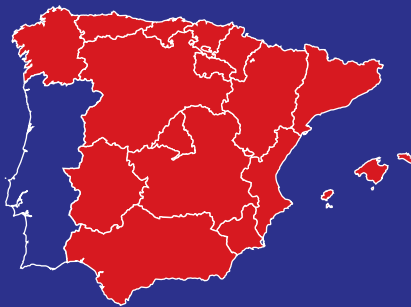


FINANCIAL INNOVATION OF THE YEAR

PORTFOLIO STOCK EXCHANGE – THE PLACE TO BE FOR SOCIMIS



LOCATION:

Spain

SECTOR:

Listed Real Estate

DATE:

Q3 2023

HIGHLIGHTED FEATURES:

Creation of a new listing option for Spanish SOCIMIs and EU REITs; All-in-one solution - bank & paying agent, broker, custodian opening securities



In Spain, SOCIMIs (Spanish REITs) enjoy significant growth and attention as a tax efficient structure to carry out any real estate investments from both domestic and international investors. As SOCIMIs continue to proliferate, the choice of listing venue becomes a critical decision with a significant impact on their cost structure, equity valuation, time allocation, and compliance.

After analysing how the traditional markets had been designed, a couple of problems were identified, namely the difficulty for foreign investors to access them, and above all an exaggerated level of intermediaries in the financial ecosystem, leading to unreasonable costs and processes inefficiencies.

As such, the Portfolio Stock Exchange ("PSE") was created with the goal of becoming the optimal listing destination for Spanish SOCIMIs and EU REITs.

PSE's proposal is based on three key pillars: (1) the elimination of expendable middlemen; (2) improving cost and time allocation efficiency; and (3) providing a tailor-made solution for each client.

Portfolio Stock Exchange stands as the pioneering and sole stock exchange globally to provide an all-in-one solution tailored specifically for SOCIMIs. It offers a comprehensive trading venue that serves multiple roles, acting not only as a stock exchange (as traditional exchanges do) but also as a bank agent, paying agent, broker, and custodian opening securities accounts for all investors, irrespective of their country of incorporation or residence.

In addition to revolutionizing investor access, PSE presents a compelling cost advantage over traditional stock exchanges. When considering the total costs involved in the listing and annual maintenance of a SOCIMI, traditional stock exchanges carry a cost overcharge of 80-130% compared to PSE. Moreover, while traditional stock exchanges often require extensive timelines for SOCIMI listings, averaging well over 7 months, PSE has achieved remarkable efficiency, listing a SOCIMI in as little as 2.5 months. This expedited timeline not only accelerates access to capital but also minimizes administrative burdens and maximizes operational agility for SOCIMIs.