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## **ORDINARY GENERAL SHAREHOLDERS MEETING PROPOSED RESOLUTIONS FOR LAR ESPAÑA REAL ESTATE SOCIMI, S.A. 2017**

### **ITEM ONE ON THE AGENDA**

#### **Approval of the individual annual accounts of the Company and of the annual accounts of the Company consolidated with those of its subsidiaries for financial year 2016.**

#### **RESOLUTION**

To approve the individual annual accounts of Lar España Real Estate SOCIMI, S.A. (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows, and notes) and the annual accounts of the Company consolidated with those of its subsidiaries (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows, and notes) for the financial year ended on 31 December 2016, which were finalised by the Board of Directors at its meeting held on 24 February 2017.



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## **ITEM TWO ON THE AGENDA**

### **Approval of the individual management report of the Company and of the management report of the Company consolidated with that of its subsidiaries for financial year 2016.**

#### **RESOLUTION**

To approve the individual management report of Lar España Real Estate SOCIMI, S.A. and the management report of Lar España Real Estate SOCIMI, S.A. consolidated with that of its subsidiaries for the financial year ended on 31 December 2016, which were finalised by the Board of Directors at its meeting held on 24 February 2017.



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### **ITEM THREE ON THE AGENDA**

### **Approval of the management and activities of the Board of Directors during financial year 2016.**

### **RESOLUTION**

To approve the management of the Company and the activities of the Board of Directors of Lar España Real Estate SOCIMI, S.A. during the financial year ended on 31 December 2016.



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## **ITEM FOUR ON THE AGENDA**

### **Approval of the proposed allocation of profits/losses and distribution of dividends for financial year 2016.**

#### **RESOLUTION**

To approve the proposed allocation of profits/losses and distribution of dividends prepared by the Board of Directors at its meeting held on 24 February 2017, which is described below:

To distribute, with a charge to the results for the financial year ended on 31 December 2016, a gross dividend of 0.038 for each share of Lar España Real Estate SOCIMI, S.A.

Any parties listed as legitimate holders in the accounting records of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, Sociedad Anónima Unipersonal* (IBERCLEAR) at 11:59 pm on the date on which the General Shareholders' Meeting or, where appropriate, the Board of Directors meeting, has decided upon the distribution shall be entitled to receive the dividend.

The dividend shall be enforceable and payable on 31 May 2017.

This dividend shall be distributed through the entities members of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (IBERCLEAR), the Board of Directors being hereby authorised for such purpose, with express power of substitution, to designate the entity that is to act as paying agent, and to take such other steps as may be required or appropriate for the successful completion of the distribution.

The basis for distribution and the resulting distribution (stated in thousand euros) are as follows:

#### **BASIS FOR DISTRIBUTION:**

Profits for financial year 2016:	3,800
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#### **DISTRIBUTION:**

To legal reserve (minimum amount):	380
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To voluntary reserve	4
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To dividends (maximum amount to distribute corresponding to a fixed dividend of 0,033 euro (gross) per share):	3,416
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<b>TOTAL:</b>	<b>3,800</b>
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Additionally, the General Shareholders' Meeting approves the distribution of share premium for a total amount of 26,584 thousand euros (0.294 euro (gross) per share). The distribution shall be enforceable and payable on 31 May 2017 and will be distributed through the entities members of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (IBERCLEAR), the Board of Directors being hereby authorised for such purpose, with express power of substitution, to designate the entity that is to act as paying agent, and to take such other steps as may be required or appropriate for the successful completion of the distribution.



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## **ITEM FIVE ON THE AGENDA**

### **Renewal, if appropriate, of the Company's auditor**

#### **RESOLUTION**

Renew the appointment of Deloitte, S.L. as auditor of the Company's individual and annual accounts, for the years 2017 and 2018. Deloitte, S.L. has its registered office at Plaza Pablo Ruiz Picasso 1, Torre Picasso, 28020 Madrid, Spain, holds Spanish tax identification number B-79104469 and is registered with the Commercial Registry of Madrid at volume 13.650, section 8<sup>a</sup>, sheet 188, page M-54,414, record 96<sup>a</sup>, and at the Official Registry of Accounts' Auditors (*Registro Oficial de Auditores de Cuentas*) with the number S0692.

This resolution is adopted following the proposal of the Board of Directors, which in turn was approved following the proposal made by the Audit and Control Committee.



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## **ITEM SIX ON THE AGENDA**

### **Fixing of the number of members of the Board of Directors, appointment and renewal of directors**

#### **RESOLUTION**

##### **6.1 Fixing of the number of members of the Board of Directors**

In accordance with the provisions included on article 34 of the Bylaws of the Company and article 7 of the Board of Directors' Regulations, it is hereby resolved to fix the number of members of the Board of Directors of the Company on seven.

##### **6.2 Appointment of Mr. Laurent Luccioni as proprietary director of the Company**

Following the proposal of the Company's Board of Directors and based on the favorable report issued by the Appointments and Remuneration Committee, it is resolved to appointment of Mr. Laurent Luccioni, as proprietary director, representing PIMCO Bravo II Fund, L.P., for the statutory term of three years.

