

# IBI LION

Investor Update and Real Estate Review | October 2025



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

### Dear Investors,

We are finishing another quarter and approaching the last quarter of the year. After a turbulent second quarter in light of the US administration's tariff plan, the third quarter was characterized by the signing of trade agreements with a large number of countries, and the reduction of the risk of recession as a result.<sup>(1)</sup>

The most significant agreement signed was the agreement with the European Union at the end of July. The agreement includes setting a uniform US tariff ceiling of 15% for most goods originating from the European Union. In addition, the Europeans committed to purchase US energy products worth approximately \$750 billion and invest approximately \$600 billion in the US market. On the other hand, tariffs of 50% in the steel, aluminum and copper sectors remained unchanged, with a commitment to future dialogue. Reactions to the agreement were mixed in Europe, but the markets, as mentioned, reacted positively to the reduction in risk and recorded another quarter of gains. As of this writing, the trade war between the US and China, which seemed on the path to resolution, appears to be returning to a collision course with threats from the US to increase tariffs by 100% in early November, but the market seems to be expecting the parties to reach a solution<sup>(2)</sup>.

Another significant event occurred in September when the US Federal Reserve (Fed) decided to reduce interest rates by 0.25% to 4.25% for the first time in 9 months.

The interest rate cut occurred against a backdrop of a slightly weaker labor market, and despite inflation still being slightly above target.

The Fed's dot plot shows that nine members of the committee estimate that an additional interest rate cut of 0.5% by the end of 2025.

In the Spanish sector, this month Spain received an upgrade from the three largest rating agencies in the world: Moody's (A-), Fitch (A-), and S&P (A+)<sup>(4)</sup>. The rating upgrade also comes against the backdrop of the Spanish government raising its GDP growth forecast to 2.7%<sup>(5)</sup>.

This move not only signals renewed confidence in the country's financial stability, but also evidence of the structural progress that has been gradually occurring since the European debt crisis, through dealing with the coronavirus pandemic and emerging from it. The three agencies referred to a more balanced growth model, a decline in unemployment rates, and an improvement in the balance sheets of the banking and private sectors.

(1) <https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21.en>

(2) <https://www.reuters.com/world/china/us-will-impose-additional-100-tariff-chinese-imports-november-trump-says-2025-10-10/>

(3) <https://www.bbc.com/news/live/cx2xe98r4wrt>

(4) <https://www.cnbc.com/2025/09/29/spain-wins-triple-credit-rating-boost-on-improving-economic-outlook.html>

(5) <https://www.reuters.com/world/europe/spanish-government-raises-2025-gdp-growth-forecast-27-26-2025-09-16/>

The European real estate sector continues to show improvement trends, driven mainly by interest rate cuts. These trends are clearly visible in debt market liquidity and capital raising , setting the stage for increased activity in the coming quarters and the coming year. How significant the change is can be seen through the volume of fundraising in European real estate funds, which from the beginning of 2025 until August alone, amounted to approximately €20 billion<sup>(6)</sup>. If fundraising continues at this pace, total fundraising by the end of 2025 is expected to reach approximately €30 billion, an increase of 64% compared to 2024, marking a clear reversal from the declines in fundraising recorded in 2023 and 2024, and the first year-on-year increase since 2021. The appetite for real estate has not escaped European REIT funds either . According to the website Nareit , European real estate companies raised €8.7 billion by mid-2025, reflecting strong investor support for refinancing and growth.

The mix of asset classes targeted by recently closed real estate funds offers a glimpse into the sectors expected to benefit from the current investment wave: Of the 80% of funds raised in 2025 , 64% of funds include investment in logistics and 78% include exposure to the residential sector. The data center sector also continues to grow and benefit from the expected demand from the huge investments in the field of AI .

We at IBI Lion continued to expand our supermarket portfolio this year and signed an agreement to acquire a supermarket in the city of Pamplona , the capital of the autonomous community of Navarra in northern Spain once the asset is developed and constructed.

Pamplona has a population of approximately 200,000 inhabitants and is considered to have one of the highest quality of life and per capita income levels in Spain<sup>(7)</sup> .

The property is expected to be leased to a leading supermarket chain under long-term contracts..

As a reminder, during July we made an additional distribution of approximately 3% to all our investors, with the next distribution expected to take place during February 2026, subject to the corresponding approvals.. Also, in September we completed additional capital raising which will be used to fund our activity and, where applicable, purchase new assets..

