

NEINOR HOMES, S.A. ORDINARY GENERAL SHAREHOLDERS MEETING 2021

VENUE, DATE AND TIME OF THE MEETING

The board of directors of Neinor Homes, S.A. ("**Neinor**" or the "**Company**") has resolved to convene the Ordinary General Shareholders Meeting to be held at Torre Iberdrola, Plaza Euskadi 5, 48009 Bilbao, Vizcaya, on 30 March 2021 at 11:00 hours, on first call and, if there is no quorum, on second call, on the following day, 31 March 2021, at the same time and venue. It is hereby stated that shareholder's registration desks will open at 9:00 hours and that the Ordinary General Shareholders Meeting is expected to take place on second call, on the day and venue above indicated.

Shareholders are hereby informed that the board of directors of the Company, pursuant to the provisions of article 3.1 of Royal Decree-Law 34/2020, of November 17, has unanimously agreed to enable shareholders who so wish to attend and participate in the General Meeting by telematics means. This decision has been taken in view of the current exceptional circumstances arising from the health crisis caused by the spread of SARS-CoV-2 (coronavirus or "**COVID-19**"); the state of emergency declared by Royal Decree 926/2020 of October 25 and extended by Royal Decree 956/2020 of November 3; the various recommendations and restrictions of the national and regional public authorities on the movement and gathering of people; and in order to safeguard the safety and health of the shareholders and their representatives, employees, administrators, suppliers and other persons participating in the preparation and holding of the General Meeting, while guaranteeing the exercise of the shareholders' rights.

AGENDA

I. Items related to the financial statements and corporate management

- First.-** Review and, where appropriate, approval of the individual annual accounts of Neinor Homes, S.A. and the consolidated accounts including its subsidiaries, corresponding to the year ended 31 December 2020
- Second.-** Review and, where appropriate, approval of the individual and consolidated management reports of Neinor Homes, S.A. including its subsidiaries, corresponding to the year ended 31 December 2020
- Third.-** Review and, where appropriate, approval of the management and activity of the Board of Directors of Neinor Homes, S.A. in the year ended on 31 December 2020

II. Item related to application of the individual income

- Fourth.-** Review and, where appropriate, approval of the proposed application of the individual income corresponding to the year ended 31 December 2020

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III. Item related to the auditor's re-election

Fifth.- Re-election, where appropriate, of Deloitte, S.L. as auditor of the accounts of Neinor Homes, S.A. and of its consolidated group for the fiscal year ended 31 December 2021

IV. Item related to the configuration of the Board of Directors

Sixth.- Reelection, where appropriate, of Mr. Jorge Pepa as director, with the category of executive director, for the statutory period of three years

V. Item related to the share capital

Seventh.- Review and, where appropriate, approval of a share capital reduction through the cancellation of 4,615,608 treasury shares, and subsequent amendment of article 5 of the articles of association

VI. Item related to the merger by absorption of Quabit Inmobiliaria, S.A. (as the absorbed company) by Neinor Homes, S.A. (as the absorbing company)

Eighth.- Review and, where appropriate, approval of the merger by absorption of Quabit Inmobiliaria, S.A. by Neinor Homes, S.A., with the termination of the absorbed company and the transfer, by universal succession, of all its assets and liabilities to the absorbing company, all in accordance with the terms of the joint merger plan approved and signed by the directors of the participating companies on 11 January 2021 and, for such purposes: (i) approval, as the merger balance sheet of Neinor Homes, S.A., of the balance sheet as of 31 December 2020, which has been reviewed by the auditors of Neinor Homes, S.A.; (ii) approval of the joint merger plan; (iii) approval of the merger and information of the terms and circumstances of the merger resolution; (iv) approval of the application of the special tax regime to the merger; (v) approval of the assuming of the powers of attorney granted by Quabit Inmobiliaria, S.A. as Neinor Homes, S.A.'s own; (vi) approval of the share capital increase of Neinor Homes, S.A. in the amount necessary to cover the exchange of the merger up to a maximum nominal sum of €55,992,160,00, through the issuance of a maximum of 5,559,216 ordinary shares, each of a nominal value of 10 euros, belonging to the same class and series as the shares currently in circulation and represented by book entries; request for the admission to trading of the new shares to be issued in the Barcelona, Bilbao, Madrid and Valencia stock exchanges via the Spanish Stock Exchange Interconnection System (Continuous Market); delegation of powers related to the capital increase; and (vii) delegation of powers. Prior report regarding, if applicable, significant changes in the assets or liabilities of the entities participating in the merger between the date of the joint merger plan and the holding of the General Meeting

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VII. Item related to general matters

Ninth.- Delegation of powers to formalize and execute all the resolutions adopted by the General Meeting, for their notarization as a public document and their interpretation, correction, complementation, development and registration

VIII. Item related to advisory matters

Tenth.- Consultative vote on the Annual Report on the Remuneration of Directors for the financial year ended 31 December 2020

MEASURES IN CONNECTION WITH ATTENDANCE AT THE GENERAL SHAREHOLDERS MEETING IN PERSON

Taking into account the healthcare alert situation resulting from the COVID-19 pandemic, the restrictions and recommendations of the public authorities and prioritizing at all time the health of shareholders, their representatives, employees, directors, suppliers and other persons involved in the preparation and holding of the General Meeting, and, at the same time, taking into account the corporate interest and the importance of holding this General Shareholders Meeting as well as the technical means available to the Company, **the Board of Directors recommends that shareholders participate in the General Shareholders Meeting through the means of remote participation provided for in this notice**, either by attending the General Shareholders Meeting telematically or by exercising their proxy and voting rights by remote means of communication before the General Meeting is held, under the terms established in this notice, in the Regulations of the General Shareholders Meeting of Neinor and in the Rules regarding the right to attend the General Shareholders Meeting and the rules for proxy and remote voting available on the Company's corporate website (www.neinorhomes.com).

Furthermore, please note that limitations to the maximum capacity and number of attendees may exist in relation to this kind of events. This circumstance means that it will not be possible to access the venue of the meeting once the applicable maximum capacity has been reached. If the venue of the meeting cannot be accessed because its maximum capacity is reached, shareholders or their representatives are informed that at that moment they may be unable to participate through the other means available if the deadline to register has expired pursuant to the terms of this call to the meeting. For this reason, it is advisable to participate through and register for any of the alternative channels available as explained in this announcement.

The General Meeting will be broadcasted through the link that will be enabled on the Company's corporate website (www.neinorhomes.com) to which both the Company's shareholders and non-shareholders will have access.

Without prejudice to the foregoing, it is possible that, depending on the development of the pandemic, the city of Bilbao or several municipalities in the country may be affected by measures that affect the freedom of movement or gathering of people, or that the competent authorities may issue new rules or



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recommendations that, in some way, limit or prevent the physical attendance of persons at the General Meeting, so that it becomes advisable to hold the General Meeting exclusively by telematics means, that is, without physical attendance of shareholders, representatives or guests, and therefore, been only possible to attend the Meeting through remote attendance mechanisms.

The Company shall inform through its corporate website (www.neinorhomes.com) and through the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*), as soon as reasonably possible, and, in any case, within the legal terms, of the possible changes or measures adopted in relation to the holding of the General Shareholders Meeting, and through the additional means of communication deemed necessary, as the case may be. In any case, shareholders are kindly requested, to consult during the days prior to the meeting the possible indications of the Company on the corporate website (www.neinorhomes.com), where the latest information available at any given time will be provided; all of this aimed at allowing shareholders who so consider it to fully exercise their rights without having to physically attend the Meeting, if this is not possible.

For any additional information, shareholders may contact the Company by sending an e-mail to investor.relations@neinorhomes.com.

