Report on Limited Review

AEDAS HOMES, S.A. AND SUBSIDIARIES
Interim Condensed Consolidated Financial Statements
and Interim Consolidated Management Report
for the six-month period ended
September 30, 2022

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Ernst & Young, S.L.
Calle de Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

REPORT ON LIMITED REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (see note 14)

To the Shareholders of AEDAS HOMES, S.A. at the request of Management:

Report on the interim condensed consolidated financial statements

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of AEDAS HOMES, S.A. (hereinafter the Parent Company) and subsidiaries (hereinafter the Group), which comprise the balance sheet at September 30, 2022, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, and the notes thereto, all of them condensed and consolidated, for the six-month period then ended. The parent's directors are responsible for the preparation of said interim financial statements in accordance with the requirements established by IAS 34, "Interim Financial Reporting," adopted by the European Union for the preparation of interim condensed financial reporting as per article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope

We have performed our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

During the course of our limited review, which under no circumstances can be considered an audit of accounts, no matter came to our attention which would cause us to believe that the accompanying interim condensed consolidated financial statements for the six-month period ended September 30, 2022 have not been prepared, in all material respects, in accordance with the requirements established in International Accounting Standard (IAS) 34, "Interim Financial Reporting," as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim condensed financial statements.

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Emphasis of matter paragraph

We draw attention to the matter described in the accompany interim condensed explanatory Note 2.a, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended March 31, 2022. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying interim consolidated management report for the six-month period ended September 30, 2022 contains such explanations as the parent's directors consider necessary regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim financial statements for the six-month period ended on September 30, 2022. Our work is limited to verifying the interim consolidated management report in accordance with the scope described in this paragraph, and does not include the review of information other than that obtained from the accounting records of AEDAS HOMES, S.A., and its subsidiaries.

Paragraph on other issues

This report has been prepared at the request of Management with regard to the publication of the semi-annual financial report required by article 119 of Royal Legislative Decree 4/2015, of October 23.

ERNST & YOUNG, S.L.

(Signed in the original version)

Alfonso Balea López

November 29, 2022

Aedas Homes, S.A. and subsidiaries

Interim condensed consolidated financial statements for the six months ended 30 September 2022

(Free translation from the original in Spanish. In case of discrepancy, the Spanish-language version prevails)

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED BALANCE SHEET AT 30 SEPTEMBER 2022 AND 31 MARCH 2022

(Euros)

ASSETS	Note	30 Sept. 2022 (*)	31 Mar. 2022	EQUITY AND LIABILITIES	Note	30 Sept. 2022 (*)	31 Mar. 2022
NON-CURRENT ASSETS:				**EQUITY**:			
Intangible assets		**5,703,254**	**5,991,992**	**Capital**		**46,806,537**	**46,806,537**
Patents, licences and trademarks		2,486,878	2,486,878	Share capital		46,806,537	46,806,537
Software		2,103,520	2,294,916	**Share premium**		**478,534,502**	**478,534,502**
Other intangible assets		1,112,856	1,210,198	**Parent company reserves**		**(299,680,352)**	**(299,735,041)**
Property, plant and equipment		**7,727,361**	**3,468,164**	**(Own equity instruments)**		**(56,254,831)**	**(55,868,955)**
Land and buildings		6,990,569	2,129,417	**Retained earnings (prior-year losses)**		**2,144,750**	**(10,995,576)**
Plant and other PP&E		734,131	791,616	**Reserves at fully-consolidated companies**		**(1,806,595)**	**13,519,644**
Work in progress and prepayments		2,661	547,131	**Other shareholder contributions**		**740,071,256**	**740,071,256**
Investment properties		**9,224,087**	**5,941,195**	**Profit for the period attributable to equity holders of the parent**		**7,058,102**	**93,125,034**
Land		2,066,122	1,175,970	**Interim dividend**		**-**	**(36,153,300)**
Buildings		7,157,965	4,765,225	**Other equity instruments**		**4,882,284**	**6,617,788**
Non-current investments in group companies and associates		**20,666,653**	**21,058,130**	**Non-controlling interests**		**533,629**	**411,296**
Investments in associates		11,111,009	12,156,376	**Total equity**	**4**	**922,289,282**	**976,333,185**
Loans to associates	7	9,555,644	8,901,754	**NON-CURRENT LIABILITIES:**			
Non-current financial assets		**1,392,057**	**1,381,427**	**Non-current borrowings**	5	**321,520,840**	**318,612,309**
Other non-current financial assets		1,392,057	1,381,427	Notes and other marketable securities		318,189,042	317,416,728
Deferred tax assets	6	**5,764,765**	**6,952,661**	Bank borrowings		-	-
Total non-current assets		**50,478,177**	**44,793,569**	Other financial liabilities		3,331,798	1,195,581
CURRENT ASSETS:				**Deferred tax liabilities**	6	**260,416**	**260,416**
Inventories	**3**	**1,720,968,346**	**1,520,346,571**	**Total non-current liabilities**		**321,781,256**	**318,872,725**
Trade and other receivables		**77,468,722**	**71,497,514**				
Trade receivables		49,138,823	63,104,592				
Trade receivables, associates	**7**	769,620	708,799	**CURRENT LIABILITIES:**			
Other receivables		727,261	721,851	**Current provisions**	3	**10,635,097**	**13,236,445**
Receivable from employees		226	-	**Project finance with long-term maturities**	5	**186,205,110**	**98,599,126**
Current tax assets		179,014	179,014	**Current borrowings**	5	**66,771,553**	**51,287,073**
Other taxes receivable		26,653,778	6,783,258	Notes and other marketable securities		37,307,407	42,460,562
Current investments in group companies and associates	**7**	**1,672,627**	**4,542,723**	Bank borrowings		27,705,048	6,897,412
Loans to associates		1,672,627	4,218,723	Other financial liabilities		1,759,098	1,929,099
Other financial assets		-	324,000	**Trade and other payables**		**490,158,862**	**440,379,366**
Current financial assets		**12,754,574**	**5,588,112**	Trade and other payables		188,160,988	164,670,033
Other current financial assets		12,754,574	5,588,112	Trade payables		4,303,020	7,088,316
Prepayments and accrued income		**14,156,629**	**11,918,290**	Employee benefits payable		2,415,110	4,009,964
Cash and cash equivalents		**120,342,085**	**240,021,141**	Current tax liabilities		16,963,152	15,915,738
Cash		110,924,353	220,113,259	Other taxes payable		22,715,913	32,472,311
Cash equivalents		9,417,732	19,907,882	Customer prepayments	10	255,600,679	216,223,004
Total current assets		**1,947,362,983**	**1,853,914,351**	**Total current liabilities**		**753,770,622**	**603,502,010**
TOTAL ASSETS		**1,997,841,160**	**1,898,707,920**	**TOTAL EQUITY AND LIABILITIES**		**1,997,841,160**	**1,898,707,920**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2022. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 AND 30 SEPTEMBER 2021

(€)

	Note	Six months ended 30 September 2022 (*)	Six months ended 30 September 2021 (*)
Revenue - Property development	8	211,238,040	236,363,572
Cost of goods sold - Property development		(153,384,043)	(163,948,366)
Gross margin - Property development		**57,853,997**	**72,415,206**
Gross margin % - Property development		**27.4%**	**30.6%**
Revenue - Services rendered	8	3,234,457	-
Cost of goods sold - Services rendered		(774,342)	-
Gross margin - Services rendered	2.f	**2,460,115**	-
Gross margin % - Services rendered		**76.1%**	-
Revenue	8	214,472,497	236,363,572
Cost of goods sold and services rendered		(154,158,385)	(163,948,366)
GROSS MARGIN		**60,314,112**	**72,415,206**
GROSS MARGIN %		**28.1%**	**30.6%**
Marketing	2.f	(7,596,142)	(4,882,250)
Sales		(6,540,690)	(5,601,442)
Other direct development costs	2.f	(953,263)	(779,063)
Taxes related with developments		(4,603,224)	(2,163,019)
NET MARGIN		**40,620,793**	**58,989,432**
NET MARGIN %		**18.9%**	**25.0%**
General expenses		(19,780,180)	(16,921,891)
Other operating income		437,823	1,410,606
Other operating expenses		(242,363)	(110,214)
Gain from a bargain purchase		-	1,186,483
EBITDA		**21,036,073**	**44,554,416**
EBITDA MARGIN %		**9.8%**	**18.8%**
Depreciation, amortisation and impairment charges		(2,331,419)	(1,398,060)
Impairment of inventories	3	-	-
OPERATING PROFIT		**18,704,654**	**43,156,356**
Finance income	7	301,614	320,510
Finance costs - Borrowings from group companies	7	-	-
Finance costs - Bank borrowings, net of capitalised borrowing costs		(9,534,043)	(9,888,426)
Change in fair value of financial instruments		(490,151)	72,282
Exchange differences		-	(644)
Impairment of and gains/(losses) on disposal of financial instruments		-	-
NET FINANCE COST		**(9,722,580)**	**(9,496,278)**
Share of profit/(loss) of associates		**582,842**	**(261,105)**
PROFIT BEFORE TAX		**9,564,916**	**33,398,973**
Income tax	6	(2,309,481)	(8,283,840)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**7,255,435**	**25,115,133**
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS			**-**
PROFIT FOR THE PERIOD		**7,255,435**	**25,115,133**
Attributable to non-controlling interests	4	197,333	613,099
Attributable to equity holders of the parent		7,058,102	24,502,034
Basic earnings per share		0.15	0.52
Diluted earnings per share		0.16	0.55

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2022. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 AND 30 SEPTEMBER 2021

(Euros)

	Note	Six months ended 30 September 2022 (*)	Six months ended 30 September 2021 (*)
PROFIT FOR THE PERIOD (I)		**7,255,435**	**25,115,133**
Income and expense recognised directly in equity		-	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)		-	-
TOTAL AMOUNTS TRANSFERRED TO PROFIT OR LOSS (III)		-	-
TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)		**7,255,435**	**25,115,133**
Total recognised income and expense attributable to equity holders of the parent		7,058,102	24,502,034
Total recognised income and expense attributable to non-controlling interests		197,333	613,099

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2022. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 AND 30 SEPTEMBER 2021

(Euros)

	Capital (note 4.a)	Share premium (note 4.b)	Reserves of the parent (notes 4.c, 4.d & 4.e)	(Own equity instruments) (note 4.f)	Retained earnings (prior-year losses)	Reserves at fully-consolidated companies (notes 4.d & 4.e)	Shareholder contributions (note 4.h)	Profit for the period attributable to equity holders of the parent	(Interim dividend) (note 4.i)	Other equity instruments (note 4.j)	Non-controlling interests (note 4.k)	TOTAL
OPENING BALANCE AT 1 APRIL 2021	**47,966,587**	**500,076,721**	**(307,095,363)**	**(65,075,384)**	**(10,744,632)**	**(2,293,916)**	**740,071,256**	**85,104,149**	**-**	**4,406,966**	**1,889,489**	**994,305,873**
Total recognised income and expense	-	-	-	-	-	-	-	24,502,034	-	-	613,099	25,115,133
Distribution of prior-period earnings	-	-	7,339,273	-	(250,944)	15,843,548	-	(85,104,149)	-	-	-	(62,172,272)
Transactions with shareholders	(1,160,050)	(21,542,219)	(47,847)	13,488,208	-	-	-	-	-	-	(1,952,500)	(11,214,408)
Consolidation scope and other changes	-	-	93,137	-	-	(2,812)	-	-		(552,004)	85,799	(375,880)
CLOSING BALANCE AT 30 SEPTEMBER 2021 (*)	**46,806,537**	**478,534,502**	**(299,710,800)**	**(51,587,176)**	**(10,995,576)**	**13,546,820**	**740,071,256**	**24,502,034**	**-**	**3,854,962**	**635,887**	**945,658,446**
Total recognised income and expense	-	-	-	-	-	-	-	68,623,000	-	-	143,076	68,766,076
Distribution of prior-period earnings	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with shareholders	-	-	(24,241)	(4,281,779)	-	-	-	-	(36,153,300)	-	12,356	(40,446,964)
Consolidation scope and other changes	-	-	-	-	-	(27,176)	-	-	-	2,762,826	(380,023)	2,355,627
OPENING BALANCE AT 1 April 2022	**46,806,537**	**478,534,502**	**(299,735,041)**	**(55,868,955)**	**(10,995,576)**	**13,519,644**	**740,071,256**	**93,125,034**	**(36,153,300)**	**6,617,788**	**411,296**	**976,333,185**
Total recognised income and expense	-	-	-	-	-	-	-	7,058,102	-	-	-	7,058,102
Distribution of prior-period earnings	-	-	-	-	13,140,326	(15,326,239)	-	(93,125,034)	36,153,300	-	-	(59,157,647)
Transactions with shareholders	-	-	(10,996)	(385,876)	-	-	-	-	-	-	-	(396,872)
Consolidation scope and other changes	-	-	65,685	-	-	-	-	-	-	(1,735,504)	122,333	(1,547,486)
CLOSING BALANCE AT 30 September 2022 (*)	**46,806,537**	**478,534,502**	**(299,680,352)**	**(56,254,831)**	**2,144,750**	**(1,806,595)**	**740,071,256**	**7,058,102**	**-**	**4,882,284**	**533,629**	**922,289,282**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2022. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 AND 30 SEPTEMBER 2021

(Euros)

	Note	Six months ended 30 September 2022 (*)	Six months ended 30 September 2021 (*)
1. OPERATING ACTIVITIES			
Profit before tax		**9,564,916**	**33,398,973**
Adjustments for finance income/costs		**9,722,580**	**9,496,278**
(Gains)/losses on derecognition and disposal of financial instruments		**-**	**-**
Finance income		(301,614)	(320,510)
Finance costs		17,477,479	14,365,799
Borrowing costs capitalised in inventories		(7,943,436)	(4,477,373)
Change in fair value of financial instruments		490,151	(72,282)
Exchange differences		-	644
Share of profit/(loss) of associates		**(582,842)**	**261,105**
Operating profit		**18,704,654**	**43,156,356**
Depreciation, amortisation and impairment charges		2,331,419	1,398,060
Impairment of inventories	3	-	-
EBITDA		**21,036,073**	**44,554,416**
Other adjustments to profit		**1,830,098**	**444,394**
Provisions		1,417,599	614,152
Realised finance gains/losses (fair value and exchange differences)		-	(644)
Unrealised share of profit/(loss) of associates		582,842	(79,304)
Other gains/(losses)		-	(1,186,483)
Net increase/(decrease) in other non-current assets and liabilities		(170,343)	1,096,673
Other cash used in operating activities		**(27,061,361)**	**(21,938,623)**
Interest received		256,942	9,342
Interest paid		(12,518,122)	(2,331,594)
Income tax received/(paid)		(15,528,999)	(19,659,871)
Other receipts/(payments)		728,818	43,500
Change in working capital (excluding land purchases/sales during the period)		**(107,811,549)**	**(42,259,194)**
Increase/(decrease) due to inventories		(142,501,856)	(39,138,947)
Increase/(decrease) due to trade receivables		9,483,621	(45,354,603)
Increase/(decrease) due to trade payables		50,968,159	53,017,812
Increase/(decrease) due to net change in other current assets and current liabilities		(25,761,473)	(10,783,456)
Change in working capital attributable to land purchases/sales during the period	3	**(63,082,800)**	**(115,527,171)**
Net cash used in operating activities (1)		**(175,089,539)**	**(134,726,178)**
2. INVESTING ACTIVITIES			
Investments | disposals		**(6,618,855)**	**(46,429,322)**
Group companies and associates		3,085,269	(6,240,587)
Intangible assets		(662,436)	(531,900)
Property, plant and equipment		(1,551,537)	(153,888)
Other financial assets		(7,490,151)	9,250,650
Business unit	1	-	(48,753,597)
Net cash used in investing activities (2)		**(6,618,855)**	**(46,429,322)**
3. FINANCING ACTIVITIES			
Proceeds from and payments for equity instruments		**(2,182,860)**	**(9,855,043)**
Buyback of own equity instruments		(2,182,860)	(9,855,043)
Issuance and repayment of financial liabilities	5	**123,369,845**	**217,436,961**
Issue of notes and other marketable securities		47,041,285	322,192,637
New financing obtained from banks		186,713,402	100,750,058
New borrowings from related parties		-	-
Redemption of bonds and other marketable securities		(52,800,000)	(10,200,000)
Repayment of bank borrowings		(57,584,842)	(195,305,734)
Repayment of borrowings from related parties		-	-
Dividends and payments on other equity instruments		**(59,157,647)**	**(62,172,272)**
Dividends	**4**	(59,157,647)	(62,172,272)
Net cash from financing activities (3)		**62,029,338**	**145,409,646**
4. Effect of changes in exchange rates on cash and cash equivalents (4)			-
5. NET DECREASE IN CASH AND CASH EQUIVALENTS (1+2+3+4)		**(119,679,056)**	**(35,745,854)**
Cash and cash equivalents - opening balance		**240,021,141**	**186,167,734**
Cash and cash equivalents - closing balance		**120,342,085**	**150,421,880**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2022. (*) Unaudited

Aedas Homes, S.A. and subsidiaries

Notes to the interim condensed consolidated financial statements for the six months ended 30 September 2022

1. Parent and Group activities

The Aedas Homes Group comprises Aedas Homes, S.A. (indistinctly, the Parent or the Company) and its subsidiaries.

The Parent's registered office is located in Madrid, Spain, at Paseo de la Castellana, 130. It is registered with the Madrid Companies Register.

The corporate purpose of Aedas Homes, S.A., in its capacity as Group Parent, is to acquire, permit, manage, market and develop properties of any kind for holding, use, management, sale or lease.

The foregoing activities may also be performed in whole or in part on an indirect basis through ownership interests in other companies with similar corporate purposes. To that end, the Company may acquire, administer and sell securities of all kinds, including but not limited to, shares, convertible bonds and unitholdings of any kind. Appendix I of these notes itemises the activities conducted by the subsidiaries of Aedas Homes, S.A.

The Group operates exclusively in Spain.

The Parent was incorporated under the name of SPV Spain 19, S.L.U. as a result of the subscription and payment of 3,000 indivisible equity interests (*participaciones sociales)*, numbered sequentially, with a unit par value of 1 euro. They were paid for in cash. Hipoteca 43 Lux, S.A.R.L. purchased 100% of those interests on 5 July 2016. The Company's name was changed to Aedas Homes Group, S.L.U. on 18 July 2016. It assumed its current name in the wake of the restructuring transaction agreed on May 23, 2017.

On 12 September 2017, the Company's legal form of incorporation was changed to that of a public limited company (*sociedad anónima*) so that it took the name of Aedas Homes, S.A. (Sociedad Unipersonal).

The shares representing the share capital of Aedas Homes S.A. have been trading on the continuous stock markets of Madrid, Barcelona, Bilbao and Valencia since 20 October 2017.

The deeds declaring the loss of sole-shareholder status (*sociedad unipersonal*) were placed on public record on 23 November 2017.

On 30 March 2020, the Parent's shareholders resolved, in general meeting and on the basis of a report from the Board of Directors, to change the Company's fiscal year to the 12 months elapsing between 1 April and 31 March of the following year, with the exception of the first fiscal year following the change, which would run from 1 January 2020 until 31 March 2020.

Changes in the Group's composition

At 30 September 2022, the Company was the parent of a group of companies. Appendix I itemises the Group companies consolidated by the Parent and provides their salient information as at 30 September 2022, before making the corresponding standardisation adjustments, as appropriate, to their separate financial statements in order to adapt them for IFRS-EU reporting purposes. The figures disclosed in Appendix I were provided by the Group entities and their equity positions are those stated in their accounting records as of the reporting date.

On 6 June 2022, Aedas Homes Opco, S.L.U. acquired 20% of Proyectos Inmobiliarios Algedi Madrid, S.L. by means of the purchase of 600 shares from Proyectos Inmobiliarios Lucida Navarra, S.L.U. for 1,745,094 euros, as set down in the share purchase agreement notarised by Francisco Javier Monedero San Martín (under entry #1,498 of his protocol).

