

HALF-YEARLY REPORT H1

20 24

Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.



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1.1 Lar España in 2024

In these first six months of 2024, the Company has continued to pursue an **active portfolio management approach**, investing in innovation, exploring new frontiers and harnessing technology to streamline our operational systems. Our goal is to take retail to another level, offering a unique visitor experience that puts our centres in a class of their own.

We boast a **consolidated roster of extremely diverse, high-quality** tenants. Thanks to the close contact we maintain with our tenants, we have strengthened the bond with retailers and supported long-term, stable lease agreements.

Ensuring we have a constant dialogue with stakeholders remains a top priority, as the Company seeks to anticipate and respond to the diversity of needs and preferences within its customer base. Lar España's shopping centres have evolved to offer a great deal more than shopping. They have become vibrant hubs where leisure, culture, dining and entertainment come together to form one outstanding destination.

Stable and sustainable leverage

Following the issue of €700 million in **senior unsecured green bonds** in 2021, with maturities in July 2026 and November 2028, the Company's debt stood at a €770 million, with an average financing cost of 1.8%.

In 2023, we made **partial repurchases** of these bonds for a total of €119.0 million to reduce leverage, recognise a positive effect on the income statement and generate a return on cash resources.

Furthermore, our **line of credit was renewed** with Banco Sabadell in June for a one-year term, at a rate of Euribor 3M +0.45%. Not only have we secured **significantly better conditions**, but this financing also now qualifies as "green debt".

This means that thanks to our asset management model and the decision to incorporate ESG criteria into this model, **100% of the Company's debt is now considered sustainable** – given it originates from a European Investment Bank loan granted in 2018 and drawn down in 2020, from the two green bond issues completed in 2021 and from the line of credit detailed above.

In July 2024, the rating agency Fitch also announced that it had renewed the 'BBB' Investment Grade rating awarded both to Lar España and its two active green bond issues. Lar España therefore remains the highest-rated company in its category.

	Rating	Outlook
FitchRatings	BBB	Stable

Financial resilience and operational strength

Lar España's unique expertise in the retail sector, our tireless pursuit of sustainability and technological innovation and our financial resilience make us the undisputed leaders in our field. We have the advantage of a fully refurbished portfolio that has given us a competitive edge in **attracting and retaining tenants**. Approximately 65% of lease agreements will not expire until 2027 or beyond, and our occupancy rate remains exceptionally high at 96% on 30 June 2024.

The Company has seen footfall and sales rise compared to the same period of the previous year. In H1 2024, a total of **33.7 million people visited** the assets in the portfolio, **up 1.5% LfL** versus H1 2023. Meanwhile sales reached **€472.3 million, +4.9%** more than in H1 2023.

This led to a **6.6% boost (LfL)⁽¹⁾ to the income line on our Profit and Loss Account** for H1 2024, compared to the same period of 2023, bringing the total to **€47.2 million**. Our profit for this financial year has already exceeded **€22.3 million**.

(1) Excluding the retail parks Rivas Futura and Vistahermosa which were divested in July 2023.





Firmly committed to corporate sustainability

For the last decade, we have made **ESG principles an integral part** of our business model and decision-making mindset, moving in step with new regulatory obligations, market trends and the needs and concerns of our stakeholders.

This proactive stance naturally leads to responsible and transparent management, underpinned by a solid financial profile and a commitment to **sustainability in the short, medium and long term**. As always, our roadmap for 2024 continues to be very much focused on creating value.

Some of this year's chief milestones and key projects (detailed in section 3. *ESG* of this report) include:

- Publication of first [Report of climate-related risks](#).
- **Meeting almost 100%** of recommendations contained in the Spanish Securities Market Commission's Good Governance Code.
- Continuing to operationalise our **energy optimization management system** in compliance with ISO 50001 in our assets under operational control.
- **Securing BREEAM certification for all of Lar España's properties**, including a new "In-Use" **certification for Lagoh**, with a rating of "Outstanding" for both the building and our management model. This makes Lagoh the highest-scoring property in Spain under V6 of the framework.
- Preparing to submit our verified **carbon footprint** calculation to the Ministry for the Ecological Transition and Demographic Challenge (MITERD) with a view to retaining our "Calculo" and "Reduzco" seals from 2023.
- Monitoring progress on our **Energy Efficiency Plan** and the objectives set.
- Researching potential routes to **cutting our properties' water consumption**, following an analysis of the Company's water footprint in 2023.
- Participating in the **Carbon Disclosure Project (CDP)** climate survey for the first time.
- Participating in **GRESB (Global Real Estate Sector Benchmark)**, the leading benchmarking scheme for our sector, for the seventh year.
- Adding **green clauses** to more of our lease agreements, attaining approximately 30% portfolio coverage.

Pioneers in innovation

At Lar España, we do our utmost to deliver an outstanding shopping experience, leveraging specific tools to garner insights into our customers' preferences, needs and expectations. The sector is shifting towards a **hybrid omnichannel model**, where physical and online stores link seamlessly to deliver a higher level of service, optimise management processes and make more powerful use of data.

During H1 2024, the Company continued to work on the following projects:

Business development

→ SEO Positioning

We are working to boost our online visibility across multiple search engines. Statistics are as follows during this first half of the year:

Total
visits

1,591,790

Sessions

721,993

Users

488,863



→ Marketing reporting

Our various marketing reports are now consolidated into a single **dashboard**, where our **main KPIs** can be seen at a glance: footfall, sales, average spend, dwell time, etc. This has resulted in significant improvements to both data analysis and decision-making.

→ Salesforce reporting

We reworked our main KPIs for the **Disfrutones Club** to allow us to monitor performance more quickly and more effectively.

→ Customer experience for tenants

A research project got under way to gain a more detailed picture of our **tenant experience**. This is intended to lay the groundwork for a stronger, more collaborative relationship, attuned to today's trends and needs and embodying best practice in the retail sector.

→ Smart Mall

We rolled out a network of data collection points, processing tools and display panels to **bring together all of our information** on our visitors and their behaviour.

→ Mallcomm

We launched a **360° platform** for facilitating communication between tenants, all levels of centre management and service provision, retail staff, store managers and other relevant actors.

→ Seeketing

Also new for this year, this platform **synthesises information** flowing from the various communications channels at each centre, cross-referencing and analysing key data to inform new initiatives in marketing, customer satisfaction, value creation, property management optimisation and more.

More value for customers

→ The Disfrutones Club

As a fundamental part of our marketing strategy, we continue to invest in our **loyalty club** to provide value to its members through discounts, sweepstakes, events, and exclusive services.

→ Interactive directories

In 2023, interactive directories were installed as a pilot project at Portal de la Marina. Marking a further step towards digitalisation, these user-friendly tools offer a new way to enhance the visitor experience.

ESG

→ Automated platform for collecting data on environmental performance

We now have a **tailor-made platform** for analysing our environmental performance. Precisely calibrated to the attributes of our own portfolio, the platform processes real-time data on resource consumption

(water, energy, fossil fuels, etc.) and environmental impacts (emissions, waste and indoor air quality), displaying it in a new and dynamic format.

→ Air quality

Our shopping centres are fitted with specialist software specifically designed to **monitor indoor air quality**. Every quarter, the software automatically exports a new dataset to our main corporate platform.

→ Pilot project: enhancing energy performance through AI

In June 2024, we launched a pilot project at Lagoh Shopping Centre to explore the benefits of using predictive AI-based **energy optimisation** software to calculate the building's real energy demand.

We envisage that this program will build up an energy profile for the centre and, by assimilating other external variables, generate a targeted prediction of energy demand. It will also provide continuous monitoring of the building's energy performance.



1.2 Shopping Centres and Retail Parks openings and reopenings

One more year, we continued to work with a solid and diversified tenant base, always supporting them with the proactivity and involvement that characterise our assets and teams.

During the first half of the year, the following openings were carried out, as well as refurbishments and reopenings that are committed to a renewed presence and image for our tenants.

Openings



TACO BELL
SC As Termas

09.01.2024



DEICHMANN
SC El Rosal

15.02.2024



FITNESS PARK
SC Gran Vía de Vigo

16.02.2024



CASA
SC Portal de la Marina

13.02.2024



FLORENTINO
RP Megapark

20.02.2024



PEPCO
SC Txingudi

27.02.2024



SCALPERS
SC Gran Vía de Vigo

01.03.2024



OH MY KEBAB!
SC Gran Vía de Vigo

15.03.2024



XTI
RP VidaNova
Parc

12.03.2024



LA TREMENDA
SC Ànecblau

20.03.2024



IKEA
RP Abadía

23.03.2024



OPTICALIA
SC Portal de
la Marina

11.04.2024



**PASARELA
ROJA**
SC Ànecblau

09.04.2024



MGI
SC El Rosal

26.04.2024



KFC
SC Txingudi

30.04.2024



CROCS
RP Megapark

25.04.2024



POPEYES
RP Megapark

25.04.2024



VOILÁ
SC Lagoh

06.05.2024



DEPILIFE
SC Lagoh

22.05.2024



POPEYES
SC Lagoh

04.06.2024



JD SPORTS SC Txingudi

07.06.2024



SAMO SUSHI SC As Termas

13.06.2024

Reopenings



TRAMAS+ SC As Termas

01.02.2024



CORTEFIEL SC As Termas

15.02.2024



MISAOKO SC Gran Vía de Vigo

22.02.2024



JACK&JONES RP Megapark

27.03.2024



BURGUER KING RP Megapark

26.04.2024



KRUNCH RP Megapark

04.05.2024



MCDONALD'S SC Portal de la Marina

31.05.2024

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2.1 Highlights H1 2024

Portfolio

GAV⁽¹⁾

1,304

Million €

12

Assets

WAULT

2.4

years

99.1%

collection rate⁽²⁾

GLA

480,464

sqm

Financial information

Revenues⁽³⁾

47.2

Million €

EPRA Earnings

32.4

Million € (€0.39 per share)

EBITDA

34.0

Million €

Profit

22.3

Million €

Financial debt

651.0

Million €

EPRA NTA

854.7

Million € (€10.22 per share)⁽⁴⁾

Net LTV

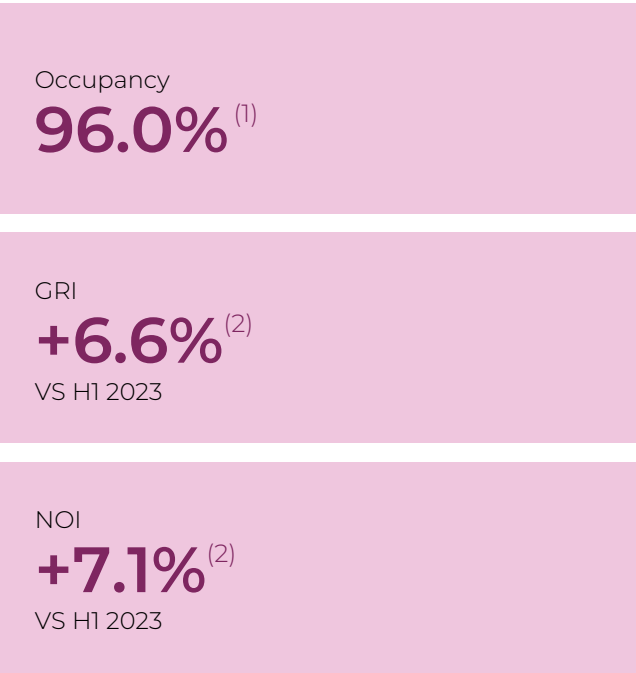
33.4%

Average cost of debt

1.8%

(1) Information based on valuations carried out by independent valuers on 30 June 2024. / (2) Percentage of rents and expenses collected from tenants in the first half of 2024. / (3) Rental income and Other income. / (4) When analyzing this measure it is important to take into account the dividend paid in Q2 2024: €0.79 per share.

Operating results



GAV (%)



Revenues by asset class (%)



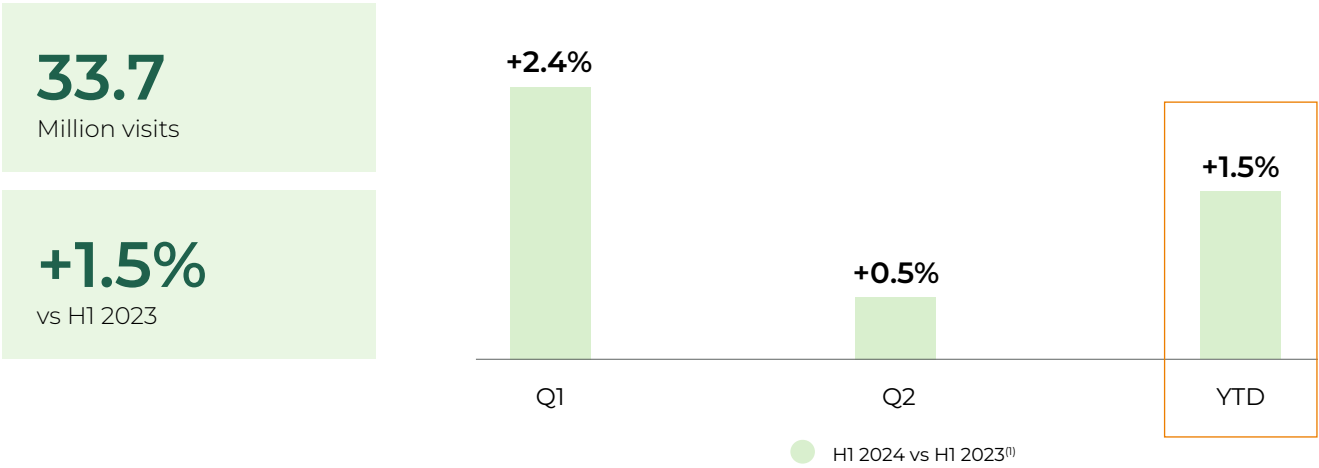
● Shopping Centres ● Retail Parks

(1) Physical occupancy based on square meters.
(2) Like for Like excluding Rivas Futura and Vistahermosa retail parks which were divested in July 2023.
(3) Above CPI/Indexation adjustments.

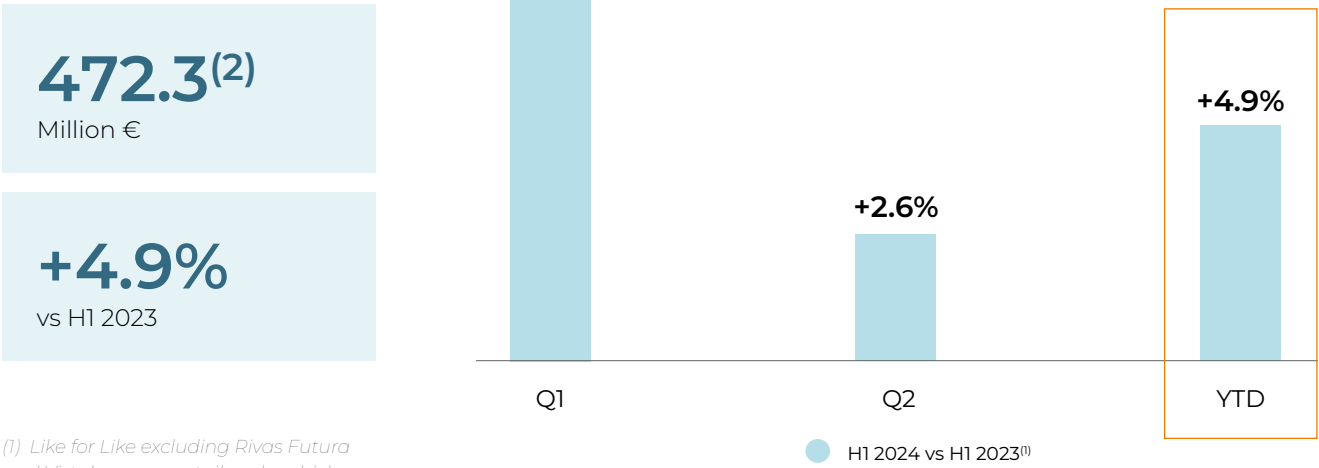
Leasing activity



Visits H1 2024



Sales H1 2024



(1) Like for Like excluding Rivas Futura and Vistahermosa retail parks which were divested in July 2023.
(2) Declared sales.



2.2 Main Milestones

2024

February

- Capital Radio's Fourth Annual Excellence Awards.

March

- Our tenth anniversary celebration.

April

- Lagoh became Spain's top-scoring shopping centre under the latest version of BREEAM.
- 2024 General Shareholders' Meeting.

May

- AECC holds 29th Shopping centre and retail park managers conference at Lagoh.
- 100 Best Ideas of the Year.
- Dividend.

June

- Lar España makes Europe's Top 5 in IR Magazine Awards 2024.



February

Capital Radio's Fourth Annual Excellence Awards

28.02.2024

Lar España was commended for our professionalism and record of achievement as Spain's first ever listed SOCIMI. Mr. José Luis del Valle, Chairman of Lar España, accepted the award for the Best Performing Real Estate Company.

