

EQUITY - SPAIN

Sector: Personal Products

Closing price: EUR 1.75 (31 Mar 2025)

Report date: 1 Apr 2025 (13:15h)

12m Results 2024

Independent Equity Research

12m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Business description

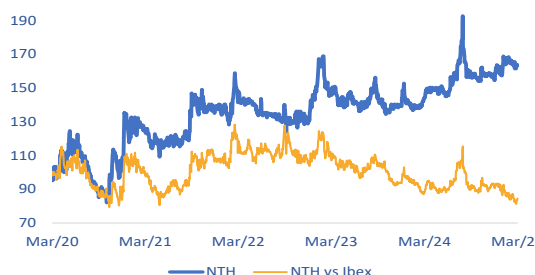
Naturhouse Health (NTH) is a small family group with headquarters in Madrid (Spain), specialising (c. 30 years) in nutrition and the re-education of eating habits (dietetics). With an international presence (c. 80% of revenue; France (38%), Italy (30%) and Poland (11%) being its core markets). It is managed and controlled by the founding family (78.4% of capital).

Market Data

Market Cap (Mn EUR and USD)	105.0	113.4
EV (Mn EUR and USD) ⁽²⁾	89.4	96.6
Shares Outstanding (Mn)	60.0	
-12m (Max/Med/Mín EUR)	2.06 / 1.68 / 1.54	
Daily Avg volume (-12m Mn EUR)	0.07	
Rotation ⁽³⁾	15.9	
Factset / Bloomberg	NTH-ES / NTH SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Mr. F. Revuelta & Family	78.4
Board Members	0.1
Treasury stock	0.1
Free Float	21.4

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	-0.6	5.7	13.6	63.8
vs Ibex 35	1.0	-6.7	-4.2	-15.4
vs Ibex Small Cap Index	-0.3	-5.8	-0.4	-8.1
vs Eurostoxx 50	3.5	-1.4	10.1	-13.0
vs Sector benchmark ⁽⁴⁾	1.5	0.3	21.8	55.6

(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 Food & Beverage.

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

2024 Results: in line. Slight decline in revenues (-2.5%), maintaining margins

"FLOOR" OF C.EUR 50 MN IN REVENUE... NTH closes 2024 with revenues of EUR 49.6 Mn (-2.5% vs 2023; aligned with our estimates) and with 1,324 points of sale (-109 vs 2023; slightly below our estimates). Despite the trickle of store closures (2,360 in 2017), NTH is able to contain the fall in revenue (-7.6% of closures vs -2.5% fall in revenue in 2024). Geographically, revenues decrease in France (-1.6%), Italy (-1.9%), and Poland (-1.3%). The most pressured geography is Spain (-3.0%) due to the greater loss of centers (-40 centers vs 2023).

...ACCOMPANIED BY A CERTAIN NORMALIZATION OF MARGINS. The gross margin decreases by 1.2 p.p. to c.72% due to a certain normalization after reaching 10-year highs in 2023 (73.1%; 2015-2024 average of 71.6%). This margin is a consequence of NTH's vertical integration. The EBITDA margin decreases by -5.4 p.p. compared to 2023, explained by two basic reasons: i) higher personnel expenses (+5%) and ii) NTH's investment in advertising (other operating expenses: +12%), all in a context of lower revenues. This has resulted in a recurring EBITDA of EUR 15.1 Mn (c.-17% vs 2023; recurring EBITDA margin 31.1%; -5.4 p.p. vs 2023).

NTH MAINTAINS SHAREHOLDER REMUNERATION COMMITMENT (100% REAL PAYOUT). Shareholder remuneration continues to be a priority for NTH and has historically been maintained at high levels. NTH approved the distribution of EUR 6 Mn from the 2024 result. Additionally, it announced an agreement to distribute an additional EUR 6 Mn (EUR 3.9 Mn from 2024 results and EUR 2.1 Mn from reserves; which implies a dividend for 2025 already announced of EUR 0.1/share). 2025e dividend yield of 8.0%, which our 2025e and 2026e profit estimates allow to maintain.

