



LAR ESPAÑA buys back debt to amortize 110 million euros of its two green bond issues

- **Corporate debt is reduced to 660 million euros with maturities up to 2028 and net debt to 37,6% of asset value**

Madrid, 16 January 2023. Real estate company Lar España, the only representative of its sector specialising in retail on the Continuous Market, has completed a partial redemption of its two senior green bond issues, amounting to a nominal 110 million euros. The operation has been well received by the market

The bonds will be fully amortized following settlement at a discount of 18%, equivalent to a final consideration of 90.5 million euros, which will be paid in full from company cash reserves. As a result, Lar España's liquidity will remain above 100 million euros, while the debt reduction will have a positive impact on the 2023 income statement of around EUR 20 million.

Once the buyback is completed, Lar España will maintain its two senior unsecured green bond issues, now for a total value of EUR 590 million, representing almost all of the company's debt and traded on the Luxembourg Stock Exchange's Euro MTF Market multilateral trading system. The first issue, with EUR 98 million to be amortized, will have a total value of EUR 302 million, maturing in 2026 with an annual fixed coupon of 1.75%. In the case of the second issue, bonds with a nominal value of EUR 12 million are redeemed, leaving an outstanding nominal value of EUR 288 million. These bonds mature in November 2028 and have an annual fixed rate coupon of 1.84%.

Lar España submitted the repurchase offer on Monday 9 January and completed it today. JP Morgan SE acted as sole dealer manager for the transaction. As a result of the buyback, the company reduces its indebtedness from 38.9% to only 37.6% of total asset value. Prior to the current buyback, ratings agency Fitch had already maintained its investment grade with a BBB stable outlook on both Lar España and its two green bond issues, which is the highest grade rating in its segment.

Jon Armentia, corporate director and CFO of Lar España, underlined that the buyback enables the company to optimise the use of its resources, reduce corporate leverage and improve net asset value. *"The high liquidity we decided to preserve during the pandemic has now allowed us to buy back part of the green bonds up to a nominal 110 million euros while maintaining a still high liquidity cushion. This move will enable us to be more financially agile while continuing to be in a position to reinforce our leading role as the retail market picks up again in 2023."*



About LAR ESPAÑA Real Estate SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI, S.A. is a company listed on the Spanish Stock Exchanges, incorporated as a SOCIMI "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario" in March 2014. The company's objective is to invest in the Spanish real estate sector, especially in the retail segment. Today it is the Spanish market leader in retail, with more than 550,000 square meters for rent and 1.47 billion euros in asset value.

In 2015 LAR ESPAÑA was included in the FTSA EPRA/NAREIT Global index, a selective global index designed to represent general trends of listed real estate companies worldwide. It was also included in the Ibex Top Dividend index in 2018. In September 2022, for the eighth consecutive year, Lar España received the EPRA Gold Award for the quality of the financial information made available to its main stakeholders. As regards the information published on ESG, Lar España has obtained the highest distinction from EPRA, achieving the Gold Award for the fourth consecutive year.

For more information:

Juan Carlos Burgos and Elena Torres, 91 56377 22 (ext. 2261).
jcburgos@llorenteycuenca.com, etorres@llorenteycuenca.com