COMMUNICATION OF FINANCIAL INFORMATION FOR THE FISCAL YEAR 2024 **BY JUNGLE**

Madrid, on April 4th, 2025

JUNGLE21, S.A. (thereinafter, **“Jungle”,** or the **“Company”**), pursuant to the provisions of article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation), and article 61003/2 of Euronext Rule Book I, on ongoing obligations of companies listed on Euronext, hereby notifies to the market the following financial information for the fiscal year 2024:

I. Audit report and consolidated annual accounts of JUNGLE21, S.A. and subsidiaries companies for the year ended December 31, 2024 and consolidated performance report.

II. Audit report and individual annual accounts of JUNGLE21, S.A. for the fiscal year ended December 31, 2024.

The foregoing documentation is available to the market on the Company’s website (www.wejungle.com/investors/).

Yours faithfully,

Mr. Agustín Vivancos
CEO
JUNGLE21, S.A.

JUNGLE 21, S.A. and Subsidiaries

Consolidated Financial Statements for the year ended 31 December 2024 and Consolidated Directors' Report, together with Independent Auditor's Report

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

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INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of JUNGLE 21, S.A.,

Opinion

We have audited the consolidated financial statements of JUNGLE 21, S.A. (the Parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the period then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2024, and its consolidated results and its consolidated cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Group (identified in Note 3.1 to the consolidated financial statements) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

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

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

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

Most Significant Audit Matters

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

Recognition of consulting revenue	
Description	**Procedures applied in the audit**
As detailed in Note 16 to the accompanying consolidated financial statements, in 2024 the Group generated revenue amounting to EUR 33,839,560. This revenue relates to the design, technological adaptation and communication services. The recognition of this revenue under the applicable regulatory financial reporting framework and under the Group's habitual terms and conditions, although not complex, involves the recording of a large number of transactions and the consideration of specific circumstances associated with each of the agreements entered into with the customers, which require an analysis by management for their adequate recognition in the corresponding period. In this regard, the Group has implemented processes and controls to review and make the adjustments required to allow the proper recognition of the revenue for the period to be ensured. In this context, the situation described was considered to be one of the most significant matters in our audit. The information relating to the revenue is disclosed in Notes 5.14 and 16 to the consolidated financial statements.	Our audit procedures included a combination of tests to verify the operating effectiveness of the controls that mitigate the risks identified in the revenue recognition process, together with substantive procedures, such as a detailed, case-by-case analysis of the main agreements in order to evaluate the recognition of revenue. In this regard, for a representative sample of the agreements, we reviewed whether the revenue recognised by the Group was consistent with the terms and conditions of those agreements and that the documentation supporting the recognition of current or deferred revenue is adequate. In addition, we verified, for this sample, that the revenue from consulting services and the advances made by customers on dates close to year-end were recognised in the corresponding period. Lastly, we checked that the disclosures included in Notes 5.14 and 16 to the accompanying consolidated financial statements in connection with this matter were in conformity with those required by the applicable accounting regulations.

Other Matter

The Group's consolidated financial statements for the year ended 31 December 2023 were audited by another auditor who expressed an unqualified opinion on those statements on 21 March 2024.

Other Information: Consolidated Directors' Report

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

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility relating to the consolidated directors' report, in accordance with the applicable audit regulations, consists of evaluating and reporting on whether the consolidated directors' report is consistent with the consolidated financial statements, based on our knowledge of the Group obtained in the audit of those consolidated financial statements, 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 in the preceding paragraph, the information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2024 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Parent's Directors for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the Parent's directors 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.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

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

A further description of our responsibilities for the audit of the consolidated financial statements is included in Appendix I to this auditor’s report. This description forms part of our auditor’s report.

Appendix I to our auditor’s report

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

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent’s directors.

- Conclude on the appropriateness of the use by the Parent’s directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements 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 Parent’s directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the Parent’s directors, we determine those risks that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the most significant assessed risks.

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

2024

CONSOLIDATED ANNUAL ACCOUNTS AND CONSOLIDATED MANAGEMENT REPORT

JUNGLE 21. S.A. - INCLUDES THE AUDIT REPORT ON CONSOLIDATED ANNUAL ACCOUNTS

Consolidated Management Report

1. Business performance and Group situation

Pro-forma developments

We will close 2024 with pro-forma revenues of €40.6m, of which €27.1m in Net Revenues, the key metric we use to manage the business. Net Revenues reflect the operating reality of the company, net of cost of sales and third party expenses. Pro -orma EBITDA was €7.2 million.

Pro-forma refers to as if the Group and the acquired companies had existed in their entirety during the financial year and prepared on a comparable basis without consolidation eliminations.

Evolution Consolidated

In terms of consolidated revenues, we reached €34.5m, with €23.8m of Net Revenues. In terms of profitability, consolidated profit before tax was €2.5m, ending the year with a Net Profit of €1.5m.

In 2024, Jungle grew 39% in revenue compared to 2023, driven by programmatic M&A and platform integration. Consolidated EBITDA reached €6.2M, thanks to Jungle Business System (JBS), our management model.

This year has been key for the consolidation of our Design and Technology platforms, which now represent 55% of Net Revenues, reinforcing our commitment to growth in services and capabilities. Design represents 18% of Net Revenues (+175% vs. 2023), Technology 37% (+43% vs. 2023), and Communication 45% (+29% vs. 2023).

Beyond numbers, creativity continues to be our most valuable asset. 2024 has consolidated PS21 as a champion brand in Spain, winning the Eficacia Award for best agency for the third consecutive year. A recognition that confirms that well-applied creativity generates value, business opportunities and sustainable growth.

Regarding ESG, we continue to be certified as a B-Corp, reaffirming our commitment to sustainability, corporate responsibility and positive impact. We are part of a global community of companies that use business as a force for the common good.

2024 has been a year of transformation, consolidation and growth. The best, as always, is yet to come.

2. Results and evolution of the company

Growth in 2024 is driven by programmatic M&A and cross-platform integration.

In programmatic M&A, we have completed four strategic acquisitions (BUM, Move, Liquid Lab and Milu) that expand our capabilities in technology development, AI, advertising, business prototyping and branding. These additions strengthen our talent structure, enhance synergies between platforms and expand our presence in northern Spain with a new office in San Sebastian.

Combinatorics continues to drive our growth: a large part of our revenues come from clients working with more than one company in the ecosystem. This model allows us to scale projects, strengthen relationships with our clients and consolidate our position as their strategic partner of reference.

In terms of investment in talent, operating personnel expenses (excluding Board and severance) have increased by +40%, reaffirming our commitment to attract and retain the best professionals in their areas. This effort strengthens our internal knowledge and positions us to capture long-term opportunities.

General operating expenses (excluding one-offs) grew 24%, driven by the Group's increased activity and the impact of inflation on certain suppliers.

In terms of profitability, consolidated operating EBITDA reached €6.2m (+18% vs. 2023), while Net Profit stood at €1.5m (vs. €2.4m in 2023). EBITDA over Net Revenue was 26% (vs. 29% in 2023), and net income represented 6% of Net Revenues (vs. 13% in 2023).

Net Profit was affected by (i) higher depreciation and amortisation of fixed assets and M&A (goodwill amortised over 10 years), (ii) changes in the value of financial instruments and (iii) the impact of corporate income tax.

For 2025, the ambition is clear: continue growing at the set pace, expanding our business lines and maximising the potential of our existing customers.

The abreviated and consolidated operating income statement and the calculation of recurring EBITDA for 2023 and 2024 are presented below.

The data included in the table below are unaudited data.

BPE	**Consolidated 2023**	**Consolidated 2024**
Revenue (net MMFF)	24.717.552	34.038.945
Cost of Goods sold	6.612.307	10.577.224
Net Revenue	**18.105.245**	**23.461.721**
% Revenue	73%	69%
Personnel costs	10.613.549	14.599.811
Net Margin	7.491.696	8.967.525
(-) General cost	2.199.236	2.698.101
Total general, personel+general	12.812.785	17.297.912
EBITDA	**5.292.460**	**6.163.809**
% margin	29%	26%
Financial results	(143.576)	(545.837)
Extra results	(1.181.042)	(2.093.827)
PBTA	**3.967.841**	**3.524.144**
Amortisation	711.335	1.076.151
Tax	880.011	967.575
Net profit	**2.376.495**	**1.480.418**
ADJUSTED OPERATING EBITDA		
Operation Profit and Lost	**3.400.083**	**2.993.831**
Amortisation on assets	711.335	1.076.151
Severance cost	144.181	253.893
Depreciation comercial	124.890	236.573
Tributes	15.456	24.926
Depreciation property, plant and equipment	25.351	38.647
Regularizations and others	(54.417)	44.792
Board expenses	185.413	299.176
Acquisition and set-up related expenses	80.085	87.148
Operating EBITDA	5.292.460	6.163.809
Pro-forma Adjustments	0	0
Operating EBITDA (pro forma)	5.292.460	6.163.809

On the other hand, and understanding *pro-forma* as those non-consolidated results, as if the Group and the acquired companies had existed in their entirety during the year and prepared in comparable terms without consolidation eliminations, the following tables show the abreviated income statement and the calculation of recurrent EBITDA for the years 2023 and 2024, comparing the consolidated result with the *pro-forma*:

The data included in the table above are unaudited data.

BPE	Pro-forma 2023	Pro-forma 2024	Consolidated 2023	Consolidated 2024	Pro- Forma vs Conso 2023	Pro- Forma vs Conso 2024
Revenue (net MMFF)	27.188.577	40.617.565	24.717.552	34.038.945	2.471.025	6.578.620
Cost of Goods sold	8.951.332	13.548.370	6.612.307	10.577.224	2.339.025	2.971.147
Net Revenue	**18.237.245**	**27.069.194**	**18.105.245**	**23.461.721**	**132.000**	**3.607.473**
% Revenue	67%	67%	73%	69%		
Personnel costs	10.613.549	16.741.837	10.613.549	14.599.811	0	2.142.026
Net Margin	7.623.696	10.325.472	7.491.696	8.967.525	132.000	1.357.947
(-) General cost	2.331.236	3.156.738	2.199.236	2.698.101	132.000	458.638
Total general, personel+general	12.944.785	24.979.409	12.812.785	17.297.912	132.000	7.681.496
EBITDA	**5.292.460**	**7.170.619**	**5.292.460**	**6.163.809**	**0**	**1.006.810**
% margin	29%	26%	29%	26%		
Financial results	1.916.262	993.657	(143.576)	(545.837)	2.059.838	1.539.494
Extra results	(1.031.314)	(2.167.518)	(1.181.042)	(2.093.827)	149.728	(73.691)
PBTA	**6.177.407**	**5.996.757**	**3.967.841**	**3.524.144**	**2.209.566**	**2.472.613**
Amortisation	436.081	583.283	711.335	1.076.151	(275.254)	(492.868)
Tax	880.011	984.162	880.011	967.575	0	16.587
Net profit	**4.861.315**	**4.429.311**	**2.376.495**	**1.480.418**	**2.484.820**	**2.948.893**
ADJUSTED OPERATING EBITDA						
Operation Profit and Lost	**3.825.064**	**4.419.817**	**3.400.083**	**2.993.831**	**424.981**	**1.425.986**
Amortisation on assets	436.081	583.283	711.335	1.076.151	(275.254)	(492.868)
Severance cost	144.181	259.318	144.181	253.893	0	5.425
Depreciation comercial	124.890	308.924	124.890	236.573	0	72.351
Tributes	15.456	28.748	15.456	24.926	0	3.823
Depreciation property, plant and equipment	25.351	32.136	25.351	38.647	0	(6.511)
Regularizations and others	(54.417)	43.395	(54.417)	44.792	0	(1.397)
Board expenses	185.413	299.176	185.413	299.176	0	0
Acquisition and set-up related expenses	590.440	87.148	740.167	87.148	(149.727)	0
Operating EBITDA	5.292.460	7.170.619	5.292.460	6.163.809	0	1.006.810
Pro-forma Adjustments	0	0	0	0	0	0
Operating EBITDA (pro forma)	5.292.460	7.170.619	5.292.460	6.163.809	0	1.006.810

3. Use of financial instruments

There are no liquidity risks, nor any cash flow risks, due to the company’s good financial position, which has positive working capital. The Group does not use derivative financial instruments for liquidity management.

This working capital ensures the necessary solvency to meet estimates and ensure payment of short-term financing needs.

4. Research and development activities

In 2024, we launched a research and development project with an ambitious goal: revolutionise the concept of creativity at Jungle. We don't want to anticipate change, but to imagine and create new realities that we can lead.

This project has been an exercise in radical exploration. We have analysed the forces of change impacting the creative industry to generate innovative possibilities, beyond conventional boundaries and biases that reduce our ability to see.

Key objectives:

- Transform the creative industry, giving Jungle a unique perspective to disrupt the sector.
- Redefine our positioning, expanding the boundaries of what Jungle can be in the coming years.

- Contribute to strategic content, providing key information for decision-making on the future of the ecosystem and the value we generate for clients.
- Foster a culture of innovation, creating a framework of experimentation for disruptive projects, where creativity, rigour and curiosity go hand in hand.
- Dynamise the Jungle ecosystem, integrating futures thinking into our daily operations and strengthening the interaction between our companies.

Furthermore, as a result of this process, we have developed a new strategic planning model that rethinks Jungle's structure (holding-subsidiaries) to ensure its long-term relevance and success. It is not only about optimising short-term results, but also about building a sustainable organisation, with processes and structures aligned to the future.

The research and development activities associated with this project are explained in Note 4 of the notes to the consolidated financial statements and capitalised in accordance with the conditions set out in the accounting and valuation rules (note 3f of the consolidated financial statements).

5. Treasury Stock

In 2023, a total of 139,350 shares were acquired for a value of EUR 478,565 and 368,119 shares were sold at a cost of EUR 230,046.

During 2024, 82,000 shares were acquired for a value of EUR 279,776 and 94,118 shares were sold at a cost of EUR 90,930.

The shares held by the Parent Company on 31 December 2024 and 2023 are as follows:

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2024	672.424	0,97	649.648

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2023	684.582	0,67	460.803

On the date these Consolidated Annual Accounts are drawn up, the Board of Directors of the Parent Company has not made a decision on the final intended destination for the aforementioned own shares

6. Average payment period

The average payment period is included in Note 9 of the accompanying Notes to the Consolidated Financial Statements.

7. Subsequent events

There have been no subsequent events to disclose after the year end and up to the preparation of these Consolidated Financial Statements.

8. Foreseeable development of the Company

As noted above, in 2024 we developed our Strategic Plan for the next 1,000 days, defining a clear roadmap for the period 2025-2027.

The objective is to drive the Group's growth through strategic acquisitions, adding companies that complement and expand our existing capabilities.

This accelerated growth responds to a market reality: large clients are looking for suppliers with a minimum size that guarantees stability, security and access to the best talent, something that few independent companies can offer. In this industry, turnover is not just a metric, but a key factor for long-term competitiveness.

Through this combination of programmatic M&A and organic growth, the Group aims to maintain the positive trajectory in revenues, earnings and profitability that it has consolidated in recent years.

9. Environment

The Company complies with all environmental regulations and cooperates with organisations set up to improve the environment.

The Group's strategy is to anticipate trends and constantly protect and reinforce its corporate image. With this in mind, it is a priority to become a leader in the sector, especially on issues that concern the well-being of society as a whole, such as environmental and social governance.

To achieve this aspiration, the Group has achieved B-Corp certification in 2022. Certified B-Corporations are a new type of business that balances purpose and profit. They are required to consider the impact of their decisions on their employees, customers, suppliers, the community and the environment. This rating certifies that JUNGLE is a member of a global community of leaders driving a a community of companies that use business as a force for the common good.

Certified B Corporations receive this status from the non-profit B Lab. To achieve this status, companies must have a high standard of social and environmental performance as measured by the B Impact Assessment, verify their scores through transparency requirements and legally commit to consider all stakeholders, not just shareholders.

In summary, JUNGLE is a for-profit corporation with a modified standard of fiduciary duty, subject to high standards of purpose, accountability and transparency, and which has internalised its duty to consider the best interests for employees, communities, customers and suppliers, as well as shareholders.

10. Main business risks

Information on the main business risks required by law can be found in Note 14 of the accompanying notes to the consolidated financial statements.

Consolidated Financial Statements

JUNGLE21, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 (EXPRESSED IN EURO)

ASSETS	Notes	31.12.2024	31.12.2023
NON-CURRENT ASSETS		**10,676,877**	**5,283,635**
Intangible fixed assets		**7,783,239**	**2,259,723**
Consolidation goodwill	8	7,032,320	2,107,236
Other intangible fixed assets	7	750,919	152,487
Tangible fixed assets		**1,211,384**	**1,149,137**
Technical installations and other tangible fixed assets	9	1,211,384	1,149,137
Long-term investments in group and associated companies	**11**	**136,578**	**136,578**
Other financial assets		136,578	136,578
Long-term financial investments	**11**	**1,094,585**	**960,553**
Deferred tax assets	**15**	**451,091**	**777,643**
CURRENT ASSETS		**13,711,387**	**10,064,348**
Inventories	**12**	**106,168**	**48,986**
Commercial debtors and other accounts receivable		**8,386,452**	**5,482,621**
Clients from sales and provision of services	11	8,287,215	5,366,524
Other loans with public administrations	15	99,237	116,097
Short-term financial investments	**11**	**1,348,578**	**10,000**
Short-term accruals		**194,757**	**122,025**
Cash and other cash equivalent	**11**	**3,675,432**	**4,400,715**
TOTAL ASSETS		**24,388,264**	**15,347,983**

The accompanying Notes to the Consolidated Financial Statements form an integral part of the Consolidated Financial Statements for 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 (EXPRESSED IN EURO)

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	31.12.2024	31.12.2023
SHAREHOLDERS' EQUITY		**2,957,043**	**3,121,430**
OWN FUNDS	**13**	**2,957,043**	**3,121,430**
Capital	**13**	**165,862**	**165,862**
Issued capital		165,862	165,862
Issue premium	**13**	**-**	**-**
Reserves	**13**	**1,900,143**	**1,039,876**
Legal and statutory resreves		33,173	33,173
Reserves in fully consolidated companies		-800,387	-699,048
Other reserves		2,667,357	1,705,751
(Shares and holdings of the parent company)	**13**	**-649,648**	**-460,803**
Profit and loss for the year attributed to the parent company	**13**	**1,543,658**	**2,376,495**
Profit and loss attributable to external partners	**13**	**-63,240**	**-**
External Partners	**13**	**60,268**	**-**
NON-CURRENT LIABILITIES		**8,909,359**	**3,143,464**
Long-term debts	**11**	**8,898,926**	**3,133,031**
Debts with credit institutions		5,212,603	2,577,577
Creditors for financial leasing		40,078	16,863
Other financial liabilities		3,646,245	538,592
Deferred tax liabilities	**15**	**10,433**	**10,433**
CURRENT LIABILITIES		**12,521,861**	**9,083,089**
Short-term debts	**11**	**5,768,823**	**4,072,423**
Debts with credit institutions	11	5,334,076	3,908,869
Creditors for financial leasing	11	19,130	3,976
Other financial liabilities	11	415,618	159,577
Commercial creditors and other accounts payable	**11**	**6,753,038**	**5,010,666**
Suppliers	11	3,518,181	1,766,811
Other creditors	11	458,366	261,521
Personnel remunerations pending payment	11	142,154	60,707
Current tax liabilities	15	460,715	779,739
Other debts with public administrations	15	1,870,333	1,799,472
Advance payments from clients	11	303,289	342,416
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**24,388,263**	**15,347,983**

The accompanying Notes to the Consolidated Financial Statements form an integral part of the Consolidated Financial Statements for 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A. AND SUBSIDIARIES

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE AS AT 31 DECEMBER 2024 (EXPRESSED IN EUROS)

	Notes	31.12.2024	31.12.2023
CONTINUING OPERATIONS			
Net turnover	**16**	**33,839,560**	**24,704,607**
Provision of services		33,839,560	24,704,607
Changes in inventories of finished goods and work in progress		**-**	**-20,615**
Work carried out by the company for its assets		**284,561**	**-**
Provisioning	**16**	**-10,672,624**	**-6,612,307**
Work carried out by other companies		-10,672,624	-6,612,307
Other operating income		**199,385**	**33,561**
Ancillary income and others from current operations		-8,748	-
Operating grants included in the profit and loss for the year		208,133	33,561
Personnel expenses	**16**	**-16,230,635**	**-11,349,967**
Wages, salaries and similar		-13,028,116	-9,047,694
Social contributions		-3,202,519	-2,302,273
Other operating expenses	**16**	**-3,316,827**	**-2,523,197**
External services		-3,055,328	-2,382,852
Taxes		-24,926	-15,456
Losses, impairment and variation of provisions due to commercial operatio	11	-236,573	-124,890
Depreciation of fixed assets	**7,8,9**	**-1,076,151**	**-711,335**
Impairment and profit and loss due to transfers of fixed assets	**7.9**	**-38,647**	**-25,351**
Profits and losses from transfers and others		-38,647	-25,351
Other profit or losses		**5,208**	**-95,311**
OPERATING PROFIT AND LOSS		**2,993,831**	**3,400,083**
Financial income		**98**	**2,423**
From negotiable securities and other financial instruments		98	2,423
Financial expenses		**-531,303**	**-262,151**
Due to debts with third parties		-531,303	-262,151
Changes in fair value of financial instruments	**11**	**6,256**	**116,641**
Fair value with changes in profits and losses		6,256	116,641
Exchange differences		**-1,154**	**-489**
Impairment and profit and loss for transfers of financial instruments		**-19,735**	**-**
FINANCIAL PROFIT AND LOSS		**2,447,993**	**3,256,506**
PROFIT AND LOSS BEFORE TAXES		**2,447,993**	**3,256,506**
Tax on profits	**15**	**-967,575**	**-880,011**
PROFIT AND LOSS FOR THE YEAR FROM CONTINUOS		**1,480,418**	**2,376,495**
PROFIT AND LOSS FOR THE FINANCIAL YEAR		**1,480,418**	**2,376,495**
Result attributable to the parent company		1,543,658	2,376,495
Result attributable to minority interest		-63,240	-

The accompanying Notes to the Consolidated Financial Statements form an integral part of the Consolidated Financial Statements for 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE AS AT 31 DECEMBER 2024 (EXPRESSED IN EUROS)

	Notas	31.12.2024	31.12.2023
Consolidated profit and loss for the financial year		**1,480,418**	**2,376,495**
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENSES		**1,480,418**	**2,376,495**
a) Attributable to the Parent Company		1,543,658	2,376,495
b) Attributable to Minority interest		-63,240	-

The accompanying Notes to the Consolidated Financial Statements form an integral part of the Consolidated Financial Statements for 2024.

