

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, 2024



REPORT ON LIMITED REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report and interim condensed consolidated 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. at the request of Management:

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 balance sheet at September 30, 2024, the statement of profit or loss, the statement of other 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, 2024 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, 2024. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying interim consolidated management report for the six-month period ended September 30, 2024 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, 2024. 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 Management with regard to the publication of the semi-annual financial report required by article 100 of Royal Legislative Decree 6/2023, of March 17, on Securities Markets and Investment Services.

ERNST & YOUNG, S.L.

(Signed in the original version)

Fernando González Cuervo

November 6, 2024

Aedas Homes, S.A. and subsidiaries

Interim condensed consolidated financial statements as at and for the
six months ended 30 September 2024



AEDAS HOMES, S.A. and subsidiaries
CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2024 AND 31 MARCH 2024

(Euros)

ASSETS	Note	30 Sept. 2024 (*)	31 Mar. 2024	EQUITY AND LIABILITIES	Note	30 Sept. 2024 (*)	31 Mar. 2024
NON-CURRENT ASSETS:				EQUITY:			
Intangible assets				Capital		43,700,000	43,700,000
Patents, licences and trademarks		6,818,751	7,071,302	Share premium		373,800,457	421,568,843
Software		2,510,506	2,486,878	Parent company reserves		(299,236,474)	(299,474,916)
Other intangible assets		3,486,697	3,883,876	Treasury shares		(7,822,281)	(9,887,856)
Property, plant and equipment				Other reserves		9,190,004	8,811,315
Land and buildings		6,912,899	7,423,683	Reserves at fully-consolidated companies		130,542	1,125,108
Plant and other PP&E		5,143,365	6,135,680	Other shareholder contributions		740,071,256	740,071,256
PP&E in progress and prepayments		1,231,177	937,577	Profit for the period attributable to equity holders of the parent		24,656,107	108,880,339
Investment properties				Interim dividend		-	(97,044,905)
Land		538,357	350,426	Other equity instruments		10,860,845	12,767,064
Buildings		6,714,563	7,070,806	Non-controlling interests		277,313	568,016
Non-current investments in group companies and associates				Total equity	4	895,427,769	931,088,264
Investments in associates	7	1,646,894	1,705,183				
Loans to associates	7	5,067,669	5,365,623				
Non-current financial assets							
Loans to third parties		10,256,853	5,590,551	NON-CURRENT LIABILITIES:			
Other non-current financial assets		6,000,000	-	Non-current borrowings	5	288,510,999	321,366,065
Deferred tax assets		4,256,853	5,590,551	Notes and other marketable securities		251,654,408	320,690,775
Total non-current assets	6	8,674,114	6,921,747	Bank borrowings		9,459,901	-
				Other financial liabilities		27,396,690	675,290
CURRENT ASSETS:				Deferred tax liabilities	6	600,518	600,518
Inventories				Total non-current liabilities		289,111,517	321,366,583
Trade and other receivables	3	1,657,531,779	1,487,006,760				
Trade receivables		82,007,461	70,843,322	CURRENT LIABILITIES:			
Trade receivables, associates		55,057,574	42,833,776	Current provisions	3	21,380,003	31,700,554
Other receivables	7	14,861,116	17,392,779	Development finance with long-term maturities	5	246,767,372	153,909,133
Receivable from employees		1,113,767	689,147	Current borrowings	5	128,231,948	83,328,160
Current tax assets		13,994	26,854	Notes and other marketable securities		65,853,719	53,556,309
Taxes receivable		77,704	175,349	Bank borrowings		60,115,351	27,820,653
Current investments in group companies and associates	7	10,883,306	9,725,417	Other financial liabilities		2,262,878	1,951,198
Loans to associates		12,342,982	11,982,651	Trade and other payables		477,441,793	490,203,175
Other current financial assets		12,342,982	11,982,651	Trade payables		199,854,025	199,236,785
Current financial assets				Payable for services received		16,394,998	18,557,803
Loans to associates		7,325,579	8,981,691	Employee benefits payable		3,643,134	4,111,608
Other current financial assets		7,325,579	8,981,691	Current tax liabilities		4,748,642	33,997,806
Current prepayments				Taxes payable		24,528,095	72,235,598
Cash and cash equivalents		20,153,364	15,019,706	Customer prepayments	10	228,272,899	162,063,575
Cash		133,834,410	289,786,767	Total current liabilities		873,821,117	759,141,022
Cash equivalents		127,026,910	289,786,767	TOTAL EQUITY AND LIABILITIES		2,058,360,403	2,012,195,869
Total current assets		1,913,195,576	1,883,620,897				
TOTAL ASSETS		2,058,360,403	2,012,195,869				

The accompanying notes 1 to 14 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2024.

(*) Unaudited

AEDAS HOMES, S.A. and subsidiaries
CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024 AND 30 SEPTEMBER
2023
(Euros)

	Note	Six months ended 30 September 2024 (*)	Six months ended 30 September 2023 (*)
CONTINUING OPERATIONS:			
Revenue from the delivery of developments sold	8	297,195,132	228,591,234
Direct costs of developments sold		(230,707,373)	(173,827,894)
Gross profit from development		66,487,759	54,763,340
Gross margin on development		22.4%	23.9%
Revenue from land sales	8	3,534,765	-
Direct costs of land sales		(3,217,411)	-
Gross profit from sale of land	2.f	317,354	-
Gross margin on sale of land		9.0%	-
Revenue from services	8	5,852,321	1,447,110
Direct costs of services provided		(4,128,464)	(644,127)
Gross profit from services		1,723,857	802,983
Gross margin on services		29.5%	55.5%
GROSS PROFIT		68,528,970	55,566,323
GROSS MARGIN, %		22.4%	24.2%
Marketing	2.f	(6,019,673)	(7,141,054)
Sales		(6,235,222)	(4,920,216)
Other direct development costs	2.f	(2,072,359)	(1,600,659)
Taxes related with developments		(4,458,513)	(2,946,854)
NET MARGIN		49,743,203	38,957,540
NET MARGIN, %		16.2%	16.9%
General expenses		(20,490,713)	(19,342,213)
General expenses - LTIP		(2,462,175)	(2,224,335)
Other operating income		1,687,890	678,603
Other operating expenses		(629,713)	(256,031)
EBITDA		27,848,492	17,813,565
EBITDA MARGIN, %		9.1%	7.7%
Depreciation and amortisation		(2,360,090)	(2,459,427)
Impairment of inventories		7,216	-
Bargain purchase gains	2.e	15,129,520	-
OPERATING PROFIT		40,625,138	15,354,138
Finance income	7	4,715,841	381,360
Finance costs - Bank borrowings, net of capitalised borrowing costs		(12,105,097)	(11,290,631)
Change in fair value of financial instruments		5,437	-
Exchange differences		(62)	-
Impairment of and gains/(losses) on disposal of financial instruments		(1,214,800)	-
NET FINANCE COST		(8,598,681)	(10,909,271)
Share of profit/(loss) of associates		(4,066,757)	491,631
PROFIT BEFORE TAX		27,959,700	4,936,498
Income tax provision	6	(3,210,560)	(1,366,421)
PROFIT/(LOSS) FOR THE PERIOD		24,749,140	3,570,077
Attributable to non-controlling interests	4	93,033	3,862
Attributable to equity holders of the parent		24,656,107	3,566,315
Basic earnings per share		0.56	0.08
Diluted earnings per share		0.57	0.08

The accompanying notes 1 to 14 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2024.

(*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024 AND 30 SEPTEMBER 2023

(Euros)

	Note	Six months ended 30 September 2024 (*)	Six months ended 30 September 2023 (*)
PROFIT FOR THE PERIOD (I)		24,749,140	3,570,077
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)		24,749,140	3,570,077
Total recognised income and expense attributable to equity holders of the parent		24,656,107	3,566,215
Total recognised income and expense attributable to non-controlling interests		93,033	3,862

The accompanying notes 1 to 14 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2024.

(*) Unaudited

AEDAS HOMES, S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024 AND 30 SEPTEMBER 2023 (Euros)

	Capital (note 4.a)	Share premium (note 4.b)	Parent company reserves (notes 4.c, 4.d & 4.e)	(Treasury shares) (note 4.f)	Other reserves	Reserves at fully- consolidated companies (notes 4.d & 4.e)	Shareholder contributions (note 4.h)	Profit for the period attributable to equity holders of the parent	Interim dividend (note 4.i)	Other equity instruments (note 4.j)	Non- controlling interests (note 4.k)	TOTAL
BALANCE AS AT 1 APRIL 2023	46,806,537	478,534,502	(299,721,536)	(63,922,166)	2,144,748	(4,610,861)	740,071,256	105,071,928	(43,508,905)	8,236,447	541,339	969,643,889
Total recognised income and expense	-	-	-	-	-	-	-	3,566,215	-	-	3,861	3,570,076
Appropriation of prior-period earnings	-	-	-	-	4,118,267	7,544,082	-	(105,071,928)	43,508,905	-	-	(49,900,674)
Transactions with shareholders	(3,106,537)	(56,965,659)	(22,998)	56,209,883	-	-	-	-	-	(1,991,083)	-	(5,876,394)
Shares cancelled	(3,106,537)	(56,965,659)	-	60,072,196	-	-	-	-	-	(1,991,083)	-	(1,991,083)
Treasury share transactions (net)	-	-	(22,998)	(3,862,313)	-	-	-	-	-	-	-	(3,885,311)
Consolidation scope and other changes	-	-	283,716	-	-	-	-	-	-	2,224,334	(2,310)	2,505,740
BALANCE AS AT 30 September 2023 (*)	43,700,000	421,568,843	(299,460,818)	(7,712,283)	6,263,015	2,933,221	740,071,256	3,566,215	-	8,469,698	543,490	919,942,637
Total recognised income and expense	-	-	-	-	-	-	-	105,314,124	-	-	24,526	105,338,650
Appropriation of prior-period earnings	-	-	-	-	-	-	-	-	(97,044,905)	-	-	-97,044,905
Transactions with shareholders	-	-	-14,098	-2,175,573	-	-	-	-	-	-	-	-2,189,671
Consolidation scope and other changes	-	-	-	-	2,548,300	(1,804,113)	-	-	-	4,297,366	-	5,041,553
BALANCE AS AT 1 April 2024	43,700,000	421,568,843	(299,474,916)	(9,887,856)	8,811,315	1,129,108	740,071,256	108,880,339	(97,044,905)	12,767,064	568,016	931,088,264
Total recognised income and expense	-	-	-	-	-	-	-	24,656,107	-	-	93,033	24,749,140
Appropriation of prior-period earnings	-	-	-	-	-	1,007,734	-	(108,880,339)	97,044,905	-	-	(10,827,700)
Distribution of dividends	-	(47,968,386)	-	-	-	(2,006,300)	-	-	-	-	-	(49,974,686)
Transactions with shareholders:	-	-	238,442	2,065,575	-	-	-	-	-	(1,906,219)	-	397,798
Treasury share transactions (net)	-	-	-	-	378,689	-	-	-	-	-	(383,736)	(5,047)
Consolidation scope and other changes	-	-	-	-	-	-	-	-	-	-	-	-
BALANCE AS AT 30 SEPTEMBER 2024 (*)	43,700,000	373,600,457	(299,236,474)	(7,822,281)	9,190,004	130,542	740,071,256	24,656,107	-	10,860,845	277,313	895,427,769

The accompanying notes 1 to 14 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2024.

(*) Unaudited

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30
SEPTEMBER 2024 AND 30 SEPTEMBER 2023**

(Euros)

	Note	Six months ended 30 September 2024 (*)	Six months ended 30 September 2023 (*)
1. OPERATING ACTIVITIES			
Profit before tax		27,959,700	4,936,498
Adjustments for finance income/costs		8,598,680	10,909,272
(Gains)/losses on derecognition and disposal of financial instruments		-	-
Finance income		(4,715,841)	(381,360)
Finance costs		21,156,095	20,982,291
Borrowing costs capitalised in inventories		(9,050,998)	(9,691,659)
Impairment of financial instruments and other		1,209,424	-
Share of profit/(loss) of associates		4,066,757	(491,631)
Operating profit		40,625,138	15,354,138
Depreciation, amortisation and impairment charges		2,360,090	2,459,427
Impairment of inventories	3	(7,216)	-
Bargain purchase gain	2.e	(15,129,520)	-
EBITDA		27,848,492	17,813,565
Other adjustments to profit		(34,239,478)	(263,154)
Provisions		(1,906,219)	2,224,335
Unrealised share of profit/(loss) of associates		(4,066,757)	491,631
Net increase/(decrease) in other non-current assets and liabilities		(28,266,502)	(2,979,120)
Other cash used in operating activities		(42,235,172)	(40,906,725)
Interest received		3,375,660	202,157
Interest paid		(14,608,803)	(13,730,478)
Income tax received/(paid)		(31,002,029)	(29,212,677)
Other receipts/(payments)		-	1,834,273
Change in working capital (excluding land purchases/sales during the period)		(80,363,147)	(119,683,035)
Increase/(decrease) due to inventories		(119,448,199)	(183,731,972)
Increase/(decrease) due to trade receivables		(17,871,626)	28,272,312
Increase/(decrease) due to trade payables		32,542,026	62,463,384
Increase/(decrease) due to net change in other current assets and current liabilities		24,414,652	(26,686,759)
Change in working capital attributable to land purchases/sales during the period	3	(51,069,605)	(93,045,542)
Net cash flows used in operating activities (1)		(180,058,912)	(236,084,891)
2. INVESTING ACTIVITIES			
Investments disposals		2,144,748	(2,879,573)
Group companies and associates		(45,710,313)	1,124,123
Investment in business combinations (net)	2.e	(16,030,435)	-
Intangible assets		(806,268)	(736,314)
Property, plant and equipment		688,899	(647,039)
Other financial assets		23,292,280	(2,620,344)
Proceeds from the sale of investments in group companies and associates		40,710,585	-
Net cash flows from/(used in) investing activities (2)		2,144,748	(2,879,573)
3. FINANCING ACTIVITIES			
Proceeds from and payments for equity instruments		2,304,016	(3,601,596)
Buyback of treasury shares		2,304,016	(3,601,596)
Issue and repayment of financial liabilities	5	77,997,717	184,119,345
Issue of notes and other marketable securities		74,885,508	107,399,468
New financing obtained from banks		306,115,199	266,000,353
Redemption of notes and other marketable securities		(132,317,532)	(96,900,000)
Repayment of bank borrowings		(170,685,458)	(92,380,476)
Dividends and payments on other equity instruments		(58,339,929)	(49,890,046)
Dividends	4	(58,339,929)	(49,890,046)
Net cash flows from financing activities (3)		21,961,804	130,627,703
4. Effect of changes in exchange rates on cash and cash equivalents (4)		-	-
5. NET DECREASE IN CASH AND CASH EQUIVALENTS (1+2+3+4)		(155,952,358)	(108,336,761)
Cash and cash equivalents - opening balance		289,786,768	244,732,860
Cash and cash equivalents - closing balance		133,834,410	136,396,099

The accompanying notes 1 to 14 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 September 2024.

(*) Unaudited

Aedas Homes, S.A. and subsidiaries

Notes to the interim condensed consolidated financial statements for the six months ended 30 September 2024

1. Parent and Group activities

The Group comprises Aedas Homes, S.A. (hereinafter, the Parent or the Company) and its subsidiaries.

The Parent's registered office is located in Madrid, Spain, at Paseo de la Castellana, 130. It is registered with the Madrid Companies Register.

The corporate purpose of Aedas Homes, S.A., in its capacity as Group Parent, is to acquire, permit, manage, market and develop properties of any kind for holding, use, management, sale or lease.

The foregoing activities may also be performed in whole or in part on an indirect basis through ownership interests in other companies with similar corporate purposes. To that end, the Company may acquire, administer and sell securities of all kinds, including but not limited to, shares, convertible bonds and unitholdings of any kind. Appendix I of these notes itemises the activities conducted by the subsidiaries of Aedas Homes, S.A.

The Group operates exclusively in Spain.

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.Á.R.L. purchased 100% of those interests on 5 July 2016. The Parent'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 ran from 1 January 2020 until 31 March 2020.

Changes in the Group's composition

As at 30 September 2024, 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 the reporting date, before making the corresponding uniformity adjustments, as appropriate, to their separate financial statements in order to align them with the prevailing International Financial Reporting Standards adopted by the European Union (IFRS-EU). 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.

Additions to the consolidation scope during the six months ended 30 September 2024

- On 12 June 2024, Aedas Homes, S.A. acquired Altacus Investments S.A.U, Cirilla Investments, S.A.U. and Lysistrata Investments, S.A.U. in order to execute the contracts for the use of public domain-land owned by the regional government of Madrid (Plan Vive).



- On 22 and 23 July 2024, the Company entered into two binding agreements with a vehicle managed by Banco Santander for the development and operation in Valencia and Madrid of shared living residential complexes ("Flex Living") through two joint ventures in which Aedas Homes, S.A. holds minority interests. The names of the two joint ventures are Servicios Inmobiliarios Residencial en Venta JV2, S.L.U and Flexliving Valdemarin S.L.
- In August 2024, Aedas Homes S.A. acquired 100% of the shares of Promoción y Propiedades Inmobiliarias Espacio S.L.U. (note 2.e)

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 2024 were prepared from the accounting records of the Parent and the other companies comprising the Group (refer to Appendix I) in keeping with the IFRS-EU in effect on their date of issuance.

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 2024.

The accounting policies used to prepare the interim condensed consolidated financial statements for the first half of 2024 are the same as those used to prepare the annual financial statements for the year ended 31 March 2024, except for the standards and amendments outlined below, which have been published by the IASB and adopted by the European Union for application in Europe and are mandatory for annual reporting periods beginning on or after 1 January 2024.

The Group has not had to modify its accounting policies or make any retroactive adjustments as a result of application of these new pronouncements.

Amendments to IAS 1 - Classifying Liabilities as Current or Non-Current

These amendments clarify that debt and other liabilities with an uncertain settlement date should be classified as current or non-current depending on an entity's existing rights at the end of the reporting period. They also address the classification requirements for debt that might be settled by converting it into equity.

The amendments clarify, but do not modify, the existing requirements and only affect the presentation of liabilities on the statement of financial position, not the amount or timing of the recognition of assets, liabilities, income or expenses or the information to be disclosed about these items.

Application of these amendments in the current year has not had a significant impact on these interim financial statements.

Amendments to IAS 1 - Non-Current Liabilities with Covenants

The aim of these amendments is to improve disclosures about non-current debt with covenants so as to help investors understand the risk that such debt could become repayable within 12 months from the reporting date.

IAS 1 only allows the classification of debt as non-current if the entity can avoid settling the debt within 12 months after the reporting date. However, its ability to do so is often subject to compliance with certain covenants. These amendments clarify that covenants that must be complied with after the reporting date do not affect the classification of the debt as current or non-current at the reporting date. However, the reporting entity must disclose information about any such covenants in its financial statement notes.

Application of these amendments in the current period has not had a significant impact on these interim financial statements.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

These narrow-scope amendments provide specific guidelines for a seller-lessee so as to measure the lease liability arising from leaseback transaction so that it does not give rise to the recognition of the gain or loss related with the right of use it retains.

Application of these amendments in the current year has not had a significant impact on these interim financial statements.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Agreements

These amendments clarify the characteristics of supplier finance agreements and introduce new disclosure requirements around those agreements with the aim of providing investors with information that helps them understand their effects on the entity's liabilities, cash flows and exposure to liquidity risk.

By way of relief, in this first year of application, entities are not required to disclose specified opening balances or present comparative figures. Moreover, the new disclosures are only required for annual periods during the first year of application (i.e., the new disclosure requirements are not mandatory for interim periods). As a result, the amendments have not affected these interim financial statements.

New IFRSs and amendments not effective as of 30 September 2024

At the date of authorising the accompanying interim financial statements for issue, the following standards and amendments had been published by the IASB but their application was not yet mandatory:

Standards and amendments		Mandatory application: in annual periods beginning on or after
Amendment to IAS 21	Lack of Exchangeability 1 January 2025	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11		1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is currently analysing what impact these new pronouncements will have on its consolidated financial statements when they are applied for the first time.

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 2024 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, if any, 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-EU because its management believes that those additional measures contain essential information for assessing the Group's performance.

Specifically, 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 Profit:** the difference between revenue from the sale of developments and provision of services and the cost of goods sold and services rendered. The percentage Gross Margin is calculated by dividing the absolute Gross Profit by revenue from sales and services.
- **Net Margin:** the difference between the Gross Profit 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 from sales and services.
- **EBITDA:** the difference between the Net Margin and other expenses/income, namely: general expenses, other operating income and other operating expenses. The percentage EBITDA margin is calculated by dividing EBITDA by revenue from sales and services.

The Group's statutory auditor conducted a limited review of these interim condensed consolidated financial statements but not a full-scope audit.

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 do business outside of Spain or transact in any currencies other than the euro, which is the functional and presentation currency of the Group and all of its subsidiaries.

Note that in some cases where the figures exceed millions of euros, the disclosures provided in these notes are presented rounded to millions of euros for clarity and expediency. This approach does not affect the accuracy or clarity of the information or the fair view provided by the disclosures in these notes to the interim condensed consolidated financial statements.

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 2024 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. These estimates relate basically to the following:

- The estimation of the net realisable value of the Group's inventories: at each year-end, the Group measures the realisable value of its inventories, 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 Valoraciones y Tasaciones, S.A. appraised the Group's asset portfolio as at 31 March 2024 (without considering prepayments to suppliers). 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 as at 30 September 2024, considering the above observations, 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 and comparable 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 2024 and 31 March 2024 is itemised in the accompanying Appendix I.

Subsidiaries

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 it when it ceases to have such control).

The interests of minority shareholders (hereinafter, "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 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.

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 whereby 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). 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.



