the consolidated profit and loss account for the financial year.

In the presentation of the statement of cash flows, flows from foreign currency transactions are translated into Euros by applying the exchange rates existing on the date they occurred. The effect of exchange rate fluctuations on cash and other cash equivalents denominated in foreign currency is presented separately in the statement of cash flows as “Effect of exchange rate fluctuations.”

h) Income Tax

Income tax is recognized in the consolidated profit and loss account or directly in consolidated equity, depending on where the gains or losses that originated it are recorded. The income tax for each financial year includes both current tax and deferred taxes, where applicable.

The current tax amount is the sum to be paid by the Group companies as a result of tax assessments.

Differences between the carrying amount of assets and liabilities and their tax bases give rise to deferred tax asset or liability balances, which are calculated using the tax rates expected at the time of their reversal and in accordance with the manner in which the asset or liability is reasonably expected to be recovered or settled. Additionally, where applicable, deferred tax assets consist of tax loss carryforwards pending offset and tax credits for unused tax deductions.

Variations during the year in deferred tax assets or liabilities are recognized in the consolidated profit and loss account or directly in consolidated equity, as appropriate.

Deferred tax liabilities are recognized for all taxable temporary differences, except those arising from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affected neither the tax base nor the accounting profit.

Furthermore, deferred tax assets identified as deductible temporary differences are only recognized if it is considered probable that the Group will have sufficient future taxable profits against which they can be utilized, and provided they do not arise from the initial recognition of other assets and liabilities in a transaction that affects neither the tax result nor the accounting profit. Other deferred tax assets (tax loss carryforwards and unused tax deductions) are only recognized if it is considered probable that the Company will have sufficient future taxable profits or deferred tax liabilities against which they can be utilized.

Deferred tax assets and liabilities are not discounted and are recognized in the balance sheet as non-current assets or liabilities, regardless of the expected date of realization or settlement.

At each balance sheet date, the carrying amount of the recognized deferred tax assets is analyzed, and the necessary adjustments are made to the extent that there are doubts regarding their future tax recoverability. Likewise, at each closing date, deferred tax assets not previously recognized in the balance sheet are evaluated and are recognized to the extent that their recovery through future taxable profits becomes probable.

i) Revenue and Expenses

Revenue and expenses are recognized on an accrual basis; that is, when the actual flow of the goods or services they represent takes place, regardless of when the cash or financial flow derived from them occurs.

The Group only recognizes profits realized as of the balance sheet date, whereas foreseeable risks and losses, even if contingent, are recognized as soon as they become known.

Recognition of Revenue from Sales and the Provision of Services

The Group recognizes revenue from its ordinary activities at the point in time (or as) the control of the promised goods or services is transferred to the customer. At that moment, the Group measures the revenue at the amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services.

Control of a good or service (an asset) refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, that asset. Control includes the ability to prevent other entities from directing the use of the asset and obtaining its benefits.

To apply this fundamental criterion for the accounting recognition of revenue, the company follows a comprehensive process consisting of the following successive stages:

- a) Identify the contract (or contracts) with the customer, understood as an agreement between two or more parties that creates enforceable rights and obligations for them.
- b) Identify the performance obligation(s) in the contract, representing the commitments to transfer goods or provide services to a customer.
- c) Determine the transaction price, or the contract consideration to which the company expects to be entitled in exchange for the transfer of goods or the provision of services committed to the customer.
- d) Allocate the transaction price to the performance obligations, which must be done based on the stand-alone selling prices of each distinct good or service committed in the contract or, where applicable, based on an estimate of the selling price when it is not independently observable.
- e) Recognize revenue from ordinary activities when (or as) the company satisfies a performance obligation by transferring a good or providing a service; satisfaction occurs when the customer obtains control of that good or service, such that the amount of revenue recognized from ordinary activities will be the amount allocated to the satisfied contractual obligation.

For each identified performance obligation (delivery of goods or provision of services), the Group determines at the inception of the contract whether the commitment is satisfied over time or at a point in time. As specified in Note 15, the billing issued by the Group is based on the customers' consumption of each product.

Satisfaction of Performance Obligations Over Time

Revenue from commitments satisfied over time is recognized based on the stage of completion or progress toward full satisfaction of the contractual obligations, provided that the Company has reliable information to measure such progress. The Company reviews and, if necessary, modifies the estimates of the revenue to be recognized as it fulfills the commitment assumed. When, at a given date, the company is unable to reasonably measure the degree of satisfaction of the obligation, but expects to recover the costs incurred to fulfill said commitment, revenue and the corresponding consideration are recognized only in an amount equivalent to the costs incurred to date.

It is understood that the Company transfers control of an asset over time when one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; such that, if another entity were to fulfill the contract, it would not need to substantially re-perform the work completed to date.
2. The Company creates or enhances an asset that the customer controls as the asset is created or enhanced.
3. The Company produces a specific asset for the customer with no alternative use, and the Company has an enforceable right to payment for performance completed to date, which at least allows for the recovery of costs incurred plus a reasonable profit margin.

Satisfaction of Performance Obligations at a Point in Time

In cases where the transfer of control over the asset does not occur over time, the Company recognizes revenue following the criteria established for obligations satisfied at a point in time. To identify the specific moment in which the customer obtains control of the asset (generally a good), the Company considers, among others, the following indicators:

- a) The customer has the significant risks and rewards of ownership of the asset. In evaluating this point, the Company excludes any risk that gives rise to a separate performance obligation, distinct from the commitment to transfer the asset.
- b) The Company has transferred physical possession of the asset.
- c) The customer has received (accepted) the asset in accordance with the contractual specifications.
- d) The company has a right to payment for transferring the asset.
- e) The customer has ownership of the asset..

Measurement

Revenue from the sale of goods and the provision of services is measured at the monetary amount or, where applicable, the fair value of the consideration received or expected to be received. Unless there is evidence to the contrary, this is the agreed price for the assets to be transferred to the customer, after deducting: any discounts, price reductions, or other similar items that the company may grant, as well as the interest incorporated into the nominal amount of the credits.

However, interest incorporated into trade receivables with a maturity not exceeding one year that do not have a contractual interest rate are included when the effect of not discounting the cash flows is not significant.

Taxes levied on the delivery of goods and the provision of services that the company must pass on to third parties, such as value-added tax (VAT) and excise duties, as well as amounts received on behalf of third parties, do not form part of the revenue.

In cases where variable consideration exists, the Company includes in the measurement of revenue the best estimate of the variable consideration, provided it is highly probable that a significant reversal of the recognized revenue amount will not occur when the uncertainty associated with said consideration is subsequently resolved.

j) Provisions and Contingencies

The Directors of the Parent Company, in the preparation of the consolidated annual accounts, distinguish between:

- Provisions: credit balances covering present obligations—whether legal, contractual, constructive, or tacit—arising from past events, the settlement of which is likely to cause an outflow of resources, but which are uncertain as to their amount and/or timing of settlement.
- Contingencies: possible obligations arising from past events, whose future realization is conditional upon the occurrence, or non-occurrence, of one or more future events beyond the Company's control.

The consolidated annual accounts include all provisions for which it is estimated that the probability of having to settle the obligation is more likely than not, and for which a reasonable estimate of the amount can be made. Provisions are recognized at the time the liability or obligation arises, with a charge to the relevant heading in the income statement according to the nature of the obligation.

Contingencies are not recognized in the annual accounts; instead, they are disclosed in the notes to the financial statements, provided they are not considered remote.

Existing obligations at the end of the reporting period, arising as a consequence of past events that may lead to financial losses for the Group, and whose amount and timing of settlement are uncertain, are recorded in the balance sheet as provisions. They are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the available information regarding the event and its consequences. Adjustments arising from the discounting of these provisions are recorded as a financial expense as they accrue. However, for provisions with a maturity of one year or less, where the financial effect is not significant, no discounting is applied.

Provisions are reversed through the income statement when it is no longer more likely than not that an outflow of resources will be required to settle the obligation.

k) Grants, Donations and Bequests

Grants, donations, and bequests are recognized as non-refundable when the conditions established for their granting have been met and there are no reasonable doubts that they will be received. Non-refundable grants, donations, and bequests are measured at the fair value of the amount or the asset granted.

Initially, these are recognized directly in equity, net of the corresponding tax effect. Subsequently, they are released to the income statement as income on a systematic and rational basis, in proportion to the depreciation of the assets funded by the grant, or when the expenses for which they were granted are incurred.

Refundable grants are recognized as a liability of the Group until they meet the conditions to be considered non-refundable. At that point, they are reclassified to equity or the income statement as described above.

l) Related Party Transactions

For the purposes of the presentation of the consolidated annual accounts, a party is considered to be related to another when one of them, or a group acting in concert, exercises or has the possibility of exercising, directly or indirectly, or by virtue of pacts or agreements between shareholders or partners, control over the other or significant influence in the other's financial and operating decision-making, provided they are not companies or entities that form part of the consolidation perimeter.

In any case, the following are considered related parties:

- a) Group companies, jointly controlled entities (multigroup), and associates as defined under the terms of the 13th annual accounts preparation standard "Group companies, multigroup, and associates" of the General Accounting Plan, which are not included in the consolidation perimeter.
- b) Natural persons who, directly or indirectly, hold a stake in the voting rights of the Parent Company that allows them to exercise significant influence over it. This also includes the close family members of said natural persons.
- c) Key management personnel of the Parent Company or the group companies, defined as natural persons with authority and responsibility over the planning, direction, and control of the group's activities, whether directly or indirectly,

including the Sole Administrator and Executives. This also includes the close family members of said natural persons.

- d) Companies over which any of the persons mentioned in points b) and c) may exercise significant influence and which are not within the consolidation perimeter.
- e) Companies that share a director or executive with the companies included in the consolidation, unless said person does not exercise significant influence over the financial and operating policies of both.
- f) Persons considered close family members of the representative of the Parent Company's Sole Administrator, when the latter is a legal entity.
- g) Pension plans for the employees of the companies included in the consolidation or of any other entity that is a related party thereof.

In general, the elements involved in a transaction with related parties are initially recognized at their fair value. Subsequent measurement is carried out in accordance with the provisions of the corresponding valuation standards.

m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank demand deposits with credit institutions, and other highly liquid short-term investments, provided they are readily convertible to cash, carry no significant risk of changes in value, and form part of the Company's normal treasury management policy. For these purposes, investments with maturities of less than three months from the date of acquisition are included.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include, where applicable, occasional bank overdrafts that are repayable on demand and form an integral part of the Group's cash management. Bank overdrafts are recognized in the consolidated balance sheet as financial liabilities under Loans and borrowings with credit institutions.

n) Termination Benefits

In accordance with current legislation, the Group is required to pay indemnities to employees with whom, under certain conditions, it terminates its employment relationship. Therefore, termination benefits that are reasonably quantifiable are recognized as an expense in the financial year in which the decision to terminate is adopted and communicated.

ñ) Assets of an Environmental Nature

Assets of an environmental nature are considered to be those assets that are used on a lasting basis in the Group's activities, the main purpose of which is to minimize environmental impact and to protect and improve the environment, including the reduction or elimination of future pollution.

Due to its nature, the Group's activity does not have a significant environmental impact.

o) Classification of Assets and Liabilities as Current and Non-Current

In the accompanying consolidated balance sheet, balances are classified as current and non-current according to their maturity from the balance sheet date, with those assets and liabilities maturing more than twelve months after that date being considered non-current.

p) Cash Flow Statements

In the cash flow statements, the following expressions are used with the meanings set out below:

Cash or Cash Equivalents: cash includes both cash on hand and demand bank deposits. Cash equivalents are financial instruments that form part of the Group's normal treasury management, are convertible into cash, have original maturities of no more than three months, and are subject to an insignificant risk of changes in value.

Cash Flows: inflows and outflows of cash or other equivalent means, understood as highly liquid investments with maturities of less than three months and subject to a low risk of changes in value.

Operating Activities: activities that constitute the Group's principal source of ordinary income, as well as other activities that cannot be classified as investing or financing activities.

Investing Activities: the acquisition, disposal or transfer by other means of long-term assets and other investments not included in cash and cash equivalents.

Financing Activities: activities that result in changes in the size and composition of equity and financial liabilities.

q) Business Combinations

Business combinations in which the Group acquires control of one or more businesses through the acquisition of companies or through the acquisition of all the assets and liabilities of a company, or of a part thereof constituting one or more businesses, are accounted for using the acquisition method. This involves recognising, at the acquisition date, the assets acquired and liabilities assumed at their fair value, provided that such value can be measured reliably. This criterion does not apply to non-current assets or disposal groups classified as held for sale, or to deferred tax assets and liabilities, which are measured in accordance with their respective valuation rules. The acquisition date is the date on which the Group obtains control of the acquired business.

The cost of the business combination is determined at the acquisition date as the aggregate of the fair values of the assets transferred, liabilities incurred or assumed, and equity instruments issued, where applicable, by the Group in exchange for control of the acquired business, additionally including any cost directly attributable to the combination. Likewise, any contingent consideration dependent on future events or the fulfilment of certain conditions forms part of the cost, provided that it is considered probable and its fair value can be estimated reliably.

The income, expenses and cash flows of the acquired business are included in the consolidated annual accounts from the acquisition date.

The difference between the cost of the business combination and the value of the identifiable assets acquired less the liabilities assumed is recognised as consolidation goodwill where positive, or as income in the consolidated profit and loss account where negative.

Business combinations for which, at the reporting date, the valuation process required to apply the acquisition method has not been completed are accounted for using provisional values. These values must be adjusted within a maximum period of one year from the acquisition date. Any adjustments recognised to complete the initial accounting are made retrospectively, so that the resulting values are those that would have arisen had that information been available from the outset, with comparative figures being adjusted where applicable. After that period, any adjustment other than those relating to contingent consideration dependent on future events, the fulfilment of certain conditions, or the subsequent recognition of deferred tax assets of the acquiree that did not meet the conditions for recognition at the acquisition date, is treated as an error correction and recognised as such.

The potential benefit of tax losses and other deferred tax assets of the acquiree not recognised because they did not meet the recognition criteria at the acquisition date is accounted for, when subsequently recognised, as income tax income and as a reduction in the carrying amount of consolidation goodwill, recognised as an impairment loss in the consolidated profit and loss account. The reduction in the carrying amount of goodwill is made up to the amount that would have been recognised had the deferred tax assets been accounted for as an identifiable asset from the acquisition date.

In step acquisitions, each exchange transaction is treated separately, using the information on the transaction cost and the fair value of the identifiable net assets at the date of each exchange for the purpose of measuring the goodwill or negative difference associated with the transaction. The difference between the fair value of the Group's interest in the identifiable items of the acquired business at each of the dates of the individual transactions and its fair value at the acquisition date is recognised directly in reserves, net of the related tax effect.

NOTE 4. MINORITY INTERESTS

The breakdown of the value of minority interests in the equity of the consolidated subsidiaries at the end of the 2025 financial year is as follows, in euros:

Group Company	Percentage of minority interests shareholders (holdings)	Equity		Profit for the year attributable to minority interests	Total minority interests
		Equity	Others		
Lleidanet Guatemala	20%	3.330,08	(683,56)	-	68,60
Lleidanet Honduras	30%	-	-	-	-
Lleidanet Brasil	0,30%	(27.418,53)	(25,94)	9,30	(128,13)
Lleidanet República Dominicana	0,02%	32.437,60	5,42	3,58	7,33
Lleida Information Technology					
Network Services (*)	51%	(306.824,14)	8.211,72	(8.729,49)	(171.295,59)
Lleida.net Perú	0,10%	(150.266,33)	(148,63)	6,95	(144,92)
				(8.709,66)	(171.492,71)

(*) Equity includes a portion of outstanding disbursements that mainly correspond to the Parent Company, which is why the total amount attributed to Non-Controlling Interests does not exactly correspond to 49% of the total Equity indicated.

The breakdown of the value of minority interests in the equity of the consolidated subsidiaries at the end of the 2024 financial year is as follows, in euros:

Group Company	Percentage of minority interests shareholders (holdings)	Equity	Others	Profit for the year attributable to minority interests	Total minority interests
Lleidanet Guatemala	20%	4.042,50	(281,69)	-	752,16
Lleidanet Honduras	30%	-	-	-	-
Lleidanet Brasil	0,30%	(38.925,49)	8.128,40	9,57	(111,49)
Lleidanet República Dominicana	0,02%	15.305,77	2.420,07	2,60	(1,67)
Lleida Information Technology					
Network Services (*)	51%	(324.039,80)	(10.561,68)	(32.044,45)	(170.777,82)
Lleida.net Perú	0,10%	(157.277,15)	(1.347,79)	(77,69)	(3,25)
					(170.142,07)

(*) Equity includes a portion of outstanding disbursements that mainly correspond to the Parent Company, which is why the total amount attributed to Non-Controlling Interests does not exactly correspond to 49% of the total Equity indicated.

NOTE 5. INTANGIBLE ASSETS

The breakdown and movement of intangible assets during the 2025 financial year are as follows, in euros:

	31/12/2024	Additions	Disposals	Transfers	Reclasifications	31/12/2025
Cost:						
Goodwill on consolidation	4.688.429,58	-	-	-	-	4.688.429,58
Research	15.796.219,37	1.076.995,08	-	-	-	16.873.214,45
Industrial Property	1.468.391,08	-	-	49.543,16	-	1.517.934,24
Computer applications	5.248.844,03	-	(486,00)	-	-	5.248.358,03
Advances for intangible fixed assets	514.917,39	44.949,41	-	(49.543,16)	32.323,70	542.647,34
	27.716.801,45	1.121.944,49	(486,00)	-	32.323,70	28.870.583,64
Accumulated depreciation:						
Goodwill on consolidation	(1.444.115,67)	(447.310,02)	-	-	-	(1.891.425,69)
Research	(12.878.000,55)	(1.019.683,73)	-	-	-	(13.897.684,28)
Industrial Property	(659.327,99)	(102.098,75)	-	-	-	(761.426,74)
Computer applications	(3.725.508,42)	(403.840,15)	486,00	-	-	(4.128.862,57)
	(18.706.952,63)	(1.972.932,65)	486,00	-	-	(20.679.399,28)
Impairment:						
Goodwill on consolidation	(190.207,60)	-	-	-	-	(190.207,60)
Intangible Fixed Assets, Net	8.819.641,22	(850.988,16)	-	-	32.323,70	8.000.976,76

The breakdown and movement of intangible assets during the 2024 financial year are as follows, in euros:

	31/12/2023	Additions	Disposals	Transfers	31/12/2024
Cost:					
Goodwill on consolidation	4.688.429,58	-	-	-	4.688.429,58
Research	14.766.563,26	1.029.656,11	-	-	15.796.219,37
Industrial Property	1.320.993,83	-	-	147.397,25	1.468.391,08
Computer applications	5.188.547,49	65.561,19	(5.264,65)	-	5.248.844,03
Advances for intangible fixed assets	585.365,90	76.948,74	-	(147.397,25)	514.917,39
	26.549.900,06	1.172.166,04	(5.264,65)	-	27.716.801,45
Accumulated depreciation:					
Goodwill on consolidation	(996.805,65)	(447.310,02)	-	-	(1.444.115,67)
Research	(11.922.301,49)	(955.699,06)	-	-	(12.878.000,55)
Industrial Property	(563.082,20)	(96.245,79)	-	-	(659.327,99)
Computer applications	(3.340.695,82)	(390.077,25)	5.264,65	-	(3.725.508,42)
	(16.822.885,16)	(1.889.332,12)	5.264,65	-	(18.706.952,63)
Impairment:					
Goodwill on consolidation	(190.207,60)	-	-	-	(190.207,60)
Intangible Fixed Assets, Net	9.536.807,30	(717.166,08)	-	-	8.819.641,22

Additions during the year mainly relate to the R&D and IT developments carried out by the Group. There are eight continuing projects on which work was performed during the 2025 financial year

- Software production automation.
- Infrastructure migration and network security improvements.
- Certificate and signature validation services.
- New functionalities for the company's product portfolio.
- Digital Identity project to comply with eIDAS standards.
- Automation of the automation and BPM platform.
- Centralised managed API.
- New platform functionalities.

The amount of work carried out by the Group for its intangible assets amounted to 1.077 thousand euros in the current financial year (1.030 thousand euros in the previous financial year).

Goodwill

On 30 November 2021, the Group acquired 100% of the shares of Lleida.net PKI, S.L.U., for a cost of 7.100.000,00 euros.

In November 2021, following the acquisition of Lleidanet PKI, S.L., goodwill of 4,7 million euros arose. Lleidanet PKI's main assets are its intangible assets, as reflected in its balance sheet. Lleidanet PKI has a recognized brand image both nationally and internationally, as well as a base of recurring customers who value its services. Its R&D development will enable new uses for its services, not only for its customer base, but will also constitute a differentiating factor in the Group's R&D strategy. It has key personnel who remain within the Lleida.net Group, are members of the management committee, and help to achieve the objectives set by the Board of Directors of the Parent Company of the Group. With the acquisition of Lleidanet PKI, sales synergies are achieved, since Lleidanet PKI and the rest of the Group companies have very few customers in common, and Lleidanet PKI will be able to increase its sales by selling its products to Lleida.net's customers.

The Board of Directors of the Parent Company has carried out an analysis of the recoverability of the aforementioned consolidation goodwill, for which cash flows based on sales projections for the 2026-2029 period have been used. According to Management, these projections are based on the budget for 2026, the degree of compliance therewith as of the date of preparation of these Consolidated Annual Accounts, and Management's best expectations for the business through 2029 for the corresponding impairment analysis as of 31 December 2025. Sales growth has been estimated at 39%, 6,4%, 5,6% and 5,7%, respectively, for each of the following four years. Likewise, the cash flows have been discounted using the weighted average cost of capital after tax. The discount rate used was 14,99%, and a perpetual growth rate of 1% has been estimated.

As a result of the above, during the 2025 and 2024 financial years, the Board of Directors of the Parent Company did not consider it necessary to recognize any impairment in respect of that goodwill, based on the expectations of positive cash flow generation by that investee company in the coming years.

In the 2022 financial year, the Group recognized an impairment charge on consolidation goodwill in the amount of 190 thousand euros (see Note 3.d and Note 21).

This goodwill is depreciated on a straight-line basis over a period of 10 years.

Fully depreciated Assets Still in Use

The breakdown, by caption, of the most significant assets that, as of 31 December 2025 and 2024, were fully depreciated and still in use is set out below, indicating their cost value, in euros:

	31/12/2025	31/12/2024
Research	11.646.545,90	11.024.267,87
Patents	321.196,01	267.706,28
Computer applications	1.596.431,14	2.602.775,77
	13.564.173,05	13.894.749,92

NOTE 6. TANGIBLE FIXED ASSETS

The breakdown and movement of property, plant and equipment during the 2025 financial year are as follows:

	31/12/2024	Additions	De-recognitions	Other movements	Exchange rate differences	31/12/2025
Cost:						
Land and buildings	203.095,54	-	-	-	-	203.095,54
Technical installations and machinery	252.969,45	90.151,84	-	-	-	343.121,29
Other installations, tools and furniture	301.669,13	-	(185.836,67)	-	-	115.832,46
Data processing equipment	1.497.876,15	87.184,16	(71.402,71)	25.056,90	263,50	1.538.978,00
Transport elements	66.119,47	-	-	-	-	66.119,47
Other tangible fixed assets	4.935,79	-	-	-	-	4.935,79
Advances for tangible fixed assets	57.380,60	62.123,03	-	(57.380,60)	-	62.123,03
	2.384.046,13	239.459,03	(257.239,38)	(32.323,70)	263,50	2.334.205,58
Accumulated depreciation:						
Land and buildings	(64.792,43)	(5.137,30)	-	-	-	(69.929,73)
Technical installations and machinery	(252.969,45)	(765,68)	-	-	-	(253.735,13)
Other installations, tools and furniture	(285.337,39)	(2.722,51)	185.836,67	-	-	(102.223,23)
Data processing equipment	(1.369.265,93)	(123.497,29)	71.402,71	-	(1.357,21)	(1.422.717,72)
Transport elements	(11.230,12)	(6.611,95)	-	-	-	(17.842,07)
Other tangible fixed assets	(4.935,79)	-	-	-	-	(4.935,79)
	(1.988.531,11)	(138.734,73)	257.239,38	-	(1.357,21)	(1.871.383,67)
Tangible Fixed Assets, Net	395.515,02	100.724,30	-	(32.323,70)	(1.093,71)	462.821,91

The breakdown and movement of property, plant and equipment during the 2024 financial year were as follows:

	31/12/2023	Additions	De-recognitions	Other movements	Exchange rate differences	31/12/2024
Cost:						
Land and buildings	203.095,54	-	-	-	-	203.095,54
Technical installations and machinery	252.969,45	-	-	-	-	252.969,45
Other installations, tools and furniture	311.367,81	-	(9.098,05)	-	(600,63)	301.669,13
Data processing equipment	1.478.469,07	20.152,35	-	-	(745,27)	1.497.876,15
Transport elements	73.767,59	-	(7.174,48)	-	(473,64)	66.119,47
Other tangible fixed assets	4.935,79	-	-	-	-	4.935,79
Advances for tangible fixed assets	57.380,60	-	-	-	-	57.380,60
	2.381.985,85	20.152,35	(16.272,53)	-	(1.819,54)	2.384.046,13
Accumulated depreciation:						
Land and buildings	(59.655,13)	(5.137,30)	-	-	-	(64.792,43)
Technical installations and machinery	(211.774,34)	(30,41)	-	(41.164,70)	-	(252.969,45)
Other installations, tools and furniture	(331.663,31)	(3.174,52)	8.097,24	41.164,70	238,50	(285.337,39)
Data processing equipment	(1.228.072,91)	(141.856,54)	-	-	663,52	(1.369.265,93)
Transport elements	(11.119,07)	(6.970,67)	6.457,03	-	402,59	(11.230,12)
Other tangible fixed assets	(4.910,85)	(24,94)	-	-	-	(4.935,79)
	(1.847.195,61)	(157.194,38)	14.554,27	-	1.304,61	(1.988.531,11)
Tangible Fixed Assets, Net	534.790,24	(137.042,03)	(1.718,26)	-	(514,93)	395.515,02

Due to the increase in SaaS sales, investment has been made in servers to provide greater storage capacity.

Fully Depreciated Assets Still in Use

The breakdown, by caption, of the most significant assets that, as of 31 December 2025 and 2024, were fully depreciated and still in use is set out below, indicating their cost value, in euros:

	31/12/2025	31/12/2024
Technical installations and machinery	252.969,45	252.969,45
Other facilities and furniture	79.341,25	266.014,90
Data processing equipment	1.192.986,75	720.691,86
Other fixed assets	4.935,79	4.935,79
	1.530.233,24	1.244.612,00

NOTE 7. LEASES AND OTHER SIMILAR ARRANGEMENTS

7.1) Finance Leases (the Group as Lessee)

During the 2025 financial year, the Group entered into a finance lease agreement for the acquisition of computer equipment in the amount of 62 thousand euros, maturing in the 2029 financial year.

7.2) Operating Leases (the Group as Lessee)

The charge to profit or loss for the 2025 financial year in respect of operating leases amounted to 222.293,43 euros (235.825,46 euros in the previous financial year). This mainly relates to office rentals and vehicle leasing.

The total amount of future minimum payments under non-cancellable operating leases is broken down below:

	2025	2024
Up to 1 year	186.984,12	152.426,96
Between 1 and 5 years	181.805,54	268.468,87
More of 5 years	492.067,10	495.267,16
	860.856,76	916.162,99

NOTE 8. FINANCIAL ASSETS

The breakdown of non-current financial assets is as follows:

	Equity instruments		Credits and Other Financial Assets	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial assets at amortised cost (Note 8.2)	-	-	62.155,41	83.516,21
Financial assets at cost (Note 8.3)	10.497,91	10.497,91	-	-
Total	10.497,91	10.497,91	62.155,41	83.516,21

The breakdown of current financial assets is as follows:

	Credits and Other Financial Assets 31/12/2025	Credits and Other Financial Assets 31/12/2024
Assets at amortised cost:		
Cash or other liquid assets (Note 8.1)	1.178.364,50	982.137,46
Financial Assets at Amortised Cost (Note 8.2)	3.969.217,13	4.735.137,91
Total	5.147.581,63	5.717.275,37

Assets at Amortised Cost

8.1) Cash and Other Cash Equivalents

The breakdown of these assets as of 31 December 2025 and 2024 is as follows:

	Balance at 31/12/2025	Balance at 31/12/2024
Short-term highly liquid investments	377.654,72	209.958,55
Current Accounts	795.155,28	766.626,41
Cash	5.554,50	5.552,50
Total	1.178.364,50	982.137,46

8.2) Financial Assets at Amortised Cost

The breakdown of this caption as of 31 December 2025 and 2024 is as follows:

	Balance at 31/12/2025		Balance at 31/12/2024	
	Long-Term	Short-Term	Long-Term	Short-Term
Loans and receivables items for commercial transactions				
Customers	-	3.855.537,92	-	4.605.608,13
Debtors	-	100.831,65	-	86.674,60
Total loans and receivables items for commercial transactions		3.956.369,57	-	4.692.282,73
Loans and receivables for non-commercial transactions				
Staff	-	288,96	-	836,19
Short-term deposits (*)	-	12.558,60	-	42.018,99
Securities and deposits	62.155,41	-	83.516,21	-
Total loans and receivables for non-commercial transactions	62.155,41	12.847,56	83.516,21	42.855,18
Total	62.155,41	3.969.217,13	83.516,21	4.735.137,91

(*) The deposits mature in the short term and bear interest at market rates.

Trade receivables and other accounts receivable include impairment losses arising from insolvency risk, as detailed below:

	Amount
Accumulated impairment end of financial year 2023	681.470,63
Losses of impairment on trade receivables	55.541,30
Reversal of impairment on trade receivables	(6.478,94)
Cancellations	(23.736,29)
Accumulated impairment end of financial year 2024	706.796,70
Losses of impairment on trade receivables	241.556,78
Reversal of impairment on trade receivables	(30.455,38)
Accumulated impairment end of financial year 2025	917.898,10

8.3) Financial Assets at Cost

This corresponds to an investment made by the Group in previous financial years in IBAN Wallet, a global platform that connects investors and loan applicants, offering leading rates for both. The investment amounts to 10.497,91 euros and represents 0,38% of the share capital.

