



# H1 2021/22 Results Presentation

*1 April – 30 September 2021*

24 November 2021





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# 01 Highlights



# Overview

I

**Sales continue to break new records in H1 2021/22**

II

**Operational performance in H1 2021/22 has put AEDAS on track to achieve delivery targets**

III

**Land investment plan for the year completed in H1 following the AEDAS cherry-picking approach**

IV

**Aurea Homes integration completed in two months, firing on all cylinders**

V

**Margin preservation and shareholder remuneration continue to drive the AEDAS strategy**

# Executive Summary H1 2021/22

## Sales

- 1,511 net retail sales in H1 2021/22
- 4,227 units in Order Book, valued at c. €1.3bn, 70% under private contract

## Operations

- 712 units delivered, at ASP €332K (621 retail units at ASP €354K and 91 BTR units at ASP €179K)

## Land Investment

- €217m<sup>(1)</sup> in committed investments for 2,906 units in H1 2021/22, sticking to selective investment discipline
- First M&A transaction closed with the acquisition of Aurea Homes for €50m, now fully integrated

## Last 12 months results

- 2,504 units delivered in LTM at ASP €336K, €842m in revenue
- €180m in EBITDA (21.2% EBITDA margin)
- 12.5% Return on Equity

## Shareholder remuneration

- First dividend of €62m distributed to shareholders in July 2021
- 2.4% of treasury stock cancelled in August 2021





## 02 Business Update



# Successfully managing growth: record sales, deliveries on track

## Sales Activity

- Hitting record sales in H1 2021/22: 1,511 net retail units sold
- Robust underlying demand

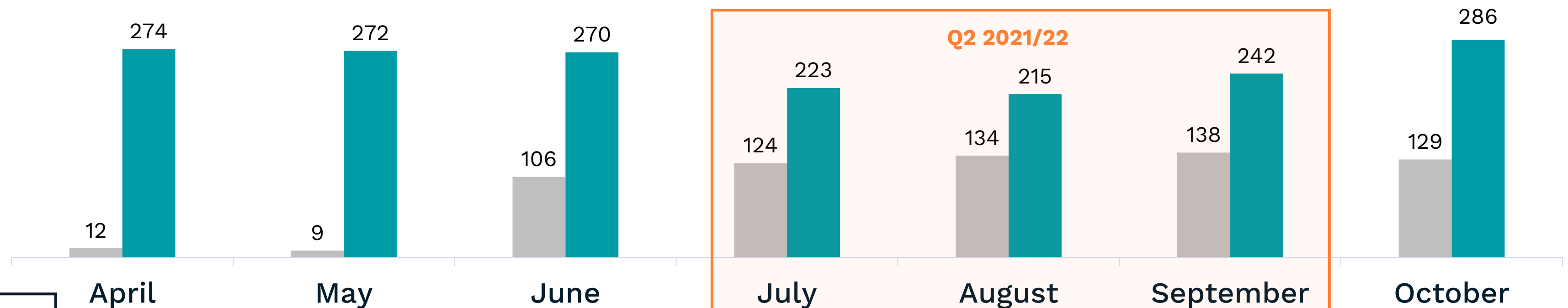
## Construction and Operations: securing deliveries

- 1,549 permits requested in H1 2021/22
- Broke ground on 1,019 units in H1 2021/22; 1,272 units scheduled to break ground by end of December 2021
- 1,007 units completed in H1 2021/22

## Net Retail Sales

(units)

