Situation Update & 9M 2020 results

12-November-2020
DISCLAIMER

This document has been prepared by Lar España Real Estate SOCIMI, S.A. (the "Company") for information purposes only and it is not a regulated information or information which has been subject to prior registration with, or control by, the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores). This document neither is a prospectus nor implies an offer, bid or recommendation for investment. The financial and operational information, as well as the data on the acquisitions which have been carried out, included in the presentation, correspond to the internal recordings and accounting of the Company. Such information may in the future be subject to audit, limited review or any other control by an auditor or an independent third party. Therefore, this information may be modified or amended in the future.

The information contained herein is not the Company considers reliable, but the Company does not warrant or represent that the information is complete or accurate, in particular with respect to data provided by third parties (including certain information relating to the Company's properties such as their catchment areas and performance indicators for periods preceding the time of acquisition by the Company). Neither the Company nor its advisors and representatives assure the completeness, impartiality or accuracy of the information or opinions included herein. In addition, they do not assume responsibilities of any kind, whether for misconduct or negligence, with regard to any damages or losses that may derive from the use of this document or its contents. The information contained in this document has not been subject to independent verification. This document includes forward-looking representations or statements on purposes, expectations or forecasts of the Company or its management up to the date of release of this document. Said forward-looking representations and statements or forecasts are mere value judgments of the Company and do not imply undertakings of future performance. Additionally, they are subject to risks, uncertainties and other factors, which were unknown or not taken into account by the time this document was produced and released and which may cause such actual results, performance or achievements, to be materially different from those expressed or implied by these forward-looking statements. Moreover, these forward-looking statements are based on numerous assumptions (which are not stated in the presentation) regarding the Company's present and future business strategies and the environment in which the Company expects to operate in the future. There are many factors, most of them out of the Company's control, which may cause the Company's actual operations and results to substantially differ from those forward-looking statements.

The financial information contained herein may include items which are not defined under the International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and which are considered to be "alternative performance measures" for the purposes of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 and as defined in the European Securities and Market Authority Guidelines on Alternative Performance Measures dated 5 October 2015. Other companies may calculate such financial information differently or may use such measures for different purposes than we do, limiting the usefulness of such measures as comparative measures. Such financial information may be considered in addition to, and not as a substitute for, or superior to, financial information prepared in accordance with IFRS-EU.

Under no circumstances the Company undertakes to update or release the review of the information included herein or provide additional information. Neither the Company nor any of its advisors or representatives assume any kind of responsibility for any possible deviations that may suffer the forward-looking estimates, forecasts or projections used herein.

This information does not constitute or form part of, and should not be construed as, an offer to sell or issue, or invitation to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any securities of the company, nor shall it or any part of it, nor the fact of its distribution, form the basis of, or be relied on in connection with, any contract or investment decision. This presentation should not be considered by the Company, Grupo Lar Inversiones Inmobiliarias, S.A. or any other person that any person should subscribe or purchase any securities of the Company. Prospective purchasers of securities of the company are required to make their own independent investigation and appraisal.

The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the laws of any state or other jurisdictions of the United States. Such securities may not be offered or sold in the United States except on a limited basis, if at all, to Qualified Institutional Buyers (as defined in Rule 144A under the U.S Securities Act) in reliance on an exemption from, or transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with the relevant state securities laws. The securities of the Company have not been and will not be registered under the applicable securities laws of any state or jurisdiction of Australia, Canada, Japan, South Africa or Switzerland and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan, South Africa or Switzerland or to or for the benefit of any national, resident or citizen of Australia, Canada, Japan, South Africa or Switzerland. The release, distribution or publication of this document in other jurisdictions may also be restricted by law and persons into whose possession this document comes should inform themselves about and observe any such restrictions.

The information contained herein does not necessarily contain all the information that a prospective purchaser of securities of the Company may desire or require in deciding whether or not to purchase such securities.

