



Balance (Mijas-Málaga)

1Q24 RESULTS PRESENTATION



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Rationale behind the use of the proportionate method

Grupo INSUR (Insur) , whose parent company is Inmobiliaria del Sur, S.A., develops two main activities, housing development and rental.

The rental activity is carried out by Insur Patrimonial, S.L.U. (IPAT), fully owned by Insur, as well as by other companies which are also fully owned by IPA (except for IDS Madrid Manzanares, S.A. where Insur has a 90% stake)

The housing development activity is conducted through a company fully owned by Insur, Insur Promoción Integral, S.L.U., (IPI), which in turn holds shares in different companies. In order to increase the activity and also to diversify the risks, a significant part of this business is carried out through joint ventures in companies where Grupo Insur has a significant stake. With a view of increasing the quality of the houses, obtaining better customization options and a stricter control on the works, the Group develops the construction activity both for its fully owned developments and for the JV's. This instrumental activity is carried out by IDS Construcción y Desarrollos, S.A.U, which is fully owned by IPI.

As the Group does not have the control over the JVs, in the sense that it cannot decide unilaterally the financial and activity policies, but it shares these decisions with the rest of the partners, these JVs are **consolidated by the equity method** as established in the IFRS II.

Accordingly, the IFRS consolidated financial statements do not include the proportional part of the Group in the assets, liabilities, incomes and expenditures of such JVs. The Group is fully involved in the management of these JVs which consolidate by the equity method, not just because it holds at least the 50% of the equity, but because it carries the operating management based on the management, construction and marketing contracts undersigned, as these JVs lack from human and material resources.

Therefore, since the activities of these companies are monitored internally on a proportional basis, based on the percentage of ownership in each one, the Parent's directors consider that for a better understanding and analysis of its consolidated business and, above all, of the true magnitude of its activities, the volume of assets managed and the size of its financial and human resources, it is more appropriate to present this information using the **proportional consolidation method**.

At the end of this presentation can be found a **conciliation between the financial statements consolidated by both methods**.

Main Highlights



- ▶ **Revenues** increased by 121.3% compared to 1Q23 to reach €36.1m, driven by the growth of the Promotion, Construction and Services business lines.
- ▶ **Ability to generate resources**, with EBITDA increasing by 78.6% vs 1Q23 and standing at €6.4m.
- ▶ **High operational capacity**. Activity level at historical highs, with a total of 1,303 homes and three tertiary office buildings under construction with a total buildable area of 29,400 sqm.
- ▶ **Good commercial performance in 1Q24** with sales in units in line with those registered in 1Q23, although 18.9% higher in € to reach €32.8m (+10.3% proportionally).
- ▶ **Solid performance of the rental activity** with an improvement of 1 p.p. vs 4Q23 of the occupancy rate to stand at 88.7% and an increase in annualized rent of €0.4m, reaching €18.5m.
- ▶ **Increase in NAV** by €6.0m to reach €358.5m, which demonstrates the ability to create value.
- ▶ **Reduction of NFD** by €3.9m vs 4Q23 to €236.6m.
- ▶ **Asset sales in 1Q24** (€0.4m from two stores) 11.9% higher than CBRE valuation.

Executive summary 1Q24

Figures by proportionate method
 €m = million Euros
 Var % y-o-y
 ASP= Average sale price

Financial data

- Revenues**
 - ▶ €36.1m +121.3%
 - EBITDA (1)**
 - ▶ €6.4m +78.6%
 - Adjusted EBITDA (1)(2)**
 - ▶ €6.2m +75.0%
 - EBIT**
 - ▶ €5.3m +178.2%
 - Net Profit**
 - ▶ €3.6m vs €0.2m in 1Q23
 - NFD**
 - ▶ €236.6m (-1.6% vs 4Q23)
 - Total investment**
 - ▶ €0.3m in Capex
- Homebuilding**
 - ▶ €25.0m +181.7%
 - Rentals**
 - ▶ €4.5m 0.0%
 - Construction**
 - ▶ €5.6m +162.5%
 - Services**
 - ▶ €1.1m +27.3%

Homebuilding operating data

- Deliveries**
 - ▶ 69 units / ASP €461k
- Pre-sales**
 - ▶ 95 units / ASP €346k
- Accumulated pre-sales**
 - ▶ 747 units / ASP €317k
- Total units**
 - ▶ 3,817 units

