INDEPENDENT AUDITOR'S REPORT ON ABRIDGED FINANCIAL STATEMENTS

To the shareholders of Andino Inversiones Global, S.A.,

Opinion

We have audited the abridged financial statements of Andino Inversiones Global, S.A. ("the Company"), which comprise the abridged balance sheet at 31 December 2023, the abridged income statement and the notes to the abridged financial statements for the year then ended.

In our opinion, the accompanying abridged financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2023, and its results for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2 to the abridged 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 these regulations are further described in the *Auditor's responsibilities for the audit of the abridged 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 abridged 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.

Key audit matters

Key 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 abridged financial statements of the current period. These risks were addressed in the context of our audit of the abridged financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Measurement of investments in Group companies and associates

The Company is the head of a group of companies, whose shareholding represents the main line item of the abridged balance sheet, accounting for 98% of total assets at 31 December 2023.

In accordance with the applicable regulatory financial reporting framework and as indicated in Note 4.2 b) to the accompanying abridged financial statements, impairment losses on investments in Group companies are calculated by comparing the carrying amount of the investment with its recoverable amount, which is understood as the higher of value in use or fair value less costs to sell and the present value of expected future cash flows from the investment. Unless there is better evidence of the recoverable amount, it will be based on the value of the equity of the investee, adjusted by the amount of the unrealised gains existing at the date of measurement. Any measurements involve a high degree of judgement and uncertainty in their estimate in relation to the methods used and the degree of compliance with the future assumptions. Therefore, this was considered a key audit matter.

In relation to this matter, we have carried out a series of audit tests, by applying, among others, the following procedures:

- We reviewed the audit of the investee's audited financial statements carried out by other auditors to obtain reasonable assurance as to its shareholder equity and the recoverable amount of the equity investment.

- We verified that the acquisition price of the subsidiaries acquired during the year is reasonable based on the supporting documentation.

- We obtained an understanding of the policies and processes implemented by the Company for estimating the recoverable amount of its investments.

- We verified that the information disclosed in the abridged financial statements is sufficient and adequate in accordance with the applicable regulatory financial reporting framework.

Other matters

The Company's financial statements for the year ended 31 December 2022 were audited by another auditor who expressed a favourable opinion on these financial statements on 30 June 2023.

Directors' responsibility for the abridged financial statements

The directors are responsible for preparing the accompanying abridged 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 abridged financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the abridged 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 abridged financial statements

Our objectives are to obtain reasonable assurance about whether the abridged 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 abridged 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 abridged 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 so as 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 abridged 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 abridged financial statements, including the disclosures, and whether the abridged 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 abridged financial statements of the current period and are therefore the most significant assessed risks.

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

ANDINO INVERSIONES GLOBAL, S.A.

Abridged financial statements
for the year ended
31 December 2023

ANDINO INVERSIONES GLOBAL, S.A.

ABRIDGED BALANCE SHEET AT 31 DECEMBER 2023

(In euros)

ASSETS	Notes	2023	2022	LIABILITIES	Notes	2023	2022
NON-CURRENT ASSETS		**109,060,322.57**	**0.00**	**EQUITY**		**107,294,667.28**	**5,938.58**
Intangible assets	Note 5.1	16,031.05	0.00	**SHAREHOLDER EQUITY**		**107,294,667.28**	**5,938.58**
Non-current investments in Group companies	Note 6.1	107,066,788.85	0.00	**Share capital**	**Note 9.1**	**20,582,313.00**	**60,000.00**
Non-current financial investments	Note 6.1	1,830,101.77	0.00	Share premium	Note 9.1	366,296.00	0.00
Deferred tax assets	Note 10.4	147,400.90	0.00	Voluntary reserves		86,774,134.46	0.00
				Prior years' profit/(loss)		(54,061.42)	0.00
				Profit/(Loss) for the year	Note 3	(374,014.76)	(54,061.42)
CURRENT ASSETS		**196,570.10**	**105,669.59**	**NON-CURRENT LIABILITIES**		**1,809,954.75**	**0.00**
Current investments in Group companies	Note 6.2	82,644.87	0.00	Other non-current payables	Note 3.1	1,809,954.75	0.00
Other receivables	Note 10.1	0.00	10,732.22				
Cash	Note 7	113,925.23	94,937.37				
				CURRENT LIABILITIES		**152,270.64**	**99,731.01**
				Current payables to Group companies	Note 3.2	20,101.59	99,731.01
				Trade and other payables	Note 3.2	132,162.85	0.00
				Accounts payable to public authorities	Note 10.1	6.20	0.00
TOTAL ASSETS		**109,256,892.67**	**105,669.59**	**TOTAL EQUITY AND LIABILITIES**		**109,256,892.67**	**105,669.59**

ANDINO INVERSIONES GLOBAL, S.A.

