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MINUTES OF THE ORDINARY GENERAL ASSEMBLY OF E.U.C. PARQUES DE SOTOGRANDE

The Ordinary General Assembly of the Urban Conservation Entity Parques de Sotogrande was called by the President, at the Hotel Encinar de Sotogrande (formerly Hotel del Tenis), on August 7, 2025 at 19:00 hrs on second call, with the following

AGENDA:

1. Approval of the Minutes of the previous Meeting.
2. President's Report. Annual Management Report.
3. Approval of the financial statements and settlement of the budget for the year 2024.
4. Debtors: Report and authorization to the President and Governing Board to take legal actions against debtors.
5. Approval of the 2026 budget.
6. Any other urgent matter to be discussed or if needs be, to be voted.
7. Any Other Business.

The Assembly was chaired by the President of E.U.C. Parques de Sotogrande, Mr. Cristóbal Espín Gutiérrez, assisted by the Secretary and Manager, Mr. Sergio Sánchez Domínguez.

Participation in the Assembly was 65.63% of the total participation quotas of E.U.C. Parques de Sotogrande, as stated in Annex 1 attached to these Minutes.

The President declared the Assembly validly constituted, thanking those present for their participation, giving way to deal with the matters established in the agenda.

1. Approval of the previous Minutes.

The President pointed out that the Minutes of the Ordinary General Assembly dated August 8, 2024 had been sent in a timely manner, without any request having been received to date regarding its wording.

Said Minutes were submitted for approval, being approved unanimously.

2. President's Report. Management Report.

President's Report.

After setting the agenda, the President outlined the main issues addressed by the E.U.C. Parques de Sotogrande during the past fiscal year. He emphasized the importance of the E.U.C. as an administrative entity with its own legal personality, dependent on the San Roque City Council, non-profit in nature, and managed with professionalism and efficiency. He introduced the members of the Governing Board, reviewed its guiding principles and objectives, presented key financial figures, and outlined the proposed budget for 2026, confirming that it represents a 4% increase compared to the 2025 budget.

In conclusion, he highlighted the exceptional nature of Sotogrande and stressed the need for shared responsibility in preserving its unique qualities. He called for compliance with the general rules of coexistence, particularly with respect to noise and traffic, requesting their voluntary acceptance. He expressed her gratitude to the Governing Board, the Landscaping Committee, the team of external advisors, the Manager, and the staff of the E.U.C. for their professionalism and commitment, as well as to all members attending the Assembly.

Management Report.

The E.U.C. Manager, Mr. Sergio Sánchez, expressed his gratitude for the president's words and extended his thanks for the work and support provided by the E.U.C.

He began his presentation by outlining the structure and management model of the E.U.C., followed by a review of the activities carried out over the past year. He highlighted the main actions undertaken across different areas: security, infrastructure maintenance, gardening, and administration.

In particular, issues related to:

- ➢ **Security.** Security incidents decreased compared to the previous year, returning to levels consistent with earlier years. The surveillance service was strengthened with new equipment and the introduction of management software, which has significantly improved monitoring, review, and analysis capabilities.

- ➢ **Infrastructure Maintenance.** Key improvements included upgrades to the rainwater network and the installation of new lighting, including solar-powered luminaires in some areas, which both reduce electricity consumption and enhance safety. Road resurfacing was completed on Paseo del Parque, Avda. Paniagua, Santiago de Compostela, Bolívar, Ricardo Corazón de León, Alvarado, Doñana, Fatiga, Foro and the avenues of Los Cortijos and Almenara. In addition, road cleaning and repainting of horizontal signage were carried out. Enhancements to pedestrian pathways were reported, notably along Avda. McMicking and Avda. Almenara, the latter now offering views of the lake.

- ➢ **Gardening.** Landscaping efforts focused on improving roundabouts along service roads, restoring and replanting several areas of the urbanization, and carrying out routine maintenance such as manual and mechanical cutting, clearing of green spaces, and pruning. Streets receiving special attention included Santiago de Compostela, Alvarado, Alberche, Castaño, Esmeralda, and Avda. de los Cortijos and Almenara. Washingtonia palm trees were pruned, and periodic pest-control treatments were conducted. Improvements also included repainting and maintenance of monoliths and infrastructure throughout the urbanization.

- ➢ **Rules of coexistance.** Mr. Sánchez emphasized the importance of voluntary coexistence rules, designed to improve community life. These include avoiding construction works on Saturdays and Sundays and during August, refraining from occupying shoulders with vehicles or machinery, and limiting the use of noisy gardening equipment. The preference for electric tools, used strictly within designated hours, was also reinforced. He reminded attendees of the obligation to comply with the San Roque Municipal Ordinances on Citizen Coexistence. Reported violations are formally submitted to the City Council. Concerns over speeding within the community were noted, with speed bumps and newly installed informational panels at eight locations proving effective in reducing incidents. In July 2023, the E.U.C. formally requested modifications to the Citizen Regulatory Ordinance. Following the City Council's public consultation in July 2024 on building and urban planning regulations, the E.U.C. submitted contributions in August 2024. These included all the aforementioned concerns, though no response has been received to date.