March

Our tenth anniversary celebration

21.03.2024

We marked the tenth anniversary of our IPO with an emotional event where we looked back on how far we have come over the last decade. More than 400 guests joined us for this very special celebration, representing the real estate sector, leading retail brands, the media, the analyst community, investors and some of the groups and organisations that we have had the privilege of working with over the last ten years.



April

Lagoh became Spain's top-scoring shopping centre under the latest version (V6) of BREEAM In-Use, receiving an "Outstanding" rating for both the property and its management approach

15.04.2024

Retail and leisure complex Lagoh received a glowing report in one of the world's most respected sustainability assessments. The centre was awarded a BREEAM In-Use rating of "Outstanding" for both its ongoing management model P1 classification and its innovative building, designed to deliver a high level of technical performance P2 classification.

This achievement puts Lagoh at the forefront of sustainable retail in Spain, having garnered praise for its performance in a number of key assessment categories, including 'Health and well-being' and 'Land use & ecology'.

2024 General Shareholders' Meeting

25.04.2024

For this year's meeting, invitees were given the choice of attending in person or following via the live stream.

The majority of matters on the agenda were approved more or less unanimously. And, for the tenth consecutive year, our two main proxy advisors (ISS and Glass Lewis) recommended that shareholders pass all motions tabled by the board.

May

AECC holds 29th Shopping centre and retail park managers conference at Lagoh

09.05.2024

Lagoh was the chosen venue for the event, organised by the Spanish Association of Shopping Centres and Retail Parks (AECC). Scores of professionals joined us in Seville, having travelled from centres all across Spain.

Under the theme of “Applied Technology in Retail: Exploring New Trends”, the conference looked at how retail specialists are harnessing new technologies to help them respond effectively to new consumer needs.

100 Best Ideas of the Year

24.05.2024

Actualidad Económica hailed Lar España as a change and growth agent for SDG 10 (reducing inequalities), providing the company with a spot in the Sustainability category of its annual innovation awards. Special mention was given to the partnership agreement between Lagoh Shopping Centre and the Seville Autism Association and to our many initiatives to improve accessibility for visitors with cognitive differences.

Dividend

24.05.2024

Following a favourable vote at the Annual General Shareholders' Meeting in April, we issued a record dividend of **€0.79 per share**, equating to a 12.9% return on capitalisation as at 31 December 2023.

June

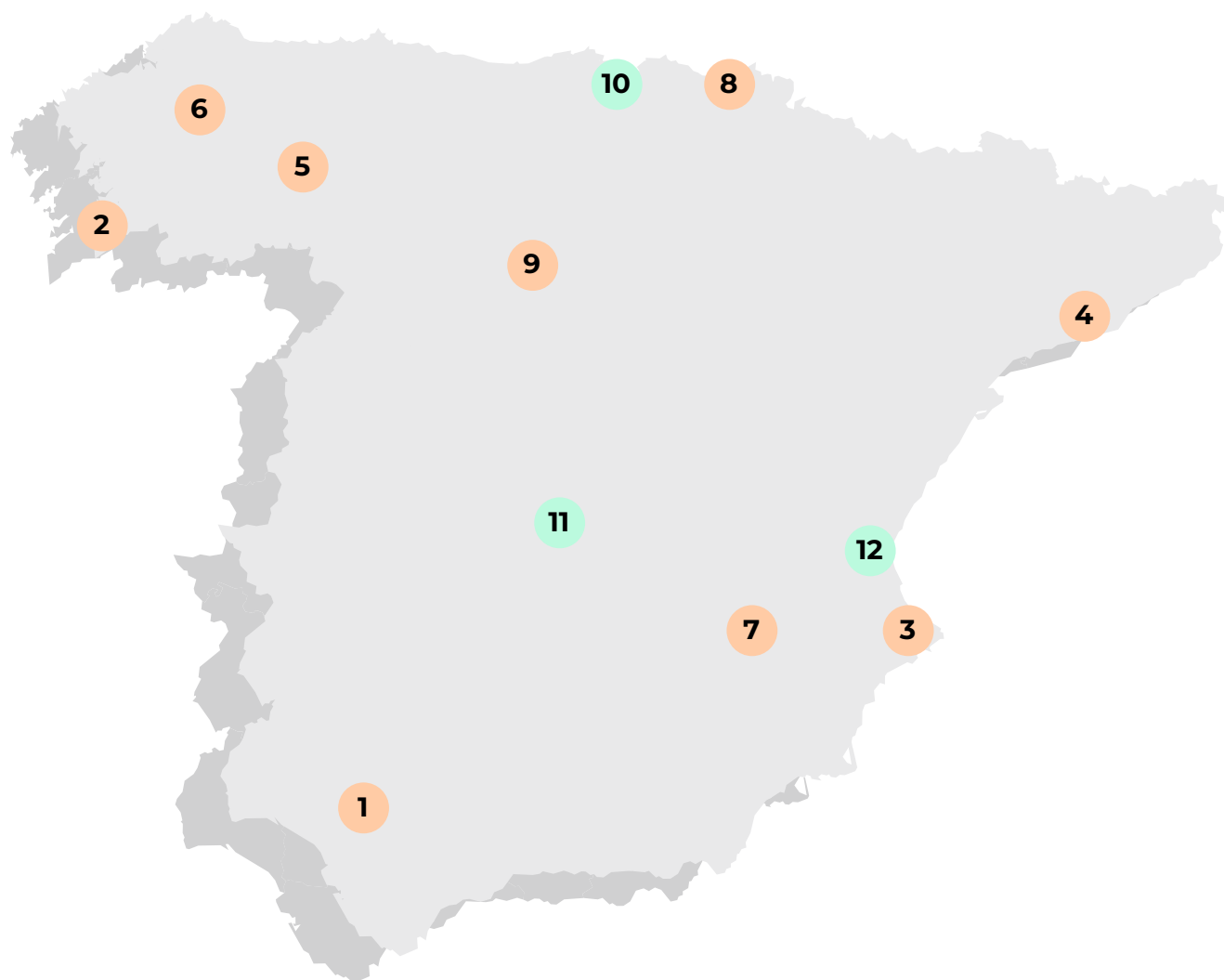
Lar España makes Europe's Top 5 in IR Magazine Awards 2024

20.06.2024

Lar España was one of five finalists featured in the 'Best ESG Reporting' category of IR Magazine's coveted annual awards. Launched in 1990, the initiative is aimed at promoting excellence in investor relations across the European region.



2.3 Portfolio at 30 June 2024



Shopping Centres

- | | |
|-----------------------------------|---------------------------|
| 1. Lagoh (Seville) | 6. As Termas (Lugo) |
| 2. Gran Vía de Vigo (Vigo) | 7. Albacenter (Albacete) |
| 3. Portal de la Marina (Alicante) | 8. Txingudi (Gipuzkoa) |
| 4. Ànecblau (Barcelona) | 9. Las Huertas (Palencia) |
| 5. El Rosal (León) | |



Retail Parks

- 10. Megapark (Biscay)
- 11. Parque Abadía (Toledo)
- 12. VidaNova Parc (Valencia)

GAV

1,304
Million €



**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	2.9 years

Gran Vía de Vigo | Shopping Centre



Asset Characteristics	
Location	Vigo
GLA	41,496 sqm
Purchase Date	15 September 2016
Acquisition Price	€ 141.0 million
WAULT	1.8 years

Portal de la Marina | Shopping Centre



Asset Characteristics	
Location	Alicante
GLA	40,302 sqm
Purchase Date	30 October 2014/ 30 March 2016/ 9 June 2015
Acquisition Price	€ 89.2 million
WAULT	2.3 years

Àneclblau | Shopping Centre



Asset Characteristics	
Location	Barcelona
GLA	29,098 sqm
Purchase Date	31 July 2014
Acquisition Price	€ 80.0 million
WAULT	3.3 years

El Rosal | Shopping Centre



Asset Characteristics	
Location	Ponferrada (León)
GLA	50,811 sqm
Purchase Date	7 July 2015
Acquisition Price	€ 87.5 million
WAULT	2.1 years

As Termas | Shopping Centre



Asset Characteristics	
Location	Lugo
GLA	35,149 sqm
Purchase Date	15 April 2015/ 28 July 2015
Acquisition Price	€ 68.8 million
WAULT	2.4 years

Albacenter | Shopping Centre



Asset Characteristics	
Location	Albacete
GLA	27,199 sqm
Purchase Date	30 July 2014/ 19 December 2014
Acquisition Price	€ 39.9 million
WAULT	2.2 years

Txingudi | Shopping Centre



Asset Characteristics	
Location	Irún (Gipuzkoa)
GLA	10,712 sqm
Purchase Date	24 March 2014
Acquisition Price	€ 27.7 million
WAULT	2.4 years

Las Huertas | Shopping Centre



Asset Characteristics	
Location	Palencia
GLA	6,265 sqm
Purchase Date	24 March 2014
Acquisition Price	€ 11.7 million
WAULT	1.1 years

Megapark | Retail Park



Asset Characteristics	
Location	Barakaldo (Biscay)
GLA	81,021 sqm
Purchase Date	19 October 2015/ 27 October 2017
Acquisition Price	€ 178.7 million
WAULT	2.6 years

Parque Abadía | Retail Park



Asset Characteristics	
Location	Toledo
GLA	43,109 sqm
Purchase Date	27 March 2017/ 20 February 2018
Acquisition Price	€ 77.1 million
WAULT	1.7 years

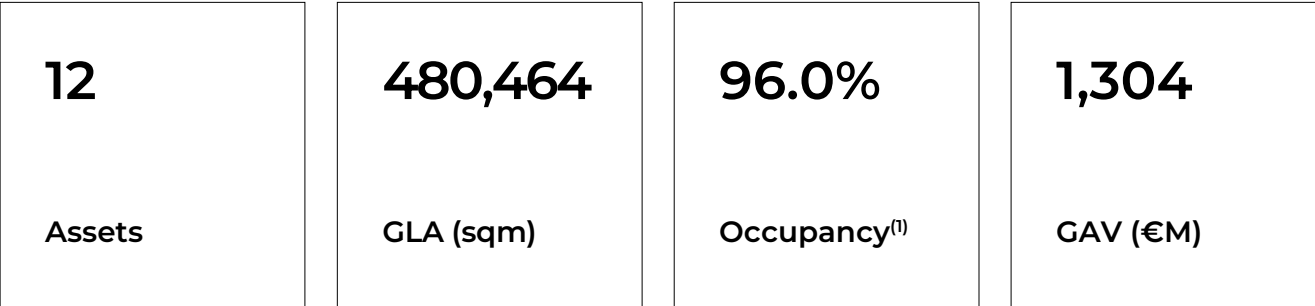
VidaNova Parc | Retail Park



Asset Characteristics	
Location	Sagunto (Valencia)
GLA	45,568 sqm
Purchase Date	3 August 2015
Land Acquisition Price	€ 12.6 million
WAULT	2.0 years

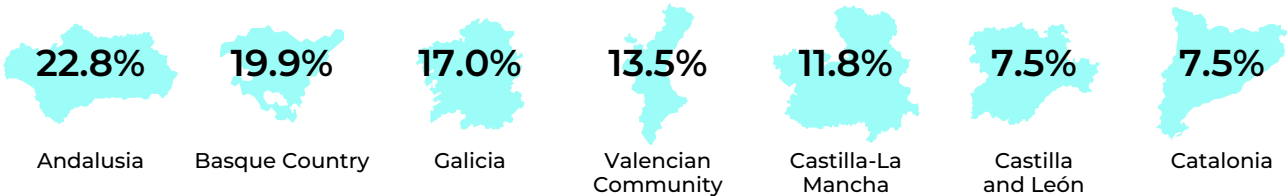
Our retail portfolio at a glance

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



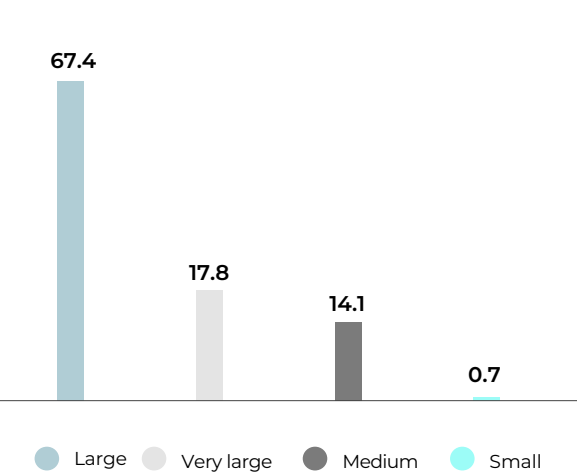
(1) Physical occupancy based on square meters.

By geography (GAV)

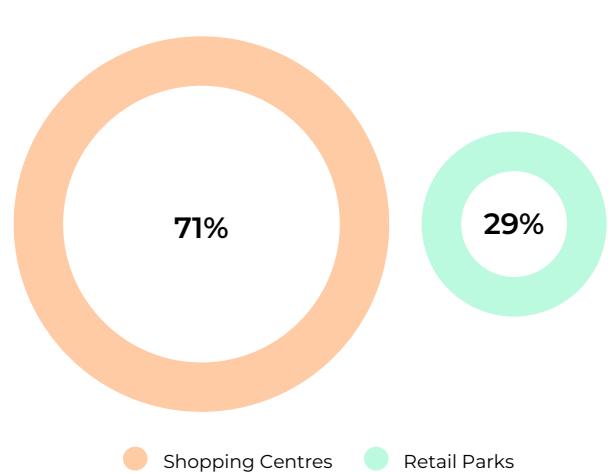


+85%
of our retail assets are
classified as Large
or Very Large.

By size⁽²⁾ (GAV) (%)



By type⁽²⁾ (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).

2.4 Key Indicators

In the first six months of 2024 Lar España generated revenues of **€47,243 thousand** and a Net Profit of **€22,333 thousand**, being the most relevant figures the following:

● H1 2024 ● H1 2023

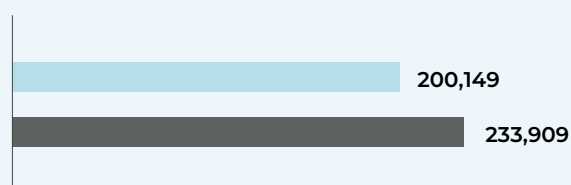


Other financial indicators

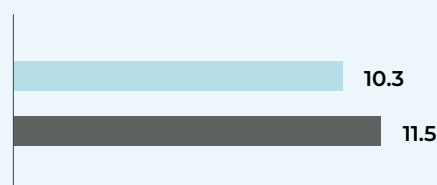
The Group presents the following financial indicators:

● 30.06.2024 ● 31.12.2023

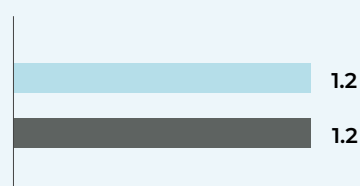
Working capital (Thousands of euros)



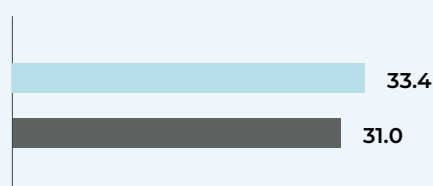
Liquidity ratio (%)



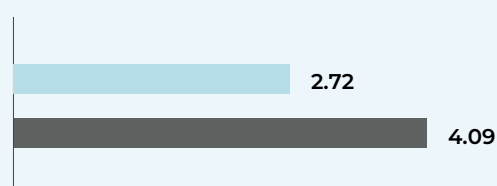
Solvency ratio (%)



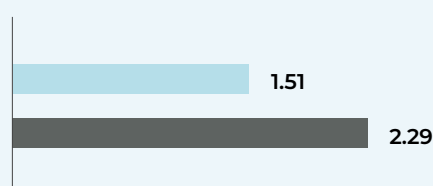
Net LTV (%)



ROE (%)



ROA (%)



At 30 June 2024, and 31 December 2023, 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 2023, the **ROE (Return on Equity)**, which measures Group's profitability as a percentage of shareholders equity, amounted to **2.72%** (4.09% at 31 December 2023), 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 the company's assets to generate income, was **1.51%** (2.29% at 31 December 2023).

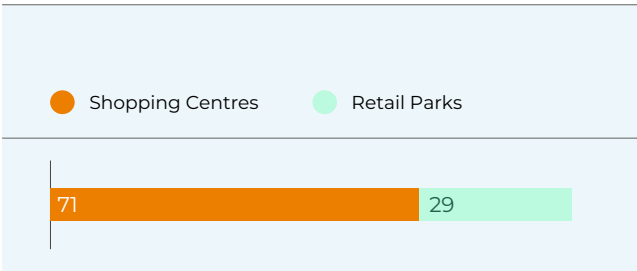
2.5 Business Performance

a. Income Distribution

Rental **income reached €45,711 thousand** in the first half of 2024 (versus €47,229 thousand in the same period of the year before).

