

MPC Energy Solutions N.V.

Renewables - Netherlands



Buy (old: Buy)

02.05.2025

NOK 15.50 (old: NOK 14.00)

Good start into the year: Q1 EBIT turns positive

Q1 proportionate energy output increased slightly by 2% yoy to 29 GWh despite the sale of its CHP plant in Puerto Rico at the end of last year (6-7 GWh impact). Mexico and El Salvador on the other hand show strong operational developments, overcompensating for that. As a result, **proportionate group sales in Q1 stood at \$ 2.9m** (\$ +0.1m yoy).

The group's **consolidated EBIT turned positive at \$ 0.1m**, a significant improvement compared to last year's \$ 0.4m loss. This is mainly due to cost-cutting measures (e.g. reduced headcount) bearing fruit.

Sale of Colombian assets progressing. As highlighted during the Q4 earnings call, MPCES initiated the sales process of its two Colombian operational projects (39MW) due to the challenging situation in that region, triggering significant expenses to guarantee the safety of employees. Conservatively assuming a certain discount to the book value (\$ 17m), MPCES should be able to receive some \$ 15m, eNuW.

Reduced development efforts. With the sale of a Colombian development project in Q1, the pipeline now consists of two projects with a total capacity of 90MW. At the current development projects, MPCES should be able to receive roughly \$ 40k per MW.

Guatemala project to begin producing electricity in July. In February 2024, MPCES began construction of its 66MW PV project in Guatemala. The mechanical completion is expected to take place in May, followed by the grid connection at the end of June. While the company initially planned to sell a 49% stake to a co-investor, management decided to keep full ownership of the project, which is expected to generate annualized sales of \$ 8m with an 80% EBITDA margin, roughly doubling its production portfolio (in terms of GWh).

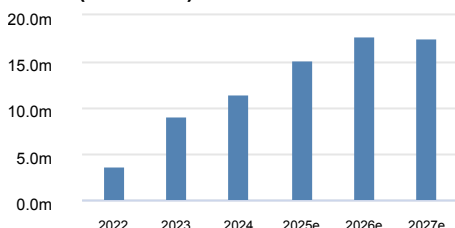
No liquidity concerns. Thanks to the pending inflows from the sold development project and the two Colombian assets that are expected to be sold this year, MPCES should be well capitalized. In fact, management confirmed to plans to redistribute cash to shareholders once it becomes available.

We confirm our **BUY rating with an unchanged NOK 15.5 PT** (old: NOK 14) based on sum-of-the-parts (SOTP) valuation, separately accounting for the value of its current IPP portfolio (NPV) and its development backlog (multiple). This is largely inline with a 20% discount to the projects' book values (page 2).

Y/E 31.12 (USD m)	2022	2023	2024	2025e	2026e	2027e
Sales	3.6	9.1	11.6	15.1	17.7	17.7
Sales growth	n.a.	150.7%	27.8%	30.2%	17.2%	16.7%
EBITDA	-3.2	-1.7	3.1	7.9	10.6	11.5
Net debt (if net cash=0)	18.7	23.3	54.2	66.9	58.7	50.0
FCF	-10.6	-12.9	-29.9	-12.7	5.2	6.6
Net Debt/EBITDA	-5.9	-13.7	17.5	8.4	5.6	4.4
EPS pro forma	-0.23	-0.27	-0.20	0.02	0.12	0.18
EBITDA margin	-87.2%	-18.7%	26.6%	52.5%	59.5%	64.9%
ROCE	-5.5%	-7.5%	-11.9%	3.7%	5.2%	6.0%
EV/sales	110.4	4.8	6.4	59.4	45.9	4.0
EV/EBITDA	-126.6	-25.4	24.0	113.2	77.1	6.1
PER	-3.9	-3.3	-4.4	36.0	7.3	5.0
Adjusted FCF yield	-2.9%	-17.0%	-11.1%	1.9%	2.7%	12.0%

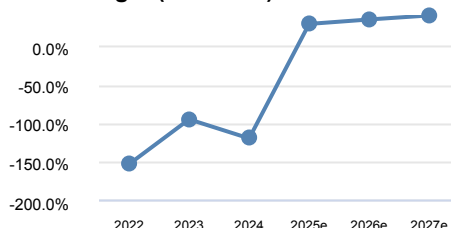
Source: Company data, NuWays, Close price as of 28.04.2025

