

PRE-CLOSE  
PRESENTATION

1H FY25

25 September 2024

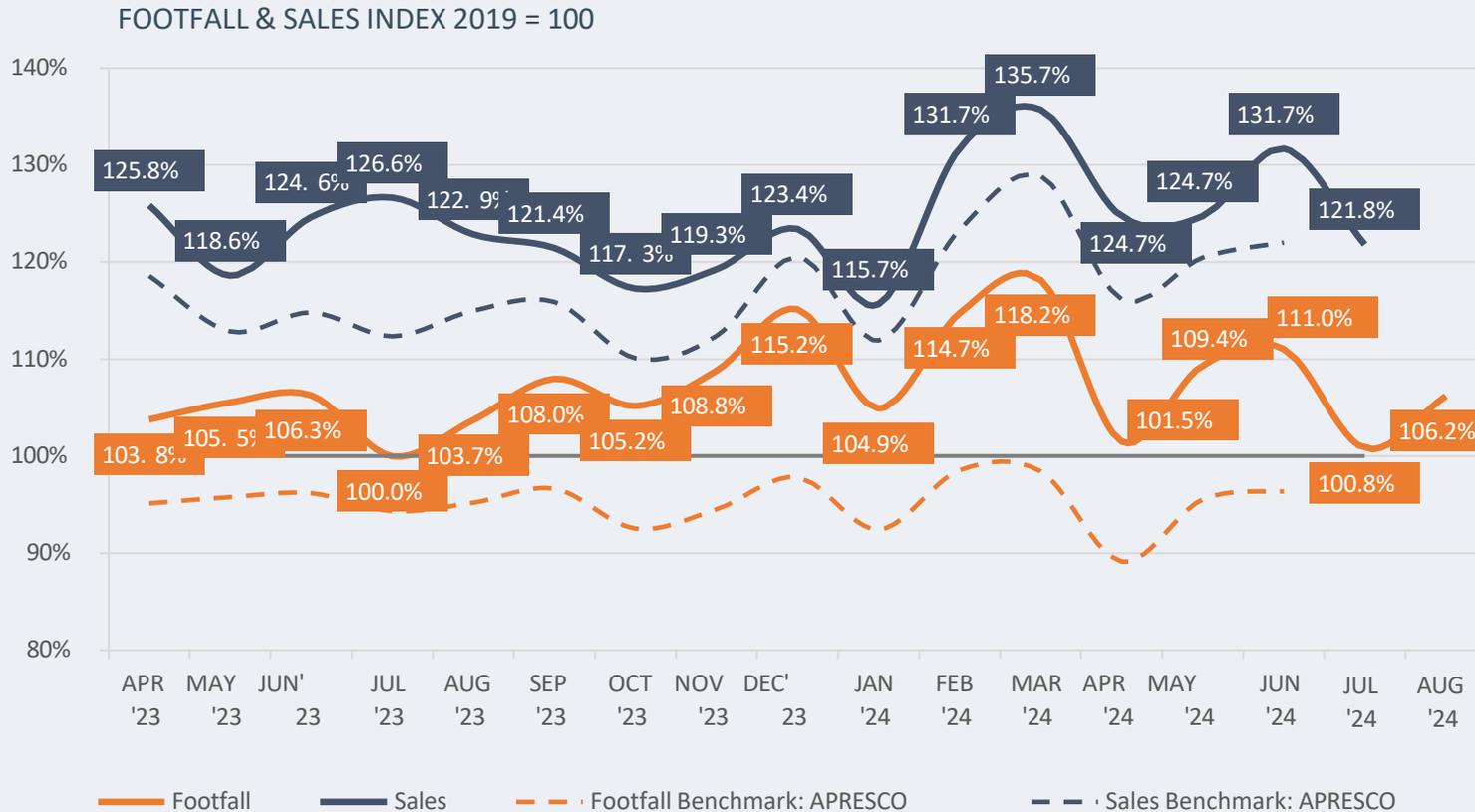
# Trading environment

## Spain's economy continues to demonstrate strength, with solid growth across key indicators

- **Spanish GDP is projected to grow by 2.5% in 2024, an increase of 0.4% from the spring forecast** while the projections for 2025 and 2026 remain unchanged at 1.9% and 1.7% year-on-year, respectively. This upward review is partly due to the better than expected first quarter data. Additionally, the adjustment reflects the expected improvement in private consumption, driven by a greater availability of savings.
- **CPI expectations has been increased to 3% for 2024.** For 2025, it is expected to be around +2% (+0.2% from previous estimations), and remain unchanged for 2026, at +1.8%.
- **The Bank of Spain forecasts an unemployment rate of 11.5% by year end 2024,** down 0.1% from the previous estimation, 11.3% in 2025 and 11.2% in 2026.
