



Árma Real Estate SOCIMI, S.A.
Edificio Torre Serrano
Serrano, 47 - 4º Izda.
28001 Madrid - Spain
T. (+34) 910 532 803
info@arimainmo.com

SPANISH NATIONAL STOCK MARKET COMMISSION

Pursuant to the provisions in articles 17 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April, on market abuse, and 227 of the consolidated text of the Spanish Stock Market Act, approved by Royal Legislative Decree 4/2015 of 23 October and its concordant provisions, Árma Real Estate SOCIMI, S.A. (hereinafter, "Árma" or the "Company") hereby notifies the following

OTHER RELEVANT INFORMATION

Notice is given of the text of the announcement of the call of the Ordinary General Shareholders' Meeting of the Company to be held in Madrid, on Wednesday, 27 May 2020, at 12:00 a.m. in the first call, at the corporate address placed in Torre Serrano, Serrano 47, 4ª floor, and should it not be possible to hold the Ordinary General Shareholders Meeting at first call due to a lack of quorum, it shall be held at second call on the following day, Thursday, 28 May 2020, at the same time and in the same place. Likewise, notice is given of the proposals of the agreements and the Board of Directors' Reports regarding the proposed agreement referred to in the seventh, eighth, ninth and tenth items of the agenda of the aforementioned General Meeting.

The remaining documentation related to the meeting will be available to shareholders and investors on the website www.arimainmo.com.

Madrid, 24th April 2020

Mr Luis Alfonso López de Herrera-Oria
Chief Executive Officer
Árma Real Estate

Árma Real Estate SOCIMI, S.A.
Ordinary General Shareholders Meeting

The Board of Directors unanimously agrees to call an Ordinary General Shareholders Meeting of Árma Real Estate SOCIMI, S.A. (the "Company"), to be held in Madrid, on 27 May 2020 at 12:00pm at first call at the corporate address, located at Torre Serrano, calle Serrano 47, 4th floor, or, should the necessary quorum not be achieved, **at second call on 28 May 2020 at the same time and the same place**, so that the shareholders can discuss and resolve on the points set forth in the following:

Agenda

- 1.- *Examination and approval, as appropriate, of the individual financial statements of Árma Real Estate SOCIMI, S.A. as well as the Company's individual management report for the financial year ended 31 December 2019.*
- 2.- *Examination and approval, as appropriate, of the proposed allocation of profit/losses of the individual financial statements of Árma Real Estate SOCIMI, S.A. for the financial year ended 31 December 2019.*
- 3.- *Examination and approval, as appropriate, of the management carried out by the Board of Directors during the Company's financial year closed on 31 December 2019.*
- 4.- *Examination and approval, as appropriate, of the consolidated financial statements of Árma Real Estate SOCIMI, S.A. as well as the Company's consolidated management report for the financial year ended 31 December 2019.*
- 5.- *Advisory vote on the Annual Report on the Remuneration of the Directors corresponding to the financial year closed on 31 December 2019 and acknowledgment of the decision of the Directors to reduce their remuneration during the state of emergency decreed in Spain so that the Company can contribute these funds to social aid to combat the COVID-19 pandemic.*
- 6.- *Approval of the Annual Corporate Governance Report and acknowledgement on the degree of compliance by the Company with the recommendations contained in the Code of Good Governance of Listed Companies.*
- 7.- *Appointment of Ms. Chony Martín V. Mazariegos as internal Director of the Company.*
- 8.- *Ratification of the appointment of Mr. Stanislas Henry as a Proprietary Director of the Company.*
- 9.- *Amendment of Article 40.4 of the Company's Articles of Association.*
- 10.- *Authorization for the Board of Directors, with the powers to sub-delegate and to increase the share capital, pursuant to section 297.1.b) of the Spanish Corporate Enterprises Act (Ley de Sociedades de Capital), valid for a maximum period of five years, through monetary contributions, up to a maximum amount equal to half (50%) of the company share capital, where the Board is authorized to exclude any pre-emption right of purchase.*
- 11.- *Authorization to the Board of Directors for the derivative acquisition of treasury stock by the Company or its group companies, and for their operation and subsequent disposal. Revoking of previous authorizations.*
- 12.- *Acknowledgement of the signing of a share repurchase agreement with J.B. Capital Markets, S.V., S.A.U. and of the transactions carried out by the Company under said agreement.*
- 13.- *Acknowledgement of the impact of Covid-19 on the Company.*
- 14.- *Recording as a public instrument of the resolutions passed by the General Shareholders Meeting.*

Taking into consideration the quorum achieved in other Shareholders Meetings calls, it is foreseeable that the meeting will be held at second call in the place indicated in the heading.

Complement to the Call of Shareholders General Meeting: For the purposes of the provisions set forth in article 519 of the Spanish Corporate Enterprises Act, shareholders representing at least three percent (3%) of the share capital may request that a complement to the call of the Shareholders General Meeting is published by including one or more items on the agenda, provided that these are accompanied by a justification or a justified proposal for a resolution. In said request, the shareholders must indicate at least (i) the identity of the shareholder or shareholders exercising the right, (ii) the number of shares they hold or represent, (iii) the items to be included on the agenda, as well as (iv) a justification of the items proposed or, if applicable, a justified proposal for a resolution. This right must be exercised by means of reliable notification

to the Company, which must be received at the registered office within five days of the publication of the call of the meeting.

Presentation of proposed resolutions: Shareholders owning at least three per cent (3%) of share capital can, during the period of five days following publication of the call, present founded proposals for resolution on matters already included or that should be included in the agenda for the meeting called, under section 519.3 of the Spanish Corporate Enterprises Act.

Right to information: In accordance with sections 272 and 308 of the Spanish Corporate Enterprises Act, the shareholders are informed that effective with this notice they can immediately obtain from the Company, free-of-charge, all of the documentation related to the agenda and proposed resolutions submitted to them for discussion and approval. The copies are available at the Company's registered office located in Madrid, at Torre Serrano, Calle Serrano, 47, floor 4; such documents being:

- (i) Proposed resolutions.
- (ii) Documentation relating to the individual and consolidated financial statements as well as the management reports and auditors' reports for the 2019 financial year.
- (iii) The Report on the Remuneration of the Directors, which will be subject to a advisory vote.
- (iv) The Annual Corporate Governance Report for the financial year closed on 31 December 2019.
- (v) Curriculum vitae of Ms. Chony Martín V. Mazariegos and Mr. Stanislas Henry.
- (vi) The Reports issued by the Appointments and Remuneration Committee and by the Board of Directors of the Company, in relation to the appointment by co-optation of Mr. Stanislas Henry as Director of the Company, pursuant to section 5 of article 529 *decies* of the Spanish Corporate Enterprises Act, and in relation to the proposed appointment of Ms. Chony Martín V. Mazariegos.
- (vii) The Report of the Directors of the Company in relation to the proposed amendment of the Articles of Association.
- (viii) The Directors Report related to the proposed resolution for the share capital increase and excluding any pre-emption right of purchase pursuant to sections 286 and 297.1b) of the Spanish Corporate Enterprises Act.
- (ix) The share repurchase agreement signed by the Company with J.B. Capital Markets, S.V., S.A.U. on 25 March 2020.
- (x) The Report on the impact that Covid-19 is having on the Company.
- (xi) All other documentation that is available to shareholders in advance of the General Shareholders Meeting notified here, available at the registered office and/or that can be shipped to the shareholders immediately upon request and free-of-charge.

All of the above documents can likewise be viewed and downloaded from the Company's web page (www.arimainmo.com).

In accordance with sections 197 and 520 of the Spanish Corporate Enterprises Act and 29 of the Company's Articles of Association, until the fifth calendar day preceding the date of the meeting, shareholders can request that the directors provide the information or clarifications that the shareholders may consider appropriate regarding the matters included in the agenda, or address the questions that the shareholders considers to be pertinent, in writing. Likewise, and up to the fifth day prior to the date of the General Shareholders Meeting scheduled, the shareholders can request that the directors provide, in writing, the clarifications that the shareholders consider appropriate regarding information available to the public and provided by Árima Real Estate SOCIMI, S.A. to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) regarding the auditor's report. Shareholders can also in this respect during the General Shareholders Meeting verbally request from the directors, the information or clarifications that they may consider pertinent.

Requests allowed pursuant to the shareholders right to information can be delivered or sent by mail or similar messenger service delivered at the registered office (Madrid, Torre Serrano, Calle Serrano, 47, floor 4), in a written request with original signature and a photocopy attached of a valid identification document. The request will include the address where the requesting shareholders wishes delivery of the information requested (which can include an email address).

For purposes of the above and pursuant to section 11 *quater* of the Spanish Corporate Enterprises Act, any response or request submitted by electronic means will be understood as accepted when presented via the same means if the shareholders, included an email address within the framework of the request made, and the use of electronic means for sending the request is not expressly rejected. If rejected the response or information will be sent by regular post to the address indicated in the communication (which information will be mandatory, if the sending is not accepted by electronics means or if an email address is not included).

Additional information and documentation available on the Company web page (www.arimainmo.com). Effective from the date of the notice and until the General Shareholders Meeting is held, the following documents, among others, will be available for view, downloading and printing on the Company web page (www.arimainmo.com):

- 1) full text of the call of the General Shareholders Meeting;
- 2) total number of shares and voting rights on the date of the call;
- 3) individual financial statements of Árima Real Estate SOCIMI, S.A. and the Company's individual management report for the financial year closed on 31 December 2019, with the corresponding audit report;
- 4) consolidated financial statements of Árima Real Estate SOCIMI, S.A. and its subsidiaries, as well as the Company's consolidated management report for the financial year closed on 31 December 2019, with the corresponding audit report;
- 5) complete texts of the proposed resolutions for each of the points on the agenda; as they are received, proposed resolutions submitted by shareholders will also be included;
- 6) support reports issued by the Committees, the Board of Directors or independent experts, if applicable;
- 7) the Report on the Remuneration of the Directors, for the financial year closed on 31 December 2019;
- 8) the Annual Corporate Governance Report for the financial year closed on 31 December 2019;
- 9) the share repurchase agreement signed by the Company with J.B. Capital Markets, S.V., S.A.U. on 25 March 2020;
- 10) curriculum vitae of Ms. Chony Martín V. Mazariegos and Mr. Stanislas Henry;
- 11) the Report on the impact that Covid-19 is having on the Company;
- 12) applicable rules to delegation and voting by means of remote communication systems and the form of delegation cards and distance voting;
- 13) current consolidated texts of the Company Articles of Association, Regulation of the General Shareholders Meeting, Regulation of the Board of Directors and other documents that comprise the corporate governance system;
- 14) a document from which the shareholders' right to information is extracted;
- 15) and any other documentation specified by Law.