ABRIDGED INCOME STATEMENT FOR 2023

(In euros)

	Notes	2023	2022
Other operating expenses	Note 11.1	(381,048.34)	(54,061.42)
Other taxes	Note 11.1	(49,513.53)	0.00
PROFIT/(LOSS) FROM OPERATIONS		**(430,561.87)**	**(54,061.42)**
FINANCIAL PROFIT/(LOSS)		**(90,853.79)**	**0.00**
Finance costs	Note 11.2	(60,320.49)	0.00
Exchange differences	Note 11.2	(30,533.30)	0.00
PROFIT/(LOSS) BEFORE TAX		**(521,415.66)**	**(54,061.42)**
Income tax	Note 10.5	147,400.90	0.00
PROFIT/(LOSS) FOR THE YEAR		**(374,014.76)**	**(54,061.42)**

1. Company activities

Andino Inversiones Global, S.A. ("the Company") was incorporated under the name of Andino Investment Holding, S.L., in accordance with the Spanish Corporate Enterprises Act, for an indefinite period of time in Madrid on 3 February 2022, by means of a deed notarised by Madrid Notary Vicente de Prada Guaita, under number 189 of his protocol and registered with the Mercantile Registry of Madrid in volume 43090, page 100, sheet M-761490, entry 1.

On 25 November 2022, the Company's legal form was changed from a limited company to a public company, with the subsequent increase in share capital, by means of a deed notarised by Madrid Notary Javier de Lucas y Cadenas, under number 5,978 of his protocol, registered under entry 2 on the Company's sheet with the Mercantile Registry of Madrid.

On 8 March 2023, the Company changed its name to Andino Inversiones Global, S.A. by means of a deed notarised by Madrid Notary Javier de Lucas y Cadenas, under number 1,156 of his protocol, registered under entry 4 on the Company's sheet with the Mercantile Registry of Madrid.

The Company's corporate purpose, as set out in Article 2 of its Articles of Association, is to carry out the following activities:

1. Main activity: the holding, management and administration of securities representing the shareholder equity of companies not resident in Spanish territory that carry out business activities abroad. CNAE code of the main activity: 6420 "Activities of holding companies".

2. Investing all manner of business, real estate and financial activities.

3. Marketing, importing, exporting, brokering, distributing, buying and/or selling any type of goods wholesale.

4. Providing consultancy, advisory, technical assistance, operating, start-up, administration, management, business start-up and/or all manner of services related to various sectors of the economy.

5. Incorporating, acquiring or integrating, directly or with third parties, and/or transferring, directly or with third parties, other companies, foundations or associations of any kind or nature in Spain or abroad.

6. Investing and managing capital investments in all manner of real estate and financial instruments, including shares, bonds, debentures, equity interests and any other type of transferable securities.

- Under no circumstances will the corporate purpose be considered to include activities the performance of which requires any type of administrative authorisation that the Company does not hold.
- The activities included in the corporate purpose may be performed, in full or in part, indirectly through ownership interest in companies with the same or similar corporate purpose.

The Company may carry out these activities directly or indirectly through its ownership interest in other companies.

The Company's registered office is located at Calle Jose Ortega y Gasset, 22-24, 5ª planta, Madrid.

The Company's functional currency with which it operates is the euro.

The figures included in the abridged financial statements are expressed in euros, unless otherwise indicated.

2. Basis of presentation of the financial statements

2.1. Regulatory financial reporting framework applicable to the Company

These financial statements were prepared by the managing body in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

a) The Spanish Commercial Code and all other commercial law.

b) The Spanish National Chart of Accounts enacted by Royal Decree 1514/2007, as amended by Royal Decree 1159/2010, Royal Decree 602/2016, of 2 December, and Royal Decree 1/2021, of 12 January, and its industry adaptations.

c) The mandatory rules approved by the Spanish Accounting and Audit Institute to implement the Spanish National Chart of Accounts and its supplementary rules.

d) All other applicable Spanish accounting regulations.

