

2021

2022

Presentation

FY 2021/22 Results

26 May 2022

**AEDAS
HOMES**

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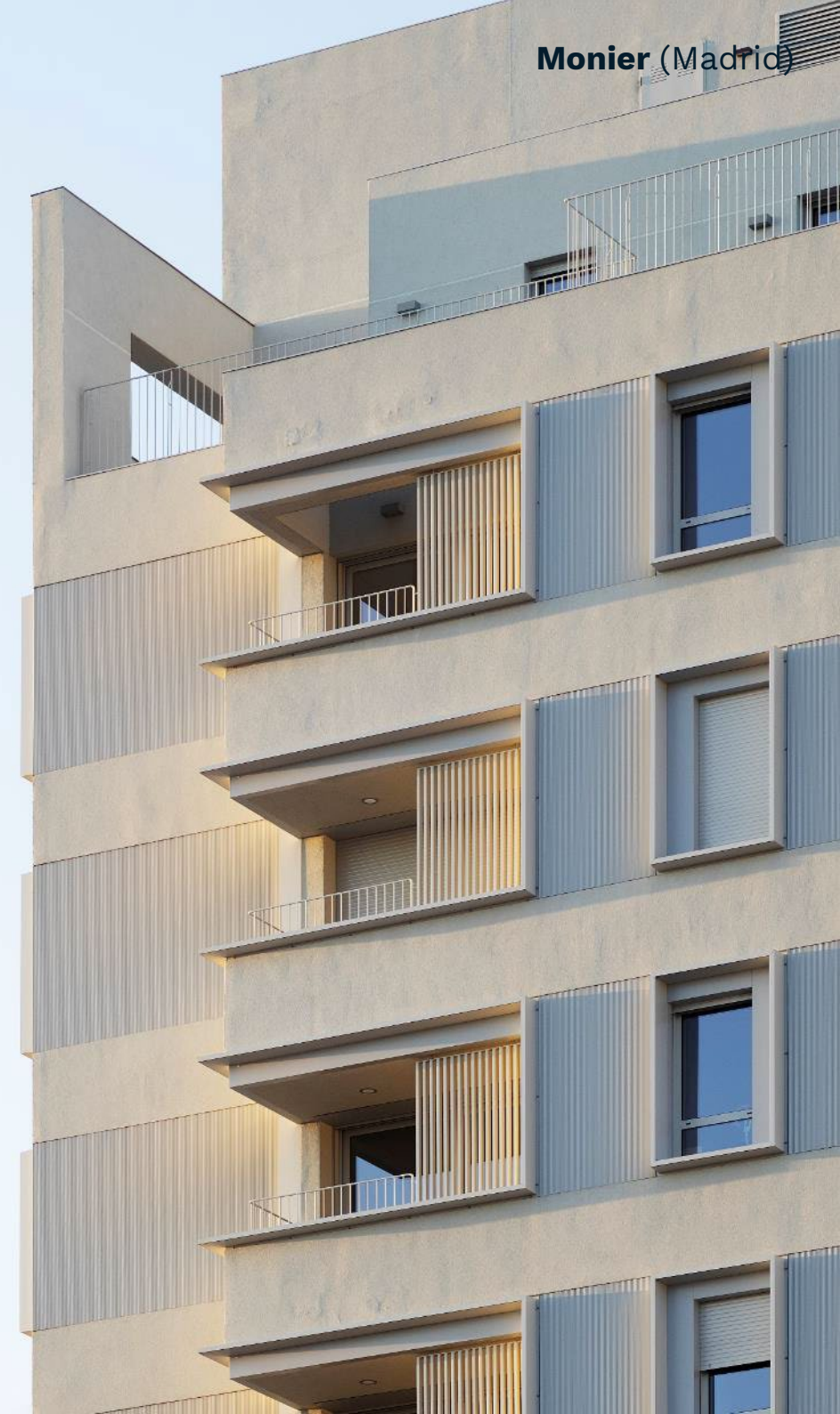
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01 Highlights



Overview



Cody (L'Hospitalet de Llobregat, Barcelona)

Hitting ESG milestones

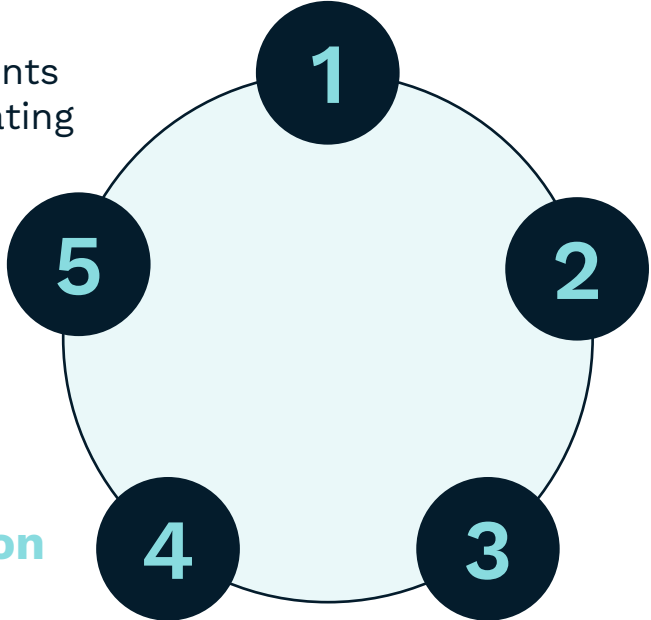
- 56% of FY 2021/22 completed developments obtained “A” energy rating
- 69% of developments activated in past year targeting “A” rating

Strong visibility on Business Plan

Excellent coverage ratio and lank bank provide strong visibility on Business Plan

Outstanding deliveries execution in FY 2021/22

2,298¹ homes delivered



Results have beaten both Business Plan and market consensus

- €766m in revenue
- 29% gross margin
- €149m in EBITDA

Attractive shareholder remuneration

10% yield on proposed dividend²

(1) Including 41 units attributed to Aurea Homes
 (2) Dividend pending approval by Annual General Meeting. Calculated as dividend paid out of FY 2021/22 results divided by share price at market close on 25 May 2022

FY 2021/22 Operating Results

Homes delivered	2,298¹
Revenue	€766m
EBITDA margin	19.5%
Net financial debt	€273m
Financial leverage	1.8x Net debt/EBITDA - 13.2% LTV
Land investment	€303m
ROE²	10%

(1) Including 41 units attributed to Aurea Homes

(2) Measured as the quotient of attributable net income in 2021/22 divided by equity as of 31 March 2022

Executive Summary

FY 2021/22

1

Sales

- 3,084 units net sales (2,885 BTS and 199 BTR), valued at **€1,037m** (789 units in Q4)
- BTS ASP: €346k ASP and BTR ASP: €200k
- **4,255 units in Order Book** (3,113 BTS and 1,142 BTR), valued at €1,281m

2

Operations

- 3,682 units launched, 2,940 building permits granted
- 2,853 construction starts
- At year end, **5,337 units under construction** and **672 completed units (pending delivery)**

3

Investment

- Land for a 4,101 additional units acquired for €303m. **Landbank** grew by 1,516 units, **now stands at 17,000 units**
- 73% of landbank is active
- **NAV per share up 3%** to €34.64

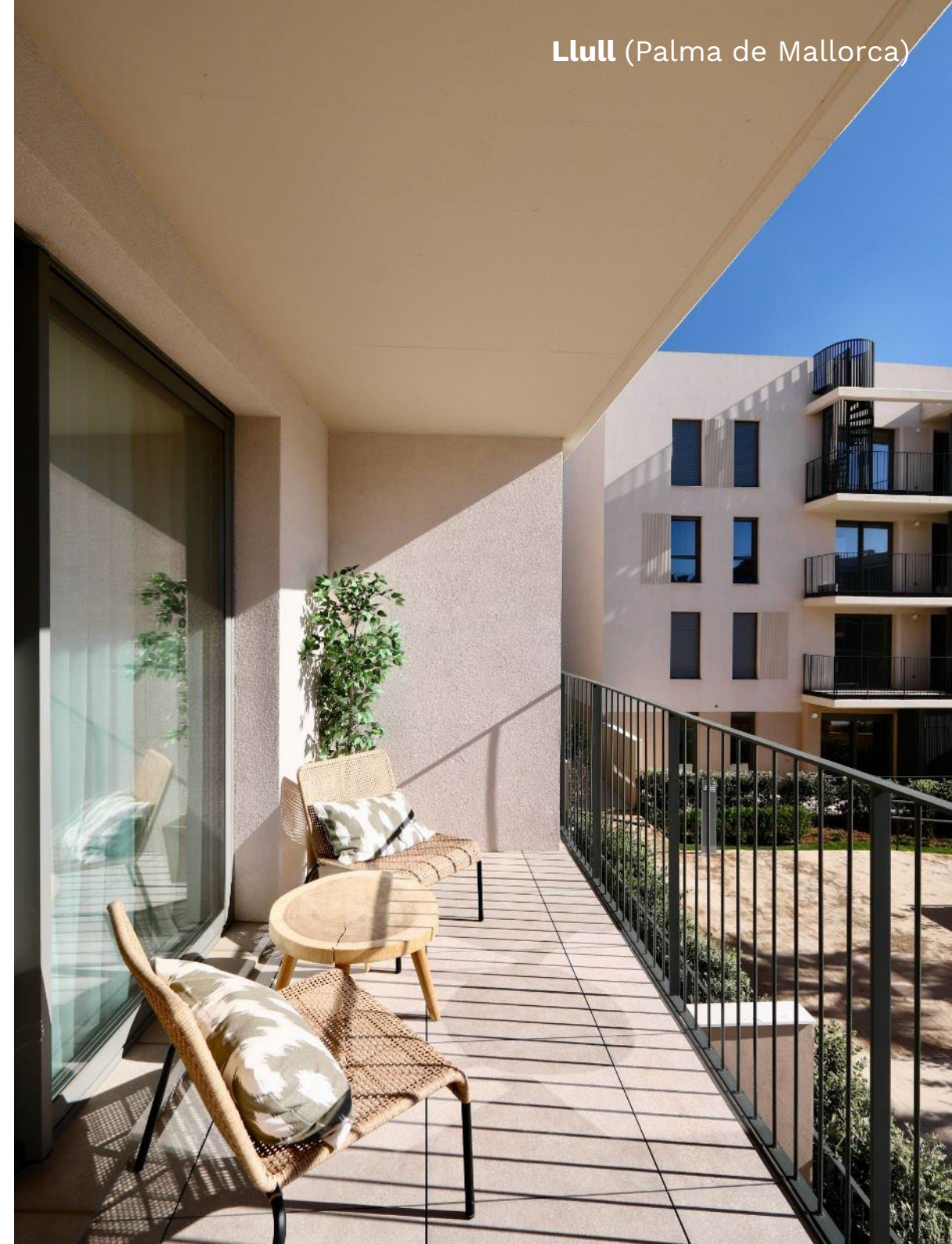
4

Financials

- €766m in revenue, €149m of EBITDA, and €94m net profit
- **10% ROE**
- €240m in total cash, €273m of net debt
- **NFD/EBITDA of 1.8x, LTV of 13%**

