

# IDEAS TO SPARK IDEAS



Independent research from Lighthouse, which has, to date, initiated coverage of over 40 Spanish small cap stocks

June 17th, 2025



**LIGHTHOUSE**  
INSTITUTO ESPAÑOL  
DE ANALISTAS



**INSTITUTO ESPAÑOL  
DE ANALISTAS** DESDE 1965  
años Ilusión, Esfuerzo y Ambición



“...a road goes through Cornwall, Brittany and Galicia with  
crosses and gold nuggets sprinkled about that leads to the  
heaven of seafarers who perished at sea.”

(Last sentence in Boxwood (“Madera de boj”), by Camilo José Cela, 1999)

#### **Cover photograph: Lighthouse on Sálvora Island.**

Sálvora Island (La Coruña province) is located in the Arosa Estuary. Its northern point is just 3 km from the coast. It is the largest of the islands in the archipelago of the same name, where many smaller, low-lying islands are dotted, creating hazards for sailors.

The lighthouse is located in the south of the island, the part that juts out, known as Besugueiros Point. The first lighthouse was built in 1852. The building, which is U-shaped, has an octagonal tower, similar to the lighthouse at Cape Silleiro, and has been refurbished several times over the years. The last inhabitants of Sálvora, the “fareiros”, or lighthouse-keepers, left the island for good in 2017, since when the lighthouse has been operating via remote control. Today, the island is uninhabited.

On the night of 2 January 1921, the Santa Isabel steamship was headed to Villagarcía de Arosa. It was bringing mail from Bilbao and Santander. Its last stop had been La Coruña and it was headed to Villagarcía, from where it was to go on to Vigo, Cádiz and then Argentina. It was carrying 269 people on board, 84 crew members and 185 passengers, mostly emigrants.

That night the Santa Isabel got lost due to adverse weather conditions. In the middle of a terrible storm at around 2am, the steamship crashed into the twin rocks known as “Pegar” and “A filla de Pegar”, some 200 metres to the south east of the island, opposite the lighthouse. It must have been a huge crash judging by the hole in the hull. The Santa Isabel ran aground and the ship split in two, with the bow sinking quickly. The whole thing went under and the lifeboats were of little or no use.

Sálvora Island had around 60 inhabitants at the time. It just so happened that most of the men were celebrating the new year on the coast, at the festivals of the river parishes of Aguiño and Carreira. The fragility of the old lighthouse meant that the lighthouse keeper took a while to notice the shipwreck. And when it sent out the alarm, at around 5am, there was hardly anyone in the town, only women and children. Some of them, using dornas (small traditional sailboats) went out to help the victims. They are known as the “Sálvora heroines”: Cipriana Crujeiras, Josefa Parada, Cipriana Oujo and María Fernández (who was just 14 years old). Between them they saved between 15 and 20 people. The film titled “La isla de las mentiras”, which translates as the Isle of Lies, shot by Paula Cons in 2020, is based on the rescue of the Santa Isabel by the Sálvora heroines.

Some 213 people died in the shipwreck, leaving 56 survivors, including the ship’s captain, Esteban García Muñiz. Bodies were picked up along the coast for days. The Santa Isabel shipwreck is Galicia’s biggest boating tragedy.

Following its sinking, starting that same 1921, the lighthouse was thoroughly refurbished and in 1954 it was expanded. The old lighthouse, with its tenuous light, which could hardly make out the sinking of the Santa Isabel, was not able to prevent the tragedy. Although the keeper’s alarm did get help on its way and reduce the number of victims. Without a doubt, a more modern and powerful lighthouse, such as today’s, would have delivered the Santa Isabel safe and sound to Villagarcía de Arosa.





## INSTITUTO ESPAÑOL DE ANALISTAS

Instituto Español de Analistas was founded in 1965 to bring together research analysts and represent their interests. With 1,400 member analysts and over 25 sponsors, this professional association strives to bolster the reputation of its member professionals and partner firms.

To carry out its mission it works along four lines of initiative: i) providing, facilitating and aggregating support services for analysts; ii) certifying the professional qualifications of those who have taken and passed training programmes of interest to the analyst community; iii) raising the profile of the role played by research analysts in society and defending their contribution to the general interest; and iv) participating in the public debate, contributing reflections and findings of interest and value in the economic and financial spheres.

With regional offices in Catalonia, Andalusia, the Basque region, Galicia, Valencia, the Canary Islands, the Balearic Islands, Aragon, Navarra and La Rioja. Instituto Español de Analistas is made up of three entities that work to deliver its objectives: Fundación de Estudios Financieros (FEF), Escuela FEF (a financial training academy for sector professionals and students) and Lighthouse.

Instituto Español de Analistas plays an active role on the CNMV's Advisory Board and is a partner in BME's Pre-Market Environment. It is accredited by the Bank of Spain and CNMV.

## LIGHTHOUSE

Lighthouse was set up in June 2018 as the independent research service arm of Instituto Español de Analistas, covering the secondary equities market in Spain, with the support of BME (Bolsas y Mercados Españoles).