Sales (2022-27e)



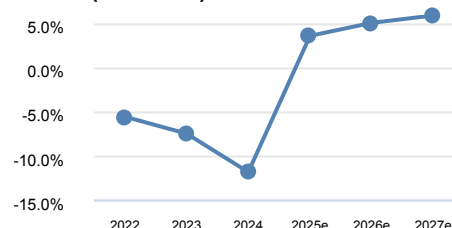
Source: NuWays Research

EBIT margin (2022-27e)



Source: NuWays Research

ROCE (2022-27e)



Source: NuWays Research

Company description

MPC Energy Solutions is an independent power producer that develops, owns and operates renewable assets across the high-yielding Latin American and Caribbean region. The production portfolio comprises 76 MW of PV solutions.

Share Performance



High/low 52 weeks (NOK) 13.95 / 8.60
 3m rel. performance -15.7%
 6m rel. performance -38.8%
 12m rel. performance -30.0%

Market data

Share price (in NOK) 9.16
 Market cap (in NOK m) 206.9
 Number of shares (in m pcs) 22.2
 Enterprise value (in NOK m) 899.4
 Ø trading volume (6 months) 14,500

Identifier

Bloomberg MPCES NO
 Reuters MPCES.OL
 WKN A2QMBK
 ISIN NL0015268814

Key shareholders

MPC Capital 20.5%
 Helikon Investments 15.7%
 Paladin Asset Mgmt. 9.7%
 Klaviness Marine Finance 4.8%
 Farvatn 3.7%
 Free Float 45.6%

Estimates changes

	2025e	2026e	2027e
Sales	21%	28%	28%
EBIT	125%	101%	77%
EPS	129%	404%	1526%

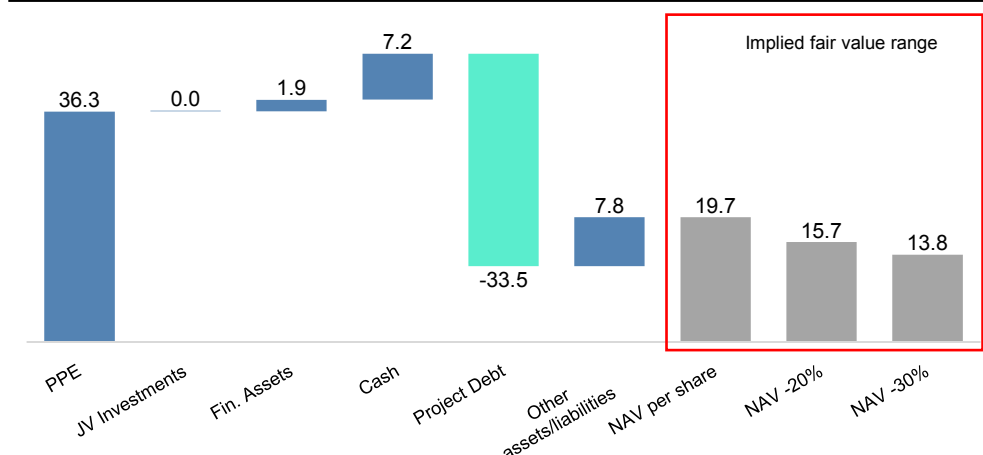
Comment on changes

- Reflection of 100% of the Guatemala project in our estimates

Guidance

- 2025: 140-145 GWh energy output
- 2025: \$ 12-13m project sales and \$ 9-9.5m project EBITDA

NAV per share (in NOK)