Attached to this letter Income property review , rental data and property yields for the third quarter of 2025 in Europe by Cushman & Wakefield .

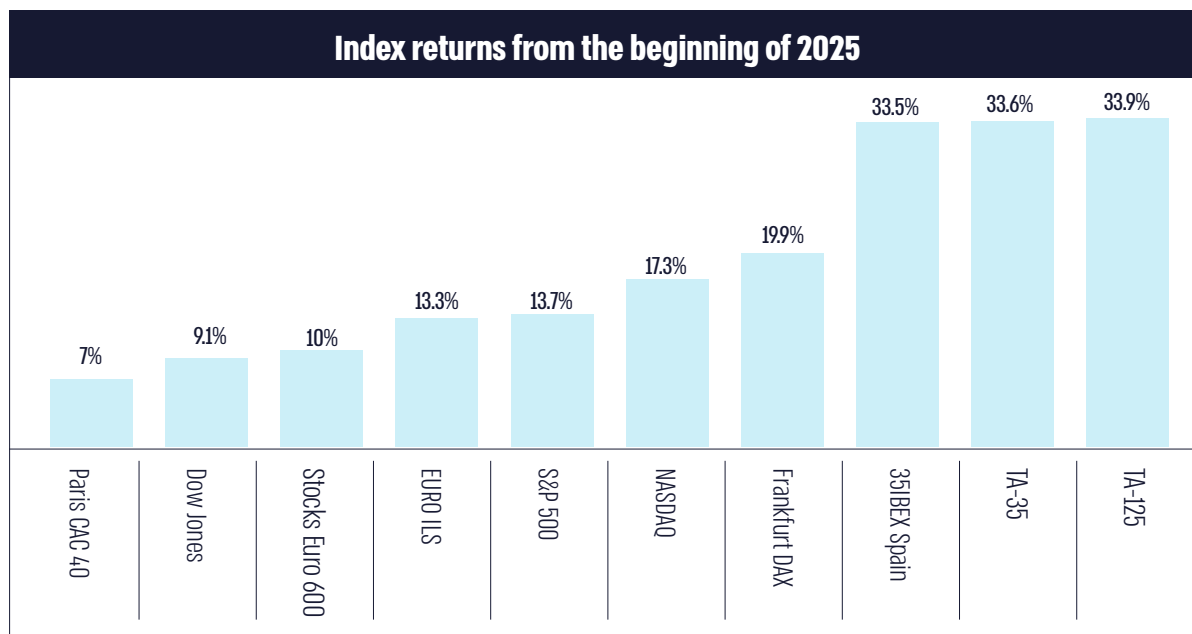
Best regards,  
Nadav Berkowitz  
Chairman of the Board of Directors  
Ibi Lion Team

(6) <https://www.cushmanwakefield.com/en/insights/a-new-wave-of-capital-formation-in-emea-cre>

(7) <https://www.idealista.com/en/news/lifestyle-in-spain/2023/12/05/159980-5-spanish-cities-with-the-best-quality-of-life>

