

EQUITY - SPAIN
 Sector: Real Estate

 Closing price: EUR 7.90 (7 Nov 2025)
 Report date: 10 Nov 2025 (13:00h)

9m Results 2025
 Independent Equity Research

9m Results 2025
Opinion ⁽¹⁾: In line

Impact ⁽¹⁾: We will maintain our estimates

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Compañía Española de Viviendas en Alquiler, Cevasa (CEV), specialises in the development of buildings for long-term renting, mainly in the residential segment (protected homes) in Catalonia, principally in the city of Barcelona and its metropolitan area (where it is the main private property owner).

9M25 results: 13,6% revenue growth, with a growing presence from housing development.

REVENUE GROWS AT A DOUBLE-DIGIT RATE (EUR 19.0Mn; +12.4% VS. 9M24)...

Rental income (EUR 17.4 Mn; +13.6% vs. 9M24) maintained its growth pace for two reasons: (i) organic growth of +6.5%, mainly due to price updates, and (ii) growth of +7.1% due to the impact of last year's purchase of a 150-unit building which was not consolidated in 9M24. On a consolidated level, CEV recorded revenue of EUR 19.0Mn (+12.4% vs. 9M24).

...WITH A DROP IN THE ASSET MANAGEMENT BUSINESS EBITDA MARGIN TO 66.9% (-3.6 P.P. VS. 9M24) AND THE START OF DEVELOPMENT BUSINESS REVENUE.

The Recurring EBITDA margin for the asset management business in 9M25 reached 66.9% (-3.6 p.p. vs. 9M24), positioning Recurring EBITDA at EUR 12.7Mn (+6.7% vs. 9M24). The margin decline is explained by the consolidation of a new asset, whose margin is below CEV's standard due to a less efficient cost structure, and by higher renovation expenses for the portfolio compared to the previous year.

Total EBITDA (EUR 14.4Mn, +20.4% vs. 9M24; including the non-recurring contribution from the residential development business) includes the impact of sales from a real estate development in L'Hospitalet (Barcelona), which contributed EUR 0.9Mn to the income statement after considering financial and commercialization expenses. In 9M24, there were no revenues from this concept. In 9M25, 23 homes were delivered in the L'Hospitalet development (1 unit in 3Q25), adding to the 53 delivered in 2024, completing all 76 units of the development, with only a few storage rooms and parking spaces remaining for sale. Construction has continued on another development in Montgat (Barcelona) with 24 homes that are being commercialized off-plan (sold before construction completion).

ASSET PORTFOLIO WITH HIGH VISIBILITY, WITH NEW RESIDENTIAL DELIVERIES WITHIN THE NEW DEVELOPMENT CYCLE.

CEV continues to demonstrate its ability to increase its rental income while maintaining high occupancy levels. The start of the new development cycle along with the updating of old rents starting in 2025 are the near-term catalysts. CEV positions itself in the Spanish real estate market as a conservative option with low risk. The stock's 12-month performance (+6.8%; +9.4% vs. sector) leads CEV to trade at a discount to NAV (Net Asset Value) of 57.0%. We expect the development business to continue to be an additional catalyst in the coming years, with the delivery of one or two developments per year. Likewise, due to low leverage, the purchase of rental assets in its core market should not be surprising.

Market Data

Market Cap (Mn EUR and USD)	183.7	212.5
EV (Mn EUR and USD) ⁽²⁾	354.7	410.3
Shares Outstanding (Mn)	23.3	
-12m (Max/Med/Mín EUR)	8.40 / 7.55 / 6.80	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	0.4	
Refinitiv / Bloomberg	CEV.MC / CEV SM	
Close fiscal year	31-Dec	

Shareholders Structure (%) ⁽⁷⁾

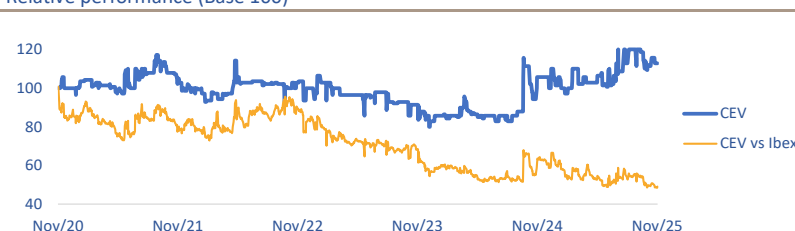
Vaqué-Boix family	61.7
Banco Santander	24.1
Manuel Valiente	6.5
Others	2.3
Free Float	4.9

Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	23.2	23.3	23.3	23.3
Total Revenues	23.0	25.6	27.9	29.7
Rec. EBITDA	16.7	17.5	19.3	20.8
% growth	13.2	4.5	10.3	8.2
% Rec. EBITDA/Rev.	72.7	68.1	69.1	70.0
% Inc. EBITDA sector ⁽⁴⁾	12.6	11.1	6.6	5.3
Net Profit	25.1	11.2	12.5	13.7
EPS (EUR)	1.08	0.48	0.54	0.59
% growth	129.8	-55.6	12.0	9.1
Ord. EPS (EUR)	0.42	0.46	0.52	0.56
% growth	-7.2	9.7	11.9	9.0
Rec. Free Cash Flow ⁽⁵⁾	17.4	9.4	9.8	11.2
Pay-out (%)	20.3	51.6	49.6	48.8
DPS (EUR)	0.22	0.25	0.27	0.29
Net financial debt	73.0	75.1	79.7	83.4
ND/Rec. EBITDA (x)	4.4	4.3	4.1	4.0
ROE (%)	6.3	2.7	3.0	3.2
ROCE (%) ⁽⁵⁾	5.2	2.5	2.7	2.8

