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## **SPANISH NATIONAL STOCK MARKET COMMISSION**

In accordance with the provisions of Article 226 of Law 6/2023, of March 17, on Securities Markets and Investment Services (hereinafter, "Árima" or the "Company"), hereby notifies the National Securities Market Commission ("CNMV") and the market of the following

### **INSIDE INFORMATION**

In accordance with the provisions of Article 114.4 of Law 6/2023, dated March 17, on Securities Markets and Investment Services, and Article 24 of Royal Decree 1066/2007, dated July 27, on the takeover bids regime, the report of the Board of Directors of the Company is attached, unanimously approved by all its members at its meeting held on October 23, 2024 in relation to the voluntary public takeover bid for all the shares of the Company made by JSS Real Estate SOCIMI, S.A., which was authorized by the Spanish National Stock Market Commission on October 16, 2024.

Madrid, October 23, 2024

Mr. Luis Alfonso López de Herrera-Oria

CEO

Árima Real Estate SOCIMI, S.A

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## REPORT OF THE BOARD OF DIRECTORS OF ARIMA REAL ESTATE SOCIMI, S.A. REGARDING THE VOLUNTARY PUBLIC TAKEOVER BID LAUNCHED BY JSS REAL ESTATE SOCIMI, S.A.

The board of directors (hereinafter, the "**Board of Directors**") of Árima Real Estate SOCIMI, S.A. (hereinafter, "**Árima**" or the "**Company**"), at its meeting held on October 23, 2024, has formulated and approved, unanimously by its members, the present report in relation to the voluntary public takeover bid made by JSS Real Estate SOCIMI, S.A. (the "**Offeror**" or "**JSS SOCIMI**") for all the shares representing the share capital of the Company (the "**Offer**").

This report (the "**Report**") is issued in compliance with the provisions of Article 114.4 of Law 6/2023, dated March 17, on Securities Markets and Investment Services (the "**Securities Market Law**"), and Article 24 of Royal Decree 1066/2007, dated July 27, on the takeover bids regime (the "**Royal Decree 1066/2007**").

On May 16, 2024, the Offeror submitted the preliminary announcement of the Offer to the Spanish National Securities Market Commission (the "**CNMV**"), which was published as an inside information communication with registration number 2253, in accordance with the provisions of Article 226 of the Stock Market Law, Article 16 of Royal Decree 1066/2007, and the First Standard of CNMV Circular 8/2008, dated December 10 (the "**Preliminary Announcement**"). Furthermore, on June 14, 2024, the Offeror submitted to the CNMV a request for authorization of the Offer, along with the required additional documentation, and communicated this submission as Other Relevant Information with registration number 29157, in accordance with the provisions of Article 227 of the Stock Market Law, Article 17 of Royal Decree 1066/2007, and the Second Standard of CNMV Circular 8/2008, dated December 10 (the "**Authorization Request**").

The Offer was authorized by the CNMV on October 16, 2024, which announcement was published as Other Relevant Information (registration number 30913). The terms and conditions of the Offer are described in detail in the corresponding explanatory prospectus of the Offer prepared by the Offeror and approved by the CNMV (the "**Prospectus**"). The Prospectus and its annexes are available to the public in printed form free of charge at the headquarters of the

CNMV and the Spanish Stock Exchanges, and at the registered offices of the Offeror and the Company, as well as in electronic format on the CNMV's website ([www.cnmv.es](http://www.cnmv.es)), on the corporate website of the Company ([www.arimainmo.com](http://www.arimainmo.com)), and on the corporate website of the Offeror ([www.jsrealestatesocimi.com](http://www.jsrealestatesocimi.com)), in accordance with the provisions of Article 22 of Royal Decree 1066/2007.

The Board of Directors reminds that this report and the opinions expressed herein are mandatory and merely informative but not binding and shall not create any obligation or liability for the issuer. The opinions contained in this report have been issued in good faith and exclusively based on the circumstances known as of the date of its issuance, without taking into account any subsequent circumstances or events, whether foreseeable or not, after such date.

**This report does not constitute a recommendation or investment or divestment advice. It is up to each shareholder of the Company to decide, after consulting with their financial and legal advisors, as appropriate, whether to accept the Offer or not, taking into account their particular circumstances and interests, based on, among other things, the information contained in the Prospectus, this Report, and the opinions on the financial fairness of the Offer consideration (fairness opinions) attached, which are an essential and inseparable part of this Report. All the aforementioned documents (the Prospectus along with its corresponding annexes and the opinions) should be read in full and in conjunction with this Report.**

## **1. MAIN CHARACTERISTICS OF THE OFFER**

The characteristics of the Offer are described in the Prospectus, which should be read in its entirety together with this Report. Notwithstanding the foregoing, some of the main characteristics of the Offer are summarized below:

### **1.1. The Offeror**

The Offeror is JSS Real Estate SOCIMI, S.A., a company of Spanish nationality, with its registered address at Calle Serrano, 41, 4th floor, 28001 Madrid, Spain, and with tax identification number (NIF) A-88020953, registered in the Madrid Mercantile Registry in volume 37,114, folio 175, section 8, sheet M-662.459, and with LEI code 959800Y4QV7A4Z32RU51.

The share capital of the Offeror is 9,019,621 euros, represented by 9,019,621 shares with a nominal value of 1.00 euro each, belonging to a single class and series, fully subscribed and paid up, and represented by book entries managed by the Stock Registration, Clearing and Settlement Systems Management Company, S.A. ("**Iberclear**") and its participating entities. The shares of JSS SOCIMI are admitted to trading on the BME Growth segment of BME MTF Equity.

### **1.1.1. Shareholding structure of the Offeror**

JSS SOCIMI is a company majority-owned and indirectly participated by a collective investment fund managed and advised by entities of the J. Safra Sarasin Group. The J. Safra Sarasin Group is owned by Mrs. Vicky Safra and her descendants (together, the "**J. Safra Family**").

In accordance with the information contained in the Prospectus, the Offeror is a company directly held, up to a 97.59%, by JSS Global Real Estate Fund Master Holding Company S.à r.l. ("**Master HoldCo**"), a Luxembourg limited liability company. In turn, Master HoldCo is wholly owned by JSS Global Real Estate Fund FCP-SIF (the "**Fund**"), a Luxembourg collective investment fund. The Fund is indirectly and predominantly participated by private banking clients of the J. Safra Sarasin Group and Safra National Bank. For the purposes set forth in Article 1(7) of the Luxembourg law of November 12, 2004, on the identification of ultimate beneficial owners of entities, no participant in the Fund holds a stake exceeding 25% (the participation threshold set by the said regulation for the identification of ultimate beneficial owners) of the total commitments to fund contributions.

The Fund is managed, under the delegation of J. Safra Sarasin Fund Management (Luxembourg) S.A. (the "**Management Company**"), by J. Safra Sarasin Asset Management (Europe) Limited (the "**Investment Manager**"), which is the entity that makes the investment and divestment decisions for the Fund. Both the Management Company and the Investment Manager are companies belonging to the J. Safra Sarasin Group, a financial group defined in Article 3c para. 1 of the Swiss Banking Act subject to the consolidated supervision of the Swiss Financial Market Supervisory Authority, composed of all direct and indirect subsidiaries (including their respective branches and representative offices) of J. Safra Sarasin Holding AG ("**JSSH**"), a Swiss company and parent of the J. Safra Sarasin Group. JSSH is wholly and directly owned by J. Safra Holdings International

(Luxembourg) S.A. ("JSHIL"). JSHIL is a Luxembourg public limited company wholly and indirectly owned—through various holding companies arranged in a successive parent-subsidary relationship—by the J. Safra Family. No member of the J. Safra Family can exercise control individually, either directly or indirectly, over JSSH, JSHIL, or any company of the J. Safra Sarasin Group (including the Management Company and the Investment Manager), nor is there any agreement among them for the coordinated exercise of their voting rights.

All investment or divestment decisions relating to the Fund are made by the Investment Manager (and, specifically, by its Investment Committee) under the delegation of the Management Company and are not subject to authorization by JSSH. Furthermore, no investment proposal or decision of the Investment Committee, nor any decision regarding the activity or strategy of the entities in which the Fund or the other funds managed by the Investment Manager are invested, must be submitted to the board of directors, or any committee, commission, director, or employee of JSSH or JSHIL, nor approved, authorized, or ratified by them (with respect to directors, officers, or employees who are also of the Management Company or the Investment Manager and of JSSH, this statement is to be understood as not being submitted in their capacity as director, officer, or employee of JSSH, but in their capacity as a member of any board of directors or committee of the Management Company or the Investment Manager, including the Investment Committee). Through the adoption of investment and divestment decisions relating to the Fund, the Investment Manager has the ability to shape, influence, and oversee the companies that are part of its investment structure (which, in relation to the investment in the Offeror, are Master HoldCo, JSS SOCIMI itself and its wholly owned subsidiaries, and, following the settlement of the Offer, Árima itself). All this, under the delegation made by the Management Company, which is ultimately responsible to the participants of the Fund for the decisions made by the Investment Committee.

As set out in the Prospectus, the Management Company controls the Offeror—for the purposes set forth in Articles 42 of the Royal Decree of August 22, 1885, which publishes the Commercial Code, Article 4 of the Securities Market Law, and Articles 1711-1 to 1711-3 of the Luxembourg commercial companies law of August 10, 1915—and, following the settlement of the Offer, will

control Árima and will be attributed the voting rights corresponding to the shares held by the Offeror, and will also control for these same purposes the company resulting from the merger between the Offeror and Árima.

Neither the Offeror, nor Master HoldCo, nor the Fund, nor any company of the J. Safra Sarasin Group (among which are included the Investment Manager and the Management Company) are part of any agreement that is considered to be a concerted action in relation to Árima.

### **1.1.2. Shareholding and control structure of the Offeror after the capitalization of the convertible loan and the Merger of the Offeror and Árima**

As described in the Prospectus, following the settlement of the Offer, the Offeror will propose to its shareholders the execution of two capital increases: (i) a first capital increase by set-off of credits with the purpose of capitalizing the convertible loan that Master Holdco and JS Immo Luxembourg S.A. will make available to the Offeror to finance the payment of the Offer consideration and other credit rights against JSS SOCIMI for an approximate amount of 4.6 million euros; and (ii) a second capital increase by cash contributions aimed at the rest of the shareholders of JSS SOCIMI with the purpose of compensating for the dilutive effect of the capital increase by set-off of credits. The Offeror has stated in the Prospectus that it intends to promote these transactions before the merger with Árima, with the goal of having them executed before December 31, 2024. More information on the financing structure of the Offer is included in the following section 1.8.2 (Financing of the Offer).

As a consequence of the capitalization, JS Immo Luxembourg S.A. ("**JS Immo**") will become a shareholders of the Offeror. JS Immo, as indicated in the following section 1.8.2 (Financing of the Offer), has committed together with Master HoldCo to finance the Offer through the subscription of a convertible financing.

JS Immo is a company incorporated under the laws of Luxembourg, with its registered office at 17-21, boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg, and registered in the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés de Luxembourg) with number B142.411. JS Immo is a wholly owned subsidiary of JSHIL. The administration of JS Immo is entrusted to a board of directors composed of three members: Diva

Cristina Correa Machado, Gonzalo Andrés Chechile Pintos, and Fabio Rocha Bezerra. The decisions of the board of directors of JS Immo are taken by an absolute majority of its members. As stated in the Prospectus, the shareholding participation that JS Immo will acquire in the Offeror and in the resulting company, after the merger between the Offeror and Árima, cannot be determined as of the date of the Prospectus and will depend mainly on the following factors:

(i) **Acceptance level of the Offer:** The level of acceptance of the Offer will determine the amount that the Offeror will need to disburse to meet the payment of the Offer consideration. The Offeror plans to finance the Offer with: (a) the convertible financing provided by Master Holdco and JS Immo, and (b) available cash on the balance sheet for an approximate amount of 7 million euros.

