



9M 2021 Results Presentation

October 29th, 2021



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Rationale behind the use of the proportionate method

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

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

The housing development activity is conducted through a company fully owned by Insur, Insur Promoción Integral, S.L.U., (IPI), which in turn holds shares in different companies. In order to increase the activity and also to diversify the risks, a significant part of this business is carried out through joint ventures in companies where Grupo Insur has a significant stake (usually 50%). With a view of increasing the quality of the houses, obtaining better customization options and a stricter control on the works, the Group develops the construction activity both for its fully owned developments and for the JV's. This instrumental activity is carried out by IDS Construcción y Desarrollos, S.A.U, which is fully owned by IPI.

As the Group does not have the control over the JVs, in the sense that it cannot decide unilaterally the financial and activity policies, but it shares these decisions with the rest of the partners, these JVs are consolidated by the **equity method** as established in the IFRS 11. Accordingly, the consolidated financial statements do not include the proportional part of the Group in the assets, liabilities, incomes and expenditures of such JVs. The Group is fully involved in the management of these JVs which consolidate by the equity method, not just because it holds at least the 50% of the equity, but because it carries the operating management based on the management, construction and marketing contracts undersigned, as these JVs lack from human and material resources.

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

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

Executive Summary. 9M 2021 Highlights

Figures by proportionate method

€m = million Euros
Var % y-o-y

REVENUES
€82.6m **-21.6%**

EBITDA
€14.9m **-32.9%**

ADJUSTED EBITDA*
€12.9m **-41.5%**

EBIT
€11.7m **-40.6%**

 **Homebuilding** €48.8m **-39.7%**

 **Rental** €11.1m **+14.6%**

 **Construction** €20.0m **+61.6%**

 **Services** €2.6m **+14.6%**

NET PROFIT
€5.7m **-50.6%**

TOTAL INVESTMENTS €29.2m
(Purchase of plots €21.4m + Capex €7.8m)

NET FINANCIAL DEBT €219.2m
(€10.3m higher vs. Dec 2020)

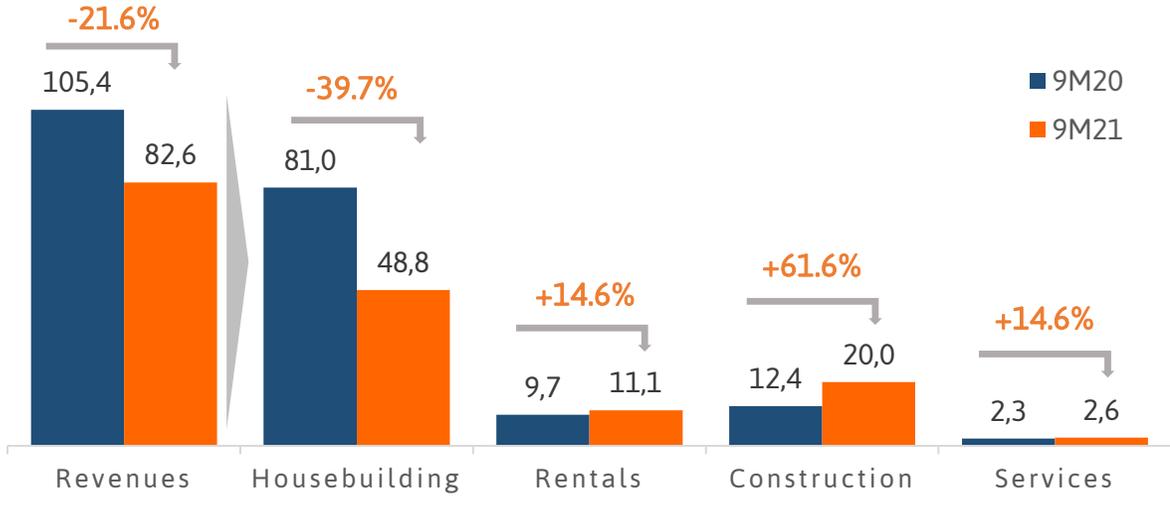
- **Homebuilding revenues** affected by the higher concentration of deliveries in 4Q 21 and by the delivery in 3Q 20 of the South building of Río 55. Without this last effect, homebuilding revenues would have decreased by 15.8%.
- **Excellent commercial performance.** Total presales signed in 9M 21 amounted to €135.0m (€83.3 adjusted for the Group's stake), 105.5% higher than that registered in 9M 20 and + 73.7% vs 9M 19.
- **Good performance of the rental activity.** The turnover has increased by 14.6% compared to the same period of the previous year and new areas have been rented for 6,775.3 sqm.
- **The policy of updating assets in the rental activity continues.** Capex of €7.8m during the first nine months of the year for the reconversion and remodeling of our buildings for lease.
- **Total investment in land of €34.5m in 9M 21** (€21.4m adjusted by our stake %).
- **Net Profit** was €5.7m, 50.6% less vs. 9M 20, partly explained by the delivery of the South building of Río 55 in 3Q 20, the concentration of deliveries in 4Q 21 and the increase in construction costs.
- Ability to obtain both bank financing and through MARF with new issues.

