FIRST SUPPLEMENT DATED 17 DECEMBER 2024 TO THE BASE PROSPECTUS DATED 10 JULY 2024

INMOBILIARIA COLONIAL, SOCIMI, S.A.

(incorporated as a limited liability company (*sociedad anónima*) in the Kingdom of Spain)

€7,000,000,000

Euro Medium Term Note Programme

This first supplement (the "**Supplement**") to the base prospectus dated 10 July 2024 (the "**Base Prospectus**") relating to the €7,000,000,000 Euro Medium Term Note Programme of Inmobiliaria Colonial, SOCIMI, S.A. (the "**Issuer**", "**Colonial**" or the "**Company**" and together with its consolidated subsidiaries, "**we**", "**us**", "**our**" or the "**Group**", unless otherwise indicated or the context otherwise requires), comprises a supplement to the Base Prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and is prepared in connection with the Euro Medium Term Note Programme (the "**Programme**") of the Issuer. This first Supplement together with the Base Prospectus comprises a base prospectus for the purposes of the Prospectus Regulation.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. The Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus (as so supplemented) issued by the Issuer. The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or as an endorsement of the quality of any Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

The purpose of this Supplement is to make certain amendments to the sections entitled (i) "*Important Notices*"*;* (ii) "*Risk Factors*"*;* (iii) "*Documents Incorporated by Reference*" in order to incorporate by reference certain unaudited financial and operating data of the Issuer for the nine-month period ended 30 September 2024 contained in a document entitled "3Q 2024" (the "**Q3 2024 Results**") and the Issuer's unaudited condensed consolidated interim financial statements for the six-month period ended 30 June 2024, together with the auditor's limited review report and the interim consolidated directors' report thereon (the "**H1 2024 Results**"); (iv) "*Use of Proceeds*"; (v) "*Information on the Issuer and the Group*"; and (vi) "*General Information*".

With effect from the date of this Supplement, and in order to reflect certain significant new factors relating to the information included in the Base Prospectus which are capable of affecting the assessment of the Notes issued under the Programme, the information set out in the Base Prospectus shall be amended and/or supplemented, as the case may be, in the manner described below.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.

To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any other statement in or incorporated by reference into the Base Prospectus, the statements referred to in (i) above will prevail.

IMPORTANT NOTICES

The text set out below shall amend, by virtue of this Supplement, in its entirety the last paragraph under the sub-section entitled "Alternative performance measures" in the section entitled "Important Notices" on page 7 of the Base Prospectus:

"For an explanation and reconciliation of these APMs, see section entitled "Glossary & Alternative Performance Measures" on pages 26 to 32 of the Q3 2024 Results, "Alternative Performance Measures (European Securities and Markets Authority)" on pages 48 to 59 of the consolidated interim directors' report of the H1 2024 Results and "Alternative Performance Measures" on pages 81 to 92 of the 2023 Consolidated Management Report and pages 81 to 91 of the 2022 Consolidated Management Report."

RISK FACTORS

The information set out below shall supplement, by virtue of this Supplement, the section of the Base Prospectus entitled "Risk Factors" on pages 15 to 31 of the Base Prospectus. To this end, in order to (i) update the Issuer's operational information with information derived from the Issuer's Q3 2024 Results and (ii) reflect the risks related to the current macroeconomic environment, the risk factor entitled "Our business may be affected by adverse conditions in the Spanish and French economies and the Eurozone" in the sub-section entitled "Risks Relating to our Business" shall, by virtue of this Supplement, be amended and updated with the following information:

*"**Our business may be affected by adverse conditions in the Spanish and French economies and the Eurozone***