Reporting date uniformity adjustments

All of the Group companies share the same reporting date, i.e., 31 March, except for Espacio Abstract, S.L.U., Espacio Alicante, S.L.U., Espacio Mallaeta, S.L.U., Espacio Cosmo, S.L.U., Espacio Project Management, S.L.U., Espacio Valdebebas 175, S.L., Espacio Singulart Almería, S.L.U., Heco Homes Gredos, S.L.U., Espacio Promoción X, S.L.U., Espacio Proyectos SPV II, S.L.U., Espacio Desarrollos Urbanos, S.L.U., Espacio Ciresa, S.L.U., Espacio Insigne, S.L.U., Espacio Promoción XI, S.L., Espacio Son Puig, S.L., Partida De La Rápita, S.L., Torres y Santa Marta, S.L., Espacio Promoción IV, S.L., Espacio Promoción VII, S.L., Espacio Áurea, S.L., Marina De Fuengirola Siglo XXI, S.L., Nueva Marina Real Estate, S.L., Espacio Promoción VIII, S.L., Aedas KS Fonsalía S.L.U., Aedas KS Santa Clara S.L.U., Aedas KS Levante, S.L.U., Aedas KS Iberia, S.L.U., Servicios Inmobiliarios Residencial en Venta JV2, S.L.U., BTS Servicios Inmobiliarios JV1, S.L., Winslaro ITG, S.L., Varía Acr Móstoles Fuensanta, S.L., Espacio Áurea, S.L., Allegra Nature, S.L., Residencial Henao, S.L., Áurea Etxabakoitz, S.L., Residencial Ciudadela Uno, S.L., Nature Este, S.L. and Domus Avenida, S.L., whose reporting date is 31 December. This circumstance does not have a significant impact on these interim condensed consolidated financial statements.

More specifically, the financial statements of the companies whose reporting date is different from that of the Group are consolidated by making uniformity adjustments to include transactions related to the same date and periods as the consolidated financial statements since, in keeping with IFRS 10, the Group is not obliged to issue interim financial statements for those investees as of the same date and periods, since the difference between those companies' and the Group's reporting dates is not more than three months. There were no significant transactions or events at those companies between the two reporting dates.

e) Business combinations and goodwill

Goodwill or bargain purchase gain

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 an acquisition is less than the fair value of the identifiable net assets acquired (i.e., a bargain purchase), the gain is recognised in profit and loss in the period of the acquisition (under "Bargain purchase gains").

Priesa Group business combination

In August 2024, Aedas Homes, S.A. acquired 100% of the shares of Promociones y Propiedades Inmobiliaria Espacio, S.L.U. (hereinafter, "Priesa" or "Inmobiliaria Espacio"), which is the parent of a group of companies (hereinafter the "Priesa Group" or the "Inmobiliaria Espacio Group"). Specifically, the Company has acquired the interests held by the Priesa Group as of the acquisition date in (entity | % interest | consolidation method):

- Espacio Abstract, S.L.U. (100% | Full Consolidation)
- Espacio Alicante, S.L.U. (100% | Full Consolidation)
- Espacio Mallaeta, S.L.U. (100% | Full Consolidation)
- Espacio Cosmo, S.L.U. (100% | Full Consolidation)
- Espacio Project Management, S.L.U. (100% | Full Consolidation)
- Espacio Valdebebas 175, S.L. (100% | Full Consolidation)
- Espacio Singulart Almería, S.L.U. (100% | Full Consolidation)
- Heco Homes Gredos, S.L.U. (100% | Full Consolidation)
- Espacio Promoción X, S.L.U. (100% | Full Consolidation)
- Espacio Proyectos SPV II, S.L.U. (100% | Full Consolidation)

- Espacio Desarrollos Urbanos, S.L.U. (100% | Full Consolidation)
- Espacio Ciresa, S.L.U. (100% | Full Consolidation)
- Espacio Insigne, S.L.U. (100% | Full Consolidation)
- Espacio Promoción XI, S.L. (100% | Full Consolidation)
- Espacio Son Puig, S.L. (30% | Equity Method)
- Partida De La Rápita, S.L. (33% | Equity Method)
- Torres y Santa Marta, S.L. (50% | Equity Method)
- Espacio Promoción IV, S.L. (10% | Equity Method)
- Espacio Promoción VII, S.L. (50% | Equity Method)
- Espacio Áurea, S.L. (50% | Equity Method)
- Marina De Fuengirola Siglo XXI, S.L. (33% | Equity Method)
- Nueva Marina Real Estate, S.L. (20% | Equity Method)
- Espacio Promoción VIII, S.L. (30% | Equity Method)

The main rationale for the Group's acquisition of the Priesa Group is to expand its land bank and development pipeline and increase its footprint with new locations, such as Almería.

The Group took control of Priesa in August 2024 and has been accounting for the above-listed entities in its consolidated financial statements since then, using the full or equity method of consolidation depending on the type of control it exerts over the investees, as prescribed in IFRS-EU.

The agreed acquisition price was 20,758,639, payable in cash, plus another 14,813,285 euros to be paid to third parties as a series of milestones are met in the long term, plus a contingent and/or variable amount of consideration to be determined as a function of the price at which certain properties stipulated in the share-purchase agreement are sold, whose probable amount has been estimated at 11,909,415 euros, within a range of scenarios that could materialise, which will be paid to the seller when the properties in question are sold. The cost of the above-listed shareholdings was therefore 47,481,339 euros. The Group has recognised a liability for contingencies and other liabilities provisionally identified in the transaction measurement and contingent consideration of 14,813,285 euros and 11,909,416 euros, respectively, based on the Parent's directors' best estimates as at the acquisition date. Those liabilities have been recognised under "Non-current borrowings - Other financial liabilities" in the accompanying consolidated balance sheet.

The Group estimated the cost of the business combination on the acquisition date in accordance with IFRS-EU, specifically IFRS 3, and the provisional fair value of the assets acquired and liabilities assumed.

To estimate the fair value of the net assets of the businesses acquired, the Parent used the most recent financial statements of the acquirees and information obtained during several review procedures undertaken previously, identifying the provisional fair value adjustments shown in the table below with respect to the amounts recognised by the acquirees in their financial statements.

The Parent's directors have measured the business combination as at the date of issuing these interim condensed financial statements for issue on a provisional basis. Specifically, it has provisionally allocated the cost of the business combination, estimating a negative difference between that cost and the fair value of the net assets acquired at a provisional amount of 15,129,520 euros, which has been provisionally recognised as a gain in the consolidated statement of profit or loss for the interim period under "Bargain purchase gains", in keeping with IFRS 3.

Below are the provisional amounts, on the acquisition date, of the fair values of the assets and liabilities of the consolidated group acquired, the cost of the combination and the resulting provisional gain:

	Provisional measurement (Euros)
Property, plant and equipment	354,933
Intangible assets	30,263
Non-current financial assets	6,878,202
Deferred tax assets	1,754,965
Inventories	76,360,164
Trade receivables	5,033,504
Other receivables	396,852
Cash and cash equivalents	4,728,204
Other current assets	219,550
Non-current borrowings	(8,694,703)
Current borrowings	(30,940,195)
Trade payables	(17,547,024)
Other current liabilities	(2,925,751)
Provisional fair value of the net assets acquired at the investees accounted for using the full consolidation method	35,648,964
Provisional fair value of the interests accounted for using the equity method of consolidation	26,961,895
TOTAL PROVISIONAL FAIR VALUE OF THE NET ASSETS ACQUIRED	62,610,859
Cost of the net assets acquired	(47,481,339)
PROVISIONAL BARGAIN PURCHASE GAIN	15,129,520

Note that the gain on this business combination originated essentially from the opportunity presented to the Group to acquire the net assets of Priesa at a below-market price due principally to the difficulties Priesa was facing at the time in accessing development financing and working capital facilities, prompting Priesa's former sole shareholder, Grupo Villar Mir, S.A., to sell the assets.

Analysis of cash flows on acquisition:

	Euros
Cash consideration paid on the acquisition date	20,758,639
Less: Net cash acquired	(4,728,204)
Net cash flow outflow	16,030,435

Each note of these interim condensed consolidated financial statements provides details, where significant, of the main assets and liabilities contributed by the Priesa Group companies acquired.

The reader should note that the provisional measurement of this business combination does not factor in the possible tax effect of the acquisition of the Priesa Group in terms of the deferred tax assets that could potentially materialise.

The revenue and profit/(loss) contributed by this business combination, measured provisionally, between the acquisition date and 30 September 2024:

	Euros
Revenue	2,117
Profit/(loss) for the period	(2,053,518)

If the business combination had taken place on 31 March 2024, the revenue and profit/(loss) contributions for the six-month period would have been:

	Euros
Revenue	23,375,502
Profit/(loss) for the period	(5,729,813)

Other business combinations during the reporting period

In July 2024, the Group closed and accounted for the acquisition of the following entities: Altacus Investments, S.A., Cirilla Investments, S.A. and Lysistrata Investments, S.A. The acquirees were incorporated only recently; they have not been operative since they were set up and were only consolidated for a short part of the reporting period. Moreover, they were acquired for the sum of their net assets so that these business combinations did not give rise to any goodwill.

f) Comparative information

The information contained in these interim condensed consolidated financial statements for the six months ended 30 September 2024 is presented, for comparative purposes, alongside the information as at 31 March 2024 for each heading of the consolidated balance sheet and alongside the figures for the six months ended 30 September 2023 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.

Note, however, that in these interim condensed consolidated financial statements, certain line items and disclosures have been aggregated or disaggregated, as the case may be, by comparison with the prior reporting period. These changes were made to make the information presented clearer and do not alter the fair view provided by the accompanying financial statements. Nor do these changes undermine materially the uniformity of the information presented.

In making a comparison the reader should note the changes in the Group's financial structure disclosed in notes 1 and 2.e above.

3. Inventories

The breakdown of the Group's inventories at 30 September 2024 and 31 March 2024 is as follows:

	Euros	
	30 Sept. 2024	31 Mar. 2024
Land and sites	495,201,459	478,733,658
Developments in progress (*)	935,499,857	634,083,470
Completed buildings	186,668,508	331,808,576
Prepayments to suppliers	40,161,955	42,381,056
	1,657,531,779	1,487,006,760

(*) As at 30 September 2024, "Developments in progress" include the cost of the land on which the developments are being carried out, among other costs.

An analysis of the movement under inventories in the six months ended 30 September 2024:

	Euros							30 Sept. 2024
	31 Mar. 2024	Advances	Land purchases	Additions due to business combination (note 2.e)	Cost of sales	Amounts derecognised	Capitalised borrowing costs	
Inventories	1,487,006,760	(2,219,101)	41,517,132	76,360,164	279,247,001	(233,431,175)	9,050,998	1,657,531,779

The Group purchased 41,517,132 euros of land during the six months ended 30 September 2024, of which 17,260,772 euros corresponded to purchases committed to in previous reporting periods, with the remaining 26,206,360 euros related to new acquisitions.

Deferred payments on land recognised on the consolidated balance sheet at 30 September 2024 amounted to 50,429,659 euros, of which 1,290,763 euros corresponds to land newly acquired during the six months ended 30 September 2024. The current balance of deferred land payments is 10,464,955 euros, with the remaining 39,964,704 euros due more than 12 months from the reporting date.

At 30 September 2024, the Group held options for the acquisition of land in the amount of 62,061,193 euros, of which it had paid 4,500,000 euros by way of down payments and deposits, which are recognised within current assets on the balance sheet. In addition, at 30 September 2024, the Group was committed the acquisition of land for 163,534,559 euros, of which 30,420,000 euros relates to Chamartin Norte. Of the total commitment amount, the sum of 5,872,319 euros was prepaid to suppliers during the reporting period, leaving the sum of 119,517,632 euros pending payment. Of the latter amount, 11,565,226 euros relates to Castellana Norte.

At 30 September 2024, the Group was contractually committed to the sale of land in the amount of 4,398,170 euros.

The net cash outflow attributable to the purchase and sale of land in the six months ended 30 September 2024 amounted to 51,069,605 euros, broken down as follows:

	Euros
Land purchases committed to during prior reporting period	(17,260,772)
Land purchases related to new acquisitions	(24,256,359)
Deferred payments for land purchased during the period	1,290,763
Prepayments to suppliers and deposits for call options arranged in prior reporting periods	7,147,819
Settlement of deferred payments for land purchased in prior reporting periods	(11,942,975)
Prepayments to suppliers and call options arranged during the current reporting period	(10,462,319)
Payments made during the six months ended 30 September 2024 for the purchase of land	(55,483,844)
Land sold during the period	3,534,765
Deferred payments for land sold during the period	(160,527)
Deferred payments received for land sold in prior reporting periods	1,040,000
Payments collected during the six months ended 30 September 2024 from the sale of land	4,414,239
Increase/(decrease) in working capital attributable to land purchases/sales during the six months ended 30 September 2024	(51,069,605)

The Group capitalised 9,050,998 euros of borrowing costs within inventories during the six months ended 30 September 2024 (9,691,659 euros in the six months ended 30 September 2023).

During the reporting period, the Group derecognised inventories carried at 233,431,175 euros as a result of the sale of developments for 297,195,132 euros and the sale of land in the amount of 3,534,765 euros, so generating gross margins of 22.4% and 9%, respectively.

None of the Group's inventories is located outside of Spain. The breakdown by location of the Group's inventories, stated at their carrying amounts, without considering prepayments to suppliers:

Regional Branch	Euros	
	30 Sept. 2024	31 Mar. 2024
Centre	397,648,361	379,205,330
North	116,442,434	79,172,487
Catalonia & Aragon	246,042,468	245,677,256
Costa del Sol	256,522,179	201,853,915
Rest of Andalusia & Canaries	277,879,897	259,001,808
East & Mallorca	322,741,059	279,714,909
	1,617,369,824	1,444,625,705

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 reversible 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 is the end of its reporting period, 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. Savills Valoraciones y Tasaciones, S.A. appraised the Group's asset portfolio as at 31 March 2024, setting down its findings in a report issued on 9 May 2024.

At 30 September 2024, the net realisation value of the Group's inventories amounted to 2,011 million euros. That value was arrived at on the basis of the net realisation value as at 31 March 2024 (1.9 billion euros), adjusted for (i) the inventories whose purchase closed during the six months elapsing between 1 April 2024 and 30 September 2024; (ii) the movement in developments under construction during the same period (without considering prepayments to suppliers), and (iii) the net realisation value at 31 March 2024 of homes delivered during the reporting period. On that basis, the Group did not have to recognise any new inventory impairment losses in these condensed interim consolidated financial statements for the six months ended 2024. Unrealised gains on the Group's inventories stood at 394 million euros at 30 September 2024 (451 million euros at 31 March 2024).

At 30 September 2024, there were assets recognised under "Inventories" with a gross cost of 912 million euros (750 million euros at 31 March 2024) that guarantee developer loans arranged by the Group (note 5).

At 30 September 2024, the Group recognised current provisions totalling 21,380,003 euros, of which 19,866,123 euros corresponded to provisions for the completion of works, 295,201 euros corresponded to provisions for lawsuits and the remainder related to provisions of lesser amount (31,700,554 euros at 31 March 2024, of which 29,073,540 euros related to the provision for works completion and 2,627,014 euros to coverage of lawsuits).

4. Equity

a) *Share capital*

The Parent's share capital consisted of 43,700,000 shares with a unit par value of 1 euro at both 30 September 2024 and 31 March 2024. The shares are fully subscribed and paid in.

The Parent officially registered the reduction of its share capital by 3,106,537 euros on 25 September 2023, cancelling 3,106,537 treasury shares (unit par value: 1 euro), which represented approximately 6.637% of its share capital at the time; that transaction was ratified at the Annual General Meeting held on 20 July 2023.

AM

None of the Company's shares was pledged at 30 September 2024.

Based on the disclosures made to the Spanish securities market regulator by each of the Parent's significant shareholders (those with a shareholding of more than 3%), the list of those significant shareholders and their ownership interest as at 30 September 2024 was as follows:

		% 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.	79.02%	79.02%	-	-	-
O'NEILL, RORY JOSEPH	79.02%	-	79.02%	-	-

b) Share premium

The share premium account amounted to 373,600,457 euros at 30 September 2024.

On 31 March 2024, it was agreed to pay out an extraordinary dividend against the share premium account in an amount obtained by multiplying 2.01 euros per share by the number of shares outstanding other than directly-held treasury shares as of the record date. Payment of this dividend (note 4.i) had the effect of reducing the share premium account by 47,968,386 euros.

On 25 September 2023, as a result of the cancellation of treasury shares (see above), the Group recognised a reduction in the share premium account of 56,965,659 euros, which is equivalent to the difference between the par value of the shares cancelled and the average 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 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.

At 30 September 2024 and 31 March 2024, the Parent's legal reserve amounted to 9,593,317 euros, which is more than the legally-stipulated minimum threshold following the capital reduction outlined in note 4.a.

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 in the six months ended 30 September 2024 was shaped by the purchase and sale of treasury shares (refer to section f) below) in the amount of 673 euros and also the 239,114-euro-impact on reserves of the delivery of Parent company shares to AEDAS employees, framed by the commitments assumed in the incentive plans described in section j) of this note.

The movement under this heading in the year ended 31 March 2024 was shaped primarily by the purchase and sale of treasury shares (refer to section f) below) in the amount of 37,092 euros (increase) and also the 283,712-euro-impact (decrease) on reserves of the delivery of Parent company shares to AEDAS employees, framed by the commitments assumed in the incentive plans described in section i) below.

Reserves at fully-consolidated companies

The movement under this heading during the six months ended 30 September 2024 relates primarily to the appropriation of the profit/(loss) of the consolidated investees for the year ended 31 March 2024.

The movement under this heading during the year ended 31 March 2024 related primarily to the appropriation of the profit/(loss) of the consolidated investees for the year ended 31 March 2023.

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 used 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 2024, the Group had set aside a capitalisation reserve of 5,787,874 euros, of which 893,761 euros was allocated by the Parent and 4,894,113 euros, by Aedas Homes Opco, S.L.U. (31 March 2024: 5,385,233 euros, 893,761 euros set up by the Parent and the remaining 4,491,472 euros, by Aedas Homes Opco, S.L.U.).

f) Treasury shares

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 was valid for up to 36 months and was 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 at the above-mentioned meeting on 25 September 2019.

On 12 July 2022, the Company decided to renew the buyback programme, lowering the limit from 150 to 50 million euros. The new buyback programme got underway on 27 September 2022, following completion of the previously effective programme.

At 31 March 2024, the Company's own share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 9,887,856 euros, corresponding to 3,305,632 shares representing 7.06% of share capital; the average purchase price was 19.34 euros (31 March 2023: 63,922,166 euros; 2,720,335 shares; 5.81% and 20.54 euros, respectively).

In July 2024, the Parent delivered 106,273 treasury shares to its employees as part of the commitments assumed under the second cycle of the first LTIP and New Incentive described in note 4 h). Those shares were acquired for 2,065,575 euros.

At 30 September 2024, the Company's treasury share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 7,822,281 euros, corresponding to 485,238 shares representing 1.08% of share capital; the average purchase price was 16.12 euros (31 March 2024: 9,887,856 euros; 583,260 shares; 1.33% and 19.34 euros, respectively).



g) Shareholder contributions

The Company did not receive any new shareholder contributions during the six months ended 30 September 2024 or the year ended 31 March 2024.

At 30 September 2024, total contributions by the Parent's majority shareholder amounted to 740,071,256 euros (same balance at 31 March 2024).

h) 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 Parent's equity to below the amount of share capital, profit would have to be allocated to offset those losses.

At a meeting held on 29 May 2024, the Parent's Board of Directors agreed to pay an interim dividend of 97,044,905 euros against earnings for the year ended 31 March 2024 equivalent to 2.25 euros per share times the number of shares outstanding other than directly-held treasury shares as of the record date. The interim dividend was paid on 26 March 2024 and ratified at the Annual General Meeting held on 24 July 2024.

On that same date, it was agreed to pay out an extraordinary dividend against the share premium account in an amount obtained by multiplying 2.01 euros per share by the number of shares outstanding other than directly-held treasury shares as of the record date. The extraordinary dividend will be distributed in two payments: (i) a first payment of 1.11 euros per share which was paid on 1 August 2024; and (ii) a second payment of 0.90 per share payable between 15 December and 31 December 2024 (note 4.b). Accordingly, the amount paid out during the six months ended 30 September 2024 was 58,339,929 euros.

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, there were no limits on the distribution of dividends other than those contemplated in company law and the Green Bond debenture (note 5) as at 30 September 2024 or 31 March 2024.

i) Other equity instruments

At 30 September 2023, the Company's own share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 7,712,283 euros, corresponding to 456,022 shares representing 0.85% of share capital; the average purchase price was 16.91 euros (31 March 2023: 63,922,166 euros; 3,305,632 shares; 7.06% and 19.34 euros, respectively).



At 30 September 2024, the Company's own share account (acquired under the Discretionary Programme, the Repurchase Programme and block trades) amounted to 7,822,281 euros, corresponding to 485,238 shares representing 1.08% of share capital; the average purchase price was 16.12 euros (31 March 2024: 9,887,856 euros; 3,305,632 shares; 7.06% and 19.34 euros, respectively).

j) 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 2024:

	Ownership interest attributable to the Parent	Euros			
		31 Mar. 2024	Profit/(loss) for the period attributable to NCI	Other changes	30 Sept. 2024
SPV SPAIN 2, S.L.	87.5%	158,569		(158,569)	-
DOMUS AVENIDA, S.L.	52%	409,447	93,033	(225,167)	277,313
		568,016	93,033	(383,736)	277,313

No dividend payments were agreed between 1 April 2023 and 30 September 2024.

