

ÁRIMA

THE VISION FOR EXCELLENCE

2023

# Half Year Results

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# H1 2023 at a glance

**€402m**

JUN'23 GAV<sup>1</sup>  
+25% on total investment

**1 new asset**

Office Madrid,  
acquired below replacement cost

**BOTANIC**

HoT agreed<sup>6</sup>

**€11.91p.s.**

EPRA NTA per share<sup>2</sup>  
+24% since IPO

**1 disposal**

Stabilised office asset,  
sale completion 4Q23

**+14,500sqm**

Office redevelopment completed  
Further 25,000 sqm ongoing

**22.7%**

NET LTV  
1.6% net finance costs<sup>3</sup>

**€11m**

Annualised GRI<sup>4</sup>  
+60% LfL YoY<sup>5</sup>

**50%**

LEED/BREEAM  
certifications awarded<sup>7</sup>

## Further upside potential

**≈6.5%**

Expected Yield on Cost  
in current portfolio

**≈€40m**

Acquisition  
in advanced stage

**>80%**

LEED/BREEAM  
certified by 2025

(1) Based on the external independent valuation carried out by CBRE Valuation Advisory (RICS) as of 30 June 2023 (2) In accordance with EPRA Best Practice Recommendations; (3) Weighted average; include spread, up-front costs and hedge, offset by the revenue generated with the short-term investments; (4) Topped-up annualised passing rental income generated by the investment properties portfolio as of Jun'23, including Torrelaguna; (5) Compares the topped-up annualised passing rental income generated by the investment properties portfolio as of 30.06.2023 that were also investment properties at 30.06.2022; (6) Head of Terms (HoT) agreed in Jul'23, lease contract expected to be signed in Oct'23; (7) In GAV terms, includes Cristalia, RMA, Habana, Botanic and Guadalix







# H1 2023 at a glance

## Recycling capital and buying again

- > Acquisition of one office property in Madrid totaling €29.75 million, with significant reversionary potential
- > Deposit contract agreed on the sale of M. Molina office asset, with completion expected in Q4 2023
- > We continue to monitor the market closely and currently have a potential acquisition in advanced stages representing a total investment of approx. €40 million (incl. capex)

## Demand for quality continues to drive leasing activity

- > Quality space remains in short supply in Madrid with our portfolio standards significantly above existing stock
- > Habana and M. Molina fully occupied, with all contracts renewed. The final pending renewal in M.Molina has been signed during the period, 30% above the previous passing rent, securing c.€200,000 p.a. of rent
- > HoT agreed for +8,000sqm with a single tenant in Botanic
- > Strong interest in Cadenza, our most recent refurbishment, completed during the period

## Attractive redevelopment pipeline ongoing

- > One office scheme (Cadenza: 14,500 sqm) delivered in the period and two office schemes (Pradillo and Dune: 25,000 sqm) currently ongoing
- > Recent acquisition (11,000 sqm) to be considered for longer term refurbishment
- > Organic growth potential: +110% additional rental income growth

## Substantial progress in the sustainability ratings of our buildings

- > Highest LEED and WELL certifications obtained for Habana and Botanic in the period, and BREEAM for Guadalix
- > 50% of portfolio LEED/BREEAM certified<sup>1</sup> by period-end, compared to 18% in 2022
- > 72% of portfolio rated EPC
- > 44% contribution from the recently installed photovoltaic plant to the total energy usage in our cold storage warehouse<sup>2</sup>

## Portfolio potential reaching inflection point

- > First refurbishment projects completed and fully leased
- > Recurring gross rental income for the 6-month period of €3.9 million<sup>3</sup>, up 40% LfL on the same period the prior year and +15% on a 6-month LfL basis, driven by both higher volume and rental increases
- > Annualised GRI<sup>4</sup> of €11 million as of Jun'23, including acquisitions in the period, up +60% LfL compared with the same period a year earlier

## Values impacted but outperforming market

- > GAV of €402 million as of 30 June 2023, up 25% on total investment, included capex spent by period-end
- > 6m-LfL<sup>5</sup> valuation down 2% driven by +28bp average yield expansion. Resilient valuation performance driven by our higher quality portfolio
- > EPRA NTA<sup>6</sup> €11.9 p.s., +24% since IPO and -4% year-to-date, mainly due to upward yield shift
- > Recurring EBITDA for the 6-month period growing with revenue and turning positive in the period

## Financial strength

- > Gearing levels remain low with net LTV of 22.7%
- > Weighted average net financial debt at 1.6% net finance costs<sup>7</sup> and c.80% repayments due from 2026 onwards
- > 28% of the share buyback plan executed<sup>8</sup>, representing 2.0% of the issued shares

## Driving the ESG agenda in the Spanish office sector

- > 100% of circularity and embodied carbon analysis in all completed refurbishment projects
- > 100% of structure reuse in all completed refurbishment projects
- > +85% of demolition and construction waste recycled
- > Electric vehicle charging points across our portfolio
- > EPRA sBPR Gold and 4-star GRESB awards
- > The only RICS-accredited<sup>9</sup> commercial real estate company in Spain

(1) In GAV terms, includes Cristalia, RMA, Habana, Botanic and Guadalix; (2) For the first half of 2023; the photovoltaic plant started to operate in Guadalix in September 2022. Solar power generation expected to increase substantially in the months of May through September; (3) Income from acquisition in the period not included; like-for-like ratios compare the recurring gross rental income generated for the six-month period as of 30.06.2023 by the properties that were part of the portfolio the same period the year earlier, and the second half of 2022, respectively; (4) Topped-up annualised passing rental income generated by the investment properties portfolio as of Jun'23, including Torrelaguna; like-for-like compares the properties at 30.06.2023 that were also part of the portfolio at 30.06.2022 and 31.12.2022; (5) 6-month like-for-like compares the properties at 30.06.2023 that were also part of the portfolio at 31.12.2022; (6) In accordance with EPRA Best Practice Recommendations; (7) Weighted average; include spread, up-front costs and hedge, offset by the revenue generated with the short-term investments; (8) Share buyback plan launched in July 2022 for a maximum amount of EUR 20 million or 2 million shares; (9) Royal Institution of Chartered Surveyors



# Strategy reminder

## Árma Priorities

Skilled deal-sourcing

Best-in-class space in the property's area of influence

Environmentally conscious

Financial strength

## Árma Approach

Highly experienced team with deep market knowledge, long-term view and a history of value creation

Delivering highly desirable, differentiated assets, designed with people in mind

Low carbon repositioning, circularity and disciplined recycling

Conservative leverage to enhance, not drive, returns and facilitate future growth

*«I am pleased to present our half yearly results which have proved resilient in challenging times for real estate. Completed refurbishment projects continue to consolidate, generating income and opening the way to recycle capital into new, value-add opportunities. Our financial position remains solid, with one of the lowest leverage rates amongst our European peers and limited maturities in the short-term. Meanwhile, our ongoing projects have been conceived to incorporate the latest design and ESG standards to meet the very highest criteria of modern occupiers. We anticipate that companies will strengthen their attention on attractive, differentiated propositions as a means to attract employees to the workplace»*

Luis López de Herrera-Oria Chief Executive Officer







# Recent Developments







# Recycling capital: new acquisition

## Torrelaguna: accretive acquisition in Inner Madrid

### ACQUISITION RATIONALE

- > Free-standing office building located in a well-established area of Madrid
- > Intrinsic qualities of large floorplates and good floor to ceiling heights to create a Class A asset
- > Very attractive entry point and initial yield acquired in a receivership process
- > Acquisition cost of €29.8 million, representing a capital value of 2,663 €/sqm or 1,919 €/sqm when adjusting for parking
- > Fully occupied with a high quality tenant
- > Strong reversionary potential (exceeding 7%) through re-leasing and/or refurbishing longer term



### TORRELAGUNA

|               |                            |
|---------------|----------------------------|
| Location      | Inner Madrid               |
| Acq. date     | Jun'23                     |
| Strategy      | Re-leasing / refurbishment |
| GLA           | 11,174 sqm                 |
| Parking units | 303                        |

