

SPANISH INVESTMENT REVIEW

Weekly report on Spanish Investment News
Paul Heneberry - Iberica Capital Partners

United Capital Investments and Iberica Capital Partners, working in partnership to source Investment Opportunities in the Spanish Market

Beginning in September of 2021, A [strategic partnership agreement](#) was signed between United Capital Investments, with offices in London, Edinburgh and the UAE and the Spanish firm, ICCI-Iberica Capital Partners, with offices in Madrid and Málaga. This partnership is branded as Carling Group Iberica.

The purpose of this partnership is to identify investments opportunities in the dynamic and underserved Spanish market. Funding is to be provided directly from UK and US capital markets for deals that meet the strict criteria of our funding partners.

Deals that are intrinsically attractive, but fall outside these strict criteria will be brokered to other funders and lenders in these main capital markets.

Focus will initially be in the following sectors

- Healthcare
- Building Services
- Technology
- Green Energy

We are actively seeking Investment Opportunities in the Spanish market and we are reachable at the following email addresses.

Vendors: vendors@thecarlinggroup.es

Buyers: buyers@thecarlinggroup.es

Covering

Logistics

Construction

Hospitality

Healthcare

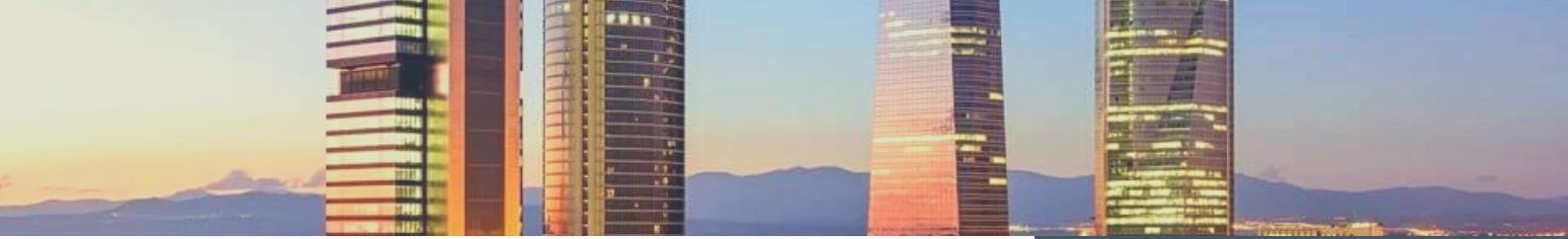
Office Buildings

Development Land

Retail

Technology

Green Energy



IGAG airlines earn 200 million until September from tourism

[DIARIO SUR](#)

The group that includes Iberia, British Airways and Vueling returns to profits compared to losses of more than 2,600 million a year ago due to the restrictions of the pandemic.

The pandemic left airlines very affected by restrictions on mobility. Some of the largest airlines even had to be rescued by the states (in Spain it happened with Air Europa) and all of them suffered a lot in their accounts. This was the case of the IAG group, which includes Iberia, British Airways, Vueling and Aer Lingus, which now returns to profits by earning 199 million euros after losing 2,622 million a year ago.

In the first nine months of 2022, the 'holding' obtained a net profit (after taxes) of 170 million euros, compared to 2,775 million losses in the same period last year, as reported by the group to the National Market Commission of Securities (CNMV).

"Demand in the vacation segment is particularly strong and revenues have recovered to pre-pandemic levels. Business travel continues to recover steadily," said IAG CEO Luis Gallego, who indicated that his goal is "to adapt operations to meet demand and take advantage of high liquidity."