* Does not have into account assets turnover, excluding stock impairments

Executive Summary. 9M 2021 Results

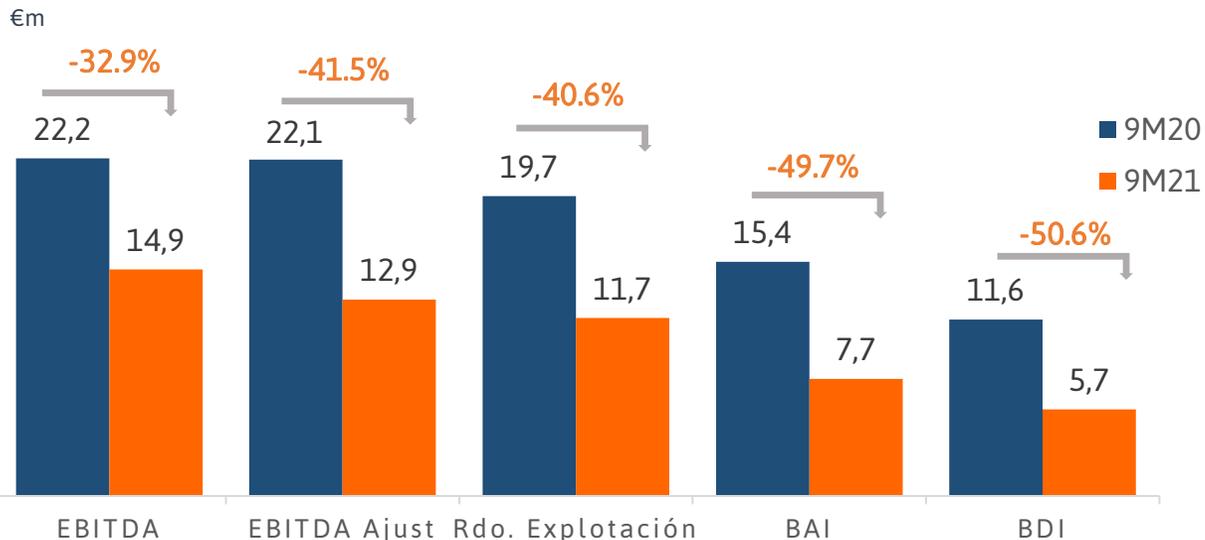
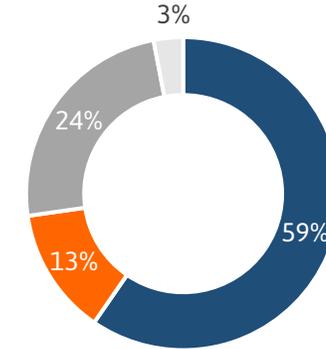
€m = million Euros

Figures by proportionate method



REVENUE BREAKDOWN

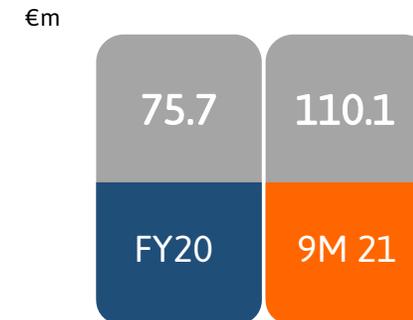
- Housebuilding
- Construction
- Rentals
- Services



* Does not have into account assets turnover, excluding stock impairments

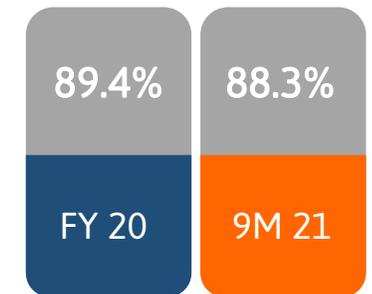
ACCUMULATED PRESALES

100% Owned and JVs in their participation %



+45.5%

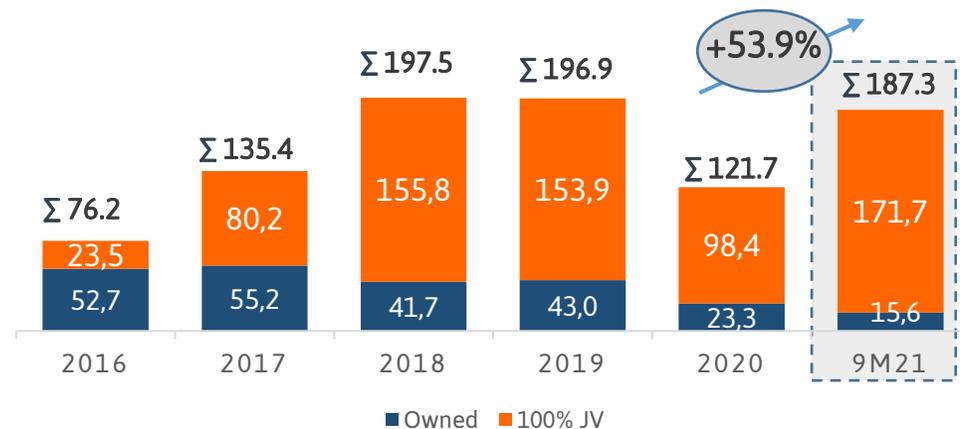
RATE OCCUPANCY



-1.1 p.p.