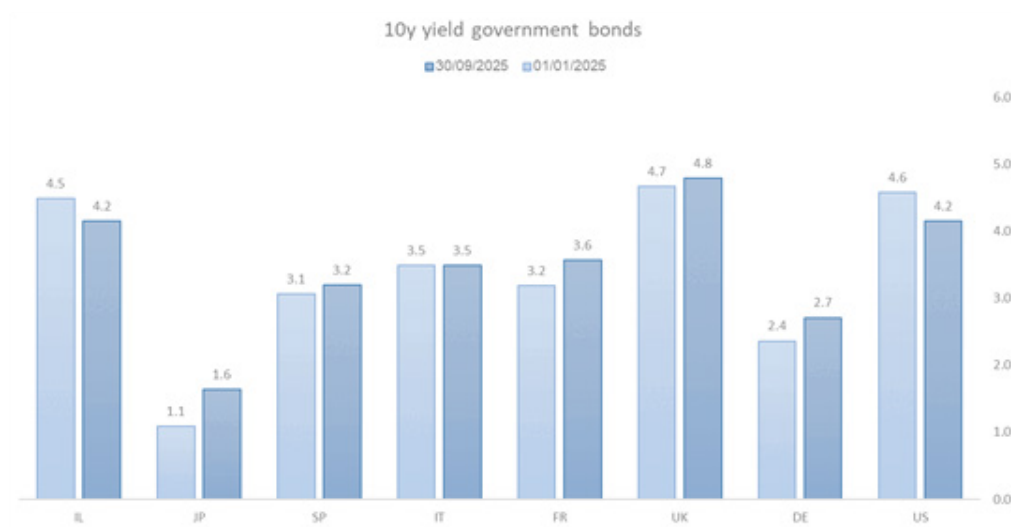
# Macro Europe

The third quarter ended on a positive note, pushing stock market indices to new highs and sharp increases since the beginning of the year. The Tel Aviv 125 and 35 indices continue to show the highest return compared to the world's major indices, with an impressive increase of approximately 34%. Looking at the European indices, the Spanish IBEX 35 index showed the highest return, with a large gap from the next ones, and also recorded an increase of approximately 34% since the beginning of the year. The American indices also rose, but with lower returns, with the Nasdaq index recording an increase of approximately 17% and the S&P 500 index Shows a yield of 14%<sup>(8)</sup>.



\*A-ONLINE Trend Data

European bond yields rose slightly in the quarter, partly due to political changes in France that have increased uncertainty. German 10-year government bond yields are currently around 2.7%, French bonds have risen from 3.3% to 3.6%, and Spanish bonds have remained unchanged at around 3.2%. US bond yields have also remained largely unchanged in the quarter, at around 4.2%<sup>(9)</sup>.



<sup>(8)</sup> As of closing of the trading session on [30/09/2025]

<sup>(9)</sup> As of closing of the trading session on [30/09/2025]

## Income Real Estate Review Third Quarter 2025 Cushman & Wakefield<sup>(10)</sup>

Cushman & Wakefield's quarterly report reviews the main trends in the office, logistics and retail sectors. Looking at the entire eurozone, rents also recorded positive growth in the third quarter compared to the corresponding quarter in all sectors, thus completing a streak of rent increases for 11 consecutive quarters. On the other hand, the rate of rent growth was slightly weaker in the quarter and property yields remained stable in most countries due to European bond yields that rose slightly in the quarter and put pressure on property pricing in several markets and sectors.

### Offices

Prime office rent growth remained positive at 0.9 % during the quarter, slightly below growth in previous quarters this year. On an annual basis, growth rose to 4.4%. The highest growth in the quarter was recorded in England and Ireland with growth of 1.5% but on an annual basis, France continues to lead with an average growth of around 8.2%. The average prime yield in Europe currently stands at around 5.4%.

Region	Rental Growth Q/Q	Rental Growth Y/Y	Prime Yield
Europe Overall	0.9%	4.4%	5.4%
Europe exc UK	0.7%	3.9%	5.1%
UK & Ireland	0.7%	3.9%	5.1%
France	0.1%	8.2%	5.5%
Germany	0.8%	4.6%	4.8%
S. Europe	0.9%	5.3%	4.6%

### Retail – High Streets Shops

street retail rent growth slowed in the third quarter, with rents unchanged in more than 30 of the 40 markets, with the strongest growth in the UK, Central and Eastern Europe and Southern Europe. Yields were also stable in most markets. No changes were observed outwards.

Region	Rental Growth Q/Q	Rental Growth Y/Y	Prime Yield
Europe Overall	0.5%	3.8%	4.8%
Europe exc UK	0.3%	2.9%	4.8%
UK & Ireland	1.2%	7.9%	4.8%
France	0.0%	2.6%	5.3%
Germany	0.0%	0.0%	4.4%
S. Europe	0.8%	3.3%	3.8%

<sup>(10)</sup> <https://www.cushmanwakefield.com/en/united-kingdom/insights/dna-of-real-estate>

## Logistics

Following stronger growth in recent quarters, prime logistics rents grew at a slower pace in the third quarter, rising by just 0.5%. Growth was strongest in France and Germany , with growth of around 2.0% and 1.2% respectively . Rents remained weak in the Central and Eastern Europe region. Prime yields remained unchanged at 5.23% on average.

Region	Rental Growth Q/Q	Rental Growth Y/Y	Prime Yield
Europe Overall	0.5%	3.8%	5.2%
Europe exc UK	0.4%	3.5%	5.2%
Uk & Ireland	0.8%	5.4%	5.3%
France	2.0%	6.1%	4.8%
Germany	1.2%	1.9%	4.5%
S. Europe	0.4%	5.6%	5.3%