

Clerhp Estructuras (CLR), is a small structural engineering company (vertically integrated). In 2022, it acquired land in the Dominican Republic (DR) to start the Larimar project (construction of c.20,000 apartments and villas, hotels...). Completely changing the company. It would become (from 2025e) essentially a tourism and residential developer in DR. CLR has been listed on BME Growth since March 2016.

**Enrique Andrés Abad, CFA** – enrique.andres@institutodeanalistas.com  
 +34 915 904 226

## 2024e: sharp jump in recurring EBITDA (to EUR 9.1Mn; 2x rec. EBITDA 2023)

### Market Data

Market Cap (Mn EUR and USD)	62.8	67.3
EV (Mn EUR and USD) <sup>(1)</sup>	72.6	77.8
Shares Outstanding (Mn)	14.6	
-12m (Max/Med/Min EUR)	5.02 / 3.64 / 2.57	
Daily Avg volume (-12m Mn EUR)	0.11	
Rotation <sup>(2)</sup>	43.9	
Factset / Bloomberg	CLR-ES / CLR SM	
Close fiscal year	31-Dec	

### Shareholders Structure (%)<sup>(6)</sup>

Romero Family	26.5
Trina World Wide	10.1
Alejandro Clemares Sempere	7.5
Víctor Manuel Rodríguez Martín	6.4
Free Float	44.3

### Financials (Mn EUR)

	2023	2024e	2025e	2026e
Adj. nº shares (Mn)	13.6	14.1	14.1	14.1
Total Revenues	17.5	24.5	50.3	142.2
Rec. EBITDA	4.4	9.1	13.5	33.1
% growth	6.0	105.0	48.7	145.8
% Rec. EBITDA/Rev.	25.2	36.9	26.8	23.3
% Inc. EBITDA sector <sup>(3)</sup>	3.5	12.9	6.0	6.2
Net Profit	0.8	5.1	7.1	20.9
EPS (EUR)	0.06	0.36	0.51	1.49
% growth	-50.5	516.8	41.3	192.2
Ord. EPS (EUR)	0.00	0.36	0.51	1.49
% growth	-97.0	n.a.	41.3	192.2
Rec. Free Cash Flow <sup>(4)</sup>	-2.6	-4.0	-24.2	14.2
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	9.6	13.5	37.7	23.6
ND/Rec. EBITDA (x)	2.2	1.5	2.8	0.7
ROE (%)	19.0	58.2	48.3	72.5
ROCE (%) <sup>(4)</sup>	37.4	28.7	21.8	38.4

### Ratios & Multiples (x)<sup>(5)</sup>

	2023	2024e	2025e	2026e
P/E	73.9	12.0	8.5	2.9
Ord. P/E	n.a.	12.0	8.5	2.9
P/BV	10.2	5.6	3.4	1.6
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	4.15	2.96	1.44	0.51
EV/Rec. EBITDA	16.4	8.0	5.4	2.2
EV/EBIT	14.2	8.8	5.8	2.3
FCF Yield (%) <sup>(4)</sup>	n.a.	n.a.	n.a.	22.6

- (1) Please refer to Appendix 3.  
 (2) Rotation is the % of the capitalisation traded - 12m.  
 (3) Sector: Stoxx Europe 600 Real State.  
 (4) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.  
 (5) Multiples and ratios calculated over prices at the date of this report.  
 (6) Others: Meca Alcázar 5.1%

**NEW 2024E ESTIMATES: REVENUE OF EUR 24.5MN...** We are revising down our revenue estimates (-16% and -15% vs our previous estimates in 2024e and 2025e, respectively; CLR estimates -22% in 2024e and -28% in 2025e vs its previous estimates) due to slower-than-expected growth in the core structural engineering and development businesses. Even so, we are still projecting strong growth of 40% in revenue in 2024e to EUR 24.5Mn. And we are not factoring in any impact of the Larimar project (development) in our 2024e numbers.

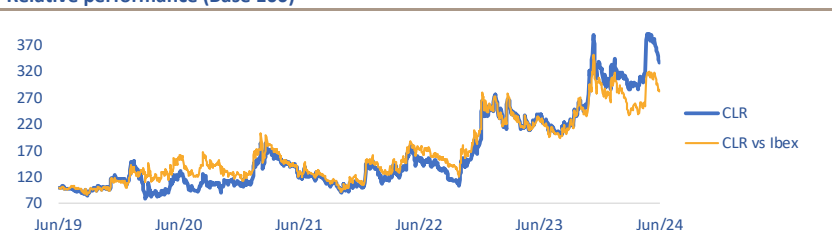
**...AND RECURRING EBITDA OF EUR 9.1Mn (VS OUR PREVIOUS ESTIMATE OF EUR 12MN AND CLR'S ESTIMATE OF EUR 13.5MN).** This strong improvement (even despite the downward revision) is the result of: (i) heady top-line revenue growth, (ii) gross margin expansion (+2.6 p.p. in 2023) and (iii) the high operational gearing of the structural business (100% of the business mix in 2024e).

**2024E-2026E: "ASTRONOMICAL" TAKE-OFF IN REVENUE AND REC. EBITDA...** This will be driven by the Larimar City project, which will cause revenue to soar (with a nearly complete change in mix) along with recurring EBITDA and the pipeline of projects in the traditional business. It will turn the company (as of 2025e) essentially into a tourist and real estate developer in the Dominican Republic. For 2026e, we estimate recurring EBITDA of EUR 33.1Mn (vs EUR 9.1Mn in 2024e).

