



# IRSA

LEADING REAL ESTATE COMPANY

INSTITUTIONAL PRESENTATION – 3Q FY2021



# ABOUT US

## LEADING REAL ESTATE IN ARGENTINA

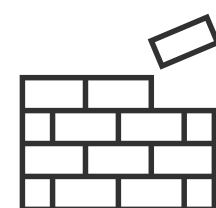
- ✓ **30 years** acquiring, developing and operating real estate
- ✓ **25 years listed** on the NYSE and accessing capital markets
- ✓ Rental Portfolio of more than **500,000 sqm of GLA**



### RENTAL PROPERTIES

Controlling shareholder of IRCP (BYMA:IRCP ; NASDAQ:IRCP), leader in Shopping Malls and Offices in the country (80% Stake).

Owner of 3 premium hotels in Argentina and investment in CONDOR, US hotel REIT (18.9% stake)

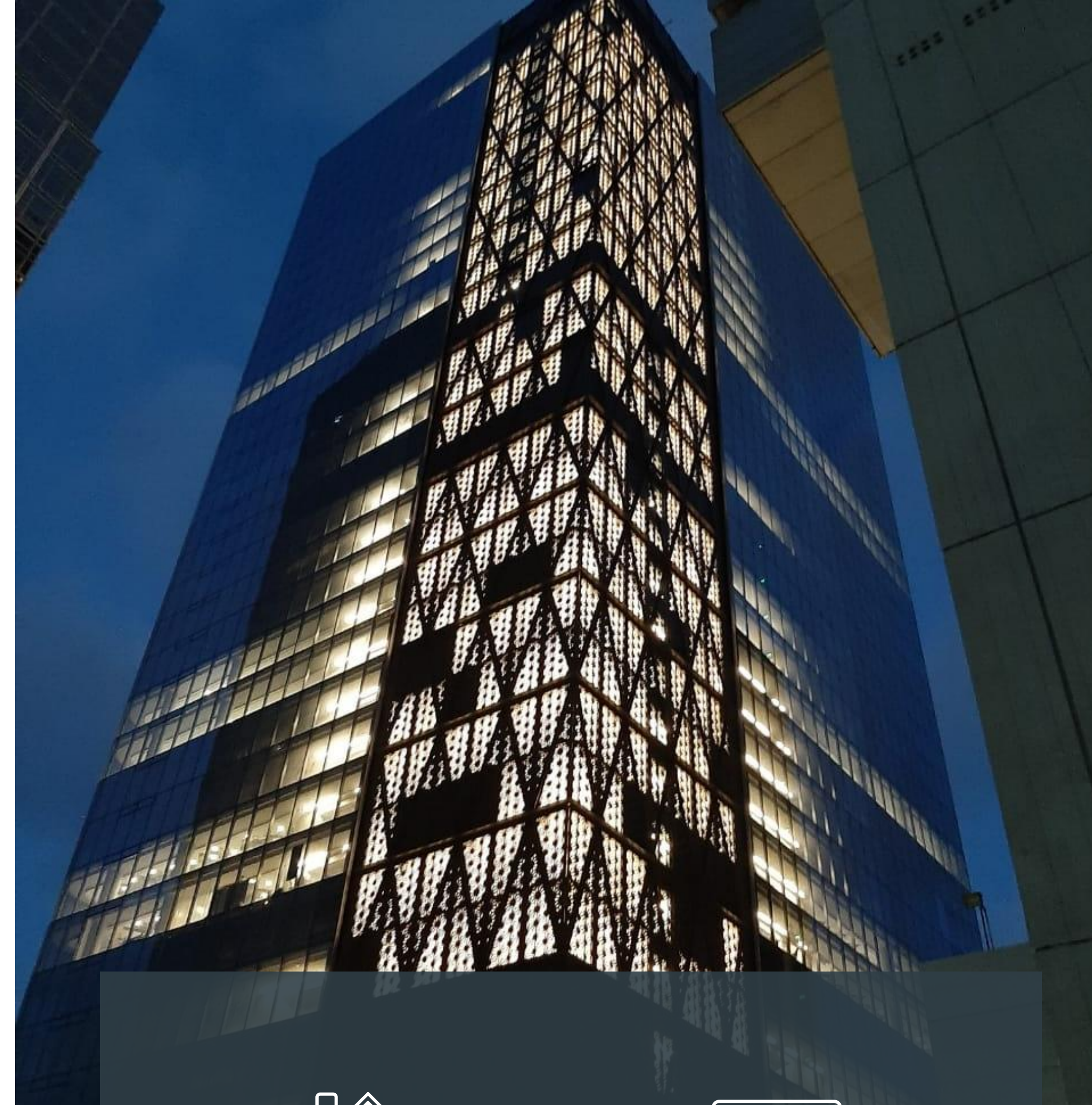


### DEVELOPMENT PROPERTIES

~20 mm sqm premium landbank for future developments, almost to double current rental portfolio.

Owner of Santa María del Plata – 700th premium sqm in Puerto Madero (BA).

Investment in Banco Hipotecario (30% stake) – potential synergies with the development of mortgage market in the country.



### MANAGEMENT TEAM

With proven track record in the industry



### RESILIENT SECTOR

Real Estate as safe haven against Argentine volatility



# OUR STRATEGY



## OPERATING PROFITABILITY

Our **premium locations** and our **leadership position in Argentina**, together with our knowledge of the shopping center and office industry, allows us to maintain **high occupancy levels and an optimal tenant mix**.