The reconciliation, by subsidiary, of the opening and closing balances of non-controlling interests during the year ended 31 March 2024:

	Ownership interest attributable to the Parent	Euros			
		31 Mar. 2023	Profit/(loss) for the period attributable to NCI	Other changes	31 Mar. 2024
SPV SPAIN 2, S.L.	87.5%	77,164	(4,598)	86,003	158,569
DOMUS AVENIDA, S.L.	52%	464,775	93,078	(148,406)	409,447
		541,939	88,480	(62,403)	568,016

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5. Borrowings and other financial liabilities

The Group had the following borrowings at 30 September 2024:

	Euros				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Developer loans	766,160,277	232,777,008	5,069,532	-	237,846,540
Land financing	49,123,878	13,990,364	31,141,075	-	45,131,439
BTR development financing (**)	28,124,443	-	6,413,527	-	6,413,527
Mortgage loans	9,459,406	-	-	9,459,901	9,459,901
Total development financing	852,868,004	246,767,372	42,624,134	9,459,901	298,851,407
Green bond issue	255,000,000	-	-	251,654,408	251,654,408
Revolving credit facility	55,000,000	-	-	-	-
Commercial paper (*)	250,000,000	-	62,320,861	-	62,320,861
Overdraft credit facility	10,000,000	-	-	-	-
Corporate debt (*)	15,000,000	-	15,000,000	-	15,000,000
Lease liabilities - IFRS 16 (*)	-	-	1,521,192	392,155	1,913,348
Total corporate debt	585,000,000	-	78,842,053	252,046,563	330,888,616
Interest on development financing	-	-	2,826,431	-	2,826,431
Interest on corporate debt	-	-	3,532,858	-	3,532,858
Other liabilities	-	-	406,472	281,835	688,307
Other liabilities - business combinations (note 2.e)	-	-	-	26,722,700	26,722,700
Total other liabilities	-	-	6,765,761	27,004,535	33,770,296
Total borrowings and other liabilities	1,437,868,004	246,767,372	128,231,948	288,510,999	663,510,319

(*) Unsecured debt (**) Borrowings secured by mortgages

The Group had the following borrowings at 31 March 2024:

	Euros				
	Limit	Current liabilities		Non-current liabilities	Total
		Due in the long term	Due in the short term		
Developer loans	666,629,839	144,864,325	1,880,562	-	146,744,887
Land financing	1,223,878	-	1,223,878	-	1,223,878
BTR development financing (**)	44,383,690	9,044,808	-	-	9,044,808
Total development financing	712,237,407	153,909,133	3,104,440	-	157,013,573
Green bond issue	323,436,000	-	-	320,690,775	320,690,775
Revolving credit facility	55,000,000	-	-	-	-
Commercial paper (*)	250,000,000	-	48,722,316	-	48,722,316
Overdraft credit facility	10,000,000	-	-	-	-
Corporate debt	23,014,381	-	22,671,804	-	22,671,804
Lease liabilities (*)	-	-	2,078,137	588,180	2,666,317
Total corporate debt	661,450,381	-	73,472,257	321,278,955	394,751,212
Interest on development financing	-	-	1,847,882	-	1,847,882
Interest on corporate debt	-	-	5,030,517	-	5,030,517
Other liabilities	-	-	(126,936)	87,110	(39,826)
Total other liabilities	-	-	6,751,463	87,110	6,838,573
Total borrowings and other liabilities	1,373,687,788	153,909,133	83,328,160	321,366,065	558,603,358

(*) Unsecured debt (**) Borrowings secured by mortgages

At 30 September 2024, non-current debt accounted for 43.48% of the total (57.53% at 31 March 2024).

Developer loans

At 30 September 2024, the Group had arranged mortgages in an aggregate amount of 766,160,277 euros in order to finance 103 developments (31 March 2024: 666,629,839 euros financing 101 developments). The balance recognised at 30 September 2024 using the amortised cost method was 237,846,540 euros (31 March 2024: 146,744,887 euros). The mortgages carry interest at Euribor plus spreads ranging between 199 and 300 basis points.

The Group has arranged developer loans totalling 766 million euros, which it has drawn down by 241 million euros (31.47% of the total available); it has also drawn down 130 million euros which are secured by the buyers' account, leaving 395 million euros available for drawdown.

The undrawn loans become available for draw down as the following two 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 2024, the progress made on the Group's developments qualified it to draw down an additional 4.7 million euros corresponding to supplier invoices authorised and not drawn as they are not yet due.

Land financing

At 30 September 2024, the Group recognised five loans secured by mortgages secured by land with a total face value of 45,181,159; those loans accrue interest at 3- and 12-month EURIBOR plus spreads of between 200 and 300 basis points.

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Corporate debt

At 30 September 2024, the Group recognised a corporate loan of 15,000,000 euros; it accrues interest at 12-month Euribor plus a spread of 300 basis points. This loan is not secured and is matures on 9 September 2025.

Build-to-rent (BTR) development financing

On 22 July 2021, Group subsidiary Aedas Homes Rental, S.L.U. (formerly, Facornata Servicios y Gestiones, S.L.U.) closed a financing agreement with investment firm Iberia Private Real Assets Credit, SCSp in the amount of 112,152,000 euros in order to partially finance 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 2024, nine of the financed developments were finished and had been delivered so that the effective limit was 28,124,443 euros. The terms and conditions for drawing this loan down had been met at 30 September 2024 and the facility was drawn down by a nominal amount of 6,413,527 euros. The balance recognised at 30 September 2024 using the amortised cost measurement method was 6,413,527 euros.

To secure that financing, a mortgage promise was granted over the properties. The loan agreement also entails the following covenants for Aedas Homes Rental, S.L.U. (formerly, 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.

That company was compliant with all of the related covenants at 30 September 2024.

Mortgage loans

At 30 September 2024, the Group recognised two mortgage loans with a total face value of 9,459,406 euros; they accrue interest at 12-month Euribor plus a spread of between 110 and 300 basis points.

Loans classified as current liabilities that fall due in the long term

These loans are secured by properties classified as inventories and fall due between 2026 and 2031. Although they fall due in the long term, they are classified within current liabilities on the accompanying balance sheet as the related inventories are expected to be sold in the short term, so allowing for their repayment within 12 months from the reporting date, in line with the Group's normal operating cycle.

The breakdown of the face value of those loans at 30 September 2024 is as follows:

Maturity	Euros	
	Current	
	30 Sept. 2024	31 Mar. 2024
31 March 2026	14,203,357	13,744,821
31 March 2027	55,672,512	15,899,225
31 March 2028	15,463,638	7,707,894
31 March 2029	10,484,665	4,862,662
31 March 2030 et. seq.	171,986,971	114,035,650
	267,811,143	156,170,252

Green bonds

On 21 May 2021, Aedas Homes Opco, 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 by the above-mentioned subsidiary for general corporate purposes, including to repay existing corporate borrowings, bolster liquidity and pay the fees and charges related with the issue. That subsidiary has committed to use an amount equivalent to the net proceeds to finance or refinance eligible green assets categorised as green buildings.

In February 2024, Aedas Homes Opco, S.L.U. repurchased bonds with a total face value of 1,564,000 euros on the open market, leaving bonds with a face value of 323,436,000 euros outstanding at 31 March 2024.

On 20 March 2024, Aedas Homes Opco S.L.U. launched a public tender offer for the partial repurchase of the green bond issue which closed on 3 April 2024 with the repurchase of bonds with a total face value of 68,436,000 euros.

The bonds repurchased in April 2024 with a face value of 68,436,000 euros, coupled with those bought back on the open market in February 2024 with a face value of 1,564,000 euros, were cancelled on 3 April 2024. Following the cancellation of those bonds, the face value of the bonds still outstanding stood at 255,000,000 euros.

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 matures on 21 May 2026. That facility accrues a variable rate of interest on the amount drawn of Euribor plus a spread of between 2% and 3%, depending on the Net Secured Loan-to-Value ratio, subject to a floor of 0% if Euribor is negative. The facility will also accrue a commitment fee of 30% of the spread. At 30 September 2024, the facility was undrawn.

Lastly, the bonds imply compliance with a series of covenants whose breach would limit certain transactions outside the ordinary course of the Group's business. Compliance with those covenants at 30 September 2024 was as follows:

	30 Sept. 2024	31 Mar. 2024
<i>Pari Passu</i> Senior Secured Loan to Value Ratio	8.3%	4.4%
Net Total Loan to Value Ratio	28.6%	17.6%
Net Secured Total Loan to Value Ratio	23.2%	12.4%
Fixed Charge Coverage Ratio	8.1x	6.5x

Promissory notes

On 9 July 2024, the Parent renewed its AEDAS HOMES 2024 Commercial Paper Notes Program on Spain's alternative fixed income market (MARF for its acronym in Spanish), substituting the commercial paper programme arranged on 27 June 2023. Under the new programme, it can issue up to 150,000,000 euros of commercial paper with terms of up to 24 months. The aim is to diversify the Group's sources of financing.

The Parent issued a total of 71.5 million euros of commercial paper under the programme during the six months ended 30 September 2024 and it repaid 58.3 million euros of commercial paper at maturity, leaving an outstanding balance of 56.4 million euros due on several dates between the reporting date and June 2025.

On 3 September 2024, the Parent renewed another new commercial paper programme with AIAF, another Spanish alternative fixed income market, under which it can issue up to 100,000,000 euros of paper with terms of between three and 364 calendar days, similarly in order to diversify the Group's sources of financing.

The Parent issued a total of 3.6 million euros of commercial paper under the programme during the six months ended 30 September 2024 and it repaid 3.2 million euros of commercial paper at maturity, leaving an outstanding balance of 6.5 million euros due on several dates between the reporting date and July 2025.

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 amortised cost method, at 62,320,861 euros at 30 September 2024. The annual effective cost of its commercial paper is 4.683%.

Overdraft credit facility

On 10 August 2023, Group company Aedas Homes Opco, S.L.U. arranged an overdraft credit facility with SOCIÉTÉ GÉNÉRALE, SUCURSAL EN ESPAÑA for up to 10 million euros, due 10 August 2024. The facility was renewed for another year on 1 August 2024 and currently matures in August 2025.

That overdraft accrues a variable rate of interest on the amount drawn of Euribor plus a spread of 2.7%, subject to a floor of 0% if Euribor is negative. The facility accrues an annual commitment fee of 0.10% of the average undrawn balance.

At 30 September 2024, the overdraft facility was fully undrawn.

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 2024, 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 as at 1 April 2024	-	323,828,434	3,353,386	(615,489,628)	848,764,919	(1,853,752)	558,603,359
<i>Changes derived from financing cash flows (1)</i>	-	-	-	935,258,158	(786,444,058)	-	148,814,100
<i>Changes arising from obtaining or losing control of subsidiaries or other businesses</i>	9,459,901	-	26,722,700	-	-	-	36,182,601
<i>Assumption of developer loans</i>	-	-	-	(39,142,557)	-	-	(39,142,557)
<i>Interest accrued without an impact on financing cash flows</i>	-	(2,174,026)	-	11,591,965	-	-	9,417,939
<i>Amounts transferred to 'current' without an impact on financing cash flows</i>	-	-	-	-	-	-	-
<i>Other changes</i>	-	(70,000,000)	(1,143,887)	-	-	15,000,000	(56,143,887)
<i>Fixed asset suppliers Lease agreements</i>	-	-	392,155	-	-	5,386,610	5,778,766
Balance as at 30 September 2024	9,459,901	251,654,408	29,324,354	292,217,938	62,320,861	18,532,853	663,510,320

(1) During the six months ended 30 September 2024, the net cash inflow via bank borrowings derived from: net new developer loans of 935,258,158 euros (drawdowns of 282,501,239 euros, offset by repayments on delivery of housing units of 170,685,458 euros); and the drawdown of 15,000,000 euros of corporate debt, offset by the repayment of 20,000,000 euros of corporate debt.

During the six months ended 30 September 2023, the net cash inflow related with bank borrowings amounted to 173,619,877 euros, made up of developer loan drawdowns of 266,000,353 euros, offset by developer loan repayments on delivery of housing units of 92,380,476 euros, the drawdown of 65,400,000 euros of corporate debt and the repayment of 20,000,000 euros of corporate debt.

6. Tax payables | receivables 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 2024, 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) *Income tax expense for the period*

Income tax expense breaks down as follows:

	Euros	
	Six months ended 30 Sept. 2024	Six months ended 30 Sept. 2023
Current tax	(3,210,560)	(3,355,510)
Deferred tax	-	1,989,089
	(3,210,560)	(1,366,421)

The Group's management has calculated its tax expense for the six months ended 30 September 2024 by applying the prevailing tax rate to its consolidated taxable income before tax, as it believes that the applicable adjustments, if any, will not be significant.

c) Deferred tax

The breakdown of the tax credits recognised by the various Group companies at 30 September 2024 and 31 March 2024:

	Euros	
	30 Sept. 2024	31 Mar. 2024
AEDAS HOMES S.A.	3,276,260	3,262,807
PRIESA Group	1,754,965	-
Other Group companies	3,642,888	3,658,941
TOTAL	8,674,114	6,921,748

The reconciliation of the movement in deferred tax assets and liabilities during the six months ended 30 September 2024 is shown below:

	Euros				
	1 April 2024	Changes recognised in:			30 Sept. 2024
	Opening balance	Statement of profit or loss	Scope additions	Other	Closing balance
Deferred tax assets:					
Unused tax losses	489,613	-	-		489,613
Deductible temporary differences	6,432,135	-	1,754,965	(2,599)	8,184,501
Total deferred tax assets	6,921,748	-	1,754,965	(2,599)	8,674,114
Deferred tax liabilities:					
Taxable temporary differences	(600,518)	-	-	-	(600,518)
Total deferred tax liabilities	(600,518)	-	-	-	(600,518)
Total net deferred tax assets	6,321,229	-	1,754,965	(2,599)	8,073,596

During the six months ended 30 September 2024, the movement in deferred tax assets and liabilities originated mainly from the recognition of the deferred tax assets contributed to the Group as a result of the business combination with Priesa (Note 2.e).

On 27 December 2017, the Board of Directors resolved to apply the tax consolidation regime (contemplated in article 55 *et seq.* of the Spanish Corporate Income Tax - Law 27/2014) in 2018 and thereafter, designating Aedas Homes, S.A. as 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 2,011 million euros, implying unrealised capital gains of 394 million euros (note 3).

On the basis of the foregoing, the Parent's directors expected that it will be able to utilise all of the tax assets recognised in respect of unused tax credits in 2024.

7. Related-party transactions

The Group's related parties include, in addition to its subsidiaries, jointly controlled entities and associates, the Parent's 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.

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The main transactions completed with related parties in the six-month period ended 30 September 2024:

- On 22 and 23 July 2024, the Company entered into two binding agreements with a vehicle managed by Banco Santander for the development and operation in Valencia and Madrid of shared living residential complexes ("Flex Living") through two joint ventures in which the Company holds minority interests of 10%, specifically Servicios Inmobiliarios Residencial En Venta JV 2, S.L.U. and Flexliving Valdemarin, S.L. Those shares were sold to Banco Santander for 8,284,682 euros and 2,700 euros, respectively.
- On 6 May 2024, the Company reduced its shareholding in Java Investments Holdings S.à r.l. by 4.29% following the delivery of certain milestones related with the degree of progress of several developments. At 30 September 2024, the Group held a 45.61% interest in that investee. The shares in this investee were sold for 2,384,755 euros.

The main transactions completed with related parties in the six-month period ended 30 September 2023:

- Shareholder contributions and loans extended to associates.
- Contracts entered into with associates: provision of management, monitoring and sale-marketing services.
- On 5 May 2023, Winslato ITG, S.L. made two separate payments of 166,591 euros apiece to Aedas Homes Opco, S.L.U. in order to cancel its debt under the invoice for management fees corresponding to annex 2.1.1. of the contract between the two parties.
- On 5 April 2023, Espacio Aurea Residencial, S.L. paid 446,934 euros to Aedas Homes Servicios Inmobiliarios, S.L. in order to cancel a loan of 400,000 euros and settle the interest accrued on that loan in the amount of 46,934 euros.

The table below discloses the transactions completed with related parties during the six months ended 30 September 2024 and the resulting related-party balances at 30 September 2024:

Six months ended 30 September 2024	Euros			
	Income		Expenses	
	Revenue from services rendered	Finance income	Sales-marketing	Finance costs
Winslato ITG, S.L.	137,679	146,530	-	-
Aedas KS Levante, S.L.	-	-	302,322	68,456
Aedas KS Iberia, S.L.	-	-	280,905	84,132
Aedas KS Fonsallá, S.L.	-	-	745,193	122,612
Aedas KS Santa Clara, S.L.	-	-	453,631	70,905
Espacio Promoción IV S.L.	262,813	-	-	-
Espacio Son Puig S.L.	260,328	-	-	-
Espacio Promoción VII S.L.	197,542	-	-	-
Espacio Promoción VIII S.L.	334,764	-	-	-
Nueva Marina Real Estate S.L.	21,063	-	-	-
	1,214,189	146,530	1,782,051	346,105

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Balance as at 30 September 2024	Euros			
	Trade and other receivables	Loans	Borrowings from shareholders	Trade and other payables
Winslaro ITG, S.L.	580,348	4,641,699	-	-
Espacio Aurea Residencial, S.L.	7,093	-	-	-
Residencial Henao, S.L.	94	-	-	-
Nature Este, S.L.	149	-	-	-
Varia ACR Móstoles Fuensanta, S.L.	120	-	-	-
Residencial Ciudadela Uno, S.L.U.	161	-	-	-
Partida de la Rápita, S.L.	-	207,187	-	-
Allegra Nature, S.L.	(302)	-	-	-
Aedas KS Levante, S.L.	6,776,663	-	-	-
Aedas KS Iberia, S.L.	2,418,889	-	-	-
Aedas KS Fonsalía, S.L.	1,269,265	-	-	-
Aedas KS Santa Clara, S.L.	4,022,520	-	-	-
BTS Servicios Inmobiliarios JV1, S.L.	(235,684)	-	-	-
Serv. Inmb Residencial Venta JV2 S.L.	21,800	-	-	-
Java Investment Holding S.A.R.L.	-	41,674,504	-	-
	14,861,116	46,523,390	-	-

The table below discloses the transactions completed with related parties during the six months ended 30 September 2023 and the resulting related-party balances at 31 March 2024:

Six months ended 30 September 2023	Euros			
	Income		Expenses	
	Revenue from services rendered	Finance income	Sales-marketing	Finance costs
Winslaro ITG, S.L.	137,679	237,147	-	-
Serv. Inmobiliarios Licancabur, S.L.	50,000	-	-	-
Urbanía Lamatra II, S.L.	-	-	-	-
Espacio Aurea Residencial, S.L.	183,788	-	-	-
Residencial Henao, S.L.	148,687	-	-	-
Nature Este, S.L.	19,342	-	-	-
	539,496	237,147	-	-

31 March 2024	Euros			
	Trade and other receivables	Loans	Dividend receivable	Trade and other current accounts payable
Winslaro ITG, S.L.	-	1,006,914	-	-
Espacio Áurea, S.L.	6,971	-	-	-
Residencial Henao, S.L.	(2)	-	-	-
Residencial Ciudadela Uno S.L.	161	-	-	-
Nature Este, S.L.	149	-	-	-
Varía ACR Móstoles Fuensanta, S.L.	120	-	-	-
Áurea Etxabakoitz, S.L.	66	-	-	-
Allegra Nature, S.L.	(302)	-	-	-
BTS Servicios Inmobiliarios JV1, SL.	3,606,297	21,759	-	-
Aedas KS Levante, S.L.	7,116,065	669,765	-	-
Aedas KS Iberia, S.L.	2,387,933	2,052,682	-	-
Aedas KS Fonsalia, S.L.	(817,426)	2,991,531	-	-
Aedas KS Santa Clara, S.L.	5,092,747	5,034,279	-	-
Java Investment Holding, S.L.	-	205,721	-	-
	17,392,779	11,982,651	-	-

Note that the Group did not perform any transactions with the members of the Parent's Board of Directors or key management personnel during the six months ended 30 September 2024 or 30 September 2023 and did not have any balances outstanding with any of those persons at either reporting date other than the salaries accrued in their capacity as employees.

8. Revenue

The revenue breakdown by business activity for the six-month periods ended 30 September 2024 and 30 September 2023:

	Euros	
	Six months ended 30 September 2024	Six months ended 30 September 2023
Revenue from the sale of developments	297,195,132	228,591,234
Revenue from the provision of real estate services	5,852,321	1,447,110
Revenue from land sales	3,534,765	-
Total	306,582,218	230,038,344

Revenue from the sale of developments, corresponding to the delivery of houses at 78 residential developments, amounted to 297,195,132 euros in the six months ended 30 September 2024 (228,321,350 euros and 77 developments, respectively, in the six months ended 30 September 2023).

Revenue from the provision of real estate services stemmed from the provision of management and sales-marketing services, management services under *Plan Vive* and land management and monitoring services during the permitting and planning phases of development.

The rental income recognised in the six months ended 30 September 2024 was generated by 32 homes (40 homes in the six months ended 30 September 2023) at developments carried out by the Group that have been rented out with options to buy. The purchase options in those lease agreements can be exercised after between one and four years; the rent paid until the exercise date will be discounted at different percentages depending on the year of exercise.

All revenue from sales and services was generated in Spain.

9. 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 2024	Six months ended 30 September 2023
Audit and related services		
Other assurance services	26,434	25,515
Total	26,434	25,515

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 material amounts of accounts receivable from Group companies, related parties or third parties were past due at 30 September 2024.

Liquidity risk

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

Developer loans

The Group has arranged developer loans totalling 766 million euros, which it has drawn down by 241 million euros (31.46% of the total available); it has also drawn down 130 million euros which are secured by the buyers' account, leaving 395 million euros available for drawdown.

The undrawn loans become available for draw down as the following two 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 2024, the progress of the Group's developments qualified it to draw down an additional 4.7 million euros corresponding to supplier invoices already paid and, therefore, tied to delivery of the milestones indicated above.

Customer prepayments

At 30 September 2024, the Group recognised 228 million euros of customer down payments for housing units (pre-sales and private contracts), of which 20 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, 60 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 first half of 2024, contract obligations obliged the Group to refund 1,952,918 euros (2,556,765 euros at 31 March 2024).

In addition to the above construction-specific financing mechanisms, as outlined in note 5, the Group has a build-to-rent (BTR) development finance facility with a limit of 28 million euros, a revolving credit facility with a limit of 55 million euros and an overdraft credit facility with a limit of 10 million euros, for an aggregate of 93 million euros. At 30 September 2024, the Group had drawn down 6.4 million euros under the BTR facility. The revolving credit facility and overdraft credit facility were fully undrawn.

Elsewhere, the Group has registered a 150-million-euro commercial paper programme with Spain's alternative fixed-income exchange, MARF (note 5). The balance of commercial paper outstanding under that programme stood at 56.4 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 2024, the commercial paper due within 12 months of the reporting date amounted to 62.3 million euros (face value), while unrestricted cash stood at 50.1 million euros and the amount available for immediate drawdown under developer loans amounted to 4.7 million euros, for a total of 112.4 million euros, which is 62.3 million euros more than the commercial paper due in the short term.

