



HECHO RELEVANTE CLERHP ESTRUCTURAS, S.A.

7 de junio de 2018

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 15/2016 del Mercado Alternativo Bursátil (MAB) ponemos en su conocimiento la siguiente información relativa a Clerhp Estructuras, S.A.:

En pasado día 30 de mayo de 2018 la compañía publicó el Plan de Negocio 2018-2020 aprobado por el Consejo de Administración. Como continuación a dicho hecho relevante, se pone a disposición del mercado el Plan de Negocio de la Compañía en inglés.

Murcia, 7 de junio de 2018.

Presidente y Consejero Delegado de CLERHP Estructuras, S.A
Juan Andrés Romero Hernández.



BUSINESS PLAN 2018-2020



Business Plan 2018 – 2020

In case of any discrepancies, the official Spanish version shall prevail.



Introduction

CLERHP is a company dedicated to the business of building structures. Within this business, he carries out the activities of Structural Engineering and Construction of structures. To do this, the company has a Calculation Centre in Spain from which engineering is carried out for all the projects in which CLERHP participates. It does so in such a way that the subsidiaries act as generators of the engineering market, capturing projects in the different cities in which we operate. This form of growth allows the emergence of interesting economies of scale in the matrix and does so through positive feedback, since the availability of own engineering facilitates in turn that the subsidiaries (construction of structures) have an important added value for the client. All this is done with a special interrelation between the calculation, commercial and production areas that make CLERHP a singular company in the sector with a very high specialization.

What does this mean? That we develop techniques that the industry has been applying for decades but that the construction sector has not finished assuming. In the development of any product, the industry develops all the processes that go from the design to the manufacture, encompassing all the processes of engineering, quality control and manufacturing. We emulate these companies and develop similar processes in the structures sector, committing to the European model of Total Quality, and carrying out continuous improvement processes to reach the maximum level as a company. As a result, we obtained ISO 9001: 2015 Certification in Design and Calculation of Reinforced Concrete Structures.



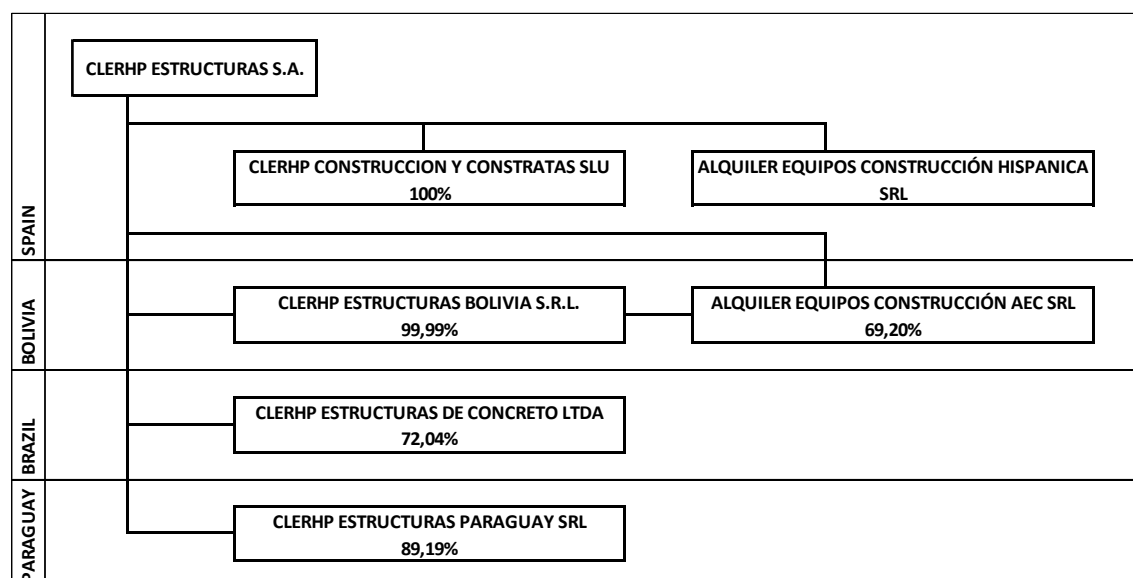
Business Plan 2018 – 2020

In case of any discrepancies, the official Spanish version shall prevail.