Ratios & Multiples (x) ⁽⁶⁾

P/E	7.3	16.4	14.7	13.5
Ord. P/E	18.8	17.1	15.3	14.0
P/BV	0.5	0.4	0.4	0.4
Dividend Yield (%)	2.8	3.1	3.4	3.6
EV/Sales	15.43	13.83	12.73	11.92
EV/Rec. EBITDA	21.2	20.3	18.4	17.0
EV/EBIT	10.0	20.0	18.1	16.7
FCF Yield (%) ⁽⁵⁾	9.1	4.9	5.1	5.8

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	3.3	0.0	6.8	11.3	9.7	12.9
vs Ibex 35	0.8	-7.6	-22.3	-18.9	-45.1	-51.2
vs Ibex Small Cap Index	7.1	-0.2	-14.1	-9.1	-23.4	-25.4
vs Eurostoxx 50	4.1	-4.2	-6.9	-2.1	-26.9	-35.0
vs Sector benchmark ⁽⁴⁾	2.2	2.9	9.4	10.7	1.8	38.7

(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 Estate.

(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) Others: Autocartera 0.4%

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

Report issued by IEAF Servicios de Análisis, S.L.U. Lighthouse is a project of IEAF Servicios de Análisis, S.L.U.

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.

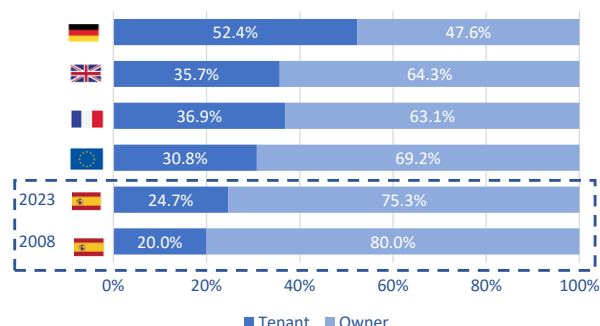
9m Results 2025
Table 1. 9m Results 2025

EUR Mn	9m25	9m24	9m25 vs 9m24	2025e	2025e vs 2024
Total Revenues	19.0	16.9	12.4%	25.6	11.6%
Recurrent EBITDA⁽¹⁾	12.7	11.9	6.7%	17.5	4.5%
<i>Rec. EBITDA/Revenues</i>	<i>66.9%</i>	<i>70.5%</i>	<i>-3.6 p.p.</i>	<i>68.1%</i>	<i>-4.6 p.p.</i>
EBITDA	14.4	11.9	20.4%	18.0	-7.5%
<i>EBITDA/Revenues</i>	<i>75.5%</i>	<i>70.5%</i>	<i>5.0 p.p.</i>	<i>70.3%</i>	<i>-14.5 p.p.</i>
EBIT	18.6	21.0	-11.2%	17.8	-50.1%
PBT	16.3	18.9	-14.0%	14.6	-55.4%
NP	12.4	13.9	-10.9%	11.2	-55.4%

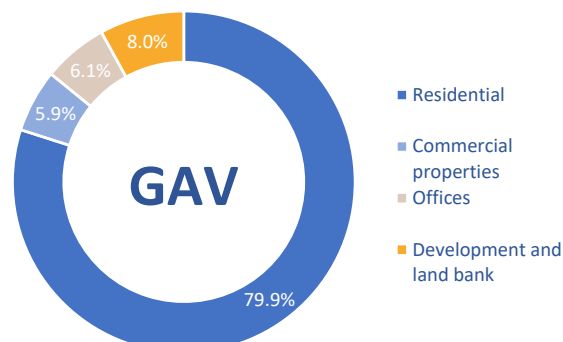
(1) Recurring EBITDA: Reported by the company for the recurring residential rental activity, excluding residential development.

The company in 8 charts

Demand for rented housing has continued to grow (since 2008) and Spain is still a long way from European average levels



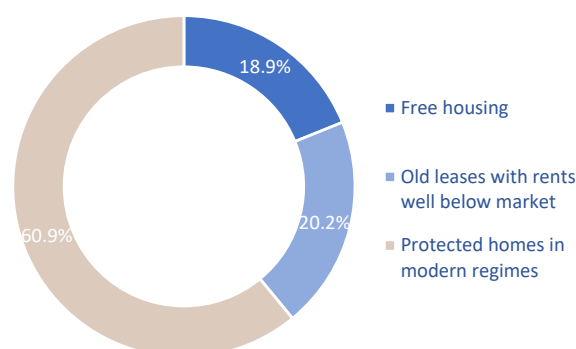
Cevasa (CEV) has a unique exposure to rented housing (c. 80% of GAV 2024)...



