9M 2022 BUSINESS UPDATE

21st November 2022
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Presenting Team

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Corporate Director and CFO of Lar España

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Investor Relations and Corporate Communication Director of Lar España
Highlights
Despite the macro environment, we have achieved major milestones so far this year

**PRESENTATION OF OUR NEW BUSINESS PLAN**
- >€ 500 Mn investment to consolidate our leadership in retail
- **Rotation of up to c.a.30%** of current assets to optimize the portfolio
- We expect **c.a.7% average growth** per annum during the BP Period (2022-2025)

**FITCH AFFIRMS LAR ESPAÑA’S RATINGS AT “BBB”**
- Fitch Ratings affirmed Long-Term Issuer Default Rating (IDR) and senior unsecured rating at 'BBB'
- The **Outlook on the IDR is Stable**
- Lar España maintains the highest rating in its segment

**DISTRIBUTION OF A € MN 30 DIVIDEND**
- A dividend of 0.36 euros per share for a total of 30 million euros.
- It represents a yield per share of 7%, 30 bps higher than that paid the previous year.

**LAST VALUATIONS REMAIN STABLE**
- +53.6% revaluation since the acquisition
- +4.1% revaluation since June 2021
- +3.2% revaluation since December 2021

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1 Excluding CAPEX the figures would be +20.5%, +3.3% and 2.9% respectively
The company continues to be well prepared for major uncertainties

**Rents**
Strong results.
GRI +7.2%\(^1\) vs 9M 2021
Effort rate including all the expenses: 9.3%

**Occupancy**
Increase of occupancy levels with ca. 100% agreements with retailers already signed and no relevant loses in the tenant mix.

**Portfolio**
100% refurbished.
Solid valuation of the assets.
Stable occupancy 95% in 2018-2022

**Essential activities**
Higher exposure to food and other essential activities: about 25%.

**Retailers**
We strengthened our commitment and relationship with retailers.

**Inflation**
100% of tenant contracts are indexed to the CPI.
The average ticket of our centers is medium/low.

**Interest rates**
All our financial debt is at a fixed rate (1.8%) and with maturities beyond 2026.

**Debt structure**
Improved capital structure through issuance of 2 green bonds, extending maturity and improving cost of debt.

**Energy**
All energy costs are passed on to tenants.
See ESG slide for further information.

**Business Plan**
We reinforced our business plan, its implementation and communication.
We expect ca. 7% average growth per annum in GRI and GAV.

\(^1\) Like for Like (excluding 22 supermarkets portfolio)
And Lar España has proven to be a resilient company

**Footfall 9M 2022**: 58.6 Mn of visits

- **-6.7%** \(^1\) vs 9M 2019 LfL
- **+4.3%** vs 9M 2019
- **+9.9%** vs 9M 2021 LfL

**Sales 9M 2022**: €730.2\(^2\) Mn

- **+10.1%** \(^1\) vs 9M 2019 LfL
- **-0.9%** \(^3\) vs 9M 2019
- **+16.0%** vs 9M 2021 LfL
- **+1.6%** \(^3\) vs 9M 2021

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1 Like for Like excluding Lagoh
2 Declared sales
3 Big Retail Surfaces Index
As these operating indicators show

- ca. 65% contracts >2025
- 2.6 years WAULT
- 9.3% Effort rate expenses included
- 95.4% Occupancy¹
- >1,000 Existing contracts

¹ Occupancy in sqm
Having a great leasing performance

- **42,015 sqm** rotated in 9M 2022
- **127 operations** in 9M 2022
- **10% Annualised rotation rate**
- **€8.6 Mn Negotiated rent** in 9M22
In short, a quarter of strength

<table>
<thead>
<tr>
<th></th>
<th>GRI</th>
<th>NOI</th>
<th>NET PROFIT</th>
<th>NET LTV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ 64.1 Mn</td>
<td>€ 55.4 Mn</td>
<td>€ 68.4 Mn</td>
<td>38.9%</td>
</tr>
<tr>
<td>Like for Like (excluding 22 supermarkets portfolio)</td>
<td>+7.2%(^1) vs 9M 2021</td>
<td>+10.4%(^1) vs 9M 2021</td>
<td>5x vs 9M 2021</td>
<td>-5.8% vs 9M 2021</td>
</tr>
</tbody>
</table>
Financial information & ESG
## 9M 2022 Financial Results

