

OFFER TO ACQUIRE SHARES OF  
**VBARE IBERIAN PROPERTIES SOCIMI, S.A.**

ISSUED BY

**ADVERO PROPERTIES SOCIMI, S.A**

For the attention of shareholders of VBARE IBERIAN PROPERTIES  
and their custodian entities regarding this Offer:

[investor.relations@adveroproperties.com](mailto:investor.relations@adveroproperties.com)

In Barcelona, on August 2, 2024

This document has been drawn up in the Spanish language. In case of discrepancies between the Spanish text version of this document and any translation, the Spanish version shall prevail.

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## I. INTRODUCTION

ADVERO PROPERTIES SOCIMI, S.A. ("**ADVERO**" or the "**Offering Company**") is a Spanish real estate investment company incorporated in August 2017 with the objective of facilitating the supply of quality middle-income housing in Spain. ADVERO concentrates its investments exclusively in housing buildings to facilitate the creation of cohesive resident communities, located in major cities in Spain and their surrounding municipalities.

ADVERO aims to develop a long-term project in the Spanish residential rental market that transforms the imbalance between supply and demand in the country, while generating attractive returns for its shareholders.

ADVERO's business plan contemplates not only growth through the acquisition of residential assets but also the possibility of joining forces with other companies in the sector, in order to consolidate and professionalize the middle-income residential rental market in Spain and optimize the profitability of the combined companies.

For this purpose, ADVERO presents to VBARE IBERIAN PROPERTIES SOCIMI, S.A. ("**VBARE**" or the "**Target Company**") this tender offer (the "**Offer**"), the terms and conditions of which are set forth in this explanatory document (the "**Explanatory Document**").

The fundamental terms of the Offer were approved by the Board of Directors of ADVERO at a meeting held on July 19, 2024.

## II. BIDDER INFORMATION

**ADVERO PROPERTIES SOCIMI, S.A.** was incorporated on August 17, 2017, having been registered in the Mercantile Registry of Barcelona on November 9, 2017, in volume 48422, folio 192, page B-510970. The company is provided with NIF number A-67077628 and is governed by the Capital Companies Act, by Law 11/2009, of October 26, which regulates Listed Public Limited Companies for Investment in the Real Estate Market and by its own bylaws.

Its current registered office and tax domicile is located in Barcelona, at Iradier, 21.

All of ADVERO's shares are admitted to trading since November 8, 2019 on BME Growth.

The Company's corporate purpose is:

- a) The acquisition and development of urban real estate for rental. The development activity includes the rehabilitation of buildings (CNAE 6832).

- b) The holding of shares in the capital stock of Listed Real Estate Investment Companies (SOCIMI) resident in Spain or in the capital stock of other entities not resident in Spanish territory that have the same corporate purpose as the former and that are subject to a regime similar to that established for SOCIMIs in terms of the mandatory legal or statutory profit distribution policy (CNAE 6420).
- c) The holding of shares in the capital of other entities, whether or not resident in Spanish territory (CNAE 6420), whose main corporate purpose is the acquisition of urban real estate for rental and which are subject to the same regime established for SOCIMIs in terms of the mandatory legal or statutory profit distribution policy and which meet the investment requirements referred to in Article 3 of Law 11/2009, of October 26, which regulates Real Estate Market Investment Companies (Sociedades Anónimas de Inversión en el Mercado Inmobiliario).

The activities included in the corporate purpose may be carried out by the Company totally or partially indirectly, through its participation in other companies with the same or a similar purpose. The CNAE code corresponding to the main activity of those included in the corporate purpose is 6832.

Additionally, together with the economic activity derived from its main object, the Company may carry out other activities that are ancillary to the above, being understood as such those whose total income represents less than 20% of the Company's income in each tax period, or those others that may be considered ancillary in accordance with the law applicable at any given time. The direct exercise, and the indirect exercise when appropriate, of all those activities reserved by special legislation is excluded. If the legal provisions require a professional title, prior administrative authorization, registration in a public registry, or any other requirement for the exercise of any activity included in the corporate purpose, such activity may not commence until the professional or administrative requirements have been met.