When growing, CLERHP, bet on two lines. On the one hand, the organic growth through the implantation in new cities in which to provide services, on the other hand, inorganic growth through the vertical integration of related businesses. As a result of the latter, CLERHP has the rental business of Machinery, necessary for the development of the proposed growth given that the level of competition in the markets in which we operate is reduced and increases prices. In our desire for improvement and growth, we are immersed in a process of international expansion that is allowing us a significant improvement of the company, at the same time as it feeds back on local engineering and increases our international character.

The CLERHP GROUP is made up of a set of companies dedicated to the engineering of structures with services of design, calculation, technical assistance in construction, construction of structures of all types of buildings and provision of equipment and construction machinery. These activities are developed through the parent company, Clerhp Estructuras S.A, and its subsidiaries both in Spain and internationally.

The corporate organization chart of the group is as follows:



Business Plan of CLERHP Estructuras SA for the 2018-2020 financial years.

The following is an indication of the expected financial statements according to the hypotheses of the business plan estimated by the Board for the period considered. The notes clarify the hypotheses and make the comments that the Board considers necessary for the interpretation of these hypotheses.

P&L Consolidated	Notes	2017	2018e	2019e	2020e
<i>Thousands of Euros</i>					
Net Amount of the Turnover	Note 1	5.274	8.043	9.250	10.637
Direct Cost		-1.435	-2.295	-2.639	-3.035
Marging		3.839	5.748	6.611	7.602
<i>% on turnover</i>		72,79%	71,47%	71,47%	71,47%
Other Operating Income		36			
Structure staff costs		-997	-1.446	-1.519	-1.594
General expenses		-1.853	-2.531	-2.658	-2.790
EBITDA		1.026	1.771	2.435	3.217
<i>% on turnover</i>		19,45%	22,02%	26,32%	30,25%
Amortization	Note 2	-410	-512	-641	-801
EBIT		616	1.259	1.794	2.417
<i>% on turnover</i>		11,68%	15,65%	19,40%	22,72%
Financial Income		0			
Financial Expenses		-113	-124	-136	-150
Exchange differences	Note 3	-254			
Financial results		-367	-124	-136	-150
Result before taxes		249	1.135	1.658	2.267
<i>% on turnover</i>		4,73%	14,11%	17,92%	21,31%
Corporation tax	Note 4	-167	-170	-249	-453
Net Profit		82	965	1.409	1.813
<i>% on turnover</i>		1,56%	11,99%	15,23%	17,05%
External partners		(14)	--	--	--

