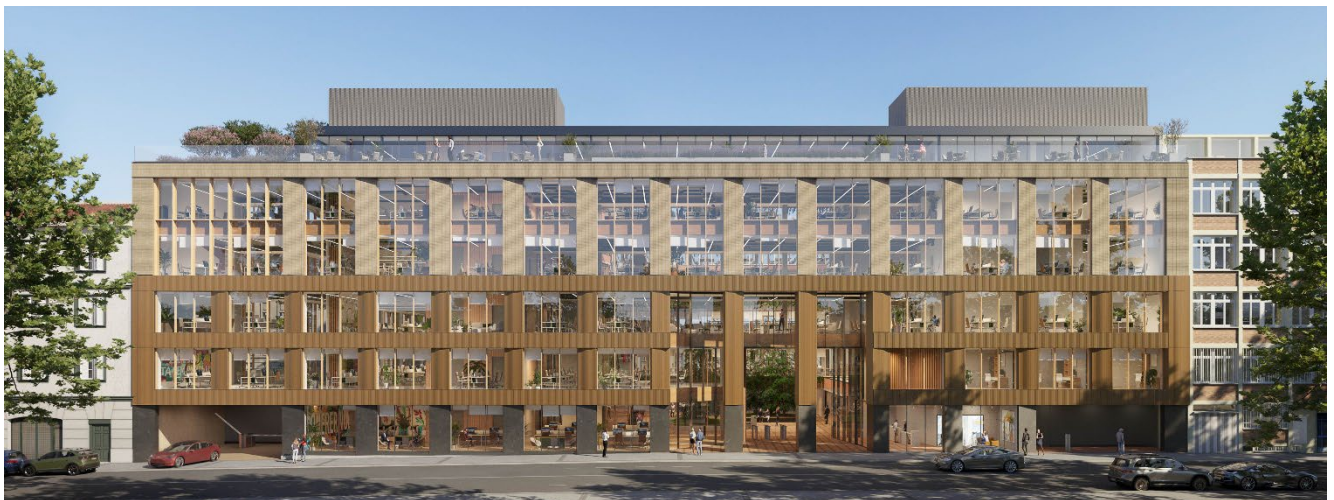


Press Release

Árma Real Estate ends H1 2024 with a portfolio valued at €355 million

Árma reports a 24% rise in rental income, thanks to a run of successful projects

- The first six months of the year were marked by JSS Real Estate's voluntary takeover offer for all of Árma's outstanding shares, at €8.61 per share — 38.9% more than the closing price on the day before the announcement. The process is awaiting authorisation from the Spanish Securities Market Commission (CNMV)
- Árma has reported a total rental income of €5 million for the first six months of the year — up 24% in like-for-like terms on the same period of 2023 — underlining the success of the company's business model and new projects
- Construction remains ongoing for 'Pradillo' and 'Dune' projects, representing a combined total of 25,602 sqm and 524 parking spaces. Rental prospects for both developments are strong, flagging them as potential future growth drivers for Árma's portfolio
- The Socimi has maintained a solid balance sheet, with one of the lowest gearing ratios in the sector, and is 100% green loan financed
- It has secured LEED® and BREEAM® certifications for 77% of its portfolio, primarily LEED® Gold and Platinum, and has pledged to reach 100% coverage by 2026



Render: 'Pradillo' project.



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Madrid, 17 September 2024. Today, Árima has presented its H1 2024 financial results. The period was marked by a voluntary takeover bid put forward by JSS Real Estate, which hopes to acquire all of the Socimi's outstanding shares. Regarded as a friendly takeover, the offer was well received by Árima, although it reserves the option to present shareholders with alternative bids thought to better serve their interests. At present, neither the management team nor shareholders have any binding commitments with the acquiring company. JSS Real Estate has made a cash offer of €8.61 per share: a premium of 38.9% on the closing price on 15 May 2024. The deal is expected to go ahead subject to approval from the Spanish Securities Market Commission (CNMV).

The figures released today include a notable rise in rental income, which accounts for some €5 million of total income for H1 2024. In like-for-like terms, this amounts to a step-up of 24% compared with the same period of the previous year, lending validation to Árima's central strategy. The company focuses on acquiring class A assets at highly competitive prices; the properties are refurbished, repositioned and ultimately leased, adding to a steadily growing stream of rental income. In H1 2024, the success of this strategy has allowed Árima to report a positive recurring net profit for the very first time.

In a tough but stabilising market, the company wrapped up the first half of the year with a portfolio valued at €355 million (a value uplift of 17% on total investment) and an EPRA NTA that, at €10.9 per share, is up 13% since the company's IPO.

Remaining upside potential

Árima is confident that its portfolio is headed for further growth, predicting an increase in rental income of almost 100%. In the medium term, this level of growth would eventually deliver rental income of over €23 million per year as new projects come to market, assuming a conservative scenario based on current prices.

The company's portfolio currently comprises nine properties – eight offices and one industrial warehouse. All located in Madrid, they offer grade A space with a total GLA of over 109,000 sqm and 1,643 parking spaces.

A robust balance sheet

Árima has maintained a solid balance sheet, with one of the lowest gearing ratios in the sector (22.9% LTV). The Socimi is 100% green loan financed, with no short-term expiry dates.



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A torchbearer for ESG in the Spanish office sector

Árma has secured LEED® and BREEAM® certifications for 77% of its portfolio, primarily LEED® Gold and Platinum. It has pledged to reach 100% coverage by 2026.

The company's overarching commitment to sustainability and environmental protection is reflected in every one of its properties, both in terms of energy performance as well as structural and internal upgrading.

Árma's leadership in this area has been recognised by major international organisations, such as the European Public Real Estate Association (EPRA) and GRESB (Global Real Estate Sustainability Benchmark), and it is the only rental property portfolio company in Spain to be regulated by RICS (Royal Institution of Chartered Surveyors).

About Árma Real Estate

Árma Real Estate is a Spanish company listed on the Madrid Stock Exchange as a Socimi (Sociedad Anónima Cotizada de Inversión Inmobiliaria) and 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 boasts the same highly reputable management team that steered Axiare Patrimonio Socimi to success.

For more information

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