## INNOVATION AND GROWTH

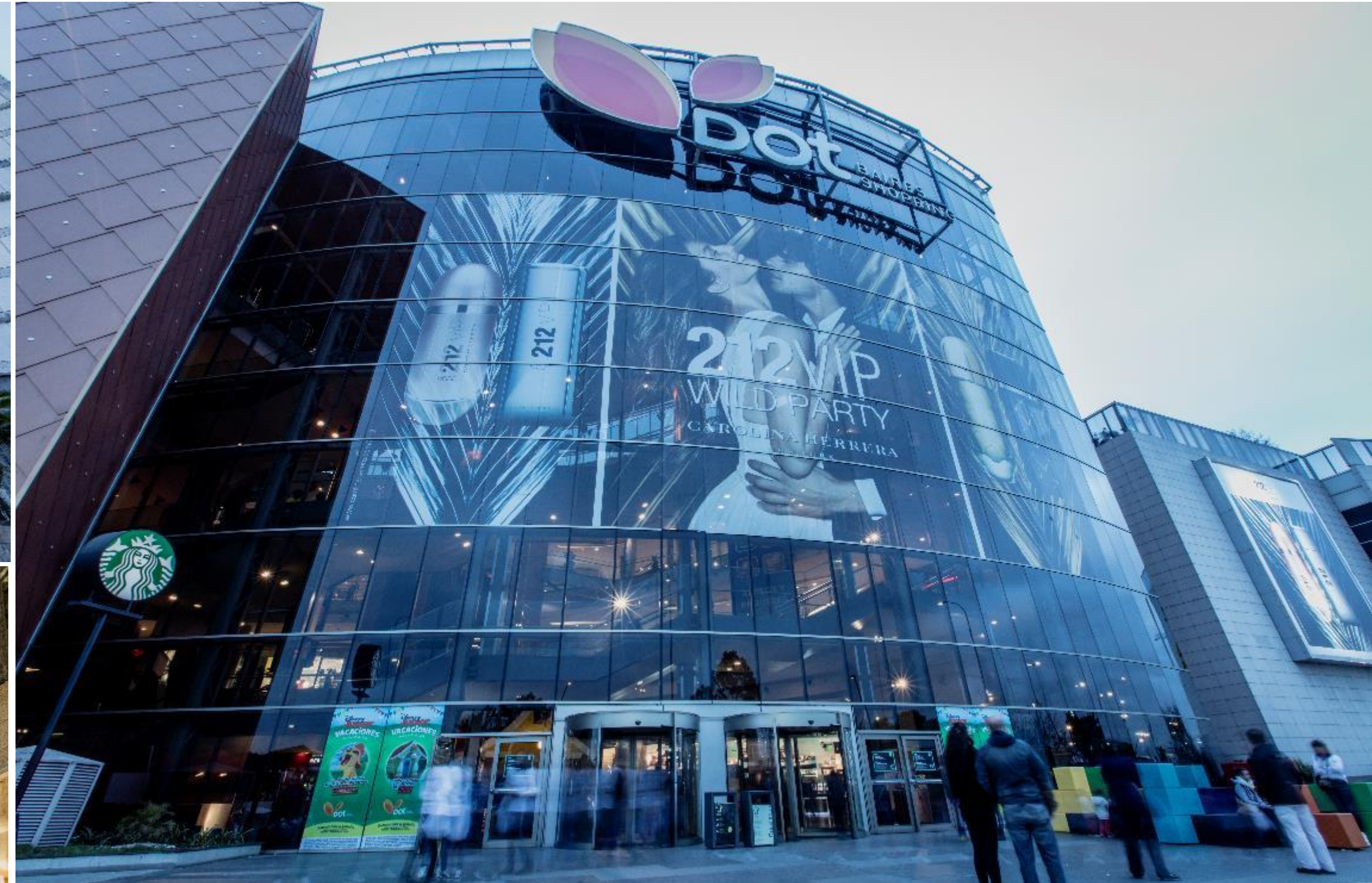
**Pioneers in innovative real estate developments** in Argentina due to their format, scale and concept. We have created a unique real estate portfolio in the last 30 years in the country **innovating and adapting to changes in context and consumption habits**.



## SUSTAINABILITY

We are **part of the communities** where our business units operate. We plan for the long term and work towards environmental protection, and sustainable Development, **seeking to achieve environmental certification standards in our real estate projects**.





# MALLS' PORTFOLIO







**New headquarters  
Opened on Dec-20**



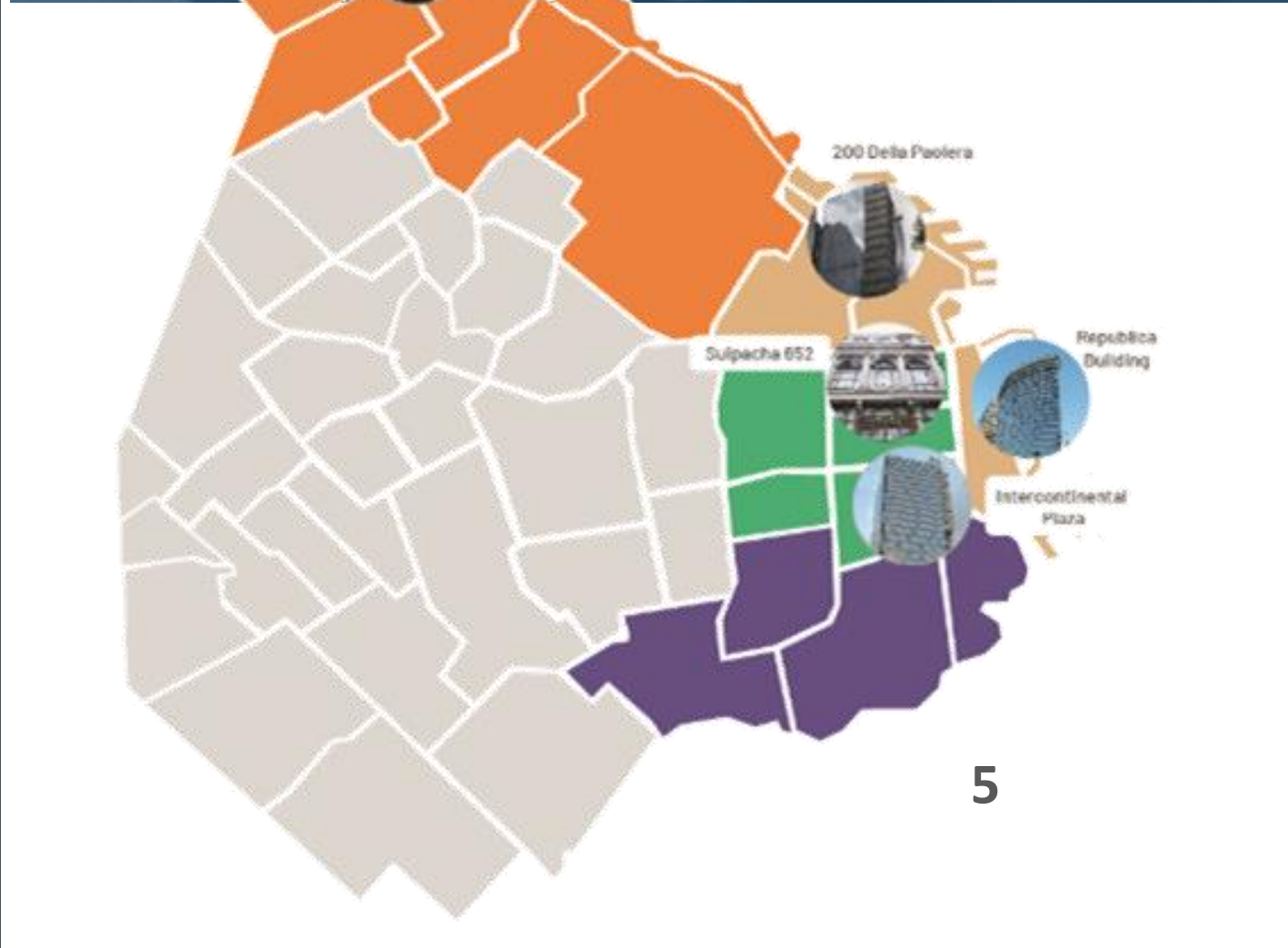
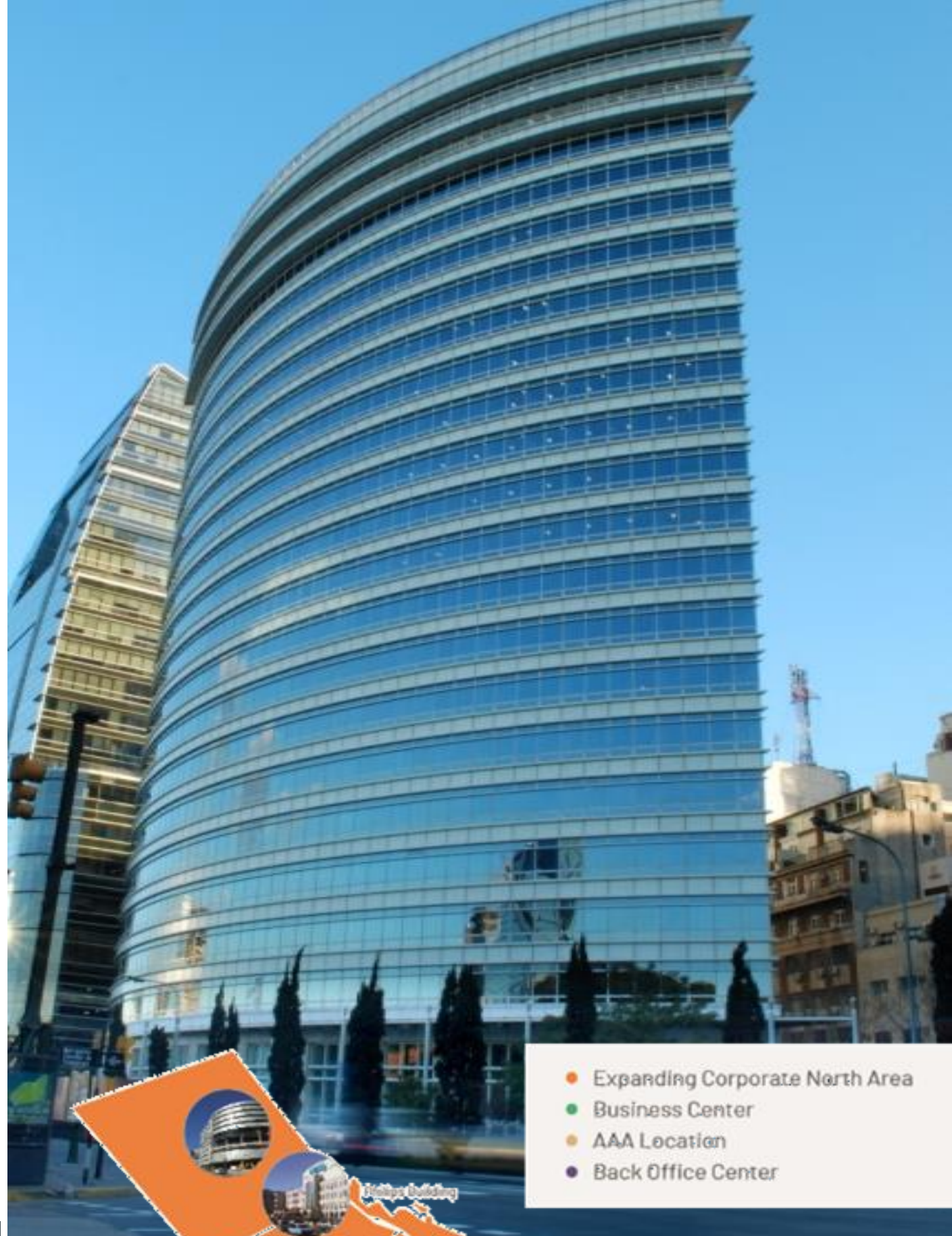
# OFFICE PORTFOLIO