■ 2020/21 ■ 2021/22



# Retail sales (BTS) absorption rate: the new housing market confirming its strength



Sustained rise in the retail sales absorption ratio since Nov 2020

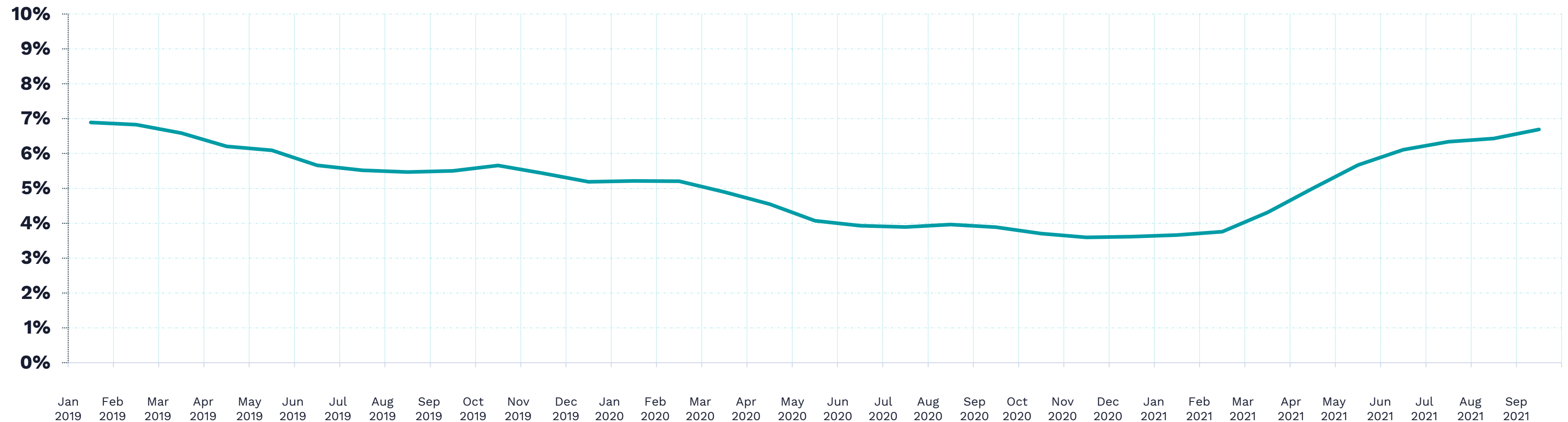


Absorption rate has shown improvement across all AEDAS Homes regions



Costa del Sol: region with greatest increase in absorption rate

**Average monthly absorption rate**  
(rolling 12-month average, #sales/total product on the market)



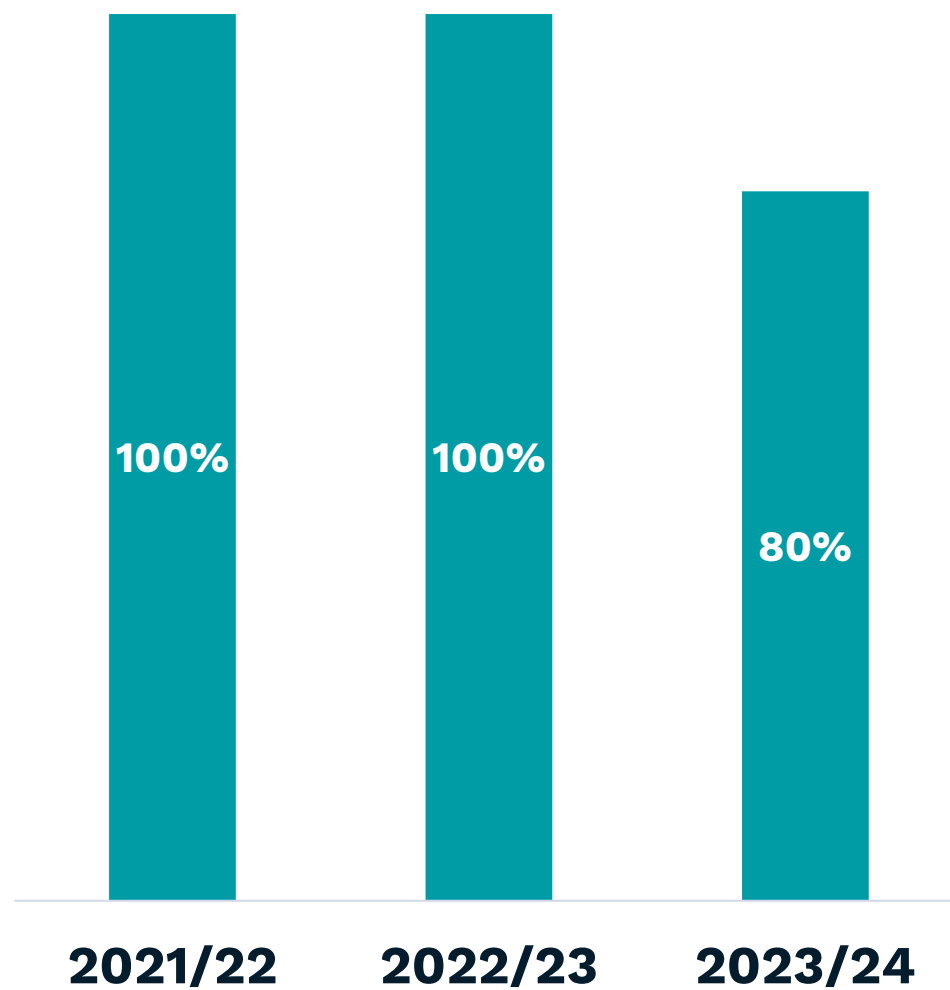


# Strong visibility on Business Plan goals

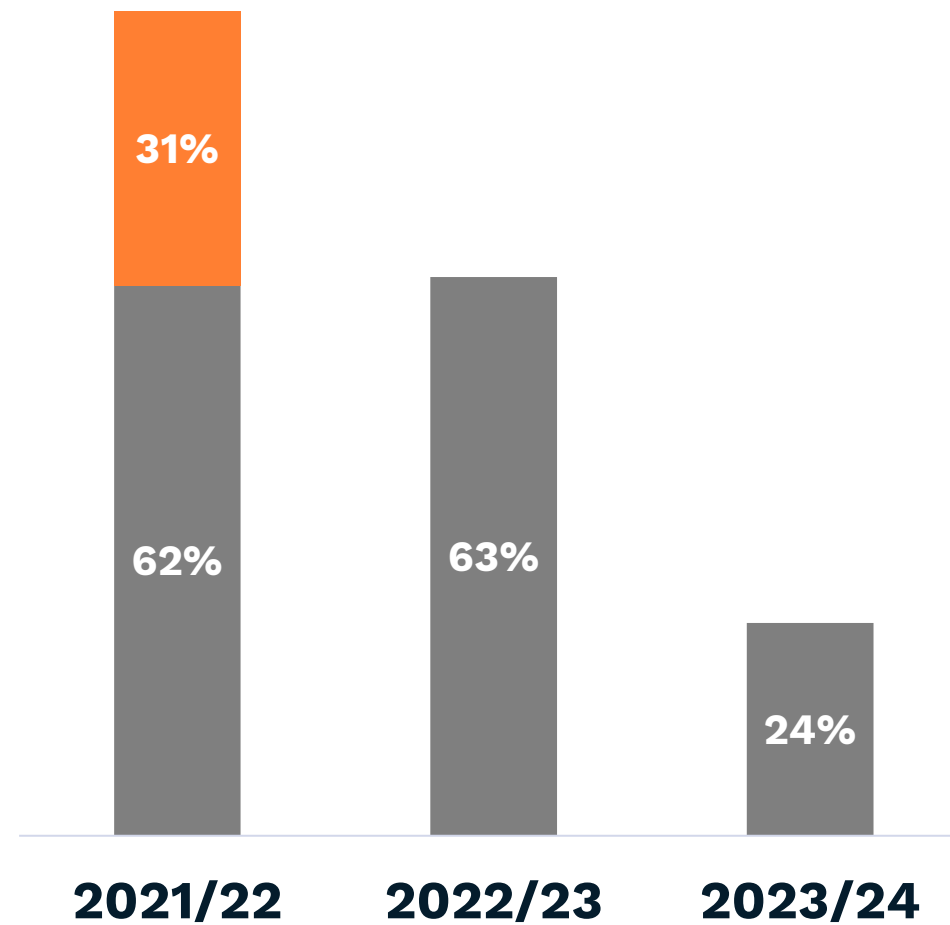
BTS + BTR activity update as of 30 September 2021



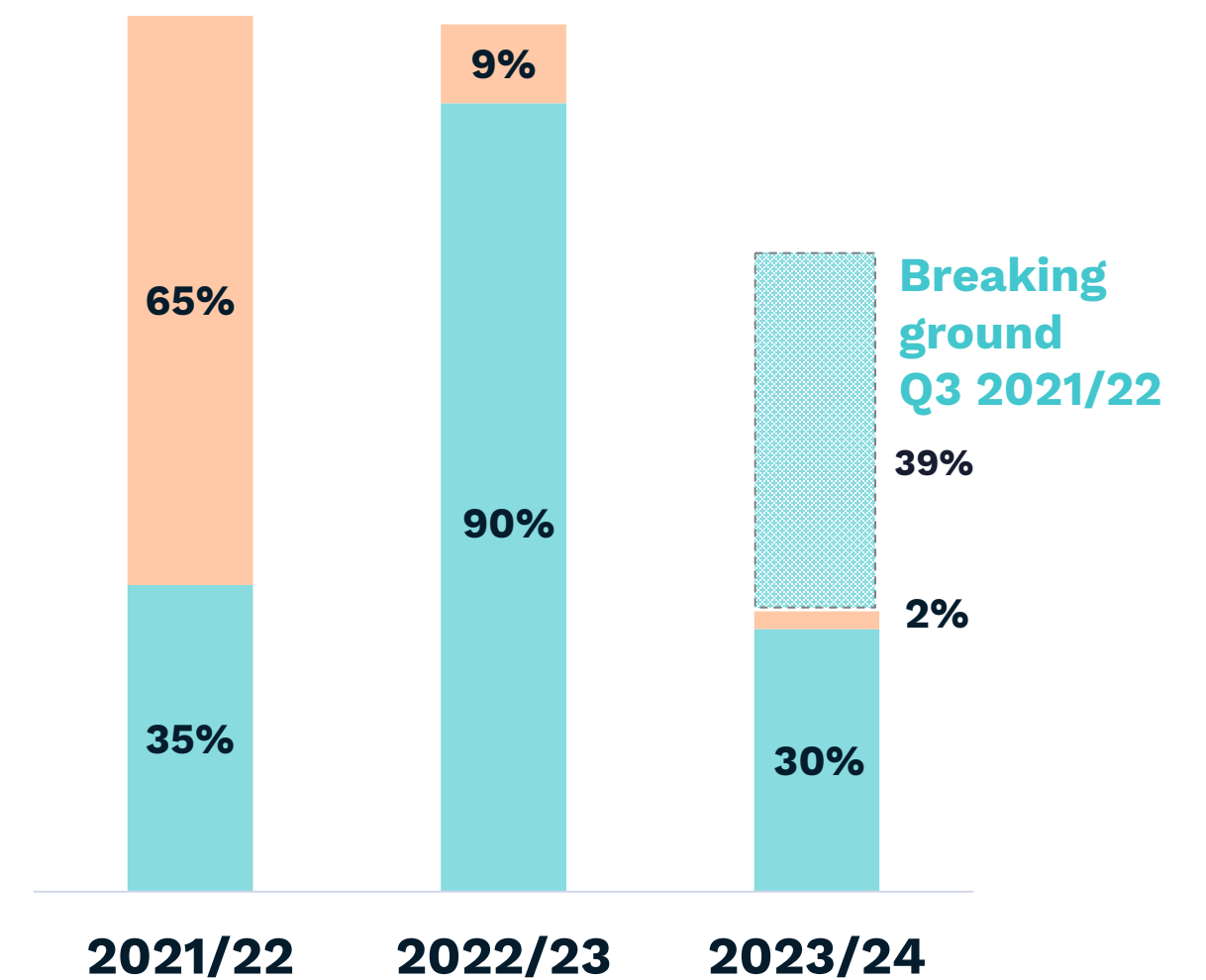
## Launches <sup>1</sup>



## Sales <sup>1</sup>



## Construction <sup>1,2</sup>



(1) Coverage ratios have been calculated over expected annual deliveries target: 2,200-2,300 in FY 2021/22; 2,900-3,000 in FY 2022/23; and 3,000 in FY 2023/24.

(2) Taking into account expected construction starts in Q3 2021/22, the construction coverage ratio for 2023/24 deliveries is expected to be at 71% by end of December 2021.



