

EQUITY - SPAIN

Sector: Independent Power Producers (IPP)

Closing price: EUR 2.80 (30 Apr 2025)

Report date: 2 May 2025 (8:45hh)

12m Results 2024

Independent Equity Research

12m Results 2024

 Opinion ⁽¹⁾: Below expectations

 Impact ⁽¹⁾: We will maintain our estimates

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Business description

Enerside (ENRS), is a fully integrated renewables platform (in transition towards a build-to-own model) specialised in solar photovoltaic energy. It currently operates +13 MW and has a pipeline of 4.8 GW of solar photovoltaic projects and 13.2 GWh of BESS projects at various stages of development distributed in Latam (Brazil and Chile) and Europe (Spain and Italy). Listed on BME Growth since March 2022.

Market Data

Market Cap (Mn EUR and USD)	109.3	124.2
EV (Mn EUR and USD) ⁽²⁾	181.0	205.7
Shares Outstanding (Mn)	39.0	
-12m (Max/Med/Mín EUR)	4.20 / 3.35 / 2.25	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation ⁽³⁾	3.9	
Factset / Bloomberg	ENRS-ES / ENRS SM	
Close fiscal year	31-Dec	

Shareholders Structure (%) ⁽⁵⁾

Joatham Grange	13.6
Antoni Gasch	13.5
Jordi Berini	12.1
Alejandro Alorda	8.9
Free Float	32.5

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	-24.3	-25.9	-11.6	n.a.
vs Ibex 35	-24.2	-30.8	-27.8	n.a.
vs Ibex Small Cap Index	-25.7	-31.7	-22.6	n.a.
vs Eurostoxx 50	-21.8	-24.2	-15.6	n.a.
vs Sector benchmark ⁽⁴⁾	-27.5	-34.7	-24.7	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 Utilities.

(5) Others: Tomás Casanovas 8.3%, Alternative Green Energy 6.1%, Javier García - Mateo 5.1%

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

2024 Results: expected decline (which will not be priced). The key is the execution of the new business model.

2024 REVENUE EUR 3.1 MN (-81% VS 2023): DROP EXPLAINED BY THE DISCONTINUATION OF THE EPC BUSINESS. The strategic objective of focusing on the development, construction, and operation of own assets (IPP) and asset rotation continues (509 MW sold in 2024, representing revenue of EUR 11 Mn). The exit from the EPC business explains the (expected) plunge in revenue in 2024.

EBIT EUR -8.9 MN (+C.70% VS 2023) DUE TO A REDUCTION IN STRUCTURAL COSTS. The abandonment of the EPC business leads to a significant decrease in structural costs (-c.40% vs 2023). This entails a reduction in recurring EBITDA losses (excluding capitalized costs) of c.80%, from EUR -35.5 Mn in 2023 to EUR -6.8 Mn in 2024. Without considering EUR 7.2 Mn from the sale of Palmadula (400 MW in Italy) already collected and which will predictably appear in P&L in 2026e (estimated RTB date). The proforma with that income (associated with expenses of EUR 1.5 Mn) would result in a considerable improvement in EBIT (EUR -8.9 Mn in 2024), to EUR -3.2 Mn. The income from asset rotation, added to the organic growth in IPP, implicitly leads to a large improvement in margins by leveraging the structural reduction already carried out.

STRENGTHENING OF THE CAPITAL STRUCTURE. ND increases to EUR 56.2 Mn (+18%; EUR 47.6 Mn in 2023) but the financial structure significantly improves as a result of (i) refinancing of EUR 15 Mn, (ii) entry of Laurion Group into the share capital (c.13% of capital), (iii) capital increase of EUR c.4 Mn, and (iv) new credit facility of EUR 25 Mn to finance and continue with the business plan (Impulsa Plan and new strategic plan 2025-2028). ENRS is interested in accelerating the business plan, not ruling out resorting to debt and equity markets in the short term. De facto, ENRS has significantly reduced its financial risk, insofar as a similar level of ND vs 2023 (EUR c.50 Mn) is now associated with a business that sees positive FCF generation approaching.

FOCUS ON GENERATION (AFTER ABANDONING THE EPC BUSINESS): FIRST YEAR WITH OWN ASSETS IN OPERATION (16 MW), in Chile (13 MW) and Brazil (3 MW, sold in October 2024). Fully developed, built, and managed by ENRS. It also increases and diversifies its project portfolio: current pipeline of 4.8 GW solar and 13.2 GWh of BESS battery storage (vs 7.3 GW solar in 2023 and 5.5 GW solar in 2022). Following the two operations carried out in Italy, ENRS acquires 5 PMGD (Small Distributed Generation Units) in different stages of development in Chile (37 MW in total).

CONCLUSION: FOLLOWING THE BUSINESS MODEL SHIFT, EXECUTION IS NOW CRITICAL (SPEED & VALUE CREATION). The exit from EPC results in a smaller but more profitable P&L. We maintain estimates. ENRS's main catalyst will continue to be the progress of its generation pipeline, which has already gained traction in 2024, and the impact of asset rotation. The only way to justify and increase the current share price. ENRS begins a new stage, focused on a business with a lower level of risk and greater visibility of results. The stock continues to be heavily penalized by the market (-12m: c.-12 absolute, c.-28% vs IBEX 35, c.-25% vs sector), reflecting the uncertainty of a business with large losses, the model change, and the sector itself. Looking ahead to 2025, newsflow on the generation pipeline becomes decisive.