**...BUT NOT WITHOUT RISKS.** The disparity between the size of CLR's current balance sheet (EUR 6.2Mn book value in 2023) and the c.EUR 310Mn investment in Larimar (2024e-26e) poses a risk. This inherently means increased commercial, operational, macroeconomic (exposure to an emerging economy) and funding risk.

**THE EQUITY STORY REMAINS INTACT: AN OPPORTUNITY FOR EXPONENTIAL GROWTH (WITH SIGNIFICANT RISK).** 2024e (marketing) and 2025e (start of deliveries) will be crucial for gauging the attractiveness of the growth/risk combination CLR offers the market at present, and the extent to which the enormous valuation upside that, on paper, Larimar enjoys will materialise. Our numbers for 2024e (with no impact from the Larimar project) would put CLR trading at an EV/recurring EBITDA multiple of 8.0x (5.4x 2025e; 2.2x 2026e, and so on).

### Relative performance (Base 100)



Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-12.2	17.4	42.2	2.6	183.6	236.7
vs Ibex 35	-9.6	18.8	23.2	-5.3	131.0	183.0
vs Ibex Small Cap Index	-9.4	10.8	34.9	-4.0	194.6	160.5
vs Eurostoxx 50	-9.8	22.0	26.3	-5.2	137.0	139.0
vs Sector benchmark <sup>(3)</sup>	-9.2	19.8	16.9	8.5	311.6	341.4

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

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## CLERHP Estructuras (CLR) is a BME Growth company.

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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.

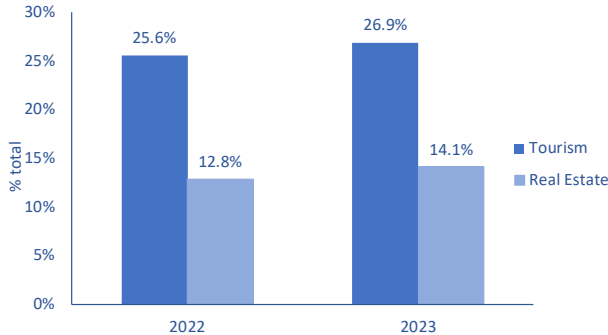
BME Growth is the Spanish equity market for companies of reduced capitalisation which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are 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).

**Estimates downgrade**
**Table 1. Estimates downgrade**

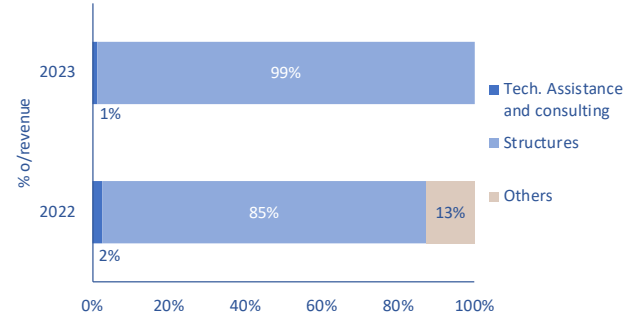
EUR Mn	2024e (New)	Review (%)	2025e (New)	Review (%)	2026e (New)	Review (%)
<b>Total Revenues</b>	<b>24.5</b>	<b>-16.5%</b>	<b>50.3</b>	<b>-15.0%</b>	<b>142.2</b>	<b>-2.5%</b>
<b>Recurrent EBITDA</b>	<b>9.1</b>	<b>-24.4%</b>	<b>13.5</b>	<b>0.8%</b>	<b>33.1</b>	<b>-2.5%</b>
<i>Recurrent EBITDA growth</i>	<i>105.0%</i>	<i>-66 p.p.</i>	<i>48.7%</i>	<i>37 p.p.</i>	<i>145.8%</i>	<i>-9 p.p.</i>
<i>Rec. EBITDA/Revenues</i>	<i>36.9%</i>	<i>-4 p.p.</i>	<i>26.8%</i>	<i>4 p.p.</i>	<i>23.3%</i>	<i>0 p.p.</i>
<b>EBIT</b>	<b>8.3</b>	<b>-30.8%</b>	<b>12.4</b>	<b>-3.7%</b>	<b>32.2</b>	<b>-4.3%</b>
<b>Net Profit</b>	<b>5.1</b>	<b>-28.2%</b>	<b>7.1</b>	<b>15.6%</b>	<b>20.9</b>	<b>0.1%</b>
<i>ND/EBITDA</i>	<i>1.5 x</i>	<i>-0.6 x</i>	<i>2.8 x</i>	<i>-2.2 x</i>	<i>0.7 x</i>	<i>-0.1 x</i>

The company in 8 charts

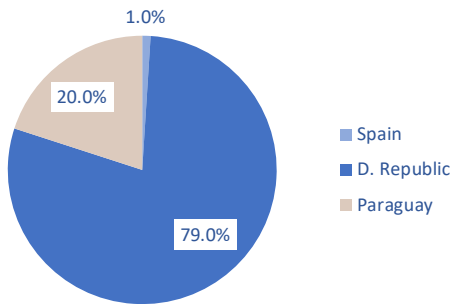
**Tourism and construction are two key sectors for the Dominican Republic, attracting a large % of annual FDI to the country**



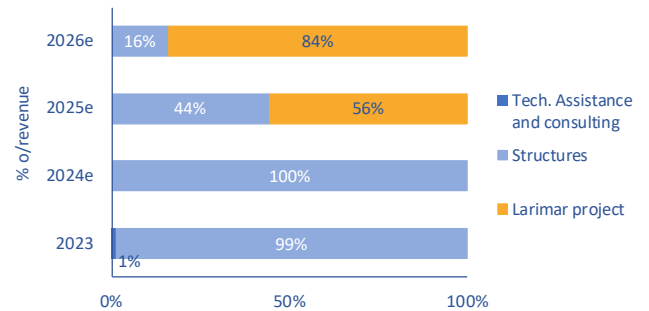
**CLR: a business positioned over its customers' entire value chain. Its core business is the construction of structures**