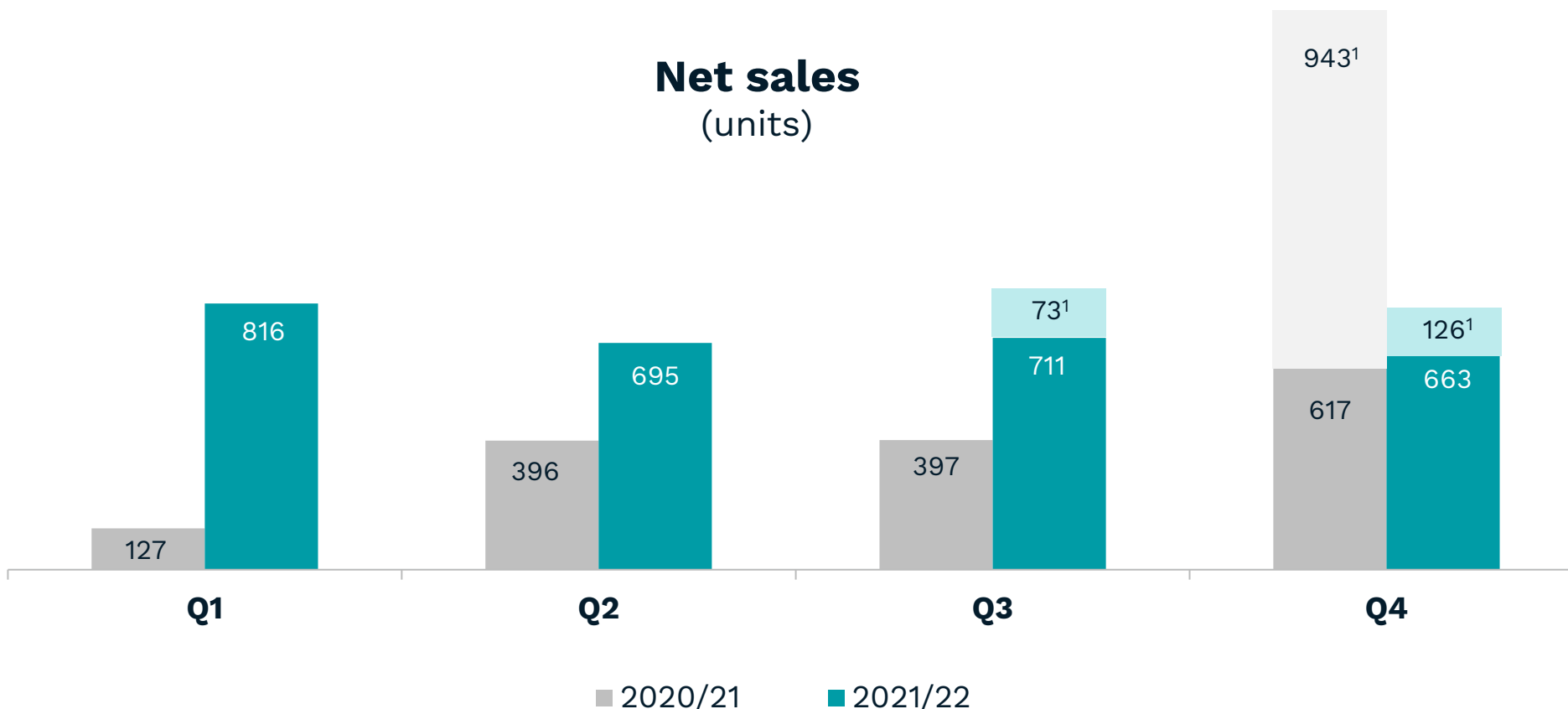
02

Business Update



Keeping on a growth path in sales and operations

Net sales
(units)



(1) BTR units



Sales

Solid demand

- Net sales of 2,885 BTS units and 199 BTR units, hitting 3,000-unit run rate
- Total annual sales valued at over one billion euro
- 789 units sold in Q4 2021/22



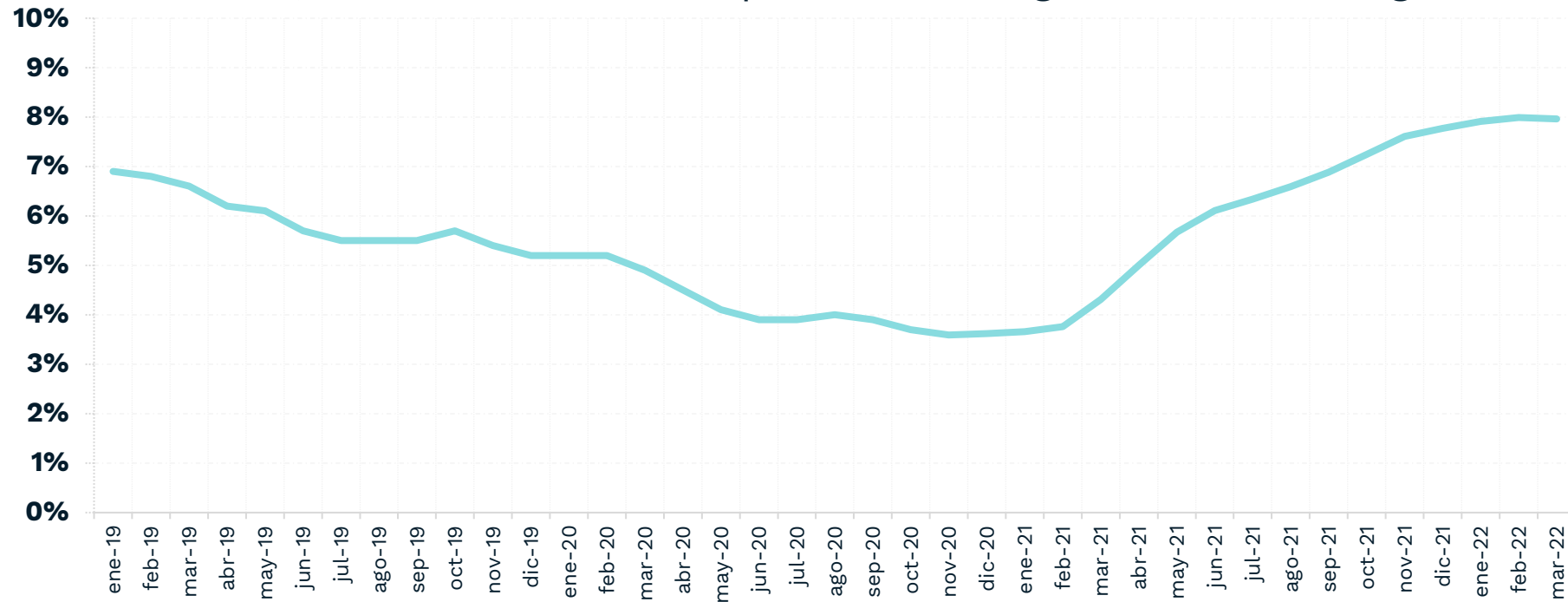
Construction and Operations

Dynamic yet complex year at the operational level due to disruptions in supply chain and on-site activity

- 3,682 units launched, 2,940 permits granted, broke ground on 2,853 units
- 5,337 units now under construction and 672 completed units (pending delivery)
- Temporary delays on site due to trucker strikes and pricing uncertainty in an inflationary scenario

Absorption rate confirms robust demand in regions where AEDAS Homes operates

Average monthly sales absorption rate (BTS)
(# net sales/available product, rolling 12-month average)

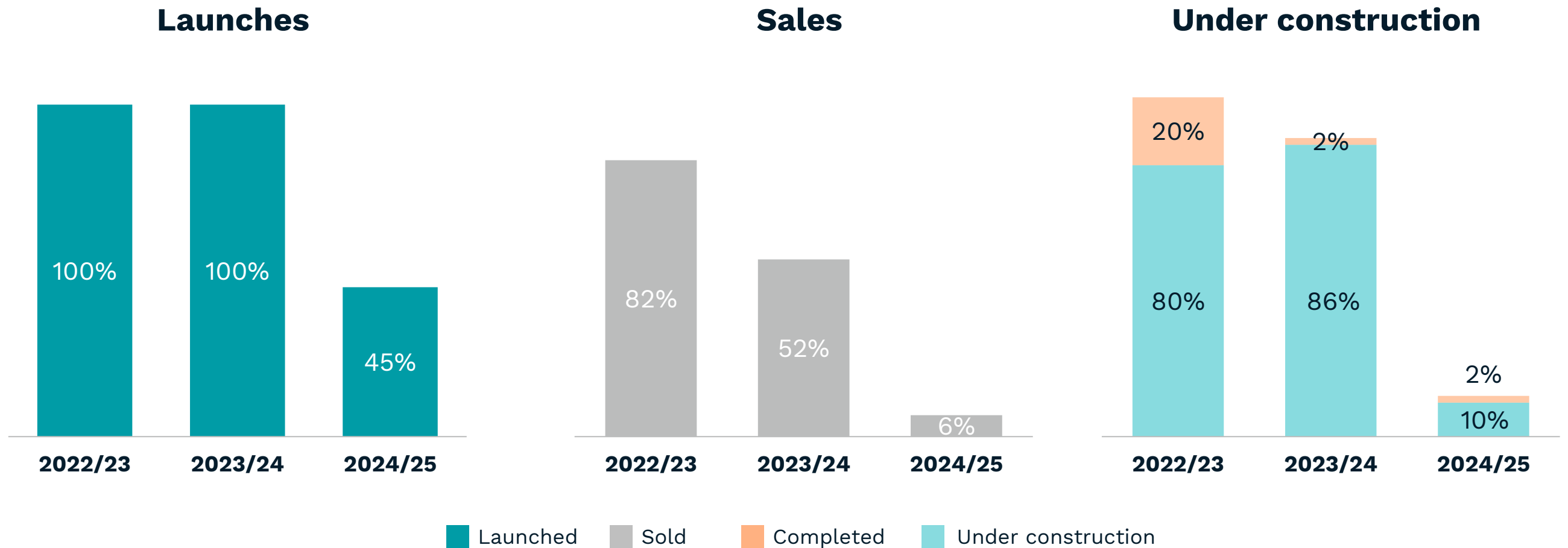


Observing stabilisation in the sales absorption ratio



Madrid, East and Costa del Sol regions have experienced the greatest increase in year-on-year absorption rates

Strong visibility on Business Plan achievement with growing delivery goals



Disciplined, selective land investment strategy that maximises opportunities and ensures Business Plan profitability