SUPPLEMENT TO THE MEETING ANNOUNCEMENT AND PROPOSED RESOLUTIONS WITH JUSTIFICATIONS

The shareholders representing at least 3% of share capital can request the publication of a supplement to this meeting announcement, including one or more items on the agenda, provided that the new items include a justification or, where applicable, a proposed resolution with justifications. That right must be exercised by notifying it in a reliable way and which must be received at the Company's registered address (calle Ercilla, 24, second floor, 48011, Bilbao, Spain) within five days of the publication of this announcement.

Likewise, shareholders representing at least 3% of share capital can, within the same five days of the publication of this announcement, submit proposed resolutions with justifications regarding matters already included or which must be included in the agenda in accordance with the provisions of article 519.3 of the consolidated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010 of July 2 (the "**Spanish Companies Act**").

The notification must state the full name of the shareholders making the request and the corresponding documentation—a copy of the card that includes the attendance, proxy and remote voting (the "**attendance card**") or the authentication certificate—which accredits their shareholder status with the aim of cross-checking that information with that provided by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), as well as the content of the items that the shareholders suggest or the content of the proposals made by the shareholders.

In the event that the shareholders suggest new items on the agenda, they can be requested to also include the proposals and reports justifying the proposals referred to in the items included in the



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supplement, under the circumstances where this is legally necessary.

The supplement to the notice of the meeting shall be published at least fifteen days prior to the date set for the Meeting to be held.

RIGHT OF PHYSICAL ATTENDANCE TO THE GENERAL MEETING

Shareholders may attend the General Shareholders Meeting whatever the number of shares they hold, provided that said shares are registered in their name in the corresponding book entry registry five days before the date on which the Meeting is to be held, and such registration duly proven on entering the venue of the General Meeting, within the two hours prior to the commencement of the Meeting, by means of the corresponding attendance card indicating the number of shares held and the number of votes which may be cast. The attendance card will be issued by the entities participating in Iberclear to the owners of the shares that are able to prove that their shares were registered five days prior to the date on which the General Meeting is to be held.

For the purposes proving the identity of the shareholders, or of their proxy representatives, those attending may be asked, at the entrance to the venue where the General Meeting is to be held, to prove their identity by providing their National Identity Card or any other unexpired official document generally accepted for these purposes, together with the attendance card.

The Company shall try to make available to these shareholders and the attending public all those preventive health measures that are reasonably available and recommended by the competent authorities. However, in view of the situation raised by COVID-19, it is recommended that all shareholders use the means that allow telematic attendance to the General Meeting or those that allow for remote voting and delegation of representation referred to below, instead of attending the General Meeting physically.

RIGHT OF ATTENDANCE TO THE GENERAL MEETING BY REMOTE OR TELEMATICS MEANS

Shareholders and proxy holders may attend the General Shareholders Meeting by telematics means. The mechanisms to attend the General Meeting telematically will be available at the section dedicated to the General Shareholders Meeting 2021 ("*Telematic Attendance*") on the Company's corporate website (www.neinorhomes.com) as follows:

A. Identification and prior registration of shareholders or their proxies, if any

Shareholders or shareholder proxies who wish to attend the General Meeting remotely shall previously register on the software program available for such purpose on the corporate website (www.neinorhomes.com) from the date of the publication of this notice but no later than 23:59 pm on the day before the General Meeting is held (that is, 29 March 2021 on first call and, where appropriate, the following day on second call). After that time, no prior registration will be accepted for the exercise of the right to telematic attendance.



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The aforementioned prior registration shall be carried out by means of a recognized electronic signature in accordance with the provisions of Law 59/2003, of December 19, 2003, on electronic signatures, provided that it is based on a recognized electronic certificate in relation to which there is no record of its revocation and that (i) it is an Electronic User Certificate issued by the Spanish Public Certification Authority (CERES) dependent on the *Fábrica Nacional de Moneda y Timbre*; or (ii) it is incorporated to the National Electronic Identity Document issued in accordance with Royal Decree 1553/2005, of December 23, which regulates the issuance of the National Identity Document and its electronic signature certificates. Likewise, the form provided for this purpose must be filled, which will include the necessary information to prove the condition of shareholder.

If the person attending remotely, whether or not he/she is a shareholder, has been granted proxies in his/her favor, in order to exercise the rights inherent to such proxies, he/she must have notified the Company 24 hours before the General Meeting is held (i.e. before 11:00 am 29 March 2021, for the first call and, if applicable, the following day for the second call), by electronic means (sending an email to investor.relations@neinorhomes.com) or by postal correspondence (calle Ercilla, 24, second floor, 48011, Bilbao, Spain), indicating that they accept such proxies and identifying themselves by sending the duly completed attendance, proxy and remote voting card, and a copy of the proxy's ID card, NIE or passport, so that their identity can be accredited on the day the Meeting is held. For clarification purposes, the representatives attending remotely must previously register by sending said e-mail or postal mail to the Company, in the manner and within the term indicated in this paragraph.

The Company reserves the right to require shareholders or their proxies to provide any additional means of identification deemed necessary to confirm their shareholder status and to confirm their authenticity.

Once the shareholder or, as the case may be, his/her representative, has registered in accordance with the indicated means and within the established term, he/she may attend and vote in the General Meeting through telematic means by making the corresponding login on the day the General Meeting is held.

B. Login and attendance

Shareholders (or proxies) who have previously registered to attend the General Meeting remotely as indicated in the previous section, shall connect to the remote attendance platform on the day the meeting is to be held between 9:00 am and 11:00 am, and identify themselves as provided for in the corresponding instructions. Attendees will not be allowed to register outside of the indicated timeframe.

In the event that on 30 March 2021 it is determined that there is not sufficient quorum to hold the General Meeting on first call, the Company shall publish this circumstance through the section dedicated to the General Meeting on the Company's corporate website confirming that the General Meeting will finally be held on second call. In the event that the General Meeting is held on second call, those attending by telematic means who have connected on first call must connect again to



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telematically attend the General Meeting on second call.

Shareholders or proxy holders who have registered to attend remotely and wish to express their decision to leave the Meeting to the Notary Public or the personnel assisting them (or, failing this, to the Secretary of the General Meeting) must do so by means of the form provided for this purpose in the remote attendance software application. Once he/she has informed the Notary of his/her express intention to leave the meeting, all of his/her subsequent actions shall be deemed not to have been carried out.

C. Participation, information and proposals

Pursuant to the provisions of the Spanish Companies Act, persons attending the meeting telematically who plan to intervene, propose resolutions, request information or clarifications during the General Meeting in accordance with that law, shall be sent to the Company in writing via the remote attendance platform between 9:00 am and 11:00 am on the day the Meeting is held. If the shareholder or his/her proxy wants the minutes of the meeting to literally reflect his/her intervention, he/she should state that expressly in such text.

Requests for information or clarifications from shareholders or their proxies attending the meeting telematically will be answered verbally during the General Meeting and, in any case, in writing within seven days after the meeting is held, pursuant to the provisions of the Spanish Companies Act.

In the event that the General Meeting is held on second call, the telematic attendees who, having connected to the meeting on first call, have sent interventions and proposed resolutions or requests for information or clarifications, must send them again the following day, under the terms indicated in this section (C); otherwise, they shall be deemed not to have been made.

D. Voting

Duly registered shareholders or their proxies who attend the meeting telematically may cast their votes on the proposed resolutions contained on the agenda via the remote attendance platform, from the moment the shareholder or proxy connects until it is announced that the period for voting on the proposed resolutions on the agenda has concluded.

Concerning the proposed resolutions regarding matters that, by virtue of law, are not included on the agenda, telematic attendees may cast their votes via the remote attendance platform from the moment that such proposals are read to be voted on and until the period for voting on the proposed resolutions is declared concluded.

In all matters not expressly covered in this notice, the same rules on voting and the adoption of resolutions set forth in the Regulations of the General Shareholders Meeting for shareholders attending the General Meeting in person shall apply to shareholders attending telematically.

