

metrovacesa

Itamar (Almerimar, Almería)

# Trading update 3Q2024

October 30<sup>th</sup>, 2024

mvc





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# Agenda

Table of Contents

1. Highlights
2. Business Update
3. Closing remarks



Today's Presenters



Jorge Pérez de Leza  
CEO



Borja Tejada  
CFO



Juan Carlos Calvo  
Corporate Dev. & IR



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La Llum de Manresa (Manresa, Barcelona)

# 1. Highlights

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# Highlights

## Supportive housing market

- Transactions regaining traction: >570k purchases in the last twelve months<sup>(1)</sup>
- Lower interest rates: a tailwind for demand
- New supply remains insufficient to cover demand

## Solid MVC operations

- Growth in 9M presales: +15% yoy, in euros
- Backlog reaches record of €1.3bn (+24% vs Dec23)
- Total revenues: €278.9m in 9M24 (vs €302.1m in 9M23), including €21.6m in land sales

## New dividend in December

- €0.33/sh dividend to be paid around December 27<sup>th</sup>
- Subject to approval by General Meeting on November 19<sup>th</sup>

Notes:

(1) Source INE, as of Aug-24

## 2. Business Update



# Key operational data

as of September 30<sup>th</sup>, 2024

## Active projects



### Sales Backlog<sup>(1)</sup>

**4,057** Sold units  
**€1,338m**  
**€330** k/unit ASP<sup>(2)</sup>

### Under commercialization

**6,412** units  
**€351** k/unit ASP<sup>(2)</sup>  
**94** projects

### Active units

**7,853** units  
**114** active projects

## Construction



**4,830** units under construction<sup>(3)</sup>

**90** developments under construction<sup>(3)</sup>

## Deliveries / Sales



**793** Units delivered in the period

**€324** k/unit ASP<sup>(2)</sup>

**1,518** Units pre-sold<sup>(4)</sup> in the period

**€336** k/unit ASP<sup>(2)</sup>

## Land portfolio



### Land Sales

**€21.6m** in P&L revenues  
**€61m** binding contracts as of 30<sup>th</sup> September

### Land Purchases

**€61.9m** in 9M24

**c. 28.3k** resi units in land bank

## Financials



**€278.9m**  
Total revenues

**€397.6m**  
Net debt

**16.0%**  
LTV ratio

**€124.2m**  
Total cash

#### Notes:

(1) Defined as cumulative pre-sales (reservations + contracts) minus deliveries

(2) ASP = Average Selling Price

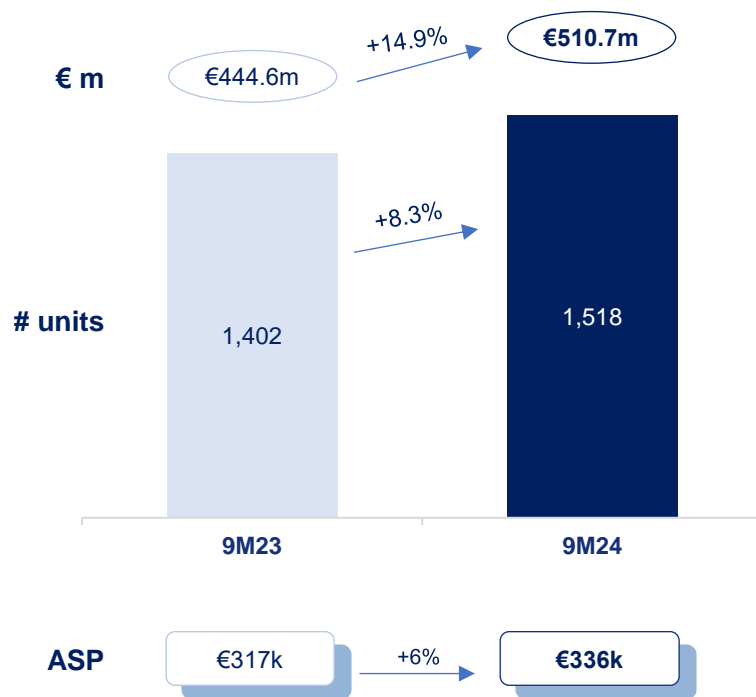
(3) Includes units with construction works completed

