



LIFEWATCH

European Research Infrastructure Consortium (ERIC)

**Abridged Financial Statements of Special Purpose for the year
ended December 31, 2024**



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LIFEWATCH ERIC

Abridged Balance Sheet as of December 31, 2024

(Euro)

ASSETS	Notes	2024	2023
Non-current assets		153.726,86	216.123,78
Intangible assets	5	-	-
Tangible assets	6	65.647,27	137.534,44
Non-current investments	7	88.079,59	78.589,34
Current assets		5.049.239,75	7.559.374,91
Inventories		335.860,41	151.414,54
Advances to suppliers		335.860,41	151.414,54
Accounts receivable		73.895,61	2.020.220,88
Users and others accounts receivables for the Association's own activity	7	-	670.442,46
Other receivables	11	73.895,61	1.349.778,42
Current investments	7	3.145.482,83	2.728.917,77
Prepayments for current assets		25.893,04	27.318,11
Cash and cash equivalents	8	1.468.107,86	2.631.503,61
TOTAL ASSETS		5.202.966,61	7.775.498,69

EQUITY AND LIABILITIES	Notes	2024	2023
Equity		1.219.652,52	655.615,89
Profit/(loss) from previous years and other		663.805,55	2.575.133,18
Profit/(loss) for the period	3	555.846,97	(1.919.517,29)
TOTAL EQUITY		1.219.652,52	655.615,89
Non-current liabilities		3.645.181,33	2.308.852,79
Provisions		93.718,68	103.575,73
Other long-term debts	10 y 13.4	3.551.462,65	2.205.277,06
Current liabilities		338.132,76	4.811.030,01
Current payables	10	-	4.493.876,06
Debt with financial institutions		-	2.711.225,88
Other financial liabilities		-	1.782.650,18
Trade and other payables		338.132,76	317.153,95
Other trade payables	10	108.622,23	44.002,67
Personnel (salaries payable)	10	7.896,54	5.247,93
Accounts payable to Public Administrations	11	221.613,99	267.903,35
TOTAL EQUITY AND LIABILITIES		5.202.966,61	7.775.498,69



LIFEWATCH ERIC

Abridged Profit and Loss Account as of December 31, 2024

(Euro)

	Notes	2024	2023
Association's own activity income		4.521.150,10	18.288.218,15
Operating grants taken to income	12.1 y 13.4	4.521.150,10	18.288.218,15
Operating expenses		(4.014.749,34)	(19.459.831,62)
Personnel expenses	12.2	(2.860.261,13)	(5.080.271,87)
Other operating expenses	12.3	(1.122.660,52)	(14.344.518,48)
Depreciation and amortization	5 y 6	(31.827,69)	(35.041,27)
Other Results	12.4	(23.884,58)	(802.432,50)
OPERATING PROFIT/(LOSS)		482.516,18	(1.974.045,97)
Finance income		2.549,56	6.784,53
Finance costs		-	(13.903,38)
Change in fair value of financial instruments	7	70.781,23	61.647,53
NET FINANCE COST		73.330,79	54.528,68
CONSOLIDATED PROFIT/(LOSS) BEFORE TAX		555.846,97	(1.919.517,29)
Income tax	11	-	-
PROFIT/(LOSS) FOR THE PERIOD	3	555.846,97	(1.919.517,29)



LIFEWATCH ERIC

Notes to Abridged Financial Statements of Special Purpose for the financial year ended December 31, 2024

1. PURPOSE OF EUROPEAN RESEARCH INFRASTRUCTURE CONSORTIUM

LifeWatch, the European E-Science Research Infrastructure for Biodiversity and Ecosystem Research, is a particularly relevant case of ESFRI environmental landmarks. In March 2017, the European Commission granted the legal status of European Research Infrastructure Consortium (ERIC) to LifeWatch, providing the facility with many administrative advantages enjoyed by international organisations and therefore helping to successfully implement the infrastructure development and operation.

Since March 2017, all efforts have been focused on laying solid foundations to the construction, operation and maintenance of the distributed e-Infrastructure in the coming years, starting from key e-infrastructure requirements and components, which need to be addressed with the highest priority.

In this regard and on these bases a strategic plan has been designed focusing on concrete implementing actions descending from the Vision of LifeWatch ERIC, its mission and related priorities for the organisation, construction, operation and management of the e-infrastructure in three-year period. The plan, with its associated budget, is synthetically described in the following sections.

LifeWatch ERIC overall vision is to design, construct and deploy a distributed Research e-Infrastructure allowing scientists, decision makers and citizens (science) to integrate the huge amount of data and knowledge, which is already existing and is continuously growing, in order to:

- I. Address and understand the complex and multilateral interactions of individuals, populations and species, i.e. the fundamental living units of the Biosphere, with all abiotic and biotic components of the ecosystems where they live;



- II. Address and decode ecosystem processes and services resulting from the biological activities into roles, properties and traits of single individuals, population and species involved in the interactions;
- III. Run frontier studies crossing boundaries among ecosystems and ecosystem categories (i.e., from the poles to the equator, from the deepest ocean areas to the highest mountain regions), among scientific disciplines and between scientific and humanistic disciplines;
- IV. Produce nature and science-based knowledge supporting institutional, public and private stakeholders in defining and implementing plans and measures to reinforce, protection, conservation and sustainable exploitation of biodiversity and ecosystem resources in the globally changing Biosphere and proposing affordable solutions to major environmental challenges, starting from the local scale.

In other words, the LifeWatch ERIC vision is to use and further develop the most advanced digital technologies and the existing data and knowledge to bring scientists, administrators and managers, politicians and common people inside the Biosphere giving them the knowledge to understand the functioning of 'Our Live Supporting System' and allowing them to develop the actions to allow its sustainability for the next decades. This highly ambitious vision is sustained by the impressive and continuously growing mass of data on components and characteristics of the Biosphere, on the rapid technological improvement allowing to increase the types of data we are able to collect and their accuracy in describing species occurrence, biodiversity and ecosystem functioning and by the High-Performance, Grid, Big and Long tail Data, and Blockchain computing systems and the development of complex modelling tools to implement management measures to help preserve life on Earth.