2.2. Fair presentation

The accompanying financial statements, which were obtained from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity, financial position and results of operations for the year.

These financial statements, which were formally prepared by the Company's managing body, will be submitted for approval by the shareholders, and it is considered that they will be approved without any changes. The financial statements for 2022 were approved by the shareholders on 22 July 2023, without any changes with respect to those authorised for issue by the Company's managing body.

2.3. Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. Also, the managing body formally prepared these financial statements taking into account all the obligatory accounting principles and standards with a significant effect on these financial statements. All obligatory accounting principles were applied.

2.4. Key issues in relation to the measurement and estimation of uncertainty

In preparing the accompanying financial statements, estimates were made by the Company's managing body in order to measure certain of the assets, liabilities, income, expenses and obligations reported.

1. The assessment of possible impairment losses on investments in Group companies (Note 4.2).
2. The useful life of the intangible assets (Note 4.1).
3. The calculation of provisions and contingencies (Note 4.7).
4. The recognition and recoverability of tax assets, and expected future taxable profit (Note 4.5).

In 2023, the Company incurred a loss of EUR 374,014.76 and had a positive working capital of EUR 44,299.46 as at 31 December 2023. In 2022, the Company incurred a loss of EUR 54,061.42 and had a positive working capital of EUR 5,938.58 at the end of the year.

2.5. Comparative information

In accordance with commercial law, for comparison purposes, in addition to the 2023 figures for each item in the abridged balance sheet and abridged income statement, the figures for the period from 3 February 2022 to 31 December 2022, and the changes corresponding to this period are presented.

The accounting principles were uniformly applied in 2023 and 2022, and, therefore, there are no operations or transactions that were recognised in accordance with different accounting principles that may give rise to discrepancies in the interpretation of the comparative figures of both periods.

2.6. Items included under several line items

The Company does not have any assets or liabilities included under several line items.

2.7. Changes in accounting policies

In 2023 there were no significant changes in accounting policies with regard to those applied in 2022.

2.8. Correction of errors

In preparing the abridged financial statements for 2023 no significant errors were detected that would have made it necessary to restate the amounts included in the abridged financial statements for 2022.

3. Allocation of loss

The Company incurred a loss of EUR 374,014.76 in 2023. The Company's managing body proposed that this loss be allocated to "Prior years' losses".

In 2022, the Company incurred a loss of EUR 54,061.42, and this amount was allocated to "Prior years' losses" at the proposal of the Company's managing body.

4. <u>Accounting policies and measurement bases</u>

The principal accounting policies and measurement bases used by the Company in preparing its financial statements for 2023, in accordance with the Spanish National Chart of Accounts, were as follows:

4.1. Intangible assets

Intangible assets are recognised at their acquisition cost less any accumulated amortisation and impairment losses. Accordingly, maintenance costs for intangible assets are taken to expenses when they are incurred.

The intangible assets that relate to the Company's website and its associated technological environment are amortised on a systematic basis over their useful life using the straight-line method over their useful life, which is estimated by the Company to be 10 years.

After having carried out the appropriate verifications, no impairment losses were recognised in connection with intangible assets.

4.2. Financial instruments

I. Financial assets

Classification:

The financial assets held by the Company are classified in the following categories:

a) Financial assets at amortised cost: includes financial assets, including those admitted to trading on an organised market, in which the Company holds the investment to collect contractual cash flows, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

   In general, this category includes:
   i) Trade receivables: arising from the sale of goods or provision of services in the ordinary course of business for which collection is deferred, and
   ii) Non-trade receivables: arising from transactions involving loans or credit facilities granted by the Company with fixed or determinable payments.

b) Financial assets at cost: this category includes the following investments:
   - Equity instruments of Group companies, jointly controlled entities and associates,
   - Equity instruments whose fair value cannot be reliably determined, and derivatives that have these investments as their underlying asset.

Group companies are considered to be those related to the Company as a result of a relationship of control and associates are companies over which the Company exercises significant influence. Jointly controlled entities include companies over which, by virtue of an agreement, the Company exercises joint control with one or more other venturers.

