

6m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Libertas 7 (LIB), is a family group with headquarters in Valencia (Spain) structured around three areas: (i) property development and management, (ii) tourism management, with the leasing of apartments and the management of a hotel, and (iii) financial investment, via the management of its own assets through investment in stocks and private equity. It is managed and controlled by the founding family (c. 80% of capital).

Market Data

Market Cap (Mn EUR and USD)	31.6	34.3
EV (Mn EUR and USD) ⁽²⁾	37.9	41.1
Shares Outstanding (Mn)	21.9	
-12m (Max/Med/Min EUR)	1.74 / 1.17 / 0.95	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	3.6	
Factset / Bloomberg	LIB-ES / LIB SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Noguera Family and others	80.0
Treasury stock	3.6
Free Float	16.4

Financials (Mn EUR)	2023	2024e	2025e	2026e
Adj. nº shares (Mn)	21.9	21.9	21.9	21.9
Total Revenues	13.4	7.1	20.6	22.3
Rec. EBITDA	3.0	1.1	4.2	5.3
% growth	64.8	-65.0	291.6	26.8
% Rec. EBITDA/Rev.	22.7	15.1	20.3	23.7
% Inc. EBITDA sector ⁽⁴⁾	1.6	13.7	6.0	6.1
Net Profit	2.3	-0.2	2.3	3.3
EPS (EUR)	0.11	-0.01	0.10	0.15
% growth	54.0	-109.8	n.a.	44.1
Ord. EPS (EUR)	0.09	-0.01	0.10	0.15
% growth	37.3	-113.7	909.1	44.1
Rec. Free Cash Flow ⁽⁵⁾	3.1	-2.0	4.9	5.7
Pay-out (%)	32.0	-377.9	39.6	30.5
DPS (EUR)	0.03	0.04	0.04	0.05
Net financial debt	29.1	31.9	28.0	23.4
ND/Rec. EBITDA (x)	9.5	29.9	6.7	4.4
ROE (%)	2.5	n.a.	2.4	3.4
ROCE (%) ⁽⁵⁾	2.6	1.0	3.7	4.9

Ratios & Multiples (x) ⁽⁶⁾

P/E	13.7	n.a.	13.9	9.6
Ord. P/E	15.4	n.a.	13.9	9.6
P/BV	0.3	0.3	0.3	0.3
Dividend Yield (%)	2.3	2.7	2.9	3.2
EV/Sales	2.83	5.36	1.84	1.70
EV/Rec. EBITDA	12.4	35.5	9.1	7.2
EV/EBIT	12.3	46.4	9.6	7.5
FCF Yield (%) ⁽⁵⁾	9.9	n.a.	15.4	18.2

(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 3.

(3) Rotation is the % of the capitalisation traded - 12m.

(4) Sector: Stoxx Europe 600 Real State.

(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.

(6) Multiples and ratios calculated over prices at the date of this report.

1H24 earnings: in line. Upside remains intact.

ABSENCE (AS EXPECTED) OF THE DEVELOPMENT BUSINESS. As we had anticipated, 2024e is a year of transition, with no contribution from the development business to revenue. On the commercial side, the pre-sales portfolio comprises 85 units (EUR 21.3Mn; vs 76 units at the end of 9M24), while unsold stock stands at 156 units (EUR 41.3Mn). Looking ahead to 2025e, we expect a new development cycle to begin, with the delivery of c.56 homes generating around EUR 14.5Mn of revenue (+88.8% vs 2023).

BUOYANT TOURISM BUSINESS DRIVEN BY HIGHER OCCUPANCY AND PRICES... The good performance by the tourism business of recent quarters continued, lending recurrence to the business model. LIB ended the first half of this year with revenue from tourist rentals of c. EUR 1.4Mn (+15.2% YoY), driven by: (i) an increase in average occupancy, to 55.1% (+5.9pp vs 1H23) and (ii) higher revenue per available room (RevPar) of 11.4% (vs 1H23). EBITDA in 1H24 totalled EUR 0.3Mn (+1.5% YoY).

...WITH AN INCREASINGLY VALUABLE INVESTMENT PORTFOLIO. The value of the investment portfolio at end-June 2024 stood at EUR 62.7Mn, up 3.6% from year-end 2023. Revenue came in at EUR 1.1Mn (-14.1% vs 1H23; EUR 0.9Mn dividend and EUR 0.2Mn gain). LIB intends to begin disposing of private equity investments (15% of the portfolio) in 2H24—we have not factored any these non-recurring proceeds into our numbers—which will generate extra profit.

A LOW-RISK BUSINESS IN AN 'UNUSUAL' YEAR. Tourist rental revenue and income from the investment portfolio are making up for the absence of development revenue. In 1H24, LIB reported consolidated revenue of roughly EUR 2.7Mn (-72.8% vs 1H23) and EBITDA of EUR 0.4Mn (vs EUR 2.0Mn). Net debt at the end of the period was EUR 30.0Mn (-3.1% YoY; 31.4% ND/equity).

UPSIDE REMAINS INTACT. LIB's share price has rallied by 47.6% TTM. However, c.92% of its market cap (c. EUR 31.6Mn) is explained (exclusively) by the value of the investment portfolio net of debt (EUR 29.2Mn). This would imply that investors are still not pricing in the tourist and development business. Hence, LIB's upside. The resilience of the business model is reflected in (i) the recurrence of tourist rentals, (ii) the restart of the development business in 2025e and (iii) and LIB's low leverage, suggesting that earnings momentum is on the verge of accelerating. The shares are trading at a P/E 25e of 13.9x and an FCF yield 25e of 15.4%.