- **Drought and Water Recycling.** Reservoir levels in the Gibraltar area have doubled compared to the same period last year, indicating a stable situation. Plans remain in place for a new reservoir to increase regional water supply capacity, though completion is not expected until well into the next decade. Regarding irrigation, the administration continues to develop a project (expected by 2027) to transfer recycled water from La Línea de la Concepción's wastewater treatment plant to Sotogrande, for use in golf courses and private gardens.

- **Debtors.** As of December 31, 2024, outstanding debt stood at €1,216,648, reflecting a decrease of €34,005 compared to the previous year 2023. At the date of this meeting, current debt amounts to €1,264,412, which is €62,047 lower than the figure reported at the 2024 General Assembly.

The Assistant Manager, Mr. Daniel J. Trujillo, presented the 2024 financial statements of the E.U.C., including the audit report, profit and loss account, balance sheet, and budget settlement. He also presented the proposed 2025 budget for Parques de Sotogrande. Finally, he noted that a 4% increase will be proposed for the 2026 budget, subject to approval by the General Assembly.

3. **Approval of the financial statements and settlement of the budget for the 2024 financial year.**

After the presentation of the annual financial statements for 2024, the annual financial statements of E.U.C. Parques de Sotogrande were submitted for approval for the 2024 financial year and the transfer of the positive result of €5,006 to results from previous years, both matters being approved by the majority of those attending, with a percentage of votes in favour of 99.14% compared to 0.86% of votes against, as a result of the vote against by Mr. Gonzalo Escacena, representative of Land Company 2020, S.L., co-owner of the plot Subsector 20 B.

4. **Debtors: Report and authorization to the President and Governing Board to take legal actions against debtors.**

The debts for overdue quotas as of the date of the Assembly were reviewed, amounting to a total of €1,264,412, as stated in Annex II of overdue properties attached to these Minutes.

The following proposals were submitted for approval:

"It is submitted for approval to settle the current debt, the list of which is presented at this Assembly and to ratify the actions taken by the Governing Board for the settlement and claim of the debts due on February 15, 2025, in the case of non-direct debit quotas, or after the first non-payment of a quarterly receipt, in the case of domiciled quotas, and their indistinct claim by enforcement or by civil means, with the surcharges, legal interest, expenses and costs that apply, granting for this purpose the powers to lawyers and attorneys that are necessary."

"The delegation of powers to the Governing Board for the settlement of the debt for the 2026 quota that expires after the voluntary payment period, in the case of non-direct debit quotas, or after the first non-payment of a quarterly receipt, in the case of direct debit quotas, is hereby submitted for approval, authorising its indistinct claim by enforcement or by civil means, with the surcharges, legal interest, expenses and costs that apply, granting for this purpose the powers to lawyers and attorneys that are necessary."

"The application of surcharges to unpaid quotas is hereby submitted for approval:

- 5%: for quotas paid after the voluntary period, or after the first non-payment of a quarterly direct debit receipt) and until receipt of the demand letter, burofax or notice by notice board.

- 10%: for quotas paid within the period granted by the demand letter, burofax or notice by notice board.

- 20%: for the quotas paid after the deadline granted by the letter of demand, the burofax or the notice on the notice board."

All proposals were submitted for approval, being approved by the majority of those attending, with a percentage of votes in favour of 99.14% compared to 0.86% of votes against, as a result of the vote against by Mr. Gonzalo Escacena, representative of Land Company 2020, S.L., co-owner of the plot Sub Sector 20 B.

5. <u>Approval of the 2026 Budget</u>.

The Manager reported the budget proposal for the 2026 fiscal year, identifying the main expenditure items. For the 2026 fiscal year, there is an increase in the budget of 4% compared to the 2025 budget.

The following proposals were submitted for approval:

"The Budget of E.U.C. is submitted for approval. Parques de Sotogrande, submitted for the year 2026 for an amount of €5,716,436, of which €5,676,435 correspond to quotas for the year, to be distributed among the 2,579,382 m2 of lucrative land computed, resulting in a coefficient of 2.2007 Euros/m2 of lucrative land, which will be used to calculate the quotas.

All of this without prejudice to any technical corrections that may need to be introduced. In such case, the coefficient indicated above will be applied to the variations in square metres of lucrative land that may be determined.

Likewise, in the event that during the execution of the budget the urban conditions of the land change, in accordance with the Statutes, said lands must pay the percentage of the fee that corresponds to a coefficient of 2.2007 Euros/m2 of lucrative land, from the date of said change in urban conditions, considering the income budget modified in the proportion that the fee of said land has increased or decreased. The increase or decrease in the budget will be applied to expenses according to the criteria of the Governing Board.

The end of the voluntary period of payment of the quotas on February 15 of each year is subject to approval. The annual receipts will be issued in the first week of January.