Shareholders will have the right to review the above listed documents in the registered office and to request that they be delivered or sent to them free-of-charge.

It is placed on record that even when the additional information and documentation available on the Company web page (www.arimainmo.com) includes the proposed resolutions presented by the Board of Directors to the General Shareholders Meeting on each of the points of the agenda, the Board of Directors reserves the possibility of amending the content of the proposals, for justified reasons. In this event each circumstance will be reported as soon as possible through the pertinent and timely publication of the full and complete text of the changes.

Shareholders can send any request for clarification on delivery of the documentation and other points referred to in this notice to the offices of Árima Real Estate SOCIMI, S.A. (Madrid, Torre Serrano, Calle Serrano, 47, floor 4), or to the Shareholder Information Office + 34 910 532 803 during business hours Monday through Friday, 9:00 am to 7:00 pm, or to the email investors@arimainmo.com.

Right to attend: As specified in section 23 of the Articles of Association, shareholders owning one or more shares, including those with no voting rights, whose ownership is registered in the corresponding books of notes, five (5) days in advance of the date set for the General

Shareholders Meeting and who confirm same by exhibiting the corresponding authentication certificates or attendance cards issued by the Company or any other form admitted by current legislation, will have the right to attend the General Shareholders Meeting.

The right to attend can be delegated as established in the Spanish Corporate Enterprises Act, in the Company's Articles of Association and the Regulation of the General Shareholders Meeting.

Attendance cards will be issued by the Company upon justification of their share ownership, or by the Sociedad de Gestion de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), or entities participants of those systems. The attendance card can be replaced only through the corresponding authentication certificate that confirms compliance with the requirements for attendance.

Registry of the attendance cards will begin one hour before the time indicated for the General Shareholders Meeting. To confirm the identity of the shareholders, those attending the General Shareholders Meeting will be requested, at the entry of the meeting room, to provide national identity document, a foreigner's identification card or passport. If the shareholder is a legal entity, then its representative can likewise be requested to provide confirmation that he has sufficient powers to represent the attending entity.

Right to representation and voting by means of remote communication: In accordance with section 25 of the Articles of Association, each shareholder with a right to attend the General Shareholders Meeting can (i) do so through another person, shareholder or not, as established in the Company Articles of Association, Regulation of the General Shareholders Meeting and the Spanish Corporate Enterprises Act and (ii) exercise their vote, through remote communication means, prior to the holding of the General Meeting. The representative will represent all of the shares owned by the shareholder. The representation can always be revoked. The attendance of the represented shareholder at the General Shareholders Meeting will be considered as a revocation of the representation and the vote.

1. Delegation of the representation by means of remote communication systems.

a. Shareholders can authorize their representative by correspondence sent by post or by equivalent messenger service in a document sent to the Company containing the representation granted, together with the attendance card issued by the Company or entities responsible for keeping the registry of notes on account; they also complete and sign (i) the attendance card and delegation issued on paper by the parties participants of the Sociedad de Gestion de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), that apply to each case; or (ii) the form provided by Árima Real Estate SOCIMI, S.A. through the mechanism established for the purpose on the Company Web Page (www.arimainmo.com) in the "Meeting of Shareholders" section. In both cases they will sign the section of the card provided for signature of the representative. In the second case (remission of the form provided by Árima Real Estate SOCIMI, S.A.), a certificate confirming ownership of the shares will likewise be attached. The card duly completed and signed in original (and as applicable the certificate of ownership) will be sent to Árima Real Estate SOCIMI, S.A. (Madrid, Torre Serrano, Calle Serrano, 47, floor 4) by post or by equivalent messenger service. Shareholders that are legal entities will attach a copy of the document confirming the sufficient powers to represent of the person signing. Delivery of the delegation made in person at the reception office of Árima Real Estate SOCIMI, S.A. (Madrid, Torre Serrano, Calle Serrano, 47, floor 4) will be considered the same as correspondence by post.

b. Communication of the delegation to the representative. The shareholder advising of its representative by correspondence by post or by equivalent messenger service agrees to inform the designated representative of the representation granted. When the representation is granted to Árima Real Estate SOCIMI, S.A., to any Director and/or to the Secretary of the Board of Directors, this communication will be understood as made and accepted upon receipt by Árima Real Estate SOCIMI, S.A. of the physical or electronic card, duly completed and signed. The person to whom the vote is delegated can exercise that vote only through its personal attendance at the General Shareholders Meeting. The designated representatives will identify themselves through an identity card, foreigner's identification card or passport, on the date and place of the

General Shareholders Meeting within the hour immediately preceding the time announced for the meeting. Delegations made by a legal entity shareholder may require a copy of the document confirming that the representative has sufficient powers to represent the party signing the delegation; if a legal entity is representing one or more shareholders then a document may likewise be requested to confirm that the individual appearing as representing has sufficient powers to represent.

2. Voting by means of remote communication systems.

The Board of Directors has considered postal correspondence or equivalent messenger services as valid means of remote communication for voting in this General Shareholders Meeting. For distance voting by postal correspondence or equivalent messenger service, shareholders must complete and sign (i) the voting card issued on paper by the parties participants of the Sociedad de Gestion de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), that apply to each case; or (ii) the form provided by Árima Real Estate SOCIMI, S.A. through the mechanism established for the purpose on the Company Web Page (www.arimainmo.com) in the "Meeting of Shareholders" section, and, in both cases, signing the section of the card provided for signature of the representative; in the second case (remission of the form provided by Árima Real Estate SOCIMI, S.A.), a certificate confirming ownership of the shares will likewise be attached. The card duly completed and signed in original (and as applicable the certificate of ownership) will be sent to Árima Real Estate SOCIMI, S.A. (Madrid, Torre Serrano, Calle Serrano, 47, floor 4) by post or by equivalent messenger service. Shareholders that are legal entities will attach a copy of the document confirming the sufficient powers to represent of the person signing. Delivery of the vote made in person at the reception office of Árima Real Estate SOCIMI, S.A. (Madrid, Torre Serrano, Calle Serrano, 47, floor 4) will be considered the same as correspondence by post.

3. Period for receipt by Árima Real Estate SOCIMI, S.A.:

Powers to represent and votes granted through any of the above mentioned remote communications means will be received by the Company at the latest by 23:59pm on the day preceding the date set for the General Shareholders Meeting opened at first call. Otherwise the powers to represent will be considered as not granted. After the abovementioned deadline, only delegations granted on paper that are presented to the personnel in charge of the shareholders' registry on the day and place of the General Shareholders Meeting and within the hour immediately prior to the scheduled start of the meeting will be accepted. As an exception to the above, intermediaries who receive to represent will inform the Company, within the seven (7) days prior to the date set for the Meeting, of a list indicating the identity of each client, the number of shares with voting rates exercised by the representative in the name of its client, as well as voting instruments that may have been given to the representative, if any.

4. Priority rules:

- a) The attendance of the shareholder at the General Shareholders Meeting will be considered as a revocation of the executed delegation and the vote casted by means of remote communication systems.
- b) The vote casted by means of remote communication systems may be cancelled by subsequent express revocation by the same means used to cast them, and within the time limit established for such revocation.
- c) In the event a shareholder should validly represent various shareholders through a card printed on paper, then the last representation received by Árima Real Estate SOCIMI, S.A. will prevail.
- d) The vote casted by means of remote communication systems will render ineffective any written delegation, whether prior, which shall be deemed to have been revoked, or subsequent, which shall be deemed not to have been made.

5. Coverage of the delegation and voting instructions:

The powers to represent will cover the points on the agenda as well as, unless expressly indicated otherwise, such other points that may deal with in the General Shareholders Meeting, even though not included in the agenda sent in the notice. Vote delegations will include indications as to the

sense in which the representative will vote. In the absence of precise voting instructions or if questions should arise on the scope of the delegation, then it will be understood that (i) votes on all proposals made by the Board of Directors will be considered to be in favor; and (ii) the delegation will extend to and cover the remaining points not included in the agenda of the notice but that may be dealt with by the General Shareholders Meeting, as allowed by applicable standards; and the representative will abstain from voting on the matters unless there are elements that allow him to consider what is the most favorable to the interests of his client in order to vote in favor of or against the proposals.

6. Parties delegated powers to represent:

Delegations of powers to represent that are made simply to Árima Real Estate SOCIMI, S.A. or that do not indicate the person to whom they are delegated will be understood as made to the Chairman of the Board of Directors or, in the event of his absence at the General Shareholders Meeting, then to the person representing him as Chairman of the General Shareholders Meeting.

In the case of delegations that are expressly or tacitly made to the Chairman of the Board of Directors as well as those expressly granted to a director, in the event that any point dealt with may represent a possible conflict of interest to the representative and if the document delegating the representation does not give precise instructions from the shareholder represented, then the delegation will be considered as granted to the Secretary to the Board of Directors.

For these purposes, as well as for the purposes established in the applicable regulations, you are informed that:

(i) if, as allowed by the applicable legislation, any or several proposals from those described in section 526.1 b) and c) of the Spanish Corporate Enterprises Act be submitted to the General Shareholders Meeting, the directors affected by those proposals would be in conflict of interest in that vote;

(ii) the Chair of the Board and the other directors are in a conflict of interest regarding points third and fifth of the agenda.

7. The transfer of shares with voting rights that are known by Árima Real Estate SOCIMI, S.A., will annul the delegation granted.

8. Árima Real Estate SOCIMI, S.A. will provide to the shareholders on its Company Web Page the forms to be used for delegation of representation and voting.

9. Shareholders with the right to attend who cast their vote remotely will be considered as present for the purposes of constituting the General Shareholders Meeting.

10. Technical conditions:

Árima Real Estate SOCIMI, S.A. will not be responsible for any harm that could be caused to the shareholder as a result of postal service or messenger service malfunction, or any other equal or similar event that is outside the control of Árima Real Estate SOCIMI, S.A. and that may prevent the use of remote delegation and voting mechanisms.

11. Additional information:

For more information on delegating powers to represent through remote communications means, shareholders can see (i) the Company's web page (www.arimainmo.com); (ii) the email investors@arimainmo.com; or (iii) telephone of the Shareholder Attention +34 910 532 803.

