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, 2021

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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.:

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 consolidated balance sheet at September 30, 2021, 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 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, 2021 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.

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, 2021. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying consolidated management report for the six-month period ended September 30, 2021 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, 2021. 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 the Board of Directors with regard to the publication of the half yearly financial report required by article 119 of Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Law enacted by Royal Decree 1362/2007 of October 19.

ERNST & YOUNG, S.L.

(Signed in the original version)

Alfonso Balea López

November 23, 2021

Aedas Homes, S.A. and subsidiaries

Interim condensed consolidated financial statements for the six months ended 30 September 2021

(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 2021 AND 31 MARCH 2021

(Euros)

ASSETS	Note	30 Sept. 2021 (*)	31 Mar. 2021	EQUITY AND LIABILITIES	Note	30 Sept. 2021 (*)	31 Mar. 2021
NON-CURRENT ASSETS:				**EQUITY**:			
Intangible assets		**5,413,878**	**1,494,841**	**Capital**		**46,806,537**	**47,966,587**
Patents, licences and trademarks		2,486,878	-	Share capital		46,806,537	47,966,587
Software		1,418,680	1,463,379	**Share premium**		**478,534,502**	**500,076,721**
Other intangible assets		1,508,320	31,462	**Parent company reserves**		**(299,710,800)**	**(307,095,363)**
Property, plant and equipment		**3,284,672**	**3,241,899**	**(Own equity instruments)**		**(51,587,176)**	**(65,075,384)**
Land and buildings		2,432,095	2,487,202	**Retained earnings (prior-year losses)**		**(10,995,576)**	**(10,744,632)**
Plant and other PP&E		732,920	732,523	**Reserves at fully-consolidated companies**		**13,546,820**	**(2,293,916)**
Work in progress and prepayments		119,657	22,174	**Other shareholder contributions**		**740,071,256**	**740,071,256**
Investment properties		**2,795,364**	**1,704,313**	**Profit for the period attributable to equity holders of the parent**		**24,502,034**	**85,104,149**
Land		488,971	286,114	**Other equity instruments**		**3,854,962**	**4,406,966**
Buildings		2,306,393	1,418,199	**Non-controlling interests**		**635,887**	**1,889,489**
Non-current investments in group companies and associates		**20,499,134**	**11,421,975**	**Total equity**		**945,658,446**	**994,305,873**
Investments in associates		11,839,130	3,964,799	**NON-CURRENT LIABILITIES:**			
Loans to associates	7	8,660,004	7,457,176	**Non-current borrowings**	**5**	**318,205,583**	**89,511,657**
Non-current financial assets		**1,299,066**	**1,088,049**	Notes and other marketable securities		316,641,571	32,354,834
Other non-current financial assets		1,299,066	1,088,049	Bank borrowings		-	56,078,404
Deferred tax assets	6	**12,034,909**	**13,803,058**	Other financial liabilities		1,564,012	1,078,419
Total non-current assets		**45,327,023**	**32,754,135**	**Deferred tax liabilities**	**6**	**254,216**	**-**
CURRENT ASSETS:				**Total non-current liabilities**		**318,459,799**	**89,511,657**
Inventories	**3**	**1,601,074,172**	**1,394,499,790**	**CURRENT LIABILITIES:**			
Trade and other receivables		**93,840,352**	**51,144,420**	**Current provisions**	**3**	**8,238,114**	**13,666,026**
Trade receivables		53,097,616	45,262,865	**Developer and land financing with long-term maturities**	**5**	**183,499,300**	**165,006,520**
Trade receivables, associates	**7**	693,697	78,833	**Current borrowings**	**5**	**63,486,428**	**100,942,788**
Sundry receivables		650,503	652,618	Notes and other marketable securities		56,089,210	22,301,428
Receivable from employees		23,585	12,913	Bank borrowings		3,972,680	77,175,037
Current tax assets		101,525	75,498	Other financial liabilities		3,424,538	1,466,323
Other taxes receivable		39,273,426	5,061,693	**Trade and other payables**		**396,235,911**	**323,553,275**
Current investments in group companies and associates		**6,650,756**	**620,939**	Trade and other accounts payable		148,154,515	140,339,246
Loans to associates		6,650,756	620,939	Trade and other payables		4,911,881	6,159,782
Current financial assets		**6,794,265**	**15,090,450**	Employee benefits payable		2,074,804	3,516,780
Other current financial assets		6,794,265	15,090,450	Current tax liabilities		25,081,274	19,237,338
Accruals and deferred income		**11,469,550**	**6,708,671**	Other taxes payable		13,479,032	22,509,962
Cash and cash equivalents	**10**	**150,421,880**	**186,167,734**	Customer prepayments		202,534,405	131,790,167
Total current assets		**1,870,250,975**	**1,654,232,004**	**Total current liabilities**		**651,459,753**	**603,168,609**
TOTAL ASSETS		**1,915,577,998**	**1,686,986,139**	**TOTAL EQUITY AND LIABILITIES**		**1,915,577,998**	**1,686,986,139**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2021. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021 AND 30 SEPTEMBER 2020

(Euros)

	Note	Six months ended 30 Sept. 2021 (*)	Six-months ended 30 Sept. 2020 (*)
Revenue - Property development	8	236,363,572	61,868,331
Cost of goods sold - Property development		(163,948,366)	(46,517,384)
Gross margin - Property development		**72,415,206**	**15,350,947**
Gross margin % - Property development		**30.6%**	**24.8%**
Revenue - Land sales	8	-	4,340,286
Cost of goods sold - Land sales		-	(3,535,351)
Gross margin - Land sales		**-**	**804,935**
Gross margin % - Land sales		**-**	**18.5%**
Revenue	8	236,363,572	66,208,618
Cost of goods sold		(163,948,366)	(50,052,735)
GROSS MARGIN		**72,415,206**	**16,155,882**
GROSS MARGIN %		**30.6%**	**24.4%**
Marketing		(4,882,250)	(2,680,012)
Sales		(5,601,442)	(1,855,089)
Other direct development costs		(779,063)	(574,117)
Taxes related with developments		(2,163,019)	(1,349,560)
NET MARGIN		**58,989,432**	**9,697,104**
NET MARGIN %		**25.0%**	**14.6%**
General expenses		(16,921,891)	(13,465,991)
Other operating income	7	1,410,606	1,488,613
Other operating expenses		(110,214)	(55,853)
Negative differences of consolidation	1	1,186,483	-
EBITDA		**44,554,416**	**(2,336,127)**
EBITDA MARGIN %		**18.8%**	**(3.5%)**
Depreciation and amortisation		(1,398,060)	(997,132)
Impairment of inventories	3	-	(1,613,560)
OPERATING PROFIT/(LOSS)		**43,156,356**	**(4,946,819)**
Finance income	7	320,510	210,242
Finance costs - borrowings from group companies	7	-	(25,468)
Finance costs - bank borrowings, net of capitalised borrowing costs		(9,888,426)	(6,401,706)
Change in fair value of financial instruments		72,282	326,228
Exchange gains/(losses)		(644)	(2,877)
Impairment of and gains/(losses) on disposal of financial instruments		-	-
NET FINANCE COST		**(9,496,278)**	**(5,893,580)**
Share of profit/(loss) of associates		**(261,105)**	**(195,791)**
PROFIT/(LOSS) BEFORE TAX		**33,398,973**	**(11,036,190)**
Income tax	6	(8,283,840)	2,756,039
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**25,115,133**	**(8,280,151)**
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS		**-**	**-**
PROFIT/(LOSS) FOR THE PERIOD		**25,115,133**	**(8,280,151)**
Attributable to non-controlling interests	4	613,099	(17,798)
Attributable to equity holders of the parent		24.502.034	(8,262,353)
Basic earnings per share		0.52	(0.17)
Diluted earnings per share		0.55	(0.18)

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2021. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021 AND 30 SEPTEMBER 2020

(Euros)

	Note	Six months ended 30 Sept. 2021 (*)	Six-months ended 30 Sept. 2020 (*)
PROFIT/(LOSS) FOR THE PERIOD (I)		**25,115,133**	**(8,280,151)**
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)		**25,115,133**	**(8,280,151)**
Total recognised income and expense attributable to equity holders of the parent		24.502.034	(8,262,353)
Total recognised income and expense attributable to non-controlling interests		613,099	(17,798)

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2021.
(*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021 AND 30 SEPTEMBER 2020

(Euros)

	Capital (note 4.a)	Share premium (note 4b)	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)	Other shareholder contributions (note 4.h)	Profit for the period attributable to equity holders of the parent	Other equity instruments (note 4.j)	Non-controlling interests (note 4k)	TOTAL
OPENING BALANCE AT 1 APRIL 2020	**47,966,587**	**500,076,721**	**(307,929,668)**	**(36,940,235)**	**(11,811,332)**	**(3,546,168)**	**740,071,256**	**3,157,875**	**2,535,360**	**2,401,732**	**935,982,128**
Total recognised income and expense	-	-	-	-	-	-	-	(8,262,353)	-	(17,798)	(8,280,151)
Distribution of prior-period earnings	-	-	935,882	-	1,066,700	1,155,293	-	(3,157,875)	-	-	-
Transactions with shareholders	-	-	(35,665)	(7,558,216)	-	-	-	-	-	-	(7,593,881)
Consolidation scope and other changes	-	-	-	-	-	7,284	-	-	711,181	(337,736)	380,729
CLOSING BALANCE AT 30 SEPTEMBER 2021 (*)	**47,966,587**	**500,076,721**	**(307,029,451)**	**(44,498,451)**	**(10,744,632)**	**(2,383,591)**	**740,071,256**	**(8,262,353)**	**3,246,541**	**2,046,198**	**920,488,825**
Total recognised income and expense	-	-	-	-	-	-	-	93,366,502	-	(32,249)	93,334,253
Distribution of prior-period earnings	-	-	-	-	-	-	-	-	-	-	-
Transactions with shareholders	-	-	(65,912)	(20,576,933)	-	-	-	-	-	-	(20,642,845)
Consolidation scope and other changes	-	-	-	-	-	89,675	-	-	1,160,425	(124,460)	1,125,640
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**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2021. (*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021 AND 30 SEPTEMBER 2020

(Euros)

	Note	Six months ended 30 Sept. 2021 (*)	Six-months ended 30 Sept. 2020 (*)
1. OPERATING ACTIVITIES			
Profit/(loss) before tax		**33,398,973**	**(11,036,190)**
Adjustments for finance income/costs		**9,496,278**	**5,893,580**
(Gains)/losses on derecognition and disposal of financial instruments		**-**	**-**
Finance income		(320,510)	(210,242)
Finance costs		14,365,799	12,584,590
Borrowing costs capitalised in inventories		(4,477,373)	(6,157,417)
Change in fair value of financial instruments		(72,282)	(326,228)
Exchange gains/(losses)		644	2,877
Share of profit/(loss) of associates		**261,105**	**195,791**
Operating profit/(loss)		**43,156,356**	**(4,946,819)**
Depreciation and amortisation charges		1,398,060	997,132
Impairment of inventories	**3**	-	1,613,560
EBITDA		**44,554,416**	**(2,336,127)**
Other adjustments to profit		**444,394**	**(24,300,979)**
Provisions		614,152	711,181
Realised finance gains/losses (fair value and exchange differences)		(644)	(2,877)
Unrealised share of profit/(loss) of associates		(79,304)	(143,651)
Other adjustments	1	(1.186.483)	-
Net increase/(decrease) in other non-current assets and liabilities		1,096,673	(24,865,632)
Other cash used in operating activities		**(21,938,623)**	**(6,224,563)**
Interest received		9,342	118,372
Interest paid		(2,331,594)	(6,342,935)
Income tax received/(paid)		(19,659,871)	**-**
Other receipts/(payments)		43,500	**-**
Change in working capital (excluding land purchases/sales during the period)		**(42,259,194)**	**(135,749,794)**
Increase/(decrease) due to inventories		(39,138,947)	(180,424,636)
Increase/(decrease) due to trade receivables		(45,354,603)	543,756
Increase/(decrease) due to trade payables		53,017,812	29,514,695
Increase/(decrease) due to net change in other current assets and current liabilities		(10,783,456)	14,616,391
Change in working capital attributable to land purchases/sales during the period	3	**(115,527,171)**	**2,712,758**
Net cash used in operating activities (1)		**(134,726,178)**	**(165,898,705)**
2. INVESTING ACTIVITIES			
Investments | disposals		**(46,429,322)**	**(2,347,021)**
Group companies and associates		(6,240,587)	(2,033,735)
Intangible assets		(531,900)	(272,543)
Property, plant and equipment		(153,888)	(40,743)
Other financial assets		9,250,650	-
Business unit	**1**	(48,753,597)	-
Net cash used in investing activities (2)		**(46,429,322)**	**(2,347,021)**
3. FINANCING ACTIVITIES			
Proceeds from and payments for equity instruments		**(9,855,043)**	**(7,593,881)**
Buyback of own equity instruments		(9,855,043)	(7,593,881)
Proceeds from and payments for financial liability instruments	**5**	**217,436,961**	**180,886,919**
Issue of notes and other marketable securities		322,192,637	53,826,284
New financing obtained from banks		100,750,058	209,247,963
New borrowings from related parties		-	-
Redemption of bonds and other marketable securities		(10,200,000)	(62,900,000)
Repayment of bank borrowings		(195,305,734)	(18,705,988)
Repayment of borrowings from related parties		-	(581,340)
Dividends and payments on other equity instruments		**(62,172,272)**	**-**
Dividends		(62,172,272)	-
Net cash from financing activities (3)		**145,409,646**	**173,293,038**
4. Effect of changes in exchange rates on cash and cash equivalents (4)		-	-
5. NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (1+2+3+4)		**(35,745,854)**	**5,047,312**
Cash and cash equivalents - opening balance		**186,167,734**	**136,113,251**
Cash and cash equivalents - closing balance		**150,421,880**	**141,160,563**

The accompanying notes 1 to 13 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2021. (*) Unaudited

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, 42. It is registered with the Madrid Companies Register.

Aedas Homes, S.A. and its subsidiaries (together, the Group) are devoted to the following business activities, pursuant to article 2 of the Company's bylaws:

a) The acquisition, development and refurbishment of all manner of properties, whether for holding, use, disposal or lease.

b) The acquisition, holding, usage, sale and administration of marketable Spanish or international securities and of any titles or rights, such as the shares of limited-liability companies, that give it an equity interest in other companies, all of which as principal and not agent.

The above-mentioned activities may be performed by the Parent or by any Group companies either directly or indirectly, as well as through ownership interests in other companies with an identical or similar corporate purpose. At present, the Parent holds equity interests in other companies. Appendix I of these notes itemises the activities conducted by the subsidiaries of Aedas Homes, S.A.

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 these 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 outlined in note 1.a.

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 2021, 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 2021, 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.

Below is a description of the main movements in the Parent's equity interests in its subsidiaries and associates during the six months ended 30 September 2021:

- A 300-euro share capital reduction at URBANIA LAMATRA I, S.L. was raised to public deed on 29 July 2021, as a result of which AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) swapped its 10% interest in that entity for land. In a single act, a share capital increase in the same amount was raised to public deed in order to meet the minimum share capital requirement.

- AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) acquired Áurea Homes, the group of companies encompassing the development unit of construction firm, ACR, on 29 July 2021. That transaction brings the Group the Áurea trademark, the acquiree's team, eight developments under construction, seven fully-zoned sites and the management and sale contracts for the acquiree's developments in progress, among other things. As a result of that acquisition, the following companies have become part of the AEDAS Group's scope of consolidation: Allegra Este, S.L. (100%), Domus Aurea Residencial, S.L. (100%), Proyectos Inmobiliarios Atria Madrid, S.L. (100%), Proyectos Inmobiliarios Lucida Navarra, S.L. (100%), Proyectos Inmobiliarios Algedi Madrid, S.L. (100%), Proyectos Balmes 89, S.L. (100%), Aurea Mutilva Promoción, S.L. (100%), Domus Avenida, S.L. (52%), Varia ACR Mostoles Fuensanta, S.L. (15.6%), Espacio Aurea, S.L. (50%), Allegra Nature, S.L. (20%), Residencial Henao, S.L. (22.5%), Aurea Etxabakoitz, S.L. (14.81%), Residencial Ciudadela Uno, S.L. (17.13%) and Nature Este, S.L. (17.13%).

  The fair value of 100% of the net assets acquired (determined essentially by means of discounted cash flow analysis for the developments under construction and the management contracts and using market values for the other assets identified) amounts to 51,244,491 euros, so that the Group has recognised a negative difference of consolidation in the amount of 1,186,483 euros.

	Euros		
	Acquisition method		
	Fair value recognised upon acquisition (IFRS 3)	Carrying amount	Restatement
Other intangible assets (management contracts)	1,399,355	-	1,399,355
Patents, licences and trademarks	2,486,878	-	2,486,878
Plant and other PP&E	46,989	46,989	0
Investments in associates	6,308,636	6,308,636	0
Loans to associates	3,161,087	3,161,087	0
Deferred tax assets (note 6)	612,424	0	612,424
Land (note 3)	41,323,074	42,755,906	(1,432,832)
Prepayments to suppliers	3,089	3,089	0
Other taxes receivable	235,616	235,616	0
Cash	378,402	378,402	0
Deferred tax liabilities (note 6)	(254,216)	0	(254,216)
Bank borrowings (note 5)	(4,380,000)	(4,380,000)	0
Other financial liabilities	(55,179)	(55,179)	0
Trade payables	(21,564)	(21,564)	0
Other taxes payable	(100)	(100)	0
Net assets acquired	**51,244,491**	**48,432,882**	**2,811,609**
Total acquisition cost	**50,058,008**		
Goodwill	**(1,186,483)**		

  Of the total acquisition cost of 50,058,008 euros, the Group retained the sum of 1,304,411 euros, so that the transaction implied a cash outflow of 48,753,597 euros.

Note, lastly, that due to the date on which the acquisition closed, as at the date of authorising these interim condensed consolidated financial statements for the six months ended 30 September 2021 for issue, the process of allocating the acquisition-date fair values of the assets acquired and liabilities assumed was ongoing, so that the accounting was still provisional; under IFRS 3, the Group has one year from the acquisition date to complete the purchase price allocation process.

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 2021 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 2021.

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 2021.

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 2021 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 and cost of goods sold. The percentage GROSS MARGIN is calculated by dividing the absolute GROSS MARGIN by revenue.

- 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.

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

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 outside of Spain 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 2021 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: the Group measures the realisable value of its inventories periodically, that value 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 28 February 2021, setting down its findings in a report issued in April 2021. 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 fiscal year, 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. 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 2021 taking into account the above mention 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 2021 and 31 March 2021 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).

At present, all of the Group companies are consolidated using the full consolidation method.

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/(loss) 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.

No consolidation adjustments have had to be made to ensure uniform reporting periods as all of the Group companies had the same year-end, except for Winslaro ITG, S.L., Servicios Inmobiliarios Licancabur, S.L., Urbania Lamatra II, S.L, Allegra Este, S.L., Domus Aurea Residencial, S.L., Proyectos Inmobiliarios Atria Madrid, S.L., Proyectos Inmobiliarios Lucida Navarra, S.L., Proyectos Inmobiliarios Algedi Madrid, S.L., Proyectos Inmobiliarios Algedi Madrid, S.L., Proyectos Balmes 89, S.L., Aurea Mutilva Promoción, S.L., Domus Avenida, S.L., Varia ACR Mostoles Fuensanta, S.L., Espacio Aurea, S.L., Allegra Nature, S.L., Residencial Henao, S.L., Aurea Etxabakoitz, S.L., Residencial Ciudadela Uno, S.L. and Nature Este, S.L., whose fiscal years coincide with the calendar year, in which no significant transactions or events have taken place.

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. The list of non-Group companies that hold an equity interest in any of the fully-consolidated subsidiaries of 10% or more is provided in Appendix II.

e) First-time consolidation differences

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.

The acquisition of Aurea, as outlined in note 1, gave rise to the recognition of a negative difference of consolidation for an amount of 1,186,483 euros.

f) *Comparative information*

The information contained in these interim condensed consolidated financial statements for the six months ended 30 September 2021 is presented, for comparative purposes, alongside the information as at 31 March 2021 for each heading of the consolidated balance sheet and alongside the figures for the six months ended 30 September 2020 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.

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 2021 and 31 March 2021 is as follows:

	Euros	
	30 Sept. 2021	**31 Mar. 2021**
Land and sites	670,175,320	582,439,385
Developments in progress (*)	735,700,542	581,043,918
Completed buildings	159,069,983	213,667,797
Prepayments to suppliers	36,128,327	17,348,690
Total	**1,601,074,172**	**1,394,499,790**

(*) At 30 September 2021, "Developments in progress" included the cost of the land on which the developments are being carried out in the amount of 305,618,997 euros (275,650,335 euros at 31 March 2021).

An analysis of the movements under inventories in the six months ended 30 September 2021:

Euros	31 Mar. 2021	Advances	Land purchases	Land acquired by business combination (note 1)	Cost of goods sold	Amounts derecognised	Capitalised borrowing costs	30 Sept. 2021
Inventories	**1,394,499,790**	18,779,637	93,479,653	41,323,074	212,463,011	(163,948,366)	4,477,373	**1,601,074,172**

The Group purchased 134,802,727 euros of land, for which it had already paid down payments of 100,000 euros, during the six months ended 30 September 2021. Deferred payments on land recognised on the consolidated balance sheet at 30 September 2021 amounted to 24,434,970 euros, of which 15,170,486 euros corresponds to land newly acquired during the six months ended 30 September 2021. The current balance of deferred land payments is 14,966,050 euros, with the remaining 9,468,920 euros due more than 12 months from the reporting date.

At 30 September 2021, the Group was contractually committed to the acquisition of land in the amount of 70,470,204 euros, against which it had made 18,214,579 euros of down payments, which are recognised under "Prepayments to suppliers" within current assets on the balance sheet. At 30 September 2021, additional down payments are registered in the balance sheet for an amount of 17,660,459 euros of which 16,660,459 euros correspond to plots of land located in "Chamartin Norte".

In sum, during the six months ended 30 September 2021, the AEDAS Homes Group stepped up execution of its investment plan, committing a total of 217 million euros to new land investments, of which 134.8 million euros have already been raised to public deed, 70.5 million euros correspond to land purchase commitments and 12 million euros relate to site planning expenditure commitments.

The Group was not contractually committed to any land sales at 30 September 2021.