Source: NuWays Research, company data

Financials

Profit and loss (USD m)	2022	2023	2024	2025e	2026e	2027e
Net sales	3.6	9.1	11.6	15.1	17.7	17.7
Sales growth	n.a.	150.7%	27.8%	30.2%	17.2%	16.7%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	3.6	9.1	11.6	15.1	17.7	17.7
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
Material expenses	1.5	4.7	4.2	3.7	4.1	4.1
Personnel expenses	1.6	1.9	1.6	1.3	1.4	1.4
Other operating expenses	3.6	4.2	2.7	2.2	1.7	0.7
Total operating expenses	6.8	10.8	8.5	7.2	7.2	6.2
EBITDA	-3.2	-1.7	3.1	7.9	10.6	11.5
Depreciation	1.0	2.6	3.0	2.4	3.2	3.2
EBITA	-4.1	-4.3	0.1	5.6	7.3	8.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.0	1.5	1.2	1.2	1.2	1.2
Impairment charges	0.4	2.9	12.9	0.0	0.0	0.0
EBIT (inc revaluation net)	-5.6	-8.7	-14.0	4.4	6.2	7.1
Interest income	0.7	0.9	1.3	0.6	0.5	0.4
Interest expenses	1.8	3.3	3.4	4.7	4.3	4.0
Investment income	-0.2	-1.5	-0.0	-0.5	-0.4	-0.4
Financial result	1.1	-3.9	-2.1	-4.6	-4.3	-3.9
Recurring pretax income from continuing operations	-4.5	-12.6	-16.1	-0.2	1.9	3.2
Extraordinary income/loss	-0.4	2.8	-1.6	0.0	0.0	0.0
Earnings before taxes	-4.9	-9.8	-17.7	-0.2	1.9	3.2
Income tax expense	0.8	-1.3	-0.3	0.0	-0.1	-0.1
Net income from continuing operations	-5.6	-8.5	-17.4	-0.2	2.0	3.3
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-5.6	-8.5	-17.4	-0.2	2.0	3.3
Minority interest	0.0	0.5	0.1	-0.7	-0.7	-0.7
Net profit (reported)	-5.6	-9.0	-17.4	0.6	2.7	4.0
Average number of shares	22.2	22.2	22.2	22.2	22.2	22.2
EPS reported	-0.25	-0.40	-0.78	0.02	0.12	0.18

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales growth	n.a.	150.7%	27.8%	30.2%	17.2%	16.7%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Material expenses	42.3%	51.6%	36.0%	24.3%	23.3%	23.3%
Personnel expenses	45.1%	21.4%	14.1%	8.9%	7.7%	7.9%
Other operating expenses	99.8%	45.7%	23.3%	14.3%	9.5%	3.9%
Total operating expenses	187.2%	118.7%	73.4%	47.5%	40.5%	35.1%
EBITDA	-87.2%	-18.7%	26.6%	52.5%	59.5%	64.9%
Depreciation	27.2%	28.5%	25.9%	15.7%	18.1%	18.2%
EBITA	-114.4%	-47.2%	0.7%	36.8%	41.4%	46.7%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	27.2%	16.2%	9.9%	7.6%	6.5%	6.5%
Impairment charges	12.1%	32.0%	111.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	-153.8%	-95.3%	-120.2%	29.2%	34.9%	40.2%
Interest income	20.5%	10.3%	11.3%	3.8%	2.7%	2.3%
Interest expenses	50.6%	36.6%	29.0%	31.0%	24.4%	22.4%
Investment income	-5.3%	-16.9%	-0.4%	-3.0%	-2.3%	-2.0%
Financial result	30.2%	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	-123.6%	-138.6%	-138.3%	-1.1%	10.9%	18.0%
Extraordinary income/loss	-10.2%	30.2%	-13.9%	0.0%	0.0%	0.0%
Earnings before taxes	-133.8%	-108.3%	-152.2%	-1.1%	10.9%	18.0%
Tax rate	-15.8%	13.7%	-3.5%	-3.5%	-3.5%	-3.5%
Net income from continuing operations	-154.9%	-93.5%	-149.3%	-1.1%	11.3%	18.7%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	-154.9%	-93.5%	-149.3%	-1.1%	11.3%	18.7%
Minority interest	0.0%	5.1%	0.6%	-4.8%	-4.1%	-4.1%
Net profit (reported)	-154.9%	-98.7%	-149.9%	3.7%	15.4%	22.8%

