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Press Release

Árma Real Estate SOCIMI has multiplied its size by three one year after its IPO

Árma successfully completes its second capital increase of the year, raising €150 million, and welcomes Ivanhoé Cambridge as reference shareholder

- **Ivanhoé Cambridge has completed an equity investment of €60 million as part of the capital increase**
- **High demand from other institutional and qualified professional investors has led the company to upsize the deal from €100 million to €150 million**
- **The shares have been issued at EUR 10.40 per share, in line with the current NAV and market price, and 4% higher than the previous issuance**
- **Funds are expected to be used in the near future to complete new investments in line with the Company's investment strategy**

Madrid, 14 November 2019. Within only one year after being listed in the Spanish stock market, Árma has multiplied its size by three. The Socimi has successfully completed its second capital raise for an amount of €150 million, which has been upsized from the initial €100 million target due to the strong interest from investors. Ivanhoé Cambridge, through a UK investment company, has invested approximately €60 million to become Árma's main shareholder, with a 20,4% stake. The capital raise was approved at Árma's Extraordinary General Shareholders' Meeting held on November 5, 2019. The new shares were issued at an offering price 4% higher than the previous issuance and in line with the current NAV and market price.

Ivanhoé Cambridge's appointee, Stanislas Henry, Head of Strategic Partnerships Europe at Ivanhoé Cambridge, is now a member of the Árma's Board of Directors as well as the Audit and Control Committee and Remuneration and Appointments Committee. Ivanhoé Cambridge will also participate in the Investment Committee of the company.

This significant contribution endorses the work undertaken by the Socimi's management team and will enable Árma to continue executing its investment strategy, which consists mainly of acquiring assets with added value potential, with an active portfolio management



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approach, and investing in their repositioning to maximize their quality, occupancy and value. The capital increase will allow Árma to continue growing and generating value for its shareholders.

Commenting on its investment, Karim Habra, Head of Europe and Asia-Pacific for Ivanhoé Cambridge, said: "We are very pleased to invest in Árma to support its future growth. The management team has a strong track record of performance, and has built, in a very short time, an impressive portfolio of high-quality value-add properties and a promising development pipeline. The Madrid office market is anticipating a sustained rental growth and we believe Árma is the right investment vehicle to take advantage of that cycle."

Luis López de Herrera-Oria, Árma's CEO, highlighted: "We are delighted having Ivanhoé Cambridge on board. The commitment of all shareholders, and especially Ivanhoé Cambridge, demonstrates the confidence in the work carried out by Árma's management, their trust and commitment in our current investments and strategy. We will move forward on with our business plan in order to generate value for all of them".

With this capital raise, Árma intends to carry out new investments, thanks to an existing pipeline of projects, in line with the Company's investment strategy, and which projects are currently in an advanced stage of analysis. These are expected to be added to its existing balanced property portfolio.

CBRE Capital Advisors (financial advisor), Savills Aguirre Newman (real estate valuation) and Clifford Chance (legal) advised Ivanhoé Cambridge as part of this investment.

Davis Polk & Wardwell, EY (legal) and Uría Menéndez provided legal advice to Árma in connection with the investment by Ivanhoé Cambridge and with its capital increase.

Citi, Credit Suisse, JBCM and Kempen acted as Joint Global Coordinators and Joint Bookrunners in the capital increase.

About Ivanhoé Cambridge:

Ivanhoé Cambridge develops and invests in high-quality real estate properties, projects and companies that are shaping the urban fabric in dynamic cities around the world. It does so responsibly, with a view to generate long-term performance. Ivanhoé Cambridge is committed to creating living spaces that foster the well-being of people and communities, while reducing its environmental footprint.



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Vertically integrated in Canada, Ivanhoé Cambridge invests internationally alongside strategic partners and major real estate funds that are leaders in their markets. Through subsidiaries and partnerships, the Company holds interests in more than 1,000 buildings, primarily in the industrial and logistics, office, residential and retail sectors. Ivanhoé Cambridge held close to C\$65 billion in real estate assets as at December 31, 2018. For more information: ivanhoecambridge.com

About Árma Real Estate

Árma Real Estate is a Spanish company listed on the Madrid Stock Exchange as a SOCIMI (Sociedad Anónima Cotizada de Inversión Inmobiliaria) and led by a fully dedicated internal management team. It was created in 2018 with the aim of becoming the leading Spanish SOCIMI in the Madrid office market. The company is headed up by Luis María Arredondo (Chairman of the Board of Directors) and Luis López de Herrera-Oria (CEO) and boasts the same highly regarded management team that steered Axiare Patrimonio SOCIMI to success.

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By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements rely on a number of assumptions, including with respect to the supply and demand for office space and future prices, the Company’s ability to identify and acquire properties at commercially reasonable prices, maintenance and re-positioning costs, the Company’s ability to ramp-up and scale its business successfully and the availability of external financing to grow their business. Such assumptions are inherently subject to significant business, operational, economic and other risks and uncertainties. You are hereby cautioned that forward-looking statements are not guarantees of future performance and that the Company’s actual financial condition, results of operations and cash flows, and the development of the industry in which the Company will operate, may differ materially from those made in or suggested by the forward-looking statements contained in this announcement. In addition, even if the Company’s financial condition, results of operations and cash flows, and the development of the industry in which it will operate are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of the Company’s results or developments in subsequent periods and may be impacted by important factors. No representation or warranty is made that any forward-looking statement will come to pass. No one undertakes to publicly update or revise any such forward-looking statement.

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