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JUNGLE21, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024 (EXPRESSED IN EUROS)

	Notes	Book value	Reserves	Treasury	Result of the	Minority	TOTAL
ADJUSTED BALANCE AT START OF YEAR 2023		165,862	645,135	(212,283)	253,529	-	852,242
Total recognised income and expenses		-	-	-	2,376,495	-	2,376,495
Transactions with shareholders or owners		-	-886,875	-	-	-	-886,875
Distribution of dividends		-	-886,875	-	-	-	-886,875
Other changes in shareholders' equity		-	1,281,616	-248,520	-253,529	-	779,567
BALANCE AT END OF YEAR 2023		165,862	1,039,876	-460,803	2,376,495	-	3,121,430
Error correction adjustments	2j	-	-	-	-	-	-
ADJUSTED BALANCE START OF YEAR 2024		165,862	1,039,876	-460,803	2,376,495	-	3,121,430
Total recognised income and expenses		-	-	-	1,480,418	-	1,480,418
Transactions with shareholders or owners		-	-1,470,928	-	-	-	-1,470,928
Distribution of dividends		-	-1,470,928	-	-	-	-1,470,928
Entries in the scope of consolidation		-	-	-	-	60,268	60,268
Removals from the scope of consolidation			2,376,495	-	-2,376,495	-	-
Other changes in shareholders' equity	12d	-	-45,300	-188,846	-	-	-234,146
BALANCE AT END OF YEAR 2024		165,862	1,900,143	-649,648	1,480,418	60,268	2,957,042

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JUNGLE21, S.A. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024 (EXPRESSED IN EUROS)

	Notas	31.12.2024	31.12.2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit and loss for the year before tax		**2,447,993**	**3,256,506**
From continuing operations		2,447,993	3,256,506
Adjustments to profit and loss		**1,879,192**	**1,005,153**
Depreciation of fixed assets		1,076,151	711,335
Measurement corrections for impairment		236,573	124,890
Profit and loss on disposal and transfers of fixed assets		38,647	25,351
Finance income		-98	-2,423
Finance expenses		533,021	262,151
Exchange differences		1,154	489
Change in fair value of financial instruments		-6,256	-116,641
Changes in working capital		**-1,725,303**	**-139,414**
Inventories		-57,181	6,217
Debtors and other accounts receivable		-3,410,494	-1,416,575
Creditors and other accounts payable		1,742,372	1,813,955
Other non-current assets and liabilities		-	1,028,087
Other cash flows from operating activities		**-1,246,678**	**-1,052,089**
Interest payments		-533,021	-262,151
Collection of interest		98	2,423
Collection (payments) due to tax on profits		-641,023	-791,459
Other collections (payments)		-72,732	-902
Cash flows from operating activities		**1,355,205**	**4,582,986**
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Payments due to investments		**-6,776,467**	**-1,431,011**
Intangible fixed assets		-61,895	-4,864
Tangible fixed assets		-123,781	-594,765
Other financial assets		-1,466,353	-831,382
Other cash payments to acquire debt or equity instruments		-2,592,892	-
Collections due to de-investments		**39,774**	**668,807**
Other financial assets		-	668,807
Tangible fixed assets		39,774	-
Cash flows from investing activities		**-4,205,148**	**-762,203**
CASH FLOWS FROM FINANCING ACTIVITIES			
Collections and payments for equity instruments		**-188,846**	**-248,520**
Acquisition of equity instruments		-188,846	-248,520
Collections and payments due to financial liabilities instruments		**4,014,659**	**-514,652**
Issue		8,011,448	3,714,275
Debts with credit institutions		8,011,448	3,763,632
Other debts		-	-49,358
Repayment and amortisation of		-3,996,788	-4,228,927
Debts with credit institutions		-3,912,846	-3,659,571
Other debts		-83,943	-569,356
Payments for dividends and remuneration from other equity instruments		**-1,700,000**	**-886,875**
Dividends		-1,700,000	-886,875
Cash flows from financing activities		**2,125,813**	**-1,650,047**
EFFECT OF EXCHANGE RATE CHANGES		**-1,154**	**-489**
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS		**-725,284**	**2,170,246**
Cash and cash equivalents at the start of the year		4,400,715	2,230,469
Cash and cash equivalents at the end of the year		3,675,432	4,400,715

The accompanying Notes to the Consolidated Financial Statements form an integral part of the Consolidated Financial Statements for 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A. AND SUBSIDIARIES

Notes to the consolidated financial statements for the financial year 2024

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 21). In the event of a discrepancy, the Spanish-language version prevails.

1. General Information

Parent company, subsidiary companies and associated companies

JUNGLE21, S.A. and its subsidiaries are an ecosystem of creative companies dedicated to the provision of strategic consulting services, industrial design, advertising, communication, public relations, as well as the design of digital products and services. This includes a wide range of activities such as field and digital research, trend analysis and anticipation, brand strategy and design, industrial design, creation of digital products and services, event production, advertising campaigns, content generation for brands, digital and social strategy, public relations, influencer marketing and corporate communication.

The company JUNGLE21, S.A., parent company of the Group, was incorporated as a corporation on 17 May 2000. Its registered office is at Calle Antonio Maura, 16, in Madrid.

In line with the growth of recent years, on 25 February 2022, the Euronext Board approved the incorporation of JUNGLE shares for trading in Euronext Access. The company received the official letter of approval and the first trading date was 4 March 2023.

The Group's functional currency is the euro.

The Consolidated Annual Accounts for the financial year 2022 were drawn up by the Board of Directors of the Parent Company on 15 March 2024 and were approved on 13 June 2024 by the Ordinary General Shareholders.

The Company is majority-owned by MISS VALENTINE, S.L., which is the head of a group of subsidiaries and, in accordance with current legislation, is not obliged to draw up consolidated annual accounts, being exempt from this obligation, due to the small size of the group. In any case, the Directors have drawn up the consolidated annual accounts, in a meeting of their Board of Directors held on 28 March 2025.

2. Subsidiaries

2.1. Subsidiaries.

Consolidation has been carried out by applying the full consolidation method to all subsidiaries, which are those in which the Group exercises or may exercise, directly or indirectly, control, understood as the power to govern the financial and operating policies of a company in order to obtain economic benefits from its activities. This is generally, but not exclusively, evidenced by direct or indirect ownership of 50% or more of the voting rights of the company.

Minority interests in the equity and results of the consolidated subsidiaries are presented under "Minority interests" in "Consolidated equity" in the consolidated balance sheets and "Profit attributable to minority interests" in the consolidated income statement, respectively.

Appendix I lists the subsidiaries included in the scope of consolidation.

2.2. Changes in the scope of consolidation

In 2024, the Group made the following acquisitions of subsidiaries:

- Web Partners Madrid, S.L., acquired on 14 March, provides IT consultancy services, website creation, as well as the implementation, development and marketing of computer programmes.
- Bum Blasi Urgell Morales, S.L., acquired on 23 April, provides advertising, public relations and similar services.
- Liquid Maths, S.L., acquired on 21 June, provides IT consultancy services, website creation, as well as the implementation, development and marketing of computer programs.
- Move Branding S.L., acquired on 20 December, provides advertising, public relations and similar services.

In all of them, the nominal percentage of the capital acquired is 100%, with the exception of Web Partners Madrid, S.L., which is 75.04%.

All the aforementioned companies, as well as the parent company, close their financial statements as at 31 December 2024 and have been included in the consolidation using the full consolidation method.

The assumption that determines the configuration of these companies as subsidiaries is the holding of the majority of the voting rights.

On 13 June 2024, the General Meeting of Shareholders of the Parent Company approved the distribution of the profit for the year 2023, amounting to 2,283,127 euros, with 1,700,000 euros going to dividends and 583,127 euros to the Parent Company's voluntary reserves.

In the financial year 2023, the Group carried out the following transactions:

On 21 April 2023, all the available shares of Holyvama Capital, S.L. were sold, leaving the consolidation perimeter of the Group and generating a positive result of 40,433 euros.

On 17 October 2023, Randm Production, S.L., now called True Relaciones Públicas, S.L. and Full Circle Karma, S.L., now called PS21 Barna, S.L., changed their names.

3. <u>Basis of presentation of the Consolidated Annual Accounts</u>

3.1. Financial reporting framework applicable to the Group

These Consolidated Financial Statements have been prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Group, which is set out in:

a. Commercial Code and other commercial legislation.
b. The Rules for the Preparation of Consolidated Financial Statements approved by Royal Decree 1159/2010 and the General Accounting Plan approved by Royal Decree 1514/2007 and by Royal Decree 1/2021, and their sectorial adaptations.
c. The mandatory rules approved by the Instituto de Contabilidad y Auditoría de Cuentas (Accounting and Auditing Institute) in development of the General Accounting Plan and its complementary rules.
d. All other applicable Spanish accounting legislation.

3.2. True and fair view

The accompanying consolidated financial statements were obtained from the accounting records of the Company and its investees and are presented in accordance with the applicable regulatory financial reporting framework and, in particular, with the accounting principles and criteria contained therein, so as to present fairly the Group's equity, financial position, results of operations and cash flows for the year. These Consolidated Annual Accounts, which were prepared by the Board of Directors on 28 March 2025, will be submitted for approval at the respective Ordinary General Shareholders' Meetings, and it is expected that they will be approved without any changes. The Consolidated Financial Statements for 2023 were approved by the General Meeting of Shareholders held on 13 June 2024.

These consolidated financial statements omit information or disclosures which, although not requiring detail due to their qualitative importance, are considered immaterial or immaterial in accordance with the concept of materiality or materiality as defined in the conceptual framework of PGC 2007.

3.3. Applied non-mandatory accounting principles

The consolidated financial statements have been prepared in accordance with mandatory accounting principles. There are no accounting principles, the effect of which is material, that have not been applied.

3.4. Critical aspects of uncertainty valuation and estimation

In preparing the accompanying consolidated financial statements estimates were made by the Parent Company's directors in order to measure certain of the assets, liabilities, income, expenses and commitments reported herein. These estimates relate basically to

- The useful life and recoverability of tangible and intangible assets (Note 7, Note 8 and Note 9).
- The recoverability of deferred tax assets (Note 15).
- The calculation of provisions, as well as the probability of occurrence and the amount of undetermined or contingent liabilities (Note 5.12).

Although these estimates have been made on the basis of the best information available at year-end 2024, future events may make it necessary to change these estimates (upwards or downwards) in the coming years, if necessary prospectively.

3.5. Comparison of information

The application of accounting principles in 2024 and 2023 has been uniform, and therefore there are no transactions or operations that have been recorded according to different accounting principles that could give rise to discrepancies in the interpretation of the comparative figures for both periods.

3.6. Grouping of items

Certain items in the Balance Sheet, Consolidated Income Statement, Statement of Changes in Equity and Statement of Cash Flows are grouped together for ease of reference, although, to the extent material, the information is disclosed in the Notes to the consolidated financial statements.

3.7. Items disclosed under several line items

In preparing the Consolidated Financial Statements, no items have been identified that have been recorded in two or several line items.

3.8. Changes in accounting criteria

No changes were made to the accounting policies in the Consolidated Financial Statements for the year 2024.

3.9. Correction of errors

In the preparation of the Consolidated Financial Statements no errors were identified that could be corrected.

4. Application of losses of Parent Company

The proposed application of the Parent's profit made by the Board of Directors and which is expected to be approved without modification by the General Meeting of the Parent is as follows:

Basis of distribution	
Losses and gains (profits)	1.480.418
Application	
Interim dividend	
To voluntary reserves	1.480.418
Total	1.480.418

In the last 5 financial years the Parent Company has distributed the following dividends:

	Euros				
	2024	2023	2022	2021	2020
Dividends distributed	1,700,000	886,875	1,700,000	-	-

5. Recording and valuation rules

These Consolidated Financial Statements have been prepared in accordance with the accounting principles and valuation and classification rules contained in current mercantile legislation. The main criteria applied in relation to the different items are as follows:

5.1. Principles of consolidation applied

Transactions between companies included in the scope of consolidation

In the consolidation process, balances, transactions and results between fully consolidated companies have been eliminated.

Homogenisation of items

The accounting principles and procedures used by the Group companies have been standardised in order to present the consolidated financial statements on a uniform basis.

If any item of assets or liabilities or any income or expense or other item in the consolidated financial statements has been measured on a basis that is inconsistent with that applied on consolidation, that item is remeasured, and only for the purpose of consolidation, on that basis, unless the result of the remeasurement is of little significance for the purpose of arriving at a true and fair view of the Group.

Translation of foreign currency financial statements

All companies in the scope of consolidation have the euro as their currency and therefore no translation differences are recorded.

5.2. Conolidated Goodwill and business combinations

The acquisition by the Parent Company of control of a subsidiary constitutes a business combination to which the acquisition method is applied. In subsequent consolidations, the elimination of the investment - Equity of subsidiaries is generally based on the values resulting from applying the acquisition method described below at the date of control.

Business combinations are accounted for using the acquisition method, whereby the acquisition date is determined and the cost of the combination is calculated, and the identifiable assets acquired and liabilities assumed are recognised at their fair value as of that date.

Goodwill or the negative goodwill of the combination is determined by the difference between the fair values of the assets acquired and liabilities assumed as recorded and the cost of the combination as at the acquisition date.

The cost of the combination is determined by the aggregation of:

- The acquisition-date fair values of assets transferred, liabilities incurred or assumed and equity instruments issued.
- The fair value of any contingent consideration that is dependent on future events or the fulfilment of predetermined conditions.

Costs related to the issue of the equity instruments or financial liabilities delivered in exchange for the items acquired are not part of the cost of the combination.

If the business combination is carried out in stages, so that prior to the date of acquisition (date of takeover), there was a previous investment, the goodwill or negative difference is obtained by the difference between:

- the cost of the business combination plus the acquisition-date fair value of any previously held interest of the acquirer in the acquiree; and
- The value of the identifiable assets acquired less the value of the liabilities assumed, determined as described above.

Any gain or loss arising from the measurement at fair value at the date that control of the previously held interest in the acquiree is obtained shall be recognised in the Consolidated Income Statement. If the investment in this investee had previously been measured at fair value, the valuation adjustments pending recognition in profit or loss are transferred to the Consolidated Income Statement. On the other hand, the cost of the business combination is presumed to be the best benchmark for estimating the acquisition-date fair value of any previous investment.

Goodwill arising on the acquisition of companies with a functional currency other than the euro is measured in the functional currency of the acquired company and translated into euro at the exchange rate prevailing at the balance sheet date.

Goodwill is amortised and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses recognised. Since 1 January 2016, in accordance with applicable regulations, the useful life of goodwill has been set at 10 years and its recovery is on a straight-line basis.

In addition, at least once a year, these cash-generating units are tested for impairment and, if any, are subject to an impairment test in accordance with the methodology described below and, where appropriate, the corresponding valuation adjustment is recognised.

Impairment losses recognised in goodwill are not reversed in subsequent years.

In the exceptional case that a negative difference arises in the combination, it is taken to the Consolidated Profit and Loss Account as income.

If at the closing date of the year in which the combination occurs the valuation processes necessary to apply the acquisition method described above cannot be completed, this accounting is considered provisional, and these provisional values may be adjusted in the period necessary to obtain the required information, which in no case exceeds one year. The effects of adjustments made in this period are accounted for retrospectively by modifying the comparative information if necessary.

Subsequent changes in the fair value of contingent consideration are adjusted against profit or loss, unless the contingent consideration has been classified as equity in which case subsequent changes in its fair value are not recognised.

If subsequent to the acquisition of control there are transactions to sell or purchase interests in a subsidiary without loss of control, the impacts of these transactions without change of control are accounted for in equity and the amount of goodwill on consolidation remains unchanged.

5.3. Intangible fixed assets

As a general rule, intangible fixed assets are recorded if they are identifiable and are initially recognised at their net acquisition cost or production cost, then subsequently reduced at the corresponding rate of accumulated depreciation and accounting for any impairment losses they might have suffered. In particular the following criteria apply:

a) Research and development expenditure

Research expenses and development incurred during the year are recognised in the consolidated income statement. However, the Group capitalises these expenses as intangible assets if the following conditions are met:

- They are specifically individualised by projects and their cost is clearly established so that they can be distributed over time.
- There are well-founded reasons for the technical success and economic-commercial profitability of the project.

Development expenses are also recognised under assets when they meet the above conditions.

The research and development expenses shown under assets are depreciated straight-line basis over their useful life (5 years), with a maximum of five years.

b) Industrial property

This is initially valued at the acquisition price or production cost, including recording and formalisation costs. It is depreciated on a straight-line basis over its useful life.

c) IT applications

This concept includes the amounts paid for access to the ownership of or the right to use computer programs.

The computer programs that meet the recognition criteria are recognised at their cost of acquisition or development. Depreciation is carried out depreciated straight-line basis over a period of 5 years starting from the first use of each application.

The maintenance costs of the IT applications are expensed in the year in which such costs are incurred.

5.4. Tangible fixed assets

Property, plant and equipment are stated at acquisition or production cost increased, where appropriate, by the revaluations made pursuant to the various legal provisions, the most recent of which corresponds to Royal Decree-Law 7/1996, of 7 June, less accumulated depreciation and any impairment losses incurred.

Indirect taxes on tangible fixed assets are only included in the purchase price or production cost when they are not directly recoverable from the tax authorities.

The initial estimate of the present value of the obligations assumed as a result of dismantling or removal and other obligations associated with the asset, such as the costs of rehabilitating the site on which it is located, is included as an increase in the value of property, plant and equipment, provided that these obligations give rise to the recognition of provisions.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of assets are expensed as an increase in the cost of the assets. Update and maintenance expenses are charged to the Consolidated Income Statement in the year in which they are incurred.

The work carried out by the Group on its own fixed assets is reflected on the basis of the cost price of raw materials and other consumables, the costs directly allocable to these assets and a reasonable proportion of indirect costs.

The Group depreciates its tangible fixed assets depreciated straight-line basis over the estimated useful lives of the assets. The years of useful life applied are as follows:

Element	%	Years of useful life
Buildings	20	5
Furniture	15	7
Information processing equipment	25	4
Vehicles	15	7
Other tangible fixed assets	10	10

5.5. Impairment of the value of non-financial assets

An impairment loss occurs when the carrying amount of an item of property, plant and equipment or intangible asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

For these purposes, at least at year-end, the Company evaluates, through the so-called “impairment test” if there are indications that any tangible or intangible fixed assets, with an indefinite useful life, or, where appropriate, any cash-generating unit may be impaired, in which case its recoverable amount is estimated by making the corresponding measurement corrections.

Calculations of impairment of tangible fixed assets are made on an individual basis. However, when it is not possible to determine the recoverable amount of each individual asset, the recoverable amount of the cash-generating unit to which each item of the fixed asset belongs is determined.

In the event that an impairment loss of a cash-generating unit to which all or part of a Goodwill has been assigned needs to be recognised, first of all the book value of the Goodwill corresponding to that unit is reduced. If the impairment loss is greater than this amount, the remaining assets of the cash-generating unit are reduced in second place, in proportion to their book value, up to the limit of the higher value between: their fair value minus the costs of sales, their value in use and zero. The impairment loss must be recorded against the profit or loss for the period.

When an impairment loss is subsequently reversed (a procedure that is not permitted in the specific case of Goodwill), the book value of the asset or cash-generating unit is increased by the revised estimate of its recoverable amount, but in such a way that the increased book value does not exceed the book value that would have been determined had no impairment loss been recognised in prior periods. Such reversal of an impairment loss is recognised as income in the consolidated profit and loss account.

5.6. Leasing and other transactions of a similar nature

The Group recognises as financial leases those transactions whereby the lessor transfers substantially all the risks and rewards of ownership of the asset covered by the contract to the lessee and the remainder is recognised as operating leases.

Financial leasing

i. The Group acts as lessee

In finance leases in which the Group acts as lessee, the Group recognises an asset in the balance sheet according to the nature of the leased asset and a liability for the same amount, which is the lower of the fair value of the leased asset and the present value at the commencement of the lease of the agreed minimum amounts, including the purchase option. It does not include contingent fees, the cost of services and taxes chargeable by the lessor. The finance charge is recorded in the profit and loss account for the year in which it accrues, using the effective interest rate method. Quotas of a contingent nature are recognised as an expense in the year in which they are incurred.

The assets recognised for this type of transaction are depreciated using the same criteria as those applied to all the tangible (or intangible) assets, depending on their nature.

Operating leasing

i. The Group acts as lessee

Expenses derived from operating lease agreements are recognised in the consolidated profit and loss account in the year in which they accrue.

Any collection or payment made under an operating lease is treated as an advance collection or payment, which is charged to profit and loss over the lease term as the benefits of the leased asset are transferred or received.

5.7. Financial instruments

At the time of initial recognition, the Group classifies financial instruments as a financial asset, a financial liability or an equity instrument, based on the economic base of the transaction, and taking into account the definitions of financial asset, financial liability and equity instrument, of the financial reporting framework that applies to it.

The recognition of a financial instrument occurs at the time when the Group becomes a party bound by an obligation to it, either as an acquirer, as a holder or as an issuer thereof.

5.7.1 Financial assets

The Group classifies its financial assets according to the business model applied to them and the cash flow characteristics of the instrument.

The business model is determined by the Group's management and reflects the way in which each group of financial assets is managed together to achieve a specific business objective. The business model that the Group applies to each Group of financial assets is the way in which the Group manages its financial assets with the objective of generating cash flows.

In categorising assets, the Group also takes into account the characteristics of the cash flows that accrue from them. In particular, it distinguishes between those financial assets whose contractual terms give rise, on specified dates, to cash flows that are principal and interest payments on the principal amount outstanding (hereinafter, UPPI assets) and other financial assets (hereinafter, non-UPPI assets).

Specifically, the Group's financial assets are classified into the following categories:

a. Financial assets at fair value with changes in the profit or loss acount

As a general criterion, the Group classifies its financial assets as financial assets at fair value with changes in the profit and loss account, unless they have to be classified in some other category of those indicated subsequently for them by the applicable regulatory financial reporting framework.

In particular, financial assets held for trading are classified within this category. The Group considers a financial asset to be held for trading when:

- It is originated or been acquired for the purpose of being sold in the short term.
- It forms part, on initial recognition, of a portfolio of jointly identified and managed financial instruments for which there is evidence of recent actions to realise gains in the near term; or
- It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

In any case, at the time of initial recognition, the Group classifies within this category any financial asset that it has designated as a financial asset at fair value with changes in the profit and loss account, because with this it eliminates or significantly reduces an inconsistency of measurement or accounting asymmetry that would arise if classified in any other of the categories.

They are initially recorded at their fair value, which, unless evidenced otherwise, will be the transaction price, which will be equivalent to the fair value of the consideration delivered. Transaction costs that are directly attributable to them are recognised as an expense in the consolidated profit and loss account.

After initial recognition, the Group records the assets included in this category at fair value, recording the changes in the consolidated profit and loss account.

b. Financial assets at amortised cost

These correspond to financial assets to which the Group applies a business model that has the objective of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are only collections of principal and interest on the amount of outstanding principal, even if the asset is admitted to trading in an organised market. As such, they are assets that meet the OPPI criteria (financial assets whose contractual conditions give rise, on specified dates, to cash flows that are collections of principal and interest on the amount of outstanding principal).

The Group considers that the contractual cash flows of a financial asset are only collections of principal and interest on the amount of the outstanding principal, when they are the cash flows inherent to an ordinary or common loan, without prejudice to the transaction being agreed at a zero or below-market interest rate. The Group considers that the following do not meet this criterion, and therefore, do not fall into this category: financial assets convertible into equity instruments of the issuer; loans with reverse variable interest rates (i.e. a rate that has an inverse relationship with market interest rates); or those in which the issuer may defer the payment of interest if such payment would affect its solvency, without deferred interest accruing additional interest.

When the Group evaluates whether it is applying the contractual cash flow collection business model to a group of financial assets, or on the contrary, it is applying another business model, it takes into account the timing, frequency and value of sales that are occurring and have occurred in the past within this group of financial assets. Sales themselves do not determine the business model and therefore cannot be considered in isolation. Therefore, the existence of one-time sales, within the same financial asset group, does not determine a change of business model for the other financial assets included within that group. To evaluate whether such sales determine a change in the business model, the Group takes into account existing information on past sales and expected future sales for the same group of financial assets. The Group also takes into account the conditions that existed at the time the past sales occurred and the current conditions, when evaluating the business model that it is applying to a group of financial assets.

In general, trade receivables and non-trade receivables are included in this category:

- Trade receivables: Those financial assets originating from the sale of goods and the provision of services from ordinary operations of the Group for deferred collection.
- Non-trade receivables: Those financial assets that – provided they are not equity instruments or derivatives – have no commercial origin and whose collections are of a determined or determinable amount, derived from loan or credit transactions granted by the Group.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs.