Regarding the convertible financing, Master HoldCo plans to disburse an amount of 50 million euros in any scenario of acceptance of the Offer, while JS Immo will disburse the remaining amount to complete the total consideration payable to the shareholders accepting of the Offer. Neither the amount of 7 million euros nor the 50 million euros mentioned are definitive and could vary (possibly being higher or lower) as a result of the ordinary activity of the Offeror and the Fund, respectively.

(ii) **Issue price of the Offeror's shares that are issued on the occasion of the capitalization:**

In line with the usual practice in the SOCIMI sector, in accordance with the terms of the convertible financing, the Offeror will take as a reference for setting the issue price of the shares the valuation criteria detailed in the following section 2.6 (Planned corporate restructurings of any nature), including the most recent net asset value (NAV) of the Company as of the date of the capitalization, which, according to the Offeror, amounted to 13.48 euros per share as of December 31, 2023. As it depends on factors external to the Company, it is not possible to determine as of the date of the prospectus the exact issue rate and therefore the number of Offeror's shares that will be issued on the occasion of the capitalization. The issue rate of the shares in the planned cash capital increase so that the minority shareholders of the Offeror do not see their participation

diluted will be the same as that of the capitalization of the credit rights.

In addition to the aforementioned factors, the shareholding participation that JS Immo will acquire in the Offeror may vary depending on the date on which the capitalization is executed, as this will determine the amount of accrued interest on the financing provided that will be subject to capitalization.

The Offeror estimates that: (i) the payment by JSS SOCIMI of an approximate amount of 7 million euros of the total Offer consideration from available cash on its balance sheet; (ii) the disbursement, and subsequent capitalization, by Master Holdco of an approximate amount of 50 million euros under the convertible financing; and (iii) the capitalization in JSS SOCIMI of other existing credit rights for an approximate amount of 4.6 million euros; will allow it to maintain a participation of more than 50% in the capital of the Offeror after the capitalization, regardless of the level of acceptance of the Offer and provided that there are no significant variations in the net value of the Offeror and Árima with respect to the latest available. However, Master Holdco and JS Immo will make the necessary adjustments to ensure that Master Holdco maintains control of the Offeror after the capitalization, by different means, as detailed in the Prospectus. Furthermore, once the capitalization is executed, the shareholding structure will vary due to the merger between the Offeror and Árima. The participation that Master Holdco and JS Immo will acquire in the company resulting from the merger will depend on the exchange ratio of the merger, which must be agreed upon by the boards of directors of the Offeror and Árima.

As is usual in merger operations between companies operating in the real estate sector and, more particularly, between SOCIMIs, the exchange ratio will be determined according to the valuation criteria generally used in the sector mentioned above. In addition, the exchange ratio must be validated by the independent expert appointed by the Madrid Mercantile Registry. The exchange ratio has not been a subject of discussion between the Offeror and Árima, and there is no agreement between the parties in this regard. In any case, the valuation of Árima that is taken into account for the determination of the exchange ratio will not necessarily coincide with the implicit in the Offer price (i.e., 8.61 euros per share), and may be higher or lower.

## **1.2. Shares to which the Offer is directed**

As indicated in the Prospectus, the Offer is directed at all the shares into which the share capital of Árima is divided, that is, 25,982,941 shares with a nominal value of 10€ each, belonging to a single class and series, fully subscribed and paid up, and which grant their holders the same rights.

As of the date of the preliminary announcement of the Offer and at the time of its presentation, the share capital of Árima amounted to 284,293,760 euros, represented by 28,429,376 shares with a nominal value of 10 euros each. In order to comply with the commitment made by the Company to the Offeror not to accept the Offer with respect to 2,446,435 shares held by the Company as treasury shares, the Ordinary General Shareholders' Meeting of Árima held on June 20, 2024, agreed to a reduction of the share capital by the redemption of such own shares and the consequent amendment of Article 5 of the Corporate Bylaws. The capital reduction and the amendment of the statutory article were registered in the Mercantile Registry on September 18, 2024, after which Iberclear proceeded to cancel the redeemed shares on September 30, 2024. There are no securities of the Company other than the shares to which the Offer is directed, as the Company has not issued any preferential subscription rights, non-voting shares, or special classes of shares, convertible bonds into shares or exchangeable for shares, warrants, or any other similar instrument that could provide a direct or indirect right to acquire or subscribe for shares of the Company. This is without prejudice to the commitments assumed by the Company to the beneficiaries of the share incentive plans described in the following section 6 (Securities of the Company held or represented, directly or indirectly, by the members of the Company's Board of Directors).

The terms of the Offer, including the consideration, are identical for all Árima shares to which it is directed.

The Offer is formulated exclusively in the Spanish market, the only market in which the Company's shares are listed, in accordance with Spanish legislation and is directed to all shareholders of Árima regardless of their nationality or place of residence.

The Offeror points out in the Prospectus that its contractual relationship with the shareholders of Árima who accept the Offer and the effects derived from it will be governed by Spanish

common law and in accordance with the legislation of the civil jurisdiction, the Spanish courts and tribunals will be the competent to hear any issue relating to the said contractual relationships. However, the Offeror flags in the Prospectus that the shareholders of Árima residing outside Spain and deciding to accept the Offer may be subject to different legal restrictions and regulations than those provided for in Spanish legislation. In this regard, it is stated that it is the exclusive responsibility of those shareholders residing abroad who decide to accept the Offer to comply with such regulations, as well as their correct verification, applicability, and effects.

### **1.3. Type of Offer**

The Offer is a voluntary takeover bid in accordance with Article 117 of the Securities Market Law and Article 13 of Royal Decree 1066/2007, it is directed at all shares of Árima according to the information contained in the Prospectus and is carried out in accordance with the Securities Market Law, Royal Decree 1066/2007, and other applicable legislation.

### **1.4. Offer Consideration**

The Offer is formulated as a purchase and sale of shares.

The consideration offered by the Offeror to the shareholders of Árima is 8.61 euros in cash per share (the "Offer Price") and will be paid entirely in cash. Consequently, the total maximum amount to be disbursed by the Offeror is 223,713,122.01 euros.

The Offeror has stated in the Prospectus that the Offer price represented an approximate premium of:

- (i) 38.87% over the closing market price of Árima's shares in the trading session on May 15, 2024 (6.20 euros per share);
- (ii) 40.51% over the volume-weighted average trading price of Árima's shares during the month prior to May 15, 2024 (6.128 euros per share);
- (iii) 37.91% over the volume-weighted average trading price of Árima's shares during the three-month period prior to May 15, 2024 (6.243 euros per share); and
- (iv) 34.91% over the volume-weighted average trading price of Árima's shares during the six-month period prior to May 15, 2024 (6.382 euros per share).

This is without prejudice to the fact that the data on premiums referenced to market prices are referenced to the date of publication of the Preliminary Announcement and that these figures may have changed and will continue to change depending on market prices, and that such data do not imply that the price can be considered fair in accordance with Articles 110 of the Securities Market Law and 9 of Royal Decree 1066/2007:

The Offer price will be reduced by an amount equivalent to the gross amount per share of any distribution of dividends, reserves, or share premium, or any other distribution to its shareholders made by Árima, and whose cut-off date (record date) is prior to the settlement of the Offer.

The Offer is voluntary and the consideration has been freely set by the Offeror in accordance with Article 13.5 of Royal Decree 1066/2007, without the fair price rules of Article 9 of the referred regulation being applicable.

#### **1.5. Conditions to which the Offer is subject**

The Offer is currently conditioned solely on its acceptance by shareholders of the Company holding, in aggregate, at least 12,991,471 shares of Árima, representing more than 50% of its share capital.

The Offer was announced and presented by the Offeror also conditioned upon the general shareholders' meeting of the Offeror approving the transaction for all relevant legal purposes, and in particular, for the purposes set forth in Article 160(f) of the consolidated text of the Spanish Companies Act. This authorization was approved at the general shareholders' meeting of the Offeror held on June 28, 2024, in accordance with the communication of Other Relevant Information published by the Offeror on July 4, 2024, with registration number 29530, and, consequently, the Offeror states that it is no longer a condition of the Offer.

The only restrictions or limitations of any nature for the modification or waiver by the Offeror of the conditions of the Offer are those resulting from the convertible financing agreement described in the following section 1.8.2 (Financing of the Offer). According to the said financing agreement, the Offeror may not modify or waive any relevant term of the Offer, including the minimum acceptance condition to which the effectiveness of the Offer is subject, without the

consent of Master HoldCo and the company JS Immo Luxembourg S.A. The Offeror has indicated in the Prospectus that it will not waive the minimum acceptance condition to which the Offer is subject.

If the minimum acceptance condition is not met, the Offer will be void, and the provisions of Article 39 of Royal Decree 1066/2007 will apply, having resulted in a negative outcome of the Offer. In that case, neither the Offeror, nor Master HoldCo, nor the Fund, nor any of the companies of the J. Safra Sarasin Group, nor the funds managed or advised by any company of the J. Safra Sarasin Group, nor any of the companies controlled by funds managed or advised by any company of the J. Safra Sarasin Group, nor the members of their respective management, direction, and control bodies, nor any others who may have promoted the Offer in their own name, on behalf of the Offeror, or in concert with it, may promote another public takeover bid for the shares of Árima until six months have elapsed from the date on which the Offer was voided, nor may they acquire securities or incur any of the cases that determine the obligation to present a public offer provided for in Royal Decree 1066/2007.

#### **1.6. Authorizations to which the Offer is subject**

As indicated in the Prospectus, the Offeror considers that the Offer is not subject to notification or authorization before the European Commission or the Spanish Markets and Antitrust National Commission, pursuant to the provisions, respectively, of Council Regulation (EC) No 139/2004 of January 20, 2004, on the control of concentrations between undertakings, and Law 15/2007 of July 3, on Antitrust, and that it is also not necessary to notify or obtain any other authorization from any antitrust authority.

Furthermore, the Offeror has stated in the Prospectus that the Offer does not constitute a transaction subject to authorization of foreign direct investment regulations under the provisions of Law 19/2003 of July 4, on the legal regime of capital movements and economic transactions abroad, and in the sole transitional provision of Royal Decree-law 34/2020, of November 17, on urgent measures to support business solvency and the energy sector, and on tax matters, and that it does not require any other authorization from, or notification to, any other national or foreign supervisory body or authority other than the CNMV.

## **1.7. Acceptance Period of the Offer**

The acceptance period for the Offer is 15 calendar days starting from the business trading day following the date of publication of the first of the Offer announcements in accordance with Article 22 of Royal Decree 1066/2007, which will be published: (i) in the trading bulletins of the Spanish Stock Exchanges; and (ii) in a national circulation newspaper (excluding digital press). Consequently, the acceptance period began on October 17, 2024, and will end at 23:59 hours on October 31, 2024, unless it is subject to extension in accordance with the provisions of Article 23 of Royal Decree 1066/2007.

## **1.8. Guarantees and Financing of the Offer**

### **1.8.1. Offer Guarantees**

In order to guarantee the payment of the Offer consideration in accordance with the provisions of Article 15 of Royal Decree 1066/2007, the Offeror provided the CNMV, along with the Authorization Request, on June 12, 2024, with the documentary evidence of the establishment of a bank guarantee issued by Banque J. Safra Sarasin (Luxembourg) S.A., as the guarantor entity, for a total amount of 223,713,122.01 euros.