The vision of LifeWatch ERIC requires an e-Infrastructure fully implemented, developed, operational and supported by centralised services allowing to respond to the requests of the users and working continuously to maintain the highest standard of digital technologies implemented and to enlarge the types of data findable, accessible and interoperable in LifeWatch ERIC e-infrastructure and reusable by its users.



The Mission and Priority actions defined for the next years directly descend on this vision and on the need to boost as much as possible the basic organisation and the full operation of the LifeWatch ERIC Common Facilities and the construction and operation of the distributed e-Infrastructure.

LifeWatch ERIC comprises; the Statutory Seat and ICT e-Infrastructure offices located in Seville, Region of Andalusia, Kingdom of Spain. Concretely in Plaza España SN, SECTOR II-III 41013 Seville (Spain); The Service Centre, located in Italy (organisation and coordination of LifeWatch services for the biodiversity community) and the Virtual Laboratory and Innovation Center based in the Netherlands (coordination of virtual laboratories and innovations).

Furthermore, LifeWatch ERIC Distributed Centres established in Belgium, Greece, Portugal and Slovenia jointly assist the functioning of the infrastructure.

The working currency of Lifewatch is the euro.

2. BASIS OF PRESENTATION OF THE ABRIDGED FINANCIAL STATEMENTS OF SPECIAL PURPOSE

2.1 Statement of significant accounting policies

These Abridged Financial Statements of Special Purpose have been formulated by the Executive Board in order to comply with the obligations assigned to it in its bylaws:

- (a) ensure that true and accurate accounts are kept of all income and expenditure.
- (b) establish internal controls, including internal audits, to enhance the effective and efficient use of the resources.
- (c) have the accounts of LifeWatch ERIC examined every year by auditors appointed by the General Assembly and their written report circulated to all members accompanied by comments of the CEO and by any of the members of the Executive Board.

As we can see, LifeWatch statutes establish that the accounts must be examined annually by auditors. Additionally, these statutes establish a system of cash and in-kind contributions by its members, although it has not been possible to reach an agreement among them for the valuation of contributions in-kind.



For this reason, Executive Board has decided to prepare these Abridged Financial Statements of Special Purpose, where only cash contributions will be recognized; not considering or quantifying in-kind contributions.

2.2. Applicable financial reporting framework

Regarding the applicable regulatory framework, Article 13 of Council Regulation (EC) No. 723/2009 of the European Union, of June 25, 2009, regarding the Community legal framework for a European Research Infrastructures Consortiums (ERIC), states that:

- The members of an ERIC shall ensure that the appropriations are used in accordance with the principles of sound financial management.
- The budget shall be established and implemented, and the accounts presented in compliance with the principle of transparency.
- The accounts of an ERIC shall be accompanied by a report on budgetary and financial management of the financial year.
- An ERIC shall be subject to the requirements of the applicable law as regards preparation, filing, auditing and publication of accounts.

As there is no specific accounting regulation regarding ERICs in Spain, the members of the Execution Board have decided to prepare these Abridged Financial Statements of Special Purpose in accordance with the following regulatory financial reporting framework:

1. Spanish General Accounting Plan approved by Royal Decree 1491/2011 of October 24, approving the rules for adapting the General Accounting Plan to non-profit entities and the model action plan for entities without lucrative purposes (abridged model), modified by Royal Decree 1/2021.
2. The General Accounting Plan approved by Royal Decree 1514/2007 of November 16, modified by Royal Decree 602/2016 and Royal Decree 1/2021, in everything that has not been specifically modified by the adaptation rules of Royal Decree 1491/2011 of October 24.
3. Law 10/2005, of May 31, on Foundations of the Autonomous Community of Andalusia.
4. Compulsory regulations approved by the Institute of Accounting and Audit of Accounts in development of the General Accounting Plan and its complementary regulations.
5. The rest of the Spanish accounting regulations that may be applicable.



This regulation will apply in all its aspects except for the in-kind contributions that has to be made by its members, for which members have not agreed about its valuation, and it will not be considered when preparing these Abridged Financial Statements of Special Purpose.

Also, the Entity considers that its activity and projects have a real innovation focus, considering that the execution of the projects is involved in an inherent uncertainty. For this reason, all projects are considered refundable while stages are not executed and recognized as an earning, registering the grants non executed as a long-term debt. Likewise, nearly all ongoing projects are considered as its own activity and by this way, the expenses are considered as an operating cost and are not capitalised.

2.3 Fair presentation

These Abridged Financial Statements of Special Purpose have been obtained from the LifeWatch accounting records, which are presented in accordance with the regulatory framework of financial information applicable to it and, in particular, the accounting principles and criteria indicated in note 2.2.

These Abridged Financial Statements of Special Purpose have been formulated by the LifeWatch Executive Board and will be submitted to the General Assembly for approval, it being estimated that they will be approved without any modification. Prior Year Abridged Financial Statements of Special Purpose was approved by the General Assembly without modifications.

2.4 Comparability

Information for 2024 is presented for comparative purposes. There are no changes in criteria between 2024 and 2023.

2.5 Relevant accounting estimates, assumptions and judgements used when applying accounting principles

Relevant accounting estimates and judgements and other estimates and assumptions have to be made when applying the Group's accounting principles to prepare the Abridged Financial Statements of Special Purpose in conformity with applicable accounting framework.

At the closing date, the key assumptions about the future are focused on determining the percentage of completion of the subsidized projects.



2.6 Items included in several entries

There are no elements of the Assets or Liabilities that appear in more than one item of the abridged balance sheet.

2.7 Changes in accounting policies

There have been no changes in accounting policies.