##### **6.3 Renewal of Mr. José Luis del Valle Doblado as independent director of the Company**

Following the proposal of the Appointments and Remuneration Committee and based on the favorable report issued by the Company's Board of Directors, it is resolved to renew the appointment of Mr. José Luis del Valle Doblado, as independent director for the statutory term of three years.

##### **6.4 Renewal of Mr. Pedro Luis Uriarte Santamarina as independent director of the Company**

Following the proposal of the Appointments and Remuneration Committee and based on the favorable report issued by the Company's Board of Directors, it is resolved to renew the appointment of Mr. Pedro Luis Uriarte Santamarina, as independent director for the statutory term of three years.

##### **6.5 Renewal of Mr. Alec Emmott as independent director of the Company**

Following the proposal of the Appointments and Remuneration Committee and based on the favorable report issued by the Company's Board of Directors, it is resolved to renew the appointment of Mr. Alec Emmott, as independent director for the statutory term of three years.

##### **6.6 Renewal of Mr. Roger Maxwell Cooke MBE as independent director of the Company**

Following the proposal of the Appointments and Remuneration Committee and based on the favorable report issued by the Company's Board of Directors, it is resolved to renew the appointment of Mr. Roger Maxwell Cooke MBE, as independent director for the statutory term of three years.

##### **6.7 Renewal of Mr. Miguel Pereda Espeso as proprietary director of the Company**

Following the proposal of the Company's Board of Directors and based on the favorable report issued by the Appointments and Remuneration Committee, it is resolved to renew the appointment of Mr. Miguel Pereda Espeso, as proprietary director for the statutory term of three years.



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## **ITEM SEVEN ON THE AGENDA**

### **Waiver of the prohibitions established on article 229 of the Spanish Companies Act (*Ley de Sociedades de Capital*), in accordance with article 230 of the aforementioned law, regarding the Director D. Miguel Pereda Espeso.**

#### **RESOLUTION**

Following the authorisation granted by the ordinary General Shareholders' Meeting held on 21 April 2016, to renew the express authorisation of the Director D. Miguel Pereda Espeso, by virtue of article 230 of the Spanish Companies Act, to perform his duties as member of the Board of Directors of Grupo Lar Inversiones Inmobiliarias, S.A. (management company of Lar España) and other companies of its group, even though its activities might be similar or complementary to those that constitute the corporate object of the Company, given that the aforementioned activities do not entail a damage to Lar España, and any situation of conflict of interest that may rise in the performance of his duties as member of the Board of Directors are subject to legal provision established in the applicable law and the provisions of the Investment Management Contract entered into by the Company and Grupo Lar on 12 February 2014.

Likewise, the Director D. Miguel Pereda Espeso is expressly authorized, by virtue of the aforementioned article 230 of the Spanish Companies Act, to receive remuneration by Grupo Lar Inversiones Inmobiliarias, S.A. or other companies of its group, for the performance of his duties, including the representation of Grupo Lar in the Board of Directors of Lar España.



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## **ITEM EIGHT ON THE AGENDA**

**Delegation in the Board of Directors, with the express power of substitution, for a term of five years, the power to increase the share capital pursuant to the provisions of Article 297.1.b) of the Spanish Companies Act, by up to one-half of the share capital on the date of the delegation. Delegation of the power to exclude pre-emptive rights in connection with the capital increases that the Board may approve under this authorisation, provided, however, that this power shall be limited to an aggregate maximum nominal amount equal to 20% of the share capital on the date of this authorisation.**

### **RESOLUTION**

To authorise the Board of Directors, as broadly as may be required by Law, so that, as permitted by Article 297.1.b) of the Spanish Companies Act, it may increase the share capital on one or more occasions and at any time within a term of five years from the date of approval of this resolution, by up to one-half of the current share capital.

Said share capital increase or increases may be carried out with or without a premium, either by increasing the par value of the outstanding shares with the requirements set forth in the Law, or by issuing new ordinary or privileged shares (with or without voting rights), or redeemable shares, or any other type of shares valid under the applicable Laws, or different types of shares at one time, the consideration for which shall be cash contributions.

The Board of Directors shall decide, in connection with each increase, whether the new shares to be issued are common, preferred, redeemable, non-voting or any other kinds of shares among those permitted by Law. In addition, the Board of Directors may establish, as to all matters not otherwise contemplated, the terms and conditions of the share capital increase and the characteristics of the shares, and may also freely offer the new shares that are not subscribed for within the period or periods for the exercise of pre-emptive rights. The Board of Directors may also resolve that, in the event of incomplete subscription, the share capital shall be increased only by the amount of the subscriptions made and amend the article of the By-Laws relating to share capital and number of shares.

Furthermore, in connection with the share capital increases that may be carried out under this authorisation, the Board of Directors is authorised to totally or partially exclude pre-emptive rights as permitted by Article 506 of the Spanish Companies Act, provided, however, that such power shall be limited to share capital increases carried out pursuant to this authorisation up to a maximum amount equal, in the aggregate, to 20% of the current share capital of the Company.