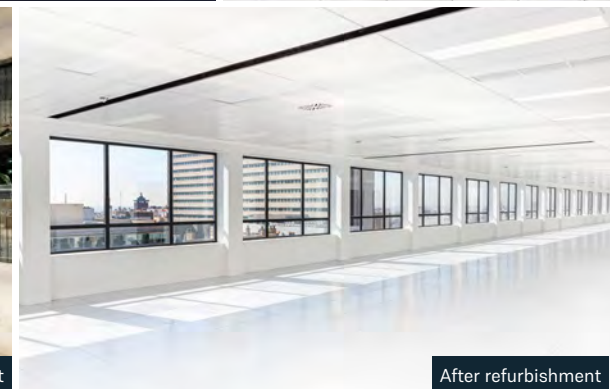


# Recycling capital: first asset divestment

## Crystallising value from stabilised projects

### MARIA DE MOLINA 39

- > Deposit contract agreed in July 2023 for the asset divestment, with sale completion expected before year-end
- > Asset rental income raised 9x post refurbishment, driven by higher occupancy and rental uplift
- > +66% average rent uplift on new lettings and renewals<sup>(1)</sup>
- > 100% leased upon refurbishment, up from 14% at acquisition
- > Leases expire in 2027 (WAULT)



(1) Average rent uplift achieved on new lettings and renewals post refurbishment





# Botanic: demand for quality driving leasing decisions

HoT agreed<sup>1</sup>

## Lease agreement

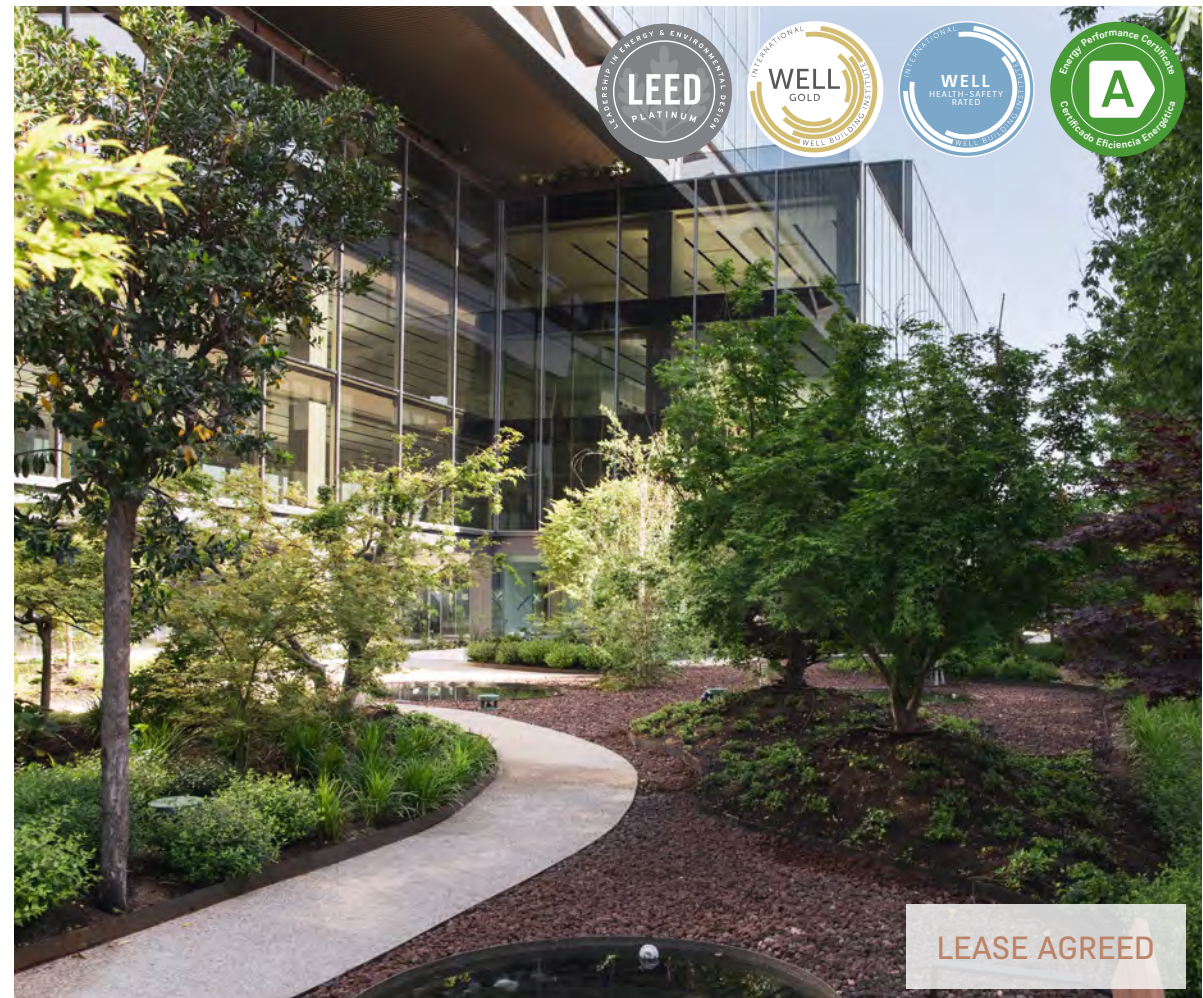
- > New tenant selects the building as the firm's new Spanish HQ
- > Min. 8,000 sqm

## A differentiated, best-in-class sustainable space

- > 30% of space is outdoors with mature-plant gardens, for biodiversity, cooling and tenant wellbeing
- > LEED Platinum awarded
- > WELL Gold awarded
- > WELL Health and Safety awarded
- > EPC 'A' standard
- > 15% of car parking units with electric charging facilities

## A responsible transformation

- > Minimising embodied carbon, incorporating circular economy principles
- > 100% of the existing structure retained, resulting in CO<sub>2</sub> savings that equate to planting 6,000 trees
- > 91% of demolition/construction waste recycled



(1) Head of Terms (HoT) agreed in Jul'23, lease contract expected to be signed in Oct'23



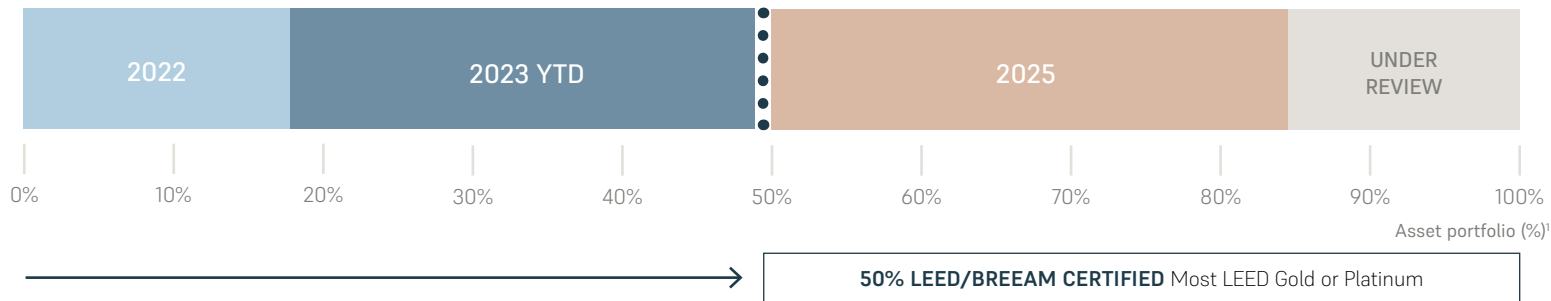


# Minimising operational and embodied carbon

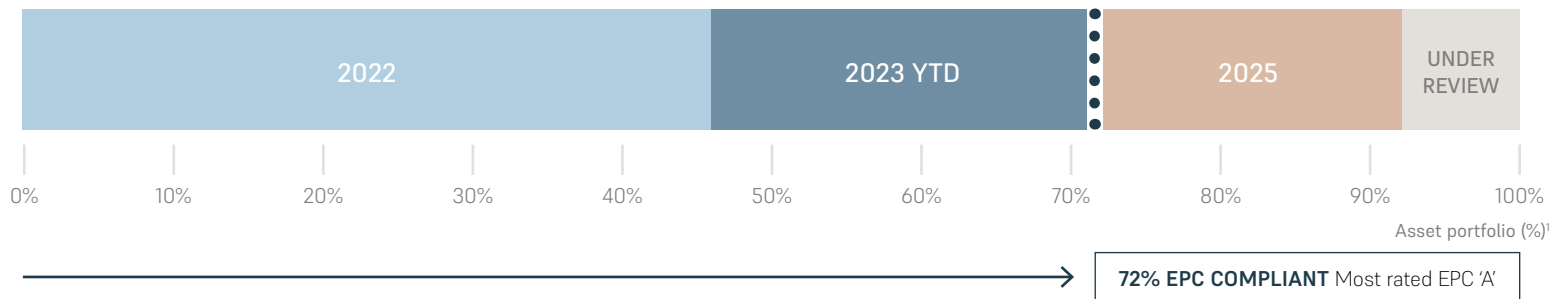
Significant milestone achieved in the period