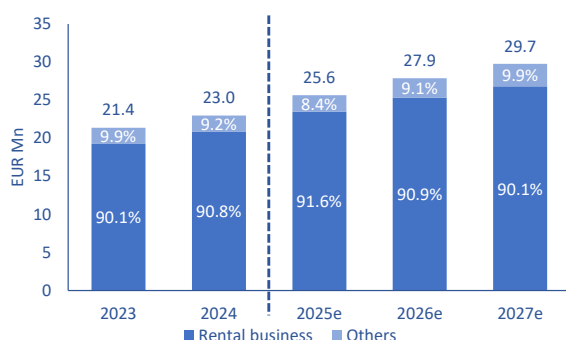
... with a portfolio concentrated in Catalonia (mainly Barcelona and its metropolitan area)



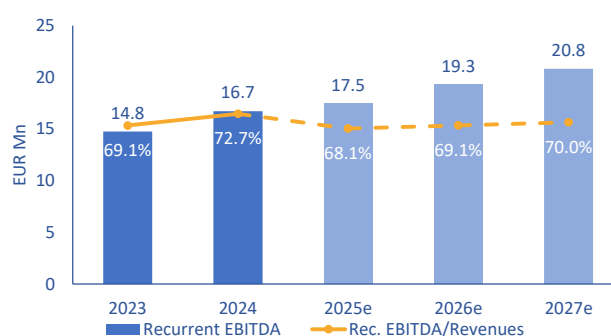
And the particularity of having invested a large percentage in state sponsored housing



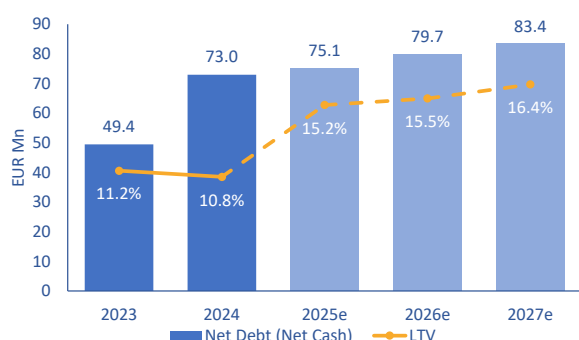
Until 2027e visibility is significant, for revenue (CAGR 24-27e: +9.0%)...



... and margins (Rec EBITDA: CAGR 24-27e: +7.6%)



Despite the rebound in investment, leverage will remain at very prudent levels (LTV < 20%)



Trading at a discount of c. 57% to its EPRA NAV/O112NDV

EUR Mn	2022	2023	2024	23-24
GAV	536.2	546.3	593.9	8.7%
EPRA NAV/NRV	483.7	490.2	512.2	4.5%
EPRA NAV/NTA	423.9	427.2	448.2	4.9%
EPRA NAV/NDV	400.9	406.7	425.7	4.7%
Number of shares	23.2	23.2	23.2	0.0%
EPRA NAV/NRV per share	20.89	21.17	22.12	4.5%
EPRA NAV/NTA per share	18.31	18.45	19.36	4.9%
EPRA NAV/NDV per share	17.32	17.57	18.39	4.7%

Valuation inputs

Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value ⁽¹⁾		
Free Cash Flow "To the Firm"	6.1	4.2	5.7	257.3		
Market Cap	183.7	At the date of this report				
Net financial debt	77.5	Debt net of Cash (6m Results 2025)				
					Best Case	Worst Case
Cost of Debt	4.4%	Net debt cost			4.2%	4.7%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.5%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.3%	3.7%
Risk free rate (rf)	3.2%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.0	B (own estimate)			1.0	1.1
Cost of Equity	9.2%	$K_e = R_f + (R * B)$			8.7%	10.3%
Equity / (Equity + Net Debt)	70.3%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	29.7%	D			=	=
WACC	7.5%	$WACC = K_d * D + K_e * E$			7.1%	8.4%
G "Fair"	2.0%				2.0%	1.5%

(1) The terminal value reflects the NAV of FCF beyond the period estimated with the WACC and G of the central scenario.

Inputs for the Multiples Valuation Approach

Company	Ticker Factset	Mkt. Cap	P/E 25e	EPS 25e-27e	EV/EBITDA 25e	EBITDA 25e-27e	EV/Sales 25e	Revenues 25e-27e	EBITDA/Sales 25e	FCF Yield 25e	FCF 25e-27e
Merlin Properties	MRL.MC	7,469.0	23.9	5.2%	27.0	10.8%	n.a.	9.9%	75.4%	n.a.	1.5%
Colonial	COL.MC	3,382.4	15.3	8.6%	26.9	8.4%	n.a.	6.9%	81.7%	5.1%	-0.4%
REITs			19.6	6.9%	26.9	9.6%	n.a.	8.4%	78.5%	5.1%	0.6%
CEV	CEV.MC	183.7	16.4	10.5%	20.3	9.3%	13.8	7.7%	70.3%	4.9%	-8.8%

Free Cash Flow sensitivity analysis (2026e)