There are no assets pledged as security for loans.

NOTE 9. FINANCIAL LIABILITIES

The breakdown of non-current financial liabilities is as follows:

	Debts with credit institutions		Creditors from finance leases		Other liabilities		Total		
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	
Financial liabilities at amortised cost (Note 10.1)	2.622.262,64	3.208.616,49	47.771,80		-	485.884,33	485.884,33	3.155.918,77	3.694.500,82

The breakdown of current financial liabilities is as follows:

	Debts with credit institutions		Creditors from finance leases		Other liabilities		Total		
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	
Debits and payable Items at amortised cost (Note 10.1)	3.511.869,35	3.893.719,58	12.000,01		-	3.549.734,81	4.697.145,78	7.073.604,17	8.590.865,36

9.1) Financial Liabilities at Amortised Cost

Their breakdown as of 31 December 2025 and 2024 is set out below, in euros:

	Balance as of 31/12/2025		Balance as 31/12/2024	
	Long-Term	Short-Term	Long-Term	Short-Term
For commercial transactions:				
Suppliers	-	2.618.981,77	-	2.826.021,64
Creditors	-	276.591,98	-	707.765,18
Advances from costumers	-	163.296,78	-	213.657,37
Total balances for commercial transactions	-	3.058.870,53	-	3.747.444,19
For non-commercial operations:				
Debts with credit institutions	2.622.262,64	3.511.869,35	3.208.616,49	3.893.719,58
Other debts	485.884,33	296.461,19	485.884,33	854.821,39
Creditors from finance leases	47.771,80	12.000,01		
Debts and payable items	3.155.918,77	3.820.330,55	3.694.500,82	4.748.540,97
Staff (remuneration payable)	-	194.403,09	-	94.880,20
Total balances for non-commercial operations	3.155.918,77	4.014.733,64	3.694.500,82	4.843.421,17
Total debts and payable items	3.155.918,77	7.073.604,17	3.694.500,82	8.590.865,36

9.1.1) Debts with Credit Institutions

The summary of debts with credit institutions as of 31 December 2025 is set out below, in euros:

	Short-Term	Long-Term	Total
Loans	1.481.118,23	2.622.262,64	4.103.380,87
Credit policies	1.554.115,87	-	1.554.115,87
Advanced billing	476.432,95	-	476.432,95
Credit card	202,30	-	202,30
	3.511.869,35	2.622.262,44	6.134.131,99

The summary of debts with credit institutions as of 31 December 2024 is set out below, in euros:

	Short-Term	Long-Term	Total
Loans	2.160.995,61	3.208.616,49	5.369.612,10
Credit policies	1.336.770,01	-	1.336.770,01
Advanced billing	395.953,96	-	395.953,96
	3.893.719,58	3.208.616,49	7.102.336,07

Loans

The breakdown of bank loans as of 31 December 2025, expressed in euros, is as follows:

Loans	Last maturity	Amount Granted	Pending at closure
Loan 24 (*)	15/10/2025	78.375,60	3.918,78
Loan 48	31/03/2026	500.000,00	25.447,26
Loan 49	09/07/2028	1.200.000,00	448.243,76
Loan 50	31/07/2028	3.200.000,00	1.200.549,43
Loan 51	09/10/2027	1.250.000,00	392.334,19
Loan 52	01/02/2028	400.000,00	147.358,44
Loan 53	18/09/2029	700.000,00	399.457,62
Loan 54	02/05/2028	330.000,00	168.530,23
Loan 56	20/12/2028	225.000,00	171.518,97
Loan 62	30/10/2030	475.000,00	460.340,88
Loan 63	30/11/2029	150.000,00	147.035,55
Loan 64	06/11/2029	300.000,00	294.129,87
Loan 4P	04/06/2026	150.000,00	19.663,66
Loan 5P	04/06/2028	250.000,00	107.729,97
Loan 6P	24/03/2026	220.000,00	14.337,10
Loan 7P	19/05/2028	200.000,00	102.785,16
		9.628.375,60	4.103.380,87

(*) This corresponds to a loan granted by the CDTI

The breakdown of bank loans as of 31 December 2024, expressed in euros, is as follows:

Loans	Last maturity	Amount Granted	Pending at closure
Loan 24 (*)	15/10/2025	78.375,60	13.843,60
Loan 45	30/04/2025	400.000,00	34.256,97
Loan 46	22/04/2025	400.000,00	34.318,98
Loan 47	08/04/2025	400.000,00	34.350,34
Loan 48	31/03/2026	500.000,00	126.762,38
Loan 49	09/07/2028	1.200.000,00	620.055,14
Loan 50	31/07/2028	3.200.000,00	1.659.071,10
Loan 51	09/10/2027	1.250.000,00	602.428,25
Loan 52	01/02/2028	400.000,00	214.248,02
Loan 53	18/09/2029	700.000,00	496.793,74
Loan 54	02/05/2028	330.000,00	234.009,33
Loan 55	20/03/2025	260.000,00	260.000,00
Loan 56	20/12/2028	225.000,00	225.000,00
Loan 57	21/02/2025	200.000,00	66.904,68
Loan 58	20/11/2024	197.821,74	131.881,16
Loan 59	20/12/2024	128.118,84	128.118,84
Loan 60	16/10/2024	150.000,00	50.183,12
Loan 61	14/10/2024	50.000,00	16.721,56
Loan 4P	04/06/2026	150.000,00	58.189,83
Loan 5P	04/06/2028	250.000,00	149.339,81
Loan 6P	24/03/2026	220.000,00	70.886,57
Loan 7P	19/05/2028	200.000,00	142.248,68
		10.889.316,18	5.369.612,10

(*) This corresponds to a loan granted by the CDTI

Credit Facilities

As of 31 December 2025, the Group has credit facilities granted with a total limit of 1.773.800,00 euros (1.911.150,00 euros in the previous financial year), of which the amount drawn down as of that date amounted to 1.554.115,87 euros (1.336.770,10 euros in the previous financial year).

Finance Lease Creditors

On 20 November 2025, a finance lease agreement was entered into with a financial institution for the acquisition of computer equipment.

The term of the agreement is 4 years.

Discounting Facilities and Import Advances

As of 31 December 2025, the Group has bill discounting facilities granted with a total limit of 700.000,00 euros (750.000,00 euros in the previous financial year), of which the Group had drawn down 476.432,95 euros at the end of the 2025 financial year (395.953,96 euros in the previous financial year).

9.1.2) Other Debts

Deferred Payment for the Acquisition of Lleida.net PKI, S.L.U.

On 30 November 2021, the Group acquired 100% of the shares of Lleidatnet PKI, S.L. for a price of 7.100.000,00 euros. An initial payment of 4.010.387,67 euros was made, with the remaining amount, namely 3.089.612,33 euros, deferred. A payment schedule was established, with cash payments due on 30 November 2022, 2023, 2024 and 2025, and another payment schedule with due dates on 30 November 2023, 2024 and 2025 consisting of a fixed amount to be settled through the delivery of shares in Lleidatnetworks Serveis Telemàtics, S.A. (treasury shares). At the end of the 2025 financial year, payments remained outstanding in the amount of 668 thousand euros, of which 486 thousand euros were classified as having no fixed maturity. Under the sale and purchase agreement entered into with the sellers, the Group included the option to withhold payments in respect of contingencies that might be identified after completion of the acquisition. As a result of issues identified in prior financial statements, the Group notified the sellers and withheld payments in the amount of 486 thousand euros. The Group considers that it has substantial grounds not to pay those amounts. However, as a matter of prudence, it has decided to keep them on the consolidated balance sheet and will reverse those amounts when it has sufficient evidence that there is no possibility of further adjustments.

Other Financial Liabilities

The caption "Other Debts" also includes certain amounts owed by the Group to former shareholders of Lleida.net PKI, S.L.U.

9.2) Other Information Relating to Financial Liabilities

a) Classification by Maturity

The breakdown of the maturities of financial liability instruments at the end of the 2025 financial year is as follows:

	Maturity years					Indeterminate maturity	Total
	2026	2027	2028	2029	2030		
Financial debts:	3.523.869,36	1.428.195,40	849.997,89	307.396,98	84.444,17	-	6.193.903,80
Debts with credit institutions	3.511.869,35	1.413.206,36	834.439,65	290.172,46	84.444,17	-	6.134.131,99
Acreeedores por arrendamiento financiero	12.000,01	14.989,04	15.558,24	17.224,52	-	-	59.771,81
Other financial liabilities:	296.461,19	-	-	-	-	485.884,33	782.345,52
Other debts	114.576,69	-	-	-	-	-	114.576,69
Deferred payment acquisition Lleidanet PKI, S.L.	181.884,50	-	-	-	-	485.884,33	667.768,83
Commercial creditors and other payable items:	3.253.273,62	-	-	-	-	-	3.253.273,62
Suppliers	2.618.981,77	-	-	-	-	-	2.618.981,77
Sundry creditors	276.591,98	-	-	-	-	-	276.591,98
Advances from costumers	163.296,78	-	-	-	-	-	163.296,78
Staff	194.403,09	-	-	-	-	-	194.403,09
Total	7.073.604,17	1.428.195,40	849.997,89	307.396,98	84.444,17	485.884,33	10.229.522,94

The breakdown of the maturities of financial liability instruments at the end of the 2024 financial year was as follows:

	Maturity years					Total
	2025	2026	2027	2028	2029	
Financial debts:						
Debts with credit institutions	3.893.719,58	1.286.934,63	1.210.499,23	626.384,50	84.798,13	7.102.336,07
	3.893.719,58	1.286.934,63	1.210.499,23	626.384,50	84.798,13	7.102.336,07
Other financial liabilities:						
Other debts	854.821,39	-	-	485.884,33	-	1.340.705,72
Deferred payment acquisition Leidanet PKI, S.L.	114.760,65	-	-	-	-	114.760,65
	740.060,74	-	-	485.884,33	-	1.225.945,07
Commercial creditors and other payable items:						
Suppliers	3.842.324,38	-	-	-	-	3.842.324,38
Sundry creditors	2.826.021,64	-	-	-	-	2.826.021,64
Advances from costumers	707.765,18	-	-	-	-	707.765,18
Staff	213.657,36	-	-	-	-	213.657,36
	94.880,20	-	-	-	-	94.880,20
Total	8.590.865,35	1.286.934,63	1.210.499,23	1.112.268,83	84.798,13	12.285.366,17

b) Breach of Contractual Obligations

No incidents occurred in relation to compliance with the obligations arising from loans received from third parties.

9.3) Sureties and Guarantees

The Group has obtained sureties with several financial institutions for a total amount of 534.679 euros (614.991 euros in 2024), which is a customary instrument when entering into an interconnection agreement.

The Group has not received any guarantees for loans, except in the case of Lleida.net PKI, S.L.U., where, for certain loans, the former shareholders of the company act as guarantors.

NOTE 10. INFORMATION ON DEFERRED PAYMENTS TO SUPPLIERS. THIRD ADDITIONAL PROVISION, “DUTY OF DISCLOSURE,” OF LAW 15/2010, OF 5 JULY

In accordance with the third additional provision, “Duty of Disclosure,” of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, as further amended by the Resolution of 29 January 2016 of the Institute of Accounting and Audit (ICAC) on the information to be included in the notes to the annual accounts regarding the average payment period to suppliers in commercial transactions of consolidated companies domiciled in Spain, the following is hereby stated:

	Payments made and pending payment on the balance sheet date	
	Days Financial year 2025	Days Financial year 2024
Average payment period to suppliers	62,39	56,54
Ratio paid operations	52,20	52,97
Ratio of outstanding payment transactions	102,72	66,16
	Financial year Amount 2025 Amount	Financial year Amount 2024 Amount
Total payments	12.921.259,69	9.634.110,77
Total outstanding payments	3.267.286,34	3.579.880,70
	Financial year Amount 2025 Amount	Financial year Amount 2024 Amount
Monetary Volume Paid	5.698.184,16	2.207.254,11
% of total payments made	44,10%	22,91%
Number of invoices	1.856	1.525
% of total invoices	51,76%	51,38%

NOTE 11. INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

The Group's activities are exposed to different types of financial risk, mainly credit risk, liquidity risk and market risks (foreign exchange risk, interest rate risk, and other price risks).

11.1) Credit Risk

The Group's main financial assets are cash and cash equivalents, trade receivables and other receivables, and investments, which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is mainly attributable to its trade receivables. The amounts are reflected in the balance sheet net of impairment provisions, estimated by the Management of the Parent Company on the basis of experience from previous financial years and its assessment of the current economic environment.

11.2) Liquidity Risk

As specified in Note 2.d to these consolidated notes, the Group presents negative working capital at the end of the 2025 financial year. The treasury department has a daily view of the actual cash position, which is compared with the weekly forecasts prepared. In this regard, the Group does not expect to face short-term financing problems thanks to the implementation of its business plan and the securing of new financing.

11.3) Market Risk

Market risk arises from the potential loss caused by variations in the fair value or future cash flows of a financial instrument due to changes in market prices. The Group is exposed to foreign exchange risk as well as interest rate risk.

11.4) Foreign Exchange Risk

This risk arises from the international transactions carried out by the Group in the ordinary course of its business. The Group's main foreign exchange risks relate to the US dollar and the Colombian peso. There is a risk that fluctuations in the value of financial instruments denominated in currencies other than the euro, arising from foreign transactions due to exchange rate movements, could affect the Group's future profits.

The Group does not currently operate with exchange rate hedging instruments, although this is a variable being analysed for the future. The risk is limited for the Group, as the Group has both expenses and income in those currencies, and therefore uses current accounts in those currencies in order to meet foreign currency payments with foreign currency collections. When there is a currency shortfall, the Group goes to the spot market, always analysing the evolution of the currency one month in advance in order to take advantage of the best time for exchange.

11.5) Interest Rate Risk

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

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

The sensitivity analysis performed indicates that, if market interest rates had been 100 basis points higher or lower than those actually recorded, with all other variables remaining constant, the result for the financial year ended 31 December 2025 would have changed by no more than 3%, while the effect on equity as of 31 December 2025 would have been less than 0,7% thereof.

NOTE 12. EQUITY

12.1) Share Capital of the Parent Company

As of 31 December 2025 and 2024, the share capital amounts to 320.998,86 euros and is represented by 16.049.943 shares with a par value of 0,02 euros each, all of which have been fully subscribed and paid up. These shares carry equal voting and economic rights.

As of 31 December 2025, and likewise as of 31 December 2024, there were no companies holding a direct or indirect interest equal to or greater than 10% of the share capital of the Parent Company.

12.2) Reserves

The breakdown of Reserves is as follows, in euros:

	31/12/2025	31/12/2024
Legal Reserve	64.199,77	64.199,77
Other Reserves	1.718.078,40	1.613.378,76
	1.782.278,17	1.677.578,53

The Legal Reserve is restricted as to its use, which is governed by various legal provisions. In accordance with the Spanish Companies Act, commercial companies incorporated under this legal form that earn profits are required to allocate 10% of such profits to the legal reserve until the reserve fund reaches one-fifth of the subscribed share capital. The legal reserve may be applied to offset losses or to increase share capital in the portion exceeding 10% of the increased capital, as well as for distribution to the Shareholders in the event of liquidation. As of 31 December 2025, the Legal Reserve had been fully funded.

The caption “Voluntary Reserves” includes freely distributable reserves.

12.3) Share Premium

It is subject to the same restrictions and may be applied for the same purposes as voluntary reserves, including its conversion into share capital.

12.4) Treasury Shares

On 13 June 2024, a treasury share acquisition programme in the amount of 100 thousand euros was announced, under which a total of 80.644 shares were acquired and transferred at year-end as part of the consideration for the acquisition of Lleida.net PKI.

As of 31 December 2025, the Company held treasury shares amounting to 223.400,03 euros (205.051,35 euros at the end of the previous financial year) at an average acquisition cost of 1,48 euros per share (2,75 euros per share in the previous financial year).

As of 31 December 2025, the Company held 150.753 shares, with a value at that date of 159.365,63 euros, representing 0,89% of the Company's shares.

12.5) Consolidated Earnings

The breakdown of the determination of Consolidated Profit or Loss for the 2025 financial year is as follows, in euros

Subsidiary	Individual earnings of the companies	Shareholding	Earning attributed to the parent company	Result attributable to minority interests
Lleidanetworks Serveis Telemàtics, S.A.	1.620.493,16	-	1.620.493,16	-
Lleidanet USA Inc	(14.381,17)	100%	(14.381,17)	-
Lleidanet Honduras, SA	-	70%	-	-
Lleidanet Dominicana, SRL	17.886,01	99,98%	17.882,43	3,58
Lleida SAS	34.342,74	100%	34.342,74	-
Lleida Chile SPA	(18,85)	100%	(18,85)	-
Lleidanet do Brasil Ltda	3.101,43	99,70%	3.092,13	9,30
Lleidanet Guatemala	-	80%	-	-
Portabilidades Españolas, S.A.	-	100%	-	-
Lleidanet Perú	6.945,90	99,90%	6.938,95	6,95
Lleida Information Technology Network Services	(17.116,65)	49%	(8.387,16)	(8.729,49)
Lleidanet PKI SL (antes Indenova, S.L.)	41.005,00	100%	41.005,00	-
	1.692.257,57		1.700.967,23	(8.709,66)

The adjustments made to the profit or loss attributable to the Parent Company in 2025 are set out below:

Individual results attributable to the parent company	1.700.967,24
Consolidation adjustments:	
Goodwill amortization	(447.310,02)
Total	1.253.657,22

The breakdown of the determination of Consolidated Profit or Loss for the 2024 financial year is as follows, in euros:

Subsidiary	Individual earnings of the companies	Shareholding	Earning attributed to the parent company	Result attributable to minority interests
Lleidanetworks Serveis Telemàtics, S.A.	1.090.119,36		1.090.119,36	-
Lleidanetworks Serveis Telemàtics, LTD	3.078,00	100%	3.078,00	-
Lleidanet USA Inc	9.036,68	100%	9.036,68	-
Lleidanet Honduras, SA	-	70%	-	-
Lleidanet Dominicana, SRL	13.008,46	99,98%	13.005,86	2,60
Lleida SAS	39.545,07	100%	39.545,07	-
Lleida Chile SPA	(5.107,73)	100%	(5.107,73)	-
Lleidanet do Brasil Ltda	3.184,24	99,70%	3.174,69	9,57
Lleidanet Guatemala	-	80%	-	-
Portabilidades Españolas, S.A.	-	100%	-	-
Lleidanet Costa Rica	(25,88)	100%	(25,88)	-
Lleidanet Perú	(77.685,64)	99,90%	(77.685,64)	(77,69)
Lleida Information Technology Network Services	(62.832,24)	49%	(30.787,79)	(32.044,45)
Lleidanet PKI SL (antes Indenova, S.L.)	126.843,57	100%	126.843,57	-
	1.139.163,89		1.171.196,19	(32.109,97)

The adjustments made to the profit or loss attributable to the Parent Company in 2024 are set out below:

Individual results attributable to the parent company	1.171.196,19
Consolidation adjustments:	
Reversal of impairment on receivables	191.065,10
Amortization of goodwill from Lleida.net PKI, S.L.	(447.310,02)
Total	914.951,27

12.6) Proposed Allocation of Profit or Loss of the Parent Company

The proposed allocation of the Parent Company's profit or loss for the 2025 financial year, prepared by the Board of Directors and to be submitted for approval by the General Shareholders' Meeting, and the allocation of the Parent Company's profit or loss for the 2024 financial year approved by the General Shareholders' Meeting on 5 June 2025, are set out below, in euros:

	2025	2024
Allocation base:		
Profit earned / (Loss incurred) during the financial year	1.514.811,45	1.090.119,36
Distribution to:		
Accumulated losses from previous years	1.514.811,45	1.090.119,36

NOTE 13. FOREIGN CURRENCY

The most significant foreign currency balances at the end of the 2025 financial year, stated in euros and broken down into their foreign currency equivalent, are detailed below:

	EUROS	GBP	USD	COP	BRL	DOP	PEN	CLP	GTQ	AED
CURRENT ASSETS	1.258.562,62	148.668,63	9.925,00	3.173.219.072,44	387.832,87	17.745.800,47	492.010,34	4.844.507,00	30.000,00	123.469,89
Trade debtors and other accounts receivable	996.242,45	3.757,00	128.643,80	2.665.121.211,77	9.592,18	12.075.427,20	446.700,38	1.276.661,00	-	12.745,92
Cash	262.320,17	6.168,00	20.024,83	508.097.860,67	378.240,69	1.670.373,27	45.309,96	3.567.846,00	30.000,00	110.723,97
CURRENT LIABILITIES	978.399,22	635.616,78	372.347,00	305.871.394,69	8.764,48	2.495.402,82	33.693,56	0,00	0,00	3.465,00
Trade creditors and other payable accounts	978.399,22	634.616,78	372.347,00	305.871.394,69	8.764,48	2.495.402,82	33.693,56	0,00	0,00	3.465,00

The most significant foreign currency balances at the end of the 2024 financial year, stated in euros and broken down into their foreign currency equivalent, are detailed below:

	EUROS	USD	COP	BRL	DOP	PEN	CLP	GTQ	AED
CURRENT ASSETS	895.760,23	86.163,92	2.725.323.045,85	221.352,75	7.974.746,16	133.069,34	4.394.739,00	30.000	56.642,00
Trade debtors and other accounts receivable	620.727,84	70.663,82	2.114.125.349,85	7.066,67	3.505.609,45	82.859,00	1.162.674,00	-	48.122,00
Cash	275.032,39	15.500,10	611.197.696	214.286,08	4.469.136,71	50.210,34	3.232.065,00	30.000	8.520,00
CURRENT LIABILITIES	934.848,52	602.026,87	1.398.144.954,65	3.041,24	780.010,58	56.784,57	-	-	72.622,00
Trade creditors and other payable accounts	934.848,52	602.026,87	1.398.144.954,65	3.041,24	780.010,58	56.784,57	-	-	72.622,00

The most significant transactions carried out during the 2025 financial year, stated in euros and broken down into their foreign currency equivalent, are detailed below:

	EUR	USD	GBP	CLP	COP	ZAR	DOP	PEN	MXN	AED	UYU
Purchases and services received	1.127.897,86	789.129,50	64.063,18	882.286,00	767.772.820,51	28.76	4.252.041,01	408.654,00	55.178,53	60.002,31	10.622,53
Sales and services given	2.984.556,90	550.290,16	-	-	8.067.452.413,23	-	9.145.466,82	2.004.673,69	783,38	300.200,01	-

The most significant transactions carried out during the 2024 financial year, stated in euros and broken down into their foreign currency equivalent, are detailed below:

	EUR	USD	GBP	CLP	COP	ZAR	DOP	PEN	MXN	AED	AUD	JPY
Purchases and services received	1.153.408,44	789.261,17	60.975,56	904.596,00	700.842.469,74	6,63	2.425.050,04	429.337,90	352.303,27	11124.936,18	1.000,00	163.100,00
Sales and services given	4.285.490,04	732.704,12	844,59	-	12.208.033.102,89	-	4.748.843,38	3.228.141,74	949,15	40.153,56	-	-

NOTE 14. TAX SITUATION

The breakdown of balances with the Public Administrations as of 31 December 2025 and 2024 is as follows, in euros:

	31/12/2025		31/12/2024	
	Receivable	Payable	Receivable	Payable
Non-current:				
Deferred Tax Assets	1.994.273,46	-	1.744.427,77	-
Deferred tax liabilities	-	-	-	23.596,61
	1.994.273,46	-	1.744.427,77	23.596,61
Current:				
Corporation Tax	422.946,28	1.511,10	394.417,88	35.835,05
Value Added Tax	484,17	306.927,12	67.619,46	371.689,66
Subsidies receivable (*)	1.089,00	-	1.874,02	-
Income Tax retentions	145.909,35	104.327,76	-	105.176,62
Company Tax	-	108.531,94	484,16	109.016,57
	147.482,52	519.786,81	69.977,64	585.882,85
	570.428,80	521.297,91	464.395,52	621.717,90

Tax Situation

Under current legal provisions, the tax returns of the domestic companies cannot be regarded as final until they have either been reviewed by the tax authorities or the four-year statute of limitations has expired.

As of 31 December 2025, the Group remains subject to tax inspection in respect of all taxes applicable to the domestic companies for the financial years from 2021 to 2025. Consequently, as a result of any eventual tax audits, additional liabilities could arise beyond those recorded by the Group. Nevertheless, the Directors of the Parent Company, together with their tax advisers, consider that such liabilities, should they arise, would not be significant in relation to the annual accounts taken as a whole.

Income Tax

The reconciliation between the Group's net amount of income and expenses for the 2025 financial year and the taxable base for income tax purposes is as follows:

Profit and Loss Account			
Resultado del ejercicio (después de impuestos)			1.244.947,55
	<i>Increases</i>	<i>Decreases</i>	<i>Net effect</i>
Profit tax	199.456,31	(126.808,01)	72.648,30
Permanent differences	794.645,79	(70.252,61)	724.393,18
Capitalisation Reserve			(235.294,06)
Compensation of negative taxable bases			(199.035,99)
Base imponible (resultado fiscal)			1.607.658,98

The reconciliation between the Group's net amount of income and expenses for the 2024 financial year and the taxable base for income tax purposes is as follows:

Profit and Loss Account			
Financial year's earnings (After taxes)			1.090.119,36
	<i>Increases</i>	<i>Decreases</i>	<i>Net effect</i>
Profit tax	-	(62.375,51)	(62.375,51)
Permanent differences	226.353,70	-	226.353,70
Compensation of negative taxable bases	-	-	(1.000.000,00)
Base imponible (resultado fiscal)			254.097,54

The calculations made in relation to Corporate Income Tax payable are as follows:

	2025	2024
Charge at 25 % of Taxable Income	401.914,75	63.524,39
Deductions	(194.685,02)	(45.328,35)
Net tax payable	207.229,73	18.196,04
Less: withholdings and payments	(294.219,79)	(152.604,85)
Taxable income (tax result)	(86.990,07)	(134.408,81)

The main components of the Corporate Income Tax expense are as follows:

	2025	2024
Current tax	180.809,30	67.989,58
Deferred tax	(66.383,71)	(84.864,81)
	114.425,59	(16.875,23)

The movement in deferred taxes recognized and reversed during the 2025 financial year is detailed below, in euros:

	Balance at 31/12/2024	Generated	Cancelled	Other Movements	Balance at 31/12/2025
Deferred tax assets:					
Tax credits	63.867,46	15.998,26	(34.295,45)	-	45.570,27
Credits for deductions	605.174,29	99.619,21	-	-	704.793,50
Credits for foreign withholding tax	1.075.386,02	168.523,67	-	-	1.243.909,69
Total	1.744.427,77	284.141,14	(34.295,41)	-	1.994.273,46

The movement in deferred taxes recognized and reversed during the 2024 financial year is detailed below, in euros:

	Balance at 31/12/2023	Generated	Cancelled	Other Movements	Balance at 31/12/2024
Deferred tax assets:					
Tax credits	75.271,14	-	(11.403,68)	-	63.867,46
Credits for deductions	520.309,48	107.878,85	(23.014,04)	-	605.174,29
Credits for foreign withholding tax	-	-	-	1.075.386,02	1.075.386,02
Total	595.580,62	107.878,85	(34.417,72)	1.075.386,02	1.744.427,77

As of 31 December 2025, the subsidiary Lleidatnet PKI has the following Corporate Income Tax prepayments pending application, with no time limit for their application, in respect of withholdings and similar payments to Spanish Corporate Income Tax paid abroad:

Accrual year	Amount
2019	219.908,69
2020	274.448,55
2021	175.394,32
2022	77.656,87
2023	117.982,04
2024	205.035,60
2025	173.483,62
Total	1.243.909,69

Tax Loss Carryforwards Pending Offset

The Group has recognized the tax loss carryforward asset relating to its investee companies Lleidatnet Perú, Lleidatnet Colombia and Lleidatnet República Dominicana, as they meet the requirements established under the applicable regulations for recognition, and there is no doubt as to their ability to generate future taxable profits allowing their recovery.

At the end of the 2025 financial year, the Group has the following tax loss carryforwards pending offset in the amount of 1.027.950 euros, which have not been recognized and correspond to Lleidat.net PKI, S.L.U.:

Accrual year	Year of Maturity	Amount
2022	2052	416.614,18
2023	2053	611.335,85
Total		1.027.950,03

R&D&I Tax Credits Pending Application

As of 31 December 2025, the Group has the following R&D&I tax credits pending application:

Origin Year	Year of Maturity	Amount
2008	2026	62.780,44
2009	2027	172.071,08
2010	2028	181.164,26
2011	2029	214.961,29
2012	2030	344.112,78
2013	2031	336.346,87
2014	2032	245.346,28
2015	2033	369.824,03
2016	2034	188.991,46
2017	2035	180.537,92
2018	2036	170.354,09
2019	2037	163.214,66
2020	2038	135.681,89
2021	2039	169.030,63
2022	2040	188.639,73
2023	2041	131.105,51
2024	2042	142.115,84
2025	2043	129.239,41
Total		3.525.518,17

NOTE 15. INCOME AND EXPENSES

a) Income

1. Breakdown of income from ordinary activities.

The breakdown of the Group's net turnover from ordinary activities is set out below:

	2025		2024	
Business areas (figures in thousands of euros)	Euros	%	Euros	%
Contracting	3.563	18,44%	3.466	18,19%
Notification	2.386	12,35%	2.044	10,72%
Other SaaS	2.370	12,27%	2.847	14,94%
ICX Wholesale Solutions	6.789	35,13%	6.926	36,34%
SMS Solutions	4.215	21,81%	3.776	19,81%
Total	19.323	100,00%	19.059	100,00%

The breakdown of the Group's net turnover from ordinary activities, by geographic market, is set out below:

	2025		2024	
Geographic market description	Euros	%	Euros	%
National	9.524.833,06	49,19%	8.706.047,33	45,68%
European Union	2.510.916,93	12,99%	2.200.650,03	11,55%
Rest of the World	7.287.188,61	37,71%	8.152.745,33	42,78%
Total	19.322.938,60	100,00%	19.059.442,69	100,00%

The breakdown of the Group's net turnover from ordinary activities, by type of contract, is set out below:

	Financial Year 2025	Financial Year 2024
Type of contract		
Fixed price contracts (*)	17.742.261,96	16.293.938,87
Variable contracts (**)	1.580.676,64	2.765.503,82
Total	19.322.938,60	19.059.442,69

(*) Fixed price is understood to mean the prices offered to customers for each SaaS product, as well as the Wholesale prices offered during a specific period of time for an SMS destination. It should be noted that all invoices issued are based on customers' usage.

