

6m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

Naturhouse Health (NTH) is a small family group with headquarters in Madrid (Spain), specialising (c. 30 years) in nutrition and the re-education of eating habits (dietetics). With an international presence (c. 80% of revenue; France (37%), Italy (30%) and Poland (11%) being its core markets). It is managed and controlled by the founding family (78.1% of capital).

Market Data

Market Cap (Mn EUR and USD)	101.1	112.8
EV (Mn EUR and USD) ⁽²⁾	87.7	97.9
Shares Outstanding (Mn)	60.0	
-12m (Max/Med/Min EUR)	2.06 / 1.57 / 1.44	
Daily Avg volume (-12m Mn EUR)	0.06	
Rotation ⁽³⁾	16.3	
Factset / Bloomberg	NTH-ES / NTH SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Mr. F. Revuelta & Family	78.1
Free Float	22.0

Financials (Mn EUR)	2023	2024e	2025e	2026e
Adj. n ^o shares (Mn)	60.0	60.0	60.0	60.0
Total Revenues	50.9	50.0	51.0	52.4
Rec. EBITDA	18.6	16.3	16.5	16.6
% growth	18.0	-12.0	1.0	0.9
% Rec. EBITDA/Rev.	36.5	32.6	32.3	31.7
% Inc. EBITDA sector ⁽⁴⁾	7.8	7.6	8.8	7.3
Net Profit	11.3	10.2	10.4	10.4
EPS (EUR)	0.19	0.17	0.17	0.17
% growth	17.3	-9.4	1.7	0.2
Ord. EPS (EUR)	0.19	0.17	0.17	0.17
% growth	12.6	-9.5	1.7	0.2
Rec. Free Cash Flow ⁽⁵⁾	18.4	9.6	9.4	9.6
Pay-out (%)	53.1	80.0	80.0	80.0
DPS (EUR)	0.10	0.14	0.14	0.14
Net financial debt	-22.5	-20.0	-22.0	-23.1
ND/Rec. EBITDA (x)	-1.2	-1.2	-1.3	-1.4
ROE (%)	38.7	34.5	34.3	31.8
ROCE (%) ⁽⁵⁾	72.3	78.8	75.2	70.3

Ratios & Multiples (x)⁽⁶⁾

	2023	2024e	2025e	2026e
P/E	9.0	9.9	9.7	9.7
Ord. P/E	8.9	9.9	9.7	9.7
P/BV	3.3	3.5	3.2	3.0
Dividend Yield (%)	5.9	8.1	8.2	8.3
EV/Sales	1.72	1.75	1.72	1.67
EV/Rec. EBITDA	4.7	5.4	5.3	5.3
EV/EBIT	5.4	6.2	6.1	6.1
FCF Yield (%) ⁽⁵⁾	18.2	9.5	9.3	9.5

(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 3.

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

(4) Sector: Stoxx Europe 600 Food & Beverage.

(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.

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

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This report has been prepared on the basis of information available to the public. The report includes a financial analysis of the company covered. The report does not propose any personalised investment recommendation. Investors should consider the contents of this report as just another element in their investment decision-making process. The final two pages of this report contain very important legal information regarding its contents.

1H24 Results: Revenue decline halts as margins normalize.

REVENUE DECLINE HALTS... NTH closes 1H24 with flat revenues of EUR 28.5Mn (in line with 1H23) with 1,386 points of sale (-105 vs 1H23; in line with our year-end estimates). Despite the trickle of store closures (-47 vs end of 2023), NTH is able to maintain the same level of revenue. By geography, revenues have remained flat in France and Poland, although they continue to be pressured in Italy and Spain.

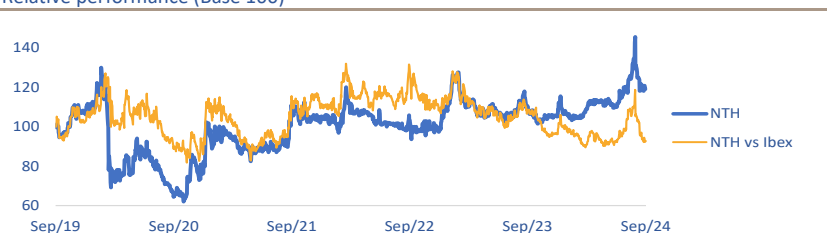
... AND MARGINS NORMALIZE. Although gross margin remains stable at around 72% (-0.9pp vs 1H23) due to NTH's vertical integration, EBITDA margin has decreased by -7pp. compared to 1H23. This is essentially explained by two reasons: i) higher personnel expenses (+12.6%) and ii) NTH's investment in advertising (other operating expenses: +25.6%), all in a context of flat revenues. This has resulted in a recurring EBITDA of EUR 9.4Mn (-18% vs 1H23; EBITDA margin 32.9%. -7.2 pp vs 1H23).

NTH MAINTAINS SHAREHOLDER REMUNERATION COMMITMENT (PAY-OUT>80%). Shareholder remuneration is a priority for NTH and has historically been very high. Dividend yield 2024e of 8.1% that our earnings estimates for 2025e and 2026e should allow to maintain at that level.

WITHOUT AFFECTING ITS NET CASH POSITION. NTH maintains an enviable net cash position at the end of the first half of 2024 (EUR 24Mn; c.24% of Mkt Cap). A very comfortable cash position that protects its current dividend policy and leaves room to increase investment or payout.