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

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	72.6%	20.2	17.5x
Central	69.1%	19.3	18.4x
Min	65.6%	18.3	19.4x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario			Rec. FCF/Yield 26e
EBITDA 26e	4.5%	5.0%	5.5%		Max	Central	Min	
20.2	10.9	10.8	10.6		5.9%	5.9%	5.8%	
19.3	9.9	9.8	9.7		5.4%	5.3%	5.3%	
18.3	9.0	8.8	8.7		4.9%	4.8%	4.7%	

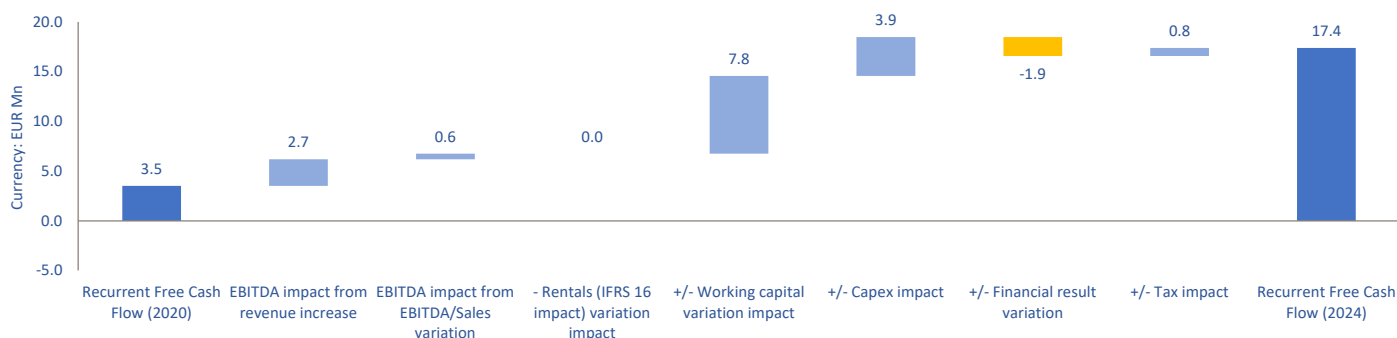
Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	1.0	1.1	1.1	1.0	1.3	1.3	1.3	1.3		
Fixed assets	461.7	479.8	496.5	499.0	549.9	557.2	567.2	577.3		
Other Non Current Assets	4.0	3.4	1.9	1.8	2.1	2.1	2.1	2.1		
Financial Investments	7.1	10.3	12.2	11.7	11.5	11.5	11.5	11.4		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	26.3	34.3	27.7	33.3	27.1	28.3	30.6	32.6		
Total assets	500.0	528.8	539.3	546.9	592.0	600.4	612.7	624.7		
Equity	337.2	357.5	383.6	388.2	406.4	411.8	418.1	425.1		
Minority Interests	10.5	11.4	12.8	13.5	14.6	15.1	15.6	16.3		
Provisions & Other L/T Liabilities	83.7	85.3	89.8	89.8	92.4	92.4	92.4	92.4		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	64.9	69.5	49.6	49.4	73.0	75.1	79.7	83.4		
Current Liabilities	3.7	5.0	3.5	6.1	5.6	6.1	6.8	7.6		
Equity & Total Liabilities	500.0	528.8	539.3	546.9	592.0	600.4	612.7	624.7		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	19.1	19.4	20.4	21.4	23.0	25.6	27.9	29.7	4.8%	9.0%
Total Revenues growth	0.6%	1.9%	5.2%	4.5%	7.5%	11.6%	8.7%	6.7%		
COGS	(0.8)	(1.2)	(1.7)	(1.0)	(0.8)	(1.8)	(1.9)	(2.0)		
Gross Margin	18.2	18.2	18.8	20.4	22.1	23.9	26.0	27.7	5.0%	7.8%
Gross Margin/Revenues	95.7%	93.8%	91.9%	95.4%	96.3%	93.1%	93.2%	93.2%		
Personnel Expenses	(3.1)	(3.4)	(3.8)	(3.9)	(3.6)	(4.1)	(4.2)	(4.3)		
Other Operating Expenses	(1.6)	(1.6)	(1.8)	(1.7)	(1.8)	(2.3)	(2.5)	(2.6)		
Recurrent EBITDA	13.5	13.3	13.2	14.8	16.7	17.5	19.3	20.8	5.5%	7.6%
Recurrent EBITDA growth	1.7%	-1.4%	-0.4%	11.6%	13.2%	4.5%	10.3%	8.2%		
Rec. EBITDA/Revenues	70.7%	68.3%	64.7%	69.1%	72.7%	68.1%	69.1%	70.0%		
Net development revenue and non-rec.	(1.0)	0.4	4.4	(0.0)	2.8	0.6	0.6	0.7		
EBITDA	12.5	13.7	17.6	14.7	19.5	18.0	19.9	21.5	11.8%	3.4%