MAINTAINING A SOLID BALANCE SHEET POSITION, WITH NET CASH. NTH maintains a very healthy balance sheet position, with a net cash of EUR 19.5 Mn in 2024 (c.19% of Market Cap). A very comfortable cash position that protects its current dividend policy and leaves room to increase investment or payout.

WE MAINTAIN ESTIMATES. Given revenues completely in line (-0.8% vs our estimates), and despite a slightly lower 2024 EBITDA (-5.5% vs our figures), we maintain estimates. The stability of the business leads us to estimate a moderate revenue growth in 2025 (+2.8% vs 2024; EUR 51 Mn) and a recurring EBITDA of EUR 16.5 Mn (EBITDA margin 32.3%; +1.2 p.p. vs 2024; 2015-2024 average of 31.8%).

IN A BUSINESS MODEL WITH HIGH CASH GENERATION CAPACITY, THE CHALLENGE IS TO GROW AGAIN. Like its peers, NTH faces a very adverse environment (inflation and 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, 2025e EV/EBITDA 5.4x (vs 5.8x of its peers) due to limited visibility on the recovery of the revenue growth path in the geographies where NTH currently operates. Despite everything, the (proven) great resilience of the company allows a c.+14% -12m and systematically outperforms the sector.

Appendix 1. Results table

EUR Mn	12m24		12m24 Real	2024e	2024 vs
	Real	12m23	vs 12m23		2024e
Total Revenues	49.6	50.9	-2.5%	50.0	-0.8%
France	18.5	18.8	-1.6%		
Spain	9.3	9.6	-3.0%		
Italy	14.7	15.0	-1.9%		
Poland	5.4	5.5	-1.3%		
ROW	1.5	1.5	-1.0%		
Other income	0.2	0.5	-62.6%		
Gross Mg.	35.6	37.2	-4.1%	36.1	-1.2%
<i>Gross Margin/Revenues</i>	<i>71.9%</i>	<i>73.1%</i>	<i>-1.2 p.p.</i>	<i>72.1%</i>	<i>-0.3 p.p.</i>
Recurrent EBITDA	15.4	18.6	-16.9%	16.3	-5.5%
<i>Rec. EBITDA/Revenues</i>	<i>31.1%</i>	<i>36.5%</i>	<i>-5.4 p.p.</i>	<i>32.6%</i>	<i>-1.6 p.p.</i>
EBITDA	15.1	18.5	-18.5%	16.3	-7.5%
EBIT	13.1	16.3	-19.2%	14.1	-6.7%
PBT	13.5	15.4	-12.2%	14.1	-3.8%
NP	9.9	11.3	-12.7%	10.3	-3.9%
Nr. Of Centers	1,324	1,433	-109	1,386	-4.5%
<i>Online Sales (%)</i>	<i>6.0%</i>	<i>5.4%</i>	<i>0.6 p.p.</i>	<i>7.3%</i>	<i>-1.3 p.p.</i>
EUR Mn	12m24		12m24 Real	2024e	2024 vs
	Real	12m23	vs 12m23		2024e
Net Cash ¹	(19.5)	(22.5)	14%	-23.9	18.6%
Net Cash / EBITDA	-1.3 x	-1.2 x		-1.5 x	

(1) Net Cash adjusted to strip out the impact of IFRS 16.