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E. Other matters

In the case of jointly-held securities, the first owner to register (in person or remotely) shall be deemed the attendee and, thus, any subsequent registration shall be denied to the remaining coowners. In that regard, and pursuant to article 126 of the Spanish Companies Act, the co-owner who is first to register (in person or remotely) shall be deemed to be the person designated by the remaining co-owners to exercise their shareholder rights.

Shareholders (or their proxies) bear the exclusive responsibility for procuring the necessary means of identification required to access and use the remote attendance facility. In the case of legal entities, the entity in question should notify the Company of any change or revocation of the powers granted to their representatives and, thus, the Company declines any responsibility until it receives that notification.

The Company may adapt, with due guarantees, the means to allow telematic attendance at the General Meeting in the case of shareholders not resident in Spain, qualified investors and other similar cases.

For all legal effects, telematic attendance at the General Meeting shall be deemed equivalent to attending the General Meeting physically. In this regard, attendance at the General Shareholders Meeting by telematic means renders proxy or voting by remote means of communication prior to the General Shareholders' Meeting null and void.

PROXY AND REMOTE VOTING BEFORE THE GENERAL MEETING IS HELD

A. Right to proxy representation and delegation by remote means

In accordance with the provisions of article 22 of the Articles of Association and 13 of the Regulations of the General Meeting, all shareholders with the right to attend may be represented at the General Meeting by another person, even if such person is not a shareholder in the Company, meeting the requirements and formalities laid down by the applicable law, the Articles of Association and the rest of the internal regulations of the Company.

The delegation of proxy representation must be completed and signed by the shareholder, subscribing the corresponding attendance card issued by the participating entity in Iberclear.

The proxy must exercise said representation by attending the General Meeting physically or telematically, as applicable, and, in case of physical attendance, handing in the attendance card issued by the participating entity in Iberclear at the shareholder registration desk, at the place and date indicated for the General Shareholders Meeting, within the two hours prior to the beginning of the meeting. The foregoing without prejudice to the possibility that the proxy attends by telematic means as indicated in this notice.

Proxy representation is always revocable. The personal attendance of the represented person to the General Meeting, whether physically or telematically, shall be construed as a revocation of the proxy delegation. Likewise, the vote of the shareholder shall take precedence over the proxy delegation and,

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therefore, the delegations previously issued shall be deemed revoked and the ones subsequently granted as not effected. In the event that a shareholder grants several proxies or casts several votes, the last proxy or the last vote cast that has been received by the Company within the established term shall prevail.

A separate power of proxy representation must be granted individually for each General Meeting, in writing or by remote means of communication.

If voting instructions have been given by the represented shareholder, the representative shall cast the vote in accordance with such instructions and shall be obliged to preserve the instructions for a period of one year from the date of the Meeting.

There is no limit to the number of shareholders that a proxy may represent. A proxy who represents several shareholders may cast different votes, in line with the instructions given by each shareholder.

In any case, the total number of represented shares shall be counted for the valid constitution of the Meeting.

The documents granting proxy representation at a General Shareholders Meeting must include, at least, the following:

- (i) The date of the General Meeting and the Agenda.
- (ii) The identity of the represented shareholder and the proxy. If not specified, it shall be understood that the representation has been granted, indistinctly, in favor of the Chairman of the Board of Directors, without prejudice to what is indicated below for the case of conflict of interest.
- (iii) The number of shares held by the represented shareholder.
- (iv) Instructions regarding how the votes of the represented shareholder are to be cast with regard to each of the items on the Agenda, if appropriate.

The Chairman of the General Meeting, or the persons designated through the mediation of the Chairman, shall be understood to be empowered to determine the validity of the proxy representation granted and its compliance with the requirements for attendance at the General Shareholders Meeting.

The provisions of the previous paragraphs shall not be applicable when the proxy is the spouse, ascendant or descendant of the represented shareholder and proof is provided of such relationship, nor shall they be applicable when the proxy holds a general power of attorney granted in a public deed, includes powers to administer all of the estate of the represented person within the Spanish territory and a copy of such deed is provided.

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When granted by remote means of communication, proxy representation shall only be valid if granted:

1. By post or by delivery

The attendance card issued by the participating entity in Iberclear, with the corresponding section duly signed and completed by the shareholder, must be delivered or sent to the registered office of the Company (calle Ercilla, 24, second floor, 48011, Bilbao, Spain). The proxy representation granted and the identity of the represented shareholder must be clearly detailed.

In case that the attendance card issued by the participating entity in Iberclear does not include the section relating to the delegation of representative power or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website (www.neinorhomes.com). Said attendance card, duly signed, must be delivered to the Company by post at the address given in the previous paragraph, together with the corresponding attendance card, duly signed, issued by the participating entity in Iberclear.

2. By electronic communication

Proxy representation granted by electronic means will be accepted as from 26 February 2021 through the Company's website (www.neinorhomes.com), by accessing the representation section and following the procedure established therein.

To do this, it is necessary to hold a recognized electronic signature, under the terms laid down in Law 59/2003, of 19 December, on Electronic Signatures, which must be based on a recognized electronic certificate for which there is no record of its revocation and which (i) is a User Electronic Certificate issued by the Spanish public certification authority, CERES, of the Spanish national mint (*Fábrica Nacional de Moneda y Timbre*); or which (ii) is incorporated into an Electronic National Identity Card issued pursuant to Royal Decree 1553/2005, of 23 December, which regulates the issue of National Identity Cards and electronic signature certificates.

B. Voting rights and the exercise of remote voting rights before the General Meeting is held

Shareholders with attendance and voting rights may cast their votes on the proposals made with respect to the items on the Agenda prior to the Meeting, by post or electronically, under the terms laid down in the law, in article 25 of the Articles of Association and articles 11.4 and 26 of the Regulations of the General Meeting.

1. Vote by post or by delivery

In order to cast a vote by post, the shareholder must fill in and sign the attendance card issued in their name by the participating entity in Iberclear, in which the shareholder must specify the vote (in favor, against, abstention or blank), marking with a cross the corresponding box in the table which appears on the attendance card issued by the participating entity in Iberclear.

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Once the corresponding section has been completed and the attendance card signed, the shareholder must deliver or send it by post to the registered office of the Company (calle Ercilla, 24, second floor, 48011, Bilbao, Spain).

In case that the attendance card issued by the participating entity in Iberclear does not include the section relating to remote voting or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website (www.neinorhomes.com). Said attendance card, duly signed, must be sent to the Company by post at the address given in the previous paragraph, together with the corresponding, duly signed attendance card issued by the participating entity in Iberclear.

2. Electronic voting

As from 26 February 2021, shareholders may also cast its votes by authorized electronic means, using the shareholder's legally-recognized electronic signature under the same terms as those laid down in point 2 of section A above, regarding the grant of proxy representation, and in section C, below. The vote should be cast through the Company's website (www.neinorhomes.com) by accessing the designated section and following the procedure established therein.

C. General provisions regarding delegation and remote voting

Valid proxies granted and votes cast by remote means of communication (postal or electronic) must be received by Company before 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held, otherwise the proxy shall be taken not to have been conferred and the vote not to have been cast. After the expiry of this deadline, only votes cast at the General Shareholders Meeting, whether physically or telematically, by the shareholder or the person validly representing the shareholder will be allowed.

Proxy representative may only exercise the right to vote of the represented shareholder by personally attending the Meeting, whether physically or telematically. On the day and at the venue of the Meeting, the proxy representatives, whether appointed by post or electronically, attending the General Meeting physically must, identify themselves within the two hours prior to the commencement of the Meeting, by means of their National Identity Card or any other unexpired official document which is generally accepted for these purposes, in order for the Company to verify the power of representation granted, and providing a copy of the attendance card issued by the participating entity in Iberclear sent to the Company (by post) or of the electronic document which the shareholder completed on the website of the Company in order to grant such power of representation.