This document discloses neither the risks nor other material issues regarding an investment in the securities of the Company. The information included in this presentation is subject to, and should be read together with, all publicly available information. Any person acquiring securities of the Company shall do so on its own risk and judgment over the merits and suitability of the securities of the Company, after having received professional advice or of any other kind that may be needed or appropriate but not only on the grounds of this presentation. By delivering this presentation, the Company is not providing any advisory, purchase or sale recommendation, or any other instrument of negotiation over the securities or financial instruments of the Company. This document does not constitute an offer, bid or invitation to acquire or subscribe securities of the Company, in accordance with the provisions of article 35 of the consolidated text of the Spanish Securities Market Act approved by the Royal Legislative Decree 4/2015, of 23 October, and/or the Royal Decree 1310/2005, of 4 November and their implementing regulations. Furthermore, this document does not imply any purchase or sale bid or offer for the exchange of securities or a request for the vote or authorization in any other jurisdiction. The delivery of this document within other jurisdictions may be forbidden.

Recipients of this document or those persons receiving a copy thereof shall be responsible for being aware of, and complying with, such restrictions. By accepting this document you are accepting the foregoing restrictions and warnings. All the foregoing shall be taken into account by those persons or entities which have made decisions or issue opinions relating to the securities issued by the Company. All such persons or entities are invited to consult all public documents and information of the Company registered within the Spanish National Securities Market Commission. Neither the Company nor any of its advisors or representatives are responsible for (i) any kind of responsibility for any damages or losses derived from any use of this document or its contents.
Index

1. RETAIL SECTOR & LAR ESPAÑA
2. COVID-19 UPDATE
3. 9M 2020 RESULTS
4. SUMMARY & NEXT DRIVERS
01

RETAIL SECTOR & LAR ESPAÑA
Retail world: appreciation, discounts... and reality

Spain, a different market
- Commercial Density: Low
- Assets: Modern & adapted
- Online Penetration: Low

The world is going to omnichannel
- Digital Integration vs. Big Data
- Logistics Capacity vs. Need for Shop Windows

Quality companies will overcome COVID-19 impact
- Clear recovery of sales & footfall
- Moderate levels of LTV
- Modernized assets

DIVIDEND YIELDS
Retail REITs dividend yields (pre-COVID) well above other sectors

PORTFOLIO VALUE
Market cap at the same levels of 2015, but with 3x portfolio value

RENTAL INCOME
Increase of rental income YoY while market cap has been decreasing
Undeniable facts that make Lar España different

DIFFERENTIATION  DIVERSIFICATION  MANAGEMENT  INNOVATION  RESPONSIBILITY
Differentiation

**BUSINESS MODEL**

- **PRIME ASSETS IN DOMINANT CATCHMENT AREAS**
  The reference in every catchment area

- **HIGHLY PROTECTED**
  Outstanding quality: optimal size, tenant mix, prime locations and high occupancy

**ASSETS**

- **SHOPPING CENTRES**
  Among the only 74 prime SSCC in Spain

- **RETAIL PARKS**
  42% GLA coming from retail parks with faster recovery

**GEOGRAPHIES**

- **SPANISH MARKET**
  A different place to play

- **STRATEGIC LOCATIONS IN SPAIN**
  Present in all the attractive regions of the Spanish territory
## Diversification

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>MULTIPRODUCT OFFER</th>
<th>Different types of shopping centres, retail parks and retail units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ADAPTED TO THE DIVERSITY OF CUSTOMER NEEDS</td>
<td>Transformation plan almost completed before COVID outbreak</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RETAILERS</th>
<th>RETAILERS INTEGRATION</th>
<th>Retailers as commercial partners with low effort rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SOLVENT AND DIVERSIFIED TENANT BASE</td>
<td>Pulling power of big-name brands and offering a wide range of leisure activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>HIGH EXPOSURE TO RESILIENT ACTIVITIES</th>
<th>c.20% GLA coming from food tenants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OPTIMAL RETAIL MIX</td>
<td>Shopping, dining and leisure experience</td>
</tr>
</tbody>
</table>
Management