On February 1, 2018, the Company notified the State Tax Administration Agency of its option to apply the regime for Listed Real Estate Investment Companies, being subject to Law 11/2009, of October 26, with the amendments incorporated therein by Law 16/2012, of December 27, which regulates SOCIMIs.

The share capital of ADVERO amounts to 21,085,305 euros and is represented by 4,217,061 shares of 5.00 euros par value each, numbered sequentially from number 1 to 4,217,061 inclusive, all of a single class, fully subscribed and paid up, and represented by registered book entries.

All shares constituting ADVERO's capital stock are listed for trading on BME Growth.

The shareholders with relevant stakes in ADVERO's share capital structure, according to the latest information published on the BME Growth website on July 31, 2024, is as follows:

<u>Shareholder</u>	<u>Stake</u>
HNA <sup>1</sup>	15.81%
Ripargrau, S.L.	15.48%
Mutualidad <sup>2</sup>	14.98%
Jorge Vera Suñé	8.12%
Ciganga, S.L.	6.00%

<sup>1</sup>Spain Architects and Chemists' mutual insurance company

<sup>2</sup>Spain Lawyers' mutual insurance company

It is hereby noted that, on the date of approval of this Offer, the shareholders' meeting of ADVERO has formalized a cash capital increase through the issuance of 1,572,864 new shares, pending registration.

### III. INFORMATION ON THE TARGET

**VBARE IBERIAN PROPERTIES SOCIMI, S.A.** is a public limited company, incorporated on March 5, 2015 in Spain in accordance with the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of July 2, 2010 (the "Capital Companies Act") by public deed executed before the illustrious notary of Madrid D. Antonio Morenés Gilés, with number 267/15 of his protocol; registered in the Mercantile Registry of Madrid, volume 33,274, folio 61, section 8a, page M-598783, 1st inscription and provided with NIF number A-87200598.

The registered office and tax domicile is located in Madrid, at calle José Abascal, 41, 4th floor.

On April 21, 2015, the company changed its corporate name from VBA Real Estate Investment Trust 3000, S.A. to VBA Real Estate Investment Trust 3000 SOCIMI, S.A., by deed executed before a notary public and registered in the Commercial Registry of Madrid.

On the same date, the resolution of the Universal Shareholders' Meeting held on March 23, 2015, approving the company's application to the special regime for Listed Real Estate Investment Companies ("SOCIMI"), regulated by Law 11/2009, of October 26, 2009, as amended by Law 16/2012, of December 27, 2012, was made public.

On May 13, 2015, and with retroactive effect as from the fiscal year commencing from its incorporation, March 5, 2015, the company formally notified the Delegation of the State Tax Administration Agency of its tax domicile of the option adopted by its shareholders to avail themselves of the special SOCIMI tax regime.

On September 7, 2016, the company's General Shareholders' Meeting resolved to change its corporate name to its current name (VBARE Iberian Properties SOCIMI, S.A.). These resolutions were notarized on September 21, 2016 and registered in the Madrid Commercial Registry on September 28, 2016 and October 6, 2016.

All of VBARE's shares have been admitted to trading since December 23, 2016 on BME Growth.

The principal activity of the company is the acquisition, development and management of real estate for rental under the law regulated by Law 11/2009, of October 26, 2009, as amended by Law 16/2012, of December 27, 2012, regulating Listed Real Estate Investment Companies (the "SOCIMI Law").