2021/22

Land investment

✓ **€303m**
invested in RTB land for
4,101 additional units

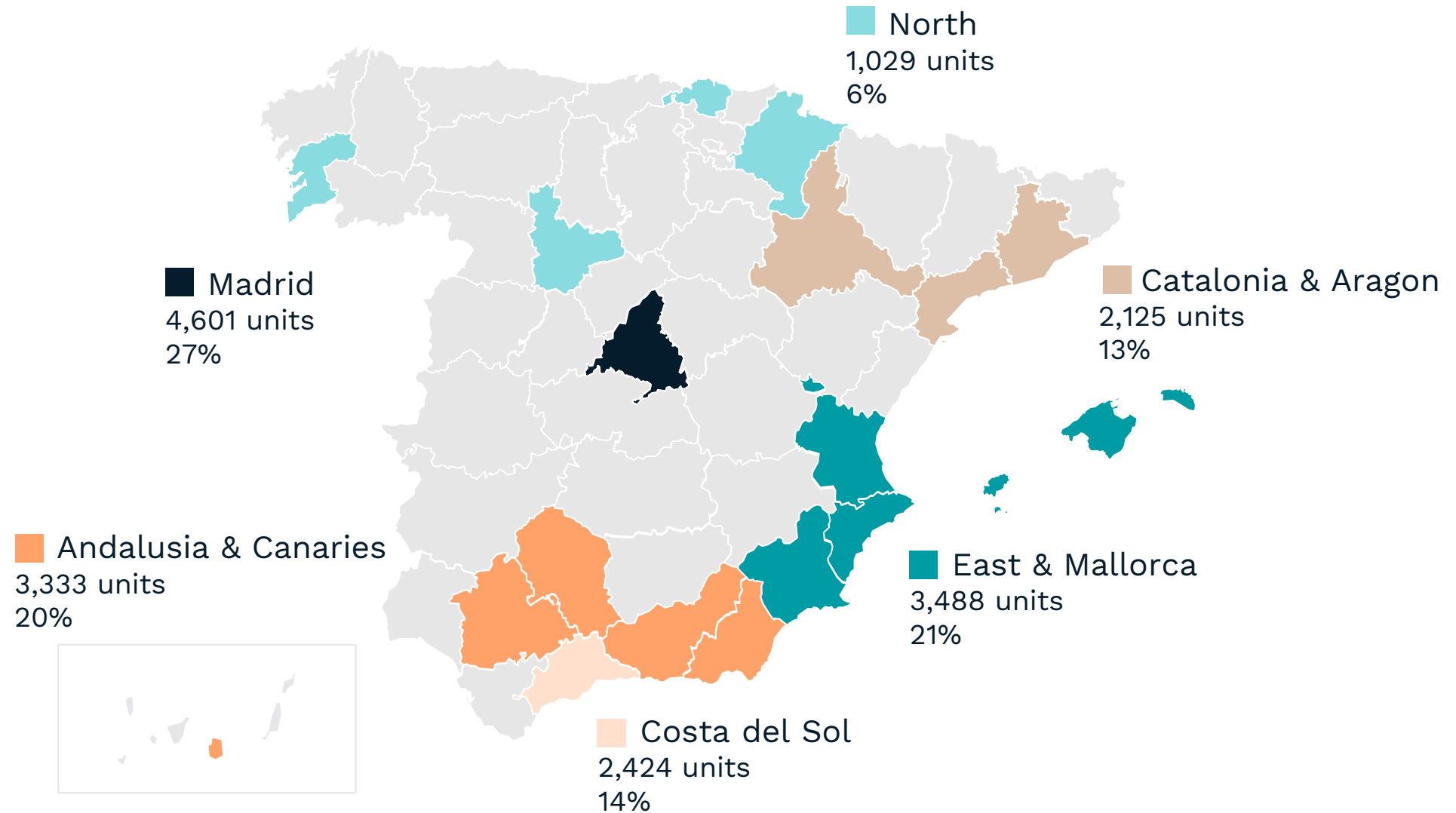
✓ Additionally AEDAS
acquired **167 units in
8 Works in Progress**
from [Aurea Homes](#)



✓ **Selective criteria:**
46 deals closed in
29 municipalities

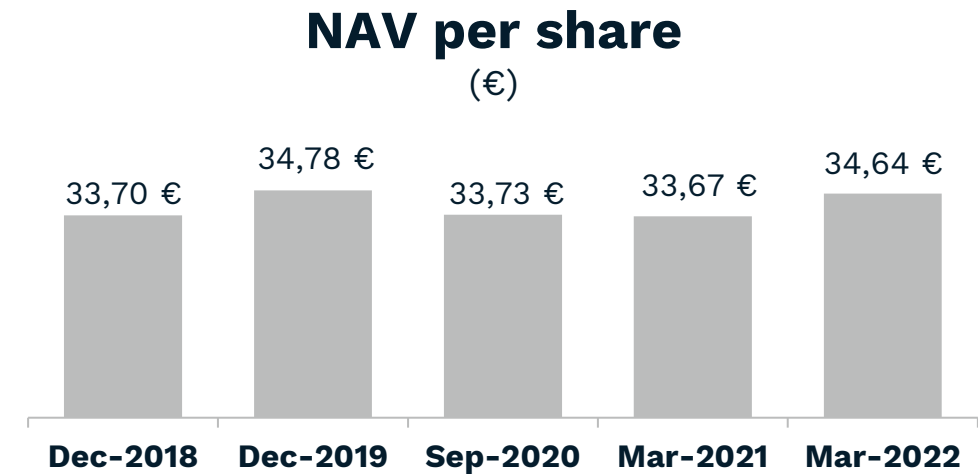
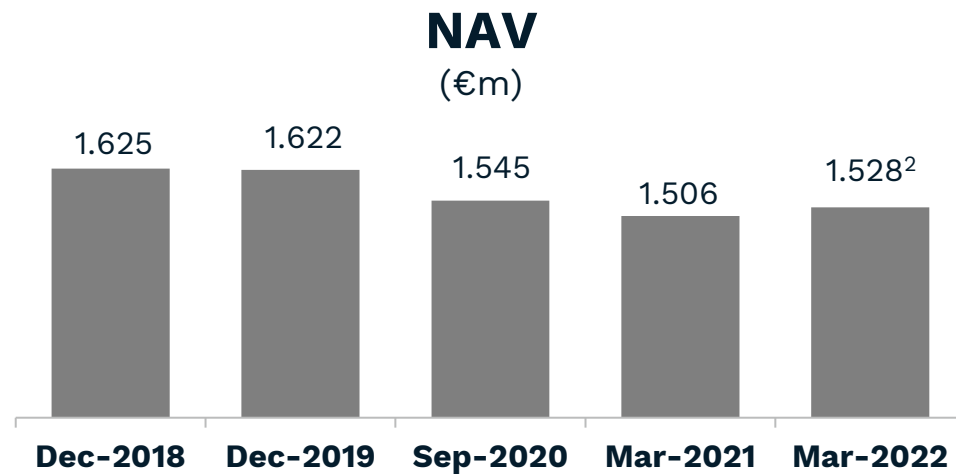
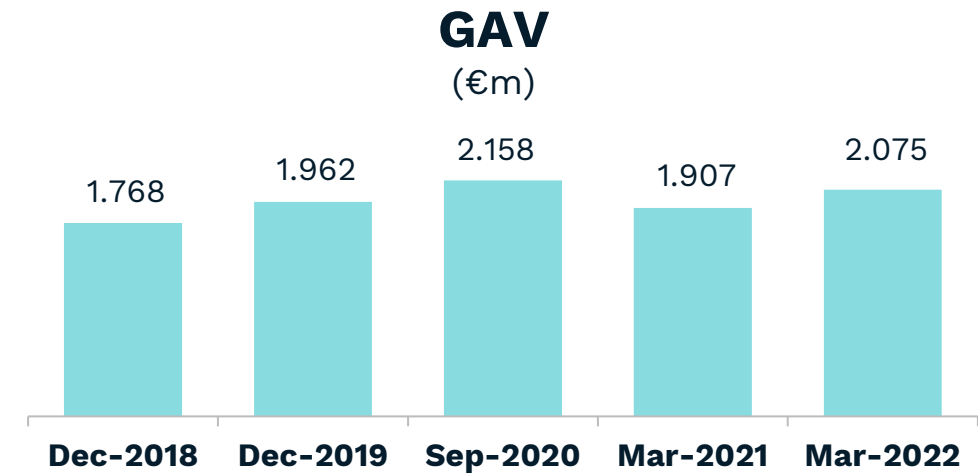
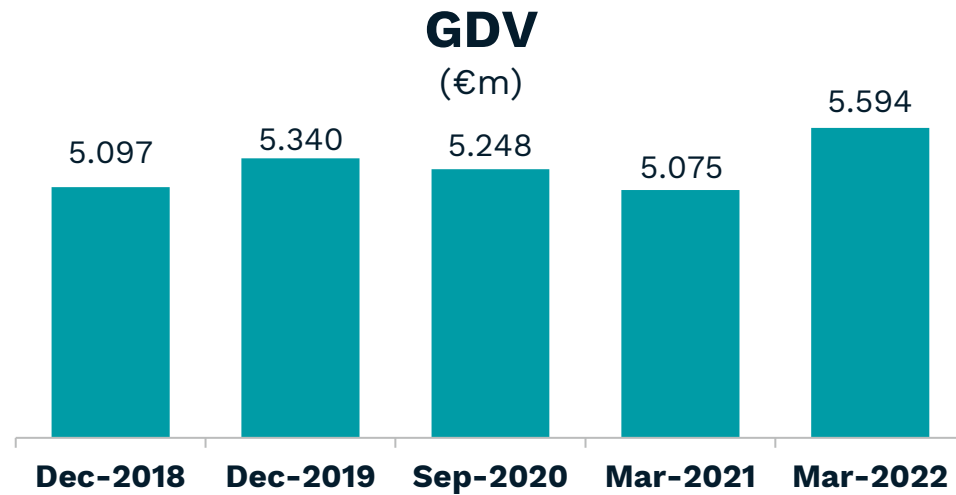
17,000 units in landbank

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



Landbank at FY 2020/21 (15,484) + executed investments (3,252) + committed investments (849) – deliveries in 2021/22 (2,257) – Project Land (42) – adjustments (286) = 17,000