The net cash outflows attributable to the purchase and sale of land in the six months ended 30 September 2021 amounted to 115,527,171 euros, broken down as follows:

Land purchased during the period	(134,802,727)
Down payments for land purchased during the period	100,000
Down payments for land purchases	(33,845,038)
Deferred payments for land purchased during the period	15,170,486
Deferred payments for land purchased in previous reporting periods	(3,877,868)
Price paid to offset loans to and equity investments in associates (note 7)	1,079,805
Acquisition of land via the purchase of equity and credit investments in AUREA (note 1)	40,648,171
Payments made during the six months ended 30 September 2021 for the purchase of land	**(115,527,171)**
Land sold during the period	-
Deferred payments received 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 2021 from the sale of land	**-**
Change in working capital attributable to land purchases/sales during the period	**(115,527,171)**

None of the Group's inventories are 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. 2021	31 Mar. 2021
Central Region	454,342,847	363,603,615
North	76,666,107	55,660,685
Catalonia & Aragon	258,827,054	215,012,936
Costa del Sol	271,610,936	273,304,435
Rest of Andalusia & Canaries	219,058,886	174,758,597
Balearic Islands and Spanish east coast	284,440,015	294,810,832
Total	**1,564,945,845**	**1,377,151,100**

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 coincides with the end of its fiscal year, based on its belief that the risk of additional impairment losses 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 28 February 2021, setting down its findings in a report issued in April 2021.

At 30 September 2021, the net realisation value of the Group's inventories amounted to 2,023 million euros. That value was arrived at on the basis of the net realisation value as at 31 March 2021 (1,907 million euros), adjusted for (i) the inventories whose purchase closed during the six months elapsing between 1 April and 30 September 2021; (ii) the movement in developments under construction during the same period (without considering prepayments to suppliers), and (iii) the net realisation value of homes completed during the reporting period. As a result, the Group recognised accumulated impairment losses against its inventories of 4,395,147 euros at 30 September 2021 (having not recognised any additional impairment losses during the six-month period then ended) and unrealised gains of 445 million euros (4,395,147 euros and 521 million euros, respectively, at 31 March 2021). The reduction in unrealised gains is mainly attributable to the materialisation of a portion thereof as a result of the delivery of finished homes during the reporting period.

At 30 September 2021, there were assets recognised under "Inventories" with a gross cost of 692 million euros (596 million euros at 31 March 2021) that guarantee developer loans arranged by the Group (note 5).

At 30 September 2021, the Group recognised 8,238,114 euros of current provisions for the completion of works (31 March 2021: 13,666,026 euros).

4. Capital and reserves

a) *Share capital*

At 30 September, 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 the Company's share capital at the time.

None of the Company's shares was pledged at 30 September 2021.

The breakdown of the Company's significant shareholders (those with equity interests of 3% or more) at 30 September 2021, 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.	71.52	71.52	-	-	-
T. ROWE PRICE ASSOCIATES, INC	4.93	-	4.93	-	-
T. ROWE PRICE INTERNATIONAL FUNDS, INC.	3.73	-	3.73	-	-

b) *Share premium*

The share premium account amounted to 478,534,502 euros at 30 September 2021.

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 endowment of 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.

Parent company reserves

The movement under this heading during the six months ended 30 September 2021 relates to the appropriation of profit for the year ended 31 March 2021, in the amount of 6,032,099 euros.

At 30 September 2021, the Parent's legal reserve stood at 9,593,317 euros, leaving it fully endowed as of the reporting date (31 March 2021: 3,561,218 euros).

d) Voluntary reserves

Parent company reserves

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 during the six months ended 30 September 2021 relates 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 correspond 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 46,952 euros, by the registration of invoices related to the capital reduction described in section a) for an amount of 895 euros and a 93,137-euro-impact on reserves of the delivery of Parent company shares to AEDAS employees, framed by the commitments assumed in the long-term incentive plan described in section j) below.

The movement during the year ended 31 March 2021 primarily corresponded to the net impact of the purchase and sale of own shares (section f) below).

Reserves at fully-consolidated companies

The movement under this heading during the six months ended 30 September 2021 related primarily to the appropriation of the earnings of the consolidated investees for the year ended 31 March 2021.

During the year ended 31 March 2021, the movement corresponded primarily to changes in the Group's composition (purchase by SPV Reoco 15, S.L.U. of own shares representing a 20% ownership interest from Promociones y Propiedades Inmobiliarias Espacio, SLU; and purchase by AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) of shares representing 5.3% of the share capital of FACORNATA SERVICIOS Y GESTIONES, S.L. from Taller de Estudios de Inversión, S.L.).

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 applied 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 2021, the AEDAS Homes Group has set aside a capitalisation reserve of 3,611,844 euros, of which 893,761 euros was allocated by the Parent and 2,718,083 euros, by AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) (31 March 2021: 893,761 euros, set up exclusively by the Parent).

f) Own shares

The Parent arranged a liquidity contract with BANCO DE SABADELL, S.A. (the "Financial Broker") on 28 March 2018 with the sole object of fostering the frequency and regularity with which the Company's shares are traded, within the limits established at the Company's Annual General Meeting and, specifically, CNMV Circular 1/2017 on liquidity agreements.

The initial term of the contract was 12 months from its date of effectiveness, which was 5 April 2018.

The Parent suspended the liquidity agreement on 28 December 2018 due to a shortfall in the cash and shares allocated to the contract account pursuant to CNMV Circular 1/2017. It renewed the contract on 24 January 2019, having replenished the corresponding balances, as stipulated in the CNMV rules. On 20 March 2019, the contract was terminated, the underlying objectives having been met. During that period, the Company bought back 94,178 shares at an average price of 22.76 euros per share and sold 92,784 shares at an average price of 22.94 per share, leaving a remaining balance of 28,031 shares, which were sold in a block trade for 22.80 per share on 29 March 2019.

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.

Since 8 August 2019, the Company has bought back 3,728,690 shares representing 7.97% of its capital at an average price of 20.08 euros per share for a total amount of 74,882,579 euros, 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 for a total amount of 3,019,989 euros; 1,513,491 shares (3.23%) were bought back under the Repurchase Programme at an average price of 20.79 euros per share for a total amount of 31,467,107 euros; and 2,066,475 shares (2.04%) were bought back via block trades at an average price of 19.55 euros per share for a total amount of 40,395,483 euros.

In June 2021, the Parent delivered 30,090 own shares to its employees as part of the commitments assumed under 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)).

At 30 September 2021, the Company's own share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 51,587,176 euros, corresponding to 2,538,550 shares representing 5.42% of share capital; the average purchase price was 20.32 euros (31 March 2021: 65,075,384 euros; 3,325,249 shares; 6.93% and 19.57 euros, respectively).

h) Owner contributions

The Company did not receive any new owner contributions during the six months ended 30 September 2021 or 30 September 2020.

At 30 September 2021, total contributions by the Parent's Majority Shareholder amounted to 740,071,256 euros (same balance at 31 March 2021).

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.

The shareholders of AEDAS Homes, S.A., at the Annual General Meeting held on 18 June 2021, resolved to pay out a dividend totalling 62,497,874 euros, before withholding tax, which is equivalent to 1.40 euros per share, with a charge against profit for the year ended 31 March 2021, as proposed by the

Board of Directors following a meeting held on 7 May 2021. That dividend of 1.40 per share was paid on all shares carrying dividend rights on 30 July 2021; the payout totalled 62,172,272 euros, with the remaining 325,602 euros recognised in unrestricted reserves.

No dividends were paid out in the year ended 31 March 2021.

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, at 30 September 2021 there are no limits on the distribution of dividends other than those contemplated in company law and the Green Bond debenture (note 5).

j) Other equity instruments

On 26 September 2017, the Parent's Majority Shareholder approved a long-term incentive plan payable entirely in shares for the CEO and members of its key management personnel, structured into three overlapping three-year periods or cycles (from the IPO, i.e., 20 October 2017 to 31 March 2021; from 1 April 2021 to 31 March 2022; and from 1 April 2022 until 31 March 2023). The equally-weighted metrics to be used to measure delivery of the targets are: (i) EBITDA; (ii) the net 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 will be determined by the price of the shares in each three-year cycle (the IPO price for the first cycle and the average trading price during the 20 trading sessions prior to the start of the second and third cycles) and the level of target delivery. All of the shares received by the CEO and 50% of those received by the 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 Executive 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 11 million euros. The long-term incentive plan was endorsed by the Parent's Appointments and Remuneration Committee on 27 February 2018.

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

The amount recognised under "Other equity instruments" in respect of the commitment assumed under the long-term incentive plan by the Parent vis-a-vis its key management personnel accordingly stood at 3,854,962 euros at 30 September 2021 (4,406,966 euros at 31 March 2021).

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 2021:

	Ownership interest attributable to the Parent	Euros			
		31 Mar. 2021	Profit/(loss) attributable to non-controlling interests	Other changes	30 Sept. 2021
SPV SPAIN 2, S.L.	87.5%	1,544,180	615,370	(1,812,500)	347,050
ESPEBE 11, S.L.	80%	345,309	(3,919)	(140,000)	201,390
DOMUS AVENIDA, S.L.	52%	-	1,648	85,799	87,447
Total		**1,889,489**	**613,099**	**(1,866,701)**	**635,887**

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. As a result of those resolutions, the non-controlling shareholders in SPV Spain 2, S.L. received 1,812,500 euros during the six months ended 30 September 2021.

The shareholders of Espebe 11, S.L., 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 29 July 2021, AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) acquired 52% of the share capital of Domus Avenida, S.L. from Aurea Iberica, S.L. (note 1).

The reconciliation, by subsidiary, of the opening and closing balances of non-controlling interests during the year ended 31 March 2021:

	Ownership interest attributable to the Parent	**Euros**			
		31 Mar. 2020	Profit/(loss) attributable to non-controlling interests	Other changes	31 Mar. 2021
SPV REOCO 15, S.L.U.	100%	337,737	-	(337,737)	-
SPV SPAIN 2, S.L.	87.5%	1,574,575	(30,395)	-	1,544,180
ESPEBE 11, S.L.	80%	364,960	(19,652)	1	345,309
FACORNATA SERV. Y GESTIONES, S.L.	100%	124,460	-	(124,460)	-
Total		**2,401,732**	**(50,047)**	**(462,196)**	**1,889,489**

On 30 September 2020, Group subsidiary SPV Reoco 15, S.L. acquired own shares representing 20% of its share capital from Promociones y Propiedades Inmobiliarias Espacio, SLU. As a result of that acquisition, AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) became the sole shareholder of SPV REOCO 15, S.L. On that same date, a share capital reduction of 600 euros was raised to public deed in order to cancel those shares and, in a single act, that entity’s share capital was increased by the same amount to meet the minimum legal requirement.

On 23 February 2021, AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) acquired 5.3% of the shares of FACORNATA SERVICIOS Y GESTIONES, S.L. that were owned by Taller de Estudios de Inversión, S.L. As a result of that acquisition, AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.) became the sole shareholder of FACORNATA SERVICIOS Y GESTIONES, S.L.

5. Borrowings and other financial liabilities

The Group had the following borrowings at 30 September 2021:

	Euros				
	30 September 2021				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Developer loans	511,748,627	180,362,570	1,623,774	-	181,986,344
Land financing	4,380,000	3,136,730	1,243,270	-	4,380,000
BTR project financing (*)	112,152,000	-	-	-	-
Total development financing	**628,280,627**	**183,499,300**	**2,867,044**	**-**	**186,366,344**
Green bonds issued	325,000,000	-	**-**	316,641,571	316,641,571
Commercial paper issued (*)	150,000,000	-	51,394,766		51,394,766
Lease liabilities (*)	-	-	1,219,214	1,237,298	2,456,512
Total corporate debt	**475,000,000**	**-**	**52,613,980**	**317,878,869**	**370,492,849**
Interest on mortgage loans	-	-	1,105,637	-	1,105,637
Interest on green bonds	-	-	4,694,444	-	4,694,444
Other liabilities	-	-	2,205,323	326,714	2,532,037
Total other liabilities	**-**	**-**	**8,005,404**	**326,714**	**8,332,118**
Total borrowings and other liabilities	**1,103,280,627**	**183,499,300**	**63,486,428**	**318,205,583**	**565,191,311**

(*) Unsecured debt

At 31 March 2021, the Group's borrowing profile was as follows:

	Euros				
	31 March 2021				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Mortgage loans secured by inventories	492,409,633	165,006,520	2,325,091	-	167,331,611
Total developer loans	**492,409,633**	**165,006,520**	**2,325,091**	**-**	**167,331,611**
Commercial paper issued (*)	56,700,000	-	22,301,428	32,354,834	54,656,262
Syndicated loan (*)	100,000,000	-	49,434,679	49,434,678	98,869,357
Corporate credit facilities (*)	31,500,000	-	24,812,149	6,643,726	31,455,874
Lease liabilities	-	-	1,429,457	1,046,019	2,475,476
Total corporate debt	**188,200,000**		**97,977,713**	**89,479,257**	**187,456,969**
Interest on developer loans	-	-	548,625	-	548,625
Interest on corporate credit facilities	-	-	54,494	-	54,494
Other liabilities	-	-	36,866	32,400	69,266
Total other liabilities	**-**	**-**	**639,985**	**32,400**	**672,385**
Total borrowings and other liabilities	**680,609,633**	**165,006,520**	**100,942,789**	**89,511,657**	**355,460,965**

(*) Unsecured debt

At 30 September 2021, non-current debt accounted for 88.77% of the total (71.60% at 31 March 2021).

Developer loans

At 30 September 2021, the AEDAS Group had arranged mortgages in an aggregate amount of 588,217,298 euros in order to finance 66 developments (31 March 2021: 540,226,673 euros financing 75 developments). The balance recognised at 30 September 2021 using the amortised cost method was 181,986,344 euros (31 March 2021: 167,331,611 euros). The mortgages carry interest at EURIBOR plus spreads ranging between 100 and 300 basis points.

The Group has arranged developer loans totalling 588.2 million euros, of which it had drawn down 189.9 million euros (face value) at 30 September 2021, i.e., 32.3% of the total, leaving an undrawn limit of 321.7 million euros.

The undrawn loans become available for drawdown 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 2021, the progress of the Group's developments qualified it to draw down an additional 58.81 million euros, of which 26.51 million euros correspond to the undrawn land financing tranche and 32.30 million euros correspond to supplier invoices already paid and, therefore, stem from delivery of the milestones indicated above.

Land financing

At 30 September 2021, the Group recognised, as a result of its acquisition of the development business of AUREA (note 1), two mortgages financing the acquisition of land totalling 4,380,000 euros (0 euros at 31 March 2021), of which a balance of 3,180,000 euros accrues interest at 12-month EURIBOR plus a spread of 300 basis points and the sum of 1,200,000 euros accrues interest at 12-month EURIBOR plus a spread of 250 basis points.

Build-to-rent project financing

On 22 July 2021, Group subsidiary Facornata Servicios y Gestiones, S.L. closed a financing agreement with investment firm Iberia Private Real Assets Credi, SCSp in the amount of 112,152,000 euros in order to partially refinance 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). At 30 September 2021, that subsidiary had not drawn the facility down.

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.

To secure that financing, a mortgage promise was granted over the properties. The loan agreement also entails the following covenants in the company 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 2021.

	30 Sept. 2021
Loan to Cost ratio	0%
Loan to Value ratio	0%
Cash balance	2,954,089

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. 2021	31 Mar. 2021
2H 2022/23	1,937,715	3,086,141
FY 2023/24	4,905,794	4,324,007
FY 2024/25	5,324,444	4,787,639
FY 2025/26 and beyond	171,331,347	152,808,733
	183,499,300	**165,006,520**

Green bonds

On 21 May 2021, Group company AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, 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 for general corporate purposes, including to repay existing corporate borrowings, bolster liquidity and pay the fees and charges related with the issue. The Group 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. It accrues a fixed rate of 3% on any amounts drawn and a rate of 0.9% on the undrawn balance. The Group had not drawn the revolving facility down at 30 September 2021.

The facility includes certain covenants that limit certain operations different from the ordinary traffic of the Group. At 30 September 2021, detail of financial covenants is as follows:

	30 Sept. 2021
Pari Passu Senior Secured Loan to Value Ratio	21.2%
Net Total Loan to Value Ratio	24.3%
Net Secured Total Loan to Value Ratio	21.2%

Promissory notes

On 14 June 2021, the Parent arranged the AEDAS HOMES 2021 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 2020.

The Parent issued a total of 6.1 million euros of commercial paper under the programme during the six months ended 30 September 2021 and it repaid 10.2 million euros of commercial paper at maturity, leaving an outstanding balance of 52.6 million euros due on several dates between the reporting date and November 2022. The effective annual cost of the commercial paper issues is 3.27%.

During the year ended 31 March 2021, the Parent closed a series of commercial paper issues under the programme with a total face value of 61.8 million euros, including the placement on 15 September 2020 of 34.1 million euros of paper 70%-secured by the Kingdom of Spain under the scope of the country's COVID-19 guarantee scheme; that issue was rated BBB by Axesor. In addition, during the year ended 31 March 2021, the Group repaid 67.4 million euros of commercial paper at maturity, leaving an outstanding balance of 56.7 million euros due on several dates between year-end and September 2022. The effective annual cost of the commercial paper issues during that period was 3.16%.

The 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 51,394,766 euros at 30 September 2021 (54,656,262 euros at 31 March 2021).

Syndicated loan

On 6 August 2018, the Parent arranged a 150 million euro corporate loan which it used to finance land purchases; it initially had six months to draw the loan down; that deadline was later extended to 5 August 2019 in exchange for a 0.25% fee. The loan originally had a maturity of 24 months and carried interest at 3-month EURIBOR plus 3.5% in year one and plus 4.25% in year two. That loan was repaid at maturity and refinanced thanks to three new agreements: a syndicated loan of 134,215,000 euros and two loans backed by state guarantees totalling 15,785,000 euros. Those loans are being repaid over five instalments between 31 December 2020 and 6 August 2022. The interest rate was 3-month EURIBOR plus a spread of 450 basis points in year one and of 550 basis points in year two (applying a benchmark rate of zero if EURIBOR is negative).

The proceeds from the green bonds issued on 21 May 2021 were used to repay the outstanding balance of the syndicated loan, i.e., 100 million euros, in full.

During the year ended 31 March 2021, the Group repaid 50 million euros, of which 30 million euros were prepaid on 19 February 2021.

Corporate credit facilities

During the year ended 31 March 2021, the Parent arranged four credit lines totalling 38 million euros to complement its developer loans. Three of the loans, arranged with different banks that had already provided the Group developer loans, had state-backed (ICO) guarantees. The credit lines carry fixed (2% - 2.5% - 3.5%) and variable rates of interest (EURIBOR plus a spread of 2.50%); they all have grace periods of at least 10 months and terms of maturity of between 12 and 24 months.

During the year ended 31 March 2021, the Group repaid 6.5 million euros.

And during the six months ended 30 September 2021, it prepaid 31.5 million of corporate credit facilities, so repaying them in full.

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 2021, 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 2021	**56,078,404**	**32,354,834**	**1,078,419**	**242,181,558**	**22,301,428**	**1,466,323**	**355,460,966**
Changes derived from financing cash flows (1)	(55,467,740)	316,096,767	-	(39,087,936)	(4,104,130)	-	217,436,961
Changes arising from obtaining or losing control of subsidiaries or other businesses	-	-	250,814	4,379,990	-	1,740,650	6,371,454
Assumption of developer loans	-	-	-	(22,260,786)	-	-	(22,260,786)

Interest accrued without an impact on financing cash flows	575,817	1,045,762	-	1,072,675	5,036,120	-	7,730,374
Amounts transferred to 'current' without an impact on financing cash flows	(1,186,481)	(32,855,792)	-	1,186,481	32,855,792	-	-
Other changes	-	-	43,500	-	-	430,423	473,923
Fixed asset suppliers Lease agreements	-	-	191,279	(2)	-	(212,858)	(21,581)
Balance at 30 September 2021	**-**	**316,641,571**	**1,564,012**	**187,471,981**	**56,089,210**	**3,424,538**	**565,191,311**

(1) During the six months ended 30 September 2021, the net cash outflow related with bank borrowings amounted to 39,087,936 euros, made up of developer loan drawdowns of 100,750,058 euros, offset by developer loan repayments on delivery of housing units of 63,839,364 euros and the repayment of 75,998,630 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 2021, 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. 2021	Six months ended 30 Sept. 2020
Profit/(loss) before tax	33,398,973	(11,036,190)
Consolidation adjustments	(1,504,697)	202,561
Permanent differences	704,638	(146,467)
Temporary differences	(6,942,251)	1,641,556
Taxable income/(tax loss) before utilisation of tax losses/credits	**25,656,663**	**(9,338,540)**
Utilisation of previously recognised tax losses	(2,573,983)	-
Taxable income/(tax loss)	**23,082,680**	**(9,338,540)**
Tax rate	25%	25%
Tax accrued	(5,770,670)	2,334,635
Utilisation of unused tax losses	(643,496)	-
Recognition/(utilisation) of deductible temporary differences - current year	(1,735,563)	410,389
Adjustment for prior year corporate income tax	-	9,912
Other adjustments	(1,514)	1,103
Tax credits generated during the reporting period not recognised	(132,597)	-
Current income tax income/(expense)	**(5,903,267)**	**15,768**
Deferred income tax income/(expense)	**(2,380,573)**	**2,740,271**

c) Unrecognised deferred taxes

The breakdown of tax losses not recognised as tax assets at 30 September 2021 and 31 March 2021:

	Euros	
	30 Sept. 2021	31 Mar. 2021
AEDAS HOMES S.A.	-	-
Other Group companies	3,704,502	3,174,110
TOTAL	**3,704,502**	**3,174,110**

The Group has analysed the scope for utilising its tax credits as a function of its business plan and considering the fact that it applied to the tax authorities to file its taxes under the consolidated tax regime from 1 January 2018.

d) Deferred tax assets

The breakdown of the tax credits recognised by the various Group companies at 30 September 2021 and 31 March 2021:

	Euros	
	30 Sept. 2021	31 Mar. 2021
AEDAS HOMES S.A.	1,312,936	1,675,676
Other Group companies	10,721,973	12,127,382
TOTAL	**12,034,909**	**13,803,058**

The reconciliation of the movement in deferred tax assets and liabilities in the six months ended 30 September 2021 is shown below:

	Euros			
	31 Mar. 2021	Changes recognised in		30 Sept. 2021
	Opening balance	Statement of profit or loss	Business combination	Closing balance
Deferred tax assets				
Unused tax losses	7,336,832	(643,496)	-	6,693,336
Deductible temporary differences	6,466,226	(1,737,077)	612,424	5,341,573
Total deferred tax assets	**13,803,058**	**(2,380,573)**	**612,424**	**12,034,909**
Deferred tax liabilities				
Taxable temporary differences	-	-	(254,216)	(254,216)
Total deferred tax liabilities			**(254,216)**	**(254,216)**
Total net deferred tax assets	**13,803,058**	**(2,380,573)**	**358,208**	**11,780,693**

During the six months ended 30 September 2021, the movement in deferred tax assets and liabilities stemmed mainly from the utilisation of 643,496 euros of tax losses, a decrease due to utilisation and reversal of deductible temporary differences in the amount of 1,737,077 euros (related to differences between the book value and the tax value of certain assets as well as to the long-term incentive plan provision) and the recognition of the net deferred tax assets derived from the acquisition of Aurea (note 1) at the difference between their fair value and tax value of a net 358,208 euros.