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LUIS GALLEGO



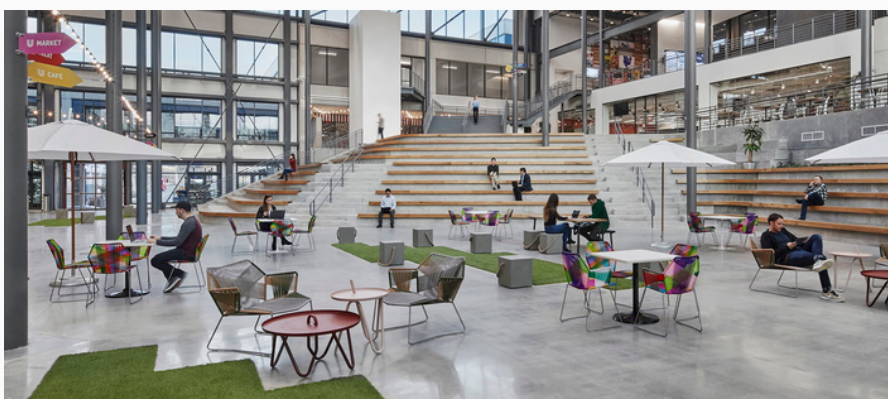


Cushman & Wakefield foresees a new rebound in hotel investment in the EU

[EL PAIS](#)

Tourism has been one of the activities hardest hit by Covid-19 in Europe due to the prolonged absence of travelers. Despite this, investment in hotels has continued to grow at a good pace and has already exceeded the levels prior to the Covid health crisis. "There are very important signs of recovery, with a good business outlook and growing demand in Europe. We have had a very positive first half of the year, with investment volumes similar to 2019 and in which Spain has become the second largest recipient of funds, only behind the United Kingdom", remarks John Hubbard, director of the division hotel company of the real estate consultancy firm Cushman & Wakefield for Europe, the Middle East and Africa , in an interview with Cinco Días on the eve of the annual meeting of the Hotels division, which is held in Madrid and which Hubbard himself inaugurates.

On the horizon, runaway inflation that has exceeded 10% in most EU countries and a threat of recession that, however, he does not consider will curb the appetite to buy and sell hotels in Europe and in Spain. "Investors continue to bet on the hotel market. Venture capital has not gone away throughout the pandemic and this has been noted in that since 2020 the significant discounts that were expected for transactions have not occurred , "emphasizes Hubbard, who points out that the average investment in some countries is 30 % higher than pre-covid levels. "Barcelona or Madrid, the two great destinations in Spain, are still below because the occupation plummeted more strongly."



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Green Energy

The Australian fund Igneo will refinance its renewables subsidiary for sale for more than 1,000 million

EL ECONOMISTA

The Australian fund Igneo Infrastructure Partners, belonging to First Sentier Investors –formerly First State– has hired Banco Santander to refinance the debt of its renewables firm in Spain and Portugal Finerge, which has a portfolio of assets totaling more than 1,400 megawatts (MW), as indicated to [elEconomista.es](#) financial sources aware of the process.

The restructuring of its liabilities represents the prelude to the sale of the company by its owner, in an operation that would exceed 1,000 million euros. The plan that Igneo is exploring is to launch the divestment after completing the refinancing, according to knowledgeable sources.

Igneo acquired Finerge in 2015 from Enel Green Power, a subsidiary of the Italian Enel –owner of Endesa– for around 900 million. At that time, the Portuguese company had 125 MW of installed wind power and minority interests in 282 MW. It also had a 35.96% stake in Eneop (Eólicas de Portugal), a company from which it was once spun off among the partners, taking 445 MW of wind power.



Buenaventura (CNMV): ESG funds scratch almost 35% of the investment pie

EL ECONOMISTA

Assets in ESG funds (those that invest based on environmental, social and good governance criteria) continue to grow in Spain, and are now around 35% of the total in this country . It was revealed this Wednesday by Rodrigo Buenaventura, president of the National Securities Market Commission (CNMV) during his closing speech at the conference Towards more sustainable finances , organized by the regulator and held throughout the morning at the body's headquarters in Madrid. Visit the specialized portal [elEconomista](#) Sustainable investment and ESG.