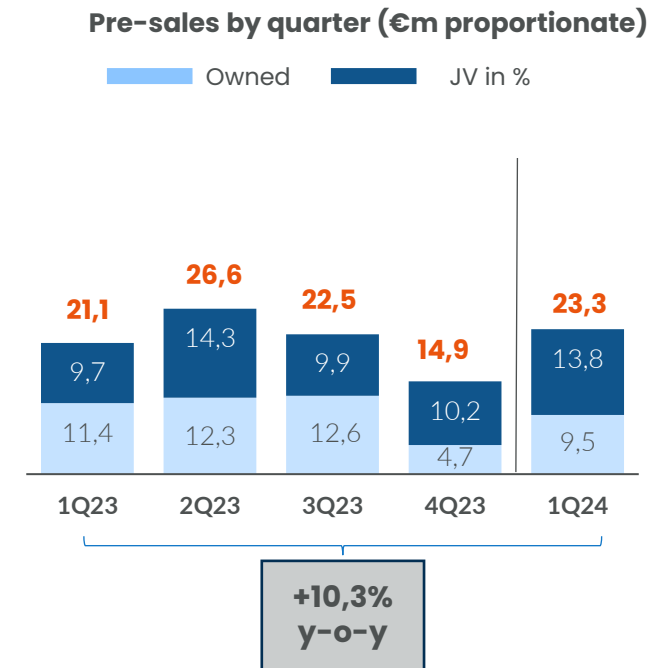
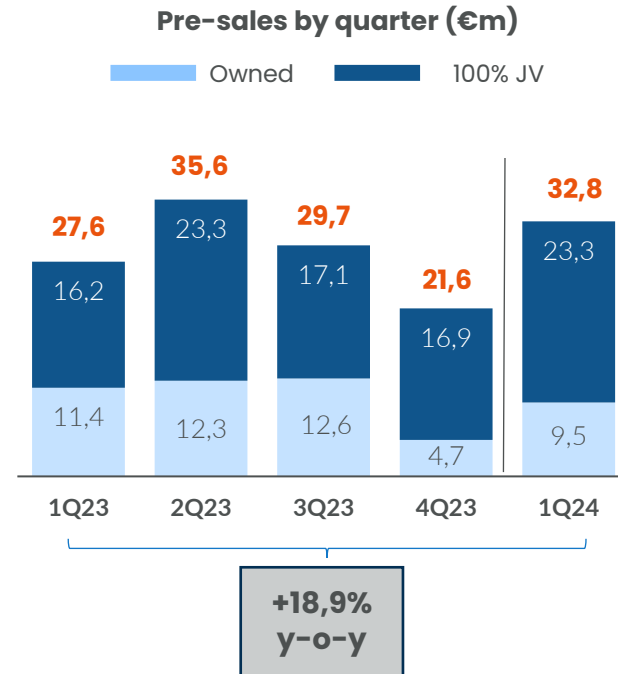
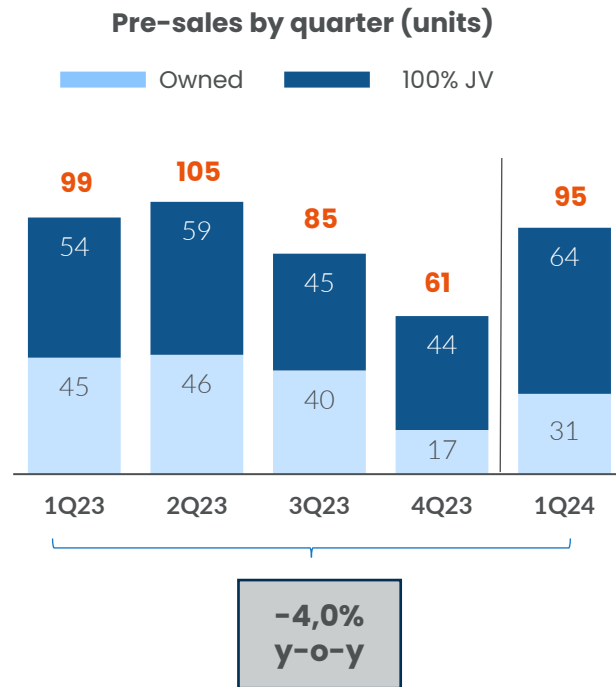
Rental operating data

- Occupancy rate**
 - ▶ 88.7% (+1.0 p.p vs 4Q23)
- In portfolio**
 - ▶ 122,000 sqm and 3,000 parking spots

(1) In order to reflect a true image of the profitability of the development business, EBITDA has been adjusted by €0M (€0.2m in 1Q23) due to the difference between the fair value and the cost in Desarrollos Metropolitanos del Sur, S.L. of the homes delivered by this company in each period.

(2) Does not have into account assets turnover.

Homebuilding. Pre-sales



1Q24

95 units

€32,8m (€23,3m in proportionate)

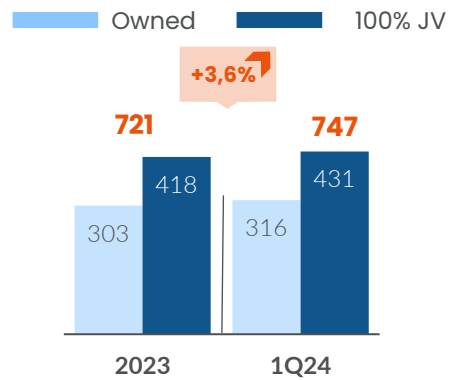
31 units fully owned, ASP of €307k

ASP €346k

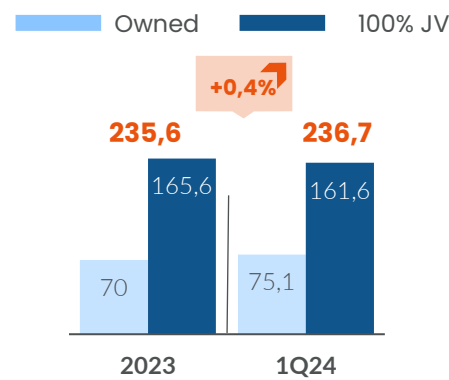
Homebuilding.

Accumulated pre-sales

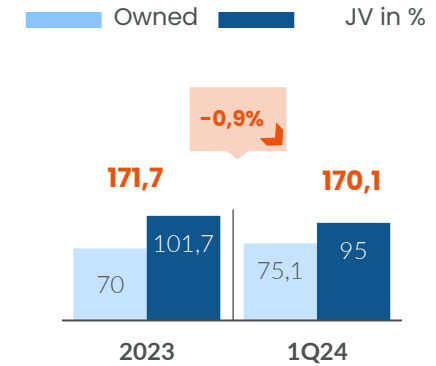
Accumulated pre-sales (units)



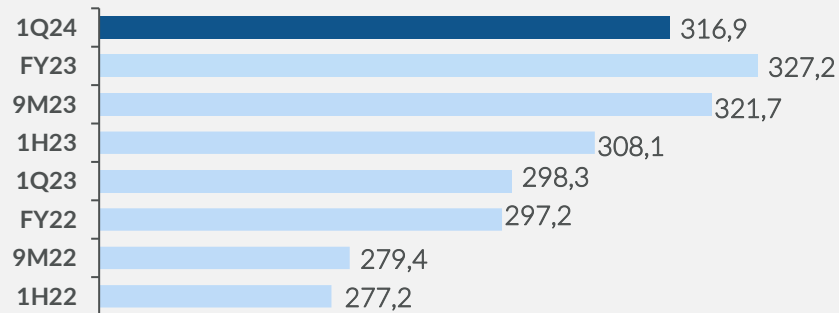
Accumulated pre-sales (€m global)