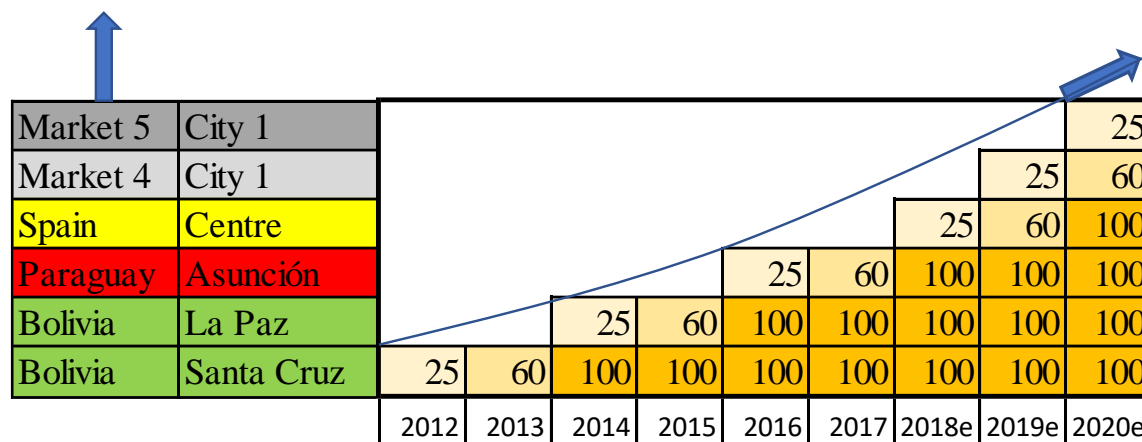
CONSOLIDATED BALANCE	Notes	2017	2018e	2019e	2020e
<i>Thousands of Euros</i>					
Non-Current Assets		1.238	1.499	2.158	2.357
Fixed Assets	Note 2	1.206	1.494	2.153	2.352
Invest. in Group companies and Partners L / T		5	5	5	5
Financial investments L / T		27	0	0	0
Current Assets		3.903	4.336	5.082	6.775
Stock		808	849	891	936
Customers and other debtors	Note 5	2.540	2.667	3.067	3.528
Accrualizations S / T		8	0	0	0
Invest. in Group companies and Partners S/T		36	0	0	0
Financial investments S/T	Note 6	79	79	79	79
Cash		431	741	1.045	2.233
TOTAL ASSETS		5.141	5.834	7.240	9.132
Net Worth		1.943	2.907	4.316	6.130
Own Funds		1.895	2.860	4.269	6.082
<i>Capital</i>		403	403	403	403
<i>Stock Issue premium</i>		1.017	1.017	1.017	1.017
<i>Provisions</i>		551	647	1.611	3.021
<i>Own equity shares</i>	Note 6	-172	-172	-172	-172
<i>Period earnings</i>		96	965	1.409	1.813
Adjustments for change of value		0	0	0	0
Exchange rate differences		-94	-94	-94	-94
<i>External Partners</i>		142	142	142	142
Non-Current Liabilities		1.194	1.481	1.409	1.480
Long Term Provisions		33	0	0	0
Long Term Debts	Note 7	1.161	1.481	1.409	1.480
Current Liabilities		2.005	1.446	1.515	1.522
Short Term Debts	Note 7	1.206	923	947	904
Short Term Debts with Group Companies		0	0	0	0
Suppliers and other creditors	Note 8	799	523	568	618
TOTAL LIABILITIES		5.141	5.834	7.240	9.132

Thousands of Euros

		2017	2018e	2019e	2020e
A) Cash flows from operating activities					
1. Period earnings before taxes		249	1.135	1.658	2.267
2. Earnings adjustment		723	604	777	951
a) Amortization of the fixed assets	(+)	410	512	641	801
b) Valuation corrections for impairment	(+/-)	-5	0	0	0
c) Variation of provisions	(+/-)	0	-33	0	0
e) Results due to disposals and disposals of fixed assets	(+/-)	-50	0	0	0
g) Financial income	(-)	0	0	0	0
h) Financial expenses	(+)	113	124	136	150
i) Exchange differences	(+/-)	254	0	0	0
3. Changes in current capital		-84	-400	-397	-454
a) Stock	(+/-)	-122	-40	-42	-45
b) Debtors and other accounts receivable	(+/-)	-120	-127	-400	-460
c) Other current assets	(+/-)	60	44	0	0
d) Creditors and other accounts payable	(+/-)	194	-276	45	50
e) Other current liabilities	(+/-)	-8	0	0	0
f) Other non-current assets and liabilities	(+/-)	-88	0	0	0
4. Other cash flows from operating activities		-313	-294	-385	-603
a) Interest payments	(-)	-113	-124	-136	-150
c) Interest collections	(+)	0	0	0	0
d) Collections (payments) for tax on profits	(+/-)	-200	-170	-249	-453
5. Cash flows from operating activities (1 + 2 + 3 + 4)		575	1.045	1.652	2.160
B) Cash flows from investment activities					
6. Investment payments	(-)	-575	-800	-1.300	-1.000
b) Intangible assets		-4	0	0	0
c) Immobilized material (fixed assets)		-566	-800	-750	-1.000
d) Investment Property		0	0	-550	0
e) Other financial assets		-5	0	0	0
7. Charges for disinvestments	(+)	167	27	0	0
b) Intangible assets		1	0	0	0
c) Immobilized material (fixed assets)		164	0	0	0
e) Other financial assets		3	0	0	0
g) Other assets		0	27	0	0
8. Cash flows from investment activities (7-6)		-408	-773	-1.300	-1.000
C) Cash flows from financing activities					
9. Collections and payments for worth instruments (a + b + c + d + e)		-25	0	0	0
c) Acquisition of worth instruments dominant company	(-)	-82	0	0	0
d) Disposal of worth instruments of the parent company	(+)	58	0	0	0
10. Collections and payments for financial liability instruments (a-b)		179	37	-48	28
a) Issuance of (1 + 2 + 3 + 4)		806	37	-48	28
2. Debts with credit institutions	(+)	479	37	-48	28
4. Other Debts	(+)	327	0	0	0
b) Return and amortization of (1 + 2 + 3 + 4)		-628	0	0	0
2. Debts with credit institutions	(-)	-403	0	0	0
4. Other Debts	(-)	-224	0	0	0
12. Cash flows from financing activities (9 + 10-11)		154	37	-48	28
D) Effect of changes in exchange rates		-254	0	0	0
E) Net increase / decrease in cash or equivalents (5 + 8 + 12 + D)		67	310	304	1.188
Cash or equivalent at the beginning of the period		364	431	741	1.045
Cash or equivalents at the end of the period		431	741	1.045	2.233