(**) There are agreements with customers under which the sale price is variable depending on the number of transactions carried out.

The breakdown of the Company's net turnover from ordinary activities, by contract term, is set out below:

	Financial Year 2025	Financial Year 2024
Duration of contract		
Long-term contracts	19.322.938,60	19.059.442,69
Total (*)	19.322.938,60	19.059.442,69

(*) The contracts signed by Lleida.net with its customers are normally for a period of one year with automatic renewal. We are not aware of any customers having requested termination of the contract during the first financial year.

The breakdown of the Company's net turnover from ordinary activities, by sales channel, is set out below:

	Financial Year 2025	Financial Year 2024
Sales channels		
Distributors or wholesalers	1.862.843,52	779.717,26
Retailers (*)	394.560,30	325.490,49
Direct sales	117.065.534,78	17.954.234,94
Total	19.322.938,60	19.059.442,69

(*) Retail customers are those who purchase our products through the website.

b) Supplies

The breakdown of this caption in the accompanying Profit and Loss Account is as follows, in euros:

	2025	2024
Consumption of merchandise		
Domestics	3.914.122,15	3.303.802,72
Intra-Community Acquisitions	1.539.169,51	2.336.253,69
Imports	3.257.684,68	3.234.238,11
	8.710.976,34	8.874.294,52

c) Staff Costs

The breakdown of social security expenses in the accompanying Profit and Loss Account is as follows:

	2025	2024
Company Social Security contributions	1.096.721,39	1.124.804,25
Other welfare costs	183,49	115.208,89
	1.096.904,88	1.240.013,14

The breakdown of the caption “Wages, Salaries and Similar Items” is as follows:

	2025	2024
Wages and Salaries	4.386.876,25	4.232.24,25
Several Pay	189.949,84	30.282,05
	4.576.826,09	4.263.106,30

d) Financial Results

The breakdown of this caption in the accompanying Profit and Loss Account is as follows:

	2025	2024
Financial incomes	11.225,52	19.681,68
Other financial incomes	11.225,52	19.681,68
Financial expenses	(184.014,13)	(222.142,07)
For debts with credit institutions	(184.014,13)	(222.142,07)
Exchange differences	(104.387,42)	(29.635,56)
Impairment of financial instruments	1.221,38	-
Financial Result Positive / (Negative)	(275.954,65)	(232.095,95)

NOTE 16. ENVIRONMENTAL INFORMATION

The Group has no significant assets and has not incurred any material expenses aimed at minimizing environmental impact or at the protection and improvement of the environment. Likewise, there are no provisions for risks and expenses, nor contingencies, related to the protection and improvement of the environment.

NOTE 17. EVENTS AFTER THE REPORTING DATE

No significant events have occurred, other than those mentioned above, between 31 December 2025 and the date of preparation of these consolidated annual accounts which, affecting these accounts, have not been included therein or the knowledge of which might be useful to a user thereof.

NOTE 18. SHORT-TERM AND LONG-TERM PROVISIONS

The Group had an ongoing administrative proceeding in respect of which, in the 2023 financial year, a provision of 200 thousand euros was recognized, corresponding to the full amount of the proposed penalty, which was paid in 2025.

NOTE 19. RELATED PARTY TRANSACTIONS

Balances and Transactions with the Directors and Senior Executive

The remuneration accrued during the 2025 financial year by the members of the Board of Directors of the Parent Company, in consideration for the performance of their duties as such, amounted to 160.600 euros (103.000 euros in the previous financial year).

On 5 June 2025, the General Shareholders' Meeting was held, at which the new Board of Directors of the Parent Company was appointed.

From that date onwards, only two members of Senior Management have formed part of the Board of Directors, which has thus been structured in accordance with the resolutions adopted at the aforementioned Meeting and the provisions of the bylaws.

Senior Management duties, meanwhile, were performed by three members of the same Board of Directors until 5 June 2025 and by two members until 31 December 2025 (three members in the financial year ended 31 December 2024), with remuneration in respect of salaries and wages amounting to 250.448,92 euros (366.336,85 euros in 2024) and 29.660,88 euros in respect of other remuneration, including 7.742,22 euros for vehicle leasing and 21.918,66 euros for life insurance (24.209,21 euros in 2024, including 5.679,23 euros for vehicle leasing and 18.529,98 euros for life insurance).

As of 31 December 2025 and 2024, there were no loans or advances outstanding with the members of the Board of Directors of the Parent Company, nor were there any commitments for pension supplements, sureties or guarantees granted in their favour.

Other information regarding the Board of Directors

Pursuant to the Spanish Companies Act, it is hereby stated that the members of the Management Body of the Parent Company do not hold interests in other companies with the same, similar, or complementary corporate purpose.

Likewise, and in accordance with the aforementioned Spanish Companies Act, it is hereby stated that the members of the Management Body have not carried out any activity, either on their own behalf or on behalf of others, with the Group that could be considered outside the ordinary course of business or that has not been conducted under normal market conditions.

NOTE 20. OTHER INFORMATION

Information on number of employees

The average number of employees during the 2025 and 2024 financial years, broken down by category, is as follows:

	2025	2024
Senior Executives	3,54	3
Administration	8,43	7,25
Commercial	20,41	16,92
Production	75,16	81,99
Maintenance	0,88	0,88
Reception	1,73	8,17
Business development	8,75	8,93
Compliance	6,03	4,32
Human Resources	2,83	2
Intellectual Property	1	1
TOTAL	128,75	134,46

The breakdown of the Group's workforce at the end of the 2025 financial year, by category and gender, is as follows:

2025				
	Man	Woman	Total	Disability greater than or equal to 33%
Senior Executives	2	1	3	-
Administration	5	5	10	1
Commercial	9	9	18	1
Production	62	14	76	-
Maintenance	-	2	2	-
Reception	1	-	1	-
Business development	3	5	8	-
Compliance	3	4	7	-
Human Resources	1	2	3	-
Intellectual Property	1	-	1	-
TOTAL	87	42	129	2

The breakdown of the Group's workforce at the end of the 2024 financial year, by category and gender, was as follows:

2024				
	Man	Woman	Total	Disability greater than or equal to 33%
Senior Executives	1	2	3	-
Administration	3	6	9	1
Commercial	7	9	16	1
Production	62	15	77	-
Maintenance	-	2	2	-
Reception	2	6	8	-
Business development	3	5	8	-
Compliance	1	3	4	-
Human Resources	-	2	2	-
Intellectual Property	1	-	1	-
TOTAL	80	50	130	2

Audit fees

The breakdown of audit fees for the 2025 and 2024 financial years is set out below:

	2025	2024
Audit fees for audit services (individual and consolidated):	38.000	33.800
Fees of the auditor for rendering audit services (other group companies)	10.000	12.400
Audit fees for other services (*)	15.000	26.750
Total	63.000	72.950

(*) The fees for other services corresponded to the verification work relating to the limited review of the interim consolidated financial statements as of 30 June 2025 and 30 June 2024..

Likewise, during the 2025 financial year, no person or company related to the audit firm provided services to the Company (the same applied during the 2024 financial year).

Other information

It is hereby stated that, during the year, the Group paid the premium corresponding to the civil liability insurance policy that would potentially cover damages caused to third parties by acts or omissions related to the performance of their duties. The amount of the premium totaled 32.777,51 euros (76.942,52 euros in the previous financial year).

NOTE 21. CONSOLIDATION GOODWILL

The breakdown of consolidation goodwill existing at the end of the 2025 financial year is as follows, in euros:

	Cost 31/12/2025	Depreciation 31/12/2025	Impairment 31/12/2025	Net Value 31/12/2025
Cost:				
Lleidamet PKI SL (before Indenova, S.L.)	4.688.429,58	(1.891.425,69)	(190.207,60)	2.606.796,29
Goodwill on consolidation	4.688.429,58	(1.891.425,69)	(190.207,60)	2.606.796,29

The breakdown of consolidation goodwill existing at the end of the 2024 financial year is as follows, in euros:

	Cost 31/12/2024	Depreciation 31/12/2024	Impairment 31/12/2024	Net Value 31/12/2024
Cost:				
Lleidamet PKI SL (before Indenova, S.L.)	4.688.429,58	(1.444.115,67)	(190.207,60)	3.054.106,31
Goodwill on consolidation	4.688.429,58	(1.444.115,67)	(190.207,60)	3.054.106,31

The Board of Directors of the Parent Company has performed an analysis of the recoverability of the aforementioned consolidation goodwill, using cash flows based on sales projections for the 2026–2029 period. According to the Directors, these projections are based on the 2026 budget, the degree of compliance therewith as of the date of preparation of these Consolidated Annual Accounts, and Management’s best expectations for the business through 2029. Sales growth has been estimated at 39%, 6.4%, 5.6% and 5.7%, respectively, for each of the following four years.

Likewise, the cash flows have been discounted using the weighted average cost of capital after tax. The discount rate used was 14.99%, and a perpetual growth rate of 1% has been estimated. As a result of the above, the Board of Directors of the Parent Company considered that no impairment of the consolidation goodwill was required in the current financial year, based on the expected cash flow generation of the investee company in the coming years.

In the 2022 financial year, the Board of Directors of the Parent Company considered it appropriate to impair the consolidation goodwill by an amount of 190 thousand euros (see Note 5).

NOTE 22. SEGMENT INFORMATION

The Group's principal activity is the management of short message services (SMS) via the Internet, as well as the provision of telecommunications services. Accordingly, it has not been considered relevant to provide information by business or geographical segments, except for information relating to net turnover, which is disclosed in Note 15.

GROUP LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
AND SUBSIDIARIES

CONSOLIDATED DIRECTOR'S REPORT FOR THE FINANCIAL
YEAR 2025

GROUP LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. **AND SUBSIDIARIES**

CONSOLIDATED DIRECTOR'S REPORT FOR FINANCIAL YEAR 2025

In compliance with the provisions of the Corporation Law, the directors hereby present the Management Report for the year, in order to complement, expand and comment on the balance sheet, the profit and loss account and the report corresponding to 2025 financial year.

1. EVOLUTION OF RESULTS AND NET TURNOVER

The Lleida.net Group closed the 2025 financial year with a very positive performance in its main financial metrics, consolidating the improvement in operating profitability and strengthening its business model.

<i>Business Areas (thousand euros)</i>	2024	2025	Var. €	Var.%
Contracting	3.466	3.563	97	3%
Notification	2.044	2.386	342	17%
Other SaaS	2.847	2.370	(477)	-17%
SMS Solutions	3.776	4.215	439	12%
ICX Wholesale Solutions	6.926	6.789	(137)	-2%
Total	19.059	19.323	264	1%

Revenue reached 19.323 thousand euros, representing an increase of 1% compared to the previous year. This growth is supported by the strong performance of the main business lines, particularly SMS Solutions, which grew by 12% to 4.215 thousand euros, and Notification, with a notable increase of 17% to 2.386 thousand euros.

Likewise, the Contracting line maintained a positive trend with growth of 3%. Meanwhile, ICX Wholesale Solutions showed a slight decrease of 2%, while Other SaaS recorded a one-off adjustment, reflecting the ongoing optimization of the service portfolio. Overall, the diversification of the business and the momentum in higher-growth areas reinforce the strength of the Group's revenues.

Data in Thousand Euros	2024	2025	Var. €	Var.%
Sales	19.059	19.323	264	1%
Sales Cost	(8.874)	(8.711)	(163)	-2%
Gross Margin	10.185	10.612	427	4%
Personnel Expenses	(5.473)	(5.483)	10	0%
External Services	(2.502)	(2.159)	(343)	-14%
Capitalisations	1.030	1.076	46	4%
EBITDA	3.240	4.046	806	25%
Other Income	58	75	17	29%
Depreciation	(2.077)	(2.111)	34	2%
Provisions for Customer Balances	(83)	(211)	128	154%
Other Results	(9)	26	35	389%
Compensations	(30)	(190)	160	533%
Operating Profit	1.099	1.635	536	49%
Net Financial Result	(203)	(172)	(31)	-15%
Exchanges Rate Differences	(30)	(104)	74	247%
Profit Before Tax	866	1.359	493	57%
Tax	17	(114)	131	771%
Profit After Tax	883	1.245	362	41%

This commercial performance, together with improved operational efficiency, has made it possible to increase gross margin to 10.612 thousand euros, 4% higher than in 2024, also supported by a 2% reduction in cost of sales.

It is worth highlighting the significant improvement in the cost structure, particularly in external services, which decreased by 14%, while personnel expenses remained stable, reflecting appropriate cost control. Likewise, capitalized costs increased by 4%, contributing positively to value generation.

As a result of all the above, EBITDA increased significantly to 4.046 thousand euros, representing a growth of 25% compared to the previous year, demonstrating a clear improvement in the ability to generate operating results.

Operating profit reached 1.635 thousand euros, with a growth of 49%, driven both by the improvement in EBITDA and by the favorable performance of other results, which turned positive during the year. Despite the increase in depreciation and in impairment losses and provisions, the strength of the business has made it possible to maintain a clearly upward trend in results. Net financial result improved by 15%, reducing its negative impact thanks to the reduction in debt.

As a result, profit before tax amounted to 1.359 thousand euros, 57% higher than in 2024. Finally, consolidated profit after tax reached 1.245 thousand euros, representing an increase of 41%, reflecting the Group's strong overall performance, the robustness of its operating model, and its ability to significantly improve profitability, thereby laying solid foundations for future growth.

2. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, and up to the date of preparation of this Management Report, no additional subsequent events have occurred other than those already mentioned in the Notes to the financial statements and in the previous section, which would indicate circumstances that already existed as of December 31, 2025 and which, due to their economic significance, would require adjustments to the Financial Statements or modifications to the information disclosed in the Notes.

Nor have any other subsequent events occurred, other than those already mentioned in the Notes, that would indicate conditions that did not exist as of December 31, 2025 and that are of such significance as to require additional disclosure in the Notes to the financial statements.

3. PROBABLE EVOLUTION OF THE GROUP

The Lleida.net Group will continue to focus its strategy on sustainable and profitable growth, particularly by promoting the commercialization of higher-margin standard products, which enhance operational efficiency and business scalability. In this context, the expected growth will be driven both by the acquisition of new accounts and by the development and expansion of recurring clients, thereby strengthening revenue recurrence.

Likewise, the Group will maintain its focus on strategic markets such as the European Union and Latin America, where it identifies significant potential for growth and consolidation. This commercial momentum will also be supported by the launch of new functionalities and products, resulting from continuous investment in R&D, which enables the Group to maintain a differentiated value proposition.

At the same time, a strict cost control policy will continue to be reinforced, supported by the ongoing review of internal processes and continuous efficiency improvements, with the aim of optimizing available resources and maximizing value generation in the medium and long term.

4. RESEARCH ACTIVITIES

In the 2025 financial year, the Group invested 1.077 thousand euros in research and development activities, mainly focused on the Group's certification line and hybrid products, together with the technology of Lleida.net PKI, S.L.U.

5. OPERATIONS WITH OWN SHARES

In accordance with the regulations of BME Growth and Euronext Growth, the Company entered into a liquidity agreement with the placing bank upon its admission to the market. This agreement provides for both the delivery of a certain number of treasury shares and the deposit of a cash amount. The purpose of this contract is to enable investors to trade the Company's shares, ensuring that any interested party has the ability to buy or sell shares.

As of December 31, 2025, the parent company held 150.753 shares, with a valuation at that date of 159.365,63 euros, representing 0,94% of the Parent Company's shares.

6. FINANCIAL INSTRUMENTS:

During 2025, the Group is not exposed to significant foreign exchange risk and therefore does not engage in transactions involving foreign exchange derivative financial instruments.

The treasury department has a daily view of the actual cash position, which is compared with the weekly forecasts prepared. The Group has a comfortable short-term financial capacity, as reflected by the positive balances in its credit facilities.

In the face of global uncertainty, the Group has secured the collaboration of financial institutions to sign new financing agreements, both in the short and long term.

The Group's main foreign exchange risks relate to the US dollar and the Colombian peso. The Group does not currently use foreign exchange hedging instruments, although this is a variable being considered for the future.

The risk is limited within the Group, as it has both expenses and income in these currencies. Therefore, current accounts are maintained in these currencies to match foreign currency payments with foreign currency receipts. When there is a currency shortfall, the Group accesses the spot market, always analyzing currency trends one month in advance in order to take advantage of the most favorable timing for exchange.

7. DEFERMENT OF PAYMENT TO SUPPLIERS:

The information regarding deferred payments to suppliers is presented in the attached Consolidated Annual Accounts, specifically in Note 10 of the consolidated financial statements.

* * * * *

REPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS AND DIRECTOR'S REPORT

In compliance with company law, the Board of Directors of **LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. AND SUBSIDIARIES** draw up the Consolidated Annual Accounts and the Consolidated Director's Report for the financial year ended December 31, 2025, which comprises the attached pages numbered 1 to 76.

Lleida, March 25th, 2026
The Board of Directors



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JOSE SAPENA (R:
A25345331)
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Mr. Francisco Sapena Soler
Chairman and Chief Executive Officer

**MARCOS
GALLARDO
MESEGUER**

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por MARCOS
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Mr. Marcos Gallardo Meseguer
Secretary

**PEREZ SUBIAS
MIGUEL -
17147802Z**

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Mr. Miguel Pérez Subias
Independent Director

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CASTILLO, ANTONIO (AUTENTICACIÓN)
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Mr. Antonio López del Castillo
Independent Director

**Anna
Bisart**

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by Anna Bisart
Date: 2026.03.25
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Mrs. Anna Bisart Rosell
Independent Director

**USANDIZAGA
RUIZ ARRATE
MARIA -
44558454W**

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Mrs. Arrate María Usandizaga Ruíz
Executive Director

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***1181** el día 25/03/2026 con un certificado emitido
por AC FNMT Usuarios

Mr. Jorge Sainz de Vicuña
Independent Director

**REALES PEINADO
MARIA TERESA -
06235206K**

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06235206K
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Mrs. Teresa Reales Peinado
Independent Director

Firmado por ***1364** ANA
SERRANO el día 25/03/2026
con un certificado emitido
por AC CAMERFIRMA FOR
NATURAL PERSONS - 2016

Mrs. Ana Serrano Oñate
Independent Director

Firmado por CUNILL CALVET
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25/03/2026 con un
certificado emitido por AC
FNMT Usuarios

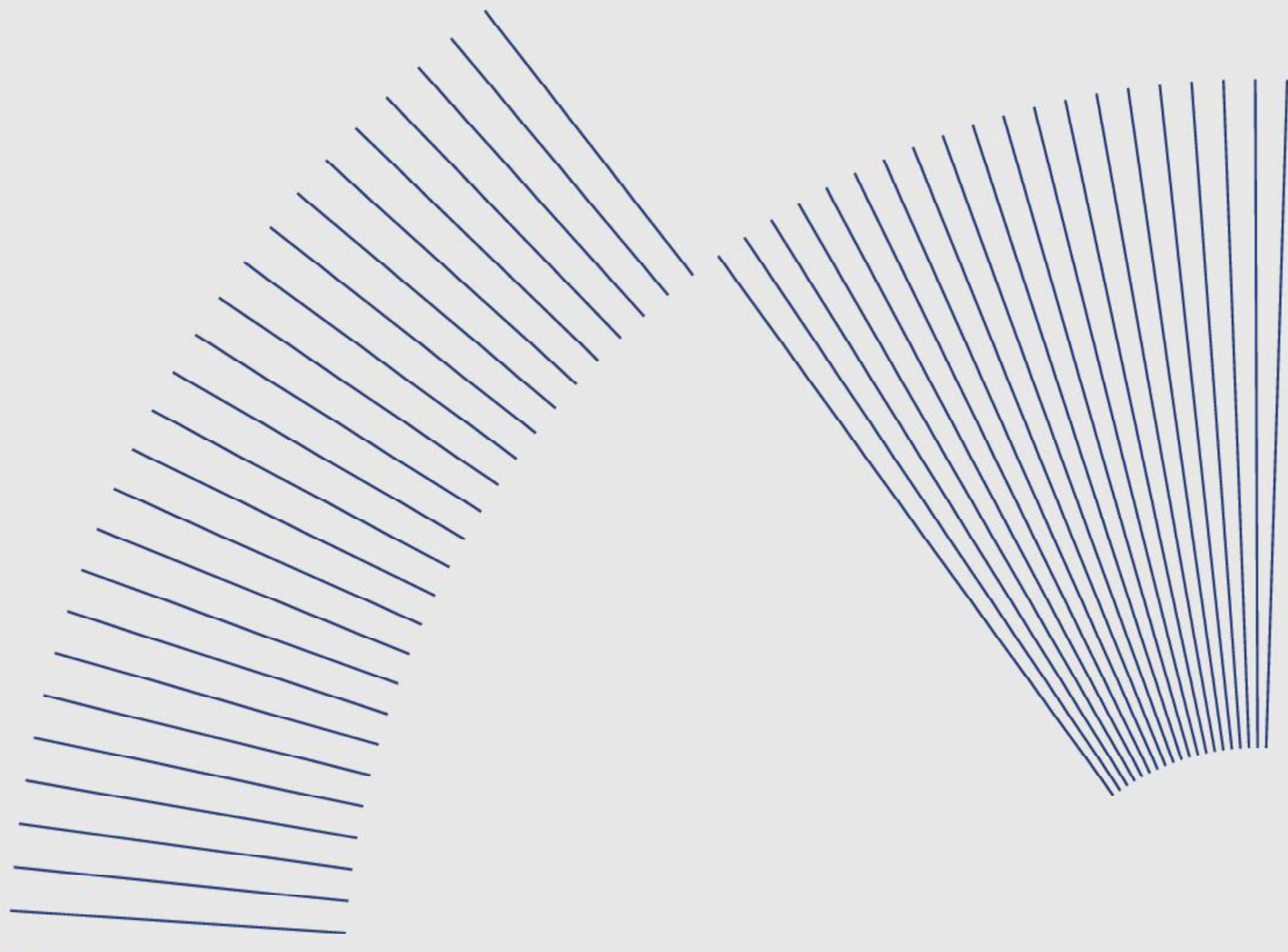
Mrs. Sílvia Cunill Calvet
Independent Director



PKF
Attest

**LLEIDANETWORKS SERVEIS
TELEMÀTICS, S.A**

**ANNUAL ACCOUNTS AND DIRECTOR'S REPORT FOR
FINANCIAL YEAR 2025 TOGETHER WITH THE AUDIT
REPORT ON ANNUAL ACCOUNTS ISSUED BY AN
INDEPENDENT AUDITOR**



Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of annual accounts originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 2.a). In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON ANNUAL ACCOUNTS

To the Shareholders of LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

Report on the annual accounts

Opinion

We have audited the annual accounts of LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. (the Company), which comprise the balance sheet as at December 31, 2025, the income statement, the statement of changes in equity, the statement of cash flows and the notes thereto for the year then ended.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2025, and of its results and cash flows for the year then ended in accordance with the applicable regulatory financial reporting framework (identified in Note 2.a to the annual accounts) and, in particular, with the accounting principles and policies contained therein.

Basis for opinion

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

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that the matter described below is the most significant risk considered in the audit and should be communicated in our report:

Recoverability of capitalised amounts related to intangible assets — research and development — and deferred tax assets.

As disclosed in Note 5 to the accompanying financial statements, as at December 31, 2025, the Company has capitalised, under the heading “Intangible assets — Research” within non-current assets, the costs incurred in research projects, net of the corresponding amortisation, amounting to 2,091,829.87€. Furthermore, as disclosed in Note 15 to the accompanying financial statements, as at December 31, 2025, the Company has recognised under the heading “Deferred tax assets” within non-current assets an amount of 704,793.50€, corresponding to the tax credit arising from tax deductions pending offset at that date. In addition, as at December 31, 2025, the Company has tax deductions pending application amounting to 789,691.20€, which have not been recognised on the balance sheet, as the Company’s Directors consider that the accounting recognition criteria required for the recognition of deferred tax assets were not met as at that date. The recoverability of the aforementioned assets is supported by the business plan prepared by the Company’s Directors, which is in turn based on studies, analyses, assumptions and other highly technical operational and financial projections that require the application of significant judgement and estimates. For these reasons, this matter has been identified as an area of particular significance in our audit.

As part of our audit procedures, we discussed the progress of the Company’s project with management. For this purpose, we analysed the estimates of future projected revenue cash flows and assessed the reasonableness of the assumptions used in the preparation of the business plan. Our audit procedures also included evaluating the assumptions and estimates made by the Directors regarding the Company’s ability to generate future taxable profits to support the amount of deferred tax assets recognised, as well as to justify the non-recognition of the remaining pending tax deductions. In performing this analysis, we considered, among other factors, the future projection period, the sensitivity analysis and the availability of financial support for the development of the planned business activities.

Other matters

The annual accounts for the preceding financial year were audited by another auditor, who issued an audit report dated April 25, 2025, in which an unqualified opinion was expressed.

Other information: Directors’ report

The other information comprises exclusively the Directors’ report for 201X, the preparation of which is the responsibility of the Company’s Directors and which does not form part of the annual accounts.

Our audit opinion on the annual accounts does not cover the Directors’ report. Our responsibility relating to the Directors’ report, in accordance with the audit regulations in force, consists of evaluating and reporting on the consistency of the Directors’ report with the annual accounts, based on the knowledge of the entity obtained in the audit of those annual accounts, 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 above, the information contained in the Directors’ report is consistent with that disclosed in the annual accounts for 201X and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Directors and the Audit Committee for the annual accounts

The Directors are responsible for the preparation of the accompanying annual accounts so that they

give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for overseeing the process involved in the preparation and presentation of the annual accounts.

Auditor's responsibilities for the audit of the annual accounts

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 annual accounts.

A further description of our responsibilities for the audit of the annual accounts is included in Appendix 1 of this auditor's report. This description, which is located at page 4, forms part of our auditor's report.

Report on other legal and regulatory requirements

Additional report to the Audit Committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's Audit Committee dated on 30 March 2026.

Engagement period

The Extraordinary General Shareholders' Meeting held on 5 June 2025 appointed us as auditors for a period of 3 years from the year ended 31 December 2025.

8 April 2026



PKF ATTEST SERVICIOS
EMPRESARIALES, S.L.

2026 Núm. 03/26/01704

SELLO CORPORATIVO: 96.00 EUR

Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional

PKF Attest Servicios Empresariales, S.L.
Registered with the ROAC under No. S1520

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ZIGOR BILBAO

(R: B95221271)

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Registered in the ROAC under No. 21,844

Appendix 1 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 annual accounts.

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

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

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

We communicate with the Audit Committee of the entity 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.