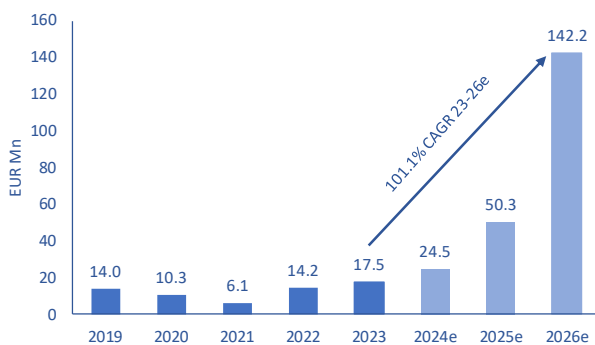
**The company has high business concentration in the Dominican Republic, representing 79% of revenue in 2023.**



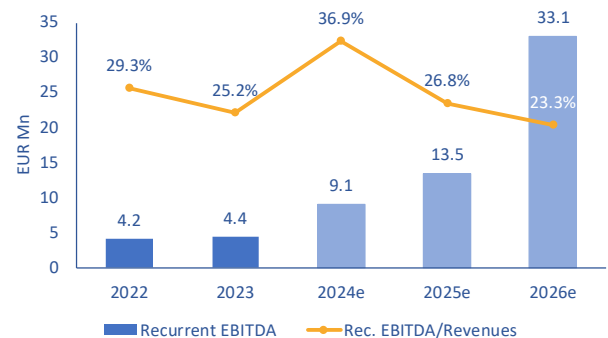
**The DR's share of revenue should rise even further with the Larimar project, which will drive complete change in the business mix...**



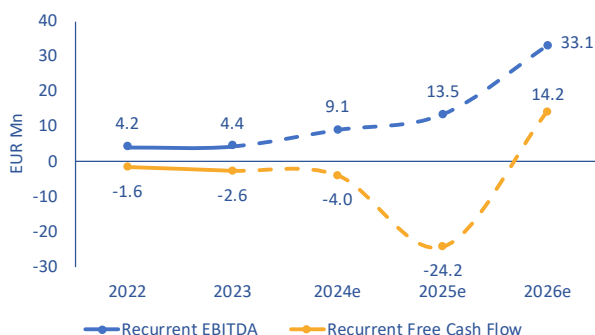
**... paving the way for a (very demanding) lift-off in topline revenue in the P&L to EUR 142.2Mn in 2026e**



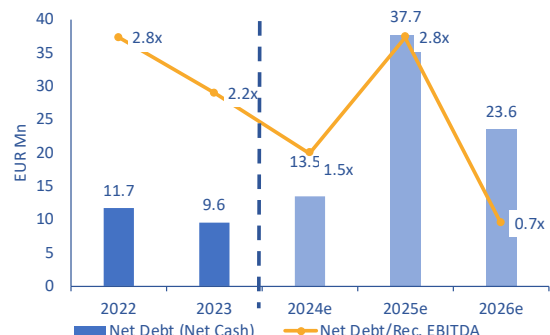
**Pushing up recurring EBITDA to EUR 33.1Mn in 2026e (vs EUR 9.1Mn in 2024e), because of strong growth in revenue volume...**



**... leaving positive rec. FCF generation of EUR 14.2Mn in 2026e (vs EUR -4.0Mn in 2024e). Highly dependent on the pace of deliveries**



**Increase in ND in 2025e to EUR 38Mn, before tapering off sharply in 2026e (ND of EUR 23.6Mn; ND/rec. EBITDA multiple of 0.7x).**