Valuation metrics evolving very favourably

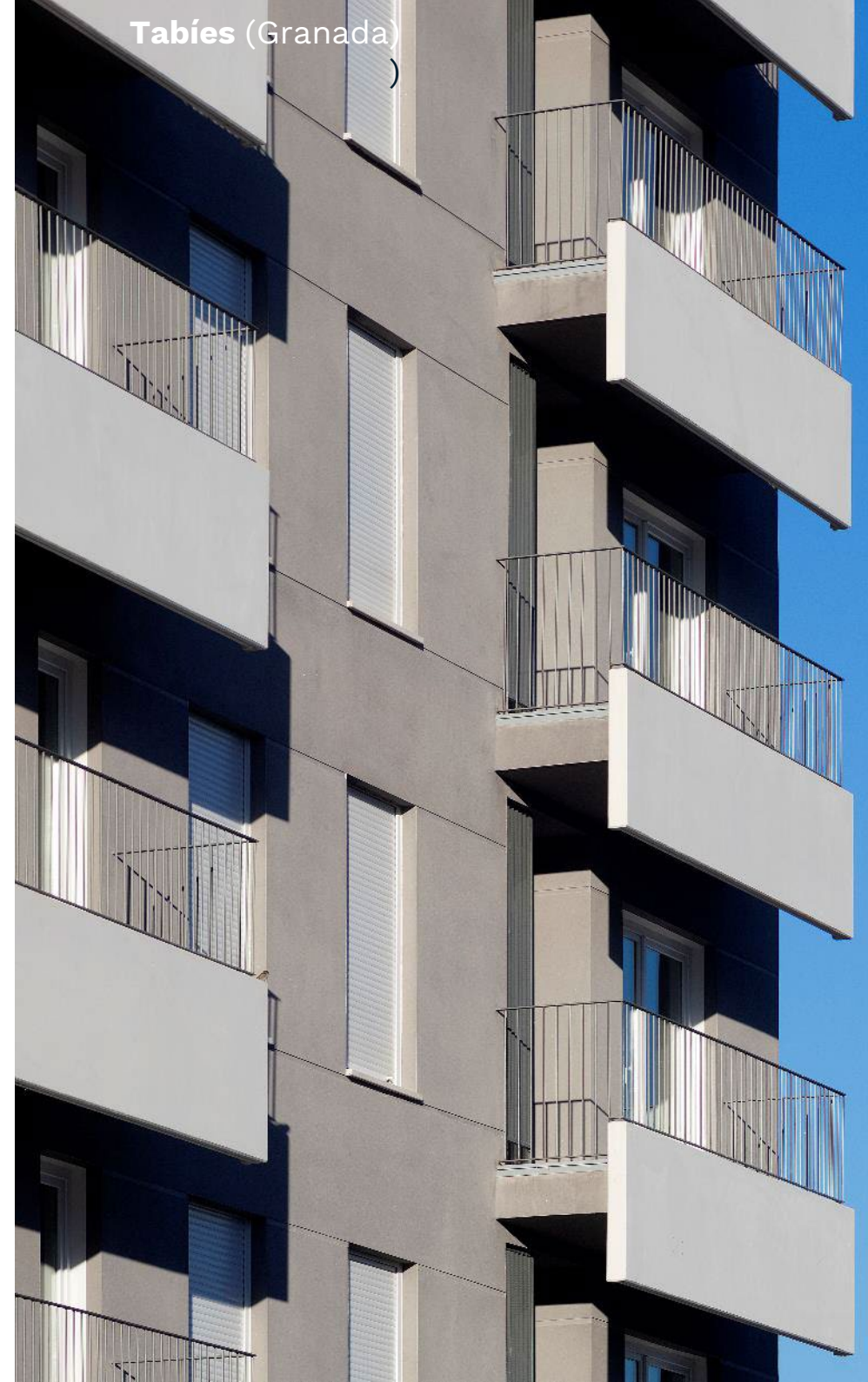


(1) NAV per share calculation excludes 2,720,335 treasury shares in March 2022 and 3,325,249 treasury shares in March 2021

(2) NAV would have reached €1,617m if no dividends had been paid or treasury stock transactions carried out

03

FY 2021/22 Financial Results



Outstanding set of financial results in FY 2021/22

	2021/22	2020/21	Change
Revenue <ul style="list-style-type: none"> Homes delivered Land sales Services 	€766m €747m €15m €4m	€672m €668m €4m -	€94m (+14%) €79m (+12%) €11m (+239%) €4m (-)
Gross margin <ul style="list-style-type: none"> Margin % 	€222m 29.0%	€189m 28.1%	€33m (+18%) + 90 bp
Net margin <ul style="list-style-type: none"> Margin % 	€186m 24.3%	€160m 23.8%	€26m (+16%) + 50 bp
EBITDA <ul style="list-style-type: none"> Margin % 	€149m 19.5%	€133m 19.8%	€16m (+12%) - 30 bp
Net profit <ul style="list-style-type: none"> Margin % 	€93m 12.2%	€85m 12.7%	€8m (+9%) - 50 bp

- **€766m in revenue, in line with committed target**
- **€15m in land sales**, with 30% gross margin; €4m coming from **newly-launched Services line**
- **Notable increase gross margin**, reaching 29.0%
- Net development margin of 24.3%, well above 20% target
- **€149m in EBITDA, beating annual guidance and consensus**
- EBITDA margin has fallen 30 bp due to **increase in staff needed to manage growing volume of activity, new Long-Term Incentive Plan and costs related to digital transformation**
- €93m in net profit (+9%); **10% ROE**
- **Proposed dividend distribution: €2.16/share**

Balance sheet structure adjusted to high activity volume and maturity

	31 March 2022	31 March 2021	Change
Inventories <ul style="list-style-type: none"> Land Works in progress Completed product 	€1,520m €644m €672m €183m	€1,395m €582m €581m €214m	€125m €62m €91m €-31m
Cash <ul style="list-style-type: none"> Available cash 	€240m €186m	€186m €124m	€54m €62m
Short-term debt	€43m	€99m	€-56m
Long-term debt	€416m¹	€253m²	€163m
Equity <ul style="list-style-type: none"> Treasury stock³ 	€977m €56m	€994m €65m	€-17m €-9m

- **Increase in inventories due to increase in landbank and volume of active units.** Decrease in value of completed product reflects increasing turnover of assets
- Strengthened cash position (**available cash +€62m**)
- **Debt restructuring** aimed at extending terms and fixing existing low interest rates
- Lower equity due to **investment in treasury stock, amortisation of own shares and dividend payment⁴**

(1) Long-term developer loans (€99m) + long-term corporate debt (€317m)

(2) Long-term developer loans (€165m) + long-term corporate debt (€88m)

(3) As of 31 March 2022, there were 2,720,335 shares in Treasury Stock at a purchase value of €55,963,276

(4) €62m corresponding to dividend paid out of 2020/21 results and €36m corresponding to interim dividend from 2021/22 results

Cash Flow

(€m)	31 March 2022	31 March 2021	Change (€m)	Change (%)
EBITDA	148.9	133.2	15.7	11.8%
Other adjustments to profit	3.5	-22.5	26.0	-116%
Other cash used in operating activities	-28.2	-13.7	-14.5	106%
Change in Working Capital excluding land purchases/sales	55.4	-88.4	143.8	-163%
Net cash change from land investments and land sales ¹	-224.7	-63.2	-161.5	256%
(A) Net cash used in operating activities	-45.1	-54.5	9.4	-17%
Investments in other PP&E and intangible assets	-2.9	-1.1	-1.8	164%
Investments in other financial assets	13.1	0.0	13.1	-
Proceeds from the sale of other financial assets	2.4	0.0	2.4	-
(B) Net cash used in investing activities	12.6	-4.3	16.9	393%
Repurchase/(sale) of own shares	-14.2	-24.3	10.1	-42%
Net cash change from financing sources	198.8	133.1	65.7	49%
Dividend payment	-98.3	0.0	-98.3	-
(C) Net cash from financing activities	86.3	108.9	-22.6	-21%
Net (decrease)/increase in cash and cash equivalents (A+B+C)	53.9	50.1	3.8	7.6%
Total cash as of 31 March 2021	186.2	136.1	50.1	37%
Total cash as of 31 March 2022	240.0	186.2	53.9	29%

- **Cash generation from working capital excluding land transactions** reflects the company's excellent capacity for cash generation
- The **issuance of the €325m HY bond** is transferred into a €86m net surplus in financing activities (after Syndicated Loan cancellation and shareholder remuneration)
- **Total cash increased by €54m in 2021/22 to €240m**

(1) €55m corresponding to the acquisition of Aurea Homes

€273m in net debt and €240m in total cash

(€m)	31 March 2022	31 March 2021	31 March 2020	Change vs Mar 2021	Change vs Dec 2020
(A) Secured debt	106.3	169.4	139.1	(63.1)	(32.8)
(B) Corporate debt	363.1	188.2	212.1	174.9	151.0
Syndicated Loan + ICO	-	131.5	150.0	(131.5)	(150.0)
Commercial paper programme (MARF)	38.1	56.7	62.1	(18.6)	(24.0)
High Yield Bond (with guarantee)	325.0	-	-	325.0	325.0
(C) Amortised cost-IFRS	(10.4)	(5.3)	(4.7)	(5.1)	(5.7)
(D) Gross Financial Debt (A+B+C)	459.0	352.3	346.5	106.7	112.5
(E) Available cash	185.7	123.5	86.1	62.2	99.6
Net Financial Debt (D-E)	273.3	228.8	260.4	44.5	12.9
(F) Cash tied to developments	54.3	62.6	50.1	(8.3)	4.2
TOTAL CASH (E+F)	240.0	186.2	136.1	53.8	103.9

- **Net financial debt stood at €273m**, up €45m vs March 2021, due to increased investment in land, number of units under construction and shareholder remuneration efforts
- Significant diversification of financing sources made it possible to **reduce reliance on developer loans**
- On 12 May 2021, the company issued a **€325m-high yield bond¹** at 4.0% (annually) for 5.25 years
- AEDAS Homes has **additional availability of €348m in developer financing, a €55m RCF for general corporate purposes and another €112m in financing for BTR projects**

Credit rating reflects low level of financial leverage

	31 March 2022	31 March 2021	31 March 2020
LTC ¹	18.0%	16.4%	19.9%
LTV ²	13.2%	12.0%	13.3%
Net financial debt / EBITDA	1.8x	1.7x	4.0x
Average cost of debt	3.61%	2.83%	2.87%
Interest coverage	7.6x	9.4x	5.4x

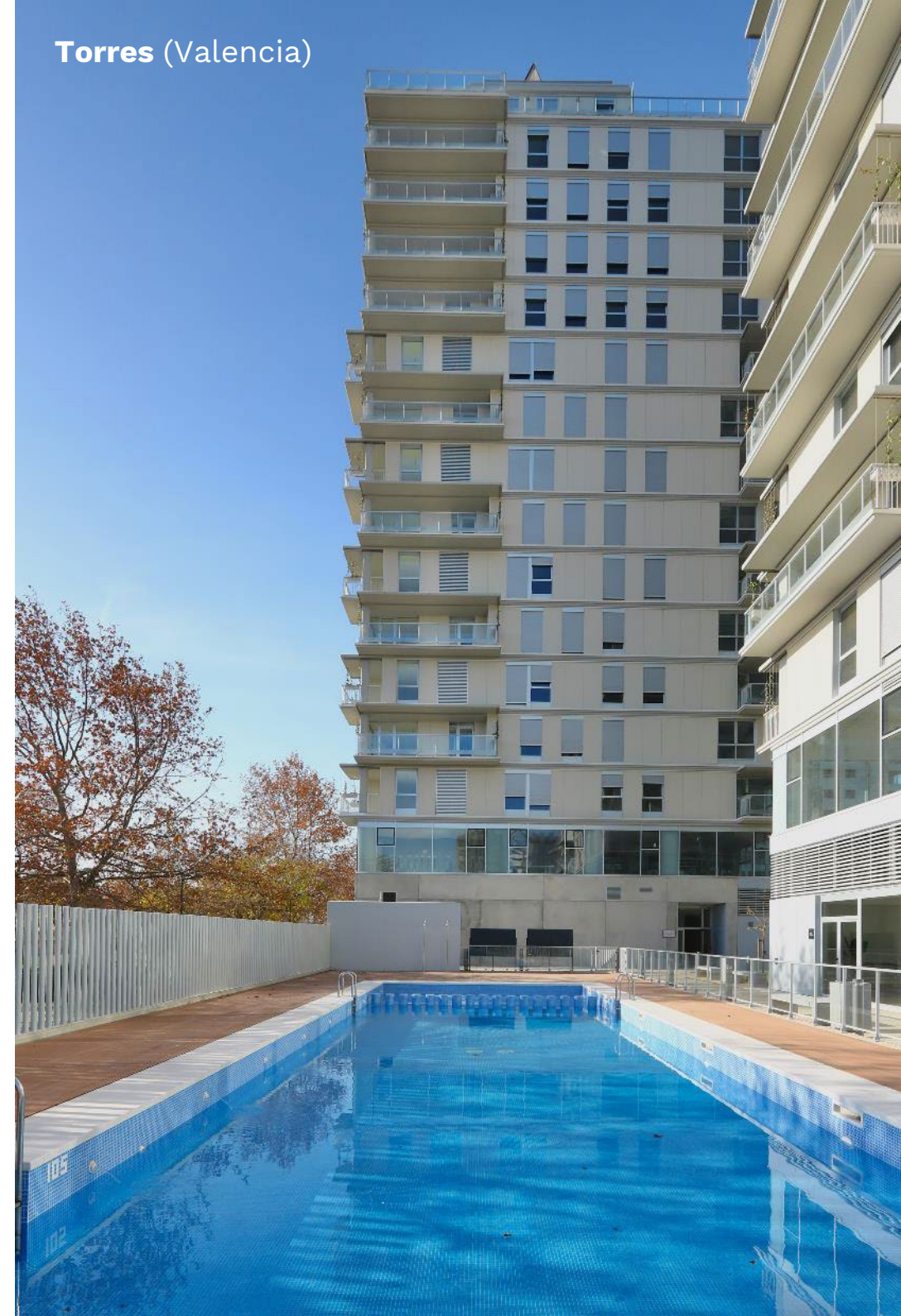
	S&P	Moody's	Fitch
Corporate credit rating	B+	Ba2	BB-
Senior secured notes rating	BB-	Ba2	BB