Accumulated pre-sales (€m proportionate)

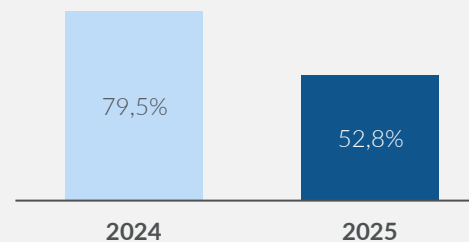


Accumulated pre-sales ASP (€k)



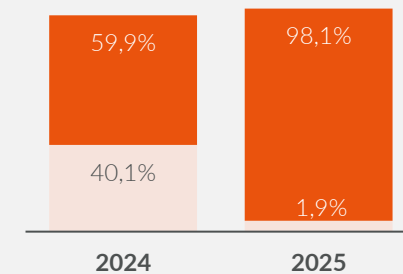
Pre-sales coverage 2024E-2025E

(% over estimated deliveries)



Construction progress

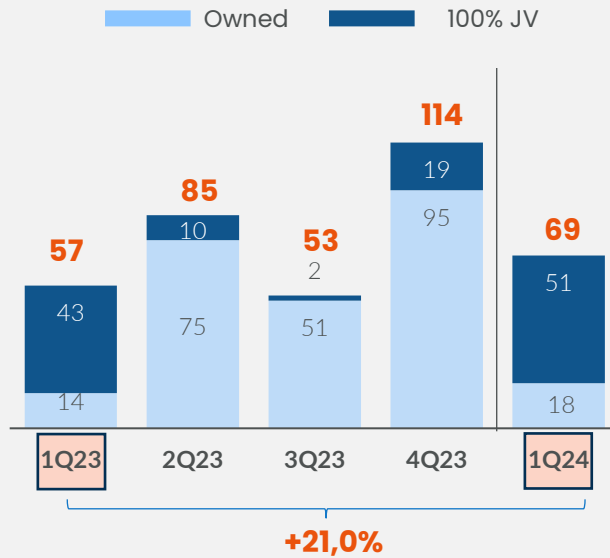
(% over pre-sales coverage)



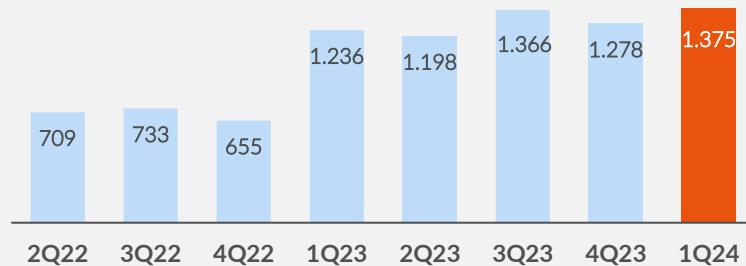
Under construction
Completed

Homebuilding. Deliveries

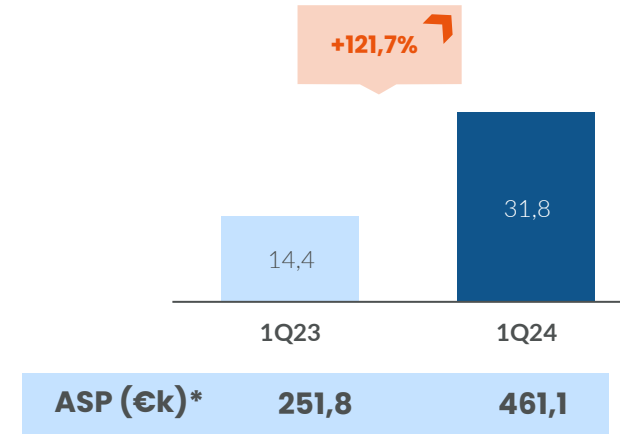
Deliveries by quarter (units)



Quarterly evolution of WIP and completed units at maximum levels

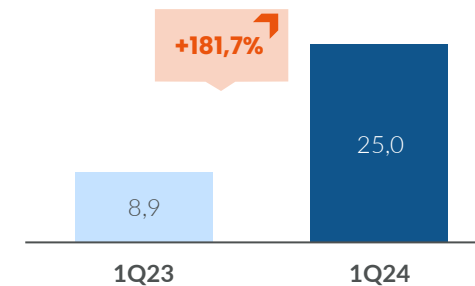


Homebuilding revenues (€m global)