# Exceptional investment pace, making the most of market opportunities

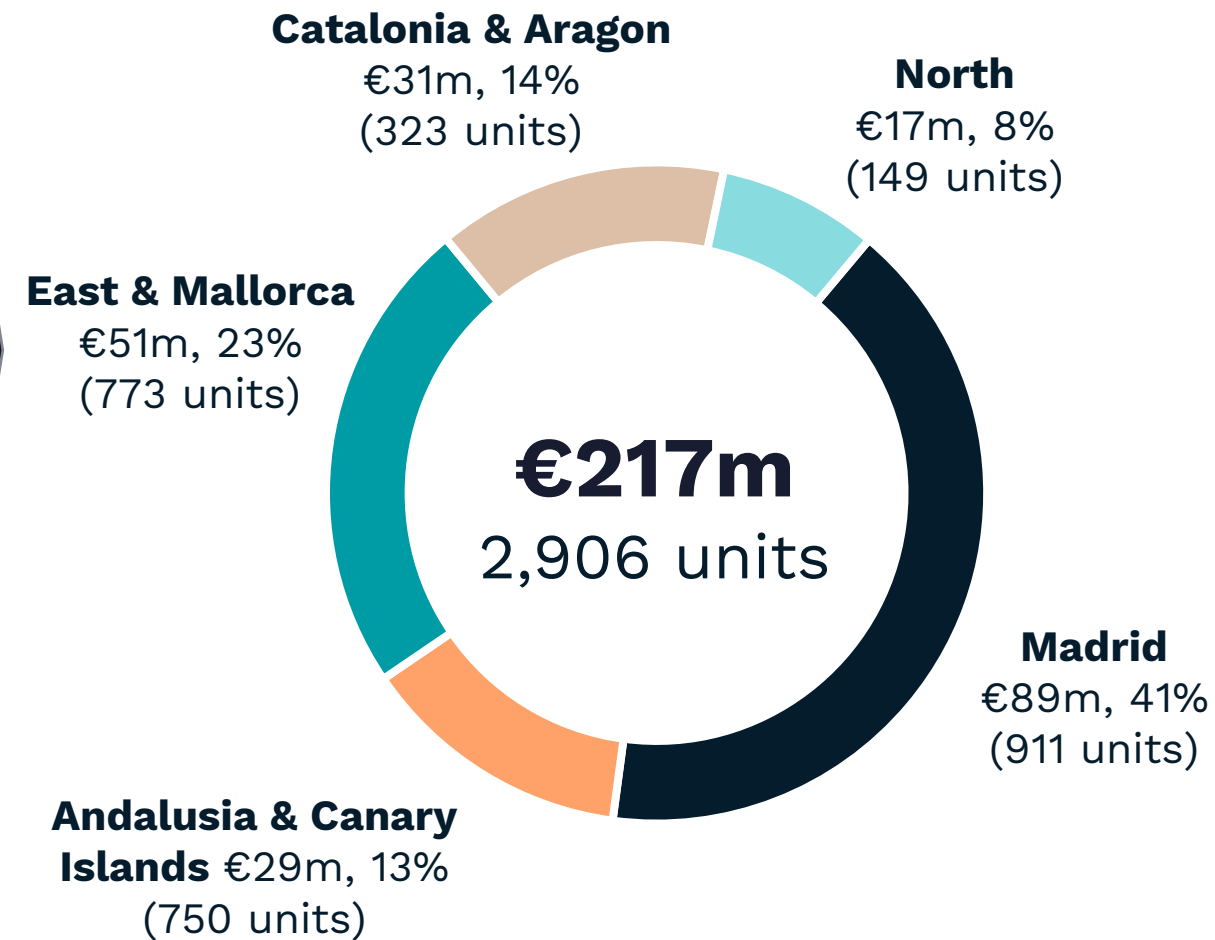


**€217m**  
invested in  
**2,906 RTB units**



Additionally AEDAS acquired  
**167 units in 8 Works in Progress** from **Aurea Homes**

## Land Investment H1 2021/22 (€m)



AEDAS Homes has invested **sticking to its disciplined approach**



Replenishment of a **full year's worth of investment needs achieved** in the **first 6 months of 2021/22**



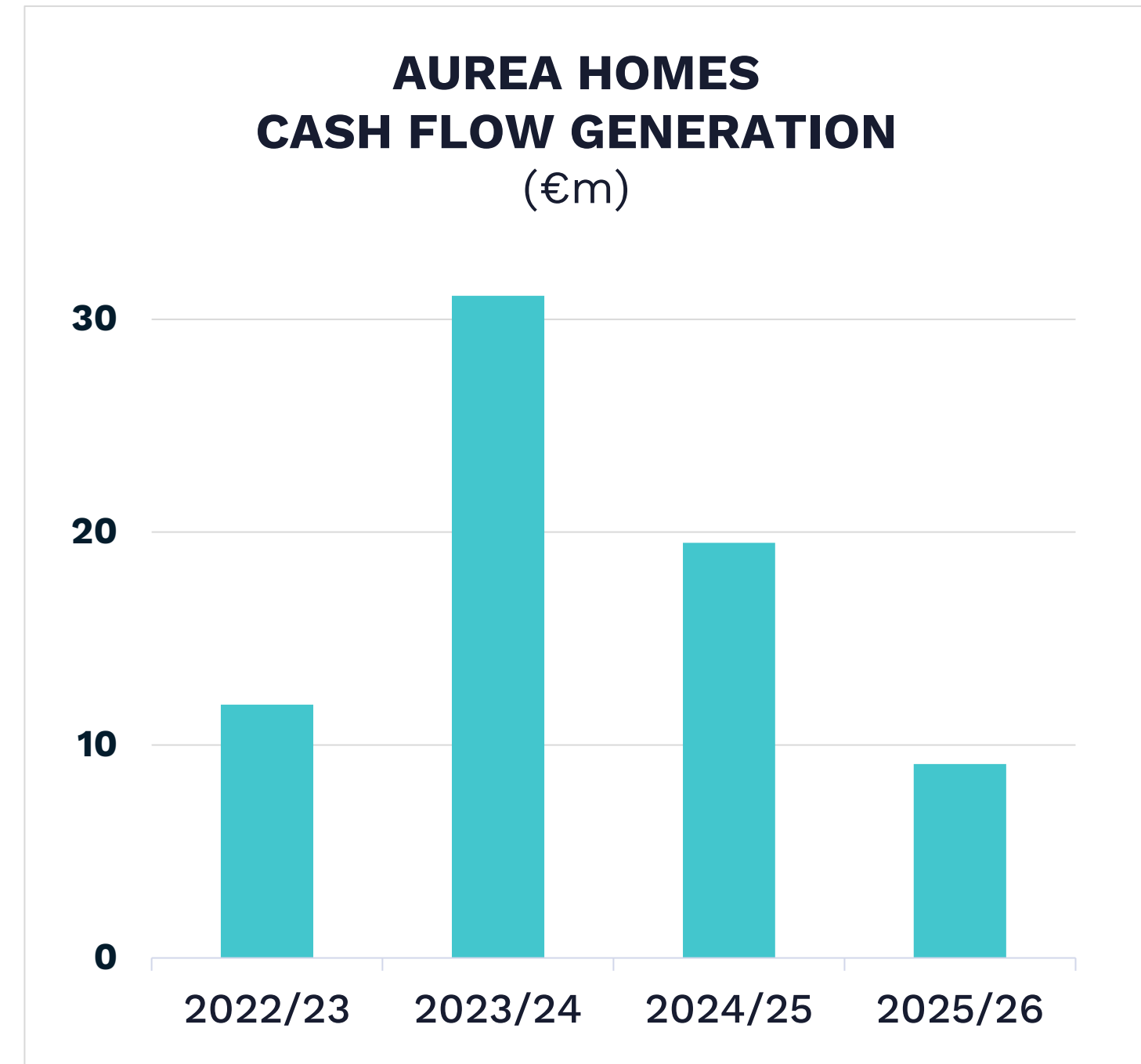
# AEDAS organization: demonstrated capacity to scale up

## SCOPE OF AUREA HOMES ACQUISITION

- 7 RTB plots in consolidated urban areas (512 units)
- Stakes in 8 Works in Progress (167 units)
- 30 FTEs

