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1Q24 earnings: start of the (expected) acceleration of the development business

Inmobiliaria del Sur (ISUR), is a property company with headquarters in Seville and a presence in Andalusia and Madrid, whose business model combines a development activity (residential and tertiary) with a property management business, that has a portfolio of rental assets (mainly offices), both activities having a significant weighting in terms of GAV. The board directly and indirectly controls c. 69% of capital.

Market Data

| | | |
|------------------------------------|--------------------|-------|
| Market Cap (Mn EUR and USD) | 141.9 | 152.8 |
| EV (Mn EUR and USD) ⁽²⁾ | 381.7 | 411.0 |
| Shares Outstanding (Mn) | 18.7 | |
| -12m (Max/Med/Min EUR) | 7.60 / 7.05 / 6.59 | |
| Daily Avg volume (-12m Mn EUR) | 0.02 | |
| Rotation ⁽³⁾ | 3.0 | |
| Factset / Bloomberg | ISUR-ES / ISUR SM | |
| Close fiscal year | 31-Dec | |

Shareholders Structure (%)

| | |
|--------------------|------|
| Board of Directors | 68.9 |
| Free Float | 31.1 |

Financials (Mn EUR)

| | 2023 | 2024e | 2025e | 2026e |
|-------------------------------------|-------|-------|-------|-------|
| Adj. nº shares (Mn) | 18.7 | 18.7 | 18.7 | 18.7 |
| Total Revenues | 119.8 | 168.1 | 244.1 | 147.0 |
| Rec. EBITDA | 22.3 | 29.9 | 46.5 | 28.2 |
| % growth | 6.9 | 34.3 | 55.3 | -39.4 |
| % Rec. EBITDA/Rev. | 18.6 | 17.8 | 19.1 | 19.2 |
| % Inc. EBITDA sector ⁽⁴⁾ | 5.8 | 10.7 | 6.1 | 6.5 |
| Net Profit | 11.3 | 11.6 | 25.4 | 12.8 |
| EPS (EUR) | 0.61 | 0.62 | 1.36 | 0.69 |
| % growth | -25.5 | 2.8 | 118.6 | -49.5 |
| Ord. EPS (EUR) | 0.35 | 0.62 | 1.36 | 0.69 |
| % growth | -24.1 | 77.1 | 118.6 | -49.5 |
| Rec. Free Cash Flow ⁽⁵⁾ | -11.2 | -12.8 | 60.0 | 63.6 |
| Pay-out (%) | 52.8 | 48.0 | 48.0 | 48.0 |
| DPS (EUR) | 0.32 | 0.30 | 0.65 | 0.33 |
| Net financial debt | 242.5 | 261.3 | 206.8 | 155.5 |
| ND/Rec. EBITDA (x) | 10.9 | 8.7 | 4.4 | 5.5 |
| ROE (%) | 8.0 | 7.8 | 15.7 | 7.5 |
| ROCE (%) ⁽⁵⁾ | 4.8 | 4.7 | 7.9 | 5.0 |

Ratios & Multiples (x) ⁽⁶⁾

| | 2023 | 2024e | 2025e | 2026e |
|------------------------------|------|-------|-------|-------|
| P/E | 12.6 | 12.2 | 5.6 | 11.1 |
| Ord. P/E | 21.6 | 12.2 | 5.6 | 11.1 |
| P/BV | 1.0 | 0.9 | 0.8 | 0.8 |
| Dividend Yield (%) | 4.2 | 3.9 | 8.6 | 4.3 |
| EV/Sales | 3.19 | 2.27 | 1.56 | 2.60 |
| EV/Rec. EBITDA | 17.1 | 12.7 | 8.2 | 13.5 |
| EV/EBIT | 16.0 | 15.1 | 9.1 | 16.1 |
| FCF Yield (%) ⁽⁵⁾ | n.a. | n.a. | 42.3 | 44.8 |

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).

(2) Please refer to Appendix 3.

(3) Rotation is the % of the capitalisation traded - 12m.

(4) Sector: Stoxx Europe 600 Real State.

(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.

(6) Multiples and ratios calculated over prices at the date of this report.

(7) FCF Yield 2025e and 2026e reflect the positive cash inflow (non recurrent) due to changes in working capital (as a result of the high number of deliveries).

LEAP IN REVENUE (+120.7% VS 1Q23) DRIVEN BY PROPERTY DEVELOPMENT AND CONSTRUCTION. ISUR reported consolidated revenue in 1Q24 of EUR 36.2Mn (+120.7% vs 1Q23). The increase was driven by: 1) delivery of 69 homes (vs 57 in 1Q23) at an average selling price (ASP) of EUR 0.46Mn (+83.1% vs 1Q23; thanks to the delivery of developments in Madrid) and 2) the larger number of JVs, which boosted the construction business (EUR 5.6Mn; vs EUR 2.1Mn in 1Q23). Rental revenue from the property management business was largely flat, at EUR 4.5Mn, with 88.7% occupancy (+1p.p. vs 2023).

THIS LED TO GROWTH IN REC. EBITDA (+72.2% VS 1Q23)... ISUR'S recurring EBITDA through March totalled EUR 6.2Mn (+72.2% vs 1Q23). The higher weight of the development business (EBITDA margin of 15%) in the revenue mix resulted in a lower EBITDA margin (17.1%; -4.8 p.p. vs 1Q23).

...AND A SHARP INCREASE IN NET PROFIT (EUR 3.6Mn IN 1Q24 VS EUR 0.2Mn IN 1Q23). Below the EBITDA line, the smaller net finance expense of EUR 0.7Mn (vs EUR 1.7Mn in 1Q23 resulting from the novation of financing terms and conditions) enabled the growth in EBITDA to trickle down to the bottom line (net profit of EUR 3.6Mn in 1Q24 vs EUR 0.2Mn in 1Q23).

DECREASE IN LEVERAGE (LTV < 40%). ISUR ended 1Q24 with net debt of EUR 236.6Mn (-9.5% vs 1Q23). Leverage (LTV) eased to 39.8% (-3.3 p.p. vs 1Q23) by: (1) stepping up the pace of residential deliveries and (2) reducing land purchases.

DELIVERIES IN 1Q24 AND THE PRE-SALES PORTFOLIO ADD VISIBILITY. Unit sales in 1Q24 totalled 95 (64 via JVs and 31 by the company; EUR 23Mn). The pre-sales portfolio ended the period at 747 units (EUR 170,1Mn; ASP: EUR 0.32Mn; coverage ratios 79.5% and 52.8% of estimated deliveries for ISUR in 2024e and 2025e, respectively). Our baseline scenario at present for 2024e points to revenue of EUR 168.1Mn (+40.4% vs 2023) and EBITDA of EUR 29.9Mn (+34.3% vs 2023).

CONCLUSION: THE ACCELERATION OF THE DEVELOPMENT BUSINESS IS STARTING TO MATERIALISE. Earnings in 1Q24 indicate that (expected) acceleration of the development business has started. The materialisation of deliveries over the coming quarters is still the business' main catalyst. NAV increased to EUR 358.5Mn in the period (+3.7% vs 1Q23), leaving ISUR still trading at a discount to NAV of c.-60% (vs -40% for developers and Spanish REITs). "Momentum" growing at ISUR. P/E 2024e: 12.2x (vs 19x from its peers).

Relative performance (Base 100)



| Stock performance (%) | -1m | -3m | -12m | YTD | -3Y | -5Y |
|------------------------------------|------|------|------|------|-------|-------|
| Absolute | 7.0 | 4.8 | 11.7 | 10.3 | 10.7 | -14.0 |
| vs Ibex 35 | 8.8 | -2.8 | -6.6 | 2.7 | -9.3 | -25.5 |
| vs Ibex Small Cap Index | 3.6 | -1.9 | 1.7 | 4.3 | 12.6 | -29.3 |
| vs Eurostoxx 50 | 10.3 | -0.9 | -2.2 | 1.4 | -10.1 | -38.8 |
| vs Sector benchmark ⁽⁴⁾ | 4.0 | 2.9 | -1.9 | 14.2 | 50.3 | 16.7 |

(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Factset and Lighthouse.