"In the collective investment industry, the sustainability factor is beginning to take shape and protagonism in a very clear way. In mid-October we had registered 237 funds of the so-called article 8 and 14 article 9 funds with the CNMV . That means, altogether, slightly less than 35% of the assets of the Spanish funds, slightly more than 100,000 million euros, allocated to investments linked in one way or another to sustainability", Buenaventura detailed.





Construction

The German fund Activum probes the sale of its Spanish developer ASG Homes

[EL PAIS](#)

The German firm ActivumSG is probing if it adds to the sales movements that currently exist in the promoter market. Specifically, the Berlin fund has begun to check if there is interest among other funds and real estate companies for its Spanish developer ASG Homes .

This is confirmed by various sources of promoters and consultants, who highlight that ActivumSG Capital Management (ASG) has not entrusted the process to any advisor, but explain that the German manager is testing to see if there is interest in a possible transaction. "They go very discreetly," says a manager of a real estate firm.

ASG Homes is a development manager linked to Activum, which created it in 2017 at a time when various international funds had revived housing construction in Spain –after the bursting of the real estate bubble in 2008– and invested in different companies. Thus, it joined other promoters such as Neinor, Aedas, Metrovacesa, Vía Célere, Habitat or Culmia, great protagonists of the new sector.



Hospitality

The hotel socimi Millenium keeps the key to the future luxury resort W Marbella

[EL CONFIDENCIAL](#)

The socimi Millenium Hospitality has acquired the presidential suite of the future W Marbella, the most important hotel investment at the moment on the Costa del Sol, thanks to the agreement reached by the company led by Javier Illán with Platinum Estates to build the future complex, as El Confidencial has been able to confirm with knowledgeable sources.

To guarantee this piece of big game, the Socimi made an advance payment of 6.7 million euros last summer , and left the definitive closing of the transaction until the last urban development milestones of this pocket of land were achieved. In its first semester report, Millenium includes the acquisition of some land in Marbella, but without detailing which ones . Consulted by this means, the company has limited itself to referring to the official information of its accounts.

It is expected that, next November, the Junta de Andalucía will grant final approval to the project.





Farallon acquires 99% of Marina d'Or after converting its debt into shares

[BRAINSRE](#)

The resort town changes hands. Farallon's funds acquire the famous hotels, located in Oropesa del Mar (Castellón). At the end of 2020, the American manager took control of the company founded by Jesús Ger in 1983 by assuming most of the bank debt it held, about 125 million euros.

As published by the Official Gazette of the Mercantile Registry (Borme), Gestió Cartera Castelló, owned by Jesús Ger, ceases to be in charge of Marina d'Or to make the fund the new owner of the brand, which becomes the sole administrator, through the figure of a lawyer from Madrid.

Farallon has materialized the capitalization of the credits to take over the tourist complex and the leisure parks through three rounds of capital increase, the total amount of which amounts to 99.61 million euros, as confirmed by sources at Marina d'Or. Thus, the funds controlled by Farallon now own more than 99%, while Jesús Ger's share decreases to 0.5%



Healthcare

PharmaMar earns 48 million and reduces its debt to historical lows

[LA RAZON](#)

The Spanish pharmaceutical group PharmaMar obtained a net profit of 48 million euros until September, 16% less than the same period of the previous year, despite the growth in its turnover, driven by oncology royalties. As reported this Thursday, total income increased slightly -1%- to reach 141.4 million despite the fact that the only item that improves compared to the previous year is the aforementioned royalties.

The company's results were affected in the period by an impact on its balance sheet of 4.6 million euros linked to the cessation of the activity of its subsidiary Genomics, dedicated to the diagnostics area. The company has assured that the cessation of this activity "will contribute to improving the operating margin" of the group in the coming years, although it has recognized that this decision has caused an impact on its quarterly account of 4.6 million euros, "result to add to the losses of the diagnostic activity in this period, the necessary provisions for the closing costs".