The corporate purpose of the Company, according to its bylaws is:

- (a) The acquisition and development of urban real estate for rental. The development activity includes the refurbishment of buildings under the terms established in Law 37/1992, of December 28, 1992, on Value Added Tax.
- (b) The holding of shares in the capital of Listed Real Estate Investment Companies (SOCIMI) or in the capital of other entities not resident in Spanish territory which have the same corporate purpose as the former and which are subject to a regime similar to that established for SOCIMI in terms of the mandatory legal or statutory profit distribution policy.
- (c) The holding of shares in the capital of other entities, whether resident or not in Spanish territory, whose main corporate purpose is the acquisition of urban real estate for rental and which are subject to the same regime established for SOCIMIs in terms of the mandatory policy, legal or statutory, of profit distribution and which meet the investment requirements of SOCIMIs.
- (d) The holding of shares or units of Collective Real Estate Investment Schemes regulated by Law 35/2003, of November 4, 2003, on Collective Investment Schemes. The Company is regulated in accordance with the Capital Companies Act.
- (e) The development of other activities ancillary to those referred to above, being understood as such those whose total income represents less than 20% of the company's income in each tax period or those that may be considered ancillary in accordance with the Law applicable at any given time.

The company is the parent of a group of companies and presents consolidated financial statements prepared in accordance with International Financial Reporting Standards as

adopted by the European Union (EU-IFRS). As of December 31, 2023 and 2022, the company is the parent of the VBARE Group.

At the time of this Offer, the share capital of VBARE amounts to 18,048,950 euros and is represented by 3,609,790 shares of 5.00 euros par value each, numbered sequentially from number 1 to 3,609,790 inclusive, all of a single class, fully subscribed and paid up, and represented by registered book entries.

All of the shares constituting VBARE's share capital are listed for trading on BME Growth.

The shareholders with relevant stakes in the share capital structure of VBARE, according to the latest information published on BME Growth's website dated July 3, 2024, are as follows:

<b>Shareholder</b>	<b>Stake</b>
Meitav Dash Provident Funds and Pension Ltd.	16.58%
Dan Rimoni	13.98%
Wertheim (Holdings) Ltd	10.43%
Value Base Ltd <sup>1</sup>	8.14%
Ido Nouberger <sup>2</sup>	3.39%

<sup>1</sup>It holds a direct interest of 176,250 shares (4.88%) and an indirect interest through Value Base Hedge Fund Ltd. (wholly owned) of 117,500 shares (3.26%) and through Value Base Underwriting and Secundes Distribution Ltd (wholly owned) of 25 shares (0.00%).

<sup>2</sup>He holds a direct interest of 122,264 shares (3.39%) and indirectly through Value Base Ltd. (owned 26.37%) as indicated above.

#### **IV. PURPOSE OF THE OFFER**

The stock market value of VBARE shares has had an eminently bearish behaviour in the last four years, with a 48% devaluation between December 31, 2020 and July 31, 2024. This may have been due to various circumstances, which it is not ADVERO's intention to consider, but which could have led VBARE shareholders to have different needs regarding their investment in the company.

ADVERO formulates this Offer with the desire to create a residential rental platform with more than 600 homes (402 owned by ADVERO plus approximately 220 owned by VBARE) with better geographical diversification, improved market positioning and greater operational efficiencies through economies of scale.

In turn, the Offer made by ADVERO will provide liquidity to those VBARE shareholders who wish to reduce their exposure to the middle-income real estate sector in Spain, while at the same time offering a possibility of permanence to those who wish to become part of the resulting company and participate in its future development.

## V. SCOPE OF THE OFFER

This Offer is addressed to all the shareholders of the Target Company, with the aim to acquire all of the 3,609,790 shares representing 100% of the capital shares of the Target Company.

The Offer is formulated under the premise that the Target Company has no bonds convertible into shares and no other similar instruments that could give it the right, directly or indirectly, to subscribe or acquire shares of the Target Company.

The Offer is made exclusively on the Spanish market, the only market in which VBARE shares are traded, and is addressed to ALL VBARE SHAREHOLDERS, REGARDLESS OF THEIR NATIONALITY OR RESIDENCE.