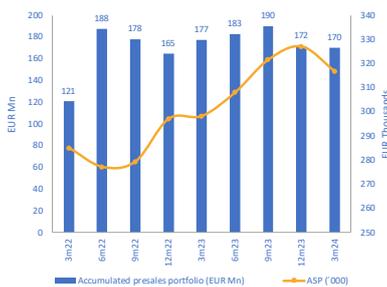
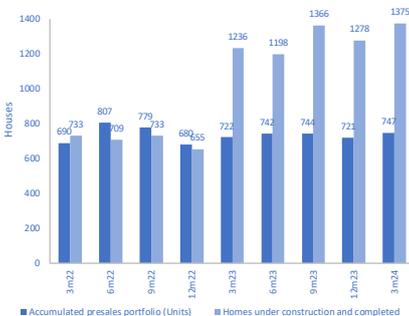
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This report has been prepared on the basis of information available to the public. The report includes a financial analysis of the company covered. The report does not propose any personalised investment recommendation. Investors should consider the contents of this report as just another element in their investment decision-making process. The final two pages of this report contain very important legal information regarding its contents.

Waiting for deliveries to materialise to confirm ISUR's step-up in scale. And for this to be reflected in the share price...

ISUR's 1Q24 earning confirm the company's positive momentum. Residential deliveries mark the (expected) acceleration in the development business (69 home deliveries in 1Q24, c.30 relate to developments not delivered in 2023). Commercial activity continued the good performance seen in recent quarters (c.90 homes), showcasing the resilience of ISUR's business. The pre-sales portfolio (which adds visibility to future deliveries) and units "under construction and pending delivery" are at all-time highs. Meanwhile, the property management business (55% of GAV) continues to enjoy high occupancy (88.7% vs. 87.6% in 2023), lending recurrence and visibility to the business model.

Chart 1. GAV of ISUR (1Q24)

Chart 2. Cumulative pre-sales portfolio and average selling price (1Q22-1Q23)

Chart 3. Pre-sales portfolio vs housing starts and completions (1Q22-1Q24)

Table 1. Results 1Q24

| EUR Mn | 3m24 | | 3m24 Real | | 2024e vs |
|-----------------------------------|-------------|-------------|---------------|--------------|--------------|
| | Real | 3m23 | vs 3m23 | 2024e | 2023 |
| Total Revenues | 36.2 | 16.4 | 120.7% | 168.1 | 40.3% |
| Property development business | 25.0 | 8.9 | 180.9% | 103.6 | 22.3% |
| Rental Revenue | 4.5 | 4.5 | 0.0% | 18.5 | 7.9% |
| Construction | 5.6 | 2.1 | 166.7% | 20.3 | 48.0% |
| Administration and marketing | 1.1 | 0.9 | 22.2% | 4.1 | -3.6% |
| Recurrent EBITDA | 6.2 | 3.6 | 72.2% | 29.9 | 34.3% |
| Rec. EBITDA/Revenues | 17.1% | 22.0% | -4.8 p.p. | 17.8% | -0.8 p.p. |
| EBITDA | 6.4 | 3.6 | 77.8% | 29.9 | 34.3% |
| EBITDA/Revenues | 17.7% | 22.0% | -4.3 p.p. | 17.8% | -0.8 p.p. |
| EBIT | 5.3 | 1.9 | 178.9% | 25.2 | 6.1% |
| PBT | 4.6 | 0.2 | n.a. | 15.5 | 5.7% |
| NP | 3.6 | 0.2 | n.a. | 11.6 | 2.7% |
| GAV | 595.1 | 607 | -2.0% | | |
| Rental business GAV | 328.8 | 366.9 | -10.4% | | |
| GAV Property development business | 266.3 | 240.1 | 10.9% | | |
| NAV | 358.5 | 345.8 | 3.7% | | |
| Net Debt | 236.6 | 261.3 | -9.5% | | |
| LTV | 39.8% | 43.0% | -3.3 p.p. | | |

The real estate market is showing resilience despite the macro landscape, but we are revising down our 2024e estimates due to delays in deliveries in 2023

Spain's real estate market is showing resilience. Scant supply (the main factor), coupled with growth in GDP and foreign investment, has tempered the impact of interest-rate hikes on demand. Specifically, in 2023, the number of real estate transactions in Seville and Madrid (ISUR's core markets) totalled 24.6k (-1.6% vs 2022) and 85.8k (-5.1% vs 2022), respectively. Meanwhile, prices of new homes during the year rose by 5.3% (Seville) and 9.8% (Madrid), respectively.

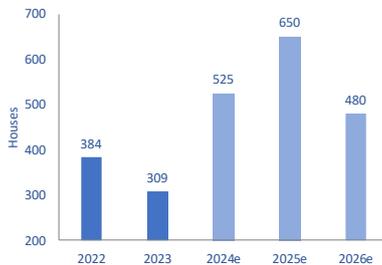
ISUR is strongly positioned in Seville and Madrid —economic forecasts for both cities are upbeat— with a land bank of >3,800 homes (>1,500 already being marketed) and a pre-sales portfolio of 747 units (EUR 170Mn). The average selling price (ASP) for the year was EUR 0.32Mn (+6.6% vs 2022). The company also has 1,375 units under construction and pending delivery (+109.9% vs. 2022; 1.8x pre-sales portfolio). However, the delays in deliveries in 2023 (309 vs. 400 in our estimates; with >1,400 still to go to meet the target in our 2021-2025 strategic plan) have prompted us to revise down our estimates (2024e-2026e):

Our estimates for the property management business are unchanged. The property management business makes up 55% of the company's GAV. Of ISUR's portfolio of rental assets, 82% are offices. The main trend among tenants in the office segment is the search for quality, ESG-friendly spaces in good locations.

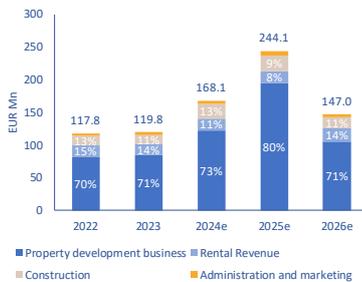
ISUR's portfolio continues to enjoy high occupancy (88.7% in 1Q24; +1 p.p. vs 2023). The property management EBITDA margin ended the quarter at 75.4% and profitability (yield) of the portfolio at 5.2% (+0.4p.p. vs 2022). Looking ahead to 2024e and 2025e (with 89% occupancy and stable GAV), our estimates include rental revenue of EUR 18.1Mn and EUR 18.8Mn respectively, which would lift the portfolio yield to 5.7% in 2025e. For 2026e, revenue looks set to really take off, soaring to EUR 21.1Mn thanks to the addition of >9,000m² from the Las Tablas development (Madrid) to the portfolio.

Tabla 2. Property management KPIs

| Property | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|
| GRI (EUR Mn) | 13.3 | 15.4 | 17.5 | 17.1 | 18.1 | 18.8 | 21.2 |
| EUR/m2/month | 9.6 | 11.4 | 12.1 | 13.3 | 13.8 | 14.4 | 15.1 |
| Gross Leasable Area (m2) | 130,921 | 129,865 | 132,868 | 122,083 | 122,083 | 122,083 | 131,083 |
| Occupancy Rate | 88.4% | 87.0% | 90.4% | 87.6% | 89.0% | 89.0% | 89.0% |
| Property EBITDA (EUR Mn) | 9.9 | 11.8 | 14.1 | 12.9 | 13.7 | 14.2 | 16.5 |
| Property EBITDA Margin | 74.4% | 76.7% | 80.6% | 75.4% | 76.0% | 75.9% | 78.0% |

Chart 4. Residential Deliveries (2022-2026e)


- Development business: the delay in deliveries in 2023 warrants a downgrade to estimates.** The company delivered 309 homes in 2023 (vs our estimate of 400). Taking a conservative scenario for 2024e and 2025e, we are projecting 525 deliveries (c.50 of which relate to homes delayed in 2023) and 650 deliveries, respectively (vs. our previous estimate of 500 and 850 units). We are also factoring in an increase in the number of JVs in which the company has interests in the development business (50% in 2024e vs our previous estimate of 40%; this will boost both the construction and property management business lines). Our baseline scenario now calls for residential development revenue of EUR 122.8Mn and EUR 144.7Mn in 2024e and 2025e, respectively (-6.8% and -23.7% vs our previous estimate).

