

Audit Report on the Interim Balance Sheet issued  
by an Independent Auditor

INMOCEMENTO, S.A.  
Interim Balance  
as of November 7, 2024





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## **AUDITOR'S REPORT ON THE INTERIM BALANCE SHEET ISSUED BY AN AUDITOR INDEPENDENT**

To the shareholders of INMOCEMENTO, S.A., by order of the Management:

### Opinion

We have audited the interim balance sheet of Inmocemento, S.A. (the Company) as of November 7, 2024, and the accompanying notes summarizing significant accounting policies (collectively referred to as the "interim balance sheet").

In our opinion, the accompanying interim balance sheet presents, in all material respects, a true and fair view of the net worth and financial position of the Company as of November 7, 2024 in accordance with the regulatory financial reporting framework applicable to the preparation of a financial statement of this type (identified in 2 of the accompanying explanatory notes) and, in particular, with the accounting principles and criteria contained therein.

### Basis of the opinion

We conducted our audit in accordance with Spanish auditing standards. Our responsibilities under those standards are described below in the *Auditor's responsibilities for the audit of the interim balance sheet* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those of independence, which are applicable to our audit of the interim balance sheet in Spain as required by the regulations governing the auditing of accounts. In this sense, we have not provided services other than those of the audit of accounts nor have there been any situations or circumstances that, in accordance with the provisions of the aforementioned regulations, have affected the necessary independence in such a way that it has been compromised.

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

## Audit highlights

The most significant audit matters are those that, in our professional judgment, have been considered to be the most significant risks of material misstatement in our audit of the interim balance sheet. These risks have been addressed in the context of our audit of the interim balance sheet as a whole, and in forming our opinion thereon, and we do not express a separate opinion on those risks.

### *Valuation of the split contributions in the beneficiary company*

**Description** On 7 November 2024, the Company received from its sole shareholder a contribution of two economic units consisting, respectively, of all the shares of FCYC, S.A. owned by FCC 80.03% of the share capital of FCYC, S.A. and all the shares of CEMENTOS PORTLAND VALDERRIVAS, S.A. owned by FCC representing 99.03% of the share capital of CEMENTOS PORTLAND VALDERRIVAS, S.A., which Inmoco, S.A. will acquire by universal succession for a total of EUR 1,910,763 thousand, 1,910,763 thousand, which Inmoco, S.A. will acquire by universal succession for a total amount of EUR 1,910,763 thousand, which has been recognised under "Long-Term Investments in Group Companies and Associates".

As indicated in notes 2 and 3.a of the accompanying interim balance sheet, the Company must recognize the assets and liabilities of the contributed business at the cost shown in the consolidated financial statements of the major group in which they are included, in accordance with the Standards for the Preparation of Consolidated Financial Statements.

(NOF CAC). If the consolidated accounts of the group are prepared using the international accounting standards adopted by the European Union (EU-IFRS), the assets and liabilities of the transferred business are also recognized at the aforementioned consolidated value. If there are significant differences between the consolidated value according to international standards and that regulated in the Commercial Code, the company receiving the contribution must carry out a detailed reconciliation to adjust the differences.

We have considered this area as the most relevant aspect of our audit because the determination of the contributed value of the aforementioned investments requires the analysis of the reconciliation performed by the Company's management, as well as the relevance of the amounts involved.

## Our

### response.

In relation to this area, our audit procedures have included, among others, the following:

Understanding of the process established by the Company to determine the value of the contribution received, as well as the review of the reconciliation performed.

Review of the disclosures included in the notes to the interim balance sheet and assessment of their conformity with the applicable financial reporting framework.

## Directors' liability in relation to the interim balance sheet

The directors are responsible for preparation of the interim balance sheet to present fairly the net worth and financial position of Inmoco, S.A. in accordance with the regulatory financial reporting framework applicable to the entity for the preparation of a financial statement of this type in Spain, which is identified in note 2 of the accompanying notes to the interim balance sheet, and for such internal control as they determine is necessary to enable the preparation of an interim balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the interim balance sheet, the directors are responsible for assessing the Company's ability to continue as a concern, disclosing, as appropriate, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the company or cease operations, or there is no realistic alternative.

