Árima Real Estate SOCIMI, S.A.

Offering of up to 30,000,000 New Shares at an Offering Price of €10.00 per New Share to raise gross proceeds of up to €300,000,000 and admission to trading on the Spanish Stock Exchanges

This is an initial offering (the "**Offering**") of ordinary shares with a nominal value of €10.00 each in the capital of Árima Real Estate SOCIMI, S.A. ("**Árima"** or the "**Company**"), a *sociedad anónima* incorporated under the laws of Spain, by the Company to qualified investors inside and outside of Spain, including a placement in the United States to qualified institutional buyers as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act** "), in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The ordinary shares of the Company (the "**Ordinary Shares**") have not been and will not be registered under the U.S. Securities Act. The Offering outside the United States will be made in compliance with Regulation S (as defined below).

The Company is offering up to 30,000,000 new Ordinary Shares (the "**New Shares**") at a price per share of €10.00 (the "**Offering Price**") to obtain gross sale proceeds of up to €300,000,000 in the Offering.

The Offering is strictly restricted to (a) institutional investors outside the United States (as defined in Regulation S under the U.S. Securities Act); (b) in the United States, qualified institutional buyers within the meaning of Rule 144A under the U.S. Securities Act ("QIBs") that are acquiring New Shares for their own account or for the account of another QIB; (c) in the United Kingdom ("UK"), Relevant Persons (as defined in this Prospectus); and (d) in any member state of the European Economic Area (the "EEA" and an "EEA Member State") other than the UK, Qualified Investors (as defined in this Prospectus). You are deemed to have represented, warranted and agreed with and to the Company and the Managers (as defined below) that (i) the New Shares acquired by you in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale to Qualified Investors in any EEA Member State; and (ii) if you are outside the United States, the UK and the EEA, you are a person into whose possession the document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located. No investor other than the above is allowed to participate in the Offering.

An investment in the New Shares involves a high degree of risk. See "Risk Factors" beginning on page 20 for a discussion of certain matters investors should consider prior to making an investment in the New Shares.

The Company will apply to have its Ordinary Shares listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") and admitted to trading through the Automated Quotation System or "*Mercado Continuo*" of the Spanish Stock Exchanges (the "**SIB**"). The Company expects that its Ordinary Shares (including the New Shares offered hereby) will be listed on the Spanish Stock Exchanges and commence trading through the SIB on or about 19 October 2018 ("**Admission**") under the ticker symbol "ARM".

The New Shares are expected to be delivered through the book-entry facilities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.* ("**Iberclear**"), and its participating entities versus payment therefore on or about 22 October 2018.

This document (the "**Prospectus**") constitutes a prospectus relating to the Company for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and of the Council of the European Union, as amended thereto, including Directive 2010/73/EU (the "**Prospectus Directive**") and has been prepared in accordance with, and including the information required by, Annexes I, III and XXII of Commission Regulation (EC) No. 809/2004 of 29 April, as amended (the "**Prospectus Regulation**" and, together with the Prospectus Directive, the "**Prospectus Rules**"). This Prospectus has been approved as a prospectus by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**") in its capacity as competent authority under the restated text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October (*Texto refundido de la Ley del Mercado de Valores aprobado por Real Decreto Legislativo 4/2015, de 23 de octubre*) ("**LMV**") and relevant implementing measures in Spain.

This Prospectus does not constitute an offer to subscribe or the solicitation of an offer to subscribe for the New Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful.

The New Shares have not been and will not be registered under the U.S. Securities Act, or with any securities authority of any state of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States or to any U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of, the U.S. Securities Act, and in compliance with any applicable state or local securities laws.

In addition, prospective investors will be deemed to represent and warrant (unless otherwise specifically agreed in writing with the Company) that they are not, and are not acting on behalf of employee benefit plans, retirement accounts or other arrangements subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") or Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), or any law that is substantially similar to the fiduciary responsibility and/or the prohibited transaction provisions of ERISA and Section 4975 of the Code to invest in the New Shares and should note that the Company expects that it will be classified as a passive foreign investment company for U.S. federal income tax purposes.

Senior Global Coordinator and Joint Bookrunner

Citigroup

Joint Global Coordinators and Joint Bookrunners

JB Capital Markets **Mirabaud** **Morgan Stanley**

Co-lead Managers

BBVA **ING** **Kempen**

Prospectus dated 9 October 2018

IMPORTANT INFORMATION

YOU SHOULD READ THE ENTIRE PROSPECTUS AND, IN PARTICULAR, "RISK FACTORS" BEGINNING ON PAGE 20 OF THIS PROSPECTUS WHEN CONSIDERING AN INVESTMENT IN THE NEW SHARES.

None of Citigroup Global Markets Limited ("**Citigroup**") (the "**Senior Global Coordinator and Joint Bookrunner**"), JB Capital Markets S.V., S.A.U. ("**JB Capital Markets**"), Mirabaud Securities Limited, Sucursal en España ("**Mirabaud**") and Morgan Stanley & Co. International Plc ("**Morgan Stanley**", together with JB Capital Markets and Mirabaud, the "**Joint Global Coordinators and Joint Bookrunners**", and the Joint Global Coordinators and Joint Bookrunners together with the Senior Global Coordinator and Joint Bookrunner, the "**Global Coordinators and Joint Bookrunners**"), Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**"), ING Bank, N.V. ("**ING**") and Kempen & Co. N.V. (the "**Co-Lead Managers** ", and together with the Global Coordinators and Joint Bookrunners, the "**Managers** "), or their respective affiliates makes any representation or warranty, express or implied, nor accepts any responsibility whatsoever with respect to the content of this Prospectus, including the accuracy or completeness or verification of any of the information in this Prospectus and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Managers that any recipient of this Prospectus should subscribe for the New Shares. Each subscriber of New Shares should determine for itself the relevance of the information contained in this Prospectus, and its subscription of New Shares should be based upon such investigation, as it deems necessary, including the assessment of risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors that may be relevant to such investor in connection with the subscription of the New Shares. The contents of any Company website do not form part of this Prospectus.

This Prospectus does not constitute an offer to the public generally to subscribe or otherwise acquire New Shares. In making an investment decision regarding the New Shares, an investor must rely on its own examination of the Company and the terms of the Offering, including the merits and risks involved. Investors should rely only on the information contained in this Prospectus. Neither the Company, nor any of the Managers has authorized any other person to provide investors with different information. If anyone provides an investor with different or inconsistent information, such investor should not rely on it. Investors should assume that the information appearing in this Prospectus is accurate only as of its date. The Company's business, financial condition, results of operations, financial condition and/or prospects and the information set forth in this Prospectus may have changed since the date of this Prospectus.

To the extent available, the industry, market and competitive position data contained in this Prospectus has come from third party sources. Such third parties make no representation or warranty, express or implied, nor accept any responsibility whatsoever with respect to the content of this Prospectus.

No person has been authorized to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Managers and neither the Company nor the Managers accept any liability with respect to such information or representations. Neither the publication of this Prospectus nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in this Prospectus is correct as at any time subsequent to its date.

Notwithstanding the foregoing, the Company is required to publish a prospectus supplement in respect of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the New Shares and which arises or is noted between the date hereof and Admission, in accordance with Article 22 of Spanish Royal Decree 1310/2005, of 4 November (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en*

mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos) ("**Royal Decree 1310/2005**"). However, no obligation is assumed to publish additional information other than as required by the general rules for issuance of supplements to this Prospectus or relevant fact notices (*hechos relevantes*).

Investors should not consider any information in this Prospectus to be investment, legal or tax advice. An investor should consult its own legal counsel, financial advisor, accountant and other advisors for legal, tax, business, financial and related advice regarding the subscription of the New Shares. None of the Company, the Managers or any of their respective affiliates, makes any representation or warranty to any offeree or subscriber of the New Shares regarding the legality of an investment in the New Shares by such offeree or subscriber under appropriate investment or similar laws.

Each Manager is acting exclusively for the Company and no-one else in connection with the Offering and will not be responsible to any other person for providing the protections afforded to its respective clients or for providing advice in relation to the Offering. The Managers will not regard any other person (whether a recipient or not of this Prospectus) as their clients in relation to the Offering. Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Managers under the LMV or the regulatory regime established thereunder, none of the Managers accepts any responsibility whatsoever for the contents of this Prospectus or for any other statement made or purported to be made by it or any of them or on its or their behalf in connection with the Company, the Managers or the New Shares or any transaction or arrangement referred to herein.

In connection with the Offering, the Managers and any of their respective affiliates or any other investment vehicle, directly or indirectly connected therewith, acting as an investor for its or their own account(s) may take up New Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this Prospectus to the New Shares being offered or placed should be read as including any offering or placement of such securities to the Managers or any of their respective affiliates acting as an investor for its or their own account(s). In addition, certain of the Managers or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Managers or their respective affiliates may from time to time acquire, hold or dispose of New Shares. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The distribution of this Prospectus and the issue and offer of the New Shares in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those set out in the section "*Selling and Transfer Restrictions*". Investors must comply with all applicable laws and regulations in force in any jurisdiction in which they subscribe, purchase, offer or sell New Shares or possess or distribute this Prospectus and must obtain any consent, approval or permission required for their subscription for, purchase, offer or sale of New Shares under the laws and regulations in force in any jurisdiction to which such investors are subject or in which such investors make such subscriptions, purchases, offers or sales. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of the Company, or any of the Managers is making an offer to subscribe any New Shares or a solicitation of an offer to subscribe any New Shares to any person in any jurisdiction except in such jurisdictions where an offer or solicitation is permitted or accepts any legal responsibility for any violation of applicable restrictions by any person, whether or not an investor. No action has been, or will be, taken by the Company to permit a public offering of the New Shares in any jurisdiction, or to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the New Shares) in any jurisdiction where any action that has not been taken by the Company, may be required for that purpose. For further information with regard to the restrictions on the distribution of this Prospectus and on the Offering and sale of the New Shares please see the section "*Selling and Transfer Restrictions*".

THE NEW SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH, OR APPROVED OR DISAPPROVED BY, THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY

AUTHORITY AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS. THE NEW SHARES ARE BEING OFFERED AND SOLD IN THE UNITED STATES ONLY TO QIBS IN RELIANCE ON RULE 144A OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS AS DEFINED IN, AND IN RELIANCE ON, REGULATION S. THE NEW SHARES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. SEE "*SELLING AND TRANSFER RESTRICTIONS*". THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. THE COMPANY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**U.S. INVESTMENT COMPANY ACT**"), AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS OF THAT ACT.

SOCIMIs are expressly excluded from the scope of Law 22/2014, of November 12, 2014, on the regulation of venture capital entities, other closed-ended collective investment undertakings and the closed-ended investment undertaking managers (*Ley 22/2014, de 12 de noviembre, por la que se regulan las entidades de capital Riesgo, otras entidades de inversion colectiva de tipo cerrado y las sociedades gestoras de entidades de inversion colectiva de tipo cerrado*) ("**Law 22/2014**"), implementing Directive 2011/61/EU of the European Parliament and of the Council, of 8 June, 2011, on Alternative Investment Fund Managers ("**AIFMD**"). Consequently, the Company believes it does not qualify as an alternative investment fund and is not subject to the restrictions applicable to said regime under Spanish law.

The Company may, however, be considered an alternative investment fund ("**AIF**") under the laws of certain EEA jurisdictions other than Spain. Accordingly, the securities may only be marketed or offered in such jurisdictions in compliance with and subject to the terms of such jurisdiction's implementation of the AIFMD, or any available exemption therefrom and any other laws and regulations applicable in such jurisdiction.

Any person making or intending to make any offer within the EEA of the New Shares should only do so in circumstances in which no obligation arises for the Company or the Managers to produce a prospectus for such offer. None of the Company or the Managers has authorized or authorizes the making of any offer of the New Shares through any financial intermediary, other than offers made by the Managers which constitute the final placement of the New Shares contemplated in this Prospectus.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that such New shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling

restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Shares and determining appropriate distribution channels.

TABLE OF CONTENTS

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A - E (A. 1- E. 7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and nature of the issue, it may be that no relevant information can be disclosed regarding the Element. In this case, a short description of the Element is included in the summary followed by the reference 'not applicable'.

Section A—Introduction and warnings		
A.1	Introduction:	**THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN THE ORDINARY SHARES OF ÁRIMA REAL ESTATE SOCIMI, S.A. (THE "COMPANY") SHOULD BE BASED ON CONSIDERATION OF THE PROSPECTUS AS A WHOLE BY THE INVESTOR, INCLUDING IN PARTICULAR THE RISK FACTORS.** Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area (the "**EEA**"), have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Under Spanish law, civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities. A potential update or adjustment in the information or statements contained in this Prospectus as a result of the occurrence of any of the described risk factors shall not be considered as a mistake or an inaccuracy thereof or make such information misleading.
A.2	Subsequent resale of securities or final placement of securities through financial intermediaries:	Not applicable. The Company is not engaging any financial intermediaries for any resale of securities or final placement of securities requiring a prospectus after publication of this document and has not given its consent for any such resale or placement.

Section B—Issuer		
B.1	Legal and commercial name:	The legal name of the issuer is Árima Real Estate SOCIMI, S.A. The commercial name of the issuer is "Árima" or "Arima Real Estate".

Section B—Issuer		
B.2	Domicile and legal form:	The Company is incorporated as a public limited company (a *sociedad anónima* or S.A.) in Spain under the Spanish Companies Act. It has its registered office at Fernando el Santo 15, 4º Pl. Ático, 28010, Madrid, Spain and with phone number +34 91 053 28 03. The Company is incorporated for an unlimited term. **Regulatory Status of the Company** The Company has opted to become a listed real estate investment company (*Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario*) ("**SOCIMI**") and has filed the notice of such election with the Spanish tax authorities. An entity eligible for the legal regime applicable to SOCIMIs (the "**SOCIMI Regime**") may apply for the special tax regime even if when the election is made such entity does not meet some of the eligibility requirements, provided that it meets such requirements within two years (as from the date the corresponding election is approved by the General Meeting of Shareholders). In addition, such entity will have a one year grace period to cure any non-compliance with certain of the eligibility requirements.
B.3	Key factors relating to the nature of the issuer's current operations and principal activities:	**Investment Policy and Strategy** The purpose of the Company is to invest primarily in Commercial Property, mainly offices located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain. The Management Team believes that there is an opportunity to build up a high-quality portfolio of commercial real estate properties with strong income and the potential to add value if actively managed. The Management Team will focus on creating an optimized portfolio composed of properties with high upside potential and properties with low-rental risk that generate recurrent income. The Company will therefore consider the potential for value enhancement that may be realized following the improved management of the property through, amongst other means, repositioning or re-leasing strategies, or as result of investments in refurbishing, reconfiguring or renovating the property. The company could also consider acquiring assets on a forward purchase or forward funding base when this is considered to provide an opportunity, and additionally, and in order to benefit from current market conditions, the Company could also undertake selective opportunistic development projects, where there is less investor competition and where returns are expected to be greater, compensating for the risks assumed in connection with such developments. The Company intends to source new investment opportunities primarily through the Management Team's extensive network of relationships within the Spanish Commercial Property market, including through relationships with corporate and private landlords, brokers, domestic and international banks and family-owned real estate offices. The Management Team intends to focus on creating both sustainable income and strong capital returns for the Company with a target average Total Shareholder Return of between 12% and 15% annually once the Net Proceeds are fully invested. In the event that 18 months after the Admission, less than 75% of Net Proceeds have been invested or committed for investment by the Company in accordance with its investment strategy, the Board of Directors will call a General Meeting of Shareholders to be held within 45 days from the end of such 18-month period, to

vote for a proposal for the Company to either extend the investment period beyond 18 months or reimburse shareholders the amounts of the Net Proceeds that have not been so invested or committed for investment by the Company (including through a distribution of reserves, a capital reduction, shares' repurchase or otherwise) or used to fund the Company's structural expenses. Only those Shareholders that are registered in the clearance and settlement system managed by Iberclear at 23:59 hours (Madrid time) on the day of approval of the reimbursement by the General Meeting of Shareholders will be entitled to receive any such reimbursement unless said approval specifies a different date and time for shareholders to be entitled to receive such reimbursement. In any case, Shareholders will only be entitled to the reimbursement approved by the relevant General Meeting of Shareholders and will not be entitled to any interest compensation from the Company as a result of the Company not being able to reach the investment commitment. In case of partial return of the Net Proceeds, the Company will continue to manage the assets held.

Investment Criteria and Property Characteristics

The Management Team is expected to follow certain investment and leverage criteria intended to focus its investment decisions on the acquisition of Commercial Properties mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain.

Properties should fit within the Company's purpose of creating a real estate portfolio capable of paying dividends in line with the applicable Spanish SOCIMI Regime requirements and generating capital returns for the Company's shareholders.

It is expected that the total gross asset value of the properties comprising the Company's real estate portfolio ("**Total GAV**") will be distributed as follows (measured as at the time investment is made):

- a majority of the Total GAV (approximately 80-90%) in offices located primarily in Madrid, located in areas such as the city center (Centre Business District and other established districts within the city center adjacent to the CBD) and other highly-concentrated office areas with lower competition, such as secondary areas and the periphery of Madrid and Barcelona;
- the rest of the Total GAV (approximately 10-20%) in logistics properties in the major logistics centers (Madrid, Barcelona and other major logistics hubs) and in other opportunistic investments in traditional property asset classes; and
- the focus on Madrid and, to a lesser extent Barcelona, by the Management Team is based on the perception of these cities as (i) being the major real estate markets within Spain in terms of number of companies; (ii) having relatively transparent markets, with numerous third-party reports covering these cities; and (iii) having relatively liquid markets, based on the number of real estate transactions completed in other Spanish cities.

The Company relies on active property management to maximize operating efficiency, profitability and value creation at the property level, mainly focusing on mispriced properties or undermanaged high-quality properties with active management opportunities, for example, through repositioning, rental extension or rental optimization. The Management Team directly undertakes value creation and property management activities, such as, improving the quality of currently-held properties through investing in conservation and modernization, improving the

Section B—Issuer		
		energy efficiency of currently-held properties or renegotiating or surrendering leases. Acquisitions of properties may be effected through any type of agreement and structure, including through subsidiaries, joint ventures or through the acquisition of non-performing loans and other types of financial instruments. However, the Company intends to maintain a simple structure and, to the extent possible, invest in properties through direct investment structures. It is intended that properties acquired by the Company will be adequately insured and adequately maintained by outsourced service providers, such as architects, engineers, lawyers, property managers, and commercial agents, among others. Pursuant to the Spanish SOCIMI Regime, the Company will be required, among other things, to conduct a Property Rental Business and comply with the following requirements: (i) the Company must invest at least 80% of its gross asset value in (a) leasable urban real estate properties, (b) land plots acquired for the development of leasable urban real property to the extent that development starts within the following three-year period as from acquisition or (c) shares of other SOCIMIs, foreign entities or subsidiaries engaged in the aforementioned activities with similar distribution requirements, and (ii) at least 80% of its net annual income must derive from rental income and from dividends or capital gains in respect of the abovementioned assets. The Company will have a two-year grace period from the date of election of the Spanish SOCIMI Regime by the end of which it must comply with these requirements. In addition, the Company will have a one-year grace period to cure any non-compliance with these eligibility requirements. When considering an investment opportunity, the Management Team will analyze, among other factors: (i) opportunities to enhance the quality of the property; (ii) scope for short and medium-term value enhancement through active property management (e.g., improvement of the leasable area of the property, the lease duration and tenant profile); and (iii) properties that have strong prospects of generating income in the short to medium term in order to support the Company's dividend policy. The Management Team expects that, once it has identified an investment opportunity, it will develop a discounted cash flow valuation model in respect of the property based on certain assumptions (market rents, purchase price, date of acquisition of the asset, disposal price, capex requirements, financing characteristics, etc.) in order to estimate the net cash flows that the investment may produce within the next five years and, ultimately, the estimated value of the asset and the estimated internal rate of return that the Management Team would target.
B.4a	A description of the most significant recent trends affecting the issuer and the industries in which it operates:	In 2017, the Spanish economy grew by 3.1%, exceeding 3.0% for a third consecutive year and outperforming most of its European counterparts. Spanish economic growth is underpinned by more balanced foundations than prior to the economic crisis that started in 2008, with internal and external demand now as the primary drivers of growth. According to the Bank of Spain, Spanish GDP is expected to grow by approximately 2.7% in 2018, driven by growth in exports, consumption and investment, as was the case in 2017. Despite a slight decline in the growth rate, from 3.3% in 2016 to 3.1% in 2017, Spain is expected to continue being one of the countries with the highest growth in Europe in 2018. (Source: *Banco de España, Savills-Aguirre Newman, European Commission, INE, Ministerio de Empleo y Seguridad Social*).

Section B—Issuer		
		Job creation, based on new affiliates in the Social Security, reached 3.6% in 2017 and is expected to grow 2.6% in 2018, and is anticipated to continue in this trend in the coming years. (Source: *Ministerio de Empleo y Seguridad Social).* Madrid and Barcelona are set to drive the growth of the Spanish economy in the coming years, with favorable macro trends in both cities. Madrid's GDP grew by 4.0% in 2017 and is expected to continue growing by 3.4% in 2018 and 2.7% in 2019. The expected economic growth is expected to lead to the creation of approximately +150,000 new jobs over the next two years, reducing the unemployment rate to 12.7% in 2019. (Source: *Instituto Nacional de Estadística*, *BBVA Research*). On the other hand, Catalonia's GDP grew by 3.4% in 2017 and is expected to grow by 2.1% in 2018 and 2.0% in 2019, broadly in line with the Spanish economy. If these projections are accurate, overall GDP growth in the Catalonia region will have posted six years of expansion and, in the next two years, 136,000 new jobs are expected to be created, reducing the unemployment rate to 9.6% by the end of 2019. (Source: *BBVA Research*). In 2018, the Spanish real estate sector is expected to experience another year of increased activity. Low interest rates, high liquidity and the potential offered by the sector continue to make the Spanish real estate sector an appealing alternative to other markets or products.
B.5	Group description:	As of the date of this Prospectus, the Company has no subsidiaries. However, the Company may have subsidiaries in the future.
B.6	Principal shareholders:	At the date of this Prospectus, the issued share capital of the Company amounts to €63,000 divided into a single series of 6,300 registered shares in book-entry form, with a nominal value of €10.00 each and with ISIN code ES0105376000 allocated by the Spanish National Agency for the Codification of Securities (*Agencia Nacional de Codificación de Valores Mobiliarios*), an entity dependent upon the CNMV. All of the Ordinary Shares are fully subscribed and paid-up. As at 8 October 2018 (being the latest practicable date prior to the registration of this Prospectus with the CNMV), Rodex Asset Management, S.L., held 6,279 Ordinary Shares representing 99.67% of the issued share capital of the Company and Inmodesarrollos Integrados, S.L. held 21 Ordinary Shares representing 0.33% of the issued share capital of the Company. Both, Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L., are effectively controlled by Mr. Luis Alfonso López de Herrera-Oria. **Typical Investors** An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Ordinary Shares, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. Typical investors in the Company are expected to be institutional and qualified investors who are looking to allocate part of their investment portfolio to the Spanish real estate market.

Section B—Issuer		
B.7	Historical key financial information:	Not applicable. This Prospectus contains limited historical financial information about the Company as the Company is recently incorporated and has a limited operating history.
B.8	Selected key pro-forma financial information:	Not applicable. This Prospectus does not contain pro forma financial information.
B.9	Profit forecast:	Not applicable. This Prospectus does not contain profit forecasts or estimates.
B.10	A description of the nature of any qualifications in the audit report on the historical financial information:	Not applicable. There are no qualifications in the auditor's report on the interim financial statements for the period from 13 June 2018 to 30 June 2018.
B.11	Qualified working capital:	Not applicable. In the opinion of the Company, taking into consideration the Net Proceeds to be received by the Company from the Offering, the working capital available to the Company is sufficient for the Company's present requirements and, in particular, is sufficient for at least the next 12 months from the date of this Prospectus.

Section C—Securities		
C.1	Type and class of security:	Ordinary Shares of nominal value of €10.00 each. The ISIN number assigned to the Ordinary Shares is ES0105376000. There will be no offering of, or application for listing for, any other class of shares of the Company. All the shares of the Company are of the same class.
C.2	Currency of the securities issue:	The Ordinary Shares will be denominated in euro.
C.3	The number of shares issued:	The final number of New Shares to be issued in the Offering is expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded.
C.4	A description of the rights attached to the securities:	The New Shares to be issued pursuant to the Offering will rank pari passu in all respects with the existing Ordinary Shares, including as regards the right to vote and the right to receive all dividends and other distributions declared, made or paid on the Company's share capital after Admission.
C.5	Restrictions on the free transferability of the securities:	Under Spanish law, the Company may not impose restrictions on the free transferability of its Ordinary Shares in its Bylaws. However, the Bylaws contain information and indemnity obligations applicable to Substantial Shareholders designed to minimize the possibility that dividends may become payable to Substantial Shareholders. If a dividend payment is made to a Substantial Shareholder, the Company will be entitled to deduct an amount equivalent to the tax expenses incurred by the Company on such dividend payment from the amount to be paid to such Substantial Shareholder (the Board of Directors will maintain certain discretion in deciding whether to exercise this right if making such deduction would put the Company in a worse position).

Section C—Securities		
		The Bylaws contain certain information obligations with respect to shareholders or beneficial owners of Ordinary Shares who are subject to a special legal regime applicable to pension funds or benefit plans (such as ERISA). Moreover, the Company will have the ability to request from any shareholder or beneficial owner of Ordinary Shares such information as the Company considers necessary or useful to determine whether any such person is subject to a special legal regime applicable to pension funds or benefit plans. According to the Bylaws and the Prospectus, the Company will be entitled to impose certain penalties on such shareholder or beneficial owner (in an amount equal to the proportional part of the book value of the Company represented by the shares of the breaching shareholder or beneficial owner) to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulations relating to pension funds or benefit plans (in particular, ERISA). The purpose of these provisions is to provide the Company with the ability to minimize the risk that Benefit Plan Investors (or other similar investors) hold 25% or greater of the total value of any class of equity interest in the Company. The Offering and the holding of Ordinary Shares by investors may be affected by the law or regulatory requirements of the relevant jurisdiction, which may include restrictions on the free transferability of such Ordinary Shares. Investors should consult their own advisors prior to an investment in the Ordinary Shares. The Company and the Managers will agree under the Placing Agreement that the Company will be subject to a "lock-up" undertaking (subject to certain exceptions and which may be waived by the Global Coordinators and Joint Bookrunners) during a period commencing on the date of the Placing Agreement and ending 180 days following Admission. Likewise, Rodex and each member of the Management Team will commit to certain restrictions on the transfer of Rodex's shares or the Management Shares of the Company, as applicable. Such restrictions will only apply for 180 days following Admission and are subject to certain exceptions, and which may be waived by the Global Coordinators and Joint Bookrunners. Furthermore, the Beneficiaries of the Employee Incentive Plan shall not dispose of any Incentive Shares, subject to certain rules and exceptions, prior to a progressive "lock-up" period ranging from 12 to 24 months from the Date of Accrual.
C.6	Admission:	Application will be made to list the Ordinary Shares on the Spanish Stock Exchanges and to have the Company's Ordinary Shares quoted through the SIB (Sistema de Interconexión Bursátil or Mercado Continuo) of the Spanish Stock Exchanges. The Company expects the Ordinary Shares (including the New Shares offered hereby) to be listed and quoted on the Spanish Stock Exchanges on or about 19 October 2018 under the ticker symbol ARM.
C.7	Dividend policy:	The Company intends to maintain a dividend policy that accounts for sustainable levels of dividend distribution and which reflects the Company's view on the outlook for sustainable recurring earnings. The Company does not aim to create reserves that are not available for distribution to its shareholders other than those required by law. The Company intends to pay dividends following shareholders' approval at the proposal of the Board of Directors. In any case, the Company is a Spanish SOCIMI and aims to maintain such status. In this regard, under the Spanish SOCIMI Regime, the Company will be required to adopt resolutions for the annual distribution of dividends, in compliance with the conditions set out in both the

Section C—Securities		
		SOCIMI Regime and the Spanish corporate legislation, to shareholders within the six months following the closing of each fiscal year. Only those Shareholders that are registered in the clearance and settlement system managed by Iberclear at 23:59 hours (Madrid time) on the day of approval of a dividend distribution will be entitled to receive such dividend distribution unless said approval specifies a different date and time for shareholders to be entitled to receive such dividends. Dividends will be received in respect of the Ordinary Shares owned at such time. Pursuant to the SOCIMI Regime and the Bylaws, the payment date of the dividends will take place in the month after the dividend distribution is approved by the General Meeting of Shareholders or Board of Directors. The record date criterion referred to above is intended to allow the Company to timely identify Substantial Shareholders before making a dividend distribution to them. According to the Bylaws, any shareholder must give notice to the Board of Directors of any acquisition of Ordinary Shares which results in such shareholder holding 5% or more of the Company's share capital. In such case, if the dividends to be paid to said Substantial Shareholder are either exempt from tax or subject to tax at a rate lower than the 10% Test, the Company is required, under the SOCIMI Regime, to pay a 19% Spanish CIT of the gross dividends distributed. Likewise, the said 19% CIT of gross dividends will also be applied if the Substantial Shareholder fails to provide enough evidence on the compliance with the 10% Test. The payment of such special levy will be deemed as an expense for the Company, to be reduced from the profits to be distributed to shareholders. Additionally, the Bylaws contain indemnity obligations from Substantial Shareholders in favor of the Company designed to discourage the possibility that dividends may become payable to Substantial Shareholders who do not meet the 10% Test. The Board of Directors is entitled to deduct an amount equivalent to the tax expenses the Company incurs on such dividend payment from the amount to be paid to said Substantial Shareholder. Dividends distributed by the Company may be subject to Spanish withholding tax, although certain exceptions, reduced tax rates or refunds may be applicable in certain circumstances.

Section D—Risks		
D.1	Key information on the key risks that are specific to the issuer or its industry:	Prior to investing in the Ordinary Shares, prospective investors should consider the risks associated therewith. The risks relating to the Company or its issuer or its industry include the following: **Risks inherent to investing in a new business** • The Company is recently incorporated, has not yet made any investments, and may be unsuccessful in acquiring any given property, impairing its performance and ability to execute its investment strategy. • The historical performance of the Management Team is not a guarantee of the future performance of the Company and there can be no guarantee that the Management Team will be successful in implementing the investment strategy of the Company.

Section D—Risks		
		• There may be delays or difficulties in the deployment of the Net Proceeds of the Offering. **Risks relating to the Management Team and Board of Directors** • The Company is reliant on the performance and expertise of the Management Team and Directors. • There may be circumstances where members of the Management Team or the Board of Directors, or their affiliates, have a conflict of interest with the Company or the Company may have to forego certain business opportunities available to it or the hiring of certain personnel. • The Employee Incentive Plan may compensate temporary price increases in the real estate sector which are not sustained in the long term and it is possible that the Beneficiaries will be overcompensated in relation to the subsequent performance of the Company. • Harm to the reputation of the Company or the members of the Board of Directors, the Management Team, or other employees of the Company may materially adversely affect the Company. **Risks specific to the Company's business** • The Company's business may be materially adversely affected by a number of factors inherent in the rental business, property sales and management. • Competition may affect the ability of the Company to make appropriate investments and to secure tenants at satisfactory rental rates. • The Company's evaluation of a potential acquisition or investment may not identify all possible risks and liabilities. • Any costs associated with potential investments that do not proceed to completion will affect the performance of the Company. • The Company will depend on the performance of third-party contractors for the refurbishment, redevelopment, renovation and restoration of its property assets. • The Company may be subject to the risks associated with joint venture investments and minority stakes. • There can be no guarantee that any target returns will be achieved. • Property valuation is inherently subjective and uncertain. • Real estate investments are relatively illiquid and the Company may dispose of investments at a lower than expected return or at a loss on such investments. • The NAV of the Company may fluctuate over time and there is no guarantee that the sale of a particular asset will ultimately be realized at any GAV published by the Company. • The Company may become involved in disputes and other legal proceedings. • The Company may suffer losses in excess of insurance proceeds, if any, or from uninsurable events. • The Company may continue to be subject to liability following the disposition of investment properties.

Section D—Risks		
		• The Company may be subject to cybersecurity disruptions. **Risks related to the financing of the Company** • The Company's investment strategy includes the use of leverage, which may expose the Company to risks associated with borrowings, including by impairing its ability to pay dividends required under the SOCIMI regime • The Company may be exposed to risks associated with movements in interest rates **Regulatory risks** • Risks relating to the SOCIMI Regime. • Changes in laws and regulations relating to real estate properties may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company. • The Company is subject to regulation dealing with bribery, corruption and money laundering which may expose the Company to the risk of substantial costs and liabilities. • The Company may be considered an AIF under the laws of certain European Economic Area jurisdictions other than Spain. • The assets of the Company could be deemed to be "plan assets" that are subject to certain requirements of ERISA or Section 4975 of the Code, which could restrain the Company from making certain investments. • The Company may take measures which may affect certain shareholders in order to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulation relating to our SOCIMI Regime or pension funds or benefit plans (such as ERISA). • The Company expects to be a passive foreign investment company for U.S. federal income tax purposes, which may result in adverse U.S. federal income tax consequences to U.S. investors. **Risks relating to the general economic and political conditions** • A deterioration of economic conditions in Spain and the EU generally could adversely affect the business of the Company. • Political uncertainty in Spain and the EU could negatively affect the Spanish Commercial Property market.
D.3	Key information on the key risks that are specific to the securities:	**Risks relating to the Offering and the Ordinary Shares** • The market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company and the Company's Ordinary Share price may be volatile. • No public market currently exists for the Ordinary Shares and a market for the Ordinary Shares may fail to develop. • There can be no guarantee that the Company will declare dividends in the future and its ability to pay dividends will depend upon its ability to generate profits available for distribution and its access to sufficient cash. • Substantial future sales of Ordinary Shares, or the perception that such sales could occur, may adversely affect the market price of the Company's ordinary shares.

Section D—Risks		
		• In the future, the Company may issue new Ordinary Shares or equity-linked securities, which may dilute investors' interest in the Company. • Pre-emptive rights for U.S. and other shareholders outside of Spain may be unavailable. • It may be difficult for shareholders outside Spain to enforce foreign judgments against the Company or the Board of Directors. • The Company may not impose in the Bylaws any restriction on the transferability of its Ordinary Shares, and the acquisition of Ordinary Shares by certain investors could adversely affect the Company. • Shareholders or prospective investors in countries with currencies other than the euro will be exposed to exchange rate risks. • Any delay in the admission to listing and trading of the New Ordinary Shares would affect their liquidity and would prevent their sale until they are so admitted.

Section E—Offer		
E.1	The total net proceeds and an estimate of the total expenses of the issue:	The gross proceeds of the New Shares are expected to be approximately €300,000,000. The estimated Net Proceeds receivable by the Company, after deduction of commissions and expenses payable by the Company in connection with the Offering, amount to approximately €288 million (on the basis of a €300,000,000 Offering). The Net Proceeds are expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded.
E.2.a	Reasons for the issue, use of proceeds:	The Company intends to use the Net Proceeds of the Offering to fund future real estate investments in accordance with its investment strategy as well as to fund the Company's structural expenses. The Company expects to have fully invested the Net Proceeds of the Offering within approximately 15-18 months following Admission.
E.3	A description of the terms and conditions of the issue:	The Managers will conditionally agree to place pursuant to the Placing Agreement up to 29,100,000 New Shares at the Offering Price with certain institutional and qualified professional investors representing up to approximately 97% of the issued share capital of the Company on Admission (on the basis of a €300,000,000 Offering). The Offering is conditional upon, among other things, the fulfillment of certain conditions precedent in the Placing Agreement and on the Placing Agreement not having been terminated in accordance with its terms. The Offering shall terminate automatically in the event that (i) the Sizing Agreement has not been entered into by 28 October 2018 or (ii) Admission has not been completed by 31 October 2018 (or, in each case, such later dates as may be agreed in writing by the Company and the Global Coordinators and Joint Bookrunners (on behalf of the Managers)).
E.4	A description of any interest that is material to the	At the date of this Prospectus, the issued share capital of the Company amounts to €63,000 divided into a single series of 6,300 registered shares in book-entry form,

Section E—Offer		
	issue/offer including conflicting interests:	with a nominal value of €10.00 each. All of the Ordinary Shares are fully subscribed and paid-up. As at 8 October 2018 (being the latest practicable date prior to the registration of this Prospectus with the CNMV), Rodex Asset Management, S.L., held 6,279 Ordinary Shares representing 99.67% of the issued share capital of the Company and Inmodesarrollos Integrados, S.L. held 21 Ordinary Shares representing 0.33% of the issued share capital of the Company. Both, Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L., are effectively controlled by Mr. Luis Alfonso López de Herrera-Oria.
E.5	Name of the person or entity offering to sell the securities and details of any lock-up agreements:	Save for the Company, there are no entities or persons offering to sell Ordinary Shares. The Company and the Managers will agree under the Placing Agreement that the Company will be subject to a "lock-up" undertaking (subject to certain exceptions and which may be waived by the Global Coordinators and Joint Bookrunners) during a period commencing on the date of the Placing Agreement and ending 180 days following Admission. Likewise, Rodex and each member of the Management Team will commit to certain restrictions on the transfer of Rodex's shares or the Management Shares of the Company, as applicable. Such restrictions will only apply for 180 days following Admission and are subject to certain exceptions, and which may be waived by the Global Coordinators and Joint Bookrunners. Furthermore, the Beneficiaries of the Employee Incentive Plan shall not dispose of any Incentive Shares, subject to certain rules and exceptions, prior to a progressive "lock-up" period ranging from 12 to 24 months from the Date of Accrual.
E.6	Dilution:	The Offering will result in the beneficial interest of Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L. in the Company being diluted from 100% to approximately 2% (on the basis of a €300,000,000 Offering).
E.7	Estimated expenses charged to the investor by the issuer:	Not applicable. No expenses will be charged to any investor by the Company in respect of the Offering.

RISK FACTORS

Any investment in the New Shares is subject to a number of risks. Accordingly, prior to making any investment decision, prospective investors should carefully consider all the information contained in this Prospectus and, in particular, the risk factors described below.

Investing in and holding the Ordinary Shares involves significant financial risks. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the New Shares and should be used as guidance only. Additional risks and uncertainties not currently known to the Company or which the Company currently deems immaterial may arise or become material in the future and may have an adverse effect on the financial condition, business, prospects or results of operations of the Company. Prospective investors should consider carefully whether an investment in the New Shares is suitable for them in light of the information in this Prospectus and their personal circumstances. If any recipient of this Prospectus is in any doubt about any action they should take, they should consult a competent independent professional adviser who specializes in advising on the acquisition of listed securities, to carefully review the risks associated with an investment in and holding of the New Shares.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. See section "Forward-Looking Statements". The actual results of the Company could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks faced by the Company described below and elsewhere in this Prospectus. Save as required by applicable law, the Company is not obliged to, and makes no commitment to, release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Prospectus.

Prospective investors should read this section in conjunction with this entire Prospectus.

Important Note Regarding the Track Record and Performance Data of the Company's Management Team and the Directors

This Prospectus includes information regarding the track record and performance data of the Company's Management Team and the Directors. Such information is not comprehensive, and prospective investors should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this Prospectus relates. Past performance of the Management Team and the Directors is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Company. The Company will not make the same investments reflected in the track record and performance data included herein. For a variety of reasons, the comparability of the track record and performance data to the Company's future performance is by its nature very limited. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Company, which may be different in many respects from those that prevailed in the past or prevail at present or in the future, with the result that the performance of investment portfolios originated now or in the future may be significantly different from those originated in the past. Prospective investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment.

1. Risks inherent to investing in a new business

1.1. The Company is recently incorporated, has not yet made any investments, and may be unsuccessful in acquiring any given property, impairing its performance and ability to execute its investment strategy

The Company was incorporated on 13 June 2018, and therefore it has a limited operating history and it does not have any historical financial statements or other meaningful operating or financial data other than the financial statements referred to under section "*Historical financial information*" of this Prospectus. It is therefore difficult to evaluate the future performance of the Company. The Company intends to invest mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in

Barcelona and other major logistics hubs in Spain. However, the Company currently neither owns any properties nor has it entered into any agreements with respect to any investment opportunities, and it will not enter into such agreements until after Admission. Consequently prospective investors in the Offering will not have the opportunity to evaluate the terms of any potential investment opportunity, or any financial data, to assist them in evaluating the prospects of the Company and the related merits of an investment in the New Shares.

In addition, there can be no guarantee that the Company will be successful in its negotiations to acquire any given property. While the Management Team has identified certain assets comprising a pipeline of approximately €1.6 billion which it believes present a significant opportunity for value creation through renovation and other capital investments, the Company is not currently in negotiations, and has not entered into any exclusivity or purchase agreements, in respect of any of the properties included in this pipeline and, consequently, no assurance can be given that it will be successful in converting this pipeline into acquired properties. Furthermore, the Company's performance may be affected by costs associated with potential acquisitions that do not proceed to completion. In particular, identifying, investigating and pursuing suitable acquisition opportunities and negotiating them on suitable terms require significant expenditure prior to consummation of the transactions. The Company is likely to incur certain third-party costs in connection with the valuation and professional services associated with the sourcing and analysis of opportunities. Furthermore, acquisitions occupy management resources that then cannot be deployed towards other opportunities or other areas of our business. There can be no guarantee that the Company will be successful in its negotiations to acquire any given property, and the total cost, including opportunity cost, incurred in connection with potential acquisitions that do not proceed to completion could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Investment in the New Shares is subject to all of the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objectives, that not all capital will be invested and that the value of any investment made by the Company, and of the Ordinary Shares, could substantially decline.

1.2. The historical performance of the Management Team is not a guarantee of the future performance of the Company and there can be no guarantee that the Management Team will be successful in implementing the investment strategy of the Company

The Company is a newly formed internally-managed real estate entity. The Company depends on the ability of the Management Team to identify and manage prospective investments in order to create value for investors. This Prospectus includes certain information regarding the historical performance of the members of the Management Team and, in particular, on their commercial business experience as members of the management team of Axiare Patrimonio SOCIMI, S.A. ("**Axiare**") and Prima Inmobiliaria, S.A. ("**Prima**") (one of the first commercial real estate portfolio companies listed in Spain). However, the past performance of the Management Team is not indicative of the future performance or results of the Company. The previous experience of the members of the Management Team and the companies and ventures the members of the Management Team have advised, operated or worked for —including Axiare and Prima— may not be directly comparable with the proposed business of the Company.

The historical information about the members of the Management Team included in this Prospectus was generated based on the relevant investment objectives, fee arrangements, structure (including for tax purposes), terms, leverage, performance targets, market conditions and investment horizons used or prevailing in connection with those acquisitions or investments, which may not be comparable to the conditions and circumstances to be faced by the Management Team when working for the Company. All of these factors can affect returns and affect the usefulness of performance comparisons and, as a result, none of the historical information contained in this Prospectus is directly comparable to the Company's business or the returns that it may generate. Thus, when making an investment decision, prospective investors will have limited data to assist them in evaluating the future performance of the Management Team.

Furthermore, no guarantee can be given that the implementation of the investment strategy of the Company by the Management Team will be successful under current or future market conditions. The approach employed by the Management Team may be modified and altered from time to time, so the approach adopted by the Management Team to achieve the investment strategy of the Company in the future may differ from that currently expected to be used and disclosed in this Prospectus.

1.3. There may be delays or difficulties in the deployment of the Net Proceeds of the Offering

The Company aims to assemble a portfolio of Commercial Property mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain. As of the date of this Prospectus, the Company does not own properties and, until the Company is able to deploy the Net Proceeds to be raised in the Offering and acquires property, it intends to hold them as cash or cash equivalents with one or more banks. However, returns generated by any assets held as cash or cash equivalents, if any, may be significantly lower than the returns the Company would typically aim to achieve through its operations.

The Company estimates that the Net Proceeds of the Offering will be deployed approximately within 15-18 months following Admission. Nevertheless, there can be no guarantee that the Company will be able to apply the Net Proceeds of the Offering in full in accordance with that timeline or that it will be able to make any investments in a timely manner or at all. When deploying the Net Proceeds of the Offering, the Company may face delays and contingencies (in particular, relating to locating suitable investments, negotiating purchase agreements and conducting relevant due diligence in connection with such investments, among others). In addition, necessary authorizations or approvals may be refused, or granted only on onerous terms, and any such refusal, or the imposition of onerous terms, may result in an investment not proceeding according to the timetable originally envisaged or significant costs being incurred by the Group in relation to such investment. Moreover, the Company will compete with a variety of other potential purchasers in identifying and acquiring suitable properties.

Any failure to deploy the Net Proceeds of the Offering in a timely manner or at all would reduce the ability of the Company to generate shareholder returns and could adversely affect its reputation. Consequently, it could harm its ability to make further investments and to raise additional capital in line with its business strategy, and ultimately, could materially adversely affect the business, financial condition, results of operations and/or prospects of the Company, and its ability to make distributions to shareholders.

2. Risks relating to the Management Team and Board of Directors

2.1. The Company is reliant on the performance and expertise of the Management Team and Directors

The Company will be dependent upon the successful implementation by the Management Team of the investment strategy and, in particular its ability to identify, select, and negotiate suitable investments, as well as managing and divesting such investments, to create a property investment portfolio capable of generating shareholder returns. There can be no guarantee that the Management Team will successfully achieve these objectives or any other investment objectives. Moreover, the ability of the Company to achieve its objectives will depend significantly upon the expertise, operating skills and continued success of the Management Team. The departure of a member of the Management Team for any reason, including death, incapacity, termination or resignation, could have an adverse impact on the ability of the Company to achieve its investment objectives. If a member of the Management Team were to depart, there can be no guarantee that the Company will be able to find and attract other individuals with the same level of expertise and experience in the Spanish Commercial Property market, or with similar relationships with commercial real estate lenders, property funds and other local market participants. The loss of any member of the Management Team could also result in lost business relationships and damage to the reputation of the Company. For example, if a member of the Management Team were to depart to a competitor, this could have a material adverse effect on the competitive position of the Company within the Spanish Commercial Property market. In the event that alternative personnel are identified and hired, it may take time to transition those individuals to the Company and such transition might be costly, and ultimately might fail.

The departure of any member of the Management Team may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

Moreover, the Company will rely on the expertise and experience of the Directors to supervise the Management Team when managing the Company's affairs. Certain reserved matters will require the consent of the Board of Directors, including, among other matters, any acquisition or disposal of assets where the corresponding aggregate acquisition cost or gross proceeds attributed to the Company exceeds €75 million. See section "*Board of Directors*". The expertise and performance of the Directors, and their retention on the Board of Directors will be significant factors in the ability of the Company to achieve its investment objectives.There can be no guarantee as to the continued service the Directors and the departure of any of these individuals may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

2.2. There may be circumstances where members of the Management Team or the Board of Directors, or their affiliates, have a conflict of interest with the Company or the Company may have to forego certain business opportunities available to it or the hiring of certain personnel

There may be circumstances in which certain members of the Management Team or the Board of Directors, or their affiliates, directly or indirectly, have a material interest in a transaction being considered by the Company or a conflict of interest with the Company.

Although the employment or services agreements (as applicable) entered into by the Company with each member of the Management Team include exclusive professional dedication provisions, such agreements contain exceptions with respect to certain directorships currently held by the CEO in other companies and, in respect of any other member of the Management Team, permit appointments to other offices, subject to prior consent by the CEO and the Board of Directors and provided that such appointments do not result in a conflict of interest with the Company and do not interfere with the responsibilities toward the Company. Moreover, such employment or service agreements contain non-compete and non-solicitation commitments, which apply during the term of their respective agreements and for two years after termination thereof. Nevertheless, the Company cannot assure that the abovementioned clauses will be sufficient to avoid current or future conflicts of interest. For additional information, see the section "*Management*".

Any of the Directors or any person connected with them may, from time to time, act as director, investor or be otherwise involved in other investment vehicles (including investment vehicles that have investment strategies similar to the Company), which may also be purchased or sold by the Company, subject to the applicable provisions governing such conflicts of interest both in law and the internal regulations of the Company. Although procedures have been put in place to manage conflicts of interest, any of the Directors or their connected persons may have potential conflicts of interest with the Company. See section "*Board of Directors*".

If the Company does not adequately manage a conflict of interest affecting a member of the Management Team or a Director, it may fail to act in the best interest of the shareholders of the Company, and therefore, the business, financial condition, results of operations and profits of the Company could be adversely affected.

Additionally, members of the Management Team are (or may be) subject to certain limitations until March 2020 in relation to the solicitation of certain tenants and other clients, as well as personnel of the former employer of the Management Team, Axiare, whether directly or indirectly (including, but not limited to, in their capacity as partners, controlling persons, employees, agents, consultants, officers or directors of any company) due to non-solicitation clauses included in prior contractual relationships no longer in force with said former employer. As of the date of this Prospectus, the Company does not expect that these limitations will adversely affect its business or its ability to execute on its investment strategy as described in this Prospectus. However, in light of these limitations the Company may be required to forego certain business opportunities or may be unable to actively pursue the hiring of personnel of the former employer of the

Management Team which in the future may adversely affect the business, financial condition, results of operations and profits of the Company.

2.3. The Employee Incentive Plan may compensate temporary price increases in the real estate sector which are not sustained in the long term and it is possible that the Beneficiaries will be overcompensated in relation to the subsequent performance of the Company

In addition to basic compensation, members of the Management Team and employees of the Company will be entitled, pursuant to the Employee Incentive Plan, to receive a certain number of Ordinary Shares in the Company based on the net asset value ("**NAV**") of the Company during a five year vesting period starting on the date of Admission. The first calculation period of the Employee Incentive Plan will be made by reference to the variation of the NAV of the Company from the date of Admission until 30 June 2020. Therefore, increases in the NAV of the Company will lead to an incentive being paid to the Beneficiaries (as defined below). If increases in the NAV are the result of temporary price increases in the real estate sector which are not sustained over time, it is possible that the Beneficiaries will be overcompensated in relation to the subsequent performance of the Company. Incentives that become due and payable to Beneficiaries are not subject to a reduction or claw-back as a result of any subsequent decrease in the NAV of the Company. In addition, generally, the NAV of real estate companies and the evolution of such companies' share prices are not perfectly correlated. Accordingly, neither the Management Team's compensation nor the Employee Incentive Plan will be directly linked to the price performance of the Company's Ordinary Shares, and may become due and payable, or even increase, when the price performance of the Company's Ordinary Shares is declining. For additional information on the Employee Incentive Plan, see the section "*Management—The Management Team's Compensation—Employee Incentive Plan*".

2.4. Harm to the reputation of the Company or the members of the Board of Directors, the Management Team, or other employees of the Company may materially adversely affect the Company

The ability of the Company to successfully perform its operations is in part dependent on its reputation and, as a consequence, its operations are sensitive to risks related to reputational harm. Any damage to the reputation of the Company, the members of the Board of Directors, the Management Team, or other employees may expose it to reputational risks. Such persons may be exposed to reputational risks resulting from events, including, but not limited to, litigation, allegations of misconduct or other negative publicity or press speculation, which, whether or not accurate, may harm the reputation of the relevant individuals and, ultimately, of the Company and may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company

Furthermore, the Company may be adversely affected by rumors, negative publicity or other factors that could lead to it no longer being considered a competent and reputable operator in the market. If the reputation of the Company deteriorates, or if it experiences negative publicity, this may reduce the competitiveness of the Company, take up the time and resources of the Company's management and impose additional costs on the Company, which may have a materially adverse effect on its potential to achieve its growth targets and business, financial condition and profits.

3. Risks specific to the Company's business

3.1. The Company's business may be materially adversely affected by a number of factors inherent in the rental business, property sales and management

It is expected that the Company will derive a significant portion of its revenue directly from rents received from tenants, a significant amount of which may be concentrated in a small number of tenants. Therefore, the Company may be exposed to the following risks inherent in real estate property sales and management:

a) Vacancy: If the Company fails to adequately manage its leased properties, including if it is unable to find or retain tenants, there is a risk that such properties will remain or become vacant. Also, the Company cannot assure that leases will be renewed or that the properties of the Company will be re-let at rental levels equal to or above the then current average of rental levels of the Company

or that substantial rent abatements, tenant improvements, early termination rights or below-market renewal options will not be offered to attract new tenants or retain existing tenants. Moreover, some properties may be specifically suited to the particular needs of certain existing tenant. The Company may have difficulty obtaining a new tenant for any vacant space in its properties, particularly if the space limits the types of businesses that can use or operate such space without major renovation. In addition, the number of vacant or partially vacant properties in a market or submarket could adversely affect the Company's ability to re-lease the space at attractive rental levels.

b) Default: Downturns that impact the business or industry of one or more of the Company's tenants or their bankruptcy, insolvency or financial difficulties could affect their ability to make contractual payments under their leases. This could result in delays in the receipt of rental revenues and defaults in their obligations to the Company, which could result in a significant loss of income and additional expenses for the Company, as well as increases in bad debts and decreased property values. Moreover, such defaults by tenants may prevent the Company from increasing rents, and could result in tenants seeking any legal protection available to them, the renegotiation of tenant leases on terms less favorable to the Company or the termination of such leases.

c) Increases in operating and other expenses without a corresponding increase in turnover or tenant reimbursements: the acquisition of real estate properties for rent requires significant upfront investments, and, consequently, increases in operating costs or other expenses or reductions in expected rental revenues from the acquired real estate properties could materially reduce the expected return on such investments. Moreover, significant expenditures associated with the maintenance and management of properties, such as taxes, service charges, insurance, maintenance, investments in extensions and refurbishment costs and financial charges, are generally not reduced in proportion to decreased rental revenues derived from such property or otherwise not recovered from tenants. The foregoing may result, among others, as a consequence of increases in the rate of inflation in excess of rental growth, property taxes or statutory charges or insurance premiums, costs associated with tenant vacancies and unforeseen capital expenditure affecting properties which cannot be recovered from tenants. If rental revenues decline disproportionately to any related costs, the business, financial condition, results of operations and/or prospects of the Company could be adversely affected and the value of one or more of the Company's properties at the time of sale of such properties and the Company's ability to pay dividends may be reduced. Including as a result of increases in the rate of inflation in excess of rental growth, property taxes or statutory charges or insurance premiums, costs associated with tenant vacancies and unforeseen capital expenditure affecting properties which cannot be recovered from tenants.

The occurrence of any of the above events could have a material adverse effect on the gross rental income of the Company. If the gross rental income of the Company declines, the Company may have less cash available, and the returns on its investments and ultimately the value of its properties may significantly decline.

Furthermore, the performance of the Company will be subject to, among other things, the conditions of the Commercial Property market in Spain, mainly in Madrid and, to a lesser extent other markets, such as Barcelona (where the Company will seek to invest opportunistically), which will affect both the value of any properties that the Company acquires and the rental income those properties yield. The value of real estate in Spain declined sharply starting in 2007 as a result of economic recession, the credit crisis, increased unemployment rates, an overhang of excess supply, overleveraged local real estate companies and developers and the absence of bank funding. Spanish Commercial Property values could decline again, and such declines could be substantial, particularly if the economy were to suffer another recession or the recent increase in demand for Spanish real estate were to fade. Further declines in the performance of the Spanish economy or the Spanish Commercial Property market could have a negative impact on consumer spending, levels of employment, rental revenues and occupancy rates and, as a result, have a material adverse effect on the business of the Company, financial condition, results of operations and prospects.

Prevailing rental levels, capital value and disposal value of investment properties held or sold by the Company may also be affected by factors such as an excess supply of properties, the availability of credit, the level of interest rates and changes in laws and governmental regulations (both domestic and international), including those governing real estate usage, zoning and taxes. In addition, a general decline in demand for rental property and reductions in tenants' and potential tenants' space requirements may also affect rental levels. All of these factors are outside of the control of the Company and may reduce the attractiveness of holding property as an asset class.

Any deterioration in the Spanish economy or Commercial Property market could result in declines in market rents received by the Company, in occupancy rates for the Company's properties, in the carrying values of the Company's property assets and the value at which it could dispose of such assets. A decline in the carrying value of the Company's properties may also weaken the Company's ability to obtain financing for new investments. Any of the above may have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects of the Company.

3.2. Competition may affect the ability of the Company to make appropriate investments and to secure tenants at satisfactory rental rates

The real estate sector is highly competitive and fragmented due to low barriers to entry for new companies. The Company faces competition with respect to the purchase of properties and finding creditworthy tenants for such acquired properties from (i) other Spanish publicly listed property investors, such as MERLIN Properties SOCIMI, S.A., Inmobiliaria Colonial, SOCIMI, S.A. and Lar España Real Estate SOCIMI, S.A., and (ii) private property investors, such as real estate developers with in-depth knowledge of the local markets or other property portfolio companies, including funds that invest nationally and internationally, institutional investors and foreign investors. The number of entities and the amount of funds competing for suitable properties has increased in recent years and may further increase in the future.

Potential competitors may have greater financial, technical, and marketing resources than the Company and a greater ability to source investment opportunities and borrow funds to acquire properties, and may have the ability or desire to acquire properties at a higher price or at lower implied rates of return or otherwise on terms less favorable than those the Company may be prepared to accept. Strong competition in the Commercial Property market may cause an increase of the prices of properties available for sale and an oversupply of Commercial Properties available for rent, which could lead to lower rental prices and revenue.

Competition in the Commercial Property market may also lead to the Company not being successful in identifying or acquiring suitable investment opportunities and the ability of the Company to secure tenants for properties it acquires at satisfactory rental levels and on a timely basis and to subsequently retain such tenants. If the Company is unable to compete effectively against other property investors or to effectively manage the risks related to competition, this may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

3.3. The Company's evaluation of a potential acquisition or investment may not identify all possible risks and liabilities

Prior to entering into an agreement to acquire any property or make a significant investment, it is expected that the Management Team will have conducted a due diligence process on the proposed investment. In conducting such due diligence, the Management Team would typically rely on third parties to conduct a significant portion of research, including, among other things, providing legal reports on title and property valuations. There can be no guarantee, however, that research and evaluations expected to be carried out by the Management Team or third parties in connection with any potential investment properties will reveal all of the risks associated with that property or investment, or the full extent of such risks. For example, properties that the Company expects to acquire or invest in may be subject to hidden material defects that are not apparent at the time of acquisition or investment. If the Company or other third parties underestimate or fail to identify risks and liabilities associated with an investment property, the Company may be subject to defects in title; environmental liabilities, or structural or operational defects or liabilities, that require

remediation or are not covered by insurance or indemnification; lack or insufficiency of permits and licenses; an inability to obtain permits for the property to be used as intended; or the acquisition of properties that are not consistent with the investment strategy of the Company or that fail to perform in accordance with expectations.

Any failure to uncover risks or liabilities related to a property at the time of acquisition may expose the Company to substantial undisclosed or unascertained liabilities that were incurred or that arose prior to the completion of the acquisition of such properties which may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company. There can be no guarantee that the Company will be able to obtain contractual protection against such claims and liabilities from a seller or that it would be able to enforce such protection if obtained under contract. Any claims for recourse that the Company may have against parties from which it has purchased the relevant property may fail because of, among others, the expiration of warranty periods and the statute of limitations, the insolvency of the seller or lack of proof of the knowledge that the seller had or should have had regarding the corresponding defect or contingency.

3.4. Any costs associated with potential investments that do not proceed to completion will affect the performance of the Company

The Company will need to identify, investigate and pursue suitable investment opportunities and negotiate property acquisitions on suitable terms, all of which require significant monetary expenditures prior to consummation of any transaction. The Company expects to incur certain third-party costs in connection with the financing, valuation and professional services associated with the sourcing and analysis of suitable assets (including brokerage, property management, legal advice, technical assistance and marketing). The Company can give no guarantee as to the level of such costs, as they will depend on the type of transaction it enters into, and there can be no guarantee that the Company will be successful in its negotiations to acquire any given property. Transactions that do not reach completion will incur costs without increasing revenue, and thus could have an adverse impact on the business, financial condition, results of operations and/or prospects of the Company.

3.5. The Company will depend on the performance of third-party contractors for the refurbishment, redevelopment, renovation and restoration of its property assets

The Company seeks to create value by developing, refurbishing or redeveloping its property assets, and will depend on the services of third-party contractors or subcontractors who will manage or perform such refurbishment, redevelopment, renovation or restoration on behalf of the Company. The risks involved in the refurbishment, redevelopment, renovation or restoration by third-party contractors include, but are not limited to:

- failure of such third-party contractors to fully perform their contractual obligations (either as a result of their own fault or negligence, or due to the failure of the Company to properly supervise any such contractors, or otherwise);
- financial difficulties or insolvency of such third-party contractors making them unable to complete their projects in a timely manner or at all;
- the inability of the third-party contractors to retain key members of staff;
- cost overruns in connection with the services provided by the third-party contractors;
- delays in properties being available for occupancy;
- poor-quality execution;
- fraud or misconduct by an officer, employee or agent of a third-party contractor, which may result in losses to the Company and damage to the Company's reputation;
- disputes between the Company and third-party contractors, which may increase the Company's expenses and require the time and attention of the Board or the Management Team;
- liability of the Company for the actions of the third-party contractors;

- inability to obtain governmental and regulatory permits on a timely basis (or at all); and
- failure to sell the developed, redeveloped or refurnished units at prices that are favorable to the Company or at all (there can be no guarantee that the Company will realize anticipated returns on an investment in property refurbishment, redevelopment, renovation or restoration).

In such cases, the Company may be forced to devote additional resources to complete the necessary work, incur losses or be required to pay penalties or suffer reputational damage.

The Company expects to conduct verifications of such contractors' compliance with health and safety regulations, labor and social security statutory requirements (such as being up to date with employers' social security contributions and ensuring that their workers are legally employed) and other laws, regulations and requirements. Nevertheless, any failure by such contractors to comply with such laws, regulations and requirements could render the Company liable in respect of such obligations.

And the above could have a material adverse effect on the Company's business, financial condition results and/or prospects.

3.6. The Company may be subject to the risks associated with joint venture investments and minority stakes

In the event that the Company enters into any joint venture or other investment structure that entails joint ownership or minority ownership by the Company for a property, the Company may be exposed to, among others, the risk that:

- other owners become insolvent or bankrupt, or fail to fund their share of any capital contribution, which may result in the Company having to pay the other owners' share or risk losing the investment;
- other owners have economic or other interests that are inconsistent with the Company's interests and are in a position to take or influence actions contrary to the Company's interests and plans, which may create impasses on decisions and affect the Company's ability to implement its strategies or dispose of the asset or entity;
- disputes arise between the Company and other owners, with any litigation or arbitration resulting from any such disputes increasing the Company's expenses and distracting the Board of Directors or the Management Team from their managerial tasks;
- other owners do not have enough liquid assets to make cash advances that may be required to fund operations, maintenance and other expenses related to the property, which could result in the loss of current or prospective tenants and may otherwise adversely affect the operation and maintenance of the property;
- income obtained from these minority investments does not qualify as income received from Qualifying Subsidiaries and hence may affect the Company's ability to comply with the SOCIMI Regime requirement that at least 80% of the Company's net annual income must derive from rental income and from dividends or capital gains in respect of certain specified assets;
- the Company may, in certain circumstances, be liable for the actions of other owners;
- a default by other owners may constitute a default under mortgage loan financing documents relating to the investment, which could result in a foreclosure and the loss of all or a substantial portion of the investment made by the Company; and
- the Company suffers reputational damage from the actions or omissions of such other owners or their related persons, even if there are third parties to the Company's contractors.

Any of the foregoing may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

3.7. There can be no guarantee that any target returns will be achieved

The target Shareholder Return Rate range set out in this Prospectus (see "*Information about the issuer—Business Strengths—Investment Policy and Strategy*") for investments of the Company is a target only (and for the avoidance of doubt, is not a profit forecast). There can be no guarantee that the investments of the Company will produce this level of return, or that the Company's implementation of its investment strategy will achieve such level of return or otherwise. The actual returns achieved may vary from the target Shareholder Return Rate range and these variations may be material.

The target Shareholder Return Rate range is based on the assessment of the Company of appropriate expectations for returns on the types of investments that the Company proposes to make and its ability to enhance the return generated by those investments through active management and based on various assumptions, including assumptions relating to anticipated increases in property capital and rental values. There can be no guarantee that these assessments and assumptions will be proven correct and failure to achieve any or all of them may materially adversely affect actual returns on the assets of the Company.

Past results of companies associated with the Management Team provide no guarantee of the Company's future success. Potential investors should decide for themselves whether the Shareholder Return Rate is reasonable or achievable and should consider the factors that could affect the returns achievable by the Company and the value of the Ordinary Shares in deciding whether to invest in the Company, as there is no guarantee that the target Shareholder Return Rate range will be achieved.

3.8. Property valuation is inherently subjective and uncertain

The success of the Company will depend significantly on its ability to assess the values of properties, both at the time of acquisition and the time of disposal. Valuations of the asset portfolio will also have a significant effect on the financial stability of the Company on an ongoing basis and its ability to obtain financing. The valuation of property and property related assets is inherently subjective, partially because all property valuations are made on the basis of assumptions that may not prove to be accurate (particularly in periods of volatility or low transaction volume in the commercial real estate market), and also because of the individual nature of each property.

When assessing property value, appraisers will be required to make assumptions about certain matters, including but not limited to, the existence of willing sellers in uncertain market conditions, title, condition of structure and services, potential for hazardous or other harmful or dangerous materials, plant and machinery conditions, environmental matters, permits and licenses, statutory requirements and planning, expected future rental revenues from the property and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions underlying valuation reports could result in an inappropriate valuation of property assets the Company acquires and thereby have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company. This is particularly material in periods of volatility or when there is limited real estate transaction data against which property valuations can be compared. There can also be no guarantee that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date. Furthermore, the estimated yield and annual rental income may not prove to be attainable. All the above may result in a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

3.9. Real estate investments are relatively illiquid and the Company may dispose of investments at a lower than expected return or at a loss on such investments

Investments in property can be relatively illiquid for reasons including, but not limited to, the long term nature of leases, commercial properties being tailored to tenants' specific requirements, varying demand for Commercial Property and the complexity and significant amount of time and cost incurred in the completion of property transactions. Such illiquidity may affect the Company's ability to vary its portfolio or dispose of properties in a timely fashion, at satisfactory prices or at all, limiting the Company's ability to modify the composition of its portfolio in response to changes in economic, property market or other conditions.