On 23 June 2022, Aedas Homes, S.A., in its capacity as sole shareholder of Aedas Homes Opco, S.L.U., resolved to merge eight subsidiaries of Aedas Homes Opco, S.L.U. (Proyectos Inmobiliarios Atria Madrid, S.L.U., Domus Aedas Residencial, S.L.U., Aedas Este, S.L.U. (formerly, Allegra Este, S.L.U.), Proyectos Balmes 89, S.L.U., Aedas Mutilva Promoción S.L.U. (formerly, Áurea Mutilva Promoción, S.L.U.) , Proyectos Inmobiliarios Lucida Navarra, S.L.U., Spv Reoco 15, S.L.U. and Proyectos Inmobiliarios Algedi Madrid, S.L.U.), together, the "Transferors", into their parent, Aedas Homes Opco, S.L.U. (“Transferee”). The agreement was notarised on 12 September 2022 by Francisco Javier Monedero San Martín (entry #2,243 of his protocol) and filed with the Madrid Companies Register on 11 November 2022.

The merger by absorption implied: (i) the dissolution and extinguishment of the Transferors; and (ii) the *en bloc* transfer of all the latter companies' assets and liabilities to the Transferee, which has acquired all of their rights and obligations by universal succession, with effect for tax and accounting purposes from 1 April 2022.

Note that the above transaction is covered by the special tax neutrality regime for mergers, divisions, transfers of assets, exchanges of shares and changes of the registered address of a European company or a European cooperative society from one European Union member state to another provided for in Title VII of Chapter VII of Spain's Corporate Income Tax Act (Legislative-Royal Decree 27/2014, of November 27, 2014).

2. Basis of presentation of the interim condensed consolidated financial statements

a) Basis of presentation

The interim condensed consolidated financial statements of the Group comprising Aedas Homes S.A. and its subsidiaries for the six months ended 30 September 2022 were prepared from the accounting records of the Parent and the other companies comprising the Group (refer to Appendix I) in keeping with the International Financial Reporting Standards adopted by the European Union (IFRS-EU).

The Group has drawn up the accompanying interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34. The related disclosures accordingly do not include all of the information and disclosures required when preparing annual consolidated financial statements under IFRS-EU. As a result, these interim condensed consolidated financial statements should be read together with the annual consolidated financial statements for the year ended 31 March 2022.

The accounting standards used to prepare the accompanying interim condensed consolidated financial statements are the same as those used to prepare the Group's annual consolidated financial statements for the year ended 31 March 2022.

However, given that the accounting principles and measurement criteria used to prepare the Group’s interim condensed consolidated financial statements for the six months ended 30 September 2022 may differ from those used by some of the entities comprising the Group, during the consolidation process, the Group made the adjustments and reclassifications needed to ensure uniform principles and criteria and to align them with the International Financial Reporting Standards adopted by the European Union.

The Group uses certain alternative performance measures (APMs) that are not defined in IFRS as those additional measures contain essential information for assessing the Group's performance.

In the consolidated statement of profit or loss, the APMs used are GROSS MARGIN, NET MARGIN and EBITDA, and they are defined as follows:

- GROSS MARGIN: the difference between revenue from the sale of development and provision of services and the cost of goods sold and services rendered. The percentage GROSS MARGIN is calculated by dividing the absolute GROSS MARGIN by revenue from sales and services.
- NET MARGIN: the difference between the GROSS MARGIN and other costs, namely: marketing, sales, other direct development costs and taxes related with developments. The percentage NET MARGIN is calculated by dividing the absolute NET MARGIN by revenue from sales and services.

- EBITDA: the difference between the NET MARGIN and other expenses/income, namely: general expenses, other operating income and other operating expenses. The percentage EBITDA is calculated by dividing EBITDA by revenue from sales and services.

These interim condensed consolidated financial statements have been subjected to a limited review but have not been audited.

b) Functional and presentation currency

The interim condensed consolidated financial statements are presented in euros, which is the currency of the economic environment in which the Group operates. The Group does not currently trade abroad or in any currencies other than the euro.

c) Responsibility for the information presented and estimates made

The Parent's directors are responsible for the information included in these interim condensed consolidated financial statements.

The Group's interim condensed consolidated financial statements for the six months ended 30 September 2022 make occasional use of estimates made by the executives of the Group and of its consolidated companies, later ratified by their respective directors, in order to quantify certain of the assets, liabilities, income, expenses and obligations recognised therein. Essentially, those estimates refer to:

- The estimation of the net realisable value of the Group's inventories: at each year-end, the Group measures the realisable value of its inventories, understood as their estimated sale price less all of the estimated costs necessary to complete their construction. Their fair value is determined on the basis of appraisals performed by independent experts. Savills Aguirre Newman Valoraciones y Tasaciones, S.A. appraised the Group's asset portfolio as at 31 March 2022 (without considering prepayments to suppliers). The assets were appraised using the 'market value' assumption, in keeping with the Valuation - Professional Standards and Guidance notes published by Great Britain's Royal Institution of Chartered Surveyors (RICS) (note 3).

- The probability of obtaining future taxable income when recognising deferred tax assets.

Although these estimates were made on the basis of the best information available at 30 September 2022, considering the above observations, regarding the facts analysed, future events could make it necessary to revise these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively in accordance with IAS 8, recognising the effects of the change in estimates in the related consolidated statement of profit or loss.

d) Principles of consolidation

In order to present the financial information on a uniform basis, the accounting policies and measurement rules used by the Parent have been applied to all of the companies consolidated.

The universe of companies included in the consolidation scope in the reporting periods ended 30 September 2022 and 31 March 2022 is itemised in Appendix I.

<u>Subsidiaries</u>

Subsidiaries are investees over which the Parent exercises control either directly or indirectly via other subsidiaries. The Parent controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with it and has the ability to affect those returns through its power over the investee. The Parent is deemed to have power over an investee when it has existing rights that give it the current ability to direct its relevant activities. The Parent is exposed, or has rights, to variable returns from its involvement with the investee when the returns obtained from its involvement have the potential to vary as a result of the entity's performance.

The Parent re-evaluates whether it controls an investee when events and circumstances indicate the existence of changes in one or more of the control elements itemised above. The Parent consolidates a subsidiary from when it obtains control (and deconsolidates when it ceases to have such control).

Any non-controlling interests are measured at their percentage interest in the fair values of the identifiable assets and liabilities recognised. Accordingly, any loss attributable to non-controlling interests in excess of the carrying amount of such interests is recognised with a charge against the Parent's equity. Non-controlling interests in:

a) The equity of the Group's investees: are presented under "Non-controlling interests" in the consolidated balance sheet within Group equity.

b) Profit or loss for the period: are presented under "Profit for the period attributable to non-controlling interests" in the consolidated statement of profit or loss.

   The income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated interim condensed consolidated statement of profit or loss from the acquisition date or until the date of change in control, as warranted.

Material intra-group balances and transactions among fully-consolidated investees are eliminated upon consolidation, as are the gains or losses included in the inventories deriving from purchases from other Group companies.

All of the assets, liabilities, equity, income, expenses and cash flows related with transactions among the Group companies are fully eliminated upon consolidation.

Investments in associates and joint ventures

An investment in an associate or a joint venture is measured using the equity method of accounting: they are initially recognised at cost, and the carrying amount of the investment is increased or decreased to recognise the Group's share of the profit or loss of the investee after the date of acquisition. The Group recognises its share of such investees' profit or loss within its profit or loss for the period. Distributions received from these investees reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the investee arising from changes in the investee's other comprehensive income (e.g. to account for changes arising from revaluations of property, plant and equipment and foreign currency translations). The Group recognises its share of any such changes in other comprehensive income.

The Parent has notified all the companies in which it has ownership interests of 10% or more, directly or indirectly through subsidiaries, of this fact, in keeping with article 155 of Spain’s Corporate Enterprises Act.

Reporting date uniformity adjustments

All of the Group companies share the same reporting date, i.e., 31 March, except for Winslaro ITG, S.L., Servicios Inmobiliarios Licancabur, S.L., Urbania Lamatra II, S.L., Varía Acr Móstoles Fuensanta, S.L., Espacio Áurea, S.L., Allegra Nature, S.L., Residencial Henao, S.L., Áurea Etxabakoitz, S.L., Residencial Ciudadela Uno, S.L., Nature Este, S.L. and Domus Avenida, S.L., whose reporting date is 31 December.

The consolidation of the financial statements of the companies whose reporting date is different from that of the Group is done by making uniformity adjustments to include transactions related to the same date and periods as the consolidated financial statements since, under IFRS 10, the Group is not obliged to issue interim financial statements for those investees as of the same date and periods as the difference between those companies’ and the Group’s reporting dates is not more than three months. There were no significant transactions or events at those companies between the two reporting dates.

e) *Goodwill*

The assets, liabilities and contingent liabilities of a newly-acquired subsidiary are stated at their acquisition-date fair values. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets acquired (i.e., a bargain acquisition), the gain is recognised in profit and loss in the period of the acquisition.

f) *Comparative information*

The information contained in these interim condensed consolidated financial statements for the six months ended 30 September 2022 is presented, for comparative purposes, alongside the information as at 31 March 2022 for each heading of the consolidated balance sheet and alongside the figures for the six months ended 30 September 2021 for each heading of the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows.

The reader should note that the structure of the consolidated statement of profit or loss for the six months ended 30 September 2022 has changed from that corresponding to the six months ended 30 September 2021:

- The gross margin has been broken down into two components, adding the new business line related with the provision of real estate services. To make the comparison, in the six months ended 30 September 2021, the gross margin in that business line was 270,327 euros and was included under “Other operating income” in the amount of 693,377 euros and “General expenses” in the amount of 423,050 euros.

- “Other direct development costs” includes the cost of external advisors directly attributable to the Group’s developments, among other items. To make the comparison, in the six months ended 30 September 2021, the directly attributable cost of external advisors amounted to 44,364 euros and was included under “General expenses”.

- “Marketing” includes the cost of online portal usage directly attributable to the Group’s developments. To make the comparison, in the six months ended 30 September 2021, the equivalent cost amounted to 123,448 euros and was included under “General expenses”.

In making a comparison the reader should note the changes in the Group’s financial structure disclosed in note 1 above.

3. Inventories

The breakdown of the Group’s inventories at 30 September 2022 and 31 March 2022 is as follows:

	Euros	
	30 Sept. 2022	**31 Mar. 2022**
Land and sites	659,002,063	644,427,376
Developments in progress (*)	923,759,834	672,379,820
Completed buildings	114,838,942	183,260,613
Prepayments to suppliers	23,367,507	20,278,762
Total	**1,720,968,346**	**1,520,346,571**

(*) At 30 September 2022, "Developments in progress" included the cost of the land on which the developments are being carried out in the amount of 365,798,731 euros (329,638,101 euros at 31 March 2022).

An analysis of the movement under inventories in the six months ended 30 September 2022:

Euros	31 Mar. 2022	Advances	Land purchases	Cost of sales	Amounts derecognised	Capitalised borrowing costs	30 Sept. 2022
Inventories	**1,520,346,571**	3,088,745	58,901,029	284,072,608	(153,384,043)	7,943,436	**1,720,968,346**

The Group purchased 58,901,029 euros of land during the six months ended 30 September 2022, of which 30,042,170 euros corresponded to purchases committed to in previous reporting periods, with the remaining 28,858,859 euros related to new acquisitions.

Deferred payments on land recognised on the consolidated balance sheet at 30 September 2022 amounted to 34,382,208 euros, of which 7,000,000 euros corresponds to land newly acquired during the six months ended 30 September 2022. The current balance of deferred land payments is 31,079,184 euros, with the remaining 3,303,024 euros due more than 12 months from the reporting date.

At 30 September 2022, the Group held options for the acquisition of land in the amount of 108,662,207 euros, of which it had paid 5,030,868 euros by way of down payments and deposits, which are recognised within current assets on the balance sheet. In addition, at 30 September 2022, the Group recognised prepayments to land suppliers in the amount of 18,030,643 euros, of which 17,030,643 euros relates to Chamartín Norte.

The Group was not contractually committed to any land sales at 30 September 2022.

The net cash outflow attributable to the purchase and sale of land in the six months ended 30 September 2022 amounted to 63,082,800 euros, broken down as follows:

Land purchases committed to during the previous reporting period	(30,042,170)
Land purchases related to new acquisitions	(28,858,859)
Deferred payments for land purchased during the period	7,000,000
Prepayments to suppliers and call options arranged in prior reporting periods	2,087,500
Deferred payments for land purchased in prior reporting periods	(8,440,003)
Prepayments to suppliers and call options arranged during the reporting period	(4,829,268)
Payments made during the six months ended 30 September 2022 for the purchase of land	**(63,082,800)**
Land sold during the period	-
Deferred payments for land sold during the period	-
Deferred payments received for land sold in previous reporting periods	-
Payments received during the six months ended 30 September 2022 from the sale of land	**-**
Change in working capital attributable to land purchases/sales during the six months ended 30 September 2022	**(63,082,800)**

The Group capitalised 7,943,436 euros of borrowing costs within inventories during the six months ended 30 September 2022.

During the reporting period, the Group derecognised inventories carried at 153,384,043 euros as a result of the delivery of finished homes for 211,238,040 euros, so generating a gross margin of 27.4%.

None of the Group's inventories is located outside of Spain. The locations of the Group's inventories, stated at their carrying amounts, without considering prepayments to suppliers:

Region	Euros	
	30 Sept. 2022	**31 Mar. 2022**
Central Region	514,738,822	446,638,470
Northern Region	142,877,640	105,907,480
Catalonia & Aragon	282,551,777	244,886,050
Costa del Sol	215,957,428	236,658,003
Rest of Andalusia & Canaries	247,399,215	210,744,261
Balearic Islands and Spanish east coast	294,075,957	255,233,545
Total	**1,697,600,839**	**1,500,067,809**

The Group reviews the carrying amounts of its inventories for indications of impairment periodically, recognising the required impairment provisions as warranted. The cost of the land and sites, developments in progress and completed developments is reduced to fair value by recognising the appropriate impairment provisions. If the fair value of the Group's inventories is above cost, however, their cost is left unchanged.

The Parent's directors have decided to have the Group's property portfolio appraised by an external expert as at 31 March each year, which is the end of its reporting period, based on its belief that the risk of additional impairment losses in the interim is not significant in view of the scant volatility in prior assessments and prevailing residential sector trends. Savills Aguirre Newman Valoraciones y Tasaciones, S.A. appraised the Group's asset portfolio as at 31 March 2022, setting down its findings in a report issued on 5 May 2022.

At 30 September 2022, the net realisation value of the Group's inventories amounted to 2,215 million euros. That value was arrived at on the basis of the net realisation value as at 31 March 2022 (2,075 million euros), adjusted for (i) the inventories whose purchase closed during the six months elapsing between 1 April and 30 September 2022; (ii) the movement in developments under construction during the same period (without considering prepayments to suppliers), and (iii) the net realisation value at 31 March 2022 of homes delivered during the reporting period. As a result, the Group recognised accumulated impairment losses against its inventories of 5,689,907 euros at 30 September 2022 (having not recognised any additional impairment losses during the six-month period then ended) and unrealised gains of 500 million euros (5,689,907 euros and 551 million euros, respectively, at 31 March 2022).

At 30 September 2022, there were assets recognised under "Inventories" with a gross cost of 891 million euros (631 million euros at 31 March 2022) that guarantee developer loans arranged by the Group (note 5).

At 30 September 2022, the Group had recognised current provisions totalling 10,635,097 euros, of which 10,011,280 euros corresponded to provisions for the completion of works and 623,817 euros corresponded to provisions for lawsuits (13,236,445 euros at 31 March 2022, of which 12,708,965 euros related to the provision for works completion and 527,480 euros to coverage of lawsuits).

4. Capital and reserves

a) *Share capital*

At 30 September 2022, the Parent Company's share capital consisted of 46,806,537 shares with a unit par value of 1 euro, fully subscribed and paid in.

On 27 July 2021, the Parent reduced its share capital by 1,160,050 euros by cancelling 1,160,050 own shares (unit par value: 1 euro), which represented approximately 2.418% of its share capital at the time.

None of the Company's shares was pledged at 30 September 2022.

The breakdown of the Company's significant shareholders (those with equity interests of 3% or more) at 30 September 2022, as gleaned from the information reported to Spain's securities market regulator, the CNMV, by the shareholders themselves:

		% voting rights attributed to the shares		% voting rights held via financial instruments	
	% of total	Direct	Indirect	Direct	Indirect
HIPOTECA 43 LUX S.A.R.L.	71.522%	71.522%	-	-	-
T. ROWE PRICE ASSOCIATES, INC	4.931%	-	4.931%	-	-
T. ROWE PRICE INTERNATIONAL FUNDS, INC.	3.514%	-	3.514%	-	-

b) Share premium

The share premium account amounted to 478,534,502 euros at 30 September 2022.

As a result of the cancellation of own shares (refer to note 4.a above), the Group recognised a reduction in the share premium account of 21,542,219 euros, which is equivalent to the difference between the par value of the shares cancelled and the price at which they were acquired.

The balance of the share premium account can be freely distributed.

c) Legal reserve

In accordance with article 274 of the consolidated text of the Spanish Corporate Enterprises Act, 10% of profits must be earmarked to the legal reserve each year until it represents at least 20% of share capital.

The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase.

Except for this purpose, until the legal reserve exceeds the limit of 20% of capital, it can only be used to offset losses, if there are no other reserves available.

<u>Parent company reserves</u>

At 30 September 2022 and 31 March 2022, the Parent's legal reserve amounted to 9,593,317 euros, which is more than the legally-stipulated minimum threshold as a result of the capital reduction outlined in note 4.a.

d) Voluntary reserves

<u>Parent company reserves</u>

This reserve came about as a result of the difference between the fair value at which the real estate development business was contributed by the-then Sole Shareholder in 2017 and the amounts at which that business was carried in the latter's financial statements at the time.

The movement under this heading in the six months ended 30 September 2022 was shaped by the purchase and sale of own shares (refer to section f) below) in the amount of 10,996 euros and also the 65,685-euro-impact on reserves of the delivery of Parent company shares to AEDAS employees, framed by the commitments assumed in the incentive plans described in section j) below.

The movement under this heading during the year ended 31 March 2022 related mainly to the appropriation of profit for the year ended 31 March 2021, in the amount of 1,307,173 euros, of which 325,602 euros corresponded to undistributed dividends corresponding to the own shares acquired between the date of the resolution and effective payment, as outlined in section i) below. It was also shaped by the purchase and sale of own shares (refer to section f) below) in the amount of 71,192 euros, the recognition of invoices related with the capital reduction outlined in section a) above in the amount of 895 euros and a 93,136-euro-impact on reserves of the delivery of Parent company shares to AEDAS employees, framed by the commitments assumed in the incentive plans described in section j) below.

Reserves at fully-consolidated companies

The movement under this heading during the six months ended 30 September 2022 related primarily to the appropriation of the earnings of the consolidated investees for the year ended 31 March 2022.

The movement under this heading during the year ended 31 March 2021 related primarily to the appropriation of the earnings of the consolidated investees for the year ended 31 March 2021.

e) Capitalisation reserve

Article 25 of Spain's Corporate Income Tax Act (Law 27/2014) allows enterprises to reduce their tax income base by 10% of the increase in their own funds for the year so long as the increased own funds remain in equity for five years from the end of tax year in which they are used to reduce taxable income, unless used to offset losses. The enterprises opting to apply this tax benefit must set up a capitalisation reserve in the amount of the increase in own funds. That reserve must feature as a separate and appropriately named reserve account on reporters' balance sheets and is restricted for five years.

At 30 September 2022, the AEDAS Homes Group had set aside a capitalisation reserve of 4,597,296 euros, of which 893,761 euros was allocated by the Parent and 3,703,535 euros, by AEDAS HOMES OPCO, S.L.U. (31 March 2022: 3,611,844 euros, 893,761 euros set up by the Parent and the remaining 2,718,083 euros, by Aedas Homes Opco, S.L.U.).

f) Own shares

The Board of Directors of the Parent agreed at a meeting held on 25 July 2019 to roll out a share buyback programme, initially in the form of a Discretionary Programme and then, as approved at a Board meeting on 25 September 2019, a Repurchase Programme, under which it authorised the buyback of up to 2,500,000 shares for up to 50,000,000 euros. The Repurchase Programme is valid for up to 36 months and is being managed by JB Capital Markets, S.V., S.A.U.