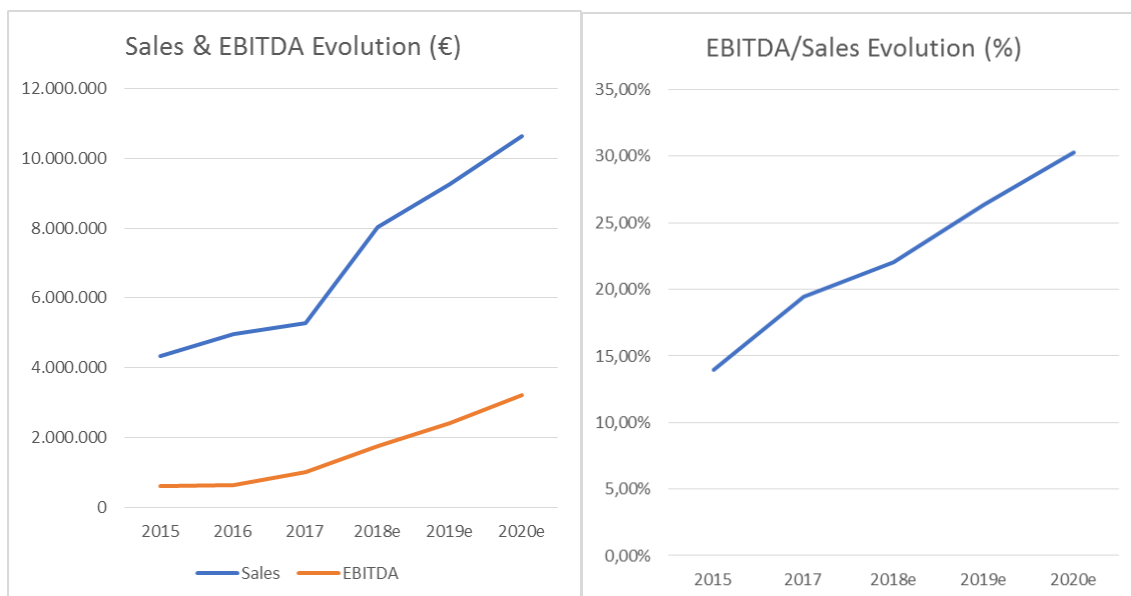
Note 1 - Net amount of turnover

The following chart represents the strategy of opening markets of the company in the coming years. Considering that a typical market can provide sales of between 2.5 and 3 million € per year once consolidated (varies according to the exchange rate):