Notwithstanding the foregoing, the trade receivables maturing in less than one year that do not have a contractual interest rate are initially valued at their nominal value provided that the effect of not adjusting the cash flows is not significant, in which case they will then be valued at that amount, unless they have been impaired.

After their initial recognition, they are valued at amortised cost. Accrued interest is accounted for in the consolidated profit and loss account.

At the end of the year, the Group makes the appropriate impairment measurement corrections whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar characteristics of collectively valued risks, has been impaired as a result of one or more events occurring after its initial recognition, resulting in a reduction or delay in the collection of estimated future cash flows, and that may be motivated by the debtor's insolvency.

Impairment adjustments are recorded based on the difference between their book value and the present year-end value of the future cash flows estimated to be generated (including those derived from the execution of real and/or personal guarantees), discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at a variable interest rate, the Group uses the effective interest rate that, in accordance with the contractual conditions of the instrument, is applicable at the closing date of the financial year. These corrections are recognised in the consolidated profit and loss account.

c. Financial assets at cost

This category includes the following financial assets:

- Investments in equity instruments whose fair value cannot be determined by reference to an active market, or cannot be reliably estimated, and derivatives that have such investments as their underlying.
- Hybrid financial assets whose fair value cannot be reliably estimated unless they meet the criteria to be classified as a financial asset at amortised cost.
- Contributions made to joint ventures and similar accounts.
- Participating loans whose interest is contingent either because a fixed or variable interest rate is agreed to be conditional on the borrower meeting a milestone (e.g. making a profit) or because it is calculated by reference to the performance of the borrower's business.
- Any financial asset that could initially be classified as a financial asset at fair value through profit or loss when it is not possible to obtain a reliable estimate of its fair value.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. Fees paid to legal advisors or other professionals involved in the acquisition of the asset are recognised as an expense in the consolidated income statement. Internally generated expenses incurred in the acquisition of the asset are also not recognised as an increase in the value of the asset and are recorded in the Consolidated Profit and Loss Account.

Equity instruments classified in this category are measured at cost less any accumulated impairment losses.

Contributions made as a result of joint ventures and similar arrangements are measured at cost, increased or decreased by the Group's profit or loss, respectively, as a non-managing venturer, less any accumulated impairment losses.

The same criterion is applied to participating loans whose interest is contingent, either because a fixed or variable interest rate is agreed upon conditional upon the achievement of a milestone in the borrower company, or because it is calculated solely by reference to the performance of the borrower company's business. If, in addition to contingent interest, it includes irrevocable fixed interest, the latter is accounted for as finance income on an accruals basis. Transaction costs are taken to the Consolidated Income Statement on a straight-line basis over the life of the participating loan.

At least at year-end, the Group makes the necessary valuation adjustments whenever there is objective evidence that the carrying amount of an investment is not recoverable.

The amount of the valuation adjustment is calculated as 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 future cash flows arising from the investment, which in the case of equity instruments is calculated either by estimating those expected to be received as a result of the distribution of dividends by the investee and the disposal or derecognition of the investment in the investee, or by estimating its share of the cash flows expected to be generated by the investee from both its ordinary activities and its disposal or derecognition.

The recognition of measurement corrections due to impairment in value and, where applicable, their reversal, will be recorded as an expense or income, respectively, in the consolidated profit and loss account. The impairment reversal will be limited to the book value of the investment that would be recognised on the reversal date if the impairment of the value had not been recorded.

d. Derecognition of financial assets

Financial assets are derecognised from the Consolidated Balance Sheet, as established in the Conceptual Accounting Framework of the Spanish National Chart of Accounts, approved by Royal Decree 1514/2007, of 16 November, based on the economic reality of the transactions and not only on the legal form of the contracts that regulate them. Specifically, a financial asset is derecognised, in whole or in part, when the contractual rights to the cash flows from the financial asset have expired or when it is transferred, provided that substantially all the risks and rewards of ownership are transferred. The Group considers that the risks and rewards of ownership of the financial asset are substantially transferred when its exposure to changes in cash flows is no longer material in relation to the total change in the present value of the future net cash flows associated with the financial asset.

If the Group has not substantially transferred or retained the risks and benefits of the financial asset, it is derecognised when no control is retained. If the Group maintains control of the asset, it continues to recognise it for the amount at which it is presented by the variations in value of the transferred asset, that is to say, for its continued involvement, recognising the associated liability.

The difference between the consideration received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, plus any cumulative amount recognised directly in consolidated equity, determines the gain or loss arising on derecognition of the financial asset and forms part of the profit or loss for the period in which it arises.

5.7.2 Financial liabilities

A financial liability is recognised in the consolidated balance sheet when the Group becomes an obligor under the terms of the contract or legal transaction. In particular, financial instruments issued are classified, in whole or in part, as a financial liability if, based on the economic substance of the financial instrument, it creates a direct or indirect contractual obligation for the Group to deliver cash or another financial asset or to exchange financial assets or financial liabilities with third parties on unfavourable terms.

Also classified as a financial liability is any contract that can be settled with the Group's own equity instruments, provided that:

- Is not a derivative and obliges or may oblige to deliver a variable amount of its own equity instruments.
- if it is a derivative with an unfavourable position for the Group that can be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments; for this purpose, own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the Group's own equity instruments.

Additionally, the rights, options or warrants that allow a fixed number of equity instruments belonging to the Group to be obtained are recorded as equity instruments, provided that the Group offers such rights, options or warrants proportionately to all shareholders of the same class of equity instruments. However, if the instruments give the holder the right to settle them in cash or by delivering equity instruments based on their fair value or at a fixed price, they are classified as financial liabilities.

Contributions made as a result of a joint venture agreement and similar accounts are valued at the cost, increased or decreased by the profit or loss, respectively, corresponding to the Group as a non-managing participant, and minus any accumulated amount of measurement adjustments for impairment. In this case, when the entire cost of the joint venture or similar account has been impaired, the additional losses generated by it will be classified as a liability.

Participation loans that accrue contingent interest – either because a fixed or variable interest rate is agreed upon which is conditional on the fulfilment of a milestone in the borrowing company (for example, obtaining profits), or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company – are recorded in the same way. Financial expenses accrued by the participation loan are recognised in the consolidated profit and loss account in accordance with the accrual principle, and transaction costs will be allocated to the consolidated profit and loss account in accordance with a financial criterion or, if not applicable, on a straight-line basis over the life of the participation loan.

In those cases in which the Group does not transfer the risks and benefits inherent to a financial asset, it recognises a financial liability in an amount equivalent to the consideration received.

The categories of financial liabilities, among which the Group classifies them, are as follows:

a. Financial liabilities at amortised cost

In general, the Group classifies the following financial liabilities in this category:

- Trade payables: are those financial liabilities that originate from the purchase of goods and services for ordinary operations with deferred payment, and
- Non-trade payables: are those financial liabilities that, not being derivative financial instruments, have no commercial origin, but that originate from loan or credit transactions received by the Group.

Participation loans that have ordinary or common loan characteristics are also classified within this category.

Financial liabilities at amortised cost are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs.

Notwithstanding the foregoing, trade payables maturing in under one year and which do not have a contractual interest rate – as well as the disbursements paid to third parties on shareholdings, which are expected to be paid in the short term – are initially valued at their nominal value, provided that the effect of not discounting the cash flows is not significant.

Subsequently, they are valued at their amortised cost, employing the effective interest rate. In line with that mentioned in the previous paragraph, those that are initially valued at their nominal value continue to be valued at said amount.

b. Financial liabilities at fair value through profit and loss

Liability derivative financial instruments are measured at fair value using the same criteria as for financial assets at fair value through profit or loss described in the previous section.

Assets and liabilities are presented separately in the Consolidated Balance Sheet and are only presented on a net basis when the company has the enforceable right to set off the recognised amounts and, in addition, intends to settle the amounts on a net basis or to realise the asset and settle the liability simultaneously.

The Group derecognises financial liabilities when the obligations giving rise to them are extinguished.

c. Derecognition of financial liabilities

The Group derecognises a financial liability when the obligation has been extinguished. The Group also derecognises own financial liabilities that it acquires (even with the intention of selling them in the future).

When debt instruments are exchanged with a lender on substantially different terms, the original financial liability is derecognised and the new financial liability that arises is recognised. Similarly, a substantial modification of the current terms of a financial liability is recorded.

The difference between the book value of the financial liability, or the part thereof that has been derecognised, and the consideration paid – including attributable transaction costs, and in which any transferred asset other than the cash or liability assumed is also recorded – is recognised in the consolidated profit and loss account for the year in which it takes place.

When there is an exchange of debt instruments with no substantially different conditions, the original financial liability is not derecognised from the consolidated balance sheet, with the amount of fees paid being recorded as an adjustment of their book value. The new amortised cost of the financial liability is determined by applying the effective interest rate, which is the one that equals the book value of the financial liability on the date of being changed with the cash flows to be paid according to the new conditions.

For these purposes, the conditions of the contracts are considered to be substantially different when the lender is the same as the one that granted the initial loan and the current value of the cash flows of the new financial liability – including the net commission fees – differs by at least 10% of the current value of the cash flows pending payment of the original financial liability, with both being updated at the effective interest rate of the original liability. In addition, in those cases in which said difference is less than 10%, the Group also considers that the conditions of the new financial instrument are substantially different when there are other substantial modifications thereto of a qualitative nature, such as: change from fixed interest rate to variable interest rate or vice versa, the restatement of the liability in a different currency, an ordinary loan that is converted to a participation loan, etc.

5.8. Inventories

Inventories are stated at the lower of acquisition cost, production cost or net realisable value. Trade discounts, rebates obtained, other similar items and interest incorporated in the nominal amount of debits are deducted in determining the acquisition price.

The cost of production includes direct material costs and, where appropriate, direct labour costs and manufacturing overheads.

For inventories that take longer than one year to be ready for sale, cost includes finance charges that have been drawn down by the supplier or relate to loans or other specific or generic external financing directly attributable to manufacture or construction.

In assigning value to its inventories the Group uses the weighted average cost method.

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

The Group makes the appropriate valuation adjustments and recognises them as an expense in the income statement when the net realisable value of inventories is lower than their acquisition price (or production cost).

5.9. Own equity instruments of the Parent Company

An equity instrument represents a residual interest in the equity of the Parent after deducting all of its liabilities.

Capital instruments issued by the Parent Company are recorded in shareholders' equity for the amount received, net of issuance expenses.

Expenses arising from a discontinued or abandoned own equity transaction are recognised in the Consolidated Profit and Loss Account.

In the event of disposal of an own equity instrument, the difference between the consideration received and the carrying amount of the instrument is recognised directly in Consolidated Equity in a reserve account.

Expenses related to the acquisition, disposal or redemption of own equity instruments are recognised in a reserve account.

The shares acquired by the Group are recorded, for the value of the consideration delivered in exchange, directly as a lower value of Shareholders' Equity. The results derived from the purchase, sale, issuance or amortisation of equity instruments are recognised directly in Shareholders' Equity, without in any case any result being recorded in the consolidated profit and loss account.

5.10. Transactions in foreign currencies

Amounts denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the time of the transaction and are translated at year-end at the exchange rate prevailing at that time.

Exchange differences arising as a result of the year-end valuation of debits and credits in foreign currencies are charged directly to the consolidated income statement.

5.11. Tax on profits

The expense or income relating to tax on profits is calculated by adding the current tax expense or income plus the part corresponding to the deferred tax expense or income.

The current tax is the amount that results from applying the tax rate to the taxable profit. Tax deductions and other tax benefits in the amount of tax, excluding tax withholdings and prepayments, as well as tax loss carryforwards from previous periods applied effectively in the period, will result in a reduction of the current tax.

For its part, the deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets for deductible timing differences, for the right to offset tax losses in subsequent financial years and for deductions and other unused tax advantages pending application and deferred tax liabilities for taxable temporary differences.

The deferred tax assets and liabilities are valued at the tax rates expected at the time of their reversal.

Deferred tax liabilities are recognised for all taxable timing differences, except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that does not affect either the tax profit or the accounting profit and is not a business combination.

In accordance with the principle of prudence, the deferred tax assets are only recognised to the extent that obtaining future profits that would enable to apply them is considered likely. Notwithstanding the foregoing, the deferred tax assets corresponding to the deductible temporary differences arising from the initial recognition of assets and liabilities in a transaction that does not affect either the tax profit or the accounting profit and is not a business combination are not recognised.

Both the expenditure or income from current and deferred tax are entered in the profit and loss account. However, the current and deferred tax assets and liabilities that are related to a transaction or event recognised directly in a shareholders' equity item, are recognised with a charge or credit to said item.

The deferred taxes recorded are reviewed at each balance sheet date to verify that they are still in force and the appropriate corrections are made. Likewise, deferred tax assets recognised and those not previously recorded are evaluated, derecognising those recognised assets whose recovery is no longer probable, or recording any assets of this nature not previously recognised, to the extent that their recovery with future tax benefits becomes probable.

The Group does not consolidate fiscally.

5.12. Provisions and contingencies

The Board of Directors of the Parent Company, when preparing the Consolidated Annual Accounts, differentiates between:

a. Provisions

Credit balances covering current obligations arising from past events, the settlement of which is likely to give rise to an outflow of resources, but which are undetermined as to their amount and/or timing.

b. Contingent liabilities

Possible obligations arising from past events, the future materialisation of which is conditional on the occurrence or non-occurrence of one or more future events independent of the Group's will.

The Consolidated Annual Accounts include all the provisions with respect to which it is estimated that the probability that the obligation will have to be settled is greater than the opposite, and are recorded at the present value of the best possible estimate of the amount necessary to settle or transfer the obligation to a third party. Contingent liabilities are not recognised in the consolidated annual accounts, but rather are reported on in the consolidated report.

Provisions are measured at year-end at the present value of the best estimate of the amount required to settle or transfer the obligation to a third party, and adjustments arising from the restatement of those provisions are recorded as a financial expense as they accrue. In the case of provisions maturing in less than or equal to one year, and the financial effect is not significant, no discount rate is applied.

The compensation receivable from a third party on the settlement of the obligation does not decrease the amount of debt, but is recognised as an asset if there are no doubts that said reimbursement will be received.

5.13. Related party transactions

Transactions between related parties, irrespective of the degree of relationship, are accounted for in accordance with the general rules. Consequently, as a general rule, the transaction items are initially recognised at fair value. If the price agreed in a transaction differs from its fair value, the difference is recorded based on the economic reality of the transaction. Subsequent valuation is carried out in accordance with the provisions of the relevant standards.

5.14. Income and Expenses

Income is derived primarily from providing creative services.

To determine whether income should be recognised, the Group follows a five-step process:

1. Identification of the contract with a customer.
2. Identification of performance obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to performance obligations.
5. Revenue recognition when performance obligations are met.

The Group often enters into transactions involving a range of services.

The total transaction price of a contract is allocated among the various performance obligations on the basis of their relative independent selling prices. The transaction price of a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised at a point in time or over time when the Group satisfies performance obligations by transferring promised services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and presents these amounts as other liabilities in the Consolidated Balance Sheet. Similarly, if the Group satisfies a performance obligation before the consideration is received, the Group recognises either a contract asset or a receivable in its Consolidated Balance Sheet statement, depending on whether more than the passage of time is required before the consideration is due.

The Group is engaged in the provision of applied creative services in the different business lines: advertising, communication and digital services. The Group recognises revenue at a specific point in time as services are rendered.

In order to provide services, the Group incurs salary expenses and, in some cases, production costs. Revenue for these services is recognised by the Group over time as it provides services to the customer, and the Group is entitled to be paid for all work performed to date. The Group recognises revenue using the recourse method to measure the progress of work performed and the satisfaction of the committed obligation. The Group adjusts the progress of the work as circumstances change and prospectively records the potential impact as an estimate change.

The income that the Group recognises over time is recognised as an asset under contract, to the extent that it is pending collection. If, on the contrary, the Group has collected payment in advance for work that it has not yet executed, it records a customer advance, under the heading “Commercial creditors and other accounts payable” in the consolidated balance sheet. There is no financial component within these types of contracts, to the extent that the Group receives advance collections to finance the cost of manufacturing the mould, which causes there to be no financial component in the price.

Expenses

Expenses are recognised on an accruals basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Expenses are measured at the fair value of the consideration received, net of discounts and taxes.

5.15. Cash Flow statement

The statement of cash flows has been prepared using the indirect method, and it uses the following expressions with the meaning indicated below:

- Operating activities: activities that constitute the Group's ordinary revenues, as well as other activities that cannot be classified as investing or financing activities.
- Investing activities: activities of acquiring, selling or otherwise disposing 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 Consolidated Equity and liabilities that are not part of operating activities.

5.16. Severance payments

In accordance with current legislation, the Group is required to pay termination benefits to employees whose employment is terminated under certain conditions. Therefore, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate employment is taken. In the accompanying consolidated financial statements, an expense of EUR 253,893 (EUR 144,181 in 2023) is recognised in this connection.

5.17. Environmental assets

Assets of an environmental nature are assets that are used on a lasting basis in the Group's activity, the main purpose of which is the minimisation of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

The Group's activities, by their nature, do not have a significant environmental impact.

5.18. Grants, donations and legacies

The Group accounts for grants, donations and legacies received from third parties other than the owners as follows:

a. Non-refundable grants, donations and capital legacies: These are measured at the fair value of the amount or asset granted, depending on whether or not they are monetary in nature, and are taken to income in proportion to the depreciation charge made in the period for the subsidised items or, where appropriate, when they are disposed of or impaired.
b. Refundable grants: As long as they are refundable, they are recorded as liabilities.
c. Operating grants: These are credited to income when they are granted, unless they are intended to finance operating deficits in future years, in which case they are charged to income in those years. If they are granted to finance specific expenses, they are credited as the expenses financed are incurred.

On the other hand, grants, donations and bequests received from members or owners do not constitute income and must be recorded directly in own funds, regardless of the type of grant, provided that they are non-refundable.

5.2. Current and non-current items

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

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

6. **Business combinations**

In the financial year 2024, the Group has carried out the following business combinations:

- On 14 March 2024, the Parent Company acquired 75.04% of the company Web Partners Madrid, S.L., which provides IT consultancy services, website creation, as well as the implementation, development and marketing of computer programs.

- On 23 April 2024, the Parent Company acquired 100% of the company BUM Blasi Urgell Morales, S.L., which engages in the activities of an advertising agency.

- On 21 June 2024, the Parent Company acquired 100% of the company Liquid Maths, S.L.U., which provides strategic consultancy services in the field of digital transformation and innovation and development of new businesses.

- On 20 December 2024, the Parent Company acquired 100% of the company Move Branding, S.L. dedicated to strategic design and brand design.

The amount of net assets acquired and goodwill generated following the above acquisitions is as follows:

	(*)
Non-current assets	**682,523**
Tangible fixed assets	279,167
Long-term financial investments	403,356
Current assets	3,254,146
Inventories	1,760
Trade and other receivables	2,099,058
Short-term financial investments	128
Cash	1,153,200
Total assets	**3,936,669**

Non-current liabilities	**410,643**
Long-term debt	370,565
Long-term finance lease liabilities	40,078
Current liabilities	**1,708,635**
Short-term debt	582,419
Short-term finance lease liabilities	2,268
Trade and other payables	1,123,949
Total liabilities	**2,119,278**

NET ASSETS	**1,817,391**
Minority interests	60,268
Consideration paid	7,234,040
Provisional goodwill	5,476,918

(*) unaudited figures

The contribution of these companies to ordinary income and profit for the year from the date of inclusion in the scope of consolidation until the end of the financial year 2024 was 5,526,629 euros and (116,584) euros.

This contribution would have amounted to 9,131,564 euros and 276,818 euros respectively if they had been consolidated during the twelve months of the financial year 2024.

The net cash flow from this transaction in the year 2024 amounted to EUR 2,592,891.

The fair value of trade and other receivables at the acquisition date does not differ from the gross contractual amount.

At year-end 2024, the Group has yet to perform the provisional goodwill allocation exercise for purchases made during the year.

7. Intangible fixed assets

Intangible fixed assets consist of other intangible fixed assets and consolidated Goodwill.

The balances and changes during the financial years, of the gross values of accumulated depreciation and of measurement corrections, with the exception of Goodwill, are as follows:

	Research and Development	IT applications	Total
Gross values			
Balance at 01.01.2023	879,441	127,929	1,007,370
Additions	-	5,900	5,900
Disposals, retirements or reductions	-	(98,025)	(98,025)
Balance at 31.12.2023	879,441	35,804	915,245
Additions	711,804	59,495	771,299
Additions in the scope of consolidation	-	2,400	-
Disposals, retirements or reductions	-	-	-
Balance at 31.12.2024	1,591,245	97,699	1,688,944
Accumulated amortisation			
Balance at 01.01.2023	(572,753)	(126,455)	(699,209)
Allocation to amortisation	(159,854)	(684)	(160,538)
Disposals, retirements or reductions	-	96,988	96,988
Balance at 31.12.2023	(732,607)	(30,151)	(762,759)
Allocation to amortisation	(166,985)	(5,882)	(172,867)
Additions to the scope of consolidation	-	(2,400)	(2,400)
Disposals, retirements or reductions	-	-	-
Balance at 31.12.2024	(899,592)	(38,433)	(938,025)
Net Book Value as of 31.12.2023	146,834	5,653	152,487
Net Book Value as of 31.12.2024	691,653	59,266	750,919

The gross value of the elements in use, which have been fully depreciated, is as follows:

Account	Balance at 31.12.2024	Balance at 31.12.2023
Research and Development	879,441	77,000
Computer applications	31,913	29,904
	911,354	106,904

During the 2024 financial year, the Group has activated a 3-year project to rethink its organisational model to enable greater efficiency.

8. Consolidation Goodwill

In 2024, with the integration of the new companies, the goodwill amounts to 7,015,993 euros, which, like goodwill, is amortised over 10 years from its generation.

The Group tests goodwill for impairment on an annual basis or if it becomes aware of indications of impairment. The recoverable amount of cash-generating units (CGUs) is determined on the basis of value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years.

Cash flows beyond 5 years are extrapolated using the estimated growth rates noted below. These growth rates are consistent with forecasts included in specific reports for the sector in which each CGU operates.

Group management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Sales volume	Average annual growth rate for the forecast period of 5 years; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate for the 5-year forecast period; based on current industry trends and includes long-term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	Fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management budgets these costs based on the current structure of the business, adjusting for inflation increases, but not reflecting future restructuring or cost saving measures. The amounts shown above are average operating costs for the forecast period of 5 years.
Annual capital expenditure	Expected cash costs in the CGU. Based on management's historical experience, and planned improvement expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Long-term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount type	It reflects specific risks related to the corresponding segments and the countries in which they operate. The discount rate calculated in accordance with the Group's weighted cost of capital (WACC) is 12.85%.