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 2,023 million euros, implying unrealised capital gains of 445 million euros (note 3).

As a result, the Parent's directors expect to be able to utilise the tax losses recognised as tax assets by the end of FY 2021/22.

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 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 landplot in Marirena del Aljarafe (Sevilla) in exchange of the return of capital contributions of 204 thousand euros and partial repayment of the loan extended to that company in the amount of 875 thousand euros. The remaining 37.65% was also acquired through a cash payment of 652 thousand euros (note 3).

The main transactions completed with related parties in the six-month period ended 30 September 2020:

- Contracts entered into with minority shareholders: loan, management and sales agreements.
- Owner contribution and loans extended to Winslaro ITG, S.L., Servicios Inmobiliarios Licancabur, S.L., Urbania Lamatra I, S.L. and Urbania Lamatra II, S.L.
- Monitoring agreement entered into by and between SPV Reoco 1, S.L., on the one hand, with Urbania Lamatra I, S.L. and Urbania Lamatra II, S.L., on the other
- Management services agreement entered into by and between SPV Reoco 1, S.L., on the one hand, and Winslaro ITG, S.L. and Servicios Inmobiliarios Licancabur, S.L., on the other.
- Agreement for the purchase of inventories by a minority shareholder.
- Termination of a land sale agreement by a minority shareholder and payment with the delivery of land, sale of ownership interest and repayment of loans awarded by that minority shareholder.

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

	Euros			
	Income		Expenses	
Six months ended 30 September 2021	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**	**-**	**-**

Balance at 30 September 2021	Euros			
	Trade and other receivables	Loans	Borrowings from shareholders	Current trade and other payables
Winslaro ITG, S.L.	108,750	3,709,148	-	-
Serv. Inmobiliarios Licancabur, S.L.	117,667	4,192,097	-	-
Urbania Lamatra II, S.L.	-	1,507,106	-	-
Espacio Aurea Residencial, S.L.	276,084	1,306,788	-	-
Residencial Henao, S.L.	79,244	-	-	-
Nature Este, S.L.	80,503	-	-	-
Varia ACR Móstoles Fuensanta, S.L.	31,449	3,175,900	-	-
Áurea Etxabakoitz, S.L.	-	372,164	-	-
Alegra Nature, S.L.	-	1,047,557	-	-
	693,697	**15,310,760**	-	-

The table below discloses the transactions completed with related parties during the six months ended 30 September 2020 and the related-party balances at 31 March 2021:

Six months ended 30 September 2020	Euros			
	Income		Expenses	
	Other operating income	Finance income	Cost of goods sold	Finance costs
Non-controlling interests	-	-	(8,655,232)	(25,468)
Winslaro ITG, S.L.	97,637	12,775	-	-
Serv. Inmobiliarios Licancabur, S.L.	50,068	106,834	-	-
Urbania Lamatra I, S.L.	42,000	8,645	-	-
Urbania Lamatra II, S.L.	42,000	20,453	-	-
	231,705	**148,708**	**(8,655,232)**	**(25,468)**

Balance at 31 March 2021	Euros				
	Trade and other receivables	Loans	Prepaid expenses	Current trade and other payables	Customer prepayment s
Non-controlling interests	-	-	745,617	(2,966,070)	(244,000)
Winslaro ITG, S.L.	36,250	2,125,053	-	-	-
Serv. Inmobiliarios Licancabur, S.L.	42,583	3,824,831	-	-	-
Urbania Lamatra I, S.L.	-	660,022	-	-	-
Urbania Lamatra II, S.L.	-	1,468,209	-	-	-
	78,833	**8,078,115**	**745,617**	**(2,966,070)**	**(244,000)**

8. Revenue

The revenue breakdown for the six-month periods ended 30 September 2021 and 30 September 2020:

	Euros	
	Six months ended 30 September 2021	Six months ended 30 September 2020
By business segment		
Land sales	-	4,340,286
Sale of developments	236,149,301	61,868,331
Rental income	214,271	-
Total	**236,363,572**	**66,208,617**

Revenue from the sale of developments, corresponding to the delivery of houses at 51 residential developments, amounted to 236,149,301 euros in the six months ended 30 September 2021 (61,868,331 euros and 20 developments, respectively, in the six months ended 30 September 2020).

The rental income recognised in the six months ended 30 September 2021 was generated by 24 homes 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 is discounted at different percentages depending on the year of exercise. Their amounts are not material with respect to total revenue.

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 2021:

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

Disclosures regarding director conflicts of interest

Neither the current nor former directors of the Parent 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 2021.

Neither the members of the Parent's Board of Directors nor the persons related to them, as defined in the Corporate Enterprises Act, had any relationships with other companies whose business activities could imply a conflict of interest for them or for the Company during the six-month period ended 30 September 2021; specifically, none of the reports required in article 229 of the Corporate Enterprises Act were notified to any of the Company's governing 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 1,196,425 euros of remuneration during the six months ended 30 September 2021 (816,269 euros during the six months ended 30 September 2020).

KMP remuneration and other benefits

The remuneration earned by the Company's key management personnel during the six-month periods ended 30 September 2021 and 30 September 2020:

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

No. of people	Euros				
	Six months ended 30 September 2020			Advances	
30 Sept. 2020	Fixed and variable remuneration	Other remuneration	Total	Number	Amount
8	662,099	209,056	871,155	-	-

The Parent had no pension obligations to its key management personnel nor had it extended these professionals any loans or guarantees at 30 September 2021 or 2020 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 2021	Six months ended 30 September 2020
Audit and related services		
Audit services	-	-
Other assurance services	53,650	58,350
Total	**53,650**	**58,350**

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 2021.

Liquidity risk

The Group determines its liquidity requirements by means of cash forecasts. Those 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 all of its financing needs during the construction period.

Developer loans

As outlined in note 5, the Group has arranged 588.2 million euros of developer loans, of which it had drawn down 189.9 million (face value) at the reporting date, leaving an undrawn balance of 321.7 million euros.

The undrawn loans become available for drawdown 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 2021, the progress of the Group's developments qualified it to draw down an additional 58.81 million euros, of which 26.51 million euros correspond to the undrawn land financing tranche and 32.30 million euros correspond to supplier invoices already paid and, therefore, relate to the delivery of the milestones indicated in note 5.

Customer prepayments

At 30 September 2021, the Group recognised 202.5 million euros of customer down payments for housing units (pre-sales and private contracts), of which 37.5 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, 75 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 2,334,113 euros, of which 1,270,019 euros corresponds to the six-month period ended 30 September 2021.

The Group has registered a 150-million-euro commercial paper programme with Spain’s alternative fixed-income exchange, MARF. The balance of commercial paper outstanding under that programme amounted to 52.6 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 2021, all of the commercial paper - 52.6 million euros - was due within 12 months of the reporting date. By comparison, at 30 September 2021, the Group’s unrestricted cash balance stood at 70 million euros and the volume of developer loans immediately drawable in respect of invoices already paid stood at 32.3 million euros.

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

Although the Group's cash balances and borrowings both expose it to interest rate risk, and this could have an adverse impact on its net finance costs and cash flows, the Parent's directors have not deemed it opportune to arrange interest rate hedges.

A 100 basis point movement in interest rates would have increased finance costs by 1,032,050 euros the six months ended 30 September 2021 (and by 1,253,653 euros in the six months ended 30 September 2020).

Risks associated with Covid-19

In relation to the risks associated with the Covid-19 pandemic, as noted in prior reports, the Company has been carefully monitoring certain risks deemed relevant to identifying and managing potential threats to AEDAS Homes as a result of the pandemic. In 2021, the measures taken by the Company included an extraordinary assessment of the corporate risk map, activation of the Crisis Committee, implementation of remote working arrangements and establishment of a capital preservation policy.

In recent months, the Company has continued to monitor the main risks associated with the Covid-19 pandemic, observing a degree of dissipation. Nevertheless, the Company will continue to monitor the key management risks posed by the pandemic with a view to taking additional mitigating measures as required.

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 2021.

The Group has defined neither operating nor geographical segments since its business consists 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:

- On 19 October 2021, the Board of Directors of AEDAS HOMES, S.A., on the basis of a favourable report by its Appointments and Remuneration Committee, took the following decisions: 1) to appoint Santiago Fernández Valbuena, an independent director, as the Chairman of the Company's Audit and Control Committee, replacing Javier Lapastora Turpin, whose four-year tenure as chair had elapsed (Mr. Lapastora continues to sit on the committee); and 2) to revise the directorship category of Javier Martínez-Piqueras, who from here on will be classified as an "Other external director".

- On 8 November 2021, AEDAS HOMES OPCO, S.L.U. acquired a 20% equity interest in ESPEBE 11, S.L. 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 that same date, AEDAS HOMES OPCO, S.L.U. resolved to change the name of ESPEBE 11, S.L.U. to AEDAS HOMES SERVICIOS INMOBILIARIOS,S.L.U. The latter will hereinafter be the entity that provides real estate management services within the AEDAS Homes Group, duly equipped with the resources needed to do so.

- On 17 November 2021, AEDAS HOMES OPCO, S.L.U. transferred interests in the companies that are presently party to management agreements to AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U., specifically equity interests of 52% in Domus Avenida, S.L., 50% in Espacio Aurea, S.L., 20% in Allegra Nature, S.L., 22.5% in Residencial Henao, S.L., 14.81% in Aurea Etxabakoitz, S.L. and 17.13% in Residencial Ciudadela Uno, S.L. In addition, on that same date, AEDAS HOMES OPCO, S.L.U. transferred 100% ownership interest in AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U. to AEDAS HOMES, S.A.

- Between 1 October 2021 and the date of authorising these interim condensed consolidated financial statements for issue, the AEDAS Group has arranged mortgages in an aggregate amount of 28,366,000 euros in order to finance 4 developments in progress. Those mortgages carry interest at EURIBOR plus spreads ranging between 225 and 250 basis points.

- At the close of trading on 22 November 2021, AEDAS Homes held 2,572,777 own shares, representing 5.497% of its capital; they were bought back at an average price of 20.37 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 357,578 shares, representing 0.76% of capital; they were acquired at an average price of 25.16 euros per share. Lastly, the number of shares bought back via block trades totals 2,066,475, representing 4.42% of capital; those shares were purchased at an average price of 19.55 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 2021

Company	Registered office	Business activity	Ownership interest		Shareholder	Auditor	Consolidation method
			30 Sept. 2021				
AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.)	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	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.	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
ESPEBE 11, S.L.	Madrid	Development	80%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
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
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
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	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
PARKER DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
ALLEGRA ESTE, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
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.	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.	Barcelona	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AUREA MUTILVA PROMOCION, S.L.U.	Navarre	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 OPCO, S.L.U.	-	Full consolidation
VARIA ACR MOSTOLES FUENSANTA, S.L.	Madrid	Development	15.6%	Indirect	AEDAS HOMES, S.A. through DOMUS AVENIDA, S.L	-	Equity method
ESPACIO AUREA, S.L.	Madrid	Development	50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
ALLEGRA NATURE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
RESIDENCIAL HENAO, S.L.	Vizcaya	Development	22.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
AUREA ETXABAKOITZ, S.L.	Navarre	Development	14.81%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
RESIDENCIAL CIUDADELA UNO, S.L.	Navarre	Holdco	17.13%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, 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 2021

Company	Registered office	Business activity	Ownership interest		Shareholder	Auditor	Consolidation method
			31 Mar. 2021				
AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.)	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	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.	Madrid	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
ESPEBE 11, S.L.	Madrid	Development	80%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation

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
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
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
URBANIA LAMATRA I, S.L.	Madrid	Development	10%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Equity method
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
PARKER DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation

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

Company	Equity at 30 September 2021 (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. (formerly, SPV REOCO 1, S.L.U.)	44,807,030	403,236,299	(306,057,800)	-	22,834,928	61,533,015	-	226,353,472
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	3,010	-	(353)	(6,141,029)	(678,225)	8,000,000	-	1,183,403
ESPEBE 18, S.L.U.	3,000	-	142	(1,172,080)	(211,660)	1,540,000	-	159,402
SPV REOCO 15, S.L.U.	3,000	-	(324,096)	(1,379,516)	(82,448)	2,555,125	-	772,065
SPV SPAIN 2, S.L.	100,000	-	20,000	(243,172)	4,922,960	-	(1,212,357)	3,587,431
ESPEBE 11, S.L.	3,000	-	426,446	(101,525)	(19,594)	-	-	308,327
FACORNATA SERVICIOS Y GESTIONES, S.L.	4,991,549	44,896,912	67,265	(24,813)	(512,576)	-	-	49,418,337
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	3,000	-	(215)	(812,552)	(451,958)	8,229,349	-	6,967,624

SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	3,255,768	-	294,025	-	2,842,948	1,500	(2,000,000)	4,394,241
TURNKEY PROJECTS DEVELOPMENT, S.L.U.	3,000	-	(1,264)	(198,231)	(94,044)	264,600	-	(25,939)
WINSLARO ITG, S.L.	3,000	-	(371)	(540,005)	(348,440)	9,826,171	-	8,940,355
EGON ASSET DEVELOPMENT, S.L.U.	3,000	-	(1,404)	(24,842)	(12,624)	162,400	-	126,530
LIVE VIRTUAL TOURS, S.L.U.	3,000	-	258	(76,346)	(34,639)	87,839	-	(19,888)
URBANIA LAMATRA II, S.L.	3,000	-	(333)	(1,674,496)	(326,533)	17,814,900	-	15,816,538
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,575)	(212)	(7,563)	1,500	-	(4,850)
PARKER DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,402)	-	(7,545)	1,500	-	(4,447)
ALLEGRA ESTE, S.L.	3,000	-	-	(1,001)	(44,425)	9,715,600	-	9,673,174
DOMUS AUREA RESIDENCIAL, S.L.	3,000	-	-	(80,635)	(82,106)	6,314,104	-	6,154,363
PROYECTOS INMOBILIARIOS ATRIA MADRID, S.L.	3,000	-	-	(92,840)	(128,874)	10,499,547	-	10,280,833
PROYECTOS INMOBILIARIOS LUCIDA NAVARRA, S.L.	3,000	-	-	(4,287)	(3,270)	1,772,448	-	1,767,891
PROYECTOS INMOBILIARIOS ALGEDI MADRID, S.L.	3,000	-	-	(7,882)	(149,714)	8,722,983	-	8,568,387
PROYECTOS BALMES 89, S.L.	3,000	-	-	(65,356)	(24,652)	2,329,121	-	2,242,113
AUREA MUTILVA PROMOCION, S.L.	20,000	-	-	(308,079)	(97,351)	510,000	-	124,570
DOMUS AVENIDA, S.L.	100,500	-	-	4,635	4,724	-	-	109,859
VARIA ACR MOSTOLES FUENSANTA, S.L.	2,775,000	-	-	(36,477)	238,791	-	-	2,977,314
ESPACIO AUREA, S.L.	723,000	1,160,000	219,078	(113,580)	(54,665)	1,360,000	-	3,293,833
ALLEGRA NATURE, S.L.	3,000	-	600	(2,819)	(3,083)	300,000	-	297,698
RESIDENCIAL HENAO, S.L.	42,000	-	-	(53,854)	(15,635)	4,303,550	-	4,276,061
AUREA ETXABAKOITZ, S.L.	40,500	-	-	(96,179)	(4,883)	769,500	-	708,938

RESIDENCIAL CIUDADELA UNO, S.L.	152,118	240,000	-	(455,245)	171,291	7,049,482	-	7,157,646
NATURE ESTE, S.L.	386,000	-	-	(123,575)	(103,653)	6,736,407	-	6,895,179

Company	Equity at 31 March 2021 (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. (formerly, SPV REOCO 1, S.L.U.)	44,807,030	403,236,299	(321,618,002)	(4,801,688)	76,361,890	61,533,015	(56,000,000)	203,518,544
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	3,010	-	(353)	(4,763,598)	(1,377,431)	8,000,000	-	1,861,628
ESPEBE 18, S.L.U.	3,000	-	142	(1,431,013)	258,934	1,540,000	-	371,063
SPV REOCO 15, S.L.	3,000	-	(324,095)	(889,167)	(490,350)	2,555,125	-	854,513
SPV SPAIN 2, S.L.	100,000	978,848	8,204,620	-	(243,172)	4,124,175	-	13,164,471
ESPEBE 11, S.L.	3,000	-	1,126,446	(3,271)	(98,253)	-	-	1,027,922
FACORNATA SERVICIOS Y GESTIONES, S.L.	3,010	-	70,079	(5,242)	(19,571)	-	-	48,276
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	3,000	-	(215)	(320,333)	(637,131)	7,643,099	-	6,688,420
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	3,255,768	1,443,152	(3,520)	(357,084)	2,940,251	1,500	(1,900,000)	5,380,067
TURNKEY PROJECTS DEVELOPMENT, S.L.U.	3,000	-	(1,264)	(3,696)	(194,536)	264,600	-	68,104
WINSLARO ITG, S.L.	3,000	-	(371)	(377,949)	(263,529)	5,721,800	-	5,082,951
EGON ASSET DEVELOPMENT, S.L.U.	3,000	-	(1,405)	(2,037)	(22,804)	162,400	-	139,154
LIVE VIRTUAL TOURS, S.L.U.	3,000	-	258	-	(76,347)	87,839	-	14,750
URBANIA LAMATRA I, S.L.	3,000	-	(292)	(492,405)	(265,808)	3,197,600	-	2,442,095
URBANIA LAMATRA II, S.L.	3,000	-	(333)	(259,212)	(1,829,980)	12,611,900	-	10,525,375
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,575)	-	(211)	1,500	-	2,714
PARKER DESARROLLOS INMOBILIARIOS, S.L.U.	3,000	-	(1,582)	-	180	1,500	-	3,098

(*) Unaudited figures, except for the annual financial statements for the year ended 31 March 2021 of AEDAS HOMES OPCO, S.L.U. (formerly, SPV REOCO 1, S.L.U.), which were audited by ERNST & YOUNG, S.L.

Appendix II - List of non-Group companies that hold an equity interest in any of the fully-consolidated subsidiaries of 10% or more at 30 September 2021

Company invested in	Shareholder	Ownership interest, %
SPV SPAIN 2, S.L.	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L	12.50%
ESPEBE 11, S.L.	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.	20%
WINSLARO ITG, S.L.	REOCO MIRADOLA, S.L.	80%
SERVICIOS INMOBILIARIOS LICANCABUR, S.L.	REOCO MIRADOLA, S.L.	75%
URBANIA LAMATRA II, S.L.	URBANIA LAMATRA HOLDING, S.L.	90%
ESPACIO AUREA, S.L.	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.	50%
ALLEGRA NATURE, S.L.	MAORI EUROPEAN HOLDING, S.L.	80%
RESIDENCIAL HENAO, S.L.	ERROTA REAL ESTATE, S.L	77.50%
RESIDENCIAL CIUDADELA UNO, S.L.	INVERSIONES SAULA, S.L.	12.86%
RESIDENCIAL CIUDADELA UNO, S.L.	PORTALNET DESARROLLOS, S.L.	19.11%
RESIDENCIAL CIUDADELA UNO, S.L.	BASARRO 2005, S.L.	15.27%
DOMUS AVENIDA, S.L.	CABOLIVO, S.L.	12%
DOMUS AVENIDA, S.L.	SOCIEDAD PREFABRICADOS ARMADOS, S.L.	12%
DOMUS AVENIDA, S.L.	GURA INVESTMENTS, S.L.	12%
DOMUS AVENIDA, S.L.	MIZPIRONDO, S.L.	12%
VARÍA ACR MÓSTOLES FUENSANTA, S.L.	TRAJAN, S.A.R.L.	70%

List of non-Group companies that hold an equity interest in any of the fully-consolidated subsidiaries of 10% or more at 31 March 2021

Company invested in	Shareholder	Ownership interest, %
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URBANIA LAMATRA I, S.L.	URBANIA LAMATRA HOLDING, S.L.	90%
URBANIA LAMATRA II, S.L.	URBANIA LAMATRA HOLDING, S.L.	90%

Tegea. Vilanova i la Geltrú

Consolidated management report
H1 2021/22

AEDAS HOMES

23rd November 2021

Jardins de Castellarnau. Sabadell

Disclaimer

This document was compiled by Aedas Homes, S.A. (the “Company”) and contains information for a presentation to the market about the results of the Company and its subsidiaries (the “Group”). For the purposes of the present disclaimer, the term "Report" shall refer to this document, its contents and any part thereof. This Report must not be copied, reproduced or forwarded, directly or indirectly, in part or in full, or shared by any recipient with any third party for any purpose other than that mentioned above.

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This document is a translation of a report originally issued in Spanish. In case of any discrepancy, the Spanish-language version will prevail.

Contents

Snapshot

Revenue +257%

€236.4m

H1 2020/21: €66.2m

Gross margin +624bp

30.6%

H1 2020/21: 24.4%

EBITDA

€44.6m

H1 2020/21: €(2,3)m

Cash -19%

€150.4m
(€70.0m undrawn)

FY 2020/21: € 186.2m
(€ 123.5m undrawn)

LTV

23.9%

Orderbook +23%

4,227 units/
€ 1.25 bn

H1 2020/21: 3,428 units/€990m

Homes under construction +10%

4,598 units (Sept 21)

Sep 2020: 4,164 units

01. Letter from the CEO

01.1. Foreword

The first half of the AEDAS Homes 2021/22 fiscal year has been marked by **unprecedented sales activity**, with the Company **selling on average more than eight homes per day since April**. Driving this level of sales is **solid, sustained demand** from customers who have re-assessed their needs during the pandemic and are seeking energy-efficient, quality new-build homes.