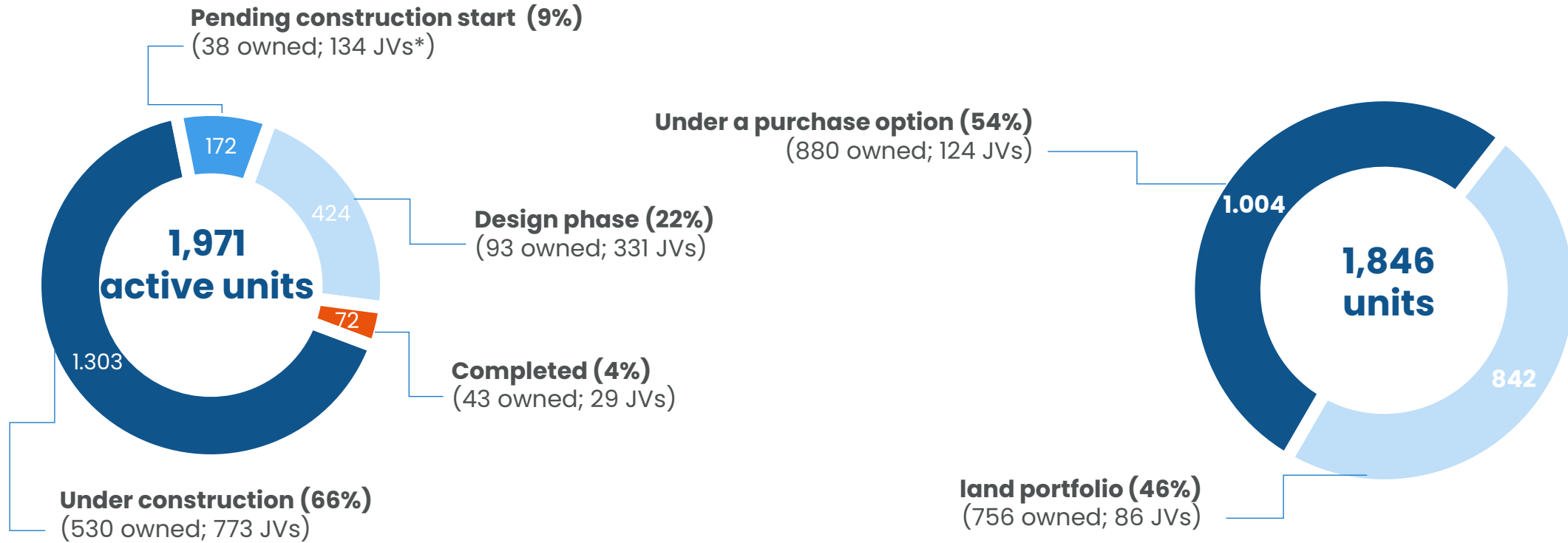


*ASP includes the delivery in the quarter of housing developments in Madrid with a higher sales price.

Homebuilding revenues (€m proportionate)



Residential land bank of 3,817 units



* Includes 77 units from a joint account

MARKETING: 1,547 units
(48.3% sold)

- ▶ Start of construction in 1Q24 of 166 homes
- ▶ Construction of 388 additional homes planned to begin in 2024

Residential activity. Geographic breakdown

📍 Andalucía

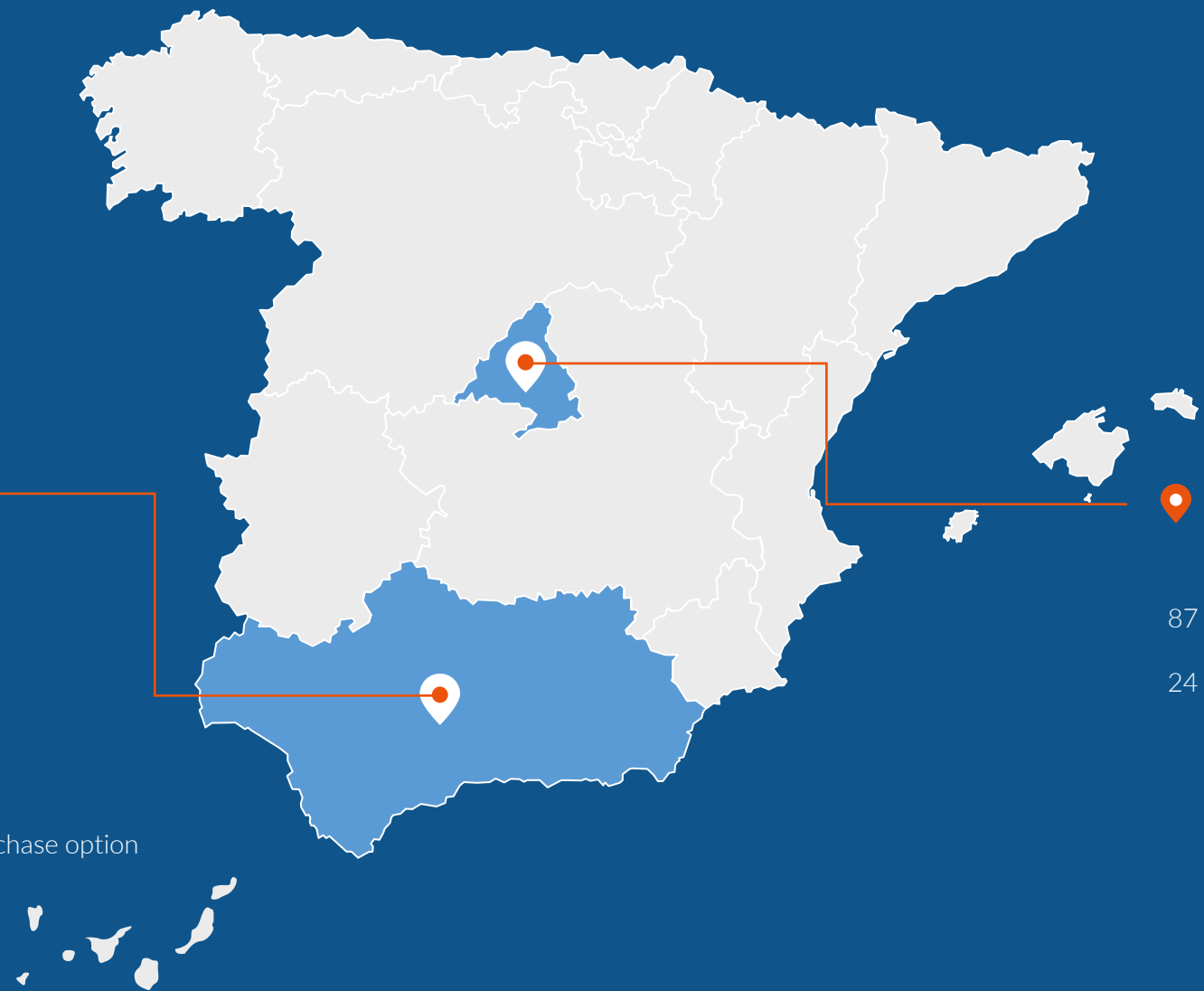
1.216 units under construction

172 units pending construction start

424 in design phase

48 units completed

1.846 in land portfolio and under a purchase option



📍 Madrid

87 units under construction

24 units completed

P&L: Homebuilding

€m (proportionate)	03.31.24	03.31.23	Var %
Homebuilding revenues	25,0	8,9	181,7%
Cost of sales	(20,2)	(6,9)	194,1%
Gross Margin	4,8	2,0	139,0%
% Gross Margin*	19,2%	22,6%	-3,4 p.p.
Net Margin	3,8	1,1	241,5%
% Net Margin	15,1%	12,4%	+2,6 p.p.
Ebitda⁽¹⁾	3,7	0,9	304,9%
% Ebitda margin ⁽¹⁾	15,0%	10,4%	+4,6 p.p.
Profit before tax	2,3	0,0	n.m.
Net Profit	1,7	0,0	n.m.