We also provide the Audit Committee of the entity with a statement that we have complied with relevant ethical requirements regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the entity, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

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

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

ANNUAL ACCOUNTS AND DIRECTOR'S REPORT FOR
FINANCIAL YEAR 2025 TOGETHER WITH THE AUDIT
REPORT ON ANNUAL ACCOUNTS ISSUED BY AN
INDEPENDENT AUDITOR

*(Free translation of the accounts originally issued in Spanish.
In the event of discrepancy, the Spanish language version prevails)*

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

Annual Accounts and Director's Report
for financial year 2025 together with
the Audit Report on Annual Accounts
issued by an Independent Auditor

AUDIT REPORT ON ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

ANNUAL ACCOUNTS FOR FINANCIAL YEAR 2025:

Balance Sheets as of December 31, 2025 y and 2024

Profit and Loss Accounts for the financial years 2025 and 2024

Statement of Changes in Partner's Equity for the financial years 2025 and 2024

Cash-Flow Statement for the financial years 2025 and 2024

Financial year report 2025

DIRECTOR'S REPORT FOR FINANCIAL YEAR 2025

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

ANNUAL ACCOUNTS FOR FINANCIAL YEAR 2025

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.**BALANCE SHEETS AS OF DECEMBER 31, 2025 AND 2024**

(Stated in Euros)

ASSETS	Notes to the Annual Accounts	31/12/2025	31/12/2024
NON-CURRENT ASSETS		10.589.897,23	10.550.825,06
Intangible Assets	Note 5	3.478.281,46	3.508.597,89
Research		2.091.829,87	2.035.113,96
Patents, licenses, trademarks and similar		756.507,50	809.063,09
Computer applications		87.296,75	149.503,45
Other intangible assets		542.647,34	514.917,39
Tangible fixed assets	Note 6	442.604,11	360.403,21
Land and buildings		133.165,81	138.303,11
Technical installations and other tangible fixed assets		247.315,27	164.719,50
Tangible assets in progress		62.123,03	57.380,60
Long-term investments in group and affiliated companies		5.919.213,14	6.027.339,63
Equity instruments	Note 9	5.009.265,28	5.009.265,28
Loans to companies	Notes 8.2 and 19.1	909.947,86	1.018.074,35
Long-term financial investments		45.005,02	49.310,04
Equity instruments	Note 8.3	10.197,40	10.197,40
Other financial assets	Note 8.2	34.807,62	39.112,64
Deferred Tax Assets	Note 15	704.793,50	605.174,29
CURRENT ASSETS		5.244.168,50	5.597.282,30
Stock		13.440,00	-
Advances to suppliers		13.440,00	-
Trade and other receivables		3.333.811,89	3.653.182,26
Client receivables for sales and services	Note 8.2	2.984.905,53	3.131.143,24
Clients of the Group and affiliated companies	Notes 8.2 and 19.1	27.309,68	302.325,76
Sundry debtors	Note 8.2	71.915,28	82.754,62
Staff	Note 8.2	288,96	836,19
Current tax assets	Note 15	247.819,27	134.549,24
Other receivables from Public Authorities	Note 15	1.573,17	1.573,21
Short-term investments in group and affiliated companies	Note 8.2 and 19.1	1.097.876,91	1.248.598,60
Loans to companies		1.097.876,91	1.248.598,60
Short-term financial assets	Note 8.2	12.558,60	42.000,64
Other financial assets		12.558,60	42.000,64
Short-term accruals		130.133,21	249.562,02
Cash and cash equivalent	Note 8.1	656.347,89	403.938,78
Cash		656.347,89	403.938,78
TOTAL ASSETS		15.834.065,73	16.148.107,36

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.
BALANCE SHEETS AS OF DECEMBER 31, 2025 AND 2024
(Stated in Euros)

EQUITY AND LIABILITIES	Notes to the Annual Accounts	31/12/2025	31/12/2024
EQUITY		5.937.431,77	4.336.269,36
Equity		5.937.431,77	4.336.269,36
Capital	Note 13.1	320.998,86	320.998,86
Share Capital		320.998,86	320.998,86
Issue premium	Note 13.3	5.244.344,28	5.244.344,28
Reserves	Note 13.2	1.782.278,17	1.677.578,53
Legal and statutory		64.199,77	64.199,77
Other Reserves		1.718.078,40	1.613.378,76
(Shares and own holdings in equity)	Note 13.4	(223.400,03)	(205.051,35)
Retained earnings		(2.701.600,96)	(3.791.720,32)
Financial year's earnings		1.514.811,45	1.090.119,36
NON-CURRENT LIABILITIES		3.029.195,29	3.457.955,04
Long-term provisions	Note 17	-	8.474,45
Long-term debts		3.029.195,29	3.449.480,59
Debts with credit institutions	Note 10.1	2.495.539,16	2.963.596,26
Finance lease liabilities		47.771,80	-
Other financial liabilities	Note 10.2	485.884,33	485.884,33
CURRENT LIABILITIES		6.867.438,67	8.353.882,96
Short-term provisions	Note 17	9.035,41	217.604,61
Short-term debts		3.336.064,35	4.091.298,88
Debts with credit institutions	Note 10.1	3.114.413,72	3.349.888,05
Finance lease liabilities		12.000,01	-
Other financial liabilities	Note 10.2	209.650,62	741.410,83
Trade and other payables		3.522.338,91	4.044.834,31
Suppliers	Note 10.1	2.565.384,67	2.746.066,99
Suppliers, group and affiliated companies	Notes 10.1 and 19.1	202.118,53	349.239,74
Sundry creditors	Note 10.1	240.542,87	484.573,97
Personnel (outstanding salaries)	Note 10.1	139.604,17	40.000,00
Other debts with Public Authorities	Note 15	221.667,02	213.817,21
Advances from clients	Note 10.1	153.021,65	211.136,40
Short-term accruals		-	145,16
TOTAL EQUITY AND LIABILITIES		15.834.065,73	16.148.107,36

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.**PROFIT AND LOSS ACCOUNTS**
FOR THE FINANCIAL YEARS 2025 AND 2024

(Stated in Euros)

PROFIT AND LOSS ACCOUNTS	Notes to the Annual Accounts	2025	2024
Net turnover	Note 16.a	16.685.578,39	16.227.341,65
Net sales		16.685.578,39	16.277.341,65
Word performed by the company for its assets	Note 5	830.160,08	739.437,19
Supplies	Note 16.b	(9.298.778,09)	(9.148.175,09)
Goods consumed		(9.298.778,09)	(9.148.175,09)
Other operating income		45.096,10	21.751,89
Ancillary and other current operating income		15.096,10	21.751,89
Operating grants income		30.000,00	-
Staff expenses		(3.732.951,19)	(3.609.684,31)
Wages, salaries and the like	Note 16.c	(2.993.627,89)	(2.722.168,76)
Fringe benefits	Note 16.c	(739.323,30)	(887.515,55)
Other operating expenses		(1.784.908,46)	(1.906.549,08)
External charges for services		(1.553.647,40)	(1.765.432,86)
Taxes		(46.818,83)	(43.363,11)
Losses, Impairment and change in trade provisions		(184.442,23)	(97.753,11)
Amortization of fixed assets	Notes 5 and 6	(1.033.927,52)	(1.033.638,18)
Other earnings	Note 17	51.291,49	(3.731,14)
OPERATING EARNINGS		1.761.560,80	1.286.752,93
Financial income	Note 16.d	66.792,60	73.704,12
Income from negotiable securities and other financial instruments, group and affiliated companies		62.039,79	61.245,39
Other income from negotiable securities and other third-party financial instruments		4.752,81	12.458,73
Financial expenses	Note 16.d	(122.361,91)	(168.123,98)
For debts with third parties		(122.361,91)	(168.123,08)
Changes in fair value of financial instruments	Note 16.d	(21,96)	-
Trading portfolio and others		(21,96)	-
Exchange differences	Note 16.d	(15.578,20)	(9.507,77)
Impairments and earnings for disposals of financial instruments		(80.514,04)	(155.082,35)
Impairments and losses	Note 16.d	(80.514,04)	(155.082,35)
FINANCIAL EARNINGS		(151.683,51)	(259.009,08)
PRE-TAX EARNING		1.609.877,29	1.027.743,85
Profit tax	Note 15	(95.065,84)	62.375,51
FINANCIAL YEAR'S EARNINGS FROM CONTINUED OPERATIONS		1.514.811,45	1.090.119,36
FINANCIAL YEAR'S EARNINGS		1.514.811,45	1.090.119,36

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.**STATEMENT OF CHANGES IN PARTNER'S EQUITY
FOR THE FINANCIAL YEARS 2025 AND 2024****A) STATEMENT OF RECOGNIZED INCOME AND EXPENSE
FOR THE FINANCIAL YEARS 2025 AND 2024**
(Stated in Euros)

	31/12/2025	31/12/2024
FINANCIAL YEAR'S EARNINGS	1.514.811,45	1.090.119,36
Income and expenses recognized directly in equity		
Translation differences	-	-
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY	1.514.811,45	1.090.119,36
Transfers to the income statement	-	-
TOTAL TRANSFERS TO THE INCOME STATEMENT	-	-
TOTAL RECOGNIZED INCOME AND EXPENSE	1.514.811,45	1.090.119,36

**B) TOTAL STATEMENT OF CHANGES IN PARTNER'S EQUITY
FOR THE FINANCIAL YEARS 2025 AND 2024**
(Stated in Euros)

	Share Capital	Owen Shares	Issue Premium	Reserves	Results from previous years	Financial Year's Earnings	Total
BALANCE END OF YEAR 2023	320.998,86	(1.448.058,18)	5.244.344,28	2.628.803,65	(1.043.451,96)	(2.748.268,36)	2.954.368,28
Total recognized income and expenses	-	-	-	-	-	1.090.119,36	1.090.119,36
Transactions with shareholders or owners	-	1.243.006,83	-	(951.225,12)	-	-	291.781,72
Operation with own shares (Net)	-	1.243.006,83	-	(951.225,12)	-	-	291.781,72
Other changes in equity	-	-	-	-	(2.748.268,36)	2.748.268,68	-
Distribution of earnings from the previous financial year	-	-	-	-	(2.748.268,36)	2.748.268,36	-
BALANCE END OF YEAR 2024	320.998,86	(205.051,35)	5.244.344,28	1.677.578,53	(3.791.720,32)	1.090.119,36	4.336.269,36
Total recognized income and expenses	-	-	-	-	-	1.514.811,45	1.514.811,45
Transactions with shareholders or owners	-	(18.348,68)	-	104.699,64	-	-	86.350,96
Operation with own shares (Net)	-	(18.348,68)	-	104.699,64	-	-	86.350,96
Other changes in equity	-	-	-	-	1.090.119,36	(1.090.119,36)	-
Distribution of earnings from the previous financial year	-	-	-	-	1.090.119,36	(1.090.119,36)	-
BALANCE END OF YEAR 2025	320.998,86	(223.400,03)	5.244.344,28	1.782.278,17	(2.701.600,96)	1.514.811,45	5.937.431,77

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.**CASH FLOW STATEMENT
FOR FINANCIAL YEARS 2025 AND 2024**

(Stated in Euros)

	Notes to the Annual Accounts	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		1.320.234,81	2.911.538,41
Financial year's pre-tax earnings		1.609.877,29	1.027.743,85
Adjustments to earnings		459.379,14	1.380.892,60
Amortization of fixed assets	Notes 5 and 6	1.033.927,52	1.033.638,18
Valuation changes for impairment	Notes 16.d and 8.2	-	252.835,46
Variable Provisions	Note 17	184.442,23	-
Financial incomes	Note 16.d	(66.792,60)	(73.704,12)
Financial expenses	Note 16.d	122.361,91	168.123,08
Exchange differences		15.600,16	-
Other income and expenses	Note 5	(830.160,08)	-
Changes in current capital		(399.232,52)	714.351,54
Stocks		(13.440,00)	-
Trade and other receivables		234.462,88	(386.386,85)
Other current assets		119.428,81	(6.613,27)
Trade and other payables		(522.495,40)	1.107.206,50
Other current liabilities		(208.714,36)	145,16
Other non-current assets and liabilities		(8.474,45)	-
Other cash flow from operating activities		(349.789,10)	(211.449,58)
Interest payment		(122.361,91)	(168.123,08)
Interest incomes		66.782,69	73.704,12
Tax income		(294.219,79)	(117.030,62)
CASH FLOW FROM INVESTMENT ACTIVITIES		36.943,33	(1.308.641,49)
Payments for investments		(255.651,91)	(1.624.694,85)
Group and associated companies		-	(729.800,48)
Intangible fixed assets	Note 5	(44.949,41)	(881.947,12)
Tangible fixed assets	Note 6	(210.702,50)	(12.947,25)
Proceeds from disposals		292.595,24	316.053,36
Group companies and subsidiaries		258.848,18	-
Other financial assets		33.747,06	316.053,36
CASH FLOW FROM FINANCING ACTIVITIES		(1.089.168,87)	(1.526.958,33)
Receipts and payments for equity instruments		86.350,96	291.781,72
Disposals (Acquisitions) of own equity instruments		86.350,96	291.781,72
Collections and payments for financial liability instruments		(1.175.519,83)	(1.818.740,05)
Issuing:		984.771,81	2.036.190,14
Amounts owed to credit institutions		925.000,00	2.036.190,14
Other liabilities		59.771,81	-
Repayment and amortization of:		(2.160.291,64)	(3.854.930,19)
Amounts owed to credit institutions		(1.628.531,43)	(3.349.888,05)
Others		(531.760,21)	(505.042,14)
EFFECT OF CHANGES IN EXCHANGE RATES		(15.600,16)	-
NET INCREASE (OR DECREASE) IN CASH OR CASH EQUIVALENTS		252.409,11	75.938,59
Cash or cash equivalents at start of financial year	Note 8.1	403.938,78	328.000,19
Cash or cash equivalents at end of financial year	Note 8.1	656.347,89	403.938,78

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

NOTES TO THE ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2025

NOTE 1. INCORPORATION, ACTIVITIES AND LEGAL SYSTEM OF THE COMPANY

a) Incorporation and Register Office

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. (hereinafter, "Parent Company") was incorporated in Lleida on January 30th, 1995. On October 26, 2021, the Board of Directors resolved to relocate the Company's registered office to Calle Téllez, 56, Local C, Madrid. Previously, its registered office was located at the Parc Científic i Tecnològic Agroalimentari de Lleida, Building H1, Floor 2, Lleida.

On June 30, 2011, a General Shareholders' Meeting was held in which the transformation from a Limited Company to a Public Company was agreed. On December 12, 2011, the agreement reached at the aforementioned meeting was notarized and deposited in the Mercantil Register on February 17, 2012.

b) Activities

Its activity consists of acting as a telecommunications operator providing short message (SMS) management services via the Internet, notification services, and electronic contracting, as well as any other activities related to the aforementioned corporate purpose.

c) Legal System

The Company is governed by its bylaws, by the current Spanish Companies Act (Law Capital Companies) and by all other applicable regulations in force.

d) Financial year and date of the latest Annual Accounts

The Company's financial year begins on January 1 and ends on December 31 of each year. The latest annual accounts prepared and approved by the Company correspond to the financial year ended on December 31, 2024.

e) Quotation in Stock Markets

On June 1, 2015, the Parent Company approved at the Shareholders' Meeting the request for incorporation into the Alternative Stock Market, currently called BME Growth, of all the shares of the Parent Company.

On October 7, 2015, the Board of Directors of Bolsas y Mercados Españoles, Sistemas de Negociación, S.A., approved the admission to trading on the expansion segment of the Mercado Alternativo Bursátil, effective as of October 9, 2015, of 16.049.943 shares with a nominal value of 0,02 euros each. The Company has currently appointed Solventis A.V., S.A. as its liquidity provider and Registered Adviser.

On December 19, 2018, the Company began trading under a dual listing on Euronext Growth Paris, with Invest Securities acting as Listing Sponsor. On November 2, 2020, the Company began trading on the OTCQX market in New York and ceased trading on that market on January 1, 2026.

e) Consolidated Annual Accounts

As the Company holds majority interests in several companies and in accordance with Royal Decree 1159/2010 of September 17, Royal Decree 602/2016 of December 2, and Royal Decree 1/2021 of January 12, it is required to prepare and present Consolidated Annual Accounts. However, this obligation does not exempt it from preparing and presenting Individual Annual Accounts. The accompanying Annual Accounts correspond exclusively to Lleidanetworks Serveis Telemàtics, S.A.

The Company is the parent of a group of companies, acting as the direct and ultimate parent entity, with its registered office in Madrid, and it files its annual accounts with the Madrid Mercantil Register. The consolidated annual accounts for the 2025 financial year are expected to be prepared on March 25, 2026. Meanwhile, the consolidated annual accounts for the 2024 financial year were approved by the General Shareholders' Meeting of Lleidanetworks Serveis Telemàtics, S.A. at its ordinary meeting held on June 5, 2025.

NOTE 2. BASIS OF PRESENTATION OF ANNUAL ACCOUNTS

a) Applicable Financial Reporting Framework for the Company

These annual accounts have been prepared by the Company's Directors in accordance with the financial reporting framework applicable to the Company, which is established in:

- a) The Commercial Code and other applicable commercial legislation.
- b) The General Accounting Plan approved by Royal Decree 1514/2007, as well as its amendments and adaptations.
- c) The mandatory standards issued by the Institute of Accounting and Auditing of Accounts (ICAC) in development of the General Accounting Plan and its complementary regulations.
- d) Royal Legislative Decree 1/2010, of July 2, approving the revised text of the Spanish Companies Act.
- e) All other applicable Spanish accounting regulations.

b) True and Fair View

The Annual Accounts for the 2025 financial year have been taken from the Company's accounting records and have been prepared in accordance with the applicable financial reporting framework, and in particular with the accounting principles and criteria contained therein, in order to present a true and fair view of the Company's equity, financial position, and results as of the reporting date, as well as the results of its operations and its cash flows during the year.

These annual accounts, which were prepared by the Company's Board of Directors on March 25, 2026, are pending approval by the General Shareholders' Meeting. However, the Board of Directors does not expect any significant changes to arise during the approval process. The annual accounts for the 2024 financial year were approved by the Company's General Shareholders' Meeting on June 5, 2025 (Note 3).

c) Accounting Principles Applied

In preparing the annual accounts for the 2025 financial year, the applicable financial reporting framework has been followed and, in particular, the recognition and measurement standards described in Note 4 have been applied. The Board of Directors has prepared these annual accounts taking into account all mandatory accounting principles and standards that have a significant effect on them. No mandatory accounting principle has been omitted in the preparation of these annual accounts. Likewise, no non-mandatory accounting principles have been applied.

d) Presentation Currency

In accordance with current legal and accounting regulations, the annual accounts are expressed in euros. The euro is the Company's functional currency.

e) Critical Aspect and Uncertainties Valuation of Estimation

In preparing the accompanying annual accounts, estimates have been made by the Company's Board of Directors in order to measure certain assets, liabilities, income, and expenses recorded therein. The key assumptions concerning the future, as well as other relevant data regarding the estimation of uncertainty at the reporting date, which involve a significant risk of causing material changes in the carrying amounts of assets and liabilities during the financial year, are as follows:

- Possible impairment of assets: investments, loans, and balances with Group companies (Note 4.e):
As of December 31, 2025, the Company maintains significant receivable balances and equity instruments with Group companies (Note 19.1), the recovery of which is linked to the ability of the respective subsidiaries to generate profits and cash flows. Based on the budgets prepared by Management, the Company's Board of Directors considers that all receivables from Group companies recorded in the Company's balance sheet will be fully recoverable.
- Reasonableness of the capitalization and recoverability of research and development projects and valuation of patents.
- Recoverability of assets through deferred tax .

Although these estimates have been made based on the best information available as of the end of the 2025 financial year, future events may arise that could require them to be revised (upwards or downwards) in subsequent periods. Such changes would be accounted for prospectively, recognizing the effects of the change in estimates in the corresponding profit and loss account.

No significant changes in accounting estimates have occurred that affect the current financial year or are expected to affect future financial years.

Working Capital

As of December 31, 2025, the Company has negative working capital amounting to 1,62 million euros (2,75 million euros as of December 31, 2024). To reverse this situation, the Company has implemented a cost-reduction policy since 2023 financial year.

Considering the estimated cash flows for the coming years, the Company's Directors do not expect this situation to give rise to significant liquidity constraints.

f) Comparison of the Information

In accordance with commercial law, the Board of Directors presents, for comparative purposes, alongside each item in the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Equity, and the Statement of Cash Flows, not only the figures for the 2025 financial year but also those corresponding to the previous year. The items for both years are comparable and homogeneous. Likewise, the information included in these notes relating to the 2024 financial year is presented for comparison with the information for the 2025 financial year.

g) Changes in accounting policies

During the 2025 financial year, no significant changes in accounting policies were made compared to those applied in the previous financial year.

h) Correction of Errors

No significant errors have been identified in the preparation of the accompanying annual accounts that would require the restatement of the amounts included in the annual accounts of the previous financial year.

i) Materiality

In determining the information to be disclosed in these notes regarding the various items of the financial statements and other matters, the Company, in accordance with the Conceptual Framework of the General Accounting Plan, has taken into account the principle of materiality in relation to the annual accounts for the 2025 financial year.

NOTE 3. DISTRIBUTION OF EARNINGS

	2025	2024
Distribution Base:		
Profit obtain / (Generated losses) in the financial year	1.514.811,45	1.090.119,36
Distribution to:		
Compensation of previous year losses	1.514.811,45	1.090.119,36

There are no restrictions on the distribution of dividends in the Company's bylaws.

NOTE 4. RECORDING AND VALUATION RULES

The main valuation methods used by the Company in the preparation of its Annual Accounts for the 2025 financial year, in accordance with the provisions of the General Accounting Plan, were as follows:

a) Intangible Assets

Items included in intangible assets are valued at cost, whether this is the acquisition price or production cost, less the corresponding accumulated amortization and any impairment losses that may have occurred.

The amortizable amount of an intangible asset (its cost less its residual value, if any) is distributed on a systematic basis over its useful life. The amortization charge for each period is recognized in the profit and loss account.

The Company reviews the residual value, useful life, and amortization method of intangible assets at the end of each financial year. Any modifications to the criteria initially established are recognized as a change in accounting estimate.

The criteria for recognizing impairment losses on these assets and, where applicable, the reversal of impairment losses recorded in previous years, are described in Note 4.c).

Research and development expenses**Research expenses**

Capitalized research expenses are specifically identified by project, and their cost is clearly established so that it can be allocated over time. Furthermore, the Management of the Parent Company has reasonable grounds to expect the technical success and the economic and commercial profitability of these projects.

Research expenses recorded as assets are amortized on a straight-line basis over their useful life, at a rate of 20% per year, and always within a maximum period of 5 years.

When there are reasonable doubts regarding the technical success or the economic and commercial profitability of a project, the amounts recorded as assets for that project are charged directly to profit or loss for the year

Development expenses

Development expenses for the year are capitalized from the moment all the following conditions are met:

- Existence of a specific and individualized project that allows for the reliable measurement of the costs attributable to the project's completion.
- The assignment, allocation, and temporal distribution of costs for each project are clearly established.
- There are constant and well-founded reasons for technical success in the completion of the project, both in the case where the Company intends to exploit it directly and for the sale of the project's outcome to a third party upon completion, provided a market exists.
- The economic and commercial profitability of the project is reasonably assured.
- Funding for the various projects is reasonably assured to complete their execution. Furthermore, the availability of adequate technical or other resources to complete the project and to use or sell the intangible asset is assured.
- There is an intention to complete the intangible asset in question, in order to use or sell it.

Compliance with all the above conditions is verified throughout all the financial years in which the project is carried out, and the amount to be capitalized is that which occurs from the moment such conditions are met.

In no case shall expenditures initially recognized as expenses for the year be capitalized if they subsequently meet the aforementioned conditions for capitalization.

Research and development projects commissioned from other companies or institutions are valued at their acquisition price.

Projects carried out using the Company's own resources are valued at their production cost, which includes all directly attributable costs necessary to create, produce, and prepare the asset so that it can operate in the intended manner, including, in particular, personnel costs directly assigned to research and development project activities, the costs of raw materials, consumables, and services used directly in the research and development project, depreciation of fixed assets directly assigned to the research and development project, and the portion of indirect costs that reasonably affect the research and development project activities.

Under no circumstances are undercapacity costs or the general overhead costs of the Company allocated to research and development projects. In research projects that have been capitalized for meeting the established requirements, financial expenses are not capitalized either, even if the projects have a duration of more than one year.

The allocation of costs to development projects is carried out until the project is completed, provided there is certainty regarding the technical and economic success of its exploitation.

Development expenses recorded as assets are amortized according to a systematic plan over their useful life, which does not exceed five years, with amortization beginning from the project's completion date. The amount of these capitalized expenses in no case includes research expenses.

Computer Software

Computer software licenses acquired from third parties are capitalized based on the costs incurred for their acquisition.

Computer software is amortized on a straight-line basis over its useful life, at an annual rate of 33%.

Maintenance expenses for computer software incurred during the financial year are recorded in the Profit and Loss Account.

Industrial Property

This corresponds to capitalized development expenses for which the corresponding patent or similar protection has been obtained, and includes the costs of registration and formalization of industrial property, as well as the costs of acquiring the corresponding rights from third parties.

Throughout these years, the Group has been able to develop unique methods and technologies within its sector due to continuous investment in research and development. The result of this effort has been the publication of patents at the European, American, and PCT levels, highlighting the value of the effort developed over recent years. These patents allow the Group to license this technology to third parties, in addition to protecting it against potential copies by other actors in the sector who are less scrupulous when it comes to creating original models.

b) Tangible fixed assets

Property, Plant and Equipment is valued at its acquisition price net of the corresponding accumulated depreciation and, where applicable, the accumulated amount of recognized impairment losses, in accordance with the criteria mentioned in Note 4.c).

Maintenance and repair costs incurred during the financial year are charged to the Profit and Loss Account. The costs of renewal, expansion, or improvement of property, plant, and equipment that represent an increase in capacity, productivity, or an extension of useful life are capitalized as an addition to the value of the corresponding assets, once the carrying amounts of the replaced items have been derecognized.

Property, Plant and Equipment, net of its residual value where applicable, is depreciated by distributing the cost of the various elements comprising said assets on a straight-line basis over the years of estimated useful life, which constitute the period in which the Group expects to use them, according to the following table:

	Annual Percentage	Estimated Years Of Useful Life
Buildings	2,50	40
Technical facilities	8 - 10	10 – 12,50
Machinery	20 - 25	4 - 5
Other installations	10	10
Transportation assets	10	10
Furniture	10 - 15	6,67 - 10
Computer equipment	25 - 50	2 - 4
Other tangible fixed assets	15	6,67

The Company reviews the residual value, useful life, and depreciation method of property, plant, and equipment at the end of each financial year and, if applicable, these are adjusted prospectively.

The carrying amount of an item of property, plant, and equipment is derecognized upon its disposal or through other means.

The gain or loss arising from the derecognition of an item of property, plant, and equipment is determined as the difference between the net amount, if any, of the selling costs obtained from its disposal or other means, if it exists, and the carrying amount of the item, and is recognized in the profit and loss account for the year in which it occurs.

The criteria for recognizing impairment losses on these assets and, where applicable, the reversal of impairment losses recorded in previous years, are described in Note 4.c).

c) Impairment of Intangible Assets and Tangible Fixed Assets

At the end of the financial year, the Group assesses whether there are any indications of impairment in the value of an item of intangible assets, property, plant and equipment, or any cash-generating unit, in which case the recoverable amounts are estimated and the necessary valuation adjustments are made.

An impairment loss is understood to exist for an item of intangible assets or property, plant and equipment when its carrying amount exceeds its recoverable amount, the latter being the higher of its fair value less costs to sell and its value in use. The determination of value in use is based on the expected future cash flows to be derived from the use of the asset.

Valuation adjustments for impairment of intangible assets or property, plant and equipment, as well as their reversal when the circumstances that caused them cease to exist, are recognized as an expense or income, respectively, in the profit and loss account.

In the 2025 and 2024 financial years, the Company has not recorded any impairment losses on intangible assets or property, plant and equipment.

d) Leases and Other Transactions of a Similar Nature

Leases are classified as finance leases whenever the terms of the agreement imply that substantially all the risks and rewards inherent to the ownership of the asset are transferred to the lessee. All other leases are classified as operating leases. During the 2025 financial year, the Company had one finance lease (Note 7.1), and none during the 2024 financial year.

Operating lease expenses incurred during the year are charged to the Profit and Loss Account.

e) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one company and, simultaneously, to a financial liability or an equity instrument in another company.

The Company classifies financial instruments at the time of their initial recognition as a financial asset, a financial liability, or an equity instrument, in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, financial liability, or equity instrument.

The Company recognizes a financial instrument in its balance sheet when it becomes a party to the contract or legal transaction in accordance with the provisions thereof, either as an issuer or as a holder or acquirer of the same.

For valuation purposes, the Company classifies financial instruments into the following categories: financial assets and liabilities at fair value through profit or loss, separating those initially designated from those held for trading and those mandatorily measured at fair value through profit or loss; financial assets and liabilities measured at amortized cost; financial assets measured at fair value through equity, separating equity instruments designated as such from other financial assets; and financial assets measured at cost. The Company classifies financial assets at amortized cost and at fair value through equity, except for designated equity instruments, according to the business model and the characteristics of the contractual cash flows. The Company classifies financial liabilities as measured at amortized cost, except for those designated at fair value through profit or loss and those held for trading.

Financial Assets

Classification and valuation

The financial assets held by the Company correspond to the following categories:

1. Financial assets at amortized cost:

A financial asset is included in this category, even when it is admitted to trading on an organized market, if it is held within a business model whose objective is to hold the investment to receive the cash flows derived from the execution of the contract and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are inherent to an arrangement that has the nature of an ordinary or common loan, regardless of whether the transaction is agreed upon at a zero or below-market interest rate.

The management of a group of financial assets to obtain their contractual flows does not imply that the Company must hold all instruments until maturity; financial assets may be considered to be managed with that objective even if sales have occurred or are expected to occur in the future. To this end, the Company considers the frequency, amount, and timing of sales in previous years, the reasons for those sales, and expectations regarding future sales activity. The Company's management of these investments is a matter of fact and does not depend on its intentions for an individual instrument.

In general, this category includes trade receivables (those financial assets arising from the sale of goods and the provision of services through the Company's business operations with deferred payment) and non-trade receivables (those financial assets that, not being equity instruments or derivatives, do not have a commercial origin and whose payments are of a fixed or determinable amount, arising from loans or credit operations granted by the Company).

The Company considers that trade debtors and accounts receivable that are to be assigned to third parties, but which will not result in their derecognition, are maintained within this business model.

Financial assets classified in this category are initially measured at their fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration given, plus directly attributable transaction costs. Subsequently, these financial assets are measured at their amortized cost. Accrued interest is recognized in the profit and loss account using the effective interest rate method.

However, trade receivables with a maturity not exceeding one year and which do not have an explicit contractual interest rate, as well as receivables from personnel, dividends receivable, and called-up payments on equity instruments, the amount of which is expected to be received in the short term, are measured at their nominal value when the effect of not discounting the cash flows is not significant.

When the contractual cash flows of a financial asset are modified due to the financial difficulties of the issuer, the Company analyzes whether it is appropriate to recognize an impairment loss.

At least at the end of the financial year, the necessary valuation adjustments are made whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events that occurred after its initial recognition and which cause a reduction or delay in estimated future cash flows, which may be driven by the debtor's insolvency. In such cases, the impairment loss on these financial assets is the difference between their carrying amount and the present value of future cash flows, including, where applicable, those arising from the execution of collateral and personal guarantees, which are estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition.

Impairment adjustments, as well as their reversal when the amount of said loss decreases due to events occurring after the initial recognition, are recognized as an expense or income, respectively, in the profit and loss account. The reversal of the impairment is limited to the carrying amount of the asset that would have been recognized at the reversal date had the impairment loss not been recorded.

The recognition of interest on credit-impaired financial assets follows general rules, without prejudice to the fact that the Company simultaneously assesses whether such an amount will be recovered and, if applicable, records the corresponding impairment loss.

The Company directly reduces the carrying amount of a financial asset when it has no reasonable expectations of full or partial recovery.

Furthermore, the Company determines the existence of objective evidence of impairment for trade debtors through individualized analysis. However, the Company does not recognize valuation adjustments for impairment for balances with Public Administrations, financial institutions, and those balances secured by effective guarantees.

The determination of a debtor's default is made on a case-by-case basis following an individualized analysis considering its specific circumstances. Similarly, the Company proceeds to derecognize receivable balances, charging them against the corresponding impairment provision, at the moment it concludes that it will definitely be unable to recover said amounts.

2. Financial assets at cost

Equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or cannot be reliably estimated, are included in this measurement category.