In order to **diversify and optimize our sources of financing**, the Company successfully issued a **green bond** in May for **€325 million**. The aim of this transaction, which was carried out under optimal conditions, was to amortize existing corporate debt and drive our business activity, including investment. As a condition of the bond, we pledged to invest an amount at least equal to the net proceeds to developing residential projects with very strong sustainability credentials. And along the same lines, in July the Company signed a **financing agreement with a private lender to secure €112m** for construction of turnkey Build-to-Rent projects, thereby giving us access to a new alternative financing route and further diversifying our sources of financing.

The Board of Directors approved a **new five-year Business Plan** in June in order to **capture the expansive residential development cycle** we see on the horizon and **translate it into value for AEDAS Homes shareholders**. This new roadmap centres on scaling up top-line growth in 2024/25 and 2025/26, with the goal of bringing in revenues of up to €1.5 Bn and delivering €300-€350m in EBITDA per annum, while significantly improving ROE. This new plan is based on favourable economic forecasts for the housing market and the real imbalance between demand for new-build housing and current supply, which we expect will translate into pricing power down the road.

And finally, in July the Board approved a **Dividend Policy**, based on three pillars: net income, visibility on future cash generation, and key debt ratios and liquidity needed to maintain organic growth. Keeping these three pillars in mind, the Company will distribute **50% of annual net income** as **ordinary dividends**, with the potential to supplement ordinary dividends with **extraordinary dividends** up to a **maximum net LTV of 20%.**

Delivery of the Group's FY 2021/22 investment in just six months thanks to the acquisition of 2,906 potential units for €217m

David Martínez,
Consejero Delegado.

Investment activity

In line with the ambitious goals in the new five-year Business Plan announced in June, we **significantly stepped up land investment activity** in the first half of the fiscal year, while sticking to the **strict, disciplined approach** which has always guided us.

We continue to execute our stringent land investment strategy, selecting the locations in highest demand

Between April and September, we committed a total of **€217 million** towards fully-permitted or ready-to-build land for **2,906 additional units**, bringing the landbank total at the end of the period to **17,626 units** (net of units already delivered this year). This new land is located in the **most in-demand micro markets in Spain's main metropolitan areas**, and more than 30% of these investments are in Madrid.

In late July, AEDAS Homes **acquired a selection of assets** from the real estate division of Spanish construction company ACR Group, which marketed its residential products under the **Áurea Homes** brand, for a total cost of €53.7 million. This transaction, which is included within the aforementioned €217m in committed investments, included a selection of excellent ready-to-build plots and works in progress for a total of 679 units, as well as the integration of the Áurea Homes team, which will contribute towards our growth and further expand our capacity, especially in the north of Spain.

This **extraordinarily brisk investment pace** has allowed us to take advantage of momentum in the market and **achieve practically all our investment goals** for the fiscal year in just six months, thus confirming our positive outlook on the upward trend in the residential development sector and further **strengthening our visibility on short and medium-term targets.**

Sales reached record levels: a monthly average of 250 units

Operating activity and financial results

AEDAS Homes achieved **record-breaking sales levels** in the first half of the year, averaging **250 net sales per month**, which **translates into 3,000 units sold annually**. The **net sales of 1,511 units (€495 million)** were all to private customers, at an ASP of €328,000 per unit.

Earnings-wise, the Company is reporting **revenues of €236.4m million**, derived from the **delivery of 712 units**, resulting in a **gross margin of 25%**, **€44.6 million in EBITDA** and **€24.5 million in net profit.** We closed the first six months in a solid financial position, with **inventories of €1,601 million**, **€70m in unrestricted cash** and a net **LTV of 23.9%.**

AEDAS Homes recorded record revenue in H1 2021/22 of €236m, a gross margin of 31% and net profit of €25m

Over the course of H1 2021/22, we **launched 1,687 units** and **broke ground on 1,019 units,** bringing our **total units on the market to 7,668** and **total units under construction to 4,598, with an additional 1,122 completed units,** at the end of September.

Visibility on future targets

In terms of **sales coverage** for the coming years, at the September close, the Company had sold **93% of this fiscal year's deliveries**, 63% of those scheduled for delivery in FY 2022/23, and 24% of those for FY 2023/24. In revenue terms, the Company's **Order Book**, with **4,227 units sold** (3,284 retail and 943 BTR), 70% of which are under private sales contract, is valued at **€1,250 million.**

This activity puts AEDAS Homes in an **extraordinary position in terms of visibility over future revenues and predictability of cash flows** and allows us to enter the second half of the year with our **FY 2021/22 delivery target almost fully de-risked** and **on track to meet our annual financial goals**.

Committed to sustainable development

Last April, the **AEDAS Homes Board of Directors approved the company's three-year ESG Strategic Plan,** effectively taking ownership of the concrete initiatives the company will be putting into place towards sustainable development, and in the last six months, the Company has made significant progress towards implementing this Plan.

Among the numerous actions and initiatives focused on the **environment**, it's worth highlighting the Company's commitment to building highly energy efficient homes. In H1 2021/22, 57% of the units that completed construction had a "A" energy efficiency rating. This is in line with our target of ensuring that 60% of our developments have "A" ratings by FY 2023/24, as outlined in the ESG Plan. We are also working towards achieving our target of carrying out **Life Cycle Assessments** on all our developments – we've carried out LCAs on 37 projects thus far and will be stepping this up in the coming quarters – and we are continuing to educate our customers on all the sustainability and energy efficiency features of their new homes through our Ecoliving guides. Additionally, the Company secured an **ESG Risk Rating of 15.7** from **Sustainalytics**, putting us in the top percentiles of our sector and globally. Finally, we have virtually achieved the 2023/24 target of having a quarter of developments either fully or partially built offsite; as of today**, 24% of AEDAS Homes developments incorporate Modern Methods of Construction,** which make homebuilding faster, more efficient and more sustainable.

In terms of the **social** dimension of the Plan, the Company focused on talent and work-life balance initiatives in this first half, including achieving the **prestigious seal of approval from Great Place to Work®.**

And finally, in terms of **governance**, the Company has carried out a **review of the risk map**; and incorporated **ESG objectives into both variable remuneration and the Long-Term Incentive**

Plan. Furthermore, the achievement of ESG objectives is being monitored by the **Audit and Control Committee** on a quarterly basis**.**

Housing market fundamentals

The Spanish residential property market was significantly impacted by the pandemic in 2020 but **overall transaction volumes** have sharply rebounded since and are **now higher than pre-pandemic levels.** According to the most recent figures (June 2021) published by the Ministry of Public Works and Transport, the total volume of market-rate sales transactions was up 7% (July 2020-June 2021 vs July 2018-July 2019), with the second-hand housing market up 5% and the **new-build market posting a 24% increase**. Post-pandemic, **new-build transactions** also accounted for a **greater share of the total market-rate residential transactions** in Spain (11.0% in July 2020-June 2021 compared to 9.5% in July 2018-June 2019).

In terms of **prices**, according to IMIE TINSA's Q3 2021 report, average house prices in Spain (both second-hand and new-build homes) have **increased 6.1%**, showing signs of a **consolidating upward trend**. Accordingly, average prices now stand at 20.6% above the historic minimum in 2015, and 29.5% below the historic maximum in 2007.

Against the backdrop of vaccination progress and significant easing of pandemic containment measures, the Bank of Spain, in its 3/2021 Economic Bulletin, has reported Q2 **GDP growth grounded in strong domestic demand and private consumption and continued dynamic economic activity** in Q3. Citing recent macroeconomic forecasts for the Spanish economy, the Bulletin indicates that the upward trend in activity is expected to continue, with **average rates of GDP growth projected at 6.3%, 5.9% and 2% in 2021, 2022 and 2023**, respectively, and that the economy should return to its pre-pandemic level by the middle of 2022. Furthermore, if the rollout of projects receiving Next Generation EU funds is successful, this should contribute significantly to Spain's GDP in the coming quarters and improve its overall capacity for long-term growth.

Evolution of Share Price

At the end of September, the AEDAS Homes **share** was **trading at a 26% discount** over the last reported NAV (31 March 2021). The H1 2021/22 period began with the share trading at €22.25, reaching a low of €19.32 on 26 May 2021 and a **high of €28.60** on 2 September 2021, before closing the period at €25.00 on 30 September 2021.

Over the six-month period, the share price experienced a **12% increase**, effectively recovering from the negative impact caused by the pandemic, and in fact **beating pre-Covid trading levels**. In relative terms, the AEDAS Homes share price **performed more favourably compared to the IBEX 35**, which experienced an overall increase of 3% between 1

April 2021 and 30 September 2021, and to the Madrid Stock Exchange index, which was up 1% over the same period.

The share saw its **liquidity increase** during H1 2021/22 in comparison to the prior six-month period (April 2020 – September 2021), with a trading volume equivalent to 15% of the total number of shares of the Company.

Hedging against construction cost inflation

In the first half of the year, we observed a rise in **construction costs,** although as of now, this exceptional inflation last spring in certain raw materials appears to have stabilized, putting the structural inflation in the sector in line with our forecasts. However, should construction activity pick up significantly across the sector starting next year, we might see labour shortages which could potentially translate into further cost inflation.

It is important to highlight that the construction contracts we award today will be reflected in our P&L in two years' time, when those developments are delivered. Our Business Plan **factors in cost inflation – in both materials and labour – on an annual basis**. Accordingly, for 2022/23 and 2023/24, we have factored in cost inflation of 5% and 8%, respectively.

In order to **mitigate future cost increases,** we are continuing our proactive strategy of signing collaborative framework agreements with our preferred contractors, as well as negotiating agreements with manufacturers to hedge against future price increases.

Nevertheless, taking into account the volatility of current global circumstances, primarily due to ongoing global shipping issues and projected rises in the cost of energy, it would be **unwise to rule out future cost inflation above our forecasts**. We'll be closely monitoring these wider supply chain forces and evaluating possible scenarios of impact on the business in the coming months.

Closing Message

In the first half of the 2021/22 fiscal year, we were able to improve our already privileged financial position, further grow our high-quality landbank, and through strong sales and operating activity, cement visibility on future revenues and cash flows. As we enter the second half of the year, we believe the Company is **well-positioned to deliver on the ambitious goals set out in the five-year Business Plan**, and we expect to generate significant value for shareholders this year and in the years to come.

"The growth in the land bank, coupled with strong sales and earnings momentum, injects visibility into the Company's future earnings and cash generation"

02. Who we are

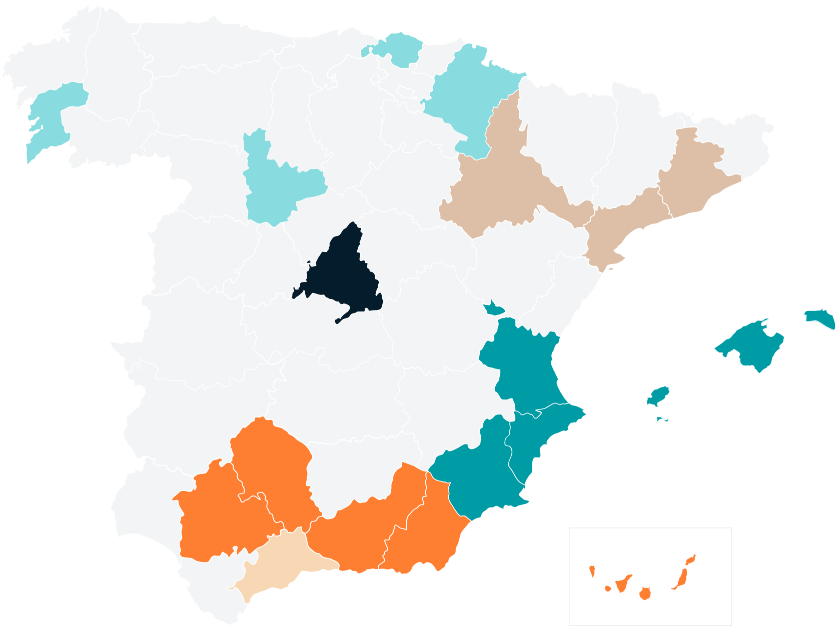
02.1. Business model

AEDAS Homes at a glance

AEDAS Homes continued to display excellent business momentum in H1 2021/22, positioning it as Spain's leading residential developer.

AEDAS Homes is a next-generation developer, specialised in new homes. It was set up in 2016 and its shares are listed on the Spanish stock exchange. Thanks to the best land bank in Spain, it sells sustainable, high-quality housing located in the areas experiencing strongest demand. Excellent execution of its business plan and full delivery of its guidance have earned it a reputation as a hallmark player in the Spanish home development sector. It develops sites it owns that are carefully selected for their location and other key screening criteria pinpointed to enable it to tap into pockets of demand. Its land bank is unrivalled quality-wise, comprising owned sites with development potential of >17,000 homes in Spain's key economic hubs and most dynamic residential markets. At the heart of its development platform lies its prestigious team of professionals who boast extensive experience in the home development sector and enjoy the backing of an independent Board of Directors. The Company's agile and decentralised business model, articulated around six regional units and head offices in Madrid, enables it to leverage local know-how, adapt to evolving market trends and focus on its customers. A scalable business model and sustainable and feasible business plan ensure the Company will be able to honour its commitments: creating quality homes for its customers and long-term value for its shareholders.

AEDAS Homes' footprint in Spain



CATALONIA & ARAGON
13%
2,240 units

EAST & BALEARICS
21%
3,758 units

CENTRAL REGION
27%
4,766 units

ANDALUSIA & CANARIES
22%
3,825 units

COSTA DEL SOL
14%
2,437 units

NORTH
3%
600 units

AEDAS Homes invests in land in the Spanish housing markets with the most vibrant demand dynamics.

17,626*
homes

* Land bank as of March 2021 (15,484) + Investments executed and committed to (2,906) – Deliveries (712) – Exchange of interest in Project Land (42) + Adjustments (10) = Land bank as of September 2021 (17,626)

Baret. Vilanova i la Geltrú

A unique approach to residential development

Investments in land

> Exclusive focus on regions with proven long-term demand, mainly in Spain's six most largest regions.

> Regional teams with deep knowledge of local land markets which enables deal origination off-market.

> Due diligence, negotiations and closings are centralised.

> We have the ability to originate, analyse and execute opportunities of differing sizes, so optimising the quality of our land bank and, ultimately, shoring up our margins and shareholder returns

Decentralised and scalable business model

> Nimble and flexible organisational structure

> Regional teams with rich experience so as to leverage local know-how

> Centralised oversight; the key functions are kept in-house

> Design, sales and construction outsourced to trusted partners

> Limited fixed-cost base

Sales strategy

> Customer-centred marketing approach

> In-depth market studies to ensure optimal product definition

> Focus on sale to individual buyers, complemented by a burgeoning business in the turnkey 'build-to-rent' segment.

> Innovative use of technology at all customer touch points

Bottom-up approach

> Risk control via investment/project management

> Continuous fine-tuning of the capital structure

> Responsibility: results-oriented remuneration

> Focus on preserving margins and ROE

02.2. Team

Management Committee

David Martínez
Chief Executive Officer

Background
A civil engineering graduate from Madrid's Polytechnic University (UPM), David also holds an Executive MBA from IESE.
Before joining AEDAS Homes, David worked as General Manager of Distrito Castellana Norte (BBVA – Grupo San José) from 2013 to 2016, General Manager of the Valdebebas development area between 2005 and 2013, General Manager of 4 Torres Business Área from 2002 and 2005, Project Manager at Bovis from 1998 to 2005 and a Site Engineer at Ferrovial between 1996 and 1998.

Alberto Delgado
Chief Business Officer

Alberto coordinates, runs and controls the key business departments (the regional units and the sales and marketing, operations, customer relations and product quality departments) in his capacity as COO, framed by the Company's guidelines, objectives and policies, to ensure the medium- and long-term viability of the business, as set down in the business plan. He also participates in Company decision-making about new investments and/or strategic positioning, along with the CEO, Managing Director of Strategy, Investments and Alternative Developments and the CFO, likewise with the mission of ensuring business sustainability in the medium and long run.

Background

A civil engineering graduate from Madrid's Polytechnic University. Alberto has over 20 years' experience in the real estate sector.
He began his career in ACS's residential construction division. He was then hired by Vallehermoso, where he worked in Catalonia and Madrid for over a decade, initially on the business side and the last three years as the head of finance. He joined AEDAS Homes in 2016 and has been its COO since 2017.

Management Committee

Sergio Gálvez
Managing Director of Strategy, Investment and Alternative Developments

Sergio is responsible for continually analysing market dynamics (demand, supply, price, competition, etc.), identifying opportunities and anticipating and mitigating potential threats over the medium- and long-term horizons. His duties include heading up the investment, land development, alternative development, growth, strategy and land sale departments and the alternative build-to-rent channel.

Background

An industrial engineering graduate from ICAI. Sergio has more than 20 years' experience in real estate in Spain, having worked at firms such as Hansa Urbana and Deloitte. He began his career in strategic consulting, specifically in Arthur Andersen's real estate division. He joined AEDAS Homes as Director of Business Development in 2016 and in 2017 he was named Chief Investment Officer. In 2019, he was named Managing Director of Strategy, Investment and Alternative Developments.

María José Leal
Chief Financial Officer

controlling the organisation's financial resources, running its corporate finance functions, in keeping with the applicable prevailing accounting, legal and tax frameworks, and ensuring that the Company's financial procedures are followed so as to consistently provide a fair view of the Company's financial strength. Investor relations also falls under her purview. She also participates in Company decision-making about new investments and/or strategic positioning, all with the mission of ensuring business sustainability in the medium and long run.

Background

A business administration graduate from CUNEF, María José has also completed IESE's executive management programme. She has extensive experience at fast-growing, listed multinational enterprises. Most recently, she has worked as Deputy CFO at the high-profile listed companies AENA and PROSEGUR. She was named CFO of AEDAS Homes in November 2018.

Management Committee

Esther Duarte

Director of Corporate Resources

Esther is responsible for defining and overseeing the Company's resource management strategy by running the HR, health & safety, sustainability, process, quality, internal communication, general services, document management and infrastructure & communications departments. Her mission is to ensure responsiveness to the Company's needs and demands and to help provide AEDAS Homes' professionals with the skills and capabilities needed to become more productive and so contribute to the creation of value.

Background

Esther's academic qualifications include a diploma in educational sciences, the Garrigues' executive programme in labour relations, ESADE's executive development programme in human resource management and IESE's executive management programme.
She boasts more than 20 years' experience in executive positions in human resource management at real estate and construction firms such as Ferrovial Inmobiliaria and Grupo Aldesa. Esther joined AEDAS Homes in 2017.

Luis Vega

Director of Legal Advisory

uis is responsible for heading up, running and controlling the activities of the legal advisory and risk and compliance departments to ensure that AEDAS Homes upholds all applicable laws and regulations in order to safeguard its reputation and business interests.

Background

A law graduate (specialised in business law) from IES CEU San Pablo, Luis also holds a Master's in Town Planning from the CEU San Pablo Business School and has completed IESE's management development programme.
Luis brings more than 23 years' experience and expertise in property and planning law, restructurings and business and finance law and as company counsel. Throughout his career, he has served as company counsel, executive committee member and board secretary at several companies in the property development, property management and energy and construction sectors, including Grupo Aldesa, GMP Sociedad de Inversiones Inmobiliarias, Grupo Empresarial Pinar, Ferrovial Inmobiliaria, Freshfields Bruckhaus Deringer and Iberforo. He has been the Vice-Secretary of AEDAS Homes' Board since he joined the Company in 2020.

Management Committee

Javier Sánchez

Director of Innovation and Branding

Javier spearheads the Company's efforts on the innovation, data management and digital transformation fronts, creating unique customer experiences, defining new product and service attributes, exploring new business models, fostering a digital culture and creating, from the data generated, an analytical and forecasting system at the service of business efficiency and intelligence. He is also responsible for brand development and strategic positioning and for the Company's corporate communication effort.

Background

Javier holds a dual degree in law and business studies from ICADE. He began his career in strategic consulting in Spain and the US. After his stint in Silicon Valley, he gained a wide variety of professional experiences over two decades at big tech firms, internet players and television companies. In the real estate sector, Javier brings more than five years' experience in the new home development segment.

Regional units

Pablo Alonso

Director of Central Region

A law graduate from León University, Pablo also holds an LLM in Business Law from Navarra University. He has been working in the sector for 23 years. Before joining AEDAS Homes, he worked at sector players such as Testa, Vallehermoso and Grupo Sacyr.

David Gómez

Director of Catalonia and Aragon

A civil engineering graduate from the Catalan Polytechnic University, David also holds an MBA from ESADE. He has been working in the real estate sector for more than 20 years. He has held executive positions in the residential development segment at different Spanish companies including Banco Sabadell, Solvia and Vallehermoso.

Diego Chacón

Director of Andalusia & Canaries

A civil engineering graduate from Granada University, Diego also holds an MBA from EOI and has completed the senior management programme at San Telmo Business School. He has been working in the sector for 19 years. Before joining AEDAS Homes, he worked at Hansa Urbana.

José Ignacio Fernández

Director of Costa del Sol

A law graduate from Seville University. He holds an MBA from the San Telmo International Institute, a Master's in Town Planning and Management from Carlos III University and a Master's in Town Planning and Design from the Seville School of Architecture. He also has attained research proficiency for the PhD in Town Planning at Seville University's School of Architecture. He brings 22 years' experience at firms such as Martinsa-Fadesa, Galia Grupo Inmobiliario and Guadalmina Golf and has also worked in the town planning department of Seville's City Hall.

Juan López

Director of East and Balearics

A technical architect (Alicante University), Juan has also completed the IESE executive development programme. Juan has extensive experience in real estate, having worked at Solvia and Hansa Urbana prior to joining AEDAS Homes.

Higinio Fernández

Director of Northern Region

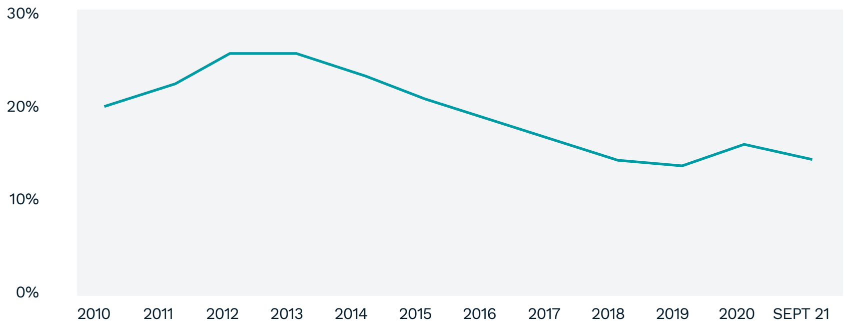
Higinio is a civil engineering graduate from Cantabria University. He brings ample sector experience thanks to a career built at Ferrovial, Vallehermoso and CaixaBank.