The balances of the Goodwill in Consolidation account are as follows:

Financial year 2024:

2024	True Relaciones Públicas, S.L.	Estresarte Comunicación, S.L.	Redbility, S.L.	Pink Lab, S.L.	PS21 Barna, S.L.	Revista Líbero, S.L.	Lucid Product Design Agency, S.L.	BUM Blasi Urgell Morales, S.L.	LiquidMaths, S.L.	Web Partners Madrid, S.L.	Move Branding S.L.	TOTAL
Gross opening balance	205,100	433,911	267,784	647,730	76,211	55,634	1,066,173	-	-	-	-	2,752,543
Additions	-	-	-	-	-	-	-	897,908	1,461,349	968,210	2,149,450	5,476,917
Accumulated amortisation, opening balance	(82,040)	(173,564)	(107,114)	(118,751)	(13,337)	(8,345)	(142,156)	-	-	-	-	(645,307)
Amortisation additions	(20,510)	(43,391)	(26,778)	(64,773)	(7,621)	(5,563)	(106,617)	(74,826)	(85,245)	(80,684)	(35,824)	(551,832)
	(102,550)	(216,955)	(133,892)	(183,524)	(20,958)	(13,908)	(248,773)	823,082	1,376,104	887,526	2,113,626	4,279,779
Net closing balance	102,550	216,955	133,892	464,207	55,253	41,725	817,400	823,082	1,376,104	887,526	2,113,626	7,032,320

Financial year 2023:

2023	True Relaciones Públicas, S.L.	Estresarte Comunicación, S.L.	Redbility, S.L.	Pink Lab, S.L.	PS21 Barna, S.L.	Revista Líbero, S.L.	Lucid Product Design Agency, S.L.	TOTAL
Gross opening balance	205,100	433,911	267,784	647,730	76,211	55,634	1,066,173	2,752,543
Additions	-	-	-	-	-	-	-	-
Accumulated amortisation, opening balance	(61,530)	(130,173)	(80,335)	(53,978)	(5,716)	(2,782)	(35,539)	(370,053)
Amortisation additions	(20,510)	(43,391)	(26,778)	(64,773)	(7,621)	(5,563)	(106,617)	(275,253)
	(82,040)	(173,564)	(107,114)	(118,751)	(13,337)	(8,345)	(142,156)	(645,307)
Net closing balance	123,060	260,346	160,671	528,980	62,874	47,289	924,016	2,107,236

9. **Tangible fixed assets**

The balances and changes during the financial years 2023 and 2024 of the gross values, of accumulated depreciation and of measurement corrections are as follows:

	Other facilities	Furniture	Information processing equipment	Transport items	Other fixed assets	Total
Gross values						
Balance as of 01.01.2023	714,462	781,670	688,483	206,643	16,953	2,408,211
Additions	453,820	12,718	132,455	-	3,301	602,293
Additions to the scope of consolidation	-	-	-	-	-	-
Disposals, retirements or reductions	(43,923)	(37,391)	(17,088)	-	(1,457)	(99,859)
Balance as of 31.12.2023	1,124,359	756,997	803,850	206,643	18,797	2,910,645
Additions	25,826	30,361	66,350	-	1,244	123,781
Additions to the scope of consolidation	218,213	15,620	212,934	98,292	42,669	587,728
Disposals, retirements or reductions	(30,566)	(5,375)	0	-	(3,833)	(39,774)
Balance as of 31.12.2024	1,337,832	797,603	1,083,134	304,935	58,877	3,582,380
Accumulated amortisation						
Balance as of 01.01.2023	(670,183)	(286,631)	(470,293)	(112,279)	(13,557)	(1,552,943)
Amortisation charge	(53,307)	(88,008)	(95,960)	(30,996)	(7,272)	(275,544)
Additions to the scope of consolidation	-	-	-	-	-	-
Disposals, retirements or reductions	30,178	20,589	15,171	-	1,042	66,980
Balance as of 31.12.2023	(693,312)	(354,050)	(551,082)	(143,275)	(19,787)	(1,761,507)
Allocation to amortisation	(87,642)	(74,452)	(148,975)	(40,381)	-	(351,451)
Entries in the scope of consolidation	(116,891)	(10,347)	(115,242)	(16,684)	-	(259,164)
Exits, cancellations or reductions	-	-	-	-	1,126	1,126
Balance as of 31.12.2024	(897,845)	(438,849)	(815,299)	(200,340)	(18,661)	(2,370,996)
Net Book Value as of 31.12.2023	431,047	402,947	252,768	63,368	(990)	1,149,137
Net Book Value as of 31.12.2024	439,987	358,754	267,835	104,595	40,216	1,211,384

The additions in 2024 are due, as a result of the incorporation of the new companies, to the acquisition of furniture for the offices and the work required to get them up and running despite their being leased. In addition, as in 2023, computer equipment was purchased due to the increase in the number of employees during the year.

The gross value of fully depreciated items in use for 2024 and 2023 is as follows

Account	Balance as of 31.12.2024	Balance as of 31.12.2023
Technical installations	664,648	631,365
Furniture	206,266	196,079
Computer equipment	560,653	363,533
Other tangible fixed assets	11,548	11,476
	1,443,006	1,202,452

The Group's policy is to take out insurance policies to cover the possible risks to which its property, plant and equipment are subject. At year-end 2024 and 2023 there was no shortfall in coverage for these risks.

10. **Leases and other transactions of a similar nature**

a) Financial Leasing

The Group's assets that are subject to finance leases are as follows:

Account	Balance as of 31.12.2024	Balance as of 31.12.2023
Tangible fixed assets	59,208	39,539

The Group has contracted the following minimum lease payments with the lessors during the financial year 2024, which according to the current contracts in force are as follows:

	Pending instalments	
Agreed minimum payments	Balance as of 31.12.2024	Balance as of 31.12.2023
Under one year	19,130	3,976
Between one and five rears	40,078	16,863
	59,208	20,839

During the financial year 2020 a finance lease was acquired for a value of 39,539 euros. During the financial years 2023 and 2024 no finance lease is acquired or cancelled, however, the finance lease of one of the newly acquired companies, Move Branding S.L., is included in the scope of consolidation.

The amount of finance lease instalments disbursed during the year is as follows:

	2024	2023
Payments made during the financial year	3,976	3,764

b) Operating Lease

The future minimum lease payments for operating leases of the offices in which the Group operates, in accordance with the current leases in force, are as follows:

	Pending instalments	
	Financial year 2024	Financial year 2023
Up to one year	509,797	435,207
Between one and five years	1,204,905	1,130,519
More than five years	989,631	-
	2,194,537	1,565,727

The amount of operating lease payments recognised respectively as an expense in the year are as follows:

	2024	2023
Payments madre during the financial year	629,322	392,952

As lessee, the most significant operating leases are as follows:

- Lease of the office located at calle Antonio Maura, number 16, Madrid. The lease contract started on 1 December 2005 and was extended by agreement on 12 May 2016 for a period of 10 years from 1 June 2016 to 31 May 2026, considering the duration of the contract to be long-term. The annual cost of this office is 190,088 euros in 2024 (186,178 euros in 2023).

- Office located at Calle Conde de Peñalver number 38. The lease contract started on 1 January 2011 for a duration of 5 years, which has already elapsed, and is currently renewed annually. The annual cost of this office is 69,367 euros in 2024 (66,652 euros in 2023).

- Office located at Calle Alava number 111 in Barcelona. The lease contract started on 1 May 2023 and is for a duration of 5 years. The annual cost of this office is 214.995 euros in 2024 (21.318 euros in 2023).

11. Financial instruments

11.1. Financial assets

Long and short-term financial investments

Financial investments are classified on the basis of the following categories (with the exception of cash as described below):

Long-term finacial investments	Equity instruments		Other financial assets		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Categories:						
Financial assets at amortised cost	-	-	1,094,585	924,318	1,094,585	924,318
Financial assets at cost	136,578	172,813	-	-	136,578	172,813
	136,578	172,813	1,094,585	924,318	1,231,163	1,097,131

Short-term finacial investments	Equity instruments		Other financial assets		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Categories:						
Assets at fair value with changes in profit or loss:						
Trading portfolio	-	-	1,028,289	-	1,028,289	-
Financial assets at amortised cost	-	-	8,287,215	5,366,524	8,287,215	5,366,524
Financial assets at cost	320,289	10,000	-	-	320,289	10,000
	320,289	10,000	9,315,504	5,366,524	9,635,793	5,376,524

The maturity breakdown of the various long-term financial assets with fixed or determinable maturity at year-end 2024 is as follows:

	2026	2027	2028	2029	2030	Total
Categories:						
Financial assets at amortised cost	194,585	-	900,000	-	-	1,094,585
	194,585	-	900,000	-	-	1,094,585

In long-term equity instruments the Group records several minority shareholdings in companies outside the Group. In addition, in 2024 new loans of Euros 100,000 (Euros 800,000 in 2023) were granted to employees under the incentive plans approved by the Board of Directors of the Parent company. The most significant of these are the security deposit for the Antonio Maura, 16 office for an amount of 27,879 euros, the security deposit for the Conde de Peñalver, 38 office for an amount of 15,727 euros and the security deposit for Calle Alava, 111 for an amount of 35,235 euros.

In short-term financial instruments, the Group has recorded at year-end an amount of 1,028,289 euros (0 euros in 2023) for the investment made during 2024 in an investment fund. In addition, the Group has a fixed-term deposit in the amount of EUR 10,000 (EUR 10,000 in 2023). The balance of trade receivables is reflected at amortised cost. Income earned in 2024 amounted to EUR 6,256 (income of EUR 116,641 in 2023).

In 2024, the Group has recognised a credit impairment of EUR 236,573 (EUR 124,890 in 2023) in respect of balances with customers. In addition, an amount of 392,212 euros has been recognised by the companies acquired in 2024, bringing the balance to 1,081,414 euros at the end of 2024 and 590,008 euros at the end of 2023.

Cash and cash equivalents

The cash and bank balances at year-end are as follows:

	Euros	
	31.12.2024	31.12.2023
Cash	3,675,432	4,400,715
Other cash equivalents	-	-
	3,675,432	4,400,715

11.2. Financial liabilities

The carrying amounts of each of the categories of financial instruments set out in the "Financial instruments" recognition and measurement standard are as follows:

Long-term financial liabilities

	Debts with credit institutions		Other financial liabilities		Creditors for financial leasing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at amortised cost	5,212,603	2,577,577	-	-	40,078	16,863	5,252,681	2,594,440
Fair value through profit or loss	-	-	3,630,714	538,592	-	-	3,630,714	538,592
Total	5,212,603	2,577,577	3,630,714	538,592	40,078	16,863	8,883,395	3,133,031

Short-term financial liabilities

	Debts with credit institutions		Other financial liabilities		Creditors for financial leasing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at amortised cost	5,334,076	3,908,869	-	-	19,130	3,976	5,353,206	3,912,846
Fair value through profit or loss	-	-	4,837,607	2,591,033	-	-	4,837,607	2,591,033
Total	5,334,076	3,908,869	4,837,607	2,591,033	19,130	3,976	10,190,813	6,503,878

The category "other financial liabilities" includes liabilities payable to the former owners of the acquired companies during the financial year 2024 and earlier. This is due to the fulfilment of the contingent price stipulated in the purchase and sale contracts

The total balance of "Amounts owed to credit institutions" at year-end 2024 and 2023 corresponds to ICO credits and other loans received, debts for credit drawn down from bank cards, as well as credit lines.

The average debt rate in 2024 is 3.56% (2.31% in 2023).

The Group has the following undrawn credit lines:

2024		
Available	Disposed	Total
1,802,778	2,083,372	3,886,150
1,802,778	**2,083,372**	**3,886,150**

Classification by maturity

The breakdown by maturity of the various long-term financial liabilities with fixed or determinable maturity at year-end 2024 is as follows:

	2026	2027	2028	2029	2030	Total
Debts:						
Debts with credit entities	1,819,562	1,663,144	1,287,861	432,724	9,313	5,212,604
Other financial liabilities	361,149	1,347,139	914,822	1,023,135	-	3,646,245
	2,180,711	3,010,283	2,202,683	1,455,859	9,313	8,858,849

The figures at the end of the financial year 2023 were as follows:

	2025	2026	2027	2028	2029	Total
Debts:						
Debts with credit entities	1,137,144	595,878	501,453	343,103	-	2,577,577
Other financial liabilities	101,024	10,289	414,425	29,716	-	555,454
	1,238,168	606,167	915,877	372,819	-	3,133,031

Guarantees given to third parties

At year-end 2024, the total amount of guarantees provided to third parties amounts to 167,357 euros (738,000 euros in 2023). These guarantees are provided to ensure the proper performance of the Group's activities.

Trade and other payables

Details of the balance sheet heading "Trade and other payables" are as follows:

	2024	2023
Suppliers	3,518,181	1,766,811
Other creditors	458,366	261,521
Personnel remuerations pending payment	142,154	60,707
Current tax liabilities	498,644	779,739
Other debts with public administrations	1,870,333	1,799,472
Advance payments from clients	303,289	342,416
Total	6,790,967	5,010,666

Information on the average supplier payment period

The information required by the third additional provision of Law 15/2010, of 5 July (amended by the second final provision of Law 31/2014, of 3 December and by article 9 of Law 18/2022, of 28 September, on the creation and growth of companies) prepared in accordance with the ICAC Resolution of 29 January 2016, on the information to be included in the Notes to the Consolidated Annual

ccounts in relation to the average payment period to suppliers in commercial transactions, is detailed below.

The information in relation to the average period of payment to suppliers in commercial operations is as follows:

	2024	2023
	Days	Days
Average payment period to suppliers	52	53
Transactions Paid Ratio	57	54
Transactions pending payment ratio	28	47
	Amount (euros)	Amount (euros)
Total payments made	13,170,044	9,089,418
Total outstanding payments	2,945,192	1,766,698

In accordance with the ICAC Resolution, the calculation of the average supplier payment period takes into account the commercial transactions corresponding to the delivery of goods or services accrued in each financial year.

For the sole purpose of providing the information foreseen in this Resolution, suppliers are considered to be trade creditors for debts with suppliers of goods or services, included in the items "Trade and other payables" included in the current liabilities of the Consolidated Balance Sheet and regardless of any financing for early collection from the supplier company.

Average supplier payment period" means the time elapsing between the delivery of the goods or the provision of the services by the supplier and the material payment of the transaction.

The monetary volume and number of invoices paid within the legal deadline are detailed below

	2024	2023
Volume of invoices paid within the legal timeframe	7,577,806	5,245,421
Number of invoices paid within the legal timeframe	6,796	4,353
Percentage of the volume of invoices paid within the legal timeframe (%)	58%	58%
Percentage of the number of invoices paid within the legal timeframe (%)	80%	80%

The maximum legal payment period applicable to Spanish companies in the consolidable group in the financial year 2024 according to Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, is 30 days, which may be extended to 60 days in the event of an agreement between the parties.

12. Inventories

The breakdown of stocks is as follows:

	2024	2023
Products in progress	65,726	33,252
Advances to suppliers	40,442	15,735
Total	106,168	48,986

13. Shareholders Equity

a) Share Capital

At year-end 2024 and 2023, the share capital of the Parent Company amounts to 165,862 euros, consisting of 16,586,127 shares with a par value of 0.01 euros each, all of the same class, fully subscribed and paid up.

The company's shareholders with 10% or more is as follows:

	Percentage of Participation 2024	Percentage of Participation 2023
Shareholders:		
Miss Valentine, S.L.	82%	87%
Own shares	4%	4%
Rest	14%	9%
Total	100%	100%

b) Reserves and prior years' results

The breakdown is as follows:

	2024	2023
Legal reserve Parent company	33,173	33,173
Reserves in consolidated companies	1,866,970	1,006,703
Total	1,900,143	1,039,876

c) Legal reserve

In accordance with the Consolidated Text of the Spanish Companies Act, an amount equal to 10% of the profit for the year must be transferred to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase capital in respect of the portion of the balance of the legal reserve that exceeds 10% of the increased capital. Except for the above-mentioned purpose, the legal reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose, provided that the reserve does not exceed 20% of the share capital.

At year-end 2024 and 2023 this reserve is fully constituted.

d) Unavailable reserve for Research and Development

The Parent Company has a restricted reserve for the amount allocated to Research and Development as detailed in Note 7.

e) Treasury shares of the Parent Company

In 2023, a total of 139,350 treasury shares were acquired for a value of EUR 478,565 and 368,119 treasury shares were sold at a cost of EUR 230,046.

During 2024, 82,000 treasury shares were acquired for a value of EUR 279,776 and 94,118 shares were sold for a price of EUR 90,930.

The shares held by the Parent Company as at 31 December 2024 and 2023 are as follows:

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2024	672.424	0,97	649.648

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2023	684.582	0,67	460.803

At the date of preparation of these Consolidated Financial Statements, the Board of Directors of the Parent Company has not taken a decision on the final destination of the treasury shares mentioned above.

f) Minority Interest

The composition of the balance of the Group's Minority Interests according to their participation in the different components of the Consolidated Equity of the following subsidiaries is as follows

External Partners	2024	2023
Web Partners Madrid, S.L.	60,268	-

14. Information on the nature and level of risk arising from financial instruments

The Group's financial risk management is centralised in the Finance Department, which has the necessary mechanisms in place to control exposure to interest rate and exchange rate fluctuations, as well as credit and liquidity risks. The main financial risks affecting the Group are as follows:

a) Credit risk:

In general, the Group maintains its cash and cash equivalents with financial institutions with high credit ratings.

It should also be noted that there is no significant concentration of credit risk with third parties.

b) Liquidity risk:

Liquidity risk arises from the possibility that the Group may not have sufficient liquid funds, or access to them, at the appropriate cost, to meet its payment obligations at all times. The Group's objective is to maintain the necessary liquidity.

c) Market risk (including interest rate, exchange rate and other price risks):

The exchange rate risk is considered to be very low as foreign currency transactions do not represent a significant amount of the Group's business volume.

15. Fiscal Situation

15.1. Current balances with general government

The detail of the accounts related to Public Administrations in the financial years 2024 and 2023 is as follows:

2024	Debtor balances		Creditor balances	
Account	Non-current	Current	Non-current	Current
Value added tax	-	99,237	-	797,335
Individual income tax	-	-	-	721,190
Deferred tax assets	451,091	-	-	
Current tax assets	-	-	-	
Deferred tax liabilities	-	-	10,433	
Current tax liabilities	-	-	-	460,715
Social Security organisations	-	-	-	351,807
	451,091	99,237	10,433	2,331,047

2023	Debtor balances		Creditor balances	
Account	Non-current	Current	Non-current	Current
Value added tax	-	31,041	-	893,221
Individual income tax	-	-	-	657,370
Deferred tax assets	777,643	-	-	-
Current tax assets	-	85,056	-	-
Deferred tax liabilities	-	-	10,433	-
Current tax liabilities	-	-	-	779,739
Social Security organisations	-	-	-	248,881
	777,643	116,097	10,433	2,579,210

15.2 Reconciliation of accounting result and tax base

The reconciliation between the consolidated accounting result and the sum of the tax bases of the scope of consolidation for 2024 and 2023 is as follows:

2024	Losses and Profits		Income and Expenses		Resrves		
	Increases	Decreases	Increases	Decreases	Increases	Decreases	Total
Balance of income and expenditure	4,019,868	-	-	-	-	-	4,019,868
Corporate tax	967,575	-	-	-	-	-	967,575
Consolidation adjustments		-	-	-	-	-	-
Temporary differences	-	(2,539,450)	-	-	-	-	(2,539,450)
Adjusted result	4,987,443	(2,539,450)	-	-	-	-	2,447,993
Permanent differences							20,431
Tax base (tax result)							2,468,424

2023	Losses and Profits		Income and Expenses		Resrves		
	Increases	Decreases	Increases	Decreases	Increases	Decreases	Total
Balance of income and expenses	2,376,495	-	-	-	-	-	2,376,495
Corporate tax	880,011	-	-	-	-	-	880,011
Permanent differences	10,454	-	-	-	-	-	10,454
Of consolidation adjustments	234,820	-	-	-	-	-	234,820
Tax base (tax result)	3,501,781	-	-	-	-	-	3,501,781

15.3 Reconciliation between accounting profit and income tax expense

The breakdown of corporate income tax expense/revenue is as follows:

2024		Change in deferred tax				
		Of assets			Of liabilities	
	Current tax	Temporary differences	Credits for negative tax bases	Other credits	Temporary differences	Total
Recognised in the profit and loss account						
Continuing operations	741,345	-	136,760	(719)	90,189	967,575
Total tax expense/income						

2023		Change in deferred tax				
		Of assets			Of liabilities	
	Current tax	Temporary differences	Credits for negative tax bases	Other credits	Temporary differences	Total
Recognised in the profit and loss account						
Continuing operations	(873,897)	-	-	(6,114)	-	(880,011)
Total tax expense/income						(880,011)

15.4 Deferred tax assets recognised

The deferred tax assets recognised at the end of 2024 and 2023 relate to the capitalisation of tax loss carryforwards, based on the Parent Company's estimate of their recoverability.

At year-end 2024 and 2023, the tax loss carryforwards to be offset are as follows:

	31.12.2024	31.12.2023
	Amount	Amount
Tax loss carryforwards		
Year 2003	343,572	540,701
Year 2004	569,430	569,430
Year 2005	733,026	733,026
Year 2011	183,942	183,942
Year 2020	160,487	204,771
Year 2021	127,893	127,893
Year 2022	515,842	582,585
Total tax loss carryforwards	2,634,191	2,942,348

A total of 1,443,608 euros of the aforementioned taxable income has been capitalised. In addition, the Group has recognised a deferred tax asset of Euros 90,189 in respect of the temporary difference relating to the Research and Development Project indicated in Note 7.

Taxable income has been reduced due to the positive results of several Group companies.

In accordance with the applicable tax regulations, the expiry of tax loss carryforwards is indefinite.

15.5 Years open for audit and inspections

At 31 December 2024, the Group has no tax audits in progress. However, in accordance with current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute-of-limitations period has elapsed. At 31 December 2024, the Group has open for inspection the years 2020 and subsequent years for corporate income tax and the years 2021 and subsequent years for the other taxes applicable to it. The Parent Company's Board of Directors considers that the aforementioned taxes have been properly settled and, therefore, even in the event of discrepancies in the interpretation of current legislation due to the tax treatment of the transactions, any resulting liabilities, should they materialise, would not have a material effect on the accompanying consolidated financial statements.

16. Income and expenditure

a) Net turnover

The breakdown of net turnover by business category and geographical market is as follows:

	2024									
	Advertising			Communications			Digital Services			
	Spain	Rest UE	Rest of World	Spain	Rest UE	Rest of World	Spain	Rest UE	Rest of World	Total
Income from customer contracts										
Income from contracts with customers	2,490,653	689,009	30,000	7,417,579	907,669	969,676	18,162,959	969,911	2,202,104	33,839,560
	2,490,653	689,009	30,000	7,417,579	907,669	969,676	18,162,959	969,911	2,202,104	33,839,560
Revenue recognition period										
Over time	2,490,653	689,009	30,000	7,417,579	907,669	969,676	18,162,959	969,911	2,202,104	33,839,560
At a particular point in time										
	2,490,653	689,009	30,000	7,417,579	907,669	969,676	18,162,959	969,911	2,202,104	33,839,560

	2023									
	Advertising			Communications			Digital Services			
	Spain	Rest UE	Rest of World	Spain	Rest UE	Rest of World	Spain	Rest UE	Rest of World	Total
Income from customer contracts										
Income from contracts with customers	1,746,127	74,805	67,512	6,800,371	329,729	-	13,247,320	730,267	1,708,475	24,704,607
	1,746,127	74,805	67,512	6,800,371	329,729	-	13,247,320	730,267	1,708,475	24,704,607
Revenue recognition period										
Over time	1,746,127	74,805	67,512	6,800,371	329,729	-	13,247,320	730,267	1,708,475	24,704,607
At a particular point in time										
	1,746,127	74,805	67,512	6,800,371	329,729	-	13,247,320	730,267	1,708,475	24,704,607

The Group's activities are mainly carried out in the Spanish market. In general, cost increases are directly related to the positive evolution of the Group and price updates from certain suppliers (influenced by high inflation rates).

b) Supplies

Breakdown	31.12.2024 Amount	31.12.2023 Amount
Work carried out by other companies	10,672,624	6,612,307
	10,672,624	6,612,307

Geographical markets	31.12.2024 Amount	31.12.2023 Amount
Spain	9,606,659	5,764,784
All other EU contries	594,203	317,659
Rest of the world	471,761	529,864
	10,672,623	6,612,307

c) Personnel expenses

Personnel expenses	31.12.2024 Amount	31.12.2023 Amount
Wages and salaries	12,774,223	8,903,513
Compensation	253,893	144,181
Social security paid by the company	3,073,637	2,176,299
Other social charges	128,883	125,975
	16,230,635	11,349,967

d) Other operating expenses

Account	31.12.2024 Amount	31.12.2023 Amount
Leases and rentals	629,322	392,952
Repairs and maintenance	69,695	74,529
Independent professional services	740,287	574,603
Insurance premiums	58,972	37,067
Banking and similar services	16,843	7,121
Advertising and public relations	940,972	879,220
Supplies	71,189	43,105
Other services	528,050	374,254
Other taxes	24,926	15,456
Losses, impairment and variation in provisions	236,573	124,890
	3,316,827	2,523,197

17. Information on the environment issues

Given the Group's activities, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be material to the Company's equity, financial position and results.