(4) Pre-sales in the period, net of cancellations

# Pre-sales

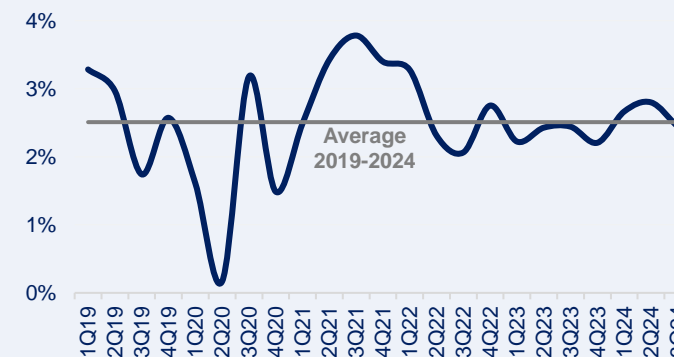
Demand remains solid in 9M24

## Net pre-sales in the period



- **Sustained positive demand trends** from previous quarters
- **Growing commercial activity in 9M24:** +14.9% presales in euros and +8.3% in units
- **472 units** presold in 3Q24
- **Improving ASP: €336k/unit** in 9M24 (+6%)

## Solid absorption rate <sup>(1)</sup> In line with historical average



**2.4% in 3Q24**

Notes:

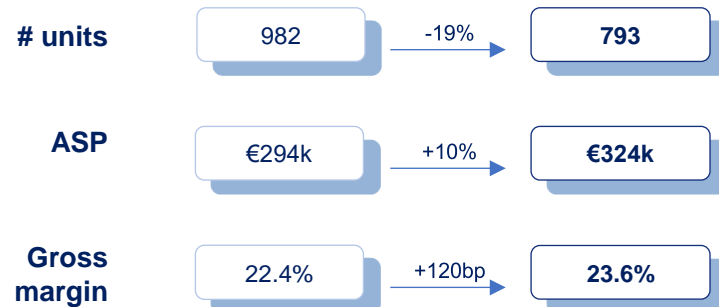
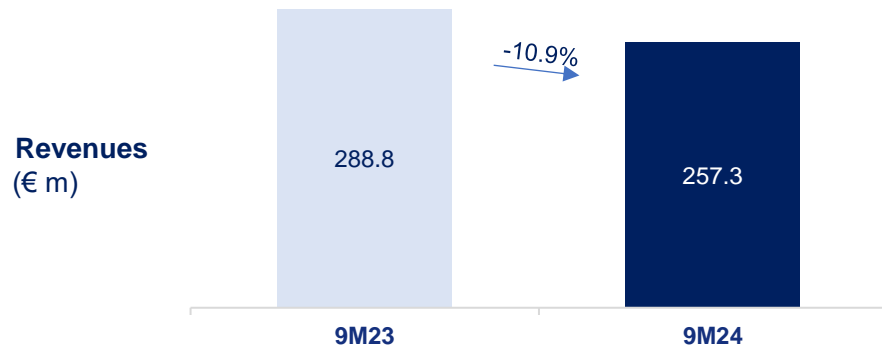
(1) Calculated as monthly net presales divided by average number of units in commercialisation, including both sold and unsold units. If calculated over unsold units, the absorption rate would be 6.2%



# Residential deliveries

With growing gross margin

## Revenues from residential deliveries



- Revenues reached **€257.3m** in **9M24**, with 793 units delivered
- Limited volume of deliveries in 3Q (118 units), with **more concentration in 4Q**, due to our calendar of project completions
- **Increase in gross margin to 23.6%** (+120bp) despite higher construction and financing costs

### Confirmation of FY targets

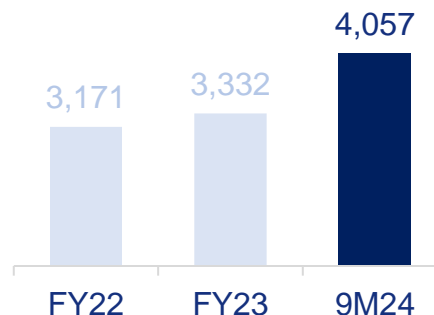
- **We maintain our guidance** to increase the volume of deliveries in FY24
- As of September, **>1,000 units are already sold and completed**