The relative weight of rental income by line of business at 30 June 2024 is as follows:

Total revenues by asset class during H1 2024 is as follows: (%)

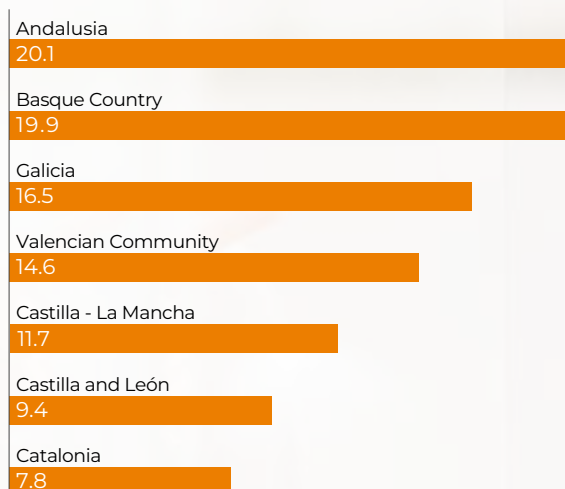


The breakdown of income per asset type during the first half of 2024 is as follows:









This graph details the breakdown of **rental income per region** for H1 2024:

Income by region (%)



40% of revenues were registered in the Basque Country and Andalusia, with Lagoh being the shopping centre with the highest revenues in 2024.

Below are the **ten tenants that have generated the most revenue** during the first six months of 2024:

		% Total rental income	% Accumulated
	1. INDITEX	11.86%	11.86%
	2. Carrefour 	4.21%	16.07%
	3. DECATHLON	2.73%	18.80%
	4.  YELMO CINES	2.62%	21.42%
	5. MediaMarkt 	2.58%	24.00%
	6. TENDAM <small>GLOBAL FASHION RETAIL</small>	2.35%	26.35%
	7.  MERCADONA <small>SUPERMERCADOS DE CONFIANZA</small>	2.18%	28.53%
	8. C&A	2.01%	30.54%
	9.  El Corte Inglés	1.79%	32.33%
	10. DRUNI	1.63%	33.96%

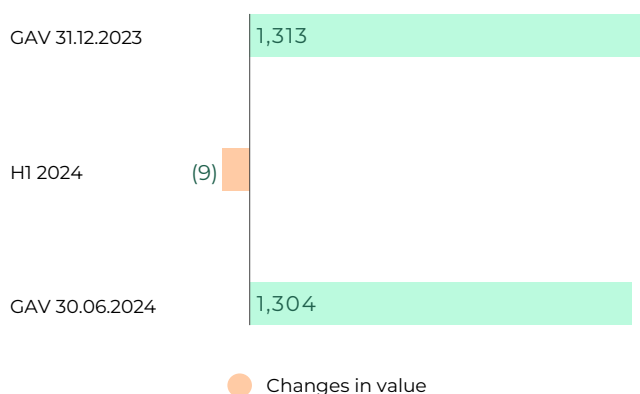
b. Value of Lar España's portfolio at 30.06.2024

As at 30 June of 2024 the total value of Lar España's portfolio amounts to **€1,304 million**:

The negative change in the fair value of investment properties for an amount of €9 million corresponds to information based on valuations carried out by independent valuers on 30 June 2024.

GAV reconciliation 30.06.2024

(Million €)



Like for Like change in the portfolio value at 31 June 2024^(*)

+53.0%

vs Acquisition
Price

-2.5%

vs June
2023

-0.7%

vs December
2023

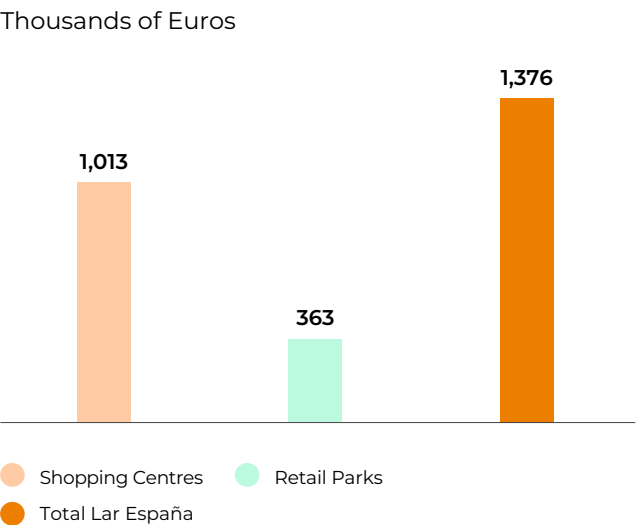
^(*) Excluding CAPEX invested the percentages would be: +14.5%, -2.9% and -0.8% respectively.

The investment made in **HVAC improvements**, as well as in the **building envelope** of various assets in the portfolio, stands out. Additionally, actions have been taken to improve **accessibility** and others as part of the **process of renewing BREEAM certifications**, in accordance with the latest version of its certification manual.

c. CAPEX

The Company has continued revamping its portfolio of assets in order to generate more value, investing **€1.4 million** during the first half of 2024.

The breakdown of investment by asset class is as follows:



d. Lease expiration and WAULT

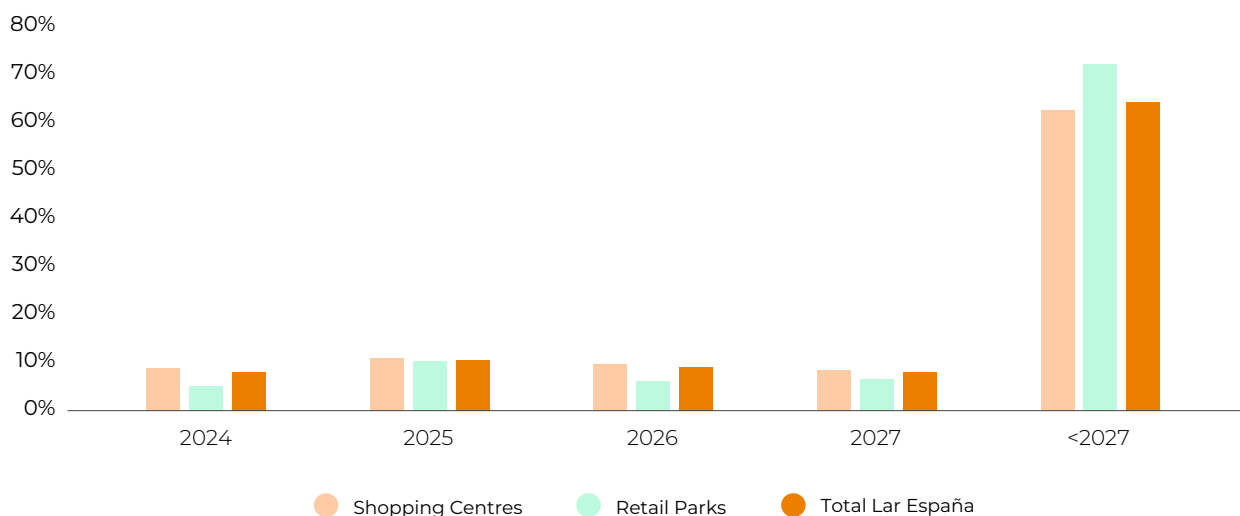
The proactive management carried out by Lar España allows us to have a **solvent and diversified tenant base**.

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 2024 new long-term lease agreements have been signed with new tenants and negotiations has been carried out.

We note that as of 30 June 2024, **close to 65%** of all Lar España's active lease agreements have lease expiries beyond 2027.

Close to 65%
of the contracts
have a maturity
beyond **2027**.

Annual lease expiration (end of contract) (%)



More than

1,000

existing contracts

In this way, the **WAULT^(*)** (average lease term) of Lar España's portfolio as of 30 June 2024 is **2.4 years**. Below is the breakdown by type of asset:

Lar España



2.4

Shopping
Centres



2.5

Retail
Parks

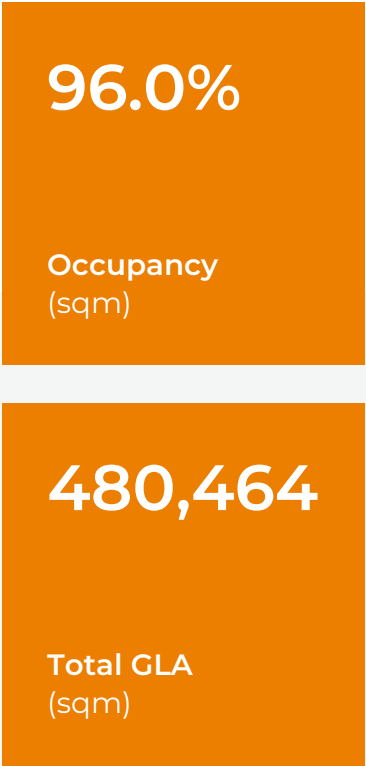


2.3

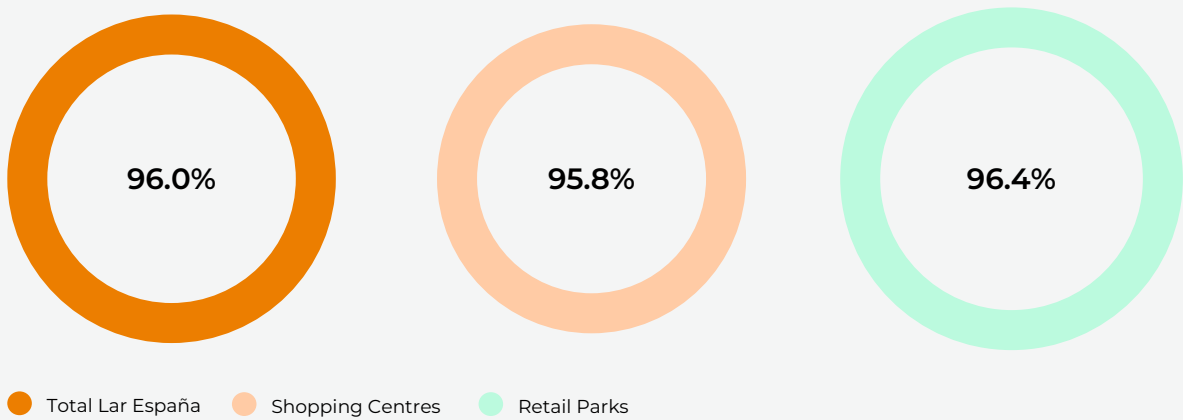
(*) Calculated as the number of years remaining on the leases from the current date until the first break option, weighted by the gross rent of each lease. In section 2.3 'Portfolio of Assets as of 30 June 2024,' the WAULT for each asset is shown.

e. Occupancy (sqm)

The gross leasable area (GLA) of Lar España’s income producing assets at 30 June 2024 stood at **480,464 sqm**, whilst the average occupancy rate stood at **96.0%**.



The occupancy rate by asset class at 30 June 2024 is shown below:



f. Main milestones

During the first half of 2024 Lar España has continued its active portfolio management, achieving the following operational results:

Key indicators evolution⁽¹⁾

GRI

+5.6%
vs H1 2023

NOI

+5.9%
vs H1 2023

Key indicators evolution (P&L)⁽¹⁾

GRI

+6.6%
vs H1 2023

NOI

+7.1%
vs H1 2023

Collection rate⁽²⁾

99.1%

(1) Comparable figures excluding Rivas Futura and Vistahermosa retail parks which were divested in July 2023.

(2) Percentage of rents and expenses collected from tenants in H1 2024.

Major operative milestones

During the first six months of the year 2024, the total sales declared reach **€472.3⁽¹⁾ million** in the Shopping Centres and Retail Parks, supported by the increase in the number of visits (footfall of **33.7 million**).

Lar España continued to actively manage its retail portfolio. It closed **74 operations** including renewals, relocations, relettings and new lettings, resulting in an annualised tenant rotation rate of 9.6% for the portfolio.

Rotated

23,094
sqm

Negotiated rent

5.3
Million €

Operations

74

Rent uplift

+4.8%⁽²⁾

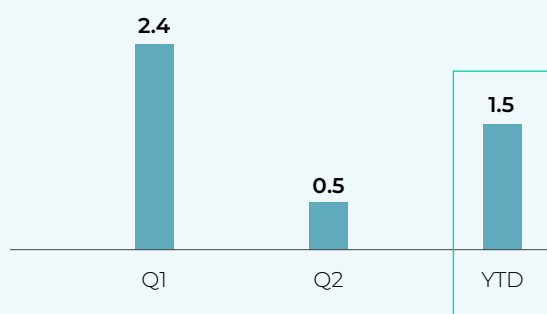
	Renewals	Relocations and Relettings	New lettings	TOTAL
Number of operations	36	26	12	74
sqm	11,243	10,131	1,720	23,094

Footfall H1 2024

33.7
Million of visits

+1.5%
vs H1 2023⁽³⁾

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



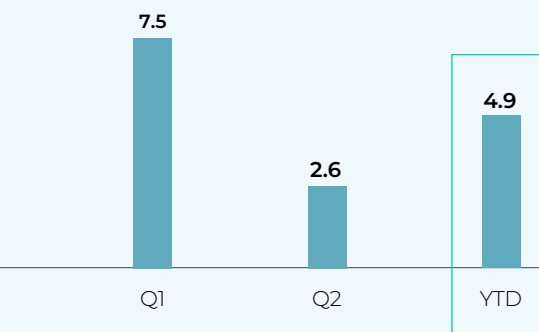
● H1 2024 vs H1 2023⁽³⁾

Sales H1 2024

472.3⁽¹⁾
Million €

+4.9%
vs H1 2023⁽³⁾

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



● H1 2024 vs H1 2023⁽³⁾


(1) Declared sales.

(2) Above CPI/indexation adjustments.

(3) Like-for-like excluding Rivas Futura and Vistahermosa retail parks which were divested in July 2023.

Main operations

Some of the **main operations** during the period between 1 January and 30 June 2024 are detailed below:


Main Operations

Relocations/Relettings

- Ocine (2,800 sqm)
- Bershka (1,256 sqm)


Renewals

- Sprinter (1,350 sqm)

More than **1,200,000€** annual negotiated rent

10 Operations

6,806 sqm


Main Operations

Relocations/Relettings

- Normal (589 sqm)

Renewals

- Hollister (531 sqm)


New lettings

- La Casa del Libro (237 sqm)

Close to **1,000,000€** annual negotiated rent

12 Operations

2,187 sqm


Main Operations

Relocations/Relettings

- JD Sports (415 sqm)
- Koala Bay (300 sqm)


New lettings

- Coco Sushi (270 sqm)

Close to **800,000€** annual negotiated rent

12 Operations

1,992 sqm


Main Operations

Renewals

- Brico Group (2,841 sqm) at El Rosal
- Ozone Bowling (1,735 sqm) at Parque Abadía

Relocations/Relettings

- New Yorker (943 sqm) at El Rosal
- IKEA (486 sqm) at Parque Abadía

More than **2,200,000€** annual negotiated rent

40 Operations

12,109 sqm

Retail Tenant Mix

Below we display the **tenant mix** of Lar España's retail portfolio at 30 June 2024 by space let.

Effort rate
(including
expenses)

10.1%

Fashion

33.0%

Home

15.1%

Food &
Beverage

14.0%

Leisure &
Entertainment

13.2%

Sports &
Adventure

8.0%

Dining

7.8%

Health &
Beauty

3.3%

Services

2.5%

Culture,
Technology &
Multimedia

0.4%

Others

2.7%

ESG

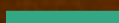
Introduction	3.1	3.2	3.3
41	Committed to the Environment	Contributing to Society	Leaders in Governance
	46	57	71



Since its foundation in 2014, Lar España has built its name as a SOCIMI switched on to sustainability, intent on **managing and running our portfolio from a responsible business ethics**. These ten years of dedication and drive have been guided by our ESG Masterplan — culminating in the launch of our Sustainability Strategy, now the touchstone for everything we do.



For ten years, we have **stood by our commitment to corporate sustainability** by periodically reflecting on our ESG performance.



The projects on which we are focused today, structured around **three key pillars**, reflect both our ambition and our position of responsibility:

KEY Pillars

G | Transparent and responsible management

- We put a great deal of thought and effort into designing (and updating) policies that reflect the needs and expectations of the market and our own stakeholders, in accordance with best practice.
- Each year, our Integrated Risk Management System (IRMS) gives us confidence that risks are being identified, evaluated and monitored efficiently. Its scope is progressively expanding with each revision of both the system itself and our corporate risk map.
- We provide comprehensive information on our environmental, social and governance performance, following recognised reporting frameworks designed for our sector.
- As we pursue our strategy, we are ably supported by operational committees such as the ESG Committee and the Social Impact Committee, formed of department heads with responsibility for promoting and managing various aspects of sustainability at both corporate and operational levels.
- We seek to consolidate our leadership in corporate sustainability by participating in major international ESG indices (MSCI, S&P, FTSE4GOOD, GRESB, etc.) and contributing to national and global associations (EPRA, Global Compact, the Spanish Association of Sustainability Managers and Forética).

S | A sustainable future for people

- We want to create places that are inclusive and accessible to all, which is why we are pursuing certification under the international standard for universal accessibility, UNE 170001.
- We have developed a set of management systems in conformance with ISO 45001, creating a solid foundation for health, safety and well-being at all of our properties.
- Our work creates jobs and fuels further socioeconomic development for communities.
- We like to make people happy, and so are always working to boost satisfaction among tenants and visitors and give them our very best.
- We are helping usher in a new age of sustainable mobility.
- Social action is in our DNA, and we are proud to partner with NGOs, charitable foundations and local groups.