In any event, if the Board of Directors elects to exclude pre-emptive rights in any or all the referred share capital increases, they will draft a detailed report explaining the purpose of such exclusion based on the Company's interest, along with the relevant Board's resolution and the corresponding from an account auditor other than the Company's auditor according to Article 506 of the Spanish Companies Act. Said reports will immediately be delivered in the Company's website and made available to all shareholders and communicated at the first General Shareholders Meeting after the issuance resolution.

If the Board of Directors elects to exclude pre-emptive rights in any or all the referred share capital increases, the issue price of the relevant share capital Increase may not be lower than the unitary share price resulting from the latest Company's EPRA NAV published on the date of the relevant share capital increase resolution.





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As for capital increases with pre-emption rights, the Board of Directors may only increase the Company's share capital by virtue of this delegation when the market value of the Company's outstanding shares at closing of the business day immediately prior to the date on which the relevant resolution is passed is not lower than the latest EPRA NAV per share published by the Company.

By virtue of this authorisation, the Board of Directors is also empowered to make application for listing of the shares issued under this authorisation on Spanish or foreign, official or unofficial, organized or other secondary markets, and to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the securities markets.

The Board of Directors is also authorised to delegate in favour of any director or directors it deems appropriate the powers delegated thereto under this resolution.

Likewise, the Board of Directors is authorised, as broadly as may be required by Law, with substitution powers in any of the Company's directors, such that any of them, may carry out such acts as may be necessary and execute such public or private documents or agreements as may be necessary or convenient for the full effectiveness of the above resolution in any aspect and, in particular, to elaborate on, clarify, make more specific, interpret, complete, and correct it; also, to correct the defects, errors or omissions which may be observed in the oral or written assessment of the Commercial Registrar, as broadly as possible.

The present delegation of powers to the Board of Directors replaces the one granted by the ordinary Shareholders' Meeting of the Company on 21 April 2016, which will therefore be rendered void.



## ITEM NINE ON THE AGENDA

Authorization to the board of directors, with the express power to delegate in others, for a term of five years, to issue bonds or simple debentures and other fixed-income securities of a like nature, as well as notes and preferred stock, up to a maximum amount of EUR 500 million (including within this limit the amount of debt issued, if any, by virtue of the authorization granted under item ten of this agenda). Authorization for the Company to guarantee, within the limits set forth above, new issuances of securities by subsidiaries.

### RESOLUTION

As permitted by Article 319 of the Regulations of the Commercial Registry, the general provisions governing the issuance of debentures as well as pursuant to the By-Laws, and with the purposes of providing the Company's directors with a flexible and efficient mechanism to access capital markets and raise funds to take advantage of investment opportunities, it is resolved to delegate to the Board of Directors the power to issue negotiable securities under the following terms:

1. Securities to be issued.- The negotiable securities contemplated in this delegation may be bonds or simple debentures (senior or subordinated of any range), notes and other fixed-income securities of a like nature, as well as preferred stock.
2. Period of the delegation.- The issuance of the securities covered by this delegation may be effected on one or more occasions within a maximum period of five years following the date of adoption of this resolution.
3. Maximum amount under this delegation. The aggregate maximum amount of the issuance or issuances of securities approved under this delegation shall be EUR 500 million, or the equivalent thereof in another currency. This sum shall be considered including the amount corresponding to issues made, if any, under the delegation approved pursuant to item ten on the Agenda.

The maximum amount under this delegation is agreed in attention to the current leverage level of the Company, as well as to its possible evolution and the evolution of the Company's capitalisation during the term of this authorisation. In any event, the Board of Directors has not modified the leverage target established under the corporate documentation of Lar España (up to around 50% of loan to value or LTV ratio).

4. Scope of the delegation.- The delegation of powers to issue the securities contemplated in this resolution shall extend, as broadly as is required by Law, to the establishment of the different terms and conditions applicable to each issuance (par value, issue price, reimbursement price, domestic or foreign currency of the issuance, form of representation, interest rate, amortization, subordination clauses, guarantees supporting the issuance, place of issuance, law applicable thereto, if appropriate, establishment of the internal regulations of the bondholders' syndicate and appointment of the bondholders' syndicate representative (*comisario*) in the case of the issuance of simple bonds and debentures, if required, admission to listing, etc.) and to the conduct of any and all formalities that may be necessary, including those provided for in the applicable securities market regulations, for the execution of the specific issuances that may be resolved to be effected under this delegation.

5. Listing.- The Company shall, where appropriate, make application for listing on Spanish or foreign, official or unofficial, organized or other secondary markets of the securities issued by the Company pursuant to this delegation, and the Board of Directors is authorised, as broadly as is required



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by Law, to carry out all formalities and acts required for admission to listing with the appropriate authorities of the various Spanish or foreign securities markets.

It is expressly stated for the record that if application is subsequently made for delisting of the securities, it shall be made by complying with the same formalities as the application for listing, to the extent applicable, and, in such case, the interests of the shareholders or bondholders opposing or not voting on the resolution shall be safeguarded in compliance with the requirements established by applicable law. It is also expressly stated that the Company undertakes to abide by all current or future Stock Market laws or regulations and, particularly, by those governing trading, continued listing and delisting of securities.