Relative performance (Base 100)


Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-1.4	18.2	47.6	42.5	-38.3	4.3
vs Ibex 35	-1.6	16.5	26.1	29.2	-51.7	-13.1
vs Ibex Small Cap Index	-0.7	11.6	39.3	31.5	-39.1	-20.7
vs Eurostoxx 50	1.2	21.3	34.7	33.9	-47.3	-23.9
vs Sector benchmark ⁽⁴⁾	-3.4	11.3	31.1	47.1	-8.2	37.3

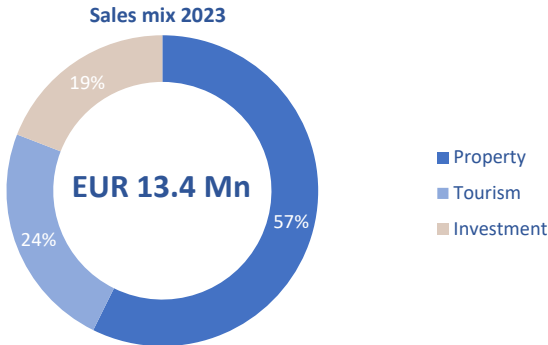
(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Factset and Lighthouse.

6m Results 2024
Table 1. 6m24 Results

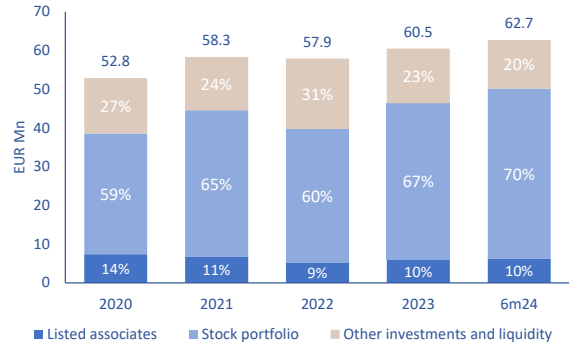
EUR Mn	6m24 Real	6m23	6m24 Real
			vs 6m23
Total Revenues	2.7	9.7	-72.3%
EBITDA	0.4	2.0	-80.6%
<i>EBITDA/Revenues</i>	<i>14.4%</i>	<i>20.5%</i>	<i>-6.2 p.p.</i>
EBIT	0.4	1.8	-80.8%
NP	-0.5	0.9	-152.0%
	6m24 Real	2023	
Net Debt	30.0	29.1	3.0%
Book value	95.6	95.5	0.1%
Investment Portfolio	62.7	60.5	3.6%

The company in 8 charts

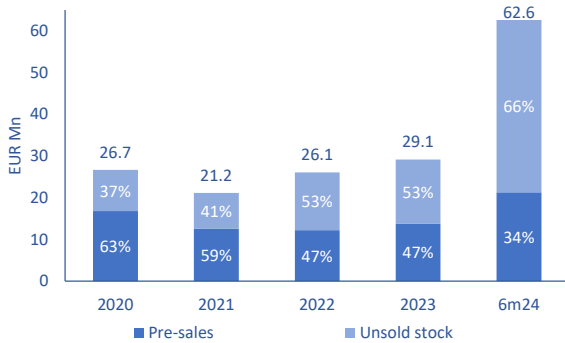
A group with three core businesses: property development, tourism management and financial investment



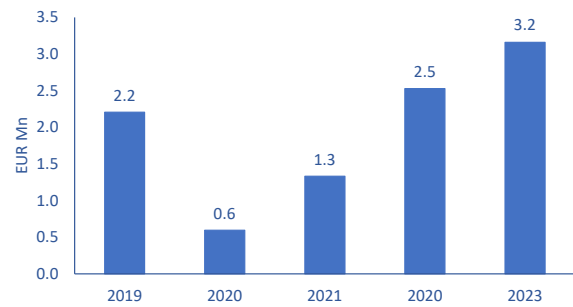
Investment area: provides greater diversification of assets (which reduces group risk), liquidity and profitability



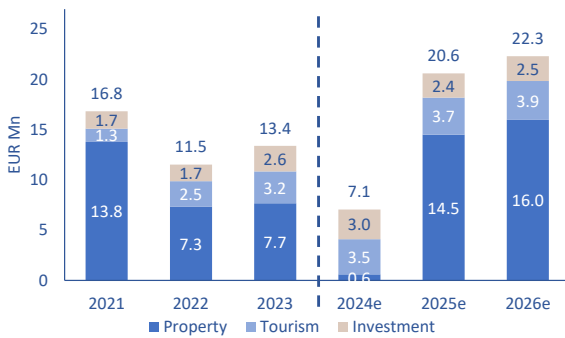
Agreements and bookings (EUR 21.3Mn) and unsold stock (EUR 41.3Mn) lend visibility to the development business