Likewise, and as referred to in previous sections, if a proxy has been granted in favor of someone who intends to attend telematically to the General Meeting, the appointed proxy must notify the proxies granted in his/her favor to the Company 24 hours before the General Meeting is held (i.e. before 11:00 am 29 March 2021, for the first call and, if applicable, the following day for the second call), by



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electronic means (sending an email to investor.relations@neinorhomes.com) or by postal correspondence (calle Ercilla, 24, second floor, 48011, Bilbao, Spain), indicating that they accept such proxies and identifying themselves by sending the duly completed attendance, proxy and remote voting card, and a copy of the proxy's ID card, NIE or passport, so that their identity can be accredited on the day the Meeting is held.

When the shareholder exercises the right to vote before the General Meeting is held or grants power of proxy representation, in both cases, using remote means of communication, such actions must be recorded in the shareholder's name in the corresponding book entry registry at least five days in advance of the date on which the General Meeting is to be held.

Likewise, the validity of the proxy representation granted and of the remote vote issued before the General Meeting is held will be subject (with the file provided by Iberclear) to a check of the status as a shareholder. In case of discrepancy between the number of shares notified by the shareholder granting proxy representation or casting a vote remotely before the General Meeting is held and the number which appears in the book entry registry notified by Iberclear, the number of shares notified by Iberclear shall be considered valid for the purposes of quorum and voting, unless proof to the contrary is provided.

The power of proxy representation granted and the vote cast by post or electronically before the General Meeting is held may be rendered without effect by express revocation by the shareholder. Such revocation must use the same mean as that used to grant the power of proxy representation or to cast the vote and must be exercised within the deadline established.

A shareholder who grants power of proxy representation by electronic means undertakes to notify the designated representative of the granted proxy. When the power of proxy representation is granted to the Chairman of the Board of Directors or of the Meeting, or to a Director, or to the Secretary or the Vice-Secretary of the Board of Directors of the Company, this notification shall be understood to have been given through the reception by the Company of the electronic delegation. The power of proxy representation must be accepted by the representative; otherwise, it shall not be considered valid.

Before its appointment, the proxy representative must inform the shareholder of the existence of any conflict of interest. If the conflict of interest arises after the appointment and the represented shareholder was no warned of its possible existence, the shareholder must be informed immediately. In both cases, if new, precise voting instructions are not received with respect to each of the items on which the proxy representative is to vote in the name of the shareholder, the proxy should abstain from casting a vote.

For the purposes of the provisions included in articles 523 and 526 of the Spanish Companies Act (*Ley de Sociedades de Capital*), it is hereby stated that the Chairman of the Meeting, and other members of the Board of Directors, may be in a situation of conflict of interest with respect to (i) item Three (Review and, where appropriate, approval of the management and activity of the Board of Directors of Neinor

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Homes, S.A. in the year ended on 31 December 2020) and item Ten (Consultative vote on the Annual Report on the Remuneration of Directors for the financial year ended 31 December 2020) of the Agenda; and (ii) the cases described in sections a), b), c) and d) of article 526.1 of the Spanish Companies Act (appointment, re-election or ratification of directors, removal, separation or discharge of directors, the exercise of corporate liability action and approval and ratification of the transactions of the Company with a director) which may be tabled outside the Agenda, in accordance with the law.

If the proxy has been validly granted pursuant to applicable regulations and the internal regulations of the Company but does not include instructions regarding the exercise of the vote or if there is any doubt regarding the identity of the representative or the scope of representative power, it shall be understood that (i) the delegation is made to the Chairman of the Board of Directors, without prejudice to the stipulations below for cases of conflict of interest; (ii) it refers to all the items included on the Agenda of the General Shareholders Meeting; (iii) the vote is favorable to all of the proposed resolutions by the Board of Directors; and (iv) it also covers the off-Agenda items which may arise, with respect to which the proxy shall abstain from voting, unless there are sufficient elements to judge that it would be more favorable to the interests of the represented shareholder to vote in favor or against such proposed resolutions.

Without prejudice to the provisions of the previous paragraph, in case the proxy representative is in a situation of conflict of interest regarding any of the items included in the agenda or that may be submitted in accordance with the law and if the shareholders has not given voting instructions for each of those items, the proxy representative shall abstain. In such case, it shall be understood that the represented shareholder has also designated as successive joint and several representatives the Chairman of the General Shareholders Meeting and, if the Chairman is in a situation of conflict of interest, the Secretary of the General Shareholders Meeting and if, in turn, the Secretary is also in a situation of conflict of interest, the non-executive Vice-Secretary of the Board of Directors, if appointed.

Likewise, a shareholder who casts a vote by post or electronically before the General Meeting is held and does not mark one or any of the boxes indicating the vote with respect to the items on the Agenda, it shall be understood that the shareholder wishes to vote in favor of the respective proposals made by the Board of Directors.

The rules of precedence between delegation, remote voting and personal voting at the Meeting are as follows:

- (i) The attendance, whether physically or telematically, at the General Meeting of a shareholder or of the representative of the shareholder which is a legal person who has delegated a vote or who has voted remotely before the General Meeting is held, whatever the means used to cast the vote, shall cancel such delegation or previous vote.
- (ii) In the event that a shareholder grants several proxies or casts several votes, the last proxy or the last vote cast that has been received by the Company within the established term shall prevail.



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- (iii) As a particular rule, a vote cast by any remote means of communication before the General Meeting is held shall cancel any grant of proxy representation made electronically or by means of a printed card, whether prior, in which case it shall be taken to be revoked, or subsequent, in which case it shall be taken not to have been made.
- (iv) Both the proxy representation and the vote cast remotely shall lose all effect if, to the knowledge of the Company, the shares which carry the attendance rights have been disposed of.

The Company will provide shareholders with forms which they may use for proxy delegation and voting by post or remotely on its website (www.neinorhomes.com) under the terms laid down in this announcement.

If the shareholder is a legal person, the shareholder must communicate to the Company any modification or revocation of the powers held by its representative and, therefore, the Company shall bear no responsibility until such notification is given.

With respect to shareholders which are legal persons, when the postal service is used to grant representation remotely to a third party or to vote remotely, at the request of the Company, it must send, together with the rest of the documentation required under these rules, a copy of the power of attorney of the physical person who, in the name of and representing said shareholding legal person, grants power of representation to a third party or exercises the remote vote.

Any of the joint holders of depositary receipts for shares may vote, delegate and attend, and the rules of precedence established above shall be applicable among them. For the purposes of article 126 of the Spanish Companies Act, it is assumed that a joint holder who at any time attends, delegates or votes in the exercise of the rights of the joint holders does so by the designation of the rest of the joint holders.

Shareholders hold exclusive responsibility for the custody of their own electronic signatures.

The electronic document completed by the shareholder on the Company's website, authorized with the shareholder's recognized electronic signature, shall be taken as a copy in unalterable electronic format of the attendance card and proxy delegation for the purposes of compliance with the provisions of the Regulations of the General Meeting and of the Articles of Association for the delegation of representation and the electronic casting of votes.

The computer programs used to exercise the right to vote before the General Meeting is held and for delegation by electronic means will be operative as from 26 February 2021 and will close at 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held. For these purposes, the Company shall implement an electronic dating system, through a third party and with an objective time source (time stamping) to certify the moment at which the vote and/or electronic representation was received, as well as, if applicable, the acceptance or rejection of the same.

GENERAL ASPECTS REGARDING PROXY REPRESENTATION AND VOTING BY REMOTE MEANS AND TELEMATIC ASSISTANCE

The Company reserves the right to modify, suspend, cancel or restrict the remote voting, proxy delegation and telematic assistance mechanisms should technical or security reasons so require or oblige. Likewise, the Company reserves the right to request such additional identification means as it deems necessary in order to guarantee the identity of participants, the authenticity of the vote and of the proxy representation granted and, in general, the legality of the acts of the General Shareholders Meeting.