Source: Company data, NuWays

Balance sheet (USD m)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	19.3	20.0	17.9	18.8	19.7	20.5
Property, plant and equipment	57.2	62.3	76.3	88.7	85.5	82.3
Financial assets	24.7	14.6	4.0	4.0	4.0	4.0
FIXED ASSETS	101.3	96.9	98.2	111.5	109.2	106.8
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	2.0	5.6	4.3	5.6	6.5	6.5
Other assets and short-term financial assets	0.0	0.0	8.1	8.1	8.1	8.1
Liquid assets	24.2	20.5	12.4	7.7	5.5	8.8
Deferred taxes	1.4	0.0	0.4	0.4	0.4	0.4
Deferred charges and prepaid expenses	0.1	0.2	0.1	0.1	0.1	0.1
CURRENT ASSETS	27.7	26.2	25.4	22.0	20.8	24.0
TOTAL ASSETS	129.0	123.1	123.6	133.5	129.9	130.8

SHAREHOLDERS EQUITY	75.2	69.2	50.2	51.1	57.2	63.5
MINORITY INTEREST	0.2	0.1	0.0	0.0	0.0	0.0
Long-term liabilities to banks	40.4	40.7	63.6	71.6	61.2	55.8
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.1	0.4	0.4	0.4	0.4	0.4
NON-CURRENT LIABILITIES	40.4	41.2	64.0	72.0	61.6	56.2
Short-term liabilities to banks	2.5	3.1	3.0	3.0	3.0	3.0
Accounts payable	3.3	3.9	3.5	4.6	5.4	5.4
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	1.2	2.1	1.6	1.6	1.6	1.6
Deferred taxes	5.8	3.3	1.2	1.2	1.2	1.2
Deferred income	0.4	0.1	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	13.2	12.5	9.3	10.4	11.2	11.1
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	129.0	123.1	123.6	133.5	129.9	130.8

Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	15.0%	16.3%	14.5%	14.1%	15.1%	15.7%
Property, plant and equipment	44.4%	50.6%	61.7%	66.4%	65.8%	62.9%
Financial assets	19.2%	11.8%	3.2%	3.0%	3.1%	3.1%
FIXED ASSETS	78.5%	78.7%	79.4%	83.5%	84.0%	81.6%
Inventories	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts receivable	1.6%	4.5%	3.5%	4.2%	5.0%	5.0%
Other assets and short-term financial assets	0.0%	0.0%	6.6%	6.1%	6.3%	6.2%
Liquid assets	18.7%	16.6%	10.0%	5.8%	4.2%	6.7%
Deferred taxes	1.1%	0.0%	0.4%	0.3%	0.3%	0.3%
Deferred charges and prepaid expenses	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
CURRENT ASSETS	21.5%	21.3%	20.6%	16.5%	16.0%	18.4%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	58.3%	56.3%	40.6%	38.3%	44.0%	48.6%
MINORITY INTEREST	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	31.3%	33.1%	51.5%	53.7%	47.1%	42.6%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	0.1%	0.4%	0.3%	0.3%	0.3%	0.3%
NON-CURRENT LIABILITIES	31.4%	33.5%	51.8%	54.0%	47.4%	42.9%
Short-term liabilities to banks	1.9%	2.5%	2.4%	2.2%	2.3%	2.3%
Accounts payable	2.6%	3.1%	2.8%	3.4%	4.1%	4.1%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	0.9%	1.7%	1.3%	1.2%	1.3%	1.3%
Deferred taxes	4.5%	2.7%	0.9%	0.9%	0.9%	0.9%
Deferred income	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	10.2%	10.2%	7.5%	7.8%	8.6%	8.5%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (USD m)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	-5.6	-8.5	-17.4	-0.2	2.0	3.3
Depreciation of fixed assets (incl. leases)	1.0	2.6	10.0	2.4	3.2	3.2
Amortisation of goodwill & intangible assets	1.0	1.5	1.2	1.2	1.2	1.2
Others	-0.1	0.0	-0.4	0.0	0.0	0.0
Cash flow from operating activities	-8.2	-8.0	-15.1	0.6	2.8	4.3
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	-1.9	-2.2	1.3	-1.3	-1.0	0.0
Increase/decrease in accounts payable	0.9	3.0	-0.3	1.1	0.8	-0.0
Increase/decrease in other working capital positions	-1.7	-0.6	1.3	1.0	1.0	1.0
Increase/decrease in working capital	-2.6	0.1	2.3	0.8	0.8	1.0
Cash flow from operating activities	-6.3	-4.0	-4.0	4.1	7.2	8.7
CAPEX	28.8	9.0	26.0	16.9	2.0	2.0
Payments for acquisitions	8.2	-0.1	0.0	0.0	0.0	0.0
Financial investments	1.5	-2.1	-2.1	0.0	0.0	0.0
Income from asset disposals	0.0	10.7	1.9	0.0	0.0	0.0
Cash flow from investing activities	-38.4	-0.3	-26.1	-16.9	-2.0	-2.0
Cash flow before financing	-44.7	0.1	-25.9	-12.7	n.a.	n.a.
Increase/decrease in debt position	12.4	1.0	22.6	8.0	-7.4	-3.4
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-0.1	0.0	-0.4	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.4	0.0	-0.2	0.0	0.0	0.0
Cash flow from financing activities	12.3	1.0	22.2	8.0	-7.4	-3.4
Increase/decrease in liquid assets	-31.9	1.0	-3.9	-4.7	n.a.	n.a.
Liquid assets at end of period	24.2	20.5	12.4	7.7	5.4	8.6

