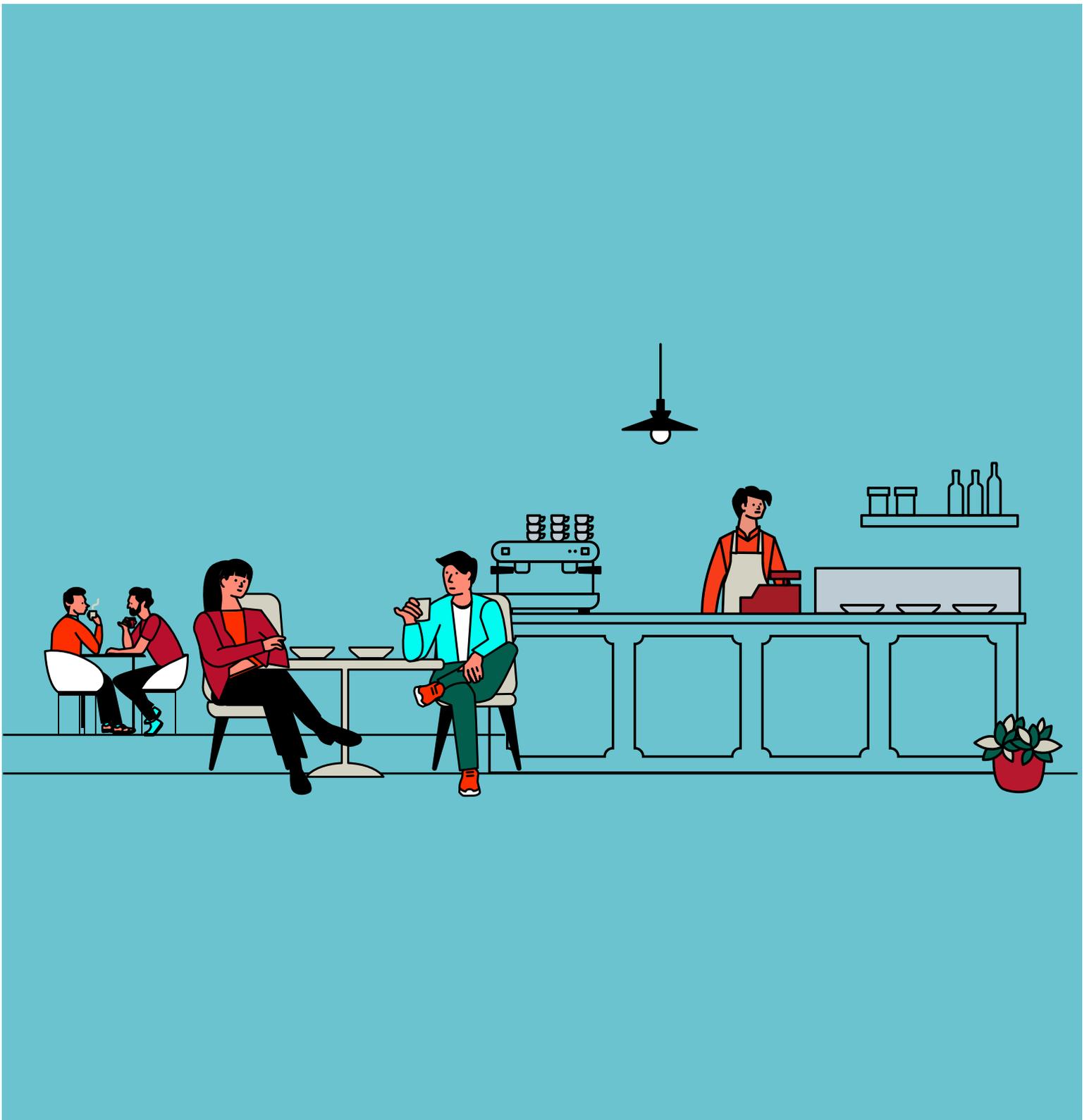


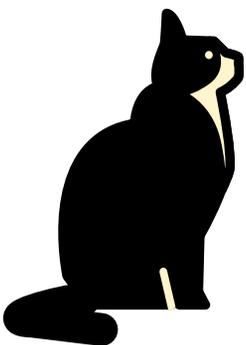
HALF-YEARLY REPORT H1 2022



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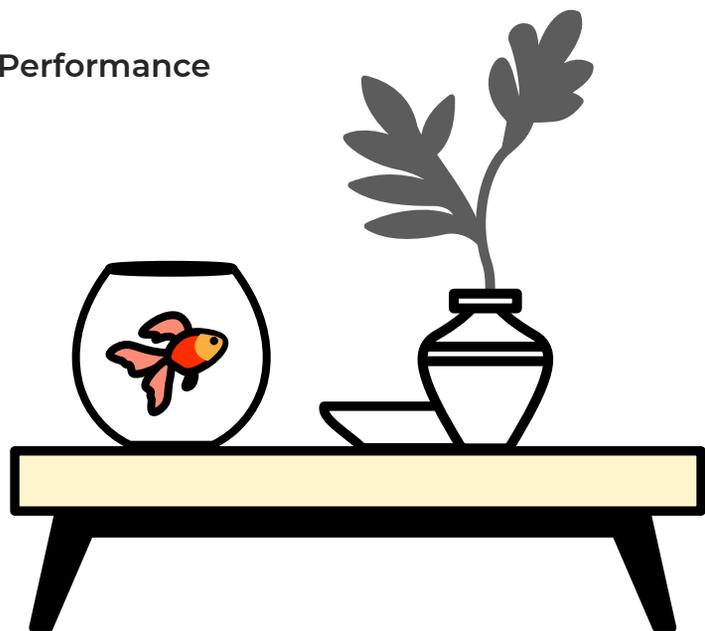
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Lar España in 2022

1.1

Lar España in
2022

6

1.2

Shopping
Centres and
Retail Parks
openings

10

1

Lar España has a **prime, high-potential, resilient and diversified property portfolio** with a varied retail offering, and has constantly focused on improving these spaces.



1.1 Lar España in 2022

The Company has remained fully committed to upholding its stated mission to create value for its shareholders, maintaining an open dialogue with tenants and investing in ensuring an innovative retail offering of premium assets.

Over the first six months of 2022, the Company noted an **encouraging recovery** in both footfall and sales compared with 2021 and 2019, prior to the onset of the COVID-19 pandemic. It is important to emphasise that Lar España benefits from a **highly consolidated roster of tenants** of proven quality, which partly explains the strong rebound in sales and footfall across its portfolio. Furthermore, it has maintained close contact with each and every one of its tenants, **strengthening its bond with retailers and supporting long-term, stable lease agreements at all of its shopping centres and retail parks.**



Steadfast commitment to ESG

Lar España remains firmly committed to its mission to protect the environment and create shared value. In 2022, the Company has continued the process it had undertaken to renew its **BREEAM certifications**, achieving its objective to ensure the **certification of its entire portfolio**, with **93% of its properties rated “Excellent” or “Very Good”**.

The Company also continued to extend its **ISO 14001 and 45001 certifications** to the whole portfolio, aiming to have every single one of its properties certified by the end of 2022.

In line with the development of measures to mitigate its environmental impact, Lar España is currently in the process of reporting its **Carbon Footprint for 2021** to the Ministry for the Ecological Transition and the Demographic Challenge (MITERD), which will be added to the figures registered for 2018, 2019 and 2020. It is also important to highlight that **100% of the energy consumed** by Lar España is obtained from **renewable sources**, with the Company **reducing its non-renewable energy consumption by 97% since 2015** and it is also currently in the process of analysing different options for installing solar panels at its properties.

Pioneers in innovation

The Company is deeply committed to cross-cutting **innovation**, as well as the efficiency and sustainability/ESG performance of its properties – an approach that has allowed it to adapt to the changing needs of the market and react quickly in meeting the expectations and needs of its primary stakeholders. Lar España continues to work on developing **projects aimed at better understanding the consumer habits and profiles of its customers with a view to enhancing their experience.**

Some of these projects include:

Click & Shop

A totally innovative omnichannel sales platform with the objectives of:

- **Offer customers discounted products** from a range of brands with a choice of the following sales channels: the brand's own website, the shopping centre store or via telephone (including WhatsApp).
- **Better understand customers** through their shopping preference, offering a digitalised service that fits their needs and provides retailers with a new channel, both for footfall and online traffic, with the aim of increasing their sales.

In this respect, the Company has adapted to the **digital transformation** of the market by taking the centre's offering beyond the physical environment, constituting a new communication channel for retailers and repositioning the asset

WhatsApp Shopping

This gives customers the chance to access **personal shopping and style advice through WhatsApp.**

This new initiative gives retailers the opportunity to use their expertise to offer personal shopping advice to customers and therefore **increase their in-store sales**, providing shoppers with real-time information on product specifications and availability, and offering them the option to collect any purchases directly in-store or have them delivered to their homes.

This is in addition to the face-to-face offering, taking one more step towards an **omnichannel experience and a 360° service**, already operational in Lagoh, As Termas, À nec Blau, Albacenter, Portal de la Marina, El Rosal and Gran Vía de Vigo.



Stable and sustainable leverage

In 2021, Lar España successfully placed an issue of **two unsecured senior green bonds** maturing in July 2026 and November 2028. The pre-established maximum amount of **€400 and €300 million respectively** were both more than four times oversubscribed. The annual coupon was set at a **fixed rate of 1.75% and 1.84% respectively**, as compared with a 2.9% interest rate on the bond issued in 2015.

Following both issues, the **average maturity increased from 2.6 years to 6.2 years**, while the **average cost of debt was reduced from 2.2% to 1.8%**.

	Rating	Outlook
FitchRatings	<i>BBB</i>	<i>Stable</i>

The **rating agency Fitch** had assigned a **stable investment grade or BBB rating** to both Lar España and its two green bond issues, **which was ratified in July 2022 with a “Stable” outlook**.

Regaining pre-pandemic operating levels

Lar España's **sound financial position, expertise in retail and its constant drive for technological innovation** have all played a key role throughout the year. This, combined with a portfolio of prime high-potential properties which have undergone continual improvements, stood the company in excellent stead for regaining any ground lost.

Operating income for H1 2022 exceeded €42 million, over 5% up year-on-year, while profit for the year has reached close to **€55 million, more than seven times higher** than the figure registered for the same period in 2021.

According to the valuations carried out by independent experts, the Company's properties also increased their value by **€46 million** in H1 2022, raising the portfolio's total value to **€1,470 million**.



In operational terms, the Company's portfolio registered **37.8 million visits** during the first six months of the year, which represents an **increase of close to 14%** in Like for Like terms compared to the figures for the same period last year.

If the comparison is made against the data registered during the first semester of 2019, prior

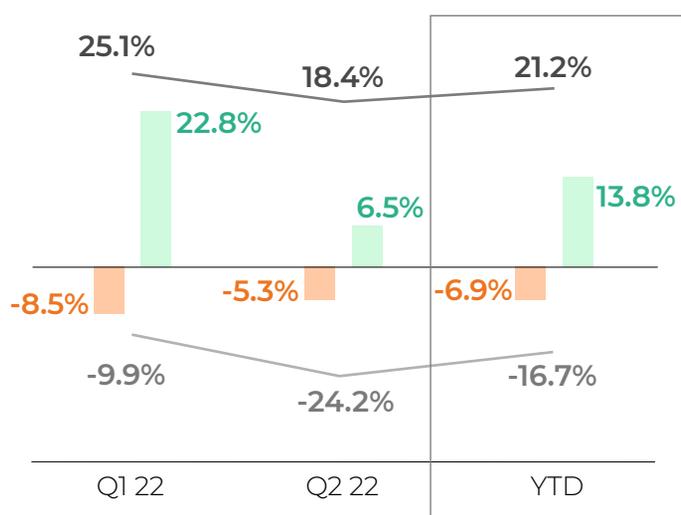
to the onset of the COVID-19 pandemic, a **recovery in Lar España's operating activities** can be seen, **outperforming the industry average** according to the ShopperTrak index.

In terms of **sales revenue**, the first six months of 2022 brought in a total of **€464.1⁽¹⁾ million**, which is approximately **21% higher** than last year's figure in Like for Like terms.

Quarterly evolution of figures for shopping centres and retail parks in our portfolio (%)

Footfall H1 2022

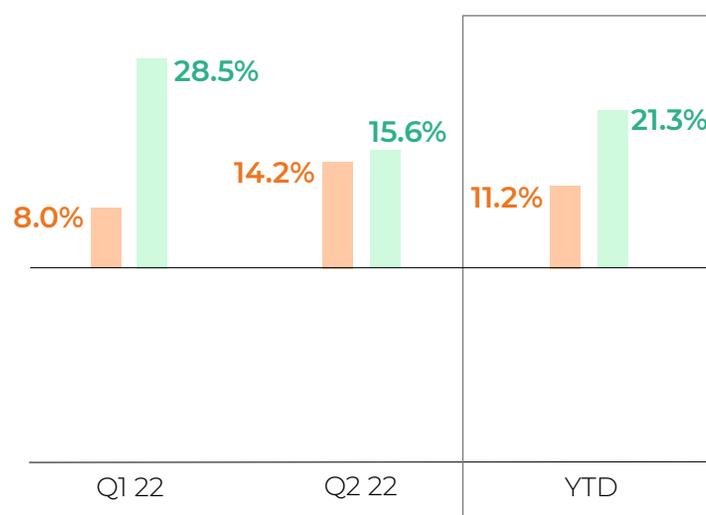
37.8
Million of visits | **+13.8%**
vs H1 2021



● 2022 vs 2019⁽²⁾ — ShopperTrak Index 2022 vs 2019
● 2022 vs 2021 — ShopperTrak Index 2022 vs 2021

Sales H1 2022

464.1⁽¹⁾
Million € | **+21.3%**
vs H1 2021



● 2022 vs 2019⁽²⁾ ● 2022 vs 2021

This growth shows the rise in everyday operations at Lar España's assets as well as the recovery to pre-pandemic levels, since sales figures reflect **an increase of over 11% compared with the first semester of 2019.**

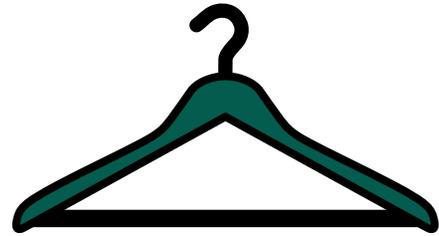
Active and efficient portfolio management has been instrumental in the recovery witnessed in

Lar España's portfolio; a portfolio in which the ten main tenants account for **more than 35% of the Company's rental income**, while at 30 June 2022 **more than 60% of retailer leases had expiries beyond 2025 and occupancy stood at over 95% at 30 June 2022.**

(1) Declared sales. / (2) Like for Like excluding Lagoh shopping centre.

1.2 Shopping Centres and Retail Parks openings

During the first half of the year, **leading chains opened** at some properties, such as:



TRAMAS +
SC GRAN VÍA DE VIGO
Opening 09/03/2022



PULL&BEAR
SC PORTAL DE LA MARINA
Opening 25/03/2022



LINDT
RP MEGAPARK
Opening 18/03/2022



BELROS
SC AS TERMAS
Opening 21/03/2022



STRADIVARIUS
SC PORTAL DE LA MARINA
Opening 24/03/2022



MASSIMO DUTTI
SC ÀNEC BLAU
Reopening 08/04/2022



BIMBA Y LOLA
SC PORTAL DE LA MARINA
Opening 29/04/2022



BOSTON
SC PORTAL DE LA MARINA
Opening 11/04/2022



BIMBA Y LOLA
SC GRAN VÍA DE VIGO
Opening 04/05/2022



CALZEDONIA
SC ÀNEC BLAU
Opening 04/05/2022



JEAN LOUIS DAVID
SC PORTAL DE LA MARINA
Opening 19/05/2022



MANGO
SC GRAN VÍA DE VIGO
Opening 28/05/2022



PUMA
RP MEGAPARK
Opening 23/06/2022



PACO MARTÍNEZ
SC EL ROSAL
Opening 25/06/2022



Shopping Centre
Ànc Blau (Barcelona)

Executive Summary

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Highlights H1 2022	Main Milestones	Portfolio at 30 June 2022	Key Indicators
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During the first half of 2022 the portfolio of Lar España has experienced a positive revaluation of €46 million euros reaching a value of €1,470 million euros at June 30 according to the valuations carried out by independent valuers.



2.1 Highlights H1 2022

Portfolio Information

GAV ⁽¹⁾

1,470
Million €

Assets

14

WAULT

2.6
years

GLA

550,409
sqm

Financial Information

Income ⁽²⁾

42.1
Million €

EPRA
Earnings

13.8
Million €
(0.17 €/share)

EBITDA

26.6
Million €

Profit

54.9
Million €

EPRA NTA

896.0
Million €
(10.72 €/share)⁽³⁾

Financial
Debt

770.0
Million €

Net LTV

39.8%

Average
cost of debt

1.8%

(1) Information based on valuations carried out by independent valuers on **30 June 2022**. / (2) Rental income and Other income. / (3) When analyzing this measure it is important to take into account the dividend paid in Q2 2022 (**0.36€/share**).