**PROPERTY MANAGEMENT**

- **MANAGER EXPERIENCE**
  Grupo Lar real estate experience of +50y

- **CRITICAL ACTIVITIES NOT-EXTERNALIZED**
  Strong internal management team

**RELATIONSHIP MANAGEMENT**

- **SOLID RELATIONSHIP**
  Tailored solutions for each retailer’s strategy

- **STRENGTHENED RELATIONSHIPS WITH COVID**
  Agreements reached 95% GLA

**INVESTMENT MANAGEMENT**

- **OFF-MARKET ACQUISITIONS**
  Focused on crisis-resilient locations & assets

- **FULL OWNERSHIP OF ASSETS**
  Full decision making on assets with c.100% GLA owned
LEADING THE DIGITAL TRANSFORMATION
Incorporating technology as a key element for retailers and customers

BIG DATA FOR ASSET MANAGEMENT
Evaluate the visitor experience and optimize the management of the assets

OPTIMIZATION OF THE CUSTOMER JOURNEY
Detection of new opportunities to provide an excellent customer-centric experience

CUSTOMER INSIGHT & PERSONALISATION
Decisions tailored for the latest trends and solutions in response to identified needs

SHOPPING CENTRES AS OMNICHANNEL SPACES
Unique experiences that provide added value over e-commerce

TRANSACTIONAL WEB TUCENTRO.COM
Pioneer in the integration of the offline and online shopping channels
Responsibility

**FINANCIAL RESPONSIBILITY**

- **RECURRENT INCOME GENERATION & RESILIENCE**
  NOI +23.6% vs 9M 2019, +2.5% LFL. EBITDA +42% vs 9M 2019.

- **STRONG FINANCIAL STRUCTURE & LIQUIDITY**
  Low LTV, no significant maturities in the next 16 months.

**ESG RESPONSIBILITY**

- **ESG AS ANOTHER KEY BUSINESS DRIVER**
  100% shopping centres BREEAM certified and audited in Universal Accessibility

- **GOVERNANCE & TRANSPARENCY**
  Most rigorous standards of good governance

**COVID RESPONSIBILITY**

- **SAFE ASSETS**
  Pioneers in COVID certification with SGS

- **SOCIAL DISTANCING GUARANTEED**
  Large spaces to avoid unnecessary crowding to guarantee hygiene safety
## What we have achieved

### ASSETS & MANAGEMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly protected and resilient portfolio</td>
<td>Multiproduct retail offer SSCC (65%), RRPP (31%) &amp; RRRU (4%)&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Refurbished and safe portfolio</td>
<td>Capex plan almost completed Maximum guarantees of safety (SGS COVID certification)</td>
</tr>
<tr>
<td>Successful operational management</td>
<td>+23.6% NOI vs 9M 2019 +2.5% LfL&lt;sup&gt;2&lt;/sup&gt; NOI</td>
</tr>
<tr>
<td>Comfortable levels of liquidity and solid balance sheet</td>
<td>c. €140 Mn Strong liquidity covering expenses in the next 4y</td>
</tr>
</tbody>
</table>

### CLIENTS & INNOVATION

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimal and comfortable activity mix</td>
<td>43% GLA crisis resilient activities: food (18%) and other&lt;sup&gt;2&lt;/sup&gt; (25%)</td>
</tr>
<tr>
<td>Mix of quality and loyal retailers</td>
<td>96% occupancy &gt;60 contracts &gt;2024</td>
</tr>
<tr>
<td>Proven trust by the final customer</td>
<td>96% footfall recovery in Sep 96% sales recovery in Sep</td>
</tr>
<tr>
<td>Assets fully integrated with the digital world</td>
<td>Omnichannel spaces that provide added value over e-commerce</td>
</tr>
</tbody>
</table>