On 25 February 2020, the Board of Directors agreed to increase the size of the Parent's buyback programme from 50 million euros to 150 million euros, without changing any of the other terms and conditions it had approved on 25 September 2019.

On 12 July 2022, the Company decided to renew the buyback programme, lowering the limit from 150 to 50 million euros. The new buyback programme got underway on 27 September 2022, following completion of the previously effective programme.

Since 8 August 2019, the Company has bought back 4,032,311 shares representing 8.62% of its capital at an average price of 20.17 euros per share (i.e., for 81,336,223 euros in total), of which: 148,724, shares (0.32% of capital) were purchased under the Discretionary Programme at an average price of 20.31 euros per share (i.e., for 3,019,989 euros); 1,739,112 shares (3.72%) were bought back under the Repurchase Programme at an average price of 20.77 euros per share (i.e., for 36,126,150 euros); and 2,144,475 shares (4.58%) were bought back via block trades at an average price of 19.67 euros per share (i.e., for 42,190,083 euros).

In June 2021, the Parent delivered 30,090 own shares to its employees as part of the commitments assumed under the first cycle of the long-term incentive plan described in note 4 j). Those shares were acquired for 593,134 euros.

On 27 July 2021, the Parent reduced its share capital by 1,160,050 euros by cancelling 1,160,050 own shares (unit par value: 1 euro) which it had purchased for 22,702,269 euros (notes 4a) and 4b)).

In June 2022, the Parent delivered 86,933 own shares to its employees as part of the commitments assumed under the second cycle of the long-term incentive plan and new incentive plan described in note 4 j). Those shares were acquired for 1,785,988 euros.

At 30 September 2022, the Company's own share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 56,254,831 euros, corresponding to 2,755,238 shares representing 5.89% of share capital; the average purchase price was 20.42 euros (31 March 2022: 55,868,955 euros; 2,720,335 shares; 5.81% and 20.54 euros, respectively).

h) Owner contributions

The Company did not receive any new owner contributions during the six months ended 30 September 2022 or 31 March 2021.

At 30 September 2022, total contributions by the Parent's Majority Shareholder amounted to 740,071,256 euros (same balance at 31 March 2022).

i) Dividend distribution

As provided for in article 273 of the Corporate Enterprises Act, once the legal and bylaw-stipulated requirements have been met, dividends may be distributed against profit for the year or freely distributable reserves so long as the value of equity is not lower than or would not fall below share capital as a result of the distribution. Any profit recognised directly in equity may not be distributed either directly or indirectly for such purposes. If prior-year losses were to reduce the Company's equity to below the amount of share capital, profit would have to be allocated to offset those losses.

At a meeting held on 23 March 2022, the Parent's Board of Directors resolved to pay an interim dividend against profits for the year ended 31 March 2022 of 0.82 euros per share (before withholding tax), which was paid on all shares carrying dividend rights. That dividend was paid on 31 March and totalled 36,153,300 euros.

On 29 June 2022, AEDAS HOMES, S.A.'s shareholders resolved, in general meeting, to pay an additional dividend (complementary dividend) from earnings for the year ended 31 March 2022 of 1.34 euros per share on all shares other than own shares as of the ex-dividend date, as had been proposed by the Board of Directors following a meeting held on 25 May 2022. As a result, assuming that on the date of distributing the proposed dividend the number of own shares of the Parent was the same as at 31 March 2022, i.e., 2,720,335 shares, the maximum dividend payable (interim plus complementary dividend) would have been 95,228,811 euros, leaving an unallocated income of 14,139,304 euros. The final dividend of 1.34 per share was paid on all shares carrying dividend rights on 8 July 2022; the payout totalled 59,157,647 euros; the unallocated income balance was accordingly reduced by 82,136 euros.

The Board of Directors, at a meeting held on 21 July 2021, approved the Company's shareholder remuneration policy, pursuant to which:

- Each year, the Board of Directors will submit a motion for the distribution of an ordinary dividend equivalent to 50% of net profit until FY 2025/26, inclusive.
- The ordinary dividends may be complemented by extraordinary dividends that may be approved as a function of cash generation.
- Distribution of any such extraordinary dividends is conditional upon the ratio of net debt to gross asset value (i.e., net LTV) not exceeding 20%.

The Board of Directors reserves the right to modify its shareholder remuneration policy in the event of material developments that could affect the Company's earnings performance or financing needs, warranting its discontinuation; those events could include significant changes in macroeconomic conditions or a decision to undertake a significant transaction or acquisition that could impact the capacity for remuneration.

Nevertheless, there were no limits on the distribution of dividends other than those contemplated in company law and the Green Bond debenture (note 5) as of at 30 September 2022 or 31 March 2022.

j) Other equity instruments

On 26 September 2017, the Parent's Majority Shareholder approved a long-term incentive plan (the LTIP) payable entirely in shares for the CEO, the Company's key management personnel and certain key employees, structured into three overlapping three-year periods or cycles (the first cycle was settled in June 2021; the second cycle was settled in June 2022 and the third cycle runs from 1 April 2020 until 31 March 2023). The metrics to be used to measure delivery of the targets for the third cycle are, in equal parts: (i) EBITDA; (ii) the development margin; and (iii) the shareholder return. For each there are minimum thresholds below which the bonuses do not accrue; there is also scope for outperformance. The number of shares to be received by each participant is determined by the price of the shares in each three-year cycle (the average trading price during the 20 trading sessions prior to the start of the cycle in the case of the outstanding third cycle) and the level of target delivery. All of the shares received by the CEO and 50% of those received by key management personnel will be subject to a one-year lock-up from when they are received. In the case of the CEO and members of the Management Committee, this bonus is subject to repayment under certain circumstances. The cost of the LTIP is borne by the Group. The maximum aggregate amount receivable by its beneficiaries is 6,107,201 euros (which is below the initially contemplated 11 million euros, as target delivery fell short of 150% in the first and second cycles, already paid). This long-term incentive plan was endorsed by the Parent's Appointments and Remuneration Committee on 27 February 2018. On 28 June 2020, the Parent's Board of Directors approved a new share-based scheme (the New Incentive). Its beneficiaries are the CEO, the Company's key management personnel and certain key employees and it is subject to delivery of the same targets as were set for the second cycle of the LTIP. In the case of the CEO and members of the Management Committee, this bonus is subject to repayment under certain circumstances. The New Incentive was paid out in June 2022 in the amount of 1,198,658 euros.

In June 2021, the Parent delivered 30,090 own shares to its employees as part of the commitments assumed under the first cycle of the LTIP, implying a decrease in "Other equity instruments" of 1,166,129 euros (note 4 f).

In June 2022, the Parent delivered 86,933 own shares to its employees as part of the commitments assumed under the second cycle of the LTIP and the New Incentive, implying a decrease in "Other equity instruments" of 3,153,103 euros (note 4 f)).

On 23 November 2021, the Parent's Majority Shareholder approved a second long-term incentive plan payable entirely in shares for the CEO, the Company's key management personnel and certain key employees, structured into three overlapping three-year periods or cycles (from 1 April 2021 to 31 March 2024; from 1 April 2022 to 31 March 2025; and from 1 April 2023 until 31 March 2026). The metrics to be used to measure delivery of the targets for the first cycle are: 30% EBITDA; 30% the net development margin; 20% the absolute shareholder return; 10% the relative shareholder return (5% the sector index and 5% the IBEX small cap index); and 10% a sustainability indicator. For each there are minimum thresholds below which the bonuses do not accrue; there is also scope for outperformance. The number of units to be received by each participant will be determined by the price of the shares in each three-year cycle (the average trading price during the 20 trading sessions prior to the start of the cycle) and the level of target delivery. The total number of shares to be received by the CEO and the Company's key management personnel cannot be sold for two years from receipt and 50% of the remaining beneficiaries' shares will be likewise locked up for two years from receipt. In the case of the CEO and members of the Management Committee, this bonus is subject to repayment under certain circumstances. The cost of this incentive plan will be assumed by the Group. The maximum amount receivable by the plan beneficiaries is 30 million euros. This long-term incentive plan was endorsed by the Parent's Appointments and Remuneration Committee on 23 November 2021.

The amount recognised under "Other equity instruments" in respect of the commitment assumed under the two long-term incentive plans by the Parent vis-a-vis its key employees stood at 4,882,284 euros at 30 September 2022 (6,617,788 euros at 31 March 2022).

k) Non-controlling interests

This heading presents the share of the equity of the fully-consolidated Group companies that is held by minority shareholders.

The reconciliation, by subsidiary, of the opening and closing balances of non-controlling interests during the six months ended 30 September 2022:

	Ownership interest attributable to the Parent	Euros			
		31 Mar. 2022	Profit/(loss) attributable to non-controlling interests	Other changes	30 Sept. 2022
SPV SPAIN 2, S.L.	87.5%	163,167	(8,365)	(75,000)	79,802
DOMUS AVENIDA, S.L.	52%	248,129	205,698	-	453,827
Total		**411,296**	**197,333**	**(75,000)**	**533,629**

On 30 June 2022, SPV Spain 2, S.L.'s shareholders agreed, in general meeting, to pay out 600,000 euros of dividends against profit for the year ended 31 March 2022. That dividend was paid on 29 July 2022, with the non-controlling interests receiving 75,000 euros.

The reconciliation, by subsidiary, of the opening and closing balances of non-controlling interests during the year ended 31 March 2022:

	Ownership interest attributable to the Parent	**Euros**			
		31 Mar. 2021	Profit/(loss) attributable to NCI	Other changes	31 Mar. 2022
SPV SPAIN 2, S.L.	87.5%	1,544,180	559,131	(1,940,144)	163,167
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U. (formerly called ESPEBE, 11, S.L.)	100%	345,309	-	(345,309)	-
DOMUS AVENIDA, S.L.	52%	-	197,044	51,085	248,129
Total		**1,889,489**	**756,175**	**(2,234,368)**	**411,296**

The shareholders of SPV Spain 2, S.L. agreed, in general meeting, to distribute a dividend of 5,500,000 euros from voluntary reserves on 30 June 2021 and to pay out another 9,000,000 euros on 27 September 2021, broken down as follows: dividend charged against voluntary reserves in the amount of 2,684,620 euros; dividend charged against the share premium account in the amount of 978,848 euros; dividend charged against earnings for the year in the amount of 1,212,357 euros, and the repayment of contributions of 4,124,175 euros. In addition, on 18 January 2022, that investees' shareholders agreed to pay an interim dividend against profit for the year of 2 million euros. As a result of those resolutions, the non-controlling shareholders in SPV Spain 2, S.L. received 2,062,500 euros during the year ended 31 March 2022.

The shareholders of ESPEBE 11, S.L. (currently called AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.), in general meeting, resolved to distribute a dividend of 700,000 euros from voluntary reserves on 30 June 2021, with its non-controlling shareholders receiving 140,000 euros. On 8 November 2021, AEDAS HOMES OPCO, S.L.U. acquired a 20% equity interest in ESPEBE 11, S.L. (currently called AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.) from Promociones y Propiedades Inmobiliarias Espacio, S.L.U. As a result of that acquisition, AEDAS HOMES OPCO, S.L.U. is now that investee's sole shareholder.

On 29 July 2021, AEDAS HOMES OPCO, S.L.U. acquired 52% of the share capital of Domus Avenida, S.L. from Aurea Iberica, S.L.

5. Borrowings and other financial liabilities

The Group had the following borrowings at 30 September 2022:

	Euros				
	30 September 2022				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Developer loans	717,588,675	165,678,903	1,442,122	-	167,121,025
Land financing	3,180,000	2,852,117	245,733	-	3,097,850
BTR project financing (**)	112,152,000	17,674,090	-	-	17,674,090
Total project financing	**832,920,675**	**186,205,110**	**1,687,855**	**-**	**187,892,965**
Green bonds issued	325,000,000	-	-	318,189,042	318,189,042
Revolving credit facility	55,000,000	-	24,489,128	-	24,489,128
Commercial paper issued (*)	150,000,000	-	32,396,297		32,396,297
Lease liabilities (*)	-	-	1,631,260	3,218,288	4,849,548
Total corporate debt	**530,000,000**	**-**	**58,516,685**	**321,407,330**	**379,924,015**
Interest on project financing	-	-	1,469,833	-	1,469,833
Interest on corporate debt	-	-	4,969,342	-	4,969,342
Other liabilities	-	-	127,838	113,510	241,348
Total other liabilities	**-**	**-**	**6,567,013**	**113,510**	**6,680,523**
Total borrowings and other liabilities	**1,362,920,675**	**186,205,110**	**66,771,553**	**321,520,840**	**574,497,503**

(*) Unsecured debt
(**) Debt with a promise of granting a mortgage over the real estate assets

The Group had the following borrowings at 31 March 2022:

	Euros				
	31 March 2022				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Developer loans	537,702,750	96,225,384	3,380,145	-	99,605,529
Land financing	4,380,000	2,373,742	2,006,258	-	4,380,000
BTR project financing (**)	112,152,000	-	-	-	-
Total project financing	**654,234,750**	**98,599,126**	**5,386,403**	**-**	**103,985,529**
Green bonds issued	325,000,000	-	-	317,416,728	317,416,728
Revolving credit facility	55,000,000	-	-	-	-
Commercial paper issued (*)	150,000,000	-	37,549,452	-	37,549,452
Lease liabilities (*)	-	-	762,242	1,098,891	1,861,133
Total corporate debt	**530,000,000**	**-**	**38,311,694**	**318,515,619**	**356,827,313**
Interest on project financing	-	-	1,511,009	-	1,511,009
Interest on corporate debt	-	-	4,911,110	-	4,911,110
Other liabilities	-	-	1,166,858	96,690	1,263,548
Total other liabilities	**-**	**-**	**7,588,977**	**96,690**	**7,685,667**
Total borrowings and other liabilities	**1,184,234,750**	**98,599,126**	**51,287,074**	**318,612,309**	**468,498,509**

(*) Unsecured debt
(**) Debt with a promise of granting a mortgage over the real estate assets

At 30 September 2022, non-current debt accounted for 88.38% of the total (89.05% at 31 March 2022).

Developer loans

At 30 September 2022, the AEDAS Group had arranged mortgages in an aggregate amount of 717,588,675 euros in order to finance 91 developments (31 March 2022: 537,702,750 euros financing 75 developments). The balance recognised at 30 September 2022 using the amortised cost method was 167,121,025 euros (31 March 2022: 99,605,529 euros). The mortgages carry interest at EURIBOR plus spreads ranging between 185 and 300 basis points.

The Group has arranged developer loans totalling 718 million euros, which it has drawn down by 171 million euros (23.83% of the total available); it has also drawn down 143 million euros which are secured by the buyers' account, leaving 404 million euros available for drawdown.

The undrawn loans become available for draw down as the following milestones are met: (i) attainment of a specific volume of sales contracts at each development (a percentage that can change from one development to the next but in all instances exceeds 30%); (ii) execution and invoicing of each development milestone.

At 30 September 2022, the progress of the Group's developments qualified it to draw down an additional 11.8 million euros corresponding to supplier invoices already paid and, therefore, tied to delivery of the milestones indicated above.

Land financing

At 30 September 2022, the Group recognised a mortgage to fund the acquisition of land with a face value of 3,180,000; that mortgage accrues interest at 12-month EURIBOR plus a spread of 300 basis points.

Build-to-rent project financing

On 22 July 2021, Group subsidiary Aedas Homes Rental, S.L.U. (formerly, Facornata Servicios y Gestiones, S.L.U.) closed a financing agreement with investment firm Iberia Private Real Assets Credit, SCSp in the amount of 112,152,000 euros in order to partially finance the construction cost of 10 build-to-rent (BTR) projects. The loan agreement has a term of four years from the close date and bears interest at 3-month EURIBOR plus 500 basis points (the applicable benchmark rate is zero if EURIBOR is negative).

The facility can be drawn down as the following conditions are met, among others: (i) Pre-financing by the AEDAS Homes Group of 40% of the developments' construction costs; and (ii) execution and invoicing of each development milestone.

Those conditions had been met at 30 September 2022 and the facility was drawn down by 18,372,498 euros. The balance recognised at 30 September 2022 using the amortised cost method was 17,674,090 euros.

To secure that financing, a mortgage promise was granted over the properties. The loan agreement also entails the following covenants for Aedas Homes Rental, S.L.U. (formerly, Facornata Servicios y Gestiones, S.L.U.):

a) A loan-to-cost (LTC) ratio of no more than 75% each quarter.
b) A loan-to-value (LTV) ratio of no more than 60% each quarter.
c) A minimum cash balance of 750,000 euros.

The Group was compliant with all of the related covenants at 30 September 2022.

Loans classified as current liabilities that fall due in the long term

The maturity profile of the loans classified as current borrowings that fall due in the long term is as follows:

	Euros	
	Current	
Maturity	30 Sept. 2022	31 Mar. 2022
2H 2023/24	4,059,523	3,182,959
FY 2024/25	6,432,876	3,322,484
FY 2025/26	5,838,534	3,023,686
2026/27 and beyond	169,874,177	89,069,997
	186,205,110	**98,599,126**

Green bonds

On 21 May 2021, Group company AEDAS HOMES OPCO, S.L.U. issued 325 million euros of green bonds due 15 August 2026. The bonds are listed on the Irish Stock Exchange's Global Exchange Market.

The bonds carry a coupon of 4%, payable six-monthly.

The green bonds constitute senior secured debt of the Issuer. Specifically, they are secured by (i) a personal guarantee extended by AEDAS; (ii) a first-ranking pledge, under Spanish law, over all of the share capital of the Issuer; and a (iii) a first-ranking pledge, under Spanish law, over all of AEDAS Group's credit claims as a result of any intra-group loans.

The gross proceeds will be used by the subsidiary for general corporate purposes, including to repay existing corporate borrowings, bolster liquidity and pay the fees and charges related with the issue. That subsidiary has committed to use an amount equivalent to the net proceeds to finance or refinance eligible green assets categorised as green buildings.

To meet potential contingencies, the bond issue has an associated back-up revolving facility. The limit on that facility is 55 million euros and it mature on 15 August 2026. That facility will accrue a variable rate of interest on the amount drawn of EURIBOR plus a spread of between 2% and 3%, depending on the Net Secured Loan-to-Value ratio, subject to a floor of 0% if EURIBOR is negative. The facility will also accrue a commitment fee of 30% of the spread. At 30 September 2022, the Group had drawn down a face amount of 25,000,000 euros, which was carried at an amortised cost of 24,489,128 euros as of the reporting date.

Lastly, the bonds imply compliance with certain covenants; breach of those covenants would limit the ability to pursue certain transactions outside the ordinary course of the Group's business. At 30 September 2022, there with very significant headroom with respect to those limits. The related financial metrics are shown below:

	30 Sept. 2022	**31 Mar. 2022**
Pari Passu Senior Secured Loan to Value Ratio	21.6%	11.5%
Net Total Loan to Value Ratio	23.6%	13.8%
Net Secured Total Loan to Value Ratio	21.6%	11.5%

Promissory notes

On 23 June 2022, the Parent arranged a new AEDAS HOMES 2022 Commercial Paper Program on Spain's alternative fixed income market (MARF for its acronym in Spanish). Under the new programme, it can issue up to 150,000,000 euros of commercial paper with terms of up to 24 months, with the aim of continuing to diversify the Group's sources of financing. It substitutes the commercial paper programme arranged on 14 June 2021.

The Parent issued a total of 47.2 million euros of commercial paper under the programme during the six months ended 30 September 2022 and it repaid 52.8 million euros of commercial paper at maturity, leaving an outstanding balance of 32.5 million euros due on several dates between the reporting date and June 2024. The effective annual cost of the commercial paper issues is 1.89%.

Commercial paper is initially recognised at the fair value of the consideration received plus directly attributable transaction costs. Subsequently, the implicit interest on the paper is accrued using the effective interest rate on the transaction so that the carrying amount of these borrowings is adjusted for the interest accrued. The commercial paper issued by the Group was carried, using the effective interest rate method, at 32,396,297 euros at 30 September 2022.