Initial recognition:

Financial assets are initially recognised, in general, at the fair value of the consideration given, plus any directly attributable transaction costs. However, transaction costs directly attributable to assets recognised at fair value through profit or loss are recognised in the income statement for the year.

In the case of equity investments in Group companies affording control over the subsidiary, the fees paid to legal advisors or other professionals relating to the acquisition of the investment are recognised directly in the income statement.

Subsequent measurement

Financial assets at amortised cost are recognised in accordance with this measurement basis, with accrued interest taken to the income statement using the effective interest method.

Investments classified in category b) above are measured at cost net, where appropriate, of any accumulated impairment losses. These losses are calculated as the difference between the carrying amount of the investments and their recoverable amount. Recoverable amount is the higher of fair value less costs to sell and the present value of the future cash flows from the investment. Unless there is better evidence of the recoverable amount of the investments in equity instruments, it is based on the value of the equity of the investee, adjusted by the amount of the unrealised gains existing at the date of measurement, net of the related tax effect. In those cases where the Company has acquired holdings in Group companies through a merger, spin-off or non-monetary contribution, if these holdings give it control of a business, it measures the holding in accordance with the principles established by the specific rules for transactions with related parties, established in section 2 of RMS no. 21 on transactions between Group companies, under which they must be measured at the values they contributed to the consolidated financial statements, prepared in accordance with the principles established by the Spanish Commercial Code, of the group or major subgroup that the acquired company forms part of and whose parent company is Spanish. If the Company does not have consolidated financial statements, prepared in accordance with the principles established by the Spanish Commercial Code, where the parent company is Spanish, they are included at the value contributed by these holdings to the separate financial statements of the contributing company.

Impairment

At least at each reporting date the Company tests financial assets for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount.

The Company derecognises a financial asset when it expires or when the rights to the cash flows from the financial asset have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred, such as in the case of firm asset sales, factoring of trade receivables in which the Company does not retain any credit or interest rate risk, or the securitisation of financial assets in which the transferor does not retain any subordinated debt, provide any kind of guarantee or assume any other kind of risk.

However, 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 substantially all the risks and rewards of ownership are retained, such as in the case of note and bill discounting, with-recourse factoring, sales of financial assets subject to an agreement to buy them back at a fixed price or at the selling price plus a lender's return and the securitisation of financial assets in which the transferor retains a subordinated interest or any other kind of guarantee that absorbs substantially all the expected losses.

II. *Financial liabilities*

The financial liabilities assumed or incurred by the Company are classified in the following categories:

a. Financial liabilities at amortised cost: these include accounts payable by the Company that have arisen from the purchase of goods or services in the normal course of the Company's business or those that, not having commercial substance and not considered derivative instruments, arise from transactions involving loans or credit facilities received by the Company.

These liabilities are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

Assets and liabilities are presented separately on the balance sheet and their net amount is only presented if the Company has a legally enforceable right to offset the amounts recognised and also intends either 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 cease to exist.

4.3. Cash and cash equivalents

This heading of the balance sheet includes cash, demand deposits and other highly liquid short-term investments, maturing in less than three months, that can be readily convertible into cash and are not subject to a risk of changes in value.

4.4. Foreign currency transactions

The Company's functional currency is the euro. Therefore, transactions in currencies other than the euro are considered to be foreign currency transactions and are recognised by applying the exchange rates prevailing at the date of the transaction.

4.5. Income tax

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and prepayments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss), and except for those associated with investments in subsidiaries, associates and joint ventures in which the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

4.6. Revenue and expenses

Revenue and expenses are recognised on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

To determine whether revenue should be recognised, the Company follows a five-step process:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to performance obligations
5. Recognise revenue when the performance obligations are satisfied

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the shareholder's right to receive payment has been established. In any case, interest and dividends from financial assets accrued after the date of acquisition are recognised as income in the income statement.

Dividend income is recognised as income in the abridged income statement when the right to receive payment is established. However, if the dividends distributed are generated from profits earned prior to the acquisition date, they are not recognised as income, but rather reduce the carrying amount of the investment.