Operating Results

% Occupancy

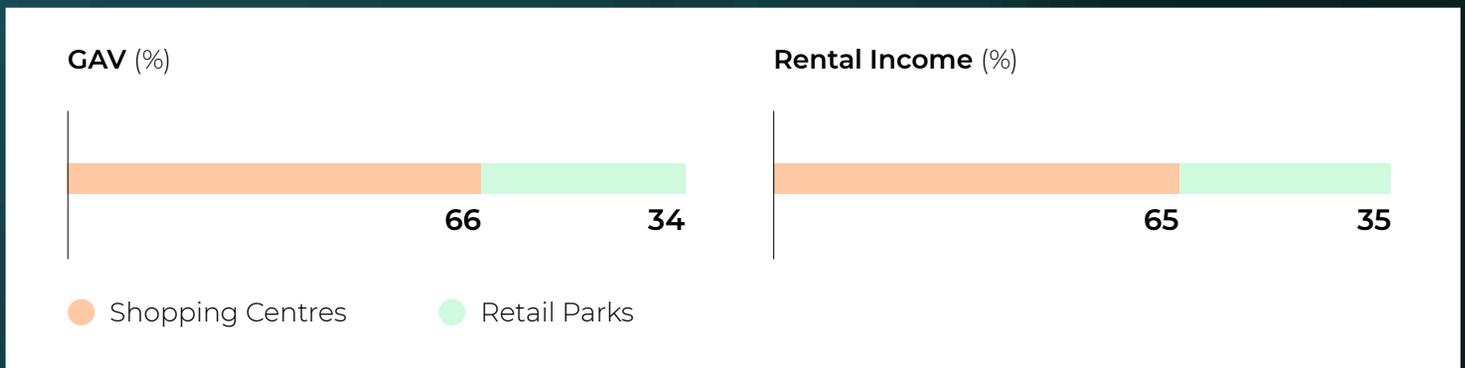
95.3% ⁽¹⁾

GRI

+5.2%
+6.8% LfL ⁽²⁾
VS H1 2021

NOI

+8.5%
+10.4% LfL ⁽²⁾
vs H1 2021



Leasing Activity

Rotated area

26,307
sqm

Negotiated rent

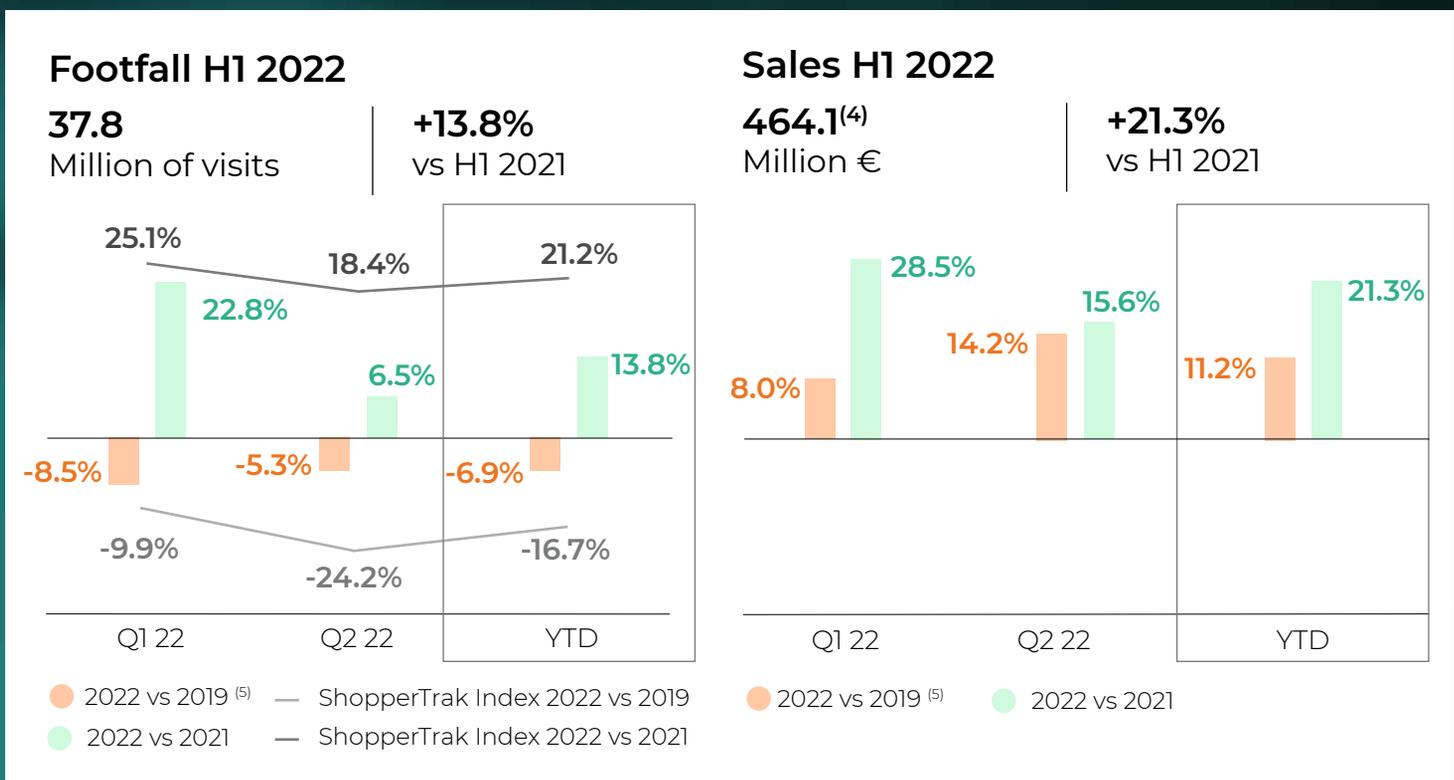
5.1
Million €

Operations

73

Rent uplift

+2.2% ⁽³⁾



(1) Physical occupation based on square meters. / (2) Like for Like, excluding 22 Supermarkets portfolio divested in Q1 2021. / (3) Excluding 7 non-comparable operations. / (4) Declared sales. / (5) Like for Like, excluding Lagoh shopping centre.

2.2 Main Milestones

JANUARY 26.01.2022

Change to Lar España's shareholder structure

On 26 January 2022, Lar España received notice from its shareholder PIMCO Bravo II Fund L.P. of the sale of its entire shareholding in Lar España, comprising **18,157,459 shares**, to Castellana Properties SOCIMI, S.A.

The Company has also been informed that Laurent Luccioni, a nominee director of Lar España appointed on behalf of PIMCO, will resign as a member of the **Company's Board of Directors** once the sale is completed.

FEBRUARY 22.02.2022

Senior Secured Bond Repayment

In relation to the issue by Lar España of **senior secured notes for a total amount of €140 million, due on 21 February 2022** and admitted to trading on the Euronext Dublin regulated market of the Irish Stock Exchange, whose **outstanding balance amounted to €122.7 million** following the partial and early repurchase published through the communications in July 2021, it is hereby communicated that yesterday the Company has performed the **full and ordinary redemption and cancellation of the 2015 Bond, in accordance with the maturity date.**

As a consequence, Lar España has proceeded to **cancel and extinguish all of the guarantees granted in connection with the issuance**, which include various real estate mortgages taken out by the subsidiaries of the Company LE Retail As Termas, S.L.U., LE Retail Albacenter, S.L.U., LE Retail Txingudi, S.L.U., LE Retail Hiper Albacenter, S.A.U., and LE Retail Ànec Blau, S.L.U., on real estate assets owned by them.

In addition, various pledges on shares and quotas (as applicable) over the above referred subsidiaries, which were granted in the context of the 2015 issuance, have been cancelled.



APRIL

27.04.2022

Annual General Shareholders Meeting

The Lar España **Annual General Shareholders Meeting** was held on 27 April 2022, to approve the agreements submitted for their consideration. The monitoring of the event could be done both physically and telematically through streaming.

MAY

27.05.2022

Dividend

Following approval at the Annual General Shareholders Meeting, the shareholder **dividend payment** was distributed, amounting to a total of **€0.36 per share**.



JUNE

10.06.2022

Lagoh receives 2022 award for best Shopping Centre in Spain

The **Spanish Association of Shopping Centres and Retail Parks (AECC)** announced Lagoh as the winner of the 2022 award for the **best large-scale shopping centre** in Spain at the closing ceremony of the 18th Spanish Convention of Shopping Centres and Retail Parks held in June this year.

The shopping centre, designed and developed by Lar España, boasts one of the highest standards of excellence and sustainability credentials and is the largest shopping and family entertainment complex in Andalusia, offering a surface area of **one hundred thousand square metres**.



Jon Armentia, Corporate Director and CFO, said “the award serves as **official recognition of a new model of shopping centre, one that is far more family-oriented and one that is not only designed to be more innovative, sustainable and resilient, but is also designed to act as a catalyst for the city in which it is located.** The Lagoh award also offers recognition of the business

model implemented by Lar España – the only SOCIMI specialising in retail that is listed on the Spanish Stock Exchange. In the eight years since it was first founded, it has built a portfolio of 14 shopping centres and retail parks that it has hand-picked one by one – all primary go-to destinations in their catchment areas and leading lights in terms of sustainability and the retail mix on offer”.



Best Shopping Centre in Spain Award 2022

Lagoh – a property like no other

With a cutting-edge design, the complex is arranged around three large forecourts that all look onto the lake and are surrounded by rolling landscaped areas, a setting that creates a true sense of **nature**, and is crowned by a **spectacular green roof**.

The complex brings Lar España's **retail 4.0 model** to life being far more experience-based, bespoke and family-oriented, and presents a much more interactive and creative leisure offering.

The property's leisure offering is second to none, highlighting an **experience-based open-plan food scene** that boasts nearly thirty terraces – half of them facing onto the central lake after which the complex is named – as well as some of the "**region's most cutting-edge and innovative**" cultural and leisure activities.

This extraordinary leisure and entertainment offering is completed by some of the biggest names in the world of fashion, homeware, food, sports, health, cosmetics, culture and technology, with leading retailers including the likes of Mercadona, Zara, Mango, Primark, Levis, Media Markt, Ali Express and Yelmo Cines. The complex boasts almost full occupancy with **more than 98% of the gross lettable area occupied** at 30 June 2022.

Steadfast commitment to ESG

Another of the asset's standout features is the unrelenting commitment to sustainability that has shone through **since the start of the design and construction phase** (100% reused land, green roof, rainwater harvesting system – with harvested water then used in the complex's irrigation system – conservation of biodiversity, geothermal energy heat pump system), with the property design creating its very own and unique natural ecosystem.

As such, Lagoh does not only offer an excellent destination for retail and entertainment, it was also designed with the local area in mind. It is a destination that aims to **drive growth, develop a sustainable environment and help the local economy to prosper**.

For this reason, the **Seville City Council and the Andalusia Regional Government** have continued to support the project, viewing it as "**one of the development hubs**" for the city, having drawn several residential and service-based projects to the surrounding area.

JUNE

24.06.2022

Analyst Day at Lar España

On 24 June, Lar España presented its new strategic plan **to analysts**. The **plan sets out the roadmap for the next four years** and includes €500 million worth of investments earmarked for the acquisition of Tier 1 shopping centres and retail parks that present high growth potential, the development of new projects and the modernisation of strategic assets.

The Company, the only SOCIMI specialising in retail listed on the Spanish Stock Exchange and the leader in its sector in Spain, has also set itself the goal of achieving occupancy levels of close to 98%, an objective that would see its annual revenues climb. By launching this business plan, Lar España is stepping up its rotation policy for non-strategic assets, **strengthening the size and position of the portfolio and increasing the annual return for its shareholders**.

In terms of leverage, the Company plans to continue with its current LTV levels of around 40%, **maintaining Fitch's current BBB stable rating**.

The strategic plan also includes investments aimed at **modernising our strategic assets**, without taking on any additional company debt or carrying out any share capital increases.

Its primary objective is therefore to **consolidate Lar España's leading position in the Spanish retail sector between now and 2025, via** "sound investments and an active rotation strategy for less-strategic assets", according to Miguel Pereda, Vice-Chairman of Lar España and CEO of Grupo Lar.

He also highlighted that the **cherry-picking policy** that Lar España has always employed to select its assets is one of the keys to its portfolio's success, taking into consideration the standout aspects of its properties that "set it apart from the other players in the sector". Proof of this is the leading position that its properties boast in their respective catchment areas, as well as the fact that the **entire portfolio is also BREEAM certified**.

The Company also intends to take its **innovation and digitalisation policy** to the next level – with a view to increasing its profitability as always. "The drive to improve our profit line will also allow us to offer shareholders increasingly attractive dividends, and we believe that these are all attributes that will further showcase our corporate strength", assured José Luis del Valle, Chairman of the Lar España Board of Directors.





Shopping Centre
Lagoh (Seville)

EVENTS AFTER THE REPORTING PERIOD

01.07.2022

JULY**Gentalia´s renewal contract**

Pursuant to the provisions of Article 529 unvicies of the revised text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, 2010 ("LSC"), the Company reports the following **related party transactions entered into between Lar España and its wholly-owned subsidiaries and Gentalia**, a 100% subsidiary of Grupo Lar, a significant shareholder of Lar España holding more than 10% share capital and with Board representation, as it is considered that the **aggregate value of the transactions** entered into with the same counterparty in the **last twelve months** (as from 3 July 2021) **has exceeded 2.5% of the amount of the annual turnover**, taking as a reference for these purposes the one reflected in the latest available consolidated accounts of the Company:

- **Renewal of the framework agreements with Gentalia for three years**, from 1 July 2022 to 30 June 2025: (i) property management and leasing framework agreement (contrato marco de gestion patrimonial y comercialización) for shopping centres and retail park; and (ii) shopping centres and retail park on site management framework agreement (contrato marco de gerencia), collectively referred to as "the Framework Agreements", the estimation of the total amount of the consideration to be paid for both agreements in the framework of the transaction would be around 12,566,998 euros, of which approximately 5,848,028 euros correspond to on site management fees that are mostly passed on to the tenants, not entailing a cost for the Company, and formalized today.

- **Temporary renewal, for three months, of the property management and leasing framework agreement** between Gentalia and Lar España and its subsidiaries, for a total approximate amount of 731,160 euros, formalized on 1 April 2022 and expired on 30 June 2022.
- **On-site management agreement between Gentalia and Abadía Community of Owners**, for 1 year and an approximate total amount of 163,600 euros, formalized on 1 February 2022. These fees are also mostly passed on to the tenants, not entailing a cost for the Company.

The Audit and Control Committee, prior to the approval by the Board of Directors of Lar España of each transaction, has reported favourably on all previous transactions, and its reports are attached as an appendix to this communication and include the information necessary to assess that the transactions are fair and reasonable from the point of view of the Company and the shareholders who are not related parties.



JULY

12.07.2022

Renewal of the Fitch BBB rating

The **rating agency Fitch has kept the investment grade rating or BBB rating stable** for both the real estate company Lar España and its two green bond issues for a total of €700 million. Lar España, the **only real estate company** specialized in retail listed in the Spanish Continuous Market, maintains **the highest rating in its segment**.

Company's debt, which comprises two senior issues of unsecured green bonds, was issued by the firm in July and November last year, for respective amounts of €400 and €300 million, the **maximum amounts foreseen**. Through these bond issues, Lar España **guaranteed greater flexibility for all its corporate debt**, eliminating asset guarantees and significantly extending maturities until July 2026 for the first bond issue and until November 2028 for the second. After both issues, the **average maturity was increased from 2.6 years to 6.2 years, and the average total cost of debt was reduced from 2.2% to 1.8% at fixed rates**.

Both issues were made available to qualified investors and are on the official list of the Luxembourg Stock Exchange, where they operate in its Euro MTF Market multilateral trading system.

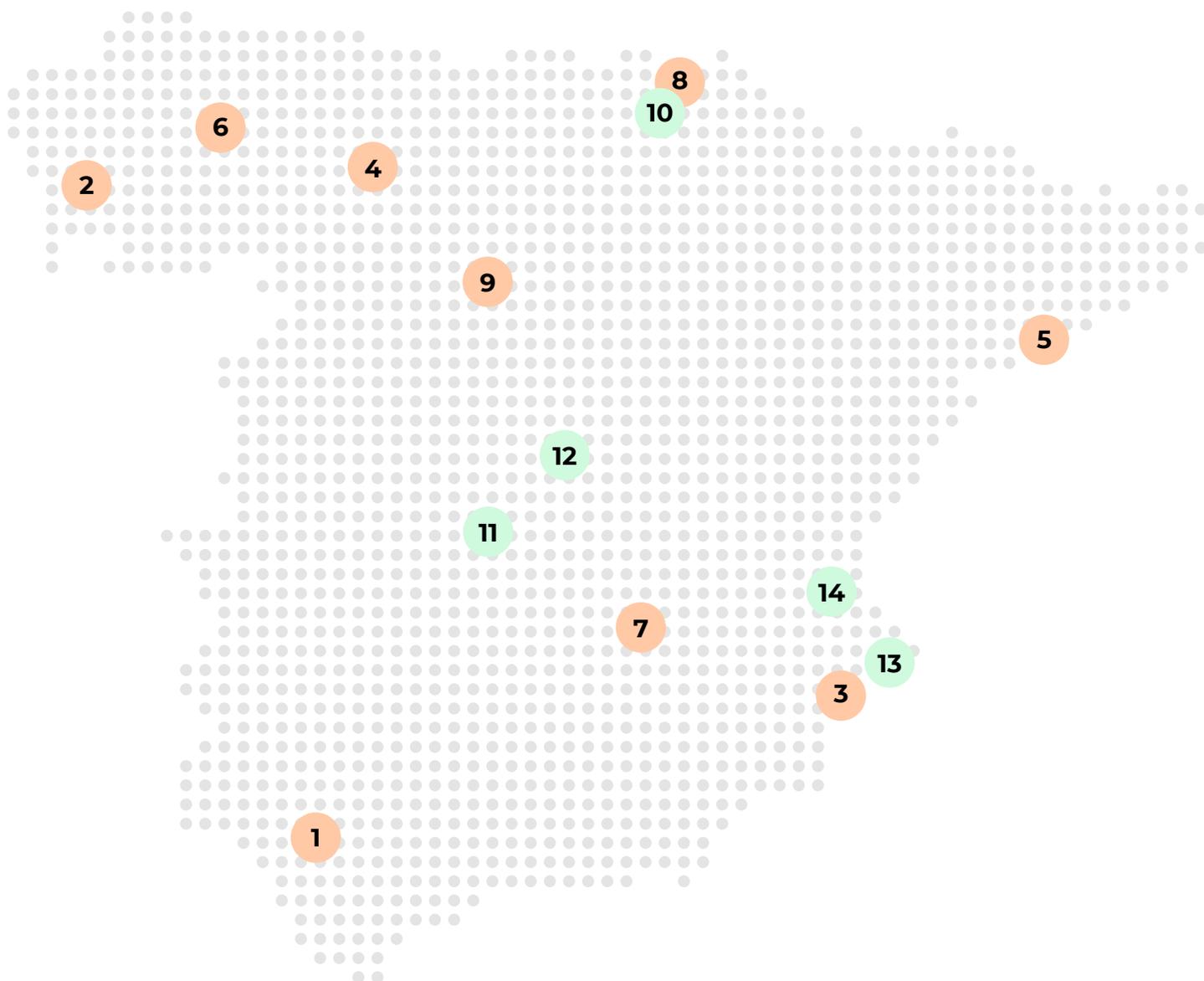
	Rating	Outlook
FitchRatings	<i>BBB</i>	<i>Stable</i>

In the announcement, Fitch states that its **rating reflects both the regional dominance and the high retail space** of Lar España's portfolio, as well as its valuation of more than €1.4 billion at the end of 2021. It considers that the leases fixed for its portfolio are affordable and bear reasonable occupation costs, and that the degree of financial leverage is moderate, with standardized debt less than eight times EBITDA.

The rating agency has **especially valued the constant improvement in the occupancy rates** of Lar España's assets up to about 96%, while the final **sales** of its tenants **are already 10% above** the pre-pandemic figures.

It also points out that the **high recurrence of revenue** in the last year, as well as the **good pace of renovations and payments to date in 2022**, confirm the quality of the sites and the predominance of assets in Lar España's portfolio, in their respective areas of influence. It adds that, as of 2023, **Lar España's rental income is expected to grow significantly**, once the incentives to tenants are completed and the effects of asset modernization and asset investments are materialized.

2.3 Portfolio at 30 June 2022



Shopping Centres

1. Lagoh (Seville)
2. Gran Vía de Vigo (Vigo)
3. Portal de la Marina + Hypermarket (Alicante)
4. El Rosal (León)
5. Ànec Blau (Barcelona)
6. As Termas + Petrol Station (Lugo)
7. Albacenter + Hypermarket and Retail Units (Albacete)
8. Txingudi (Guipúzcoa)
9. Las Huertas (Palencia)



Retail Parks

10. Megapark + Megapark Leisure Area (Vizcaya)
11. Parque Abadía and Commercial Gallery (Toledo)
12. Rivas Futura (Madrid)
13. Vistahermosa (Alicante)
14. VidaNova Parc (Valencia)

A photograph of an outdoor terrace area. The terrace is covered by a large, light orange canopy supported by white poles. String lights with warm-toned bulbs are strung across the canopy. In the background, there is a modern building with a glass facade and a sign that says "CINQUE". The terrace is furnished with several tables and chairs, some of which are red. There are green plants and bushes in the foreground and background.