6. Guarantee in support of issuances by subsidiaries.- As permitted by the By-Laws, the Board of Directors is also authorised to guarantee, on behalf of the Company and within the limits set forth above, new issuances of securities by subsidiaries during the effective period of this resolution.

7. Power of substitution.- The Board of Directors is hereby expressly authorised to delegate the powers contemplated in this resolution in favour of any director, the Secretary or the Deputy Secretary to the Board.

8. The present delegation of powers to the Board of Directors replaces the one granted by the General Shareholders' Meeting of the Company on 21 April 2016, which will therefore be rendered void.

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## **ITEM TEN ON THE AGENDA**

**Delegation to the board of directors, with the express power to delegate in others, for a term of five years, of the power to issue debentures or bonds that are exchangeable for and/or convertible into shares of the Company or of other companies within or outside its group, or warrants on newly-issued or outstanding shares of the Company or of other companies within or outside its group, up to a maximum limit of EUR 500 million (including within this limit the amount of debt issued, if any, by virtue of the authorization granted under item nine of this agenda). Establishment of the standards for determining the basis for and terms and conditions applicable to the conversion, exchange or exercise. Delegation to the board of directors, with the express power to delegate in others, of the powers required to establish the basis for and terms and conditions applicable to the conversion, exchange or exercise, as well as, in the case of convertible debentures and bonds and warrants on newly-issued shares, the power to increase share capital to the extent required to accommodate requests for the conversion of debentures or for the exercise of warrants, with the power in the case of issues of convertible and/or exchangeable securities to exclude the pre-emptive rights of the Company's shareholders, although this power shall be limited to an aggregate maximum nominal amount equal to 20% of the share capital of the Company on the date of this authorization.**

## **RESOLUTION**

Pursuant to the general provisions governing the issuance of debentures and the provisions of Articles 286, 297 and 511 of the Spanish Companies Act (*Ley de Sociedades de Capital*), Article 319 of the Regulations of the Commercial Registry, and Articles 12, 16, 17 and 18 of the By-Laws, and with the purposes of providing the Company's directors with a flexible and efficient mechanism to access capital markets and raise funds to take advantage of investment opportunities, it is resolved to authorise the Board of Directors to issue negotiable securities under the following terms:

1. **Securities to be issued.**- The negotiable securities contemplated in this delegation may be debentures and bonds that are exchangeable for shares of the Company or of any other company within or outside of its group and/or convertible into shares of the Company, or warrants (options to subscribe for new shares of the Company or to acquire existing shares of the Company or of any other company within or outside of its group).
2. **Period of the delegation.**- The issuance of the securities covered by this delegation may be effected on one or more occasions within a maximum period of five years following the date of adoption of this resolution.
3. **Maximum amount under this delegation.**- The aggregate maximum amount of the issuance or issuances of securities approved under this delegation shall be EUR 500 million or the equivalent thereof in another currency. This sum shall be considered including the amount corresponding to issues made, if any, under the delegation approved pursuant to item nine on the Agenda. For purposes of calculation of the aforementioned limit, in the case of warrants, the sum of the premiums and exercise prices of the warrants under the issuances resolved to be made in exercise of the powers delegated hereby shall be taken into account.



The maximum amount under this delegation is agreed in attention to the current leverage level of the Company, as well as to its possible evolution and the evolution of the Company's capitalisation during the term of this authorisation. In any event, the Board of Directors has not modified the leverage target established under the corporate documentation of Lar España (up to around 50% of loan to value or LTV ratio).

4. Scope of the delegation.- In exercise of the delegation of powers approved hereby, the Board of Directors shall be authorised to do the following, by way of example and not of limitation, with respect to each issuance: determine the amount thereof, always within the aforementioned overall quantitative limit, the place of issuance (in Spain or abroad), and the domestic or foreign currency, and in the case of a foreign currency, its equivalence in euros; the name or form of the securities, whether they be bonds or debentures, including subordinated debentures, warrants (which may in turn be paid by means of the physical delivery of the shares or, if applicable, through the payment of differences in price), or any other name or form permitted by Law; the date or dates of issuance; the number of securities and the par value thereof, which, in the case of convertible and/or exchangeable bonds or debentures, shall not be less than the par value of the shares; in the case of warrants and similar securities, the issue price and/or premium, the exercise price (which may be fixed or variable) and the procedure, period and other terms and conditions applicable to the exercise of the right to subscribe for the underlying shares or, if applicable, the exclusion of such right; the interest rate (whether fixed or variable), and the dates and procedures for payment of the coupon; whether the issuance is perpetual or subject to repayment and, in the latter case, the repayment period and the maturity date or dates; guarantees, reimbursement rate, premiums and lots; the form of representation, as securities or book entries; antidilution provisions; the rules applicable to subscription; the rank of the securities and the subordination clauses, if any; the law applicable to the issuance; the power to make application, where appropriate, for the listing of the securities to be issued on Spanish or foreign, official or unofficial, organized or other secondary markets, subject to the requirements established by applicable regulations in each case; and, in general, any other terms of the issuance as well as, if applicable, the appointment of the security-holders' syndicate representative (*comisario*) and the approval of the basic rules that are to govern the legal relationships between the Company and the syndicate of holders of the securities to be issued, in the event that such syndicate must or is decided to be created.

