

Business description

Amper (AMP) is a Spanish group that operates through two business lines: (i) energy and sustainability (offshore wind platform engineering, EPC for PV, and energy control; 80% o/revenue 2024), (ii) defense, security and communications (20% o/revenue 2024). Spain is its principal market (c. 86% o/revenue).

Market Data

Market Cap (Mn EUR and USD)	206.8	215.1
EV (Mn EUR and USD) ⁽²⁾	332.0	345.2
Shares Outstanding (Mn)	1,496.7	
-12m (Max/Med/Mín EUR)	0.15 / 0.11 / 0.07	
Daily Avg volume (-12m Mn EUR)	0.48	
Rotation ⁽³⁾	59.2	
Factset / Bloomberg	AMP-ES / AMP SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Zelena	9.5
Martinavarro Dealbert	5.3
Free Float	85.2

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	13.1	30.4	70.0	-40.9
vs Ibex 35	3.0	13.4	28.2	-61.4
vs Ibex Small Cap Index	7.1	14.0	45.5	-57.8
vs Eurostoxx 50	7.5	13.6	51.9	-64.0
vs Sector benchmark ⁽⁴⁾	9.3	18.5	70.3	-65.5

(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 Technology.

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

2024: growth (+14%) and strong margin improvement. With room to growth in 2025e-2026e.

REVENUE +14% AND IN LINE... AMP grows organically and closes 2024 with revenues of EUR 419.5 Mn (+c.14% vs. 2023), in line with our estimates and slightly below the 2023-2026 Strategic Plan target (2024e organic revenue of EUR 428 Mn). By business segment: (i) defense, security, and communications accounted for c.20% of sales (EUR 84.4 Mn), growing +2%; (ii) energy and sustainability, c.80% of sales (EUR 335.1 Mn), growing +17%.

...ACCOMPANIED BY A SUBSTANTIAL (AND ANNOUNCED) INCREASE IN MARGINS, EXCEEDING ESTIMATES... Excluding the impact of capitalized expenses and grants of EUR 12.9 Mn (vs. EUR 14.6 Mn in 2023) and placing the Recurring EBITDA Margin at 5.3% (+2.4 p.p. vs. 2023, +1 p.p. vs. estimates and with upward potential; de facto the margin improves >80%). This increase is mainly due to projects with higher added value, operational efficiency measures, and cost adjustments.

...AND ANNOUNCING DIVESTITURES OF NON-STRATEGIC ASSETS. During 2024, the sale of 100% of its industrial subsidiary Nervión, along with 100% of FIVEMASA and 90% of FIVEMASA ARGENTINA for EUR 23 Mn (c.5x EV/EBITDA multiple; Lighthouse estimate) stands out, with a potential capital gain of EUR 15 Mn in 2025e. In line with what was announced in 1H24, we consider the divestiture of lower-margin businesses (c.4% EBITDA Margin of the sold business, Lighthouse estimate) to be key. Following this perimeter change, we will need to adjust estimates.

AMP has reached relevant agreements in 2024: (i) alliance with eks Energy-Hitachy, (ii) purchase agreement for 49% of Elinsa, (iii) development of facilities in Ferrol for the offshore wind business, (iv) purchase agreement for 100% of Navacel, (v) alliance with BAE Systems, and (vi) participation (10%) in Intelctia Telecom. These place the order backlog at EUR 540 Mn (+40% vs. 2023) despite the sale of Nervión.

FINANCIAL RISK IS REDUCED. Net financial debt remains at EUR c.110 Mn (+3.5% vs. 2023) despite the increase in activity. The change in the debt structure, with 70% long-term (vs. 27% in 2023), substantially improves the financing structure. And along with the increase in Recurring EBITDA (+100% vs. 2023), it reduces the 2024 Net Debt/Recurring EBITDA leverage to 5x (vs. 10x 2023).