---

<sup>1</sup> Breakdown by rents.
<sup>2</sup> Like for Like (excluding Lagoh shopping centre).
<sup>3</sup> Includes home, sports and electronics activities.
02
COVID-19 UPDATE
Footfall and sales numbers recovered

GLA opened  | Footfall recovery  | Sales recovery

Jan: 100% | Feb: 104% | Mar: 49% | Apr: 14% | May: 33% | Jun: 95% | Jul: 91% | Aug: 94% | Sep: 96%

Pre-COVID levels  | Partially recovered  | COVID-19 impact

14 Mar  | State of Alarm  | 21 Jun
Outperforming operating performance with a fast recovery

Footfall¹

<table>
<thead>
<tr>
<th></th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vs 9M 2019</td>
<td>-8.7%</td>
<td>-7.9%</td>
<td>-6.5%</td>
<td>-3.9%</td>
</tr>
<tr>
<td>LERE</td>
<td>-36.9%</td>
<td>-25.2%</td>
<td>-22.4%</td>
<td>-19.8%</td>
</tr>
<tr>
<td>Spain</td>
<td>-36.9%</td>
<td>-25.2%</td>
<td>-22.4%</td>
<td>-19.8%</td>
</tr>
</tbody>
</table>

(23.8%)¹
LERE YTD
Total

(34.7%)
SPAIN² YTD

Sales¹, ³

<table>
<thead>
<tr>
<th></th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vs 9M 2019</td>
<td>-5.5%</td>
<td>-8.7%</td>
<td>-6.1%</td>
<td>-4.0%</td>
</tr>
<tr>
<td>LERE</td>
<td>-22.5%</td>
<td>-36.9%</td>
<td>-25.2%</td>
<td>-22.4%</td>
</tr>
</tbody>
</table>

1. Like for Like (excluding Lagoh, Anec Blau and Megapark Leisure Area)
2. Shoppertrak Index
3. Declared sales
Present situation: 85% GLA opened and in operation.

<table>
<thead>
<tr>
<th>Asset</th>
<th>GLA Opened</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lagoh</td>
<td>95.3%</td>
<td>Regional closing: 22:00 to 07:00h and from Nov.10 non-essential activities closed from 18:00h.</td>
</tr>
<tr>
<td>Megapark</td>
<td>94.1%</td>
<td>Regional closing: 23:00 to 06:00h and restaurants closed for 1 month from Nov 7 (Take away allowed).</td>
</tr>
<tr>
<td>Gran Vía de Vigo</td>
<td>88.3%</td>
<td>Regional closing: 23:00 to 06:00h and restaurants closed for 1 month from Nov 7 (Take away allowed).</td>
</tr>
<tr>
<td>Portal de la Marina</td>
<td>99.8%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
<tr>
<td>El Rosal</td>
<td>36.3%</td>
<td>Regional closing: 22:00 to 06:00h. SC closed from Nov 6, during 14 days. Essential activities allowed.</td>
</tr>
<tr>
<td>Ànec Blau</td>
<td>18.2%</td>
<td>Regional closing: 22:00 to 06:00h. SC closed from Oct 30 during 14 days. Essential activities allowed.</td>
</tr>
<tr>
<td>As Termas</td>
<td>96.9%</td>
<td>Regional closing: 23:00 to 06:00h and restaurants closed for 1 month from Nov 7 (Take away allowed).</td>
</tr>
<tr>
<td>Albacenter</td>
<td>100%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset</th>
<th>GLA Opened</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Txingudi</td>
<td>85.4%</td>
<td>Regional closing: 23:00 to 06:00h and restaurants closed for 1 month from Nov 7 (Take away allowed).</td>
</tr>
<tr>
<td>Las Huertas</td>
<td>17.3%</td>
<td>Regional closing: 22:00 to 06:00h. SC closed from Nov 6, during 14 days. Essential activities allowed.</td>
</tr>
<tr>
<td>Abadía</td>
<td>100%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
<tr>
<td>Rivas Futura</td>
<td>100%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
<tr>
<td>Vidanova Parc</td>
<td>89.6%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
<tr>
<td>Vistahermosa</td>
<td>92.7%</td>
<td>Regional closing: 00:00 to 06:00h.</td>
</tr>
<tr>
<td>22 retail units</td>
<td>100%</td>
<td>No restrictions</td>
</tr>
<tr>
<td><strong>Total average</strong></td>
<td><strong>85.4%</strong></td>
<td><strong>Regional closing: 23:00 to 06:00h and restaurants closed for 1 month from Nov 7 (Take away allowed).</strong></td>
</tr>
</tbody>
</table>
85% of rent collected over invoiced up to September