18. Operations with related parties

During the year, transactions were carried out with the following related parties:

Company	Type of relationship
Miss Valentine, S.L.	Parent Company
Members of the Board of Directors	Director

The transfer pricing policy followed in all transactions during the year is based on the application of normal market value, in accordance with article 16 of the Corporate Income Tax Act.

The remuneration received in 2024 and 2023 by the members of the Board of Directors of the Parent Company in 2024 amounted to 829,400 in cash and 9,769 in kind. In the 2023 financial year, the remuneration in cash amounted to 601,404 and in kind to 126,969.

In addition, Senior Management personnel are considered to be those who perform functions relating to the general objectives of the Company, and carry out their duties with autonomy and full responsibility, limited only by the criteria and direct instructions of the legal owner/owners of the Company or of the highest governing and administrative bodies representing such owners. Based on this definition, the Company has no members belonging to Senior Management as their work is carried out by the Directors.

The Group has taken out a civil liability policy covering the Chief Executive Officer and all members of the Board of Directors for an amount of 13,107 euros (10,597 euros in 2023).

The breakdown of the members of the Board of Directors (non-employees of the company) at year-end by gender is as follows

	2024	
	Men	**Women**
Directors	4	1

	2023	
	Men	**Women**
Directors	4	1

The Group has no pension obligations to the Chief Executive Officer.

The Chief Executive Officer, the other members of the Board and the persons related to them as referred to in Art. 229 TRLSC, have not reported any situations of direct or indirect conflict that they may have with the interests of the Group.

19. Other information

The average number of persons employed during the financial years 2024 and 2023, and the number of employees at the end of both financial years, distributed by professional category, is as follows:

	Average 2024		Average 2023	
Accounts	Men	Women	Men	Women
Administrators	1	-	1	-
Management	17	6	4	4
Departmental Directors/Middle Managers	28	27	27	19
Creativity	29	24	17	13
Strategy	1	3	1	3
Social Media	9	10	6	7
New Business	1	3	-	4
Research	8	2	4	2
Accounts	7	36	2	28
Finance/Administration	5	6	5	5
UX Consultant	19	33	23	42
UX Researcher	-	1	-	2
Visual Designer	-	2	1	3
Consultant	5	6	-	-
Foresight Strategist	3	2	1	1
Industrial Designer	4	1	3	-
Product Engineer	2	6	2	-
Human Resources	1	4	-	-
Development	20	2	1	-
Marketing	1	3	-	-
	161	177	97	133

	31.12.2024		31.12.2023	
Accounts	Men	Women	Men	Women
Administrators	1	-	1	-
Management	17	6	4	5
Departmental Directors/Middle Managers	28	26	27	19
Creativity	31	23	17	14
Strategy	1	2	1	4
Social Media	6	11	8	7
New Business	1	3	-	4
Research	8	2	4	2
Accounts	10	36	1	27
Finance/Administration	7	7	4	5
UX Consultant	18	25	26	51
UX Researcher	-	1	-	1
Visual Designer	-	2	1	5
Consultant	4	6	-	-
Foresight Strategist	3	1	1	2
Industrial Designer	4	1	2	-
Product Engineer	2	9	1	-
Human Resources	1	4	-	-
Development	21	2	1	-
Marketing	1	2	-	-
Marketing	1	2	-	-
	164	169	99	146

Audit Fees

During the financial year 2024, the amounts received by the company's auditor, Deloitte Auditores, S.L., as well as during the financial year 2023, the amounts received by the auditor Grant Thornton S.P.L. or by any company belonging to the same network in accordance with the regulations governing the auditing of accounts, were as follows:

	Thousands of Euros	
	Fees corresponding to Deloitte Auditores, S.L. or Company in the same Network	Fees corresponding to Grant Thorton S.P.L. ora company in the same network.
	2024	2023
Audit services	85,000	4,.975
Non-audit services	-	-
Total professional services	**85,000**	**49,975**

20. Subsequent events

There have been no subsequent events to disclose after the year end and up to the preparation of these Consolidated Financial Statements.

21. Explanation added for translation to English

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the to the Group in Spain (see Note 3.1). Certain accounting practices applied by the Group that conform with that regulatory financial reporting framework may not conform with other generally accepted accounting principles and rules.

ANNEX I

The subsidiaries included in the scope of consolidation in 2024 are as follows:

Society	Direct holding company	Nominal percentage of capital held	Activity	Registered office
PS21 Creative, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
True Public Relations, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
Estresarte Comunicación, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
Redbility, S.L.	JUNGLE21, S.A.	100%	Consultancy services, design, development and intermediation of digital environments.	C/ Conde de Peñalver, 38 28006 Madrid
Invisible Lab, S.L.	JUNGLE21, S.A.	100%	Business management consultancy activities	C/ Antonio Maura, 16 28014 Madrid
Pink Lab, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
PS21 Barna, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Alava, 111 08018 Barcelona
Líbero Magazine, S.L.	JUNGLE21, S.A.	100%	Production and dissemination of ideas using media	C/ Antonio Maura, 16 28014 Madrid
Lúcid Product Design Agency, S.L.	JUNGLE21, S.A.	100%	Development and design services for consumer and industrial goods and machinery.	C/ Alava, 111 08018 Barcelona
Web Partners Madrid, S.L.	JUNGLE21, S.A.	75%	Computer consultancy services, creation of web pages, as well as the implementation, development and marketing of computer programmes.	C/ Antonio Maura, 16 28014 Madrid
Bum Blasi Urgell Morales, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Alava, 111 08018 Barcelona

Liquid Maths, S.L.	JUNGLE21, S.A.	100%	Computer consultancy services, creation of web pages, as well as the implementation, development and marketing of computer programmes.	C/ Alava, 111 08018 Barcelona
Move Branding S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	Portuetxe Kalea, 61, Bajo A 20018 Donostia-San Sebastián

The subsidiaries included in the scope of consolidation in 2023 are as follows:

Society	**Direct holding company**	**Nominal percentage of capital held**	**Activity**	**Registered office**
PS21 Creative, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
True Public Relations, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
Estresarte Comunicación, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
Redbility, S.L.	JUNGLE21, S.A.	100%	Consultancy services, design, development and intermediation of digital environments.	C/ Conde de Peñalver, 38 28006 Madrid
Invisible Lab, S.L.	JUNGLE21, S.A.	100%	Business management consultancy activities	C/ Antonio Maura, 16 28014 Madrid
Pink Lab, S.L.	JUNGLE21, S.A.	100%	Advertising, public relations and similar services	C/ Antonio Maura, 16 28014 Madrid
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Líbero Magazine, S.L.	JUNGLE21, S.A.	100%	Production and dissemination of ideas using media	C/ Antonio Maura, 16 28014 Madrid

Lúcid Product Design Agency, S.L.	JUNGLE21, S.A.	100%	Development and design services for consumer and industrial goods and machinery.	C/ Alava, 111 08018 Barcelona

FORMULATION OF THE CONSOLIDATED ANNUAL ACCOUNTS AND CONSOLIDATED DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2024

The Board of Directors of JUNGLE21 S.A. on 28 March 2025 proceeds to prepare the Consolidated Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Net Equity, Cash Flow Statement and Annual Report, all of them consolidated) and the Consolidated Management Report for the year ended 31 December 2024, which are constituted by the documents attached hereto.

Madrid, 28 March 2025

D. Agustín Vivancos Matamoros

President

Miss Valentine, S.L.

P.P. Beatriz Martínez Fuentes

Councillor

Butler Digital, S.L.

P.P. Luis Pérez del Val

Councillor

D. Isidoro Martínez de la Escalera Álvarez

Councillor

D. Rafael Paniagua Merchán

Councillor

D. Francisco Javier Martínez-Piqueras Barceló

Councillor

JUNGLE 21, S.A.

Financial Statements for the year ended 31 December 2024
and Directors' Report, together with Independent Auditor's Report

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

Deloitte.

Deloitte Auditores, S.L.
Plaza Pablo Ruiz Picasso, 1
Torre Picasso
28020 Madrid
España

Tel: +34 915 14 50 00
www.deloitte.es

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

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of JUNGLE 21, S.A.,

Opinion

We have audited the financial statements of JUNGLE 21, S.A. (the Company), which comprise the balance sheet as at 31 December 2024, and the statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

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

Basis for Opinion

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

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

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

Most Significant Audit Matters

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

Deloitte Auditores, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Related party transactions	
Description	**Procedures applied in the audit**
As indicated in Note 1 to the financial statements, the Company engages, inter alia, in the acquisition, possession, administration, transfer and disposal of any form of shares or other equity instruments and the provision of services relating to the administration, coordination, maintenance and optimisation of the resources of the companies in which it has ownership interests. Specifically, the Group's revenue, including rebilling of services rendered and dividends received, accounts for 85% of the Company's total sales (see Note 14.a). The proper recognition of related party transactions was considered to be one of the most significant matters in our audit.	Our audit procedures included, among others, obtaining an understanding of the process involved in accounting for the related party transactions performed in the year, obtaining and analysing the documentation prepared by the Company to evidence that the terms and conditions applied to the aforementioned transactions were reasonable with respect to those that might be applied in transactions between independent parties. Also, we applied substantive procedures to obtain confirmation from the various companies in the Group to which the Company belongs of the balances and transactions disclosed in Note 16 to the accompanying financial statements relating to revenue from management fees. We also reviewed the settlements relating to the dividends received. Lastly, we verified that the recognition for accounting purposes of the related party transactions complied with the applicable accounting regulations and that the disclosures in this connection, included in Notes 4.12, 4.13, 14.a and 16 to the accompanying financial statements, were adequate.

Other Matter

The financial statements of JUNGLE 21, S.A. for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 21 March 2024.

Other information: Directors' Report

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

A further description of our responsibilities for the audit of the financial statements is included in Appendix I to this auditor’s report. This description forms part of our auditor’s report.

Appendix I to our auditor's report

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the significant risks communicated with the entity’s directors, we determine those risks that were of most significance in the audit of the financial statements of the current period and are therefore the most significant assessed risks.

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

2024

ANNUAL ACCOUNTS AND MANAGEMENT REPORT

JUNGLE 21. S.A. - INCLUDES THE AUDIT REPORT ON ANNUAL ACCOUNTS

Management report

1 Evolution of the business and situation of the company

As an individual company, Jungle closes 2024 with revenues of EUR 6.2 million (EUR 5.7 million in 2023), excluding dividend income received from group companies and associates, of which EUR 5.1 million (EUR 4.0 million in 2023) corresponds to Net Revenue, a measure that the company uses as a reference for its management. Net Revenue is calculated by deducting the cost of sales for third party expenses from total revenues.

Overall, 2024 was a key year for the Group with the consolidation of our Design and Technology platforms, which represent 55% of Net Revenues, reinforcing our commitment to diversification in services and capabilities. Design accounts for 18% of Net Revenues (+175% vs. 2023), Technology 37% (+43% vs. 2023), and Communication 45% (+29% vs. 2023).R

Beyond numbers, creativity continues to be our most valuable asset. 2024 has consolidated PS21 as a champion brand in Spain in the advertising sector, winning for the third consecutive year the Eficacia Award for the best agency. A recognition that confirms that well-applied creativity generates value, business opportunities and sustainable growth.

Regarding ESG, we continue to be certified as a B-Corp, reaffirming our commitment to sustainability, corporate responsibility and positive impact, and part of a global community of companies that transforms business into a force for the common good.

2024 has been a year of transformation, consolidation and growth. The best, as always, is yet to come.

2 Results and development of the company

On an individual level, Jungle's ambition continues to be to add value to the rest of the Group's companies, encompassing the transversal services that will help them to grow at the pace set and incorporating new lines of business.

Growth in 2024 has been driven by three key factors: programmatic M&A, cross-platform integration and our internal management system, the Jungle Business System.

In programmatic M&A, we completed four strategic acquisitions (Milú, BUM, Liquid Lab and Move) that expand our capabilities in technology development, advertising, business prototyping, AI and branding. These additions strengthen our talent structure, enhance synergies between platforms and expand our presence in northern Spain, with a new office in San Sebastian.

The Group's performance this year has been very satisfactory (data available in the Consolidated Financial Statements). The profit before tax of the individual company is EUR 1.9 million, EUR 1.8 million after tax, largely generated by the dividends received from the different companies of the Group.

At Group level, the ambition is to continue to grow at the pace set and in 2025 incorporate new lines of business, as well as strengthening ties with our existing customers.

3 Use of financial instruments

The Company does not use derivative financial instruments for liquidity management.

4 Research and development activities

In 2024, we launched a research and development project with an ambitious goal: revolutionise the concept of creativity at Jungle. We don't want to anticipate change, but to imagine and create new realities that we can lead.

This project has been an exercise in radical exploration. We have analysed the forces of change impacting the creative industry to generate innovative possibilities, beyond conventional boundaries and biases that reduce our ability to see.

Key objectives:

- Transform the creative industry, giving Jungle a unique perspective to disrupt the sector.
- Redefine our positioning, expanding the boundaries of what Jungle can be in the coming years.
- Contribute to strategic content, providing key information for decision-making on the future of the ecosystem and the value we generate for clients.
- Foster a culture of innovation, creating a framework of experimentation for disruptive projects, where creativity, rigour and curiosity go hand in hand.
- Dynamise the Jungle ecosystem, integrating futures thinking into our daily operations and strengthening the interaction between our companies.

As a result of this process, we have developed a new strategic planning model that rethinks Jungle's structure to ensure its long-term relevance and success. It is not just about optimising short-term results, but about building a sustainable organisation, with processes and structures aligned to the future.

The research and development activities associated with this project are explained in Note 4 of the report and recognised in accordance with the conditions established in the accounting policies (Note 3 of the consolidated financial statements).

5 Treasury Stock

During 2023, a total of 139,350 shares were acquired for a value of EUR 478,565 and 368,119 shares were sold at a cost of EUR 230,046.

During 2024, 82,000 shares were acquired for a value of 279,776 euros, and 94,118 shares were sold at a cost of 90,930 euros.

The shares held by the Company as at 31 December 2024 and 2023 are as follows:

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2024	672.424	0,97	649.648

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2023	684.582	0,67	460.803

On the date these annual accounts are drawn up, the Board of Directors of the Parent Company has not made a decision on the final intended destination for the aforementioned own shares.

6 Average Payment Period

Information on the Average Payment Period can be found in Note 10 of the accompanying Notes to the Financial Statements.

7 Subsequent events

There have been no subsequent events to be disclosed after the end of the year and up to the preparation of these financial statements.

8. Environment

The Company's strategy is to anticipate trends and to constantly protect and reinforce its corporate image. With this in mind, it is a priority to become a leader in the sector, especially on issues that concern the well-being of society as a whole, such as environmental and social governance.

To achieve this aspiration, the Society achieved B-Corp certification in 2022. B-Corporations balance purpose and profit. They are required to consider the impact of their decisions on their employees, customers, suppliers, the community and the environment. This rating certifies that JUNGLE is a member of a global community of leaders that drives a community of companies that use business as a force for the common good.

B-Corporations receive this status from the non-profit B Lab. To achieve this status, companies must have a high standard of social and environmental performance, verify their scores through transparency requirements and legally commit to consider all stakeholders, not just shareholders.

In summary, JUNGLE is a for-profit corporation with a modified standard of fiduciary duty, subject to high standards of purpose, accountability and transparency, and which has internalised its duty to consider the best interests for employees, communities, customers and suppliers, as well as shareholders.

The Company complies with environmental regulations and cooperates with the bodies set up to improve them.

9. Main business risks

Information on the main business risks required by law can be found in Note 12 of the accompanying notes to the financial statements.

Individual Annual Accounts

JUNGLE21, S.A.

Balance sheet at 31 December 2024

(expressed in euro)

ASSETS	Notas	31.12.2024	31.12.2023
NON-CURRENT ASSETS		**14,168,456**	**7,229,939**
Intangible fixed assets	**5**	**1,057,757**	**146,834**
Development		-	146,834
IT applications		15,558	-
Research		1,042,199	-
Tangible fixed assets	**6**	**864,064**	**1,007,756**
Technical facilities and other tangible fixed assets		864,064	1,007,756
Long-term investments in group and associated companies		**10,861,950**	**4,610,956**
Equity instruments	9	10,861,950	4,610,956
Long-term investments	**8**	**1,063,106**	**1,006,045**
Equity instruments		170,000	140,000
Loans to third parties		900,000	800,000
Other financial assets		118,106	66,045
Deferred tax assets	**13**	**321,578**	**458,348**
CURRENT ASSETS		**2,455,083**	**2,453,696**
Inventories		**19,879**	**6,146**
Advance payments to suppliers		19,879	6,146
Commercial debtors and other accounts receivable		**336,852**	**499,197**
Clients from sales and provision of services	8	231,613	316,561
Clients, group and associated companies	8	75,625	182,609
Personnel		26,521	
Other loans with public administrations	13	3,093	28
Short-term investments in group and associated companies		**200,000**	**-**
Other financial assets	8	200,000	-
Short-term financial investments		**1,338,788**	**10,000**
Other financial assets	8	1,338,788	10,000
Short-term accruals		**165,881**	**95,509**
Cash and other cash equivalents		**393,682**	**1,842,844**
Cash		393,682	1,842,844
TOTAL ASSETS		**16,623,539**	**9,683,635**

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 19). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A.

Balance sheet at 31 December 2024

(expressed in euro)

SHAREHOLDERS' EQUITY AND LIABILITIES	Notas	31.12.2024	31.12.2023
SHAREHOLDERS' EQUITY		**4,020,771**	**3,876,518**
OWN FUNDS	**11**	**4,020,771**	**3,876,518**
Capital		**165,862**	**165,862**
Issued capital		165,862	165,862
Reserves		**2,700,530**	**1,888,332**
Legal and statutory reserves		33,173	33,173
Other reserves		2,667,357	1,855,159
(Shares and shareholdings in own equity)		**-649,648**	**-460,803**
Profit and loss for the financial year	**3**	**1,804,028**	**2,283,127**
NON-CURRENT LIABILITIES		**8,474,628**	**2,735,272**
Long-term debts	**10**	**8,474,628**	**2,735,272**
Debts with credit institutions		4,828,383	2,196,681
Other financial liabilities		3,646,245	538,592
CURRENT LIABILITIES		**4,128,140**	**3,071,845**
Short-term debts	**10**	**3,576,814**	**2,389,593**
Debts with credit institutions		3,160,402	2,231,658
Other financial liabitilies		416,412	157,935
Short-term debts with group and associated companies	**10**	**-**	**150,000**
Commercial creditors and other accounts payable		**551,327**	**532,252**
Suppliers	10	24,467	29,645
Sundry creditors	10	165,390	106,016
Personnel (remunerations pending payment)	10	33	355
Other debts with public administrations	13	237,469	291,235
Advance payments from clients	10	123,967	105,000
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**16,623,539**	**9,683,635**

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 19). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A.

Profit and Loss Account as at 31 December 2024

(expressed in euro)

	Notas	31.12.2024	31.12.2023
CONTINUING OPERATIONS			
Net turnover	**14, 16**	**7,819,911**	**7,969,053**
Provision of services		7,819,911	7,969,053
Work carried out by the company for its assets		**284,561**	
Provisioning	**14**	**-1,190,135**	**-1,751,870**
Works carried out by other companies		-1,190,135	-1,751,870
Other operating income	**16**	**-**	**17,324**
Operating grants included in the profit and loss for the year		-	17,324
Personnel expenses	**14**	**-2,479,627**	**-1,812,486**
Wages, salaries and similar expenses		-2,106,202	-1,525,819
Social contributions		-373,426	-286,667
Other operating expenses	**14**	**-1,738,970**	**-1,386,296**
External services		-1,727,313	-1,371,959
Taxes		-10,133	-8,287
Losses, impairment and variation of provisions due to commercial operations		-1,525	-6,050
Depreciation of fixed assets	**5 y 6**	**-463,270**	**-383,694**
Impairments and profit and loss due to transfers of fixed assets		**661**	
Other profits or losses		**53,252**	**30,185**
OPERATING PROFIT AND LOSS		**2,286,382**	**2,682,216**
Financial income	**16**	**-**	**140**
From negotiable securities and other financial instruments		-	140
Financial expenses		**-351,544**	**-159,853**
Due to debts with third parties		-351,544	-159,853
Exchange differnces		**-325**	**-432**
Change in fair value of financial instruments		**6,256**	**-190,162**
FINANCIAL PROFIT AND LOSS		**-345,613**	**-350,307**
PROFIT AND LOSS BEFORE TAXES		**1,940,769**	**2,331,909**
Tax on profits	**13**	**-136,742**	**-48,782**
PROFIT AND LOSS FOR THE YEAR FROM CONTINUOS	**3**	**1,804,028**	**2,283,127**
PROFIT AND LOSS FOR THE FINANCIAL YEAR		**1,804,028**	**2,283,127**

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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JUNGLE21, S.A.

Statement of Changes in Equity at 31.12.2024

(expressed in euro)

A) Statement of Recognised Income and Expense for the year ended 31 December 2024

	Notes	2024	2023
Results of the profit and loss account	3	1,804,028	2,283,127
Total income and expenses directly attributed in shareholders' equity		-	-
Total transfers to the profit and loss account		-	-
TOTAL RECOGNIZED INCOME AND EXPENSES		1,804,028	2,283,127

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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B) Statement of Total Changes in Equity for the year ended 31 December 2024

	Note	Issued	Reserves	Treasury	Result for the	Interim	TOTAL
ADJUSTED BALANCE, BEGINNING OF YEAR 2023		165,862	383,427	-212,283	1,363,693	-	1,700,699
Total recognised income and expense		-	-	-	2,283,127	-	2,283,127
Transactions with shareholders or owners		-	141,212	(248,520)	-	-	(107,308)
Dividend distributions		-	(886,875)	-	-	-	(886,875)
Transactions with treasury shares (net)			1,028,087	(248,520)	-	-	779,567
Other changes in shareholders' equity		-	1,363,693	-	(1,363,693)	-	-
BALANCE AT END OF YEAR 2023	11	165,862	1,888,332	(460,803)	2,283,127	-	3,876,518
Error correction adjustments		-	-	-	-	-	-
ADJUSTED BALANCE START OF YEAR 2024		165,862	1,888,332	(460,803)	2,283,127	-	3,876,518
Total recognised income and expense		-	-	-	1,804,028	-	1,804,028
Transactions with shareholders or owners		-	1,700,000	-	-	-	1,700,000
Dividend distribution	3	-	1,700,000	-	-	-	1,700,000
Transactions with own shares or participating interests (net)	11.c	-	-				-
Other changes in shareholders' equity	3	-	(887,802)	(188,846)	(2,283,127)	-	(3,359,775)
							-
BALANC AT END OF YEAR 2024	11	165,862	2,700,530	(649,648)	1,804,028	-	4,020,771

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 19). In the event of a discrepancy, the Spanish-language version prevails.

JUNGLE21, S.A.