3. APPLICATION OF THE SURPLUS OF THE EXERCISE

The distribution of the result of the exercise for 2024 that the Executive Board of LifeWatch will propose to the General Assembly at the General Assembly Meeting for their approval is as follows:

(Euros)	2024
Basis of distribution	
Exercise profit	555.846,97
	555.846,97
Distribution	
Profit/(loss) from previous years and other	555.846,97
	555.846,97

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main registration and valuation criteria used by LifeWatch in preparing these Abridged Financial Statements of Special Purpose are the following:

4.1 Intangible assets

Intangible assets are initially valued at their cost, in this case the acquisition price. The cost of intangible assets acquired through business combinations is their fair value at the acquisition date.

After the initial recognition, intangible assets are valued at cost, less accumulated amortization and, if applicable, the accumulated amount of the impairment corrections recorded.



For each intangible asset, it is analysed and determined whether the useful life is defined or indefinite.

Intangible assets with a defined useful life are systematically amortized on a straight-line basis based on the estimated useful life of the assets and their residual value.

The methods and amortization periods applied are reviewed at each year-end and, if applicable, adjusted prospectively. At least at the end of the year, is evaluated the existence of impairment, in which case the recoverable amounts are estimated, registering the related valuation adjustments.

4.2 Property, plant and equipment

Tangible fixed assets are initially valued at their cost, in this case the acquisition price. The cost of property, plant and equipment acquired through business combinations is its fair value at the acquisition date.

After the initial recognition, the tangible fixed assets are valued at cost, less the accumulated amortization and, if applicable, the accumulated impairment corrections.

Repairs that do not lead an extension of the useful life and maintenance expenses are charged to the profit and loss account in the year in which they are incurred. The costs of renewal, expansion or improvement that result in an increase in productive capacity or a lengthening of the useful life of the assets, are incorporated into the asset as a higher value of the same, deregulating, where appropriate, the book value of the replaced elements.

The depreciation of the items of property, plant and equipment is carried out linearly during their estimated useful life, from the moment they are available for commissioning.

At each year-end, LifeWatch reviews residual values, useful lives and depreciation methods for property, plant and equipment and, if applicable, adjusts them prospectively.

The amortization coefficients of the items of property, plant and equipment according to their useful life would be the following:

	Annual depreciation rate
Furniture	10%
Information technology equipment	25%



4.3 Impairment losses on non-financial assets

At each closing date LifeWatch assesses whether there is any indication that any of the assets may have become impaired. Whenever there are indications of impairment, LifeWatch estimates the recoverable amount of the asset, which is understood to be the higher of fair value less costs to sell and value in use.

In assessing the recoverable amount of an asset, the estimated future cash inflows are discounted to their present value using a discount rate that reflects the long-term time value of money and the risks specific to the asset and, where applicable, any costs to sell.

Where the asset itself does not generate cash flows that are independent from other assets (the case of goodwill), LifeWatch estimates the recoverable amount of the cash-generating unit (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets) to which the asset belongs. If a cash-generating unit becomes impaired, the carrying amount of any goodwill assigned to it is written down first, followed by that of the other assets in proportion to each asset's carrying amount with respect to the total carrying amount of the cash-generating unit.

Impairment losses (carrying amount of the asset higher than its recoverable amount) are recognised in the statement of profit or loss for the year.

With the exception of goodwill, the impairment losses on which are irreversible, at each reporting date, if LifeWatch has recognised impairment losses on assets in prior years, it is assessed whether there are indications that such losses have ceased to exist or have been reduced, and, where appropriate, the recoverable amount of the impaired asset is estimated.

An impairment loss recognised in prior periods is only reversed if there has been a change in the estimates used to determine the recoverable amount of an asset since the most recent impairment loss was recognised. If this is so, the carrying amount of the asset is increased to its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the statement of profit or loss for the year.



4.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases:

a) Operating leases

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

4.5. Financial instruments

The entity has registered in the chapter of financial instruments, those contracts that give rise to a financial asset in an entity and, simultaneously, to a financial liability or an equity instrument in another entity. Therefore, this standard is applicable to the following financial instruments:

a) Financial assets:

- Cash and other equivalent liquid assets.
- Credits for commercial operations: customers and sundry debtors;
- Loans to third parties: such as loans and financial credits granted, including those arising from the sale of non-current assets;
- Debt securities of other companies acquired: such as obligations, bonds and promissory notes;
- Equity instruments of other companies acquired: shares, participations in collective investment institutions and other equity instruments;
- Derivatives with a favorable valuation for the entity: among them, futures, options, financial swaps and forward foreign currency trading, and
- Other financial assets: such as deposits in credit institutions, advances and loans to personnel, guarantees and deposits, dividends receivable and disbursements required on own equity instruments.



b) Financial liabilities:

- Debts for commercial operations: suppliers and sundry creditors;
- Debts with credit institutions;
- Obligations and other negotiable securities issued: such as bonds and promissory notes;
- Derivatives with an unfavorable valuation for the entity: among them, futures, options, financial swaps and forward foreign currency trading;
- Debts with special characteristics, and
- Other financial liabilities: debts with third parties, such as financial loans and credits received from persons or companies that are not credit institutions, including those arising from the purchase of non-current assets, guarantees and deposits received and disbursements required by third parties on shares.

c) Own equity instruments: all financial instruments that are included in own funds, such as ordinary shares issued.

4.5.1. Long and short term financial investments

- Financial Assets at Amortized cost. A financial asset is included in this category, even when it is admitted to trading on an organized market, if the entity maintains the investment with the aim of receiving the cash flows derived from the execution of the contract, and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

Initial, subsequent and impairment valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.

- Financial assets at fair value with changes in the profit and loss account. All financial assets are included in this category, unless they are classified in one of the other categories. Financial assets held for trading are compulsorily included in this category.

For equity instruments that are neither held for trading nor valued at cost, the entity may make the irrevocable election at the time of initial recognition to present subsequent changes in fair value directly in equity.

In any case, the entity may, at the time of initial recognition, irrevocably designate a financial asset as measured at fair value with changes in the profit and loss account if doing so eliminates or significantly reduces a valuation inconsistency or asymmetry.