Investments included in this category are initially measured at cost, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs; however, the latter are not incorporated into the cost of investments in group companies.

Furthermore, the amount of any preferential subscription rights and similar rights that may have been acquired forms part of the initial measurement of the equity instruments.

Subsequent to initial recognition, equity instruments included in this category are measured at cost, less any accumulated impairment losses, where applicable.

When a value must be assigned to these assets due to derecognition from the balance sheet or for any other reason, the weighted average cost method for homogeneous groups is applied, with these being understood as securities that carry identical rights.

At least at the end of the financial year, the necessary valuation adjustments are made whenever there is objective evidence that the carrying amount of an investment will not be recoverable. The amount of the valuation adjustment is the difference between its carrying amount and the recoverable amount, the latter being the higher of its fair value less costs to sell and the present value of the future cash flows derived from the investment. In the case of equity instruments, this is calculated, where applicable, either by estimating the cash flows expected to be received as a result of the distribution of dividends by the investee company and the disposal or derecognition of the investment therein, or by estimating its share of the cash flows expected to be generated by the investee company, arising both from its ordinary activities and from its disposal or derecognition.

Unless better evidence of the recoverable amount of investments in equity instruments exists, the estimated impairment loss for this class of assets is calculated based on the equity of the investee and the unrealized gains existing at the valuation date, net of the tax effect. In determining this value, and provided that the investee has in turn invested in another company, the equity included in the consolidated annual accounts prepared by applying the criteria of the Commercial Code and its implementing regulations is taken into account. When the investee is domiciled outside Spanish territory, the closing exchange rate is applied to the equity and the unrealized gains existing at that date.

The recognition of valuation adjustments for impairment and, where applicable, their reversal, is recorded as an expense or income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the investment that would have been recognized at the date of reversal if the impairment loss had not been recorded.

Interests and dividends received from financial assets-

Interest and dividends from financial assets accrued after the time of acquisition are recognized as income in the profit and loss account. Interest from financial assets measured at amortized cost is recognized using the effective interest rate method, and dividends are recognized when the shareholder's right to receive them is declared.

In the initial measurement of financial assets, the amount of explicit interest accrued but not yet due at that time, as well as the amount of dividends declared by the competent body at the time of acquisition, are recorded independently based on their maturity. Consequently, such amounts are not recognized as income in the profit and loss account.

If the distributed dividends clearly come from results generated prior to the acquisition date—because amounts in excess of the profits generated by the investee since the acquisition have been distributed—they are not recognized as income and instead reduce the carrying amount of the investment.

Derecognition of financial assets-

The Company derecognizes a financial asset, or a part thereof, when the contractual rights to the cash flows from the financial asset expire or have been assigned, and substantially all the risks and rewards inherent to its ownership have been transferred. These circumstances are assessed by comparing the Company's exposure, before and after the assignment, to the variation in the amounts and timing of the net cash flows of the transferred asset. It is understood that substantially all risks and rewards inherent to the ownership of the financial asset have been assigned when its exposure to such variation is no longer significant in relation to the total variation in the present value of the future net cash flows associated with the financial asset.

If the Company has neither transferred nor retained substantially all risks and rewards, the financial asset is derecognized when control of the asset has not been retained. This situation is determined based on the assignee's unilateral ability to transfer said asset, in its entirety and without imposing conditions, to an unrelated third party. If the Company maintains control of the asset, it continues to recognize it to the extent of the Company's exposure to changes in the value of the assigned asset—that is, for its continuing involvement and recognizes an associated liability.

When the financial asset is derecognized, the difference between the consideration received net of attributable transaction costs (considering any new asset obtained less any new liability assumed) and the carrying amount of the financial asset determines the gain or loss arising from the derecognition of said asset, which forms part of the profit or loss for the year in which it occurs. Likewise, any gain or loss accumulated directly in equity is reclassified to the profit and loss account.

Conversely, the Company does not derecognize financial assets, and recognizes a financial liability for an amount equal to the consideration received, in assignments of financial assets where substantially all the risks and rewards inherent to its ownership are retained, such as in the discounting of bills and recourse factoring.

Financial Liabilities

The financial instruments issued, incurred, or assumed are classified as financial liabilities, in their entirety or in part, provided that, according to their economic substance, they entail a direct or indirect contractual obligation for the Company to deliver cash or another financial asset, or to exchange financial assets or liabilities with third parties under potentially unfavorable conditions. This includes financial instruments that provide for their mandatory repurchase by the issuer, or that grant the holder the right to demand their redemption from the issuer on a specific date and for a fixed or determinable amount, or to receive a predetermined remuneration provided there are distributable profits, such as certain redeemable shares and non-voting shares or units.

Financial liabilities at amortized cost

For measurement purposes, the financial liabilities held by the Company are classified into the category of financial liabilities at amortized cost.

In general, this category includes trade payables (those financial assets arising from the purchase of goods and services through the Company's business operations with deferred payment) and non-trade payables (those financial liabilities that, not being derivative instruments, do not have a commercial origin but arise from loan or credit operations received by the Company).

Financial liabilities included in this category are initially measured at their fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration received adjusted for directly attributable transaction costs. Subsequently, these financial liabilities are measured at their amortized cost. Accrued interest is recognized in the profit and loss account using the effective interest rate method.

However, trade payables with a maturity not exceeding one year and which do not have a contractual interest rate, as well as called-up payments by third parties on shares where the amount is expected to be paid in the short term, are measured at their nominal value when the effect of not discounting the cash flows is not significant.

Derecognition of financial liabilities

The Company derecognizes a financial liability, or a part thereof, when the obligation has been extinguished; that is, when it has been discharged, cancelled, or has expired.

If an exchange of debt instruments occurs between the Company and the counterparty, provided that these have substantially different terms, the derecognition of the original financial liability is recorded and the new financial liability arising is recognized at its fair value. A substantial modification of the current terms of a financial liability is recorded in the same manner. The difference between the carrying amount of the financial liability (or the part thereof that has been derecognized) and the consideration paid—including costs or commissions incurred, and also accounting for any asset transferred other than cash or any liability assumed—is recognized in the profit and loss account for the period in which it takes place.

In the case of an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized from the balance sheet, and any transaction cost or commission incurred adjusts the carrying amount of the financial liability. From that date, the amortized cost of the financial liability is determined by applying the effective interest rate that equates the carrying amount of the financial liability with the cash flows to be paid under the new terms.

For these purposes, the Company considers the terms of the contracts to be substantially different, among other cases, when the present value of the cash flows under the new contract—including any commissions paid, net of any commissions received—differs by at least **10%** from the present value of the remaining cash flows of the original contract, both amounts being discounted at the original effective interest rate. Nevertheless, the Company also considers qualitative factors to assess whether the terms are substantially different.

Guarantees given and received

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

In the case of guarantees given or received for operating leases or the provision of services, the difference between their fair value and the amount disbursed (due, for example, to the guarantee being long-term and non-interest bearing) is considered a prepayment or advance receipt for the lease or service. This difference is recognized in the profit and loss account over the lease term, in accordance with the standard on leases and other operations of a similar nature, or over the period in which the service is provided, in accordance with the standard on revenue from sales and the provision of services.

When estimating the fair value of guarantees, the remaining period used is the minimum committed contractual term during which the amount cannot be refunded, without taking into account statistical refund behavior.

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

Fair Value

It is the price that would be received to sell an asset or paid to transfer or settle a liability in an orderly transaction between market participants at the measurement date. Fair value shall be determined without any deduction for transaction costs that may be incurred due to disposal or other means. Under no circumstances shall a value resulting from a forced or urgent transaction, or as a consequence of an involuntary liquidation situation, be considered fair value.

Fair value is estimated for a specific date and, since market conditions may vary over time, that value may be inappropriate for another date. Furthermore, when estimating fair value, the company must take into account the conditions of the asset or liability that market participants would consider when pricing the asset or liability at the measurement date.

In the estimation of fair value, it shall be assumed as a hypothesis that the transaction to sell the asset or transfer the liability takes place:

- a) Between knowledgeable and willing parties, in an arm's length transaction,
- b) In the principal market for the asset or liability, understood as the market with the greatest volume and level of activity, or
- c) In the absence of a principal market, in the most advantageous market to which the company has access for the asset or liability, understood as that which maximizes the amount that would be received for the sale of the asset or minimizes the amount that would be paid for the transfer of the liability, after taking into account transaction costs and transport expenses.

In general, fair value shall be calculated by reference to a reliable market value.

For those elements for which an active market does not exist, fair value shall be obtained, where applicable, through the application of valuation models and techniques.

The fair value of a financial instrument must account for, among others, credit risk and, in the specific case of a financial liability, the company's non-performance risk shall be considered, which includes, among other components, its own credit risk. However, no adjustments for market volume or capacity should be made when estimating fair value.

f) Foreign Currency Transactions

Foreign currency transactions are recorded in the accounts at their equivalent value in euros, using the exchange rates prevailing on the dates they occur. During the financial year, exchange differences arising between the exchange rate at which the operation was recorded and the rate at the time of collection or payment are recognized as a charge or credit to the profit and loss account.

At the end of each financial year, monetary items are measured by applying the closing exchange rate. Any exchange differences, whether positive or negative, originating from this process are recognized in the Profit and Loss Account for the year.

In the presentation of the statement of cash flows, flows arising from foreign currency transactions are converted into euros by applying the exchange rates existing on the dates they occurred. The effect of exchange rate fluctuations on cash and other cash equivalents denominated in foreign currency is presented separately in the statement of cash flows as "Effect of exchange rate fluctuations."

g) Income Tax

Income tax is recorded in the Profit and Loss Account or directly in Equity, depending on where the gains or losses that originated it are recognized. The income tax for each financial year includes both current tax and deferred taxes, if applicable.

The current tax amount is the sum to be paid by the Company as a result of the tax settlements of the tax.

Differences between the carrying amount of assets and liabilities and their tax base generate deferred tax assets or liabilities, which are calculated using the tax rates expected at the time of their reversal and in accordance with the manner in which the asset or liability is rationally expected to be recovered or settled. Furthermore, where applicable, tax loss carryforwards pending offset and tax credits for unused tax deductions also constitute deferred tax assets.

Variations during the year in deferred tax assets or liabilities are recorded in the Profit and Loss Account or directly in Equity, as appropriate.

Deferred tax liabilities are recognized for all taxable temporary differences, except those arising from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the tax base nor the accounting profit.

On the other hand, deferred tax assets, identified as deductible temporary differences, are only recognized if it is considered probable that the Company will have sufficient future taxable profits against which they can be utilized and they do not arise from the initial recognition of other assets and liabilities in an operation that affects neither the tax base nor the accounting profit. Other deferred tax assets (tax loss carryforwards and tax credits pending application) are only recognized if it is considered probable that the Company will have sufficient future taxable profits or deferred tax liabilities against which they can be utilized.

Deferred tax assets and liabilities are not discounted and are recognized in the balance sheet as non-current assets or liabilities, regardless of the expected date of realization or settlement.

At each balance sheet date, the carrying amount of the recorded deferred tax assets is analyzed, and the necessary adjustments are made to the extent that there are doubts regarding their future tax recoverability. Likewise, at each closing date, deferred tax assets not recorded on the balance sheet are evaluated and are subject to recognition to the extent that their recovery with future tax benefits becomes probable.

Corporate Income Tax for the 2025 and 2024 financial years has been calculated and settled, respectively, in accordance with Law 27/2014, of November 27, on Corporate Income Tax.

h) Income and Expenses

Income and expenses are recognized on an accrual basis, meaning they are recorded when the actual flow of goods and services they represent occurs, regardless of when the resulting monetary or financial flow takes place.

The Company only recognizes profits realized as of the balance sheet date, whereas foreseeable risks and losses, even if they are contingent, are recorded as soon as they become known.

Revenue recognition from sales and provision of services

The Company recognizes revenue from the ordinary course of its business at the point in time (or as) the transfer of control of the promised goods or services to the customer occurs. At that moment, the Company measures the revenue at the amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services.

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

To apply this fundamental criterion for the accounting recognition of revenue, the Company follows a complete process consisting of the following successive stages:

- a) Identify the contract (or contracts) with the customer, understood as an agreement between two or more parties that creates enforceable rights and obligations for them.
- b) Identify the performance obligation(s) in the contract, representing the commitments to transfer goods or provide services to a customer.
- c) Determine the transaction price, or the contract consideration to which the company expects to be entitled in exchange for the transfer of goods or the provision of services promised to the customer.
- d) Allocate the transaction price to the performance obligations, which shall be done based on the stand-alone selling prices of each distinct good or service promised in the contract, or, where applicable, by following an estimated selling price when it is not independently observable.
- e) Recognize revenue from ordinary activities when (or as) the company satisfies a performance obligation by transferring a good or providing a service; satisfaction occurs when the customer obtains control of that good or service, such that the amount of revenue from ordinary activities recognized will be the amount allocated to the satisfied contractual obligation.

For each identified performance obligation (delivery of goods or provision of services), the Company determines at the inception of the contract whether the commitment is satisfied over time or at a point in time. As specified in Note 16, the invoicing issued by the Company is based on the customers' consumption of each product. In this regard, for all business lines maintained by the Company, revenue recognition is likewise performed on a monthly basis according to the consumption made by each customer within said month.

Satisfaction of performance obligations over time

Revenue from commitments satisfied over time is recognized based on the stage of completion or progress towards the full satisfaction of contractual obligations, provided that the Company has reliable information to measure said progress. The Company reviews and, if necessary, modifies the estimates of the revenue to be recognized as it fulfills the assumed commitment. When, at a given date, the company is unable to reasonably measure the degree of satisfaction of the obligation, but expects to recover the costs incurred to satisfy said commitment, revenue and the corresponding consideration are only recognized in an amount equivalent to the costs incurred to date.

It is understood that the Company transfers control of an asset over time when one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's activity as it is performed, such that if another company were to take over the contract, it would not need to substantially re-perform the work completed to date.
2. The Company produces or enhances an asset that the customer controls as the activity is carried out.
3. The Company creates a specific asset for the customer with no alternative use, and the Company has an enforceable right to payment for the activity completed to date, which at least allows for the recovery of costs incurred plus a reasonable profit margin.

Satisfaction of performance obligations at a point in time

In cases where the transfer of control over the asset does not occur over time, the Company recognizes revenue according to the criteria established for performance obligations satisfied at a point in time. To identify the specific moment at which the customer obtains control of the asset (generally a good), the Company considers, among others, the following indicators:

- a) The customer assumes the significant risks and rewards inherent to ownership of the asset. In assessing this point, the Company excludes any risk that gives rise to a separate performance obligation, distinct from the commitment to transfer the asset.
- b) The Company has transferred physical possession of the asset.
- c) The customer has received (accepted) the asset in accordance with the contractual Specifications.
- d) The entity has a right to payment for transferring the asset.
- e) The customer has legal title to the asset.

Measurement

Revenue from the provision of services is measured at the monetary amount or, where applicable, at the fair value of the consideration received or expected to be received. Unless there is evidence to the contrary, this is the price agreed upon for the assets to be transferred to the customer, after deducting: the amount of any discounts, price reductions, or other similar items that the company may grant, as well as any interest included in the nominal amount of the receivables.

However, interest included in trade receivables with a maturity of no more than one year that do not have a contractual interest rate is included when the effect of not discounting the cash flows is not significant.

Taxes levied on the delivery of goods and the provision of services that the company must pass on to third parties, such as Value Added Tax (VAT) and excise duties, as well as amounts received on behalf of third parties, do not form part of the revenue.

In cases where variable consideration exists, the Company includes in the measurement of revenue the best estimate of said variable consideration, provided it is highly probable that a significant reversal of the amount of recognized revenue will not occur when the uncertainty associated with the aforementioned consideration is subsequently resolved.

i) Provisions and contingencies

In the preparation of the annual financial statements, the Company's Directors differentiate between:

- Provisions: credit balances covering present obligations, whether legal, contractual, constructive, or tacit, arising from past events, whose settlement is probable to cause an outflow of resources, but which are uncertain as to their amount and/or timing of settlement.

- Contingencies: possible obligations arising as a result of past events, whose future materialization is contingent upon the occurrence, or non-occurrence, of one or more future events beyond the Company's control.

The annual accounts include all provisions for which it is estimated that the probability of having to settle the obligation is more likely than not, and for which a reasonable estimate of the amount can be made. These are recognized upon the emergence of the liability or obligation, with a charge to the corresponding heading of the income statement based on the nature of the obligation.

Contingencies are not recognized in the annual accounts; instead, they are disclosed in the notes to the financial statements, provided they are not considered remote.

Obligations existing at the end of the reporting period, arising as a result of past events that may lead to financial prejudice for the Company, and whose amount and timing of settlement are uncertain, are recorded in the balance sheet as provisions and are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the available information regarding the event and its consequences. Adjustments arising from the discounting of these provisions are recorded as a financial expense as they accrue. However, for provisions with a maturity of one year or less, where the financial effect is not significant, no discounting is applied.

Provisions are reversed through the income statement when the probability of an outflow of resources to settle such an obligation is no longer more likely than not.

j) Grants, donations and Bequests

Non-refundable capital grants, as well as donations and bequests, are measured at the fair value of the amount granted or the asset received. They are initially recorded as income directly in equity and are recognized in the Profit and Loss Account in proportion to the depreciation recognized during the period for the assets funded by these grants, unless they relate to non-depreciable assets, in which case they are recognized in the result for the period in which said assets are disposed of or derecognized.

Grants intended to settle debts are recognized as income in the period in which the settlement occurs, except if they were received in relation to a specific financing, in which case the recognition is performed based on the element being funded.

Refundable grants are recorded as long-term debts convertible into grants until they acquire non-refundable status.

Operating grants are credited to the result for the period at the time they are accrued.

Grants received, where applicable, from shareholders or owners are recorded directly in equity and do not constitute income.

k) Related Party Transactions

For the purposes of presenting the annual accounts, another company is understood to be part of the group when both are linked by a direct or indirect relationship of control, analogous to that provided for in Article 42 of the Commercial Code for groups of companies, or when the companies are controlled by any means by one or more natural or legal persons acting jointly or under unified management through agreements or statutory clauses.

A company is understood to be an associate when, without being a group company in the aforementioned sense, one or more of the companies forming it, including the parent entity or natural person, exercises significant influence over it. Significant influence is presumed to exist when at least 20% of the voting rights of another company are held.

In addition to group, associate, and jointly-controlled companies, the following are considered related parties to the Company: natural persons who directly or indirectly hold a stake in the voting rights of the Company or its parent entity that allows them to exercise significant influence over either, as well as their close family members; key management personnel of the Company or its parent (natural persons with authority and responsibility for planning, directing, and controlling the Company's activities, whether directly or indirectly), including Directors and Executives, together with their close family members; and entities over which the aforementioned persons may exercise significant influence.

Likewise, companies that share a director or executive with the Company are considered related parties, except when such person does not exercise significant influence over the financial and operating policies of both and, where applicable, the close family members of the natural person representing a legal person acting as a Director of the Company.

As a general rule, items involved in a transaction with related parties are initially recognized at fair value. Subsequent measurement is performed in accordance with the provisions of the corresponding standards.

l) Cash and cash equivalents

Cash and cash equivalents include cash on hand and sight bank deposits with credit institutions, as well as other highly liquid short-term investments, provided they are readily convertible to cash, carry no significant risk of changes in value, and form part of the Company's normal treasury management policy. For these purposes, investments with maturities of less than three months from the date of acquisition are included.

For the purposes of the statement of cash flows, cash and cash equivalents include, where applicable, occasional bank overdrafts that are repayable on demand and form part of the Company's cash management. Bank overdrafts are recognized in the balance sheet as financial liabilities under debts with credit institutions.

m) Termination benefits

In accordance with current legislation, the Company is required to pay indemnities to those employees whose employment is terminated under certain conditions. Therefore, termination benefits that can be reasonably quantified are recognized as an expense in the period in which the decision to dismiss is adopted and communicated.

n) Environmental assets and liabilities

Assets used on a lasting basis in the Company's activity, whose primary purpose is to minimize environmental impact and protect or improve the environment, including the reduction or elimination of future pollution, are considered environmental assets.

The Company's activity, by its nature, does not have a significant environmental impact.

o) Classification of assets and liabilities as current and non-current

In the accompanying balance sheet, balances are classified as current and non-current based on their maturity from the balance sheet date; those assets and liabilities with a maturity exceeding twelve months from said date are considered non-current.

p) Statement of cash flows

In the statements of cash flows, the following expressions are used with the meanings specified below:

Cash or Cash Equivalents: Cash comprises both cash on hand and demand bank deposits. Cash equivalents are financial instruments that form part of the Company's normal treasury management; they are readily convertible to cash, have initial maturities of no more than three months, and are subject to an insignificant risk of changes in value.

Cash Flows: Inflows and outflows of cash or other equivalents, the latter being understood as highly liquid investments with a maturity of less than three months and a low risk of changes in value.

Operating Activities: These are the activities that constitute the Company's principal source of ordinary income, as well as other activities that cannot be classified as investing or financing.

Investing Activities: The acquisition, sale, or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

Financing Activities: Activities that result in changes in the size and composition of equity and financial liabilities.

NOTE 5. INTANGIBLE FIXED ASSETS

The detail and movement of intangible assets during the 2025 financial year are as follows:

	31/12/2024	Additions	Transfers	Reclassifications	31/12/2025
Cost:					
Research	14.481.367,60	830.160,08	-		15.311.527,68
Industrial Property	1.468.391,08	-	49.543,16		1.517.934,24
Computer applications	653.783,65	-	-		653.783,65
Advances for intangibles fixed assets	514.917,39	44.949,41	(49.543,16)	32.323,70	542.647,34
	17.118.459,72	875.109,49	-	32.323,70	18.025.892,91
Accumulated amortizations:					
Research	(12.446.253,64)	(773.444,17)	-	-	(13.219.697,81)
Industrial Property	(659.327,99)	(102.098,75)	-	-	(761.426,74)
Computer applications	(504.280,20)	(62.206,70)	-	-	(566.486,90)
	(13.609.861,83)	(937.749,62)	-	-	(14.547.611,45)
Intangible Fixed Assets, Net	3.508.597,89	(62.640,13)	-	32.323,70	3.478.281,46

Additions during the year mainly relate to R&D developments carried out by the Company in its SaaS product lines, as well as investments in patents to register the methodology of these new products. The amount of work performed by the Company for its intangible assets totaled 830 thousand euros in the current year (739 thousand euros in the previous year).

During the current financial year, the Company has carried out a valuation of part of its patents, which has not resulted in any impairment being required at year-end.

The detail and movement of intangible assets during the 2024 financial year were as follows:

	31/12/2023	Additions	Transfers	31/12/2024
Cost:				
Research	13.741.930,41	739.437,19	-	14.481.367,60
Industrial Property	1.320.993,83	-	147.397,25	1.468.391,08
Computer applications	588.222,46	65.561,19	-	653.783,65
Advances for intangibles fixed assets	585.365,90	76.948,74	(147.397,25)	514.917,39
	16.236.512,60	881.947,12	-	17.118.459,72
Accumulated amortizations:				
Industrial Property	(11.683.599,81)	(762.653,83)	-	(12.446.253,64)
Computer applications	(563.082,20)	(96.245,79)	-	(659.327,99)
Industrial Property	(455.836,40)	(48.443,80)	-	(504.280,20)
	(12.702.518,41)	(907.343,42)	-	(13.609.861,83)
Intangible Fixed Assets, Net	3.533.994,19	(25.396,30)	-	3.508.597,89

In Research and Development for 2025, there are four ongoing projects on which work has been carried out during the 2025 financial year:

- Software production automation.
- Infrastructure migration and network security improvements.
- Certificate and signature validation services.
- New functionalities within the Company's product portfolio.

Fully-amortized and In-use Items

The breakdown, by category, of the most significant assets which, as of December 31, 2025 and 2024, were fully depreciated and still in use is shown below, indicating their cost value (in euros):

	31/12/2025	31/12/2024
Research	11.646.545,90	10.986.961,37
Patents	321.196,01	267.706,28
Computer applications	412.268,64	406.447,89
	12.380.010,55	11.661.115,54

NOTA 6. TANGIBLE FIXED ASSETS

The detail and movement of tangible fixed assets during the 2025 financial year are as follows:

	31/12/2024	Additions	Reclasifications	31/12/2025
Cost:				
Land and buildings	203.095,54	-	-	203.095,54
Technical installations and machinery	252.969,45	90.151,84	-	343.121,29
Other installations, tools and furniture	106.118,89	-	-	106.118,89
Data processing equipment	1.177.204,60	58.427,63	25.056,90	1.260.689,13
Transportations assets	66.119,47	-	-	66.119,47
Other tangible fixed assets	4.935,79	-	-	4.935,79
Advance for tangible fixed assets	57.380,60	62.123,03	(57.380,60)	62.123,03
	1.867.824,34	210.702,50	(32.323,70)	2.046.203,14
Amortización Acumulada:				
Land and buildings	(64.792,43)	(5.137,30)	-	(69.929,73)
Technical installations and machinery	(252.969,45)	(765,68)	-	(253.735,13)
Other installations, tools and furniture	(90.549,59)	(2.404,51)	-	(92.954,10)
Data processing equipment	(1.082.943,75)	(81.258,46)	-	(1.164.202,21)
Transportations assets	(11.230,12)	(6.611,95)	-	(17.842,07)
Advance for tangible fixed assets	(4.935,79)	-	-	(4.935,79)
	(1.507.421,13)	(96.177,90)	-	(1.603.599,03)
Tangible Fixed Assets, Net	360.403,21	114.524,60	(32.323,70)	442.604,11

The detail and movement of tangible fixed assets during the 2024 financial year were as follows:

	31/12/2023	Additions	31/12/2024
Cost:			
Land and buildings	203.095,54	-	203.095,54
Technical installations and machinery	252.969,45	-	252.969,45
Other installations, tools and furniture	106.118,89	-	106.118,89
Data processing equipment	1.164.257,35	12.947,25	1.177.204,60
Transportations assets	66.119,47	-	66.119,47
Other fixed assets	4.935,79	-	4.935,79
Advance for tangible fixed assets	57.380,60	-	57.380,60
	1.854.877,09	12.947,25	1.867.824,34
Amortización Acumulada:			
Land and buildings	(59.655,13)	(5.137,30)	(64.792,43)
Technical installations and machinery	(252.939,04)	(30,41)	(252.969,45)
Other installations, tools and furniture	(87.939,29)	(2.610,30)	(90.549,59)
Data processing equipment	(971.063,89)	(111.879,86)	(1.082.943,75)
Transportations assets	(4.618,17)	(6.611,95)	(11.230,12)
Other fixed assets	(4.910,85)	(24,94)	(4.935,79)
	(1.381.126,37)	(126.294,76)	(1.507.421,13)
Tangible Fixed Assets, Net	473.750,72	(113.347,51)	360.403,21

Fully-amortized and In-use Items

The breakdown, by category, of the most significant assets which, as of December 31, 2025 and December 31, 2024, were fully depreciated and still in use is shown below, indicating their cost value (in euros):

	31/12/2025	31/12/2024
Technical installations and machinery	252.969,45	252.969,45
Other installations, tools and furniture	72.181,10	72.181,10
Data processing equipment	1.024.799,96	701.820,16
Other fixed assets	4.935,79	4.935,79
	1.354.886,30	1.031.906,50

NOTE 7. LEASES AND OTHER OPERATING OF SIMILAR NATURE**7.1) Financial Leases (the Company as Lessee)**

During the 2025 financial year, the Company entered into a finance lease agreement for the acquisition of IT equipment amounting to €62 thousand, with maturity in 2029.

7.2) Operating Leases (the Company as Lessee)

The charge to profit or loss for the 2025 financial year in respect of operating leases amounted to 122.808,07 euros (145.362,51 euros in the previous year). This mainly relates to office leases and vehicle rentals.

The total amount of future minimum payments under non-cancellable operating leases is detailed below:

	2025	2024
Up to 1 year	82.588,32	79.577,51
Between 1 y 5 years	48.032,35	49.297,80
More of 5 years	478.078,94	495.267,16
	608.699,61	624.142,47

NOTE 8. FINANCIAL ASSETS

The detail of long-term financial assets, excluding investments in the equity of Group, jointly controlled and associated companies, which are presented in Note 9, is as follows:

	Equity instruments		Loans and other financial Assets	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial Assets at amortised Cost (Note 8.2)			944.755,48	1.057.186,99
Financial Assets at Cost (Note 8.3)	10.197,40	10.197,40	-	-
Total	10.197,40	10.197,40	944.755,48	1.057.186,99

The detail of short-term financial assets is as follows:

	Loans and other financial assets	
	31/12/2025	31/12/2024
Financial Asset at amortised cost:		
Cash and other Equivalent Liquid Asset (Note 8.1)	656.347,89	403.938,78
Other financial Asset at amortised Cost (Note 8.2)	4.194.854,96	4.807.659,05
Total	4.851.202,85	5.211.597,83

Financial Assets at Amortised Cost

8.1) Cash and other Equivalent Liquid Assets

The detail of these assets as of December 31, 2025 and 2024 is as follows:

	Balance at 31/12/2025	Balance at 31/12/2024
Short-term investments with high liquidity	377.654,72	209.958,55
Current Accounts	273.138,67	188.427,73
Cash	5.554,50	5.552,50
Total	656.347,89	403.938,78

8.2) Other Financial Assets at Amortised Cost

The composition of this item as of December 31, 2025 and 2024 is as follows:

	Balance at 31/12/2025		Balance at 31/12/2024	
	Long-Term	Short-Term	Long-Term	Short-Term
Loans and receivables items for commercial transactions				
Customers	-	2.984.905,53	-	3.131.143,24
Related party customers (Note 19.1)	-	27.309,68	-	302.325,76
Debtors	-	71.915,28	-	82.754,62
Total Loans and receivables items for commercial transactions	-	3.084.130,49	-	3.516.223,62
Loans and receivables for non-commercial transactions				
Group Companies (Note 19.1)	909.947,86	1.097.876,91	1.018.074,35	1.248.598,60
Staff	-	288,96	-	836,19
Short-term deposits (*)	-	12.558,60	-	42.000,64
Securities and deposits	34.807,62	-	39.112,64	-
Total loans and receivables for non-commercial transactions	944.755,48	1.110.724,47	1.057.186,99	1.291.435,43
Total	944.755,48	4.194.854,96	1.057.186,99	4.807.659,05

(*) These deposits have a short-term maturity and accrue interest at market rates..