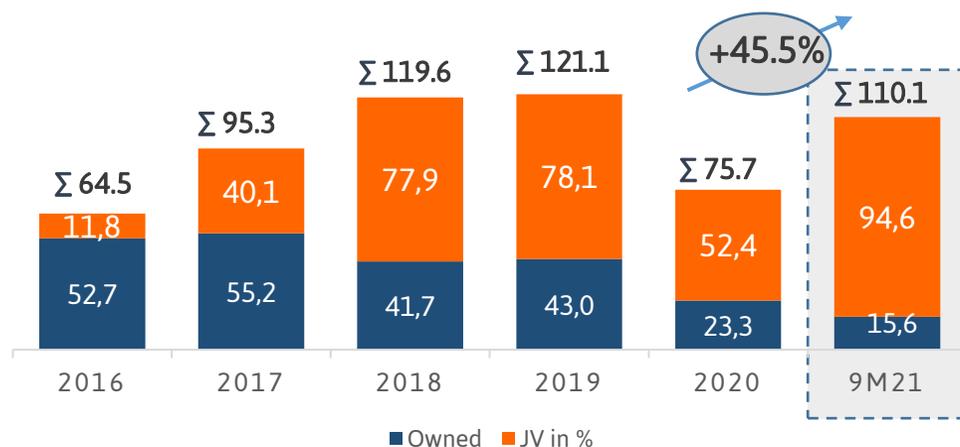
Housebuilding

€m Accumulated presales (100% owned and 100% JV)

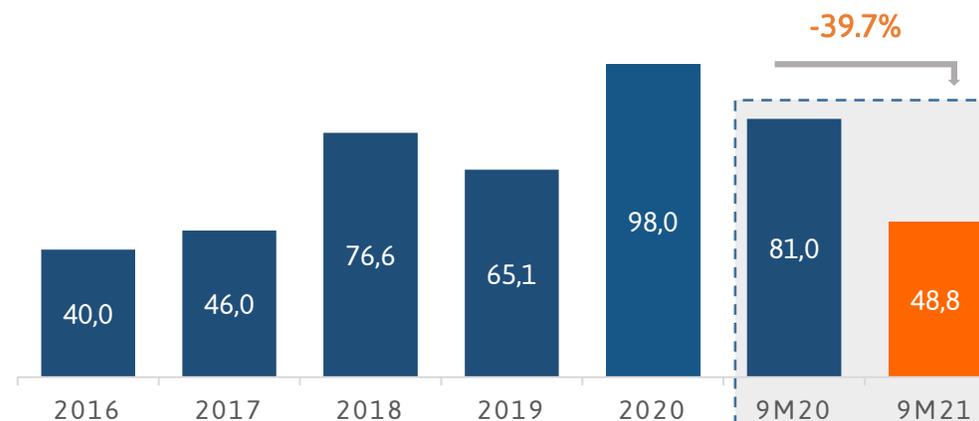


- In January- September 2021, a total of 220 homes were delivered, against 256 homes, 2 business premises and the South building of Rio 55 delivered in 9M 20.
- The Group currently has 213 homes completed, of which 128 are pending to be delivered and 85 pending to be sold and 37 projects under development with 2,343 units (652 under construction and 559 already sold).
- Total presales made in 9M 21 amounted to €135.0m, (€83.3m in proportionate), + 105.5% compared to 9M 20 and +73.7% vs. 9M 19 reflecting the good commercial performance of the period.
- Grupo Insur currently has accumulated presales amounting to €187.3m (€110.1m in proportionate) vs €121.7m (€75.7m in proportionate) in 4Q 20, +53.9% (+45.5% in proportionate).
- At the end of September, the Group had presales for the amount of €46.9m (€27.2m in proportionate) whose delivery is expected before the end of the year.
- Excluding the delivery of the South building of Río 55 in 3Q 20, the estimated turnover at the end of 2021 would be in line with that registered in 2020.

€m Accumulated presales (100% owned and JV in their participation %)



€m Housebuilding Revenues*



* Proportional method

Ongoing developments and land portfolio



Ongoing Developments

2,343 ongoing units

- **37 ongoing developments** (22 in West Andalucía, 6 in Costa del Sol, 6 in Madrid, 1 in Cáceres and 2 in Granada) totaling **2,343 units**:
 - **196 housing units** underway **directly by Insur** with a development potential of 24,553 sqm.
 - **2,147*** housing units underway through **JVs** (with Insur holding 50% and 70% stakes), with a development potential of 262,309 sqm*.
 - 14 of the 37 ongoing projects, are **already under construction** (652 units).
- **9,500 sqm office development** in Málaga capital (Ágora project).