02.3. Market indicators

In the wake of the recession induced by the pandemic in 2020, a new period of growth is on the horizon, with the market revisiting the trendline observed between 2014 and 2019. In addition, the country's growth prospects remain positive. According to the IMF's most recent forecasts, Spanish GDP will expand by 6.4% in 2022, which would put it at the forefront of the advanced economies by that measure.

In the labour market, the unemployment rate has begun to trend lower once again, to 15.3%, after nearly 355,000 jobs were destroyed during the pandemic, according to the INE[1], leaving unemployment at 16.1% at the end of 2020, which was nevertheless well below the peak of 26% reached during the last financial crisis.

Trend in unemployment



INE data

The pandemic stalled the growth observed in the Spanish population since 2016, which declined by 106,146 people in 2020. Although the population shrank by 0.2% in 2020 (according to recent INE figures), Spain had a total population of over 47 million as of June 2021, more than 5 million of whom were foreign residents.

Prior to the crisis, internal migratory movements in Spain were concentrated in the major cities, which, on account of their relative economic buoyancy, had been attracting people from less economically active areas, driving new housing development in those recipient regions. Those are the markets AEDAS Homes selects to carry out its developments.

AEDAS Homes' top 10 business markets currently account for over 50% of the Spanish population. According to the INE, those regions are expected to post annual population growth over the coming decade, unlike most Spanish regions.

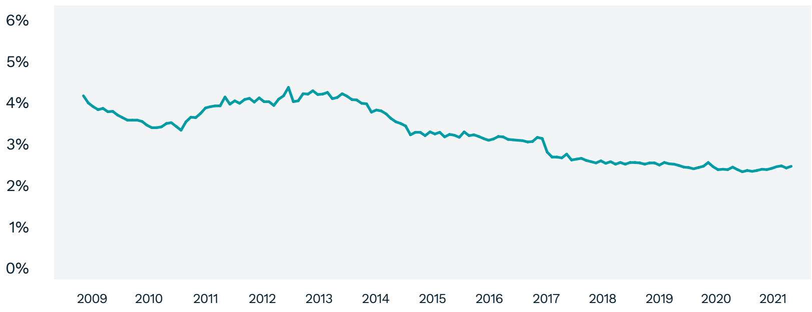
1. Spanish National Statistics Institute.

Elsewhere, Spain's household savings rate jumped to 31.5% in the second quarter of 2020, shaped mainly by the mobility restrictions rolled out, since normalising to 18.9%[1], which is slightly above the rate observed in the run-up to the pandemic.

Meanwhile, average interest rates on the mortgage loans arranged in the course of 2021 are running at close to 2.50%. The combination of high savings and low interest rates is good news for home purchasing, particularly in the mid and upper-mid segments at which AEDAS Homes targets its homes.

Strong demand for new homes driven by growth in savings, coupled with low rates

Mortgage rates (%)



Datos de INE

On the demand side, the lockdown triggered by the pandemic has spurred new trends like home-working, shifting the home market towards more spacious and modern homes with different features. As a result, demand for new homes has gained weight in the overall transaction mix, increasing from 18%[2] prior to the pandemic to 21% year-to-date (INE data), a positive trend for the new homes being built by AEDAS Homes, which are already suited for those new demand traits post-COVID.

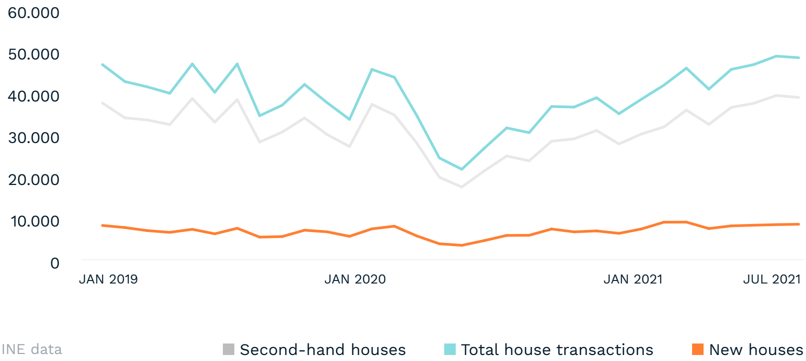
The shift in preferences towards more spacious homes is increasing the size of AEDAS Homes' target market

House purchase transactions in Spain between January and August 2021 totalled 368,000 (according to the INE), which is up 37% from the same period of 2020.

1. According to recent INE estimates

2. Average monthly transactions in 2019.

Total house purchases, new and second-hand



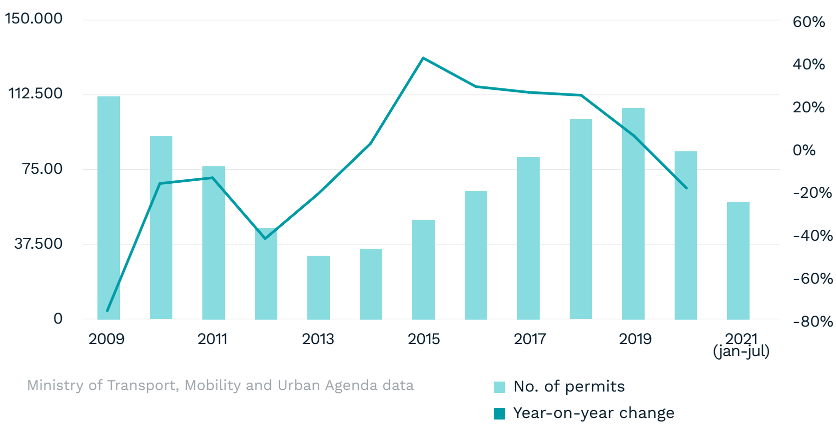
INE data

Moreover, based on the latest INE report for the second quarter of 2021, new home prices are up a noteworthy 6% year-on-year, evidencing strong demand for new developments, which, coupled with product scarcity, is driving prices in the segment higher. Second-hand house prices, meanwhile, sustained more moderate year-on-year growth of 3%.

On the supply side, the financing restrictions triggered by tighter financing terms and conditions in the development segment drove a drop in new housing permits following several years of steady growth. In year-on-year terms, however, new housing permits increased by 26%[3] compared with a period impacted considerably by the pandemic-related restrictions; permits continue to trail 2019 levels, however. The scarcity of new housing launches, coupled with stronger demand, could buoy the residential development market and create attractive opportunities for AEDAS Homes going forward.

3. Increase in the number of permits of 26% in January to July 2021 vs. January to July 2020. Source: Ministry of Transport, Mobility and Urban Agenda

New home permits



Ministry of Transport, Mobility and Urban Agenda data

The stock of unsold housing left over from the last cycle stood at c.457,000 homes at the end of 2020; that stock is estimated to have increased in 2021 due to the lack of sales, particularly during the months of lockdown. The slow pace of turnover in that stock indicates that most of that product is characterised by obsolete designs, located in markets in low demand, such that it can be considered residual.

In short, the new trends in demand for new housing forged by the pandemic (more spacious houses, outdoor spaces, etc.) continue to inform home-buying decisions today, enabling AEDAS Homes to remain the leading provider of the kind of homes currently in demand in Spain. That, coupled with the scarcity of new market launches on account of the drop in new building permits and tighter financing conditions, has driven an increase in new house prices in 2020 and so far in 2021. The outlook for AEDAS Homes remains promising, thanks to its strong positioning in a segment buoyed by growing demand for high-quality residential developments in which product supply is slim. The high prevailing savings levels and outlook for continued low interest rates also bode well for AEDAS Homes' growth prospects in the years to come.

Baret. Vilanova i la Geltrú

02.4. Business performance

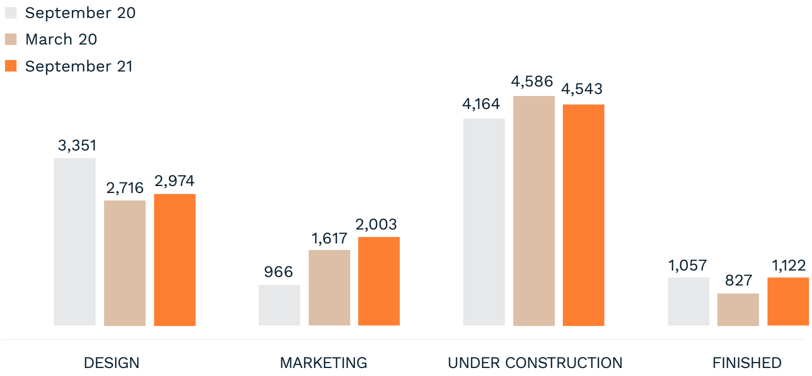
Homes under development

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

At 30 September 2021, of the 17,626 homes comprising its land bank, the Company had **a total of 10,697 homes under development,** year-on-year growth of 12%.

The breakdown of those 10,697 homes under development by phase of development is as follows: 28% at the design stage; 19% in the marketing phase; 43% under construction; and 10% finished (of which 6% had obtained occupancy permits).

Breakdown of homes under development



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.

During H1 2021/22, the Company launched 29 residential developments encompassing 1,687 units in total. That marks growth of 163% in number of projects and of 159% in units launched with respect to the respective prior-year figures.

The GDV of the 1,687 units launched in H1 2021/22 is €543m, implying an average sales price per unit of €322,000 (subject to change as the sale process advances).

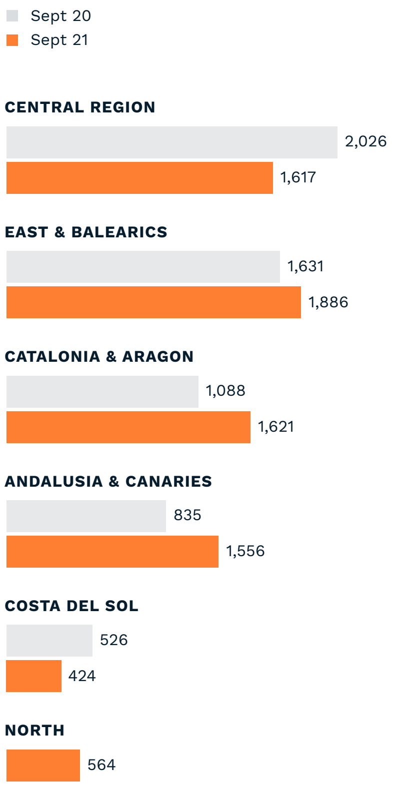
As for the breakdown of those 1,687 launches by region, 252 units (15% of the total) were launched in the Central region; 422 units (25%) were launched in Catalonia/Aragon; 179 units (11%) were launched in the Eastern & Balearics region; 632 units (37%) were launched in Andalusia & Canaries;

104 homes (6%) were launched on the Costa del Sol; and 98 units (6%) were launched in the Northern region.

At 30 September 2021, **the number of homes on the market** (a figure that excludes the homes already delivered) **totalled 7,668,** 55% of which have been pre-sold.

As for the trend in other key business metrics, the number of leads sustained healthy growth (+32%), with conversion of those leads into in-person visits also registering strong momentum (+28%), topping the levels recorded by the Company pre-COVID. Thanks to the conversion levels reached in recent months, the Company has reached an annual run rate of 3,000 units.

Geographic breakdown of houses on the market



Sales

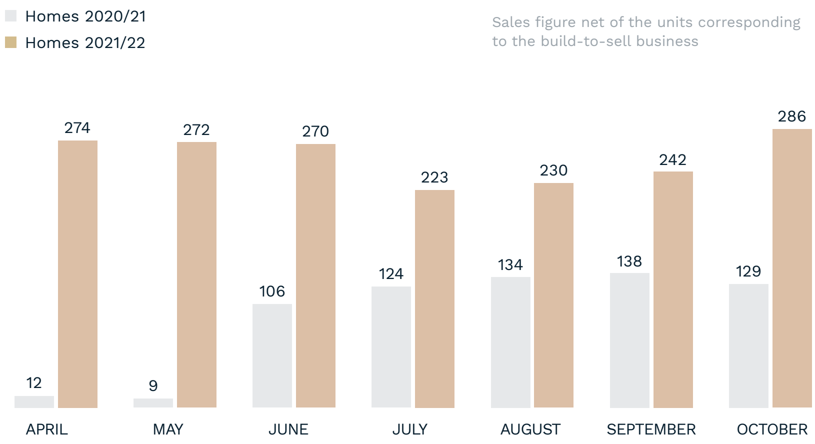
The sale of a unit begins with execution of a presale agreement. Once the Company has a building permit for a pre-sold house, the buyer is asked to execute a sale contract and provide a down payment of 10% of the total price; buyers continue to pay instalments of 10% at regular intervals until the building 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% when signing the deed of purchase, upon which keys to the house are delivered immediately.

Over the course of H1 2021/22, the Company pre-sold 1,511 homes in total, year-on-year growth of 189% (vs. April 2019 - September 2020), when pre-sales amounted to 523 units. The **value of the record volume of pre-sales in H1 2021/22 amounted to €495.4m,** implying an average sales price of €328,000/unit (before VAT).

The breakdown of sales by month is provided below, evidencing the record sales level recorded in March 2021 and the remarkable momentum build up as the year unfolded. Note that on account of the lockdown, no new large-scale developments took place until October, which is when sales began to recover with intensity.

The Company notched up record sales levels, extending the upward trend embarked on last March

Revenue from home sales



Over the course of H1 2021/22, the Company delivered 712 homes for €236.1m, implying an average sales price of €332,000/unit (of which 91 homes corresponded to build-to-rent units at an average price of €179,000 and the remaining 621 corresponded to build-to-sell units sold at an average price of €354,000.

As of 30 September 2021, the Company had sold an accumulated (in 2017, 2018, 2019, FY20 {1 January to 31 March} and FY 2020-21 and H1 2021/22) 8,149 units representing sales revenue of €2.59bn. Of that total, 3,922 units, valued at €1.3bn, have been delivered. As a result, **the sales pipeline at 30 September 2021 amounted to 4,227 units worth €1.25bn, 70% of which is under sale agreement and 30% of which constitute pre-sales.**

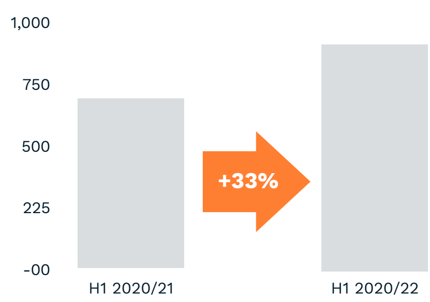
712
homes delivered at an ASP of
€354k
in the residential segment

Building permits

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 those requirements. The permitting period depends on each authority's responsiveness.

In H1 2021/22, the Company obtained a total of 899 building permits, up 33% year-on-year. That means that the Company has so far obtained building permits for 10,148 homes in total, with a further 2,915 in process, of which 737 are already 12 months into the permitting process.

Trend in new building permits obtained

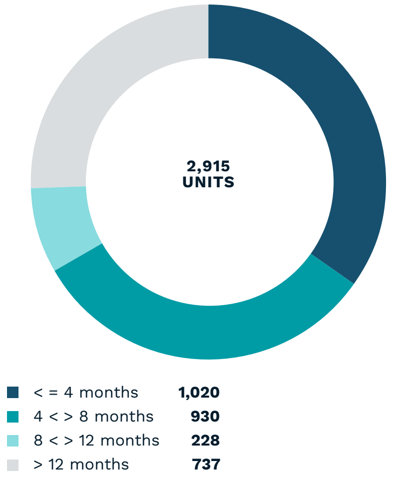


Construction

The Company began to build 1,019 homes in H1 2021/22 and obtained work completion certificates for 1,007 homes. **At 30 September 2021, the Company had a total of 4,598 units under construction,** marking growth of 10% from the 4,627 homes that were under construction 12 months earlier. In addition, during the third quarter, **the Company expects to start work on a further 1,272 units.** In turn it had **472 homes completed and pending receipt of the corresponding occupancy certificates and 650 finished and already certified.**

As for the home delivery target for FY 2022/23, despite the delays in starting construction work during the pandemic, 90% are already under construction and at least 60% complete and 9% are finished.

Building permit - length of time in process



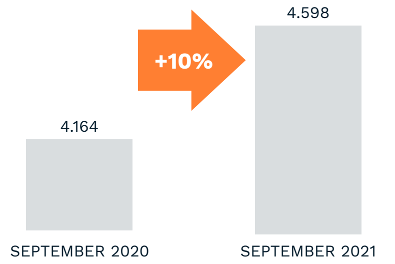
Investments

AEDAS Homes remains **one of the most active purchasers of land in Spain,** taking advantage of compelling investment opportunities thanks to its ability to read the cycle early. The investments closed in H1 2021/22, which amounted to **€217m for the acquisition of 2,906 units,** are designed to meet the needs of the 2021/26 Business Plan, coming in at the low end of the investment commitment guidance range.

Specifically, in H1 2021/22, the Company executed purchases over sites for 24 new housing developments. That land presents scope for the development of 1,977 housing units. Of those acquisitions, 22 projects are located on Ready-to-Build sites, one is located on a site classified as Fully-Permitted Land (stemming from the exchange of the Company's interest in Mairena de Aljarafe under the scope of Land Feeder arrangement) and one is zoned as land apt for development. In addition, the Company has committed investments with a development potential of 929 units which have yet to close.

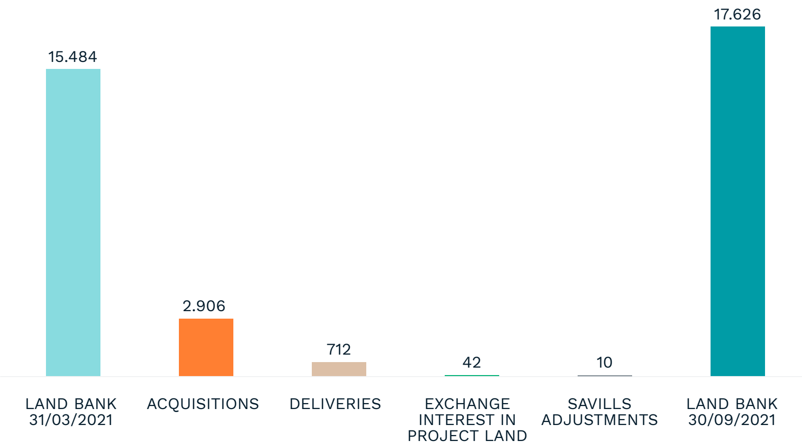
H1 2021/22, the volume of investments closed and outstanding amounted to €217m, which includes the cost of acquiring the properties, including the inherent transaction costs, and the capital expenditure needed to bring all of the sites to RTB status. The average acquisition cost once all of the land is brought to RTB permitting status is estimated at €74,673/unit.

Homes under construction at reporting date



AEDAS Homes got out in front of the market momentum, investing €200m in land with a development potential of 3,000 homes

Reconciliation of land bank



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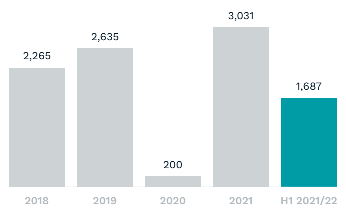
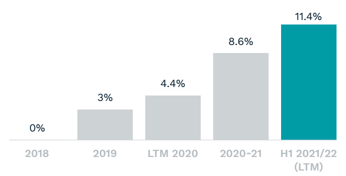
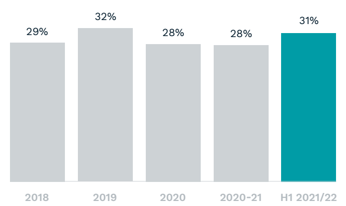
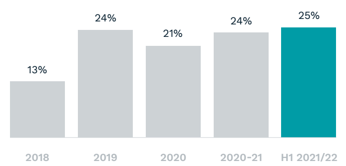
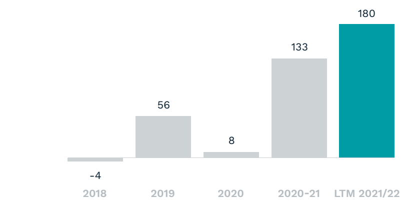
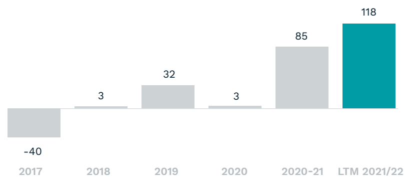
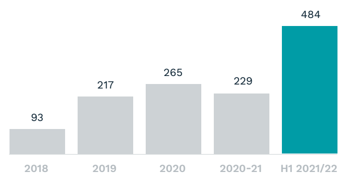
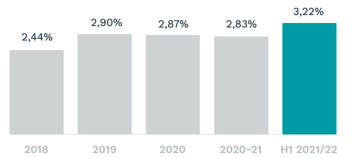
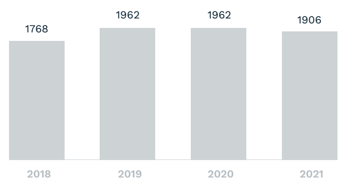
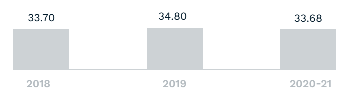
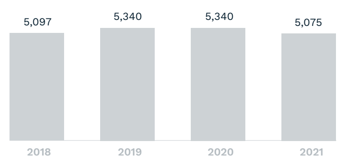
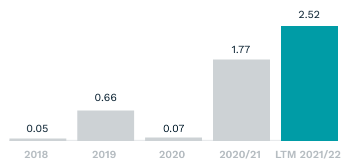
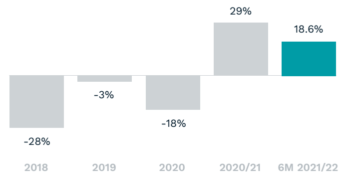
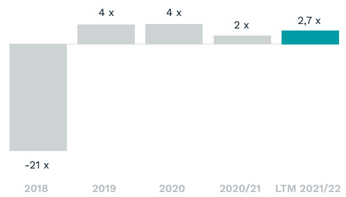
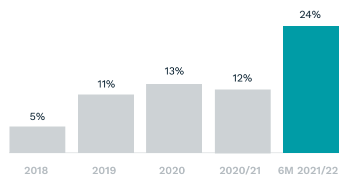
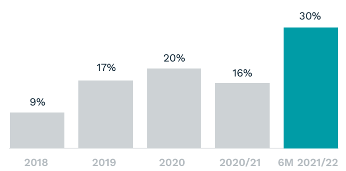
02.5. KPIs

	Metric	Trend	Definition	Rationale for usage
Growth	Homes launched		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.	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.
ROE	Definition		Calculated as operating profit divided by average equity.	This yardstick is used to analyse the Company's profitability and to ensure the efficient and effective use of its own funds.
Dividend policy	ROE (%)	2021: 79%; Ordinary = €0.90/sh. Extraordinary = €0.40/sh.; Total dividend = €62m 2022 E, 2023 E, 2024 E, 2025 E: 50% ordinary dividend + extraordinary dividend* *The extraordinary dividend is conditional upon not exceeding the limit of 20% of Net LTV	Percentage of profits earmarked to dividend payments.	Provides a measure of shareholder remuneration via dividends.
Alternative performance measures	Gross Development Margin (%)	*Margin contraction in FY 2020-21 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.	Revenue from sales – Change in inventories – Cost of sales (without factoring in provisions for the impairment of inventories).	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.
	Net Development Margin (%)		Gross Development Margin – Sales & marketing expenses (included within Other operating expenses in the statement of profit or loss).	The Net Development Margin is used by the Company's directors as a yardstick for its performance as it provides information about the net margin generated on the developments that generated sales revenue during the reporting period. The Net Development Margin is calculated based on the Gross Development Margin, net of certain expenses associated with the marketing effort. Note that the Net Development Margin does not include any gains realised on the sale of land.