# Operational activity

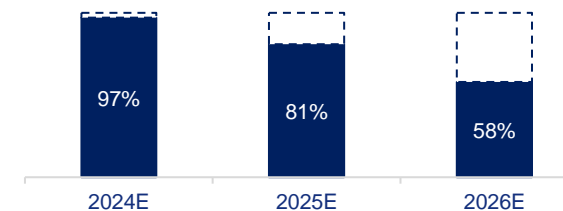
High coverage ratios for future deliveries

## Sales backlog 4,057 units

- €1.3bn in future revenues (ASP of €331k/unit)
- High reliability, with 80% formalised in contracts with downpayments
- Strong visibility of future deliveries, supported by solid coverage ratios

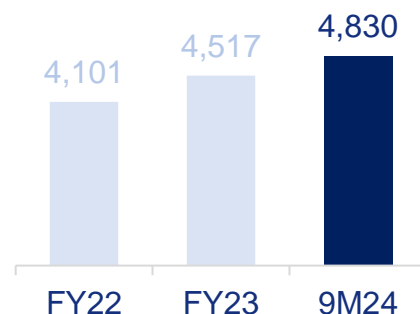


## Pre-sales coverage 2024-2026E (% of expected deliveries)



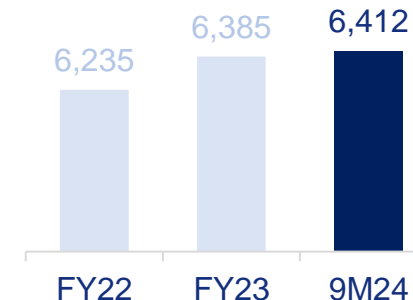
## Under construction 4,830 units

- 1,106 construction starts in 9M24
- >1,000 units sold and with construction finished as of September 2024



## In commercialisation 6,412 units

- Of which 63% are already sold
- Potential revenues of €2.3bn (ASP of €351k/unit)
- Plus 1.4k active units in design phase, to start marketing in the near term





# Land activity

Progress on land sales and investments in 9M24

## Land sales:

**P&L Revenues**

**€21.6m** in 9M24  
vs €13.1m in 9M23

- Growing activity in land sales (+65% vs. 9M23)
- Mainly residential land plots, located in Canary Islands, Valencia, Ibiza, Córdoba, Murcia or Almería

**Binding Contracts (1)**

**€61m**  
as of September 30<sup>th</sup>

- To be formalized between 2024 and 2025
- Pipeline continues to grow (vs. €41m as of Dec-23)

## Land investments:

**Land purchases**

**775 units**  
in 9M24 (2)

- Committed capex: €61.9m, with deferred payment agreed in most cases
- Cash paid: €13.5m in 9M24
- Agile operations: **10 projects already launched** (690 units) from new land acquisitions

### Main acquisitions in 9M24, already launched

Adeje, Tenerife (130 units)



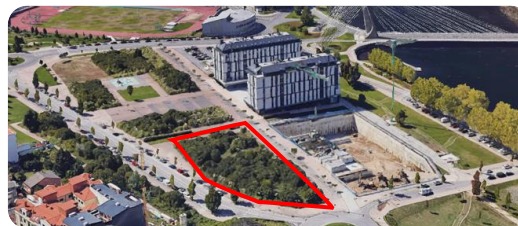
Entrenúcleos, Seville (194 units)



Cruzcampo, Seville (195 units)



Novolírez, Pontevedra (130 units)



Valdecarros, Madrid (104 units)