Lighthouse provides fundamental analysis and limits its coverage to stocks listed on the Spanish market (continuous market and BME Growth) that are not already covered spontaneously by the sell side. In other words, by only analysing companies that are not covered by the sell side, Lighthouse focuses on very small cap and/or illiquid stocks. The companies it covers are mainly micro-cap stocks (market cap: EUR 50 Mn – EUR 300 Mn). Since setting out, Lighthouse has initiated coverage of over 40 listed Spanish stocks. That coverage has reduced by half the incidence of orphan stocks in Spain, bringing it to under c.30% (vs c.50% ex-Lighthouse contribution).

The fundamental analysis published by Lighthouse is available free of charge can be found on the Instituto Español de Analistas website:

<https://institutodeanalistas.com/lighthouse/>

In 2021, Lighthouse started up a second business line: ESG certification. Lighthouse's certification service is endorsed by Instituto Español de Analistas and has been designed specifically to meet the sustainability certification needs of the small and mid-cap population (listed and unlisted).

In 2020, Lighthouse received the European Small & Mid-Cap Awards granted by the European Commission, EuropeanIssuers and FESE (Federation of European Securities Exchanges). During that edition, the Awards assigned Lighthouse a 'Special Mention', which recognises companies/projects that have helped the visibility and had supported small and mid-cap issuers accessing capital markets. At its core, this is Lighthouse's raison d'être. Helping small and mid-cap stocks become more well known, more highly valued and, ultimately, more liquid.



# LIGHTHOUSE

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All Lighthouse research documents are available simultaneously on the Lighthouse website ([institutodeanalistas.com/lighthouse](https://institutodeanalistas.com/lighthouse)) and via third-party aggregators such as Bloomberg, Factset, Capital IQ and Refinitiv. Lighthouse research is also available on the Bolsas y Mercados (BME) website (<https://www.bolsasymercados.es/bme-exchange/es/Mercados-y-Cotizaciones/Acciones/Analisis-y-Herramientas/Analisis-de-empresas/Lighthouse>)



## Table of contents

1. A few clarifications .....	8
2. Purpose of this report: what the report is and what it is not .....	9
3. Map of Micro Caps on the Spanish market and the Lighthouse universe of coverage.....	10
4. Just for the sake of it: 6 potential (good) investment ideas from Lighthouse's universe of coverage.....	15
5. Company notes.....	19
• Adolfo Domínguez .....	20
• Agile Content.....	28
• Alquiber .....	36
• Amper .....	44
• Audax Renovables .....	52
• Axon Partners Group .....	60
• Cevasa .....	68
• Clerhp Estructuras .....	76
• Cuatroochenta.....	84
• Desa .....	92
• Endurance Motive .....	100
• Energy Solar Tech .....	108
• Enerside .....	110
• Ercros .....	118
• Facephi.....	126
• GAM.....	134
• Holaluz Clidom .....	142
• Iflex.....	150
• Inmobiliaria del Sur .....	158
• Kompuestos .....	166
• Ktesios.....	174
• Labiana Health .....	182
• Laboratorio Reig Jofre .....	190
• Libertas 7.....	198
• Lingotes Especiales .....	206
• LLYC.....	214
• Natac.....	222
• Naturhouse Health .....	230
• Nicolás Correa .....	238
• Pangaea Oncology .....	246
• Seresco.....	254
• Squirrel Media.....	262
• Substrate Artificial Intelligence .....	270
• Vanadi Coffee.....	278
• Vitruvio .....	286
6. Summary tables for the Lighthouse Research Universe .....	295
7. Upcoming earnings releases .....	304
8. Disclaimer.....	305

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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 companies 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.



## A few clarifications

- 1) All of the prices used in the report (individual securities and indices) relate to the close of trading on June 11<sup>th</sup> 2025.
- 2) Unless otherwise indicated, all the data used in this report were sourced from either Factset, Lighthouse or the companies themselves.
- 3) EBITDA (actual and projected) for all of the companies covered by Lighthouse and included in this report does not include any items (whether positive or negative) without an impact on cash flow. For example, EBITDA does not include income from the capitalisation of costs. Except for companies in the technology sector, where Recurring EBITDA does not include the capitalisation of costs but Total EBITDA does. In the rest of the sectors, neither Recurring nor Total EBITDA includes capitalisations or other items that have no impact on Cash Flow.
- 4) All of the research published by Lighthouse can be found on the Instituto Español de Analistas' website:  
<https://institutodeanalistas.com/lighthouse/>
- 5) At the date of publication of this report, Innovative Solutions Ecosystem and Ecolumber (covered by Lighthouse) were suspended from trading. Therefore, the note on these companies is excluded of this report. Also is excluded a note on Borges - BAIN (covered by Lighthouse), which is in the process of being delisted from the Stock Exchange. Finally, in this report we inform the market the drop of coverage by Lighthouse on Energy Solar Tech, for which a note is included.
- 6) The following companies within Lighthouse's universe of coverage are listed on BME Growth:
  - Agile Content
  - Alquiber
  - Axon Partnes Group
  - Clerhp Estructuras
  - Cuatroochenta
  - Endurance Motive
  - Energy Solar Tech
  - Enerside
  - Facephi
  - Holaluz
  - Iflex
  - Kompuestos
  - Ktesios
  - Labiana
  - LLYC
  - Natac
  - Pangaea Oncology
  - Seresco
  - Substrate Artificial Intelligence
  - Vanadi Coffee
  - Vitruvio