In addition, the Board of Directors is authorised such that, when it deems it appropriate and subject, if applicable, to any appropriate authorisations being secured and to the consent of the security-holders coming together at a meeting of the corresponding syndicates of security-holders, it may modify the terms and conditions applicable to the repayment of the fixed-income securities issued, as well as the respective period thereof and the rate of interest, if any, accrued by the securities included in each of the issuances effected under this authorisation.

5. Basis for and terms and conditions applicable to the conversion and/or exchange.- In the case of issuance of convertible and/or exchangeable debentures or bonds, and for purposes of determining the basis for and terms and conditions applicable to the conversion and/or exchange, it is resolved to establish the following standards:

- a) The securities issued pursuant to this resolution shall be convertible into shares of the Company or of any other company, within or outside of its group and/or exchangeable into shares of the Company, in accordance with a fixed or variable conversion and/or exchange ratio determined or to be determined, with the Board of Directors being authorised to decide whether they are convertible and/or exchangeable, as well as to determine whether they are mandatorily or voluntarily convertible and/or exchangeable, and if voluntarily, at the option of the holder thereof or of the Company, at the intervals and during the period



established in the resolution providing for the issuance, which may not exceed thirty years from the date of issuance.

- b) In the event that the issuance is convertible and exchangeable, the Board may also provide that the issuer reserves the right at any time to elect between conversion into new shares or the exchange thereof for outstanding shares of the Company, with the nature of the shares to be delivered being determined at the time of conversion or exchange, and may also elect to deliver a combination of newly-issued shares and existing shares of the Company and even to pay the difference in cash. In any event, the issuer shall afford equal treatment to all holders of fixed-income securities converting and/or exchanging their securities on the same date.
- c) For purposes of the conversion and/or exchange, the securities shall be valued at the nominal amount thereof, and the shares at the fixed exchange ratio (determined or able to be determined) established in the resolution of the Board of Directors whereby this delegation of powers is exercised, or at a variable ratio to be determined on the date or dates specified in such resolution of the Board, based on the listing price of the Company's shares on the date(s) or during the period(s) used as a reference in such resolution. In any event, the fixed exchange ratio so determined may not be less than the average exchange ratio for the shares on the Continuous Market of the Spanish Stock Exchanges on which the Company's shares are admitted to listing, in accordance with closing listing prices during a period to be set by the Board of Directors and which shall not be greater than three months or less than five calendar days prior to the date of approval by the Board of Directors of the resolution providing for the issuance of the fixed-income securities or prior to the date of payment of the securities by the subscribers, at a premium or at a discount, as the case may be, on such price per share, provided, however, that if a discount on the price per share is established, it shall not be greater than 25% of the value of the shares used as a reference value as set forth above. In addition, the conversion and/or exchange price of the shares shall not be lower than the unitary share price resulting from the latest Company's EPRA NAV published (a) on the date of the relevant share capital increase Board's resolution if the conversion and/or exchange ratio is fixed or (b) on the date(s) to determine the conversion and/or exchange ratio specified on the Board's resolution, if such ratio is variable.
- d) It may also be resolved that the convertible and/or exchangeable fixed-income securities be issued at a variable conversion and/or exchange ratio. In such case, the price of the shares for purposes of the conversion and/or exchange shall be the arithmetic mean of the closing prices of the Company's shares on the Continuous Market during a period to be set by the Board of Directors, which shall not be greater than three months nor less than five calendar days prior to the date of conversion and/or exchange, at a premium or at a discount, as the case may be, on such price per share. The premium or discount may be different for each date of conversion and/or exchange of each issuance (or for each tranche of an issuance, if any), provided, however, that if a discount is established on the price per share, it shall not be greater than 25% of the value of the shares used as a reference value as set forth above.
- e) Whenever a conversion and/or exchange is admissible, any fractional shares to be delivered to the holder of the debentures shall be rounded downwards by default to the immediately lower integer, and each holder shall receive in cash, if so provided in the terms of the issuance, any difference that may arise in such case.



- f) In no event may the value of the share for purposes of the ratio for conversion of debentures into shares be less than the par value thereof. In addition, pursuant to the provisions of Article 415 of the Spanish Companies Act, debentures may not be converted into shares when the nominal value of the former is less than the par value of the latter.

When approving an issuance of convertible and/or exchangeable debentures or bonds under the authorisation granted in this resolution, the Board of Directors shall issue a directors' report, elaborating on and specifying, on the basis of the standards described above, the basis and terms and conditions for conversion that are specifically applicable to the respective issuance. Such report shall be accompanied by the corresponding auditor's report mentioned in Article 414 of the Spanish Companies Act.