Chart 5. Revenue by business line (2022-2026e)

Tabla 3. Residential development KPIs

| Residential Development | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e |
|--------------------------------|------|------|------|------|-------|-------|-------|
| Residential Development Income | 98.0 | 83.6 | 82.0 | 71.9 | 122.8 | 144.7 | 105.1 |
| Deliveries (Units) | 355 | 380 | 384 | 309 | 525 | 650 | 480 |
| Own | 105 | 71 | 239 | 235 | 263 | 260 | 168 |
| JV | 250 | 309 | 145 | 74 | 262 | 390 | 312 |
| ASP ('000 EUR) | 325 | 320 | 269 | 262 | 312 | 318 | 324 |

ISUR also has several tertiary development developments in the pipeline: (i) two office buildings in Malaga (2025e), which will generate (total) rental revenue of EUR 50Mn, (ii) an office building in Las Tablas (Madrid), which will be included in the portfolio of rental assets, and (iii) three early stage developments (a business campus in Valdebebas, a hotel in Cadiz and a tourism project in Sevilla).

Tabla 4. Tertiary development projects

| Tertiary development | Typology | Surface (m2) | Stake | Delivery | Investment (EUR Mn) | GRI (EUR Mn) | Rent (EUR/m2/month) | Yield |
|-----------------------|---------------|--------------|-------|----------|---------------------|--------------|---------------------|-------|
| Agora (Málaga) | Offices | 9,500 | 50% | 2025 | 37 | 2.5 | 22.0 | 6.8% |
| Martiricos (Málaga) | Offices | 10,900 | 50% | 2025 | 37 | 2.7 | 21.0 | 7.4% |
| Las Tablas (Madrid) | Offices | 9,000 | 100% | 2025 | 39 | 2.1 | 19.5 | 5.4% |
| Valdebebas (Madrid) | Campus | 36,500 | 50% | - | 95 | - | - | - |
| Atlanterra (Cadiz) | Hotel | 30,000 | 100% | - | 85 | - | - | - |
| IDS Nervion (Sevilla) | Hotel/Tourist | 8,665 | 35% | - | 39 | - | - | - |

- Despite the lower number of estimated deliveries, ISUR should still be able to double revenue and EBITDA by 2025e:** In 2024e and 2025e, we see a company with consolidated revenue of EUR 168.1Mn and EUR 244.1Mn (CAGR 23-25e: 42.85%), respectively (-15.4% and -7.9% vs our previous estimate). We estimate EBITDA for those two years at EUR 29.9Mn and EUR 46.5Mn, respectively (-13.9% and -7.4% vs our previous estimates; 2025e: 2x EBITDA 2023), leaving net profit of EUR 11.6Mn and EUR 25.4Mn, respectively. An especially compelling dividend yield (non-recurring) for 2025e: 8.6%.

Tabla 5. New estimates (2024e-2026e)

| EUR Mn | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Property development business | 98.0 | 83.6 | 82.0 | 84.7 | 122.8 | 194.7 | 105.1 |
| Rental Revenue | 13.3 | 15.4 | 17.5 | 17.1 | 18.1 | 18.8 | 21.2 |
| Construction | 18.5 | 22.7 | 15.1 | 13.7 | 22.4 | 22.8 | 16.5 |
| Management | 2.9 | 3.5 | 3.2 | 4.3 | 4.9 | 7.8 | 4.2 |
| Total sales | 132.7 | 125.2 | 117.8 | 119.8 | 168.1 | 244.1 | 147.0 |
| COGS | -73.2 | -63.8 | -64.3 | -56.1 | -94.5 | -136.3 | -82.5 |
| Gross margin | 59.6 | 61.3 | 53.5 | 63.7 | 73.6 | 107.8 | 64.5 |
| % over total sales | 44.9% | 49.0% | 45.4% | 53.2% | 43.8% | 44.2% | 43.9% |
| EBITDA | 24.5 | 22.5 | 20.9 | 32.5 | 30.1 | 46.6 | 28.3 |
| EBITDA margin (%) | 18.5% | 17.9% | 17.7% | 27.1% | 17.9% | 19.1% | 19.3% |

- **A (temporary) spike in leverage caused by the upturn in investment.** High investment in land purchases, CAPEX and construction work will be reflected in an increase in net debt in 2024e, to EUR 261.3Mn (+7.7% vs 2023), implying leverage (LTV) of 44.1% (+3.2 p.p. vs 2023). From 2025e, we expect net debt to ease (on the back of a strong inflow of FCF from working capital) to EUR 206.8Mn and EUR 156.3Mn in 2026e. This would leave leverage (LTV) at 26.4% in 2026e (comfortably below the sector average).

Table 6. Revision to estimates (2024e-2026e)

| EUR Mn | 2024e (New) | Review (%) | 2025e (New) | Review (%) | 2026e (New) |
|--------------------------------|--------------|-----------------|--------------|------------------|---------------|
| Total Revenues | 168.1 | -15.4% | 244.1 | -7.9% | 147.0 |
| Recurrent EBITDA | 29.9 | -13.9% | 46.5 | -7.4% | 28.2 |
| <i>Recurrent EBITDA growth</i> | <i>34.3%</i> | <i>7.1 p.p.</i> | <i>55.3%</i> | <i>10.9 p.p.</i> | <i>-39.4%</i> |
| <i>Rec. EBITDA/Revenues</i> | <i>17.8%</i> | <i>0.3 p.p.</i> | <i>19.1%</i> | <i>0.1 p.p.</i> | <i>19.2%</i> |
| EBIT | 25.2 | -17.4% | 41.9 | -8.9% | 23.7 |
| Net Profit | 11.6 | -22.1% | 25.4 | -4.0% | 12.8 |
| <i>ND / EBITDA</i> | <i>8.7 x</i> | <i>1.0 x</i> | <i>4.4 x</i> | <i>-0.9 x</i> | <i>5.5 x</i> |

In sum, unrealised revenue (pre-sales portfolio) not yet priced in and whose materialisation will shape 2024e and 2025e, enabling ISUR to achieve the expected leap in scale.

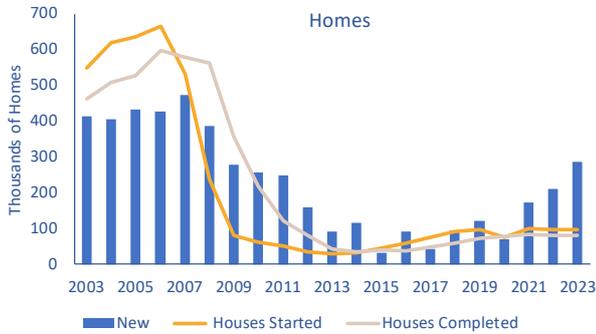
ISUR's business model combines property development (45% of GAV) and property management (55% of GAV). This alone reduces the development business' inherent risk. The pre-sales portfolio (the main medium- and long-term driver) bodes well for an increase in deliveries (not yet priced in), while occupancy remains good for the portfolio of rental assets (with high visibility and lower risk). Today, most of the houses have already been sold (79.5% and 52.8% of the deliveries estimated by ISUR for 2024e AND 2025e), i.e. the "hard" work has already been done. The "challenge" is the timing and pace of materialisation of deliveries.

The share price (+10.9% -12m; in line with the sector) is still down, trading at a discount to NAV of over 60% (EUR 358.5Mn; vs -40% for developers and Spanish REITs). ISUR's step-up in scale is now visible in the company's pre-sales portfolio. But this is still being missed by the market. We are talking about a company that is set to see structural revenue rise (roughly) from c.EUR 120Mn to c.EUR 150Mn (+25%). This should surely be reflected in the share price.

