

FULL YEAR REPORT
FY 2022



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Shopping Centres and
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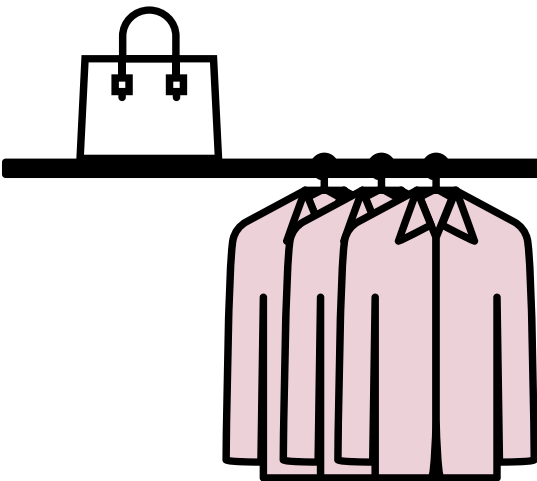
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Lar España in 2022

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In 2022, Lar España's assets have registered **80.5 million visits**, which represents an increase of **8.1%** compared to 2021, reaching sales levels of **1,051.0 million euros** in sales (**13.9%** increase over 2021).



1.1
Lar España in 2022

Lar España continues to actively manage its portfolio, maintaining an **open dialogue with its stakeholders** and designing **initiatives that champion innovation** and continue to secure its shopping centres and retail parks a leading position in the retail sector, with a standout offering of prime properties that are a dominant force in their catchment areas.

In 2022, the Company discontinued the commercial policies implemented in 2020 and 2021 in response to the COVID-19 pandemic to support tenants by negotiating rent rebates and/or deferrals in the interests of reopening their stores and business continuity, in exchange for other contractual amendments such as extensions, or the elimination or postponement of early termination options. These contractual amendments included rebates applied to receivables in the amount of €17.7 million in 2020 and €1.3 million in 2021. As the total amount of these bonuses has been linearised over the estimated term of the contracts, the revenues for 2020, 2021 and 2022 have been reduced by 0.9, 7.9 and 6.8 million euros, respectively, with €3.4 million yet to be taken to the income statement.

The Company benefits from a solid tenant base, with **more than 65% of its leases expiring after 2025**. Tenants include leading brands from the fashion, leisure and F&B industries, with occupancy coming in at **96.6%** at the end of 2022.

Record levels of sales and footfall have been achieved, not only proof of a **true return to form in activity**, but also highlighting the quality of the assets in the portfolio and the Company's efficient management.

Performance highlights

Lar España has continued to work on improving the quality of its assets, in some cases via refurbishment projects, such as at Gran Vía de Vigo and Megapark, where the **assets have been repositioned** and continued to attract new tenants and customers. The quality of the shopping centres and retail parks in its portfolio is also plain to see from the certifications achieved, with **100% of the portfolio now BREEAM-certified**.

According to the valuations carried out by independent experts, the Company's properties **increased their value** by **€49 million** in 2022, raising the portfolio's total value to **€1,473 million**.

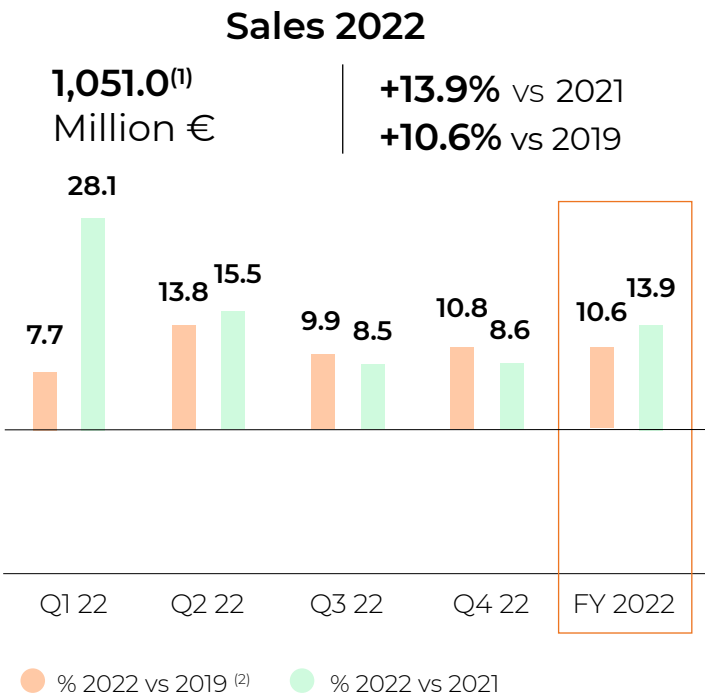
This, combined with the **Company's financial resilience**, allowed Lar España to post an **operating income** of **€84 million** in 2022, **up 6%** year-on-year. While in terms of profit for the year, the Company posted **€73 million**, close to **three times more** than in 2021.

In operating terms, the Company's portfolio received **over 80 million visits**, more than **8% up** year-on-year.

As for **sales⁽¹⁾**, 2022 brought in **over €1,000 million**, which is **almost 14% higher** than last year's figure.

Comparing these results with figures registered in 2019 clearly shows that activity has bounced back, with **reported retail sales coming in close to 11% higher than 2019**.

(1) Declared Sales.



(1) Declared sales / (2) Like for Like excluding Lagoh shopping centre.

In the large majority of cases, Lar España fully owns its properties, affording it complete control over decision-making and giving it the flexibility it needs **to promote and implement measures and strategies that are always fully tailored to its customers’ needs and market requirements.**

Financial resilience and sustainable gearing

The Company maintained its strong cash flow position during the year, enabling it to **reduce its gearing levels** and continue to reward shareholders with a dividend payment of €30 million.

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 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. After both issuances, the total average cost was reduced from 2.2% to **1.8%, with a net LTV at 31 December 2022 of 38.4%^(*).**

The **rating agency Fitch** had assigned a **stable investment grade or BBB rating** to both Lar España and its two green bond issues, **which was ratified in July 2022 with a “Stable” outlook.**

	Rating	Outlook
FitchRatings	BBB	Stable

(*) After the bonds buy-back in January 2023 the pro-forma net LTV stands at 37.1%.

Pioneers in innovation

The continued development of various asset management and stakeholder interaction tools has helped companies to create value and optimise their processes through a range of different initiatives and projects. Lar España intends to continue to develop and implement these solutions at all of its properties, **to stand out from the competition and drive business development**, while gaining a deeper understanding of user behaviour and profiles.

Some of these projects include:

CLICK & SHOP

Click & Shop is a website where retailers in the shopping centre can promote their products and discounts. Customers can then buy their product in a number of different ways, **promoting an omnichannel approach**.

This service was launched in the first quarter and has already been rolled out across all our shopping centres. The aim is to attract more customers in to the stores, while offering an additional digital service to drive sales.

In this respect, the Company has adapted to the digital transformation of the market by taking the centre's offering beyond the physical environment.



LAR CONECTA

Lar Conecta is an initiative that gives stores access to each shopping centre's **digital communication channels and their online traffic**, helping them to promote their brands and increase sales.

The service will be available from January 2023 and this affiliate model will offer stores the opportunity to increase sales, visibility and brand awareness.

WHATSAPP SHOPPING

This gives customers the chance to **access personal shopping and style advice through WhatsApp**. This new initiative gives retailers the opportunity to use their expertise to offer personal shopping advice to customers and therefore **increase their in-store sales**, providing shoppers with realtime information on product specifications and availability, and offering them the option to collect any purchases directly in-store or have them delivered to their homes.

This is in addition to the face-to-face offering, taking one more step towards an **omnichannel experience** and a **360° service**, already operational in **over 50% of the portfolio**.



Steadfast commitment to ESG

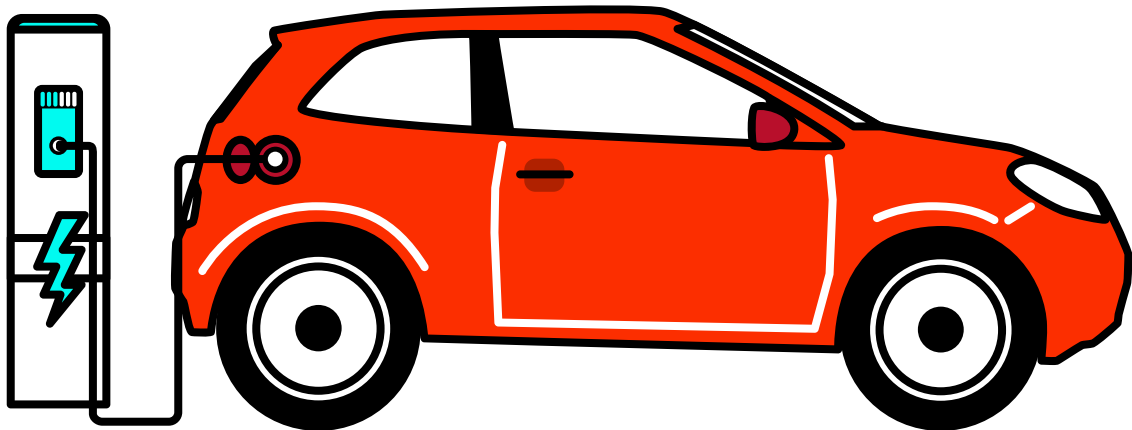
Lar España remains undeterred in upholding its commitment to the environment and to creating shared value. In 2022, the Company completed the process it had undertaken to renew its **BREEAM certifications**, successfully meeting its objective to obtain **certification for its entire portfolio and achieving an Excellent or Very Good rating for most of its properties.**

The Company also completed the process to obtain **ISO 14001 and 45001 certifications for the whole portfolio**, achieving its objective to have **100% of the portfolio under its operational control certified by the end of 2022.**

Another achievement in early 2022 was the introduction of **air quality measurement** equipment in the portfolio's shopping centres, including monthly air quality reports. The indicators obtained show that **the air quality in the Company's properties is optimal.** The systems have also been configured with parameters to improve the operational management of the HVAC systems, in order to **increase energy efficiency.**

As part of the measures introduced to mitigate its environmental impact, Lar España has reported its **Carbon Footprint for 2021** to the Ministry for the Ecological Transition and the Demographic Challenge (MITERD), which will be added to the figures registered for 2018, 2019 and 2020. This completes **four consecutive years** registering its Carbon Footprint, which has enabled the MITERD to assess the effort made by Lar España to reduce its emissions in that period and to award the Company with the **"Reduzco" (I reduce) seal, being the first real estate listed company in Spain to achieve it.** In addition, the information submitted to the Ministry has been **independently verified by AENOR.**

It is also important to highlight that **100% of the energy consumed** by Lar España is obtained from **renewable sources** and that it is also currently in the process of analysing different options for installing solar panels at its properties.



1.2 Shopping Centres and Retail Parks openings

Continuing with the proactive management of the portfolio that allows us to have a **solid and diversified tenant base**.

During the second half of the year **leading chains opened** at some properties, such as:



CASA CARMEN
SC LAGOH
Opening 03/11/2022



BASIC FIT
SC LAGOH
Opening 05/12/2022



INSIDE
SC AS TERMAS
Opening 01/07/2022



PULL&BEAR
SC AS TERMAS
Opening 15/07/2022



PANDORA
SC AS TERMAS
Opening 04/11/2022



KRACK
SC AS TERMAS
Opening 22/12/2022



ALE HOP
SC ÀNEC BLAU
Opening 08/09/2022



MISA KO
SC ÀNEC BLAU
Opening 01/12/2022



SINGULARU
SC GRAN VÍA
Opening 05/08/2022



MUNICH
RP MEGAPARK
Opening 28/07/2022



SUSHICOM
RP MEGAPARK
Opening 06/10/2022



CLIMBAT
RP MEGAPARK
Opening 07/12/2022



PRIMOR
RP MEGAPARK
Opening 07/12/2022



CASA
RP ABADÍA
Opening 06/08/2022



MERKAL
RP ABADÍA
Opening 25/08/2022



ADIDAS
RP RIVAS FUTURA
Opening 10/11/2022



Retail Park
Megapark (Vizcaya)

Executive Summary

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Highlights 2022	Main Milestones	Portfolio at 31 December 2022	Key Indicators
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Business Performance			
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During 2022 the portfolio of Lar España has experienced a **positive revaluation of 49 million euros**, reaching a value of **1,473 million euros** at 31 December of 2022 according to the valuations carried out by independent valuers.



2.1
Highlights 2022

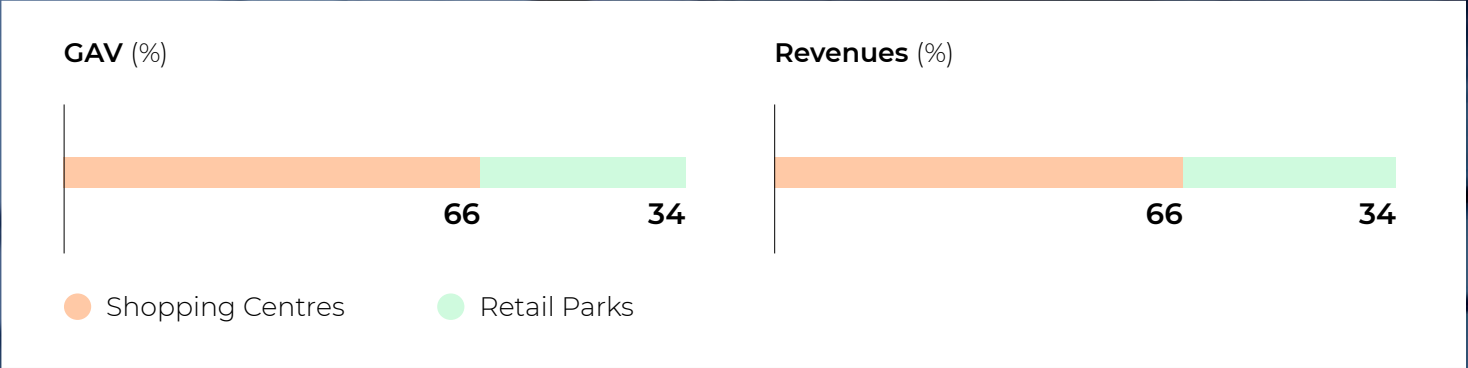
→ Portfolio Information

GAV ⁽¹⁾ 1,473 Million €	Assets 14	WAULT 2.5 years	% Rents collected ⁽²⁾ 97%
GLA 550,391 sqm			

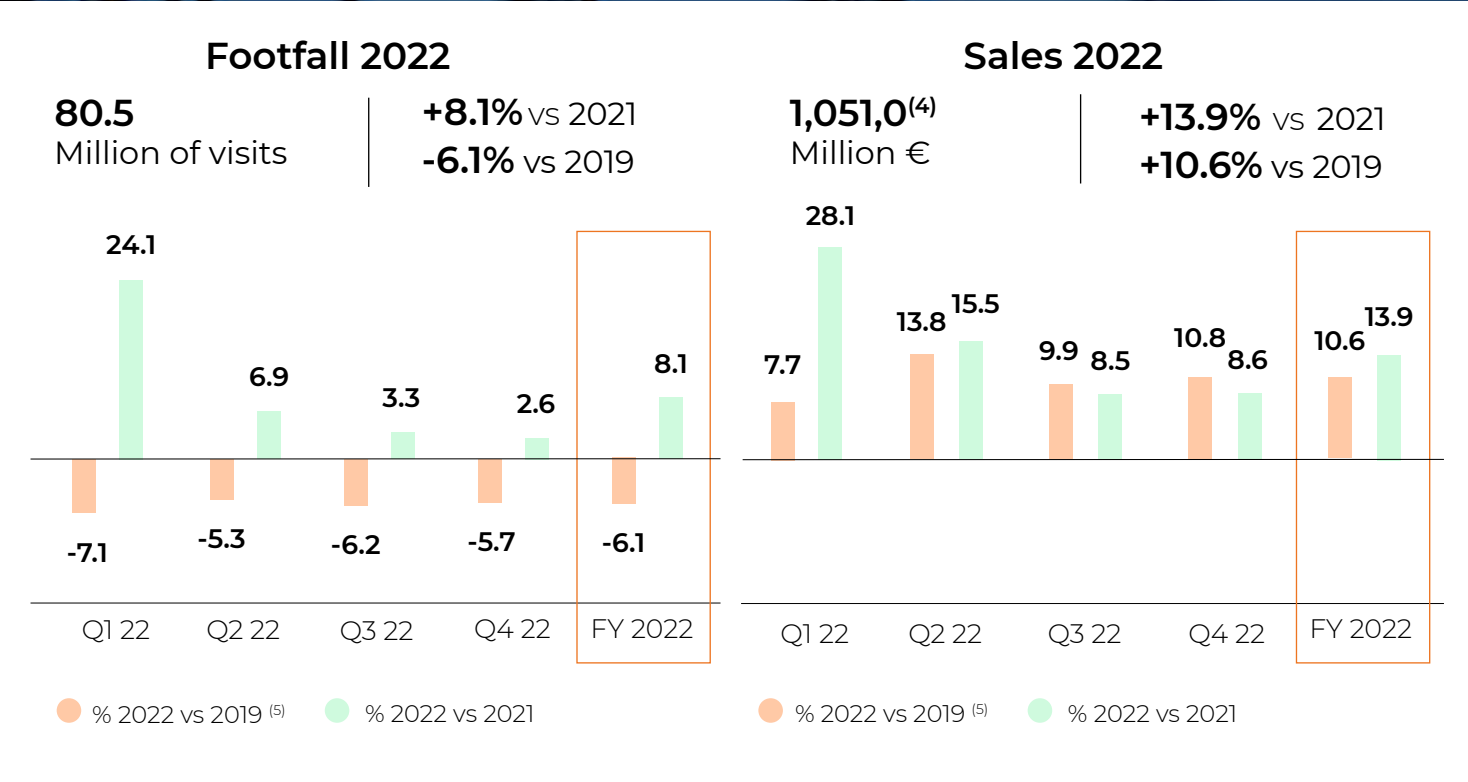
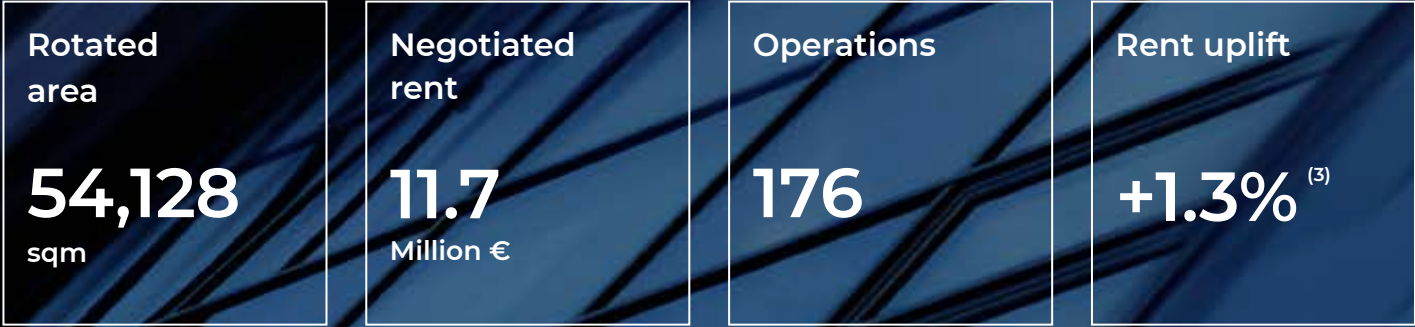
→ Financial Information

Income ⁽³⁾ 83.6 Million €	EPRA Earnings 40.3 Million € (0.48 €/share)	EBITDA 60.0 Million €	Profit 72.9 Million €
EPRA NTA 914.3 Million € (10.93 €/share)⁽⁴⁾	Financial Debt 770.0 ⁽⁵⁾ Million €	Net LTV 38.4% ⁽⁵⁾	Average Cost of Debt 1.8%
Dividend 50.0 Million € (0.60 €/share)	1) Information based on valuations carried out by independent valuers on 31 December 2022. / (2) Percentage of rents and expenses collected from tenants in 2022. / (3) Rental income and Other income. / (4) When analyzing this measure it is important to take into account the dividend paid in Q2 2022 (0.36€/share). / (5) After the bonds buy-back carried out in January 2023, the pro-forma gross financial debt stands at €660 million and the pro-forma net LTV at 37.1%.		

Operating Results



Leasing Activity



(1) Physical occupation based on square meters. / (2) Like for Like, excluding 22 Supermarkets portfolio divested in Q1 2021. / (3) Excluding 15 non-comparable operations. / (4) Declared sales. / (5) Like for Like, excluding Lagoh shopping centre.

2.2
Main Milestones

JANUARY 26.01.2022

Change to Lar España’s
shareholder structure

On 26 January 2022, Lar España received notice from its shareholder PIMCO Bravo II Fund L.P. of the sale of its entire shareholding in Lar España, comprising **18,157,459 shares**, to Castellana Properties SOCIMI, S.A.

The Company has also been informed that Laurent Luccioni, a nominee director of Lar España appointed on behalf of PIMCO, will resign as a member of the **Company’s Board of Directors** once the sale is completed.