E | A sustainable future for our planet

- We've created a proprietary platform for gathering and analysing environmental performance data, giving us more powerful insights into the impact that our action plans are making.
- We have concrete plans in place for responsible resource use, including an Energy Efficiency Plan and Waste Management Plan.
- The technical quality of our centres has been recognised by independent evaluation frameworks, such as BREEAM.
- We run our portfolio on a model that conforms to international standards, such as ISO 14001.
- Each year, we verify our carbon footprint calculations with an independent third party and submitted to MITERD. For our efforts, Lar España has been awarded both the "Calculo" and "Reduzco" seals.
- Our Decarbonisation Strategy sets out a series of ambitious goals in line with the global Science-Based Targets Initiative (SBTi), based on the use of sector-specific tools like Carbon Risk Real Estate Monitor (CRREM).



Key priorities for the first half of this year were:

- Completing a **Double Materiality assessment** to identify material topics under the CSRD Directive.
- **Adding new functionalities** to our data collection platform to capture air quality measurements.
- Continuing to operationalise our **energy management system** in compliance with ISO 50001 in all assets under operational control.
- Obtaining **BREEAM In-Use certification for Lagoh**, with a rating of “Outstanding” for both the building and our management model. This makes Lagoh the highest-scoring property in Spain under V6 of the framework.
- Preparing to submit our verified **carbon footprint** calculation to the Ministry for the Ecological Transition and Demographic Challenge (MITERD), retaining our “Calculo” and “Reduzco” seals from 2023.
- Monitoring progress on our **Energy Efficiency Plan** and the objectives set.
- Researching potential routes to **cutting water consumption**, following an analysis of the Company’s water footprint in 2023.
- Participating in the **Carbon Disclosure Project (CDP)**.
- Participating in **GRESB (Global Real Estate Sector Benchmark)**, the leading benchmarking scheme for our sector, for the seventh year.
- Adding **green clauses** to more of our lease agreements, attaining approximately 30% coverage.

Looking ahead to the rest of 2024, we remain focused on pushing for continuous improvements in management and operations. Some of the most exciting **projects and initiatives** on the horizon include:

NEXT STEPS

E | Environment

- Renewing **BREEAM certifications** for our centres.
- Updating our **Energy Efficiency Plan** in light of outcomes from recent audits, including new Energy Saving Measures (MAE) and targets defined in our Decarbonisation Strategy.
- Obtaining ISO 50001 certification for our **Energy Management System (EMS)** at all properties under our management.
- In line with our **Decarbonisation Strategy** and the SBTi framework:
 - Pursuing our Company policy of sourcing electricity from suppliers with a Renewable Energy Guarantee of Origin (REGO).
 - Installing on-site renewable energy systems to achieve a degree of self-sufficiency.
- Replacing equipment nearing the end of its useful life.
- Refining our methods for quantifying our scope 3 emissions, focusing on the most significant categories in view of our business model and the provisions of the GHG Protocol.
- Exploring the possibility of investing in carbon offsetting and sequestration schemes.
- Improving processes for recording waste management data, while analysing our new obligations as a real estate company under Law 7 of 8 April 2022 on the management of waste and contaminated soil to promote a **circular economy**.
- Designing measures to promote **efficient water use**, drawing on conclusions reached in calculating our water footprint.





S | Social

- Taking a decisive stance on corporate sustainability, looking particularly at strengthening **tenant relationships**.
- Obtaining **Universal Accesibility** certification for Gran Vía de Vigo and Ànecblau under UNE-170001, and bringing stoma-friendly bathrooms to more properties in our portfolio.
- Making strides in our rollout of new **sustainable mobility** solutions, especially electric vehicle charging points.
- To continue our **creation of value and positive impact** with our communities, promoting leisure and activities in favour of health and well-being, inclusion with all types of audiences, sport, culture, environmental awareness, and local collaboration for social purposes.

We have a **clear strategy encompassing various aspects of ESG** to continue being leaders in our sector.

G | Governance

- Integrating the Company's climate-related risks (including both physical and transition risks, as per TCFD recommendations) into our **Risk Map**, based on the initial conclusions from our Climate Risk Report.
- Supporting our **ESG and Social Impact Committees** in monitoring issues relating to environmental and social sustainability and coordinating teams involved in operational business management.
- Evaluating our **compliance with the CSRD Directive** and outlining a path to improvement, based on data points established during the planned double materiality assessment.
- Ensuring compliance with **new EPRA sBPR standards⁽¹⁾**, published in April 2024 and based on the general European Sustainability Reporting Standards (ESRS) set out in the CSRD Directive.
- Continuing to make voluntary disclosures under the **European Taxonomy** and identify areas for improvement.
- Establishing an official **supplier** selection process that takes ESG performance on board.
- Formalising our commitment to **Human Rights** in cognizance of sector needs.

(1) For more information, please see the new EPRA documentation for 2024, available [here](#).

3.1 Environmental engagement

Environmental certifications



Our properties are designed and built to an excellent standard of environmental performance, reflected in internationally recognised certifications and standards such as **ISO 14001 on Environmental Management Systems (EMS)**, put in place in the 100% of portfolio under operational control, and the **BREEAM** sustainable construction framework.

We are now working to obtain **ISO 50001** certification (**Energy Management Systems**) for all properties under our management. Megapark has achieved this already, having fully implemented all aspects of this international standard.

A Waste Management System has been in place at Megapark since 2023. Focused on recovery, this system has been audited and certified by TÜV SÜD in line with the its Zero-Waste standards.


At Lar España, we seek to lighten our impact on the planet by practicing a responsible management and operational model. We leverage technology to get optimum results, always keeping our finger on the pulse of new trends and best practices in the sector.


As of 30 June 2024, **97% of our properties** by GAV were certified under ISO 14001.

In April, Lagoh was awarded BREEAM In-Use certification, with a rating of “Outstanding” in both Part 1 (Building) and Part 2 (Management) under the latest version V6 of the assessment framework. This makes Lagoh **the highest-rated property in Spain under BREEAM V6**.

Meanwhile, we are in the process of renewing BREEAM certificates due to expire in 2024.

100% of our property portfolio is BREEAM-certified, with 98% rated “Outstanding”, “Excellent” or “Very Good” in GAV terms.

Current Status			
 Shopping Centres	Rating ⁽¹⁾	Certification type	Status
Lagoh ⁽²⁾	P1: Outstanding / P2: Outstanding	In-Use	Certified
Gran Vía de Vigo	P1: Excellent / P2: Excellent	In-Use	Certified
Portal de la Marina	P1: Very Good / P2: Excellent	In-Use	Certified
El Rosal	P1: Excellent / P2: Excellent	In-Use	Certified
Ànecblau	P1: Very Good / P2: Excellent	In-Use	Certified
As Termas	P1: Excellent / P2: Outstanding	In-Use	Certified
Albacenter	P1: Very Good / P2: Excellent	In-Use	Certified
Txingudi	P1: Good / P2: Very Good	In-Use	Certified
Las Huertas	P1: Very Good / P2: Very Good	In-Use	Certified

Current Status			
 Retail Parks	Rating ⁽¹⁾	Certification type	Status
Megapark ⁽³⁾	P1: Very Good / P2: Excellent	In-Use	Certified
Parque Abadía	P1: Very Good / P2: Very Good	In-Use	Certified
VidaNova Parc	P1: Very Good / P2: Excellent	In-Use	Certified

(1) P1: corresponds to the first part of the BREEAM certificate related to the design characteristics of the asset.

P2: corresponds to the rating obtained according to the management of the asset.

(2) The asset also has a BREEAM ‘New Construction’ certificate with a ‘Very Good’ rating.

(3) The certifications correspond to areas of the asset over which Lar España has operational control.

Environmental performance⁽¹⁾ (H1 2024)

For an accurate picture of Lar España's environmental performance over the first half of this year, there are two key factors to take into account.

Footfall

The first six months of 2024 saw a total of **33.7 million visits**, which is **+1.5%** higher than last year's figure in like-for-like terms.

Weather conditions

The weather is the primary driver of variations in energy and water consumption.

→ **Winter 2024:** It was an unusually warm winter for all of mainland Spain, especially in the Mediterranean seaboard.

January and February saw average temperatures well above what we would expect for this time of year (+2.4°C and +2.5°C, respectively), resulting in an average temperature anomaly of **+1.9°C** quarterly.

Precipitation patterns were fairly typical, if uneven geographically. While the country received **90%** of predicted rainfall, meteorologists noted a very dry winter all along the Mediterranean coast.

→ **Spring 2024:** Although June is not yet over at the time of writing, it is safe to say that spring 2024 was considerably more stable in terms of temperature than the winter, with a provisional temperature anomaly of **+0.8°C**.

It was a damp or very damp spring in almost every part of Spain (**105%** of predicted rainfall), excessively so in Galicia and the Guadalquivir Valley. In contrast, dry or very dry conditions were recorded in the Region of Valencia.

Energy consumption

Provisional data for H1 2024 indicates that the Company bought in **-4.2%** less energy than in H1 2023. Over the same period, energy consumption for shared spaces and facilities dropped by **-5.0%** in like-for-like terms.

Energy for heating derived from fossil fuels accounted for a little under 7.5% of all energy consumed in common areas by our shopping centres and retail parks, and we hope to bring this down further (to between 6.5% and 7.0%) in the autumn-winter season, which, based on recent trends, is expected to be mild.

Provisional figures suggest that energy intensity fell from 0.35 kWh per visitor in the first six months of 2023 to 0.33 kWh per visitor in the first half of 2024, a **reduction of -5.6%**.

Water consumption

While energy consumption subsided, our water consumption reached 3.01 litres per visitor during this period, marking an increase **+4.8%** in like-for-like terms compared with the same period of 2023.

This is primarily due to leaks in the fire protection systems at certain centres, which have now been located and repaired. With this issue addressed, we expect to see a swift return to normal consumption levels.

Furthermore, the Company has been working on action plans to optimise our use of water, focusing particularly on how we water our green spaces and refrigeration tower efficiency, especially for properties located in high or very high water-stress areas.

(1) The information presented in this section is provisional and based on direct measurements of consumption rates. It has not been reconciled or documented against suppliers' own records, which we are still waiting to receive



Automation and monitoring platform for environmental performance data

Lar España uses a custom-built, fully scalable platform expressly designed for our portfolio and business activities that allows us to automate a huge volume of environmental data, **produce dynamic displays and run up-to-the-minute reports**. The system covers all aspects of environmental performance, including energy consumption, GHG emissions, water consumption, waste management and air quality.

Year after year, we work to refine our approach to recording and monitoring operational data, taking more and more frequent snapshots for analysis and decision-making. This tool has certain unique features that set it apart from other business solutions, making it ideally suited to managing complex commercial buildings:

→ It allows us to break down our total energy and water consumption by individual end use.

- It facilitates submetering (using a network of meters downstream of the main utility meters for the building) so we can compare and validate our readings against those of our suppliers.
- It draws a clear link between consumption patterns and operational indicators such as footfall and surface area.
- It is able to automate a vast range of datasets at all levels and frequencies, while minimising errors and preserving traceability.
- It creates a single repository for information and documentation, making it quicker and easier for our teams to analyse data and produce reports and facilitating processes for certification, audit and review.
- It synthesises data from different business areas, enabling us to model the effectiveness of projects and strategic plans.

Decarbonisation strategy



In December 2023, the Board of Directors approved the latest version of our Decarbonisation Strategy, updated in response to new market trends such as the growing need to align with Science Based Targets Initiative (SBTi) and Carbon Risk Real Estate Monitor (CRREM) methodologies.

The strategy commits us to:

- A short-term target to reduce scope 1 and 2 emissions by **60%** by 2030 compared with the 2019 baseline (calculated using the market-based method).
- Developing an emissions offsetting strategy to help us reach climate neutrality by 2030 (again based on scope 1 and 2 emissions under the market-based method).
- A long-term goal of becoming a Net Zero company by 2050 (scopes 1, 2 and 3).

(1) The information presented in this section is provisional and based on direct measurements of consumption rates. It has not been reconciled or documented against suppliers' own records, which we are still waiting to receive.

(2) For the location-based approach, Lar España applies the provisional emission coefficients of the [Red Eléctrica Española \(REE\)](#) for mainland electricity.

In addition, it proposes that:

- The Company should research, plan and implement carbon offsetting and sequestration projects to mitigate residual emissions.
- More advanced calculation methods are needed for scope 3 emissions, particularly with respect to tenant resource use, waste processing and transportation, the carbon footprint of outsourced products and services and emissions associated with construction and refurbishment works.

H1 2024 vs H1 2023⁽¹⁾

Scope 1 Emissions

-61.0%

Scope 1+2 Emissions Location-based⁽²⁾

-42.0%



Carbon footprint

For five consecutive years, we have registered our Company's **carbon footprint** with the Ministry for the Ecological Transition and the Demographic Challenge (MITECO), achieving both the “Calculo” and “Reduzco” seals. We have also requested an independent third-party review of our compliance with ISO 14064.



At the time of writing, we are still gathering data for our 2023 carbon footprint calculation, following the release of the latest official Ministry calculator in May. As in previous years, all supporting documentation will be verified by an independent body accredited by ENAC.

Lar España holds fast to MITERD “Calculo” and “Reduzco” seals.



Energy efficiency

Our Energy Efficiency Masterplan was approved in 2021, following several years of dedicated work. Over the course of 2022 and 2023, we updated our energy auditing processes for all properties in our portfolio, as a first step towards developing specific action plans based on their individual Energy Saving Measures (ESAs).

At the same time, we pressed ahead with plans to install photovoltaic panels at our properties to generate electricity on-site, now nearing completion.

The masterplan outlines a series of commitments with a view to cutting our total energy use by 5% between 2020 and 2025. As of 2023, the results have exceeded even our most optimistic expectations: energy consumption is down **-17.8%** in like-for-like⁽¹⁾ terms compared with 2019. Given that our largest shopping centre, Lagoh, opened for business in September 2019, to see the difference in absolute terms it is best to take 2020 as the baseline. This tells us that energy consumption has fallen **-11.2%** in the intervening period.

In light of this success, we decided to set new targets based on the potential for further energy savings at each centre or retail park. Another impetus for updating the plan is the need to **bring energy policy in line** with new legal obligations under Spain's national Decarbonisation Strategy.

Our focus can no longer be limited on cutting consumption (and therefore costs). We must set our sights on decoupling our activities from fossil fuels, generating renewable energy in situ and optimising electricity consumption through measures customised to each of our properties.

This is a far more complex process than mere corporate target-setting; it requires a thorough exploration of all potential ramifications for our financial performance, for the climate and for the upside potential of each asset over its useful life.

Furthermore, in the first half of 2024 we installed a new **solar-powered lighting system** in the outdoor parking area at Albacenter.

(1) Excluding the Lagoh shopping centre, which opened in September 2019, and the Rivas Futura and Vistahermosa retail parks following their divestment in July 2023.

We continue to make progress with the implementation of initiatives related to our Energy Efficiency Plan.





Waste management

Since 2021, the Company's waste management plan has given us greater control and oversight of the volume of waste produced by our portfolio. We are particularly proud that:

- In 2022, we designed our own process for sorting and **classifying** waste, adopting the categories and codes of the European Waste Catalogue (EWC).
- This allowed for a more granular approach to **identifying the appropriate processing stream**: reuse, recycling, composting, recovery, etc.
- As a result, **the proportion of waste sent to landfill is being phased down**.
- This process has also led to **more detailed reporting** — we are now able to break down total waste by type and processing stream, as described in our [2023 Annual Report](#) (see page 293).

- Work continues on evaluating **emissions related to waste treatment and transportation**. In the first half of 2024, a new template has been defined and is being integrated into the asset reporting processes to include estimates for Scope 3 emission calculations.

Lar España uses the RECICLOS return and reward system (RRS). We have also introduced a range of other initiatives to help us meet our commitments in this area, including the ecozones at Portal de la Marina, Gran Vía de Vigo and As Termas. Ecozones are advanced recycling points where visitors can dispose of all kinds of waste: used cooking oil, batteries, printer ink and toner cartridges, light bulbs and small reading lamps, clothing, packaging, fluorescent tubes and more. These items are then collected for recycling, empowering the community to take an active role in promoting the circular economy.

Water management

In 2023, we began to study the impacts of our activities on water resources in greater depth. As part of this work, we aim to calculate our **water footprint** following the methodology set out in ISO 14046. By identifying historic consumption patterns, we will be able to develop specific action plans at the property level. We conducted an exhaustive analysis of water consumption for each end use (air conditioning, watering, hygiene, cleaning, etc.) and impact category (acidification, ecotoxicity, eutrophication and reduced catchment flow in the local area).

- We concluded that the water we discharge into the natural environment has **minimal adverse impact** – comparing favourably to residential and, especially, industrial uses.
- **Water pollution is well controlled**, since all wastewater returns to the public water system for purification.
- Where we have the greatest impact is extracting water from river basins, which can exacerbate water stress in the local environment. Ultimately, this may lead to **restrictions on water consumption for air conditioning** (evaporation towers) **and watering**.

