

EQUITY - SPAIN

Sector: Independent Power Producers (IPP)

Closing price: EUR 3.26 (2 May 2024)

Report date: 4 May 2024 (12:30h)

12m Results 2023

Independent Equity Research

12m Results 2023

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Enerside (ENRS), is a fully integrated renewables platform (in transition towards a build-to-own model) specialised in solar photovoltaic energy. It currently has a pipeline of +7.3GW of solar photovoltaic projects at various stages of development distributed in Latam (Brazil and Chile) and Europe (Spain and Italy).

FY23 earnings shaped by EPC. EBIT of EUR -29.6Mn (vs EUR 14.1Mn in 2022)

REVENUE IN 2023: EUR 16.5MN (EXCL. EUR 2.7MN OF ASSET DISPOSALS). Revenue in 2023 was 48.2% lower than in 2022 (EUR 31.9Mn). The drop was due to the discontinuation of the construction/EPC business to focus on the generation business (as IPP) and asset rotation. For 2024e, we estimate revenue of around EUR 5.5Mn. For 2025e, the company should get 100% of its revenue from generation, which we estimate at EUR 6.5Mn (helped by the commissioning of an additional c.37MW).

FALL IN EBIT TO EUR -29.6MN (VS EUR -14.1MN IN 2022). The sharp drop was caused by: (i) (primarily) the aggressive margin policy pursued for the EPC business and the business' subsequent discontinuation, (ii) higher raw material costs and operating expenses, and (iii) delays in asset sales. This led to a steep fall in EBIT to EUR -29.6Mn (including EUR 8.0Mn of capitalised costs vs EUR 4.9Mn in 2022).

NET DEBT 2023: EUR 47.6MN (VS EUR 16.3MN). This left a ND/equity multiple of 7.3x. Net finance expense for the year was EUR 7.3Mn (vs EUR 0.9Mn in 2022), severely impacting the bottom line (net loss of EUR 38.8Mn). The company has signed a letter of intent for EUR 15Mn of debt refinancing. As ENRS is in the midst of a heavy investment process —with high financial leverage— we cannot rule out additional financing requirements, which could be met with solutions involving equity dilution.

CONNECTION OF THE FIRST SOLAR FARMS (20MW) in Chile and Brazil. Solar PV generation projects in the pipeline totalled 7.3GW at the end of the year (5.5GW vs 2022).

DIVESTMENT OF THE EPC BUSINESS CAUSED EBIT TO PLUMMET. SHIFT TOWARDS PURE GENERATION AND ASSET ROTATION. A positive highlight of 2023 was completion of the construction and connection of the company's first solar farm (which it will operate as IPP). The company's chief catalyst remains progress on pipeline execution. However, this requires heavy investment and time. The main drawbacks to ENRS' business model are the company's high financial leverage and inability to generate positive cash (subject always to less recurring asset sales). An equity raise "appears" to be the most likely source of funding (probably implying heavy dilution, all the more so in the wake of the poor share price performance). ENRS performance last 12 months: -40,5% (-50.3% vs Ibex 35, -37.4% vs sector). Earnings visibility at present is dim.

Relative performance (Base 100)


Market Data

Market Cap (Mn EUR and USD)	121.7	130.1
EV (Mn EUR and USD) ⁽²⁾	168.6	180.3
Shares Outstanding (Mn)	37.3	
-12m (Max/Med/Min EUR)	5.48 / 3.85 / 2.12	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation ⁽³⁾	4.6	
Factset / Bloomberg	ENRS-ES / ENRS SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)⁽⁷⁾

Joatham Grange	19.2
Antoni Gasch	19.0
Tomás Casanovas	9.6
Alejandro Alorda	9.3
Free Float	30.8

Financials (Mn EUR)	2023	2024e	2025e	2026e
Adj. nº shares (Mn)	37.3	37.3	37.3	37.3
Total Revenues	16.5	5.5	6.5	12.0
Rec. EBITDA	-36.5	-11.0	-5.5	-2.0
% growth	-160.9	69.8	50.1	63.6
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	n.a.
% Inc. EBITDA sector ⁽⁴⁾	18.9	8.1	5.3	2.3
Net Profit	-38.8	-8.7	3.2	5.6
EPS (EUR)	-1.04	-0.23	0.09	0.15
% growth	-182.1	77.5	136.4	76.0
Ord. EPS (EUR)	-1.07	-0.26	-0.13	-0.05
% growth	-212.3	75.6	48.2	59.9
Rec. Free Cash Flow ⁽⁵⁾	-37.4	-23.1	-27.2	-28.4
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	47.6	58.7	67.8	78.2
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	n.a.
ROE (%)	n.a.	n.a.	n.a.	150.2
ROCE (%) ⁽⁵⁾	n.a.	n.a.	17.8	19.9

Ratios & Multiples (x)⁽⁶⁾

P/E	n.a.	n.a.	38.3	21.8
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	18.8	n.a.	n.a.	18.7
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	10.20	n.a.	n.a.	14.05
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	15.2	11.1
FCF Yield (%) ⁽⁵⁾	n.a.	n.a.	n.a.	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 3.