- Slight increase in leverage in terms of NFD/EBITDA and LTV ratio due to **significant land investment, growing volume of activity and dividend payment**
- Careful management ensures **low leverage rates are maintained, despite scaled-up activity levels**
- Increase in average cost of debt due to new capital structure, with **greater weight of fixed-rate debt and longer repayment terms**

(1) Calculated as Net Financial Debt divided by inventory

(2) Calculated as Net Financial Debt divided by total GAV

04 Shareholder remuneration



Shareholder remuneration: 10% dividend yield¹



- The Board of Directors has agreed to propose to the AEDAS Homes Annual General Meeting a dividend distribution of **€101m**, equivalent to **€2.16 per share**.
- The proposed schedule for distributing these dividends is:
 - 31 March 2022: €0.82/share as an interim dividend (already paid)
 - 8 July 2022: €1.34/share as a complementary dividend



- Additionally, in FY 2021/22 AEDAS Homes acquired **555,136 treasury shares** (1.186% of share capital) for a purchase value of €14m.

(1) Dividend pending AGM approval. Yield calculated as dividend distributed from FY 2021/22 results divided by AEDAS Homes share price at market close on 25 May 2022

A photograph of a modern rooftop garden. The scene is dominated by a series of tall, grey, rectangular pillars with black, stepped tops, arranged in a row. The ground is covered in light-colored gravel and patches of green grass. Several young trees and shrubs are planted in wooden planters. In the background, a residential neighborhood with red-tiled roofs and a construction crane is visible under a clear blue sky. The overall atmosphere is bright and sunny.

05 ESG

Escalonia III (Las Rozas, Madrid)

Achieving targets set out in ESG Strategic Plan for 2021-2023



Environment

- **56% of developments completed in 2021/22 have obtained an “A” rating**; 69% of developments activated in 2021/22 are targeting an “A” rating
- **100% of AEDAS Homes developments meet the in-house Green Book standards** or have achieved a sustainability certification such as BREEAM
- **100% of AEDAS Homes developments completed in 2021/22 have had a Life Cycle Analysis (LCA)** carried out



Social

- **AEDAS Homes has been certified as a Great Place to Work®**, categorising it as one of the best companies to work for in Spain; achieved 74% on Trust Index - 9 percentage points above the threshold required to be considered a Great Place to Work



Corporate Governance

- **ESG objective added to Annual Variable Remuneration model for the entire workforce and to the 3-year Long-Term Incentive Plan (LTIP)** for members of Senior Management Team and other key employees

Anza (Torrejón de Ardoz, Madrid)

06

Full Year 2021/22 Takeaways



Full Year 2021/22 Takeaways

1

Solid performance: laying the foundation and providing visibility for the future

2

Continuing to **leverage on our strengths:** platform at cruising speed, proven business model and strategy

3

Maximising value for shareholders: focusing on margins and ROE, offering best-in-class shareholder remunerations



Corporate calendar

29 June 2022	Annual General Meeting	Confirmed
8 July 2022	Dividend distribution	Date TBC
15 July 2022	Q1 2022/23 Results	Date TBC
30 November 2022	H1 2022/23 Results	Date TBC
15 February 2023	9M 2022/23 Results	Date TBC

07
Appendix



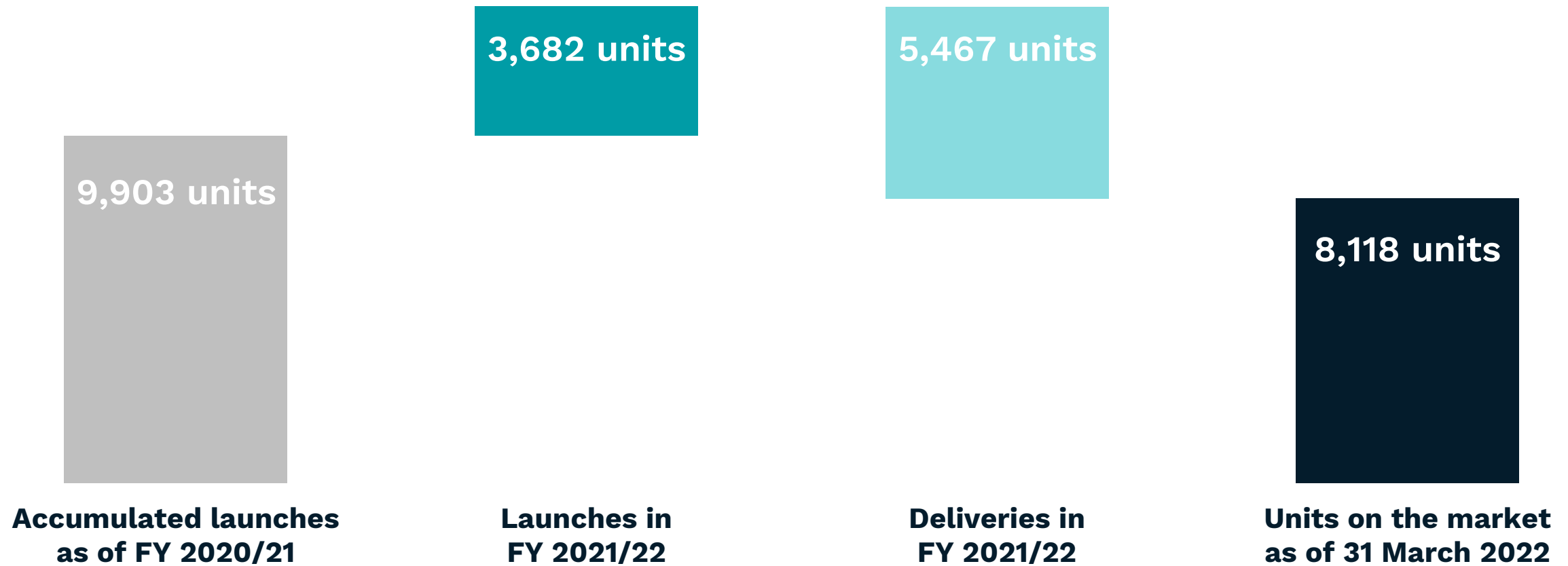
P&L FY 2021/22

(€m)	2021/22	2020/21	Var (€m)	Var (%)
Revenue derived from delivery of housing units	746.7	667.6	79.1	11.9%
Revenue derived from land sales	14.7	4.3	10.4	239%
Revenue derived from services	4.2	-	4.2	-
TOTAL REVENUE	765.6	671.9	93.7	13.9%
Cost of goods sold	(542.6)	(482.9)	(59.6)	12.4%
Cost of services	(0.7)	-	(0.7)	-
GROSS MARGIN	222.3	188.9	33.3	17.6%
<i>% Gross Development Margin</i>	<i>29.0%</i>	<i>28.1%</i>	-	<i>90 bp</i>
Sales and marketing costs	(29.4)	(20.4)	(9.0)	44%
Other operating expenses	(6.7)	(8.4)	1.6	-19.2%
NET DEVELOPMENT MARGIN	186.1	160.2	25.9	16.2%
<i>% Net Development Margin</i>	<i>24.3%</i>	<i>23.8%</i>	-	<i>50 bp</i>
Overheads	(38.7)	(29.4)	(9.2)	31%
Other income and expenses	1.5	2.5	(1.0)	-40%
EBITDA	148.9	133.2	15.7	11.8%
<i>% EBITDA Margin</i>	<i>19.5%</i>	<i>19.8%</i>	-	<i>-30 bp</i>
Depreciation and amortisation	(3.2)	(2.2)	(1.0)	-46%
Net financial income	(19.8)	(14.2)	(5.6)	39%
Share of profit/(loss) of associates	0.4	(0.4)	0.8	-
Impairment losses	(1.3)	(2.9)	1.6	-
EARNINGS BEFORE TAXES	125.0	113.5	11.5	10.1%
Corporate tax	(31.1)	(28.5)	(2.7)	9.1%
NET INCOME	93.9	85.1	8.8	10.3%
<i>% Net Margin</i>	<i>12.3%</i>	<i>12.7%</i>	-	<i>-40 bp</i>
Minority interests	0.8	(0.0)	0.8	-
NET INCOME ATTRIBUTABLE TO PARENT COMPANY	93.1	85.1	8.0	9.4%
<i>% Net Attributable Margin</i>	<i>12.2%</i>	<i>12.7%</i>	-	<i>-50 bp</i>

