

Business description

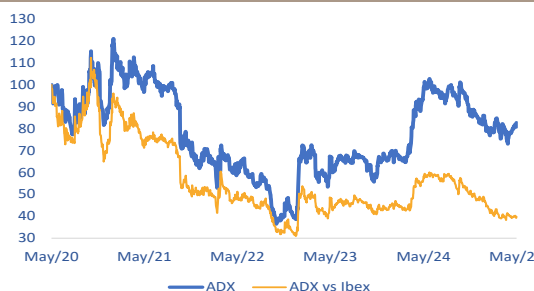
Audax Renovables (ADX) is an independent energy group whose core business is the supply of electricity and gas, focused on the Industrial segment (large customer and SME, c.51% y 43%, respectively of the customer portfolio) with an international presence (66% o/sales 2024, excl. Portugal). It has 267MW of installed capacity, 84MW under construction and 604MW of PV at various stages of development.

Market Data

Market Cap (Mn EUR and USD)	711.9	794.6
EV (Mn EUR and USD) ⁽²⁾	976.4	1,089.9
Shares Outstanding (Mn)	453.4	
-12m (Max/Med/Mín EUR)	1.95 / 1.69 / 1.38	
Daily Avg volume (-12m Mn EUR)	0.44	
Rotation ⁽³⁾	15.8	
Factset / Bloomberg	ADX-ES / ADX SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

José Elías Navarro	72.6
Global Portfolio Investment	7.0
Treasury stock	0.6
Free Float	19.9

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	9.5	4.8	-15.0	-17.3
vs Ibex 35	-2.3	-1.5	-31.2	-60.2
vs Ibex Small Cap Index	-3.5	-3.7	-24.3	-52.8
vs Eurostoxx 50	-3.2	6.4	-20.3	-57.1
vs Sector benchmark ⁽⁴⁾	5.3	-5.0	-21.0	-38.6

(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.

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

3m25 Results: revenue growth (+c.19%), bringing EBITDA to a record EUR 33 Mn

SUPPLY POINT GROWTH (C.+16%), BOOSTING REVENUE BY C.+19% IN 1Q25. The energy price context during 1Q25 (in Spain: average electricity price c.+100% vs 1Q24) and the increase in supply points (+c.16% vs 1Q24) have pushed ADX's revenue to EUR 571.2 Mn (+18.5% vs 1Q24). Supply point growth in the Rest of Europe (+53.3% vs 1Q24), mainly in Italy, stands out.

Gross margin increased at a lower rate than revenue (+3.6% vs 1Q24), reaching EUR 62.8 Mn (EUR +2.2 Mn vs 1Q24). Therefore, gross margin decreased by -1.6 p.p. vs 1Q24 to 11.0%.

AND PLACES EBITDA AT RECORD LEVELS. The absolute increase in gross margin (EUR +2.2 Mn) is almost entirely transferred to EBITDA due to a containment of operating expenses (+1.4% vs 1Q24), which leads 1Q25 EBITDA to record levels of EUR 33.3 Mn (+5.7% vs 1Q24; EBITDA margin 5.8% vs 6.5% in 1Q24). Net profit (EUR 12.7 Mn in 1Q25) saw a decrease of c. -25% mainly due to (i) a negative effect of exchange rate differences (vs positive impact in 1Q24) and (ii) the absence of extraordinary income (EUR 2.5 Mn) from the redemption of convertible bonds. Excluding both effects, it would increase by c.+40%.

Net financial debt increased by +13.8% vs 1Q24 and stands at c. EUR 260 Mn, mainly due to non-recourse debt associated with new production projects. ADX continues to focus on reducing financial debt and the Net Debt/EBITDA ratio (2.2x in 1Q25).

THE 1Q25 RESULTS CONFIRM THE EFFECTIVENESS OF ADX'S BUSINESS MODEL: (i) prioritizing profitability vs growth, (ii) focus on the SME/industrial segment, (iii) operational efficiency, and (iv) vertical integration. This leads us to believe that the margin improvement does not appear to be temporary. The results will continue to be a positive catalyst. The underperformance of the stock -12m (-15.0%; -21.0% vs sector) does not seem supported if the current margin level consolidates (our base scenario).