## TOP ESG-LINKED CERTIFICATIONS AWARDED

### Portfolio LEED & BREEAM Certifications



### Portfolio EPC Profile



## AND LOW CARBON REPOSITIONING

EMBODIED CARBON ANALYSIS  
**100%**  
of completed refurbishment projects<sup>2</sup>

STRUCTURE REUSE  
**100%**  
in all completed refurbishment projects

RECYCLED  
**+85%**  
of demolition and construction waste

(1) In GAV terms; (2) Third-party analysis being carried out on all completed projects



# Financial Results







# Portfolio potential reaching inflection point

Crystallising rental upside potential with first completed schemes.  
Resilient portfolio valuation driven by our higher quality portfolio

- > Financial results underpinned by our asset management and operational performance
- > GAV of EUR 402 million as of 30 June 2023<sup>1</sup>, delivering +25% value growth on total investment
- > 6m LfL<sup>2</sup> valuation down 2% driven by +28bp average yield expansion. Resilient valuation performance driven by our higher quality portfolio
- > EPRA NTA<sup>3</sup> €11.9p.s., +24% since IPO and -4% year-to-date, mainly due to upward yield shift
- > €3.9 million gross rental income for the 6-month period, up 40% LfL on the same period the prior year and +15% on a 6-month LfL basis, driven by both higher volume and rental increases<sup>4</sup>
- > Annualised GRI at Jun'23 of EUR 11 million, including acquisitions in the period, up +60% LfL compared with the same period a year earlier
- > Recurring EBITDA<sup>5</sup> for the 6-month period growing with revenue and turning positive in the period

| EURm unless specified            | 30/06/2022 | 31/12/2022 | 30/06/2023 |
|----------------------------------|------------|------------|------------|
| Portfolio Gross Asset Value      | 381.600    | 379.700    | 402.400    |
| EPRA NTA                         | 344.165    | 328.192    | 312.937    |
| EPRA NTA per share (€ p.s.)      | 12.75      | 12.43      | 11.91      |
| Gross Rental Income <sup>6</sup> | 2.8        | 6.2        | 3.9        |
| EBITDA <sup>5</sup>              | (0.58)     | (0.55)     | (0.04)     |
| EPS (€ p.s.) <sup>6</sup>        | (0.05)     | (0.07)     | (0.03)     |
| Net LTV (%)                      | 8.5%       | 12.8%      | 22.7%      |

(1) Based on the external independent valuation carried out by CBRE Valuation Advisory (RICS); (2) 6-month like-for-like compares the properties at 30.06.2023 that were also part of the portfolio at 31.12.2022; (3) In accordance with EPRA Best Practice Recommendations; EPRA NTA EUR 11.8 per share when considering the incentive shares to be delivered to the company beneficiaries at the end of the three subsequent deferral periods between 2023 and 2024; (4) rental income from acquisition in the period not included; like-for-like ratios compare the recurring gross rental income generated for the six-month period as of 30.06.2023 by the properties that were part of the portfolio the same period the year earlier, and the second half of 2022; (5) Excludes non-recurring and extraordinary revenue and expenses; (6) Excludes non-recurring and extraordinary revenue items

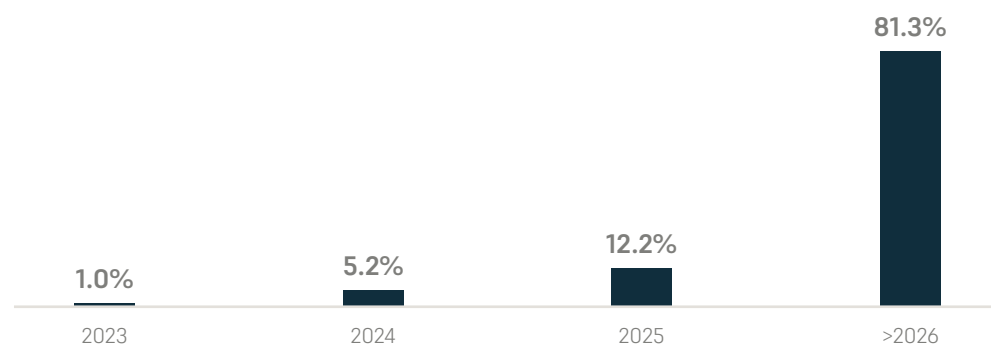




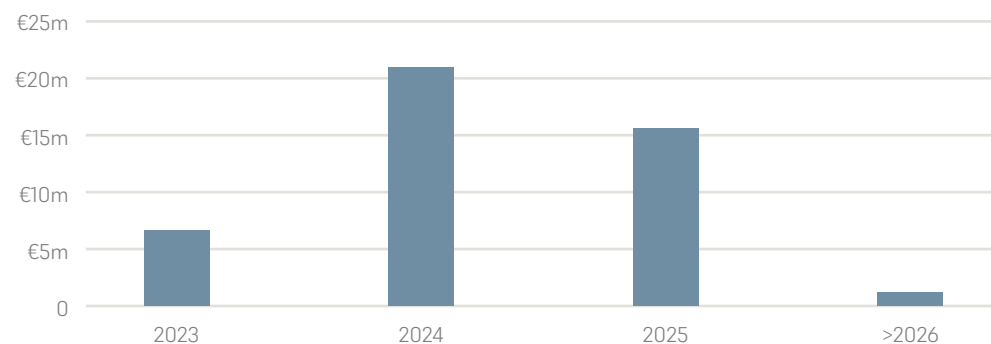
# Financial strength

Low leverage and limited debt maturities until 2026

## Debt maturity profile as of 30.06.2023



## Expected redevelopment capex



| EURm unless specified                           | 30/06/2023 |
|---|------------|
| Gross Debt                                      | 120.520    |
| Net Debt  | 91.409     |
| Liquidity <sup>1</sup>                          | 50.111     |
| Net LTV   | 22.7%      |
| Average debt maturity (years)                   | 3          |
| Weighted average net finance costs <sup>2</sup> | 1.6%       |
| Percentage of debt fixed                        | 72%        |
| Percentage of green debt                        | 100%       |

- > Net LTV remains low at 22.7% and liquidity at €50 million at period-end<sup>1</sup>
- > 1.6% net finance costs<sup>2</sup> with limited debt maturities until 2026
- > 100% of Árima's financing composed of green loans

(1) Includes cash and cash equivalents, short-term investments as well as undrawn financing facilities at period-end; (2) Weighted average; include spread, up-front costs and hedge, offset by the revenue generated with the short-term investments



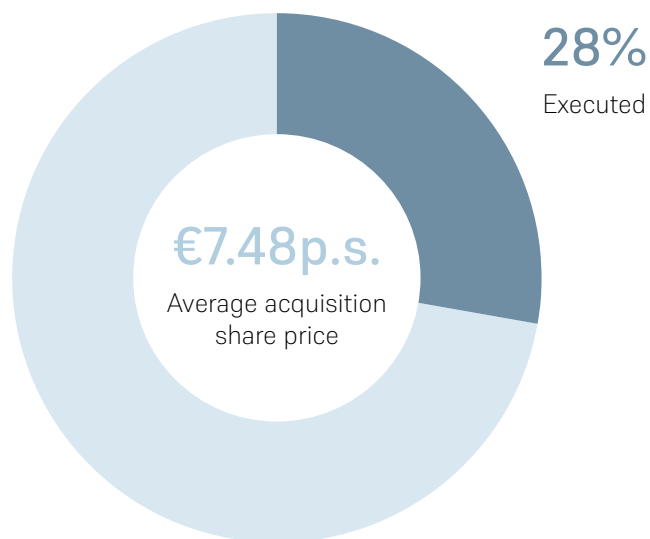


# Good progress on the current share buyback plan

Returning value to shareholders via share buybacks

## Current Share Buyback Plan

- > Current share buyback plan launched in July 2022
- > 28% of the share buyback plan executed<sup>(1)</sup>, equivalent to 2.0% of the issued shares
- > Average acquisition price of €7.48p.s.