Personal Data Management: Personal information sent by shareholders to Árima Real Estate SOCIMI, S.A. to exercise their rights to attend, delegate powers to represent and vote in the General Shareholders Meeting, as well as in compliance with other legal obligations that may derive from the notice or celebration of the General Shareholders Meeting or that may be provided by bank entities and securities agencies and companies in which the shareholders have deposited their shares, through the entity legal allowed to carry the registry of notes on account, IBERCLEAR, will be handled in order to manage the performance, compliance and control of the

share relationship existing with regard to the notice and celebration of the General Shareholders Meeting. This data will be included in a file that is the responsibility of Árima Real Estate SOCIMI, S.A. In the event the attendance card or delegation should include personal data referring to individuals other than the owner, then the shareholder will have the consent of the owners to assign the personal data to Árima Real Estate SOCIMI, S.A. and to inform them of the points indicated in this notice and related to the management of their personal information. Personal data will be preserved during development of the share relationship and after this for a period of six (6) years, solely for the purpose of responding to any legal or contract proceedings except, on an exceptional basis, when any of the superior contractual or legal proceedings should be subject to a statute of limitations. Owners of the data will be able to exercise their rights to access, rectify, oppose, limit the handling, carry, delete or any other right recognized by data protection law, in accordance with EU Regulation 2016/679 of the European Parliament and Council of 27 April 2016 related to the protection of natural persons with regard to the processing of personal data and on the free movement of such data, (General Data Protection Regulation) in accordance with current standards and under the terms and in compliance with the requirements established therein, and will address a document identified by the reference of "Personal Data Processing" that contains the specific request, to: Árima Real Estate SOCIMI, S.A. Madrid, Torre Serrano, Calle Serrano, 47, floor 4.

*NOTE: The General Shareholders Meeting will be held, foreseeable, **at second call**, on 28 May 2020, in the place and at the time indicated, unless the shareholders are advised otherwise through the same newspaper that published this notice, in the Company web page www.arimainmo.com) or through the pertinent relevant fact that will be sent to the CNMV.*

In view of the possibility that the limitations imposed on the free movement of persons by the declaration of the state of alarm may be extended and may, as appropriate, prevent the physical attendance of shareholders at the General Meeting on the scheduled date, it is recommended that shareholders use the different channels made available to them to delegate representation and vote remotely.

In any case, it will be possible to follow the development of the General Meeting by means of its live streaming on the Company's website (www.arimainmo.com) in the section "Shareholders' Meeting".

Finally, despite the fact that the General Meeting will not be held telematically, members of the Board of Directors will be allowed to attend via videoconference, particularly those who reside or are outside the province of the Company's registered office.

In Madrid, on 24 April 2020.

Iván Azinovic Gamo.
Secretary to the Board of Directors.



PROPOSED RESOLUTION ON ITEM ONE OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Examination and approval, as appropriate, of the individual financial statements of Árima Real Estate SOCIMI, S.A. as well as the Company's individual management report for the financial year ended 31 December 2019.

PROPOSED RESOLUTION:

To approve the individual financial statements and management report of Árima Real Estate SOCIMI, S.A., for the financial year ended 31 December 2019, as drawn-up by the Board at its meeting of 19 February 2020.



PROPOSED RESOLUTION ON ITEM TWO OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Examination and approval, as appropriate, of the proposed allocation of profit/losses of the individual financial statements of Árima Real Estate SOCIMI, S.A. for the financial year ended 31 December 2019.

PROPOSED RESOLUTION:

To approve, as proposed by the Board of Directors, the allocation of profit/losses for the financial year ended 31 December 2019, yielding losses of EUR 7,945,000, allocating that result to the accounting entry “Accumulated Losses”.

Consequently, no distribution of dividends is anticipated.



PROPOSED RESOLUTION ON ITEM THREE OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Examination and approval, as appropriate, of the management carried out by the Board of Directors during the Company's financial year closed on 31 December 2019.

PROPOSED RESOLUTION:

To approve the management carried out by the Board of Directors of Árima Real Estate SOCIMI, S.A. in exercise of its duties, during the financial year closed on 31 December 2019.



PROPOSED RESOLUTION ON ITEM FOUR OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Examination and approval, as appropriate, of the consolidated financial statements of Árima Real Estate SOCIMI, S.A. as well as the Company's consolidated management report for the financial year ended 31 December 2019.

PROPOSED RESOLUTION:

To approve the consolidated financial statements and management report of Árima Real Estate SOCIMI, S.A., for the financial year ended 31 December 2019, as drawn-up by the Board of Directors at its meeting of 19 February 2020.



PROPOSED RESOLUTION ON ITEM FIVE OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Advisory vote on the Annual Report on the Remuneration of the Directors corresponding to the financial year closed on 31 December 2019 and acknowledgment of the decision of the Directors to reduce their remuneration during the state of emergency decreed in Spain so that the Company can contribute these funds to social aid to combat the COVID-19 pandemic.

PROPOSED RESOLUTION:

Approve, in an advisory capacity, the Annual Directors Remuneration Report.

Acknowledgment of the decision of the Directors to reduce their remuneration during the state of emergency decreed in Spain so that the Company can contribute these funds to social aid to combat the COVID-19 pandemic.



PROPOSED RESOLUTION ON ITEM SIX OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Approval of the Annual Corporate Governance Report and acknowledgement on the degree of compliance by the Company with the recommendations contained in the Code of Good Governance of Listed Companies.

PROPOSED RESOLUTION:

Approve the Annual Corporate Governance Report and acknowledgement on the degree of compliance by the Company with the recommendations contained in the Code of Good Governance of Listed Companies.



PROPOSED RESOLUTION ON ITEM SEVEN OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Appointment of Ms. Chony Martín V. Mazariegos as internal Director of the Company.

PROPOSED RESOLUTION:

To appoint Ms. Chony Martín Vicente-Mazariegos, of full age, of Spanish nationality, married, with domicile for these purposes at Torre Serrano, calle Serrano 47, 4th floor, Madrid, and DNI 51070423-G, in force, as a member of the Board of Directors of the Company, for the statutory period of three (3) years, with the status of internal director of the Company.

As a result of the foregoing, the number of members of the Board of Directors is set at seven (7), within the limits established in Article 34 of the Company's Articles of Association and Article 8 of the Regulations of the Board of Directors.



PROPOSED RESOLUTION ON ITEM EIGHT OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Ratification of the appointment of Mr. Stanislas Henry as a Proprietary Director of the Company.

PROPOSED RESOLUTION:

Ratify the appointment of Mr. Stanislas Marie Luc Henry, of full age, of French nationality, with domicile to these effects at 28-32 Avenue Victor Hugo, 75116 Paris (France), passport of his nationality 14AK23314 and NIE Y 7715263-L, as Proprietary Director of the Company, made by co-option by the Board of Directors by their resolution adopted in writing and without meeting on 12 November 2019, pursuant to the provisions of Article 10 of the Regulations of the Board of Directors, and in view of the favourable report issued by the Appointments and Remuneration Committee and the report of the Board of Directors, pursuant to section 5 of Article 529 *decies* of the Spanish Corporate Enterprises Act.



PROPOSED RESOLUTION ON ITEM NINE OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Amendment of Article 40.4 of the Company's Articles of Association.

PROPOSED RESOLUTION:

Amend Article 40.4 of the Company's Articles of Association in the same sense as Article 31.6 of the Regulations of the Board of Directors has been drafted pursuant to the resolution approved by the Board of Directors in writing and without a meeting on 12 November 2019; Article 40.4 of the Company's Articles of Association will henceforth be drafted in the following terms:

“Article 40.- Constitution, deliberation and adoption of resolutions

(...)

*4.- The resolutions shall be adopted by an absolute majority of the directors present or duly represented at the meeting, except when the Law, the Articles of Association or the Regulations of the Board of Directors envisage higher majorities. In the event of a tied vote, the chairperson shall have a casting vote. As an exception to the foregoing, **the approval of resolutions on any of the following matters shall require a favourable vote of a majority of four (4) directors (when the board of directors is composed of five [5] members), of five (5) directors (when the board is composed of six [6] members) or of six (6) directors (when the board is composed of seven [7] members):***

(i) the approval of the report that is required for the General Shareholders Meeting to approve the remuneration system of the directors and executives of the Company consisting of the delivery of shares or rights over them;

*(ii) the modification of the Company's business, as it is described in the subsection entitled "Investment Policy and Strategy" in the section entitled "Information about the Issuer" of the prospectuses submitted by the Company to the National Securities Market Commission on 9 October 2018 and 8 April 2019, as well as the prospectus submitted in relation to the capital increase approved by the Extraordinary General Shareholders Meeting of the Company held on 5 November 2019; and;
and*

(iii) the amendment of Article 31.6 of the Regulations of the Board of Directors.”



PROPOSED RESOLUTION ON ITEM TEN OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Authorization for the Board of Directors, with the powers to sub-delegate and to increase the share capital, pursuant to section 297.1.b) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*), valid for a maximum period of five years, through monetary contributions, up to a maximum amount equal to half (50%) of the company share capital, where the Board is authorized to exclude any pre-emption right of purchase.

PROPOSED RESOLUTION:

To authorize and empower the Board of Directors, as broadly as may be required, in order that, pursuant to section 297.1.b) of the Spanish Corporate Enterprises Act, it may increase the share capital on one or more occasions and at any time, without having to previously consult with the General Meeting, within a five-year period from the date in which this General Meeting was convened, up to a maximum nominal amount equal to half (50%) of the company share capital at the time executing this power of attorney and where it must, accordingly, adhere to the limits set by the applicable regulations.

Capital increases granted under this power of attorney will be made, on one or more occasions, through the issuance and placing into circulation new shares (with or without a premium), whose equivalent value will consist of monetary contributions. With regard to any increase, it will depend on the Board of Directors to make a decision on whether the new shares to be issued are ordinary, preferred, redeemable, non-voting or of any other type permitted by law.

Furthermore, for any matter not mentioned, the Board of Directors may establish the terms and conditions of any capital increase and the characteristics of the shares, as well as to determine the intended investors and markets where the capital increases will be announced as well as the procedures to be followed for their placement, by freely offering the new unsubscribed shares within the period to exercise the right of pre-emption and may declare, should there be shares that remain unpurchased, any capital increase non-effective or that the capital is to increase only in the same amount of the underwritten subscriptions, and to redraft the text of the Articles of Association relating to the share capital. The Board of Directors may delegate a person, or

persons, whether they are a director or not, who is to implement any of the resolutions passed, while using this power of attorney, and specifically for the formalization of the capital increase.