### **1.8.2. Financing of the Offer**

The Offeror will meet the payment of the Offer consideration, as well as the expenses related to it, mainly with funds committed to be provided by Master HoldCo and JS Immo, through the convertible loan agreement referred to below. In addition, the Offeror plans to meet the payment of an approximate amount of 7 million euros from available cash on its balance sheet. On June 13, 2024, the Offeror, as borrower, and Master HoldCo and JS Immo, a Luxembourg public limited company wholly owned by J. Safra Holdings International (Luxembourg) S.A., as lenders, signed a convertible financing agreement for an amount of up to 225,000,000 euros for the purpose of financing the total Offer consideration and related expenses.

The convertible financing will not result in an increase in the financial indebtedness of Árima or its group, since the debt for the payment of the Offer must be assumed by converting the credits (or, in the case of partial conversion, by repaying the amounts owed) solely by the Offeror.

Neither Árima nor its subsidiaries guarantee or will guarantee in any way the obligations

assumed by the Offeror under the convertible financing.

Neither Árima nor its subsidiaries are parties to the convertible financing agreement nor is it anticipated that they will join the agreement at any time, and therefore, they neither have nor will have any payment obligation or any other obligation arising from the contract. The convertible financing also does not include clauses that affect Árima as a company controlled by JSS SOCIMI after the settlement of the Offer.

Once the condition to which the Offer is subject is met, Master HoldCo and JS Immo will disburse the arranged funds, as provided in the financing agreement, within one business day, so that the Offeror, along with the available cash on its balance sheet, will have the necessary funds to pay the total Offer consideration on the settlement date.

The distribution between Master HoldCo and JS Immo of the amounts disbursed under the convertible financing is not final and will depend, among other factors, on the level of acceptance of the Offer and the available cash on the Offeror's balance sheet that is ultimately allocated to the payment of the Offer consideration. Notwithstanding the foregoing, it is anticipated that Master HoldCo will disburse, in any case and regardless of the level of acceptance of the Offer, an approximate amount of 50 million euros, while JS Immo would disburse the excess over the 50 million and the cash that the Offeror decides to allocate to the payment of the Offer consideration.

In accordance with the information provided in the Prospectus, the Offeror states that both Master HoldCo and JS Immo have communicated to it their intention to capitalize the convertible financing after the settlement of the Offer, and before the merger of the Offeror with Árima. In this regard, after the settlement of the Offer and before the merger of the Offeror with Árima, the Offeror will submit to its general shareholders' meeting the approval of a capital increase by set-off of credits through the capitalization of the loans granted under the convertible financing agreement. The capitalization of the loans will be accompanied by a cash capital increase aimed at the minority shareholders of the Offeror with the purpose of avoiding their dilution as a result of the capitalization of the convertible financing.

## **2. PURPOSE OF THE OFFER AND STRATEGIC PLANS AND INTENTIONS OF THE OFFEROR**

## **REGARDING THE COMPANY**

### **2.1. Purpose of the Offer**

In accordance with the Prospectus, the Offeror intends to take control of Árima and promote the integration of both companies through a merger to consolidate their positioning in the office real estate segment and provide the combined company with an adequate platform to develop its growth strategy. According to the information provided by the Offeror in the Prospectus, after the acquisition of Árima, the value of the combined portfolio (taking into account the current valuation of JSS SOCIMI's portfolio of 223.4 million euros according to the estimates provided by the Offeror) would be positioned at 580.2 million euros.

The Offeror intends that, after the merger, the resulting company remains under the SOCIMI regime, considering that there are appreciable advantages in having the company resulting from the merger listed on the continuous market, due to potential access to a larger number of institutional investors and the greater liquidity and frequency of trading that it could offer.

Once the Offer is settled and JSS SOCIMI has acquired more than 50% of the shares of Árima, the Offeror will promote a merger by absorption of the Offeror by Árima (reverse merger), which will entail the extinction of JSS SOCIMI, through its dissolution without liquidation, and the transfer as a whole and by universal succession of its assets in favor of Árima. The shareholders of JSS SOCIMI will receive new issue shares of Árima in proportion to their participation in JSS SOCIMI, and the shares of Árima, as the company resulting from the merger, will remain admitted to trading on the Madrid, Barcelona, Bilbao, and Valencia Stock Exchanges through the SIBE.

In the event that the Offeror reaches 100% of the capital of Árima as a result of the Offer or as a result of compulsory purchase operations under the terms established in Article 116 of the Securities Market Law and Article 47 of Royal Decree 1066/2007, the merger will be carried out by the absorption of Árima by JSS SOCIMI through the dissolution without liquidation of the former, and the transfer as a whole and by universal succession of its assets in favor of the Offeror. In this case, the shares of JSS SOCIMI, as the company resulting from the merger, will remain admitted to trading on BME Growth.

### **2.2. Strategic plans and intentions of the Offeror regarding the future activities and**

### **location of Árima's activity centers**

The Offeror indicates in the Prospectus that, after the settlement of the Offer, JSS SOCIMI will integrate the activities and asset portfolio management of Árima and its subsidiary into its management policy.

The intention of the Offeror is to strengthen the strategic positioning of the company resulting from the merger in the office segment and to promote the growth of the resulting company through the development of the current portfolio and the identification of new investment opportunities, even in other segments, through the following strategic initiatives, which will be specified in a business plan that must be approved by the board of directors of the company resulting from the merger:

- (i) To continue investing in capex, both in the maintenance and development of the combined portfolio;
- (ii) To maximize the operating income derived from the combined portfolio, improving the positioning of the assets through actions in different areas;
- (iii) To selectively analyze opportunities for asset sales; and
- (iv) To identify new investment opportunities in the office segment, as well as in other segments of the real estate market.

Due to the merger, the Offeror intends for the resulting company to maintain a single operational headquarters located in Madrid, from which the activities of the resulting company will be directed.

### **2.3. Strategic plans and intentions of the Offeror regarding the maintenance of jobs and working conditions of the employees and executives of Árima**

The Offeror indicates in the Prospectus that it intends to outsource certain corporate functions of Árima to external companies or those of the J. Safra Sarasin Group, in a manner similar to how JSS SOCIMI is currently managed, which could affect the maintenance of jobs for employees and executives. The Offeror intends to maintain the working conditions of the employees and executives who remain, without prejudice to any variations that may arise from the evolution of the business.

Any decision in this regard will be made in accordance with the organizational needs of Árima or the company resulting from the merger that become apparent after the settlement of the Offer and in the process of integrating both companies.

#### **2.4. Plans of the Offeror regarding the use or disposal of Árima's assets and foreseen changes in its net financial indebtedness**

As part of the strategic initiatives mentioned in section 2.2, the Offeror states that it will assess possible selective sales of assets from Árima's current portfolio if attractive divestment opportunities arise and that it will not dispose of assets belonging to Árima's current portfolio for the purpose of financing, directly or indirectly, the Offer.

Regarding any foreseen changes in the net financial indebtedness of Árima and its group, the Offeror indicates in the Prospectus its intention to finance the strategic initiatives described in the previous section 2.2 (such as property purchases and investments in the improvement and development of the property portfolio of the resulting company) through a combination of equity from the shareholders of the resulting company and external financing, depending on market conditions and the availability of financing on attractive terms, without ruling out the possibility of resorting to external financing from entities belonging to the J. Safra Sarasin Group. In any case, the Offeror intends for the company resulting from the merger to maintain reasonable levels of indebtedness and market conditions.

Regarding the debt linked to the properties belonging to its current portfolio, the Offeror does not intend an early repayment within a period of less than one year. In this regard, as the Company announced through the communication of Other Relevant Information (registration number 30566), it has reached agreements with the various financial entities holding the Company's mortgage-backed loans so that the financial entities consent to the change of control that would occur if the Offer is successful, without applying penalties or fees of any kind for signing such agreement.

Aside from the above, the Offeror states that there are no additional plans or intentions regarding changes in Árima's financial indebtedness.

## **2.5. Plans of the Offeror regarding the issuance of securities by the resulting company or the Offeror**

Following what is stated in the Prospectus, on the occasion of the merger described in the previous section 2.1 and in the event that the company resulting from the merger is Árima, it will issue new shares to the shareholders of JSS SOCIMI in the number necessary to meet the exchange ratio of the merger.

Other than the above referred, the Offeror indicates that it has no plans for the issuance of shares or fixed-income securities by Árima or the companies in its group.

## **2.6. Planned corporate restructurings of any kind**

As indicated in the previous section 2.1, the Offeror intends to merge with Árima following the settlement of the Offer. However, neither the board of directors nor the general shareholders' meeting of Árima or JSS SOCIMI have yet adopted resolutions regarding the merger, although the Offeror's goal is to complete it as quickly as possible after the settlement of the Offer and the capitalization of the convertible financing and other credit rights against JSS SOCIMI described in section 1.1.2. (-Shareholding and control structure of the Offeror after the capitalization of the convertible loan and the merger of the Offeror and Árima-).

In the event that the Offeror acquires more than 50% of the capital of Árima without reaching 100%, the merger will be carried out by the absorption of JSS SOCIMI by Árima (reverse merger), which will entail the extinction of JSS SOCIMI and the transfer en bloc and by universal succession of all its assets in favor of Árima. In this case, the shareholders of JSS SOCIMI will receive, in exchange for their shares, shares of Árima in the proportion resulting from the application of the exchange ratio. In accordance with the provisions of Royal Decree-law 5/2023, of June 28, the exchange ratio of the merger will be established based on the fair value of the assets of Árima and JSS SOCIMI. Considering that both companies operate in the same sector, the exchange ratio will be determined by applying homogeneous valuation criteria generally accepted in the sector, such as the net asset value, multiples of comparable companies, multiples of preceding transactions, or a combination of various methodologies, avoiding any discrimination against the shareholders of Árima and JSS SOCIMI. The exchange ratio must be validated by the independent

expert appointed by the Mercantile Registry. The current shareholders of Árima who do not accept the Offer will continue to be shareholders of a company listed on the Spanish Stock Exchanges.

Only in the event that the Offeror acquires 100% of the share capital of Árima in the Offer or as a result of the compulsory purchase operations described in the following section 2.10 (Intentions Regarding the Listing of Árima's Shares and the Exercise of the Right to Compulsory Sale), the merger will be carried out by the absorption of Árima by JSS SOCIMI, which would entail the extinction of Árima and the transfer as a whole and by universal succession of all its assets in favor of JSS SOCIMI. In this case, the merger would be subject to the simplified regime provided for in the applicable regulations, without the need, among other requirements, for the preparation of reports by directors and independent experts or for an increase in JSS SOCIMI's capital.

On the occasion of the merger between Árima and JSS SOCIMI (in either of the two scenarios described), the Offeror anticipates that the company resulting from the merger will also absorb Árima's wholly-owned subsidiary, to simplify the corporate structure of the resulting group. Aside from the above, the Offeror does not plan to carry out any other restructuring operations such as other mergers, spin-offs, or any other structural modification or other type of corporate transaction that may affect the companies of the Árima group or its business, whether among the companies of the Árima group themselves, with companies managed by entities belonging to the J. Safra Sarasin Group, or with third parties.

## **2.7. Dividend policy and shareholders' remuneration of Árima**

Árima has not distributed dividends since the admission to trading of its shares on the Madrid, Barcelona, Bilbao, and Valencia Stock Exchanges.

Following the merger between JSS SOCIMI and Árima, the resulting company (whether JSS SOCIMI or Árima) will follow a dividend policy in accordance with its status as a SOCIMI and in compliance with the SOCIMI Law. To this end, the distribution of dividends, if any, after the settlement of the Offer and before the merger will be adjusted to the provisions of Article 6 of the SOCIMI Law, which determines that SOCIMIs are obliged to distribute as dividends: (a) 100%

of the profits from dividends or profit shares distributed by other SOCIMIs in which it participates at any given time; (b) at least 50% of the profits derived from the transfer of real estate and shares or participations in other SOCIMIs or other entities, which have been carried out respecting the minimum investment holding period, reinvesting the remaining 50%; and (c) at least 80% of the rest of the profits obtained.