* 429 optioned housing units included with a building potential of 47,575 sqm

Land Portfolio

2,128 units and 72,015 sqm buildable in comercial assets

- 115,995 sqm of buildable plots for residential use, 918 units.
- 30,000 sqm of buildable plots for hotel use.
- 22,554 sqm of buildable plots for tertiary use.
- Long-term purchase options on 8 plots with a building potential of 142,183 sqm (1,210 housing units and 19,461 sqm for tertiary use).

Ongoing developments  Land portfolio

**TOTAL OF
4,471 UNITS**

Finished developments

Figures as of September, 30th, 2021

100% owned developments

Development	Location	Total units developed	Sold units	Units pending to be sold	Sold units pending to be delivered
Altos Castilleja 7 ^f	Castilleja de la Cuesta (Sevilla)	34	33	1	
Antonio Mairena	Castilleja de la Cuesta (Sevilla)	32	31	1	1
Conde de Zamora	Córdoba	81	81		5
Plaza del Teatro	Málaga	57	55	2	1
Residencial 75 Aniversario	Sevilla	48	33	15	
		252	233 (92%)	19	7

JV developments

Development	Location	Total units developed	Sold units	Units pending to be sold	Sold units pending to be delivered
Pineda Parque I	Sevilla	102	102		2
Alminar	Marbella	44	38	6	5
Boadilla Garden	Boadilla del Monte (Madrid)	74	72	2	1
Santa Ana III	Dos Hermanas (Sevilla)	35	35		2
Selecta Hermes	Dos Hermanas (Sevilla)	116	116		1
Elements Fase I	Marbella	52	30	22	2
Ares	Dos Hermanas (Sevilla)	76	75	1	34
Mirador del Olivar	Valdemoro (Madrid)	53	53		52
Pineda Parque II	Sevilla	80	45	35	22
		632	566 (90%)	66	121
TOTAL		884	799 (90%)	85	128

Developments under construction

Figures as of September, 30th, 2021

100% owned developments

Development	Location	Units	Estimated delivery	Sold units
Santa Aurelia 1 ^ª f	Sevilla	52	2023	24
Santa Aurelia 2 ^ª f	Sevilla	52	2023	12
		104		36

JV developments

Development	Location	Units	Estimated delivery	Sold units
Selecta Salobreña Fase 1	Granada	55	2021	54
Selecta Salobreña Fase 2	Granada	55	2022	54
Selecta Extremadura Cáceres	Cáceres	80	2022	71
Selecta Mykonos	Dos Hermanas (Sevilla)	24	2022	22
Selecta Apolo 1 ^ª f	Dos Hermanas (Sevilla)	37	2022	34
Selecta Apolo 2 ^ª f	Dos Hermanas (Sevilla)	33	2022	28
Selecta Apolo 3 ^ª f	Dos Hermanas (Sevilla)	38	2022	27
Terrazas de Santa Rosa 1a	Córdoba	46	2022	30
Terrazas de Santa Rosa 1b	Córdoba	46	2022	16
Monte de la Villa Unique I	Villaviciosa de Odón (Madrid)	22	2022	17
Monte de la Villa Unique II	Villaviciosa de Odón (Madrid)	36	2022	21
Selecta Ares II	Dos Hermanas (Sevilla)	76	2022	65
		548		439
TOTAL		652		475 (73%)

Projects under development

Figures as of September, 30th, 2021

* Under commercialization

** Optioned plot

100% owned developments

Development	Location	Units	Estimated construction start date	Sold units
Ares III	Dos Hermanas (Sevilla)	92	2021	31
		92		31

JV developments

Development	Location	Units	Estimated construction start date	Sold units
Boadilla Essences II*	Boadilla del Monte (Madrid)	17	2021	9
Selecta Bermes	Sevilla	42	2021	
Selecta Creta*	Dos Hermanas (Sevilla)	44	2021	22
Jardines del Olivar I*	Valdemoro (Madrid)	36	2021	11
Jardines del Olivar II	Valdemoro (Madrid)	36	2021	
QuintEssence I*	Marbella (Málaga)	24	2022	2
QuintEssence II	Marbella (Málaga)	56	2022	
Elements Fase II*	Marbella (Málaga)	66	2022	1
Monte de la Villa Exclusive*	Villaviciosa de Odón (Madrid)	32	2022	8
Terrazas de Santa Rosa II	Córdoba	95	2022	
BC-10 1 ^a **	Dos Hermanas (Sevilla)	215	2022	
BC-10 2 ^a **	Dos Hermanas (Sevilla)	112	2022	
Parque Aljarafe I	Tomares (Sevilla)	100	2022	
Parque Aljarafe II	Tomares (Sevilla)	100	2022	
Insur Scala	Estepona (Málaga)	120	2022	
BA-8**	Dos Hermanas (Sevilla)	102	2023	
QuintEssence III	Marbella (Málaga)	48	2023	
Elements Fase III	Marbella (Málaga)	34	2023	
Calle Juglar	Sevilla	56	2023	
Parque Aljarafe III	Tomares (Sevilla)	100	2023	
Parque Aljarafe IV	Tomares (Sevilla)	100	2024	
Parque Aljarafe V	Tomares (Sevilla)	64	2024	
		1.599		53
TOTAL		1.691		84