Auditor's responsibilities in connection with the audit of the interim balance sheet

Our objectives are to obtain reasonable assurance about whether the interim balance sheet as a is 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 degree of assurance but does not guarantee that an audit performed in accordance with the auditing standards 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 that users make on the basis of the interim balance sheet.

As part of an audit in accordance with the regulations governing the auditing of accounts in Spain, we apply our professional judgment and maintain an attitude of professional skepticism throughout the audit. Also:

Identify and assess the risks of material misstatement of the interim balance sheet, whether due to fraud or error, design and perform audit procedures responsive 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 due to fraud is higher than for a material misstatement due to error, as fraude may involve collusion, forgery, intentional omissions, deliberate misstatements, intentional misstatements, or the circumvention of internal control.

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

We assessed the appropriateness of accounting policies applied and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use 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 's report to related disclosures in the interim balance sheet or, if such disclosures are inadequate, to express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going .

We assessed the overall presentation, structure and content of the interim balance sheet and its notes, and whether the interim balance sheet represents the underlying transactions and events in a manner that achieves a true and fair view.

**We communicate with the entity's management regarding, among other matters, planned scope and timing of the audit and significant audit findings, as well as any significant deficiencies internal control that we identify during the course of audit.**

**Among the significant risks that have been reported to the directors of Inmoco, S.A., we have identified those that were the most significant in the audit of the interim balance sheet and are therefore considered the most significant risks.**

We describe these risks in our audit report unless legal or regulatory provisions or other requirements require us to do so.

regulations prohibit public disclosure of the matter.

**This report is in accordance with the seal n- 01/24/20941 issued by the Instituto de Censores Jurados de Cuentas de España.**

**ERNST & YOUNG, S.L.**  
(Registered in the Official Register of Auditors as company N° S of Accounts No. S0530)



**Alfonso Balea López**  
Registered in the Official Register of Auditors of Accounts under No. 20970)



**November 8, 2024**

**ERNST & YOUNG. S.L.**

2024 Núm. 01/24/20941

SELLO CORPORATIVO: 96,00 EUR

Informe de auditoría de cuentas sujeto a la normativa de auditoría de cuentas española o internacional

**MID-TERM REPORT**  
**AS OF NOVEMBER 7, 2024**



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**BALANCE SHEET AS OF NOVEMBER 7, 2024**

(in thousands of euros)

<b>A C T I V E</b>	<b>November 7, 2009</b>
	<b>fr</b>

<b>NON-CURRENT ASSETS</b>	<b>1.910.763</b>
<b>Long-term investments in Group and associated companies</b>	<b>1.910.763</b>
Equity instruments (note 2)	1.910.763
<b>TOTAL ASSETS</b>	<b>1.910.763</b>

<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>November 7, 2009</b>
	<b>fr</b>

<b>NET WORTH</b>	<b>1.910.763</b>
<b>Shareholders' equity</b> (note 3)	<b>1.910.763</b>
<b>Capital</b>	<b>227.439</b>
<b>Additional paid-in capital</b>	<b>1.369.121</b>
<b>Reservations</b>	<b>314.203</b>
<b>Income for the year</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1.910.763</b>





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**NOTES TO THE INTERIM BALANCE SHEETAS OF NOVEMBER 7, 2024**

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## 1. ACTIVITY OF THE COMPANY

Inmocemento, S.A. was incorporated on April 10, 2024, formalized by public deed before a notary public and registered in the Barcelona Mercantile Registry on April 17, 2024.

### Company's identification data

Name of the reporting entity or other forms of identification	Inmocemento, S.A.
Legal form of the entity	Public Limited Company (S.A.)
Address of the entity's registered office	C. Balmes, 36, 08007 Barcelona, Spain
Address of the entity	Avenida Camino de Santiago 40, 28050, Madrid, Spain
Country of incorporation	Spain
Main center of activity	Spain

The corporate purpose of the company is:

- Participation in other domestic and foreign companies.
- The provision of assistance or support services to investees or controlled companies.
- The management and administration of securities representing resident and non-resident entities in Spanish territory.

Inmocemento, S.A. is, in turn, the parent company of the Inmocemento Group, which is comprised of a group of domestic and foreign subsidiaries and associates.