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

(4) Sector: Stoxx Europe 600 Utilities.

(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: Alternative Green Energy 6.3%, Javier García - Mateo 5.9%

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

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.0	7.2	-40.5	-0.3	n.a.	n.a.
vs Ibex 35	1.0	-0.7	-50.3	-7.4	n.a.	n.a.
vs Ibex Small Cap Index	-4.0	0.8	-44.9	-5.3	n.a.	n.a.
vs Eurostoxx 50	3.1	2.1	-47.8	-7.8	n.a.	n.a.
vs Sector benchmark ⁽⁴⁾	-1.5	6.2	-37.4	4.5	n.a.	n.a.

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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.

Enerside (ENRS) 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.

BME Growth is the Spanish equity market for companies of reduced capitalization which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are currently c. 140 companies listed on it. Companies listed on the MAB can choose to present their financial statements under IFRS or the General Accounting Plan (PGC) and Royal Decree 1159/2010 (NOFCAC).

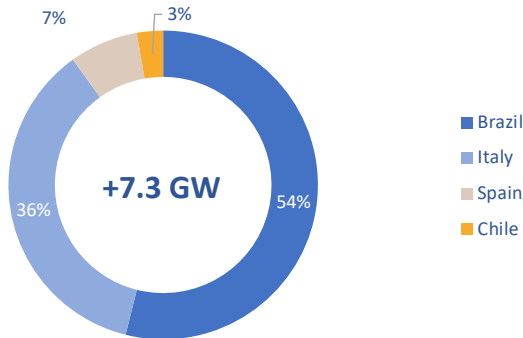
12m Results 2023
Table 1. 2023 Results

EUR Mn	12m23	12m23 Real	
	Real	12m22	vs 12m22
Total Revenues	19.2	31.9	-39.7%
Construction services - EPC / BOS	15.6	31.8	-50.9%
Development projects	2.7	0.0	n.a.
IPP / O&M	0.9	0.1	n.a.
EBIT¹	(29.6)	(14.1)	-109.1%
PBT	(36.9)	(15.1)	-144.9%
NP	(38.8)	(13.7)	-182.3%
Net Debt	47.6	16.3	191.8%
Other financial figures			
PV pipeline - MWp	7,339	5,542	32.4%

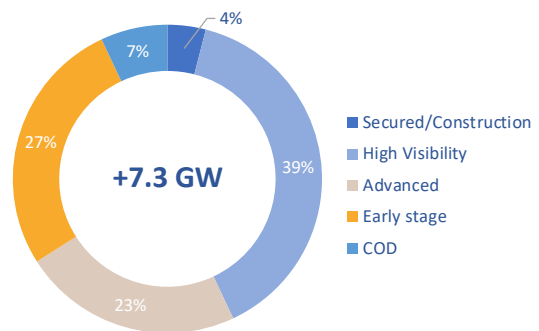
(1) Includes capitalized expenses.

The company in 8 charts

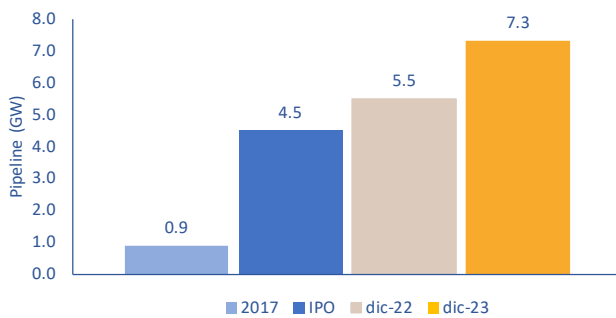
A company that has completed its transformation to IPP and geographically diversified pipeline of +7.3 GW