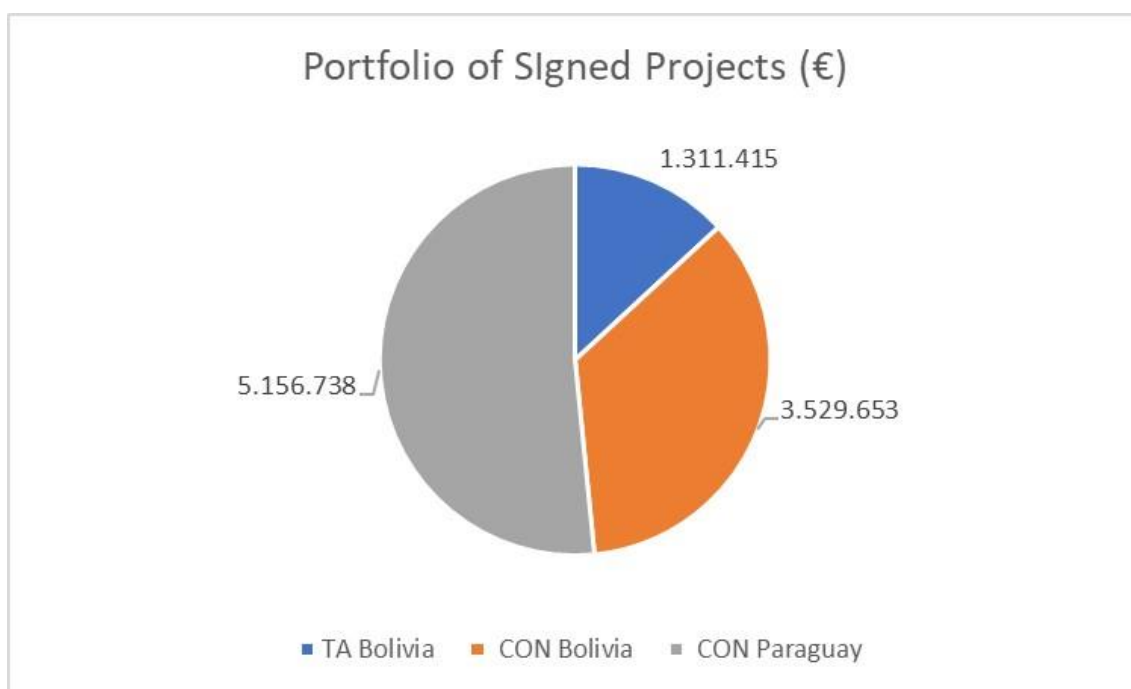


25	Starting Market, 25% of his potencial capacity
60	Growing Market, 60% of his potencial capacity
100	Consolidated Market, 100% of his potencial capacity

The business plan for the period 2018-2020 is characterized by a strong increase in sales in 2018 thanks to the fact that we have reached maturity in the Paraguayan market. For the rest of the years we have considered a sustained growth of 15% up to 2020. This growth shows an increase in EBITDA, both in terms of amount and percentage of sales, highlighting the economies of scale of the business model.

