

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

OTHER RELEVANT INFORMATION

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

In the second quarter of 2023, we carried out several operations that include raising capital (of approx. 4.6 million euros in June), distribution of funds to shareholders (of approximately 3% of market price in August) and publication of financial statements that include updated valuations of the company's assets.

Our semi-annual financial statements will be published in October and will include updated valuations for all properties. As is well known, discount rates on property value have generally increased all over the world as a consequence of the rise in interest rates. However, the latest valuation reports of the properties of Group as of 30 June 2023 recorded a slight decrease of only 1.5% of their value.

During September, we expect to have raise additional funds through a share capital increase with pre-emptive rights (i.e. any current shareholder has the right to participate in the new allocation pro rata to its current stake in the Company's share capital), as set out in the documentation that has been made public pursuant to the applicable rules (on the websites of the Company (www.ibi-lion.com) and of BME Growth (www.bmegrowth.es), to which we defer. If a shareholder wishes to participate, the transaction must be carried out through the bank where its Company's shares are registered. According to the law, pre-emptive rights may also be sold in the market during their trading period. Pre-emptive subscription rights that are not exercised by the end of the subscription period (i.e. 8 September 2023) will expire.

The information contained herein shall not constitute an offer to sell or the solicitation of an offer to acquire, nor shall there be any sale of the securities referred to herein, in any of the jurisdictions in which such offer, solicitation or sale would be unlawful. Investors must neither accept any offer for, nor acquire or subscribe for, any securities to which this document

refers, unless they do so on the basis of the corresponding abridged capital increase document (“**DAR**”) (including any amendment or supplement thereto). The DAR is available to shareholders and investors on the websites of the Company (www.ibi-lion.com) and of BME Growth (www.bmegrowth.es).

We also inform that shareholders investing in IBI Lion, as a Spanish REIT admitted to trading on the BME Growth market in Spain, could meet the requirements of the State of Spain to be eligible for the so-called “Golden Visa”, subject to equity investment of 1.0 million euros in a Spanish company as well as to additional requirements (such as the absence of a criminal record, submission of corresponding forms, etc.). Both existing investors and new investors could be eligible. Holders of the Spanish “Golden Visa”, in accordance with its conditions, will be able to reside, work and study in Spain without the need for a job guarantee or study permit, as well as to travel throughout the European Union. Investors interested in more information are invited to contact us and we will be happy to expand on the subject. It is clarified that the process of applying for the visa involves contracting with a Spanish law firm that will accompany the process for those eligible, all costs are at the expense of the investor.

At the macro level, in the second quarter of 2023 positive returns were recorded in the stock markets when the German DAX index reached new highs (although it weakened slightly in July) and recorded a total increase of about 13% since the beginning of the year. The Spanish stock index IBEX35 continued to rise with an increase of about 13%¹ since the beginning of the year.

The positive trend in the markets continued despite increases in interest rates in the US and Europe during July due to the decrease in inflation rates in the world. The US recorded an annual inflation of 3.2%² and Spain registered an annual inflation rate of 2.3%³, where the labor market continues to show strength.

In the real estate sector, there is a bias towards activity in the field of value add (creating value) where investors are looking for a higher return which comes through the initiation or improvement of properties. In the field of offices and trade, for example, there is a demand

¹ As of closing of the trading session on 7/8/2023

² As of July 2023.

³ As of July 2023.

for the purchase of old properties that do not meet the standards ESG (environmental quality and sustainability) in order to improve the building's energy expenses and increase rent accordingly.

Looking ahead to the last quarter of the year, we continue to examine purchase options for several properties in accordance with our investment criteria and estimate that in the fourth quarter of 2023 we will see more transactions in the market in light of the end of the year. As in the previous investor letter, this time is also attached short review of Cushman&Wakefield for the second quarter of the year which was published on the its website⁴ on the European market and we will of course be happy to answer any question and update you on the Company's progress.

Pursuant to the provisions of Circular 3/2020 of BME Growth, it is hereby stated that the information provided herein has been prepared under the sole responsibility of the Company and its directors.