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 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		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)		The value of the Company's assets, and, by extension, its GAV, is calculated by an independent appraiser, 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.
NAV		The market value of the Company's equity or net worth, i.e., the total value of its assets minus the total value of its liabilities.	
GDV		A measure of what the Company's assets are expected to be worth once all development work has been completed.	

	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

	Metric	Trend	Definition	Rationale for usage
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/(Cash) / (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/(Cash) / (Inventories - Prepayments to suppliers) Calculated at the end of the period.	The LTC ratio provides another 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.

03. Risk management

AEDAS Homes has an enterprise risk management (ERM) system which is regulated by its Board-approved Risk Management Policy.

The purpose of the risk model is to identify, evaluate, manage and report the risk factors that could jeopardise delivery of AEDAS Homes' strategic, business and financial objectives.

The risk management model comprises the following elements:

Identification:
the risks of relevance to AEDAS Homes are duly identified by the Company's senior management. Risk prospecting is conducted annually with the aim of identifying potential new risk factors that could jeopardise the Company's ability to attain its strategic, business or financial objectives.

Assessment:
the inherent probability, the inherent impact and the robustness of the control environment are assessed for each of the relevant risks. AEDAS Homes' risk map contemplates three categories of risk: "critical", "under surveillance" and "under monitoring".

Management:
the risks classified as "critical" and "under surveillance" are included in the management mechanism, which implies:

› Identifying specific risk events.

› Establishing monitoring KPIs for each risk event and assigning risk tolerance thresholds.

› Establishing action plans for the above KPIs.

› Update: the model is reviewed and updated annually.

As stipulated in its Risk Management Policy, the following governing bodies are involved in the activities related with the risk management effort at AEDAS Homes S.A.:

Board of Directors: Its duty is to define, update and approve AEDAS Homes' Risk Control and Management Policy, as well as to establish prevailing risk tolerance levels.

Audit and Control Committee: Its task is to supervise the internal control and risk management systems, making sure that the key risks are identified, managed and maintained within the planned levels.

Management Committee: Its work involves allocating responsibilities for risk management, analysing the results of the risk assessments to determine their level of severity and approving attendant risk responses as necessary.

Compliance Department: Responsible for helping the Audit and Control Committee and the Management Committee fulfil their mandates, mainly by coordinating the activities defined in the Risk Management and Control Policy, ensuring that the risk management system works correctly and compiling relevant reports.

Officers and other risk owners: They identify and assess the risks that fall within their purviews. In addition, they recommend and report indicators for monitoring, as well as proposing and implementing risk mitigation plans and reporting on their effectiveness.

Risk management model

Identification	Assessment	Management	Reporting
Identification of key risk factors	Assessment of the probability of occurrence, impact and level of each risk event	Monitoring of critical risks and execution of corrective action	Reporting on critical risks to the Management Committee and Board of Directors

AEDAS Homes' risk management model encompasses 28 risk categories, having added three new categories in FY 2021/22:

- **Political risk**
- **Sector consolidation risk**
- **Risk of failing to meet ESG expectations**

As a result, the following risks are monitored annually under the scope of AEDAS Homes' ERM:

Strategic risks

- Fall in demand for new housing
- Land bank
- Customer satisfaction
- Availability of financing for AEDAS Homes
- Reputation
- Share price performance
- Political risk
- Sector consolidation risk
- Risk of failing to meet ESG expectations

Operational risks

- Purchase of land
- Transformation of land
- Project execution (formerly called "Development")
- Sales
- Talent management
- Technology
- Cybersecurity
- Health & safety
- Property security

Financial risks

- Interest rates
- Liquidity
- Availability of financing for customers (formerly called "Credit risk")
- Asset valuations
- Reliability of the financial information

Compliance risks

- Anti-money laundering legislation
- Criminal law (including risks related with the failure to comply with anti-corruption legislation)
- Securities market law
- Tax law
- Environmental regulations

In H1 2021/22, AEDAS Homes continued to monitor and manage the risks deemed critical based on the assessment conducted by the members of its Management Committee in July 2021. Following that assessment, the risk factors currently deemed critical by the Company are:

- Share price performance
- Land bank
- Project execution
- Customer satisfaction
- Talent management
- Workplace safety
- Share price performance relative to the Company's peers
- Cybersecurity
- Availability of financing
- Sales

In H1 2021/22, the Company took the following measures with a view to monitoring and managing the risk factors itemised above:

→ Identification of the adequate monitoring indicators. The indicators currently being monitored by the Company include:

- Customer satisfaction levels.
- Sales levels.
- Works delays.
- Pre-sales cancellations.
- Level of pre-sales required by the banks in exchange for developer loans.

- Cybersecurity indicators (password changes, number of insiders, patching and updates, etc.)
- Worksite accidents.
- Turnover in key positions.

➔ Establishment of tolerance thresholds that reflect the Company's risk appetite in relation to each risk category.

➔ Regular monitoring of the status of the risk indicators so identified.

➔ Implementation and oversight of action plans designed to mitigate the risk factors.

The risks deemed critical were tracked quarterly and action plans were set in motion for those indicators in excess of the stipulated tolerance thresholds. As regards the risks that materialised during the reporting period, it is important to highlight that the Company is beginning to observe a rise in construction costs, which could have an impact on the cost of the developments currently under construction by AEDAS Homes.

Note on the risks associated with the Covid-19 pandemic

In relation to the risks associated with the Covid-19 pandemic, as noted in prior reports, the Company has been carefully monitoring certain risks deemed relevant to identifying and managing potential threats to AEDAS Homes as a result of the pandemic. In 2021, the measures taken by the Company included an extraordinary assessment of the corporate risk map, activation of the Crisis Committee, implementation of remote working arrangements and establishment of a capital preservation policy.

In recent months, the Company has continued to monitor the main risks associated with the Covid-19 pandemic, observing a degree of dissipation. Nevertheless, the Company will continue to monitor the key management risks posed by the pandemic with a view to taking additional mitigating measures as required.

04. Non-financial information

AEDAS Homes has drawn up an ESG Master Plan (2021/23), which was approved by its Board of Directors on 20 April 2021 and sets down its strategic priorities in the sustainability arena. The Plan defines the Company's sustainability roadmap along three dimensions - environmental, social and governance - in turn made up of eight lines of initiative encompassing 27 specific actions that will address, framed by best practices, the multiple challenges AEDAS Homes and the sector in general need to tackle over the next few years.

The idea underpinning the Plan is to help the Company transcend its purely financial performance by making a corporate commitment to having a positive impact on the communities it affects and raising the profile of all of the initiatives it undertakes.

Below is a list of the Plan actions that materialised during the first half of FY 2021.

Environmental dimension

AEDAS Homes is striving to become a benchmark for environmental sustainability in home-building.

Framed by its ESG Master Plan, the Company has committed to contributing to decarbonising a sector that is responsible for over one-third of carbon emissions.

To do that, it has developed a pioneering tool in the Spanish market: the Green Book. It is a flexible, nimble and user-friendly tool that can be adapted for the specifics of each region.

Thanks to the Green Book, we guarantee that all of our developments encompass sustainability-focused measures and materials. **100% of the Company's homes meet the Green Book standards or those of an equivalent prestigious green building seal, such as BREEAM**. In addition, among the 10,697 units on the market, **14%** of those submitted for assessment boast **"High" Green Book credentials.**

The Green Book is not merely a tool for implementing specific measures, it is also the forum through which the entire Company reflects on the future of our planet. The Green Book **seeks to streamline the use of natural resources, promote innovation and energy efficiency using modern methods of construction (MMC)** and foster the use of new technology in development design.

It is **proof of** AEDAS Homes' **environmental commitment**.

To cut carbon emissions, the first step, however, is to measure them. To that end, the Company has pledged to conduct **life cycle assessments (LCA)** for 100% of its developments by FY 2023. During the first half of this year, it completed a total of **37 LCA reports**. The results of those assessments help us minimise the carbon footprint our buildings will generate over their entire life cycles by enabling us to design our developments to be more sustainable.

Elsewhere, we understand that it is important to pass our sustainability know-how on to our home-buyers. It is important that they understand the benefits of all the measures we build into their homes as they have a positive impact on their health and quality of living. That is why we created a proprietary sustainability seal, Ecoliving ®. We draw up Ecoliving Guides for each of our developments. They contain easy-to-follow explanations of all the specific measures implemented in the homes our customers are purchasing. So far we have compiled **74 Ecoliving Guides**.

Framed by our ambition to raise home-buyer awareness of sustainability matters, we have also earmarked a **section within the Building Specifications Book** to addressing the homes' **sustainability**, efficiency and health **aspects**. That gives our customers two different channels for locating all the information they need about the environmental credentials of the property they have acquired. The information in the Building Specifications Book is more technically detailed. Examples of those measures include the installation of dual-flow ventilation systems, the use of VOC-free paint and other materials with eco-labels (EPDs) and AA energy efficiency certifications.

57% of the developments delivered in H1 2021/22 carried "A" energy ratings

Lastly, AEDAS Homes is Spain's leading home-builder in the implementation of Modern Methods of Construction (MMC) and housing industrialisation. Industrialisation yields a faster, more sustainable and more efficient way of building. The Company's goal is that **25% of the developments delivered from 2023 be fully or partially industrialised**. To date, we have already achieved a **24%** industrialisation rate.

Closing in on our guidance for 2023, with 24% of new builds industrialised as of September 2021.

Social dimension

AEDAS Homes places its employees front and centre and works hard to create an appealing work climate, nurture talent development and foster wellbeing, work-life balance and health and safety.

The Company's efforts to make AEDAS Homes an excellent choice for professional and personal development has been acknowledged in the form of **Great Place to Work** certification.

Specifically, AEDAS Homes obtained a score of **74%** on the Trust Index, underpinned by the feedback provided by its employees and the Company's good organisational practices and culture.

AEDAS Homes scored 74% in the Great Place to Work list

Notable among the initiatives carried out on this front:

> AEDAS Homes' Management Committee approved a **Remote Working Policy** which allows the Company's employees to work from home one day a week. **Sixty-two per cent** of its employees have availed of this option voluntarily. That new policy comes on the heels of work-life balance measures already implemented by the Company:

- Flexible work start and end times
- Shorter working hours in July and August
- Option to work from home from the eighth month of pregnancy
- Flexible remuneration
- Entitlement to mobile-free vacations

> In July the Company ran a **Health Week.** AEDAS Homes places great importance on the health of its employees and runs events to make them aware of healthy habits, specifically addressing nutrition. The 2021 edition of Health Week included a workshop on emotional management.

> We renewed our physiotherapy service at the Madrid, Barcelona and Seville offices, which 53% of our employees availed of.

> In order to raise awareness across our staff about the importance of the sustainability at the Company, AEDAS Homes has updated everyone's annual variable remuneration model to include an **ESG target** for the first time.

We want that positive impact to reverberate beyond our employees to society at large. That is why we foster a culture of philanthropy among our employees by means of **volunteering initiatives** in a range of areas designed to help the most vulnerable.

The Company also strives to get involved in the urban environment where it builds its homes. Specifically it has set up a programme for supporting local artists, called **WithTheArts by AEDAS Homes**. That initiative, which is unique in the real estate sector, aims to revitalise cities by fostering artistic and cultural events.

Lastly, AEDAS Homes is committed to **developing and promoting young talent** and shoring up their job prospects. To that end, the Company runs **26 initiatives** in collaboration with leading universities and business schools.

Governance dimension

AEDAS Homes has a dedicated ESG Policy in order to formally nail down its guiding principles along the environmental, social and governance dimensions. That policy is framed by the United Nations Global Compact principles and the overriding goal of contributing to delivery of the Sustainable Development Goals (SDGs). It is also inspired by the World Green Building Council's framework for sector sustainability.

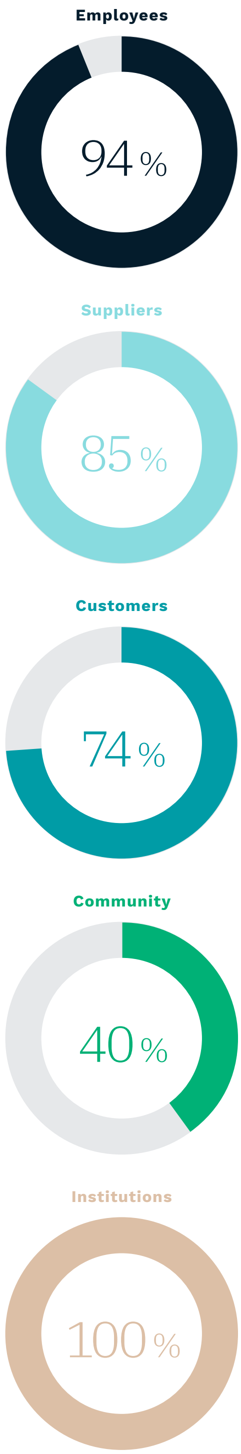
As part of its ESG Master Plan, 2021/23, AEDAS Homes **has updated its risk map** to add a new ESG risk, specifically including talent retention as a material risk to be monitored by the Company.

AEDAS Homes **ranks among the top companies in the world** for environmental, social and governance (ESG) initiatives **according to the ESG Risk Rating** compiled by **Sustainalytics**, which measures sustainability along those three dimensions at almost 14,000 companies.

In a report dated 9 June 2021, Sustainalytics categorised AEDAS Homes as "low risk", a very encouraging result that endorses the effort being made by the Company on the ESG front. AEDAS Homes placed in the **Top 3%** of the developers scored, more specifically ranking sixth out of a total of 275 entities classified into the real estate development sector and 226th out of a total of 1,029 global real estate companies. In the overall ranking, i.e., including all business sectors, AEDAS Homes placed **in the Top 10%**, specifically ranking number 1,273 out of a total of 13,922 firms.

Ranked in the Top 2% in its sector according to Sustainalytics

Do you see AEDAS Homes as a sustainable company and/or a company that fosters sustainability?



Health, safety environment and quality (HSEQ)

AEDAS Homes has had its quality and environmental management systems certified under ISO 9001 and ISO 14001, respectively, since 2017; those certifications cover its housing development activities (design management, building management and sales management). This year it renewed those certificates: the result of the audits performed by AENOR were very satisfactory, as the certification body did not find any issues in the systems. The reporting period was additionally marked by the following initiatives: review of policies, processes and procedures and renewal of **ISO 9001 and ISO 14001 certification** at several workplaces.

AEDAS Homes has had an **ISO 45001-certified occupational health and safety management system** in place since 2017. That system was audited by AENOR in June 2021. The outcome was similarly satisfactory, with no shortcomings detected.

On the training front, all new hires this year have received introductory HSEQ training online, as stipulated in article 19 of Spain's Occupational Health and Safety Act. In order to improve further, extending last year's effort, the Group has planned a series of new employee education and awareness activities for this year.

To oversee the health and safety management effort, the key performance indicators are presented to the company's Management Committee periodically. Internal audits are the key tool used to control the management system. So far in FY 2021 (April to September), a total of **20 assessments were conducted at developments** at between 30% and 70% of completion.

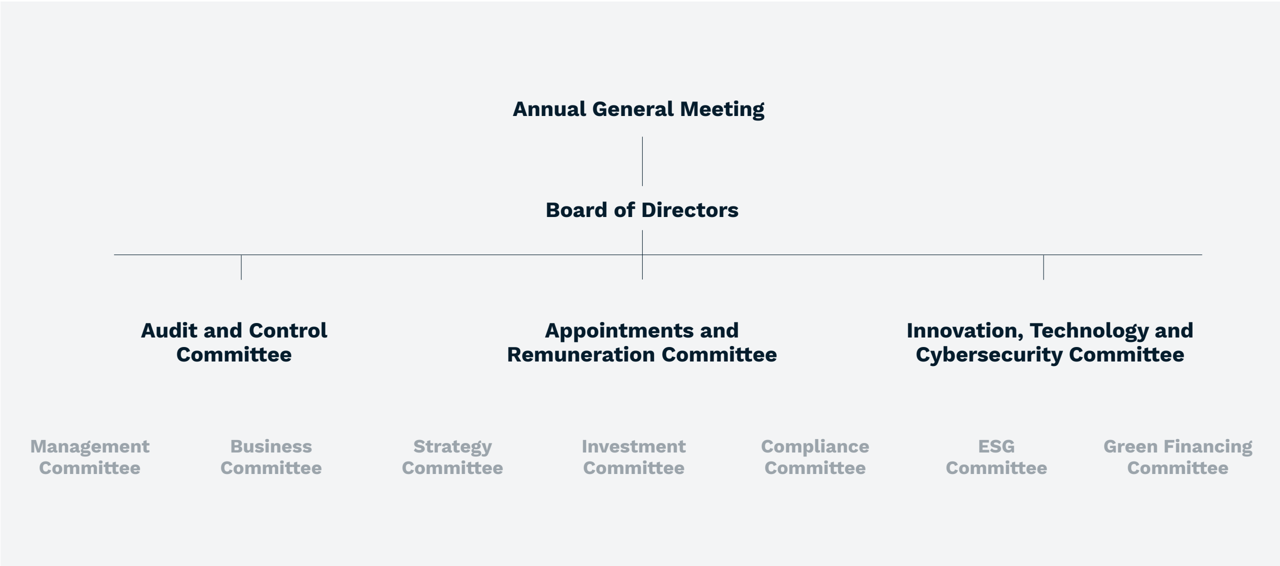
Risk report file - 2Q 2021/22

Risk:	**Occupational health & safety**
Risk category:	**Operational**
Risk owner:	**Director of Corporate Resources**

Indicator	Indicator calculation	Tolerance	Observations on tolerance	1Q 2021/22 result	Justification if risk threshold surpassed
Monthly trend in # of accidents.	Trend and average number of workplace accidents per month/development.	≤ 1	Calculated in monthly terms.	0,18	YTD April-Sept (monthly average)
Results of health & safety assessments.	Shortcomings and recommendations issued as a result of assessments (by health and safety dept. and in development audits) in keeping with occupational health and safety (OHS) procedures; assessment of compliance with OHS regulations and of the alignment of subcontractor OHS procedures (year-on-year calculation).	≥ 50%	Calculated in year-on-year terms.	76,5	YTD April-Sept
Injury frequency rate	No. of injuries over total hours worked.	≤ 30	Calculated in quarterly terms.	16,21	YTD April-Sept
Injury severity rate	No. of lost-time injuries over total hours worked.	≤ 3	Calculated in quarterly terms.	0,25	YTD April-Sept
Severe injuries.	Number of severe workplace injuries (defined as accidents that result in permanent worker disability).	≤ 1	Calculated in quarterly terms.	0	
Fatalities.	Number of fatal accidents.	≤ 1	Calculated in quarterly terms.	0	
Fines or penalties for breach of OHS regulations (govt. penalties).	Number of govt. fines or penalties imposed for breach of OHS regulations.	≤ 6,250	"Calculated in quarterly terms."	2	
Fines or penalties for breach of OHS regulations (criminal offences).	Number of criminal fines or penalties imposed for breach of OHS regulations.	≤ 1	"Calculated in quarterly terms."	0	
Weaknesses detected by internal audit function or external auditor	Qualifications and recommendations made by the internal audit function or the external auditor.	≤ 15	"Calculated in quarterly terms."	3	Non-conformities July to September

05. Corporate governance

05.1. Organisational structure



Article 2 of AEDAS Homes' Bylaws states that the Company's core object is to acquire, permit, manage, market and develop properties of any kind for holding, use, management, sale or lease.

AEDAS Homes had a total of 303 employees at 30 September 2021[1]. Those professionals work all around Spain. The Company's head offices are located in Madrid and serve its six regional departments which are located in the main new homebuilding markets in Spain:

Central Spain:
Madrid.

Northern Spain:
Bilbao, Valladolid, Vigo, Navarra and Pamplona.

Andalusia & Canaries:
Seville, Granada, Canaries, Cordoba and Almeria.

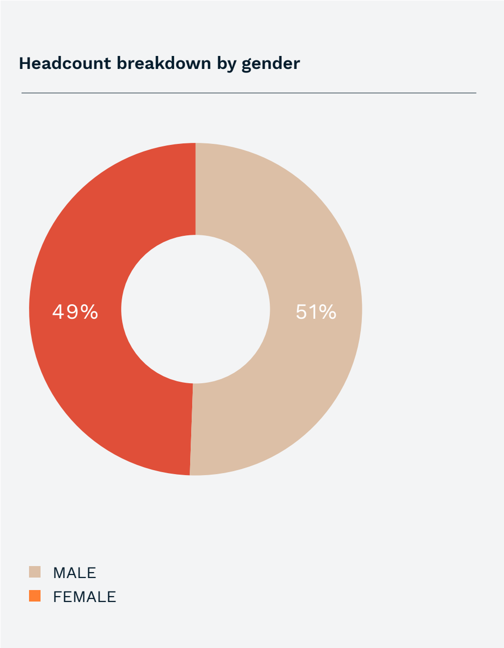
Costa del Sol:
Malaga.