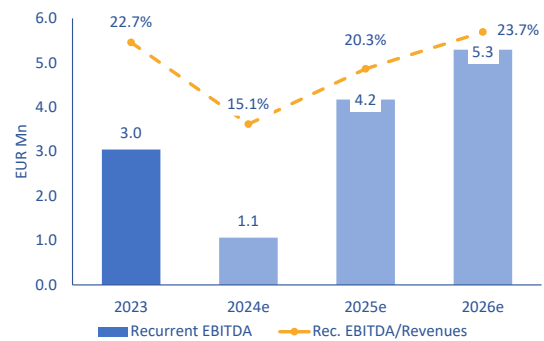
The tourism business is also much bigger than in 2019 (and still has more room to grow)



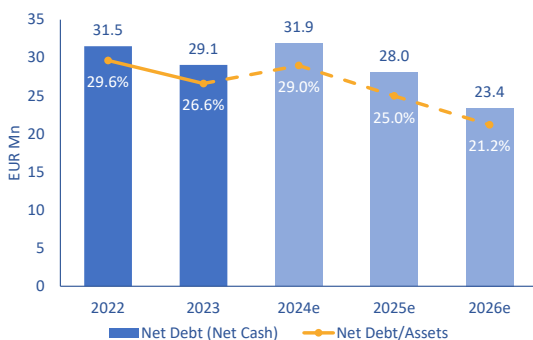
2024e-2026e: the development business will be the main driver of revenue growth



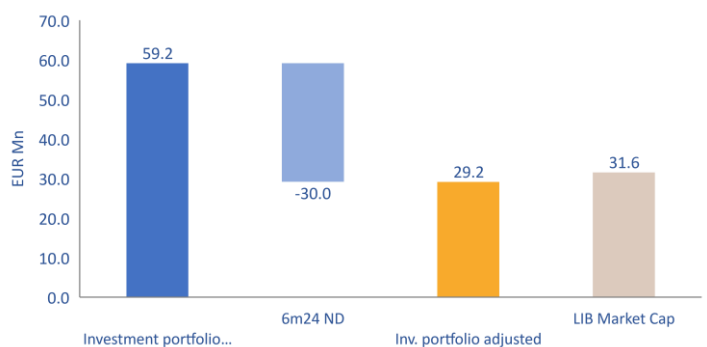
This will be visible in the generation of recurring EBITDA



All while maintaining a comfortable financial position (ND/Assets < 30%)



A potential (and "objectively" evident) reserve of value that has still gone unnoticed by the market



Valuation inputs

Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	(0.9)	5.2	5.7	145.0			
Market Cap	31.6	At the date of this report					
Net financial debt	30.0	Debt net of Cash (6m Results 2024)					
					Best Case	Worst Case	
Cost of Debt	1.6%	Net debt cost			1.4%	1.9%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	1.3%	Kd = Cost of Net Debt * (1-T)			1.1%	1.5%	
Risk free rate (rf)	3.3%	Rf (10y Spanish bond yield)			=	=	
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%	
Beta (B)	1.2	B (own estimate)			1.1	1.3	
Cost of Equity	10.5%	Ke = Rf + (R * B)			9.3%	11.7%	
Equity / (Equity + Net Debt)	51.3%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	48.7%	D			=	=	
WACC	6.0%	WACC = Kd * D + Ke * E			5.3%	6.7%	
G "Fair"	2.0%				2.0%	1.5%	

(1) The terminal value reflects the NAV of FCF beyond the period estimated with the WACC and G of the central scenario.

Inputs for the Multiples Valuation Approach

Company	Ticker Factset	Mkt. Cap	P/E 24e	EPS 24e-26e	EV/EBITDA 24e	EBITDA 24e-26e	EV/Sales 24e	Revenues 24e-26e	EBITDA/Sales 24e	FCF Yield 24e	FCF 24e-26e
Metrovacesa	MVC-ES	1,239.2	43.1	22.2%	21.2	7.0%	2.2	5.0%	10.3%	7.8%	12.3%
Aedas Homes	AEDAS-ES	1,007.3	9.7	1.0%	8.0	0.9%	1.2	-1.3%	15.4%	12.3%	-3.6%
Neinor Homes	HOME-ES	1,018.1	15.3	1.9%	12.7	1.7%	1.9	2.8%	15.0%	13.1%	-25.0%
Insur	ISUR-ES	155.0	10.6	-8.6%	12.4	0.5%	2.0	-7.2%	16.6%	2.0%	n.a.
Real estate			19.7	4.1%	13.6	2.5%	1.8	-0.2%	14.3%	8.8%	-5.4%
Playa Hotels & Resorts	PLYA-US	1,035.5	14.9	23.8%	8.3	2.3%	2.3	4.7%	28.0%	0.3%	n.a.
PPHE Hotel Group	PPH-GB	695.9	15.7	20.3%	12.5	9.5%	4.0	5.9%	32.3%	7.4%	37.2%
Pierre et Vacances	VAC-FR	602.6	16.0	31.4%	22.4	8.3%	2.0	2.6%	8.8%	n.a.	n.a.
Tourism			15.5	25.2%	14.4	6.7%	2.8	4.4%	23.0%	3.9%	37.2%
LIB	LIB-ES	31.6	n.a.	n.a.	35.5	n.a.	5.4	77.7%	15.1%	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	22.3%	4.6	8.3x
Central	20.3%	4.2	9.1x
Min	18.3%	3.8	10.1x