Neinor Homes, S.A. shall bear no responsibility for any damages which may be caused to the shareholder as a result of breakdowns, overloads, fallen lines, connection failures, malfunction of the postal service or any other eventuality of the same or similar nature which is beyond the control of the Company, and which prevent the use of the proxy delegation, remote voting and telematic assistance mechanisms.

Shareholding legal persons and non-residents in Spain should consult the Department for Investor Relations (investor.relations@neinorhomes.com) in order to consider the possibility, if appropriate, of adapting, with all due guarantees, the remote voting and representation mechanisms to their particular situations.

RIGHT TO RECEIVE INFORMATION AND AVAILABLE DOCUMENTATION

In accordance with article 518 of the Spanish Companies Act, as of the publication of the announcement convening the General Meeting and until it is held, the following documents and information, among others, will be made uninterruptedly available to shareholders on the Company's website (www.neinorhomes.com):

- The announcement of the calling of the General Shareholders Meeting.
- The total number of shares and voting rights on the date of the announcement.
- The full text of the proposed resolutions to be adopted, where appropriate, by the Ordinary General Shareholders Meeting of the Company regarding each item on the Agenda, and the corresponding reports by the Board of Directors and, if applicable, the Board Committees, which are legally required.
- The Annual Financial Report for the financial year ended on 31 December 2020, including the individual and consolidated annual accounts, individual and consolidated management reports, the corresponding auditors' reports for said financial years and the declarations of responsibility of the directors.
- Articles of Association in force.
- Regulations of the General Shareholders Meeting in force.

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- The Regulations of the Board of Directors in force.
- The Annual Corporate Governance Report for the financial year ended 31 December 2020.
- The annual report on the remuneration of the directors of the Company for the financial year ended on 31 December 2020.
- The form or model of the attendance, proxy and remote voting card.
- Rules regarding the right to attend the General Shareholders Meeting and the rules for proxy, and remote voting.
- Description of the shareholders' information rights.
- The rules of the Electronic Shareholders Forum.
- Info-memo regarding the Corporate Social Responsibility Policy.
- Valid requests for information, clarifications or questions made by shareholders in the exercise of their right to information and the replies given by the Directors.

Additionally, in relation to item Eight on the agenda of the General Meeting regarding the approval of the merger by absorption of Quabit Inmobiliaria, S.A. by Neinor Homes, S.A. (the "**Merger**"), in accordance with that set out in articles 39, 40.2 and other relevant articles of Law 3/2009 of 3 April on structural changes to companies ("**Law on Structural Changes to Companies**"), it is hereby stated that the following documents have been published on the Company's website (www.neinorhomes.com), so that they can be downloaded and printed, since 25 February 2021, except for (i) the joint merger plan (the "**Joint Merger Plan**"), which is published on the Company's website since 12 January 2021; and (ii) the individual and consolidated financial statements as of 31 December 2018 and 2019 of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A., and their corresponding management reports and audit reports, the articles of association of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A., the articles of association of Neinor Homes, S.A. after the Merger and the identity of the directors of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A. and the date from which they hold their positions, which are published on the Company's website since 23 February 2021:

- The Joint Merger Plan.
- The reports of the directors of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A. regarding the Joint Merger Plan, including the one signed by the directors of Neinor Homes, S.A., as part of its content, a report on the capital increase inherent to the Merger.
- The report from the independent expert designated by the Companies Register of Bilbao under the terms required by article 34 of the Law on Structural Changes to Companies.
- The individual and consolidated financial statements as of 31 December 2018, 2019 and 2020 of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A., and their corresponding management

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- reports and audit reports (the individual annual accounts of both companies for the financial year ended 31 December 2020 include the merger balance sheets, together with corresponding audit reports);
- The articles of association of Neinor Homes, S.A. and Quabit Inmobiliaria, S.A., current and incorporated into a public deed.
 - The articles of association of Neinor Homes, S.A. after the Merger, which will be the current articles of association, except for article 5 regarding the share capital figure that shall be amended as a result of the share capital increase required for the Merger exchange.
 - The identity of the directors of the companies participating in the Merger and the date from which they hold their positions. It is hereby stated that no new directors will be proposed to join the board of directors of Neinor as a result of the Merger.

All shareholders, bondholders, holders of special rights other than shares and workers' representatives who request this through any means allowed by law are entitled to examine at the registered office the full copy of the aforementioned documents and request the free delivery or shipment of copies of each one.

Furthermore, it is hereby stated that the document foreseen in Article 1, sections 4.g) and 5.f) of Regulation (EU) 2017/1129, of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, which includes the pro forma financial reporting foreseen in such Regulation and annexes the related auditors' report regarding this information, will be available to the public sufficiently in advance of the General Meeting by way of publication on the website of the Company (www.neinorhomes.com), where it may be downloaded and printed.

In accordance with articles 272 and 287 of the Spanish Companies Act, any shareholder may examine, at the registered office, and request the delivery, free of charge (which may be by e-mail with acknowledgement of receipt if the shareholder accepts such a procedure) of the documents that are to be submitted to the General Meeting for approval in the cases where this is legally required and, in particular, the Annual Financial Report for the financial year ended on 31 December 2020, the legally-required reports issued by the directors and all other documentation that is required to be made available to shareholders for this Ordinary General Shareholders Meeting.

In accordance with articles 197 and 520 of the Spanish Companies Act, from the day of the publication of the announcement convening the General Shareholders Meeting and until the fifth day prior to the date on which said Meeting is to be held, inclusive, or verbally during the meeting, shareholders may request to the Board of Directors the information or clarifications they deem appropriate, or submit the written questions they consider relevant, with respect to the items included on the Agenda.



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Likewise, within the same advance deadlines and in writing, or verbally during the Meeting, shareholders may request the clarifications they deem appropriate with respect to the publicly available information which the Company has provided to the Spanish National Securities Market Commission since the last General Meeting and with respect to the auditors' report.

Except in those cases expressly provided by the law, the Board of Directors will be obliged to provide the information requested in writing up to the day of the General Meeting and, in the case of verbal requests for information made during the General Meeting, when it is not possible to fulfil the shareholder's right to information at that moment, the Board of Directors shall be obliged to provide such information in writing within seven days following the conclusion of the Meeting.

Requests for information may be delivered to the registered offices of the Company by post mail and to the attention of the Company to: Neinor Homes, S.A., calle Ercilla, 24, second floor, 48011, Bilbao, Spain; or electronically through the Company's website (www.neinorhomes.com), in the place and in the manner established for these purposes.

Requests will be accepted if the electronic document requesting the information carries the legally recognized electronic signature of the shareholder, in accordance with the terms laid down in Law 59/2003, of 19 December, on Electronic Signatures, provided that they are based on a recognized electronic certificate and there is no record of its revocation and which (i) is an Electronic User Certificate issued by the Spanish public certification body, CERES, of the Spanish national mint (*Fábrica Nacional de Moneda y Timbre*) or (ii) is incorporated into the Electronic National Identity Card issued in accordance with Royal Decree 1553/2005, 23 December, which regulates the issue of National Identity Cards and electronic signature certificates.

Whatever the means used, the request of the shareholder must include their full name, together with proof of the shares held, by means of a copy of the attendance card issued by the participating body in Iberclear or a certificate of ownership, whose purpose is to enable this information to be checked against the list of shareholders and the number of shares in their name provided by Iberclear, for the General Meeting in question. The shareholder shall be responsible for providing proof that the request was sent to the Company in the corresponding format and within the appropriate deadline.

The Company's website contains detailed instructions for the exercise of shareholders' right to information, in accordance with the provisions included in the applicable legislation.

Requests for information made by shareholders will be answered, if appropriate, once the identity and status as a shareholder of the applicant has been confirmed, prior to the General Shareholders Meeting, by the same means used to make the request, unless the shareholder indicates another preferred mean of communication. In any case, the information in question may be sent by certified mail with acknowledgement of receipt or by registered fax.