In the event of an incomplete subscription of capital, the Board of Directors may also establish that it be increased only by the subscribed amount and is to amend the Articles of Association relating to the share capital and number of shares. Any shares issued by means of this power of attorney may be used to settle the conversion of convertible notes issued or to be issued by the Company.

Furthermore, with regard to any capital increase carried out by means of this power of attorney, the Board of Directors is empowered to exclude, either totally or partially, any pre-emption right of purchase, pursuant to section 506 of the Spanish Corporate Enterprises Act.

Any new shares issued for the purpose of any capital increase ratified under this agreement are to be ordinary shares with the same rights as those already issued (except for dividends already declared and pending payment at the time of issuance), which are to be issued at their nominal value or with the established share premium, where applicable. The equivalent value of the new shares to be issued is dependant on monetary contributions.

The Company will request, whenever considered appropriate, the admission to trading on official or unofficial secondary markets, whether organized or not, either Spanish or foreign, of the shares issued by the Company by means of this power of attorney, empowering the Board of Directors to carry out any procedures and actions required for their admission to trading before the competent bodies of the various Spanish or foreign securities markets.

Moreover, under the resolution for the increase of share capital, it will be expressly stated that, for the appropriate legal purposes, in the event that the Company be subsequently excluded from official trading, it will be resolved by means of the procedures required by the regulations at the time and, in such case, any ownership interests will be guaranteed for shareholders who oppose or do not vote in favour of the agreement, whereby complying with the requirements established under the Spanish Corporate Enterprises Act, the Spanish Securities Market Act and any other relevant regulation.

This authorization invalidates the delegation granted by the Company's General Shareholders Meeting dated 21 March 2019.

The Board of Directors is empowered to jointly execute and aggregate, in one and the same issuance of new shares, any capital increase approved by the Board, by means of this power of attorney, and or any other capital increase approved by the General Shareholders Meeting in the future, pursuant to section 297.1.a) of the Spanish Corporate Enterprises Act, for the amount and manner it considers appropriate.

Moreover, the Board of Directors is expressly empowered to sub-delegate, under section 249, subsection (1) of the Spanish Corporate Enterprises Act, the powers conferred upon it under this resolution.



PROPOSED RESOLUTION ON ITEM ELEVEN OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Authorization to the Board of Directors for the derivative acquisition of treasury stock by the Company or its group companies, and for their operation and subsequent disposal. Revoking of previous authorizations.

PROPOSED RESOLUTION:

Authorize the Board of Directors for the derivative acquisition of shares of Árima Real Estate SOCIMI, S.A., their operation and subsequent disposal, by the Company itself, in accordance with sections 146 and concordant of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*), in compliance with the requirements and limitations established in current legislation at any given time, all under the following terms

- **Acquisition modes:** The acquisitions may be made directly by the Company or indirectly through its group companies, and they may be formalized, on one or several occasions, through the purchase, exchange or any other legal transaction valid in Law. The acquisitions may also be carried out through a mediator that acquires the shares on behalf of the Company under a liquidity contract entered into between the Company and the mediator.
- **Maximum number of shares to be acquired:** The par value of the shares to be acquired, plus, when appropriate, those it already owns, directly or indirectly, must not exceed the maximum percentage allowed in law at each time.
- **Maximum and minimum value:** The acquisition price per share must be at least its listed stock market price on the date of acquisition and not more than the prices listed in Delegated Regulation 2016/1052.
- **Duration of the authorization:** This authorization is granted for a five-year period.

In addition, and for the purposes of section 146.1 paragraph two letter a) of the Spanish Corporate Enterprises Act, it is expressly that express authorization is granted to acquire Company shares by any of its affiliates, under the same aforementioned terms.

The authorization also includes the acquisition of shares that, if appropriate, are to be provided directly to Company employees or management or its group companies; or as a result of exercising option rights by those entitled to them.

This authorization invalidates the delegation granted by the Company's General Shareholders Meeting dated 21 March 2019.



PROPOSED RESOLUTION ON ITEM TWELVE OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Acknowledgement of the signing of a share repurchase agreement with J.B. Capital Markets, S.V., S.A.U. and of the transactions carried out by the Company under said agreement.

PROPOSED RESOLUTION:

Acknowledge the signing of a share repurchase agreement with J.B. Capital Markets, S.V., S.A.U., on 25 March 2020, and of the transactions carried out by the Company under said agreement.



PROPOSED RESOLUTION ON ITEM THIRTEEN OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Acknowledgement of the impact of Covid-19 on the Company.

PROPOSED RESOLUTION:

Following the presentation of the report issued by the Company, acknowledge the impact that the crisis of Covid-19 is having on the Company and the actions performed by the latter to combat the pandemic.



PROPOSED RESOLUTION ON ITEM FOURTEEN OF THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ARIMA REAL ESTATE SOCIMI, S.A. CONVENED ON 27 MAY 2020 AND 28 MAY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

Recording as a public instrument of the resolutions passed by the General Shareholders Meeting.

PROPOSED RESOLUTION:

Without prejudice to any acts of delegation included in the previous resolutions, it is resolved to authorize the Company's Board of Directors, with the express possibility of sub-delegation or replacement and as broadly as may be necessary by law, to perform completion, execution, performance, and technical modification (if necessary) of all the previous resolutions, as well as correction of any errors or omissions (whether formal, substantive, or technical) that they may contain, as well as to engage in their interpretation; and with authority also being granted jointly to the Board members, with the express possibility for sub-delegation or replacement, and also to the Chair and Secretary of the Board, to formalize the appropriate public instruments in which the resolutions passed are contained, with the broadest powers possible for purposes of carrying out any acts that may be necessary, and for formalization of any documents that may be required in order to carry out registration, including partial registration, in the Commercial Register of the previous resolutions, and in particular to:

- (a) Correct, clarify, specify, or complete the resolutions passed by this General Shareholders Meeting, or in relation to any other deeds or documents executed when those resolutions are implemented, and in particular, in relation to any omissions, defects, or errors in their contents or formats, whether substantive or technical, in cases where these would prevent entry of these resolutions and their consequences into the Commercial Register, Property Register, Industrial Property Register, or any others.
- (b) To carry out any legal acts or business that may be necessary or appropriate when implementing the resolutions passed by this General Shareholders Meeting, formalizing any public or private documents as may be necessary or appropriate in order to grant the broadest effects possible to these resolutions, including performance of any actions that may be necessary or appropriate before any public or private entities.

- (c) To delegate to one or more of its members all or a portion of the powers considered to be appropriate from among those corresponding to the Board of Directors, and any that have been attributed to that board by the General Shareholders Meeting, and on either a sole or joint basis.
- (d) To carry out final determination of all other circumstances that may be required, adopting and executing the necessary resolutions, formalizing the documents required, carrying out as many procedures as may be appropriate, and complying with any requirements as necessary in accordance with the law in order to allow the full and complete implementation of the resolutions passed by the General Shareholders Meeting.

Also, to expressly authorize any members of the directorship body to, individually and using only their sole signature, record the resolutions passed as a public instrument, as well as to execute any additional deeds or documents that may be necessary or pertinent in order to correct, clarify, specify, or complete the resolutions passed by this General Shareholders Meeting.

REPORT ISSUED BY THE BOARD OF DIRECTORS OF ÁRIMA REAL ESTATE SOCIMI, S.A. (THE "COMPANY") ON THE APPOINTMENT OF MS. CHONY MARTÍN VICENTE-MAZARIEGOS AS A DIRECTOR

INTRODUCTION

This report examines the appointment of Ms. Chony Martín Vicente-Mazariegos as a new Company Director and assesses her skills, experience, and merits, in accordance with section 529(i) of the Revised Text of Spain's Corporate Enterprises Act [*Ley de Sociedades de Capital*] approved by Spanish Royal Legislative Decree 1/2010 of 2 July 2010.

PURPOSE

In accordance with section 529(i), subitem 5, of the Corporate Enterprises Act, the Board is to draw up an explanatory report evaluating the nominee's skills, experience, and merits. Furthermore, in accordance with section 529(i), subitem 6, of the Corporate Enterprises Act, that report is to be preceded by a report issued by the Appointment and Remuneration Committee. The Board has taken the conclusions set out in the report of the Appointment and Remuneration Committee into account when drawing up this report.

Accordingly, the purpose of this report is (i) to explain the basis for appointing Ms. Chony Martín Vicente-Mazariegos as an inside director of the Company and (ii) to evaluate the proposed candidate's skills, experience, and merits having in mind the above-mentioned preliminary report by the Company's Appointment and Remuneration Committee. The aforesaid report issued by the Appointment and Remuneration Committee is attached to this report as its Sole Appendix.

BASIS FOR THE NOMINATION

1. The nominee's professional profile and background; skills, experience, and merits

Chony Martín Vicente-Mazariegos has been the Company's CFO since its inception.

In her more than 20 years' experience in the real estate sector, she has worked for a range of different types of company, including domestic and international companies, companies listed on electronic trading platforms, a family office with a history dating back more than 200 years, and new start-ups.

She started at Prima Inmobiliaria in the late 1990s, and after its merger with Vallehermoso, she worked at Testa Inmuebles en Renta. She then joined Redevco (a Dutch company that manages more than 7,500 million euros), where her duties extended to Spain, Portugal, and Italy. After that stint, she joined Axiare Patrimonio until it was acquired by Colonial. At the end of 2018 she helped establish and start up Árima Real Estate, where she has held the post of CFO.

During her term in charge of the Finance Division, she has played a major role in corporate, finance, real estate, and market transactions.

She holds a Master's degree in Economics and Business Administration from the Madrid Complutense University. She has continued her education with Management and Board of Director Leadership training programmes at IESE, ESADE, and IMD (Switzerland). In addition, she teaches at the IE Business School and is a member of the Royal Institution of Chartered Surveyors (MRICS).

2. Appointment and Remuneration Committee's report and assessment of the nominee

The Appointment and Remuneration Committee issued the requisite preliminary report recommending the appointment of Ms. Chony Martín Vicente-Mazariegos to the post of Company Director, and the Board concurs with the Committee's conclusions and findings. Based on its findings, the Appointment and Remuneration Committee recommended appointing Ms. Chony Martín Vicente-Mazariegos to be a new Director.