After the settlement of the Offer, the Offeror intends to establish a dividend policy for Árima consisting of the distribution of the maximum distributable amount, taking into account Árima's investment and cash flow needs at any given time. The Offeror intends to apply this same dividend policy to the resulting company after the merger described in section 1.1.2. (- Shareholding and control structure of the offeror after the capitalization of the convertible loan and the merger of the Offeror and Árima-).

## **2.8. Plans related to the management, direction, and control bodies of Árima**

JSS SOCIMI intends that, following the settlement of the Offer, the board of directors of Árima will be composed of five members: three directors whose appointment will be promoted by the Offeror (including the chairman and the CEO, positions that may be held by the same person) and two independent directors. The Offeror's intention is to promote the necessary changes to the board of directors of Árima as soon as possible after the settlement of the Offer, either through the co-optation of directors (as vacancies occur due to the resignation of current directors at some point between the date of the settlement of the Offer and the date in which the first shareholders' meeting after that date would take place) or through the appointment of directors at the first shareholders' meeting to be held after the settlement of the Offer, which will be convened as soon as possible once the Offer is settled.

If vacancies occur due to the resignation of directors (whether proprietary, executive, or independent) between the date of settlement of the Offer and the date of the aforementioned meeting, JSS SOCIMI will promote the appointment by co-optation of proprietary directors in the number necessary to achieve a majority of proprietary directors nominated by JSS SOCIMI. To this end, JSS SOCIMI could appoint more than three proprietary directors by co-optation (to the extent that sufficient vacancies exist, and it is necessary to achieve a majority of the board).

However, the Offeror states that, after the meeting, the board will consist of five members: three of them whose appointment will be promoted by the Offeror and two independent directors. If sufficient vacancies do not occur, JSS SOCIMI will not achieve a majority representation on the board until the meeting is held.

The Offeror notes that it has no information or expectation that the executive or independent directors will resign, and therefore, it is possible that until the meeting is held, the Offeror will not have appointed the majority of Árima's directors and will have a minority representation on the board of directors, so it will not have the certainty of complying with the plans and intentions indicated in this section 2 until the meeting that changes the composition of Árima's board of directors. Furthermore, there are no commitments between the Offeror and the directors or executives of Árima regarding their appointment or dismissal as executive officers or regarding their continuity after the settlement of the Offer.

Additionally, the Offeror claims to intend for the audit and control committee and the appointments and remuneration committee to continue to be composed of three members. Regarding their composition, the committees would be formed by the two independent directors and by one of the proprietary directors appointed at the proposal of the Offeror (a different proprietary director for each committee).

In any case, the Offeror will ensure that Árima always complies with the recommendations of good governance for listed companies, particularly with respect to the composition and functioning of the board of directors and its committees, and the number of independent directors.

## **2.9. Projections regarding the amendment of Árima's Bylaws**

Once the Offer is settled, the Offeror will analyze and, if appropriate, promote the necessary statutory amendments, either at the first shareholders' meeting held after the settlement of the Offer or on the occasion of the merger. In particular, the Offeror is considering changing the corporate name and registered address.

## **2.10. Intentions regarding the listing of Árima's shares and the exercise of the right to mandatory sale (squeeze-out)**

The Offeror has stated in the Prospectus that it will not exercise the right to mandatory sale (squeeze-out) if the requirements set forth in Articles 116 of the Securities Market Law and Article 47 of Royal Decree 1066/2007 are met.

Consequently, if such requirements are met and the Offeror does not become the sole shareholder of Árima because of the mandatory purchase operations, Árima's shares will remain admitted to trading on the Madrid, Barcelona, Bilbao, and Valencia Stock Exchanges. In this case, if after the settlement of the Offer Árima's shares do not have adequate trading frequency and stock market liquidity, the Offeror will analyze the situation and make, within six months following the settlement of the Offer, the decisions that are reasonable based on the circumstances for the maintenance of Árima's shares on the stock exchange. One of these measures could be the placement of shares of the company resulting from the merger (whether shares owned by Master Holdco or JS Immo) referred to in the following section among private banking clients of the J. Safra Sarasin Group and Safra National Bank or third parties, without in any case transferring such a stake that would result in Master Holdco losing control of the company resulting from the merger within the meaning of Article 42 of the Commercial Code.

#### **2.11. Intentions regarding the transfer of Árima's securities**

As stated in the Prospectus, it is planned that after the merger, to promote the placement of Árima's shares (whether shares owned by Master HoldCo or JS Immo) among private banking clients of the J Safra Sarasin Group and Safra National Bank or third parties, without in any case transferring such a stake that would result in Master HoldCo losing control of Árima within the meaning of Article 42 of the Commercial Code.

Notwithstanding the foregoing, JSS SOCIMI is not engaged in negotiations nor has it signed any agreement in relation to the possible transfer of shares of the company resulting from the merger or shares of its group.

#### **2.12. Impact of the Offer on the organization and functioning of the Offeror**

In accordance with what is stated in the Prospectus, the merger between the Offeror and Árima will entail substantial modifications in the organization and functioning of the Offeror:

- (i) In the case that the merger is structured through the absorption of the Offeror by

Árima (reverse merger), the merger will result in the extinction of the Offeror and the transfer by universal succession of all its assets in favor of Árima.

(ii) In the case that the merger is structured through the absorption of Árima by the Offeror: (a) the Offeror will incorporate significant assets valued at 356.8 million euros into its real estate portfolio (resulting from adding the RICS valuation of Árima's real estate portfolio carried out by CBRE Advisory Services, S.A. as of June 30, 2024, to the amount of the advance payment of 2.1 million euros corresponding to the promise to purchase an office asset signed at the end of the 2023 fiscal year); (b) the Offeror will incorporate Árima's management platform and will go from having no employees to having them; (c) the Offeror could expand the number of members of its board of directors from the current three to five; (d) the Offeror may agree to statutory modifications, without having intentions or forecasts of any kind; (e) the placement of the Offeror's shares (whether shares owned by Master Holdco or JS Immo) among private banking clients of the J. Safra Sarasin Group and Safra National Bank or third parties will be promoted, without in any case transferring such a stake that would result in Master Holdco losing control of the Offeror, although it does not maintain negotiations nor has it signed agreements of any kind in this regard; (f) there will be the impact described in the following section 2.13 on the main magnitudes of the Offeror; and (g) there will be a temporary increase in the financial indebtedness of the Offeror to finance the payment of the Offer consideration which will be canceled with the conversion of the debt into shares of the Offeror, with the consequent increase in equity.

Aside from the above, the Offer will not entail for the Offeror: (i) additional modifications in the structure, composition, and functioning of its management body, bylaws, or constitutive documents; (ii) any change in its organization, strategy, or activity; (iii) no modification in its investment strategy; (iv) additional changes in its personnel policy; (v) no change in its dividend policy, (vi) changes in plans related to the disposal of assets, (vii) additional plans for the issuance of securities, nor (viii) any corporate restructuring other than the mentioned merger.

## **2.13. Impact of the Offer and its financing on the main financial magnitudes of JSS SOCIMI**

The Prospectus includes estimated consolidated financial information for JSS SOCIMI as of December 31, 2023, and explanatory notes related to it, prepared in accordance with IFRS, which has not been audited and has been prepared by JSS SOCIMI to reflect the expected impact of the Offer and its financing on the main financial magnitudes of JSS SOCIMI after the settlement of the Offer, assuming that at that date the Offer had been accepted by 100% of the capital of Árima and based on the information included in the consolidated annual accounts as of December 31, 2023, of JSS SOCIMI and Árima.

It is also indicated that, given that this estimated financial information has been prepared on the basis of publicly available information only for illustrative purposes, it is a hypothetical situation and does not represent the actual financial position or results of the JSS SOCIMI group as of December 31, 2023. The impact has been calculated considering the total capitalization of the convertible financing for the payment of the Offer consideration and the capitalization of debts with group companies for an additional approximate amount of 4.6 million euros.

Taking into account the above premises, the Offer would imply for the Offeror, on a consolidated level: (i) an increase in its total assets by an amount equivalent to the total assets of Árima that it will consolidate; and (ii) an increase in its equity by an amount equivalent to the equity of Árima that it will consolidate and the capitalization of the credits for the additional approximate amount of 4.6 million euros.

## **3. AGREEMENTS BETWEEN THE COMPANY AND THE OFFEROR, ITS DIRECTORS OR SHAREHOLDERS OR BETWEEN ANY OF THESE AND THE DIRECTORS OF THE COMPANY AND ADVANTAGES RESERVED BY THE OFFEROR TO SUCH MEMBERS**

### **3.1. Agreements between the Offeror and the Company**

On October 16, 2023, the Offeror and Árima signed a confidentiality agreement to protect the confidentiality of information related to a potential combination operation of both companies. On January 2, 2024, the Offeror sent a non-binding offer letter to the CEO of Árima expressing its potential interest in making the Offer, subject to the completion of due diligence. The terms

of this letter were updated on February 2, 2024.

On February 13, 2024, the Company sent a response letter to the Offeror granting it a four-week exclusivity period from the receipt of all the requested information to carry out the due diligence process. From that date until April 21, 2024, the Offeror conducted a limited due diligence on Árima in legal, tax, labor, financial, commercial, regulatory, technical, and environmental matters.

On April 22, 2024, the Offeror presented a binding offer letter to the CEO of Árima, describing the terms under which JSS SOCIMI would be willing to make the Offer. The terms of this letter were updated on May 7 and May 8, 2024.

The binding offer letter made the formulation of the Offer and the publication of the corresponding preliminary announcement conditional upon the board of directors of the Company:

- (i) Declaring, subject to its fiduciary duties and the subsequent evaluation of the Offer based on the prospectus to be published once the Offer was authorized by the CNMV, and also taking into account the advice received from its financial and legal advisors, that the Offer was friendly and attractive to its shareholders;
- (ii) Providing the Offeror with documentation proving the subscription of individual agreements under which those beneficiaries of the Company's incentive plans who had received loans from the Company to finance the expenses and taxes related to the delivery of shares under the said plans, committed to repaying such loans after the settlement of the Offer;
- (iii) Providing the Offeror with documentation proving the subscription of individual agreements with employees and directors entitled to contractual severance payments for the termination of their employment relationship in the event of a change of control in the Company, to limit the total aggregate amount for all employees and directors of such severance payments;
- (iv) Approving the payment to the Offeror of a "break-up fee" equal to 1% of the total effective amount of the Offer as preparation expenses, in case that, due to the

presentation of other competing offers once the Offer was authorized by the CNMV, the Offeror's Offer did not succeed; and

(v) Committing to: (a) not accept the Offer with 2,446,435 of the shares that the Company held in treasury; and (b) propose to the general meeting the redemption of such shares as soon as possible and, in any case, before the settlement of the Offer.

On May 9, 2024, the Board of Directors of the Company agreed to accept the terms contained in the Offeror's binding offer; in particular, it agreed: (i) to authorize the Offeror to include in the preliminary announcement the expression of support for the Offer mentioned in paragraph (i) above; (ii) to approve the payment of the "break-up fee" mentioned in paragraph (iii) above with the favorable report of its financial advisor (GBS Corporate Finance, S.A.); and (iii) to include as a separate item on the agenda of the first general shareholders' meeting to be held after the announcement of the Offer the proposal to redeem 2,446,435 shares that the Company held in treasury. The Company communicated the above to the Offeror by sending a letter dated May 10, 2024. On May 14, 2024, after receiving the documentation proving compliance with the conditions mentioned in paragraphs (ii) and (iii) above, the board of directors of the Offeror considered the conditions to which the formulation of the Offer was subject to be fulfilled. The individual agreements signed by Árima with its employees and directors referred to in points (ii) and (iii) above do not imply for any of them an increase in the contractual severance payments in the event of a change of control agreed with the Company prior to the start of negotiations with the Offeror for the formulation of the Offer, nor the forgiveness or reduction of the loans granted to the beneficiaries of the incentive plans.