Depreciation & Provisions	(0.1)	0.4	(0.1)	0.1	(0.2)	(0.2)	(0.3)	(0.3)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Change in the value of the properties	0.2	17.9	15.5	0.5	16.4	-	-	-		
EBIT	12.6	32.0	33.1	15.3	35.6	17.8	19.6	21.3	29.7%	-15.8%
EBIT growth	-57.7%	154.1%	3.3%	-53.6%	132.4%	-50.1%	10.5%	8.4%		
EBIT/Revenues	66.1%	n.a.	n.a.	71.8%	n.a.	69.3%	70.5%	71.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.3)	(1.5)	(1.3)	(1.6)	(2.8)	(3.1)	(3.3)	(3.4)		
Income by the Equity Method	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
Ordinary Profit	11.3	30.5	31.7	13.7	32.8	14.6	16.4	17.8	30.4%	-18.3%
Ordinary Profit Growth	-59.8%	169.9%	3.9%	-56.8%	139.2%	-55.4%	12.0%	9.1%		
Extraordinary Results	-	-	5.9	-	-	-	-	-		
Profit Before Tax	11.3	30.5	37.7	13.7	32.8	14.6	16.4	17.8	30.4%	-18.3%
Tax Expense	(1.5)	(5.2)	(7.9)	(2.1)	(6.6)	(2.9)	(3.3)	(3.6)		
Effective Tax Rate	13.2%	16.9%	21.0%	15.0%	20.0%	20.0%	20.0%	20.0%		
Minority Interests	(0.6)	(0.9)	(1.1)	(0.7)	(1.1)	(0.5)	(0.6)	(0.6)		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	9.3	24.5	28.7	10.9	25.1	11.2	12.5	13.7	28.3%	-18.3%
Net Profit growth	-57.9%	164.8%	17.2%	-62.0%	129.8%	-55.4%	12.0%	9.1%		
Ordinary Net Profit	10.0	9.3	8.3	10.5	9.7	10.7	12.0	13.1	-0.5%	10.4%
Ordinary Net Profit growth	17.2%	-6.4%	-11.0%	26.5%	-7.2%	10.2%	11.9%	9.0%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Recurrent EBITDA						17.5	19.3	20.8	5.5%	7.6%
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
Working Capital Increase	(0.7)	(1.5)	(1.2)	(1.2)	(1.2)	(0.7)	(1.5)	(1.2)		
Recurrent Operating Cash Flow						16.7	17.7	19.6	18.5%	-4.4%
CAPEX	(1.3)	(1.4)	(1.5)	(1.5)	(1.5)	(1.3)	(1.4)	(1.5)		
Net Financial Result affecting the Cash Flow	(3.1)	(3.3)	(3.4)	(3.4)	(3.4)	(3.1)	(3.3)	(3.4)		
Tax Expense	(2.9)	(3.3)	(3.6)	(3.6)	(3.6)	(2.9)	(3.3)	(3.6)		
Recurrent Free Cash Flow						9.4	9.8	11.2	49.2%	-13.8%
Net development revenue and non-rec.	0.6	0.6	0.7	0.7	0.7	0.6	0.6	0.7		
- Acquisitions / + Divestures of assets	(6.3)	(8.8)	(8.8)	(8.8)	(8.8)	(6.3)	(8.8)	(8.8)		
Extraordinary Inc./Exp. Affecting Cash Flow	-	-	-	-	-	-	-	-		
Free Cash Flow						3.6	1.6	3.0	-43.3%	31.1%
Capital Increase	-	-	-	-	-	-	-	-		
Dividends	(5.8)	(6.2)	(6.7)	(6.7)	(6.7)	(5.8)	(6.2)	(6.7)		
Net Debt Variation						2.1	4.6	3.6		

