



Assets
in action!

9M 2021 BUSINESS UPDATE

14th December 2021



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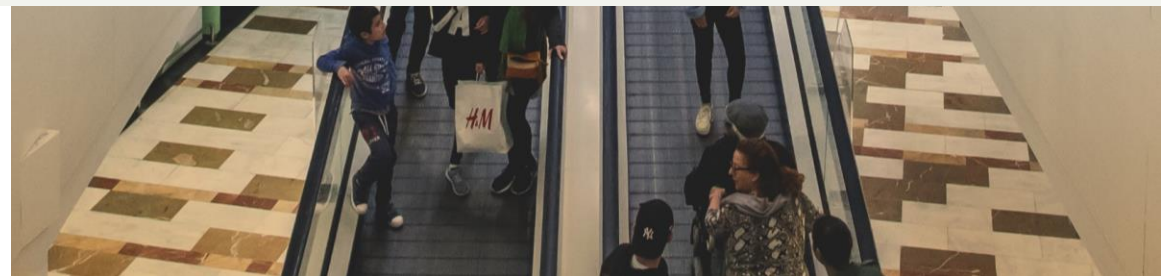
Closing
remarks



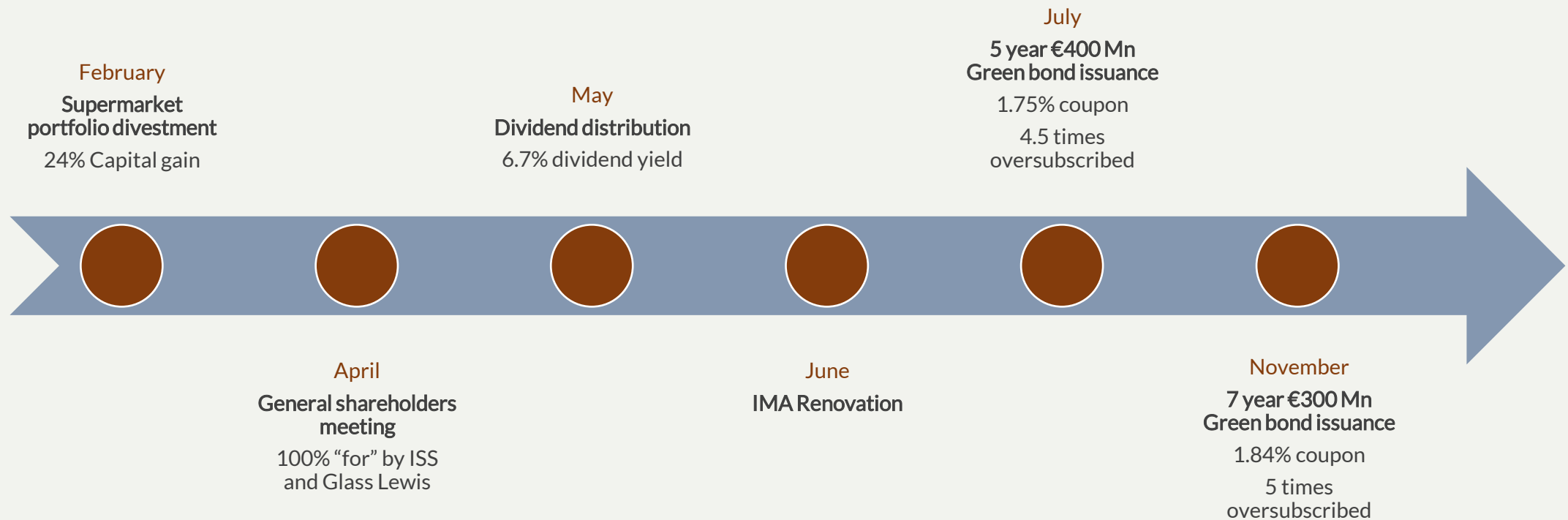
Summary

Jon Armentia
Corporate Director & CFO of Lar España

1



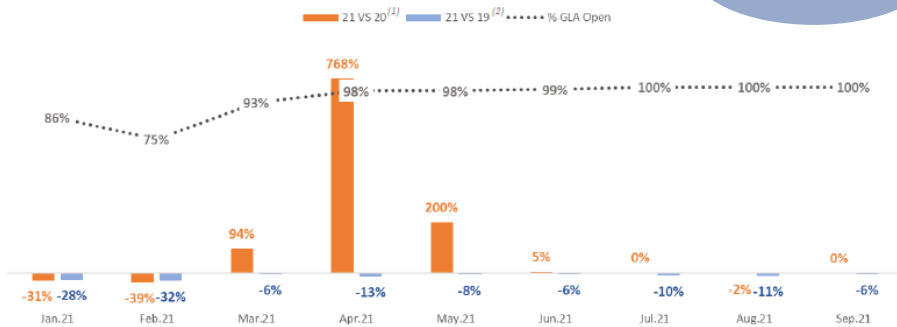
Strong corporate performance in 2021



Despite the pandemic, the company remains in very good health

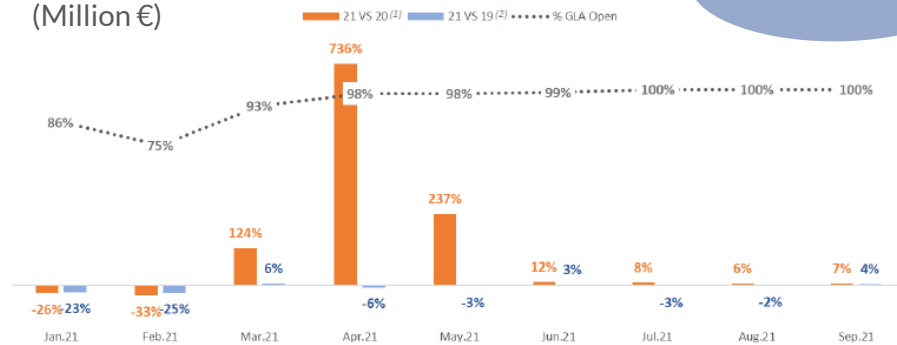
Footfall vs 2020 & vs 2019
(Million visits)