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

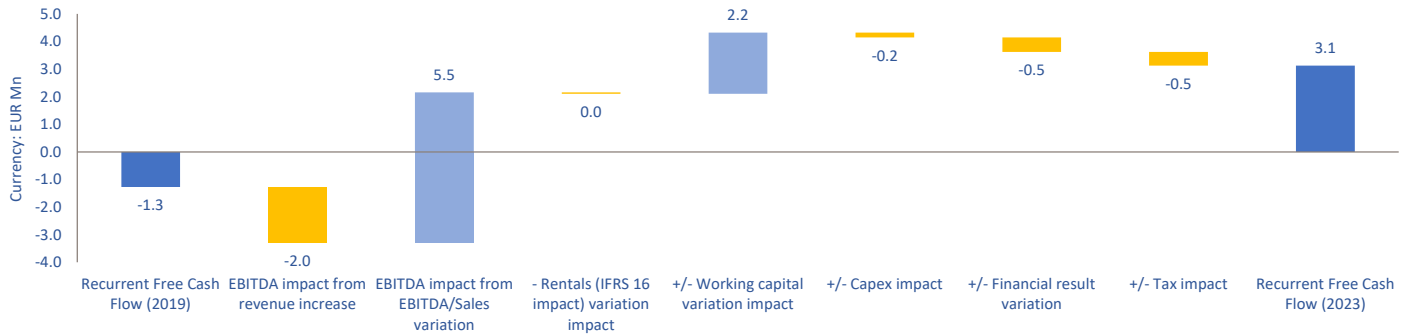
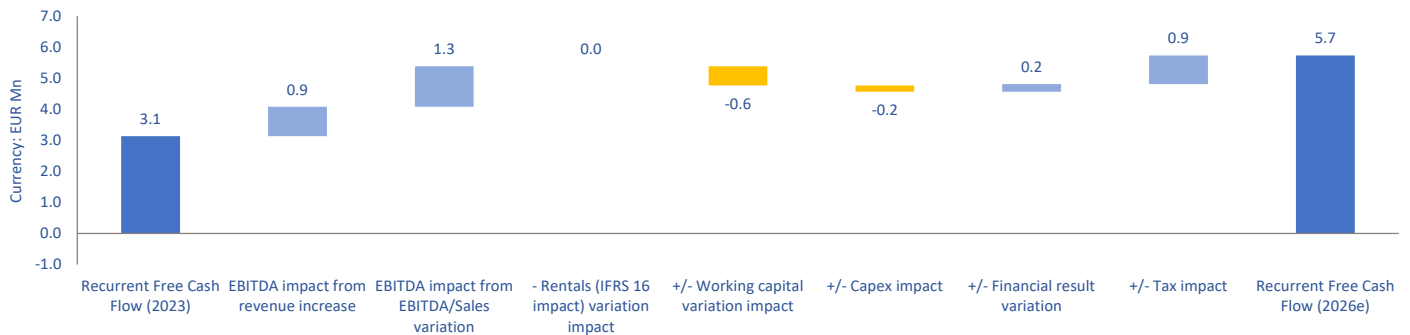
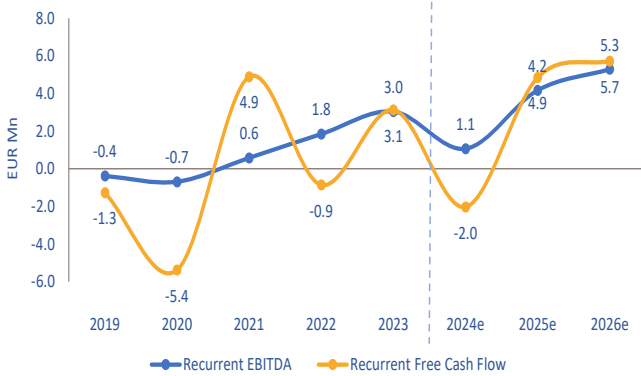
Rec. FCF EUR Mn	CAPEX/Sales 25e			Scenario	Rec. FCF/Yield 25e		
EBITDA 25e	1.8%	2.0%	2.2%		Max	Central	Min
4.6	5.3	5.3	5.2	Max	16.8%	16.7%	16.5%
4.2	4.9	4.9	4.8	Central	15.5%	15.4%	15.2%
3.8	4.5	4.4	4.4	Min	14.2%	14.1%	13.9%