Balance sheet as of 31 March 2022

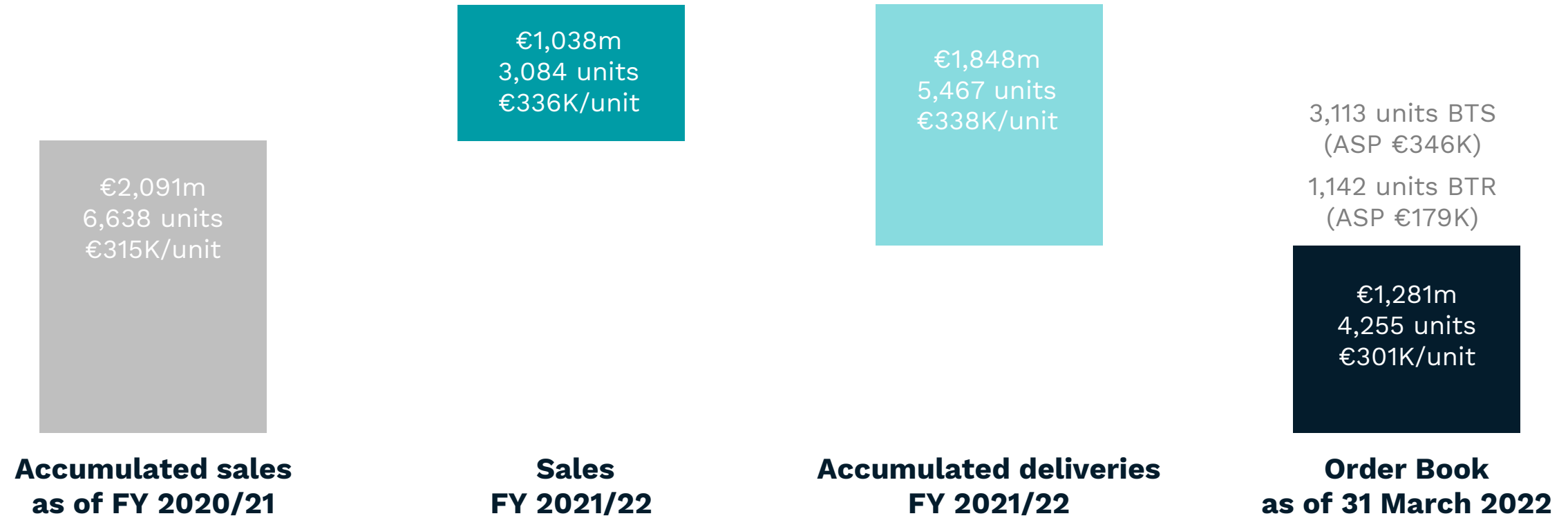
(€m)	Marzo 2022	Marzo 2021	Var. (€m)	Var. (%)
Other assets	37.8	19.0	18.8	99%
Deferred tax assets	7.0	13.8	(6.8)	-49%
NON-CURRENT ASSETS	44.8	32.8	12.0	37%
Inventories	1,520.3	1,394.5	125.8	9%
Trade and Other Receivables	64.5	46.0	18.5	40%
Other current assets	29.0	27.6	1.4	5%
Available cash	165.8	123.5	42.3	34%
Restricted cash	54.3	62.6	(8.3)	-13%
Other cash equivalents	19.9	-	19.9	-
CURRENT ASSETS	1,853.9	1,654.2	199.7	12%
TOTAL ASSETS	1,898.7	1,687.0	211.7	13%
EQUITY	976.3	994.3	(18.0)	-2%
Long-term financial borrowings	317.4	88.4	229.0	259%
Other long-term borrowings	1.2	1.1	0.1	11%
Deferred tax liabilities	0.3	-	0.3	-
NON-CURRENT LIABILITIES	318.9	89.5	229.4	256%
Long-term financial debt from developer loans	98.6	165.0	(66.4)	-40%
Short-term financial borrowings	42.9	98.9	(55.9)	-57%
Suppliers and creditors	185.0	160.2	24.8	16%
Customer pre-payments	216.2	131.8	84.4	64%
Other short-term liabilities	60.7	47.3	13.4	28%
CURRENT LIABILITIES	603.5	603.2	0.3	0%
TOTAL EQUITY AND LIABILITY	1,898.7	1,687.0	211.7	13%

8,118 units on the market¹

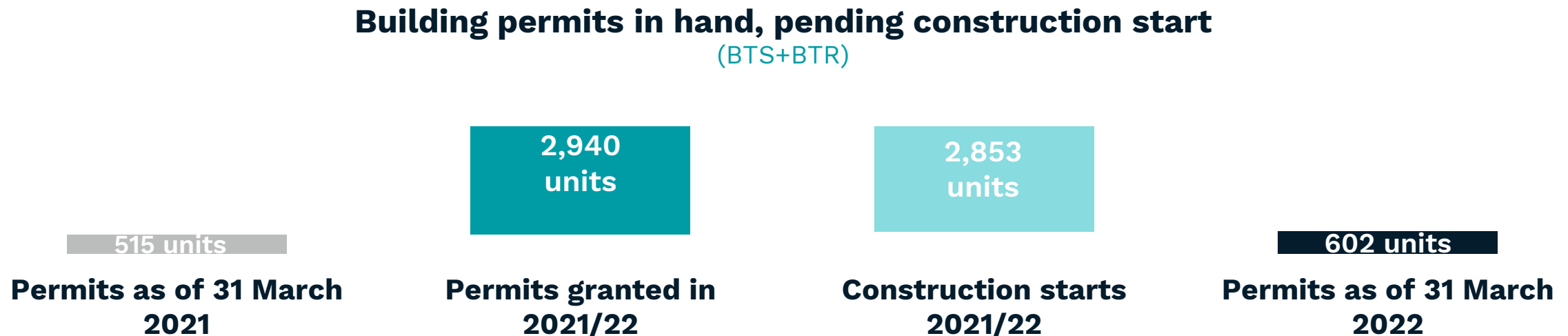
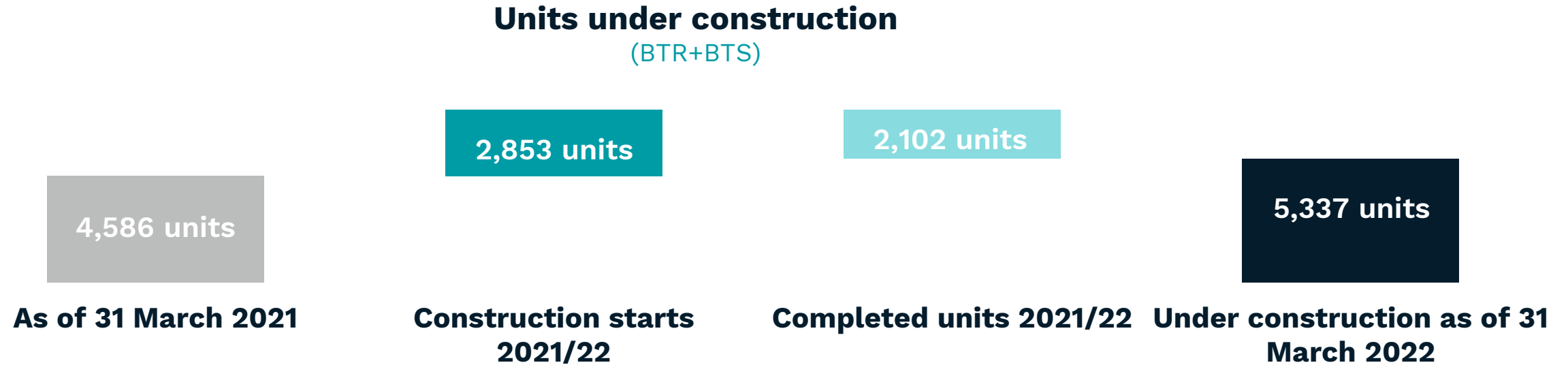


(1) "Units on the markets includes all united available for sale, include those that have already been sold but not yet delivered.

Order Book: 4,255 units (€1,281m)