There can be no guarantee that, at the time the Company chooses to dispose of assets (whether voluntarily or otherwise), real estate market conditions will be favorable or that the Company will be able to maximize the returns on such assets. In general, the Company is under no obligation to sell its assets within a fixed period. However, the Company may decide or be required to dispose an investment, including as a result of requirements imposed by a third party (e.g., a lending bank). Therefore, if market conditions are not favorable at the time of such disposal, the Company may not be able to divest property assets at a gain and may even suffer a loss. If the Company is required to dispose of an investment on unsatisfactory terms, it may realize less than the value at which the investment was previously recorded, which could result in a decrease in NAV and lower returns to shareholders. In addition, if the Company disposes of an asset within a period of three years from completion of its acquisition, the profits arising from disposal of the property and potentially, the entire income derived from such asset, including rental income, will be taxable (see risk factor "*Risks relating to the SOCIMI Regime*").

The Company's inability to divest its properties or to do so at a gain, or any losses on the sale of the Company's investments, may have a material adverse effect on the business, financial condition, results of operations and profits of the Company.

3.10. The NAV of the Company may fluctuate over time and there is no guarantee that the sale of a particular asset will ultimately be realized at any GAV published by the Company

The Company expects the NAV to fluctuate over time according to market conditions and the performance of its investments. However, valuations of the Company's investments may not reflect the price such individual assets can realize if they were sold in the market.

In calculating NAV, the Company will be relying, among other things, on estimated valuations that may include information derived from third-party sources. Such valuation estimates will be unaudited and may not be subject to independent verification or other due diligence. Additionally, at times, third-party pricing information may not be available for certain properties to be held by the Company, thereby making the valuation of such assets more difficult. The types of assets traded by the Company may be complex, illiquid and not listed on any stock exchange. Accordingly, as a result of each of these factors, the Company's actual NAV may fluctuate from time to time, potentially materially, and could decrease substantially. If the NAV were to decrease, this could have a material adverse impact on the price of the Ordinary Shares.

Additionally, valuations of the Company's real estate properties are intended to be made as of 30 June and 31 December in each year.There can be no guarantee that the sale of a particular asset will ultimately be realized at any published GAV. Because of the overall size of the investments, concentration in particular markets and the nature of the investments to be held by the Company, the value at which its assets can be disposed of may differ, sometimes significantly, from the valuations obtained by the Management Team. In addition, the timing of disposals may also affect the values ultimately obtained, such as if the disposal takes place during a depressed stage in the real estate cycle.

3.11. The Company may become involved in disputes and other legal proceedings

The Company may become involved in legal proceedings with tenants, suppliers, partners and outside parties as part of its daily operations, or as a result of property transactions, among other things. Disputes, claims, investigations and legal proceedings may lead to the Company being required to pay damages or to cease to engage in certain practices. Furthermore, the Company may become involved in disputes in the course of their ordinary business activities in connection with labor disputes.

Additionally, the Company, the Directors, members of the Management Team, employees or affiliated companies (if any) may be subject to official investigations or criminal proceedings. Such disputes, claims, investigations and legal proceedings may be time-consuming, may disrupt daily operations, may involve significant amounts, and may require significant legal expenses. In addition, it may be difficult to predict the outcome of complex disputes, claims, investigations and legal proceedings. Consequently, disputes, claims, investigations and legal proceedings may have a materially adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

3.12. The Company may suffer losses in excess of insurance proceeds, if any, or from uninsurable events

The Company's properties may suffer physical damage resulting in losses (including loss of rent) and insurance proceeds may be insufficient to compensate for such losses. In addition, there are certain types of losses, generally of a catastrophic nature (such as war, acts of terror, insufficient preparation in the event of natural disasters or extreme weather events, such as floods), that may be uninsurable, or are not economically beneficial to insure. Inflation, changes in building codes and ordinances, environmental considerations, and other factors, may also cause insurance proceeds to be unavailable or insufficient to repair or replace a property or pay for environmental remediation costs. If damage should occur to a property and subsequently lead to tenants terminating or not renewing their leases, there is also a risk that the insurance cover will not cover the consequent loss of rental income.

If an uninsured loss or a loss in excess of insured limits occurs, or if a conflict with an insurer results in underpayment, the Company may lose capital invested in the affected property as well as anticipated future revenue from the relevant property. In addition, the Company could be liable to repair damage caused by uninsured risks or pay for uninsured environmental clean-up costs. The Company may also remain liable for any debt or other financial obligations related to such property. Any material uninsured losses may have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

3.13. The Company may continue to be subject to liability following the disposition of investment properties

The Company may be exposed to future liabilities or obligations with respect to the properties that it sells. The Company may be required or may consider it prudent to set aside provisions for warranty claims or contingent liabilities in connection with the sale of certain investment properties. The Company may be required to pay damages, including litigation costs, to a purchaser to the extent that any representations or warranties made by the Company to a purchaser are found to be inaccurate, or if the Company is found to have breached any of its covenants or obligations contained in the relevant purchase agreement. In certain circumstances, it is possible that representations and warranties incorrectly given could give rise to a right by the purchaser to terminate the relevant purchase agreement in addition to the payment of damages. Further, the Company may become involved in disputes or litigation in connection with its sale of investment properties. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any sale, such as certain environmental liabilities. Any claims, litigation or continuing obligations arising in connection with sold investment properties may subject the Company to unanticipated costs and may require the Company to devote considerable time to dealing with them. As a result, any such claims, litigation or obligations may have a material adverse effect on the business, financial condition, results of operations and profits of the Company.

3.14. The Company may be subject to cybersecurity disruptions.

The Company may be subject to attempted cybersecurity disruptions from a variety of sources. If the Company's systems for protecting against cybersecurity disruptions prove to be insufficient, the Company and its customers, employees as well as third parties could be adversely affected. Such cybersecurity disruptions could compromise business systems; result in proprietary information being altered, lost, or stolen; result in employee, customer, or third-party information being compromised; or otherwise disrupt the Company's business operations. The Company could incur significant costs to remedy the effects of such a cybersecurity disruption as well as in connection with resulting regulatory actions and litigation.

4. Risks related to the financing of the Company

4.1. The Company's investment strategy includes the use of leverage, which may expose the Company to risks associated with borrowings, including by impairing its ability to pay dividends required under the SOCIMI regime

The Company will operate in a sector that requires high levels of investment and, due to its SOCIMI status, it will be required to make recurrent cash dividend distributions. The Company expects to use borrowings

to grow the business, meet its cash obligations and implement its investment strategy. The Company's investment strategy contemplates the funding of investments, in part, through borrowings and/or debt issuances. The Company cannot guarantee that it will be able to obtain the credit it may need on commercially acceptable terms or at all whether due to adverse lending conditions or otherwise, which could adversely affect its ability to achieve its investment strategy. If the Company is unable to obtain credit, it may seek additional capital through the issuance of debt or equity securities to fund further acquisitions.

The level of indebtedness of the Company and the terms thereof will depend, among other things, on the Company's, the financing markets' and lenders' assessment of the stability of the relevant investments' expected cash flows and the expected evolution of the value of such assets, as well as macroeconomic factors and credit market conditions.

To the extent the Company incurs a substantial level of indebtedness, its financial flexibility and ability to pay dividends may be reduced as a result of the need to service its debt obligations. In addition, SOCIMIs must distribute a minimum dividend each year in order to maintain SOCIMI status; such requirement limits the Company's leverage capacity as the Company must simultaneously be able to service its debt and be able to distribute dividends. Prior to agreeing to the terms of any debt financing, the Company expects to comprehensively consider its potential debt servicing costs and all relevant financial and operating covenants and other restrictions, including restrictions that might limit its ability to make distributions to shareholders in light of cash flow projections. However, if certain extraordinary or unforeseen events occur, including breaches of financial covenants by the Company, its borrowings and any hedging arrangements that they may have entered into may be repayable prior to the date on which they are scheduled for repayment or could otherwise become subject to early termination. If the Company is required to repay borrowings early, it may be forced to sell assets when it would not otherwise choose to do so in order to make required payments and it may be subject to pre-payment penalties. In addition, if the rental income of the portfolio declines (e.g., due to tenant defaults), the use of leverage will increase the impact of such a decline on the net income of the Company and accordingly, it may impair the Company's ability to pay dividends. Moreover, in circumstances where the value of the assets is declining, the use of leverage by the Company may depress its NAV.

The Company may also find it difficult or costly to refinance indebtedness as it matures, and if interest rates are higher when the indebtedness is refinanced, the costs of debt could increase.

Any of the foregoing events may have a material adverse effect on the business, financial condition, business, results of operations and or prospects of the Company and its ability to make distributions to shareholders.

4.2. The Company may be exposed to risks associated with movements in interest rates

The Company may incur debt with floating interest rates. Interest rates are highly sensitive to many factors beyond the control of the Company, including central bank policies, international and domestic economic and political conditions. Interest rates can fluctuate due to, among other things, inflationary pressures, disruption to financial markets and the availability of bank credit. In recent years, interest rates have stayed at historically low levels and it is unlikely that such levels will be sustained over time. If interest rates rise, as expected, the Company will be required to use a greater proportion of its revenues to pay interest expenses on its floating rate debt, which may affect the ability of the Company to achieve the targeted levels of return. While the Company intends to hedge, totally or partially, any interest rate exposure, any such measures may not be sufficient to protect the Company from risks associated with movements in prevailing interest rates. In addition, any hedging arrangements will expose the Company to credit risk in respect of the hedging counterparty. Increased exposure to adverse interest rate movements through floating rate debt may have a material adverse effect on the business, financial condition, results of operations and profits of the Company.

5. Regulatory risks

5.1. Risks relating to the SOCIMI Regime

The Company has opted for the Spanish SOCIMI status under the SOCIMI Act and, thus, it will be subject to a 0% Corporate Income Tax rate, provided that it complies with the requirements explained in section "*Spanish SOCIMI regime and taxation*" of this Prospectus. Furthermore, there may be changes subsequently introduced (including a change in interpretation) to the requirements for maintaining Spanish SOCIMI status or in the applicable tax legislation more generally, either in Spain or in any other country in which the Company may operate in the future, including but not limited to the imposition of new taxes or changes on the applicable tax rates in Spain or elsewhere, that may adversely affect the Company or its shareholders.

Prospective investors should note that there is no guarantee that the Company will maintain SOCIMI status (whether by reason of failure to satisfy the conditions for Spanish SOCIMI status or otherwise, please see the section "*Spanish SOCIMI regime and taxation*"). If the Company were to lose its SOCIMI status, it would have to pay Spanish Corporate Income Tax on the profits deriving from its activities at the standard Corporate Income Tax rate (currently 25%) as from the year on which any of the circumstances established for the loss of the SOCIMI status applies (except in the case of failure to adopt dividend distribution resolution or to effectively satisfy the dividends within the mandatory deadlines, with respect to which the Company must pay Corporate Income Tax at the standard rate as from the year to which the dividends relate), and would not be eligible to become a SOCIMI (and benefit from its special tax regime) for three years. The shareholders in a company that loses its SOCIMI status are expected to be taxable as if the SOCIMI Regime had not been applicable to the Company

In such a case, if the Company is unable to maintain SOCIMI status, the resultant consequences may have a material adverse effect on the business, financial condition, results of operations and/or prospects and could adversely impact the marketability and liquidity of the Ordinary Shares and their value.

Furthermore, restrictions under the Spanish SOCIMI Regime (compulsory dividend distribution policy, investment criteria and minimum period of holding of assets —as explained in section "*Spanish SOCIMI regime and taxation*"—) may limit the Company's ability and flexibility to pursue growth through acquisition.

Furthermore, the Company may become subject to a 19% Corporate Income Tax on the gross dividend distributed to any shareholder that holds a stake equal to, or higher than, 5% of the share capital of the Company, and either (i) is exempt from any tax on the dividends or subject to tax on the dividends received at a rate lower than 10% (for these purposes, final tax due under the Spanish Non Resident Income Tax Law is also taken into consideration). This additional tax may cause a loss of profits for the Company (please see the section "*Spanish SOCIMI regime and taxation*").

However, the Bylaws contain information and indemnity obligations applicable to Substantial Shareholders designed to minimize this possibility and mitigate its potential consequences for the Company. In such a case, if a dividend payment is made to a Substantial Shareholder, the Company will be entitled to deduct an amount equivalent to the tax expenses incurred by the Company on such dividend payment from the amount to be paid to such Substantial Shareholder (the Board of Directors will maintain certain discretion in deciding whether to exercise this right if making such deduction would put the Company in an unfavorable position). These measures may not be effective. If these measures are ineffective, the payment of dividends to a Substantial Shareholder may generate an expense for the Company (since it may have to pay a 19% Corporate Income Tax on such dividend) and, thus, may result in a loss of profits for the rest of the shareholders.

Please see the section "*Spanish SOCIMI regime and taxation*" in relation to the SOCIMI tax regime and the taxation of prospective shareholders.

5.2. Changes in laws and regulations relating to real estate properties may have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Company

The Company's operations are subject to Spanish laws and regulations, as currently in effect and as amended from time to time, including without limitation in respect to property ownership and use, development, zoning, health and safety requirements, waste disposal, energy consumption, stability and planning requirements and environmental compliance. In addition, the operations of the Company may be affected by regional and supranational regulatory frameworks such as EU legislation. Additionally, applicable laws within Spain may vary from one autonomous region to another, and among different assets within the same Autonomous Region. Municipal corporations, autonomous regions and the central government in Spain, as well as the relevant authorities in the European Union could impose sanctions if the Company does not comply with such laws or regulations.

These laws and regulations are subject to change, which may be retrospective, and often provide broad discretion to the relevant administrative authorities. The occurrence of such changes in law and regulation could adversely affect existing plans for the property, increase costs of property ownership, or reduce the capital value of the assets and the rental income arising from the property portfolio of the Company, resulting in a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

Furthermore, applicable environmental, health, safety, stability and planning laws and regulations impose obligations and potential liabilities on the owners of real estate properties (including liabilities that were incurred or that arose prior to the acquisition of such assets). Such obligations and liabilities may result in significant investigation, removal or remediation costs regardless of whether the Company caused, directly or indirectly, the relevant environmental, health, safety, stability or planning risk or damage. In addition, environmental liabilities could adversely affect the ability of the Company to sell, lease or redevelop a property, or its ability to use a property as security to borrow additional funds and may in certain circumstances (such as the release of certain materials, including asbestos, into the air or water) form the basis for liability to third persons for personal injury or other damages. In such events, the Company may be exposed to material unanticipated losses and this may have a material adverse effect on the business, financial condition, results of operations and/or prospects.of the Company.

5.3. The Company is subject to regulation dealing with bribery, corruption and money laundering which may expose the Company to the risk of substantial costs and liabilities

The operations of the Company are subject to various domestic and international anti-corruption and anti-bribery laws, including but not limited to Spanish Law 10/2018 of 28 April on prevention of money laundering and terrorist financing act. As part of its business operations, the Company may enter into transactions with states and state-owned entities that are also subject to such legislation. In the short term the Company will draw up internal regulations and guidelines, and provide training to its employees in order to facilitate compliance with such legislation. Nevertheless, there is a risk that the Company will be unable to effectively detect and deter violations of applicable legislation and regulations, or instances of fraud, bribery and corruption. Consequently, it may become subject to sanctions or reputational harm, which may, in turn, have a materially adverse effect on the business, financial condition, results of operations and/or prospects of the Company.

5.4. The Company may be considered an AIF under the laws of certain European Economic Area jurisdictions other than Spain

The Company is a newly formed public limited company that has opted for Spanish SOCIMI status under the SOCIMI Act. SOCIMIs are expressly excluded from the scope of Law 22/2014, of November 12, 2014, on the regulation of venture capital entities, other closed-ended collective investment undertakings and the closed-ended investment undertaking managers (*Ley 22/2014, de 12 de noviembre, por la que se regulan las entidades de capital Riesgo, otras entidades de inversion colectiva de tipo cerrado y las sociedades gestoras de entidades de inversion colectiva de tipo cerrado*) ("**Law 22/2014**"), implementing Directive

2011/61/EU of the European Parliament and of the Council, of 8 June, 2011, on Alternative Investment Fund Managers ("**AIFMD**").

Although the Company believes that it does not qualify as an alternative investment fund ("**AIF**") and is not subject to the restrictions applicable to this regime under Spanish law given the scope of interpretation of the rules and stipulations of the AIFMD in relation to the AIF qualification, the Company could be considered an AIF under the laws of certain EEA jurisdictions other than Spain (where the AIFMD has been implemented). Accordingly, the New Shares may only be marketed or offered in such jurisdictions in compliance with and subject to the terms of such jurisdiction's implementation of the AIFMD, or any available exemption therefrom and any other laws and regulations applicable in such jurisdiction. Furthermore, if the Company were to be found in breach of the AIFMD, the Company would be subject to, among other matters, fines, administrative sanctions as well as future limitations on any placement of its Ordinary Shares.

5.5. The assets of the Company could be deemed to be "plan assets" that are subject to certain requirements of ERISA or Section 4975 of the Code, which could restrain the Company from making certain investments

Under the current Plan Asset Regulations, if interests held by Benefit Plan Investors are deemed to be "significant" within the meaning of the Plan Asset Regulations (generally "significant" is interpreted as Benefit Plan Investors holding 25% or greater of the total value of any class of equity interest in the Company) then the assets of the Company may be deemed to be "plan assets" within the meaning of the Plan Asset Regulations. The Company will be unable to monitor whether Benefit Plan Investors acquire Ordinary Shares and therefore, Benefit Plan Investors might acquire Ordinary Shares, including above such 25% threshold. If the Company's assets are deemed to constitute "plan assets" within the meaning of the Plan Asset Regulations, certain transactions that the Company may enter into in the ordinary course of business may constitute non-exempt prohibited transactions under ERISA or Section 4975 of the Code, resulting in the imposition of excise taxes and other penalties, and the Company's management, various providers of fiduciary or other services to the Company and any other parties with authority or control with respect to the Company's assets may be considered fiduciaries of such Benefit Plan Investors under ERISA or Section 4975 of the Code or otherwise parties in interest or disqualified persons by virtue of their provision of such services. In addition, any fiduciary of a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to Similar Law that covers such plan's investment in the Ordinary Shares could be liable for any ERISA or Code violations or violations of such Similar Law relating to the Company.

Investors should read the representations and warranties with respect to ERISA under section "*Material contracts—The Placing Agreement*".

5.6. The Company may take measures which may affect certain shareholders in order to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulation relating to our SOCIMI Regime or pension funds or benefit plans (such as ERISA).

The Bylaws contain certain information obligations with respect to shareholders or beneficial owners of our Ordinary Shares who are subject to a special legal regime applicable to pension funds or benefit plans (such as ERISA). Moreover, the Company will have the ability to request from any shareholder or beneficial owner of our Ordinary Shares such information as the Company considers necessary or useful to determine whether any such person is subject to a special legal regime applicable to pension funds or benefit plans. Subject to applicable law, if any such shareholder or beneficial owner fails to comply with such information obligations, the Company will be entitled to impose a penalty on such shareholder or beneficial owner in an amount equal to the proportional part of the book value of the Company (in accordance with the most recent audited and published balance sheet of the Company) represented by the shares of the breaching shareholder or beneficial owner, which may be offset with any dividends payable by the Company to such shareholder. Furthermore, according to the Bylaws, the Company will be able to take any measures the Company deems appropriate to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulation relating to pension funds or benefit plans (in particular, ERISA). The

purpose of these provisions is to provide the Company with the ability to minimize the risk that benefit plan investors (or other similar investors) hold 25% or greater of the total value of any class of equity interest in the Company. However, no assurance can be given that the Company's assets will not be deemed to constitute "plan assets" within the meaning of the Plan Asset Regulations in the future.

5.7. The Company expects to be a passive foreign investment company for U.S. federal income tax purposes, which may result in adverse U.S. federal income tax consequences to U.S. investors

The Company expects to be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, which will generally result in adverse U.S. federal income tax consequences to U.S. investors

In general, a non-U.S. corporation will be a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. Passive income generally includes interest, rents, dividends, royalties and certain gains.

Based on the manner in which the Company operates its business, the Company expects to be a PFIC for the current taxable year and in the foreseeable future. A U.S. investor that owns Shares during any year in which the Company is a PFIC will generally be subject to adverse U.S. federal income tax consequences, including an increased U.S. federal income tax liability on the sale of Shares or receipt of certain excess distributions and additional tax reporting obligations. See "*Spanish SOCIMI regime and taxation—Certain U.S. Federal Income Tax Considerations—Passive Foreign Investment Company*" in this prospectus. Prospective U.S. investors should consult their tax advisers concerning the Company's PFIC status for any taxable year and the tax considerations relevant to an investment in a PFIC.

6. Risks relating to the general economic and political conditions

6.1. A deterioration of economic conditions in Spain and the EU generally could adversely affect the business of the Company

As a company that intends to specialize in acquiring, owning and managing Commercial Property mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain, the performance of the Company may be significantly affected by economic conditions in Spain generally and in the Spanish Commercial Property market, particularly in Madrid, Barcelona and other major logistics hubs. Therefore, disruptions in the Spanish economic recovery may have a negative impact on demand for commercial properties, which, in turn, may lead to higher vacancy rates, declining market rents and foregone indexation income from existing leases, which, in turn, could negatively affect the value of any properties that the Company acquires and the rental income those properties yield. A general downturn in the Spanish economy may change demand for Spanish Commercial Property in Spain and result in a decline of the attractiveness in Commercial Property in the Spanish market relative to other investment choices.

The Spanish economy has experienced a positive recovery since the height of the real estate sector crisis: year-on-year GDP growth was 3.3% and 3.1% in 2016 and 2017, respectively, and GDP is expected to grow by 2.7% and 2.4% in 2018 and 2019, respectively, higher than the average for EU economies of 2.3% and 2.0% in 2018 and 2019, respectively (sources: Economist Intelligence Unit, the Bank of Spain, and the European Commission). Although this improvement has had a positive effect on the Spanish Commercial Property market in general, there can be no guarantee that this growth of the Spanish economy (or that of the Spanish regions where the Company intends to be present) or the general recovery of the Spanish Commercial Property market will be sustained. Economic growth in Spain may vary by region and locality, and no guarantees can be given that each of the Company's future assets will benefit equally from any positive national economic growth.

The Commercial Property market is cyclical in nature and is affected by the economic environment as a whole. Therefore, apart from the economic conditions in Spain, the operating and financial performance of the Company may be, to a certain extent, affected by EU and global financial conditions given changes in global trends may affect local market dynamics.

6.2. Political uncertainty in Spain and the EU could negatively affect the Spanish Commercial Property market

The Spanish economy faces additional challenges due to internal factors, such as the party that controls the Spanish Government lacking a parliamentary majority, requiring it to obtain the support of other political parties to promote and approve new laws and annual national budgets, the possibility of new elections, as well as social and political unrest in Catalonia connected to secessionist movements. Such uncertainty may slow the pace of reforms, enactment of laws, regulations and policies, and may impact economic growth in Catalonia and in Spain more broadly. Continued political uncertainty relating to Catalonia and the inability of the Spanish parliament to form a stable government could negatively affect the Spanish Commercial Property market, and consequently the economic growth in each region where the Company intends to be present or more broadly in Spain, which could have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

Additionally, external factors, such as geopolitical uncertainties (including potential Eurozone exits by the United Kingdom and other countries), volatility in commodity prices or a negative market reaction to central bank policies, may affect the growth of the Spanish economy and, in particular, disposable income.

7. Risks relating to the Offering and the Ordinary Shares

7.1. The market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company and the Company's Ordinary Share price may be volatile

There is no guarantee that the Offering Price will be indicative of the future share price of the Ordinary Shares. Following the Offering, the market price of the Ordinary Shares may not always accurately reflect the value of the underlying investments of the Company. Therefore, the price and value of the Ordinary Shares may decrease as well as increase (and investors may lose money on their investment), in response to many factors, including, among other things: (i) variations in the operating results of the Company; (ii) the addition or departure of members of the Board of Directors and the replacement of or change in the members of the Management Team; (iii) divergence in financial results from stock market expectations; (iv) changes in stock market analyst recommendations about the Spanish Commercial Property market as a whole, the Company or any of its assets; (x) a perception that other markets may have higher growth prospects; (v) changes in conditions affecting the general economic conditions and political environment in the geographies where the Company operates; (vi) legislative changes; and (vii) other events and factors within or outside the control of the Company.

In addition, during the past few years, the real estate sector and, in general, the Spanish and global securities markets have experienced significant volatility in prices and trading volumes. This volatility could have a negative impact on the market price of the Ordinary Shares of the Company, irrespective of its financial condition and results of operations. In such cases, investors may not be able to resell their Ordinary Shares at or above the Offering Price.

7.2. No public market currently exists for the Ordinary Shares and a market for the Ordinary Shares may fail to develop

There is currently no public trading market for the Ordinary Shares prior to the Offering, and Admission should not be taken as implying that there will be a liquid market for such shares. Prior to Admission, there has been no public market for the Ordinary Shares and there can be no guarantee that an active trading market will develop or, if one does develop, that it will be maintained. The failure of an active trading market to develop may affect the liquidity of the Ordinary Shares. The Ordinary Shares may therefore be difficult to sell compared to the shares of companies with more liquid trading markets and the share price may be subject to greater fluctuation than might otherwise be the case. Following the Offering, the value of the Ordinary Shares could fluctuate significantly and may result in investors being unable to sell New Shares at or above the Offering Price or at all.

7.3. There can be no guarantee that the Company will declare dividends in the future and its ability to pay dividends will depend upon its ability to generate profits available for distribution and its access to sufficient cash

The declaration and payment of any dividend or distribution is subject to the discretion of the Board of Directors and will depend on the availability of profits available for distribution (after fulfilling any relevant Spanish Companies Act requirements) and sufficient cash and on the approval of the shareholders, and the dividend may be discontinued or reduced at any time. Future dividends or distributions, if any, and their timing and amount, may be affected by, among other factors, the rules set out in the SOCIMI Regime (see the section "*Spanish SOCIMI regime and taxation—Spanish SOCIMI Regime—Qualification as Spanish SOCIMI—Mandatory dividend distribution*"), the Board of Directors' or management's views on potential future capital requirements for strategic transactions, including acquisitions; earnings levels; contractual restrictions; the cash position and overall financial condition; debt related payments and commitments the Company may incur, including restrictive covenants which may limit the ability of the Company to pay a dividend (even if as of today the Company is not subject to any these commitments) or distribution; changes in tax or corporate laws; the need to invest in the Company's business operations; changes to its business model and such other factors as the Board of Directors or the Management Team may deem relevant from time to time. Accordingly, dividend or other distribution payments may change from time to time, and the Company cannot provide assurance that it will declare dividends or other distributions in any particular amounts or at all as the payment of any such dividends or other distributions will depend on the ability of the Company to generate profits available for distribution and cash flow.

Additionally, pursuant to the Spanish SOCIMI Regime, the Company will be required to adopt resolutions for the distribution of dividends (after fulfilling any relevant Spanish Companies Act requirement) to shareholders annually within six months of the closing of the fiscal year as follows: (i) at least 50% of the profits derived from the transfer of real estate properties and shares in Qualifying Subsidiaries and real estate collective investment funds; provided that the remaining profits must be reinvested in other real estate properties or participations within a maximum period of three years from the date of the transfer or, if not, 100% of the profits must be distributed as dividends once such period has elapsed; (ii) 100% of the profits derived from dividends paid by Qualifying Subsidiaries and real estate collective investment funds; and (iii) at least 80% of all other profits obtained (i.e. profits derived from ancillary activities). For further details on the dividend requirements of the Spanish SOCIMI Regime, see the section "*Spanish SOCIMI regime and taxation*".

Moreover, pursuant to the Spanish Companies Act, the Company is required to allocate at least 10% of its net income each year to a legal reserve until the balance of such reserve is equal to at least 20% of the Company's issued share capital. As of the date of this Prospectus, the Company has not reached such 20%. For further details on the dividend requirements of the Spanish Companies Act please refer to Section "*Dividend and Liquidation Rights*".

There is a risk that the Company may generate profits, but not have sufficient cash to make distributions. If the Company does not have sufficient cash, it may have to borrow funds from a third party in order to fund the distribution, which would increase its finance costs, reduce its ability to borrow funds in order to finance property acquisitions and could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

The required dividend distributions that are necessary to achieve the full tax benefits associated with qualifying as a Spanish SOCIMI can be met by approving such distribution and satisfying the dividend in kind or immediately thereafter, converting credits deriving from such dividends into share capital of the Company, provided such dividends qualify as income for tax purposes. However, any such distribution will be approved by a General Meeting of Shareholders or may not be considered as income for all shareholders.

7.4. Substantial future sales of Ordinary Shares, or the perception that such sales could occur, may adversely affect the market price of the Company's ordinary shares

Sales of substantial amounts of the Company's Ordinary Shares (for instance, by significant shareholders of the Company, members of the Board of Directors and members of the Management Team), or the perception that such sales could occur, could adversely affect the market price for the Company's Ordinary Shares or the Company's ability to raise capital through future offerings of equity securities.

In this respect, following completion of the Offering and assuming the issuance of 30,000,000 New Shares, the Management Team (including the CEO) are expected to directly or indirectly jointly own at least 3% of the Company's resulting share capital post Offering. The Company and the Managers will agree under the Placing Agreement that the Company will be subject to a "lock-up" undertaking (subject to certain exceptions and which may be waived by the Global Coordinators and Joint Bookrunners) during a period commencing on the date of the Placing Agreement and ending 180 days following Admission. Likewise, Rodex and each member of the Management Team will commit to certain restrictions on the transfer of Rodex's shares or the Management Shares of the Company, as applicable. Such restrictions will only apply for 180 days following Admission and are subject to certain exceptions, and which may be waived by the Global Coordinators and Joint Bookrunners.

Furthermore, the Beneficiaries of the Employee Incentive Plan shall not dispose of any Incentive Shares, subject to certain rules and exceptions, prior to a progressive "lock-up" period ranging from 12 to 24 months from the relevant Date of Accrual as further described in section "*Management—The Management Team's Compensation—Employee Incentive Plan*".

7.5. In the future, the Company may issue new Ordinary Shares or equity-linked securities, which may dilute investors' interest in the Company

In the future, the Company may seek to raise additional capital through further offerings of equity securities or equity-linked securities (if made on a non-pre-emptive basis or, if made on a pre-emptive basis, where shareholders elect not to take up their preferential subscription rights) that could dilute the interests of the Company's shareholders (including upon the conversion of any convertible securities it may issue) and could have an adverse effect on the market price of the Company's ordinary shares as a whole. In particular, the Company may raise said capital to meet its obligations under the Employee Incentive Plan. In any case, the maximum amount of Incentive Shares that the beneficiaries of the Employee Incentive Plan may receive, during the five-year vesting period, will not exceed the 10% of the total Ordinary Shares of the Company issued and outstanding from time to time.

As of the date of this Prospectus, the Board of Directors has been authorized by the General Meeting of Shareholder to issue new Ordinary Shares and securities convertible or exchangeable into Ordinary Shares, in both cases up to 50% of the share capital of the Company immediately following the Offering. The Board of Directors is also authorized to exclude pre-emptive rights in connection with the Ordinary Shares and convertible securities that may be issued pursuant to the aforementioned authorization, in both cases up to 20% of the share capital of the Company immediately following the Offering and provided that such exclusion is in the corporate interest of the Company and all other legal requirements are met.

7.6. Pre-emptive rights for U.S. and other shareholders outside of Spain may be unavailable

In the case of certain increases in the Company's issued share capital, existing holders of Ordinary Shares are generally entitled to pre-emptive rights to subscribe for such shares, unless shareholders waive such rights through a resolution at a shareholders' meeting. However, U.S. holders of Ordinary Shares in Spanish companies are customarily excluded from exercising any such pre-emptive rights, unless a registration statement under the U.S. Securities Act is effective with respect to those shares, or an exemption from the registration requirements thereunder is available. The Company does not intend to file any such registration statement, and the Company cannot assure prospective U.S. investors that any exemption form the registration requirements of the U.S. Securities Act or applicable non-U.S. securities laws will be available to enable U.S. or other shareholders outside of Spain to exercise such pre-emptive rights or, if available,

that the Company will utilize any such exemption. The New Shares will not be freely transferable in the United States.

Any New Shares offered and sold to investors located in the United States will be "restricted securities" (as defined in Rule 144 under the U.S. Securities Act), and such New Shares may not be reoffered, resold, pledged or otherwise transferred, except: (i) outside the United States in accordance with Rule 903 or Rule 904 under Regulation S; (ii) to a QIB in a transaction that is exempt from registration under the U.S. Securities Act and that meets the requirements of Rule 144A; (iii) pursuant to an effective registration statement under the U.S. Securities Act; (iv) in accordance with Rule 144 under the U.S. Securities Act; or (v) in another transaction not requiring registration under the U.S. Securities Act; and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. See section "*Selling and Transfer Restrictions*" for a more detailed description of the restrictions applicable to the New Shares.

7.7. It may be difficult for shareholders outside Spain to enforce foreign judgments against the Company or the Board of Directors

The Company is a public limited company (a *sociedad anónima* or S.A.) incorporated in Spain and it is expected that all its assets will be located in Spain. The rights of the shareholders are governed by Spanish law and by the Bylaws of the Company and these rights may differ from the rights of shareholders in non-Spanish companies. The Bylaws of the Company provide that disputes between the Company and its shareholders with respect to corporate matters are expressly submitted to the jurisdiction of the courts of the Company's registered address, except in those cases where applicable law requires otherwise. A majority of the current Board of Directors is resident of Spain and all of the assets of the Company are expected to be located in Spain. As a result, it may be difficult for shareholders outside of Spain to serve process on or enforce foreign judgments against the Company or the Directors based on civil liabilities under their country's securities laws. In addition, Spanish or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or its Directors or executive officers in a court of competent jurisdiction in Spain or other countries.

7.8. The Company may not impose in the Bylaws any restriction on the transferability of its Ordinary Shares, and the acquisition of Ordinary Shares by certain investors could adversely affect the Company

Under Spanish law, the Company may not impose restrictions on the free transferability of its Ordinary Shares in its Bylaws. Accordingly, the Company cannot refuse to register a transfer of any shares in the capital of the Company in favor of a person to whom a sale or transfer of shares, or whose direct, indirect or beneficial ownership of shares, might (i) cause the Company to be required to register as an "investment company" under the U.S. Investment Company Act or to lose an exemption or status thereunder to which it might otherwise be entitled; (ii) require the Company to register under the U.S. Exchange Act or any similar legislation; (iii) disqualify the Company from being considered a "foreign private issuer" as such term is defined in Rule 3b 4(c) under the U.S. Exchange Act; (iv) result in a person holding Ordinary Shares in violation of the transfer restrictions set forth in any offering memorandum published by the Company (including in this Prospectus), from time to time; (v) result in Ordinary Shares being owned, directly or indirectly, by Benefit Plan Investors or Controlling Persons; (vi) cause the assets of the Company to be considered "plan assets" under the Plan Asset Regulations; (vii) cause the Company to be a "controlled foreign corporation" for the purposes of the Code; (viii) result in Ordinary Shares being owned by a person whose provision of the representations related to ERISA and the Code set forth in the Bylaws is, or is subsequently shown to be, false or misleading; (ix) result in a person becoming a Substantial Shareholder (as defined herein); or (x) otherwise result in the Company incurring a liability to taxation or suffering any pecuniary, fiscal, administrative or regulatory or similar disadvantage. Any of the above could have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

7.9. Shareholders or prospective investors in countries with currencies other than the euro will be exposed to exchange rate risks

Shareholders resident in countries that do not use the euro as the official currency will be exposed to an additional investment risk related to variations in the rate of exchange between the currency of their country of residence and the euro. There can be no guarantees that an investment decision in the Company will not be negatively affected by variations in the exchange rate between the euro and such other currency.

7.10. Any delay in the admission to listing and trading of the New Shares would affect their liquidity and could prevent or delay their sale

The issuance of the New Shares is subject to the registration of the capital increase deed with the Commercial Registry of Madrid (*Registro Mercantil de Madrid*). Although the deed is scheduled to be registered promptly with the Commercial Registry once it has been granted, such registration may, despite the Company's best efforts and for reasons beyond its control, not take place in time to enable the New Shares to be admitted to listing on the Spanish Stock Exchanges or to trading on the SIB on the expected date (currently, 19 October 2018). Any postponement of the admission to listing and/or trading of the New Shares due to a delay in the registration of the capital increase deed with the Commercial Registry or for any other reason would affect the liquidity of the New Shares and would make it more difficult for an investor to sell such New Shares until they are admitted to listing and trading.

PRESENTATION OF INFORMATION AND OTHER IMPORTANT NOTICES

Forward-Looking Statements

This Prospectus includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include, but are not limited to, statements regarding the intentions of the Company, beliefs or current expectations concerning, among other things, the results of operations, financial position, prospects, growth, target Shareholder Return Rates, investment strategy, financing strategies, prospects for relationships with tenants, liquidity of the Company's assets and expectations for the Spanish real estate industry.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Company's operations and the development of the markets and the industry, in which the Company operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. In addition, even if the Company's results of operations, financial position and growth, and the development of the markets and the industry in which the Company operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of the Company to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, Spanish real estate market conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes or development planning regime, the availability and cost of capital, currency fluctuations, political and economic uncertainty and other factors discussed under section "*Risk Factors*". The Company undertakes no obligation to update these forward-looking statements and will not publicly release any revisions it may make to these forward-looking statements that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this Prospectus, except where required by applicable law. Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this Prospectus.

Market, Economic and Industry Data

This Prospectus includes certain market, economic and industry data, which were obtained by the Company from industry publications, data, and reports compiled by professional organizations and analysts, data from other external sources and internal surveys conducted by or on behalf of the Management Team. As far as the Company is aware and is able to ascertain from the information provided to it by third parties, market, economic and industry data sourced from third parties used to prepare the disclosures in this Prospectus have been accurately reproduced, and no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect.

Some of the aforementioned third-party sources may state that the information they contain has been obtained from sources believed to be reliable. However, such third-party sources may also state that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on significant assumptions. As the Company does not have access to the facts and assumptions underlying such market data, statistical information and economic indicators contained in these third-party sources, the Company is unable to verify such information.

Valuation Policy

The Company will apply to become a member of the European Public Real Estate Association ("**EPRA**") and will follow the EPRA recommendations to calculate the NAV. Additionally, Árima will apply to

become a RICS Company and will follow the recommendations of the Royal Institution of Chartered Surveyors.

NAV is the net asset value of the Company adjusted to include properties and other investment interests at fair value and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors. Valuations of the Company's real estate properties are intended to be made as of 30 June and 31 December in each year through a combined physical and desktop valuation, performed by a suitable independent qualified RICS accredited appraiser to be appointed by the Management Team and approved by the Company's Audit and Control Committee. The valuation of the Company's real estate properties is intended to be made in accordance with the appropriate sections of the RICS Red Book at the date of valuation. This is an internationally accepted basis of real estate valuation. For additional information, see the section "Independent appraiser". Therefore, the first external valuation is expected to take place as of 31 December 2018 (assuming the acquisition by the Company of at least one property by that date).

The Company intends to engage the services of CBRE Valuation Advisory, S.A., which is expected to be appointed by the Management Team and approved by the Company's Audit and Control Committee, in connection with the valuation (to be performed in accordance with the RICS valuation) of the Company's real estate properties acquired over the next 18 months.

Currency References

Unless otherwise indicated, all references in this Prospectus to euro and € are to the lawful single currency of member states of the EU that adopt or have adopted the euro as their currency in accordance with the legislation of the EU relating to European Monetary Union and all references to U.S. dollars are to the lawful currency of the United States of America. The Company intends to prepare its annual accounts in euro.

Presentation of Financial Information

The Company is newly formed and as of the date of this Prospectus has no assets or liabilities that are material in the context of the Offering. As long as the Company does not have any subsidiaries and does not prepare consolidated financial statements, the Company's financial statements will be prepared in accordance with generally accepted accounting principles in Spain ("**Spanish GAAP**"). If the Company has any material subsidiary and is able to prepare consolidated financial statements, these will be prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS-EU**").

On the date of this Prospectus, the CNMV has exempted the Company from the obligation to provide financial statements corresponding to the previous three full financial years, pursuant to article 12.2.b) of Royal Decree 1310/2005 of 4 November on admission to trading of securities in official secondary markets, of public sale and subscription offers and on the prospectus relating thereto (*Real Decreto 1310/2005, de 4 de noviembre, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*).

The Company's audited interim financial statements for the period between 13 June 2018 and 30 June 2018 which have been prepared according to Spanish GAAP and their corresponding English translation are incorporated by reference into this Prospectus (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es and on the Company's website, www.arimainmo.com).

Rounding

Some financial information in this Prospectus has been rounded. As a result of this rounding, figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In addition, certain percentages presented in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Trademarks

The Company owns or has rights to certain trademarks, trade names, service marks or applicable copyright notices which it uses in connection with the operation of the Company's business. The Company asserts to the fullest extent under applicable law, its rights to its trademarks, trade names, service marks and applicable copyright notices. Solely for convenience, the trademarks, trade names, service marks or applicable copyright notices appearing in this Prospectus are listed without the applicable ®, © or ™ symbols.

Legislation

This Prospectus refers to various statutes, directives and other legislation and regulations. Unless the contrary is specified, all such references are to the laws of Spain.

Important Note Regarding the Track Record and Performance Data of the Company's Management Team and the Directors

This Prospectus includes information regarding the track record and performance data of the Company's Management Team and the Directors. Such information is not comprehensive, and prospective investors should not consider such information to be indicative of the possible future performance of the Company or any investment opportunity to which this Prospectus relates. Past performance of the Management Team and the Directors is not a reliable indicator of, and cannot be relied upon as a guide to, the future performance of the Company. The Company will not make the same investments reflected in the track record and performance data included herein. For a variety of reasons, the comparability of the track record and performance data to the Company's future performance is by its nature very limited. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Company, which may be different in many respects from those that prevailed in the past or prevail at present or in the future, with the result that the performance of investment portfolios originated now or in the future may be significantly different from those originated in the past. Prospective investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment.

Investment Considerations

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Ordinary Shares, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. Typical investors in the Company are expected to be institutional and qualified investors who are looking to allocate part of their investment portfolio to the Spanish real estate market. Investors should consult their financial advisor before making an investment in the Company.

The Ordinary Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. Any investment objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no guarantee that any appreciation in the value of the Ordinary Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and any income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting or regulatory matters, investment decisions or any other matter. Prospective investors must rely upon their own representatives, including their own legal advisors and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment

therein. An investment in the Company should be regarded as a long-term investment. There can be no guarantee that the Company's investment objectives will be achieved. It should be remembered that the price of the Ordinary Shares, and the income from the Ordinary Shares (if any), can go down as well as up.

NOTICE TO INVESTORS IN THE UNITED STATES

THE NEW SHARES HAVE NOT BEEN, AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES FOR OFFER OR SALE AS PART OF THEIR DISTRIBUTION AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS. THE NEW SHARES OFFERED HEREBY ARE BEING OFFERED IN THE UNITED STATES ONLY TO QIBS IN RELIANCE ON RULE 144A AND OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS AS DEFINED IN, AND IN RELIANCE ON, REGULATION S. PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT ANY OFFEROR OF THE NEW SHARES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144A. THE NEW SHARES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. SEE "SELLING AND TRANSFER RESTRICTIONS".

THE NEW SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. THIS DOCUMENT DOES NOT CONSTITUTE A PROSPECTUS WITHIN THE MEANING OF SECTION 10 OF THE U.S. SECURITIES ACT.

THE COMPANY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT, AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS OF THAT ACT.

NOTICE TO INVESTORS IN THE EEA

This Prospectus has been prepared on the basis that all offers of the New Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the EEA, from the requirement to produce a prospectus for offers of the New Shares. Accordingly, any person making or intending to make any offer of the New Shares within the EEA should only do so in circumstances in which no obligation arises for the Company, the Managers or any other person to produce a prospectus for such offer. The Company, the Managers have not authorized, nor do they authorize, the making of any offer of the New Shares through any financial intermediary other than offers made by the Managers, which constitute the final placement of the New Shares contemplated in this Prospectus.

In relation to each member state of the EEA that has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, the offer of any New Shares that are the subject of the Offering contemplated by this Prospectus is not being made and will not be made to the public in that Relevant Member State, other than: (a) to any legal entity that is a "qualified investor" as defined in Article 2(1)(e) of the Prospectus Directive; (b) to fewer than 150 natural or legal persons (other than qualified investors as

defined in the Prospectus Directive) in any Relevant Member State; or (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive.

For the purposes of this notice to investors in the EEA, the expression an "offer of the New Shares" in relation to the New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to subscribe the New Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Each subscriber of New Shares in the Offering located within a member state of the EEA will be deemed to have represented, acknowledged and agreed that it is a qualified investor. The Company, the Managers, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgment and agreement.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This Prospectus is for distribution only to, and is directed only at, qualified investors who: (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**FSMA Order**"); (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FSMA Order; or (iii) are other persons to whom they may otherwise lawfully be communicated (all such persons, including qualified investors, together being referred to as "relevant persons").

In the United Kingdom, this Prospectus is directed only at relevant persons and must not be acted on or relied on by anyone who is not a relevant person. In the United Kingdom, any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

NOTICE TO PROSPECTIVE INVESTORS IN CERTAIN OTHER COUNTRIES

For information to investors in certain other countries, see the section "*Selling and Transfer Restrictions*".

AVAILABLE INFORMATION

For so long as any New Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered to such person pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

RESPONSIBILITY STATEMENT

This Prospectus, including the financial information included herein, complies with the Prospectus Rules for providing information with regard to the Company and the New Shares.

Mr Luis Alfonso López de Herrera-Oria, acting in the name and on behalf of the Company in his capacity as Chief Executive Officer of the Company and duly empowered pursuant to the resolutions approved by the shareholders of the Company acting at its universal extraordinary General Meeting of Shareholders held on 26 September 2018 and subsequently, on the same date, by the Board of Directors, accepts responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, the information contained in this document is as of the date of this Prospectus, to the best of his knowledge, in accordance with the facts and contains no material omissions likely to affect its import.

For the avoidance of doubt, none of Managers or their respective affiliates make any representation or warranty, express or implied, nor accept any responsibility whatsoever with respect to the content of this document, including the accuracy or completeness or verification of any of the information herein. This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Managers (or any of their respective affiliates or any entity through which the Managers may offer and sell the New Shares) that any recipient of this document should subscribe the New Shares. Each subscriber should determine for itself the relevance of the information contained in this document, and its subscription of New Shares should be based upon such investigation, as it deems necessary, including the assessment of risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors that may be relevant to such investor in connection with the subscription of the New Shares.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND OFFERING STATISTICS

Expected timetable of principal events

Event	Date[(1)]
Announcement of the Offering	9 October 2018
Signing of the Placing Agreement	9 October 2018
Registration of this Prospectus with the CNMV	9 October 2018
Determination and announcement of final number of New Shares. Signing of the Sizing Agreement	17 October 2018
Allocations of New Shares to investors and members of the Management Team	17 October 2018
Subscription Date	18 October 2018
Execution of the public deed relating to the capital increase before a notary public	18 October 2018
Registration with the Commercial Registry of the public deed relating to the capital increase	18 October 2018
Registration of the Ordinary Shares with Iberclear	18 October 2018
Execution of the special transaction of the transfer of the Placing Shares to final investors	18 October 2018
Admission	19 October 2018
Settlement Date (on or about)	22 October 2018

Note:

(1) Each of the times and dates is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the book-building period will be made public, including by filing of a relevant fact notice (*hecho relevante*) with the CNMV.

Offering statistics

Offering Price (per New Share)	€10.00
Estimated total number of New Shares [(1)]	Up to 30,000,000
Estimated gross proceeds of the Offering	Up to €300,000,000
Estimated total fees and expenses of the Offering	c. €12,000,000
Estimated Net Proceeds of the Offering [(2)]	Up to c.€288,000,000
The Company's expected market capitalization following completion of the Offering[(1)(3)]	Up to €300,000,000
Placing commissions	Up to €9,900,000
Fees for legal advisors, Agent Bank and auditors	Up to c.€1,985,500
CNMV fee[(3)]	€30,000
Iberclear fee[(3)]	€50,000
Spanish Stock Exchanges fee[(3)]	€34,500

Notes:

(1) The final number of New Shares to be issued in the Offering is expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded. Moreover, the share capital increase resolution contemplates the possibility of incomplete subscription, in which case the number of New Shares could be lower.

(2) The Net Proceeds are expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded.

(3) Based on the issued share capital of the Company immediately following Admission and the Offering Price of €10.00 per Share.

INFORMATION ABOUT THE ISSUER

Introduction

Árima is a recently incorporated Spanish public limited company. The Company has appointed an experienced Board of Directors. It will be internally managed by a team led by Mr Luis Alfonso López de Herrera-Oria (the "**Chief Executive Officer**" or "**CEO**") and which is currently comprised of Mr Fernando Arenas Liñán, Mr Stuart William McDonald, Mr Guillermo Fernández-Cuesta Laborde and Mr Fabio Alen Viani (each a "**Real Estate Director**" or "**RED**"), Ms Chony Martín Vicente-Mazariegos (the "**Chief Financial Officer**" or "**CFO**") and Ms Carmen Boyero-Klossner (the "**Chief Investor Relations Officer**" or "**CIRO**") (and together with the CEO, the REDs, the CFO and the CIRO, the "**Management Team**"). For additional information, see the section "*Management*".

The Company intends to raise gross proceeds of approximately €300,000,000 in the Offering and will apply for the Ordinary Shares to be listed on the Spanish Stock Exchanges for trading through the SIB (*Sistema de Interconexión Bursátil* or *Mercado Continuo*) of the Spanish Stock Exchanges. The Company has opted to become a listed real estate investment company (*Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario*) ("**SOCIMI**") and has filed the notice of such election with the Spanish tax authorities. The Company believes it will benefit from the Spanish commercial business track record of the members of the Management Team, including their demonstrated ability to work together both through the creation and expansion of Prima (one of the first commercial real estate portfolio companies listed in Spain) and as founders of Axiare.

The Company has a limited operating history (see the section "*Historical financial information*"). Except for matters in connection with the Offering, the Placing and the entry into the contracts discussed in section "*Material contracts*", the Company has not engaged in commercial operations since its incorporation.

The Company's strategy is to create a real estate portfolio consisting of Commercial Property, mainly focused in offices, in major Spanish cities (mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain) with the aim to deliver income from rents as well as capital growth through active property management. The Company will rely on active property management to maximize operating efficiency and profitability at the property level. At Admission, the Company will not own any real property.

Organizational Structure

Mr. Luis Alfonso López de Herrera-Oria as Chief Executive Officer (*Consejero Delegado*) will lead the Management Team under the supervision of the Board of Directors.

The Management Team will initially include four REDs, the CFO and the CIRO.

REDs are responsible for sourcing acquisition opportunities as well as for value creation through active (post-acquisition) property management. One or more analysts will support the relevant RED on sourcing opportunities and executing transactions as well as on asset management upon acquisition (which includes refurbishment, leasing and property management). REDs are also expected to monitor vacancies and lease prospects across the portfolio. This approach is designed to bring control, consistency and higher investment returns to each of the Company's investments. The REDs are also expected to supervise the services outsourced in connection with each specific project.

The CFO and the CIRO are expected to provide technical and financial support to the Company (including with respect to financing, property accounting, compliance, investor relations, public relations, communication, reporting, corporate development-related activities, and similar functions) and to support the various projects managed by the REDs. Furthermore, the CFO and CIRO are expected to supervise any services outsourced in connection with the Company that are not project-specific, or that are common to several projects.

Additionally, the Company intends to build an experienced team of analysts that are expected to provide support to the CFO and the CIRO in their responsibilities.

Other ongoing administrative services, such as IT, legal, brokerage services, property administration, architecture and marketing, will be outsourced. Also, on an *ad hoc* or as needed basis, the Management Team will rely on third parties to perform other services, including due diligence, reporting, commercialization services and refurbishment, remodeling or redevelopment services. In selecting external service providers, the Company will request quotes from various reputable market participants and will make assessments on a project-by-project basis, taking into account the economic and technical merits and financial solvency of each prospective service provider. In case of breach of contract or unsatisfactory performance by a services provider, the relevant RED responsible for its supervision or the CFO or the CIRO (as the case may be) will propose the most adequate solution to be adopted on a case by case basis, which will generally consist in the internalization, permanent or temporary, of the service or the replacement of the service provider.

All outsourced services are of ancillary nature and aim to support all management decisions taken by the Management Team. No third party entrusted with the provision of these services will be entitled to adopt any management decision on any of the Company's properties and will limit itself to execute the ancillary services it has been contracted to perform always following the prior authorization of the Management Team.

The Board of Directors has approved the creation of an internal and consultative body to oversee any real estate related investments and divestments and to provide non-binding recommendations to the Board of Directors, the CEO or the duly authorized representatives of the Company, as applicable (the "**Direction and Investment Committee**").

The Direction and Investment Committee is expected to be initially composed of seven members designated by the Board of Directors, based on their knowledge and experience in the real estate industry. The Board of Directors will designate a chairperson of the committee among its members of the committee and may designate a vice-chairperson. The Board of Directors has appointed Mr Iván Azinovic Gamo as Secretary, non-member of the Direction and Investment Committee.

The Direction and Investment Committee is currently composed of the CEO, the four REDs, the CFO, and the CIRO. The Direction and Investment Committee plans to meet at least quarterly as well as when called by its chairperson or at the request of the Board of Directors, the Chairman of the Board or the CEO. The committee may engage external advisors when it deems it necessary. At least five members of the Direction and Investment Committee are required to be present at each meeting.

As of the date of this Prospectus, the Company has no full-time employees (other than the members of the Management Team). In this regard, the chart below reflects the current organizational structure of the Company.

Business Strengths

The Company believes that it has the following key strengths:

Unique Strategy, Filling a Gap in the Listed Market

The Company believes that its focus on the Madrid value-added office market is a unique strategy in the current Spanish listed property market. Its target properties include high-quality assets with strong growth potential, with a focus mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain.

Other SOCIMIs operating in the market with office properties in their portfolios either have significant exposure to France or are diversified, making Árima the only listed pure-player in the Spanish office market. See "*Investment Criteria and Property Characteristics*" below for a detailed explanation on the expected distribution of the Company's total gross asset value for the properties that will form part of its real estate portfolio.

Headroom for growth in Spain's Property Cycle

The Company believes that the Spanish office market continues to present an attractive opportunity with respect to prime locations and other established areas.

In its fourth year of expansion, Spain's economy continues to strengthen, with real GDP remaining above its 2018 pre-crisis peak since 2016. Furthermore, the Spanish economy recorded 3.1% growth year-on-year in 2017, outpacing the Eurozone and beating forecasts set at the beginning of the year (2.5% as of December

2016). Consumer confidence has gradually increased and labor market conditions have continued to improve. Unemployment fell from 26.1% in 2013 to 15.3% in the second quarter of 2018, and is expected to continue declining over the next two years, following job creation (based on new affiliates in the Social Security) of 3.6% in 2017 and 2.6% in 2018. In light of the foregoing, the Company believes that economy and the labor market in Spain are in growth territory and that the outlook is promising. (Source: *Banco de España, Savills-Aguirre Newman, European Commission, INE, Ministerio de Empleo y Seguridad Social).*

The Company believes that Madrid and Barcelona are set to drive the growth of the Spanish economy in the coming years, with favorable macro trends in both cities. Madrid's GDP grew by 4.0% in 2017 and is expected to continue growing by 3.4% in 2018 and 2.7% in 2019. The anticipated economic growth is expected to lead to the creation of approximately over 150,000 new jobs over the next two years, reducing the unemployment rate to 12.7% in 2019. (Source: *Instituto Nacional de Estadística, BBVA Research*). On the other hand, Catalonia's GDP grew by 3.4% in 2017 and is expected to grow by 2.1% in 2018 and 2.0% in 2019, broadly in line with the Spanish economy. If these projections are accurate, overall GDP growth in the Catalonia region will have posted six years of expansion and, in the next two years, 136,000 new jobs are expected to be created, reducing the unemployment rate to 9.6% by the end of 2019. (Source: *BBVA Research*). Given the strong historical correlation between GDP growth and the performance of the office market, the Company remains optimistic about the prospects of the office market. In light of current macro-economic trends, the Company believes that the Spanish real estate market will continue to perform well in terms of capital investment by both national and international investors.

Additionally, the Company believes that Madrid remains an attractive business hub for Southern Europe, driven by a skilled labor market with relatively low cost compared with other global cities, a stable political environment and strong infrastructure. In 2017, office take-up in Madrid was more than 560,000 sqm, the strongest level since 2008 and during H1 2018 office take-up reached approximately 270,000 sqm, 25% above the H1 average for the last ten years. Potential tenants from a diverse mix of sectors are actively searching for space in Madrid, with a notable trend of take-up increasingly driven by services and high-tech companies, although demand is fairly evenly distributed by business area and sector. (Source: *Savills-Aguirre Newman, JLL*).

Greater Madrid's vacancy rate in the first half of 2018 fell to 10.1% for the first time since 2009. Madrid's CBD, with a vacancy rate below 6.5%, shows a clear distinction among high quality space and the rest of the available stock. There is a lack of supply for high quality office space, resulting in tenants directing their searches outside this area towards the CBD and other selected submarkets, where there is greater availability of quality refurbished and updated office accommodation. (Source: *Savills-Aguirre Newman, JLL*).

While rents in various global cities have returned to peak levels, the Company believes there is room to capture relevant increase in rents in Madrid and Barcelona, which are still below their historical averages and well below peak levels observed in 2007 and 2008. The Company believes that the low to medium-value office areas in the main Spanish cities are outdated and the model could be improved as there is significant room for high quality refurbishments that will allow the repositioning of these buildings with subsequent rent increases.

Disciplined investment strategy and pipeline in line with value creation strategy

The Company expects to pursue acquisitions in line with its investment strategy and improve its overall returns and income stability over time.

The Company's acquisition strategy is premised on the following key considerations:

- The Company intends to focus on quality properties that, when combined with the Company's value-added expertise, are expected to produce attractive yields in the mid-term.
- The Company intends to primarily focus on off-market opportunities where the upside potential is higher with respect to assets sold through highly marketed processes, as described in section "*Information about the issuer—Business Strengths—Off-market transactions*".

- The Company expects to target real estate properties mainly offices located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain, where the Company believes are liquid markets with stable occupancy and low volatility. Additionally, the Company expects to target other premium locations outside the city center where there is less competition and the Company expects to have greater negotiation power.
- To the extent possible, the Company will seek assets with attractive occupancy rates and favorable tenant dynamics in an effort to ensure adequate early levels of cash flow generation and yields. The Company, however, may consider acquisitions of specific assets with low occupancy rates if the Company believes the acquisition price is attractive and that reasonable potential exists for value realization through increased occupancy levels for the property in the short to mid term.
- Although the Company intends to focus mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain, the Company may consider other key locations in Spain when investment is considered attractive based on an assessment of the asset and the potential for its use and redevelopment.
- As part of its investment screening process, the Company considers the potential for income and value enhancement that may be realized following the improved management of the property or following investments in refurbishing, reconfiguring or renovating the property. This may include improvements in design, changes in the tenant mix and other reconfigurations. This assessment is also expected to be conducted in the context of the Company's cash flow management requirements.
- With respect to capital expenditure requirements, the Company may undertake the redevelopment of additional properties in the future, as and when appropriate opportunities arise.

The Management Team has identified a pipeline of approximately €1.6 billion in assets (mainly comprised of Madrid offices), of which approximately €0.45 billion are under initial analysis (this is, where the Company has received certain information regarding the property but such information is either incomplete or has not yet been analyzed in full by the Company), of which approximately €0.65 billion is in an advanced analysis phase (when sufficient information has been received, analyzed and considered adequate by the Company to perform an initial analysis of the property), and of which approximately €0.5 billion has high visibility (investments for which the Company has conducted advanced analysis and a potential transaction is considered possible on acceptable terms).

Furthermore, approximately 34% of the total estimated investment on the identified pipeline can be classified as Core+ properties (assets where minor refurbishments or changes in tenancy are expected), approximately 30% as value-add properties (assets where ongoing/planned repositioning/full refurbishment programs and/or significant capex investment are expected), approximately 26% as Core properties (this is, stabilized assets) and approximately 10% as development (this is, potential properties to be built in an urbanized plot of land or properties where more than 50% of the existing building is demolished or removed and must be redeveloped).

The Company expects the current pipeline to deliver solid value in the short to medium term targeting an Internal Rate of Return in the range of 12% to 15% and a Yield on Cost in the range of 6% to 8% while assuming approximately 50% LTV and a 2.2% All-In Leverage Cost and Gross Exit Yields in the range of 4.0% to 6.0% for offices and 7.0% for logistics. For a definition of these indicators and their relevance, see "*Additional Information—Alternative Performance Measures*". In any case, the Company does not expect to invest in more than 25%-30% of the current pipeline within a period of 18 months, this is, however, subject to change in light of the economic and market conditions that may prevail in the future.

The Company is not currently in negotiations, and has not entered into any exclusivity or purchase agreements, in respect of any of the properties included in the current pipeline. No assurance can be given that the Company will be successful in converting the current pipeline into acquired properties. In particular, See "*Risks inherent to investing in a new business—The Company is recently incorporated, has not yet made any investments and its performance will depend on the performance of its future investments*".

Management Team with proven track record in commercial real estate in Spain

The Management Team is fully committed and has extensive experience in commercial real estate in Spain having worked for well-known participants in the Spanish real estate market, including in the creation and expansion of Prima, Rodex Asset Management, S.L. ("**Rodex**") and, more recently, Axiare.

Each member of the Management Team has a long and successful record of creating value for shareholders through investment and management of real property assets in Spain. In this regard, Mr Luis Alfonso López de Herrera-Oria was executive director of Prima from 1986 to 2002 and, during this time, Prima was admitted to trading on the Madrid Stock Exchange (1988) and, by 1990, became the largest real estate company in Spain. Mr Luis Alfonso López de Herrera-Oria was also the founder of Alza Real Estate, S.A. and served as its CEO. More recently, he served as CEO of Axiare, leading it, together with the current members of the Management Team, through a successful listing and, upon its business combination with Inmobiliaria Colonial SOCIMI, S.A. ("**Colonial**"), the management team (comprised of the same members as our Management Team) had delivered an Accumulated Total Shareholder Return of approximately 97% in approximately 3.5 years (this is, from Axiare's IPO on 26 June 2014 until the end of the Colonial's takeover bid process in respect of Axiare on 29 January 2018). Accumulated Total Shareholder Return is the Total Shareholder Return as such term is defined and calculated in Section "Additional Information - Alternative Performance Measures" for Axiare's shares where the acquisition price (C_0) for such shares is the price per share of Axiare's IPO on 26 June 2014 of €9.3255 per share (this is, the issue price of the Axiare offering of €10.00 adjusted by dividends paid and capital increases) and the price at disposal (C_T) is Colonial's tender offer price of €18.36 per share.

The Management Team combines a balanced profile with proven deal sourcing and extensive property management capabilities. For details on the track record of the Management Team, please refer to section "*Management—The Management Team*".

The Management Team believes it is well positioned to secure properties that meet the Company's investment criteria based on its long track record in commercial real estate in Spain, its established network and ability to source off-market deals and also as a result of the high visibility that the Company is expected to achieve as a listed vehicle. The Company believes that the business insight, distinctive knowledge and familiarity with the relevant markets gathered by the Management Team throughout their experience will put the Company in an ideal position to capitalize on future opportunities presented by the market and the recovering economy in Spain.

The Management Team has recently demonstrated its ability to close complex transactions at Axiare, where they successfully structure complex transactions, bringing together various players and aligning the interests at stake. The Management Team has demonstrated an ability to work with sellers, lenders, developers and other third parties with divergent interests in a real estate transaction and is well known for its ability to negotiate and structure complex real estate transactions.

The Management Team's approach allows for the prompt and adequate identification of opportunities and, if they are finally incorporated within the Company's portfolio, management of these assets by the corresponding member of the Management Team throughout the period of investment of said asset within the Company. This allows them to bring their experience and knowhow to bear on each phase of a real estate transaction. The Management Team intends to follow a disciplined investment process, in line with its previous experience, with each RED being involved with all phases of the investment process, including deal sourcing, legal aspects, negotiation, tenant management, refurbishments, projects and business plans. In addition, REDs are expected to carry out investment analyses via assessment of opportunities for acquisitions and disposals, review of relevant legislation and regulatory requirements or initial projection of revenues or capex, as well as financial analysis and due diligence with respect to the various investment opportunities (including analysis of the key characteristics of the projects, sensitivity analysis and technical, legal, accounting and tax due diligence) that allows each of them to make a well-founded investment decision. Finally, the REDs will be in charge of the real estate properties by overseeing and monitoring the delivery of the project, including its potential refurbishment, and actively seeking the best possible agreements and relations with tenants with an aim to optimize equity return.

In-depth access to potential investment opportunities

The Management Team has extensive and long-standing relationships in the Spanish real estate market and has in-depth knowledge of deal sources, including corporate and private landlords, brokers and major domestic and international banks. These relationships and understanding of the market have enabled members of the Management Team to access both off-market and more widely marketed real estate transactions. The Company believes that the Management Team's relationships and experience will provide the Company with the access and the ability to cultivate appropriate investment opportunities in line with the Company's investment criteria.

The Company aims to leverage its close relationships with local players in order to remain informed of recent developments and acquisition opportunities in the Spanish market. Each member of the Management Team is an active player in the market with significant expertise and the Company believes this will allow it to access various available acquisition opportunities in the Spanish market.

Specifically, the Management Team expects to source deals from competitive and restricted processes and auctions and off-market deals. It is expected that the Company's investments will primarily be sourced through a combination of the following core avenues.

High net worth individuals and corporations

The Management Team believes that certain high-net worth individuals and corporations intend to divest Spanish real estate properties in light of increased transaction activity in the market in order to deleverage or reduce their Spanish real estate exposure, and that a number of private investors are increasingly looking to deleverage their own balance sheets. The Management Team believes that this will likely be a source of opportunities to acquire assets in line with the Company's investment criteria.