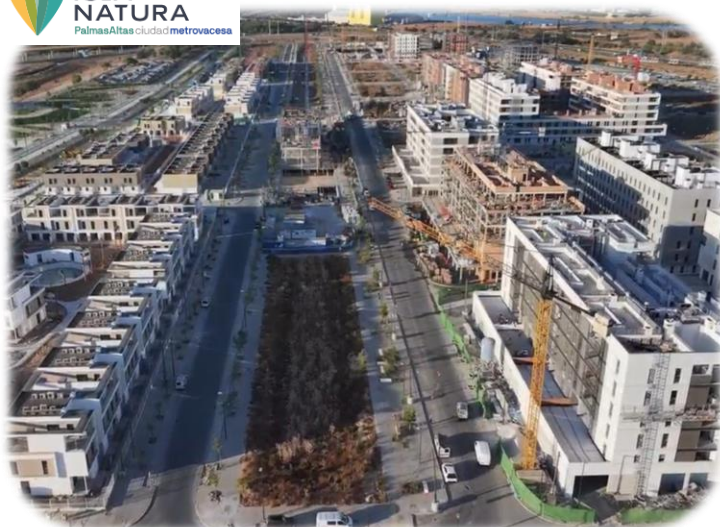
Notes:

(1) Backlog of sales signed in binding contracts as of September 2024, with partial cash payment already collected. Does not include the land sale agreed with VITA for Oria Pulse (Living) / (2) Includes purchases under binding contract, pending formalisation

# Most recent updates in October

News on Palmas Altas, Oria and debt refinancing

## Palmas Altas (Seville): first deliveries in 4Q



### 6 developments to start deliveries in 4Q

- A whole new district designed from scratch by MVC, it is already open to normal traffic since October
- It is MVC's largest residential project, with >1,300 units in commercialization in over 20 developments in different stages

## Oria Campus (Madrid): new JV with for a flex living project



### 2<sup>nd</sup> JV formed between MVC and Vita Group

- A major development with 22,000 sqm and 519 rooms for flex living use
- Construction has started in Oct2024, and will be completed in 2027
- The land sale will be recorded in P&L in 4Q
- The first JV (a student residence development) is under construction as planned, with expected finalisation in 2026

## Financing: corporate loan extended to 2029

### New syndicated loan

Extended  
Size

€276m  
+€65m vs. current loan <sup>(1)</sup>

Extended  
maturity

to Oct 2029  
vs. 2026 previously

A diversified  
pool of banks

11 banks  
6 domestic / 5 international

### New syndicated loan

- **Extended maturity (5 year)** and loan limit, providing more financial flexibility. **Very competitive terms** and conditions, similar to previous loan
  - **Renewed confidence from financial institutions** in MVC's both operational and financial strength
- Also, we have **renewed our commercial paper program** in October (size up to €100m)

Notes:

(1) Outstanding balance as of 30<sup>th</sup> September 2024



# Profit & Loss

## Summary



€ m

	9M 2023	9M 2024
<b>Revenues</b>	<b>302.1</b>	<b>278.9</b>
Development	289.0	257.3
Land sales & other income	13.1	21.6
<b>Gross Profit</b>	<b>64.7</b>	<b>48.7</b>
Development	64.9	60.8
% gross margin dev` t	21.2%	23.6%
Land sales & other income	-0.2	-12.2
<b>EBITDA</b>	<b>29.0</b>	<b>11.3</b>

Total revenues  
€278.9m

Gross development  
margin  
23.6%

EBITDA  
€11.3m

### 3. Closing Remarks

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# Closing remarks

## Sustained favourable market dynamics

- ✓ **The Spanish housing market** continues to show a positive outlook
- ✓ **Growth in MVC operations:** presales +15% yoy and backlog +24% ytd
- ✓ A more **dynamic demand for land** in the commercial segment

## Positive outlook confirmed

- ✓ **FY targets remain on track**, with high concentration of deliveries in 4Q
- ✓ **Strong backlog** in housing presales, also in land sales, provides **good visibility** for our business in the coming years

## Continuation of attractive dividend policy

- ✓ Call for extraordinary shareholder meeting on November 19<sup>th</sup>
- ✓ €0.33/sh dividend proposal against reserves, to be paid around December 27<sup>th</sup>
- ✓ Total dividend paid in 2024: €0.69/sh or €105m, a yield of 8.5% <sup>(1)</sup>

Notes:

(1) Calculated on MVC's stock price at the beginning of the year



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Pearson (Terrassa, Barcelona)

Q&A

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