*Gross margin is affected by 100 b.p. due to the delivery in the quarter of a low-margin promotion (Santa Aurelia).

(1) No effect of the revaluation of DMS assets registered in 2022 due to the takeover of this company. There are no deliveries from 01/01/24 to 03/31/24 of these assets (in 1Q23 they had a higher cost in the consolidated amount of 0.2 million euros).

Tertiary promotion Ongoing projects

Fulfilling the objective established for 2021-2025:

To grow in terms of tertiary offices developments in Madrid and Málaga



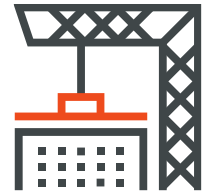
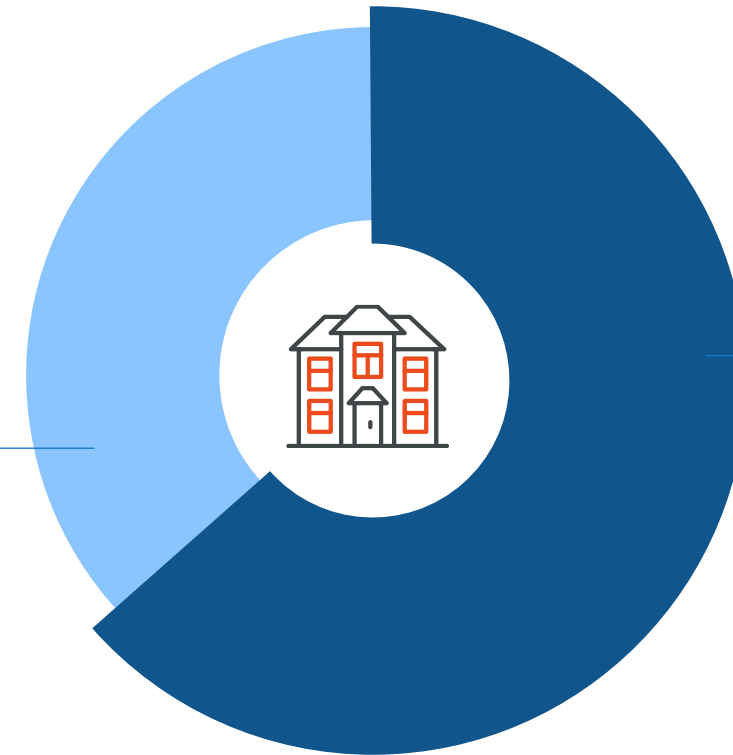
119,954 sqm

Total



24,054 sqm

In portfolio



95,900sqm

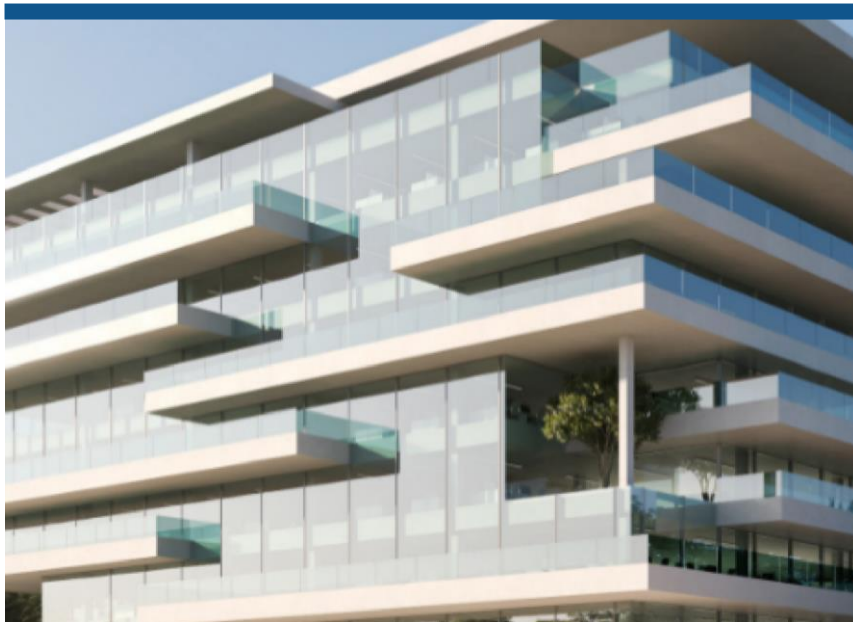
Under development

Tertiary promotion. Ongoing projects. Malaga



Agora building (Malaga capital)

9,500 sqm of offices
Investment⁽¹⁾: **€ 37m**
Under construction since
1Q23
In commercialization



Noa Building (Malaga capital)

10,900 sqm of offices
Investment⁽¹⁾: **€37m**
Construction works started in 1Q24
In commercialization

(1) Planned investment

Tertiary promotion. Ongoing projects. Madrid



Elever building (Las Tablas- Madrid Nuevo Norte)

9,000 sqm of offices
Investment⁽¹⁾: **€ 39m**
Construction works started in
4Q23



Valdebebas

36,500 sqm of tertiary use
Investment⁽¹⁾: **€ 95m**
In commercialization for various tertiary
uses