WE KEEP OUR ESTIMATES. Given results that are completely in line, we maintain our estimates. The seasonality of the business leads us to estimate flat revenues in 2024 (EUR 50Mn) and a recurring EBITDA of EUR 16.3Mn.

IN A BUSINESS MODEL WITH HIGH CASH GENERATION CAPACITY (FCF YIELD: 9.5%), THE CHALLENGE IS TO GROW AGAIN. Like its peers, NTH faces a very adverse environment (inflation, emergence of substitute products such as GLP-1 anti-obesity drugs that currently dominate the market), but with high profitability levels and a very healthy balance sheet. Multiples remain low EV/EBITDA 5.4x (vs 5.8x for its peers), with a business weakness that seems to have bottomed out in 2024. And it remains awaiting a catalyst to recover the path of revenue growth for NTH.

Relative performance (Base 100)


Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-9.2	8.4	7.7	13.4	9.7	19.2
vs Ibxex 35	-12.8	-0.1	-14.5	-3.6	-18.7	-7.2
vs Ibxex Small Cap Index	-7.9	10.2	-0.8	7.8	8.4	-7.5
vs Eurostoxx 50	-9.9	6.1	-10.1	2.5	-11.2	-14.9
vs Sector benchmark ⁽⁴⁾	-9.4	5.3	8.8	16.4	22.4	36.1

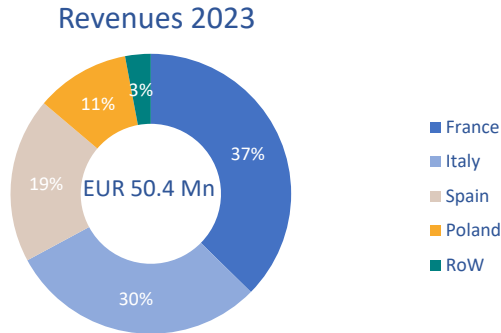
6m Results 2024
Table 1. 1H24 Results

EUR Mn	6m24 Real	6m23	6m24 Real vs 6m23	2024e	2024e vs 2023
Total Revenues	28,5	28,5	-0,1%	50,0	-1,7%
France	10,3	10,2	1,4%		
Spain	5,3	5,5	-2,2%		
Italy	8,6	9,1	-5,6%		
Poland	3,0	3,0	1,3%		
ROW	0,8	0,8	-0,5%		
Other income	0,5	0,0	n.a.		
Gross Mg.	20,5	20,8	-1,4%	36,1	-3,0%
<i>Gross Margin/Revenues</i>	<i>72,0%</i>	<i>72,9%</i>	<i>-1,0 p.p.</i>	<i>72,1%</i>	<i>-0,9 p.p.</i>
Recurrent EBITDA	9,4	11,4	-18,0%	16,3	-8,6%
<i>Rec. EBITDA/Revenues</i>	<i>32,9%</i>	<i>40,1%</i>	<i>-7,2 p.p.</i>	<i>32,6%</i>	<i>-2,5 p.p.</i>
EBITDA	9,2	11,4	-19,6%	16,3	-11,9%
<i>EBITDA/Revenues</i>	<i>32,2%</i>	<i>40,0%</i>	<i>-7,8 p.p.</i>	<i>32,6%</i>	<i>-3,8 p.p.</i>
EBIT	8,2	10,3	-20,6%	14,1	-13,6%
PBT	8,2	10,0	-18,1%	14,1	-8,8%
NP	5,8	7,3	-20,0%	10,3	-9,2%
Nr. Of Centers	1.386	1.491	-105	1.386	-47
Online Sales (%)	5,0%	5,0%	0,0 p.p.	7,3%	2,3 p.p.
		12m23			
Net Cash ¹	-24,3	-22,5	-8%	-20,0	11,1%

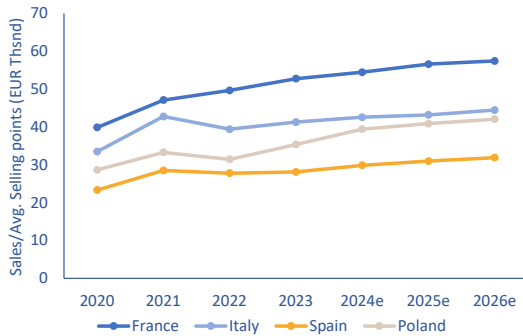
Note 1: Net Cash adjusted to strip out the impact of IFRS 16.

The company in 8 charts

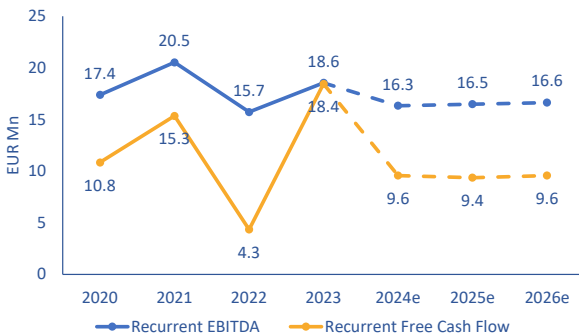
A geographically diversified business (especially in Europe)



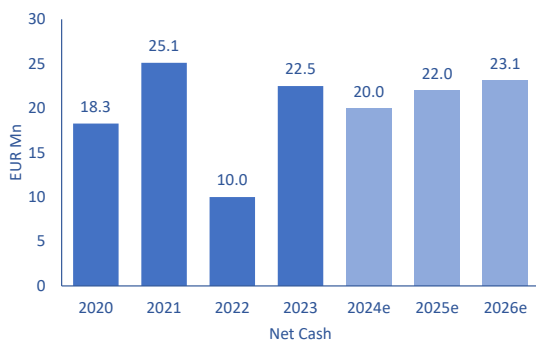
The expect sales per store to remain stable (+3.4% CAGR 23-26e) despite the restructuring of the retail network