- Following the tenth consecutive interest rate hike in September 2023, **the ECB announced commencement of rate-cutting** for the first time in 8 years, **with 25 basis points in June 2024,** and another 25bps in September 2024 – in line with market expectations.
- According to data published by INE in July, **the number of accumulated foreign tourists that visited Spain in 2024 increased by 12.1% year-on-year** and total expenditure of foreign tourists in Spain until July, was €71.109 million - also 12.1% more.

# Footfall and sales index

Steady growth in both footfall and sales confirming the extraordinary strength of the portfolio



**FOOTFALL:**

- The accumulated number of visits for the portfolio increased by +3.7% (YTD AUG 24 vs YTD AUG 23).
- All assets are performing well. Vallsur SC is worth noting with an increase of +16% due to the outstanding performance of its new F&B area (value-add project)

**SALES:**

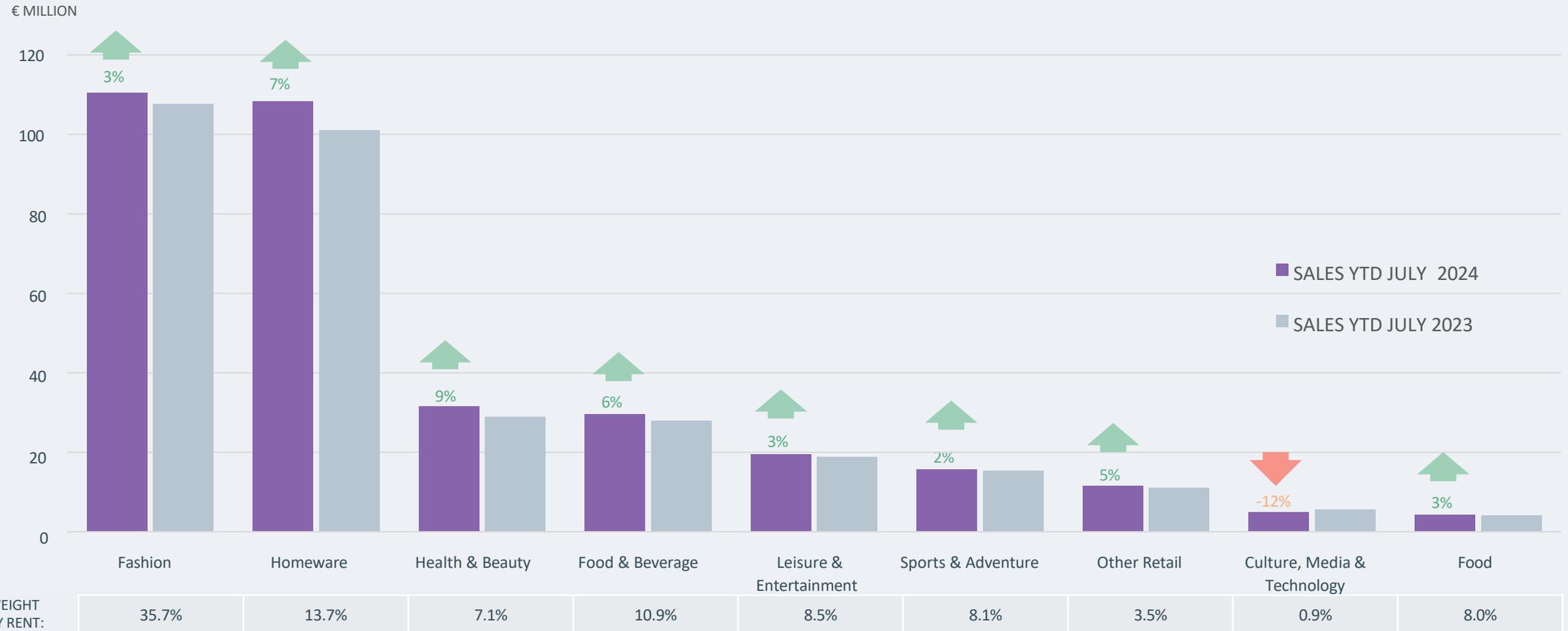
- Accumulated sales of tenants grew by +4.6% (YTD JUL 24 vs YTD JUL 23).
- Sales in retail parks increased by +7.0% (YTD JUL 24 vs YTD JUL 23) outperforming shopping centres, which registered an increase of +3.6%.