Insur Scala: new project on the Costa del Sol



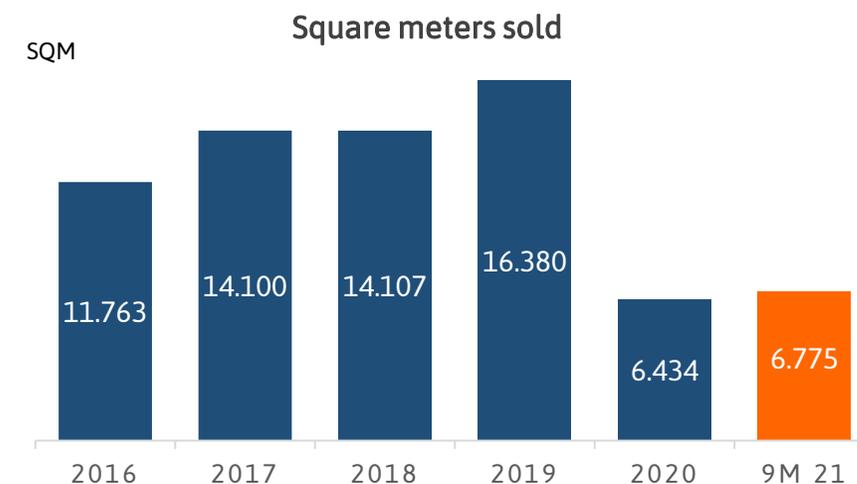
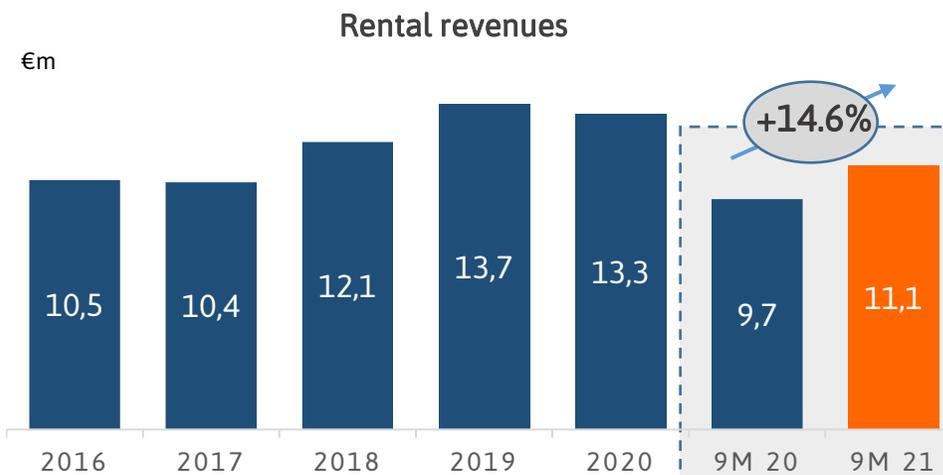
- New development on the **Costa del Sol - Estepona (Málaga)** acquired in July 2021.
- Located in the SUP R-6 "Juan Benítez" sector, plot in a consolidated area, next to the Municipal Auditorium, the Athletics Stadium and the Municipal Stadium, very close to the promenade and the beach with quick access to the A-7.
- **14,043 sqm for 120 multi-family homes** with garages and storage rooms, unbeatable views, two swimming pools, social club and common areas.
- **Start of construction works 2Q 22.**
- **Start of commercialization 4Q 21.**
- **Planned investment €23.0m.**
- Promotion developed by **IDS Montevilla Residencial, S.A.** (JV at 70% with private investors).

Rentals

- During 9M 21, **6,775.3 sqm have been sold** and there have been contract terminations of 9,489.7 sqm (5,652 sqm correspond to the Media Markt and Endesa Huelva contracts already announced last year).
- **Occupancy rate stood at 88.3%**, -1.1 p.p. vs the rate in 2020 year end, although it remains stable compared to 2Q 21. The hotel in Avda. República Argentina (Seville) with a surface of 8,068.0 sqm was delivered to Hotusa Group in July.
- The **annualized rental income** of the contracts in force on 30th September 2021 stood at **€17.3m** vs 17.7 M€ in 4Q 20.
- **The policy of updating assets in the rental activity continues.** Capex of **€7.8m** for the reconversion and remodeling of our buildings for lease.