3. Basis for the nomination

Having the foregoing in mind and in accordance with the Rules of Procedure of the Company's Board of Directors, the Board considers that for a Company director to be able to properly perform his or her duties of oversight and control and all other duties attaching to the position, a director needs to offer an appropriate combination of, *inter alia*.

- (i) proven skills and experience;
- (ii) knowledge of the sector in which the Company is active, and others;
- (iii) the ability to take part and engage in the Company's business; and
- (iv) further additional knowledge over and above that strictly relating to the Company's business activities.

The Board believes that Ms. Chony Martín Vicente-Mazariegos' profile, high qualifications, outstanding professional background, and track record, together with the findings made by the

Appointment and Remuneration Committee (with which the Board concurs), all demonstrate that the skills, experience, and merits she possesses make her apt to perform the duties of Company Director, assist in running the Company more advantageously, and help the Company achieve its objectives, and therefore that she is a suitable candidate for appointment to the Company's Board of Directors.

The Board further believes that her nomination will further the Board's diversity in respect of capabilities, knowledge, experience, origins, age, and gender as required for it to be better able to perform its duties.

4. Category

For purposes of section 529(i) of the Corporate Enterprises Act, it is noted for the record that Ms. Chony Martín Vicente-Mazariegos is a Company employee and a member of the Company's management team, and hence the nominee will be an inside director.

CONCLUSIONS OF THE BOARD

Based on the above, the Board considers that Ms. Chony Martín Vicente-Mazariegos fully merits appointment as an inside director of the Company.

This report is issued by the Board in Madrid, on 16 April 2020.



Iván Azinovic Gamo
Secretary of the Board

The proposed resolution submitted to the General Shareholders Meeting for approval is:

"PROPOSED RESOLUTION UNDER ITEM SEVEN ON THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ÁRIMA REAL ESTATE SOCIMI, S.A. TO BE HELD ON 27 MAY 2020 AT THE FIRST CALL TO MEETING OR ON 28 MAY 2020 AT THE SECOND CALL TO MEETING.

Appointment of Ms. Chony Martín Vicente-Mazariegos as an inside Director of the Company.

PROPOSED RESOLUTION:

Ms. Chony Martín Vicente-Mazariegos, of legal age, a Spanish national, married, residing for these purposes at Torre Serrano, calle Serrano 47, 4ª planta, Madrid, bearing valid national identification number 51070423G, is appointed to the Board as an inside Director at the proposal of the Appointment and Remuneration Committee, for a term of three (3) years as established in the Articles of Association.

Pursuant to the above, the Board will have seven (7) members, a number within the limits specified in Article 34 of the corporate Articles of Association and in Article 8 of the Board Regulations."

APPENDIX – REPORT ISSUED BY THE NOMINATING AND REMUNERATION COMMITTEE OF ÁRIMA REAL ESTATE SOCIMI, S.A. ON THE PROPOSED APPOINTMENT OF MS. CHONY MARTÍN VICENTE-MAZARIEGOS TO THE POST OF DIRECTOR

INTRODUCTION

This preliminary report setting out an analysis of the Board's needs has been drawn up pursuant to Recommendation 14 of the Good Governance Code of Listed Companies (the "GGC") approved by the Spanish National Securities Market Commission [*Comisión Nacional del Mercado de Valores*] as a basis for the relevant report on the appointment of a new Director. It is this Committee's task to submit nominations of directors to the Board for referral to the General Shareholders Meeting for approval, to verify compliance with existing requirements, and to gather suitable information on candidates' personal qualities, experience, knowledge, and eligibility.

PURPOSE

The purpose of this report is to set out the findings of the assessment performed by the Committee regarding the selection of Ms. Chony Martín Vicente-Mazariegos as a candidate for Director.

1. GGC Recommendation 14 requires ensuring that "appointment or re-election proposals are based on a preliminary analysis of the Board's needs" and that "the findings of the preliminary analysis of the Board's needs are set out in the explanatory report issued by the Nominating Committee with the notice convening the General Shareholders Meeting at which the appointment or re-election of each director is to be ratified". Similarly, according to sections 3 and 4 of the Spanish National Securities Market Commission's Technical Guide 1/2019 on Appointment and Remuneration Committees dated 20 February 2019 (the "Guide"), analysing the competencies, knowledge, experience, and other occupations of the directors who are already Board members and preparing a Board competency matrix to define the profiles, duties, and skills required of candidates for the post of director are considered good practices. The Guide also recommends progressive renewal of the Board. With this in mind, the Committee has analysed and examined the needs of the Company's Board of Directors concerning appointment of a director.

2. In addition, the composition of the Board should reflect the Company's commitment to knowledge, skill set, experience, and gender diversity. Accordingly, in keeping with GGC Recommendation 14, the Appointment and Remuneration Committee is to ensure that the selection

process for new candidates is aimed at meeting the representation target for the sex that is under-represented on the Board.

3. The Appointment and Remuneration Committee has assessed the Board' size, composition, competencies, and effectiveness and has found the Company's corporate governance structure to adequately ensure independence, thanks to a series of counterbalances that avert the potential risks associated with an accumulation of power, including an independent Non-Executive Chair of the Board and the Board's overall composition, with all the Directors being independent directors except for the Deputy Chair and Managing Director, who is an executive director, and one proprietary director. The Board exhibits a proper balance between capabilities and experience, and its size and functioning are appropriate.

4. To date not much progress has been made towards attaining the representation target of 30 % women Board Members in 2020. The nominee will thus help to partially address this corporate need.

5. In issuing this report on the Board's needs, it is the Committee's task to oversee proper functioning and composition of the Board and at the same time to further compliance with current recommendations and best practices regarding corporate governance while honouring the Company's contractual commitments.

6. The candidate has been nominated chiefly based on her personal and professional qualities: education, extensive experience, qualifications, and professional track record, with particular value being placed on her in-depth knowledge of Árma and her dedication and commitment to the Company. The nomination is also based on the contribution this appointment would make to Board diversity.

CONCLUSIONS

The Committee has unanimously decided to nominate Ms. Chony Martín Vicente-Mazariegos for the position of inside director of the Company pursuant to GGC Recommendation 14 and sections 3 and 4 of the Guide.

REPORT ISSUED BY THE BOARD OF DIRECTORS OF ÁRIMA REAL ESTATE SOCIMI,
S.A. (THE "COMPANY") ON CO-OPTING MR. STANISLAS HENRY AS A
PROPRIETARY DIRECTOR

INTRODUCTION

At the proposal of the Board, the Extraordinary General Shareholders Meeting of Árma Real Estate SOCIMI, S.A. (the "Company") held on 5 November 2019 resolved to increase the number of corporate Directors from five to six to provide for the case in which a qualified investor was interested in subscribing a significant portion of the corporate share capital increase that was approved at that same Extraordinary General Shareholders Meeting, conditional upon appointment of a proprietary director with immediate effect. Doing this gave the Board scope to honour a request of that kind by filling the newly created vacancy by co-option until the next General Shareholders Meeting was held.

The purpose of this report is to examine the appointment of Mr. Stanislas Henry for co-option as a new proprietary director of the Company to fill the aforesaid vacancy produced by the resolution passed by the General Shareholders Meeting referred to in the preceding paragraph and his proposed appointment to the Appointment and Remuneration Committee and the Audit and Steering Committee.

PURPOSE

In accordance with section 529(i), subitem 5, of the Revised Text of Spain's Corporate Enterprises Act [*Ley de Sociedades de Capital*] approved by Spanish Royal Legislative Decree 1/2010 of 2 July 2010, the Board is to draw up an explanatory report evaluating the candidate's skills, experience, and merits. Furthermore, in accordance with section 529(i), subitem 6, of the Corporate Enterprises Act, that report is to be preceded by a report by the Appointment and Remuneration Committee.

In addition, in view of the vacancy produced by the resolution passed by the Extraordinary General Shareholders Meeting held on 5 November 2019 to increase the number of corporate directors from five to six, and in accordance with Recommendation 14 of the Good Governance Code of Listed Companies approved by the Spanish National Securities Market Commission [*Comisión Nacional del Mercado de Valores*], the Appointment and Remuneration Committee issued the corresponding

preliminary report analysing the Board's needs in the context of the appointment of a new director as a basis for drawing up the relevant reports on the appointment of Mr. Stanislas Henry as a new proprietary director of the Company.

In view of all the foregoing, the purpose of this report is (i) to explain the basis for co-opting Mr. Stanislas Henry as a proprietary director of the Company and member of the Appointment and Remuneration Committee and the Audit and Steering Committee and (ii) to evaluate the proposed candidate's skills, experience, and merits having in mind the above-mentioned preliminary report by the Company's Appointment and Remuneration Committee. The aforesaid report by the Appointment and Remuneration Committee is attached to this report as its Sole Appendix.

BASIS FOR THE APPOINTMENT

On 1 November 2019 the Company entered into a share subscription agreement with Ivanhoé Cambridge Holdings UK LTD ("Ivanhoé") whereby Ivanhoé agreed to subscribe and pay for new shares to be issued by the Company up to a maximum amount of 60,000,000 euros (the "Subscription Agreement") and the Company agreed, *inter alia*, to (i) co-opt a person nominated by Ivanhoé to the Board as a proprietary director and (ii) appoint that Director to be a member of the Audit and Steering Committee and of the Appointment and Remuneration Committee.

1. Candidate's professional profile and background

Mr. Stanislas Henry, a French national, holds a postgraduate MBA degree from INSEAD (1996) and has over 30 years of professional experience. He began his career in the Corporate Finance Department of the Paribas Group from 1988 to 1995, working both in project finance and leveraged finance at the Group's Paris, London, and New York subsidiaries. He then worked in corporate development at GE Capital and GE Real Estate in London and in Paris for five years, participating in the expansion of those companies in France, the United Kingdom, Spain, and Italy. After that he worked in mergers and acquisitions and liquid assets at Allianz France for a year and then joined Credit Agricole in 2002, where he headed the bank's real estate mergers and acquisitions department until 2008. From there he moved to Amundi Real Estate, Credit Agricole's asset management division, where he launched the institutional real estate investment fund department, which amassed 12,000 million euros in managed assets. He joined Ivanhoé Cambridge as Principal Vice-President of Ivanhoé Cambridge Europe, in charge of all strategic alliances in Europe, in May 2019.

2. Appointment and Remuneration Committee's report and assessment of the candidate

In accordance with the Subscription Agreement, Ivanhoé has nominated Mr. Stanislas Henry as the person to be co-opted onto the Board as a proprietary director and to be appointed as a member of the Audit and Steering Committee and the Appointment and Remuneration Committee.