(1) Footfall data includes the following shopping centres: El Faro, Bahía Sur, Los Arcos, Vallsur, Habaneras, Puerta Europa, Granaita. There are no counters in the rest of the retail park assets. Granaita counts only cars, so we have estimated 2 people on average per car. Sales data includes all retail assets.

(2) Benchmark: APRESCO data (Association of Shopping Centre Owners).

# Sales performance per tenant category

Sales continue to grow consistently in all the categories



The services category has been excluded from the report due to inconsistent sales data.

# Operating metrics & leasing activity



Spectacular metrics with exceptional rental increases as well as collections and occupancy levels



**10**  
RENEWALS

**52**  
NEW CONTRACTS

**€0.7 million**  
RENEWALS

**€5.3 million**  
NEW CONTRACTS



**1 869m<sup>2</sup>**  
RENEWALS

**19 233m<sup>2</sup>**  
NEW CONTRACTS

**9.83%**  
RENEWALS (ii)

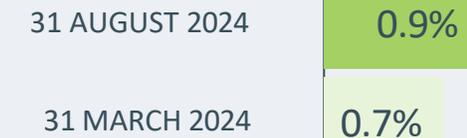
**42.43%**  
NEW CONTRACTS

## KEY KPI'S YTD 31st OF AUGUST 2024

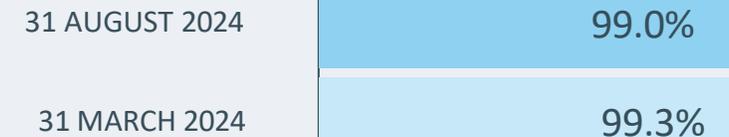
### PORTFOLIO OCCUPANCY (iii)



### RENTAL ARREARS



### RENT COLLECTION



(i) Including leases with passing rent (renewals, relocations, resizing and replacements). Out of 62 leases signed, 26 include passing rent (10 renewals and 16 new contracts). Passing rent is defined as leases signed when a unit passes from one contract to another with no more than 6 months of void period between them.