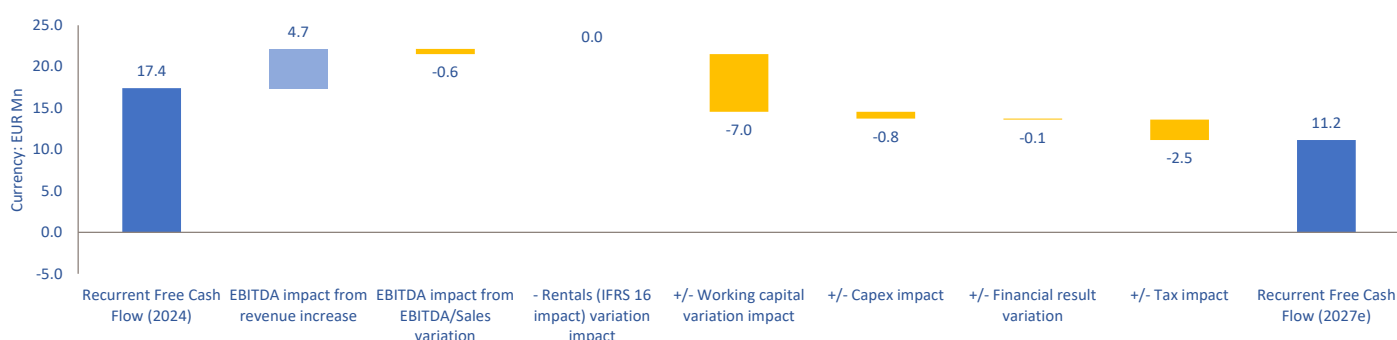
Appendix 2. Free Cash Flow

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	13.3	13.2	14.8	16.7	17.5	19.3	20.8	8.0%	7.6%
Recurrent EBITDA growth	-1.4%	-0.4%	11.6%	13.2%	4.5%	10.3%	8.2%		
Rec. EBITDA/Revenues	68.3%	64.7%	69.1%	72.7%	68.1%	69.1%	70.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(6.8)	5.1	(3.0)	5.7	(0.7)	(1.5)	(1.2)		
= Recurrent Operating Cash Flow	6.5	18.3	11.7	22.5	16.7	17.7	19.6	51.1%	-4.4%
Rec. Operating Cash Flow growth	-42.8%	181.8%	-36.0%	91.2%	-25.5%	5.9%	10.7%		
Rec. Operating Cash Flow / Sales	33.5%	89.7%	55.0%	97.7%	65.2%	63.6%	66.0%		
- CAPEX	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
- Net Financial Result affecting Cash Flow	(1.4)	(1.3)	(1.6)	(3.3)	(3.1)	(3.3)	(3.4)		
- Taxes	(0.6)	(7.9)	(2.1)	(1.1)	(2.9)	(3.3)	(3.6)		
= Recurrent Free Cash Flow	3.0	8.0	6.3	17.4	9.4	9.8	11.2	79.0%	-13.8%
Rec. Free Cash Flow growth	-13.6%	162.7%	-21.6%	178.5%	-46.1%	4.3%	13.9%		
Rec. Free Cash Flow / Revenues	15.6%	39.0%	29.2%	75.7%	36.6%	35.1%	37.5%		
- Restructuring expenses & others	-	4.4	(0.0)	2.0	0.6	0.6	0.7		
- Acquisitions / + Divestments	(9.4)	4.0	-	(31.5)	(6.3)	(8.8)	(8.8)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	6.3	6.3	-	-	-	-	-		
= Free Cash Flow	(0.0)	22.7	6.2	(12.1)	3.6	1.6	3.0	n.a.	31.1%
Free Cash Flow growth	-100.4%	n.a.	-72.5%	-293.7%	130.2%	-56.1%	89.5%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	1.6%	4.2%	3.3%	9.1%	4.9%	5.1%	5.8%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	11.9%	3.3%	n.a.	1.9%	0.8%	1.6%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	3.5	3.0	8.0	6.3	17.4	9.4	9.8		
EBITDA impact from revenue increase	0.3	0.7	0.6	1.1	1.9	1.5	1.3		
EBITDA impact from EBITDA/Sales variation	(0.5)	(0.7)	0.9	0.8	(1.2)	0.3	0.3		
= Recurrent EBITDA variation	(0.2)	(0.0)	1.5	1.9	0.8	1.8	1.6		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(4.7)	11.9	(8.1)	8.8	(6.5)	(0.8)	0.3		
= Recurrent Operating Cash Flow variation	(4.9)	11.8	(6.6)	10.7	(5.7)	1.0	1.9		
+/- CAPEX impact	3.1	0.3	(0.6)	1.2	(0.6)	(0.1)	(0.1)		
+/- Financial result variation	(0.1)	0.1	(0.3)	(1.7)	0.1	(0.1)	(0.1)		
+/- Tax impact	1.3	(7.3)	5.8	0.9	(1.8)	(0.3)	(0.3)		
= Recurrent Free Cash Flow variation	(0.5)	4.9	(1.7)	11.2	(8.0)	0.4	1.4		
Recurrent Free Cash Flow	3.0	8.0	6.3	17.4	9.4	9.8	11.2		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
								21-24	24-27e
EBIT	32.0	33.1	15.3	35.6	17.8	19.6	21.3	3.6%	-15.8%
* Theoretical Tax rate	16.9%	21.0%	15.0%	20.0%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(5.4)	(6.9)	(2.3)	(7.1)	(3.6)	(3.9)	(4.3)		
Recurrent EBITDA	13.3	13.2	14.8	16.7	17.5	19.3	20.8	8.0%	7.6%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(6.8)	5.1	(3.0)	5.7	(0.7)	(1.5)	(1.2)		
= Recurrent Operating Cash Flow	6.5	18.3	11.7	22.5	16.7	17.7	19.6	51.1%	-4.4%
- CAPEX	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
- Taxes (pre- Financial Result)	(5.4)	(6.9)	(2.3)	(7.1)	(3.6)	(3.9)	(4.3)		
= Recurrent Free Cash Flow (To the Firm)	(0.4)	10.2	7.6	14.7	11.9	12.4	13.9	n.a.	-1.8%
Rec. Free Cash Flow (To the Firm) growth	-107.2%	n.a.	-25.6%	92.5%	-18.9%	4.2%	11.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	50.1%	35.7%	63.8%	46.4%	44.5%	46.6%		
- Restructuring expenses & others	-	4.4	(0.0)	2.0	0.6	0.6	0.7		
- Acquisitions / + Divestments	(9.4)	4.0	-	(31.5)	(6.3)	(8.8)	(8.8)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	6.3	6.3	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(3.4)	24.9	7.6	(14.8)	6.1	4.2	5.7	-62.8%	33.7%
Free Cash Flow (To the Firm) growth	-148.4%	827.1%	-69.5%	-294.8%	141.5%	-31.6%	36.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	2.9%	2.1%	4.1%	3.4%	3.5%	3.9%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	7.0%	2.1%	n.a.	1.7%	1.2%	1.6%		