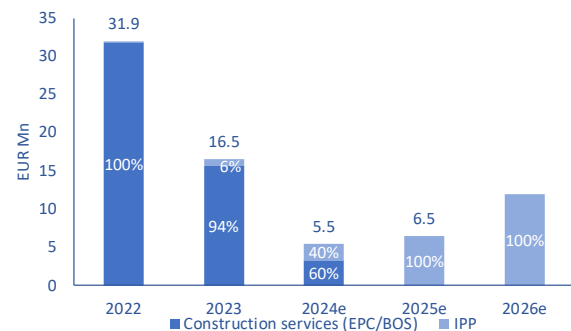
That has connected 20MW in Brazil and Chile. And RTB expected for c. 60% of the pipeline in 2025-2026



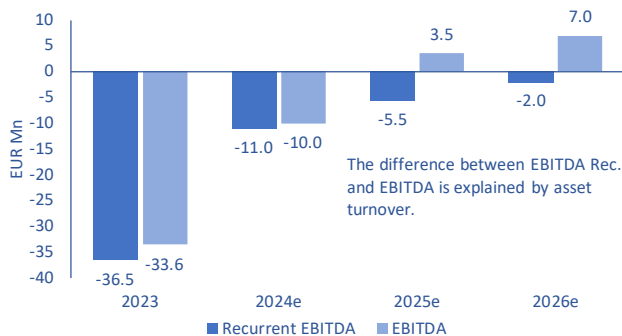
In other words, since 2017 it has increased its pipeline GW eightfold (+2.8GW vs IPO).



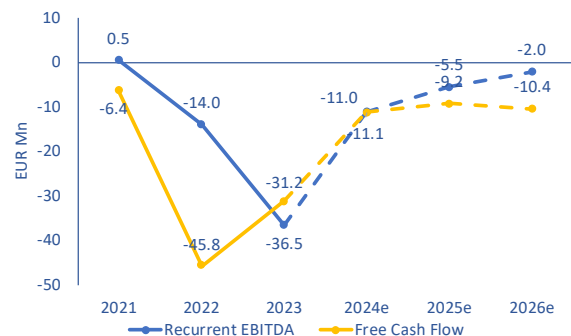
In 2025e, the generation business (IPP) looks set to represent c. 100% of revenue



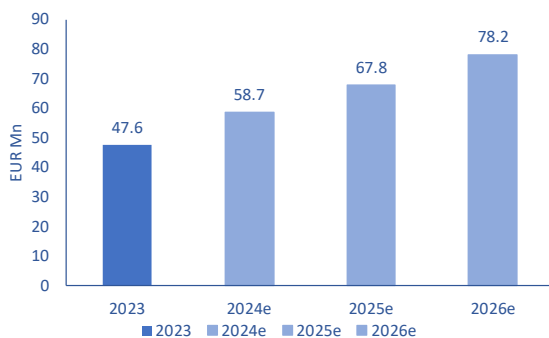
This should enable ENRS to generate recurring EBITDA of c. EUR 7.0Mn in 2026e



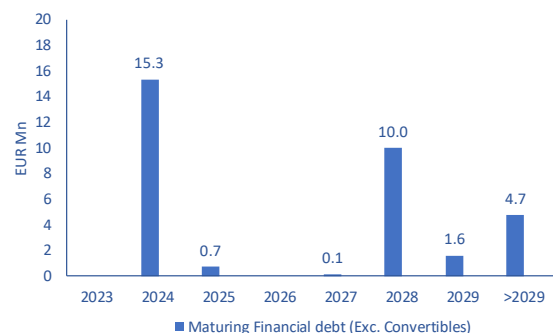
Which, combine with the high CAPEX for development and construction of the pipeline will affect cash generation



Driving net debt to EUR 78Mn in 2026e



With the following maturities of financial debt at the end of 2023



Valuation inputs

Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	(4.6)	(1.3)	(0.8)	n.a.			
Market Cap	121.7	At the date of this report					
Net financial debt	47.6	Debt net of Cash (12m Results 2023)					
					Best Case	Worst Case	
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	4.8%	Kd = Cost of Net Debt * (1-T)			4.6%	5.0%	
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)	1.2	B (own estimate)			1.1	1.3	
Cost of Equity	10.5%	Ke = Rf + (R * B)			9.4%	11.8%	
Equity / (Equity + Net Debt)	71.9%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	28.1%	D			=	=	
WACC	8.9%	WACC = Kd * D + Ke * E			8.0%	9.9%	
G "Fair"	2.5%				2.0%	2.0%	

(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.