FEBRUARY 22.02.2022

Senior Secured Bond Repayment

In relation to the issue by Lar España of **senior secured notes for a total amount of €140 million, due on 21 February 2022** and admitted to trading on the Euronext Dublin regulated market of the Irish Stock Exchange, whose **outstanding balance amounted to €122.7 million** following the partial and early repurchase published through the communications in July 2021, it is hereby communicated that yesterday the Company has performed the **full and ordinary redemption and cancellation of the 2015 Bond, in accordance with the maturity date.**

As a consequence, Lar España has proceeded to **cancel and extinguish all of the guarantees granted in connection with the issuance**, which include various real estate mortgages taken out by the subsidiaries of the Company LE Retail As Termas, S.L.U., LE Retail Albacenter, S.L.U., LE Retail Txingudi, S.L.U., LE Retail Hiper Albacenter, S.A.U., and LE Retail Ànec Blau, S.L.U., on real estate assets owned by them.

In addition, various pledges on shares and quotas (as applicable) over the above referred subsidiaries, which were granted in the context of the 2015 issuance, have been cancelled.



APRIL

27.04.2022

Annual General Shareholders Meeting

The Lar España **Annual General Shareholders Meeting** was held on 27 April 2022, to approve the agreements submitted for their consideration. The monitoring of the event could be done both physically and telematically through streaming.

MAY

27.05.2022

Dividend

Following approval at the Annual General Shareholders Meeting, the shareholder **dividend payment** was distributed, amounting to a total of **€0.36 per share**.



JUNE

10.06.2022

Lagoh receives 2022 award for best Shopping Centre in Spain

The **Spanish Association of Shopping Centres and Retail Parks (AECC)** announced Lagoh as the winner of the 2022 award for the **best large-scale shopping centre** in Spain at the closing ceremony of the 18th Spanish Convention of Shopping Centres and Retail Parks held in June this year.

The shopping centre, designed and developed by Lar España, boasts one of the highest standards of excellence and sustainability credentials and is the largest shopping and family entertainment complex in Andalusia, offering a surface area of **one hundred thousand square metres**.



Jon Armentia, Corporate Director and CFO, said “the award serves as **official recognition of a new model of shopping centre, one that is far more family-oriented and one that is not only designed to be more innovative, sustainable and resilient, but is also designed to act as a catalyst for the city in which it is located.** The Lagoh award also offers recognition of the business

model implemented by Lar España – the only SOCIMI specialising in retail that is listed on the Spanish Stock Exchange. In the eight years since it was first founded, it has built a portfolio of 14 shopping centres and retail parks that it has hand-picked one by one – all primary go-to destinations in their catchment areas and leading lights in terms of sustainability and the retail mix on offer”.



Best Shopping Centre in Spain Award 2022

Lagoh – a property like no other

With a cutting-edge design, the complex is arranged around three large forecourts that all look onto the lake and are surrounded by rolling landscaped areas, a setting that creates a true sense of nature, and is crowned by a spectacular green roof.

The complex brings Lar España's retail 4.0 model to life being far more experience-based, bespoke and family-oriented, and presents a much more interactive and creative leisure offering.

The property's leisure offering is second to none, highlighting an experience-based open-plan food scene that boasts nearly thirty terraces – half of them facing onto the central lake after which the complex is named – as well as some of the "region's most cutting-edge and innovative" cultural and leisure activities.

This extraordinary leisure and entertainment offering is completed by the some of the biggest names in the world of fashion, homeware, food, sports, health, cosmetics, culture and technology, with leading retailers including the likes of Mercadona, Zara, Mango, Primark, Levis, Media Markt, Ali Express and Yelmo Cines. The complex boasts almost full occupancy with **close to 99% of the gross lettable area occupied** at 31 December 2022.

Steadfast commitment to ESG

Another of the asset's standout features is the unrelenting commitment to sustainability that has shone through **since the start of the design and construction phase** (100% reused land, green roof, rainwater harvesting system – with harvested water then used in the complex's irrigation system – conservation of biodiversity, geothermal energy heat pump system), with the property design creating its very own and unique natural ecosystem.

As such, Lagoh does not only offer an excellent destination for retail and entertainment, it was also designed with the local area in mind. It is a destination that aims to **drive growth, develop a sustainable environment and help the local economy to prosper.**

For this reason, the **Seville City Council and the Andalusia Regional Government** have continued to support the project, viewing it as **"one of the development hubs"** for the city, having drawn several residential and service-based projects to the surrounding area.

JUNE

Analyst Day at Lar España

On 24 June, Lar España presented its new strategic plan **to analysts**. The **plan sets out the roadmap for the next four years**.

It was also highlighted that the **cherry-picking policy** that Lar España has always employed to select its assets is one of the keys to its portfolio's success, taking into consideration the standout aspects of its properties that "set it apart from the other players in the sector". Proof of this is the leading position that its properties boast in their respective catchment areas, as well as the fact that the **entire portfolio is also BREEAM certified**.

24.06.2022

In terms of leverage, the Company plans to continue with its current LTV levels of around 40%, **maintaining Fitch's current BBB stable rating**.

The Company also intends to take its **innovation and digitalisation policy** to the next level – with a view to increasing its profitability as always. "The drive to improve our profit line will also allow us to offer shareholders increasingly attractive dividends, and we believe that these are all attributes that will further showcase our corporate strength", assured José Luis del Valle, Chairman of the Lar España Board of Directors.





Shopping Centre
Gran Vía de Vigo (Vigo)

JULY

01.07.2022

Gentalia´s renewal contract

Pursuant to the provisions of Article 529 unvicies of the revised text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, 2010 (“LSC”), the Company reports the following **related party transactions entered into between Lar España and its wholly-owned subsidiaries and Gentalia**, a 100% subsidiary of Grupo Lar, a significant shareholder of Lar España holding more than 10% share capital and with Board representation, as it is considered that the **aggregate value of the transactions entered into with the same counterparty in the last twelve months** (as from 3 July 2021) **has exceeded 2.5% of the amount of the annual turnover**, taking as a reference for these purposes the one reflected in the latest available consolidated accounts of the Company:

- **Renewal of the framework agreements with Gentalia for three years**, from 1 July 2022 to 30 June 2025: (i) property management and leasing framework agreement (contrato marco de gestion patrimonial y comercialización) for shopping centres and retail park; and (ii) shopping centres and retail park on site management framework agreement (contrato marco de gerencia), collectively referred to as “the Framework Agreements”, the estimation of the total amount of the consideration to be paid for both agreements in the framework of the transaction would be around 12,566,998 euros, of which approximately 5,848,028 euros correspond to on site management fees that are mostly passed on to the tenants, not entailing a cost for the Company, and formalized today.

- **Temporary renewal, for three months, of the property management and leasing framework agreement** between Gentalia and Lar España and its subsidiaries, for a total approximate amount of 731,160 euros, formalized on 1 April 2022 and expired on 30 June 2022.
- **On-site management agreement between Gentalia and Abadía Community of Owners**, for 1 year and an approximate total amount of 163,600 euros, formalized on 1 February 2022. These fees are also mostly passed on to the tenants, not entailing a cost for the Company.

The Audit and Control Committee, prior to the approval by the Board of Directors of Lar España of each transaction, has reported favourably on all previous transactions, and its reports are attached as an appendix to this communication and include the information necessary to assess that the transactions are fair and reasonable from the point of view of the Company and the shareholders who are not related parties.



JULY

12.07.2022

Renewal of the Fitch BBB rating

The **rating agency Fitch has kept the investment grade rating or BBB rating stable** for both the real estate company Lar España and its two green bond issues for a total of €700 million. Lar España, the **only real estate company** specialized in retail listed in the Spanish Continuous Market, maintains **the highest rating in its segment**.

Company´s debt, which comprises two senior issues of unsecured green bonds, was issued by the firm in July and November last year, for respective amounts of €400 and €300 million, the **maximum amounts foreseen**. Through these bond issues, Lar España **guaranteed greater flexibility for all its corporate debt**, eliminating asset guarantees and significantly extending maturities until July 2026 for the first bond issue and until November 2028 for the second. After both issues, the **average maturity was increased from 2.6 years to 6.2 years, and the average total cost of debt was reduced from 2.2% to 1.8% at fixed rates**.

Both issues were made available to qualified investors and are on the official list of the Luxembourg Stock Exchange, where they operate in its Euro MTF Market multilateral trading system.

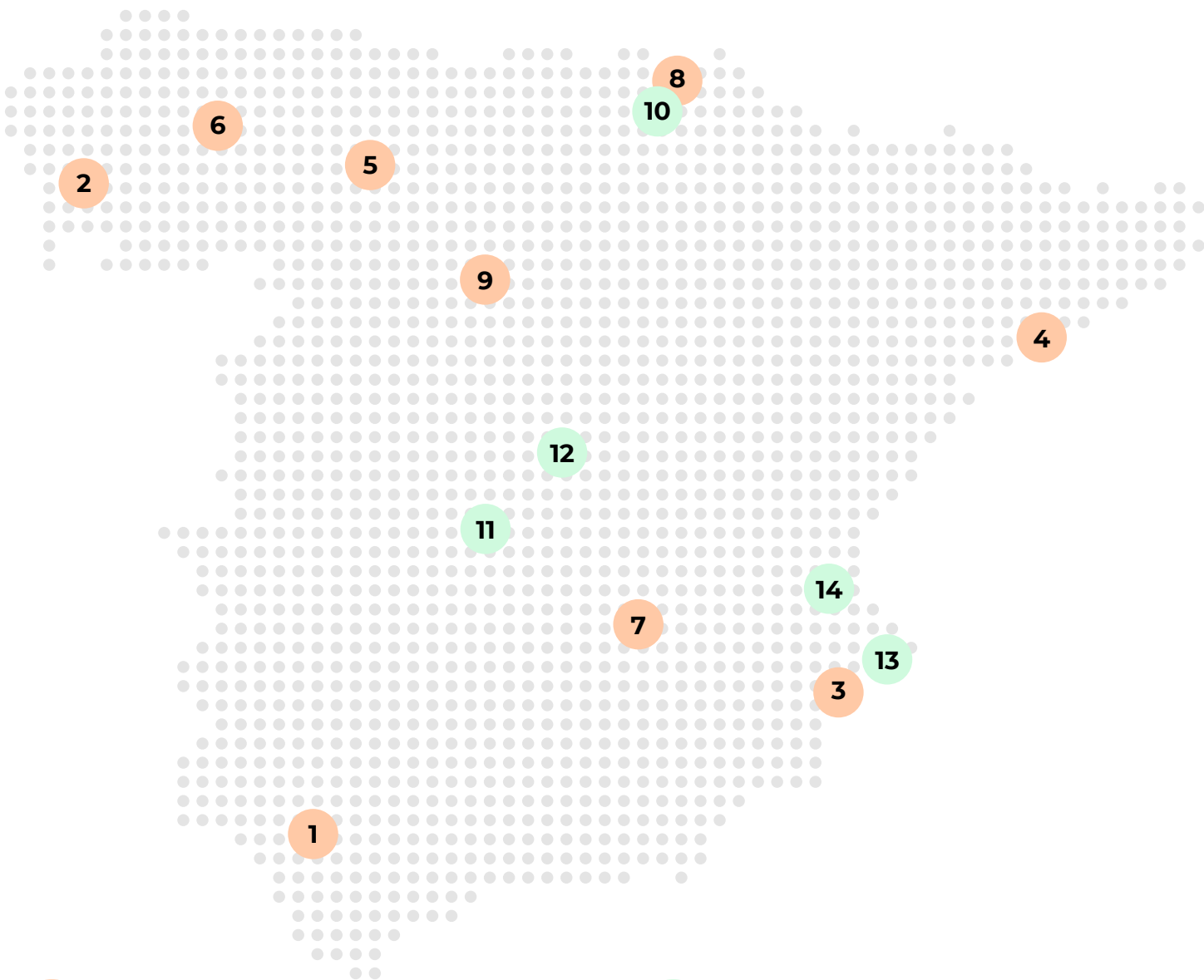
	Rating	Outlook
FitchRatings	BBB	Stable

In the announcement, Fitch states that its **rating reflects both the regional dominance and the high retail space** of Lar España's portfolio, as well as its valuation of more than €1.4 billion at the end of 2021. It considers that the leases fixed for its portfolio are affordable and bear reasonable occupation costs, and that the degree of financial leverage is moderate, with standardized debt less than eight times EBITDA.

The rating agency has **especially valued the constant improvement in the occupancy rates** of Lar España's assets up to about 96%, while the final **sales** of its tenants **are already 10% above** the pre-pandemic figures.

It also points out that the **high recurrence of revenue** in the last year, as well as the **good pace of renovations and payments to date in 2022**, confirm the quality of the sites and the predominance of assets in Lar España's portfolio, in their respective areas of influence. It adds that, as of 2023, **Lar España's rental income is expected to grow significantly**, once the incentives to tenants are completed and the effects of asset modernization and asset investments are materialized.

2.3
Portfolio at 31 December 2022



Shopping Centres

- 1. Lagoh (Seville)
- 2. Gran Vía de Vigo (Vigo)
- 3. Portal de la Marina + Hypermarket (Alicante)
- 4. Ànec Blau (Barcelona)
- 5. El Rosal (León)
- 6. As Termas + Petrol Station (Lugo)
- 7. Albacenter + Hypermarket and Retail Units (Albacete)
- 8. Txingudi (Guipúzcoa)
- 9. Las Huertas (Palencia)



Retail Parks

- 10. Megapark + Megapark Leisure Area (Vizcaya)
- 11. Parque Abadía and Commercial Gallery (Toledo)
- 12. Rivas Futura (Madrid)
- 13. Vistahermosa (Alicante)
- 14. VidaNova Parc (Valencia)

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



GAV

€1.5

Billon euros



Shopping Centre
Ànec Blau (Barcelona)

Lagoh | Shopping Centre



Asset Characteristics		
Location	Seville	
GLA	69,734 sqm	
Purchase Date	1 March 2016	
Land Acquisition Price	€ 38.5 Million	
WAULT	2.4 years	

Gran Vía de Vigo | Shopping Centre



Asset Characteristics		
Location	Vigo	
GLA	41,447 sqm	
Purchase Date	15 September 2016	
Acquisition Price	€ 141.0 Million	
WAULT	2.1 years	

Portal de la Marina + Hypermarket | Shopping Centre



Asset Characteristics		
Location	Alicante	
GLA	40,309 sqm	
Purchase Date	30 October 2014/ 30 March 2016/ 9 June 2015	
Acquisition Price	€ 89.2 Million	
WAULT	1.8 years	

Ànec Blau | Shopping Centre



Asset Characteristics		
Location	Barcelona	
GLA	29,084 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	50,814 sqm
Purchase Date	7 July 2015
Acquisition Price	€ 87.5 Million
WAULT	1.9 years

As Termas + Petrol Station | Shopping Centre



Asset Characteristics	
Location	Lugo
GLA	35,143 sqm
Purchase Date	15 April 2015/ 28 July 2015
Acquisition Price	€ 68.8 Million
WAULT	2.8 years

Albacenter, Hypermarket + R.U. | Shopping Centre



Asset Characteristics	
Location	Albacete
GLA	27,199 sqm
Purchase Date	30 July 2014/ 19 December 2014
Acquisition Price	€ 39.9 Million
WAULT	2.3 years

Txingudi | Shopping Centre



Asset Characteristics	
Location	Irún (Guipúzcoa)
GLA	10,712 sqm
Purchase Date	24 March 2014
Acquisition Price	€ 27.7 Million
WAULT	1.9 years

Las Huertas | Shopping Centre



Asset Characteristics	
Location	Palencia
GLA	6,265 sqm
Purchase Date	24 March 2014
Acquisition Price	€ 11.7 Million
WAULT	1.8 years

Megapark + Megapark Leisure area | Retail Parks



Asset Characteristics	
Location	Barakaldo (Bilbao)
GLA	80,797 sqm
Purchase Date	19 October 2015/ 27 October 2017
Acquisition Price	€ 178.7 Million
WAULT	3.4 years

Parque Abadía + Commercial Gallery | Retail Parks



Asset Characteristics	
Location	Toledo
GLA	43,109 sqm
Purchase Date	27 March 2017/ 20 February 2018
Acquisition Price	€ 77.1 Million
WAULT	2.2 years

Rivas Futura | Retail Parks



Asset Characteristics	
Location	Madrid
GLA	36,447 sqm
Purchase Date	6 February 2018
Acquisition Price	€ 61.6 Million
WAULT	2.3 years

Vistahermosa | Retail Parks



Asset Characteristics	
Location	Alicante
GLA	33,763 sqm
Purchase Date	16 June 2016
Acquisition Price	€ 42.5 Million
WAULT	2.7 years

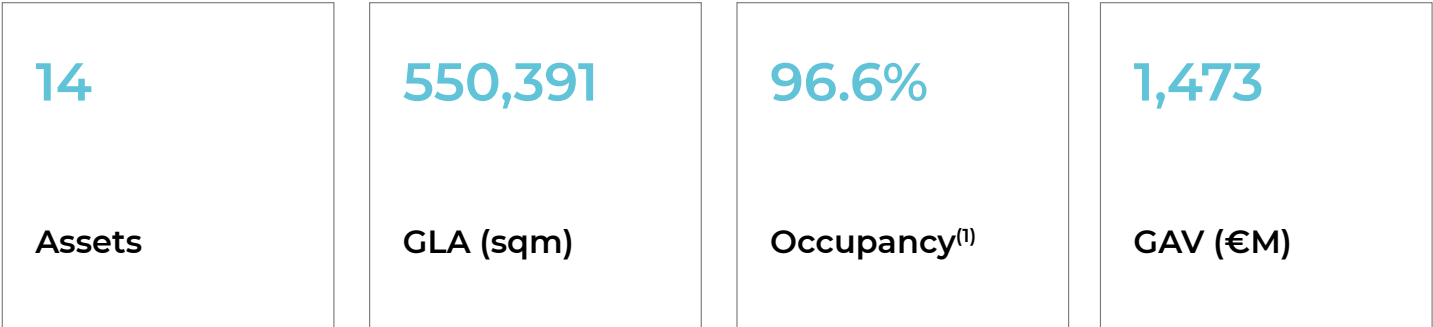
VidaNova Parc | Retail Parks



Asset Characteristics	
Location	Sagunto (Valencia)
GLA	45,568 sqm
Purchase Date	3 August 2015
Land Acquisition Price	€ 12.6 Million
WAULT	2.6 years

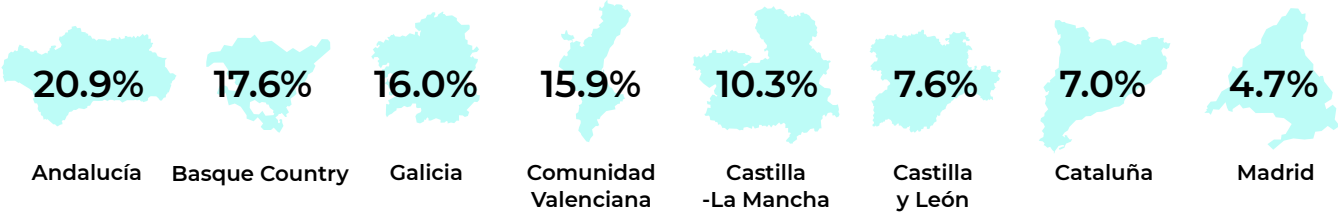
Our retail portfolio at a glance

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



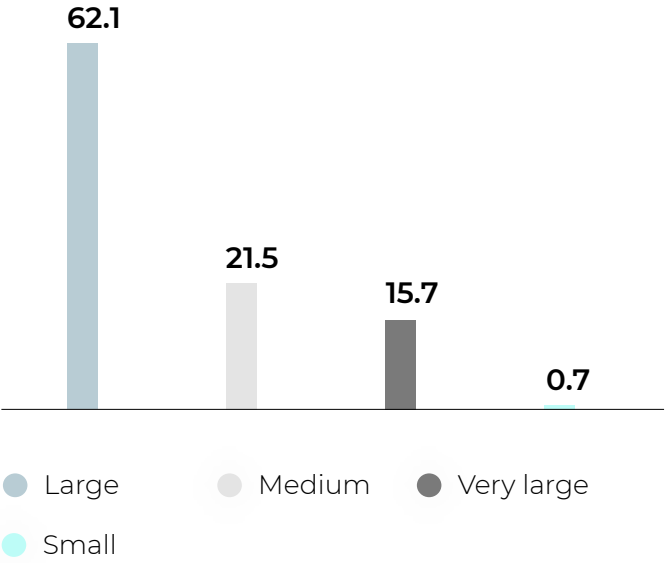
(1) Physical occupancy based on square meters.

By geography (GAV)

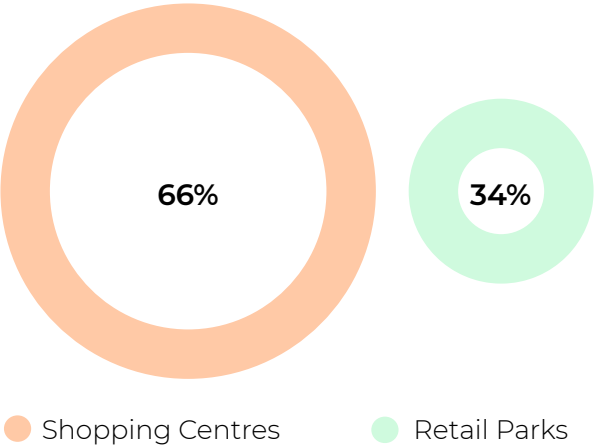


c. 80% of our retail assets are classified as Large or Very Large.