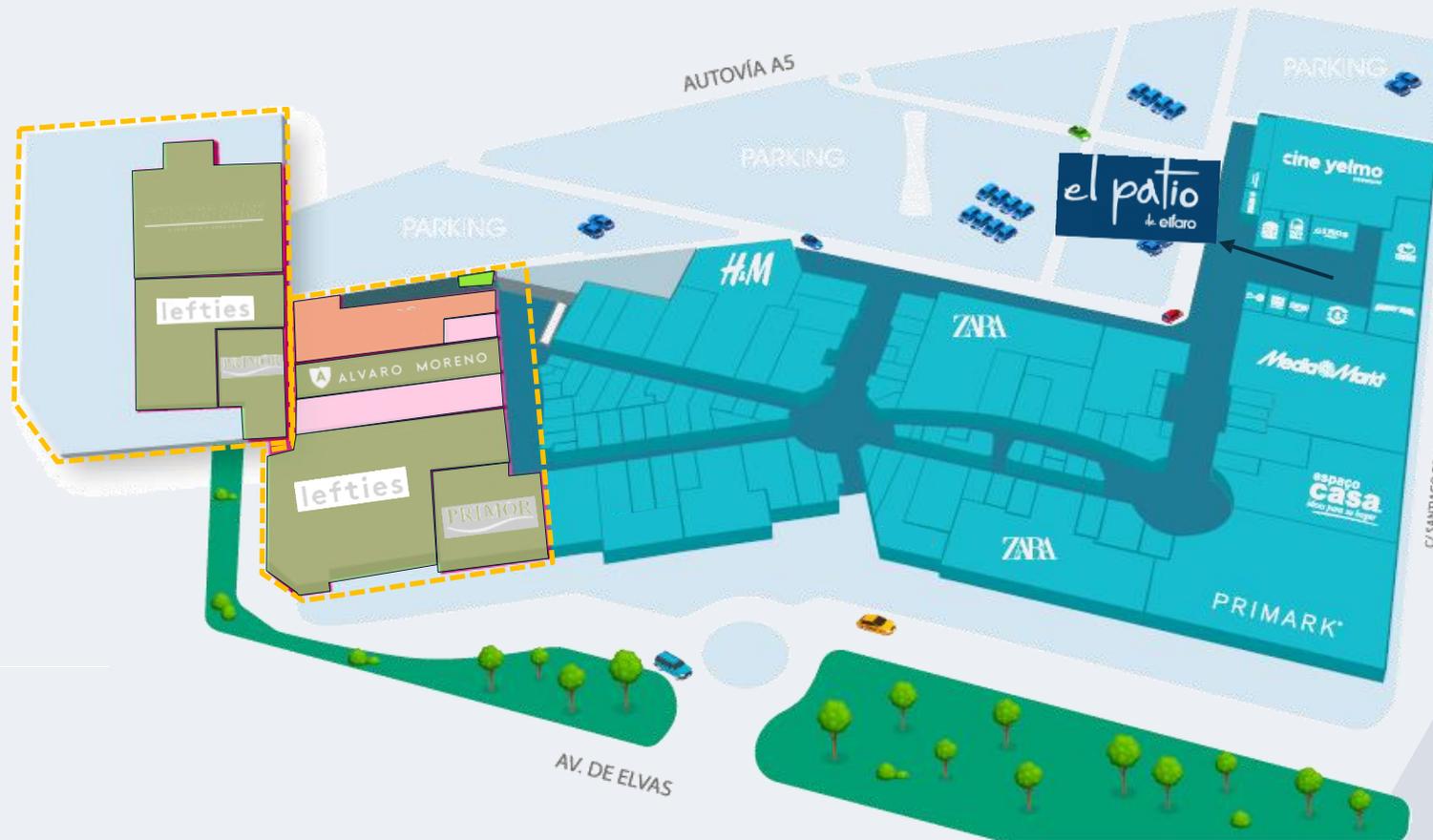
(ii) Excludes CPI increases which will be applied on indexation date.

(iii) Like-for-like excluding the area under development at Vallsur repositioning project, and El Faro Hipercor project

## Value-add project: El Faro Hipercor

High demand from the major brands takes pre-letting to 80%

- Contract signed with LOTTERY (30 m<sup>2</sup>), PRIMOR (2,076 m<sup>2</sup>), ALVARO MORENO (1,356 m<sup>2</sup>), LEFTIES (6,742 m<sup>2</sup>) and FITNESS PARK (2,828 m<sup>2</sup>).
- Advanced negotiations with a leader supermarket and other relevant fashion brands for the remaining space (5,668m<sup>2</sup>).
- Expected yield on the project is 10%



ALVARO MORENO

# lefties

# FITNESS PARK

DESAFIATE - SUPÉRATE

# Value-add project: Vallsur

## Phase I in numbers

- **16% increase in number of visits YTD AUG 24 vs YTD AUG 23** and overcoming the 2019 figures in most months.
- Sales grew by **7.1% in the F&B category** since La Chismería opened in December 2023.
- Feedback on top brands' performance:



Higher sales than other units with double the size.



Improving sales of their high street unit in Valladolid City Center.



First restaurant located outside of Madrid. Also top performer out of their 10 restaurants.

- The new leisure area, 'La Malla', has been completed and is fully functional in the center – marking successful completion of Phase I.

## Phase II

- Phase II is underway and progressing well. Anticipated completion date is Q1 2025.
- With leases to the value of approximately 50% of the planned NOI signed, we are approaching 77% of the lease rate for the full project.

## New contracts signed:



**Fifty Factory (682m<sup>2</sup>):** Currently working on the unit. Estimated opening: December 2024



**Alvaro Moreno (1,012m<sup>2</sup>):** Currently working on the unit. Estimated opening: early 2025.



**AW Lab (160m<sup>2</sup>):** Currently working on the unit. Estimated opening this month.



iThank  
you!



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