Inputs for the Multiples Valuation Approach

Company	Ticker	Factset	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
Solaria	SLR-ES		1,232.6	12.3	21.5%	10.1	26.7%	8.7	28.4%	85.7%	n.a.	-18.5%
Grenergy	GRE-ES		843.4	15.9	38.3%	11.5	50.7%	3.3	30.6%	28.7%	n.a.	-49.3%
Ecoener	ENER-ES		219.3	11.2	44.5%	8.6	41.3%	5.1	31.8%	58.6%	n.a.	1.8%
Renewable Energy companies in Spain				13.1	34.7%	10.1	39.6%	5.7	30.2%	57.7%	n.a.	-22.0%
Neoen	NEOEN-FR		4,344.0	52.5	38.0%	13.6	24.1%	11.3	28.6%	83.0%	n.a.	22.2%
Voltaia	VLTA-FR		1,038.7	61.0	63.4%	10.4	18.8%	4.7	14.7%	45.6%	n.a.	11.0%
Scatec	SCATC-NO		1,012.8	11.4	-4.9%	9.1	9.0%	6.7	7.9%	72.9%	2.2%	n.a.
Greenvolt	GVOLT-PT		1,155.8	21.5	53.3%	10.9	33.5%	4.0	25.1%	36.6%	n.a.	32.9%
Renewable energy companies				36.6	37.5%	11.0	21.3%	6.7	19.1%	59.5%	2.2%	22.0%
ENRS	ENRS-ES		121.7	n.a.	62.5%	n.a.	64.2%	n.a.	48.2%	n.a.	n.a.	3.3%

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	-93.1%	(6.1)	-27.9x
Central	-84.6%	(5.5)	-30.7x
Min	-76.1%	(4.9)	-34.1x

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

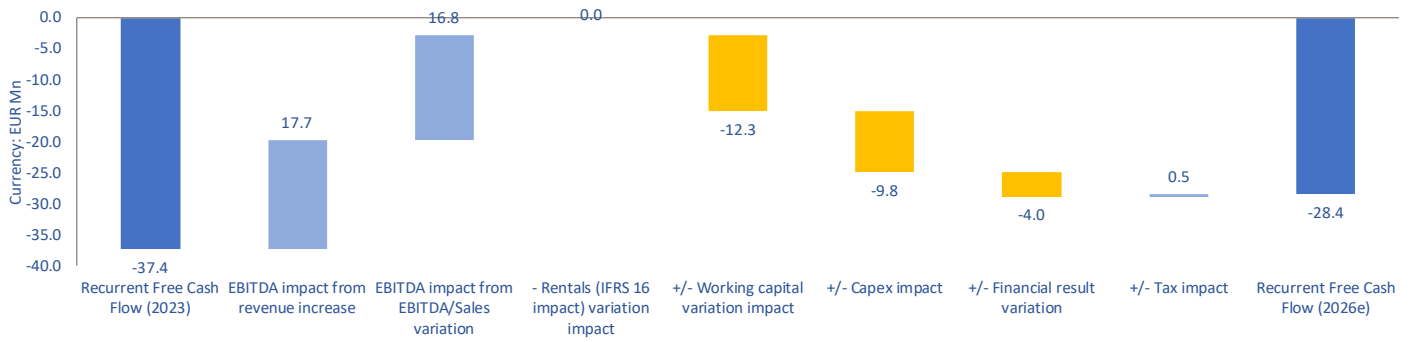
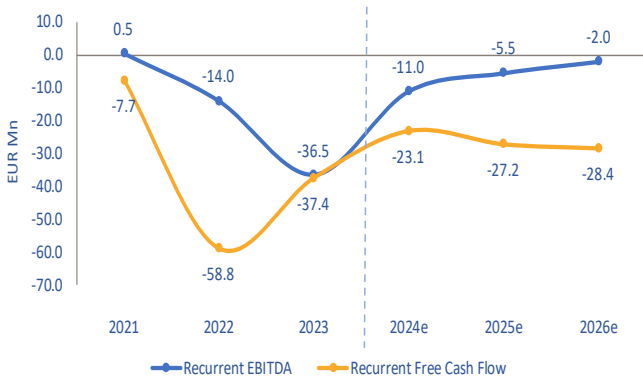
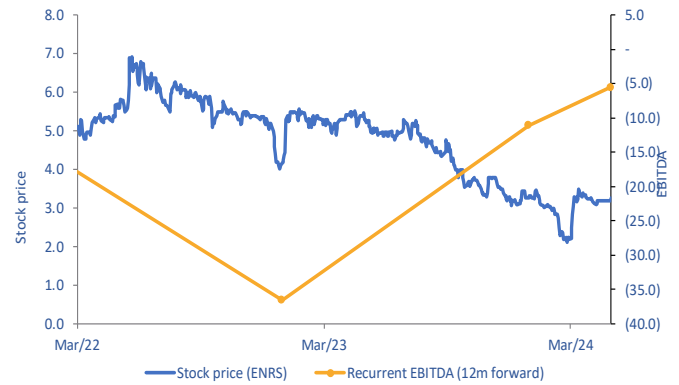
Rec. FCF EUR Mn	CAPEX/Sales 25e		
EBITDA 25e	193.9%	215.4%	236.9%
(6.1)	(26.3)	(27.7)	(29.1)
(5.5)	(25.8)	(27.2)	(28.6)
(4.9)	(25.2)	(26.6)	(28.0)