The Inmocemento Group operates in the following business areas:

- **Real estate.** Dedicated to the development of housing and rental of offices, commercial premises and homes.
- **Cement.** Dedicated to the exploitation of quarries and mineral deposits, the manufacture of cement, lime, gypsum and prefabricated derivatives, as well as the production of concrete.

Inmocemento, S.A. was incorporated by Fomento de Construcciones y Contratas, S.A. as the sole shareholder, in order to receive through a Partial Spin-Off all of the interest in the Real Estate (represented by the interest in FCyC, S.A.) and Cement (represented by the interest in Cementos Portland Valderrivas, S.A.) activities that held in both. On June 27, 2024 Fomento de Construcciones y Contratas, S.A. approved the spin-off project.

By virtue of the Partial Spin-Off, whose deed was executed on November 7, 2024 and registered in the Commercial Registry of Barcelona on November 7, 2024, in accordance with the provisions of Article 60 of RDL 5/2023, to the shareholders of Fomento de Construcciones, S.A. have been assigned in a single act upon the execution of the Partial Spin-Off, a number of shares issued by Inmocemento, S.A. identical to the number of shares they held in the Spun-off Company, Fomento de Construcciones y Contratas, S.A. the capital increase carried out by Inmocemento, S.A. within the framework of the Partial Spin-Off.

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(note 5). In relation to the above, prior to and simultaneously to the aforementioned capital increase, Inmocemento, S.A. has reduced its share capital to zero, so that the shareholders of Fomento de Construcciones y Contratas, S.A. have received a number of shares of Inmocemento, S.A. equal to the number of shares they held in Fomento de Construcciones y Contratas, S.A. prior to the Partial Spin-Off.

## **2. BASIS OF PRESENTATION OF THE INTERIM BALANCE SHEET**

This interim balance sheet has been prepared from the accounting records of Inmocemento, S.A. and presents a true and fair view of the net worth and financial position as of the date of this interim balance sheet.

The regulatory framework applicable to the Company is that set forth in:

- Code of Commerce and other commercial legislation.
- General Accounting Plan and its sectorial adaptations.
- The mandatory standards approved by the Instituto de Contabilidad y Auditoría de Cuentas in development of the General Accounting Plan and its complementary standards.
- All other applicable Spanish accounting regulations.

This interim balance sheet was approved and formulated by the Company' Directors in the framework of the aforementioned Partial Spin-Off on November 7.

This interim balance sheet is expressed in thousands of euros. Grouping

### of captions

Certain captions of the balance sheet are presented in grouped form to facilitate their understanding, although, to the extent significant, disaggregated information has been included in the corresponding notes to this interim balance sheet.

### Financial statements

Inmocemento, S.A. is the head of a group of companies that make up the Inmocemento Group, and therefore its Directors have prepared separate special purpose consolidated financial statements for the periods ending in 2023, 2022, 2021 and additionally half-yearly summarized special purpose consolidated financial statements as of June 30, 2024 within the framework of the Partial Spin-Off. These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS-EU) established by Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, as well as all the provisions and interpretations that develop it. The consolidated special purpose financial statements of the Inmocemento Group for the years 2021, 2022, 2023 and additionally as of June 30, 2024 have been prepared and approved by the Directors on November 7, 2024.

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The main aggregates of the consolidated special purpose financial statements of the Inmocemento Group prepared in accordance with International Financial Reporting Standards (IFRS-EU) are as follows:

	30/06/2024	31/12/2023	31/12/2022	31/12/2021
Total assets	4.429.420	4.375.950	4.093.830	4.171.768
Equity attributable to the Parent Company	2.156.627	1.893.959	1.591.021	1.690.005
Net sales	448.801	867.673	787.139	582.065
Income attributable to the Parent Company	77.858	225.236	(116.109)	131.222

The special purpose consolidated financial statements have been prepared solely for illustrative purposes in order to reflect the amounts that would have been recorded had the Inmocemento Group existed in fiscal years 2021 to June 2024, with the composition after the completion of the spin-off, for the purpose of incorporating them in the offer document for a potential offer and listing Inmocemento's shares, S.A. on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

