



AEDAS
HOMES

1 April — 30 September 2022

Presentation
H1 2022
Results

30 November 2022

Maranta (Boadilla del Monte, Madrid)

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01 Highlights



Estronci 71 (L'Hospitalet de Llobregat, Barcelona)

Overview



1

Demand remains resilient

- **ASP** is up significantly
- **Absorption** rates at **optimal** levels

2

Strong visibility on goals

- **Strong coverage levels** ensure **achievement** of business plan

3

Exercising prudence in land investment

- Opportunistic approach
- Focusing on **purchase options** and/or **deferred payments**

4

High solvency

- Majority of **debt** is **long-term** and at **fixed rates**
- **Preserving solvency** levels

Executive Summary

H1 2022

1 Sales

- **Very high sales coverage level:** 96% of 2022 deliveries and 66% of 2023 deliveries **guaranteed**
- **Order Book** valued at **€1,490m**, with 4,789 units (3,647 BTS + 1,142 BTR)

2 Operations

- **5,926 units** currently under **construction**, **625 units completed** and pending delivery
- **Landbank secures deliveries through FY 2026**

3 Investment

- Land for **898 units optioned with deferred payment**; land for 311 units acquired
- Focusing on **very resilient segment** of market (mid/high tickets)

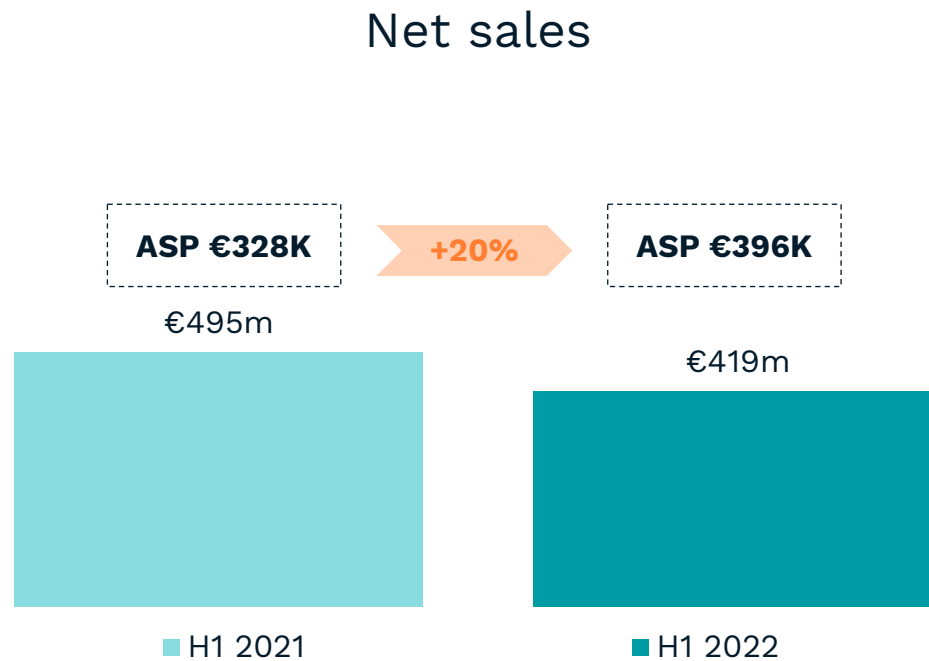
4 Financials

- €215m in revenue
- 28% gross margin
- €120m in cash and €30m RCF available

02
**Business
Update**



Demand is shifting towards high, resilient segment



SALES

Demand remains solid for AEDAS Homes product

- Positioning in high tickets: **ASP €396k, up 20%** vs. same period in 2021
- Focusing on **most resilient segment**