## VI. PRICE OFFERED

### 6.1 Amount of the Offer and justification of the calculation.

**The price offered by ADVERO to VBARE shareholders is 8.31 euros per VBARE share (the "Share Price").**

**The Offer is formulated as a combination of cash and shares, of which 6.56 euros per share to be settled in cash, and 1.75 euros per share payable in shares of ADVERO, which will be issued for this purpose.**

In the event that the Offer is accepted by 100% of the shareholders of VBARE, the total amount to be paid by the Offering Company would be 29,997,354.90 euros, of which 23,680,218.90 euros would be paid in cash, and 6,317,136.00 euros in ADVERO shares.

The VBARE share capital was valued at the amount, in euros per share, resulting from dividing the valuation of VBARE by the total number of shares of the company at the time the Offer was made, which coincides with the date of approval of the ADVERO Shareholders' Meeting resolution.

The price offered is the result of a valuation analysis carried out by ADVERO taking into account the following:

- (i) VBARE balance sheet as of 30<sup>th</sup> June 2024, particularly as it relates to its real estate assets, but also those items that must be considered in order to reach a fair value of the shares of the company. Among them, the financial debt and the debt service; the present value of the overheads; as well as present and potential tax liabilities. This analysis yielded a valuation of 30 million euros;



Additionally, and as previously stated in this document, the market value of VBARE shares has exhibited a significantly bearish behaviour in the last four years, with a devaluation of 48% between 31st December 2020 and 31st July 2024. This cannot be left aside in valuation of the company's shares, and one must include in the value reached in point (i) above, the following circumstances:

- (ii) Current share price of VBARE in BME growth at 5.75 euros per share is equivalent to a market capitalisation of 20.8 million euros;
- (iii) Average trading share price over the last twelve months at 6.07 euros per share is equivalent to a market capitalisation of 21.9 million euros

**The Offer is thus issued at the highest of the three aforementioned values, i.e. 30 million euros, which represent a premium over VBARE's current market capitalisation of 45% and 37% over the average of the last 12 months.**

## 6.2 Form of payment

The Offer is formulated as a combination of cash and shares, of which 6.56 euros per share to be settled in cash and 1.75 per share, payable in ADVERO shares, which will be issued for this purpose.

Since ADVERO will pay 21.05897677% of the total price in the form of an exchange of securities, the ADVERO Shareholders' Meeting has approved the issuance of new shares in the amount necessary to fully cover the exchange, in a capital increase without pre-emptive subscription rights, which will be delivered to VBARE shareholders in the proportion resulting from the exchange ratio referred to below. These shares will be listed for trading on BME Growth and will have the same rights as those already outstanding.

The new ADVERO shares to cover the exchange will be issued at a price of 10.50 euros per share, of which 5.00 euros correspond to the par value and 5.50 euros to the issue premium. This issue price is equivalent to the price at which ADVERO, on the same date of approval of the Offer by the Shareholders' Meeting of ADVERO, and previously, has issued new shares in the cash capital increase to cover the cash payment of the Offer.

According to the value of the VBARE shares and the issue value of the ADVERO shares, the exchange calculated with these values will be ONE (1) ADVERO share for every SIX (6) VBARE shares, which will be carried out in such proportion by rounding down to the nearest whole number of ADVERO shares and delivering the difference in cash. Accordingly, if any VBARE shareholder makes a declaration for less than 6 shares of the Target Company, payment will be made in cash only.

As an example, if a shareholder holding 165 VBARE shares accepts the offer, the calculations would be as follows:

#### Calculation

- **165 shares x 8.31 euros payable per share = 1,371.15 euros total value of Offering**
- 6.56 euros per share payable in cash x 165 shares = 1,082.4 euros value to be received in cash
- 1.75 euros per share payable in shares x 165 shares = 288.75 euros of value to be received in ADVERO shares.
- 288.5 divided by 10.5 euros per ADVERO share = 27.5 ADVERO shares (or  $165/6=27.5$ ). In this case, a rounding off to 27 shares is made, with the decimals being paid in cash.