Changes in liabilities arising from financing activities

Below is an account of the changes in liabilities resulting from the Group's financing activities during the six months ended 30 September 2022, distinguishing between those that gave rise to inflows and outflows of cash and those that did not:

	Non-current bank borrowings	Non-current commercial paper and bonds	Other non-current liabilities	Current bank borrowings	Current commercial paper and bonds	Other current liabilities	TOTAL
Balance at 1 April 2022	**-**	**317,416,728**	**1,195,581**	**105,496,538**	**42,460,562**	**1,929,099**	**468,498,508**
Changes derived from financing cash flows (1)	-	-	-	129,128,560	(5,758,715)	-	123,369,845
Changes arising from obtaining or losing control of subsidiaries or other businesses	-	-	-	-	-	-	-
Assumption of developer loans	-	-	-	(19,132,252)	-	-	(19,132,252)
Interest accrued without an impact on financing cash flows	-	794,206	(1,490)	12,170	605,560	(4,885)	1,405,561
Amounts transferred to 'current' without an impact on financing cash flows	-	-	-	-	-	-	-
Other changes	-	(21,892)	18,310	(1,594,858)	-	(1,034,135)	(2,632,575)
Fixed asset suppliers Lease agreements	-	-	2,119,397	-	-	869,019	2,988,416
Balance at 30 September 2022	**-**	**318,189,042**	**3,331,798**	**213,910,158**	**37,307,407**	**1,759,098**	**574,497,503**

(1) During the six months ended 30 September 2022, the net cash outflow related with bank borrowings amounted to 129,128,560 euros, made up of developer loan drawdowns of 151,713,402 euros, offset by developer loan repayments on delivery of housing units of 47,584,842 euros, the drawdown of 35,000,000 euros of corporate debt and the repayment of 10,000,000 euros of corporate debt.

6. Taxes payable and receivable and tax matters

a) Applicable legislation and years open to inspection

In accordance with prevailing tax legislation, tax returns cannot be considered final until they have been inspected by the tax authorities or until the four-year inspection period has elapsed. At 30 September 2022, the Parent and other Group companies had all their tax returns open to inspection for all required years.

The Parent's directors do not anticipate the accrual of additional liabilities other than those already provided for as a result of any review by the tax authorities of the years open to inspection.

b) Reconciliation of accounting profit/(loss) and tax income/(expense)

The reconciliation of accounting profit/(loss) and tax income/(expense) is as follows:

	Euros	
	Six months ended 30 Sept. 2022	Six months ended 30 Sept. 2021
Profit before tax	9,564,916	33,398,973
Consolidation adjustments	(537,425)	(1,504,697)
Permanent differences	231,876	704,638
Temporary differences	(4,091,723)	(6,942,251)
Taxable income/(tax loss) before utilisation of tax losses/credits	**5,167,644**	**25,656,663**
Reduction of taxable income for tax losses	(684,966)	(2,573,983)
Taxable income/(tax loss)	**4,482,678**	**23,082,680**
Tax rate	25%	25%
Tax accrued	(1,120,670)	(5,770,670)
Utilisation of recognised tax losses	(170,326)	(643,496)
Recognition/(utilisation) of deductible temporary differences - current year	(1,022,931)	(1,735,563)
Adjustment for prior-year corporate income tax	-	-
Other adjustments	4,445	(1,514)
Tax credits generated during the reporting period not recognised	-	(132,597)
Current income tax income/(expense)	**(1,121,585)**	**(5,903,267)**
Deferred income tax income/(expense)	**(1,187,896)**	**(2,380,573)**

c) Deferred tax

The breakdown of the tax credits recognised by the various Group companies at 30 September 2022 and 31 March 2022:

	Euros	
	30 Sept. 2022	31 Mar. 2022
AEDAS HOMES S.A.	1,240,529	1,669,045
Other Group companies	4,524,236	5,283,616
TOTAL	**5,764,765**	**6,952,661**

The reconciliation of the movement in deferred tax assets and liabilities during the six months ended 30 September 2022 is shown below:

	Euros			
	1 April 2022	Changes recognised in		30 Sept. 2022
	Opening balance	Statement of profit or loss	Equity	Closing balance
Deferred tax assets				
Unused tax losses	1,850,706	(170.326)	-	1,680,380
Deductible temporary differences	5,101,955	(1,017,570)	-	4,084,385
Total deferred tax assets	**6,952,661**	**(1,187,896)**		**5,764,765**
Deferred tax liabilities				
Taxable temporary differences	(260,416)	-	-	(260,416)
Total deferred tax liabilities	**(260,416)**	**-**	**-**	**(260,416)**
Total net deferred tax assets	**6,692,245**	**(1,187,896)**	**-**	**5,504,349**

The movement in deferred tax assets and liabilities during the six months ended 30 September 2022 stemmed mainly from the utilisation of 170,326 euros of tax losses and of 1,017,570 euros of taxable (and deductible) temporary differences (related to differences between the carrying amounts and tax bases of certain assets and the provisions for the Group's two long-term incentive plans).

On 27 December 2017, the Board of Directors resolved to avail of the consolidated tax regime (contemplated in article 55 *et seq.* of the Spanish Corporate Income Tax - Law 27/2014) in 2018 and thereafter, Aedas Homes, S.A. being the parent of the tax group.

The Parent's directors believe there are no indications that the deferred tax assets recognised are impaired on the basis of:

- The projections drawn up by the Group for FY 2021/22 to FY 2025-26.

- The appraisal of its inventories, which indicates a gross asset value (GAV) of 2,215 million euros, implying unrealised capital gains of 500 million euros (note 3).

On the basis of the foregoing, the Parent's directors expected that it will be able to utilise all of the tax assets recognised in respect of unused tax credits in 2023.

7. Related-party transactions

The Group's related parties include, in addition to its subsidiaries, jointly controlled companies and associates, its shareholders, key management personnel (the members of its Board of Directors and its executives, along with their close family members) and the entities over which its key management personnel have control or significant influence. Specifically, related-party transactions are those performed with non-Group agents with whom there is a relationship in accordance with the definitions and criteria derived from Spain's Ministry of Finance Order EHA 3050/2004 (of 15 September 2004) and CNMV Circular 1/2005 (of 1 April 2005), as well as other applicable company law.

The main transactions completed with related parties in the six-month period ended 30 September 2022:

- Shareholder contributions and loans extended to associates.
- Contracts entered into with minority shareholders: sales agreements.
- Contracts entered into with associates: provision of management, monitoring and sale-marketing services.

The main transactions completed with related parties in the six-month period ended 30 September 2021:

- Shareholder contributions to associates.
- Agreements entered into between AEDAS HOMES OPCO, S.L.U. and associates: loans, management, monitoring and sales-marketing service provision.
- On 29 July 2021, AEDAS HOMES OPCO, S.L.U.H exchanged its 10% interest in Urbania Lamatra I, S.L. for land in Mairena del Aljarafe (Seville), duly exercising an exchange right held under the shareholder agreement. As a result of that exchange, AEDAS HOMES OPCO, S.L.U. acquired 62.35% of a site in Mairena del Aljarafe (Seville) by means of the repayment of contributions in the amount of 204 thousand euros and the partial amortisation of a loan extended to that company in the amount of 875 thousand euros. The remaining 37.65% of the site was acquired for 652 thousand euros of cash.

The table below discloses the transactions completed with related parties during the six months ended 30 September 2022 and the related-party balances at 30 September 2022:

Six months ended 30 September 2022	Euros			
	Income		Expenses	
	Revenue from services rendered	Finance income	Sales-marketing	Finance costs
Winslaro ITG, S.L.	-	102,141	-	-
Serv. Inmobiliarios Licancabur, S.L.	50,000	101,657	-	-
Urbania Lamatra II, S.L.	42,000	49,011	-	-
Espacio Aurea Residencial, S.L.	5,929	10,522	-	-
Residencial Henao, S.L.	263,357	-	-	-
Nature Este, S.L.	120,309	-	-	-
Varia ACR Móstoles Fuensanta, S.L.	310,379	31,424	-	-
Áurea Etxabakoitz, S.L.	570,720	-	-	-
Allegra Nature, S.L.	182,498	4,506	-	-
Non-controlling interests	-	-	(74,120)	-
	1,545,192	**299,261**	**(74,120)**	-

Related-party balances at 30 September 2022	Euros			
	Trade and other receivables	Loans	Borrowings from shareholders	Trade and other payables
Winslaro ITG, S.L.	-	4,466,927	-	-
Serv. Inmobiliarios Licancabur, S.L.	-	4,435,952	-	-
Urbania Lamatra II, S.L.	8,470	1,881,562	-	-
Espacio Aurea Residencial, S.L.	-	443,830	-	-
Residencial Henao, S.L.	279,175	-	-	-
Nature Este, S.L.	103,981	-	-	-
Varia ACR Móstoles Fuensanta, S.L.	375,632	-	-	-
Residencial Ciudadela Uno, S.L.U.	86	-	-	-
Áurea Etxabakoitz, S.L.	95	-	-	-
Allegra Nature, S.L.	2,181	-	-	-
Non-controlling interests				(71,664)
	769,620	**11,228,271**	-	**(71,664)**

The table below discloses the transactions completed with related parties during the six months ended 30 September 2021 and the related-party balances at 31 March 2022:

Six months ended 30 September 2021 (*)	Euros			
	Income		Expenses	
	Other operating income	Finance income	External services	Finance costs
Winslaro ITG, S.L.	72,500	59,613	-	-
Serv. Inmobiliarios Licancabur, S.L.	115,000	95,078	-	-
Urbania Lamatra II, S.L.	42,000	38,898	-	-
Espacio Aurea Residencial, S.L.	228,169	12,198	-	-
Residencial Henao, S.L.	65,491	-	-	-
Nature Este, S.L.	66,531	-	-	-
Varia ACR Móstoles Fuensanta, S.L.	25,991	19,904	-	-
Áurea Etxabakoitz, S.L.	35,695	6,656	-	-
Alegra Nature, S.L.	-	17,568	-	-
	651,377	**249,915**	**-**	**-**

(*) Unaudited

31 March 2022	Euros			
	Trade and other receivables	Loans	Dividend receivable	Trade and other current accounts payable
Non-controlling interests	-	-	-	(85,657)
Winslaro ITG, S.L.	-	3,851,026	-	-
Serv. Inmobiliarios Licancabur, S.L.	237,275	4,288,795	-	-
Urbania Lamatra II, S.L.	8,470	1,755,550	-	-
Espacio Áurea Residencial, S.L.	42,941	433,308	-	-
Residencial Henao, S.L.	57,167	-	-	-
Nature Este, S.L.	57,098	-	-	-
Varía ACR Móstoles Fuensanta,S.L.	10,519	1,726,769	-	-
Áurea Etxabakoitz, S.L.	43,060	-	-	-
Allegra Nature, S.L.	252,269	1,065,029	324,000	-
	708,799	**13,120,477**	**324,000**	**(85,657)**

8. Revenue

The revenue breakdown for the six-month periods ended 30 September 2022 and 30 September 2021:

	Euros	
	Six months ended 30 September 2022	Six months ended 30 September 2021
By business segment		
Sale of developments	210,560,362	236,149,301
Provision of real estate services (note 2f)	3,234,457	-
Rental income	677,678	214,271
Total	**214,472,497**	**236,363,572**

Revenue from the sale of developments, corresponding to the delivery of houses at 69 residential developments, amounted to 210,560,362 euros in the six months ended 30 September 2022 (236,149,301 euros and 51 developments, respectively, in the six months ended 30 September 2021).

Revenue from the provision of services stemmed from the provision of management and sales-marketing services, management services under *Plan Vive* and land management and monitoring services during the permitting and planning phases of development.

The rental income recognised in the six months ended 30 September 2022 was generated by 46 homes (24 homes in the six months ended 30 September 2021) at developments carried out by the Group that have been rented out with options to buy and, accordingly, have been transferred from inventories to investment properties. The purchase options in those lease agreements can be exercised after between one and four years; the rent paid until the exercise date will be discounted at different percentages depending on the year of exercise. Their amount is not material with respect to total revenue.

All revenue from sales and services was generated in Spain.

9. Remuneration and other benefits provided to the directors, key management personnel and the Group auditor

The members of the Board of Directors at 30 September 2022:

- Cristina Álvarez
- Evan Andrew Carruthers
- Eduardo Edmundo D'Alessandro Cishek
- Santiago Fernandez Valbuena
- Javier Martínez-Piqueras Barceló
- Javier Lapastora Turpín
- David Martínez Montero
- Milagros Méndez Ureña
- Miguel Temboury Redondo

Disclosures regarding director conflicts of interest

None of the Parent's serving directors transacted with the Company or any of its Group companies other than in the ordinary course of business or other than on an arm's length basis during the six months ended 30 September 2022.

During that same period, neither those directors nor the persons related to them, as defined in the Corporate Enterprises Act, had any relationships with non-Group companies whose business activities could imply a conflict of interest for them or for the Company; accordingly, none of the reports required in article 229 of the Corporate Enterprises Act were notified to any of the competent bodies during the reporting period, which is why there are no related disclosures in these interim condensed consolidated financial statements.

Director remuneration and other benefits

The members of the Parent's Board of Directors accrued 1,268,422 euros of remuneration during the six months ended 30 September 2022 (1,196,425 euros during the six months ended 30 September 2021).

Key management personnel remuneration and other benefits

The remuneration earned by the Company's key management personnel during the six-month periods ended 30 September 2022 and 30 September 2021:

No. of people	Euros				
	Six months ended 30 September 2022			Advances	
30 Sept. 2022	Fixed and variable remuneration	Other remuneration	Total	Number	Amount
6	912,099	549,363	1,461,463	-	-

No. of people	Euros				
	Six months ended 30 September 2021			Advances	
30 Sept. 2021	Fixed and variable remuneration	Other remuneration	Total	Number	Amount
7	737,172	332,466	1,069,638	1	17,000

The Parent had no pension obligations to its key management personnel nor had it extended those professionals any loans or guarantees at 30 September 2022 or 2021 other than as disclosed in note 4j).

Auditor fees

The fees accrued by the Company's auditor, Ernst & Young, S.L., during the interim reporting periods:

	Euros	
	Six months ended 30 September 2022	Six months ended 30 September 2021
Audit and related services		
Audit services	-	-
Other assurance services	25,515	53,650
Total	**25,515**	**53,650**

10. Risk management

The Group, of which Aedas Homes, S.A. is the Parent (note 1), manages its capital so as to ensure that the Group companies will be able to continue as profitable concerns while maximising shareholder returns by balancing its debt versus equity structure.

Financial risk management is centralised in the Finance Department, which has established the mechanisms it deems advisable for controlling exposure to credit and liquidity risk and, to a lesser extent, interest rate risk.

Credit risk

The Group is not significantly exposed to credit risk as collection of the proceeds from the sale of its developments to customers is secured by the properties sold; in addition, framed the Group's cash management policy, it places its cash surpluses with highly solvent banks in respect of which counterparty risk is not material.

No accounts receivable from Group companies, related parties or third parties were past due at 30 September 2022.

Liquidity risk

The Group determines its liquidity requirements by means of cash forecasts. These forecasts pinpoint when the Group will need funds and how much and new funding initiatives are planned accordingly.

In order to ensure ongoing liquidity and the ability to service all the payment commitments arising from its business operations, the Group holds the cash balances shown on the balance sheet as well as the credit lines and financing agreements detailed in note 5.

In addition to tapping the general credit markets, the Group has two sector-specific mechanisms for raising financing for its building work: developer loans and customer prepayments. After it acquires its sites, those mechanisms cover virtually all of its financing needs during the construction period.

Developer loans

The Group has arranged developer loans totalling 718 million euros, which it has drawn down by 171 million euros (23.83% of the total available); it has also drawn down 143 million euros which are secured by the buyers' account, leaving 404 million euros available for drawdown.

The undrawn loans become available for draw down as the following milestones are met: (i) attainment of a specific volume of sales contracts at each development (a percentage that can change from one development to the next but in all instances exceeds 30%); (ii) execution and invoicing of each development milestone.

At 30 September 2022, the progress of the Group's developments qualified it to draw down an additional 11.8 million euros corresponding to supplier invoices already paid and, therefore, tied to delivery of the milestones indicated above.

Customer prepayments

At 30 September 2022, the Group recognised 256 million euros of customer down payments for housing units (pre-sales and private contracts), of which 39 million euros correspond to payment commitments set up as direct debits. Those advances are equivalent to roughly 20% of the sale price of the associated units. Unilateral cancellation by the customer is subject to a penalty of 50% of the down payment made.

Although much of the prepayment balance has been used to build the houses, 59 million euros has been set aside exclusively for execution of the corresponding developments.

This arrangement implies a liquidity risk insofar as contract termination would trigger the requirement to reimburse 50% of the down payments received. In the last 12 months, customer contract terminations have triggered the obligation to repay 9,725,383 euros, of which 1,018,625 euros corresponds to the six-month period ended 30 September 2022.

In addition to the above construction-specific financing mechanisms, as outlined in note 5, the Group has a build-to-rent (BTR) project finance facility with a limit of 112 million euros and a revolving credit facility with a limit of 55 million euros. At 30 September 2022, the Group had drawn down 18 million euros under the BTR facility and 25 million euros under the revolving credit facility.

Elsewhere, the Group has registered a 150-million-euro commercial paper programme with Spain's alternative fixed-income exchange, MARF (note 5). The balance of commercial paper outstanding under that programme stood at 32.5 million euros at the reporting date. The overriding purpose of the programme is to diversify the Group's sources of financing, providing an alternative to bank credit with terms of up to 24 months. It is also making the fixed-income investor community familiar with the Company in preparation for potentially tapping the capital markets for longer-dated paper in the future. Insofar as the commercial paper programme can involve the issuance of debt due within 12 months of the reporting date, the Group analyses it with respect to the sum of (i) developer loans immediately drawable due to invoice milestones; and (ii) unrestricted cash. At 30 September 2022, all of the commercial paper - with a face value of 32.1 million euros - was due within 12 months of the reporting date. By comparison, as of the same date, unrestricted cash amounted to 61.1 million euros and the amount available for immediate drawdown under developer loans amounted to 11.8 million euros, for a total of 72.9 million euros, which is 40.8 million euros more than the commercial paper due in the short term.

Note, lastly, that the Group expects to generate net cash from its operating activities, i.e., the development and sale of its developments (factoring in the use of its specific financing mechanisms), such that it foresees considerable headroom in terms of servicing its obligations to financial institutions, suppliers and shareholders.

The Parent's directors believe that these arrangements will be sufficient to cover its cash requirements and those of its subsidiaries going forward. The liquidity function is managed at the Group level, so that the operating companies do not face liquidity shortfalls and can concentrate on pursuing their real estate developments, which are financed using external borrowings, as detailed above.

Market risk: interest rate risk

The Group's cash balances and certain of its borrowings expose it to interest rate risk, which could have an adverse impact on its net finance expense and cash flows. Note, however, that both the green bonds and the commercial paper issued by the Group carry fixed rates of interest and are therefore not exposed to interest rate risk. As a result, 62% of the Group's total borrowings (considering the amounts drawn) carried fixed interest rates at 30 September 2022, significantly limiting its exposure to variability in benchmark interest rates.

A 100 basis point movement in interest rates would have increased finance costs by 709,509 euros the six months ended 30 September 2022 (and by 1,032,050 euros in the six months ended 30 September 2021).

11. Information about reportable segments

The criteria used to assess the Group's reportable segments were the same as those described in the annual consolidated financial statements for the year ended 31 March 2022.

The Group has defined neither operating nor geographical segments since its business consists almost exclusively of property development in Spain.

12. Other relevant information

The Group does not have highly-seasonal transactions of material amount.

Nor does it incur significant costs unevenly during the financial year warranting anticipation or deferral for interim reporting purposes.