IN CONCLUSION: MARGIN AND FINANCIAL STRUCTURE IMPROVEMENT, WITH POTENTIAL IN 2025E-2026E. AMP has exposure to strategic sectors (defense, security, energy, and sustainability). Cost inflation penalized margins in 2021-2023, which have recovered strongly in 2024. Following the sale of Nervión, we expect that (i) a reduction in inflation, (ii) positive prospects in defense, security, and energy, and (iii) cost reduction, will be reflected in margin improvement in 2025e-2026e. This improvement will be key to test the ability to (i) leverage the operating structure and (ii) generate cash. This, together with the optimization of the financing structure, will allow further reduction of financial risk and cost. The perimeter change is very positive by "freeing" AMP from the lower-margin division. The extraordinary performance of the stock (+c.70% absolute and vs. sector -12m) is significant, indicating that the market has changed its perception of the stock and validates the strategic shift. The improvement in margins could continue in 2025e.

Appendix 1. Results table

EUR Mn	12m24		12m24 Real		12m24 Real	
	Real	12m23	vs 12m23	2024e	vs 2024e	
Total Ingresos	419,5	369,4	13,6%	418,9	0,1%	
Defensa, Seguridad y Comunicaciones	84,4	83,0	1,7%	99,8	-15,4%	
Energía y Sostenibilidad	335,1	286,4	17,0%	319,1	5,0%	
Margen Bruto	234,4	202,1	16,0%	229,4	2,2%	
<i>Mg. Bruto (%)</i>	<i>55,9%</i>	<i>54,7%</i>	<i>1,2 p.p.</i>	<i>54,8%</i>	<i>1,1 p.p.</i>	
EBITDA (Recurrente)¹	22,2	10,7	106,9%	16,9	31,6%	
<i>EBITDA Rec. / Ingresos</i>	<i>5,3%</i>	<i>2,9%</i>	<i>2,4 p.p.</i>	<i>4,0%</i>	<i>1,3 p.p.</i>	
EBITDA	22,5	11,1	103,0%	16,9	33,0%	
<i>EBITDA / Ingresos</i>	<i>5,4%</i>	<i>3,0%</i>	<i>2,4 p.p.</i>	<i>4,0%</i>	<i>1,0 p.p.</i>	
EBIT	14,9	10,4	43,5%	12,9	15,9%	
<i>EBIT / Ingresos</i>	<i>3,6%</i>	<i>2,8%</i>	<i>0,7 p.p.</i>	<i>3,1%</i>	<i>0,3 p.p.</i>	
Beneficio neto	0,1	-1,5	109,5%	1,5	-90,6%	
Cartera de proyectos	540	386	39,9%	n.a.	n.a.	
	12m24	12m24 Real	12m24 Real	12m24 Real	12m24 Real	
	Real	12m23	vs 12m23	2024e	vs 2024e	
Deuda Neta	109,7	106,0	3,5%	110,9	-1,1%	
Deuda Neta / EBITDA	4,9 x	9,9 x		6,6 x		

(1) Recurrent EBITDA and adjusted EBITDA stripping out the impact of capitalized expenses.

Appendix 2. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	206.8	
+ Minority Interests	1.6	12m Results 2024
+ Provisions & Other L/T Liabilities	28.7	12m Results 2024
+ Net financial debt	109.7	12m Results 2024
- Financial Investments	14.8	12m Results 2024
+/- Others		
Enterprise Value (EV)	332.0	