In addition, on 7 August 2023, the Parent registered another new commercial paper programme with AIAF, another Spanish alternative fixed income market, under which it can issue up to 100 million euros of paper with terms of between three and 364 calendar days, similarly to diversify the Group's sources of financing.

The Parent renewed that commercial paper programme for 2024 on 3 September 2024.

The Parent issued a total of 3.6 million euros of commercial paper under the programme during the six months ended 30 September 2024 and it repaid 3.2 million euros of commercial paper at maturity, leaving an outstanding balance of 5.7 million euros due on several dates between the reporting date and July 2025.

Note, lastly, that the Group expects to generate net cash from its operating activities, i.e., the development and sale of its housing units (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

The Group's cash balances and certain of its borrowings expose it to interest rate risk, which could have an adverse impact on its net finance expense and cash flows. Note, however, that the green bonds carry a fixed coupon and are therefore not exposed to interest rate risk. As a result, 47% of the Group's total borrowings (considering the amounts drawn) carried fixed interest rates at 30 September 2024, significantly limiting its exposure to variability in benchmark interest rates.

A 100 basis point movement in interest rates would have increased finance costs by 1,500 thousand euros in the six months ended 30 September 2024 (and by 1,330 thousand euros in the six months ended 30 September 2023).

11. Segment reporting

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 2024.

Specifically, the Group has not defined any operating or geographical segments since its business consists almost 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 understanding 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 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 the acquisition of the Priesa Group, detailed in note 2.e and the developments outlined next:

- On 4 October 2024, Promociones y Propiedades Inmobiliarias Espacio, S.L.U., a wholly-owned subsidiary of the Company, sold its 33.33% interest in Marina De Fuengirola Siglo XXI, S.L.
- Between 1 October 2024 and the date of authorising these interim condensed consolidated financial statements for issue, the Group has arranged mortgages in an aggregate amount of 22,964,000 euros in order to finance two developments in progress. The mortgages carry interest at Euribor plus spreads ranging between 200 and 250 basis points.
- On 23 October 2024, the Company sold 25% of its shares in Altacus Investments, S.L., Cirilla Investments, S.L. and Lysistrata Investments, S.L., concessionaires for the purposes of *Plan Vive 3*, to Grupo San José, for the following sums:
 - The shares in Altacus Investments, S.L., for 550,000 euros;
 - The shares in Cirilla Investments, S.L., for 675,000 euros; and
 - The shares in Lysistrata Investments, S.L., for 500,000 euros.
- At the close of trading on 18 October 2024, Aedas Homes, S.A. held 485,238 treasury shares (acquired under the Discretionary Programme, the Repurchase Programme and block trades), representing 1.08% of its capital; they were bought back at an average price of 16.95 euros per share.
- On 23 October 2024, Aedas Homes, S.A. acquired 100% of Global Quitina, S.L., Global Encono, S.L. and Global Disosto, S.L., paying 3,600 euros for each company.

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 2024

Company	Registered office	Business	Ownership interest		Shareholder	Auditor	Consolidation method
			30 September 2024				
AEDAS HOMES OPCO, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	Madrid	Real estate services	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES CANARIAS, 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 SPAIN 2, S.L.	Madrid	Development	87.50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES RENTAL, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	Full consolidation
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES COLMENAR VIEJO, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	Full consolidation
WNSLARO 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
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES LIVING, S.L.U.	Madrid	Decoration and interior design services	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 SERVICIOS INMOBILIARIOS, S.L.U.	-	Full consolidation
VARÍA ACR MÓSTOLES FUENSANTA, S.L.	Madrid	Development	15.60%	Indirect	AEDAS HOMES, S.A. through DOMUS AVENIDA, S.L	KPMG Auditores, S.L.	Equity method
ESPACIO ÁUREA, S.L.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., 50% through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U. and 50% through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation

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ALLEGRA NATURE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	ETL Spain Audit Services, S.L.	Equity method
RESIDENCIAL HENAO, S.L.	Vizcaya	Development	22.50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	KPMG Auditores, S.L.	Equity method
ÁUREA ETXABAKOITZ, S.L.	Navarre	Development	14.81%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	KPMG Auditores, S.L.	Equity method
RESIDENCIAL CIUADADELA UNO, S.L.	Navarre	Holdco	17.13%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
NATURE ESTE, S.L.	Madrid	Development	17.13%	Indirect	AEDAS HOMES, S.A., through RESIDENCIAL CIUADADELA UNO, S.L.	ETL Spain Audit Services, S.L.	Equity method
JAVA INVESTMENTS HOLDINGS, S.A.R.L.	Luxembourg	Holdco	45.61%	Direct	AEDAS HOMES, S.A.	-	Equity method
AEDAS KS FONSAIA, S.L.U.	Las Palmas, Gran Canary Island	Development	45.61%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L.	-	Equity method
AEDAS KS SANTA CLARA S.L.U.	Madrid	Development	45.61%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L.	-	Equity method
AEDAS KS LEVANTE, S.L.U.	Madrid	Development	45.61%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L.	-	Equity method
AEDAS KS IBERIA, S.L.U.	Madrid	Development	45.61%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L.	-	Equity method
BTS SERVICIOS INMOBILIARIOS JV1, S.L.	Madrid	Development	24.50%	Direct	AEDAS HOMES, S.A.	-	Equity method
SERVICIOS INMOBILIARIOS RESIDENCIAL EN VENTA JV2, S.L.U.	Madrid	Development	10%	Direct	AEDAS HOMES, S.A.	-	Equity method
ALTACUS INVESTMENTS S.A.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
CIRILLA INVESTMENTS, S.A.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
LYSISTRATA INVESTMENTS S.A.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
FLEXLIVING VALDEMARÍN S.L.	Madrid	Development	10%	Direct	AEDAS HOMES, S.A.	-	Equity method
PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
ESPACIO ABSTRACT, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation

ESPACIO ALICANTE, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO MALLAETA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO COSMO, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO PROJECT MANAGEMENT, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO VALDEBEVAS 175, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO SINGULART ALMERIA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
HECO HOMES GRESOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO PROMOCION X, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO PROYECTOS SPV II, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIOS DESARROLLOS URBANOS, S.L.U.	Valencia	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO CIRESA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO INSIGNE, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO PROMOCION XI, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation

ESPACIO SON PUIG, S.L.	Madrid	Development	30%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Equity method
PARTIDA DE LA RÁPITA, S.L.	Alicante	Development	33%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Equity method
TORRES Y SANTA MARTA, S.L.	Alicante	Development	50%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
ESPACIO Y PROMOCION IV, S.L.	Madrid	Development	10%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Equity method
ESPACIO Y PROMOCION VII, S.L.	Madrid	Development	50%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Full consolidation
MARINA DE FUENGIROLA SIGLO XXI, S.L.	Malaga	Development	33%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Equity method
NUEVA MARINA REAL ESTATE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	-	Equity method
ESPACIO PROMOCIÓN VIII, S.L.	Madrid	Development	30%	Indirect	AEDAS HOMES, S.A., through ESPACIO PROYECTOS SPV II, S.L.U.	-	Equity method

Subsidiaries included in the scope of consolidation at 31 March 2024

Company	Registered office	Business	Ownership interest		Shareholder	Auditor	Consolidation method
			31 March 2024				
AEDAS HOMES OPCO, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	Madrid	Real estate services	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
LIVE VIRTUAL TOURS, S.L.U.	Madrid	Audiovisual distribution	100%	Direct	AEDAS HOMES, S.A.	-	Full consolidation
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	Full consolidation
AEDAS HOMES CANARIAS, S.L.U. (formerly, 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 SPAIN 2, S.L.	Madrid	Development	87.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES RENTAL, S.L.U. (formerly, FACORNATA SERVICIOS Y GESTIONES, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	Full consolidation
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES COLMENAR VIEJO, S.L.U. (formerly, TURNKEY PROJECTS DEVELOPMENT, S.L.U.)	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	ERNST & YOUNG, S.L.	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
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	Madrid	Development	100%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES OPCO, S.L.U.	-	Full consolidation
AEDAS HOMES LIVING, S.L.U.	Madrid	Decoration and interior design services	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 SERVICIOS INMOBILIARIOS, S.L.U.	-	Full consolidation
VARIA ACR MÓSTOLES FUENSANTA, S.L.	Madrid	Development	15.6%	Indirect	AEDAS HOMES, S.A. through DOMUS AVENIDA, S.L	KPMG Auditores, S.L.	Equity method
ESPACIO ÁUREA, S.L.	Madrid	Development	50%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
ALLEGRA NATURE, S.L.	Madrid	Development	20%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	ETL Spain Audit Services, S.L.	Equity method
RESIDENCIAL HENAO, S.L.	Vizcaya	Development	22.5%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	KPMG Auditores, S.L.	Equity method
ÁUREA ETXABAKOITZ, S.L.	Navarre	Development	14.81%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	KPMG Auditores, S.L.	Equity method

RESIDENCIAL CIUDADELA UNO, S.L.	Navarre	Holdco	17.13%	Indirect	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method
NATURE ESTE, S.L.	Madrid	Development	17.13%	Indirect	AEDAS HOMES, S.A., through RESIDENCIAL CIUDADELA UNO, S.L.	ETL Spain Audit Services, S.L.	Equity method
JAVA INVESTMENTS HOLDINGS, S.A.R.L	Luxembourg	Holdco	49.90%	Direct	AEDAS HOMES, S.A.	-	Equity method
AEDAS KS FONSALÍA, S.L.U.	Las Palmas, Gran Canary Island	Development	49.90%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L	-	Equity method
AEDAS KS SANTA CLARA S.L.U.	Madrid	Development	49.90%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L	-	Equity method
AEDAS KS LEVANTE, S.L.U.	Madrid	Development	49.90%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L	-	Equity method
AEDAS KS IBERIA, S.L.U.	Madrid	Development	49.90%	Indirect	AEDAS HOMES, S.A., through JAVA INVESTMENTS HOLDINGS, S.A.R.L	-	Equity method
BTS SERVICIOS INMOBILIARIOS JV1, S.L.	Madrid	Development	24.50%	Direct	AEDAS HOMES, S.A.	-	Equity method
SERVICIOS INMOBILIARIOS RESIDENCIAL EN VENTA JV2, S.L.U.	Madrid	Development	100%	Direct	AEDAS HOMES, S.A., through AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	-	Equity method

AB

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

Company	Equity at 30 September 2024 (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.	44,807,030	387,236,299	(307,676,110)		18,067,813	63,175,332		205,610,364
AEDAS HOMES SERVICIOS INMOBILIARIOS, S.L.U.	3,000		600		(324,881)	4,190,676		3,869,395
LIVE VIRTUAL TOURS, S.L.U.	3,000		259	(310,368)	(151,274)	466,005		7,622
DAMALANA SERVICIOS Y GESTIONES, S.L.U.	3,010		65,249	(4,024,789)	(540,817)	8,000,000		3,502,653
AEDAS HOMES CANARIAS, S.L.U.	3,000		(7,412)		(48,609)	1,406,017		1,352,996
SPV SPAIN 2, S.L.	100,000		444,316	(88,028)	(27,595)			428,693
AEDAS HOMES RENTAL, S.L.U.	4,991,549		998,310		3,287,505	1,000,000	(1,931,300)	8,346,064
SERVICIOS INMOBILIARIOS MAUNA LOA, S.L.U.	3,000		69,311	(10,322)	269,027			331,016
AEDAS HOMES COLMENAR VIEJO, S.L.U.	3,000		2,322,261		(5,666)	1,134,600		3,454,195
WNSLARO ITG, S.L.	3,000		(371)	(3,712,787)	(1,485,186)	12,871,871		7,676,527
EGON ASSET DEVELOPMENT, S.L.U.	3,000		(812)	(85,809)	(16,364)	172,400		72,415
FALCON DESARROLLOS INMOBILIARIOS, S.L.U.	3,000		(1,575)	(29,008)	(21,802)	36,500		(12,885)
AEDAS HOMES LIVING, S.L.U.	3,000		600		953,100	2,463,816		3,420,516
DOMUS AVENIDA, S.L.	100,500		59,200			187,578		347,278
VARIA ACR MOSTOLES FUENSANTA, S.L.	3,000		227,496		(7,375)			223,121
ESPACIO AUREA, S.L.	216,900		428,334		275,270			920,504
ALLEGRA NATURE, S.L.	3,000		952,221	(395,754)	(4,588)			554,879
RESIDENCIAL HENAO, S.L.	42,000		8,400	(24,566)	(5,644)			20,190
AUREA ETXABAKOITZ, S.L.	40,500		67,454	(2,789)	(3,000)			102,165
RESIDENCIAL CIUDADELA UNO, S.L.	152,118	240,000	55,577	1,630,441		(683)	(1,658,534)	418,919
NATURE ESTE, S.L.	386,000			2,455,746	(8,049)		(2,000,000)	833,697
ALTACUS INVESTMENTS S.A.	2,200,000				(468)			2,199,532
CIRILLA INVESTMENTS, S.A.	2,700,000				(1,241)			2,698,759
LYSISTRATA INVESTMENTS S.A.	2,000,000							2,000,000
PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	88,506,127	121,550,000	(73,390,097)	(278,429,076)	3,921,193	204,977,367		67,135,514

ESPACIO ABSTRACT, S.L.U.	3,000			(149,652)	(4,488)	1,000,000		848,860
ESPACIO ALICANTE, S.L.U.	301,000	679,000	105,587	(41,007)	(4,652)			1,039,928
ESPACIO MALLAETA, S.L.U.	103,000		52,708	(29,651)	(3,003)			123,054
ESPACIO COSMO, S.L.U.	3,000			(81,064)	(6,087)	1,347,172		1,263,021
ESPACIO PROJECT MANAGEMENT, S.L.U.	3,000		437,330		(110,262)			330,068
ESPACIO VALDEBEVAS 175, S.L.U.	4,174,180	16,684,721	(7,420)	(8,294,274)	(2,946,788)			9,610,419
ESPACIO SINGULART ALMERIA, S.L.U.	3,000			(145,360)	(27,176)	2,750,000		2,580,464
HECO HOMES GRESOS, S.L.U.	3,000		2,236	(22,776)	(9,902)	600,000		572,558
ESPACIO PROMOCION X, S.L.U.	6,000	837,000		(4,047)	(210,815)			628,138
ESPACIO PROYECTOS SPV II, S.L.U.	18,000	6,885,000		(970)	(530,547)			6,371,483
ESPACIOS DESARROLLOS URBANOS, S.L.U.	10,000		78,381	(429,649)	(224,101)			(565,369)
ESPACIO CIRESA, S.L.U.	1,955,055		200,529	(5,501,570)	(4,434)	7,825,000		4,474,580
ESPACIO INSIGNE, S.L.U.	19,000,000	973,708		(11,896,774)	(5,552,247)	11,869,276		14,393,963
ESPACIO PROMOCION XI, S.L.U.	23,000	4,730,000		(1,912)	(16,504)			4,734,584

(*) Unaudited figures, except for the annual financial statements for the year ended 31 March 2024 of AEDAS HOMES OPCO, S.L.U., which were audited by ERNST & YOUNG, S.L.

BA



South Place (Estepona)

Consolidated Management Report **for the First Half of 2024/25**



1 April - 30 September 2024



Maranta (Boadilla del Monte)

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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.**

The definition and purpose of the **Alternative Performance Measures** referenced in this Report are available on the Company's website [here](#).

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At a glance

Land bank*

21,172
units under management
(vs. 18,003 units
at 31 March 2024)

Active units

16,928
units under management
(vs. 13,901 units
at 31 March 2024)

Units under construction

9,980
units under management
(vs. 9,473 units under
management at 30 Sept. 2023)

Units sold

1,492
BTS units
(vs. H1 2023/24:
887 BTS + 327 BTR units)

Average sales price for BTS units

€429k
(vs. €415k in FY 2023/24)

Order book

4,289**
units sold (€1.69bn**)
(vs. 4,280 units (€1.45bn)
at 30 Sept. 2023)

(*) The land bank at 30 September 2024 includes the units owned by AEDAS Homes (including the Priesa Group units); the units held through joint ventures; the units being managed for third parties; and the units whose acquisition was committed to but not closed as of the reporting date.

(**) Includes the Priesa Group units.

01. H1 2024/25 Executive summary

1.1 Statement from the CEO, David Martínez

Throughout the first half of FY 2024/25, our business momentum remained undeniably strong, marked by accelerating sales volumes that inject good visibility into our ability to generate revenue and deliver our goals. In parallel, we made solid strategic inroads, leveraging our positioning as a benchmark developer and showcasing our ability to take advantage of new opportunities and our commitment to affordable housing.

During the reporting period (1 April – 30 September 2024), we closed the acquisition of the Priesa Group (known as Inmobiliaria Espacio), framed by our strategic goal of consolidating the fragmented Spanish market. In parallel, we expanded our business footprint by concluding our first three Flex Living transactions (one of which came from the Priesa Group portfolio), in response to market demand for new living concepts and reinforcing our position as an industrial partner of reference for institutional capital. Additionally, we were awarded concessions for three affordable rental housing developments comprising 944 units under the umbrella of *Plan Vive III*. We broke ground on those developments just two months after signing the agreement with the Madrid authorities, adding to the 3,582 affordable housing units under construction for *Plan Vive I*, which are being managed by our team.



David Martínez, CEO

Sales momentum and increased visibility around delivery of our guidance

Between April and September 2024, we sold a total of 1,492 Build-to-Sell (BTS) units, year-on-year growth of 68% (excluding Build-to-Rent, or BTR, sales), for a total of €641 million. That meant that by the September close, we had already sold 90% of the homes slated for delivery in FY 2024/25, 56% of those due delivery in FY 2025/26 and 18% of the FY 2026/27 target.

The growth in demand drove a significant increase in our absorption rates, which oscillated at around 6%-7% (compared a rate of under 4% in the first half of last year).

Our BTS units sold for an average price of €429,000 euros during the first half of the year, confirming our positioning in the mid to upper

segment of the market, where demand is stable and our buyers are comfortably off, with above-average income levels, and in search of high-quality homes.

This healthy business momentum lends visibility to the company's revenue goal of around €1 billion.

Our healthy business momentum lends visibility to our annual revenue goal of €1 billion.

Selective investment in land

Framed by AEDAS Homes' policy of investing selectively, opportunistically and cautiously in land, between April and September 2024, we closed or committed to the acquisition of new land, all of which is classified as ready-to-build, with development capacity of 1,121 new housing units, for €111 million.

This strategy is translating into a premium quality and liquid land bank that lends itself to natural and recurring asset turnover. At September 2024, the land bank under management amounted to 21,172 units, of which 80% were active, i.e., either at the design, marketing or construction phase, or complete and pending delivery. We expect that this managed land bank will allow us to deliver our future revenue goals.



Unic (Jávea)

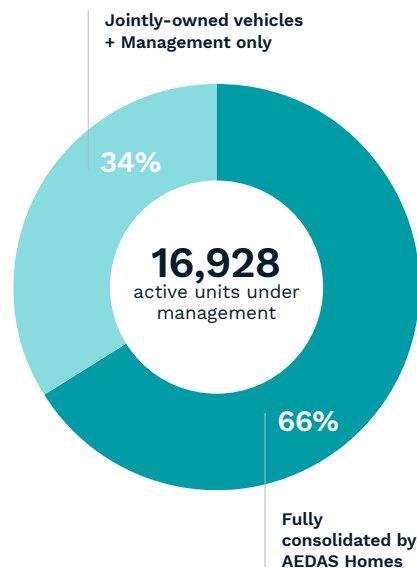
Diversified and growing platform

At the reporting date, of the 16,928 active housing units, 66% were fully consolidated by AEDAS Homes (including some for which the investment had yet to close at the reporting date) and the remaining 34% were units held through vehicles jointly owned by the company or developments being managed for third parties.

This spectrum of formulae for managing the company's land is giving shape to a diversified platform that is well positioned to make the most of opportunities (and to respond to market demands) and makes rational use of our capital.

By product type, 64% of the active units were BTS units; 27% were concession units (i.e., affordable housing built on land awarded under concessions); 5% were BTR units; and the remaining 4% were Flex Living units.

At 30 September, we had almost 10,000 units under construction, more than 5,900 at the design or marketing phase, and over 1,000 complete and ready to deliver, amply demonstrating our ability to scale up.



Earnings performance and business metrics

On the earnings front, our business generated total revenue of €307 million in the first half, year-on-year growth of 33%, thanks largely to the delivery of 922 units (738 to retail customers and 184 to one institutional partner).

In a market characterised by growing demand, we generated an overall gross profit of €69 million, EBITDA of €28 million and net attributable profit of €25 million, significantly above the figures recorded a year earlier, thanks to accelerating business momentum coupled with the impact of corporate transactions.

Our healthy first-half earnings performance allowed us to defend our solid financial position. Inventories amounted to €1.66 billion at the end of the reporting period, down year-on-year as a result of our joint investing strategy whereby we have brought outside capital into the land bank. The value of our investments in associates (equity interests + loans) amounted to over €100 million. All in all, this allowed us to end the first-half with €134 million of cash and a leverage ratio (LTV) of 26.8%.

AEDAS Homes therefore remains highly solvent: most of our debt is long term; borrowing costs are optimum; and working capital funding is stable. This, together with our efficient and predictable business model, business diversification, strong positioning and product quality, has allowed us to maintain our external credit ratings.

Commitment to affordable housing

We are proud to continue to support affordable housing initiatives through public-private partnership arrangements, as is evident in the growth of our Real Estate Services division, which is managing the development of over 4,500 homes earmarked for affordable rent. These public-private partnerships, which are proving an effective solution for tackling the housing affordability issue, especially for young people, are becoming more and more popular among the various public authorities. We at AEDAS Homes have a team of experts who are working to develop and implement this model.

At AEDAS Homes we are ready to take on the sector's challenges and deliver on the strategic plans and targets we have set ourselves for the years to come.

Outlook for the real estate market

After a period marked by uncertainty, the macroeconomic context has stabilised in the last six months, with the Spanish economy registering sustained growth and the monetary authorities cutting their benchmark rates. These conditions paint an even brighter picture for the real estate sector in Spain, whose fundamentals remain very solid, underpinned by strong demand, which is easily outstripping the supply of new housing.