By size ⁽²⁾ (GAV) (%)



By type (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)

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



Shopping Centre
Gran Vía de Vigo (Vigo)

2.4
Key Indicators

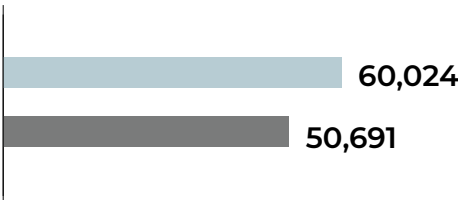
Throughout the year Lar España generated **revenues** of **83,591 thousand Euros** and a **Net Profit** of **72,921 thousand Euros**, being the most relevant figures the following:

● 2022 ● 2021

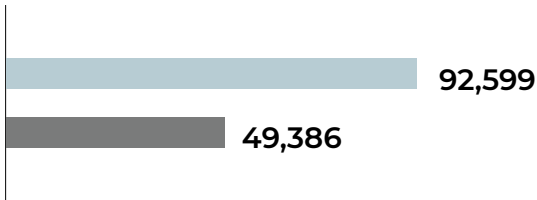
Revenues (*)
(Thousands of euros)



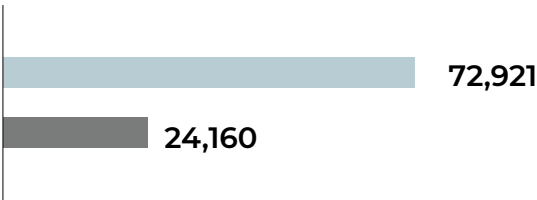
EBITDA
(Thousands of euros)



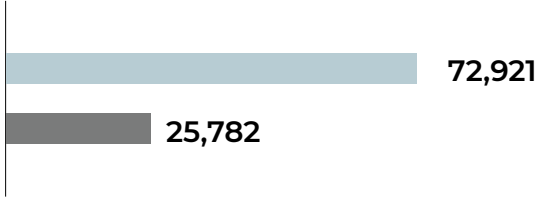
EBIT
(Thousands of euros)



EBT
(Thousands of euros)



Net Profit
(Thousands of euros)



For more clarity as regards these figures, see the “Consolidated Income of Financial Position” (see page 74).

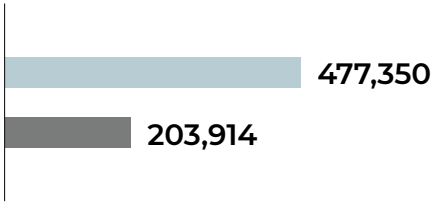
(*) This amount includes Revenues and Other income.

Other financial indicators

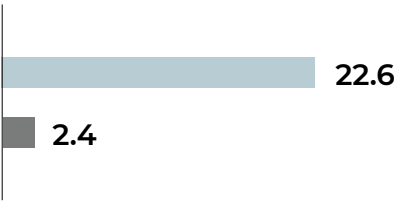
The Group presents the following financial indicators:

31/12/2022 31/12/2021

Working capital
(Thousands of euros)



Liquidity ratio
(%)



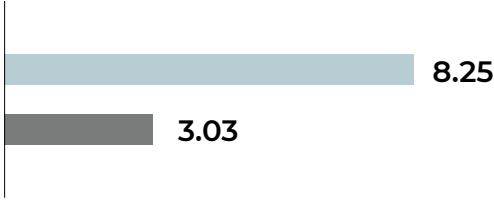
Solvency ratio
(%)



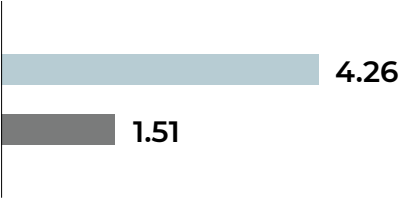
Net LTV
(%)



ROE
(%)



ROA
(%)



At 31 December 2022, and 31 December 2021, 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 31 December 2022, the **ROE (“Return on Equity”)**, which measures Group’s profitability as a percentage of shareholders equity, amounted to **8.25%** (3.03% at 31 December 2021), 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 a company’s assets to generate income, was **4.26%** (1.51% at 31 December 2021).

(*) After the bonds buy-back in January 2023 the pro-forma net LTV stands at **37.1%**.

2.5 Business Performance

a. Income Distribution

Total revenues reached **80,228 thousand Euros** in 2022 (versus 76,271 thousand Euros in 2021).

The relative weigh of total revenues by asset class at 31 December 2022 is as follows:

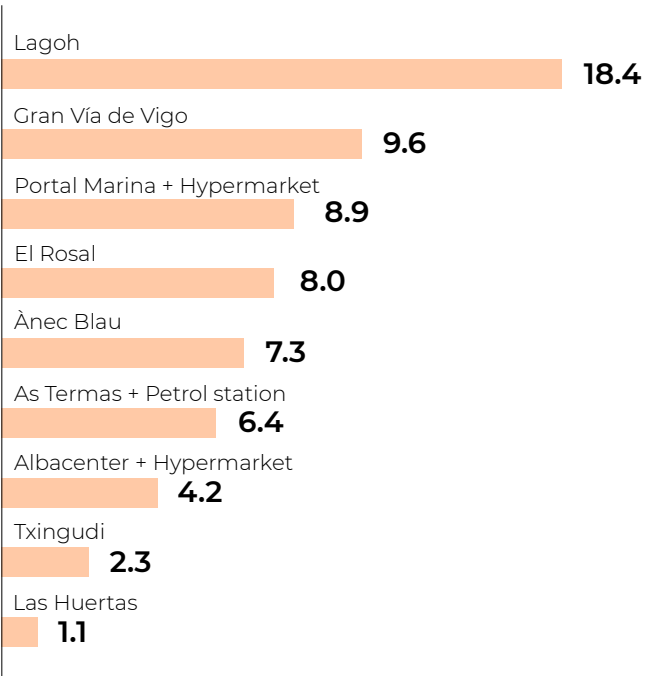
Total revenues by asset class at 2022 (%)

Shopping Centres Retail Parks

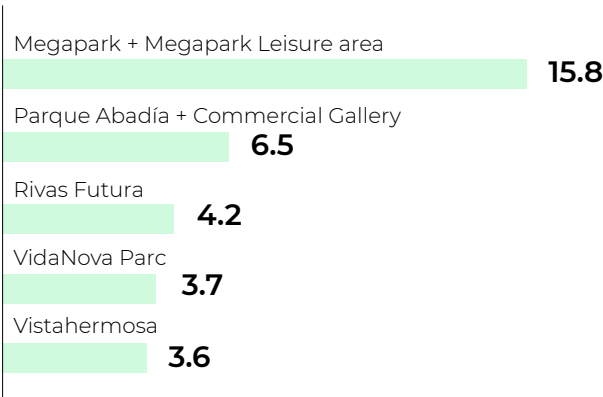


The breakdown of **income per asset type** during 2022 is as follows:

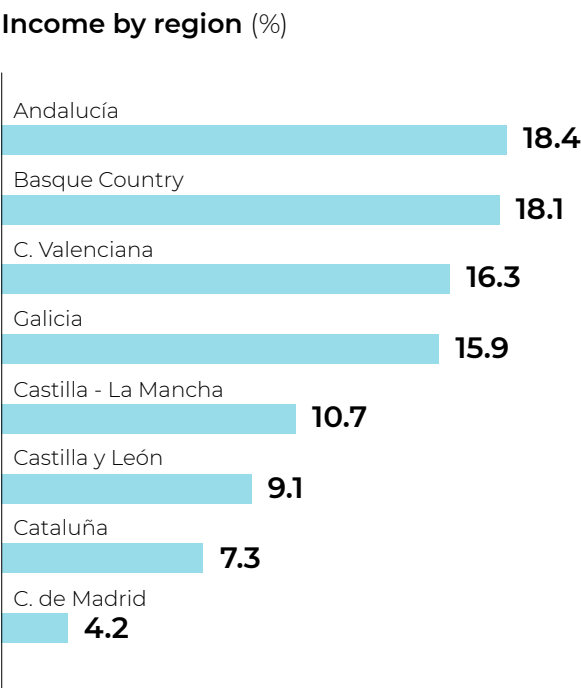
Income by Shopping Centres (%)



Income by Retail Park (%)



This graph details the breakdown of **total revenues per region** for 2022:



More than 35% of revenues were registered in the Basque Country and Andalucía, with Lagoh being the shopping centre with the highest revenues in 2022.

Below are the **ten tenants that have generated the most revenue** during 2022:

		Total rental income	Accumulated
1.		9.08%	9.08%
2.		4.17%	13.25%
3.		4.07%	17.32%
4.		3.21%	20.53%
5.		2.48%	23.01%
6.		2.24%	25.25%
7.		2.23%	27.48%
8.		2.09%	29.57%
9.		2.03%	31.60%
10.		1.80%	33.40%

b.
Gross annualised rents

The annualised GRI (*) of Lar España is detailed below, as well as the annualised GRI per occupied sqm as at 31 December 2022:

	Gross Annualised Rents (Thousands of euros)	GLA occupied (sqm)	Gross Rent (€/sqm/month)
SHOPPING CENTRES	63,947	297,949	17.9
RETAIL PARKS	34,535	233,893	12.3
TOTAL LAR ESPAÑA	98,482	531,842	15.4

Gross annualised rent / sqm occupied by asset class
(€/sqm/month)



(*) The annualised GRI is calculated using the EPRA NIY of each asset. Annualised GRI = annualised passing rental income from real estate investment + effect of rent-free periods and temporary rental discounts.
Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.

c.

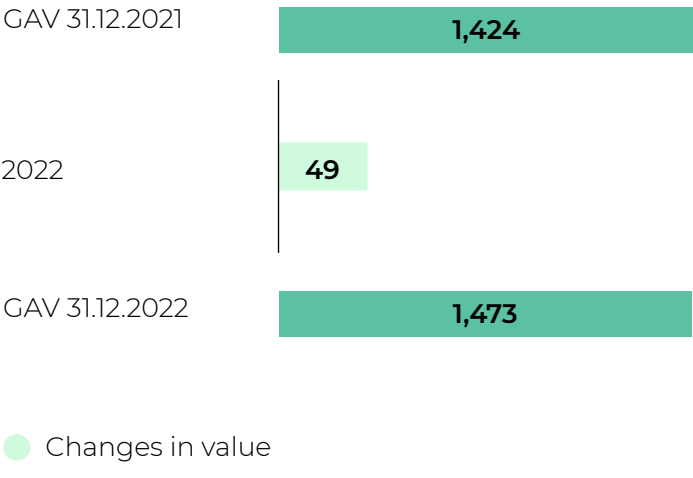
Value of Lar España´s portfolio at 31.12.2022

As at 31 December of 2022 the total value of Lar España´s portfolio amounts to **1,473 million Euros**:

The **positive revaluation** amounting to **49 million Euros** corresponds to information based on valuations carried out by independent valuers as at 31 December 2022.

GAV reconciliation at 31.12.2022

(Million €)



Like for Like change in the portfolio value at 31 December 2022 (*)

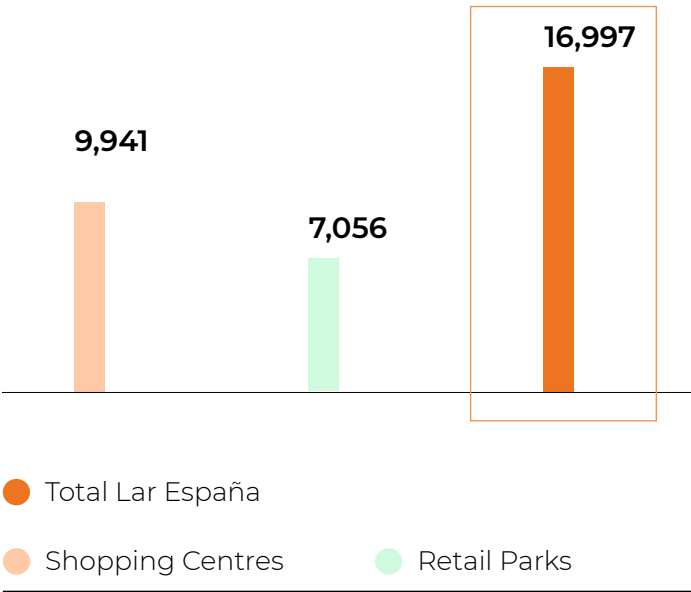


(*) Excluding CAPEX invested the percentages would be: +19.7%, +2.3% and -0.6% respectively.

d.
CAPEX

The Company has continued revamping its portfolio of assets in order to generate more value investing close to **€17 Million** during 2022.

The breakdown of investment by asset class is as follows:



Megapark and Gran Vía de Vigo with **€9.5 Million** together, lead the investment made during the year, due to the improvements that were implemented.



e.
Lease expiration and WAULT

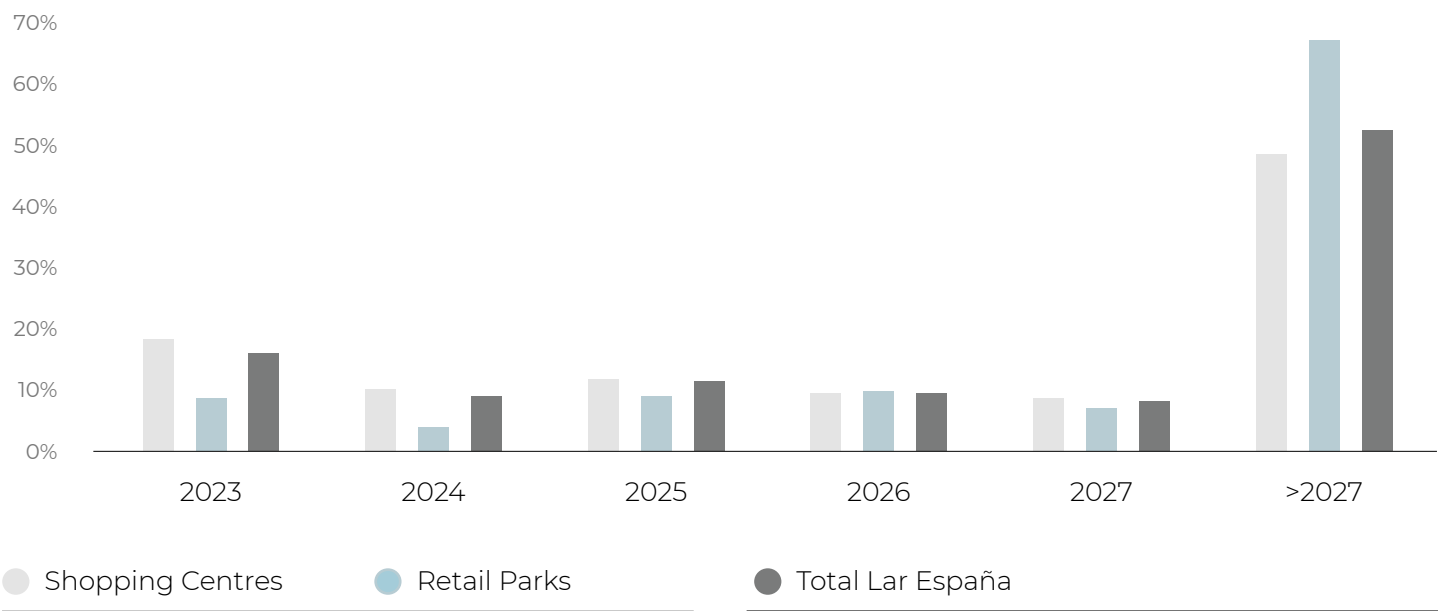
The proactive management carried out by Lar España allows us to have a **solvent and diversified tenant base**.

Renewals of contracts have been agreed with our key tenants, thereby prolonging the lease terms, allowing us to have a significant level of guaranteed minimum rents. Throughout 2022 new long-term lease agreements have been signed with new tenants.

We note that as of 31 December 2022, **more than 65% of all Lar España's active lease agreements** have lease expiries beyond 2025.

More than 65% of the contracts have a maturity beyond 2025.

Annual lease expiration (end of contract) (%)



Thus, the WAULT^(*) (weighted average unexpired lease term) at 31 December 2022 of Lar España's portfolio is **2.5 years**. Below you will find the detail by asset class:

More than

1.000

existing contracts

Lar España

Lar

2.5

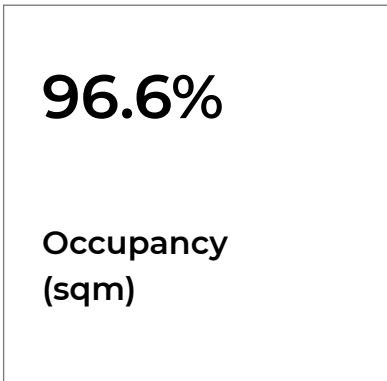
Shopping Centres

2.3

Retail Parks

2.8

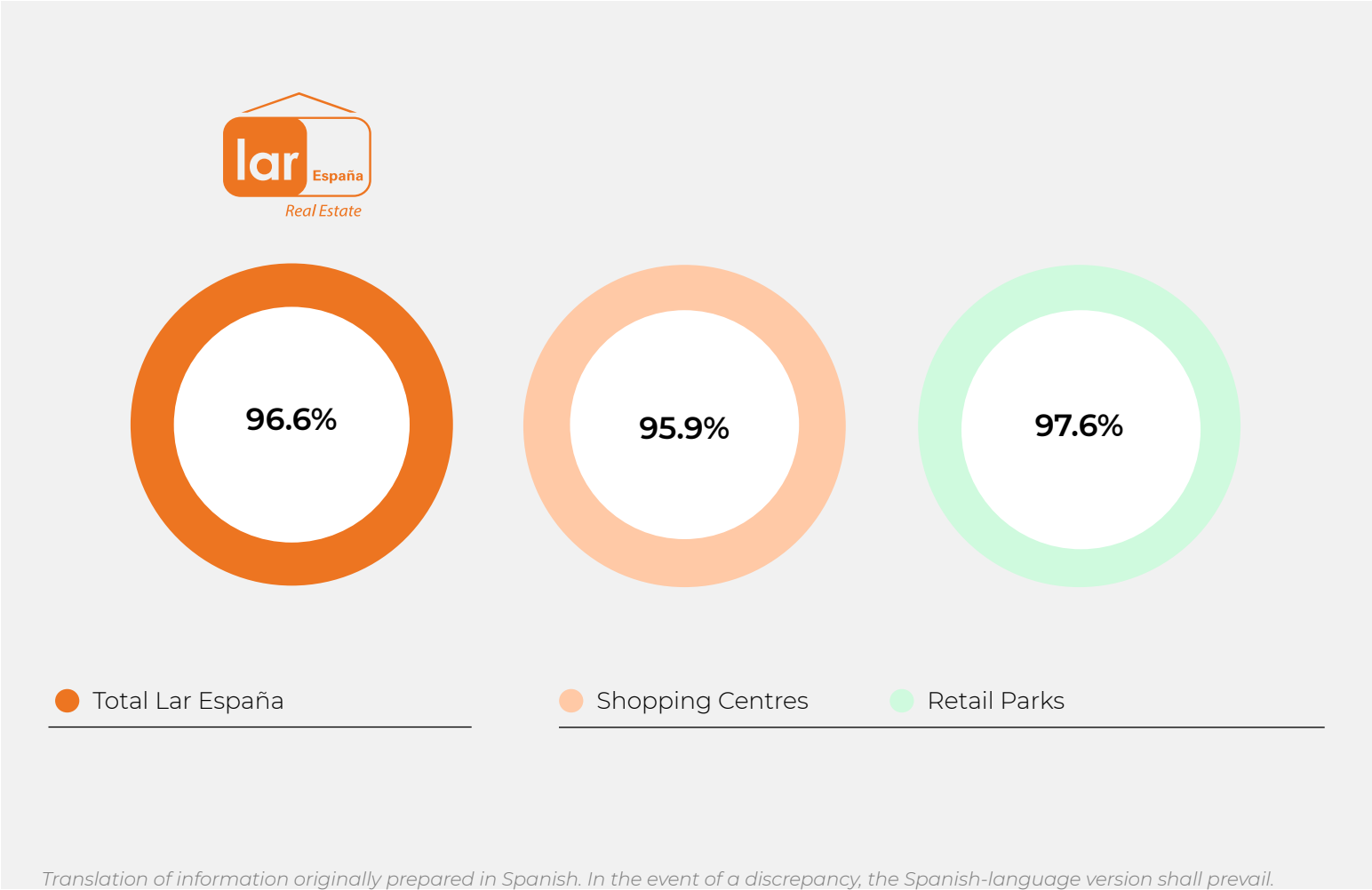
(*) Calculated as the number of years from the current date to the first break option, weighted by the gross rent for each lease. The WAULT of each asset is detailed in section 2.3 "Portfolio at 31 December 2022".



f.
Occupancy (in sqm)

The gross leasable area (GLA) of Lar España's income producing assets at 31 December 2022 stood at **550,391 sqm**, whilst the average occupancy rate stood at **96.6%**.