**7**  
Office buildings

**114,000**  
sqm

**10%**  
BA City Market Share





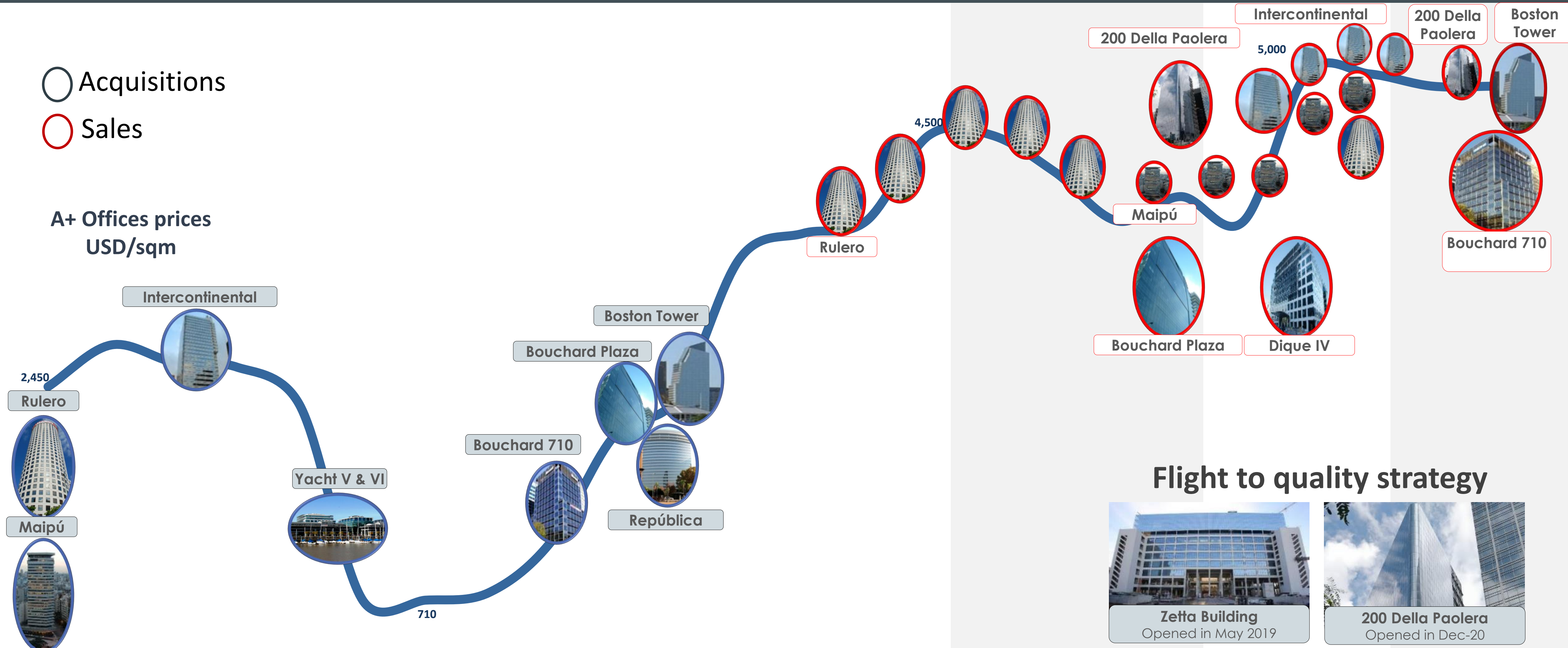
# OFFICE BUILDINGS

## ACTIVE PORTFOLIO MANAGEMENT

### FLIGHT TO QUALITY STRATEGY

- Acquisitions
- Sales

A+ Offices prices  
USD/sqm



Flight to quality strategy







# HOTEL PORTFOLIO

3  
Premium hotels in Argentina  
**79,000**  
sqm  
**718**  
rooms

18.9%  
IRSA stake in Condor



15  
hotels  
8  
states across US  
**1,908**  
rooms





*San Martín (BA province)*



*Caballito (BA city)*



*Polo Dorado (BA city)*



*Montevideo (Uruguay)*

# PROPERTIES FOR MIXED USE DEVELOPMENTS

18	17.4
# Land Reserves	Total surface (mm sqm)
700k sqm	6.2
Santa María Plot Puerto Madero – BA city (approvals pending)	Buildable surface (mm sqm)

Capacity to almost double current rental portfolio



*Santa María del Plata (BA city)*



*La Plata (BA province)*



# SANTA MARÍA DEL PLATA

It is a residential and mixed-use project that would include stores, offices, hotels, sport and yachting clubs, large public parks and service support areas such as schools, supermarkets, parking spaces, etc.