The items affecting assets, liabilities, equity, net profit and cash flows that are unusual because of their nature, size or incidence are duly disclosed in the notes to the accompanying interim condensed consolidated financial statements. No events or transactions deemed significant to the understanding of the accompanying interim condensed consolidated financial statements have taken place that have not been disclosed herein. Specifically:

- There have been no significant impairment losses on items of property, plant or equipment or other assets (or reversals thereof) that because of their size or nature warrant detailed disclosures.
- There have been no provisions for restructuring costs (or reversals thereof).
- There have been no significant acquisitions or disposals of items of property, plant and equipment.
- There are no contractual commitments for the purchase of property, plant and equipment, intangible assets or other assets of material amount.
- There have been no changes in contingent liabilities or contingent assets since the date of the last set of annual financial statements. There have been no litigation settlements of material amount.
- There have been no prior-period errors requiring restatement.
- No loans have been defaulted on or loan agreements breached.

Given the business activities performed by the Group, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be material in respect of its equity, financial position or performance. Therefore, no specific disclosures relating to environmental issues are included in these notes to the interim condensed consolidated financial statements.

13. Events after the reporting period

No events have taken place since the end of the reporting period that could have a material impact on the information presented in the interim condensed consolidated financial statements authorised for issue by the directors or that are worthy of disclosure on account of their materiality, other than that disclosed below:

- Between 1 October 2022 and the date of authorising these interim condensed consolidated financial statements for issue, the AEDAS Group has arranged mortgages in an aggregate amount of 52,268,126 euros in order to finance 5 developments in progress. Those mortgages carry interest at EURIBOR plus spreads ranging between 250 and 300 basis points.

- At the close of trading on 28 November 2022, AEDAS Homes held 2,945,482 own shares, representing 6.29% of its capital; they were bought back at an average price of 19.99 euros per share. The number of shares bought back under the Discretionary Programme totals 148,724, representing 0.32% of capital; they were purchased at an average price of 20.31 euros per share. The number bought back under the Repurchase Programme totals 520,283 shares, representing 1.11% of capital; they were acquired at an average price of 22.75 euros per share. Lastly, the number of shares bought back via block trades totals 2,276,475 representing 4.86% of capital; those shares were purchased at an average price of 19.34 euros per share.

14. Additional note for English translation

Free translation of interim condensed consolidated financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

Appendix I - Subsidiaries included in the scope of consolidation at 30 September 2022

Company	Registered office	Business	Ownership interest		Shareholder	Auditor	Consolidation method
			30 September 2022				
AEDAS HOMES OPCO, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	Madrid	Real estate services	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES CANARIAS, S.L.U. (formerly, ESPEBE 18, S.L.U.)	Las Palmas, Gran Canary Island	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SPV REOCO 15, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SPV SPAIN 2, S.L.	Madrid	Development	87.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES RENTAL, S.L.U. (formerly, FACORNATA SERVICIOS Y GESTIONES, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	Madrid	Development	25%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES COLMENAR VIEJO, S.L.U. (formerly, TURNKEY PROJECTS DEVELOPMENT, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
WINSLARO ITG, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
EGON ASSET DEVELOPMENT, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
URBANIA LAMATRA II, S.L.	Madrid	Development	10%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES LIVING, S.L.U. (formerly, PARKER DESARROLLOS INMOBILIARIOS, S.L.U.)	Madrid	Decoration and interior design services	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS ESTE, S.L.U. (formerly, ALLEGRA ESTE, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation

DOMUS AEDAS RESIDENCIAL, S.L.U. (formerly, DOMUS AUREA RESIDENCIAL, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS INMOBILIARIOS ATRIA MADRID, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.U.	Madrid	Holdco	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS INMOBILIARIOS ALGEDI MADRID, S.L.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS BALMES 89, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS MUTILVA PROMOCIÓN, S.L.U. (formerly, AUREA MUTILVA PROMOCIÓN, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
DOMUS AVENIDA, S.L.	Madrid	Holdco	52%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Full consolidation
VARIA ACR MÓSTOLES FUENSANTA, S.L.	Madrid	Development	15.6%	Indirect	AEDAS HOMES, S.A. through DOMUS AVENIDA, S.L	-	Equity method
ESPACIO ÁUREA, S.L.	Madrid	Development	50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
ALLEGRA NATURE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
RESIDENCIAL HENAO, S.L.	Vizcaya	Development	22.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
AUREA ETXABAKOITZ, S.L.	Navarre	Development	14.81%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
RESIDENCIAL CIUDADELA UNO, S.L.	Navarre	Holdco	17.13%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
NATURE ESTE, S.L.	Madrid	Development	17.13%	Indirect	AEDAS HOMES, S.A., through RESIDENCIAL CIUDADELA UNO, S.L.	-	Equity method

Subsidiaries included in the scope of consolidation at 31 March 2022

Company	Registered office	Business	Ownership interest		Shareholder	Auditor	Consolidation method
			31 March 2022				
AEDAS HOMES OPCO, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	Madrid	Real estate services	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
ESPEBE 18, S.L.U. (currently called AEDAS HOMES CANARIAS, S.L.U.)	Las Palmas, Gran Canary Island	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SPV REOCO 15, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SPV SPAIN 2, S.L.	Madrid	Development	87.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
FACORNATA SERVICIOS Y GESTIONES, S.L.U. (currently called AEDAS HOMES RENTAL, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	Madrid	Development	25%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
TURNKEY PROJECTS DEVELOPMENT, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
WINSLARO ITG, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
EGON ASSET DEVELOPMENT, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
URBANIA LAMATRA II, S.L.	Madrid	Development	10%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES LIVING, S.L.U.	Madrid	Decoration and interior design services	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS ESTE, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
DOMUS AEDAS RESIDENCIAL, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation

PROYECTOS INMOBILIARIOS ATRIA MADRID, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.U.	Navarre	Holdco	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
PROYECTOS INMOBILIARIOS ALGEDI MADRID, S.L.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U. 80% and, through PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.U., 20%	-	Full consolidation
PROYECTOS BALMES 89, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS MUTILVA PROMOCIÓN, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
DOMUS AVENIDA, S.L.	Madrid	Holdco	52%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Full consolidation
VARIA ACR MÓSTOLES FUENSANTA, S.L.	Madrid	Development	15.6%	Indirect	AEDAS HOMES, S.A. through DOMUS AVENIDA, S.L	-	Equity method
ESPACIO ÁUREA, S.L.	Madrid	Development	50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
ALLEGRA NATURE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
RESIDENCIAL HENAO, S.L.	Vizcaya	Development	22.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
AUREA ETXABAKOITZ, S.L.	Navarre	Development	14.81%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
RESIDENCIAL CIUDADELA UNO, S.L.	Navarre	Holdco	17.13%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
NATURE ESTE, S.L.	Madrid	Development	17.13%	Indirect	AEDAS HOMES, S.A., through RESIDENCIAL CIUDADELA UNO, S.L.	-	Equity method

Salient financial information about the directly and indirectly held investees is provided below:

Company	Equity at 30 September 2022 (euros) (*)							
	Capital	**Share premium**	**Reserves**	**Retained earnings**	**Profit/(loss) for the period**	**Other shareholder contributions**	**(Interim dividend)**	**Total equity**
AEDAS HOMES OPCO, S.L.U.	44,807,030	387,236,299	(305,072,348)	-	1,051,445	61,533,015	-	189,555,441
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	3,000	-	426,445	-	1,149,643	4,190,676	-	5,769,764
LIVE VIRTUAL TOURS, S.L.U.	3,000	-	259	(163,174)	(66,162)	204,484	-	(21,593)
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	3,010	-	249	(3,357,589)	1,817,184	8,000,000	-	6,462,854
AEDAS HOMES CANARIAS, S.L.U. (formerly, ESPEBE 18, S.L.U.)	3,000	-	142	(1,557,678)	(256,733)	2,340,000	-	528,731
SPV REOCO 15, S.L.U.	3,000	-	(324,095)	(1,697,253)	(237,647)	2,555,125	-	299,130
SPV SPAIN 2, S.L.	100,000	-	437,522	-	(66,918)	-	-	470,604
AEDAS HOMES RENTAL, S.L.U. (formerly, FACORNATA SERVICIOS Y GESTIONES, S.L.U.)	4,991,549	44,896,912	40,006	(1,899,860)	(1,030,832)	10,974,490	-	57,972,265
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	3,000	-	(215)	(1,424,115)	(492,788)	8,327,349	-	6,413,231
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	3,000	-	719,311	-	(23,303)	-	-	699,008
AEDAS HOMES COLMENAR VIEJO, S.L.U. (formerly, TURNKEY PROJECTS DEVELOPMENT, S.L.U.)	3,000	-	(1,264)	(429,847)	(119,895)	634,600	-	86,594
WINSLARO ITG, S.L.	3,000	-	(370)	(1,063,343)	(623,646)	11,351,121	-	9,666,762
EGON ASSET DEVELOPMENT, S.L.U.	3,000	-	(1,404)	(135,864)	58,068	172,400	-	96,200
URBANIA LAMATRA II, S.L.	3,000	-	(333)	(2,206,389)	(472,797)	21,465,600	-	18,789,081
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,574)	(14,767)	(7,111)	21,500	-	1,048
AEDAS HOMES LIVING, S.L.U. (formerly, PARKER DESARROLLOS INMOBILIARIOS, S.L.U.)	3,000	-	(1,402)	(14,966)	(384,653)	821,500	-	423,480
AEDAS ESTE, S.L.U. (formerly, ALLEGRA ESTE, S.L.U.)	3,000	-	-	(112,732)	(94,307)	9,715,600	-	9,511,561
DOMUS AEDAS RESIDENCIAL, S.L.U. (formerly, DOMUS AUREA RESIDENCIAL, S.L.U.)	3,000	-	-	(176,003)	(84,027)	6,314,104	-	6,057,074

PROYECTOS INMOBILIARIOS ATRIA MADRID, S.L.	3,000	-	-	(246,566)	265,478	6,818,481	-	6,840,393
PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.	3,000	-	-	(14,076)	3,951	1,772,448	-	1,765,323
PROYECTOS INMOBILIARIOS ALGEDI MADRID, S.L.	3,000	-	-	(245,060)	(224,272)	8,722,983	-	8,256,651
PROYECTOS BALMES 89, S.L.	3,000	-	-	(93,741)	(76,514)	2,329,121	-	2,161,866
AEDAS MUTILVA PROMOCIÓN, S.L.U. (formerly, AUREA MUTILVA PROMOCIÓN, S.L.U.)	20,000	-	160	(311,772)	(94,876)	510,000	-	123,512
DOMUS AVENIDA, S.L.	100,500	-	4,635	(4,908)	253,752	-	-	353,979
VARÍA ACR MÓSTOLES FUENSANTA, S.L.	2,775,000	-	438,471	-	548,823	-	-	3,762,294
ESPACIO ÁUREA, S.L.	723,000	1,160,000	219,078	(443,562)	(67,801)	1,360,000	-	2,950,715
ALLEGRA NATURE, S.L.	3,000	-	600	(7,280)	3,726,621	-	(2,600,000)	1,122,941
RESIDENCIAL HENAO, S.L.	42,000	-	-	(63,237)	1,823,205	3,628,550	-	5,430,518
ÁUREA ETXABAKOITZ, S.L.	40,500	-	-	(102,518)	1,427,063	-	(1,200,000)	165,045
RESIDENCIAL CIUDADELA UNO, S.L.	152,118	240,000	12,826	(339,816)	(1,357)	7,049,482	-	7,113,253
NATURE ESTE, S.L.	386,000	-	-	(236,455)	(11,097)	6,736,407	-	6,874,855

Company	Equity at 31 March 2022 (euros) (*)							
	Capital	Share premium	Reserves	Retained earnings	Profit/(loss) for the period	Other shareholder contributions	(Interim dividend)	Total equity
AEDAS HOMES OPCO, S.L.U.	44,807,030	387,236,299	(306,057,800)	-	85,836,749	61,533,015	(80,600,000)	192,755,293
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U. (formerly, ESPEBE 11, S.L.)	3,000	-	426,445	(101,524)	2,329,322	4,190,676	-	6,847,919
LIVE VIRTUAL TOURS, S.L.U.	3,000	-	259	(76,347)	(86,827)	137,839	-	(22,076)
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	3,010	-	(353)	(6,141,029)	2,784,042	8,000,000	-	4,645,670
ESPEBE 18, S.L.U.	3,000	-	141	(1,172,079)	(385,598)	1,540,000	-	(14,536)
SPV REOCO 15, S.L.U.	3,000	-	(324,095)	(1,379,516)	(317,737)	2,555,125	-	536,777
SPV SPAIN 2, S.L.	100,000	-	20,000	(243,171)	4,473,050	-	(3,212,357)	1,137,522
FACORNATA SERVICIOS Y GESTIONES, S.L.	4,991,549	44,896,912	40,006	(24,813)	(1,875,046)	2,300,000	-	50,328,608
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	3,000	-	(215)	(957,465)	(617,918)	8,229,349	-	6,656,751
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	3,000	-	600	-	2,718,711	-	(2,000,000)	722,311
TURNKEY PROJECTS DEVELOPMENT, S.L.U.	3,000	-	(1,264)	(198,232)	(231,615)	334,600	-	(93,511)
WINSLARO ITG, S.L.	3,000	-	(371)	(641,478)	(615,792)	9,967,922	-	8,713,281
EGON ASSET DEVELOPMENT, S.L.U.	3,000	-	(1,405)	(24,841)	(111,023)	172,400	-	38,131
URBANIA LAMATRA II, S.L.	3,000	-	(333)	(2,089,191)	(205,810)	21,044,900	-	18,752,566
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,575)	(212)	(14,555)	21,500	-	8,158
AEDAS HOMES LIVING, S.L.U. (formerly, PARKER DESARROLLOS INMOBILIARIOS, S.L.U.)	3,000	-	(1,402)	-	(14,965)	21,500	-	8,133
AEDAS ESTE, S.L.U. (formerly, ALLEGRA ESTE, S.L.U.)	3,000	-	-	(1,002)	(111,731)	9,715,600	-	9,605,867
DOMUS AEDAS RESIDENCIAL, S.L.U. (formerly, DOMUS AUREA RESIDENCIAL, S.L.U.)	3,000	-	-	(80,635)	(95,369)	6,314,105	-	6,141,101
PROYECTOS INMOBILIARIOS ATRIA MADRID, S.L.	3,000	-	-	(92,840)	(153,725)	10,499,546	-	10,255,981

PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.	3,000	-	-	(4,287)	(9,789)	1,772,448	-	1,761,372
PROYECTOS INMOBILIARIOS ALGEDI MADRID, S.L.	3,000	-	-	(7,882)	(237,178)	8,722,983	-	8,480,923
PROYECTOS BALMES 89, S.L.	3,000	-	-	(65,356)	(28,386)	2,329,121	-	2,238,379
AEDAS MUTILVA PROMOCIÓN, S.L.U. (formerly, AUREA MUTILVA PROMOCIÓN, S.L.U.)	20,000	-	-	(308,079)	(3,533)	510,000	-	218,388
DOMUS AVENIDA, S.L.	100,500	-	4,635	-	(4,908)	-	-	100,227
VARÍA ACR MÓSTOLES FUENSANTA, S.L.	2,775,000	-	-	(38,759)	1,389,026	-	-	4,125,267
ESPACIO ÁUREA, S.L.	723,000	1,160,000	219,078	(159,418)	(314,016)	1,360,000	-	2,988,644
ALLEGRA NATURE, S.L.	3,000	-	600	(5,902)	2,114,294	300,000	(2,000,000)	411,992
RESIDENCIAL HENAO, S.L.	42,000	-	-	(69,281)	2,845	4,303,550	-	4,279,114
ÁUREA ETXABAKOITZ, S.L.	40,500	-	-	(102,518)	1,471,637	-	(1,100,000)	309,619
RESIDENCIAL CIUDADELA UNO, S.L.	152,118	240,000	-	(283,954)	(43,478)	7,049,482	-	7,114,168
NATURE ESTE, S.L.	386,000	-	-	(254,747)	16,900	6,736,407	-	6,884,560

(*) Unaudited figures, except for the annual financial statements for the year ended 31 March 2022 of AEDAS HOMES OPCO, S.L.U., which were audited by ERNST & YOUNG, S.L.

Bagaria, Cornellà de Llobregat

Consolidated management report
H1 2022

AEDAS HOMES

30 September 2022

aedashomes.com

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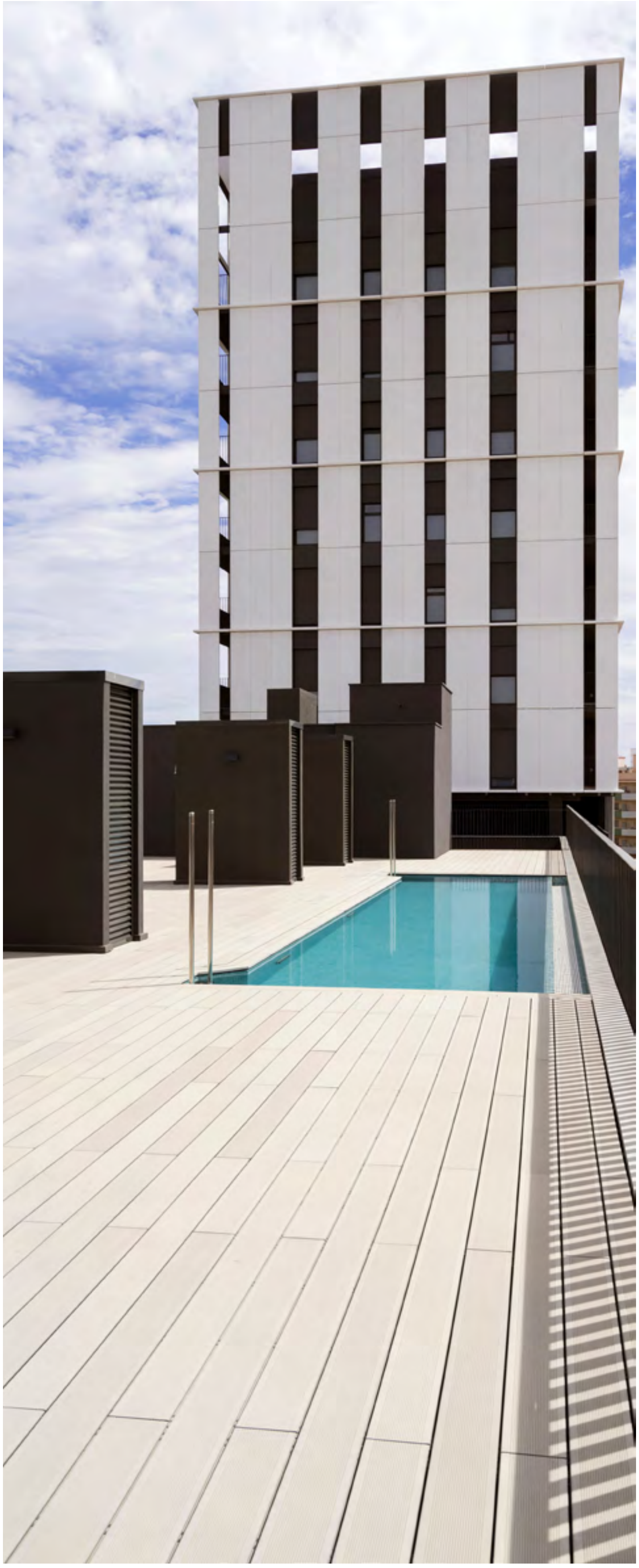


Bagaria, Cornellà de Llobregat

Contents

Snapshot

Landbank:
17,653 units
(vs September 2021: 17,626 units)

9,264 units
on the market
(vs September 2021: 7,668 units)

Order book:
4,789 units
(€1.490m)
(vs September 2021: 4,227 units (€1.5bn))

ASP sales:
€396k
(vs H1 2021: €328k)

5,926 units
under construction
(vs September 2021: 4,598 units)

01. First-half 2022: Executive summary

1.1. Letter from CEO David Martínez

In the first half of the AEDAS Homes 2022 fiscal year, we have significantly consolidated our outlook on our future goals, despite the uncertainty and volatility of the current economic context.

Solid sales results

The company's Order Book, valued at €1.49 billion, provides us with extraordinary visibility over revenues and cash flows for the next three years.