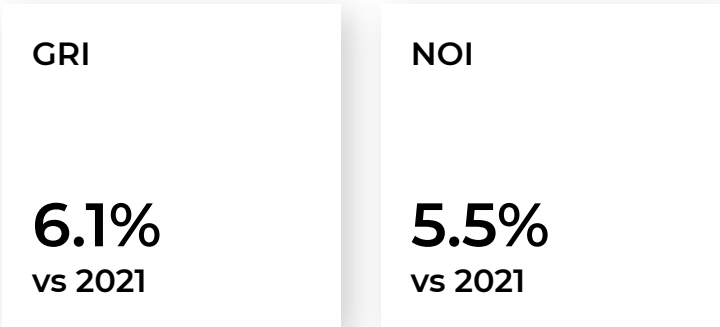
The occupancy rate by asset class at 31 December 2022 is shown below:



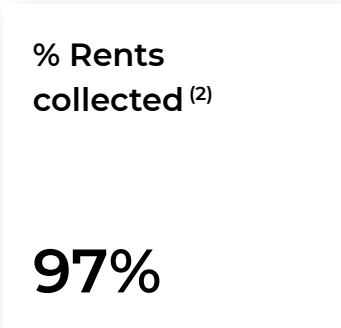
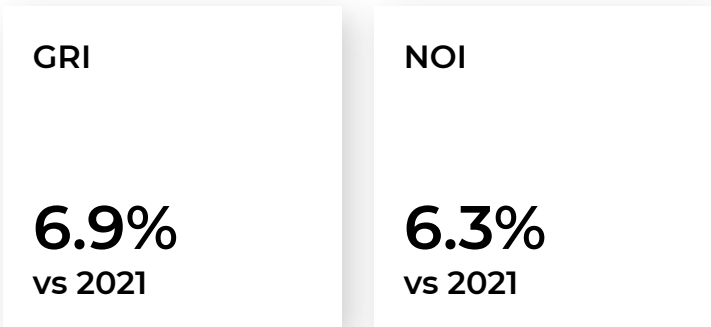
9. Main Milestones

During 2022 Lar España has continued its active portfolio management, achieving the following operational results:

Key indicators evolution



Key indicators evolution LfL⁽¹⁾



(1) Like for Like (excluding 22 Eroski supermarkets divested in February 2021)./ (2) Percentage of rents and expenses collected from tenants in 2022.
Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.

Major operative milestones

During 2022, the total sales declared reach **1,051.0⁽¹⁾ million euros** in the Shopping Centres and Retail Parks, supported by the increase in the number of visits (footfall of **80.5 million**).

Lar España continued to actively manage its retail portfolio. It closed **176 operations** including renewals, relocations, relettings and new lettings, resulting in an annualised tenant rotation rate of **10%** for the portfolio.

Rotated	Negotiated rent	Operations	Rent uplift
54,128 sqm	€11.7 millon	176	+1.3% ⁽²⁾

	Renewals	Relocations and Relettings	New lettings	TOTAL
Number of operations	106	50	20	176
sqm	30,407	19,257	4,464	54,128

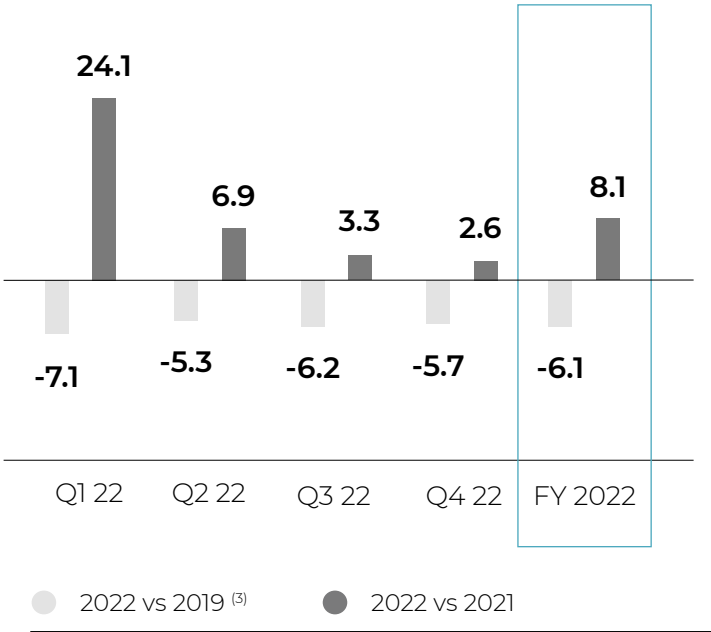
Footfall 2022

80.5 Million of visits	+8.1% vs 2021 -6.1% vs 2019
------------------------	--------------------------------

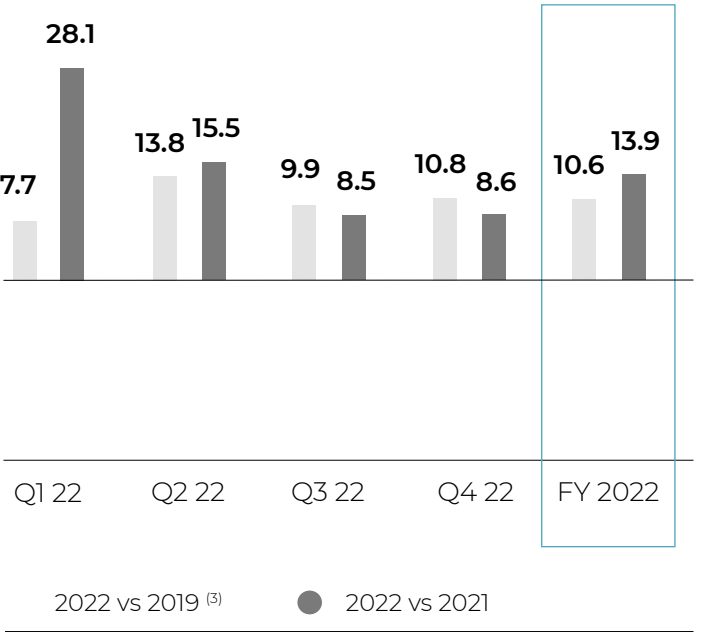
Sales 2022

1,051.0 ⁽⁴⁾ Million €	+13.9% vs 2021 +10.6% vs 2019
----------------------------------	----------------------------------

Quarterly footfall at Lar España’s shopping centres and retail parks (%)



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



(1) Declared sales. / (2) Excluding 15 non-comparable operations. / (3) Like for Like 2022 vs 2019 (excluding Lagoh shopping centre).
Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.

Main operations

Some of the **main operations** during the year:



Main Operations



Renewals

H&M (1,843 sqm)

Toys R Us (1,492 sqm)

Forum (1,127 sqm)

More than
€1,780,000
annual
negotiated
rent

33
Operations

9,199 sqm



Main Operations



Renewals

Zara (2,025 sqm)

Cortefiel (628 sqm)

Mc Donalds (426 sqm)

More than
€1,500,000
annual
negotiated
rent

16
Operations

6,244 sqm



Main Operations



Relocations/Relettings

Futbol Emotion (1,365 sqm)

Milbby (1,127 sqm)

New Lettings

Primor (352 sqm)

Close to
€1,600,000
annual
negotiated
rent

19
Operations

5,735 sqm



Main Operations



Renewals

Kiabi (1,800 sqm) at Txingudi

C&A (1,535 sqm) at Gran Vía de Vigo



Relocations/Relettings

Adidas (1,653 sqm) at Rivas Futura

Stradivarius (646 sqm) at Albacenter

Close to
€6,800,000
annual
negotiated
rent

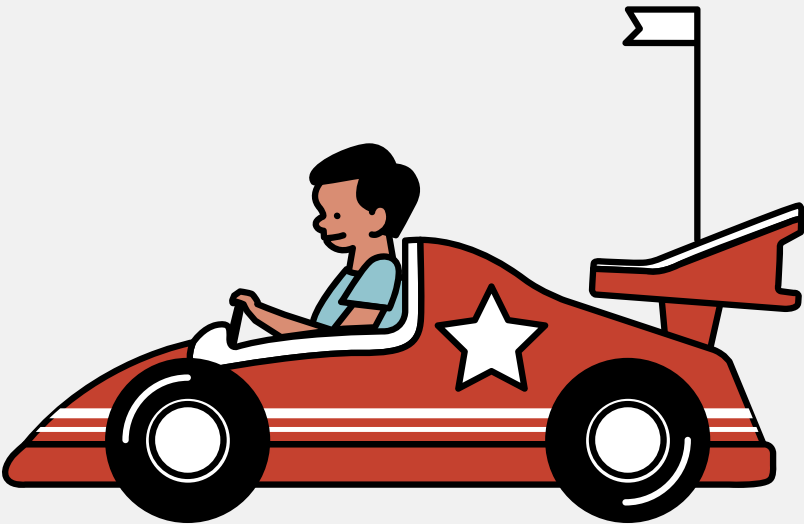
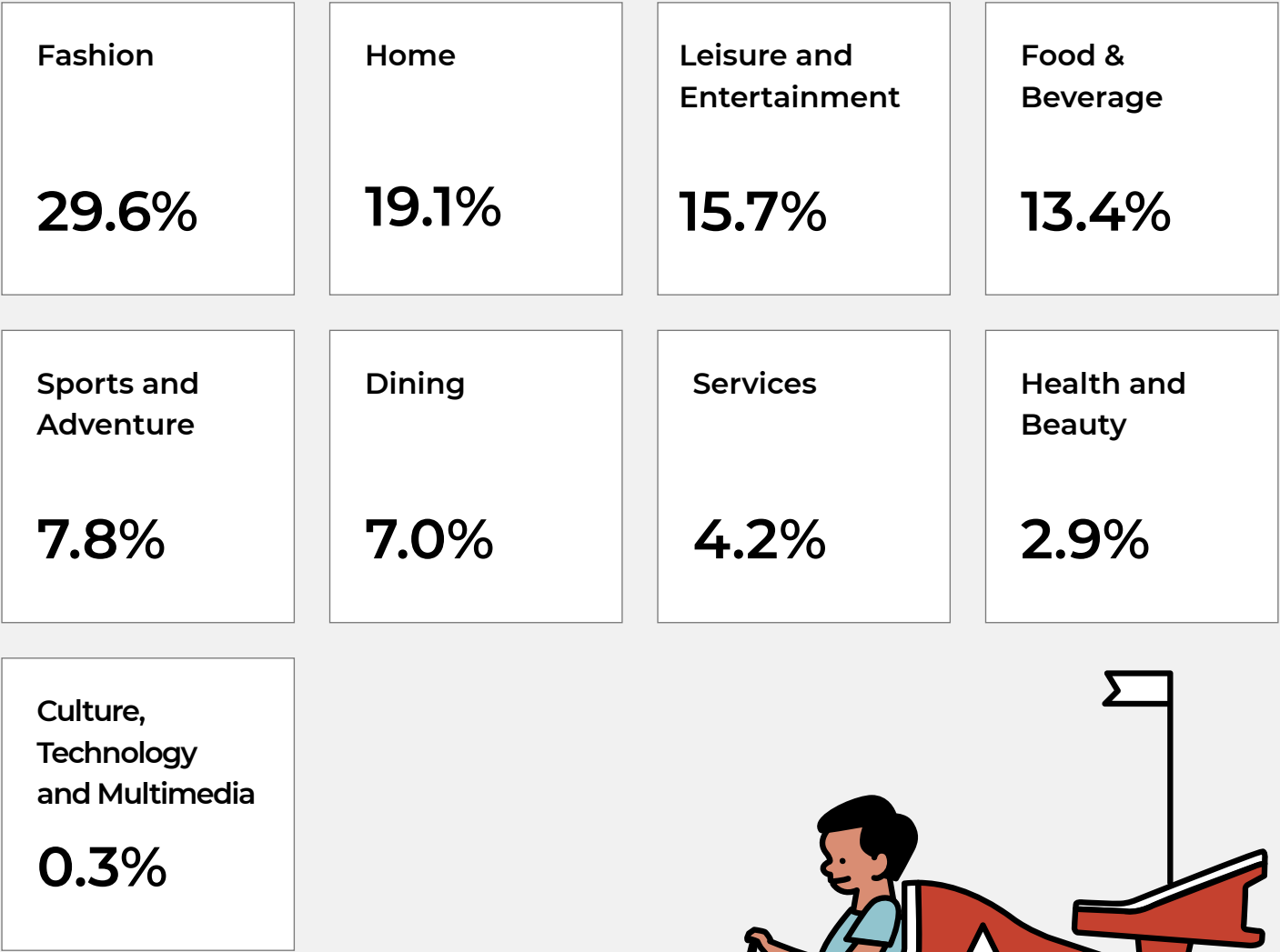
108
Operations

32,950 sqm

Retail Tenant Mix

Below we display the **tenant mix** of Lar España’s retail portfolio at 31 December 2022 by space let. The food & beverage and health sectors account **more than 15%** of the retail offering in Lar España’s assets:

Effort rate
(including
expenses)
9.2%



ESG

3.1

Committed
to the
Environment
52

3.2

Contributing to
Society
58

3.3

Leaders in
Governance
68

3

In 2022, the Company completed the ISO 14001 and 45001 certification processes for all the assets under its operational control, allowing it to standardise procedures and streamline environmental, and health and safety management standards.

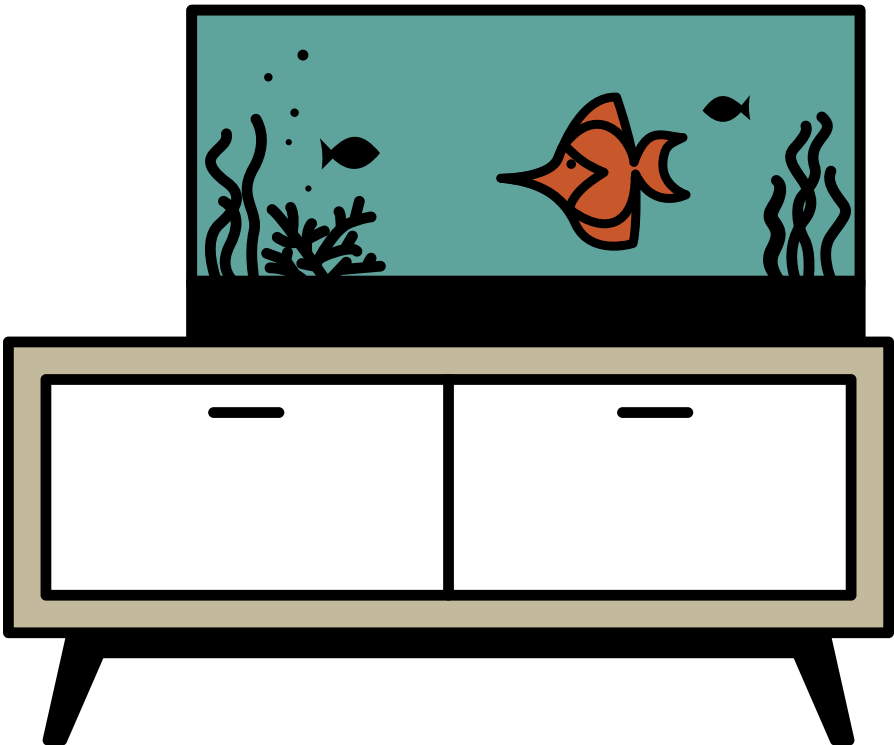


ESG (Environmental, Social and Governance)

Lar España has continued to have a **positive impact** on society and the environment, acting ethically, responsibly and sustainably across all its operations and decision-making processes, while also achieving strong financial returns for its investors.

The Company's **Sustainability/ESG Policy** is the blueprint for achieving its strategic objectives and following through on its principles, commitments, goals, strategy and values. For Lar España, sound corporate investment and **environmental engagement** are much more than just mere obligations, they are **vital to its future success**.

This approach keeps the Company alert to new opportunities – like advances in energy efficiency, digital innovation and collaborative relationships with suppliers at the top of their fields – while also allowing it to secure an attractive **financial return** for its investors.





Retail Park
Megapark (Vizcaya)

Currently, **100% of Lar España’s assets are BREEAM certified** , and **98%** in terms of GAV, with a **“Excellent” or “Very Good”** rating.

3.1
Committed to the Environment

Throughout the course of the year Lar España has continued to work on a variety of sustainability-focused projects, aimed at improving its energy efficiency, reducing its environmental footprint, promoting sustainability-based initiatives and carrying out evaluations guided by the highest of environmental standards. A commitment which has led to **100% of the properties in its portfolio obtaining sustainability certification**, after having successfully implemented a number of different environmental and/or social initiatives.

BREEAM certifications



The Company remains committed to participating in assessment and certification schemes to ensure the operation of all its properties is as sustainable as possible. Highlights achieved in 2022 include:

- Completion of the certification **Renewal Plan**, improving on the ratings previously achieved.
- Obtaining **two new certifications** for Rivas Futura and VidaNova Parc, both with a Very Good rating in building design and Excellent in asset management.
- **100%** of assets BREEAM-certified.
- **98%** of total assets, in terms of GAV, hold certifications rated as “Excellent” or “Very Good”.





CURRENT STATUS

Shopping Centres	Rating ⁽¹⁾	Certification Type	Status
Lagoh	Very Good	New Construction (D) ⁽²⁾	Certified
Gran Vía	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
Ànec Blau	P1: Very Good P2: Excellent	In Use	Certified
As Termas	P1: Excellent P2: Exceptional	In Use	Certified
Albacenter	P1: Very Good P2: Excellent	In Use	Certified
Txingudi	P1: Good P2: Good	In Use	In Renovation
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
Rivas Futura	P1: Very Good P2: Excellent	In Use	Certified
VidaNova Parc	P1: Very Good P2: Excellent	In Use	Certified
Vistahermosa	P1: Very Good P2: Very Good	In Use	Certified

(1) P1: corresponds to the first part of the BREEAM certification relating to the property's design specifications.
P2: corresponds to the rating obtained in terms of property management.
(2) The BREEAM certification for New Construction is D (Definitive) since the final delivery of the works and installations is completed.
(3) Certifications relate to asset areas over which Lar España has operational control.

Shopping centre data automation

Over the course of 2020, the Company completed work on a new data analysis platform featuring a dynamic display for tracking resource use at its properties (water and energy) and mitigating their environmental impact (waste and GHG emissions). This new tool, which was launched on 1 January 2021 and remained fully operative throughout 2022, **allows the data captured to be monitored, analysed and compared over time.**

This has increased the reliability of the data obtained, **improving the frequency and consistency** of information, and allowing the Company to successfully optimise processes and resources. Departments with access to the system can now benefit from more powerful data analysis, empowering them to act swiftly and effectively when corrective action is needed.



Environmental certifications
ISO 14001 & ISO 45001

In 2022, the Company **completed the ISO 14001 and 45001 certification processes for all the assets under its operational control**, allowing it to standardise procedures and streamline environmental, and health and safety management standards.

ISO 14001 recognises sound **environmental management system (EMS)** and the pursuit of objectives and targets reviewed and approved by senior management. It also recognises that the Company has the appropriate environmental procedures and protocols in place at its properties and that any incidents or non-conformities are properly managed. As such, this certification helps towards achieving the strategic objectives set out by the Company.

ISO 45001 is the international standard for **occupational health and safety management** systems and aims to protect employees and visitors from work-related accidents and illness. This certification demonstrates Lar España's **commitment to employee health and safety.**



100% of the portfolio under its operational control is ISO 14001 and 45001 certified

The Company incorporates environmental and social concerns within its management and organisational processes. Applying this approach throughout the value chain, from senior management to employee level, is key for **achieving the strategic objectives** in each of these areas.

Waste Management Plan

The Waste Management Plan, in place since 2021, sets out the Company’s strategy for enhancing its data management and monitoring systems, preventing pollution and promoting the sustainable use of resources. **Embracing the principles of the circular economy**, the plan seeks to foster company-wide resource reduction, recycling and reuse. The aim is to consolidate waste management in order to:

- Achieve greater control over the whole process
- Develop projects designed to improve standards
- Improve the traceability of all waste

An example of this is the initiative rolled out in collaboration with Ecoembres at several of the Company’s properties to promote **sustainability and recycling**, an initiative which **saw Return and Reward Systems (RRS)** introduced to reward environmentally responsible behaviour via the new RECICLOS system. By applying innovation to waste management, a rewards system has been developed to promote recycling. The **RECICLOS** system rewards customers with points every time they deposit a can or plastic drinks bottle in the yellow recycling bank, making it a win-win for both consumers and the environment.

The points obtained via the app can be donated for example to organisations such as the **Spanish Association Against Cancer**, to help provide specialist mental health care to patients and relatives or used to help Plant the first RECICLOS forest to restore degraded land.

In addition, thanks to the **corporate Waste Management Plan**, more effective procedures have been put in place for **identifying and classifying** waste, the process for reporting and managing waste-related information has been standardised and the Company continues to assess the possibility of introducing a **zero-waste certification** The next steps will be to identify and document the processes used to assess whether to recycle, reuse or send waste to landfill and analyse the routes used to transport waste to where it is to be processed.



100% of the energy consumed by Lar España is obtained from renewable sources.

Energy Efficiency Plan

The Company has developed a new Energy Efficiency Plan, **aligned with national and international standards**, as the final cornerstone of its sustainability strategy. As such, the measures adopted are both aligned with and form part of the corporate strategy across the Company’s entire portfolio of assets.

With this, Lar España intends to:

- Maximise the **energy efficiency** of its portfolio.
- Continue to achieve asset **certification** as a guarantee of its commitment to the environment.
- **Cost reductions.**

Some of the initiatives due to be rolled out over the next few years include **energy performance audits and the introduction of specific objectives**, thanks to a new remote submetering system which will allow the Company to access up-to-date information on the status of each property and use this data to draw up action plans for each asset.

The information gathered via these energy performance audits will be used to design **bespoke Action Plans for each asset** and allow the Company to set **quantitative targets at the portfolio level**.

Lar España will therefore continue to lead by example and act as a benchmark for the sector, as well as for society in general, **by looking beyond the purely economic benefits of better energy management and efficiency**.

Renewable energy

The Company also carried out a **comprehensive study at the portfolio level** in partnership with KPMG, to help analyse and identify the most promising strategies, negotiate contracts and carry out effective monitoring and progress evaluation of the **solar panels installed at the properties in the portfolio**.