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ANNOUNCEMENT AND STATEMENTS REGARDING THE MERGER PLAN

For the purposes of article 32.3 of the Law on Structural Changes to Companies, it is hereby stated that the Joint Merger Plan was published in the websites of the Company (www.neinorhomes.com) and Quabit Inmobiliaria, S.A. (www.grupoquabit.com), respectively, on 12 January 2021 and 11 January 2021, as stated in both announcements published in the Official Gazette of the Companies Register on 1 February 2021 (regarding the publication on Neinor's corporate website) and 4 February 2021 (regarding the publication on Quabit Inmobiliaria, S.A.'s corporate website).

Likewise, in accordance with article 40 of the Law on Structural Changes to Companies, in relation with article 31 of said law, the following minimum statements regarding the Merger Plan are included:

I. Identification of the merging companies

– Neinor Homes, S.A. (absorbing company)

Neinor Homes, S.A. is a Spanish public limited company with registered office and tax residence at calle Ercilla 24, 2ª planta, Bilbao (Spain), tax ID number A-95786562 and registered with the Commercial Registry of Bilbao under Volume 5495, Folio 190, Page BI-65308.

Neinor's share capital amounts to EUR 790,050,340 divided among 79,005,034 ordinary registered shares, each with a face value of EUR 10, fully subscribed and paid up, forming part of the same class and series. The shares into which the share capital is divided are represented by book entries and admitted to trading on the Barcelona, Bilbao, Madrid and Valencia stock exchanges via the Spanish Stock Exchange Interconnection System (*Mercado Continuo*). The book-entry records are made and held by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**").

– Quabit Inmobiliaria, S.A. (absorbed company)

Quabit Inmobiliaria, S.A. ("**Quabit**" and, together with Neinor, the "**Participating Entities**"), is a Spanish public limited company with registered office and tax residence at calle Poeta Joan Maragall 1, 16ª planta, Madrid (Spain), tax ID number A-96911482 and registered with the Commercial Registry of Madrid under Volume 27993, Folio 105, Page M-504462.

Quabit's share capital amounts to EUR 99,175,795 divided among 198,351,590 shares, fully subscribed and paid up, belonging to two different classes: (i) 148,763,693 shares belonging to class "A", each with a face value of EUR 0.5, belonging to the same series, which are the ordinary shares of Quabit (the "**Quabit Class A Shares**"); and (ii) 49,587,897 shares belonging to class "B", each with a face value of EUR 0.5, belonging to the same series, which are the non-voting Quabit Shares, carrying the privileged rights established in article 5 bis of Quabit's articles of association (the "**Quabit Class B Shares**" and, together, with the Quabit Class A Shares, the "**Quabit Shares**"). The Quabit Shares are represented by book entries. The Quabit Class A Shares are admitted to trading on Madrid and Valencia stock exchanges via the Spanish Stock Exchange Interconnection System. The Quabit Class B Shares are



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not admitted to trading on any of the Spanish stock exchanges and, therefore, are not included in the Spanish Stock Exchange Interconnection System. The book-entry records are made and held by Iberclear.

II. Exchange ratio of the Merger

The exchange ratio of the Merger, which has been determined on the basis of the actual value of the assets and liabilities of Neinor and Quabit, will be one ordinary share of Neinor, each with a face value of EUR 10, for each 25.9650 Quabit Class A Shares, each with a face value of EUR 0.5, and the sole class to be outstanding at the time of the exchange.

Notwithstanding the implementation of a procedure designed to facilitate the exchange of "odd-lots", no additional cash compensation is envisaged under the terms of article 25 of the Law on Structural Changes to Companies.

With respect to the Quabit Class B Shares, it is hereby stated that the board of directors of Quabit, taking into consideration the agreement entered into with various funds and entities advised by Avenue Europe International Management L.P. ("**Avenue**") described in section 1.1.2 of the Joint Merger Plan (the "**Agreement with Avenue**"), will propose—to the same general shareholders' meeting that is to approve the Merger (and prior to the proposal of the Merger resolution)—the acquisition by purchase (redemption) of all of the Quabit Class B Shares for their complete cancellation in the context of the subscription of the Merger pursuant to article 26 of the Law on Structural Changes to Companies, all the foregoing in accordance with what is envisaged in the Joint Merger Plan.

This exchange ratio has been agreed and calculated on the basis of the methodologies that are set out and justified in the reports of the boards of directors of each Participating Entity regarding the Joint Merger Plan, issued in accordance with article 33 of the Law on Structural Changes to Companies, and that have been published on the corresponding websites before the publication of this announcement.

III. Share exchange procedure as a result of the merger

In accordance with what is envisaged in the Joint Merger Plan, Neinor will carry out the exchange for Quabit Class A Shares in accordance with the exchange ratio established in the previous section via newly issued ordinary shares, of the same class and series as those currently in circulation.

To this effect, Neinor will increase its share capital by the sum necessary to achieve the exchange ratio via the issue of new ordinary shares, each with a nominal value of EUR 10, of the same class and series as those currently in circulation, represented by book entries. In accordance with article 304.2 of the Spanish Companies Act, no pre-emptive rights will be established and the subscription of these new ordinary shares of Neinor will be reserved for holders of Quabit Class A Shares.

Pursuant to article 26 of the Law on Structural Changes to Companies, under no circumstances will any Quabit Shares owned by Neinor or any shares that Quabit holds as treasury shares be exchanged; these shares will be cancelled under the Merger. On this date, Neinor does not own any shares in



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Quabit and Quabit has 3,380,039 own shares as treasury shares.

Delivery of Neinor's new shares for the exchange of Quabit Class A Shares shall take place once:

- (a) the equivalent documentation referred to in article 1(4)(g) and (f) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as applicable —or any registration requirements that may be required by the Spanish National Securities Market Commission ("**CNMV**")— has been filed;
- (b) the Merger has been approved at the general shareholders' meetings of both Participating Entities, including approval of the Merger, on the terms and conditions established in the Joint Merger Plan, by the holder of the Quabit Class B Shares;
- (c) the conditions precedent referred to in section 16 of the Joint Merger Plan have been fulfilled; and
- (d) the deed of Merger has been granted.

The exchange will take place on the date specified in the notice of exchange to be published on the corporate websites of the Participating Entities and, as other relevant information, on the website of the CNMV. Effective delivery of the new shares would take place once the deed of Merger is registered with the Commercial Registries of Bilbao and Madrid. For this purpose, a financial entity will be appointed to act as the exchange agent, which will be indicated in the above-mentioned notices.

The exchange of the Quabit Class A Shares for the new shares of Neinor will be carried out through the entities participating in Iberclear, which are depositaries thereof in accordance with the procedures established for the book-entry system, pursuant to Royal Decree 878/2015 of 2 October on the clearing, settlement and registration of marketable securities represented by book entries, on the regulation of the central securities depository and central counterparty entities, and on the transparency requirements for the issuing of securities admitted to trading on an official secondary market, and with the application of the provisions of article 117 of the Spanish Companies Act, as applicable.

Quabit Shares will be redeemed as a result of the Merger.

Quabit's shareholders who held a number of Quabit Class A Shares that, in accordance with the agreed exchange ratio, do not entitle their holder to receipt of an integer value of Neinor shares, may acquire or transfer shares so that the resulting shares they hold entitle them, in accordance with the exchange ratio, to receive a whole number of Neinor shares.

Notwithstanding the above, the Participating Entities have established a mechanism to facilitate Quabit's shareholders receiving whole numbers of Neinor shares by virtue of the exchange.

This mechanism entails appointing a financial entity as an odd-lot dealer, which will act as the counterparty for the purchase of share excesses and shortfalls. Thus, any Quabit shareholder who, in



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accordance with the established exchange ratio and taking into account the number of Quabit Class A Shares held, is not entitled to receive a whole number of Neinor shares or is entitled to receive a whole number of Neinor shares but has additional Quabit Class A Shares that are insufficient to have the right to receive an additional Neinor share, may transfer the surplus Quabit Shares to the odd-lot dealer, which will pay the shareholders in cash for the value of these shares at the price specified in the notice of exchange.