The Appointment and Remuneration Committee issued the required preliminary report concerning this appointment and recommended Mr. Stanislas Henry's appointment to the Company's Board as a proprietary director and member of the Appointment and Remuneration Committee and the Audit and Steering Committee having in mind a series of factors, such as:

- (i) The existence of a vacancy on the Company's Board of Directors subsequent to the resolution to increase the number of Board members from five to six taken by the Extraordinary General Shareholders Meeting on 5 November 2019;
- (ii) The Board's needs with regard to the members making up the Board given the existence of that vacancy and the resulting composition if the new proprietary director is appointed to the Board;
- (iii) The Company's commitment and Ivanhoé's desire as a future shareholder to nominate a proprietary director to represent it on the Board;
- (iv) Ivanhoé's stake in the Company's share capital on completion of the share capital increase approved by the Extraordinary General Shareholders Meeting held on 5 November 2019, to be not less than 20.3% and not more than 29.9% of the corporate share capital and voting rights, entitling Ivanhoé to nominate at least one Director under the proportional representation scheme envisaged in section 243 of the Corporate Enterprises Act; and
- (v) The career, qualifications, and experience of Mr. Stanislas Henry with regard to financial matters and professional real estate investing and his prospective contributions as a proprietary director and representative of an institutional investor.

Taking all the above into account, the Appointment and Remuneration Committee considers it fit and proper to co-opt Mr. Stanislas Henry to the Board as a new proprietary director representing Ivanhoé to fill the currently existing vacancy for the term remaining until the next General Shareholders Meeting of the Company.

3. Basis for the appointment

Having the foregoing in mind and in accordance with the Rules of Procedure of the Company's Board of Directors, the Board considers that for a Company director to be able to properly perform his or her duties of oversight and control and all other duties attaching to the position, a director needs to offer an appropriate combination of, *inter alia*:

- (i) proven skills and experience;
- (ii) knowledge of the sector in which the Company is active, and others;
- (iii) the ability to take part and engage in the Company's business; and
- (iv) further additional knowledge over and above that strictly relating to the Company's business activities.

The Board believes that Mr. Stanislas Henry's profile, high qualifications, outstanding professional track record, and international grounding, together with the findings made by the Appointment and Remuneration Committee referred to above (with which the Board concurs), all demonstrate that the skills, experience, and merits he possesses make him apt to perform the duties of Company Director, assist in running the Company more advantageously, and help the Company achieve its strategic objectives, and therefore that he is a suitable candidate for appointment to the Company's Board of Directors and to the Appointment and Remuneration Committee and the Audit and Steering Committee.

4. Category

For purposes of section 529(i) of the Corporate Enterprises Act, it is noted for the record that Mr. Stanislas Henry represents Ivanhoé, a shareholder holding a significant stake in the Company, and hence the candidate will be a proprietary director.

CONCLUSIONS OF THE BOARD OF DIRECTORS

In view of all the foregoing, the Board recommends Mr. Stanislas Henry's appointment to the Company's Board as a proprietary director and member of the Appointment and Remuneration Committee and the Audit and Steering Committee.

This report is issued by the Board in Madrid, on 12 November 2019.



Iván Azinovic Gamo

Secretary of the Board



Árma Real Estate SOCIMI, S.A.
Edificio Torre Serrano
Serrano, 47 - 4º Izda.
28001 Madrid - Spain
T. (+34) 910 532 803
info@arimainmo.com

APPENDIX – EXPLANATORY REPORT BY THE NOMINATING AND REMUNERATION COMMITTEE OF ÁRIMA
REAL ESTATE SOCIMI, S.A. (THE "COMPANY") ON CO-OPTING MR. STANSLAS HENRY AS A PROPRIETARY
DIRECTOR

REPORT ISSUED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF ÁRIMA REAL ESTATE SOCIMI, S.A. (THE "COMPANY") ON THE NEED FOR APPOINTMENT OF A NEW DIRECTOR TO THE BOARD OF DIRECTORS

INTRODUCTION

This preliminary report on the Board's needs has been prepared pursuant to Recommendation 14 of the Good Governance Code of Listed Companies (the "GGC") approved by the Spanish National Securities Market Commission [*Comisión Nacional del Mercado de Valores*] as a basis for the relevant report on the appointment of a new Director.

Specifically, this report is issued having in mind the vacancy that has been created subsequent to the resolution taken by the Extraordinary General Shareholders Meeting on 5 November 2019 to increase the number of corporate Directors from five to six in case a qualified investor interested in subscribing a significant portion of the corporate share capital increase that was approved at that same Extraordinary General Shareholders Meeting emerges and the investment is conditional upon appointment of a proprietary director with immediate effect, so that the Board is in a position to honour that request by filling the newly created vacancy by co-option until the next General Shareholders Meeting.

PURPOSE

The Board currently has a vacancy that it is authorised to fill by co-opting a new Director subsequent to an explanatory report by the Company's Appointment and Remuneration Committee setting forth the reasons for the appointment. GGC Recommendation 14 requires ensuring that "appointment or re-election proposals are based on a preliminary analysis of the Board's needs" and that "the findings of the preliminary analysis of the Board's needs are set out in the explanatory report issued by the Appointment Committee with the notice convening the General Shareholders Meeting at which the appointment or re-election of each director is to be ratified". Similarly, according to sections 3 and 4 of the Spanish National Securities Market Commission's Technical Guide 1/2019 on Appointment and Remuneration Committees dated 20 February 2019 (the "Guide"), analysing the competencies, knowledge, experience, and other

occupations of the directors who are already Board members and preparing a Board competency matrix to define the profiles, duties, and skills required of candidates for the post of director are considered good practices. The Guide also recommends progressive renewal of the Board. With this in mind, the Committee has analysed and examined the needs of the Company's Board of Directors in the context of appointing a director to fill the Board vacancy.

The composition of the Board should reflect the Company's commitment to knowledge, skill set, experience, and gender diversity. Accordingly, in keeping with GGC Recommendation 14, the Appointment and Remuneration Committee is to ensure that the selection process for new candidates is aimed at meeting the representation target for the sex that is under-represented on the Board.

The Appointment and Remuneration Committee has assessed the Board' size, composition, competencies, and effectiveness and has found the Company's corporate governance structure to adequately ensure independence, thanks to a series of counterbalances that avert the potential risks associated with an accumulation of power, including an independent Non-Executive Chair of the Board and the Board's overall composition, with all the Directors being independent directors except for the Deputy Chair and Managing Director, who is an executive director. The Board exhibits a proper balance between skill and experience, and its size and functioning are appropriate, though not much progress has been made towards attaining the representation target of 30% women Board Members in 2020.

In any event, when issuing this report on the Board's needs to fill the vacancy created by the resolution to raise the number of Directors from five to six taken by the Extraordinary General Shareholders Meeting on 5 November 2019, it is the Committee's task to oversee proper functioning and composition of the Board and at the same time to further compliance with current recommendations and best practices regarding corporate governance while honouring the Company's contractual commitments.

In this connection, on 1 November 2019 the Company entered into a share subscription agreement with Ivanhoé Cambridge Holdings UK LTD ("Ivanhoé") whereby Ivanhoé agreed to subscribe and pay for new shares to be issued by the Company up to a maximum amount of 60,000,000 euros (the "Subscription Agreement") and the Company agreed, *inter alia*, to (i) co-opt a person nominated by Ivanhoé to the Board as a proprietary director and (ii) appoint that Director to be a member of the Audit and Steering Committee and the Appointment and Remuneration Committee.

In this respect, the Appointment and Remuneration Committee considers that adding a

proprietary director representing Ivanhoé could make the Board more representative, in that Ivanhoé's stake on subscribing the capital increase would come to more than 20% of the Company's share capital. At the same time, it could help expand the competencies of the Board Members (if, as is likely, the candidate has broad knowledge and experience in real estate investing) and enhance proper functioning of the Board by increasing the fit between the Board's make-up and strategic priorities. Furthermore, it could add to the diversity of Board Members' knowledge, experience, origins, nationalities, and competencies, all without compromising the safeguards for shareholders not represented on the Board, since independent Directors would still make up two-thirds of the Board's Members.

CONCLUSIONS

As a consequence, the profile of the Director co-opted onto the Board subsequent to the requisite appointments and explanatory reports by the Appointment and Remuneration Committee pursuant to the commitments made to Ivanhoé must be consistent with the Board's own needs as set out in this report, in accordance with GGC Recommendation 14 and sections 3 and 4 of the Guide.

This report was drawn up by the Appointment and Remuneration Committee in Madrid on 12 November 2019.



Iván Azinovic Gamo

Secretary of the Appointment and Remuneration Committee

EXPLANATORY REPORT BY THE NOMINATING AND REMUNERATION COMMITTEE OF ÁRIMA REAL ESTATE SOCIMI, S.A. (THE "COMPANY") ON CO-OPTING MR. STANSLAS HENRY AS A PROPRIETARY DIRECTOR

INTRODUCTION

At the proposal of the Board, the Extraordinary General Shareholders Meeting held on 5 November 2019 resolved to increase the number of corporate Directors from five to six to provide for the case in which a qualified investor was interested in subscribing a significant portion of the corporate share capital increase approved at that same Extraordinary General Shareholders Meeting, conditional upon appointment of a proprietary director with immediate effect. Doing this gave the Board scope to honour a request of that kind by filling the newly created vacancy by co-option until the next General Shareholders Meeting was held.

The purpose of this report is to examine the appointment of Mr. Stanislas Henry for co-option as a new proprietary director of the Company to fill the aforesaid vacancy produced by the resolution of the General Shareholders Meeting referred to in the preceding paragraph and his proposed appointment to the Appointment and Remuneration Committee and the Audit and Steering Committee.

PURPOSE

In accordance with section 529(i), subitem 6, of the Revised Text of Spain's Corporate Enterprises Act [*Ley de Sociedades de Capital*] approved by Spanish Royal Legislative Decree [*Real Decreto Legislativo*] 1/2010 of 2 July 2010 (the "Corporate Enterprises Act") and Rule 10(3) of the Rules of Procedure of the Company's Board of Directors, appointments of non-independent directors (the case here) are to be preceded by a report by the Appointment and Remuneration Committee. This report fulfils that legal requirement.