## 700k sqm



### PREMIUM LOCATION

Located in Puerto Madero, the most expensive and premium neighborhood of Buenos Aires City, 5 minutes from downtown and next to the river



### GUBERNAMENTAL APPROVAL

The project count with the environmental and use approval. Governmental approval from BA City congress is still pending





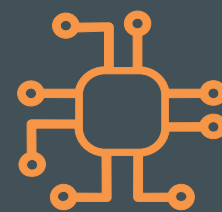
# INVESTMENT IN BANCO HIPOTECARIO



Full-service commercial bank, focused on household and consumer credit



More than 130 years track record



Nationwide network of 63 branches in 23 provinces and BA City



12 additional points of sale



Subsidiaries: BHN Vida, BHN Seguros and BACS (leading local capital markets bank)



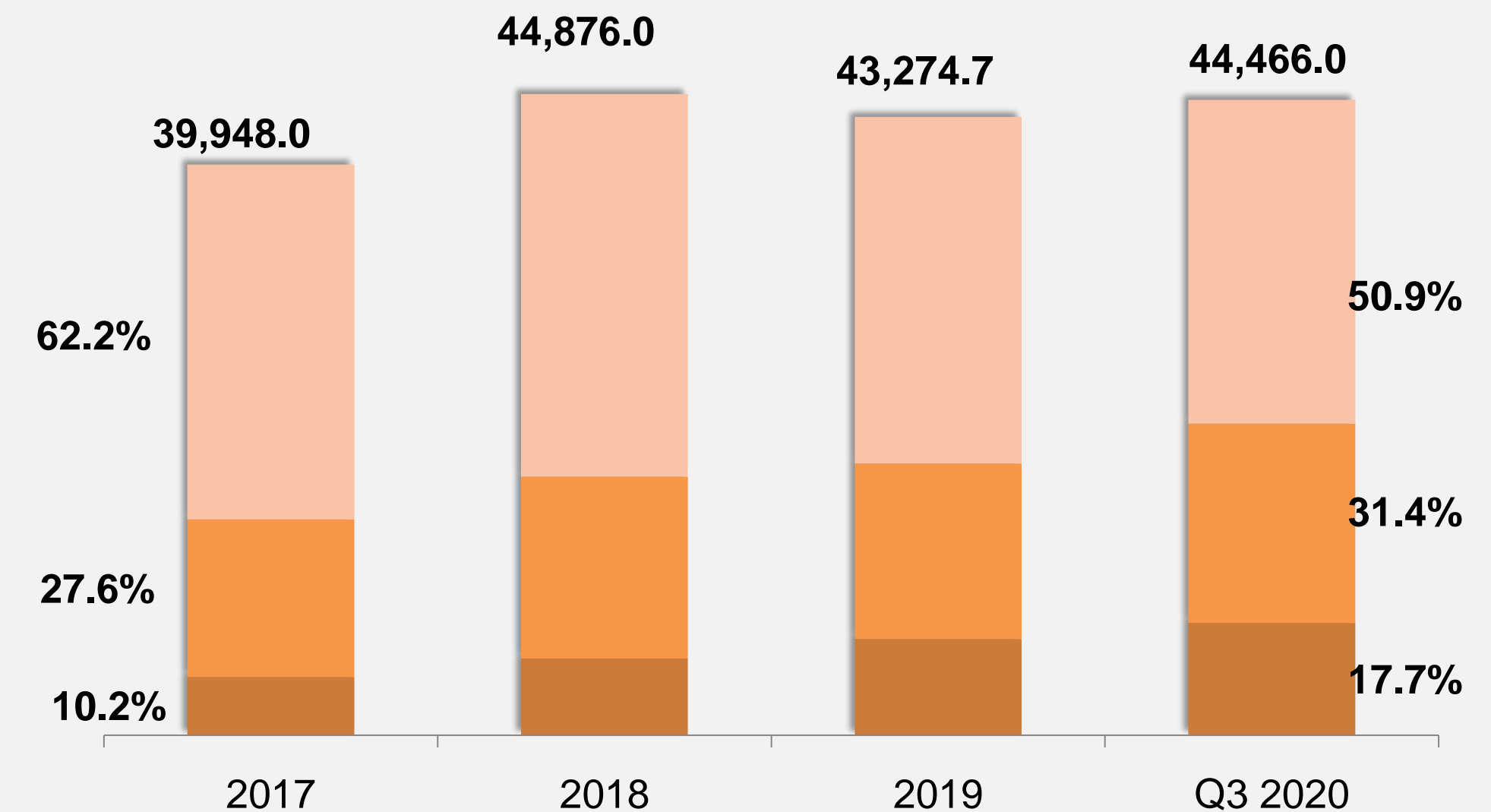
Partnership between IRSA (30% stake) and the Argentine government (64%). Remaining 6% float (BYMA: BHIP)



Throughout its history, it has originated more than 1.7 million residential mortgage loans. Since 2012, it is the trustee of the PROCREAR trust (a housing trust established by the national government) and has originated more than 200,000 housing loans

## Private Sector Loan Diversification<sup>1,2</sup>

In Ps. mm



3.6x  
Max P/BV

■ Mortgage ■ Commercial ■ Consumer



Sources: Bank filings with the National Securities Commission (CNV) and BCRA

Notes:

1. Only considers loans to the non-financial private sector and residents abroad

2. Information for FY 2019, FY 2018 and FY 2017 is in historical currency, whereas information for Q3 2020 is in constant currency as of September 30, 2020



# ENVIRONMENTAL COMMITMENT



## LEED GOLD CERTIFICATION FOR OFFICE BUILDINGS

**Zetta building**, opened in 2019, in the north area of Buenos Aires City, has LEED Gold Core & Shell certification.

**200 Della Paolera building**, recently opened, has the characteristics to obtain LEED Gold Core & Shell Certification.



**50%** (of office portfolio)

## ISO 14001 SHOPPING MALLS CERTIFICATIONS

Pursuing improvement in the environmental management of shopping centers, we have 4 ISO 14001 certified shopping malls: Alto Palermo, Dot Baires, Patio Bullrich and Distrito Arcos.



**30%** (of malls' portfolio)



## ENERGY REDUCTION

**Energy consumption** was reduced in our malls 22% from 2018 to 2020. 80% of the luminaire is LED. 42% of the escalators have a speed regulation system to save energy.



**22%**





# SOCIAL RESPONSIBILITY

We are part of the communities where our business units are based



- We frequently organize CSR actions in malls and offices to disseminate and make visible the topics of interest of the society in general, such as inclusion and assistance to those most in need.



- During 2020, although remotely, we continue to be a bridge between NGOs and the public and we've been part of **SeamosUno Campaign** delivering food and cleaning kits in COVID emergency



Fundación  
**IRSA**  
1996

- The Foundation supports initiatives that enhance the **interaction between education and culture** for the growth of society.