In 2023, the Company entered into a credit facility agreement with its subsidiary Lleidanet PKI, S.L.U. for a total amount of 250.000,00 euros, which was increased in 2024 to a total limit of 700.000,00 euros, of which 700.000,00 euros had been drawn as of December 31, 2024. Additionally, in 2022, the Company granted two loans to the same subsidiary for amounts of 1 million euros and 450 thousand euros in January and December, respectively. Both loans have a term of 10 years and accrue interest at market rates. Additionally, during the 2025 financial year, a new credit facility was signed with the parent company for a limit of 1.000 thousand euros, with automatic annual renewal. As of December 31, 2025, the amount drawn under this facility totals 690 thousand euros.

Trade receivables and other receivables include impairment losses due to insolvency risks, as detailed below:

	Balance at 31/12/2024	Current year impairment	Reversal	Balance at 31/12/2025
Receivables for comercial transactions:				
Customers	695.077,37	179.994,28	-	875.071,65
Customers group companies	835.332,47	61.910,71	(61.910,71)	835.332,47
Short-term credits	177.988,91	4.447,95	-	182.436,86
Total	1.708.398,75	246.352,94	(61.970,71)	1.892.840,98

Movements in trade receivables from Group companies during the year include impairment losses of 51.570,43 euros relating to Lleida.net Brasil, €10,340.28 relating to Lleida.net Perú, and reversals of 36.569,91 euros relating to Lleida.net USA Inc. and 25.340,80 euros relating to Lleida.net Dominicana.

Additionally, movements in non-trade receivables from Group companies during the year include impairment losses of 10.571,51 euros relating to Lleida Information Technology Network Services, 25.034,47 euros relating to Lleida.net Perú, and €848,63 relating to Lleidanet Chile SpA.

Details of impairments, both for trade and non-trade receivables from Group companies, are disclosed in Note 19.

Balances of trade receivables and other receivables at the end of the previous financial year included impairment losses due to insolvency risks, as detailed below:

	Balance at 31/12/2023	Current year impairment	Reversal	Balance at 31/12/2024
Receivables for comercial transactions:				
Customers	646.105,01	55.451,30	(6.478,94)	695.077,37
Customers group companies	801.280,05	94.052,42	(60.000,00)	835.332,47
Short-term credits	161.402,76	16.586,15	-	177.988,91
Total	1.608.787,82	166.089,87	(66.478,94)	1.708.398,75

Movements in trade receivables from Group companies during the 2024 financial year include impairment losses of 15.593,11 euros relating to Lleida.net Brasil, 78.459,31 euros relating to Lleida.net USA, and a reversal of 60.000,00 euros relating to Lleidanetworks Serveis Telemàtics LTD.

Balances of non-trade receivables from Group companies included impairment losses of 49.486,85 euros relating to Lleida Information Technology Network Services, €101,762.39 relating to Lleida.net Perú, and 19.472,02 euros relating to Lleidanetworks Serveis Telemàtics LTD, as well as a reversal of 15.593,11 euros relating to Lleida.net Brasil as of December 31, 2024.

8.3) Financial Assets at Cost

The Company holds an investment made in previous years in IBAN Wallet, a global platform that connects investors and borrowers, offering competitive rates for both. The investment amounts to 10.197,40 euros and represents 0,38% of the share capital.

There are no assets pledged as collateral for loans.

NOTE 9. EQUITY INSTRUMENTS IN GROUP, MULTI-GROUP AND AFFILIATED COMPANIES

The breakdown of the holdings held of the Group Companies at December 31, 2025 is as follows (in euros):

Company	% Direc Part.	Cost	Impairments	Net Value at 31/12/2024	Theoretical book value at 31/12/2025
Group Companies:					
Lleidanet USA Inc	100%	397.591,09	(397.591,09)	-	(491.988,06)
Lleidanet Honduras, SA (**)	70%	659,05	-	659,05	-
Lleidanet Dominicana, SRL	99,98%	29.713,97	(19.586,00)	10.127,97	31.365,68
Lleida SAS	100%	195.789,60	-	195.789,60	362.649,37
Lleida Chile SPA (**)	100%	3.256,83	-	3.256,83	(21.252,24)
Lleidanet do Brasil Ltda.	99,99%	10.800,00	-	10.800,00	(27.478,49)
Lleidanet Guatemala (**)	80%	3.234,00	-	3.234,00	3.330,08
Portabilidades Españolas, S.L.U.	100%	13.000,00	-	13.000,00	19.694,14
Lleidanet Perú	100%	182.498,43	(182.498,43)	-	(150.132,69)
Lleida Information Technology Network Services	49%	34.141,19	-	34.141,19	(306.180,96)
Lleida.net PKI, S.L.U	100%	7.100.000,00	(2.311.208,96)	4.788.791,04	1.372.614,43
Desembolsos pendientes Lleidanet USA		(2.349,36)	-	(2.349,36)	-
Desembolsos pendientes Lleidanet Honduras, SA		(659,05)	-	(659,05)	-
Desembolsos pendientes Lleidanet Dominica, SRL		(10.127,97)	-	(10.127,97)	-
Desembolsos pendientes Lleida Chile SPA		(3.256,83)	-	(3.256,83)	-
Desembolsos pendientes Lleida Information Technology Network Services		(34.141,19)	-	(34.141,19)	-
Affiliated companies:					
Lleida Networks India Private Limited (*)	25%	6.575,00	(6.575,00)	-	-
Total		7.926.724,76	(2.917.459,48)	5.009.265,28	792.621,26

(*) Figures at March 31, 2018. Currently no activity.

(**) No activity in the exercise 2025

The difference between the investment held in Lleida.net PKI, S.L.U. (formerly Indenova, S.L.U.) and its carrying amount is due to the Company's expectation of generating future profits and cash flows in the subsidiary that will allow the recovery of the investment.

In this regard, the Company's Board of Directors has carried out an analysis of the recoverability of the investment in Lleida.net PKI, S.L.U. These estimates have been made based on the best information available as of the end of the 2025 financial year, although they are subject to uncertainty, as future events may arise that could require them to be revised (upwards or downwards) in subsequent periods, which would be accounted for prospectively. For this analysis, cash flows based on sales projections for the period 2026–2029 have been used. According to Management, these projections are based on the 2026 budget, the degree of achievement of that budget at the date of preparation of these Annual Accounts, and Management's best expectations for the business through 2029 for the purpose of impairment testing as of December 31, 2025.

Sales growth has been estimated at 39%, 6,4%, 5,6%, and 5,7% respectively for each of the four successive years. In addition, cash flows have been discounted using the weighted average cost of capital after taxes. The discount rate applied was 14,99%, and a perpetual growth rate of 1% has been assumed.

As a result of the above, the Company's Board of Directors has decided not to modify the impairment provision relating to the investment in Lleida.net PKI, S.L.U. in the current financial year (nor was the impairment modified in the 2024 financial year), based on the expected cash flow generation of the investee company in the coming years.

Valuations Corrections

In previous financial years, the Company fully impaired its investments in Lleidanet USA, Inc., Lleida Networks India Private Limited, and Lleidanet Perú, and partially impaired its investments in Lleidanet Dominicana, S.R.L. and Lleida.net PKI, S.L.U.

The registered offices, as well as the activities carried out by the investee companies, are detailed below:

Lleidanetworks Serveis Telemàtics, LTD

Incorporated on December 28, 2005 in Dublin, with a permanent establishment in London and its registered office at Birchin Court 20, Birchin Lane, London (United Kingdom). Its main activity was that of a telecommunications operator. The subsidiary was liquidated in April 2025.

Lleidanet USA Inc

Incorporated on May 12, 2009, with its registered office at 2719 Hollywood Boulevard, Street 21, FL 33020, Hollywood. Its main activity is that of a telecommunications operator.

Lleidanet Honduras, S.A.

With its registered office in Tegucigalpa (Honduras), it was incorporated on January 11, 2012, with Lleidanetworks Serveis Telemàtics, S.A. subscribing 175 shares out of a total of 250 issued. Its main activity is the operation of SMS services, based on a network of interconnections with mobile and fixed operators in the Republic of Honduras.

Lleidanet Dominicana, S.R.L.

With its registered office at Calle Tetelo Vargas 12, Santo Domingo (Dominican Republic), it was incorporated on June 26, 2012.

Lleida SAS

With its registered office at Calle 70 No. 4, Bogotá (Colombia), it was incorporated on November 16, 2012.

Lleida Chile SPA

With its registered office in Santiago (Chile), it was incorporated on March 12, 2013. Its main activity is the provision, organization, and commercialization of telecommunications services.

Lleidanet do Brasil Ltda

With its registered office at Rua Tabapuã 72, São Paulo (Brazil), it was incorporated on October 2, 2013, with Lleidatnetworks Serveis Telemàtics, S.A. subscribing 329 shares out of a total of 330 issued. Its main activity consists of providing telecommunications services, software development, sending text messages and emails, and providing services for the study and analysis of IT processes in general.

Lleidanet Guatemala, Sociedad Anónima

Registered in Guatemala City, Guatemala, it was incorporated on 7 November 2013. Its main activity consists of the provision, organization and commercialization of telecommunications services and activities such as mobile messaging services (SMS and MMS), carriers, etc., the creation, development and exploitation of information and communication technologies, and the provision of consulting and advisory services in these areas.

Portabilidades Españolas, S.L.U.

Incorporated on 4 December 2015, with its registered office at Parque Tecnológico de Gardeny, Building H, Lleida. Its corporate purpose is the commercialization of services based on number portability data for telecommunications operators for the routing of telephone traffic and short text messages.

Lleidanet Perú

Registered at Cañon del Pato No. 103, Lima, Peru. Its main activity consists of the provision, organization and commercialization of telecommunications services and activities such as mobile messaging services (SMS and MMS), carriers, etc., the creation, development and exploitation of information and communication technologies, and the provision of consulting and advisory services in these areas.

Lleida Information Technology Network Services

On 1 October 2020, the Company was incorporated with its registered office in Dubai (United Arab Emirates), together with the partner Adil Ismail Ali Al Fahem, with a share capital of 300 shares, of which 147 were subscribed by Lleidanetworks Serveis Telemàtics, S.A., representing 49% of the share capital of the incorporated company.

Lleida.net PKI, S.L.U.

On 30 November 2021, the Parent Company acquired 100% of the shares of Indenova, S.L., with registered office at Calle Traginers, 14 - 2º B, Valencia, for a cost of 7.100.000,00 euros. On 19 April 2024, the Company changed its corporate name to Lleidanet PKI, S.L., replacing its former corporate name, Indenova, S.L.U.

The summary of the equity of the investee companies as of 31 December 2025 is set out below, in euros:

Company	Share Capital	Reserves	Results form previous years	Profit for the year	Currency translation differences	Total Equity
Group Companies:						
Lleidanet USA Inc	425.761,96	-	(903.910,01)	(14.381,17)	541,16	(491.988,06)
Lleidanet Honduras, S.A. (**)	-	-	-	-	-	-
Lleidanet Dominicana, S.R.L.	25.640,33	-	(11.088,73)	17.886,01	(1.071,92)	31.365,68
Lleida SAS	86.296,24	240.896,34	-	34.342,74	1.114,04	362.649,37
Lleida Chile SPA (**)	-	637,10	(21.870,19)	(18,85)	(0,29)	(21.252,24)
Lleidanet do Brasil Ltda.	5.129,16	-	(35.649,12)	3.101,43	(59,97)	(27.478,49)
Lleidanet Guatemala, S.A. (**)	3.330,08	-	-	-	-	-
Portabilidades Españolas, S.L.U.	13.000,00	6.694,14	-	-	-	19.694,14
Lleidanet Perú	189.321,81	-	(346.534,04)	6.945,90	133,64	(150.132,69)
Lleida Information Technology Network Services	7.131,13	-	(296.838,62)	(17.116,65)	643,18	(306.180,96)
Lleida.net PKI, S.L.U	200.000,00	2.295.102,19	(1.196.724,27)	41.005,00	33.231,51	1.372.614,43
Affiliated companies:						
Lleida Networks India Private Limited (*)	26.300,00	40.553,63	-	-	-	66.833,63

(*) Figures as of 31 March 2018. Currently no activity.

(**) No activity during the 2025 financial year

The interests held in Group companies as of 31 December 2024 were as follows, in euros:

Company	% Direc Part.	Cost	Impairments	Net Value at 31/12/2025	Theoretical book value at 31/12/2025
Group companies:					
Lleidanetworks Serveis Telemàtics, LTD	100%	4,00	(4,00)	-	(394.289,00)
Lleidanet USA Inc	100%	397.591,09	(397.591,09)	-	(542.483,05)
Lleidanet Honduras, SA	70%	659,05	-	659,05	-
Lleidanet Dominicana, SRL	99,98%	29.713,97	(19.586,00)	10.127,97	17.722,30
Lleida SAS	100%	195.789,60	-	195.789,60	317.972,73
Lleida Chile SPA	100%	3.256,83	-	3.256,83	(21.857,50)
Lleidanet do Brasil Ltda.	99,99%	10.800,00	-	10.800,00	(30.704,69)
Lleidanet Guatemala	80%	3.234,00	-	3.234,00	3.008,65
Portabilidades Españolas, S.L.U.	100%	13.000,00	-	13.000,00	19.694,14
Lleidanet Costa Rica	100%	16,06	(16,06)	-	(328,41)
Lleidanet Perú	99,90%	182.498,43	(182.498,43)	-	(158.466,32)
Lleida Information Technology Network Services	49%	34.141,19	-	34.141,19	(163.951,73)
Lleida.net PKI, S.L.U	100%	7.100.000,00	(2.311.208,96)	4.788.791,04	1.313.618,96
Desembolsos pendientes Lleidanet USA		(2.349,36)	-	(2.349,36)	-
Desembolsos pendientes Lleidanet Honduras, SA		(659,05)	-	(659,05)	-
Desembolsos pendientes Lleidanet Dominica, SRL		(10.127,97)	-	(10.127,97)	-
Desembolsos pendientes Lleida Chile SPA		(3.256,83)	-	(3.256,83)	-
Desembolsos pendientes Lleida Information Technology Network Services		(34.141,19)	-	(34.141,19)	-
Affiliated companies:					
Lleida Networks India Private Limited	25%	6.575,00	(6.575,00)	-	-
Total		7.926.744,82	(2.917.479,54)	5.009.265,28	359.936,08

No dividends have been received from investee companies, and none of them is listed on the stock exchange.

The summary of the equity of the investee companies as of 31 December 2024 is set out below, in euros:

Company	Share Capital	Reserves	Results form previous years	Profit for the year	Currency translation differences	Total Equity
Group companies:						
Lleidanetworks Serveis Telemàtics, LTD	4,00	-	(397.371)	3.078	-	(394.289,00)
Lleidanet USA Inc	397.591,09	(973.519,54)	-	9.036,68	24.408,72	(542.483,05)
Lleidanet Honduras, S.A. (**)	-	-	-	-	-	-
Lleidanet Dominicana, S.R.L.	29.714,98	(27.417,67)	-	13.008,46	2.420,07	17.725,84
Lleida SAS	112.969,26	212.778,75	-	39.545,07	(47.320,35)	317.972,73
Lleida Chile SPA (**)	-	-	(18.356,71)	(5.107,73)	1.606,95	(21.857,50)
Lleidanet do Brasil Ltda.	10.801,08	-	(52.910,81)	3.184,24	8.128,41	(30.797,09)
Lleidanet Guatemala, S.A. (**)	4.042,50	-	-	-	(281,69)	3.760,81
Portabilidades Españolas, S.L.U.	13.000,00	6.694,14	-	-	-	19.694,14
Lleidanet Costa Rica (**)	16,06	-	(235,34)	(25,88)	(83,24)	(328,41)
Lleidanet Perú	182.498,43	-	(262.089,94)	(77.685,64)	(1.347,79)	(158.624,94)
Lleida Information Technology Network Services	-	-	(261.207,56)	(62.832,24)	(10.561,68)	(334.601,48)
Lleida.net PKI, S.L.U	200.000,00	2.295.102,18	(1.323.567,82)	126.843,57	15.241,03	1.313.618,96
Affiliated companies:						
Lleida Networks India Private Limited (*)	26.300,00	40.533,63	-	-	-	66.833,63

(*) Figures as of 31 March 2018. Currently no activity.

(**) No activity during the 2024 financial year.

NOTE 10. FINANCIAL LIABILITIES

The breakdown of non-current financial liabilities is as follows:

	Debts with Credit institutions		Finance lease creditors		Others Liabilities		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial liabilities at amortized cost (Note 10.1)	2.495.539,16	2.963.596,26	47.771,80	-	485.884,33	485.884,33	3.029.195,29	3.449.480,59

The breakdown of current financial liabilities is as follows:

	Debts with Credit institutions		Finance lease creditors		Others Liabilities		Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial liabilities at amortized cost (Note 10.1)	3.114.413,71	3.349.888,05	12.000,01	-	3.510.322,51	4.572.427,03	6.636.736,23	7.922.315,08

10.1) Financial Liabilities at Amortised Cost

Their breakdown as of 31 December 2025 and 2024 is set out below, in euros:

	Balance as of 31/12/2025		Balance as of 31/12/2024	
	Long-Term	Short-Term	Long-Term	Short-Term
For commercial transactions:				
Suppliers	-	2.565.384,67	-	2.746.066,99
Suppliers (Related parties) (Note 19.1)	-	202.118,53	-	349.239,74
Creditors	-	240.542,87	-	484.573,07
Advances from costumers	-	153.021,65	-	211.136,40
Total balances for commercial transactions	-	3.161.067,72	-	3.791.016,20
For non-commercial operations:				
Debts with credit institutions	2.495.539,16	3.114.413,72	2.963.596,26	3.349.888,05
Personnel (outstanding salaries)	-	139.604,17	-	40.000,00
Creditors for Finance Lease	47.771,80	12.000,01	-	-
Other debts (Note 10.1.12)	485.884,33	209.650,62	485.884,33	741.410,83
Debits and payable items	3.029.195,29	3.475.668,52	3.449.480,59	4.131.298,88
Total balances for non-commercial operations	3.029.195,29	3.475.668,52	3.449.480,59	4.131.298,88
Total debts and payable items	3.029.195,29	6.636.736,24	3.449.480,59	7.922.315,08

10.1.1) Debts with Credit Institutions

The summary of debts with credit institutions as of 31 December 2025 is set out below, in euros:

	A Short-Term	A Long-Term	Total
Loans	1.363.325,82	2.495.539,16	3.858.864,98
Credit lines	1.274.654,95	-	1.274.654,95
Advance invoices	476.432,95	-	476.432,95
	3.114.413,72	2.495.539,16	5.609.952,88

Likewise, the summary of debts with credit institutions as of 31 December 2024 is set out below, in euros.

	A Short-Term	A Long-Term	Total
Loans	1.658.446,27	2.963.596,26	4.622.042,53
Credit lines	1.295.487,82	-	1.295.487,82
Advance invoices	395.953,96	-	395.953,96
	3.349.888,05	2.963.596,26	6.313.484,31

Loans

The breakdown of bank loans as of 31 December 2025, expressed in euros, is as follows:

Loans	Last Maturity	Initial Amount	Pending at closing
Loan 24 (*)	15/10/2025	78.375,60	3.918,78
Loan 48	31/03/2026	500.000,00	25.447,26
Loan 49	09/07/2028	1.200.000,00	448.243,76
Loan 50	31/07/2028	3.200.000,00	1.200.549,43
Loan 51	09/10/2027	1.250.000,00	392.334,19
Loan 52	01/02/2028	400.000,00	147.358,44
Loan 53	18/09/2029	700.000,00	399.457,62
Loan 54	02/05/2028	330.000,00	168.530,23
Loan 56	20/12/2028	225.000,00	171.518,97
Loan 62	30/10/2030	475.000,00	460.340,88
Loan 63	30/11/2029	150.000,00	147.035,55
Loan 64	06/11/2029	300.000,00	294.129,87
		8.808.375,60	3.858.864,98

(*) It corresponds to a loan granted by the CDTI

The breakdown of bank loans as of 31 December 2024, expressed in euros, is as follows:

Loans	Last Maturity	Initial Amount	Pending at closing
Loan 24 (*)	15/10/2025	78.375,60	13.843,60
Loan 45	30/04/2025	400.000,00	34.256,97
Loan 46	22/04/2025	400.000,00	34.318,98
Loan 47	08/04/2025	400.000,00	34.350,34
Loan 48	31/03/2026	500.000,00	126.762,38
Loan 49	09/07/2028	1.200.000,00	620.055,14
Loan 50	31/07/2028	3.200.000,00	1.659.071,10
Loan 51	09/10/2027	1.250.000,00	602.428,25
Loan 52	01/02/2028	400.000,00	214.248,02
Loan 53	18/09/2029	700.000,00	496.793,74
Loan 54	02/05/2028	330.000,00	234.009,33
Loan 56	20/12/2028	225.000,00	225.000,00
Loan 58	20/11/2024	197.821,74	131.881,16
Loan 59	20/12/2024	128.118,84	128.118,84
Loan 60	16/10/2024	150.000,00	50.183,12
Loan 61	14/10/2024	50.000,00	16.721,56
		9.609.316,18	4.622.042,53

(*) It corresponds to a loan granted by the CDTI

Credit Facilities

As of 31 December 2025, the Company has credit facilities granted with a total limit of EUR 1.465.000 (EUR 1.515.000 in the previous financial year), of which the amount drawn down as of that date amounted to EUR 1.274.654,95 (EUR 1.295.487,82 in the previous financial year).

Finance Lease Creditors

On 20 November 2025, a finance lease agreement was entered into with a banking institution for the acquisition of computer equipment.

The term of the agreement is four years.

Discounting Facilities and Import Advances

As of 31 December 2025, the Company has bill discounting facilities granted with a total limit of 700.000 euros (750.000 euros in the previous financial year), of which the amount drawn down as of that date amounted to EUR 476.432,95 (EUR 395.953,96 in the previous financial year).

10.1.2) Other Financial Liabilities

Deferred Payment for the Acquisition of Lleidanet PKI, S.L. (formerly Indenova S.L.)

On 30 November 2021, the Company acquired 100% of the shares of Lleidanet PKI, S.L. for a price of 7.100.000,00 euros. An initial payment of 4.010.387,67 euros was made, with the remaining amount, namely 3.089.612,33 euros, deferred. A payment schedule was established, with cash payments due on 30 November 2022, 2023, 2024 and 2025, and another payment schedule with due dates on 30 November 2023, 2024 and 2025 consisting of a fixed amount to be settled through the delivery of shares in Lleidanetworks Serveis Telemàtics, S.A. (treasury shares). At the end of the 2025 financial year, payments remained outstanding in the amount of 668 thousand euros, of which 486 thousand euros were classified as having no fixed maturity. Under the sale and purchase agreement entered into with the sellers, the Company included the option to withhold payments in respect of contingencies that might be identified after completion of the acquisition. As a result of issues identified in prior financial statements, the Company notified the sellers and withheld payments in the amount of EUR 486 thousand. The Company considers that it has substantial grounds not to pay those amounts. However, as a matter of prudence, it has decided to keep them on the balance sheet and will reverse those amounts when it has sufficient evidence that there is no possibility of further adjustments.

10.2) Other Information Relating to Financial Liabilities**a) Classification by Maturity**

The breakdown of the maturities of financial liability instruments at the end of the 2025 financial year is as follows:

	Maturity dates						Total
	2026	2027	2028	2029	2030	Over 5 years	
Financial debts:	3.126.413,73	1.342.065,21	809.404,60	307.396,98	84.444,17	-	5.669.724,69
Debts with credit institutions	3.114.413,72	1.327.076,17	793.846,36	290.172,46	84.444,17	-	5.609.952,88
Creditors for Finance Lease	12.000,01	14.989,04	15.558,24	17.224,52	-	-	59.771,81
Other financial liabilities:	209.650,62	-	-	-	-	485.884,33	695.534,95
Deferred payment acquisition Lleidanet PKI, S.L.	181.884,50	-	-	-	-	485.884,33	667.768,83
	27.766,12	-	-	-	-	-	27.766,12
Commercial creditors and other payable items:	3.300.671,89	-	-	-	-	-	3.313.176,51
Suppliers	3.300.671,89	-	-	-	-	-	3.313.176,51
Suppliers (related parties)	2.565.384,67	-	-	-	-	-	2.572.461,06
Sundry creditors	202.118,53	-	-	-	-	-	202.118,53
Advances from costumers	240.542,87	-	-	-	-	-	245.971,10
Personnel (remunerations pending payment)	153.021,65	-	-	-	-	-	153.021,65
Other financial liabilities:	139.604,17	-	-	-	-	-	139.604,17
Total	6.636.736,24	1.342.065,21	809.404,60	307.396,98	84.444,17	485.884,33	9.678.436,15

Likewise, the classification of financial instruments at the end of the previous financial year was as follows:

	Maturity dates					Over 5 years	Total
	2025	2026	2027	2028	2029		
Financial debts:	3.349.888,05	1.169.485,62	1.124.044,61	585.267,90	84.798,13	-	6.313.484,31
Debts with credit institutions	3.349.888,05	1.169.485,62	1.124.044,61	585.267,90	84.798,13	-	6.313.484,31
Other financial liabilities:	741.410,83	-	-	485.884,33	-	-	1.227.295,16
Deferred payment acquisition Lleidanet PKI, S.L.	741.410,83	-	-	485.884,33	-	-	1.227.295,16
Commercial creditors and other payable items:	3.831.017,10	-	-	-	-	-	3.831.017,10
Suppliers	2.746.066,99	-	-	-	-	-	2.746.066,99
Suppliers (related parties)	349.239,74	-	-	-	-	-	349.239,74
Sundry creditors	484.573,97	-	-	-	-	-	484.573,97
Advances from costumers	211.136,40	-	-	-	-	-	211.136,40
Personnel (remunerations pending payment)	40.000,00	-	-	-	-	-	40.000,00
Total	7.922.315,98	1.169.485,62	1.124.044,61	1.071.152,23	84.798,13	-	11.371.796,57

b) Breach of Contractual Obligations

No incidents occurred in relation to compliance with the obligations arising from loans received from third parties.

10.3) Sureties and Guarantees

The Company has obtained sureties with several financial institutions for a total amount of EUR 494.635 (EUR 494.000 in 2024), which is a customary instrument when entering into an interconnection agreement.

The Company has not provided any kind of security for loans.

NOTE 11. INFORMATION ON DEFERRED PAYMENTS TO SUPPLIERS. THIRD ADDITIONAL PROVISION, "DUTY OF DISCLOSURE," OF LAW 15/2010, OF 5 JULY

In accordance with the third additional provision, "Duty of Disclosure," of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, as further amended by the Resolution of 29 January 2016 of the Institute of Accounting and Audit (ICAC) on the information to be included in the notes to the annual accounts regarding the average payment period to suppliers in commercial transactions, the following is hereby stated:

Payments Made and Outstanding at the Balance Sheet Date		
	Financial Year 2025	Financial Year 2024
Average Payment period	62,47	56,54
Paid Operations ratio	52,01	52,97
Outstanding payment Operations ratio	102,54	66,16
Financial Year 2025 Financial Year 2024		
	Euros	Euros
Total payment paid	12.431.593,43	9.634.110,77
Total outstanding payments	3.246.209,46	3.579.880,70
Financial Year 2025 Financial Year 2024		
	Euros	Euros
Monetary Volume Paid	5.497.159,79	2.207.254,11
% of total Payment made	44,22%	22,91%
Number of invoices	1.370	1.525
% of total invoices	45,67%	51,38%

For the sole purpose of providing the information required under the aforementioned ICAC Resolution, suppliers are deemed to be trade creditors included under current liabilities in the balance sheet in respect of amounts owed for the supply of goods or services.

The maximum legal payment period applicable to the Company during the 2025 financial year, pursuant to Law 3/2004 of 29 December, which establishes measures to combat late payment in commercial transactions, is 30 days, extendable by agreement between the parties up to a maximum of 60 days.

NOTE 12. INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

The Company's activities are exposed to different types of financial risk, mainly credit risk, liquidity risk and market risks (foreign exchange risk, interest rate risk, and other price risks).

12.1) Credit Risk

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

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

12.2) Liquidity Risk

As specified in Note 2.d to these notes, the Company presents negative working capital at year-end. The treasury department has a daily view of the actual cash position, which is compared with the weekly forecasts prepared. In this regard, the Company does not expect to face short-term financing problems thanks to the implementation of its business plan and the securing of new financing.

12.3) Market Risk

Market risk arises from the potential loss caused by variations in the fair value or future cash flows of a financial instrument due to changes in market prices. The Company is exposed to foreign exchange risk as well as interest rate risk.

12.4) Foreign Exchange Risk

This risk arises from the international transactions carried out by the Company in the ordinary course of its business. The Company's main foreign exchange risks relate to the US dollar, the pound sterling, the Chilean peso and the Mexican peso. There is a risk that fluctuations in the value of financial instruments denominated in currencies other than the euro, arising from foreign transactions due to exchange rate movements, could affect the Company's future profits.

The Company does not currently operate with exchange rate hedging instruments, although this is a variable being analysed for the future. The risk is limited for the Company, as it has both expenses and income in those currencies, and therefore uses current accounts in those currencies in order to meet foreign currency payments with foreign currency collections.

12.5) Interest Rate Risk

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

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

The sensitivity analysis performed indicates that, if market interest rates had been 100 basis points higher or lower than those actually recorded, with all other variables remaining constant, the result for the financial year ended 31 December 2025 would have changed by no more than plus or minus 2%, while the effect on equity as of 31 December 2025 would have been plus or minus 0,6% thereof.

NOTE 13. EQUITY

13.1) Share Capital

As of 31 December 2025, and likewise as of 31 December 2024, the share capital amounts to EUR 320.998,86 and is represented by 16.049.943 shares with a par value of EUR 0,02 each, all of which have been fully subscribed and paid up. These shares carry equal political and economic rights.