## Total Treasury Shares

|                                      |                   |
|--------------------------------------|-------------------|
| Total Shares Acquired <sup>(2)</sup> | >2 million shares |
| As % of Issued Shares                | 7.3%              |
| Total Capital Deployed               | €17m              |
| Average Share Price                  | €8.29p.s.         |

(1) As of 30.06.2023; (2) Shares acquired in various share buybacks approved by Árma's Board of Directors since 2020



# Portfolio Valuation

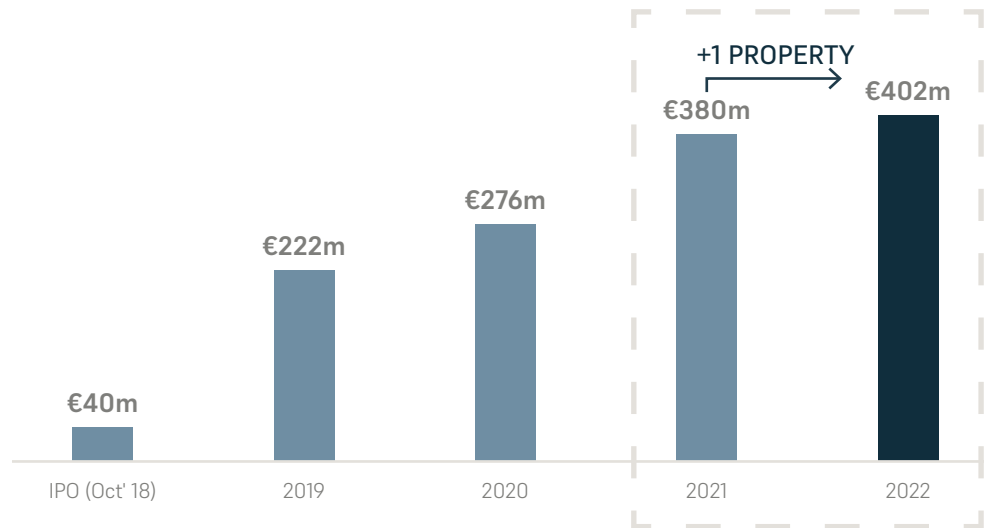






# Property valuation

Values impacted but outperforming market, driven by strong asset management capabilities



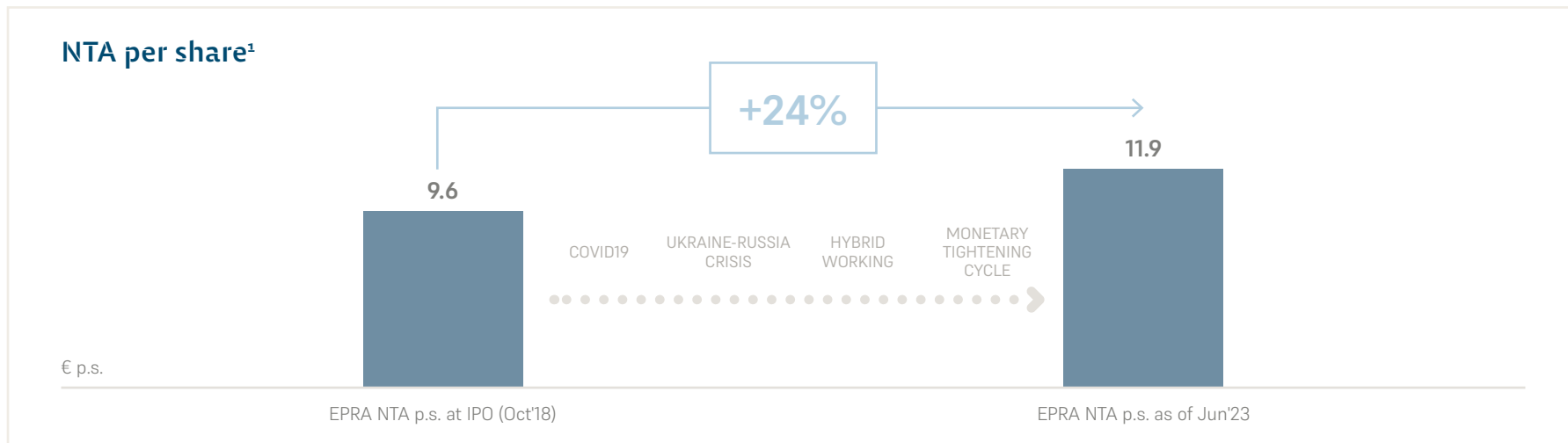
- > GAV of €402 million as of 30 June 2023<sup>1</sup>, up 25% on total investment, included capex spent by period-end
- > 6m-LfL<sup>2</sup> valuation down 2% driven by +28bp average yield expansion
- > Resilient valuation performance driven by our higher quality portfolio
- > One office scheme (Cadenza: 14,500 sqm) delivered in the period and two office schemes (Pradillo and Dune: 25,000 sqm) currently ongoing

(1) Based on the external independent valuation carried out by CBRE Valuation Advisory (RICS) at 30 June 2023; (2) 6-month like-for-like compares the properties at 30.06.2023 that were also part of the portfolio at 31.12.2022; (3) Total investment includes acquisition price plus capex invested as of the valuation date

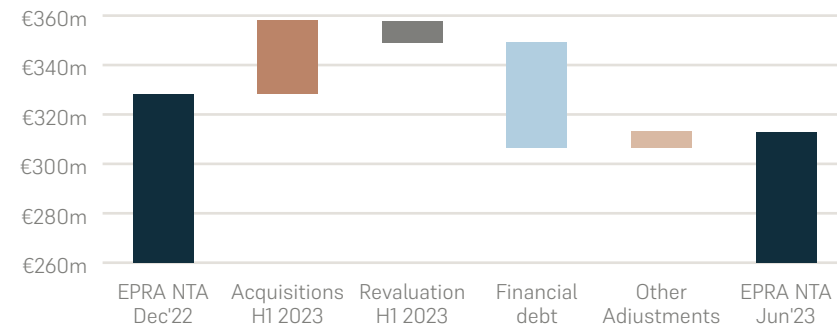


# EPRA NTA

Continues to outperform in shareholder value creation despite significant headwinds



- > EPRA NTA<sup>1</sup> €11.9 p.s., +24% since IPO, driven by 12 accretive acquisitions, and -4% year-to-date, mainly due to upward yield shift
- > 113,101 sqm GLA – 100% Madrid – in line with investment strategy



(1) In accordance with EPRA Best Practice Recommendations





# Operational Highlights





# Good operational progress in the period

Delivering on projects and profitable capital recycling

## CAPITAL RECYCLING



### 4 Torrelaguna

|                      |                |
|----------------------|----------------|
| Sector               | Offices        |
| Acquisition Date     | Jun'23         |
| Location             | ■ Inner Madrid |
| GLA                  | 11,174 sqm     |
| Quality              | Class A        |
| Estimated exit yield | ~7%            |

Completed acquisition



### 2 MM39

|                      |               |
|----------------------|---------------|
| Sector               | Offices       |
| Acquisition Date     | Dec'18-Feb'19 |
| Location             | ■ Madrid CBD  |
| GLA                  | 4,025 sqm     |
| Quality              | Class A       |
| Estimated exit yield | ~4.5%         |

Agreed disposal

## DEMAND FOR QUALITY



### 6 Botanic

|                      |                   |
|----------------------|-------------------|
| Sector               | Offices           |
| Acquisition Date     | Jan'19            |
| Location             | ■ Madrid A2 / M30 |
| GLA                  | 9,902 sqm         |
| Quality              | Class A           |
| Estimated exit yield | 6-7%              |

HoT agreed<sup>1)</sup>

## DELIVERING INTO SUPPLY SHORTAGE



### 8 Cadenza

|                      |                      |
|----------------------|----------------------|
| Sector               | Offices              |
| Acquisition Date     | Dec'19               |
| Location             | ■ Madrid C. Naciones |
| GLA                  | 14,565 sqm           |
| Quality              | Class A              |
| Estimated exit yield | ~6%                  |