GAV

1.5
Billion euros



Shopping Centre
El Rosal (León)

Lagoh | Shopping Centre



Asset Characteristics	
Location	Seville
GLA	69,734 sqm
Purchase Date	1 March 2016
Land Acquisition Price	€38.5 million
WAULT	2.6 years

Gran Vía de Vigo | Shopping Centre



Asset Characteristics	
Location	Vigo
GLA	41,447 sqm
Purchase Date	15 September 2016
Acquisition Price	€141.0 million
WAULT	2.3 years

Portal de la Marina + Hypermarket | Shopping Centre



Asset Characteristics	
Location	Alicante
GLA	40,309 sqm
Purchase Date	30 October 2014/ 30 March 2016/ 9 June 2015
Acquisition Price	€89.2 million
WAULT	2.2 years

El Rosal | Shopping Centre



Asset Characteristics	
Location	Ponferrada (León)
GLA	50,847 sqm
Purchase Date	7 July 2015
Acquisition Price	€87.5 million
WAULT	1.7 years

Ànec Blau | Shopping Centre



Asset Characteristics	
Location	Barcelona
GLA	29,084 sqm
Purchase Date	31 July 2014
Acquisition Price	€80.0 million
WAULT	3.4 years

As Termas + Petrol Station | Shopping Centre



Asset Characteristics	
Location	Lugo
GLA	35,143 sqm
Purchase Date	15 April 2015/ 28 July 2015
Acquisition Price	€68.8 million
WAULT	2.8 years

Albacenter, Hypermarket + Retail Units | Shopping Centre



Asset Characteristics	
Location	Albacete
GLA	27,184 sqm
Purchase Date	30 July 2014/ 19 December 2014
Acquisition Price	€39.9 million
WAULT	2.4 years

Txingudi | Shopping Centre



Asset Characteristics	
Location	Irún (Guipúzcoa)
GLA	10,712 sqm
Purchase Date	24 March 2014
Acquisition Price	€27.7 million
WAULT	1.7 years

Las Huertas | Shopping Centre



Asset Characteristics	
Location	Palencia
GLA	6,265 sqm
Purchase Date	24 March 2014
Acquisition Price	€11.7 million
WAULT	1.7 years

Megapark + Megapark Leisure Area | Retail Park



Asset Characteristics	
Location	Barakaldo (Bilbao)
GLA	80,797 sqm
Purchase Date	19 October 2015/ 27 October 2017
Acquisition Price	€178.7 million
WAULT	3.3 years

Parque Abadía + Commercial Gallery | Retail Park



Asset Characteristics	
Location	Toledo
GLA	43,109 sqm
Purchase Date	27 March 2017/ 20 February 2018
Acquisition Price	€77.1 million
WAULT	2.1 years

Rivas Futura | Retail Park



Asset Characteristics	
Location	Madrid
GLA	36,447 sqm
Purchase Date	6 February 2018
Acquisition Price	€61.6 million
WAULT	2.5 years

Vistahermosa | Retail Park



Asset Characteristics	
Location	Alicante
GLA	33,763 sqm
Purchase Date	16 June 2016
Acquisition Price	€42.5 million
WAULT	3.1 years

VidaNova Parc | Retail Park



Asset Characteristics	
Location	Sagunto (Valencia)
GLA	45,568 sqm
Purchase Date	3 August 2015
Land Acquisition Price	€12.6 million
WAULT	3.0 years

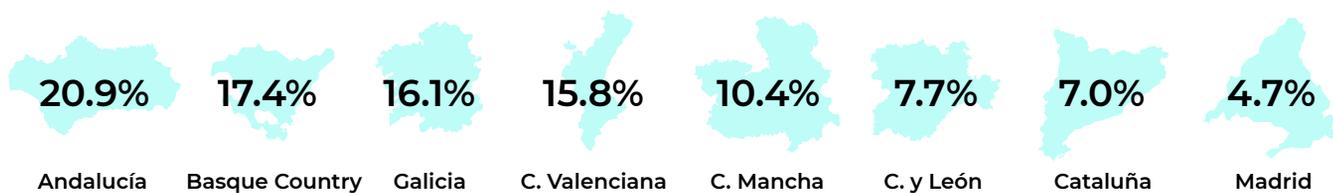
Our retail portfolio at a glance

Dominant prime shopping centres and retail parks in their catchment area in relevant locations:



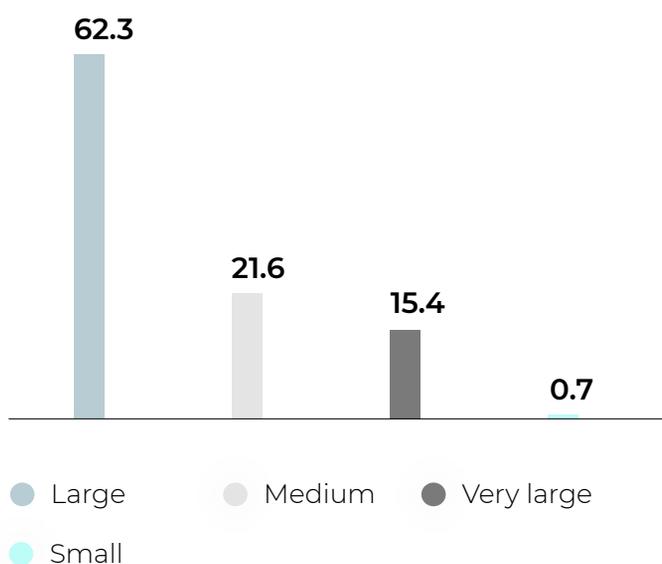
(1) Physical occupancy based on square meters.

By geography (GAV)

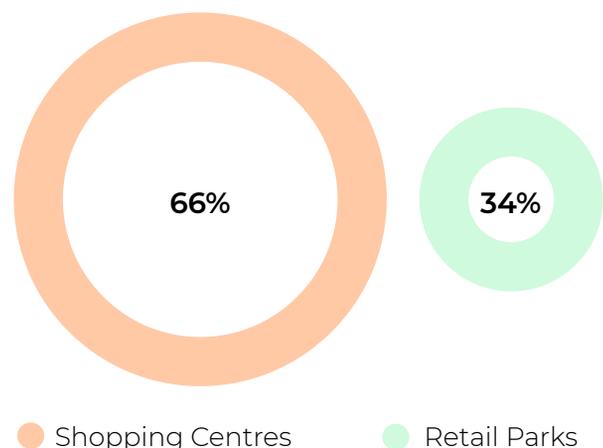


78%
of our retail assets are classified as Large or Very Large.

By size ⁽²⁾ (GAV) (%)



By type (GAV)



(2) According to Spanish Association of Shopping Centres (AECC):
Very Large (>79,999 sqm) / Large (40,000-79,999 sqm) / Medium (20,000-39,999 sqm) / Small (5,000-19,999 sqm)



Shopping Centre
Ànec Blau (Barcelona)

2.4 Key Indicators

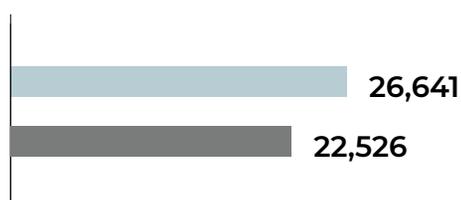
In the first six months of 2022 Lar España generated **Revenues** of **42,051 thousand Euros** and **Net profit** of **54,865 thousand Euros**, being the most relevant figures the following:

● H1 2022 ● H1 2021

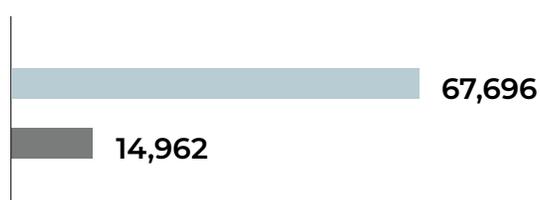
Revenues (*)
(Thousands of Euros)



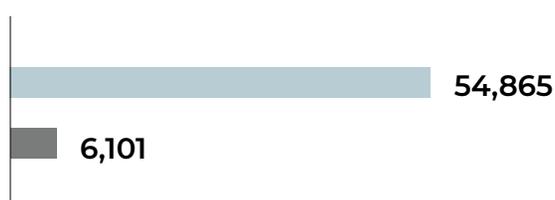
EBITDA
(Thousands of Euros)



EBIT
(Thousands of Euros)



EBT
(Thousands of Euros)



Net Profit
(Thousands of Euros)



For more clarity as regards these figures, see the “Consolidated Statement of Comprehensive Income” (see page 74).

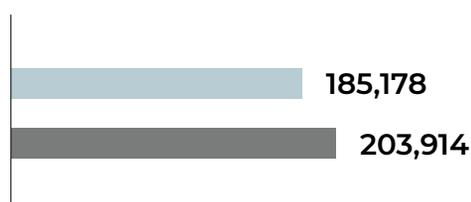
(*) This amount includes Revenues and Other income.

Other financial indicators

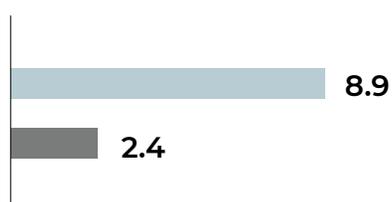
The Group presents the following financial indicators:

● 30/06/2022 ● 31/12/2021

Working capital (Thousands of Euros)



Liquidity ratio (%)



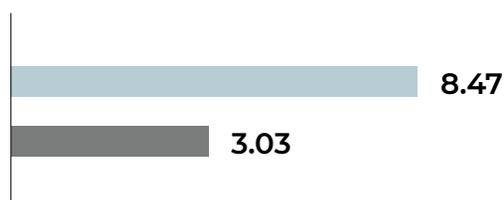
Solvency ratio (%)



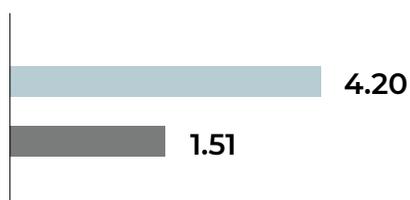
Net LTV (%)



ROE (%)



ROA (%)



At 30 June 2022, and 31 December 2021, the Group exhibited ratios related to liquidity (working capital and liquidity ratio) with very high values, showing that the Group has sufficient liquidity and a high safety margin to meet its payments.

At 30 June 2022, the **ROE ("Return on Equity")**, which measures Group's profitability as a percentage of shareholders equity, amounted to **8.47%** (3.03% at 31 December 2021), whilst the **ROA ("Return on Assets")**, which measures the efficiency of Group's total assets regardless of the sources of financing used, i.e. the ability of a company's assets to generate income, was **4.20%** (1.51% at 31 December 2021).

2.5 Business Performance

a. Income Distribution

Rental income reached **40,493 thousand Euros** in the first half of 2022 (versus 38,752 thousand Euros in the same period of the year before).

The relative weigh of rental income by line of business at 30 June 2022 is as follows:

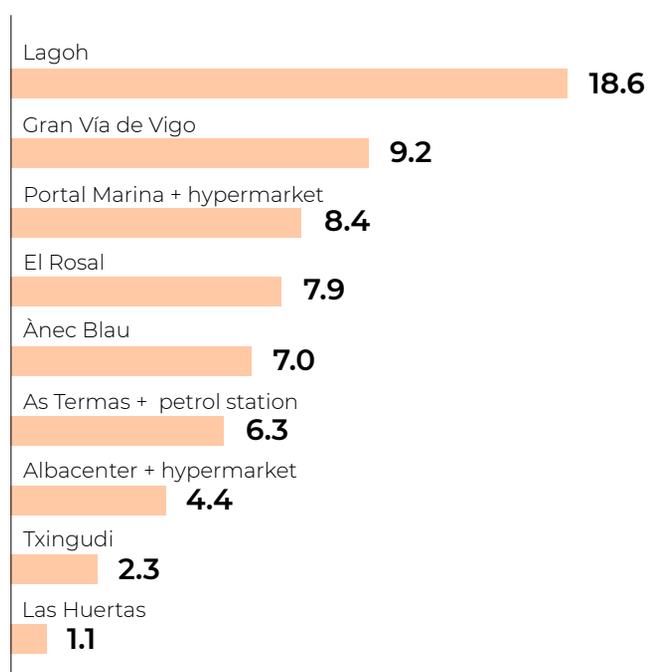
Rental Income by asset class H1 2022 (%)

● Shopping Centres ● Retail Parks

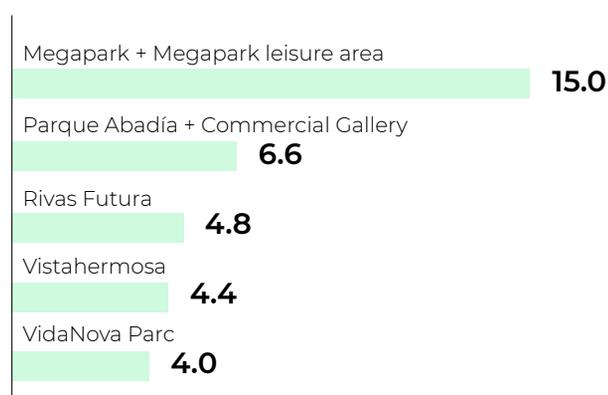


The breakdown of **income per asset type** during the first six months of 2022 is as follows:

Income by Shopping Centre (%)

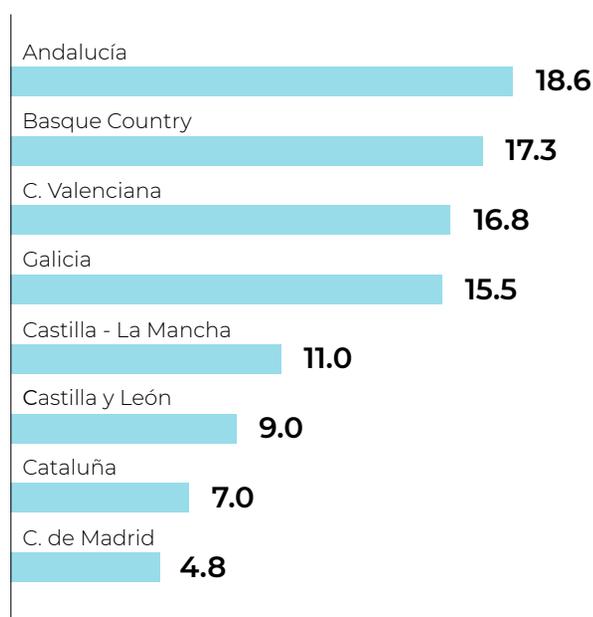


Income by Retail Park (%)



This graph details the breakdown of **rental income per region** for H1 2022:

Income per region (%)



Over 35% of revenues have been recorded in the Basque Country and Andalusia, being Lagoh the largest shopping centre in the first half of 2022.

Below are the **ten tenants that have generated the most revenue** during the first six months of 2022:

		Total rental income	Accumulated
1.	INDITEX	9.70%	9.70%
2.	Carrefour	4.12%	13.82%
3.	MediaMarkt	4.02%	17.84%
4.	LEROY MERLIN	3.16%	21.00%
5.	DECATHLON	2.45%	23.45%
6.	Conforama	2.20%	25.65%
7.	El Corte Inglés	2.17%	27.82%
8.	TENDAM GLOBAL FASHION RETAIL	2.15%	29.97%
9.	MERCADONA SUPERMERCADOS DE CONFIANZA	2.04%	32.01%
10.	Alcampo	1.77%	33.78%

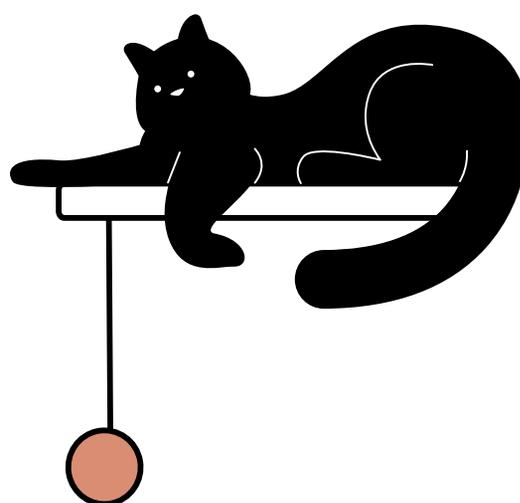
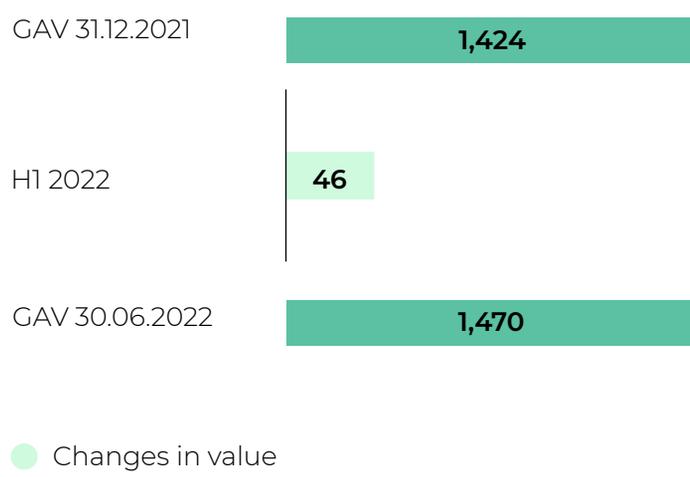
b.
Value of Lar España´s portfolio at 30.06.2022

As at 30 June of 2022 the total value of Lar España´s portfolio amounts to **1,470 million Euros**:

The **positive change** in the fair value of investment properties for an amount of **46 million Euros** corresponds to information based on valuations carried out by independent valuers on 30 June 2022.

GAV reconciliation 30.06.2022

(Million €)



Change LfL in the portfolio value at 30 June 2022 (*)



(*) Excluding CAPEX invested the percentages would be: +20.5%, +3.3% and +2.9% respectively

C.
CAPEX

The company has continued revamping its portfolio of assets in order to generate more value, investing close to **€5 million** during the first half of 2022.

