

Press Release

Net asset value increases to EUR 11.15 per share

Árma increases the value of its portfolio to EUR 293 million, up 6.1%.

- **Árma signs a lease for a third of the newly refurbished space at its Maria de Molina property, securing a rent 93% higher than in the non-refurbished space.**
- **The company increases the occupancy of its portfolio by 250 basis points, pushing up its annualised rent in like-for-like terms by 7.7%.**
- **The value of its portfolio climbs to EUR 293 million, up 6.1% since Dec'20 in like-for-like terms and +23% on the total investment made. The net asset value increases to EUR 11.15 per share, 16% more than at its IPO.**
- **Árma continues to receive 100% of its rental income and ends June with a net profit of EUR7.1 million, vs EUR2.5 million the same period last year.**
- **The company retains a strong balance sheet and continues to deliver on the commitments set out in its business plan, confident that its strategy offers strong prospects in the medium-term, with an estimated rental uplift potential of 170%.**
- **For a second consecutive year Árma took part in the GRESB assessment, a global ESG benchmark for real assets. In addition, 80% of its portfolio will be LEED/BREEAM certified by 2023, while all of its projects will be WELL certified.**



Photo: Render - Building Cadenza



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28 July 2021. Today, Árma has presented its H1 2021 results. Despite all the difficulties faced this year due to Covid-19 and the uncertainties arising as a result of the pandemic, the company has managed to increase the value of its portfolio to EUR 293 million, up 6.1% since December 2020 (on a 6-month like-for-like basis). This is a 23% increase on the total investment made, including capex investments, and takes the net asset value per share (EPRA NTA, formerly EPRA NAV) to EUR 11.15, +16% more than at its IPO

Following the signing of a lease agreement for a third of its refurbished space at its María de Molina property, the company has further demonstrated the success of its repositioning strategy. Rents in this asset are now 93% higher than prior to refurbishment, securing more than EUR 400,000 in additional annual revenue. This newly signed lease pushes the occupancy rate of Árma's portfolio up by 250 basis points and its annualised rent in like-for-like terms up by 7.7%.

Given that Árma is not exposed to the retail or hotel sectors, the company continues to receive 100% of its rental income. The net profit for the first six months of the year stood at EUR 7.1 million, vs EUR 2.5 million the same period last year.

Árma remains in a strong position: it has one of the healthiest balance sheets in the sector, with EUR 118 million of liquidity and the potential for a 170% organic increase in rental income.

Despite the Covid-19 pandemic, Árma's hand has strengthened given the greater demand for the types of assets in its portfolio, all of which fulfill the highest standards in terms of quality, sustainability, well-being and technology.

Deeply committed to the business plan

Árma's portfolio currently amounts to a gross lettable area of 94,124 sqm and 1,043 parking spaces.

The company's refurbishment works are moving ahead on schedule. Over 50% of Árma's portfolio is currently undergoing works, including the *Habana*, *Botanic*, *Cadenza* and *Manoteras* buildings, with some 14,000 sqm of space due for completion by the end of 2021 and a further 26,000 sqm in 2022.

An ambitious roadmap for sustainability, health and well-being

Árma has set itself an ambitious roadmap to ensure its properties meet the highest standards of sustainability, health and well-being. For a second consecutive year, the Socimi took part in the GRESB assessment, one of the leading global ESG benchmarks for real assets. The company also aims to achieve LEED/BREEAM certification for 80% of its property portfolio by 2023, along with WELL certification for all of its refurbishment projects. WELL is an internationally recognised standard that measures the impact of buildings on people's health and well-being.



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Árma aims to achieve a Grade A energy classification for all its refurbished properties, for every single communal area in its properties to be fuelled by renewable energy and for 75% of its properties to feature charging stations for electric vehicles.

The company finances its entire portfolio via green loans on excellent financing terms and is the only property firm in Spain to be certified by RICS (Royal Institution of Chartered Surveyors).

About Árma Real Estate

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

For more information

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