Initial, subsequent and impairment valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.

- Financial assets at cost. This category includes, among others, investments in the equity of group companies, jointly controlled entities and associates, as well as other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or a reliable estimate cannot be obtained.

Initial, subsequent and impairment valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.

- Financial assets at fair value with changes in equity. A financial asset is included in this category when the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely collections of principal and interest on the amount of principal outstanding, and it is not held for trading and is not classified. in the category of financial assets at amortized cost. Also included in this category are investments in equity instruments for which, since they should have been included in the category of financial assets at fair value with changes in profit and loss, the irrevocable option of classifying them in this category has been exercised.

Initial, subsequent and impairment valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.

- Interest and dividends received from financial assets-

Interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the income statement. Interest is recognized using the effective interest rate method and dividend income from investments in equity instruments is recognized when the Entity's rights to receive it have arisen.

In the initial valuation of the financial assets, the amount of the explicit interest accrued and not due at that time, as well as the amount of the dividends agreed by the competent body at the time of the acquisition.



- Derecognition of financial assets-

The Entity derecognizes financial assets when the rights to the cash flows of the corresponding financial asset expire or have been transferred and the risks and rewards inherent to their ownership have been substantially transferred. In the specific case of accounts receivable, it is understood that this fact generally occurs if the risks of insolvency and default have been transferred.

When the financial asset is derecognized, the difference between the consideration received net of attributable transaction costs and the book value of the asset, plus any accumulated amount that has been recognized directly in equity, determines the gain or loss arising on derecognize said asset, which forms part of the result of the year in which it occurs.

On the other side, the Entity does not derecognize the financial assets, and recognizes a financial liability for an amount equal to the consideration received, in the transfers of financial assets in which the risks and benefits inherent to their ownership are substantially retained.

4.5.2. Cash and other equivalent liquid means

Under this heading of the attached balance sheet, cash and bank accounts, demand deposits and other short-term investments with maturities of less than three months of high liquidity that are quickly realizable in cash and that have no risk of changes in value are recorded.

4.5.3. Financial liabilities

Financial liabilities, for measurement purposes, are included in one of the following categories:

- Financial Liabilities at Amortized cost. All financial liabilities are classified in this category except when they must be valued at fair value with changes in the profit and loss account. In general, debits for commercial operations and debits for non-commercial operations are included in this category.

Participating loans that have the characteristics of an ordinary or common loan will also be included in this category without prejudice to the fact that the operation is agreed at a zero-interest rate or below the market rate.

Initial and subsequent valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.



- Financial liabilities at fair value with changes in the profit and loss account. Financial liabilities that meet some of the following conditions are classified in this category:

- They are liabilities held for trading;
- They are liabilities, which, from the moment of initial recognition, and irrevocably, have been designated by the entity to be accounted for at fair value with changes in the profit and loss account, provided that said designation meets the objective set in the accounting regulations.
- Optionally and irrevocably, hybrid financial liabilities may be included in their entirety in this category subject to the requirements established in the PGC.

Initial and subsequent valuation is realized considering Royal Decree 1/2021 that modifies, between others, financial instrument legislation.

- Derecognition of financial liabilities

The entity will write off a financial liability, or part of it, when the obligation has been extinguished; that is, when it has been satisfied, canceled or has expired.

- Bonds delivered and received

Deposits or guarantees constituted as security for certain obligations are valued at the amount actually paid, which does not differ significantly from their fair value.

In the guarantees given or received for operating leases or for provision of services, the difference between their fair value and the amount disbursed is considered as an advance payment or collection for the lease or provision of the service, which is charged to the loss account and earnings during the lease period or during the period in which the service is provided, in accordance with the standard on income from sales and provision of services.

When estimating the fair value of the guarantees, the remaining period is taken as the minimum contractual period committed during which the amount cannot be returned, without taking into account the statistical behavior of returns.

When the guarantee is short-term, it is not necessary to discount cash flows if its effect is not significant.



Classification of financial assets and liabilities as current or non-current items

In the balance sheet, financial assets and liabilities maturing within no more than twelve months from the reporting date are classified as current items and those maturing within more than twelve months are classified as noncurrent items.

4.6 Taxation

The annual tax is calculated on the amount of salaries paid to employees, the amount of fees paid to collaborators and the costs of contracts for temporary employment.

LifeWatch, in the context of purchases realized and within the limits following from the Statute, may use VAT exemptions granted on the basis of Article 143(1)(g) and Article 151(1)(b) of Council Directive 2006/112/EC, and in accordance with Articles 50 and 51 of Implementing Regulation (EU) No. 282/2011 of the Council, and on the basis of Article 12 of Directive 2008/118 /EC.

LifeWatch is partially exempt according to the article 9.3 of the Spanish Corporate Income Tax Law. At the date of preparation of these Abridged Financial Statements of Special Purpose, the Spanish Tax Authorities have begun to refund VAT according to this law.

4.7 Revenue and expense recognition

Expenses incurred by LifeWatch will be recorded in the income statement for the year in which they are incurred, regardless of the date on which the financial flow occurs. In particular, the aid granted by LifeWatch will be recognized at the moment its concession is approved.

Sometimes, the recognition of these expenses is deferred pending the completion of some circumstances necessary for their accrual, which allow their definitive consideration in the income statement. These rules are applicable in the following cases:

- a) When the financial flow occurs before the actual flow, the operation in question will give rise to an asset, which will be recognized as an expense when the fact that determines this real flow is perfected.
- b) When the actual flow extends for periods longer than the fiscal year, each of the periods must recognize the corresponding expense, calculated with reasonable criteria, without prejudice to what is indicated for multi-year expenses.



The aid granted in firm by LifeWatch and other committed expenses of a multi-year nature will be recorded in the income statement of the year in which its concession is approved with a credit to a liability account, for the current value of the assumed commitment.

Likewise, the disbursements related to the organization of future events (expositions, congresses, conferences, etc.) will be recognized in the income statement of the LifeWatch as an expense on the date they are incurred, unless they were related to the acquisition of fixed assets, rights to organize the aforementioned event or any other concept that meets the definition of assets.