The breakdown of investment by asset class is as follows:



Megapark and Gran Vía de Vigo, with **€3.2 Million** together, lead the investment made during the first six months of the year, due to the improvements that were implemented.



d.
Lease expiration and WAULT

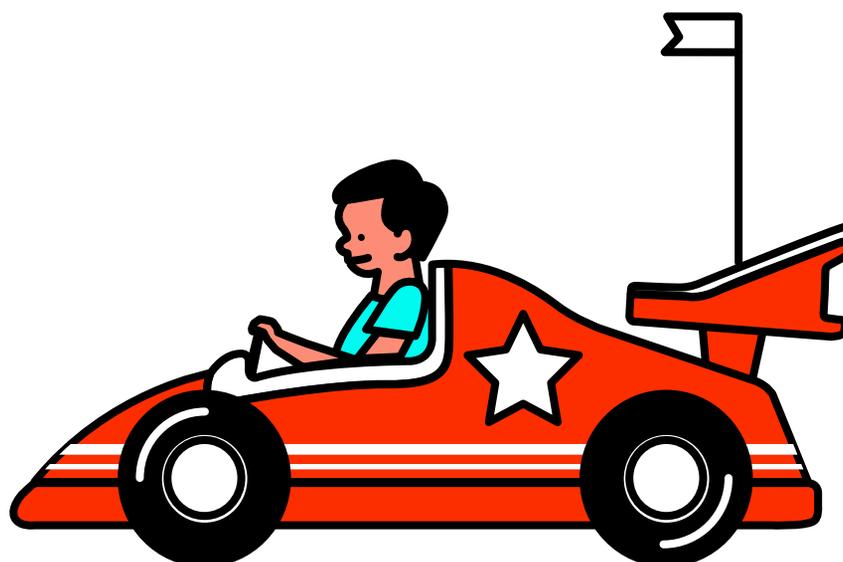
The proactive management carried out by Lar España allows us to have a **solvent and diversified tenant base**.

Renovations have been carried out at the properties occupied by our key tenants, thereby prolonging the lease terms, allowing us to have a significant level of guaranteed minimum rents. During H1 2022 new long-term lease agreements have been signed with new tenants and negotiations has been carried out.

We note that as of 30 June 2022, **more than 60%** of all Lar España's active lease agreements have lease expiries beyond 2025.

More than 60% of all Lar España's active lease agreements have lease expiries beyond 2025.

Annual lease expiration (end of contract) (%)



Thus, the WAULT^(*) (weighted average unexpired lease term) at 30 June 2022 of Lar España's portfolio is **2.6 years**. Below you will find the detail by asset class:

More than

1,000

existing contracts

Lar España



2.6

Shopping Centres



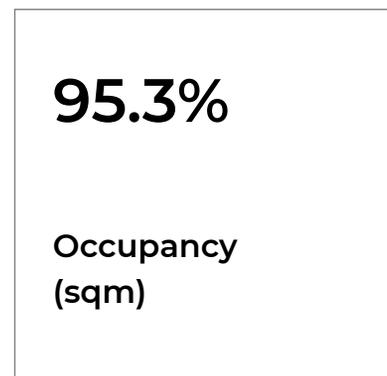
2.5

Retail Parks



2.9

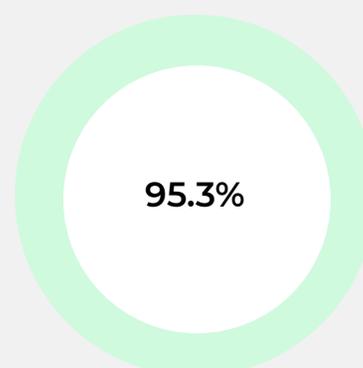
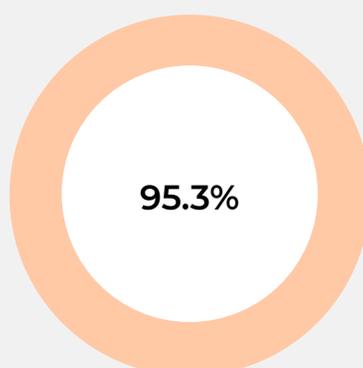
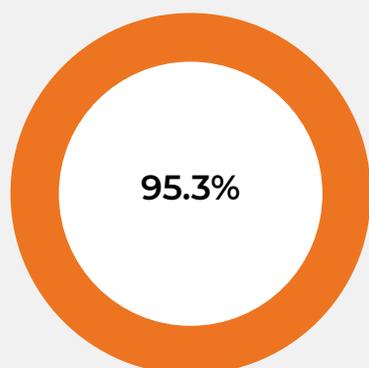
() Calculated as the number of years from the current date to the first break option, weighted by the gross rent for each lease. The WAULT of each asset is detailed in section 2.3 "Portfolio at 30 June 2022".*



e. Occupancy (in sqm)

The gross leasable area (GLA) of Lar España's income producing assets at 30 June 2022 stood at **550,409 sqm**, whilst the average occupancy rate stood at **95.3%**.

The occupancy rate by asset class at 30 June 2022 is shown below:



● Total Lar España

● Shopping Centres

● Retail Parks

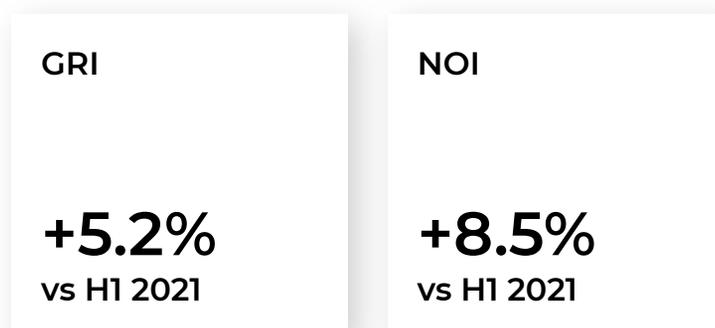


Shopping Centre
Gran Vía de Vigo (Vigo)

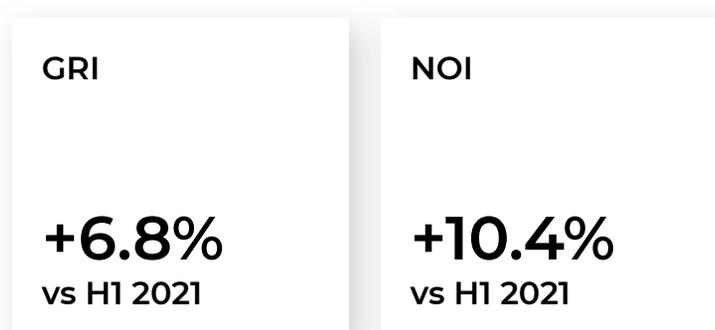
f. Main milestones

During the first half of 2022 Lar España has continued its active portfolio management, achieving the following operational results:

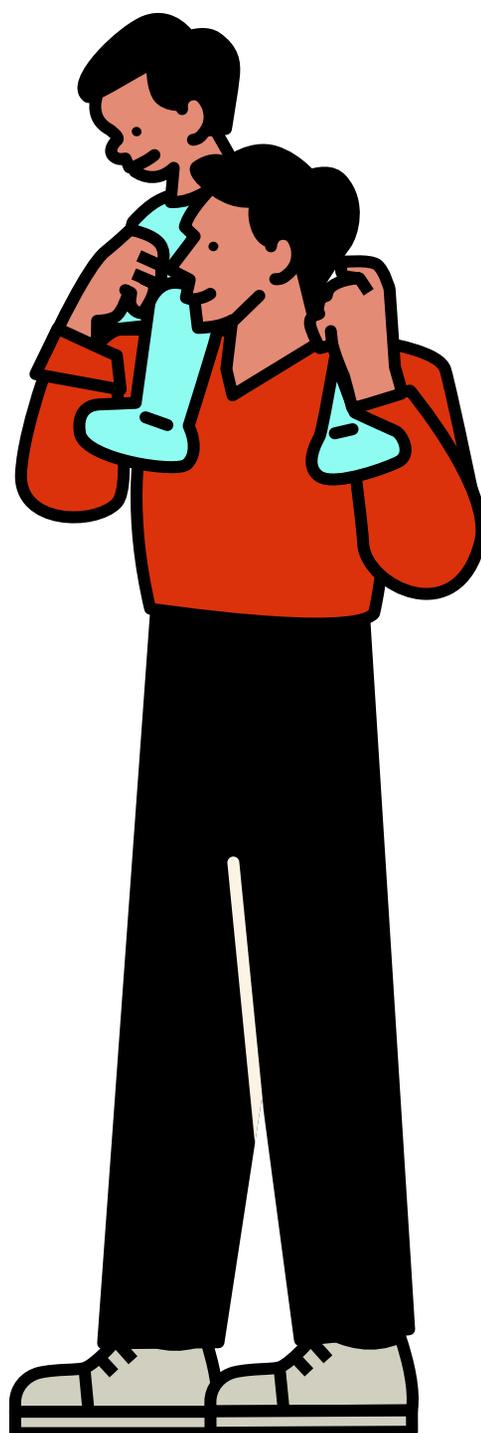
Key indicators evolution



Key indicators evolution LfL (*)



(*) Like for Like (excluding the portfolio of 22 Eroski supermarkets divested in February 2021).



Major operative milestones

During the first six months of the year 2022, the total sales declared reach **464.1⁽¹⁾ Million euros** in the Shopping Centres and Retail Parks, supported by the increase in the number of visits (footfall of **37.8 million**).

Lar España continued to actively manage its retail portfolio. It closed **73 operations** including renewals, relocations, relettings and new lettings, resulting in an annualised tenant rotation rate of **10%** for the portfolio.

Rotated	Negotiated rent	Operations	Rent Uplift
26,307 sqm	€5.1 Million	73	+2.2%⁽²⁾

	Renewals	Relocations and Relettings	New Lettings	TOTAL
Number of operations	45	19	9	73
sqm	16,079	8,219	2,009	26,307

Footfall H1 2022

37.8 Million of visits
+13.8% vs H1 2021

Quarterly footfall at Lar España's shopping centres and retail parks (%)

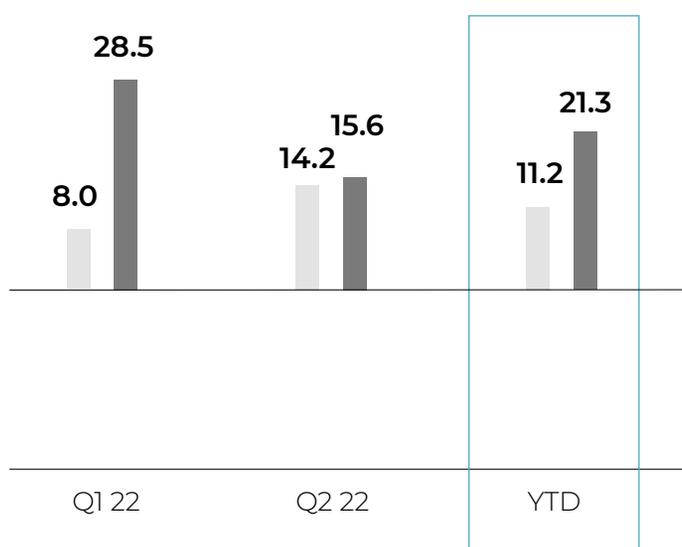


● 2022 vs 2019⁽³⁾ ● 2022 vs 2021

Sales H1 2022

464.1⁽¹⁾ Million €
+21.3% vs H1 2021

Quarterly sales figures for Lar España's shopping centres and retail parks (%)



● 2022 vs 2019⁽³⁾ ● 2022 vs 2021

(1) Declared sales. / (2) Excluding 7 non-comparable operations. / (3) Like for Like excluding Lagoh shopping centre.

Main Operations

Some of the **main operations** during the period between 1 January and 30 June 2022 are detailed below:



Main Operations



Renewals

H&M (1,843 sqm)

Mango (438 sqm)

Foster's Hollywood (250 sqm)

More than €869,000 annual negotiated rent	16 Operations	5,492 sqm
--	-------------------------	------------------



Main Operations



Renewals

C&A (1,535 sqm)

Relocations/Relettings



Fitness Park (1,838 sqm)

More than €751,000 annual negotiated rent	10 Operations	3,883 sqm
--	-------------------------	------------------



Main Operations



Relocations/Relettings

Massimo Dutti (665 sqm)

Pull & Bear (610 sqm)

New lettings

Ikea (350 sqm)

More than €648,000 annual negotiated rent	8 Operations	3,142 sqm
--	------------------------	------------------



Main Operations



Renewals

Toys 'R Us (1,653 sqm) at Rivas

Fifty Factory (720 sqm) at Megapark

New lettings



Primor (352 sqm) at Megapark

Lindt (117 sqm) at Megapark

More than €2,787,000 annual negotiated rent	39 Operations	13,790 sqm
--	-------------------------	-------------------

Retail Tenant Mix

Below we display the **tenant mix** of Lar España's retail portfolio at 30 June 2022 by space let. The food & beverage and health sectors account **more than 15%** of the retail offering in Lar España's assets:

Effort Rate
(including
expenses)

9.4%

Fashion

30.0%

Home

19.4%

Leisure and
Entertainment

15.8%

Food &
Beverage

13.5%

Sports and
Adventure

7.3%

Dining

7.1%

Services

3.8%

Health and
Beauty

2.8%

Culture,
Technology
and Multimedia

0.3%



ESG

3.1

Committed
to the
Environment

52

3.2

Contributing to
Society

58

3.3

Leaders in
Governance

68

3

The Company remains committed to participating in assessment and certification schemes in environmental issues, currently having 100% of its portfolio BREEAM-certified, with 93% of its properties rated “Excellent” or “Very Good”.

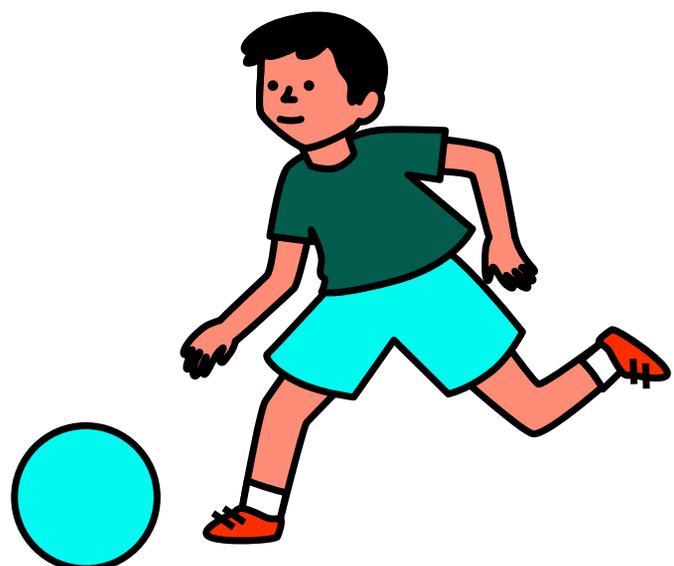


ESG (Environmental, Social and Governance)

Lar España remains committed to **creating shared value**, fostering a fluid channel of communication with our stakeholders, investing in projects that champion sustainability in all its forms and working continuously to take our performance to new heights.

Our **Sustainability/ESG Policy** is our blueprint for achieving our company objectives and following through on our principles, commitments, goals, strategy and values. To the Company, sound **corporate investment and environmental engagement** are much more than just hoops we need to jump through; they are **vital to our future success**.

Our approach keeps us alert to new opportunities – like advances in energy efficiency, digital innovation and collaborative relationships with suppliers at the top of their fields, while achieving strong **financial returns** for our investors.





Retail Park
Megapark (Vizcaya)

3.1 Committed to the environment

Lar España promotes the **responsible management of our properties** and the **reduction of our environmental footprint**, while at the same time, safeguarding our economic viability and return on investment for the future. **100% of the properties in the Lar España portfolio** are certified, having implemented environmental and/or social activities.



BREEAM Certifications

The company remains committed to participating in assessment and certification schemes to guarantee that the operation of all its properties is as sustainable as possible, having obtained the following achievements in the first six months of 2022:

- We forged ahead with our **Renewal Plan** for certifications, having renewed the certificate in Las Huertas, improving the rating to Very Good.
- We have obtained 2 new certificates in **Rivas Futura and VidaNova Parc**, both with Very Good qualification in building design and Excellent qualification in asset management.

100% of the company's assets are currently BREEAM-certified, 93% of them with an 'Excellent' or 'Very Good' rating.





Shopping Centres	Current certificate			Previous certificate		
	Rating ⁽¹⁾	Certification Type	Status	Rating ⁽¹⁾	Certification Type	Status
Lagoh	Very Good	New Construction (D) ⁽²⁾	Certified	Very Good	New Construction (P) ⁽²⁾	Certified
Gran Vía de Vigo	P1: Excellent P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
Portal de la Marina	P1: Very Good P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
El Rosal	P1: Excellent P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
Ànec Blau	P1: Very Good P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
As Termas	P1: Excellent P2: Exceptional	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
Albacenter	P1: Very Good P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
Txingudi	P1: Good P2: Good	In Use	In Renovation	P1: Good P2: Good	In Use	Certified
Las Huertas	P1: Very Good P2: Very Good	In Use	Certified	P1: Good P2: Good	In Use	Certified



Retail Parks	Current certificate			Previous certificate		
	Rating ⁽¹⁾	Certification Type	Status	Rating ⁽¹⁾	Certification Type	Status
Megapark ⁽³⁾	P1: Very Good P2: Excellent	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified
Parque Abadía	P1: Very Good P2: Very Good	In Use	Certified			
Rivas Futura	P1: Very Good P2: Excellent	In Use	Certified			
VidaNova Parc	P1: Very Good P2: Excellent	In Use	Certified			
Vistahermosa	P1: Very Good P2: Very Good	In Use	Certified	P1: Very Good P2: Very Good	In Use	Certified

(1) P1: corresponds to the first part of the BREEAM certification relating to the property's design specifications.

P2: corresponds to the rating obtained in terms of property management.

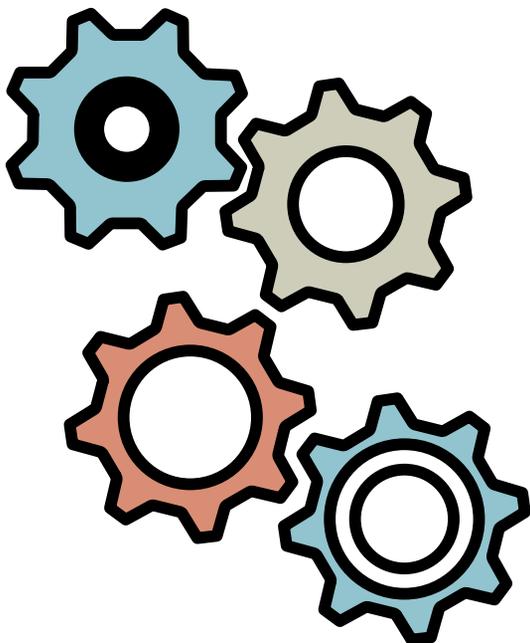
(2) The BREEAM certification for New Construction is D (Definitive) since the final delivery of the works and installations is completed.

(3) Certifications relate to asset areas over which Lar España has operational control.

Data automation

Over the course of 2020, we completed work on a new data analysis platform featuring a dynamic display for monitoring resource use and environmental performance. This new tool, which keeps track of water and energy use, waste management and GHG emissions, was launched on 1 January 2021 and has continued to be operating during 2022. As a result, we are now able to **capture and analyse data from our properties and compare performance over time**.