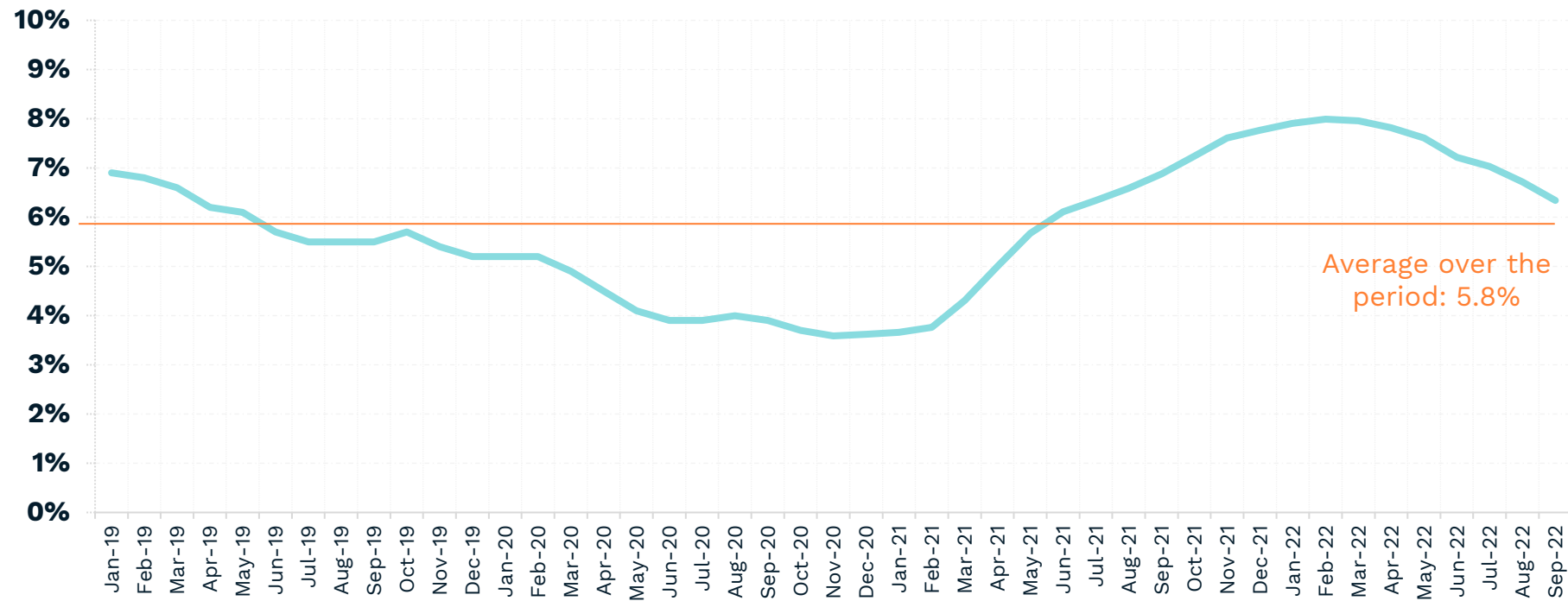
CONSTRUCTION AND OPERATIONS

Construction costs continue to normalize

- 1,670 units put on the market
- 5,926 units under construction; 625 completed units pending delivery
- Cost of raw materials softening

Sales absorption rate

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

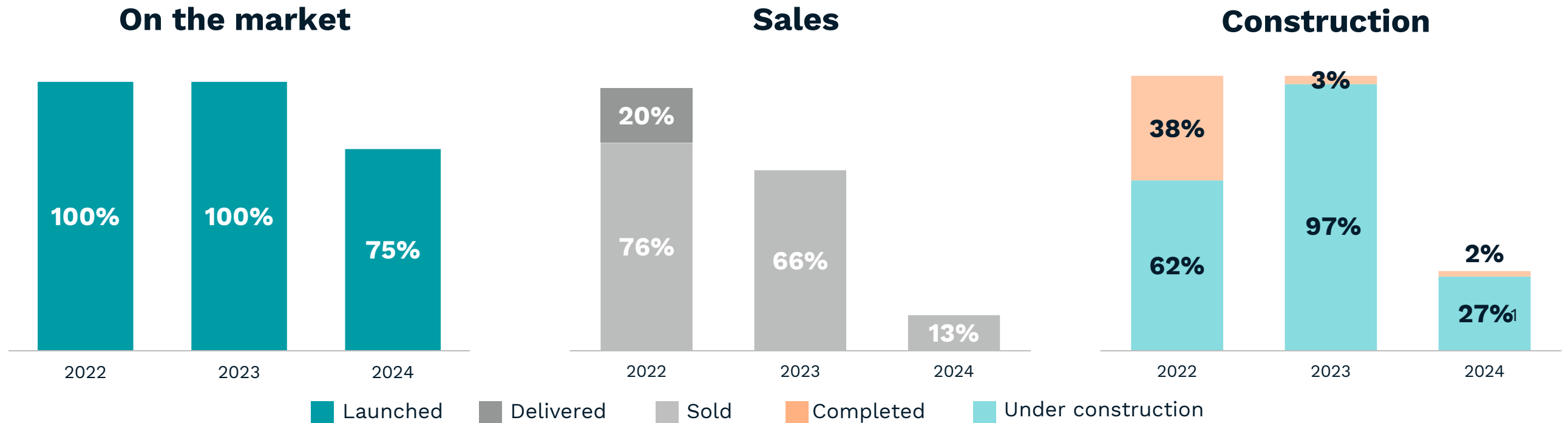


Sales absorption rate is converging on its **historic average** (5.8%)



In Q2 2022, **Costa del Sol** (+159%), **East & Mallorca** (+21%) and **North** (+34%) have **improved** their **absorption rates**

Strong coverage levels on Business Plan goals: targeting revenues of €900m-€925m in FY 2022 and €1 bn - €1.15bn in FY 2023