Unless expressly instructed otherwise in writing during the term established in the referred exchange announcement, it is understood that Quabit's holder of Quabit Class A Shares may make use of the fraction purchase system provided for in the Joint Merger Plan without having to send instructions to the depository institution of their shares, which will inform them of the result of the transaction once concluded.

IV. Date as of which the newly exchanged shares of Neinor afford the right to a share of Neinor's earnings

For the purposes of item six of article 31 of the Law on Structural Changes to Companies, it is hereby stated that the new shares issued by Neinor to achieve the Merger exchange will be ordinary shares of the same class and series as the shares currently in circulation, entitling the holders to the same rights as of the date that the Merger deed is registered with the Commercial Registries of Bilbao and Madrid, and, in the event that registration does not take place in both Commercial Registries on the same day, from the date on which said deed is registered with the second one (the "Date of Effects").

In particular, these new shares will entitle holders, as from the Date of Effects, to a share of the earnings under the same conditions as the other holders of Neinor shares in circulation on that date.

V. Effective date for accounting purposes

For the purposes of item seven of article 31 of the Law on Structural Changes to Companies, the date as of which Quabit's transactions will be considered as having been carried out for accounting purposes on behalf of Neinor will be set in accordance with paragraph 2.2 of Recognition and Measurement Rule 19 of the Spanish General Accounting Plan approved by Royal Decree 1514/2007 of 16 November (the "PGC"), as provided for in the Joint Merger Plan.

VI. Accounts and valuation of the assets and liabilities subject to transfer

As a result of the Merger, Quabit will be dissolved without liquidation, and all of its assets and liabilities will be transferred as a whole *ipso iure e in uno actu* to Neinor by universal succession.

For the purposes of item nine of article 31 of the Law on Structural Changes to Companies, it is hereby stated that the acquired identifiable assets and the liabilities assumed by Neinor from Quabit will be recorded in the accounts of Neinor for their fair values on the date of acquisition, pursuant to Recognition and Measurement Rule 19 of the PGC.



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For the purposes of item ten of article 31 of the Law on Structural Changes to Companies, it is hereby stated that the conditions under which the Merger is to be carried out have been determined taking into consideration the accounts of the Participating Entities for the financial year ended 31 December 2020, with the financial year of the Participating Entities coinciding with the calendar year.

For the purposes of article 36.1 of the Law on Structural Changes to Companies, the balance sheets closed by Neinor and Quabit on 31 December 2020 shall be considered the merger balance sheets.

VII. Reports from the directors and independent expert

In accordance with article 33 of the Law on Structural Changes to Companies, the Boards of Directors of Neinor and Quabit drafted a report on 24 February 2021, explaining and justifying in detail the Joint Merger Plan with regard to its legal and financial aspects, with particular reference to the share exchange ratio (including the methodologies used to determine it) and the special valuation difficulties and the implications of the Merger for the shareholders of the merging companies and their creditors and employees.

As an independent expert, KPMG Auditores S.L. issued the mandatory report on 25 February 2021 under the terms required by article 34 of the Law on Structural Changes to Companies.

VIII. Labor contributions and ancillary obligations

For the purposes of item three of article 31 of the Law on Structural Changes to Companies, shareholders in neither Neinor nor Quabit have made labor contributions (as they are not allowed in accordance with article 58 of the Spanish Companies Act), nor are there any ancillary obligations and, therefore, no compensation must be paid for the same.

IX. Special rights and securities other than those representing capital

In compliance with item four of article 31 of the Law on Structural Changes to Companies, and except for what is indicated in this section, it is hereby stated that there are no special privileged shares or special rights other than the simple ownership of the shares in any of the Participating Entities, and therefore it is not appropriate to grant any special rights or offer any type of options for these purposes. The shares of Neinor delivered to the holders of the Quabit Class A Shares as a result of the Merger will not grant their holders any special rights whatsoever.

Notwithstanding the foregoing, the Joint Merger Plan refers to the following securities issued by Quabit:

– Quabit Class B Shares

With respect to the Quabit Class B Shares, the privileged rights established in article 5 bis of Quabit's articles of association in favour of the holder of the Quabit Class B Shares will not be recognized in the entity resulting from the Merger.

To this end, at the corresponding general shareholders' meeting of Quabit at which the Merger will be decided upon, the holder of the Quabit Class B Shares must approve, in accordance with the provisions



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of law and the corresponding provisions of the articles of association and prior to the proposed Merger resolution, the proposed acquisition for redemption of all Quabit Class B Shares in accordance with section 3.1 of the Joint Merger Plan.

– **Warrants**

As described in section 8.2.1 of the Joint Merger Plan, Quabit has issued several warrants in favour of various funds and entities advised by Avenue Europe International Management L.P. (the "**Avenue Warrants**"). The aforementioned section states, among other matters, that by signing the Agreement with Avenue, the holders of the Avenue Warrants have irrevocably undertaken, among others, (i) not to exercise, in whole or in part, the Avenue Warrants from the moment of the execution of the Agreement with Avenue until the cancellation thereof; and (ii) to execute, as soon as possible after the registration of the Merger with the Commercial Registry of Bilbao, the corresponding public deed to proceed with the cancellation thereof.

In addition, as described in section 8.2.2 of the Joint Merger Plan, Quabit has issued a warrant in favour of Sociedad de Gestión de Activos procedentes de la Reestructuración Bancaria, S.A. ("**SAREB**" and the "**SAREB Warrant**"). With respect to the SAREB Warrant, no agreements have been entered into as of the date of this announcement.

Following completion of the Merger, Neinor will take over and succeed Quabit as the issuer of the Avenue Warrants and SAREB Warrant under their terms and conditions. Thus, once the Merger deed has been registered with the Commercial Registries of Madrid and Bilbao, all references to Quabit in the aforementioned issues will be deemed as having been made to Neinor.

Consequently, after the completion of the Merger, the aforementioned securities will eventually become convertible into ordinary shares of Neinor (instead of Quabit), without prejudice to the agreements reached with their holders indicated above (or those that may be reached after the date of the Joint Merger Plan) in relation to the cancellation of the aforementioned securities after the effectiveness of the Merger.

– **Notes**

As described in section 8.3 of the Joint Merger Plan, Quabit, through its subsidiary Quabit Finance, S.A.U., has issued senior secured notes for a nominal amount of EUR 20 million (the "**Quabit Notes**").

Following completion of the Merger, Neinor will take over and succeed Quabit as guarantor of the Quabit Notes under the corresponding terms and conditions. Thus, once the Merger deed has been registered with the Commercial Registries of Madrid and Bilbao, all references to Quabit Inmobiliaria, S.A. in the aforementioned issue will be deemed as having been made to Neinor.

X. Benefits granted to directors and independent experts

No benefit in Neinor will be granted to the directors of either Participating Entities, nor will any benefit be



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granted to any independent expert involved in the Merger.

XI. Amendment to the articles of association of the absorbing company

As a result of the Merger, and in accordance with the Joint Merger Plan, the Merger will not require the amendment of Neinor's articles of association, except with regard to the amount of the share capital and number of shares that, as a result of the share capital increase, is required to achieve the Merger exchange.

In this regard, article 5 of Neinor's articles of association, regarding the share capital and number of shares, shall be modified in the relevant amount necessary for Neinor to achieve the Merger exchange of Quabit Class A Shares set in accordance with the exchange ratio with newly issued shares.

The complete text of Neinor's articles of association has been published on Neinor's corporate website (www.neinorhomes.com) so that they can be downloaded and printed in accordance with article 39 of the Law on Structural Changes to Companies.