6. Basis for and terms and conditions for the exercise of warrants and other similar securities.- In the event of issuances of warrants, it is resolved to establish the following standards:

- a) In the case of issuances of warrants, to which the provisions of the Spanish Companies Act on convertible debentures shall apply by analogy, the Board of Directors is authorised to determine, in the broadest terms, in connection with the basis for and terms and conditions applicable to the exercise of such warrants, the standards applicable to the exercise of rights to subscribe for or of rights to acquire shares of the Company or of another company within or outside of the Group, or to a combination thereof, arising from the securities of this kind issued under the delegation granted hereby. The standards set forth in section 5 above shall apply to such issuances, with such adjustments as may be necessary in order to bring them into compliance with the legal and financial rules governing these kinds of securities.
- b) The preceding standards shall apply, with any changes that may be required and to the extent applicable, to the issuance of fixed-income securities (or warrants) that are exchangeable for shares of other companies. Where appropriate, all references to the Spanish Stock Exchanges shall be deemed made to the markets, if any, on which the respective shares are listed.

7. This authorisation to the Board of Directors also includes, without limitation, the delegation thereto of the following powers:

- a) The power of the Board of Directors, as permitted by Article 511 of the Spanish Companies Act, in connection with Article 417 of said Law, to totally or partially exclude the pre-emptive rights of the shareholders. In any event, if the Board of Directors decides to exclude the pre-emptive rights of the shareholders in connection with any specific issuance of convertible bonds or debentures, warrants and other securities similar thereto that it ultimately decides to effect under this authorisation, the Board shall issue, at the time of approval of the issuance and pursuant to applicable laws and regulations, a report setting forth the specific reasons based on the corporate interest that justify such measure, on which there shall be prepared the corresponding report of an auditor, other than the Company's auditor and appointed by the Commercial Registry, mentioned in Articles 414 and 511 of the Spanish Companies Act. Both such reports shall be published in the corporate website of the Company and made available to the shareholders and disclosed at the first General Shareholders' Meeting that is held following approval of the resolution providing for the issuance.



This power shall in any event be limited to capital increases carried out pursuant to this authorisation up to a maximum amount equal, in the aggregate, to 20% of the share capital as of the date of adoption of this resolution.

- b) The power to increase share capital to the extent required to accommodate requests for conversion and/or for exercise of the right to subscribe for shares. Such power may only be exercised to the extent that the Board of Directors, adding the capital increase effected to accommodate the issuance of convertible debentures, warrants and other similar securities and the other capital increases approved under authorisations granted by the shareholders at this General Shareholders' Meeting, does not exceed the limit of one-half of the amount of the share capital provided by Article 297.1(b) of the Spanish Companies Act. This authorisation to increase capital includes the authorisation to issue and float, on one or more occasions, the shares representing such capital that are necessary to carry out the conversion and/or to exercise the right to subscribe for shares, as well as the power to amend the article of the By-Laws relating to the amount of the share capital and, if appropriate, to cancel the portion of such capital increase that was not required for the conversion of shares and/or the exercise of the right to subscribe for shares.
- c) The power to elaborate on and specify the basis for and terms and conditions applicable to the conversion, exchange and/or exercise of the rights to subscribe for and/or acquire shares arising from the securities to be issued, taking into account the standards set out in sections 5 and 6 above.
- d) The delegation to the Board of Directors includes the broadest powers that may be required by Law in order to interpret, apply, implement and develop the resolutions providing for the issuance of securities that are convertible into or exchangeable for shares of the Company, on one or more occasions, and to carry out the corresponding capital increase, as well as the power to correct and supplement such resolutions as to all matters that may be necessary and to comply with all legal requirements for the successful implementation thereof. To such end, the Board of Directors may correct any omissions or defects in the aforementioned resolutions that may be identified by any Spanish or foreign authorities, officers or bodies, and may also adopt all such resolutions and execute all such public or private documents as it may deem necessary or appropriate in order to adjust the preceding resolutions for the issuance of convertible or exchangeable securities and the corresponding capital increase to the oral or written assessment of the Commercial Registrar or, in general, of any other Spanish or foreign competent authorities, officers or entities.

8. Listing of securities.- Whenever appropriate, the Company shall make application for listing on Spanish or foreign, official or unofficial, organized or other secondary markets of the convertible and/or exchangeable debentures and/or bonds or of the warrants issued by the Company exercising the powers delegated hereby, and the Board of Directors is authorised, as fully as is required by Law, to conduct all acts and formalities that may be necessary for admission to listing before the appropriate authorities of the various Spanish or foreign securities markets.

It is expressly stated for the record that if application is subsequently made for delisting, it shall be made in compliance with the same formalities as the application for listing, and, in such case, the interests of the shareholders or debentureholders opposing or not voting on the resolution shall be safeguarded as provided by applicable law. In addition, it is expressly stated that the Company undertakes to abide by Stock Market regulations, whether now existing or as may hereafter be issued, particularly as regards trading, continued listing and delisting.





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9. Guarantee in support of issuances of convertible and/or exchangeable fixed-income securities or warrants by subsidiaries.- As permitted in the By-Laws, the Board of Directors is also authorised to guarantee, on behalf of the Company and within the limits set forth above, new issuances of convertible and/or exchangeable fixed-income securities or warrants by subsidiaries during the effective period of this resolution.