(1) 46 units correspond to assets with Purchase Option

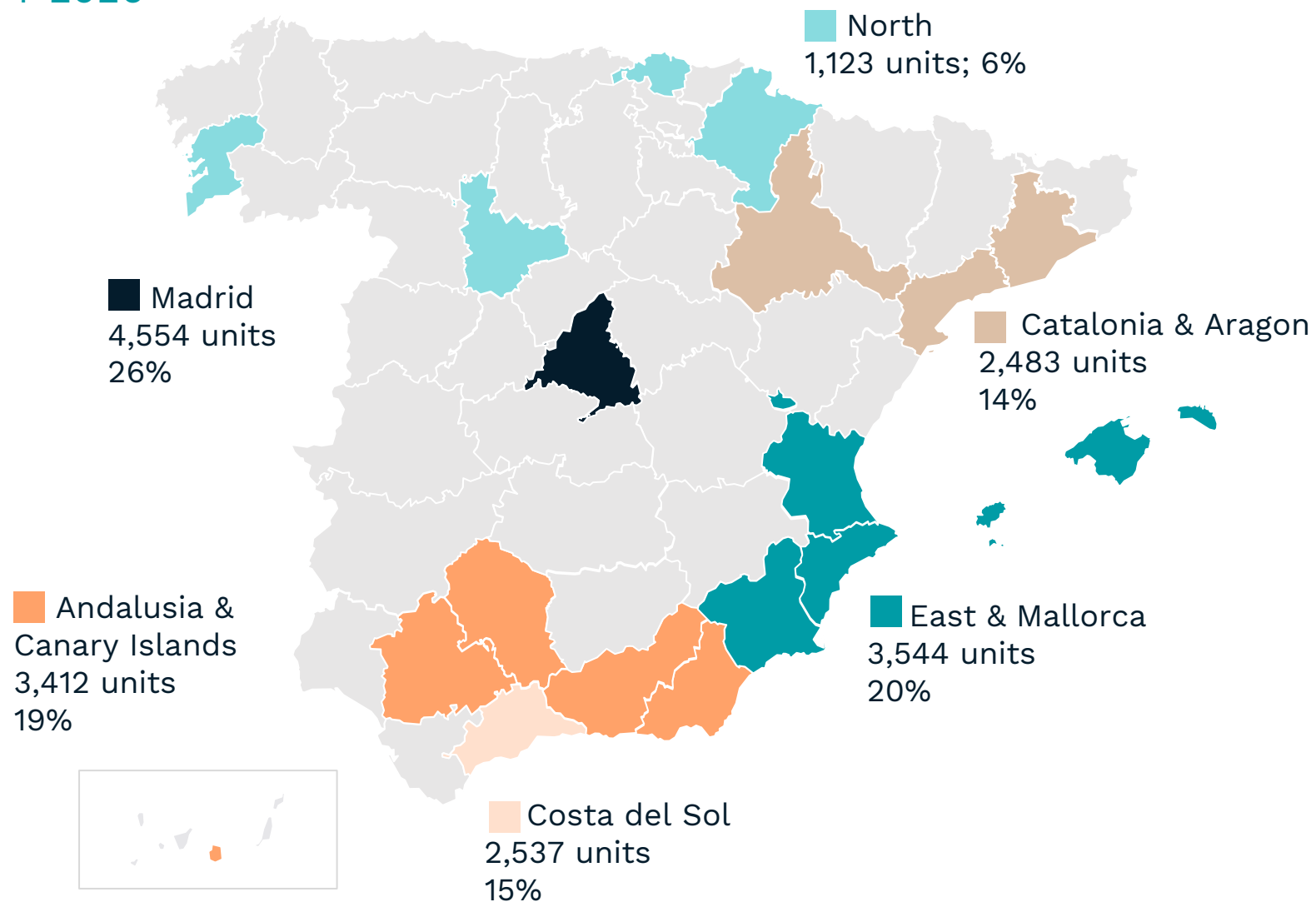
Land investment: opportunistic focus, prioritizing optionality

Current land bank covers deliveries through FY 2026

✓ **€105m**
in purchase **options** for **898 units**

✓ **€29m**
invested in **311 units** of RTB land

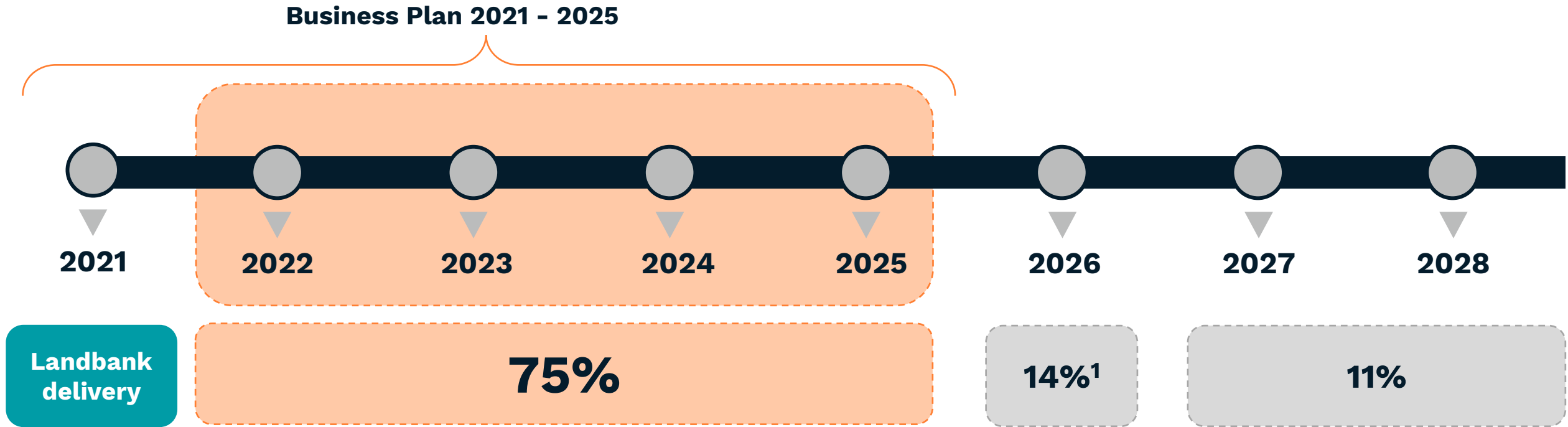
✓ Size: **17,653¹** units
86% ready to build
Implicit net development margin: **>20%**



(1) 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

Optimizing capital in the investment process

c. 90% of landbank to be delivered in the next 4.5 years



High capacity for asset turnover makes for efficient use of capital resources.

(1) This landbank volume covers more than 80% of the needs to meet the total delivery target for the year.