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets	2.0	2.2	2.0	1.7	1.5	1.5	1.5	1.5		
Fixed assets	38.6	38.0	38.4	37.5	38.6	38.8	39.2	39.6		
Other Non Current Assets	35.3	36.8	36.1	35.9	35.2	35.2	35.2	35.2		
Financial Investments	53.6	43.3	52.0	51.8	55.8	55.9	55.3	54.5		
Goodwill & Other Intangibles	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6		
Current assets	16.7	22.0	15.6	14.8	12.6	13.4	15.7	14.3		
Total assets	146.7	143.0	144.7	142.2	144.3	145.3	147.5	145.6		
Equity	96.1	87.9	91.5	92.3	95.5	94.5	95.8	98.0		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	13.4	13.4	13.9	13.9	14.9	14.9	14.9	14.9		
Other Non Current Liabilities	2.1	2.2	2.1	1.7	1.5	1.5	1.5	1.5		
Net financial debt	31.3	34.1	32.6	31.5	29.1	31.9	28.0	23.4		
Current Liabilities	3.8	5.4	4.6	2.8	3.3	2.5	7.3	7.9		
Equity & Total Liabilities	146.7	143.0	144.7	142.2	144.3	145.3	147.5	145.6		
P&L (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Total Revenues	5.6	3.9	16.8	11.5	13.4	7.1	20.6	22.3	24.6%	18.5%
Total Revenues growth	11.4%	-29.3%	328.4%	-31.6%	16.4%	-47.2%	191.6%	8.3%		
COGS	(1.4)	(1.4)	(12.1)	(5.5)	(5.8)	(1.4)	(11.5)	(12.0)		
Gross Margin	4.2	2.5	4.7	6.0	7.6	5.6	9.1	10.3	16.1%	10.6%
Gross Margin/Revenues	75.4%	64.8%	28.0%	51.8%	56.8%	79.6%	44.2%	46.1%		
Personnel Expenses	(2.2)	(1.7)	(2.0)	(2.2)	(2.4)	(2.5)	(2.7)	(2.8)		
Other Operating Expenses	(2.4)	(1.5)	(2.1)	(1.9)	(2.2)	(2.1)	(2.2)	(2.2)		
Recurrent EBITDA	(0.4)	(0.7)	0.6	1.8	3.0	1.1	4.2	5.3	77.9%	20.2%
Recurrent EBITDA growth	-128.2%	-80.8%	184.9%	217.0%	64.8%	-65.0%	291.6%	26.8%		
Rec. EBITDA/Revenues	n.a.	n.a.	3.5%	16.1%	22.7%	15.1%	20.3%	23.7%		
Restructuring Expense & Other non-rec.	0.0	(0.4)	1.1	0.0	0.4	-	-	-		
EBITDA	(0.4)	(1.1)	1.7	1.9	3.4	1.1	4.2	5.3	82.3%	15.9%
Depreciation & Provisions	0.1	(0.0)	0.3	0.3	(0.1)	(0.0)	(0.0)	(0.0)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
EBIT	(0.5)	(1.3)	1.7	1.9	3.1	0.8	3.9	5.0	70.3%	18.0%
EBIT growth	n.a.	-162.3%	234.1%	14.8%	58.7%	-73.4%	380.7%	28.5%		
EBIT/Revenues	n.a.	n.a.	10.0%	16.8%	22.9%	11.6%	19.0%	22.6%		
Impact of Goodwill & Others	2.5	(0.1)	0.8	0.9	1.3	-	-	-		
Net Financial Result	(0.6)	(0.9)	(0.5)	(0.6)	(1.2)	(1.1)	(1.1)	(0.9)		
Income by the Equity Method	0.1	(1.7)	(0.4)	(0.1)	0.0	0.0	0.0	0.0		
Ordinary Profit	1.5	(3.9)	1.6	2.2	3.2	(0.3)	2.8	4.1	21.4%	8.3%
Ordinary Profit Growth	48.7%	-359.7%	140.5%	37.9%	49.5%	-108.7%	n.a.	44.1%		
Extraordinary Results	-	-	-	-	-	-	-	-		
Profit Before Tax	1.5	(3.9)	1.6	2.2	3.2	(0.3)	2.8	4.1	21.4%	8.3%
Tax Expense	(0.4)	0.3	(0.4)	(0.7)	(0.9)	0.1	(0.6)	(0.8)		
Effective Tax Rate	28.8%	n.a.	22.4%	30.6%	28.5%	n.a.	20.0%	20.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	1.1	(3.6)	1.2	1.5	2.3	(0.2)	2.3	3.3	21.5%	12.4%
Net Profit growth	669.9%	-440.0%	133.8%	23.4%	54.0%	-109.8%	n.a.	44.1%		
Ordinary Net Profit	1.1	(3.5)	0.4	1.5	2.1	(0.3)	2.3	3.3	18.1%	16.9%
Ordinary Net Profit growth	79.5%	-430.9%	111.0%	287.7%	37.3%	-113.7%	909.1%	44.1%		
Cash Flow (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Recurrent EBITDA						1.1	4.2	5.3	77.9%	20.2%
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)		
Working Capital Increase						(1.6)	2.4	2.1		
Recurrent Operating Cash Flow						-0.8	6.3	7.1	n.a.	9.1%
CAPEX						(0.1)	(0.4)	(0.4)		
Net Financial Result affecting the Cash Flow						(1.1)	(1.1)	(0.9)		
Tax Expense						-	-	-		
Recurrent Free Cash Flow						(2.0)	4.9	5.7	45.4%	22.3%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						(2.0)	4.9	5.7	8.7%	20.4%
Capital Increase						-	-	-		
Dividends						(0.8)	(1.0)	(1.1)		
Net Debt Variation						2.9	(3.9)	(4.6)		

Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
								20-23	23-26e
Recurrent EBITDA	(0.7)	0.6	1.8	3.0	1.1	4.2	5.3	86.0%	20.2%
<i>Recurrent EBITDA growth</i>	-80.8%	184.9%	217.0%	64.8%	-65.0%	291.6%	26.8%		
<i>Rec. EBITDA/Revenues</i>	n.a.	3.5%	16.1%	22.7%	15.1%	20.3%	23.7%		
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	(3.7)	5.6	(1.0)	2.7	(1.6)	2.4	2.1		
= Recurrent Operating Cash Flow	(4.6)	6.0	0.6	5.5	(0.8)	6.3	7.1	47.2%	9.1%
<i>Rec. Operating Cash Flow growth</i>	n.a.	229.8%	-89.6%	778.3%	-114.3%	908.3%	12.2%		
<i>Rec. Operating Cash Flow / Sales</i>	n.a.	35.6%	5.4%	41.0%	n.a.	30.8%	31.9%		
- CAPEX	(0.3)	(0.1)	(0.2)	(0.2)	(0.1)	(0.4)	(0.4)		
- Net Financial Result affecting Cash Flow	(0.7)	(0.7)	(0.6)	(1.2)	(1.1)	(1.1)	(0.9)		
- Taxes	0.3	(0.4)	(0.7)	(0.9)	-	-	-		
= Recurrent Free Cash Flow	(5.4)	4.9	(0.9)	3.1	(2.0)	4.9	5.7	37.2%	22.3%
<i>Rec. Free Cash Flow growth</i>	-324.1%	190.8%	-117.5%	465.2%	-164.7%	339.3%	18.1%		
<i>Rec. Free Cash Flow / Revenues</i>	n.a.	29.0%	n.a.	23.4%	n.a.	23.5%	25.7%		
- Restructuring expenses & others	(0.4)	1.1	0.0	0.4	-	-	-		
- Acquisitions / + Divestments	1.1	(0.6)	2.2	(0.2)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	(4.7)	5.4	1.4	3.3	(2.0)	4.9	5.7	39.4%	20.4%
<i>Free Cash Flow growth</i>	-297.4%	215.6%	-73.7%	132.7%	-161.7%	339.3%	18.1%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	n.a.	15.5%	n.a.	9.9%	n.a.	15.4%	18.2%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	n.a.	17.0%	4.5%	10.4%	n.a.	15.4%	18.2%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Recurrent FCF(FY - 1)	(1.3)	(5.4)	4.9	(0.9)	3.1	(2.0)	4.9		
EBITDA impact from revenue increase	0.1	(2.3)	(0.2)	0.3	(1.4)	2.0	0.3		
EBITDA impact from EBITDA/Sales variation	(0.4)	3.5	1.4	0.9	(0.5)	1.1	0.8		
= Recurrent EBITDA variation	(0.3)	1.3	1.3	1.2	(2.0)	3.1	1.1		
- Rentals (IFRS 16 impact) variation impact	-	(0.0)	-	-	-	-	-		
+/- Working capital variation impact	(4.2)	9.4	(6.6)	3.7	(4.3)	4.0	(0.3)		
= Recurrent Operating Cash Flow variation	(4.5)	10.6	(5.4)	4.9	(6.3)	7.1	0.8		
+/- CAPEX impact	(0.3)	0.3	(0.2)	(0.0)	0.1	(0.3)	(0.0)		
+/- Financial result variation	(0.0)	(0.0)	0.1	(0.6)	0.1	0.0	0.1		
+/- Tax impact	0.7	(0.6)	(0.3)	(0.3)	0.9	-	-		
= Recurrent Free Cash Flow variation	(4.1)	10.3	(5.7)	4.0	(5.2)	6.9	0.9		
Recurrent Free Cash Flow	(5.4)	4.9	(0.9)	3.1	(2.0)	4.9	5.7		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
EBIT	(1.3)	1.7	1.9	3.1	0.8	3.9	5.0	64.4%	18.0%
* Theoretical Tax rate	0.0%	22.4%	30.0%	28.5%	0.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	(0.4)	(0.6)	(0.9)	-	(0.8)	(1.0)		
Recurrent EBITDA	(0.7)	0.6	1.8	3.0	1.1	4.2	5.3	86.0%	20.2%
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	(3.7)	5.6	(1.0)	2.7	(1.6)	2.4	2.1		
= Recurrent Operating Cash Flow	(4.6)	6.0	0.6	5.5	(0.8)	6.3	7.1	47.2%	9.1%
- CAPEX	(0.3)	(0.1)	(0.2)	(0.2)	(0.1)	(0.4)	(0.4)		
- Taxes (pre- Financial Result)	-	(0.4)	(0.6)	(0.9)	-	(0.8)	(1.0)		
= Recurrent Free Cash Flow (To the Firm)	(5.0)	5.6	(0.2)	4.4	(0.9)	5.2	5.7	42.3%	9.1%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	n.a.	212.0%	-103.1%	n.a.	-121.2%	655.8%	10.1%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	n.a.	33.0%	n.a.	32.6%	n.a.	25.0%	25.4%		
- Acquisitions / + Divestments	1.1	(0.6)	2.2	(0.2)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(3.9)	5.0	2.1	4.2	(0.9)	5.2	5.7	45.5%	10.8%
<i>Free Cash Flow (To the Firm) growth</i>	-212.1%	228.9%	-58.3%	101.0%	-122.2%	655.8%	10.1%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	n.a.	14.7%	n.a.	11.5%	n.a.	13.6%	15.0%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	n.a.	13.2%	5.5%	11.0%	n.a.	13.6%	15.0%		

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	31.6	
+ Minority Interests	-	6m Results 2024
+ Provisions & Other L/T Liabilities	0.1	6m Results 2024
+ Net financial debt	30.0	6m Results 2024
- Financial Investments	1.4	6m Results 2024
+/- Others ⁽¹⁾	(22.3)	6m Results 2024
Enterprise Value (EV)	37.9	

(1) Related to: (i) the book value (not actuarial) of deferred tax assets and liabilities (EUR 36.0Mn and EUR 15.1Mn, respectively) and (ii) the market value of treasury stock (c. EUR 1.5Mn)