Permira injects 155 million more in Neuraxpharm for acquisitions

[EL ECONOMISTA](#)

Neuraxpharm, the pharmaceutical group controlled by the British fund Permira, has new debt for its growth via acquisitions. The company has placed a new loan of 175 million euros with institutional investors maturing in December 2027 and a spread of Euribor plus 425 basis points. The entities BNP Paribas and Deutsche Bank have acted as global coordinators of the credit granted to the former Invent Pharma, together with JP Morgan and Commerzbank as coordinators of the syndication process.

The pharmaceutical group has also received an injection of 155 million euros in the form of new capital (equity) by Permira –the private equity manager led by Pedro López de Guzmán in Spain–, to support its latest acquisitions. Among them, the recent purchase of two Sanofi product portfolios stands out, with which Neuraxpharm will increase its sales to 600 million euros. The British fund has had an office in Madrid since 2004 and its Spanish portfolio also includes the companies eDreams and Universidad Europea, acquired from Laureates in 2018 for 770 million.



Retail

The owners of Mayoral shoot up the value of their portfolio on the stock market to 1,100 million thanks to Rovi

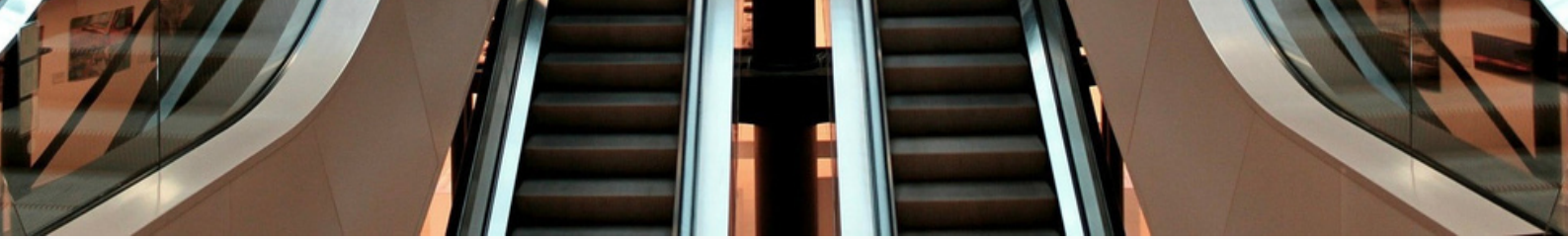
[EL PAIS](#)

Indumenta Pueri, the holding company in which the Domínguez de Gor family, owners of Mayoral, brings together all its investments and business activities, experienced a growth in the value of the shares it has in listed companies of almost 80% during the 2021 financial year.

Specifically, its investment portfolio on the Stock Market reached 1,132 million euros, as reflected in the consolidated annual accounts that it has deposited in the Mercantile Registry, 76% more than at the end of 2020. If you add your stock portfolio in non-listed foreign companies, the value of equity instruments under their ownership was close to 1,180 million euros, 66% more.

A record figure, which has its origin in the great performance of one of its star investments: Rovi. The pharmaceutical company, in which the Domínguez de Gor have held 5% of the capital since 2018, shot up its price during the 2021 financial year. In fact, it almost doubled it, shooting up the value of its share by 96% and placing it at over 74 euros.





The new shopping center next to Colinas del Limonar, in Malaga, will involve an investment of 12.5 million

[EL ESPAÑOL](#)

Little by little, the main details of the future shopping center projected in the surroundings of El Mayorazgo , in the eastern part of Malaga capital, and in the vicinity of one of the luxury urbanizations of the capital of the Costa del Sol, are beginning to be known. Lemon Grove Hills.

The complex, promoted by the company SUBA, belonging to the Sinerba group, will require an investment of around 12.5 million euros . This is confirmed by the merchant responsible for a project called to alleviate the deficit of commercial surfaces in this area of the city.

According to the information that SUBA provides on its website, the plot that is destined for this shopping center stands out for its "strategic" location, being located "next to the prestigious Colinas del Limonar urbanization , where more than 1,000 homes are being developed of high standing.