Strong momentum on sustainable development commitments in line with ESG Strategic Plan 2021-2023

Environment



Energy efficient buildings:

To achieve an “A” energy rating in at least 60% of our developments by FY 2023



Green buildings: To ensure 100% of our developments meet the standards in our Green Book or achieve another external seal of recognized prestige

Achievement in H1 2022

- **86% of developments finalized** in H1 2022 obtained an **“AA” rating**
- **69% of developments activated finalized** in H1 2022 are **targeting an “AA” rating**
- **71%** of developments finalized in H1 2022 achieved the **Green Book seal**, and **29%** were **certified BREEAM**

Estronci 71 (L'Hospitalet de Llobregat, Barcelona)



03

H1 2022 Results

Mourelle (Calvia, Mallorca)



H1 2022 Results

	FY 2022E	H1 2022	H1 2021
<i>ASP Sales</i>		€396k	€328k
<i>ASP Deliveries</i>		€402k	€332k
<i>Units delivered</i>	<i>c. 2,600</i>	524	712
<i>Gross Margin per unit delivered</i>		€111k	€102k
Net revenues	€900m ~ €925m	€215m	€236m
• Units delivered		€211m	€236m
• Land sales		-	-
• Services		€3m	-
Cost of goods sold	€660m ~ €675m	€154m	€164m
Gross margin	€240m ~ €250m	€60m	€72m
• Margin %	27%	28.1%	30,6%
Sales and marketing costs	€35m ~ €40m	€20m	€13m
Net margin	€205m ~ €215m	€41m	€59m
• Margin %	23%	18.9%	25.0%
Ebitda	€160m ~ €170m	€21m	€43m¹
• Margin %	18%	9.8%	18.4%

- **ASP is up 20%** and **gross margin on delivered product is up 9%**
- **Gross margin (28.1%)** remains in **high end** of estimated range
- Marketing costs in line with **volume of units on the market**, which has **increased considerably**
- **Overheads** remain **stable** (+0.4% per employee)

(1) Excludes €1.2m in revenue associated with the Aurea Homes consolidation.

Balance sheet at 30 September 2022

	30 September 2022	31 March 2022
Inventories <ul style="list-style-type: none"> Land Works in progress Completed product 	€1,721m €659m €924m €115m	€1,520m €644m €672m €183m
Cash <ul style="list-style-type: none"> Available cash 	€120m €61m	€240m €186m
Short-term debt	€57m	€43m
Long-term debt	€506m¹	€416m²
Equity <ul style="list-style-type: none"> Treasury stock³ 	€922m €56m	€977m €56m

(1) Long-term developer loans (€188m) + long-term corporate debt (€318m)

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

(3) As of 30 Sep 2022, there were 2,755,238 shares in Treasury Stock, at a purchase value of €56m

(4) €59m complementary dividend paid out, corresponding to dividend from FY 2021

- Increase in inventories due to **elevated levels of construction progress**
- **Optimal cash position** (with **€30m in additional available liquidity** through RCF)
- Majority of debt **is long-term** and at **fixed rates**
- Variation in Shareholders' Equity due mainly to payment of **dividend⁴**

Cash flow in the period

(€m)	H1 2022
EBITDA	21.0
Other adjustments to profit	1.8
Other cash used in operating activities	(27.1)
Change in Working Capital excluding land purchases/sales	(107.1)
Net cash change from land investments	(63.8)
(A) Net cash used in operating activities	(175.1)
Investments in group companies and associates ¹	(1.1)
Investments in other PP&E and intangible assets	(2.2)
Investments in other financial assets	(7.5)
Proceeds from the sale of investments in group companies and associates	4.2
(B) Net cash used in investing activities	(6.6)
Repurchase/(sale) of own shares	(2.2)
Issuance and repayment of borrowings	123.4
Dividend payment	(59.2)
(C) Net cash from financing activities	62.0
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(119.7)
Cash as of 31 March 2022	240.0
Cash as of 30 September 2022	120.3

- **Elevated levels of construction progress** demonstrate strong visibility on business plan achievement
- **Opportunistic approach**, with payments associated with **land investment** totalling **€64m** in H1 2022, of which €38m correspond to payments committed to during previous year
- **Developer financing** under **conditions similar** to FY 2021

Evolution of net financial debt

(€m)	30 Sep 2022	31 Mar 2022	30 Sep 2021
(A) Project debt (secured)	174.4	106.3	188.4
(B) Project debt (unsecured)	18.4	-	-
(C) Corporate debt	382.5	363.1	366.0
Commercial paper programme (MARF)	32.5	38.1	52.6
High Yield bond (with guarantee)	325.0	325.0	325.0
Revolving credit facility	25.0	-	-
(D) Amortised cost-IFRS	(12.3)	(10.4)	(11.6)
(E) Gross Financial Debt (A+B+C)	563.0	459.0	554.4
(F) Available cash	61.1	185.7	70.0
Net Financial Debt (D-E)	501.8	273.3	484.4
(G) Cash tied to developments	59.2	54.3	80.4
TOTAL CASH (F+G)	120.3	240.0	150.4

- **Stability** in volume of **Working Capital**
- **Financing structure** with **long-term debt** (92%) and **fixed rates** (>60%)
- **Net financial debt comes to €502m** (€17m more vs Sep 2021) due to **greater volume of developments** that are **under construction** or have been **activated**

Financial leverage

AEDAS Homes	30 September 2022	31 March 2022	30 September 2021
LTC ¹	29.2%	17.9%	30.3%
LTV ²	22.7%	13.2%	23.9%
Net financial debt / EBITDA	4.0x	1.8x	2.7x
Interest coverage	6.3x	7.6x	10.1x
Average cost of debt	3.96%	3.61%	3.22%

Bond covenants	30 September 2022	31 March 2022	30 September 2021
Net Total LTV	23.6%	13.8%	24.1%
Net Secured Total LTV	21.6%	11.5%	21.1%
Fixed charge coverage ratio	6.3x	7.5x	10.0x
Pari passu senior secured LTV	21.6%	11.5%	21.1%

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

- **Leverage in line** with **cyclicality** of business
- **Average cost of debt** (>60% at fixed rate and long-term) closed under **optimal conditions**
- **Credit strength** confirmed by 3 agencies

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

04

Takeaways



Bassi (El Masnou, Barcelona)

H1 2022 Takeaways

1

Current landbank largely covers delivery needs through FY 2026, providing security on future delivery goals