Work on action plans to promote more efficient water use continued over the first half of this year. Our goal is to formulate strategies for each individual property, accounting for local hydrological conditions, regional and local regulations and the scope for water saving and reclamation.

Urban biodiversity

None of the properties in our portfolio lies within a protected natural landscape or ecosystem. However, we are **committed to conserving and promoting native species and urban nature** at all of our shopping centres and retail parks.

By the end of 2023, almost 60% of properties in our portfolio had undergone an ecological assessment as part of the BREEAM certification process. Lagoh emerged particularly strongly: 35.9% of the site is made up of landscaped greenspace, where 70% of species are native to the Mediterranean region and none are considered invasive. Among its initiatives for 2024, further work is planned to increase native flora and create favourable habitats for birds and lepidoptera.

Other initiatives to support biodiversity have included:

- Planting of native flora of the genus *Rosmarinus* and *Lavandula* as part of the landscaping of the El Rosal shopping centre. The flowerbed is located to attract Lepidoptera. Continuous monitoring for the presence of invasive vegetation has also been carried out, with no specimens of such species as *Ailanthus altissima* detected. El Rosal is currently working on its Biodiversity Management Plan.
- Replacement of grass in the exterior gardening areas of Portal de la Marina with native plants that have low water demand, such as those of the genera *Rosmarinus*, *Nerium*, and *Agapanthus*. Additionally, the same shopping centre has sponsored a beehive from the sustainable beekeeping project Miel Montgó, located in the natural park that bears its name.
- Placement of bird nests in outdoor areas at Parque Abadía (50 units) and at the As Termas shopping centre (10 units).
- In Ànecblau, in addition to working on their Ecological Report and Biodiversity Management Plan, they plan to replace their vegetation with native and low water demand flora such as *Stipa tenuissima* in their indoor green areas and *Sansevieria laurentii*, *Salvia greggii*, *Gaura lindheimeri*, and *Viburnum lucidum* on the exterior. The elimination of an invasive plant species (*Cortaderia selloana*) will also be carried out.



We uphold our commitment to biodiversity and urban ecosystems in many different ways, **including embracing biophilic architecture** at Lagoh, **creating an urban allotment** at Megapark and installing **nesting boxes for birds**.

3.2 Contribution to Society

Client engagement

Tenant relationships

In 2023, we launched a **strategic communications** project to nurture our relationships with tenants and formulate a single overarching strategy aligned with our value proposition.

- As part of the exploratory and goal-setting work for the project, we carried out interviews with all of our tenants to gain a fuller picture of their opinions on various key points.
- We compiled a list of trends and technological developments in the sector to identify potential solutions, ranking them on the basis of our overall strategies and impacts in the short, medium and long term.

In the first half of 2024 we conducted a satisfaction survey with retail managers and tenants at Gran Vía de Vigo, VidaNova Parc and Parque Abadía.

At VidaNova, for example, we asked for feedback on a range of aspects including well-being at work, workspace layout and communication with the management team. Respondents gave a particularly high score to our efforts to promote accessibility and relationships with managers.

At Parque Abadía, in relation to its common areas and facilities, communication with the management as well as with the organization of work has been considered as positive aspects, highlighting the relations with the security and cleaning staff.

Visitor relationships

We offer complaints channels at all of our centres, both physical (e.g., feedback forms available at information points) and digital (email addresses and social media accounts where visitors can post reviews).





Every day across our portfolio,
**we strive to create value
 and make a difference in
 the lives of communities**
 — through the services we
 offer, the jobs we create, our
 contribution to social and
 economic development and
 the opportunities we provide
 for people of all walks of life to
 enjoy spending time together.

In addition, the first half of 2024 saw the **introduction of the following initiatives:**

- Accessibility questionnaires at Gran Vía de Vigo and Parque Abadía.
- Visitor satisfaction surveys at Gran Vía de Vigo and VidaNova Parc, organised by centre management. At VidaNova, for instance, questions focused on the park's overall shopping environment and measures to support well-being. Respondents gave the centre an average score of 4.1 out of 5.

On the other hand, at Parque Abadía, users have positively rated the provision of services in the asset and its comfort and general well-being. Overall satisfaction was 3.95 out of 5.

- Mystery Shopping initiative at properties managed by Gentalia, aimed at gauging visitor satisfaction with the services on offer.

Sustainable mobility

As well as reducing the carbon footprint associated with our use of transport, Lar España aims to promote a range of sustainable mobility solutions. All of our sites are easily accessible on foot and by public transport, and we are proud to offer:

- More than **200 electric vehicle recharging points**, with electricity supplied under a Renewable Energy Guarantee of Origin (REGO).
- **Charging points for electric scooters** at several properties, in response to changing needs in the personal mobility landscape.
- Since 2022, Megapark has had a **Mobility Plan** in place to promote sustainable travel choices, incentivise carsharing, exchange information and support with local authorities and spur action to raise knowledge and awareness among park employees. Among the actions to be carried out this year are:
 - The analysis of the main walking connections between the retail park and the municipality of Barakaldo.
 - Improvement actions in the cycling network.
 - Actions to improve schedules, frequencies and stops in the urban bus transport service.
 - Offer information on access by public transport to the workplace to users, tenant workers and suppliers.



Health and well-being at the Company's properties



ISO 45001 certification

All properties under our management are ISO 45001 certified. This international standard recognises our adoption of an **Occupational Health and Safety Management System (OHSMS)**, designed to keep people safe at work. It corresponds to 97% of our assets, in GAV terms. This certification must be renewed every three years, and is subject to an annual review.

Air quality

We take great care to ensure **optimum indoor air quality** at all of our shopping centres, assisted by specialised continuous monitoring software and a precise, energy-efficient HVAC management model. Air quality sensors generate frequent reports, confirming highly satisfactory levels of thermal comfort, CO₂, suspended particulate matter (PM 2.5) and TVOC.

These indicators have already been integrated into our own operational data automation platform.

We promote
**leisure activities
based on well-being
and inclusion.**

Accessibility

To ensure that all of our visitors **feel welcome and enjoy their time with us**, our portfolio is accredited under UNE-170001 (Universal Accessibility). This means that we have a **Universal Accessibility Management System (UAMS)** in place to ensure that all visitors have equal access to all areas of our centres and are able to make the most of our facilities and services.

Around 70% of the Lar España portfolio is currently certified under the UNE-170001 standard: Lagoh, El Rosal, As Termas, VidaNova Parc, Parque Abadía, Albacenter, Portal de la Marina and Megapark.

One of our goals for 2024 is to apply for certification at two further sites: Ànecblau and Gran Vía de Vigo.

Other initiatives in this area include the neurodiversity audit begun last year at Lagoh and the provision of stoma-friendly toilets at Albacenter, Portal de la Marina, Gran Vía de Vigo and As Termas. We plan to install these at El Rosal Shopping Centre in 2024.

The 100 Best Ideas of 2024: Lar España wins in Sustainability category

Lagoh received a **gong from Actualidad Económica** for its partnership with the Seville Autism Association, which has led to several valuable initiatives including a neurodiversity audit.

This award highlights the importance of this aspect of accessibility, which allows neurodiverse visitors to process, navigate and enjoy the centre environment with greater independence. For everyone's ease and comfort, signage and wayfinding features at Lagoh are designed around icons, symbols, simple text and multisensory resources (audio guides, music, etc.) and adapted lighting.



Social Impact Committee

Over the first six months of the year, our Social Impact Committee has continued to raise its sights in terms of the **benefits we can bring to communities** and our social impact leadership, while also drawing up our strategic action plan for 2024.

In 2024, the Committee addressed a range of topics, including:

- Our **social responsibilities** towards our clients (tenants and users), value chain and local communities.
- **Communication** around our corporate sustainability agenda (internal and external).

Lar España's contribution to the 2030 Agenda

As a member of Global Compact Network Spain since 2020, we have been working to step up our contribution to the 2030 Agenda and the Sustainable Development Goals (SDGs) in this “Decade of Action”.

We unveiled our corporate action plan in 2021, highlighting eight SDGs as especially relevant to our work, with **22 operational and corporate actions** to implement and 13 specific targets. These actions were designed based on external trend analyses and best practices, and tailored to Lar España's needs following discussions with internal teams. Currently, their update is being evaluated to align them with the current environment and available resources for implementation.

Looking back on our progress in 2023 and 2024, the following actions have been key to bringing us closer to our targets:

SDG	Target	Actions taken	Next steps
	6.4 Making more efficient use of hydrological resources (freshwater extraction).	<ul style="list-style-type: none"> → Calculation of our water footprint. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Responsible water consumption plan.
	7.2 Rolling out renewables. 7.3 Doubling our energy efficiency score.	<ul style="list-style-type: none"> → Achieving the objectives set out in our Corporate Energy Efficiency Plan, cutting energy use across our portfolio. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Updating energy performance targets → Installing renewable energy systems <i>in situ</i>.
	8.8 Protecting workers' rights and job security. 8.5 Achievements in full employment and decent work. 8.3 Supporting SMEs. 8.4 Ensuring more efficient, responsible production and consumption.	<ul style="list-style-type: none"> → Talent management among our four employees. → ESG training programmes and monitoring at corporate level. → 100% of properties under our operational control are ISO 45001 certified. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Creating a formal ESG assessment procedure for our value chain. → Further initiatives and projects for more direct communication with tenants. → More in-depth analysis of suppliers at corporate and operational levels.
	9.1 Creating sustainable infrastructure. 9.A Supporting sustainable and resilient infrastructure.	<ul style="list-style-type: none"> → Green clauses in new lease agreements. → c. 100% of our portfolio is BREEAM certified and rated "Outstanding", "Excellent" or "Very Good". → 100% of properties under our operational control are ISO 14001 certified. → Climate risk analysis based on TCFD. 	<ul style="list-style-type: none"> → Renewal of BREEAM certifications under the latest version of the framework. → All properties under our operational control are ISO 50001 certified. → Defining standards for major refurbishment projects. → Climate impact monitoring.
	12.1 Sustainable consumption and production framework.	<ul style="list-style-type: none"> → Waste Management Plan: to improve traceability by waste category and management stream. → Initiatives to support the circular economy (RECICLOS and ecozones). → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Ongoing work to refine data collection processes for waste management and calculating scope 3 emissions. → Coming up with new initiatives to promote the circular economy.

	13.1 Strengthening resilience and adaptability.	<ul style="list-style-type: none"> → Producing and updating decarbonisation strategy in line with SBTi and CRREM. → Climate risk analysis based on TCFD. → Emissions monitoring and reductions across portfolio. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Tracking the fulfillment of established corporate objectives. → Climate impact monitoring. → Conducting a study into emissions offsetting projects and drafting a workable strategy. → Progress in methodology for calculating scope 3 emissions, with a particular focus on tenants' activities, waste management and major refurbishment projects.
	16.6 Building efficient and transparent institutions.	<ul style="list-style-type: none"> → We are committed to using every one of our centres to support the community, and welcome opportunities to join forces with local organisations. → Thundering contribution to SDG 10 in 2023 with Dumbo: the Musical, an inclusive event for children. → Green clauses in new lease agreements. 	<ul style="list-style-type: none"> → Continuing to run social initiatives at all of our assets, with new impact targets. → Initiatives and projects for more direct communication with tenants. → Corporate volunteering programme.
	17.3 Releasing additional financial resources.	<ul style="list-style-type: none"> → 100% of corporate debt classed as "green". → Voluntary disclosures under the European Taxonomy. → Institutional partnerships to amplify our social impact. 	<ul style="list-style-type: none"> → Initiatives and projects aimed at tenants. → Creating a formal ESG assessment procedure for our value chain. → Monitoring our alignment with European standards.



Social action

In managing and running our portfolio, we are committed to pursuing a wide range of partnerships with institutions, associations and NGOs.

Over the first half of this year, we've launched **91 social initiatives and communications** at centres under our management, achieving the following outcomes:

- **870 working hours** devoted to social action.
- **More than €126,000** invested in our communities, plus a further €37,660 allocated to donations, subsidies, prizes and sponsorships.

All of our social initiatives are **based on the SDGs, creating value for local communities through social, cultural, sporting and environmental projects.**

Major social initiatives in H1 2024



Blood drives


We gladly threw our weight behind campaigns to sign up new donors and gather pledges, so more lives can be saved by donor blood. Over the first six months of the year, more than 1,000 volunteers came forward across seven of our centres, donating over 390 litres of blood.

Property	Description of the initiative	
→ Lagoh		→ <i>San Valentin solidario</i> at Lagoh.
→ Gran Vía de Vigo		→ <i>Donar es de cine</i> blood drive Gran Vía de Vigo, El Rosal and As Termas.
→ Portal de la Marina		→ <i>La gran donación</i> blood drive at Portal de la Marina.
→ Ànecblau		
→ El Rosal		
→ As Termas		
→ Albacenter		→ Events at Albacenter to mark World Blood Donor Day, with information displays and brochures distributed by volunteers.



Charitable collaborations

Lar España often provides free space for charities to organise collections of donated food and other everyday essentials. We also run our own awards scheme to highlight local projects. In parallel, we aim to take action to make life better for members of vulnerable groups and foster social cohesion in our communities.

Property	Description of the initiative
<ul style="list-style-type: none"> → Lagoh → Gran Vía de Vigo → Portal de la Marina → Ànecblau → El Rosal → Albacenter → Parque Abadía → VidaNova Parc 	   <ul style="list-style-type: none"> → More than 40 organisations set up stall in our centres, occupying space with a commercial value of €5,330.
<ul style="list-style-type: none"> → Lagoh 	<ul style="list-style-type: none"> → Collection of 400 donated toys for Madre Coraje. → Workshops on fashion and personal style for the national Peace School project, aimed at young people at risk of exclusion.
<ul style="list-style-type: none"> → Gran Vía de Vigo 	   <ul style="list-style-type: none"> → <i>Ponte en mi lugar</i> ("In My Place"): accessible toy workshop to introduce visitors to inclusive play. → <i>Gran Vía Suma</i>: initiative to support local organisations, with €2,000 awarded to the winning project. → <i>El gran lookttery</i>: style contest in association with Unidad Solidaria, with 10 kg of children's clothing donated. → <i>Rompiendo mitos</i>: exhibition in support of World Autism Awareness Day.
<ul style="list-style-type: none"> → Ànecblau 	 <ul style="list-style-type: none"> → Hot chocolate party in support of La Torradeta, attracting 50 participants.
<ul style="list-style-type: none"> → As Termas 	 <ul style="list-style-type: none"> → Held the <i>As Termas Suma</i> competition, in which any local NGO can present their project and take part. Selected projects received prizes of €3,000 (in the social category) and €1,000 (in the sport category) to support their work.

→ El Rosal



- Collected 563 kg of food donations for the local Food Bank.



- Memory skills demonstration by Bierzo Alzheimer's Association. *Memoria* is a tool designed to support and stimulate cognitive function, improving quality of life for people living with Alzheimer's Disease.

→ Albacenter



- Free training space provided for the team at Orange, in the interests of strengthening tenant relationships.



- Celebrations to mark International Women's Day.



- Space made available free of charge to the *Dejando huella* campaign for a collection of donated pet food, with 1,352 kg received.



- Space made available to the Red Cross for its annual Gold Draw.

→ Megapark



- *Ponte en mi lugar* ("In My Place"): event to raise awareness of the challenges faced by people with disabilities, including an obstacle course formed of everyday objects familiar to wheelchair and cane users.

→ Parque Abadía



- *Talento 45+* event with information stand where visitors could submit their CVs and find out about new opportunities.



- Celebrating International Women's Day by highlighting gender inequalities.



- Free educational workshop on how to react to a choking child, delivered by local organisation BLOOMA.



- Collection of donated items for newborns in support of the NGO Red Madre, resulting in a haul of 263 kg.










- Collection of 45 kg of food donations for the NGO Socorro de los Pobres.

- Collection of food donations for the most vulnerable in the community in partnership with Fundación CaixaBank — part of CaixaBank Toledo's volunteering programme.



Encouraging cultural activities











At our centres, we offer space to celebrate festivals, traditions and a diversity of arts and crafts.

Property	Description of the initiative	
→ Gran Vía de Vigo		→ Fourth edition of <i>Mercado Mona</i> , an art and illustration marketplace showcasing local talent.
→ Ànecblau		→ A tourist information point was set up in the centre, free of charge, in collaboration with the town council.
→ El Rosal		→ <i>EscaparArte</i> : exhibition of works by local artists, hosted free of charge.
→ As Termas		→ Space made available for <i>Arde Lucas</i> exhibition, featuring 12 educational panels and photographs explaining the history and evolution of this local festival. Lar España was proud to sponsor the festival itself, which attracts visitors from all over Spain.
→ Albacenter		→ Free flamenco dance classes in partnership with the Escuela de danza española and Miguel de Luis.
		→ <i>Entrepuntejos</i> crochet club, with classes offered by the Albacete Knitters' Association.
		→ Free flamenco demonstration by students at the Escuela de danza española.
		→ Book launch for <i>Para córneas las mías</i> by Iris Torrente, a personal account of life with ulcerative colitis and psoriasis, with proceeds donated to charity.
→ Parque Abadía		→ Celebrating literary culture on World Book Day.
→ VidaNova Parc		→ Full day of events in honour of the Fallas Festival, welcoming the children's chapters of Fallas associations in Sagunto. A special show was put on for our youngest visitors and prizes awarded for the best-decorated street. 350 people took part.