As of the date of this Supplement, the location of our real estate assets is currently exclusively concentrated in Spain (Madrid and Barcelona) and France (Paris, through our subsidiary SFL). As of 30 September 2024, 65.5% and 34.5% of our total revenue came from France and Spain, respectively. We almost exclusively operate in the office rental market in the cities of Barcelona, Madrid and Paris (12%, 22% and 66% of our rental revenue for the nine-month period ended 30 September 2024, respectively). In addition, according to the valuations of our Property Portfolio made by independent appraisers, as at 30 June 2024, 12%, 22% and 66% of the total value of the assets of the Group were located in Barcelona, Madrid and Paris, respectively. Also, as at 30 June 2024, 25%, 45% and 30% of the surface area of the Group's office rental properties (a total surface area of 1,555,059 square metres) were located in Barcelona, Madrid and Paris, respectively. As a result, our business is particularly exposed to adverse economic conditions in Spain and France.

As the real estate markets are typically cyclical in nature and follow the performance of the wider economy, we are exposed to any factors that adversely affect the Spanish and French economy and, particularly, the economic conditions in Madrid, Barcelona and Paris.

The ongoing invasion of Ukraine by Russia, the Israel-Hamas military conflict in the Middle East and the related geopolitical uncertainties, have contributed to the further deterioration of the macroeconomic environment resulting in, among other things, increased recession concerns, potential higher unemployment and continued elevated inflation rates driven by the general increase in energy, oil and other commodity prices, as well as further instability and volatility in global financial markets. A prolongation or a further escalation of the current conflicts could therefore continue to have an adverse impact, or potentially lead to a further deterioration, on the availability and prices of raw and other essential building materials, which could, in turn, negatively affect the Group's business, results of operations and financial position.

Furthermore, while monetary authorities, such as the European Central Bank (the "**ECB**"), have progressively cut interest rates during 2024, there can be no assurance that the rate-cutting cycle will continue at the same pace or at all. Elevated or higher interest rates could adversely affect the Group's unhedged floating rate financial debt, the Group's ability to obtain new financing or the maintenance of our credit ratings (see *"—We rely on debt financing for a significant part of our funding needs*" and "*— A decrease in credit rating could adversely affect the Group*"), the indebtedness capacity of our clients (see "*—We are dependent on a small number of large tenants and assets for a significant part of our revenue from rental income*"), as well as yields and consequently the valuation of the Group's assets (see *"—The valuation of our real estate asset portfolio may not precisely and accurately reflect the value of our assets at any given time*").

In the third quarter of 2024, gross domestic product ("**GDP**") in Spain and France grew by 0.8% and 0.4%, respectively, when compared to the second quarter of 2024 (sources: INE and INSEE). GDP growth in Spain is expected to reach 3% in 2024 before gradually decelerating to 2.3% in 2025. Despite that deceleration, GDP growth is expected to be driven by consumption, sustained by continued labour market resilience, and by the strengthening of investment, notably in 2025 (source: *European Commission's November 2024 Directorate-General for Economic and Financial Affairs' report "Economic forecast for Spain*"). GDP growth in France is expected to reach 1.1% in. However, a contractionary fiscal stance is set to weigh on GDP growth, which is expected to decline to 0.8% (source: *European Commission's November 2024 Directorate-General for Economic and Financial Affairs' report "Economic forecast for France*").

Furthermore, in Spain and France, political and social instability has increased during recent years. If political tensions re-emerge or intensify, this could have a negative impact on both the financial conditions and the current macroeconomic scenarios in Spain and France.

Any such adverse conditions and related uncertainties, as well as the potential future deterioration of such adverse conditions, may have a negative impact on investor confidence, consumer spending, levels of employment, rental revenues, vacancy rates and real estate values, demand for office space, financing costs or the ability of our tenants to meet their rental payment obligations and, accordingly, could have a material adverse effect on our financial condition, business, prospects and results of operations."