53.2 Mn

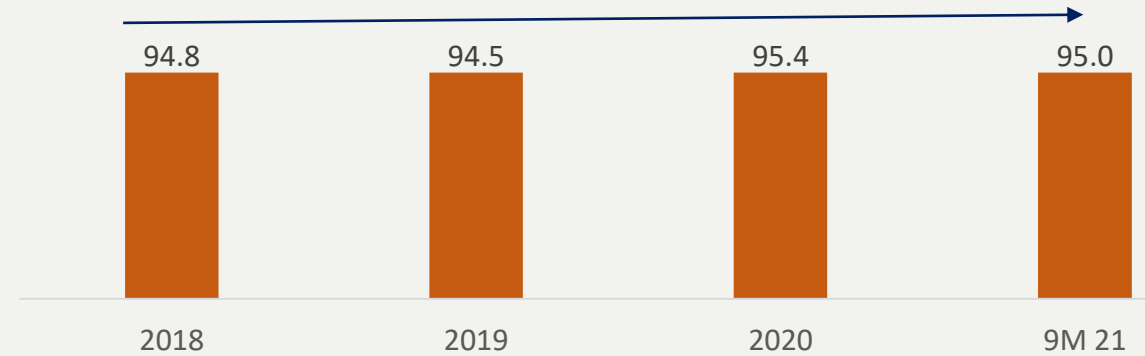


Sales vs 2020 & vs 2019
(Million €)

617.0 €Mn



Stable occupancy
(%)



Close relationships with tenants

GLA Opened	One-on-one agreements reached	Contracts >2024
100 %	c.100 % GLA	c.70 %

(1) Like for Like excluding Ànec Blau and Megapark Leisure Area/ (2) Like for Like excluding Lagoh, ÀnecBlau and Megapark Leisure Area

Maintaining a good level of operating and financial results

Results

€ 60.4 Mn

GRI 9M 2021

€ 14.3 Mn

Net Profit 9M 2021

€10.27¹

EPRA NTA p.s.