Regarding the accounting of income, in compliance with the purposes of the entity, the following rules will be taken into account:

- a) Revenue from deliveries of goods or services will be valued at the agreed amount.
- b) Member or affiliate fees will be recognized as income in the period to which they correspond.

Revenue from promotions to attract resources, sponsors and collaborations will be recognized when the campaigns and events take place.

The rest of the income is charged based on the accrual basis, that is, when the actual flow of goods and services they represent occurs, regardless of when the monetary or financial flow deriving from them occurs.

4.8 Grants, donations and bequests.

a) Grants, donations and bequests are valued at the amount granted, initially recognized as income directly to equity and are recognised as income in proportion to the depreciation registered during the useful life of the financed assets, except in the case of non-depreciable assets, in which case they will be attributed to the result of the year in which the sale or removal of inventory occurs.

b) If the grants, donations or bequests were granted by the associates, founders or employers, the same criteria as the previous point are followed, unless they are granted as a foundation endowment or social fund, in which case they are directly recognized in the own funds of the entity.



c) Contributions made by a third party to the founding endowment or to the social fund are also recognized directly in the own funds.

d) While they have the character of repayable grants, donations and bequests are recorded as long-term debt transformable into grants.

e) When grants, donations and bequests are granted to finance specific expenses, they will be imputed as income in the year in which the expenses they are financing are accrued.

As it is established in Spanish EHA/733/2010 Order, the Entity considers its grants as "Grants given for financing specific expenses of multiannual implementation". Concretely about projects that are executed partially is applicable the resolution of the ICAC (Spanish Accounting and Audit Institute) nº 82/2010/2.

4.9 Related parties' transactions

The Entity performs all its transactions with related parties on an arm's length basis.

4.10 Severance payments

In accordance with current labour law of each country, LifeWatch is obliged to pay compensation to those employees with whom, under certain conditions, terminate their employment relationships.

Severance payments that can be reasonably quantified are charged as an expense for the year in which there is a valid expectation created by LifeWatch against the affected third parties.

4.11 Inventory

Society does not work with stocks. The amount recorded in the heading 'advances to suppliers' corresponds in its entirety to advances made to partners in relation to internal projects and H2020 grants.



5. INTANGIBLE ASSETS

The detail and movements of the items that compose the intangible assets are as follows:

(Euros)	Opening balance	Additions	Regularizations	Final balance
2024				
Cost				
Computer software	28.649,28			28.649,28
	28.649,28	-	-	28.649,28
Accumulated depreciation				
Computer software	(28.649,28)			(28.649,28)
	(28.649,28)	-	-	(28.649,28)
Carrying amount	-			-
2023				
Cost				
Computer software	38.940,85	66.184,00	(76.475,57)	28.649,28
	38.940,85	66.184,00	(76.475,57)	28.649,28
Accumulated depreciation				
Computer software	(29.052,08)	(76.072,77)	76.475,57	(28.649,28)
	(29.052,08)	(76.072,77)	76.475,57	(28.649,28)
Carrying amount	9.888,77			-

There have been no additions or disposals of fixed assets in the 2024 financial year.

During 2023 the Entity carried out an exhaustive review of its fixed assets in order to assess compliance with the conditions to be considered assets. The result of the analysis was a regularisation of various items of property, plant and equipment and intangible assets. The regularisation of intangible assets meant the derecognition of items with a value of 76.475,57 euros and their recording in the accounts as operating expenses.

The depreciation expense for the financial year 2024 amounted to 0,00 euros (63,78 euros in 2023, without taking into account the regularised assets).

5.1 Other information

LifeWatch has not capitalised financial expenses on December 31, 2024.

There are not investment commitments at the end of the year 2024 and 2023.

As of December 31, fully amortized items amounted to:

(Euros)	2024	2023
Computer software	28.649,28	28.649,00
	28.649,28	28.649,00



6. PROPERTY, PLANT AND EQUIPMENT

The detail and movements of the items that compose the property, plant and equipment are as follows:

(Euros)	Opening balance	Additions	Disposals /Regularizations	Final balance
2024				
Cost				
Other PP&E & equipment	263.676,42	1.960,00	(42.019,48)	223.616,94
	263.676,42	1.960,00	(42.019,48)	223.616,94
Accumulated depreciation				
Other PP&E & equipment	(126.141,97)	(31.827,70)		(157.969,67)
	(126.141,97)	(31.827,70)	-	(157.969,67)
Carrying amount	137.534,45			65.647,27
2023				
Cost				
Other PP&E & equipment	384.618,02	210.868,70	(331.810,30)	263.676,42
Under construction and advances	997.081,59	-	(997.081,59)	-
	1.381.699,61	210.868,70	(1.328.891,89)	263.676,42
Accumulated depreciation				
Other PP&E & equipment	(110.391,76)	(347.560,51)	331.810,30	(126.141,97)
	(110.391,76)	(347.560,51)	331.810,30	(126.141,97)
Carrying amount	1.271.307,85			137.534,45

During the financial year 2024, tangible fixed assets were disposed of for a net book value of 42.019,48 euros, generating a loss of 22.219,48 euros.

During 2023, the Entity has carried out an exhaustive review of its fixed assets in order to evaluate compliance with the conditions to be considered assets. The result of the analysis has been a regularization of different elements of property, plant and equipment and intangible assets. The regularization of property, plant and equipment meant the derecognition of an amount of 331.810,30 euros fully amortized, in addition to the derecognition of an amount of 997.081,59 euros of advances to suppliers that have finally been considered an operating expense of the Entity, because the property is going to be of the beneficiary entity of the project, not being property of LifeWatch.

The depreciation expense for the financial year 2024 amounted to 31.827,69 euros (34.977,96 euros in 2023, without taking into account the regularised assets).).

6.1 Other information

LifeWatch has not capitalised financial expenses on December 31, 2024.