DOCUMENTS INCORPORATED BY REFERENCE

In order to update the Issuer's consolidated financial information included in the Base Prospectus by incorporating by reference the Q3 2024 Results and the H1 2024 Results, the information set out below shall supplement, by virtue of this Supplement, the section of the Base Prospectus entitled "Documents Incorporated by Reference" on pages 33 to 34 of the Base Prospectus by the inclusion of two additions to the cross-reference table as follows:

Information incorporated by reference			Page references (PDF)
"(H)	**The sections listed below of the document entitled "3Q 2024" containing certain unaudited financial and operating data of the Issuer for the nine-month period ended 30 September 2024:**		
	(a)	*Highlights*	3-10
	(b)	*Analysis of the Profit and Loss Account*	12
	(c)	*Office markets*	13
	(v)	*Business performance*	14-17
	(e)	*Coworking and Flexible Spaces*	18
	(f)	*ESG Strategy*	19
	(g)	*Financial structure*	20-23
	(h)	*EPRA ratios*	24-25
	(i)	*Glossary and alternative performance measures*	26-32
	Available at: *https://www.inmocolonial.com/sites/default/files/uploaded-files/2024-12/3Q%20Results%202024_2.pdf*		
(I)	**The unaudited condensed interim consolidated financial statements of the Issuer for the six-month period ended 30 June 2024, together with the auditor's limited review report and the interim consolidated directors' report thereon:**		
	(a)	*Auditor's report on the limited review of the condensed interim consolidated financial statements*	2-3
	(b)	*Condensed consolidated interim financial statements for the six months ended 30 June 2024*	5-40
	(c)	*Interim consolidated directors' report for the six-month period of 2024*	41-63
	Available at: *https://www.inmocolonial.com/sites/default/files/uploaded-files/2024-11/Informe%20%2B%20EEFFII%20consolidados%20jun%2024_Eng.pdf*		

USE OF PROCEEDS

The information set out below shall amend, by virtue of this Supplement, the section of the Base Prospectus entitled "Use of Proceeds" on page 132 of the Base Prospectus.

To this end, and in order to update the information provided in relation to the Issuer's Green Financing Framework, the text included under the section entitled "Use of Proceeds" shall, by virtue of this Supplement, be amended as follows:

"The net proceeds of the issue of each Tranche of Notes will be used:

(i) for the general corporate purposes of the Group, including the repayment of existing indebtedness of the Group, in which case "General Corporate Purposes" will be specified in the section entitled "Reasons for the Offer" in the applicable Final Terms;

(ii) to finance and/or refinance, in whole or in part, a portfolio that comprises Eligible Green Projects (the "**Eligible Green Portfolio**"), in which case the relevant Notes will be identified as "Green Bonds" in the title of the Notes and "Eligible Green Projects" will be specified in the section entitled "Reasons for the Offer" in the applicable Final Terms;

(iii) as otherwise specified, in respect of any particular Tranche of Notes, in the applicable Final Terms in the section entitled "Reasons for the Offer".

For the purpose of this Base Prospectus, "**Eligible Green Projects**" are projects supporting the EU environmental objective of climate change mitigation and selected United Nation's Sustainable Development Goals, all as further described in the green financing framework of the Group dated November 2024 ("**Green Financing Framework**").

In order for Eligible Green Projects to be eligible under the Green Financing Framework, they must fall into an "Eligible Green Category", which are

- Green Buildings – Acquisition and ownership of buildings;
- Green Buildings – Construction of new buildings; and
- Green Buildings – Renovation of existing buildings,

and satisfy at least one of the relevant eligibility criteria set forth for each "Eligible Green Category" in the Green Financing Framework.

Eligible Green Projects are included in the Eligible Green Portfolio at their latest appraisal value and without a specific lookback period, save that a 36-month lookback period applies for capital expenditures. The value of the Eligible Green Portfolio is expressed as net of any outstanding amounts of any green or other dedicated financings.