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets			0.1	0.2	0.5	10.5	20.5	30.5		
Fixed assets			0.6	21.3	29.2	32.0	34.6	37.7		
Other Non Current Assets			1.1	3.6	-	-	-	-		
Financial Investments			2.2	3.5	3.3	3.3	3.3	3.3		
Goodwill & Other Intangibles			-	-	-	-	-	-		
Current assets			12.5	47.8	41.0	18.9	19.2	20.4		
Total assets			16.5	76.4	73.9	64.7	77.6	91.9		
Equity			8.2	44.2	6.5	(2.2)	0.9	6.5		
Minority Interests			0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
Provisions & Other L/T Liabilities			0.2	1.2	2.7	2.7	2.7	2.7		
Other Non Current Liabilities			-	-	-	-	-	-		
Net financial debt			2.1	16.3	47.6	58.7	67.8	78.2		
Current Liabilities			6.0	14.7	17.2	5.6	6.1	4.5		
Equity & Total Liabilities			16.5	76.4	73.9	64.7	77.6	91.9		
P&L (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	21-23	23-26e
Total Revenues			8.4	31.9	16.5	5.5	6.5	12.0	40.4%	-10.1%
<i>Total Revenues growth</i>			<i>n.a.</i>	<i>281.0%</i>	<i>-48.2%</i>	<i>-66.9%</i>	<i>18.9%</i>	<i>84.6%</i>		
COGS			-	-	-	-	-	-		
Gross Margin			8.4	31.9	16.5	5.5	6.5	12.0	40.4%	-10.1%
<i>Gross Margin/Revenues</i>			<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>		
Personnel Expenses			-	-	-	-	-	-		
Other Operating Expenses			(7.9)	(45.9)	(53.0)	(16.5)	(12.0)	(14.0)		
Recurrent EBITDA			0.5	(14.0)	(36.5)	(11.0)	(5.5)	(2.0)	<i>n.a.</i>	<i>62.0%</i>
<i>Recurrent EBITDA growth</i>			<i>n.a.</i>	<i>n.a.</i>	<i>-160.9%</i>	<i>69.8%</i>	<i>50.1%</i>	<i>63.6%</i>		
<i>Rec. EBITDA/Revenues</i>			<i>6.0%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Restructuring Expense & Other non-rec.			(0.3)	(2.3)	2.9	1.0	9.0	9.0		
EBITDA			0.2	(16.3)	(33.6)	(10.0)	3.5	7.0	<i>n.a.</i>	<i>30.2%</i>
Depreciation & Provisions			(0.1)	(2.8)	(4.0)	(2.2)	(2.4)	(1.9)		
Capitalized Expense			-	4.9	8.0	10.0	10.0	10.0		
Rentals (IFRS 16 impact)			-	-	-	-	-	-		
EBIT			0.2	(14.1)	(29.6)	(2.2)	11.1	15.1	<i>n.a.</i>	<i>35.9%</i>
<i>EBIT growth</i>			<i>n.a.</i>	<i>n.a.</i>	<i>-109.1%</i>	<i>92.6%</i>	<i>602.4%</i>	<i>37.0%</i>		