### AGREEMENTS AND CONVERSATIONS WITH TENANTS

<table>
<thead>
<tr>
<th>One-on-one agreements reached &gt;95% GLA</th>
<th>Contracts &gt;2024 +60%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreements reached &gt;95% GLA</td>
<td>Contracts &gt;2024 +60%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>INVOICED RENTS</th>
<th>COLLECTED RENTS OVER INVOICED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2020</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Q2 2020</td>
<td>49%</td>
<td>66%</td>
</tr>
<tr>
<td>Q3 2020</td>
<td>117%¹</td>
<td>75%</td>
</tr>
<tr>
<td>TOTAL 9M</td>
<td></td>
<td>85%</td>
</tr>
</tbody>
</table>

¹. This percentage includes also invoiced rents in Q3 2020 corresponding to Q2 2020 following the agreements reached with retailers.

### ESTIMATED IMPACT OF COVID-19 IN P&L²

- Agreed rent reliefs and deferrals due to COVID c.€19-20 Mn
- Linear impact in P&L during the duration of each contract (Avg. 6-7 years)

². Referent to the impacts of closures until September 30, 2020.
Leasing activity in 9M 2020

- >60% contracts >2024
- 3.4y WAULT
- >1,000 Existing contracts
- 9.5% Effort rate\(^1\) (including expenses)
- 96% Occupancy\(^2\)

18,679 sqm

- 18,679 sqm ROTATED
- 5% ANNUALISED ROTATION RATE

81 OPERATIONS IN 9M 2020

- 81 NEGOTIATED RENT
- 4.4 Mn

---

1. Normalized effort rate as of February 2020.
2. Ratio calculated according to EPRA recommendations.
Capacity to assume this scenario

**RESILIENT PORTFOLIO**

- **MULTIPRODUCT OFFER**
  - Balanced portfolio that has been key to react better and sooner than others
  - 65% Shopping centres
  - 31% Retail parks
  - 4% Retail units
  - c.20% Food
    - High percentage of food tenants
  - BIG BRANDS
    - Differentiated brands in the portfolio

**LIQUIDITY**

- STRONG LIQUIDITY POSITION COVERING ALL THE COMPANY'S EXPENSES, INCLUDING FINANCIAL COSTS, IN THE NEXT 4 YEARS
- c.€140 Mn
  - Cash position
- €102 Mn
  - Potential disposals
- LIQUIDITY PRESERVATION
  - capex and operating expenses reduction

**FINANCIAL STRENGTH**

- NO RELEVANT MATURITIES IN THE NEXT 16 MONTHS
- 41% Net LTV
- 2.2% Avg. cost of debt
- 100% Fixed rate

**RESPONSIBLE MANAGEMENT**

- Lar España assets guarantee all health-hygiene safety, social distancing and communication measures
- 100% assets
  - SGS certified to guarantee hygiene safety
- Large spaces to avoid unnecessary crowding, the best environmental and accessibility practices and latest technology
- Assets are now far better equipped to meet these new requirements after the refurbishments of recent years

---

1. Cash and undrawn credit lines
2. Market value of assets held for sale deducting liabilities
3. Fully owned assets
03
9M 2020
RESULTS
# Operational results in 9M 2020