Assets

95%

Occupancy 30th September 2021

90%

Collected rents at 30th September 2021

91%

Collected rents at 31st October 2021



From January to October we have collected €8.0 Mn related to amounts invoiced in 2020, which means that a **97%** of total 2020 invoiced has been collected

Corporate

€400 Mn + €300 Mn

Green bonds issued

c.€200Mn²

Liquidity

Expenses covered over the next 4 years

Net LTV **41%** & Av. cost of debt **1.8%**

Closing 9M 21

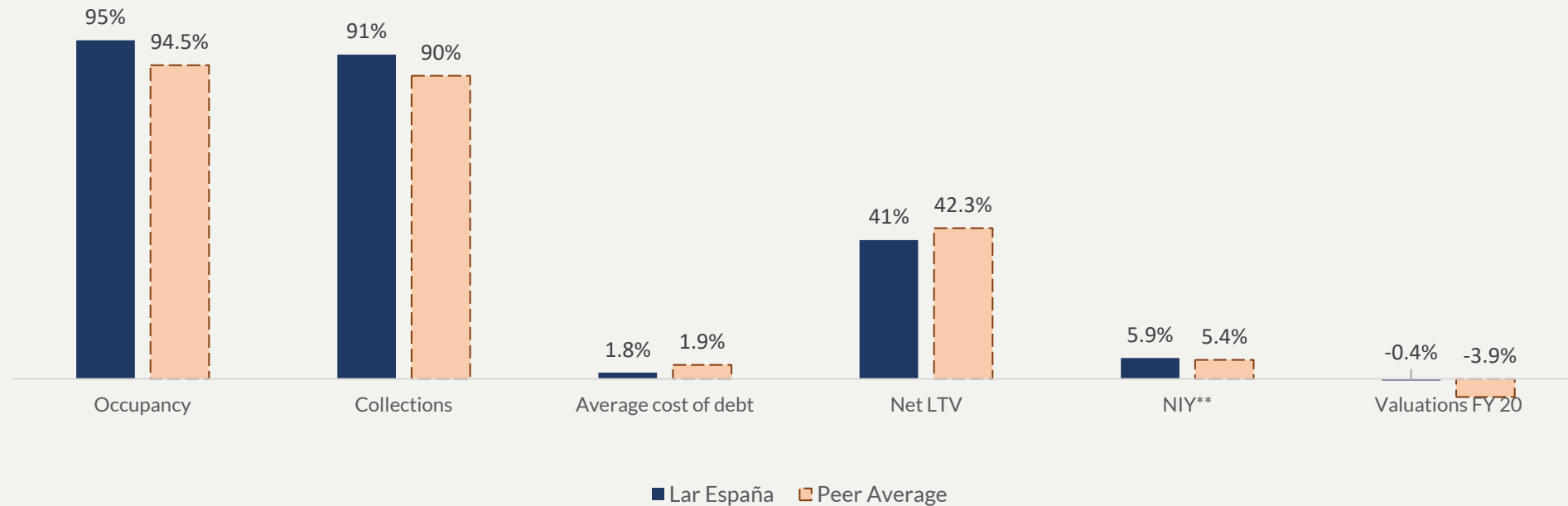
Post bonds issuances

¹ When analyzing this measure it is important to take into account the dividend paid in Q2 2021 (0.31€/share).

² Proforma figure of the cash available after green bond issuances

Prominent positioning in the European Retail Market

Outstanding performance among European peers*



*Public data obtained from the 9M21 results of a universe of 9 European peers. Own elaboration

** Topped-Up NIY

One of the most profitable options for the shareholder in the Spanish market

One of the 3 best dividend yield
in the Spanish stock market

	Dividends	
2018	€ 75 Mn	10.7% Div. Yield ¹
2019	€ 55 Mn	8.9% Div. yield ¹
2020	€ 27.5 Mn	6.7% Div yield ¹
Total	€1 57.5 Mn	

One of the largest capital
reductions in the Spanish stock
market

Program	SBB	
1st	3.1 Mn shares	3.5% Share Capital ²
2nd	4.7 Mn shares	5.4% Share Capital ²
3rd	3.9 Mn shares	4.5% Share Capital ²
Total	11.7 Mn shares	13.4% Share Capital

With the best in class practices in ESG

MSCI **BBB**
MSCI ESG Rating

ISS

Successful Green Bond Issuance.