GAV of the assets aimed both at rental and own use amounts to €365.3m
(valuation at 09/30/21 estimated from CBRE valuation at 12/31/20 and revised with additions at cost value)

132,791.21 sqm office and commercial premises portfolio and more than 3,000 parking spots



Construction y services

CONSTRUCTION REVENUES: €20.0m (+61.6% y-o-y)

SERVICES REVENUES: €2,6m (+14.6% y-o-y)

Main projects currently managed

DESARROLLOS METROPOLITANOS DEL SUR, S.L.	Selecta Entrenúcleos (Sevilla), 2.436 units Selecta Salobreña (Granada), 110 units Selecta Cáceres (Cáceres), 80 units Selecta Avenida Jerez (Sevilla), 44 units	FOC (192 units):
		Selecta Hermes: 116 units (115 already delivered) Selecta Ares I: 76 units (41 already delivered)
IDS RESIDENCIAL LOS MONTEROS, S.A.	Los Monteros (Marbella), 280 units	UNDER CONSTRUCTION (398 units):
		Selecta Cáceres: 80 units Selecta Salobreña phase I: 55 units Selecta Salobreña phase II: 55 units Selecta Mykonos: 24 units Selecta Apolo phase I: 37 units Selecta Apolo phase II: 33 units Selecta Apolo phase III: 38 units Selecta Ares II: 76 units
IDS PALMERA RESIDENCIAL, S.A.	Pineda Parque (Sevilla), 80 units	FOC (52 units):
IDS BOADILLA GARDEN RESIDENCIAL, S.A.	Boadilla Essences (Boadilla del Monte, Madrid), 17 units	FOC (80 units):
IDS MEDINA AZAHARA RESIDENCIAL, S.A.	Terrazas de Santa Rosa (Córdoba), 187 units	Phase 2: Bloques 4 y 5: 80 units (23 already delivered)
IDS MONTEVILLA RESIDENCIAL, S.A.	Monte de la Villa (Villaviciosa de Odón, Madrid), 58 units Jardines del Olivar (Valdemoro, Madrid), 72 units Insur Scala (Estepona, Málaga), 120 units	Construction start in 2021
		UNDER CONSTRUCTION (92 units)
HACIENDA LA CARTUJA, S.L.	Terrazas Sta Rosa phase I (46 units) Terrazas Sta Rosa phase II (46 units)	UNDER CONSTRUCTION (58 units)
IDS PARQUE ALJARAFE RESIDENCIAL, S.A.	Monte de la Villa (Villaviciosa de Odón, Madrid), 32 units Mirador del Olivar (Valdemoro, Madrid), 53 units	Monte de la Villa Unique I (22 units) Monte de la Villa Unique II (36 units)
IDS PACÍFICO PATRIMONIAL, S.A.	Parque Aljarafe (Tomares, Sevilla), 464 units Edificio Ágora (Málaga), 9.500 sqm office development	CFO (53 units)
		Mirador del Olivar: 53 units (1 already delivered) Construction start phase I in 2022 Construction start in 2022

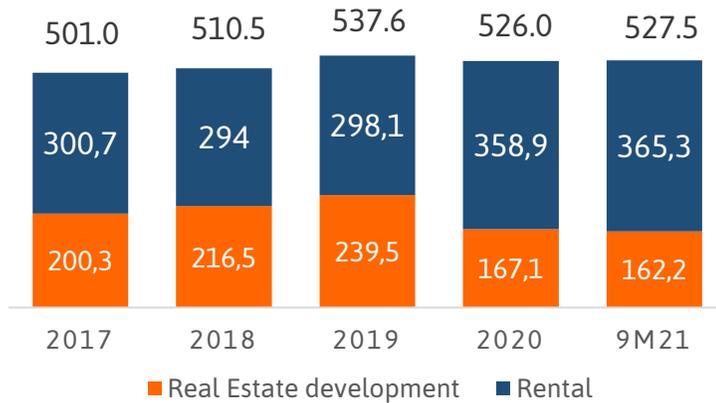
FOC: First Occupation certificate obtained