BME Growth is the segment of BME MTF Equity aimed at small and medium sized companies, directed and managed by the Spanish stock market and is subject to the CNMV supervision. BME MTF Equity is not a Regulated Market but instead falls within the classification of a Multilateral Trading Facility (MTF) as defined under the Markets in Financial Instruments Directive (MiFID). In July 2020, BME Growth obtained the status of SME Growth Market, a new category of EU regulations, which in Spain is called Mercado de Pymes en Expansión.

BME Growth is the Spanish equity market for companies of reduced capitalization which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are currently c.130 companies listed on it (of which c.70 are SOCIMIs). Companies listed on the MAB can choose to present their financial statements under IFRS or the General Accounting Plan (PGC) and Royal Decree 1159/2010 (NOFCAC).



## Purpose of this report: what the report is and what it is not

### A) What it is: objectives of the report

- 1) **DEEPENING FAMILIARITY WITH THE STOCKS COVERED.** Providing information about a universe of companies (Spanish micro-cap stocks), which, on account of their size and liquidity, could fall below the radar.
- 2) **IN-DEPTH FINANCIAL AND STRATEGIC ANALYSIS.** Analysing each of these businesses in detail and providing updated and detailed financial projections (2023 - 2026e) for all of them, underpinned by traditional “fundamental” analysis: strategy, capacity to generate EBITDA and FCF, growth prospects and risks.
- 3) **MOMENTUM.** We emphasise what lies in store for each company in 2024 as a result of the catalysts and drivers identified for each business. The idea is that this factor (EBITDA 2024e) is key to understanding each company’s potential as an investment idea today.
- 4) **VALUATION AND DECISION-MAKING TOOLS.** This report provides information of use in valuing any business. Essentially: comprehensive financial projections, cost of capital estimates (specifically WACC; refer to the “Valuation inputs” in each company file), trading multiples, detailed information (consensus forecasts and multiples) for each company’s closest comparables and sensitivity analysis around their EBITDA and FCF generation capacity in more and less favourable scenarios. In other words, the report contains all of the information needed to value a company. And to take an investment decision (momentum, risks, growth prospects, sector metrics, positive/negative catalysts).
- 5) **SPANISH MICROCAP UNIVERSE.** Providing a big picture of the entire Spanish Microcap Universe (which includes companies traded on the continuous market and on BME Growth). Lighthouse currently covers 35+ companies within this universe (which is ultimately broader: c.85 companies; c.45% of the stocks listed on the Spanish market): They present specific sector exposure and performance attributes which we believe make them of great interest for any investor interested in investing in small and micro-caps in southern Europe.

### B) What it isn’t: what this report does not and does not purport to do

- 1) **IT DOES NOT ACTUALLY VALUE THE COMPANIES COVERED. WE DO NOT SET A TARGET PRICE.** Lighthouse does not value stocks and does not estimate target prices. This report simply provides the tools to enable each investor to draw their own conclusions.
- 2) **IT IS NOT A RECOMMENDATION TO BUY OR SELL THE STOCKS ANALYSED.** This report does not make any investment recommendations. Neither explicitly nor implicitly.

In sum: this report aims to provide investors with all of the tools needed to decide for themselves which investment ideas of the many contained in this report are of greatest interest in light of their specific preferences/constraints.

That essentially sums up what Lighthouse is about: providing utility to companies, investors and the market in general. A wholly fundamental research service devoted to educating interested parties about the Spanish Small & Micro Cap segment, one in which the incidence of orphan stocks or lack of research coverage are higher. A segment in which there are many good potential investment ideas that deserve to be seen.