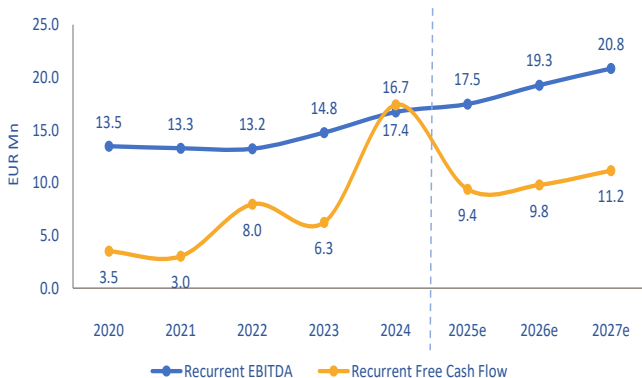
Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



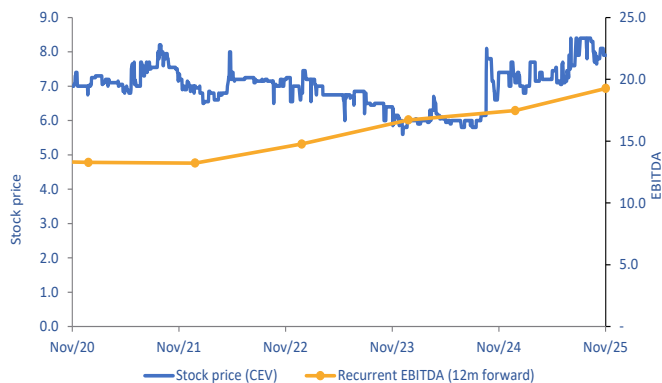
Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



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	183.7	
+ Minority Interests	15.0	6m Results 2025
+ Provisions & Other L/T Liabilities	88.9	6m Results 2025
+ Net financial debt	77.5	6m Results 2025
- Financial Investments	10.4	6m Results 2025
+/- Others		
Enterprise Value (EV)	354.7	

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	15.2	18.5	15.9	16.8	18.0	18.9	19.1	19.4	20.4	21.4	23.0	25.6	27.9	29.7	4.2%	9.0%
Total Revenues growth	1.7%	21.8%	-14.3%	6.1%	6.9%	5.2%	0.6%	1.9%	5.2%	4.5%	7.5%	11.6%	8.7%	6.7%		
EBITDA	6.3	10.4	10.9	12.0	12.1	13.0	12.5	13.7	17.6	14.7	19.5	18.0	19.9	21.5	12.0%	3.4%
EBITDA growth	-30.8%	66.2%	4.5%	9.9%	1.1%	7.5%	-4.1%	9.3%	28.8%	-16.2%	32.2%	-7.5%	10.4%	8.3%		
EBITDA/Sales	41.2%	56.3%	68.6%	71.1%	67.3%	68.7%	65.5%	70.3%	86.0%	69.0%	84.8%	70.3%	71.4%	72.4%		
Net Profit	22.6	5.8	26.5	15.5	46.6	22.8	9.3	24.5	28.7	10.9	25.1	11.2	12.5	13.7	1.1%	-18.3%
Net Profit growth	647.0%	-74.1%	354.7%	-41.7%	201.1%	-51.1%	-59.4%	164.8%	17.2%	-62.0%	129.8%	-55.4%	12.0%	9.1%		
Adjusted number shares (Mn)	23.2	23.2	23.2	23.2	23.2	23.1	23.1	23.1	23.2	23.2	23.2	23.3	23.3	23.3		
EPS (EUR)	0.97	0.25	1.14	0.67	2.01	0.98	0.40	1.06	1.24	0.47	1.08	0.48	0.54	0.59	1.1%	-18.4%
EPS growth	n.a.	-74.1%	n.a.	-41.7%	n.a.	-51.0%	-59.4%	n.a.	17.0%	-62.0%	n.a.	-55.6%	12.0%	9.1%		
Ord. EPS (EUR)	0.97	0.24	1.09	0.63	1.94	0.95	0.43	0.40	0.36	0.45	0.42	0.46	0.52	0.56	-8.0%	10.2%
Ord. EPS growth	n.a.	-75.3%	n.a.	-42.6%	n.a.	-51.0%	-54.7%	-6.3%	-11.1%	26.5%	-7.2%	9.7%	11.9%	9.0%		
CAPEX	(0.6)	(5.8)	(4.4)	(26.6)	(3.1)	(2.2)	(4.6)	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
CAPEX/Sales %	3.6%	31.4%	27.8%	158.2%	17.4%	11.7%	24.0%	7.5%	5.7%	8.5%	2.9%	5.0%	5.0%	5.0%		
Free Cash Flow	11.8	(6.2)	(4.6)	(21.8)	4.3	6.6	5.4	(0.0)	22.7	6.2	(12.1)	3.6	1.6	3.0	#####	31.1%
ND/EBITDA (x) ⁽²⁾	9.0x	5.7x	4.3x	5.8x	5.6x	4.9x	5.2x	5.1x	2.8x	3.4x	3.7x	4.2x	4.0x	3.9x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	n.a.	9.0x	17.5x	6.6x	5.5x	12.7x	6.6x	16.4x	14.7x	13.5x		
EV/Sales (x)	0.76x	3.51x	n.a.	3.58x	2.45x	12.45x	16.24x	15.86x	14.26x	15.03x	13.28x	13.83x	12.73x	11.92x		
EV/EBITDA (x) ⁽²⁾	1.9x	6.2x	n.a.	5.0x	3.6x	18.1x	24.8x	22.6x	16.6x	21.8x	15.7x	19.7x	17.8x	16.5x		
Absolute performance	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-21.3%	-2.1%	-12.4%	18.3%	11.3%				
Relative performance vs Ibex 35	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-7.0%	-7.3%	3.6%	-28.6%	3.1%	-18.9%				

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 Refinitiv.