The most recent official statistics estimate that an average of 245,000+ new households will form annually in Spain over the next 15 years, while the sector as a whole is producing fewer than 100,000 units each year. These figures provide an idea of the tremendous challenge facing the sector on the production side and indeed all of Spanish society, as well as a picture of the opportunities lying in store.

At AEDAS Homes we are ready to take on this challenge, leveraging our leadership position, proven execution capabilities and experienced team of professionals, and to deliver on the strategic plans and goals we have set ourselves for the years to come.

1.2 Market indicators

The Spanish home development sector remains solid, underpinned by dynamic activity levels fuelled by social and demographic trends that foreshadow **sustained and growing demand for housing**.

In June 2024, Spain's national statistics office (the "INE") updated its population forecasts, which point to ongoing robust growth in the medium and long term. In 2023, the Spanish population increased by over half a million people (+1.1% from 2022) to put the total at 48.6 million inhabitants (+0.9% relative to the estimates published by the INE in October 2022). The INE is forecasting annual population growth of **+340 thousand inhabitants** for a total population of 53.7 million in 2039. This population growth, driven mainly by the outlook for migratory flows, coupled with unfolding changes in society that are impacting household structures (increasing the number of single and two-member households at the expense of three and four-member households), underpins the INE's estimate that **+245k new households will be created in Spain in the next 15 years**, almost 70% of which are expected to be concentrated in Madrid, Catalonia, Andalusia and Valencia (source: INE).

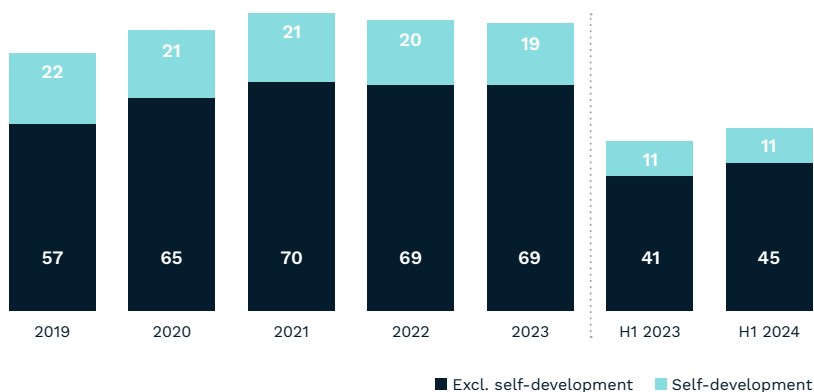


However, the forecast growth in demand does not appear to be translating into commensurate growth in new housing. According to the most recent figures released by Spain's Ministry of Transport, Mobility and Urban Agenda (the **"Ministry"**), between 2019 and 2023, the **supply** of new-build housing increased by close to **433 thousand units**, which is equivalent to **87 thousand new-build homes per year** (or just 66 thousand if self-builds are excluded from the numbers). Despite the fact that the supply of housing has picked up in 2024, as borne out by year-on-year growth of 8% in completed units between January and July (**56k new units in 7M24 vs. 52k in 7M23** (45k new units vs. 41k excluding self-builds, respectively)), the flow is still insufficient to meet current and prospective demand. As a result, the **sector is structurally imbalanced**, a situation which is possibly being accentuated by the **scarcity of zoned land** rather than **construction costs**, which have been **stabilising** following a bout of sharp inflation starting in 2020 (between January and July 2024 the cost of materials increased by 1.0% on average, while labour costs increased by 1.6% on average relative to the equivalent 7M23 figures).

The Spanish home development sector remains solid, thanks to dynamic activity levels underpinned by social and demographic trends that foreshadow sustained and growing demand.

Trend in new home completions in Spain

(000 units)

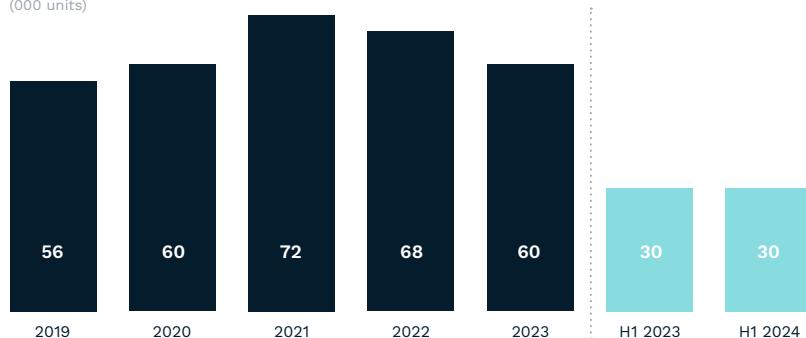


Source: Spanish Ministry of Transport, Mobility and Urban Agenda (MITMA)

New-build housing transactions averaged just under **67k units per annum in the last three years** and the figures for the first half of 2024 point to similar transaction volumes to those observed in the first six months of 2023.

Trend in new-build home sale transactions in Spain

(000 units)



Source: Spanish Ministry of Transport, Mobility and Urban Agenda (MITMA)

A structural imbalance between supply and demand is driving price growth in the new-build segment relative to the existing-home segment.

This mismatch between supply and demand is **driving price growth** in the new-build segment relative to the existing-home segment. In fact, **new-build house prices increased by 8% year-on-year in the first half of 2024 and by over 11% year-on-year in the second quarter**, compared to somewhat slower price growth in the existing-home segment of 6% year-on-year in the first half and of 7% in the second quarter. Overall, house prices are up 6% year-to-date, having increased by almost 8% year-on-year in the second quarter of 2024.

Trend in house prices in Spain (%)

(Change year-on-year by quarter)



Source: INE

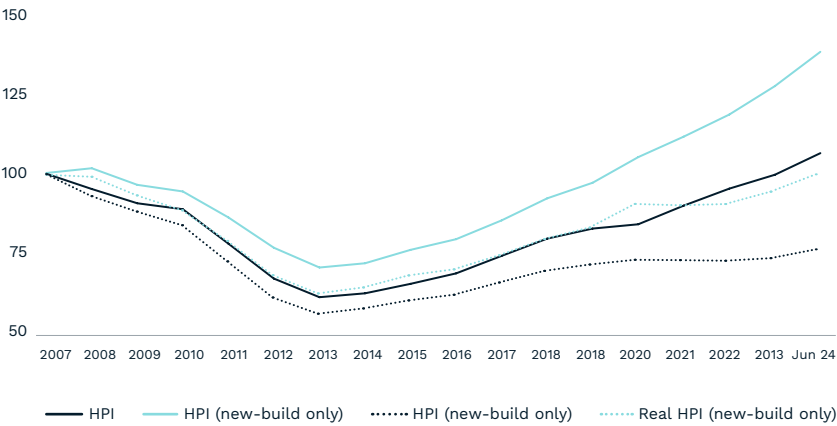
Notwithstanding potential price tension in the housing market, with prices set to continue to increase in 2024 and 2025 according to some analysts, **in nominal terms, house prices** in Spain have, for the first time **in over 15 years, revisited** (even surpassing them by almost 5%, fuelled in part by the Madrid market) **year-end 2007 levels**. The recovery has been more pronounced in the new-build segment,



where prices were 37% above 2007 levels by the end of June 2024 (source: INE). However, while the house price appreciation is evident in nominal terms, considering the inflation accumulated between December 2007 and June 2024, overall house prices in **real terms** remain **23% below 2007 levels**, with **new-build house prices** in line with the 2007 equivalent (a mere 0.1% higher) (source: INE and AEDAS Homes based on INE data).

Comparison between house prices in 2007 and 2024 in nominal and real terms (overall and new-build segment only)

(Rebased to 100 = Q4 2007)

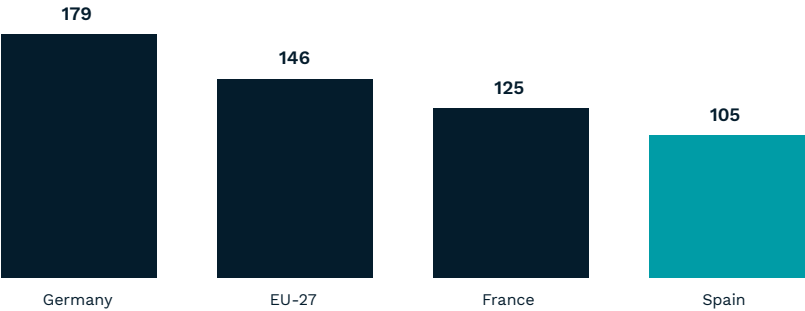


Source: INE and AEDAS Homes based on INE data

In contrast, in the European Union, house prices have been moving higher since 2015 and nominal prices have remained consistently above 2007 levels. However, housing prices in some of the largest economies, including France and Germany, have been correcting since 2023 but nevertheless remain above 2007 levels, by a wider margin than in Spain.

Relative house prices in the European Union as of 30 June 2024

(Rebased to 100 = 2007)



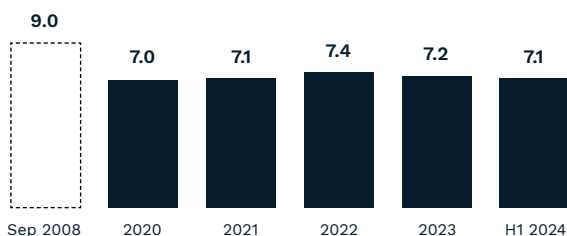
Source: INE and AEDAS Homes based on Eurostat data

The most recent inflation figures for the eurozone evidence the impact of the central banks' wave of rate increases. At the end of 2023, following a succession of interest rate increases by the European Central Bank (the **"ECB"**), the rate on main refinancing operations stood at 4.50%. Since then, with inflation cooling to under 3.0% and economic growth appearing to stagnate, the **ECB** has embarked on a period of monetary easing, cutting this benchmark rate by 25 basis points in June 2024, by a further 60 basis points in September 2024 and by another 25 basis points in October 2024, to leave it at **3.40%**. The rate cuts have been reflected in the index most commonly used to price mortgages, 12-month EURIBOR, which, having peaked at 4.20% in September 2023, ended October 2024 at 2.55%, which is below the level seen in the last quarter of 2022. The downtrend in interest rates will help lower the cost of mortgages and thereby lead to a possible improvement in Spanish households' **debt servicing burden**, which at the end of the first half of 2024 was a **reasonable 36%**, already one percentage point below the 2023 average.

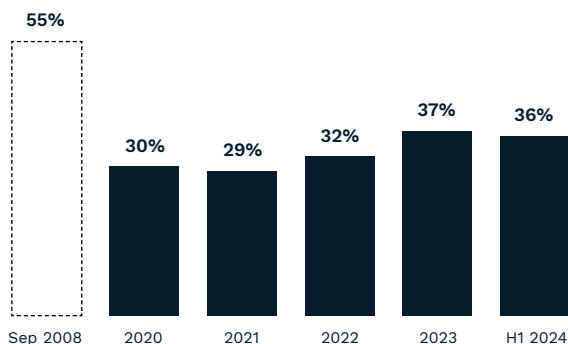
Spanish households' financial discipline is evident in the fact that new mortgages are being arranged at an average LTV ratio of 62% and on competitive terms and conditions.

Housing affordability indicators for Spain

House price-to-income (gross disposable income per household), in years (in annual average terms)



Debt servicing burden (% in annual average terms)



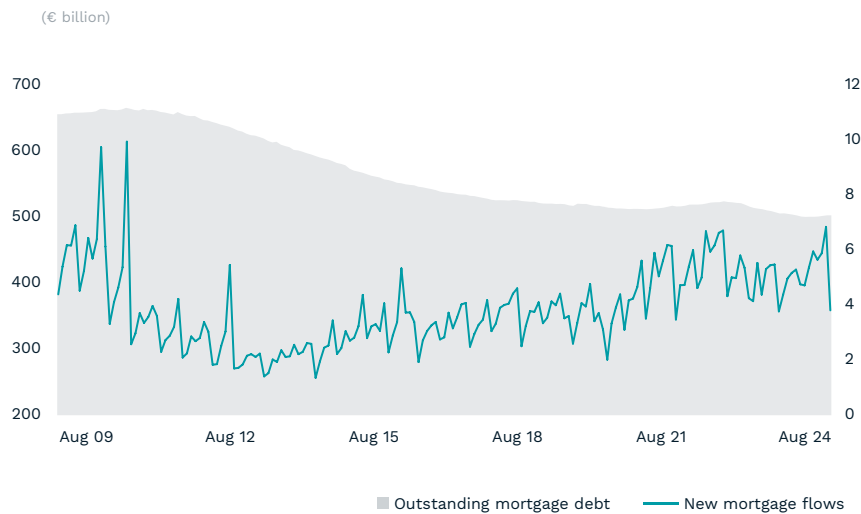
Source: Bank of Spain

On top of reasonable housing affordability metrics, **household debt is gradually decreasing**: in just 12 months, according to data published by the Bank of Spain, it has fallen to €681.5 billion (down €14.3 billion compared to March 2023), which is equivalent to **46% of GDP** (4pp lower year-on-year) (source: *Bank of Spain*) and 6pp below the eurozone average (source: *ECB Data Portal*). The balance of outstanding mortgage debt was stable as of August 2024 at €495.17 billion (source: *Bank of Spain*).

This financial discipline on the part of households is also evident in the fact that new mortgages are being arranged at an average **loan-to-value ("LTV") ratio of 62%** (source: *Bank of Spain*) and on **competitive terms and conditions**. In the first seven months of 2024, new mortgages were arranged, on average, at a term of 24 months and at

an initial rate of 3.3% (25 years and an initial rate of 3.2%, on average, only considering the period from May to July 2024) (source: INE). There is still some preference for fixed-rate mortgages: although the percentage has been dipping steadily from a peak of 75% in July 2022, in 7M24, 56% of all new mortgages were still arranged at a fixed rate, and an average initial rate of 3.5% (although that rate fell to 3.4% between May and July 2024 (source: INE).

Mortgage market



Source: Bank of Spain

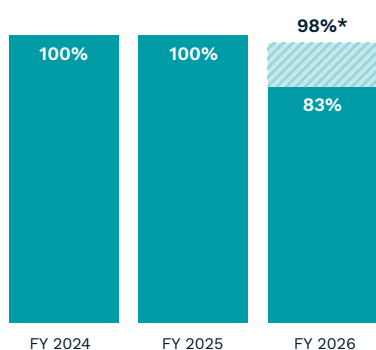


1.3 Business performance

The unique characteristics of the residential development business make it possible to predict with a good lead time the revenue generation capacity of a sector player's land bank. Specifically in the case of AEDAS Homes, whose land bank comprises **high-quality** and **liquid** sites, favouring **natural** and **recurring turnover** of the units comprising it, the timespan between the purchase of ready-to-build land and delivery of the final product is usually just over three years.

That revenue generation visibility is reflected in the company's coverage ratios for the next three years (including FY 2024/25) in terms of developments on the market, sales and the level of construction progress on the units scheduled for delivery. Against that backdrop, the **coverage ratios as of the end of H1 2024/25** (i.e., the period elapsing between 1 April and 30 September 2024) signal **good visibility** into delivery of the targets set by the company and mark progress on **annual revenue target of around €1 billion**.

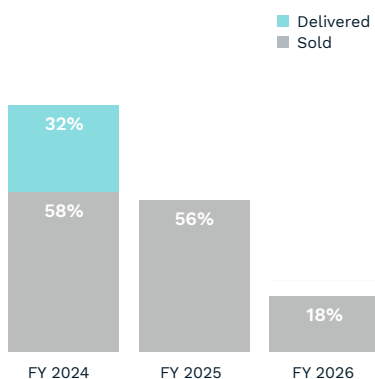
Marketing launches**



* If the volume of Off-Balance Sheet units as of 30 September 2024 were notarised, the coverage ratio for FY 2026/27 in terms of market launches would increase by 14pp.

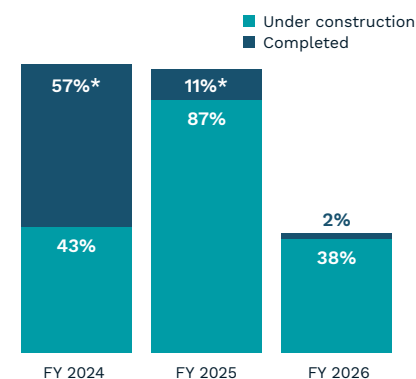
** Excludes the units associated with the joint ventures and the units derived from the acquisition of the Priesa Group.

Sales coverage*



* Excludes the units associated with the joint ventures and the units derived from the acquisition of the Priesa Group.

Construction progress**



* 18 units in FY 2024/25 and 14 units in FY 2025/26 correspond to assets with purchase options.

* Excludes the units associated with the joint ventures and the units derived from the acquisition of the Priesa Group.

The following sections offer a deeper analysis of the trends in the parameters underlying these coverage ratio calculations.

Active units

Units are considered ‘active’, or under development, from when they enter the design phase until their delivery. This metric is relevant as it provides a proxy for the scope for monetising the company’s land bank in the short and medium term.

At 30 September 2024, the company had a **total of 16,928 active units under management**. Of the total, 66% were units owned by the company (including units whose investment had yet to close at 30 September 2024 for which design and, in some cases, even marketing initiatives were already underway); the remaining 34% were units held through vehicles jointly owned by the company or units owned by third parties whose development is being managed by the company.

This significant volume of active units underscores the liquidity of the **21,172** units comprising the **land bank under the company’s management** at the end of the reporting period: some 80% of the total land bank under management was active.

Active units under management at 30 September 2024

16,928

(vs. 13,901 units at 31 March 2024)

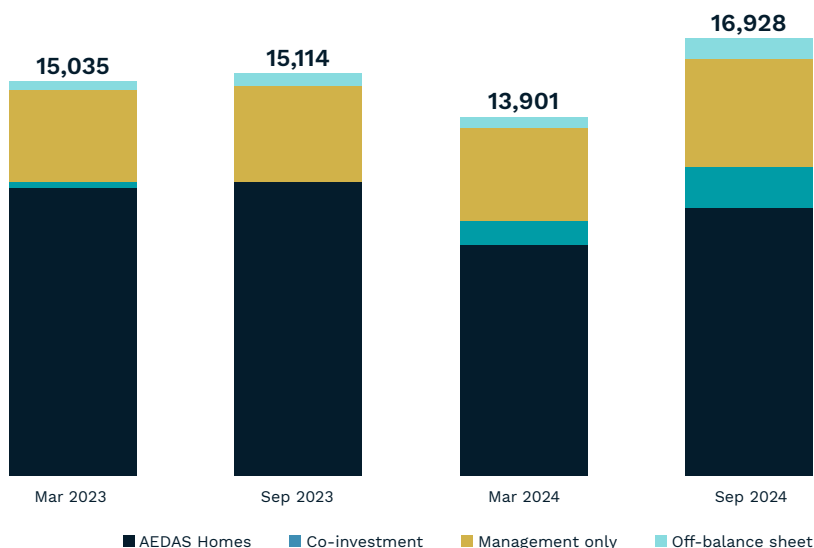
Total land bank under management at 30 September 2024

21,172

(vs. 18,003 units at 31 March 2024)

Trend in active units under management

(# of units)



Focusing firstly on the **62% of the land bank units under management that are wholly owned by the company** (excluding, in this instance, those related to transactions committed to as of the reporting date), it is worth highlighting: (i) the growth of 15% in the number of active units since 31 March 2024; and (ii) the ongoing **quality** of the portfolio, as borne out by its **good liquidity**, with 79% of the units already active, and also the progress on their monetisation, with over 60% of active units under construction or already complete.

Analysis of the active units owned by the company (excluding those related to transactions committed to as of the reporting date) by product type (BTS, BTR and Concessions) reveals the following:

- › Active **BTS** units topped **8,500**, representing growth of 3% from the March 2024 close, driven mainly by the addition of 378 new active units derived from the acquisition of the Priesa Group.
- › Active **BTR** and **Concession** units stood at over **1,800**, up 144% from the March 2024 close. The main reason for this jump is the definitive adjudication to the company, in June 2024, of concessions for three affordable housing developments encompassing 944 units under the umbrella of round three of the Madrid regional government's affordable housing scheme ("**Plan Vive III**") (in Villalbilla, Aranjuez and Navalcarnero), for which construction began in August 2024.

Turning next to analyse the **remaining 38%** of the land bank under the company's management, the breakdown is as follows:

- › **Units under management for third parties** ("**Management Only**" units) (63% of active units excluding those owned by the company): these are units for which the company is simply providing end-to-end development services in exchange for a stream of fees. In H1 2024/25, the number of these units **increased by 540** thanks to execution of three new management contracts for three developments located in Andorra (240 units at the marketing phase), Malaga (173 units at the design phase) and Fuengirola (127 units at the construction phase). These new units, together with the 3,582 units being developed under the umbrella of Plan Vive I, which were already in the count at March 2024 and whose construction is making satisfactory progress (with around two-thirds of the total slated for delivery in the second half of the year), yield the total of **4,122 active units under management for third parties** as of 30 September 2024.
- › **Units held through joint ventures** ("**Joint Venture**" units) (26% of active units excluding those owned by the company): these are units being developed by the company together with third-party investors. In these vehicles, the company plays a **dual role**: (i) it takes a **non-controlling shareholding**, usually of between 20% and 30%, in the joint venture created with the third-party investors; and (ii) it **provides end-to-end management services** for the residential developments carried out by the joint ventures (including identification of new opportunities, oversight of the design, permitting, sales, construction and project financing processes) in exchange for a stream of fees previously agreed between the parties.

More than half of the active units under management (8,500+ units) are BTS units.

In the first half of FY 2024/25, the number of units held through joint ventures **increased by 804** due to the addition of four new joint ventures originating from the Priesa Group (149 units associated with three BTS developments already under construction and 497 units associated with a Flex Living development located in Valdebebas, Madrid, which is at the marketing phase), as well as the incorporation of a joint venture with a Spanish institutional investor for a 158-unit Flex Living development located in Valencia (at the design phase). These new units add to the 880 active units from the two joint investments arranged in FY 2023/24 (all of which are at the marketing and construction phase), to yield the **1,684 active units held through joint ventures** as of 30 September 2024.

- › **Units subject to investment commitments yet to close** (or “Off-Balance Sheet” units) (12% of active units excluding those owned by the company): units that have yet to be notarised but have been activated for development purposes in order to shorten the end-to-end development process. In H1 2024/25, the number of these units **increased by over 340** as the 522 new units committed to and activated (and which are in this instance either at the design or marketing phase) more than offset the 180 Off-Balance Sheet active units recorded as of March 2024 that were notarised during the reporting period. The number of active **Off-Balance Sheet units** amounted to **776** as of the September 2024 close.

