

12m Results 2025

 Opinion⁽¹⁾: Below expectations

 Impact⁽¹⁾: We will maintain our estimates

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Business description

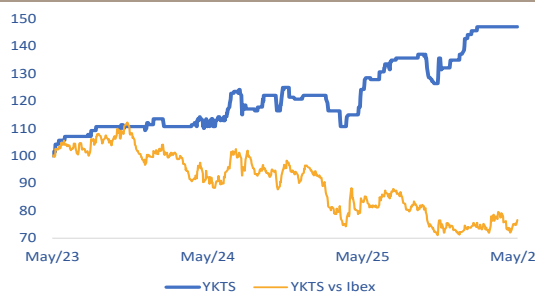
Ktesios (YKTS) is a REIT wholly focused on rental housing. Affordable housing in provinces and non prime Metropolitan areas. Its gross asset value stands at EUR 61.7Mn, made up of properties acquired at discounts of around 55% to their market value, allowing YKTS to offer affordable rents and keep occupancy high.

Market Data

Market Cap (Mn EUR and USD)	39.7	46.4
EV (Mn EUR and USD) ⁽²⁾	58.7	68.7
Shares Outstanding (Mn)	1.9	
-12m (Max/Med/Mín EUR)	20.60 / 19.23 / 17.40	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	1.0	
Refinitiv / Bloomberg	YKTS.MC / YKTS SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

RKS Real Estate ⁽⁵⁾	82,4
Treasury stock	0,9
Henry Gallego	0,6
Free Float	16,2

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	0.0	0.0	18.4	n.a.
vs Ibex 35	1.2	4.3	-8.3	n.a.
vs Ibex Small Cap Index	-3.6	-1.3	4.5	n.a.
vs Eurostoxx 50	-1.2	3.6	8.6	n.a.
vs Sector benchmark ⁽⁴⁾	-0.4	5.7	25.2	n.a.

(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 2.

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

(4) vs Stoxx Europe 600 Real State.

(5) Henry Gallego is the owner of this company.

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

Results 2025. Tailwinds in the affordable rental segment.

RENTAL INCOME GROWTH OF +10.7%... Rental income in 2025 amounted to EUR 3.5 Mn (+10.7% vs. 2024), finishing 7.8% below our estimate. However, this positive trend masks a weaker underlying operating dynamic: organic growth was negative (-4.7%) due to the disposal of 22 assets in 2025, which reduced the income-generating base. Consequently, year-on-year growth was primarily driven by the integration of Mistral, which offset the impact of the divestments.

At the operational level, the occupancy rate stood at 93.2% in 2025 (vs. 95.4% in 2024). Meanwhile, the delinquency rate increased to 3.97% in 2025 (vs. 3.66% in 2024). While this suggests a need for additional efforts to improve tenant credit quality moving forward, it remains at contained and manageable levels within the business model.

...BUT RECURRING EBITDA DROPPED -43.2%. Recurring EBITDA in 2025 was EUR 0.4 Mn, representing a -43.2% decline from the EUR 0.7 Mn recorded in 2024. This trend reflects the impact of asset rotation, integration costs, and the inclusion of Mistral, which resulted in lower short-term efficiency levels. Furthermore, the figure is significantly below our EUR 1.2 Mn estimate, indicating weaker-than-expected operational execution. Regarding margins, the recurring EBITDA margin narrowed to 12.0% (vs. 23.3% in 2024), pointing to pressure on operating costs and confirming that YKTS is still in a transition phase toward a more efficient operating scale.

NAV GREW +6.3%. Gross Asset Value (GAV) reached EUR 78.1 Mn in 2025, a +29.2% increase compared to EUR 60.4 Mn in 2024, reflecting the integration of Mistral and changes in the consolidation scope (acquisitions of EUR 0.5 Mn and disposals of EUR 2.7 Mn). Net Asset Value (NAV) stood at EUR 49.2 Mn, representing a +6.3% growth over the EUR 46.3 Mn in 2024, evidencing moderate value creation during the year.