4.7. Provisions and contingencies

When preparing the financial statements, the Company's managing body made a distinction between:

a) Provisions: credit balances covering present obligations arising from past events, the settlement of which is expected to result in an outflow of resources, but that are uncertain as to their amount and/or timing.

b) Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the Company's control.

The financial statements include all the provisions with regard to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as a finance cost on an accrual basis.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

4.8. Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's managing body considers that there are no material risks in this connection that might give rise to significant liabilities in the future.

4.9. Current and non-current items

Current assets are assets associated with the Company's normal operating cycle, which in general is considered to be one year; other assets that are expected to mature, be disposed of or be realised within twelve months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle; financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year; and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

4.10. Non-monetary contributions of a business

For non-monetary contributions to a Group company made during the year, the investment was measured at the carrying amount of the assets provided in the consolidated financial statements at the transaction date, in accordance with the rules for the preparation of consolidated financial statements.

5. <u>Property, plant and equipment and intangible assets</u>

5.1. Intangible assets

The breakdown of this heading in the balance sheet and a summary of the transactions performed in 2023 is as follows (in euros):

Cost	Beginning balance	Additions	Disposals or reductions	Ending balance
Computer software	-	16,031.05	-	16,031.05
Accumulated amortisation	-	-	-	-
Total cost	**-**	**16,031.05**	**-**	**16,031.05**

This intangible asset relates to the creation of the Company's own website and corporate environment. As it was not yet operational at the end of 2023, the amortisation on a straight-line basis will begin in 2024.

6. Financial assets

6.1. Non-current financial assets

The most significant information relating to non-current financial assets at 2023 and 2022 year-end is shown below (in euros):

	Euros	
	2023	2022
Non-current financial assets at cost		
Investments in Group companies (a)	106,698,456.14	-
Non-current financial assets at amortised cost		
Loans to related parties (b)	368,332.71	-
Non-current financial investments (c)	1,828,849.77	-
Office security deposit (d)	1,252.00	-
	108,896,890.62	**-**

(a) This relates to the 52.01% interest held by the Company in the shareholder equity of Andino Investment Holding Peru, S.A. (see Note 9)

(b) The Company granted a loan to the Group company Servicios Aeroportuarios Andino México, S.A. de CV. (see Note 12.1)

(c) This amount relates to a guarantee deposit through an escrow agreement to meet the obligations arising from the takeover bid described in Note 6.1.1. The use of this amount is therefore restricted to this transaction.

(d) This is the security deposit provided to the lessor for the Company's office located at Calle Jose Ortega y Gasset, 22-24, 5ª planta.

6.1.1. Group companies, jointly controlled entities and associates

The most significant information in relation to Group companies, jointly controlled entities and associates at 2023 and 2022 year-end is as follows:

2023

Company name	% of ownership		Euros				
	Direct	Indirect	Share capital	Profit/(Loss)		Other equity items	Total equity
				Operating	Net		
Andino Investment Holding S.A.A. (*)	52.01%	-	98,415,649	(3,867,347)	(10,944,735)	121,438,599	208,909,513

(*) Group audited by GT Peru. Information obtained from the consolidated financial statements prepared in accordance with IFRSs at 2023 year-end. The Peruvian subgroup's equity balances were translated taking into consideration the exchange rate of the euro against the Peruvian sol at 2023 year-end.

Euros			
	Carrying amount		
Dividends received	Cost	Impairment loss recognised in the year	Accumulated impairment losses
-	106,698,456.14	-	-

On 11 December 2023, Andino Inversiones Global, S.A. offered to acquire 11,200,000 (eleven million two hundred thousand) common shares with voting rights, representing the share capital of Andino Investment Holding, S.A.A., each with a par value of PEN 1.00 (one and 00/100 Peruvian soles), representing 2.776% of this company's total outstanding shares issued (see Note 14). The deposit described in Note 6.1(c) was arranged in relation to this transaction.

In 2022, the Company did not have any investments in Group companies, jointly controlled entities or associates.

6.2. Current financial assets

The most significant information relating to current financial assets at 2023 and 2022 year-end is shown below (in euros):

	Euros	
Current financial assets at amortised cost	2023	2022
Investments in Group companies (Note 12.1)	82,644.87	-
	82,644.87	**-**

7. Cash and cash equivalents

The detail of this heading at 2023 and 2022 year-end is as follows (in euros):

Class	**Cash and cash equivalents**	
Category	**2023**	**2022**
Cash and cash equivalents	113,925.23	94,937.37
Total	**113,925.23**	**94,937.37**

The Company has four bank accounts, of which two are in US dollars and two are in euros.