## SUCCESSFUL INTEGRATION IN JUST 2 MONTHS

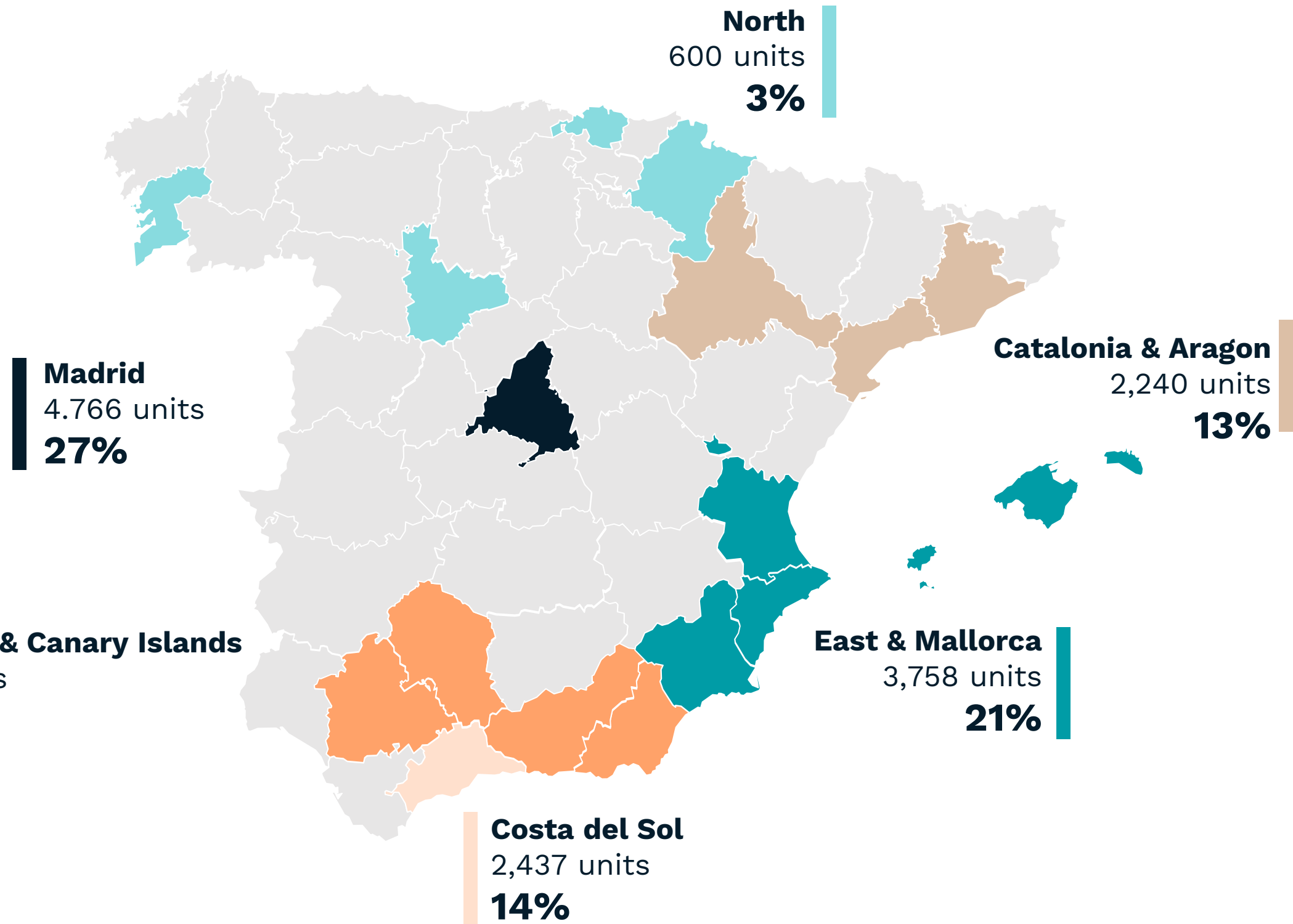
- All 7 plots now activated
- Majority of units slated to be delivered by 2024/25
- Aurea Homes team fully integrated into AEDAS decentralized structure
- Payback expected in 3 years
- Pre-tax IRR: 16.3%





# Significant landbank growth in H1 - now stands at 17,626 units<sup>1</sup>

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



(1) Landbank 2020-21 (15,484) + Acquisitions and committed transaction pending closing (2,906) – Deliveries 6m 2021-22 (712) – Exchange of share from Project Land (42) – adjustments (10) = 17,626

# On track to achieve 2023/24 goals in three-year ESG Strategic Plan



## Environmental

- ✓ 57% of developments delivered in H1 2021/22 have achieved an “A” energy rating
- ✓ Modern Methods of Construction now implemented in 24% of developments
- ✓ Sustainalytics ESG Risk Rating: Top 2% in sector and Top 10% globally

## Social

- ✓ Achieved “Great Place to Work” Certification, with 74% Trust Index

## Governance

- ✓ ESG targets now incorporated into variable remuneration and Long-Term Incentive Plan
- ✓ Audit and Control Committee monitoring achievement of all Company ESG objectives on a quarterly basis





## 03 H1 2021/22 Financial Results



# P&L H1 2021/22 (1 April – 30 September 2021)

(€m)	H1 2021/22	Last 12 months	H1 2020/21	Change vs H1 2020/21 (€m)	Change vs H1 2020/21 (%)
<b>REVENUE</b>	<b>236.4</b>	<b>842.1</b>	<b>66.2</b>	<b>170.2</b>	<b>257%</b>
Cost of goods sold	(163.9)	(596.9)	(50.1)	(113.8)	227%
<b>GROSS MARGIN</b>	<b>72.4</b>	<b>245.2</b>	<b>16.2</b>	<b>56.2</b>	<b>347%</b>
<i>% Gross Margin</i>	<i>30.6%</i>	<i>29.1%</i>	<i>24.4%</i>	-	<i>624 bp</i>
Operating expenses	(13.4)	(35.7)	(6.5)	(6.9)	106%
<b>NET DEVELOPMENT MARGIN</b>	<b>58.9</b>	<b>209.5</b>	<b>9.7</b>	<b>49.2</b>	<b>508%</b>
Overheads & other	(14.4)	(30.6)	(12.1)	(3.4)	25%
<b>EBITDA</b>	<b>44.6</b>	<b>178.9</b>	<b>(2.3)</b>	<b>46.8</b>	-
<i>% EBITDA margin</i>	<i>18.8%</i>	<i>21.2%</i>	<i>(3.5%)</i>	-	-

- In the last twelve months, AEDAS Homes has delivered 2,504 units, generating €842m in revenue and reporting EBITDA of €180m (EBITDA margin of 21.2%), at an ASP of €336K (€349K in BTS and €180K in BTR).
- During H1 2021/22, 712 homes were delivered at as ASP of €332K (€354K in BTS and €179K in BTR).
- Gross margin of 30.6% in H1 2021/22, in the high range in the 2020-2025 Business Plan.
- EBITDA margin of 18.8% in H1 2021/22, perfectly aligned to achieve full year EBITDA target of 20%



# Balance Sheet Summary as of 30 September 2021

	30 September 2021	31 March 2021	Change	Observations
<b>Inventories</b> <ul style="list-style-type: none"> <li>• Land</li> <li>• Works in progress</li> <li>• Completed product</li> </ul>	<b>€1,601m</b> €670m €736m €159m	<b>€1,395m</b> €582m €581m €214m	<b>€206m</b> €88m €155m €-55m	Increase in inventories in line with stepped up land investment pace and rapid rotation of assets
<b>Cash</b>	<b>€150m</b>	<b>€186m</b>	<b>€-36m</b>	Healthy cash position, with €70m in unrestricted cash
<b>Short-term debt</b>	<b>€51m</b>	<b>€99m</b>	<b>€-48m</b>	Short-term debt reduced due to the amortization of the syndicated facility and bilateral ICO loans
<b>Long-term debt</b>	<b>€503m<sup>1</sup></b>	<b>€253m<sup>2</sup></b>	<b>€250m</b>	Increase in long-term debt due to 5-year HY bond issuance
<b>Equity</b> <ul style="list-style-type: none"> <li>• Treasury stock<sup>3</sup></li> </ul>	<b>€945m</b> €52m	<b>€994m</b> €65m	<b>€-49m</b> €-13m	Reduction in equity due to investment and amortisation of own shares and distribution of €62m dividend

(1) Long-term developer loans (€186m) + long-term corporate debt (€317m)

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

(3) As of 30 September March 2021, there were 2,538,550 shares in Treasury Stock, at a purchase value of €51,676,030

# Cash Flow H1 2021/22

(€m)

**H1 2021/22**

<b>EBITDA</b>	<b>44.6</b>
Other adjustments to profit	0.4
Other cash used in operating activities	(21.9)
Change in Working Capital excluding land purchases/sales	(42.3)
Net cash change from land investments	(115.5)
<b>(A) Net cash used in operating activities</b>	<b>(134.7)</b>
Investments in group companies and associates <sup>1</sup>	(55.0)
Investments in other PP&E and intangible assets	(0.7)
Investments in other financial assets	(0.6)
Proceeds from the sale of other financial assets	9.9
<b>(B) Net cash used in investing activities</b>	<b>(46.4)</b>
Repurchase/(sale) of own shares	(9.9)
Issuance and repayment of borrowings	217.4
Dividend payment	(62.2)
<b>(C) Net cash from financing activities</b>	<b>145.4</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(35.7)</b>
Cash as of 31 March 2021	186.2
<b>Cash as of 30 September 2021</b>	<b>150.4</b>