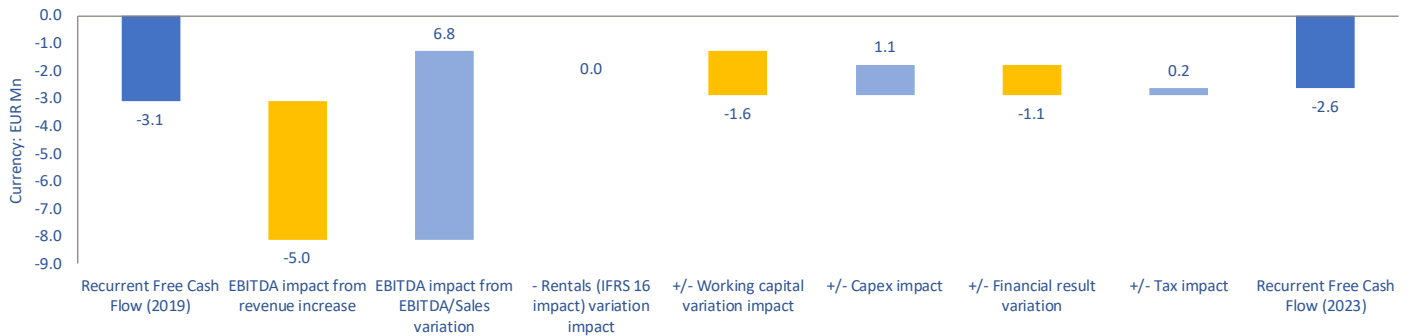
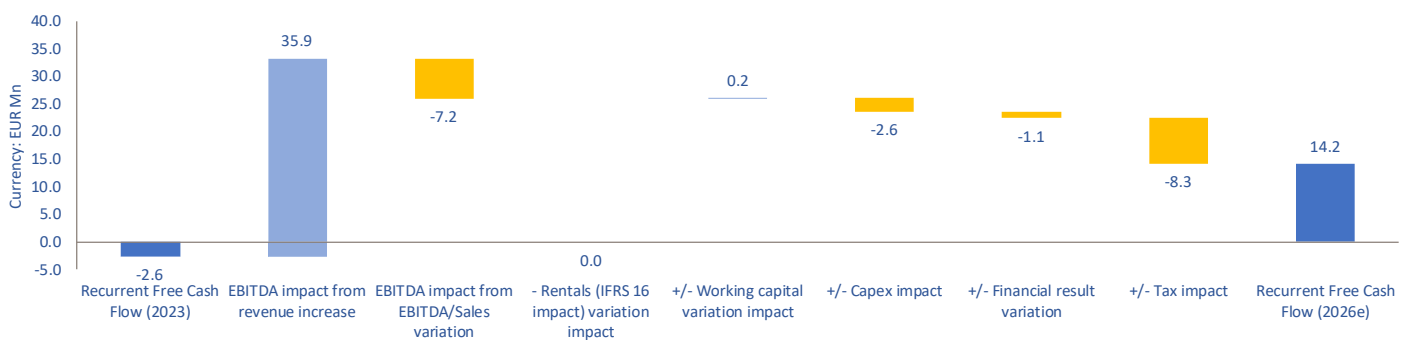
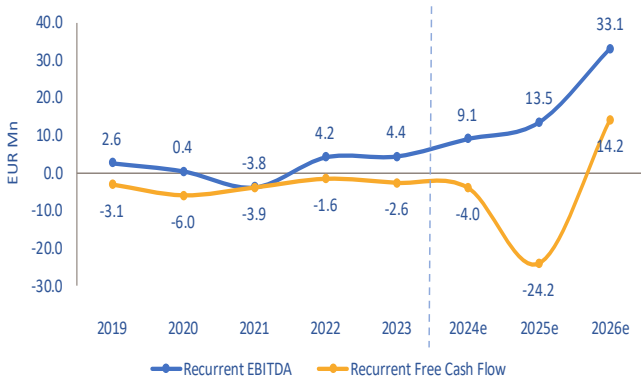
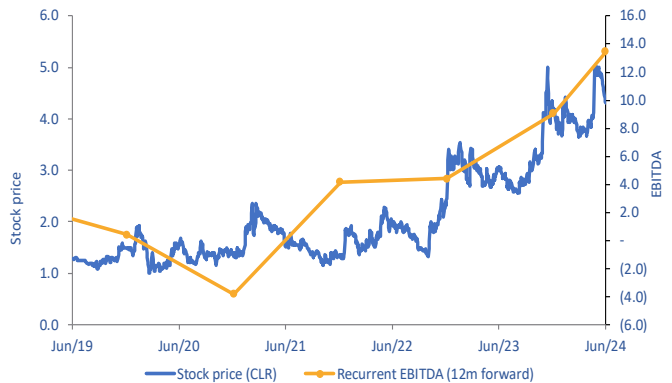


## Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets	0.4	2.0	2.7	0.8	0.5	0.6	0.7	0.8		
Fixed assets	4.2	4.2	3.4	3.9	4.5	6.3	8.2	10.8		
Other Non Current Assets	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.1		
Financial Investments	0.2	1.0	0.9	5.5	3.9	3.9	3.9	3.9		
Goodwill & Other Intangibles	-	0.3	0.2	-	-	-	-	-		
Current assets	7.0	9.7	9.2	13.0	29.1	43.9	101.3	215.1		
<b>Total assets</b>	<b>11.9</b>	<b>17.3</b>	<b>16.8</b>	<b>23.3</b>	<b>38.2</b>	<b>54.8</b>	<b>114.2</b>	<b>230.7</b>		
Equity	3.7	1.9	(2.8)	2.2	6.2	11.2	18.4	39.3		
Minority Interests	0.3	0.7	0.1	(0.0)	(0.2)	(0.2)	(0.2)	(0.2)		
Provisions & Other L/T Liabilities	0.2	0.3	0.2	3.0	4.3	4.3	4.3	4.3		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	5.5	11.5	15.7	11.7	9.6	13.5	37.7	23.6		
Current Liabilities	2.1	3.0	3.6	6.4	18.3	25.9	54.0	163.8		
<b>Equity &amp; Total Liabilities</b>	<b>11.9</b>	<b>17.3</b>	<b>16.8</b>	<b>23.3</b>	<b>38.2</b>	<b>54.8</b>	<b>114.2</b>	<b>230.7</b>		
<b>P&amp;L (EUR Mn)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>	<b>19-23</b>	<b>23-26e</b>
<b>Total Revenues</b>	<b>14.0</b>	<b>10.3</b>	<b>6.1</b>	<b>14.2</b>	<b>17.5</b>	<b>24.5</b>	<b>50.3</b>	<b>142.2</b>	<b>5.7%</b>	<b>n.a.</b>
<i>Total Revenues growth</i>	<i>31.9%</i>	<i>-26.5%</i>	<i>-40.9%</i>	<i>133.5%</i>	<i>23.0%</i>	<i>40.1%</i>	<i>105.3%</i>	<i>182.8%</i>		
COGS	(4.1)	(1.9)	(2.7)	(3.3)	(5.9)	(7.6)	(28.2)	(98.1)		
<b>Gross Margin</b>	<b>9.9</b>	<b>8.3</b>	<b>3.4</b>	<b>10.9</b>	<b>11.6</b>	<b>16.9</b>	<b>22.1</b>	<b>44.1</b>	<b>4.0%</b>	<b>56.0%</b>
<i>Gross Margin/Revenues</i>	<i>71.0%</i>	<i>81.1%</i>	<i>55.2%</i>	<i>76.5%</i>	<i>66.4%</i>	<i>69.0%</i>	<i>44.0%</i>	<i>31.0%</i>		
Personnel Expenses	(5.1)	(4.6)	(3.6)	(3.2)	(3.5)	(4.1)	(4.7)	(6.5)		
Other Operating Expenses	(2.2)	(3.3)	(3.6)	(3.5)	(3.7)	(3.8)	(4.0)	(4.5)		
<b>Recurrent EBITDA</b>	<b>2.6</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>4.4</b>	<b>9.1</b>	<b>13.5</b>	<b>33.1</b>	<b>14.3%</b>	<b>95.6%</b>
<i>Recurrent EBITDA growth</i>	<i>43.7%</i>	<i>-83.2%</i>	<i>-979.3%</i>	<i>208.8%</i>	<i>6.0%</i>	<i>105.0%</i>	<i>48.7%</i>	<i>145.8%</i>		
<i>Rec. EBITDA/Revenues</i>	<i>18.5%</i>	<i>4.2%</i>	<i>n.a.</i>	<i>29.3%</i>	<i>25.2%</i>	<i>36.9%</i>	<i>26.8%</i>	<i>23.3%</i>		
Restructuring Expense & Other non-rec.	0.0	(0.0)	0.0	-	1.0	-	-	-		
<b>EBITDA</b>	<b>2.6</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>5.5</b>	<b>9.1</b>	<b>13.5</b>	<b>33.1</b>	<b>20.4%</b>	<b>82.3%</b>
Depreciation & Provisions	(0.7)	(1.0)	(1.0)	(1.2)	(1.3)	(0.9)	(1.1)	(1.0)		
Capitalized Expense	0.1	0.8	0.9	0.5	0.9	0.1	0.1	0.1		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>2.0</b>	<b>0.2</b>	<b>(3.9)</b>	<b>3.4</b>	<b>5.1</b>	<b>8.3</b>	<b>12.4</b>	<b>32.2</b>	<b>26.3%</b>	<b>84.6%</b>
<i>EBIT growth</i>	<i>23.4%</i>	<i>-88.8%</i>	<i>n.a.</i>	<i>188.9%</i>	<i>48.7%</i>	<i>61.5%</i>	<i>50.8%</i>	<i>158.3%</i>		
<i>EBIT/Revenues</i>	<i>14.3%</i>	<i>2.2%</i>	<i>n.a.</i>	<i>24.2%</i>	<i>29.2%</i>	<i>33.7%</i>	<i>24.7%</i>	<i>22.6%</i>		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.6)	(1.2)	(1.1)	(2.1)	(4.1)	(1.2)	(2.4)	(2.9)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>1.4</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>1.0</b>	<b>7.1</b>	<b>10.0</b>	<b>29.3</b>	<b>-7.6%</b>	<b>n.a.</b>
<i>Ordinary Profit Growth</i>	<i>0.6%</i>	<i>-168.2%</i>	<i>-427.5%</i>	<i>127.4%</i>	<i>-26.1%</i>	<i>603.7%</i>	<i>41.3%</i>	<i>192.2%</i>		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>1.4</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>1.0</b>	<b>7.1</b>	<b>10.0</b>	<b>29.3</b>	<b>-7.6%</b>	<b>n.a.</b>
Tax Expense	(0.4)	(0.2)	(0.1)	(0.2)	(0.3)	(2.0)	(2.9)	(8.4)		
<i>Effective Tax Rate</i>	<i>25.5%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>13.6%</i>	<i>28.7%</i>	<i>28.7%</i>	<i>28.7%</i>	<i>28.7%</i>		
Minority Interests	(0.1)	0.0	0.1	0.0	0.1	-	-	-		
Discontinued Activities	-	-	-	0.2	-	-	-	-		
<b>Net Profit</b>	<b>1.0</b>	<b>(1.1)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>0.8</b>	<b>5.1</b>	<b>7.1</b>	<b>20.9</b>	<b>-5.0%</b>	<b>n.a.</b>
<i>Net Profit growth</i>	<i>19.9%</i>	<i>-211.6%</i>	<i>-360.1%</i>	<i>127.8%</i>	<i>-42.7%</i>	<i>536.2%</i>	<i>41.3%</i>	<i>192.2%</i>		
<b>Ordinary Net Profit</b>	<b>1.0</b>	<b>(0.9)</b>	<b>(4.9)</b>	<b>1.2</b>	<b>0.0</b>	<b>5.1</b>	<b>7.1</b>	<b>20.9</b>	<b>-54.3%</b>	<b>n.a.</b>
<i>Ordinary Net Profit growth</i>	<i>1.8%</i>	<i>-189.8%</i>	<i>-466.5%</i>	<i>124.9%</i>	<i>-96.6%</i>	<i>n.a.</i>	<i>41.3%</i>	<i>192.2%</i>		
<b>Cash Flow (EUR Mn)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>	<b>19-23</b>	<b>23-26e</b>
<b>Recurrent EBITDA</b>						<b>9.1</b>	<b>13.5</b>	<b>33.1</b>	<b>14.3%</b>	<b>95.6%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(7.1)	(29.3)	(4.1)		
<b>Recurrent Operating Cash Flow</b>						<b>1.9</b>	<b>-15.9</b>	<b>29.0</b>	<b>52.5%</b>	<b>n.a.</b>
CAPEX						(2.7)	(3.0)	(3.6)		
Net Financial Result affecting the Cash Flow						(1.2)	(2.4)	(2.9)		
Tax Expense						(2.0)	(2.9)	(8.4)		
<b>Recurrent Free Cash Flow</b>						<b>(4.0)</b>	<b>(24.2)</b>	<b>14.2</b>	<b>4.0%</b>	<b>94.6%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(4.0)</b>	<b>(24.2)</b>	<b>14.2</b>	<b>19.2%</b>	<b>n.a.</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>4.0</b>	<b>24.2</b>	<b>(14.2)</b>		

## Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
								20-23	23-26e
<b>Recurrent EBITDA</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>4.4</b>	<b>9.1</b>	<b>13.5</b>	<b>33.1</b>	<i>n.a.</i>	<b>95.6%</b>
<i>Recurrent EBITDA growth</i>	-83.2%	-979.3%	208.8%	6.0%	105.0%	48.7%	145.8%		
<i>Rec. EBITDA/Revenues</i>	4.2%	<i>n.a.</i>	29.3%	25.2%	36.9%	26.8%	23.3%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.8)	1.0	(0.9)	(4.2)	(7.1)	(29.3)	(4.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>(1.4)</b>	<b>(2.8)</b>	<b>3.3</b>	<b>0.2</b>	<b>1.9</b>	<b>(15.9)</b>	<b>29.0</b>	<b>28.5%</b>	<i>n.a.</i>
<i>Rec. Operating Cash Flow growth</i>	<i>n.a.</i>	-99.8%	216.0%	-94.7%	<i>n.a.</i>	-918.9%	282.8%		
<i>Rec. Operating Cash Flow / Sales</i>	<i>n.a.</i>	<i>n.a.</i>	22.9%	1.0%	7.9%	<i>n.a.</i>	20.4%		
- CAPEX	(3.9)	(0.0)	(2.6)	(1.0)	(2.7)	(3.0)	(3.6)		
- Net Financial Result affecting Cash Flow	(0.5)	(0.9)	(2.1)	(1.7)	(1.2)	(2.4)	(2.9)		
- Taxes	(0.2)	(0.1)	(0.2)	(0.1)	(2.0)	(2.9)	(8.4)		
<b>= Recurrent Free Cash Flow</b>	<b>(6.0)</b>	<b>(3.9)</b>	<b>(1.6)</b>	<b>(2.6)</b>	<b>(4.0)</b>	<b>(24.2)</b>	<b>14.2</b>	<b>23.9%</b>	<b>94.6%</b>
<i>Rec. Free Cash Flow growth</i>	-92.9%	34.9%	59.6%	-67.6%	-49.8%	-511.8%	158.6%		
<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>	10.0%		
- Restructuring expenses & others	-	0.0	-	1.0	-	-	-		
- Acquisitions / + Divestments	(0.2)	-	1.6	0.2	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	(0.2)	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(6.2)</b>	<b>(4.1)</b>	<b>0.1</b>	<b>(1.4)</b>	<b>(4.0)</b>	<b>(24.2)</b>	<b>14.2</b>	<b>39.4%</b>	<i>n.a.</i>
<i>Free Cash Flow growth</i>	-91.9%	34.1%	101.9%	<i>n.a.</i>	-186.5%	-511.8%	158.6%		
<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>	22.6%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	<i>n.a.</i>	<i>n.a.</i>	0.1%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	22.6%		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
<b>Recurrent FCF(FY - 1)</b>	<b>(3.1)</b>	<b>(6.0)</b>	<b>(3.9)</b>	<b>(1.6)</b>	<b>(2.6)</b>	<b>(4.0)</b>	<b>(24.2)</b>		
EBITDA impact from revenue increase	(0.7)	(0.2)	(5.1)	1.0	1.8	9.5	24.6		
EBITDA impact from EBITDA/Sales variation	(1.5)	(4.1)	13.1	(0.7)	2.9	(5.1)	(5.0)		
<b>= Recurrent EBITDA variation</b>	<b>(2.2)</b>	<b>(4.3)</b>	<b>8.0</b>	<b>0.3</b>	<b>4.6</b>	<b>4.4</b>	<b>19.6</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	0.8	2.9	(1.9)	(3.3)	(2.9)	(22.2)	25.2		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>6.1</b>	<b>(3.1)</b>	<b>1.8</b>	<b>(17.8)</b>	<b>44.8</b>		
+/- CAPEX impact	(1.8)	3.8	(2.5)	1.6	(1.7)	(0.3)	(0.5)		
+/- Financial result variation	0.1	(0.4)	(1.1)	0.3	0.6	(1.3)	(0.5)		
+/- Tax impact	0.2	0.1	(0.1)	0.1	(1.9)	(0.8)	(5.5)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(2.9)</b>	<b>2.1</b>	<b>2.3</b>	<b>(1.1)</b>	<b>(1.3)</b>	<b>(20.2)</b>	<b>38.3</b>		
<b>Recurrent Free Cash Flow</b>	<b>(6.0)</b>	<b>(3.9)</b>	<b>(1.6)</b>	<b>(2.6)</b>	<b>(4.0)</b>	<b>(24.2)</b>	<b>14.2</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
<b>EBIT</b>	<b>0.2</b>	<b>(3.9)</b>	<b>3.4</b>	<b>5.1</b>	<b>8.3</b>	<b>12.4</b>	<b>32.2</b>	<i>n.a.</i>	<b>84.6%</b>
* Theoretical Tax rate	0.0%	0.0%	13.6%	0.0%	28.7%	28.7%	28.7%		
= Taxes (pre- Net Financial Result)	-	-	(0.5)	-	(2.4)	(3.6)	(9.2)		
<b>Recurrent EBITDA</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>4.4</b>	<b>9.1</b>	<b>13.5</b>	<b>33.1</b>	<i>n.a.</i>	<b>95.6%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.8)	1.0	(0.9)	(4.2)	(7.1)	(29.3)	(4.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>(1.4)</b>	<b>(2.8)</b>	<b>3.3</b>	<b>0.2</b>	<b>1.9</b>	<b>(15.9)</b>	<b>29.0</b>	<b>28.5%</b>	<i>n.a.</i>
- CAPEX	(3.9)	(0.0)	(2.6)	(1.0)	(2.7)	(3.0)	(3.6)		
- Taxes (pre- Financial Result)	-	-	(0.5)	-	(2.4)	(3.6)	(9.2)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(5.3)</b>	<b>(2.8)</b>	<b>0.2</b>	<b>(0.8)</b>	<b>(3.1)</b>	<b>(22.4)</b>	<b>16.2</b>	<b>46.8%</b>	<i>n.a.</i>
<i>Rec. Free Cash Flow (To the Firm) growth</i>	-100.2%	46.3%	107.6%	-466.5%	-294.4%	-618.3%	172.3%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	1.5%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	11.4%		
- Acquisitions / + Divestments	(0.2)	-	1.6	0.2	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	(0.2)	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(5.5)</b>	<b>(3.1)</b>	<b>1.9</b>	<b>(0.6)</b>	<b>(3.1)</b>	<b>(22.4)</b>	<b>16.2</b>	<b>52.8%</b>	<i>n.a.</i>
<i>Free Cash Flow (To the Firm) growth</i>	-98.0%	44.2%	160.9%	-130.9%	-442.2%	-618.3%	172.3%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	<i>n.a.</i>	<i>n.a.</i>	0.3%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	22.3%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	<i>n.a.</i>	<i>n.a.</i>	2.6%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	22.3%		