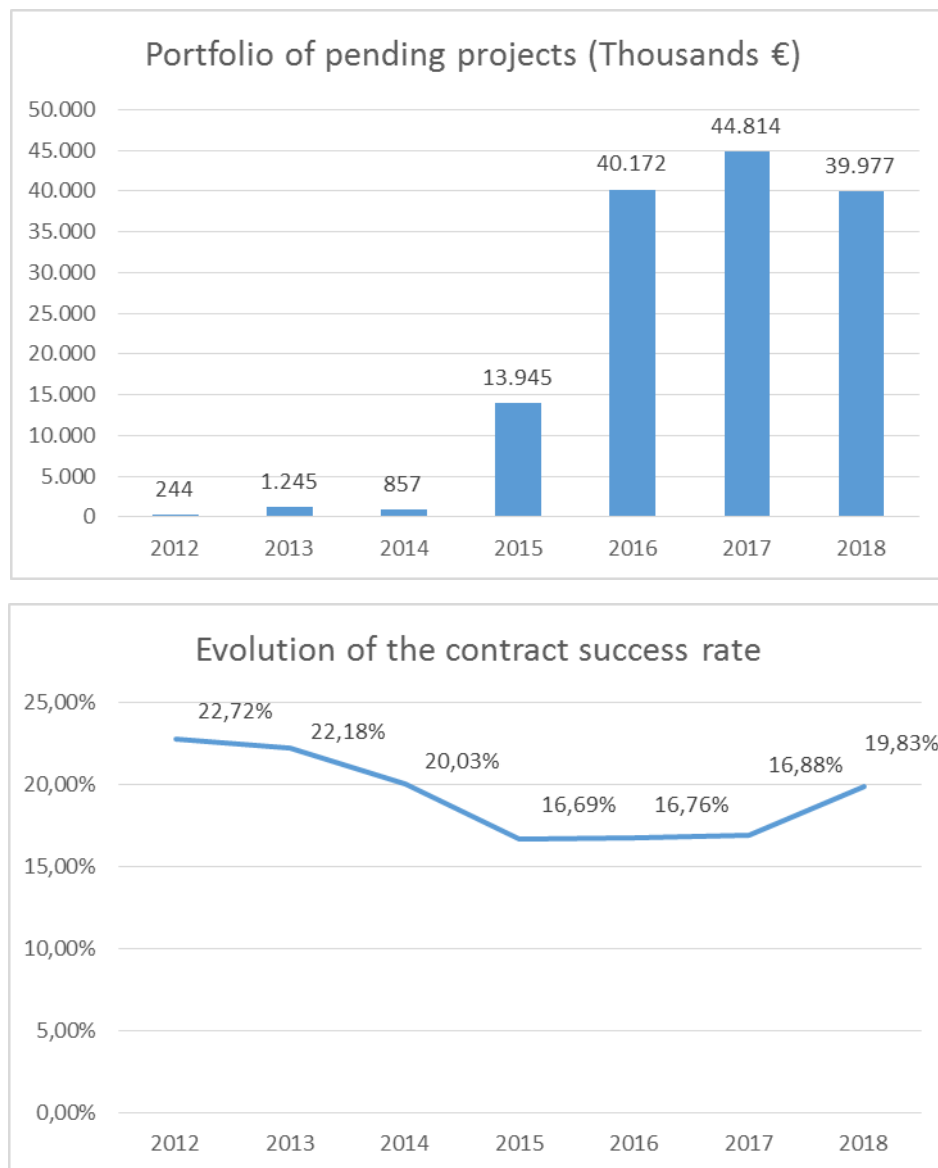


The proposed growth is supported by the portfolio of contracted projects. The following graph shows the portfolio of projects at the close of fiscal year 2017.



As we can see, with the current portfolio of projects signed, we have 100% of sales in 2018 and 22% of sales in 2019. To guarantee growth in the following years, we show the evolution of the portfolio of projects offered pending of answer as well as a graph

with the evolution of contracting rates according to the type of project as well as the evolution of the contract success rate.



As can be seen, the portfolio of pending projects reaches almost € 40 million at the date of publication of this Business Plan. Given the historical success rates it seems reasonable that the sales figures for 2019 and 2020 reach the estimated values. It is also worth mentioning the important effect of the exit to the MaB in the increase of the portfolio offered, which was awaiting a response from 2016, as well as the gradual increase in the hiring rates that are manifested in 2017.

Note 2 - Fixed assets

Amortization has been calculated by estimating the new investments in fixed assets as well as the calculation of the actual depreciation of existing investments.

For this, the new investments considered are the following:

	2018e	2019e	2020e
Productive assets	800.000	750.000	1.000.000
Real Estate		550.000	
TOTAL	800.000	1.300.000	1.000.000

The investments initially planned per year are the following:

2018: The acquisition of equipment for the implementation of the company in the Spanish market and the investments for the realization of the contract announced in Relevant Event of February 15, 2018 on the construction of the "government offices" in Paraguay.

2019: The acquisition of equipment will be made to continue with the growth in Spain as well as the replacement of equipment in the different markets in which the company operates (Spain, Bolivia and Paraguay). The first investments will be made in a new market. The purchase of the offices of the headquarters of the company, currently rented with purchase option. These offices are located on Avenue de Europa 3b mezzanine 1 of Murcia.

2020: Investments will be made in the market started in 2019 to reach the expected productive capacity, corresponding to formwork and crane equipment.

Note 3 - Change differences

In calculating the business plan, it has been considered that the EUR / USD exchange rate remains fixed throughout the Plan period. This hypothesis has been taken given that any hypothesis that was founded on the value of the exchange rate would be speculation. Given the strong exposure of the company to a basket of currencies closely related to the dollar, all figures could vary due to the exchange rate.

Note 4 - Corporation Tax

The tax credits of each of the subsidiaries have been taken into account for calculating the tax. Likewise, the tax rate is different in each market, so the rate does not correspond to a fixed rate.