Appendix 3. Main peers

		Technology and communications				Industrial	
EUR Mn		Global					
Market data	Ticker (Factset)	DOM-ES	ALLE-US	ADV-DE		BRAV-SE	
	Country	Spain	Ireland	Germany		Sweden	
	Market cap	391.0	10,679.3	1,039.8		1,687.4	
	Enterprise value (EV)	656.3	12,262.8	1,118.8		2,019.5	
Basic financial information	Total Revenues	1,153.0	3,627.1	472.5		2,656.0	
	Total Revenues growth	-3.3%	3.3%	-23.0%	-7.7%	0.8%	0.8%
	2y CAGR (2024e - 2026e)	-0.7%	3.2%	n.a.	1.2%	2.2%	2.2%
	EBITDA	154.7	873.3	56.7		194.1	
	EBITDA growth	1.7%	7.4%	-30.6%	-7.2%	-6.7%	-6.7%
	2y CAGR (2024e - 2026e)	-0.7%	5.9%	n.a.	2.6%	10.9%	10.9%
	EBITDA/Revenues	13.4%	24.1%	12.0%	16.5%	7.3%	7.3%
	EBIT	88.3	761.6	(9.8)		137.4	
	EBIT growth	2.8%	7.5%	-155.7%	-48.5%	-11.1%	-11.1%
	2y CAGR (2024e - 2026e)	0.1%	10.1%	n.a.	5.1%	14.9%	14.9%
	EBIT/Revenues	7.7%	21.0%	n.a.	14.3%	5.2%	5.2%
	Net Profit	40.1	574.5	(2.3)		94.6	
	Net Profit growth	-11.6%	10.6%	83.8%	27.6%	-13.9%	-13.9%
	2y CAGR (2024e - 2026e)	5.6%	9.8%	n.a.	7.7%	19.2%	19.2%
	CAPEX/Sales %	3.9%	2.4%	14.4%	6.9%	n.a.	n.a.
Free Cash Flow	7.7	560.5	(16.2)		n.a.		
Net financial debt	230.2	1,583.6	27.4		329.3		
ND/EBITDA (x)	1.5	1.8	0.5	1.3	1.7	1.7	
Pay-out	36.2%	26.3%	0.0%	20.8%	n.a.	n.a.	
Multiples and Ratios	P/E (x)	13.0	18.9	n.a.	15.9	17.8	17.8
	P/BV (x)	1.4	7.4	2.8	3.9	2.1	2.1
	EV/Revenues (x)	0.6	3.4	2.4	2.1	0.8	0.8
	EV/EBITDA (x)	4.2	14.0	19.7	12.7	10.4	10.4
	EV/EBIT (x)	7.4	16.1	n.a.	11.8	14.7	14.7
	ROE	13.4	42.4	n.a.	27.9	12.4	12.4
	FCF Yield (%)	2.0	5.2	n.a.	3.6	n.a.	n.a.
	DPS	0.10	1.73	0.00	0.61	0.31	0.31
	Dvd Yield	3.6%	1.4%	0.0%	1.7%	3.8%	3.8%

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).

LIGHTHOUSE

Calle Núñez de Balboa, 108 1ª Planta
28006 Madrid
T: +34 91 563 19 72
institutodeanalistas.com/lighthouse

Head of research

Alfredo Echevarría Otegui

alfredo.echevarria@institutodeanalistas.com

Analysts who contributed to this report:

Pablo Victoria Rivera, CESGA

Equity research

pablo.victoria@institutodeanalistas.com

Daniel Gandoy López

Equity research

lighthouse@institutodeanalistas.com

Jesús López Gómez, CESGA

ESG Analyst & Data analytics

jesus.lopez@institutodeanalistas.com

All Lighthouse research documents are available simultaneously on the Lighthouse website (institutodeanalistas.com/lighthouse) and via third-party aggregators such as Bloomberg, Factset, Capital IQ and Refinitiv.

IMPORTANT LEGAL INFORMATION REGARDING THIS REPORT

LIGHTHOUSE

Lighthouse is a project of IEAF Servicios de Análisis S.L.U. Lighthouse is a research project funded by Bolsas y Mercados Españoles S.A. Lighthouse aims to improve the research coverage of the "orphan stocks" of the Spanish market: those which lack real and continuous research coverage. Lighthouse reports will not include valuation and target price. Lighthouse does not seek to provide investment advice to any natural or legal person. For this reason, Lighthouse will not provide a valuation, target price or investment recommendation for any of the securities analysed.

IEAF Servicios de Análisis S.L.U. is a Spanish company whose corporate purpose is:

1º) To provide information and financial analysis regarding securities issued by any class of legal person traded or not on official secondary markets, and especially (but not exclusively) those securities which are not the object of the recurrent provision of information and analysis by financial analysts who participate in the markets.

2º) To publicise and update the aforementioned financial reports and analysis, in addition to the monitoring and following of the securities on which the information and analysis is provided.

3º) To prepare studies and projects aimed at proposing and implementing measures to improve the information and financial analysis of securities traded on official secondary markets.

IEAF Servicios de Análisis S.L.U. is a company whose sole shareholder is the Instituto Español de Analistas Financieros, a professional, not for profit association.