There are not investment commitments at the end of the year 2024 and 2023.



There is not payment future non-cancellable of leasing contracts in force on December 31, 2024.

As of December 31, fully amortized items amounted to:

(Euros)	2024	2023
Other PP&E & equipment	79.812,45	45.178,48
	79.812,45	45.178,48

7. FINANCIAL ASSETS

The structure of financial assets as of December 31 is as follows:

(Euros)	Credits, derivatives and others		Total	
	2024	2023	2024	2023
Non-Current financial assets				
Financial assets at amortized cost	88.079,59	78.589,34	88.079,59	78.589,34
	88.079,59	78.589,34	88.079,59	78.589,34
Current financial assets				
Financial assets at amortized cost (*)	3.145.482,83	3.399.360,23	3.145.482,83	3.399.360,23
	3.145.482,83	3.399.360,23	3.145.482,83	3.399.360,23
	3.233.562,42	3.477.949,57	3.233.562,42	3.477.949,57

(*) The accounts receivable with the Public Administrations are not included.

These amounts are detailed in the abridged balance sheet as follows:

(Euros)	Credits, derivatives and others		Total	
	2024	2023	2024	2023
Non-Current financial assets				
Non-current investments	88.079,59	78.589,34	88.079,59	78.589,34
	88.079,59	78.589,34	88.079,59	78.589,34
Current financial assets				
Current investments	3.145.482,83	2.728.917,77	3.145.482,83	2.728.917,77
Users and others accounts receivables for the Association's own activity	-	670.442,46	-	670.442,46
	3.145.482,83	3.399.360,23	3.145.482,83	3.399.360,23
	3.233.562,42	3.477.949,57	3.233.562,42	3.477.949,57



Current investments

The principal amount recognised in this section corresponds to different investments in fixed-income funds amounting to 3.059.748,32 euros (2.651.916,96 euros in 2023) which have generated benefits amounting 70.781,23 euros (61.647,53 of benefits in 2023). This benefit has been recorded in the profit & loss account under the caption "Variation in fair value of financial instruments".

Part of these investments is not freely available as it is pledged as collateral for a credit line granted by the same bank (Note 10). The amount of the pledged investments amounts to 2.061.463,72 euros and the pledge will remain in force until the guaranteed obligations are cancelled.

8. CASH AND CASH EQUIVALENTS

The detail of "Cash and equivalents" as of 31 December:

(Euros)	2024	2023
Cash at bank and in hand	1.468.107,86	2.631.503,61
	1.468.107,86	2.631.503,61

The current accounts accrue the market interest rate for this type of accounts.

There are no restrictions on the availability of these balances.

9. EQUITY

LifeWatch has not received foundational endowment in cash. All contributions are considered as subsequent endowment.



10. FINANCIAL LIABILITIES

The structure of financial liabilities as of December 31 is as follows:

(Euros)	Debt with financial institutions		Derivatives and others		Total	
	2024	2023	2024	2023	2024	2023
Non-current financial liabilities						
Financial liabilities at amortized cost	-	-	3.551.462,65	2.205.277,06	3.551.462,65	2.205.277,06
	-	-	3.551.462,65	2.205.277,06	3.551.462,65	2.205.277,06
Current financial liabilities						
Financial liabilities at amortized cost (*)	-	2.711.225,88	116.518,77	1.831.900,78	116.518,77	4.543.126,66
	-	2.711.225,88	116.518,77	1.831.900,78	116.518,77	4.543.126,66
	-	2.711.225,88	3.667.981,42	4.037.177,84	3.667.981,42	6.748.403,72

(*) The accounts payable to Public Administrations are not included.

These amounts are detailed in the abridged balance sheet as follows:

(Euros)	Debt with financial institutions		Derivatives and others		Total	
	2024	2023	2024	2023	2024	2023
Non-current financial liabilities						
Long-term debt transformable into grants	-	-	3.551.462,65	2.205.277,06	3.551.462,65	2.205.277,06
	-	-	3.551.462,65	2.205.277,06	3.551.462,65	2.205.277,06
Current financial liabilities						
Current payables	-	2.711.225,88	-	1.782.650,18	-	4.493.876,06
Trade and other payables (*)	-	-	116.518,77	49.250,60	116.518,77	49.250,60
	-	2.711.225,88	116.518,77	1.831.900,78	116.518,77	4.543.126,66
	-	2.711.225,88	3.667.981,42	4.037.177,84	3.667.981,42	6.748.403,72

(*) The accounts payable to Public Administrations are not included.

Debt with financial institutions

The Entity contracted a credit line on 7 November 2023 with a limit of 2.800.000 euros, an applicable interest rate of 4.25% and maturing on 7 November 2024. The amount drawn down at 31 December 2024 amounts to 0,00 euros. As explained in note 8, there is a pledge on some of the Entity's investment funds as security for the loan.

Derivatives and others

Long-term debt transformable into grants are explained in note 13.4.

Details under Current Payables are as follows:

(Euros)	2024	2023
Other trade payable	108.622,23	44.002,67
Personnel (salaries payable)	7.896,54	5.247,93
	116.518,77	49.250,60

Details under Trade and other payables are as follows:

(Euros)	2024	2023
Other accounts payable (ERDF beneficiaries)	-	1.628.948,13
Other payables EU finished projects LTPs	-	153.702,05
	-	1.782.650,18



11. TAXATION

The detail of tax assets and liabilities as of December 31, is as follows:

(Euros)	2024	2023
Other Nontrade Receivable- Accounts receivable with the Public Administrations	73.895,61	1.349.778,42
VAT recoverable	73.895,61	1.349.778,42
Other Nontrade Payables - Accounts payable to Public Administrations	(221.613,99)	(267.903,35)
Personal income tax	(179.269,07)	(223.482,03)
Social Security	(42.344,92)	(44.421,32)

The past four reporting periods remain open to tax audit regarding all the applicable taxes. The criteria that the tax authorities might adopt in relation to the years open for review could give rise to contingent tax liabilities which cannot be objectively quantified. Nevertheless, the Entity Directors believe that no significant liabilities will stem from this situation. At the end of the reporting period the Entity is not pending any inspection.