Key ratios (USD m)	2022	2023	2024	2025e	2026e	2027e
P&L growth analysis						
Sales growth	n.a.	150.7%	27.8%	30.2%	17.2%	16.7%
EBITDA growth	9.6%	-46.1%	-281.6%	156.8%	32.9%	-772.8%
EBIT growth	93.3%	55.4%	61.2%	-131.6%	40.4%	-181.9%
EPS growth	106.2%	59.7%	94.2%	-103.2%	390.2%	-144.8%
Efficiency						
Sales per employee	241.7	586.6	774.9	976.3	1,144.3	1,104.1
EBITDA per employee	-210.8	-109.9	206.3	512.5	681.3	716.5
No. employees (average)	15	16	15	16	16	16
Balance sheet analysis						
Avg. working capital / sales	-21.7%	2.2%	10.6%	5.9%	6.1%	6.6%
Inventory turnover (sales/inventory)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Accounts receivable turnover	204.4	223.6	134.8	134.8	134.8	134.8
Accounts payable turnover	335.4	155.3	110.6	110.6	110.6	110.6
Cash flow analysis						
Free cash flow	-10.6	-12.9	-29.9	-12.7	5.2	6.6
Free cash flow/sales	-293.3%	-142.4%	-257.4%	-84.0%	29.1%	37.5%
FCF / net profit	189.3%	152.3%	172.4%	7727.3%	257.6%	201.0%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	18.7	23.3	54.2	66.9	58.7	50.0
Net Debt/EBITDA	-5.9	-13.7	17.5	8.4	5.6	4.4
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	4.3%	7.6%	6.2%	7.9%	8.1%	7.7%
Returns						
ROCE	-5.5%	-7.5%	-11.9%	3.7%	5.2%	6.0%
ROE	-7.5%	-13.0%	-34.7%	1.1%	4.8%	6.3%
Adjusted FCF yield	-2.9%	-17.0%	-11.1%	1.9%	2.7%	12.0%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.25	-0.40	-0.78	0.02	0.12	0.18
Average number of shares	22.2	22.2	22.2	22.2	22.2	22.2
Valuation ratios						
P/BV	0.3	0.3	0.4	0.4	0.3	0.3
EV/sales	110.4	4.8	6.4	59.4	45.9	4.0
EV/EBITDA	-126.6	-25.4	24.0	113.2	77.1	6.1
EV/EBIT	-71.8	-5.0	-5.3	203.8	131.4	9.9

Source: Company data, NuWays

Disclosures

Disclosures regarding research publications of NuWays AG pursuant to section 85 of the German Securities Trading Act (WpHG)

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Company	Disclosures
MPC Energy Solutions N.V.	2,8

Historical target price and rating changes for MPC Energy Solutions N.V.

Company	Date	Analyst	Rating	Target Price	Close
MPC Energy Solutions N.V.	05.03.2025	Sandherr, Christian	Buy	NOK 14.00	NOK 9.66
	01.11.2024	Sandherr, Christian	Buy	NOK 20.00	NOK 12.30

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8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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