# Evolution of net financial debt

(€m)	30 Sep 2021	31 Mar 2021	30 Sep 2020	Var vs Mar 2021	Var vs Sep 2021
<b>(A) Secured debt</b>	<b>188.4</b>	<b>169.4</b>	<b>283.9</b>	<i>19.0</i>	<i>(95.5)</i>
<b>(B) Corporate debt</b>	<b>366.0</b>	<b>182.9</b>	<b>235.4</b>	<i>183.1</i>	<i>130.6</i>
Syndicated facility	-	100.0	150.0	<i>(100.0)</i>	<i>(150.0)</i>
Commercial paper programme (MARF-listed)	52.6	56.7	56.2	<i>(4.1)</i>	<i>(3.6)</i>
Other corporate debt	-	31.5	38.0	<i>(31.5)</i>	<i>(38.0)</i>
High Yield Bond (with guarantee)	325.0	-	-	<i>325.0</i>	<i>325.0</i>
<i>Amortised cost-IFRS</i>	<i>(11.6)</i>	<i>(5.3)</i>	<i>(8.8)</i>	<i>(6.3)</i>	<i>2.8</i>
<b>(C) Gross Financial Debt (A+B)</b>	<b>554.4</b>	<b>352.4</b>	<b>519.3</b>	<i>202.0</i>	<i>35.1</i>
(D) Available cash	70.0	123.6	90.1	<i>(53.6)</i>	<i>(20.1)</i>
<b>Net Financial Debt (C-D)</b>	<b>484.4</b>	<b>228.8</b>	<b>429.2</b>	<i>255.6</i>	<i>55.2</i>
(E) Cash tied to developments	80.4	62.6	51.1	<i>17.8</i>	<i>29.3</i>
<b>TOTAL CASH (D+E)</b>	<b>150.4</b>	<b>186.2</b>	<b>141.2</b>	<i>(35.8)</i>	<i>9.2</i>

- Net financial debt comes to €484m (€256m more than at 31 March 2021 and €55m more than at 30 September 2020), due to construction progress and greater volume of activated units, intense investment activity and the €62m dividend payment
- On 12 May 2021, the Company issued a High Yield Bond<sup>1</sup> for €325m at 5.25 years with a 4.0% annual coupon.

# Financial leverage

	30 Sep 2021	31 March 2021	30 Sep 2020
LTC <sup>1</sup>	30.3%	16.4%	29.3%
LTV <sup>2</sup>	23.9%	12.0%	21.8%
Net financial debt / EBITDA (LTM)	2.7x	1.7x	6.2x
Average cost of debt	3.22%	2.83%	2.85%
Interest coverage	10.1x	9.4x	6.1x

- Increase in financial leverage, in terms of NFD / EBITDA and Net LTV ratio in line with business seasonality. Expecting significant reduction in leverage in H2 2021/22 in line with higher volume of deliveries.
- Increase in average cost of debt due to new capital structure established by the Company, with a greater use of corporate debt, a higher amount at a fixed rate and longer repayment terms.





## 04 Key Takeaways

# Key Takeaways and Outlook

1

**AEDAS Homes continues to perform, delivering solid H1 2021/22 results**

2

**Current visibility provides comfort on delivery of business plan goals**

3

**Seizing the opportunity: AEDAS Homes has increased its landbank at the right terms and conditions in H1 2021/22**

4

**Protecting margins despite current inflationary environment**





# 05 Appendix



# P&L: 1 April – 30 September 2021

(€m)	H1 2021/22 (Apr-Sep)	H1 2020/21 (Apr-Sep)	Change (€m)	Change (%)
Revenue from the sale of housing units	236.4	61.9	174.5	282%
Revenue from land sales	-	4.3	(4.3)	-
<b>REVENUE</b>	<b>236.4</b>	<b>66.2</b>	<b>170.2</b>	<b>257%</b>
Cost of goods sold	(163.9)	(50.1)	(113.9)	228%
<b>GROSS MARGIN</b>	<b>72.4</b>	<b>16.2</b>	<b>56.2</b>	<b>348%</b>
<b>% gross margin</b>	<b>30.6%</b>	<b>24.4%</b>	<b>-</b>	<b>624 bp</b>
Sales and marketing costs	(10.5)	(4.5)	(6.0)	131%
Other operating expenses	(2.9)	(1.9)	(1.0)	53%
<b>NET DEVELOPMENT MARGIN</b>	<b>58.9</b>	<b>9.7</b>	<b>49.3</b>	<b>508%</b>
<b>% net development margin</b>	<b>25.0%</b>	<b>14.6%</b>	<b>-</b>	<b>1,040 bp</b>
Overheads	(16.9)	(13.5)	(3.5)	26%
Other income and expenses	2.5	1.4	1.1	74%
<b>EBITDA</b>	<b>44.6</b>	<b>(2.3)</b>	<b>46.9</b>	<b>-</b>
<b>% EBITDA margin</b>	<b>18.8%</b>	<b>-3.5%</b>	<b>-</b>	<b>-</b>
Depreciation and amortisation	(1.4)	(0.9)	(0.4)	40%
Net financial income	(9.5)	(5.9)	(3.6)	61%
Share of profit/(loss) of associates	(0.3)	(0.2)	(0.1)	33%
Impairment losses	-	(1.6)	1.6	-
<b>EBT</b>	<b>33.4</b>	<b>(11.0)</b>	<b>44.4</b>	<b>-</b>
Corporate tax	(8.3)	2.8	(11.1)	-
<b>NET INCOME</b>	<b>25.1</b>	<b>(8.3)</b>	<b>33.4</b>	<b>-</b>
<b>% net margin</b>	<b>10.6%</b>	<b>-12.5%</b>	<b>-</b>	<b>-</b>
Minority interests	0.6	(0.0)	0.6	-
<b>NET INCOME ATTRIBUTABLE TO PARENT COMPANY</b>	<b>24.5</b>	<b>(8.3)</b>	<b>32.8</b>	<b>-</b>

Revenues derived from 712 units delivered in H1 2021/22, at ASP of €354K for retail units and €179K for BTR units

Financial costs in line with new capital structure

Growing activity volumen reflected in profit of €24.5m, compared to a los of €8.3m in the same period last year