8. Financial liabilities

8.1 Non-current financial liabilities

All non-current and current financial liabilities are classified as financial liabilities at amortised cost. In accordance with the classification criteria for financial liabilities established by the Spanish National Chart of Accounts in its accounting policies and measurement bases, the Company held the following non-current balances at the end of 2023 and 2022 (in euros):

Class Category	Current financial instruments	
	2023	**2022**
Non-current payables (a) (Note 11.2)	1,809,954.75	-
Total	**1,809,954.75**	**-**

(a) The Company received a loan from Omaha Value Fund Limited for a total of USD 2,000,000, which accrues interest at a rate of 15% and matures in a maximum of 5 years from the date on which it was received on 20/11/2023 both with regard to the principal of the loan and any interest accrued. The finance costs incurred amounted to EUR 30,920, which were payable in full at 31 December 2023 (see Note 8.2).

8.2 Current financial liabilities

In accordance with the classification criteria for financial liabilities established by the Spanish National Chart of Accounts in its accounting policies and measurement bases, the Company held the following current balances at the end of 2023 and 2022 (in euros):

Class Category	Current financial instruments	
	2023	**2022**
Current payables - Interest (a) (Note 11.2)	30,920.06	-
Current account with companies	20,101.59	99,731.01
Trade and other payables	101,242.79	-
Accounts payable to public authorities	6.20	-
Total	**152,270.64**	**99,731.01**

(a) Interest accrued on the loan received from Omaha Value Fund Limited.

9. <u>Shareholder equity</u>

The Company's shareholder equity at 31 December 2023 and 2022 was as follows (in euros):

	2023	2022
Share capital	20,582,313.00	60,000.00
Share premium	366,296.00	-
Reserves	86,774,134.46	-
Prior years' profit/(loss)	(54,061.42)	-
Profit/(Loss) for the year	(374,014.76)	(54,061.42)
Total shareholder equity	**107,667,667.28**	**5,938.58**

9.1 Share capital

On 3 February 2022, the Company was incorporated with an initial share capital of EUR 3,000.00, divided into 3,000 shares, numbered sequentially from one, which are fully subscribed and paid up.

On 25 November 2022, following the decision to change the Company's legal form to a public company, it was agreed to increase the Company's share capital by EUR 57,000 through a monetary contribution. A total of 57,000 new shares were issued with a par value of one euro each, numbered sequentially from 3,001 to 60,000, both inclusive.

On 8 March 2023, the Company decided to increase its share capital by EUR 169,688 through the issue of 169,688 shares, with a par value of one euro each, numbered sequentially from 60,001 to 229,688, both inclusive.

On 19 May 2023, the Company decided to increase share capital through non-monetary contributions in the amount of EUR 19,620,034 through the issue of 19,620,034 shares, with a par value of one euro each, numbered sequentially from 229,689 to 19,849,722, both inclusive.

On 12 September 2023, the Company decided to increase share capital through monetary contributions in the amount of EUR 679,258.00 through the issue of 679,258 shares, with a par value of one euro each, numbered sequentially from 19,849,723 to 20,528,980, both inclusive, and with a share premium of EUR 0.5 per share. The share premium amounts to a total of EUR 339,629.00.

On 3 November 2023, the Company decided to increase share capital through monetary contributions in the amount of EUR 53,333 through the issue of 53,333 shares, with a par value of one euro each, numbered sequentially from 20,528,980 to 20,582,313, both inclusive, and with a share premium of EUR 0.5 per share. The share premium amounts to a total of EUR 26,666.50.

With regard to these non-monetary contributions, the investment was measured at the carrying amount of the assets provided in the consolidated financial statements at the transaction date, in accordance with the rules for the preparation of consolidated financial statements, in the amount of EUR 106,698,456.14 (see Note 6.1.1), generating reserves of EUR 86,788,596.

Lastly, the Company recognised EUR 14,462 relating to capital increase expenses against reserves.

9.2 Legal reserve

Under the Spanish Corporate Enterprises Act, 10% of a company's net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2023, no amounts had been allocated to the legal reserve since the Company did not generate any profit 2023 or 2022.