10. Power of substitution.- The Board of Directors is hereby expressly authorised to delegate the powers contemplated in this resolution in favour of any director, the Secretary or the Deputy Secretary to the Board.

11. The present delegation of powers to the Board of Directors replaces the one granted by the General Shareholders' Meeting of the Company on 21 April 2016, which will therefore be rendered void.

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## ITEM ELEVEN OF THE AGENDA

### Authorisation to the Board of Directors for derivative acquisition of own shares in accordance with the limits and requirements established in the Spanish Companies Act, expressly authorising it, if applicable, to reduce share capital on one or more occasions in order to redeem the acquired shares. Delegation of authority to the Board of Directors to implement this resolution

#### RESOLUTION

To authorise the Board of Directors, in the broadest terms possible, to engage in the derivative acquisition of own shares of Lar España Real Estate SOCIMI, S.A., directly or through companies in its group, subject to the following limits and requirements:

- a) Forms of acquisition: acquisition by way of purchase, by way of any other *inter vivos* act for consideration or any other transaction permitted by law, including acquisitions financed by profits for the fiscal year and/or unrestricted reserves. The acquisitions may be made directly by the Company or indirectly through companies in its group.
- b) Maximum number of shares to be acquired: the acquisitions may be made, from time to time, on one or more occasions, up to the maximum permitted by law.
- c) Price: the price or consideration will vary from (i) a minimum price equivalent to the lesser of the par value and the listing price on the Continuous Market at the time of acquisition, and (ii) a maximum price equivalent to the listing price on the Continuous Market at the time of acquisition increased by 20%.
- d) Duration of the authorisation: five years from the date of this resolution.

These transactions must also be conducted in compliance with the rules in this regard contained in the Lar España Real Estate SOCIMI, S.A. Internal Code of Conduct.

Also, for the purposes of the second paragraph of letter a) of article 146.1 of the Spanish Companies Act, it is expressly noted that express authorisation is given for the acquisition of shares of the Company by any of its subsidiaries, on the same terms as set forth above.

To authorise the Board of Directors so that it may sell or redeem the shares acquired or use the own shares acquired, in whole or in part, for remuneration schemes which purpose is or that provide for the delivery of shares or share options in accordance with section 1.a) of article 146 of the Spanish Companies Act.

The Board of Directors is authorised, in the broadest terms, to use the authorisation covered by this resolution to implement and develop it fully, to which end it is entitled to delegate this authority, in the term it considers most appropriate, to any of the directors, to the Secretary or the Deputy Secretary to the Board or any other person the Board expressly authorises for this purpose.

This delegation of authority to the Board of Directors replaces the one conferred by the General Shareholders' Meeting of the Company on 21 April 2016, which will therefore be rendered void.



## **ITEM TWELVE ON THE AGENDA**

### **Share capital increase in the nominal amount of €4,167,070 for the issuance of shares to be subscribed by the Investment Manager as performance fee pursuant to the provisions of the Investment Manager Agreement, excluding pre-emption rights and authorising the Board of Directors to implement the resolution.**

#### **RESOLUTION**

To increase Lar España's share capital in the nominal amount of €4,167,070, through the issuance of 2,083,535 ordinary shares of the Company, with a face value of €2 per share, represented in book-entry form, and with an aggregate share premium of €15,001,452.

1. Shares' issue price. The issue price (nominal and premium) of each new share will be €9.20.
2. Capital increase subscriber. The share capital increase will be addressed to Grupo Lar Inversiones Inmobiliarias, S.A. ("**Grupo Lar**"), a Spanish existing company with its registered office in Madrid, calle Rosario Pino 14-16, 28020, with Spanish tax identification number A-78107125, registered with the Commercial Registry of Madrid at volume 797 (general), 772 of section 3 of the Companies Record, sheet 13, page 68,078, record 1, which has previously shown and confirmed its commitment to fully subscribe this share capital increase.
3. Rights attached to the new shares. The new shares, represented in book-entry form, will grant to their holders the same voting and economic rights as the Company's ordinary shares currently outstanding, from the date on which they are registered at their name in the relevant registries. The admission to trading of the new shares will not require any approval or registry of an informative prospectus by the CNMV.
4. Date and conditions. The Board of Directors is authorized to determine the date on which this agreement will be carried out, within a maximum term of one year since the approval of this resolution by the General Meeting, and to set out all terms and conditions of the share capital increase that are not resolved by the General Meeting, in accordance with article 297.1.a) of the Companies Law.
5. Pre-emptive rights' exclusion. To exclude in full the Company's shareholders pre-emptive rights in relation to this share capital increase, pursuant to the reasons described in the Board report issued on 24 April 2017 with the aim to preserve the Company's best interest.
6. Admission to trading. To apply for the admission to trading of the Company's ordinary shares to be issued pursuant to this resolution on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, as well as any other national or foreign markets in which the Company's shares are admitted to trading. For such purposes, the Company may make use of the exemption of publishing an informative prospectus in accordance with article 26.1.a) of Royal Decree 1310/2005 of 4 November.
7. Subscription and disbursement. The share capital increase shall be fully subscribed and paid up in cash in the time and manner determined by the persons so empowered pursuant to this resolution.
8. Incomplete subscription. The Board of Directors may resolve an incomplete subscription of the share capital increase and declare the share capital increased in the amount effectively subscribed in accordance with article 311 of the Spanish Companies Act.