Completed scheme

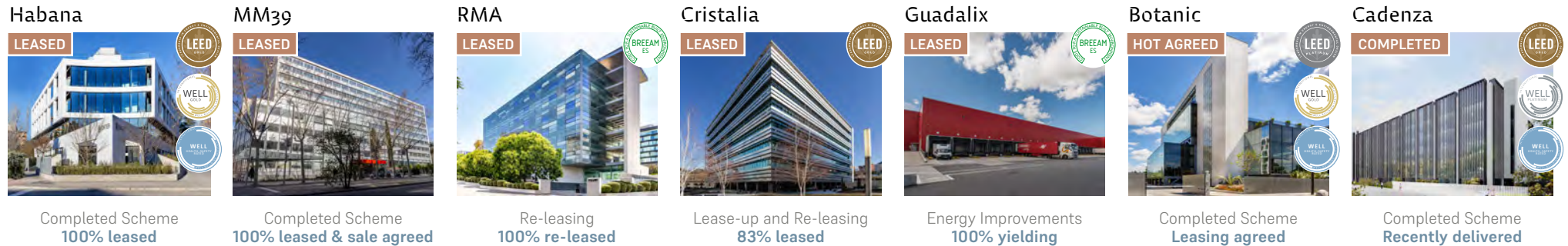
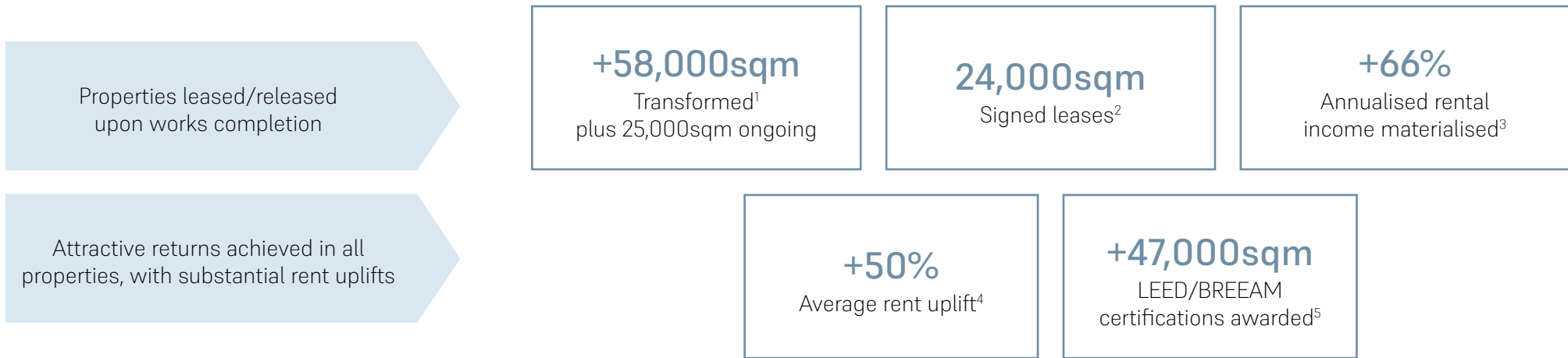
(1) Head of Terms agreed in July 2023, with final lease contract expected to be signed in Oct'23





# Solid delivery since IPO

## Operational achievements in current portfolio since IPO



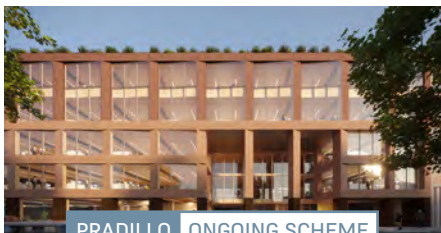
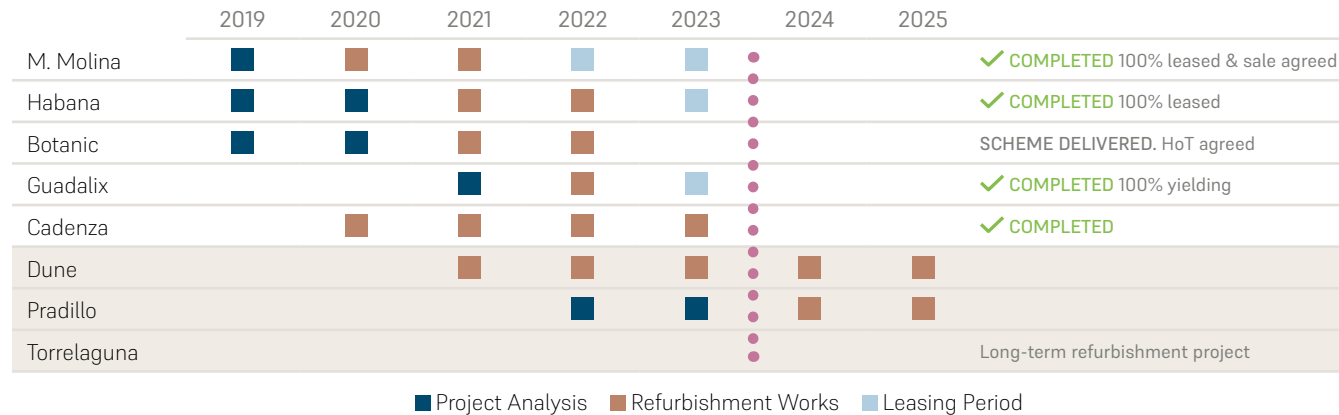
(1) Floor area fully refurbished or improved; (2) New leases and renewals; (3) Topped-up annualised passing rental income generated by the currently stabilized assets as of Jun'23 compared to the topped-up annualised rental income generated by the same assets at acquisition; (4) Average rent uplift achieved on new lettings of refurbished assets and renewals; (5) Floor area awarded with LEED or BREEAM certifications



# Exciting redevelopment projects in progress

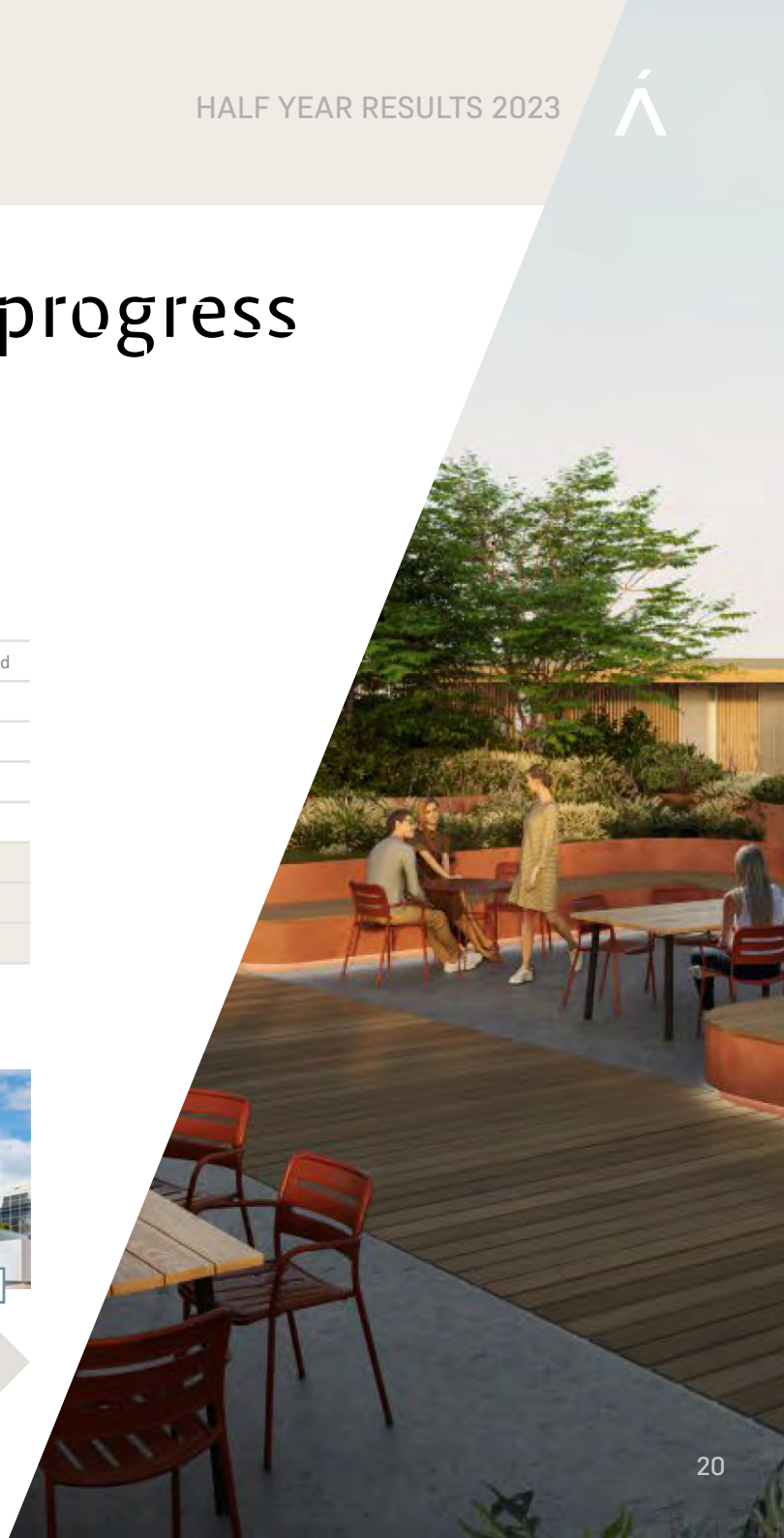
Portfolio reaching inflection point but substantial upside potential remains