By eliminating human error and **improving the frequency and consistency of information**, we have successfully optimised our processes and resources. Departments with access to the system can now benefit from more powerful data analysis, empowering them to act swiftly and effectively when corrective action is needed.



ISO 14001 and ISO 45001 certifications

ISO 14001 recognises **sound environmental management**, the pursuit of firm objectives and targets reviewed and endorsed by senior management, a set of environmental procedures and protocols appropriate to the Company's activities and proper management of any incidents or non-conformities. It thereby ensures environmental protection by managing any environmental risks that could arise as we operate.

ISO 45001, meanwhile, is the international standard for occupational **health and safety management systems**, and aims to protect workers and visitors from work-related accidents and illness. This certification demonstrates Lar España's **commitment to employee health and safety**.

Since achieving ISO 14001 status for the **As Termas and Megapark** properties, as well as ISO 45001 at the latter, the Company is working to **extend this certification to all the properties in our portfolio during 2022**. Our assets are currently being audited and new certificates are expected to be obtained by the end of this year.

We incorporate environmental and social concerns within the Company's management and organisational processes. By applying this approach throughout the value chain, from senior management to employee level, it becomes easier for us to **achieve the strategic objectives** we set ourselves in these areas.

Waste management plan

Our Waste Management Plan, in force since January 2021, is intended to increase data control and monitoring, prevent pollution, make a more sustainable use of resources and **promote the Circular Economy**, in line with the principles of reducing, recycling and reusing waste.

One example of this is the social action carried out in Portal de la Marina and Parque Abadía. To promote both **sustainability and recycling**, a **Return and Reward System (RRS)** was introduced in collaboration with Reciclo Ecoembes in each asset to reward environmentally responsible behaviour. This is a new digital-based technology designed to promote recycling, using the **RECICLOS system** to register and offer incentives every time a visitor deposits a can or a plastic drinks bottle in the yellow recycling bank – a win-win for both consumers and the environment.



Proportion of estimated waste data disclosed:

-28%
VS 2020

-39%
VS 2019

By using these machines, users receive points which can be used to help those in need, by for example, donating the points obtained to the **Spanish Association Against Cancer** for helping to provide psychological aid to patients and relatives.

The procedure to **identify and classify waste** was consolidated thanks to the Plan, while the procedure for information reporting and handling was standardised. The next steps will involve identifying and documenting the waste recovery, recycling, reuse and elimination processes and analysing the routes used to transport waste to their treatment points.

Energy Efficiency Plan

The Company has developed an Energy Efficiency Plan, **aligned with national and international standards**, with the aim of completing its sustainability strategy. The plan's implementation hinges on a series of previously adopted measures that have now been incorporated into and aligned with the corporate strategy across all the portfolio's assets.

Lar España therefore expects to achieve:

- **Improved energy efficiency** of its portfolio.
- Enabling the **certification** of our assets as a guarantee of our commitment to the environment.
- **Cost reductions.**

In parallel, Lar España is rolling out **energy performance audits and a new remote submetering system**. Thanks to these two initiatives, we will be able to access up-to-date information on the status of each of our properties, which will establish action plans and reduction targets for each asset.

Lar España will therefore continue to lead by example and be a benchmark for the sector, as well as for society in general, **by looking beyond the purely economic benefits of better energy management and efficiency**.

100% of the energy consumed by Lar España is currently guaranteed to be of renewable origin.

Renewable energy

Lar España has also recently completed a **comprehensive study of our entire portfolio** in partnership with KPMG, aimed at helping us analyse and identify the most promising strategies, negotiate contracts and carry out effective monitoring and progress evaluation of the **solar panels installed at the properties in the portfolio**.

The Company is currently analysing the different options for installing panels at each of our properties.

-97%

VS 2015

Consumption of non-renewable electricity

-22%

VS 2015

Total electricity consumption

-20%

VS 2020

Scope 1+2+3 Emissions

-24%

VS 2019

Scope 1+2+3 Emissions

Carbon Footprint

Lar España was proud to register its carbon footprint for 2018, 2019 and 2020 with Spain's Ministry for the Ecological Transition and the Demographic Challenge (MITERD). This scheme is part of Spain's national strategy, aligned with that of the European Union. Lar España is **currently in the process of reporting its Carbon Footprint for 2021**. By doing this, the Company could obtain the "I Reduce" carbon label once its 2021 footprint has been verified.

The next steps to continue with its emissions reduction strategy are as follows:

- Installation of photovoltaic solar panels for self-consumption.
- Completion of our own automated system for monitoring energy use, based on telematic technology.
- Implementing predictive maintenance programmes and more proactive inspection protocols for air-conditioning systems to prevent coolant leaks.
- Ongoing schedule to replace older machinery and equipment with more efficient, sustainable and low-emissions alternatives.
- Planning for investment to offset its carbon emissions.
- Continuing our policy of using guaranteed renewable electricity sources at all strategic properties.

Green leasing clauses

To uphold Lar España's commitments to Corporate Social Responsibility across its supplier and tenant network, we have included specific clauses that are being annexed to the new contracts, signing clauses related to **social and environmental commitment** and their implementation.

At present, **over 5% of leases signed across the whole of Lar España's portfolio already included**

this type of clause. This figure is expected to keep rising as the various contracts within the portfolio are renewed.

The Company has also uploaded a document to the ESG section of its website, which sets out the main **Best Practices** for its tenants at the shopping centres and retail parks in its portfolio, with the aim of encouraging tenants to operate more efficiently and sustainably.



3.2 Contributing to Society

Lar España works actively to **add value** to the environments where its assets are located and therefore carries out social initiatives that contribute to **human, economic and environmental development** and at the same time help society to respond to major challenges such as unemployment or the socio-economic crisis.

Improving air quality

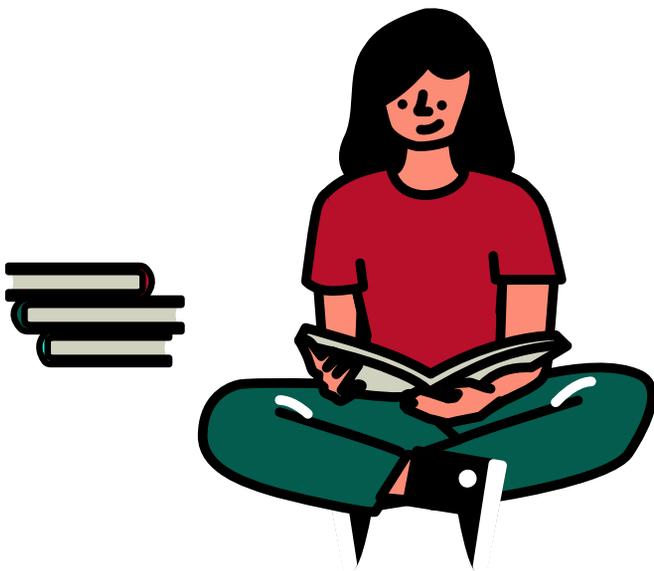
The **health and wellbeing of visitors** is a cornerstone of the company's business model. The **installations for measuring air quality were completed in** January 2022 in the portfolio's shopping centres and are systematically **producing monthly reports**. The indicators analysed in the reports produced up until now show that the **quality of the air at the Company's properties is optimal**.

This new software allows the quality of indoor air at its properties to be more closely monitored and better enables the Company to take steps to optimise its operational management of HVAC systems, **with a view to improving the overall energy performance of its buildings**.

Moreover, it is worth to mention that all of Lar España's properties comply with the **temperature policy** set forth in the building heating regulations (RITE) and indoor air quality audits.



Air quality control at the Ànec Blau shopping centre (Barcelona)



Accessibility

Lar España is firmly committed to promoting social integration and is working to achieve and maintain high levels of accessibility via a **people-centric design**.

At the date of this report, **every property in our portfolio** has now been audited. The following assets have already been awarded the AENOR Universal Accessibility seal in accordance with the UNE 17001 certification: **Lagoh, El Rosal, Rivas Futura, As Termas, Vistahermosa and VidaNova Parc**.

Lar España is in the process of obtaining the AENOR seal of Universal Accessibility in **6 of the 14 Shopping Centres and Retail Parks** in the coming years: Gran Vía de Vigo, Parque Abadía, Albacenter, Ànec Blau, Megapark and Portal de la Marina.

This demonstrates Lar España's **commitment to accessibility** and facilitating adequate and convenient access for everyone at its shopping centres and retail parks by taking into consideration existing problems. The goal of Lar España is to ensure equal opportunity so that everyone can access and enjoy all its centres, regardless of the individual's abilities.



Sustainable Development Goals

The Company went a step further by developing an **action plan** and identifying relevant issues and their contribution to the SDGs. To this end, **the value chain and related materiality matrix was mapped**, identifying both positive and negative impacts in order to mitigate them.

Thus, the Company **has identified the most relevant SDGs to its activity** and has defined the lines of action to **align the strategy and management model with the achievement of the eight defined SDGs and their corresponding targets**. These Sustainable Development Goals have been chosen because they correspond to the areas in which Lar España's business operations can be most effective and relevant.

As a result of this analysis, **three strategic priorities and six goals** were identified, associated with the corporate and operational functions of the value chain of Lar España and its stakeholders. As a means to address the goals, **22 specific actions have been proposed at corporate and operational level**.

To ensure the correct implementation of the SDGs, the company raises awareness and promotes the **adoption of the 2030 Agenda in the governance of the Company and in the definition of corporate policies**. It also monitors the actions carried out within the company's activity to contribute to each of the SDGs identified.

100% of Lar España's assets offer **charging facilities** for electric vehicles.

Sustainable mobility

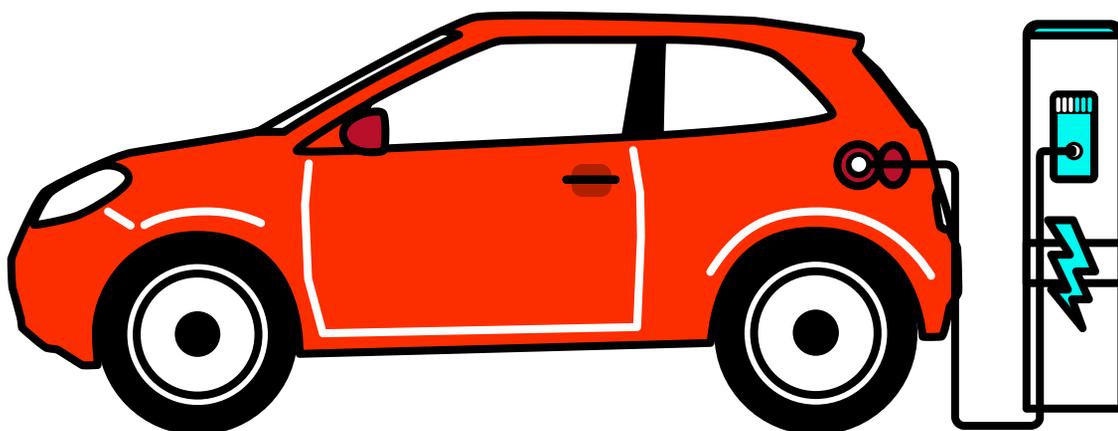
During the first semester of 2022 the Company has continued studying the different ways of implementing sustainable mobility solutions at each of our assets.

The **main projects** underway are:

- Electric car charging points.
- Car sharing.
- Walkways, improved pedestrian access to shopping centres and their surrounding areas.
- Campaign to promote the use of public transport, bus stops and taxis.
- Parking areas and access routes for bicycles, scooters and motorcycles, along with designated parking spaces for families and emergency vehicles near the main entrances, with a guided parking system.

The Company has also started to undertake a mobility study in the Megapark retail park with the help of a specialist local service provider.

At 30 June 2022, **all the assets** in Lar España's portfolio offer **electric vehicle charging facilities**, bringing the total to **over 150 charging stations installed**.



Initiatives at our shopping centres and retail parks

Lar España has conducted numerous social engagement campaigns at our shopping centres and retail parks, reflecting our **commitment to the communities we serve, as well as to public institutions and non-profit organisations** and constantly striving to have a positive effect on local communities and **creating shared value** through their work.

Here is a closer look at some of the social engagement initiatives carried out **over the first six months of 2022**:

Cross-cutting initiatives

Aid for Ukraine (NGOs)

All shopping centres and retail parks are actively working with a number of organisations such as Cáritas, UNHCR, Red Cross and UNICEF to name just a few, offering up spaces in their centres, as well as digital space on websites and social media, to help them inform a wider audience of the work they are doing and also help them raise funds to help provide as much aid as possible to war-torn Ukraine and its people.



Earth hour

Over half of Lar España's properties turned off their exterior façade and interior lighting to help **raise awareness around climate change**, actively supporting the [#EarthHour](#) initiative.



Social Initiatives H1 2022

Initiatives relating to food bank collections

Asset	Initiative
<p>Albacenter</p>	<p>Food bank collection at Albacenter, highlighting the following two campaigns:</p> <ul style="list-style-type: none"> › In parallel with the “Mercadona & Company” event, an initiative was organised in collaboration with the Albacete Food Bank to help encourage the centre’s visitors to take part in the campaign by making a donation. › Another campaign was also run alongside this initiative aimed at collecting pet food donations, which was organised in collaboration with the Albacete animal protection organisation “Dejando Huella”.
<p>El Rosal</p> 	<p>Initiative in which the shopping centre worked side by side with the representative of the province of León to help with its food bank collection campaign, offering space free of charge in its centre and donating a variety of goods to the cause.</p>
<p>Parque Abadía</p>  	<p>Two food collection campaigns were organised in the Abadía retail park: Campaign aimed at helping those affected by the war in Ukraine and organised in collaboration with the REMAR Association.</p> <p>The other was in collaboration with the Cipriano Toledo Association and focused on helping the most vulnerable groups within the retail park’s local community.</p>

Keeping in touch with local communities - Sport and healthy lifestyles

One of Lar España's social engagement objectives is to **promote and sponsor healthy lifestyles**, putting physical activity front and centre as part of its commitment to generate a positive impact on the communities in which it operates.



Asset	Initiative
<p>Ànec Blau</p> 	<p>The centre sponsored a number of running events organised to help a variety of different local initiatives, promoting sport, a healthy lifestyle and helping the centre to engage more closely with its local community.</p>
<p>El Rosal</p>  	<p>A basketball tournament was organised in the shopping centre by the Ponferrada Basketball Club, seeing some 100 children grouped into different categories take part.</p> <p>The outdoor terrace was also the venue for the “Zumba Workshop and Cycling Masterclass” organised by Altafit gym.</p>
<p>VidaNova Parc</p>   	<ul style="list-style-type: none"> › School duathlon: The school duathlon organised by the Morvedre Triathlon Club. › Morvedre Handball Tournament: Sporting event held in the centre's car park in collaboration with Decathlon to host a “Balonmano Morvedre” event. › Third 3x3 tournament VidaNova Parc: Collaboration with the Puerto de Sagunto basketball club, holding tournaments at the retail park.

Keeping in touch with local communities - ESG

Asset	Initiative
Ànec Blau	<p>Humana recycling points: Specific signage informing visitors where the points for recycling unwanted clothes can be found in the shopping centre.</p> <p>Global recycling day and world environment day: Aimed at raising awareness on taking care of the environment.</p>
Albacenter	<p>Educating children on the importance of looking after our environment by awarding a creativity prize to the children attending the Eloy Camino School for special educational needs.</p>
Lagoh	<p>In 2022, work to conclude the installation of a geothermal heat pump system in the Lagoh shopping centre was completed and the system was commissioned.</p>
Portal de la Marina	<p>To promote both sustainability and recycling, a Return and Reward System (RRS) was introduced in collaboration with Reciclo Ecoembes in the shopping centre to reward environmentally responsible behaviour. This is a new digital-based technology designed to promote recycling, using the RECICLOS system to register and offer incentives every time a visitor deposits a can or a plastic drinks bottle in the yellow recycling bank – a win-win for both consumers and the environment. The points obtained can then be converted into donations to help a variety of different charities.</p> <p>To mark World Earth Day on 22 April, the centre announced that to date a total of 6,000 containers had been collected via this system.</p>



Parque Abadía

In a bid to **drive sustainability**, the retail park took part in the “Global recycling day”, championing everything that the *three Rs* stand for (**Reduce, Recycle and Reuse**). Just like at Portal de la Marina, Parque Abadía introduced Ecoembes’ Reciclos rewards system, offering sustainable and charitable incentives for the recycling of cans and plastic drinks bottles, helping to bring this waste into the **circular economy**. By using these machines, users receive points which can be used to help those in need, by for example, donating the points obtained to the **Spanish Association Against Cancer** for helping to provide psychological aid to patients and relatives.



A **recycling area** has also been installed, offering new services and rewarding customers committed to acting responsibly when it comes to the environment, with all proceeds going to charity.

Rivas Futura

In May, the Rivas Futura retail park unveiled its new **recycling point** or **Ecozone**, strategically located at one of the park’s busiest points and offering recycling banks for clothes, unwanted footwear, oil and lids and plastic bottle tops, etc. The recycling of the lids and plastic bottle tops in particular will be managed thanks to an agreement signed with the **SEUR Foundation** and linked with their acclaimed “*Tapones para una nueva vida*” project.

Ànec Blau



Opening of the **Ànec Blau kitchen garden and workshops**, a new space that redefines traditional shopping centre leisure and play areas and offers children and adults the opportunity to take part in a variety of **activities and green workshops** as a family. An initiative that brings a fun way of learning about the environment, sustainability and recycling to the centre.

Collaboration with NGOs and charitable organisations

During the first six months of the year, the portfolio's shopping centres and retail parks offered up indoor spaces free of charge to a variety of **NGOs and non-profit organisations and foundations in support of their campaigns and helping to give them more**

visibility and extend the reach of their charitable causes. For example, the Charity Space at El Rosal is given over to NGOs, with the centre welcoming the following associations in H1 2022: AECC, Red Cross, Save the Children and the Josep Carreras Foundation.

Asset	Initiative
-------	------------

Gran Vía de Vigo

H1 2022 saw this space occupied by:

- › UNHCR
- › The Spanish Association Against Cancer
- › Aldeas Infantiles
- › Cáritas
- › The Spanish Red Cross
- › Doctors of the World
- › AMICOS
- › Cáritas Ukraine Appeal



Lagoh

Also welcomed the following organisations during H1 2022:

- › Oxfam Intermon
- › Doctors of the World
- › Red Cross
- › Save the Children
- › WWF
- › The Spanish Association Against Cancer
- › Asesubpro
- › UNHCR
- › Josep Carreras Foundation
- › Ictus Comunica
- › Doctors Without Border
- › Spanish Heart Foundation
- › ALCER
- › Pasqual Maragall Foundation
- › Aproni
- › Greenpeace



Albacenter

**UNICEF “Polio Eradication Initiative”:**

Promoting the mass inoculation campaign to **protect 77 million children** under the age of five that live in at least 10 African countries where this paralysing disease remains a threat.

Ànec Blau

**ISTEA:**

Ànec Blau marked World Autism Awareness Day in collaboration with ISTEA, the Spanish **Association for the Social Inclusion of Autism Spectrum Disorders**, whose primary objective is to develop initiatives and/or infrastructure that help integrate people with Autism Spectrum Disorders (ASD) into society by informing, educating and carrying out a range of activities.