Lar España successfully issued two unsecured senior green bonds for **€700 Million**. ISS-ESG has provided a Second Party Opinion on this Framework



Carbon Footprint Registration
2018, 2019 & 2020

The company also submitted its **Emissions Reduction Plan** to the Ministry as another step towards carbon neutrality.



100% Shopping Centres BREEAM Certified, “Excelent” or “Very Good”

3 Excellent
7 Very Good
2 Good

12 certified assets:
• **8** certifications have been renewed during 2021
• **1** new certificate



For the seventh consecutive year, Lar España has been awarded the **EPRA Gold Award** for the quality of financial and ESG information, for the fourth consecutive year



FTSE Russell Global Index kept Lar España as a constituent on its **FTSE4Good index**.



For the fourth year running, Lar España has taken part in the 2021 **GRESB assessment**. Achieving a score of **86** meaning a **+25%** annual score increase vs 2020 and a **+56%** vs 2019 score.



Renewal of the Commitment to the **UN Global Compact** and **SDG goals**. Furthermore, the company is currently working to develop an overarching **Action Plan** to bring our entire portfolio in line with our commitment to our priority SDGs in order to align the company’s sustainability strategy with UN Agenda 2030.



ISO 14001 & 45001 Environmental certifications.

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



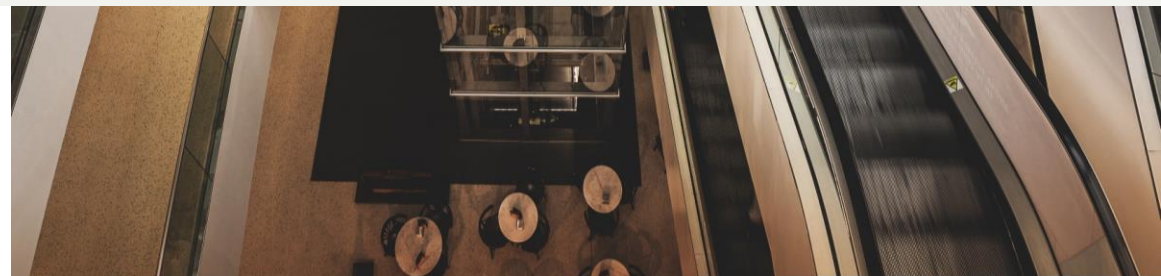
24th Of 116
+11% vs 2020
General Ranking