## Map of Micro Caps on the Spanish market and the Lighthouse universe of coverage

Communication Services	Consumption	Financials	Healthcare
<ul style="list-style-type: none"> <li>Media</li> <li>✓ LLYC</li> <li>✓ Secuoya Grupo</li> <li>✓ Sngular</li> <li>Squirrel Media</li> <li>Vocento</li> <li>Telecom Services</li> <li>✓ Parlem Telecom</li> </ul>	<ul style="list-style-type: none"> <li>Consumer Discretionary</li> <li>Automobiles</li> <li>✓ EV Motors</li> <li>Hotels, Restaurants &amp; Leisure</li> <li>ByteTravel<sup>(1)</sup></li> <li>✓ Vanadi Coffee</li> <li>Textiles, Apparel &amp; Luxury Goods</li> <li>Adolfo Domínguez</li> <li>Nueva Expresión Textil</li> <li>Consumer Staples</li> <li>Food Products</li> <li>Deoleo</li> <li>Ecolumer<sup>(2)</sup></li> <li>✓ Natac</li> <li>Personal Products</li> <li>Naturhouse Health</li> </ul>	<ul style="list-style-type: none"> <li>Capital Markets</li> <li>Alantra Partners</li> <li>✓ Indexa Capital Group</li> <li>Real Estate</li> <li>Management &amp; Development</li> <li>Cevasa</li> <li>✓ Clerhp Estructuras</li> <li>Inmobiliaria del Sur</li> <li>Libertas 7</li> <li>Montebalito</li> <li>✓ Santa Ana</li> <li>REITs</li> <li>✓ Adriano Care</li> <li>✓ All Iron</li> <li>Arima Real Estate</li> <li>✓ GOP</li> <li>✓ Hispanotels</li> <li>✓ Ibervalles</li> <li>✓ IBI Lion</li> <li>✓ Inversa Prime</li> <li>✓ Ktesios</li> <li>✓ Milepro Logística</li> <li>✓ Millenium Hospitality</li> <li>✓ ORES</li> <li>✓ Serrano 61</li> <li>✓ Silicius</li> <li>✓ Vitruvio</li> </ul>	<ul style="list-style-type: none"> <li>Biotechnology</li> <li>Atrys Health</li> <li>✓ Labiana Health</li> <li>Oryzon Genomics</li> <li>✓ Pangaea Oncology</li> <li>Healthcare Equipment &amp; Supplies</li> <li>Prim</li> <li>Pharmaceuticals</li> <li>Laboratorio Reig Jofre</li> </ul>
Industrials	Materials	Technology	Utilities
<ul style="list-style-type: none"> <li>Auto Components</li> <li>Lingotes Especiales</li> <li>Commercial Services &amp; Supplies</li> <li>✓ Axon Partners Group</li> <li>Electrical Equipment</li> <li>✓ EIDF</li> <li>✓ Endurance Motive</li> <li>✓ Umbrella Solar Investment</li> <li>Engineering</li> <li>Artificial Intelligence</li> <li>Duro Felguera</li> <li>✓ NBI Bearings Europe</li> <li>Machinery</li> <li>Desa</li> <li>Nicolás Correa</li> <li>Trading Companies &amp; Distributors</li> <li>GAM</li> <li>Transportation - Road &amp; Rail</li> <li>✓ Alquiber</li> <li>Other Industrials</li> <li>Azkoyen</li> </ul>	<ul style="list-style-type: none"> <li>Chemicals</li> <li>Ercros</li> <li>✓ Kompuestos</li> <li>Containers &amp; Packaging</li> <li>✓ Iflex</li> <li>Metals &amp; Mining</li> <li>Berkeley Energia</li> <li>Tubos Reunidos</li> <li>Paper &amp; Forest Products</li> <li>Iberpapel Gestion</li> </ul>	<ul style="list-style-type: none"> <li>Communications Equipment</li> <li>Amper</li> <li>Grupo Ezentis</li> <li>IT Services</li> <li>✓ Aeternal Mentis</li> <li>✓ Gigas Hosting</li> <li>Innovative Solutions Ecosystem<sup>(4)</sup></li> <li>Software</li> <li>✓ Agile Content</li> <li>✓ Cuatroochenta</li> <li>✓ Facephi</li> <li>✓ Izertis</li> <li>✓ Knowmad Mood</li> <li>✓ Making Science Group</li> <li>✓ Seresco</li> <li>✓ Substrate Artificial Intelligence</li> </ul>	<ul style="list-style-type: none"> <li>Electric Utilities</li> <li>Audax Renovables<sup>(4)</sup></li> <li>✓ Energy Solar Tech</li> <li>✓ Holaluz Clidom</li> <li>Independent Power Producers (IPP)</li> <li>✓ Cox Energy</li> <li>Ecoener</li> <li>✓ Enerside</li> <li>✓ Grupo Greening 2022</li> </ul>
<p>➤ <u>Companies covered by Lighthouse are shaded.</u></p> <p>✓ <u>Companies listed on BME Growth.</u></p> <p>(1) Listing suspended since 11/25/2022</p> <p>(2) Listing suspended since 11/20/2024</p> <p>(3) Company listed on BME Scalup.</p> <p>(4) Covered by Lighthouse and excluded from the Micro Cap Universe by Mkt Cap (EUR 725 Mn).</p>			





## Overview of Lighthouse's Spanish Microcap Universe

Lighthouse's Spanish Microcap Universe comprises all the companies populating the Spanish stock market's microcap segment.