Encouraging healthy, active lifestyles

We aim to support local communities by encouraging positive habits and sponsoring events that promote health and well-being.

Property	Description of the initiative
→ Gran Vía de Vigo	 <ul style="list-style-type: none"> → Sponsorship of the second <i>Andaina do Maúxo</i>, a walk for both families and seasoned athletes through the mountains around Vigo.
→ Portal de la Marina	 <ul style="list-style-type: none"> → Sponsorship of <i>I Volta a Peu Portal de la Marina</i>, a charity run following a route that skirts the centre — part of the Marina Alta race circuit. 900 people took part.
→ Ànecblau	  <ul style="list-style-type: none"> → Sponsorship of the <i>Mediterrani</i> marathon with presentation of prizes held at the centre. 3,000 people took part in the marathon. → Sponsorship of <i>Desconectar por el autismo</i>, a charity run in partnership with ISTEA to raise awareness of autism. 1,124 people took part.
→ El Rosal	  <ul style="list-style-type: none"> → To mark the anniversary of the gym chain Altafit, we ran fitness events all around the centre to promote the benefits of an active lifestyle. → Ninth 3x3 Basketball Tournament on the outdoor esplanade at the shopping centre, organised by the Ponferrada Basketball Club. 140 people took part.
→ As Termas	 <ul style="list-style-type: none"> → Sponsorship of <i>Corre con Nós</i>, a charity run organised by Lugo City Council.
→ Albacenter	   <ul style="list-style-type: none"> → Talks on health and well-being offered by Herbalife. → Presentations on skincare and beauty routines, courtesy of Farmasi. → Masterclass on image and style with Aipcalbasit.

→ Megapark

→ Yoga day: special well-being event in partnership with Puma.

→ Parque Abadía



→ Sponsorship of charity run/walk *Marsodeto*, with more than 600 participants.



→ Sponsorship of charity run organised by Bargas parish council, with more than 500 runners.



Championing environmental sustainability

We promote sustainability by consistently practising our values: respect for the environment, responsible consumption and sustainable transport.

Property

Description of the initiative

→ Portal de la Marina

→ El Rosal

→ Parque Abadía

→ VidaNova Parc



→ We took part in Earth Hour, sending the façades of participating centres into darkness for 60 minutes.



→ Lagoh



→ *Fashion Revolution*: A wardrobe-swapping event where visitors had the chance to exchange pre-loved clothes in good condition to raise funds for Caritas. A total of 83 kg of clothing found new homes among 237 attendees.

→ Gran Vía de Vigo



→ Donation of 18 real Christmas trees from the centre's festive displays to the Montes de Beade community.



→ Participation in the CoRRRes initiative, which promotes recycling, reuse and reforestation in the Vigo mountains by collecting donations of plastic bottle tops. The initiative included a number of children's workshops, teaching youngsters to protect the planet through creative activities like CoRRRes Kids.

→ Celebrating carnival season with a workshop encouraging visitors to get creative with recycled materials.

→ *Charlie and the Recycling Factory*: a musical aimed at inspiring kids to protect the environment and adopt healthy eating habits, with 792 attendees.



→ Marking World Tree Day with a children's gardening workshop in association with Brote Kids, attracting 54 participants.



→ Marking World Water Day by turning off all decorative water features and sprinklers.

→ **Ànecblau**



→ *Dona tu ropa*: publicity campaign in partnership with Humana.

→ Ongoing campaigns to raise knowledge and awareness of environmental issues.

→ **As Termas**



→ To promote sustainable mobility, we invited Ponferrada City Council to install a bus pass recharging point at As Termas, free of charge.

→ Environmental drawing competition for schools, in association with Cope Lugo. 1,530 people took part.

→ **Albacenter**



→ Free soya candle and wax melt workshop with 27 participants, intended to foster responsible consumption.

→ **Megapark**



→ *Urban mobility days*: programme of events to encourage visitors to travel by bicycle or electric scooter, with test circuit, sustainable children's games and more. 232 people took part.

→ **Parque Abadía**



→ Promoting environmental education on Global Recycling Day.



3.3 Leaders in Governance

Once again, our [2023 Annual Corporate Governance Report \(ACGR\)](#) provides more detailed information on both the structure and operation of the governance bodies, as well as on the progress made in terms of corporate governance best practices and recommendations. Highlights for the year included:

- **Meeting almost 100%** of recommendations contained in the Spanish Securities Market Commission's Good Governance Code.
- Embarking on a systematic, phased rotation plan for the Board of Directors, **we achieved our target of a 60/40 split between male and female directors in 2024.**
- Making periodic revisions and updates to our Risk Map, in line with our Integrated Risk Management Plan (IRMP) and [Risk Control and Management Policy](#).
- Inclusion of the analysis of climate-related risks and opportunities, based on our first [Climate Risk Report](#).
- Approval of the new [Procurement and Outsourcing of Services Policy](#).
- Launch of our new Ethics and Whistleblowing Channel pursuant to Law 2 of 20 February 2023.
- Updates to our [Reporting and Communication Policy](#) to ensure that stakeholders continue to receive the highest quality of financial, corporate and sustainability reporting, in strict compliance with regulations on insider information.

We've been refining our governance structure for the last ten years, **building a solid foundation for decision-making, market confidence, value creation and sustainability in the short, medium and long-term.** Through continuous reflection and improvement, we ensure that everything we do is underpinned by the most rigorous standards of regulatory compliance, transparency and corporate ethics.



General Shareholders' Meeting

The Lar España General Shareholders' Meeting was held on 25 April and approved all agreements submitted for consideration. For this year's meeting, invitees were given the choice of attending in person or following online via the live stream.

For the tenth consecutive year, our two main proxy advisors (ISS, Glass Lewis) recommended that shareholders pass all motions tabled by the board.

All items on the agenda were voted through by near-unanimous agreement:

- Approval of consolidated and non-consolidated annual accounts and management reports.
- Approval of dividend issue of €0.79 per share.
- Appointment of Deloitte as financial auditor for the 2024–2026 period.
- Reappointment of Ms. Isabel Aguilera for a three-year term as an independent company director.
- Approval (99% in favour) of the new [Remuneration Policy](#), which follows logically from its predecessor and meets all applicable regulations.

Finally, shareholders were informed of Mr. Alec Emmot's resignation as an independent corporate director, **which brings the proportion of women on the board of directors to our 40% target.**

Fitch upholds Lar España's BBB rating

FitchRating | Rating **BBB** | Outlook **Stable**

Following its June 2023 review, the rating agency Fitch **notified us on 1 July that Lar España's 'BBB' rating and stable investment outlook would be renewed for 2024**, extending also to the two green bond issues launched in 2021. Fitch highlighted the Company's robust operating performance, following very positive growth in income, footfall and sales. Moreover, high occupancy rates across the portfolio are an indication of the level of interest generated by our properties as market leaders in their catchment areas.

The Company was also commended for its **advancements in ESG performance**, achieved through a variety of ongoing projects including the installation of photovoltaic systems, resource optimisation studies and improvements to waste management and accessibility.

Double Materiality assessment

As a prerequisite to achieving full compliance with the EU's Corporate Sustainability Reporting Directive (CSRD), we are working on an updated **Double Materiality assessment**. This will supersede the current version, completed in 2021.

The term "double materiality" refers to the consideration of both financial and non-financial impacts. It is a means of evaluating, not only a company's short, medium and long-term financial performance, but also how its activities affect society and the natural world.

Our analysis was based on the Global Reporting Initiative's standard "GRI 3: Material Topics". This exercise has enabled us to get ahead of future reporting regulations under the CSRD and the draft European Sustainability Reporting Standards (ESRS) with respect to corporate materiality assessments.

This information is very valuable for the Company, as it allows us to **identify which sustainability issues** are prioritized for management, based on their importance for our external and internal stakeholders. The ultimate goal is to:

- Direct our sustainability efforts towards **material topics**.
- **Rank material topics in order of importance**, based on stakeholder interests.

The first step was to examine **the context** in which the Company operates. In the interests of completeness, we based our analysis on a variety of sources:

- Analysis of the regulatory context in ESG.
- Current trends.
- Sector benchmarking.
- Opinions of leading international commentators.
- Internal meetings.

Subsequently, we are advancing in the phase of identifying **impacts, risks and opportunities** (IROS) to qualitatively and quantitatively assess the materiality of these, linked in turn to the potentially priority issues.

In parallel, we ran a **survey with key internal and external stakeholders** to find out what their views and expectations of Lar España are, which issues they see as fundamental to our corporate purpose and, consequently, where they believe we should focus the bulk of our efforts.

The **next steps** in this process will be to establish priorities among material topics, produce an integrated double materiality matrix and develop action plans and specific objectives within our global corporate and sustainability strategies.

ESG Committee

Established in 2020, our ESG Committee reports directly to Lar España's senior corporate and financial management team, along with the various heads of department involved in managing the business and our portfolio.

The committee **convened twice** in the first half of the year, addressing topics including:

- Action plans and measures to improve energy efficiency.
- Monitoring and follow-up of environmental indicators.
- Sustainable mobility projects.
- Circular economy and waste management.
- Oversight of our decarbonisation strategy.
- Technical certifications.
- Evaluating water consumption.

Green clauses

Throughout H1 2024, we continued to roll out green clauses in new lease agreements. At the time of writing, **close to 30% of all Lar España's lease agreements** contain stipulations on responsible resource use, energy efficiency, waste management and other aspects of sustainability.

MSCI ESG Ratings⁽¹⁾



Once again, Lar España participated in the IPD Spain Annual Property Index, an investment index produced by MSCI. **We were pleased to receive an 'A' rating for our achievements in ESG.**

GRESB



For the seventh consecutive year, **we took part in the Global Sustainability Real Estate Benchmark (GRESB)**, one of the world's leading frameworks for evaluating corporate ESG performance. This year, we have been moving forward with our latest action plan, which builds on the outcomes achieved in 2023. Our priorities are managing climate risk, expanding the scope of the global performance indicators used to evaluate our properties and finalising our decarbonisation/Net Zero objectives.

In 2023, **the score puts us in first place among 1,013 European companies in the Management component**, having achieved the highest possible scores for leadership, company policies, reporting, risk management and stakeholder engagement. In the Performance component, we were ranked among the top 50% of companies, scoring highly for our level of commitment to tenants and local communities.

CDP



Lar España will take part in the Carbon Disclosure Project (CDP) for the first time in 2024, as another way to promote transparency and open comparison between companies and their commitment to climate action. This process should help us identify the potential environmental risks and opportunities on our horizon, so we can adapt our strategy accordingly, prepare for future regulations on sustainability reporting and adapt to different reporting standards around the world.

Founded in 2000, CDP is a global non-profit organisation that challenges companies to be open about their environmental impacts, arguing that this information is critical for investors and other stakeholder groups. In 2023, data was received from a record 23,000 companies, including public companies with a total market cap of \$67 billion (more than 66% of the global total).

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FTSE4Good



FTSE4Good

In June 2024, FTSE Russell confirmed that Lar España had **retained its spot on the FTSE4Good Index**.

Launched in 2001, FTSE4Good is a series of indices based on transparent metrics for ESG performance, aimed at incentivising companies to step up their sustainability practices.

These metrics are developed through an exhaustive consultation process and approved by an independent expert committee. A wide variety of stakeholders are invited to give their input, including NGOs, government agencies, consultants, academics, the investment community and the business sector. To ensure close alignment with market expectations and the latest developments in ESG practice, the qualification criteria for the index are reviewed on a regular basis.

Other indexes in which Lar España takes part

S&P Global Ratings



Engaging with business organisations

To stay fully up to speed with the latest market trends, Lar España is active in a number of organisations within the real estate sector in Spain:



Global Compact Network Spain



Lar España became a signatory to the UN Global Compact in 2020, and **participates in various accelerator and training programmes** as a way to drive forward the 2030 Agenda and keep in touch with developments in corporate sustainability.

This year, we have joined 800 companies all over the world (60 of them based in Spain) for the second edition of the Business & Human Rights Accelerator. We are also continuing our participation in the Climate Ambition Accelerator, to help us stay in sync with emerging trends and regulations and steer our strategy towards a lighter environmental footprint.

Consolidated Financial Statements

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4.1 Company Chart 30.06.2024

Group **scope of accounting/financial consolidation** as of 30 June 2024 is as follows:



100%	LE RETAIL - El Rosal, S.L.U.	El Rosal	100%
100%	LE RETAIL - Albacenter, S.L.U.	Albacenter	100%
100%	LE RETAIL - Ànecblau, S.L.U.	Ànecblau	100%
100%	LE RETAIL - Txingudi, S.L.U.	Txingudi	100%
100%	LE RETAIL - As Termas, S.L.U.	As Termas	100%
100%	LE RETAIL - VidaNova Parc, S.L.U.	VidaNova Parc	100%
100%	LE RETAIL - Hiper Albacenter, S.A.U.	Hypermarket Albacenter	100%
100%	LE RETAIL - Lagoh, S.L.U.	Lagoh	100%
100%	LE RETAIL - Las Huertas, S.L.U.	Las Huertas	100%
100%	LE RETAIL - Abadía, S.L.U.	Parque Abadía + Commercial gallery	100%
100%	LE RETAIL - Gran Vía de Vigo, S.A.U.	Gran Vía de Vigo	100%
100%	LE RETAIL - Rivas, S.L.U.		100%
100%	LE RETAIL - Vistahermosa, S.L.U.		100%
100%	LE RETAIL - Hiper Ondara, S.L.U.	Portal de la Marina / Megapark As Termas Petrol Station	100% 100%
100%	LE RETAIL - Sagunto II, S.L.U.	VidaNova Parc Petrol Station / Land	100%
100%	INMOBILIARIA - Juan Bravo 3, S.L.		50%

Company: Full Consolidation Equity Method

Asset Class: Shopping Centres Retail Parks

4.2 Consolidated Statement of Comprehensive Income

TOTAL (Thousands of euros)	Recurring		Non recurring		TOTAL	
	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	H1 2023
Revenues	49,201	47,262	(3,490)	(33)	45,711	47,229
Other Income	1,532	1,578	–	139	1,532	1,717
Personnel expenses	(391)	(405)	–	–	(391)	(405)
Other expenses	(11,176)	(10,807)	(1,689)	(4,272)	(12,865)	(15,079)
Changes in the fair value of investment properties	–	–	(10,047)	(12,078)	(10,047)	(12,078)
RESULTS FROM OPERATIONS	39,166	37,628	(15,226)	(16,244)	23,940	21,384
Financial income	4,915	1,131	–	–	4,915	1,131
Financial expenses	(6,522)	(7,779)	–	–	(6,522)	(7,779)
Changes in the fair value of financial instruments	–	–	–	20,402	–	20,402
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	37,559	30,980	(15,226)	4,158	22,333	35,138
Income tax	–	–	–	–	–	–
PROFIT FOR THE PERIOD	37,559	30,980	(15,226)	4,158	22,333	35,138

Recurrent Result from
Operations

€39,166
thousand

+4.1% vs H1 2023

Recurrent Result for the
Period

€37,559
thousand

+21.2% vs H1 2023

Result from operating activities

As at 30 June 2024, the Group has a **positive recurring profit from operations of €39,166 thousand** (€37,628 thousand as at 30 June 2023), an **increase of +4.1%** compared to the same period of the previous year. The **recurring profit** for the year amounted to **€37,559 thousand** an increase of **+21.2%** compared to the same period of the previous year.

Revenues

The amount of revenue for the first six months of 2024 amounted to €45,711 thousand, a decrease of nearly -3% compared to the same period of the previous year (€47,229 thousand in the first six months of 2023) due to the divestment of Rivas Futura and Vistahermosa carried out in July 2023. Recurring ordinary revenues were **+4.1% higher** than in the first half of 2023.

Other expenses

On 30 June 2024, the Group incurred Other expenses amounting to **€12,865 thousand**, 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 €6,295 thousand.

- Management fees (fixed fee included) for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") totals €3,715 thousand. The fixed amount totals €2,785 thousand and the variable amount, €930 thousand, corresponds to the performance fee provision included in the financial statements as at 30 June 2024.

Change in the fair value of investment properties

On 30 June 2024, the negative amount in this entry, **€10,047 thousand**, is made up of the difference in the fair value of investment properties following the latest valuations conducted by independent experts (C&W and CBRE).

Net Financial Result

The **financial result** was a negative balance of €1,607 thousand at 30 June 2024 (positive balance of €13,754 thousand at 30 June 2023).