Lar España is currently looking into the different options for installing panels at each of the properties in its portfolio. It is also important to highlight that **100% of the energy consumed by Lar España as at 31 December 2022 is obtained from renewable sources**.



Carbon footprint

After successfully registering its carbon footprint for 2018, 2019 and 2020 with Spain’s Ministry for the Ecological Transition and the Demographic Challenge (MITERD), as part of Spain’s national strategy and in line with the wider EU strategy, Lar España has now also **fully registered its carbon footprint for 2021**.

This means that the **Company has successfully registered its carbon footprint for four consecutive years** with the Ministry for the Ecological Transition and the Demographic Challenge (MITERD) and has been awarded with the **“Reduzco”** (I reduce) seal, given that the figures registered for each year show that the Company is reducing its emissions thanks to the various initiatives rolled out over recent years. **Lar España thus becomes the first real estate company listed in Spain to achieve this.**



The Lar España Carbon Footprint registry also has **independent verification by AENOR** according to the “Carbon Footprint Declaration of Conformity”.

Below are the measures required for the Company to continue moving forward with its emissions reduction strategy:

- Installing solar panels for self-consumption.

- Implementing predictive maintenance programmes and more proactive inspection protocols for systems to prevent coolant leaks.
- Optimising the HVAC systems at its shopping centres by installing air quality monitoring systems.
- Ongoing schedule to replace older machinery and equipment with more efficient, sustainable and low-emissions alternatives.
- Planning for investment to offset its emissions.
- Continuing its policy of using guaranteed renewable electricity sources at all strategic properties.

Green leasing clauses

To uphold Lar España’s commitment to Corporate Social Responsibility across its supplier and tenant network, the company has added **environmental and social engagement clauses** to its contracts.

Currently, **over 10% of leases signed across the whole of Lar España’s portfolio now include this type of clause**, a figure that will continue to climb as the various contracts within the portfolio are renewed.

In a further bid to achieve a more efficient and sustainable management, the Company has also compiled a document which sets out its main **Best Efforts**. The document can be viewed by its various tenants and suppliers in the ESG section of its website.

3.2
Contributing to Society

The Company remains committed to **shared value creation**, putting into practice initiatives that allow it to make a contribution to society by helping **people, the economy and the environment**, and that also go some way to helping society tackle major challenges such as unemployment and the socio-economic crisis.

Improving air quality

The **health and well-being of visitors** are key components of the Company's business model. Since January 2022 , the **installations for measuring indoor air quality** in the portfolio's shopping centres have been fully **up and running, producing regular monthly reports**. The indicators analysed in the reports produced up until now show that the **air quality at the Company's properties is optimal**.

This new software not only allows the quality of indoor air at its properties to be more closely monitored, it also better enables the Company to take steps to optimise its operational management of HVAC systems, **with a view to improving the overall energy performance of its buildings**.

All of Lar España's properties also comply with its **temperature policy** – which adheres to the Spanish Regulations on Thermal Equipment in Buildings (RITE) – and undergo regular audits to assess their interior air quality.



Air quality control at the Ànec Blau shopping centre (Barcelona)



Accessibility

Lar España is firmly committed to promoting social integration and actively works to achieve and maintain high levels of accessibility via a **people-centric design**.

One example of this commitment is the AENOR Universal Accessibility seal obtained at **Lagoh, El Rosal, As Termas, Vistahermosa, VidaNova Parc and Rivas Futura**. The Company is currently completing this certification process for **6 out of 14 properties in its portfolio**, expecting to receive the seal within the next few years.

All this highlights Lar España's **unwavering commitment to accessibility**, and its goal to ensure all its customers are able to enjoy its shopping centres and retail parks safely and comfortably, whatever their access requirements. The Company's aim is to guarantee equal opportunities for all and ensure that everyone can access and enjoy its properties regardless of their physical needs.



Sustainable Development Goals

In a bid to further strengthen its commitment to the Sustainable Development Goals, the Company designed an **Action Plan** by identifying key issues and how they affect the various SDGs. To do this, the **value chain and materiality matrix were first mapped out**, identifying both positive and negative impacts with a view to mitigating them.

The Company was then able to **identify which SDGs are most relevant to its business** and defined the operations where **the management strategy and model can be aligned with achieving the eight selected SDGs and their corresponding targets**. The Sustainable Development Goals selected were chosen because they correspond to the areas in which Lar España's business operations can be most effective and have the greatest impact.

As a sign of its intention to set ambitious business and SDG targets, Lar España is one of the 69 companies participating in the new edition of the **SDG Ambition accelerator programme**, which will allow the Company to advance in the strategic prioritisation of its actions in accordance with ambitious targets based on a baseline reference that will connect business objectives and results with the SDGs within its sustainable development management.

In order to ensure the SDGs are correctly implemented, the Company is promoting and raising awareness regarding the **incorporation of the 2030 Agenda into its corporate governance and company policies**. It is also monitoring the initiatives carried out as part of the Company's on-going activity to contribute to each of the SDGs identified.

100% of properties in Lar España’s portfolio feature electric vehicle **charging points**.

Sustainable mobility

In 2022, the Company continued to assess the different ways of implementing **sustainable mobility** at each of its assets.

The **main sustainable mobility projects** underway include:

- Electric vehicle charging points
- Car sharing
- Walkways, improved pedestrian access to shopping centres and their surrounding areas.
- Campaign to promote the use of public transport, bus stops and taxis.
- Parking areas and access routes for bicycles, scooters and motorcycles, as well as a guided parking system.

The Company has also completed a mobility study in the Megapark retail park with the help of a specialist local service provider and plans to use the findings to implement specific targeted measures.

As of 31 December 2022, **100% of the portfolio** has electric recharging units with a total of **more than 200 electric vehicle charging points** installed in the assets.





Initiatives at our shopping centres and retail parks

During H2 2022, Lar España has conducted numerous social engagement campaigns at its shopping centres and retail parks, **reflecting its commitment to the communities it serves, as well as to public institutions and non-profit organisations** – always striving to use its business

as a way to effect positive change and **create shared value**.

Here is a closer look at some of the social engagement initiatives carried out **during the second half of 2022**:

Social Initiatives H2 2022

Promoting sport and healthy lifestyles

One of Lar España’s social engagement objectives is to **promote and sponsor healthy lifestyles**, putting physical activity front and centre as part of its commitment to generate a positive impact within its local communities.

Asset		Initiative
Ànec Blau		Casal Canal Olímpic sponsorship The shopping centre Ànec Blau has undertaken a number of initiatives that underline its commitment to the environment and sport. One initiative carried out during the summer via the sponsorship of Canal Olímpic, saw over 1,400 children take part in a variety of fun sporting activities.
As Termas		Charity race against gender-based violence The shopping centre took part in the first charity fun run “+ Xuntos contra la violencia de Xénero” organised by Vigo’s Asociación Mulleres en Igualdade. More than 400 people came out to take part in the race and cross the finishing line which was located on the centre’s landscaped rooftop.
Lagoh		Beach volleyball tournament Throughout the summer a beach volleyball tournament was held on a specially-created artificial beach, designed to offer the people of Seville something different to do in their free time. July saw professional teams battle it out, while more amateur-level teams took to the court in August.
Portal de la Marina		Charity kilometres This charity-based challenge was held for a third consecutive year. Together, all the participating runners clocked up more than 40,000 km and all for a good cause: to fill the roof of the Observation Room at Denia Hospital with art.

Promoting culture

As part of the Company's commitment to creating shared value in the communities it serves, a variety of initiatives designed to promote culture are being rolled out:

Asset	Initiative
Lagoh 	New reading space The first floor at the Lagoh shopping centre has welcomed a new book exchange point, that also doubles up as the ideal reading space. This initiative has drawn on the generosity of customers who donated books in perfect condition to increase the reading selection on offer, highlighting just how much interest campaigns such as this generate within the local community.

Blood drive campaigns

Blood drive campaigns have been organised in collaboration with various associations at several of the portfolio's properties, helping to increase the visibility of these initiatives and encourage people to take part by offering rewards and prizes, such as free cinema tickets.



Ànec Blau



As Termas



Albacenter



Gran Vía



El Rosal



Portal de la Marina

Toy collection

An initiative carried out at a number of properties, including Gran Vía de Vigo, Ànec Blau, As Termas and Albacenter. The initiative was slightly different at each property, each one tailored to the retailers and operators collaborating at each centre, so as to reach a **wider audience and achieve a greater impact:**

Asset	Initiative	
Ànec Blau		Toy collection A campaign to collect new toys in collaboration with the operator La Torradeta. All toys collected were given to children in need at Christmas.
Gran Vía		"A Toy For Every Child" For a fifth consecutive year the shopping centre took part in the charitable campaign "A Toy For Every Child" A designated collection point was set up at the Customer Service Point. The initiative was publicised in the press, with the participation of some celebrities helping to the campaign to reach a wider audience. Thanks to this, this year's campaign was a remarkable success, with a total of 3,000 toys donated – a record level of participation for an initiative like this.
Albacenter		"Educational Toy" In collaboration with Red Cross and Toys R Us, Albacenter organised this year's edition of the "Educational Toy" campaign designed to help the families of 60,000 vulnerable children.
As Termas		Toy collection

Promoting sustainability

In addition to the initiatives implemented at its properties at the company level as part of its strategy to ensure continual improvement, Lar España also **engages with the communities it serves in campaigns designed to raise awareness, promote sustainability** and provide visitors with ways in which they can contribute to sustainability-focused initiatives and help minimise the impact of its properties on the environment:

Asset	Initiative
Rivas Futura	 Official opening of Ecozone With a view to promoting sustainability and recycling, last May a recycling point including bins for textiles, oil, footwear, bottle tops and lids was officially opened. The recycling of these bottle tops and lids will be managed thanks to an agreement signed with the SEUR Foundation, as part of their "<i>Tapones para una nueva vida</i>" project.
Parque Abadía	 Recycling area installed To further strengthen the Company's commitment to sustainability and the environment, we have introduced a service that not only rewards customers for environmentally responsible behaviour, but that also serves a charitable purpose.

Recycling machines introduced at a range of properties

Introduction of machines that reward customers for recycling. By recycling their cans and plastic drink bottles, visitors can win prizes that are both sustainable and serve a social purpose. Customers will be able to donate the points obtained for recycling to organisations such as the Spanish Association Against Cancer or use them to help plant the first **RECICLOS** forest to restore degraded land.



Gran Vía de Vigo



Lagoh



Portal de la Marina



Parque Abadía

Collaboration with NGOs and charity organisations

During the second half of the year, the company continued to offer up space at its properties free of charge to **NGOs, non-profit organisations and foundations in support of their campaigns, helping to give them more visibility and reach a wider audience.**

Some of the organisations which the company has worked with at its properties include:

- › Oxfam Intermon

› Doctors of the World

› Red Cross

› Save the Children

› WWF

› The AECC (Spanish Association Against Cancer)

› Asesubpro

› UNHCR
- › The Josep Carreras Foundation

› Ictus Comunica

› Doctors Without Borders

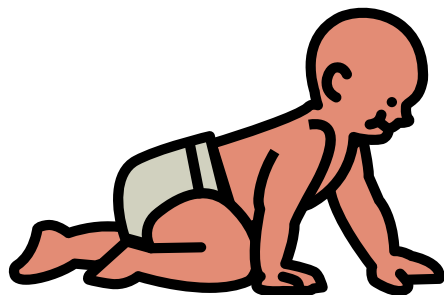
› The Spanish Heart Foundation

› ALCER

› The Pasqual Maragall Foundation

› APRONI

› Greenpeace





Shopping Centre
Portal de la Marina (Alicante)

3.3

Leaders in Governance

Lar España embraces a corporate governance model that champions the **best national and international practices**, providing a **coherent and reliable supervisory framework** to help meet growing regulatory, investor and shareholder demands.

The degree to which the Company is aligned with the CNMV’s Good Governance Code perfectly illustrates its iron-clad commitment to ensuring best practices – in virtually full compliance with the applicable recommendations of that code.

Lar España’s **Annual Corporate Governance Report (ACGR)** offers more detailed information on both the structure of the governance bodies and how they work, as well as on the progress made in terms of corporate governance best practices and recommendations.

The Company is continually working to improve matters relating to ethics, integrity, transparency and risk management, drawing up action plans to ensure good governance and to keep its policies and regulations up to date.

Sustainability/ESG Committee

In 2020 the Company constituted an ESG Committee in **order to champion sustainability-related issues** across the its various departments. The Committee is steered by a cross-cutting leadership team – comprising managers from various departments involved in the asset management side of the business – and tasked with defining a sustainability strategy that can be applied at the company level.

It is responsible for actively supporting Lar España’s undertakings in the following areas:

- Environmental initiatives.
- Health and safety at the Company’s properties.

- Corporate Social Responsibility measures.
- Sustainability measures.
- Other business-related matters.

The Committee met three times in 2022, with **clear objectives and an open dialogue between all members**, tracking the projects that the Company is currently engaged in at both asset and corporate level and looking at new initiatives that could potentially be launched.

GRESB

For the **fifth year running**, Lar España has taken part in the GRESB (Global Sustainability Real Estate Benchmark) assessment process, which has become the benchmark for assessing commitment to ESG in the real estate sector.



The Company was awarded a score of **85 points, 8% more than the average score obtained by its competitors**. The continued improvement seen in recent years, **increasing its score by 55% since 2019**, reflects the Company’s steadfast commitment to improving its sustainability performance.

Lar España has also obtained the **highest rating for governance and management** – areas over which the Company has complete control.

Furthermore, at the end of the reporting period, it identified a number of key areas where improvements can be made over the coming years to ensure the Company continues to roll out new initiatives and remain a leading force in ESG.



IBEX Gender Equality Index

Lar España is one of the 30 companies featured on the **IBEX Gender Equality Index – an undisputable sign of the Company’s commitment to diversity.**

MSCI

Lar España has collaborated with MSCI-IPD and features on its annual real estate index – *IPD Spain Annual Property Index* – that provides additional information and visibility on the real estate sector.



Thanks to its numerous good governance, sustainability and social engagement initiatives, the Company was awarded a **BBB rating** in the international index^(*). This recognition pays testament to everything achieved in this area and the Company’s commitment to aligning its strategy with international ESG standards.

EPRA Awards

As part of its business mission, Lar España aims to comply with the highest international standards of transparency, comparability and commitment. An undertaking which has led it to become a member of EPRA (European Public Real Estate Association), the sector’s leading international association that aims to provide comparable financial information between publicly-listed real estate companies and reports annual financial and non-financial information in line with GRI international standards.

In September 2022, for the **eighth year running**, Lar España received the **EPRA Gold Award in recognition of the quality of the financial information** provided to its main stakeholders. In recognition of the **information published on ESG**, Lar España was awarded the highest distinction by EPRA, winning the Gold Award for the **fifth year running**. This is a clear example of the international acclaim for the **high-quality reports and shareholder communications.**

FTSE4Good Global Index

During 2022, the FTSE Russell Global Index kept Lar España in its FTSE4Good index, which is based on the results of FTSE Russell’s independent assessment of its ESG criteria. This **demonstrates that Lar España is complying with the requirements** for the index, having proven its sound environmental, social and governance practices.

The FTSE4Good index measures **companies’ ESG performance by assessing the information provided to their stakeholders.** Companies must comply with a number of environmental, social and governance criteria in order to be included in the index. The purpose of the index is to identify Spanish companies with leading ESG corporate responsibility practices, which are used as a benchmark by a wide range of investors and market participants when evaluating responsible investments.

(*) The use by Lar España of any MSCI ESG Research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names here in, do not constitute a sponsorship, endorsement, recommendation, or promotion of Lar España by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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Consolidated Financial Statements

4.1	4.2	4.3	4.4
Company Chart 31.12.2022	Consolidated Statement of Comprehensive Income	Consolidated Statement of Financial Position	Green Bonds Buy-Back
<u>72</u>	<u>74</u>	<u>76</u>	<u>82</u>
4.5	4.6	4.7	4.8
Consolidated Statement of Cash Flows	Grupo Lar fees as Lar España's Manager	Proposed Shareholder Remuneration	Shareholder Return
<u>84</u>	<u>86</u>	<u>90</u>	<u>91</u>

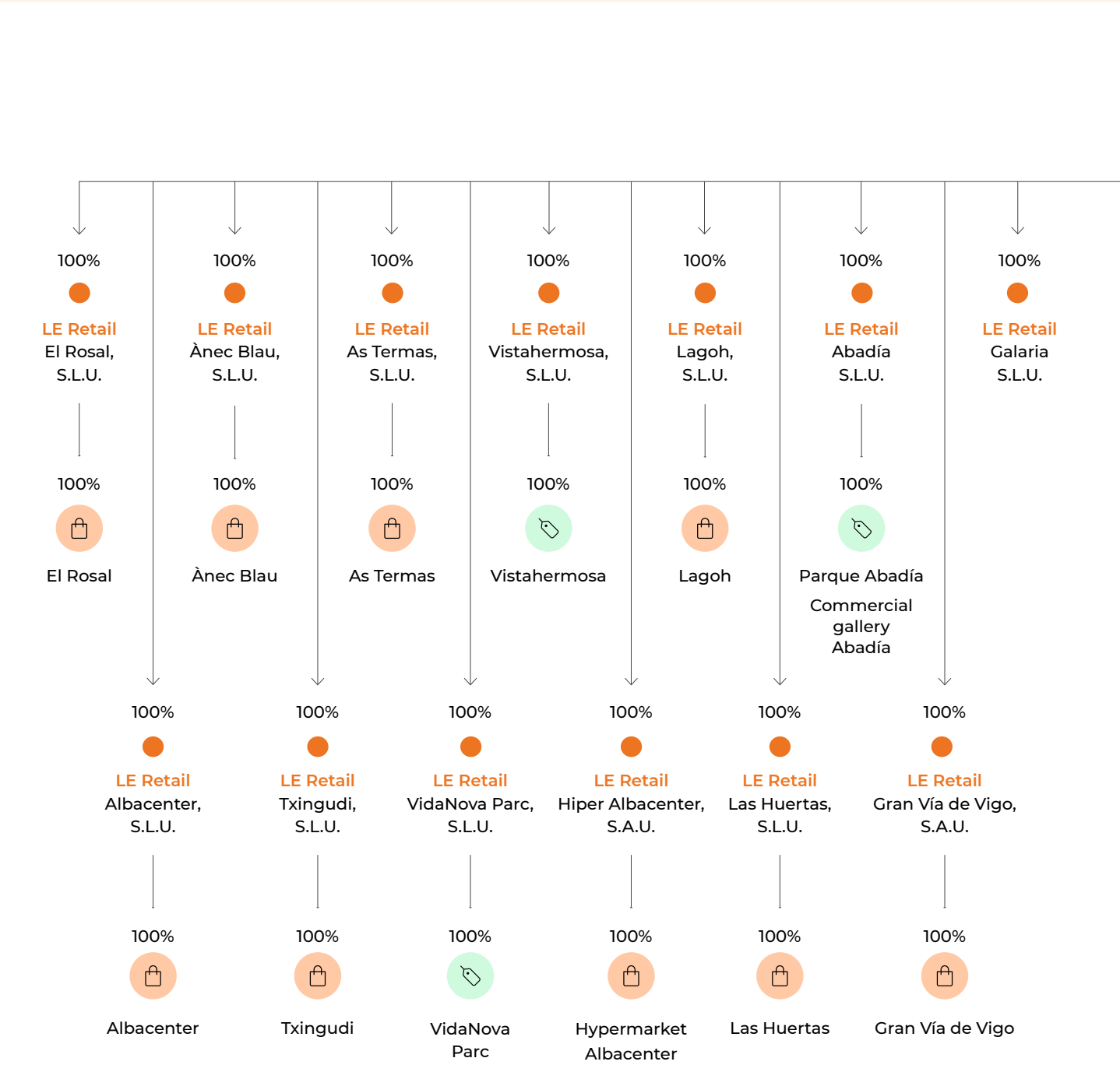


During 2022, the Company has achieved revenues of 84 million euros, which represents an increase of 6% over that recorded in 2021. The Company's profit amounted to 73 million euros.