The majority of Lighthouse's research coverage is concentrated in this segment. The following criteria were used to define this universe of companies:

- The Spanish Microcap Universe created by Lighthouse includes companies traded on the continuous market (including stocks traded using the outcry method) and on BME Growth and BME Scaleup.
- What is a micro-cap stock? The strict market filter is companies with a market capitalisation of between EUR 50Mn and EUR 300Mn, irrespective of the sector they hail from. Companies with higher market values classify as small caps (EUR 300Mn - EUR 1Bn) and those with higher market caps again as mid-cap stocks (EUR 1Bn - EUR 3Bn). Those with lower market caps are known as nanocaps.

However, to ensure that market volatility does not have a significant impact on our Spanish Microcap Universe, for the purposes of this report we contemplated all companies with a market cap of between EUR 40Mn and EUR 360Mn (essentially extending the range commonly used to define microcaps by +/-20%).

- The sector structure of the Microcap Universe is based on the Global Industry Classification Standard (GICS) classification of 11 sectors. Within each sector the various companies are organised by industry (likewise using GICS criteria).

Note that in the consumer goods sector there are two sectors: i) consumer staples; and ii) consumer discretionary.

- At the time of writing, there were 70 REITs (SOCIMIs for their acronym in Spanish) trading on BME Growth, of which we only include (within the real estate sector) those: i) with a market cap of EUR 40Mn - EUR 360Mn; and ii) those with a free float of over 20% and free cap over EUR 30Mn (14 companies in total).
- The Spanish Midcap Universe is made up of, in addition to the companies meeting the market cap filter of EUR 40Mn - EUR 360Mn, all of the companies covered by Lighthouse. Some of their market caps bellow the defined range: Desa, Ecolumber, Endurance Motive, Iflex, Innovative Solutions Ecosystem, Kompuestos, Ktesios, Labiana, Substrate Artificial Intelligence y Vanadi.

Audax Renovables, the only company in Lighthouse coverage with Mkt Cap in excess of EUR 360 Mn, is not included in the Microcap Universe.

The aggregate market cap of the Spanish Microcap Universe is c. EUR 10,825Mn and it is made up of 82 companies (with a mix of c.44% continuous market / c.56% BME Growth).

In total, the continuous market and BME Growth (excluding REITs with a free float over 20% and free cap over EUR 30Mn) encompass 190 companies with an aggregate market cap of EUR c.956,588Mn. The Spanish Microcap Universe therefore represents c.45% of the stocks listed on the Spanish market. And c. 1.1% of their total market cap. It is a universe of companies with an abundance of investment opportunities and constitutes a "must-see" for any investor specialised in small- and mid-caps with an interest in the southern European markets.

Sector-wise, it is interesting to compare the structure of the Spanish Midcap Universe with two basic benchmarks: i) the Spanish market as a whole; and ii) the Eurostoxx 600 (the closest European market equivalent). That comparison yields the following conclusions:

*Sector structure of the Lighthouse Spanish Micro Cap Universe<sup>(1)</sup>*

Sector	Spanish Micro Cap Universe			% of total	
	Co. #	Market cap (mn EUR)	% of total	Continuous Market (Spain)	Stoxx Europe 600
Communication Services	6	762	7.0%	5.2%	2.7%
Consumer Discretionary	5	851	7.9%	17.3%	11.7%
Consumer Staples	4	544	5.0%	1.9%	10.5%
Energy	0	0	0.0%	1.9%	4.7%
Financials	2	463	4.3%	29.6%	21.2%
Healthcare	6	966	8.9%	2.4%	12.4%
Industrials	13	1,320	12.2%	17.7%	17.3%
Materials	6	784	7.2%	3.2%	6.2%
Real Estate	21	2,923	27.0%	1.7%	1.2%
Technology	13	1,335	12.3%	0.7%	7.9%
Utilities	6	877	8.1%	18.5%	4.2%
<b>Totals</b>	<b>82</b>	<b>10,825</b>			

(1) This structure excludes Audax Renovables (Mkt Cap of EUR 725Mn; covered by Lighthouse), which is clearly too big to be considered a micro-cap and would distort the mix. We include Byte Travel from BME Scaleup (EUR 200Mn Mkt Cap).

- Three sectors (Industrial, Technology and Real Estate) represent >50% of the number of companies and Mkt Cap in the sample. It should be noted that in the Spanish market there is no Microcap listed in the Energy sector, and practically none in the Financial (2) sector. All of these sectors have a large weight in the sector mix of the total Spanish market but are not represented in the Microcap segment.
- The Spanish Microcap Universe is as cyclical as the Spanish or European stock markets, judging by a simple analysis which defines the information technology, materials, industrials and consumer staples sectors as cyclical (and the rest as non-cyclical).

*Exposure of the Lighthouse Spanish Microcap Universe to cyclical sectors*

Sector type	Spanish Micro Cap Universe	Continuous Market (Spain)	Stoxx Europe 600
Cyclical	39.6%	38.9%	43.1%
Non-cyclical	60.4%	61.1%	56.9%

- Finally, and by comparison with the sector mix of the entire Spanish market, there are two sectors in which the Microcap segment is significantly more interesting and offers an abundance of ideas that we do not find in the rest of the market: Technology and Real Estate.