GAV, NAV, LTV & debt

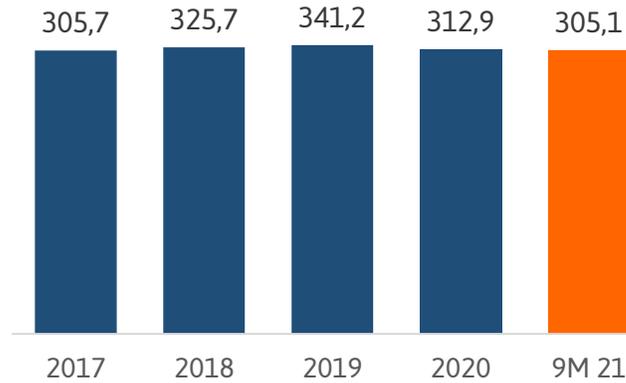
€m

All figures in proportionate

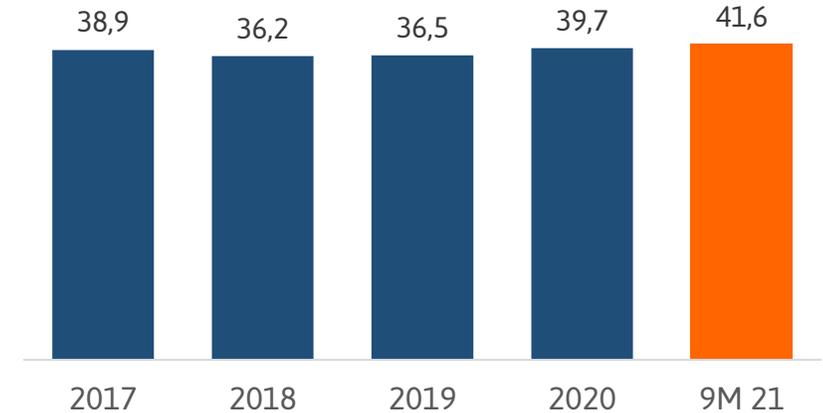
GAV INSUR*



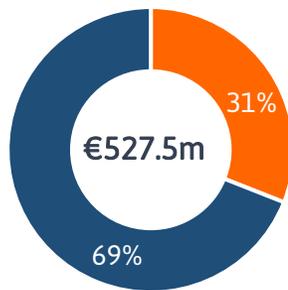
NAV INSUR



LTV evolution %



GAV INSUR*

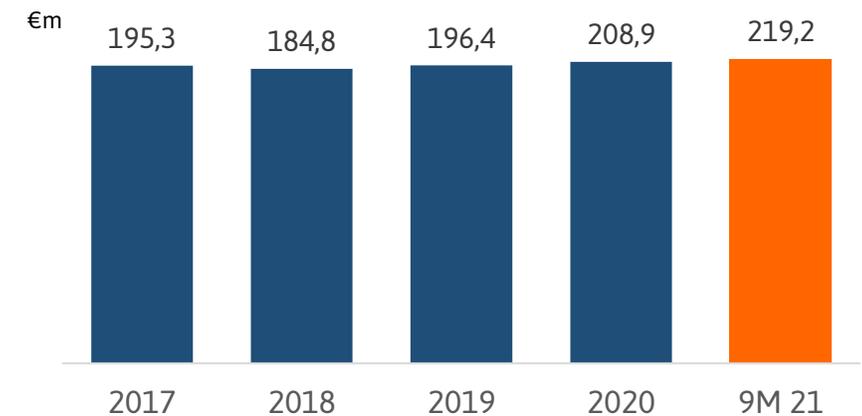


* valuation at 09/30/21 estimated from CBRE valuation at 12/31/20 and revised with disposals due to deliveries and additions at cost value.

Real Estate development Rental

Net Financial Debt increase is explained by the **outstanding investments made in 9M 21**. Capex (€7.8m) and €21.4m in the purchase of plots. A decrease in NFD is expected due to the significant volume of deliveries estimated in 4Q 21.