5th Of 25
+17% vs 2020
Financial and Real Estate sector

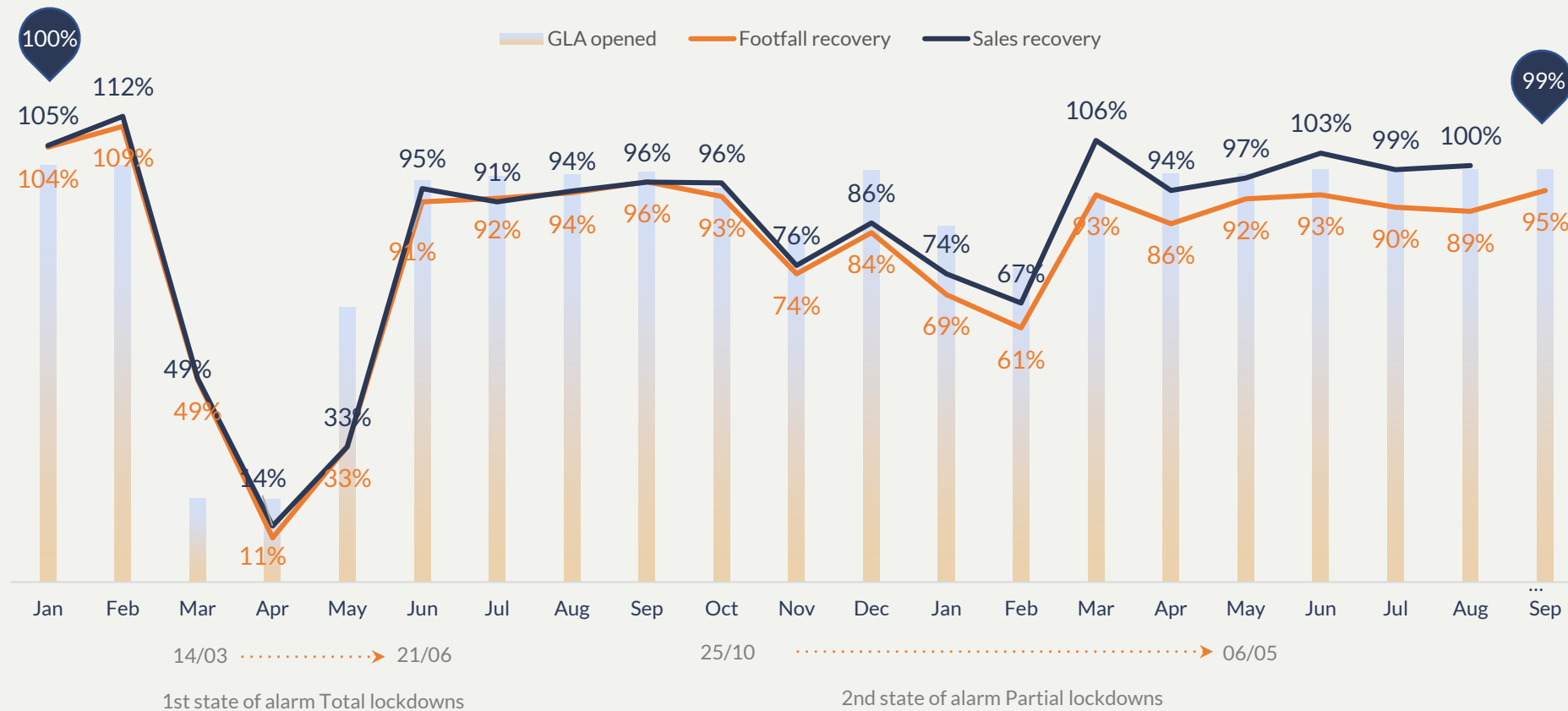


Operating performance

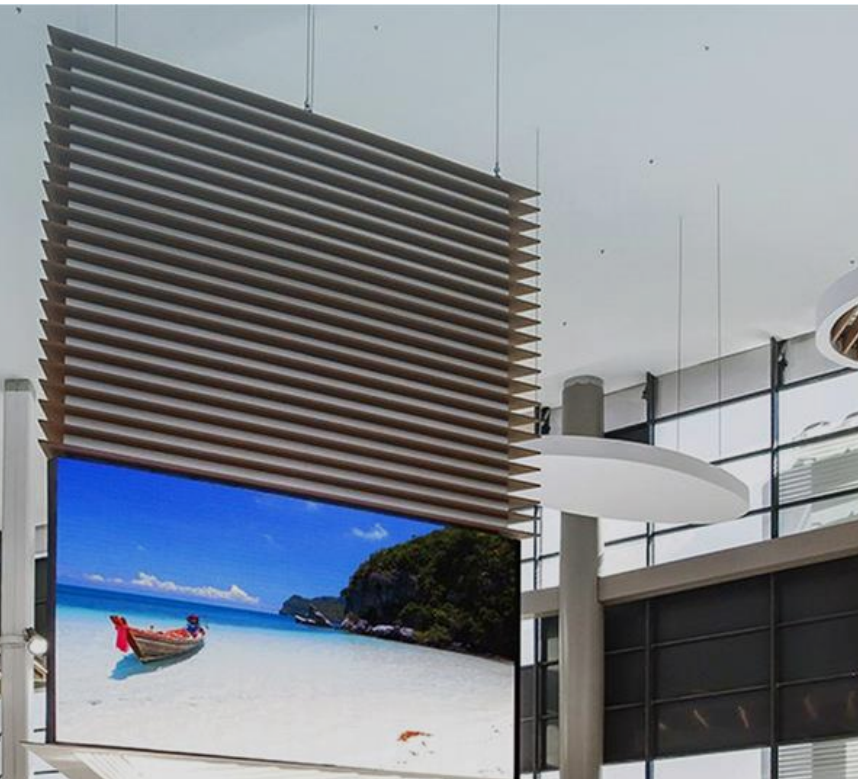
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Footfall and Sales numbers recovery vs 2019