#### Liquidation:

- Cash: 1,082.4 euros
- Exchange in shares: 27 ADVERO shares
- Remaining cash: 0.5 shares x 10.50 euros/share = 5.25 euros.

The shareholder obtains: 1,087.65 euros in cash (1,082.4 euros + 5.25 euros) and 27 new ADVERO shares, which at 10.50 euros per share represents **a total value paid for their VBARE shares of 1,371.15 euros**

#### 6.3 Lock up clause

The acceptance of this Offer will mean an acceptance by the shareholders of VBARE to the commitment not to sell the shares of ADVERO that they subscribe in exchange on the terms indicated in this Offer, during a period of 6 months from the receipt thereof.

The purpose of this limitation is to allow VBARE shareholders a reasonable period of time in which to contact ADVERO's investor relations department and to be able to express their willingness to fully divest or to remain in the new company in the proportion of the payment received in ADVERO shares.

For those shareholders who opt for a total divestment and wish to sell the received ADVERO shares, it is ADVERO's will to use its best efforts to facilitate an orderly exit on the best terms.

#### **VII. CONDITIONS PRECEDENT OF THE OFFER**

This Offer is subject to the following conditions:

- a) To the acceptance of the Offer by VBARE shareholders holding, in aggregate, shares representing at least 51% of the share capital of VBARE. ADVERO does not intend to waive the condition of the minimum level of acceptance of the Offer detailed in this paragraph, although it reserves the right to do so depending on the level of acceptance of the Offer.
- b) The authorization of the Offering, if necessary, by any administrative authority.

#### **VIII. LIMITATION OF ACTION TO ADMINISTRATIVE AND MANAGEMENT BODIES**

From the date of publication of the Offer until the settlement of the Offer, or, if applicable, the publication of the negative result of the Offer, the administrative and management bodies of VBARE shall manage the day-to-day business of the Target Company under the "business as usual" policy.

In particular, the shareholders' meeting of the Target Company must refrain from initiating, approving or carrying out any procedure aimed at (i) the issuance of securities that may prevent the Offering Company from obtaining control of the Target Company; (ii) the distribution of extraordinary dividends or remuneration in any other way that does not follow the usual policy of distribution of dividends to the shareholders or holders of other securities of the Target Company, unless the corresponding corporate resolutions had been previously approved by the competent corporate body and made public; and (ii) the adoption of any resolution that alters the bylaws of the Target Company. Likewise, they shall refrain from proceeding to the alienation or disposal of assets by any title and from carrying out or promoting, directly or indirectly, transactions on the securities affected by the Offer, when this may impede the success of the Offer.

With respect to decisions taken before the beginning of the period referred to in the preceding paragraph and not yet fully or partially implemented, the general meeting of the Target Company must approve or confirm any decision that is not part of the normal course of business of the company and whose implementation may impede the success of the offer.

#### **IX. ACCEPTANCE PROCEDURE, DEADLINE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER**

The Offering Entity, after the approval of the Offer by the General Shareholders' Meeting to which this transaction is submitted, will communicate to BME Growth through "*Other Relevant Information*" the circumstance of its approval and the full text of the Explanatory Document of the Offer, which will also be published on its website.

### 9.1 Acceptance period

The period for acceptance of the Offer (the "**Acceptance Period**") is 40 calendar days and will commence on the business day following the date of publication of the "*Other Relevant Information*" on the BME Growth website.

Moreover, the Offering Company may extend the Offer Acceptance Period, at its sole discretion, by a maximum of 25 calendar days. In such case, such extension shall be announced at least 3 calendar days prior to the expiration date of the initial term.

### 9.2 Acceptance procedure

Within the Acceptance Period, VBARE shareholders who wish to accept the Offer must contact the bank or financial institution where their shares are deposited and, through the means made available to their clients by each participating institution, express their desire to accept the Offer, indicating the number of shares in respect of which the Offer is accepted, which will be paid at a rate of 6.56 euros per share in cash, and 1.75 euros per share in exchange for ADVERO shares in the proportion indicated in the Exchange Ratio.