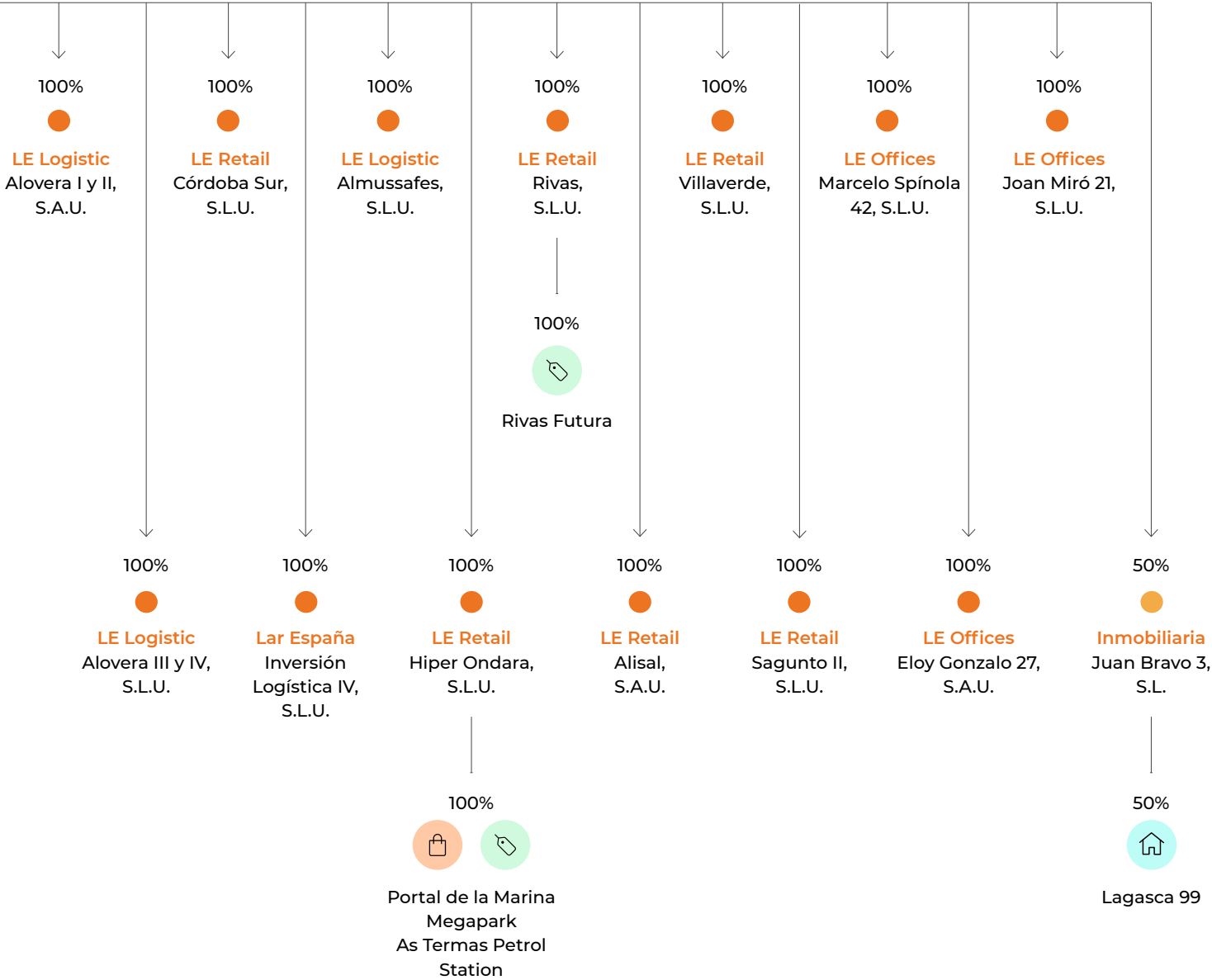
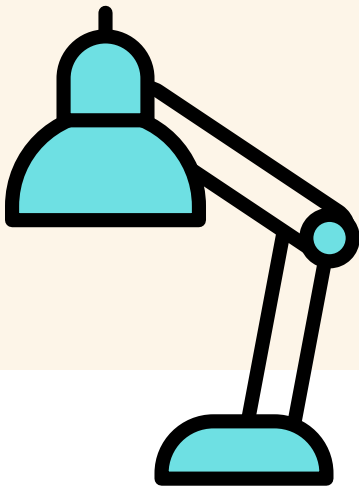
4.1
Company Chart 31.12.2022

The **scope of the Group's consolidation** at 31 December 2022 is as follows::



Company

● Full Consolidation ● Equity Method



Asset Class

- Shopping Centres
- Retail Parks
- Residential

4.2 Consolidated Statement of Comprehensive Income

TOTAL (Thousands of euros)	2022	2021
Revenues	80,228	76,271
Other income	3,363	2,836
Personnel expenses	(928)	(592)
Other expenses	(22,639)	(27,888)
Changes in the fair value of investment properties	32,575	(1,305)
Results of disposals of investments properties	-	64
RESULTS FROM OPERATIONS	92,599	49,386
Financial income	886	7
Financial expenses	(16,201)	(26,691)
Changes in the fair value of financial instruments	(4,336)	1,465
Impairment and result of disposals of financial instruments	-	(402)
Share in profit (loss) for the period of equity accounted companies	(27)	395
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	72,921	24,160
Income tax	-	1,622
PROFIT/(LOSS) FOR THE PERIOD	72,921	25,782

Results from operations

92,599

Thousands of euros

c. 2X vs 2021

Profit for the period

72,921

Thousands of euros

c. 3X vs 2021

Result from operating activities

At 31 December 2022, the Company presented a **positive result for its operations amounting to 92,599 thousand Euros** (49,386 thousand Euros at 31 December 2021) close to two times higher than the one registered in 2021. Meanwhile the profit for the period amounts to **72,921 thousand Euros, almost three times higher than the one obtained in the same period last year.**

Revenues

Revenue during 2022 amounted to **80,228 thousand Euros**, meaning **over 5% increase** versus the figure obtained in the same period last year (revenue of 76,271 thousand Euros during 2021).

Other expenses

At 31 December 2022, the Group incurred other expenses amounting to **22,639 thousand Euros** 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 11,282 thousand Euros.
- Management fees (fixed and variable fee included) for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") totals 5,471 thousand Euros. The fixed amount totals 5,391 thousand Euros, the variable amount, 80 thousand Euros, corresponds to the performance fee included in the financial statements as at 31 December 2022.

Change in the fair value of investment properties

On 31 December 2022, the positive amount in this entry, **32,575 thousand Euros**, is made up of the difference in the fair value of investment properties following the latest valuations conducted by independent experts (C&W and JLL).

Net Financial Result

The **financial result** was a negative balance of 19,651 thousand Euros at 31 December 2022 (negative balance of 25,621 thousand Euros at 31 December 2021).

Financial expenses mainly comprise the interest accrued on bonds issued by the Company in 2022 and on loans taken out by the Company with financial institutions.

The amount recorded as **changes in the fair value of financial instruments** corresponds to the result materialised in the divestment of the immediately available investment funds acquired by the Company which has been carried out during the financial year 2022.

4.3 Consolidated Statement of Financial Position

ASSETS (Thousands of euros)	31/12/2022	31/12/2021
Intangible assets	1	2
Investment properties	1,199,898	1,423,848
Equity-accounted investees	1,450	1,477
Non-current financial assets	11,868	14,422
Trade and other receivables non-current	5,615	11,586
NON-CURRENT ASSETS	1,218,832	1,451,335
Non-current assets held for sale	287,964	-
Trade and other receivables	11,744	25,452
Other current financial assets	3	3,944
Other current assets	2,594	3,752
Cash and cash equivalents	197,141	313,199
CURRENT ASSETS	499,446	346,347
TOTAL ASSETS	1,718,278	1,797,682

NET EQUITY AND LIABILITIES (Thousands of euros)	31/12/2022	31/12/2021
Capital	167,386	167,386
Share premium	452,924	466,176
Other reserves	205,773	196,903
Retained earnings	72,921	25,782
Treasury shares	(250)	(860)
EQUITY	898,754	855,387
Financial liabilities from issue of bonds and other marketable securities	694,434	693,647
Loans and borrowings	69,936	69,921
Deferred tax liabilities	15,578	15,578
Other non-current liabilities	17,480	20,716
NON-CURRENT LIABILITIES	797,428	799,862
Liabilities related to non-current assets held for sale	5,738	-
Financial liabilities from issue of bonds and other marketable securities	3,985	129,702
Loans and borrowings	185	185
Other financial liabilities	12	-
Trade and other payables	12,176	12,546
CURRENT LIABILITIES	22,096	142,433
TOTAL EQUITY AND LIABILITIES	1,718,278	1,797,682

Non-current assets

Investment properties

At 31 December 2022, **investments properties** are classified as non-current assets, at a fair value of **1,199,898 thousand Euros** (1,423,848 thousand Euros at 31 December 2021), except for the shopping centres Vistahermosa, VidaNova Parc, Parque Abadia and Rivas Futura amounting to 273,300 thousand

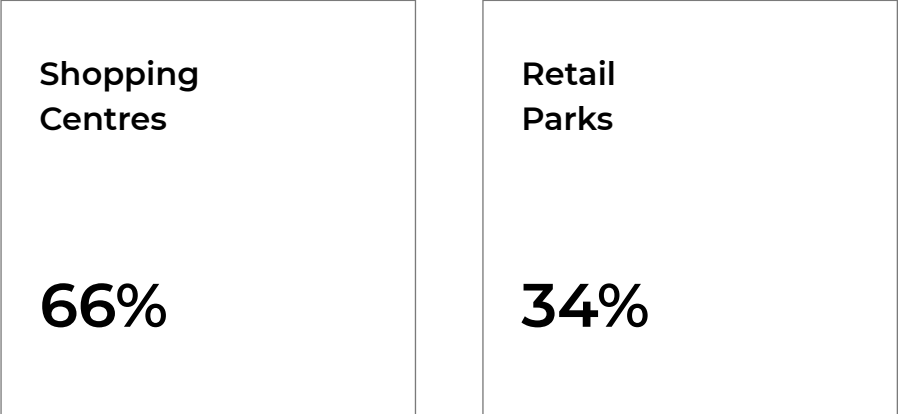
Euros which are previously classified under “Non-current assets held for sale” at 31 December 2022.

The Group´s investment properties, consist of nine shopping centres and five retail parks.

Net Investment (Thousands of euros)	31/12/2022	31/12/2021
Shopping Centres	968,998	951,187
Retail Parks	503,300	472,111
Other	900	550
INVESTMENT PROPERTIES	1,473,198 ^(*)	1,423,848

(*) This amount includes Vistahermosa, VidaNova Parc, Parque Abadia and Rivas Futura investment properties for an amount of 273,300 thousand Euros, which has been reclassified to “Non-current assets held for sale”.

Investment properties by asset class



Equity-accounted investees

At 31 December 2022 and 31 December 2021, 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 31 December 2022 and 31 December 2021, 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

Assets and liabilities held for sale

At 31 December 2022, this heading includes the assets and liabilities of the companies LE Rivas, S.L.U., LE Retail Vistahermosa, S.L.U., LE Retail Abadía, S.L.U., LE Retail VidaNova Parc S.L.U., which were classified as held for sale as per IFRS 5.^(*)

At 31 December 2022 assets and liabilities held for sale are as follows:



NON-CURRENT ASSETS HELD FOR SALE (Thousands of euros)	31/12/2022
Intangible Assets	1
Investment properties	273,300
Non-current financial assets	2,982
Trade and other receivables	1,263
Other current financial assets	4,097
Cash and cash equivalents	6,321
TOTAL	287,964

LIABILITIES RELATED TO NON-CURRENT ASSETS HELD FOR SALE (Thousands of euros)	31/12/2022
Other non-current liabilities	3,531
Trade and other payables	2,207
TOTAL	5,738

(*) IFRS (International Financial Reporting Standards).
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Trade and other receivables

At 31 December 2022, this line item mainly includes the amount from lessees which are pending collection. Of this amount, 3,877 thousand Euros current and non-current, correspond to discounts granted because of the pandemic (10,421 thousand Euros at 31 December 2021), while the remaining balance of the bonuses granted, 3,848 thousand euros (13,198 thousand Euros at 31 December 2021), mainly corresponds to grace periods, step rents and fit-outs (contributions to tenants) granted on the signing of new lease contracts.

Additionally, reflects the receivables from public entities in the amount of EUR 5,390 thousand (EUR 5,537 thousand in 2021).

Net Equity

At 31 December 2022, 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 27 April 2022, the Shareholders' General Meeting approved the **distribution of a dividend of 16,734 thousand Euros**, at EUR 0.199 per share (taking into account all the shares issued) and recognised in profit and loss for the 2021 period, **and of 13,266 thousand Euros**, at EUR 0.158 per share (taking into account all the shares issued), **charged to the share premium**.

The total pay-out was **16,713 thousand Euros** charged to the Profit for the period 2021 (after deducting the amount corresponding to treasury shares, which does not leave the Parent Company's equity and totals 21 thousand euros), **and 13,252 thousand Euros charged to share premium** (after deducting 14 thousand euros corresponding to treasury shares) given the amount per share approved and shares outstanding at the time of approval by the General Shareholders' Meeting on 27 April 2022. The dividend pay-out was settled in full on 27 May 2022.

During 2022, the Company has carried out its own share sale and purchase transactions, as described below:

	Number of share	Thousands of euros
31 December 2021	130,970	860
Additions	464,516	2,219
Disposals	(538,772)	(2,829)
31 December 2022	56,714	250

The negative result generated by the sale of treasury shares during 2022 amounted to 199 thousand Euros, recorded under "Other reserves".

Financial liabilities

Financial debt

The characteristics of the financial debt at 31 December 2022 are as follows::

Loans and borrowings

Type	Project	Entity	Interest rate	Maturity date	Nominal amount (Thousands of euros)	Current (Thousands of euros)	Non- Current (Thousands of euros)
Corporate Loan	LRE	bankinter.	EUR 3M + 1.60%	20/06/2023	30,000	-	-
Corporate Loan	LRE	 European Investment Bank	1.67%	04/05/2027	70,000	185	69,936
LOANS AND BORROWINGS						185	69,936

Financial Liabilities from issue of bonds and other marketable securities

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	3,106	396,216
November Green Bond	1.84%	03/11/2028	300,000	879	298,218
FINANCIAL LIABILITIES FROM ISSUE OF BONDS AND OTHER MARKETABLE SECURITIES			700,000	3,985	694,434

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 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, as compared with a 2.9% interest rate on the bond issued in 2015.

In addition, in February 2022, the full amount of **122.7 million outstanding was fully repaid corresponding to the first bond issue** made by the Company during the 2015 financial year.

Below you will find the net Loan To Value calculation as at 31 December 2022:

(Thousands of euros)	31/12/2022
GAV	1,473,198
Full Consolidation Gross Debt	770,000
Equity Method Gross Debt	-
Total gross debt	770,000
Cash (Full Consolidation and Equity Method)	203,620 ⁽¹⁾
Total net debt	566,380
NET LTV	38.4% ⁽²⁾⁽³⁾

(1) Includes cash and cash equivalents relating to current assets held for sale. See page 78. (2) Calculated as Net Debt/GAV. (3) After the bonds buy-back in January 2023 the pro-forma net LTV stands at 37.1%.

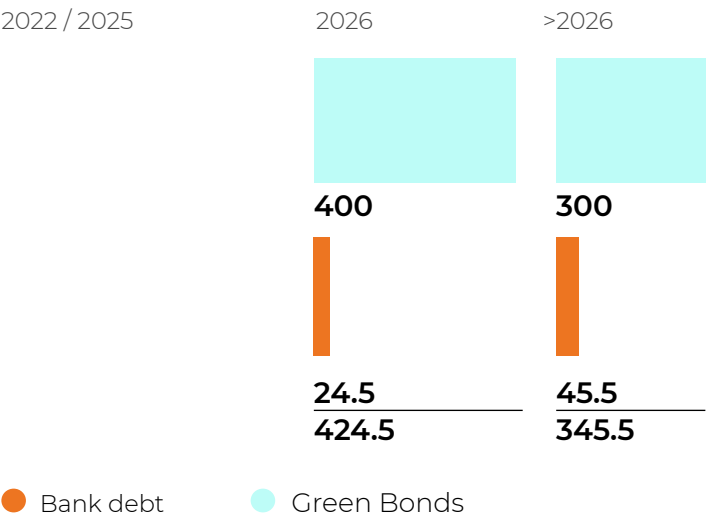
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Financial debt amounts to **€770 million**, with an **average cost of 1.8%** and an **average maturity of 4.7 years**.

At 31 December 2022, Lar España's debt stood at **770,000 thousand Euros**, with an **average cost of 1.8%** and a **net LTV ratio of 38.4%** (*). The average debt maturity stood at 4.7 years.

The amortisation schedule is detailed below:

Debt maturity profile
(€ Million)



Average debt maturity

4.7 (*) years

Net LTV

38.4% (*)

Average cost of debt

1.8%

On February 2022 the Company refunded the outstanding amount of €122.7 million related to the first bond issued by the Company in 2015. Thus, **as of 31 December 2022, Lar España's financial debt amounts to €770 million**.

Deferred tax liabilities

At 31 December 2022 and 31 December 2021, this entry included deferred tax liabilities deriving from the business combination carried out by the acquisition of the subsidiary LE Retail Rivas, S.L.U. in

2018 as well as 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.

(*) After the bonds buy-back carried out in January 2023, the pro-forma gross financial debt stands at **€660 million** and the pro-forma net LTV at **37.1%** and the average debt maturity stood at **4.8 years**.

4.4
Green Bonds Buy-Back

In January 2023, Lar España bought back green bonds totalling €110 million so as to cancel a part of its debt once liquidation is completed and thus reduce the company’s borrowings.

The buyback was closed at a **discount of 18%**, equivalent to a total final price of **€90.5 million** that will be fully paid using the company’s cash resources. The resulting **liquidity will remain above €100 million, and the debt reduction will have a positive impact of around €20 million** on the 2023 income statement. The company appointed J.P. Morgan as the only dealer manager for the transaction, which exclusively targeted certain eligible bondholders and was settled on 19 January.

This buyback deal related to the two bonds issued in 2021. The first was issued in July 2021 in the amount of €400 million at an annual fixed interest rate of 1.75%, maturing in 2026. The second was issued in November 2021 in the amount of €300 million at an annual fixed interest rate of 1.843%, maturing in 2028. Both issues were admitted to trading on the Luxembourg Stock Exchange’s Euro MTF Market.

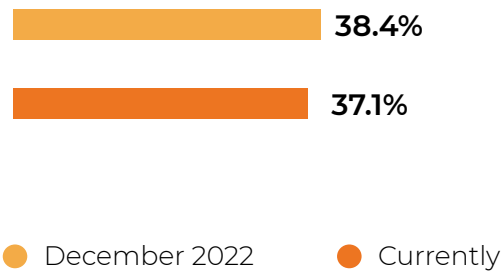
The deal entailed the buyback of **€98 million of the first bond and €12 million of the second**, leaving a total of **€590 million** outstanding, which accounts for virtually all the company’s debt: €302 million of the first issue maturing in 2026 and €288 million of the second issue maturing in 2028.

By redeeming the debt, the company managed to **reduce its borrowings from 38.9% to 37.6%** of total asset value. Previously, the rating agency Fitch had already maintained the **BBB stable outlook** investment grade rating for both Lar España and its two green bond issues.

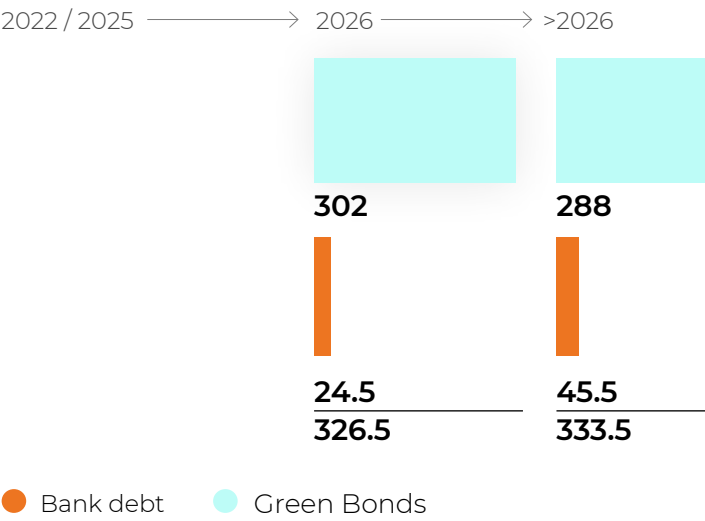
*“This move will make us **more financially agile**, while we are still in a position to strengthen our lead as the retail market recovers over the course of 2023”,* said Lar España’s Corporate Director and CFO Jon Armentia.

Net LTV

-130 bps



Pro-forma debt maturity profile(€ Million)



4.5 Consolidated Statement of Cash Flows

(Thousands of euros)	2022	2021
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	59,292	32,069
1. Profit/(loss) for the period before tax	72,921	24,160
2. Adjustments for:	(12,255)	27,909
Profit / (loss) from adjustments to fair value of investment properties (+/-)	(32,575)	1,305
Valuation adjustments for impairment of financial instruments (+/-)	-	402
Valuation adjustments for impairment of business operations (+/-)	642	1,442
Financial income (-)	(886)	(7)
Financial expenses (+)	16,201	26,691
Changes in Fair value of financial instruments (+/-)	4,336	(1,465)
Share in profit (loss) for the period of equity-accounted companies (+/-)	27	(395)
Results of disposal of investments properties (+/-)	-	(64)
3. Changes in operating assets and liabilities	15,366	693
Trade and other receivables (+/-)	17,775	8,011
Other current assets	(3,106)	-
Trade and other payables (-)	815	(5,795)
Other current liabilities	16	-
Other current and non-current assets and liabilities (-)	(134)	(1,523)
4. Other cash flows used in operating activities	(16,740)	(20,693)
Interest paid (-)	(17,399)	(20,693)
Interest received (+)	659	-
B) CASH FLOWS USED IN INVESTING ACTIVITIES	(16,775)	47,469
1. Payments for investments (-)	(16,775)	(12,108)
Investment property	(16,775)	(8,533)
Other financial assets	-	(3,575)
2. Proceeds from divestments (+)	-	59,577
Investment property	-	59,577
C) CASH FLOWS FROM FINANCING ACTIVITIES	(152,254)	97,007
1. Payments made and received for equity instruments	411	(5,149)
Acquisition/disposal of treasury shares (+/-)	411	(5,149)
2. Proceeds from and payments for financial liability instruments	(122,700)	128,613
a) Issue of:	-	693,186
Bonds and other marketable securities (+)	-	693,186
Liabilities with associates (+)	-	-
b) Redemption and repayment of:	(122,700)	(564,573)
Other financial liabilities (-)	(122,700)	(17,300)
Bank borrowings (-)	-	(547,273)
3. Payments for dividends and remuneration on other equity instruments	(29,965)	(26,457)
Dividends (-)	(29,965)	(26,457)
D) CASH AND CASH EQUIVALENTS IN NON-CURRENT ASSETS HELD FOR SALE	(6,321)	2,626
E) NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(116,058)	179,171
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	313,199	134,028
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	197,141	313,199



Shopping Centre
Portal de la Marina (Alicante)

4.6

Grupo Lar fees as
Lar España's Manager

On 8 June 2021, the Company's Board of Directors approved the main terms and conditions for the renewal of **the management agreement entered into by Lar España and Grupo Lar**, which was due to expire on 1 January 2022 (the Investment Management Agreement or "IMA").