As Termas



As Termas organised a competition in which **NGOs and non-profit organisations** were invited to present their projects. The projects were uploaded to a landing page where the public could view them and vote for their favourite proposals, with the overall winner of the €3,000 prize being selected by the shopping centre. The winner was **Alcer Lugo** for its **“Art for Dent”**, an art and culture-based initiative designed to raise both awareness around Dent disease and funds for further research into the rare disease.

**The AECC (Spanish Association Against Cancer):**

To mark **World Cancer Day**, As Termas offered up a space free of charge to the Spanish Association Against Cancer in support of the fight against the social inequalities brought about by cancer.



Talk to raise awareness “Living with cancer in the digital age”.

Lagoh

**Infancia de Nad:**

Various collection banks were set up at Lagoh to receive donations of clothing, food and medical goods to help those affected by the war in Ukraine. All donations received are given to the Infancia de Nad organisation.

3.3 Leaders in Corporate Governance

Lar España continues to work to uphold the highest of standards when it comes to **transparency, ethics and regulatory compliance**, guaranteeing good governance both of the company and its governing bodies. We are deeply invested in our guiding principles for better business and determined to continue to make headway in these areas and exemplify effective risk management.

Lar España aims to comply with the **highest international standards of transparency, comparability and commitment**. Hence, it is a member of the **European Public Real Estate Association (EPRA)**, the leading international association in the sector, which aims to provide comparable financial information between publicly listed Real Estate companies, and reports annual financial and non-financial information in accordance with international **GRI** standards. In addition, the data reported regarding ESG/ Sustainability in the Company's annual reports are **verified by an independent external**.

Risk Map Update

During H1 2022, Lar España has continued to make progress in terms of identifying and mitigating the main risks related to climate change by carrying out an **ongoing risk assessment that is adapted and updated for both the current and the expected future environment**, and by also updating the company's general controls matrix. During the last few months of 2021 and the first few months of 2022, Lar España **updated its corporate Risk Map**, identifying the main **strategic, operational, financial and regulatory risks affecting the Company**.

The Company's **Integrated Risk Management System** – which was brought into force in 2015 – is designed to ensure risks are correctly and systematically identified, assessed, managed and controlled in order to help the Company meet its targets and successfully implement its strategies.

GRESB

For the **fifth year running**, Lar España has taken part in the GRESB (Global Sustainability Real Estate Benchmark) assessment process, which has become the benchmark for assessing commitment to environmental, social and governance (ESG) issues in the real estate sector.



As part of its participation, an internal comparative analysis was made between the company's performance this year and its previous assessment, detailing the **key improvements made in terms of ESG in 2021**. Furthermore, by the end of the reporting period we were in a position to **identify a number of key improvement areas that will guide our actions in the months ahead**.

MSCI

Lar España also collaborates with MSCI-IPD and forms part of its annual real estate index, (IPD Spain Annual Property Index), which provides additional information and visibility of the real estate sector.



As a result of the many efforts made in the areas of good governance, sustainability and the social sphere, **the Company has obtained a BBB rating** in the international index^(*).

The different advances made in this field and the commitment to a strategy in the Company in line with international ESG standards are highlighted.

IBEX Gender Equality Index

Lar España has been included as one of the 30 companies that form part of the IBEX Gender Equality index, as a **sign of the company's commitment to diversity issues**.



Shopping Centre
Txingudi (Guipúzcoa)

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Consolidated Financial Statements

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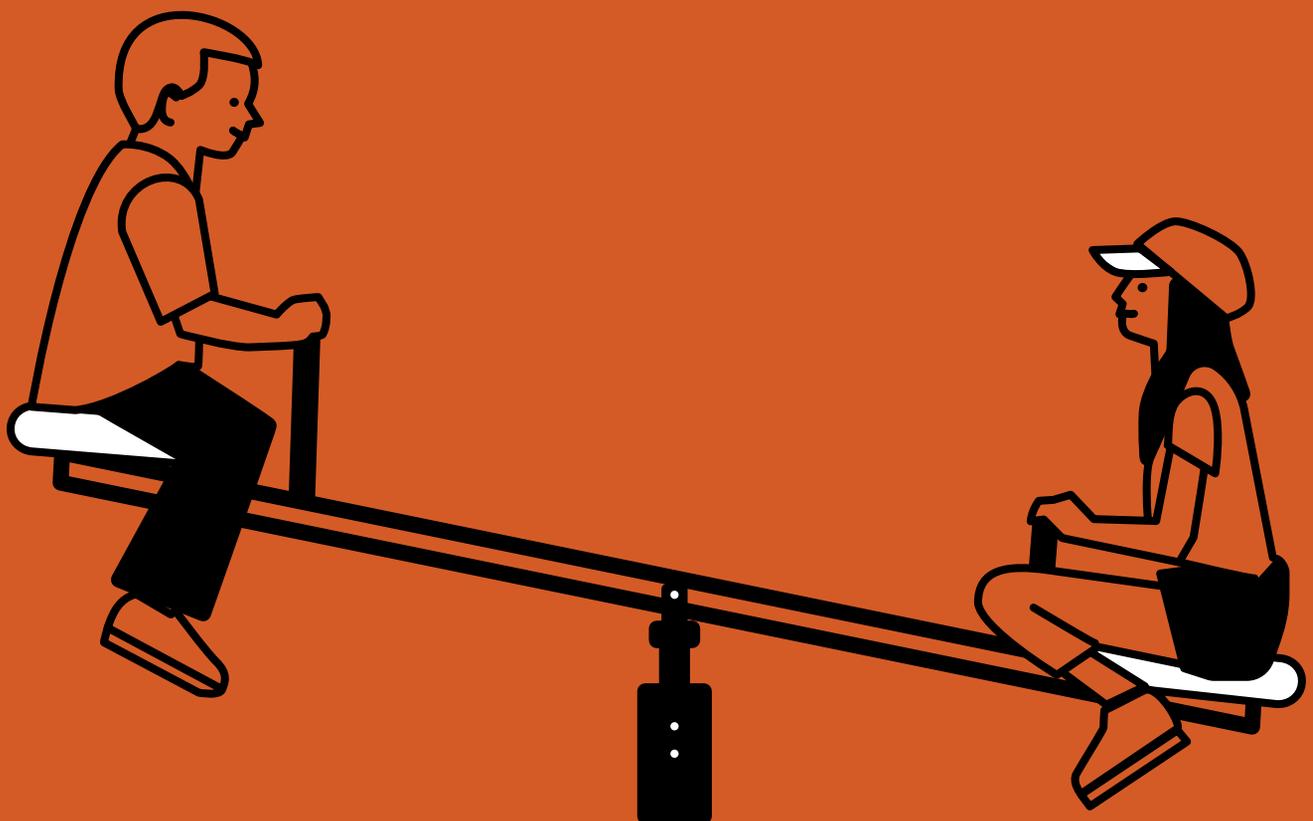
4.4

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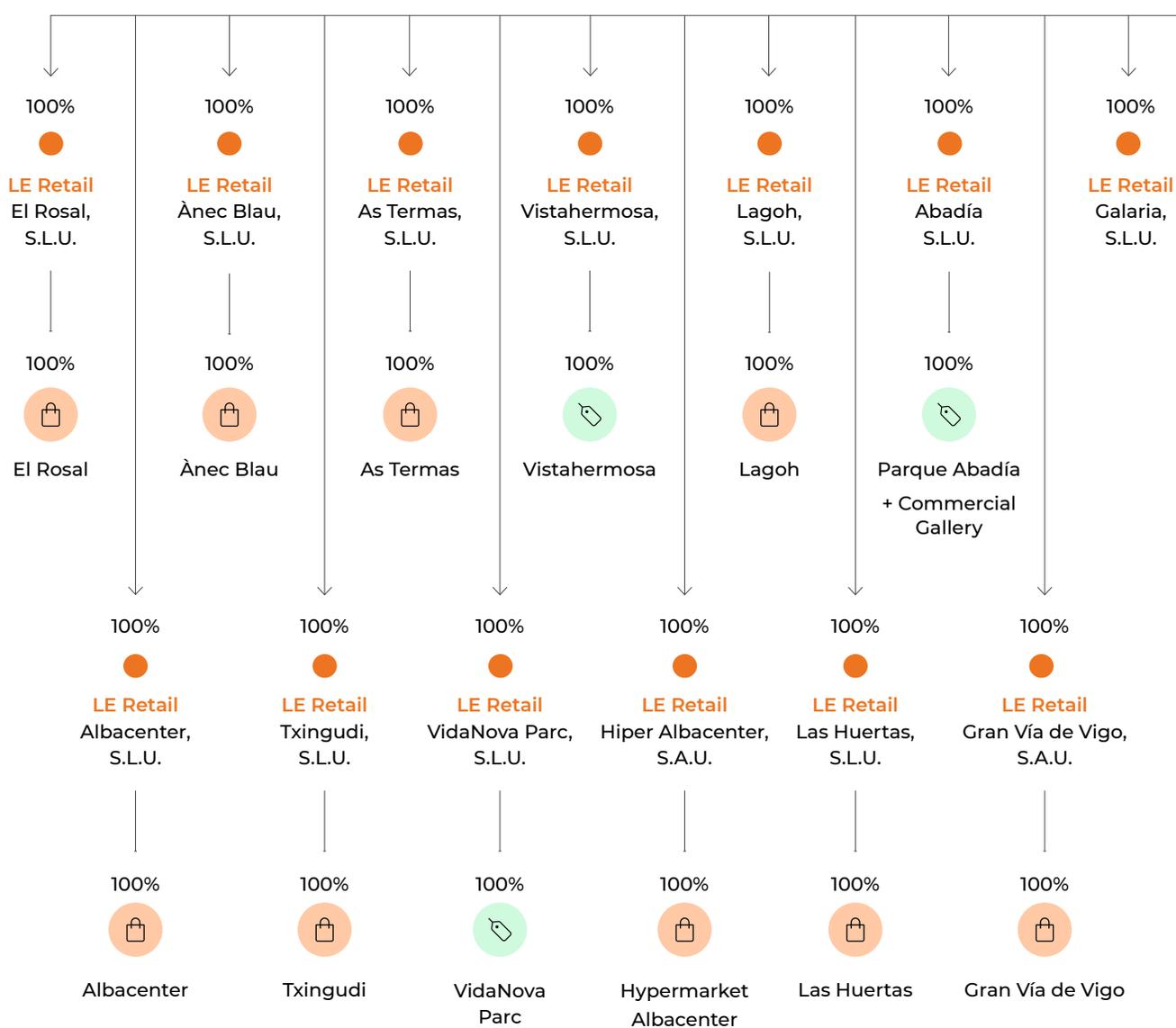
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During the first semester of the year, profit for the period has reached close to €55 million, more than seven times higher than the figure registered for the same period in 2021.



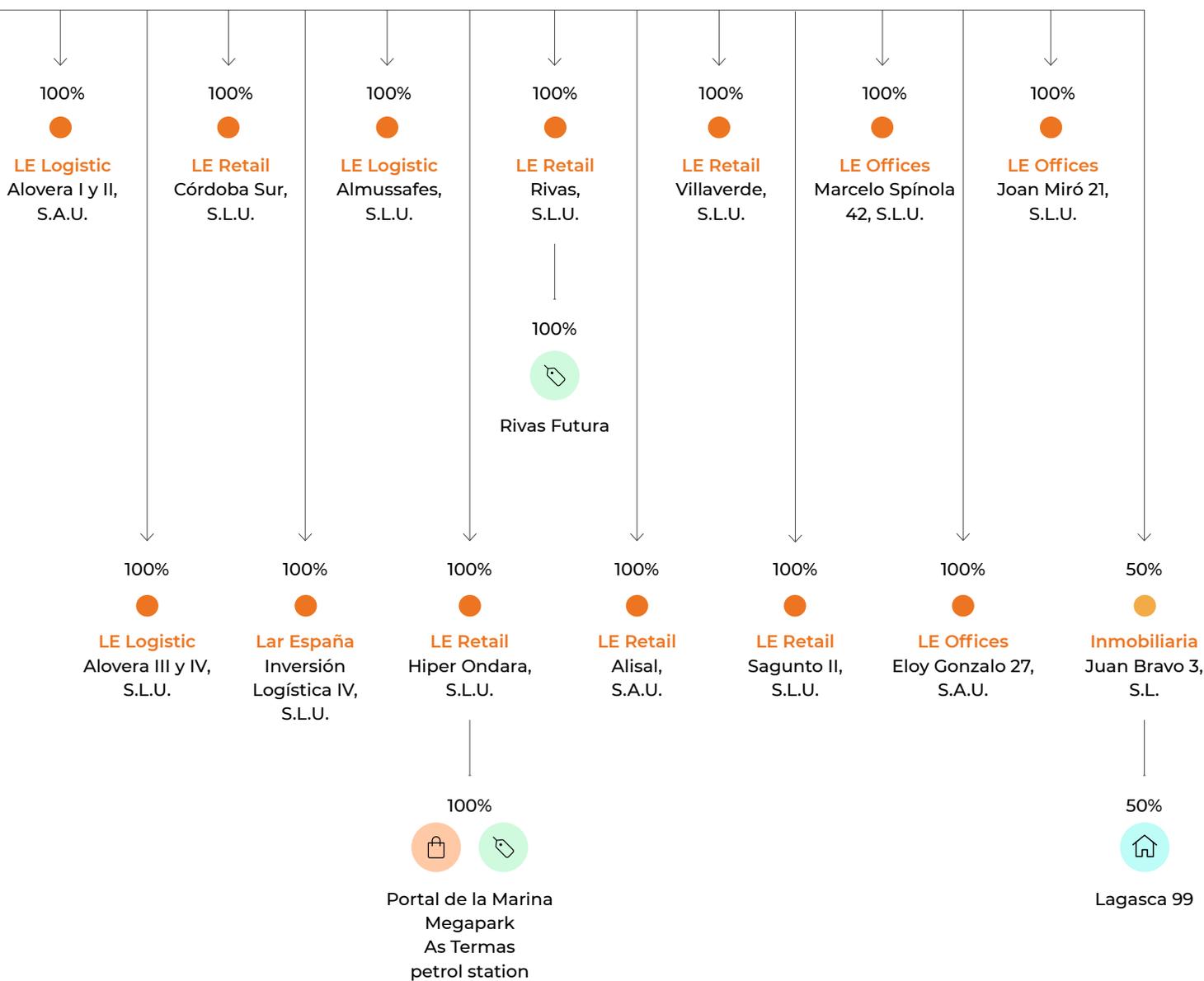
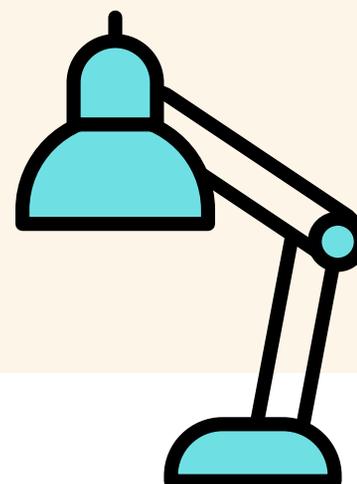
4.1 Company Chart 30.06.2022

The **scope of the Group's consolidation** at 30 June 2022 is as follows:



Company

● Full Consolidation ● Equity Method



Asset Class

- Shopping Centres
- Retail Parks
- Residential

4.2 Consolidated Statement of Comprehensive Income

TOTAL (Thousands of euros)	H1 2022	H1 2021
Revenues	40,493	38,752
Other income	1,558	1,226
Personnel expenses	(519)	(276)
Other expenses	(14,891)	(17,185)
Changes in the fair value of investment properties	41,055	(7,564)
Results of disposals of investments properties	-	9
RESULTS FROM OPERATIONS	67,696	14,962
Financial income	-	-
Financial expenses	(8,298)	(10,258)
Changes in the fair value of financial instruments	(4,533)	1,397
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	54,865	6,101
Income tax	-	1,623
PROFIT FOR THE PERIOD	54,865	7,724

67,696

Thousands of euros

**Results from
operations**

54,865

Thousands of euros

Profit for the period

Result from operating activities

At 30 June 2022, the Group presented a positive **result for its operations amounting to 67,696 thousand Euros, more than four times higher** than the one registered in H1 2021 (14,962 thousand Euros). Meanwhile the profit for the period amounts to **54,865 thousand Euros, more than seven times higher** than the one obtained in the same period last year.

Revenues

Revenue during the first half of 2022 amounted to **40,493 thousand Euros, meaning over 4% increase** versus the figure obtained in the same period last year (revenue of 38,752 thousand Euros during the first half of 2021).

Other expenses

At 30 June 2022, the Group incurred other expenses amounting to **14,891 thousand Euros**, mainly related to:

- Recurrent services that are directly linked to the ordinary management of the assets (supplies, IBI -property tax-, etc.) in the amount of 7,467 thousand Euros.
- Management fees (fixed and variable fee included) for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") totals 4,397 thousand Euros. The fixed amount totals 2,695 thousand Euros, the variable amount, 1,702 thousand Euros, corresponds to the performance fee provision included in the financial statements as at 30 June 2022.

Change in the fair value of investment properties

On 30 June 2022, the positive amount in this entry, **41,055 thousand Euros**, is made up of the difference in the fair value of investment properties following the latest valuations conducted by independent experts (C&W and JLL).

Net Financial Result

The **financial result** was a negative balance of 12,831 thousand Euros at 30 June 2022 (negative balance of 8,861 thousand Euros at 30 June 2021).

Financial expenses mainly comprise the interest accrued on bonds issued by the Company in 2021 and on loans taken out by the Company with financial institutions.

The amount recorded as **changes in the fair value of financial instruments** corresponds to the instant access investment funds acquired by the Company.

Income tax

As of 30 of June 2021, the positive amount of 1,623 thousand Euros under this heading corresponds to the cancellation of the deferred tax liability related to the 22 supermarkets portfolio, after its sale in February 2021.