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
															13-23	23-26e
Total Revenues	10.1	9.0	5.7	5.2	3.7	5.0	5.6	3.9	16.8	11.5	13.4	7.1	20.6	22.3	2.9%	18.5%
Total Revenues growth	-79.2%	-11.1%	-36.2%	-9.8%	-28.3%	34.6%	11.4%	-29.3%	328.4%	-31.6%	16.4%	-47.2%	191.6%	8.3%		
EBITDA	(8.2)	1.4	0.5	0.3	0.2	(0.0)	(0.4)	(1.1)	1.7	1.9	3.4	1.1	4.2	5.3	9.2%	15.9%
EBITDA growth	73.9%	116.9%	-62.2%	-39.7%	-44.0%	-103.7%	n.a.	-180.8%	256.2%	13.4%	81.7%	-68.7%	291.6%	26.8%		
EBITDA/Sales	n.a.	15.5%	9.2%	6.1%	4.8%	n.a.	n.a.	n.a.	9.8%	16.3%	25.4%	15.1%	20.3%	23.7%		
Net Profit	(48.6)	0.7	1.2	0.9	0.3	0.1	1.1	(3.6)	1.2	1.5	2.3	(0.2)	2.3	3.3	7.4%	12.4%
Net Profit growth	-64.7%	101.4%	72.8%	-20.7%	-64.6%	-58.0%	669.9%	-440.0%	133.8%	23.4%	54.0%	-109.8%	n.a.	44.1%		
Adjusted number shares (Mn)	20.9	20.9	20.9	20.9	20.9	20.9	20.9	20.9	21.0	21.9	21.9	21.9	21.9	21.9		
EPS (EUR)	-2.33	0.03	0.06	0.04	0.02	0.01	0.05	-0.17	0.06	0.07	0.11	-0.01	0.10	0.15	7.4%	12.4%
EPS growth	-64.7%	n.a.	72.9%	-20.7%	-64.6%	-58.0%	n.a.	n.a.	n.a.	18.3%	54.0%	n.a.	n.a.	44.1%		
Ord. EPS (EUR)	-2.33	0.03	0.06	0.04	0.02	0.01	0.05	-0.17	0.02	0.07	0.09	-0.01	0.10	0.15	7.4%	16.9%
Ord. EPS growth	-64.7%	n.a.	72.9%	-20.7%	-64.6%	-64.7%	n.a.	n.a.	n.a.	n.a.	37.3%	n.a.	n.a.	44.1%		
CAPEX	0.0	0.0	0.1	0.1	0.0	(0.2)	(0.1)	(0.3)	(0.1)	(0.2)	(0.2)	(0.1)	(0.4)	(0.4)		
CAPEX/Sales %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.8%	1.3%	8.7%	0.4%	1.9%	1.8%	2.0%	2.0%		
Free Cash Flow	10.3	17.8	4.9	3.7	3.1	0.9	2.4	(4.7)	5.4	1.4	3.3	(2.0)	4.9	5.7	#####	20.4%
ND/EBITDA (x) ⁽²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	19.7x	16.8x	8.5x	29.9x	6.7x	4.4x		
P/E (x)	n.a.	66.5x	36.0x	45.4x	n.a.	n.a.	29.5x	n.a.	25.4x	12.8x	9.6x	n.a.	13.9x	9.6x		
EV/Sales (x)	2.19x	5.08x	7.12x	7.46x	9.28x	8.86x	8.01x	10.53x	2.64x	2.56x	2.32x	5.36x	1.84x	1.70x		
EV/EBITDA (x) ⁽²⁾	n.a.	32.8x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	27.0x	15.7x	9.1x	35.5x	9.1x	7.2x		
Absolute performance	-64.9%	135.0%	-6.4%	0.0%	-0.1%	-30.1%	6.4%	-12.5%	12.4%	-40.4%	15.4%	42.5%				
Relative performance vs Ibx 35	-71.1%	126.7%	0.8%	2.1%	-7.0%	-17.8%	-4.8%	3.5%	4.1%	-36.8%	-6.0%	29.2%				

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Factset.