(1) Planned investment

Tertiary promotion. Ongoing projects. Sevilla

IDS Nervion

8,665 sqm of tourist tertiary use.
Planned investment: **€39m**



Tertiary promotion. Ongoing projects. Cadiz

Hotel Project in Atlanterra (Tarifa)

30,000 sqm buildable
Planned investment: **€85m**



Rentals

122,000 sqm y 3,000 parking spots

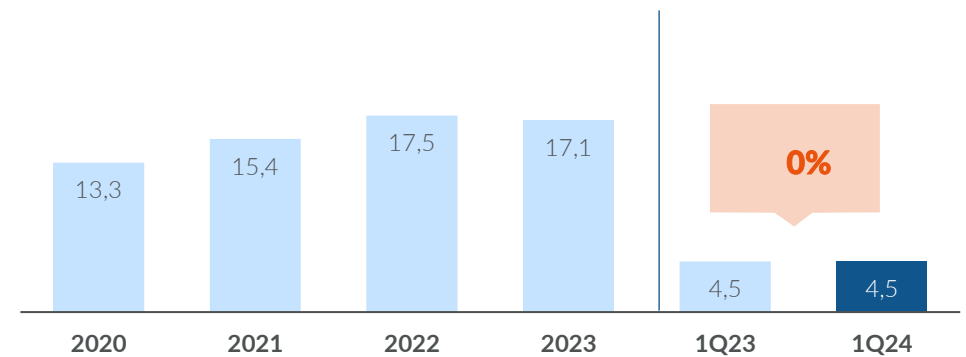
The annualized income* of the contracts in force as of 03/31/24 stands at €18.5m vs €18.1m in 4Q23 motivated by new contracts and the increase in lease prices.

*Calculated as 12 months of income from leases of formalized contracts without considering the start date of rent accrual



Insur Cartuja (Sevilla)

Rental revenues



€0,4m of asset sales from 2 business premises in 1Q24 (+11,9% vs valuation of CBRE)

Rentals

Comercial activity

1Q24 sqm	Contract				Release spread
	Contracted	New contracts	terminations	Renewals	
Offices	2.290	1.836	780	454	10,0%
Hotels	-	-	-	-	-
Commercial premises	1.562	563	424	999	9,3%
TOTAL	3.852	2.399	1.205	1.453	9,7%
Seville	3.549	2.096	937	1.453	9,7%
Madrid	-	-	-	-	-
Cordoba	-	-	-	-	-
Huelva	303	303	267	-	-
TOTAL	3.852	2.399	1.205	1.453	9,7%

- ▶ **New contracts in Q1** of 2,399 sqm and contract resolutions for an area of 1,205 sqm.
- ▶ **Occupancy rate** stood at 88,7% +1,0 p.p. vs 4Q23.

P&L: Rentals

€m (proportionate)	03.31.24	03.31.23	Var %
Rental revenues	4,5	4,5	0,0%
Operating expenses	(0,7)	(0,7)	-2,2%
Result on the sale of investment property	0,1	0,0	n.m.
Ebitda	3,6	3,5	4,0%
Adjusted Ebitda*	3,5	3,5	0,5%
% Adjusted Ebitda margin	78,8%	78,4%	+0,3 p.p.
Financial result**	0,7	(0,8)	n.m.
Profit before tax	3,4	1,6	106,4%
Net Profit (attributable to parent company)	2,5	1,2	108,7%

*Adjusted Ebitda does not include the results of the sale of real estate investments for an amount of 0.125 million euros.

** The financial result includes financial income amounting to €2.2 M due to the impact of the novation of the financial conditions of certain loans in application of IFRS 9.

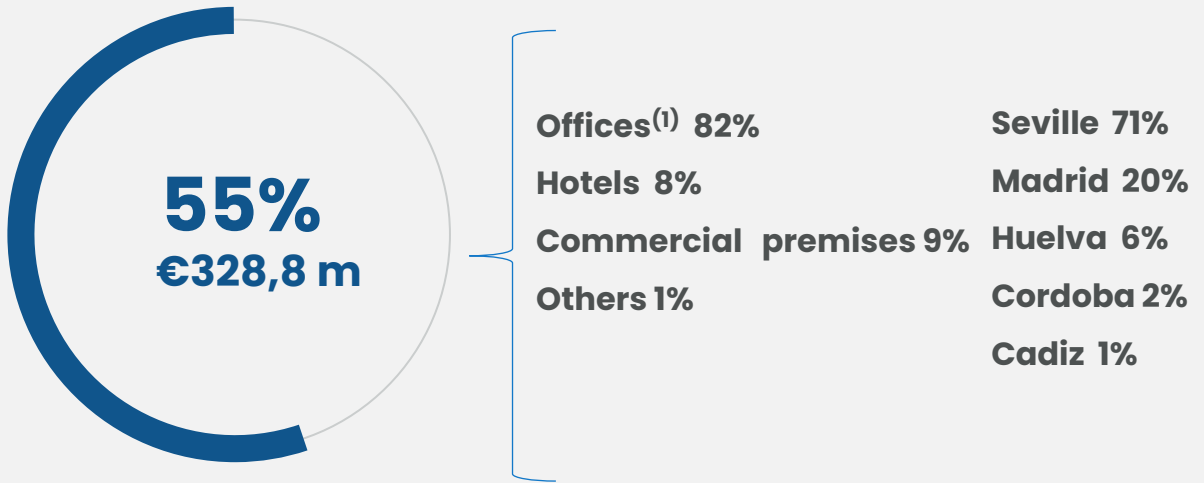
- **Investment in 1Q24 of €0,3m** allocated to the maintenance and remodelling of buildings.