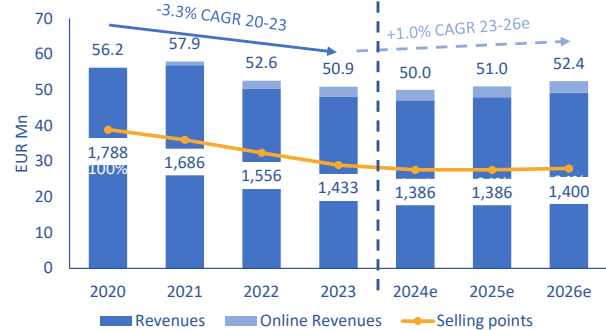
High capacity to convert EBITDA into cash (c. 60%). FCF Yield >10%...



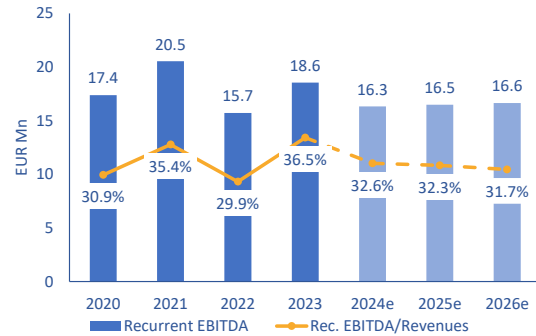
And a very robust balance sheet position (2024e Net Cash EUR 20Mn), especially interesting in a climate of rising rates



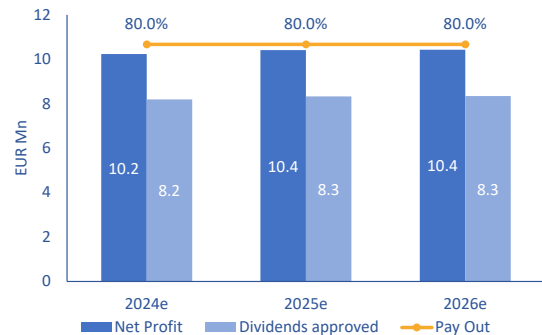
The halting of store closures is the key catalyst but will have to wait until 2025e



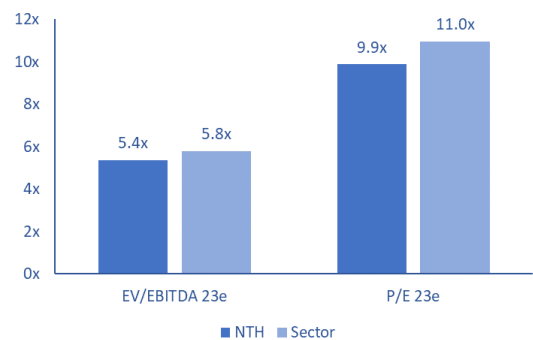
NTH's cost-light structure will allow it to maintain high margins (EBITDA margin > 30%)



... that will allow a high pay-out (80%) and a 2024e Dividend Yield of 9% to be maintained



Trading at 2024e EV/EBITDA 2024e 5.4x vs 5.8x for its sector



Valuation inputs

Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value ⁽¹⁾		
Free Cash Flow "To the Firm"	9.6	9.4	9.6	135.0		
Market Cap	101.1	At the date of this report				
Net financial debt	-24.3	Debt net of Cash (6m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.5%	Net debt cost			4.3%	4.8%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.6%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.4%	3.8%
Risk free rate (rf)	2.9%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.0	B (own estimate)			0.9	1.1
Cost of Equity	8.9%	$K_e = R_f + (R * B)$			7.9%	10.1%
Equity / (Equity + Net Debt)	100.0%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	0.0%	D			=	=
WACC	8.9%	$WACC = K_d * D + K_e * E$			7.9%	10.1%
G "Fair"	1.0%				1.0%	0.5%

(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
Herbalife Nut.	HLF-US	648.9	4.8	43.5%	5.2	14.0%	0.6	3.4%	11.1%	15.9%	n.a.
Medifast	MED-US	187.6	17.2	n.a.	1.9	n.a.	0.1	n.a.	5.6%	10.0%	n.a.
WW Intl.	WW-US	62.7	n.a.	90.9%	10.3	0.8%	2.0	2.1%	19.1%	n.a.	n.a.
Weight Management			11.0	67.2%	5.8	7.4%	0.9	2.7%	11.9%	13.0%	n.a.
Nu Skin	NUS-US	328.2	9.4	n.a.	4.1	n.a.	0.4	n.a.	9.1%	6.7%	n.a.
Glanbia	GL9-IE	4,084.9	12.4	7.7%	10.1	5.7%	1.4	4.5%	13.9%	7.6%	8.8%
Diet Supplements			10.9	7.7%	7.1	5.7%	0.9	4.5%	11.5%	7.1%	8.8%
NTH	NTH-ES	101.1	9.9	0.9%	5.4	1.0%	1.8	2.4%	32.6%	9.5%	0.0%

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	35.5%	18.1	4.8x
Central	32.3%	16.5	5.3x
Min	29.1%	14.9	5.9x