<table>
<thead>
<tr>
<th>RESULTS</th>
<th>ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>+23.6%</strong></td>
<td>Outperforming the Spanish market</td>
</tr>
<tr>
<td>NOI vs 9M 2019</td>
<td>5.9% EPRA ‘topped-up’ NIY</td>
</tr>
<tr>
<td><strong>+2.5%</strong></td>
<td>96% Occupancy³</td>
</tr>
<tr>
<td>LfL¹ NOI vs 9M 2019</td>
<td>30 Sep 2020</td>
</tr>
<tr>
<td><strong>+42%</strong></td>
<td>3.4 years WAULT</td>
</tr>
<tr>
<td>EBITDA vs 9M 2019</td>
<td></td>
</tr>
<tr>
<td><strong>+61%</strong></td>
<td></td>
</tr>
<tr>
<td>Adj. EPRA Earnings p.s. vs 9M 2019</td>
<td></td>
</tr>
<tr>
<td>€10.79</td>
<td></td>
</tr>
<tr>
<td>EPRA NAV p.s.²</td>
<td></td>
</tr>
</tbody>
</table>

---

1. Like for Like (excluding Lapoh shopping centre).
2. When analyzing this measure it is important to take into account the dividend paid in Q2 2020 (0.63€/share).
3. Ratio calculated according to EPRA recommendations.
Corporate results in 9M 2020

**CORPORATE**

- **€55 Mn dividend**
  - €0.63 p.s.
  - Dividend paid

- **3rd SBB Programme**
  - Extended 5% share capital

- **c.€140 Mn liquidity**
  - Expenses covered over the next 4 years

- **Net LTV**
  - 41%

- **Avg. cost of debt**
  - 2.2%

**ESG**

- **100%**
  - Recommendations of the CNMV Good Governance Code complied

- **AENOR Univesal Accessibility Certification**
  - VidaNova Parc & Vistahermosa

- **100%**
  - Shopping centres BREEAM certified

- **100%**
  - Assets SGS certified against COVID-19

---

2. Cash and undrawn credit lines
3. 100% assets fully owned.
**Financial key figures 9M 2020**

- **Assets**: €1,509 Mn
- **GAV**
- **GRI**: €53.6 Mn (+42% vs 9M 2019)
- **EBITDA**: €71.4 Mn
- **GAV**: €729.3 Mn
- **Financial debt**: €729.3 Mn (2.2% Cost of Debt)
- **GLA sqm**: 578,345
- **Net financial debt**: €621.1 Mn (41% Net LTV)
- **WAULT**: 3.4 y

**Notes:**

1. Information based on valuations carried out by independent valuers on 30 June 2020, reflecting the impact of the pandemic crisis and the declaration of the State of Alarm.
2. When analyzing this measure it is important to take into account the dividend paid in Q2 2020 (0.63€/share).
Retail performance 9M 2020

Operating results

- **+22.9%**
  - GRI 9M 2020
- **+23.6%**
  - NOI 9M 2020
- **+12.4%**
  - Food sales September 2020
- **+11.0%**
  - Other resilient activities sales\(^2\) September 2020
- **+1.6%**
  - LfL GRI\(^1\) 9M 2020
- **+2.5%**
  - LfL NOI\(^1\) 9M 2020
- **96%**
  - Occupancy\(^3\)