<table>
<thead>
<tr>
<th>Metric</th>
<th>9M 2022</th>
<th>Change</th>
<th>9M 2021</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI</strong></td>
<td>€64.1Mn</td>
<td>+7.2%(^1)</td>
<td>€57.4Mn</td>
<td>+5% vs 9M 2021</td>
</tr>
<tr>
<td><strong>NOI</strong></td>
<td>€55.4Mn</td>
<td>+10.4%(^1)</td>
<td>€50.4Mn</td>
<td>+20% vs 9M 2021</td>
</tr>
<tr>
<td><strong>NET PROFIT</strong></td>
<td>€68.4Mn</td>
<td>3x vs 9M 2021</td>
<td>€55.4Mn</td>
<td>+23% vs 9M 2021</td>
</tr>
<tr>
<td><strong>EPRA EARNINGS p.s.</strong></td>
<td>€0.33</td>
<td>+42% vs 9M 2021</td>
<td>€0.23</td>
<td>+50% vs 9M 2021</td>
</tr>
<tr>
<td><strong>EPRA NTA p.s.</strong></td>
<td>€10.88(^2)</td>
<td>+5% vs Dec 2021</td>
<td>€10.35</td>
<td>+5% vs Dec 2021</td>
</tr>
<tr>
<td><strong>GAV</strong></td>
<td>€1,474Mn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>WAULT</strong></td>
<td>2.6 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>“Topped-Up” NIY</strong></td>
<td>6.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OCCUPANCY</strong></td>
<td>95.4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>COLLECTED RENTS</strong></td>
<td>97%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Like for Like (excluding 22 supermarkets portfolio)
2 When analyzing the evolution of this measure it is important to take into account the dividend paid Q2 2022 (0.36€ p.s.)
9M 2022 Corporate Results

**Dividend**
- €30.0 Mn
- €0.36 p.s. paid dividend

**Dividend Yield over Market Cap**
- 7.0%

**Liquidity**
- ca. €200\(^1\) Mn

**Net LTV**
- 38.9%

**Average Cost of Debt**
- 1.8%
  - 100% debt at fixed rate. Maturities beyond 2026

**Green Bond Issuances**
- July 2021
  - €400 Mn
  - 1.75% Interest rate
- Nov. 2021
  - €300 Mn
  - 1.84% Interest rate

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1 Not included the credit facility of €30 Mn
Debt evolution

Net LTV (%) Evolution

- 2020: 41.9%
- 2021: 40.7%
- 2022: 38.9%

Average cost of debt (%) Evolution

- 2020: 2.2%
- 2021: 1.9%
- 2022: 1.8%
With the best in class practices in ESG

**EMISSIONS PER VISITOR**  
Scope 1 + 2 + 3  
-67.0% vs H1 21

**ENERGY INTENSITY PER VISITOR**  
-9.2% vs H1 21

**WASTE RECYCLED**  
+16.5% vs H1 21

For the fifth year running, Lar España has taken part in the 2021 GRESB assessment. Achieving a score of 85 meaning a +8% vs Peer Average and obtaining the maximum score for the Management part, on which Lar España has full control.

**Carbon Footprint Registration**  
2018, 2019, 2020 & 2021

Lar España registered its carbon footprint, of 2021 with MITERD, completing 4 years to being eligible for ‘Reduzco’ label. The company also submitted its Emissions Reduction Plan to the Ministry as another step towards carbon neutrality.

**ISO 14001 & 45001** Environmental certifications.  
Since achieving ISO 14001 & 45001 status for the As Termas and Megapark in 2020, the company has been working to extend this certification to the rest of the portfolio in 2022.

**MSCI**  
MSCI has ratified and confirmed their BBB ESG Rating for Lar España Real Estate.

In September 2022 and for the 8th consecutive year, Lar España has been awarded the EPRA Gold Award for the quality of financial information. We have also been awarded the EPRA Gold Award for the quality of our ESG information for the 5th consecutive year.

Achieved in 2022, 100% of the company’s assets are currently BREEAM-certified, 93% of them with an ‘Excellent’ or ‘Very Good’ rating.