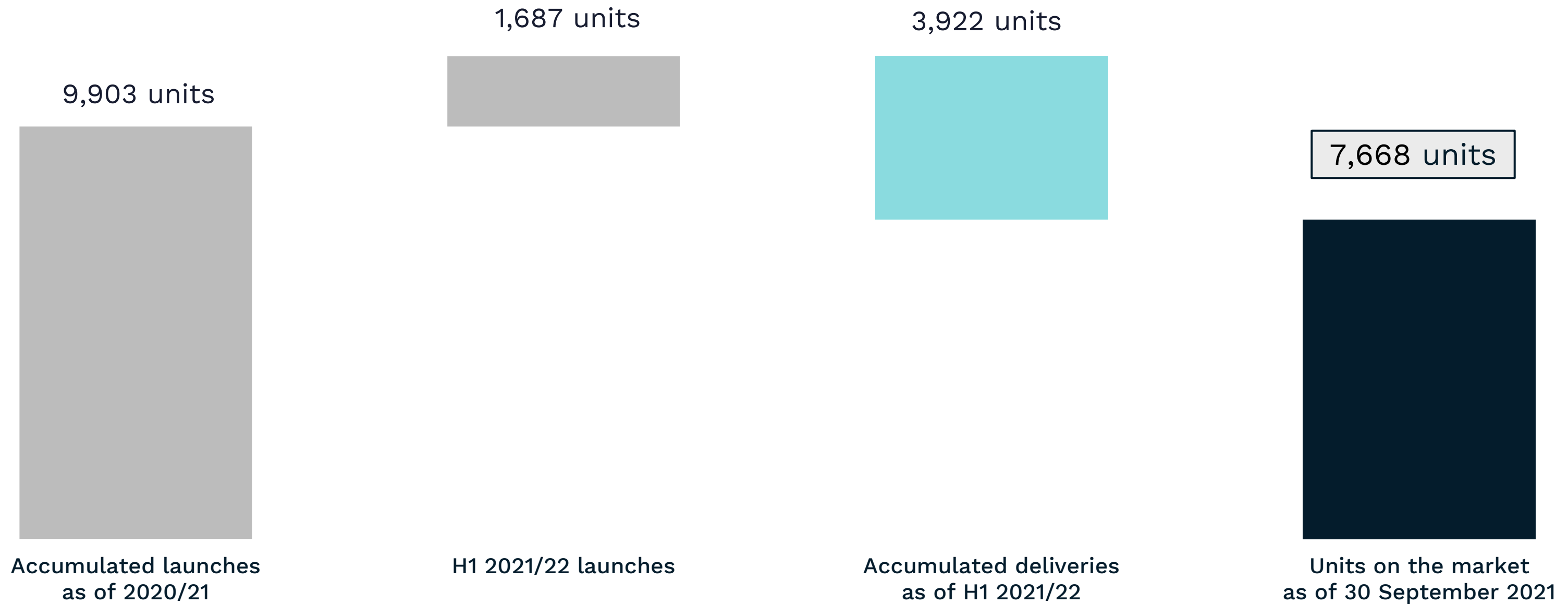


# Balance Sheet

(€m)	September 2021	March 2021	Change (€m)	Change (%)
Other assets	33.3	19.0	14.3	76%
Deferred tax assets	12.0	13.8	(1.8)	-13%
<b>NON-CURRENT ASSETS</b>	<b>45.3</b>	<b>32.8</b>	<b>12.6</b>	<b>38%</b>
Inventories	1,601.1	1,394.5	206.6	15%
Trade and Other Receivables	54.5	46.0	8.5	18%
Other Current Assets	64.3	27.6	36.7	133%
Available cash	70.0	123.5	(53.5)	-43%
Restricted cash	80.4	62.6	17.8	28%
<b>CURRENT ASSETS</b>	<b>1,870.3</b>	<b>1,654.2</b>	<b>216.1</b>	<b>13%</b>
<b>TOTAL ASSETS</b>	<b>1,915.6</b>	<b>1,687.0</b>	<b>228.6</b>	<b>14%</b>
<b>EQUITY</b>	<b>945.7</b>	<b>994.3</b>	<b>(48.6)</b>	<b>-5%</b>
<i>of which Treasury Stock<sup>1</sup></i>	(51.6)	(65.1)	13.5	-21%
Long-Term Financial Borrowings	316.6	88.4	228.2	258%
Other Long-Term Borrowings	1.6	1.1	0.5	45%
Deferred tax liabilities	0.3	-	0.3	-
<b>NON-CURRENT LIABILITIES</b>	<b>318.5</b>	<b>89.5</b>	<b>229.0</b>	<b>256%</b>
Financial debt. Developer loans (long term)	186.4	165.0	21.4	13%
Short-Term Financial Borrowings	51.4	98.9	(47.5)	-48%
Suppliers and creditors	161.3	160.2	1.1	1%
Customer pre-payments	202.5	131.8	70.7	54%
Other short-term liabilities	49.9	47.3	2.6	5%
<b>CURRENT LIABILITIES</b>	<b>651.5</b>	<b>603.2</b>	<b>48.3</b>	<b>8%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,915.6</b>	<b>1,687.0</b>	<b>228.6</b>	<b>14%</b>

# 7,668 units on the market<sup>1</sup>

As of 30 September 2021

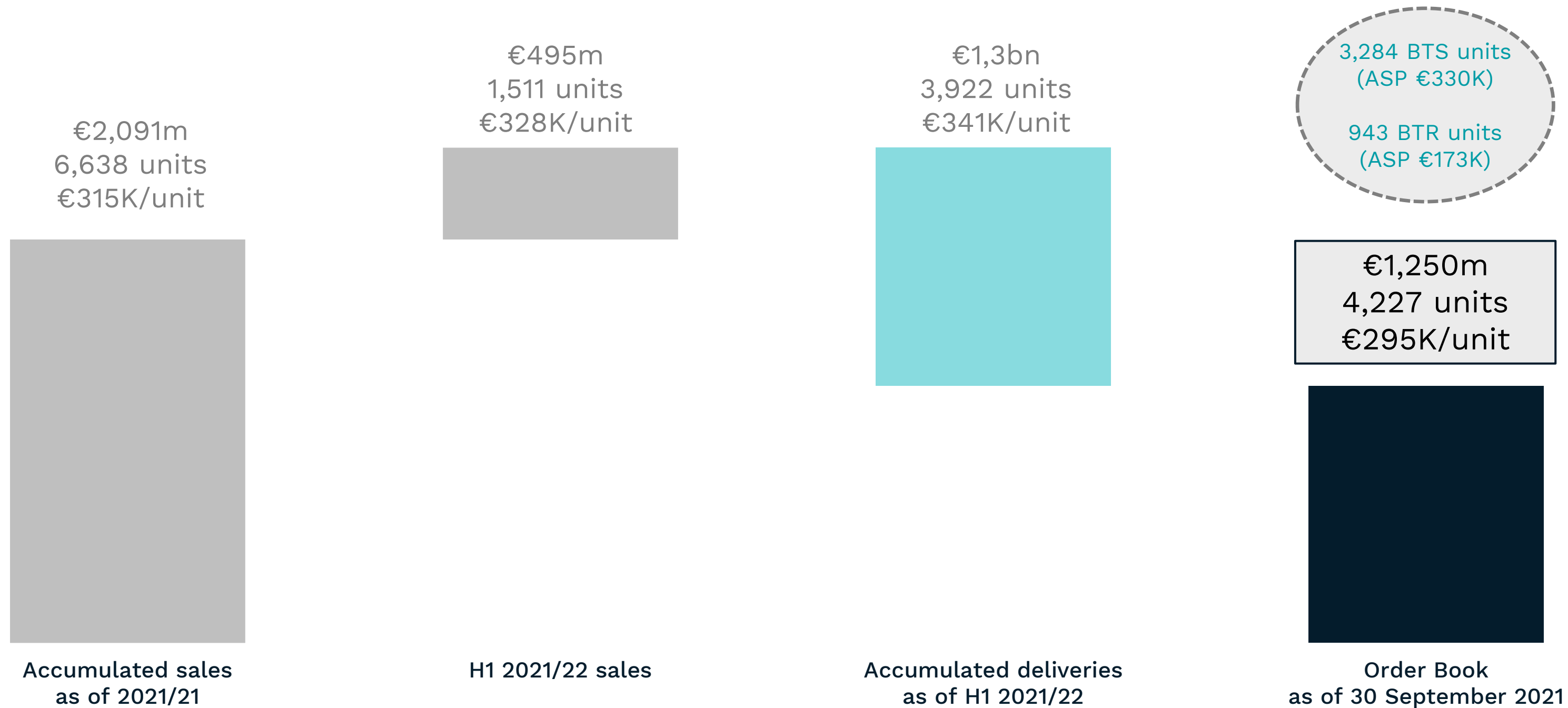


(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.