The terms and conditions for the renewal of the IMA have been agreed taking account of **the experience accumulated** to date and the good relationship between the Company and the Manager, on the understanding that these changes benefit Lar España and improve the alignment of interests.

The new contract will be in force for **five years**, from 1 January 2022 to 31 December 2026, with a fixed commission (base fee), a variable commission (performance fee) and an additional variable commission linked to special actions, all of them explained below.

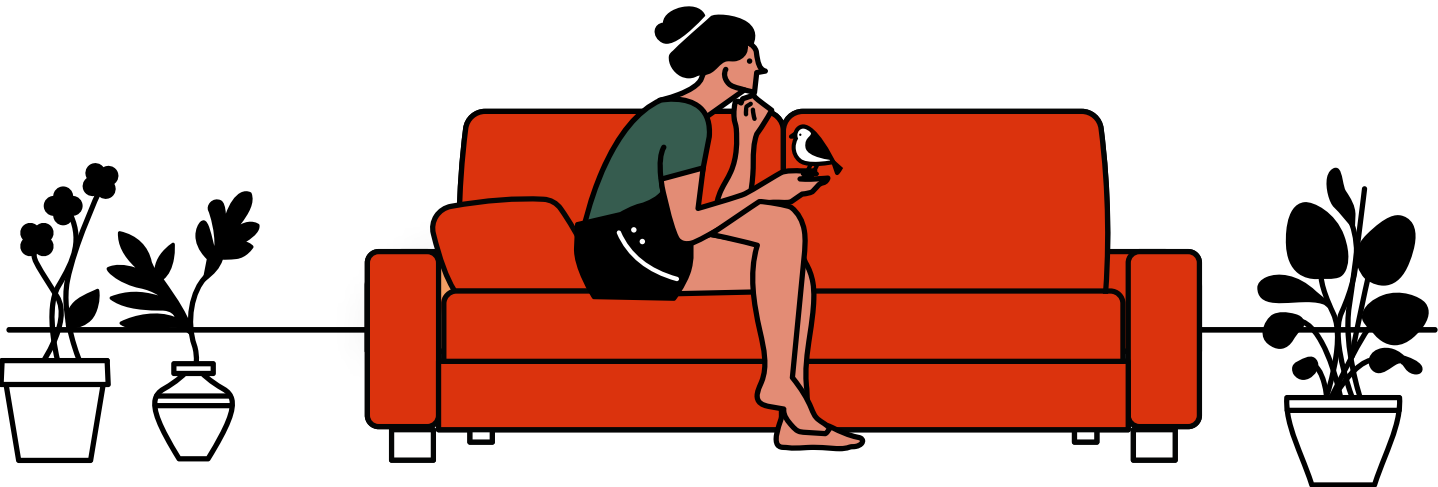
Base fee (fixed fees)

In accordance with the **Investment Management Agreement (IMA)** the base fee to be paid by Lar España is calculated on the basis of the Company's Net Asset Value (EPRA NAV/NTA) at the end of the previous year:

- Fixed fee based on a percentage of **0.62%** of Net Asset Value (EPRA NAV/NTA).

As a result, the fixed fees entered in the Global Consolidated Income Statement for Lar España at 31 December 2022 total **5,391 thousand Euros**.

Base Fee	Thousands of euros
EPRA NAV 31.12.21	869,501
Gross fee	5,391
Grupo Lar expenses incurred by Lar España	-
BASE FEE	5,391



Performance fee (variable fees)

Likewise, Grupo Lar has the right to a **Performance Fee** that is paid to the manager depending on the **profitability obtained by Lar España shareholders**.

According to the definition of the calculation the performance fee will be calculated on the basis of the growth of the EPRA NAV/NTA per share and the evolution of Lar España’s share price. It will be settled annually and **it will be limited to a maximum amount of 1.5 times the annual base fee**. The amount will be paid, at the Company’s choice, in cash or in treasury shares valued at their closing price on a predetermined date.

Thus, the amount of this remuneration will be accrued by the Management Company from the moment that:

- **Annual EPRA NAV/NTA increase** (net of capital increase and shareholders distributions) over 8.5% → **8%** of the amount beyond the **8.5%** of annual increase.
- **Annual increase of the market capitalization** (net of capital increase and shareholder distributions) over 8.5% → **2%** of the amount beyond the **8.5%** of annual increase.



Shopping Centre
Gran Vía de Vigo (Vigo)

The Company´s **EPRA NAV/NTA** variation is calculated as follows:

EPRA NAV Evolution	Thousands of euros
EPRA NAV/NTA 31.12.21	869,501
EPRA NAV/NTA 31.12.22 (*)	914,412
Gross difference	44,911
2021 Dividend paid in 2022	30,000
Net difference	74,911
INCREASE % 31.12.21 - 31.12.22	8.62%
Return above 8.5%	0.12%
PERFORMANCE FEE	80

(*) Pre performance Fee figure.

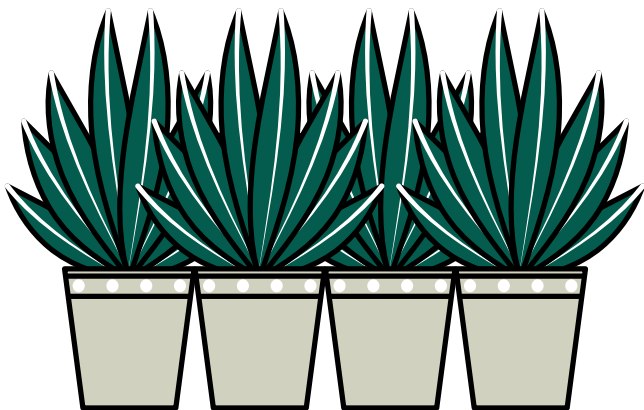
Therefore, **80 thousand Euros** was accrued as a performance fee in accordance with the annual increase in the EPRA NAV/NTA.

The Company's **market capitalization** evolution is also displayed in the following table::

Market Capitalization Evolution	Thousands of euros
Market capitalization 31.12.21 (**)	418,130
Market capitalization 31.12.22 (**)	365,299
Gross difference	(52,831)
2021 Dividend paid in 2022	30,000
Net difference	(22,831)
INCREASE % 31.12.21 - 31.12.22	(5.46%)
Return above 8.5%	-
PERFORMANCE FEE	-

(**) Calculated according to the average closing price of the last 20 sessions.

Given that the evolution of market capitalisation during the year 2022 **has not increased by more than 8.5%**, no amount has been accrued linked to the market capitalisation.



To conclude, the sum of **5,471 thousand Euros** that results from adding the base fee to the performance fee is entered in the Global dated Income Statement at 31 December 2022 under the heading “Other Costs”. See section 4.2 “Consolidated Statement of Comprehensive Income”.

Fixed and variable fees have been taken into account in the EPRA Cost Ratios calculation (section 5.5 “EPRA Cost Ratios”).

Additional performance fee for special actions

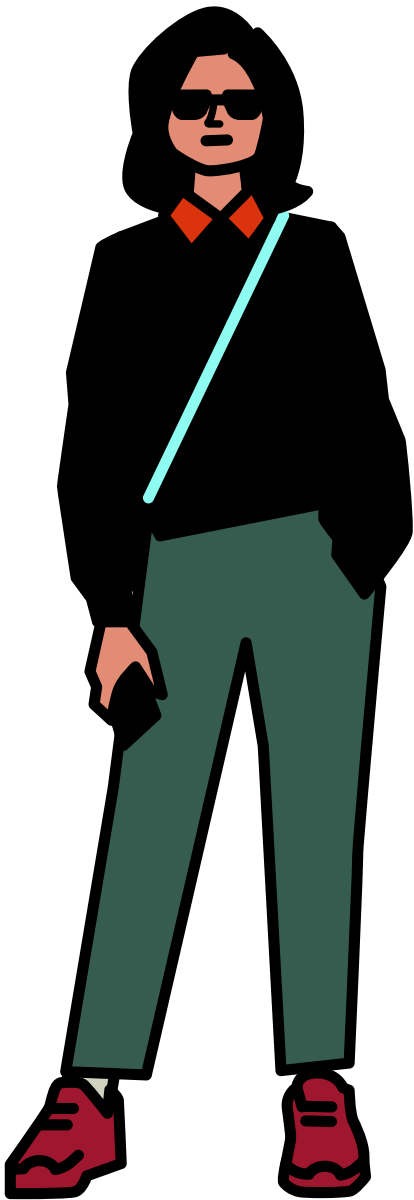
For cases in which the Company undertakes **new asset development** or extension work on its current assets, an additional performance fee is added as a percentage of the total cost (CAPEX excluding land).

The applicable rate will be:

- **4%** of total costs below or up to **€40 million**.
- **3%** of total costs above **€40 million**.

Asset refurbishments will not give rise to a performance fee and will be covered by the base fee.

In 2022 no amount has accrued related to the additional variable commission for special actions.



4.7

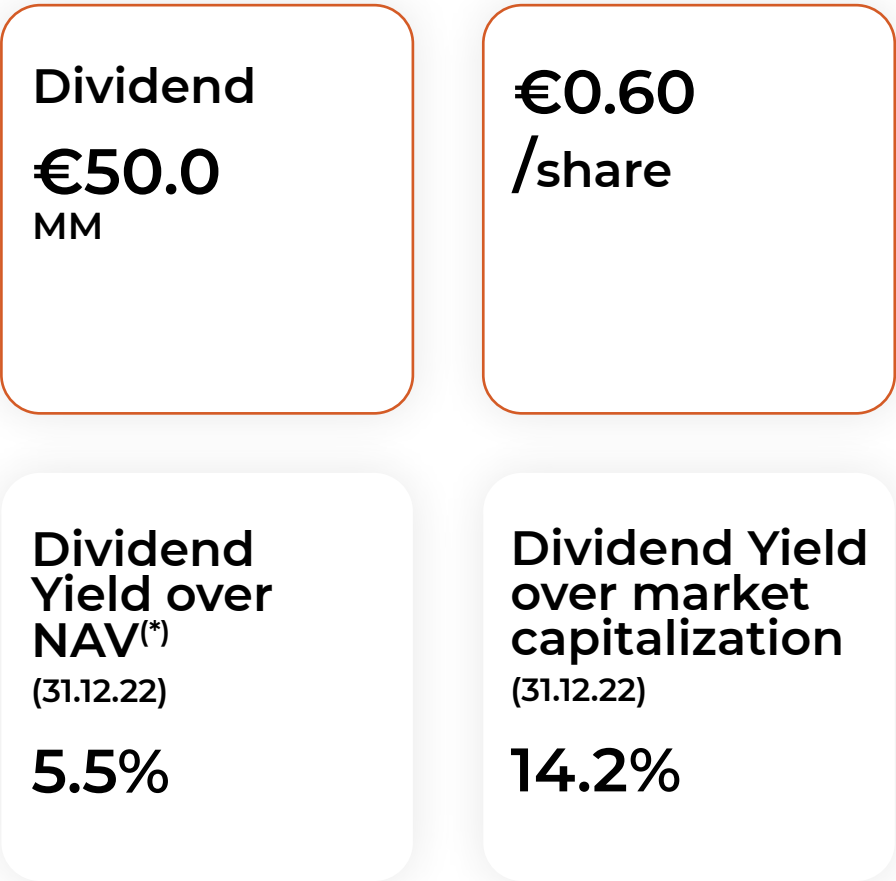
Proposed Shareholder
Remuneration

Lar España was founded with the aim of generating strong returns for its shareholders via a significant dividend payout. In line with recent company notifications, the Company has confirmed that **it will continue to retain an attractive dividend policy**, based on the distribution of **100% of the annual EPRA Earnings** plus 50% of the capital gains obtained from the divestments made during the year.

As regards 2022, based on the cash generated during the year, and without divestments during the year, a dividend of **€50.0 million** would be

payable, primarily comprising 100% of the 2022 EPRA Earnings (approximately 40 million Euros, see page 96) adjusted for the effect of the linearisation of the bonuses granted to tenants in 2020 and 2021 with an impact on the 2022 income statement but with no effect on the Company's cash (approximately 10 million Euros).

Therefore, the pay-out to shareholders for the financial year ended on 31 December 2022 to be presented at the Annual General Meeting would be **€50.0 million**, equating to earnings of **€0.60 per share**.



(*) EPRA NTA.

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

4.8
Shareholder Return

Shareholder Rate
of Return

8.45%

The shareholder rate of return in 2022 stood at **8.45%**. To calculate the rate of return, we use the growth per share over the financial year, which is the sum of:

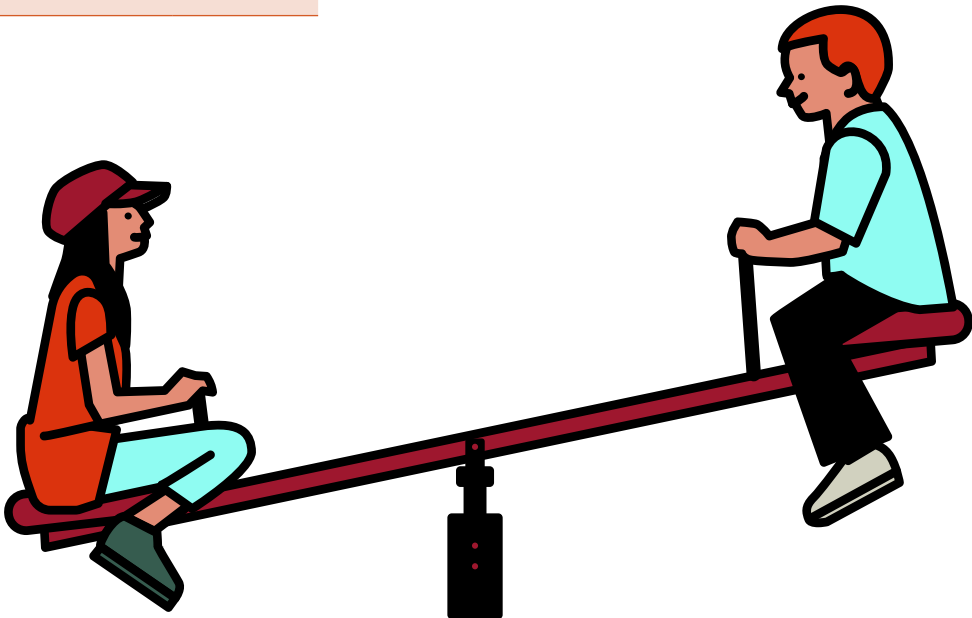
- The variation in the Company’s EPRA NTA per share.
- Dividend per share distributed during the financial year.

Shareholder Rate of Return =

Growth (NTA + Dividend) per share

EPRA NTA per share 31.12.2021

	€/share
EPRA NTA 31.12.21	10.41
EPRA NTA 31.12.22	10.93
NTA Growth 2022	0.52
2021 Dividend paid in 2022	0.36
Growth (NTA + Dividend)	0.88
SHAREHOLDER RETURN 2022	8.45%



EPRA Information

5.1 EPRA Earnings <u>96</u>	5.2 EPRA Net Asset Value Ratios <u>97</u>	5.3 EPRA NIY and EPRA “topped- up” NIY <u>99</u>	5.4 EPRA Vacancy Rate <u>100</u>
5.5 EPRA Cost Ratios <u>101</u>	5.6 EPRA LTV <u>102</u>		

In September 2022, for the **eighth consecutive year**, Lar España was awarded the **EPRA Gold Award** for the quality of financial information made available to its stakeholders and for the **fifth consecutive year** for the quality of the **ESG information**.



At the end of 2022, the Company’s EPRA NAV/NTA stood at **€10.93 /share**, an **increase** of **5%** compared to the one registered at the end of 2021.

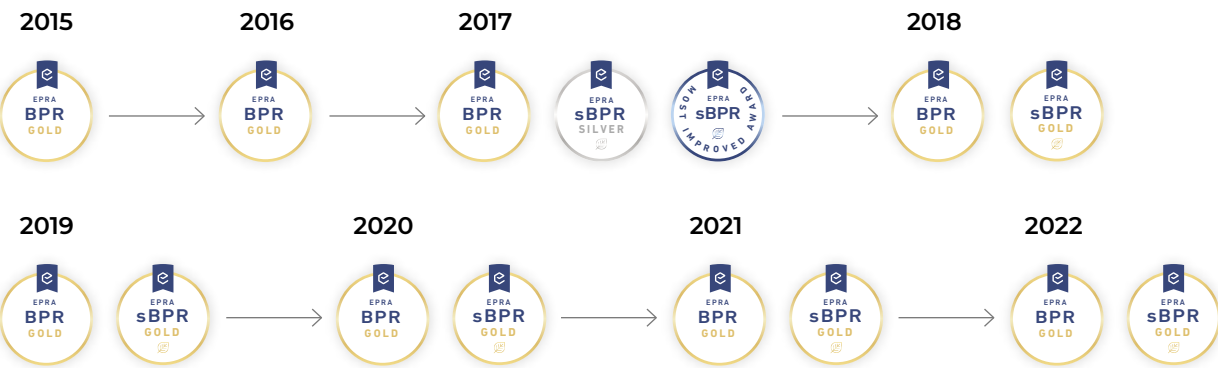
EPRA recognition

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 2022**, for the **eighth 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 **fifth 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 - BPR” available at www.epra.com

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Key performance indicators described in the Best Practices Recomendations developed by EPRA are shown as follows:

Indicator	31/12/2022	31/12/2022
	(Thousands of euros) (%)	(€/share)
EPRA Earnings	40,346	0.48
EPRA NTA	914,332	10.93
EPRA NRV	948,208	11.34
EPRA NDV	898,754	10.75
EPRA Net Initial Yield (NIY)	5.6%	
EPRA “Topped-up” NIY	5.9%	
EPRA Vacancy Rate	3.5%	
EPRA Cost Ratio	16.4% (*)	
EPRA Cost Ratio (excluding costs of direct vacancy)	14.2% (*)	
EPRA LTV Ratio	39.4% (**) (***)	



(*) Ratio calculated considering recurring expenses. See terms definitions in Glossary, section 8.
(**) New ratio introduced in the February 2022 update of the EPRA Best Practices and Recommendations Manual. See Glossary, section 8, for a description of terminology.
(***) After the bonds buy-back in January 2023 the pro-forma EPRA LTV stands at **38.1%**.

5.1
EPRA Earnings

(Thousands of euros)	2022	2021
EARNINGS PER IFRS INCOME STATEMENT	72,921	25,782
Change in value of investment properties	(32,575)	1,305
Profits or losses on disposal of investment properties	-	(64)
Tax on profits or losses on disposals	-	(1,622)
Negative goodwill	-	-
Changes in fair value of financial instruments and associated close-out costs	-	(1,465)
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	40,346	23,936
Weighted average number of shares (excluding treasury shares)	83,588,177	84,189,058
EPRA EARNINGS PER SHARE (EUROS)	0.48	0.28

EPRA Earnings
per share

+70%
vs 2021

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 NNAV 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 see: https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.
(2) IFRS (International Financial Reporting Standards).
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EPRA Net Asset Value Ratios

(Thousands of euros)				31/12/2022			31/12/2021		
	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Value	NTA Net Tangible Assets	NRV Net Reinstatement Value	NDV Net Disposal Value			
Equity attributable to shareholders	898,754	898,754	898,754	855,387	855,387	855,387			
(i) Hybrid Instruments	-	-	-	-	-	-			
Diluted NAV	898,754	898,754	898,754	855,387	855,387	855,387			
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	898,754	898,754	898,754	855,387	855,387	855,387			
Exclude									
(v) Deferred Tax in relation to fair value gains of IP	15,578	15,578	n.a	15,578	15,578	n.a			
(vi) Fair value of financial instruments	-	-	n.a	(1,465)	(1,465)	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	-	33,876	n.a	-	26,273	n.a			
NAV	914,332	948,208	898,754	869,501	895,774	855,387			
Number of shares (excluding treasury shares)	83,636,255	83,636,255	83,636,255	83,561,999	83,561,999	83,561,999			
NAV per share	10.93 (*)	11.34 (*)	10.75 (*)	10.41	10.72	10.24			

Figures may not match due to rounding.