In terms of leverage, the Loan-to-Value (LTV) ratio increased to 24.7% in 2025 (vs. 23.4% in 2024), a +1.3 p.p. rise consistent with higher investment volumes and portfolio growth. Overall, the company maintains a conservative capital structure with sufficient headroom to continue financing growth, though the increase in leverage reflects the impact of 2025 M&A activity.

ESTIMATES MAINTAINED. In our view, the decline in occupancy and the rise in the delinquency rate are merely temporary. We expect an improvement in both metrics in the short-to-medium term, driven by tailwinds in the affordable housing market—where rising demand faces a significant supply shortage. This suggests that it is reasonable to expect continued upward pressure on rents. Additionally, the Mistral integration expenses incurred in 2025 are non-recurring.

HIGH PROFITABLE GROWTH WITH LOW RISK, LEVERAGING THE AFFORDABLE HOUSING NICHE. An equity story built on three pillars: (i) reduced financial and regulatory risk; (ii) differentiated assets in an under-exploited segment that offers organic and inorganic growth opportunities; and (iii) positive business momentum translating into high growth (Revenue, EBITDA). Added to this is a rare quality: uniqueness. This business model (an affordable housing REIT) does not exist elsewhere on the Spanish Stock Market and is clearly outperforming the sector (c. +25.2% over 12 months).

Ktesios (YKTS)) is a BME Growth company

BME Growth is the segment of BME MTF Equity aimed at small and medium sized companies, directed and managed by the Spanish stock market and is subject to the CNMV supervision. BME MTF Equity is not a Regulated Market but instead falls within the classification of a Multilateral Trading Facility (MTF) as defined under the Markets in Financial Instruments Directive (MiFID). In July 2020, BME Growth obtained the status of SME Growth Market, a new category of EU regulations, which in Spain is called Mercado de Pymes en Expansión.

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Appendix 1. Results table

EUR Mn	12m25		12m25 Real		2025 vs	
	Real	12m24	vs 12m24	2025e	2025e	
Total Revenues (GRI)	3.5	3.2	10.7%	3.8	-7.8%	
Net Operating Income (NOI)	2.4	2.3	2.9%	3.0	-19.9%	
<i>NOI/ Revenue (GRI)</i>	<i>66.9%</i>	<i>71.9%</i>	<i>-5.0 p.p.</i>	<i>77.1%</i>	<i>-10.2 p.p.</i>	
Recurrent EBITDA	0.4	0.7	-43.2%	1.2	-65.7%	
<i>Rec. EBITDA/Revenues</i>	<i>12.0%</i>	<i>23.3%</i>	<i>-11.3 p.p.</i>	<i>32.2%</i>	<i>-20.2 p.p.</i>	
EBITDA	1.2	0.7	85.4%	1.3	-7.6%	
<i>EBITDA/Revenues</i>	<i>34.2%</i>	<i>20.4%</i>	<i>13.8 p.p.</i>	<i>34.1%</i>	<i>0.1 p.p.</i>	
EBIT	1.0	0.4	120.2%	1.0	-7.8%	
PBT	0.3	0.2	52.8%	0.2	-7.8%	
NP	0.3	0.2	52.8%	0.2	-7.8%	
GAV	78.1	60.4	29.2%			
GRI Yield	4.5%	5.3%	-0.8 p.p.	5.1%		
Net Debt	19.3	14.2	36.4%			
NAV	49.2	46.3	6.3%			
LTV	24.7%	23.4%	5.6%			

Appendix 2. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	39.7	
+ Minority Interests	-	12m Results 2025
+ Provisions & Other L/T Liabilities	-	12m Results 2025
+ Net financial debt	19.3	12m Results 2025
- Financial Investments	0.2	12m Results 2025
+/- Others		
Enterprise Value (EV)	58.7	

Appendix 3. Main peers (2026e)