GAV

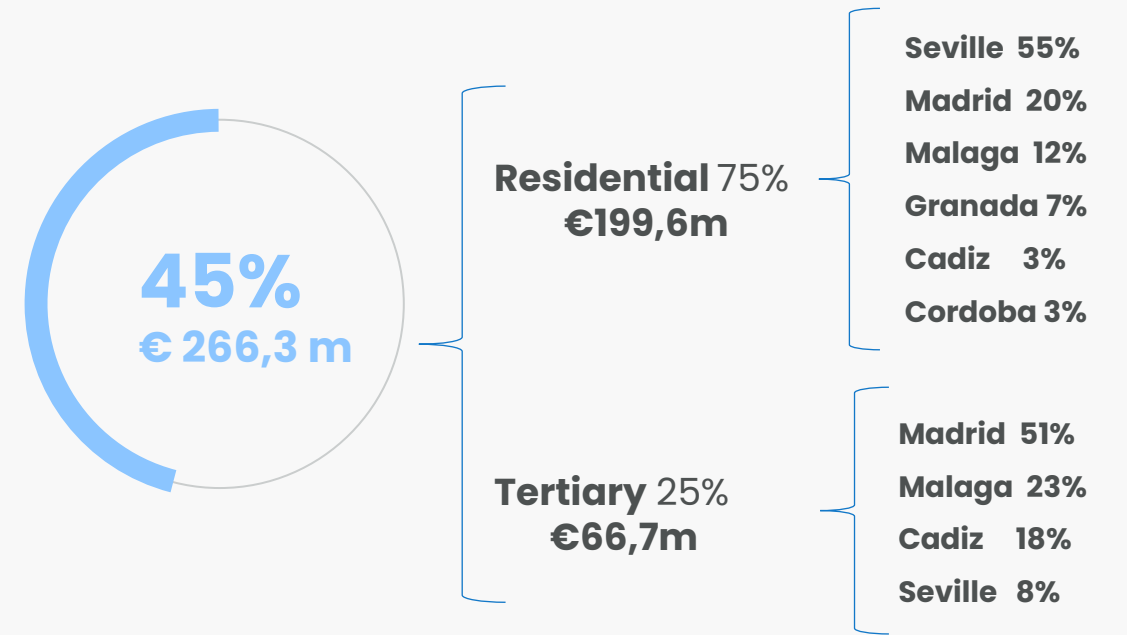
All figures in proportionate

Total €595,1m* +0,3% vs FY23

Rentals (0,0%)



Promotion (+0,8%)



*CBRE valuation as of 12.31.23 and revised with additions at cost value and disposals due to deliveries.

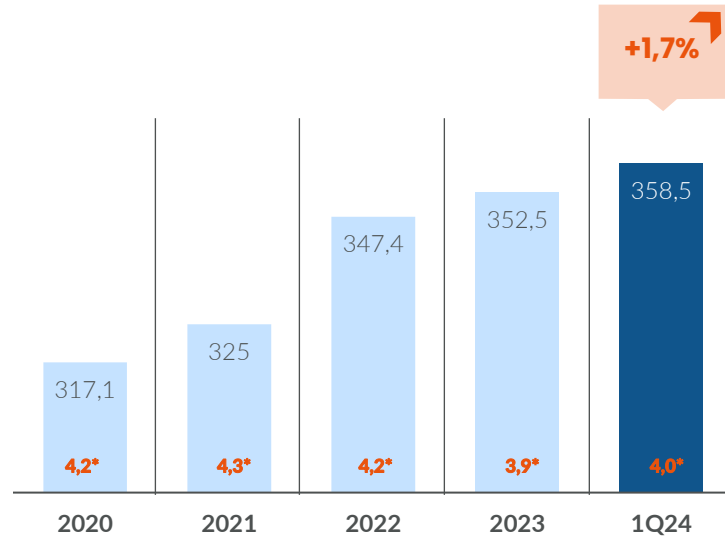
(1) Parking spaces located in office buildings are included.

NAV, LTV and debt

All figures in proportionate

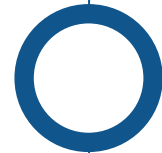
NAV Insur

€m



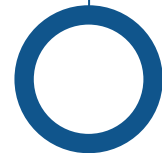
*€m of NAV corresponding to minority interests

The NFD has decreased by 1.6% compared to the end of 2023 and €24.7m compared to the figure recorded in 1Q23, despite having increased inventories by 2.8% in 1Q24 y-o-y.