9.3 Other shareholder contributions

At 31 December 2023 and 2022, no contributions were made to account 118 "Shareholder contributions".

9.4 Share premium

The consolidated text of the Spanish Corporate Enterprises Act expressly permits the use of the share premium account balance to increase capital and does not establish any specific restrictions as to its use. In accordance with the Company's Articles of Association, the share premium is unrestricted.

9.5 Voluntary reserves

As at 31 December 2023, EUR 86,774,134 is unrestricted except for the losses for the year ended 31 December 2023.

10. Tax matters

10.1 Current tax receivables and payables

At 2023 and 2022 year-end, the Company's tax receivables and tax payables were as follows (in euros):

a) Tax payables

	2023	**2022**
Tax withholdings payable	6.20	-
Total	**6.20**	**-**

b) Tax receivables

	2023	2022
VAT refundable	-	10,732.22
Total	**-**	**10,732.22**

10.2 Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. The Company has all taxes since its incorporation open for review.

The Company's managing body considers that the tax returns for the above taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax law in relation to the tax treatment afforded to certain transactions, any resulting liabilities that might arise would not have a material effect on the accompanying financial statements.

10.3 Tax losses

Tax losses that have been assessed or self-assessed may be offset against profits in subsequent tax periods. Therefore, there is no limit as to when these tax losses can be offset.

The right of the tax authorities to verify the tax loss carryforwards will become statute barred after ten years from the day on which the period established for filing the tax return relating to the tax period that gave rise to the right to offset the tax loss ends.

10.4 Deferred tax assets

The detail of this heading at the end of 2023 and 2022 is as follows (in euros):

	2023	2022
Deferred tax assets	147,400.90	-
Total	**147,400.90**	**-**

The deferred tax assets indicated above were recognised in the abridged balance sheet because the Company's directors considered that, based on their best estimate of the Company's future earnings, including certain tax planning measures, it is probable that these assets will be recovered.

The breakdown of the tax losses recognised by the Company is as follows (in euros):

	Tax loss	Tax charge
2023	535,542.20	133,885.55
2022	54,061.42	13,515.35
Total	**589,603.62**	**147,400.90**

10.5 Calculation of income tax

The reconciliation of the accounting loss to the tax loss for income tax purposes in 2023 and 2022 is as follows (in euros):

<u>2023</u>

	Increases	Decreases	Total
Accounting loss after tax			(374,014.76)
Tax loss carryforwards		147,400.90	(147,400.90)
Permanent differences	335.00	14,461.54	(14,126.54)
Tax loss			**(535,542.20)**

At 31 December 2023, the Company had incurred a loss of EUR 374,014.76.

Likewise, in accordance with that set out in the accounting policies and measurement bases of the Spanish National Chart of Accounts, the expenses arising from the Company's capital increase were recognised directly in equity as a reduction in reserves of EUR 14,461.54. For income tax purposes, a negative adjustment was made for this amount, which increased the tax loss.

The Company made a positive adjustment of EUR 335.00 in relation to expenses that were not tax deductible. Furthermore, a positive adjustment of EUR 147,400.90 was made in relation to income tax.

<u>2022</u>

	Increases	Decreases	Total
Accounting loss after tax			(54,061.42)
Temporary differences			
Permanent differences			
Tax loss			**(54,061.42)**

At 31 December 2022, the Company had incurred a loss of EUR 54,061.42.

10.6 Application of the tax regime for foreign securities holding companies

The Company opted to apply the tax regime for foreign securities holding companies provided for in Law 27/2014, of 27 November, on Corporation Tax and its regulations, by means of a document filed with the tax authorities on 29 December 2022.

11. Revenue and expenses

11.1 Other operating expenses

The breakdown of “Other operating expenses” in 2023 and 2022 is as follows (in euros):

	2023	2022
Rent and royalties	1,291.81	-
Independent professional services	374,942.73	52,810.63
Administrative expenses (a)	2,389.07	924.54
Banking services	2,089.73	140.00
Other non-deductible expenses	335.00	186.25
Negative adjustments to indirect tax	49,513.53	-
Total	**430,561.87**	**54,061.42**

(a) Mercantile Registry and notary expenses

11.2 Financial profit/(loss)

The breakdown of the Company’s financial loss in 2023 and 2022 is as follows (in euros):

	2023	2022
On debts to Group companies (a)	29,400.43	-
On debts to third parties (b) (Notes 8.2 and 8.2)	30,920.06	-
Exchange differences	30,533.30	-
Total	**90,853.79**	**-**

(a) Interest on a transitional loan granted by Andino Investment Holding, S.A.A. that was repaid in 2023.
(b) Interest on the loan received from Omaha Value Fund Limited.