2

Forecasting resilience in demand in mid-high tickets

3

Strategically timing our investment across the cycle, thus optimising use of capital

4

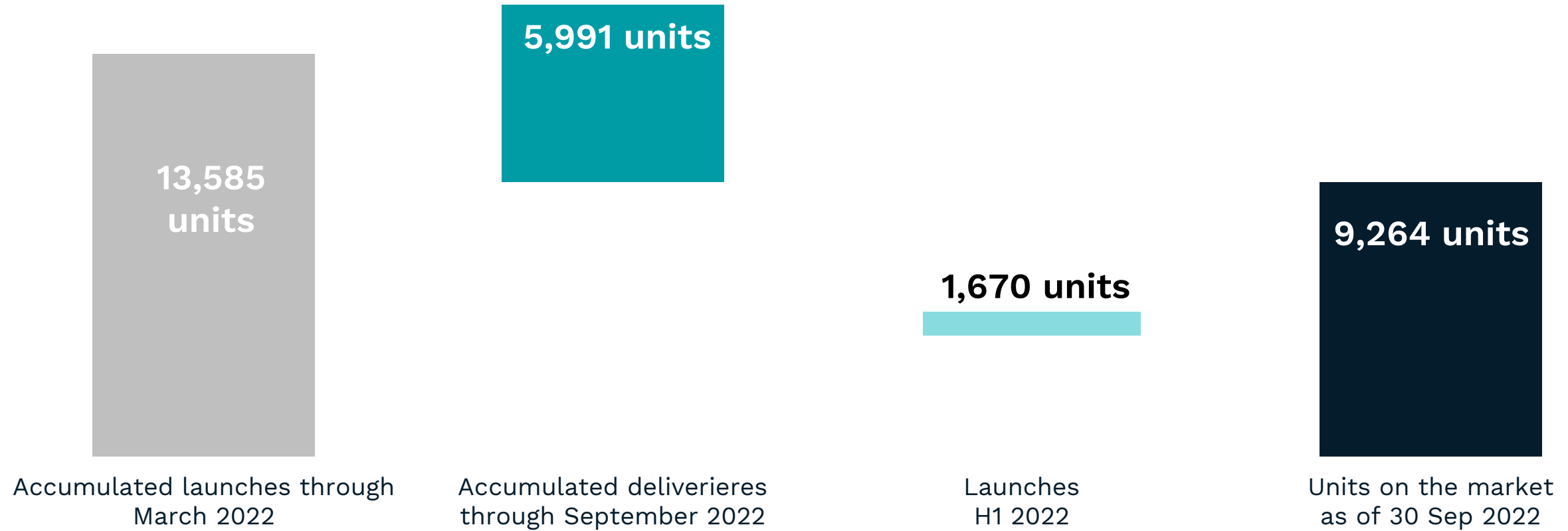
Despite the backdrop of uncertainty in the current economic context, operating activity is evolving favourably and visibility on business targets through FY 2024 is strong