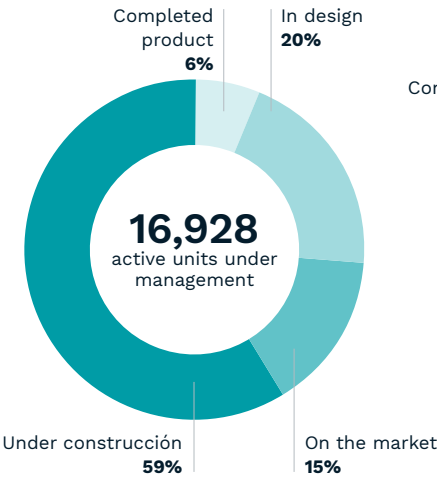




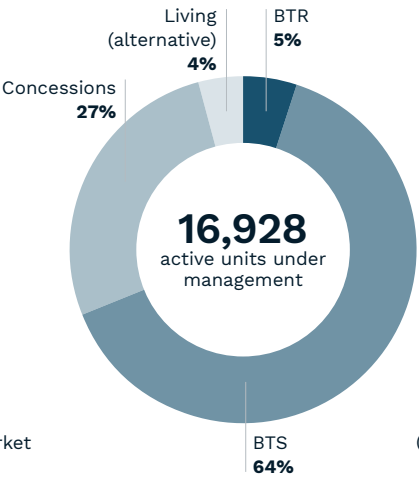
Active units under management at 30 September 2024

(# of units)

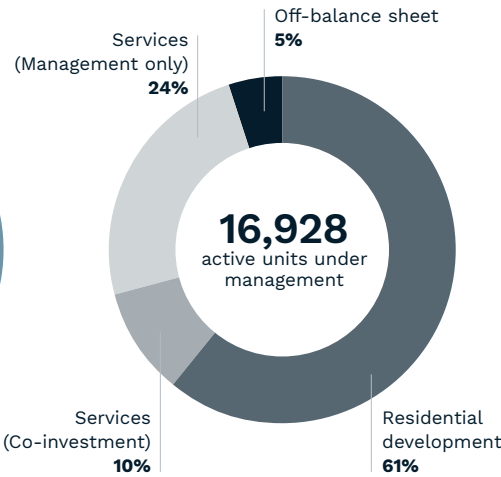
Breakdown by development phase



Breakdown by product type



Breakdown by ownership structure



Units on the market

Once the design phase is complete, a development’s marketing phase is kicked off, which is when units become available for sale, and from that moment, they are categorised as ‘units on the market’. This means, therefore, that all units on the market fall under the umbrella of active units.

According to this definition, considering business volumes at all lines of business, except for the company’s Management Only units and the alternative asset units (likewise excluding the Off-Balance Sheet units, which, once notarised will nevertheless automatically join the ranks of units on the market from the commercial point of view), in **H1 2024/25**, the portfolio of units on the market **increased by 2,326 units**, broken down as follows: 785 BTS units owned by the company; 124 Joint Venture units; 473 units derived from the acquisition of the Priesa Group; and 944 Plan Vive III units. As a result, and factoring the number of units delivered during the first half, the number of units on the market totalled **8,978** as of the September 2024 close (+18.5% from the March 2024 close and in line with the volume on the market in September 2023): 71% were BTS units owned by the company (excluding the Priesa Group); 4% were BTS units from the Priesa Group (excluding Joint Venture units); 11% were BTS units held through joint ventures; and the remaining 14% were BTR and Concession units.

Units on the market as of 30 September 2024

8,978

(vs. 9,074 units at September 2023)

The current volume of units on the market is deemed sufficient to cover the company's **BTS** and **BTR delivery targets** for the **next three fiscal years**.

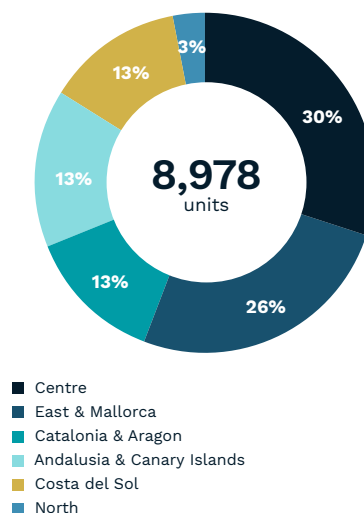
Sales and deliveries

The sale of a unit begins with execution of a pre-sale agreement. Once the company has a building permit for a pre-sold unit, 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 construction works are finalised, although these amounts may vary depending on the type of housing sold. When the construction is complete and the **First Occupancy Permit** has been granted, the customer is asked to pay the remainder when signing the deed of purchase, upon which keys to the house are delivered immediately.

H1 2024/25 was characterised by confirmation of the **pattern of rising demand** observed since October 2023. Specifically, the number of leads and visits increased by 25% and 15% from H1 2023/24, respectively, for a **conversion rate** (gross sales over number of visits) of **9%** (+2.5pp versus H1 2023/24). Moreover, the stock of unsold units registered a double-digit decrease by comparison with March 2024. As a result, the **net absorption rate in the BTS segment** (excluding the Priesa Group) increased very significantly, to around **6%-7%** (vs. under 4% in H1 2023/24), which means the company is selling its developments much quicker than the average of 25-30 months it takes to complete a new-build housing development from when it is put on the market.

Geographical breakdown of units on the market*

(# of units)



* The number of units on the market exclude: (i) the Real Estate Services line, which is focused on the provision of Management Only services; (ii) the Joint Venture units; and (iii) the Off-Balance Sheet units.



Against this backdrop, the company's sales growth accelerated in the first half of the year (**100% BTS**; no BTR units were sold during the first half) while private sale contract cancellation rates were similar to those observed in prior years (~1%). In total, the company sold **1,492 BTS units** in H1 2024/25 (**+68%** year-on-year in terms of BTS units, excluding Off-Balance Sheet transactions and the Priesa Group) for **€641 million**, which implies an ASP of **€429k**, down slightly from the year-earlier figure on account of the product mix.

By line of business, 90% of the units sold were at developments owned by the company. These units were sold for a total of €523 million, implying an ASP of €389k; however, in the future, the ASP of the BTS units 100%-owned by the company is expected to top the **€400k** mark as the BTS units pending sale at the September 2024 close were on sale for an ASP of €438k. The remaining 10% of units sold were at developments held through joint ventures. These units, which are positioned at the upper end of the company's price range, sold at an ASP of €793k, locking in future revenue of €117 million.

As noted above, although it did not close the sale of any **BTR developments** during the first half, the company has four developments with capacity of 558 units at the design phase.

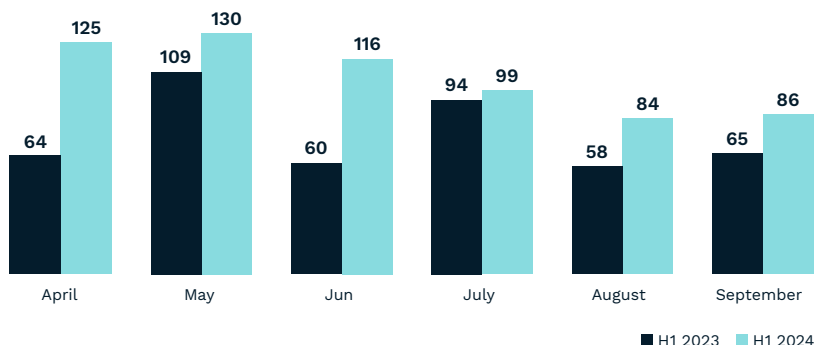
BTS units sold in H1 2024/25 (net)

1,492
(+68% vs. H1 2023/24)

BTS sales

€641m
(vs. €451m in H1 2023/24)

Total revenue from home sales (€m)



In **H1 2024/25**, the company **delivered** a total of **922 units** (+45% vs. H1 2023/24), triggering the recognition of **€297 million** of revenue (+30% vs. H1 2023/24) at an **ASP of €322k** (down 10% from the ASP fetched by the units delivered in H1 2023/24, due to the delivery of a 184-unit BTR development in Madrid with an ASP of €172k; **excluding that BTR development**, revenue from developments delivered would have been €265 million, underpinned by the delivery of 738 units with an **ASP of €360k**, i.e., **in line with the ASP of the BTS units delivered in H1 2023/24**). In light of the development execution schedule, most of the deliveries programmed for FY 2024/25 will be concentrated in the second half of the year. Note that as of the September 2024 close, 511 units were complete and pending delivery (excluding the rented units with option to buy).

In short, factoring in the deliveries made and new sales recorded in H1 2024/25, the company's **order book** ended the first half at **3,937 units**, with 76% of that total under sale agreements worth **€1.59 billion**, which translates into an ASP per unit of €403k (**+19%** from the ASP as of September 2023 and **+9%** from the ASP as of March 2024). Adding in the order book originated by the acquisition of the Priesa Group during the reporting period, specifically 352 units with a total sales value of €100 million (ASP: €284k), the company's total sales pipeline at 30 September 2024 rises to 4,289 units valued at **€1.69 billion**.

Construction

In addition to the sales metric, the company's ability to meet its delivery targets can also be gauged by the progress made on the **construction process**. The construction process starts when the company **obtains a building permit**, which is awarded by the municipal authorities in Spain.

Permit applications include the architectural plans which must necessarily comply with municipal planning and zoning requirements and the municipal authorities are obliged to grant building permits to the extent the plans meet those municipal regulatory requirements. The permitting period depends on each authority's responsiveness and can take anything from a few months to more than one year.

In H1 2024/25 (excluding the business volumes of the Priesa Group), the company accelerated its **permitting intensity**, applying for permits to develop (i) **1,669 BTS and BTR units**, which is equivalent to the volume applied for in all of FY 2023/24; and (ii) **944 Concession units** (i.e., Plan Vive III). On the other hand, the company deactivated nine developments without a permit (234 units), having decided to put the land up for sale instead. As a result, net new permit applications amounted to 1,435 BTS and BTR units, a figure that rises to 2,379 including the Plan Vive III units. As for the **permits received**, the company obtained building permits for the 944 Plan Vive III units and for **933 BTS and BTR units**; however, following the deactivation of eight developments (seven due to the decision to sell the land and one as a result of project redefinition), the net number of building permits obtained falls to **650**, which is lower than in previous years.

This permitting activity left the stock of units pending a permit at **2,609** across 36 developments, of which 82% have been in process for less than one year.

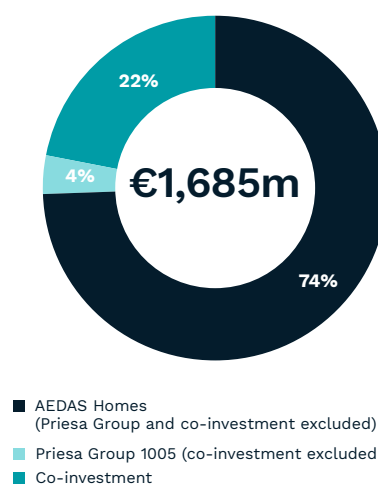
Delays in obtaining permits at certain BTS developments where construction work was scheduled to begin during the first half of the year impacted the volume of **construction starts**, which numbered

Order book

€1,685m

(vs. €1.45bn
at 30 September 2023)

Breakdown of the order book
at 30 September 2024



Accelerating permit application intensity (net)

2,379

((vs. 887 in H1 2023/24))



759 units in H1 2024/25. Nevertheless, the start of construction on the Plan Vive III developments lifts the number of units started to **1,703**, evidencing the company’s ability to execute and scale up.

In parallel, the company secured **Work Completion Permits** for **824 units**, in line with the number of units completed in 1H 2023/24 (837 units), and obtained **First Occupancy Certificates** for **406 units**.

At 30 September 2024, the company had a total of 5,917 units under construction, including the Plan Vive III units. If we add in the units under construction in the Priesa Group portfolio (354 units) and the 3,700+ Management Only units under construction, we arrive at a total figure of almost **10,000 managed units under construction**. These units under construction, together with the **1,000+ units that are complete** (of which 32 are being rented by individuals with an option to buy (excluding the Priesa Group) and of the remaining 991 units, around 60% already have First Occupancy Certificates), lend good visibility into the company’s ability to make its delivery targets, for its proprietary business and third parties alike, for the next three years.

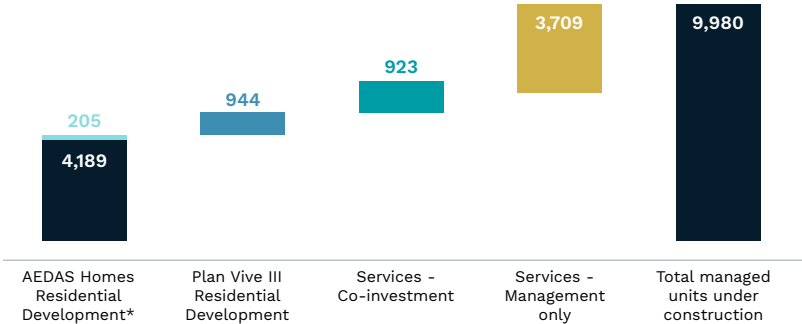
Construction starts

1,703

(vs. 988 in H1 2023/24)

Breakdown of units under management under construction at 30 September 2024

(# of units)



* The units categorised as “Residential Development - AEDAS Homes” include the units owned by AEDAS Homes (4,199) and those wholly-owned by the Priesa Group (205). The “Joint Venture Real Estate Services” units include the units being developed by joint ventures partly-owned by AEDAS Homes (774) and the Priesa Group (149).

Lastly, with respect to **construction costs**, following constant increases in raw material prices in recent years, the company is notably seeing stability in contractor prices, leaving it optimistic than its profit margins will improve with the passage of time.

Investments and disposals

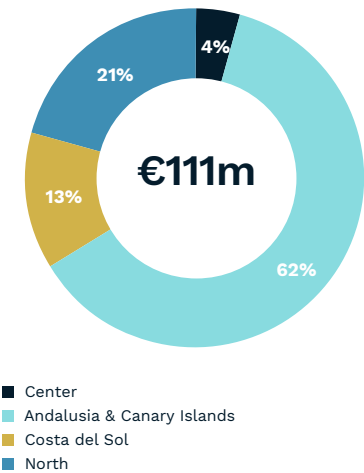
The company is highly selective and diligent when it comes to analysing potential investments. It determines the viability of a given opportunity from the standpoint of both business and financial efficiency.

In H1 2024/25, the company completed or committed to new acquisitions with development capacity of **1,121 new housing units** (all ready-to-build (RTB) land) for a total of **€111 million** (in terms of the cost of bringing them to RTB status). The investment effort was concentrated in the Andalusia & Canaries Regional Branch (62% of the total investment volume). Of the 1,121 total, the company notarised and closed the acquisition of just 535 units for €26 million (in terms of the cost of bringing them to RTB status), while the remaining 586 units, valued at €85 million, are investments the company has committed to but not yet closed, although it has made down payments of €7 million. These new developments, which are mainly slated for delivery in 2026, 2027 and 2028 (with 55% of the total units scheduled for delivery in 2027), are expected to be marketed at an ASP of close to €500k (which is above the current portfolio average) and to generate an estimated net margin of almost 23%.

In addition, in H1 2024/25, the company closed the acquisition of two developments that it had already committed to at 31 March 2024. Those two transactions add 222 new units to the company’s balance sheet at an aggregate amount of €18 million, in terms of RTB cost. As a result, the investments closed during the first half (i.e., new investments closed plus the completion of investments committed to in earlier reporting periods but excluding the new investments committed to but not yet closed) implied a total investment in RTB cost terms of €44 million.

Breakdown of new investments by Regional Branch

(% calculated in terms of investment volumes)



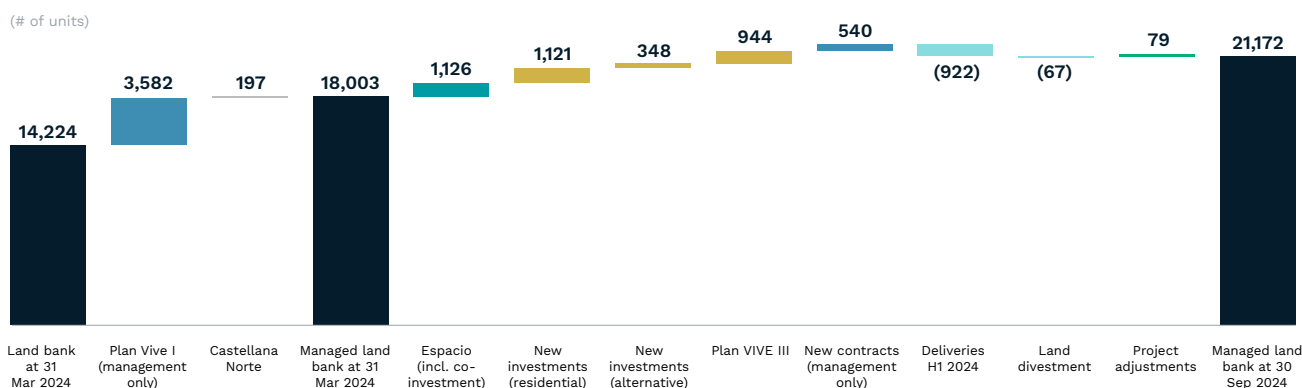
Another milestone was the company's **first investments** in land for the development of **Flex Living** complexes. Specifically, it invested in two sites in Madrid and Valencia for a total sum of **€20 million** on which it plans to develop **348 Flex Living units**. Both developments will be carried out by **joint ventures** in which a Spanish institutional investor will hold a majority interest.

The last significant development on the investment front was the acquisition of the **Priesa Group**, a transaction that evidences the company's ambition and ability to **lead the consolidation** of the home development market in Spain, which is currently highly fragmented. This business combination, with a cost (in terms of the net assets acquired) of close to **€50 million** and which is expected to close in November 2024, has implied the addition of:

- › 480 new BTS units within the company's inventories, including units in some markets that are new for the company;
- › Three new minority-interest joint ventures set up to develop 149 BTS units;
- › A minority-interest joint venture for the development of 497 Flex Living units in Madrid;
- › Two new developments encompassing 300 units in Malaga, for which the company will provide end-to-end Management Only services, once it sells its minority interests in each of those developments.
- › 17 sites across Spain which will either be developed or divested.

With respect to the **natural asset turnover policy**, the company sold sites with development capacity of 100 units in H1 2024/25. Of that figure, 56 units related to sale transactions committed to but not closed as of 31 March 2024; 11 units were newly-agreed sales; and the remaining 33 units relate to two new sale transactions that were signed during the reporting period but have yet to be notarised.

Trend in the land bank under management* |**

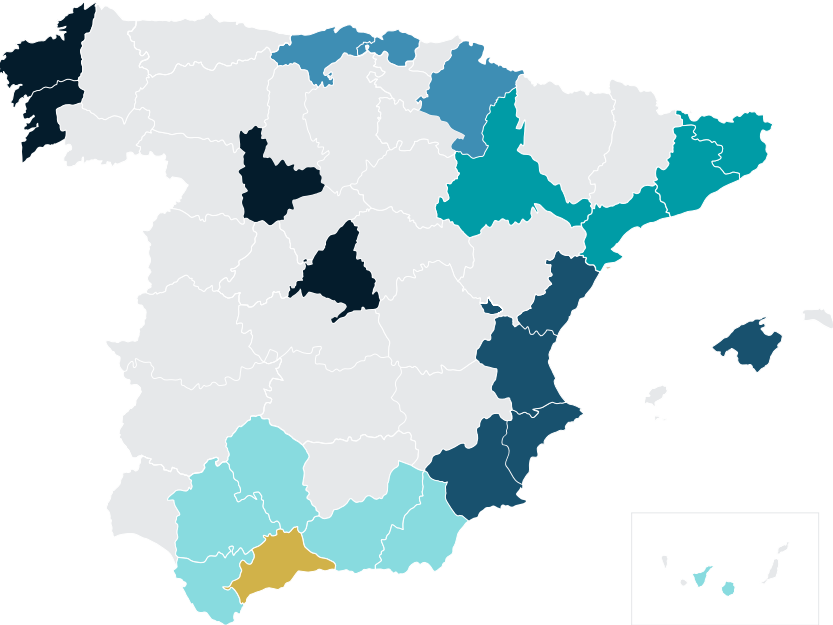


* The contract for the Castellana Norte project has been signed but it is a long-term project.

** "Priesa Group (including joint ventures)" includes a 497-unit Flex Living development and 149 BTS units.

Benchmark platform in the Spanish home development space

21,172*
units



Center
45%
9,466 units

Catalonia & Aragon
11%
2,226 units

East & Mallorca
17%
3,580 units

Andalusia & Canary Islands
16%
3,300 units

Costa del Sol
10%
2,023 units

North
3%
577 units

The implied net development margin on
AEDAS Homes' land bank is over 20%

* Land bank at 31 March 2024 (14,224 units) + Plan Vive I – Management Only (3,582) + Castellana Norte (197) = 18,003 units = land bank under management at 31 March 2024.

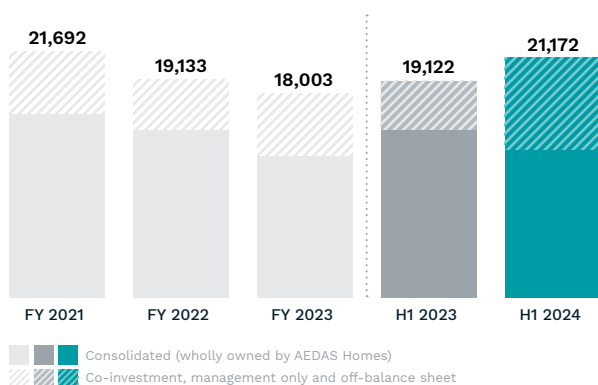
Land bank under management at 31 March 2024 (18,003 units) + Priesa Group (including joint ventures) (1,126) + New residential investments (1,121) + New alternative asset investments (348) + Plan Vive III (944) + New Management Only contracts (540) – Deliveries H1 2024/25 (922) – Disposals (67) + Development adjustments (79) = 21,172 units = land bank under management at 30 September 2024.