DISCLAIMER

The Instituto Español de Analistas Financieros hereby certifies that the analyst of IEAF Servicios de Análisis S.L.U. whose name figures as the author of this report, expresses views that reflect their personal and independent opinion of the company analysed without these implying, either directly or indirectly, a personalised recommendation of the company analysed for purposes of providing investment advice. This report is based on the preparation of detailed financial projections from information available to the public and following traditional fundamental research methodology (i.e. it is not a technical or quantitative analysis report). For the analysis methodology used in the preparation of this report, please contact the analyst directly; contact details are included on the front page of this report.

The report includes basic information regarding the main parameters to be used by an investor when making their own valuation (whether by discounted cash flows or multiples). These parameters are the personal opinion or estimate of the analyst. The person receiving this report should use their own judgement when using these parameters and should consider them as another element in their decision-making process in respect of investment. These parameters do not represent a personalised investment recommendation.

Rules governing confidentiality and conflicts of interest

None of the following rules governing confidentiality and conflicts of interest (12) is applicable to this report:

1. This report is non-independent research as it has been commissioned by the company analysed (issuer).
2. In the last 12 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., has had Investment Banking mandates or has managed or co-managed a public offering of the securities of the issuer, or has received compensation from said issuer for Investment Banking services, that exclude brokerage services for prepaid fees.
3. In the next 6 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., expects to receive or intends to obtain compensation for Investment Banking services provided to this company that exclude brokerage services for prepaid fees.
4. The Investment Analyst or a member of the Research Department or a member of their household has a long position in the shares or derivatives of the corresponding issuer.
5. The Investment Analyst or a member of the Research Department or a member of their household has a short position in the shares or derivatives of the corresponding issuer.
6. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a long position of over 0.5% of the issuer's capital.
7. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a short position of over 0.5% of the issuer's capital.
8. At the end of the month immediately prior to the publication of this report, or of the previous month if the report is published in the ten days following the end of the month, the company analysed (the issuer) or any of its subsidiaries held 5% or more of any class of equity security of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.
9. A senior director or officer of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., or a member of their department is a director, officer, advisor or member of the Board of Directors of the issuer and/or one of its subsidiaries.
10. The Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., acts as broker for the Issuer for the corresponding prepaid fees.
11. The contents of this report related to the financial analysis, financial projections, valuation, investment summary and opinion of the analyst have been reviewed by the issuer prior to its publication.
12. The issuer has made changes to the contents of this report prior to its distribution.

The Investment Analysts who have prepared this Investment Analysis are employees of IEAF Servicios de Análisis S.L.U. These analysts have received (or will receive) compensation according to the general earnings of IEAF Servicios de Análisis S.L.U. To obtain a copy of the Code of Conduct of IEAF Servicios de Análisis S.L.U. (in respect of the Management of Conflicts of Interest in the research department), please use the e-mail address secretaria@institutodeanalistas.com or consult the contents of this Code at <https://institutodeanalistas.com>.

IEAF Servicios de Análisis S.L.U. is compensated by Bolsas y Mercados Españoles, S.A. for the preparation of this report. This report should be considered as just another element in the taking of investment decisions.

A report issued by IEAF servicios de análisis S.L.U.

All rights reserved. The unauthorised use or distribution of this report is prohibited. This document has been prepared and distributed, according to the provisions of the MiFID II by IEAF Servicios de Análisis S.L.U. Its corporate activity is regulated by the CNMV (the Spanish Securities Exchange Commission). The information and opinions expressed in this document do not represent nor are they intended to represent an offer or a solicitation to buy or sell the securities (in other words, the securities mentioned in this report and related warrants, options, rights or interests). The information and opinions contained in this document are based upon information available to the public and have been obtained from sources believed to be reliable by IEAF Servicios de Análisis S.L.U., but no guarantee is given regarding their accuracy or completeness. All comments and estimates reflect solely the opinion of IEAF Servicios de Análisis S.L.U. and do not offer any implicit or explicit guarantee. All the opinions expressed are subject to change without prior warning. This document does not take into account the specific investment objectives, financial position, risk profile or other specific aspects of the person who receives this document, and accordingly they should exercise their own judgement in this respect. Neither the Instituto Español de Analistas Financieros nor its subsidiary, IEAF Servicios de Análisis S.L.U., assumes any responsibility for direct or indirect losses arising from the use of the published research, except in the event of negligent conduct by IEAF Servicios de Análisis S.L.U. The information contained in this report is approved for distribution to professional clients, eligible counterparties and professional advisers, but not for distribution to private individuals or retail clients. Its reproduction, distribution or