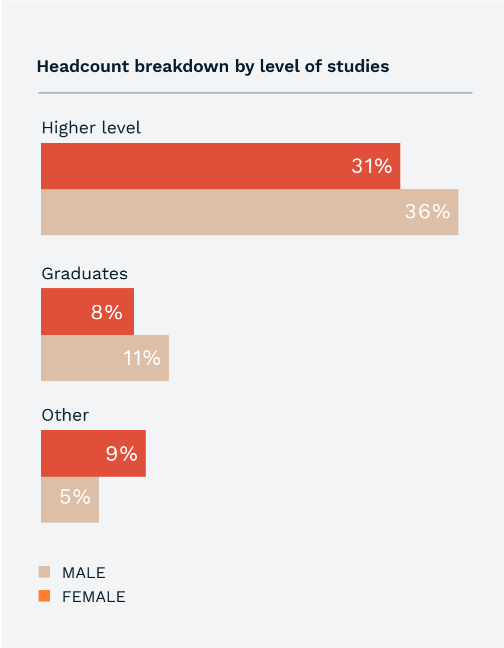
East and Balearics:
Alicante, Valencia, Mallorca and Murcia.

Catalonia and Aragon:
Barcelona, Tarragona and Zaragoza.

1. Including the team from newly acquired Áurea Homes.

Below is the breakdown of the Company's headcount by gender and level of education as of 30 September 2021.





Main governance bodies

The **general meeting** is the Company's highest decision-making and control body in respect of the matters within the shareholders' purview and it is the vehicle around which the shareholders' right to intervene in the company's decision-making is articulated.

The **Board of Directors** has authority over any and all matters that are not specifically vested in the shareholders in general meeting by the Bylaws or prevailing company law. The Board of Directors, which is vested with the broadest powers to manage, direct, administer and represent the Company, generally delegates the Company's everyday management in the Board's steering committees and the management team, establishing the content of, limits to and *modus operandi* for such delegation of powers, so that it can concentrate on its general supervisory duty, as well as attending to matters of particular significance to the Company.

The Board of Directors is made up of nine members. Six are independent directors, two are proprietary and the ninth is an executive director. It is regulated by the Board Regulations, the purpose of which is to set the guidelines governing the actions of the Board of Directors, the basic rules governing how it is organised and run, the rules of conduct its members must abide by and the directors' duties. The Board Regulations were approved by the Board of Directors itself.

The Board of Directors has set up the following board committees:

The **Audit and Control Committee**, made up of three directors, two of whom independent (one of whom chairs this committee) and the third, proprietary. Article 14 of the Board Regulations regulates the Audit and Control Committee, its composition, its powers and its *modus operandi*.

The **Appointments and Remuneration Committee**, made up of three directors, two of whom are independent (one of whom chairs this committee) and the third, proprietary.

Article 15 of the Board Regulations regulates the Appointments and Remuneration Committee, its composition, its powers and its *modus operandi*.

The **Technology, Innovation and Cybersecurity Committee**, made up of three directors, one of whom (the committee chairperson) is independent, one proprietary, and one executive, who is also part of the Company's management team. There are specific regulations addressing the composition, powers and rules of operation of this committee.

In addition, the Company has the following committees: a **Management Committee**, a **Business Committee**, a **Strategy Committee** and an **Investment Committee** made up of AEDAS Homes executives. The rules of operation, composition and powers of each of those committees are set down in regulations approved by the Company's CEO.

There is also a **Compliance Committee** made up of the heads of the Risk and Compliance, Legal and Corporate Resources Departments whose composition, powers and rules of operation are set down in the Board-approved Compliance Policy and Manual. AEDAS Homes additionally has an Internal Control Body ("ICO") which oversees anti-money laundering and counter terrorism financing ("AML/CTF") matters whose composition, powers and rules of operation are set down in the AML/CTF Manual approved by the ICO itself.

In addition, the Company has recently set up an **ESG Committee** to ensure the correct implementation and supervision of its Master ESG Plan (2021/2023); the new committee is made up of the Company's CEO, CFO, Brand and Innovation Manager and Director of Corporate Resources, who has in turn assumed the role of ESG Coordinator.

The ESG Committee is tasked with reviewing the ESG Plan dashboard. It is also in charge of compiling and analysing a weekly report on milestones and indicators associated with the ESG Plan and for driving and supporting the emanating initiatives, led by the ESG Coordinator.

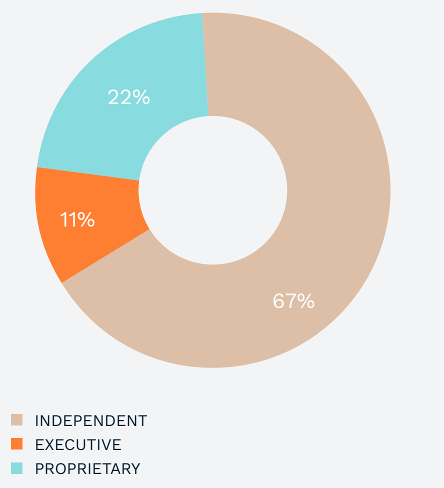
05.2. Board of Directors

The Board of Directors is made up of nine members. Six are independent directors, two are proprietary and the ninth is an executive director. Below is a description of the members of the Board of Directors, and the relevant experience they bring:

Directors		Santiago Fernández Valbuena	David Martinez Montero	Javier Lapastora Turpin	Miguel Temboury Redondo	Cristina Alvarez Alvarez	Milagros Mendez Ureña	Eduardo D'Alessandro Cishek	Evan Andrew Carruthers	Javier Martínez-Piqueras Barceló	Total
Position		Chairman	Chief Executive Officer	Member	Member	Member	Member	Member	Member	Member	
Board of Directors	**Executive**		√								1
	Proprietary							√	√		2
	Independent	√		√	√	√	√			√	6
Committees	**Audit and Control**	√		√ P				√			3
	Appointments and Remuneration				√ P	√			√		3
	Innovation, Technology and Cybersecurity		√			√ P		√			3
Shareholding	**Direct, %**	0,006%	0,18%	0,003%	0%	0%	0,001%	0%	0,06%	0%	0,25%
Other information	**Date of appointment**	27/9/17	11/9/17	27/9/17	27/09/2017	04/10/2017	4/4/19	27/9/17	27/09/2017	21/10/20	
	Nationality	Spanish	Spanish	Spanish	Spanish	Spanish	Spanish	German	North American	Spanish	
	Directorships at other companies	Vice-Chairman of EBN Banco de Negocios Independent Director of Mapfre Brasil Independent Director of Mapfre International		Independent Director of Servicios Financieros Carrefour, EFC, S.A. (Spain) Member of the Supervisory Board & Chairman of the Audit Committee of Mostostal Warszawa S.A. (Poland) Founding Partner of Kilmore Management Services (Spain) Partner al Glendalough Investments. Independent director, chairman of the Audit and Control Committee, and member of the Appointments and Remuneration Committee of Banco de Alcala, S.A"	Independent Director in Singular Bank	Board Member in Openbank		Partner At Castlelake LP	CIO & Managing partner in Castlelake Director at Five Points Holding LLC Director at each of the aviation companies in which Castlelake has shareholdings	Member of the board of OMEGA 93 S.L.; Independent director of Millennium Hotels Real Estate S.L. and member of its Audit and Control Committee	
	Age	63	51	55	52	52	61	40	42	48	

C = the chair of any of the three committees.

Boardroom composition by director type



Areas of expertise of the Company's directors

In H1 2021/22, the **Board of Directors** met on **4 occasions**: 20 April; 7 May; 17 June; and 21 July 2021. The most important matters addressed at those meetings:

> Business update

> Financial information

> Financial statement issuance authorisation

> Annual General Meeting (call, resolutions, reports)

> Reports from the chairs of the Audit and Compliance Committee, Appointments and Remuneration Committee and Innovation, Technology and Cybersecurity Committee on the items discussed at their respective meetings

> Risk indicators

> ESG Master Plan

> Study of demand for new housing and land availability + Strategy Review

> Financing for the development of 10 BTR projects

Its committees met as follows:

- The **Audit and Control Committee** met **3 times**, on the following dates: 7 May; 17 June; and 21 July 2021.
- The **Appointments and Remuneration Committee** met **3 times**, on the following dates: 7 May; 17 June; and 21 July 2021.
- The **Innovation, Technology and Cybersecurity Committee** met **once**, as follows: 8 June 2021.

05.3. 2021 Annual General Meeting

The Company held its 2021 Annual General Meeting on 18 June 2021 (first and only shareholder meeting held in FY 2021/22) at which it submitted the following resolutions, all of which were ratified:

1. Approval of the individual and consolidated financial statements for the fiscal year ended 31 March 2020

2. Approval of the management reports accompanying the separate and consolidated FY 2021 financial statements

3. Grant of discharge to management and the Board of Directors for their performance in the fiscal year ended 31 March 2021

4. Approval of the proposed distribution of profit for the fiscal year ended 31 March 2021

5. Ratification of the appointment and re-election of Mr. Francisco Javier Martínez-Piqueras Barceló as independent director for the bylaw-stipulated term of three years

6. Acknowledgement of the arrangement by the Company of a Financial Transaction and the execution by it of certain related financial documents

7. Approval, for the purposes of the provisions of article 160.f) of the Corporate Enterprises Act, of the grant of physical collateral in connection with the Financial Transaction

8. Approval of a capital reduction via the cancellation of 1,160,050 shares and the attendant amendment of article 5 of the Company's Bylaws

9. With respect to the following articles of the Bylaws:

> *Amendment of article 12 ("Attendance and representation at the General Meeting"), in order to introduce the possibility of holding the General Meeting entirely remotely. - Amendment of article 14 ("Board of Directors. Responsibilities") in order to remove the possibility of legal persons sitting on the Board (along with the corresponding transitory provision)*
>
> *Amendment of article 17 ("Remuneration") to align it with the new wording of the Corporate Enterprises Act*

10. With respect to the following articles of the General Meeting Regulations:

> *Amendment of articles 9 ("Call notice"), 18 ("Planning, resources and Meeting venue"), 22 ("Shareholder register"), 33 ("Minutes to the General Meeting") and the Additional Provision ("Telematic attendance at the General Meeting") to introduce the possibility of holding the Meeting entirely remotely and to align their wording with the recast version of the Corporate Enterprises Act, along with other technical fine-tuning*
>
> *Amendment of article 10 ("Information available on the corporate website as from the call date") to exclude the possibility of legal persons sitting on the Board*
>
> *Amendment of articles 17 ("Representation through financial intermediaries") and 28 ("Remote voting") to align their wording with the recast version of the Corporate Enterprises Act, along with other technical fine-tuning.*

11. Delegation of powers for the formalisation, placement on public record and execution of the above resolutions.

12. Advisory vote on the annual report on director remuneration for FY 2020/21.

05.4. Anti-money laundering and anti-corruption

AEDAS Homes has formulated a compliance programme with the aim of establishing a culture of ethics while guaranteeing respect for applicable legislation. The compliance programme covers the relevant areas of risk and draws from best practices in the field.

More specifically, AEDAS Homes' compliance programme encompasses measures designed to guarantee compliance with:

- Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) legislation.
- Anti-corruption legislation, specifically addressed by the Corporate Crime Prevention Model.
- Data protection regulations.

Anti-money laundering

As a home developer, AEDAS Homes is bound by anti-money laundering and counter-terrorist financing legislation. To comply with that legislation, the Company has implemented the following measures:

- Internal Control Body (ICB): AEDAS Homes has a designated ICB which is tasked with supervising AML/CTF compliance at the Company.
- Risk and Compliance Department: the Company's risk and compliance function is responsible for managing the AML/CFT model.
- AML/CFT Manual: embodies the internal policies and procedures which need to be followed by all employees to comply with applicable legislation.
- Due diligence: AEDAS Homes' Technical Unit carries out due diligence procedures for every single customer that buys one of the Company's homes. Company procedures prohibit sales without that unit's clearance. If customers present higher risk profiles, the Company carries out more stringent due diligence.
- External expert report: as required in applicable legislation, AEDAS Homes submits annually to review by an external AML/CTF expert. That report is presented to the Board of Directors within three months of issuance.
- Training: all employees receive AML/CFT training annually.

Jardins de Castellarnau. Sabadell

- Internal Audit review: the Internal Audit function analyses the effectiveness of the AML/CFT framework annually and reports its findings to the Audit and Control Committee.
- Analysis and reporting of suspicious transactions: suspicious transactions are duly analysed and reported to the AML watchdog as necessary.

Corporate crime prevention

AEDAS Homes has a Corporate Crime Prevention Framework, which is articulated around the following structures:

- Code of Conduct: the Company has a Code of Conduct which embodies its values and specifies the types of conduct it does not tolerate. It must be endorsed by all new hires.
- Code of Conduct for Third Parties: all essential suppliers that collaborate with AEDAS Homes have to sign the Code of Conduct for Third Parties before doing business with it. By doing so they commit to aligning their activities with AEDAS Homes' values and to not breaching the Code rules.
- Compliance Manual and Policy: the documents establishing the ground rules for the Corporate Crime Prevention Framework.
- Anti-Corruption Policy: establishes the rules applicable to employees with respect to gifts and hospitality vis-a-vis the public and private sectors.
- Compliance Committee: the body responsible for supervising regulatory compliance and coordinating the measures needed to that end.
- Risk and Compliance Department: the Company has a risk and compliance function tasked specifically with managing the corporate crime prevention effort.
- Criminal risk map: the map is used to identify and assess the criminal risks to which the Company is exposed, enabling it to identify the biggest risks and establish mitigating measures.
- Risk and control matrix: the matrix encompasses all information related to the controls in place at the Company for monitoring criminal risks, including the risk of corruption. The Company currently has 125 controls in that respect.
- Whistle-Blowing Channel: employees are obliged to report conduct that violates the Company's Code of Conduct or applicable legislation using the Whistle-Blowing Channel. They may do so anonymously.

- Annual budget: the Risk and Compliance Department is assigned an annual budget for managing the crime prevention effort.
- Annual controls: the model is reviewed annually to verify its effectiveness. As part of that exercise, the effectiveness of the anti-corruption controls is also assessed. The results of the controls and the action plans devised to remedy areas in need of improvement are reported to the Audit and Control Committee.
- Education: the Company provides its employees with the training needed to ensure they are sufficiently familiar with the core elements of the Corporate Crime Prevention Framework.

Data protection regulations

AEDAS Homes has implemented a specific model to ensure compliance with data protection requirements:

- Policies and procedures: the Company has put in place the policies and procedures needed to ensure that the data it processes is handled in compliance with applicable regulations.
- Data protection clauses: AEDAS Homes has enabled data protection clauses in all the channels through which it receives personal data in order to comply with the disclosure and consent requirements established in applicable data protection regulations.
- Technical measures: AEDAS Homes has enabled the technical measures needed to keep evidence of its compliance with its data protection disclosure requirements and the consents obtained from the various data subjects.
- DPO: the Company has appointed a Data Protection Officer whose job is to supervise compliance with data protection requirements.
- Data subject rights: AEDAS Homes has implemented the measures needed to enable data subjects to duly exercise their data protection rights.
- Security breaches: the Company has taken the measures required to ensure the due management and reporting of any security breaches.
- Data processing agreements: AEDAS Homes regulates relations with suppliers that qualify as data processors contractually; those data processing agreements clearly establish the related data processing terms and conditions.
- Annual controls: AEDAS Homes carries out annual checks to verify compliance with data protection regulations and enhance the control environment.

06. Financial information

06.1. Statement of profit or loss

The H1 2021-22 statement of profit or loss clearly evidences the Company's commitment to its shareholders: **revenue increased by 257% year-on-year to €236.4m,** all from home deliveries. That revenue growth was accompanied by a very significant year-on-year increase of €56.2m - or 348% - in gross profit (margin expansion: 324bp).

Direct costs (which includes sales and marketing costs and other operating expenses) amounted to €13.4m, year-on-year growth of 108%, due to the increase in the number of deliveries during the reporting period. It is important to note that this heading recognises the marketing costs associated with all of the developments launched by the reporting date irrespective of whether or not they were actually delivered during the reporting period.

General expenses, meanwhile, increased by 26% to €16.9m by comparison with H1 2020/21, again due to the business ramp-up.

AEDAS Homes' EBITDA margin has improved from -3.5% to 18.8%, closing in on the targeted EBITDA margin for this year of 20%.

The Company's net finance cost increased by 61% to €9.5m year-on-year, reflecting the shift in the financing structure, marked by a higher percentage of long-term, fixed-rate corporate debt, as well as the financial cost of finished developments.

In all, the Company reported a net profit of €24.5m in H1 2021/22, evidencing its excellent business momentum.

€236.4m of revenue, up 257%

Gross margin: 31% (+624bp)

Statement of profit or loss

(€m)	H1 2021/22	H1 2020/21	Change €	Change %
Revenue - Property development	236.4	61.9	174.5	282%
Revenue - Land sales	-	4.3	(4.3)	-
Revenue	**236.4**	**66.2**	**170.2**	**257%**
Cost of goods sold	(163.9)	(50.1)	(113.9)	228%
Gross profit	**72.4**	**16.2**	**56.2**	**348%**
Gross margin, %	30.6%	24.4%	-	624 pb
Sales and marketing costs	(10.5)	(4.5)	(6.0)	131%
Other operating expenses	(2.9)	(1.9)	(1.0)	53%
Net developer margin	**58.9**	**9.7**	**49.3**	**508%**
Net developer margin, %	25.0%	14.6%	-	1,031 pb
Overhead	(16.9)	(13.5)	(3.5)	26%
Other income and expenses	2.5	1.4	1.1	74%
EBITDA	**44.6**	**(2.3)**	**46.9**	-
EBITDA margin, %	18.8%	(3.5%)	-	2,238 pb
Depreciation and amortisation	(1.4)	(1.0)	(0.4)	40%
Net finance cost	(9.5)	(5.9)	(3.6)	61%
Share of profit/(loss) of associates	(0.3)	(0.2)	(0.1)	33%
Impairment of inventories	-	(1.6)	1.6	-
Profit/(loss) before tax	**33.4**	**(11.0)**	**44.4**	**-**
Income tax	(8.3)	2.8	(11.0)	(401%)
Profit/(loss) for the period	**25.1**	**(8.3)**	**33.4**	-
Net profit margin, %	10.6%	(12.5%)	-	2,313 pb
Non-controlling interests	0,6	(0.0)	0.6	-
Profit attributable to equity holders of the parent	**24.5**	**(8.3)**	**32.8**	-

06.2. Balance sheet and cash flow statement

LTV:
23.9%

Balance sheet

At 30 September 2021, the health of the Company's capital structure stands out, underpinnned by a significant increase in inventories in the wake of the investments made and the higher volume of developments put on the market and under construction, as well as a cash position of €150.4m.

Inventories:
€1.6bn
up 15%

On the asset side:

Drilling down into the trend in inventories, the increase reveals: growth in land of 15% to €670.2m due to the Company's burgeoning investments in land, framed by the guidance provided to the market last June. The Company has astutely anticipated residential market dynamics, giving it the foresight to invest in high-quality land at compelling prices, while sticking with its selective and disciplined strategy; the balance of construction in progress increased by 27% to €735.7m shaped by the start of new construction work net of the completion of other projects; the finished product balance declined by 26% to €159.1m due to deliveries during the period, net of the recognition of newly completed housing units (472 units without occupancy permits and 650 with such permits); growth of 108% in advances to suppliers to €36.1m, a heading which recognises the amounts paid for land purchase rights, of which €16.7m corresponds to the investment in Castellana Norte and the remaining €19.4m to prepayments made in the course of the execution of certain developments.

As a result, at 30 September 2021, inventories amounted to €1.6bn, broken down between land (42%); construction in progress (46%); finished product (10%); and advances to suppliers (2%).

The biggest movement was an increase in trade accounts receivable of €36.7m since 31 March 2021 to €64.3m, due mainly to the recognition of the first instalment of income tax and the transfer of properties to build-to-rent.

Equity accounts:

At 30 September 2021, the Company carried own shares representing 5.42% of the total at €51.6m, of which shares equivalent to 0.7% of the total correspond to the buyback programme. **On 27 July 2021, the Company reduced capital by cancelling 1,160,050 own shares by way of shareholder remuneration,** leaving the total outstanding at 46,806,537.

Since 8 August 2019, the Company has bought back 3,728,690 shares representing 7.97% of its capital at an average price of €20.08.

In June 2021, the Company delivered 30,090 own shares to its employees as part of the commitments assumed under the long-term incentive plan (LTIP); those shares were purchased for €593,134.

Liabilities that mature in the long term:

€228.2m was financed by non-current borrowings, which increased significantly from €88.4m at 31 March 2021 to €316.6m, due to the Company's new financial structure following the issuance of a €325m Green Bonds on the capital markets with maturity in August 2026. That issue has raised the Company's profile and diversified its sources of financing.

€21.4m came from developer loans, the drawdown of which increased slightly to €186.4m due to construction milestones (€27.6m corresponds to finished product pending delivery).

Liabilities that mature in the short term:

€47.5m originated from the reclassification of borrowings from non-current to current.

€70.7m stemmed from customer down payments, which increased from €131.8m at year-end to €202.5m at the September close, mirroring the Company's stellar sales performance and giving it significant earnings visibility for the next three years.

Balance sheet

			Change	
(€ m)	30 sep 2021	31 mar 2021	€	%
Other fixed assets	33.3	19.0	14.3	76%
Deferred tax assets	12.0	13.8	(1.8)	(13%)
Non-current assets	45.3	32.8	12.5	38%
Inventories	1,601.1	1,394.5	206.6	15%
Trade receivables	54.5	46.0	8.5	18%
Other current assets	64.3	27.6	36.7	133%
Unrestricted cash	70.0	123.5	(53.5)	(43%)
Restricted cash	80.4	62.6	17.8	28%
Current assets	1,870.3	1,654.2	216.1	13%
Total assets	**1,915.6**	**1,687.0**	**228.6**	**14%**
Equity	945.7	994.3	(48.6)	(5%)
Of which: own shares	(51.6)	(65.1)	13.5	(21%)
Non-current borrowings	316.6	88.4	228.2	258%
Other non-current liabilities	1.6	1.1	0.5	45%
Deferred tax liabilities	0.3	-	0.3	-
Non-current liabilities	318.5	89.5	228.9	256%
Developer loans due in the long term	186.4	165.0	21.4	13%
Current borrowings	51.4	98.9	(47.5)	(48%)
Trade payables	161.3	160.2	1.1	1%
Customer down payments	202.5	131.8	70.7	54%
Other current liabilities	49.9	47.3	2.6	5%
Current liabilities	651.5	603.2	48.3	8%
Total equity and liabilities	**1,915.6**	**1,687.0**	**228.6**	**14%**

Statement of cash flows

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Cash and cash equivalents decreased by €35.8m from €186.1m at 31 March 2021 to €150.4m at 30 September 2021.

That movement is attributable to net cash outflows from operating activities of €134.7m, net cash outflows from investing activities of €46.4m and net inflows from financing activities of €145.4m.