## Redevelopment & Asset Management Plan



c.€44m ESTIMATED TOTAL PENDING CAPEX<sup>(1)</sup>

(1) Includes estimated pending capex to complete refurbishments of Dune and Pradillo







# Growth Potential

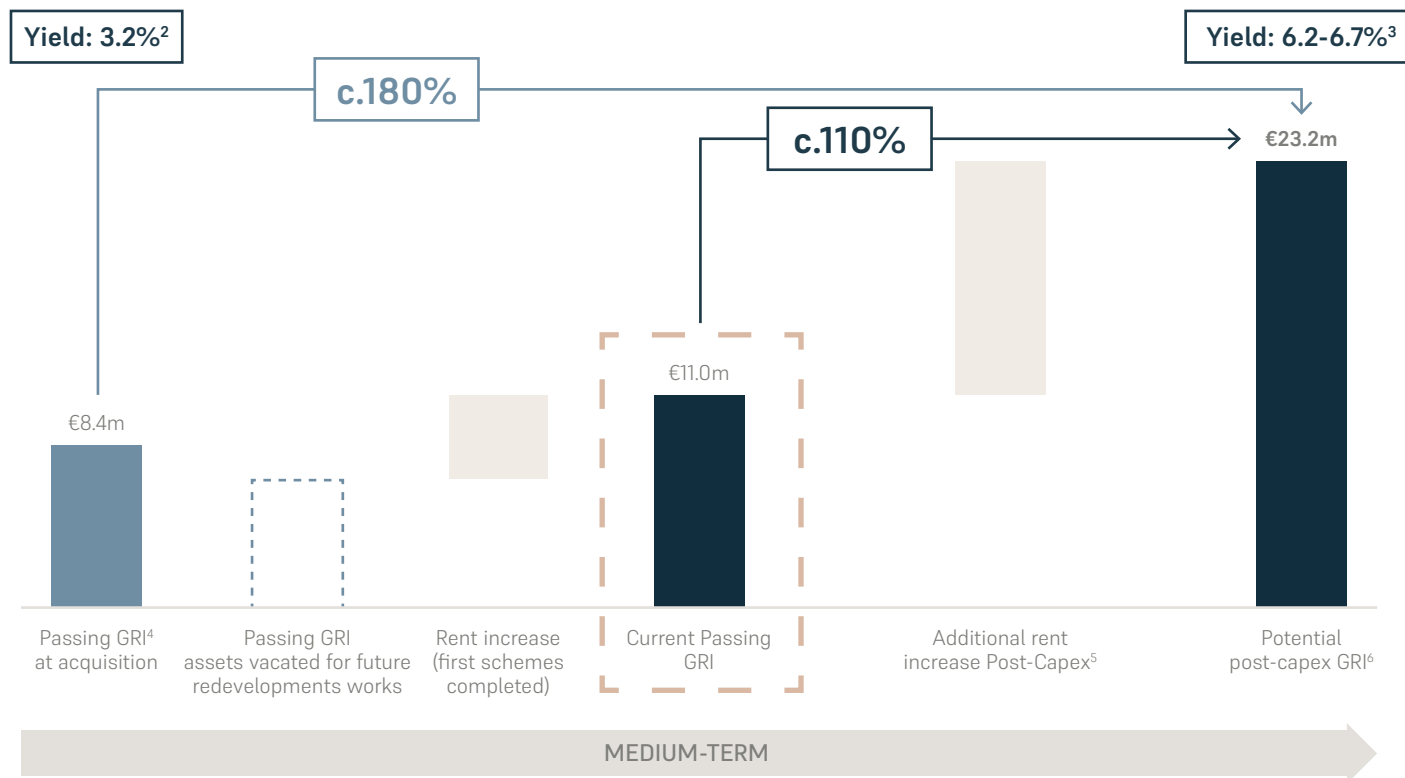




# Significant organic growth opportunity

## Rental income projections for current portfolio

Current portfolio<sup>1</sup> – gross rental income expected evolution (at current market rents)



- > Substantial upside potential remains even when applying a conservative, in-house view of rental levels: rental projections based on the 15-year average in the relevant sub-markets, adjusted for quality
- > Evidence so far (rentals signed) supportive of our projections

**YIELD ON COST**  
**6.2-6.7%**  
 vs 4.1% Madrid prime office yield<sup>7</sup>

(1) Includes the new asset acquired in the period (Torrelaguna); (2) Passing gross yield defined as passing gross rents over total portfolio acquisition price; (3) Yield on cost defined as post-capex GRI divided by total investment (acquisition costs plus expected capex); (4) Annualized gross rents; (5) Expected increase in rents from capex investments; (6) Expected gross rental income after realizing reversionary potential and effects from capital expenditures; (7) Source: CBRE as of Q1 2023





# Portfolio Overview







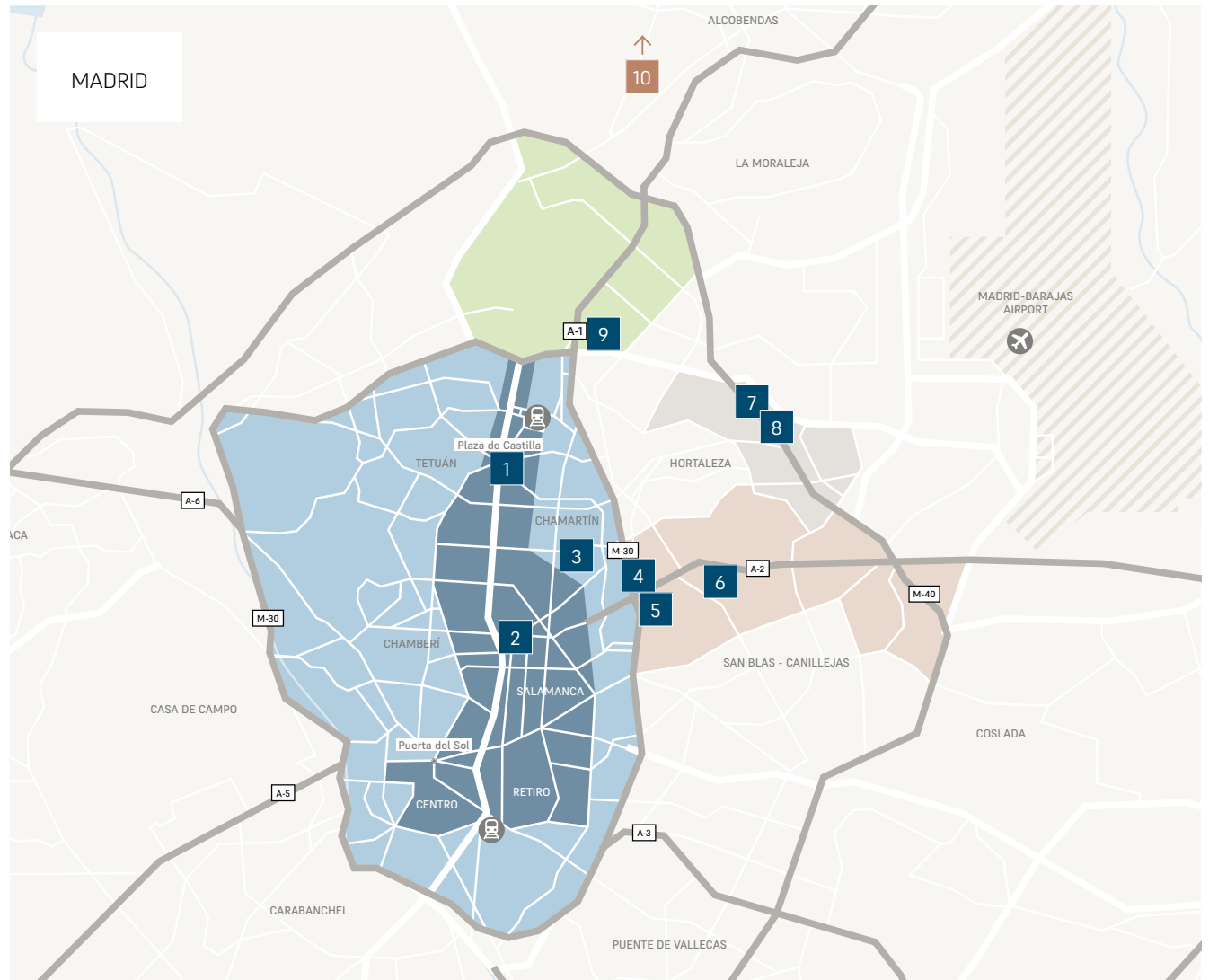
# Overview of portfolio property locations