Banking institutions, receivers and borrowers

The extensive use of leverage in the acquisition of Spanish commercial real estate, particularly in the middle part of the last decade, and the subsequent decline in values, has left banking institutions with significant legacy exposure to Spanish commercial real estate properties. Many Spanish banks have developed divestment strategies with respect to their legacy exposure to commercial real estate properties that have not been transferred to the Spanish property management company, SAREB, This has resulted in numerous transactions between 2012 and 2018, amounting up to more than 100 billion Euros of Real Estate backed NPL's and REO's, being Santander and BBVA the most active sellers, and international funds such as Cerberus and Blackstone, the most active buyers. Moreover, a number of non-Spanish banks that operate in the Spanish market are undertaking various initiatives to reduce their Spanish real estate exposure. The Management Team believes that these efforts should result in property acquisition and investment opportunities for the Company. Assets may become available directly from the banks divesting them, from receivers appointed to oversee assets or from borrowers who are selling under the guidance of such banks or receivers.

Institutional funds and private equity investors

The Management Team believes that certain institutional funds, such as pension funds or life insurance companies, as well as private equity investors may seek to divest Spanish real estate properties as the Spanish real estate investment market becomes more liquid, in order to balance risks within their respective investment portfolios. The Management Team believes divestments may range from small reweighting exercises to outright exits from the Spanish real estate market. The Management Team believes that this will likely be a source of opportunities to acquire assets in line with the Company's investment criteria.

Funds acquiring large portfolios from banks with the aim to latter sell in smaller portfolios or asset by asset, are expected to be a significant source of opportunities in the coming years as it has been the case, throughout 2017 and 2018 with investment funds being highly active, selling individual properties acquired in recent years. This was the case, for example, with Blackstone, which sold the Cedro Building to Axiare, and Lonestar, which sold Isla Chamartín to Tristán Capital and Zaphir Asset Management. In terms of divestment, other investment funds have been active, implementing an asset rotation strategy.

Off-market transactions

The Management Team believes that a number of real estate investments will likely result from off-market deals by individuals or corporations that are not actively seeking a divestment opportunity. The Management Team has a proven track record applying a "cherry-picking" approach in off-market transactions and believes that a number of owners will be willing to sell commercial real estate properties in the event that an attractive opportunity is presented by the Management Team.

Active property management strategy

The Company intends to undertake an active property management approach to maximize income and market valuations with the aim of further improving property yields and delivering stronger returns to the Company's shareholders. The Company expects to optimize its portfolio in terms of occupancies and achievable rental income. The Company intends to apply the following key operating and management principles:

- Maintaining and improving the quality of the Company's portfolio by regularly monitoring the performance of the properties;
- Increasing rental occupation in order to achieve a high level of occupancy and take advantage of market recovery by maintaining and enhancing the physical condition and appearance of the Company's properties;
- Improving marketability of buildings, that are in need of improvement through capital expenditures;
- Optimizing the net leasable area of the properties through refurbishment and architectural remodeling. The Company, if deemed necessary, expects to reconfigure each of the properties to enhance and optimize the overall net leasable area of its portfolio to increase occupancy and income generation;
- Establishing direct relationships with tenants to better understand their needs and requirements to create long-term relationships with tenants with robust credit profiles. The Company believes that such enhanced relationships may lead to greater tenant retention and increase the attractiveness of the Company's properties;
- Renegotiating rents at market value to maximize rental yields through a considered approach to contract terms. The Company will proactively manage lease renewals and pursue new leases to reduce vacancy periods through factors such as (i) early negotiations with tenants whose tenancies are about to expire and (ii) increasing rent on leases which are at below-market rental rates;
- Developing a conscious approach to cost management, and other asset value enhancement programs such as small-scale refurbishments and renovations;
- Enhancing the operating efficiency of the properties. Where possible, the Company expects to pursue operating cost reductions through improved efficiencies and cost control measures; and
- Undertaking appropriate marketing, advertising and promotional efforts to raise the profile of the Company's portfolio and increase the visibility of its properties. The Company intends to improve their energy efficiency throughout its portfolio of assets with the aim to achieve environmental certificates such as LEED® of BREEAM® in most or all the property portfolio.

The Company intends to directly undertake value-added property management activities, such as, improving the quality of its properties through investing in their maintenance and modernization, improving their energy efficiency, and renegotiating or surrendering leases, while other activities (including IT, legal, brokerage services, property management, architecture and marketing) will be outsourced to specific service providers.

Lean shareholder structure and implementation of best practices with respect to corporate governance

Efficient cost structure

The Company intends to rely on the customary internally managed structure of a listed company, which is more efficient than externally managed structures used for other marketed real estate vehicles or investment platforms. The Management Team will be directly bound to the Company through labor or services agreements which will require each manager's personal full-time commitment to the Company on an exclusive basis, except as described under "*Management—The Management Team's Compensation—Other terms and conditions of agreements with Management Team—Exclusivity*", with an aim to identify and avoid possible conflicts of interest.

Furthermore, the Company's structural expenses are expected to correspond to its operating expenses and to evolve with the execution of the business plan. Initially, the Company's annualized running and structural expenses will be approximately €5.5 million. Once the Company reaches critical mass, these running and structural expenses are targeted to converge to approximately 1% of NAV, calculated using year-end metrics of the Company based on its individual financial statements or, if applicable, consolidated financial statements for the relevant year. These structural expenses will include the compensation of the Board of Directors and the Fixed Remuneration of the Management Team and other employees of the Company and other structural operating expenses not related to the properties such as auditing costs, valuation costs, and legal and tax advice expenses.

Alignment of interests

Various factors contribute to the alignment of interests of the Management Team with those of shareholders. The principal factor is the Employee Incentive Plan, pursuant to which the members of the Management Team, and all remaining employees that the Company may have from time to time, are expected to receive an incentive payable in shares of the Company. The incentive will be accrued only if certain performance-based milestones are met during the vesting period, beginning on the date of Admission and ending on 30 June 2024. Members of the Management Team will be entitled to receive a certain number of Incentive Shares based on the Company's NAV as well as dividends distributed. The delivery of Incentive Shares will be communicated through the publication of a relevant fact notice (*hecho relevante*), when applicable, at the end of each Calculation Period. For purposes of the Employee Incentive Plan, the Shareholder Return will be calculated for the period from 1 July each year until 30 June of the following year (the "**Calculation Period**"), with the exception of the First Calculation Period, which will begin on the date of Admission and end on 30 June 2020.

The beneficiaries of the Employee Incentive Plan may receive, during the five-year vesting period, an aggregate maximum amount of Incentive Shares equal to 10% of the total Ordinary Shares of the Company issued and outstanding from time to time.

Additionally, Incentive Shares delivered pursuant to the Employee Incentive Plan will be subject to a progressive lock-up ranging from 12 to 24 months from the date on which the Beneficiaries are entitled to such Incentive Shares, subject to certain rules and exceptions as further described in section "*Management—The Management Team's Compensation—Employee Incentive Plan*".

Prospective investors should direct their attention to section "*Management—The Management Team's Compensation—Employee Incentive Plan*" for more detailed information regarding the compensation and incentives of the Management Team.

Unrelated to the Employee Incentive Plan, the members of the Management Team (including the CEO) have agreed to subscribe, whether directly or through one of their respective controlled companies, for New Shares in the Offering for an aggregate amount representing approximately 3% of the Net Proceeds.

Robust corporate governance

The Company aims to apply robust corporate governance practices and to develop corporate governance policies and procedures in compliance with the requirements of the Spanish Corporate Governance Code (*Código Unificado de Buen Gobierno*), approved by the Board of the CNMV in February 2015 (the "**Spanish Corporate Governance Code**"). As a newly incorporated company, the Company does not fully comply with the Spanish Corporate Governance Code as of the date of this Prospectus. Nevertheless,

arrangements have been put in place so that after Admission the Company complies as soon as possible with such principles. For more information on the compliance of the Company with the Spanish Corporate Governance Code see the section "*Board of Directors—Internal Code of Conduct in the Securities Markets and Corporate Governance Recommendations—Corporate Governance Recommendations*".

The Company will rely on a Board of Directors composed of five Directors, all of whom are independent in accordance with the Spanish Companies Act, except for Mr Luis Alfonso López de Herrera-Oria (the CEO) who has executive functions. Therefore, the percentage of independent directors as of the date of this Prospectus amounts to 80%. See section "*Board of Directors*".

The Board of Directors is composed of a group of professionals that possess real estate, financial and legal skills and experience. The Company believes that the Directors' strengths complement each other, creating a Board of Directors able to provide guidance to the Company and with skills that are expected to promote the Company's growth and progress as it was proved with their contribution to the success of Axiare considering that the members of the board are the same that as in Axiare.

The Company has appointed a highly experienced Board of Directors with Mr Luis María Arredondo Malo as Chairman and Mr Luis Alfonso López de Herrera-Oria as Vice-Chairman and CEO. The members of the Board are well-known within the Spanish real estate market and the international investment community. Additionally, from their prior experiences they have developed considerable expertise in other areas such as financial and legal services.

The Bylaws of the Company reserve certain matters to a decision by a simple majority of the Directors present and entitled to vote at the relevant board of directors meeting, as described in section "*Board of Directors—Board of Directors—Reserved Matters*". Acquisitions and disposals or entry into binding acquisition and disposition agreements with an aggregate value in excess of €75 million are considered reserved matters.

Additionally, pursuant to the Bylaws, the Board of Directors will establish an Audit and Control Committee and an Appointment and Remuneration Committee, as described under section "*Board of Directors—Board Committees"*.

Investment Policy and Strategy

The purpose of the Company is to invest primarily in Commercial Property, mainly offices located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain.

The Management Team believes that there is an opportunity to build up a high-quality portfolio of commercial real estate properties with strong income and the potential to add value if actively managed. The Management Team will focus on creating an optimized portfolio composed of properties with high upside potential and properties with low-rental risk that generate recurrent income. The Company will therefore consider the potential for value enhancement that may be realized following the improved management of the property through, amongst other means, repositioning or re-leasing strategies, or as result of investments in refurbishing, reconfiguring or renovating the property. The company could also consider acquiring assets on a forward purchase or forward funding base when this is considered to provide an opportunity, and additionally, and in order to benefit from current market conditions, the Company could also undertake selective opportunistic development projects, where there is less investor competition and where returns are expected to be greater, compensating for the risks assumed in connection with such developments.

The Company uses internal classifications to distinguish the properties it may invest in. This internal classification currently classifies properties follows: Core+ properties (assets where minor refurbishments or changes in tenancy are expected), value-add properties (assets where ongoing/planned repositioning/full refurbishment programs and/or significant capex investment are expected), Core properties (this is, stabilised assets) and development (this is, potential properties to be built in an urbanized plot of land or properties where more than 50% of the existing building is demolished or removed and must be

redeveloped). Due to the internal nature of these classifications such categories and their definitions may change over time.

The Company intends to source new investment opportunities primarily through the Management Team's extensive network of relationships within the Spanish Commercial Property market, including through relationships with corporate and private landlords, brokers, domestic and international banks and family-owned real estate offices. The Management Team intends to focus on creating both sustainable income and solid capital returns for the Company with a target average Total Shareholder Return of between 12% and 15% annually once the Net Proceeds are fully invested.

In the event that 18 months after the Admission, less than 75% of Net Proceeds have been invested or committed for investment by the Company in accordance with its investment strategy, the Board of Directors will call a General Meeting of Shareholders to be held within 45 days from the end of such 18-month period, to vote for a proposal for the Company to either extend the investment period beyond 18 months or reimburse shareholders the amounts of the Net Proceeds that have not been so invested or committed for investment by the Company (including through a distribution of reserves, a capital reduction, shares' repurchase or otherwise) or used to fund the Company's structural expenses. Only those Shareholders that are registered in the clearance and settlement system managed by Iberclear at 23:59 hours (Madrid time) on the day of approval of the reimbursement by the General Meeting of Shareholders will be entitled to receive any such reimbursement unless said approval specifies a different date and time for shareholders to be entitled to receive such reimbursement. In any case, Shareholders will only be entitled to the reimbursement approved by the relevant General Meeting of Shareholders and will not be entitled to any interest compensation from the Company as a result of the Company not being able to reach the investment commitment. In case of partial return of the Net Proceeds, the Company will continue to manage the assets held.

Investment Criteria and Property Characteristics

The Management Team is expected to follow certain investment and leverage criteria intended to focus its investment decisions on the acquisition of Commercial Properties mainly in offices, located in the city center (CBD and CBD-adjacent) in Madrid and, to a lesser extent, in Barcelona and other major logistics hubs in Spain.

Properties should fit within the Company's purpose of creating a real estate portfolio capable of paying dividends in line with the applicable Spanish SOCIMI Regime requirements and generating capital returns for the Company's shareholders.

It is expected that the total gross asset value of the properties comprising the Company's real estate portfolio ("**Total GAV**") will be distributed as follows (measured as at the time investment is made):

- A majority of the Total GAV (approximately 80-90%) in offices located primarily in Madrid, located in areas such as the city center (Centre Business District and other established districts within the city center adjacent to the CBD) and other highly-concentrated office areas with lower competition, such as secondary areas and the periphery of Madrid and Barcelona,
- the rest of the Total GAV (approximately 10-20%) in logistics properties in the major logistics centers (Madrid, Barcelona and other major logistics hubs) and in other opportunistic investments in traditional property asset classes.
- the focus on Madrid and, to a lesser extent Barcelona, by the Management Team is based on the perception of these cities as (i) being the major real estate markets within Spain in terms of number of companies; (ii) having relatively transparent markets, with numerous third-party reports covering these cities; and (iii) having relatively liquid markets, based on the number of real estate transactions completed in other Spanish cities.

The Company relies on active property management to maximize operating efficiency, profitability and value creation at the property level, mainly focusing on mispriced properties or undermanaged high-quality properties with active management opportunities, for example, through repositioning, rental extension or

rental optimization. The Management Team directly undertakes value creation and property management activities, such as, improving the quality of currently-held properties through investing in conservation and modernization, improving the energy efficiency of currently-held properties or renegotiating or surrendering leases.

Acquisitions of properties may be effected through any type of agreement and structure, including through subsidiaries, joint ventures or through the acquisition of non-performing loans and other types of financial instruments. However, the Company intends to maintain a simple structure and, to the extent possible, invest in properties through direct investment structures.

It is intended that properties acquired by the Company will be adequately insured and adequately maintained by outsourced service providers, such as architects, engineers, lawyers, property managers, and commercial agents, among others.

Pursuant to the Spanish SOCIMI Regime, the Company will be required, among other things, to conduct a Property Rental Business and comply with the following requirements: (i) the Company must invest at least 80% of its gross asset value in (a) leasable urban real estate properties, (b) land plots acquired for the development of leasable urban real property to the extent that development starts within the following three-year period as from acquisition or (c) shares of other SOCIMIs, foreign entities or subsidiaries engaged in the aforementioned activities with similar distribution requirements, and (ii) at least 80% of its net annual income must derive from rental income and from dividends or capital gains in respect of the abovementioned assets. The Company will have a two-year grace period from the date of election of the Spanish SOCIMI Regime by the end of which it must comply with these requirements. In addition, the Company will have a one-year grace period to cure any non-compliance with these eligibility requirements.

When considering an investment opportunity, the Management Team will analyze, among other factors: (i) opportunities to enhance the quality of the property; (ii) scope for short and medium-term value enhancement through active property management (e.g., improvement of the leasable area of the property, the lease duration and tenant profile); and (iii) properties that have elevated prospects of generating income in the short to medium term in order to support the Company's dividend policy.

The Management Team expects that, once it has identified an investment opportunity, it will develop a discounted cash flow valuation model in respect of the property based on certain assumptions (market rents, purchase price, date of acquisition of the asset, disposal price, capex requirements, financing characteristics, etc.) in order to estimate the net cash flows that the investment may produce within the next five years and, ultimately, the estimated value of the asset and the estimated internal rate of return that the Management Team would target.

Portfolio Approach

The Management Team intends to implement a thorough and disciplined approach to asset acquisition and management to assess the risk profile of income streams and analysis of each capital expenditure plan (including rigorous analysis of tenant financial strength).

When evaluating a potential investment in a property for office, retail or logistic use, the Management Team intends to take into consideration the following elements:

- The relevant terms and conditions of the lease contracts in place: on the one hand, those affecting future cash flows (such as duration, early termination clauses, passing rents, service charges structure, rent indexation and open market rent reviews) and, on the other hand, those affecting the quality of cash flows (such as guarantees, deposits, assignment or subletting rights, expansion rights and, ultimately, the covenants offered by the tenant).
- The operational expenses associated with the building, analyzing whether such expenses can be passed on to the tenants or must be considered as landlord's costs.
- The state of repair of the building and its installations, building capex budgets and expenditure calendars when necessary.

- Comparable rents and capital values in the same submarket or similar submarkets in which the property is located. This includes past and present data, as well as future trends envisaged in research reports. The Company uses this data to build its projections on future market rents applicable to existing or new contracts and on exit yield estimations.
- Market information on take-up and vacancy rates as a base to build the projections of the Company on letting vacancies and new leases.
- Market research from reputable sources on macroeconomic factors that might affect their projections, such as the Consumer Price Index and GDP growth.
- Market evidence on debt financing availability, terms and conditions (e.g., loan-to-value ratios, interest rates, formalization fees, amortization of principal and loan terms).
- The possibility of introducing to a greater or lesser extent parameters such as "technical" rotational vacancy or a contingencies line depending on the nature of the rent roll or the building or cash flow particularities.

The Management Team intends to, where appropriate, improve income profiles and add value to the Company's property portfolio through management techniques which include:

- Improving the quality of properties through investing in their conservation and modernization;
- Improving the energy efficiency of properties and achieving environmental certificates, such as
- LEED® or BREEAM®;
- Renegotiating or surrendering leases;
- Improving lease lengths and tenant profile;
- Repositioning and upgrading properties by improving the actual condition of the property applying different levels of refurbishment
- Urbanistic or planning actions with the aim of changing the use of property to commercial use (offices, logistics);
- Improving floor plans and space efficiency of specific assets and enhancing common areas;
- Changing the tenant mix of certain properties;
- Maintaining dialogue with tenants to assess their requirements, including through satisfaction surveys;
- Taking advantage of planning opportunities where appropriate; and
- Investing in the Company's corporate image.

Investment Funding

As a general rule and unless the nature of the investment advises otherwise, the Company intends to carry out investments using proceeds from the Offering and any other subsequent issuance of the Company's Ordinary Shares. In addition, the Company may finance a portion of certain acquisitions (approximately 50% of the Total GAV and, to the extent possible and advisable, 50% of the gross asset value of each property) with debt from banks and other financial institutions, secured by mortgages on portfolio properties and pledges of the rents form such properties on an asset-by-asset basis. The Company and the Management Team intend to determine the appropriate level of borrowings on a deal-specific basis without excluding the possibility of taking on debt at the corporate level if necessary.

When implementing its investment strategy, in addition to the use of leverage, the Company will consider using hedging where appropriate to mitigate interest rate risk, subject to the following principles:

- The Company targets a total leverage, represented by the Company's aggregate borrowings (net of cash) as a percentage of the most recent Total GAV of the Company, of approximately 50% of the Total GAV (subject to debt market conditions).

- Notwithstanding the foregoing, the Board of Directors may modify the Company's leverage policy (including the level of leverage) from time to time in light of then-current economic conditions, the relative costs of debt and equity capital, the fair value of the Company's assets, growth and acquisition opportunities or other factors it deems appropriate.
- Debt financing for acquisitions will be assessed on a deal-by-deal basis, initially by reference to the capacity of the Company and the specific asset to support leverage.
- The Company will not enter into a general financing facility to fund acquisitions before Admission.

Axiare

The Management Team, which worked together at Axiare, has proven its success and track record throughout the whole investment cycle, especially its capabilities to source off-market deals, close complex opportunities, acquire assets at attractive prices, improve quality of the buildings and its tenant base and create value for its shareholders.

Axiare Patrimonio SOCIMI, S.A. was a SOCIMI engaged in the acquisition, ownership and operation of commercial real estate properties (mainly offices, and to a lesser extent, logistics and other property classes such as retail), in Spain, mainly in Madrid and Barcelona.

Axiare completed its IPO in June 2014, raising funds of €360 million (€10/share) to invest in the Spanish commercial real estate market through a value-added approach and implementing an active property management strategy. Axiare was the fourth SOCIMI to be listed on the Spanish Stock Exchanges.

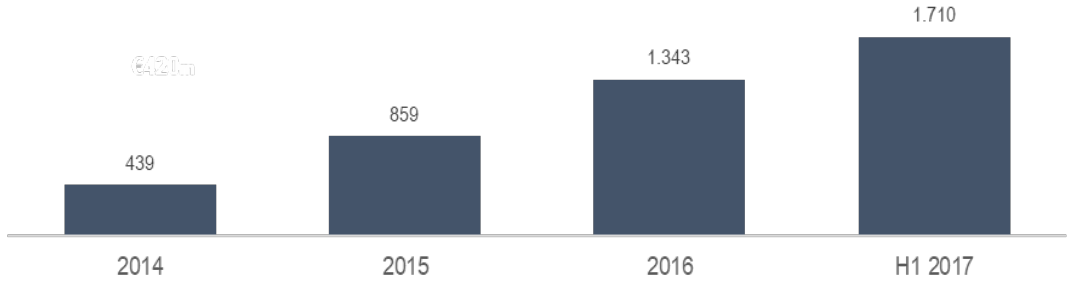
In June 2015, after most of the IPO proceeds were invested and due to its pipeline of opportunities, Axiare carried out a share capital increase with pre-emptive rights, raising additional funds of €395 million (€11/share), demonstrating the market's faith in the commitment of the management team to shareholders' value creation. In March 2017, the Company launched a share capital increase excluding pre-emptive rights through an accelerated book-building offering to raise €93 million (€13/share) (a capital increase of 10% of its share capital before the capital increase), to keep benefiting from the momentum of the Spanish real estate market and to expand its investor base, and improve its free-float and share liquidity.

On 13 November 2017, Axiare's main shareholder at that time and direct competitor Colonial (that on October 2016 had acquired a 15% stake of Axiare at a price of €12.5 per share), launched a voluntary takeover bid for 100% of Axiare's shares at a price of €18.5 per share (adjusted to €18.36 per share after payment of a dividend), representing an implied 18.9% premium over the company's last-reported NAV. The takeover bid was accepted by shareholders representing 82% of the target shares and, as a result, was consummated. On 4 July 2018 the merger between Axiare and Colonial was registered in the Commercial Register of Madrid and Axiare's shares were delisted two days later.

At the time of Colonial's takeover bid, Axiare owned a portfolio of €1.8 billion of assets under management (44 properties), generating an annual *Gross Rental Income* of more than €60 million a year and having a total market capitalization of €1.5 billion. Through its successful value-added strategy, Axiare's management team achieved a NAV per share growth increase of 94.1% from the IPO price of €9.46 per share (Source: Axiare's relevant fact notices (*hechos relevantes*) and IPO Prospectus) to the takeover bid price of €18.36 per share (Source: Colonial's Tender Offer Prospectus) and an Average Annual Total Shareholder Return of 18.7% (compared to target of 15%), outperforming the cycle and its peers. Average Annual Total Shareholder Return is the average of the Total Shareholder Return as such term is defined and calculated in Section "Additional Information - Alternative Performance Measures" of Axiare's share price for each year since the date of admission of Axiare's shares on the Spanish Stock Exchanges until Colonial's takeover bid process on 29 January 2018 where the acquisition price (C0) for such shares is the price per share at the beginning of each year (1 January except for 2014 where such period begins on the date of admission of Axiare's shares on the Spanish Stock Exchanges) (adjusted by dividends paid and capital increases) and the price at disposal (CT) is the price per share at the end of each year (31 December except for 2018 where such period ends on the date of delisting of Axiare's shares on the Spanish Stock Exchanges and the price at disposal (CT) is Colonial's tender offer price) and where annual Total

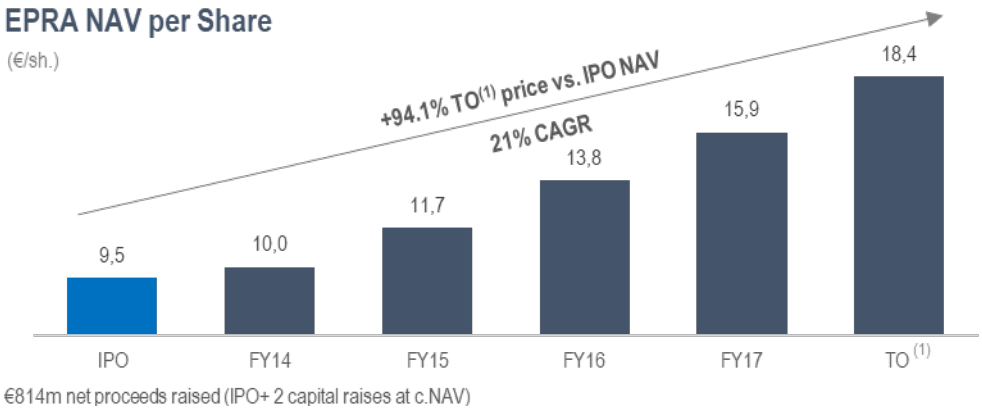
Shareholder Return for Axiare's shares on 2014 and 2018 has been annualized to adequately calculate the annual average for the period analyzed.

Axiare's GAV
(€ m)



Sources: Axiare's financial statements and relevant fact notices (hechos relevantes).

Axiare's EPRA NAV
(€/sh)



Sources: Axiare's IPO Prospectus, financial statements and relevant fact notices (hechos relevantes).
Notes:
(1) TO means Tender Offer.

Corporate social responsibility policy

As a listed company, Árima intends to develop a corporate social responsibility policy (the "**CSR Policy**"), in line with the Recommendations of the Spanish Good Corporate Governance Code. Pursuant to article 529 *ter* of the Spanish Companies Act, approval of such policy will be within the non-delegable authority of the Board of Directors.

As of the date of this Prospectus, the Management Team intends to prepare a CSR Policy along the lines set out below, to be proposed to the Board of Directors in the short term following Admission. The CSR Policy will aim to guide the Company's employees (including the Management Team) in furthering the Company's mission and vision through its core values.

- **Mission**: to generate positive returns through active management of the Company's assets, focus on value creation, tenant loyalty and environmental sustainability.
- **Vision**: to be recognized in the market for high quality, sustainability, technology, asset profitability, stability and operative and professional excellence.
- **Values**: the Company aims to promote the practice of the highest professional and ethical standards, including solid corporate governance practices. The Company's core values include:
  (i) best practices;

(ii) sustainability;
(iii) innovation;
(iv) close relationship with tenants;
(v) innovation;
(vi) commitment;
(vii) quality;
(viii) agility;
(ix) discipline; and
(x) experience.

Best practices

The Company aims to act in accordance with the best practices based on:

- ethical and professional conduct in carrying out its businesses to promote free market practices and fair competition, reject any kind of illegal or fraudulent procedure, and prevent and fight any corrupt act.
- compliance with legal and tax obligations collaborating with regulatory bodies and manage a suitable and the necessary non-financial risk oversight mechanisms to avoid any negative impact in the profitability and/or reputation of the Company.
- reliability, completeness and transparency of information provided to third parties while promoting active communication channels with its main stakeholders in order to identify concerns and expectations.

Innovation

In a constantly changing environment, the Company firmly aims to include innovative features in its assets in order to improve tenant experience and satisfaction, fostering close relationships. Innovation and new technologies will help the Company enhance its relationships with tenants. The main objectives of this approach are continuous improvement, attraction of investments, retention of tenants, trend analysis, cost reduction and improvement of knowledge-sharing capacity.

Sustainability

The Company aims to promote sustainability in all stages of its assets' useful lives. This approach is based in three key pillars:

- establishing sustainability targets that use international standards as a reference.
- employing procedures and technologies that help achieve objectives and enhance asset performance from an environmental perspective; and
- involvement of all relevant agents in the good functioning of assets from the moment of their incorporation into the Company's portfolio.

The level of sustainability will be assessed through internationally recognized certification programs such as Leadership in Energy and Environmental Design (LEED) and BREEAM (Building Research Establishment Environmental Assessment Method), which are among the most prestigious environmental certifications available in the real estate sector both at a national and at an international level.

The Company's property management policies are expected to include: (i) a sustainable procurement policy; (ii) a waste management policy; (iii) an efficiency policy in connection with plumbing equipment; (iv) an internal air quality management policy; and (v) sustainability policies to be included in agreements with tenants.

Certifications of excellence

Most members of the Management Team hold key and internationally renowned certifications in the sector including those issued by RICS and CFA. These certifications are linked to commitment with ethics, best practices and professional integrity. The Company intends to apply for a RICS certification following Admission.

In addition, the Company aims to become part of the EPRA index, which would procure a higher degree of visibility in the European market, enhancing the Company's reputation and improving its close relationships with investors, shareholders and analysts. Some investment funds specialized in real estate properties limit their investments to companies included in the EPRA index.

Additionally, the Company plans to promote employee training to develop their professional skills which is expected to impact both the quality of the Company's workforce and retain talent.

Social Action

The Company will aim to take part in social projects in order to contribute to the improvement of society and local communities, mainly in the following fields: (i) education and sport, to reinforce the pillars of the society; (ii) charity, to improve the conditions of the needy; and (iii) heritage conservation, to preserve patrimony over generations. Likewise, it will aim to generate positive impacts on society by developing its own activities (like refurbishment and environmental enhancement), by creating sustainable and decent employment and by giving priority to local suppliers to develop local community.

Collaboration with business schools

The Company will target to establish collaborative relationships with business schools in order to incorporate interns. These types of arrangements help improve student employability and professional development, by providing them an opportunity to acquire applicable knowledge and skills.

Stakeholders

The Company will encourage the development of stable and active communication channels with its main stakeholders in order to identify concerns and expectations, including with the Company's shareholders and investors, clients, employees, supervisory bodies and public entities, property managers, suppliers, local community members, financial entities and members of the media.

INDUSTRY OVERVIEW

Market Summary

The following summary focuses on real estate market activity in the office and logistics sectors in Madrid and Barcelona.

Economic growth has encouraged demand from tenants and investment. This growth is expected to continue. GDP in Madrid and Barcelona is higher than the national average and job creation continues on a positive trend, and is anticipated to continue going forward.

In 2017, the Spanish economy grew by 3.1%, exceeding 3.0% for a third consecutive year and outperforming most of its European counterparts. Spanish economic growth is underpinned by more balanced foundations than prior to the economic crisis that started in 2008, with internal and external demand now as the primary drivers of growth. According to the Bank of Spain, Spanish GDP is expected to grow by approximately 2.7% in 2018, driven by growth in exports, consumption and investment, as was the case in 2017. Despite a slight decline in the growth rate, from 3.3% in 2016 to 3.1% in 2017, Spain is expected to continue being one of the countries with the highest growth in Europe in 2018. (Source: *Banco de España, Savills-Aguirre Newman, European Commission, INE, Ministerio de Empleo y Seguridad Social).*

Job creation, based on new affiliates in the Social Security, reached 3.6% in 2017 and is expected to grow 2.6% in 2018, and is anticipated to continue in this trend in the coming years. (Source: *Ministerio de Empleo y Seguridad Social).*

Madrid and Barcelona are expected to drive the growth of the Spanish economy in the coming years, with favorable macro trends in both cities. Madrid's GDP grew by 4.0% in 2017 and is expected to continue growing by 3.4% in 2018 and 2.7% in 2019. The expected economic growth is expected to lead to the creation of approximately +150,000 new jobs over the next two years, reducing the unemployment rate to 12.7% in 2019. (Source: *Instituto Nacional de Estadística, BBVA Research*).

On the other hand, Catalonia's GDP grew by 3.4% in 2017 and is expected to grow by 2.1% in 2018 and 2.0% in 2019, broadly in line with the Spanish economy. If these projections are accurate, overall GDP growth in the Catalonia region will have posted six years of expansion and, in the next two years, 136,000 new jobs are expected to be created, reducing the unemployment rate to 9.6% by the end of 2019. (Source: *BBVA Research*).

The Company believes that in 2018 the Spanish real estate sector is expected to experience another year of increased activity. Low interest rates, high liquidity and the potential offered by the sector continue to make the Spanish real estate sector an appealing alternative to other markets or products.

Based on recent experience, companies are increasingly aware that the quality and philosophy of the work environment is fundamental. Likewise, landlords recognize that providing top notch, efficient, modern and sustainable space is key to securing the most desirable tenants. Such space continues to be in limited supply as the majority of existing buildings require upgrading. There is an opportunity to fulfill this need.

The lack of high quality space has driven rents up for quality properties in areas that are well connected by transport. By the end of H1 2018, prime CBD rents climbed 8% in Madrid and 6% in Barcelona year-over-year ("**YoY**"), to €33.0 per sqm per month and €24.3 per sqm per month respectively. Both cities continue on the recovery path that started in 2014. (Source: *JLL*).

In Madrid, the CBD, with a vacancy rate below 6.5%, suffers from a lack of supply, while in Barcelona's CBD the vacancy rate fell in H1 2018 to 3.5%, in line with the trend of the past few years, due to low levels of supply coming onto the market. Vacancy rates are expected to continue to decline in the second half of 2018 as a result of a lack of high quality properties. Furthermore, given the lack of large, quality offices, in some areas of the city, there has been an increase in the number of pre-let transactions, an unusual development in the office market in Spain. Although in recent months a number of buildings have become operational, these have not introduced new vacancies in the market as these projects were mostly pre-let.

Forecasts continue along the same lines, as many projects due to be delivered are already partially or fully pre-let (Source: *Savills-Aguirre Newman, JLL*).

The aforementioned imbalance of supply and demand has meant that rental growth has been very restrained. Rents in Madrid and Barcelona still provide room for relevant increase when compared to the peak of the previous cycle. Additionally, both Madrid and Barcelona are still significantly below other major cities and are expected to see some of the sharpest increases in Europe over the next few years.

Both Madrid and Barcelona's rental prices are well below pre-crisis peak levels with Madrid's CBD at €31.25 per sqm per month (Q4 2017 price) vs. pre-crisis peak of €40.0 per sqm per month and Barcelona's CBD at €23.25 per sqm per month (Q4 2017 price) vs. pre-crisis peak of €26.5 per sqm per month. (Source: *JLL*).

Relative to other key comparable cities, most major cities such as Paris, Frankfurt, Berlin, Dublin and Lisbon have already reached pre-crisis peak rental prices while Madrid and Barcelona are still far below their peaks. According to JLL, Madrid is set to record the highest annual growth rate between 2018 and 2021, with 4.1% annually forecast. Although slightly lower, Barcelona is also expected to have significant annual growth of approximately 2.8% average between 2018 and 2021. (Source: *JLL*).

According to Árima's analysis based on information provided by several real estate consultants, demand outweighs supply for larger requirements in central areas. The Company expects firms to fill this demand by looking to submarkets outside the CBD.

Liquidity is high in the capital markets in both direct and indirect investment. Investors are attracted to Spain by higher returns and this interest has pushed yields lower.

The yield contraction that began at the end of 2013 in prime European markets spread to other markets in 2014. Despite already being at all-time lows, high market liquidity, the European Central Bank's ongoing loose monetary policy and the drive for alternative investment opportunities squeezed prime yields even further in 2017. However, in recent months, yields in Madrid have stabilized. Until Q3 2017, prime yields in Madrid and Barcelona were practically equivalent across all sectors. However, as of October 2017, political uncertainty has put upward pressure on the yields in Catalonia. Investors' attitudes regarding Catalonia in Q4 2017 were varied, with some buyers pushing ahead and closing deals, and others opting to put any decision-making on hold. On the sell-side, some sellers also decided to take their properties off the market awaiting more favorable market conditions. (Source: *Savills-Aguirre Newman*).

Given the sharp decline that has already occurred in yields and the fact that they stand at record-low levels, the Company believes it is unlikely that yields will tighten further in the Madrid and Barcelona's Business Districts, aided by low interest rates, which are expected to remain low in the mid-term.

In the Barcelona market, the initial yield has continued to gradually tighten over the last few months. With a greater margin of adjustment compared to Madrid, yields have continued to decrease due to high investor interest, lower vacancy and a healthy level of take-up.

Office market in Spain

Overview of the offices market in Madrid and Barcelona

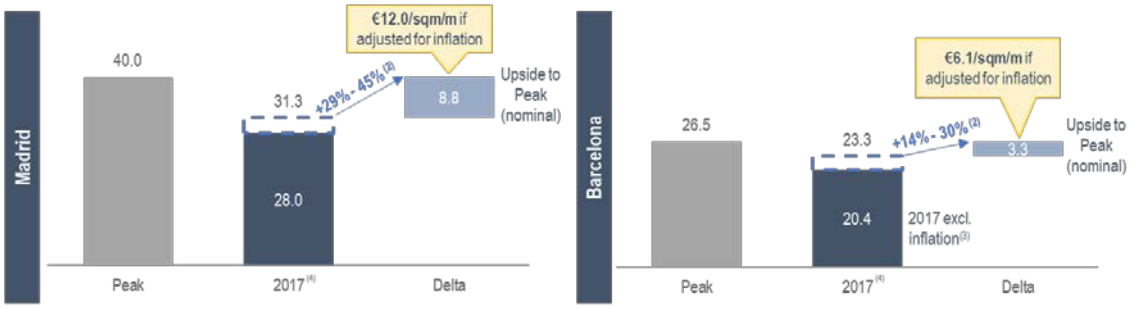
In 2017, take-up in Madrid was above 560,000 sqm, the highest level in a decade, driven by a number of transactions, some of which involved the public sector. In Barcelona, 2017 take-up grew by 9% relative to 2016 levels, reaching more than 331,000 sqm. Take-up levels for both cities continued their upward trend, surpassing 892,000 sqm due to several extraordinarily active months, translating into a YoY increase of 21%. (Source: *JLL*).

The Spanish office market continues on its path to recovering pre-crisis rental price levels, which has already been achieved in various main global cities.

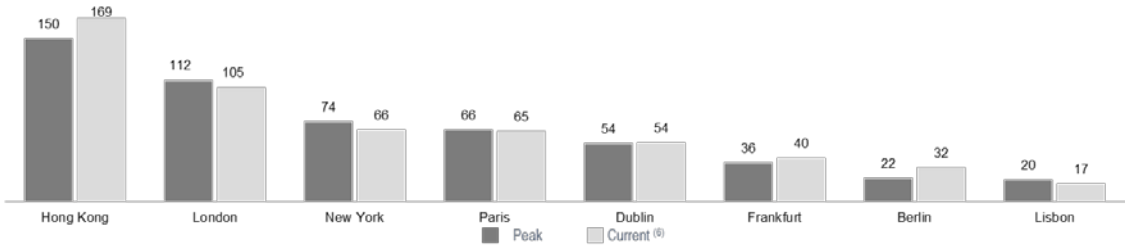
Madrid is expected to record the highest prime rent increase in Europe in 2018, with Barcelona expected to be the fourth. In the longer term, both cities are set to record some of the highest annual growth rates over

the 2018-2021 period, with 4.1% forecast for Madrid, occupying the top spot and 2.8% for Barcelona which ranks fifth. (Source: *JLL*).

Madrid and Barcelona prime rents [(1)] ***– 2008 Pre-crisis peak vs. prime rents (€/sqm./month)***



European peer rents [(5)] ***– Pre-2008 crisis peak vs. Q2 2018 (€/sqm./month)***



Notes:

(1) Prices for prime rent in Madrid and Barcelona CBD.
(2) Upside range including and excluding inflation adjustment,.
(3) Reference to 2008 price levels.
(4) Current prices as of Q4 2017.
(5) Based on 2017 end year FX rate.
(6) Current prices as of Q2 2018

Source: JLL, PMA.

As rents continue to climb, this rental growth is gradually rippling out and affecting the CBD and the best properties in other submarkets. Additionally, following years of almost no development, the first new office buildings are beginning to come onto the market in both cities.

In addition, new trends such as flexible offices and co-working spaces are changing the dynamics of demand in this sector, becoming a key priority for companies looking for space. In particular, flexible offices and co-working are expected to bolster take-up in Madrid and Barcelona. Thus, deals involving co-working spaces are resulting in sizeable deals in central areas of Madrid and Barcelona.

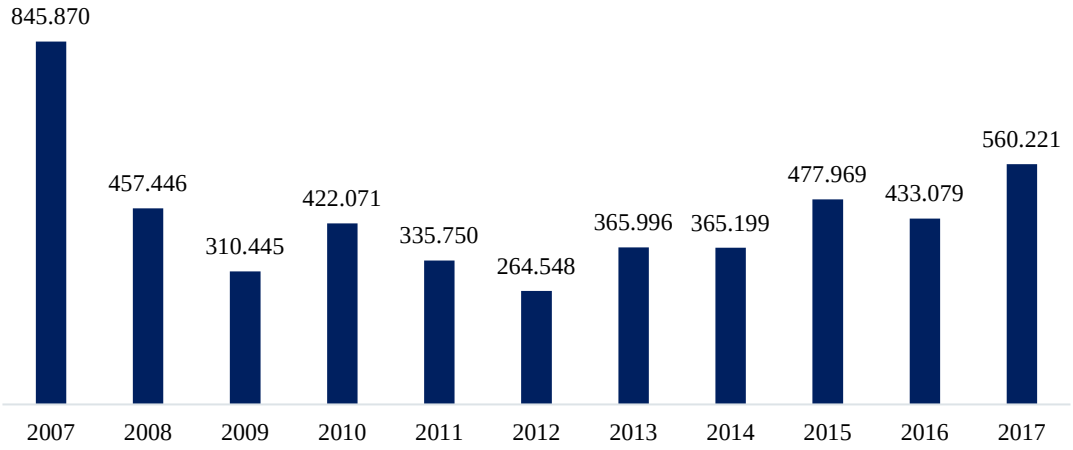
In terms of investment, total investment for the first six months of 2018 has weakened due to a lack of supply, falling to €522 million, 56% lower than the same period a year earlier. (Source: *JLL*). In 2018 Q2, prime yields in both Madrid and Barcelona have remained stable at 2017 and 2016 year-end levels of 3.75% and 4.0%, respectively. (Source: JLL). Regarding the type of investors, the most active players have been funds, accounting for 48% of investment volume, followed by SOCIMIs with 23% and private investors with 12%. (Source: JLL)

Madrid office market

Solid office take-up

Madrid showed an impressive take-up figure in 2017, reaching more than 560,000 sqm which represents an approximately 29.0% YoY increase, recording the highest figure since 2007. In 2017, 82% of total take-up in Madrid was concentrated in the CBD and in the periphery (Moncloa-Aravaca, Pozuelo, Alcobendas, Carabanchel. Usera. Puente de Vallecas, San Blas, Hortaleza and Barajas (Source: *JLL*).

Madrid historical take-up evolution (2007-2017) – sqm



Source: JLL

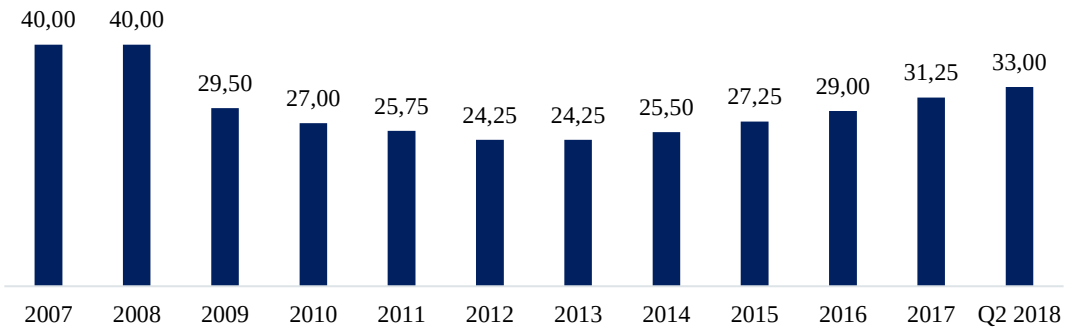
During 2017, office space demand in Madrid was dominated by technology, media, telecommunications, and service sector companies. In addition, a key driver of the growth has been the return of the public sector (after a decade of being dormant), mainly driven by the necessity of upgrading large and outdated offices.

Furthermore, Madrid has recently seen a shift in the supply of new offices with the introduction of new office buildings. In 2016, 100% of the new offering coming to market was composed of refurbished properties, while in 2017 various new office buildings have come on the market. (Source: *JLL*).

Limited availability in Madrid CBD

Vacancy rates were 10.5% on average for Greater Madrid as of the second quarter of 2018, affected by two factors: (i) the release of space by tenants not renewing their leasing contract and; (ii) the increase in supply due to the arrival of newly completed developments. (Source: *JLL*).

Madrid vacancy rates % 2007 - Q2 2018



Source: JLL

The CBD, with a vacancy rate below c.6.5% (below 4.0% for the prime area according to Savills-Aguirre Newman) as of the second quarter of 2018, continues to suffer from lack of supply, and tenants are directing

their searches towards the CBD and urban areas, where they can find quality spaces due to the availability of refurbished and updated offices. The vacancy rate in non-CBD areas outside the M-30 ring road, which circles the central districts in Madrid, stands at 12.9% as of the second quarter of 2018, although there are notable differences among submarkets, with some at similar levels to prime areas. (Source: *JLL*).

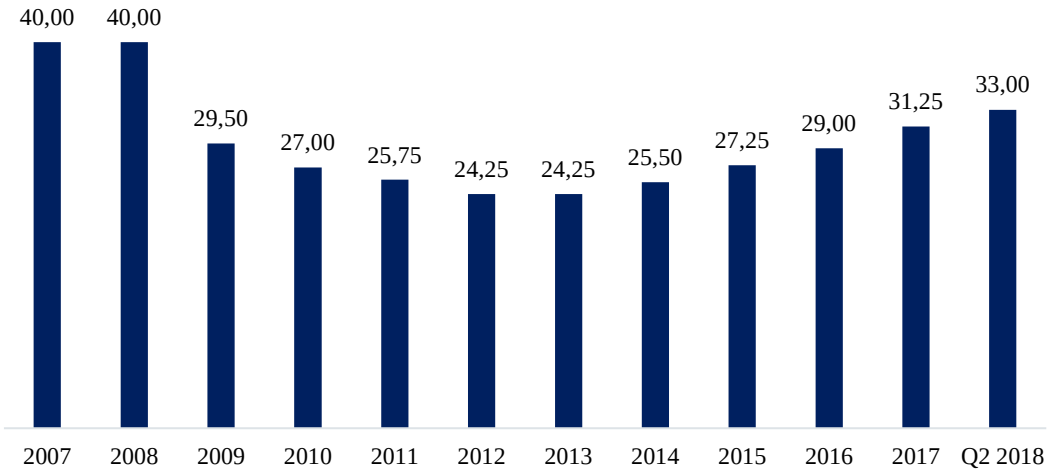
Rents continue to increase

The lack of quality space available in Madrid continues to push rents upwards. In 2017, prime rents increased by 8% to end the year at €31.25 per sqm per month, reaching €33.0 per sqm in the second quarter of 2018, continuing on the path to rental recovery started in 2014, increasing by nearly 30% since 2013. (Source: *JLL*)

During the second quarter of 2018, in secondary and periphery areas, rental levels increased by more than 10.0% and 8.3% YoY to €19.25 per sqm per month and €16.25 per sqm per month, respectively, while rental levels in satellite areas remained constant. (Source: *JLL*).

The expected average increase for rental levels for the coming five years is approximately 4.2% annually. (Source: *JLL*).

Madrid prime rents €/sqm/month 2007 - Q2 2018

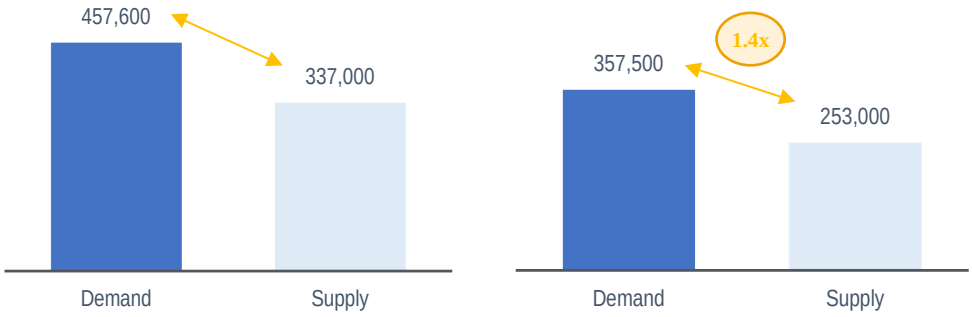


Source: JLL

Mismatch between demand and quality supply

Currently, there is a significant imbalance between office space demand and Grade A supply in Madrid. The mismatch is widespread both in terms of business area and size. Only 15% of immediately vacant space is classified as Grade A, which is unable to meet the demand among major companies seeking quality space. (Source: *JLL*).

June 2018 Demand vs. Grade A Office Space Supply (sqm)



Source: Company information based on own research.

Investment and yields

Investment continues to be robust. Both national and international investors have been active since 2014, with international investors continuing to see Madrid as one of Europe's most attractive investment destinations, representing approximately 40% of total investment in the past year. In the second quarter of 2018, investment in offices amounted to €263 million, split between six transactions exclusively in Madrid. (Source: *JLL*).

Core buildings in prime locations are attracting strong competition and sharp yields. Yields in Madrid remain unchanged since Q4 2016, with the prime yield stable at 3.75% as of the second quarter of 2018. (Source: *JLL*).

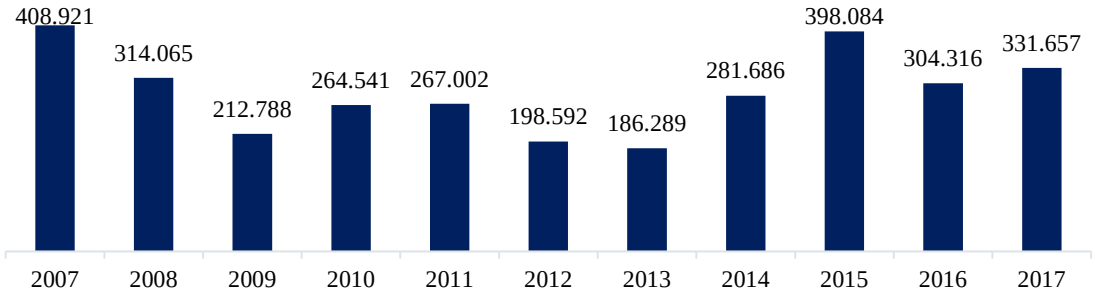
Barcelona office market

Higher take-up, mainly in urban areas

Given the new phase of construction currently underway in the Barcelona office market, many tenants looking for large offices have found appropriate space via pre-lets (this are, contracts between a potential tenant and a Commercial Property owner which allows the tenant to agree to lease a building before the construction is finished).

Significant lettings included those by Amazon and WeWork, which will occupy Luxa Silver and Luxa Gold, respectively, large scale buildings slated to enter the Barcelona office market in the 22@ district. Take-up totaled 331,000 sqm in 2017, up 4% YoY, and in line with the forecasts for the year. In 2017, the New Business Districts represented 45% of office take-up. (Source: *JLL*).

Barcelona historical take-up evolution (2007-2017) – sqm.

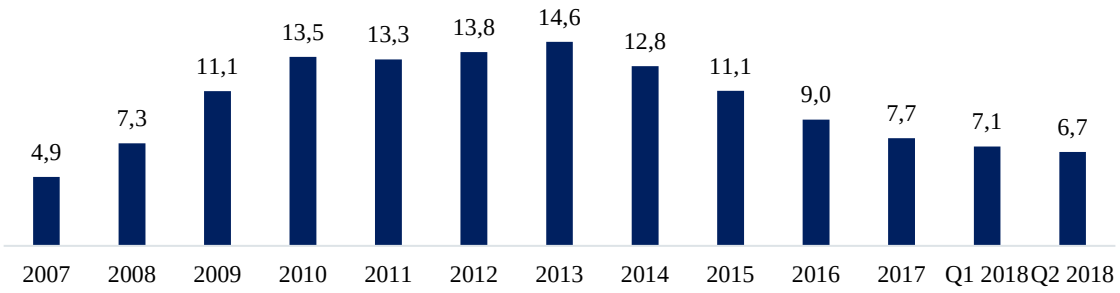


Source: JLL

Declining vacancy rates

The solid and growing demand seen in current pre-let deals, demonstrates the potential of the city and sharp interest by tenants and investors, resulting in lower vacancy rates of 6.7% overall as of the second quarter of 2018, falling significantly in CBD and in the 22@ submarket, as a result of occupational demand from IT, industrial and media firms. (Source: *JLL*).

Barcelona vacancy rates % 2007 - Q2 2018

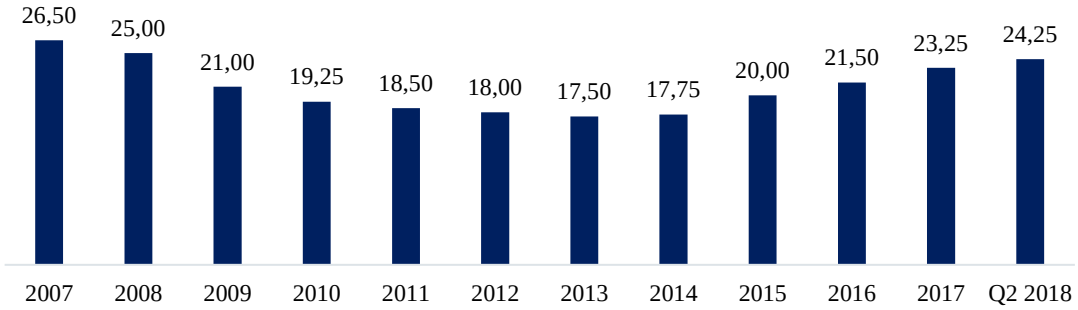


Source: JLL

Rents

Rents in Barcelona have risen by approximately 33% since 2013 in the CBD area to €23.25 per sqm as of year-end 2017 and €24.25 per sqm as of Q2 2018. Rental growth became more pronounced in other submarkets starting only in 2017. Nonetheless, such submarkets are starting to follow the growth trend, driven by the lack of quality space in the CBD, which is not expected to be resolved over the course of 2018 as properties under construction or refurbishment are generally already pre-let. (Source: *JLL*).

Barcelona prime rents €/sqm/month 2007 – Q2 2018



Source: JLL

Increasing cyclical investment and steady yields

Investment volumes in Barcelona have been recently affected by political uncertainty.

In 2017, prime yields remained steady at 4.0%, stabilizing in the second half of the year, following a contraction experienced in the first months of 2017. In the second quarter of 2018, yield has held firm against the previous quarter. (Source: *JLL*)

Logistics market in Spain

Overview of the logistics market in Spain

Supply-demand imbalance driven by the Spanish economic recovery and e-commerce effect

The Spanish logistics sector is one of the most attractive segments within the Spanish real estate market, especially for international investors (Source: *JLL*). The economic recovery of the past few years in Spain, together with an expansion of e-commerce, have resulted in a significant lack of supply of quality assets in the main logistics markets, while demand for such spaces has increased. A high number of logistics operators have been unable to secure high quality assets of appropriate size and equipped with the most advanced technical specifications. This situation has boosted the investment appetite of international investors, seeking to capture the value creation potential derived from these market conditions, leading to investment levels exceeding historical peaks and the emergence of new players seeking investment opportunities in the logistics segment. Moreover, the lack of quality has encouraged investment in development projects, both through turnkey agreements (preferred by operators since the final product meets their needs) and through the development of speculative projects, given the wide unsatisfied demand. Although Madrid and Barcelona remain the principal logistics markets, Seville, Malaga, Zaragoza and Valencia are seen as attractive, particularly by e-commerce tenants, for their strategic locations.

For these reasons, the Company believes the logistics segment has become one of Spain's most appealing investment targets. Underpinned by the country's macroeconomic prospects, investors with high liquidity seek higher returns in this sector, which has, in turn, led to significant yield contraction.

Investment reaching peak levels for second consecutive year

Investor appetite in the logistics sector in Spain remains very high, with €1.41 billion invested in 2017, an increase of approximately 72% relative to 2016, reaching an all-time peak, with 28 transactions executed in 2017 (Source: *JLL*). Unlike in previous years, investors are targeting other secondary markets such as Valencia, Bilbao, Malaga and Seville, among others, in addition to traditional top-tier logistics markets such as Madrid and Barcelona.

Strong interest by international investors in the logistics market is mainly driven by higher operating returns, improved financing conditions, shorter maturity periods required to exit in this market segment and strong demand for premium assets in Spain´s main logistics markets. According to the Company, this positive trend in investment volume is expected to continue, driven by an expected readjustment of the portfolio of several market players and asset rotation policies of certain SOCIMIS. International funds stand out as the most active players in the logistics market, with Asia being one of the main sources of funds.

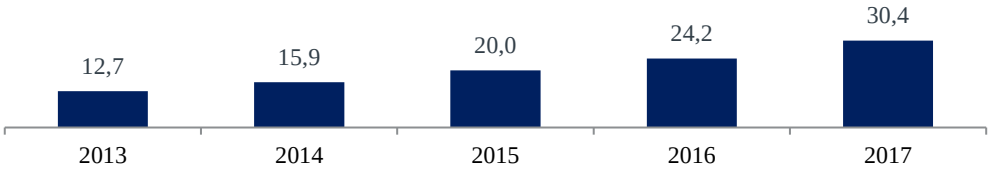
Contraction of yields with expansion in rents

As a result of this increase in investment volume, driven by significant investment interest by international investors and coupled with rents, yields have continued contracting in prime locations of Madrid and Barcelona as of the end of 2017, to 5.5%, down from 6.0% in 2016), and 5.75%, down from 6.1% in2016, respectively (Source: *JLL*).

E-commerce effect

E-commerce has emerged as a disruptive factor in the traditional logistics model as a consequence of a transformation in consumer habits. From 2013 to 2017, e-commerce revenues in Spain increased at a CAGR of 24.3% to approximately €30.4 billion in 2017 (Source: *CNMC*), mainly driven by improvements in the economic outlook, higher consumer confidence in online shopping, corporate investment in the commercialization of e-commerce and intense marketing campaigns, (Source: *JLL*).

Evolution of trade volume of e-commerce in Spain (in €billion)



Source: CNMC

The expansion of e-commerce platforms is having a significant effect on the logistics sector. Consumers are demanding faster delivery times, leading to logistics' operators seeking larger distribution assets with national reach and urban distribution platforms in medium to large cities. This is in contrast to the traditional model, in which the distribution chain was limited to few logistics centers spread across Spain and customers settled for longer delivery times. In this sense, E-commerce operators accounted for 25% and 18% of total logistics take-up registered in 2017 in Madrid and Catalonia respectively (Source: *Deloitte*).

Madrid Logistics Market

Supply

Despite the addition of approximately 500,000 sqm of new logistics space in 2017, the current stock is largely outdated and considered unfit for "Grade A" tenants (Source: *Deloitte*). Among the new supply expected to come on the market in 2018 in Madrid, approximately 744,500 sqm are currently under construction, 30% of which is already pre-let, while the remaining 70% is comprised of speculative development. (Source: *JLL*).

Overall vacancy rates in Madrid have continued to decrease while stock has increased demonstrating the strength of demand and particularly demand for quality spaces. According to JLL, vacancy levels decreased down to 4.2% at the end of 2017. The improvement in market conditions is encouraging many players to develop or participate in turnkey projects, while speculative space is being taken on delivery as tenants expand and secure better space.

In this context, Madrid's third ring has a vacancy rate of 6.7%, comprising the bulk of available space in the region with 174,621 sqm available, while vacancy in Madrid's second ring is minimal at approximately 2.27% with only approximately 66,500 sqm available. (Source: *JLL*).

Demand

2017 was a record year for the logistics segment in Madrid in terms of take-up, reaching 800,000 sqm, mainly as a result of an increase in the number of leasing transactions closed, from 43 in 2016 to 63 in 2017. Among the main new contracts signed were a 103,000 sqm lease by Amazon in Illescas (Toledo) and a 60,000 sqm lease by Leroy Merlin in Meco (Madrid) (Source: *JLL*).

2018 is also expected to produce very high levels, with take up in the first half of 2018 at 451,000 sqm (Source: *Savills-Aguirre Newman*). Despite this strong activity, rents have remained stable at between €5.0 and €5.5 per sqm (Source: *Savills-Aguirre Newman*). Additionally, e-commerce has had a significant impact with various operators requiring large, new fulfillment centers. Likewise, traditional haulage and third-party logistics companies are requiring new space to deal with the uptick in economic activity.

Barcelona Logistics Market

Supply

Barcelona currently stands out for its very low supply of available space for logistics purposes, with vacancy rates remaining very restricted at 3.2% in the market overall as of 2017 year-end, while in prime areas, vacancy rates are approximately at 1.5% (Source: *JLL*). Inventory of logistics assets in Catalonia has also underperformed Madrid since 2006, growing at CAGR of 2.2% (Source: *Deloitte*). For 2018, 441,200 sqm currently under construction are expected to be delivered along the year, 80% of which are already leased projects, while a 20%

are speculative developments (Source: *JLL*). This historical lack of logistics space, coupled with the strong demand by logistics operators has boosted alternative areas within the region, specifically Martorelles and Sant Esteve de Sesrovires. As an example of this trend, SEGRO, a global leading logistics investment company, is currently developing a modern logistic park of 34,000 sqm in Martorelles.

Demand

In 2017, Barcelona registered a take-up of 460,000 sqm, approximately 30% below 2016 all-time peak of 659,000 sqm, mainly due to the strong lack of available space and the lower number of large leasing transactions, including 55,000 sqm leased in la Bisbal del Penedés by ID Logistics and 35,000 sqm in ZAL II (Barcelona) by Alfil Logistics. On this basis, prime rents have reached € 6.75 per sqm at 2017 year end, reflecting the lack of existing supply. (Source: *JLL*).

In the first half of 2018, take-up increased by more than 74% or 390,000 sqm, compared to H1 2017. (Source: *Savills-Aguirre Newman*). New leasing contracts are expected to be signed in 2018 through turnkey projects or pre-letting contracts, due to the lack of available space and the reduced development of Class A assets that fulfill operators' needs.

SPANISH SOCIMI REGIME AND TAXATION

Spanish SOCIMI Regime

The following paragraphs are intended as a general guide only and constitute a high-level summary of the Company's understanding of current Spanish law in respect of the current SOCIMI Regime. The SOCIMI Regime was enacted originally in October 2009 and was amended at the end of 2012. The amendments introduced in 2012 improved the regime and facilitated the incorporation of the first SOCIMI during the second half of 2013. This summary is based on the key aspects of the Spanish SOCIMI Regime as they apply to the Company. Investors should seek their own advice in relation to taxation matters.

Overview

The SOCIMI Regime is intended to facilitate attracting new sources of capital to the Spanish real estate rental market. It follows similar legislation adopted in the UK and other European countries, as well as a long-established real estate investment trusts regime in the United States. Some of the primary aims of these types of regimes are to minimize tax inefficiency of holding real estate through corporate ownership by removing corporate taxation at the level of the SOCIMI, as well as to promote rental activities and professional management of these types of businesses.

Provided certain conditions and tests are satisfied (see the section "*Qualification as Spanish SOCIMI*"), a SOCIMI generally does not pay Spanish Corporate Income Tax on the profits deriving from its activities –technically, it is subject to a 0% Corporate Income Tax rate–. Instead, profits must be distributed and such income could then be subject to taxation.

Under the Spanish SOCIMI Regime, a SOCIMI will be required to adopt resolutions for the distribution of dividends, after fulfilling any relevant Spanish Companies Act requirements, to shareholders annually within the six months following the closing of the fiscal year of: (i) at least 50% of the profits derived from the transfer of real estate properties and shares in Qualifying Subsidiaries and real estate collective investment funds; provided that the remaining profits must be reinvested in other real estate properties or participations within a maximum period of three years from the date of the transfer or, if not, 100% of the profits must be distributed as dividends once such period has elapsed; (ii) 100% of the profits derived from dividends paid by Qualifying Subsidiaries and real estate collective investment funds; and (iii) at least 80% of all other profits obtained (i.e., profits derived from rental and ancillary activities). If the relevant dividend distribution resolution were not adopted in a timely manner, the SOCIMI would lose its SOCIMI status in respect of the year to which the dividends relate.

Qualification as Spanish SOCIMI

In order to qualify for the Spanish SOCIMI Regime, a SOCIMI must satisfy certain conditions. A summary of the material conditions is set out below.

Trading requirement

SOCIMIs must be listed on a regulated market or multilateral trading facility in Spain or in other European Union or EEA member state uninterruptedly for the entire tax period. This trading requirement must be met during the whole fiscal year (without interruption) in which the special SOCIMI Regime is applicable.

Purpose of the SOCIMI / Minimum share capital

SOCIMIs must take the form of a listed public limited company, such as a *sociedad anónima*, with a minimum share capital of €5 million. Furthermore, the SOCIMI's shares must be in registered form, nominative and only one single class of shares is permitted. Since the Ordinary Shares are represented in nominative book-entry form, this requirement is met.

A SOCIMI must have as its main corporate purpose:

- the acquisition and refurbishment of urban real estate for rental purposes;

- the holding of shares of other (a) SOCIMIs, (b) foreign entities that have the same corporate purpose of a SOCIMI and that shall be subject to a similar dividend distribution regime ("**foreign REITs**"), and (c) Spanish and foreign entities whose main corporate purpose is investing in real estate for developing rental activities and that shall be subject to equal dividend distribution regime and investment and income requirements as set out in the SOCIMI Act and which share capital is fully owned by SOCIMIs or foreign REITs and that do not hold participations in other companies ("**Qualifying Subsidiaries**"); or
- the holding of shares in real estate collective investment funds.

Qualifying Subsidiaries that are non-resident entities must be resident in countries with which Spain has a treaty or agreement providing for an exchange of tax information.

SOCIMIs are allowed to carry out other ancillary activities that do not fall under the scope of their main corporate purpose. However, such ancillary activities must not exceed 20% of the assets or 20% of the revenues of the SOCIMI in each financial year, in accordance with the minimum qualifying assets and qualifying income tests described below.