As of 30 September, 96% of the units slated for delivery in FY 2022, 66% of those slated for FY 2023, and 13% of those slated for FY 2024 are forward sold.

This six-month period was characterised by a normalisation in demand and significant increases in average selling price (ASP). Between April and September, the company forward sold a total of 1,058 units, all to private customers, for €419 million, at an ASP of €396,000 per unit, which is up 20% over the same period in 2021. We also saw an improvement in absorption rates over the period, which are now converging towards average levels at around 6.3%.

The increase in the ASP during the period is a reflection of the type of home that our customer base seeks. The typical AEDAS Homes customer is a dual-income, financially solvent family looking to trade up to a more comfortable, energy efficient new-build home. Against a backdrop of rising interest rates and economic uncertainty, this customer base is expected to demonstrate greater resilience, given that the affordability ratio for this segment is expected to stay under long-term historic averages of around 33%.

Investment activity

In terms of investment, we have maintained our highly selective, opportunistic approach, focusing on optioning investments, which has allowed us to defer payments and minimise cash outflows.

Going forward, we will continue to maintain the cautious, highly selective approach we have taken in the last six months, knowing that the size and ready-to-build nature of our current landbank gives us nearly full coverage of our goals through our FY 2026 deliveries.

"Solid business performance and reinforced position in terms of visibility into future revenue and cash flows"

David Martínez,
Consejero Delegado.

Financial results and operating activity

Earnings-wise, the Company brought in close to €215 million in revenue, derived largely from the delivery of 524 units to customers. The average ticket for these deliveries comes to €402,000, up nearly 14% over the same period in 2021, and gross margin stands at 28.1%, which is in our high range. Furthermore, we are reporting €21 million in EBITDA and €7.1 million in net profit.

As such, we closed the first six months in a solid financial position, with inventories of €1.72 billion, reflecting elevated levels of construction progress on our sites and land investment during the period, €120 million in cash and a net LTV of 22.7%. The company continues to enjoy a high level of solvency, given the stability of our volume of working capital and the fact that the majority of our debt is long-term, secured under optimal conditions at fixed rates.

At the end of H1 2022/23, the Company had close to 9,300 on the market and 6,000 units under construction, with 625 additional units completed.

Visibility on achievement of future goals

Our solid operating performance to date and our reinforced position in terms of visibility over future revenues and predictability of cash flows mean that the company is entering the second half of the year with our FY 2022 delivery target almost fully de-risked and on track to meet our annual financial goals.

Sector outlook

I'd like to close by saying that while in the short term we do expect headwinds, which are likely to result in homebuyers exercising more caution due to uncertainty around the expected economic slowdown, in the mid-term, the prospects for the Spanish residential real estate sector remain positive.

This is due to the strong underlying fundamentals that our sector enjoys: a structural imbalance between strong demand for new-build housing and low levels of supply, limited production capacity, record levels of household savings, and reasonable debt levels and disciplined investment among homebuilders.

While we are not immune to the global economic situation, these fundamentals, coupled with our company's experience and leading market position, give us many reasons to feel confident about AEDAS Homes' capacity to achieve our business goals in the coming years.

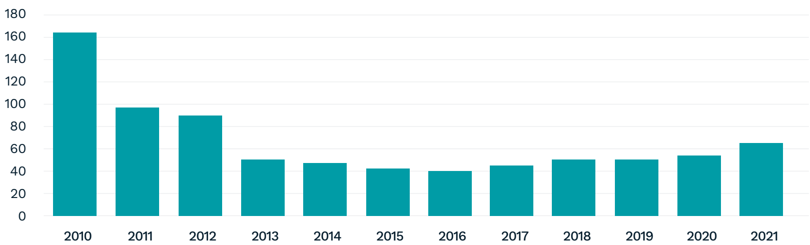
1.2. Market indicators

Real estate market **fundamentals** are currently very strong: there is **solvent demand** (household savings are at record levels), while **production capacity is limited**, which is translating into scarce supply and **professionalisation** of a relatively unleveraged sector.

According to the experts, a country with a population the size of **Spain**'s, which has over 47 million inhabitants, needs around **100,000 new homes** to come onto the market each year due to the formation of new households. According to Spain's statistics office, the INE, new households are set to increase by 2.7 million in the next 15 years if current trends continue. However, new-build housing **transactions** have **fallen** significantly since 2012 to an **average annual volume of close to 50,000 homes**, evidencing the **structural supply scarcity**.

Strong sector fundamentals: solvent demand, limited supply, and professional development companies carrying low levels of debt.

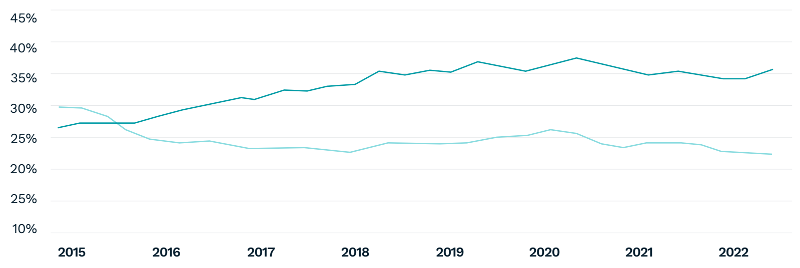
New housing transactions in Spain (000s of units)



Source: Spanish Ministry of Transport, Mobility and Urban Agenda

Moreover, **Spain's households have improved their financial situation dramatically** since the last housing market crisis, framed by heightened financial sensitivity in order to avoid a repeat of past errors. As a result **households have deleveraged** and are in far better financial **health.** Moreover, in terms of affordability, home-buying remains a very compelling option with **interest rates at very reasonable levels**, still well below the market mortgage rates of a decade ago.

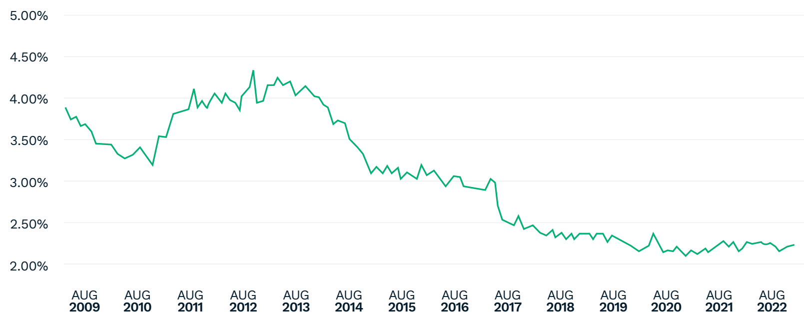
Affordability in Spain



Source: Idealista.

Financial effort to Buy Financial effort to Rent

Trend in mortgage interest rates(%)



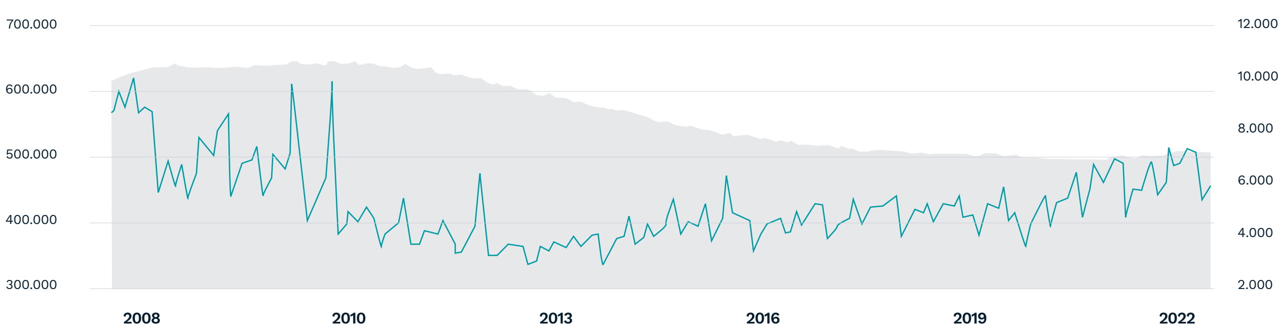
Source: INE (Spanish statistics office).

In the European mortgage market, Spain, along with France and Italy, has one of the **lowest levels of outstanding mortgage debt** compared to disposable income. This sets Spain apart from the rest of the European market and further attests to its **solid foundations for sustainable growth**.

An analysis of the **stock of mortgage loans outstanding in Spain** reveals remarkably **low market saturation**: the volume of outstanding mortgages has decreased by 20% in recent years, encouraging the **banks to become more competitive with each other** and leaving them more **inclined to extend home financing**.

Mortgage market(€ m)

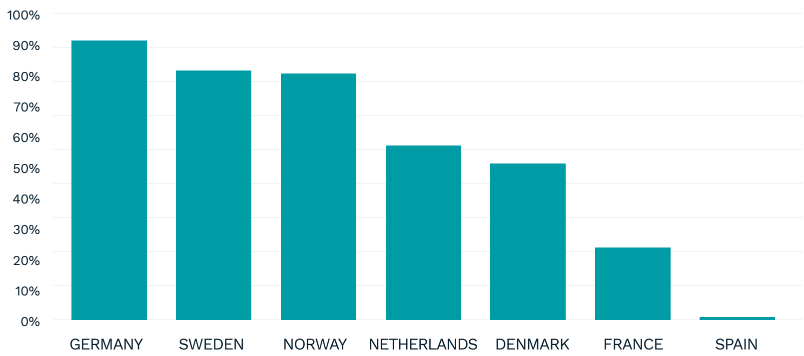
Stock of outstanding mortgages New mortgages



Source: Bank of Spain.

Moreover, **house prices in Spain** are at **similar levels to those of 2010**, while other European countries have sustained house price growth of over 90% over the same timeframe, potentially foreshadowing to a slowdown or inflexion point in those markets.

Comparison of HPA (%) in selected European countries, 2021 vs. 2010



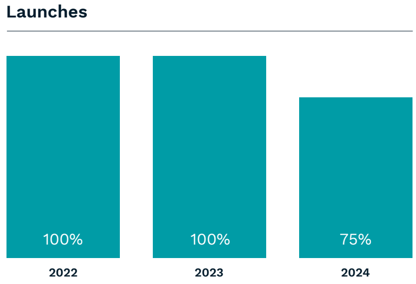
Source: Eurostat.

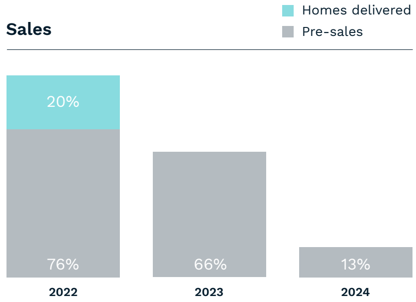
Estronci 71, L'Hospitalet de Llobregat

1.3. Business performance

One of the most remarkable and positive aspects of the home development business is the predictability of the revenue stream over the short and medium term. AEDAS Homes requires a short period of time of around three years between purchasing a site and delivering the end product, the **high quality and liquidity** of its assets unlocking **fast turnover**.

The Company's strong operating and execution performance has translated into strong delivery of the targets set down in its business plan for 2022, 2023 and 2024, specifically launch, sales and construction levels that provide sufficient **reassurance and visibility looking ahead**. As a result, the Company has continued to earn credibility around its ability to deliver, having met its targets since it went public in October 2017.

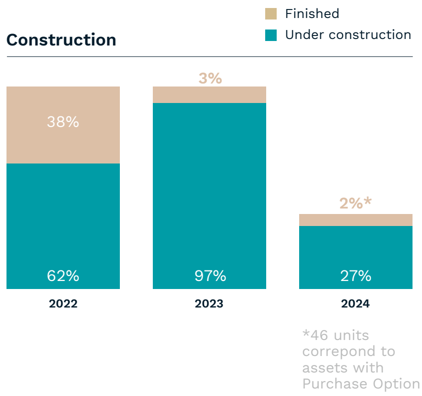


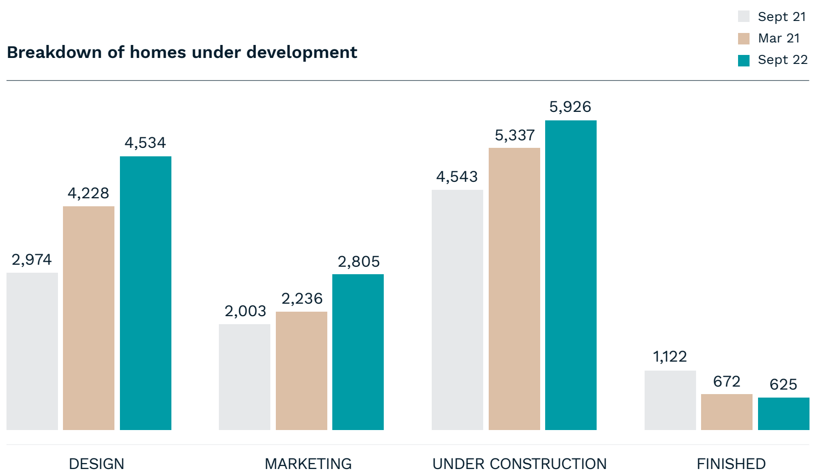


Homes under development

Homes are considered under development from when they enter the design phase until their delivery.

At 30 September 2022, the Company had a total of **13,890 homes - or nearly 80% of its land bank - under development**, with asset liquidity enabling rapid monetisation of its investments.



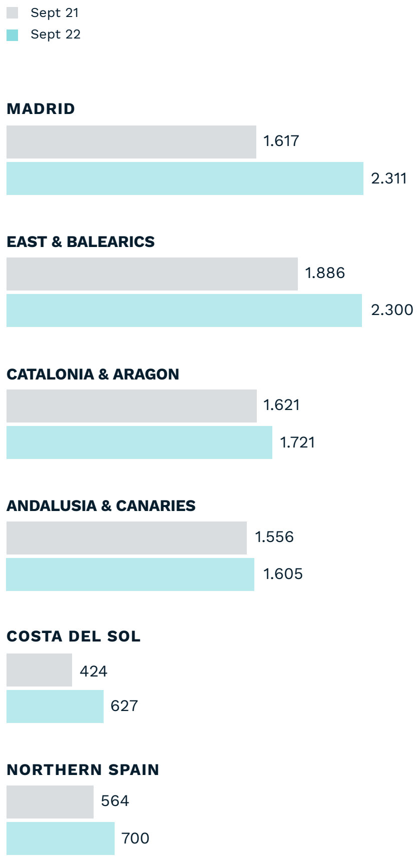


Launches

Housing units are considered launched once marketing is underway, i.e., they are classified as 'launched' subsequent to the design phase, once they are put up for sale.

In line with the predictability concept already outlined, the Company had **9,264 homes on the market**, which is enough to cover its **delivery targets** for the **next three years**. Of the total number of homes launched, 52% had been pre-sold for €1.49bn as of the September close.

Geographic breakdown of houses on the market

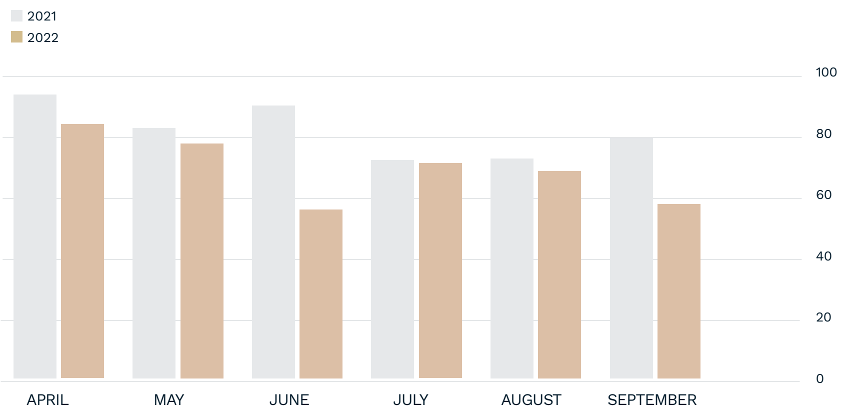


Sales

The sale of a unit begins with execution of a pre-sale agreement. Once the Company has a building permit for a pre-sold house, the buyer is asked to execute a sale contract and provide a down payment of 10% of the total price; buyers continue to pay instalments totalling a further 10% at regular intervals until the building work is complete. Lastly, when the building work is complete and the certificate of occupancy has been obtained, the customer is asked to pay the remaining 80% (plus applicable VAT) when signing the deed of purchase, upon which keys to the house are delivered immediately.

Over the course of H1 2022, the trend in demand was one of **normalisation**, characterised by buyers with a pent-up **appetite and need** for new homes, all of which translated into compelling lead conversion ratios. The homes built and sold by AEDAS Homes target the mid to mid-high income segments which tend to be more resilient in times of adversity, a characteristic that enabled the Company to continue to sell at **higher sales prices** throughout the first half (**+20%** year-on-year).

Revenue from home sales (€ m)



At 30 September 2022, having delivered 524 homes during the six-month period at prices that were, on average, 20% higher year-on-year, the Company had a **robust order book, sufficient in size** to cover nearly **two years' deliveries** and with a product mix that yields an average price of €311,000/home (vs. €295,000/home as of September 2021), including its build-to-rent developments.

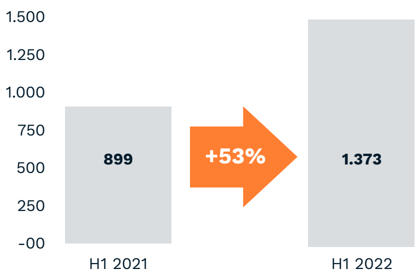
As a result, **the order book** at 30 September 2022 amounted to **4,789 units worth €1.49bn, 81%** of which are **under sale agreement** and **19%** of which constitute **pre-sales.**

Permitting

Building permits are awarded by the municipal authorities. Permit applications include the architectural plans which must necessarily comply with municipal planning and zoning requirements. Municipal authorities are obliged to grant building permits to the extent the plans meet municipal regulatory requirements. The permitting period depends on each authority's responsiveness and can take anything from a few months to more than one year.

During the first half of 2022, the Company obtained **1,373 building permits**, in line with the level needed by to continue to meet the annual targets set down in its business plan. As of the reporting date, it also had a stock of 3,500 permits in process which are expected to materialise within one year.

Trend in building permits obtained

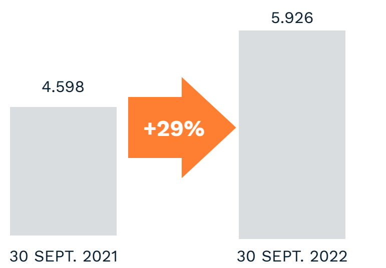


Construction

The Company broke ground on 1,066 homes in the first half of 2022 and obtained work completion certificates for 477 homes. As a result, **at 30 September 2022**, the Company had a total of **5,926 units under construction** and **625 finished homes**, lending significant visibility into the ability to meet, with headroom, the Company's guidance for delivering 3,000 units per annum over the next two years.

As for the 2022 delivery target, as announced by the Company, due to the scarcity of materials and the transport strike in February and March of this year, around 300 units are expected to be delayed by approximately one month (therefore resulting in a higher number of deliveries in 2023).

Homes under construction at reporting date



Turning to construction costs, with the aim of mitigating the impact of higher raw material prices, the Company entered into framework agreements with several of its suppliers to ensure that its main contractors were furnished with materials on preferential terms. By the summer, however, the situation had normalised and since July the related clauses have been eliminated.

Investments

In the **current climate**, the Company has decided to take an **opportunistic approach to its land investments**, **favouring optionality**, which is enabling it to maintain strong solvency levels and boost the return on the capital it invests. As of the reporting date, the Company had purchase options over ready-to-build land[1] under which, for €105m, it can acquire land with scope for the development of 898 units, having already paid €29m to acquire fully-permitted land with scope for 311 units.