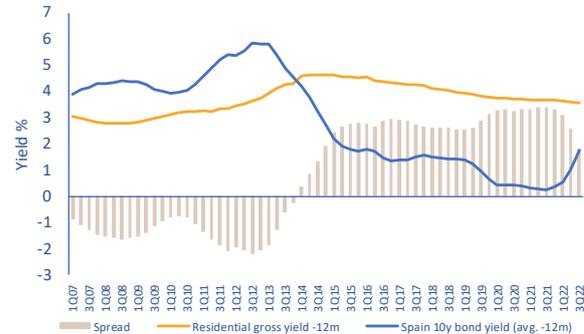
In terms of multiples, the stock is trading at a P/E 2024e of 12.2x (vs the sector average of 19.6x) and offers a dividend yield of c.4%.

The company in 8 charts

Supply-demand imbalance: a long-term growth driver for the Spanish residential sector



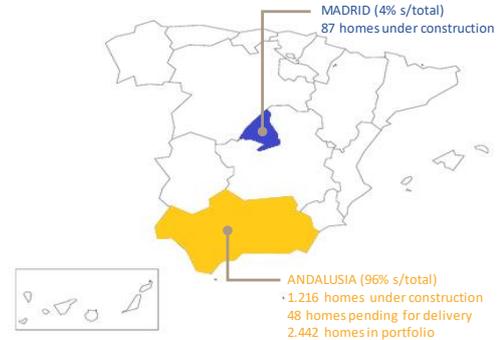
Although the macro and interest rates will weigh heavy in the short term for the property sector



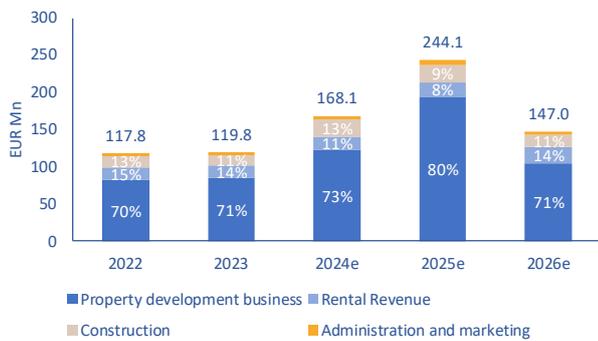
ISUR: A unique property company, combining development and management businesses (both with significant weighting in GAV)



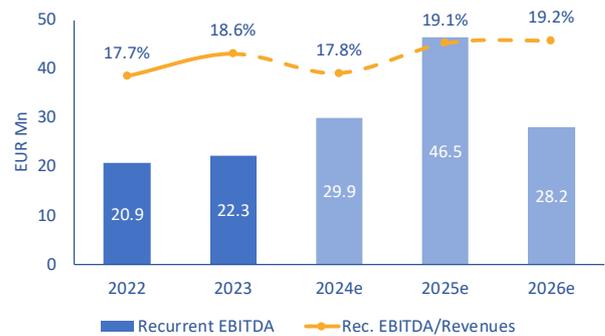
With a land bank for building +3,800 homes (48% being marketed), maintaining unique exposure in Andalusia



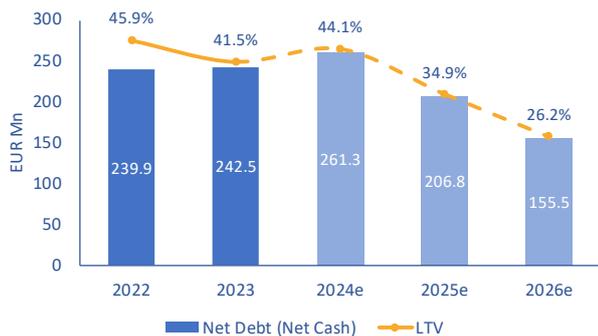
2025e should see a company with revenue of EUR 244Mn...



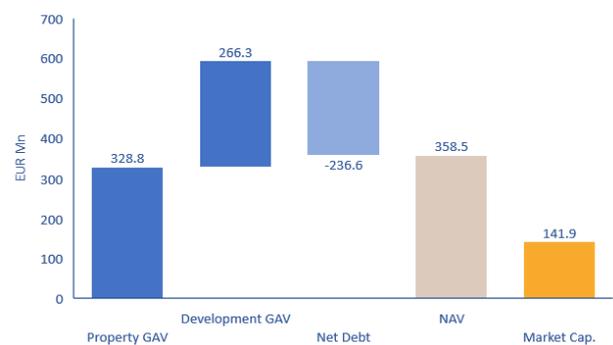
... and EBITDA 2025e of c. EUR 47Mn (+44% CAGR 23-25e)



Despite the rebound in investment, leverage will remain reasonable (LTV c. 26%)



Trading at a discount of 60% vs the NAV



Valuation inputs

Inputs for the DCF Valuation Approach

| | 2024e | 2025e | 2026e | Terminal Value ⁽¹⁾ | | | |
|---|-------|---|-------|-------------------------------|-----------|------------|--|
| Free Cash Flow "To the Firm" ⁽²⁾ | (5.5) | 66.0 | 68.5 | n.a. | | | |
| Market Cap | 141.9 | At the date of this report | | | | | |
| Net financial debt | 236.6 | Debt net of Cash (3m Results 2024) | | | | | |
| | | | | | Best Case | Worst Case | |
| Cost of Debt | 4.5% | Net debt cost | | | 4.3% | 4.8% | |
| Tax rate (T) | 20.0% | T (Normalised tax rate) | | | = | = | |
| Net debt cost | 3.6% | $K_d = \text{Cost of Net Debt} * (1-T)$ | | | 3.4% | 3.8% | |
| Risk free rate (rf) | 3.3% | Rf (10y Spanish bond yield) | | | = | = | |
| Equity risk premium | 6.0% | R (own estimate) | | | 5.5% | 6.5% | |
| Beta (B) | 1.1 | B (own estimate) | | | 1.0 | 1.2 | |
| Cost of Equity | 9.9% | $K_e = R_f + (R * B)$ | | | 8.8% | 11.1% | |
| Equity / (Equity + Net Debt) | 37.5% | E (Market Cap as equity value) | | | = | = | |
| Net Debt / (Equity + Net Debt) | 62.5% | D | | | = | = | |
| WACC | 6.0% | $WACC = K_d * D + K_e * E$ | | | 5.4% | 6.5% | |
| G "Fair" | 2.0% | | | | 2.0% | 1.5% | |

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

(2) FCF 2025e and 2026e reflect the positive cash inflow (non recurrent) due to changes in working capital (as a result of the high number of deliveries).

Inputs for the Multiples Valuation Approach

| Company | Ticker | Mkt. Cap | P/E 24e | EPS 24e-26e | EV/EBITDA 24e | EBITDA 24e-26e | EV/Sales 24e | Revenues 24e-26e | EBITDA/Sales 24e | FCF Yield 24e | FCF 24e-26e |
|--------------|----------|----------|---------|-------------|---------------|----------------|--------------|------------------|------------------|---------------|-------------|
| Metrovacesa | MVC-ES | 1,301.4 | 38.1 | 18.7% | 23.0 | 9.5% | 2.2 | 5.0% | 9.7% | 8.4% | -17.5% |
| Aedas Homes | AEDAS-ES | 825.9 | 8.4 | 0.6% | 8.7 | 1.2% | 1.4 | -0.4% | 15.6% | 13.4% | -1.3% |
| Neinor Homes | HOME-ES | 803.7 | 11.5 | -3.4% | 10.0 | -2.7% | 1.4 | -0.3% | 14.5% | 18.1% | -23.6% |
| Real estate | | | 19.3 | 5.3% | 13.9 | 2.7% | 1.7 | 1.4% | 13.3% | 13.3% | -14.1% |
| ISUR | ISUR-ES | 141.9 | 12.2 | 5.1% | 12.7 | -3.0% | 2.3 | -6.5% | 17.8% | n.a. | n.a. |

Free Cash Flow sensitivity analysis (2025e)

A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

| Scenario | EBITDA/Sales 25e | EBITDA 25e | EV/EBITDA 25e |
|----------|------------------|------------|---------------|
| Max | 21.0% | 51.1 | 7.5x |
| Central | 19.1% | 46.5 | 8.2x |
| Min | 17.2% | 41.9 | 9.1x |