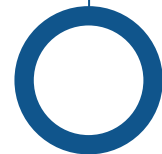
NAV per share

▶ €19.0



Stock Price as of 03.31.24

▶ €7.2

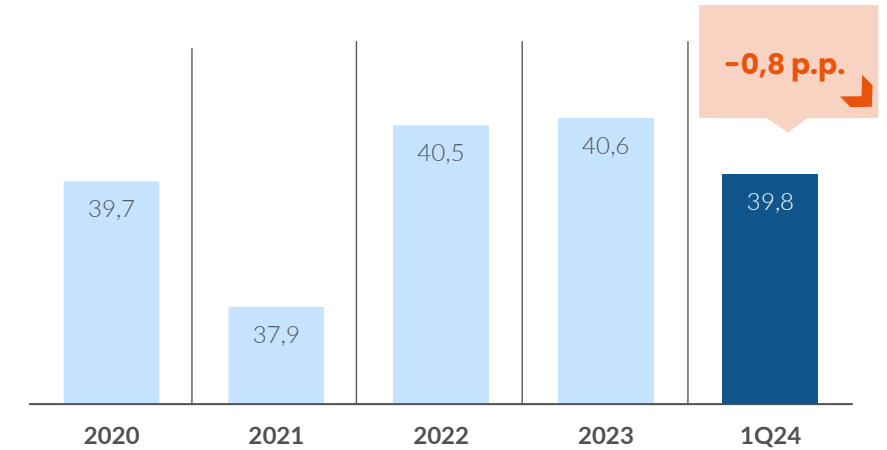


Discount vs NAV*

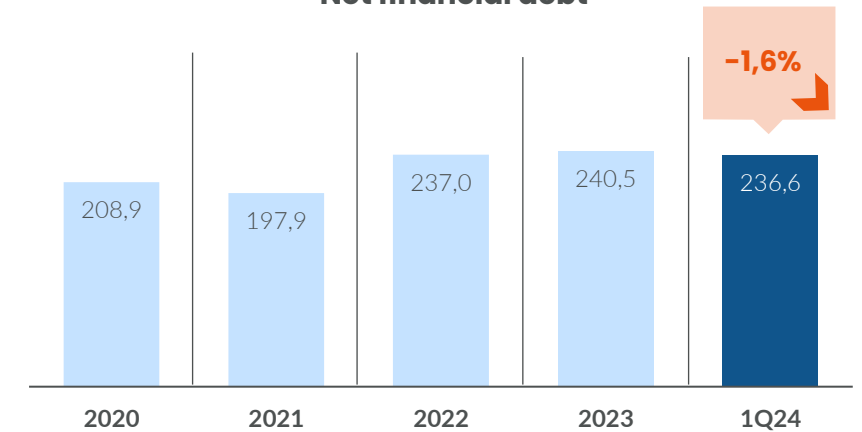
▶ 62.1%

* vs stock price as of 03.31.24

LTV%



Net financial debt



Conciliation between equity and proportionate method:

Consolidated P&L (€m)

	IQ24			IQ23			Var %
	Equity method	Adjustments	Proportionate	Equity method	Adjustments	Proportionate	Proportionate
Revenues	24,3	11,8	36,1	15,5	0,8	16,3	121,3%
Housebuilding	4,4	20,5	25,0	3,4	5,5	8,9	181,7%
Rental	4,5	0,0	4,5	4,5	0,0	4,5	0,0%
Construction	13,1	(7,6)	5,6	6,4	(4,3)	2,1	162,5%
Asset management	2,3	(1,2)	1,1	1,2	(0,4)	0,9	27,3%
Result of entities valued by the equity method	0,9	(0,9)	0,0	0,5	(0,5)	(0,0)	n.s.
EBITDA*	5,5	0,9	6,4	3,4	0,2	3,6	78,6%
Result on the sale of investment property	0,1	-	0,1	0,0	-	0,0	n.s.
Adjusted EBITDA	5,4	0,9	6,2	3,4	0,2	3,6	75,0%
Operating profit	4,4	0,9	5,3	1,7	0,2	1,9	178,2%
Financial result	(0,1)	(0,6)	(0,7)	(1,6)	(0,1)	(1,7)	-60,3%
Profit before tax	4,4	0,3	4,6	0,2	0,1	0,2	n.m.
Net profit	3,6	-	3,6	0,2	-	0,2	n.m.
Profit attributable to parent company	3,6	-	3,6	0,2	-	0,2	n.m.
Profit attributable to minority interest	0,0	-	0,0	0,0	-	0,0	n.m.

*In order to reflect a true image of the profitability of the development business, EBITDA has been adjusted by €0M (€0.2M in IQ23) due to the difference between the fair value and the cost in Desarrollos Metropolitanos del Sur, S.L. of the homes delivered by this company in each period.

Main adjustments:

a) Housebuilding revenues: it increases as it adds the revenue figure of the JVs in the proportion in which Grupo Insur participates in them.

b) Construction revenues: this figure is composed by the incomes generated by the works in the JV developments. When consolidating by the proportionate method, the incomes corresponding to the % of the participation of the Group in these companies are eliminated.

c) EBITDA: the results of companies valued by the equity method in the EU-IFRS income statement are integrated net of income tax expense and include the financial results of joint ventures. In the consolidated P&L under the proportional method, the financial results of the joint ventures are not part of the operating result (and therefore not part of the EBITDA) and the operating result does not include the income tax expense corresponding to the results of the joint ventures.

Conciliation between equity and proportionate method:

Consolidated balance sheet €m

	03.31.24			12.31.23		
	Equity method	Adjustments	Proportionate	Equity method	Adjustments	Proportionate
Property, Plant and Equipment	201,9	0,0	201,9	206,6	0,0	206,6
Financial investments in JVs	19,8	(19,8)	0,0	19,2	(19,2)	0,0
Inventory	127,8	103,1	230,9	115,0	109,7	224,6
Debtors and other receivables	32,8	(7,3)	25,5	32,2	(5,6)	26,7
Other assets	73,0	(35,8)	37,2	73,4	(39,5)	33,9
Restricted cash MARF bond	7,7	0,0	7,7	7,7	(0,0)	7,7
Cash and equivalents	32,6	16,1	48,7	29,3	16,1	45,4
TOTAL ASSETS	495,4	56,3	551,8	483,4	61,5	544,9
Net equity	146,1	0,0	146,1	145,7	0,0	145,7
Minority interests	3,2	0,0	3,2	3,2	0,0	3,2
Amounts owed to credit institutions	218,4	32,3	250,7	217,8	38,5	256,3
Other financial liabilities	44,2	0,0	44,2	39,3	0,0	39,3
Trade and other payables	39,9	(0,5)	39,4	35,3	12,1	47,4
Other liabilities	43,7	24,5	68,2	42,1	10,9	53,0
TOTAL EQUITY AND LIABILITIES	495,4	56,3	551,8	483,4	61,5	544,9

Main adjustments:

(a) **Financial investments in JVs:** the cost of the financial investments in JVs on the assets of the consolidated balance according to the equity method is replaced by the assets and liabilities that these JVs incorporate in the proportionate balance sheet, in the participation held by the Group in them.

(b) **Inventory:** the proportionate method of consolidating the JVs implies the incorporation of the inventory figure in the proportion in which the Group participates in these companies.

(c) **Amounts owed to credit institutions:** the proportionate method of consolidating the JVs implies the incorporation of the debt figure in the proportion in which the Group participates in these companies.

(d) **Trade and other payables:** the integration of the JVs implies the incorporation of their accounts payable in the proportion in which the Group participates in these companies. Includes customer advances.



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