Note 5 - Customers and other debtors

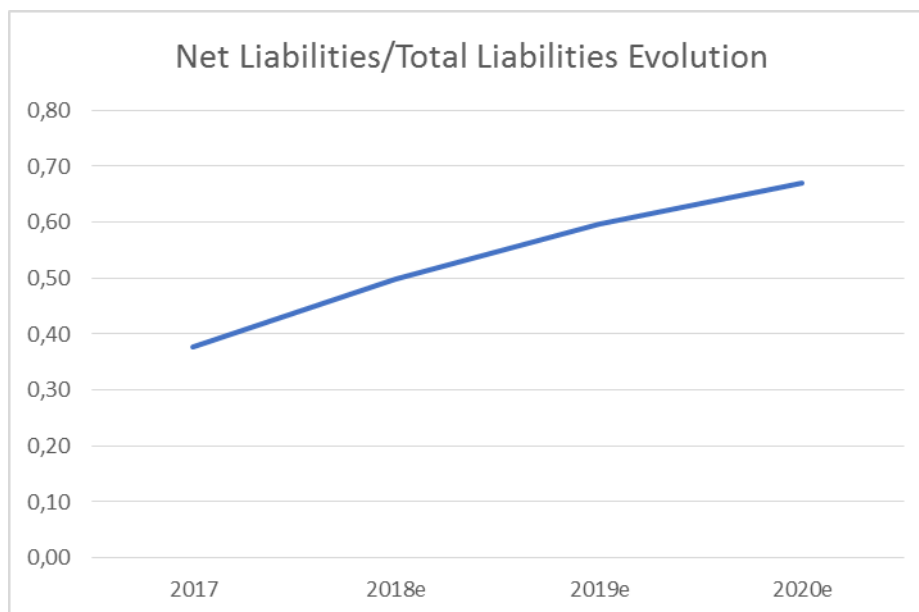
The customers account and other debtors include the debts that the clients have with the company for different concepts. On the one hand, there is the currency that exists between billing and collection. On the other hand, the retentions that customers make of each invoice are included and returned a few months after the project has concluded. The most important part of this heading is the work in progress of the engineering works. All the concepts mentioned are growing with sales if the growth situation of the company is healthy. The business plan has considered an increase of this item of 5% for 2018 and 15% for the following years, coinciding with the estimated growth of sales.

Note 6 - Own Shares

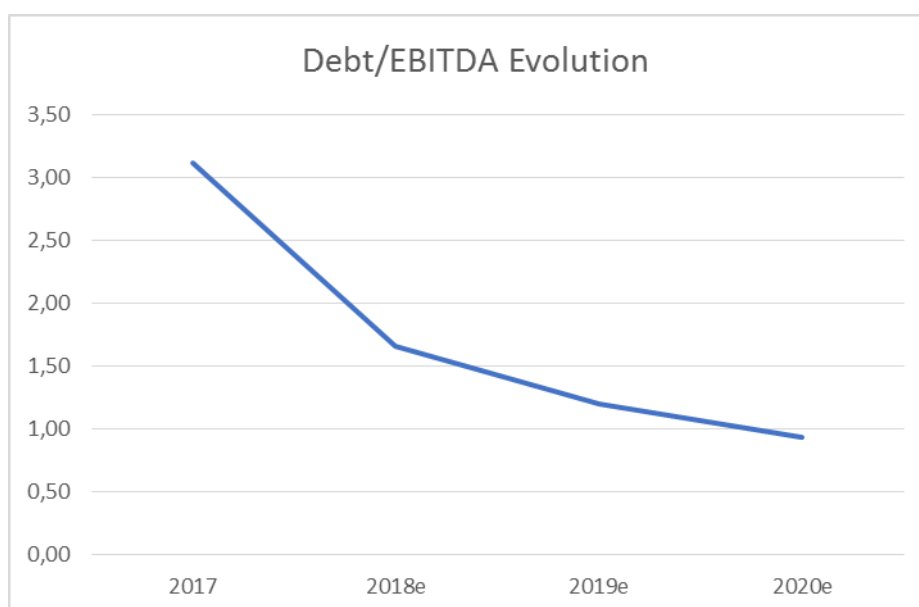
In the preparation of the Business Plan it has been considered that the share price is not modified by a prudential criterion. Therefore, the balance sheet item for financial investments, as well as the item of own shares remain unchanged. These two items correspond to the amounts both in cash and in shares that are made available to the liquidity provider. Logically, both items will vary with the passage of time, but this Business Plan does not intend to estimate a future valuation of the company.