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

Rec. FCF EUR Mn	CAPEX/Sales 25e				Rec. FCF/Yield 25e		
EBITDA 25e	1.1%	1.2%	1.3%	Scenario			
18.1	11.0	11.0	10.9	Max	10.9%	10.9%	10.8%
16.5	9.4	9.4	9.3	Central	9.3%	9.3%	9.2%
14.9	7.8	7.7	7.7	Min	7.7%	7.6%	7.6%

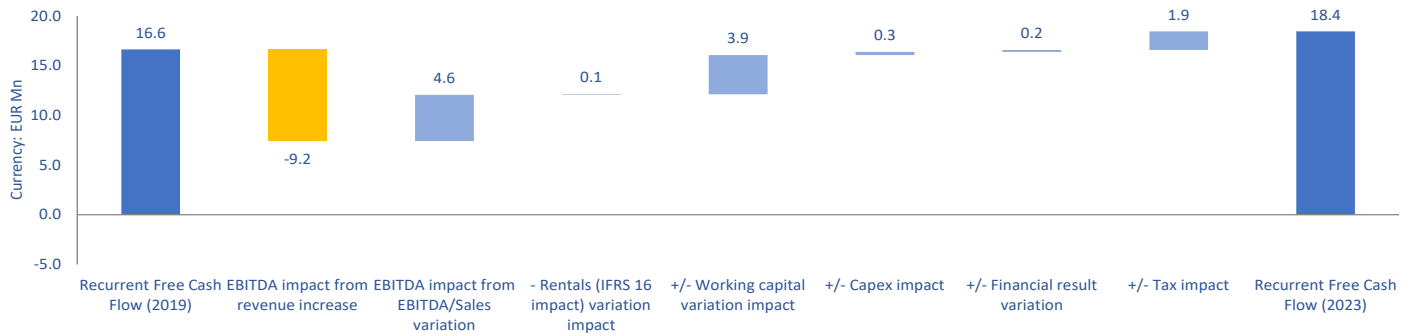
Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets	8.9	3.7	2.5	3.4	3.1	2.8	2.5	2.2		
Fixed assets	2.0	1.2	0.9	1.2	1.0	1.3	1.6	2.0		
Other Non Current Assets	3.4	3.5	7.0	10.7	10.0	10.0	10.0	10.0		
Financial Investments	0.8	0.6	1.3	0.5	0.4	0.4	0.4	0.4		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	12.2	11.8	10.0	15.0	10.0	9.7	10.6	11.3		
Total assets	27.3	21.0	21.8	30.7	24.5	24.2	25.1	25.8		
Equity	16.5	26.0	36.0	27.8	30.6	28.8	31.9	33.8		
Minority Interests	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1		
Provisions & Other L/T Liabilities	1.1	1.4	1.5	2.7	4.9	4.9	4.9	4.9		
Other Non Current Liabilities	7.7	3.7	2.2	3.3	3.2	3.2	3.2	3.2		
Net financial debt	(7.6)	(18.3)	(25.1)	(10.0)	(22.5)	(20.0)	(22.0)	(23.1)		
Current Liabilities	9.5	8.1	7.1	6.9	8.2	7.3	7.1	6.9		
Equity & Total Liabilities	27.3	21.0	21.8	30.7	24.5	24.2	25.1	25.8		
P&L (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Total Revenues	82.4	56.2	57.9	52.6	50.9	50.0	51.0	52.4	-11.3%	1.0%
<i>Total Revenues growth</i>	-7.1%	-31.7%	3.0%	-9.3%	-3.2%	-1.7%	1.9%	2.9%		
COGS	(23.8)	(15.9)	(16.3)	(14.9)	(13.7)	(13.9)	(14.2)	(14.6)		
Gross Margin	58.5	40.4	41.6	37.7	37.2	36.1	36.8	37.8	-10.7%	0.6%
<i>Gross Margin/Revenues</i>	71.0%	71.8%	71.8%	71.6%	73.1%	72.1%	72.2%	72.1%		
Personnel Expenses	(19.3)	(12.4)	(10.8)	(10.6)	(9.3)	(9.3)	(9.7)	(10.0)		
Other Operating Expenses	(16.1)	(10.6)	(10.3)	(11.3)	(9.3)	(10.5)	(10.7)	(11.2)		
Recurrent EBITDA	23.1	17.4	20.5	15.7	18.6	16.3	16.5	16.6	-5.4%	-3.6%
<i>Recurrent EBITDA growth</i>	-0.3%	-24.8%	18.1%	-23.4%	18.0%	-12.0%	1.0%	0.9%		
<i>Rec. EBITDA/Revenues</i>	28.1%	30.9%	35.4%	29.9%	36.5%	32.6%	32.3%	31.7%		
Restructuring Expense & Other non-rec.	(0.2)	0.1	(0.6)	(0.6)	(0.0)	-	-	-		