B) Rec. FCF sensitivity to changes in EBITDA and CAPEX/sales

| Rec. FCF EUR Mn | CAPEX/Sales 25e | | | Scenario | Rec. FCF/Yield 25e | | |
|-----------------|-----------------|------|------|----------|--------------------|---------|-------|
| EBITDA 25e | 0.2% | 0.2% | 0.2% | | Max | Central | Min |
| 51.1 | 64.7 | 64.7 | 64.7 | Max | 45.6% | 45.6% | 45.6% |
| 46.5 | 60.0 | 60.0 | 60.0 | Central | 42.3% | 42.3% | 42.3% |
| 41.9 | 55.4 | 55.4 | 55.4 | Min | 39.0% | 39.0% | 39.0% |

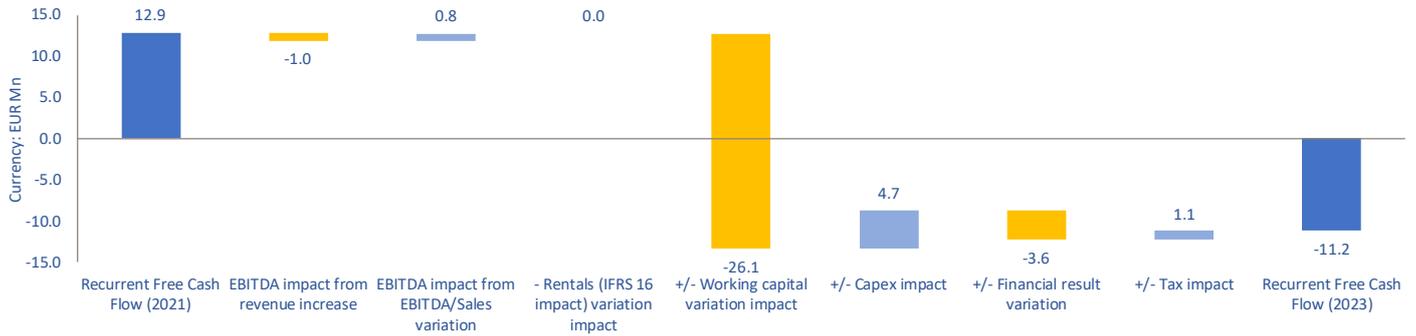
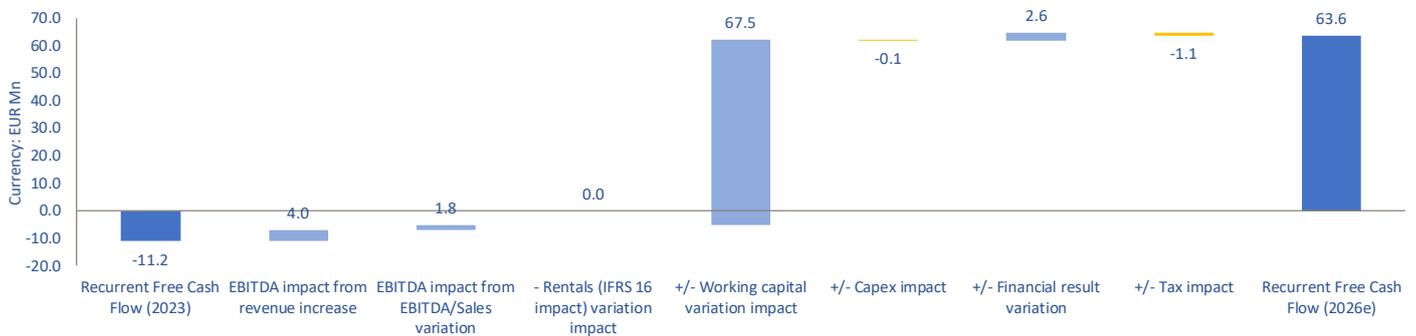
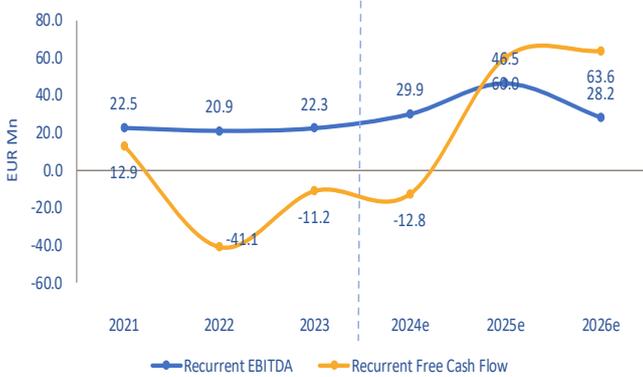
Appendix 1. Financial Projections