Neither the Offeror nor Master Holdco nor any company of the J. Safra Sarasin Group has any agreement with any employee or director of Árima who holds shares of the Company that implies additional compensation to the Offer price via an increase in their remuneration or the establishment of incentive plans not consistent with the J. Safra Sarasin Group's policy for the sector or in any other way.

### **3.2. Members belonging to the management, direction, and control bodies of Árima and JSS SOCIMI simultaneously**

None of the members of the management, direction, and control bodies of the Offeror, Master HoldCo, the Fund, or any company of the J. Safra Sarasin Group (including the Investment Manager and the Management Company) is a member of the management, direction, and control bodies of Árima or its group companies.

### **3.3. Agreements between the Company and the shareholders or directors of the Offeror**

There is no agreement between the Company and the shareholders or directors of the Offeror in relation to the Offer.

### **3.4. Agreements between the directors of the Company and the Offeror, its shareholders or directors**

Apart from the above, there is no agreement of any nature in relation to the Offer or Árima between the Offeror, its shareholders or directors, Master HoldCo, or any company of the J. Safra Sarasin Group, on one hand, and the directors of Árima, on the other.

Furthermore, no advantage has been reserved for the members of the management, direction, and control bodies of Árima.

### **3.5. Agreements between the shareholders of the Company and the Offeror, its shareholders or directors**

The Board of Directors is not aware of any agreement between the shareholders of the Company and the Offeror, the shareholders or the directors of the Offeror in relation to the Offer.

## **4. SECURITIES OF THE OFFEROR OWNED, DIRECTLY OR INDIRECTLY, BY THE COMPANY, BY PERSONS ACTING IN CONCERT WITH THEM OR BY THEIR DIRECTORS**

As of the date of this Report, neither Árima nor the companies of its group, nor in concert with third parties, hold, directly or indirectly, any social participations and/or shares of the Offeror or the companies that make up the ownership and control structure of the Offeror described in the previous section 1.1 (Main Characteristics of the Offer - the Offeror), nor other securities or other instruments that confer the right to their acquisition or subscription.

Likewise, none of the members of the Company's Board of Directors, according to the

individualized declaration of each of them, hold, directly or indirectly, any social participations and/or shares of the Offeror or the companies that make up the ownership and control structure of the Offeror described in the previous section 1.1 (Main Characteristics of the Offer - the Offeror), nor other securities or other instruments that confer the right to their acquisition or subscription.

## **5. SECURITIES OF THE COMPANY OWNED BY THE OFFEROR**

As stated in the Prospectus, neither the Offeror nor Master HoldCo nor the Fund nor any company of the J. Safra Sarasin Group, nor the funds managed by companies of the J. Safra Sarasin Group nor the companies controlled by such funds, nor, to the best knowledge and belief of the Offeror after carrying out reasonable checks, any of the members of their respective management, direction, and control bodies are direct or indirect holders, individually or in concert with others, of Árima's shares or securities that may give rise to subscription or acquisition rights of the same.

As stated in the Prospectus, there is no type of agreement, syndication pact, voting pact, parasocial pact, or any other pact of any nature, whether verbal or written, express or tacit, between the Offeror, Master HoldCo, the Fund, nor any company of the J. Safra Sarasin Group, nor the funds managed by companies of the J. Safra Sarasin Group nor the companies controlled by such funds, or, according to the best knowledge and belief of the Offeror after having carried out the appropriate checks, their respective administrators and third parties, in relation to the Offer or Árima that may imply: (i) concerted action within the meaning of Article 5.1.b) of Royal Decree 1066/2007; (ii) the existence of any cooperation or concerted action in relation to Árima; or (iii) that aims to establish or execute any common policy in relation to the strategy or management of Árima or its group, so none of the mentioned entities acts in a concerted manner for the purposes of the provisions of Article 5.1.b) of Royal Decree 1066/2007.

The Offeror states that it has not appointed any member of the board of directors or management of Árima.

As a result of the above, as indicated in the Prospectus, in accordance with the counting rules established in Article 5 of Royal Decree 1066/2007, it is not appropriate to attribute to the

Offeror or any company of the J. Safra Sarasin Group any voting rights of Árima.

**6. SECURITIES OF THE COMPANY OWNED OR REPRESENTED, DIRECTLY OR INDIRECTLY, BY THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS**

In accordance with the public information submitted to the CNMV as of the date of this Report, the members of the Board of Directors who own, directly or indirectly, shares of the Company are as follows:

Director	Position	Category	Number of shares	% of share capital
Mr. Luis Alfonso López de Herrera-Oria	CEO	Executive	1,554,056	5.981%
Mrs. Chony Martín Vicente-Mazariegos	Vocal	Executive	127,772	0.492%
Mrs. Carmen Boyero-Klossner	Vocal	Executive	125,983	0.485%

In addition, although they are not personally holders of any shares in the Company, the proprietary directors Mr. Stanislas Henry and Ms. Pilar Fernández Palacios both are representatives at the Board of Directors, respectively, of the shareholders Ivanhoé Cambridge Inc, shareholder indirectly holder of 5,769,230 shares, representing 22.2% of the share capital, and of Asua de Inversiones, S.L., shareholder holder of 2,260,538 shares, representing 9.1% of the share capital.

The participation percentages of the indicated directors are the results after the execution of the capital reduction indicated in the previous section 1.2 (Securities to which the Offer is directed) and the effective delivery to the executive directors of the Company, Mr. Luis Alfonso López de Herrera-Oria, Mrs. Chony Martín Vicente-Mazariegos, and Mrs. Carmen Boyero-Klossner, of 59,172 shares of the Company, which, together with the shares distributed to the employees, represent a total of 80.001 out of a maximum possible of 102,196 shares in total, as beneficiaries of the Company's Incentive Plan approved by the Board of Directors on May 29, 2022, and

endorsed by the general shareholders' meeting held on June 28, 2022. This plan consisted of the free delivery of company shares aimed at the management team, executive directors, and other employees to incentivize and reward these beneficiaries for creating value for shareholders. The plan had a duration of four years and was divided into four cycles of equal duration between July 1, 2020, and June 30, 2024. The shares delivered under the Incentive Plan correspond to the third deferred payment of the second cycle (period between July 1, 2021, and June 30, 2022), not being any outstanding cycles or additional shares pending to be delivered.

The Offeror has not reached any agreement with Árima, nor its administrators, directors, or employees, regarding a new incentive plan or any other remunerative nature.

## **7. CONFLICTS OF INTEREST OF THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS AND EXPLANATION OF THEIR NATURE**

The CEO, Mr. Luis Alfonso López de Herrera-Oria, as the holder of a significant stake in the Company, and the proprietary directors Mr. Stanislas Henry and Mrs. Pilar Fernández Palacios, as representatives on the Board of Directors of the shareholders with significant stakes Ivanhoé Cambridge Inc and Asua de Inversiones, S.L., respectively, have declared themselves to be in a situation of potential conflict of interest with respect to the Offer.

The other members of the Board of Directors of Árima, the executive directors Mrs. Chony Martín Vicente-Mazariegos and Mrs. Carmen Boyero-Klossner, and the independent directors Mr. Luis María Arredondo Malo, Mr. Fernando Bautista Sagüés, Mr. Cato Henning Stonex, and Mr. David Jiménez-Blanco Carrillo de Albornoz, have stated that they are not in any conflict-of-interest

situation in relation to the Offer. However, it is noted that, as detailed in the Annual Reports on Remuneration of Directors of Árima, the executive directors, like the CEO, have service contracts with the Company that recognize the right of these directors to receive, in the event of their termination and with the exceptions contained therein, a cash compensation equivalent to twice the last total annual remuneration received or, if higher, equivalent to the compensation that would be applicable according to the formula provided in the Workers' Statute in force at any given time. Since this is a circumstance perfectly known by the other directors of the Company and by the market in general, it is not considered to prevent the ability

of these directors to participate in the debate and vote on this Report.

Taking into account the above, and in order to avoid decision-making being affected within the Board of Directors as a result of the potential conflict of interest situation in which the aforementioned directors (Mr. Luis Alfonso López de Herrera-Oria, Mr. Stanislas Henry, and Mrs. Pilar Fernández Palacios) find themselves, and with the aim of fully complying with their duty of loyalty and good governance rules, these directors have abstained from participating in the analysis and debate and have adhered to the vote of the rest of the directors in relation to the main agreements related to the Offer.

Regarding the issuance of this Report, the potentially conflicted directors have participated in the deliberation and voting of the same, given the merely informative nature of this Report, given that their situations are perfectly known by the other directors of the Company and by the market in general, and given that Article 24 of Royal Decree 1066/2007 requires stating and explaining in the report to be issued by the board of directors on the offer the existence of conflict of interest situations that may affect the directors, but does not restrict the possibility that potentially conflicted directors can participate in the preparation or approval of the report.

## **8. ACTIONS OF THE COMPANY IN THE CONTEXT OF THE OFFER**

### **8.1. Actions prior to the Preliminary Announcement of the Offer**

As previously mentioned in section 3.1 (Agreements between the Company and the Offeror), on October 16, 2023, the Offeror and Árima signed a confidentiality agreement to protect the confidentiality of information related to a potential combination operation of both companies. The exchange of information between Árima and the Offeror during the due diligence process was based on this confidentiality agreement.

On January 2, 2024, after receiving an initial non-binding offer from the Offeror for the purchase of 100% of the Company, the Board of Directors analyzed the terms of the offer, with the assistance of GBS Corporate Finance, S.A. ("**GBS**") as a financial advisor appointed to assist the Board of Directors in the context of this process.

After receiving an update on the non-binding offer from the Offeror on February 2, 2024, in which the Offeror reiterated its interest in making the Offer, subject to due diligence, the Board

of Directors, at its meeting on February 8, 2024, analyzed the terms of this new offer and unanimously agreed to proceed with the process and authorize the granting of an exclusivity period to the Offeror for the requested due diligence, ensuring that all necessary mechanisms were activated to ensure the confidentiality of the information (i.e., inclusion of those aware of the process on an insider list and implementation of security measures for the custody, filing, access, reproduction, and distribution of the information, assignment of a code name to the process, signing of the corresponding confidentiality agreements, etc.). The Board of Directors also unanimously approved the hiring of Ernst & Young Abogados, S.L.P. and Baker McKenzie Madrid, S.L.P. as legal advisors to the Board of Directors in relation to the Offer.

The CEO of the Company sent a response letter to the Offeror on February 13, 2024, granting a four-week exclusivity period from the receipt of all the requested information to carry out the limited due diligence process on Árima in legal, tax, labor, financial, regulatory, and technical matters.

The exchange of information between Árima and the Offeror during the due diligence process was based on the confidentiality agreement signed between the Offeror and Árima. The members of the management team cooperated in good faith with the Offeror, providing all the necessary information to enable its completion. Also, during the due diligence process, the Board of Directors was promptly informed by the management team, led by its CEO, of the progress of the process and took measures in the interest of the shareholders to enable the Offer to be made.

On April 22, 2024, the Offeror sent to Árima a letter with a binding offer for the acquisition of all the shares of the Company, which was analyzed by the Board of Directors at its meeting on April 23, 2024, considering the Company's situation, the evolution of the sector, and current market interest. After extensive debate, the Board of Directors unanimously agreed to reject this first proposal as it was not considered sufficiently attractive for Árima's shareholders. The terms of this letter were updated by the Offeror on May 7 and May 8, 2024.