Retail yields

EPRA NIY

- **5.7%**

EPRA topped-up NIY

- **5.9%**

Reversionary NIY

- **6.5%**

---

1. Like for Like excluding Lagoh Shopping centre.
2. Includes home, sports and other retail.
3. Ratio calculated according to EPRA recommendations.
## Consolidated Income Statement 9M 2020 (€ Millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Income</td>
<td>71.4</td>
<td>-</td>
<td>71.4</td>
<td>57.8</td>
<td>-</td>
</tr>
<tr>
<td>Other Income</td>
<td>1.7</td>
<td>-</td>
<td>1.7</td>
<td>1.7</td>
<td>-</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(0.4)</td>
<td>-</td>
<td>(0.4)</td>
<td>(0.3)</td>
<td>-</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(17.0)</td>
<td>(2.2)</td>
<td>(19.2)</td>
<td>(16.6)</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Property Operating Result</td>
<td>55.8</td>
<td>(2.2)</td>
<td>53.6</td>
<td>42.6</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Changes in the Fair Value of investment properties</td>
<td>-</td>
<td>(55.9)</td>
<td>(55.9)</td>
<td>-</td>
<td>55.1</td>
</tr>
<tr>
<td>EBIT</td>
<td>55.8</td>
<td>(58.1)</td>
<td>(2.3)</td>
<td>42.6</td>
<td>50.2</td>
</tr>
<tr>
<td>Financial Result</td>
<td>(14.9)</td>
<td>-</td>
<td>(14.9)</td>
<td>(14.7)</td>
<td>-</td>
</tr>
<tr>
<td>Share in profit (loss) for the period of equity-accounted companies</td>
<td>-</td>
<td>(0.2)</td>
<td>(0.2)</td>
<td>-</td>
<td>1.2</td>
</tr>
<tr>
<td>EBT</td>
<td>40.9</td>
<td>(58.3)</td>
<td>(17.4)</td>
<td>27.9</td>
<td>51.4</td>
</tr>
<tr>
<td>Income Tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Profit for the Period</td>
<td>40.9</td>
<td>(58.3)</td>
<td>(17.4)</td>
<td>27.9</td>
<td>51.2</td>
</tr>
</tbody>
</table>

Notes:
May not foot due to rounding.
Financial pillars and liquidity: No significant maturities in the next 16 months

- Expenses covered over the next 4 years:
  - Cash and undrawn credit lines: c.140€

- Debt Structure and Amortization Profile:
  - As at 30.09.2020:
    - €140 Mn Senior Secured Bond
    - €589.3 Mn Bank Debt
  - Expenses covered over the next 4 years:
    - €2.7 Mn in 2020
    - €9.7 Mn in 2021
    - €114.5 Mn in 2022
    - €173.7 Mn in 2023

- Gross financial debt: €729.3 Mn
- Net financial debt: €621.1 Mn

- Avg. debt maturity: 3.3y
- Avg. cost of debt: 2.2%
Exemplary property management and good governance

<table>
<thead>
<tr>
<th>ENVIRONMENTAL COMMITMENT</th>
<th>SOCIETY COMMITMENT</th>
<th>CORPORATE GOVERNANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data automation in shopping malls</td>
<td>100% of the portfolio audited in Universal Accessibility (ILUNION)</td>
<td>United commitment against COVID-19</td>
</tr>
<tr>
<td>Greater periodicity, greater data homogenization and time savings</td>
<td>67% of the portfolio in process of certification in UNEEN170001 (AENOR)</td>
<td>▪ Grupo Lar has reduced its base fee.</td>
</tr>
<tr>
<td>Carbon footprint analysis</td>
<td>In process to obtaining the AENOR Universal Accessibility seal in 10 of the 15 assets.</td>
<td>▪ Lar España BoD has reduced its 2020 remuneration.</td>
</tr>
<tr>
<td>Lar España to reduce the greenhouse gases</td>
<td>All new agreements signed requiring compliance with ESG criteria</td>
<td></td>
</tr>
<tr>
<td>Energy Efficiency Plan</td>
<td>COVID-19 protocol verification of control, safety and hygiene</td>
<td></td>
</tr>
<tr>
<td>Reducing our energy consumption and costs</td>
<td></td>
<td>20% scoring annual improvement</td>
</tr>
<tr>
<td>Waste Management Plan</td>
<td></td>
<td>Working on GRESB assessment</td>
</tr>
<tr>
<td>to optimize the collection, transport and treatment of waste</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100% of SCs certified rated “Good” or “Very Good”</td>
<td></td>
</tr>
</tbody>
</table>