## OFFICES

- |               |                       |
|---------------|-----------------------|
| 1 Habana      | Madrid CBD            |
| 2 MM39        |                       |
| 3 Pradillo    |                       |
| 4 RMA         | Inner Madrid          |
| 5 Torrelaguna |                       |
| 6 Botanic     | A2/M30                |
| 7 Cristalia   | Campo de las Naciones |
| 8 Cadenza     |                       |
| 9 Dune        | Las Tablas/Manoteras  |

## LOGISTICS

- |             |
|-------------|
| 10 Guadalix |
|-------------|



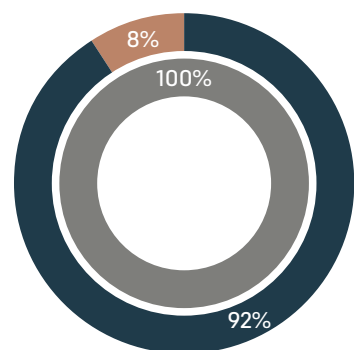
- > Assets located in Madrid's most-established offices areas
- > Focus on creating the best-in-class office space in the property's area of influence



# Portfolio breakdown

Unique proposition with clear focus on Madrid offices built via disciplined and accretive acquisitions

## GAV by sector and location



- Our sectors**
- Offices
  - Logistics
- Our locations**
- Madrid

## Portfolio breakdown

| EUR m. unless specified                  | Assets (#) | GLA (sqm)      | Parking (units) <sup>2</sup> | Acq Price (EURm) | Acq Cost (EURm) | Acq Price (€/sqm) <sup>3</sup> | GAV <sup>4</sup> | Occupancy rate | Annualised GRI <sup>5</sup> (€'000) | Annualised NRI <sup>5</sup> (€'000) | Gross yield <sup>6</sup> | NIY <sup>7</sup> |
|--|------------|----------------|------------------------------|------------------|-----------------|--------------------------------|------------------|----------------|-------------------------------------|-------------------------------------|--------------------------|------------------|
| <b>INVESTMENT PROPERTIES<sup>1</sup></b> |            |                |                              |                  |                 |                                |                  |                |                                     |                                     |                          |                  |
| <b>Offices</b>                           | <b>7</b>   | <b>62,065</b>  | <b>1,117</b>                 | <b>205</b>       | <b>210</b>      | <b>2,937</b>                   | <b>287</b>       | <b>58%</b>     | <b>8,702</b>                        | <b>7,627</b>                        | <b>4.2%</b>              | <b>2.7%</b>      |
| Madrid                                   | 7          | 62,065         | 1,117                        | 205              | 210             | 2,937                          | 287              | 58%            | 8,702                               | 7,627                               | 4.2%                     | 2.7%             |
| CBD                                      | 2          | 8,381          | 89                           | 42               | 43              | 4,773                          | 76               | 100%           | 3,381                               | 3,215                               | 8.0%                     | 4.2%             |
| Inner Madrid (M30)                       | 2          | 18,282         | 387                          | 62               | 64              | 2,768                          | 64               | 100%           | 3,326                               | 3,110                               | 5.3%                     | 4.9%             |
| Greater Madrid                           | 3          | 35,403         | 641                          | 100              | 103             | 2,586                          | 147              | 26%            | 1,995                               | 1,303                               | 2.0%                     | 0.9%             |
| <b>Logistics</b>                         | <b>1</b>   | <b>25,694</b>  | <b>-</b>                     | <b>16</b>        | <b>17</b>       | <b>638</b>                     | <b>33</b>        | <b>100%</b>    | <b>2,349</b>                        | <b>2,259</b>                        | <b>14.3%</b>             | <b>6.8%</b>      |
| Madrid                                   | 1          | 25,694         | -                            | 16               | 17              | 638                            | 33               | 100%           | 2,349                               | 2,259                               | 14.3%                    | 6.8%             |
| <b>Total investment properties</b>       | <b>8</b>   | <b>87,759</b>  | <b>1,117</b>                 | <b>221</b>       | <b>227</b>      | <b>2,262</b>                   | <b>320</b>       | <b>70%</b>     | <b>11,052</b>                       | <b>9,886</b>                        | <b>5.0%</b>              | <b>3.1%</b>      |
| <b>REDEVELOPMENTS</b>                    |            |                |                              |                  |                 |                                |                  |                |                                     |                                     |                          |                  |
| <b>Offices</b>                           | <b>2</b>   | <b>25,342</b>  | <b>441</b>                   | <b>37</b>        | <b>38</b>       | <b>1,494</b>                   | <b>83</b>        |                |                                     |                                     |                          |                  |
| Madrid                                   | 2          | 25,342         | 441                          | 37               | 38              | 1,494                          | 83               |                |                                     |                                     |                          |                  |
| CBD                                      | -          | -              | -                            | -                | -               | -                              | -                |                |                                     |                                     |                          |                  |
| Inner Madrid (M30)                       | 1          | 12,5           | 200                          | 22               | 22              | -                              | 50               |                |                                     |                                     |                          |                  |
| Greater Madrid                           | 1          | 12,842         | 241                          | 16               | 16              | 963                            | 32               |                |                                     |                                     |                          |                  |
| <b>Logistics</b>                         | <b>-</b>   | <b>-</b>       | <b>-</b>                     | <b>-</b>         | <b>-</b>        | <b>-</b>                       | <b>-</b>         |                |                                     |                                     |                          |                  |
| <b>Redevelopments</b>                    | <b>2</b>   | <b>25,342</b>  | <b>441</b>                   | <b>37</b>        | <b>38</b>       | <b>1,494</b>                   | <b>83</b>        |                |                                     |                                     |                          |                  |
| <b>Total Portfolio</b>                   | <b>10</b>  | <b>113,101</b> | <b>1,558</b>                 | <b>259</b>       | <b>265</b>      | <b>2,135</b>                   | <b>402</b>       |                |                                     |                                     |                          |                  |

(1) As per EPRA recommendations, investment properties comprise rented or under commercialisation properties, excluding redevelopments. Current undergoing redevelopments include, Botanic, Cadenza, Manteras and Pradillo; (2) Includes underground parking units only; other types such as overground units or motorcycle units are not included in this figure; (3) Adjusted for parking; (4) Based on the external independent valuation carried out by CBRE Valuation Advisory (RICS). External independent valuations are carried out twice a year, as of 30 June and 31 December (5) Topped-up passing rental income; (6) Topped-up annualized GRI divided by acquisition price; (7) Topped-up annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the property market value



# Portfolio in detail



## 1 Habana

|               |              |
|---------------|--------------|
| Sector        | Offices      |
| Acq. Date     | Dec'18       |
| Location      | ■ Madrid CBD |
| GLA           | 4,356 sqm    |
| Parking units | 65           |



## 2 MM39

|               |               |
|---------------|---------------|
| Sector        | Offices       |
| Acq. Date     | Dec'18-Feb'19 |
| Location      | ■ Madrid CBD  |
| GLA           | 4,025 sqm     |
| Parking units | 24            |



## 3 Pradillo

|               |                |
|---------------|----------------|
| Sector        | Offices        |
| Acq. Date     | Oct'20-Sep'21  |
| Location      | ■ Inner Madrid |
| GLA           | 12,500 sqm     |
| Parking units | 200            |



## 4 Torrelaguna

|               |                |
|---------------|----------------|
| Sector        | Offices        |
| Acq. Date     | Jun'23         |
| Location      | ■ Inner Madrid |
| GLA           | 11,174 sqm     |
| Parking units | 303            |



## 5 RMA

|               |                |
|---------------|----------------|
| Sector        | Offices        |
| Acq. Date     | Jun'19         |
| Location      | ■ Inner Madrid |
| GLA           | 7,108 sqm      |
| Parking units | 110            |



## 6 Botanic

|               |                   |
|---------------|-------------------|
| Sector        | Offices           |
| Acq. Date     | Jan'19            |
| Location      | ■ Madrid A2 / M30 |
| GLA           | 9,902 sqm         |
| Parking units | 224               |