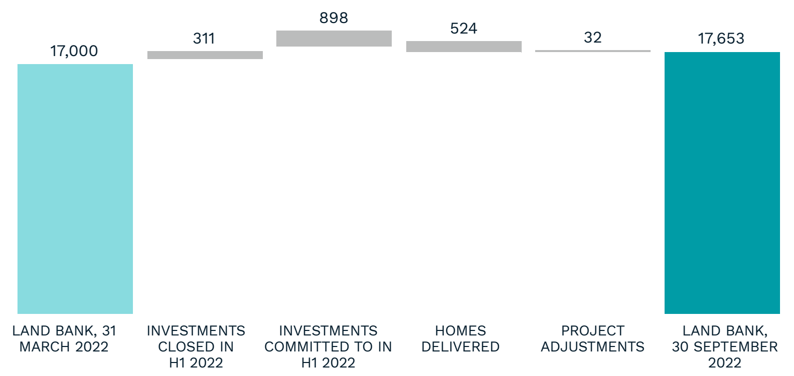
Opportunistic approach to land investments, prioritising optionality and returns on invested capital.

Framed by this more opportunistic strategy and underpinned by the buffer created by the investments completed last year, the Company is taking a wait-and-see approach to potential opportunities that could arise in the near future.

As for its **customer targeting strategy**, in order to minimise the potential impact of the prevailing uncertainty, AEDAS Homes is increasing the weight of homes with **higher than average prices** in order to target a **more financially resilient customer base**.

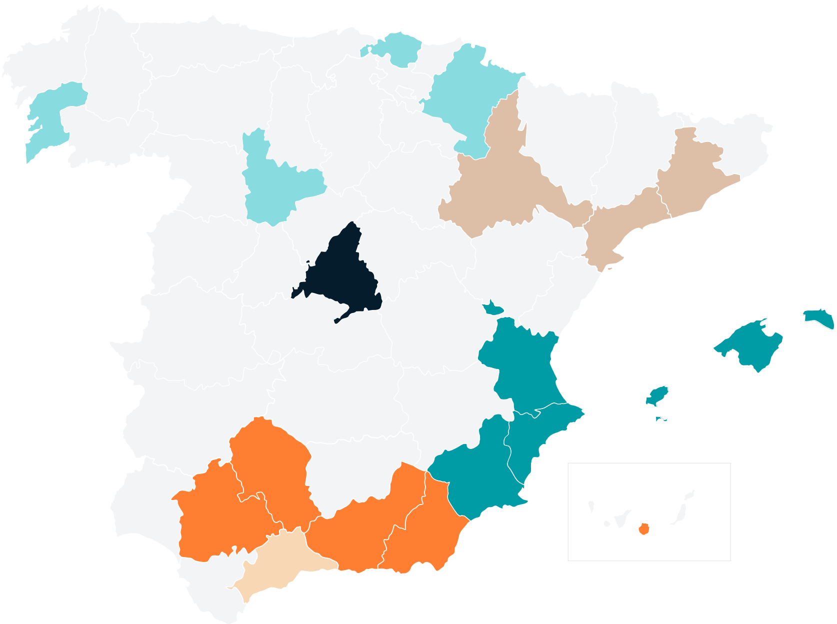
The Company did not sell any land between April and September 2022.

Reconciliation of land bank



1 Ready-to-build: land that has secured all of the permits needed for construction to begin.

Opportunistic approach to land investment



17,653* homes

* Land bank as of March 2022 (17,000)
+ executed investments H1 2022 (311)
+ committed investments H1 2022 (898)
– Deliveries H1 2022 (524) - adjustments (-32) = 17,653 units

CATALONIA & ARAGON
14%
2,483 units

EAST & BALEARICS
20%
3,544 units

MADRID
26%
4,554 units

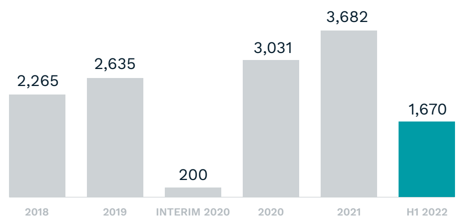
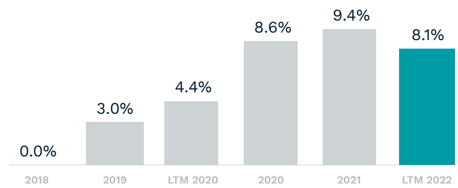
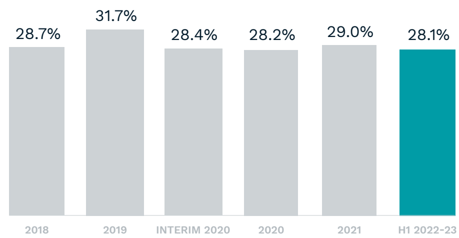
ANDALUSIA & CANARIES
19%
3,412 units

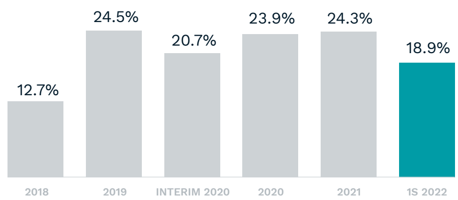
COSTA DEL SOL
15%
2,537 uunits

NORTHERN SPAIN
6%
1,123 units

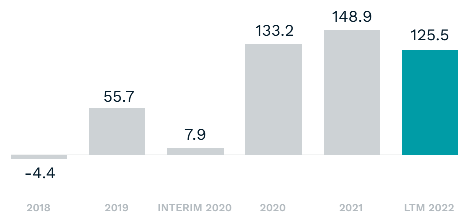
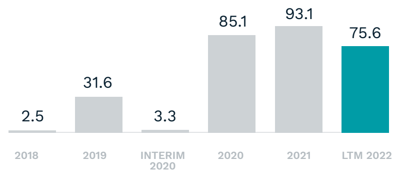
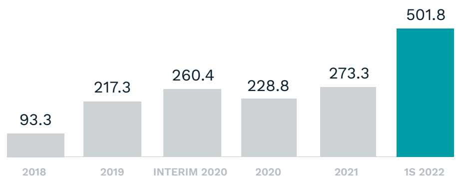
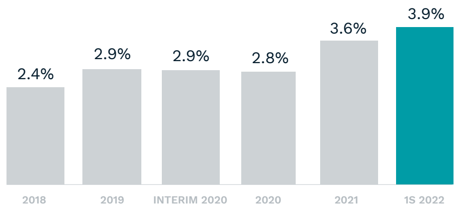
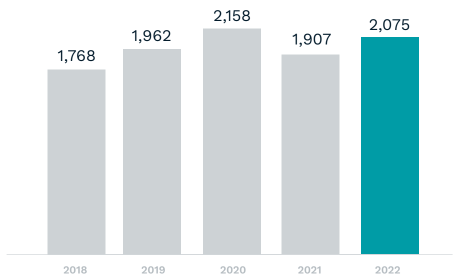
The AEDAS Homes landbank has an estimated
net development margin above 20%

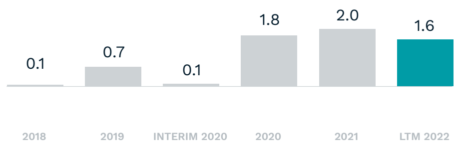
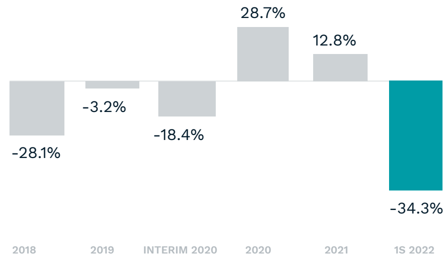
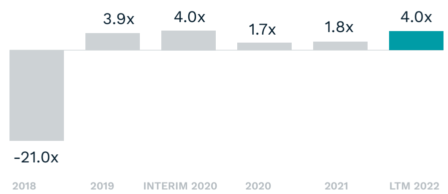
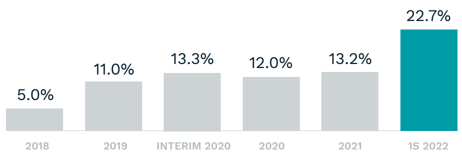
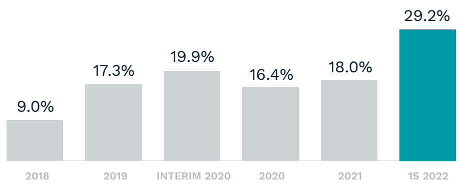
1.4. KPIs

<table>
<tr><th></th><th>Metric</th><th>Trend</th><th>Definition</th><th>Rationale for usage</th></tr>
<tr><td>Growth</td><td>Homes launched (units)</td><td>
</td><td>Housing units are considered launched once marketing is underway, i.e., they are classified as 'launched' subsequent to the design phase, once they are put up for sale.</td><td>This KPI is used by the Company's directors to monitor its activity and growth. It is a leading indicator insofar as it foreshadows the Group's ability to generate revenue.</td></tr>
<tr><td>ROE</td><td>ROE (%)</td><td>
</td><td>Calculated as operating profit divided by average equity.</td><td>This yardstick is used to analyse the Company's profitability and to ensure the efficient and effective use of its own funds.</td></tr>
<tr><td>Dividend policy</td><td>Payout</td><td>
<table>
<tr><th></th><th>2020</th><th>2021</th><th>2022 E</th><th>2023 E</th><th>2024 E</th></tr>
<tr><td>Payout</td><td>79%</td><td>102%</td><td colspan="3" rowspan="4">50% ordinary dividend
+ extraordinary dividend*</td></tr>
<tr><td>Ordinary</td><td>€0.90/acc.</td><td>€0.82/acc.</td></tr>
<tr><td>Extraordinary</td><td>€0.40/acc.</td><td>€1.34/acc.</td></tr>
<tr><td>Total dividend</td><td>€62m</td><td>€95m</td></tr>
</table>
* The extraordinary dividend is conditional upon not exceeding the limit of 20% of Net LTV</td><td>Percentage of profits earmarked to dividend payments.</td><td>Provides a measure of shareholder remuneration via dividends.</td></tr>
<tr><td rowspan="2">Alternative performance measures</td><td>Gross Development Margin (%)</td><td>

*Margin contraction in FY 2021 versus 2019 when the delivery mix was skewed towards houses with a very high ASP. Nevertheless, in FY 2020-21 the Company delivered all of the profitability-related guidance set down in its Business Plan.</td><td>Revenue from sales
– Change in inventories
– Cost of sales (without factoring in provisions for the impairment of inventories).</td><td>The Company's directors use the Gross Development Margin to measure its performance as this yardstick provides information about how its development projects are performing by starting from third-party sales and subtracting the costs incurred to make such sales. Calculation of this APM factors in the impairment charges applied to real estate assets sold during the reporting period. Note that the Gross Development Margin does not include any gains realised on the sale of land. In short, the Gross Development Margin is tracked by the Company's directors in order to monitor the performance and profitability of its property development business.</td></tr>
<tr><td>Net Development Margin (%)</td><td>
</td><td>Net Development Margin
– Impairment of inventories
+ Revenue from services
+ Other operating income
– Employee benefits expense
– Other operating expenses other than sales & marketing expenses.</td><td>The Company's directors use EBITDA to measure its performance as it provides information for analysing profitability (before interest, tax, depreciation and amortisation) by approximating the operating flows that generate cash. It is also a measure that is widely used by the investment community to appraise enterprises' performance; it is further used by the rating agencies and the creditor community to evaluate leverage and interest coverage by comparing EBITDA with an entity's net debt and debt service obligations.</td></tr>
</table>

Alternative performance measures

Metric	Trend	Definition	Rationale for usage
EBITDA (€m)		Net Development Margin – Impairment of inventories + Revenue from services + Other operating income – Employee benefits expense – Other operating expenses other than sales & marketing expenses.	The Company's directors use EBITDA to measure its performance as it provides information for analysing profitability (before interest, tax, depreciation and amortisation) by approximating the operating flows that generate cash. It is also a measure that is widely used by the investment community to appraise enterprises' performance; it is further used by the rating agencies and the creditor community to evaluate leverage and interest coverage by comparing EBITDA with an entity's net debt and debt service obligations.
Net profit (€m)		Group net profit after tax and including non-controlling interests	Used in the Company's financial statements; it is calculated based on net profit, factoring in the net finance cost and tax expense.
Net Debt (€m)		Gross debt – unrestricted cash	Net Debt measures an enterprise's net financial position. It is also a metric that is widely used by investors to analyse companies' net leverage and by rating agencies and creditors to assess net debt.
Average Borrowing Cost (%)		Weighted average cost of the Company's borrowings on a given date, factoring in corporate debt and developer loans.	
Gross asset value (GAV) (€m)		Definition: The value of the Group's assets, which is calculated by an independent expert, specifically Savills Aguirre Newman. That appraiser uses the RICS methodology to calculate the market value of properties. The RICS defines market value as the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion. To calculate GAV, the appraiser uses a series of assumptions informed by its own criteria.	One of the Company's asset valuation methods.

	Metric	Trend	Definition	Rationale for usage
Returns	Earnings per share (€)		Net profit attributable to equity holders of the parent divided by the number of shares outstanding.	This metric is also used as a benchmark for the dividend per share. It is used to analyse the Company's profitability for shareholder remuneration purposes
	Total shareholder return* (%) *Bloomberg data		Calculated as the sum of the dividends received by the Company's shareholders, the share price gain/correction during the year and other payments such as the delivery or buyback of shares.	This financial indicator is used by investors and financial analysts to evaluate the remuneration earned by shareholders over the course of the year in exchange for the capital they put up.
Leverage	Net Debt/ EBITDA		Calculated by dividing net debt by EBITDA.	Leverage provides a measure of the Company's indebtedness. It is widely used by investors to analyse real estate companies' leverage and by rating agencies and creditors to assess their net debt.
	LTV (%)		Net Debt / (Market value of appraised assets (GAV) + Sale options over inventories) Calculated at the end of the period.	LTV provides a measure of the Company's indebtedness relative to the market value of its properties. It is widely used by investors to analyse real estate companies' leverage and by rating agencies and creditors to assess their net debt.
	LTC (%)		Net Debt / (Inventories - Prepayments to suppliers) Calculated at the end of the period.	LTC provides a measure of the Company's indebtedness. It is widely used by investors to analyse real estate companies' leverage and by rating agencies and creditors to assess their net debt.

02. Non-financial information

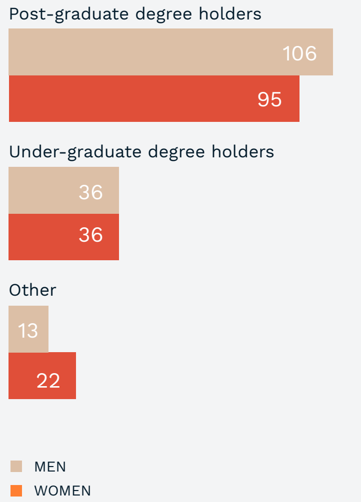
People

Headcount

AEDAS Homes believes that only a solid team can drive strategic growth, push innovation forward and unlock customer satisfaction. That is why it places its people front and centre, offering them an appealing work climate by generating quality work, nurturing talent development, facilitating continuous learning and fostering wellbeing, work-life balance and health and safety.

The Company's workforce stood at 308 professionals at 30 September 2022, **split evenly between women and men**. The average age of its employees is 44 and the average length of service stands at 2.9 years. The Company's headcount averaged 312 during the reporting period.

Breakdown of employees by level of education attained



	30 Sept. 2022	30 Sept. 2021
Men	155	154
Women	153	149
Total	**308**	**303**

	30 Sept. 2022			30 Sept. 2021		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Men	140	15	155	135	19	154
Women	133	20	153	117	32	149
Total	**273**	**35**	**308**	**252**	**51**	**303**

	30 Sept. 2022	30 Sept. 2021
Executives	51	55
Managers	73	66
Other[1]	184	182
Total	**308**	**303**

1. Technical experts, clerics and similar.

	30 Sept. 2022			30 Sept. 2021		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
<30	11	3	14	10	13	23
30-50	186	29	215	185	32	217
+50	76	3	79	57	6	63
Total	**273**	**35**	**308**	**252**	**51**	**303**

	30 Sept. 2022	30 Sept. 2021
Permanent	273	252
Temporary	35	51
Total	**308**	**303**

	30 Sept. 2022			30 Sept. 2021		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Executives	51	-	51	52	3	55
Managers	70	3	73	61	5	66
Other[1]	152	32	184	139	43	182
Total	**273**	**35**	**308**	**252**	**51**	**303**

* Technical and administrative staff

Health and safety

AEDAS Homes is committed to providing a safe and healthy working environment for its employees. Its ISO 45001-certified occupational health and safety management system has been in place since the Company's incorporation in 2017.

There were no workplace injuries at AEDAS Homes in the first half of 2022. There was just one commute-related accident; no work-related illnesses were recorded.

Considering on-site construction work performed during the first half of 2022, the injury frequency rate (no. of lost-time injuries / no. of hours worked x 1,000,000) was 16.16.

2019	2020/21	2021/22
14.7	12.1	17.7

The table shows the trend in the lost-time injury frequency rate in 2019, 2020 and 2021. In the first half of 2022 the injury severity rate (no. of days lost / no. of hours worked x 1,000) was just 0.14, which is well below the national average of 1.32.

2019	2020/21	2021/22
0.19	0.16	0.24

The key health and safety performance indicators - the injury frequency and severity rates - are presented regularly to the Company's Management Committee. The main tool used to control the safety management system is the performance of assessments when construction work is 30% and then again 70% complete. A total of 27 assessments with an average outcome of 74.3% were conducted during the six-month reporting period.

Absenteeism

The absenteeism rate was calculated by dividing the number of hours of absenteeism by the average workforce times the total number of hours worked. In the first half of 2022, the number of hours lost due to the inability to work totalled 1,042.

	Hours of absenteeism		**Absenteeism**	
Workplace injuries	3	269	0.0%	0.1%
Common illnesses	358	953	0.1%	0.4%
Maternity/paternity leave	681	758	0.2%	0.3%
Total	**1,042**	**1,980**	**0.4%**	**0.8%**

Helping our employees to grow

Employee talent is one of AEDAS Homes' top priorities, to which end it is strategically committed to the continuous development of its employees, framed by an Annual Training Plan, which is articulated around a diagnosis of the Company's overall needs. That plan addresses the training needs of all employees with respect to technical, digital, management and language skills.

59 courses in the first half of 2022 **2,241 hours of training** provided by top-notch coachesl	Coaching sessions for professionals whose activities have a significant impact at the organisation (members of the Management Committee, executives and managers). Those sessions address different skills with the idea of creating a work environment in which managers can be agents of change and benchmarks for their colleagues' development.

Job category	Total hours
EXECUTIVES	690
MIDDLE MANAGEMENT	861
OTHER	690.5
Total	2,241.5

Bassi, El Masnou

Environmental dimension

During the first half of 2022, the Company completed the following initiatives under the scope of its ESG Strategic Plan:

Performance of development LCAs. Life cycle assessments (LCAs) at the seven developments finished. That analysis includes a calculation of the equivalent CO_2 emissions corresponding to the different stages or phases evaluated during the life of the buildings, i.e., from extraction of the raw materials to manufacture of the materials and their distribution, construction, use and maintenance of the building, waste management (landfill vs. recycling) until demolition or deconstruction of the development (end of life), all framed by the UNE EN 15978 standard and using the One Click LCA software.

Achieving an 'A' energy rating for at least 60% of the Company's developments. Of the seven developments completed during the reporting period, 86% obtained energy ratings of A-A and the remaining 14% achieved B-A ratings.

Of the 16 developments launched, 69% are target energy rating of A-A and 31% are targeting other ratings.

Following Green Book rules (or those of an equivalent prestigious green building seal) at 100% of the Company's developments.

AA energy ratings obtained on

86%

of the developments completed in H1 2022.

Since it was created in 2019, AEDAS Homes has been constantly fine-tuning its **Green Book**, a tool of the utmost importance to the Company as it sets down the minimum sustainability rules that AEDAS Homes follows at all its developments, while giving development managers the choice of taking additional measures. It is an open document, as the concept of sustainability is evolving all the time; it is flexible, as it lends itself to tailoring for regional customer preferences; and it is user-friendly.

In addition to the Green Book, in 2020 the Company developed a proprietary Ecoliving® sustainability seal with which it seeks to convey the sustainability initiatives embedded in its homes that are good for the environment and for customer health. The seal is the trademark AEDAS Homes uses to evidence compliance with the standards itemised in the Green Book and with minimum standards of sustainability in the following areas: energy; water; materials, waste; health and wellbeing; landscape integration; community, good practices; and economy.