Furthermore, the area is already consolidated with two high-income residential areas in the city of Malaga, such as Mayorazgo and Limonar Alto, with quick and easy access from the A-7 motorway , which guarantees a high flow of traffic. vehicles.



Technology

Google will open its third security engineering center in Europe in 2023 in Malaga

[EL PAIS](#)

Google has already set a date to open its cybersecurity center in Malaga. It will be in 2023. This was announced this Wednesday in Madrid by the president of Global Affairs of the American technology company, Kent Walker, during a meeting on the protection of the European digital space organized by the technology giant.

The center has acquired the category of Google Security Engineering Center (GSEC), becoming a more strategic location for the company's cybersecurity internationally. This is the third center of these characteristics that Google opens in Europe, in addition to those in Munich and Dublin, which are specialized in privacy and content responsibility, respectively.

Walker noted that the center will be "a key global hub for our cyber defense strategy . " "It will be a space for research on cybersecurity and malware that will have a double mission: to help companies and public administrations to better understand the evolution of cyberthreats and to protect customers and citizens as a whole", continued the manager, who added that The center will also be instrumental in establishing local and regional cybersecurity partnerships in the coming years.





Investment in startups is barely slowing down in Spain but it will not break the record of almost 4,200 million in 2021

[EL PAIS](#)

The level of investment in Spanish startups does not seem to have been slowed down so far in 2022, despite the bad omens made globally in the middle of the year due to the difficult macroeconomic situation . What is not clear is that in Spain these companies will exceed the record of almost 4,200 million euros reached in 2021. The most possible thing is that the final figure will stay close, but not the gown, according to several investors consulted by CincoDías. .

“Our forecasts suggest that the end of 2022 will probably be lower than 2021 . Currently, the total investment in Spain remains approximately 5% below last year and we are cautious for the remainder of the year”, says Miguel Kindelán, head of GP Bullhound for Spain . Pablo Pérez, managing partner at Bondo Advisors , also believes that the number of investments in 2021 will be exceeded in Spain or will be at least very similar. "What could be left behind is the total volume of investment, since more pre-seed, seed and series A rounds are being produced and fewer series B, C, etc."



Logistics

Logistics still has a long way to go: 89% of operators need to hire more space

[BRAINSRE](#)

Logistics is going from being a surprise to being the main news in many weeks of the real estate sector. And it seems that it has a long time, according to all the reports and surveys that are carried out in the market. The last one, which predicts that 89% of logistics operators in Europe will need to hire more storage space or maintain the one they already have for the next three years.

This is the main conclusion of the European Real Estate Logistics Census study, prepared by Savills and Tritax Eurobox plc , an investor in the European real estate logistics sector. The report also highlights that around 75% of the operators looking for new storage space for the next three years are not small players in the market, but are considering spaces larger than 10,000 square meters and mega-boxes.

Integrating sustainability criteria and energy resilience are key priorities for users according to the study and the macro environment is likely to push ESG measures up the agenda, with the cost of electricity likely fueling talk of supply chain solutions. sustainable and resilient supplies that reduce costs and add social value.





Consum buys 400,000 square meters of land to build a new logistics platform

[BRAINSRE](#)

The Valencian cooperative Consum joins the wave of investment in logistics platforms that is expanding around the most important urban areas in the world and also in Spain and has acquired a plot of 400,000 square meters in the Valencian town of Aldaia.

Its objective, according to Valencia Plaza , is to set up a logistics platform that allows it to continue supplying its supermarket network in the Valencian Community normally.

The plot, which is still pending development, is located in the future Pont dels Cavalls de Aldaia business park.

The new facility will be the fourth logistics platform in the Valencian Community. The General Merchandise Platform is located in Silla , whose storage facilities have an area of 33,000 square meters and store dry food, drugstore, perfumery and bazaar products.

The Fresh Products Platform is located in the Valencian town of Quart de Poblet , which has a total area of 23,000 square meters including the meat, delicatessen, dairy, frozen and oven facilities.