This balance sheet at November 7, 2024 has been prepared in accordance with the provisions of Accounting and Valuation Standard 21 of the Spanish National Chart of Accounts on transactions between group companies, since before and after the Partial Spin-Off, both the spun-off company (Fomento de Construcciones y Contratas, S.A.) and the beneficiary company (Inmocemento, S.A.) are under single management. In accordance with the aforementioned Valuation Standard, in the Partial Spin-Off, the spun-off items must be valued at consolidated value in accordance with the Rules for the Preparation of Consolidated Financial Statements (NOFCAC). Since the FCC Group does not prepare NOFCAC financial statements, and since IFRS consolidated values cannot be used when they differ substantially from the values that would have been obtained under the NOFCAC regulations, a reconciliation has been prepared between the IFRS-EU and NOFCAC amounts, in order to determine the consolidated value of the portfolios according to the latter regulations, which amount has been used as their initial value. The reconciliation of the consolidated IFRS to NON-IFRS-CFRS values resulted in a negative amount of 140,995 thousand euros. 140,995 thousand. This difference is mainly due to the treatment of the amortization of goodwill, which is not amortized under IFRS but is amortized under NON-IFRS, and to the valuation of investment property, which, in accordance with the accounting policy adopted by the FCC Group, is recorded at fair value under IFRS, whereas under NON-IFRS it is recorded at acquisition cost, for negative amounts of In accordance with the aforementioned Valuation Standard, the Partial Spin-Off is accounted for with effect from 1 January 2024.

### **3. REGISTRATION RULES AND VALUATION**

The principal accounting and valuation standards used by the Company in preparing this interim balance sheet in accordance with the Spanish National Chart of were as follows:

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## **a) Financial instruments**

### **a.1) Financial assets**

The only financial assets held by the Company are classified in the category of financial assets at cost: which include investments in the equity of Group companies. Group companies are considered to be those related to the Company by a relationship of control.

In accordance with PGC regulations, the investments included in this category are initially valued at cost, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs. However, as mentioned in note 2, the initial valuation of the investments has been made at their CNA NAV, in accordance with the provisions of the PGC's Recording and Valuation Standard 21, transactions between group companies.

The subsequent valuation is also at cost less the accumulated amount of impairment losses. Such corrections are calculated as the difference between the carrying amount and the recoverable amount, understood as the higher of fair value less costs to sell and the present value of future cash flows from the investment. Unless there is better evidence of the recoverable amount, the estimate of the impairment loss is calculated on the basis of the equity of the investee, consolidated where appropriate, adjusted by the unrealized gains existing at the valuation date, including goodwill, if any.

At least at year-end, the Company makes valuation adjustments to financial assets that are not recorded at fair value when there is objective evidence of impairment if such value is less than their carrying amount, in which case such impairment is recorded in the income statement.

The Company derecognizes financial assets when the rights to the cash flows from the related financial asset expire or have been transferred and substantially all the risks and rewards of ownership have been transferred.

### **a.2) Equity instruments**

An equity instrument represents a residual interest in the Company's equity, after deducting all its liabilities from the assets, and the securities issued are recorded in equity at the amount received, after deduction of the issuance costs net of taxes.

## **b) Estimates made**

In preparing this interim balance sheet, estimates made by the Company's directors have been used to assess the recoverability of investments in Group companies (note 4.a).

Although these estimates have been made on the basis of the best information available at the date of the Partial Spin-Off, it is possible that events that may occur in the future may make it necessary to modify them in future years, which would be done prospectively, if necessary.

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#### 4. INVESTMENTS AND PAYABLES TO GROUP COMPANIES AND ASSOCIATES

##### a) Long-term investments in Group and associated companies

The composition of long-term investments in group and associated companies consisting solely of equity instruments of group companies as of November 7, 2024 (date of the Partial Spin-Off) is as follows:

	Cost	Impairment accumulated	Total
<u>2024</u>			
Value of spun-off contributions	1.750.620	-	1.750.620
Additions	160.143	-	160.143
	<b>1.910.763</b>	<b>-</b>	<b>1.910.763</b>

As detailed in notes 2 and 3, the initial value of equity instruments in group companies corresponds to their NOFCAC valuation as of January 1, 2024. The additions correspond to the capital increase in FCyC, S.A. amounting to 160,063 euros and the purchase of shares of Cementos Portland Valderrivas, 80 thousand, respectively, both transactions carried out by Fomento de Construcciones y Contratas, S.A. prior to the Partial Spin-Off.