Note 7 - Debts

The strategy in the management of the debt of the company is to gradually reduce its weight in the total liabilities, making the Patrimony reach more than 55% of the total liabilities. According to this plan, this objective is reached in the year 2019e.



With respect to the weight of the debt with respect to the EBITDA, and as a result of the strategy of net worth against debt, a gradual reduction of the ratio is expected until it falls below one.



Note 8 - Other creditors

In the case of other creditors, a reduction has been considered for the year 2018 by standardizing a payment policy so that the item reflects a month of costs pending payment.

Dividend policy

With the estimates shown, the board will propose to the board the following dividend policy.

"It is proposed to pay a dividend to the shareholder, always maintaining a ratio of Net Equity / Total Liabilities > 0.55. In turn, the treasury ratio (Realizable to ST + Cash / Current Liabilities) will remain above 2. For the calculation of this ratio, the work in progress by engineering will not be taken into account. The rest of the cash box fulfilled these two ratios and the legally established obligations, may be distributed as a dividend or the board proposes new investments not contemplated in the Business Plan. "

Other considerations

For reading and interpreting the estimates contained in this document, the following aspects must be taken into account:

- i) The Board of Directors of the Company, on May 25, 2018, has approved this Business Plan.
- ii) The estimates made in this Business Plan have been prepared using criteria comparable to those used for historical financial information.
- iii) The Company undertakes to inform the Market, as soon as it is perceived as probable, that the actual figures differ significantly from the forecasts or estimates. In any case, it will be considered as such a variation, both upwards and downwards, equal to or greater than 10 percent. Notwithstanding the above, for other reasons, variations below that 10 percent could be significant.
- iv) Assumptions and main factors that could substantially affect compliance with the Business Plan:

[Risks related to the retention of talent](#)

The accumulation of knowledge in the current professionals and managers of the Company, and the commercial potential of both these and their main partners,

generates an important criticality for the future development of the Company. In the case of CLERHP there is a high dependence on the person of Juan Andrés Romero Hernández, President and CEO of the Company, in the business development.

Risks linked to the characteristics of the business model

It is a risk that affects the business model, in all its lines, by the cyclical component of the activities related to the construction sector. This risk is generalized for all geographic markets (Spain, Brazil, Paraguay or Bolivia included, current and immediate markets foreseen by the Company), even if they have strong growth potential. A break in the sector or any of its subsectors (design and calculation of structures, construction, rental of machinery or technical assistance, etc.) derived from a contagion of other sectors or by saturation of it, would affect the activity of the company substantially. It should be added that, in addition, the slowdown is usually abrupt and that the sectorial overreaction to the economic cycle - in both positive and negative environments - is usually very sharp.

Risks of customer concentration

Due to the characteristics of the projects and the clients, there is a recurring concentration of billing in a few customers. The effect is mitigated by geographical diversification, but at the time of issuance of this Business Plan, the business is not considered sufficiently diversified to consider this risk exceeded.

Risks of geographical concentration

To date, the entire business of the Company is concentrated in its operations in Bolivia and Paraguay. In the event that these countries enter a negative economic cycle, or that the sector displays dynamics of contraction of the business or of competitive emergence, it is foreseeable an immediate deterioration of the sales, the margins and the balance of the Company.

Risks related to the exchange rate

Although the Company monitors the evolution of exchange rates to make timely coverage of them if necessary, in the case of its main market - Bolivia - there is a risk of a change in the fixed rate that the country applies against the dollar. The company can protect the exchange rate of the euro against the dollar, but cannot protect any devaluation by the government of the local currency. This exchange rate risk will be extended as activity grows in new countries with a currency other than the euro, in particular in Brazil and Paraguay.

Tax risks

The structure of the Company is still limited in its central services as far as administrative functions are concerned, using mainly the support of third-party professionals and their advisory firms to meet their tax, accounting, labor and legal obligations. This implies that the fiscal complexity inherent in international operations combined with the growth that the Company is playing and hopes to continue to play a leading role in the future, may determine that operational risks in the management of tax matters may be incurred at some point.