Mr. Nadav Berkowitch
Chairman of the Board of Directors
IBI Lion team

⁴ <https://www.cushmanwakefield.com/en/united-kingdom/insights/dna-of-real-estate>

European Real Estate Review: Source Cushman&Wakefield

The stock indices in the sand continue to gain strength this year with a 32% increase in the Nasdaq index and a 14% increase in the European stock indices. The euro also continued to strengthen against the shekel by about 8% and currently stands at a rate of 4.1⁵. Government bond yields rose last quarter in light of the cost of interest and now US 10-year bond yields now amount to about 4.2% and Spain's bond yields now amount to⁶3.7%

Offices

The rent in the office market throughout Europe continued to rise in the second quarter as well and in an annual perspective (YOY) saw an increase of 5.6% as tenants are willing to pay higher rents for high quality properties. On the other hand, property discount rates continue to rise as well, with the average yields of the European office market rising by about 15 basis points to a level of 4.85% for high-rated properties. The increase in yields joins the increase in the previous quarters and so far there has been an increase of 92 basis points (0.92%) since the beginning of the interest rate increases. The highest yield increase was recorded in Germany, and the region Benelux (Belgium, Luxemburg and the Netherlands) which have already risen above 1.0%.

Offices					
Region	Rental Growth (Q/Q)	Rental Growth (Y/Y)	Prime yield (current)	Prime yield (change Q/Q)	Prime yield (change Y/Y)
Europe overall	1.1%	5.6%	4.85%	15 bp	92 bp
Europe (Exc. UK)	0.8%	5.8%	4.65%	18 bp	90 bp
United Kingdom	2.3%	4.7%	5.67%	3 bp	103 bp
France	2.6%	4.6%	4.44%	23 bp	81 bp
Germany	0.7%	8.2%	3.97%	21 bp	107 bp
Benelux	0.0%	7.2%	5.40%	24 bp	123 bp
Nordics	1.0%	6.8%	4.05%	18 bp	75 bp
Semi-core	0.2%	4.4%	4.40%	12 bp	94 bp
CEE	1.0%	5.6%	5.90%	20 bp	85 bp
Rest of Europe	0.5%	2.4%	4.31%	11 bp	49 bp

* From a review of Cushman&Wakefield Q2/23

⁵As of closing of the trading session on 15/8/2023

⁶As of closing of the trading session on 15/8/2023

Retail

In the second quarter, there was an average increase of about 0.5% in the rent in the commercial sector, but in an annual perspective, there is no significant change in the average rent when the commercial sector in Germany and the Nordic countries register a decrease of about 3-4%. Asset discount rates continued to rise in the quarter but at a lower rate than previous quarters and an increase of about 10 points (0.1%) in the quarter and an increase of 53 points (0.53%) in an annual perspective to a level of 4.6% on average.

Retail High Street Shops					
Region	Rental Growth (Q/Q)	Rental Growth (Y/Y)	Prime yield (current)	Prime yield (change Q/Q)	Prime yield (change Y/Y)
Europe overall	0.5%	0.1%	4.60%	10 bp	53 bp
Europe (Exc. UK)	0.4%	-0.1%	4.59%	11 bp	54 bp
United Kingdom	0.6%	1.6%	4.75%	0 bp	38 bp
France	0.0%	0.0%	4.75%	0 bp	52 bp
Germany	0.0%	-3.0%	3.78%	0 bp	52 bp
Benelux	1.1%	0.3%	4.76%	11 bp	35 bp
Nordics	-0.3%	-3.9%	4.43%	12 bp	58 bp
Semi-core	1.5%	4.5%	4.26%	13 bp	63 bp
CEE	0.0%	-0.3%	6.15%	20 bp	68 bp
Rest of Europe	0.5%	1.9%	4.03%	15 bp	53 bp

*From a review of Cushman&Wakefield Q2/23

Logistics

In the logistics sector, the rent continues to rise sharply with an increase of about 1.5% in the quarter and an impressive increase of 12% in an annual perspective. The capitalization rates of the assets remained almost unchanged for the quarter, but in an annual perspective, the sector recorded an increase of about 1.0% in the capitalization rate to a level of 5.0%.

Logistics					
Region	Rental Growth (Q/Q)	Rental Growth (Y/Y)	Prime yield (current)	Prime yield (change Q/Q)	Prime yield (change Y/Y)
Europe overall	1.5%	12.1%	5.06%	8 bp	100 bp
Europe (Exc. UK)	1.4%	12.2%	5.04%	10 bp	95 bp
United Kingdom	1.9%	11.8%	5.18%	-5 bp	124 bp
France	0.0%	18.6%	4.53%	25 bp	125 bp
Germany	0.8%	12.6%	4.15%	0 bp	105 bp
Benelux	0.5%	8.7%	5.16%	10 bp	100 bp
Nordics	3.5%	12.2%	4.82%	4 bp	105 bp
Semi-core	2.1%	9.2%	4.99%	13 bp	91 bp
CEE	0.4%	15.1%	6.23%	21 bp	99 bp
Rest of Europe	1.6%	12.5%	5.29%	4 bp	40 bp

* From a review of Cushman&Wakefield Q2/23