Appendix 2. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	105.0	
+ Minority Interests	0.0	12m Results 2024
+ Provisions & Other L/T Liabilities	4.2	12m Results 2024
+ Net financial debt	(19.5)	12m Results 2024
- Financial Investments	0.4	12m Results 2024
+/- Others		
Enterprise Value (EV)	89.4	

Appendix 3. Main peers (2025e)

		Weight Management				Diet Supplements		
EUR Mn		Herbalife Nut.	Medifast	WW Intl.	Average	Nu Skin	Glanbia	Average
Market data	Ticker (Factset)	HLF-US	MED-US	WW-US		NUS-US	GL9-IE	
	Country	USA	USA	USA		USA	Ireland	
	Market cap	808.5	136.5	38.8		334.2	2,588.9	
	Enterprise value (EV)	2,706.0	1.1	1,359.9		593.6	3,111.7	
Basic financial information	Total Revenues	4,596.1	409.5	662.5		1,372.8	3,553.6	
	Total Revenues growth	-0.6%	-26.6%	-8.9%	-12.0%	-14.4%	0.1%	-7.1%
	2y CAGR (2025e - 2027e)	5.0%	n.a.	4.0%	4.5%	n.a.	3.5%	3.5%
	EBITDA	579.8	6.5	107.4		170.5	445.8	
	EBITDA growth	9.5%	-65.5%	-4.7%	-20.2%	52.8%	-12.9%	19.9%
	2y CAGR (2025e - 2027e)	10.1%	n.a.	3.3%	6.7%	n.a.	6.4%	6.4%
	EBITDA/Revenues	12.6%	1.6%	16.2%	10.1%	12.4%	12.5%	12.5%
	EBIT	445.1	(9.3)	86.8		91.0	315.6	
	EBIT growth	6.7%	-447.5%	11.7%	-143.0%	93.6%	-14.2%	39.7%
	2y CAGR (2025e - 2027e)	14.3%	n.a.	6.8%	10.6%	n.a.	9.0%	9.0%
	EBIT/Revenues	9.7%	n.a.	13.1%	11.4%	6.6%	8.9%	7.8%
	Net Profit	176.1	(4.4)	(22.5)		45.6	245.8	
	Net Profit growth	-25.2%	-327.2%	93.0%	-86.5%	133.6%	61.5%	97.5%
	2y CAGR (2025e - 2027e)	36.0%	n.a.	42.5%	39.3%	n.a.	10.7%	10.7%
	CAPEX/Sales %	2.4%	1.7%	1.6%	1.9%	3.0%	2.2%	2.6%
Free Cash Flow	206.0	8.4	(22.8)		41.8	276.4		
Net financial debt	n.a.	(167.2)	1,231.9		(35.6)	459.7		
ND/EBITDA (x)	n.a.	(25.8)	11.5	(7.2)	(0.2)	1.0	0.4	
Pay-out	0.0%	n.a.	0.0%	0.0%	n.a.	41.4%	41.4%	
Multiples and Ratios	P/E (x)	4.4	n.a.	n.a.	4.4	7.3	8.8	8.1
	P/BV (x)	n.a.	n.a.	n.a.	n.a.	n.a.	1.3	1.3
	EV/Revenues (x)	0.6	0.0	2.1	0.9	0.4	0.9	0.7
	EV/EBITDA (x)	4.7	0.2	12.7	5.8	3.5	7.0	5.2
	EV/EBIT (x)	6.1	n.a.	15.7	10.9	6.5	9.9	8.2
	ROE	n.a.	n.a.	n.a.	n.a.	n.a.	15.1	15.1
	FCF Yield (%)	25.5	6.1	n.a.	15.8	12.5	10.7	11.6
	DPS	0.00	n.a.	0.00	0.00	n.a.	0.39	0.39
	Dvd Yield	0.0%	n.a.	0.0%	0.0%	n.a.	3.8%	3.8%

Note 1: Financial data, multiples and ratios based on market consensus (Factset).

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

LIGHTHOUSE

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
01-Apr-2025	n.a.	1.75	n.a.	n.a.	12m Results 2024	Pablo Victoria Rivera, CESGA
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, CIAA
23-Apr-2021	n.a.	1.23	n.a.	n.a.	Initiation of Coverage	Ana Isabel González García, CIAA