4.3 Consolidated Statement of Financial Position

ASSETS (Thousands of euros)	30/06/2022	31/12/2021
Intangible assets	2	2
Investment properties	1,469,650	1,423,848
Equity-accounted investees	1,477	1,477
Non-current financial assets	14,574	14,422
Trade and other receivables non-current	9,732	11,586
NON-CURRENT ASSETS	1,495,435	1,451,335
Trade and other receivables current	16,344	25,452
Other current financial assets	4,127	3,944
Other current assets	3,461	3,752
Cash and cash equivalents	184,779	313,199
CURRENT ASSETS	208,711	346,347
TOTAL ASSETS	1,704,146	1,797,682
EQUITY AND LIABILITIES (Thousands of euros)	30/06/2022	31/12/2021
Capital	167,386	167,386
Share premium	452,924	466,176
Other reserves	205,823	196,903
Retained earnings	54,865	25,782
Treasury shares	(546)	(860)
EQUITY	880,452	855,387
Financial liabilities from issue of bonds and other marketable securities	693,877	693,647
Loans and borrowings	69,929	69,921
Deferred tax liabilities	15,578	15,578
Other non-current liabilities	20,777	20,716
NON-CURRENT LIABILITIES	800,161	799,862
Financial liabilities from issue of bonds and other marketable securities	10,198	129,702
Loans and borrowings	185	185
Trade and other payables	13,150	12,546
CURRENT LIABILITIES	23,533	142,433
TOTAL EQUITY AND LIABILITIES	1,704,146	1,797,682

Non-current assets

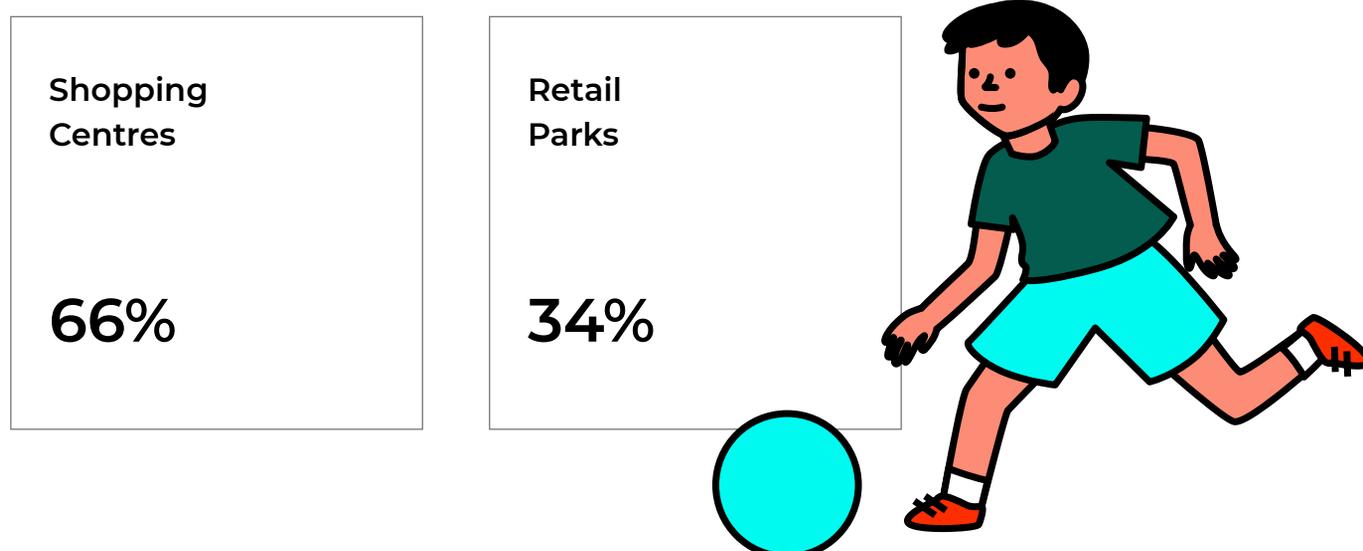
Investment properties

At 30 June 2022, **investments properties** are classified as non-current assets, at a fair value of **1,469,650 thousand Euros** (1,423,848 thousand Euros at 31 December 2021).

The Group's investment properties consist of nine shopping centres and five retail parks:

Net Investment (Thousands of euros)	30/06/2022	31/12/2021
Shopping Centres	975,060	951,187
Retail Parks	493,650	472,111
Other	940	550
INVESTMENT PROPERTIES	1,469,650	1,423,848

Investment properties by asset class



Equity-accounted investees

At 30 June 2022 and 31 December 2021, the amount reflects investment of 50% held by the Group in Inmobiliaria Juan Bravo 3, S.L. that is accounted for using the equity method.

Non-current financial assets

At 30 June 2022 and 31 December 2021, the Group has recognised as non-current financial assets mainly security deposits received from tenants, which the Group has deposited with the corresponding public bodies.

Trade and other receivables

As of 30 June 2022, this heading mainly reflects the outstanding invoiced income corresponding to the period comprised between January and June that are pending collection. Additionally, it reflects the claims with public administration credits in the amount of 6,724 thousand Euros.

As at 31 December 2021, this heading mainly reflected the outstanding invoiced income that were pending collection. Additionally it reflected the claims with public administration credits in the amount of 5,537 thousand Euros.

Equity

At 30 June 2022, the **Company's share capital** consisted of **83,692,969 registered shares** represented by book entries with a par value of 2 Euros each, fully subscribed and paid up, giving their holders equal rights.

On 27 April 2022, the Shareholders' General Meeting **approved the distribution of a dividend of 16,734 thousand Euros**, at EUR 0.199 per share (taking into account all the shares issued) and recognised in profit and loss for the 2021 period, and of **13,266 thousand Euros**, at EUR 0.158 per share (taking into account all the shares issued), **charged to the share premium**.

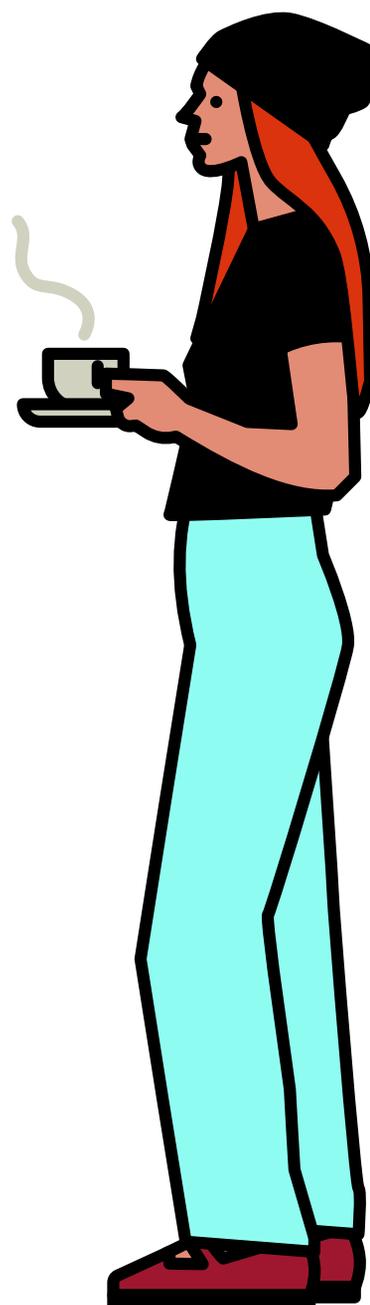
The total **pay-out was 16,713 thousand Euros** charged to the Profit for the period 2021 (after deducting the amount corresponding to treasury shares, which does not leave the Parent Company's equity and totals 21 thousand euros), and **13,252 thousand Euros charged to share premium** (after deducting 14 thousand euros corresponding to treasury shares) given the amount per share approved and shares outstanding at the time of approval by the General Shareholders' Meeting on 27 April 2022. The dividend pay-out was settled in full on 27 May 2022.



During the first half of 2022, the Company has carried out its own share sale and purchase transactions, as described below:

	Number of shares	Thousands of euros
31 December 2021	130,970	860
Additions	267,326	1,334
Disposals	(285,732)	(1,648)
30 June 2022	112,564	546

The negative result generated by the sale of treasury shares during the first half of 2022 amounted to 149 thousand Euros, recorded under the heading "Other Reserves".



Financial liabilities

Loans & Borrowings

The characteristics of the Loans & Borrowings at 30 June 2022 are as follows:

Loans & borrowings

Type	Project	Entity	Interest Rate	Maturity Date	Nominal amount Thousands of Euros	Current Thousands of Euros	Non-Current Thousands of Euros
Corporate Loan	LRE	bankinter.	EUR 3M + 1.60%	20/06/2023	30,000	-	-
Corporate Loan	LRE	 European Investment Bank	1.67%	04/05/2027	70,000	185	69,929
LOANS AND BORROWINGS						185	69,929

Financial liabilities from issuance of bonds and other marketable securities

Issuance	Coupon rate	Maturity Date	Nominal amount Thousands of Euros	Current Thousands of Euros	Non-Current Thousands of Euros
July Green Bond	1.75%	22/07/2026	400,000	6,578	395,702
November Green Bond	1.84%	03/11/2028	300,000	3,620	298,175
FINANCIAL LIABILITIES FROM THE ISSUE OF BONDS AND OTHER MARKETABLE SECURITIES			700,000	10,198	693,877

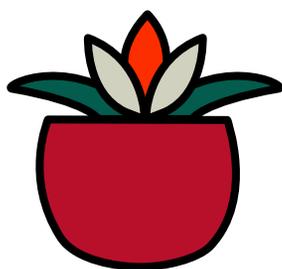
In 2021, Lar España **successfully placed an issue of two unsecured senior green bonds** maturing in July 2026 and November 2028. The pre-established maximum amount of **€400 and €300 million respectively** were both more than four times oversubscribed. The annual coupon was set at a **fixed rate of 1.75% and 1.84% respectively**, as compared with a 2.9% interest rate on the bond issued in 2015.

On another note, at 31 December 2021 an amount of **€122.7 million related to the first bond issued by the Company in 2015** was still outstanding. On February 2022 the said amount has been totally repaid.

Below you will find the net Loan To Value calculation as at 30 June 2022:

(Thousands of euros)	30/06/2022
GAV	1,469,650
Full Consolidation Gross Debt	770,000
Equity Method Gross Debt	-
Total Gross Debt	770,000
Cash (Full Consolidation and Equity Method)	185,147
Total Net Debt	584,853
NET LTV	39.8%⁽¹⁾

(1) Calculated as Net Debt/GAV.



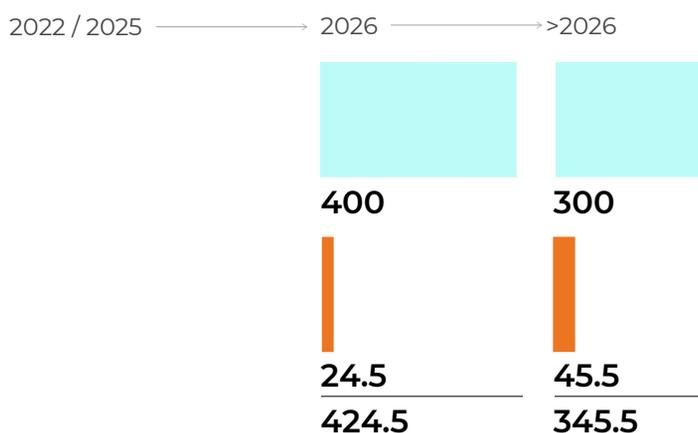
Financial debt amounts to **€770 million**, with an average cost of **1.8%** and an average maturity of **5.2 years**.

At 30 June 2022, Lar España's debt stood at **770,000 thousand Euros**, with an average cost of **1.8%** and a net **LTV ratio of 39.8%**. The average debt maturity stood at 5.2 years.

The amortisation schedule is detailed below:

Debt maturity profile

(€ Million)



● Bank Debt ● Green Bonds

On February 2022 the Company refunded the outstanding amount of €122.7 million related to the first bond issued by the Company in 2015. Thus, as of **30 June 2022, Lar España's financial debt amounts to €770 million**.

Deferred tax liabilities

At 30 June 2022 and 31 December 2021, this entry includes deferred tax liabilities deriving from the business combination carried out by

Average debt maturity

5.2 years

Net LTV

39.8%

Average cost of debt

1.8%

the acquisition of the subsidiary LE Retail Rivas, S.L.U. in 2018 as well as the acquisitions of the subsidiaries LE Retail Abadía, S.A.U. and LE Retail Gran Vía de Vigo, S.A.U. in 2017 and 2016.

These amounts correspond to the tax effect derived from the difference between the fair value and the fiscal value of the acquired real estate investments.

Other non-current liabilities

Correspond to security deposits received by way of guarantee from the tenants of the company's assets.

4.4 Consolidated Statement of Cash Flows

(Thousands of euros)	30/06/2022 ^(*)	30/06/2021 ^(*)
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	28,827	5,942
1. Profit/(loss) for the period before tax	54,865	6,101
2. Adjustments for:	(26,357)	20,301
Change in fair value of investment properties (+/-)	(41,055)	7,564
Impairment (+/-)	1,867	2,264
Financial expenses (+)	8,298	10,258
Changes in fair value of financial instruments (+/-)	4,533	(1,397)
Results of disposal of investments properties (-)	-	(9)
Other income and expenses (+/-)	-	1,621
3. Changes in operating assets and liabilities	4,575	(9,991)
Trade and other receivables (+/-)	9,095	1,741
Other current assets and liabilities (-)	(4,425)	(4,940)
Trade and other payables (+/-)	(4)	(6,602)
Other current assets and liabilities (-)	(91)	(190)
4. Other cash flows used in operating activities	(4,256)	(10,469)
Interest paid (-)	(4,256)	(10,469)
B) CASH FLOWS USED IN INVESTING ACTIVITIES	(4,747)	57,468
1. Payments for investments (-)	(4,747)	(2,054)
Investment property	(4,747)	(2,054)
2. Proceeds from divestments (+)	-	59,522
Investment property	-	59,522
C) CASH FLOWS FROM FINANCING ACTIVITIES	(152,500)	(34,213)
1. Payments made and received for equity instruments	165	(2,994)
Disposal/Acquisition of treasury shares (+/-)	165	(2,994)
2. Proceeds from and payments for financial liability instruments	(122,700)	(4,762)
a) Issue of:	15,000	30,000
Bank borrowings (+)	15,000	30,000
b) Redemption and repayment of:	(137,700)	(34,762)
Financial liabilities from issue of bonds and other marketable securities (-)	(122,700)	-
Bank borrowings (-)	(15,000)	(34,762)
3. Payments for dividends and remuneration on other equity instruments	(29,965)	(26,457)
Dividends (-)	(29,965)	(26,457)
D) CASH AND CASH EQUIVALENTS IN NON-CURRENT ASSETS HELD FOR SALE	-	2,626
E) NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(128,420)	31,823
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	313,199	134,028
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	184,779	165,851

(*) Six-month period.



Shopping Centre
Las Huertas (Palencia)

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5

Lar España fully supports and endorses the principle of standardizing the reporting of performance indicators from the perspective of comparability and improving the quality of information provided to investors and other users of the financial information.



In September 2021, for the **seventh consecutive year, Lar España** was awarded the **EPRA Gold Award** for the quality of **financial information** made available to its main interest groups and for the **fourth consecutive year** for the quality of the **ESG information**.

EPRA recognition

In **February 2022**, the Reporting & Accounting Committee of EPRA (European Public Real Estate Association⁽¹⁾) updated its Best Practices Recommendations⁽²⁾ guidelines in order to improve the presentation, transparency, comparability and relevance of the published results of listed real estate companies in Europe.

Lar España fully supports and endorses the principle of standardizing the reporting of performance indicators from the perspective of comparability and improving the quality of information provided to investors and other users of the financial information.

For this purpose, we have included an specific chapter with our main economic indicators following EPRA guidances.

In **September 2021**, for the seventh consecutive year, Lar España was awarded the **EPRA Gold Award** for the quality of financial information made available to its main interest groups. Regarding the information published about **ESG**, Lar España also obtained the highest distinction by EPRA, achieving for the fourth consecutive year the **Gold Award**. This highlights the **international recognition for the information reported by Lar España** and made available to its shareholders.



(1) Not-for-profit association founded in 1999 registered in Belgium which aims to make the financial statements of public real state companies clearer, more transparent and comparable across Europe.

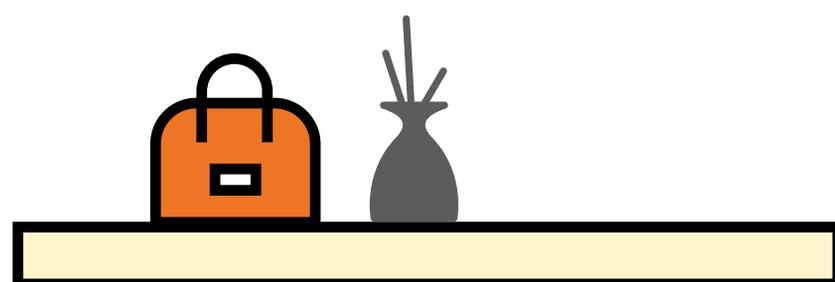
(2) "Best Practices Recommendations - BPR" available at www.epra.com

Key performance indicators described in the Best Practices Recommendations developed by EPRA are shown as follows:

Indicator	30/06/2022	30/06/2022
	(Thousands of euros) (%)	(Euros per share)
EPRA Earnings	13,810	0.17
EPRA NTA	896,030	10.72
EPRA NRV	930,999	11.14
EPRA NDV	880,452	10.53
EPRA Net Initial Yield (NIY)	5.6%	
EPRA "Topped-up" NIY	5.8%	
EPRA Vacancy Rate	5.5%	
EPRA Cost Ratio	17.9% (*)	
EPRA Cost Ratio (excluding costs of direct vacancy)	15.5% (*)	

5.1 EPRA Earnings

(Thousands of euros)	H1 2022	H1 2021
EARNINGS PER IFRS INCOME STATEMENT	54,865	7,724
Change in value of investment properties	(41,055)	7,564
Profits or losses on disposal of investment properties, development properties held for investment and other interests	-	(9)
Tax on profits or losses on disposals	-	(1,623)
Negative goodwill	-	-
Changes in fair value of financial instruments and associated close-out costs	-	(1,397)
Acquisition costs on share deals and non-controlling joint venture interests	-	-
Deferred tax in respect of EPRA adjustments	-	-
Adjustments to above in respect of joint ventures	-	-
Non-controlling interests in respect of the above	-	-
EPRA EARNINGS	13,810	12,259
<i>Weighted average number of shares (excluding treasury shares)</i>	83,578,821	84,290,285
EPRA EARNINGS PER SHARE (EUROS)	0.17	0.15



EPRA Earnings
per share

+14%
vs H1 2021

5.2 EPRA Net Asset Value Ratios

In October 2019, EPRA published an update of its “Best Practices and Recommendations” document in which, at 31 December 2020, the calculation of the EPRA NAV and EPRA NNNAV ratios is replaced by three new indicators: **EPRA NRV**, **EPRA NTA** and **EPRA NDV**⁽¹⁾.

The EPRA Net Asset Value indicator set makes adjustments to the company’s own funds in accordance with the IFRS⁽²⁾ financial statements to provide investors with the most relevant information on the fair value of the assets and liabilities of a property investment firm, in different scenarios.



(1) For more information see: https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.

(2) IFRS (International Financial Reporting Standards).