Net Financial Debt evolution



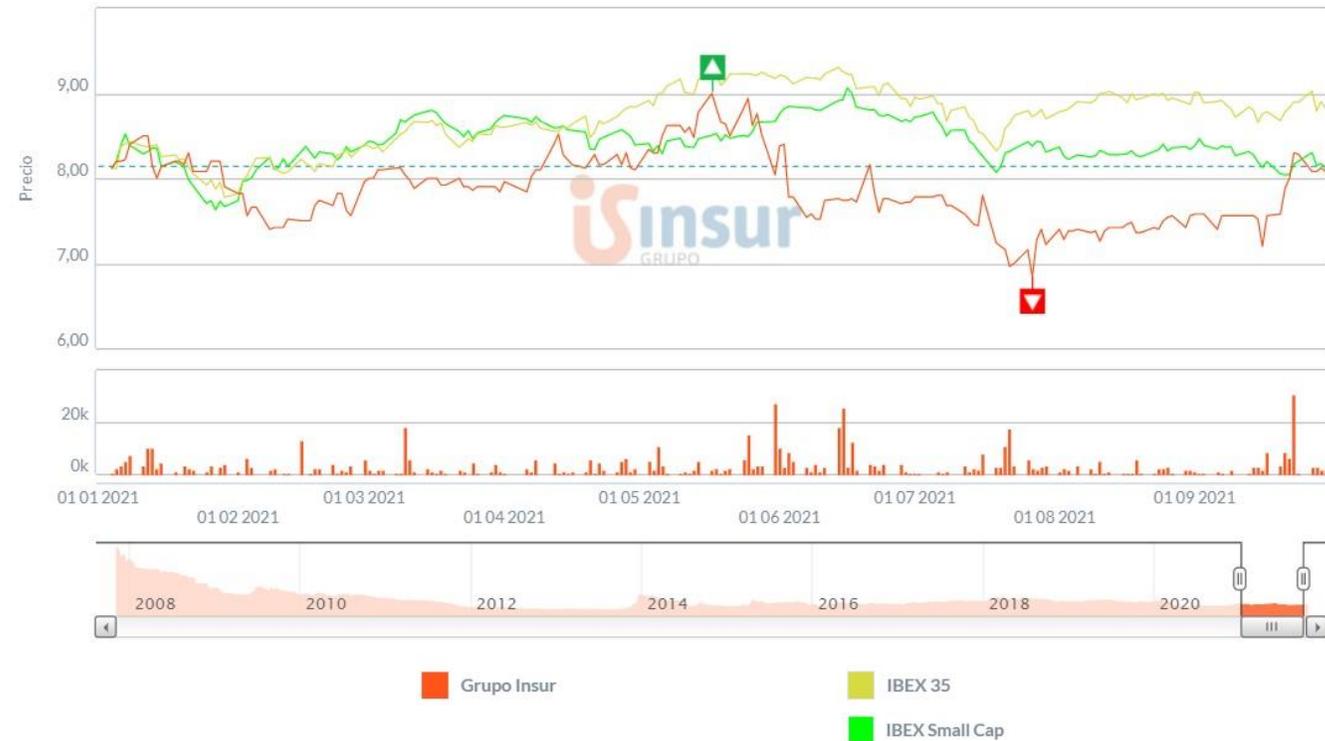


Share Price performance

Share Price performance 9M 2021

In 9M 21 the share Price (ISUR) increased by 9.5%. In that same period, the Ibex 35 grew by 8.6% and the Ibex Small Caps decreased by 0.1%.

The share price closed at €8.08 which implies a market cap of €150.8m as of September 30, 2021.



NOTE: after the capital increase carried out, the share capital is made up of 18,669,031 shares since July 7, 2021.

Market Cap September 2021*	NAV September 2021	Discount vs NAV*
€150.8 m	€305.1 m	50.6%

Conciliation between equity method and proportionate method

Consolidated P&L €m	9M2021			9M2020		
	Equity method	Adjustments	Proportionate	Equity method	Adjustments	Proportionate
a Revenues	74.7	7.9	82.6	66.3	39.1	105.4
Housebuilding	28.1	20.7	48.8	27.9	53.1	81.0
Rental	11.0	0.1	11.1	9.3	0.4	9.7
b Construction	32.1	(12.1)	20.0	25.1	(12.7)	12.4
Services	3.4	(0.8)	2.6	4.0	(1.7)	2.3
Result of entities valued by the equity method	0.6	(0.6)	(0.0)	8.7	(8.7)	(0.0)
c EBITDA	13.9	1.0	14.9	18.6	3.6	22.2
Result on the sale of investment property	2.0	-	2.0	0.1	-	0.1
Adjusted EBITDA	11.9	1.0	12.9	18.5	3.6	22.1
Operating profit	10.8	0.9	11.7	16.2	3.5	19.7
Financial result	(3.6)	(0.4)	(4.0)	(3.7)	(0.5)	(4.2)
Profit before tax	7.2	0.5	7.7	12.5	3.0	15.4
	0.0	0.0	0.0	0.0	0.0	0.0
Profit attributable to parent company	5.7	0.0	5.7	11.6	0.0	11.6
Profit attributable to minority interest	0.063	0.0	0.063	-	-	-

Main adjustments:

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

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

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

Conciliation between equity method and proportionate method

Consolidated balance sheet €m	30.09.21			31.12.20		
	Equity method	Adjustments	Proportionate	Equity method	Adjustments	Proportionate
Property, Plant and Equipment	220.1	0.0	220.2	216.0	0.1	216.1
a) Financial investments in JVs	41.6	(40.4)	1.2	38.4	(37.2)	1.2
b) Inventory	55.3	93.3	148.6	72.6	72.0	144.6
Debtors and other receivables	21.2	(3.4)	17.8	17.8	(3.8)	14.0
Other assets	57.7	(7.0)	50.8	44.5	(6.2)	38.3
Cash and equivalents	37.3	14.3	51.6	44.4	11.5	55.9
TOTAL ASSETS	433.2	56.9	490.1	433.7	36.3	470.0
	0.0	0.0	0.0	0.0	0.0	0.0
Net equity	128.0	0.0	128.0	122.3	-	122.3
Minority interests	3.3	0.0	3.3	3.2	-	3.2
c) Amounts owed to credit institutions	232.9	22.1	255.0	239.0	20.2	259.2
Other financial liabilities	15.8	0.0	15.8	5.6	-	5.6
d) Trade and other payables	26.8	5.0	31.8	29.6	(0.8)	28.7
Other liabilities	26.5	29.8	56.3	34.0	17.0	51.0
TOTAL EQUITY AND LIABILITIES	433.2	56.9	490.1	433.7	36.3	470.0

Main adjustments:

- Financial investments in JVs: the cost of the financial investments in JVs on the assets of the consolidated balance according to the equity method is replaced by the assets and liabilities that these JVs incorporate in the proportionate balance sheet, in the participation held by the Group in them.
- Inventory: the proportionate method of consolidating the JVs implies the incorporation of the inventory figure in the proportion in which the Group participates in these companies.
- Amounts owed to credit institutions: the proportionate method of consolidating the JVs implies the incorporation of the debt figure in the proportion in which the Group participates in these companies
- Trade and other payables : the integration of the JVs implies the incorporation of their accounts payable in the proportion in which the Group participates in these companies



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