<i>EBIT/Revenues</i>			<i>2.2%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Impact of Goodwill & Others			-	-	-	-	-	-		
Net Financial Result			(0.3)	(0.9)	(7.3)	(6.5)	(7.1)	(8.2)		
Income by the Equity Method			-	-	-	-	-	-		
Ordinary Profit			(0.1)	(15.1)	(36.9)	(8.7)	4.0	7.0	<i>n.a.</i>	<i>29.8%</i>
<i>Ordinary Profit Growth</i>			<i>n.a.</i>	<i>n.a.</i>	<i>-144.9%</i>	<i>76.4%</i>	<i>145.5%</i>	<i>76.0%</i>		
Extraordinary Results			-	-	-	-	-	-		
Profit Before Tax			(0.1)	(15.1)	(36.9)	(8.7)	4.0	7.0	<i>n.a.</i>	<i>29.8%</i>
Tax Expense			(0.2)	1.4	(1.9)	-	(0.8)	(1.4)		
<i>Effective Tax Rate</i>			<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>20.0%</i>	<i>20.0%</i>		
Minority Interests			(0.0)	0.0	0.0	-	-	-		
Discontinued Activities			-	-	-	-	-	-		
Net Profit			(0.3)	(13.7)	(38.8)	(8.7)	3.2	5.6	<i>n.a.</i>	<i>28.9%</i>
<i>Net Profit growth</i>			<i>n.a.</i>	<i>n.a.</i>	<i>-182.8%</i>	<i>77.5%</i>	<i>136.4%</i>	<i>76.0%</i>		
Ordinary Net Profit			0.2	(12.7)	(39.8)	(9.7)	(5.0)	(2.0)	<i>n.a.</i>	<i>63.0%</i>
<i>Ordinary Net Profit growth</i>			<i>n.a.</i>	<i>n.a.</i>	<i>-213.1%</i>	<i>75.6%</i>	<i>48.2%</i>	<i>59.9%</i>		
Cash Flow (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	21-23	23-26e
Recurrent EBITDA						(11.0)	(5.5)	(2.0)	<i>n.a.</i>	<i>62.0%</i>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						10.4	0.2	(2.8)		
Recurrent Operating Cash Flow						-0.6	-5.3	-4.8	<i>n.a.</i>	<i>43.7%</i>
CAPEX						(16.0)	(14.0)	(14.0)		
Net Financial Result affecting the Cash Flow						(6.5)	(7.1)	(8.2)		
Tax Expense						-	(0.8)	(1.4)		
Recurrent Free Cash Flow						(23.1)	(27.2)	(28.4)	<i>n.a.</i>	<i>8.7%</i>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						11.0	9.0	9.0		
Extraordinary Inc./Exp. Affecting Cash Flow						1.0	9.0	9.0		
Free Cash Flow						(11.1)	(9.2)	(10.4)	<i>n.a.</i>	<i>30.6%</i>
Capital Increase						-	-	-		
Dividends						-	-	-		
Net Debt Variation						11.1	9.2	10.4		