Restrictions on investments

At least 80% of the SOCIMI's assets must be invested in:

- urban real estate property to be leased;
- land plots acquired for the development of urban real estate property to be leased afterwards, provided that the development of such property starts within three years as from the acquisition date;
- participations in Qualifying Subsidiaries (see section "*Purpose of the SOCIMI / Minimum share capital*"); or
- participations in real estate collective investment funds.

The Spanish General Directorate of Taxes (the "**DGT**") has confirmed that the assets should be measured on a gross basis, disregarding depreciation or impairments, in accordance with Spanish Royal Decree of November 16, 2007, approving the Spanish General Accounting Plan (*Plan General de Contabilidad*), which sets forth the Spanish generally accepted accounting principles ("**Spanish GAAP**").

In the event that a SOCIMI has subsidiaries that are deemed to be a part of the same group of companies for Spanish corporate law purposes, the calculation of this 80% threshold will be made on a consolidated basis according to Spanish GAAP. For these purposes, the group of companies would be integrated exclusively by SOCIMIs and other Qualifying Subsidiaries described in section "*Purpose of the SOCIMI / Minimum share capital*".

There are no asset diversification requirements.

Restrictions on income

At least 80% of a SOCIMI's net annual income must derive from the lease of qualifying assets (as described in section "*Restrictions on investments*"), or from dividends distributed by Qualifying Subsidiaries and real estate collective investment funds and companies.

The DGT considers that the annual income should be measured on a net basis, taking into consideration direct income expenses and a pro rata portion of general expenses. These concepts should be calculated in accordance with Spanish GAAP.

Lease agreements between related entities would not be deemed a qualifying activity and therefore, the rental income deriving from such agreements cannot exceed 20% of a SOCIMI's income.

Capital gains derived from the sale of qualifying assets are in principle excluded from the 80%/20% net income test. However, if a qualifying asset is sold before it is held for a minimum three-year period (as described below), then (i) such capital gain would compute as non-qualifying revenue; and (ii) such gain would be taxed at the

standard Corporate Income Tax rate (25%); furthermore, the entire income, including rental income, derived from such asset also would be subject to the standard Corporate Income Tax rate.

Minimum holding period

Qualifying assets must be held by a SOCIMI for a three-year period from (i) the acquisition of the asset by the SOCIMI, or (ii) the first day of the financial year when the company became a SOCIMI if the asset was held by the Company before becoming a SOCIMI. In case of urban real estate, the holding period requires that these assets are actually rented for at least three years; the period of time during which the asset is on the market for rent (even if vacant) is taken into account up to one year.

In addition, SOCIMIs benefit from the application of a 95% Transfer Tax (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*) relief in relation to the acquisition of residential real estate properties intended for letting (or plots of land for the development of housing intended for letting), provided that, in both cases, the minimum holding period of such assets referred to above is complied with.

Mandatory dividend distribution

Under the current Spanish SOCIMI Regime, a SOCIMI is required to adopt resolutions for the distribution of dividends, after fulfilling any relevant Spanish Companies Act requirements, to shareholders annually within the six months following the closing of the fiscal year of: (i) at least 50% of the profits derived from the transfer of real estate properties and shares in Qualifying Subsidiaries and real estate collective investment funds; provided that the remaining profits must be reinvested in other real estate properties or participations within a maximum period of three years from the date of the transfer or, if not, 100% of the profits must be distributed as dividends once such period has elapsed; (ii) 100% of the profits derived from dividends paid by Qualifying Subsidiaries and real estate collective investment funds; and (iii) at least 80% of all other profits obtained (e.g., profits derived from rental and ancillary activities). If the relevant dividend distribution resolution was not adopted in a timely manner, a SOCIMI would lose its SOCIMI status in respect of the year to which the dividends relate.

The SOCIMIs must agree the dividend distributions of a given fiscal year within the six months following the closing of the fiscal year; those dividends must be effectively distributed within the month following the distribution agreement.

Leverage

A SOCIMI is not subject to a specific limitation on indebtedness.

General tax limitations (such as tax deduction of financial expenses and annual depreciation, carrying-forward of tax losses, and tax credits) should have no practical impact provided that the SOCIMI is taxed at a 0% Corporate Income Tax rate if all the SOCIMI Regime requirements are met.

Sanctions

The loss of SOCIMI status would trigger adverse consequences for the Company. Causes for such loss of status are:

- delisting;
- substantial failure to comply with its information and reporting obligations, unless such failure is remedied by preparing fully compliant annual accounts which contain certain required information in the following year;
- failure to adopt a dividend distribution resolution or to effectively satisfy the dividends within the deadlines described under the section "*Spanish SOCIMI regime and taxation—Spanish SOCIMI Regime—Qualification as Spanish SOCIMI—Mandatory dividend distribution*". In this case, the loss of SOCIMI status would have effects in the financial year in which the profits not distributed were obtained;
- waiver of the SOCIMI Regime by the Company; and,

- failure to meet the requirements established in the SOCIMI Act unless such failure is remedied within the following fiscal year. However, the failure to observe the minimum holding period of qualifying assets would not give rise to the loss of SOCIMI status, but (i) the assets would be deemed non-qualifying assets; and (ii) income derived from such assets would be taxed at the standard Corporate Income Tax rate (currently 25%).

Should the Company lose its SOCIMI status, it would not be eligible to reapply for the SOCIMI Regime during the following three years. In such case, the Company would have to pay Corporate Income Tax at the standard Corporate Income Tax rate (currently 25%), as from the year on which any of the abovementioned circumstances applies (except in the case of failure to adopt dividend distribution resolution or to effectively satisfy the dividends within the mandatory deadlines, with respect to which the Company must pay Corporate Income Tax at the standard rate as from the year to which the dividends relate), and will not be able to elect for the SOCIMI Regime for the following three fiscal years. The shareholders in a company that loses its SOCIMI status are expected to be subject to taxes as if the SOCIMI Regime had not been applicable to the Company.

Furthermore, in the event of non-compliance with information obligations, penalties between €1,500 and €30,000 are established depending on the kind of information not provided.

Spanish tax considerations

The following summary is a general description of certain tax considerations relating to the acquisition, ownership and disposition of the Ordinary Shares.

It does not constitute tax advice and does not purport to be a complete analysis of all tax considerations relating to the Company or the Ordinary Shares, as applicable, whether in Spain or elsewhere, and does not deal with the tax consequences applicable to all categories of investors (such as look-through entities), some of which might be subject to special rules. Furthermore, this summary does not take into account the regional special tax regimes in force in the Basque Country and Navarre, or the regulations adopted by the Spanish Autonomous Regions.

Prospective investors should consult their own tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Spain of acquiring, holding and disposing of Shares.

This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect.

As used in this particular section "*Spanish tax considerations*", the term "Spanish Shareholder" means a beneficial owner of Shares: (i) who is an individual or corporation resident for tax purposes in Spain; or (ii) who is an individual or corporation not resident for tax purposes in Spain but whose ownership of shares is effectively connected with a permanent establishment in Spain through which such holder carries on or has carried on business or with a fixed base in Spain from which such holder performs or has performed independent personal services; and (iii) that does not hold 5% or more of the Ordinary Shares.

As used in this particular section "*Spanish tax considerations*", the term "Non-Spanish Shareholder" means a beneficial owner of the Ordinary Shares: (i) who is an individual or corporation resident for tax purposes in any country other than Spain; and (ii) whose ownership of shares is not effectively connected with a permanent establishment in Spain through which such holder carries on or has carried on business or with a fixed base in Spain from which such holder performs or has performed independent personal services; and (iii) that does not hold 5% or more of the Ordinary Shares.

Also potential investors should note that the appointment by an investor in the Ordinary Shares, or any person through which an investor holds the Ordinary Shares, of a custodian, collection agent or similar person in relation to such Shares in any jurisdiction may have tax implications. Prospective Shareholders should consult their own tax advisors in relation to the tax consequences for them of any such appointment.

Taxation of entities qualifying for the SOCIMI Regime

SOCIMIs and Spanish-resident Qualifying Subsidiaries may elect to apply the SOCIMI Regime. The election to apply the SOCIMI Regime must be adopted by the entity's shareholders, and the Spanish tax authorities must be notified of such election prior to the last quarter of the financial year when the SOCIMI Regime is expected to apply. Such election will remain applicable until the Company waives its applicability. The Company applied for the SOCIMI Regime pursuant to the General Meeting of Shareholders resolution of 26 September 2018 through proper notification to the Spanish tax authorities of such election.

An entity eligible for the legal regime applicable to SOCIMIs (the "**SOCIMI Regime**") may apply for the special tax regime even if when the election is made such entity does not meet some of the eligibility requirements, provided that it meets such requirements within two years (as from the date the corresponding election is approved by the General Meeting of Shareholders). However, in accordance with the criteria of the Spanish tax authorities, there are some requirements that must be met at the time of opting for the application of the Spanish SOCIMI Regime, in particular those relating to the mandatory dividend distribution, the main corporate purpose and the nominative nature of the shares. In addition, such entity will have a one-year grace period to cure any non-compliance with certain eligibility requirements

*Corporate Income Tax ("**CIT**")*

Generally, all income received by a SOCIMI is taxed under CIT at a 0% rate. Nevertheless, rental income and capital gains stemming from qualifying assets being sold prior to the end of the minimum holding period (three years) would be subject to the standard CIT rate (currently 25%).

Furthermore, a special levy regime applies to dividends paid by the SOCIMI to domestic or foreign Substantial Shareholders. The SOCIMI must assess and pay a 19% Corporate Income Tax in respect of gross dividends distributed if the beneficiary of the dividends: (i) holds at least 5% of the shares of the SOCIMI, and is either exempt from any tax on the dividends or subject to tax on the dividend received at a rate lower than 10% (a "**Substantial Shareholder**") or (ii) if the Substantial Shareholder does not timely provide the SOCIMI with the information necessary to verify whether the relevant shareholder is subject to tax on the dividend received at a rate equal to or higher than 10% taxation on dividends distributed by the SOCIMI (the "**10% Test**") (see "*Description of share capital—Company's indemnity from Substantial Shareholder's CIT liability and shareholders' reporting obligation*"). The DGT issued two binding rulings (CV3308-14 and CV0323-15) indicating that the 10% Test to be carried out in order to identify Substantial Shareholders shall be focused on the tax liability arising from the dividend income considered individually, taking into account (a) exemptions and tax credits affecting the dividends received by the shareholder, and (b) those expenses incurred by the shareholder which are directly linked to the dividend income (e.g., fees paid in relation to the management of the shareholding in the relevant SOCIMI distributing the dividends, or financial expenses (interest) deriving from the financing obtained to fund the acquisition of the shares of the relevant SOCIMI). According to these rulings, the tax treatment applicable to other items of income that may be obtained by the shareholder should not be taken into account. In addition, the DGT has confirmed that the withholding tax levied on a dividend payment (including any Non-Resident Income Tax liability) should also be taken into consideration by the shareholder for assessing this 10% threshold.

The above-mentioned special levy will be considered an expense for the Company thus reducing the profits distributable to Shareholders. The Bylaws contain information and indemnity obligations applicable to Substantial Shareholders designed to minimize the possibility that dividends may become payable to Substantial Shareholders. If a dividend payment is made to a Substantial Shareholder, the Company will be entitled to deduct an amount equivalent to the tax expenses incurred by the Company on such dividend payment from the amount to be paid to such Substantial Shareholder (the Board of Directors will maintain certain discretion in deciding whether to exercise this right if making such deduction would put the Company in a worse position).

Spanish Resident Individuals

Taxation on dividends

According to the Spanish Personal Income Tax Law (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*) ("**PIT Law**"), income received by a Spanish Shareholder in the form of dividends, shares in profits, consideration paid for attendance at shareholders' meetings, income from the creation or assignment of rights of use or enjoyment of the shares and any other income received in his or her capacity as shareholder is subject to tax as capital income.

Gross capital income is reduced by any administration and custody expenses (but not by those incurred in individualized portfolio management); the net amount is included in the relevant Spanish Shareholder's savings taxable base and taxed at 19% for taxable income up to €6,000; 21% for taxable income between €6,000.01 and €50,000 and 23% for taxable income in excess of €50,000. No exemptions are allowed.

The payment to Spanish Shareholders of dividends or any other distribution made by a SOCIMI is subject to a withholding tax at the then applicable withholding tax rate (currently 19%). Such withholding tax is creditable from the PIT payable (*cuota líquida*); if the amount of tax withheld is greater than the amount of the net PIT payable, the taxpayer is entitled to a refund of the excess withheld in accordance with the PIT Law.

Taxation on capital gains

Gains or losses recorded by a Spanish Shareholder as a result of the transfer of shares in the SOCIMI qualify for the purposes of the PIT Law as capital gains or losses and are subject to taxation according to the general rules applicable to capital gains. The amount of capital gains or losses is equal to the difference between the shares' acquisition value (plus any fees or taxes incurred) and the transfer value, which is the listed value of the share as of the transfer date or, if higher, the agreed transfer price, less any fees or taxes incurred.

Capital gains or losses arising from the transfer of shares held by a Spanish Shareholder are included in such Spanish Shareholder's capital income corresponding to the period when the transfer takes place; any gain resulting from such compensation is taxed at 19% for taxable income up to €6,000; 21% for taxable income between €6,000.01 and €50,000 and 23% for taxable income in excess of €50,000.

Capital gains arising from the transfer of shares are not subject to withholding tax on account of PIT. Losses arising from the transfer of shares admitted to trading on certain official stock exchanges will not be treated as capital losses if securities of the same kind have been acquired during the period between two months before and two months after the date of the transfer which originated the loss. In these cases, the capital losses are included in the taxable base upon the transfer of the remaining shares of the taxpayer. No tax credits for avoidance of double taxation are allowed.

Spanish Wealth Tax

Individual Spanish Shareholders are subject to Spanish Wealth Tax on all their assets (such as the Ordinary Shares) for financial year 2018. Spanish Wealth Tax is imposed on the net wealth of each individual taxpayer, ranging from 0% to 3.75% depending on the region of residence (e.g., Madrid establishes a 100% tax relief), the kind of assets owned (certain assets are exempt from taxation) and the net wealth of the taxpayer (this tax is progressive).

From 2019 onwards, a general 100% tax relief will apply, and individual taxpayers will be released from formal and filing obligations, unless the application of this tax relief is postponed.

Spanish Inheritance and Gift Tax

Individuals resident in Spain for tax purposes who acquire shares by inheritance or gift will be subject to the Spanish Inheritance and Gift Tax ("**IGT**") in accordance with the IGT Law (*Ley 29/1987, de 18 de diciembre, del Impuesto sobre Sucesiones y Donaciones*) ("**IGT Law**"), without prejudice to the specific legislation applicable in each autonomous region. The tax rate, after applying all relevant factors, ranges from 7.65% to 81.6% depending on the region, the amount of the gift or inheritance, the net wealth of the heir or donee, and the kinship with the deceased or the donor. Some tax benefits could reduce the effective tax rate.

Spanish Transfer Tax

Subscription, acquisition and transfers of shares will be exempt from Transfer Tax (*Impuesto sobre Transmisiones Patrimoniales*) and Value Added Tax. Additionally, no Stamp Duty is levied on such subscription, acquisition and transfers.

Spanish Corporate Resident Shareholders

Taxation on dividends

Dividends from a SOCIMI or a share of the Company's profits received by corporate Spanish Shareholders (or by NRIT taxpayers who operate, with respect to their participation in the Company, through a permanent establishment in Spain), less any expenses inherent to holding the shares, are included in their CIT (or NRIT) taxable base. The standard CIT (or NRIT) tax rate is currently 25%. No tax credits or participation exemption for the avoidance of double taxation may apply, due to the application of the SOCIMI regime by the Company.

Finally, CIT and NRIT taxpayers who operate, with respect to their participation in the Company, through a permanent establishment in Spain are subject to withholding tax on dividends at a 19% rate. Such withholding tax will be deductible from the net CIT (or NRIT) payable, and if the amount of tax withheld is greater than the amount of the net CIT payable, the taxpayer will be entitled to a refund of the excess withheld in accordance with the CIT Law.

Taxation on capital gains

The gain or loss arising on transfer of the shares or from any other change in net worth relating to the shares are included in the tax base of CIT taxpayers, or of NRIT taxpayers who operate through a permanent establishment in Spain, in accordance with the CIT or NRIT Laws; such gain is taxed generally at a rate of 25%.

No tax credits or participation exemption for the avoidance of double taxation may apply, due to the application of the SOCIMI Regime by the Company.

Capital gains deriving from the disposal of the Ordinary Shares are not subject to withholding tax.

Spanish Wealth Tax

Not applicable.

Spanish Inheritance and Gift Tax

In the event of acquisition of the Ordinary Shares free of charge by a CIT taxpayer, the income generated for the latter will be taxed according to the CIT rules, the IGT not being applicable.

Spanish Transfer Tax

Subscription, acquisition and transfers of shares will be exempt from Transfer Tax (Impuesto sobre Transmisiones Patrimoniales) and Value Added Tax. Additionally, no Stamp Duty is levied on such subscription, acquisition and transfers.

Non-Spanish Shareholders

Taxation on dividends

Dividends distributed to Non-Spanish Shareholders not acting through a permanent establishment in Spain are subject to Non-Resident Income Tax ("**NRIT**"), at the then applicable withholding tax rate (currently 19%).

This standard rate can be reduced or eliminated as per the application of the EU Parent-Subsidiary Directive as the SOCIMI may qualify for its application according to the DGT criterion. The application of the EU Parent-Subsidiary withholding tax exemption requires the fulfillment of certain requirements. In addition, such exemption includes an anti-abuse provision by virtue of which the withholding tax exemption will not be applicable where the majority of the voting rights of the parent company are held directly or indirectly by individuals or entities who are not resident in a EU Member State or in a EEA Member State with which Spain

has ratified an effective exchange of tax information in the terms set forth in Law 36/2006 of 29 November. This anti-abuse provision should not apply where the EU or EEA parent company proves that its incorporation and its operative respond to valid economic reasons and to substantive economic activities.

Shareholders resident in certain countries may be entitled to the benefits of a convention for the avoidance of double taxation ("**DTC**"), in effect between Spain and their country of tax residence. Such Shareholders may benefit from a reduced tax rate under an applicable DTC with Spain, subject to the satisfaction of any conditions specified in the relevant DTC, including providing evidence of the tax residence of the shareholder by means of a certificate of tax residence duly issued by the tax authorities of the country of tax residence of the shareholder or, as the case may be, the equivalent document specified in the Spanish Order which further supplements the applicable DTC. In general, the U.S.-Spain DTC provides for a tax rate of 15% on dividends.

According to the Order of the Ministry of Economy and Competiveness of 13 April 2000, upon distribution of a dividend, the Company or its paying agent will withhold an amount equal to the tax amount required to be withheld according to the general rules set forth above, transferring the resulting net amount to the depositary. For this purpose, the depositary is the financial institution with which the relevant Shareholder has entered into a contract of deposit or management with respect to the Company's shares held by such Shareholders. If the shareholder provides timely evidence (a certificate of tax residence issued by the relevant tax authorities of the shareholder's country of residence stating that, for the records of such authorities, the shareholder is a resident of such country within the meaning of the relevant DTC, or as the case may be, the equivalent document regulated in the Order which further develops the applicable DTC) of the shareholder's right to obtain the DTC reduced rate or an exemption, it will immediately receive the excess amount withheld, which will be credited to the shareholder. In the case of U.S. persons, IRS Form 6166 will satisfy this certificate requirement. For these purposes, the relevant certificate of residence must be provided before the tenth day following the end of the month in which the dividends were paid. The tax certificate is generally valid only for a period of one year from the date of issuance.

If this certificate of tax residence, or as the case may be, the equivalent document referred to above, is not provided within this time period, the shareholder may subsequently obtain a refund of the amount withheld in excess from the Spanish tax authorities, following the standard refund procedure.

Spanish Quick Refund Procedure

According to the Order dated 13 April 2000 of the Ministry of Economy and Finance, upon distribution of a dividend, the Company, directly or through its paying agent, will withhold from the dividend an amount equal to the tax required to be withheld according to the general rules set forth in relation to NRIT (i.e., applying the current general withholding tax rate -19%-) and will transfer the net dividend to the custodian entities.

The custodian entities are the financial institutions with which the Shareholders have entered into a custodian or management agreement with respect to the Ordinary Shares. If the custodian is resident, domiciled or represented in Spain and it timely provides the Company with evidence of the Shareholder's right to obtain the DTC reduced rate or exemption, the Company will immediately transfer, directly or through its paying agent, to the custodian entity the surplus amount withheld in respect of such Shareholder. For these purposes, the relevant certificate of tax residence must be provided before the tenth day following the end of the month in which the dividends were paid. To satisfy this requirement, Shareholders must provide a certificate of tax residence issued by the relevant tax authorities of the Shareholder's country of residence stating that, to the best knowledge of such authorities, the Shareholder is, for tax purposes, a resident of such country within the meaning of the relevant DTC or, if applicable, an equivalent document provided for in the Order applicable to such DTC. This tax certificate is, as a general rule, valid only for a period of one year from the date of issue. Immediately after, the custodian entity should pay the Shareholder the amount withheld in excess of the applicable rate under the relevant DTC received from the Company.

If this certificate of tax residence or, if applicable, the equivalent document referred to above, is not provided within this time period or if the depositary of the Shareholder is not resident, domiciled or represented in Spain, the Shareholder may subsequently obtain a refund of the excess amount withheld from the Spanish tax authorities,

following the Standard Refund Procedure established by Royal Decree 1776/2004, dated 30 July 2004, and an Order dated 17 December 2010, as described below.

Spanish Standard Refund Procedure

If the certificate of tax residence or, if applicable, the equivalent document referred to above, is not provided within this time period or if the custodian entity of the Shareholder is not resident, domiciled or represented in Spain, the Shareholder may subsequently obtain a refund from the Spanish tax authorities of the excess amount withheld, following the standard refund procedure established by Royal Decree 1776/2004, of 30 July 2004, and an Order dated 17 December 2010.

For this purpose, the Shareholder should file:

(i) the applicable Spanish tax form (i.e., currently Form 210);

(ii) the certificate of tax residence or equivalent document referred to above;

(iii) documentary evidence of the Spanish tax withheld by the Company; and

(iv) documentary evidence of the bank account in which the excess amount withheld should be paid.

For the purposes of this standard refund procedure, a Shareholder would need to file a Form 210 (together with the corresponding documentation) from the 1st February following the year in which the NRIT was withheld, and up to the four-year period after the end of the corresponding filing period in which the Company reported and paid such withholding taxes. The Spanish tax authorities must make the refund within the six-month period after the filing of the refund claim. If such period elapses without the Shareholder receiving the corresponding refund, the Shareholder would be entitled to receive interest for late payment on the amount of the refund claimed.

For further details, prospective Shareholders should consult their tax advisors.

Taxation on capital gains

Capital gains derived from the transfer or sale of the shares are deemed income arising in Spain, and, therefore, are taxable in Spain at a general tax rate of 19%. The current U.S.-Spain DTC does not prohibit Spain from taxing capital gains on U.S. persons.

Capital gains and losses will be calculated separately for each transaction. It is not possible to offset losses against capital gains. No tax credits for avoidance of double taxation are allowed.

Nevertheless, capital gains derived from the Ordinary Shares obtained by Non-Spanish Shareholders holding a percentage lower than 5% in the Company will be exempt from taxation in Spain provides the shareholder is tax resident in a country which has entered into a DTC with Spain which provides for exchange clause information (such as the U.S.-Spain DTC). This exemption is not applicable to capital gains obtained by a Non-Spanish Shareholder acting through a country or territory that is defined as a tax haven by Spanish regulations.

Spanish Wealth Tax

For the financial year 2018, unless an applicable DTC provides otherwise, individuals not resident in Spain are subject to Spanish Wealth Tax (under Spanish Law 19/1991) on property and rights in excess of certain amounts located in Spain, or which can be exercised within the Spanish territory (such as the Ordinary Shares).

From 2019 onwards, a general 100% tax relief will apply, and individual taxpayers will be released from formal and filing obligations, unless the application of this tax relief is postponed.

Spanish Inheritance and Gift Tax

Unless otherwise provided under an applicable DTC, transfers of shares upon death and by gift to individuals not resident in Spain for tax purposes are subject to Spanish Inheritance and Gift Tax (Spanish Law 29/1987) if the shares are located in Spain (as is the case with the Ordinary Shares) or the rights attached to such shares are

exercisable in Spain. The tax rate, after applying all relevant factors, ranges between 7.65% and 81.6% for individuals. Some tax benefits could reduce the effective tax rate to zero.

Spanish Transfer Tax

Subscription, acquisition and transfers of shares will be exempt from Transfer Tax (*Impuesto sobre Transmisiones Patrimoniales*) and Value Added Tax. Additionally, no Stamp Duty is levied on such subscription, acquisition and transfers.

Summary of dividend withholding taxes

Applicable tax	**Kind of shareholder**	**DTC applicable**	**Withholding rate**	**Certificate of tax residence needed**
Corporate Income Tax (CIT)	Spanish-resident entity or permanent establishment in Spain	N/A	19%	-
	SOCIMI	N/A	0%	-
Personal Income Tax (PIT)	Spanish-resident individual	N/A	19%	-
Non-Resident Income Tax (NRIT)	Individual or entity* non-resident in Spain (not acting through a permanent establishment in Spain)	Yes	Rate established by the DTC (some of them establishes a specific rate for SOCIMIs and REITs)	For the purpose of applicable DTC
		No	19%	-
(*) Look-through entities shall evidence tax residence and compliance of any relevant requirements at the level of their shareholders if they want to mitigate 19% withholding tax. Specific exemption might eventually apply for companies resident in the European Union (or the EEA) that comply with the requirements of the Parent-Subsidiary Directive. Please see "Spanish SOCIMI regime and taxation—Spanish Resident Individuals—Taxation on dividends", "Spanish SOCIMI regime and taxation—Spanish Corporate Resident Shareholders—Taxation on dividends" and "Spanish SOCIMI regime and taxation—Non-Spanish Shareholders—Taxation on dividends"				

Certain U.S. Federal Income Tax Considerations

The following are certain U.S. federal income tax consequences to the U.S. Holders described below of owning and disposing of Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire the New Shares. This discussion applies only to a U.S. Holder that acquires Shares in this Offering and holds them as capital assets for U.S. federal income tax purposes. In addition, it does not describe all of the tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax, the Medicare contribution tax on net investment income, and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities that use a mark to market method of tax accounting;
- persons holding Shares as part of a hedging transaction, "straddle", wash sale, conversion transaction or other integrated transaction or persons entering into a constructive sale with respect to the New Shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities , including "individual retirement accounts" or "Roth IRAs";
- persons that own or are deemed to own 5% or more of our stock by vote or value; or
- persons holding the New Shares in connection with a trade or business outside the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes owns Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships owning Shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of owning and disposing of the New Shares.

This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions, final, temporary and proposed Treasury Regulations and the income tax treaty between the United States and Spain (hereinafter, in this section, the "**Treaty**"), all as of the date hereof and changes to any of which subsequent to the date of this Prospectus may affect the tax consequences described herein (possibly with retroactive effect).

A "U.S. Holder" is a beneficial owner of Shares who is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local, and non-U.S. tax consequences of owning and disposing of Shares in their particular circumstances.

Passive Foreign Investment Company

Based on the manner in which the Company operates its business, the Company expects to be a passive foreign investment company (a "**PFIC**") for the current taxable year and in the foreseeable future. The following discussion assumes the Company will be a PFIC.

In general, a non-U.S. corporation will be a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. Passive income generally includes interest, rents, dividends, royalties and certain gains. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation.

The Company may also hold, directly or indirectly, equity interests in subsidiaries and/or other entities that are PFICs (collectively "Lower-tier PFICs"). Under attribution rules, if the Company is a PFIC, U.S. Holders will be deemed to own their proportionate shares of Lower-tier PFICs and will be subject to U.S. federal income tax according to the PFIC rules described below on (i) certain distributions by a Lower-tier PFIC and (ii) a disposition of shares of a Lower-tier PFIC, in each case as if the U.S. Holder held such shares directly, even though the U.S. Holder did not receive the proceeds of those distributions or dispositions directly.

A U.S. Holder who owns the New Shares (or as discussed above is deemed to own shares of a Lower-tier PFIC) during any taxable year in which the Company is a PFIC will generally be subject to adverse tax treatment. Generally, gain recognized on a disposition (including, under certain circumstances, a pledge) of Shares by the U.S. Holder (or on an indirect disposition of shares of a Lower-tier PFIC) will be allocated ratably over the U.S. Holder's holding period for the New Shares. The amounts allocated to the taxable year of disposition will be taxed as ordinary income. The amounts allocated to each other taxable year will be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as applicable, and an interest charge will be imposed on the resulting tax liability for each such year. Any loss recognized upon disposition of Shares will be capital loss and will be long-term capital loss if the U.S. Holder held the New Shares for more than one year. The deductibility of capital losses is subject to limitations. The total amount of gain or loss will equal the difference between the U.S. Holder's tax basis in the New Shares disposed of and the amount realized on disposition, in each case as determined in U.S. dollars. U.S. Holders that are accrual method taxpayers should consult their tax advisors as to whether they may be required to recognize foreign currency gain or loss as a result of fluctuations in the foreign exchange rate between the date of the sale of the New Shares and the settlement date. Any gain or loss with respect to the New Shares will be U.S. source gain or loss for foreign tax credit purposes.

To the extent that any distribution received by a U.S. Holder on its Shares (or a distribution by a Lower-tier PFIC that is deemed to be received by a U.S. Holder) exceeds 125% of the average of the annual distributions received (or deemed received) during the preceding three years or the U.S. Holder's holding period, whichever is shorter, the distribution will be subject to taxation in the same manner as gains as described in the preceding paragraph (except that any dividend will generally be non-U.S. source income, as described below).

If the Company is a PFIC for any year during which a U.S. Holder owns Shares, the Company will generally continue to be treated as a PFIC with respect to the U.S. Holder for all succeeding years during which the U.S. Holder holds the New Shares, even if the Company ceases to meet the threshold requirements for PFIC status.

If the New Shares are "regularly traded" on a "qualified exchange," a U.S. Holder may make a mark-to-market election that would result in tax treatment different from the general tax treatment for PFICs described above. The New Shares will be treated as "regularly traded" in any calendar year in which more than a *de minimis* quantity of the New Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. If a U.S. Holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the New Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the New Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the New Shares will be adjusted to reflect the income or loss amounts recognized. Any gain recognized on the sale or other disposition of Shares in a year when the Company is a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to- market election). If a U.S. Holder makes the mark-to-market election, distributions paid on Shares will be treated as discussed under "*Spanish SOCIMI regime and taxation—Certain U.S. Federal Income Tax Considerations—Taxation of Distributions*" below. U.S. Holders will not be able to make a mark-to-market election with respect to shares of a Lower-tier PFIC, if any, because such shares will not trade on any stock exchange. U.S. Holders should consult their tax advisers regarding the availability and advisability of making a mark-to-market election in their particular circumstances.

The Company does not intend to provide U.S. Holders with the information necessary to make a qualified electing fund election, which if available could have materially affected the tax consequences of owning and disposing of the New Shares.

A U.S. Holder that owns Shares during any year in which the Company is a PFIC generally must file annual reports on an IRS form 8621, generally with the U.S. Holder's federal income tax return for that year.

U.S. Holders should consult their tax advisers concerning the Company´s PFIC status for any taxable year and the tax considerations relevant to an investment in a PFIC.

Taxation of Distributions

Subject to the PFIC rules described above, distributions paid on Shares (including the amount of any Spanish taxes withheld therefrom), other than certain pro rata distributions of shares, generally will be treated as dividends to the extent paid out of the Company´s current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because the Company does not maintain calculations of it earnings and profits under U.S. federal income tax principles, it is expected that distributions will be reported to U.S. Holders as dividends.

Dividends will be treated as foreign-source income for foreign tax credit purposes and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Because the Company expects to be a PFIC for the foreseeable future, non-corporate U.S. Holders should expect that dividends paid to them will not be "qualified dividend income" and therefore will not be taxable at a favorable rate. Dividends will be included in a U.S. Holder's income on the date of receipt. The amount of any dividend paid in euros will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt, and any such gain or loss will be U.S. source ordinary income or loss.

Subject to applicable limitations, Spanish income taxes withheld from dividends on Shares at a rate not exceeding any applicable rate under the Treaty generally will be creditable against the U.S. Holder's U.S. federal income tax liability (see the section "*Spanish SOCIMI regime and taxation—Spanish tax considerations—Non-Spanish Shareholders—Taxation on dividends*" for a discussion of how to obtain the Treaty rate). Spanish taxes withheld in excess of any applicable rate under the Treaty will not be eligible for credit against a U.S. Holder's U.S. federal income tax liability. In lieu of claiming a credit, a U.S. Holder may elect to deduct such Spanish taxes in computing its taxable income, subject to applicable limitations. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances.

Transfer reporting requirements

A U.S. Holder that purchases New Shares in this offering for a price in excess of US$100,000 (or the equivalent in foreign currency) may be required to file with the Internal Revenue Service Form 926. A U.S. Holder that fails to timely file such form could be subject to substantial penalties. U.S. Holders should consult their tax advisers with respect to this or any other potential reporting requirement that may apply to an acquisition of the New Shares.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries may be subject to information reporting requirements and backup withholding unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against the U.S.

Holder’s U.S. federal income tax liability, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (and certain specified entities) may be required to report information relating to the Company´s Shares or non-U.S. accounts through which the New Shares are held, subject to certain exceptions. U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to the New Shares.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the Ordinary Shares by an "employee benefit plan" (within the meaning of Section 3(3) of ERISA) that is subject to Title I of ERISA, a plan, individual retirement account or other arrangement that is subject to Section 4975 of the Code or provisions under any Similar Law, and entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each, a "**Plan**"). This summary is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Ordinary Shares on behalf of, or with the assets of, any employee benefit plan, consult with their counsel to determine whether such employee benefit plan is subject to Title I of ERISA, Section 4975 of the Code or any Similar Laws.

Section 3(42) of ERISA provides that the term "plan assets" has the meaning assigned to it by such regulations as the U.S. Department of Labor (the "**Department**") may prescribe. The Department has prescribed Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**"), that generally provide that when a Plan subject to Title I of ERISA or Section 4975 of the Code (each, an "**ERISA Plan**") acquires an equity interest in an entity that is neither a "publicly-offered security" (as defined in the Plan Asset Regulations) nor a security issued by an investment company registered under the U.S. Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that equity participation in the entity by "Benefit Plan Investors" is not significant or that the entity is an "operating company," (as defined in the Plan Asset Regulations). For purposes of the Plan Asset Regulations, equity participation in an entity by Benefit Plan Investors will not be significant if they hold, in the aggregate, less than 25% of the total value of any class of equity interests of such entity, excluding equity interests held by any person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity or who provides investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates of such person. Section 3(42) of ERISA provides, in effect, that for purposes of the Plan Asset Regulations, the term "Benefit Plan Investor" means an ERISA Plan or an entity whose underlying assets are deemed to include "plan assets" under the Plan Asset Regulations (for example, an entity 25% or more of the total value of any class of equity interests of which is held by Benefit Plan Investors and which does not satisfy another exception under the Plan Asset Regulations).

It is anticipated that (i) Ordinary Shares will not constitute "publicly offered securities" for purposes of the Plan Asset Regulations, (ii) the Company will not be an investment company registered under the

U.S. Investment Company Act and (iii) the Company will not qualify as an operating company within the meaning of the Plan Asset Regulations. Accordingly, the Company will prohibit ownership by Benefit Plan Investors in the Ordinary Shares through deemed representations from its investors. However, no guarantee can be given that investment by Benefit Plan Investors in the Ordinary Shares will not be "significant" for purposes of the Plan Asset Regulations.

Plan Asset Consequences

If the Company's assets were deemed to be "plan assets" of an ERISA Plan whose assets were invested in the Company, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Company, and (ii) the possibility that certain transactions that the Company, or its respective affiliates might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded. A non-exempt prohibited transaction, in addition to imposing potential liability upon fiduciaries of the ERISA Plan, may also result in the imposition of an excise tax under the Code upon a "party in interest" (as defined in ERISA), or "disqualified person" (as defined in the Code), with whom the ERISA Plan engages in the transaction. In addition, if the Company's assets were deemed to be "plan assets", the Company's management, various providers of fiduciary or other services to the Company and

any other parties with authority or control with respect to the Company's assets may be considered fiduciaries of such Benefit Plan Investors under ERISA or Section 4975 of the Code or otherwise parties in interest or disqualified persons by virtue of their provision of such services. Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to Title I of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of such plans should consult with their counsel before purchasing or holding any Ordinary Shares. Because of the foregoing, the Ordinary Shares may not be purchased or held by any person investing assets of any Plan.

Representation and Warranty

In light of the foregoing, by accepting an interest in any Ordinary Shares, each purchaser and transferee will be deemed to have represented and warranted that it is not, and is not acting on behalf of, any Plan.

Provisions Included in Bylaws

The Bylaws contain certain information obligations with respect to shareholders or beneficial owners of Ordinary Shares who are subject to a special legal regime applicable to pension funds or benefit plans (such as ERISA). Moreover, the Company will have the ability to request from any shareholder or beneficial owner of Ordinary Shares such information as the Company considers necessary or useful to determine whether any such person is subject to a special legal regime applicable to pension funds or benefit plans. Subject to applicable law, if any such shareholder or beneficial owner fails to comply with such information obligations, the Company will be entitled to impose a penalty on such shareholder or beneficial owner in an amount equal to the proportional part of the book value of the Company (in accordance with the most recent audited and published balance sheet of the Company) represented by the shares of the breaching shareholder or beneficial owner, which may be offset with any dividends payable by the Company to such shareholder. Furthermore, according to the Bylaws, the Company will be able to take any measures it deems appropriate to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulations relating to pension funds or benefit plans (in particular, ERISA). The purpose of these provisions is to provide the Company with the ability to minimize the risk that Benefit Plan Investors (or other similar investors) hold 25% or greater of the total value of any class of equity interest in the Company.

USE OF PROCEEDS

The Company intends to use the Net Proceeds of the Offering to fund future real estate investments in accordance with its investment strategy as well as to fund the Company's structural expenses. The Company expects to have fully invested the Net Proceeds of the Offering within approximately 15-18 months following Admission.

As of the date of this Prospectus, the Company owns no properties and, so long the Company has not deployed in full the Net Proceeds of the Offering to acquire property, it intends to invest any idle cash held across a diversified portfolio of bank current accounts, cash deposits and term deposits with top-tier credit-worthy banks. The Company does not expect to earn a significant amount of income on these temporary investments.

In the event that 18 months after the Admission, less than 75% of Net Proceeds have been invested or committed for investment by the Company in accordance with its investment strategy, the Board of Directors will call a General Meeting of Shareholders to be held within 45 days from the end of such 18-month period, to vote for a proposal for the Company to either extend the investment period beyond 18 months or reimburse shareholders the amounts of the Net Proceeds that have not been so invested or committed for investment by the Company (including through a distribution of reserves, a capital reduction, shares' repurchase or otherwise) or used to fund the Company's structural expenses. Only those Shareholders that are registered in the clearance and settlement system managed by Iberclear at 23:59 hours (Madrid time) on the day of approval of the reimbursement by the General Meeting of Shareholders will be entitled to receive any such reimbursement unless said approval specifies a different date and time for shareholders to be entitled to receive such reimbursement. In any case, Shareholders will only be entitled to the reimbursement approved by the relevant General Meeting of Shareholders and will not be entitled to any interest compensation from the Company as a result of the Company not being able to reach the investment commitment. In case of partial return of the Net Proceeds, the Company will continue to manage the assets.

For additional information, see the section "*Information about the issuer—Investment Policy and Strategy"*

DIVIDEND POLICY

The Company intends to maintain a dividend policy that accounts for sustainable levels of dividend distribution and which reflects the Company's view on the outlook for sustainable recurring earnings. The Company does not aim to create reserves that are not available for distribution to its shareholders other than those required by law. The Company intends to pay dividends following shareholders' approval at the proposal of the Board of Directors. In any case, the Company is a Spanish SOCIMI and aims to maintain such status. In this regard, under the Spanish SOCIMI Regime, the Company will be required to adopt resolutions for the annual distribution of dividends, in compliance with the conditions set out in both the SOCIMI Regime and the Spanish corporate legislation, to shareholders within the six months following the closing of each fiscal year. For more detail, see the section "*Spanish SOCIMI regime and taxation—Spanish SOCIMI Regime—Qualification as Spanish SOCIMI—Mandatory dividend distribution*".

Only those Shareholders that are registered in the clearance and settlement system managed by Iberclear at 23:59 hours (Madrid time) on the day of approval of a dividend distribution will be entitled to receive such dividend distribution unless said approval specifies a different date and time for shareholders to be entitled to receive such dividends. Dividends will be received in respect of the Ordinary Shares owned at such time. Pursuant to the SOCIMI Regime and the Bylaws, the payment date of the dividends will take place in the month after the dividend distribution is approved by the Company's Shareholders' Meeting or Board of Directors.

The record date criterion referred to above is intended to allow the Company to timely identify Substantial Shareholders (as defined in section "*Spanish SOCIMI regime and taxation*") before making a dividend distribution to them. According to the Bylaws, any shareholder must give notice to the Board of Directors of any acquisition of Ordinary Shares which results in such shareholder holding 5% or more of the Company's share capital. In such case, if the dividends to be paid to said Substantial Shareholder are either exempt from tax or subject to tax at a rate lower than the 10% Test (as defined and explained in section "*Spanish SOCIMI regime and taxation*"), the Company is required, under the SOCIMI Regime, to pay a 19% Spanish CIT of the gross dividends distributed. Likewise, the said 19% CIT of gross dividends will also be applied if the Substantial Shareholder fails to provide enough evidence on the compliance with the 10% Test. For additional information on the shareholding reporting obligation see the section "*Description of share capital—Company's indemnity from Substantial Shareholder's CIT liability and shareholders' reporting obligation*". The payment of such special levy will be deemed as an expense for the Company, to be reduced from the profits to be distributed to shareholders. Additionally, the Bylaws contain indemnity obligations from Substantial Shareholders in favor of the Company designed to discourage the possibility that dividends may become payable to Substantial Shareholders who do not meet the 10% Test. The Board of Directors is entitled to deduct an amount equivalent to the tax expenses the Company incurs on such dividend payment from the amount to be paid to said Substantial Shareholder.

Dividends distributed by the Company may be subject to Spanish withholding tax, although certain exemptions, reduced tax rates or refunds may be applicable in certain circumstances, as explained in "*Spanish SOCIMI regime and taxation—Spanish Resident Individuals—Taxation on dividends*".

In any event, the Company's ability to pay dividends in the future will also depend on the performance and/or prospects of the Company's business, own capital structure and financing needs, general and capital market conditions, and other factors that the Board of Directors and shareholders may deem relevant at the time, as well as the applicable legal restrictions.

The Company's expectations in relation to dividends, distributable reserves, business performance and market conditions are subject to numerous assumptions, risks and uncertainties, which may be beyond the Company's control. For a discussion of risks faced by the Company's business, see the section "*Risk Factors*".

Spanish SOCIMI regime and taxation on dividends under Spanish law

The Company has opted to be a Spanish SOCIMI and have notified such election to the Spanish tax authorities by means of the required filing. As a Spanish SOCIMI, the Company will have a tax efficient corporate structure with the consequences for shareholders described in section "*Spanish SOCIMI regime and taxation*". Provided certain conditions and tests are satisfied, as a Spanish SOCIMI, the Company will not pay Spanish corporate taxes on the profits deriving from its activities. These conditions and tests are discussed in section "*Spanish SOCIMI regime and taxation*".

Under current tax legislation, any distributions made in the future will be subject to tax under Spanish law. See section "*Spanish SOCIMI regime and taxation*" for a discussion of certain aspects of taxation of dividends.

HISTORICAL FINANCIAL INFORMATION

Interim Balance Sheet

ASSETS	As at 30 June 2018 (Euros)
Property, plant and equipment	**51,823**
TOTAL NON-CURRENT ASSETS	**51,823**
Trade and other receivables	**31,244**
Other credits held with Public Authorities	31,244
Cash and cash equivalents	**3,000**
Cash	3,000
TOTAL CURRENT ASSETS	**34,244**
TOTAL ASSETS	**86,067**

EQUITY AND LIABILITIES	At 30 June 2018 (Euros)
Capital	**3,000**
Reserves	**(716)**
Profit for the year	**(96,653)**
Total Equity	**(94,369)**
TOTAL EQUITY	**(94,369)**
Long-term debts with group companies and associates	**180,390**
TOTAL NON-CURRENT LIABILITIES	**180,390**
Trade and other payables	**46**
Other payables to Public Authorities	46
TOTAL CURRENT LIABILITIES	**46**
TOTAL EQUITY AND LIABILITIES	**86,067**

Interim Income Statement

	For the Period from 13 June 2018 to 30 June 2018 (Euros)
Other operating costs	**(96,653)**
External servicies	(96,653)
OPERATING RESULTS	**(96,653)**
FINANCIAL RESULT	**-**
PRE-TAX RESULT	**(96,653)**
Corporate income tax	**-**
RESULTS FROM CONTINUED OPERATIONS	**(96,653)**
RESULTS FOR THE PERIOD	**(96,653)**

Interim Statement of Changes in Equity

Interim Statement of Comprehensive Income

	For the Period from 13 June 2018 to 30 June 2018 (Euros)
Profit / (Loss) for the financial year	**(96,653)**
Entries that will not be reclassified as results	-
Cash flow hedges	-
Tax effect	-
Total income and expenses registered directly to equity	
Entries that could be reclassified as results	-
Cash flow hedges	-
Tax effect	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	**(96,653)**

Interim Total Statement of Changes in Equity for the period from 13 June 2018 to 30 June 2018

	Capital	Share premium	Reserve	Negative result from previous years	Distribu-tion of dividends	Dividend on account	Result for the year	Total
BALANCE AS AT 13/06/2018	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	**(96,653)**	**(96,653)**
Operations with partners or owners	**3,000**	-	**(716)**	-	-	-	-	**2,284**
Constitution	3,000	-	(716)	-	-	-	-	2,284
Share capital increase	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-
Distribution of results	-	-	-	-	-	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	-
Dividend on account	-	-	-	-	-	-	-	-
BALANCE AS AT 30/06/2018	**3,000**	-	**(716)**	-	-	-	**(96,653)**	**(94,369)**

Interim Cash Flow Statement

	For the Period from 13 June 2018 to 30 June 2018 (Euros)
A) CASH FLOW FROM BUSINESS OPERATIONS	**-**
1. Pre-tax result for the period	**(96,653)**
2. Adjustments	**-**
a) Depreciation of fixed assets	-
b) Financial income	-
c) Results due to disposals of financial instruments	-
d) Financial expenses	-
3. Changes to working capital	**-**
a) Debtors and other receivables	(31,244)
b) Other current assets	-
c) Creditors and other payables	46
d) Other non-current assets and liabilities	127,851
e) Other current liabilities	-
4. Other cash flow from business operations	**-**
a) Other payments (incomes)	-
B) CASH FLOW FROM INVESTMENT ACTIVITIES	**-**
1. Payments on investments	**-**
a) Property, plant and equipment	-
(C) CASH FLOW FROM FINANCING ACTIVITIES	**3,000**
4. Receivables and payments on equity instruments	**3,000**
a) Issue of equity instruments	3,000
b) Disposal of treasury shares	-
5. Receivables and payments on financial liabilities	**-**
a) Receivables on financial borrowings	-

1. Treasury bonds and other negotiable securities	-
b) Repayment of financial borrowings	-
11. Dividends paid and remuneration on other equity instruments	**-**
a) Dividends (-)	-
E) NET INCREASE / REDUCTION IN CASH OR EQUIVALENTS	**3,000**

Cash and cash equivalents at the beginning of the period	**-**
Cash and cash equivalents at the end of the period	**3,000**
Net variation	**3,000**

MANAGEMENT

The Management Team

The members of the Management Team are real estate professionals with extensive experience in the Spanish real estate market and a notable track record of creating value for real estate investors.

The following table includes the members of the Management Team as of the date of this Prospectus, and is followed by a summary of biographical information of each member.

Name	Position	Term
Mr Luis Alfonso López de Herrera-Oria	Chief Executive Officer (CEO)	Indefinite(1)
Ms Chony Martín Vicente-Mazariegos	Chief Financial Officer (CFO)	Indefinite
Mr Guillermo Fernández-Cuesta Laborde	Real Estate Director (RED) & Deputy CEO	Indefinite
Mr Fernando Arenas Liñán	Real Estate Director (RED)	Indefinite
Mr Stuart William McDonald	Real Estate Director (RED)	Indefinite
Mr Fabio Alen Viani	Real Estate Director (RED)	Indefinite
Ms Carmen Boyero-Klossner	Chief Investors Relations Officer (CIRO)	Indefinite

(1) The services agreement of Mr Luis Alfonso López de Herrera-Oria will be for an indefinite term. However, it will be automatically terminated in the event that he ceases to be Chief Executive Officer of the Company, subject to the applicable termination payments described below. In that regard, Mr Luis Alfonso López de Herrera-Oria will stand for re-election as a director of the Company in the annual General Meeting of Shareholders to be held on or before 30 June 2021.

Historical Performance of the Management Team

The Company believes that the extensive experience of the Management Team will allow it to identify and secure investment opportunities across all of its targeted markets in a timely and efficient manner. The Management Team also has experience in providing comprehensive real estate advisory services, including sourcing, execution and property management to a wide variety of real estate investors including international, local institutional investors and family-owned real estate offices. This experience in phases of real estate transactions is expected to allow the Management Team to rapidly identify potential business opportunities. Additionally, the expertise of the Management Team in structuring complex transactions is expected to allow the Company to access real estate opportunities in potential off market transactions. The Company expects to secure new business from competitive auctions, restricted auctions and off market deals.

The Management Team, collectively, has over 17 years' individual experience on average. The historical performance of the members of the Management Team is principally concentrated within:

(i) Prima where Mr Luis Alfonso López de Herrera-Oria, Ms Chony Martín Vicente-Mazariegos, Mr Guillermo Fernández-Cuesta Laborde, Mr Fernando Arenas Liñán and Mr Stuart William McDonald worked from 1986 to 2002, 1998 to 2002, 2001 to 2004, 1998 to 2002 and 2002 to 2005, respectively;

(ii) Rodex where Mr Luis Alfonso López de Herrera-Oria, Mr Guillermo Fernández- Cuesta Laborde and Mr Fabio Alen Viani worked from 2002 through the present, 2004 to 2014 and 2014 to 2015, respectively,

(iii) Axiare where Mr Luis Alfonso López de Herrera-Oria, Ms Chony Martín Vicente-Mazariegos, Mr Guillermo Fernández-Cuesta Laborde, Mr Fernando Arenas Liñán and Mr Stuart William McDonald worked since the company was founded in 2014 to 2018, and Mr Fabio Alen Viani and Ms Carmen Boyero-Klossner from 2015 to 2018; and

(iv) Hines, where Mr Fernando Arenas Liñán, Mr Stuart William McDonald, and Mr Fabio Alen Viani worked from 2004 to 2012, 2005 to 2014, and 2007 to 2014 respectively.

Biographical information

Brief biographical details of the members of the Management Team are as follows:

Mr Luis Alfonso López de Herrera-Oria, RICS (Born in August 1956)

Mr Luis Alfonso López de Herrera-Oria is the Chief Executive Officer of the Company since its inception. Mr Luis Alfonso López de Herrera-Oria has more than 30 years of experience in the real estate sector. He was the Chief Executive Director of Axiare from 2014 to 2018. He was executive director of Prima from 1986 to 2002 and, during this time, Prima was admitted to trading on the Madrid Stock Exchange (1988) and, by 1990, became the largest real estate company in Spain. In 2002, he founded Rodex with a small team of former members of Prima. In 2007, the main business of Rodex was transferred to Alza Real Estate, S.A., where, he served as the Chief Executive Officer and non-executive Director. Mr Luis Alfonso López de Herrera-Oria has been also an independent advisor to funds such as Falcon II Real Estate, founded by Morgan Stanley and CBRE, and former advisor to iAdvise Partners, EAFI, S.L. He holds an Economics Sciences B.A. degree and is a member of the Royal Institution of Chartered Surveyors (RICS).

Ms Chony Martín Vicente-Mazariegos, RICS (Born in December 1974)

Ms Martín Vicente-Mazariegos is the Chief Financial Officer of the Company since its inception. Ms Martín Vicente-Mazariegos has more than 20 years of experience in Finance, focusing on the Real Estate sector. Ms Martín Vicente-Mazariegos was the Chief Financial Officer of Axiare from 2014 to 2018. Furthermore, she was Director of Investor Relations of Axiare from 2014 to 2016. From 1998 to 2002, she worked at Prima as part of Mr Luis Alfonso López de Herrera-Oria's team. Later, she joined Redevco Retail España, S.L.U. as Financial Director with responsibility over Spain, Portugal and Italy. Redevco Retail España, S.L.U. is a Spanish subsidiary of Redevco, B.V., a Dutch company that manages a €7.5 billion European portfolio, specializing in retail property. She holds a degree in Business Administration and Economic Sciences from Universidad Complutense of Madrid and has also attended various management programs at IESE, ESADE and IMD, with a special focus in Management and Board of Directors. Ms Chony Martín Vicente-Mazariegos is professor in the Instituto de Empresa (IE) and a member of the Royal Institution of Chartered Surveyors (RICS).

Mr Guillermo Fernández-Cuesta Laborde, RICS (Born in February 1975)

Mr Fernández-Cuesta Laborde is one of the REDs and Deputy to the CEO at the Company since its inception. He has more than 20 years of experience in the real estate industry. Mr Fernández-Cuesta Laborde was Real Estate Director and Deputy to the CEO at Axiare from 2014 to 2018. From 1999 to 2001, he was an analyst at Hiller Parker (currently, CBRE Real State, S.A). From 2001 to 2004, Mr Fernández-Cuesta Laborde was a real estate manager at Prima and, since 2004, he has served as real estate director of Rodex, which transferred its main business to Alza Real Estate, S.A. in 2007. Once at Alza Real Estate, S.A., he became the Real Estate and Investment Director and Deputy to the CEO. Mr Fernández-Cuesta Laborde holds a Business Administration B.A. (major in Finance) from the Universidad Alcalá de Henares of Madrid and a Business Administration B.A. (major in International Trade) from the South Bank University of London. Mr Fernández-Cuesta Laborde also holds a Real Estate Management MSc from the South Bank University of London and is a member of the Royal Institution of Chartered Surveyors (RICS).

Mr Fernando Arenas Liñán (Born in November 1964)

Mr Arenas Liñán is one of the REDs of the Company since its inception. He has more than 25 years of experience in the real estate industry. Mr Arenas Liñán was Real Estate Director at Axiare from 2014 to 2018. From 1990 to 1995, Mr Arenas Liñán was the Director of the National Agency Department of Richard Ellis, S.A. (currently, CBRE Real State, S.A). From 1995 to 1998, Mr Arenas worked at the Distressed Real Estate Branch of Banco Santander Group. From 1998 to 2002, Mr Arenas Liñán served as Property Director of Prima and, from 2002 to 2004, as Acquisitions Director of Tishman Speyer Properties España, S.L. From 2004 to 2012, Mr Arenas Liñán joined Hines Interests España Investments, S.L. where he served as CEO starting in 2009. In 2013 Mr Arenas Liñán was involved in the SAREB valuation on the part of CBRE and, since the fall of 2013, he has served as investment director of Talus Real Estate. Mr Arenas Liñán holds a law degree from the Universidad Autónoma of Madrid and an MBA from Madrid Business School and the University of Houston.

Mr Stuart William McDonald, RICS (Born in November 1968)

Mr McDonald is one of the REDs at the Company since its inception. He has 24 years of experience in the real estate industry. Mr McDonald was Real Estate Director at Axiare from 2014 to 2018. Between 1993 and 1998, Mr McDonald served as valuation executive for the UK's Valuation Office Agency in London. From 1998 to 2002, Mr McDonald was an associate director of Knight Frank in Madrid and, from 2002 to 2005, he was the real estate director of Prima. From 2005, Mr McDonald served as an investment and acquisition director at Hines Interests España Investments, S.L., Fivor Innova, S.L. and HREIS Innova, S.L. Mr McDonald holds a Modern Languages B.A. from the University of Exeter (UK) and a Property Valuation and Management postgraduate diploma from Sheffield Hallam University (UK). Mr McDonald has been a member of the Royal Institution of Chartered Surveyors since 1996 and currently sits on the RICS Board in Spain.

Mr Fabio Alen Viani, RICS (Born in March 1974)

Mr Alen Viani is one of the REDs of the Company since its inception. He has more than 11 years of experience in the real estate industry. Mr Alen Viani was Real Estate Director at Axiare from 2015 to 2018. Mr Alen Viani served as fund manager for Inversafei SA SGIIC from 2001 to 2006 and for Lloyds Investment España SGIIC, SA from 2006 to 2007. Mr Alen Viani joined Hines in 2007 where he served as analyst, and as investment and asset management associate, for its subsidiaries in Spain, until 2014. From 2014 to 2015, Mr Alen Viani served as real estate director of Rodex. Mr Alen Viani holds a Business Administration B.A. (major in Finance) from the Universidad Complutense of Madrid and he has also attended a program on Risk and Investment Analysis on Project Finance at Instituto de Estudios Bursatiles (IEB). Mr Alen Viani is a Certified European Financial Analyst and member of the European Federation of Financial Societies (EFFAS). Mr Alen Viani is a member of the Royal Institution of Chartered Surveyors (RICS).

Ms Carmen Boyero-Klossner, CFA (Born in August 1977)

Ms Boyero-Klossner is the Chief Investor Relations Officer at the Company since its inception. She brings over 16 years of international business experience with expertise in investment banking and corporate development. Ms Boyero-Klossner was the Investor Relations Officer at Axiare from 2015 to 2018. Prior to joining Axiare, she has worked as Senior Equity Research Analyst in a top-ranked, London-based equity research team at Lehman Brothers and Nomura, covering a universe of companies with an aggregated market cap in excess of $200 billion. Prior to that, she worked as Strategy Manager at Swisscom, the largest telecom operator in Switzerland. Ms Boyero-Klossner holds a MSc. in Telecommunications Engineering from Polytechnic University of Madrid and an MBA from London Business School. She also holds an executive education certificate on Leadership and Corporate Boards from UCLA Anderson School of Management. She is a Chartered Financial Analyst (CFA), and member of the CFA Institute since 2013.

Managerial positions and shareholdings of the members of the Management Team

The following table sets out all entities in which the members of the Management Team have been appointed as members of the administrative, management or supervisory bodies or in which they have held shareholdings at any time during the five year period preceding the date of this document, indicating whether or not each person is still a member of such bodies or holds any shares in any such entities.

Director	Company[1]	Position/Title	Sector	In office	Shareholding
Mr Luis Alfonso López de Herrera-Oria	Axiare Patrimonio SOCIMI, S.A.	Chief Executive Officer	Real Estate	No	No
	Alza Real Estate, S.A.[2]	Managing Director and non-executive director	Real Estate	No	Yes
	Inmuebles y Construcciones de Golf de Ibiza, S.A. [3]	Sole Director	Leisure	No	No
	Valdemera Agropecuaria, S.L. [4]	Non-executive director	Land	No	No
	Rodex Asset Management, S.L. †[5]	Sole Director	Asset management	Yes	Yes
	Agrodesarrollos Integrados, S. L. †[6]	Sole Director	Agricultural	Yes	Yes
	Inmodesarrollos Integrados, S.L. †[6]	Legal representative	Agricultural	Yes	Yes
	Puerto Feliz, S.A.[7]	Legal representative	Real Estate	Yes	Yes
	La Feliciana, S.A. [8]	Sole Director	Real Estate	Yes	Yes
	Heracles Proyectos y Promociones Inmobiliarias, S.A. †[9]	Sole Director	Real Estate	Yes	Yes
	Alza Residencial Getafe, S.L.[10]	Sole Director	Real Estate	No	No
	Ricart Parc Central, S.L.U. [10]	Sole Director	Real Estate	No	No
		Managing Director	Real Estate	No	No
	Alza Parque Tecnológico, S.L.U. [10]	Sole Director	Real Estate	No	No
	Alza parque logístico, S.L.U.	Sole Director	Real Estate	No	No
	Golf de Ibiza, S.L.U. [10]	Sole Director	Real Estate	No	No
	Alza Residencial, S.L. [10]	Sole Director	Real Estate	No	No
		Managing Director	Real Estate	No	No
	Tolus Capital, S.L.U. [10]	Sole Director	Real Estate	No	No
	Promotora José Luis Casso 72, S.L. [10]	Sole Director	Real Estate	No	No
Ms Chony Martín Vicente-Mazariegos	Axiare Patrimonio SOCIMI, S.A.	Chief Financial Officer	Real Estate	No	No
	Redevco Retail España, S.L.U	Financial Director	Real Estate	No	No

Mr Guillermo Fernández-Cuesta Laborde	Axiare Patrimonio SOCIMI, S.A.	Real Estate Director and Deputy to the CEO	Real Estate	No	No
	Hola Bob, S.L.	Shareholder	Drone airline	No	Yes
	Alza Real Estate, S.A. (11)	Real Estate Director	Real Estate	No	No
Mr Fernando Arenas Liñán	Axiare Patrimonio SOCIMI, S.A.	Real Estate Director	Real Estate	No	No
Mr Stuart William McDonald	Axiare Patrimonio SOCIMI, S.A.	Real Estate Director	Real Estate	No	No
	Hines Interests España Investments, S.L. (12)	Real Estate Director	Real Estate	No	No
	Fivor Innova, S.L. (12)	Real Estate Director	Real Estate	No	No
	HREIS Innova, S.L. (12)	Real Estate Director	Real Estate	No	No
Mr Fabio Alen Viani	Axiare Patrimonio SOCIMI, S.A.	Real Estate Director	Real Estate	No	No
Ms Carmen Boyero-Klossner	Axiare Patrimonio SOCIMI, S.A.	Chief Investors Relations Officer	Real Estate	No	No

Notes:

† Personal asset-holding companies (*sociedades patrimoniales*).

(1) While some of these companies are in the real estate business, none of them is a direct competitor of the Company in the sense that their activities are not dedicated to owning and operating commercial properties for rental purposes.

(2) Mr Luis Alfonso López de Herrera-Oria resigned from his position as Managing Director of Alza Real Estate, S.A. on 17 June 2014. However, he continues to be a non-executive director of the company and serves, as a representative of Rodex, as a non-executive director of Alza Residencial, S.L. Additionally, Mr Luis Alfonso López de Herrera-Oria indirectly holds, through Rodex, a less than 1% stake in Alza Real Estate, S.A. and options to acquire 2,250,000 shares of Alza Real Estate, S.A., representing approximately 1.8516% of its voting rights. Alza Real Estate, S.A. is a company listed on the Barcelona Stock Exchange and its main activity is residential real estate construction and development.

(3) Mr Luis Alfonso López de Herrera-Oria was the representative of the sole director of Inmuebles y Construcciones de Golf de Ibiza, S.A., whose main activity is the operation of a golf club in Ibiza with a total asset value of approximately €14.7 million (the golf course being its main asset).

(4) Mr Luis Alfonso López de Herrera-Oria holds a non-executive independent directorship in Valdemera Agropecuaria, S.L. He does not own any shares in the company. Valdemera Agropecuaria, S.L. owns land, mostly rural, in the surroundings of Madrid and the total value of its assets is approximately €42 million.

(5) Rodex is a personal asset-holding and property management company wholly owned by Mr Luis Alfonso López de Herrera-Oria and the total value of its assets is approximately €6 million. Rodex has undertaken not to carry out any activities that could be considered as competing with the activities of the Company or to render any services to third parties that could be deemed competitors of the Company while Mr Luis Alfonso López de Herrera- Oria is significant shareholder, employee, service provider, director or CEO of the Company and Rodex.

(6) Agrodesarrollos Integrados, S.L. (which owns rural land for agricultural production in the region of Ciudad Real for a total value of approximately €0.1 million and is wholly owned by Mr Luis Alfonso López de Herrera-Oria) is the sole director of Inmodesarollos Integrados, S.L. (which is a personal asset-holding company with a total asset value of approximately €5.5 million wholly owned by Mr Luis Alfonso López de Herrera-Oria) and is represented by Mr Luis Alfonso López de Herrera-Oria.

(7) Mr Luis Alfonso López de Herrera-Oria owns 78.88% and is the representative of the sole director of Puerto Feliz, S.A., which is inactive but owns a contribution agreement for the construction of a port in the Canary Islands for a total asset value is €5.8 million.

(8) Mr Luis Alfonso López de Herrera-Oria is the sole director of La Feliciana, S.A., which owns rural land for agricultural production in the region of Ciudad Real. La Feliciana, S.A. holds assets for a total value of approximately €0.3 million.

(9) Mr Luis Alfonso López de Herrera-Oria is the sole director of Heracles Proyectos y Promociones Inmobiliarias, S.A., which is a personal asset-holding company with an aggregate total asset value of approximately €9.1 million wholly owned by Mr Luis Alfonso López de Herrera-Oria.

(10) Mr Luis Alfonso López de Herrera-Oria was representative of the sole director of these entities (and CEO in the case of Alza Residencial, S.L. and Ricart Parc Central, S.L.U.) and held, through Rodex a 30% stake in Alza Residencial Getafe, S.L. and Promotora José Luis Casso 72, S.L.

(11) Mr Guillermo Fernández-Cuesta Laborde was real estate director of Alza Real Estate, S.A.

(12) Mr Stuart William McDonald was real estate director of Hines Interests España Investments, S.L. Fivor Innova, S.L., and HREIS Innova, S.L.

Shareholdings of the members of the Management Team after the Offering

The members of the Management Team (including the CEO) have agreed to subscribe, whether directly or through their respective controlled companies, New Shares in the Offering in an aggregate amount of approximately 3% of the Net Proceeds (the "**Management Shares**"). In this respect, the members of the Management Team will propose and submit the corresponding subscription proposals and will directly subscribe for the Management Shares on the Subscription Date in cash. The Management Team believes its significant cash investment in the Company further contributes to the alignment of its interests with those of the Company's other shareholders.

