

EIDF

Strong Q1 results. Upside risk to estimates

- **Strong Q1 results, above estimates.** Revenues reached €82m in Q1 (vs. €2.5m in 1Q20), c.10% above our €74m estimate, whilst EBITDA reached €11m (vs. €0.6m in 1Q21), higher than the €9m EBITDA booked in FY21 and well above our €8m estimate. All the businesses (self-consumption, EPC and supply) were above our estimates.
- **Breakdown by business.** a) Self-consumption revenues grew from €3m in 1Q21 to c.€15m, and EBITDA reached €5m, both above our €13m and €4m estimates respectively. EiDF installed 23MW in Q1 vs. 4MW in 1Q21; b) EPC revenues reached €12m, roughly in line with estimates, whilst EBITDA reached €3m vs. our €2m estimate; c) Supply revenues reached €55m and EBITDA €5m, above our €48m and €2m estimates respectively.
- **Net debt reached** €13.5m in Q1, increasing vs. €6m in 4Q21, given: 1) €3m paid for the supply business (ODF). There is still €4m to be paid in 2022, €5m in 2023, and the rest (€18m) in shares; and 2) c.€10m investments in new generation capacity. This is roughly in line with our estimates.
- **Capacity under construction.** Capacity under construction has increased from 52MW as of the end of 2021 to 152MW today. This capacity is expected to be in operation by YE. Pipeline has remained roughly stable QoQ at 2.2GW. This gives high visibility to EiDF's target of reaching 780MW in operation by 2025 (which is not far from our 764MW estimate). All these MWs will be developed through JVs in which EiDF will keep stakes >50%.
- **Upside risk to estimates.** On the back of this set of results, we see upside risk to our estimates. EiDF will update its strategic plan in the coming weeks. The current plan contemplates EBITDA of €26m in 2022, which compares to the €11m already booked in Q1 and our €32m estimate for 2022. This gives a good sense of the upside potential compared to the current plan. We continue to see EiDF as an attractive investment alternative in renewables, given its leading position in self-consumption and the very strong outlook for the business, its integrated position in the renewable PV value chain, and the company's prospects to increase its renewable capacity.

Financial Ratios	FY19	FY20	FY21	FY22E	FY23E	FY24E
EBITDA (€m)	1.8	2.1	9.0	32.0	39.9	45.3
Net profit (€m)	1.0	1.0	7.5	21.7	25.7	28.2
EPS (€)	0.95	0.93	0.56	1.5	1.8	1.9
Adj. EPS (*) (€)	0.95	0.93	0.59	1.5	1.8	1.9
P/E (x)	0.0	0.0	27.4	43.3	36.6	33.4
P/E Adj. (x)	0.0	0.0	25.9	41.9	36.6	33.4
EV/EBITDA (x)	0.0	0.0	22.8	31.2	26.2	24.1
Debt/EBITDA (x)	(1.6)	1.0	0.6	2.0	3.0	3.9
P/BV (x)	0.0	0.0	8.4	14.6	10.4	8.0
ROE (%)	20.6	17.7	30.6	0.3	0.3	0.2
DPS (€)	0.0	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	n.a.	n.a.	0.0	0.0	0.0	0.0

(*) Historical multiples based on average share price of the year

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Share Price € 64.80

*Share price at the close of 11 May 2022

EIDF.MC/ EIDF SM

Market Cap	€ 934 m
Enterprise Value	€ 997 m
Free Float	€ 131 m
Nº Shares	15 m
Average Daily Volume	€ 1 k

Performance	1m	3m	12m
Absolute %	76.1	174.6	1,078
Relative %	78.7	179.3	1,082



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