The Board of Directors, at its meeting on May 9, 2024, analyzed the latest binding offer received and considered, after extensive debate, that the offered price was close to the expected price

and could be considered attractive for the Company's shareholders in light of the possibility that it gives them to monetize their investment in the Company with a premium that was at 43% at the market close of the trading session on May 8, 2024. All this, without prejudice to the possibility of recommending other more advantageous competing offers for the shareholders and taking into account the advice received so far from its financial and legal advisors, and subject to its fiduciary duties and the subsequent evaluation of the Offer based on (i) the documentation prepared by the Offeror and approved by the CNMV and (ii) the opinion on the reasonableness of the offer price to be issued by the financial advisors appointed by the Board of Directors for the appropriate purposes. The Board of Directors also unanimously agreed to communicate its position to the market once the preliminary announcement of the offer was published in compliance with the securities market regulations, as well as to pronounce itself at the appropriate time on the offer in the terms required and within the deadlines established by Article 24 of Royal Decree 1066/2007, once the CNMV authorized the offer.

In order to comply with the commitment made by Árima not to accept the Offer with respect to 2,446,435 shares that the Company held in treasury and to proceed with their redemption as soon as possible from the preliminary announcement of the Offer and, in any case, prior to the settlement of the same, the Board of Directors unanimously agreed at its meeting on May 14, 2024, to propose to the general shareholders' meeting a reduction of the Company's share capital through the redemption of 2,446,435 own shares.

Also, to enable the fulfillment of the aforementioned commitment made by Árima in relation to the treasury shares, the Board of Directors unanimously agreed, at the same meeting: (i) the temporary suspension of the existing share buyback program (initiated by agreement of this body at its meeting held on July 27, 2022), with effects before the opening of the trading session on the day of publication of the Preliminary Announcement of the Offer; (ii) the temporary suspension of the operation of the Company's existing liquidity contract (signed with JB Capital Markets, S.V, S.A. on November 6, 2018) with effects from the day of publication of the Preliminary Announcement of the Offer, in compliance with the provisions of Article 28.1.b) of Royal Decree 1066/2007 and the fifth rule of Circular 1/2017, of April 26, of the National

Securities Market Commission, on liquidity contracts; (iii) the termination of the liquidity contract, authorizing the CEO to carry out all necessary acts and procedures to terminate it and cancel the associated accounts; and (iv) to make the mandatory communications to the CNMV and the market in order to publicly disseminate the above agreements in accordance with the provisions of Article 227 of Law 6/2023, of March 17, on Securities Markets and Investment Services, and the fourth rule of Circular 1/2017, of April 26, of the National Securities Market Commission, on liquidity contracts.

## **8.2. Actions following the Preliminary Announcement of the Offer**

In response to the Preliminary Announcement of the Offer published by the Offeror on May 16, 2024, as Inside Information with entry registration number 2253, Árima communicated through Other Relevant Information, on the same day and with entry registration number 28686, that the Board of Directors considered the Offer to be friendly and attractive, without prejudice to the fact that the body would pronounce itself on the Offer when it deemed appropriate and, in any case, within the deadlines established in the applicable regulations, once the CNMV authorized the Offer.

The proposal of the Board of Directors of Árima to reduce the share capital for the redemption of the 2,446,435 own shares of the Company previously mentioned was approved by the General Shareholders' Meeting in its session held on June 20, 2024, on the second call. On August 1, 2024, the mandatory announcements of the capital reduction were published on the corporate website of the Company ([www.arimainmo.com](http://www.arimainmo.com)) and in the Official Bulletin of the Mercantile Registry, and on September 5, 2024, the public deed of capital reduction and amendment of the Corporate Bylaws was granted, which was duly registered in the Mercantile Registry of Madrid on September 18, 2024. The redeemed shares have been excluded from trading on the Madrid, Barcelona, Bilbao, and Valencia Stock Exchanges and canceled in the accounting records of Iberclear on September 30, 2024.

The Board of Directors unanimously agreed, at its meeting on June 20, 2024, to hire JB Capital Markets, S.V, S.A. ("**JB Capital Markets**") and AZ Capital, S.L. ("**AZ Capital**"), as financial advisors for the issuance of respective fairness opinions addressed to the Board of Directors, on the

financial fairness (fairness) of the Offer Price to be paid to the shareholders of the Company who attend the Offer. The appointment of these advisors was agreed upon by the members of the Board of Directors after having requested proposals from various entities with recognized experience in providing this type of service in the context of public takeover bids and having concluded that the proposals presented by JB Capital Markets and AZ Capital were the most suitable, both for the knowledge that both entities have of the Company (which they have followed since its market debut) and for the market in which it operates, as well as for having been the most competitive proposals in terms of fees. The Board of Directors also confirmed the expertise and independence of these entities and they did not express the existence of conflicts of interest for the provision of the requested services.

Since the publication of the Preliminary Announcement of the Offer, the Board of Directors, as well as the management team of Árima, have diligently observed the applicable regulations on public takeover bids for securities and supervised the development of the Offer, always complying with the general duty to safeguard the interests of the Company, its shareholders, and all its stakeholder groups. In addition, the Board of Directors has respected, in particular, the regime of action provided for in Article 114 of the Securities Market Law and Article 28 of Royal Decree 1066/2007.

Furthermore, the Board of Directors has ensured strict compliance with the Company's obligations regarding the dissemination of inside and relevant information, with making the Prospectus available to the public on its website, as well as the obligations to inform the workers of the Company and the companies that make up the group to which it belongs.

Throughout the process, before and after the publication of the Preliminary Announcement of the Offer, the members of the Board of Directors have rigorously observed their general duties of diligence and loyalty, including, by way of example and not limitation, their duties of adequate dedication and of adopting the necessary measures for the good direction and control of the Company, their duty to demand the necessary information and to seek external advice for the fulfillment of their obligations, their duty to keep secrets, their duty to perform their functions under the principle of personal responsibility with freedom of judgment and independence from

instructions and commitments of third parties, and their duty to take the necessary measures to avoid situations of conflict of interest, with the particularities detailed in the previous section 7 (Conflicts of interest of the members of the Company's Board of Directors and explanation of their nature).

### **8.3. Advisory Services Received by the Board of Directors**

Throughout the process, the Board of Directors has received advice from GBS as a financial advisor, and from Ernst & Young Abogados, S.L.P. and Baker Mc Kenzie Madrid, S.L.P., as a legal advisors, in evaluating the financial and legal aspects of the Offer and on the necessary actions to be taken by the Company within the framework of the Offer, all in accordance with the provisions of Article 24 of the Board of Directors' Regulations and in compliance with recommendation 29 of the Good Governance Code of Listed Companies.

Furthermore, following the usual practice in these types of operations, and as indicated in the previous section 7.2, the Board of Directors agreed to commission JB Capital Markets and AZ Capital to issue a fairness opinion on the financial reasonableness of the Offer Price (fairness opinion) from each of them. The opinions of JB Capital Markets and AZ Capital, dated October 21 and 22, 2024, respectively are addressed exclusively to the Board of Directors in relation to its examination of the Offer and do not constitute a recommendation on whether the shareholders of the Company should or should not accept the Offer or any other matter. The respective opinions of JB Capital Markets and AZ Capital are attached as Annex I and II to this Report, as an essential part of it. The opinions of JB Capital Markets and AZ Capital must be read in their entirety to assess the scope, assumptions and limitations, information and expertise on which they are based, the procedures applied, the issues considered and not considered, the relationships of these financial advisors with the Company and the Offeror, and the limitations of the review carried out, to properly assess the conclusions reached. Section 9.3 below (Considerations regarding the Offer Price) includes a reference to the content of these reports in relation to the Board of Directors' opinion on the Offer Price.

## **9. OPINION AND OBSERVATIONS OF THE COMPANY'S BOARD OF DIRECTORS ON THE OFFER**

## 9.1. General considerations

All members of the Board of Directors positively value the following aspects of the Offer:

- (i) The Offer extends to all the shares of Arima's share capital. The members of the Board of Directors note, however, that the Offer is conditioned upon its acceptance by at least 12,991,471 shares, representing more than 50% of the share capital of Árima.
- (ii) The Offer Price will be paid entirely in cash.
- (iii) The Offer Price represents a premium over the trading price of Árima's shares.
- (iv) Except for the minimum acceptance condition referred to in point (i) above, the Offer is not subject to any other condition. The Offer is also not subject to any notification or authorization from antitrust authorities, foreign investment, or any other national or foreign supervisory body or authority other than the CNMV.

## 9.2. Considerations regarding the Offer Price

As established in the previous sections 8.2 and 8.3, the Board of Directors has appointed JB Capital Markets and AZ Capital to issue their respective fairness opinions based on and subject to the factors, assumptions, limitations, disclosures, and procedures set forth in those opinions, on the financial fairness (fairness) of the Offer Price to be paid to the shareholders of the Company who participate in the Offer.

In this regard, on October 21 and 22, 2024, JB Capital Markets and AZ Capital issued their respective fairness opinions to the Board of Directors, which have been incorporated into this Report as Annexes I and II. They concluded that, as of the date of issuance of the respective fairness opinions and based on and subject to their scope, assumptions, and limitations, which should be read in their entirety, the Offer Price of 8.61 euros per share payable in cash is fair from a financial point of view for the shareholders of the Company.

Furthermore, as stated in the Prospectus and reflected in the previous section 1.4.

(Consideration of the Offer), the Offer Price represents a premium over the average trading price of Árima's shares in the months prior to the Preliminary Announcement of the Offer.

The opinions should be read in their entirety to evaluate their scope, assumptions, and

limitations, the information and expertise on which they are based, the procedures applied, the issues considered, the limitations of the review carried out, the services provided to the participants and third parties, and the conclusions expressed in them.

The opinions of JB Capital Markets and AZ Capital have been issued in English. In the event of any discrepancy between the English versions of the opinions and any translation thereof, the English versions shall prevail. Those opinions are attached as Annex I and Annex II, respectively, constitute an essential and integral part of this report.

### **9.3. Opinion of the Board of Directors**

Based on the observations contained in this Report, including the opinions issued by JB Capital Markets and AZ Capital, as well as the information contained in the Prospectus, and taking into account the terms and conditions of the Offer, as well as its impact on the interests of the Company, the Board of Directors, unanimously, issues a favorable opinion on the Offer.

This Report has been approved unanimously by the directors of the Company, with no member of the Board of Directors having made an individual statement different from the one adopted collectively by the Board of Directors and described in this Report.

In any case, it is up to each shareholder of the Company to decide whether to accept the Offer or not, taking into account the factors they consider relevant, including their particular circumstances and interests.

### **10. INTENTION TO ACCEPT OR NOT THE OFFER WITH THE OWN SHARES THAT THE COMPANY HOLDS IN TREASURY**

Árima holds 26,971 own shares in treasury, representing 0.104% of its share capital. These shares were acquired by Árima in execution of the share buyback program initiated by agreement of the Board of Directors at its meeting held on July 27, 2022, and which was suspended by agreement of the said body on May 14, 2024, due to the publication of the Preliminary Announcement of the Offer.

Regarding these shares that Árima holds in treasury, considering that (i) it is a remnant that occurred in the execution of the share buyback program that was suspended on May 14, 2024, due to the publication of the Preliminary Announcement of the Offer, and (ii) in coherence with

the commitments made by the Company to the Offeror prior to the Preliminary Announcement of the Offer, the Board of Directors has unanimously decided not to accept the Offer, despite the opinion expressed by the Board of Directors in relation to the Offer, which is reiterated for all purposes.