The detail by company of the captions of investments in Group and associated companies as of November 7 is shown below, indicating for each company in which a direct interest is held: name, domicile, activity, book value of the interest, fraction of capital held directly and indirectly, dividends received, amount of equity (capital, reserves and other items) and income for the year (operating and continuing activities).

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Name	FCyC, S.A.	Portland Cement Valderrivas, S.A.
Address	Federico Salmón, 13 Madrid	Dormilateria, 72 Pamplona
Activity	Real estate	Cement
Book value		
Active	1.350.711	559.971
Impairment	-	-
Participation	80,03%	99,03%
Dividends received (1)	-	-
Capital (1)	55.745	233.955
Reserves (1)	920.434	206.376
Other equity items (1)	-	692
Profit for the year (1)		
Exploitation	14.792	89.284
Continuing operations	92.783	62.873

(1) Information relating to the audited financial statements as of December 31, 2023

Additionally, at the date of the spin-off, none of the companies in which Inmocemento, S.A. directly participates is listed on the stock exchange.

## 5. EQUITY NET

At the time of its incorporation, the Company's capital stock consisted of 120,000 common shares represented by book entries with a par value of 0.50 euros each. As a result of the Partial Spin-Off, the capital stock of Inmocemento, 60 thousand, through the cancellation of the 120,000 shares that formed its share capital with the return of contributions and, simultaneously, the share capital of Inmocemento was increased by EUR 227,439 thousand, through the issue and placement into circulation of 454,878,132 new shares of EUR 0.50 par value each, with a share premium of EUR 3.01 per share. The capital increase was carried out through the contribution of all the shares held by Fomento de Construcciones y Contratas, S.A. at the time of the Partial Spin-Off of FCyC, S.A. and Cementos Portland Valderrivas, S.A. for a total amount of EUR 1,596,560 thousand, distributed between capital amounting to EUR 227,439 thousand and a share premium of EUR 1,369,121 thousand.

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In accordance with note 2, the shares contributed to Inmocemento, S.A. in the Partial Spin-Off are valued at the book value that would correspond to them in a consolidation carried out under the NOFCAC as of January 1, 2024. Since the aforementioned NOFCAC value of both participations differs from the value attributed to the capital increase, the difference in the amount of

314,202 thousand is recorded against reserves in accordance with PGC recording and valuation standard 21 for transactions between group companies.

#### **a) Capital**

At the spin-off date, the capital stock of Inmocemento, S.A. consisted of 454,878,132 common shares represented by book entries with a par value of 0.50 euros each.

All shares have the same rights and are fully subscribed and paid up.

In relation to the portion of capital owned by other companies, directly or through their subsidiaries, when it exceeds 10%, according to the information provided, the company Control Empresarial de Capitales, S.A. de C.V., controlled by the Slim family, owns directly and indirectly, at the date of preparation of these financial statements, 69.61%. Finver Inversiones 2020, S.L.U., wholly owned by Inmobiliaria AEG, S.A. de C.V., which in turn is controlled by Carlos Slim Helú, owns 11.92%. Finally, Nueva Samede Inversiones 2016, S.L.U. has a direct interest of 3.18% of the capital.

#### **b) Additional paid-in capital**

The revised Corporations Law expressly permits the use of the share premium balance to increase capital and does not establish any specific restriction as to the availability of the balance of the share premium for other purposes.

The share premium recorded as a result of the Partial Spin-Off amounted to 1,369,121 thousand euros.

#### **c) Reservations**

As stated at the beginning of this note, this caption records the difference between the value of the equity received in the Partial Spin-Off and its value in accordance with CFCRS.

The reserves amount to Euros 314,203 thousand, of which Euros 154,060 thousand arise from the initial valuation of the contributions spun off according to NOFCAC (note 3.a), Euros 160,063 thousand from the capital increase carried out in FCyC, S.A. and an additional Euros 80 thousand from the purchase of shares of Cementos Portland Valderrivas, S.A. (note 4).

#### **d) Treasury stock**

As of the date of the Partial Spin-Off, the Company does not own any shares of its own stock.

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