EPRA Net Asset Value Ratios

	30/06/2022			31/12/2021		
	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Value	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Value
(Thousands of euros)						
Equity attributable to shareholders	880,452	880,452	880,452	855,387	855,387	855,387
(i) Hybrid Instruments	-	-	-	-	-	-
Diluted NAV	880,452	880,452	880,452	855,387	855,387	855,387
Include						
(ii.a) Revaluation of investment properties	-	-	-	-	-	-
(ii.b) Revaluation of investment properties under construction	-	-	-	-	-	-
(ii.c) Revaluation of other non-current investments	-	-	-	-	-	-
(iii) Revaluation of tenant leases held as finance leases	-	-	-	-	-	-
(iv) Revaluation of trading properties	-	-	-	-	-	-
Diluted NAV at Fair Value	880,452	880,452	880,452	855,387	855,387	855,387
Exclude						
(v) Deferred Tax in relation to fair value gains of IP	15,578	15,578	n.a	15,578	15,578	n.a
(vi) Fair value of financial instruments	-	-	n.a	(1,465)	(1,465)	n.a
(vii) Goodwill as a result of deferred tax	-	-	-	-	-	-
(viii.a) Goodwill as per the IFRS Balance Sheet	-	n.a	-	-	n.a	-
(viii.b) Intangibles as per the IFRS Balance Sheet	-	n.a	n.a	-	n.a	n.a
Include						
(ix) Fair value of fixed interest rate debt	n.a	n.a	-	n.a.	n.a	-
(x) Revaluation of intangibles to fair value	n.a	-	n.a	n.a.	-	n.a
(xi) Real estate transfer tax	-	34,969	n.a	-	26,273	n.a
NAV	896,030	930,999	880,452	869,501	895,774	855,387
Number of shares (excluding treasury shares)	83,580,405	83,580,405	83,580,405	83,561,999	83,561,999	83,561,999
NAV per share	10.72 (*)	11.14 (*)	10.53 (*)	10.41	10.72	10.24

Figures may not foot due to rounding.

(*) When analyzing the evolution of this measure it is important to take into account the dividend paid in Q2 2022 (0.36€/share).

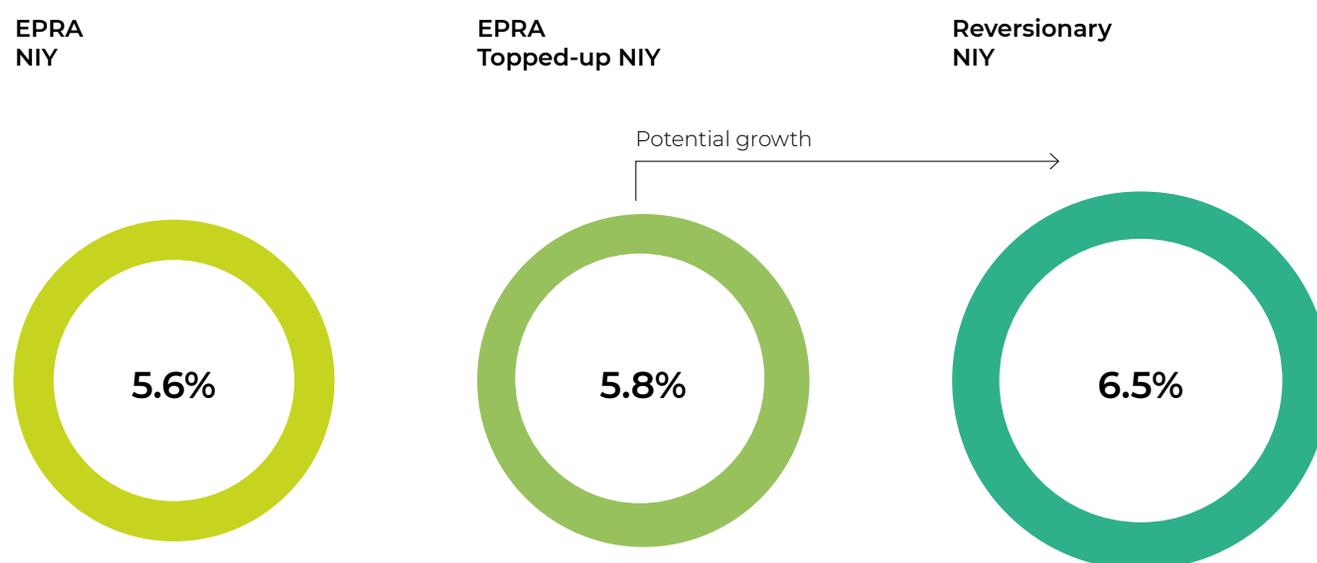
5.3

EPRA NIY and EPRA “topped-up” NIY

(Thousands of euros)	Total Shopping Centres	Total Retail Parks	Total Lar España
Completed Property Portfolio	975,060	493,650	1,468,710
Allowance for estimated purchasers' costs	25,460	9,509	34,969
Gross up completed property portfolio valuation (A)	1,000,520	503,159	1,503,679
Annualised cash passing rental income	61,206	31,464	92,670
Property outgoings	(5,635)	(3,175)	(8,810)
Annualised net rents (B)	55,572	28,288	83,860
Notional rent expiration of rent free periods or other lease incentives	2,234	1,668	3,901
Topped-up net annualised rents (C)	57,805	29,956	87,761
EPRA NET INITIAL YIELD (B/A)	5.6%	5.6%	5.6%
EPRA TOPPED-UP NET INITIAL YIELD (C/A)	5.8%	6.0%	5.8%

Figures may not foot due to rounding.

Yields (*)



(*) At 31 December 2021, EPRA NIY, EPRA Topped-up NIY and Reversionary Yield amounted to 5.7%, 5.9% and 6.7% respectively.

5.4 EPRA Vacancy Rate

EPRA Vacancy
Rate

5.5% (*)

	ERV (Thousands of euros)	ERV Vacancy (Thousands of euros)	EPRA Vacancy Rate (%)
Shopping Centres	64,440	3,379	5.2%
Retail Parks	33,390	1,995	6.0%
TOTAL LAR ESPAÑA	97,830	5,374	5.5%

(*) EPRA Vacancy at 31/12/2021 was 4.8%.

5.5 EPRA Cost Ratios

(Thousands of euros)	Recurring		TOTAL	
	H1 2022	H1 2021	H1 2022	H1 2021
Administrative expenses	(355)	(276)	(519)	(276)
Operating costs net of recoverable income ^{(1) (4)}	(7,681) ⁽²⁾	(7,686)	(10,915) ⁽³⁾	(12,868)
Administrative/operating expenses in associates	-	-	-	-
EPRA Cost (including vacancy cost) (A)	(8,036)	(7,962)	(11,434)	(13,144)
Direct vacancy costs	(1,098)	(1,018)	(1,098)	(1,018)
EPRA Cost (excluding vacancy cost) (B)	(6,938)	(6,944)	(10,336)	(12,126)
Gross Rental Income less ground rent costs-per IFRS ⁽⁵⁾	48,830	47,566	41,774	39,922
Net associated costs (net service charge) ⁽⁴⁾	(3,976)	(4,317)	(3,976)	(4,317)
Gross Rental Income (C)	44,854	43,249	37,798	35,605
EPRA COST RATIO (including direct vacancy costs) A/C	17.9%	18.4%	30.2%	36.9%
EPRA COST RATIO (excluding direct vacancy costs) B/C	15.5%	16.1%	27.3%	34.1%

(1) Maintenance costs are included.

(2) Fixed management fees included.

(3) Fixed and variable management fees included.

(4) The sum of these two headings corresponds to the item "Other expenses" in point 4.2 Consolidated Statement of Comprehensive Income (page 74).

(5) It includes the item "Revenue" and the mall income, which is included in the item "Other income" in point 4.2 Consolidated Statement of Comprehensive Income (page 74).

Share Price Performance

6.1

Share price
information and
performance

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6.2

Analyst
Recommendations

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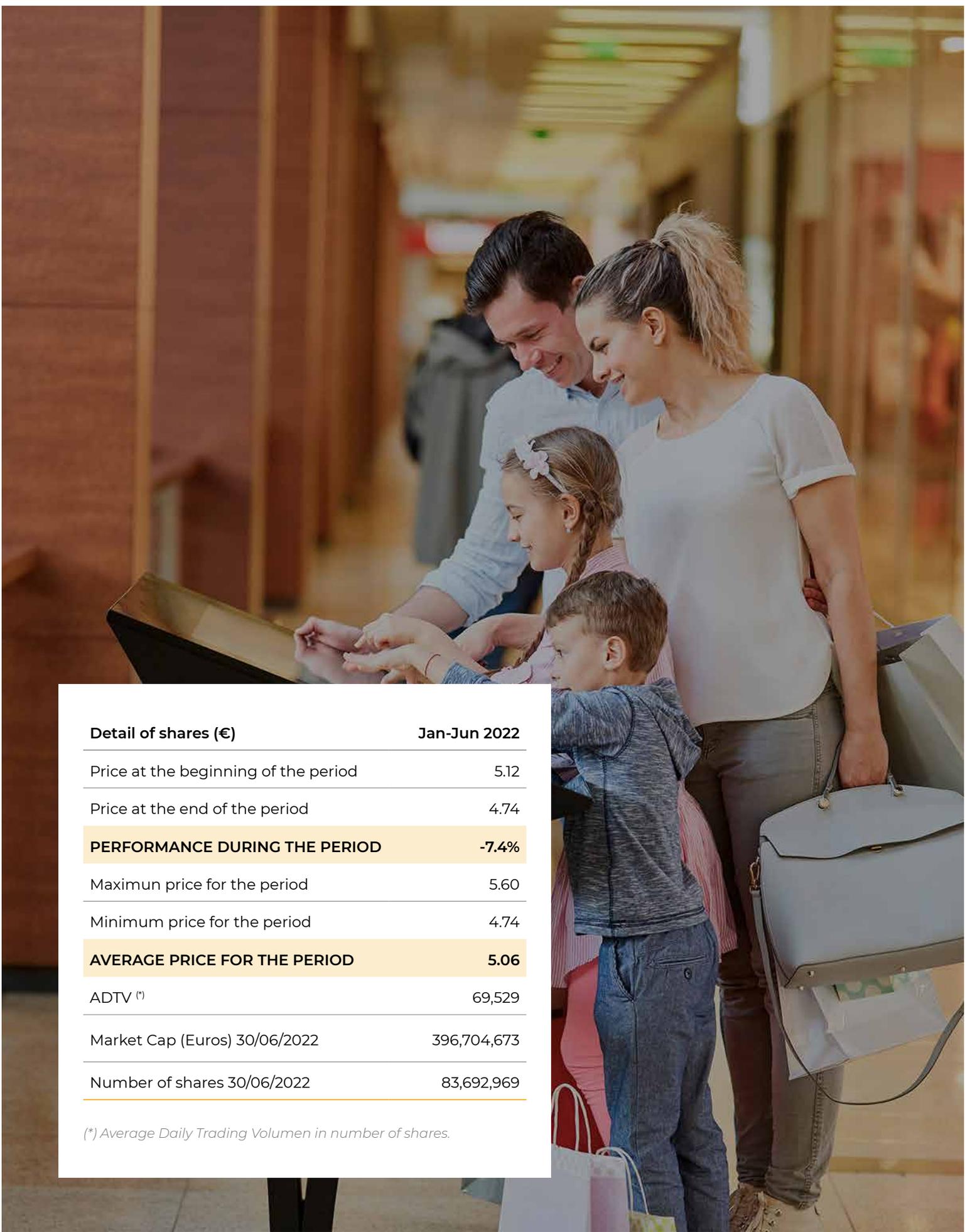
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Lar España was founded with the aim of **generating long-term value** for its shareholders via strong returns on its assets and a significant dividend payout.



6.1

Share price information and performance



Detail of shares (€)	Jan-Jun 2022
Price at the beginning of the period	5.12
Price at the end of the period	4.74
PERFORMANCE DURING THE PERIOD	-7.4%
Maximum price for the period	5.60
Minimum price for the period	4.74
AVERAGE PRICE FOR THE PERIOD	5.06
ADTV ^(*)	69,529
Market Cap (Euros) 30/06/2022	396,704,673
Number of shares 30/06/2022	83,692,969

(*) Average Daily Trading Volumen in number of shares.

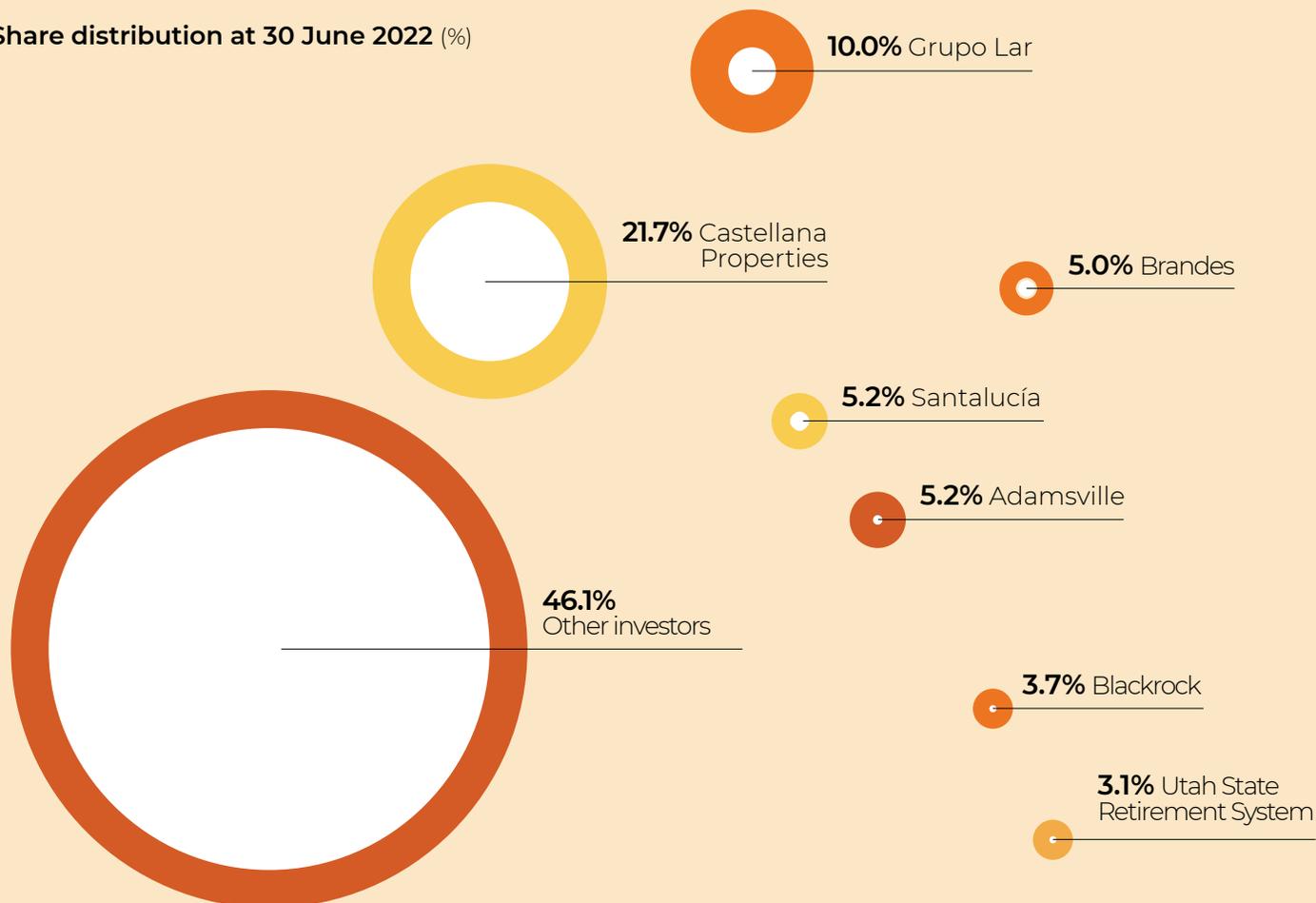
The **share price performance** during the first six months of 2022 compared with the IBEX 35 and EPRA Index performance can be seen in the following graph:

Lar España share price performance vs Ibex 35 and EPRA Index
(January-June 2022)



(*) Sectoral European reference index.

Share distribution at 30 June 2022 (%)



6.2 Analyst Recommendations

As of the date of this report, Lar España has the coverage of 11 analysts, whose average target price is **€7.13**.

50.5%^(*)

**Potential
Return**

64% | Buy

+

27% | Hold

=

9% | Sell

-

Broker	Recommendation	Analysis Date	Target Price (Euros)
 MORNINGSTAR®	Underweight	20/07/2022	5.99
 GVC Gaesco	Buy	27/06/2022	8.65
renta4banco	Buy	27/06/2022	8.00
 intermoney valores sv	Buy	27/06/2022	8.00
JBCapitalMarkets	Buy	27/06/2022	7.50
 Sabadell	Buy	27/06/2022	6.94
 Kempen	Hold	27/06/2022	5.40
BESTINVER 	Buy	20/12/2021	7.70
bankinter.	Hold	20/12/2021	5.38
 MIRABAUD	Sell	17/05/2021	6.00
 Santander	Hold	15/05/2020	8.90

Source: Bloomberg

(*) Taken into account the average target price and the price at the end of the period, at 30 June 2022.



Shopping Centre
Txingudi (Guipúzcoa)

7. Glossary

EBT Earnings Before Tax.	EPRA Net Initial Yield (NIY) Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.
EBIT Earnings Before Interest and Tax.	EPRA Net Reinstatement Value Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.
EBITDA Earnings Before Interest, Tax, Depreciation and Amortisation.	EPRA Net Tangible Assets Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.
Net profit/(loss) Profit/(Loss) for the period after tax.	EPRA "topped-up" NIY This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and stepped rents).
ROE (Return on Equity) Return on equity, calculated by dividing profit for the last 12 months by the company's average equity of the last four quarters.	EPRA Vacancy Rate Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.
ROA (Return on Assets) Return on assets, calculated by dividing profit for the last 12 months by the company's average assets of the last four quarters.	EPRA Cost Ratio Administrative & operating costs (including direct vacancy costs) divided by gross rental income.
Liquidity ratio The Company's capacity to meet its obligations with liquid assets, calculated as the ratio between the Company's current assets and current liabilities.	EPRA Cost Ratio (excluding direct vacancy costs) Administrative & operating costs (excluding direct vacancy costs) divided by gross rental income.
Solvency ratio The Company's financial capacity to meet its payments obligations with all the assets and resources available. It is calculated by dividing equity plus non-current liabilities by non-current assets.	GAV Gross Asset Value.
EPRA European Public Real Estate Association.	GLA Gross Leasable Area in sqm.
EPRA Earnings Earnings from operational activities.	WAULT Weighted average unexpired lease term, calculated as the number of years of unexpired lease term, as from the current date until the first break option, weighted by the gross rent of each individual lease contract.
EPRA Net Disposal Value Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	

**Net LTV (Loan to Value)**

Ratio that measures the total amount of outstanding principal, discounted available cash, against the value of the assets. Calculated as $\text{Net Debt}/\text{GAV}$.

Average maturity period (years)

Represents the average maturity term of the company's debt.

Reversionary Yield

Yield calculated as the ratio between the rental income that would be obtained from leasing the entire area at the market prices estimated by the independent valuers (ERV) and the gross asset value.

Effort Rate

The effort rate is the ratio between the rent and charges (co-ownership charges and property tax in particular) and the turnover generated by the exploitation in the property, object of the rent.

GRI (Gross Rental Income)

Gross income for the period.

NOI (Net Operating Income)

Gross income discounting costs incurred during the period.

Like for like (LfL)

Comparison of one period, with that of the same period the year before, taking into consideration the same number of assets.

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