Recovering pre COVID levels



9M 2021 Operating performance

Agreements and conversations with tenants

One-on-one
agreements reached
c.100 % GLA

Contracts >2024
c.70 %

Collected rents at 30th September 2021
90%

Collected rents at October 31st 2021
91%

! From January to October we have collected €8.0 Mn related to amounts invoiced in 2020, which means that a **97%** of total 2020 invoiced has been collected

Sales & Footfall

Sales
€ 617.0 Million
-5.4%¹
vs 9M19 LfL
+24.3%²
vs 9M20 LfL

Footfall
53.2 Million visits
-13.2%¹
vs 9M19 LfL
+15.6%²
vs 9M20 LfL

¹ Like for Like (excluding Lagoh, Ànec Blau and Megapark Leisure Area assets)

² Like for Like (excluding Ànec Blau and Megapark Leisure Area assets)

Leasing activity in 9M 2021

c.70%
contracts
>2024

2.7 y
WAULT

17,302 sqm
Rotated

4 %
Annualised rotation rate

+2.4 %²
Rent uplift

9.02%
Effort rate
expenses included

95%
Occupancy¹

>1,000
Existing
contracts

63
Operations in 9M 2021

3.5 Mn
Negotiated rent

¹ Ratio calculated according to EPRA recommendations.

² Excluding 4 non-comparable operations.



Financial information & ESG

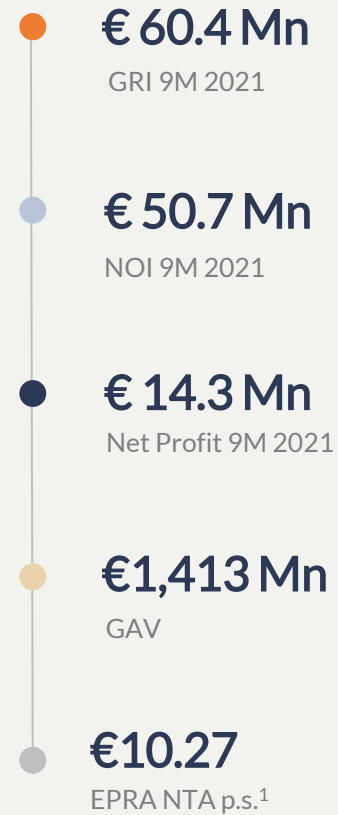
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Operating Results in 9M 2021



Results



¹ When analyzing this measure it is important to take into account the dividend paid in Q2 2021 (0.31€/share).
² Ratio calculated according to EPRA recommendations.

Assets



Corporate Results in 9M 2021

EPRA Gold Award Financial
Reporting 7th year in a row



EPRA Gold Award ESG
Reporting 4th year in a row



Corporate

€27.5 Mn
Dividend
€0.31 p.s. paid dividend

6.7 %
Dividend Yield
Over market cap¹

c.€200Mn²
Liquidity
Expenses covered over
the next 4 years

€400 Mn
Green Bond issuance

1.75%
Interest rate

Net LTV 41%
Closing 9M 21

€300 Mn
Green Bond issuance

1.84%
Interest rate

Average cost of debt 1.8%
Post bonds issuances

¹ Market Cap as of 31 December 2020

² Proforma figure of the cash available after green bond issuances.