The outflows from operating activities were mainly attributable to the €206.6m increase in the balance of inventories (including land investments), the €45.2m increase in trade receivables and other current assets and the €70.7m increase in customer down payments, in line with the Company's compelling sales momentum. The net cash used in investing activities amounted to €46.4m and was primarily shaped by the investment in Áurea Homes, which entailed an outlay of €48.7m.

With respect to the proceeds from corporate fund-raising, note that AEDAS Homes issued €325m of green bonds due August 2026 in H1 2021/22. Those bonds are listed on the Irish Stock Exchange’s Global Exchange Market. The proceeds were used to repay the remaining outstanding syndicated loan balance, of €100m. The green bonds have an associated revolving credit facility of €55.0m. That change in the Company’s financing structure injects visibility in terms of credit ratings and diversifies its sources of financing, with corporate debt gaining weight, extending the maturity profile and increasing the Company’s exposure to fixed rates.

In addition, under the scope of the Commercial Paper Programme renewed in June 2021, the Company issued €6.1m and repaid €10.2m, leaving an outstanding balance of €52.6m due on several dates between the reporting date and November 2022.

As for its mortgaged developer loans, at 30 September 2021, the Company had arranged 66 loans with a total limit of €588.2m. Of that authorised limit, it had drawn down €189.9m as of the reporting date.

Lastly, in order to partially finance the construction of 10 build-to-rent (BTR) developments, the Company arranged a €112.2m facility due July 2025 with Iberia Private Real Assets Credi, SCSp (INCUS). That balance was entirely undrawn at the reporting date.

As regards financing cash outflows, note that the Company invested a net €9.9m in the purchase and sale of own shares in the course of H1 2021/22.

Statement of cash flows

(€ m)	6M ended 30 Sept. 21	12M ended 31 Mar. 2021	Change
Group profit before tax	**33.4**	**(11.0)**	**44.4**
Adjustments for finance income/costs	**9.5**	**5.9**	**3.6**
Net finance cost	14.0	12.4	1.6
Borrowing costs capitalised in inventories	(4.5)	(6.2)	1.7
Change in fair value of financial instruments and exchange differences	(0.1)	(0.3)	0.2
Share of profit/(loss) of associates	**0.3**	**0.2**	**0.1**
Assets impairment losses (net)	0.0	(4.9)	**48.1**
EBIT	**43.2**	**2.6**	**(1.2)**
Depreciation/amortisation and impairment charges	1.4	(2.3)	46.9
EBITDA	**44.6**	**(24.3)**	**24.7**
Other adjustments to profit	0.4	(6.2)	(15.7)
Other cash used in operating activities	(21.9)	(135.7)	93.4
Change in working capital excluding land purchases/sales	(42.3)	2.7	(118.2)
Change in working capital derived from land purchases/sales	(115.5)	(165.9)	31.2
(A) Net cash used in operating activities	**(134.7)**	**(2.0)**	**(53.0)**
Investments in group companies and associates	(55.0)	(0.3)	(0.4)
Investments in other PP&E and intangible assets	(0.7)	-	(0.6)
Investments in other financial assets	(0.6)	-	9.9
Proceeds from the sale of other financial assets	9.9	-	-
(B) Net cash used in investing activities	**(46.4)**	**(2.3)**	**(44.1)**
Repurchase/sale of own shares	(9.9)	(7.6)	(2.3)
Issuance and repayment of borrowings	217.4	180.9	36.5
Dividends and payments on other equity instruments	(62.2)	-	(62.2)
(C) Net cash from financing activities	**145.4**	**173.3**	**(27.9)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(35.7)**	**5.1**	**(40.8)**

06.3. Borrowings, liquidity and capital resources

At 30 September 2021, **the Company's gross borrowings stood at €554.4m**: €186.3m (amortised cost) of bank loans (mortgages used to finance work in progress; note that €27.6m finances developments that are ready for delivery) and €368.0m of corporate debt (amortised cost), made up of €51.4m of outstanding commercial paper and €316.6m of capital markets issues.

New financing structure thanks to the €325m green bond issue

Net debt increased by €255.6m from 31 March 2021 to €484.4m, due mainly due to the €181.8m increase in corporate debt and growth of €16.9m in developer loans. The available cash balance, meanwhile, declined by €53.5m, due to the investments made in land and the payment of €62.2m of dividends last July. As a result, due to the seasonality of the business, the Company's LTV and LTC ratios were higher at 30 September 2021 than they were at year-end (31 March 2021), which is the time of the year when the bulk of home deliveries are concentrated, triggering a significant reduction in net debt and leverage; they were in line, however, with the levels reported at 30 September 2020.

Alternative financing agreement of €112m to finance the development of 10 build-to-rent projects

Financial leverage

	30 sept 2021	31 march 2021	30 sept 2020
Net financial debt (€m)	484,4	228,8	429,2
LTC[1]	30.3%	16.4%	29.3%
LTV[2]	23.9%	12.0%	21.8%
Net financial debt / EBITDA (LTM)	2.7x	1.7x	6.2x

1. Calculated as Net Financial Debt divided by inventory
2. Calculated as Net Financial Debt divided by total GAV

In terms of the debt maturity profile, it is worth noting that the Company's current liabilities primarily include €186.3m of developer loans that mature in the long term and €51.4m of short-term MARF-listed commercial paper. Non-current liabilities amounted to €316.6m. As a result, 91% of the Company's total borrowings fall due in the long term.

91% of the Company's total borrowings fall due in the long term

The face value of the undrawn limit on the borrowings arranged by the Company stands at €1.03bn, €646.5m of which consists of developer loans.

The snapshot of AEDAS Homes' borrowings reveals a **diversified mix of sources of financing and lenders, so that its financial risk is not concentrated**.

At the September 2021 close, the Company's average borrowing cost was 3.22%. If the Company were to draw down the entire limit, its borrowing cost would be 3.48% and the average cost of its developer loans would be 2.95%.

Trend in net debt

(€m)	30 Sept. 2021	31 Mar. 2021	30 Sept. 2020	Change vs. 31 Mar. 2021	Change vs. 30 Sept. 2020
(A) Secured debt	186.3	169.4	280.4	16.9	-94.1
(B) Corporate debt	368.0	186.2	238.9	181.8	129.1
Syndicated loan	-	100.0	149.1	-100.0	-149.1
Commercial paper (MARF-listed)	51.4	54.7	53.3	-3.3	-1.9
Other corporate debt	-	31.5	38.0	-31.5	-38.0
Capital markets issues	316.6	-	-	316.6	316.6
Gross debt (A + B)	554.4	355.5	519.3	198.9	35.1
(C) Available cash	70.0	123.5	90.1	-53.5	-20.1
Net debt before prepayments (A + B - C)	484.4	232.0	429.2	252.4	55.2
(D) Cash tied to development prepayments	80.4	62.6	51.1	17.8	29.3
TOTAL CASH (C+D)	**150.4**	**186.2**	**141.2**	**-35.8**	**9.2**

Breakdown of bank borrowings

Lender bank	Arranged	Drawn
	Developer mortgage loans	
Santander	160.8	34.1
Iberia Private Real Estate	112.2	0.0
BBVA	106.5	38.4
Caixa	105.6	52.7
Ibercaja	54.0	10.2
Sabadell	40.9	16.2
Abanca	39.5	2.9
Targobank	36.1	20.7
Bankinter	21.2	4.0
Kutxabank	14.2	6.6
Cajasur	9.4	4.2
Total	**700.4**	**190.0**

Dividend policy

AEDAS Homes has articulated its shareholder remuneration policy around three cornerstones: (i) net profit; (ii) visibility into cash generation; and (iii) leverage metrics and the liquidity needed to fund organic growth.

The dividend payment motions submitted by the Board of Directors for approval at the Annual General Meeting will at any rate comply with applicable legislation and corporate governance practices, including benchmark international corporate governance recommendations on shareholder remuneration.

The Company's Board of Directors agreed the following on 21 July 2021:

> 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 would 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%.

Payment method: The dividend will be paid in cash or via the delivery of own shares.

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.

Own shares

The **number of shares bought back** between the start of the repurchases on 7 August 2019 and 30 September 2021 totals **3,728,690**, which is equivalent to **7.96% of the company's capital;** those shares were bought back for **€74,882,579.5**, i.e., at an average price of **€20.08/share.**

In June 2021, the Company delivered 30,090 own shares (purchased for €593,134) to employees, so honouring its commitment under the long-term incentive plan.

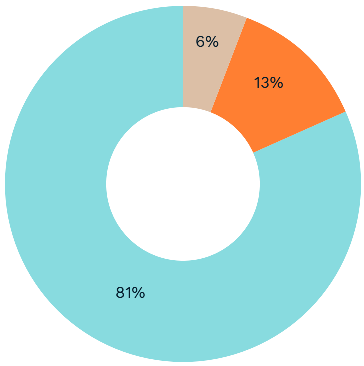
The Company placed a capital reduction (consisting of the cancellation of 1,160,050 shares that had been acquired for €22,702,269) on public record on 27 July 2021. The capital decrease took effect for official trading purposes on 24 August 2021.

Factoring in the cancellation of those 1,160,050 shares and the delivery of the 30,090 under the LTIP, the **number of own shares** held at 30 September 2021 was 2,538,550, which is equivalent to **5.42% of capital**; those shares were bought for **€51,587,176**, i.e., at an average price of **€20.32/share.**

The breakdown of the Company's treasury stock at 30 September 2021:

Own shares, H1 2021/22	Shares	% of capital
Discretionary Programme	148,724	0.31%
Block trades	2,066,475	4.42%
Repurchase Programme	323,351	0.69%
Total	**2,538,550**	**5.42%**

Portfolio of own shares by acquisition route



Average supplier payment term

Suppliers were paid at **62.93 days** on average in H1 2021/22. That balance exceeds the legal limit by 2.93 days and is primarily attributable to ad-hoc delays during the summer holidays in receiving progress billings and, by extension, a delay in payment processing and administration by the banks. Normalisation of business activities will naturally drive the Company's payment period back under the 60 day threshold.

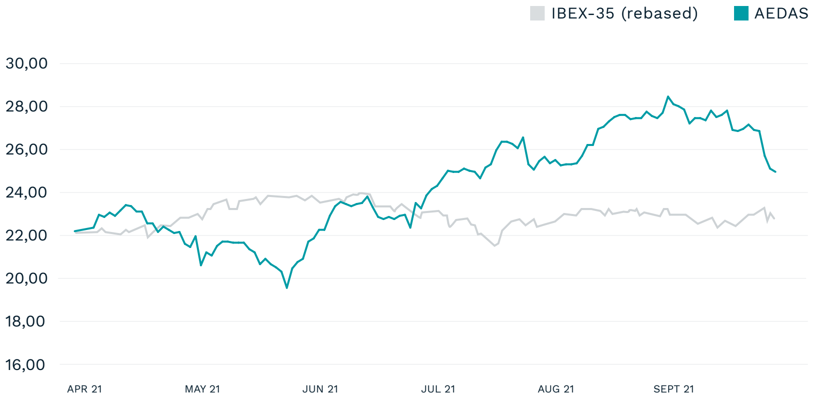
Average supplier payment term	H1 2021/22	FY 2020/21	FY 2020 (1 Jan - 31 Mar)	2019
Days				
Average supplier payment term	62.93	61.45	46.39	56.01
Paid transactions ratio	63.23	63.28	57.46	58.64
Outstanding transactions ratio	61.85	48.71	32.18	39.06

07. Share price performance and CNMV filings

07.1. Share price performance

At 30 September 2021, AEDAS Homes' share price was trading at a discount of 26% to the NAV reported as of 31 March 2021. AEDAS Homes' share price started the reporting period at €22.25/share, reaching a high for the six-month period of €28.60/share on 2 September and marking a low of €19.32/share on 26 May. It closed September 2021 at €25.00, implying a gain of 12% in H1 2021/22. Liquidity, meanwhile, continued to trend higher: the number of shares traded in H1 2021/22 was equivalent to 15% of the total outstanding.

AEDAS' SHARE PRICE PERFORMANCE vs. IBEX-35



07.2. CNMV filings

Publication date	› ORI › Inside information › Financial/ corp. information	Type	Summary content	Registration no.
06/04/21	ORI	On business and financial situation	FY 2020-21 advance of new-build home deliveries	8378
06/04/21	ORI	Buy-back programmes, stabilisation and treasury stock	March 30th to April 1st 2021 Share Buy-Back report	8438
12/04/21	ORI	Buy-back programmes, stabilisation and treasury stock	6th to 12th April 2021 Share Buy-Back summary report	8541
19/04/21	ORI	Buy-back programmes, stabilisation and treasury stock	13th to 19th April 2021 Share Buy-Back report	8725
26/04/21	ORI	Buy-back programmes, stabilisation and treasury stock	20 - 26 April 2021 Share Buy-Back Report	8852
04/05/21	ORI	Buy-back programmes, stabilisation and treasury stock	27 April to 3 May 2021 Share Buy Back Report	9156
05/05/21	ORI	Other relevant information	FY 2020-21 results webcast and conference call announcement	9222
10/05/21	ORI	On business and financial situation	FY 2020-21 results presentation	9312
10/05/21	ORI	On business and financial situation	Integrated Annual Report 2020-21	9313
10/05/21	ORI	Half-yearly financial reports and audit reports/limited audit review	Submission of financial information for the second half of FY 2020-21	9327
10/05/21	ORI	Annual report on director remuneration	Submission of annual statement on director remuneration for 2020	9333
10/05/21	ORI	Announcement of general shareholders' meeting	Aedas Homes, S.A. Ordinary General Shareholders' Meeting 2021 announcement of call	9338
10/05/21	ORI	Buy-back programmes, stabilisation and treasury stock	May 4th to 10th Share Buy-Back Report	9339
11/05/21	ORI	Annual corporate governance report	Submission of annual corporate governance report for 2020	9356
12/05/21	ORI	On business and financial situation	Pricing of €325m secured senior notes	9383
17/05/21	ORI	Buy-back programmes, stabilisation and treasury stock	May 11th to 17th Share Buy-Back Report	9484
24/05/21	ORI	Buy-back programmes, stabilisation and treasury stock	May 18th to 24th Share Buy-Back Report	9570
01/06/21	ORI	Buy-back programmes, stabilisation and treasury stock	May 25th to 31st Share Buy-Back Report	9735
08/06/21	ORI	Buy-back programmes, stabilisation and treasury stock	June 1st to 7th Share Buy-Back Report	9879
14/06/21	ORI	Buy-back programmes, stabilisation and treasury stock	June 8th to 14th Share Buy-Back Report	9984
16/06/21	ORI	On financial instruments	Registration of "AEDAS HOMES 2021 Commercial Paper Notes Program" on the Alternative Fixed-Income Market (MARF)	10026
18/06/21	ORI	Announcement of general shareholders' meeting	Decisions reached at the Ordinary General Shareholders Meeting hosted on June 18th, 2021, related to the 2020-2021 year-end	10094
18/06/21	ORI	Other relevant information	Information about payment calendar of the dividend agreed under the Ordinary Shareholders Meeting hosted on June 18th, 2021	10096
22/06/21	ORI	Buy-back programmes, stabilisation and treasury stock	June 15th to 21st Share Buy-Back Report	10130
23/06/21	ORI	Other relevant information	Virtual Strategic Update webcast announcement	10145
29/06/21	ORI	Buy-back programmes, stabilisation and treasury stock	June 22nd to 28th Share Buy-Back Report	10221
29/06/21	ORI	Other relevant information	Financial Targets of the new 5-year Business Plan	10227
29/06/21	ORI	On business and financial situation	Strategic update presentation_June 2021	10249
06/07/21	ORI	Buy-back programmes, stabilisation and treasury stock	June 29th to July 5th Share Buy-back report	10473
13/07/21	ORI	Buy-back programmes, stabilisation and treasury stock	July 6th to 12th Share Buy-back Report	10577

15/07/21	ORI	Other relevant information	1Q 2021/22 results webcast and conference call announcement	10643
19/07/21	ORI	Buy-back programmes, stabilisation and treasury stock	July 13th to 19th Share Buy-back Report	10697
21/07/21	ORI	On business and financial situation	Q1 2021/22 results presentation	10738
22/07/21	ORI	Other relevant information	Shareholder remuneration policy	10747
26/07/21	ORI	Buy-back programmes, stabilisation and treasury stock	July 19th to 26th 2021 Share Buy-Back Report	10828
29/07/21	ORI	On corporate transactions	Presentation about the acquisition of assets and liabilities of Aurea Homes	11018
02/08/21	ORI	Buy-back programmes, stabilisation and treasury stock	Share Buy Back Report from July 27th to August 2nd 2021	11172
09/08/21	ORI	Buy-back programmes, stabilisation and treasury stock	3-9 August 2021 share buy-back summary	11274
12/08/21	ORI	Total number of voting rights and capital	Registration of share capital reduction	11297
17/08/21	ORI	Buy-back programmes, stabilisation and treasury stock	August 10th to 16th 2021 Share Buy-Back Report	11325
23/08/21	ORI	General Shareholders' Meeting Regulations	Submission of the general meeting regulations	11355
24/08/21	ORI	Buy-back programmes, stabilisation and treasury stock	August 17th to 23rd 2021 Share Buy-Back Report	11362
31/08/21	ORI	Buy-back programmes, stabilisation and treasury stock	August 24th to 30th 2021 Share Buy-Back Report	11422
07/09/21	ORI	Buy-back programmes, stabilisation and treasury stock	August 31st to September 6th 2021 Share Buy-Back Report	11547
13/09/21	ORI	Buy-back programmes, stabilisation and treasury stock	September 7th to 13th 2021 Share Buy-back Report	11651
20/09/21	ORI	Buy-back programmes, stabilisation and treasury stock	September 14th to 20th 2021 Share Buy-back Report	11752
28/09/21	ORI	Buy-back programmes, stabilisation and treasury stock	September 21st to 27th 2021 Share Buy-back Report	11831

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08. Events after the reporting date

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:

> On 19 October 2021, the Board of Directors of AEDAS HOMES, S.A., on the basis of a favourable report by its Appointments and Remuneration Committee, took the following decisions: 1) to appoint Santiago Fernández Valbuena, an independent director, as the Chairman of the Company's Audit and Control Committee, replacing Javier Lapastora Turpin, whose four-year tenure as chair had elapsed (Mr. Lapastora continues to sit on the committee); and 2) to revise the directorship category of Javier Martínez-Piqueras, who from here on will be classified as an "Other external director".

> On 8 November 2021, AEDAS HOMES OPCO, S.L.U. acquired a 20% equity interest in ESPEBE 11, S.L. 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 that same date, AEDAS HOMES OPCO, S.L.U. resolved to change the name of ESPEBE 11, S.L.U. to AEDAS HOMES SERVICIOS INMOBILIARIOS,S.L.U. The latter will hereinafter be the entity that provides real estate management services within the AEDAS Homes Group, duly equipped with the resources needed to do so.

> On 17 November 2021, AEDAS HOMES OPCO, S.L.U. transferred interests in the companies that are presently party to management agreements to AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U., specifically equity interests of 52% in Domus Avenida, S.L., 50% in Espacio Aurea, S.L., 20% in Allegra Nature, S.L., 22.5% in Residencial Henao, S.L., 14.81% in Aurea Etxabakoitz, S.L. and 17.13% in Residencial Ciudadela Uno, S.L. In addition, on that same date, AEDAS HOMES OPCO, S.L.U. transferred 100% ownership interest in AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U. to AEDAS HOMES, S.A.

> Between 1 October 2021 and the date of authorising these interim condensed consolidated financial statements for issue, the AEDAS Group has arranged mortgages in an aggregate amount of 28,366,000 euros in order to finance 4 developments in progress. Those mortgages carry interest at EURIBOR plus spreads ranging between 225 and 250 basis points.

> At the close of trading on 22 November 2021, AEDAS Homes held 2,572,777 own shares, representing 5.497% of its capital; they were bought back at an average price of 20.37 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 357,578 shares, representing 0.76% of capital; they were acquired at an average price of 25.16 euros per share. Lastly, the number of shares bought back via block trades totals 2,066,475, representing 4.42% of capital; those shares were purchased at an average price of 19.55 euros per share.

Tegea. Vilanova i la Geltrú

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 aprobar los Estados Financieros Intermedios Resumidos Consolidados de AEDAS HOMES, S.A., correspondientes al periodo de seis meses finalizado el 30 de septiembre de 2021, 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 señores Consejeros de la sociedad, cuyos nombres y apellidos constan a continuación, de lo que doy fe.

23 de noviembre de 2021

El Secretario no Consejero

D. Alfonso Benavides Grases

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 approve the Interim Condensed Consolidated Financial Statements for the six months period ended September 30th, 2021, 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 23rd , 2021

Non-director Secretary

Mr. Alfonso Benavides Grases

D. Santiago Fernández Valbuena

Mr. Santiago Fernández Valbuena

D. David Martínez Montero

Mr. David Martínez Montero

D. Eduardo D'Alessandro Cishek

Mr. Eduardo D'Alessandro Cishek

D. Evan Andrew Carruthers

Mr. Evan Andrew Carruthers

D. Francisco Javier Martínez-Piqueras

Mr. Francisco Javier Martínez-Piqueras

D. Javier Lapastora Turpín

Mr. Javier Lapastora Turpín

D. Miguel Temboury Redondo

Mr. Miguel Temboury Redondo

Dña. Cristina Álvarez Álvarez

Ms. Cristina Álvarez Álvarez

Dña. Milagros Méndez Ureña

Ms. 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 2021 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 un análisis 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:

D. Santiago Fernández Valbuena
Presidente

D. David Martínez Montero
Consejero Delegado

D. Eduardo D’Alessandro Cishek
Consejero

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 make the 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, 2021, 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:

Mr. Santiago Fernández Valbuena
Chairman

Mr. David Martínez Montero
Chief Executive Officer

Mr. Eduardo D'Alessandro Cishek
Board Member

D. Evan Andrew Carruthers
Consejero

D. Evan Andrew Carruthers
Board Member

D. Javier Lapastora Turpín
Consejero

Mr. Javier Lapastora Turpín
Board Member

D. Miguel Temboury Redondo
Consejero

Mr. Miguel Temboury Redondo
Board Member

Dña. Milagros Méndez Ureña
Consejera

Mrs. Milagros Méndez Ureña
Board Member

Dña. Cristina Álvarez Álvarez
Consejera

Mrs. Cristina Álvarez Álvarez
Board Member

D. Francisco Javier Martínez-Piqueras
Consejero

Mr. Francisco Javier Martínez-Piqueras
Board Member

23 de noviembre de 2021
Madrid

November 23rd, 2021
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.

Madrid
23 de noviembre de 2021

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

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
November 23th 2021

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