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		0.5	(14.0)	(36.5)	(11.0)	(5.5)	(2.0)	<i>n.a.</i>	62.0%
<i>Recurrent EBITDA growth</i>		<i>n.a.</i>	<i>n.a.</i>	<i>-160.9%</i>	<i>69.8%</i>	<i>50.1%</i>	<i>63.6%</i>		
<i>Rec. EBITDA/Revenues</i>		<i>6.0%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
- Rentals (IFRS 16 impact)		-	-	-	-	-	-		
+/- Working Capital increase		(6.5)	(26.6)	9.4	10.4	0.2	(2.8)		
= Recurrent Operating Cash Flow		(6.0)	(40.6)	(27.1)	(0.6)	(5.3)	(4.8)	<i>n.a.</i>	43.7%
<i>Rec. Operating Cash Flow growth</i>		<i>n.a.</i>	<i>-574.2%</i>	<i>33.3%</i>	<i>97.8%</i>	<i>-778.8%</i>	<i>8.1%</i>		
<i>Rec. Operating Cash Flow / Sales</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
- CAPEX		(1.1)	(18.6)	(4.2)	(16.0)	(14.0)	(14.0)		
- Net Financial Result affecting Cash Flow		(0.3)	(0.9)	(4.2)	(6.5)	(7.1)	(8.2)		
- Taxes		(0.3)	1.4	(1.9)	-	(0.8)	(1.4)		
= Recurrent Free Cash Flow		(7.7)	(58.8)	(37.4)	(23.1)	(27.2)	(28.4)	<i>n.a.</i>	8.7%
<i>Rec. Free Cash Flow growth</i>		<i>n.a.</i>	<i>-665.0%</i>	<i>36.4%</i>	<i>38.1%</i>	<i>-17.5%</i>	<i>-4.6%</i>		
<i>Rec. Free Cash Flow / Revenues</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
- Restructuring expenses & others		-	-	-	-	-	-		
- Acquisitions / + Divestments		1.2	(1.3)	0.2	11.0	9.0	9.0		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	14.3	6.0	1.0	9.0	9.0		
= Free Cash Flow		(6.4)	(45.8)	(31.2)	(11.1)	(9.2)	(10.4)	<i>n.a.</i>	30.6%
<i>Free Cash Flow growth</i>		<i>n.a.</i>	<i>-610.9%</i>	<i>32.0%</i>	<i>64.3%</i>	<i>17.7%</i>	<i>-13.7%</i>		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Recurrent FCF(FY - 1)		-	(7.7)	(58.8)	(37.4)	(23.1)	(27.2)		
EBITDA impact from revenue increase		<i>n.a.</i>	1.4	6.7	24.4	(2.1)	(4.7)		
EBITDA impact from EBITDA/Sales variation		<i>n.a.</i>	(15.9)	(29.3)	1.0	7.6	8.2		
= Recurrent EBITDA variation		<i>n.a.</i>	(14.5)	(22.5)	25.5	5.5	3.5		
- Rentals (IFRS 16 impact) variation impact		-	-	-	-	-	-		
+/- Working capital variation impact		(6.5)	(20.1)	36.0	1.0	(10.2)	(3.1)		
= Recurrent Operating Cash Flow variation		(6.5)	(34.6)	13.5	26.5	(4.7)	0.4		
+/- CAPEX impact		(1.1)	(17.5)	14.3	(11.8)	2.0	-		
+/- Financial result variation		(0.3)	(0.7)	(3.3)	(2.3)	(0.6)	(1.1)		
+/- Tax impact		(0.3)	1.6	(3.2)	1.9	(0.8)	(0.6)		
= Recurrent Free Cash Flow variation		(8.2)	(51.1)	21.4	14.3	(4.0)	(1.3)		
Recurrent Free Cash Flow		-	(8.2)	(58.8)	(37.4)	(27.2)	(28.4)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
EBIT		0.2	(14.1)	(29.6)	(2.2)	11.1	15.1	<i>n.a.</i>	35.9%
<i>* Theoretical Tax rate</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>		
= Taxes (pre- Net Financial Result)		-	-	-	-	-	-		
Recurrent EBITDA		0.5	(14.0)	(36.5)	(11.0)	(5.5)	(2.0)	<i>n.a.</i>	62.0%
- Rentals (IFRS 16 impact)		-	-	-	-	-	-		
+/- Working Capital increase		(6.5)	(26.6)	9.4	10.4	0.2	(2.8)		
= Recurrent Operating Cash Flow		(6.0)	(40.6)	(27.1)	(0.6)	(5.3)	(4.8)	<i>n.a.</i>	43.7%
- CAPEX		(1.1)	(18.6)	(4.2)	(16.0)	(14.0)	(14.0)		
- Taxes (pre- Financial Result)		-	-	-	-	-	-		
= Recurrent Free Cash Flow (To the Firm)		(7.1)	(59.2)	(31.3)	(16.6)	(19.3)	(18.8)	<i>n.a.</i>	15.6%
<i>Rec. Free Cash Flow (To the Firm) growth</i>		<i>n.a.</i>	<i>-731.5%</i>	<i>47.1%</i>	<i>47.0%</i>	<i>-16.1%</i>	<i>2.2%</i>		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
- Acquisitions / + Divestments		1.2	(1.3)	0.2	11.0	9.0	9.0		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	14.3	6.0	1.0	9.0	9.0		
= Free Cash Flow "To the Firm"		(5.9)	(46.2)	(25.1)	(4.6)	(1.3)	(0.8)	<i>n.a.</i>	67.8%
<i>Free Cash Flow (To the Firm) growth</i>		<i>n.a.</i>	<i>-686.4%</i>	<i>45.7%</i>	<i>81.7%</i>	<i>72.4%</i>	<i>33.6%</i>		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>		<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		