As of 31 December 2025, and as of 31 December 2024, there were no companies holding a direct or indirect interest equal to or greater than 10% of the Company's share capital.

13.2) Reserves

The breakdown of Reserves is as follows:

	31/12/2025	31/12/2024
Legal Reserve	64.199,77	64.199,77
Voluntary Reserves	1.718.078,40	1.613.378,76
Total	1.782.278,17	1.677.578,53

a) Legal Reserve

The Legal Reserve is restricted as to its use, which is governed by various legal provisions. In accordance with the Spanish Companies Act, commercial companies incorporated under this legal form that earn profits are required to allocate 10% of such profits to the legal reserve until the reserve fund reaches one-fifth of the subscribed share capital. The legal reserve may be applied to offset losses or to increase share capital in the portion exceeding 10% of the increased capital, as well as for distribution to the Shareholders in the event of liquidation. As of 31 December 2025, the Legal Reserve had been fully funded.

b) Voluntary Reserves

The caption “Voluntary Reserves” includes freely distributable reserves.

13.3) Share Premium

It is subject to the same restrictions and may be applied for the same purposes as voluntary reserves, including its conversion into share capital.

13.4) Treasury Shares

On 13 June 2024, a treasury share acquisition programme in the amount of EUR 100 thousand was announced, under which a total of 80.644 shares were acquired and transferred at year-end as part of the consideration for the acquisition of Lleida.net PKI.

As of 31 December 2025, the Company held treasury shares amounting to EUR 223.400,03 (EUR 205.051,35 at the end of the previous financial year) at an average acquisition cost of EUR 1,48 per share (EUR 2,75 per share in the previous financial year).

Al 31 de diciembre de 2025, la sociedad tenía 150.753 hares, with a value at that date of 159.365,63 euros, representing 0.89% of the Company’s shares.

NOTE 14. FOREIGN CURRENCY

The most significant foreign currency balances at the end of the 2025 financial year, stated in total euros and broken down into their foreign currency equivalent, valued at the closing exchange rate, are detailed below:

	EUROS	USD	GBP
CURRENT ASSETS			
Trade debtors and other accounts	46.723,87	49.276,71	-
CURRENT LIABILITIES			
Trade creditors and other payable accounts	56.117,20	61.007,06	3.000,00

The most significant foreign currency balances at the end of the 2024 financial year, stated in total euros and broken down into their foreign currency equivalent, valued at the closing exchange rate, are detailed below:

	EUROS	USD	CLP	GBP
CURRENT ASSETS				
Trade debtors and other accounts	31.286,71	33.893,24	-	-
CURRENT LIABILITIES				
Trade creditors and other payable accounts	42.343,07	32.122,69	394.828,00	10.308,00

The most significant transactions carried out during the 2025 financial year, stated in total euros and broken down into their foreign currency equivalent, valued at the average exchange rate of the corresponding currencies, are detailed below:

	EUR	USD	GBP	CLP	MXN	ZAR	UYU
Purchases and services received	720.967,65	719.512,90	64.063,18	882.286,00	55.178,53	28,76	10.622,53
Sales and services given	80.386,62	89.475,67	-	-	783,38	-	-

The most significant transactions carried out during the 2024 financial year, stated in total euros and broken down into their foreign currency equivalent, valued at the average exchange rate of the corresponding currencies, are detailed below:

	EUR	USD	GBP	CLP	MXN	ZAR	JPY	AUD
Purchases and services received	666.772,23	630.582,36	54.321,36	904.596,00	352.303,27	6,63	163.100,00	1.000,00
Sales and services given	147.821,38	158.602,46	844,59	-	949,15	-	-	-

NOTE 15. TAX POSITION

The breakdown of balances with the Public Administrations as of 31 December 2025 and 2024 is as follows, in euros:

	31/12/2025		31/12/2024	
	Active	Payable	Active	Payable
Non Current:				
Deferred tax assets	704.793,50	-	605.174,29	-
Total Non Current	704.793,50	-	605.174,29	-
Current:				
Corporate Income Tax	247.819,27	-	134.549,24	-
	247.819,30	-	134.549,24	-
Value Added Tax	-	83.243,92	-	88.920,19
Grants to be paid	1.089,00	-	1.089,00	-
Income Tax retentions	-	62.245,39	-	50.936,13
Social Security bodies	484,17	76.177,71	484,21	73.960,84
	1.573,17	221.667,02	1.573,21	213.817,16
Total Current	249.392,47	221.667,02	136.122,40	213.817,16

Tax Position

Under current legal provisions, tax returns cannot be regarded as final until they have either been reviewed by the tax authorities or the four-year statute of limitations has expired.

As of 31 December 2025, the Company remains subject to tax inspection in respect of all taxes applicable to it for the financial years from 2021 to 2025. Consequently, as a result of any eventual tax audits, additional liabilities could arise beyond those recorded by the Company. Nevertheless, the Directors, together with their tax advisers, consider that such liabilities, should they arise, would not be significant in relation to the annual accounts taken as a whole.

Income Tax

The reconciliation between the net amount of income and expenses for the 2025 financial year and the taxable base for income tax purposes is as follows:

Profit and Loss Account			
Financial year's earnings (After taxes)			1.514.811,45
	<i>Aumentos</i>	<i>Decreases</i>	<i>Net Effect</i>
Profit Tax	194.685,02	(99.619,18)	95.065,84
Permanent differences	303.007,61	(61.910,71)	241.096,90
Capitalization Reserve	-	-	(235.294,06)
Offsetting of tax loss carryforwards	-	-	(113.702,83)
Taxable income (tax result)			1.501.977,30

Permanent differences mainly relate to impairments of investments and loans held with group companies, as well as impairments of accounts receivable from other debtors.

The reconciliation between the net amount of income and expenses for the 2024 financial year and the taxable base for income tax purposes is as follows:

Profit and Loss Account			
Financial year's earnings (After taxes)			1.090.119,36
	<i>Increases</i>	<i>Decreases</i>	<i>Net effect</i>
Profit Tax	-	(62.375,51)	(62.375,51)
Permanent differences	226.353,70		226.353,70
Offsetting of tax loss carryforwards			(1.000.000)
Taxable income (tax result)			254.097,55

Permanent differences mainly related to impairments of equity interests and loans held with Group companies.

The calculations made in relation to Corporate Income Tax payable are as follows:

	2025	2024
Charge at 25 % of Taxable Income	375.494,32	63.524,39
Deductions	(194.685,02)	(45.328,35)
Net tax payable	180.809,30	18.196,04
Less: withholdings and payments	(294.219,79)	(152.604,85)
Tax payable	(113.410,49)	(134.408,81)

The main components of the Corporate Income Tax expense are as follows:

	2025	2024
Current tax	180.809,30	18.196,04
Deferred tax	(85.743,49)	(80.571,55)
	95.065,81	(62.375,51)

The movement in deferred taxes recognized and reversed during the 2025 financial year is detailed below, in euros:

	Balance at 31/12/2024	Generated	Balance at 31/12/2025
Deferred tax assets:			
Tax credits	605.174,29	99.619,21	704.793,50

The movement in deferred taxes recognized and reversed during the previous financial year is detailed below, in euros:

	Balance at 31/12/2023	Generated	Balance at 31/12/2024
Deferred tax assets:			
Tax credits	520.309,48	84.864,81	605.174,29

Tax loss carryforwards pending offset

At the end of the 2025 financial year, the Company had no tax loss carryforwards pending offset (113.702,83 euros at the end of the 2024 financial year).

Tax Credits Pending Application

As of 31 December 2025, the Company has the following tax credits pending application: the Board of Directors has decided to recognize in the Company's assets the tax credits pending application since the 2020 financial year. The period for the use of these tax credits is 18 consecutive years from the year in which they were generated.

Year of Origin	Amount
2008	62.780,44
2009	172.071,08
2010	181.164,26
2011	214.961,29
2012	251.779,01
2013	90.887,05
2014	127.371,20
2015	369.824,03
2016	188.991,46
2017	180.537,92
2018	170.354,09
2019	163.214,66
2020	135.681,89
2021	123.747,53
2022	146.582,99
2023	94.074,12
2024	107.878,85
2025	99.619,21
	2.881.521,07

NOTE 16. INCOME AND EXPENSES

a) Income

1. Breakdown of income from ordinary activities.

The breakdown of the Company's net turnover from ordinary activities is set out below:

	2025		2024	
Business Areas (figures in thousands of euros)	Euros	%	Euros	%
Notification	1.968	11,79%	1.998	12,31%
Contracts	3.265	19,57%	2.984	18,39%
Other SaaS	556	3,33%	558	3,44%
SMS Solutions	4.137	24,79%	3.762	23,18%
ICX Wholesale Solutions	6.760	40,51%	6.925	42,68%
Total	16.686	100,00%	16.227	100,00%

The breakdown of the Company's net turnover from ordinary activities, by geographic market, is set out below:

Geographic market description	2025		2024	
	Euros	%	Euros	%
National	7.953.500,01	47,67%	7.369.359,83	45,41%
European Union	1.783.055,91	10,69%	2.324.439,33	14,32%
Rest of the world	6.949.022,46	41,65%	6.533.542,49	40,27%
Total	16.685.578,39	100,00%	16.227.341,65	100,00%

The breakdown of the Company's net turnover from ordinary activities, by type of contract, is set out below:

	2025 Financial Year	2024 Financial Year
Type of contract		
Fixed price contracts (*)	15.104.901,74	14.258.896,59
Variable contracts (**)	1.580.676,64	1.968.445,06
Total	16.685.578,39	16.227.341,65

* Fixed price is understood to mean the prices offered to customers for each SaaS product, as well as the Wholesale prices offered during a specific period of time for an SMS destination. It should be noted that all invoices issued are based on customers' usage..

** There are agreements with customers under which the sale price is variable depending on the number of transactions carried out.

The breakdown of the Company's net turnover from ordinary activities, by contract term, is set out below:

	2025 Financial Year	2024 Financial Year
Contract duration		
Long-term contracts	16.685.578,39	16.227.341,65
Total (*)	16.685.578,39	16.227.341,65

(*) The contracts signed by Lleida.net with its customers are normally for a period of one year with automatic renewal. We are not aware of any customers having requested termination of the contract during the first year.

The breakdown of the Company's net turnover from ordinary activities, by sales channel, is set out below:

	2025 Financial Year	2024 Financial Year
Sales channels		
Distributors or wholesalers	668.411,09	769.682,02
Retailers (*)	345.561,15	290.880,20
Sales channels	15.671.606,14	15.166.779,43
Total	16.685.578,39	16.227.341,65

(*) Retail customers are those who purchase our products through the website..

b) Supplies

The breakdown of this caption in the accompanying Profit and Loss Account is as follows, in euros:

	2025	2024
Consumption of merchandise		
National	4.192.703,72	3.372.527,45
Intracommunity acquisitions	1.758.915,71	2.592.024,97
Imports	3.347.158,66	3.183.622,67
	9.298.778,09	9.148.175,09

c) Staff costs

The breakdown of Social Security expenses in the accompanying Profit and Loss Account is as follows:

	2025	2024
Social Security paid by the Company	739.323,30	772.844,07
Other social expenses	-	114.671,48
Employee welfare expenses	739.323,30	887.515,55

In the current fiscal year, the Company has terminated the employment of several employees, and the effect of this is recorded as severance payments under the heading ‘Salaries, wages, and related items.’ Expenses under this concept had been paid by the end of the fiscal year. The breakdown of the heading ‘Salaries, wages, and related items’ is as follows:

	2025	2024
Wages and salaries	2.803.678,05	2.719.182,92
Severance Pay	189.949,84	2.985,84
	2.993.627,89	2.722.168,76

d) Financial Results

The breakdown of this caption in the accompanying Profit and Loss Account is as follows:

	2025	2024
Financial incomes		
Financial incomes from group companies	62.039,79	61.245,39
Other financial incomes	4.752,81	12.458,73
	66.792,60	73.704,12
Financial expenses		
For debts with credit institutions	(122.361,91)	(168.123,08)
	(122.361,91)	(168.123,08)
Fair value changes in financial instruments	(21,96)	-
Exchange differences	(15.578,20)	(9.507,77)
Gains (losses) on disposals and other	(80.514,04)	(155.082,35)
Financial Result Positive / (Negative)	(151.683,51)	(259.009,08)

NOTE 17. SHORT-TERM AND LONG-TERM PROVISIONS

The Company had an ongoing administrative proceeding in connection with which, in the 2023 financial year, a provision amounting to 200 thousand euros was recognized, corresponding to the full amount of the proposed penalty. During the 2024 financial year, this provision was reclassified as short-term.

In the 2025 financial year, the Company proceeded to pay the penalty, with no additional significant impacts on the profit and loss account for the year.

NOTE 18. ENVIRONMENTAL INFORMATION

The Company has no significant assets and has not incurred any material expenses aimed at minimizing environmental impact or at the protection and improvement of the environment. Likewise, there are no provisions for risks and expenses, nor contingencies, related to the protection and improvement of the environment.

NOTE 19. RELATED PARTY TRANSACTIONS**19.1) Balances between Related Parties**

The balances with Group companies as of 31 December 2025 are broken down as follows:

	LLEIDA NET UK	LLEIDA NET USA	LLEIDA SAS	LLEIDA REP. DOMINIC.	PORTABI- LIDADES ESPAÑOLAS	LLEIDANET BRASIL	LLEIDANET PERÚ	LLEIDANET CHILE	LLEIDANET PKI, S.L.U	LLEIDANET EMIRATOS LLC	Total
NON CURRENT ASSETS	(6.333,61)	-	1.248,54	32,93	-	-	-	-	915.000,00	-	909.947,86
Long-term loans to group companies	(6.333,61)	-	1.248,54	32,93	-	-	-	-	915.000,00	-	909.947,86
Long-term loans to group companies	13.154,96	-	1.248,54	32,93	-	-	193.686,46	25.875,71	915.000,00	300.403,41	1.449.402,01
Impairment	(19.488,57)	-	-	-	-	(193.686,46)	(25.875,71)	-	-	(300.403,41)	(539.454,15)
CURRENT ASSETS	-	-	(34.339,48)	-	49.358,59	12.290,57	-	-	1.097.876,91	-	1.125.186,59
Trade receivables	-	-	(34.339,48)	-	49.358,59	12.290,57	-	-	-	-	27.309,68
Clients	308.961,97	445.023,21	(34.339,48)	3.762,75	49.358,59	79.534,82	10.340,28	-	-	-	862.642,14
Impairment	(308.961,97)	(445.023,21)	-	(3.762,75)	-	(67.244,25)	(10.340,28)	-	-	-	(835.332,46)
Short-term loans to group companies	-	-	-	-	-	-	-	-	1.097.876,91	-	1.097.876,91
Short-term loans to group companies	65.597,91	74.827,79	-	4.782,89	-	6.985,29	25.034,47	2.013,01	1.097.876,91	35.202,16	1.312.320,44
Impairment	(65.597,91)	(74.827,79)	-	(4.782,89)	-	(6.985,29)	(25.034,47)	(2.013,01)	-	(35.202,16)	(214.443,53)
CURRENT LIABILITIES	-	-	-	-	-	-	-	-	(202.118,53)	-	(202.118,53)
Trade payables	-	-	-	-	-	-	-	-	(202.118,53)	-	(202.118,53)
Suppliers	-	-	-	-	-	-	-	-	(202.118,53)	-	(202.118,53)

The balances with Group companies as of 31 December 2024 are broken down as follows.

Outstanding balances with related parties in 2024	LLEIDA NET UK	LLEIDA NET USA	LLEIDA SAS	LLEIDA REP. DOMINIC.	LLEIDA REP. ESPAÑOLAS	PORTABL-LI DADES	LLEIDANET BRASIL	LLEIDANET PERÚ	LLEIDANET COSTA RICA	LLEIDANET CHILE	LLEIDANET PKI, S.L.U	LLEIDANET EMIRATOS LLC	Total
	NON CURRENT ASSETS	-	-	67,86	-	-	-	-	-	-	3,006,49	1,015,000,00	-
Long-term loans to group companies	-	-	67,86	-	-	-	-	-	-	3,006,49	1,015,000,00	-	1,018,074,35
Long-term loans to group companies	19,488,57	-	67,86	-	-	-	-	162,943,88	1,381,38	24,874,71	1,015,000	289,872,67	1,513,629,07
Impairment	(19,488,57)	-	-	-	-	-	(162,943,88)	(1,381,38)	(21,868,22)	(289,872,67)	-	(495,554,72)	(495,554,72)
CURRENT ASSETS	-	29,134,87	144,166,45	61,119,93	-	57,562,74	28,898,94	-	-	846,66	1,229,030,05	-	1,550,759,64
Trade receivables	-	29,134,87	144,166,45	61,119,93	-	57,562,74	10,340,28	-	-	-	-	-	302,324,27
Clients	308,961,97	510,727,99	144,166,45	90,223,48	-	73,155,85	10,340,28	-	-	-	-	-	1,137,576,02
Impairment	(308,961,97)	(481,593,12)	-	(29,103,55)	-	(15,593,11)	-	-	-	-	-	-	(835,251,75)
Short-term loans to group companies	-	-	-	-	-	-	18,558,66	-	-	846,66	1,229,030,05	-	1,247,435,37
Short-term loans to group companies	65,597,91	74,827,79	-	4,842,19	-	6,985,29	18,558,66	-	-	2,011,04	1,229,030,05	24,630,65	1,426,483,58
Impairment	(65,597,91)	(74,827,79)	-	(4,842,19)	-	(6,985,29)	-	-	(1,164,38)	(1,164,38)	-	(24,630,65)	(178,048,21)
CURRENT LIABILITIES	-	29,134,87	-	8,471,06	2,892,73	-	-	-	-	-	308,741,08	-	349,239,74
Trade payables	-	29,134,87	-	8,471,06	2,892,73	-	-	-	-	-	308,741,08	-	349,239,74
Suppliers	-	29,134,87	-	8,471,06	2,892,73	-	-	-	-	-	308,741,08	-	349,239,74

19.2) Transactions between Related Parties

The most significant transactions carried out with related parties during the 2025 financial year are detailed below:

Operation with related parties in the year	LLEIDA NET USA	LLEIDA NET COLOMBIA	LLEIDANET PERÚ	LLEIDANET BRASIL	LEIDANET REP. DOMINICANA	LEIDANET REP. PORTABILIDADES ESPAÑOLAS	LEIDA.NET PK	UAE LLC
Sales	25.488,04	-	-	-	4.939,37	9.557,08	768.333,56	-
Purchases	-	309.005,04	-	6.378,97	139.760,75	92.630,16	-	-
Services	-	-	-	-	-	-	-	-
Interest incomes	-	-	6.398,86	-	-	-	45.153,73	10.487,25

The most significant transactions carried out with related parties during the 2024 financial year are detailed below:

Operation with related parties in the year	LLEIDA NET USA	LLEIDA NET COLOMBIA	LLEIDANET PERÚ	LLEIDANET BRASIL	LEIDANET REP. DOMINICANA	PORTABILIDADES ESPAÑOLAS	LLEIDA.NET PKI	LLEIDANET CHILE	UAE LLC
Sales	68.248,67	-	-	-	8.471,06	5.138,70	406.393,91	-	-
Purchases	53.386,93	379.796,50	-	11.007,46	105.225,90	83.001,82	-	-	-
Services	-	-	-	-	-	-	-	-	-
Interest incomes	-	-	5.141,78	-	-	-	45.656,08	846,66	9.600,86

19.3) Balances and Transactions with the Board of Directors and Senior Management

The remuneration accrued during fiscal year 2025 by the members of the Company's Board of Directors, for the performance of their duties as such, amounted to 160.600 euros (103.000 euros in the previous year).

On June 5, 2025, the General Shareholders' Meeting was held, during which the new Board of Directors of the Company was appointed.

As from that date, only two members of Senior Management form part of the Board of Directors, thereby being constituted in accordance with the resolutions adopted at the aforementioned Meeting and the provisions of the Company's bylaws.

Senior Management duties, in turn, were carried out by three members of the same Board of Directors until June 5, 2025, and by two members until December 31, 2025 (three members in fiscal year 2024). Remuneration in the form of salaries and wages amounted to 250.448,92 euros (282.204,14 euros in fiscal year 2024), and 29.660,88 euros in the form of other compensation, which includes 7.742,22 euros for vehicle leasing and 21.918,66 euros for life insurance (24.209,21 euros in fiscal year 2024, which included 5.679,23 euros for vehicle leasing and 18.529,98 euros for life insurance).

As of December 31, 2025 and 2024, there were no loans or advances granted to the members of the Board of Directors, nor any commitments relating to pension supplements, guarantees, or sureties provided in their favor.

It is hereby stated that, during the year, the Company paid the premium corresponding to the civil liability insurance policy that would potentially cover damages caused to third parties by acts or omissions related to the performance of their duties. The amount of the premium totaled EUR 29,921.27 (EUR 31,363.50 in the previous year).

Other information regarding the Board of Directors

Pursuant to the Spanish Companies Act, it is hereby stated that the members of the Company's Management Body do not hold interests in other companies with the same, similar, or complementary corporate purpose.

Likewise, and in accordance with the aforementioned Spanish Companies Act, it is hereby stated that the members of the Management Body have not carried out any activity, either on their own behalf or on behalf of others, with the Company that could be considered outside the ordinary course of business or that has not been conducted under normal market conditions.

NOTE 20. OTHER INFORMATION

The average number of people employed during fiscal years 2024 and 2023, distributed by category, is as follows:

	2025	2024
Senior Executives	3,54	3,00
Administration	7,38	6,18
Commercial	13,46	9,43
Production	29,94	36,75
Maintenance	0,50	0,50
Reception	1,73	7,17
Business development	7,00	6,93
Compliance	5,12	4,32
Human Resources	2,83	2,00
Intellectual Property	1,00	1,00
TOTAL	72,50	77,27

The number of employees at the end of the fiscal years 2025 and 2024, broken down by category and sex, is as follows:

	2025			2024				
	Men	Woman	Total	Disability greater than or equal to 33%	Men	Woman	Total	Disability greater than or equal to 33%
Senior Executives	2	1	3	-	1	2	3	-
Administration	4	4	8	1	2	5	7	1
Commercial	6	7	13	1	4	5	9	1
Production	28	4	32	-	29	6	35	-
Maintenance	-	1	1	-	-	1	1	-
Reception	1	-	1	-	2	5	7	-
Business development	3	4	7	-	2	4	6	-
Compliance	2	4	6	-	1	3	4	-
Human Resources	1	2	3	-	-	2	2	-
Intellectual Property	1	-	1	-	1	-	1	-
TOTAL	48	27	75	2	42	33	75	2

The breakdown of the audit fees for the financial years 2025 and 2024 is as follows:

	2025	2024
Fees of the audit accountant for providing audit services (individual and consolidated)	38.000	33.800
Fees of the auditor for the provision of audit services (other companies of the group)	10.000	12.400
Fees of the accountant for other related services (*)	15.000	26.750
Total	63.000	72.950

(*). The amount of fees for other services corresponded to the verification corresponding to the limited review of the consolidated interim financial statements as of June 30, 2025 and June 30, 2024.

NOTE 21. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred between 31 December 2025 and the date on which these annual financial statements were authorized for issue that, having an impact on them, have not been duly included herein, or whose disclosure would be useful to users of these financial statements.

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

DIRECTOR'S REPORT FOR FINANCIAL YEAR 2025

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A

DIRECTOR'S REPORT FOR FINANCIAL YEAR 2025

In compliance with the provisions of the Spanish Companies Act, the Directors hereby present the Management Report for the financial year, in order to complement, expand upon, and comment on the balance sheet, the profit and loss account, and the notes corresponding to the 2025 financial year.

1. EVOLUTION OF BUSINESS:

In fiscal year 2025, we recorded a 3% increase in sales

<i>Ventas por líneas de negocio Miles de euros</i>	2024	2025	Var. €	Var.%
Notificación	1.998	1.968	-30	-2%
Contratación	2.984	3.265	281	9%
Otros SaaS	558	556	-2	0%
Soluciones SMS	3.762	4.137	375	10%
Soluciones ICX WHOLESale	6.925	6.760	-165	-2%
Total	16.227	16.686	459	3%

During fiscal year 2025, revenue by business line reached 16.686 thousand euros, representing a 3% increase compared to the 16.227 thousand euros recorded in 2024. This growth was mainly driven by the strong performance of the Contracting line, which increased by 9% (reaching 3.265 thousand euros in 2025), and SMS Solutions, which grew by 10% (reaching 4.137 thousand euros in 2025). On the other hand, the Notification line recorded a slight decrease of 2% (to 1.968 thousand euros in 2025), as did ICX Wholesale Solutions, which declined by 2% (to 6.760 thousand euros in 2025). The Other SaaS line remained largely stable. Overall, the performance reflects a positive trend supported by the strongest-growing areas, which offset the slight declines in other business lines.

The increase in sales was accompanied by a favorable evolution in costs, leading to an improvement in gross margin, which reached 7.387 thousand euros, 4% higher than in the previous year.

We particularly highlight the efficient management of operating expenses, with a 2% reduction in personnel costs and a significant 12% decrease in external services, reflecting the optimization and cost-control measures implemented by the company. Likewise, the increase in other income and the growth in capitalized costs (+12%) contributed positively to operating performance.

As a result, EBITDA experienced strong growth of 29%, reaching 3.119 thousand euros, highlighting the strong capacity to generate recurring results and the structural improvement of Lleida.net.

Operating profit amounted to 1.762 thousand euros, 37% higher than in the previous year. This growth was achieved despite the impact of certain non-recurring factors, such as increased severance payments and impairments, which reinforces the strength of the underlying operating performance.

Net financial results showed a very favorable trend, in line with more efficient financial management. Additionally, improved results from disposals contributed positively to the overall result.

Overall, profit before tax reached 1.610 thousand euros, representing a significant increase of 57% compared to 2024, reflecting the combination of growth, operational efficiency, and financial improvement.

In conclusion, Lleida.net closed fiscal year 2025 with very positive results, highlighting margin improvement, cost optimization, and a strengthened ability to generate profits, positioning the company favorably for continued growth in the coming years.

<i>Data in thousand euros</i>	2024	2025	Var. Euros	Var.%
Sales	16.227	16.686	459	3%
Cost of sales	(9.148)	(9.299)	151	2%
Gross Profit	7.079	7.387	308	4%
Sataff expenses	(3.607)	(3.543)	(64)	-2%
Other expenses	(1.808)	(1.600)	(208)	-12%
Other incomes	22	45	23	105%
Capitalization	739	830	91	12%
EBITDA	2.425	3.119	694	29%
Depreciation	(1.033)	(1.034)	1	0%
Impairment losses	(98)	(184)	86	88%
Other results	(4)	51	55	1375%
Indemnities	(3)	(190)	187	6233%
Operating Result	1.287	1.762	475	37%
Financial income	(94)	(55)	(39)	-41%
Impairment and results on disposals	(155)	(81)	(74)	-48%
Exchange rate differences	(10)	(16)	6	60%
Profit before tax	1.028	1.610	582	57%

2. SUBSEQUENT EVENTS

Subsequent to December 31, 2025 and up to the date of preparation of this Management Report, no additional subsequent events have occurred, other than those already disclosed in the notes to the annual accounts, that reveal circumstances existing as of December 31, 2025 and which, due to their significance, would require adjustments to the Financial Statements or modifications to the information disclosed in the explanatory notes.

Nor have any other subsequent events occurred, other than those already mentioned in the explanatory notes, that indicate conditions arising after December 31, 2025 and that are of such significance as to require additional disclosure in the notes to the annual accounts.

3. SUSCEPTIBLE EVOLUTION OF SOCIETY

Looking ahead to the 2026 financial year, the Company enters the new period with favorable prospects for growth and improved profitability, supported by the strategic initiatives developed in recent years.

In particular, an increase in revenue is expected, driven by higher-margin standard product lines, whose performance will benefit from the investments made in R&D, which have strengthened the value proposition, competitiveness, and scalability of these products.

Furthermore, the Company expects to continue improving its overall profitability levels as a result of cost control and optimization measures, as well as investment decisions implemented in recent years aimed at increasing operational efficiency and generating recurring results.

In this context, the Company is well positioned to consolidate its growth and strengthen its margins, maintaining a strategy focused on innovation, efficiency, and the development of high value-added products.

4. R&D ACTIVITIES

During the 2025 financial year, the Company invested 830 thousand euros in research activities, primarily focused on the Company's certification business line.

5. OPERATIONS WITH OWN SHARES

In accordance with the regulations of BME Growth and Euronext Growth, the Company entered into a liquidity agreement with the placing bank in connection with its listing on the market. This agreement establishes both the delivery of a certain number of treasury shares and the deposit of a cash amount. The purpose of this contract is to facilitate the trading of the Company's shares by investors, ensuring that any interested party has the possibility to buy or sell shares.

As of December 31, 2025, the Company held 150.753 shares, with a valuation at that date of 159.365,63 euros, representing 0.94% of the shares of Lleidanetworks Serveis Telemàtics, S.A.

6. FINANCIAL INSTRUMENTS

During 2025, the Company did not use instruments related to financial derivatives.

The treasury department maintains a daily view of the actual cash position, which is compared with the weekly forecasts prepared. The Company is renewing the short-term credit facilities it maintains with financial institutions and, thanks to the expected cash generation, will gradually reduce its indebtedness.

The Company is not exposed to significant foreign exchange risk and therefore does not engage in hedging transactions using financial instruments. In the case of loans granted to Group companies, the reference currency is the euro, meaning that foreign exchange risk is borne by those Group companies.

7. DEFERRALS OF PAYMENT TO SUPPLIERS

Information regarding payment deferrals to suppliers is disclosed in the annual accounts, in Note 11. During the 2025 financial year, the Company has increased its payment period to suppliers compared to the 2024 financial year, negotiating extended terms in most cases.


To reduce payment periods, the Company has negotiated payment facilities with financial institutions, as well as longer payment terms with certain suppliers. The expected cash generation for 2026 will allow the Company to reduce payment periods in the new financial year.