12. INCOME AND EXPENSES

12.1 Income from own activity

Revenue items primarily identify the portion of the contribution for the financial year allocated to Member States:

(Euros)	2024	2023
Association's own activity income		
Annual contributions	2.202.439,85	2.054.664,00
	2.202.439,85	2.054.664,00

Other income included in the caption 'Operating grants taken to income' is detailed in note 13.4.

12.2 Personnel expenses

The detail of personnel expenses as of December 31, is as follows:

(Euros)	2024	2023
Salaries and wages	2.262.213,95	3.968.534,52
Termination benefits	-	166.578,79
Social Security payable by the Entity	594.286,52	939.921,37
Provisions	3.760,66	5.237,19
	2.860.261,13	5.080.271,87



12.3 Other operating expenses

The detail of other operating expenses as of December 31, is as follows:

(Euros)	2024	2023
External services	1.088.093,71	14.211.583,52
Taxes	34.566,81	24.208,96
Losses on irrecoverable trade receivables	-	108.726,00
	1.122.660,52	14.344.518,48

The external services heading includes the following items:

(Euros)	2024	2023
Leases and royalties	-	92.984,62
Repairs and maintenance	42.238,99	26.542,86
Independent professional services	536.690,42	12.975.246,55
Insurance premiums	16.954,59	15.614,02
Banking and similar services	20.646,09	25.899,81
Advertising, publicity and public relations	12.903,13	2.080,00
Utilities	56.678,49	8.247,31
Other services	401.982,00	1.064.968,35
	1.088.093,71	14.211.583,52

12.4 Other results

The detail of other results as of December 31, is as follows:

(Euros)	2024	2023
Exceptional expenses	(23.913,39)	(828.863,56)
Exceptional incomes	28,81	26.431,06
	(23.884,58)	(802.432,50)

The main amount recognised under exceptional expense is due to the result of the sale of an electric vehicle (note 6).

In 2023, the main item under the heading of other results corresponds to the loss generated by a bank fraud of which the Entity has been victim and which amounted to 819.964,03 euros.



13. OTHER INFORMATION

13.1 Personnel structure

The average and year-end number of employees at LifeWatch ERIC in 2024 by professional category was as follows:

	Number of employees at the end of the period		Total	Average number of employees in 2024
	Men	Women		
2024				
Directors	4	-	4	4,00
Technician	21	22	46	46,63
	25	22	50	50,63
2023				
Directors	4	-	4	4,41
Technician	20	26	46	68,91
	24	26	50	73,32

LifeWatch ERIC lacks employees with an accredited disability of 33 per cent or more.

13.2 Remuneration and other benefits paid to the Senior Management and Executive Board

The remuneration of Senior Management of LifeWatch ERIC in 2024 (including Senior Management not in place at closing) totalled 235.626,27 euros (309.532,53 euros in 2023). The members of the Executive Board have not received any amount or remuneration for attending the board meetings of LifeWatch ERIC during 2024 and 2023.

13.3 Audit fees

The fees for auditing Abridged Financial Statements of Special Purpose for the year 2024 amounted to 10.880 euros (10.500 euros in 2023).



13.4 Grants, donations and bequests.

The amount and characteristics of the subsidies, donations and bequests received that appear in the balance sheet, as well as those charged in the income statement are broken down in the following table:

Subsidies, donations and bequests received, granted by third parties other than partners	2024	2023
Which appear in the Non-current liabilities of the balance sheet	3.551.462,65	2.205.277,06
Recognised in the income statement (1)	2.318.710,25	16.233.554,15

(1) Including operating subsidies included in profit for the year

LifeWatch ERIC participates in the implementation of various projects funded by the European Union's Horizon 2020 and Horizon Europe programs.

Horizon 2020 (H2020) & Horizon Europe (HE) are the Research and Innovation Framework Program of the European Union that finances initiatives and research projects, development technology, demonstration, and innovation of clear European added value.

The European Union has awarded the following grants to LifeWatch ERIC:

- Grant awarded for the action entitled 'The European Agroecology Living Lab and Research Infrastructure Network: Preparation phase' - 'ALL-Ready' ('action'). This grant was approved in 2020 with a duration of thirty-six months.
- Grant awarded for the action entitled 'RESEARCH INFRASTRUCTURE TRAINING PLUS' - 'RltrainPlus' ('action'). This grant was approved in 2021 with a duration of forty-eight months.
- Grant awarded for the action entitled 'EOSC Future - 'EOSC Future' ('action'). This grant was approved in 2021 with a duration of thirty months.
- Grant awarded for the action entitled 'Biodiversity Community Integrated Knowledge Library' - 'BiCIKL' ('action'), This grant was approved in 2021 with a duration of thirty-six months.
- Grant awarded for the action entitled 'Developing Optimal and Open Research Support for the Black Sea (DOORS)' — 'DOORS' ('action'). This grant was approved in 2021 with a duration of forty-eight months