EBITDA	22.9	17.4	19.9	15.2	18.5	16.3	16.5	16.6	-5.2%	-3.5%
Depreciation & Provisions	(2.6)	(2.0)	(1.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(1.7)	(1.2)	(0.9)	(1.7)	(1.6)	(1.6)	(1.5)	(1.7)		
EBIT	18.6	14.2	17.5	12.9	16.3	14.1	14.3	14.3	-3.3%	-4.1%
<i>EBIT growth</i>	-15.9%	-24.0%	23.4%	-26.5%	26.5%	-13.4%	1.7%	0.0%		
<i>EBIT/Revenues</i>	22.6%	25.2%	30.2%	24.4%	32.0%	28.2%	28.1%	27.3%		
Impact of Goodwill & Others	-	(0.9)	(0.1)	-	-	-	-	-		
Net Financial Result	(0.2)	(0.0)	0.3	(0.1)	(0.7)	(0.1)	(0.1)	(0.0)		
Income by the Equity Method	0.2	0.3	0.6	0.3	(0.2)	-	-	-		
Ordinary Profit	18.7	13.5	18.2	13.1	15.4	14.0	14.3	14.3	-4.7%	-2.5%
<i>Ordinary Profit Growth</i>	-17.7%	-27.7%	35.0%	-28.2%	17.6%	-9.0%	1.7%	0.2%		
Extraordinary Results	0.5	-	-	-	-	-	-	-		
Profit Before Tax	19.2	13.5	18.2	13.1	15.4	14.0	14.3	14.3	-5.4%	-2.5%
Tax Expense	(6.0)	(4.1)	(4.9)	(3.5)	(4.2)	(3.8)	(3.9)	(3.9)		
<i>Effective Tax Rate</i>	31.4%	30.5%	26.7%	26.6%	27.0%	27.0%	27.0%	27.0%		
Minority Interests	0.1	(0.0)	(0.0)	0.0	0.0	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	13.3	9.4	13.4	9.6	11.3	10.2	10.4	10.4	-3.9%	-2.6%
<i>Net Profit growth</i>	-13.8%	-29.3%	42.5%	-27.9%	17.3%	-9.4%	1.7%	0.2%		
Ordinary Net Profit	13.3	9.4	13.8	10.0	11.3	10.2	10.4	10.4	-3.9%	-2.7%
<i>Ordinary Net Profit growth</i>	-16.4%	-29.0%	46.5%	-27.2%	12.6%	-9.5%	1.7%	0.2%		
Cash Flow (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Recurrent EBITDA						16.3	16.5	16.6	-5.4%	-3.6%
Rentals (IFRS 16 impact)						(1.6)	(1.5)	(1.7)		
Working Capital Increase						(0.7)	(1.0)	(0.8)		
Recurrent Operating Cash Flow						14.0	13.9	14.1	-0.6%	-15.3%
CAPEX						(0.6)	(0.6)	(0.6)		
Net Financial Result affecting the Cash Flow						(0.1)	(0.1)	(0.0)		
Tax Expense						(3.8)	(3.9)	(3.9)		
Recurrent Free Cash Flow						9.6	9.4	9.6	2.6%	-19.7%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						9.6	9.4	9.6	-0.5%	-19.7%
Capital Increase						-	-	-		
Dividends						(12.1)	(7.3)	(8.5)		
Net Debt Variation						2.5	(2.0)	(1.1)		