The Management Team's Compensation

The Company has sought to structure a compensation policy and incentive payment plans for the members of the Management Team that provide a balance between incentivizing high-level performance, and aligning their interests with those of the Shareholders. The members of the Management Team will be dedicated full time and on an exclusive basis to the Company (except as described under section "*—Other terms and conditions of agreements with Management Team—Exclusivity*") and have entered into indefinite employment contracts with the Company prior to the approval of the Prospectus by the CNMV, with the exception of Mr Luis Alfonso López de Herrera-Oria, who has entered into an indefinite services agreement with the Company due to its classification as executive director as CEO-member of the Management Team.

Fixed Remuneration and Bonus

Members of the Management Team are entitled to receive an annual gross fixed salary (or fees, in the case of Mr Luis Alfonso López de Herrera-Oria) (the "**Fixed Remuneration**") by way of a fixed amount that will be paid monthly as contemplated in the employment or service agreements, as applicable, that each member of the Management Team has entered with the Company.

The total annual amount of Fixed Remuneration payable per annum to the members of the Management Team (including the CEO) of the Company is expected to be of approximately two million euros (€2,000,000) which is in line with market practice.

Additionally, the Management Team may be entitled to an annual bonus representing of up to a maximum of 150% of their respective Fixed Remuneration (the "**Bonus**"), in line with the national and international remuneration practices. The Bonus for each year will be proposed by the Appointments and Remuneration Committee and approved by the CEO, based on objectives and operational metrics to be established annually by the Appointments and Remuneration Committee and approved by the Board of Directors (that may be referred to investment sourcing and completion, refurbishment projects, revenues, management efficiency or other matters relevant to the good management of the business of the Company), provided, however, that any Bonus payable to the CEO shall also be approved by the Board of Directors.

Employee Incentive Plan

The incentive under the employee equity incentive plan (the "**Employee Incentive Plan**") was approved by the shareholders of the Company in the General Meeting of Shareholders held on 26 September 2018 and will be payable in Ordinary Shares of the Company which may be both treasury and/or newly issued Ordinary Shares (the "**Incentive Shares**") (or, as further described below under "*Calculation and Payment*", in cash) to the members of the Management Team and to all remaining employees that the Company may have from time to time (the "**Beneficiaries**") in order to retain them duly motivated and aligned with the shareholders' interest on an annual basis during a vesting period starting on the Admission date and ending on 30 June 2024 (the "**Vesting Period**"). Other incentive plans will be implemented after the expiration of the Vesting Period subject to the approval of the prior applicable corporate authorizations by the General Meeting of Shareholders of the Company.

The Employee Incentive Plan has been designed to incentivize and reward Beneficiaries for generating returns to the Shareholders of the Company: (i) in the ordinary course of business; and, if applicable, (ii) upon a Liquidation Event (as defined below).

The Employee Incentive Plan does not apply to the members of the Board of Directors other than the CEO in his condition as member of the Management Team.

Relevant Calculation Terms

For the purposes of (i) the determination of whether the hurdles for the vesting of Incentive Shares have been met under the Employee Incentive Plan and (ii) if applicable, the calculation of the amount of Incentive Shares to be delivered to Beneficiaries, the following terms shall have the meanings set forth below:

- The return to Shareholders for a given Calculation Period is equivalent to the sum of (i) the change in the NAV of the Company during such Calculation Period less the net proceeds of any issuance of Ordinary Shares during such Calculation Period; and (ii) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period (the combined total of (i) and (ii), the "**Shareholder Return**").
- The "**Calculation Period**" shall be the period for which the Shareholder Return shall be calculated for purposes of the Employee Incentive Plan, comprising from 1 July each year until 30 June of the following year.
- The "**First Calculation Period**" shall be the period starting the date of Admission and ending on the 30 June 2020.
- "**NAV**" is the net asset value of the Company, adjusted to include properties and other investment interests at fair value, which will be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the real estate properties of the Company (prepared as disclosed below) and approved by the Board of Directors. Valuations of the real estate properties of the Company will be performed as of 30 June and 31 December each year by a suitable independent qualified RICS accredited appraiser to be appointed by the Audit and Control Committee. The first external valuation is expected to take place as of 31 December 2018 (assuming the acquisition by the Company of at least one property by that date). Valuations of the real estate properties will be made in accordance with the appropriate sections of the RICS Red Book at the date of valuation. This is an internationally accepted basis of real estate valuation.
- "**Initial NAV**" is the Net Proceeds of the Offering (i.e., the aggregate value of all of the Ordinary Shares issued pursuant to the Offering after deduction of commissions and expenses payable by the Company relating to the Offering). The Net Proceeds are expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded.
- The "**Shareholder Return Rate**" for a given Calculation Period is the Shareholder Return for such Calculation Period divided by, in respect of the First Calculation Period, the Initial NAV and, in respect of subsequent Calculation Periods, the NAV of the Company as of the last day of the immediately preceding Calculation Period, expressed as a percentage.
- The "**Relevant High Water Mark**" for a given Calculation Period is the higher of (i) the Initial NAV, and (ii) the NAV as of the last date of the most recent Calculation Period in respect of which the Incentive was payable (adjusted to include total dividends paid during such Calculation Period and exclude the net proceeds of any issuance of Ordinary Shares during such Calculation Period).

Key Hurdles

The Beneficiaries will be entitled to receive Incentive Shares in respect of a given Calculation Period if both of the following two key hurdles are met:

a) the Shareholder Return Rate for such Calculation Period exceeds 10% (the extent that the Shareholder Return Rate is above 10% being the "**Shareholder Return Outperformance Rate**"); and

b) the Relevant High Water Mark for such Calculation Period is exceeded by the sum of (A) the NAV of the Company on the last day of such Calculation Period less the net proceeds of any issuance of Ordinary Shares during such Calculation Period or during any preceding Calculation Period since the most recent Calculation Period in respect of which an Incentive was payable and (B) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period or in any preceding Calculation Period since the most recent year in respect of which an Incentive was payable (the amount (if any) by which such sum exceeds the Relevant High Water Mark, divided by the Relevant High Water Mark for such Calculation Period and expressed as a percentage, being the "**High Water Mark Outperformance Rate**" for such Calculation Period).

If the above hurdles are met in respect of a Calculation Period, the Beneficiaries will be entitled to receive a number of Incentive Shares representing a percentage over the total Ordinary Shares of the Company issued as of the first day of such Calculation Period, equal to the lesser of (x) 20% of the Shareholder Return Outperformance Rate for such Calculation Period and (y) 20% of the High Water Mark Outperformance Rate for such Calculation Period.

The maximum aggregate amount of Incentive Shares that the Beneficiaries may receive during the Vesting Period is an amount representing in the aggregate 10% of the total Ordinary Shares of the Company issued and outstanding from time to time. Therefore, the maximum shareholder dilution expected as a consequence of the Employee Incentive Plan would be 10%.

Examples

These are examples only and there are not Shareholder Return forecasts. There can be no assurance that the Shareholder Return referred to in the examples can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these examples in deciding whether to invest in the Ordinary Shares. In addition, prior to making any investment decision, prospective investors should carefully consider the risk factors described in Section "Risk Factors" of the Prospectus.

Set out below are three examples.

a) If the Shareholder Return Rate for a given Calculation Period is 10%, the Shareholder Return Outperformance Rate would be 0% (as the Shareholder Return Rate does not exceed 10%) and the Beneficiaries would receive no Incentive Shares for that Calculation Period.

b) If the Shareholder Return Rate for a given Calculation Period is 15%, the Shareholder Return Outperformance Rate would be 5% (being the excess of 15% above 10%). In this case, assuming that the High Water Mark Outperformance Rate is also 5%, the Beneficiaries would receive Incentive Shares representing (20% x 5%) = 1% of the total Ordinary Shares of the Company issued as of the first day of such Calculation Period.

c) If the Shareholder Return Rate for a given Calculation Period were 20%, the Shareholder Return Outperformance Rate would be 10% (being 10% the excess of 20% above 10%). However, if the High Water Mark Outperformance Rate was only 2% (for example, if there has been a decrease in the NAV in a prior Calculation Period), the Beneficiaries would receive Incentive Shares representing (20% x 2%) = 0.4% of the total Ordinary Shares of the Company issued as of the first day of such Calculation Period.

The example below is intended to clarify the adjustment mechanisms relating to payments of dividends and issuances of new Ordinary Shares during a given Calculation Period in the calculation of the Incentive Shares, as well as to provide further clarity as to when the requirements for the vesting of the Incentive Shares would be met.

Example of Incentive calculation under the Employee Incentive Plan

Item	Concept	First Calculation Period	Second Calculation Period
1	NAV, BoP	100.0	112.0
2	NAV Growth	12.0	15.7
3	Dividends Paid	0.0	5.6
4	Capital Increase Proceeds	0.0	40.0
5	NAV, EoP	112.0	167.7
6	NAV EoP, Adjusted	112.0	133.3
7	Relevant High Water Mark	100.0	112.0
8	Shareholder Return	12.0	21.3
9	Shareholder Return Rate	12.0%	19.0%
10	High Water Mark Outperformance Rate	12.0%	19.0%
11	Shareholder Return Outperformance Rate	2.0%	9.0%
12	Incentive Vested:	Yes	Yes
13	Number of Incentive Shares: % of total Ordinary Shares of the Company issued as of the first day of such Calculation Period	0.4%	1.8%

Explanation of Calculation terms

Item	Concept	Explanation
1	NAV, BoP	BoP=Beginning of Calculation Period. In First Calculation Period: Initial NAV (assumed to be 100 for the sake of clarity) In Second Calculation Period: same as NAV, EoP (Item nº 5) for First Calculation Period
2	NAV Growth	Change in the NAV of the Company during Calculation Period less Capital Increase Proceeds during Calculation Period In the First Calculation Period: assumed to be 12% of Item nº 1 In the Second Calculation Period: assumed to be 14% of Item nº 1
3	Dividends Paid	Dividends paid to shareholders during Calculation Period In First Calculation Period: assumed to be 0 In Second Calculation Period: assumed to be 5.6
4	Capital Increase Proceeds	Net proceeds of capital increases disbursed during Calculation Period In First Calculation Period: assumed no Capital Increase In Second Calculation Period: assumed Capital Increase with net proceeds of 40 This is intended to showcase how a capital increase would be treated in terms of the Shareholder Return calculation
5	NAV, EoP	EoP=End of Calculation Period Sum of Items nº 1+ 2 + 4 For Incentive calculation purposes NAV, EoP takes into account NAV BoP plus NAV Growth and Capital Increases Proceeds during the Calculation Period
6	NAV EoP, Adjusted	Sum of Items nº 5 + 3 less Item nº 4

Item	Concept	Explanation
		NAV EoP, Adjusted includes Dividends Paid and excludes Capital Increase Proceeds and is used for the purposes of determining the High Water Mark (Item nº 7) and the Shareholder Return Rate (Item nº 8).
7	Relevant High Water Mark	Higher of: (i) the Initial NAV (for this example, 100), and (ii) Item nº 6 for the most recent Calculation Period in respect of which an Incentive was payable Item nº 7 represents the Relevant High Water Mark that will be applicable in the Calculation Period (e.g. for First Calculation Period, Initial NAV (i.e. 100); for Second Calculation Period, Item 6 of First Calculation Period (i.e., 112.0); for Third Calculation Period, it will be Item 6 of Second Calculation Period (i.e.,133.3); etc.).
8	Shareholder Return	Sum of Items nº 2 + 3 (NAV Growth plus Dividends Paid)
9	Shareholder Return Rate	Item nº 8 / Item nº 1 (Shareholder Return divided by NAV, BoP, the latter being the same as NAV, EoP for prior Calculation Period)
10	High Water Mark Outperformance Rate	Item nº 6 less the Relevant High Water Mark divided by the Relevant High Water Mark Relevant High Water Mark is calculated according to the Explanation of Item nº 7
11	Shareholder Return Outperformance Rate	The excess of Item nº 9 above the hurdle (10%)
12	Incentive Vested:	If both Items nº 10 and nº 11 are positive, Incentive will be payable; otherwise, it will not be payable
13	Number of Incentive Shares: % of total Ordinary Shares of the Company issued as of the first day of such Calculation Period	If Incentive is payable, it will consist of a number of new ordinary shares equal to a percentage of total shares of the Company outstanding as of the date of Admission. This percentage will be the lesser of: 20% of Item nº 11 20% of Item nº 10

Auditor Report Indicative Model

The calculation of the Employee Incentive Plan described in this Prospectus and approved by the shareholders of the Company, will be verified by the Auditor of the Company at the end of each Calculation Period pursuant to an agreed-upon procedures report to be issued at such time, on the basis of the interim financial statements of the Company as of 30 June of each year, with the exception of the First Calculation period that will end on the 30 June 2020.

An indicative model of the report that will be required by the Management to be issued by the Auditor of the Company on the calculation of the incentive plan is shown below.

XYZ, S.A.

Agreed-upon procedures report on the calculation of the number of incentive shares to be distributed under the share–based incentive plan dated DD/MM/YYYY.

AGREED-UPON PROCEDURES REPORT

DD/MM/YYYY

XYZ, S.A.

For the attention of Mr AAA

*In accordance with our engagement letter dated DD July YYYY we have carried out the procedures agreed with you, which are described below, on the calculation of the number of incentive shares to be delivered to the members of the Management Team and to the remaining employees of the Company (the "**Beneficiaries**") under the share–based incentive plan granted to the Beneficiaries and approved by the shareholders of the Company on DD/MM/YYYY (**Appendix I**). That calculation is attached as **Appendices II and III** together with the explanatory notes on the calculation and its determination. The preparation and content of the document included in **Appendices II and III** are the responsibility of the Chief Financial Officer acting on behalf of the Management Team of XYZ, S.A.*

On DD July YYYY a limited review report was issued on the interim financial statements of XYZ, S.A. in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor of the Company. A limited review of the interim financial statements consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with applicable audit legislation in Spain and therefore does not allow us to ensure that all important matters which might have been identified in an audit have come to our attention. Accordingly, we did not express an audit opinion on the reviewed interim financial statements.

The Chief Financial Officer acting on behalf of the Management Team of XYZ, S.A is responsible for the interpretation of the share–based incentive plan granted to the Beneficiaries approved by the shareholders of the Company on DD/MM/YYYY which served as a basis for the calculation, preparation and content of the document on the calculation of the number of shares to be delivered to the Beneficiaries under the aforementioned incentive plan, and the explanatory notes on the calculation, a document which is similarly the responsibility of the Chief Financial Officer acting on behalf of the Management Team of XYZ, S.A.

*Our work does not include an evaluation regarding whether the criteria used to obtain the calculations contained in **Appendices II and III**, prepared in accordance with the definitions and interpretation of the Chief Financial Officer acting on behalf of the Management Team of XYZ, S.A contained in the accompanying explanatory notes, are appropriate for the purpose pursued by the users of this report.*

Our work on the calculation of the number of incentive shares to be granted to Beneficiaries under the share–based incentive plan granted to the Beneficiaries approved by the shareholders of the Company on DD/MM/YYYY and explanatory notes on their calculation and determination attached hereto was carried out in accordance with professional standards generally accepted in Spain applicable to agreed- upon engagements. On an agreed–upon procedures engagement, it is the reader of the report who draws his own conclusions in light of the findings reported to him. Similarly, it is the person to whom the report is addressed who is responsible for the sufficiency of the procedures performed for the purposes pursued. Accordingly, we assume no responsibility whatsoever for the sufficiency of the procedures applied.

Procedures applied and results obtained

*1. The calculation was obtained at 30 June YYYY relating to the percentage of shares to be distributed to Beneficiaries based on the share–based incentive plan approved by the shareholders of the Company and set out in the IPO Prospectus, prepared by the Chief Financial Officer acting on behalf of the Management Team of XYZ, S.A., as included in **Appendices II and III**.*

2. The reviewed interim financial statements for the six-month ended 30 June YYYY and YYYY-1 of XYZ, S.A. were obtained.

*3. The computation of the incentive plan was verified to ensure that it was calculated as described in the explanatory notes and **Appendices II and III**. For the purposes of this calculation, the following aspects were verified:*

- The market value of the assets included in the calculation was reviewed to ensure that it agrees with the valuation report issued by the independent appraiser, VVVV, at 30 June YYYY in which the advances are valued assuming full ownership as a finished property, according to the company's instructions.

- The calculation of the amount of net financial debt was reviewed, verifying that it results from the sum of the data included under cash and banks in the interim consolidated financial statements at 30 June YYYY less financial data taken from those financial statements.

- With respect to other adjustments:

The values of "Other assets and other liabilities" were reviewed to ensure that they agree with the interim financial statements at 30 June YYYY.

The accuracy and reasonableness of total dividends paid in that calculation period were reviewed. The conclusion drawn is that there has been no other form of remuneration nor distribution between shareholders.

4. The arithmetic accuracy of the calculations to arrive at the figure of shares to be delivered was verified.

5. A letter of representations was obtained from the Chief Financial Officer acting on behalf of the Management Team.

As a result of the application of the procedures indicated above, no noteworthy matters have come to our attention.

As an agreed-upon procedures engagement does not constitute an audit of the accompanying information, we do not express an audit opinion on it and nor do we express any assurance on such information taken as a whole. Had we carried out additional procedures on such information, other facts or matters might have come to our attention that we would have reported to you.

This report has been prepared solely for the use of the Company in relation to the calculation of the number of incentive shares to be delivered to Beneficiaries under the share–based incentive plan approved by the General Meeting of Shareholders of DD/MM/YYYY and may not be used for any other purpose or distributed to third parties except the members of the Board Directors. Our maximum liability to XYZ, S.A. for damages resulting from misconduct or negligence by us in the rendering of these services was established in our engagement letter dated DD/MM/YYYY. In no event will we accept liability to any persons other than those to whom this report is addressed.

Calculation and Payment

Except for the first incentive payable under the Employee Incentive Plan, the number of Incentive Shares will be calculated annually as of the last day of the most recently elapsed Calculation Period, representing a percentage of the total Ordinary Shares of the Company issued as of the first day of such Calculation Period. The first incentive under the Employee Incentive Plan will be calculated on an annualized basis as of the last day of the First Calculation Period, representing a percentage of the total Ordinary Shares of the Company issued as of the date of the Admission.

The Company's financial department headed by the CFO will make the corresponding calculations of the Incentive Shares to be delivered annually pursuant to Employee Incentive Plan. These calculations will be verified by the auditor of the Company at the end of each Calculation Period pursuant to an agreed-upon procedures report to be issued at such time, on the basis of the interim financial statements of the Company

as of 30 June of each year and on the basis of an independent appraiser's valuation report. Once verified they shall be submitted to the Appointments and Remuneration Committee which shall review and, if deemed, appropriate shall submit such calculations to the approval of the Board of Directors. The Board of Directors will approve the incentive payable under the Employee Incentive Plan concurrently with the approval by the Board of Directors of the financial statements of the Company as of 30 June of each year. This date of approval shall constitute the date on which the relevant Beneficiary was entitled to the corresponding Incentive Shares (the "**Date of Accrual**").

The Incentive Shares payable in each year of the Vesting Period will be allocated to the Beneficiaries as follows: 50% of the relevant Incentive will be allocated to the CEO -that he may dispose of it as he deems convenient- and any remaining Incentive will be allocated among the rest of the Beneficiaries at the discretion of the CEO, such allocation to be ratified by the Appointments and Remuneration Committee.

The Board of Directors will make all arrangements to deliver the Incentive Shares, if any, to the Beneficiaries as soon as practicable thereafter and may use, subject to the required approvals, any of the procedures and mechanisms available by law to complete such delivery, including without limitation the issue of new shares, the purchase of treasury shares or entering into agreements with third parties. In lieu of paying the incentive under the Employee Incentive Plan through the delivery of the Incentive Shares, the Board of Directors may opt, in the event of: (i) the Company not having enough treasury shares to deliver the Incentive Shares to be delivered to the Beneficiaries under the Employee Incentive Plan; or (ii) upon a Liquidation Event; for the total or partial payment of the incentive through a cash payment to the Beneficiaries. Such cash payment in the case of (i) above shall be equal to the relevant amount which would be necessary (after deduction of any taxes applicable thereto) to subscribe for the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. In this regard, the Company will establish the mechanisms necessary to guarantee the subscription by the Beneficiaries of the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. The share price used to determine this cash payment shall be: in the case of (i) above the closing price of the Company's Ordinary Shares on the Spanish Stock Exchanges at close of trading of the day the incentive is approved by the Company; and in the case of (ii) as detailed in the section detailing the Liquidation Events below. Any such cash shall not be considered net proceeds of any issues of Ordinary Shares for the purposes of calculating Shareholder Return.

The delivery of Incentive Shares will be communicated through the publication of a relevant fact notice (*hecho relevante*). The Beneficiaries may elect to receive the Incentive Shares to which they are entitled through an entity controlled by them provided that they assume for the benefit and at the satisfaction of the Company the lock-up obligations set out below.

The Company may grant loans to the Beneficiaries to finance any tax burden associated with the payment of the Incentive.

Lock-up

The Incentive Shares to be delivered to each Beneficiary shall be subject to lock-up *vis-à-vis* the Company. In this regard, the Incentive Shares will be subject to a progressive lock-up from the Date of Accrual. During this progressive lock-up, there shall be no disposal of the Incentive Shares by each such Beneficiary as follows:

a) 1/3 of such Incentive Shares shall not be disposed prior to 12 months from the Date of Accrual;

b) 1/3 of such Incentive Shares shall not be disposed prior to 18 months from the Date of Accrual; and

c) 1/3 of such Incentive Shares shall not be disposed prior to 24 months from the Date of Accrual.

In general, disposals after the corresponding lock-up periods need not be communicated to the Company unless otherwise required by law or by the Internal Code of Conduct in the Securities Markets. See section "*Board of Directors—Internal Code of Conduct in the Securities Markets*".

This lock-up shall not apply in the following events:

(i) disposal of Incentive Shares effected to fund the payment or discharge by any Beneficiary of any tax liability arising in connection with any acquisition of Incentive Shares by such Beneficiary;

(ii) disposal of Incentive Shares in connection with a takeover or sale of the Company that is recommended by the Board of Directors or if any Beneficiary is required by law to dispose of such Incentive Shares;

(iii) disposal of Incentive Shares by any Beneficiary following the termination of the employment or services agreement (as applicable) of such Beneficiary by the Company (save in the case when the Company has elected to terminate such agreement due to gross misconduct); and

(iv) to a disposal of Incentive Shares made in the last year of the Vesting Period; therefore, those Incentive Shares received by the Beneficiaries during the last year of the Vesting Period will not be subject to any lock-up.

Any distributions or dividends attributable to Incentive Shares held by any Beneficiary declared and paid during the lock-up period shall be paid to and for the benefit of such Beneficiary.

In case of termination of the employment or services agreement (as applicable) with any Beneficiary, the Company will have the right to exercise a share purchase option over the Incentive Shares delivered to, or subscribed or acquired by, such Beneficiary that are subject to the lock-up, at the following price:

(i) at the market value of the Company's Ordinary Shares at the moment of the termination if the termination is due to death, absolute permanent disability, retirement or unfair dismissal (as such term is used in the Spanish Workers' Statute); or,

(ii) the lower of the market value of the shares or the offering price of the shares, if the termination is due to voluntary resignation or a fair disciplinary dismissal.

Liquidation Events

Pursuant to the Employee Incentive Plan, in the event of (i) liquidation of the Company approved by its Shareholders, or (ii) a takeover of the Company or a sale of Ordinary Shares of the Company that results in the taking of a control position by any party (as the term "control" is used in Royal Decree 1066/2007, of 27 July, of regime applicable to public takeovers (*Real Decreto 1066/2007, de 27 de Julio, sobre regimen de las ofertas públicas de adquisición de valores*) in both cases before the end of the Vesting Period (each a "**Liquidation Event**"), the Beneficiaries will be entitled to receive as indicated below Incentive Shares (which will not be subject to any lock-up) or, as further described below, a cash amount, representing a percentage over the total issued Ordinary Shares of the Company equal to the lesser of (a) 20% of the annualized Shareholder Return Outperformance Rate and (b) 20% of the annualized High Water Mark Outperformance Rate; provided that, for purposes of the calculation and payment of this Incentive, the following particularities will apply:

a) the higher of (i) the liquidation value of the Company or the price offered for the equity of the Company in the takeover or sale, as applicable, and (ii) the NAV of the Company as of the last day of the relevant Calculation Period, shall be used as NAV of the Company as of the last day of the relevant Calculation Period for purposes of the calculation of the Shareholder Return, the Shareholder Return Rate, the Shareholder Return Outperformance Rate and the High Water Mark Outperformance Rate;

b) the relevant Calculation Period shall be deemed to have ended on the date the liquidation was approved by the shareholders of the Company or the takeover or sale was accepted by a majority of the shareholders of the Company, as applicable; and

c) calculation and payment under the Employee Incentive Plan shall be made as soon as reasonably practicable after the last day of the relevant Calculation Period.

In the event of termination of the employment or services agreement (as applicable) with any Beneficiary prior to the end of the relevant Vesting Period, such Beneficiary will no longer be entitled to any incentive under the Employee Incentive Plan in respect of any Calculation Period that ends after such termination.

If the Company determines (acting reasonably) that delivering any or all of the Incentive Shares to any Beneficiary on any relevant date is materially prejudicial to the Company for any reason, including as a result of any applicable law which prevents the delivery of Ordinary Shares on that date or if the delivery of Ordinary Shares to such Beneficiary would result in (i) such Beneficiary being required to make a mandatory offer to the shareholders of the Company pursuant to the applicable Spanish takeover rules or other applicable law, or (ii) the Company or such Beneficiary breaching the applicable Spanish takeover rules, or (iii) such Beneficiary becoming beneficially entitled to or controlling, directly or indirectly, at least 10% of the share capital or voting rights in the Company (despite such Beneficiary having used reasonable endeavors to dispose of sufficient Incentive Shares, where permitted by law, to avoid this occurring), or (iv) the Company breaching any applicable listing rules), then the Company shall instead pay any incentive under the Employee Incentive Plan to such Beneficiary in cash, in an amount equal to the result of applying the percentage that Incentive Shares that are not delivered for the abovementioned reasons represents of the NAV of the Company used in the calculation of the relevant incentive. Such Incentive Shares or cash, as the case may be, will not be subject to any lock-up arrangement and will not be subject to any re-investment obligation in the Company's shares.

The delivery of Incentive Shares upon the occurrence of a Liquidation Event together with any other Incentive Shares delivered pursuant to the Employee Incentive plan during the Vesting Period shall not exceed in the aggregate a maximum of 10% of the total Ordinary Shares of the Company issued and outstanding from time to time.

Additionally, if the Company determines (acting reasonably) that structuring the Incentive other than through the delivery of Incentive Shares and other than in cash (e.g., through warrants, stock options, etc.) may be more beneficial to the Company or to the Beneficiaries (including, for taxation purposes), then the Company may structure the Incentive in such other manner.

If any change in the share capital of the Company arising from a reorganization, restructuring, scheme of reconstruction or arrangement, consolidation, subdivision, bonus issue, share buy-back or other capital reorganization or restructuring (a "**Capital Restructuring**") occurs during any year which the Company or the Beneficiaries believe (acting reasonably) that the calculation or the amount of the Incentive (if any) payable will change in respect of that or any subsequent year having regard to the basis of calculation of the Incentive, the Company and the Beneficiaries shall negotiate in good faith to agree an appropriate adjustment to the calculation of the Incentive payable in respect of that or any subsequent year. If a dispute or difference arises between the Company and the Beneficiaries in relation to the effect (if any) of a Capital Restructuring on any calculation of the Incentive or in relation to what adjustment (if any) is appropriate, which they cannot resolve by mutual agreement within two months of the matter first being notified by one party to the other in writing, the matter shall be referred to an independent expert for determination.

The Bylaws of the Company provide that subsequent incentive plans for Directors or members of the Management Team payable in shares of the Company shall be approved by the General Meeting of Shareholders with the prior favorable report of the Board of Directors approved by a qualified majority consisting of all directors except one (i.e. in a Board of Directors of 5 members, the favorable report shall be approved by 4 directors; in a Board of Directors of 6 members, the favorable report shall be approved by 5 directors; and so on).

Other terms and conditions of agreements with Management Team

As mentioned above, the members of the Management Team have entered into employment contracts with the Company, with the exception of Mr Luis Alfonso López de Herrera-Oria, who has entered into a services agreement with the Company due to his dual role as member of the Board and CEO (thus a member of the Management Team).

A brief description of some of the main terms and conditions of such agreements follows:

Term

The employment agreements of the members of the Management Team (other than Mr Luis Alfonso López de Herrera-Oria) with the Company will all be for an indefinite term. The employment agreements will be able to be terminated at any time by the members of the Management Team or the Company at their election with one-month prior written notice to the Company.

The services agreement that Mr Luis Alfonso López de Herrera-Oria has entered with the Company will be for an indefinite term but will be automatically terminated in the event that Mr Luis Alfonso López de Herrera-Oria ceases to be the Chief Executive Officer of the Company, subject to the applicable termination payments described below in sections "*—Payments on termination*" and "*—Minimum stay of the CEO*". Mr Luis Alfonso López de Herrera-Oria has been appointed Director of the Company for a term of three years, after which term he may be reelected by the General Meeting of Shareholders to serve for an unlimited number of terms. Once the Minimum Stay Period (as defined below) has elapsed, the services agreement may be terminated at any time by Mr Luis Alfonso López de Herrera-Oria by giving three-month prior written notice to the Company.

Exclusivity

Except as indicated below, during the term of their respective employment or services agreements (as applicable) with the Company, the members of the Management Team shall work exclusively and on a full-time basis for the Company and may not render services to any parties other than the Company except with the Company's prior consent.

This exclusivity commitment will not prevent the CEO (a) from continuing to hold the non-executive directorships listed as such under section "*Management—Managerial positions and shareholdings of the members of the Management Team*", (b) from holding additional non-executive directorships in other companies (up to a maximum of three) provided that the CEO obtains the prior consent of the Board of Directors, and (c) from holding executive directorships in his personal asset-holding companies (*sociedades patrimoniales*) (which as of the date of this Prospectus are those listed as such under section "*Management—Managerial positions and shareholdings of the members of the Management Team*") and developing the corresponding functions in these companies, to the extent that any of the above (i) does not interfere with the CEO's responsibilities towards the Company and (ii) is not in breach of the CEO's non-compete commitments towards the Company.

Additionally, any other member of the Management Team may hold a position, whether remunerated or not, in any other company provided that they obtain the prior consent of the CEO and the Board of Directors, and provided that such positions do not represent direct or indirect competition with the Company.

Non-compete

The members of the Management Team have agreed that, during the term of their respective employment or services agreements (as applicable) with the Company, they will not directly or indirectly (including, but not limited to, in their condition as partners, controlling persons, employees, agents, consultants, officers or directors of any company) compete with the business and activities conducted and to be conducted by the Company, with the only exceptions regarding Mr Luis Alfonso López de Herrera-Oria's existing commitments as non-executive director of Rodex described in footnote (5) of the table included in section "*Management—Managerial positions and shareholdings of the members of the Management Team*".

Non-solicitation

The members of the Management Team have agreed that, during the term of their respective employment or services agreement (as applicable) with the Company and during two years after termination thereof, they will not, without the Company's prior written consent, directly or indirectly (including, but not limited to, in their condition as partners, controlling persons, employees, agents, consultants, officers or directors

of any company), (i) solicit or entice away or in any manner attempt to persuade any client or customer, or prospective client or customer, of the Company to discontinue or diminish his, her or its relationship or prospective relationship with the Company, or (ii) hire or solicit, recruit, induce, entice, influence, or encourage any employee of the Company to leave the Company.

Payments on termination

Upon termination of the Management Team's services or employment agreements, without just cause (that is, unfair dismissal, as such term is defined in the Spanish Workers' Statute (*Real Decreto Legislativo 2/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Estatuto de los Trabajadores*) or when the employment agreement is terminated by the Company or the member of the Management Team within six months following, in the case of the CEO's services agreement: (i) a corporate reorganization (*modificación estructural*) pursuant to the Spanish Companies Act, (ii) a takeover of the Company or a sale of Ordinary Shares of the Company that results in a change of control (as the term "control" is used in Royal Decree 1066/2007, of 27 July, of regime applicable to public takeovers (*Real Decreto 1066/2007, de 27 de Julio, sobre regimen de las ofertas públicas de adquisición de valores*); or, in the case of the rest of the members of the Management Team employment agreements: (a) the appointment of a new CEO that is not made pursuant to the voluntary resignation of the current CEO; (b) a company succesion (*sucesión de empresa*) as such term is defined in article 44 of the Spanish Workers' Statute (*Real Decreto Legislativo 2/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Estatuto de los Trabajadores*); (c) a change of control of the Company (as the term "control" is used in Royal Decree 1066/2007, of 27 July, of regime applicable to public takeovers (*Real Decreto 1066/2007, de 27 de Julio, sobre regimen de las ofertas públicas de adquisición de valores*) regardless of whether such change of control is due to a takeover; or (d) a change in the content and planning of the Company's business; then the member of the Management Team will be entitled to a severance payment equal to two years of the salary received by such Beneficiary during the twelve months immediately preceding such termination. This salary includes the Fixed Remuneration, any Bonus and the highest incentive payment, if more than one, payable under the Employee Incentive Plan, in each and every case, received during the twelve months immediately preceding such termination.

Additionally, these agreements include the obligation to notify the other party in the event of a unilateral termination of the agreement without just cause. Should any party fail to comply with this obligation, such party will compensate the other party, as applicable; with an amount equal to the portion of the CEO's annual Fixed Remuneration or the Management Team's salary corresponding to the period of time where such party was in breach of this obligation.

Minimum stay of the CEO

Under the services agreement with the Company, Mr Luis Alfonso López de Herrera-Oria will commit to remain with the Company for a period of at least five years upon Admission, expected to occur on 19 October 2018 (the "**Minimum Stay Period**").

Should Mr Luis Alfonso López de Herrera-Oria terminate his services agreement with the Company without just cause before the end of the Minimum Stay Period, the Company will be entitled to receive compensation from him equivalent to the Fixed Remuneration that he would have been entitled to receive during the time remaining of the Minimum Stay Period.

If prior to the end of the Minimum Stay Period, Mr Luis Alfonso López de Herrera-Oria terminates his role as CEO of the Company, or his appointment as CEO is not renewed or his services agreement is otherwise terminated by the Company, he will be entitled to receive compensation from the Company equivalent to the Fixed Remuneration that he would have been entitled to receive during the remaining time of the Minimum Stay Period, with a minimum total compensation of two years that will be calculated in the same terms as those indicated on the Section "*Payment on termination*" for the rest of the Management Team. The amount of this compensation will reduce on a euro-per-euro basis the termination payment indicated

on the Section "*Payment on termination*" that he may be entitled to receive in such event, if any. This compensation shall not apply in the case of termination with just cause.

Other benefits

The members of the Management Team are entitled (and other selected employees the Company may have, from time to time, may also be entitled) to additional benefits including a company car , health and life insurance and may be entitled in the future to other benefits such as pension plans, in any case, approved by the Board of Directors at the proposal of the Appointments and Remuneration Committee.

Without prejudice to the mercantile nature of his services contract, Mr Luis Alfonso López de Herrera-Oria will also be entitled to any additional social benefits foreseen in the collective bargaining agreement applicable to the Company, if any, and in any of the Company's practices or policies applicable to the Company's employees, including, but without limit to, pension plans.

D&O insurance policy

Following the Offering, the Company will maintain a directors and officers ("**D&O**") insurance policy that protects the members of the Management Team of the Company from liabilities incurred as a result of actions taken in their official capacity as managers, up to an aggregate limit of €30 million. In any case, the Company intends to review the terms and conditions of this policy each year in order to adapt them as the Company grows.

Conflicts of Interest

Pursuant to the Internal Code of Conduct in the Securities Markets of the Company, the Board of Directors, at its meeting on 26 September 2018, has appointed Mr Iván Azinovic Gamo, the Secretary non-Director of the Board of Directors, as supervisor of compliance with the Internal Code of Conduct in the Securities Markets: (such appointment to become effective following Admission)

- the members of the Management Team shall inform the supervisor of compliance with the Internal Code of Conduct in the Securities Markets, once designated, of any possible conflicts of interest with the Company or any of its subsidiaries (if any) affecting such member of the Management Team as a result of his/her family relationships, personal estate or any other reason;
- the supervisor of compliance with the Internal Code of Conduct in the Securities Markets, when appointed, shall keep a register of all conflicts of interests communicated, which will be made public if and to the extent required by applicable regulations; and
- the Company will not disclose additional information on the conflicted transaction or situation to the member of the Management Team affected by the conflict of interest and such member of the Management Team may not participate or influence any decision to be adopted with respect to the conflicted transaction or situation and shall abstain from accessing any confidential information affecting such conflict of interest.

For these purposes, a "conflict of interest" shall be any situation in which the personal interest of the member of the Management Team or related parties (including close family, controlled entities or fiduciaries) conflicts or may conflict, directly or indirectly, with the interest of the Company or its subsidiaries (if any).

The supervisor of compliance with the Internal Code of Conduct in the Securities Markets appointed by the Board of Directors shall keep a register of all such transactions, which will be made public if and to the extent required by applicable regulations. Also, such transactions shall be approved by the Board of Directors with a favorable report from the Audit and Control Committee, except in those cases where the amount of the transaction does not exceed 1% of the annual revenue of the Company and the transaction is effected pursuant to standard conditions generally applied to customers and at market conditions.

The supervisor of compliance with the Internal Code of Conduct in the Securities Markets will be sufficiently qualified and will be appointed by, and report directly to, the Board of Directors and the Audit

Committee. Upon Admission, the supervisor of compliance may be assisted by any persons who may be deemed necessary or convenient to perform his/her duties.

Furthermore, members of the Management Team may not pursue, for their own or their related parties' benefit, business opportunities that are being considered by the Company unless the Company has decided to abandon such opportunities and they have prior authorization of the Board and a favorable report from the Audit and Control Committee. For these purposes, "business opportunity" shall be any opportunity to make an investment or commercial transaction derived or known as a result from his/her position within the Company or through the use of the Company's means or information or in circumstances that reasonably lead to assume that such opportunity was being offered to the Company.

Family relationships

There are no family relationships and no "close relatives" (as this term is defined in applicable regulations for related party transactions and, in particular, in Order EHA/3050/2004, of 15 September 2004, on information to be disclosed by listed companies regarding related party transactions) among the members of the Management Team, or the directors and members of the Management Team.

No convictions and other negative statements

To the best of the Company's knowledge, none of the members of the Management Team have, in the five years preceding the date of this Prospectus: (i) been convicted in relation to fraudulent offences; (ii) acted as directors of entities affected by bankruptcy, receivership or liquidation, (iii) been publicly incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies); or (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of securities or from acting in the management or conduct of the affairs of any issuer.

BOARD OF DIRECTORS

Spanish corporate law is mainly regulated by the restated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010 (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**"), which is the principal legislation under which the Company operates. In order to adapt the Company to the provisions of the Spanish Companies Act applicable to issuers of shares listed on the Spanish Stock Exchanges, to Spanish Corporate Governance Code and to the best practices of listed companies, the Board of Directors (the "**Board of Directors**"), at its meeting held on 26 September 2018, approved (i) the regulations that govern the Board of Directors (the "**Board of Directors Regulations**") and (ii) the Internal Code of Conduct in the Securities Markets (*Reglamento Interno de Conducta en los Mercados de Valores*) (the **"Internal Code of Conduct in the Securities Markets"**), which will become effective upon Admission. Additionally, on the same date, the shareholders of the Company approved (a) a new restated text of the bylaws (the "**Bylaws**"), and (b) the regulations that govern the General Meeting of Shareholders (the "**General Meeting of Shareholders Regulations**"), which will become effective upon Admission. Likewise, on the same date, the shareholders of the Company acknowledged the approval of the Board of Directors Regulations, as well as the Internal Code of Conduct in the Securities Markets approved by the Board of Directors.

Board of Directors

Spanish corporate law provides that the board of directors of a Spanish incorporated company is responsible for the management, administration and representation of the Company in all matters concerning its business, subject to the provisions of such company's bylaws (*estatutos*), except for those matters expressly reserved for the General Meetings of Shareholders.

The Bylaws and the Board of Directors Regulations provide for a Board of Directors consisting of between five and seven members. As of the date of this Prospectus, there are 5 Directors on the Board of Directors in accordance with the resolution passed by the shareholders of the Company on 26 September 2018, all of whom, except Mr Luis Alfonso López de Herrera-Oria (the CEO), are non-executive Directors and are each, except the CEO, considered independent pursuant to the Spanish Companies Act. Mr Luis Alfonso López de Herrera-Oria is not considered to be independent as he has executive responsibilities.

According to the Bylaws and the Board of Directors Regulations, the Directors are elected by the General Meeting of Shareholders to serve for a maximum term of three years and may be reelected to serve for an unlimited number of terms of the same duration bearing in mind that independent directors serving as such for more than twelve consecutive years may no longer be considered as independent. As the current independent directors of the Company overlap with the former independent directors of Axiare, the Company will compute the twelve year limitation period to qualify as independent director for its current directors from the date of their initial appointment in Axiare.

In the event that Directors vacate their office during the term for which they were appointed (i.e. for any cause other than the expiry of the term for which the director was appointed), the Board of Directors may provisionally designate ―the so-called co-optation (*cooptación*)― another director until the shareholders, at the earliest subsequent General Meeting of Shareholders, either ratify or revoke this appointment. Likewise, under Spanish law, shareholders who voluntarily pool their voting shares, so that the capital stock so pooled is equal to or greater than the result of dividing the total capital stock by the number of directors, have the right (*derecho de representación proporcional*) to appoint a corresponding proportion of the members of the board of directors (disregarding fractions) provided that there are vacancies available or that any directors are standing for re-election at the General Meeting of Shareholders.

Any natural or legal person, other than those specifically prohibited or declared ineligible by applicable law, the Bylaws or the Board of Directors Regulations, may serve on the Board of Directors. A Director may be removed from office by the shareholders at a General Meeting of Shareholders, even if such removal is not included on the agenda for that General Meeting of Shareholders.

Pursuant to the Board of Directors Regulations, Directors must tender their resignation to the Board of Directors and the Board of Directors may accept such resignation, at its discretion, under the following circumstances: (a) when the participation of such Director on the Board of Directors is contrary to applicable law for reasons of ineligibility or incompatibility; (b) in the event of Directors appointed by a specific shareholder, when such shareholder disposes all its shareholding in the Company or reduces it to such a level that requires a reduction in the number of Directors of the Company; and, (c) when the Board of Director, with a majority of two-thirds, requests it due to an infringement of the Director's duties, subject to a previous favorable report of the Appointments and Remuneration Committee, or when the continued participation of that Director on the Board of Directors may, in the opinion of the Board of Directors, damage the value of the Company's equity or reputation.

According to Spanish law, the Board of Directors Regulations and the Bylaws, the Chairman of the Board of Directors and, where appropriate, the Vice-Chairman, who acts as Chairman in the event of the absence or incapacity of the Chairman, shall be elected by the Board of Directors from among its members, following a report by the Appointments and Remuneration Committee (as defined below). Pursuant to Article 529 septies of the Spanish Companies Act, applicable upon Admission, and to the Board of Directors Regulations, if the Chairman is an executive director, a coordinating director shall be appointed from among the independent directors. The coordinating director shall have the power (i) to chair the Board of Directors in the absence of the Chairman or Vice-Chairmen, as the case may be, (ii) to echo the concerns of Non-Executive Directors of the Board of Directors, (iii) to be in contact with company shareholders and institutional investors to hear their opinions, in particular with reference to corporate governance, (iv) to coordinate the Chairman's succession plan, (v) to request the call of the meetings of the Board of Directors, (vi) to include new items on the agenda of the meetings, (vii) to coordinate Non-Executive Directors and (viii) to lead, if necessary, the regular evaluation of the Chairman of the Board of Directors. The Secretary and, where appropriate, the Vice-Secretary of the Board of Directors do not need to be directors, in which case they will have right to voice their views but not the right to vote decisions at the meetings of the Board of Directors.

The Bylaws and the Board of Directors Regulations provide that the Board of Directors meets as frequently as necessary to effectively execute its duties and whenever its Chairman considers such a meeting necessary or suitable. The Chairman of the Board of Directors is also required to call a meeting at the request of Directors representing at least one quarter of its members or, where applicable, at the request of the coordinating independent director. According to the Bylaws and the Board of Directors Regulations, the Board of Directors shall meet at least once a quarter and a minimum of eight times a year, in compliance with the Spanish Companies Act and in line with the recommendations of the Spanish Corporate Governance Code. The Bylaws provide that the majority (half plus one) of the members of the Board of Directors (represented in person or by proxy by another member of the Board of Directors) shall be present or represented in order to constitute a quorum. Except otherwise provided by law or specified in the Bylaws, resolutions of the Board of Directors shall be passed by an absolute majority of the Directors attending a meeting, whether personally or by proxy. In the event of a tie, the Chairman of the Board of Directors will have a casting vote. In addition to the special majorities established by law to pass certain resolutions, the Bylaws of the Company provide that a qualified majority of Directors approves the Board of Directors' favorable report which is required for the General Meeting of Shareholders to approve the remuneration system of the Directors and Management Team of the Company consisting of the delivery of shares or rights over them (when the Board of Directors is composed of five members a qualified majority of four directors shall be required, when the Board of Directors is composed of six members a qualified majority of five directors shall be required, when the Board of Directors is composed of seven members a qualified majority of six directors shall be required).

According to the Spanish Companies Act, Directors may contest resolutions passed by the Board of Directors or by any other management body, within 30 days of their adoption. Similarly, such agreements may be contested by any shareholder or shareholders who, in the case of listed companies, represent 0.1% of the share capital, within 30 days of becoming aware of said resolutions and provided not more than one

year has elapsed since their adoption. The causes, processing and effects of these challenges shall be subject to the same as established for challenges to resolutions passed at General Meetings of Shareholders except that, in this case, they shall also be processed for breach of the Board of Directors Regulations.

Directors will be given full and timely access to the information necessary to assist them in the performance of their duties. As a general rule, an agenda and Board of Directors papers are circulated to the Directors in advance of Board of Directors meetings to allow them an adequate opportunity for review and preparation for the meetings of the Board of Directors. The Secretary of the Board of Directors will be responsible for ensuring that Board of Directors procedures are followed and all Directors will have access to his advice and services. Where they deem it appropriate, all Directors shall have access to independent professional advice at the expense of the Company.

In the performance of its duties, the Board of Directors is committed to maintain a good understanding of the views of Shareholders and considerable importance will be given to communicate with Shareholders. Regular contact will be kept with institutional investors and presentations will be given by members of the Management Team on the release of the Company's annual and interim results. In no case the Company will disclose to institutional Shareholders any information that may place them in a privileged or advantageous situation *vis-à- vis* the other Shareholders.

Directors are expected to attend all Board of Directors meetings and the General Meeting of Shareholders.

Reserved Matters

The Board of Directors is responsible for the management and establishes, among other things, the strategic, accounting, organizational and financing policies of the Company. In addition, the matters established under articles 249 *bis* and 529 *ter* of the Spanish Companies Act and the rest of matters defined below as Reserved Matters cannot be delegated under any circumstances by the Board of Directors.

Pursuant to the Board of Directors Regulations, prior approval by majority of the members of the Board of Directors is required for the matters set forth below ("**Reserved Matters**"):

- the call of the General Meeting of Shareholders and setting out the agenda for the same;
- the formulation of the annual accounts, the management report and the profit distribution proposal of the Company as well as, where applicable, the consolidated annual accounts and management report;
- the definition of the structure of the group, the approval of the general strategies and policies of the Company and, in particular, the strategic business plan, as well as the management targets and annual budget, the policy regarding treasury shares (setting forth, in particular, its limits), the corporate governance policy and the corporate social responsibility policy, the risk control and management policy identifying the main risks of the Company and setting up and monitoring the appropriate internal risk control and information systems, with the aim of ensuring its future viability and competitiveness by taking the most relevant decisions for its development. The Board of Directors shall approve a business execution plan annually in which the Company will set forth its strategy for the management of the properties held or acquired by the Company and in any case complying with the necessary requirements to maintain its status of SOCIMI;
- setting out the dividend policy of the Company in order to maintain its status of SOCIMI for its presentation and proposal to the General Meeting of Shareholders, and approving, where applicable, the payment of interim dividends;
- setting out the information and communication policies *vis-à-vis* the Shareholders and the markets and approving the financial information that the Company must disclose periodically as a listed company;
- the approval of the Directors' remuneration insofar as it falls within the capacity of the Board of Directors pursuant to the Bylaws, as well the remuneration policy of the Management Team and the evaluation of its members;

- deciding, following the proposal from the Chairman of the Board or the Chief Executive Officer of the Company, the appointment and eventual dismissal of members of the Management Team as well as, where applicable, their severance payment or compensation clauses and setting out the conditions that their contracts shall satisfy;
- the definition of the Company's area of activity in the Annual Corporate Governance Report and, where applicable, the eventual business relationships with other listed companies within its group, as well as any mechanisms set out for the resolution of any conflicts of interest which may arise amongst them;
- the definition of the investments and financing policy;
- any acquisition or disposal of a property investment or the entry into any binding agreement to acquire or dispose of a property investment where the aggregate acquisition cost or gross proceeds attributed to the Company in respect of such property investment are in excess of €75 million;
- any joint investment or co-investment in a property investment by the Company and one or more third parties where the acquisition cost in respect of such property investment attributed aggregately to all investors is in excess of €75 million and the acquisition cost in respect of such property investment attributed individually to the Company is in excess of €37.5 million;
- any new loan, credit, guarantee facility, and any financing or refinancing instrument, including associated hedging arrangements, entered into in respect of a property investment where the amount of the facility to be entered into in respect of such arrangements is in excess of €75 million, or any material amendment thereof;
- any hedging or use of derivatives, including related to debt facilities, interest, or property investments (which may only be used to the extent (if any) permitted by any regulatory requirements applicable to the Company), other than those related to loans, credits, facilities, financings or refinancing below the threshold set forth in the foregoing paragraph;
- the approval of the creation or acquisition of a stake in entities with a special corporate purpose or domiciled in countries or territories considered as tax havens, as well as any other transaction or operation of similar nature which, due to its complexity, could undermine the group's transparency;
- the authorization, subject to a previous favorable report of the Audit and Control Committee, of the Company's transactions with its Directors, relevant Shareholders or Shareholders represented on the Board of Directors, members of the Management Team or with related-parties of any of them, including those transactions that can give rise to a conflict of interest and any transaction with third parties whereby any Director, relevant Shareholder or Shareholder represented on the Board of Directors, member of the Management Team or related-parties of any of them is entitled to receive any compensation, retribution or commission;
- the adoption, in respect of the Shareholders and beneficial owners of the Ordinary Shares (including indirect owners via financial intermediaries), of the measures the Board of Directors deems most appropriate with regards to (i) the accrual for the Company of the special corporate tax established by the SOCIMI Act (or any rule that may modify it or replace it in the future) and (ii) any pension funds or benefit plans special legal regimes which might affect the Shareholders or beneficial owners of the Ordinary Shares, in accordance with the provisions of the Bylaws;
- the amendment of the Board of Directors Regulations;
- the appointment of the Chairman and, as the case may be, the Vice-Chairman of the Board of Directors, and of the Secretary and, as the case may be, of the Vice-Secretary of the Board of Directors;
- any transaction with the founding shareholders of the Company (Rodex or Inmodesarrollos Integrados, S.L.), or any third party which is especially related to those founding shareholders, or Alza or any of their respective directors and employees;

- any investment in assets which fall out of the scope of the investment strategy or business plan of the Company; and,
- any other matter established in by law.

With respect to the above Reserved Matters, actions or decision may be taken, for reasons of urgency, by the Executive Commission of the Company (if one exists) with the later ratification of the Board: (i) the appointment and dismissal of members of the Management Team, as well as, where applicable, their severance payment or compensation clauses and setting out the conditions that their contracts shall satisfy; (ii) the approval of periodical public financial information; (iii) the creation or acquisition of stakes in entities with special corporate purpose or domiciled in tax havens or other transactions that could undermine the group's transparency due to their complexity: and (iv) the adoption of measures deemed appropriate with regards to the special corporate tax for SOCIMIs and pension funds or benefit plans special legal regimes.

In addition, under urgent and duly justified circumstances, decisions relating to the matters included under article 529 *ter* of the Spanish Companies Act may be adopted by the delegated bodies or persons, which must be ratified in the first meeting of the Board of Directors held after the adoption of the decision.

Delegation of powers in the CEO

The Company's Board of Directors has delegated all its powers in favor of the CEO, except for those that refer to matters that are reserved to the Board of Directors and, therefore, cannot be delegated in accordance with the Bylaws and applicable Spanish law as described in sections "*Board of Directors*" and "*Reserved Matters*".

Additionally, some members of the Management Team have been granted general powers of attorney in connection with the day-to-day management of the business of the Company.

Directors

The Board of Directors is currently composed of five directors.

The Directors have substantive expertise in real estate investment, management, accounting, finance, mergers & acquisitions and regulation. The following table sets forth, as of the date of this Prospectus, the current composition of the Board of Directors, and is followed by a summary of professional background of each such member:

Name	Title	Member of Board of Directors since	Term Expires	Shareholder represented	Category/status
Mr Luis María Arredondo Malo	Non-executive Chairman	26 September 2018	26 September 2021	No	Independent
Mr Luis Alfonso López de Herrera-Oria	Vice-Chairman Chief Executive Officer	26 September 2018	26 September 2021	No	Executive
Mr Fernando Bautista Sagüés	Member	26 September 2018	26 September 2021	No	Independent
Mr David Jiménez-Blanco Carrillo de Albornoz	Member	26 September 2018	26 September 2021	No	Independent

Mr Cato Henning Stonex	Member	26 September 2018	26 September 2021	No	Independent

The Board of Directors, at its meeting on 26 September 2018, has appointed Mr Iván Azinovic Gamo as the Secretary non-Director of the Board of Directors.

As of the date of this Prospectus, all the Directors have accepted their appointment, which is immediately effective and has been registered with the Commercial Registry.

As the current independent directors of the Company overlap with the former independent directors of Axiare, the Company will compute the twelve year limitation period to qualify as independent director for its current directors from the date of their initial appointment in Axiare.

All members of the Board of Directors have designated the registered address of the Company as their professional address for the purpose of this Prospectus.

Biographical information

Brief biographical details of the non-executive Directors are as follows:

Mr Luis María Arredondo Malo (Born in January 1943)

Luis Maria Arredondo Malo is Civil Engineer and holds the Professional Merit Medal from the Chamber of Civil Engineers. He also holds a degree in Senior Business Management P.A.D.E from the IESE Business School (University of Navarra). Between 1969 and 1975 he worked in the Spanish Ministry of Public Works as a Project Engineer. He was, between 1975 and 1978, General Director of the construction company S.A.C.R.A., dependent on the Belgian Group C.F.E. In 1980 and until 1988 he was General Director of the Real Estate Corporation Hispamer (CIH) and Managing Director of the Building Society of Madrid and Province, S.A., (EMPSA). In 1988 and until 1994 he was Chief Executive Officer (CEO) of Inmobiliaria Zabálburu, S.A., a listed company on the Spanish stock market. In that period, the society became a company with a fast and constant growth. Between 1994 and 2006 he was CEO of Inmobiliaria Urbis position he held concurrently with that of President during 2006, a company that, in that period, reached a market value of 3,400 million euros. Between 2006 and 2013 he was President and CEO of Santander Global Property, the asset-holding company of Banco Santander, with large international projects in cities such as Madrid, Sao Paulo, Mexico D.F., Monterrey, Miami, and Berlin. Between 2014 and 2018 he was Chairman of the Board of Directors of Axiare Patrimonio, one of the largest listed SOCIMIs on the Spanish Stock Exchanges, recently acquired by Inmobiliaria Colonial.

Mr Fernando Bautista Sagüés (Born in October 1957)

Mr Fernando Bautista Sagüés is non-executive independent director of the Company. He holds a Law Degree from the Universidad de Deusto and a graduate degree in Economic and Business Sciences from the Instituto Católico de Dirección de Empresas (ICADE) and is a member of the Madrid Bar Association since 1981. Mr Fernando Bautista Sagüés became a partner of the law firm J & A Garrigues in 1989 and, after its merger with Arthur Andersen, he became a partner of Arthur Andersen Worldwide in 1996. Two years later, in 1998, Mr Fernando Bautista Sagüés was appointed partner of Freshfields. Between 2014 and 2018 he was non-executive independent director of Axiare. Currently Mr Fernando Bautista Sagüés advises as independent lawyer on matters regarding corporate and finance law, is director of Abante Asesores, S.A., is secretary of the Social Corporate Responsibility Commission of Iberdrola, S.A.

Mr David Jiménez-Blanco Carrillo de Albornoz (Born in May 1963)

Mr David Jiménez-Blanco Carrillo de Albornoz is non-executive independent director of the Company. He holds a degree in Economic and Business Sciences from CUNEF. Mr Jiménez-Blanco worked at Goldman Sachs International between 1995 and 2006, being responsible for the European Industrial Clients Group and the investment banking teams in Spain and Portugal. Between 2006 and 2009 Mr Jiménez-Blanco was the President of Merrill Lynch Capital Markets España, S.A., Sociedad de Valores, in his role as Head of

Investment Banking and Global Markets in Spain and Portugal and member of the EMEA Investment Banking Operating Committee. Between 2010 and 2013 he was a partner at BK Partners, a management firm mainly focused in direct investment in Mexico, and between 2013 and 2016 he was Group Chief Financial Officer of World Duty Free SpA, a company listed in Milan. Between 2014 and 2018 he was non-executive independent director of Axiare. Currently, Mr Jimenez-Blanco is Chief Restructuring Officer at Abengoa, S.A., and a non-executive director and Lead Independent Director at Bolsas y Mercados Españoles, S.A.

Mr Cato Henning Stonex (Born in December 1963)

Mr Cato Henning Stonex is a non-executive independent director of the Company. He holds a BSC (Econ) from the London School of Economics and Political Science. From 2006 to 2016 he served as a governor and in 2016 was appointed as an Emeritus Governor. Cato Henning Stonex is a director of LSE Ideas (a think tank) and is a member of the Endowment Investment Committee. Mr Cato Henning Stonex joined Morgan Grenfell & Co in 1986 where he became a European Government Bond trader. In 1989, he joined J.Rothschild Administration as a fund manager. In 1996 he was a founding partner of Taube Hodson Stonex. In 2016 Taube Hodson Stonex was merged with Global Asset Management. In 2017 Cato Henning Stonex founded Partners' Investment Company. He served as an independent non-executive director of Axiare from 2017 to 2018.

Directors' managerial positions and shareholdings

The following table sets out all entities in which the members of the Board of Directors have been appointed as members of administrative, management or supervisory bodies, or in which they have held partnership positions at any time during the five-year period preceding the date of this Prospectus, indicating whether or not each person is still a member of any such bodies or holds any shares in any such entities.

Director	Company[(1)]	Position/Title	Sector	In office	Shareholding
Mr Luis María Arredondo Malo	Axiare	Non-executive director	Real Estate	No	No
	Nieve de Andalucía, S.A.	Chief Executive Officer	Real Estate	Yes	Yes
	Castellar Ingenieros, S.L.	Sole Administrator	Real Estate	Yes	Yes
	Olivarera del Condado, S.A.	Non-executive director	Manufacture of oil and fats	Yes	Yes
	Aljaral, S.A.	Chairman	Real Estate	Yes	Yes
	Parquing 86, S.A.	Director	Transportation	No	Yes
Mr Fernando Bautista Sagüés	Axiare	Non-executive director	Real Estate	No	No
	Iberdrola, S.A.[(3)]	Secretary (non-director)	Energy	Yes	No
	Abante Asesores, S.A	Director	Financial Services	Yes	Yes
Mr David Jiménez-Blanco Carrillo de Albornoz	Axiare	Non-executive director	Real Estate	No	No
	Bolsas y Mercados Españoles, S.A.	Non-executive director	Financial	Yes	Yes
	World Duty Free, SpA [(4)]	Chief Financial Officer	Retail	No	No
	Abengoa, S.A.	Chief Restructuring Officer	Energy	Yes	No
	Gawa Capital Partners, S.L.	Director	Financial	Yes	Yes
Cato Henning Stonex	Axiare	Non-executive director	Real Estate	No	No

Partners Investment Company LLP	Director	Finance	Yes	Yes
Partners Investment Company (2017) Ltd	Director	Finance	Yes	Yes
Alblemarle Shipping Investment LLP	Director	Shipping	Yes	Yes
Axcent Partners LLP	Designatef Member	Finance	Yes	Yes
CHS Ventures Ltd	Director	Finance	Yes	Yes
Hardicott Shoot LLP	Designated Member	Agriculture	Yes	Yes
Roundwood Partners LLP	Designated Member	Fine Art	Yes	Yes
CS Ventures Ltd	Director	Finance	Yes	Yes
Cato Stonex Ltd	Director	Finance	Yes	Yes
Petworth Art LLP	Designated Member	Fine Art	Yes	Yes
John Chapman Ltd	Director	Consumer Goods	Yes	Yes
Westmoreland Spirits Ltd	Director	Consumer Goods	Yes	Yes
Obotritia Capital KGaA	Director	Finance	Yes	Yes
Taube Hodson Stonex Partners (UK) Ltd	Director	Finance	Yes	Yes
Taube Hodson Stonex Partners LLP	Designated Member	Finance (designated member)	Yes	Yes
Buck's Club Limited	Director	Licensed clubs	Yes	Yes
Sloane Residents Limited	Director	Residents property management	Yes	Yes
Deutsche Konsum	Director	German retail properties	Yes	Yes
THSP Limited	Director	Activities of financial services holding companies	Yes	Yes

Notes:

(1) While some of these companies are in the real estate business, unless otherwise indicated none of them is a direct competitor of the Company in the sense that their activities are not dedicated to investing in rental commercial properties.

(2) Mr Luis María Arredondo Malo has informed the Company that he is currently non-executive director of Santander Real Estate, S.A., SGIIC, the managing company of the real estate investment fund Santander Banif Inmobiliario, FII and the real estate investment companies Promociones Lladero, S.I.I., S.A., Santander Ahorro Inmobiliario 1, S.I.I., S.A. and Santander Ahorro Inmobiliario 2, SII, S.A., which mainly invest in residential properties for rental. On 26 September, 2018, the Company's Shareholders' Meeting, pursuant to article 230.1 of the Spanish Companies Act, authorized Mr Luis María Arredondo Malo to continue holding the position of non-executive director in said managing company. In any event, if a conflict of interest aroused in connection with a particular transaction, the provisions of the Board of Directors Regulations and the Internal Code of Conduct in the Securities Markets would apply.

(3) Mr Fernando Bautista Sagüés has been appointed secretary (non-director) of the Social Corporate Responsibility Commision of the Board of Directors of Iberdrola, S.A.

(4) Mr David Jiménez-Blanco Carrillo de Albornoz currently is Group Chief Financial Officer of World Duty Free, SpA.

CEO's share ownership in the Company

As of 8 October 2018 (the latest practicable date prior to the registration of this Prospectus with the CNMV), Rodex and Inmodesarrollos Integrados, S.L., ("**Inmodesarrollos**") both controlled by Mr Luis Alfonso López de Herrera-Oria, hold 99.67% and 0.33%, respectively, of the issued share capital of the Company.

The CEO together with the other members of the Management Team have agreed to subscribe, whether directly or through their respective controlled companies, for the Management Shares, in the Offering, in an aggregate amount of approximately of 3% of the Net Proceeds (see the section "*Management*").

Rodex, which is fully owned by the CEO, will agree to be subject to a 180 days lock-up undertaking (subject to certain customary exceptions) from Admission. Please see the section "*Plan of distribution*".

Board Committees

In compliance with the Bylaws and the Board of Directors Regulations, the Board of Directors at its meeting held on 26 September 2018, approved the creation of an Audit and Control Committee (the "**Audit and Control Committee**"), and an Appointments and Remuneration Committee (the "**Appointments and Remuneration Committee**") which are governed by the Bylaws and the Board of Directors Regulations. The following is a brief description of the principal characteristics of the committees of the Board of Directors.

In fulfilling their duties, the committees of the Board of Directors are entitled to (i) access any corporate records they consider necessary; (ii) seek the cooperation and advice of members of the Directors; and (iii) retain the services of external professionals when the committee considers such services necessary to obtain advice or independent counsel which may not be adequately obtained internally.

The following is a brief description of the principal characteristics of the committees of the Board of Directors, which conforms to the Bylaws and the Board of Directors Regulations.

Audit and Control Committee

The composition, responsibilities and rules of the Audit and Control Committee are governed by the Bylaws and the Board of Directors Regulations.

The Audit and Control Committee shall have between three and five members appointed by the Board of Directors among its members, following proposals from the Appointments and Remuneration Committee, all of whom must be external Directors and the majority of whom must be independent Directors. Members of the Audit and Control Committee serve for a term of up to three years and may be re-elected to serve for an unlimited number of terms of the same duration. The members of the Audit and Control Committee, and in particular, the Chairman, must be appointed taking into account his or her knowledge, aptitudes and experience in accounting, audit, finance, internal control and risk management matters. The role of Secretary of the Audit and Control Committee will be carried out by the Secretary of the Board of Directors.

The Chairman of the Audit and Control Committee, who must be an independent Director, can serve for a maximum term of three years, and may only be reelected as Chairman at least one year after his or her removal, without prejudice to his or her continuation as member of the Audit and Control Committee.

In accordance with the resolutions passed by the Board of Directors on 26 September 2018 and 8 October 2018, the members of the Audit and Control Committee following Admission will be as follows:

Name	Date of appointment	Category	Title
Mr David Jiménez-Blanco Carrillo de Albornoz	26 September 2018	Independent	Chairman of the Committee
Mr Fernando Bautista Sagüés	8 October 2018	Independent	Member
Mr Cato Henning Stonex	26 September 2018	Independent	Member

The Secretary of the Board of Directors will be the secretary of the Audit and Control Committee, with no voting rights.