Results table

EUR Mn	3m25 Real	3m24	3m25 Real vs 3m24
Total Revenues	571.2	482.1	18.5%
Gross Margin	62.8	60.6	3.6%
Gross Margin/Revenues	11.0%	12.6%	-1.6 p.p.
EBITDA	33.3	31.5	5.7%
EBITDA /Revenues	5.8%	6.5%	-0.7 p.p.
EBIT	28.4	26.1	8.8%
EBI/Revenues	5.0%	5.4%	-0.4 p.p.
NP	12.7	16.9	-24.7%
Supply points (thousand)	455	393	15.8%
Energy supplied (TWh)	4.9	4.6	7.7%
MW in operation ¹	201	201	0.0%
Electricity generation (GWh) ¹	69	73	-5.7%
	3m25 Real	3m24	3m25 Real vs 3m24
Net Debt⁽²⁾	260.3	228.7	13.8%

(1) Installed capacity (MW) and energy generated (GWh) excluding the wind farm in Panamá (66MW, with a 30% stake; equity accounted).

(2) Net debt adjusted to eliminate the impact of IFRS 16.

Appendix 1. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	711.9	
+ Minority Interests	13.1	3m Results 2025
+ Provisions & Other L/T Liabilities	43.1	3m Results 2025
+ Net financial debt	260.3	3m Results 2025
- Financial Investments	51.9	3m Results 2025
+/- Others		
Enterprise Value (EV)	976.4	

Appendix 2. Main peers (2025e)

	EUR Mn	Integrated Utilities				Average	Renewable Energy			Average
		Iberdrola	Endesa	Naturgy	EDP		Solaria	Grenergy	Scatec A	
Market data	Ticker (Factset)	IBE-ES	ELE-ES	NTGY-ES	EDP-PT		SLR-ES	GRE-ES	SCATC-NO	
	Country	Spain	Spain	Spain	Portugal		Spain	Spain	Norway	
	Market cap	97,864.3	26,659.4	24,725.2	14,242.4		840.2	1,535.0	1,202.2	
	Enterprise value (EV)	165,126.8	37,942.5	38,587.7	37,728.3		1,931.9	2,061.3	3,293.8	
Basic financial information	Total Revenues	48,547.2	24,569.8	19,641.8	17,089.1		238.3	670.3	552.2	
	Total Revenues growth	9.5%	17.4%	1.9%	11.9%	10.2%	34.7%	26.1%	46.4%	35.7%
	2y CAGR (2025e - 2027e)	2.3%	-1.1%	-1.9%	2.0%	0.3%	23.7%	11.3%	10.2%	15.1%
	EBITDA	16,445.8	5,487.5	5,191.7	4,816.5		205.5	214.3	359.2	
	EBITDA growth	2.8%	-7.0%	-0.2%	12.6%	2.0%	2.0%	55.9%	29.3%	29.1%
	2y CAGR (2025e - 2027e)	5.4%	1.5%	0.3%	0.5%	1.9%	18.2%	20.1%	9.0%	15.8%
	EBITDA/Revenues	33.9%	22.3%	26.4%	28.2%	27.7%	86.2%	32.0%	65.0%	61.1%
	EBIT	10,579.7	3,251.5	3,385.3	2,950.9		157.1	174.2	252.4	
	EBIT growth	-2.9%	-17.7%	-7.6%	58.8%	7.6%	-0.4%	53.9%	41.2%	31.6%
	2y CAGR (2025e - 2027e)	5.8%	1.0%	0.2%	-0.5%	1.6%	16.5%	16.4%	6.8%	13.3%
	EBIT/Revenues	21.8%	13.2%	17.2%	17.3%	17.4%	65.9%	26.0%	45.7%	45.9%
	Net Profit	6,013.1	2,030.0	1,853.7	1,211.1		84.9	119.4	85.5	
	Net Profit growth	6.8%	7.5%	-3.6%	51.2%	15.5%	-4.2%	99.7%	-24.4%	23.7%
	2y CAGR (2025e - 2027e)	5.5%	1.4%	-2.5%	-1.1%	0.8%	15.9%	-3.8%	-27.3%	-5.1%
	CAPEX/Sales %	26.7%	13.8%	12.0%	20.1%	18.2%	130.5%	92.1%	55.3%	92.7%
	Free Cash Flow	692.4	498.5	1,381.1	117.8		(244.4)	(443.0)	37.5	
Multiples and Ratios	Net financial debt	57,048.8	10,671.1	14,009.6	17,150.6		1,304.6	841.2	2,112.0	
	ND/EBITDA (x)	3.5	1.9	2.7	3.6	2.9	6.3	3.9	5.9	5.4
	Pay-out	71.4%	70.4%	81.9%	68.8%	73.1%	0.0%	0.0%	0.0%	0.0%
	P/E (x)	16.1	13.2	13.5	11.7	13.6	9.8	12.7	14.6	12.4
	P/BV (x)	1.8	3.0	2.5	1.1	2.1	1.2	2.5	1.1	1.6
	EV/Revenues (x)	3.4	1.5	2.0	2.2	2.3	8.1	3.1	6.0	5.7
	EV/EBITDA (x)	10.0	6.9	7.4	7.8	8.1	9.4	9.6	9.2	9.4
	EV/EBIT (x)	15.6	11.7	11.4	12.8	12.9	12.3	11.8	13.1	12.4
	ROE	11.3	23.0	18.5	9.1	15.5	12.3	20.1	7.8	13.4
	FCF Yield (%)	0.7	1.9	5.6	0.8	2.2	n.a.	n.a.	3.1	3.1
	DPS	0.67	1.35	1.58	0.20	0.95	0.00	0.00	0.00	0.00
	Dvd Yield	4.4%	5.4%	6.2%	5.9%	5.5%	0.0%	0.0%	0.0%	0.0%

