

Renta Corporación earns 42 million euros and reinforces its financial position in 2023

- The real estate company closes a year marked by the macroeconomic situation, which has caused real estate investment in Spain to close at its lowest levels in the last decade
- The Group's property business takes center stage with the aim of achieving less exposure to the cyclical nature of the sector and increasing recurring revenue
- The strategy for the financial year has been to prioritize liquidity management and reduce the level of debt by 37% to historically low limits, laying the foundations for a rapid recovery in 2024.

Barcelona, 29 February 2024.- Renta Corporación formulates the 2023 accounts with results conditioned by the macroeconomic situation, which has caused the slowdown in the real estate sector. However, liquidity management, the disinvestment of non-strategic assets and the consolidation of property business lines lay the foundations for a rapid recovery of activity in the coming months.

The income from Renta's transactional business adds up to 38.5 million euros, observing a reduction in the number, but, above all, in the margin of closed transactions, which have been concentrated mainly in residential and logistics operations, segments that continue positioning itself with growth potential at the investment level. These figures have followed the trends of the real estate market, which has been strongly marked by inflationary tensions and the increase in interest rates, which has translated into an increase in costs and required profitabilities, and has led to a significant drop in the number of operations and investment volume, registering lowest levels in the last decade.

For its part, Renta Corporación's property business line, which includes the management of the Vivenio and Wellder REITs, as well as the Cabe storage business, has generated an income of 3.4 million euros and is progressively gaining weight within the activity, with the aim of achieving less exposure to the cyclical nature of the sector and greater recurrence in the Group's income.

Although the margins of these two business lines have been reduced due to macroeconomic circumstances and the lack of investment appetite, they remain positive and present solidity in Renta Corporación's business model. However, the global margin of the business has been affected by extraordinary results and provisions of -10.8 million euros for the sale of a set of assets that were part of the company's real estate investments, as well as by the valuation with immediate sale criteria of certain residential assets that the company has decided to put up for sale, considering them non-strategic and of low profitability.

With all this, Renta Corporación closes the year with an ebitda of -13.6 million euros and a net result of -15.9 million euros.

Strengthening financial position

Anticipating a complicated 2023 for the sector, Renta Corporación has prioritized liquidity management and reducing the level of debt to historically low levels throughout the financial year, presenting solid financial strength. Thus, the net financial debt has been reduced by 37%, compared to the previous year, standing at 27.9 million euros, while the debt over assets has represented 28%, reducing four percentage points, compared to the previous year. The company's working capital stands at 10 million euros, and would increase to 15.1 if it did not take into account the long-term debt of current liabilities.

During 2023, Renta Corporación has carried out different measures to manage liquidity, such as the payment of the participatory loan of 18 million euros through the dation of the asset located in the town of Cànovas (Barcelona) or the amortization of the corporate bond for the amount of 16.5 million euros, among others.

Likewise, the director Mrs. Elena Hernández de Cabanyes has communicated her decision not to renew her position as board member, after a period of 23 years in the same position, alleging personal reasons.

Promotion of the property business

In fiscal year 2023, Renta Corporación has continued to promote its property business line, diversifying its model and generating a greater volume of recurring income. Thus, in recent months, the projects of Wellder, a REIT specialized in the socio-health sector and senior centers, and Cabe, an urban storage rental company, have been consolidated.

Wellder, created at the end of 2022 together with the Dutch pension fund APG, has, at the end of 2023 financial year, a portfolio of 6 assets in operation valued at 46 million euros and adding up to 924 beds. The vehicle, of which Renta Corporación is the exclusive manager, was created with the objective of acquiring, in a first phase, real estate assets in Spain with a total value of 250 million euros, of high quality and high ESG standards.

For its part, Cabe, also created in 2022, offers a differential product, due to the location of its assets in the center of cities, and due to its high level of digitalization throughout the process, both in contracting and in its operations. Currently, the company has consolidated its business model and had 17 premises at the end of the year, located in Barcelona, Madrid and Palma de Mallorca, with a market value of 22.3 million euros.

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 transformation and adaptation to the needs of the market, for subsequent sale to third parties. The real estate company focuses its business on the Madrid and Barcelona markets, the two markets with the most liquidity and activity in Spain. The company complements its business model through its property business, managing real estate assets of different types, both its own and those of investee companies, mainly of the residential REIT Vivenio, and now also Wellder, a REIT

specialized in the healthcare sector and elderly centres, and Cabe, an urban storage rental company.

Media Enquiries

www.rentacorporacion.com

93 217 22 17

Violant Flores vflores@llorenteycuenca.com

Fanny Merino emerino@llorenteycuenca.com