9. Delegation of powers. Pursuant to the provisions of article 297.1.a) of the Spanish Companies Act, to authorize the Board of Directors, with express substitution faculties in all of its members, so that any of them, individually, may implement this resolution and set out all the conditions not resolved by this General Meeting of the Company and, in particular, without limitation, may:

- (i) Notify Grupo Lar of the approval of this resolution, establish the date on which the capital increase will be implemented and request that Grupo Lar pays up the shares.
- (ii) Declare the share capital increase completed once the new shares have been subscribed and paid up by Grupo Lar, either fully or not, granting any appropriate public or private companies for the share capital increase to be completed, and declare the Company By-laws amended in the terms set out in section 2 of the Board's report issued in relation to the capital increase; or, if the Company's share capital varies from the date of issuance of such report and the date on which the relevant capital increase is implemented, due to any capital increase or increase of the number of Company shares approved by the General Shareholders' Meeting, adjust the share capital figure and the number of shares to be issued and amend the Bylaws' article relating to the Company's share capital accordingly.
- (iii) Appear before a notary public and grant the relevant share capital increase public deed, apply for its registry with the Commercial Registry and make any mandatory announcements of the issuance, as well as grant any necessary documents, either public or private, to declare completion of the capital increase's subscription.
- (iv) Apply for the admission to trading of the Company's ordinary shares to be issued on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, as well as any other national or foreign markets in which the Company's shares are admitted to trading.
- (v) Draft, subscribe and file with the CNMV or any competent supervisors any necessary documents in relation to the issuance and admission to trading of the new shares and, in particular, any documents or information that are required pursuant to the provisions of the Spanish Securities Act and Royal Decree 1310/2005 of 4 November (as amended by Royal Decree 1698/2012, of 21 December), concerning the admission to trading of securities on the official secondary markets, public offerings and the prospectus required for these purposes, to the extent applicable; moreover, carry out on behalf of the Company any acts, statements or steps that may be required before the CNMV, Iberclear, the Stock Exchanges governing bodies and any other organism or entity or registry, either public or private, domestic or foreign, and take any necessary steps for the new ordinary shares to be recorded in Iberclear's registries and admitted to listing on the Stock Exchanges where the Company's shares currently outstanding trade and the Automated Quotation System (Sistema de Interconexión Bursátil or SIBE).
- (vi) Amend, clarify, construe, specify or complement any resolutions adopted by the General Meeting, or in any public deeds or documents granted to implement such resolutions, and in particular any errors or omissions, of form or substance, that may hinder the registry of the resolutions with the Commercial Registry, the CNMV's Official Records or any other registries.
- (vii) Grant on behalf of the Company any necessary or appropriate documents, either public or private, to complete the share capital increase hereby approved and, in general, carry out any necessary acts for the implementation of this resolution and the issue of the shares.



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### **ITEM THIRTEEN ON THE AGENDA**

#### **Delegation of powers to formalise and implement all resolutions adopted by the shareholders at the General Shareholders' Meeting, for conversion thereof into a public instrument, and for the interpretation, correction, supplementation thereof, further elaboration thereon, and registration thereof.**

#### **RESOLUTION**

Without prejudice to the powers delegated in the preceding resolutions, to jointly and severally authorise the Board of Directors, the Chairman, the Secretary and the Deputy Secretary to the Board of Directors, such that any of them, to the fullest extent permitted by law, may implement the resolutions adopted by the shareholders acting at this General Shareholders' Meeting, for which purpose they may:

- (a) Elaborate on, clarify, make more specific, interpret, complete, and correct them.
- (b) Carry out such acts or legal transactions as may be necessary or appropriate for the implementation of the resolutions, execute such public or private documents as they deem necessary or appropriate for the full effectiveness thereof, and correct all omissions, defects, or errors, whether substantive or otherwise, that might prevent the recording thereof with the Commercial Registry.
- (c) Prepare restated texts of the By-Laws including the amendments approved at this General Shareholders' Meeting.
- (d) Delegate to one or more of its members all or part of the powers of the Board of Directors that they deem appropriate, including those corresponding to the Board of Directors and all that have been expressly allocated to them by the shareholders acting at this General Shareholders' Meeting, whether jointly or severally.
- (e) Determine all other circumstances that may be required, adopt and implement the necessary resolutions, publish the notices, and provide the guarantees that may be required for the purposes established by law, formalise the required documents, and carry out all necessary proceedings and comply with all requirements under the law for the full effectiveness of the resolutions adopted by the shareholders at this General Shareholders' Meeting.



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## **ITEM FOURTEEN ON THE AGENDA**

### **Consultative vote regarding the Annual Director Remuneration Report for financial year 2016.**

#### **RESOLUTION**

To approve, on a consultative basis, the Annual Director Remuneration Report for financial year 2016, the full text of which was made available to the shareholders together with the other documentation relating to the General Shareholders' Meeting from the date of publication of the announcement of the call to meeting.