**Recurrent Free Cash Flow accumulated variation analysis (2019 - 2023)**

**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	62.8	
+ Minority Interests	(0.2)	12m Results 2023
+ Provisions & Other L/T Liabilities	4.3	12m Results 2023
+ Net financial debt	9.6	12m Results 2023
- Financial Investments	3.9	12m Results 2023
+/- Others		
<b>Enterprise Value (EV)</b>	<b>72.6</b>	

## Appendix 5. Main peers 2024e

		Real estate and Tourism					Engineering and Construction				
EUR Mn		Metrovacesa	Aedas Homes	Playa Hotels & Resorts	Insur	Average	Strabag	Hochtief	ACS	Average	CLR
Market data	Ticker (Factset)	MVC-ES	AEDAS-ES	PLYA-US	ISUR-ES		STR-AT	HOT-DE	ACS-ES		CLR-ES
	Country	Spain	Spain	Netherlands	Spain		Austria	Germany	Spain		Spain
	Market cap	1,225.5	924.3	1,042.6	154.0		4,604.7	8,252.9	10,942.6		62.8
	Enterprise value (EV)	1,429.4	1,165.5	2,054.3	397.7		1,880.9	8,932.1	11,346.9		72.6
Basic financial information	Total Revenues	666.8	1,015.8	890.6	194.9		18,228.5	30,673.9	38,839.5		24.5
	Total Revenues growth	13.7%	-11.3%	-2.4%	38.9%	9.7%	3.2%	10.5%	8.7%	7.5%	40.1%
	2y CAGR (2024e - 2026e)	5.0%	-0.8%	4.7%	-7.2%	0.4%	1.9%	6.0%	5.4%	4.4%	n.a.
	EBITDA	64.7	155.2	249.2	32.3		1,395.5	1,231.4	2,621.4		9.1
	EBITDA growth	427.6%	-11.5%	3.5%	73.5%	123.3%	48.1%	50.1%	88.7%	62.3%	65.8%
	2y CAGR (2024e - 2026e)	9.6%	0.0%	2.3%	0.5%	3.1%	2.9%	6.0%	11.7%	6.9%	91.2%
	EBITDA/Revenues	9.7%	15.3%	28.0%	16.6%	17.4%	7.7%	4.0%	6.7%	6.1%	36.9%
	EBIT	59.4	151.3	162.7	28.4		789.5	1,026.1	1,445.9		8.3
	EBIT growth	553.3%	-11.4%	-1.0%	94.3%	158.8%	89.0%	104.8%	72.5%	88.8%	61.5%
	2y CAGR (2024e - 2026e)	13.1%	-0.2%	5.3%	-0.2%	4.5%	3.3%	10.3%	12.0%	8.6%	97.4%
	EBIT/Revenues	8.9%	14.9%	18.3%	14.5%	14.2%	4.3%	3.3%	3.7%	3.8%	33.7%
	Net Profit	31.6	96.8	70.7	14.3		538.9	579.6	665.1		5.1
	Net Profit growth	251.5%	-11.1%	40.7%	26.7%	77.0%	-14.5%	10.9%	-14.7%	-6.1%	536.2%
	2y CAGR (2024e - 2026e)	19.0%	0.6%	21.9%	1.5%	10.7%	0.5%	11.6%	15.9%	9.3%	n.a.
	CAPEX/Sales %	2.5%	0.7%	8.4%	26.3%	9.5%	n.a.	-0.1%	1.7%	0.8%	11.0%
Free Cash Flow	90.0	131.5	3.5	3.1		n.a.	514.7	497.4		(4.0)	
Net financial debt	315.9	367.8	781.6	244.1		(2,700.3)	158.0	615.4		13.5	
ND/EBITDA (x)	4.9	2.4	3.1	7.6	4.5	n.a.	0.1	0.2	0.2	1.5	
Pay-out	417.4%	99.4%	0.0%	40.3%	139.3%	37.2%	63.1%	82.7%	61.0%	0.0%	
Multiples and Ratios	P/E (x)	37.2	9.4	14.8	10.6	18.0	8.3	13.8	16.6	12.9	12.0
	P/BV (x)	0.7	1.0	2.0	1.0	1.2	1.0	5.5	2.1	2.8	5.6
	EV/Revenues (x)	2.1	1.1	2.3	2.0	1.9	0.1	0.3	0.3	0.2	3.0
	EV/EBITDA (x)	22.1	7.5	8.2	12.3	12.5	1.3	7.3	4.3	4.3	8.0
	EV/EBIT (x)	24.1	7.7	12.6	14.0	14.6	2.4	8.7	7.8	6.3	8.8
	ROE	2.0	10.6	13.4	9.1	8.8	11.5	39.6	12.4	21.1	58.2
	FCF Yield (%)	7.3	14.2	0.3	2.0	6.0	n.a.	6.2	4.5	5.4	n.a.
	DPS	0.87	2.23	0.00	0.31	0.85	2.00	4.86	2.11	2.99	0.00
Dvd Yield	10.8%	10.6%	0.0%	3.8%	6.3%	5.1%	4.6%	5.2%	5.0%	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).