publication for any purpose without the written authorisation of IEAF Servicios de Análisis S.L.U. is prohibited. The Instituto Español de Analistas Financieros and/or its subsidiary IEAF Servicios de Análisis S.L.U., their employees and directors, may hold a position (long or short) in an investment knowing that this issuer will be the object of analysis and that this analysis will be distributed to institutional investors. Any further information regarding the contents of this report will be provided upon request. IEAF Servicios de Análisis S.L.U. intends to publish (at least) one quarterly report or note updating the information on the company analysed.

United States. IEAF Servicios de Análisis S.L.U. is not registered in the United States and, consequently, is not subject to the regulations of that country governing the preparation of research and the independence of analysts. This report is distributed solely to major US institutional investors, in reliance on the exemption from registration provided by Rule 15a-6 of the US Securities Exchange Act of 1934, as amended (the "Exchange Act"), and interpretations of this made by the US Securities Exchange Commission.

Major US Institutional Investors. This report will be distributed to "major US institutional investors", as defined by Rule 15a-6 of the US Securities Exchange Commission and of the US Securities Exchange Act of 1934.

Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
03-Mar-2025	n.a.	0.138	n.a.	n.a.	12m Results 2024	Pablo Victoria Rivera, CESGA
31-Jul-2024	n.a.	0.099	n.a.	n.a.	6m Results 2024	Enrique Andrés Abad, CFA
27-May-2024	n.a.	0.110	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
04-Mar-2024	n.a.	0.078	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
31-Jul-2023	n.a.	0.100	n.a.	n.a.	6m Results 2023 - Estimates downgrade	Enrique Andrés Abad, CFA
15-Jun-2023	n.a.	0.097	n.a.	n.a.	Important news	David López Sánchez
12-Jun-2023	n.a.	0.095	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
02-Mar-2023	n.a.	0.155	n.a.	n.a.	12m Results 2022	David López Sánchez
15-Nov-2022	n.a.	0.166	n.a.	n.a.	9m Results 2022	David López Sánchez
01-Aug-2022	n.a.	0.187	n.a.	n.a.	6m Results 2022	David López Sánchez
02-May-2022	n.a.	0.248	n.a.	n.a.	3m Results 2022	David López Sánchez
25-Feb-2022	n.a.	0.198	n.a.	n.a.	12m Results 2021	David López Sánchez
24-Nov-2021	n.a.	0.179	n.a.	n.a.	9m Results 2021	David López Sánchez
24-Sep-2021	n.a.	0.178	n.a.	n.a.	6m Results 2021	David López Sánchez
30-Apr-2021	n.a.	0.192	n.a.	n.a.	3m Results 2021	David López Sánchez
18-Mar-2021	n.a.	0.199	n.a.	n.a.	Review of estimates	David López Sánchez
01-Mar-2021	n.a.	0.182	n.a.	n.a.	12m Results 2020	David López Sánchez
16-Nov-2020	n.a.	0.173	n.a.	n.a.	9m Results 2020	David López Sánchez
30-Jul-2020	n.a.	0.144	n.a.	n.a.	6m Results 2020	David López Sánchez
06-May-2020	n.a.	0.179	n.a.	n.a.	3m Results 2020	David López Sánchez
27-Feb-2020	n.a.	0.244	n.a.	n.a.	12m Results 2019	David López Sánchez
13-Nov-2019	n.a.	0.255	n.a.	n.a.	9m Results 2019	David López Sánchez
11-Sep-2019	n.a.	0.267	n.a.	n.a.	6m Results 2019	David López Sánchez
09-May-2019	n.a.	0.254	n.a.	n.a.	3m Results 2019	David López Sánchez
04-Apr-2019	n.a.	0.249	n.a.	n.a.	Initiation of Coverage	David López Sánchez