05
Appendices



9,264 units on the market¹

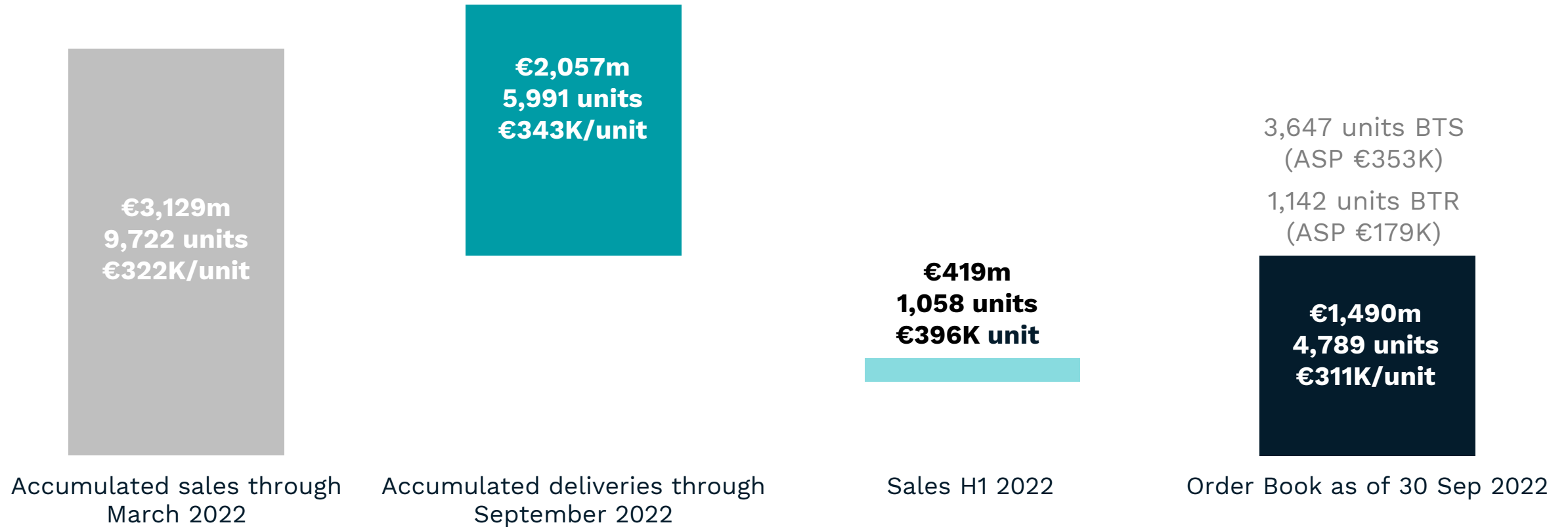
Starting point



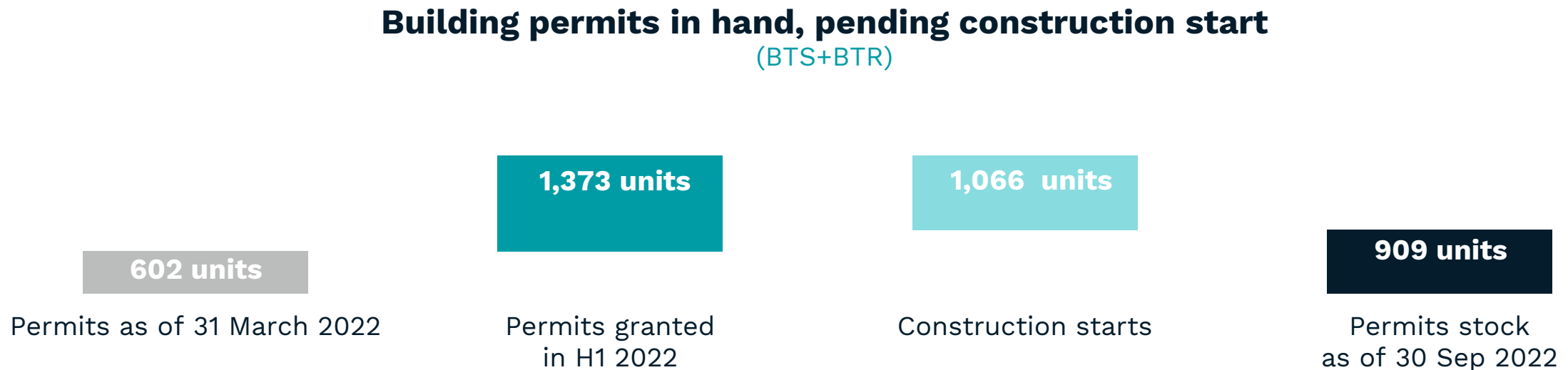
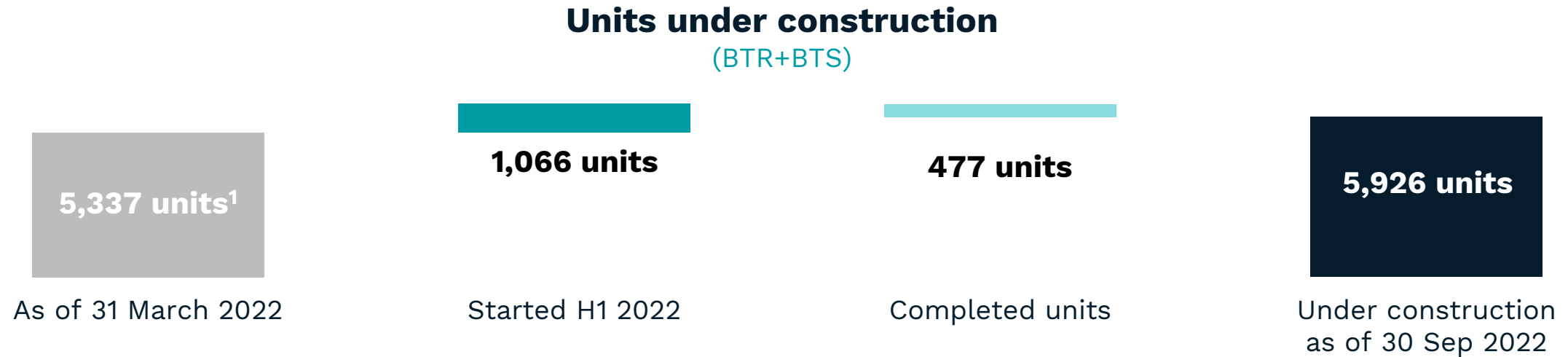
(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.

Order Book: 4,789 units (€1,490m)