- Our subsidiary **IRSA CP**, through the coordination of IRSA Foundation was **one** of the five **investors of the first Social Impact Bond of Argentina** in which the State and companies work together to generate **employment** conditions to extremely vulnerable youth in BA city



## SeamosUno Campaign

Fund's donation to deliver 14,000 food and cleaning kits in COVID emergency

72.5

Social Group  
Investment

ARS MILLION – FY 2020

92

Relationship  
with NGOs

FY 2020

141

Active  
volunteers

FY 2020

5

Volunteer Programs

FY 2020

40

Group Social Actions

FY 2020



# CORPORATE GOVERNANCE



- NYSE Level 3 listing since 1994 (>25 yrs listed)
- Sarbanes-Oxley compliant



- Controlling shareholder with 62,0%
- One class of common shares
- One share = One vote (equal voting rights for all shareholders)



- Independent audit committee
- Controlled related parties' transactions: *previous opinion of Audit Committee according to rule and third independent valuations. Related party annual form signed by Directors, Statutory Auditors & Senior Mgmt*
- Compliance Department in charge of: *Corporate Governance, Internal Control & Audit, Fraud Prevention & information Security*

- Executive and financial risk committees
- IR department fully available and active in investors' conferences and meetings
- Equal treatment to all shareholders
- Updated website, with full information for investors general public and direct access to independent whistleblower hotline



**12 Regular**  
**5 Independent**  
(3 in Audit Committee)

In recent years, we included 3 women promoting diversity in the Company's governing body

**EDUARDO S. ELSZTAIN**  
Chairman & CEO



We stood out in credibility, pride and fellowship

## MANAGEMENT TEAM

30 years experience in real estate

**CORPORATE**

- Finance & Administration
- Legal
- Human Resources
- Compliance
- Planning
- Institutional Relationships

**REAL ESTATE BUSINESS**

**DANIEL ELSZTAIN**  
COO

- INVESTMENTS
- COMMERCIAL & BROKERAGE (inc. center managers)
  - MARKETING
  - ADMINISTRATION
  - HUMAN RESOURCES

**SHARED SERVICES CENTER**

- IT
- Tax Settlement
- Administrative Operations
- Commercial Operations
- Treasury