## **11. INTENTION OF THE MEMBERS OF THE COMPANY'S BOARD TO ACCEPT OR NOT THE OFFER**

The directors of the Company who own, directly or indirectly, shares of the Company as of the date of this report are those listed in the previous section 6.

All directors holding shares of the Company have stated that their current intention is to accept the Offer. However, the directors reserve the right to reconsider their intention if circumstances change from those existing on the date of this report.

Mr. Stanislas Henry, proprietary director representing the shareholder Ivanhoé Cambridge Inc, states that Ivanhoé Cambridge Inc intends as of today to accept the Offer with all its shares, although it reserves the right to revise its intention based on supervening circumstances and, in particular, the valuation it may make, where applicable, of the terms and conditions of other competing offers or improvements that may be authorised by the CNMV.

Ms. Pilar Fernández Palacios, proprietary director representing the shareholder Asua de Inversiones, S.L., states that Asua de Inversiones, S.L. intends as of today to accept the Offer with all its shares, although it reserves the right to revise its intention based on supervening circumstances and, in particular, the valuation it may make, where applicable, of the terms and conditions of other competing offers or improvements that may be authorised by the CNMV.

## **12. INFORMATION TO WORKERS**

In accordance with what is described in the previous section 7.2, it is noted that Árima has complied with its obligations to inform its workers as provided for in Article 25 of Royal Decree 1066/2007. In particular, the workers were informed of the Preliminary Announcement of the Offer, as well as the authorization of the Offer, and the Prospectus was made available to all of them.

As of today, no opinion has been received from the workers of the Company regarding the



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repercussions of the Offer on employment.

\* \* \*

In Madrid, on October 23, 2024



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Annex I. Fairness opinion issued by JB CAPITAL MARKETS, S.V, S.A.

*This letter to be attached to the report issued by the Board of Directors of the Company constitutes a copy of the original letter issued by JB Investment Banking*

**Strictly Private and Confidential**

In Madrid, 21 October 2024

Dear Sirs,

The Board of Directors

**Árma Real Estate SOCIMI, S.A.**

Calle de Serrano, 47

28001, Madrid (España)

The Board of Directors of Árma Real Estate SOCIMI, S.A. (the "**Company**") has requested JB Investment Banking, S.L.U. ("**JB Investment Banking**") to issue an opinion as to the fairness, from a financial point of view, of the consideration to be paid by JSS Real Estate SOCIMI, S.A. (the "**Offeror**") to the holders (the "**Shareholders**") of the ordinary shares of the Company (the "**Share(s)**") pursuant to the proposed voluntary takeover bid to acquire all of the Shares representing the 100% of the share capital of the Company, announced by the Offeror (the "**Offer**").

Pursuant to the terms of the Offer contained in the prospectus approved on October 15<sup>th</sup>, 2024 by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**") (the "**Prospectus**") and subject to the terms and conditions stated therein, Shareholders accepting the Offer shall receive a consideration of €8.61 per Share in cash in exchange for each tendered Share (the "**Consideration**").

As of the date of the Offer announcement, May 16<sup>th</sup>, 2024, neither the Offeror, nor any member of its respective administrative, management or control bodies, was a direct or indirect holder of the Shares.

Despite certain provisions of the Offer may be summarised herein, the complete terms and conditions of the Offer are set forth in the Prospectus, which is the key document to be consulted by the Board of Directors of the Company and the Shareholders in order to get a proper knowledge of the terms of the Offer. The description of the Offer and certain other information contained herein is qualified in its entirety by reference to the more detailed information appearing or incorporated by reference in the Prospectus or, if applicable, in the Documentation (as this term is defined below).

In arriving to its opinion, JB Investment Banking has exclusively relied and reviewed the following information publicly available and other documents provided by the Company to JB Investment Banking (the "**Documentation**"):

1. The Offer announcement dated May 16<sup>th</sup>, 2024, containing the terms and conditions of the Offer disclosed by the Offeror;
2. The Prospectus and certain other related public documents which JB Investment Banking deemed relevant for the purposes of providing this opinion;
3. The "inside information notices" and "other relevant information notices" issued by the Company and filed with the CNMV in the last twelve (12) months of this opinion letter;
4. Certain publicly available business and financial information relating to the Company and its assets, including its audited consolidated annual accounts for the years ending on December 31st, 2018, 2019, 2020, 2021, 2022, 2023 and the audited consolidated half year accounts of 2024 ending June 30th 2024, as well as other corporate presentations of the Company;

5. Certain information provided by the Company's senior management relating to its business and which forms part of presentation decks, video or audio conference files and other public media sources;
6. Discussions and detailed information provided by the Company's management on the Company's assets and its business plan, including, for illustrative purposes, certain third party valuations, rents rolls, occupancy rates and guidance on expected evolution, projected CAPEX, estimations on market yields and rents, etc. JB Investment Banking has not worked on such business plan and its underlying assumptions or forecasts with the Company;
7. Public information with respect to the Company's operating markets, industry dynamics and macroeconomic context;
8. The evolution of historical stock prices and trading volumes of the Company, relevant changes in the shareholding as well as other relevant information of the Company, such as GAV and Price/NAV evolution, amongst other in recent years;
9. Certain broker reports, financial forecasts and other analysis published by equity research analysts, industry specialists, third party analysis, news and any relevant market and comparable companies information JB Investment Banking deems to be useful for understanding the Company and its prospects;
10. Financial terms of certain precedent transactions involving target companies which JB Investment Banking believes are comparable to the Company;
11. Public information (and implied valuation multiples calculated by JB Investment Banking) with respect to listed entities JB Investment Banking believes are comparable to the Company;
12. Financial terms and conditions of voluntary takeover bids launched in Spain over the last decade;
13. Any other publicly available information that may support the preparation of this opinion, from an economic and financial point of view, on the Consideration; and
14. Additionally, JB Investment Banking may have consulted other financial reviews and analysis deemed appropriate and relevant, in its absolute discretion, for the purposes of providing this opinion.

In preparing this opinion, JB Investment Banking has assumed and relied upon the truth, accuracy and completeness of the Documentation, including without limitation, all documents, information, forecasts, data and financial terms provided to or used by it. JB Investment Banking has not independently verified the aforementioned Documentation and has assumed that it is not misleading and it does not assume or accept any liability or responsibility for any independent verification, update or checking of such information or any independent valuation or appraisal of any of the assets, operations or liabilities (contingent or otherwise) of the Company. JB Investment Banking has not evaluated the solvency or fair value of the Offeror or Company under any laws relating to bankruptcy, insolvency or similar matters. With respect to the financial forecasts, JB Investment Banking has assumed that the market consensus reflects the best available estimates and that no event subsequent to the date of such financial forecasts and that may be undisclosed to JB Investment Banking has had or may have a material effect on the accuracy, reliability and completeness of the forecasts and estimates implied in the market consensus. JB Investment Banking does not assume or accept liability or responsibility for (and expresses no view as to) such forecasts or the assumptions on which they are based. In preparing this opinion, the Company is aware that JB Investment Banking's opinion is based on the Documentation and has expressly confirmed to JB Investment Banking that the content of the Documentation is to the best of its knowledge correct, truth, complete and accurate. Without prejudice of all the Documentation revised, JB Investment Banking has

*This letter to be attached to the report issued by the Board of Directors of the Company constitutes a copy of the original letter issued by JB Investment Banking*

used prospects based on market consensus and/or certain equity research analysts' reports and assumes that underlying assumptions are correct, true, accurate and complete and that no information has been omitted in such prospects or reports that could have influenced the purport of this opinion or the assumptions on which it is based.

JB Investment Banking has also assumed that the Offer and other transactions, if any, that may be contemplated by the Prospectus will be consummated as described in the Prospectus, without waiver, modification or amendment of any material term, condition or agreement. JB Investment Banking has further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Offer will be obtained without any adverse effect on the Company or the Offeror or on the contemplated benefits of the Offer.

Further, JB Investment Banking's opinion is necessarily based on financial, economic, monetary and market information based on or produced using public information and other conditions as in effect on the date hereof. This opinion exclusively focuses on the fairness, from a financial point of view, of the Consideration offered to the Shareholders and does not address any other aspect or effect of the Offer or any other agreement, arrangement or understanding entered into in connection with the Offer or otherwise. No opinion is expressed as to whether any alternative transaction might be more beneficial to the Company or to the Shareholders. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors, or employees of any party to the Offer, or class of such persons, relative to the Consideration. This opinion does not address the relative merits of the Offer as compared to alternative transactions or strategies that may be available to the Company or the Shareholders nor does it address any other issues such as the underlying business decision to recommend the Offer or its commercial merits, which are matters solely for the Board of Directors of the Company. JB Investment Banking is not expressing any opinion with respect to the price at which the Shares should or will trade at any time, including following the announcement or consummation of the Offer. Subsequent developments or events regarding any circumstances and conditions may affect this opinion and the assumptions made in preparing this opinion and JB Investment Banking is not obliged to update, revise or reaffirm this opinion if such circumstances or conditions change.

As a result, other factors after the date hereof may affect the value of the Company (and its business, assets or properties) after consummation of the Offer, including but not limited to (i) changes in prevailing interest rates and other factors which generally influence the price of securities, (ii) adverse changes in the current capital markets, (iii) the occurrence of adverse changes in the financial condition, business, assets, results of operations or prospects of the Company, (iv) any necessary actions by or restrictions of governmental agencies or regulatory authorities, and (v) timely execution of all necessary agreements to complete the Offer on terms and conditions that are acceptable to all parties at interest. No opinion is expressed as to whether any alternative transaction might be more beneficial to the Company.

In rendering this opinion, JB Investment Banking has not provided legal, regulatory, tax, accounting, valuation or actuarial advice and accordingly JB Investment Banking does not assume any responsibility or liability in respect thereof.

JB Investment Banking will receive a fee in connection with the delivery of this opinion addressed to the Board of Directors of the Company. In addition, the Company has agreed to reimburse JB Investment Banking's expenses and indemnify it against certain liabilities arising out of its engagement on terms customary for this kind of services. JB Investment Banking or its parent company or affiliates or other companies owned by the same ultimate beneficial owner not belonging to the same corporate group have provided and may in the future provide, certain financial services to the Company and to its respective affiliates unrelated to the proposed Offer for which services they have received and may in the future receive compensation.

*This letter to be attached to the report issued by the Board of Directors of the Company constitutes a copy of the original letter issued by JB Investment Banking*

JB Investment Banking and/or its parent company or affiliates or other companies owned by the same ultimate beneficial owner not belonging to the same corporate group may have also provided financial advisory, commercial and investment relationships with the Offeror and its group for which they and such affiliates and companies have received and may in the future receive compensation.

In the ordinary course of business, JB Investment Banking or its parent company or affiliates or other companies owned by the same ultimate beneficial owner not belonging to the same corporate group may actively trade or hold securities of the Company and its respective affiliates for their account or for the account of their customers and, accordingly, may at any time hold a long or short position in such securities. In addition, JB Investment Banking and/or its parent company or affiliates or other companies owned by the same ultimate beneficial owner not belonging to the same corporate group may maintain relationships or enter into other transactions with the Company, the Offeror, their respective affiliates and shareholders and other interested parties.

The engagement of JB Investment Banking, this letter and the opinion expressed herein are solely for the benefit of the Company's Board of Directors and this opinion is therefore only rendered to the Company's Board of Directors in connection with their evaluation of the Offer. This opinion does not, as stated above, constitute a recommendation by JB Investment Banking as to whether the Shareholders should act regarding the Offer accepting or rejecting the Consideration or in relation to any other matter, and shall not confer any rights or remedies to any Shareholder or any other person other than the Company's Board of Directors or be used for any other purpose.