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	121.7	
+ Minority Interests	(0.0)	12m Results 2023
+ Provisions & Other L/T Liabilities	2.7	12m Results 2023
+ Net financial debt	47.6	12m Results 2023
- Financial Investments	3.3	12m Results 2023
+/- Others		
Enterprise Value (EV)	168.6	

Appendix 4. Main peers 2024e

		Renewable Energy companies in Spain				Renewable energy companies					
EUR Mn		Solaria	Greenergy	Ecoener	Average	Neoen	Voltaia	Scatec	Greenvolt	Average	ENRS
Market data	Ticker (Factset)	SLR-ES	GRE-ES	ENER-ES		NEOEN-FR	VLTA-FR	SCATC-NO	GVOLT-PT		ENRS-ES
	Country	Spain	Spain	Spain		France	France	Norway	Portugal		Spain
	Market cap	1,232.6	843.4	219.3		4,344.0	1,038.7	1,012.8	1,155.8		121.7
	Enterprise value (EV)	2,216.4	1,435.3	485.3		7,363.1	2,691.7	3,268.7	2,154.0		168.6
Basic financial information	Total Revenues	256.1	435.2	95.8		652.2	567.6	489.9	539.2		5.5
	Total Revenues growth	33.8%	143.0%	49.6%	75.5%	24.4%	14.6%	70.4%	55.9%	41.3%	-66.9%
	2y CAGR (2024e - 2026e)	28.4%	30.6%	31.8%	30.2%	28.6%	14.7%	7.9%	25.1%	19.1%	48.2%
	EBITDA	219.5	124.8	56.1		541.6	258.8	357.2	197.1		(10.0)
	EBITDA growth	9.7%	20.7%	68.0%	32.8%	27.7%	7.7%	88.1%	188.3%	78.0%	70.1%
	2y CAGR (2024e - 2026e)	26.7%	50.7%	41.3%	39.6%	24.1%	18.8%	9.0%	33.5%	21.3%	64.2%
	EBITDA/Revenues	85.7%	28.7%	58.6%	57.7%	83.0%	45.6%	72.9%	36.6%	59.5%	n.a.
	EBIT	173.7	99.3	36.6		322.2	146.5	248.6	132.2		(2.2)
	EBIT growth	3.0%	16.1%	86.7%	35.3%	29.9%	7.2%	114.8%	816.4%	242.1%	92.6%
	2y CAGR (2024e - 2026e)	25.7%	46.2%	47.8%	39.9%	27.6%	34.0%	9.6%	39.4%	27.7%	n.a.
	EBIT/Revenues	67.8%	22.8%	38.3%	43.0%	49.4%	25.8%	50.7%	24.5%	37.6%	n.a.
	Net Profit	102.1	53.3	19.3		84.3	18.4	78.0	58.5		(8.7)
	Net Profit growth	-5.0%	4.5%	75.4%	24.9%	-43.9%	-38.0%	46.9%	677.9%	160.7%	77.5%
	2y CAGR (2024e - 2026e)	24.7%	40.0%	45.1%	36.6%	36.9%	72.4%	0.5%	51.1%	40.2%	62.5%
	CAPEX/Sales %	143.4%	87.5%	148.5%	126.5%	244.8%	87.1%	61.5%	124.4%	129.4%	292.7%
Free Cash Flow	(249.3)	(245.3)	(81.5)		(1,222.6)	(344.3)	22.1	(463.1)		(11.1)	
Net financial debt	1,284.6	772.6	389.7		4,291.3	1,880.6	2,073.6	1,040.7		58.7	
ND/EBITDA (x)	5.9	6.2	6.9	6.3	7.9	7.3	5.8	5.3	6.6	n.a.	
Pay-out	0.0%	0.0%	0.0%	0.0%	27.6%	36.8%	2.1%	0.0%	16.6%	0.0%	
Multiples and Ratios	P/E (x)	12.3	15.9	11.2	13.1	52.5	61.0	11.4	21.5	36.6	n.a.
	P/BV (x)	2.1	2.2	1.5	2.0	1.6	0.8	1.1	2.2	1.4	n.a.
	EV/Revenues (x)	8.7	3.3	5.1	5.7	11.3	4.7	6.7	4.0	6.7	n.a.
	EV/EBITDA (x)	10.1	11.5	8.6	10.1	13.6	10.4	9.1	10.9	11.0	n.a.
	EV/EBIT (x)	12.8	14.5	13.2	13.5	22.9	18.4	13.2	16.3	17.7	n.a.
	ROE	17.4	14.1	13.5	15.0	3.1	1.4	9.3	10.3	6.0	n.a.
	FCF Yield (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.2	n.a.	2.2	n.a.
	DPS	0.00	0.00	0.00	0.00	0.17	0.05	0.01	0.00	0.06	0.00
	Dvd Yield	0.0%	0.0%	0.0%	0.0%	0.6%	0.7%	0.2%	0.0%	0.4%	0.0%

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).

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
04-May-2024	n.a.	3.26	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
17-Jan-2024	n.a.	3.32	n.a.	n.a.	Estimates downgrade	Enrique Andrés Abad, CFA
02-Nov-2023	n.a.	3.38	n.a.	n.a.	6m Results 2023	Enrique Andrés Abad, CFA
12-Jun-2023	n.a.	4.98	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
02-May-2023	n.a.	5.40	n.a.	n.a.	12m Results 2022	David López Sánchez
07-Mar-2023	n.a.	5.30	n.a.	n.a.	Important news	David López Sánchez
06-Sep-2022	n.a.	5.52	n.a.	n.a.	6m 2022 Preliminary results	David López Sánchez
29-Jul-2022	n.a.	6.20	n.a.	n.a.	Initiation of Coverage	David López Sánchez