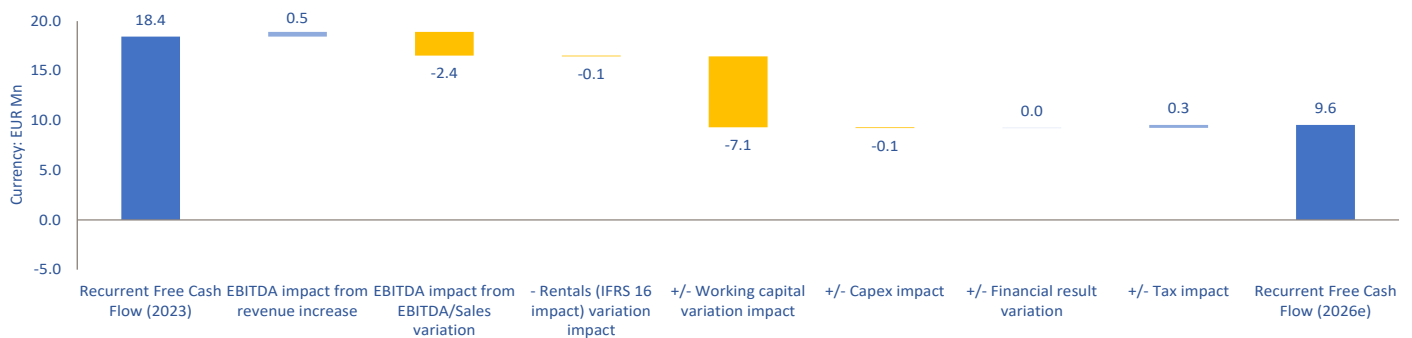
Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
								20-23	23-26e
Recurrent EBITDA	17.4	20.5	15.7	18.6	16.3	16.5	16.6	2.2%	-3.6%
<i>Recurrent EBITDA growth</i>	-24.8%	18.1%	-23.4%	18.0%	-12.0%	1.0%	0.9%		
<i>Rec. EBITDA/Revenues</i>	30.9%	35.4%	29.9%	36.5%	32.6%	32.3%	31.7%		
- Rentals (IFRS 16 impact)	(1.2)	(0.9)	(1.7)	(1.6)	(1.6)	(1.5)	(1.7)		
+/- Working Capital increase	(1.0)	0.7	(5.1)	6.3	(0.7)	(1.0)	(0.8)		
= Recurrent Operating Cash Flow	15.2	20.4	8.9	23.2	14.0	13.9	14.1	15.3%	-15.3%
<i>Rec. Operating Cash Flow growth</i>	-36.3%	34.3%	-56.4%	161.4%	-39.6%	-0.9%	1.4%		
<i>Rec. Operating Cash Flow / Sales</i>	27.0%	35.2%	16.9%	45.7%	28.1%	27.3%	26.9%		
- CAPEX	(0.2)	(0.1)	(1.0)	(0.6)	(0.6)	(0.6)	(0.6)		
- Net Financial Result affecting Cash Flow	(0.0)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)		
- Taxes	(4.1)	(4.9)	(3.5)	(4.2)	(3.8)	(3.9)	(3.9)		
= Recurrent Free Cash Flow	10.8	15.3	4.3	18.4	9.6	9.4	9.6	19.4%	-19.7%
<i>Rec. Free Cash Flow growth</i>	-34.8%	41.6%	-71.7%	324.7%	-48.1%	-2.2%	2.1%		
<i>Rec. Free Cash Flow / Revenues</i>	19.3%	26.5%	8.3%	36.3%	19.1%	18.4%	18.2%		
- Restructuring expenses & others	-	(0.7)	1.0	-	-	-	-		
- Acquisitions / + Divestments	0.2	(3.5)	(4.4)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	11.0	11.1	0.9	18.4	9.6	9.4	9.6	18.7%	-19.7%
<i>Free Cash Flow growth</i>	-41.6%	1.0%	-91.7%	n.a.	-48.1%	-2.2%	2.1%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	10.7%	15.2%	4.3%	18.2%	9.5%	9.3%	9.5%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	10.9%	11.0%	0.9%	18.2%	9.5%	9.3%	9.5%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e		
Recurrent FCF(FY - 1)	16.6	10.8	15.3	4.3	18.4	9.6	9.4		
EBITDA impact from revenue increase	(7.3)	0.5	(1.9)	(0.5)	(0.3)	0.3	0.5		
EBITDA impact from EBITDA/Sales variation	1.6	2.6	(2.9)	3.3	(1.9)	(0.2)	(0.3)		
= Recurrent EBITDA variation	(5.7)	3.2	(4.8)	2.8	(2.2)	0.2	0.2		
- Rentals (IFRS 16 impact) variation impact	0.4	0.3	(0.8)	0.1	-	0.1	(0.2)		
+/- Working capital variation impact	(3.3)	1.7	(5.9)	11.4	(7.0)	(0.4)	0.2		
= Recurrent Operating Cash Flow variation	(8.6)	5.2	(11.5)	14.3	(9.2)	(0.1)	0.2		
+/- CAPEX impact	0.7	0.2	(0.9)	0.4	(0.0)	(0.0)	(0.0)		
+/- Financial result variation	0.3	(0.1)	0.0	0.0	(0.0)	(0.0)	0.0		
+/- Tax impact	1.9	(0.8)	1.4	(0.7)	0.4	(0.1)	(0.0)		
= Recurrent Free Cash Flow variation	(5.8)	4.5	(11.0)	14.1	(8.9)	(0.2)	0.2		
Recurrent Free Cash Flow	10.8	15.3	4.3	18.4	9.6	9.4	9.6		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
EBIT	14.2	17.5	12.9	16.3	14.1	14.3	14.3	4.7%	-4.1%
* Theoretical Tax rate	30.0%	26.7%	26.6%	27.0%	27.0%	27.0%	27.0%		
= Taxes (pre- Net Financial Result)	(4.3)	(4.7)	(3.4)	(4.4)	(3.8)	(3.9)	(3.9)		
Recurrent EBITDA	17.4	20.5	15.7	18.6	16.3	16.5	16.6	2.2%	-3.6%
- Rentals (IFRS 16 impact)	(1.2)	(0.9)	(1.7)	(1.6)	(1.6)	(1.5)	(1.7)		
+/- Working Capital increase	(1.0)	0.7	(5.1)	6.3	(0.7)	(1.0)	(0.8)		
= Recurrent Operating Cash Flow	15.2	20.4	8.9	23.2	14.0	13.9	14.1	15.3%	-15.3%
- CAPEX	(0.2)	(0.1)	(1.0)	(0.6)	(0.6)	(0.6)	(0.6)		
- Taxes (pre- Financial Result)	(4.3)	(4.7)	(3.4)	(4.4)	(3.8)	(3.9)	(3.9)		
= Recurrent Free Cash Flow (To the Firm)	10.7	15.6	4.5	18.3	9.6	9.4	9.6	19.4%	-19.3%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	-38.1%	46.0%	-71.2%	305.4%	-47.4%	-2.1%	1.9%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	19.1%	27.0%	8.6%	35.9%	19.2%	18.5%	18.3%		
- Acquisitions / + Divestments	0.2	(3.5)	(4.4)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	10.9	12.1	0.1	18.3	9.6	9.4	9.6	18.8%	-19.3%
<i>Free Cash Flow (To the Firm) growth</i>	-44.2%	11.3%	-99.0%	n.a.	-47.4%	-2.1%	1.9%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	12.2%	17.8%	5.1%	20.8%	11.0%	10.7%	10.9%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	12.4%	13.8%	0.1%	20.8%	11.0%	10.7%	10.9%		