# Order Book: 4,227 units (€1,250m)

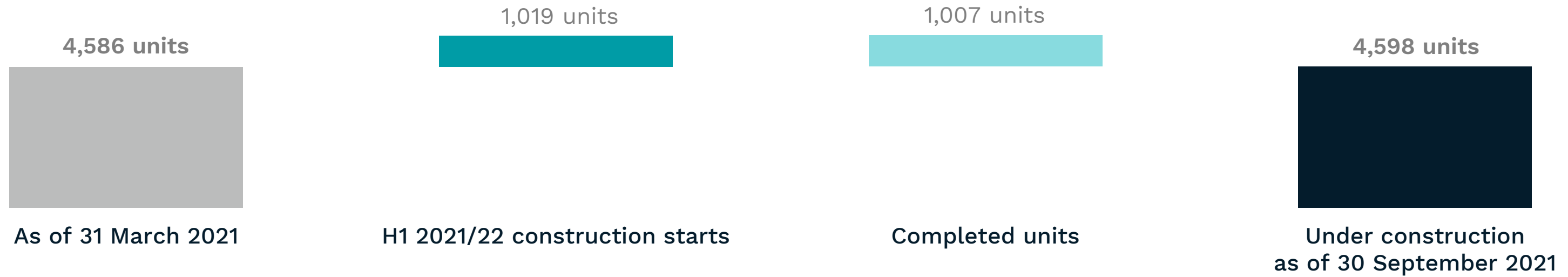
As of 30 September 2021



# Construction Starts and Building Permits

As of 30 September 2021

## Units under construction (BTR+BTS)



## Building permits in hand, pending construction start (BTS)

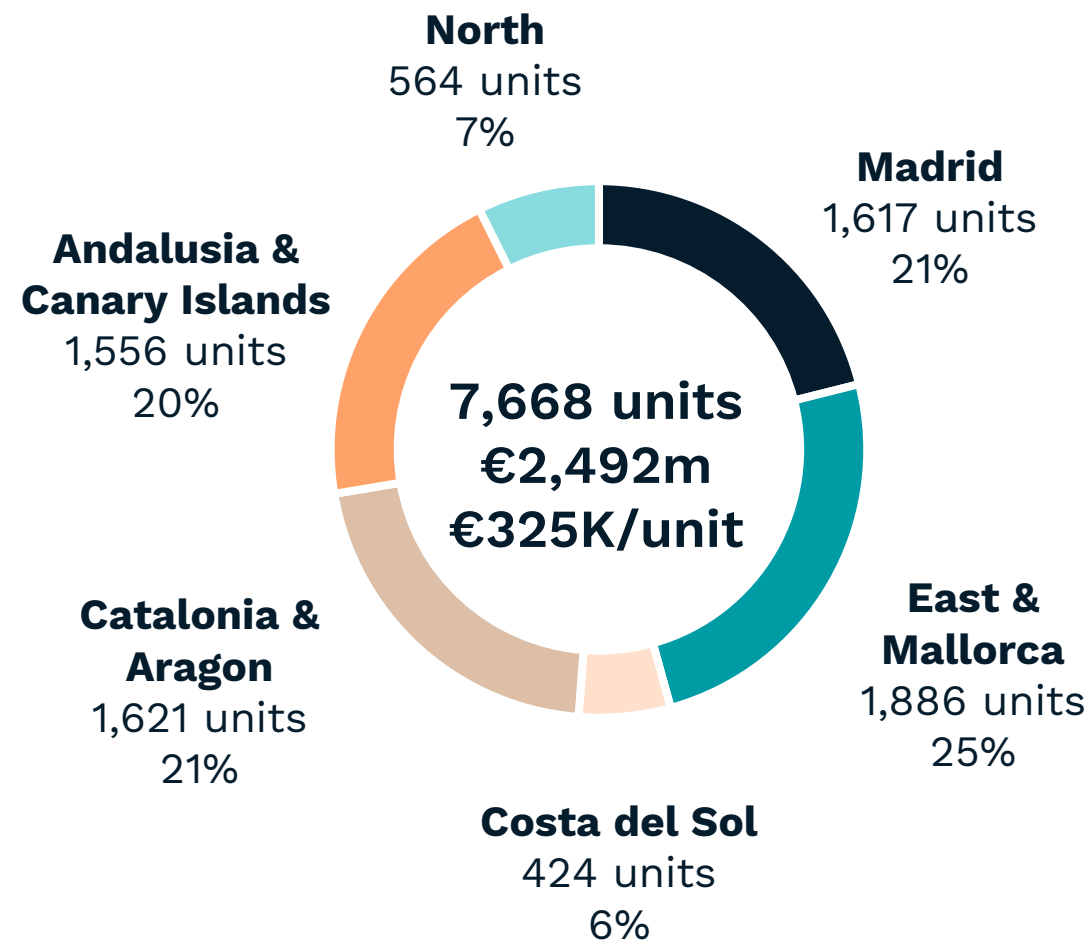




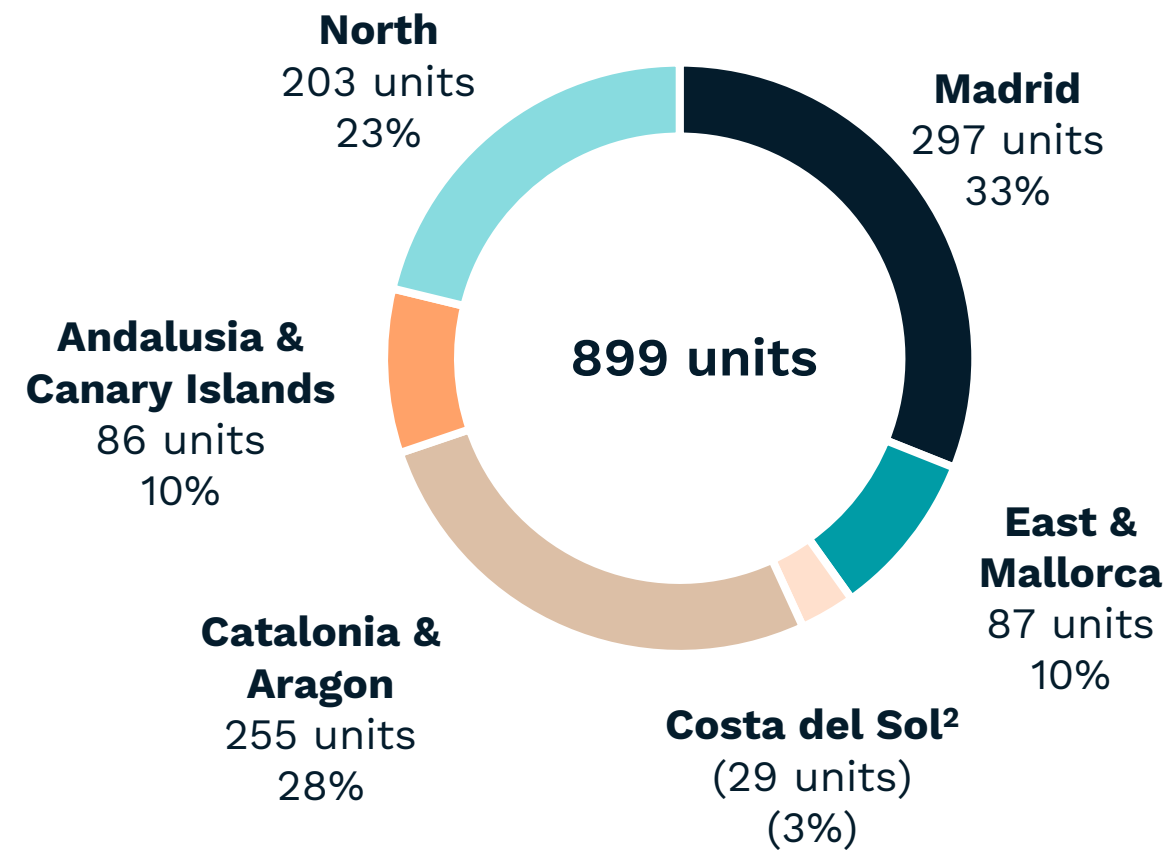
# Regional Breakdown

As of 30 September 2021

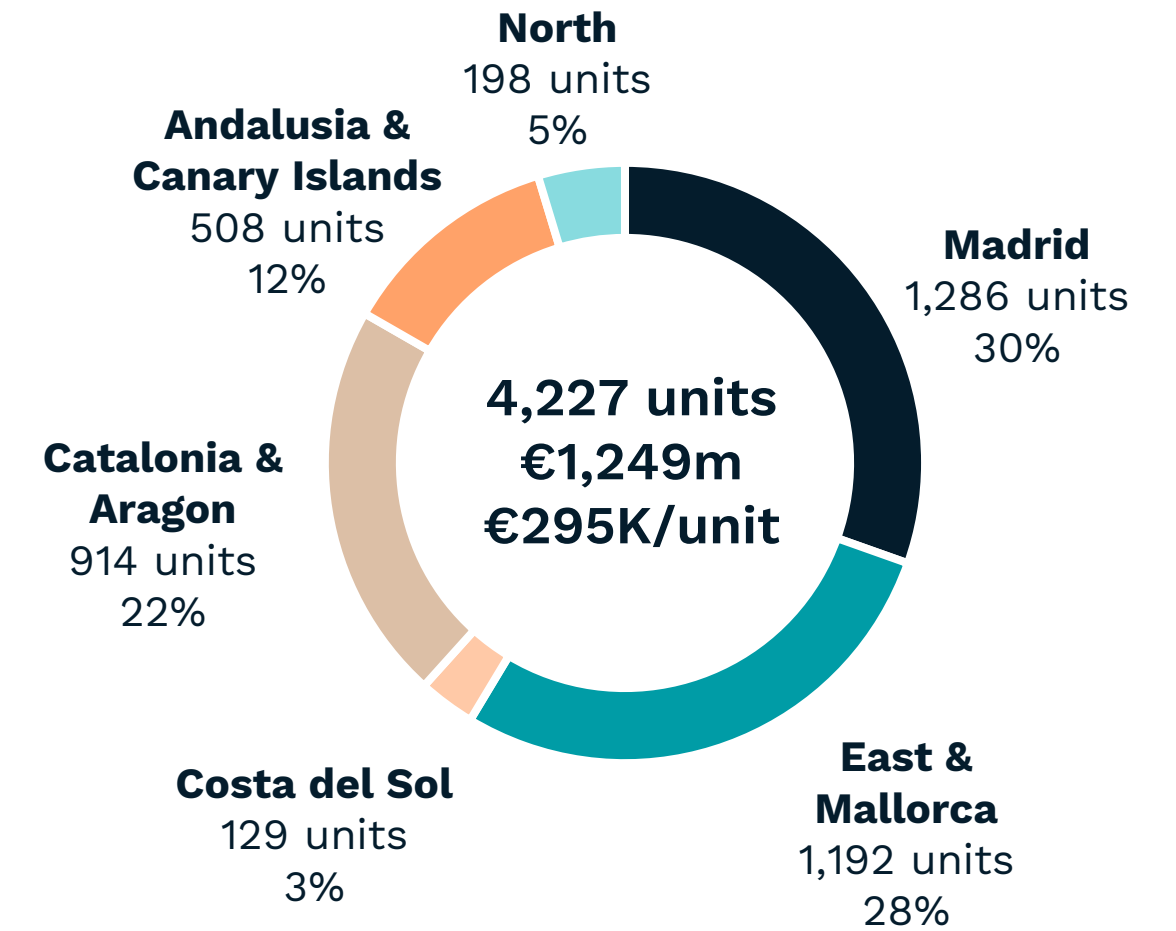
## On the market<sup>1</sup>



## Permits granted H1 2021-22



## Order Book

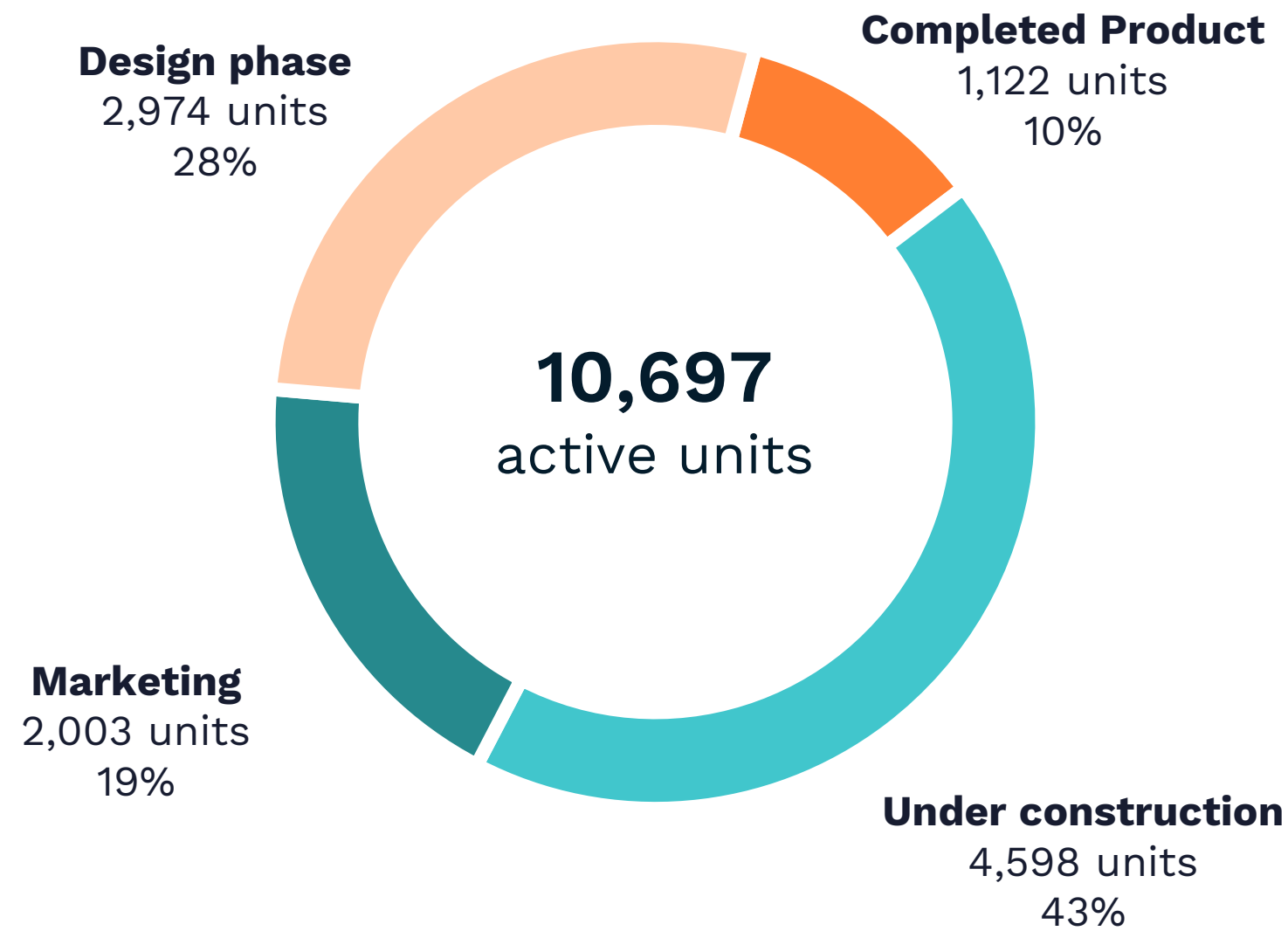


(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.  
 (2) Due to modifications in the initial works project.

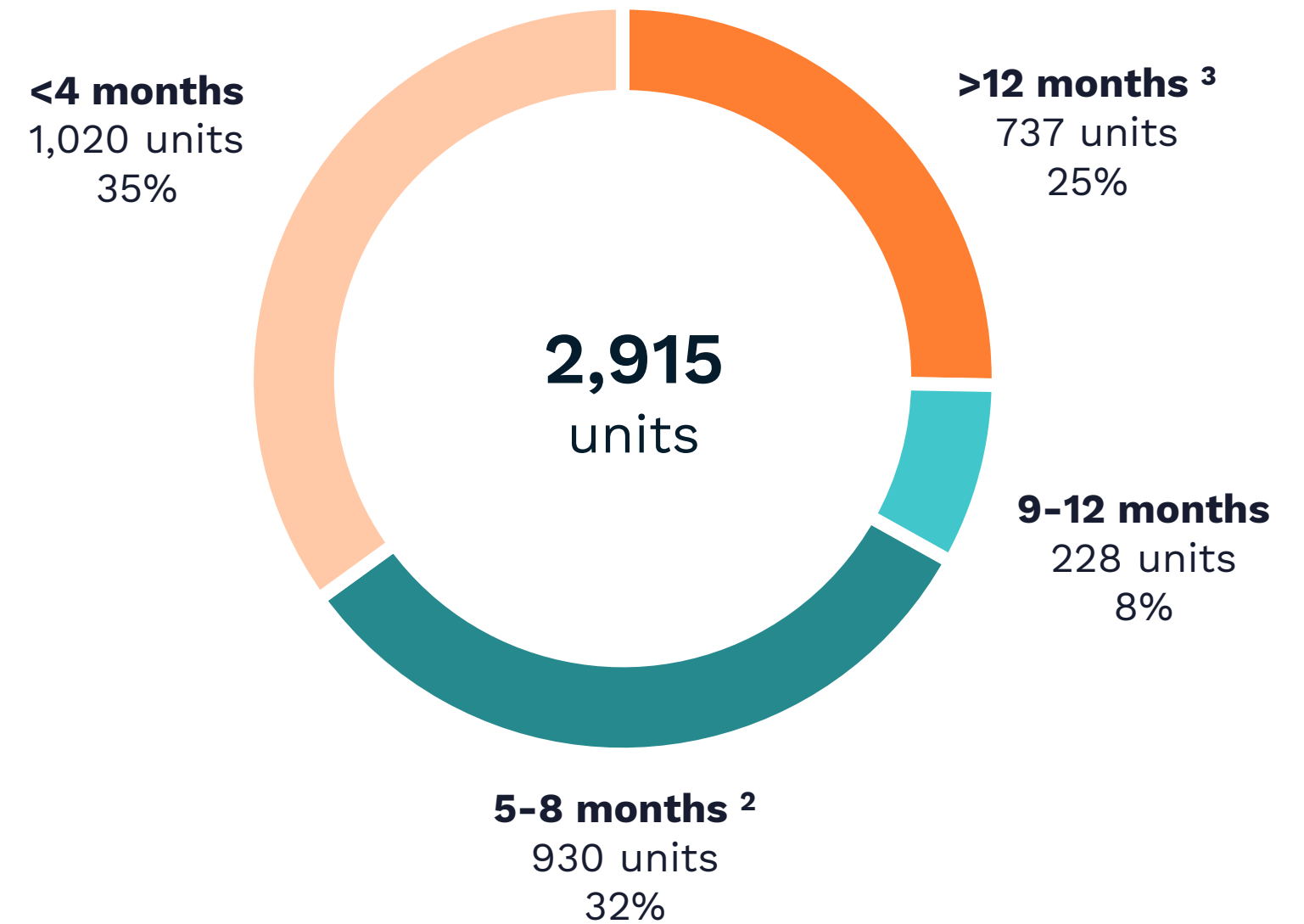
# Active Units and Permit Request Status

As of 30 September 2021

## Active Units<sup>1</sup>



## Permit Request Status



(1) Units are considered active from the moment they enter the design phase until they are handed over to the customer.  
 (2) 325 units correspond to BTR.  
 (3) 144 units correspond to BTR.



# Corporate Calendar

<b>9 February</b> 2022	<b>9M 2021/22 Results</b>	<b>Confirmed</b>
<b>26 May</b> 2022	<b>FY 2021/22 Results</b>	<b>TBC</b>
<b>29 June</b> 2022	<b>Annual General Meeting</b>	<b>TBC</b>
<b>28 July</b> 2022	<b>Q1 2022/23 Results</b>	<b>TBC</b>
<b>30 November</b> 2022	<b>H1 2022/23 Results</b>	<b>TBC</b>



Acea en Las Sedas  
(Alcalá de Henares, Madrid)

# AEDASHOMES