| Balance Sheet (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|--|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Intangible assets | - | - | - | - | - | - | - | - | | |
| Fixed assets | 146.7 | 216.0 | 216.9 | 216.2 | 206.6 | 202.2 | 198.1 | 193.9 | | |
| Other Non Current Assets | - | - | - | - | - | - | - | - | | |
| Financial Investments | 1.8 | 1.2 | 0.5 | 0.3 | - | - | - | - | | |
| Goodwill & Other Intangibles | - | - | - | - | - | - | - | - | | |
| Current assets | 263.5 | 196.9 | 185.2 | 250.1 | 285.2 | 333.1 | 328.8 | 245.4 | | |
| Total assets | 412.1 | 414.1 | 402.6 | 466.6 | 491.8 | 535.4 | 526.9 | 439.3 | | |
| Equity | 107.2 | 122.3 | 128.3 | 137.3 | 145.7 | 151.3 | 171.2 | 171.8 | | |
| Minority Interests | - | 3.2 | 3.2 | 3.1 | 3.2 | 3.2 | 3.2 | 3.2 | | |
| Provisions & Other L/T Liabilities | - | - | - | - | - | - | - | - | | |
| Other Non Current Liabilities | - | - | - | - | - | - | - | - | | |
| Net financial debt | 196.4 | 208.9 | 198.0 | 239.9 | 242.5 | 261.3 | 206.8 | 155.5 | | |
| Current Liabilities | 108.4 | 79.7 | 73.1 | 86.3 | 100.4 | 119.5 | 145.7 | 108.9 | | |
| Equity & Total Liabilities | 412.1 | 414.1 | 402.6 | 466.6 | 491.8 | 535.4 | 526.9 | 439.3 | | |
| P&L (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | 20-23 | 23-26e |
| Total Revenues | 122.8 | 132.7 | 125.2 | 117.8 | 119.8 | 168.1 | 244.1 | 147.0 | -3.4% | 7.1% |
| <i>Total Revenues growth</i> | 7.8% | 8.1% | -5.7% | -5.9% | 1.7% | 40.4% | 45.2% | -39.8% | | |
| COGS | (47.2) | (73.2) | (63.8) | (64.3) | (66.1) | (94.5) | (136.3) | (82.5) | | |
| Gross Margin | 75.6 | 59.6 | 61.3 | 53.5 | 53.7 | 73.6 | 107.8 | 64.5 | -3.4% | 6.3% |
| <i>Gross Margin/Revenues</i> | 61.6% | 44.9% | 49.0% | 45.4% | 44.8% | 43.8% | 44.2% | 43.9% | | |
| Personnel Expenses | (9.7) | (9.0) | (9.1) | (11.1) | (12.6) | (13.6) | (14.7) | (15.2) | | |
| Other Operating Expenses | (43.5) | (26.0) | (29.8) | (21.5) | (18.8) | (30.1) | (46.6) | (21.1) | | |
| Recurrent EBITDA | 22.4 | 24.5 | 22.5 | 20.9 | 22.3 | 29.9 | 46.5 | 28.2 | -3.1% | 8.1% |
| <i>Recurrent EBITDA growth</i> | 28.6% | 9.5% | -8.5% | -7.0% | 6.9% | 34.3% | 55.3% | -39.4% | | |
| <i>Rec. EBITDA/Revenues</i> | 18.2% | 18.5% | 17.9% | 17.7% | 18.6% | 17.8% | 19.1% | 19.2% | | |
| Restructuring Expense & Other non-rec. | - | (5.1) | - | - | - | - | - | - | | |
| EBITDA | 22.4 | 19.4 | 22.5 | 20.9 | 22.3 | 29.9 | 46.5 | 28.2 | 4.7% | 8.1% |
| Depreciation & Provisions | (2.5) | (6.3) | (4.3) | (4.2) | (4.6) | (4.7) | (4.6) | (4.5) | | |
| Capitalized Expense | - | - | - | - | - | - | - | - | | |
| Income from the sale of property investments | 4.1 | 0.3 | 3.8 | 2.2 | 6.1 | - | - | - | | |
| EBIT | 24.0 | 13.3 | 21.9 | 18.8 | 23.8 | 25.2 | 41.9 | 23.7 | 21.2% | -0.2% |
| <i>EBIT growth</i> | 20.6% | -44.4% | 64.2% | -14.2% | 26.5% | 6.1% | 66.0% | -43.5% | | |
| <i>EBIT/Revenues</i> | 19.5% | 10.1% | 17.5% | 16.0% | 19.9% | 15.0% | 17.2% | 16.1% | | |
| Impact of Goodwill & Others | - | - | - | - | - | - | - | - | | |
| Net Financial Result | (6.5) | (5.9) | (5.6) | (5.2) | (9.1) | (9.8) | (8.0) | (6.6) | | |
| Income by the Equity Method | - | - | - | - | - | - | - | - | | |
| Ordinary Profit | 17.5 | 7.4 | 16.4 | 13.6 | 14.7 | 15.5 | 33.9 | 17.1 | 25.4% | 5.3% |
| <i>Ordinary Profit Growth</i> | 31.6% | -57.4% | 120.1% | -16.9% | 7.8% | 5.7% | 118.6% | -49.5% | | |
| Extraordinary Results | (4.4) | 21.9 | - | 6.4 | - | - | - | - | | |
| Profit Before Tax | 13.1 | 29.4 | 16.4 | 20.0 | 14.7 | 15.5 | 33.9 | 17.1 | -20.7% | 5.3% |
| Tax Expense | (4.1) | (8.3) | (4.3) | (4.9) | (3.2) | (3.9) | (8.5) | (4.3) | | |
| <i>Effective Tax Rate</i> | 31.7% | 28.2% | 26.0% | 24.4% | 21.8% | 25.0% | 25.0% | 25.0% | | |
| Minority Interests | - | (0.0) | (0.1) | (0.1) | (0.2) | - | - | - | | |
| Discontinued Activities | - | - | - | - | - | - | - | - | | |
| Net Profit | 8.9 | 21.1 | 12.0 | 15.0 | 11.3 | 11.6 | 25.4 | 12.8 | -18.8% | 4.3% |
| <i>Net Profit growth</i> | -11.5% | 136.4% | -43.0% | 25.0% | -24.8% | 2.8% | 118.6% | -49.5% | | |
| Ordinary Net Profit | 12.2 | 8.8 | 9.2 | 8.6 | 6.6 | 11.6 | 25.4 | 12.8 | -9.3% | 25.0% |
| <i>Ordinary Net Profit growth</i> | 21.4% | -28.1% | 5.0% | -7.4% | -23.3% | 77.1% | 118.6% | -49.5% | | |
| Cash Flow (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | 20-23 | 23-26e |
| Recurrent EBITDA | | | | | | 29.9 | 46.5 | 28.2 | -3.1% | 8.1% |
| Rentals (IFRS 16 impact) | | | | | | - | - | - | | |
| Working Capital Increase | | | | | | (28.8) | 30.5 | 46.5 | | |
| Recurrent Operating Cash Flow | | | | | | 1.2 | 77.0 | 74.7 | -72.5% | n.a. |
| CAPEX | | | | | | (0.3) | (0.5) | (0.3) | | |
| Net Financial Result affecting the Cash Flow | | | | | | (9.8) | (8.0) | (6.6) | | |
| Tax Expense | | | | | | (3.9) | (8.5) | (4.3) | | |
| Recurrent Free Cash Flow | | | | | | (12.8) | 60.0 | 63.6 | -31.3% | 97.3% |
| Restructuring Expense & Other non-rec. | | | | | | - | - | - | | |
| - Acquisitions / + Divestures of assets | | | | | | - | - | - | | |
| Extraordinary Inc./Exp. Affecting Cash Flow | | | | | | - | - | - | | |
| Free Cash Flow | | | | | | (12.8) | 60.0 | 63.6 | 63.7% | n.a. |
| Capital Increase | | | | | | - | - | - | | |
| Dividends | | | | | | (6.0) | (5.6) | (12.2) | | |
| Net Debt Variation | | | | | | 18.8 | (54.4) | (51.4) | | |

* FCF 2025e and 2026e reflect the positive cash inflow (non recurrent) due to changes in working capital (as a result of the high number of deliveries)