**On the basis of and subject to the foregoing, JB Investment Banking is of the opinion that, as at the date hereof, the Consideration to be paid to the Shareholders of the Company in the proposed Offer is fair, from a financial point of view, to such Shareholders.**

It is understood that this letter may not be relied upon by, nor be disclosed to, in whole or in part, any third party, nor shall any public reference to JB Investment Banking be made, for any purpose whatsoever without JB Investment Banking's prior written consent. Notwithstanding the foregoing, (i) a complete copy of this letter may be attached to the report by the Board of Directors on the Offer to be prepared pursuant to Article 24 of the Royal Decree 1066/2007, of 27 of July, on the rules applicable to takeover bids for securities and may be so disclosed to the Shareholders alongside such report; and (ii) a summary of this letter opinion may be included in the report from the Board of Directors on the Offer.

This opinion is rendered in English. If this opinion is translated into any language other than English, this English version shall always prevail.

This letter and JB Investment Banking's obligations to the Company's Board of Directors hereunder shall be governed by and construed in accordance with Spanish law and any claims or disputes arising out of, or in connection with, this letter shall be subject to the exclusive jurisdiction of the Courts of the city of Madrid.

Yours sincerely,

*[Original letter is duly signed]*

**JB Investment Banking, S.L.U.**

*This letter to be attached to the report issued by the Board of Directors of the Company constitutes a copy of the original letter issued by JB Investment Banking*



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Annex II. Fairness opinion issued by AZ Capital, S.L.

**Árima Real Estate SOCIMI, S.A.**

**To the Board of Directors**

Serrano, 47

Madrid 28001

Spain

In Madrid, on 22 October 2024

Dear members of the Board of Directors,

On 21 June 2024, Árima Real Estate SOCIMI, S.A. ("**Arima**" or the "**Company**") appointed AZ Capital, S.L. ("**AZ Capital**") to prepare and deliver to its board of directors (the "**Board of Directors**") a fairness opinion assessing the financial adequacy of the tender offer addressed to the entire share capital of Arima (the "**Transaction**") by JSS Real Estate (the "**Bidder**"), an entity belonging to the Swiss financial group J. Safra Sarasin.

On 16 May 2024, the Bidder announced a voluntary takeover bid over 28,429,376 shares, representing Arima's total share capital (the "**Offer**"). On 14 June 2024, the Bidder filed the application for the authorisation of the Offer by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**"), which was admitted for review on 21 June 2024. The CNMV authorised the Offer and published the relevant offer document prepared by the Bidder (the "**Offer Document**") on 16 October 2024.

Within the framework of the mandate executed by Arima and AZ Capital, Arima's Board of Directors requested AZ Capital to issue an opinion, strictly from a financial point of view, on the fairness of the consideration offered by the Bidder in the Offer as described below (the "**Opinion**"). This Opinion has been approved by a committee of AZ Capital in accordance with our customary practice.

## **Description of the transaction**

As stated above, the Offer is addressed to the 28,429,376 shares representing Arima's total share capital.

Nonetheless, although the Offer is addressed to 100% of the share capital, the Company has committed to redeem the treasury shares (2,446,435 shares, which represent an 8.6% of share capital) before settlement.

The Offer is structured as a share purchase. The consideration offered by the Bidder to Arima shareholders is €8.61 in cash per share (the "**Offer Price**"), corresponding to an equity value of €223.7m after the redemption of treasury shares.

The Offer Price will be reduced by an amount equal to the gross amount per share of any distribution of dividends, reserves or share premium, or any other distribution to its shareholders that Arima may make, whose record date is prior to the settlement of the Offer. The Offer is voluntary and the consideration has been freely determined by the Bidder.

Terms and conditions of the Offer are more fully set forth in the Offer Document.

## **Information under analysis**

In order to carry out the analysis required to issue the Opinion, AZ Capital has had access and analysed the following information:

- a. Transaction documentation which includes the initial public announcement of the Offer (*anuncio previo*) and the Offer Document;
- b. Business plan prepared by Arima's management team, with the appropriate due diligence performed by AZ Capital team;
- c. Public information on Arima available through commonly used sources that AZ Capital has deemed adequate to issue this Opinion, consisting of: (i) consolidated and audited annual accounts at 31 December 2023 and 30 June 2024; (ii) regulatory disclosures, company presentations and half year results available on Arima's website;
- d. The reported prices and trading activity for the Company shares;
- e. The publications of certain research analysts on the Company;

- f. Public information available through commonly used sources on companies that AZ Capital has considered similar to Arima, including: (i) valuation references of companies whose shares are listed on capital markets; (ii) research reports on such companies prepared by different institutions, to which AZ Capital has had access; and (iii) announcements, databases and research reports with regard to previous transactions, to which AZ Capital has had access.

In connection with this Opinion, we have also discussed certain aspects of the Offer, past and current business, operations, financial condition and prospects of the Company during working sessions with Arima's management team.

In order to issue the Opinion, AZ Capital has assumed and trusted, without having carried out any independent verification, the authenticity, meticulousness, sufficiency, exhaustiveness and/or accuracy of all the information provided by Arima and the public information available through commonly used sources, and that no relevant information has been omitted regarding Arima which, had it been known, would have altered the conclusions drawn in this Opinion. Consequently, neither AZ Capital nor any of its subsidiaries or associates, directors, managers, advisers or employees accept any responsibility or make any type of express or tacit representation or warranty on the authenticity, meticulousness, sufficiency, exhaustiveness and/or accuracy of the information reviewed to issue the Opinion.

AZ Capital has also assumed that, in the absence of a competing third party offer for the entire issued share capital of the Company, the Transaction will be closed in the fourth quarter of 2024 and will be consummated in accordance with the terms of the Transaction, as set out in the Offer Document, without any waiver, amendment or delay of any terms or conditions.

With regard to the financial and economic forecasts, the assumptions and the estimated data submitted to AZ Capital, AZ Capital has assumed that: (i) they reflect the best estimations and judgments, based on reasonable criteria, of those who prepared such forecasts, assumptions and estimates, including those of Arima's management on the Company's current and future financial situation; and (ii) have been established with the aim of being as precise as reasonably possible, based on the best criteria and estimates available at the time and the best judgement of Arima's management. On this basis, the financial forecasts and the core elements of evaluation done by AZ Capital have been provided by the Company's management team.

AZ Capital has not met with Arima's auditors or carried out or received any independent evaluation or appraisal of the assets or liabilities (including derivative instruments, off-balance-sheet assets and liabilities, indirect liabilities or the like) of Arima or the companies in its Group, nor has it

carried out an inspection in situ of its properties or assets. AZ Capital has not gained access to a data room and has not carried out any tax, financial, commercial, industrial, legal, labour, environmental, strategic due diligence or the like.

AZ Capital has received confirmation from Arima that: (i) it has provided AZ Capital with all of the relevant information necessary of which it is aware; and (ii) the information to which AZ Capital has gained access, to allow AZ Capital to perform its work, is authentic, meticulous, sufficient, exhaustive and accurate.

### **Evaluation methodology**

In order to analyse the Offer, AZ Capital has used generally-accepted evaluation methods commonly used for analyses of this type and considered adequate in order to issue the Opinion.

In order to carry out this analysis, AZ Capital has used subjective judgements that have been made, and they should be interpreted as such. In particular, the majority of the evaluation criteria used by AZ Capital are based, in whole or in part, on subjective estimates of discount rates, capital structure, credit rating, future refinancing costs, terminal values or normalisation of financial figures. In addition, such judgements are based, in whole or in part, on past experience and on assumptions, together with the information provided by Arima. Some of these estimates and assumptions may not materialise, are inherently subject to uncertainty and are based on several factors which are beyond AZ Capital's control and over which AZ Capital has no certainty.

We have assumed that the Offer and its terms are legal, in accordance with current regulations, that the Offer shall be completed in accordance with its terms and that the conditions established in the Offer Document shall be fulfilled, without waiving or amending any of its terms or conditions, and that in the process to obtain regulatory or third-party authorisation or consent there shall be no delay, limitation, restriction or condition that might produce an adverse effect on Arima or the Offer.

### **Scope**

The scope of this Opinion is limited to determining, strictly from a financial point of view, the fairness of the Offer Price.

## **Opinion**

**AZ Capital's opinion, which is based on current economic, market, financial, regulatory and other conditions, AZ Capital's experience and the information with which AZ Capital has been provided to date, is that the Offer Price is, from a strictly financial point of view, fair for Arima's shareholders.**

The Opinion reflects AZ Capital's judgement at 15 October 2024 and is only based on the information described above, the characteristics of the Offer and the economic and market conditions at that date. Consequently, the Opinion could vary if there are any significant changes to the economic or market conditions or the characteristics of the Offer taken into consideration, or to any of the data, estimates, forecasts and assumptions used to prepare this document. AZ Capital shall not be responsible for any impact that such significant changes may have on the Opinion and/or the validity thereof, and does not assume any undertaking to update the Opinion.

AZ Capital has prepared this Opinion in accordance with the mandate received from Arima, dated 21 June 2024, which specifically regulates the issue of this Opinion. AZ Capital expects to receive the corresponding fees derived from such mandate. Moreover, Arima has undertaken to reimburse AZ Capital for its expenses, and to keep it and its shareholders, directors, managers, employees or advisers harmless from certain liabilities that might be triggered from performing the mandate conferred on AZ Capital by Arima.

AZ Capital and its affiliates in the ordinary course of business, may have from time to time provided, and in the future may continue to provide, commercial and investment banking services to the Company, and have received, and in the future may continue to receive, fees for the rendering of such services.

AZ Capital has not given, obtained or revised, any accounting, tax, legal, labour, environmental, regulatory or commercial advice and, therefore, its Opinion does not take into account the possible implications that might be derived from such advice. The Opinion does not contemplate any non-financial aspect of the Offer. Furthermore, this Opinion does not refer to the price at which Arima's shares may eventually be traded if the Offer is executed in the terms and conditions described in this letter. We also express no view as to, and our Opinion does not address, the fairness (financial or otherwise) of the amount or nature of any other aspect of any compensation to any officers, directors, employees of any parties to the Offer. Our Opinion is necessarily based upon information available to us, and financial, stock market and other conditions and circumstances existing, as of the date hereof.

This Opinion is issued solely and exclusively for the information of Arima's Board of Directors in its own evaluation of the Offer and cannot be used for any other purpose. The sole purpose of this Opinion is to help Arima's Board of Directors evaluate the Offer, and is not and does not purport to be a recommendation for Arima's Board of Directors or its shareholders to accept or reject the Offer, or on how to vote or act in any aspect in connection therewith. The decisions on the Offer shall, therefore, be the exclusive responsibility of Arima's Board of Directors, its shareholders and, if appropriate, other parties involved in the Offer, which should carry out their own independent analysis of the Offer in order to evaluate it. AZ Capital has not been requested to opine as to, and this Opinion does not in any manner address the relative merits of the Transaction compared with alternative transactions or strategies that might be available to the Company. In arriving at our Opinion we have not considered any potential synergies that may arise following any consummation of the Offer.

This Opinion may not be used or serve as a basis, or referred to, published, used or in any other way disclosed, in whole or in part, without AZ Capital's express prior written consent, except that a complete copy of this letter may be attached to the Board of Directors' report on the Offer on a non-reliance basis, alongside such report. In any case, the only beneficiary of this document is the Company's Board of Directors and, therefore, no other person is entitled to any compensation or claim whatsoever against AZ Capital, its partners, directors, managers, employees or advisers with regard to this document.

This Opinion is issued in English and this English language version shall prevail over any translations.

This Opinion shall only be valid if the Offer is executed in the terms and conditions and in accordance with the characteristics described in this letter.

Yours faithfully,

AZ Capital, S.L.



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Silvia Collado

Partner, COO

Date: 22 October 2024