1.4 Key performance indicators

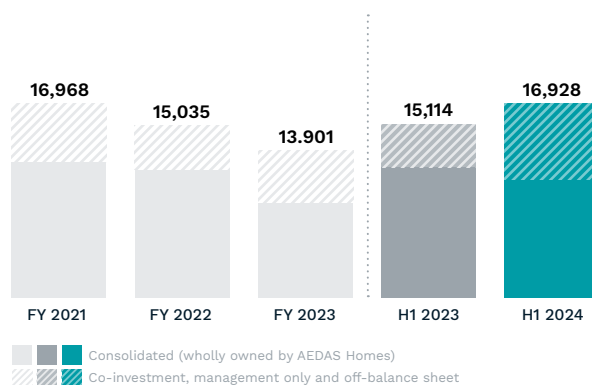
The alternative performance measures (APMs) used by the company are defined and the rationale for their use is explained on the company's website [here](#).

BUSINESS INDICATORS

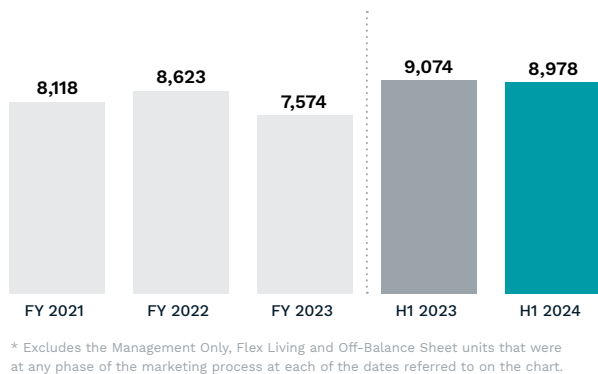
Land bank under management (#)



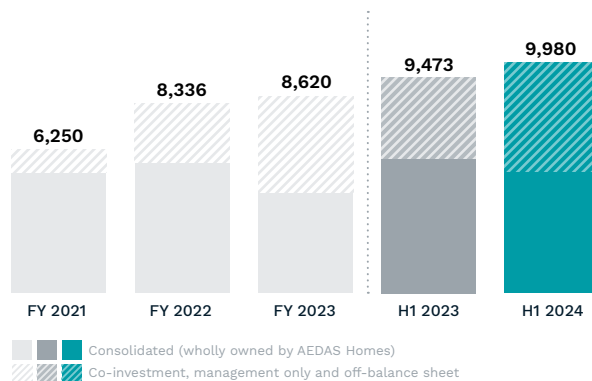
Active units under management (#)



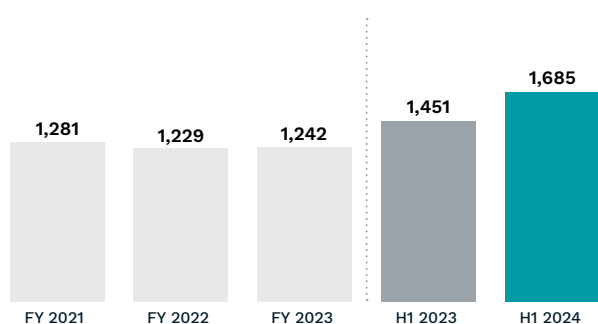
Units on the market (#)*



Units under construction (#)

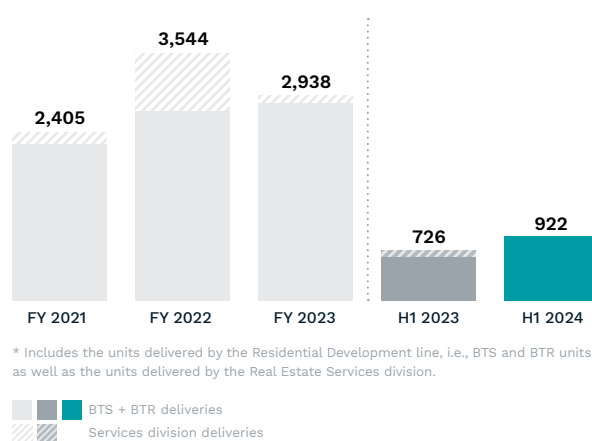


Order book (€ m)*



* H1 2024/25 includes the value of the Priesa Group's BTS order book (including units consolidated and units held through joint ventures)

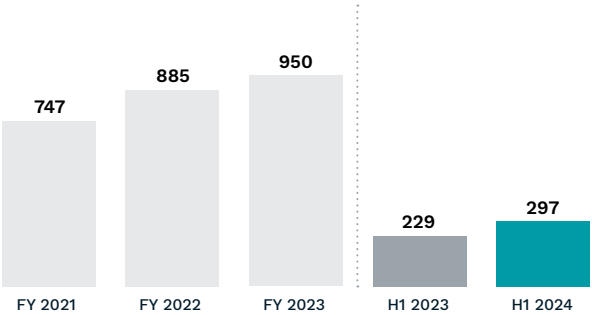
Homes delivered: BTS, BTR and Real Estate Services (#)*



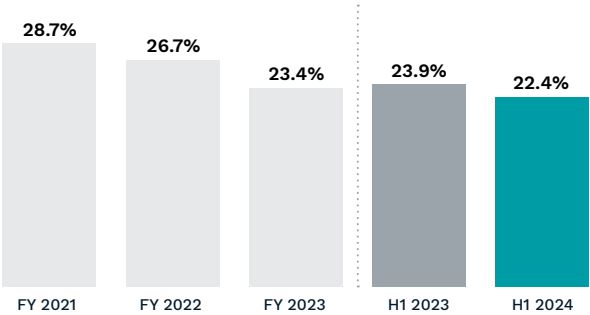


FINANCIAL INDICATORS

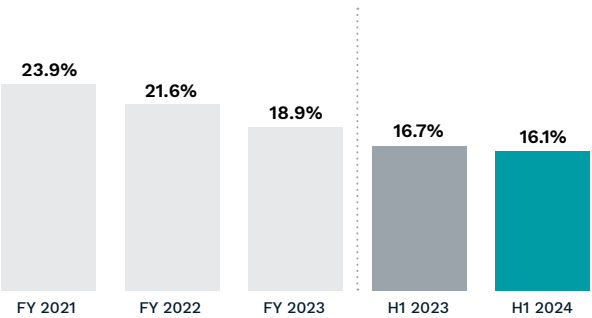
Revenue from residential development (€ m)



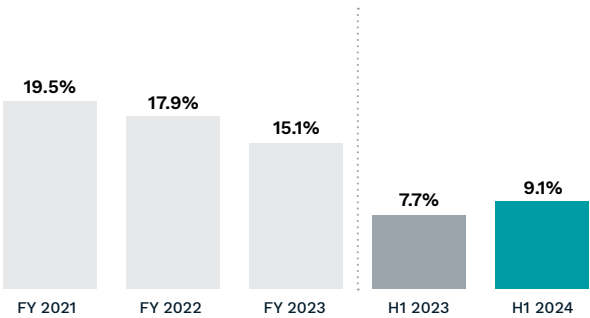
Gross development margin (%)



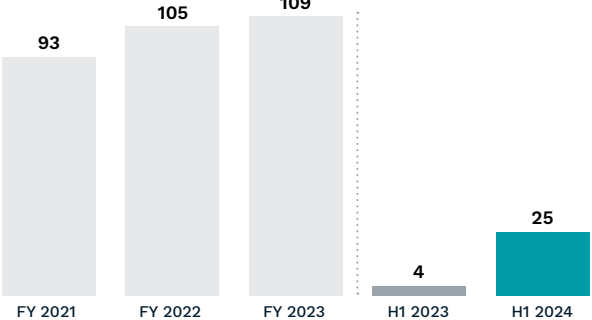
Net development margin (%)



EBITDA margin (%)

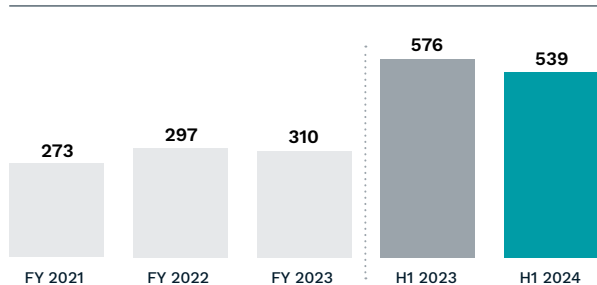


Attributable profit for the period (€ m)

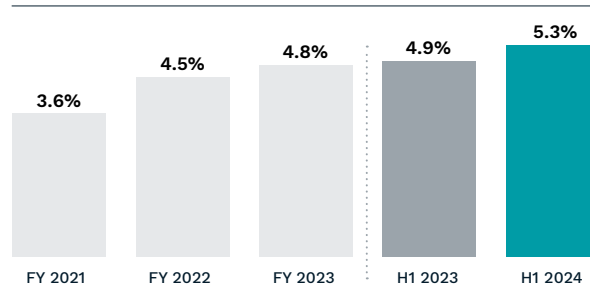


SOLVENCY INDICATORS

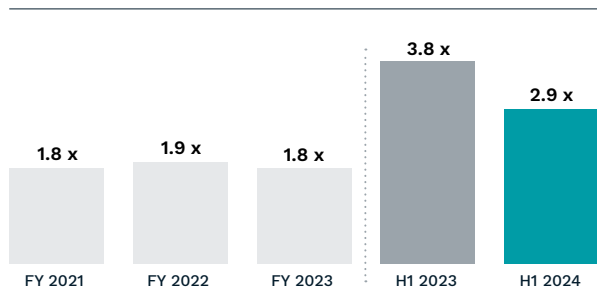
Net debt (€ m)



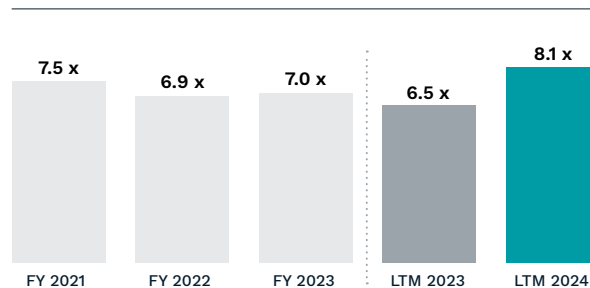
Nominal average borrowing cost (%)



Net debt/EBITDA (x)

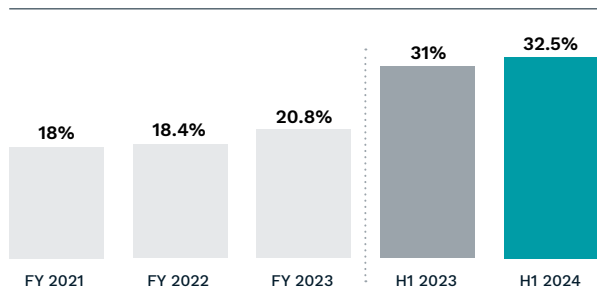


Interest coverage ratio (x)*

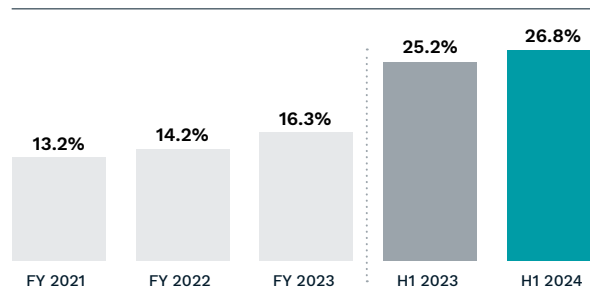


* LTM 2023 encompasses the period from 1 October 2022 to 30 September 2023;
LTM 2024 encompasses the period from 1 October 2023 to 30 September 2024.

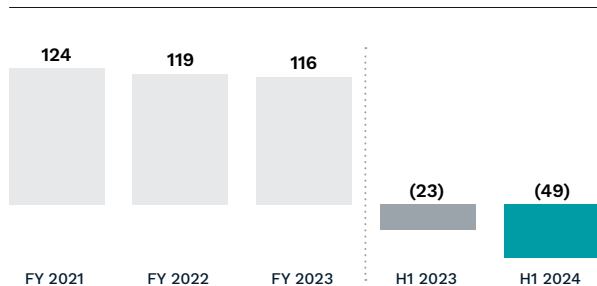
Net LTC ratio (%)



Net LTV ratio (%)

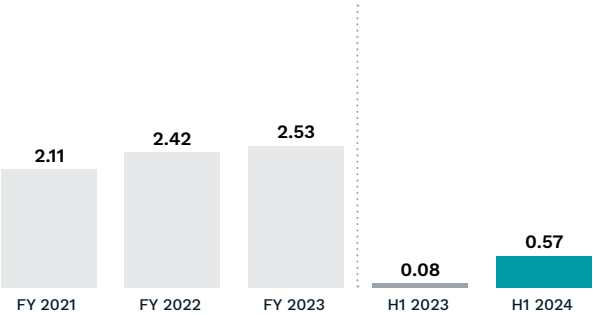


Funds from operations (FFO) (€ m)

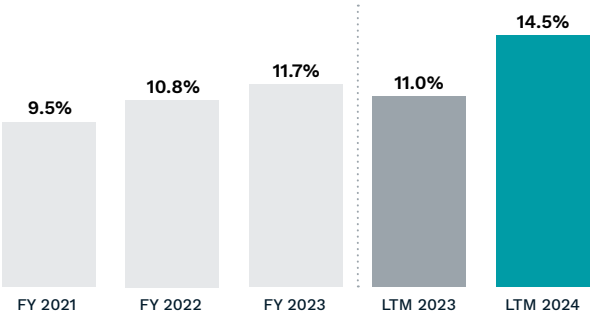


SHAREHOLDER RETURN INDICATORS

Diluted earnings per share (€/share)



ROE (%)*



* LTM 2023 encompasses the period from 1 October 2022 to 30 September 2023;
LTM 2024 encompasses the period from 1 October 2023 to 30 September 2024.



02. Non-financial information

2.1 Human capital

Employees

AEDAS Homes is a benchmark in residential development thanks to our excellent and passionate professionals.

We have built a top-performing team by guaranteeing them quality work in a pleasant, safe and stimulating environment ripe for developing their talent.

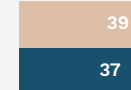
Our **workforce** stood at **326 professionals** at 30 September 2024, **48% of whom women and 52%, men**. The average age of our employees is 45 and the average length of service stands at 4.2 years. The headcount averaged 319 during the reporting period.

Headcount breakdown by level of studies

Masters level degree or higher



Undergraduate degree



Other



Men
Women

Headcount breakdown:

By gender

	30 Sep 2023	30 Sep 2024
Men	156	1668
Women	157	158
Total	313	326

By type of contract broken down by gender

	30 Sep 2023			30 Sep 2024		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Men	150	6	156	164	4	168
Women	153	4	157	158	-	158
Total	303	10	313	322	4	326

By job category

	30 Sep 2023	30 Sep 2024
Executives	54	55
Middle management	73	71
Other ⁽¹⁾	186	200
Total	313	326

(1) Technical experts, administrative staff and similar

By type of contract broken down by age bracket

	30 Sep 2023			30 Sep 2024		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
<30	14	5	19	18	3	21
30-50	186	4	190	186	1	187
+50	103	1	104	118	-	118
Total	303	10	313	322	4	326

By contract type

	30 Sep 2023	30 Sep 2024
Permanent	303	322
Temporary	10	4
Total	313	326

By type of contract broken down by seniority

	30 Sep 2023			30 Sep 2024		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Executives	54	-	54	55	-	55
Middle management	73	-	73	71	-	71
Other ⁽¹⁾	176	10	186	196	4	200
Total	303	10	313	322	4	326

(1) Technical experts, administrative staff and similar

Health and safety

AEDAS Homes is committed to providing a safe and healthy work environment for its employees. Its ISO 45001-certified **occupational health and safety management system** has been in place since the Company’s incorporation in 2017.

There were no lost-time injuries or occupational diseases at AEDAS Homes in the first half of 2024.

Considering the construction work performed during the first half of 2024, **the injury frequency rate** (no. of lost-time injuries / no. of hours worked x 1,000,000) was 11.11.

The next table shows the trend in that metric in 2020, 2021 and 2022 and so far in 2024 (first half).

In the first half of 2024, the **injury severity rate** (no. of days lost / no. of hours worked x 1,000) was 0.21.

The key health and safety performance indicators - the injury frequency and severity rates - are presented regularly to the Company’s Steering Committee.

The main tool used to control the safety management system is the performance of **assessments** at 30% and 70% of completion of building work. A total of 24 assessments with an average outcome of 77.21% were conducted during the first half of 2024.

Injury frequency rate

FY 2021	FY 2022	FY 2023	H1 2024
17.69	16.39	13.68	11.11

Injury severity rate

FY 2021	FY 2022	FY 2023	H1 2024
0.24	0.18	0.25	0.21



Absenteeism

The **absenteeism rate** was calculated by dividing the number of hours of absenteeism by the average workforce times the total number of hours worked. In the first half of 2024, absenteeism due to the inability to work totalled 8,008 hours.

	Hours lost		Absenteeism rate	
	H1 2023	H1 2024	H1 2023	H1 2024
Workplace injuries	3	-	-	-
Common illnesses	5,096	4,032	1.7%	1.4%
Maternity/paternity leave	4,368	3,976	1.5%	1.4%
Total	9,464	8,008	3.2%	2.8%

Helping our employees to grow

AEDAS Homes is committed to the continuous development of its professionals. Following a needs assessment, a personalised **training plan** is put together for each employee every year. Those plans are designed to develop talent at the company and respond to key identified needs: technical, language, digital and management skills.

In addition, every year we organise a number of training initiatives for key employees who we believe should rotate through our different departments to get a holistic vision of the company.

As part of their development, we offer soft skills training to high-impact employees (members of senior management, executives and middle managers). Those sessions address different skills with the idea of creating a work environment in which managers can be agents of change and benchmarks for their colleagues' development.

During the first half of 2024, the company imparted **47 training courses** (totalling **3,792 hours**) provided by top-notch coaches. We also provided **11,644 hours of in-house training** around young talent programmes during the last six months.

In parallel, we have a digital platform for the provision of specific courses covering regulatory and compliance matters; **356 hours** of training were imparted through that platform between April and September.

Hours of training by job category

Category	Hours
Executives	729
Middle management	1,800
Other	1,263
Total	3,792

Hours of online training by job category

Category	Hours
Executives	58
Middle management	73
Other	225
Total	356

2.2 Environmental management

During the first half of 2024, the Company completed the following initiatives under the scope of its ESG Master Plan:

- › **Conducting LCAs at all developments.** Life cycle assessments (LCAs) were conducted at all 16 of the developments completed between April and September 2024. That analysis includes a calculation of the equivalent CO₂ emissions corresponding to the different stages or phases evaluated during the life of the buildings, i.e., from extraction of the raw materials to manufacture of the materials and their distribution, construction, use and maintenance of the building, waste management (landfill vs. recycling) until demolition or deconstruction of the development (end of life), all of which framed by the UNE EN 15978 standard and using the One Click LCA software.
- › **Achieving an 'AA' energy rating for at least 60% of the company's developments.** Of the 20 developments put on the market between April and September 2024, 70% are aiming for an A-A energy rating and the remaining 30% are designed for a B-A rating, i.e., 100% of the developments activated in the first half are aiming at an A rating for their carbon emissions.
- › **Following Green Book standards** (or those of an equivalent prestigious green building seal) at **100%** of the Company's developments.
- › **Calculating the baseline year carbon footprint.** AEDAS Homes has begun the task of calculating its baseline carbon footprint, taking FY 2023/24 as its reference year for the purpose of adding its Scope 3 emissions to the Scope 1 and 2 emissions already reported for FY 2021/22 and FY 2023/24.

At AEDAS Homes we have developed a series of in-house environmental standards to ensure that all of our developments meet certain minimum requirements. Those requirements are set down in our Green Book, an open guide for the implementation of sustainability measures at our developments.

The Green Book groups our environmental requirements into 10 categories: energy, health and wellbeing, water, waste, materials, mobility, biodiversity and integration, society, sustainable design and construction and offsite systems.

During the design phase, the development manager has to select at least one measure from each category to obtain the Ecoliving® seal, our proprietary and pioneering environmental seal, created in 2020 to certify the level of sustainability of our homes. As a function the

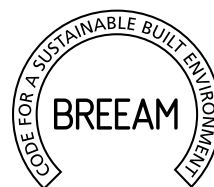
All of the developments activated in H1 2024/25 are targeting an A rating for their carbon emissions.



number of measures implemented and their weightings, a development will receive one of the following sustainability ratings: basic, medium, high or excellent.

The Green Book measures implemented are set down in the Ecoliving Dossier, one of the documents delivered to our customers. In that way we impress upon our customers the benefits of living in a sustainable home.

During the first half of 2024, AEDAS Homes fully met its target of having **100% of its developments carry the Ecoliving® (Green Book) seal and/or BREEAM certification**. Specifically, of the 16 developments completed, 15 boast the Green Book seal and one was completed to BREEAM specifications.



ecoliving

2.3 Customers

AEDAS Homes’ commitment to the quality of its homes is borne out by the surveys it sends its customers to measure their satisfaction.

Those surveys provide us with useful insight about our customers’ needs and expectations.

Framed by our commitment to customer transparency, in March 2024 we set up a dedicated Claims and Compliments section within the private customer area of our website with the aim of identifying areas for improvement first hand. As a result, official claims have trended lower, as shown in the following table, and although the response time has increased a little, we remain committed to responding to our customers within no more than 10 days.

Communications received H1 2023 vs H1 2024:

Enquiries		
	H1 2023	H1 2024
Enquiries	2,604	2.42
Average response time	1.0 days	0.9 days
Claims		
	H1 2023	H1 2024
Claims	564	385
Claims resolved	518	352
Claims in process	46	33
Average response time	2.4 days	3.3 days

2.4 Risk management

The reader will find information about the company’s risk management effort in its financial statements for the first half of 2024.



Alter (Valladolid)

03. Financial information

3.1. Statement of profit or loss

During the first half of FY 2024/25, revenue in AEDAS Homes' **Residential Development segment increased by 30%** year-on-year to **€297 million**, following the delivery of 738 BTS units with an ASP of €360k and 184 BTR units with an ASP of €172k. This, together with the revenue generated by the Real Estate Services division and the completion of three land sale transactions, yielded **total revenue of €307 million** (+33% versus H1 2023/24).