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
15-May-2025	n.a.	1.57	n.a.	n.a.	3m Results 2025	Pablo Victoria Rivera, CESGA
03-Mar-2025	n.a.	1.57	n.a.	n.a.	12m Results 2024	Pablo Victoria Rivera, CESGA
14-Nov-2024	n.a.	1.68	n.a.	n.a.	9m Results 2024	Alfredo Echevarría Otegui
01-Oct-2024	n.a.	1.83	n.a.	n.a.	6m Results 2024	Alfredo Echevarría Otegui
27-May-2024	n.a.	1.86	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
15-May-2024	n.a.	1.88	n.a.	n.a.	3m Results 2024	Enrique Andrés Abad, CFA
29-Feb-2024	n.a.	1.27	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
13-Nov-2023	n.a.	1.10	n.a.	n.a.	9m Results 2023 - Estimates upgrade	Enrique Andrés Abad, CFA
29-Sep-2023	n.a.	1.25	n.a.	n.a.	6m Results 2023	Enrique Andrés Abad, CFA
12-Jun-2023	n.a.	1.23	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
12-May-2023	n.a.	1.28	n.a.	n.a.	3m Results 2023 - Estimates upgrade	David López Sánchez
27-Feb-2023	n.a.	1.28	n.a.	n.a.	12m Results 2022	David López Sánchez
16-Nov-2022	n.a.	0.87	n.a.	n.a.	9m Results 2022	David López Sánchez
03-Oct-2022	n.a.	0.82	n.a.	n.a.	6m Results 2022	David López Sánchez
13-May-2022	n.a.	1.17	n.a.	n.a.	3m Results 2022	David López Sánchez
01-Mar-2022	n.a.	1.28	n.a.	n.a.	12m Results 2021	David López Sánchez
16-Nov-2021	n.a.	1.27	n.a.	n.a.	9m Results 2021	David López Sánchez
01-Oct-2021	n.a.	1.48	n.a.	n.a.	6m Results 2021	David López Sánchez
14-May-2021	n.a.	1.89	n.a.	n.a.	3m Results 2021	David López Sánchez
02-Mar-2021	n.a.	1.99	n.a.	n.a.	12m Results 2020	David López Sánchez
12-Nov-2020	n.a.	2.01	n.a.	n.a.	9m Results 2020	David López Sánchez
13-Oct-2020	n.a.	2.03	n.a.	n.a.	Estimates downgrade	David López Sánchez
24-Sep-2020	n.a.	1.68	n.a.	n.a.	6m Results 2020	David López Sánchez
14-May-2020	n.a.	1.90	n.a.	n.a.	3m Results 2020	David López Sánchez
28-Feb-2020	n.a.	2.37	n.a.	n.a.	12m Results 2019	David López Sánchez
14-Nov-2019	n.a.	2.07	n.a.	n.a.	9m Results 2019	David López Sánchez
24-Sep-2019	n.a.	1.66	n.a.	n.a.	Initiation of Coverage	David López Sánchez