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

4.3 Consolidated Statement of Financial Position

ASSETS (Thousands of euros)	30.06.2024	31.12.2023
Intangible assets	1	1
Investment properties	1,304,285	1,312,956
Equity-accounted investees	1,458	1,458
Non-current financial assets	14,478	13,949
Trade and other receivables non-current	3,014	3,541
NON-CURRENT ASSETS	1,323,236	1,331,905
Trade and other receivables current	6,742	9,931
Other current financial assets	3	3
Other current assets	1,989	2,080
Cash and cash equivalents	213,025	244,218
CURRENT ASSETS	221,759	256,232
TOTAL ASSETS	1,544,995	1,588,137



NET EQUITY AND LIABILITIES

(Thousands of euros)

	30.06.2024	31.12.2023
Capital	167,386	167,386
Share premium	410,910	415,303
Other reserves	241,541	266,441
Retained earnings	22,333	36,789
Treasury shares	(418)	(371)
EQUITY	841,752	885,548
Financial liabilities from issue of bonds and other marketable securities	578,075	577,542
Loans and borrowings	69,957	69,950
Deferred tax liabilities	12,990	12,990
Other non-current liabilities	20,611	19,784
NON-CURRENT LIABILITIES	681,633	680,266
Financial liabilities from issue of bonds and other marketable securities	8,309	3,113
Loans and borrowings	185	185
Other financial liabilities	52	107
Trade and other payables	13,064	18,918
CURRENT LIABILITIES	21,610	22,323
TOTAL EQUITY AND LIABILITIES	1,544,995	1,588,137



Real estate investments by asset type

Shopping
Centres

71%

Retail
Parks

29%

Non-current assets

Investment properties

At 30 June 2024, **investments properties** are classified as non-current assets, at a fair value of **€1,304,285 thousand** (€1,312,956 thousand at 31 December 2023). The Group's investment properties, consist of nine shopping centres and three retail parks.

NET INVESTMENT (Thousands of euros)	30.06.2024	31.12.2023
Shopping Centres	925,502	935,220
Retail Parks	378,023	376,979
Other	760	757
INVESTMENT PROPERTIES	1,304,285	1,312,956

Equity-accounted investees

At 30 June 2024 and 31 December 2023, 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 2024 and 31 December 2023, 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.



Current assets

Trade and other receivables

As of 30 June 2024 and 31 December 2023, this line item mainly includes the amount from lessees which are pending collection.

Additionally, reflects the receivables from public entities in the amount of €2,784 thousand (€4,662 thousand at 31 December 2023).

Net Equity

At 30 June 2024, 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 25 April 2024, the Shareholders' General Meeting approved the distribution of a **dividend of €61,771 thousand**, at €0.7381 per share (taking into account all the shares issued) and recognised in profit for the 2023 period, and of **€4,396 thousand**, at €0.0525 per share (taking into account all the shares issued), charged to the **share premium**.

The **total pay-out** was **€61,752 thousand** charged to the Profit for the period 2023 (after deducting the amount corresponding to treasury shares, which does not leave the Parent Company's equity and totals €20 thousand in dividends charged to profit), and **€4,393 thousand** charged to **share premium** (after deducting the amount corresponding to treasury shares and totals €1 thousand) given the amount per share approved and shares outstanding at the time of approval by the General Shareholders' Meeting on 25 April 2024. The dividend pay-out was settled in full on 24 May 2024.

During the first half of 2024, the Company has carried out its own share sale and purchase transactions, as described below:

	Number of shares	Thousands of euros
31 December 2023	62,545	371
Additions	345,013	2,361
Disposals	(347,326)	(2,314)
30 June 2024	60,232	418

The positive result generated by the sale of treasury shares during the first half of 2024 amounted to €63 thousand, recorded under the heading Other Reserves.

Financial liabilities

Type	Project	Entity	Interest rate	Maturity date	Nominal amount (Thousands of euros)	Current (Thousands of euros)	Non-Current (Thousands of euros)
Corporate Loan	LRE	Banco Sabadell	EUR 3M+0.45%	19.06.2025	30,000	–	–
Corporate Loan	LRE	European Investment Bank	1.67%	04.05.2027	70,000	185	69,957
LOANS AND BORROWINGS						185	69,957

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	4,820	291,365
November Green Bond	1.84%	03.11.2028	300,000	3,489	286,710
FINANCIAL LIABILITIES FROM ISSUE OF BONDS AND OTHER MARKETABLE SECURITIES				8,309	578,075

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 million 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.

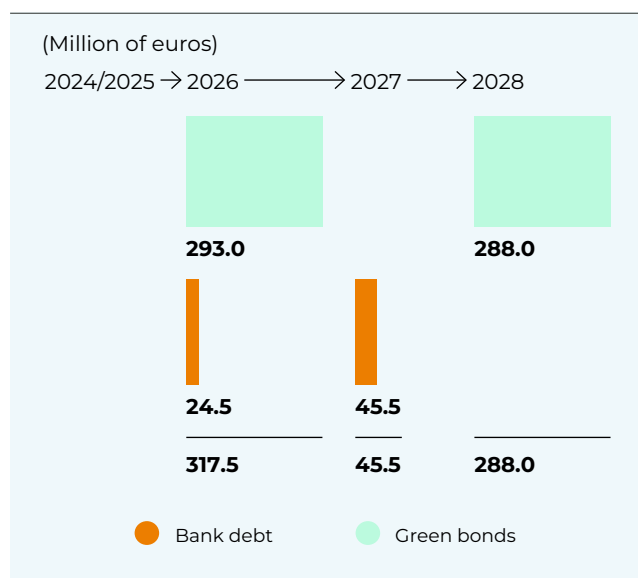
Following the bond repurchases in 2023, the amount of debt corresponding to these bonds has been reduced to a combined total amount of **€581 million**.

Below is the calculation of the Company's net Loan To Value as of 30 June 2024.

(Thousands of euros)	30.06.2024
GAV	1,304,285
Full Consolidation Gross Debt	651,000
Equity Method Gross Debt	0
Total gross debt	651,000
Cash (Full Consolidation and Equity Method)	215,242
Total net debt	435,758
NET LTV	33.4%

At 30 June 2024, Lar España's debt stood at **€651 million**, with an average cost of 1.8% and a net LTV ratio of 33.4%. The average debt maturity stood at 3.3 years.

The amortisation schedule is detailed below:



Deferred tax liabilities

On 30 June 2024 and on 31 December 2023, this entry includes deferred tax liabilities deriving from the business combination carried out by 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)	30.06.2024 ^(*)	30.06.2023 ^(*)
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	36,312	42,293
1. Profit/(loss) for the period before tax	22,333	35,138
2. Adjustments for:	11,872	(1,578)
Change in fair value of investment properties (+/-)	10,047	12,078
Impairment (+/-)	218	98
Financial income (-)	(4,915)	(1,131)
Financial expenses (+)	6,522	7,779
Impairment and gain (loss) on disposal of financial instruments (+/-)	-	(20,402)
3. Changes in operating assets and liabilities	(2,216)	9,252
Trade and other receivables (+/-)	3,498	4,033
Other current assets (+/-)	92	4,039
Trade and other payables (+/-)	(6,049)	424
Other current assets and liabilities (+/-)	243	756
4. Other cash flows used in operating activities	4,323	(519)
Interest receive (-)	4,915	1,131
Interest paid (-)	(592)	(1,650)
B) CASH FLOWS USED IN INVESTING ACTIVITIES	(1,376)	(4,208)
1. Payments for investments (-)	(1,376)	(4,208)
Investment property	(1,376)	(4,208)
2. Proceeds from divestments (+)	-	-
Investment property	-	-
C) CASH FLOWS FROM FINANCING ACTIVITIES	(66,129)	(148,233)
1. Payments made and received for equity instruments	16	(68)
Acquisition/disposal of treasury shares (+/-)	16	(68)
2. Proceeds from and payments for financial liability instruments	-	(98,198)
Redemption and repayment of:	-	(98,198)
Liabilities and other negotiable values (-)	-	(98,198)
Bank borrowings (-)	-	-
3. Payments for dividends and remuneration on other equity instruments	(66,145)	(49,967)
Dividends (-)	(66,145)	(49,967)
D) CASH AND CASH EQUIVALENTS IN NON-CURRENT ASSETS HELD FOR SALE	-	4,216
E) NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(31,193)	(105,932)
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	244,218	197,141
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	213,025	91,209

(*) Six month period.

EPRA Information

5.1	5.2	5.3	5.4	5.5	5.6
EPRA	EPRA	EPRA	EPRA	EPRA	EPRA
Earnings	Net Asset	NIY and EPRA	Vacancy	Cost	LTV
90	Value Ratios	Topped-up NIY	Rate	Ratios	96
	91	93	94	95	



EPRA Information

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, including an analysis ratio regarding the leverage of companies, the EPRA LTV.

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 2023, for the **ninth 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 **sixth 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" document - BPR available at www.epra.com





INDICATOR	30.06.2024	30.06.2024
	(Thousands of euros)(%)	(Euros per share)
EPRA Earnings	32,380	0.39
EPRA NTA	854,742	10.22 ^(*)
EPRA NRV	885,723	10.59 ^(*)
EPRA NDV	841,752	10.06 ^(*)
EPRA Net Initial Yield (NIY)	6.6%	
EPRA Topped-up NIY	6.9%	
EPRA Vacancy Rate	4.0%	
EPRA Cost Ratio	16.8% ^(**)	
EPRA Cost Ratio (excluding costs of direct vacancy)	15,2% ^(**)	
EPRA LTV Ratio	35.2%	

(*) When analyzing this measure it is important to take into account the dividend paid in Q2 2024 (€0.79 per share).

(**) Ratio calculated taking into account recurring expenses. See Glossary 8 for terminology description.

5.1 EPRA Earnings

(Thousands of euros)	H1 2024	H1 2023
EARNINGS PER IFRS INCOME STATEMENT	22,333	35,138
Change in value of investment properties	10,047	12,078
Profits or losses on disposal of investment properties	–	–
Tax on profits or losses on disposals	–	–
Negative goodwill	–	–
Changes in fair value of financial instruments and associated close-out costs	–	–
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	32,380	47,216
Weighted average number of shares (excluding treasury shares)	83,646,398	83,633,750
EPRA EARNINGS PER SHARE (EUROS)	0.39	0.56
EPRA ORDINARY RESULT	32,380	26,814^(*)
EPRA ORDINARY RESULT PER SHARE (EUROS)	0.39	0.32

(*) Excluding the positive effect of the bond buyback in 2023.

EPRA Earnings
per share

€ 0.39
per share
+21% vs H1 2023

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, you can visit the official EPRA website: 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 (Thousands of euros)	30.06.2024			31.12.2023		
	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Assets	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Assets
Equity attributable to shareholders	841,752	841,752	841,752	885,548	885,548	885,548
(I) Hybrid Instruments	–	–	–	–	–	–
Diluted NAV	841,752	841,752	841,752	885,548	885,548	885,548
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	841,752	841,752	841,752	885,548	885,548	885,548
Exclude:						
(V) Deferred Tax in relation to fair value gains of IP	12,990	12,990	n.a.	12,990	12,990	n.a.
(VI) Fair value of financial instruments	–	–	n.a.	–	–	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	–	30,981	n.a.	–	29,366	n.a.
NAV	854,742	885,723	841,752	898,538	927,904	885,548
Other	83,632,737	83,632,737	83,632,737	83,630,424	83,630,424	83,630,424
NAV per share (euros)	10.22^(*)	10.59^(*)	10.06^(*)	10.74	11.10	10.59

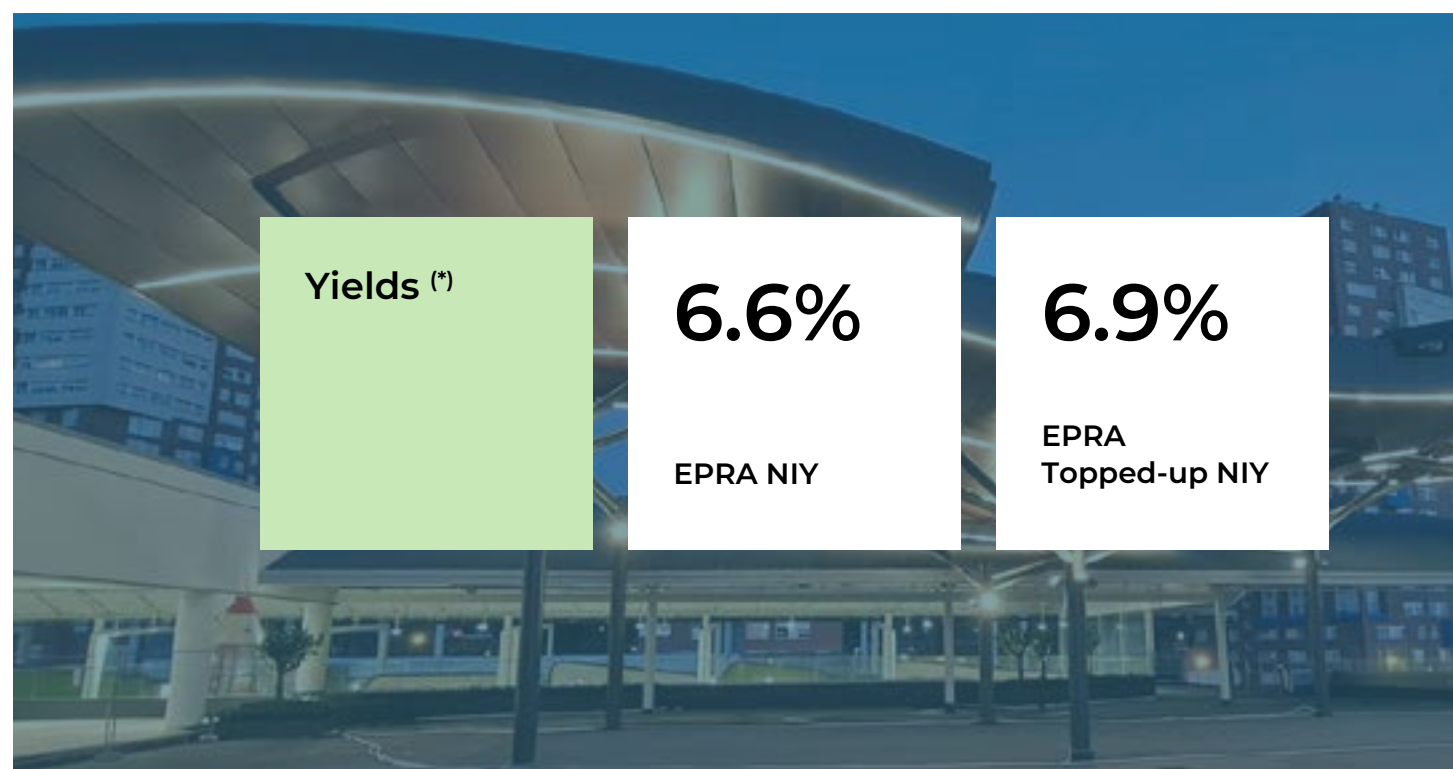
(*) When analyzing this measure it is important to take into account the dividend paid in Q2 2024 (€0.79 per share).

5.3 EPRA NIY and EPRA Topped-up NIY

(Thousands of euros)	Total Shopping Centres	Total Retail Parks	Total Lar España
Completed Property Portfolio	925,502	378,783	1,304,285
Allowance for estimated purchasers costs	23,809	7,173	30,981
Gross up completed property portfolio valuation (A)	949,311	385,956	1,335,266
Annualised cash passing rental income	70,395	26,433	96,828
Property outgoings	(6,295)	(2,177)	(8,472)
Annualised net rents (B)	64,101	24,256	88,357
Notional rent expiration of rent free periods or other lease incentives	2,601	1,114	3,715
Topped-up net annualised rents (C)	66,702	25,370	92,072
EPRA NET INITIAL YIELD (B/A)	6.8%	6.3%	6.6%
EPRA TOPPED-UP NET INITIAL YIELD (C/A)	7.0%	6.6%	6.9%

Figures may not match due to rounding.

(*) The EPRA NIY and EPRA Topped-up NIY values as of 31.12.2023 were 6.5% and 6.8%, respectively.



5.4 EPRA Vacancy Rate

	ERV (Thousands of euros)	ERV Vacancy (Thousands of euros)	ERV Vacancy Rate (%)
Shopping Centres	69,064	2,694	3.9%
Retail Parks	27,289	1,180	4.3%
TOTAL LAR ESPAÑA	96,353	3,874	4.0%



(*) The EPRA Vacancy value as of 31.12.2023 was 3.0%.

5.5 EPRA Cost Ratios

(Thousands of euros)	Recurring		TOTAL	
	H1 2024	H1 2023 ⁽¹⁾	H1 2024	H1 2023
Administrative expenses	(391)	(405)	(391)	(405)
Operating costs net of recoverable income ⁽²⁾⁽⁵⁾	(7,499) ⁽³⁾	(7,019) ⁽³⁾	(9,188) ⁽⁴⁾	(10,797) ⁽⁴⁾
Administrative/operating expenses in associates	–	–	–	–
EPRA Cost (including vacancy cost) (A)	(7,890)	(7,424)	(9,579)	(11,202)
Direct vacancy costs	(769)	(1,118)	(769)	(1,172)
EPRA Cost (excluding vacancy cost) (B)	(7,121)	(6,306)	(8,810)	(10,030)
Gross Rental Income less ground rent costs-per IFRS ⁽⁶⁾	50,551	48,532	47,062	48,585
Net associated costs (net service charge) ⁽⁵⁾	(3,677)	(3,788)	(3,677)	(4,282)
Gross Rental Income (C)	46,874	44,744	43,385	44,303
EPRA COST RATIO (including direct vacancy costs) A/C	16.8%	16.6%	22.1%	25.3%
EPRA COST RATIO (excluding direct vacancy costs) B/C	15.2%	14.1%	20.3%	22.6%

(1) Excluding Rivas Futura and Vistahermosa retail parks which were divested in July 2023.