The conclusion is simple. The Spanish market is clearly overexposed to the Microcap segment which, in terms of number of companies, represents almost half of the securities listed in Spain. This type of securities has a completely different sector structure to that of the market. It therefore provides a very significant number of companies in two sectors (Technology and Real Estate) that are very poorly represented in the Spanish stock market. This is a good example of the fact that, on many occasions, it is easier to “play” a certain market driver or sector through the Microcap segment than in Large Caps. Even in Small & Mid-Caps.



## The Lighthouse Spanish Micro Cap Universe (basic data) (I)

Company	Market Cap. (Mn EUR)	Sector	Industry	Market <sup>(1)</sup>	Stock Performance (%)				Volume -12m (Mn EUR)	Rotation <sup>(2)</sup> (%)
					-3M	-12M	YTD	-5Y		
Parlem Telecom	69.1	Communication Services	Telecom Services	GR	6.1%	-3.3%	5.5%	n.a.	5.88	8.5
Squirrel Media	204.0	Communication Services	Media	MC	-18.2%	38.0%	81.5%	-31.8%	28.12	13.8
Secuoya Grupo	198.6	Communication Services	Media	GR	11.8%	77.3%	37.4%	218.4%	0.29	0.1
Sngular	109.9	Communication Services	Media	GR	3.3%	-33.3%	4.4%	n.a.	5.55	5.1
LLYC	98.9	Communication Services	Media	GR	0.0%	-7.3%	42.9%	n.a.	10.35	10.5
Vocento	81.6	Communication Services	Media	MC	-10.1%	-21.5%	7.2%	-0.9%	5.23	6.4
Nueva Expresion Textil	178.9	Consumer Discretionary	Textiles, Apparel & Luxury Goods	MC	25.1%	45.1%	20.3%	-22.0%	37.59	21.0
Adolfo Domínguez	43.8	Consumer Discretionary	Textiles, Apparel & Luxury Goods	MC	-3.9%	-9.2%	-0.4%	-12.3%	2.51	5.7
ByteTravel	202.4	Consumer Discretionary	Hotels, Restaurants & Leisure	SC	-6.3%	n.a.	-5.6%	n.a.	1.84	0.9
Vanadi Coffee	5.3	Consumer Discretionary	Hotels, Restaurants & Leisure	GR	301.0%	-55.6%	126.6%	n.a.	25.94	488.0
EV Motors	421.1	Consumer Discretionary	Automobiles	GR	8.8%	n.a.	-2.0%	n.a.	5.33	1.3
Naturhouse Health	108.0	Consumer Staples	Personal Products	MC	6.5%	19.5%	13.9%	53.7%	17.26	16.0
Natac	304.4	Consumer Staples	Food Products	GR	4.5%	6.9%	2.2%	-62.2%	3.72	1.2
Deoleo	99.0	Consumer Staples	Food Products	MC	3.7%	-16.8%	5.3%	742.6%	17.87	18.0
Alantra Partners	309.8	Financials	Capital Markets	MC	-8.8%	-11.6%	5.6%	-15.7%	29.80	9.6
Indexa Capital Group	152.8	Financials	Capital Markets	GR	37.3%	6.6%	21.4%	n.a.	0.85	0.6
Laboratorio Reig Jofre	258.9	Healthcare	Pharmaceuticals	MC	26.2%	4.9%	30.2%	20.6%	18.66	7.2
Prim	194.2	Healthcare	Healthcare Equipment & Supplies	MC	17.3%	11.8%	19.5%	43.5%	16.47	8.5
Oryzon Genomics	219.9	Healthcare	Biotechnology	MC	-3.4%	43.9%	100.0%	-13.4%	319.73	145.4
Atrys Health	208.3	Healthcare	Biotechnology	MC	-14.9%	-27.9%	-18.7%	-54.2%	30.69	14.7
Pangaea Oncology	58.5	Healthcare	Biotechnology	GR	-1.7%	-4.0%	-4.0%	15.0%	1.18	2.0
Labiana Health	25.9	Healthcare	Biotechnology	GR	17.0%	45.5%	20.9%	n.a.	3.36	13.0
Alquiber	67.5	Industrials	Transportation - Road & Rail	GR	9.6%	47.7%	25.0%	151.7%	1.98	2.9
GAM	123.9	Industrials	Trading Companies & Distributors	MC	1.6%	-6.4%	4.0%	21.7%	6.87	5.5