Starting point



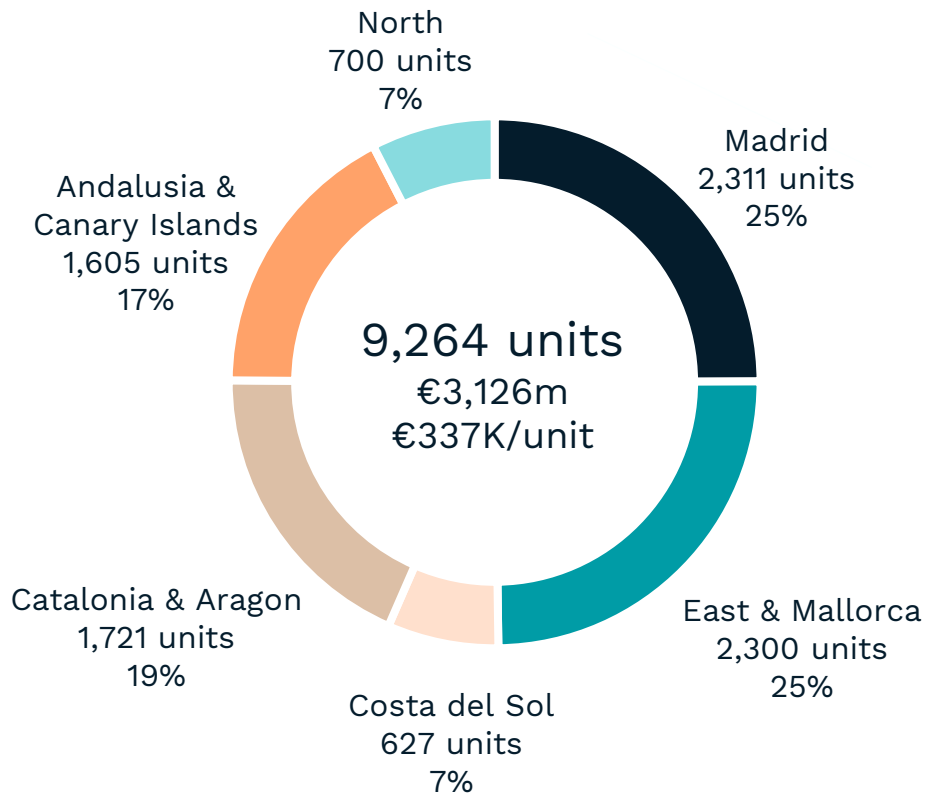
Construction and permitting



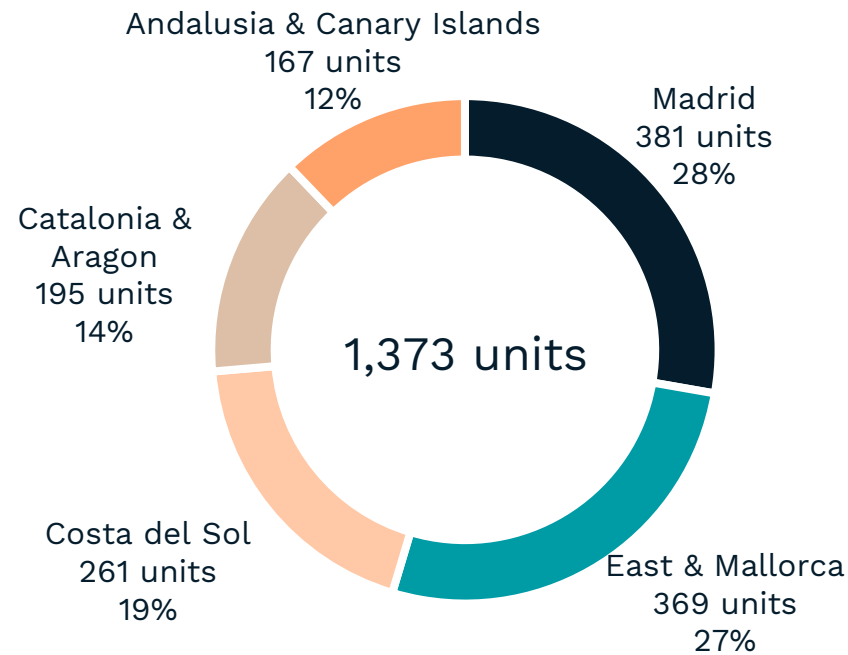
(1) Includes Rent-to-Buy units

Regional Breakdown

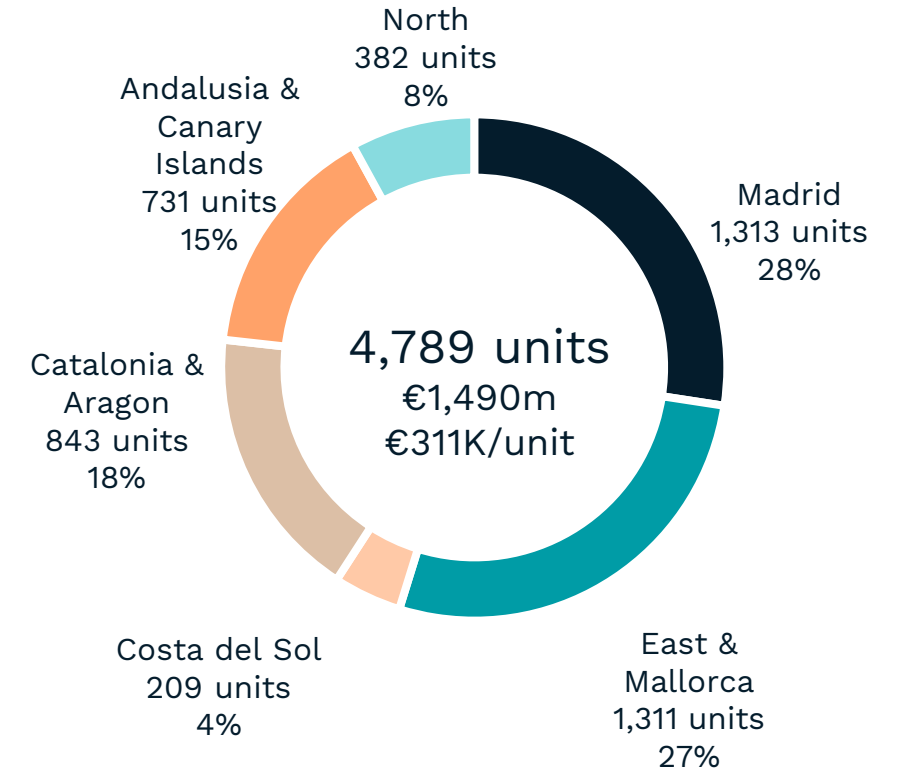
On the market¹



Permits granted in H1 2022



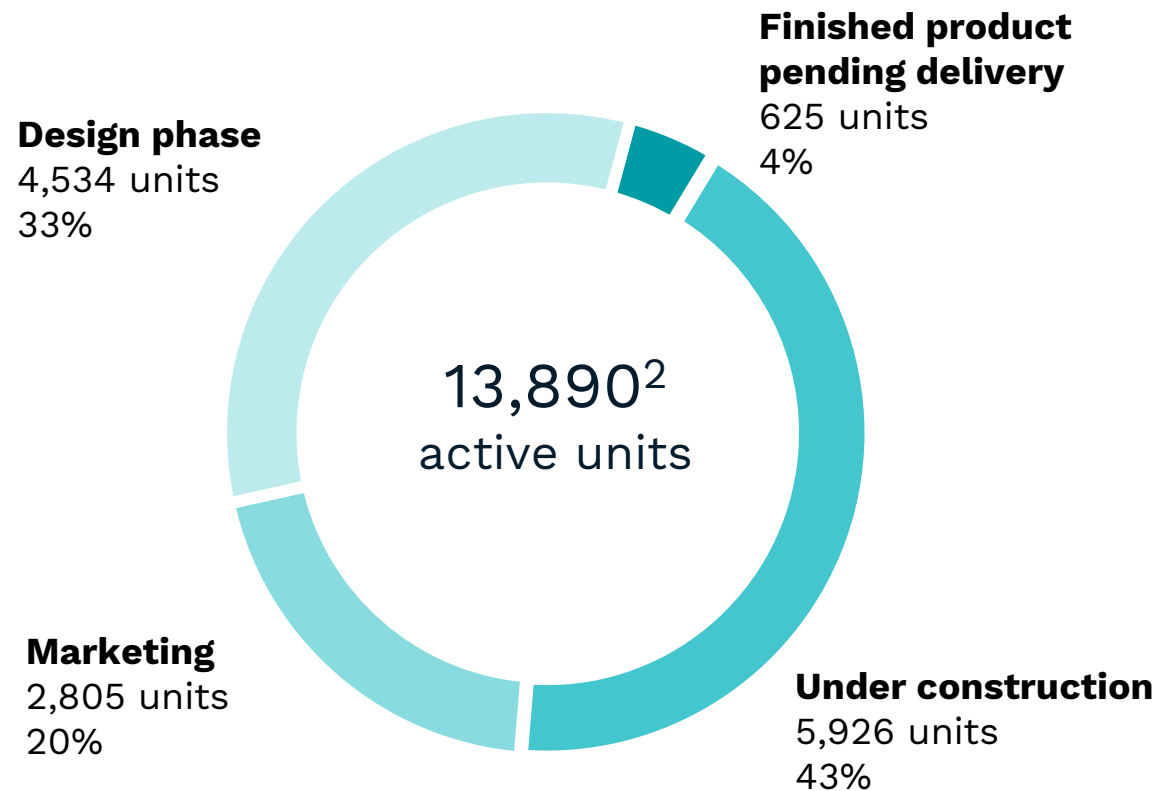
Order Book



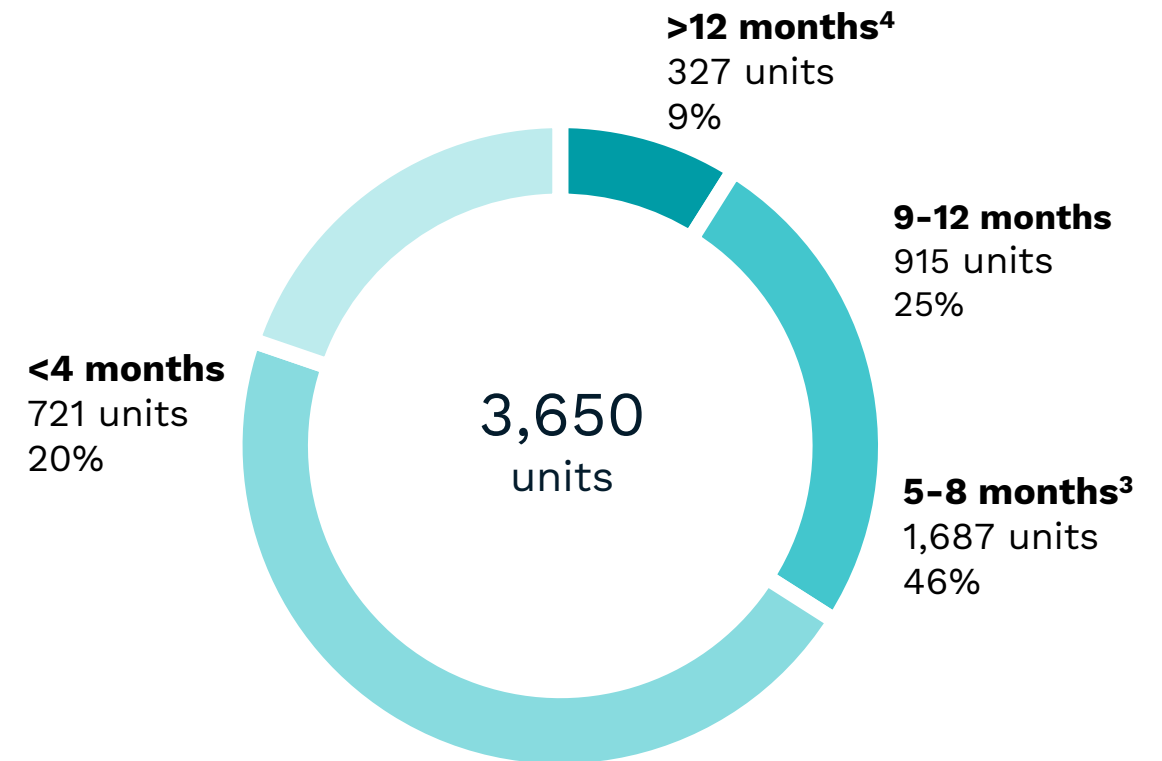
(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.

Active Units and Construction 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, 1,343 units correspond to committed investments that are pending payment

(3) 421 units correspond to BTR

(4) 195 units correspond to BTR

As of 30 November 2022

Corporate Calendar

15 February 2023	9M 2022 Results	Confirmed
31 May 2023	FY 2022 Results	TBC
20 July 2023	Annual General Meeting	TBC
21 July 2023	Q1 2023 Results	TBC



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