- Grant awarded for the project entitled 'Biodiversity Digital Twin for Advanced Modelling, Simulation and Prediction Capabilities' — 'BioDT' ('action'). This grant was approved in June 2022 with a duration of thirty-six months
- Grant awarded for the project entitled 'Marine Systems Approaches for Biodiversity Resilience and Ecosystem Sustainability' — 'Marine SABRES' ('action'). This grant was approved in June 2022 with a duration of forty-eight months
- Grant awarded for the project entitled 'Open-Earth-Monitor Cyberinfrastructure' — 'OEMC' ('action'). This grant was approved in June 2022 with a duration of forty-eight months
- Grant awarded for the project entitled 'Marine Biodiversity and Ecosystem Functioning leading to Ecosystem Services' — 'MARBEFES' ('action'). This grant was approved in June 2022 with a duration of forty-eight months
- Grant awarded for the project entitled 'Expanding FAIR Solutions across EOSC' — 'FAIR-IMPACT' ('action'). This grant was approved in June 2022 with a duration of thirty-six months
- Grant awarded for the project entitled 'Integrated SERvices supporting a sustainable AGROecological transition' — 'AGRO SERVE' ('action'). This grant was approved in June 2022 with a duration of sixty months
- Grant awarded for the project entitled 'MARine COastal BiOdiversity Long-term Observations' — 'MARCO-BOLO' ('action'). This grant was approved in December 2022 with a duration of forty-eight months
- Grant awarded for the project entitled '101086297 — PERMAGOV' ('action'). This grant was approved in Novembre 2022 with a duration of forty-eight months
- Grant awarded for the project entitled '101094924 — ANERIS' ('action'). This grant was approved in Novembre 2022 with a duration of forty-eight months
- Grant awarded for the project entitled '101060789 — PATH2DEA' ('action'). This grant was approved in Novembre 2022 with a duration of forty-eight months
- Grant awarded for the project entitled '101112800 — eDNAqua-plan' ('action'). This grant was approved in March 2023 with a duration of thirty-six months
- Grant awarded for the project entitled '101056782 - RESTOR4S' ('action'). This grant was approved in January 2023 with a duration of twenty-for months.
- Grant awarded for the project entitled '101095055 — SUBMERSE' ('action'). This grant was approved in March 2023 with a duration of thirty-six months
- Grant awarded for the project entitled '101112823 — DTO-BioFlow' ('action'). This grant was approved in March 2023 with a duration of forty-two months



- Grant awarded for the project entitled '101124559 — ERIC Forum 2' ('action'). This grant was approved in March 2023 with a duration of forty-eight months
- Grant awarded for the project entitled '101131725 — EULAC ENERGYTRAN' ('action'). This grant was approved in January 2024 with a duration of twenty-four months
- Grant awarded for the project entitled 'Project 101129751 — OSCAR' ('action'). This grant was approved in January 2024 with a duration of forty-eight months
- Grant awarded for the project entitled 'Project 101131703 — EU-LAC ResInfra Plus' ('action'). This grant was approved in January 2024 with a duration of twenty-four months
- Grant awarded for the project entitled 'Project 101132349 — AGROECOCLOGY' ('action'). This grant was approved in January 2024 with a duration of eighty-four months
- Grant awarded for the project entitled 'Project 101136770 — StEPPFoS' ('action'). This grant was approved in January 2024 with a duration of forty-eight months
- Grant awarded for the project entitled 'Project 101131818 — MICROBES-4-CLIMATE' ('action'). This grant was approved in February 2024 with a duration of sixty months
- Grant awarded for the project entitled 'Project 101157560 — SUSSOIL' ('action'). This grant was approved in October 2024 with a duration of forty-eight months
- Grant awarded for the project entitled 'Project 101131141 — ENVRI HUB NEXT' ('action'). This grant was approved in February 2024 with a duration of forty-eight months
- Grant awarded for the project entitled 'Project 101129744 — EVERSE' ('action'). This grant was approved in March 2024 with a duration of thirty-six months
- Grant awarded for the project entitled 'Project 101131875 — EOSC Beyond' ('action'). This grant was approved in April 2024 with a duration of thirty-six months
- Grant awarded for the project entitled 'Project 101130187 — OSTrails' ('action'). This grant was approved in February 2024 with a duration of thirty-six months
- Grant awarded for the project entitled 'Project 101136361 — FutureFoodS' ('action'). This grant was approved in June 2024 with a duration of one hundred and twenty months



LifeWatch ERIC has received a total of advance of 5.878.363,41 euros (6.723.541,27 during 2023) classified during the year under "non-current liabilities". During 2024, LifeWatch ERIC has complied with milestones amounted to 2.318.710,25 euros that has been included as an income in 2024 (16.233.554,15 euros in 2023). The final debt registered under "Long-term debt transformable into grants" balance in the accompanying Abridged Balance Sheet as of December 31, 2024 amounts to 3.551.462,65 euros and it is considered as a debt until the grantor validates the costs incurred (2.205.277,06 euros in 2023).

14. PROVISIONS AND CONTINGENCIES

During the year 2023, LifeWatch ERIC has executed the disciplinary dismissal of D. Juan Miguel González Aranda, that was member of the Executive Board. The employee has filed a lawsuit requesting a total of 340.088,02 euros in compensation for unfair dismissal, costs and other accrued amounts. The Company's legal advisors consider that there is a possible but not probable risk, therefore, no provision has been recorded at year-end 2024, being only here explained.

The worker has also requested precautionary measures for an amount of 350.000 euros. However, the company filed a statement of opposition and they were finally dismissed.

In addition, during 2023, a redundancy programme for economic reasons was carried out, which resulted in the dismissal of 27 workers. Some dismissed workers have started legal claims. The Entity's labour advisors consider that the risk associated with such proceedings is possible but not probable, therefore no additional provision has been recognised in the financial statements at 31 December 2024, being only here explained.

15. SUBSEQUENT EVENTS

There is no subsequent event that might modify the Abridged Financial Statements of Special Purpose or give rise to disclosures additional to those already included in these Abridged Financial Statements of Special Purpose.



FORMULATION OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Executive Board has formulated the accompanying Abridged Financial Statements of Special Purpose for the financial year 2024.

In Seville, March 31, 2025.

A handwritten signature in black ink, appearing to read "Christos Arvanitidis", written over a horizontal line.

Sgd.: D. Christos Arvanitidis

Executive Board

A handwritten signature in blue ink, appearing to read "Alberto Basset", written over a horizontal line.

Sgd.: D. Alberto Basset

Executive Board

A handwritten signature in black ink, appearing to read "Peter Van Tienderen", written over a horizontal line.

Sgd.: D. Peter Van Tienderen

Executive Board

A handwritten signature in blue ink, appearing to read "Lucas de Moncuit", written over a horizontal line.

Sgd.: D. Lucas de Moncuit

Executive Board