<table>
<thead>
<tr>
<th>Rating</th>
<th>3 Excellent</th>
<th>10 Very Good</th>
<th>1 Good</th>
</tr>
</thead>
</table>

Renewal of the Commitment to the UN Global Compact and SDG goals.

- Lar España has entered in the SDG Ambition Programme, an accelerator initiative that aims to challenge and support participating companies of the UN Global.

- Furthermore, the company is currently working to develop an overarching Action Plan, this shows our commitment to align the company’s sustainability strategy with UN Agenda 2030.
A resilient portfolio of dominant shopping centers and retail parks in attractive catchment areas

- Cherry picked assets carefully selected without acquiring portfolios
- Assets c.100% owned, delivering flexibility, control and full decision capacity
- Solvent and diversified tenant base with a WAULT of 2.6 years and close medium-and long-term relationships
- Active management with last trends in technology, omnichannel strategy and customer knowledge experience

30th June 2022 Valuation
€1,470 Mn
Including Capex Invested

Asset appraisal variations
+53.6%

+3.2%
Since Dec 2021

+4.1%
Since June 2021

+53.6%
Since Acquisition

Valuation
€1,470 Mn
+53.6%
+4.1%
+3.2%
+53.6%

Financial information & ESG

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Attractive dividend: Maintained despite Covid-19 and macro environment

- **Dividend**: +€25 Mn in extraordinary dividend
- **Market Cap at December 21st**: €1.3 Mn

**Financial information & ESG**
- **CAGR (Compound Average Growth Rate) 2014-2021**: 41%
- **7.0% dividend yield on market cap Dec 2021**: (Among the leading Spanish in terms of shareholder remuneration)
- **Dividend slightly recovering from COVID-19 pandemic impact (+16.1% vs 2020)**

1. **Dividend**: +€25 Mn in extraordinary dividend

Marked Cap at December 31st
# P&L 9M 2022

## Consolidated Income Statement 9M 2022
*(€ Thousands)*

<table>
<thead>
<tr>
<th></th>
<th>9M 2022</th>
<th>9M 2021</th>
<th>Var %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>61,830</td>
<td>58,354</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>2,263</td>
<td>2,053</td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>64,093</td>
<td>60,407</td>
<td>+6%</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(690)</td>
<td>(416)</td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td>(19,854)</td>
<td>(24,409)</td>
<td></td>
</tr>
<tr>
<td>Changes in the Fair Value of investment properties</td>
<td>41,055</td>
<td>(7,564)</td>
<td></td>
</tr>
<tr>
<td>Results from Divestment</td>
<td>-</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>84,604</td>
<td>28,027</td>
<td>3x</td>
</tr>
<tr>
<td>Financial Result</td>
<td>(11,910)</td>
<td>(16,197)</td>
<td></td>
</tr>
<tr>
<td>Changes in the Fair Value of financial instruments</td>
<td>(4,336)</td>
<td>865</td>
<td></td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>68,359</td>
<td>12,695</td>
<td>5x</td>
</tr>
<tr>
<td>Income Tax</td>
<td>-</td>
<td>1,623</td>
<td></td>
</tr>
<tr>
<td><strong>Profit/(Loss) for the Period</strong></td>
<td>68,359</td>
<td>14,318</td>
<td>5x</td>
</tr>
</tbody>
</table>

*Note: May not foot due to surroundings*
Closing remarks
Lar España strengths: Operating results, corporate performance and healthy balance sheet

**Resilient through cycles**
- **Sales**
  - +16.0% vs 9M 2021
  - +10.1%\(^1\) vs 9M 2019

**Strong operating results**
- **GRI** +7.2% vs 9M 2021
- **NOI** +10.4% vs 9M 2021
- Net profit 5x vs 9M 2021

**Sound balance, moderate debt & strong cash position**
- Net LTV 38.9%
- ca. €200\(^2\) Mn of liquidity

**Innovative, with focus on omnichannel**
- Click&Shop strategy and project implemented

** Truly committed to value creation & shareholder profitability**
- €30 Mn dividend paid in May

**Business Plan in accordance with the current situation**
- Total Annual Return Target of >10%\(^3\)

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1. Like for Like excluding Lagoh.
2. Not included the credit facility of €30 Mn
3. EPRA NAV/NTA growth + Dividend
www.larespana.com