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

Appendix 5. Main peers 2025e

		REITS			
		Merlin Properties	Colonial	Average	CEV
Market data	EUR Mn				
	Ticker (Factset)	MRL.MC	COL.MC		CEV.MC
	Country	Spain	Spain		Spain
	Market cap	7,469.0	3,382.4		183.7
Basic financial information	Enterprise value (EV)	11,069.8	8,970.3		354.7
	Total Revenues	544.8	408.4		25.6
	Total Revenues growth	10.2%	-20.0%	-4.9%	11.6%
	2y CAGR (2025e - 2027e)	9.9%	6.9%	8.4%	7.7%
	EBITDA	410.7	333.6		18.0
	EBITDA growth	9.3%	3.7%	6.5%	-7.5%
	2y CAGR (2025e - 2027e)	10.8%	8.4%	9.6%	9.3%
	EBITDA/Revenues	75.4%	81.7%	78.5%	70.3%
	EBIT	551.1	387.8		17.8
	EBIT growth	48.4%	21.8%	35.1%	-50.1%
	2y CAGR (2025e - 2027e)	8.2%	7.9%	8.0%	9.4%
	EBIT/Revenues	n.a.	94.9%	94.9%	69.3%
	Net Profit	446.5	221.3		11.2
	Net Profit growth	57.3%	-43.3%	7.0%	-55.4%
	2y CAGR (2025e - 2027e)	5.4%	10.6%	8.0%	10.5%
	CAPEX/Sales %	150.2%	55.7%	102.9%	5.0%
	Free Cash Flow	(111.0)	170.8		3.6
Multiples and Ratios	Net financial debt	4,305.3	4,599.9		75.1
	ND/EBITDA (x)	10.5	13.8	12.1	4.3
	Pay-out	48.4%	80.8%	64.6%	51.6%
	P/E (x)	23.9	15.3	19.6	16.4
	P/BV (x)	0.9	0.6	0.8	0.4
	EV/Revenues (x)	n.a.	n.a.	n.a.	13.8
	EV/EBITDA (x)	27.0	26.9	26.9	20.3
	EV/EBIT (x)	20.1	23.1	21.6	20.0
	ROE	5.3	4.8	5.0	2.7
	FCF Yield (%)	n.a.	5.1	5.1	4.9
	DPS	0.42	0.31	0.37	0.25
	Dvd Yield	3.2%	5.7%	4.5%	3.1%

Note 1: Financial data, multiples and ratios based on market consensus (Refinitiv). 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).

LIGHTHOUSE

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
10-Nov-2025	n.a.	7.90	n.a.	n.a.	9m Results 2025	Alfredo Echevarría Otegui
04-Sep-2025	n.a.	8.10	n.a.	n.a.	6m Results 2025	Alfredo Echevarría Otegui
17-Jun-2025	n.a.	7.10	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
09-May-2025	n.a.	7.45	n.a.	n.a.	3m Results 2025	Alfredo Echevarría Otegui
31-Mar-2025	n.a.	7.40	n.a.	n.a.	12m Results 2024	Alfredo Echevarría Otegui
05-Nov-2024	n.a.	7.00	n.a.	n.a.	9m Results 2024 - Estimates upgrade	José Miguel Cabrera van Grieken
05-Sep-2024	n.a.	6.00	n.a.	n.a.	6m Results 2024	José Miguel Cabrera van Grieken
27-May-2024	n.a.	5.90	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
09-May-2024	n.a.	5.95	n.a.	n.a.	3m Results 2024	José Miguel Cabrera van Grieken
03-Apr-2024	n.a.	6.50	n.a.	n.a.	12m Results 2023	José Miguel Cabrera van Grieken
25-Mar-2024	n.a.	6.30	n.a.	n.a.	12m Results 2023	José Miguel Cabrera van Grieken
06-Nov-2023	n.a.	6.40	n.a.	n.a.	9m Results 2023	José Miguel Cabrera van Grieken
08-Sep-2023	n.a.	6.45	n.a.	n.a.	6m Results 2023	Alfredo Echevarría Otegui
12-Jun-2023	n.a.	6.75	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
05-May-2023	n.a.	6.75	n.a.	n.a.	3m Results 2023	David López Sánchez
04-Apr-2023	n.a.	6.75	n.a.	n.a.	Company visit	David López Sánchez
24-Feb-2023	n.a.	7.00	n.a.	n.a.	12m Results 2022	David López Sánchez
14-Nov-2022	n.a.	7.25	n.a.	n.a.	Initiation of Coverage	David López Sánchez