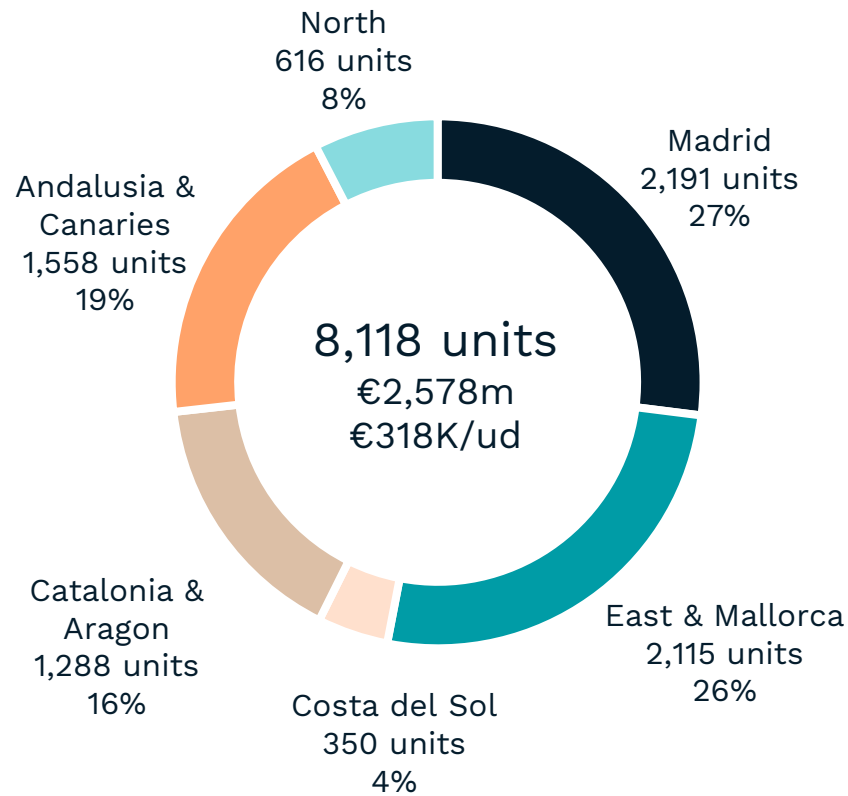


Construction and permitting

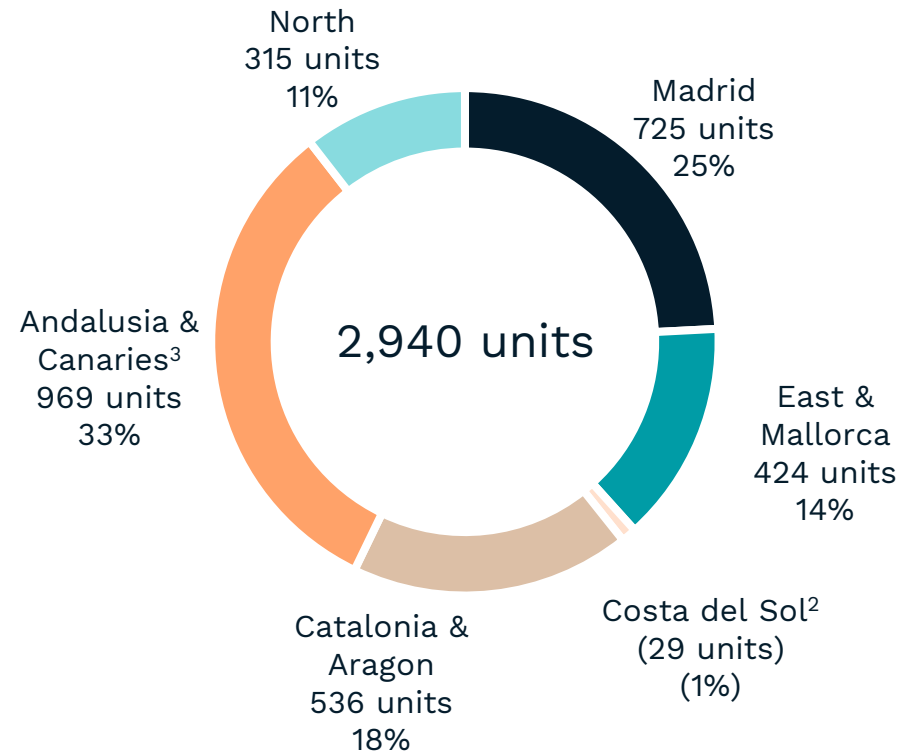


Regional breakdown

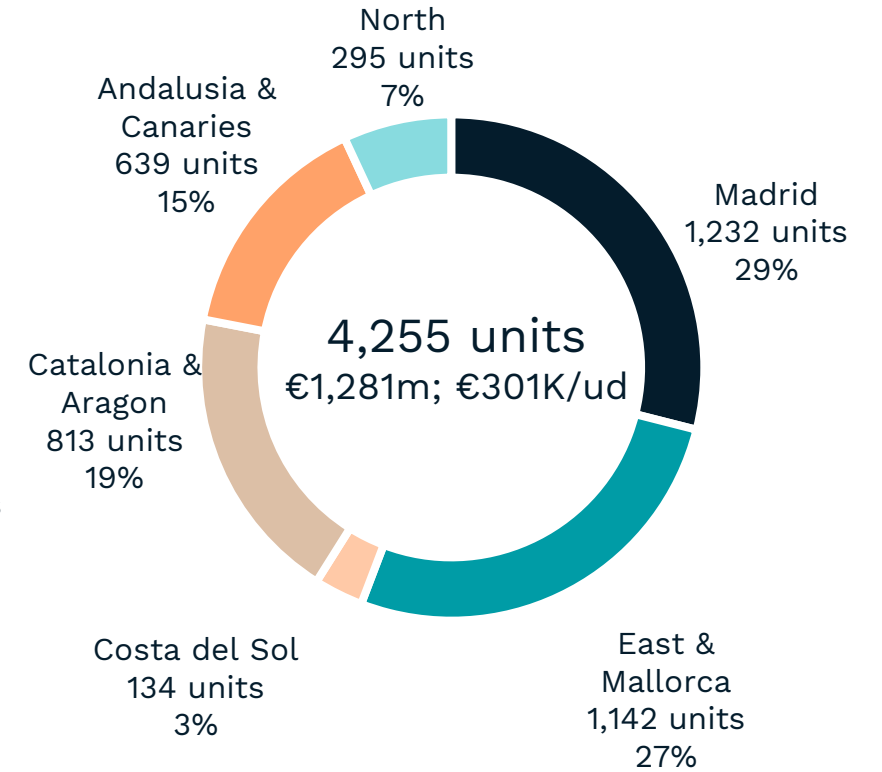
On the market¹



Permits granted in FY 2021/22



Order Book



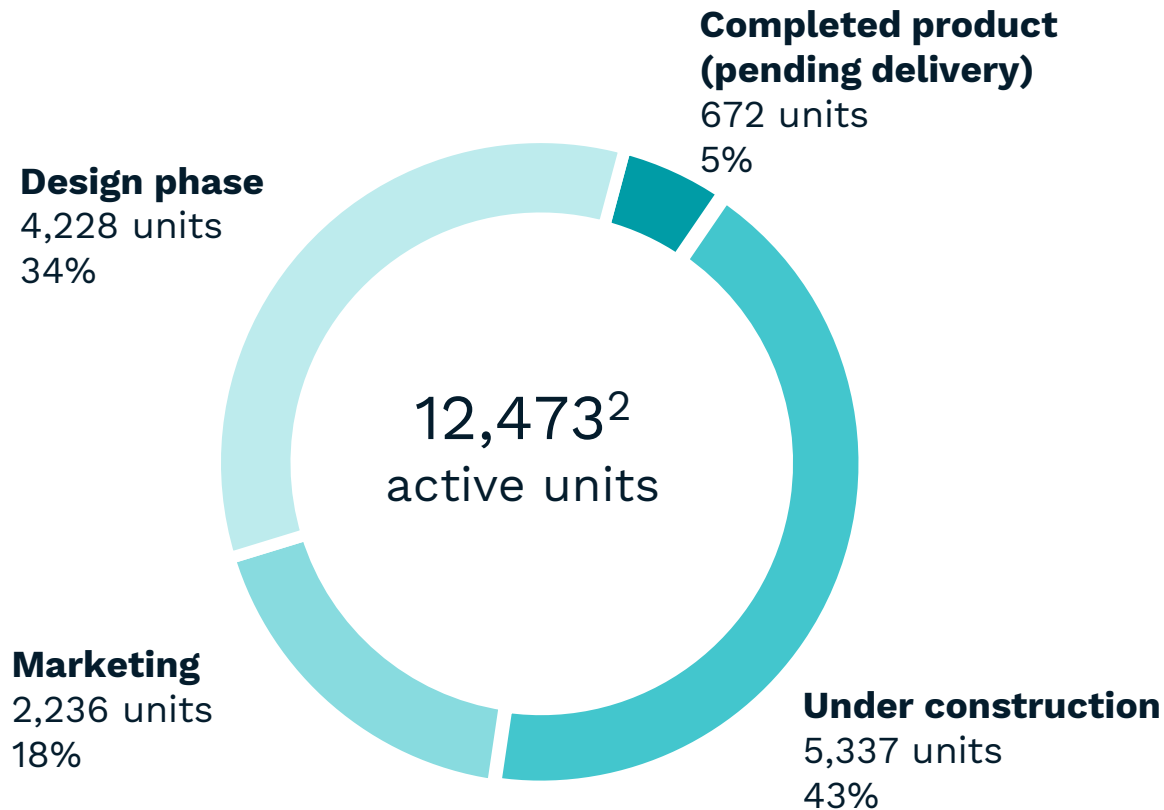
(1) "Units on the markets includes all united available for sale, include those that have already been sold but not yet delivered

(2) Due to modifications in the initial works project

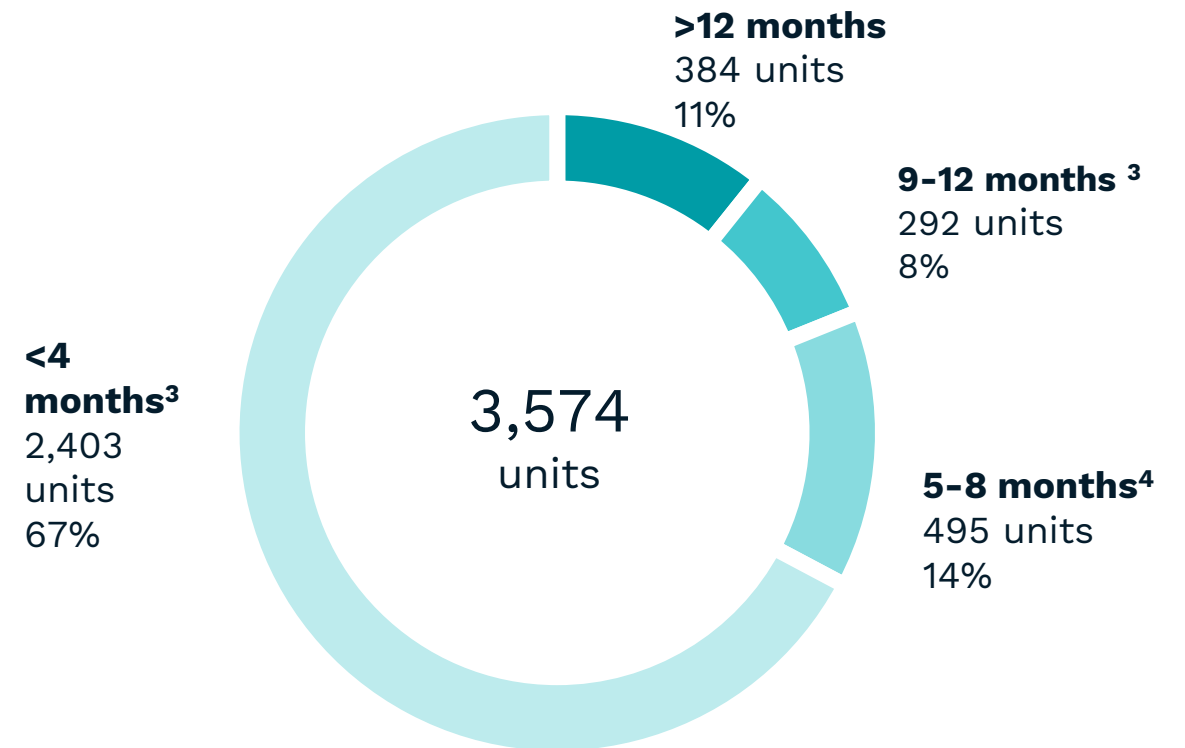
(3) Transferred 98 units earmarked for BTR to BTS

Active Units and Permit Request Status

Active units¹



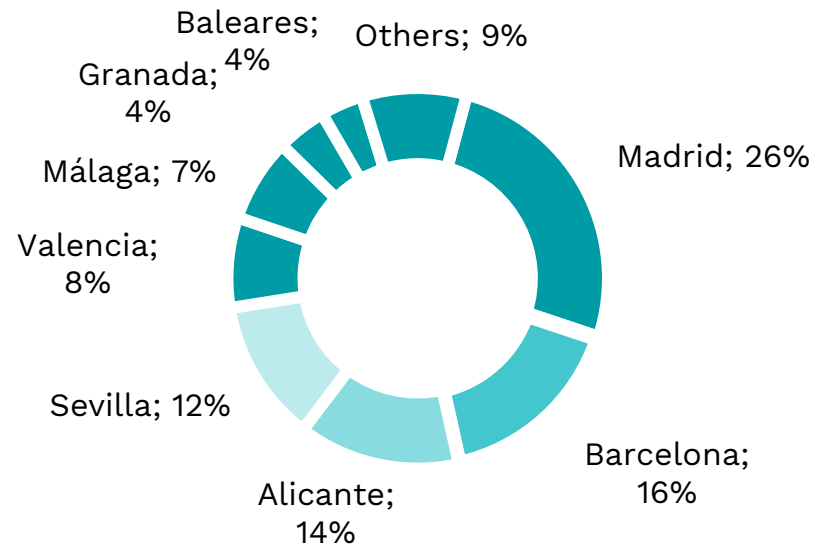
Permit Request Status



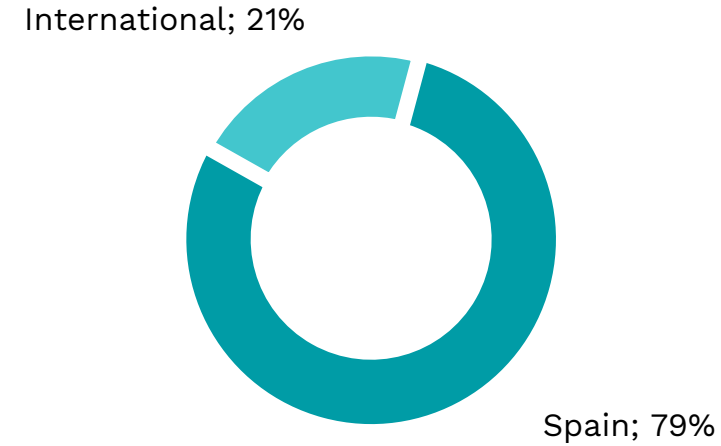
(1) Units are considered “active” from the moment they enter the Design Phase until they are delivered to the customer
 (2) Of these active units, 648 correspond to committed investments that are pending payment
 (3) 640 correspond to BTR
 (4) 160 correspond to BTR

Customer Profile (1/2)

