

Palm Logistics signs two new lettings for 35,000 sq m at Madrid logistics hub

Takes Phase Three occupancy to 100%

London, 16 June 2021 – Palm Logistics, the dedicated affiliate of Palm Capital, the pan-European real estate private equity specialist, announces that it has secured two further significant pre-lets totalling c.35,000 sq m at Gavilanes Business Park in Getafe, Madrid, where it is developing a new strategic logistics hub offering c. 120,000 sq m of Grade A space.

Arrival, the global technology company creating electric vehicles using its game-changing technologies, has agreed to let c. 27,200 sq m on a ten-year lease, taking the entire Phase 3 of the scheme to full occupancy before its completion in April 2021. The letting forms part of Arrival's expansion strategy into Spain, where it will base its first European Van Microfactory at Gavilanes Business Park, adding to its existing footprint in the US and the UK.

The second letting comprising c. 7,700 sq m of space has been signed with MCR, a leading Spanish wholesaler of technology products, on a five-year lease. The unit is part of the development's second phase, which is now complete with 2 units left ranging from 7,000sq m to 9,500sq m.

Designed to meet the rising demand for modern, high quality last mile logistics space in close vicinity of Madrid, the four-phase development will deliver a total of nine buildings ranging between c. 5,000 sqm and c. 32,000 sq m. Following the successful leasing of Phases 1 and 3, Palm Logistics will commence with the fourth and final phase of the project, which can offer build to suit opportunities.

Situated at the junction of the M50 and A4 motorways, Gavilanes Business Park is located approximately 20 minutes' drive from Madrid city centre, as well as being in close proximity to Madrid Barajas International Airport and the Abroñigal intermodal freight terminal, providing connectivity with the rest of Europe. Other occupiers on the park include Amazon, Decathlon and Mercadona. The buildings' sustainability features have been rated LEED Gold and Silver.

Reda Khatim, Managing Partner at Palm Capital, commented: "To have fully let another phase of our logistics scheme in Spain ahead of its completion is a major milestone for us and our logistics platform, which now spans c. 210,000 sq m of space across Spain, Scandinavia and Ireland. Additionally, the high calibre of occupiers we have attracted demonstrates the appeal of our development's design, sustainability credentials and client focused approach.

"We are extremely excited to be welcoming MCR and Arrival, a business which is playing a pioneering role in the reduction of carbon emissions in our communities. Our commitment to high ESG standards is central to our portfolio and has been endorsed by Arrival's decision to let one of our buildings."

Palm Capital was advised by CBRE and Savills.

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For more information please contact:

Dido Laurimore / Eve Kirmatzis, FTI Consulting
+44 (0)20 3727 1000

Notes to Editors

About Palm Capital

Palm Capital was founded by Reda Khatim and is a leading pan European real estate investment and asset manager. It has offices in London, Madrid and Dublin. Palm Capital currently manages approximately 4.5 million sq.ft. of commercial real estate in the UK and Continental Europe across several investment strategies.

About Arrival

Arrival (NASDAQ: ARVL) is reinventing the automotive industry with its entirely new approach to the design and assembly of electric vehicles. Low CapEx, rapidly scalable Microfactories combined with proprietary in-house developed components, materials and software, enable the production of best in class vehicles competitively priced to fossil fuel variants and with a substantially lower total cost of ownership. This transformative approach provides cities globally with the solutions they need to create sustainable urban environments and exceptional experiences for their citizens. Arrival is a global business founded in 2015 and headquartered in London, UK and Charlotte, North Carolina, USA, with more than 1,900 global employees located in offices across the United States, Germany, the Netherlands, Israel, Russia, and Luxembourg. The company is deploying its first three microfactories in North Carolina, USA, South Carolina, USA and Bicester, UK in 2021.

Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including statements regarding the products offered by Arrival and the markets in which it operates, Arrival's ability to produce electric commercial vehicles that will make mobility in cities cleaner, safer and more equitable, expectations regarding the benefits of Arrival's Microfactories, Arrival's projected future results and timing for trials and production of Arrival's vehicles. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on management's belief or interpretation of information currently available. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, including, but not limited to: (i) the impact of COVID-19 on Arrival's business; (ii) the risk of downturns and the possibility of rapid change in the highly competitive industry in which Arrival operates, (iii) the risk that Arrival and its current and future collaborators are unable to successfully develop and commercialize Arrival's products or services, or experience significant delays in doing so, (iv) the risk that Arrival may never achieve or sustain profitability; (v) the risk that Arrival experiences difficulties in managing its growth and expanding operations, (vi) the risk that third-parties suppliers and manufacturers are not able to fully and timely meet their obligations; (vii) the risk that the utilization of Microfactories will not provide the expected benefits due to, among other things, the inability to locate appropriate buildings to use as Microfactories, Microfactories needing a larger than anticipated factory footprint, and the inability of Arrival to deploy Microfactories in the anticipated time frame; (viii) the risk that the orders that have been placed for vehicles, including the order from UPS, are cancelled or modified; (ix) the risk of product liability or regulatory lawsuits or proceedings relating to Arrival's products and services; and (x) the risk that Arrival will need to raise additional capital to execute its business plan, which may not be available on acceptable terms or at all; and (xi) the risk that Arrival is unable to secure or protect its intellectual property.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of the prospectus filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 26, 2021 and other documents filed by Arrival with the SEC from time to time. Readers are cautioned not to put undue reliance on forward-looking statements, and Arrival assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Arrival does not give any assurance that Arrival will achieve its expectations.