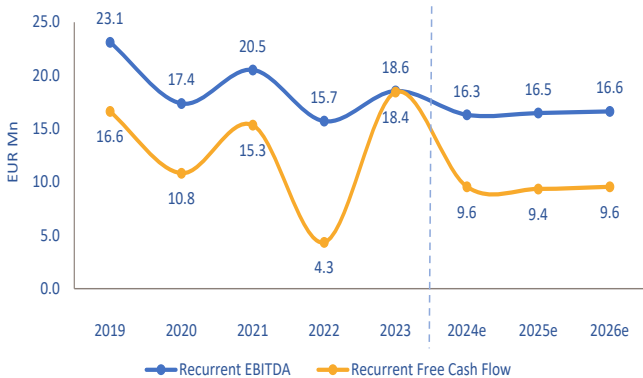
Recurrent Free Cash Flow accumulated variation analysis (2019 - 2023)



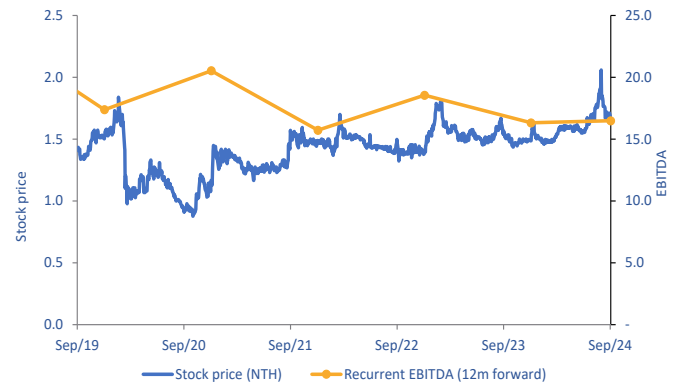
Recurrent Free Cash Flow accumulated variation analysis (2023 - 2026e)



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	101.1	
+ Minority Interests	0.0	6m Results 2024
+ Provisions & Other L/T Liabilities	11.4	6m Results 2024
+ Net financial debt	(24.3)	6m Results 2024
- Financial Investments	0.5	6m Results 2024
+/- Others		
Enterprise Value (EV)	87.7	

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
															17-23	23-26e
Total Revenues	96.4	96.6	98.3	98.3	95.4	88.7	82.4	56.2	57.9	52.6	50.9	50.0	51.0	52.4	-10.0%	1.0%
Total Revenues growth	n.a.	0.2%	1.8%	-2.9%	-7.1%	-31.7%	3.0%	-9.3%	-3.2%	-1.7%	1.9%	2.9%				
EBITDA	33.7	33.6	32.4	29.4	23.3	22.9	17.4	19.9	15.2	18.5	16.3	16.5	16.6	-7.4%	-3.5%	
EBITDA growth	n.a.	-0.2%	-3.7%	-9.3%	-20.8%	-1.4%	-24.0%	14.4%	-24.0%	22.3%	-11.9%	1.0%	0.9%			
EBITDA/Sales	34.9%	34.8%	32.9%	30.8%	26.2%	27.8%	31.0%	34.4%	28.8%	36.4%	32.6%	32.3%	31.7%			
Net Profit	22.6	22.9	22.5	19.9	15.4	13.3	9.4	13.4	9.6	11.3	10.2	10.4	10.4	-9.0%	-2.6%	
Net Profit growth	n.a.	1.3%	-1.6%	-11.8%	-22.6%	-13.8%	-29.3%	42.5%	-27.9%	17.3%	-9.4%	1.7%	0.2%			
Adjusted number shares (Mn)	60.0	59.9	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0			
EPS (EUR)	0.38	0.38	0.38	0.33	0.26	0.22	0.16	0.22	0.16	0.19	0.17	0.17	0.17	-9.0%	-2.6%	
EPS growth	n.a.	1.4%	-1.6%	-11.8%	-22.6%	-13.8%	-29.3%	42.5%	-27.9%	17.3%	-9.4%	1.7%	0.2%			
Ord. EPS (EUR)	0.38	0.38	0.38	0.34	0.26	0.22	0.16	0.23	0.17	0.19	0.17	0.17	0.17	-9.4%	-2.7%	
Ord. EPS growth	n.a.	1.9%	-1.3%	-9.7%	-25.2%	-13.4%	-29.0%	46.5%	-27.2%	12.6%	-9.5%	1.7%	0.2%			
CAPEX	(3.1)	(0.9)	(1.2)	(1.3)	(0.7)	(0.9)	(0.2)	(0.1)	(1.0)	(0.6)	(0.6)	(0.6)	(0.6)			
CAPEX/Sales %	3.2%	0.9%	1.2%	1.4%	0.8%	1.1%	0.4%	0.1%	1.8%	1.1%	1.2%	1.2%	1.2%			
Free Cash Flow	38.9	30.9	14.4	14.8	20.8	18.9	11.0	11.1	0.9	18.4	9.6	9.4	9.6	3.8%	-19.7%	
ND/EBITDA (x) ⁽²⁾	0.0x	-0.4x	-0.4x	-0.2x	-0.2x	-0.3x	-1.0x	-1.3x	-0.7x	-1.2x	-1.2x	-1.3x	-1.4x			
P/E (x)	n.a.	5.7x	7.5x	7.7x	4.2x	6.8x	7.5x	6.7x	8.6x	7.9x	9.9x	9.7x	9.7x			
EV/Sales (x)	n.a.	2.25x	2.78x	2.49x	1.01x	1.37x	1.34x	1.56x	1.65x	1.56x	1.75x	1.72x	1.67x			
EV/EBITDA (x) ⁽²⁾	n.a.	6.5x	8.4x	8.1x	3.9x	4.9x	4.3x	4.5x	5.7x	4.3x	5.4x	5.3x	5.3x			
Absolute performance	n.a.	n.a.	29.2%	-9.3%	-57.6%	39.2%	-22.3%	27.7%	-7.3%	7.7%	13.4%					
Relative performance vs Ibx 35	n.a.	n.a.	31.8%	-15.5%	-50.1%	24.5%	-8.2%	18.3%	-1.8%	-12.3%	-3.6%					