# FINANCIALS

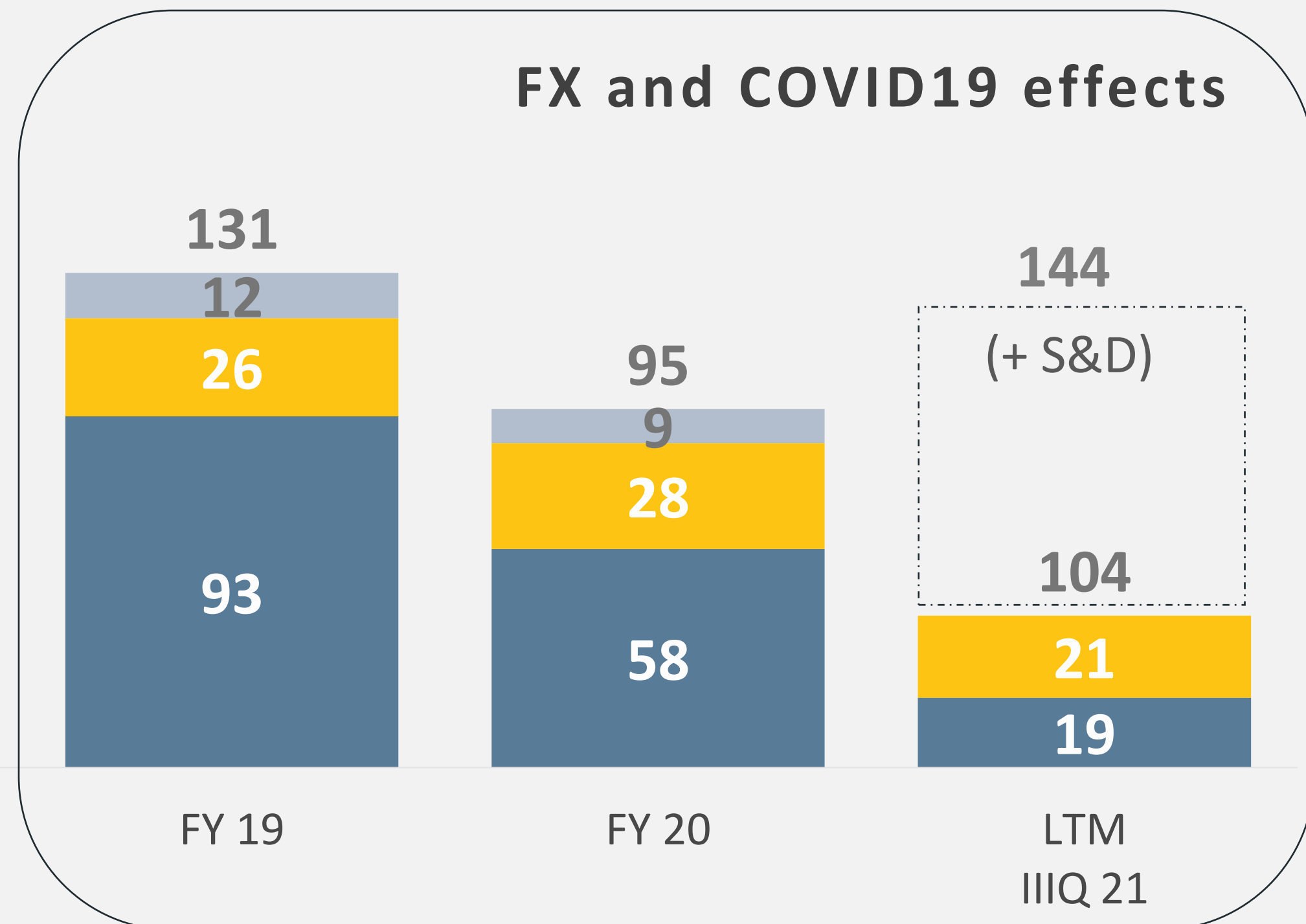
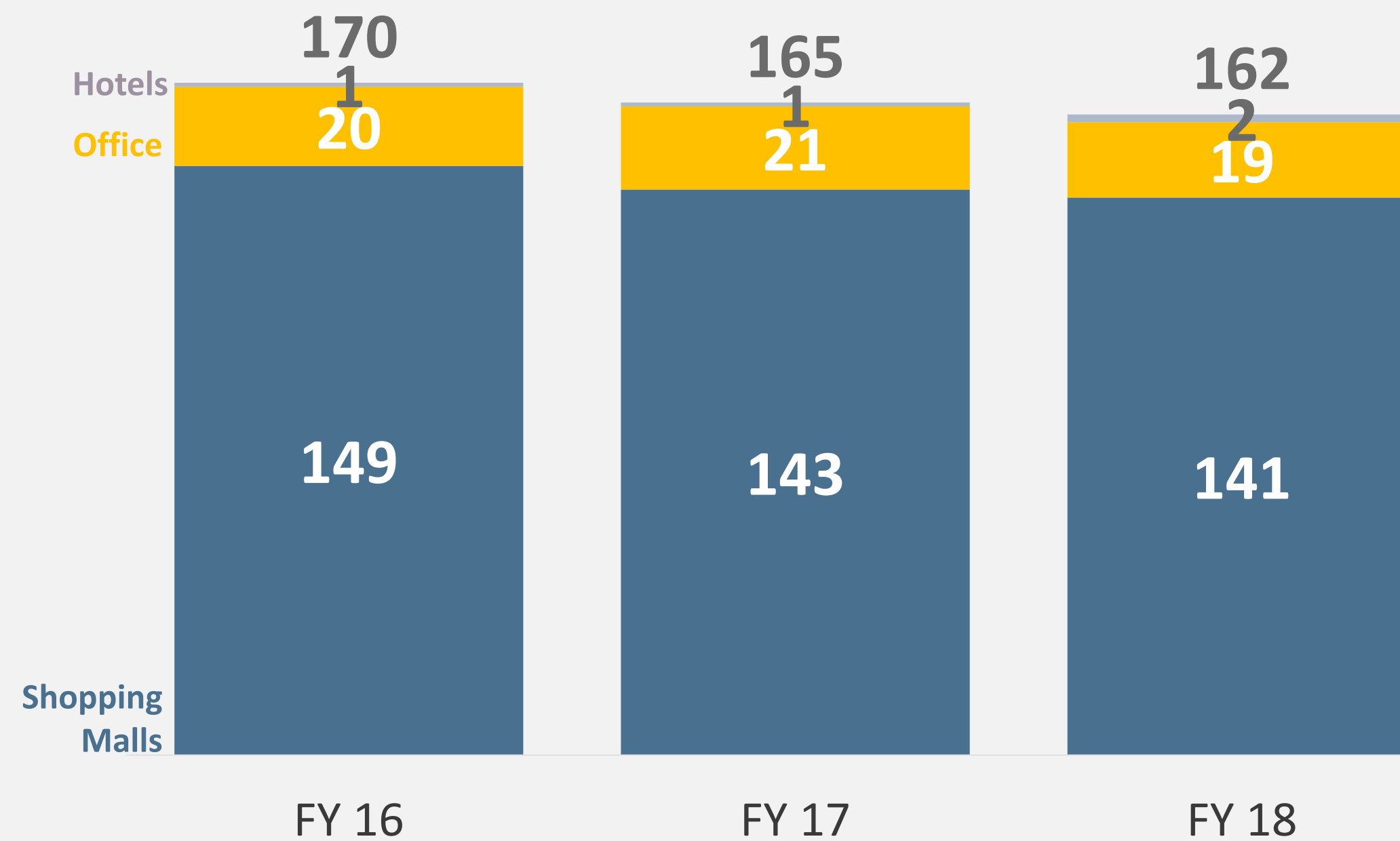
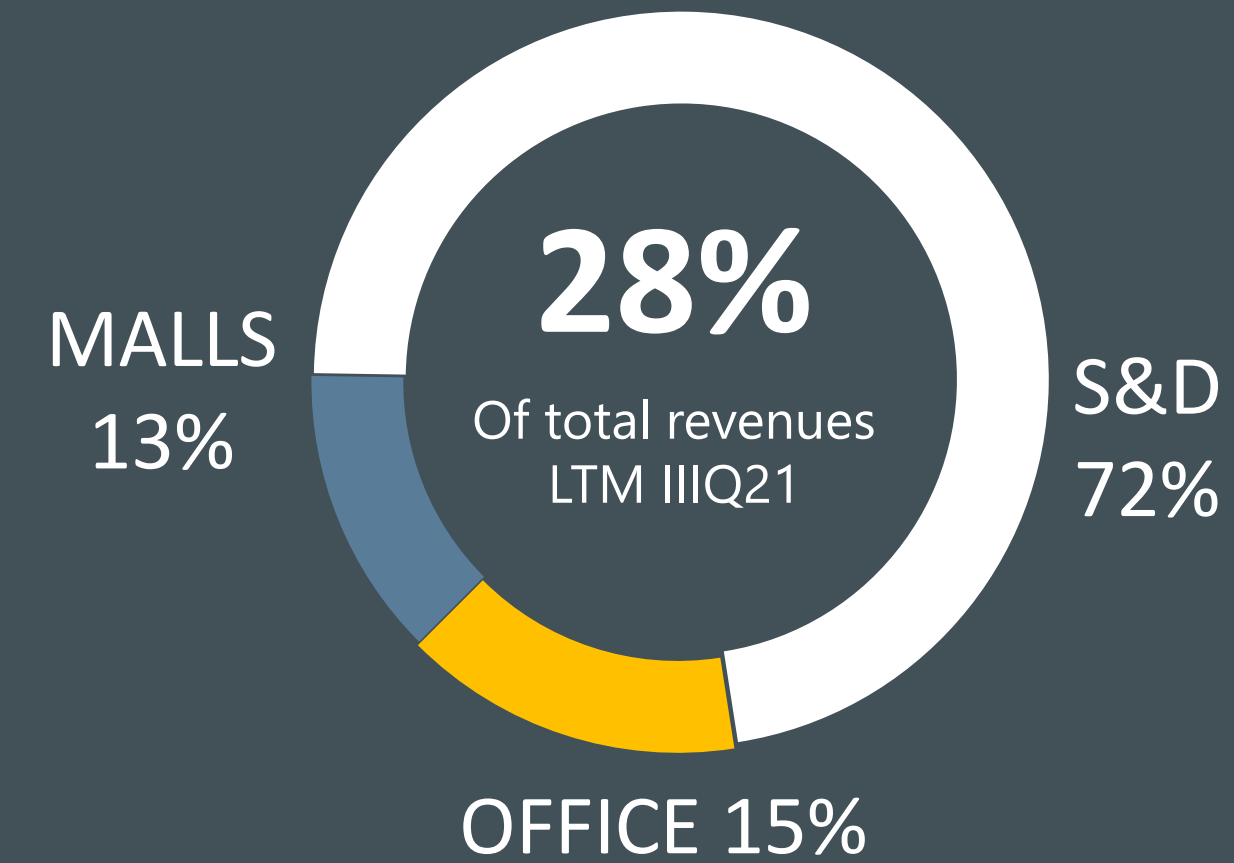
STRONG FINANCIAL TRACK RECORD