- Data automation in shopping malls
- Greater periodicity, greater data homogenization and time savings
- Carbon footprint analysis
- Lar España to reduce the greenhouse gases
- Energy Efficiency Plan
- Reducing our energy consumption and costs
- Waste Management Plan
- to optimize the collection, transport and treatment of waste
- 100% of the portfolio audited in Universal Accessibility (ILUNION)
- 67% of the portfolio in process of certification in UNEEN170001 (AENOR)
- In process to obtaining the AENOR Universal Accessibility seal in 10 of the 15 assets.
- All new agreements signed requiring compliance with ESG criteria
- 20% scoring annual improvement
- Working on GRESB assessment
- United commitment against COVID-19
  - Grupo Lar has reduced its base fee.
  - Lar España BoD has reduced its 2020 remuneration.
## Reasons to be confident in Lar España

### MARKET OPPORTUNITY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Spain, a differentiated market</td>
</tr>
<tr>
<td>2</td>
<td>Retail sector, an opportunity to enter at attractive yields</td>
</tr>
<tr>
<td>3</td>
<td>Strong value creation through the years not reflected in share price</td>
</tr>
</tbody>
</table>

### UNIQUE PORTFOLIO

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Only prime assets in dominant catchment areas</td>
</tr>
<tr>
<td>5</td>
<td>Ownership of the assets delivering flexibility on decision-making</td>
</tr>
<tr>
<td>6</td>
<td>High exposure to resilient activities, c.20% from food tenants</td>
</tr>
<tr>
<td>7</td>
<td>Multiproduct offer with shopping centres, retail parks and retail units</td>
</tr>
<tr>
<td>8</td>
<td>Refurbishment plan almost completed before health crisis</td>
</tr>
<tr>
<td>9</td>
<td>Big data &amp; digital strategy implemented</td>
</tr>
</tbody>
</table>

### STRONG COMPANY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Fast recovery of footfall in Sep 2020 (96%), outperforming the Spanish market (80%)</td>
</tr>
<tr>
<td>11</td>
<td>Steady recovery of sales in Sep 2020 of 96% vs Sep 2019</td>
</tr>
<tr>
<td>12</td>
<td>Rental Income: +24%  EBITDA: +42%  Recurring Net Profit: +46%</td>
</tr>
<tr>
<td>13</td>
<td>Solid relationships with retailers &gt;60% contracts with maturities &gt;2024  96% occupancy</td>
</tr>
<tr>
<td>14</td>
<td>Solid financial structure with a limited LTV of 41% and no maturities shortly</td>
</tr>
<tr>
<td>15</td>
<td>Capacity to assume this scenario with a strong liquidity position</td>
</tr>
</tbody>
</table>
## Next drivers

<table>
<thead>
<tr>
<th>TARGET</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dividends</strong></td>
<td>▪ To maintain attractive dividend</td>
</tr>
<tr>
<td><strong>Additional cash generation</strong></td>
<td>▪ Disposals</td>
</tr>
<tr>
<td><strong>Capital increase</strong></td>
<td>▪ No share capital increase</td>
</tr>
</tbody>
</table>
| **Strengthen balance sheet** | ▪ Moderate levels of LTV & no significant maturities <2022  
▪ Renegotiation of debt underway | Enough cash to cover all company’s expenses in the next 4y |
| **Current SBB** | ▪ 3rd SBB extended 6 months until 14 April 2021  
▪ 5% company’s Share Capital or €45 Mn | Already executed: 63% share capital (2.9 Mn shares) |
| **Capex & new developments** | ▪ Capex programme almost completed before COVID  
▪ Remaining capex programme reduced to minimum | Decisions on new projects will not be taken before this health situation is over |
| **No acquisitions** | ▪ Decision-making on acquisitions on-hold | In accordance with the prudent cash control policy until the health situation is over |