The holders of VBARE shares who may express their acceptance of the Offer shall be those who are entitled to do so according to the accounting records until the end of the Acceptance Period, or its extension, if applicable, and may do so with respect to those shares that are free of liens, encumbrances and other rights of third parties that limit their political or economic rights, and shall be freely transferable and shall be transferred with all their rights. The shareholders of VBARE may accept the Offer in whole or in part on the VBARE shares held by them and may only express their acceptance in respect of a single set of shares.

The participating entities will be responsible for collecting the acceptances and will be responsible for the ownership and availability of the securities to which such acceptances refer, as well as for the absence of encumbrances, liens or rights of third parties that limit the political or economic rights of the securities or the free transfer of the shares.

Declarations of acceptance of the Offer will be accepted from the first day of the Acceptance Period and until the last day of the Acceptance Period, or its extension, if applicable, both inclusive. Acceptances will be deemed to be issued on an irrevocable, unconditional, firm and binding basis and, if the conditions of the Offer are fulfilled, will constitute a transfer order, with all its inherent political and economic rights, of the shares in respect of which the acceptance has been expressed, in accordance with the conditions of the Offer.

The declarations of acceptance by the shareholders of VBARE shall be accompanied by sufficient documentation to enable the transfer of the shares to proceed and must include all significant data required by the regulations applicable to this type of transaction.

### 9.3 Publication of the result

Once the Acceptance Period or its extension, as provided in section 9.1 above, has elapsed, the Agent Entity shall communicate to the Offering Company the total number of acceptances validly received during the Acceptance Period and, therefore, the result of the Offer. The Offering Company shall communicate the result of the Offer to the Target Company, and it shall be published on BME Growth's website.

In the event that any of the conditions referred to in clause VII are not met, the negative result of the Offer will be published, which will be without effect, except as stipulated in paragraph a) of said clause, which will be at the final discretion of ADVERO.

### 9.4 Settlement of the Offer

Since the payment of the price of the VBARE shares combines payment in cash and in newly issued ADVERO shares, the settlement and payment of the Offer price will be made on the same date, according to the procedures of Iberclear, the management company of the securities registration, clearing and settlement systems of the Spanish market.

## **X. AGENT BANK**

Advero has appointed Banco de Sabadell, S.A. as Agent Bank, in charge of intervening in the transaction of acquisition of shares resulting from the Offer and to settle such transaction.

Contact details of the Agent Bank are:

Contact: Ms. Anabel Gonzalez  
Mail: [negociobancoagente@bancsabadell.com](mailto:negociobancoagente@bancsabadell.com)

## **XI. ACCEPTANCE AND SETTLEMENT EXPENSES**

The Offering Company shall bear the expenses of settlement of the Offer caused by the intervention of the Agent Bank.

The direct costs incurred by the selling shareholder in connection with its acceptance of the Offer or its settlement will be borne by each selling shareholder. In particular, brokerage and other expenses of the selling shareholder in the transaction, including Iberclear settlement fees and stock exchange trading fees, will be borne by the accepting shareholder.

The Offering Company shall not be responsible in any case for the eventual commissions and expenses that the custodian entities and administrators of the shares charge their

clients for the processing of orders derived from the acceptance of the Offer and the maintenance of the balances.

In the event of a negative result of the Offer, the entities or persons who have received the acceptances on behalf of the Offering Company shall be obliged to return the documents evidencing the ownership of the shares that have been delivered by the accepting shareholders, without the Offering Company being responsible for any possible expenses.

Any expenses other than those mentioned above shall be borne by the person incurring them.

## **XII. VBARE SHAREHOLDERS' ATTENTION**

ADVERO makes available to VBARE shareholders and their custodian banks the following e-mail address dedicated to answer any questions about this Offer: [investor.relations@adveroproperties.com](mailto:investor.relations@adveroproperties.com)

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