# RENTAL

## LTM ADJUSTED EBITDA

### USD 40 million





# RENTAL ASSETS VALUATION

USD 1.3 million



## SHOPPING MALLS

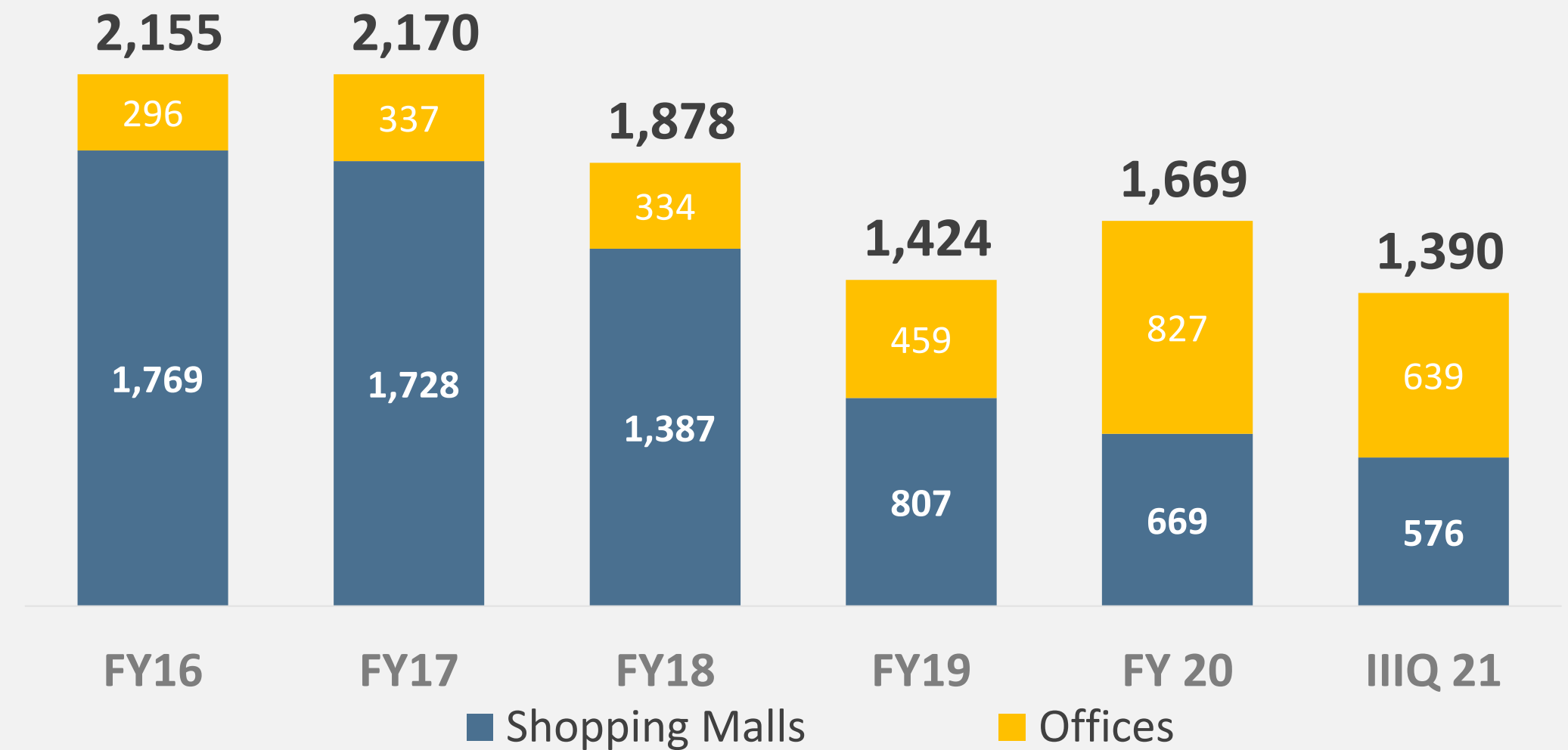
DCF valuation method is used to determine the fair value as there are no sale transactions in the market.



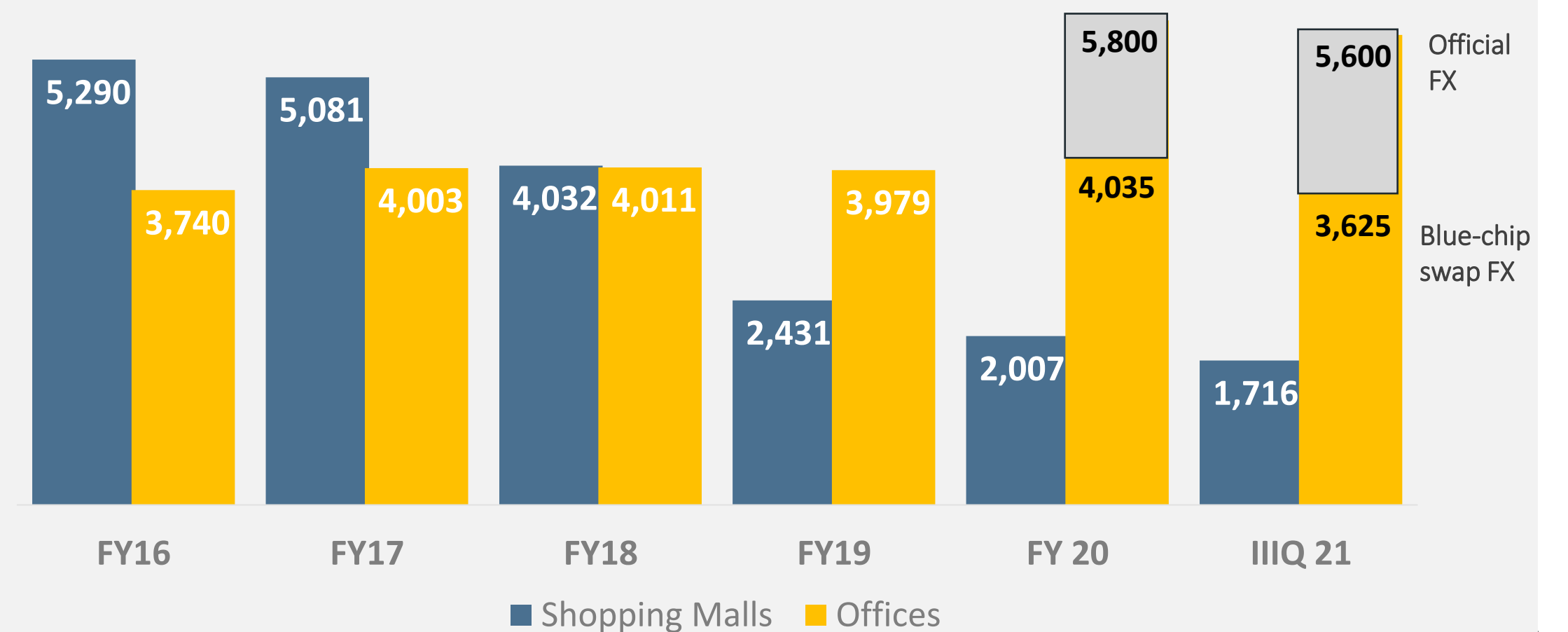
## OFFICE BUILDINGS

The Argentine office market is a liquid market. Comparable valuation method is used to determine the fair value, being the price per sqm of recent transactions the most representative metric

EVOLUTION BY TYPE OF ASSET  
(USD MILLION – OFFICIAL FX)



EVOLUTION BY SQM  
(USD)



