



LAR ESPAÑA almost triples net profit to 72.9 million euros in 2022 and will pay one of the highest dividends in its history

- **It will propose to the General Shareholders Meeting the payment of a dividend of 50 million euros, representing a yield of 14.2%**
- **Total revenues increased by nearly 6% to 83.6 million euros.**
- **Independent valuation of its 14 assets rose 3.5% in 2022 to 1,473 million euros**
- **Reported sales of its tenants exceeded 1 billion euros for the first time, with close to 81 million visits in the year**
- **Debt reduced to 37.1% of LTV (proforma as of today), with cash reserves of more than 115 million euros**

Madrid, 27 February 2023. Real estate firm Lar España, the only company in its sector specialising in retail that lists on the Continuous Market, achieved a 72.9 million euros net profit in 2022, almost three times the 25.8 million of the previous year. Total revenues grew 6% to 83.6 million euros in 2022 compared to 79.1 million in 2021.

Independent valuation of its 14 assets increased by 46 million euros between January and June and a further 3 million between July and December, for a final valuation of 1,473 million euros in 2022, up 3.5% from 1,424 million in 2021. The two half-yearly valuations, like their 2021 equivalents, were carried out by consulting firms JLL and Cushman & Wakefield. Occupancy ended the year at 96.6% at the company's 550,391 square metres of gross leasable area, 50 basis points higher than in 2021. Last year it rotated 10% of the gross leasable area and achieved an average rent increase of 1.3% on new leases. More than 65% of the leases have maturities beyond 2025.

Last year Lar España's operating profit (EBIT) amounted to 92.6 million euros, almost double the 49.4 million in 2021. Ebitda in 2022 was 60.0 million euros, up 18.4% on the previous year. Significant growth in all income statement items led Lar España to propose a dividend of 60 cents per share, 66% more, to the next shareholders' meeting. If approved, it would represent a total payout of 50 million euros, and would offer a yield per share of 14.2% against last year's year-end capitalisation, one of the highest in the market. The dividend paid by the company in 2022 represented a yield per share of 7%.

José Luis del Valle, Chairman of the Board of Directors of Lar España, said: *"the combination of an increase in recurring revenues, of an occupancy rate close to maximums, record final purchases, significant net profit and a solid financial structure, with long-term maturities and fixed rates, has led us to raise our dividend proposal by 66%, to 50 million euros, pending shareholder approval. The company begins 2023 stronger and, in addition, the partial repurchase*



of green bonds for 110 million euros and an 18% discount which will have a positive impact of around 20 million euros on the 2023 income statement”.

“The technical situation of full occupancy and a tenant effort rate, including expenses, of just 9.2% of sales, one of the lowest in the sector, allows us to attract the best tenant mix to our assets and give us an advantage to reinforce our current leadership and take advantage of opportunities,” Del Valle added.

Sustainability and final sales at record highs

The company invested 17 million euros last year in modernising different locations, mainly in MegaPark and Gran Vía de Vigo, two of its principal assets. It thereby completed an overhaul of its entire portfolio, and last year also secured new BREEAM certificates for all its assets, the main independent international method for measuring the environmental sustainability of buildings. It was also the first listed real estate company to obtain the Reduzco seal, awarded by Spain's ministry for ecological transition and demographic challenge, which certifies the cumulative decrease in carbon emissions over the four years analysed.

In its sustainability policy, the company benefits from owning almost 100% of its 14 assets, enabling it to control strategic and commercial decision-making at each of them. The effectiveness of this policy has been certified by the fact that final sales reported by its tenants reached 1,051 million euros in 2022. In the nine years of the company's life, this is the first time that final sales have exceeded one billion euros, with an annual growth of 13.9% compared to 2021, and 10.6% compared to 2019. Last year also saw 80.5 million visits, up 8.1% on the previous year.

In January 2023, Lar España completed a buyback of green bonds for a total amount of 110 million euros at a discount of 18%, representing a final price of 90.5 million euros paid entirely with the company's cash. Corporate liquidity remains above 115 million euros and net debt has been reduced to 37.1% of asset valuation following the recent bond buyback. The latter will have a positive impact of around 20 million euros on the income statement in the first quarter of 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