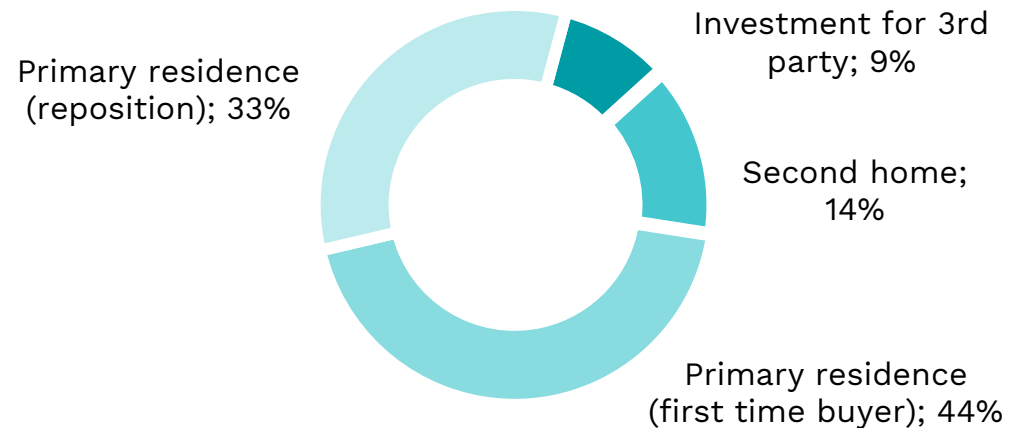
Order Book by province



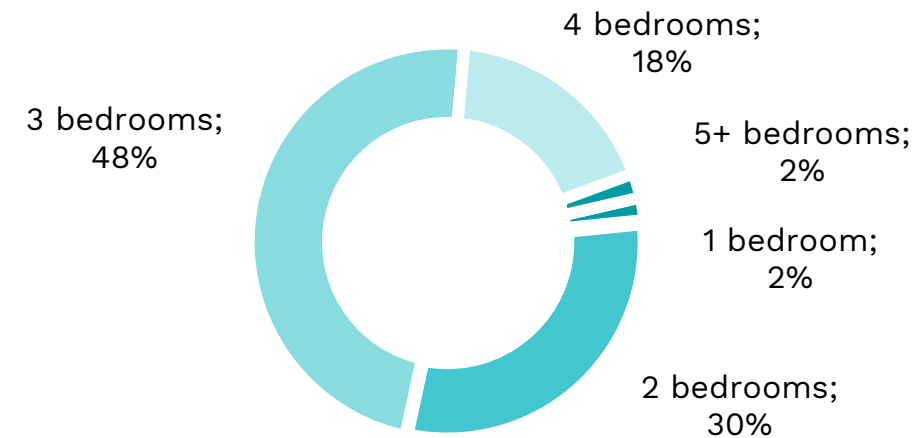
2021/22 customers by nationality



Reason for buying

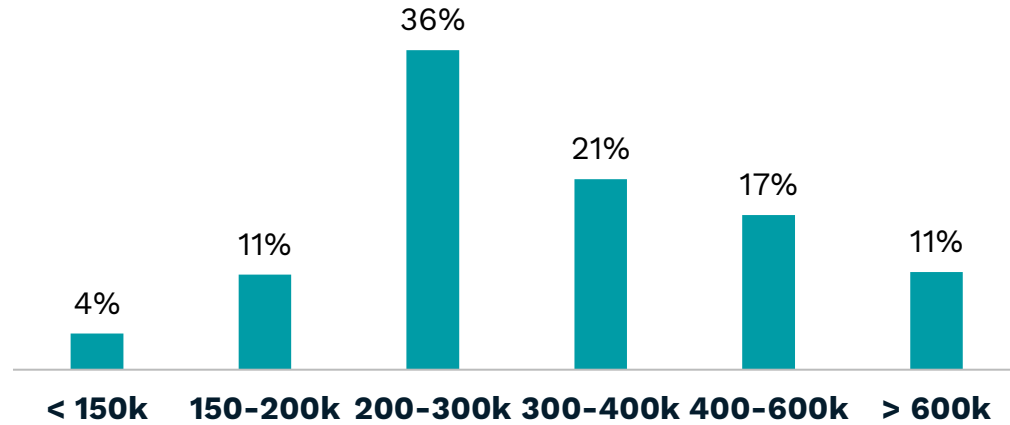


Number of bedrooms

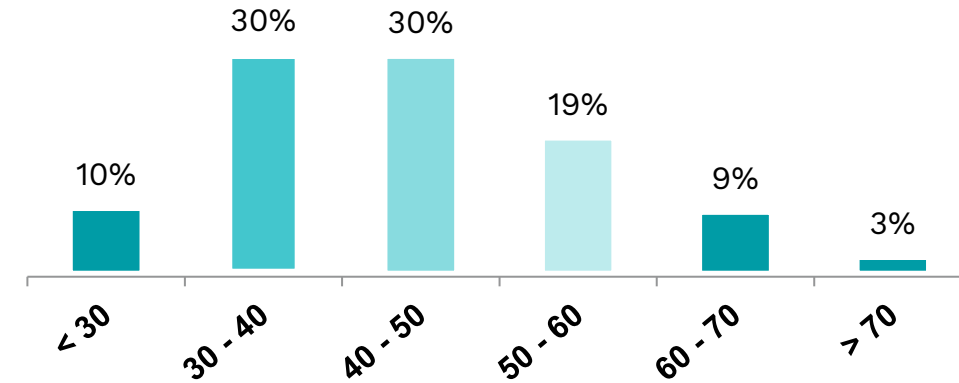


Customer Profile (2/2)

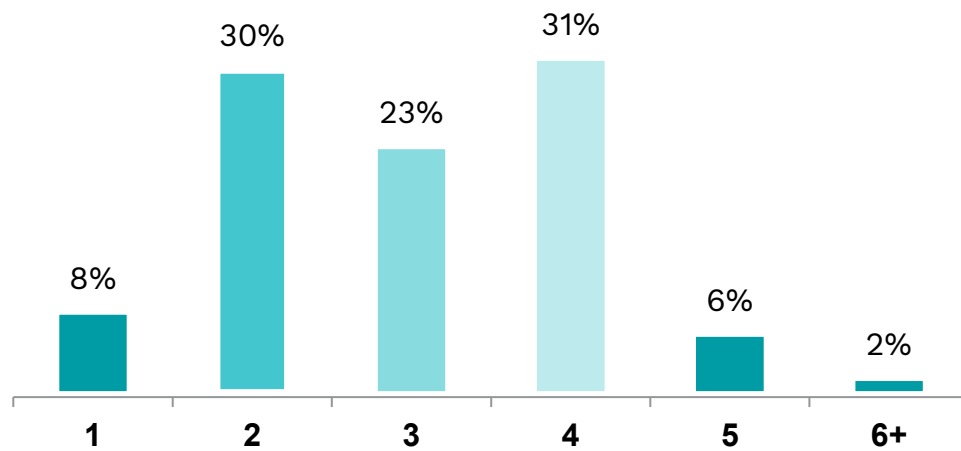
Sales breakdown by price
(€/unit before tax)



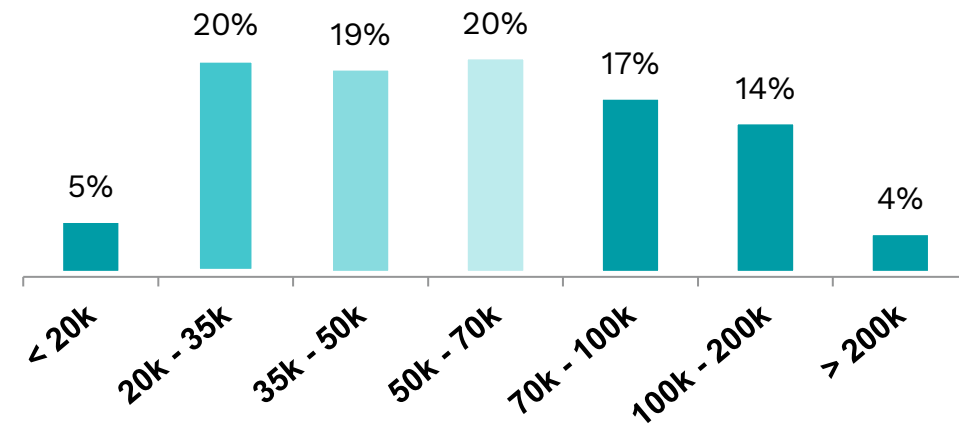
Customer age
(# years)



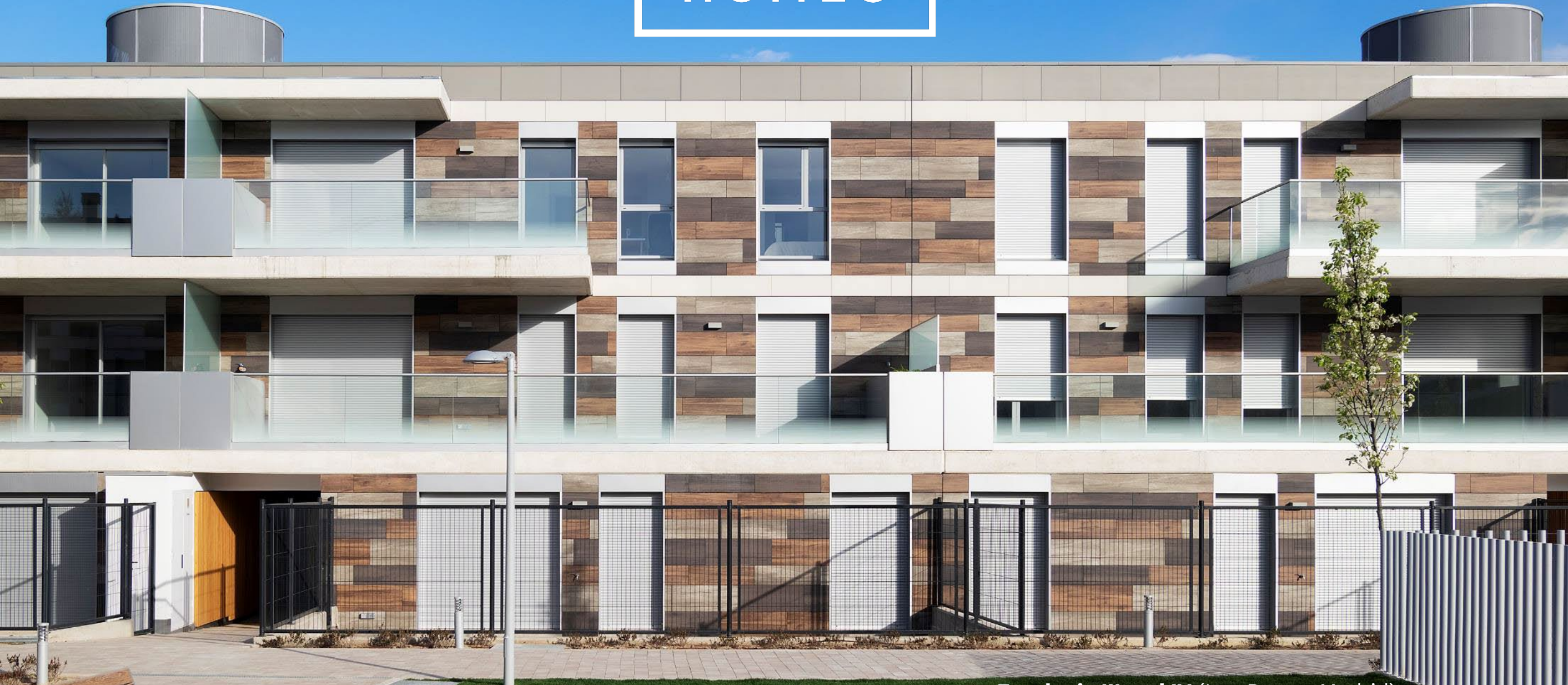
Number of members per household



Household income
(€)



AEDAS
HOMES



Escalonia III and IV (Las Rozas, Madrid)