Azkoyen	229.8	Industrials	Other Industrials	MC	25.3%	49.7%	52.6%	112.6%	21.65	9.4
Nicolás Correa	139.2	Industrials	Machinery	MC	23.8%	77.0%	49.8%	229.3%	18.70	13.4
DESA	27.4	Industrials	Machinery	MC	0.2%	21.5%	0.8%	131.8%	0.65	2.4
Airtificial Intelligence	193.2	Industrials	Engineering	MC	1.1%	-8.7%	37.4%	145.5%	61.02	31.6
Duro Felguera	51.3	Industrials	Engineering	MC	-14.4%	-57.7%	4.6%	-57.9%	72.60	141.5
NBI Bearings Europe	40.7	Industrials	Engineering	GR	-11.8%	-28.3%	-17.5%	-10.8%	1.20	2.9
EiDF	203.9	Industrials	Electrical Equipment	GR	-30.6%	-51.0%	11.9%	n.a.	61.75	30.3
Umbrella Solar Investment	88.4	Industrials	Electrical Equipment	GR	0.0%	-21.9%	-4.2%	n.a.	1.74	2.0
Endurance Motive	17.6	Industrials	Electrical Equipment	GR	25.0%	2.6%	46.2%	n.a.	5.82	33.1
Axon Partners Group	77.5	Industrials	Commercial Services & Supplies	GR	-7.0%	4.4%	-22.3%	n.a.	1.39	1.8
Lingotes Especiales	60.0	Industrials	Auto Components	MC	-6.0%	-18.6%	-4.8%	-37.9%	6.01	10.0
Iberpapel Gestion	232.4	Materials	Paper & Forest Products	MC	12.0%	22.3%	22.0%	20.3%	24.66	10.6
Berkeley Energia	144.3	Materials	Metals & Mining	MC	19.0%	22.7%	53.2%	59.6%	149.87	103.9
Tubos Reunidos	108.1	Materials	Metals & Mining	MC	1.3%	-16.8%	32.8%	345.3%	110.60	102.3
Iflex	10.3	Materials	Containers & Packaging	GR	6.7%	21.0%	-1.8%	n.a.	0.24	2.3
Ercros	277.1	Materials	Chemicals	MC	4.5%	-11.7%	-14.2%	75.3%	52.24	18.9
Kompuestos	12.2	Materials	Chemicals	GR	0.0%	18.3%	-1.0%	-63.8%	0.23	1.9
Silicius	342.2	Real Estate	SOCIMIS	GS	0.0%	0.0%	0.0%	n.a.	0.00	0.0
Millenium Hospitality	287.8	Real Estate	SOCIMIS	GS	0.8%	-8.1%	-9.5%	-49.4%	8.96	3.1
Ibervalles	265.2	Real Estate	SOCIMIS	GS	0.3%	2.2%	0.3%	n.a.	5.70	2.1
All Iron	199.1	Real Estate	SOCIMIS	GS	11.3%	39.1%	16.4%	n.a.	4.64	2.3
Arima Real Estate	197.5	Real Estate	SOCIMIS	MC	1.1%	-8.4%	-6.2%	-15.6%	25.71	13.0
ORES	196.7	Real Estate	SOCIMIS	GS	1.3%	6.5%	8.8%	70.0%	1.43	0.7
Vitruvio	148.0	Real Estate	SOCIMIS	GS	6.1%	13.7%	8.3%	40.6%	12.05	8.1
Adriano Care	122.4	Real Estate	SOCIMIS	GS	0.0%	8.9%	1.0%	n.a.	0.32	0.3
Serrano 61	99.0	Real Estate	SOCIMIS	GS	0.0%	-7.5%	0.0%	-6.1%	0.07	0.1
GOP	97.1	Real Estate	SOCIMIS	GS	-1.8%	10.9%	3.9%	26.3%	10.41	10.7
Inversa Prime	83.8	Real Estate	SOCIMIS	GS	4.5%	10.0%	-2.3%	29.9%	4.23	5.0
Hispanotels	78.2	Real Estate	SOCIMIS	GS	-1.1%	30.7%	7.9%	76.8%	0.47	0.6
IBI Lion	78.0	Real Estate	SOCIMIS	GS	4.1%	10.8%	11.3%	n.a.	0.21	0.3
Milepro Logística	64.3	Real Estate	SOCIMIS	GS	-0.7%	-0.7%	0.8%	n.a.	3.68	5.7
Ktesios	34.5	Real Estate	SOCIMIS	GS	10.3%	19.9%	5.2%	n.a.	1.85	5.4
Inmobiliaria del Sur	224.0	Real Estate	Management & Development	MC	17.6%	50.9%	37.1%	124.1%	7.37	3.3
Cevasa	177.9	Real Estate	Management & Development	MC	7.0%	31.4%	7.7%	16.4%	0.75	0.4
Santa Ana	88.7	Real Estate	Management & Development	GR	-1.4%	n.a.	-30.3%	n.a.	0.28	0.3
Clerhp Estructuras	51.0	Real Estate	Management & Development	GR	-12.0%	-29.0%	-27.7%	134.7%	23.57	46.2
Montebalito	46.1	Real Estate	Management & Development	MC	-0.7%	5.1%	9.1%	10.5%	3.40	7.4
Libertas 7	41.6	Real Estate	Management & Development	MC	10.4%	13.9%	4.9%	48.6%	2.13	5.1