## Appendix 6. Valuation inputs

### Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value <sup>(1)</sup>			
Free Cash Flow "To the Firm"	(3.1)	(22.4)	16.2	n.a.			
Market Cap	62.8	At the date of this report					
Net financial debt	9.6	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%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%	
Risk free rate (rf)	3.4%	Rf (10y Spanish bond yield)			=	=	
Equity risk premium	11.7%	R (own estimate)			11.2%	12.2%	
Beta (B)	1.2	B (own estimate)			1.1	1.3	
Cost of Equity	17.4%	$K_e = R_f + (R * B)$			15.7%	19.2%	
Equity / (Equity + Net Debt)	86.7%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	13.3%	D			=	=	
WACC	15.7%	$WACC = K_d * D + K_e * E$			14.2%	17.4%	
G "Fair"	2.0%				2.0%	1.5%	

(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	EV/EBITDA	EBITDA	EV/Sales	Revenues	EBITDA/Sales	FCF Yield	FCF
					24e-26e	24e	24e-26e	24e	24e-26e	24e	24e	24e-26e
Metrovacesa	MVC-ES		1,225.5	37.2	19.2%	22.1	9.6%	2.1	5.0%	9.7%	7.3%	6.6%
Aedas Homes	AEDAS-ES		924.3	9.4	-0.7%	7.5	0.0%	1.1	-0.8%	15.3%	14.2%	-14.4%
Playa Hotels & Resorts	PLYA-US		1,042.6	14.8	23.8%	8.2	2.3%	2.3	4.7%	28.0%	0.3%	n.a.
Insur	ISUR-ES		154.0	10.6	-8.6%	12.3	0.5%	2.0	-7.2%	16.6%	2.0%	n.a.
<b>Real estate and Tourism</b>				18.0	8.4%	12.5	3.1%	1.9	0.4%	17.4%	6.0%	-3.9%
Strabag	STR-AT		4,604.7	8.3	0.5%	1.3	2.9%	0.1	1.9%	7.7%	n.a.	n.a.
Hochtief	HOT-DE		8,252.9	13.8	11.1%	7.3	6.0%	0.3	6.0%	4.0%	6.2%	27.7%
ACS	ACS-ES		10,942.6	16.6	14.8%	4.3	11.7%	0.3	5.4%	6.7%	4.5%	43.6%
<b>Engineering and Construction</b>				12.9	8.8%	4.3	6.9%	0.2	4.4%	6.1%	5.4%	35.6%
CLR	CLR-ES		62.8	12.0	n.a.	8.0	91.2%	3.0	n.a.	36.9%	n.a.	n.a.

### 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	29.5%	14.8	4.9x
Central	26.8%	13.5	5.4x
Min	24.1%	12.1	6.0x

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

FCF Rec. EUR Mn	CAPEX/Sales 25e		
	EBITDA 25e	5.4%	6.0%
14.8	(22.5)	(22.8)	(23.1)
13.5	(23.9)	(24.2)	(24.5)
12.1	(25.2)	(25.5)	(25.8)

## LIGHTHOUSE

Calle Núñez de Balboa, 108 1ª Planta  
28006 Madrid  
T: +34 915 904 226  
[institutodeanalistas.com/lighthouse](https://institutodeanalistas.com/lighthouse)

---

### Alfredo Echevarría Otegui

Head of research

alfredo.echevarria@institutodeanalistas.com

### Luis Esteban Arribas, CESGA

Equity research

luis.esteban@institutodeanalistas.com

### Enrique Andrés Abad, CFA

Equity research

enrique.andres@institutodeanalistas.com

### José Miguel Cabrera van Grieken

Equity research

jose.cabrera@institutodeanalistas.com

### Jesús López Gómez, CESGA

ESG Analyst & Data analytics

jesus.lopez@institutodeanalistas.com

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
01-Jul-2024	n.a.	4.31	n.a.	n.a.	Estimates downgrade	Enrique Andrés Abad, CFA
27-May-2024	n.a.	4.98	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
14-May-2024	n.a.	4.06	n.a.	n.a.	Initiation of Coverage	Enrique Andrés Abad, CFA