Financial profile after the bond issuances

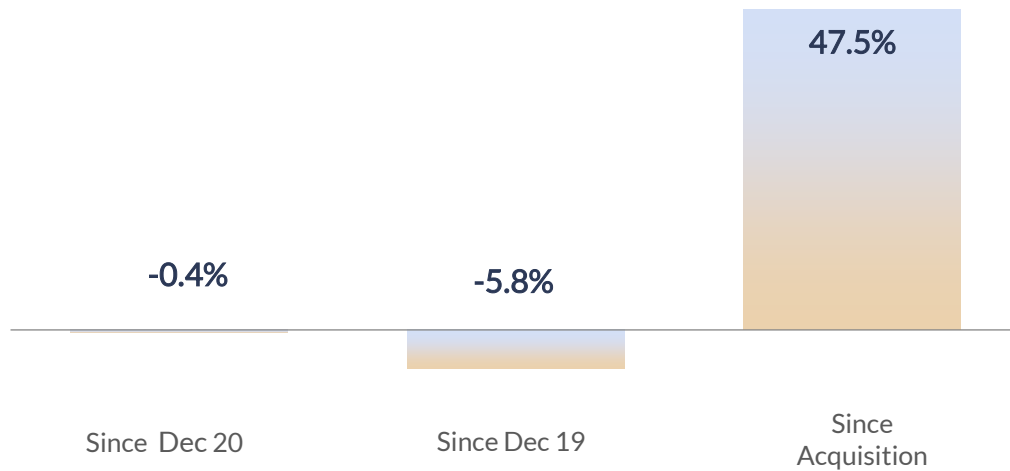


Stable valuations

30th June 2021 Valuation
€1,411.1 Mn

Including Capex Invested

Asset appraisal June 2021



The capital value/sqm is solid and will remain controlled

- A resilient portfolio of dominant shopping centres in attractive catchment areas.
- Cherry picked portfolio, assets carefully analysed and selected without buying portfolios.
- Assets c.100% owned, delivering flexibility, control and full decision capacity.
- Solvent and diversified tenant base with a WAULT of 2.7 years and close medium-and long-term relationships.
- Active management with last trends in technology, omnichannel strategy and customer knowledge experience.

P&L 9M 2021

	9M 2021	9M 2020
Consolidated Income Statement 9M 2021 (€ Thousands)	Total	Total
Rental Income	58,354 ¹	71,396 ¹
Other Income	2,053	1,735
Personnel expenses	(416)	(364)
Other expenses	(24,409)	(19,189)
Changes in the Fair Value of investment properties	(7,564)	(55,877)
Results from Divestment	9	-
EBIT	28,027	(2,299)
Financial Result	(15,332)	(14,908)
Share in profit (loss) for the period of equity-accounted companies	-	(175)
EBT	12,695	(17,382)
Income Tax	1,623	-
Profit/(Loss) for the Period	14,318	(17,382)

Notes: May not foot due to rounding

¹ Rental income main differences correspond to :22 supermarkets divestment (-€2.4 Mn) and lease incentives (-€10.6 Mn)

Closing remarks

4



Lar España, despite of the Covid-19 pandemic, a strong and resilient leader in the retail segment



Closing remarks

1

Lar España only owns assets in dominant areas with **right mix** of shopping centres and retail parks. **67%** shopping centers **33%** retail parks

2

The company has a high exposure to **essential activities** c.20% of GLA.

3

Full ownership of the assets with **Big data & digital strategy** already implemented. More than **10** ongoing innovation programs

4

Strong operating results over the years, outperforming the Spanish and European market.

GRI **60.4 M€¹**
Net Profit **14.3 M€¹**

5

Quick **capability to recover** footfall and sales after lockdown periods.

617.0 Mn€ sales¹
53.2 Mn visits¹

6

Attractive **dividend policy and SBB** over the years. Last dividend paid € 27.5 Mn.

6.7% over market cap.



www.larespana.com