Enerside (ENRS) is a BME Growth company

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Appendix 1. Results table

EUR Mn	12m24	12m23	12m24 vs 12m23	2024e	2024 vs 2024e
Total Revenues	3.1	16.5	-81.0%	5.5	-42.6%
Construction services - EPC / BOS	1.6	15.6	-89.8%	3.3	-51.3%
IPP / O&M	1.5	0.9	70.0%	2.2	-29.6%
EBIT¹	(8.9)	(29.6)	69.8%	(2.2)	
PBT	(23.1)	(36.9)	37.4%	(8.7)	
NP	(23.0)	(38.8)	40.7%	(9.7)	
Net Debt	56.2	47.6	18.1%	58.7	-4.2%
Other financial figures					
PV pipeline - MWp	4,773	7,339	-35.0%		
BESS - MWh	13,185	n.a.	n.a.		

(1) Includes capitalized development costs of the company's own PV and BESS project portfolio.

Appendix 2. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	109.3	
+ Minority Interests	14.0	12m Results 2024
+ Provisions & Other L/T Liabilities	3.5	12m Results 2024
+ Net financial debt	56.2	12m Results 2024
- Financial Investments	2.0	12m Results 2024
+/- Others		
Enterprise Value (EV)	181.0	

Appendix 3. Main peers (2025e)

	EUR Mn	Renewable Energy companies in Spain				Renewable energy companies		
		Solaria	Grenergy	Ecoener	Average	Voltaia	Scatec	Average
Market data	Ticker (Factset)	SLR-ES	GRE-ES	ENER-ES		VL TSA-FR	SCATC-NO	
	Country	Spain	Spain	Spain		France	Norway	
	Market cap	828.9	1,479.4	259.1		958.6	1,065.7	
	Enterprise value (EV)	1,920.7	2,006.8	694.8		2,956.4	3,339.2	
Basic financial information	Total Revenues	239.6	670.7	111.8		585.6	520.8	
	Total Revenues growth	35.4%	26.2%	36.7%	32.8%	7.1%	40.5%	23.8%
	2y CAGR (2025e - 2027e)	24.8%	11.2%	26.7%	20.9%	15.3%	12.9%	14.1%
	EBITDA	205.3	215.5	63.8		244.8	362.5	
	EBITDA growth	1.9%	56.8%	83.9%	47.5%	13.9%	32.9%	23.4%
	2y CAGR (2025e - 2027e)	18.9%	19.8%	33.9%	24.2%	22.9%	8.7%	15.8%
	EBITDA/Revenues	85.7%	32.1%	57.1%	58.3%	41.8%	69.6%	55.7%
	EBIT	156.7	175.5	45.6		121.0	263.8	
	EBIT growth	-0.6%	55.1%	172.9%	75.8%	35.3%	50.2%	42.8%
	2y CAGR (2025e - 2027e)	17.6%	16.0%	32.0%	21.9%	32.6%	5.2%	18.9%
	EBIT/Revenues	65.4%	26.2%	40.8%	44.1%	20.7%	50.7%	35.7%
	Net Profit	84.5	119.4	15.6		4.6	73.7	
	Net Profit growth	-4.6%	99.7%	60.4%	51.8%	122.1%	-33.6%	44.3%
	2y CAGR (2025e - 2027e)	17.2%	-3.8%	32.2%	15.2%	n.a.	-23.1%	-23.1%
	CAPEX/Sales %	129.9%	92.1%	161.2%	127.7%	87.2%	55.3%	71.2%
	Free Cash Flow	(254.3)	(436.5)	(147.8)		(399.4)	40.6	
	Net financial debt	1,306.7	841.2	643.1		2,336.8	2,083.4	
Multiples and Ratios	ND/EBITDA (x)	6.4	3.9	10.1	6.8	9.5	5.7	7.6
	Pay-out	0.0%	0.0%	13.7%	4.6%	69.1%	0.0%	34.5%
	P/E (x)	9.8	12.0	13.5	11.8	n.a.	15.5	15.5
	P/BV (x)	1.2	2.4	1.7	1.8	0.9	1.1	1.0
	EV/Revenues (x)	8.0	3.0	6.2	5.7	5.0	6.4	5.7
	EV/EBITDA (x)	9.4	9.3	10.9	9.9	12.1	9.2	10.6
	EV/EBIT (x)	12.3	11.4	15.2	13.0	24.4	12.7	18.5
	ROE	12.2	20.1	12.7	15.0	0.3	6.8	3.5
	FCF Yield (%)	n.a.	n.a.	n.a.	n.a.	n.a.	3.8	3.8
	DPS	0.00	0.00	0.04	0.01	0.02	0.00	0.01
	Dvd Yield	0.0%	0.0%	0.8%	0.3%	0.3%	0.0%	0.2%

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

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
02-May-2025	n.a.	2.80	n.a.	n.a.	12m Results 2024	Pablo Victoria Rivera, CESGA
29-Oct-2024	n.a.	4.14	n.a.	n.a.	6m Results 2024	Alfredo Echevarría Otegui
27-May-2024	n.a.	2.91	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
03-May-2024	n.a.	3.25	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
17-Jan-2024	n.a.	3.31	n.a.	n.a.	Estimates downgrade	Enrique Andrés Abad, CFA
02-Nov-2023	n.a.	3.36	n.a.	n.a.	6m Results 2023	Enrique Andrés Abad, CFA
12-Jun-2023	n.a.	4.96	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
02-May-2023	n.a.	5.38	n.a.	n.a.	12m Results 2022	David López Sánchez
07-Mar-2023	n.a.	5.28	n.a.	n.a.	Important news	David López Sánchez
06-Sep-2022	n.a.	5.50	n.a.	n.a.	6m 2022 Preliminary results	David López Sánchez
29-Jul-2022	n.a.	6.17	n.a.	n.a.	Initiation of Coverage	David López Sánchez