FACTORS CONSIDERED BY THE NOMINATING AND REMUNERATION COMMITTEE

On 1 November 2019 the Company entered into a share subscription agreement with Ivanhoé Cambridge Holdings UK LTD ("Ivanhoé") whereby Ivanhoé agreed to subscribe and pay for new

shares to be issued by the Company up to a maximum amount of 60,000,000 euros (the "Subscription Agreement") and the Company agreed, *inter alia*, to (i) co-opt a person nominated by Ivanhoé to the Board as a proprietary director and (ii) appoint that Director to be a member of the Audit and Steering Committee and of the Appointment and Remuneration Committee.

In accordance with the Subscription Agreement, Ivanhoé has nominated Mr. Stanislas Henry as the person to be co-opted onto the Board as a proprietary director and to be appointed to the Audit and Steering Committee and the Appointment and Remuneration Committee.

The Committee has examined that proposal, taking the following factors into account:

- (i) The existence of a vacancy on the Company's Board of Directors subsequent to the resolution to increase the number of Board members from five to six taken by the Extraordinary General Shareholders Meeting on 5 November 2019;
- (ii) The Board's needs with regard to the members making up the Board given the existence of that vacancy and the resulting composition if the new proprietary director is appointed to the Board;
- (iii) The Company's commitment and Ivanhoé's desire as a future shareholder to nominate a proprietary director to represent it on the Board;
- (iv) Ivanhoé's stake in the Company's share capital on completion of the share capital increase approved by the Extraordinary General Shareholders Meeting held on 5 November 2019, to be not less than 20.3% and not more than 29.9% of the corporate share capital and voting rights, entitling Ivanhoé to nominate at least one Director under the proportional representation scheme envisaged in section 243 of the Corporate Enterprises Act; and
- (v) The career, qualifications, and experience of Mr. Stanislas Henry with regard to financial matters and professional real estate investing and his prospective contributions as a proprietary director and representative of an institutional investor.

In this regard, Mr. Henry, a French national, holds a postgraduate MBA degree from INSEAD (1996) and has over 30 years of professional experience. He began his career in the Corporate

Finance Department of the Paribas Group from 1988 to 1995, working both in project finance and leveraged finance at the Group's Paris, London, and New York subsidiaries. He then worked in corporate development at GE Capital and GE Real Estate in London and in Paris for five years, participating in the expansion of those companies in France, the United Kingdom, Spain, and Italy. After that he worked in mergers and acquisitions and liquid assets at Allianz France for a year and then joined Credit Agricole in 2002, where he headed the bank's real estate mergers and acquisitions department until 2008. From there he moved to Amundi Real Estate, Credit Agricole's asset management division, where he launched the institutional real estate investment fund department, which amassed 12,000 million euros in managed assets. He joined Ivanhoé Cambridge as Principal Vice-President of Ivanhoé Cambridge Europe, in charge of all strategic alliances in Europe, in May 2019.

Taking all the above into account together with the composition of the Board and the report assessing the Board's needs drawn up by this Committee, and having in mind the existence of a vacancy, the shareholder structure of the Company resulting from the planned share capital increase, and the Company's contractual obligation vis-à-vis Ivanhoé, the Committee considers it fit and proper to co-opt Mr. Stanislas Henry to the Board as a new proprietary director representing Ivanhoé to fill the currently existing vacancy for the term remaining until the next General Shareholders Meeting of the Company.

In summary, the Committee believes that Mr. Stanislas Henry's profile, high qualifications, outstanding professional track record, and international grounding all demonstrate that the skills, experience, and merits he possesses make him apt to perform the duties of Company Director, assist in running the Company more advantageously, and help the Company achieve its strategic objectives, and therefore that he is a suitable candidate for appointment to the Company's Board of Directors and to the Appointment and Remuneration Committee and the Audit and Steering Committee.

In keeping with the Board Regulations, the Appointment and Remuneration Committee has further verified that, to the best of its knowledge and belief, the candidate is not in breach of any of the bars to eligibility, disqualifications, or conflicts of interest envisaged by law or by the rules of corporate governance, nor has the selection process been marred by implicit bias that might entail discrimination of any sort or, more particularly, interfere with the selection of women

directors.

DIRECTOR CATEGORY ASSIGNMENT

For purposes of section 529(i) of the Corporate Enterprises Act, it is noted for the record that Mr. Stanislas Henry represents Ivanhoé, a shareholder holding a significant stake in the Company, and hence the candidate will be a proprietary director.

CONCLUSIONS OF THE NOMINATING AND REMUNERATION COMMITTEE

In view of all the foregoing, the members of the Appointment and Remuneration Committee recommend Mr. Stanislas Henry's appointment to the Company's Board as a proprietary director and member of the Appointment and Remuneration Committee and the Audit and Steering Committee.

This report was drawn up by the Appointment and Remuneration Committee in Madrid on 12 November 2019.



Iván Azinovic Gamo

Secretary of the Appointment and Remuneration Committee

REPORT ISSUED BY THE BOARD OF DIRECTORS OF ÁRIMA REAL ESTATE SOCIMI, S.A. ON THE PROPOSAL TO AMEND ARTICLE 40.4 OF THE ARTICLES OF ASSOCIATION

The Board of Árma Real Estate SOCIMI, S.A. (the "Company") has drawn up this report concerning the proposal to amend the Company's Articles of Association to be submitted to the Company's General Shareholders Meeting for consideration and, if appropriate, approval in accordance with section 286 of Spain's Corporate Enterprises Act [*Ley de Sociedades de Capital*].

I. REASONS FOR THE AMENDMENT TO THE ARTICLES OF ASSOCIATION

This proposal is being put forward in the framework of the commitments the Company has made to its new reference shareholder, Ivanhoé Cambridge Holdings UK LTD ("Ivanhoé"), in the Share Subscription Agreement executed by the Company and Ivanhoé on 1 November 2019. Those commitments also required amendment of article 31.6 of the Board Regulations (in the same sense as the current proposal), effected by the Board by its resolution passed in writing without a meeting on 12 November 2019. This proposal to amend Article 40.4 of the Company's Articles of Association is thus submitted to the General Shareholders Meeting according to the wording that follows below.

II. PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION

The proposed resolution submitted to the General Shareholders Meeting for approval is:

"PROPOSED RESOLUTION UNDER ITEM NINE ON THE AGENDA OF THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF ÁRIMA REAL ESTATE SOCIMI, S.A. TO BE HELD ON 27 MAY 2020 AT THE FIRST CALL TO MEETING OR ON 28 MAY 2020 AT THE SECOND CALL TO MEETING.

Amendment of Article 40.4 of the Company's Articles of Association.

PROPOSED RESOLUTION:

Article 40.4 of the Company's Articles of Association is amended in the same sense as the present wording of Article 31.6 of the Board Regulations, amended by the Board by its resolution passed in writing without a meeting on 12 November 2019; the new wording of Article 40.4 of the Company's Articles of Association is to be as follows:

"Article 40. Quorum, discussion, and passing resolutions

...

4. Approval of resolutions will require an absolute majority of the Directors present or represented except in those cases in which a greater majority is specified by these Articles of Association, the law, or the Board Regulations. The Chair will have the casting vote in case of tie. By way of exceptions to the above, passing resolutions will require the votes in favour of a qualified majority of four directors (if the Board comprises five directors), of five directors (if the Board comprises six directors), or of six directors (if the Board comprises seven directors) in the following matters:

(i) the requisite report to the General Shareholders Meeting for approval of a remuneration scheme for Board members and executives that entails awarding shares or rights over shares;

(ii) changing the Company's business as described in the subitem headed "Investment Policy and Strategy" under the item entitled "Information about the Issuer" in the prospectuses the Company submitted to the Spanish National Securities Market Commission [Comisión Nacional del Mercado de Valores] on 9 October 2018 and on 8 April 2019 and the prospectus submitted in connection with the share capital increase approved by the Extraordinary General Shareholders Meeting held on 5 November 2019; and

(iii) amendment of Article 31.6 of the Board Regulations."

This report is issued by the Board in Madrid, on 16 April 2020.



Iván Azinovic Gamo
Secretary of the Board



REPORT OF THE BOARD OF DIRECTORS OF ÁRIMA REAL ESTATE SOCIMI, S.A. ON THE PROPOSAL TO AUTHORISE THE BOARD TO INCREASE THE SHARE CAPITAL PURSUANT TO SECTION 297.1.B) OF THE SPANISH CORPORATE ENTERPRISES ACT [LEY DE SOCIEDADES DE CAPITAL] FOR CONSIDERATION UNDER ITEM TEN OF THE AGENDA OF THE ANNUAL GENERAL MEETING CONVENED ON 27 AND 28 MAY 2020, AT FIRST AND SECOND CALLS, RESPECTIVELY.

This report has been drawn up by the Board of Directors of ÁRIMA REAL ESTATE SOCIMI, S.A. (the "Company") in accordance with sections 286, 297.1.b), and 506 of the Spanish Corporate Enterprises Act [*Texto Refundido de la Ley de Sociedades de Capital*], approved by Spanish Royal Legislative Decree 1/2010 of 2 July 2010, in support of the proposal to delegate authority to the Board of Directors, including the authority to delegate in its turn, to increase the share capital on one or more occasions within a five-year period up to half the share capital while excluding shareholders' pre-emption rights in respect of those share capital increases and to reword Article 5 in the Articles of Association, which proposal is being submitted to the General Shareholders Meeting scheduled for 27 May 2020 at first call and for 28 May 2020 at second call for approval under item ten on the meeting agenda.

This report fulfils the requirements laid down in sections 297.1.b), 286, and 506 of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*).

- The aforesaid section 297.1.b) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) allows the General Shareholders Meeting, subject to the requirements stipulated for amendments to the Articles of Association, to delegate to the Board of Directors authority to increase the share capital on one or more occasions when it sees fit in the amount that it decides up to a specified amount, without referring the matter to the General Shareholders Meeting for prior approval. Increases of this kind may not exceed half the company's share capital at the time authorisation is conferred and are to be effected by cash contributions made within five years of the General Shareholders resolution.
- In addition, to amend the Articles of Association, section 286 requires the directors to draw up the full wording of the proposed amendment and, in the case of public limited companies, a written report in support of the proposed amendment.
- Finally, section 506 of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) stipulates that when the General Shareholders Meeting delegates authority to increase the share capital to the directors, it may also authorise them to exclude pre-emption rights of purchase in respect of the share issues made pursuant to that authority where that is in the company's interest. The notice of meeting for the General Shareholders Meeting that will be considering the proposal to delegate authority to increase the share capital to the directors will

likewise expressly announce the proposed exclusion of pre-emption rights of purchase, and a report by the directors supporting the proposal to delegate that authority is to be made available to shareholders from the time the General Shareholders Meeting is convened.