The overall first-half **gross profit** increased to **€69 million**, marking growth of €13 million from H1 2023/24, driven mainly by (i) the Residential Development business, which, as the company's main line, contributed around 90pp of the total improvement in gross profit; and (ii) the Real Estate Services business, which contributed 7pp, thanks to growth in the fees derived from the joint ventures set up in FY 2023/24 (as a result, 7% of revenue from services in H1 2024/25 - €5.9 million vs. €1.4 million in H1 2023/24 - was contributed by the new joint ventures set up in FY 2023/24). Recall that after those joint ventures were incorporated it was decided to modify the cost allocation criterion so that since then a portion of the company's overhead is allocated directly to the Real Estate Services division, underpinned by the understanding that the latter relies not only on its own team but also on the rest of the organisation.

Deeper analysis of the earnings generated by the **Residential Development** business reveals that the increase in gross profit was driven by the 45% increase in delivery volumes (922 units in H1 2024/25 vs. 637 units in H1 2023/24). However, although the division reported a **gross profit of €66 million** compared to €55 million in H1 2023/24, that growth did not trickle through to the **gross margin**, which decreased to **22.4%** from 23.9% in H1 2023/24. That margin contraction is, however, mitigated by a like-for-like calculation, i.e., excluding the BTR units delivered in H1 2024/25 (gross margin of 15% and share of 7% of overall gross profit) as there were no BTR deliveries in H1 2023/24. Making this adjustment for comparability purposes, the gross margin generated by the Residential Development segment was 23.2% (0.7pp below the H1 2023/24 equivalent). Note further, that a comparison exclusively between units delivered at **developments whose Work Completion Permits were obtained so far in FY 2024/25**, the gross margin rises above that of H1 2023/24, to **24.3%**.

Total revenue

+33%
(vs. H1 2023/24)

Gross margin

24.3%
on units delivered at
developments completed
in H1 2024/25

Sales and marketing costs were flat year-on-year (at €12 million), shaped by a lower volume of development launches, which offset the increase in sales commissions related with the growth in delivery volumes. Other operating expenses were stable year-on-year as a percentage of revenue.

As a result, the company reported a **net margin** of **€50 million** in H1 2024/25 (+28% vs. H1 2023/24), equivalent to **16.2% of revenue**, i.e., 0.7pp below the H1 2023/24 equivalent.

Overhead, net of allocations to the Real Estate Services line (and excluding the provision for the long-term incentive plan (**LTIP**) in force at 30 September 2024, disclosed separately), totalled **€20.5 million**, up from €19.3 million in H1 2023/24. However, this figure includes costs related with the acquisition of the Priesa Group, which had an impact on overhead of approximately €2.5 million, of which around €1.3 million related to redundancy benefits and the remaining €0.3 million, to staff costs. **Excluding the impact of the Priesa Group acquisition**, the company would have incurred general expenses of around **€18.0 million**.



So, starting from the net margin, deducting overhead, the provision of €2.5 million for the LTIP and other expenses and income associated mainly with contract terminations and the net profit from the Living division, where profitability increased in both absolute and relative terms, **EBITDA** amounted to **€28 million** (+€10 million from H1 2023/24), implying **EBITDA margin expansion** of over 1pp year-on-year (**9.1%** vs. 7.7%). The EBITDA margin would have been even higher were it not for the non-recurring charge associated with the acquisition of the Priesa Group.

EBITDA margin expansion

9.1%

(vs. 7.7% in H1 2023/24)

Next we turn to the main trends in finance income, on the one hand, and finance costs, on the other. Key takeaways:

- › **Finance income**: substantial growth in finance income to €4.7 million in H1 2024/25, compared to €0.4 million in H1 2023/24. There are two reasons for this increase: (i) the discount at which the company partially repurchased €70 million of green bonds (although this offer was launched at the end of March 2024, it did not close until April 2024); and (ii) the interest accrued on the loans extended by the company to the joint ventures set up in FY 2023/24.
- › **Finance costs**: an increase of €2 million (+18%) year-on-year. The reasons for the increase, which more than offset the interest savings on the green bonds bought back, reducing the face value of the bonds outstanding from €325 million to €255 million were:
 - ① An increase in finance costs not capitalised at completed developments as part of a new strategy under which the company does not cancel the developer debt associated with finished products; and
 - ② Impairment losses on shares held by the Real Estate Services division classified as financial assets.

Lastly, the company recognised an additional impact of the business combination with the Priesa Group, which has been measured provisionally as of the reporting date: a bargain purchase gain of **€15 million**. This gain implies that the provisional fair value of the net assets acquired is higher than the provisionally calculated business combination cost, evidencing the company's ability to acquire assets at a price that is below their market value. The company also recognised other impacts derived from operations other than its direct development business, notably a loss of €4 million under "Share of profit/(loss) of associates", which reflects the company's share of the earnings for the interim period of the investees in which the company holds a non-controlling interest.

Bargain purchase gain

€15m

Overall, therefore, the company generated an **attributable net profit** of close to **€25 million** in H1 2024/25, which is significantly above the year-earlier figure (€3.6 million), thanks to both higher business volumes during the six-month period and the accounting impacts of the acquisition of the Priesa Group.

Consolidated statement of profit or loss

(€m)	H1 2024/25	H1 2023/24	Change	
			€m	%
Revenue from the delivery of developments sold	297.2	228.6	68.6	30%
Revenue from land sales	3.5	-	3.5	n.a.
Revenue from services	5.9	1.4	4.4	304%
TOTAL REVENUE	306.6	230.0	76.5	33%
Direct costs of developments sold	(230.7)	(173.8)	(56.9)	33%
Direct costs of land sales	(3.2)	-	(3.2)	n.a.
Direct costs of services provided	(4.1)	(0.6)	(3.5)	541%
GROSS PROFIT	68.5	55.6	13.0	23%
Gross margin (%)	22.4%	24.2%	n.a.	(180 bps)
Sales and marketing costs	(12.3)	(12.1)	(0.2)	2%
Other operating expenses	(6.5)	(4.5)	(2.0)	44%
NET MARGIN	49.7	39.0	10.8	28%
Net margin (%)	16.2%	16.9%	n.a.	(71 bps)
Overhead	(20.5)	(19.3)	(1.1)	6%
Provision for LTIP	(2.5)	(2.2)	(0.2)	11%
Other income and expenses	1.1	0.4	0.6	150%
EBITDA	27.8	17.8	10.0	56%
EBITDA margin (%)	9.1%	7.7%	n.a.	134 bps
Depreciation and amortisation	(2.4)	(2.5)	0.1	(4%)
Bargain purchase gain	15.1	-	15.1	n.a.
Net finance cost	(8.6)	(10.9)	2.3	(21%)
Share of profit/(loss) of associates	(4.1)	0.5	(4.6)	(927%)
PROFIT BEFORE TAX	28.0	4.9	23.0	466%
Income tax provision	(3.2)	(1.4)	(1.8)	135%
PROFIT FOR THE PERIOD	24.7	3.6	21.2	593%
Non-controlling interests	(0.1)	(0.0)	(0.1)	2.309%
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT	24.7	3.6	21.1	591%
Net attributable margin (%)	8.0%	1.6%	n.a.	649 bps

AEDAS Homes generated a net attributable profit of €25 million in H1 2024/25, thanks to healthy business momentum and the impact of the acquisition of the Priesa Group.

3.2 Balance sheet

On the asset side:

Inventories were carried at **€1.66 billion** at 30 September 2024, growth of 11% from the 31 March 2024 amount. Note that inventories exclude the investments committed to but as yet not closed as of the reporting date; investments in which the company holds a minority interest; and any other unit that is covered solely and exclusively by a management agreement. The increase in the inventories balance (affected by the delivery of 922 units in H1 2024/25 and the completion of three land sale transactions) is attributable to the **progress made on the construction** of the developments, having capitalised costs related to the BTS and BTR units under construction of close to €280 million, as well as a **selective investment policy**. Framed by the latter, the company closed transactions for an aggregate amount of over €120 million, broken down as follows:

- (i) Deeds were exchanged for the purchase of **assets by the company** for **42 million**, specifically for land with development capacity of 757 units, of which 222 units corresponded to transactions that were subject to the exercise of options or committed to at 31 March 2024;
- (ii) The company acquired the **Priesa Group**, so acquiring 480 units at differing stages of development and 17 sites for which a development or orderly sales plan is being designed, which were added to inventories at an aggregate provisional amount of **€76 million**; and
- (iii) The company was adjudicated concessions for three affordable housing developments encompassing 944 units under the umbrella of round three of the Madrid regional government's affordable housing scheme ("**Plan Vive III**"); under this concession arrangement, the company does not pay for the land, only accounting for **€4 million** by way of contributions to the concessionaires.

The balance recognised under **non-current investments in group companies and associates** increased by €12 million from 31 March 2024, due mainly to the following significant developments in H1 2024/25:

- (i) The company entered into two binding agreements with a Spanish institutional investor for the development and operation of 348 **Flex Living** units in Valencia and Madrid, holding an equity investment in these vehicles of €2 million at 30 September 2024.

At 30 September 2024, AEDAS Homes had inventories carried at €1.66 billion, up 11% from the March 2024 figure.

- (ii) The company **reduced its shareholding** in one of the **joint ventures set up in FY 2023/24** following delivery of the milestones under which the company is scheduled to reduce its exposure to the asset(s) in question from 49.9% to 30.0%; in parallel, it made additional capital contributions (along with the other venturer) to finance the assets. As a result, the company's investment in that joint venture (equity interest and non-current loans provided by the company), after the impact of its share of its earnings, stood at €67 million. The company's exposure to another of the joint ventures in place at 31 March 2024 was reduced due to the repayment of several loans provided to that investee, as well as the impact of that equity-accounted investee's earnings during the reporting period.
- (iii) In conjunction with the acquisition of the **Priesa Group**, the company inherited **six joint ventures** (three for the development of 149 BTS units on aggregate, one for the development of a 497-unit Flex Living complex in Madrid and two others for the development of 300 BTS units in the province of Malaga, although the latter two joint ventures are scheduled to be converted to management agreements), which between them represented a total investment of €27 million at 30 September 2024.



Patmos (Vilanova i la Geltrú)

Elsewhere, the company's **unrestricted cash** balance decreased by €151 million between March and September 2024. Unrestricted cash tends to decrease during the first half of the financial year (for example, unrestricted cash decreased by €122 million in H1 2023/24 and by €125 million in H1 2022/23) as most of the deliveries are concentrated in the second half of the year, framed by the company's development plans. Also, the company has to cover a range of **recurring payments** such as payment of the final dividend, which this year coincided with payment of the first instalment of the approved extraordinary dividend (€58 million in August 2024) and corporate income tax (€31 million in April 2024). In addition, in H1 2024, the **company had to pay for**: (i) new investments closed during H1 2024/25 (€23 million excluding the Priesa Group acquisition); (ii) the cash payment related with the Priesa Group acquisition (€16 million, net of the cash and cash equivalents recognised by the acquiree); (iii) investments closed during the reporting period which had been committed to in prior periods (specifically, €10 million, having paid down payments of €7 million in FY 2023/24); (iv) payment for the costs associated with developments under construction for which development loans have yet to be secured; (v) deferred payments on investments closed in prior years that were structured that way to make more efficient use of the company's funds (€12 million in H1 2024/25); (vi) down payments associated with transactions committed to but not closed (€10 million in H1 2024/25); and (vii) payment of VAT, among others.

In short, the company boasts a **healthy liquidity position**, boosted by an **undrawn facility** which was increased in size by €15 million year-on-year and stood at **€55 million** at 30 September 2024 (**fully undrawn**). The company also has an additional undrawn facility of €10 million.

AEDAS Homes enjoys a healthy liquidity position boosted by undrawn facilities.

Equity accounts:

The €36 million **decrease** in **equity** from 31 March 2024 was shaped mainly by the payment of (i) the **final dividend** against profits for FY 2023/24 (€0.24 per share) in August 2024; and (ii) the **extraordinary dividend** against the share premium account, which was also paid out in August 2024 (€1.11 per share). Note that the second instalment (€0.90 euros) is scheduled for payment during the second half of December 2024.

On the other hand, profit attributable to equity holders of the parent amounted to €25 million (compared to €3.6 million in H1 2023/24). Also, the company decreased the number of **own shares** held as treasury stock, having delivered 106,273 shares to employees in July 2024 in the context of the LTIP, which more than offset the volume of own shares bought back in the market under the current share repurchase programme (8,251 shares in total, all of which acquired

between April and June 2024). As a result, the company held 485,238 own shares representing **1.11%** of its share capital with a carrying amount of around €8 million as at 30 September 2024.

On the liability side (current and non-current):

Between July and September 2024, the three **credit rating agencies** that cover the company (**Fitch, Moody's and S&P**) reiterated their opinions of the **company's strong creditworthiness (BB- | Ba2 | B+, respectively, all with stable outlooks)**. All three agencies highlighted the visibility into the company's revenue pipeline, its healthy business metrics, the quality of its land bank and its prudent financing policy, based on good diversification in terms of sources and maturities, with a solid percentage of its borrowings locked in at fixed rates (specifically, 40% of gross debt at amortised cost as of September 2024, corresponding to the green bonds issued in 2021 at a fixed coupon of 4.0%), and its commitment to keeping its net debt-to-EBITDA ratio at reasonable levels.

The company's **development finance (secured and unsecured)** increased by €141 million in H1 2024/25 to **€301 million** (€299 million at amortised cost). This increase was driven by: (i) the consolidation of €33 million as a result of the Priesa Group acquisition; (ii) the progress made on its developments which enabled the company to continue to make drawdowns within the limits approved on its developer loans (€67 million of drawdowns net of loans repaid following deliveries; (iii) an additional drawdown of €22 million under a land financing loan; (iv) the reclassification of a corporate loan to a land financing loan in the amount of €23 million; and (v) a €4 million reduction of unsecured development financing.

**Credit ratings ratified
by the three credit
rating agencies**

BB-/Ba2/B+



Elsewhere, **corporate debt** stood at **€333 million** (or €329 million at amortised cost) as of the reporting date, which is €64 million less than at 31 March 2024, due to the partial redemption of green bonds in the amount of €70 million and a net decrease in corporate debt of €8 million, which more than offset the €14 million increase in commercial paper. As a result, the company ended H1 2024/25 with **gross borrowings** of **€634 million** (€628 million at amortised cost).

In addition, as a result of the structuring and payment of the Priesa Group acquisition price, the company recognised a non-current liability of €26.7 million, made up of: (i) €14.8 million euros to be paid to third parties as a series of milestones are met in the long term; and (ii) a contingent and/or variable amount of consideration to be determined as a function of the price at which certain properties stipulated in the share-purchase agreement are sold, whose probable amount has been estimated at €11.9 million euros, which would be paid to the seller when the properties in question are sold.

Lastly, trade payables and customer prepayments increased by €54 million as a result of the momentum in construction activity and the interim payments made on account of the units already sold, all of which injects visibility into the company's earnings potential in the years to come.

Consolidated balance sheet

(€m)	30 Sep 2024	31 Mar 2024	Change	
			€m	%
Other fixed assets	137	122	15	12%
Deferred tax assets	9	7	2	26%
NON-CURRENT ASSETS	145	129	17	13%
Inventories	1,658	1,487	171	11%
Trade receivables	71	61	10	17%
Other current assets	51	46	5	11%
Unrestricted cash	89	239	(151)	(63%)
Restricted cash	45	50	(5)	(11%)
CURRENT ASSETS	1,913	1,884	30	2%
TOTAL ASSETS	2,058	2,012	46	2%
EQUITY	895	931	(36)	(4%)
Non-current borrowings	261	321	(60)	(19%)
Other non-current liabilities	27	1	27	3,957%
Deferred tax liabilities	1	1	-	-
NON-CURRENT LIABILITIES	289	322	(33)	(10%)
Development financing due in the long term	247	154	93	60%
Development financing due in the short term	43	3	40	1,273%
Current borrowings	77	71	6	8%
Trade and other payables and provisions	238	249	(12)	(5%)
Customer down payments	228	162	66	41%
Other current liabilities	41	119	(78)	(65%)
CURRENT LIABILITIES	874	759	115	15%
TOTAL EQUITY AND LIABILITIES	2,058	2,012	46	2%

3.3 Consolidated statement of cash flows

The company started FY 2024/25 with (restricted + unrestricted) cash totalling €290 million; that balance decreased by €156 million in H1 2024/25 to end September at €134 million.

The decrease is mainly attributable to the events outlined in Section 3.2 “Balance sheet - On the asset side” above, as well as the partial repurchase of €70 million of green bonds and a €5 million decrease in restricted cash.

Consolidated statement of cash flows

(€m)	30 Sep 2024	30 Sep 2023	Change
EBITDA	28	18	10
Other adjustments to profit	(34)	(0)	(34)
Other cash used in operating activities	(42)	(41)	(1)
Change in working capital excluding land purchases/sales	(80)	(120)	39
Change in working capital derived from land purchases/sales	(51)	(93)	42
(A) Net cash used in operating activities	(180)	(236)	56
Investments in group companies and associates	(5)	1	(6)
Investment in business combinations (net)	(16)	-	(16)
Investments in other intangible assets and PP&E	(0)	(1)	1
Investments in other financial assets	23	(3)	26
(B) Net cash from/(used in) investing activities	2	(3)	5
Repurchase/sale of treasury shares	2	(4)	6
Issuance and repayment of borrowings	78	184	(106)
Dividend payments	(58)	(50)	(8)
(C) Net cash from financing activities	22	131	(109)
Net decrease in cash and cash equivalents (A+B+C)	(156)	(108)	(48)



3.4 Borrowings, liquidity and capital resources

As of 30 September 2024, the company's **gross borrowings** (not at amortised cost) stood at **€634 million**, up €77 million from 31 March 2024 but down €28 million from the balance at 30 September 2023.

The **breakdown** of the €634 million is as follows: (i) €296 million of **secured development financing** (up €145 million from 31 March 2024); (ii) €5 million of **unsecured development financing** (down €4 million from 31 March 2024); and (iii) €333 million of **corporate debt** (down €64 million from 31 March 2024), which includes the green bonds, the commercial paper and other unsecured corporate debt.

The increased drawdown of borrowings coupled with the decrease in unrestricted cash drove **net debt** up to **€539 million** (up €229 million from 31 March 2024 and down €38 million from 30 September 2023).

As a result of the foregoing, and given the concentration of deliveries scheduled for H2 2024/25, in line with the plans for the developments under construction, at 30 September 2024, the company's LTV ratio stood at 26.8%, its net debt-to-EBITDA ratio was 2.9x and its interest coverage ratio stood at 8.1x.

Financial leverage

	30 Sep 2024	30 Sep 2023	30 Sep 2022
Net debt (€m)	539	576	502
Net LTC ratio	32.5%	31.0%	29.2%
Net LTV ratio	26.8%	25.2%	22.7%
Net debt/EBITDA (LTM)	2.9x	3.8x	4.0x
Interest coverage	8.1x	6.5x	6.3x

This snapshot of the company's **financial structure** reveals a **diversified mix of sources of financing and lenders, so that its financial risk is not concentrated**. Note, additionally, that **81%** of the company's **borrowings mature in the long term** and **40% carry fixed rates**, injecting relative certainty, stability and visibility around finance costs: the average nominal cost of the company's borrowings was 5.3% at 30 September 2024 (compared to 4.8% at 31 March 2024 and 4.9% at 30 September 2023). This increased borrowing cost relative to September 2023 reflects the higher weight of development financing relative to corporate debt following the partial repurchase of the green bond issue, as well as a higher volume of land financing, which carries higher nominal rates of interest.

Note, lastly, the company was very active throughout the first half in terms of arranging new development loans, closing **18 new loans** (three of which for joint venture developments) with seven different banks for a total of **€261 million** (of which €71 million corresponded to joint venture developments) on better terms than it obtained in FY 2023/24. That sum (excluding the joint venture development loans), together with the limit on the loans already in place, implies **maximum developer borrowings** in the BTS segment of **€776 million**, of which €379 million has already been drawn down, either via direct loan drawdowns or the use of the customer prepayment accounts.

Trend in net debt

(€m)	30 Sep 2024	31 Mar 2024	Change
(A) Development financing	301	159	141
Secured development financing	296	150	145
Unsecured development financing	5	9	(4)
(B) Corporate debt	333	397	(64)
Unsecured corporate borrowings	15	23	(8)
Commercial paper	63	49	14
Green bonds	255	325	(70)
Revolving credit facility	-	-	-
(C) Financial liabilities at amortised cost	(6)	(8)	2
(D) Gross debt at amortised cost (A+B+C)	628	549	78
(E) Unrestricted cash	89	240	(151)
Net debt (D-E)	539	310	229
(F) Cash tied to down payments	45	50	(5)
TOTAL CASH (E+F)	134	290	(156)



Azure (Estepona)

3.5 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 4 October 2024, PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U., a wholly-owned subsidiary of the Company, sold its 33.33% interest in MARINA DE FUENGIROLA SIGLO XXI, S.L.
- › Between 1 October 2024 and the date of authorising the interim condensed consolidated financial statements for the six months ended 30 September 2024 for issue, the Group arranged mortgages in an aggregate amount of €23 million to finance two developments in progress. The interest rate agreed on those mortgages is 3-month Euribor plus spreads ranging between 200 and 250 basis points.
- › On 23 October 2024, the company sold 25% of its shares in Altacus Investments, S.L., Cirilla Investments, S.L. and Lysistrata Investments, S.L., concessionaires for the purposes of Plan Vive III, to Grupo San José.
 - The shares in Altacus Investments, S.L. were sold for 550,000 euros;
 - The shares in Cirilla Investments, S.L. were sold for 675,000 euros; and
 - The shares in Lysistrata Investments, S.L. were sold for 500,000 euros.
- › On 23 October 2024, Aedas Homes, S.A. acquired 100% of Global Quitina, S.L., Global Encono, S.L. and Global Disosto, S.L., paying 3,600 euros for each company.
- › At the close of trading on 30 October 2024, the company held 485,238 own shares, representing 1.11% of its capital; they were bought back at an average price of €16.9 per share.



Anzio (Pozuelo de Alarcón)



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