Appendix 2. Free Cash Flow

| A) Cash Flow Analysis (EUR Mn) | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|---|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | | | | | | | | 21-23 | 23-26e |
| Recurrent EBITDA | 24.5 | 22.5 | 20.9 | 22.3 | 29.9 | 46.5 | 28.2 | -0.3% | 8.1% |
| <i>Recurrent EBITDA growth</i> | 9.5% | -8.5% | -7.0% | 6.9% | 34.3% | 55.3% | -39.4% | | |
| <i>Rec. EBITDA/Revenues</i> | 18.5% | 17.9% | 17.7% | 18.6% | 17.8% | 19.1% | 19.2% | | |
| - Rentals (IFRS 16 impact) | - | - | - | - | - | - | - | | |
| +/- Working Capital increase | 37.9 | 5.1 | (51.7) | (21.0) | (28.8) | 30.5 | 46.5 | | |
| = Recurrent Operating Cash Flow | 62.4 | 27.6 | (30.8) | 1.3 | 1.2 | 77.0 | 74.7 | -78.2% | n.a. |
| <i>Rec. Operating Cash Flow growth</i> | 324.1% | -55.9% | -211.9% | 104.2% | -11.6% | n.a. | -3.0% | | |
| <i>Rec. Operating Cash Flow / Sales</i> | 47.0% | 22.0% | n.a. | 1.1% | 0.7% | 31.6% | 50.8% | | |
| - CAPEX | (5.9) | (4.9) | (0.2) | (0.2) | (0.3) | (0.5) | (0.3) | | |
| - Net Financial Result affecting Cash Flow | (5.9) | (5.6) | (5.2) | (9.1) | (9.8) | (8.0) | (6.6) | | |
| - Taxes | (8.3) | (4.3) | (4.9) | (3.2) | (3.9) | (8.5) | (4.3) | | |
| = Recurrent Free Cash Flow | 42.3 | 12.9 | (41.1) | (11.2) | (12.8) | 60.0 | 63.6 | -69.4% | 97.3% |
| <i>Rec. Free Cash Flow growth</i> | n.a. | -69.6% | -419.6% | 72.8% | -14.6% | 568.4% | 5.9% | | |
| <i>Rec. Free Cash Flow / Revenues</i> | 31.9% | 10.3% | n.a. | n.a. | n.a. | 24.6% | 43.2% | | |
| - Restructuring expenses & others | - | - | - | - | - | - | - | | |
| - Acquisitions / + Divestments | (51.9) | 4.0 | 5.4 | 11.4 | - | - | - | | |
| +/- Extraordinary Inc./Exp. affecting Cash Flow | 2.6 | (2.6) | (0.5) | (0.5) | - | - | - | | |
| = Free Cash Flow | (7.0) | 14.3 | (36.3) | (0.3) | (12.8) | 60.0 | 63.6 | -42.3% | n.a. |
| <i>Free Cash Flow growth</i> | -0.8% | 303.2% | -353.8% | 99.1% | n.a. | 568.4% | 5.9% | | |
| <i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i> | 29.8% | 9.1% | n.a. | n.a. | n.a. | 42.3% | 44.8% | | |
| <i>Free Cash Flow Yield (s/Mkt Cap)</i> | n.a. | 10.1% | n.a. | n.a. | n.a. | 42.3% | 44.8% | | |
| B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn) | | | | | | | | | |
| | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
| Recurrent FCF(FY - 1) | 2.2 | 42.3 | 12.9 | (41.1) | (11.2) | (12.8) | 60.0 | | |
| EBITDA impact from revenue increase | 1.8 | (1.4) | (1.3) | 0.4 | 9.0 | 13.5 | (18.5) | | |
| EBITDA impact from EBITDA/Sales variation | 0.3 | (0.7) | (0.3) | 1.1 | (1.4) | 3.0 | 0.2 | | |
| = Recurrent EBITDA variation | 2.1 | (2.1) | (1.6) | 1.4 | 7.6 | 16.6 | (18.3) | | |
| - Rentals (IFRS 16 impact) variation impact | - | - | - | - | - | - | - | | |
| +/- Working capital variation impact | 45.6 | (32.8) | (56.8) | 30.7 | (7.8) | 59.3 | 16.0 | | |
| = Recurrent Operating Cash Flow variation | 47.7 | (34.9) | (58.4) | 32.1 | (0.2) | 75.9 | (2.3) | | |
| +/- CAPEX impact | (4.1) | 1.1 | 4.7 | 0.1 | (0.2) | (0.2) | 0.2 | | |
| +/- Financial result variation | 0.6 | 0.4 | 0.3 | (3.9) | (0.6) | 1.7 | 1.5 | | |
| +/- Tax impact | (4.1) | 4.0 | (0.6) | 1.7 | (0.7) | (4.6) | 4.2 | | |
| = Recurrent Free Cash Flow variation | 40.1 | (29.4) | (54.0) | 29.9 | (1.6) | 72.8 | 3.5 | | |
| Recurrent Free Cash Flow | 42.3 | 12.9 | (41.1) | (11.2) | (12.8) | 60.0 | 63.6 | | |
| C) "FCF to the Firm" (pre debt service) (EUR Mn) | | | | | | | | | |
| | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
| EBIT | 13.3 | 21.9 | 18.8 | 23.8 | 25.2 | 41.9 | 23.7 | 4.2% | -0.2% |
| * <i>Theoretical Tax rate</i> | 28.2% | 26.0% | 24.4% | 21.8% | 25.0% | 25.0% | 25.0% | | |
| = Taxes (pre- Net Financial Result) | (3.8) | (5.7) | (4.6) | (5.2) | (6.3) | (10.5) | (5.9) | | |
| Recurrent EBITDA | 24.5 | 22.5 | 20.9 | 22.3 | 29.9 | 46.5 | 28.2 | -0.3% | 8.1% |
| - Rentals (IFRS 16 impact) | - | - | - | - | - | - | - | | |
| +/- Working Capital increase | 37.9 | 5.1 | (51.7) | (21.0) | (28.8) | 30.5 | 46.5 | | |
| = Recurrent Operating Cash Flow | 62.4 | 27.6 | (30.8) | 1.3 | 1.2 | 77.0 | 74.7 | -78.2% | n.a. |
| - CAPEX | (5.9) | (4.9) | (0.2) | (0.2) | (0.3) | (0.5) | (0.3) | | |
| - Taxes (pre- Financial Result) | (3.8) | (5.7) | (4.6) | (5.2) | (6.3) | (10.5) | (5.9) | | |
| = Recurrent Free Cash Flow (To the Firm) | 52.7 | 17.0 | (35.6) | (4.0) | (5.5) | 66.0 | 68.5 | -49.6% | n.a. |
| <i>Rec. Free Cash Flow (To the Firm) growth</i> | 830.7% | -67.8% | -309.9% | 88.7% | -36.0% | n.a. | 3.7% | | |
| <i>Rec. Free Cash Flow (To the Firm) / Revenues</i> | 39.7% | 13.6% | n.a. | n.a. | n.a. | 27.1% | 46.6% | | |
| - Acquisitions / + Divestments | (51.9) | 4.0 | 5.4 | 11.4 | - | - | - | | |
| +/- Extraordinary Inc./Exp. affecting Cash Flow | 2.6 | (2.6) | (0.5) | (0.5) | - | - | - | | |
| = Free Cash Flow "To the Firm" | 3.4 | 18.4 | (30.8) | 6.8 | (5.5) | 66.0 | 68.5 | -39.2% | n.a. |
| <i>Free Cash Flow (To the Firm) growth</i> | 196.7% | 441.6% | -267.3% | 122.1% | -180.7% | n.a. | 3.7% | | |
| <i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i> | 13.8% | 4.4% | n.a. | n.a. | n.a. | 17.3% | 17.9% | | |
| <i>Free Cash Flow "To the Firm" - Yield (o/EV)</i> | 0.9% | 4.8% | n.a. | 1.8% | n.a. | 17.3% | 17.9% | | |

Recurrent Free Cash Flow accumulated variation analysis (2019 - 2023)

Recurrent Free Cash Flow accumulated variation analysis (2023 - 2026e)

Recurrent EBITDA vs Recurrent Free Cash Flow

Stock performance vs EBITDA 12m forward

Appendix 3. EV breakdown at the date of this report

| | EUR Mn | Source |
|--------------------------------------|--------------|-----------------|
| Market Cap | 141.9 | |
| + Minority Interests | 3.2 | 3m Results 2024 |
| + Provisions & Other L/T Liabilities | - | 3m Results 2024 |
| + Net financial debt | 236.6 | 3m Results 2024 |
| - Financial Investments | - | 3m Results 2024 |
| +/- Others | | |
| Enterprise Value (EV) | 381.7 | |

Appendix 4. Historical performance ⁽¹⁾

| Historical performance (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|------------------------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | | | | | | | 20-23 | 23-26e |
| Total Revenues | 122.8 | 132.7 | 125.2 | 117.8 | 119.8 | 168.1 | 244.1 | 147.0 | -3.4% | 7.1% |
| Total Revenues growth | n.a. | 8.1% | -5.7% | -5.9% | 1.7% | 40.4% | 45.2% | -39.8% | | |
| EBITDA | 22.4 | 19.4 | 22.5 | 20.9 | 22.3 | 29.9 | 46.5 | 28.2 | 4.7% | 8.1% |
| EBITDA growth | n.a. | -13.3% | 15.6% | -7.0% | 6.9% | 34.3% | 55.3% | -39.4% | | |
| EBITDA/Sales | 18.2% | 14.6% | 17.9% | 17.7% | 18.6% | 17.8% | 19.1% | 19.2% | | |
| Net Profit | 8.9 | 21.1 | 12.0 | 15.0 | 11.3 | 11.6 | 25.4 | 12.8 | ##### | 4.3% |
| Net Profit growth | n.a. | 136.4% | -43.0% | 25.0% | -24.8% | 2.8% | 118.6% | -49.5% | | |
| Adjusted number shares (Mn) | 18.5 | 17.8 | 18.6 | 18.5 | 18.7 | 18.7 | 18.7 | 18.7 | | |
| EPS (EUR) | 0.48 | 1.19 | 0.65 | 0.81 | 0.61 | 0.62 | 1.36 | 0.69 | -20.1% | 4.3% |
| EPS growth | n.a. | n.a. | -45.5% | 25.5% | -25.5% | 2.8% | n.a. | -49.5% | | |
| Ord. EPS (EUR) | 0.66 | 0.50 | 0.50 | 0.46 | 0.35 | 0.62 | 1.36 | 0.69 | -10.8% | 25.0% |
| Ord. EPS growth | n.a. | -25.2% | 0.5% | -7.1% | -24.1% | 77.1% | n.a. | -49.5% | | |
| CAPEX | (1.9) | (5.9) | (4.9) | (0.2) | (0.2) | (0.3) | (0.5) | (0.3) | | |
| CAPEX/Sales % | 1.5% | 4.5% | 3.9% | 0.2% | 0.1% | 0.2% | 0.2% | 0.2% | | |
| Free Cash Flow | (7.0) | (7.0) | 14.3 | (36.3) | (0.3) | (12.8) | 60.0 | 63.6 | 63.7% | n.a. |
| ND/EBITDA (x) ⁽²⁾ | 8.8x | 10.8x | 8.8x | 11.5x | 10.9x | 8.7x | 4.4x | 5.5x | | |
| P/E (x) | 17.0x | 5.5x | 11.0x | 8.3x | 11.4x | 12.2x | 5.6x | 11.1x | | |
| EV/Sales (x) | 3.04x | 2.63x | 2.75x | 3.19x | 3.14x | 2.27x | 1.56x | 2.60x | | |
| EV/EBITDA (x) ⁽²⁾ | 16.6x | 18.0x | 15.3x | 18.0x | 16.9x | 12.7x | 8.2x | 13.5x | | |
| Absolute performance | 4.0% | -20.3% | 8.3% | -4.7% | 1.8% | 10.3% | | | | |
| Relative performance vs Ibex 35 | -7.0% | -5.7% | 0.3% | 0.9% | -17.1% | 2.7% | | | | |

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Factset.