## 7 Cristalia

|               |              |
|---------------|--------------|
| Sector        | Offices      |
| Acq. Date     | Jan'19       |
| Location      | ■ Madrid CDN |
| GLA           | 10,936 sqm   |
| Parking units | 202          |



## 8 Cadanza

|               |              |
|---------------|--------------|
| Sector        | Offices      |
| Acq. Date     | Dec'19       |
| Location      | ■ Madrid CDN |
| GLA           | 14,565 sqm   |
| Parking units | 215          |



## 9 Dune

|               |                        |
|---------------|------------------------|
| Sector        | Offices                |
| Acq. Date     | Jun'20                 |
| Location      | ■ Las Tablas/Manoteras |
| GLA           | 12,842 sqm             |
| Parking units | 241                    |



## 10 Guadalix

|              |                               |
|--------------|-------------------------------|
| Sector       | Logistics                     |
| Acq. Date    | Apr'19                        |
| Location     | Madrid (2 <sup>nd</sup> ring) |
| GLA          | 25,694 sqm                    |
| Loading bays | 29                            |





# Sustainability & Corporate Responsibility





# Environmental, social and corporate governance commitment

## ESG Initiatives

### Environmental

- > Low-carbon repositioning, with strong focus on re-using materials and long-term circular economy
  - > 100% of circularity and embodied carbon analysis in all completed refurbishment projects
  - > 100% of structure reuse in all completed refurbishment projects
- > Managing waste generated in demolition/construction as well as in operations
  - > +85% of demolition and construction waste recycled to date
- > Reduction in operational energy intensity across our portfolio
  - > 72% of portfolio rated EPC
  - > 98% of utility data monitored in portfolio
- > Increase of renewable energy supply and production for self-consumption in properties
  - > 44% contribution from the recently installed photovoltaic plant in Guadalix to the total energy use in our cold storage warehouse<sup>1</sup>
  - > 100% of the properties common areas powered by electricity backed by Renewable Energy Guarantees of Origin<sup>2</sup>
- > Electric vehicle charging points across our portfolio

### Wellness & Social

- > Responsible landscaping and air filtration systems across our portfolio for positive impact on the wellbeing of our tenants
- > Making cycling more accessible, encouraging active movement
- > €26,000 donated in the period to organizations leading the efforts to support some of the more vulnerable members in our communities
- > Responsible employment, promoting diversity, inclusion and work-family balance
- > Community engagement programmes in 71% of assets in operation
- > ESG assessment of 83% of suppliers to generate synergies that have a positive impact on society
- > 100% of Árima employees with average satisfaction score above 80%

(1) for the first half of 2023; the photovoltaic plant started to operate in Guadalix in September 2022. Solar power generation expected to increase substantially in the months of May through September;; (2) properties under Árima's operational control



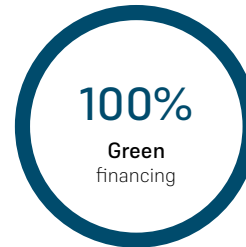
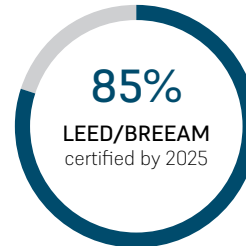


# Environmental, social and corporate governance commitment

## ESG Initiatives

### Recognition

- > **50%** of portfolio LEED/BREEAM certified compared to 18% in 2022
- > **2023 GRESB** Assessment submitted
  - > Four-star rank on the 2022 GRESB Benchmark Report
- > **2022 EPRA sBPR** ratios published
  - > EPRA sBPR GOLD
- > The only **RICS-accredited** commercial real estate company in Spain
- > **100%** of portfolio fully financed with green loans







# Appendix





# H1 2023 Financials

## Consolidated Income Statement (IFRS)

| IFRS                               | 30/06/2022     | 31/12/2022     | 30/06/2023      |
|------------------------------------|----------------|----------------|-----------------|
| EURth (unless otherwise specified) |                |                |                 |
| <b>Gross Rental Income (GRI)</b>   | <b>2,811</b>   | <b>6,237</b>   | <b>3,943</b>    |
| Non-reimbursable property expenses | (290)          | (686)          | (768)           |
| <b>Net Rental Income (NRI)</b>     | <b>2,521</b>   | <b>5,551</b>   | <b>3,175</b>    |
| Overheads                          | (3,097)        | (6,103)        | (3,136)         |
| <b>Operating Income (EBITDA)</b>   | <b>(576)</b>   | <b>(552)</b>   | <b>39</b>       |
| Amortization & Provisions          | (38)           | (76)           | (38)            |
| <b>Recurring EBIT</b>              | <b>(614)</b>   | <b>(628)</b>   | <b>1</b>        |
| Net financial charges              | (618)          | (1,374)        | (875)           |
| Tax                                | –              | –              | –               |
| <b>Recurring net profit</b>        | <b>(1,232)</b> | <b>(2,002)</b> | <b>(874)</b>    |
| Change in fair value of assets     | 23,722         | 12,992         | (12,591)        |
| Other income and expenses          | 58             | (512)          | (1,328)         |
| <b>Reported net profit</b>         | <b>22,584</b>  | <b>10,478</b>  | <b>(14,793)</b> |
| <b>Reported EPS (€ p.s.)</b>       | <b>0.826</b>   | <b>0.388</b>   | <b>(0.562)</b>  |
| Average no. of shares outstanding  | 27,295,141     | 26,979,085     | 26,312,167      |

| EPRA                               | 30/06/2022     | 31/12/2022     | 30/06/2023    |
|------------------------------------|----------------|----------------|---------------|
| EURth (unless otherwise specified) |                |                |               |
| EPRA earnings                      | (1,174)        | (2,514)        | (2,202)       |
| <b>Adjusted EPRA earnings</b>      | <b>(1,232)</b> | <b>(2,002)</b> | <b>(874)</b>  |
| EPRA EPS (€ p.s.)                  | (0.04)         | (0.09)         | (0.08)        |
| <b>Adjusted EPRA EPS (€ p.s.)</b>  | <b>(0.05)</b>  | <b>(0.07)</b>  | <b>(0.03)</b> |
| EPRA NTA                           | 344,165        | 328,192        | 312,937       |
| <b>EPRA NTA (€ p.s.)</b>           | <b>12.75</b>   | <b>12.43</b>   | <b>11.91</b>  |

## Consolidated Balance Sheet

| IFRS  | 30/06/2022     | 31/12/2022     | 30/06/2023     |
|---|----------------|----------------|----------------|
| EURth (unless otherwise specified)          |                |                |                |
| <b>Assets</b>                               | <b>464,242</b> | <b>464,241</b> | <b>444,188</b> |
| <b>Non Current Assets</b>                   | <b>385,830</b> | <b>385,978</b> | <b>409,096</b> |
| Intangible assets                           | 253            | 246            | 235            |
| Property plant & equipment                  | 238            | 212            | 187            |
| Investment property                         | 381,600        | 379,700        | 402,400        |
| Long-term financial investments             | 3,739          | 5,820          | 6,274          |
| <b>Current assets</b>                       | <b>78,412</b>  | <b>78,263</b>  | <b>35,092</b>  |
| Trade and other receivables                 | 2,826          | 5,327          | 4,524          |
| Prepayments and accrued income              | 866            | 21,368         | 21,457         |
| Cash & cash equivalents                     | 74,720         | 51,568         | 9,111          |
| <b>Equity</b>                               | <b>345,674</b> | <b>330,955</b> | <b>315,669</b> |
| Share Capital                               | 284,294        | 284,294        | 284,294        |
| Share Premium                               | 5,769          | 5,769          | 5,769          |
| Reserves                                    | 44,445         | 44,444         | 54,920         |
| Treasury shares                             | (12,638)       | (17,072)       | (18,051)       |
| Retained earnings                           | 22,548         | 10,478         | (14,793)       |
| Other                                       | 1,256          | 3,042          | 3,530          |
| <b>Liabilities</b>                          | <b>118,568</b> | <b>133,286</b> | <b>128,519</b> |
| <b>Non-current liabilities</b>              | <b>107,732</b> | <b>120,882</b> | <b>118,186</b> |
| Financial debt                              | 106,519        | 118,886        | 116,153        |
| Other                                       | 1,213          | 1,996          | 2,033          |
| <b>Current liabilities</b>                  | <b>10,836</b>  | <b>12,404</b>  | <b>10,333</b>  |
| Financial debt                              | 666            | 1,322          | 4,367          |
| Trade & other payables                      | 10,170         | 11,082         | 5,966          |
| Number of shares outstanding, end of period | 26,996,945     | 26,407,127     | 26,275,899     |



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