The Audit and Control Committee will be responsible for the following matters (together with any others that may be attributed to the Audit and Control Committee by law, the Bylaws and the Board of Directors Regulations):

- responding to any questions that Shareholders may raise at the General Meeting of Shareholders in relation to matters attributed to the Audit and Control Committee;
- with regard to the external auditor:
  - (i) making proposals to the Board of Directors for the selection, appointment, reelection and replacement of the external auditor (who will need to be a reputable international auditing firm), as well as the conditions of its engagement;
  - (ii) regularly receiving information from the external auditor on the audit plan and the results of its execution, and verifying that senior management takes its recommendations into account;
  - (iii) ensuring the independence of the external auditor and, to this effect, ensuring that the Company informs the CNMV of the change of auditor as a relevant fact notice (*hecho relevante*), and encloses it to a declaration on the eventual existence of disagreements with the outgoing auditor and, if they existed, their content, and that, in the event of resignation of the external auditor, examines the circumstances motivating such resignation.
  - (iv) The Audit and Control Committee shall liaise with the auditors in order to become aware of any factor which may affect the auditor's independence, so that they are examined by the Audit and Control Committee, as well as any other factors arising out of the audit process, and any other communications with the auditors required by law or by relevant regulations. In any case, the Audit and Control Committee shall receive from the auditors, on an annual basis, written confirmation of their independence vis-à-vis the Company or related-parties, as well as information on additional services of any kind provided to the Company or said related-parties by the auditors, or by the persons or parties related to them pursuant to the Spanish Law 22/2015 on Accounts Audit (Ley 22/2015, de 20 de julio, de Auditoría de Cuentas);
  - (v) favoring that the Company's auditor takes on the audit, where applicable, of the companies within the Company's group;
  - (vi) in the case of the resignation of an external auditor, to examine the circumstances that may have caused it;
  - (vii) ensuring that the remuneration of the External Auditor is appropriate for its dedication, but without compromising its independence;
  - (viii) ensuring that the external auditor keeps an annual meeting with the Board of Directors to report on the tasks performed and the accounting of risk situations of the Company; and
  - (ix) ensuring that the Company and the auditor follow the applicable regulations on the provision of services other than audit services, the limits on the concentration of the auditor's business and other regulation on auditor´s independence.
- issuing on an annual basis, prior to the issuance of the accounts' audit report, a report setting out the committee's views on the auditor's independence. This report shall in any case comment on the provision of additional services referred to in paragraph (iii) above;
- overseeing the effectiveness of internal control, risk management systems, where applicable, and that the direction of the Company's internal audit services seeks for the proper functioning of the information and internal control systems, in particular with regards to the process of full preparation of the financial information related to the Company and, where applicable, to its group.

The person responsible for the internal audit function shall present to the Audit and Control Committee his or her annual working plan and report directly any incidents in the development of the plan, as well as submit a report on his or her activities at the end of each exercise. The Audit and Control Committee will discuss with the accounts auditor or the audit entities the major weaknesses in the internal control detected in the audit process;

- taking an active part in the formulation of the risk strategy and its material management decisions;
- knowing and periodically reviewing the financial information process and the risk management and control systems related the Company's relevant risks so that these are adequately identified, managed and made known, ensuring the independence and effectiveness of the internal audit function, proposing the selection, appointment, reelection and dismissal of the internal audit service responsible, as well as the budget of such service, receiving periodical information on its activities and verifying that senior management takes into account the conclusions and recommendations of its reports.
- informing the Board of Directors in advance with regards to:
  (i) the financial information that, given its listed character, the Company shall make public periodically, overseeing the process of preparation and the filing of said information and ensuring that the intermediate accounts are prepared following the same accounting criteria as the annual accounts as well as, with this purpose, considering a limited review of the Company's external auditor;
  (ii) the creation or acquisition of a stake in entities with a special corporate purpose or domiciled in countries or territories considered as tax havens, as well as any other transaction or operation of similar nature which, due to its complexity, could undermine the group's transparency;
  (iii) related-party transactions, use by Directors and members of the Management Team of corporate assets and business opportunities; and
  (iv) proposals to amend the Board of Directors Regulations;
- approving the appointment of, and supervising the services provided by, the RICS external appraiser (who will need to be a reputed international firm) in connection with the valuation of the Company's real estate properties to be conducted as of 31 December in each year;
- receiving from the employees, in a confidential albeit non-anonymous manner, and in written form, any communications on potentially relevant possible irregularities, especially financial and accounting ones, that they might become aware of within the Company or the companies within its group;
- issuing the reports and proposals set out in the Bylaws and in the Board of Directors Regulations as well as any other requested by the Board or the Chairman of the Board of Directors;
- ensuring compliance with the internal codes of conduct and corporate governance rules;
- supervising the communication strategy and relations with shareholders and investors, including small and medium shareholders;
- reviewing the corporate responsibility policy of the Company, ensuring that is aimed at value creation;
- supervising of strategy and corporate social responsibility practices and evaluation of their compliance;
- supervising and evaluating processes associated with different interest groups;
- evaluating all matters relating to non-financial risks of the Company, including operational, technological, legal, social, environmental, political and reputational; and,
- coordinating the report non-financial information and diversity, in accordance with the applicable regulations and international reference standards.

In accordance with the Bylaws and the Board of Directors Regulations, the Audit and Control Committee shall meet on a quarterly basis to review the periodic financial information that must be submitted to the relevant stock market authorities and the information the Board of Directors must approve and include in its annual public documentation. In addition, the Audit and Control Committee shall meet at the request of any of its members, and every time its Chairman considers it necessary. In any case, the Audit Committee's Chairman will call a meeting whenever the Board of Directors or its Chairman requests the preparation of a report or the adoption of a proposal. Meetings of the Audit and Control Committee shall be duly convened when a majority of the members attend in person or by proxy. The resolutions of the Audit and Control Committee shall be adopted by the majority of its members attending in person or by proxy. In the event of a tie, the Chairman of the Audit and Control Committee shall have a casting vote.

All the resolutions adopted by the Audit and Control Committee shall be drawn-up in the minutes, which the entire Board of Directors shall be informed of, and a copy of the minutes shall be forwarded or submitted to all the members of the Board of Directors.

Appointments and Remuneration Committee

The composition, responsibilities and rules of the Appointments and Remuneration Committee are governed by the Bylaws and the Board of Directors Regulations.

The Appointment and Remuneration Committee shall have between three and five members, all of whom must be external directors and the majority of whom must be independent directors. Directors who are members of the Appointment and Remuneration Committee will carry out their role while they still hold the position of Director, unless otherwise agreed by the Board of Directors. At least one of the members of the Appointment and Remuneration Committee must have experience in remuneration matters.

The Chairman of the Appointments and Remuneration Committee must be selected by the Board of Directors from among the independent members of the Committee. In accordance with the resolution passed by the Board of Directors on 26 September 2018, the members of the Appointments and Remuneration Committee following Admission will be as follows:

Name	Date of appointment	Category	Title
Mr Fernando Bautista Sagüés	26 September 2018	Independent	Chairman of the Committee
Mr David Jiménez-Blanco Carrillo de Albornoz	26 September 2018	Independent	Member
Mr Cato Henning Stonex	26 September 2018	Independent	Member

The Secretary of the Board of Directors, who will have no voting rights, will be the secretary of the Appointment and Remuneration Committee.

The primary purpose of this committee is to assist, inform and put proposals to the Board of Directors in relation to the matters attributed to it by law, the Bylaws, or the Board of Directors. In particular, the Appointments and Remuneration Committee will be responsible for the following matters:

- setting out criteria for the composition of the Management Team of the Company and the selection of directors and informing the Board of Directors in relation to gender diversity and qualifications of candidates;
- setting a target for the representation of the gender that is less well represented on the Board of Directors and develop guidelines on how to achieve that target;
- assessing the skills, knowledge and experience required on the Board of Directors. For this purpose, it shall define the functions and skills required of candidates that should fill each vacancy and shall assess the time and commitment required of them so that he or she can perform his or

her function adequately. Any Director might suggest the Appointments and Remunerations to consider potential candidates to fill vacancies as directors, should such potential candidates be considered adequate;

- examining and organizing the succession of the Chairman of the Board of Directors and the first executive of the Company and, where applicable, making recommendations to the Board of Directors so that such succession is conducted in an orderly and planned manner;
- making recommendations to the Board of Directors for the appointment of independent directors, whether through co-option by the Board or for submission to the General Meeting of Shareholders, and for the re-election or removal of such directors by the General Meeting of Shareholders;
- reporting on proposals for the appointment of the other directors, whether through co-option by the Board or for submission to the General Meeting of Shareholders, and on proposals for the re-election or removal of such other directors by the General Meeting of Shareholders;
- informing about the appointment of the Secretary and, as the case may be, of the Vice-Secretary of the Board of Directors;
- making proposals to the Board of Directors regarding the appointment of the members of the Audit and Control Committee;
- making sure that, when vacancies arise in the Board of Directors, the selection processes do not have any implicit bias which obstruct the selection of women to the Board of Directors and that the Company intentionally seeks and includes within the possible candidates women who meet the professional profile that is sought, informing the Board of any matters regarding gender diversity;
- receiving the information Directors need to provide regarding the professional duties they have besides the Company and taking care of the questions the Directors need to pose to the Appointment and Remuneration Committee before accepting any management post or position in the management bodies of any other company or entity;
- yearly verification of the character (independent, proprietary, executive or other) each Director should have;
- reporting to the Board on proposals for the appointment or dismissal of managerial employees and the basic terms of their contracts, including any associated compensation or indemnity payments relating to any eventual dismissal, following a request from the chief executive officer (if any);
- making proposals to the Board of Directors for the policy on the remuneration of Directors, executive officers (or managerial employees who report directly to the Board), executive committee or Chief Executive Officer, as well as the individual remuneration and other contractual terms of executive officer, ensuring and monitoring compliance;
- ensuring the observance of the remuneration policy of the Company and, in particular, in connection with the remuneration policy of the Board of Directors, the distribution among Directors of the per diem allowances approved by the Shareholders of the Company and the individual remuneration of the executive directors, as well as all the other conditions of their contracts, and presenting to the Board of Directors, at the request of the Chairman of the Appointment and Remuneration Committee, any proposals concerning remuneration policies affecting the Management Team and the basic conditions of their contracts, including, if applicable, the proposal and calculation of the shares of the Company to be delivered to the Management Team in accordance with the incentive plans of the Company in which they participate;
- periodically reviewing the remuneration policy for Directors and Management Team, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other Directors and members of the Management Team of the Company;

- ensuring that no conflict of interest jeopardizes the quality or independence of any external advice the committee engages;
- verifying the information about remuneration of Directors and members of the Management Team contained in the corporate documents, including the annual report on remuneration of directors;
- controlling the fulfillment by the directors of their duties, in particular with regards to situations of conflict of interest and related-party transactions; and
- preparing and submitting to the Board of Directors the annual report regarding the functioning of the Board of Directors, the performance of the Chairman or, as the case may be, of the CEO or first executive, as well as the functioning of the Appointment and Remuneration Committee.

The Appointments and Remuneration Committee shall consult the Chairman of the Board of Directors and the Company's first executive in matters related to the executive directors and senior managers.

The Appointment and Remuneration Committee shall meet at least once a year, and at the request of any of its members and every time its Chairman convenes a meeting. In any case, the Chairman of the Appointment and Remuneration Committee will call a meeting of the Appointments and Remuneration Committee whenever the Board of Directors or its Chairman requests the preparation of a report or the adoption of a proposal.

Meetings of the Appointment and Remuneration Committee shall be duly convened when a majority of the members attend in person or by proxy. The resolutions of the Appointment and Remuneration Committee shall be adopted by the majority of its members attending in person or by proxy. In the event of a tie, the Chairman of the Appointment and Remuneration Committee shall have a casting vote.

All the resolutions adopted by the Appointment and Remuneration Committee shall be drawn-up in the minutes, which the entire Board of Directors shall be informed of, and a copy of the minutes shall be forwarded or submitted to all the members of the Board of Directors.

Remuneration

Pursuant to the Bylaws and the regulations of the Board, non-executive independent Directors, as members of the Board of the Company, shall be entitled to receive per diem allowances for any meetings which they attend consisting of a fixed annual amount per Director to be set by the General Meeting of Shareholders. The Shareholders Meeting held on 26 September 2018 set the maximum amount of per diem allowances that each non-executive independent Directors may receive at €100,000 except for the Chairman of the Board of Directors, who may receive a maximum amount of €125,000. The shareholders can also decide when or for what reason such amount can be reviewed and/or updated periodically. Additionally, the Company may purchase insurance policies to cover any risks associated with its Directors. Executive directors (the CEO) and, when applicable, proprietary directors will not be entitled to receive per diem allowances or any other remunerations as members of the Board. However, the CEO in his condition as member of the Management Team, is entitled to the Fixed Remuneration, Bonus and Employee Incentive Plan described in this Prospectus.

The table below provides details of the remuneration to which each non-executive Director is entitled.

Director	**Per Diem Allowances (yearly)***
Mr Luis María Arredondo Malo……	€ 125,000
Mr Fernando Bautista Sagüés ……...	€ 100,000
Mr David Jiménez-Blanco Carrillo de Albornoz……....	€ 100,000
Mr Cato Henning Stonex …….	€ 100,000

D&O insurance policy

Following the Offering, the Company will maintain a directors and officers ("**D&O**") insurance policy that protects the members of the Management Team of the Company from liabilities incurred as a result of actions taken in their official capacity as managers, up to an aggregate limit of €30 million. In any case, the Company intends to review the terms and conditions of this policy each year in order to adapt them as the Company grows.

Internal Code of Conduct in the Securities Markets and Corporate Governance Recommendations

Internal Code of Conduct in the Securities Markets

The Company has approved a defined and transparent set of rules and regulations for corporate governance which is compliant with all applicable Spanish governance standards except as mentioned below in "*Corporate Governance Recommendations*" in relation to certain recommendations which, as of the date of the Prospectus, are not met.

On 26 September 2018, the Board of Directors adopted the Internal Code of Conduct in the Securities Markets (*Reglamento Interno de Conducta en los Mercados de Valores*), which will be effective upon Admission. The Internal Code of Conduct in the Securities Markets is in line with MAR. The Internal Code of Conduct in the Securities Markets applies to, among other persons, all members of the Board of Directors, senior management and employees who have access to inside information, as defined under MAR, and to the external advisors when they handle such information.

The Internal Code of Conduct in the Securities Markets, among other things:

a) regulates the conduct of the directors and managers with regard to the treatment, use and disclosure of inside information;

b) establishes the restrictions on, and conditions for, the dealing on the securities of the Company or other financial instruments referencing them by persons subject to the Internal Code of Conduct in the Securities Markets and by those who possess inside information;

c) provides that persons subject to the Internal Code of Conduct in the Securities Markets shall not engage in market manipulation with respect to the securities of the Company or other financial instruments referencing them; and

d) regulates dealings by the Company in its own shares.

The Board of Directors, at its meeting on 26 September 2018, has appointed Mr Iván Azinovic Gamo, the Secretary non-Director of the Board of Directors, as supervisor of compliance with the Internal Code of Conduct in the Securities Markets: (such appointment to become effective following Admission). Notwithstanding this, the ultimate responsibility of supervising the compliance of Internal Code of Conduct in the Securities Markets belongs to the Audit and Control Commission.

Corporate Governance Recommendations

The Spanish Companies Act sets out certain legal provisions related to corporate governance mandatorily applicable to Spanish companies listed on the Spanish Stock Exchanges. The Company believes that it complies with the requirements of the Spanish Companies Act.

Additionally, the Spanish Corporate Governance Code sets out certain recommendations on corporate governance to be considered (on a "*comply or explain*" basis) by the companies listed on the Spanish Stock Exchanges.

The Company believes that it substantially complies with the recommendations of the Spanish Corporate Governance Code. The Company is committed to follow strict corporate governance policies and it intends to adapt the practices of the Company to all the recommendations contained in the Spanish Corporate Governance Code, as soon as possible after Admission, in a consistent manner. However, as of the date of this Prospectus, the corporate governance practices depart from these recommendations in the following aspects:

- Recommendation 14 is not fulfilled. This recommendation provides that the Board of Directors should approve a director selection policy. As of the date of this Prospectus, the Board of Directors has not approved a policy for selecting its members.
- Recommendation 40 is not fulfilled. This recommendation provides that listed companies should have a unit in charge of the internal audit function, under the supervision of the Audit and Control Committee, to monitor the effectiveness of reporting and control systems. This unit should report functionally to the Board's non-executive chairman or the chairman of the Audit and Control Committee. There is no internal audit unit as such yet, due to the Company's short existence. However, the Company will appoint a person responsible of its internal audit function. An internal audit unit will be created whenever the size and complexity of the Company requires it.
- Recommendation 42 is partially fulfilled. This recommendation addresses certain functions which are recommended to be performed by the Audit and Control Committee. The functions of the Audit and Control Committee listed in these recommendations are mostly (but not all) included in the Bylaws and internal regulations.
- Recommendation 45 is not fulfilled. This recommendation provides that the Board of Directors should approve a risk control and management policy. As of the date of this Prospectus, the Board of Directors has not approved such policy.
- Recommendation 46 is not fulfilled. This recommendation provides that listed companies should have a unit in charge of risk control and management function, under the supervision of the Audit and Control Committee. The Company has no internal unit yet, due to the Company's short operating history. However, the Company will appoint a person responsible for the risk management and internal management functions. An internal unit will be created whenever the size and complexity of the Company requires it.
- Recommendation 54 is not fulfilled. This recommendation provides that the social responsibility policy should state the principles or commitments the company will voluntarily adhere to in its dealings with stakeholder groups. According to the Bylaws and the internal regulations, there is no corporate social responsibility policy in place yet due to the short term of existence of the Company, but the Company will define it in the near future.
- Recommendation 58 is partially fulfilled. These recommendations provide that the director remuneration policies of listed companies should include limits for variable remuneration and ensure this variable remuneration is linked to the performance of the beneficiaries and does not depend exclusively on the general evolution of the markets or the Company's sector. In addition, the recommendation provides certain characteristics variable remuneration should have. The Company's CEO may receive a Bonus based on objectives to be established annually by the Appointment and Remuneration Committee and approved by the Board of Directors, that may be referred to investment sourcing and completion revenues, management efficiency or other matters relevant to the good management of the business of the Company, but that may have some degree of discretion.
- Recommendation 62 is not fulfilled. This recommendation provides that directors of listed companies should not be allowed to transfer shares received from the remuneration systems in an amount equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after its concession. According to the Employee Incentive Plan, the Incentive Shares to be delivered to the CEO shall be subject to a progressive lock up period starting on the date on which such Incentive Shares were delivered and up to at least 12 months for 1/3 of the Incentive Shares received, of at least 18 months for 1/3 of the Incentive Shares received and of at least 24 months for the remaining 1/3 of the Incentive Shares received, subject to certain rules and exceptions as further described in section "*Management—The Management Team's Compensation—Employee Incentive Plan*".

- Recommendation 63 is not fulfilled. This recommendation provides that listed companies should include provisions in the contractual arrangements subscribed with directors in order to allow the companies to claw-back variable components of remuneration when payment was not aligned with the director's actual performance or based on data subsequently found to be misstated. The Company has not included any such clause in the contractual arrangement subscribed with its CEO.

Moreover, as of the date of this Prospectus, recommendations 2, 11, 19, 20, 32, 34, 37, 38, 48 and 55 are not applicable to the Company.

The Board of Directors will prepare an annual corporate governance report and such report will be submitted to the shareholders for information purposes. The report will be announced through the publication by the Company of a relevant fact notice (*hecho relevante*) and will be reproduced in the management reports (*informe de gestión*) of the unconsolidated and consolidated audited annual accounts of the Company.

The Company is committed to following strict corporate governance policies.

Conflicts of Interest

The Spanish Companies Act and the Board of Directors Regulations generally prohibit Directors from voting at Board of Directors meetings or meetings of committees of the Board on any resolution concerning a matter in which they have a direct or indirect interest which conflicts or may conflict with the interests of the Company. Directors may not be counted in the quorum in relation to resolutions on which they are not entitled to vote. The Directors, other than Mr Luis Alfonso López de Herrera-Oria (the CEO), are independent in connection with the Company.

Therefore, the Directors are required to avoid situations which could give rise to a conflict between their duties to the Company and their private or other interests, unless they have obtained the Company's consent.

In particular, pursuant to articles 228 and 229 of the Spanish Companies Act, the directors (and related parties to directors) should abstain from:

a) carrying out transactions with the Company, excluding ordinary transactions, of limited amount and undertaken in standard conditions applicable to all customers;

b) using the name of the Company or its capacity as director to unduly influence private transactions;

c) using corporate assets, including confidential information on the Company, for private purposes;

d) taking advantage of business opportunities of the Company;

e) obtaining advantages or compensations from third parties other than the Company associated with their post unless they are a mere compliment; and

f) carrying out activities, on their own or on behalf of third parties, which may compete with the Company or which could put the director in a permanent conflict with the interest of the Company.

Each member of the Board of Directors is required to report to the Board of Directors any circumstances that may give rise to a conflict of interest, direct or indirect, with the Company. Members of the Board of Directors should abstain from engaging in commercial or professional transactions which may give rise to a conflict of interest, without having first informed and received approval from the Board of Directors, which shall request a report from the Audit and Control Committee. Such authorization shall not be necessary for transactions entered into with us if all of the following conditions are met in respect of the relevant transactions: a) the transaction is entered into pursuant to an agreement with standard conditions applied to a wide range of clients; b) the transaction is entered into for a price generally applied by the party acting as supplier; and c) the transaction does not exceed 1% of the Company's annual turnover. Such authorization shall be granted by the General Meeting of Shareholders when the size of the relevant exceeds from 10% of the Company's assets.

All conflicts of interest involving directors will be disclosed in the financial statements.

In any event, each member of the Board of Directors must recuse him or herself from attending discussions and casting its vote (including by way of proxy vote) regarding matters in which they (or a related party, as defined in applicable law) have a direct or indirect conflict of interest.

In event that a situation of conflict of interest may reasonably create a structural and permanent conflict between the involved director and the Company or its subsidiaries (if any), such director will then lack the required suitability and capacity to remain in office and shall therefore resign from office.

Furthermore, the rules of conflicts of interests and related transactions described in section "*Management—Conflicts of* Interest" also apply to the Directors of the Company.

Family relationships

There are no family relationships and no "close relatives" (as this term is defined in applicable regulations for related party transactions and, in particular, in Order EHA/3050/2004, of 15 September 2004, on information to be disclosed by listed companies regarding related party transactions) among the Directors, or the Directors and members of the Management Team.

No convictions and other negative statements

To the best of the Company's knowledge, none of the members of the Board of Directors have, in the five years preceding the date of this Prospectus: (i) been convicted in relation to fraudulent offences; (ii) acted as directors of entities affected by bankruptcy, receivership or liquidation, (iii) been publicly incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies); or (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of securities or from acting in the management or conduct of the affairs of any issuer.

Internal controls

The Board of Directors (specifically, through the Audit and Control Committee) acknowledges it is responsible for overseeing the efficiency of the system of internal control and risk management of the Company in order to safeguard the Company's assets. It is a Reserved Matter of the Board of Directors to define the risk control and management policy identifying the main risks of the Company and setting up and monitoring the appropriate internal risk control and information systems, with the aim of ensuring its future viability and competitiveness by taking the most relevant decisions for its development.

Following Admission, the Audit and Control Committee shall submit a proposal to appoint the person in charge of the internal audit function to the Board of Directors which shall review such proposal and if deemed appropriate shall appoint such person which will be sufficiently qualified and will report directly to the Board of Directors.

Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Control of Financial Information System and Risk Control and Management Policy

The Company intends to use its best efforts to adopt policies and develop procedures to implement the best practices in the market to control the Company's financial information, taking into account the recommendations and procedures regarding control of financial information set by the CNMV (*Sistema de Control Interno de Información Financiera* or SCIIF). These policies have not been approved yet and therefore the Company is not in compliance with the related corporate governance recommendations. The Company intends to implement the SCIIF as soon as reasonably possible within the next year.

PRINCIPAL SHAREHOLDERS

As of the date of this Prospectus, the Company's issued share capital amounts to €63,000, divided into a single series of 6,300 ordinary shares, with a nominal value of €10.00 each. In the context of the Offering, up to 30,000,000 New Shares with a nominal value of €10.00 each are expected to be issued, resulting in a post-Offering share capital of €300,063,000.

The following table sets forth certain information with respect to the beneficial ownership of the Ordinary Shares prior to and after the Offering. These shareholders will have the same voting rights as any other shareholder following the Offering and consequently each share will be entitled to one vote.

Shareholder	**Prior to the Offering**		**After the Offering**	
	Number of Ordinary Shares owned	**%**	**Approximate number of Ordinary Shares owned[2]**	**%**
Rodex Asset Management, S.L.[1]	6,279	99.67%	591,279	1.97
Inmodesarrollos Integrados, S.L.[1]	21	0.33%	21	0.00
Members of the Management Team (other than the CEO)	0	0%	315,000	1.05
Public (free-float)	0	0%	29,100,000	96.98
TOTAL	6,300	100%	30,006,300	100.00%

(1) Rodex and Inmodesarrollos are wholly owned by Mr Luis Alfonso López de Herrera-Oria.
(2) On the basis of a €300,000,000 Offering.

Shareholdings of the members of the Management Team after the Offering

The members of the Management Team (including the CEO that will acquire the Management Shares through Rodex) have agreed to subscribe, whether directly or through their respective controlled companies, for the Management Shares, in the Offering, in an aggregate amount of approximately 3% of the Net Proceeds (see the section "*Management*").

Dilution

The Offering will result in the beneficial interest of Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L. in the Company being diluted from 100% to c.2% (on the basis of a €300,000,000 Offering).

Furthermore, the Company may decide to carry out additional share capital increases in the future. In the event that share capital increases were effected, Shareholders could be diluted were they not to exercise their preemptive subscription rights or in the event such share capital increases exclude pre-emptive subscription rights for existing shareholders in accordance with Spanish law

In this regard, on 1 October 2018, the shareholders of the Company, Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L, adopted the resolutions authorizing the Board of Directors to (i) increase the share capital of the Company within five years from 1 October 2018, in a maximum amount of 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of shares representing up to 20% of the number of issued and outstanding shares, and (ii) issue bonds within five years from 1 October 2018, convertible into new shares of the Company representing up to 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of bonds convertible into shares representing up to 20% of the number of issued and outstanding shares. It should be noted that the 50% and 20% limits mentioned in provision (i) and (ii) above are to be calculated jointly.

Change of control of the Company

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

Lock-up Arrangements

See section "*Plan of distribution*" for a discussion of certain lock-up arrangements.

RELATED PARTY TRANSACTIONS

The financial liabilities detailed in the table below have been incurred with Rodex Asset Management, S.L. (main shareholder of the Company) as of the dates set forth therein and relate to the associated costs of incorporating Árima, the acquisition of furniture, computer equipment and other technical facilities required for the registered address where the Company operates and on-going operating expenses, borne by Rodex Asset Management, S.L. and billed by it to the Company.

As of 30 June 2018 and 5 October 2018, the composition of the financial liabilities is as follows:

Euros	5 October 2018 (unaudited)	30 June 2018 (audited)
Rodex Asset Management, S.L.	276,310	180,390
Total	**276,310**	**180,390**

As reported in the Company's interim financial statements, for the period from 13 June 2018 to 30 June 2018 incorporated by reference into this Prospectus, as of 30 June 2018, the equity loan granted by Rodex (the "**Rodex Equity Loan**") expires in 2020 and accrues a market interest rate (Euribor 12 months plus 200 bps) for those periods where the Company registers a positive net profit and limited to the amount of this net profit, once deducted from the corresponding provision to legal reserves of the period.

The Company expects to repay the principal amount of the equity loan together with accrued interest, if any, upon completion of the Offering.

DESCRIPTION OF SHARE CAPITAL

The following summary provides information concerning the share capital of the Company and briefly describes certain significant provisions of the Bylaws (*estatutos sociales*) and other internal regulation as well as Spanish corporate law, the Spanish Companies Act, Spanish Act 3/2009 on Structural Amendments of Private Companies (*Ley 3/2009, de 3 de abril, sobre modificaciones estructurales de las sociedades mercantiles*), the LMV and Royal Decree 878/2015 on clearing, settlement and registry of negotiable securities in book-entry form, and transparency requirements for issuers of securities admitted to trading on an official secondary market (*Real Decreto 878/2015, sobre compensación, liquidación y registro de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial*).

This summary does not purport to be complete and is qualified in its entirety by reference to the Bylaws and other internal regulations as well as the Spanish Companies Act and other applicable laws and regulations. Copies of the Bylaws, together with their corresponding English translation, are available for information purposes at the principal headquarters of the Company and on the Company's website (www.arimainmo.com) and from Admission, at CNMV's offices. For more information on where to find the available information see the section "*Available information*".

General

The Company is a public limited company (*sociedad anónima* or *S.A.*) registered with the Commercial Registry of Madrid (*Registro Mercantil de Madrid*), under volume 37,876, sheet 130, section 8, page M-67,4551and holder of Spanish tax identification number A-88130471, LEI number 959800K5R280DP2B5694, incorporated for an unlimited term pursuant to a notarized public deed of incorporation granted before the public notary Mr Luis de la Fuente O'Connor, under number 1,080 of his protocol on 13 June 2018 having its registered address at Fernando el Santo 15, 4º Pl. Ático, 28010, Madrid, Spain and with phone number +34 91 053 28 03.

The Company was originally incorporated as Árima Real Estate, S.L. As a preparatory step for the Offering, on 25 July 2018 the Company: (i) was converted into a Spanish public limited company changing from Árima Real Estate, S.L. to Árima Real Estate, S.A.; and (ii) its share capital was increased from €3,000 divided into 300 ordinary shares with a nominal value of €10.00 each to €63,000 divided into 6,300 ordinary shares with a nominal value of €10.00 each. Also, upon the election of the SOCIMI special tax regime the Company's name subsequently changed to Árima Real Estate SOCIMI, S.A.

The Company's corporate purpose is as follows:

a) The acquisition and promotion of urban real estate properties for leasing thereof.

b) Holding of shares in the share capital of other SOCIMIS or in other entities non-resident within the Spanish territory that have the same corporate purpose as those and that are subject to a special regime similar to that established for the SOCIMI companies in terms of mandatory, legal or statutory policies regarding profit distribution.

c) Holding shares in the share capital of other entities, whether resident or not within the Spanish territory, whose main corporate purpose is the acquisition of urban real estate properties for leasing and that are subject to the same regime established for SOCIMI companies in terms of mandatory, legal or statutory policies regarding profit distribution and that fulfill the investment requirements referred to in article 3 of the SOCIMI Act.

d) Holding shares in Real Estate Collective Investment Institutions that are regulated by Law 35/2003 of 4 November, on Collective Investment Institutions.

In addition, the Company may also conduct other complementary activities, which jointly represent less than twenty percent (20%) of the Company's income in each tax period (including, without limitation, real

estate transactions other than those mentioned in the foregoing paragraph a) to d)) or those that may be considered ancillary in accordance with the applicable law at any time.

At the date of this Prospectus, the issued share capital of the Company amounts to €63,000 divided into a single series of 6,300 registered shares in book-entry form, with a nominal value of €10.00 each and with ISIN code ES0105376000 allocated by the Spanish National Agency for the Codification of Securities (*Agencia Nacional de Codificación de Valores Mobiliarios*), an entity dependent upon the CNMV. All of the Ordinary Shares are fully subscribed and paid-up.

The Ordinary Shares are represented by book-entries and the entity responsible for maintaining the corresponding accounting records is Iberclear, with registered address at Plaza de la Lealtad 1, 28014 Madrid, Spain.

The Company was originally incorporated with a share capital of €3,000, divided into 300 ordinary shares with a nominal value of €10.00 each.

On 1 October 2018, the shareholders of the Company, Rodex Asset Management, S.L. and Inmodesarrollos Integrados, S.L, adopted the resolutions authorizing the Board of Directors to (i) acquire treasury shares, directly by the Company or indirectly by the Company's subsidiaries (if any), within five years from 1 October 2018, in the maximum amount permitted by the applicable legislation, (ii) increase the share capital of the Company within five years from 1 October 2018, in a maximum amount of 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of shares representing up to 20% of the number of issued and outstanding shares, and (iii) issue bonds within five years from 1 October 2018, convertible into new shares of the Company representing up to 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of bonds convertible into shares representing up to 20% of the number of issued and outstanding shares. It should be noted that the 50% and 20% limits mentioned in provision (ii) and (iii) above are to be calculated jointly.

As of the date of this Prospectus, the Company does not own any treasury shares (*autocartera*).

See section "*Plan of distribution—Authorizations of the Offering*" for information on the corporate resolutions the Company's governing bodies have adopted in connection with the Offering.

Dividend and Liquidation Rights

Holders of the Ordinary Shares have the right to participate in distributions of the profits and proceeds from liquidation, proportionally to their stake in the share capital. However, there is no right to receive a minimum dividend.

Under the Spanish SOCIMI Regime, companies are required to adopt resolutions for the annual distribution of dividends to its shareholders, subject to both the requirements under the SOCIMI Regime and the conditions set out in the Spanish corporate legislation, as described below. For a more comprehensive description of the dividends' policy the Company will be subject to pursuant to the SOCIMI Regime, see the section "*Dividend policy*".

Payment of dividends is proposed by the Board of Directors and must be authorized or ratified, as the case may be, by the shareholders at a General Meeting of Shareholders. Dividends paid by the Company are required to follow the distribution rule set out in the SOCIMI Regime. The Board of Directors (as well as the General Meeting of Shareholders) may distribute amounts on account of the dividends provided that the following conditions are met: (i) there is sufficient liquidity for the distribution; and (ii) the amount to be distributed will not exceed the profit obtained during the current financial year after deducting losses of preceding years, amounts to be contributed to legal or statutory reserves and estimated taxes to be paid on such profits. Holders of Ordinary Shares participate in such dividends from the date agreed by the General Meeting of Shareholders.

The Spanish Companies Act requires that each company allocates at least 10% of its net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of such issued share capital. A legal reserve is not available for distribution to its shareholders except upon liquidation. As of 30 June 2018, the Company's legal reserve had not reached the legally-established minimum.

According to the Spanish Companies Act, dividends may only be paid out of profits or distributable reserves (after the compulsory allocation to mandatory reserves, including the legal reserve, inasmuch as the latter does not exceed 20% of its issued share capital, and only if the value of the net worth is not, and as a result of distribution will not be, less than the share capital). The Company's Bylaws do not establish any other reserve that is not available for distribution to its shareholders.

In addition, no profits may be distributed unless the amount of distributable reserves is at least equal to the amount of the research and development expenses recorded as an asset on the balance sheet.

In accordance with Article 947 of the Spanish Commercial Code, the right to a dividend lapses and reverts to the Company if it is not claimed within five years after it becomes payable.

Upon liquidation of the Company, shareholders would be entitled to receive proportionately any assets remaining after the payment of the Company's debts, taxes and expenses of the liquidation.

The Company is not aware of any restriction on the collection of dividends by non-resident shareholders. All holders will receive dividends through Iberclear and its member entities, without prejudice to potential withholdings on account of the Non-Resident Income Tax that may apply. See section "*Spanish SOCIMI regime and taxation*".

Without prejudice to duties that will apply to the Company under the SOCIMI Regime, its ability to distribute dividends in the near future will depend on a number of factors, including (but not limited to) the amount of its distributable profits and reserves and its investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under all applicable laws and compliance with covenants in the Company's debt instruments (see details set out in section "*Dividend policy*").

Company's indemnity from Substantial Shareholder's CIT liability and shareholders' reporting obligation

The Bylaws requires that any shareholder that (i) holds a percentage of the Ordinary Shares that is equal to or higher than 5% of the share capital or the percentage of participation that, for the accrual by the Company of the special corporate tax rate, foreseen at any time by the regulation currently in force, in substitution or as a modification of article 9.2 of the SOCIMI Act, or (ii) acquires Ordinary Shares that, along with those already held, enable the shareholder reach the share percentage referred to in subparagraph (i) above in the share capital of the Company (in both cases, a "**Relevant Shareholder**"), must communicate these circumstances to the Board of Directors within five calendar days of becoming a holder of the said percentage in the share capital. Likewise, such Relevant Shareholder must notify the Board of Directors of any subsequent acquisitions, irrespective of the number of Ordinary Shares acquired.

The notification obligation stipulated in the paragraph above must also be facilitated by any person who holds economic rights over Ordinary Shares of the Company representing a percentage referred to in subparagraph (i) above, including in any case those indirect holders of Ordinary Shares of the Company through financial intermediaries that are formally legitimized as shareholders by virtue of the accounting record but that act on behalf of the indicated holders ("**Holder of Economic Relevant Rights**" and together with a Relevant Shareholder, a "**Relevant Person**").

Furthermore, together with this obligation notice, such Relevant Person must provide the secretary of the Board of Directors, within ten calendar days after a distribution of dividends or any other similar amount is agreed, with the following documents:

(i) A certificate of residence for the purposes of the corresponding personal income tax issued by the competent authorities of their country of residence. In those cases in which the Relevant

Person resides in a country with which Spain has entered into a treaty to avoid double taxation levied on income, the certificate of residence must meet the characteristics provided for under the relevant treaty for the benefits to be applicable.

(ii) A certificate issued by a person with sufficient power of attorney attesting the tax rate to which the dividend distributed by the Company is subject for the Relevant Person, along with a declaration that the Relevant Person is the actual beneficiary of such dividend.

If a dividend or similar payment is to be made to a Relevant Person that holds a stake equal or higher than 5% of the share capital of the Company and not complied with the information obligation above, the Board of Directors may presume that the amount to be distributed (dividend or similar) is exempt or that it is levied at a tax rate lower than that provided for article 9.2 of the SOCIMI Act, or the regulation that replaces it, alternatively, the Board of Directors may request a legal report drafted by a highly prestigious law firm in the country of the Relevant Person that will be charged to the amount of dividend or distribution corresponding to the securities of the Relevant Person, so that the report expresses their legal opinion in relation to the taxation obligations of the distribution.

Furthermore, the Company may be entitled to deduct an amount equal to the CIT liability levied on any dividend distribution paid to it, increased in the amount that, once such CIT is deducted, offsets the CIT expense derived for the Company under the Spanish SOCIMI Regime, from the amount to be paid to such Substantial Shareholder (the "**Compensation Amoun**t").

In any event, the compensation amount shall be equal to the CIT expense derived for the Company from the dividend payment, which is the taxable base for the accrual of the special tax, plus the amount which, after deducting the income tax levied on the total compensation amount, compensates for the expense derived from the special tax and the relevant compensation.

By way of an example, the compensation has been calculated below for two different cases, showing that the compensation has no effect whatsoever on the Company's profits and losses account in either cases:

a) Assuming a gross dividend of 100, a special Company Income Tax of 19% and a Company Income Tax of 0% for income attained by the Company, the compensation would be calculated as follows

Dividend: 100

Special tax: 100 x 19% = 19

Special Company Income Tax expense ("GISge"): 19

Compensation ("I"): 19

Taxable CIT base for the compensation ("BIi"): 19

CIT expense related to the compensation ("GISi"): 0

Effect on the company: I – GISge – GISi = 19 – 19 – 0= 0

b) Assuming a gross dividend of 100, a special Company Income Tax of 19% and a Company Income Tax of 10% for income attained by the Company, the compensation, rounded to the nearest cent, would be calculated as follows:

Dividend: 100

Special tax: 100 x 19% = 19

Special Company Income Tax expense ("GISge"): 19

Compensation ("I"): $19+19 \times 0.1(1-0.1)=21.1119$

Taxable CIT base for the compensation ("BIi"): 21.11

CIT expense related to the compensation ("GISi"): 21.11 x 10% = 2.11

Effect on the company: I – GISge – GISi = 21.11 – 19 – 2.11= 0

The Bylaws include provisions for this calculation in case of an eventual amendment of the CIT rate applicable to SOCIMIs. In this event, the indemnity amount to be deducted from the amount to be paid to the Relevant Person will be calculated taking into account its effect on the income statement of the Company (i.e. the amount of the indemnity to be paid would be increased to reflect the taxation of the indemnity or any other cost for the purposes of the Company CIT).

The purpose of providing the Company with the right to make these deductions is to offset any adverse impact resulting from the distribution of dividends to a Substantial Shareholder on the Company.

The Board of Directors may elect not to make these deductions in full or at all from dividend payments to a Relevant Person in the event that, as a result of making such deductions, the Company would be in a worse position than if it did not make them.

The Spanish General Directorate of Taxes (DGT) has confirmed that any indemnity payment received from a Relevant Person will compute towards the SOCIMI Regime requirement that at least 80% of the Company's net annual income must derive from rental income and from dividends or capital gains in respect of certain specified assets.

See section "*Spanish SOCIMI regime and taxation*" for a description of the tax regime applicable to the Company's shareholders once the SOCIMI Regime is applicable to the Company.

Provisions relating to shareholders who are subject to a special legal regime applicable to pension funds or benefit plans

The Bylaws contain certain information obligations with respect to shareholders or beneficial owners of Ordinary Shares who are subject to a special legal regime applicable to pension funds or benefit plans (such as ERISA). Moreover, the Company will have the ability to request from any shareholder or beneficial owner of Ordinary Shares such information as the Company considers necessary or useful to determine whether any such person is subject to a special legal regime applicable to pension funds or benefit plans. Subject to applicable law, if any such shareholder or beneficial owner fails to comply with such information obligations, the Company will be entitled to impose a penalty on such shareholder or beneficial owner in an amount equal to the proportional part of the book value of the Company (in accordance with the most recent audited and published balance sheet of the Company) represented by the shares of the breaching shareholder or beneficial owner, which may be offset with any dividends payable by the Company to such shareholder. According to the Bylaws, the Company will be able to take any measures it deems appropriate to avoid any adverse effects to the Company or its shareholders resulting from the application of laws and regulations relating to pension funds or benefit plans (in particular, ERISA). The purpose of these provisions is to provide the Company with the ability to minimize the risk that Benefit Plan Investors (or other similar investors) hold 25% or greater of the total value of any class of equity interest in the Company.

Shareholders' meetings and voting rights

Pursuant to the Bylaws, rules of the General Meeting of Shareholders of the Company and the Spanish Companies Act, ordinary annual General Meetings of Shareholders are held during the first six months of each financial year on a date fixed by the Board of Directors. Extraordinary General Meetings of Shareholders may be called by the Board of Directors whenever it deems appropriate, or at the request of shareholders representing at least 3% of the share capital. Following Admission, notices of all General Meetings of Shareholders will be published in the Commercial Registry's Official Gazette (*Boletín Oficial del Registro Mercantil*) or in one of the main newspapers of Spain, on the corporate website of the Company and on the website of CNMV, at least a month prior to the date when the meeting is to be held, except as discussed in the following paragraph.

In addition, according to the Spanish Companies Act, once the Ordinary Shares are listed, if the Company offers to shareholders the possibility to vote by electronic means accessible to all shareholders, the time limit for calling extraordinary General Meetings of Shareholders may be reduced to at least 15 days before

an extraordinary General Meetings of Shareholders. The decision to abbreviate the period between the notice date and the extraordinary General Meetings of Shareholders is to be taken by a majority of not less than two-thirds of the voting capital represented in an ordinary annual General Meeting of Shareholders, and remains in force until no later than the following annual General Meeting of Shareholders.

Action is taken at ordinary meetings on the following matters: the approval of the management carried out by the Directors, the approval of the financial statements from the previous fiscal year, and the application of the previous fiscal year's income or loss. All other matters can be considered at either an extraordinary meeting or at an ordinary meeting if the matter is within the authority of the meeting and is included on the agenda (with certain exceptional items that do not need to be included on the agenda to be validly passed, such as the dismissal of directors or the decision to bring the liability action against the Company's directors).

Each share entitles the holder to one vote and there is no limit as to the maximum number of voting rights that may be held by each shareholder or by companies of the same group. Shareholders on record as holding any number of shares with voting rights are entitled to attend the General Meeting of Shareholders with the right to speak and vote. The notice calling the General Meeting of Shareholders shall indicate the date on which shares must be held by a shareholder in order for the latter to participate in a general meeting and to vote in respect of his or her shares.

Only holders of shares duly registered in the book-entry records, currently maintained by Iberclear, and its member entities, at least five days prior to the day on which a General Meeting of Shareholders is scheduled and in the manner provided in the notice for such meeting, may attend and vote at such meeting.

Any share may be voted by proxy. Proxies must be in writing or in electronic form acceptable under the Bylaws, and are valid for a single General Meeting of Shareholders, except if given in favor of the shareholder's spouse (or person who has an equivalent link according to the applicable laws), ascendants or descendants, or in favor of a third party authorized pursuant to a public deed to manage the assets of the relevant shareholder, in which case it will be valid for all shareholders' meeting. Proxies may be given to any person, whether or not a shareholder. Proxies must specifically refer to the General Meeting of Shareholders. A proxy may be revoked by giving notice to the Company prior to the meeting, by attendance by the relevant shareholder at the meeting or by casting the vote by other means after the representation was conferred.

Proxy holders are required to disclose any conflict of interest prior to their appointment. In case a conflict of interest arises after the proxy holder's appointment, such conflict of interest shall be immediately disclosed to the relevant shareholder. In both cases, the proxy holder shall not exercise the shareholder's rights unless the latter has given specific voting instructions for each resolution in respect of which the proxy holder is to vote on behalf of the Shareholder. A conflict of interest in this context may in particular arise where the proxy holder: (i) is a controlling shareholder of the Company, or is another entity controlled by such Shareholder; (ii) is a member of the administrative, management or supervisory bodies of the Company, or of a controlling shareholder or another entity controlled by such Shareholder; (iii) is an employee or auditor, of the Company, or of a controlling shareholder or another entity controlled by such Shareholder; or (iv) is a natural person related to those mentioned in (i) to (iii) above.

A person acting as a proxy holder may hold a proxy from more than one shareholder without limitation as to the number of shareholders so represented. Where a proxy holder holds proxies from several shareholders, he/she will be able to cast votes for a shareholder differently from votes cast for another Shareholder.

Entities appearing as holders of ordinary shares in the book-entry records but acting on behalf of different persons shall always be entitled to exercise voting rights in a divergent manner in order to comply with conflicting voting instructions received from their clients. These entities may also delegate voting rights to each of the indirect holders or their nominees, without limits on the number of delegations.

The Bylaws of the Company provide that, on the first call of an ordinary or extraordinary General Meeting of Shareholders, the presence in person or by proxy of shareholders representing at least 25% of its voting capital will constitute a quorum. If on the first call a quorum is not present, the meeting can be reconvened by a second call, which according to the Spanish Companies Act requires no quorum. However, according to the Spanish Companies Act, resolutions in a General Meeting of Shareholders to modify the Bylaws of the Company (including increases and reductions of share capital), to cancel the applicability of the SOCIMI Regime, to issue bonds and, where competence is not legally attributed to any other of the Company's corporate bodies, to suppress or limit on the pre-emptive right over new shares, to approve transformations, mergers, spin-offs, global assignments of assets and liabilities or the transfer of the registered address of the Company abroad, require the presence in person or by proxy of shareholders representing at least 50% of the voting capital of the Company on first call, and the presence in person or by proxy of shareholders representing at least 25% of the voting capital of the Company on second call. On second call, and in the event that less than 50% of the voting capital of the Company is represented in person or by proxy, such resolutions may only be passed upon the vote of shareholders representing two-thirds of the Company's capital present or represented at such meeting. The interval between the first and the second call for a General Meeting of Shareholders must be at least 24 hours. Resolutions in all other cases are passed by a majority of the votes corresponding to the share capital present or represented at such meeting.

Under the Spanish Companies Act, shareholders who voluntarily aggregate their shares so that the share capital so aggregated is equal to or greater than the result of dividing the total share capital by the number of Directors have the right, provided there are vacancies on the Board of Directors, to appoint a corresponding proportion of the members of the Board of Directors (disregarding the fractions). Shareholders who exercise this right may not vote on the appointment of other Directors.

A resolution passed in a General Meeting of Shareholders is binding on all shareholders, although a resolution which is (i) contrary to Spanish law or the Bylaws of the Company, or (ii) prejudicial to the interest of the Company and is beneficial to one or more shareholders or third parties, may be contested within the period of a year following the passing of the contested resolution (except resolutions that are contrary to public order in respect of which such right does not lapse). In the case of listed companies, the required fraction of the Company's share capital needed to be able to contest is 1/1000. The right to contest would apply to shareholders who held such status at the time when the resolution was adopted (provided they hold at least 0.1% of the share capital), directors and interested third parties. In the event of resolutions contrary to public order, the right to contest would apply to any shareholders (even if they acquired such condition after the resolution was taken), and any director or third party.

Pre-emptive rights and increases of share capital

Pursuant to the Spanish Companies Act, shareholders have pre-emptive rights to subscribe for any new shares issued by the Company via monetary contributions and for any new bonds convertible into shares. Such pre-emptive rights may be waived under special circumstances by a resolution passed at a General Meeting of Shareholders or the Board of Directors (when the Company is listed and the General Meeting of Shareholders delegates to the Board of Directors the right to increase the share capital or issue convertible bonds and waive pre-emptive rights), in accordance with Articles 308, 417, 504, 505, 506 and 511 of the Spanish Companies Act. As of the date hereof, the Company has no convertible or exchangeable bonds outstanding and have not issued any warrants over its shares. Also, holders of Ordinary Shares have the right of free allotment recognized in the Spanish Companies Act in the event of capital increase against reserves.

Furthermore, the pre-emptive rights, in any event, will not be available in an increase in share capital to meet the requirements of a convertible bond issue, a merger in which Ordinary Shares are issued as consideration or where the contribution to be made is in kind. The rights are transferable, may be traded on the SIB (*Sistema de Interconexión Bursátil* or *Mercado Continuo*) and may be of value to existing

shareholders because new Ordinary Shares may be offered for subscription at prices lower than prevailing market prices.

As of the date of this Prospectus, the Board of Directors has been authorized by the Company's shareholders to issue new ordinary Shares up to 50% of the Company's share capital immediately following the Offering. The Board of Directors is also authorized to exclude pre-emptive rights in connection with up to 20% of the total number of new Ordinary Shares that may be issued pursuant to the aforementioned authorization, provided that such exclusion is in the Company's corporate interest. In addition, the Board of Directors has been authorized by its shareholders for a term of five years to issue bonds that are convertible into the Ordinary Shares or which grant bondholders the right to be attributed part of the Company's earnings.

Shareholder actions

Under the Spanish Companies Act, directors are liable to the Company, the shareholders and the creditors for acts or omissions that are illegal or violate the Bylaws and for failure to carry out their legal duties with diligence.

Under Spanish law, shareholders must bring actions against the directors as well as any other actions against the Company or challenging corporate resolutions in the province where the Company is domiciled in Madrid, Spain.

When in violation of the law or of the Bylaws, directors are presumed to have acted negligently, but this presumption can be rebutted. Directors have such liability even if the transaction in connection with which the acts or omissions occurred is approved or ratified by the shareholders. The liability of the directors is joint and several, except to the extent any director can demonstrate that he or she did not participate in decision-making relating to the transaction at issue, was unaware of its existence or, being aware of it, did all that was possible to mitigate any damages or expressly disagreed with the decision-making relating to the transaction.

Registration and Transfers

The shares of the Company are in book-entry (*anotaciones en cuenta*) form and are indivisible. Joint holders of one share must designate a single person to exercise their shareholders' rights, but they are jointly and severally (*solidariamente*) liable to the Company for all the obligations flowing from their status as shareholders, such as the payment of any pending capital calls.

Iberclear, which currently manages the Spanish settlement system of the Spanish Stock Exchanges, maintains the central registry reflecting the number of shares held by each of its member entities (*entidades participantes*). Each member entity, in turn, maintains a registry of the owners of such shares. Since the shares of the Company are in registered form, an electronic shareholder registry will be kept to which effect Iberclear shall report to the Company all transactions entered into by its shareholders in respect of its shares.

Transfers of shares quoted on the Spanish Stock Exchanges must be made through or with the participation of a member of a Stock Exchange. Brokerage firms, official stockbroker or dealer firms, Spanish credit entities, investment services entities authorized in other EU member states and investment services entities authorized by their relevant authorities and in compliance with the Spanish regulations are eligible to be members of the Spanish Stock Exchanges. The transfer of shares may be subject to certain fees and expenses.

As a general rule, transfers of shares quoted on the Spanish Stock Exchanges must be made through or with the participation of a member of a Stock Exchange. Brokerage firms, official stock brokers or dealer firms, Spanish credit entities, investment services entities authorized in other EU member states and investment services entities authorized by their relevant authorities and in compliance with the Spanish regulations are eligible to be members of the Spanish Stock Exchanges.

Restrictions on foreign investment

Exchange controls and foreign investments were, with certain exceptions, completely liberalized by Royal Decree 664/1999, of 23 April (*Real Decreto 664/1999, de 23 de abril*), which was approved in conjunction with Law 18/1992, of 1 July (the "**Spanish Foreign Investment Law**"), bringing the existing legal framework on foreign investments in line with the provisions of the Treaty of the EU.

Subject to the restrictions described below, foreign investors may freely invest in shares of Spanish companies as well as transfer invested capital, capital gains and dividends out of Spain without limitation (subject to applicable taxes and exchange controls) and only need to file a notification with the Spanish Registry of Foreign Investments maintained by the General Bureau of Commerce and Investments following the investment or divestiture, if any, solely for statistical, economic and administrative purposes. Where the investment or divestiture is made in shares of Spanish companies listed on any of the Spanish Stock Exchanges, the duty to provide notice of a foreign investment or divestiture lies with the relevant entity with whom the shares in book-entry form have been deposited or which has acted as an intermediary in connection with the investment or divestiture.

If the foreign investor is a resident of a tax haven, as defined under Spanish law (Royal Decree 1080/1991 of 5 July), notice must be provided to the Registry of Foreign Investments prior to making the investment, as well as after consummating the transaction. However, prior notification is not necessary in the following cases:

(i) investments in listed securities, whether or not trading on an official secondary market, as well as investments in participations in investment funds registered with the CNMV; and

(ii) foreign shareholdings that do not exceed 50% of the capital of the Spanish company in which the investment is made.

Additional regulations to those described above apply to investments in some specific industries, including air transportation, mining, manufacturing and sales of weapons and explosives for civil use and national defense, radio, television and telecommunications. These restrictions do not apply to investments made by EU residents, other than investments by EU residents in activities relating to the Spanish defense sector or the manufacturing and sale of weapons and explosives for non-military use.

The Spanish Council of Ministers may suspend the aforementioned provisions relating to foreign investments for reasons of public policy, health or safety, either generally or in respect of investments in specified industries, in which case any proposed foreign investments falling within the scope of such a suspension would be subject to prior authorization from the Spanish government.

Law 19/2003, of July 4, on the establishment of a regulatory regime relating to capital flows to and from legal or natural persons abroad and the prevention of money laundering ("**Law 19/2003**"), generally provides for the liberalization of the regulatory environment with respect to acts, businesses, transactions and other operations between Spanish residents and non-residents in respect of which charges or payments abroad will occur, as well as money transfers, variations in accounts or financial debit or credits abroad. These operations must be reported to the Ministry of the Economy, Industry and Competitiveness and the Bank of Spain only for informational and statistical purposes. The most important developments resulting from Law 19/2003 are the obligations on financial intermediaries to provide to the Spanish Ministry of Economy, Industry and Competitiveness and the Bank of Spain information corresponding to client transactions.

Exchange control regulations

Pursuant to Royal Decree 1816/1991, of December 20, relating to economic transactions with non-residents as amended by Royal Decree 1360/2011 of October 7, and EC Directive 88/361/EEC, charges, payments or transfers between non-residents and residents of Spain must be made through a registered entity, such as a bank or another financial institution registered with the Bank of Spain or the CNMV (*entidades registradas*), through bank accounts opened abroad with a foreign bank or a foreign branch of a registered

entity, in cash or by check payable to bearer. All charges, payments or transfers which exceed €6,010 (or its equivalent in another currency), if made in cash or by check payable to bearer, must be notified to the Spanish exchange control authorities.

Shareholder Information Rights

Until the seventh day before the General Meeting of Shareholders is due to be held, shareholders may request in writing from the directors, any information or clarification they deem necessary regarding the items to be discussed at the relevant General Meeting of Shareholders as per the agenda. The directors must provide with the requested information in writing by the day of the General Meeting of Shareholders.

During the General Meeting of Shareholders, shareholders may verbally request any information or clarification they deem necessary in relation to the items included on the agenda. If it were not possible to provide the requested information during the meeting itself, the directors must provide the requested information in writing within seven days of the celebration of the General Meeting of Shareholders.

The directors will not be obliged to provide the requested information if it was deemed unnecessary for the recognition of the requesting shareholder's rights or if there were objective reasons to consider that the information was going to be used in detriment of the interests of the Company or that providing the requested information may harm the Company; provided that, the requested information may not be withheld when the request is upheld by shareholders representing at least 25% of the share capital.

Reporting requirements

In addition to reporting obligations imposed on Relevant Shareholders and Holder of Economic Relevant Rights, pursuant to Royal Decree 1362/2007 of 19 October 2007 ("**Royal Decree 1362/2007**"), as amended, any individual or legal entity who, by whatever means, purchases or transfers shares which grant voting rights in a company for which Spain is listed as the home State (*Estado de origen*) (as defined therein) and which is listed on a secondary official market or other regulated market in the EU, must notify the relevant issuer and the CNMV, if, as a result of such transaction, the proportion of voting rights held by that individual or legal entity reaches exceeds or falls below a 3% threshold of the Company's total voting rights. The notification obligations are also triggered at thresholds of 5% and multiples thereof (excluding 55%, 65%, 85%, 95% and 100%).

The individual or legal entity obliged to carry out the notification must serve the notification by means of the form approved by the CNMV from time to time for such purpose, within four market days from the date on which the transaction is acknowledged (Royal Decree 1362/2007 deems a transaction to be acknowledged within two market days from the date on which such transaction is entered into). Should the individual or legal entity effecting the transaction be a non-resident of Spain, notice must also be given to the Spanish Registry of Foreign Investments maintained by the General Bureau of Commerce and Investments.

The reporting requirements apply not only to the purchase or transfer of shares, but also to those transactions in which, without a purchase or transfer, the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the threshold that triggers the obligation to report as a consequence of a change in the total number of voting rights of a company on the basis of the information reported to the CNMV and disclosed by it. In such a case, the transaction is deemed to be acknowledged within two trading days from the date of publication of the relevant fact notice (*hecho relevante*) regarding such transaction.

Regardless of the actual ownership of the shares, any individual or legal entity with a right to acquire, transfer or exercise voting rights granted by the shares, and any individual or legal entity who owns, acquires or transfers, whether directly or indirectly, other securities or financial instruments which grant a right to acquire shares with voting rights, will also have an obligation to notify the Company and the CNMV of the holding of a significant stake in accordance with the regulations.

Should the person or group effecting the transaction be resident in a tax haven (as defined by applicable Spanish regulations), the threshold that triggers the obligation to disclose the acquisition or disposition of the Ordinary Shares is reduced to 1% (and successive multiples thereof).

The Company will be required to report to the CNMV any acquisition of its own shares which, aggregated together with all other acquisitions since the last notification, reaches or exceeds 1% of its share capital (irrespective of whether it has sold any of its own shares in the same period). In such circumstances, the notification must include the number of shares acquired since the last notification (detailed by transaction), the number of shares sold (detailed by transaction) and the resulting net holding of treasury shares.

All members of the Board of Directors must report to both the Company and the CNMV any percentage or number of voting rights in the Company held by them at the time of becoming or ceasing to be a member of the Board of Directors within five trading days. Furthermore, all members of the Board of Directors must report any change in the percentage of voting rights they hold, regardless of the amount, as a result of any acquisition or disposition of the Ordinary Shares or voting rights, or financial instruments which carry a right to acquire or dispose of shares which have voting rights attached, including any stock-based compensation that they may receive pursuant to any of the compensation plans. Members of the Company's senior management must also report any stock-based compensation that they may receive pursuant to any of the compensation plans or any subsequent amendment to such plans.

In addition, pursuant to Article 19 of the Regulation (EU) No 596/2014 of 16 April, 2014 on market abuse ("**MAR**"), persons discharging managerial responsibilities and any person closely associated (*persona estrechamente vinculada*) with any of them must similarly report to the Company and the CNMV any acquisition or disposal of the Ordinary Shares, derivative or financial instruments linked to the Ordinary Shares within three business days after the date of the transaction is made, provided that transactions carried out by the relevant person within the calendar year reach €5,000 in aggregate. The notification of the transaction must include particulars of, among others, the type of transaction, the date of the transaction and the market in which the transactions were carried out, the number of shares traded and the price paid.

In certain circumstances established by Royal Decree 1362/2007, the notification requirements on the acquisition or transfer of shares also apply to any person or legal entity that, directly or indirectly, and independently of the ownership of the shares or financial instruments, may acquire, transmit or exercise the voting rights granted by those shares or financial instruments, provided that the aggregated proportion of voting rights reaches, increases above or decreases below, the percentages set forth by Spanish law.

Moreover, pursuant to Article 30.6 of Royal Decree 1362/2007, in the context of a takeover bid, the following transactions should be notified to the CNMV: (i) any acquisition reaching or exceeding 1% of the Company's voting rights, and (ii) any increase or decrease in the percentage of voting rights held by holders of 3% or more of the Company's voting rights. The CNMV will immediately make public this information.

Disclosure of shareholders' agreements

The LMV and Articles 531, 533 and 535 of the Spanish Companies Act require parties to disclose certain types of shareholders' agreements that affect the exercise of voting rights at a General Meeting of Shareholders or contain restrictions or conditions on the transferability of shares or bonds that are convertible or exchangeable into shares of listed companies.

If the Company's shareholders enter into such agreements with respect to the Ordinary Shares, they must disclose the execution, amendment or extension of such agreements to the Company and to the CNMV, file such agreements with the appropriate commercial registry and publish them through a relevant fact notice (*hecho relevante*). Failure to comply with these disclosure obligations renders any such shareholders' agreement unenforceable and constitutes a violation of the LMV.

Such a shareholder agreement will have no effect with respect to the regulation of the right to vote in General Meetings of Shareholders and restrictions or conditions on the free transferability of shares and

bonds convertible into shares until such time as the aforementioned notifications, deposits and publications are made.

Upon request by the interested parties, the CNMV may waive the requirement to report, deposit and publish the agreement when publishing the shareholders' agreement could cause harm to the affected company.

Net Short Positions

In accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps ("**Regulation 236/2012**") (as further supplemented by several delegated regulations regulating technical aspects necessary for its effective enforceability and to ensure compliance with its provisions), net short positions on shares listed on the Spanish Stock Exchanges equal to, or in excess of, 0.2% of the relevant issuer's share capital and any increases or reductions thereof by 0.1% are required to be disclosed to the CNMV. If the net short position reaches 0.5%, and also at every 0.1% above that, the CNMV will disclose the net short position to the public. Regulation 236/2012 restricts uncovered short sales in shares, providing that a natural or legal person may enter into a short sale of a share admitted to trading on a trading venue only where one of the conditions established in Article 12 of the referred Regulation has been fulfilled.

The notification or disclosure mentioned above shall be made no later than at 15:30 (CET) on the following trading day. Notification is mandatory even if the same position has been already notified to the CNMV in compliance with transparency obligations previously in force in that jurisdiction. The information to be disclosed is set out in Table 1 of Annex I of Delegated Regulation 826/2012, according to the format approved as Annex II of this Regulation. The information will be published, where appropriate, on a web page operated or supervised by the CNMV.

Moreover, pursuant to Regulation 236/2012, where the CNMV considers that (i) there are adverse events or developments that constitute a serious threat to financial stability or to market confidence (serious financial, monetary or budgetary problems, which may lead to financial instability, unusual volatility causing significant downward spirals in any financial instrument, etc.); and (ii) the measure is necessary and will not be disproportionately detrimental to the efficiency of financial markets in view of the advantages sought, it may, following consultation with the European Securities and Markets Authority ("**ESMA**"), take any one or more of the following measures:

(i) impose additional notification obligations by either (a) reducing the thresholds for the notification of net short positions in relation to one or several specific financial instruments; or (b) requesting the parties involved in the lending of a specific financial instrument to notify any change in the fees requested for such lending; and

(ii) restrict short selling activity by either prohibiting or imposing conditions on short selling.

In addition, according to Regulation 236/2012, where the price of a financial instrument has fallen significantly during a single day in relation to the closing price on the previous trading day (10% or more in the case of a liquid share), the CNMV may prohibit or restrict short selling of financial instruments for a period not exceeding the end of the trading day following the trading day on which the fall in price occurs.

Finally, Regulation 236/2012 also vests powers to ESMA in order to take measures similar to the ones described above in exceptional circumstances, when the aim of these measures is to deal with a threat affecting several EU member states when the competent authorities of such member states have not taken adequate measures to address it.

Share Repurchases

Pursuant to the Spanish Companies Act, the Company may only repurchase the Company's own shares within certain limits and in compliance with the following requirements:

- the repurchase must be authorized by the General Meeting of Shareholders in a resolution establishing the maximum number of shares to be acquired, the titles for the acquisition, the

minimum and maximum acquisition price and the duration of the authorization, which may not exceed five years from the date of the resolution; and

- the repurchase, including the shares already acquired and currently held by the Company, or any person or company acting in its own name but on the Company's behalf, must not bring its net worth below the aggregate amount of the Company's share capital and legal reserves.

For these purposes, net worth means the amount resulting from the application of the criteria used to draw up the financial statements, subtracting the amount of profits directly imputed to that net worth, and adding the amount of share capital subscribed but not called and the share capital nominal and issue premiums recorded in the Company's accounts as liabilities. In addition:

- the aggregate nominal value of the shares directly or indirectly repurchased, together with the aggregate nominal value of the shares already held by the Company and its subsidiary, must not exceed 10% of the Company's share capital; and
- the shares repurchased must be fully paid-up. A repurchase shall be considered null and void if (i) the shares are partially paid-up, except in the case of free repurchase, or (ii) the shares entail ancillary obligations.