The quarterly instalments of the annual receipts are subject to approval, for those owners whose quotas are direct debited to a credit institution and have notified the E.U.C offices beforehand. In these cases, said receipts will be issued on the first calendar day of the first month of each quarter. (January 1, April 1, July 1, and October 1). In the event that a direct debit receipt is not attended and fails, all direct debited receipts will become immediately due, with effect from February 16, 2026, and will be duly claimed."

All proposals were submitted for approval and approved by the majority of those attending, with a percentage of votes in favour of 99.14% compared to 0.86% of votes against, as a result of the vote against by Mr. Gonzalo Escacena, representative of Land Company 2020, S.L., co-owner of the plot Subsector 20 B.

6. Debate and, where appropriate, vote on matters declared urgent.

There were no matters declared urgent.

7. Any Other Business.

Ms. Ana Pérez Naves, owner on Fondo Street, reported the presence of wild boars in her area, causing damage to private gardens, and asked what measures could be taken to prevent their presence. She also inquired about the expiry of the security and surveillance contract with Prosegur and the possibility of opening the service to new offers. Finally, she asked whether the streets in Sotogrande are public or private.

The Manager explained that the presence of wild boars in some areas of the development is an ongoing concern for the E.U.C., although the entity has no jurisdiction over wildlife control. Until recently, this responsibility fell to the Regional Government of Andalusia, which authorized the installation of traps in the development. Today, the authority rests with the San Roque City Council, which has not authorized further trapping. Perimeter fencing has helped reduce the problem, although fencing the entire development is not possible. The matter will continue to be pursued with the competent authorities. He also stressed the importance of public collaboration, encouraging residents who observe these animals to report them directly to the relevant authority.

Regarding security services, he confirmed that the Prosegur contract expires in 2025 and that a private bidding process was carried out, in which Prosegur, Securitas, and Iluniun participated. The most advantageous offer was submitted by Prosegur, which has provided remarkable service.

On the matter of the streets, he clarified that most are public, although a minority remain private.

Ms. Yvette Burnett, owner in the Apartamentos Tenis community, reported uncivil behavior in her community's common areas, caused both by users of the electric vehicle charging points located in the Mar y Sol parking area and by taxi drivers waiting for guests of the Hotel Encinar. She requested that these groups be directed to use the appropriate facilities of the hotel or Mar y Sol. She also mentioned the disturbances caused by music and noise from the Ágora establishment, and the problems generated since its opening by people gathering at night in the Apartamentos Tenis community, damaging gardens, littering the parking lot, and disturbing neighbors.

The Manager responded that the first issue will be reviewed with the Director of the Hotel Encinar and the President of the Mar y Sol Shopping Center in order to find a solution. With regard to the Ágora establishment, the matter will be discussed with its management, and he reminded attendees that any uncivil acts should be reported immediately to security so that the service can respond on site.

Mr. Guillermo Maldonado, owner in the Apartamentos Tenis community, reported that he had submitted a letter to the E.U.C. regarding the closure of a road bordering the Tenisol C.P., and requested clarification on the status of these roads.

The Manager explained that the technical team had reviewed the matter and determined that the road in question is private. The letter presented today will be reviewed and a response will be provided.

Mr. John Van Rosses, owner on Isabel la Católica Street, congratulated the E.U.C. on the quality of the work carried out and on the clarity of the information provided at the meeting. He raised two issues: first, the increase in noise levels in recent years, particularly from parties that continue into the early hours, accompanied by loud music and traffic; and second, the impact that upcoming developments, such as hotels in Torreguadiaro, might have on Sotogrande.

The Manager thanked him for his kind words. Regarding noise, he explained that the E.U.C. distinguishes between events held on private properties and those organized by establishments open to the public. Excessive noise from establishments has been repeatedly reported to the San Roque City Council, with professional sound measurements provided as evidence of non-compliance, but no response has been received to date. In the case of private events, the security team intervenes when necessary; if requests are ignored, the Local Police or Civil Guard are called. He clarified that the E.U.C. itself has no authority to impose sanctions.

Regarding new urban developments, he assured that the E.U.C. closely monitors official publications and takes action when necessary to protect the urban model of Sotogrande. He recalled that, thanks to these efforts, several projects have been successfully halted in the past.

Mr. José Navas, representing the Hotel Encinar de Sotogrande, thanked the E.U.C. for its excellent work. Referring to the issue of taxi drivers, he confirmed that uncivil behavior has obliged the hotel to assign an additional cleaning shift to maintain the parking area. Nevertheless, he expressed full willingness to review any measures that may help prevent these inconveniences.

The Manager thanked him for his collaboration and commitment.

There being no further questions from those attending, the President thanked the residents for their presence at the General Assembly, the contributions made, the messages of support and the work carried out by the E.U.C. team, and closes the meeting at 8:48 p.m.

Approved and signed by:

Mr. Cristóbal Espín Gutiérrez	**Mr. Sergio Sánchez Domínguez**
President of E.U.C. Parques de Sotogrande	Secretary of E.U.C. Parques de Sotogrande