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

Appendix 5. Main peers 2024e

| | | Real estate | | | | REITs | | | | | | |
|-----------------------------|-------------------------|-------------|-------------|--------------|---------|-------------------|----------|------------|--------|--------|---------|---------|
| EUR Mn | | Metrovacesa | Aedas Homes | Neinor Homes | Average | Merlin Properties | Colonial | Lar España | Árima | Cevasa | Average | ISUR |
| Market data | Ticker (Factset) | MVC-ES | AEDAS-ES | HOME-ES | | MRL-ES | COL-ES | LRE-ES | ARM-ES | CEV-ES | | ISUR-ES |
| | Country | Spain | Spain | Spain | | Spain | Spain | Spain | Spain | Spain | | Spain |
| Market cap | Market cap | 1,301.4 | 825.9 | 803.7 | | 5,040.6 | 3,048.8 | 590.0 | 171.1 | 140.7 | | 141.9 |
| | Enterprise value (EV) | 1,505.1 | 1,332.3 | 997.5 | | 9,073.1 | 8,842.0 | 996.2 | 225.8 | 202.9 | | 381.7 |
| Basic financial information | Total Revenues | 672.7 | 985.4 | 688.8 | | 493.7 | 390.3 | 93.6 | 14.0 | 22.2 | | 168.1 |
| | Total Revenues growth | 14.7% | -8.3% | 15.9% | 7.5% | 5.1% | -2.4% | -18.9% | 39.0% | 14.4% | 7.4% | 40.4% |
| | 2y CAGR (2024e - 2026e) | 5.0% | -0.4% | -0.3% | 1.4% | 8.7% | 3.8% | 5.4% | n.a. | 4.8% | 5.7% | -6.5% |
| | EBITDA | 65.4 | 153.8 | 99.6 | | 382.2 | 317.6 | 67.8 | 4.0 | 15.2 | | 29.9 |
| | EBITDA growth | 432.8% | -10.2% | -7.5% | 138.4% | 9.8% | 0.4% | n.a. | 241.5% | 17.3% | 67.3% | 34.3% |
| | 2y CAGR (2024e - 2026e) | 9.5% | 1.2% | -2.7% | 2.7% | 9.6% | 4.7% | 4.5% | n.a. | 5.8% | 6.1% | -3.0% |
| | EBITDA/Revenues | 9.7% | 15.6% | 14.5% | 13.3% | 77.4% | 81.4% | 72.5% | 28.6% | 68.5% | 65.7% | 17.8% |
| | EBIT | 60.0 | 149.5 | 95.1 | | 356.7 | 301.6 | 67.3 | (2.0) | 17.0 | | 25.2 |
| | EBIT growth | 560.3% | -10.5% | -5.1% | 181.6% | 3.1% | -1.9% | -22.1% | 31.1% | 31.9% | 8.4% | 6.1% |
| | 2y CAGR (2024e - 2026e) | 14.3% | 0.8% | -2.7% | 4.1% | 16.5% | 8.8% | 4.9% | n.a. | -0.3% | 7.5% | -3.2% |
| | EBIT/Revenues | 8.9% | 15.2% | 13.8% | 12.6% | 72.3% | 77.3% | 71.9% | n.a. | 76.6% | 74.5% | 15.0% |
| | Net Profit | 34.1 | 95.0 | 69.9 | | 274.9 | 175.7 | 57.0 | (5.0) | 11.7 | | 11.6 |
| | Net Profit growth | 263.6% | -12.9% | -22.9% | 75.9% | 429.3% | 117.2% | 55.0% | 84.7% | 7.3% | 138.7% | 2.8% |
| 2y CAGR (2024e - 2026e) | 19.1% | 2.3% | -5.0% | 5.4% | 17.4% | 8.6% | 3.8% | n.a. | 0.0% | 7.5% | 5.1% | |
| CAPEX/Sales % | 3.4% | 0.4% | 18.2% | 7.3% | 52.6% | 10.2% | 12.1% | 157.1% | 5.9% | 47.6% | 0.2% | |
| Free Cash Flow | 108.8 | 110.8 | 145.5 | | 197.5 | 267.8 | 33.1 | n.a. | 5.0 | | (12.8) | |
| Net financial debt | 294.4 | 363.2 | 232.5 | | 4,260.6 | 4,693.6 | 444.0 | 88.0 | 50.2 | | 261.3 | |
| ND/EBITDA (x) | 4.5 | 2.4 | 2.3 | 3.1 | 11.1 | 14.8 | 6.5 | 22.0 | 3.3 | 11.6 | 8.7 | |
| Pay-out | 383.2% | 86.3% | 264.6% | 244.7% | 76.4% | 82.6% | 100.2% | -10.5% | 49.5% | 59.6% | 48.0% | |
| Multiples and Ratios | P/E (x) | 38.1 | 8.4 | 11.5 | 19.3 | 17.8 | 17.4 | 10.2 | n.a. | 13.8 | 14.8 | 12.2 |
| | P/BV (x) | 0.8 | 0.9 | 0.9 | 0.9 | 0.8 | 0.7 | 0.7 | n.a. | n.a. | 0.7 | 0.9 |
| | EV/Revenues (x) | 2.2 | 1.4 | 1.4 | 1.7 | 18.4 | n.a. | 10.6 | 16.1 | 9.1 | 13.6 | 2.3 |
| | EV/EBITDA (x) | 23.0 | 8.7 | 10.0 | 13.9 | 23.7 | 27.8 | 14.7 | n.a. | 13.3 | 19.9 | 12.7 |
| | EV/EBIT (x) | 25.1 | 8.9 | 10.5 | 14.8 | 25.4 | 29.3 | 14.8 | n.a. | 11.9 | 20.4 | 15.1 |
| | ROE | 2.1 | 10.2 | 7.9 | 6.7 | 4.4 | 3.7 | 6.4 | n.a. | n.a. | 4.8 | 7.8 |
| | FCF Yield (%) | 8.4 | 13.4 | 18.1 | 13.3 | 3.9 | 8.8 | 5.6 | n.a. | 3.6 | 5.5 | n.a. |
| | DPS | 0.86 | 1.88 | 2.48 | 1.74 | 0.45 | 0.27 | 0.68 | 0.02 | 0.25 | 0.34 | 0.30 |
| Dvd Yield | 10.1% | 10.0% | 23.1% | 14.4% | 4.2% | 4.8% | 9.7% | 0.3% | 4.1% | 4.6% | 3.9% | |

Note 1: Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

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|----------------|----------------|-------------|--------------------|--------------------|----------------------------|---------------------------------|
| 06-May-2024 | n.a. | 7.60 | n.a. | n.a. | 3m Results 2024 | José Miguel Cabrera van Grieken |
| 04-Mar-2024 | n.a. | 7.15 | n.a. | n.a. | 12m Results 2023 | José Miguel Cabrera van Grieken |
| 30-Oct-2023 | n.a. | 6.69 | n.a. | n.a. | 9m Results 2023 | José Miguel Cabrera van Grieken |
| 31-Jul-2023 | n.a. | 6.99 | n.a. | n.a. | 6m Results 2023 | Alfredo Echevarría Otegui |
| 12-Jun-2023 | n.a. | 7.19 | n.a. | n.a. | Small & Micro Caps (Spain) | David López Sánchez |
| 08-May-2023 | n.a. | 6.85 | n.a. | n.a. | 3m Results 2023 | David López Sánchez |
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