(2) Maintenance expenses are included.

(3) Includes fixed management fees.

(4) Includes both fixed and variable management fees.

(5) The sum of these two items corresponds to the "Other expenses" line item in section 4.2 Consolidated Statement of Comprehensive Income.

(6) Includes "Ordinary income" and income from leasing malls, which are included in the "Other income" line item. Both can be found in section 4.2 Consolidated Statement of Comprehensive Income.



5.6 EPRA LTV

(Thousands of euros)	Group as reported (A)	Proportionate Consolidation (B)			Combined (A+B)
		Share of Joint Ventures	Share of Material Associates	Non-controlling Interests	
Include:					
Borrowings from Financial Institutions	70,000	–	–	–	70,000
Commercial paper	–	–	–	–	–
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	–	–	–	–	–
Bond loans	581,000	–	–	–	581,000
Foreign currency derivatives (futures, swaps, options and forwards)	–	–	–	–	–
Net payables	27,743	–	–	–	27,743
Owner-occupied property (debt)	–	–	–	–	–
Current accounts (equity characteristic)	–	–	–	–	–
Exclude:					
Cash and cash equivalents	(213,025)	(2,217)	–	–	(215,242)
NET DEBT (A)	465,718	(2,217)	–	–	463,501
Include:					
Owner-occupied property	–	–	–	–	–
Investment properties at fair value	1,304,285	–	–	–	1,304,285
Properties held for sale	–	–	–	–	–
Properties under development	–	–	–	–	–
Intangibles	1	–	–	–	1
Net receivables	11,748	–	–	–	11,748
Financial assets	–	–	–	–	–
TOTAL PROPERTY VALUE (B)	1,316,034	–	–	–	1,316,034
LTV (A/B)	35.4%	–	–	–	35.2%

Share Price Performance

6.1	6.2
Share price information and performance	Analyst Recommendations
98	100



6.1 Share price information and evolution

DETAIL OF SHARES

(€)

Jan - Jun 2024

Price at the beginning of the period	6.15
--------------------------------------	------

Price at the end of the period	6.83
--------------------------------	------

PERFORMANCE DURING THE PERIOD	11.1%
-------------------------------	-------

Maximum price for the period	7.69
------------------------------	------

Minimum price for the period	6.12
------------------------------	------

AVERAGE PRICE FOR THE PERIOD	6.79
------------------------------	------

ADTV (*)	86,391
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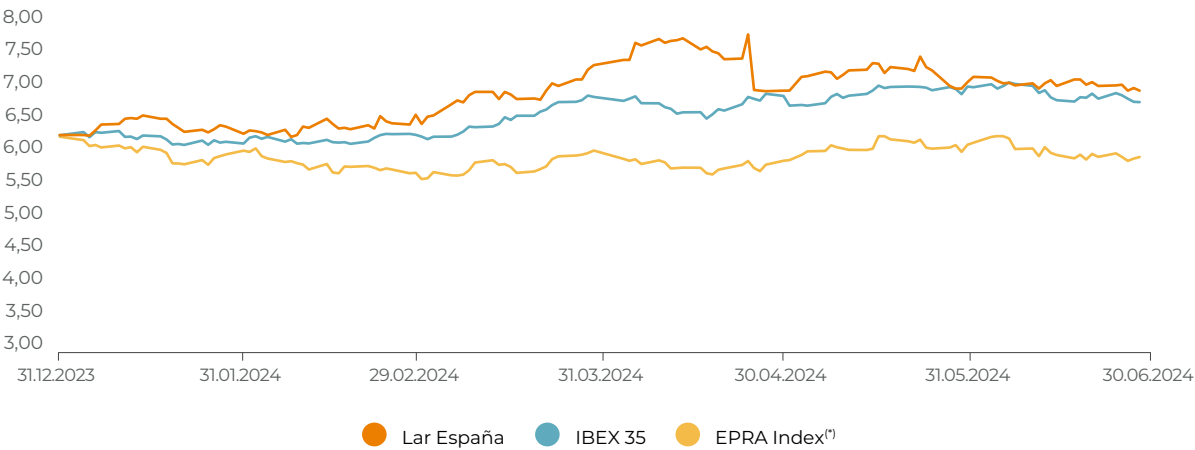
Market Cap (Euros) 30.06.2024	571,622,978
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Number of shares 30.06.2024	83,692,969
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(*) Average Daily Trading Volumen in number of shares

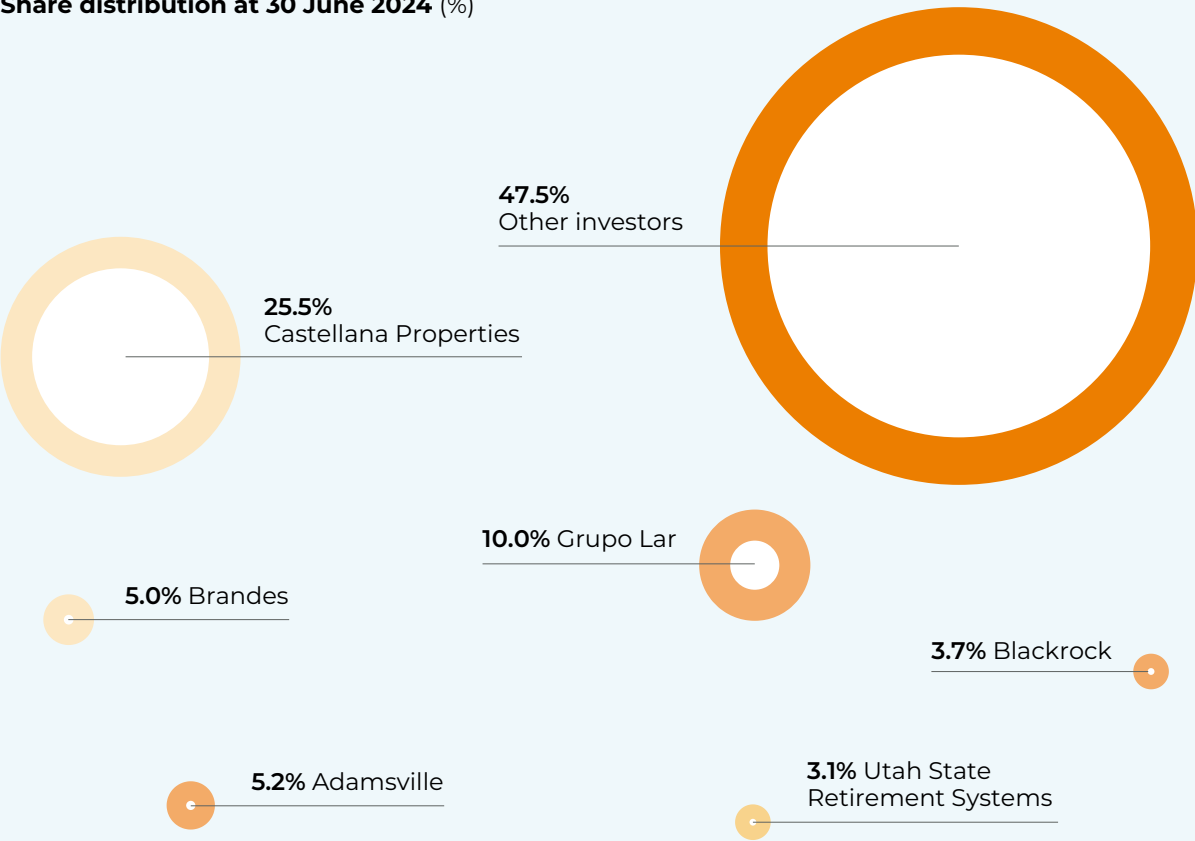
The **share price performance** during the first half of 2024 compared with the IBEX 35 and EPRA Index performance can be seen in the following graph:

Lar España share price performance vs Ibex 35 and EPRA Index
(January-June 2024)



(*) Sectoral European reference index.

Share distribution at 30 June 2024 (%)



6.2 Analyst Recommendations

As of the date of this report, Lar España has the coverage of 11 analysts, whose average target price is **€8.38**.






















22.7%

Potential
Return (*)

100%

Positive
recommendations
Sell-Side

+ 91% Buy = 9% Hold - 0% Sell

Broker	Target Price (€)	Analysis Date	Recommendation
 renta4banco	9.85	10.06.2024	 Buy
 Morningstar	8.83	10.06.2024	 Buy
 Sabadell	8.90	06.06.2024	 Buy
 bankinter	7.90	04.06.2024	 Buy
 GVC Gaesco	8.70	27.05.2024	 Buy
 JBCapitalMarkets	8.60	27.05.2024	 Buy
 intermoney valores sv	8.50	24.05.2024	 Buy
ODDO	7.50	24.05.2024	 Buy
 MIRABAUD	7.40	24.05.2024	 Buy
 BESTINVER	7.10	29.11.2023	 Buy
 Santander	8.90	15.05.2020	 Hold

Source:: Bloomberg
(*) Taken into account the average target price and the price at the end of the period, at 30 June 2024.

Events after H1 2024



Takeover bid

On July 12, 2024, a voluntary tender offer for 100% of the share capital of Lar España Real Estate SOCIMI, S.A. was made public, which is subject to the mandatory authorization of the Spanish National Securities Market Commission (CNMV). According to the public information, the offeror is Helios RE, S.A., a special purpose vehicle that has been incorporated for the purpose of formulating the offer and which is indirectly owned 62.5% by Hines European Real Estate Partners III SCSp and 37.5% by Grupo Lar Retail Investments, S.L., a company majority owned by Grupo Lar Inversiones Inmobiliarias, S.A. (hereinafter Grupo Lar, the entity that manages Lar España Real Estate SOCIMI, S.A.). The offeror has communicated that it is its intention to submit the request for authorization of the offer to the CNMV, together with the prospectus and the other complementary documents during the second half of the one-month period established in article 17 of Royal Decree 1066/2007.

According to the terms of the offer, which is voluntary, the offer is made for all the issued shares of the Parent Company, except for the ordinary shares owned by the shareholders Grupo Lar and Mr. Miguel Pereda Espeso, representing 10.15% of the share capital. The consideration offered is 8.10 euros for each share of the Parent Company and will be paid in full in cash. The effectiveness of the offer is subject, among other conditions, to the authorization of the CNMV, the National Markets and Competition Commission (CNMC), that the offer reaches a minimum level of acceptance that grants control to the offeror, that there has not been an amendment to the Parent Company's bylaws, that the SOCIMI regime has not been waived, the net financial debt is not modified with respect to that published on May 24, 2024 in the "Business Update" issued by the Parent Company, except for increases arising from the ordinary course of business and that the Parent Company, or its subsidiaries, have not made any acquisition of new real estate assets or any sale or encumbrance of the assets in its portfolio.

Change of control clauses

The events of change of control of the Parent Company, as well as the mere approval by the CNMV of a takeover bid that could give rise to a change of control, are included in the clauses of the financing agreements described in Note 10c of the Consolidated Interim Financial Statements as at 30 June 2024 as situations of early maturity, which allow the financial institution and the bondholders to request repayment of the full amount of the outstanding amounts of the financing.

At the date of preparation of the condensed interim consolidated financial statements as of June 30, 2024, there was no situation in which any of the early maturity clauses were met and, therefore, the Parent Company of the Group did not incur any obligation for early repayment of the financing.

In relation to the approval of the tender offer described in this note, to the extent that this process has been initiated recently and after June 30, 2024, its evolution will depend on various factors beyond the control of the Parent Company and the bidder. It is currently not possible to determine the date on which, if any, it will be resolved and whether it will be subject to other conditions. In this context and for the purposes of this note, the Directors of the Parent Company have confirmed with the offeror that, in the event of approval of the offer by the CNMV, the financial viability of the Parent Company would not be compromised since the refinancing agreed by the offeror in relation to the offer would be assumable by the Parent Company even in the event that the offer is not successful (unless this is due to the success of a competing offer authorized by the CNMV), all in the terms that will be set out in more detail in the prospectus of the offer to be submitted for approval, if applicable, by the CNMV.

Glossary



PBT

Profit Before Tax.

Net profit/(loss)

Profit/(Loss) for the period after tax.

Carbon Risk Real Estate Monitor (CRREM)

It is a global tool funded by the European Union within its Horizon 2020 program, to effectively and sectorially address the financial and transition risks associated with low climate and energy performance within real estate activities. Its use provides estimates towards specific decarbonization pathways by asset and business typology as well as by country, to property owners and stakeholders involved in evaluating, managing, and mitigating climate risks.

EBIT

Earnings Before Interest and Tax.

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortisation.

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.

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.

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.

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.

EPRA

European Public Real Estate Association.

EPRA Earnings

Earnings from operational activities.

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.

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.

EPRA Net Reinstatement Value

Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets

Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred 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).

EPRA Vacancy Rate

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.

EPRA Cost Ratio

Administrative & operating costs (including direct vacancy costs) divided by gross rental income.

EPRA Cost Ratio (excluding direct vacancy costs)

Administrative & operating costs (excluding direct vacancy costs) divided by gross rental income.

EPRA LTV

EPRA ratio that assesses the Company's leverage by the ratio of net debt (including issuances, bank financing, short and long term trade liabilities), and the fair value of assets (considering property at market valuation, as well as the value of intangible assets and receivables).

GAV

Gross Asset Value.

GLA

Gross Leasable Area in sqm.

WAULT

Weighted average unexpired lease term, calculated as the number of years of unexpired lease term, as from reporting date, until the first break option, weighted by the gross rent of each individual lease contract.

Net LTV (Loan to Value)

Ratio that measures the total amount of outstanding principal, discounted available cash, against the value of the assets.

Average maturity period (years)

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

Effort rate

The effort rate is the ratio between the rent and the charges (co-ownership charges and property tax on the property) and the turnover generated by the operation on the property, which is the subject of the rent.

Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board (FSB) created this working group in 2018 to promote information on climate change risks and their management to investors.

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.

Water footprint

Environmental indicator according to ISO 14046 and based on the Life Cycle Assessment (LCA) methodology. It accounts for the volume of water consumed and assesses possible environmental impacts related to such consumption, through different water-related indicators. In addition, it assesses regionalized impacts related to the use of this resource, offering a more exhaustive analysis.

Carbon footprint

Environmental indicator to represent the total volume of Greenhouse Gases (GHG) produced by economic activities. It is expressed in units of carbon equivalent (CO₂eq), because this gas is used as a reference in the measurement of the rest of the elements.

Scope 1 Emissions

Direct GHG emissions whose source is owned or controlled by the Company. It includes fuel consumption in fixed installations and Company machinery, possible leaks of fluorinated gases from refrigeration equipment and any other direct activity that generates these gases.

Scope 2 Emissions

Indirect GHG emissions from the Company's energy consumption. It includes electricity consumption in buildings and renewable energy installations.

Scope 3 Emissions

Indirect GHG emissions produced in the Company's value chain, not including emissions generated by the Company in its facilities. As for *GHG Protocol*, it includes fifteen categories of Scope 3 emissions, classified according to their *upstream* scope (related to goods and services acquired or purchased) and *downstream* (related to goods and services sold once they are no longer owned by the Company).



Science based targets initiative (SBTi)

Initiative created in collaboration with the Carbon Disclosure Project (CDP), the World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC), among others. It promotes the establishment of science-based targets as a key tool for transition strategies to a low-carbon economy. In this way, it defines and establishes best practices, provides guidance and resources, and evaluates and approves corporate targets.

CSRD Directive

Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting, or CSRD Directive, aims to improve the reporting and presentation of sustainability information by companies, in order to strengthen the European Single Market and contribute to the transition to an economic and financial system in line with the European Green Deal and the 2030 Agenda. In this way, it is the regulation that aims to establish more detailed and rigorous standards of dissemination.

European taxonomy

With Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020

on the establishment of a framework to facilitate sustainable investments, and subsequent delegated regulations, the European Taxonomy establishes a classification system and a list of environmentally sustainable economic activities, with uniform criteria throughout the European Union. Such a classification provides appropriate definitions for which economic activities can be considered environmentally sustainable.

Double Materiality

The CSRD Directive requires this concept to be incorporated into its implementation process, in order to identify the importance or materiality of each ESG aspect in the context of any Company. In this way, Double Materiality involves the assessment of the impacts, risks and opportunities of each issue included in the Directive. It considers not only how its activities along the value chain affect people and the environment, but also how sustainability issues and the environment can affect the Company financially in the short, medium and long term.

Universal Accessibility

A condition that environments and services must meet in order to be understandable, usable and practicable by all people in conditions of safety and comfort, and in the most natural and autonomous way possible.



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A photograph of a modern building facade with a dark, textured surface. Large, three-dimensional, light-colored letters spell out "à necblau". The foreground is filled with out-of-focus, colorful flowers in shades of yellow, pink, and orange. The sky is bright and clear.

à necblau