

Renta Corporación earns 30.6 million euros in the first half of the year conditioned by the market situation

- The net result during this period stands at -3.1 million euros due to the unfavorable macroeconomic and geopolitical situation
- The Group's wealth business takes center stage with the aim of achieving less exposure to the cyclical nature of the sector and increasing recurring revenues

Barcelona, July 25, 2023 - Renta Corporación closes the first half of the year with a result conditioned by the slowdown in the market, which already began to be felt in the second half of 2022. Macroeconomic and geopolitical conditions, persistent inflation and repeated increases in interest rates -which reaches the highest level since 2008-, as well as the increase in the price of raw materials, have resulted in an increase in construction and financing costs in the real estate sector. All of this has led to a delay in investment decisions, as well as a collapse in transactions and their volume, directly impacting the Group's operating margin and the result for the period, which stands at -3.1 million euros.

Despite this, the company has achieved revenues of 30.6 million euros, with an operating margin of 4.5 million in the first half. The company's business portfolio on June 2023 is 88% higher than at the end of the previous year. Likewise, Renta has managed to reduce the group's net debt by 34% during the first six months of the year.

Despite the unfavorable macroeconomic context, the property business line continues to gain weight within the Group's activity, favoring a lower exposure of the company to the cyclical nature of the sector and increasing recurring sources of income, which have amounted to 3.4 million euros in the semester. For this reason, Renta Corporación continues to strongly promote its two new business lines: Wellder, a Socimi specialized in the social and healthcare sector and centers for the elderly, and CABE, an urban storage room rental company, which already has a total of 10 assets acquired. Both vehicles complement the line that the real estate company opened in 2017 with the launch of the Socimi Vivenio.

Boosting the property business

Wellder, created at the end of 2022 with APG, has acquired its first asset during the first half of 2023. The purchase operation involved an investment of 7.5 million euros in the acquisition and remodeling of the DomusVi Río Vena nursing home, located in the city of Burgos. The center, which has 4,500 m² and 98 rooms, is managed by one of the main operators in the sector in Spain.

The vehicle, of which Renta Corporación is the exclusive manager, was born with the aim of acquiring, in a first phase, real estate assets in Spain for a value of 250 million euros, of high quality and high ESG standards. Currently, it has an investment portfolio under study of 65.2 million euros made up of 8 assets, totaling around 1,200 operating rooms.

For its part, CABE, the business dedicated to the rental of storage rooms, is already positioned as the company with the ninth largest number of urban storage rooms in Spain, with more than 8 operating storage rooms and a differential business model marked by a strong digital experience.

Since its creation, the vehicle has acquired 9 stores located in Barcelona and Madrid, and has a portfolio of 14 more assets located in other cities such as Zaragoza and Palma de Mallorca, also considering the opening of centers in new locations given the high scalability of the business. The company expects to close the year with 15 operating centers and as many new projects, beginning a phase of strong business expansion process.

About Renta Corporación

Renta Corporación is a listed real estate company with a differential business model based on the creation of value through the acquisition of real estate assets for their adaptation to market needs, for their subsequent sale to third parties. The real estate company concentrates its business focus on the Madrid and Barcelona markets, the two most liquid markets and with the most activity in Spain. The company complements its business model through its property activity, managing real estate assets of a different nature, both owned by it and by investee companies, mainly the residential Socimi Vivenio, and now also in Wellder and CABE.

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