XII. Consequences of the Merger for employment, as well as its impact on the gender balance of the governing bodies and effect, where appropriate, on corporate social responsibility

– *Possible consequences of the Merger for employment*

In the event that the Merger is ultimately carried out, a business transfer will occur pursuant to article 44 of the consolidated text of the Law on the Workers' Statute, approved by Royal Legislative Decree 2/2015 of 23 October. In accordance with the aforementioned transfer, Neinor, as the absorbing company, will assume the labor relationships in connection with active employees of Quabit, becoming their new employer. Likewise, and also as a result of the business transfer, Neinor will assume the labor and social security rights and obligations of Quabit and any obligations in the area of complementary social protection that Quabit may have acquired with its workers.

It is stated that the Participating Entities will comply with their reporting obligations and, if required, their consultation obligations with the employees' representatives of each entity, in accordance with labor regulations. In addition, the Merger will be notified to the corresponding relevant public entities, in particular to the Social Security General Treasury.

Following execution of the Merger, the combined entity will analyze the potential overlaps, duplications and economies of scale arising from the merger, with no decision having been made at this time regarding labor-related that must be adopted to incorporate the workforces as a result of the Merger. In any event, the integration of the workforces will take place pursuant to the legal procedures applicable in each case and especially with regard to the reporting obligations and consultation obligations with the employees' representatives, holding meetings and negotiating with them as required to integrate the two workforces on the basis of the most potential agreement between the parties.

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– **Potential impact on the gender balance of the governing bodies**

It is not expected that, upon execution of the Merger, there will be changes of particular significance in the structure of the governing body of Neinor from the perspective of its distribution by gender. Likewise, the Merger will not modify the policy that has been governing that matter in Neinor.

– **Effect of the Merger on corporate social responsibility**

It is not expected that Neinor's current corporate social-responsibility policy will change as a result of the Merger.

XIII. Tax treatment

The Merger falls within the scope of those regulated in article 76.1 a) of Law 27/2014 of 27 November on Corporate Income Tax ("**CIS**") and in article 101.1 a) of Provincial Law 11/2013 of 5 December on Corporate Income Tax in the Historical Territory of Biscay ("**CITB**"), so that the tax framework established in Chapter VII of Title VII and in the second additional provision of the CIS, based on article 89.1 of the same legal text, is applicable to the Merger. The transaction also falls under the scope of the tax framework for mergers of Chapter VII of Title VI of the CITB, for which purpose it is expressly chosen to apply; all of the preceding considerations are understood as meeting the requirements for the application of the aforementioned framework and, specifically, on the basis that the reasons justifying the execution of the Merger under the terms contained in the Joint Merger Plan are considered to be economically valid.

The non-subjection and exemptions from Transfer Tax and Stamp Duty contained in articles 31.2.1, 33 and 58.10 of Provincial Law 1/2011 of 24 March on the Transfer Tax and Stamp Duty in the Historical Territory of Biscay are applicable.

Finally, in accordance with article 114.3 of the CITB and the second paragraph of article 89.1 of the CIS, the transaction will be communicated to the corresponding tax agencies in the form and within the time limits established by applicable regulations.

XIV. Conditions precedent

The consummation and effectiveness of the Merger is subject to the fulfilment of the following conditions precedent:

- (i) obtaining consents in connection with the Merger (or, where applicable, the corresponding waivers of the exercise of any rights as a result of the Merger, in particular early-maturity clauses) from Neinor's and Quabit's main lenders or creditors, provided that they are relevant to the Merger, and, if applicable, executing agreements with such lenders or creditors in terms reasonable satisfactory to Neinor taking into account the terms agreed in the Joint Merger Plan for its execution;



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- (ii) if necessary, the communication of the Merger to the relevant competition authorities and, if applicable, obtaining the authorization or non-opposition to the Merger, whether express or implied, by the aforementioned authorities, as well as obtaining any necessary authorization by the CNMV or any regulatory authority for the execution and effectiveness of the Merger; and
- (iii) following the consultation with the Finance and Tax Department of the Biscay Provincial Council, it is confirmed that (i) the special framework for mergers, divisions, transfers of assets, exchanges of securities, global assignments of assets and liabilities and change of registered office of a European company or a European cooperative society from one Member State of the European Union to another set out in Chapter VII of Title VI of the Provincial Law on Corporate Income Tax in the Historical Territory of Biscay is applicable to the Merger; and (ii) under that special framework, the treatment of any income recorded in the profit and loss account of Neinor as a result of a negative merger difference is not subject to Corporate Income Tax for either Neinor or Quabit.

The boards of directors of Neinor and Quabit or, if applicable, any person authorized by them, may carry out all acts and adopt all resolutions required for requesting, processing and obtaining the abovementioned authorizations and any other authorizations, statements or releases required or advisable for the success of the Merger, including, but not limited to, offering, proposing or accepting remedies, undertakings, guarantees or conditions from or to the competent authorities (in particular, but not limited to, tax and competition authorities or the governing or supervisory bodies for the stock-market sectors) or refraining from making or rejecting them when they consider that doing so is in the shareholders' interest, ultimately being entitled to declare the above-mentioned conditions precedent met or not met or abandon trying to meet them (to the extent legally possible and advisable).

SPECIAL INFORMATION INSTRUMENTS

In accordance with article 539.2 of the Spanish Companies Act and the terms included in it, in order to facilitate communication of shareholders prior to the General Meeting, an Electronic Shareholders Forum will be enabled with all due guarantees on the Company's website, which may be accessed by all individual shareholders and any voluntary associations which might be constituted pursuant in accordance with the aforementioned article.

The Forum may be used to publish proposals to be presented as a supplement to the Agenda included in the announcement convening the General Shareholders Meeting, requests support for such proposals, present initiatives to achieve sufficient percentage to exercise minority right as provided in the law, as well as presenting offers of or requests for voluntary representation.

Access to the Forum and the terms and conditions of its use and operation shall be governed by the provisions included in this announcement and the Operating Rules for the Electronic Shareholders Forum, which may be accessed on the Company's website.

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NOTARIAL INVOLVEMENT AT THE GENERAL SHAREHOLDERS MEETING

The Board of Directors resolved to request the presence of a notary public so that he/she can issue the minutes of the Ordinary General Shareholders Meeting, in accordance with the provisions of article 203 of the Spanish Companies Act in relation to article 101 of the Companies Registration Office Regulations.

OTHER INFORMATION OF INTEREST TO SHAREHOLDERS

The personal data provided by shareholders to the Company for the exercise of their voting, attendance or delegation rights at the General Shareholders Meeting or which are provided by the banks and stock agencies and companies in which the shares of the shareholders are deposited, through the entity responsible to keep the register of book entries, shall be processed by the Company, in its capacity as data controller, for the purposes of managing the development, fulfilment and control of the current relationships with shareholders, regarding the convening and holding of the General Meeting, as well as in order to comply with legal obligations. The data may be communicated to the Notary attending who will draw up the minutes of the General Meeting. The processing of data is necessary for the purposes indicated and its legal basis is your relationship as a shareholder as well as to comply with legal obligations. The data shall be kept for the duration of such relationship and, thereafter, for a period of six (6) years only in order to be able to deal with any legal or contractual actions, unless, exceptionally, a longer limitation period would apply.

In case the attendance or delegation card includes personal data referring to third parties, the shareholder must inform them of the points indicated herein in relation to the processing of personal data and comply with any other requirements which may be applicable for the proper assignment of personal data to the Company, without the Company having to take any additional action vis-à-vis the interested parties.

Registered Users may exercise their rights of access, correction, opposition, suppression, limitation of processing and portability, as well as any other rights recognized by current legislation on data protection, by sending a letter with the reference "Data Protection" (attaching a photocopy of the ID or identification document) in which your request is specified, addressed to the Company's data protection delegate, through the e-mail address, lopd@neinorhomes.com, or at the postal address Neinor Homes, S.A. – Calle Ercilla 24, 48011, Bilbao, Spain. Registered Users may also file complaints with the competent data protection control authority.

In Bilbao, on 26 February 2021

The Secretary non-member of the Board of Directors