		Continuous Market			Europe				
EUR Mn		Merlin Properties	Colonial	Average	Vonovia	SEGRO	Land Securities	Icade	Average
Market data	Ticker (Factset)	MRL.MC	COL.MC		VNAn.DE	SGRO.L	LAND.L	ICAD.PA	
	Country	Spain	Spain		Germany	UK	UK	France	
	Market cap	8,982.0	3,421.5		18,945.3	10,961.1	5,099.1	1,548.5	
	Enterprise value (EV)	12,710.5	9,321.2		63,721.1	16,624.0	10,359.5	4,852.3	
Basic financial information	Total Revenues	596.9	420.6		4,780.3	869.8	800.7	325.7	
	Total Revenues growth	10.8%	-0.8%	5.0%	-5.6%	3.5%	3.6%	-77.5%	-19.0%
	2y CAGR (2026e - 2028e)	17.9%	6.5%	12.2%	0.7%	4.7%	2.9%	0.5%	2.2%
	EBITDA	449.1	347.8		2,941.1	759.4	606.8	288.9	
	EBITDA growth	12.2%	8.6%	10.4%	26.2%	27.2%	4.0%	-1.9%	13.9%
	2y CAGR (2026e - 2028e)	17.3%	8.2%	12.7%	6.5%	5.4%	4.4%	0.4%	4.2%
	EBITDA/Revenues	75.2%	82.7%	79.0%	61.5%	87.3%	75.8%	88.7%	78.3%
	EBIT	608.2	387.6		3,452.1	782.5	623.9	209.1	
	EBIT growth	53.9%	21.8%	37.9%	56.0%	35.5%	15.5%	-24.3%	20.7%
	2y CAGR (2026e - 2028e)	0.8%	10.5%	5.6%	11.5%	7.3%	12.8%	21.1%	13.2%
	EBIT/Revenues	n.a.	92.2%	92.2%	72.2%	90.0%	77.9%	64.2%	76.1%
	Net Profit	466.4	217.6		2,004.9	618.2	458.1	209.5	
	Net Profit growth	-40.7%	-44.2%	-42.5%	-51.3%	-3.1%	4.3%	266.3%	54.1%
	2y CAGR (2026e - 2028e)	15.9%	2.9%	9.4%	3.0%	9.4%	2.0%	-1.8%	3.1%
	CAPEX/Sales %	157.0%	35.1%	96.0%	32.7%	62.3%	29.6%	71.2%	49.0%
Free Cash Flow	(277.8)	301.6		1,191.9	116.6	202.7	525.4		
Net financial debt	4,284.4	4,867.9		39,613.3	6,187.4	4,055.0	3,095.2		
ND/EBITDA (x)	9.5	14.0	11.8	13.5	8.1	6.7	10.7	9.8	
Pay-out	51.7%	90.8%	71.2%	53.7%	82.6%	78.7%	83.4%	74.6%	
Multiples and Ratios	P/E (x)	26.8	15.9	21.3	10.3	18.2	11.5	7.2	11.8
	P/BV (x)	0.9	0.6	0.8	0.5	0.8	0.6	0.4	0.6
	EV/Revenues (x)	n.a.	n.a.	n.a.	13.3	19.1	12.9	14.9	15.1
	EV/EBITDA (x)	28.3	26.8	27.6	21.7	21.9	17.1	16.8	19.4
	EV/EBIT (x)	20.9	24.0	22.5	18.5	21.2	16.6	23.2	19.9
	ROE	5.5	3.8	4.7	7.5	4.5	6.8	4.3	5.8
	FCF Yield (%)	n.a.	8.8	8.8	6.3	1.1	4.0	33.9	11.3
	DPS	0.43	0.32	0.37	1.29	0.38	0.49	2.30	1.12
	Dvd Yield	3.0%	5.9%	4.4%	5.8%	0.0%	0.1%	11.4%	4.3%

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

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

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05-May-2026	n.a.	20.60	n.a.	n.a.	12m Results 2025	Alfredo Echevarría Otegui
17-Jun-2025	n.a.	18.30	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
16-May-2025	n.a.	18.00	n.a.	n.a.	Initiation of Coverage	Alfredo Echevarría Otegui