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

Appendix 5. Main peers 2024e

		Real estate					Tourism				
EUR Mn		Metrovacesa	Aedas Homes	Neinor Homes	Insur	Average	Playa Hotels & Resorts	PPHE Hotel Group	Pierre et Vacances	Average	LIB
Market data	Ticker (Factset)	MVC-ES	AEDAS-ES	HOME-ES	ISUR-ES		PLYA-US	PPH-GB	VAC-FR		LIB-ES
	Country	Spain	Spain	Spain	Spain		Netherlands	Netherlands	France		Spain
	Market cap	1,239.2	1,007.3	1,018.1	155.0		1,035.5	695.9	602.6		31.6
	Enterprise value (EV)	1,443.0	1,247.4	1,210.6	398.7		2,034.4	2,154.5	3,802.4		37.9
Basic financial information	Total Revenues	657.1	1,020.9	631.4	194.9		879.3	534.8	1,923.5		7.1
	Total Revenues growth	12.1%	-10.8%	6.3%	38.9%	11.6%	-2.4%	8.8%	7.7%	4.7%	-47.2%
	2y CAGR (2024e - 2026e)	5.0%	-1.3%	2.8%	-7.2%	-0.2%	4.7%	5.9%	2.6%	4.4%	77.7%
	EBITDA	67.9	156.7	95.0	32.3		246.0	172.6	169.7		1.1
	EBITDA growth	453.5%	-10.7%	-11.8%	73.5%	126.1%	3.5%	13.5%	-64.6%	-15.9%	-68.7%
	2y CAGR (2024e - 2026e)	7.0%	0.9%	1.7%	0.5%	2.5%	2.3%	9.5%	8.3%	6.7%	n.a.
	EBITDA/Revenues	10.3%	15.4%	15.0%	16.6%	14.3%	28.0%	32.3%	8.8%	23.0%	15.1%
	EBIT	56.8	152.8	90.7	28.4		160.7	110.8	106.8		0.8
	EBIT growth	524.4%	-10.5%	-9.5%	94.3%	149.7%	-1.0%	12.4%	-50.0%	-12.9%	-73.4%
	2y CAGR (2024e - 2026e)	15.9%	0.8%	2.2%	-0.2%	4.7%	5.3%	11.6%	10.1%	9.0%	n.a.
	EBIT/Revenues	8.6%	15.0%	14.4%	14.5%	13.1%	18.3%	20.7%	5.5%	14.8%	11.6%
	Net Profit	27.6	97.7	66.5	14.3		69.8	40.0	39.2		(0.2)
	Net Profit growth	232.4%	-10.3%	-26.6%	26.7%	55.6%	40.7%	50.3%	162.2%	84.4%	-109.8%
2y CAGR (2024e - 2026e)	22.6%	0.0%	4.4%	1.5%	7.1%	21.9%	24.6%	32.9%	26.5%	n.a.	
CAPEX/Sales %	2.6%	0.7%	13.4%	26.3%	10.8%	8.4%	13.6%	4.8%	9.0%	2.0%	
Free Cash Flow	96.9	123.8	133.3	3.1		3.4	51.4	(16.1)		(2.0)	
Net financial debt	333.9	388.0	239.3	244.1		771.7	857.1	(26.6)		31.9	
ND/EBITDA (x)	4.9	2.5	2.5	7.6	4.4	3.1	5.0	n.a.	4.1	29.9	
Pay-out	474.3%	111.3%	278.0%	40.3%	226.0%	0.0%	51.2%	0.0%	17.1%	-377.9%	
Multiples and Ratios	P/E (x)	43.1	9.7	15.3	10.6	19.7	14.9	15.7	16.0	15.5	n.a.
	P/BV (x)	0.8	1.1	1.1	1.0	1.0	2.0	1.8	15.3	6.3	0.3
	EV/Revenues (x)	2.2	1.2	1.9	2.0	1.8	2.3	4.0	2.0	2.8	5.4
	EV/EBITDA (x)	21.2	8.0	12.7	12.4	13.6	8.3	12.5	22.4	14.4	35.5
	EV/EBIT (x)	25.4	8.2	13.3	14.1	15.3	12.7	19.4	35.6	22.6	46.4
	ROE	1.8	11.2	7.4	9.1	7.4	13.4	11.4	95.2	40.0	n.a.
	FCF Yield (%)	7.8	12.3	13.1	2.0	8.8	0.3	7.4	n.a.	3.9	n.a.
	DPS	0.86	2.52	2.48	0.31	1.54	0.00	0.48	0.00	0.16	0.04
Dvd Yield	10.6%	10.9%	18.3%	3.8%	10.9%	0.0%	2.9%	0.0%	1.0%	2.7%	

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).

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
26-Jul-2024	n.a.	1.44	n.a.	n.a.	6m Results 2024	José Miguel Cabrera van Grieken
07-Jun-2024	n.a.	1.70	n.a.	n.a.	Company visit	Enrique Andrés Abad, CFA
27-May-2024	n.a.	1.49	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
29-Apr-2024	n.a.	1.24	n.a.	n.a.	3m Results 2024	Alfredo Echevarría Otegui
04-Mar-2024	n.a.	1.14	n.a.	n.a.	12m Results 2023	Alfredo Echevarría Otegui
27-Oct-2023	n.a.	0.98	n.a.	n.a.	9m Results 2023	José Miguel Cabrera van Grieken
28-Jul-2023	n.a.	1.07	n.a.	n.a.	6m Results 2023	Alfredo Echevarría Otegui
12-Jun-2023	n.a.	0.93	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
28-Apr-2023	n.a.	0.84	n.a.	n.a.	3m Results 2023	David López Sánchez
02-Mar-2023	n.a.	0.86	n.a.	n.a.	12m Results 2022	David López Sánchez
28-Oct-2022	n.a.	0.92	n.a.	n.a.	9m Results 2022	David López Sánchez
02-Aug-2022	n.a.	1.06	n.a.	n.a.	6m Results 2022	David López Sánchez
03-May-2022	n.a.	1.60	n.a.	n.a.	3m Results 2022	David López Sánchez
02-Mar-2022	n.a.	1.32	n.a.	n.a.	12m Results 2021	David López Sánchez
25-Oct-2021	n.a.	1.81	n.a.	n.a.	9m Results 2021	David López Sánchez
02-Aug-2021	n.a.	2.11	n.a.	n.a.	6m Results 2021	David López Sánchez
07-Jul-2021	n.a.	2.43	n.a.	n.a.	Initiation of Coverage	David López Sánchez