* * * * *

PREPARATION OF ANNUAL ACCOUNTS AND DIRECTOR'S REPORT

In compliance with current commercial legislation, the Board of Directors of LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. draws up the Annual Accounts and the Director's Report for the financial year ended December 31, 2025, which comprise the attached pages numbered 1 to 67.

Lleida, March 25th, 2026
Board of Directors



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Mr. Francisco Sapena Soler
Chairman and Chief Executive Officer

PEREZ SUBIAS
MIGUEL -
17147802Z

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Mr. Miguel Pérez Subias
Independent Director

Anna
Bisart

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Mrs. Anna Bisart Rosell
Independent Director

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FNMT Usuarios



Mrs. Jorge Sainz de Vicuña
Independent Director

Firmado por ***1364** ANA
SERRANO el día 25/03/2026
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por AC CAMERFIRMA FOR
NATURAL PERSONS - 2016

Mrs. Ana Serrano Oñate
Independent Director

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Mr. Marcos Gallardo Meseguer
Secretary

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Mr. Antonio López del Castillo
Independent Director

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ARRATE MARIA -
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Mrs. Arrate María Usandizaga Ruíz
Executive Director

REALES PEINADO
MARIA TERESA -
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Mrs. Teresa Reales Peinado
Independent Director

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Mrs. Sílvia Cunill Calvet
Independent Director

REPORT ON THE ORGANIZATIONAL STRUCTURE AND INTERNAL CONTROL SYSTEM FOR THE FINANCIAL INFORMATION OF LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A

Under the provisions of Article 17 of Regulation (EU) No 596/2014 on market abuse, Article 227 of Spanish Act 6/2023 of 17 March on Securities Markets and Investment Services, and related applicable regulations — including Circular 3/2020 of the BME Growth segment of BME MTF Equity (“BME Growth”) — the report on the Organisational Structure and Internal Control Systems for Financial Reporting of Lleidanetworks Serveis Telemàtics, S.A. and its subsidiaries (hereinafter “Lleida.net”, the “Lleida.net Group”, the “Group”, the “Company” or the “Entity”) is hereby made available to the market.

The audit committee approved the report, which the Board of Directors ratified at its meeting on 25 March 2026.

Lleida, April 9th 2026

FRANCISCO SAPENA SOLER

Chairman and Chief Executive Officer of Lleidanetworks Serveis Telemàtics, S.A



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1. **BRIEF DESCRIPTION OF THE COMPANY**

Lleidanetworks Serveis Telemàtics, S.A. is a limited liability company with an indefinite duration and with a registered office located in Madrid (Spain) Calle General Lacy 42, ground floor according to the agreement of the Board of Directors dated 7 October 2017, with VAT number A25345331. On 26 October 2021, the Board of Directors, Relocate the registered office of the company to calle Téllez, 56 local C in Madrid.

Previously, it was established as a Limited Liability Company indefinitely, under the name of Lleidanetworks Serveis Telemàtics, SL, through a document authorised by the Public Notary of Lleida, Mr. Antonio Rico Morales, Notary of the Barcelona Bar Association, on January 30, 1995, under number 547 of its protocol.

The Company was registered in the Mercantile Registry of Lleida on March 13, 1995, volume 355, Folio 137, section 1 sheet L6657.

Adapted its By-laws to the current Law of Limited Liability Companies through a document dated June 12, 2000, amended by another on November 3, 2000, all authorised by the Notary of Lleida, Mr. Antonio Rico Morales. Furthermore, the company increased its capital through a document authorised by the Notary of Lleida, Mr. Pablo Gómez Clavería, on October 21, 2004. Subsequently, another increase in capital was carried out through a document authorised by the aforementioned Notary of Lleida, Mr Gómez, on August 16, 2006. These changes were registered in the Mercantile Registry of Lleida, Volume 355, Page 141, Page number L-6.657.

At the Extraordinary General Meeting held on 30 June 2011, the resolution to convert the company into a public limited company (Sociedad Anónima) was approved. This transformation was formalised on 12 December 2012 by means of a public deed executed before the Notary of Catalonia, Mr Pablo Gómez Clavería, under entry number 3357 of his notarial protocol, and duly registered with the Commercial Registry of Lleida, Volume 355, Folio 145, Sheet L6.657, Entry No. 8, on 17 February 2012.

On 1 June 2015, the Company approved the request for incorporation into the former Alternative Stock Market (MAB) at the shareholders' meeting, which is currently BME growth of all the Company's shares.

On October 7, 2015, the Board of Directors of Bolsas y Mercados Españoles, Sistemas de Negociación, S.A., approved the incorporation of 16.049.943 shares of 0,02 euros nominal value each into the segment of companies in the expansion of the Alternative Stock Market, effective as of October 9, 2015.

On 14 December 2018, the Euronext Admission Committee accepts incorporating the shares of Lleida.net in Euronext Growth as of 19 December 2018.

On October 30, 2020, FINRA gave its favourable decision for the listing of the Company on the New York OTCQX market, where the shares entered into trading as of November 2, 2020-

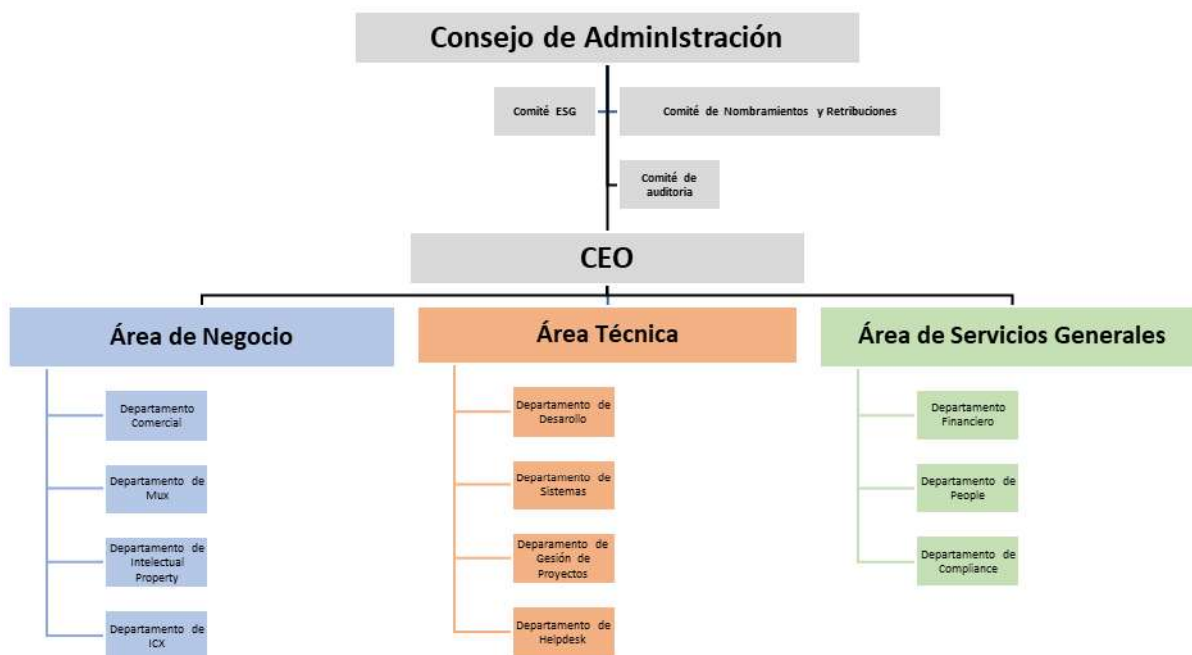
The corporate purpose of Lleida.net is expressed in article 2 of its By-laws, the text of which is literally transcribed below:

Article 2º: Corporate purpose

- a) *Electronic and information technology consulting on different matters through professionals and electronic and computing mechanisms for companies and services. b) Dissemination of electronic systems through activities and publications. c) The provisions of telecommunication services ."*

2. ORGANISATIONAL STRUCTURE

The following departments constitute the structure of the Company. All Chief Officers convene on a monthly basis to review the Company's action plans and submit them for approval by the Board of Directors.



Financial information is prepared by the Finance Department and reviewed by the Executive Director. The Board of Directors retains ultimate responsibility for its accuracy and integrity.

The key bodies and functions responsible for the effective design, implementation and maintenance of the Internal Control System for Financial Information are outlined below:

a) Board of Directors:

The Board of Directors has authority over the management and representation of the Company, both judicial and extrajudicial, as well as all activities encompassed within the corporate purpose.

Beyond these duties, the Board members must demonstrate full commitment to ensuring the Company's proper direction and governance. This includes monitoring and understanding the financial information disclosed to shareholders and markets and overseeing the Company's internal control framework.

The Board of Directors comprises the following individuals.

Francisco Sapena Soler Executive Director

He holds a degree in Technical Agricultural Engineering, with a specialisation in qualification in Telematics from the UPC. He is a long-standing advocate of new technologies and the internet. With a tenure of 9 years, he served as President of IRC Hispano. Currently, he serves as the Chief Executive and principal Shareholder of Lleida.net. He is widely acknowledged as the driving force behind the Company's success.

Marcos Gallardo Meseguer- External director

Founder and managing partner of Lexing Spain Barcelona. Admitted to the Barcelona Bar Association in 1998. President of the Commission on Privacy and Rights of the Digital Person (International Association of Lawyers – UIA). Vice-President of the Lexing® global law firm network specialising in advanced technology law, with 22 offices across 25 countries in Europe, the Americas, Africa and Asia. Vice-President of the Intellectual Property Commission at the Barcelona Bar Association (ICAB).

Serves on the boards of several multinational companies in the telecommunications and internet sectors.

Recognised by Who's Who Legal (2012–2014) as one of the world's leading lawyers in Internet, e-commerce and data protection.

Arrate María Usandizaga Ruiz- Executive Director

Finance executive with more than 15 years of experience in auditing, financial control, and corporate management. She holds a degree in Business Administration and Management and a Master's in Finance and Accounting from the University of Deusto. She began her professional career at PricewaterhouseCoopers as a supervisor in the Assurance division. She joined Lleida.net in 2011 to lead the audit and risk management area. Since then, she has developed her career within the group, eventually assuming the position of Chief Financial Officer (CFO) and executive board member, being responsible for financial strategy, management control, and corporate reporting.

She also has executive education in corporate governance from IESE Business School, strengthening her profile in senior management and board environments.

Miguel Pérez Subías - Independent director

Miguel Pérez Subías is one of the leading figures behind the development of the Internet in Spain. As President of the Internet Users Association (AUI), he has led numerous initiatives aimed at promoting dissemination, responsible use, and the digital transformation of society, including the organization of World Internet Day, which is celebrated annually with broad institutional and corporate participation.

Since 2016, he has been a board member of Lleida.net, where he contributes his strategic expertise in telecommunications, digital services, and electronic certification, supporting the company's positioning in international markets.

With a professional career closely linked to technological innovation and the digital economy, he has played an active role in national and international forums related to Internet governance, the information society, and digital transformation.

Throughout his career, he has also developed a strong entrepreneurial track record, promoting innovative projects in areas such as technology engineering, digital services, and specialized solutions for niche markets, contributing to value creation and the adoption of new technologies across different sectors.

He has also participated in various European projects related to digital innovation, technological transformation, and the development of the information society, collaborating with public and private entities on initiatives aimed at the adoption of new technologies, the standardization of digital services, and the advancement of the digital single market.

His work has been recognized for its contribution to strengthening the digital ecosystem and advancing the Internet as a key tool for economic and social progress.

Antonio López del Castillo - Independent Director

Telecommunications consultant with extensive experience as Director of Procurement at Telefónica España and Vivo (Telefónica Brazil).

Significant contributions include telecom planning for the 1992 Barcelona Olympics, the development of the first high-speed metropolitan area network connecting universities and hospitals in Barcelona, and the implementation of an advanced procurement system at CRT in São Paulo following its privatisation. He oversaw the awarding of contracts totalling more than BRL 30 billion between 1998 and 2002.

Technical Director of the Spanish versions of the magazines Tele.Com, Data Communication, LAN Times and founder of Global Telecommunications.

He has also served as Director of the New Technologies course at Instituto Catalán, of the Sitges Summer University courses at UNTEC, and of the Postgraduate Course in Multimedia and Telecommunications at the Universitat Autònoma de Barcelona.

Since 2015, he has been a board member (Patron) of the Free Software Foundation (Fidesol).

Jorge Sainz de Vicuña Barroso – Independent Director

He holds a degree in Economics and Business Administration from CUNEF and a PDG (General Management Program) from IESE. He has developed most of his professional career managing companies within the industrial portfolio of Banco Santander and Banco Español de Crédito. He has experience in financial restructuring operations and in enhancing business value.

He has served as a board member in numerous investee companies, and has held the position of Chief Executive Officer in several of them for extended periods. With a strong

financial profile and solid business experience, he also brings expertise in corporate transactions, private equity, and mergers and acquisitions.

Silvia Cunill Calvet- Independent Director

Silvia Cunill holds a degree in Mathematics, an MBA from IESE Business School (University of Navarra), as well as the CEFA (Certified European Financial Analyst) certification and the DIBEX (Digital Business Executive Program). She is also a lecturer at IESE Business School.

She is passionate about innovation and entrepreneurship. With more than 25 years of experience in the banking and insurance sectors, she has held various leadership positions in key areas such as marketing, sales, communication, innovation, and transformation. Since 2018, she has leveraged her extensive knowledge and experience to support companies, entrepreneurs, and executives across different industries in their reinvention processes and in addressing future challenges through new methodologies and an entrepreneurial mindset.

As the founder of InnovAnd Consult, she collaborates with various organizations, such as Qorus—the world’s largest international association of banks and insurance companies—where she serves as Innovation Program Director, as well as with SDLI (Sociedad de la Innovación), among others, to tackle future challenges and foster sustainable growth.

Throughout her career, she has gained valuable experience as a member of Boards of Directors, Advisory Boards, and Steering Committees, helping companies develop long-term strategic and innovative visions. She currently serves as Chair of AREB (Agència Estatal de Resolució Bancària) and is a board member of ANSEAC (a technology subsidiary of Andorra Telecom) and Lleida.net, where she is part of the Appointments and Remuneration Committee.

A versatile and open-minded professional, she enjoys mentoring startups and scale-ups through programs such as We Grow at IESE, Attico Lab, and El Niu (an Andorra Telecom program).

Her main areas of interest include intrapreneurship, innovation strategy, organizational change and culture, business model innovation, entrepreneurial leadership, and new business opportunities.

Anna Bisart Rosell- Independent Director

Anna Bisart is an international People executive with over 25 years of experience in multinational environments. Her background includes senior leadership roles focused on organisational transformation, leadership development, and people strategy. She currently serves as Vice President of People Europe at Griffith Foods and, in addition to her role at Lleida.net, is a board member of Immfly S.L., bringing experience across both executive and non-executive roles.

Ana Serrano Oñate – Independent Director

International executive and geologist with more than four decades of experience in the energy sector, she has led strategic oil and gas projects across the entire value

chain in more than 45 countries across Latin America, the Middle East, Africa, and Europe.

She developed her career at Repsol and Equinor, where she held senior executive positions and served on boards of directors, driving strategic transformation, sustainability, and the energy transition, as well as the development of high-performing teams.

She brings strong technical and commercial expertise, with extensive experience in large-scale projects, strategic partnerships, risk management, and corporate culture. Her international career, based in Spain, Brazil, and Norway, provides her with a global and multicultural perspective.

She currently serves as an independent board member and strategic advisor, supporting organizations in decision-making in complex environments and in designing long-term, sustainable business models. Committed to the future of energy, natural resources, geopolitics, and sustainable development, she is actively involved as a speaker, mentor, and author, promoting responsible leadership and fairer access to energy.

Teresa Reales Peinado – Independent Director

Teresa Reales Peinado, an economist from the University of Alcalá de Henares (Madrid), holds an Executive MBA from IESE/Harvard. She has been trained as a board director at ESADE (Board of Directors Program 2024 and Board of Directors Program for Family Businesses 2025), as well as in other Transformation and Leadership programs. She has led Finance, Operational Risk, and Human Resources for more than twenty-five years at Telefónica and its international subsidiaries. She is currently the Director of Financial Economic Control at the Elsamex Group (Infrastructure Management)

b) The Audit Committee

In accordance with the Company's Articles of Association and the Regulations of the Board of Directors, the Audit Committee is responsible for evaluating the Company's accounting oversight framework, ensuring the independence of the external auditor, and reviewing the internal control systems relating to financial information.

In addition to any responsibilities delegated by the Board of Directors from time to time, the Audit Committee shall carry out the following core duties:

- Report to the General Meeting of Shareholders on matters raised by shareholders within its jurisdiction.
- Propose to the Board of Directors, for submission to the General Shareholders' Meeting, the appointment of the statutory auditors in accordance with Article 264 of the Spanish Capital Companies Act, including their terms of engagement, scope of services, and, where applicable, their dismissal or non-renewal. Notify the governing company through Relevant event of any changes in auditors to ensure the independence of the external auditor.

- Oversee the effectiveness and independence of the internal audit function.
- Review the Company's financial statements to ensure they comply with legal requirements and applicable accounting standards in coordination with both internal and external auditors.
- Supervise the preparation and integrity of financial information relating to the Company and its group, ensuring adherence to applicable laws and accounting standards, and participate in decisions regarding the appointment or replacement of senior financial officers.
- Periodically review internal risk control and management systems to identify, manage, and disclose significant risks.
- Manage the relationship with the external auditors to obtain information on any matters that may compromise their independence, as well as other issues arising during the audit process, and ensure compliance with audit regulations and technical standards.
- Ensure compliance with the audit engagement terms and confirm that the audit reports and opinions on the annual accounts are clearly and accurately expressed. Evaluate the outcomes of each audit
- Review interim financial information to be disclosed to markets and regulators, ensuring consistency with the accounting criteria used for the annual financial statements.
- Advise the Board of Directors, prior to adopting decisions, on matters established by law, the Articles of Association and the Board's Regulations, including but not limited to: (i) The financial information the Company is required to disclose periodically; (ii) The establishment or acquisition of interests in special-purpose entities or those based in jurisdictions that may reduce transparency due to their complexity, and (iii) related-party transactions.

The Audit Committee is currently composed of two independent directors. It meets at least twice a year or whenever convened by its Chair. In 2025, the Committee held two meetings.

c) Board of Directors

The Board consists of the Chief Executive Officer and the directors of the three business lines.

Meetings are held at least monthly to coordinate the Company's core activities. Short- and medium-term action plans are defined to meet strategic objectives and address any contingencies that may arise.

Operational and strategic reports from all business areas are reviewed at each meeting. If a matter requiring market disclosure is identified, the Executive Director informs the Board without delay to ensure timely publication.

d) Finance Department

The Finance Department is responsible for maintaining a robust daily control system over financial information. It oversees the accounting processes of the parent company and supervises the reporting of subsidiary companies. Its duties include preparing

reports that support Board-level decision-making and publishing financial information in compliance with market disclosure requirements.

e) External audit

Lleida.net's annual accounts, both individual and consolidated, are reviewed by PKF Attest auditors, a renowned, prestigious auditing firm. Since 2025, PKF Attest has also conducted a limited review of the interim financial statements covering the period from 1 January to 30 June.

3. COMPANY CONTROL SYSTEMS

The Internal Control and Risk Management mechanisms pertaining to financial information fall under the purview of the Audit Committee. In accordance with the Board's internal governance rules, these systems are also subject to periodic review and oversight by the Board of Directors. The primary control mechanisms include:

3.1 Annual budgets implementation:

The executive team prepares and implements the Group's annual budget, subject to approval by the Board of Directors.

Thereafter, the Board monitors monthly deviations and ensures the implementation of appropriate corrective or strategic measures as needed.

3.2 Internal control measures:

Lleida.net has defined the following financial processes as critical control points to ensure the effectiveness and compliance of its internal financial control system

- Sales, customer billing and collection management
- Consolidation and reporting of group companies
- Research and Development (R&D) investments
- Investments in Property, Plant and Equipment
- Treasury management
- Purchases and accounts payable
- Taxes
- Human Resources
- Annual closings

The primary control measures by risk area are outlined as follows:

a) Sales, customer billing and recovery management.

A monthly detail of the invoices to be issued is generated and reviewed by the Billing Manager, and the automatic process is launched, which allows:

- Generate sales entries in the accounts
- Send invoices to customers
- Create files for sales managers, Chief Officers, and the Chief Financial Officer to monitor monthly figures

Supervision of customer collections by the Head of Treasury, with relevant invoices insured by a credit insurance company to mitigate non-payment risks
Weekly discussions on collection status with sales managers.

Weekly reconciliation of collections by the Financial Department.

Utilisation of a management system with defined user profiles, ensuring access to appropriate information for each use

b) Consolidation and reporting:

The company engages accounting and tax advisors in each country where subsidiaries are registered. These advisors are responsible for submitting monthly financial data to the parent company's Finance Department for consolidation and review. They are not granted access to the subsidiaries' bank accounts and have limited authority to carry out administrative formalities with local authorities.

c) R+D Investment

The Company allocates an annual budget for research and development projects, jointly overseen by the Chief Technical Officer and the Finance Department. All R&D initiatives must align with the yearly action plan; any exceptional or ad hoc collaborations require prior approval from the Chief Technical Officer.

d) Investment in tangible fixed assets:

Most investments in this area are allocated to servers and other IT infrastructure. An annual budget is collaboratively established by the technical and financial departments, assessing annual requirements. Budget execution is tracked monthly to ensure compliance with authorised expenditure limits.

e) Treasury:

The Treasury manager is responsible for monitoring the balances of the company's financial instruments daily. The Executive Director is authorised to initiate wire transfers. The Treasury Department prepares payment files and reviews them with the Chief Financial Officer prior to authorisation by the Executive Director.

Parent company staff oversee the bank accounts of subsidiary companies.

Each week, the Treasury Department submits a summary of balances, major disbursements and income movements per account to the Chief Financial Officer and Executive Director for review.

Bank reconciliations are performed by the Finance Department independently from the Treasury personnel who prepare payment files.

f) Purchases and payable accounts:

Supplier transactions are recorded directly within the Company's ERP system. Supplier rates are automatically updated when changes are detected. The Financial department performs monthly reconciliations to ensure that invoiced amounts match recorded consumption in the ERP. Validated consumptions trigger automatic accounting entries for purchases. In the event of discrepancies, the supplier is notified, and the issue is analysed and reported to the Interconnection Department, which oversees procurement.

Payments to key suppliers (typically telecom operators) are executed via netting arrangements. Purchase and sale invoices are reconciled. The system autonomously generates this netting, which is subsequently dispatched to the supplier for approval. Once accepted, the netting is included in the next scheduled payment batch.

Other payments, such as commercial expenses, are covered via corporate credit cards assigned to employees. Employees must submit a monthly expense report with supporting documentation, which is approved by the relevant Chief Officer and the Finance Department prior to processing.

The company also maintains direct debits for lease and supply payments, which are paid via direct debit and reconciled weekly. These charges are matched weekly against corresponding bank account transactions.

f) Taxes:

The Company prepares its monthly tax filings internally, using data extracted automatically from the ERP system. The Financial Department compiles the relevant documentation, which is digitally signed and submitted by the authorised Executive Finance Officer.

The Company also consults with international tax advisers to remain up to date on regulatory changes that may affect its obligations.

g) Human Resources:

The workforce stands as a pivotal element in Lleida.net's success. The Human Resources Department manages both existing personnel and recruitment processes, with the Chief HR Officer leading employee development and career progression strategies.

In coordination with department heads, job profiles and candidate requirements are defined. Vacancies are advertised via corporate social media channels and external job portals. Initial screening focuses on qualifications and relevant experience. Shortlisted candidates are interviewed first by the Chief

HR Officer and then evaluated through performance-based assessments. The three highest-scoring candidates are invited to final interviews.

The Chief HR Officer is also responsible for payroll management, assessing salary levels jointly with the relevant department head. All remuneration decisions are approved by senior management and must align with the approved annual budget.

I) Financial closing:

- Regulation: Lleida.net adheres to the regulations outlined in the general accounting plan for recording its activities. In case of regulatory updates or uncertainty, the Company consults its financial and legal advisers to ensure full compliance.

- Monthly financial closings are carried out to monitor performance against the budget approved by the Board of Directors

- System lockdown: Once all entries have been recorded and validated, the accounting period is closed to prevent post-period adjustments

- Financial closing review: The profit and loss account is reviewed alongside the balance sheet monthly to identify significant variations, inconsistencies, or errors compared to previous periods. The Financial department prepares the relevant information, which the Chief Financial Officer then reviews. Summary reports are submitted to the Executive Director for verification prior to being presented to the Board of Directors.

Reporting financial information: As outlined in point 5.1, key financial figures are published quarterly on BME Growth as a relevant event to ensure transparency.

Each year, the General Shareholders' Meeting approves the audited annual accounts prepared by the Board of Directors, together with the management report and other required disclosures, in accordance with BME Growth's format and timing. Interim financial statements as of June 30 are also subject to audit and filed in accordance with BME Growth requirements.

Periodic financial and management information is primarily presented through face-to-face meetings or conference calls. The Chief Executive Officer and the Financial Director are responsible for these communications.

3.3 Internal Code of conduct in Stock markets

On 26 July 2016, the Board of Directors of LLEIDA.NET approved its Internal Code of Conduct for the Stock Market in accordance with Article 225.2 of the revised Securities Market Law, as enacted by Royal Legislative Decree 4/2015 of 23 October.

The Code incorporates explicitly the provisions of Chapter II, Title VII of the consolidated Securities Market Law, as applicable to the Company under Article 322.3, as well as its implementing regulations, including Royal Decree 1333/2005 of 11 November on market abuse and CNMV Circular 4/2009 of 4 November on the communication of relevant information. The purpose of the Code is to establish a framework of conduct for LLEIDA.NET and its stakeholders to safeguard transparency and protect investors. The Audit Committee monitors compliance with the Code.

4 RISK ASSESSMENTS:

The Group is exposed to several financial risks, primarily credit, liquidity and market risks, including foreign exchange, interest rate and price risk.

4.1) Credit Risk

The Group's main financial assets include cash balances, trade and other receivables, and investments, representing its maximum exposure to credit risk. Credit risk mainly stems from commercial debts. The amounts are reflected in the net balance of provisions for bad debts, estimated by the Parent Company's management based on previous years' experience and its assessment of the current economic environment.

4.2) Liquidity Risk

Conditions in the financial markets, particularly the banking sector, have been unfavourable to credit applicants in recent years. The Group continuously monitors factors affecting its liquidity position, with particular attention to the availability and characteristics of funding sources.

4.3) Market Risk

Over recent years, market conditions have remained volatile due to ongoing global economic uncertainty.

4.4) Exchange Rate Risk

The Group is not exposed to a significant exchange rate risk and, therefore, does not trade in hedging instruments.

4.5) Interest Rate Risk Changes in interest rates modify the fair value of assets and liabilities that accrue a fixed interest rate and the future flows of assets and liabilities referenced to a variable interest rate. The objective of interest rate risk management is to achieve a balance in the debt structure that allows minimising the cost of debt over the multi-year horizon with reduced volatility in the Profit and Loss Account.

5. COMUNICACION OF INFORMATION

The Company categorises market disclosures into three primary types: Financial information.

Strategic information

Technical Information

The procedures according to the type of information are detailed below.

5.1 Financial information

The Company conducts monthly and quarterly closings and prepares interim financial statements in accordance with the General Accounting Plan, following a "going concern" approach. The Finance Department compiles financial data, which is reviewed first by the Chief Financial Officer and subsequently by the Executive Director. The information is prepared for the Board of Directors by the Financial Department, and it is sent to the chief officers so they can formulate the annual accounts and the interim financial statements. These financial statements are reviewed by the Audit Committee, formally approved by the Board of Directors, and made available to shareholders.

Key achievements are presented at the Annual General Meeting, where shareholders vote on approval of the annual accounts.

Data published on BME Growth is derived from consolidated financial statements sourced directly from the company's ERP system. However, data may be obtained from overseas subsidiaries' respective local advisors. The financial information undergoes a standardisation process for both regulations and currency. The chief financial officer reviews the final draft.

Once the data is validated, the Chief Financial Officer collaborates with the Registered Advisor to prepare the relevant event.

The draft is reviewed by both the Executive Director and the Registered Advisor before being submitted to the Board for final comments, if any.

Lleida.net uploads the event to the BME Growth website, where it must receive approval from the registered advisor. After publication on the BME Growth website, the information is also shared on Lleida.net's website under the Investors section.

5.2 Strategic information:

Strategic information, such as negotiations for acquisitions or new business ventures, is directly overseen by the company's executive director.

These topics are included in the agenda for Board of Directors meetings, where decisions are made.

The relevant event is reviewed by both the Executive Director and the Registered Advisor and is reported to the members of the Board of Directors, should they want to provide comments.

The Company then uploads the event to the BME Growth platform, subject to Registered Advisor approval. After publication, it is also made available in the Investors section of Lleida.net's website.

5.3 Technical information

Given the strategic importance of product innovation, Lleida.net systematically secures patents and trademarks for all developments. The Intellectual Property department internally monitors the patent submission process, and external firms oversee deadlines under the supervision of the Chief IP Officer.

To ensure communication accuracy, the Financial Department quarterly queries the IP Department on patent statuses.

Once a patent is granted, the Chief IP Officer, together with the Executive Director and Registered Advisor, prepares the relevant event notice. It is then shared with the Board for any input. Lleida.net uploads the event to the BME Growth website, where it must receive approval from the registered advisor. After publication, it is also made available in the Investors section of Lleida.net's website.

6.-MONITORING AND SUPERVISION CONTROL ACTIVITIES:

The audit committee has conducted the following activities throughout 2025 to oversee the proper functioning of the internal control system for financial information:

- Reviewed the consolidated interim financial statements of the parent company for the period from 1 January to 30 June 2025.
- Examination of the financial statements, individual, and consolidated annual accounts of the Group for the fiscal year 2025.
- Reviewed the audit plan and assessed the independence of the external auditors (PKF Attest).
- Work closely with the external audit team to track the progress of audit procedures and identify risk areas within the audit work.