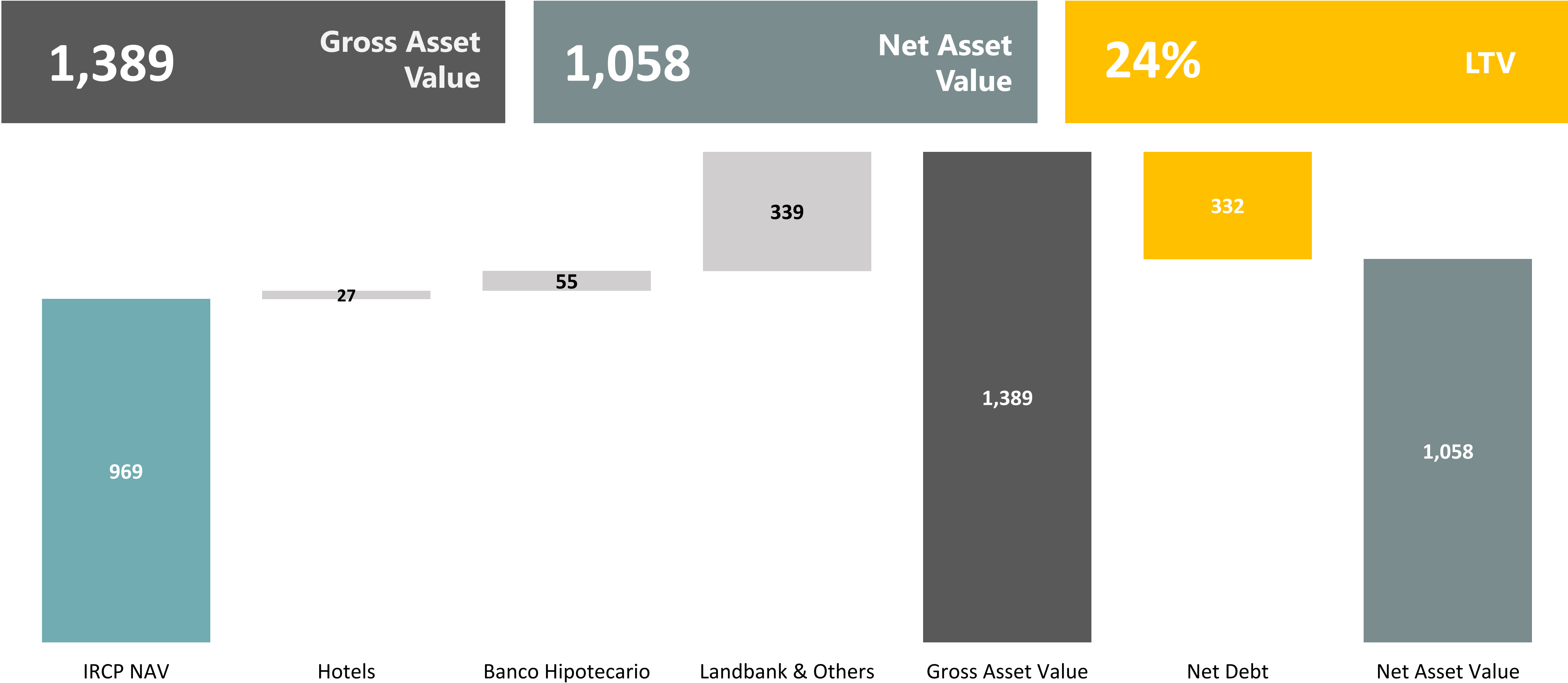
\*Includes 200 della paolera building



# IRSA NET ASSET VALUE

MILLION OFFICIAL USD

Mar-2021





# IRSA CAPITAL INCREASE

## MAY 2021

**USD 28.8 million**

Funds received

**80.0 million shares**

(79.1 million preemptive right subscription & 0.9 million from accretion rights)

**+ 80.0 million warrants**

for 80 million additional new shares

**+19%**  
**oversubscribed**

**658.7 million shares**

IRSA new capital stock

**April 16, 2021**

Record date

**ARS 58.35 or USD 0.36**

Common shares' Subscription Price

**USD 3.60**

ADS Subscription Price

**USD/ADS 4.32 or USD/share 0.432**

Warrant strike price

**5 years**

Warrant maturity

### EQUITY INVESTMENTS

- Group shares trading at historical minimum prices, highly discounted
- Opportunity to invest in subsidiaries

### OTHER BUSINESS OPPORTUNITIES

- In Argentina and/or abroad that could represent an opportunity for long-term capital appreciation

### USE OF PROCEEDS



DEBT CANCELLATION & WORKING CAPITAL IN ARGENTINA

### REAL ESTATE DEVELOPMENTS

- Huge landbank to develop mixed use projects in Argentina



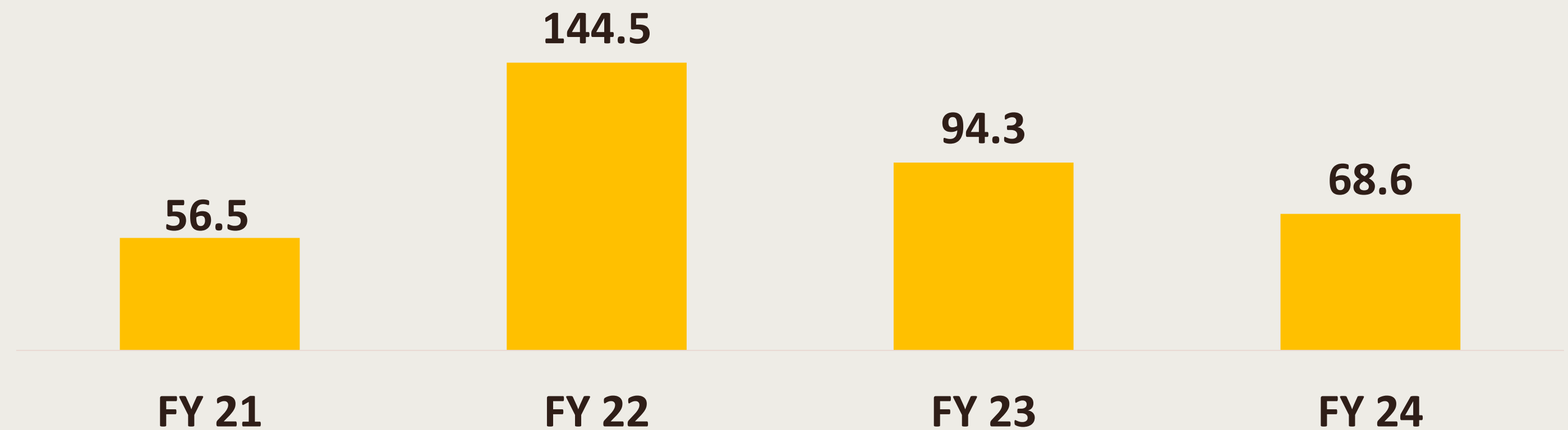
# IRSA STAND ALONE DEBT

## USD 332 MILLION

### NET DEBT AS OF MAR-21

Description	Amount	Maturity
Short term debt	4.0	<360 days
Series IV	46.5	May-21
Series VI	3.7	Jul-21
Series VII	33.7	Jan-22
Series X	7.6	Mar-22
Series V	9.2	May-22
Series IX	80.7	Mar-23
Series I	3.1	Mar-23
Series VIII	31.8	Nov-23
Series XI	15.8	Mar-24
Series XII	42.0	Mar-24
Intercompany Debt	72.1	Mar-22
Other Debt	13.7	Feb-22
<b>GROSS DEBT</b>	<b>363.9</b>	
Cash & Eq.	32.0	
<b>NET DEBT</b>	<b>331.9</b>	

#### AMORTIZATION SCHEDULE



On March 31, 2021, we issued USD 65.5 MM in the local capital markets

- Series X (ARS): ARS 701.6 million at BADLAR + 5.0% due March 31, 2022
- Series XI (USD linked): USD 15.8 million at 5.0% fixed due March 31, 2024
- Series XII (UVA): equivalent to USD 42.1 million at 4.0% fixed due March 31, 2024

Proceeds will be used to refinance short term debt and working capital



# CONTACT US



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## TWITTER

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