Treasury shares do not have voting rights or economic rights (for example, the right to receive dividends and other distributions and liquidation rights), except the right to receive bonus shares, which will accrue proportionately to all of the Company's shareholders. Treasury shares are counted for purposes of establishing the quorum for General Meetings of Shareholders as well as majority voting requirements to pass resolutions at General Meetings of Shareholders.

The MAR establishes rules in order to ensure the integrity of European Community financial markets and to enhance investor confidence in those markets. This regulation maintains an exemption from the market manipulation rules regarding share buy-back programs by companies listed on a stock exchange in an EU member state. Commission Delegated Regulation (EU) 2016/1052, of March 8, 2016, implements the MAR with regard to the regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. According to the provisions included in the Regulation 2016/1052, in order to benefit from the exemption, an issuer implementing a buy-back program must comply with the following requirements:

(i) Prior to the start of trading in a buy-back program, the issuer must ensure the adequate disclosure of the following information:

(ii) the purpose of the program. According to Article 5.2 of the MAR, the buy-back program must have as its sole purpose (a) to reduce the capital of the issuer; (b) to meet obligations arising from debt financial instruments convertible into equity instruments; or (c) to meet obligations arising from share option programs, or other allocations of shares, to employees or to members of the administrative, management or supervisory bodies of the issuer or of an associate company;

(iii) the maximum pecuniary amount allocated to the program;

(iv) the maximum number of shares to be acquired; and

(v) the period for which authorization for the program has been granted.

(vi) The issuer must ensure that the transactions relating to the buy-back program meet the conditions included on Article 3 of the Regulation 2016/1052. Specifically, that the purchase price is not higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out. Furthermore, issuers must not purchase on any trading day more than 25% of the average daily volume of shares on the corresponding trading venue.

(vii) Issuers shall not, for the duration of the buy-back program, engage on (a) selling of own shares; (b) trading during the closed periods referred to in Article 19. 11 of the MAR; and (c) trading where the issuer has decided to delay the public disclosure of inside information.

On April 26, 2017, the CNMV approved Circular 1/2017 on liquidity contracts entered into by issuers with financial institutions for the management of their treasury shares. This regulation entered into force on July 10, 2017. It repealed and replaced the CNMV's Circular 3/2007 and introduced new specific rules, limits and mechanisms for liquidity agreements to constitute an accepted market practice and, therefore, be able to rely on a safe harbor for the purposes of market abuse regulations.

If an acquisition or series of acquisitions of the Ordinary Shares reaches or exceeds or causes the Company and its affiliates' holdings to reach or exceed 1% of the voting shares, the Company must notify its final holding of treasury shares to the CNMV. If such threshold is reached as a result of a series of acquisitions, such reporting obligation will only arise after the closing of the acquisition which, taken together with all acquisitions made since the last of any such notifications, causes the Company and its affiliates' holdings to exceed 1% of the voting shares. Sales and other transfers of the Company's treasury shares will not be deducted in the calculation of such threshold. This requirement would also apply if the shares were acquired by one of the Company's majority-owned subsidiaries (if any).

Moreover, pursuant to Spanish Companies Act, the audited financial statements of a company must include a reference to any treasury shares.

In addition, on July 18, 2013, the CNMV published certain guidelines for securities issuers and financial intermediaries acting on their behalf regarding the "discretionary transactions with treasury shares" (outside of the buy-back program regulation). These guidelines are in line with the buy-back program regulation in respect of price, limits and volumes and include certain restricted periods and a rule of separated management of the trading activity.

As of the date of this Prospectus, the Company does not hold any treasury shares. The Board of Directors has been authorized by the Company's shareholders for the derivative acquisition of treasury shares according to and within the restrictions and requirements established in the Spanish Companies Act. In addition, after Admission, the Company will enter into a liquidity contract with a financial institution yet to be decided. The Company will publicly disclose the signature of such contract in accordance with applicable regulations.

MARKET INFORMATION

Prior to the Offering, there has been no public market for the Ordinary Shares. Application will be made to list the Company's Ordinary Shares on the Spanish Stock Exchanges and to have the Company's Ordinary Shares quoted through the SIB (*Sistema de Interconexión Bursátil or Mercado Continuo*) of the Spanish Stock Exchanges. The Company expects the Ordinary Shares to be listed and quoted on the Spanish Stock Exchanges on or about 19 October 2018, under the symbol "ARM".

SIB

The SIB (*Sistema de Interconexión Bursátil* or *Mercado Continuo*) links the four Spanish Stock Exchanges, providing those securities listed on it with a uniform continuous market that eliminates certain of the differences between the local exchanges. The principal feature of the system is the computerized matching of bid and offer orders at the time of entry of the relevant order. Each order is executed as soon as a matching order is entered, but can be modified or cancelled until it is executed. The activity of the market can be continuously monitored by investors and brokers. The SIB is operated and regulated by Sociedad de Bolsas, S.A. ("**Sociedad de Bolsas**"). All trades on the SIB must be placed through a brokerage firm, a dealer firm or a credit entity that is a member of a Spanish Stock Exchanges.

In a pre-opening session held from 8:30 a.m. to 9:00 a.m. (CET) each trading day, an opening price is established for each security traded on the SIB based on a real-time auction in which orders can be entered, modified or cancelled but not executed. During this pre-opening session, the system continuously displays the price at which orders would be executed if trading were to begin at that moment. Market participants only receive information relating to the auction price (if applicable) and trading volume permitted at the current bid and offer price. If an auction price does not exist, the best bid and offer price and associated volumes are shown. The auction terminates with a random period of 30 seconds in which share allocation takes place. Until the allocation process has finished, orders cannot be entered, modified or cancelled. In exceptional circumstances (including the inclusion of new securities on the SIB) and after giving notice to the CNMV, Sociedad de Bolsas may establish an opening price without regard to the reference price (the previous trading day's closing price), alter the price range for permitted orders with respect to the reference price and modify the reference price.

The computerized trading hours, known as the open session, are from 9:00 a.m. to 5:30 p.m. (CET). During the trading session, the trading price of a security is permitted to vary up to a maximum so-called 'static' range of the reference price, provided that the trading price for each trade of such security is not permitted to vary in excess of a maximum so-called 'dynamic' range with respect to the trading price of the immediately preceding trade of the same security. If, during the trading session, there are matching bid and offer orders for a security within the computerized system which exceed any of the above 'static' or 'dynamic' ranges, trading on the security is automatically suspended and a new auction is held where a new reference price is set, and the 'static' and 'dynamic' ranges will apply over such new reference price. The 'static' and 'dynamic' ranges applicable to each particular security are set up and reviewed periodically by Sociedad de Bolsas.

Between 5:30 p.m. and 8:00 p.m. (CET), trades may occur outside the computerized matching system without prior authorization of Sociedad de Bolsas (provided such trades are communicated to Sociedad de Bolsas), at a price within the range of 5% above the higher of the average price and closing price for the day and 5% below the lower of the average price and closing price for the day if (i) there are no outstanding bids or offers, respectively, on the system matching or bettering the terms of the proposed off-system transaction, and (ii) if, among other things, the trade involves more than €300,000 and more than 20% of the average daily trading volume of the stock during the preceding three months. These off-system trades must also relate to individual orders from the same person or entity and be reported to Sociedad de Bolsas before 8:00 p.m. (CET).

At any time trades may take place (with the prior authorization of Sociedad de Bolsas) at any price if:

- the trade involves more than €1.5 million and more than 40% of the average daily trading volume of the stock during the preceding three months;
- the transaction derives from a merger or spin-off, or from the reorganization of a group of companies;
- the transaction is executed for the purpose of settling litigation or completing a complex set of contracts; or
- Sociedad de Bolsas finds another appropriate cause.

Information with respect to the computerized trades which take place between 9:00 a.m. and 5:30 p.m. (CET) is made public immediately, and information with respect to trades which occur outside the computerized matching system is reported to the Sociedad de Bolsas by the end of the trading day and is also published in the Stock Exchange Official Gazette (*Boletín de Cotización*) and on the computer system by the beginning of the next trading day.

Clearing, settlement and book-entry system

The Spanish clearing, settlement and book-entry system has been recently adapted by Act 11/2015 of 18 June, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, sobre recuperación y resolución de entidades de crédito y empresas de servicios de inversión*) and Royal Decree 878/2015 of 2 October, to the provisions set forth in Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July, on improving securities settlement in the EU and on central securities depositaries, amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012. Following the implementation of this reform transactions carried out on the SIB continue to be settled by Iberclear, as central securities depositary, and are cleared by BME Clearing, S.A., as central counterparty ("**CCP**"). Investors are urged to contact their agent or custodian in Spain as soon as possible to make the arrangements necessary for registering the shares in their name on the Subscription Date.

Iberclear and the CCP, are owned by Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A., a listed holding company which also holds a 100% interest in each of the Spanish official secondary markets.

Shares of listed Spanish companies are represented in book-entry form. The book-entry system is a two-tier level registry: the keeping of the central book-entry register corresponds to Iberclear and the keeping of the detail records correspond to the participating entities in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies which are authorized to render custody and administration of financial instruments, (iii) the Bank of Spain, (iv) the General Administration and the General Social Security Treasury, (v) other duly authorized central securities depositaries and central clearing counterparties and (vi) other public institutions and private entities when expressly authorized to become a participating entity in central securities depositaries.

The central registry managed by Iberclear reflects: (i) one or several proprietary accounts which will show the balances of the participating entities' proprietary accounts; (ii) one or several general third-party accounts that will show the overall balances that the participating entities hold for third parties; (iii) individual accounts opened in the name of the owner, either individual or legal person; and (iv) individual special accounts of financial intermediaries which use the optional procedure of settlement of orders. Each participating entity, in turn, maintains the detail records of the owners of such shares.

According to the above, Spanish law considers the owner of the shares to be:

(i) the participating entity appearing in the records of Iberclear as holding the relevant shares in its own name.

(ii) the investor appearing in the records of the participating entity as holding the shares; or

(iii) the investor appearing in the records of Iberclear as holding shares in a segregated individual account.

BME Clearing is the CCP in charge of the clearing of transactions closed on the Spanish Stock Exchanges. BME Clearing interposes itself on its own account as seller in every purchase and as buyer in every sale. It calculates the buy and sell positions *vis-à-vis* the participants designated in such buy or sell instructions. The CCP then generates and send to Iberclear the relevant settlement instructions.

The settlement and book-entry registration platform managed by Iberclear, which operates under the trade name of ARCO, receives the settlement instructions from BME Clearing and forwards them to the relevant participating entities involved in each transaction. ARCO operates under a T+2 settlement standard, by which any transactions must be settled within two business days following the date on which the transaction was completed.

Obtaining legal title to shares of a company listed on the Spanish Stock Exchanges requires the participation of a Spanish official stockbroker, broker-dealer or other entity authorized under Spanish law to record the transfer of shares. To evidence title to shares, at the owner's request the relevant participating entity must issue a legitimation certificate (*certificado de legitimación*). If the owner is a participating entity or a person holding shares in a segregated individual account, Iberclear is in charge of the issuance of the certificate regarding the shares held in their name.

Euroclear and Clearstream, Luxembourg

Shares deposited with depositaries for Euroclear Bank, S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, Société Anonyme ("**Clearstream**"), and credited to the respective securities clearance account of purchasers in Euroclear or Clearstream against payment to Euroclear or Clearstream, will be held in accordance with the Terms and Conditions Governing Use of Euroclear and Clearstream, the operating procedures of the Euroclear System (as amended from time to time), the Management Regulations of Clearstream and the instructions to Participants of Clearstream (as amended from time to time), as applicable. Subject to compliance with such regulations and procedures, those persons on whose behalf accounts are kept at Euroclear or Clearstream and to whom shares have been credited ("**investors**"), will be entitled to receive a number of shares equal to that amount credited in their accounts.

With respect to shares deposited with depositaries for Euroclear or Clearstream, such shares will be initially recorded in the name of Euroclear or one of its nominees or in the name of Clearstream or one of its nominees, as the case may be. Thereafter, investors may withdraw shares credited to their respective accounts if they wish to do so, upon payment of the applicable fees (as described below), if any, and once the relevant recording in the book-entry records kept by the members of Iberclear has occurred.

Under Spanish law, only the holder of record in Iberclear's registry is entitled to dividends and other distributions and to exercise voting, pre-emptive and other rights in respect of such shares. Euroclear (or its nominees) or Clearstream (or its nominees) will, respectively, be the sole record holders of the shares that are deposited with any depositaries for Euroclear and Clearstream until investors exercise their rights to withdraw such shares and record their ownership rights over the shares in the book-entry records kept by the members of Iberclear.

Cash dividends or cash distributions, as well as stock dividends or other distributions of securities, received in respect of the shares that are deposited with the depositories for Euroclear and Clearstream will be credited to the cash accounts maintained on behalf of the investors at Euroclear and Clearstream, as the case may be, after deduction of any applicable withholding taxes, in accordance with the applicable regulations and procedures of Euroclear and Clearstream. See "*Spanish SOCIMI regime and taxation*" below.

Euroclear and Clearstream will endeavor to inform investors of any significant events of which they become aware affecting the shares recorded in the name of Euroclear (or its nominees) and Clearstream (or its

nominees) and requiring action to be taken by investors. Each of Euroclear and Clearstream may, at its discretion, take such action, as it shall deem appropriate in order to assist investors in exercising their voting rights in respect of the shares. Such actions may include: (i) acceptance of instructions from investors to grant or to arrange for the granting of proxies, powers of attorney or other similar certificates for delivery to the Company, or its agent; or (ii) exercise by Euroclear or its nominees and Clearstream or its nominees of voting rights in accordance with the instructions provided by investors.

In case the Company offers or causes to be offered to Euroclear (or its nominees) and Clearstream or its nominees, acting in their capacity as record holders of the Ordinary Shares deposited with the depositaries for Euroclear and Clearstream, respectively, any rights to subscribe for additional shares or rights of any other nature, each of Euroclear and Clearstream will, respectively, endeavor to inform investors of the terms of any such rights of which it becomes aware in accordance with the applicable provisions in the aforementioned regulations and procedures. Such rights will be exercised, insofar as practicable and permitted by applicable law, according to written instructions received from investors, or, alternatively, such rights may be sold and, in such event, the Net Proceeds will be credited to the cash account maintained on behalf of the investor with Euroclear or Clearstream.

Tender offers

Tender offers are governed in Spain by Articles 128 et seq. of the LMV and Royal Decree 1066/2007, of 27 July (*Real Decreto 1066/2007, de 27 de julio, de régimen de las ofertas públicas de adquisición de valores*) which implement Directive 2004/25/EC of the European Parliament and of the Council of 21 April. Other than the referred tender offer regulation, there is no other special regulation in Spain which may govern mandatory tender offers over the Ordinary Shares.

Tender offers in Spain may qualify as either mandatory or voluntary.

Mandatory tender offers must be launched for all the shares of the target company and all other securities that might directly or indirectly entitle to acquire or subscribe such shares (including, without limitation, convertible and exchangeable notes) at an equitable price, and not subject to any conditions, when any person or entity acquires control of a Spanish listed company, whether such control is obtained:

- by means of the acquisition of shares or other securities that directly or indirectly entitle to subscribe or acquire voting shares in such company;
- through shareholder agreements with shareholders or other holders of said securities; or
- as a result of other situations of equivalent effect as provided in the applicable Spanish regulation on tender offers (which constitute indirect control acquired through mergers, share capital decreases, changes in the target's treasury shares).

A person or entity is deemed to have control over a target company, either individually or jointly with other parties acting in concert, whenever:

- it acquires, directly or indirectly, a percentage of the Company's voting rights equal to or greater than 30%; or
- it has acquired a percentage that is less than 30% of the voting rights and appoints, during the 24-month period following the date of acquisition of said percentage, a number of directors that, together with those already appointed by it (if any), represents more than half of the members of the target company's Board of Directors. The Spanish regulation on tender offers also sets forth certain situations where directors are deemed to have been appointed by the bidder or persons acting in concert therewith unless evidence to the contrary is provided.

For the purposes of calculating the percentages of voting rights acquired, the Spanish regulation establishes the following rules:

- percentages of voting rights corresponding to: (i) companies belonging to the same group as the bidder; (ii) members of the Board of Directors of the bidder or of companies of its group (unless

evidence to the contrary is provided); (iii) persons acting in concert with or on behalf of the bidder; (iv) voting rights which may be exercised freely and over an extended period by the bidder under proxy granted by the actual holders or owners of such rights, in the absence of their specific instructions with respect thereto; and (v) shares held by a nominee (such nominee being a third party whom the bidder totally or partially covers against the risks related to acquisitions or transfers of the shares or the possession thereof), will be deemed to be held by the bidder;

- both the voting rights arising from the ownership of shares and those enjoyed under a usufruct or pledge or under any other contractual title, will also be deemed to be held by the bidder;
- the percentage of voting rights shall be calculated based on the entire number of the Company's shares with voting rights, even if the exercise of such rights has been suspended. Treasury stock held directly or indirectly by the target company (according to the information available on the date of calculation of the percentage of voting rights held by the bidder) shall be excluded from the calculation. Non-voting shares shall be taken into consideration only when they carry voting rights pursuant to applicable law; and
- acquisitions of securities or other financial instruments which entitle the holder to the subscription, conversion, exchange or acquisition of shares which carry voting rights will not result in the obligation to launch a tender offer until such subscription, conversion, exchange or acquisition occurs.

Notwithstanding the foregoing, upon the terms established in the applicable Spanish regulation on tender offers, the CNMV will conditionally exempt a person or entity from the obligation to launch a mandatory bid when another person or entity not acting in concert with the potential bidder, directly or indirectly holds an equal or greater voting percentage in the target company.

Spanish regulations establish certain exceptions where control is obtained but no mandatory tender offer is required, including, among others:

- Subject to the CNMV's approval, acquisitions or other transactions resulting from the conversion or capitalization of claims into shares of listed companies if their financial feasibility is subject to serious and imminent danger provided that such transactions are intended to ensure the Company's financial recovery in the long term. The approval of the CNMV will not be required if the acquisition takes place in the context of a refinancing agreement under Additional Disposition Fourth of Act 22/2003, of 9 July, on insolvency (*Ley 22/2003, de 9 de julio, concursal*).
- In the event of a merger, provided that those acquiring control did not vote in favor of the merger at the relevant General Meeting of Shareholders of the target company and provided also that it can be shown that the primary purpose of the transaction is not the takeover but an industrial or corporate purpose.
- When control has been obtained after a voluntary bid for all of the securities, if either the bid has been made at an equitable price or has been accepted by holders of securities representing at least 50% of the voting rights to which the bid was directed (excluding voting rights already held by the bidder and those belonging to shareholders who entered into an agreement with the bidder regarding the tender offer).

The price of the mandatory tender offer is deemed to be equitable when it is at least equal to the highest price paid by the bidder or any person acting in concert therewith for the same securities during the twelve months preceding the announcement of the tender offer. Other rules used to calculate such equitable price are set forth in the applicable Spanish regulation. However, the CNMV may change the price determined pursuant to said rules in certain circumstances (extraordinary events affecting the price, evidence of market manipulation, etc.).

Mandatory offers must be launched as soon as possible and at any event within one month from the acquisition of the control of the target company.

Voluntary tender offers may be launched in those cases in which a mandatory offer is not legally required. Voluntary offers are subject to the same rules established for mandatory offers except for the following:

- they might be subject to certain conditions (such as amendments to the Bylaws or adoption of certain resolutions by the General Meeting of Shareholders of the target company, acceptance of the offer by a minimum number of shares of the target company, approval of the offer by the General Meeting of Shareholders of the bidder; and any other condition deemed by the CNMV to be in accordance with law), provided that the fulfillment of such conditions may be verified by the end of the offer acceptance period; and
- they may be launched at a price other than an equitable price.

The price in a voluntary tender offer must be the higher of (i) the equitable price and (ii) the price resulting from an independent valuation report, and must at least consist of cash as an alternative if certain circumstances have occurred during the two years prior to the announcement of the offer (basically, the trading price for the shares being affected by price manipulation practices, market or share prices being affected by natural disasters, force majeure, or other exceptional events, or the target company being subject to expropriation or confiscation resulting in significant impair of the Company's real value).

The Spanish regulation on tender offers sets forth further relevant provisions, including, among others:

- the Board of Directors of the target company will be exempt from the prohibition to carry out frustrating or defensive actions against a foreign bidder provided the latter's Board of Directors is not subject to equivalent passivity rules and subject to prior approval by the Company's General Meeting of Shareholders within the 18-month period before the date of the public announcement of the tender offer;
- defensive measures included in a listed company's Bylaws and transfer and voting restrictions included in agreements among a listed company's shareholders will remain in place whenever the Company is the target of a tender offer, unless the shareholders decide otherwise (in which case any shareholders whose rights are diluted or otherwise adversely affected shall be entitled to compensation at the target company's expense); and
- squeeze-out and sell-out rights will apply provided that following a mandatory tender offer (or as a result of a voluntary offer for all the of the target's share capital) the bidder holds shares representing at least 90% of the target company's voting share capital and the tender offer has been accepted by the holders of securities representing at least 90% of the voting rights over which the offer was launched.

The Company has never been the target of a tender offer by a third-party bidder over the Ordinary Shares of the Company.

PLAN OF DISTRIBUTION

Placing Agreement

For details of this Agreement, please refer to section "*Material contracts—The Placing Agreement*".

The Offering

The Offering is expected to raise approximately €300,000,000. On the basis of a €300,000,000 Offering, the estimated Net Proceeds to the Company are approximately €288,000,000 after the deduction of commissions and other estimated fees and expenses payable by the Company, which include the commissions of the Managers under the Placing Agreement (see the section "*Material contracts—The Placing Agreement*") and other expenses in connection with the Offering in an estimated amount of €12,000,000 (which include fees for legal advisors, Agent Bank and auditors, fees and duties for Iberclear, CNMV and the Spanish Stock Exchanges, and other expenses such as marketing and travel costs).

The Company intends to use the Net Proceeds of the Offering to fund future real estate investments in accordance with its investment strategy as well as to fund the Company's structural expenses. The Company expects to have fully invested the Net Proceeds of the Offering within approximately 15-18 months following Admission

The Managers will conditionally agree to place pursuant to the Placing Agreement up to 29,100,000 New Shares at the Offering Price with certain institutional and qualified professional investors representing up to approximately 97% of the issued share capital of the Company on Admission (on the basis of a €300,000,000 Offering). Further details of the Placing Agreement are set out in section "*Material contracts—The Placing Agreement*".

The Offering is conditional upon, among other things, the fulfillment of certain conditions precedent in the Placing Agreement and on the Placing Agreement not having been terminated in accordance with its terms.

All New Shares will be issued at the Offering Price. The Managers and the Company will agree, no later than 17 October 2018, the final number of New Shares that will constitute the Offering, which together with the final issue size and Net Proceeds of the Offering, will be announced through the publication of a relevant fact notice (*hecho relevante*). The minimum size of the Offering will be of 27,500,000 New Shares at an Offering Price of €10.00 per New Share to raise gross proceeds of a minimum of €275,000,000. The allocations of New Shares will be determined by the Managers following consultation and agreement with the Company.

The Offering will be made by way of sales (a) outside the United States only to institutional investors in offshore transactions in reliance on Regulation S under the U.S. Securities Act and (b) in the United States only to QIBs as defined in Rule 144A in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act.

Immediately following Admission, the Ordinary Shares will be freely transferable under the Bylaws, but will be subject to the restrictions referred to in section "*Selling and Transfer Restrictions*".

Banco Santander, S.A., with registered address in Paseo de Pereda, 9-12, 39004 Santander, Spain, will be the Agent Bank in the Offering.

The Offering shall terminate automatically in the event that (i) the Sizing Agreement has not been entered into by 28 October 2018 or (ii) Admission has not been completed by 31 October 2018 (or, in each case, such later dates as may be agreed in writing by the Company and the Global Coordinators and Joint Bookrunners (on behalf of the Managers)). In such case, where the New Shares have already been paid by the Prefunding Bank (as defined below), members of the Management Team or final investors, as applicable, the Prefunding Bank, the members of the Management Team, final investors or any holder of New Shares (as applicable) would be obligated to return such New Shares to the Company (if delivered), together with interest accrued from the date on which they paid for the New Shares until the date on which the Company repays the Offering Price.

From time to time the Managers and their affiliates may in the future provide the Company with investment banking and other advisory services. In addition, in connection with the Offering, the Managers, any affiliate or any investment vehicle, directly or indirectly connected therewith, acting as an investor for its own account may take up Ordinary Shares and in that capacity may retain, purchase or sell such Ordinary Shares (or related investments), for its own account and may offer or sell such Ordinary Shares (or other investments) otherwise than in connection with the Offering.

The Offering and the holding of Ordinary Shares by investors may be affected by the laws or regulatory requirements of the relevant jurisdiction, which may include restrictions on the free transferability of such Ordinary Shares. Investors should consult their own advisors prior to an investment in the Ordinary Shares.

The Company and the Global Coordinators and Joint Bookrunners (acting on behalf of the Managers) expressly reserve the right to modify the Offering (including, without limitation, its timetable and settlement) at any time before final allocations of Ordinary Shares to investors are determined.

Authorizations of the Offering

The New Shares will be issued pursuant to a decision adopted on 1 October 2018 by the current shareholders of the Company, which have resolved to increase the share capital of the Company by up to €350,000,000, through the issue and placement of up to 35,000,000 New Shares of the same class and series as those currently in circulation, establishing their issue price as €10.00 per share (with a nominal value of €10.00), waving any and all preferential subscription rights corresponding to the existing shareholders of the Company. The possibility of incomplete subscription has been expressly foreseen and approved.

The issue of the New Shares does not require any authorization or administrative pronouncement other than the general provisions on the CNMV's approval and registration of this Prospectus, according to the provisions established in the Securities Market Act and its implementing regulations and the Spanish Companies Act.

The Ordinary Shares

The Ordinary Shares to be issued will be created pursuant to the Spanish Companies Act. Each of the Ordinary Shares carries one vote at a meeting of the Company's shareholders. There are no restrictions on the voting rights of the Ordinary Shares. The ISIN number assigned to the Ordinary Shares is ES0105376000. Immediately following Admission, the Ordinary Shares will be freely transferable under the Bylaws, but will be subject to the restrictions referred to in section "*Selling and Transfer Restrictions*". The Ordinary Shares are represented in registered book-entry form and held through the clearance and settlement system managed by Iberclear.

The New Shares to be issued pursuant to the Offering will rank *pari passu* in all respects with the existing Ordinary Shares, including as regards the right to vote and the right to receive all dividends and other distributions declared, made or paid on the Company's share capital after Admission.

Subscription and Payment

In order to expedite the registration and listing of the Ordinary Shares, it is expected that Citigroup Global Markets Limited, in its capacity as prefunding bank (in such capacity, the "**Prefunding Bank**"), will subscribe and pay for the Prefunded Shares (as defined in "*Material Contracts-the Placing Agreement*") and that the members of the Management Team will subscribe for the New Shares allocated to them on 18 October 2018 (the "**Subscription Date**"). Payment for the New Shares by the Prefunding Bank and the members of the Management Team is expected to be made to the Company in the Company's account and the New Shares will come into existence once registered at the Commercial Registry of Madrid (*Registro Mercantil de Madrid*) and recorded in book-entry form with Iberclear. The Prefunded Shares will be delivered to the Prefunding Bank, following their registration and receipt of evidence thereof by Iberclear on the Subscription Date and thereafter transferred by the Prefunding Bank to final investors. Payment by final investors to the Prefunding Bank shall be made no later than the second Madrid business day after the

Subscription Date against delivery of the Prefunded Shares to final investors, which is expected to take place on or about 22 October 2018.

Admission and Dealings

Application will be made to list the Company's Ordinary Shares on the Spanish Stock Exchanges and to have the Company's Ordinary Shares quoted through the SIB (*Sistema de Interconexión Bursátil* or *Mercado Continuo*) of the Spanish Stock Exchanges. The Company expects the Ordinary Shares (including the New Shares offered hereby) to be listed and quoted on the Spanish Stock Exchanges on or about 19 October 2018 under the symbol ARM.

Please see the section "*Market information*" for further details on the characteristics and functioning of the SIB, the Spanish clearing, settlement and book-entry system and Euroclear and Clearstream, Luxembourg.

Lock-Ups

The Company will agree under the Placing Agreement that, without the prior written consent of the Global Coordinators and Joint Bookrunners, it will not, during the period commencing on the date on which the Placing Agreement is signed and ending 180 days following Admission, (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares or file any registration statement under the Prospectus Rules or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing, including any registration statement under the Securities Act, (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Ordinary Shares or other shares of the Company; or (iii) enter into any transaction with the same economic effect as paragraphs (i) and (ii) above, or agree to do or announce or otherwise publicize the intention to do any of the foregoing, whether any such swap or transaction described in paragraphs (i), (ii) and (iii) above is to be settled by delivery of Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares, in cash or otherwise; however, the foregoing restrictions are subject to certain exceptions and may be waived.

Rodex, which is 100% controlled by the CEO, will also agree that it will be subject to a "lock-up" undertaking (subject to certain exceptions and which may be waived by the Global Coordinators and Joint Bookrunners) during a period of 180 days following Admission.

Likewise, each member of the Management Team will commit to certain restrictions on the transfer of the Management Shares of the Company. Such restrictions will only apply for 180 days following Admission and are subject to certain exceptions, and may be waived by the Global Coordinators and Joint Bookrunners.

In addition, each member of the Management Team (including the CEO) has agreed, with respect only to Incentive Shares, under its respective employment or services agreement with the Company to abide by certain lock-up commitments, described in section "*Management—The Management Team's Compensation—Employee Incentive Plan—Lock-up*".

Interests of Persons Involved in the Offering

The Company is not aware of any link or significant economic interest between the Company and the entities participating in the Offering (Managers, Agent Bank and legal advisors), except for the strictly professional relationship derived from the legal and financial advice described therein in relation to the Issue as disclosed in this Prospectus.

MATERIAL CONTRACTS

The Placing Agreement

The Placing Agreement will be entered into between the Company and the Managers on or prior to the date of registration of this Prospectus with the CNMV (the "**Placing Agreement**").

Placing

The Managers will agree, subject to the satisfaction of certain conditions set out in the Placing Agreement to use their reasonable endeavors to procure subscribers for up to 29,100,000 Ordinary Shares (the "**Placing Shares**") at the Offering Price (the "**Placing**"). Each Manager will agree, severally but not jointly, to use its reasonable endeavors to procure investors for the Placing Shares at the Offering Price in such proportion as set out opposite its name in the following table, subject to such adjustments among the Managers that the Global Coordinators and Joint Bookrunners in their sole discretion shall make to eliminate any sales or purchases of fractional Placing Shares:

Managers	% Placing Shares
CITIGROUP GLOBAL MARKETS LIMITED	28.00%
JB CAPITAL MARKETS, S.V., S.A.U.	22.00%
MIRABAUD SECURITIES LIMITED, SUCURSAL EN ESPAÑA	22.00%
MORGAN STANLEY & CO. INTERNATIONAL PLC	18.00%
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	3.33%
ING BANK N.V.	3.33%
KEMPEN & CO N.V.	3.33%
TOTAL	100.00%

Sizing and allocation

All New Shares will be issued at the Offering Price. The Managers and the Company will agree, no later than 17 October 2018, the final number of New Shares that will constitute the Offering, including those allocated to the Management Team (the "**Management Shares**") and those allocated to investors procured by the Managers (the "**Prefunded Shares**"). All of the foregoing will be announced through the publication of a relevant fact notice (*hecho relevante*). The allocations of New Shares will be determined by the Company following consultation and agreement with the Global Coordinators and Joint Bookrunners (acting on behalf of the Managers).

Estimated fees and expenses

In consideration for the services of the Managers in connection with the Placing, and provided the Placing Agreement becomes unconditional and is not terminated in accordance with its terms, the Company shall pay to the Managers a placing commission equal to 2.15% of the value of the Offering Price multiplied by the New Shares (the "**Base Commission**"). In addition, the Company may in its sole discretion elect to pay to the Managers a discretionary commission of 1.15% of the value of the Offering Price multiplied by the New Shares (the "**Discretionary Commission**").

The Company will also agree to pay the fees, costs and expenses of the Managers in connection with or incidental to the Placing and Admission.

Representations, warranties and indemnity

Under the Placing Agreement, the Company will give certain representations and warranties. The Company will give an indemnity to the Managers concerning, amongst other things, the accuracy of the information contained in this Prospectus.

Lock-up

See section "*Plan of distribution*" for a discussion of all lock-up arrangements.

Subscription and payment of the New Shares

In order to expedite the registration of the New Shares and the listing of the Ordinary Shares, it is expected that the Prefunding Bank will subscribe and pay for the Prefunded Shares on the Subscription Date (i.e. 18 October 2018). The members of the Management Team will directly subscribe for the Management Shares. Payment for all the New Shares is expected to be made to the Company in the Company's account and these shares will come into existence once registered at the Commercial Registry of Madrid (*Registro Mercantil de Madrid*) and recorded in book-entry form with Iberclear. The Prefunded Shares will be delivered to the Prefunding Bank, following their registration and receipt of evidence thereof by Iberclear on the Subscription Date and thereafter transferred to final investors. Payment by final investors to the Prefunding Bank shall be made no later than the second Madrid business day after the Subscription Date against delivery of the Prefunded Shares to final investors, which is expected to take place on or about 22 October 2018.

Termination of the Placing Agreement

The Global Coordinators and Joint Bookrunners (acting on behalf of the Managers) may, acting unanimously, terminate this Agreement, by written notice to the Company, at any time from and including the date hereof until the time of registration of the notarial deed of the capital increase relating to the issue of the New Shares with the Commercial Registry of Madrid, if there shall have occurred any of the following:

(a) there has been a breach by the Company of any of the representations or warranties contained in this Agreement or any of the representations and warranties of the Company contained in this Agreement is not, or has ceased to be true and correct in all material respects, or a material breach by the Company of any of the undertakings contained in this Agreement has occurred;

(b) the CNMV or any other relevant authority suspends or revokes any necessary approval for the Offering or Admission;

(c) since the time of execution of this Agreement or the earlier respective dates as of which information is given in the Disclosure Package and the Prospectus (exclusive of any supplements thereto), there has been a Material Adverse Change, the effect of which change or development is, in the good faith judgment of the Global Coordinators and Joint Bookrunners, so material and adverse as to make it impracticable or inadvisable to proceed with the Placing or the delivery of the Placing Shares on the terms and in the manner contemplated in the Disclosure Package and the Prospectus;

(d) any moratorium on or suspension of commercial banking activities shall have been declared by competent authorities in the European Union, Spain, the United Kingdom, the United States, the State of New York or any member of the European Economic Area (**EEA**), or a material disruption in commercial banking activities, securities settlement, payment or clearance services in the European Union, Spain, the United Kingdom, the United States, the State of New York or any member of the EEA;

(e) there has occurred:

  (i) a suspension or material limitation in trading in securities generally on any of the Spanish Stock Exchanges, the London Stock Exchange or the New York Stock Exchange;

  (ii) any change or any development involving a prospective change in the national or international financial, political or economic conditions, any financial markets or any currency exchange rates or controls;

(iii) an outbreak or escalation of hostilities or acts of terrorism or a declaration of a national emergency or war or martial law, or

(iv) any other calamity, crisis or event,

if the effect of any such event, individually or together with any other such event, in the good faith judgment of the Global Coordinators and Joint Bookrunners, is so material and adverse as to make it impracticable or inadvisable to proceed with the Placing or the delivery of the New Shares on the terms and in the manner contemplated in the Disclosure Package and the Prospectus;

(f) any new law or regulation or any change in existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting Spain, any relevant member state of the EEA and/or the United States, in the good faith judgment of the Global Coordinators and Joint Bookrunners: (i) is materially adverse to, or is likely to materially and prejudicially affect, the business or financial or trading position or prospects of the Company, (ii) makes, or is likely to make, it impracticable or inadvisable to market the New Shares or enforce contracts for the sale of the New Shares, or (iii) is likely to result in the successful completion of the Placing being prejudiced or is likely to be otherwise materially adverse in the contact of the Offering, Placing or Admission;

(g) at any time the Company publishes an amendment or supplement to the Prospectus, or a press or stock exchange release or relevant fact notice (*hecho relevante*) (A) pursuant to applicable law or regulation or (B) that seeks to correct any untrue statement of a material fact or omission to state a material fact necessary in order that the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, which the Joint Global Coordinators, acting jointly and in good faith, and, to the extent reasonably practicable, after consultation with the Company, determine to be material and adverse in the context of the Offering; or

(h) the Company does not publish an amendment or supplement to the Prospectus in form and content reasonably satisfactory to the Global Coordinators and Joint Bookrunners, after consultation with them, without undue delay and in accordance with applicable laws and stock exchange regulations, after, in each case, a good faith request by the Global Coordinators and Joint Bookrunners for such publication based on information that the Global Coordinators and Joint Bookrunners or their counsel (either as a result of having been notified of such information by the Company or otherwise) in good faith believe would be required to amend or supplement the Prospectus to ensure that they do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which such statements were made, not misleading.

Also, the Placing Agreement shall terminate automatically in the event that (i) the Sizing Agreement has not been entered into by 28 October 2018 or (ii) Admission has not been completed by 31 October 2018 (or, in each case, such later dates as may be agreed in writing by the Company and the Global Coordinators and Joint Bookrunners (on behalf of the Managers)).

If the Placing Agreement is terminated, the New Shares will not be subscribed and paid by Prefunding Bank or the members of the Management Team (as applicable). Where the New Shares have already been paid by the Prefunding Bank or the members of the Management Team (as applicable), the principal consequences of the termination of the Placing Agreement are: (i) the Prefunding Bank or the members of the Management Team (as applicable) would be obligated to return the New Shares to the Company (if delivered), and (ii) the Company would be obligated to return the moneys paid at the Offering Price (if any) in respect of the New Shares by the Prefunding Bank or the members of the Management Team (as applicable), together with interest accrued from the date on which they paid for the New Shares until the date on which the Company repays the Offering Price.

Governing law and jurisdiction

The Placing Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Spanish law.

The courts of the city of Madrid are to have exclusive jurisdiction to settle any disputes (including claims for set-off and counter-claims) in connection with the Placing Agreement.

Services agreement with Mr Luis Alfonso López de Herrera-Oria

The Company has entered into a services agreement with its CEO, Mr Luis Alfonso López de Herrera-Oria. For details of this Agreement, please refer to section "*Management—The Management Team's Compensation—Other terms and conditions of agreements with Management Team*"

SELLING AND TRANSFER RESTRICTIONS

The distribution of this Prospectus and the offer of New Shares in certain jurisdictions may be restricted by law. No action has been or will be taken in any jurisdiction that would permit a public offer of the New Shares, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the New Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the New Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction.

Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and the offer of New Shares. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute an offer to subscribe for or purchase any of the New Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Because of the following restrictions, purchasers of New Shares are advised to consult legal counsel before making any offer for, or resale, pledge or other transfer of, New Shares.

United States

Restrictions on offering under the U.S. Securities Act

The New Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

The New Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S. The Placing Agreement will provide that the Managers may, directly or through their U.S. broker-dealer affiliates or through any broker dealer registered under the U.S. Exchange Act, arrange for the offer and sale of New Shares within the United States only to QIBs in reliance on Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

In addition, until 40 days after the later of the commencement of the Offering and the last transaction date of the Offering, an offer or sale of Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from, or transaction not subject to, the registration requirements under the U.S. Securities Act.

Transfer restrictions on U.S. purchasers

Each person that is purchasing or otherwise acquiring New Shares within the United States pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, by accepting delivery of this Prospectus, will be deemed, by its acceptance of New Shares, to have represented, agreed and acknowledged on its behalf and on behalf of any investor accounts for which it purchasing the New Shares, that neither the Company nor any of the Company's affiliates nor any of the Managers, nor any person representing the Company, any of its affiliates or any of the Managers, has made any representation to it with respect to the Offering or sale of any New Shares, other than, in respect of the Company, the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the New Shares, that it has had access to such financial and other information concerning the Company and the New Shares as it has deemed necessary in connection with its decision to purchase any of the New Shares, and that (terms defined in Rule 144A shall have the same meanings when used in this section):

a) it is (i) a QIB, (ii) aware, and each beneficial owner of New Shares has been advised, that the sale of the New Shares to it is being made in reliance on Rule 144A or another exemption from or in a transaction not subject to registration; and (iii) acquiring the New Shares for its own account or for the account or benefit of a QIB;

b) it understands that the New Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, are not being offered in the United States in a public offering within the meaning of the U.S. Securities Act, and may not be reoffered, resold, pledged or otherwise transferred except (A) (i) to a person whom the purchaser and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, or (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available) and (B) in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdiction. Such purchaser acknowledges that the New Shares offered and sold to it are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and that no representation is made as to the availability of the exemption provided by Rule 144 or any other exemption for resales of the New Shares;

c) it is not, and is not acting on behalf of (a) an employee benefit plan (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, (b) a plan described in Section 4975(e)(1) of the Code, including an individual retirement account or other arrangement, that is subject to Section 4975 of the Code, or (c) any entity whose underlying assets could be deemed to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to the U.S. Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or (d) a governmental, church, non-U.S. or other plan which is subject to any federal, state, local, non-U.S. or other laws or regulations that are substantially similar to the fiduciary responsibility and/or the prohibited transaction provisions of ERISA or Section 4975 of the Code or laws or regulations that provide that the assets of the Company could be deemed to include "plan assets" of such plan, and (e) it will agree to certain transfer restrictions regarding any transfer of such New Shares (or interests therein) to any person that cannot make the foregoing representations;

d) the New Shares have not been offered to it by means of any general solicitation or general advertising;

e) it will not deposit or cause to be deposited such New Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such New Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

f) the New Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend to the following effect:

THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE U.S. SECURITIES ACT), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S.

SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 OR ANY OTHER EXEMPTION UNDER THE U.S. SECURITIES ACT FOR RESALES OF THIS SECURITY;

g) the Company, the Managers and their respective directors, officers, agents, employees, advisors and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements;

h) if any of the representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and the Managers, and if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and it has full power to make such foregoing representations, acknowledgements and agreements on behalf of each such account;

i) it warrants that it has complied with all laws and regulations applicable to its agreement to subscribe for New Shares under the Offering, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action that will result in the Company or the Managers or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction in connection with the Offering;

j) the Company shall not recognize any offer, sale, pledge or other transfer of the New Shares made other than in compliance with the above stated restrictions;

k) it represents that if, in the future, it offers, resells, pledges or otherwise transfers the New Shares, it shall notify such subsequent transferee of the transfer restrictions set out in paragraphs above;

l) it has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the New Shares, and it has the financial ability to bear the economic risk of investment in the New Shares; and

m) if the subscriber or investor is acquiring any New Shares for the account of one or more other investors, it represents that it has sole investments discretion regarding each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the New Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A.

Transfer restrictions on purchasers outside the United States

Each purchaser to whom the New Shares are distributed, offered or sold outside the United States pursuant to Regulation S, by its acceptance of delivery of this Prospectus and the New Shares, will be deemed to have represented, agreed and acknowledged, on its own behalf and on behalf of any investor accounts for which it is purchasing the New Shares, that neither the Company nor any of the Company's affiliates nor any of the Managers, nor any person representing the Company, any of its affiliates or any of the Managers, has made any representation to it with respect to the Offering or sale of any New Shares, other than the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the New Shares, it has had access to such financial and other information concerning the Company and the New Shares as it has deemed necessary in connection with its decision to purchase any of the New Shares, and that (terms defined in Regulation S shall have the same meanings when used in this section):

a) it is acquiring the New Shares in an offshore transaction meeting the requirements of Regulation S and was located outside the United States at the time the buy order for the New Shares was originated;

b) it is aware that the New Shares have not been and will not be registered under the U.S. Securities Act and may not be offered, sold or otherwise transferred absent registration except pursuant to an exemption from, or in a transaction not subject to, registration under the U.S. Securities Act and any other applicable securities law and is generally aware of the restrictions on the offer and sale of the New Shares described in this Prospectus;

c) if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the New Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act;

d) it is not an affiliate of the Company or a person acting on behalf of such an affiliate;

e) it has carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the New Shares to any persons within the United States, nor will it do any of the foregoing;

f) it is not, and is not acting on behalf of (a) an employee benefit plan (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, (b) a plan described in Section 4975(e)(1) of the Code, including an individual retirement account or other arrangement, that is subject to Section 4975 of the Code, or (c) any entity whose underlying assets could be deemed to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to the U.S. Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or (d) a governmental, church, non-U.S. or other plan which is subject to any federal, state, local, non-U.S. or other laws or regulations that are substantially similar to the fiduciary responsibility and/or the prohibited transaction provisions of ERISA or Section 4975 of the Code or laws or regulations that provide that the assets of the Company could be deemed to include "plan assets" of such plan, and (e) it will agree to certain transfer restrictions regarding any transfer of such New Shares (or interests therein) to any person that cannot make the foregoing representations;

g) the Company, the Managers and their respective directors, officers, agents, employees, advisors and others will rely upon the truth and accuracy of the foregoing representations and agreements;

h) if any of the representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and the Managers, and if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and it has full power to make such foregoing representations and agreements on behalf of each such account;

i) it warrants that it has complied with all laws and regulations applicable to its agreement to subscribe for New Shares under the Offering, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action that will result in the Company or the Managers or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction in connection with the Offering;

j) the New Shares have not been offered to it by means of any "direct selling efforts" as defined in Regulation S;

k) the Company shall not recognize any offer, sale, pledge or other transfer of the New Shares made other than in compliance with the above stated restrictions;

l) it represents that if, in the future, it offers, resells, pledges or otherwise transfers the New Shares, it shall notify such subsequent transferee of the transfer restrictions set out in this Prospectus;

m) it has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the New Shares, and it has the financial ability to bear the economic risk of investment in the New Shares; and

n) if the subscriber or investor is acquiring any New Shares for the account of one or more other investors, it represents that it has sole investments discretion regarding each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Canada

The Company and each Manager acknowledge that no prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the New Shares, the New Shares have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Prospectus or the merits of the New Shares and any representation to the contrary is an offence.

Each Manager has represented, warranted and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any New Shares, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws and, without limiting the generality of the foregoing:

a) any offer, sale or distribution of the New Shares in Canada has and will be made only to a purchaser that is an "accredited investor" (as such term is defined in Section 1.1 of National Instrument 45-106 Prospectus Exemptions ("**NI 45-106**") or, in Ontario, as such term is defined in Section 73.3(1) of the U.S. Securities Act (Ontario)), that is also a "permitted client" (as such term is defined in Section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations), that is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, and that is not a person created or used solely to purchase or hold the New Shares as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in Section 1.1 of NI 45-106;

b) it is appropriately registered under applicable Canadian securities laws in each relevant province or territory to sell and deliver the New Shares, such sale and delivery will be made through an affiliate of it that is so registered if the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations, warranties and agreements set out herein, or it is relying on an exemption from the dealer registration requirements under applicable Canadian securities laws and has complied with the requirements of that exemption; and

c) it has not and will not distribute or deliver the Prospectus, or any other offering material in connection with any offering of New Shares, in Canada or to a resident of Canada other than in compliance with applicable Canadian securities laws.

European Economic Area

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") no offer of any New Shares has been made to the public in that Relevant Member State except that an offer of New Shares may, with effect from and including the Relevant Implementation Date, be made to the public in that Relevant Member State:

d) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

e) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Managers; or

f) at any time in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3(2) of the Prospectus Directive.

In the case of any New Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will be deemed to have represented, acknowledged and agreed to and with each of the Global Coordinators and Joint Bookrunners and the Company that the New Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any New Shares to the public other than their offer or resale in a EEA Member State to Qualified Investors as so defined or in circumstances in which the prior consent of the Global Coordinators and Joint Bookrunners has been obtained to each such proposed offer or resale.

For the purposes of this provision:

- the expression an "**offer of** New **Shares to the public**" in relation to any New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to purchase or subscribe the New Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State; and

Belgium

The offer in Belgium has not been and will not be notified to the Financial Securities and Markets Authority and neither has this Prospectus or any other offering material relating to the New Shares been nor will it be approved by the Financial Securities and Markets Authority. Any representation to the contrary is unlawful.

This offer does not constitute a public offering in Belgium. The offer may not be advertised and the New Shares may not be offered or sold, and neither this Prospectus nor any other offering material relating to the New Shares may be distributed, directly or indirectly, to any investors in circumstances which would require the publication of a prospectus, information circular, brochure or similar document pursuant to the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market. The New Shares will only be offered to Qualified Investors as defined in Article 10 §1 of the Law of 16 June 2006 on public offerings of investment instruments and the admission to trading on a regulated market. No offer or sale will be made to any person qualifying as a consumer within the meaning of Book VI of the Code of Economic Law relating to market practices and consumer protection.

This document has been issued to you for your personal use only and exclusively for the purposes of the offer. Accordingly, this document may not be used for any other purpose or passed on to any other person in Belgium.

France

This Prospectus has not been prepared and is not being distributed in the context of a public offering of financial securities in France within the meaning of Article L.411-1 of the French *Code Monétaire et Financier* and Title I of Book II of the *Règlement Général* of the *Autorité des marchés financiers* (the French financial markets authority, or the "**AMF**"). Consequently, the New Shares may not be, directly or indirectly, offered or sold to the public in France (*offre au public de titres financiers*), and neither this Prospectus nor any offering or marketing materials relating to the New Shares must be made available or distributed in any way that would constitute directly or indirectly, an offer to the public in France.

The New Shares may only be offered or sold in France (i) to qualified investors (*investisseurs qualifiés*), or (ii) to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with Articles L.411-2, and D. 411-1 of the French *Code Monétaire et Financier*.

Prospective investors are informed that:

(iv) this Prospectus has not been and will not be submitted for clearance to the AMF;

(v) in compliance with Articles L.411-2 and D. 411-1 of the French Code Monétaire et Financier, any investors subscribing for the New Shares should be acting for their own account; and

(vi) the direct and indirect distribution or sale to the public of the New Shares acquired by them may only be made in compliance with Articles L.411-1, L.411-2, D.411-1, L.412-1 and L.621-8 to L.621-8-3 of the French Code Monétaire et Financier.

Germany

In Germany, New Shares of the Company are offered under the Prospectus Directive, to qualified investors in the meaning of Sec. 2 no. 6 of the German Securities Prospectus Act (*Wertpapier-Prospektgesetz*) only.

Netherlands

The New Shares have been offered and sold and will be offered or sold in the Netherlands only to qualified investors (*gekwalificeerde beleggers*) as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Norway

The offer and sale of the New Shares is solely directed to and intended (i) for persons or entities based outside Norway, (ii) for persons or entities in Norway who fall within the category "professional investors" as defined in the Norwegian Securities Trading Act 2007 and appurtenant regulations, and (iii) for other individual distribution by any of the Managers in a way that Norwegian license and prospectus requirements are complied with.

United Kingdom

Each Manager (A) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") in connection with the issue or sale of any New Shares to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which Section 21(1) of the FSMA does not apply to the Company and (B) has complied with and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the New Shares in, from or otherwise involving the United Kingdom.

Switzerland

The offering of the New Shares in, into or from Switzerland will be exclusively made to, and directed at, regulated qualified investors (the "**Regulated Qualified Investors**"), as defined in Article 10 para. 3 lit. a and b of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended ("**CISA**"). Accordingly, the Company has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("**FINMA**") and no Swiss representative or paying agent has been or will be appointed in Switzerland. Therefore, the protection afforded to investors of interests in collective investment schemes under the CISA does not extend to the acquisition of the New Shares. This Prospectus or any other offering materials relating to the New Shares may be available in Switzerland solely to Regulated Qualified Investors.

The New Shares are not publicly offered within the meaning of article 652a or 1156 of the Swiss Code of Obligations. As a consequence, this Prospectus is not a prospectus within the meaning of these provisions and may therefore not comply with the information standards required thereunder. This Prospectus is not a listing prospectus according to article 27 seq. of the Listing Rules of the SIX Swiss Exchange and may

therefore not comply with the information standards required thereunder or under the listing rules of any other Swiss stock exchange or regulated trading facility.

TERMS AND CONDITIONS OF THE PLACING

Each person who is invited to and who chooses to participate in the Placing (including individuals, funds or others) (a "**Placee**") confirms its agreement (whether orally or in writing) to the Managers to acquire the Shares under the Placing and that it will be bound by these terms and conditions and will be deemed to have accepted them.

The Managers may require any Placee to agree to such further terms or conditions or give such additional warranties or representations as they (in their absolute discretion) see fit or may require any such Placee to execute a separate placing letter (Placing Letter).

Agreement to Acquire Ordinary Shares

Conditional on (i) the Placing Agreement becoming otherwise unconditional in all respects once certain conditions precedent have been satisfied and not having been terminated; and (ii) the Managers confirming to the Placees their allocation of Shares, a Placee agrees to become a shareholder of the Company and agrees to acquire the Prefunded Shares allocated to it by the Global Coordinators and Joint Bookrunners (acting on behalf of the Managers) at the Offering Price.

Payment for Ordinary Shares

Each Placee must pay the Offering Price for the Prefunded Shares allocated to the Placee in the manner and by the time directed by the Global Coordinators and Joint Bookrunners (acting on behalf of the Managers). If any Placee fails to pay as so directed or by the time required, the relevant Placee's application for Placing Shares shall be rejected.

In order to expedite the registration of the New Shares and the listing of the Ordinary Shares, it is expected that the Prefunding Bank, will subscribe and pay for the Prefunded Shares on the Subscription Date. Payment for these Prefunded Shares by the Prefunding Bank is expected to be made to the Company, in the Company's account, and these shares will come into existence once registered at the Commercial Registry of Madrid (*Registro Mercantil de Madrid*) and recorded in book-entry form with Iberclear. These shares will be delivered to the Prefunding Bank, following their registration and receipt of evidence thereof by Iberclear on the Subscription Date. Payment by final investors to the Prefunding Bank shall be made no later than the second Madrid business day after the Subscription Date against delivery of the shares to final investors, which is expected to take place on or about 22 October 2018.

Representations and Warranties

By agreeing to acquire Placing Shares, each Placee which enters into a commitment to acquire Placing Shares will (for itself and any person(s) procured by it to acquire for Placing Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each Manager that:

- in agreeing to acquire Placing Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, or the Managers, or any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- the content of this Prospectus is exclusively the responsibility of the Company and its Board of Directors and apart from the liabilities and responsibilities, if any, which may be imposed on the Managers under any regulatory regime, neither the Managers nor any person acting on their behalf nor any of their affiliates makes any representation, express or implied, nor accepts any responsibility whatsoever for the contents of this document nor for any other statement made or

purported to be made by them or on its or their behalf in connection with the Company or the Placing Shares;

- it warrants that it has complied with all laws applicable to its agreement to acquire the Placing Shares under the Placing, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company or the Managers or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction in connection with the Placing;
- it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;
- it agrees that, having had the opportunity to read this Prospectus, it shall be deemed to have had notice of all information and representations contained in this Prospectus, that it is acquiring Placing Shares solely on the basis of this Prospectus and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to acquire Placing Shares;
- no person is authorized in connection with the Placing to give any information or make any representation other than as contained in this Prospectus and, if given or made, any information or representation must not be relied upon as having been authorized by the Managers;
- neither this Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- it is a qualified investor within the meaning of the law in the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; if it is resident in the United Kingdom, it is a "relevant person";
- it and the prospective beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be either (i) outside the United States and acquiring the New Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the U.S. Securities Act, or (ii) if it is inside the United States, a QIB;
- the Ordinary Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Ordinary Shares under the securities laws of the United States, Australia, Canada, South Africa, Switzerland or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, South Africa, Switzerland or Japan or in any country or jurisdiction where any action for that purpose is required;
- if it is a pension fund or investment company, its acquisition of the Placing Shares is in full compliance with applicable laws and regulations;

- it is not, and is not acting on behalf of (a) an employee benefit plan (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, (b) a plan described in Section 4975(e)(1) of the Code, including an individual retirement account or other arrangement, that is subject to Section 4975 of the Code, or (c) any entity whose underlying assets could be deemed to include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to the U.S. Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA, or (d) a governmental, church, non-U.S. or other plan which is subject to any federal, state, local, non-U.S. or other laws or regulations that are substantially similar to the fiduciary responsibility and/or the prohibited transaction provisions of ERISA or Section 4975 of the Code or laws or regulations that provide that the assets of the Company could be deemed to include "plan assets" of such plan, and (e) it will agree to certain transfer restrictions regarding any transfer of such Ordinary Shares (or interests therein) to any person that cannot make the foregoing representations;

- it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials concerning the Offering or the Ordinary Shares to any persons within the United States, nor will it do any of the foregoing;

- its participation in the Placing is on the basis that it is not and will not be a client of the Managers or any of their affiliates and that the Managers and any of their affiliates do not have any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Offering nor in respect of any representations, warranties, undertaking or indemnities contained in these terms or any Placing Letter;

- where it is acquiring Placing Shares for one or more managed, discretionary or advisory accounts, it is authorized in writing for each such account: (i) to acquire the Placing Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company or the Managers. It agrees that the provision of this paragraph shall survive any resale of the Placing Shares by or on behalf of any such account;

- it irrevocably appoints any Director and any director of the Managers to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its acquisition of all or any of the Placing Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

- it accepts that if the Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Placing Shares for which valid applications are received and accepted are not admitted to listing and trading on the Spanish Stock Exchanges for any reason whatsoever then none of the Company, or the Managers or any of their affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

- in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing and that its application is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied;

- due to anti-money laundering and the countering of terrorist financing requirements, the Managers or the Company may require proof of identity of a Placee and related parties and verification of the source of the payment before the application can be processed and that, in the event of delay

or failure by the Placee to produce any information required for verification purposes the Managers or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify the Managers or the Company against any liability, loss or cost ensuing due to the failure to process this application, if such information as has been required has not been provided by it or has not been provided on a timely basis;

- the Managers and the Company (and any agent on their behalf) are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);
- none of the Managers and their respective directors, officers, employees, subsidiaries, agents, affiliates and advisors has made any warranty, representation or recommendation to it as to the merits of the Ordinary Shares, the subscription, purchase or offer thereof, or as to the condition, financial or otherwise, of the Company or as to any other matter relating thereto or in connection therewith;
- the Placee has not been given, directly or indirectly, any assurance, guarantee, or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect or benefit of investing in the Company or the Placing Shares;
- the Placee has conducted its own investigation with respect to the Company and the Ordinary Shares and obtained its own independent advice (tax, legal and otherwise) to the extent it considers necessary or appropriate and has not relied, and will not be entitled to rely on any advice (legal and otherwise) given by the counsels to the Company or to any of the Managers in connection with the Placing and none of the Company, the Managers or their respective affiliates, directors, officers, employees, advisors or representatives takes any responsibility as to any tax consequences of the acquisition of or in relation to any dealings in the Ordinary Shares; and
- the Placee has such knowledge and experience in financial and business matters that (i) it is capable of evaluating the merits and risks of the prospective investment in the Placing Shares; (ii) it is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Placing Shares; (iii) it has received all the information it considers necessary or appropriate for deciding whether to purchase the Placing Shares; and (iv) it is experienced in transactions of investing in securities of companies in a similar stage of development.

The representations, undertakings and warranties contained in the Prospectus are irrevocable. Each Placee acknowledges that the Managers and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its acquisition of Placing Shares are no longer accurate, it shall promptly notify the Managers. By acquiring the Management Shares, each of the members of the Management Team shall be deemed, where applicable, to be making the same acknowledgements, representations and warranties to the Managers in relation to the Management Shares.

Miscellaneous

Where each Placee or any person acting on behalf of it is dealing with the Managers, any money held in an account with the Managers on behalf of it or any person acting on behalf of it will not be treated as client money within the meaning of the applicable rules and regulations which therefore will not require the Managers to segregate such money, as that money will be held by the Managers under a banking relationship and not as trustee.

Each Placee accepts that the allocation of Placing Shares shall be determined by the Global Coordinators and Joint Bookrunners (following consultation and agreement with the Company) in their absolute discretion.

Time shall be of the essence as regards a Placee's obligations to settle payment for the Placing Shares and to comply with its other obligations under the Placing.

If the Managers, the Company or any of their agents request any information in connection with a Placee's agreement to acquire Placing Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

The rights and remedies of the Managers and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Bylaws (as amended from time to time) once the Placing Shares, which the Placee has agreed to acquire for pursuant to the Placing, have been acquired by the Placee. The contract to acquire Ordinary Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of Spain. Each Placee irrevocably submits to the jurisdiction of the courts and tribunals of the city of Madrid and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

In the case of a joint agreement to acquire Placing Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several (*solidaria*).

The Company and the Managers expressly reserve the right to modify the Offering (including, without limitation, its timetable and settlement) at any time before final allocations of Ordinary Shares to investors are determined.

The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement, and such agreement not having been terminated. The Global Coordinators and Joint Bookrunners (acting on behalf of the Managers) have the right to not waive any such condition or terms and shall exercise that right without recourse or reference to Placees. Further details of the terms of the Placing Agreement are contained in section "*Material contracts—The Placing Agreement*".

ENFORCEMENT OF CIVIL LIABILITIES

Árima is a Spanish company and all of its assets are expected to be located in Spain. In addition, all of its Directors and executive officers reside or are located in Spain. As a result, investors may not be able to effect service of process upon the Company or these persons or to enforce judgments obtained against the Company or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. Securities laws.

Furthermore, there is doubt that a lawsuit based upon U.S. federal or state securities laws, or the laws of any non-Spanish jurisdiction, could be brought in an original action in Spain and that a foreign judgment based upon such laws would be enforceable in Spain.

LEGAL MATTERS

The validity of the New Shares offered and certain matters relating to the Offering will be passed upon for the Company by Uría Menéndez Abogados, S.L.P. (with respect to Spanish law), and Davis Polk & Wardwell LLP (with respect to United States federal law). Certain legal matters relating to the Offering will be passed upon for the Managers by Allen & Overy LLP. (with respect to United States federal law) and Allen & Overy (with respect to Spanish law and English law).

INDEPENDENT AUDITORS

PricewaterhouseCoopers Auditores, S.L. domiciled at Torre PwC, Paseo de la Castellana, 259B, 28046 Madrid, Spain, holder of tax identification number (CIF) number B-79031290 and registered in the R.O.A.C. (Registro Oficial de Auditores de Cuentas—Official Registry of Auditors) with number S0242 and in the Commercial Registry of Madrid (Registro Mercantil de Madrid) at page 87,250-1, sheet 75, Volume 9,267, Book 8,054 and Section 3, and, has audited the Company's interim financial statements for the period between 13 June 2018 and 30 June 2018, incorporated by reference into this Prospectus.

PricewaterhouseCoopers Auditores, S.L. was appointed as auditor of the Company for the years 2018 to 2020.

INDEPENDENT APPRAISER

The Company intends to engage the services of CBRE Valuation Advisory, S.A., which will be appointed by the Management Team and approved by the Company's Audit and Control Committee, in connection with the valuation (in accordance with the RICS valuation) of the Company's real estate properties it acquires during the next 18 months.

ADDITIONAL INFORMATION

Information on the Company

The Company is a public limited company (*sociedad anónima* or *S.A.*) registered with the Madrid Commercial Registry of Madrid (*Registro Mercantil de Madrid*), under Volume 37,876, sheet 130, section 8, page M-67,4551, and holder of Spanish tax identification number A-88130471, LEI number 959800K5R280DP2B5694, incorporated for an unlimited term pursuant to a notarized public deed granted before the public notary Mr Luis de la Fuente O'Connor, under number 1,080 of his protocol on 13 June 2018 having its registered address at Fernando el Santo 15, 4º Pl. Ático, 28010, Madrid, Spain.

The company was originally incorporated as Árima Real Estate, S.L. As a preparatory step for the Offering, on 25 July 2018 the Company was converted into a Spanish public limited company changing from Árima Real Estate, S.L. to Árima Real Estate, S.A. Also, upon the election of the SOCIMI special tax regime the Company's name was changed to Árima Real Estate SOCIMI, S.A.

The principal legislation under which the Company operates, and under which the existing Ordinary Shares were created and the New Shares will be created, is the Spanish Companies Act and the regulations made thereunder.

The financial year end of the Company is 31 December.

The Company is domiciled in Spain and resident in Spain for tax purposes.

For so long as any New Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the U.S. Securities Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered to such person pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Company's Group

As of the date of this Prospectus, the Company has no subsidiaries. However, it is expected that the Company will have subsidiaries in the future.

Working capital

In the opinion of the Company, taking into consideration the Net Proceeds to be received by the Company from the Offering, the working capital available to the Company is sufficient for the Company's present requirements and, in particular, is sufficient for at least the next 12 months from the date of this Prospectus.

Property, plant and equipment

The Company does not own any real estate property as at the date of this Prospectus and the only any plant or equipment it owns was acquired by the Rodex Asset Management and invoiced to the Company as of 30 June 2018, as stated in the Company's audited interim financial statements for the period between 13 June 2018 and 30 June 2018. The Company's registered office at Fernando el Santo 15, 4º Pl. Ático, 28010 Madrid, Spain is leased by Rodex.

Alternative performance measures

This Prospectus contains certain management measures, which are used to evaluate the potential performance of the Company and its current pipeline, such as: Internal Rate of Return, Yield on Cost, Loan to Value (also referred to LTV), All-In Leverage Cost or Gross Exit Yields. These management measures are not audited, reviewed nor subject to a pro forma review by the Company's independent auditors and are not measurements required by, or presented in accordance with, Spanish GAAP or, when applicable,

IFRS-EU. These management measures are not measurements of our financial performance under Spanish GAAP or, when applicable, IFRS-EU, and should not be considered as alternatives to the information we include in the Company's audited interim financial statements for the period between 13 June 2018 and 30 June 2018 or to any performance measures prepared in accordance with Spanish GAAP or, when applicable, IFRS-EU. These management measures are based on our internal estimates, assumptions, calculations and expectations, and there can be no guarantee that the implied results will actually be achieved. Furthermore, these management measures, as we define and calculate them, may not be comparable to other similarly titled measures used by other companies. Investors should not consider such information in isolation, as alternatives to the information calculated in accordance with Spanish GAAP or, when applicable, IFRS-EU, as indications of operating performance or as measures of the Company's profitability or liquidity. Accordingly, investors are cautioned not to place undue reliance on these management measures.