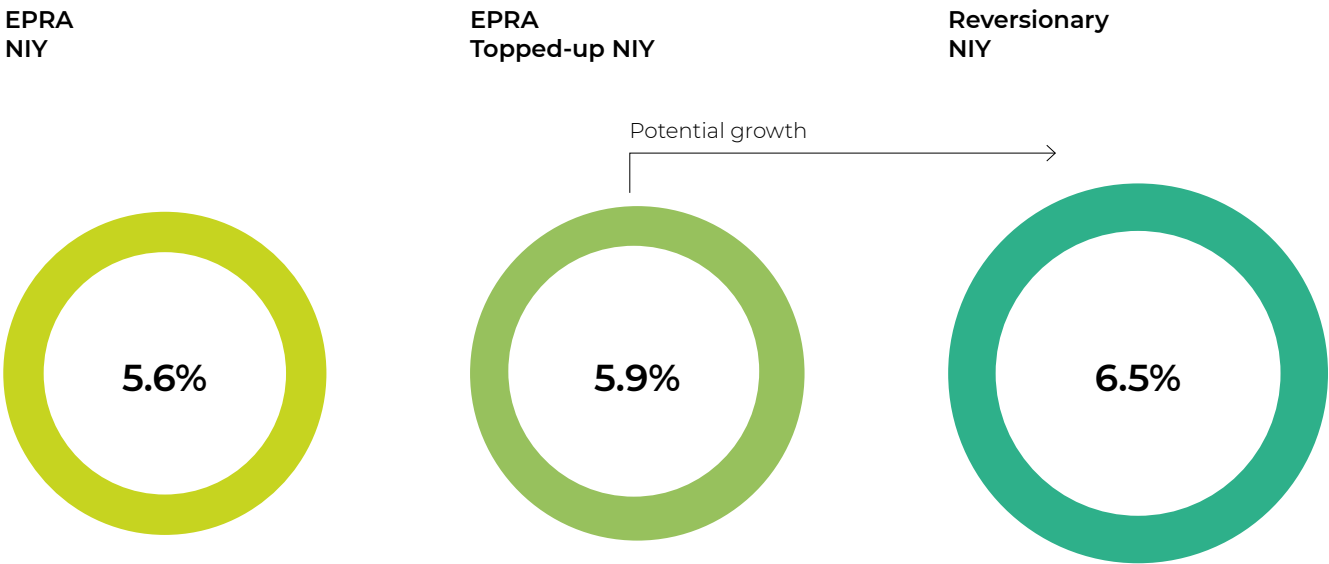
(*) When analyzing the evolution of this measure it is important to take into account the dividend paid in Q2 2022 (0.36€/share).

5.3
EPRA NIY and EPRA “topped-up” NIY

(Thousands of euros)	Total Shopping Centres	Total Retail Parks	Total Lar España
Completed Property Portfolio	968,998	504,200	1,473,198
Allowance for estimated purchasers costs	24,060	9,816	33,876
Gross up completed property portfolio valuation (A)	993,057	514,016	1,507,074
Annualised cash passing rental income	61,616	32,609	94,224
Property outgoings	(6,138)	(3,009)	(9,147)
Annualised net rents (B)	55,478	29,599	85,077
Notional rent expiration of rent free periods or other lease incentives	2,332	1,926	4,258
Topped-up net annualised rents (C)	57,809	31,525	89,335
EPRA NET INITIAL YIELD (B/A)	5.6%	5.8%	5.6%
EPRA TOPPED-UP NET INITIAL YIELD (C/A)	5.8%	6.1%	5.9%

Figures may not match due to rounding.

Yields (*)



(*) At 31 December 2021, EPRA NIY, EPRA Topped-up NIY and Reversionary Yield amounted to 5.7%, 5.9% and 6.7% respectively.
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5.4
EPRA Vacancy Rate

EPRA
Vacancy
Rate
3.5% ^(*)

	ERV (Thousands of euros)	ERV Vacancy (Thousands of euros)	EPRA Vacancy Rate (%)
Shopping Centres	64,208	2,503	3.9%
Retail Parks	33,298	885	2.7%
TOTAL LAR ESPAÑA	97,506	3,388	3.5%

(*) EPRA Vacancy at 31/12/2021 was: **4.8%**.

5.5
EPRA Cost Ratios

	Recurring		TOTAL	
(Thousands of euros)	2022	2021	2022	2021
Administrative expenses	(764)	(592)	(928)	(592)
Operating costs net of recoverable income ^{(1) (4)}	(14,436) ⁽²⁾	(16,893)	(16,328) ⁽³⁾	(21,167)
Administrative/operating expenses in associates	-	-	-	-
EPRA Cost (including vacancy cost) (A)	(15,200)	(17,485)	(17,256)	(21,759)
Direct vacancy costs	(2,083)	(2,071)	(2,083)	(2,071)
EPRA Cost (excluding vacancy cost) (B)	(13,117)	(15,414)	(15,173)	(19,688)
Gross Rental Income less ground rent costs-per IFRS ⁽⁵⁾	98,788	97,041	82,915	78,739
Net associated costs (net service charge) ⁽⁴⁾	(6,311)	(6,721)	(6,311)	(6,721)
Gross Rental Income (C)	92,477	90,320	76,604	72,018
EPRA COST RATIO (including direct vacancy costs) A/C	16.4%	19.4%	22.5%	30.2%
EPRA COST RATIO (excluding direct vacancy costs) B/C	14.2%	17.1%	19.8%	27.3%

(1) Maintenance costs are included.
(2) Fixed management fees included.
(3) Fixed and variable management fees included.
(4) The sum of these two headings corresponds to the item "Other expenses" in point 4.2 Consolidated Statement of Comprehensive Income (page 74).
(5) It includes the item "Revenue" and the mall income, which is included in the item "Other income" in point 4.2 Consolidated Statement of Comprehensive Income (page 74).

5.6
EPRA LTV

		Proportionate Consolidation (B)			
(Thousands of euros)	Group as reported (A)	Share of Joint Ventures	Share of Material Associates	Non-controlling Interests	Combined (A+B)
Include					
Borrowings from Financial Institutions	70,000	-	-	-	70,000
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	-	-	-	-	-
Bond loans	700,000	-	-	-	700,000
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	24,726	-	-	-	24,726
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	-	-	-	-	-
Exclude					
Cash and cash equivalents	(203,462)	(158)	-	-	(203,620)
NET DEBT (A)	591,264	(158)	-	-	591,106
Include					
Owner-occupied property	-	-	-	-	-
Investment properties at fair value	1,199,898	-	-	-	1,199,898
Properties held for sale	278,661	-	-	-	278,661
Properties under development	-	-	-	-	-
Intangibles	1	-	-	-	1
Net receivables	19,956	-	-	-	19,956
Financial assets	-	-	-	-	-
TOTAL PROPERTY VALUE (B)	1,498,516	-	-	-	1.498.516
LTV (A/B)	39.5%				39.4% ^(*)

(*) After the bonds buy-back in January 2023 the pro-forma EPRA LTV stands at 38.1%.

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Share Price Performance

6.1

Share price
information and
performance

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6.2

Analyst
recommendations

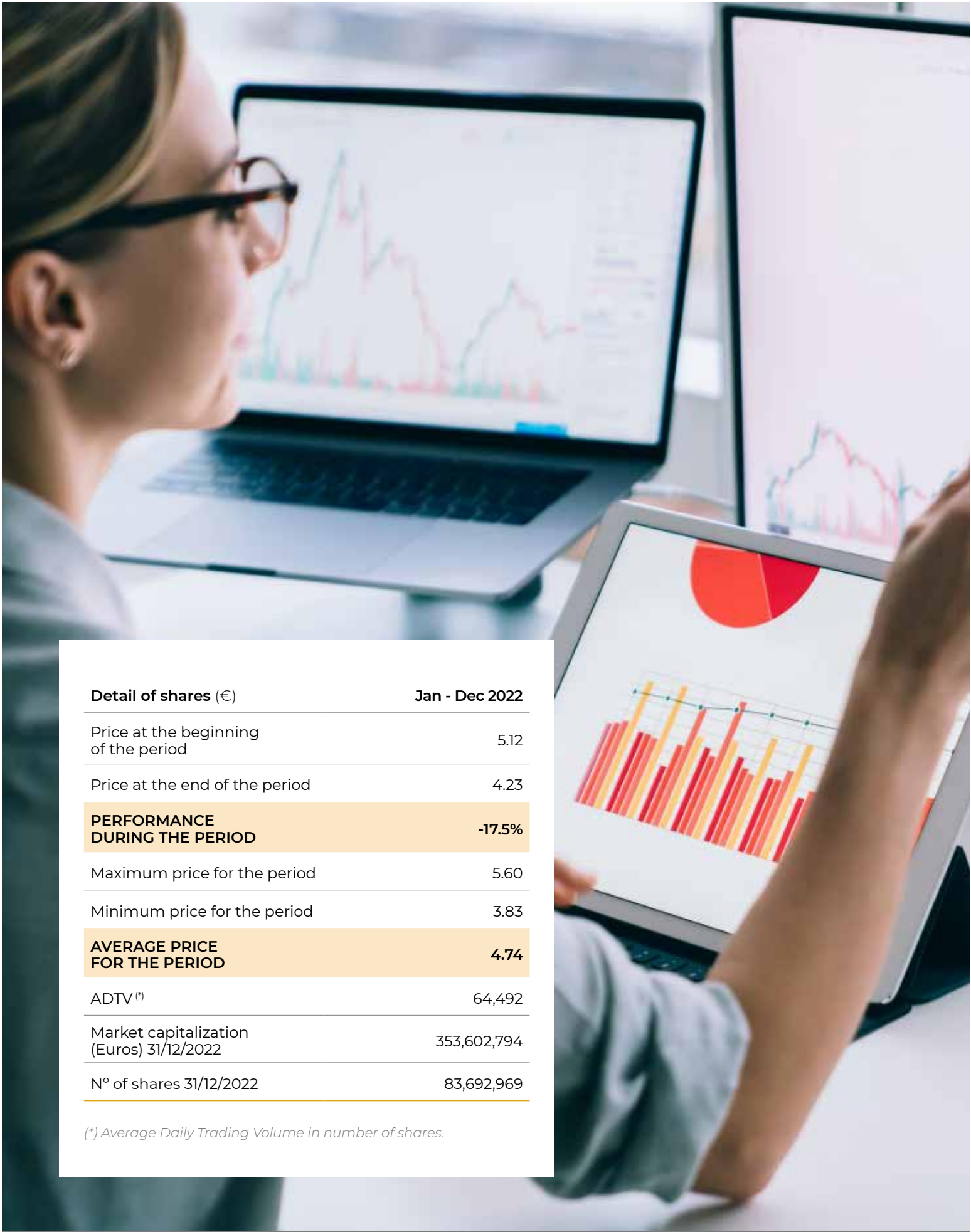
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6

Lar España continues to maintain its objective of generating high returns for its shareholders through a significant annual distribution of dividends and the creation of value materialized in the increase of the Company's EPRA NAV/ NTA.



6.1
Share price information and performance

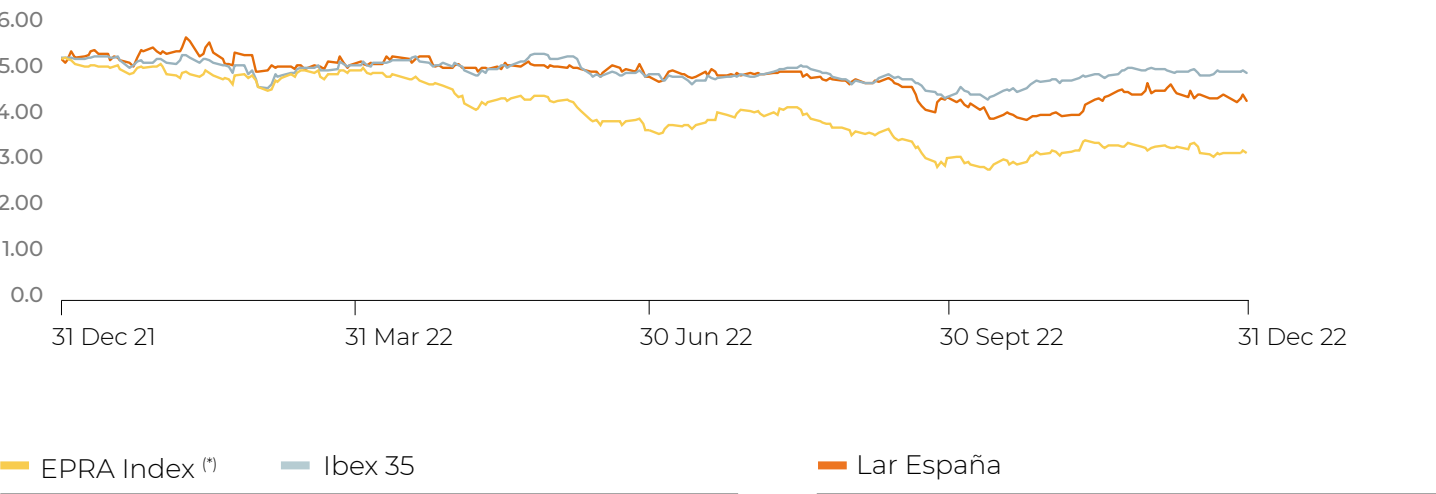


Detail of shares (€)	Jan - Dec 2022
Price at the beginning of the period	5.12
Price at the end of the period	4.23
PERFORMANCE DURING THE PERIOD	-17.5%
Maximum price for the period	5.60
Minimum price for the period	3.83
AVERAGE PRICE FOR THE PERIOD	4.74
ADTV (*)	64,492
Market capitalization (Euros) 31/12/2022	353,602,794
N° of shares 31/12/2022	83,692,969

(*) Average Daily Trading Volume in number of shares.

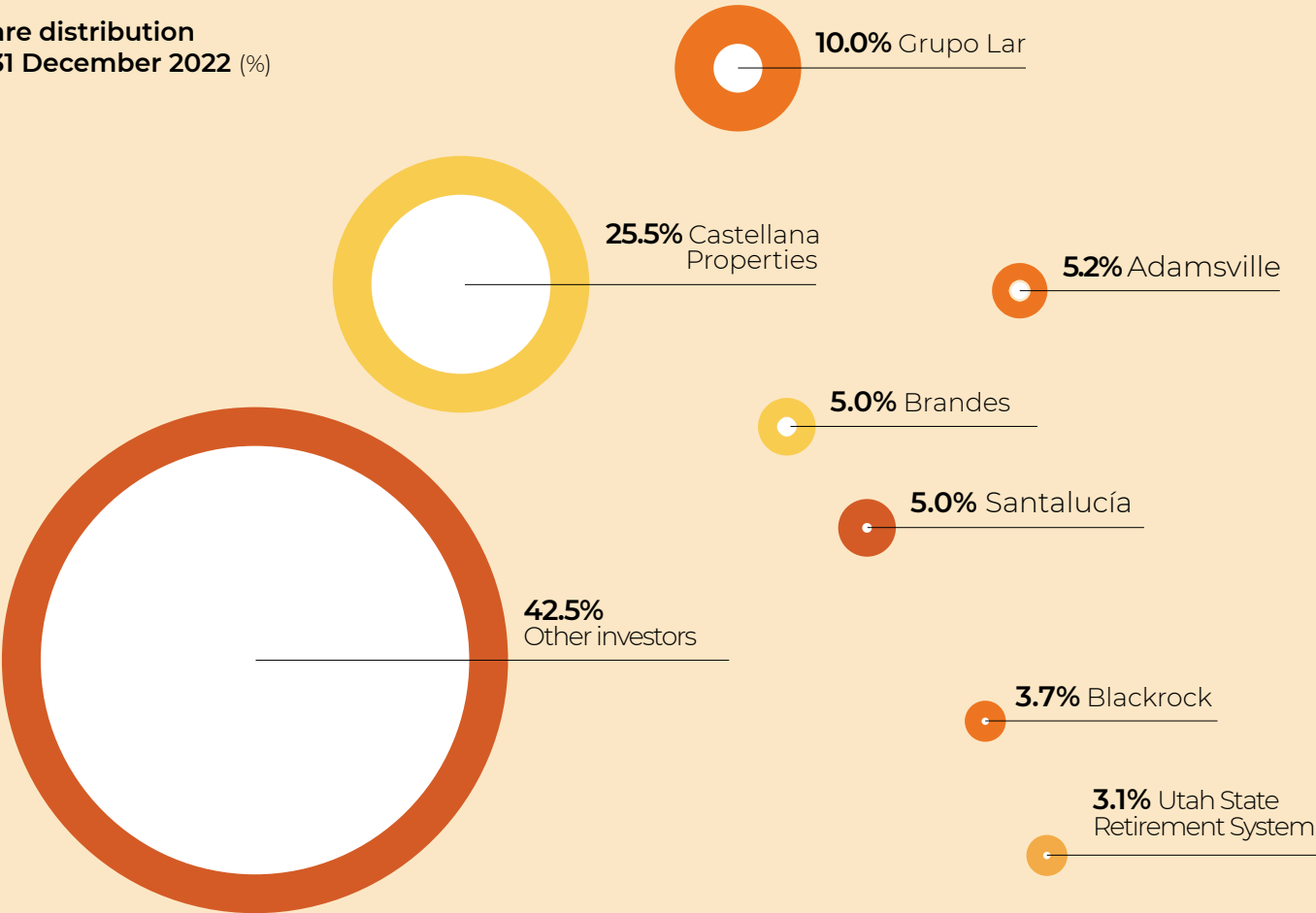
The **share price performance** during 2022 compared with the IBEX 35 and EPRA Index performance can be seen in the following graph:

Lar España share price performance vs Ibex 35 and EPRA Index
(January-December 2022)



(*) Sectoral European reference index.

Share distribution at 31 December 2022 (%)



6.2 Analyst Recommendations

As of the date of this annual report, Lar España has the coverage of 10 analysts, whose average target price is **€7.14**.

68.9%^(*)

Potential Return

70% | Buy

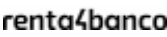
+

20% | Hold

=

10% | Sell

—

Broker	Recommendation	Analysis Date	Target Price (Euros)
 intermoney valores sv	Buy	18/01/2023	8.00
 GVC Gaesco	Buy	17/01/2023	8.65
 renta4banco	Buy	17/01/2023	7.30
 JBCapitalMarkets	Buy	17/01/2023	6.84
 Sabadell	Buy	17/01/2023	6.94
 Morningstar	Buy	20/07/2022	5.64
 BESTINVER acciona	Buy	20/12/2021	7.70
 bankinter	Hold	20/12/2021	5.38
 MIRABAUD	Sell	17/05/2021	6.00
 Santander	Hold	15/05/2020	8.90

Source: Bloomberg

(*) Taken into account the average target price and the price at the end of the period, at 31 December 2022.

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



Shopping Centre
Gran Vía de Vigo (Vigo)

Events after the reporting period

7.1

Events after
the reporting
period

112

Lar España has closed a partial repurchase offer of green bonds with a total accepted amount of 110 million euros, with the aim of cancelling them subsequently, which will have a positive impact of around €20 million on the 2023 income statement.



7.1
Events after the reporting period

JANUARY

16.01.2023

Lar España bought back green bonds totalling €110 million so as to cancel debt

In January 2023, Lar España bought back green bonds totalling €110 million so as to cancel a part of its debt once liquidation is completed and thus reduce the company’s borrowings.

As the SOCIMI has informed the National Securities Market Commission (CNMV), this buyback deal related to the two bonds issued in 2021. The first was issued in July 2021 in the amount of €400 million at an annual fixed interest rate of 1.75%, maturing in 2026. The second was issued in November 2021 in the amount of €300 million at an annual fixed interest rate of 1.843%, maturing in 2028. Both issues were admitted to trading on the Luxembourg Stock Exchange’s Euro MTF Market.

The deal entailed the buyback of **€98 million of the first bond and €12 million of the second**, leaving a total of **€590 million** outstanding, which accounts for virtually all the Company’s debt: €302 million of the first issue maturing in 2026 and €288 million of the second issue maturing in 2028.

The buyback was closed at a **discount of 18%**, equivalent to a total final price of **€90.5 million** that will be fully paid using the company’s cash resources.

The resulting **liquidity will remain above €100 million, and the debt reduction will have a positive impact of around €20 million** on the 2023 income statement.

By redeeming the debt, the Company managed to **reduce its borrowings from 38.9% to 37.6% (*)** of total asset value. Previously, the rating agency Fitch had already maintained the **BBB stable outlook** investment grade rating for both Lar España and its two green bond issues.

The Company appointed J.P. Morgan as the only dealer manager for the transaction, which exclusively targeted certain eligible bondholders and was settled on 19 January.

*“This move will make us **more financially agile**, while we are still in a position to strengthen our lead as the retail market recovers over the course of 2023”, said Lar España’s Corporate Director and CFO Jon Armentia.*

(*) After the bonds buy-back in January 2023 the pro-forma net LTV stands at **37.1%**.
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8. Glossary

PBT Profit Before 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.
EBIT Earnings Before Interest and Tax.	EPRA Net Reinstatement Value Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.
EBITDA Earnings Before Interest, Tax, Depreciation and Amortisation.	EPRA Net Tangible Assets Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.
Net profit/(loss) Profit/(Loss) for the period after 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).
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.	EPRA Vacancy Rate Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.
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.	EPRA Cost Ratio Administrative & operating costs (including direct vacancy costs) divided by gross rental income.
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.	EPRA Cost Ratio (excluding direct vacancy costs) Administrative & operating costs (excluding direct vacancy costs) divided by gross rental income.
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 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).
EPRA European Public Real Estate Association.	GAV Gross Asset Value.
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.	



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.

Gross Annualised Rent
Gross annual investment return excluding temporary rental discounts or rent-free periods.

Average maturity period (years)
Represents the average maturity term of the company's debt.

Reversionary Yield
Yield calculated as the ratio between the rental income that would be obtained from leasing the entire area at the market prices estimated by the independent valuers (ERV) and the gross asset value.

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.

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.

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