12. Related party transactions

12.1 Related party balances

The detail of the on-balance sheet balances with related parties in 2023 and 2022 is as follows:

	2023	2022
Loan to Servicios Aeroportuarios Andino México S.A. de CV (Note 6.1)	368,332.71	-
Loan to Saasa Global España (Note 6.1)	82,644.87	
Current payables to AIH	(16,031.05)	
Current payables to Group companies	(4,070.54)	(99,731.01)
Total	**430,875.99**	**99,731.01**

The average interest rate associated with the Company's loans to and borrowings from Group companies is market rate.

12.2 Related party transactions

The detail of the transactions with related companies in 2023 and 2022 is as follows:

	2023	**2022**
Interest on payables to AIH	29,400.43	-
Total	**29,400.43**	**-**

12.3 Remuneration of directors and senior executives

The Company did not pay any amount to its directors in 2023 or 2022. The Company also did not grant any advances or loans, or assume any pension or life insurance obligations.

Senior management functions are carried out by personnel hired at another Group company and, therefore, the Company has not entered into any senior management contract with its personnel. In addition, in 2023 and 2022 none of the Company's personnel could have been considered senior executives in accordance with the following definition:

a. They perform functions relating to the Company's general objectives: They directly or indirectly plan, manage and control the Company's activities, and

b. They perform their duties independently and under their own responsibility, and are only limited by the criteria of and direct instructions from the Company's legal owner(s) or the higher governing and administrative bodies that represent these owners.

12.4 Information regarding conflicts of interest involving the directors

For the purposes of Article 229 of the Spanish Corporate Enterprises Act, it is placed on record that in 2023 neither the members of the managing body nor the persons related to them held any position or direct or indirect ownership interest in third companies in which there could be a conflict of interest with the Company.

13. <u>Information on the environment and on greenhouse gas emission allowances</u>

13.1 Information on the environment

No expenses were incurred in 2023 for the purpose of the protection and improvement of the environment.

Likewise, no provisions had to be recognised to cover contingencies or charges for environmental measures, or any contingencies related to the protection and improvement of the environment.

13.2 Information on greenhouse gas emission allowances

In 2023 there were no changes in any item related to greenhouse gas emission allowances or to the allocation of these allowances.

13.3 Information on the average period of payment to suppliers

Set out below are the disclosures required by Additional Provision Three of Law 18/2022, of 28 September, on the creation and growth of companies, and Law 15/2010, of 5 July (amended by Final Provision Two of Law 31/2014, of 3 December), prepared in accordance with the ICAC Resolution of 29 January 2016 on the disclosures to be included in the notes to the financial statements in relation to the average period of payment to suppliers in commercial transactions:

	Days	
	2023	2022
Average period of payment to suppliers	45.34	9.19

In accordance with the ICAC Resolution, the average period of payment to suppliers was calculated by taking into account the commercial transactions relating to the supply of goods or services for which payment has accrued each year.

For the sole purpose of the disclosures provided for in the Resolution, suppliers are considered to be the trade creditors for the supply of goods or services included in "Sundry accounts payable" under current liabilities in the balance sheet.

"Average period of payment to suppliers" is taken to be the period that elapses from the delivery of the goods or the provision of the services by the supplier to the effective payment of the transaction.

The legal maximum payment period applicable to the Company in 2023 in accordance with Law 3/2004, of 29 December, establishing measures to combat late payment in commercial transactions, is 60 days.

14. Events after the reporting date

On 11 January 2024, as a result of the takeover bid launched by Andino Inversiones Global, S.A. for the shares representing the share capital of Andino Investment Holding, S.A.A. ("AIH"), a total of 2,394,278 common shares of AIH were awarded at a price of USD 0.18 per share (18/100 US dollars).