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

		Weight Management				Diet Supplements			
EUR Mn		Herbalife Nut.	Medifast	WW Intl.	Average	Nu Skin	Glanbia	Average	NTH
Market data	Ticker (Factset)	HLF-US	MED-US	WW-US		NUS-US	GL9-IE		NTH-ES
	Country	Cayman Isl.	USA	USA		USA	USA		Spain
	Market cap	648.9	187.6	62.7		328.2	4,084.9		101.1
	Enterprise value (EV)	2,592.2	58.2	1,356.9		593.2	4,786.4		87.7
Basic financial information	Total Revenues	4,499.7	544.2	692.0		1,571.2	3,415.3		50.0
	Total Revenues growth	-0.8%	-43.3%	-13.2%	-19.1%	-10.9%	-31.9%	-21.4%	-1.7%
	2y CAGR (2024e - 2026e)	3.4%	n.a.	2.1%	2.7%	n.a.	4.5%	4.5%	2.4%
	EBITDA	499.3	30.6	132.1		143.4	475.9		16.3
	EBITDA growth	28.6%	-76.3%	11.5%	-12.1%	16.3%	4.5%	10.4%	-11.9%
	2y CAGR (2024e - 2026e)	14.0%	n.a.	0.8%	7.4%	n.a.	5.7%	5.7%	1.0%
	EBITDA/Revenues	11.1%	5.6%	19.1%	11.9%	9.1%	13.9%	11.5%	32.6%
	EBIT	336.7	11.1	88.6		75.8	349.9		14.1
	EBIT growth	17.4%	-90.2%	24.1%	-16.2%	24.4%	10.1%	17.3%	-13.4%
	2y CAGR (2024e - 2026e)	25.2%	n.a.	13.9%	19.6%	n.a.	9.0%	9.0%	0.8%
	EBIT/Revenues	7.5%	2.0%	12.8%	7.4%	4.8%	10.2%	7.5%	28.2%
	Net Profit	95.7	(4.4)	(296.2)		(87.6)	272.7		10.2
	Net Profit growth	-24.9%	-104.9%	-194.5%	-108.1%	n.a.	-15.2%	-15.2%	-9.4%
2y CAGR (2024e - 2026e)	66.7%	n.a.	43.2%	55.0%	n.a.	8.7%	8.7%	0.9%	
CAPEX/Sales %	2.9%	1.3%	1.1%	1.8%	3.0%	2.2%	2.6%	1.2%	
Free Cash Flow	103.5	18.7	(26.1)		21.9	308.6		9.6	
Net financial debt	n.a.	(153.0)	1,323.2		202.8	419.4		(20.0)	
ND/EBITDA (x)	n.a.	(5.0)	10.0	2.5	1.4	0.9	1.1	(1.2)	
Pay-out	0.0%	n.a.	0.0%	0.0%	-12.2%	36.0%	11.9%	80.0%	
Multiples and Ratios	P/E (x)	4.8	17.2	n.a.	11.0	9.4	12.4	10.9	9.9
	P/BV (x)	n.a.	n.a.	n.a.	n.a.	n.a.	2.1	2.1	3.5
	EV/Revenues (x)	0.6	0.1	2.0	0.9	0.4	1.4	0.9	1.8
	EV/EBITDA (x)	5.2	1.9	10.3	5.8	4.1	10.1	7.1	5.4
	EV/EBIT (x)	7.7	5.2	15.3	9.4	7.8	13.7	10.8	6.2
	ROE	n.a.	n.a.	n.a.	n.a.	n.a.	16.9	16.9	34.5
	FCF Yield (%)	15.9	10.0	n.a.	13.0	6.7	7.6	7.1	9.5
	DPS	0.00	n.a.	0.00	0.00	0.22	0.37	0.29	0.14
	Dvd Yield	0.0%	n.a.	0.0%	0.0%	3.3%	2.3%	2.8%	8.1%

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
01-Oct-2024	n.a.	1.68	n.a.	n.a.	6m Results 2024	Luis Esteban Arribas, CESGA
27-May-2024	n.a.	1.58	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
18-Mar-2024	n.a.	1.48	n.a.	n.a.	12m Results 2023 - Estimates upgrade	Luis Esteban Arribas, CESGA
02-Oct-2023	n.a.	1.56	n.a.	n.a.	6m Results 2023	Luis Esteban Arribas, CESGA
12-Jun-2023	n.a.	1.57	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
17-Mar-2023	n.a.	1.64	n.a.	n.a.	Estimates downgrade	Luis Esteban Arribas, CESGA
02-Mar-2023	n.a.	1.79	n.a.	n.a.	12m Results 2022	Luis Esteban Arribas, CESGA
22-Sep-2022	n.a.	1.41	n.a.	n.a.	6m Results 2022 - Estimates downgrade	Luis Esteban Arribas, CESGA
02-Mar-2022	n.a.	1.45	n.a.	n.a.	12m Results 2021	Luis Esteban Arribas, CESGA
21-Sep-2021	n.a.	1.32	n.a.	n.a.	6m Results 2021	Alfredo Echevarría Otegui
22-Jun-2021	n.a.	1.27	n.a.	n.a.	3m Results 2021 - Estimates upgrade	Ana Isabel González García, CIIA
23-Apr-2021	n.a.	1.23	n.a.	n.a.	Initiation of Coverage	Ana Isabel González García, CIIA