Statement of Cash Flows as at 31.12.2024

(expressed in euro)

	Notes	31.12.2024	31.12.2023
CASH FLOWS FROM OPERATING ACTIVITIES		**1,481,001**	**3,181,689**
Profit and loss for the year before tax		**1,940,770**	**2,331,909**
Adjustments to profit and loss		**(737,207)**	**(1,509,949)**
Depreciation of fixed assets		463,270	383,694
Measurement corrections for impairment		1,525	6,050
Profit and loss on disposal and transfers of fixed assets		(661)	-
Financial income		(1,546,953)	(2,250,140)
Financial expenses		351,544	159,853
Exchange differences		325	432
Change in fair value of financial instruments		(6,256)	190,162
Changes in working capital		**119,355**	**250,130**
Inventories		(13,734)	(4,044)
Debtors and other accounts receivable		160,849	794,163
Creditors and other accounts payable		(27,760)	(539,989)
Other non-current assets and liabilities			
Other cash flows from operating activities		**158,083**	**2,109,600**
Interest payments		(351,544)	(159,853)
Collection of dividends		580,000	2,250,000
Collection of interest		-	140
Other payments		(70,373)	19,313
CASH FLOWS FROM INVESTMENT ACTIVITIES		**(4,517,496)**	**(1,953,681)**
Payments due to investments		**(5,615,496)**	**(1,978,681)**
Group and associated companies		(3,746,092)	(477,661)
Intangible fixed assets		(19,995)	-
Tangible fixed assets		(138,606)	(542,450)
Other financial assets		(1,710,859)	(958,569)
Collections due to de-investments		**1,098,047**	**25,000**
Group and associated companies		1,098,047	25,000
CASH FLOWS FROM FINANCING ACTIVITIES		**1,587,657**	**(141,848)**
Collections and payments from equity instruments		**(188,846)**	**329,567**
Acquisition of equity instruments		(279,776)	(478,565)
Disposal of equity instruments		90,930	808,132
Collections and payments due to financial liabilities instruments		**3,476,503**	**415,892**
Issue		5,792,104	2,811,925
Debts with credit institutions		5,792,104	2,712,925
Debts with group and associated companies		-	150,000
Other debts		-	(51,000)
Repayment and amortisation of		(2,315,601)	(2,396,033)
Debts with credit institutions		(2,231,658)	(2,278,177)
Other debts		(83,943)	(117,856)
Payments for dividends and remuneration from other equity instruments		**(1,700,000)**	**(886,875)**
Dividends		(1,700,000)	(886,875)
Effect of exchange rate changes		**(325)**	**(432)**
NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS		**(1,449,162)**	**1,086,160**
Cash and cash equivalents at the start of the year		1,842,844	756,684
Cash and cash equivalents at the end of the year		393,682	1,842,844

The accompanying notes form an integral part of the Annual Accounts for the financial year 2024.

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 19). In the event of a discrepancy, the Spanish-language version prevails.

Jungle21, S.A.

Report for the financial year

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 financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Note 19). In the event of a discrepancy, the Spanish-language version prevails.

1. Activity of the Company

JUNGLE21, S.A., is a public limited company, incorporated for an indefinite period of time in Spain on 17 May 2000 in accordance with the Spanish Companies Act (Ley de Sociedades de Capital). Its registered office is located at Calle Antonio Maura 16, Madrid.

The corporate purpose of the Company, in accordance with its articles of association:

- The creation, implementation and execution of advertising projects and tasks related to the contracting, mediation and dissemination of advertising messages in all possible forms and media, including the performance of non-conventional advertising activities.
- Execution of events, creation of campaigns, elaboration of market research and promotional activities, design and any other activity concerning the organisation of public relations.
- The execution of activities directly or indirectly related to marketing, merchandising and other related or similar commercial activities.
- The creation and production of audiovisual and graphic productions, the creation and design of websites and other similar IT platforms.
- The performance of activities and provision of services in the field of telecommunications, information and communication; in particular, the development of activities related to the Internet and any other networks, including access activities, production activities, distribution and/or exhibition of own or third-party content, portal activities, e-commerce activities and any other activities that may arise in the future in this area.
- Brokerage activities in securities and other assets.
- The acquisition, holding, administration, transfer and disposal in any form of shares, stocks, bonds, debentures, promissory notes, bills of exchange and any other securities, as well as the provision of administration, coordination, maintenance and optimisation of the resources of the companies in which the company participates, all for its own account.

In line with the growth of recent years, on 25 February 2022 the Euronext Board approved the listing of JUNGLE 21 shares on Euronext Access. The company has received the official letter of approval and the first trading date is 4 March 2022.

The functional currency of the Company is the euro.

The Board of Directors of the Parent Company prepares the Consolidated Financial Statements for the year 2023, on 15 March 2024 and they were approved on 13 June 2024, by the Ordinary General Shareholders' Meeting.

The Company is majority owned by MISS Valentine, S.L., which is the parent company of a group of subsidiaries and, in accordance with current legislation, is not obliged to prepare consolidated financial statements as it is exempt from this obligation due to the small size of the Group.
In any case, the Directors have prepared the Consolidated Annual Accounts of Jungle21 and Subsidiaries and Miss Valentine, S.L., at a meeting of its Board of Directors held on 28 March 2025.

2. Basis of presentation of the Annual Accounts

2.1. Regulatory financial reporting framework applicable to the Company

These Financial Statements have been prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which is set out in:

a. Commercial Code and other commercial legislation.
b. General Accounting Plan approved by Royal Decree 1514/2007, which has been amended by Royal Decree 602/2016 and by Royal Decree 1/2021, and its sectorial adaptations.
c. The mandatory rules approved by the Accounting and Auditing Institute in development of the General Accounting Plan and its complementary rules.
d. All other applicable Spanish accounting legislation.

2.2. Faithful image

The accompanying financial statements have been obtained from the Company's accounting records and are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, the accounting principles and criteria contained therein, so as to present fairly the Company's equity, financial position, results of operations and cash flows for the year. These Annual Accounts, which were prepared by the Board of Directors on 28 March 2025, will be submitted for approval by the respective Ordinary General Meeting of Shareholders, and it is expected that they will be approved without any changes. The Annual Accounts for 2023 were approved by the General Meeting of Shareholders held on 13 June 2024.

Unless otherwise stated, all figures presented in this report are expressed in euro.

The Annual Accounts and Directors' Report for the financial year 2024 shall be prepared in due time and form and filed, together with the corresponding auditors' report, with the Commercial Registry within the legally established deadlines.

In these financial statements, information or disclosures have been omitted which, although not requiring detail due to their qualitative importance, have been considered immaterial or immaterial in accordance with the concept of materiality or materiality as defined in the conceptual framework of PGC 2007.

2.3. Non-mandatory accounting principles applied

The financial statements have been prepared in accordance with mandatory accounting principles. There are no accounting principles, the effect of which is material, that have not been applied.

2.4. Critical aspects of uncertainty valuation and estimation

The accompanying financial statements have been prepared on the basis of estimates made by the Company's directors which are based on historical experience and other factors that are believed to be reasonable under current circumstances and which form the basis for determining the carrying amounts of certain assets, liabilities, income, expenses and commitments whose values are not readily determinable from other sources. The Company reviews its estimates on an ongoing basis. Basically these estimates relate to:

- Useful life and recoverability of tangible and intangible assets (Note 3, Note 6)
- The recoverability of deferred tax assets (Note 13).
- The calculation of provisions, as well as the probability of occurrence and the amount of undetermined or contingent liabilities (Note 4.8).

Although these estimates have been made on the basis of the best information available at year-end 2024, future events may make it necessary to change these estimates (upwards or downwards) in the coming years, if necessary prospectively.

2.5. Comparison of information

The application of accounting principles in 2024 and 2023 has been uniform, and therefore there are no transactions or operations that have been recorded according to different accounting principles that could give rise to discrepancies in the interpretation of the comparative figures for both periods.

2.6. Grouping of items

Specific entries in the balance sheet, the profit and loss account, the statement of changes to the net equity, and the cash flow statement are presented in a grouped manner in order to facilitate understanding, although, when relevant, the separate information has been included in the corresponding report notes.

2.7. Elements included in several line items

No element which has been recorded on two or more entries of the balance sheet has been identified during the drafting of the annual accounts.

2.8. Changes in accounting criteria

No changes were made to the accounting policies in the financial year 2024.

2.9. Correction of errors

In the preparation of the Consolidated Financial Statements no errors were identified that could be corrected.

2.10. Concern principle

The Board of Directors of the Company has prepared the financial statements on a going concern basis.

The Company's working capital at 31 December 2024 is negative EUR 1,673,055 (the Company's working capital at 31 December 2023 was negative EUR 618,149), mainly due to the investments made during the year for the acquisition of new companies. It should be noted that these new companies were acquired under an earn-out model, so their valuation is conditioned on future growth, which in turn will generate a higher profit and increase the value of the Group itself in the following years.

The Company's directors closely monitor cash flow, which shows a positive operating cash flow and expects cash generation along the same lines for the next 12 months.

In addition, as detailed in note 10, the Company has available credit lines amounting to 683,844 euros, which provide additional liquidity support.

On the other hand, as detailed in the note, the company has followed an active dividend distribution policy in recent years, mainly due to the Company's cash generation and the dividends received from its investees over which it has control and sufficient financial capacity to continue to obtain dividends in 2025.

In addition, the Company, as the parent company of the Group, carries out centralised cash management with its subsidiaries, thus enabling it to obtain funds through these subsidiaries in the event of occasional additional liquidity needs.

In the opinion of the Company's Board of Directors and based on the factors described above, the Company's payment obligations are adequately covered due to changes in the business model in previous years, which is leading to an increase in the activity through which the Company can meet its obligations to third parties. The transformation of the Company consists of radically changing the production and innovation models aimed at obtaining more relevant economic results. The aim is to apply creativity throughout the value chain

In view of the foregoing, the directors of the Company have prepared these financial statements on a going concern basis.

2.11. Relative importance

When determining the information to be broken down in this annual report on the different items of the financial statements or other matters, in accordance with the Conceptual Framework of the General Accounting Plan, the Company has taken into account the relative importance in relation to the annual accounts for financial year 2024.

3. Profit and loss distribution

The proposed distribution of profit for the financial year 2024 that the Directors submit for approval by the General Shareholders' Meeting, is as follows:

Basis of distribution	
Losses and gains (profits)	1.804.028
Application	
Interim dividend	
To voluntary reserves	1.804.028
Total	1.804.028

In the last 5 financial years the Company has distributed the following dividends:

	Euros				
	2024	2023	2022	2021	2020
Dividends distributed	1,700,000	886,875	1,700,000	-	-

4. Recognition and measurement standards

As indicated in Note 2, the Company has applied its accounting policies in accordance with the accounting principles and standards set out in the Spanish Commercial Code, which are developed in the General Chart of Accounts in force (PGC 2007), as well as the rest of the mercantile legislation in force at the closing date of these Financial Statements. In this regard, only those policies that are specific to the Company's activity and those considered significant in view of the nature of its activities are detailed below.

The main accounting and valuation rules used for the preparation of the financial statements are as follows:

4.1. Intangible fixed assets

As a general rule, intangible assets are initially measured at acquisition or production cost. They are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses. These assets are depreciated over their useful lives. When the useful life of these assets cannot be reliably estimated, they are depreciated over a period of ten years.

a. Research and Development Expenses

The Company recognises in the profit and loss account the research expenses incurred during the year (if capitalised, this circumstance will be mentioned). Development costs are capitalised when the following conditions are met:

- They are specifically individualised by project and their cost can be clearly established.
- There is every reason to be confident that the project will be technically successful and

economically and commercially profitable.

The assets thus generated are amortised on a straight-line basis over their useful life (over a maximum period of 5 years).

If there are doubts about the technical success or economic profitability of the project, then the amounts recorded under assets are charged directly to the profit and loss account for the year.

b. Industrial property

This account records the amounts paid for the acquisition of ownership or the right to use the various manifestations thereof, or for the expenses incurred in the registration of the company's development. They are initially measured at acquisition or production cost, including registration and formalisation costs. They are amortised on a straight-line basis over their useful life.

c. Computer applications

This includes amounts paid for access to property or for the right to use computer software.

Computer software that meets the recognition criteria is capitalised at acquisition or development cost. They are amortised on a straight-line basis over a period of 5 years from the entry into operation of each application.

Computer software maintenance costs are expensed in the year in which they are incurred.

4.2. Property, Plant and Equipment

Property, plant and equipment are stated at acquisition or production cost increased, where applicable, by the revaluations made pursuant to the various legal provisions, the most recent of which corresponds to Royal Decree-Law 7/1996, of 7 June, less accumulated depreciation and any impairment losses incurred.

Indirect taxes on tangible fixed assets are only included in the purchase price or production cost when they are not recoverable directly from the tax authorities.

The initial estimate of the present value of the obligations assumed as a result of dismantling or removal and other obligations associated with the asset, such as the costs of rehabilitating the site on which it is located, is included as an increase in the value of property, plant and equipment, provided that these obligations give rise to the recognition of provisions.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of assets are expensed as an increase in the cost of the assets. Upkeep and maintenance costs are charged to the Profit and Loss Account in the year in which they are incurred.

Work carried out by the Company for its own fixed assets is reflected on the basis of the cost price of raw materials and other consumables, the costs directly attributable to those assets, as well as a reasonable proportion of indirect costs.

The Company depreciates its property, plant and equipment on a straight-line basis. The years of useful life applied are as follows:

Element	%	Years of useful life
Buildings	20	5
Furniture	15	7
Information processing equipment	25	4
Vehicles	15	7
Other tangible fixed assets	10	10

4.3. Impairment of the value of non-financial assets

At the end of each year, or whenever there are indications of impairment, the Company conducts an "impairment test" to estimate any impairment losses that may reduce the recoverable amount of these assets to an amount lower than their book value.

The recoverable amount is determined as the higher of fair value less costs to sell and value in use.

The recoverable values are calculated for each cash-generating unit, although in the case of property, plant and equipment, where possible, the impairment calculations are performed individually, item-by-item.

4.4. Leasing and other operations of a similar nature

The Company records as finance leases those transactions whereby the lessor transfers substantially all the risks and rewards incidental to ownership of the leased asset to the lessee and records the remainder as operating leases.

Operating leasing

i. The Company acts as lessee

Expenses arising from operating lease agreements are charged to the profit and loss account in the year in which they are incurred.

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

4.5. Financial instruments

On initial recognition, the Company classifies financial instruments as a financial asset, a financial liability or an equity instrument, depending on the economic substance of the transaction and taking into account the definitions of a financial asset, a financial liability and an equity instrument in the applicable financial reporting framework.

Recognition of a financial instrument occurs when the Company becomes a party to it, either as the acquirer, holder or issuer.

4.6. Financial assets

The Company classifies its financial assets according to the business model applied to them and the cash flow characteristics of the instrument.
The business model is determined by the Company's management and reflects the way in which each group of financial assets is managed together to achieve a specific business objective. The business model that the Company applies to each group of financial assets is the way in which the Company manages them in order to obtain cash flows.

In categorising assets, the Company also takes into account the characteristics of the cash flows that accrue from them. In particular, it distinguishes between those financial assets whose contractual terms give rise, at specified dates, to cash flows that are principal and interest payments on the principal amount outstanding (hereinafter, assets that meet the UPPI criterion), and other financial assets (hereinafter, assets that do not meet the UPPI criterion).

In particular, the financial assets of the Company are classified in the following categories:

Financial assets at amortised cost

These correspond to financial assets to which the Company applies a business model whose objective is to receive the cash flows arising from the performance of the contract, and the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely collections of principal and interest, The financial assets are assets that meet the UPPI criterion (financial assets whose contractual terms give rise, at specified dates, to cash flows that are payments of principal and interest on the principal amount outstanding).

The Company considers that the contractual cash flows of a financial asset are solely collections of principal and interest on the principal amount outstanding, when these are those of an ordinary or common loan, regardless of whether the transaction is agreed at a zero or below-market interest rate. The Company considers that financial assets convertible into equity instruments of the issuer, loans with inverse floating interest rates (i.e. a rate that has an inverse relationship with market interest rates); or those in which the issuer may defer payment of interest if such payment would affect its creditworthiness, without the deferred interest accruing additional interest, do not meet this criterion and, therefore, are not classified in this category.

In assessing whether it is applying the contractual cash flow collection business model to a group of financial assets or whether it is applying another business model, the Company takes into consideration the timing, frequency and value of sales that are occurring and have occurred in the past within this group of financial assets. Sales in themselves do not determine the business model and therefore cannot be considered in isolation. Therefore, the existence of one-off sales within a group of financial assets does not determine the change in business model for the rest of the financial assets within that group. In assessing whether such sales determine a change in business model, the Company takes into account existing information on past sales and expected future sales for the same group of financial assets. The Company also considers the conditions that existed at the time of past sales and current conditions when assessing the business model it is applying to a group of financial assets.

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

- Trade receivables: financial assets arising from the sale of goods and the rendering of services in connection with the company's business transactions for deferred payment.

- Non-trade receivables: financial assets which, not being equity instruments or derivatives, do not have a commercial origin and whose collections are of a determined or determinable amount, deriving from loan or credit operations granted by the Company.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs.

Notwithstanding the above, trade receivables maturing within one year that do not have a contractual interest rate are initially measured at their nominal value, provided that the effect of not discounting cash flows is not material, in which case they will continue to be measured at that amount, unless they are impaired.

Subsequent to initial recognition, they are measured at amortised cost. Accrued interest is recognised in the profit and loss account.

At year-end, the Company makes the appropriate impairment adjustments whenever there is objective evidence that a financial asset, or a group of financial assets with similar risk characteristics measured collectively, has become impaired as a result of one or more events occurring after initial recognition that lead to a reduction or delay in the collection of estimated future cash flows, which may be caused by the insolvency of the debtor.

Impairment losses are recognised on the basis of the difference between their carrying amount and the present value at year-end of the estimated future cash flows to be generated (including those arising from the enforcement of collateral and/or personal guarantees), discounted at the effective interest rate calculated at the time of initial recognition. For floating rate financial assets, the Company uses the effective interest rate that, in accordance with the contractual terms of the instrument, is applicable at year-end. These adjustments are recognised in the profit and loss account.

Financial assets at cost

This category includes the following financial assets:

a. equity instruments of Group companies, jointly controlled entities and associates;

b. equity instruments whose fair value cannot be reliably measured, and derivatives that have these investments as their underlying;

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

d. contributions made in joint ventures and similar contracts;

e. participating loans with interest of a contingent nature;

f. financial assets that should be classified in the next category, but their fair value cannot be reliably estimated.

Group companies are considered to be those linked to the Company by a relationship of control, and associates are those over which the Company exercises significant influence. In addition, jointly controlled entities include companies over which, by virtue of an agreement, joint control is exercised with one or more partners.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. Fees paid to legal advisors or other professionals involved in the acquisition of the asset are recognised as an expense in the profit and loss account. Internally generated expenses incurred in the acquisition of the asset are also not recognised as an increase in the value of the asset and are recorded in the profit and loss account. In the case of investments made before they are considered to be equity investments in a Group company, jointly controlled entity or associate, the carrying amount immediately before the asset qualifies as such is considered to be the cost of the investment.

Equity instruments classified in this category are measured at cost less any accumulated impairment losses.

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

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

At least at year-end, the Company makes the necessary valuation adjustments whenever there is objective evidence that the carrying amount of an investment is not recoverable.

The amount of the valuation adjustment is calculated as 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 future cash flows arising from the investment, which in the case of equity instruments is calculated either by estimating those expected to be received as a result of the distribution of dividends by the investee and the disposal or derecognition of the investment in the investee, or by estimating its share of the cash flows expected to be generated by the investee from its ordinary activities and from the disposal or derecognition of the investment.

The recognition of impairment losses and, where applicable, their reversal, shall be recognised as an expense or income, respectively, in the income statement. The reversal of impairment shall be limited to the carrying amount of the investment that would have been recognised at the date of reversal had no impairment loss been recognised.

Financial assets at fair value with changes in the profit or loss:

As a general criterion, the Company classifies its financial assets as financial assets at fair value through profit or loss, unless they have to be classified in any of the other categories indicated subsequently by the applicable financial reporting framework.

In particular, financial assets held for trading are classified in this category. The Company considers that a financial asset is held for trading when:

- It is originated or acquired for the purpose of being sold in the short term.
- forms part, on initial recognition, of a portfolio of jointly identified and managed financial instruments for which there is evidence of recent actions to realise gains in the near term; or
- It is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

On initial recognition, the Company classifies any financial asset that it has designated as a financial asset at fair value through profit or loss as this eliminates or significantly reduces a measurement inconsistency or accounting mismatch that would arise if it were classified in another category.

They are initially recognised at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration given. Transaction costs that are directly attributable to them are recognised as an expense in the income statement.

Subsequent to initial recognition, the Company records the assets included in this category at fair value, with changes recorded in the income statement.

Deterioration

At least at year-end the Company performs an impairment test for financial assets that are not carried at fair value through profit or loss. Objective evidence of impairment is considered to exist if the recoverable amount of the financial asset is less than its carrying amount. In any case, for equity instruments at fair value with changes in equity, impairment is presumed to exist if their market price has fallen by one and a half years or 40% without the value having recovered. Impairment is recorded in the profit and loss account.

The Company derecognises financial assets when the rights to the cash flows from the financial asset expire or have been transferred and substantially all the risks and rewards of ownership have been transferred, such as in firm asset sales, factoring of trade receivables in which the Company does not retain any credit or interest rate risk or securitisations of financial assets in which the transferor does not retain any subordinated financing or provide any guarantees or assume any other type of risk.

Conversely, the Company does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which it retains substantially all the risks and rewards of ownership, such as bill discounting, factoring with recourse, sales of financial assets with repurchase agreements at a fixed price or at the sale price plus interest, and securitisations of financial assets in which the transferor retains subordinated financing or other collateral that absorbs substantially all the expected losses.

Derecognition of financial assets

Financial assets are derecognised, as established in the Conceptual Accounting Framework of the Spanish National Chart of Accounts, approved by Royal Decree 1514/2007, of 16 November, based on the economic reality of the transactions and not only on the legal form of the contracts that regulate them. Specifically, a financial asset is derecognised, in whole or in part, when the contractual rights to the cash flows from the financial asset have expired or when it is transferred, provided that substantially all the risks and rewards of ownership are transferred. The Company considers that the risks and rewards of ownership of the financial asset have been substantially transferred when its exposure to changes in cash flows is no longer material in relation to the total change 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 the risks and rewards of the financial asset, the asset is derecognised when control is not retained. If the Company retains control of the asset, it continues to recognise the asset at the amount to which it is exposed to changes in the value of the transferred asset, i.e. its continuing involvement, recognising the associated liability.

The difference between the consideration received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, plus any cumulative amount recognised directly in equity, determines the gain or loss arising on derecognition of the financial asset and forms part of the profit or loss for the period in which it arises.

The Company does not derecognise financial assets in transfers in which it retains substantially all the risks and rewards of ownership, such as bill discounting, factoring with recourse, sales of financial assets under repurchase agreements at a fixed price or at plus interest and securitisations of financial assets in which the Companies retain subordinated financing or other types of guarantees that absorb substantially all the expected losses. In these cases, the Companies recognise a financial liability for an amount equal to the consideration received.

4.7. Financial liabilities

A financial liability is recognised in the balance sheet when the Company becomes an obligor to the contract or legal transaction in accordance with the provisions of the contract or legal transaction. In particular, financial instruments issued are classified, in whole or in part, as a financial liability if, based on the economic substance of the financial instrument, it creates a direct or indirect contractual obligation for the Company to deliver cash or another financial asset or to exchange financial assets or financial liabilities with third parties on unfavourable terms.

Also classified as a financial liability is any contract that can be settled with the company's own equity instruments, provided that:

- Is not a derivative and obliges or may oblige to deliver a variable amount of its own equity instruments.

In addition, rights, options or warrants to obtain a fixed number of the Company's own equity instruments are recorded as equity instruments, provided that the Company offers such rights, options or warrants on a pro rata basis to all shareholders of the same class of equity instruments. However, if the instruments give the holder the right to settle them in cash or by delivering equity instruments based on their fair value or at a fixed price, they are classified as financial liabilities.