In this regard, the table below includes a definition and explanation of the relevance of these targets associated with these management measures, which we believe are in accordance with the recommendations of the European Securities and Market Authority (ESMA) published on October 2015 (ESMA Guidelines on Alternative Performance Measures):

Alternative Performance Measure	**Calculation method and relevance**	**Formula**
Internal Rate of Return	Internal rate of return ("**IRR**") is a metric used to estimate the profitability of potential investments. Internal rate of return is a discount rate that makes the net present value ("**NPV**") of all cash flows from a particular project equal to zero.	$TIR = \sum_{T=0}^{n} \frac{Qn}{(1+i)^n} = 0$ Qn: cash flows from the initial investment (C_0) to the end of the investment (n) i: return n: number of periods considered
Yield on Cost	Yield on Cost ("**YoC**") is a measure of return on a stabilized asset calculated as the income generated by the asset expressed as a percentage of the total investment in the asset, including costs.	$YoC = \frac{\sum_{T=1}^{12} Qn}{Total\ Investment}$ Qn: cash flows following the current period (T=1) to the end of the period 12 (T=12)
LTV	Loan to Value ("**LTV**") is calculated as the borrowings secured on an individual asset as a percentage of the market value of that asset, or the aggregate borrowings of a company, net of any cash, as a percentage of the market value of the total assets of the company.	$LTV = \frac{Borrowing}{Market\ Value}$
All-In Leverage Cost	Refers to annual costs associated with the debt the Company raises, including interest expenses, arrangement fees, derivatives and swaps and other fees and expenses	$All - in\ Cost = \frac{Total\ debt\ cost}{Outstanding\ debt}$
Gross Exit Yields	Is the yield of the investment before the deduction of taxes and expenses at the moment of selling the asset, calculated as net passing rents divided by sale price.	$G.E.Y = \frac{\sum_{T=1}^{12} Qn}{Sale\ Price}$ Qn: cash flows following the current period (T=1) to the end of the period 12 (T=12)
Total Shareholder Return	Total shareholder return ("**TSR**") is a measure of the return of a particular investment that takes into account two	Formula: TSR (%) – Specific case for IRR in which cash flows are the following: Co = Acquisition Price

Alternative Performance Measure	Calculation method and relevance	Formula
	variables: the change in price and dividends received in the interim.	Cf = Dividend payments Ct = Price at disposal
GAV	GAV is the gross asset value of an asset forming part of the Company's real estate portfolio and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors	See Section "*Presentation of information and other important notices—Valuation Policy*" for information on the valuation policy of the Company's real estate properties.
Total GAV	Total GAV is the total gross asset value of the assets forming part of the Company's real estate portfolio and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors	See Section "*Presentation of information and other important notices—Valuation Policy*" for information on the valuation policy of the Company's real estate properties.
NAV	NAV is the net asset value of the Company adjusted to include properties and other investment interests at fair value and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors.	See Section "*Presentation of information and other important notices—Valuation Policy*" for information on the valuation policy of the Company's real estate properties.

No Significant Change

Since its incorporation on 13 June 2018, the Company has not carried on business or incurred borrowings other than those reported in Section "**Related Party Transactions**" and there has been no significant change in the financial or trading position of the Company since 30 June 2018 (the date on which the interim financial statements for the period between 13 June 2018 and 30 June 2018 were prepared by the Company. The interim financial statements of the Company for the period between 13 June 2018 and 30 June 2018 have been audited by PricewaterhouseCoopers Auditores, S.L.

Other commitments

Upon Admission, the Company's website (www.arimainmo.com) will be updated according to the requirements of the relevant capital markets regulations to allow its shareholders access to information, as well as to disclose all relevant material information.

AVAILABLE INFORMATION

Copies of the following documents will be available for inspection in physical form up to 12 month after Admission during business hours on weekdays at the registered address of Árima at Fernando el Santo 15, 4º Pl. Ático, 28010 Madrid, Spain:

(i) the Company's deed of incorporation;

(ii) the Company's Bylaws (which, following Admission, will also be available on the Company's website, www.arimainmo.com);

(iii) the Company's audited interim financial statements for the period between 13 June 2018 and 30 June 2018 (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es and on the Company's website, www.arimainmo.com);

(iv) an English translation of the Company's audited interim financial statements for the period between 13 June 2018 and 30 June 2018 (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es and on the Company's website, www.arimainmo.com);

(v) Board of Directors Regulations, General Meeting of Shareholders Regulations, Internal Code of Conduct in Securities (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es and on the Company's website, www.arimainmo.com;

(vi) this Prospectus (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es and on the Company's website, www.arimainmo.com); and

(vii) certificates of the corporate resolutions approved by the Company in connection with the Offering.

Hard copies of the documents referred to in (i) to (vi) above will also be available for inspection in physical form at the offices of the CNMV in Madrid (Calle Edison, 4, 28006 Madrid).

CERTAIN TERMS AND CONVENTIONS

The following definitions shall apply throughout this Prospectus unless the context requires otherwise:

"€" or **"euro"**	means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended;
"**Accumulated Total Shareholder Return**"	means the Total Shareholder Return as such term is defined and calculated in Section "Additional Information - Alternative Performance Measures" for Axiare's shares where the acquisition price (C0) for such shares is the price per share of Axiare's IPO on 26 June 2014 (adjusted by dividends paid and capital increases) and the price at disposal (CT) is Colonial's tender offer price.
"Admission"	means the listing of the Company's Ordinary Shares on the Spanish Stock Exchanges and quoting of the Company's Ordinary Shares through the SIB (*Sistema de Interconexión Bursátil or Mercado Continuo*) of the Spanish Stock Exchanges;
"Agent Bank"	means Banco Santander, S.A.;
"AIF"	means an alternative investment fund within the meaning of AIFMD;
"AIFM"	means an alternative investment fund manager within the meaning of AIFMD;
"AIFMD"	means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;
"Appointments and Remuneration Committee"	means the appointments and remuneration committee of the Company as described in "*Board of Directors"*;
"Árima"	means the Company;
"Audit and Control Committee"	means the Audit and Control Committee of the Company as described in "*Board of Directors"*;
"Average Annual Total Shareholder Return"	means the average of the Total Shareholder Return as such term is defined and calculated in Section "Additional Information - Alternative Performance Measures" of Axiare's share price for each year since the date of admission of Axiare's shares on the Spanish Stock Exchanges until Colonial's takeover bid process on 29 January 2018 where the acquisition price (C0) for such shares is the price per share at the beginning of each year (1 January except for 2014 where such period begins on the date of admission of Axiare's shares on the Spanish Stock Exchanges) (adjusted by dividends paid and capital increases) and the price at disposal (CT) is the price per share at the end of each year (31 December except for 2018 where such period ends on the date of delisting of Axiare's shares on the Spanish Stock Exchanges and the price at disposal (CT) is Colonial's tender offer price) and where annual Total Shareholder Return for Axiare's shares on 2014 and 2018 has been annualized to adequately calculate the annual average for the period analyzed
"Axiare"	means Axiare Patrimonio SOCIMI, S.A.;

"Beneficiaries"	means members of the Management Team and all remaining employees that the Company may have from time to time
"Benefit Plan Investor"	means a "benefit plan investor" as defined in Section 3(42) of ERISA;
"Board of Directors"	means the board of directors of the Company;
"Bylaws"	means the Bylaws (*Estatutos*) of the Company, as amended from time to time;
"Calculation Period"	means the period for which the Shareholder Return shall be calculated for purposes of the Employee Incentive Plan, comprising from 1 July each year until 30 June of the following year
"Capital Restructuring"	means changes in the share capital of the Company arising from reorganization, restructuring, scheme of reconstruction or arrangement, consolidation, subdivision, bonus issue, share buy-back or other capital reorganization or restructuring that occurs during any year which the Company or the Management Team believes (acting reasonably) will change the calculation or the amount of the Incentive;
"CBD"	means central business district;
"CCP"	means BME Clearing, S.A., acting as central counterparty;
"CEO" or "Chief Executive Officer"	means Mr Luis Alfonso López de Herrera-Oria;
"CFO" or "Chief Financial Officer"	means Ms Chony Martín Vicente-Mazariegos;
"CIRO" or "Chief Investor Relations Officer"	means Ms Carmen Boyero-Klossner;
"CIT"	means Corporate Income Tax;
"Clearstream"	means Clearstream Banking, Société Anonyme;
"CNMV"	means *Comisión Nacional del Mercado de Valores*, the Spanish securities market regulator;
"Code"	means the U.S. Internal Revenue Code of 1986, as amended;
"Co-lead Managers"	means jointly Banco Bilbao Vizcaya Argentaria, S.A., ING Bank, N.V. and Kempen & Co. N.V.;
"Commercial Property"	means non-residential property, consisting in (i) office properties across Spain, primarily focusing on office properties in Madrid and, to alesser extent, Barcelona; (ii) retail (consolidated retail parks and shopping centers); and (iii) logistics properties in major logistics hubs in Spain;
"Company"	means Árima Real Estate SOCIMI, S.A., incorporated under the laws of Spain, with registered address at Fernando el Santo 15, 4º Pl. Ático, 28010 Madrid, Spain;
"Completion of the Offering"	Means the date when the Offering is expected to be completed (this is, 17 October 2018).

"Core properties"	means the category of properties within the Company's internal classification of properties the Company may invest in that qualify as stabilized assets.
"Core+ properties"	means the category of properties within the Company's internal classification of properties the Company may invest in that require minor refurbishments or changes in tenancy.
"Date of Accrual"	means the date of approval by the Board of Directors of the incentive payable under the Employee Incentive Plan that shall occur concurrently with the approval by the Board of Directors of the interim financial statements of the Company as of 30 June of each year.
"D&O"	means directors and officers;
"Delegated Regulation (EU) 2016/1052"	means Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures (Text with EEA relevance);
"Department"	means the U.S. Department of Labor;
"Development properties"	means potential properties to be built in an urbanized plot of land or properties where more than 50% of the existing building is demolished or removed and must be redeveloped.
"DGT"	means the Spanish General Directorate of Taxes;
"Direction and Investment Committee"	means the direction and investment committee of the Company as described in "*Information about the issuer*";
"Directors"	means the directors of the Company (consejeros), whose names as of the date of this Prospectus are set out in "*Directors*";
"DTC"	means conventions for the avoidance of double taxation subscribed between Spain and other countries;
"EEA"	means the European Economic Area;
"Employee Incentive Plan"	means the employee equity incentive plan that will, generally, be payable in Ordinary Shares of the Company to the members of the Management Team and all remaining employees that the Company may have from time to time in order to retain them duly motivated and aligned with the shareholders' interest on an annual basis during a vesting period starting on the Admission date and ending on 30 June 2024;
"EPRA"	means European Public Real Estate Association;
"ERISA"	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
"ESMA"	means European Securities and Markets Authority;
"EU"	means the European Union;
"Euroclear"	means Euroclear Bank, S.A./N.V.;

"First Calculation Period"	means the period starting the date of Admission and ending on the 30 June 2020.
"Fixed Remuneration"	means the annual gross fixed salary which the Management Team is entitled to receive;
"foreign REITs"	means foreign entities that have the same corporate purpose of a SOCIMI and are subject to a similar dividend distribution regime;
"FSMA Order"	means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;
"GAV"	means the gross asset value of an asset forming part of the Company's real estate portfolio and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors;
"GDP"	means Gross Domestic Product;
"Global Coordinators and Joint Bookrunners"	means Citigroup Global Markets Limited as Senior Global Coordinator and JB Capital Markets S.V., S.A.U., Mirabaud Securities Limited, Sucursal en España and Morgan Stanley & Co. International Plc as Joint Global Coordinators and Joint Bookrunners;
"Gross Proceeds"	means the gross proceeds of the Offering;
"High Water Mark Outperformance Rate"	means the amount (if any) by which the sum detailed in letter b) of paragraph "*Key Hurdles*" of subsection "*Employee Incentive Plan*" of Section "*Management*" of this Prospectus exceeds the Relevant High Water Mark, divided by the Relevant High Water Mark for such Calculation Period and expressed as a percentage;
"Holder of Economic Relevant Rights"	means any person who holds economic rights over Ordinary Shares of the Company representing a percentage referred to for Relevant Shareholders, including in any case those indirect holders of Ordinary Shares of the Company through financial intermediaries that are formally legitimized as shareholders by virtue of the accounting record but that act on behalf of the indicated holders ("**Holder of Economic Relevant Rights**" and together with a Relevant Shareholder, a "**Relevant Person**").
"Iberclear"	means the Spanish securities clearance and settlement system, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.;
"IFRS-EU"	means the International Financial Reporting Standards as endorsed by the European Union;
"IGT"	means Spanish Inheritance and Gift Tax;
"IGT Law"	means *Ley 29/1987, de 18 de diciembre, del Impuesto sobre Sucesiones y Donaciones;*
"Incentive Shares"	means the Ordinary Shares of the Company to be delivered to the Management Team pursuant to the Employee Incentive Plan;
"Initial NAV"	means the Net Proceeds of the Offering (i.e., the aggregate value of all of the Ordinary Shares issued pursuant to the Offering after deduction of

	commissions and expenses payable by the Company relating to the Offering). The Net Proceeds are expected to be determined and announced through the publication of a relevant fact notice (*hecho relevante*) on 17 October 2018 once the Offering is concluded.;
"Inmodesarrollos"	means Inmodesarrollos Integrados, S.L. a company fully owned by Mr Luis Alfonso López de Herrera-Oria;
"ISIN"	means International Security Identification Number;
"Internal Code of Conduct in the Securities Markets "	means the Internal Code of Conduct in the Securities Markets (*Reglamento Interno de Conducta en los Mercados de Valores*) approved by the Board of Directors on 26 September 2018;
"Joint Global Coordinators and Joint Bookrunners"	means jointly JB Capital Markets S.V., S.A.U., Mirabaud Securities Limited, Sucursal en España and Morgan Stanley & Co. International Plc;
"Law 19/2003"	means Spanish Law 19/2003, of July 4, on the establishment of a regulatory regime relating to capital flows to and from legal or natural persons abroad and the prevention of money laundering;
"Law 22/2014"	means of Law 22/2014, of 12 November (*Ley 22/2014, de 12 de noviembre, por la que se regulan las entidades de capital-riesgo, otras entidades de inversión colectiva de tipo cerrado y las sociedades gestoras de entidades de inversión colectiva de tipo cerrado, y por la que se modifica la Ley 25/2003, de 4 de noviembre, de Instituciones de Inversión Colectiva*);
"Liquidation Event"	means, pursuant to the Employee Incentive Plan, an event of (i) liquidation of the Company approved by its Shareholders, or (ii) a takeover of the Company or a sale of Ordinary Shares of the Company that results in the taking of a control position by any party (as the term "control" is used in Royal Decree 1066/2007, of 27 July, of regime applicable to public takeovers (*Real Decreto 1066/2007, de 27 de Julio, sobre regimen de las ofertas públicas de adquisición de valores*) in both cases before the end of the Vesting Period.
"LMV"	means Spanish Royal Legislative Decree 4/2015, of 23 October (*Texto refundido de la Ley del Mercado de Valores aprobado por Real Decreto Legislativo 4/2015, de 23 de octubre*);
"Management Shares"	means the number of New Shares to be subscribed by the Management Team in the Offering.
"Management Team"	means Mr Luis Alfonso López de Herrera-Oria as CEO and Mr Guillermo Fernández Cuesta Laborde, Ms Chony Martín Vicente-Mazariegos, Mr Fernando Arenas Liñán, Mr Stuart William McDonald, Mr Fabio Alen Viani and Ms Carmen Boyero-Klossner, who will be employees of the Company that will manage the Company;
"Managers"	means the Global Coordinators and Joint Bookrunners together with the Co-lead Managers;
"Member States"	means states of the European Economic Area;

"Minimum Stay Period"	means the five-year period after completion of the Offering during which the CEO has committed to stay in the Company under his service agreement;
"NAV"	means the net asset value of the Company, adjusted to include properties and other investment interests at fair value, which will be calculated semi-annually by the CFO in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the real estate properties of the Company (prepared as disclosed below) and approved by the Board of Directors. Valuations of the real estate properties of the Company will be performed as of 30 June and 31 December each year by a suitable independent qualified RICS accredited appraiser to be appointed by the Audit and Control Committee.;
"Net Proceeds"	means the aggregate value of all of the Ordinary Shares issued pursuant to the Offering less expenses relating to the Offering and the Rodex Equity Loan;
"New Shares"	means the Ordinary Shares offered by the Company in the Offering;
"Non-Executive Director"	means a non-executive Director in accordance with the provisions of the Spanish Companies Act;
"NPL"	means Non-performing loan;
"NRIT"	means Non-Resident Income Tax;
"Offering Price"	means €10.00 per Ordinary Share (each Ordinary Share has a nominal value of €10.00);
"Offering"	means the issue of the New Shares expected to occur on 17 October 2018;
"Order"	means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;
"Ordinary Shares"	means the ordinary shares of the Company, with a nominal value of €10.00 each;
"Other investment interests"	means other investments which qualify for the 20% allowance provided for by the Socimi Regime;
"PFIC"	means a passive foreign investment company;
"PIT Law"	means Spanish Personal Income Tax Law (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*);
"Placing Shares"	means the number of Ordinary Shares determined in the Sizing Agreement to be subscribed by the Prefunding Bank, to be transferred to investors procured by the Managers in the Offering.
"Prefunded Shares"	means the Ordinary Shares allocated to investors procured by the Managers and prefunded by the Prefunding Bank.
"Prefunding Bank"	means Citigroup Global Markets Limited in its capacity as prefunding bank for the Prefunded Shares.
"Prima"	means Prima Inmobiliaria, S.A.;

"Plan Asset Regulations"	means the U.S. Department of Labor Regulation, 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA;
"Property Rental Business"	means a business which is carried on by a SOCIMI or a Group SOCIMI, as the case may be, for the sole purpose of generating rental income from properties or land in Spain or outside Spain or through its participation in Qualifying Subsidiaries, and, for the purpose of this definition, such business of a group are to be treated as a single business;
"Prospectus Directive"	means European Parliament and Council Directive 2003/71/EC of 4 November 2003 (and amendments thereto, including Directive 2010/73/EU);
"Prospectus Regulation"	means Commission regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended;
"Prospectus Rules"	means the Prospectus Directive together with the Prospectus Regulation;
"Prospectus"	means this document, and any supplement to it, issued by the Company in relation to Admission of the Ordinary Shares to trading on the regulated markets of the Spanish Stock Exchanges and approved under the Prospectus Rules;
"PwC"	means PricewaterhouseCoopers Auditores, S.L.;
"Qualified Institutional Buyer" or "QIB"	means a qualified institutional buyer within the meaning of Rule 144A under the U.S. Securities Act;
"Qualified Investors"	has the meaning of article 2(1)(e) of the Prospectus Directive;
"Qualifying Subsidiaries"	means (i) Spanish SOCIMIs, (ii) foreign entities with similar regime, corporate purpose and dividend distribution regime as a Spanish SOCIMI and (iii) Spanish and foreign entities which main corporate purpose is investing in real estate for developing rental activities and that shall be subject to equal dividend distribution regime and investment and income requirements as set out in the SOCIMI Act;
"Quarter"	means each three month period ending on 31 March, 30 June, 30 September or 31 December;
"RED"	means Mr Fernando Arenas Liñán, Mr Stuart William McDonald, Mr Guillermo Fernández-Cuesta Laborde and Mr Fabio Alen Viani;
"Regulation (EU) 596/2014"	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;
"Regulation 236/2012"	means Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps
"Regulation S"	means Regulation S under the U.S. Securities Act;

"Relevant High Water Mark"	means, pursuant the Employee Incentive Plan, for a given Calculation Period, the higher of (i) the Initial NAV, and (ii) the NAV as of the last date of the most recent Calculation Period in respect of which the Incentive was payable (adjusted to include total dividends paid during such Calculation Period and exclude the net proceeds of any issuance of Ordinary Shares during such Calculation Period);
"Relevant Member State"	means a member state of the EEA that has implemented the Prospectus Directive;
"Relevant Person"	means a Relevant Shareholder or a Holder of Economic Relevant Rights;
"Relevant Shareholder"	any shareholder that (i) holds a percentage of the Ordinary Shares that is equal to or higher than five percent (5%) of the share capital or the percentage of participation that, for the accrual by the Company of the special corporate tax rate, foreseen at any time by the regulation currently in force, in substitution or as a modification of article 9.2 of the SOCIMI Act, or (ii) acquires Ordinary Shares that, along with those already held, enable the shareholder reach the share percentage referred to in subparagraph (i) above in the share capital of the Company;
"REO"	means Real Estate Ownership;
"Reserved Matter"	means matters about which the Board of Directors shall ensure that no action or decision is taken to proceed unless it is approved by a single majority of the Directors who are present and entitled to vote at the relevant Board of Directors meeting as described in section "*Board of Directors—Reserved Matters*";
"RICS Red Book"	means the Appraisal and Valuation Manual (or if it has been replaced, its equivalent) published by the RICS;
"RICS"	means the Royal Institution of Chartered Surveyors;
"Rodex"	means Rodex Asset Management, S.L., a company fully owned by Mr Luis Alfonso López de Herrera-Oria;
"Rodex Equity Loan"	means the equity loan described in Section "*Related Party Transactions*";
"Royal Decree 1310/2005"	means Spanish Royal Decree 1310/2005, of 4 November (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*);
"Royal Decree 1362/2007"	means Spanish Royal Decree 1362/2007 of 19 October (*Real Decreto 1362/2007, de 19 de octubre, por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea*)
"Rule 144A"	means Rule 144A under the U.S. Securities Act;
"SAREB"	means Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria, S.A.

"Senior Global Coordinator and Joint Bookrunner"	means Citigroup Global Markets Limited;
"Shareholder Return Outperformance Rate"	means, for a given Calculation Period, the extent to which the Shareholder Return Rate for such Calculation Period exceeds 10%;
"Shareholder Return Rate"	means, for a given Calculation Period, the Shareholder Return for such Calculation Period divided by, in respect of the first Calculation Period, the Initial NAV and, in respect of subsequent Calculation Periods, the NAV of the Company as of the last day of the immediately preceding Calculation Period, expressed as a percentage;
"Shareholder Return"	means, for a given Calculation Period, the sum of (A) the change in the NAV of the Company during such Calculation Period less net proceeds of any issuance of Ordinary Shares during such Calculation Period and (B) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period;
"Shareholder"	means a holder of Ordinary Shares in the Company;
"SIB"	means the Automated Quotation System or "*mercado continuo*" of the Spanish Stock Exchanges;
"Sizing Agreement"	means the agreement entered into by the Global Coordinators and Joint Bookrunners (acting on behalf of the Managers) and the Company on the number of Ordinary Shares that will constitute the New Shares, Placing Shares and Management Shares, substantially in the form set out in the Placing Agreement;
"Similar Law"	means any federal, state, local or non-U.S. law or regulation that is are substantially similar to the fiduciary responsibility and/or the prohibited transaction provisions of ERISA or Section 4975 of the Code or laws or regulations that provide that the assets of the Company could be deemed to include "plan assets" of any plans investing in the Company;
"Sociedad de Bolsas"	means Sociedad de Bolsas, S.A.;
"SOCIMI Act"	means Spanish Law 11/2009, of 26 October, as modified by Spanish Law 16/2012, of 27 December;
"SOCIMI Regime" or "Spanish SOCIMI Regime"	means Spanish legal provisions applicable to a Spanish SOCIMI pursuant to the SOCIMI Act;
"SOCIMI"	means Listed Corporation for Investment in the Real Estate Market (*Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario*);
"Spain"	means the Kingdom of Spain;
"Spanish Companies Act"	means the Consolidated text of the Spanish Companies Act adopted under Royal Legislative Decree 1/2010, of 2 July; as amended;
"Spanish Foreign Investment Law"	means Spanish Law 18/1992, of 1 July (*Ley 18/1992, de 1 de julio, por la que se establecen determinadas normas en materia de inversiones extranjeras en España*);
"Spanish GAAP"	means generally accepted accounting principles and practices in Spain set out in Royal Decree 1514/2007, of 16 November, approving the Spanish

	General Accounting Plan (*Plan General de Contabilidad*) and sector specific plans, if applicable, and Royal Decree 1159/2010, of 17 September modifying the Spanish General Accounting Plan (*Plan General de Contabilidad*);
"Spanish Corporate Governance Code"	means the Spanish Unified Good Governance Code of Listed Companies (*Código Unificado de Buen Gobierno de las Sociedades Cotizadas*) dated February 2015;
"Spanish Stock Exchanges"	means the Madrid, Barcelona, Bilbao and Valencia stock exchanges;
"Subscription Date"	means the date on which Citigroup Global Markets Limited, in its capacity as prefunding bank, will subscribe and pay for the Prefunded Shares expected to occur on 18 October 2018;
"Substantial Shareholder"	means a shareholder that holds a stake equal or higher than 5% of the share capital of the Company and either (i) is exempt from any tax on the dividends or subject to tax on the dividends received at a rate lower than 10% (for these purposes, final tax due under the Spanish Non Resident Income Tax Law is also taken into consideration) or (ii) does not timely provide the Company with the information evidencing its equal or higher than 10% taxation on dividends distributed by the Company in the terms set forth in the Bylaws;
"Summary"	means the summary section "*Summary*" of this Prospectus;
"Total GAV"	means the total gross asset value of the assets forming part of the Company's real estate portfolio and is intended to be calculated semi-annually by the Company in accordance with applicable market standard methodologies (such as IFRS-EU or EPRA NAV) based on the most recent valuation of the Company's real estate properties and approved by the Board of Directors
"United Kingdom" or "UK"	means the United Kingdom of Great Britain;
"United States" or "U.S."	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
"U.S. Exchange Act"	means the U.S. Securities Exchange Act of 1934, as amended;
"U.S. Holder"	means a person that is eligible for the benefits of the Treaty, and for U.S. federal income tax purposes is a beneficial owner of Ordinary Shares that is: • a citizen or individual resident of the United States; • a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or • an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source;
"U.S. Investment Company Act"	means the U.S. Investment Company Act of 1940, as amended;
"U.S. Securities Act"	means the U.S. Securities Act of 1933, as amended;

"Value-add properties"	means the category of properties within the Company's internal classification of properties the Company may invest in that require ongoing/planned repositioning/full refurbishment programs and/or significant capex investment;
"VAT"	means value added tax;
"Vesting Period"	means the period starting on the Admission date and ending on 30 June 2024 in respect of the Employee Incentive Plan.

SPANISH TRANSLATION OF THE SUMMARY

Nota de síntesis

La nota de síntesis está compuesta por determinados requisitos de información conocidos como "Elementos". Estos Elementos figuran numerados en las Secciones A – E (A.1 – E.7).

La presente nota de síntesis contiene todos los Elementos que deben incluirse en una nota de síntesis para este tipo de valores y de sociedad. Dado que no es necesario abordar determinados Elementos, es posible que figuren espacios en blanco en la secuencia numérica de los Elementos.

Aunque sea preceptivo insertar un Elemento en la nota de síntesis debido al tipo de valores y sociedad, podría darse el caso de que no pueda ofrecerse información pertinente en relación con dicho Elemento. En tal caso, el resumen incluye una sucinta descripción del Elemento seguida de la indicación "no procede".

Sección A – Introducción y advertencias		
A.1	Advertencia a los inversores	**EL PRESENTE RESUMEN DEBE LEERSE COMO INTRODUCCIÓN AL FOLLETO. TODA DECISIÓN DE INVERTIR EN LAS ACCIONES ORDINARIAS DE ÁRIMA REAL ESTATE SOCIMI, S.A. (LA "SOCIEDAD") DEBIERA BASARSE EN LA CONSIDERACIÓN, POR PARTE DEL INVERSOR, DEL FOLLETO EN SU CONJUNTO, INCLUYENDO EN PARTICULAR LOS FACTORES DE RIESGO.** **Si se presentara ante un tribunal cualquier demanda relacionada con la información contenida en el presente Folleto, el inversor demandante podría, en virtud del Derecho nacional de los Estados miembros del Espacio Económico Europeo, venir obligado a hacer frente a los gastos derivados de la traducción del Folleto antes de la apertura de dicho procedimiento judicial.** De conformidad con la legislación española, la responsabilidad civil sólo se exigirá a las personas que hayan presentado el resumen, incluyendo cualquier traducción del mismo, y únicamente cuando dicho resumen fuera engañoso, inexacto o incoherente en relación con las demás partes del Folleto, o si no aportara, leído junto con las restantes partes del Folleto, información fundamental para ayudar a los inversores a la hora de decidir si invertir o no en dichos valores. La posible actualización o ajuste de la información o de las declaraciones contenidas en este Folleto como consecuencia del acaecimiento de alguno de los factores de riesgo descritos, no se considerará error o inexactitud ni hará que dicha información resulte engañosa.
A.2	Reventa posterior o colocación final de los valores a través de intermediarios financieros	No procede. La Sociedad no ha contratado a ningún intermediario financiero a efectos de ninguna venta posterior o colocación final de los valores que requiera la publicación de un folleto tras la publicación del presente documento y no ha prestado su consentimiento para dicha venta o colocación.

Sección B – El Emisor		
B.1	Nombre legal y comercial	La denominación social del emisor es Árima Real Estate SOCIMI, S.A. El nombre comercial del emisor es "Árima" o "Árima Real Estate"."
B.2	Domicilio y forma jurídica	La Sociedad se constituyó como una sociedad anónima en España de acuerdo con la Ley de Sociedades de Capital. Tiene su domicilio social en calle Fernando el Santo 15, 4º Pl. Ático, 28010, Madrid, España. Su número de teléfono es el +34 91 053 28 03. La Sociedad se constituyó por un plazo ilimitado. **Régimen jurídico de la Sociedad** La Sociedad ha optado por convertirse en una Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario ("**SOCIMI**") y ha notificado dicha elección a la Dirección General de Tributos por medio de la comunicación pertinente. Una entidad con derecho a optar al régimen aplicable a las SOCIMIs (el **"Régimen de las SOCIMI"**) puede solicitar la aplicación del régimen fiscal especial aun cuando en el momento de la solicitud no cumpla con todos los requisitos necesarios, siempre y cuando les dé cumplimiento en el plazo de dos años (a contar desde la fecha en que se aprueba la opción por dicho régimen fiscal por la Junta General de Accionistas de la Sociedad). Además, dicha entidad dispondrá de un periodo de un año de gracia para subsanar el posible incumplimiento de algunos de los requisitos exigidos.
B.3	Factores clave relativos al carácter de las operaciones en curso y de las principales actividades del emisor	**Política y estrategia de inversión** La intención de la Sociedad es invertir, principalmente, en Activos Inmobiliarios Comerciales localizados en el centro de la ciudad (Distrito Financiero ("**DF**") o zonas adyacentes al DF) en Madrid, y en menor medida, en Barcelona y otros enclaves logísticos principales en España. El Equipo Gestor considera que existe la oportunidad de formar una cartera de activos inmobiliarios comerciales de alta calidad con altos rendimientos y un gran potencial para generar valor si se gestionan activamente. El Equipo Gestor pretende crear una sólida cartera compuesta por activos inmobiliarios con un alto potencial de revalorización y activos inmobiliarios con un riesgo de rentas bajo que genere ingresos recurrentes. Por lo tanto, la Sociedad tendrá en consideración el potencial que se pueda poner de manifiesto como consecuencia de la mejora en la gestión del activo mediante, entre otros, estrategias de reposicionamiento o realquilando, o como resultado de su rehabilitación, reconfiguración o renovación. La Sociedad también puede plantearse la adquisición de activos bajo la modalidad de *forward purchase* o *forward funding* cuando se estime que representa una oportunidad y, adicionalmente para beneficiarse de las actuales condiciones de mercado, la Sociedad también podrá llevar a cabo proyectos de desarrollo selectivos de carácter oportunista, en los que exista menor competencia entre inversores y en los que los rendimientos esperados sean mayores y compensen los riesgos asumidos en relación con estos desarrollos. La intención de la Sociedad es la de generar nuevas oportunidades de inversión principalmente por medio de la extensa red de contactos que el Equipo Gestor tiene en Mercado Inmobiliario español, incluyendo relaciones con propietarios (empresas y particulares), corredores, entidades financieras nacionales e internacionales y empresas patrimoniales de carácter familiar.

La intención del Equipo Gestor es centrarse en generar ingresos sostenibles y rendimientos sobre el capital sólidos para la Sociedad fijándose como objetivo alcanzar una media de Rentabilidad Total para el Accionista (*Total Shareholder Return*) de entre el 12% y el 15% anual una vez invertidos la totalidad de los Ingresos Netos.

En el supuesto de que, 18 meses después de la Admisión, menos del 75% de los Ingresos Netos hayan sido invertidos o comprometidos como inversión de acuerdo con lo establecido en la política de inversión de la Sociedad, el Consejo de Administración convocará una Junta General de Accionistas dentro de los 45 días siguientes a la finalización del periodo de 18 meses que decidirá, extender el periodo de inversión más allá de los 18 meses transcurridos o entregar a los accionistas el importe de los Ingresos Netos que no haya sido invertido o comprometido (mediante la distribución de reservas, reducción de capital, recompra de acciones o cualquier otro medio, cualquiera de ellos incluido) o empleado en financiar los costes estructurales de la Sociedad. Únicamente aquellos Accionistas que se encuentren inscritos en el sistema de registro, compensación y liquidación de valores gestionado por Iberclear a las 23:59 horas (hora de Madrid) del día en el que se adopte el acuerdo de reembolso por la Junta General de Accionistas tendrán derecho al citado reembolso, salvo que dicho acuerdo especifique un día y hora distinta en el que los accionistas adquirirán el derecho a dicho reembolso. En cualquier caso, los accionistas únicamente tendrán derecho al reembolso que acuerda la respectiva Junta General de Accionistas y no recibirán ningúna cantidad en concepto de interés compensatorio por parte de la Sociedad por el hecho de no haber podido alcanzar el compromiso de inversión. En caso de que se produzca una restitución parcial de los Ingresos Netos, la Sociedad proseguirá con la gestión de los activos que tenga en cartera.

Criterios de inversión y características de los activos

Se espera que el Equipo Gestor siga ciertos criterios de inversión y endeudamiento para enfocar sus decisiones de inversión, principalmente, en Activos Inmobiliarios Comerciales en Madrid, y en menor medida, en Barcelona y otros enclaves logísticos principales.

Los activos inmobiliarios deberán ajustarse al objetivo de la Sociedad de crear una cartera de activos inmobiliarios capaz de generar dividendos en línea con los requisitos aplicables al Régimen de las SOCIMI, y que genere rentabilidad para los accionistas de la Sociedad.

Se espera que el valor total bruto de los activos inmobiliarios que componen la cartera de la Sociedad ("**Valor Total Bruto**") sea distribuido tal y como se describe a continuación (el valor será el que corresponda en el momento en que se realice la inversión):

- la mayoría del Valor Total Bruto (aproximadamente un 80-90%) en oficinas situadas principalmente en Madrid, localizadas en áreas tales como el centro de la ciudad (DF y otros distritos del centro de la ciudad adyacentes al DF) y otras áreas de alta concentración de oficinas, pero en las que la competencia es menor, como áreas secundarias consolidadas y áreas periféricas de Madrid y Barcelona;
- el Valor Total Bruto restante (aproximadamente un 10-20%) en los principales centros logísticos (Madrid, Barcelona y otros enclaves

Sección B – El Emisor		
		logísticos destacados) y en otras inversiones oportunistas en clases tradicionales de activos inmobiliarios; y, • el foco en Madrid y, en menor medida, Barcelona, por el Equipo Gestor se basa en su percepción de estas ciudades como (i) los mayores mercados de activos inmobiliarios de España en cuanto a número de empresas; (ii) tener mercados relativamente transparentes, con numerosos informes de terceros que cubren estas ciudades; y (iii) tener mercados relativamente líquidos, en comparación con el número de operaciones inmobiliarias llevadas a cabo en otras ciudades españolas. La Sociedad confía en la gestión activa de la propiedad para maximizar la eficiencia operativa, la capacidad de generar beneficios y la creación de valor a nivel de propiedad, centrándose principalmente en propiedades cuyos precios se encuentren erróneamente fijados o propiedades de alto valor mal gestionadas que impliquen una oportunidad para la gestión activa de los mismos, por ejemplo, mediante su reposicionamiento, prórroga u optimización de sus arrendamientos. El Equipo Gestor emprende directamente actividades de creación de valor y administración de los activos, tales como, la mejora de la calidad de los activos actualmente en cartera a través de inversiones en su conservación y modernización, mejorando su eficiencia energética o renegociando o rescindiendo contratos de arrendamiento. La adquisición de los activos inmobiliarios puede efectuarse a través de cualquier tipo de acuerdo o estructura, incluyendo, a través de filiales, *joint ventures*, o la compra de préstamos en mora o cualquier otro tipo de instrumento financiero. Sin embargo, la Sociedad tiene la intención de mantener una estructura simple y, en la medida de lo posible, llevar a cabo sus inversiones a través de estructuras directas. Se pretende que los activos inmobiliarios adquiridos por la Sociedad sean debidamente asegurados y mantenidos por proveedores de servicios externalizados, entre otros, por arquitectos, ingenieros, abogados, administradores de propiedades y agentes comerciales. De conformidad con el Régimen de las SOCIMI, la Sociedad tiene la obligación, entre otras cosas, de desarrollar un Negocio de Alquiler de Activos Inmobiliarios y cumplir con los siguientes requisitos: (i) la Sociedad debe invertir al menos el 80% de su Valor Total Bruto en (a) bienes inmuebles de naturaleza urbana destinados al arrendamiento, (b) terrenos para la promoción de bienes inmuebles que vayan a destinarse al arrendamiento siempre que la promoción se inicie dentro de los tres años siguientes a su adquisición, o (c) participaciones en el capital o patrimonio de otras SOCIMI o de otras entidades no residentes en territorio español que tengan el mismo objeto social que aquéllas y que estén sometidas a un régimen similar al establecido para las SOCIMI en cuanto a la política obligatoria, legal o estatutaria, de distribución de beneficios, y (ii) al menos el 80% de las rentas de cada periodo impositivo deberán provenir del arrendamiento de bienes inmuebles y de dividendos o participaciones en beneficios procedentes de los activos antes mencionados. La Sociedad tendrá un periodo de dos años desde la fecha de en que opte por la aplicación del Régimen de las SOCIMI para cumplir con estos requisitos. Además, la Sociedad tendrá un periodo de gracia de un año para subsanar cualquier incumplimiento de estos requisitos de elegibilidad. Al considerar una oportunidad de inversión, el Equipo Gestor analizará, entre otros factores: (i) oportunidades de mejorar la calidad del activo; (ii) opciones para la mejora de valor a corto y medio plazo a través de la gestión activa del mismo (e.g.

Sección B – El Emisor		
		mejorar el superficie arrendable de la propiedad, la duración del alquiler y el perfil de inquilino); y (iii) propiedades que tengan fuertes posibilidades de generar ingresos a corto y medio plazo a fin de respaldar la política de dividendos de la Sociedad. El Equipo Gestor tiene la intención de, una vez identificada una oportunidad de inversión, desarrollar un modelo de valoración de descuento de flujos de caja en relación a la propiedad basado en ciertas asunciones (rentas de mercado, precio de compra, fecha de adquisición del activo, precio de venta, requerimientos de capital, características de financiación, etc.) a fin de estimar los flujos de caja netos que la inversión es susceptible de generar en un periodo de cinco años y, en última instancia, el valor estimado del activo y la tasa interna de retorno estimada que el Equipo Gesto persigue.
B.4a	Tendencias recientes más significativas que afecten al Grupo y a los sectores en los que ejerce su actividad	En 2017, la economía española creció un 3,1%, superando el 3,0% por tercer año consecutivo y superando a la mayoría de sus vecinos europeos. El crecimiento económico de España se encuentra cimentado en bases más sólidas que con carácter previo a la crisis económica de 2008, siendo los principales impulsores de dicho crecimiento la demanda interna y externa. De acuerdo con el Banco de España, se espera que el PIB nacional crezca aproximadamente un 2,7% en 2018, impulsado por el crecimiento de las exportaciones, el consumo y la inversión, tal y como ocurrió en 2017. A pesar de un ligero descenso en la tasa de crecimiento, del 3,3% en 2016 al 3,1% en 2017, se espera que España continúe siendo uno de los países con mayor tasa de crecimiento de Europa en 2018. (Fuente: *Banco de España, Savills-Aguirre Newman, European Commission, INE, Ministerio de Empleo y Seguridad Social*). La tasa de creación de empleo, de acuerdo con las nuevas afiliaciones a la Seguridad Social, registró un incremento del 3,6% en 2017, y se espera que el empleo crezca un 2,6% en 2018 y continúe con esa tendencia durante los próximos años. (Fuente: *Ministerio de Trabajo y Seguridad Social*). Madrid y Barcelona están llamadas a liderar el crecimiento de la economía española en los próximos años, con tendencias macroeconómicas favorables en ambas ciudades. El PIB de Madrid creció un 4,0% en 2017 y se espera que siga creciendo un 3,4% en 2018 y un 2,7% en 2019. Se vaticina que el crecimiento económico esperado conllevará la creación de aproximadamente 150.000 nuevos puestos de trabajo en los próximos dos años, reduciendo la tasa de desempleo al 12,7% en 2019. (Fuente: *Instituto Nacional de Estadística, BBVA Research*). En el caso de Cataluña su PIB creció un 3,4% en 2017 y se espera que crezca un 2,1% en 2018 y un 2,0% en 2019, manteniendo en términos generales la línea de la economía española. Si estas proyecciones son acertadas, el incremento general de PIB en Cataluña cumpliría seis años de crecimiento continuo y, en los próximos dos años, se espera crear 136.000 nuevos puestos de trabajo, reduciendo la tasa de desempleo al 9,6% al final de 2019. En 2018, se espera que el sector inmobiliario español experimente otro año de incremento en su actividad. Los bajos tipos de interés, la alta liquidez y el potencial ofrecido por el sector continúan haciendo del sector inmobiliario español una alternativa apetecible a otros mercados o productos.
B.5	Estructura del Grupo	A fecha del presente Folleto, la Sociedad no tiene filiales. No obstante, puede que la Sociedad tenga filiales en el futuro.

Sección B – El Emisor		
B.6	Accionistas Principales	A la fecha del presente Folleto, el capital social emitido por la Sociedad asciende a 63.000 € dividido en 6.300 Acciones Ordinarias de 10,00 € de valor nominal cada una de ellas y con código ISIN ES0105376000 asignado por la Agencia Nacional de Codificación de Valores Mobiliarios, una entidad dependiente de la CNMV. Todas las Acciones Ordinarias han sido plenamente suscritas y desembolsadas. A fecha de 8 de octubre de 2018 (siendo el último día hábil previo al registro del Folleto en la CNMV), Rodex Asset Management, S.L., es titular de 6.279 Acciones Ordinarias que representan el 99,67% del capital social emitido de la Sociedad e Inmodesarrollos Integrados, S.L. es titular de 21 Acciones Ordinarias que representa el 0,33% del capital social emitido de la Sociedad. Tanto Rodex Asset Management, S.L. como Inmodesarrollos Integrados, S.L., son sociedades controladas por D. Luis Alfonso López de Herrera-Oria. **Inversores Tipo** La inversión en la Sociedad sólo será apropiada para aquellos inversores que sean capaces de evaluar los riesgos y ventajas de dicha inversión, que comprendan el riesgo potencial de la pérdida de capital y la posibilidad de que exista una liquidez limitada de las inversiones subyacentes de la Sociedad y de las Acciones Ordinarias, para los que una inversión en las Acciones Ordinarias sea parte de una cartera de inversión diversificada, que comprenda plenamente y estén dispuestos a asumir los riesgos que implica invertir en la Sociedad y que tengan los recursos suficientes para soportar cualquier pérdida (que podrá ser igual a la totalidad de la inversión realizada) derivada de dicha inversión. Se espera que los inversores tipo de la Sociedad sean inversores institucionales y cualificados que estén buscando asignar parte de su cartera de inversión en el mercado inmobiliario español.
B.7	Síntesis sobre información financiera fundamental histórica	No aplica. Este Folleto contiene información financiera histórica limitada de la Sociedad ya que la Sociedad se ha constituido recientemente y tiene una historia operativa limitada.
B.8	Información financiera fundamental seleccionada pro forma	No aplica. Este Folleto no contiene información financiera pro forma.
B.9	Previsión de beneficios	No aplica. Este Folleto no contiene estimaciones ni previsiones.
B.10	Reservas o salvedades en el informe de auditoría sobre la información histórica	No aplica. El informe de auditoría sobre los estados financieros intermedios de la Sociedad, relativos al periodo de tiempo comprendido entre el 13 junio 2018 y 30 junio 2018 no incluye salvedades.
B.11	Capital circulante insuficiente	No aplica. La Sociedad cree, considerando los Ingresos Netos que recibirá la Sociedad a resultas de la Emisión, que el capital circulante disponible por la

Sección B – El Emisor		
		Sociedad es suficiente para cubrir sus necesidades actuales y, en particular, para al menos los próximos 12 meses desde la fecha de este Folleto.

Sección C – Los Valores		
C.1	Tipo y clase de valores	Acciones Ordinarias por un valor nominal de 10,00 € cada una. El código ISIN asignado a las Acciones Ordinarias es ES0105376000. No habrá ni oferta ni solicitudes de cotización de ninguna otra clase de acciones de la Sociedad. Todas las acciones de la Sociedad son de la misma clase.
C.2	Divisa de emisión de los valores	Las Acciones Ordinarias serán emitidas en euros.
C.3	Número de acciones emitidas y totalmente desembolsadas	El número final de Nuevas Acciones emitidas en la Oferta se espera que sea determinado y anunciado a través de la publicación de un Hecho Relevante el 17 de octubre de 2018 una vez haya concluido la Oferta.
C.4	Derechos vinculados a las acciones	Las Acciones Nuevas a emitir en relación con la Oferta tendrán igualdad de rango con las Acciones Ordinarias existentes, incluyendo en lo que respecta al derecho de voto y al derecho de percibir dividendos y otras distribuciones que se declaren o paguen en relación con el capital social de la Sociedad después de la Admisión.
C.5	Restricciones a la libre transmisibilidad de las acciones	En virtud de la legislación española, la Sociedad no puede imponer restricciones a la libre transmisibilidad de las Acciones Ordinarias en sus Estatutos Sociales. No obstante, los Estatutos Sociales contienen obligaciones de información e indemnización aplicables a los Accionistas Significativos diseñadas para minimizar las situaciones en las que haya que pagar un dividendo a un Accionista Significativo. Si se paga un dividendo a un Accionista Significativo, la Sociedad podrá deducir del importe a pagar a ese Accionista Significativo una cantidad equivalente a los costes fiscales incurridos por la Sociedad como consecuencia del pago de dicho dividendo (el Consejo de Administración mantendrá cierta discrecionalidad en la decisión de ejercitar o no este derecho si la citada deducción resulta perjudicial para la Sociedad). Los Estatutos Sociales contienen ciertas obligaciones de información en relación a los accionistas o titulares reales de las Acciones Ordinarias que estén sujetos a un régimen legal especial aplicable a fondos de pensiones o planes de beneficios (como los correspondientes en virtud de la Ley de Garantía de Ingresos de Jubilación del Empleado de los Estados Unidos de América (*US Employee Retirement Income Security Act o ERISA*)). Además, la Sociedad podrá requerir de cualquier accionista o titular real de las Acciones Ordinarias dicha información mientras la Sociedad lo considere necesario o útil para determinar si dicha persona está sujeta a un régimen legal especial aplicable a fondos de pensiones o planes de beneficios. De acuerdo con los Estatutos Sociales y el Folleto, la Sociedad podrá imponer ciertas penalizaciones a dichos accionistas o sus titulares reales últimos (por un importe equivalente al de la parte proporcional del valor contable de la Sociedad que representen las acciones del accionista o beneficiario incumplidor) para evitar los posibles efectos negativos que se puedan generar sobre la Sociedad o sus accionistas a resultas de la aplicación de la legislación relativa a los planes de pensiones o

Sección C – Los Valores		
		planes de beneficios (principalmente ERISA). El objetivo de estas disposiciones es proporcionar a la Sociedad la posibilidad de minimizar el riesgo de que los Inversores de Planes de Beneficio (*Benefit Plan Investors*) (u otros inversores similares) tengan una participación de cualquier clase en el capital de la Sociedad igual o superior al 25% del valor total. La Oferta y la tenencia de Acciones Ordinarias por Inversores puede estar afectada por la ley o requisitos regulatorios de la jurisdicción correspondiente, que puede incluir restricciones a la libre transmisibilidad de dichas Acciones Ordinarias. Se aconseja que los inversores consulten a sus propios asesores antes de invertir en las Acciones Ordinarias. La Sociedad y los Managers acordarán que, en virtud del Contrato de Colocación (*Placing Agreement*), la Sociedad estará sujeta a un compromiso de inmovilización (*lock-up*) (con ciertas excepciones y que podrá ser dispensado por los Global Coordinators y Joint Bookrunners) durante el periodo que empieza en la fecha de firma del Contrato de Colocación (*Placing Agreement*) y termina 180 días después de la Admisión. Adicionalmente, Rodex y cada miembro del Equipo Gestor se comprometerá a estar sujeto a ciertas restricciones en relación con la transmisión de las acciones de Rodex o de las Acciones del Equipo Gestor, según corresponda. Estas restricciones solo serán de aplicación durante los 180 días siguientes a la Admisión y están sujetas a ciertas excepciones y podrán ser dispensadas por los Global Coordinators y Joint Bookrunners. Adicionalmente, los Beneficiarios del Plan de Incentivos en Acciones, con sujeción a ciertas reglas y excepciones, no podrán disponer de las Acciones del Plan de Incentivos (*Incentive Shares*) con anterioridad al periodo "*lock-up*" progresivo que comprenderá de 12 a 24 meses desde la Fecha de Devengo.
C.6	Solicitud de admisión a cotización en mercados regulados	La Sociedad solicitará la admisión a negociación de sus Acciones Ordinarias en las Bolsas de Valores españolas, a través del Sistema de Interconexión Bursátil (SIB) o Mercado Continuo. La Sociedad espera que sus Acciones Ordinarias (incluyendo las Nuevas Acciones ofrecidas en virtud del presente Folleto) estén admitidas a negociación y cotizando en las Bolsas de Valores españolas en o alrededor del 19 de octubre de 2018 con el símbolo ticker ARM.
C.7	Política de dividendos	La Sociedad tiene intención de mantener una política de dividendos que apueste por unos niveles sostenibles de distribución de dividendos y que refleje la previsión futura de la Sociedad de obtención de beneficios. La Sociedad no tiene la intención de crear reservas indisponibles más allá de las legalmente establecidas. La Sociedad pretende pagar dividendos tras la aprobación por la Junta General de la propuesta de distribución realizada por el Consejo de Administración. En cualquier caso, la Sociedad se encuentra acogida al régimen de las SOCIMI y aspira mantener tal condición. En este sentido, de conformidad con el Régimen de las SOCIMI, la Sociedad estará obligada a adoptar acuerdos anuales de distribución del beneficio obtenido en el ejercicio en forma de dividendos a sus accionistas dentro de seis meses desde la conclusión de cada ejercicio, en cumplimiento de las condiciones establecidas tanto en el Régimen de las SOCIMI como en la legislación mercantil española. Únicamente aquellos Accionistas que se encuentren inscritos en el sistema de registro, compensación y liquidación de valores gestionado por Iberclear a las 23:59

Sección C – Los Valores		
		horas (hora de Madrid) del día en el que se adopte el acuerdo de distribución de dividendos tendrán derecho al cobro de los referidos dividendos, salvo que dicho acuerdo especifique un día y hora distinta en el que los accionistas adquirirán el derecho a recibirlos. El pago de dividendos se efectuará a los titulares de Acciones Ordinarias que lo sean en ese momento. Los Estatutos Sociales y el régimen legal de las SOCIMI disponen que los dividendos serán pagaderos en el mes después de la fecha de adopción del acuerdo de distribución de dividendos por la Junta General de Accionistas de la Sociedad o el Consejo de Administración. El criterio de fecha de registro, antes mencionado, permite a la Sociedad identificar a los Accionistas Significativos antes que tenga lugar la distribución de los dividendos. De cuerdo con los Estatutos, los accionistas deben notificar al Consejo de Administración cualquier adquisición de Acciones Ordinarias que implique la obtención por parte de dicho accionista de un 5% o más del capital social de la Sociedad. En tal caso, si los dividendos a pagar a dicho Accionista Significativo se encuentran exentos de impuestos o sujetos a un tipo impositivo inferior al 10%, la Sociedad estará obligada, en aplicación del Régimen SOCIMI, a pagar un Impuesto de Sociedades del 19% sobre los dividendos brutos distribuidos. Del mismo modo, dicho Impuesto de Sociedades del 19% sobre los dividendos brutos se aplicará a los Accionistas Significativos que no demuestran estar sujetos a un tipo impositivo de al menos el 10%. El pago de este impuesto especial tendrá la consideración de gasto para la Sociedad, y por tanto reducirá los beneficios distribuibles entre los accionistas. Adicionalmente, los Estatutos contemplan obligaciones de indemnizar a la Sociedad por parte de los Accionistas Significativos diseñadas para desincentivar el pago de dividendos a Accionistas Significativos que no estén sujetos al tipo impositivo mínimo del 10%. En este sentido, el Consejo de Administración puede deducir del importe a pagar a un Accionista Significativo en concepto de dividendos, el importe correspondiente a los gastos fiscales asumidos por la Sociedad imputables al accionista correspondiente. Los dividendos distribuidos por la Sociedad pueden estar sujetos a retenciones fiscales, si bien existen ciertas exenciones, tipos impositivos reducidos o derechos de devoluciones en determinadas circunstancias.

Sección D – Riesgos		
D.1	Información fundamental sobre los principales riesgos específicos de la Sociedad o de su sector de actividad	Antes de invertir en las Acciones Ordinarias, los inversores potenciales deberán considerar los posibles riesgos asociados que conllevan. Los riesgos relativos a la Sociedad o su sector incluyen los siguientes: **Riesgos inherentes a la inversión en una nueva sociedad o negocio** • La Sociedad es de nueva constitución y aún no ha realizado ninguna inversión, y puede no tener éxito en la adquisición de cualquier propiedad determinada, perjudicando su rendimiento y habilidad para ejecutar su estrategia de inversión. • El desempeño del Equipo Gestor en el pasado no garantiza el rendimiento futuro de la Sociedad y no existen garantías de que el Equipo Gestor pueda ejecutar de forma exitosa la estrategia de inversión de la Sociedad.

Sección D – Riesgos		
		• Puede haber retrasos o dificultades en el uso de los Ingresos Netos obtenidos en la Oferta. **Riesgos inherentes al Equipo Gestor y al Consejo de Administración** • La Sociedad depende del rendimiento y experiencia de su Equipo Gestor y sus directivos. • Puede haber circunstancias en los que los miembros del Equipo Gestor o el Consejo de Administración, o sus personas relacionadas, tengan un conflicto de intereses con la Sociedad o en los que la Sociedad tenga que que renunciar a ciertas oportunidades de negocio que se le presenten o a la contratación de determinado personal. • Existe la posibilidad de que el Plan de Incentivos en Acciones compense incrementos temporales en los precios en el sector inmobiliario que no sean sostenibles en el largo plazo y por consiguiente que los Beneficiarios sean sobre compensados en relación con el rendimiento posterior de la Sociedad. • Cualquier menoscabo de la reputación de la Sociedad o los miembros del Consejo de Administración, miembros del Equipo Gestor, u otros empleados de la Sociedad puede afectar negativamente a la misma. **Riesgos específicos de la actividad de la Sociedad** • El negocio de la Sociedad puede verse afectado sustancialmente y de forma negativa por una serie de factores inherentes al negocio del alquiler, la gestión y venta de activos. • La competencia puede afectar a la capacidad de la Sociedad para realizar las inversiones adecuadas y asegurarse inquilinos con unas rentabilidades por arrendamiento satisfactorias. • Al analizar una potencial adquisición o inversión, es posible que la Sociedad no tenga en cuenta ni identifique todos los posibles riesgos y responsabilidades asociados a dicha adquisición o inversión. • Cualquier coste asociado a inversiones potenciales que no lleguen a completarse afectará al desempeño de la Sociedad. • La Sociedad dependerá del desempeño de contratistas en la rehabilitación, reconstrucción, renovación y rehabilitación de sus activos inmobiliarios. • La Sociedad podrá estar expuesta a riesgos asociados a *joint ventures* y participaciones minoritarias. • No es posible garantizar que se alcancen los objetivos de rentabilidad. • La valoración de los inmuebles y de los activos relacionados con éstos es inherentemente subjetiva e incierta. • Las inversiones en activos inmobiliarios son relativamente ilíquidas y la Sociedad puede verse obligada a deshacer inversiones con una rentabilidad más baja de lo esperado o incluso a pérdida. • El valor neto de los activos de la Sociedad puede fluctuar a lo largo del tiempo mientras que no se puede garantizar que la venta de un activo determinado vaya a realizarse por el valor bruto publicado por la Sociedad.

Sección D – Riesgos		
		• La Sociedad puede verse inmersa en disputas y otros procedimientos legales. • La Sociedad puede sufrir pérdidas que no puedan ser compensadas en todo o en parte por las pólizas de seguro contratadas. • La Sociedad puede seguir siendo objeto de responsabilidad tras la venta de sus activos inmobiliarios. • La Sociedad puede verse afectada por vulnerabilidades en ciberseguridad. **Riesgos relacionados con la financiación de la Sociedad** • La estrategia de inversión de la Sociedad incluye apalancamiento, lo cual puede exponer a la Sociedad a riesgos asociados a la financiación ajena, que pueden incluso comprometer su capacidad para pagar los dividendos exigidos por el Régimen SOCIMI. • La Sociedad puede quedar expuesta a los riesgos asociados con la fluctuación de los tipos de interés. **Riesgos regulatorios** • Riesgos relacionados con el Régimen SOCIMI. • Los cambios regulatorios y legislativos relacionados con los activos inmobiliarios pueden afectar negativamente al negocio de la Sociedad, su situación financiera, resultados económicos y perspectivas futuras. • La Sociedad se encuentra sujeta a normativa sobre sobornos, corrupción y blanqueo de capitales, lo que puede exponer a la Sociedad a la posibilidad de tener que asumir costes y responsabilidades importantes. • La Sociedad puede ser considerada como un Fondo de Inversión Alternativo (FIA) bajo las leyes de ciertas jurisdicciones del Espacio Económico Europeo distintas de España. • Los activos de la Sociedad podrían ser considerados como "activos de un plan" (*plan assets*) sujetos a ciertos requisitos bajo ERISA o la Sección 4.975 del Código Fiscal de los Estados Unidos de América (*US Internal Revenue Code of 1986 o Código Fiscal*) lo cual puede impedir a la Sociedad realizar determinadas inversiones. • La Sociedad puede tomar medidas que pueden afectar a ciertos accionistas para evitar cualquier efecto adverso para la Sociedad o sus accionistas como resultado de la aplicación de leyes y regulaciones relacionadas con nuestro régimen de SOCIMI o fondos de pensiones o planes de beneficios (como ERISA). • La Sociedad espera ser una sociedad extranjera de inversión pasiva a los efectos de los impuestos sobre beneficios federales de Estados Unidos, lo cual puede generar perjuicios fiscales a los inversores de dicho país. **Riesgos relacionados con las condiciones económicas y políticas generales** • El deterioro de las condiciones económicas en España y la Unión Europea podría afectar negativamente al negocio de la Sociedad. • La incertidumbre política en España y la Unión Europea podría afectar de forma negativa al mercado español de Propiedad Comercial.

Sección D – Riesgos		
D.3	Información fundamental sobre los principales riesgos específicos de las acciones	**Riesgos relativos a la Oferta y a las Acciones Ordinarias** • El precio de cotización de las Acciones Ordinarias podría no reflejar el valor de las inversiones subyacentes de la Sociedad y el valor de mercado de las Acciones Ordinarias podría ser volátil. • Actualmente no existe un mercado para las Acciones Ordinarias y puede que éste no se desarrolle. • No se puede garantizar que la Sociedad distribuya dividendos en el futuro y su capacidad pagar dividendos dependerá de su habilidad para generar beneficios disponibles para distribución y su disponibilidad a efectivo suficiente. • Ventas futuras de grandes paquetes de Acciones Ordinarias, o la percepción de que dichas ventas pueden tener lugar, pueden afectar de forma adversa al precio de cotización de las Acciones Ordinarias. • En el futuro, la Sociedad puede emitir nuevas Acciones Ordinarias o valores relacionados con las acciones lo que puede diluir el interés de los inversores en la Sociedad. • Puede no ser posible la asignación derechos de suscripción preferente otorgados a accionistas de Estados Unidos o a otros accionistas de fuera de España. • Puede ser complicado para accionistas de fuera de España solicitar la ejecución de sentencias contra la Sociedad o el Consejo de Administración. • La Sociedad no podrá imponer ninguna restricción a la transmisión de sus Acciones Ordinarias en sus Estatutos, y la adquisición de Acciones Ordinarias por parte de ciertos inversores puede afectar de manera negativa a la Sociedad. • Los accionistas o posibles inversores en países con divisas diferentes del euro estarán expuestos a riesgos relacionados con el tipo de cambio. • Cualquier retraso en la admisión a negociación de las Nuevas Acciones afectaría su liquidez e impediría su venta hasta que sean admitidas.

Sección E – Oferta		
E.1	Ingresos netos totales y cálculo de los gastos de la Oferta	Se espera obtener unos ingresos brutos por la distribución de las Nuevas Acciones de aproximadamente 300.000.000 de euros. Los Ingresos Netos que se estima que reciba la Sociedad, después de deducir las comisiones y otros gastos pagaderos por la Sociedad en relación con la Oferta, ascienden aproximadamente a 288.000.000 de euros (sobre la base de una Oferta de 300.000.000 de euros). Se espera que los Ingresos Netos sean determinados y comunicados a través de la publicación de un Hecho Relevante el 17 de octubre de 2018, una vez haya concluido la Oferta.
E.2a	Motivos de la Oferta y destino de los ingresos	La Sociedad pretende utilizar los Ingresos Netos de la Oferta para financiar futuras inversiones inmobiliarias de acuerdo con su estrategia de inversión, así como para financiar los gastos estructurales de la Sociedad. La Sociedad espera haber

Sección E – Oferta		
		invertido plenamente los Ingresos Netos de la Oferta entre aproximadamente 15 y 18 meses después de la Admisión.
E.3	Condiciones de la Oferta	Los *Managers* se comprometerán, de manera condicional y de acuerdo con el Contrato de Colocación (*Placing Agreement*), a colocar hasta 29.100.000 Nuevas Acciones al Precio de la Oferta entre ciertos inversores institucionales y cualificados que representan hasta aproximadamente el 97% del capital social emitido de la Sociedad en el momento de su Admisión (sobre la base de una Oferta de 300.000.000 de euros). La Oferta está condicionada, entre otras cosas, al cumplimiento de ciertas condiciones precedentes en el Contrato de Colocación (*Placing Agreement*) y a que el Contrato de Colocación (*Placing Agreement*) no haya sido resuelto de acuerdo con sus términos. La Oferta será rescindida automáticamente si (i) el Sizing Agreement no ha sido firmado el 28 de Octubre de 2018; o (ii) si la Admisión no ha sido completada el 31 de Octubre de 2018 (o, en ambos casos, aquella otra fecha posterior que acuerden por escrito la Sociedad y los Global Coordinators y Joint Bookrunners (en nombre de los Managers)).
E.4	Intereses significativos en la Oferta	A la fecha del presente Folleto, el capital social emitido por la Sociedad es de 63.000 € dividido en 6.300 acciones anotadas en cuenta de 10,00€ de valor nominal cada una de ellas. Todas las Acciones Ordinarias han sido plenamente suscritas y desembolsadas. A fecha 8 de octubre de 2018 (siendo el último día hábil previo al registro del Folleto en la CNMV), Rodex Asset Management, S.L., es titular de 6.279 Acciones Ordinarias que representan el 99,67% del capital social emitido de la Sociedad e Inmodesarrollos Integrados, S.L. es titular de 21 Acciones Ordinarias que representa el 0,33% del capital social emitido de la Sociedad. Tanto Rodex Asset Management, S.L. como Inmodesarrollos Integrados, S.L., son sociedades controladas por D. Luis Alfonso López de Herrera-Oria.
E.5	Entidades que ofrecen las acciones y acuerdos de no enajenación o *lock-up*	Exceptuando la Sociedad, no existe ninguna otra entidad o persona ofreciendo vender las Acciones Ordinarias. La Sociedad y los Managers acordarán que, en virtud del Contrato de Colocación (*Placing Agreement*), la Sociedad estará sujeta a un compromiso de inmovilización (*lock-up*) (con ciertas excepciones y que podrá ser dispensado por los Global Coordinators y Joint Bookrunners) durante el periodo que empieza en la fecha de firma del Contrato de Colocación (*Placing Agreement*) y termina 180 días después de la Admisión. Adicionalmente, Rodex y cada miembro del Equipo Gestor se comprometerá a estar sujeto a ciertas restricciones en relación con la transmisión de las acciones de Rodex o de las Acciones del Equipo Gestor, según corresponda. Estas restricciones solo serán de aplicación durante los 180 días siguientes a la Admisión y están sujetas a ciertas excepciones y podrán ser dispensadas por los Global Coordinators y Joint Bookrunners. Adicionalmente, los Beneficiarios del Plan de Incentivos en Acciones, con sujeción a ciertas reglas y excepciones, no podrán disponer de las Acciones del Plan de Incentivos (*Incentive Shares*) antes con anterioridad al periodo "*lock-up*"

Sección E – Oferta		
		progresivo que comprenderá de 12 a 24 meses desde la fecha en que se entreguen dichas Acciones del Plan de Incentivos (*Incentive Shares*).
E.6	Dilución	La participación de Rodex Asset Management, S.L. e Inmodesarrollos Integrados, S.L. se diluirá del 100% a aproximadamente el 2% como consecuencia de Oferta (asumiendo una Oferta de 300.000.000 euros).
E.7	Gastos estimados aplicados a los inversores por el Emisor	No aplica. La Sociedad no cargará ningún gasto a ningún inversor en relación con la Emisión.

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