JUSTIFICATION OF THE PROPOSAL SUBMITTED UNDER ITEM EIGHT ON THE AGENDA

Section 297.1.b) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) allows the General Shareholders Meeting, subject to the requirements stipulated for amending the Articles of Association, to delegate to the Board of Directors authority to increase the share capital up to an amount not to exceed half the share capital at the time authorisation is conferred, on one or more occasions over a period of five years. The delegation of authority is ordinarily requested so that the Board of Directors will be able to take advantage of the means envisaged by the legislation, enabling it to take fast, efficient action in response to the needs arising in the course of business dealings.

The justification for the proposed resolution submitted to the General Shareholders Meeting, that is authorize the Board of Directors to increase capital up to 50% of the share capital, is appropriate to equip the management body with a mechanism envisaged by the company's own rules and regulations enabling it to nimbly undertake one or more share capital increases within the limits, terms, and conditions set by the General Shareholders Meeting within the framework of the law without having to convene and hold another General Shareholders Meeting.

The delegation of authority mechanism envisaged in section 297.1.b) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) will enable the Company to provide the Board of Directors with a versatile, flexible instrument for more suitably addressing the Company's needs ensuing from market conditions.

Accordingly, in the context of new investment opportunities for ÁRIMA, the Board of Directors considers it essential to be in a position to be able to take advantage of the possibilities offered by the current legislative framework to enable quick and efficient responses to those opportunities and to other needs that may arise in the course of business as currently carried on by large companies. All the preceding reasons make it advisable for the Board of Directors to be in a position to make use of the authorised share capital mechanism envisaged by our country's laws. This proposal is envisaged to grant the Company flexibility to take advantage of such investment opportunities on the short term, in particular those that will arise from the current situation due to the crisis of COVID-19.

The Company has an important portfolio of properties currently being analysed. The Company's pipeline is quite dynamic, in that new investment opportunities are continually being investigated by the management team under its approach of meticulous, rigorous consideration when embarking on new investment projects so as to be in a position to maximise shareholder value sustainably over the long term. The Company has already invested or committed resources (both its own and external funds) in excess of 215 million euros.

Under this situation, it is therefore necessary to be able to move quickly and efficiently in response to market opportunities while the market continues to offer investment opportunities that need to be

evaluated. The Company considers that the current share capital, of approx. 285 million euros, does not represent a high amount to face these new investments that the Company is considering. All the preceding reasons make it advisable for the Board of Directors to be in a position to make use of the authorised share capital mechanism envisaged by our country's laws.

With the foregoing in mind, it seems advisable to submit this proposal to delegate authority to the Board of Directors to increase the Company's share capital by a maximum nominal amount of half of the share capital existing at the time the authorisation is conferred, which amount is in conformity with the limits set by the applicable law, for consideration by the General Shareholders Meeting. In any case, the limit of 50% of the share capital will only be used exceptionally, the general rule being not to achieve such limit. The increases made pursuant to that authority will take the form of offering issues of new shares – with or without a premium and with or without ordinary voting rights or privileges, including redemption or any other type of privilege permitted by applicable law – in exchange for a consideration in the form of a monetary contribution.

The proposal further envisages, where appropriate, applying for admission of the shares issued by the Company pursuant to the delegation of authority to trading on official and unofficial secondary markets, organised or otherwise, domestic or foreign, and hence authorising the Board of Directors to undertake whatever steps and procedures may be necessary vis-à-vis the competent authorities in the various national and foreign securities markets with a view to obtaining admission and listing.

In addition to the preceding proposal, it is also considered appropriate to propose that the delegation of authority to the Board of Directors to increase the share capital also include authorisation to exclude shareholders' pre-emption rights of purchase in respect of the share issues made pursuant to that authority where this is in the company's interest, all pursuant to the terms laid down in section 506 of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*).

The authority to exclude pre-emption rights of purchase is in addition to the authority to increase the share capital, in that this expands the flexibility accorded to the management body, the reason for delegating authority to increase the share capital. Apart from the cost savings of a share capital increase without pre-emption rights of purchase as opposed to a share capital increase with pre-emption rights (in particular, in the fees paid to financial institutions taking part in potential issues), excluding pre-emption rights is justified by (i) the principle of prudence in anticipation of potential temporary adverse conditions, (ii) planning criteria, and, especially, (iii) the need to strengthen the Board of Directors' ability to take fast, nimble action in circumstances in view of the volatility of current financial markets, so as to enable the Company to take advantage of the most favourable market conditions. Exclusion of pre-emption rights of purchase is further justified in that it will decrease distortion in trading of the Company's shares during the issue period, which is generally shorter than for issues with pre-emption rights. In any case, for information purposes but without the following implying an undertaking of the Company, it is noted that new shares have been issued close to NAV value in other capital increases without pre-emption rights executed by the Company, with the aim to minimize the potential dilution effect for existing shareholders.

In any case, it should be noted that the ability to exclude pre-emption rights is an option conferred on the Board of Directors by the General Shareholders Meeting and that it will be up to the Board to

decide whether it is appropriate based on the specific circumstances of each case and legal requirements. Therefore, delegating this authority does not mean that every share capital increase performed under the authorisation will entail exclusion pre-emption rights; share capital increases with pre-emption rights are possible, and the Board of Directors will consider the advisability of exclusion on a case-by-case basis. In fact, the exclusion of pre-emption rights shall be an exception being the general rule to grant the shareholders with the faculty to be included in the transaction by recognizing their share value, based on the specific circumstances.

The requested authorisation supersedes and rescinds the delegation of authority conferred by the Company's General Shareholders Meeting on 21 March 2019.

Furthermore, the Board of Directors will be able to combine the share capital increase made under this delegation of authority into a single joint new share issue with any other increase that may be approved by the General Shareholders Meeting under section 297.1.a) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) in whatever amount and form the Meeting may see fit at any future time.

Lastly, it is likewise proposed to expressly authorise the Board of Directors to delegate, in its turn, the authority entailed by the proposal envisaged in this report under the provisions of section 249 bis of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*).

* * *

This Management Report was drawn up by the Company's Board of Directors at its meeting on 16 April 2020.

In Madrid, on 16 April 2020.

Mr. Iván Azinovic
Secretary of the Board

RESOLUTION PROPOSED TO THE ANNUAL GENERAL MEETING

The full wording of the proposed resolution submitted to the Ordinary and Extraordinary General Shareholders Meeting for approval under item ten on the agenda is set out literally below:

"Authorization for the Board of Directors, with the powers to sub-delegate and to increase the share capital, pursuant to section 297.1.b) of the Spanish Corporate Enterprises Act, valid for a maximum period of five years, through monetary contributions, up to a maximum amount equal to half (50%) of the company share capital, where the Board is authorised to exclude any pre-emption right of purchase.

PROPOSED RESOLUTION:

To authorise and empower the Board of Directors, as broadly as may be required, in order that, pursuant to section 297.1.b) of the Spanish Corporate Enterprises Act, it may increase the share capital on one or more occasions and at any time, without having to previously consult with the General Meeting, within a five-year period from the date in which this General Meeting was convened, up to a maximum nominal amount equal to half (50%) of the company share capital at the time executing this power of attorney and where it must, accordingly, adhere to the limits set by the applicable regulations.

Capital increases granted under this power of attorney will be made, on one or more occasions, through the issuance and placing into circulation new shares (with or without a premium), whose equivalent value will consist of monetary contributions. With regard to any increase, it will depend on the Board of Directors to make a decision on whether the new shares to be issued are ordinary, preferred, redeemable, non-voting or of any other type permitted by law.

Furthermore, for any matter not mentioned, the Board of Directors may establish the terms and conditions of any capital increase and the characteristics of the shares, as well as to determine the intended investors and markets where the capital increases will be announced as well as the procedures to be followed for their placement, by freely offering the new unsubscribed shares within the period to exercise the right of pre-emption and may declare, should there be shares that remain unpurchased, any capital increase non-effective or that the capital is to increase only in the same amount of the underwritten subscriptions, and to redraft the text of the Articles of Association relating to the share capital. The Board of Directors may delegate a person, or persons, whether they are a director or not, who is to implement any of the resolutions passed, while using this power of attorney, and specifically for the formalisation of the capital increase.

In the event of an incomplete subscription of capital, the Board of Directors may also establish that it be increased only by the subscribed amount and is to amend the Articles of Association relating to the share capital and number of shares. Any shares issued by means of this power of attorney may be used to settle the conversion of convertible notes issued or to be issued by the Company.

Furthermore, with regard to any capital increase carried out by means of this power of attorney, the Board of Directors is empowered to exclude, either totally or partially, any pre-emption right of purchase, pursuant to section 506 of the Spanish Corporate Enterprises Act.

Any new shares issued for the purpose of any capital increase ratified under this agreement are to be ordinary shares with the same rights as those already issued (except for dividends already declared and pending payment at the time of issuance), which are to be issued at their nominal value or with the established share premium, where applicable. The equivalent value of the new shares to be issued is dependant on monetary contributions.

The Company will request, whenever considered appropriate, the admission to trading on official or unofficial secondary markets, whether organised or not, either Spanish or foreign, of the shares issued by the Company by means of this power of attorney, empowering the Board of Directors to carry out any procedures and actions required for their admission to trading before the competent bodies of the various Spanish or foreign securities markets.

Moreover, under the resolution for the increase of share capital, it will be expressly stated that, for the appropriate legal purposes, in the event that the Company be subsequently excluded from official trading, it will be resolved by means of the procedures required by the regulations at the time and, in such case, any ownership interests will be guaranteed for shareholders who oppose or do not vote in favour of the agreement, whereby complying with the requirements established under the Spanish Corporate Enterprises Act, the Spanish Securities Market Act and any other relevant regulation.

This authorization invalidates the delegation granted by the Company's General Shareholders Meeting dated 21 March 2019.

The Board of Directors is empowered to jointly execute and aggregate, in one and the same issuance of new shares, any capital increase approved by the Board, by means of this power of attorney, and any other capital increase approved by the General Shareholders Meeting in the future, pursuant to section 297.1.a) of the Spanish Corporate Enterprises Act, for the amount and manner it considers appropriate.

Moreover, the Board of Directors is expressly empowered to sub-delegate, under section 249, subsection (l) of the Spanish Corporate Enterprises Act, the powers conferred upon it under this resolution."