Contributions made as a result of a joint venture and similar contracts are measured at cost, increased or decreased by the profit or loss, respectively, accruing to the company as a non-managing venturer, less any accumulated impairment losses. In this case, when the entire cost of the joint venture account is impaired, the additional losses generated by the joint venture are classified as a liability.

Participating loans that accrue interest on a contingent basis, either because a fixed or variable rate of interest is agreed upon conditional upon the achievement of a milestone in the borrower company (e.g. profit) or because they are calculated solely by reference to the performance of the borrower company's business, are recorded in the same way. Interest expense accrued on the participating loan is recognised in the profit and loss account on an accrual basis and transaction costs are taken to the profit and loss account on a straight-line basis over the life of the participating loan or, if this is not applicable, on a straight-line basis over the life of the participating loan.

Where the Company does not transfer the risks and rewards inherent in a financial asset, it recognises a financial liability for an amount equal to the consideration received.

The categories of financial liabilities, among which the Company classifies them, are as follows:

Financial liabilities at amortised cost

In general, the Company classifies the following financial liabilities in this category:

- Trade payables: are financial liabilities arising from the purchase of goods and services for trade transactions with deferred payment, and

- Non-trade payables: these are financial liabilities which, not being derivative financial instruments, do not have a commercial origin, but arise from loan or credit transactions received by the Company.

Participating loans that have the characteristics of ordinary or common loans are also classified in this category.

Financial liabilities at amortised cost are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs.

However, trade payables falling due in less than one year and not bearing a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, are initially measured at their nominal value, provided that the effect of not discounting the cash flows is not significant.

They are subsequently measured at amortised cost using the effective interest rate. Those which, in accordance with the previous paragraph, are initially measured at their nominal value, continue to be measured at that amount.

Financial liabilities at fair value through profit or loss.

Liability derivative financial instruments are measured at fair value using the same criteria as for financial assets at fair value through profit or loss described in the previous section.

Assets and liabilities are presented separately in the balance sheet and are only presented at their net amount when the company has the enforceable right to set off the recognised amounts and, in addition, intends to settle the amounts on a net basis or to realise the asset and settle the liability simultaneously.

The Company derecognises financial liabilities when the obligations giving rise to them are extinguished.

Derecognition of financial liabilities

The Company derecognises a financial liability when the obligation has been extinguished. The Company also derecognises own financial liabilities that it acquires (even if it intends to sell them in the future).

When debt instruments are exchanged with a lender on substantially different terms, the original financial liability is derecognised and the new financial liability that arises is recognised. Similarly, a substantial modification of the current terms of a financial liability is recorded.
The difference between the carrying amount of the financial liability, or part of it that has been

derecognised, and the consideration paid, including attributable transaction costs, including any asset transferred other than cash or liability assumed, is recognised in profit or loss in the period in which it arises.

When there is an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognised and the amount of fees paid is recognised as an adjustment to its carrying amount. The new amortised cost of the financial liability is determined by applying the effective interest rate, which is the rate that matches the carrying amount of the financial liability at the modification date with the cash flows payable under the new terms.

For these purposes, the terms of the contracts are considered to be substantially different when the lender is the same as that which granted the initial loan and the present value of the cash flows of the new financial liability, including net fees, differs by at least 10% from the present value of the outstanding cash flows of the original financial liability, both discounted at the effective interest rate of the original liability. In addition, in cases where the difference is less than 10%, the Company also considers that the terms of the new financial instrument are substantially different when there are other substantial changes in the instrument of a qualitative nature, such as: a change from a fixed to a floating interest rate or vice versa, the restatement of the liability in a different currency, an ordinary loan that becomes a participating loan, etc.

4.8. Stocks

Inventories are stated at the lower of acquisition cost, production cost or net realisable value. Trade discounts, rebates received, other similar items and interest incorporated in the nominal amount of debits are deducted in determining the purchase price. Cost of production includes direct materials costs and, where appropriate, direct labour costs and manufacturing overheads. For inventories that take longer than one year to be ready for sale, cost includes finance charges that have been drawn down by the supplier or relate to loans or other specific or generic external financing directly attributable to manufacture or construction. The Company uses the weighted average cost method to assign value to its inventories

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in the marketing, selling and distribution processes. The Company makes the appropriate valuation adjustments and recognises them as an expense in the income statement when the net realisable value of inventories is lower than their acquisition price (or production cost).

4.9. Foreign currency transactions

Trade and other receivables and trade and other payables denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the time of the transaction and are measured at year-end at the exchange rate prevailing at that time.

Exchange differences arising from the year-end valuation of receivables and payables in foreign currencies are taken directly to the profit and loss account.

4.10. Profit tax

The income tax expense or income is calculated as the sum of the current tax expense or income plus the deferred tax expense or income.

The current tax is the amount resulting from the application of the tax rate to the tax base for the year. Deductions and other tax benefits on the tax liability, excluding withholdings and payments on account, as well as tax losses carried forward from previous years and effectively applied in the year, will result in a lower amount of current tax.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets for deductible temporary differences, for the right to offset tax losses in subsequent years and for unused tax credits and other unused tax benefits and deferred tax liabilities for taxable temporary differences.

Deferred tax assets and liabilities are measured at the expected tax rates at the time of reversal.

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

In accordance with the principle of prudence, deferred tax assets are only recognised to the extent that it is probable that future profits will be available against which they can be utilised. Notwithstanding the above, deferred tax assets are not recognised in respect of deductible temporary differences arising from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit and is not a business combination.

Both current and deferred tax expense or income are recognised in the income statement. However, current and deferred tax assets and liabilities that relate to a transaction or event recognised directly in an equity item are recognised with a charge or credit to that item.

Deferred tax assets recognised are reviewed at each balance sheet date to ensure that they continue to exist and are adjusted accordingly. Deferred tax assets recognised and previously unrecognised deferred tax assets are also assessed, and recognised assets are derecognised if it is no longer probable that they will be recovered, or any previously unrecognised deferred tax assets are recognised to the extent that it becomes probable that they will be recovered with future taxable profit.

4.11. Provisions and contingencies

In preparing the annual accounts, the Company's directors distinguish between:

Provisions: Credit balances covering current obligations arising from past events, the settlement of which is probable to result in an outflow of resources, but the amount and/or timing of which is uncertain.

Contingent liabilities: Possible obligations arising from past events, the future realisation of which is conditional on the occurrence or non-occurrence of one or more future events beyond the control of the Company.

All provisions for which it is considered more likely than not that the obligation will have to be settled are recognised in the Annual Accounts at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party. Contingent liabilities are not recognised in the financial statements, but are disclosed in the notes to the financial statements.

Provisions are measured at year-end at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party, and adjustments arising from the discounting of provisions are recognised as a finance cost as they accrue. In the case of provisions maturing in one year or less, and where the financial effect is not material, no discounting is applied.

Compensation to be received from a third party upon settlement of the obligation is not deducted from the amount of the debt but is recognised as an asset if there is no doubt that the reimbursement will be received.

4.12. Related party transactions

Transactions between related parties, irrespective of the degree of relatedness, are accounted for in accordance with the general rules. Accordingly, as a general rule, transacted items are initially recognised at fair value. If the price agreed in a transaction differs from its fair value, the difference is recorded on the basis of the economic reality of the transaction. Subsequent measurement is carried out in accordance with the relevant standards.

4.13. Income and Expenditure

Revenues and expenses are recognised when the actual flow of goods or services they represent occurs, regardless of when the resulting monetary or financial flow arises.

In determining whether revenue should be recognised, the Company follows a five-step process:

1. Identification of the contract with a customer.
2. Identification of performance obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to performance obligations.
5. Revenue recognition when performance obligations are met.

The Company often engages in transactions involving a range of products and services.

In all cases, the total transaction price of a contract is allocated among the various performance obligations on the basis of their relative independent selling prices. The transaction price of a contract excludes any amounts charged on behalf of third parties.

Revenue is recognised at a point in time or over time when (or as) the Company satisfies performance obligations by transferring promised goods or services to its customers.

The Company recognises liabilities for contracts for consideration received in respect of unsatisfied performance obligations and presents these amounts as other liabilities in the Balance Sheet. Similarly, if the Company satisfies a performance obligation before the consideration is received, the Company recognises either a contract asset or a receivable in its Balance Sheet statement, depending on whether more than the passage of time is required before the consideration is due.

The Company is engaged in the provision of applied creative services in the advertising line of business. The Company recognises revenue over time as services are rendered.

In order to provide the services, the Company incurs salary expenses and, in some cases, production costs. Revenue for these services is recognised by the Company over time, as it provides services to the customer, and the Company is entitled to be paid for all work performed to date. The Company recognises revenue using the resource method to measure the progress of the work performed and the satisfaction of the committed obligation. The Company adjusts the progression of work as circumstances change and records the potential impact as a change in estimate prospectively.

Revenue recognised by the Company over time is recognised as a contract asset to the extent that it is receivable. If, on the other hand, the Company has collected in advance for work that has not yet been performed, it records an advance from customers under "Trade and other payables" in the balance sheet. There is no financial component in this type of contract.

Expenditure

Expenses are recognised on an accruals basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Expenses are measured at the fair value of the consideration received, net of discounts and taxes.

In accordance with the provisions of the financial reporting framework, the Company records under "Revenue" in the accompanying income statement for 2024, its principal activity and, due to the change in the business model of the Group of which the Company is the parent company, which corresponds to activities of the holding company, income from services rendered to Group entities in the area of administration and management, as well as income from dividends obtained from investees (see Notes 14 and 16).

4.14. Severance payments

In accordance with current legislation, the Company is obliged to make severance payments to employees whose employment is terminated under certain conditions. Therefore, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate employment is taken. In the accompanying financial statements, an expense of EUR 11,076 (EUR 32,412 in 2023) is recognised in this connection.

4.15. Cash flow statement

The cash flow statement has been prepared using the indirect method and uses the following expressions with the meanings set out below:

- Operating activities: activities that constitute the ordinary income of the Company, as well as other activities that cannot be classified as investing or financing activities.
- Investing activities: activities of acquiring, selling or otherwise disposing 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 liabilities that are not part of operating activities.

4.16. Environmental assets

Property, plant and equipment used to minimise environmental impact and improve the environment are stated at acquisition cost. The costs of expansion, modernisation or improvement which represent an increase in productivity, capacity, efficiency or a lengthening of the useful life of these assets are capitalised as an increase in their cost. Repair and maintenance costs incurred during the year are charged to the profit and loss account.

Expenses accrued for environmental activities carried out or for those activities carried out to manage the environmental effects of the Company's operations are recognised on an accrual basis, i.e. when the actual flow of goods and services that they represent occurs, regardless of the monetary or financial flow derived from them.

4.17. Classification of current and non-current items

Assets and liabilities are presented in the balance sheet classified as current or non-current. For these purposes, assets and liabilities are classified as current when they are linked to the Company's normal operating cycle and are expected to be sold, consumed, realised or settled in the course of that cycle, are different from the above and their maturity, disposal or realisation is expected to take place within a maximum period of one year; they are held for trading purposes or are cash and cash equivalents whose use is not restricted for a period of more than one year. Otherwise they are classified as non-current assets and liabilities.

5. Intangible assets

The balances and changes during the years in gross values, accumulated depreciation and valuation adjustments, are as follows

	Research and development	IT Applications	Total
Gross values			
Balance as of 01.01.2023	879,441	21,086	900,527
Balance as of 31.12.2023	879,441	21,086	900,527
Additions	1,072,561	19,995	1,092,556
Balance as of 31.12.2024	1,952,002	41,081	1,993,083
Accumulated depreciation	-		
Balance as of 01.01.2023	(572,753)	(21,086)	(593,839)
Amount allocated for depreciation	(159,854)	(1)	(159,855)
Balance as of 31.12.2023	(732,607)	(21,086)	(753,693)
Amount allocated for depreciation	(177,195)	(4,437)	(181,632)
Balance as of 31.12.2024	(909,803)	(25,523)	(935,326)
	-		-
Net Book Value as of 31.12.2023	146,834	-	146,834
Net Book Value as of 31.12.2024	1,042,199	15,558	1,057,757

Research and development comprises the project for the transformation of the Company's production model. During the financial year 2024, the Company has activated a project as the conditions indicated in the recording and valuation rules indicated in Note 4) have been met and it has a useful life of 3 years.

Fully depreciated intangible assets at year-end 2024 and 2023 amount to 900,527 euros and 98,086 euros, respectively, and relate to development and research expenses.

Account	Balance as of 31.12.2024	Balance as of 31.12.2023
Research and development	879,441	77,000
IT Applications	21,086	21,086
	900,527	98,086

6. Tangible fixed assets

The balances and changes during the financial years 2024 and 2023 in gross values, accumulated depreciation and valuation adjustments are as follows:

	Other facilities	Forniture	Information processing equipment	Transport items	Other fixed assets	Total
Gross values						
Balance as of 01.01.2023	623,151	664,562	478,562	160,863	8,026	1,935,164
Entries	453,820	7,742	77,588	-	3,301	542,450
Balance as of 31.12.2023	1,076,971	672,304	556,150	160,863	11,327	2,477,614
Entries	25,825	34,795	77,044	-	942	138,606
Drop					(661)	(661)
Balance as of 31.12.2024	1,102,796	707,099	633,194	160,863	11,608	2,615,558
Acumulated depreciation						
Balance as of 01.01.2023	(606,349)	(213,126)	(323,290)	(96,054)	(7,199)	(1,246,019)
Amount allocated for depreciation	(44,759)	(80,576)	(67,912)	(24,129)	(6,463)	(223,839)
Balance as of 31.12.2023	(651,108)	(293,702)	(391,202)	(120,183)	(13,662)	(1,469,858)
Amount allocated for depreciation	(105,162)	(80,484)	(77,077)	(18,209)	(706)	(281,638)
Entries in the localisation perimeter	-	-	-	-		-
Balance as of 31.12.2024	(756,270)	(374,186)	(468,280)	(138,392)	(14,368)	(1,751,494)
						-
Net Book Value as of 31.12.2023	425,863	378,602	164,948	40,680	(2,335)	1,007,757
Net Book Value as of 31.12.2024	346,526	332,913	164,915	22,471	(2,760)	864,064

Additions in the year 2024 are mainly due to furniture and office equipment. Also, as in financial year 2023, IT equipment has been acquired due to the increase in the number of employees.

The gross value of fully depreciated items in use for 2024 and 2023 is as follows:

Account	Balance as of 31.12.2024	Balance as of 31.12.2023
Technical facilities	604,949	601,111
Furniture	166,359	156,172
Computer equipment	305,817	247,048
Other tangible fixed assets	7,037	4,800
	1,084,162	1,009,131

The Company's policy is to take out insurance policies to cover the possible risks to which its various items of property, plant and equipment are subject. At year-end 2024, there was no shortfall in coverage for these risks.

7. Leases and other transactions of a similar nature

Operating leasing

The future minimum lease payments for operating leases, contracted with lessees under the current contracts in force, are as follows:

	Pending instalments	
	Balance as of 2024	Balance as of 2023
Under one year	372,677	167,999
Between one and five years	1,012,905	281,931
More than five years	845,631	-
	2,231,213	449,930

The amount of operating lease and sublease payments recognised respectively as an expense in the year are as follows:

	2024	2023
Minimum lease payments	453,251	250,372

As lessee, the most significant operating leases are as follows:

- Lease of the office located at calle Antonio Maura, number 16, Madrid. The lease contract started on 1 December 2005 and was extended by agreement on 12 May 2016 for a period of 10 years from 1 June 2016 to 31 May 2026, considering the duration of the long-term contract. The annual cost of this office is 190,088 euros in 2024 (186,178 euros in 2023).

- Office located at Calle Álava number 111 in Barcelona. The lease contract commenced on 1 May 2023 and runs until 30 April 2033. The annual cost of this office is 214,995 euros in 2024 (21,318 euros in 2023).

8. Financial Assets

The carrying amounts of each of the categories of financial instruments established in the "Financial Instruments" accounting and measurement standard, except for investments in the equity of Group companies, jointly controlled entities and associates, which are detailed in Note 9, are as follows:

	Long-term financial investments					
	Equity instruments		Loans, derivatives and others		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Categories						
Financial assets at amortised cost		-	1,018,106	66,045	1,018,106	66,045
Financial assets at cost	170,000	940,000		-	170,000	940,000
	170,000	940,000	1,018,106	66,045	1,188,106	1,006,045

	Short-term financial investments					
	Equity instruments		Loans, derivatives and others		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Categories						
Assets at fair value wih changes in profit and loss:						
Tading portfolio	-	-	1,028,288	-	1,028,289	-
Financial assets at amortised cost	-	-	333,759	499,170	333,759	499,170
Financial assets at cost	510,500	10,000	-	-	510,500	10,000
	510,500	10,000	1,362,048	499,170	1,872,548	509,170

In long-term equity instruments, amounting to 1,018,106 euros, the Company records the loan granted to employees under the incentive plans approved by the Company's Board of Directors, which amounts to 900,000 euros (100,000 euros corresponding to financial year 2024 and 800,000 euros granted in financial year 2023), as well as the guarantees for the Company's rentals. Specifically, the guarantees that the Company has for the rents it has in the offices at Calle Antonio Maura, 16 (Madrid) and Calle Álava, 111 (Barcelona), amount to 27,879 euros and 35,235 euros, respectively.

In short-term equity instruments, the Company records a loan of Euros 300,000 with other related parties. In addition, there is a current account with a Group company amounting to € 200,000.

In short-term financial instruments, the Company has recorded at year-end an amount of 1,028,289 euros (0 euros in 2023) for the investment made during 2024 in an investment fund. In addition, the Company's financial assets at amortised cost at year-end amounted to Euros 333,759.

At year-end 2024, in the short-term financial assets at amortised cost category, the Company mainly records balances with customers amounting to Euros 231,613 (Euros 316,561 at year-end 2023), and with Group companies amounting to Euros 75,625 (Euros 182,609 at year-end 2023).

In 2024, the Company has recognised an impairment loss of Euros 1,525 (Euros 6,050 in 2023) on balances with customers, resulting in an impaired balance of Euros 153,890 at the end of 2024 and Euros 153,890 at the end of 2023.

Cash and cash equivalents

The cash and bank balances at year-end are as follows:

	Euros	
	31.12.2024	31.12.2023
Cash	393,682	1,842,844
	393,682	1,842,844

9. Equity instruments in Group companies, jointly controlled entities and associates

The most significant information relating to Group companies, jointly controlled entities and associates is detailed below:

Denomination	31.21.2023	Contribution from members	Distribution of voluntary reserves	Additions	31.12.2024
Total	4,610,957	(750,000)	(358,047)	7,234,041	10,736,951

The main accounting figures of its subsidiaries as at 31 December 2023 are as follows:

Denomination	31.21.2022	Contribution from members	Distribution of voluntary reserves	Drops	31.12.2023
Total	4,323,457	850,000	(100,000)	462,500	4,610,957

At 31 December 2024 and 2023, no impairment of investments has been considered due to the expected future cash flows from its portfolio of investees. See further breakdown in Appendix I.

The Company tests participations for impairment on an annual basis. The recoverable amount of participations is determined on the basis of value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years.

Cash flows beyond 5 years are extrapolated using the estimated growth rates noted below. These growth rates are consistent with forecasts included in industry-specific reports for each investee.

The Company's management has determined the values assigned to each of the above key assumptions as follows:

Hypothesis	Approach used to determine values

Turnover	Average annual growth rate for the forecast period of 5 years; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate for the 5-year forecast period; based on current industry trends and includes long-term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	Fixed costs of equity investments, which do not vary significantly with sales volumes or prices. Management budgets these costs based on the current structure of the business, adjusting for inflation increases, but not reflecting future restructuring or cost saving measures. The amounts shown above are average operating costs for the forecast period of 5 years.
Annual capital expenditure	Expected cash costs on equity investments. Based on management's historical experience, and planned improvement expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Long-term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rate	It reflects specific risks related to the corresponding segments and the countries in which they operate. The discount rate calculated in accordance with the Group's weighted average cost of capital (WACC) is 12.85%.

10. <u>Financial liabilities</u>

The carrying amounts of each of the categories of financial instruments set out in the "Financial instruments" recognition and measurement standard are as follows:

Long-term financial liabilities	Debts with credit institutions		Derivatives and others		Total	
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortised cost	4,828,383	2,196,681	-	-	8,474,628	2,196,681
Financial liabilities at fair value through profit or loss	-	-	3,646,245	538,592	3,646,245	538,592
Total	4,828,383	2,196,681	3,646,245	538,592	8,474,628	2,735,272

Short-term financial liabilities	Debts with credit institutions		Derivatives and others		Total	
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortised cost	3,160,402	2,231,658	313,854	391,016	3,474,256	2,780,609
Financial liabilities at fair value through profit or loss	-	-	416412	157935	416412	157935
Total	3,160,402	2,231,658	313,854	548,951	3,890,671	2,780,609

Long-term financial liabilities at amortised cost include bank borrowings totalling Euros 4,828,383 in 2024 (Euros 2,196,681 in 2023). Long-term financial liabilities at fair value through profit or loss include debt with third parties, corresponding to management's best estimate of the contingent payments agreed in the sale and purchase agreements, which are linked to the performance in coming years of certain financial aggregates such as sales levels and profitability, for the acquisition of investees amounting to Euros 3,646,245 (Euros 538,592 at year-end 2023).

At year-end 2024, in the short-term financial liabilities at amortised cost category, the Company mainly records balances of debt with credit institutions amounting to Euros 3,160,402 (Euros 2,231,658 at year-end 2023), advances from customers amounting to Euros 123,967 (Euros 105,000 at year-end 2023), debt with Group entities amounting to Euros 0 (Euros 150,000 at year-end 2023) and suppliers and creditors amounting to Euros 189,890 (Euros 189,890 at year-end 2023).967 euros (105,000 euros at the end of 2023), debt with Group entities in the amount of 0 euros (150,000 euros at the end of 2023) and suppliers and creditors in the amount of 189,890 euros in 2024 (136,017 euros at the end of 2023).

On the other hand, in financial liabilities at fair value with changes in the Profit and Loss Account in the short term, there is a debt with third parties for the acquisition of investees for an amount of 416,412 euros (157,935 euros at the end of 2023),

The total balance of "Amounts owed to credit institutions" at year-end 2024 and 2023 corresponds to ICO credits and other loans received, debts for credit drawn down from bank cards, as well as credit lines.

The average debt rate in 2024 is 3.83% (2.4% in 2023).

The amount available and drawn down on the credit lines in force for the financial year 2024 is as follows:

2024		
Available	Disposed	Total
683,844	988,906	1,672,750
683,844	**988,906**	**1,672,750**

For the financial year 2023 it is as follows:

2023		
Available	Disposed	Total
1,222,500	895,224	2,117,724
1,222,500	**895,224**	**2,117,724**

Classification by maturity

The breakdown by maturity of the various long-term financial liabilities with fixed or determinable maturity at year-end 2024 is as follows:

	2026	2027	2028	2029	Total
Debts					
Debts with credit institutions	1,646,852	1,541,866	1,230,245	409,420	4,828,383
Other financial liabilities	361,149	1,347,139	914,822	1,023,135	3,646,245
	2,008,001	2,889,005	2,145,067	1,432,555	8,474,628

The breakdown by maturity of the various long-term financial liabilities with fixed or determinable maturity at the end of 2023 was as follows:

	2025	2026	2027	2028	Total
Debts					
Debts with credit institutions	877,641	512,825	467,571	338,645	2,196,682
Other financial liabilities	84,162	10,289	414,425	29,716	538,592
	961,803	523,114	881,996	368,361	2,735,274

Guarantees given to third parties

At year-end 2024, the total amount of guarantees provided to third parties amounts to 130,707 euros (730,000 euros in 2023). These guarantees are provided to ensure the proper performance of the Company's activities.