AEDAS Homes reports on the benefits of the Ecoliving® seal in its Sustainability Dossier, which itemises a development's specific sustainability measures and current and future customer advantages and cost savings.

During the first half of 2022, AEDAS Homes met that target in full: **100% of developments carried the Ecoliving®** (Green Book) **seal and/or BREEAM certification**[2]. Specifically, of the seven developments completed, five boast the Green Book seal and two were completed to BREEAM specifications.

Achieving targets: 100% of developments feature the Ecoliving seal and/or BREEAM certification.

Society

AEDAS Homes' firm commitment to offering its customers high-quality homes means that getting customer feedback is key. To that end it completes customer satisfaction surveys at all its developments, as indicated in the Owner Survey Procedure.

Those surveys provide useful information for orienting our activities around meeting customers' needs and expectations so as to have a positive impact on them. AEDAS Homes views a customer claim as an opportunity for change, a chance to do things better. To that end, it has formulated an in-house protocol for speeding up the analysis, internal management and follow-up of such resolutions. Customers are provided access to a private area of our website and an e-mail address to which they can send any complaints or resolutions.

Communications received in the first half of 2022:

Enquiries:	2,058
Resolutions:	283
Resolutions resolved:	263
Resolutions in process:	20
Average response time:	4.3 days

Risk management

For relevant information about risk management, refer to the financial statements for the six months ended 30 September 2022.

2. Building Research Establishment Environmental Assessment Methodology.

Financial information

3.1. Statement of profit or loss

During the first half of 2022, when it delivered 524 units at **average prices** that were **20% higher year-on-year** (€402k/home), AEDAS Homes recognised **€215m of revenue.** Subtracting the related direct costs yields a **gross margin of 28.1%** which remains at the upper end of the guidance range (the unit gross margin increased by 9%).

Sales and marketing expenses were in line with the growth in units on the market. It is important to note that this heading recognises the costs associated with all of the developments launched during the reporting period irrespective of whether or not they were actually delivered during that timeframe.

The Company's headcount increased over the course of the first half of 2021. Although staff costs have barely changed in per-employee terms, in absolute terms they increased by €1.2 million in H1 2022.

Elsewhere, the Company is immersed in a digital transformation process. That strategic direction led to an increase in overheads of €1.1 million in H1 2022.

The two items are responsible for an increase of €2.3 million.

As disclosed in note 4 of the financial statements, the Board of Directors has approved a second and more ambitious long-term incentive plan in order to retain talent. The Company recognised a €1.4m provision in that respect, growth of €0.8m from H1 2021.

In July 2021, the Company acquired the developer, Áurea Homes, so adding a new service provision line and reinforcing its Northern branch. The first-time consolidation of that investment gave raise to a write off gain of €1.2m, which was offset by other current income.

In addition, net financing expense increased by 2%, primarily as a result of higher interest rates and costs linked to Treasury management.

In all, the Company reported a **profit attributable to owners of the parent of €7.1m** in the first six months of 2022. That figure is set to increase substantially in the second half of the year as the deliveries scheduled materialise, so that the Company expects to meet its guidance.

Statement of profit or loss

	H1 2022	H1 2021	Change €m	Change %
Revenue - Homes delivered	211.2	236.4	(25.1)	(10.6%)
Revenue - Land sales	-	-	-	-
Revenue - Services	3.2	-	3.2	-
Revenue	**214.5**	**236.4**	**(21.9)**	**(9.3%)**
Cost of goods sold	(153.4)	(163.9)	10.6	(6.4%)
Cost of services	(0.8)	-	(0.8)	-
Gross margin	**60.3**	**72.4**	**(12.1)**	**(16.7%)**
Gross margin, %	28.1%	30.6%	-	(250bp)
Sales and marketing costs	(14.1)	(10.5)	(3.7)	34.8%
Other operating expenses	(5.6)	(2.9)	(2.6)	88.9%
Net developer margin	**40.6**	**58.9**	**(18.4)**	**(31.1%)**
Net developer margin, %	18.9%	25.0%	-	(610bp)
Overheads	(18.4)	(16.3)	(2.1)	13.0%
Other income and expenses	(0.2)	0.8	(0.9)	(123%)
Income from resolutions	0.4	0.6	(0.2)	(27.3%)
LTIP provisions	(1.4)	(0.6)	(0.8)	131%
Consolidation reserve	-	1.2	(1.2)	-
EBITDA	**21.0**	**44.6**	**(23.5)**	**(52.8%)**
EBITDA margin, %	9.8%	18.8%	-	(900bp)
Depreciation and amortisation	(2.3)	(1.4)	(0.9)	66.8%
Net financing result	(9.7)	(9.5)	(0.2)	2.4%
Share of profit/(loss) of associates	0.6	(0.3)	0.8	(323.2%)
Profit before tax	**9.6**	**33.4**	**(23.8)**	**(71.4%)**
Income tax	(2.3)	(8.3)	5.9	(72.1%)
Profit for the period	**7.3**	**25.1**	**(17.9)**	**(70.9%)**
Net profit margin, %	3.4%	10.6%	-	(720bp)
Non-controlling interests	0.2	0.6	(0.4)	(67.8%)
Profit attributable to owners of the parent	**7.1**	**24.5**	**(17.4)**	**(71.2%)**

Irala, Alicante.

3.2. Balance sheet

On the asset side:

An analysis of the increase in **inventories** reveals the following: the balance of land increased marginally (+3%) evidencing the opportunistic approach taken by the Company during the period; developments in progress increased by 37% reflecting **significant progress on the construction front**; finished product decreased by 37% due to the homes delivered during the period net of newly finished homes recognised (200 units pending occupancy permits and 405 already with such permits); advances to suppliers, which recognises amounts paid for land purchase rights, increased by 15%.

Unrestricted cash declined on the back of dividend payments, the buyback of own shares, the growth in developments in progress and deferred payments on land purchased in previous years. Nevertheless, the Company boasts a **strong overall cash position** and an undrawn **liquidity facility** of **€30m**.

Equity accounts:

Having cancelled own shares in 2021 and delivered own shares to employees in 2021 and 2022 under its LTIPs, the Company carried **own shares** at €56.3m, equivalent to **5.88%** of capital, at 30 September 2022.

Liabilities that mature in the long term:

In July, all three **credit agencies (Fitch, Moody's y S&P)** reiterated their opinion of the **Company's creditworthiness**, underpinned by a **financing structure** with over 90% of borrowings due in the **long term** and more than 60% carrying **fixed rates**.

Moreover, during the first half, the Company **increased** its drawdown of **developer loans** by €89m thanks to the **milestones met on the construction front**.

Liabilities that mature in the short term:

During the first half, the Company drew down €25m in total of the **€55m** of **additional liquidity** obtained in the form of a **revolving credit facility** associated with the green bond issue. In tandem with the **scaling up of the business**, trade payables and customer down payments increased, lending **considerable visibility** into the Company's earnings potential in the coming years.

Balance sheet

			Change	
(€ m)	30 Sept. 2022	31 Mar. 2022	€	%
Other fixed assets	44.7	37.8	6.9	18.2%
Deferred tax assets	5.8	7.0	(1.2)	(17.1%)
Non-current assets	50.5	44.8	5.7	12.7%
Inventories	1,721.0	1,520.3	200.6	13.2%
Trade receivables	50.6	64.5	(13.9)	(21.5%)
Other current assets	55.4	29.0	26.4	91.0%
Unrestricted cash	61.1	185.7	(124.6)	(67.1%)
Restricted cash	59.2	54.3	4.9	9.0%
Current assets	1,947.4	1,853.9	93.4	5.0%
Total assets	**1,997.8**	**1,898.7**	**99.1**	**5.2%**
Equity	922.3	976.3	(54.0)	(5.5%)
Of which: own shares	(56.3)	(55.8)	(0.5)	1.0%
Non-current borrowings	318.2	317.4	0.8	0.2%
Other non-current liabilities	3.3	1.2	2.1	178.7%
Deferred tax liabilities	0.3	0.3	0.0	-
Non-current liabilities	321.8	318.9	2.9	0.9%
Developer loans due in the long term	186.2	98.6	87.6	47.0%
Current borrowings	58.6	42.9	15.6	24.6%
Trade payables	203.1	185.0	18.1	9.8%
Customer down payments	255.6	216.2	39.4	18.2%
Other current liabilities	50.3	60.7	(10.5)	(17.2%)
Current liabilities	753.8	603.5	150.3	24.9%
Total equity and liabilities	**1,997.8**	**1,898.7**	**99.1**	**5.2%**

3.3. Statement of cash flows

Cash and cash equivalents decreased by €120m from €240m at 31 March 2022 to €120m at 30 September 2022.

That decrease is largely attributable to the cash used in operating activities (€107m), **particularly intense construction activity**, offset by more **conservative land acquisitions** (payments of €64m of which €38m stems from commitments assumed last year).

As for the cash generated by financing activities, the Company **drew down new liquidity facilities** during the first half, including €25m under the revolving credit facility and €18m under the build-to-rent credit facility, whose usage was conditional upon delivery of certain capital contribution milestones. In terms of cash outflows, the cash used to **buy back shares decreased** year-on-year, while the Company accounted for the final dividend payment against 2021 earnings.

(€ m)	H1 2022	H1 2021	Change
EBITDA	21.0	148.9	(127.9)
Other adjustments to profit	1.8	3.5	(1.7)
Other cash used in operating activities	(27.1)	(28.2)	1.1
Change in working capital excluding land purchases/sales	(107.1)	55.4	(162.5)
Change in working capital derived from land purchases/sales	(63.8)	(224.7)	160.9
(A) Net cash used in operating activities	**(175.1)**	**(45.1)**	**(130.0)**
Investments in group companies and associates	(1.1)	(2.9)	1.8
Investment in other PPE and intangible assets	(2.2)	13.1	(15.3)
Investments in other financial assets	(7.5)	2.4	(9.9)
Proceeds from the sale of investments in group companies and associates	4.2	-	4.2
(B) Net cash (used in)/from investing activities	**(6.6)**	**12.6**	**(19.2)**
Repurchase/sale of own shares	(2.2)	(14.2)	12.0
Issuance and repayment of borrowings	123.4	198.9	(75.5)
Dividend payments	(59.2)	(98.3)	39.1
(C) Net cash from financing activities	**62.0**	**86.3**	**(24.3)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(119.7)	53.9	(173.6)

Mourelle, Mallorca.

3.4. Borrowings, liquidity and capital resources

At 30 September 2022, the Company's **gross debt stood at €563m**, made up primarily of €171m of bank loans, €17m of project finance (funding the Company's build-to-rent developments) and €376m of corporate debt (€25m of which corresponds to the revolving credit facility), all carried at amortised cost.

Net debt increased to **€502m** from 1 April 2022, due mainly to the **advanced progress of developments in progress**; likewise, the **cash associated with developments increased** to **€59m**, reflecting **growth in customer deposits** associated with the developer loans. Given the seasonality of home deliveries, which are concentrated around the end of the fiscal year, the Company's LTV and LTC ratios ended September at 22.7% and 29.2%, respectively, levels expected to come down once the outstanding deliveries materialise.

Financial leverage

	30 Sept. 2022	31 March 2022	30 Sept. 2021
Net debt (€ m)	501.8	273.3	484.4
LTC	29.2%	17.9%	30.3%
LTC	22.7%	13.2%	23.9%
Net debt/EBITDA	4.0x	1.8x	2.7x

This snapshot of the Company **financial structure** reveals a **diversified mix of sources of financing and lenders, so that its financial risk is not concentrated**. Note that **over 90%** of the Group's borrowings **mature in the long term** and more than **60%** carry **fixed rates of interest**, **boosting certainty and visibility in terms of future borrowing costs**. Framed by the current financing structure, the sensitivity of interest expenses for developer loans implies a change of close to €1.6m for every 100bp increase in the average benchmarked EURIBOR rate, which in relative terms constitutes limited exposure to interest rate risk.

The Company has begun to draw down (€18m to date) the unsecured facility arranged with Iberia Private Real Assets Credit, SCSp to fund the development of 10 build-to-rent projects encompassing 1,350 homes in total. During the reporting period, it also drew down €25m under the revolving credit facility associated with the green bonds issued in May 2021.

The face value of the undrawn limit on the borrowings arranged by the Company stands at €1.1bn, €692m of which consists of financing related with its developments.

At the September 2022 close, the Company's average borrowing cost (on drawn borrowings) was 3.96%. If the Company were to draw down the entire limit, its borrowing cost would be 4.16% and the average cost of its developer loans would be 5.00%.

Trend in net debt

(€ m)	30 Sept. 2022	31 Mar. 2022	Change
(A) Project debt (secured)	174.4	106.3	68.1
(B) Project debt (unsecured)	18.4	-	18.4
(C)Corporate debt	382.5	363.1	19.4
Commercial paper (MARF-listed)	32.5	38.1	(5.6)
Capital markets issue	325.0	325.0	0.0
Revolving credit facility	25.0	-	25.0
(C) Amortised cost effect	(12.3)	(10.4)	(1.9)
(D) Gross debt (A+B+C)	563.0	459.0	104.0
(E) Unrestricted cash	61.1	185.7	(124.6)
Net debt before prepayments (D-E)	501.8	273.3	228.5
(F) Cash tied to development prepayments	59.2	54.3	4.9
TOTAL CASH (E+F)	**120.3**	**240.0**	**(119.7)**

Treasury stock

The breakdown of the Company's treasury stock at 30 September 2022 is as follows:

Total own shares at 30 Sept. 2022	Shares	% of capital
Discretionary programme	148,724	0.31%
Block trades	2,144,475	4.58%
Repurchase programme	462,039	0.99%
TOTAL	**2,755,238**	**5.88%**

3.5. Events after the reporting period

No events have taken place since the end of the reporting period that could have a material impact on the information presented in the interim condensed consolidated financial statements authorised for issue by the directors or that are worthy of disclosure on account of their materiality, other than that disclosed below:

> Between 1 October 2022 and the date of authorising these interim condensed consolidated financial statements for issue, the AEDAS Group has arranged mortgages in an aggregate amount of 52.268.126 euros in order to finance 5 developments in progress. Those mortgages carry interest at EURIBOR plus spreads ranging between 250 and 300 basis points.

> At the close of trading on 28 November 2022, AEDAS Homes held 2,945,482 own shares, representing 6.29% of its capital; they were bought back at an average price of 19.99 euros per share. The number of shares bought back under the Discretionary Programme totals 148,724, representing 0.32% of capital; they were purchased at an average price of 20.31 euros per share. The number bought back under the Repurchase Programme totals 520,283 shares, representing 1.11% of capital; they were acquired at an average price of 22.75 euros per share. Lastly, the number of shares bought back via block trades totals 2,276,475 representing 4.86% of capital; those shares were purchased at an average price of 19.34 euros per share.

Estronci 71, L'Hospitalet de Llobregat

AEDAS HOMES

aedashomes.com

DILIGENCIA DE FIRMAS

Diligencia que levanta el Secretario no consejero del Consejo de Administración para hacer constar que los miembros del mencionado Consejo de Administración de la sociedad AEDAS HOMES, S.A. han procedido a formular los Estados Financieros Intermedios Resumidos Consolidados de AEDAS HOMES, S.A., correspondientes al periodo de seis meses finalizado el 30 de septiembre de 2022, constitutivos de: el Balance de Situación Consolidado, la Cuenta de Pérdidas y Ganancias Consolidada, el Estado de Resultado Global Consolidado, el Estado de Cambios en el Patrimonio Neto Consolidado, el Estado de Flujos de Efectivo Consolidado, Notas Explicativas de los Estados Financieros Intermedios Resumidos Consolidados y el Informe de Gestión, firmando todos y cada uno de los Consejeros de la sociedad, cuyos nombres y apellidos constan a continuación, de lo que doy fe.

29 de noviembre de 2022

SIGNATURE DILIGENCE

Diligence raised by the non-director Secretary of the Board of Directors to record that the members of the Board of Directors of the company AEDAS HOMES, S.A. have proceeded to draw up the Interim Condensed Consolidated Financial Statements for the six months period ended September 30th, 2022, constituent of the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Notes to the Interim Condensed Consolidated Financial Statements and the Management Report, signed by each and every one of the Directors of the company, whose names and surnames are listed below, that I give faith.

November 29th, 2022

El Secretario no Consejero

D. Alfonso Benavides Grases

D. Santiago Fernández Valbuena

D. David Martínez Montero

D. Eduardo D'Alessandro Cishek

D. Evan Andrew Carruthers

D. Francisco Javier Martínez-Piqueras

D. Javier Lapastora Turpín

D. Miguel Temboury Redondo

Dña. Cristina Álvarez Álvarez

Dña. Milagros Méndez Ureña

DECLARACIÓN DE RESPONSABILIDAD DE AEDAS HOMES, S.A.

Conforme a lo establecido en el artículo 11.1(b) del Real Decreto 1362/2007, de 19 de octubre, los miembros del Consejo de Administración de Aedas Homes, S.A. abajo firmantes realizan la siguiente declaración de responsabilidad:

Que, hasta donde alcanza su conocimiento, los Estados Financieros Intermedios Resumidos Consolidados de AEDAS HOMES, S.A. y sus sociedades dependientes, correspondientes al periodo de seis meses finalizado el 30 de septiembre de 2022 han sido elaborados con arreglo a los principios de contabilidad aplicables; ofrecen, tomadas en su conjunto, la imagen fiel del patrimonio, de la situación financiera y de los resultados de Aedas Homes, S.A. y sus sociedades dependientes; y el Informe de Gestión consolidado incluye unanálisis fiel de la evolución y los resultados empresariales y de la posición de Aedas Homes, S.A. y sus sociedades dependientes, junto con la descripción de los principales riesgos e incertidumbres a que se enfrentan.

Los consejeros, en prueba de conformidad, firman esta hoja:

DECLARATION OF LIABILITY OF AEDAS HOMES, S.A.

In accordance with the provisions of article 11.1 (b) of Royal Decree 1362/2007, of October 19, the members of the Board of Directors of Aedas Homes, S.A. below signatories makethe following declaration of liability:

That, to the best of its knowledge, the Interim Condensed Consolidated Financial Statements of Aedas Homes, S.A. and its subsidiaries, corresponding to the six months period ended September 30th, 2022, have been prepared in accordance with applicable accounting principles; offer, taken as a whole, the true image of the Equity, the financial situation and the results of Aedas Homes, S.A. and its subsidiaries companies; and the Consolidated Management Report includes a faithful analysis of the evolution and business results and the position of Aedas Homes, S.A. and its dependent companies, together with the description of the main risks and uncertainties that they face.

The Members of the Board, in proof of compliance, sign this sheet:

____

D. Santiago Fernández Valbuena
Presidente

____

D. David Martínez Montero
Consejero Delegado

____

D. Eduardo D’Alessandro Cishek
Consejero

D. Evan Andrew Carruthers
Consejero

D. Javier Lapastora Turpín
Consejero

D. Miguel Temboury Redondo
Consejero

Dña. Milagros Méndez Ureña
Consejera

Dña. Cristina Álvarez Álvarez
Consejera

D. Francisco Javier Martínez-Piqueras
Consejero

29 de noviembre de 2022
Madrid

29th November, 2022
Madrid

Yo, Alfonso Benavides Grases, Secretario no consejero del Consejo de Administración, certifico la autenticidad de las firmas que anteceden de las personas cuyo nombre figura en la parte inferior de la firma correspondiente, siendo todos ellos miembros del Consejo de Administración de Aedas Homes, S.A.

I, Alfonso Benavides Grases, Non-Board Secretary of the Board of Directors, certify the authenticity of the foregoing signatures of the persons whose name appears in the lower part of the corresponding signature, all of whom are members of the Board of Directors of Aedas Homes, S.A.

Madrid
29 de noviembre de 2022

Madrid
November 29th 2022

D. Alfonso Benavides Grases
Secretario no consejero del Consejo de Administración

D. Alfonso Benavides Grases
Non-Board Secretary of the Board of Directors