The Group's ESG Committee will verify the compliance of the selected Eligible Green Projects with the eligibility criteria set out in the Green Financing Framework. The role of the ESG Committee also includes the following:

- *Monitoring the portfolio*: overseeing the composition of the Eligible Green Portfolio throughout the lifecycle of the transactions;
- *Addressing ESG risks and portfolio adjustments*: Actively managing potential ESG risks associated with Eligible Green Projects. In particular, where is removed from the Eligible Green Portfolio, the ESG Committee will use its best efforts to substitute such assets as soon as practical, once an appropriate Eligible Green Project has been identified for substitution; and
- *Updating the Green Financing Framework*: Administering and implementing any future updates to the Green Financing Framework as necessary.

If, for any reason (after a new issue, for example), the amount of Eligible Green Projects falls below the amount of outstanding green bonds, the unallocated proceeds will be temporarily placed in accordance with the Issuer's investment guidelines with the exclusion of environmentally or socially harmful activities such as fossil fuels, weapons, pornography and tobacco. At its own discretion, the Issuer may consider investing in cash and cash equivalents such as short-term deposits, money market funds or equivalents in accordance with a responsible investment policy. The Issuer commits on a best effort basis to reach full allocation within 24 months.

The Group will prepare, and make available to investors, an Allocation and Impact Report for green bonds issued pursuant to the Green Financing Framework, specifying the relevant measurement methodologies. Such Allocation and Impact Report will be prepared each year until maturity of any outstanding green bond issued pursuant to the Green Financing Framework. In addition, an independent auditor will verify on an annual basis until maturity, and thereafter in case of material changes, that the Eligible Green Portfolio is greater than the outstanding amount of green bonds or other green financing instruments issued under the Green Financing Framework and that the Eligible Green Projects comply with the criteria set out therein.

Morningstar Sustainalytics provided a second party opinion (the "**Second Party Opinion**") on the Green Financing Framework, assessing, among other things, the alignment of the Green Financing Framework with the Green Bond Principles published by the International Capital Markets Association.

The Green Financing Framework and the Second Party Opinion (both as amended or updated from time to time) as well as the Allocation and Impact Report and the verification by the independent auditor are available on the Issuer's website (https://www.inmocolonial.com/en/shareholders-and-investors/fixed-income/green-bonds/framework). The contents of this webpage, the Green Financing Framework and the Second Party Opinion do not form part of this Base Prospectus and are not incorporated by reference in it."

INFORMATION ON THE ISSUER AND THE GROUP

The text set out below shall, by virtue of this Supplement, be included as a new subsection under the section entitled "Recent Developments" on page 133 of the Base Prospectus.

"**Potential merger between Colonial (absorbing company) and SFL (absorbed company)**

On 6 November 2024, Colonial and SFL announced their decision to start an in-depth analysis of the potential merger by means of which Colonial would absorb SFL. This potential merger would be in line with the Group's strategy of simplifying its structure, one of the key steps of which was Colonial's public exchange offer for the shares of SFL launched in August 2021. The merger would also strengthen the alignment between SFL and Colonial, which has been its majority shareholder since 2004 and, as at the date of this Supplement, holds 98.24% of the share capital of SFL.

The transaction would be structured as a merger by absorption of SFL into Colonial pursuant to which the shareholders of SFL would receive new shares of Colonial. The merger ratio would be based on a multicriteria analysis and would remain subject to the merger auditor report.

The execution of the merger agreement is expected to take place in the first quarter of 2025 and the completion of the merger would be subject to customary conditions for this type of transactions."

GENERAL INFORMATION

The information set out below shall amend, by virtue of this Supplement, the section of the Base Prospectus entitled "General Information" on pages 193 to 195 of the Base Prospectus.

To this end, and in order to update the "no significant change" and "no material adverse change" statements in the Base Prospectus, paragraph (6) shall, by virtue of this Supplement, be amended as follows:

"(6) There has been no significant change in the financial position or financial performance of the Group since 30 September 2024 and no material adverse change in the prospects of the Issuer since 31 December 2023."