Information on the average supplier payment period

The information required by the third additional provision of Law 15/2010, of 5 July (amended by the second final provision of Law 31/2014, of 3 December and by article 9 of Law 18/2022, of 28 September, on the creation and growth of companies) prepared in accordance with the Resolution of the ICAC of 29

January 2016, on the information to be included in the notes to the consolidated annual accounts in relation to the average payment period to suppliers in commercial transactions, is detailed below.
The information in relation to the average period of payment to suppliers in commercial operations is as follows:

	2024	2023
	Days	Days
Average period of payment to suppliers	34	26
Ratio of transactions paid	34	25
Ratio of transactions pending payment	34	58
	Amount (euros)	Amount (euros)
Total payment made	2,308,981	2,244,021
Total outstanding payments	180,719	103,841

In accordance with the ICAC Resolution, the calculation of the average supplier payment period takes into account the commercial transactions corresponding to the delivery of goods or services accrued in each financial year.
For the sole purpose of providing the information foreseen in this Resolution, suppliers are considered to be trade creditors for debts with suppliers of goods or services, included in the items "Trade and other payables" included in the current liabilities of the Consolidated Balance Sheet and regardless of any financing for early collection from the supplier company.
Average supplier payment period" means the time elapsing between the delivery of the goods or the provision of the services by the supplier and the material payment of the transaction.
The monetary volume and number of invoices paid within the legal deadline are detailed below.

	2024	2023
Volumen of invoices paid within the legal timeframe	2,050,828	1,821,768
Number of invoices paid within the legal timeframe	1,367	1,451
Percentage of volume of invoices paid within the legal timeframe over the total volume of invoices paid (%)	89%	81%
Percentage of number of invoices paid within the legal timeframe over the total volume of invoices paid (%)	93%	90%

The maximum legal payment period applicable to Spanish companies in the consolidable group in the financial year 2024 according to Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, is 30 days, which may be extended to 60 days in the event of an agreement between the two parties.

11. Stockholders equity

a) Capital

At year-end 2024, the share capital of the Company amounts to 165,862 euros, consisting of 16,586,127 shares with a par value of 0.01 euros, fully subscribed and paid up.

Companies or individuals with a shareholding of 10% or more are as follows:

	Percentage of participation 2024	**Percentage of participation 2023**
Shareholders:		
Miss Valentine, S.L.	81,63%	86,52%
Treasury stock	4,05%	4,13%
Rest	14,32%	9,35%
Total	100%	100%

b) Legal reserve

In accordance with the Consolidated Text of the Spanish Companies Act, an amount equal to 10% of the profit for the year must be transferred to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase capital in respect of the portion of the balance of the legal reserve that exceeds 10% of the increased capital. Except for the above-mentioned purpose, the legal reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose, provided that the reserve does not exceed 20% of the share capital.

At year-end this reserve was fully constituted.

c) Treasury shares

In 2023, a total of 139,350 treasury shares were acquired for a value of EUR 478,565 and 368,119 treasury shares were sold at a cost of EUR 230,046.

In 2024, 82,000 treasury shares were acquired for a value of EUR 279,776 and 94,118 shares were sold for a price of EUR 90,930.

The shares held by the Company as at 31 December 2024 and 2023 are as follows:

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2024	672.424	0,97	649.648

Treasury Stock	Number	Average acquisition price	Total acquisition cost
At the end of financial year 2023	684.582	0,67	460.803

At the date of authorisation for issue of these financial statements, the directors had not taken a decision on the intended final disposition of the treasury shares mentioned above.

d) Unavailable reserve for Research and Development

The Company has a restricted reserve for the amount allocated to research and development as detailed in Note 5.

12. Information on the nature and level of risk arising from financial instruments

The Company's financial risk management is centralised in the Finance Department, which has the necessary mechanisms in place to control exposure to interest rate and exchange rate fluctuations, as well as credit and liquidity risks. The main financial risks affecting the Company are set out below:

a) Credit risk:

In general, the Company maintains its cash and cash equivalents with financial institutions with high credit ratings.

It should also be noted that there is no significant concentration of credit risk with third parties.

b) Liquidity risk:

Liquidity risk arises from the possibility that the Company may not have sufficient liquid funds, or access to them, at an appropriate cost, to meet its payment obligations at all times. The Company's objective is to maintain the necessary liquidity.

As detailed in note 2.10, at year-end 2024, there is a negative working capital of 1,673,055 euros (the Company's working capital at 31 December 2023 was negative by 618,149 euros), mainly due to the investments made during the year for the acquisition of new companies. It should be noted that these new companies were acquired under an earn-out model, so their valuation is conditional on future growth, which in turn will generate a higher profit and increase the value of the Group itself in the following years.

The Company's directors closely monitor cash flow, which shows a positive operating cash flow and expects cash generation along the same lines for the next 12 months.

In addition, as detailed in note 10, the Company has available credit lines amounting to 683,844 euros, which provide additional liquidity support should the need arise.

On the other hand, as detailed in the note, the company has followed an active dividend distribution policy in recent years, mainly due to the Company's cash generation and the dividends received from its investees over which it has control and sufficient financial capacity to continue to obtain dividends in 2025.

The Company, as the parent company of the Group it heads, also carries out centralised cash management with its subsidiaries, thus enabling it to obtain funds from them in the event of occasional additional liquidity needs.

Therefore, the directors of the Company consider that the liquidity risk is adequately mitigated for the preparation of these financial statements.

c) Market risk (including interest rate, exchange rate and other price risks):

Exchange rate risk is considered to be very low as transactions in foreign currencies do not represent a significant amount of the Company's business volume.

Exchange rate risk is considered to be very low as transactions in foreign currencies do not represent a significant amount of the Company's business volume.

The Company's financial debt is exposed to interest rate risk, which could have an adverse effect on financial results and cash flows. However, the Company's financing is benchmarked to a market interest rate. Based on the above information, a straight line increase of 100 basis points in market interest rate curves at 31 December 2024 would have the following effect on the income statement:

	+100 P.B	-100 P.B
Impact on the Profit and Loss Account	(79,888)	79,888

No significant interest rate or exchange rate hedging instruments have been contracted.

13. Tax

The detail of the accounts related to Public Administrations in the financial years 2024 and 2023 is as follows:

2024			
	Debtor balances		Creditor balances
Cuenta	Non-current	Current	Current
Value added tax	-	-	29,488
Personal income Tax	-	-	177,330
Defered tax assets	321,578	-	-
Current tax assets	-	3,093	-
Social Security bodies	-	-	30,652
	321,578	3,093	237,469

2023			
	Debtor balances		Creditor balances
Cuenta	Non-current	Current	Current
Value added tax	-	-	214,647
Personal income Tax	-	-	54,224
Defered tax assets	458,348	-	-
Current tax assets	-	28	-
Social Security bodies	-	-	22,364
	458,348	28	291,235

The reconciliation of the net amount of income and expenses for the year to the taxable income for corporate income tax purposes (taxable profit) is as follows:

	2024		
	Increases	Dcreases	Total
Accounting profit before tax			1,940,770
Permanent differences:			
Fines, penalties or surcharges	104		104
Dividends	77,348	(1,547,063)	(1,469,716)
Valuation loss adjustment	75,810	-	75,810
Taxable income	**-**	**-**	**546,968**
Full tax liability (25%)	-	-	136,742
Compensation of negative tax bases	-	-	(136,742)
Corporation tax payable	**-**	**-**	**-**

	2023		
	Increases	Dcreases	Total
Accounting profit before tax			2,331,909
Permanent differences:	228	(2,137,500)	(2,137,272)
Taxable income	**-**	**-**	**194,637**
Full tax liability (25%)	-	-	48,762
Corporation tax payable	**-**	**-**	**48,762**

The breakdown of corporate income tax expense / (income) is as follows:

	2024					
		Change in deferred tax				
		Of assets			Of liabilities	
	Current Tax	Temporary differences	Credtis for negative tax bases	Other credtis	Temporary differences	Total
Recognised in the profit and loss account						
Continuing operations	-	-	(136.742)	-	-	(136.742)
Total expense/income due to taxation	-	-	(136.742)	-	-	(136.742)

	2023					
		Change in deferred tax				
		Of assets			Of liabilities	
	Current tax	Temporary differences	Credtis for negative tax bases	Other credtis	Temporary differences	Total
Recognised in the profit and loss account						
Continuing operations	-	-	-	(48.782)	-	(48.782)
Total expense/income due to taxation	-	-	-	(48.782)	-	(48.782)

Deferred tax assets recognised

The deferred tax assets recognised at year-end 2024 and 2023 relate to the capitalisation of tax loss carryforwards, based on the Company's estimate of their recoverability.

At year-end 2024 and 2023, the tax loss carryforwards to be offset are as follows:

	31.12.2024	31.12.2023
	Amount	Amount
Negative tax bases		
Year 2003	-	347,484
Year 2004	366,034	569,430
Year 2005	733,026	733,026
Year 2011	183,942	183,942
Total Negative tax bases	1,283,002	1,833,882

A total of 1,286,312 euros of the aforementioned taxable income is capitalised.
In accordance with the applicable tax regulations, the expiry of tax credits for tax losses is indefinite.

Periods open to tax audit

At 31 December 2024, the Company has no tax audits in progress. However, in accordance with current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute-of-limitations period has elapsed. As at 31 December 2024, the Company has open for inspection the years 2020 and subsequent years for corporate income tax and the years 2021 and subsequent years for the other taxes applicable to the Company. The Board of Directors considers that the settlements of the aforementioned taxes have been properly made and, therefore, even in the event of discrepancies in the interpretation of current legislation regarding the tax treatment of transactions, any resulting liabilities, should they materialise, would not have a material effect on the accompanying financial statements.

14. Income and expenditure

a. Revenue

The breakdown of net turnover by category of activity is as follows:

	2024			
	Spain	Rest UE	Rest of World	Total
Third-party income:				
Income from client contracts	1,160,625	31,500	-	1,192,125
Group income				
Management fees	5,080,833	-	-	5,080,833
Dividends	1,546,953	-	-	1,546,953
	7,788,411	31,500	13,850	7,819,911
Time frame for recognising income with third parties				
Over time	1,160,625	31,500	13,850	1,192,125
	1,160,625	31,500	13,850	1,192,125

	2023			
	Spain	Rest UE	Rest of World	Total
Third-party income:				
Income from client contracts	1,721,747	12,256	13,850	1,747,853
Group income				
Management fees	3,971,200	-	-	3,971,200
Dividends	2,250,000	-	-	2,250,000
	7,942,947	12,256	13,850	7,969,053
Time frame for recognising income with third parties				
Over time	1,721,747	12,256	13,850	1,747,853
	1,721,747	12,256	13,850	1,747,853

The Company's activities are mainly carried out in the Spanish market.

b. Supplies

	31.12.2024	31.12.2023
Breakdown	Amount	Amount
Works carried out by other companies	(1,190,135)	(1,751,870)
	(1,190,135)	(1,751,870)

The distribution of supplies by geographic market is as follows:

	31.12.2024	31.12.2023
Geographical markets	Amount	Amount
Spain	1,060,759	1,728,266
Rest of European Union countries	34,841	23,566
Rest of the world	94,535	38
	1,190,135	1,751,870

c. Staff costs

The breakdown is as follows:

	31.12.2024	31.12.2023
Personnel expenses	Amount	Amount
Wages and salaries	2,095,126	1,493,407
Compensation	11,075	32,412
Social security paid by the company	273,891	171,254
Other social charges	99,534	115,413
	2,479,627	1,812,486

d. Other operating expenses

The breakdown is as follows:

Account	31.12.2024 Amount	31.12.2023 Amount
Leases and rentals (Note 7)	453,251	250,372
Repairs and maintenance	64,921	62,817
Independent professional services	394,802	401,322
Insurance premiums	33,686	26,904
Banking and similar services	1,129	2,177
Advertising, publicity and public relations	476,869	414,451
Supplies	42,731	25,340
Other services	259,922	188,576
Other taxes	10,133	8,287
Losses, impairment and variation in provisions for operations	1,525	6,050
	1,738,969	1,386,296

15. Information on the environment

In view of the Company's activities, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be material to the Company's equity, financial position and results.

16. Related party transactions

During the year, transactions were carried out with the following related parties:

Company	Type of relationship
Redbility, S.L.	Subsidiary company
Estresarte Comunicación, S.L.	Subsidiary company
TRUE Relaciones Públicas, S.L.	Subsidiary company
PS21 Creative, S.L.	Subsidiary company
Pink Lab, S.L.	Subsidiary company
Invisible Lab, S.L.	Subsidiary company
PS21 Barna, S.L.	Subsidiary company
Revista Líbero, S.L.	Subsidiary company
Lucid Product Design Agency, S.L.	Subsidiary company
Web Partners Madrid, S.L.	Subsidiary company
BUM Blasi Urgell, S.L.	Subsidiary company
Liquid Maths, S.L.	Subsidiary company
Move Branding, s.l.	Subsidiary company
Miss Valentine, S.L.	Majority shareholder
Mediterránea de Inversiones Givisa, s.l.	Shareholders
-	Directors

At year-end 2024 it has the following balances with Group companies:

	2024	
Company	Customers of Group companies	Credits to group and associated companies
Web Partners Madrid, S.L.	45,375	200,000
Liquid Maths, S.L.	30,250	-
Total	75,625	200,000

	2023	
Company	Customers of Group companies	Credits to group and associated companies
PS21 Barna, S.L.	72,701	-
Lúcid Product Design Agency, S.L.	109,908	-
Total	182,609	-

The transfer pricing policy followed in all transactions during the year is based on the application of normal market value, in accordance with article 16 of the Corporate Income Tax Act.

Details of related party transactions as at 31 December 2024 and 2023 are as follows:

Company	2024		
	Sales, provision of services	Income from equity instruments	Procurement
TRUE Relaciones Públicas, S.L.	500,000	-	30,864
Estresarte Comunicación, S.L.	420,000	140,000	-
Redbility, S.L.	1,030,000	580,000	-
PS21 Creative, S.L.	1,250,000	350,000	413,102
Pink Lab, S.L.	235,000	476,953	421,320
Invisible Lab, S.L.	150,000	-	194,355
PS21 Barna, S.L.	210,000	-	31,500
Revista Líbero, S.L.	55,833	-	-
Lucid Product Design Agency, S.L.	515,000	-	-
Web Partners Madrid, S.L.	375,000	-	-
BUM Blasi Urgell, S.L.	190,000	-	-
Liquid Maths, S.L.	150,000	-	-
Total	5,080,833	1,546,953	1,091,141

Company	2023		
	Sales, provision of services	Income from equity instruments	Procurement
TRUE Relaciones Públicas, S.L.	320,000	-	25,000
Estresarte Comunicación, S.L.	330,000	150,000	10,522
Redbility, S.L.	1,200,000	1,500,000	-
PS21 Creative, S.L.	1,280,000	600,000	831,500
Pink Lab, S.L.	220,000	-	523,389
Invisible Lab, S.L.	126,000	-	300,000
PS21 Barna, S.L.	160,000	-	1,285
Revista Líbero, S.L.	40,200	-	-
Lucid Product Design Agency, S.L.	295,000	-	-
Total	3,971,200	2,250,000	1,691,697

In accordance with the provisions of the financial reporting framework, the Company records under "Revenue" in the accompanying income statement for 2024, since the principal activity, due to the change in the business model of the Group of which the Company is the parent company, corresponds to activities of the holding company, income from services rendered to group entities in the area of administration and management, as well as income from dividends obtained from investee companies.

The remuneration received in 2024 and 2023 by the members of the Board of Directors of the Company in 2024 amounted to 829,400 in cash and 9,769 in kind. In the financial year 2023, they will amount to 601,404 in cash remuneration and 126,969 in in-kind remuneration.

In addition, Senior Management personnel are considered to be those who perform functions relating to the general objectives of the Company, and carry out their duties with autonomy and full responsibility, limited only by the criteria and direct instructions of the legal owner/owners of the Company or of the highest governing and administrative bodies representing such owners. Based on this definition, the Company has no members belonging to Senior Management as their work is carried out by the Directors.

The Group has taken out a civil liability policy covering the Chief Executive Officer and all members of the Board of Directors for an amount of 13,107 euros (10,597 euros in 2023).

The Group has no pension and credit obligations to the Chief Executive Officer or other members of the Board of Directors.

The breakdown of the members of the Board of Directors (non-employees of the company) at year-end by gender is as follows:

	2024	
	Men	Women
Directos	4	1

	2023	
	Men	Women
Directos	4	1

The Company has no pension obligations to the Chief Executive Officer.

The Chief Executive Officer, the other members of the Board and the persons related to them as referred to in Art. 229 TRLSC, have not reported any situations of direct or indirect conflict that they may have with the interests of the company.

17. Other information

The average number of persons employed during the financial years is as follows:

	Average 2024		Average 2023	
Account	Men	Women	Men	Women
Directos	1	-	1	-
Management	-	2	-	1
Area Managers/Middle Management	2	4	1	3
New Business	-	2	-	1
Accounts	-	1	-	1
Finance/Administration	5	4	4	3
Human Resources	1	2	-	-
	8	16	6	9

The number of employees at year-end, broken down by professional category, is as follows:

	31.12.2024		31.12.2023	
Account	Men	Women	Men	Women
Directos	1	-	1	-
Management	-	2	-	2
Area Managers/Middle Management	2	4	1	4
New Business	-	2	-	-
Accounts	-	1	-	1
Finance/Administration	7	5	3	4
Human Resources	1	2	-	-
	11	16	5	11

Audit Fees

During the financial year 2024, the amounts received by the company's auditor, Deloitte Auditores, S.L., as well as during the financial year 2023, the amounts received by the auditor Grant Thornton S.P.L. or by any company belonging to the same network in accordance with the regulations governing the auditing activity, were as follows:

	Thousands of euros	
	Fees corresponding to Deloitte	Fees corresponding to Grant
	2024	**2023**
Audit services	52,000	33,725
Services other than audit	-	-
Total professional services	**52,000**	**33,725**

18. Subsequent events

There have been no subsequent events to be disclosed after the end of the year and up to the preparation of these financial statements.

19. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the to the Company in Spain (see Note 2.1). Certain accounting practices applied by the Company that conform with that regulatory financial reporting framework may not conform with other generally accepted accounting principles and rules.

APPENDIX I

Financial year

31.12.2024

Name	Activity / Registered address	% Direct ownership	Capital	Reserves	Shareholder contributions	Refunds from previous years	Net profit for the year	Interim dividends	Total equity	Cost	Pending disbursement	Accumulated impairment
Redbility, S.L.	Consultancy, design, development and intermediation services for digital environments C/ Conde de Peñalver, 38 28006 Madrid	100%	19.200	150.619	-	-	583.725	-580.000	173.544	344.894	-	-
Estresarte Comunicación, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	4.000	68.076	-	-	153.408	-140.000	85.483	426.680	-	-
True Relaciones Públicas, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.000	-	-	-245.574	337.462	-	94.888	3.000	-	-
PS21 Creative, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.000	26.181	-	-675	469.829	-350.000	148.335	3.000	-	-
Pink Lab, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.015	171.762	-	-	114.653	-110.000	179.430	845.774	143.249	-
Invisible Lab, S.L.	Business management consultancy activities C/ Antonio Maura, 16 28014 Madrid	100%	3.000	68.628	-	-	107.041	-	178.669	3.000	-	-
PS21 Barna, S.L.	Advertising, public relations and similar services C/ Alava, 111 08018 Barcelona	100%	7.110	54.563	250.000	-339.017	120.825	-	93.481	326.877	50.651	-
Revista Líbero, S.L.	Production and dissemination of ideas using the media C/ Antonio Maura, 16 28014 Madrid	100%	3.100	84.290	150.000	-127.444	-37.429	-	72.517	255.293	25.293	-
Lúcid Product Design Agency, S.L.	Development and design services, equipment and machinery for consumer and industrial goods. C/ Alava, 111 08018 Barcelona	100%	3.000	-20.545	944	-66.601	498.952	-	415.750	1.294.392	444.392	-9.545
Web Partners Madrid, S.L.	Computer consultancy services, website creation, as well as the implementation, development and marketing of computer programmes. C/ Antonio Maura, 16 28014 Madrid	75%	3.030	460.793	-	-231.490	-246.521	-	-14.188	1.149.400	706.705	-
Bum Blasi Urgell Morales, S.L.	Advertising, public relations and similar services C/ Alava, 111 08018 Barcelona	100%	3.016	331.644	-	-	-70.214	-	262.914	1.140.751	597.860	-
Liquid Maths, S.L.	Computer consultancy services, website creation, as well as the implementation, development and marketing of computer programmes. C/ Alava, 111 08018 Barcelona	100%	3.000	214.592	-	-	184.006	-	401.597	1.759.865	411.280	-
Move Branding S.L.	Advertising, public relations and similar services Portuetxe Kalea, 61, Bajo A 20018 Donostia-San Sebastián	100%	3.050	576.619	-	-	409.547	0	989.216	3.184.025	1.683.227	-
Total			60.521	2.187.222	400.944	-1.010.801	2.625.284	-1.180.000	3.081.637	10.736.950	4.062.657	-9.545

31.12.2023

Name	Activity / Registered address	% Direct ownership	Capital	Reserves	Shareholder contributions	Refunds from previous years	Net profit for the year	Interim dividends	Total equity	Cost	Pending disbursement	Accumulated impairment
Redbility, S.L.	Consultancy, design, development and intermediation services for digital environments C/ Conde de Peñalver, 38 28006 Madrid	100%	19.200	153.571	-	-44.394	1.541.442	-1.500.000	-	169.819	-	-
Estresarte Comunicación, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	4.000	157.457	-	-	202.331	-150.000	-	72.076	-	-
True Relaciones Públicas, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.000	-	350.000	-328.154	82.581	-	-	107.427	-	-
PS21 Creative, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.000	-	-	-675	626.181	-600.000	-	28.506	-	-
Pink Lab, S.L.	Advertising, public relations and similar services C/ Antonio Maura, 16 28014 Madrid	100%	3.015	603.738	-	-	293.024	-	-	899.777	230.965	-
Invisible Lab, S.L.	Business management consultancy activities C/ Antonio Maura, 16 28014 Madrid	100%	3.000	2.322	-	-	66.306	-	-	71.628	-	-
PS21 Barna, S.L.	Advertising, public relations and similar services C/ Alava, 111 08018 Barcelona	100%	7.110	54.463	400.000	-153.323	-185.694	-	-	12.656	46.877	-
Revista Líbero, S.L.	Production and dissemination of ideas using the media C/ Antonio Maura, 16 28014 Madrid	100%	3.100	84.290	150.000	-37.088	-90.356	-	-	109.946	25.293	-
Lúcid Product Design Agency, S.L.	Development and design services, equipment and machinery for consumer and industrial goods. C/ Alava, 111 08018 Barcelona	100%	3.000	-20.545	250.944	-	-66.601	-	-	166.798	444.392	-
Total			48.425	1.035.296	1.150.944	-563.634	2.469.214	-2.250.000	0	1.638.633	747.527	0

FORMULATION OF THE ANNUAL ACCOUNTS AND MANAGEMENT REPORT FOR THE FINANCIAL YEAR 2024

The Board of Directors of JUNGLE21 S.A. on 28 March 2025 proceeds to prepare the Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Net Equity, Cash Flow Statement and Annual Report) and the Management Report for the year ended 31 December 2024, which are constituted by the documents attached hereto.

Madrid, 28 March 2025

D. Agustín Vivancos Matamoros

President

Miss Valentine, S.L.

P.P. Beatriz Martínez Fuentes

Councillor

Butler Digital, S.L.

P.P. Luis Pérez del Val

Councillor

D. Isidoro Martínez de la Escalera Álvarez

Councillor

D. Rafael Paniagua

Councillor

D. Francisco Javier Martínez-Piqueras

Councillor