## The Lighthouse Spanish Micro Cap Universe (basic data) (II)

Company	Market Cap. (Mn EUR)	Sector	Industry	Market <sup>(1)</sup>	Stock Performance (%)				Volume -12m (Mn EUR)	Rotation <sup>(2)</sup> (%)
					-3M	-12M	YTD	-5Y		
Izertis	255.4	Technology	Software	GR	-0.9%	1.8%	-5.6%	96.3%	13.63	5.3
Knowmad Mood	188.0	Technology	Software	GR	6.2%	-15.9%	1.1%	n.a.	1.66	0.9
Making Science Group	83.1	Technology	Software	GR	6.3%	6.3%	20.9%	64.5%	9.27	11.2
Seresco	78.3	Technology	Software	GR	72.0%	89.2%	97.2%	n.a.	3.95	5.0
Facephi	63.2	Technology	Software	GR	3.4%	24.1%	46.7%	-55.3%	8.61	13.6
Agile Content	53.8	Technology	Software	GR	-17.7%	-38.9%	-20.0%	-41.3%	13.50	25.1
Substrate Artificial Intelligence	48.8	Technology	Software	GR	11.7%	-18.6%	14.8%	n.a.	43.10	88.4
Cuatroochenta	46.2	Technology	Software	GR	16.6%	44.4%	52.3%	n.a.	2.54	5.5
Aeternal Mentis	113.1	Technology	IT Services	GR	0.0%	-5.0%	0.0%	n.a.	0.01	0.0
Gigas Hosting	72.9	Technology	IT Services	GR	-9.2%	-15.1%	-18.6%	6.4%	5.84	8.0
Amper	234.7	Technology	Communications Equipment	MC	16.8%	49.9%	36.8%	0.3%	170.02	72.4
Grupo Ezentis	65.5	Technology	Communications Equipment	MC	1.7%	-32.4%	59.0%	-59.0%	76.11	116.2
Cox Energy	271.3	Utilities	Independent Power Producers (IPP)	GR	1.9%	-5.9%	8.1%	n.a.	4.52	1.7
Ecoener	266.5	Utilities	Independent Power Producers (IPP)	MC	3.5%	24.1%	4.0%	n.a.	18.36	6.9
Grupo Greening 2022	129.8	Utilities	Independent Power Producers (IPP)	GR	-22.8%	-29.2%	-25.9%	n.a.	14.60	11.2
Enerside	104.6	Utilities	Independent Power Producers (IPP)	GR	-29.5%	-1.0%	-32.3%	n.a.	3.96	3.8
Audax Renovables	725.5	Utilities	Electric Utilities	MC	11.1%	-16.1%	3.2%	-7.1%	104.17	14.4
Energy Solar Tech	76.3	Utilities	Electric Utilities	GR	6.0%	-19.1%	1.1%	n.a.	5.94	7.8
Holaluz Clidom	28.0	Utilities	Electric Utilities	GR	-19.7%	-4.5%	18.5%	-80.6%	13.62	48.6

(1) Market: MC = Continuous Market (Spain), G = BME Growth, GS = BME Growth REITs, SC = BME Scaleup

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

(3) Performance for Innovative Solutions Ecosystem and Ecolumber, which were suspended from trading on 25 November 2022 and 20 November 2024, respectively, the companies have been excluded from the Table. As well as Borges – BAIN, in the process of being forcibly delisted from the Stock Exchange.

(4) Audax Renovables (under analysis coverage by Lighthouse) does not technically belong to Lighthouse's Micro Cap Universe Spain as it has a Mkt Cap (EUR 725 Mn) well above the upper limit of the Micro Cap segment (EUR 360 Mn).

## Performance by the Lighthouse Spanish Micro Cap Universe

Stock performance	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute <sup>(1)</sup>	5.0	7.1	5.3	13.5	3.3	48.7
<b>vs Market</b>						
vs Ibex 35	0.7	-2.4	-16.7	-6.9	-38.7	-23.4
vs Euro STOXX 50	3.4	5.5	-3.1	3.1	-31.1	-13.3
<b>vs Small Cap Reference</b>						
vs Ibex Small Cap Index	-0.4	-5.7	-11.8	-11.3	-14.4	-14.9
vs MSCI Europe Micro Cap	0.4	-1.7	3.7	5.4	10.1	16.6

(1) Average Return of the Lighthouse Spanish Micro Cap Universe. Return obtained on a similar investment in each company in the Lighthouse Spanish Micro Cap Universe.



## Just for the sake of it: 6 potential (good) investment ideas from Lighthouse's universe of coverage

Lighthouse aims to provide insight into the fundamentals of Spain's "orphan" stocks through its recurring research. Our work is nearly 100% focused on taking a deep-dive into the business models of the companies we cover and making financial projections so that investors can understand what each company does, how it makes money and what it can be expected to do over the next three years. Therefore, our work is predicated on performing in-depth analyses of each business' EBITDA and free cash flow generation potential. As is widely known, Lighthouse does not provide any valuations or target prices and does not issue any investment recommendations on the companies analysed.

However, our research naturally spawns factors/data that we find to be particularly interesting and that could be considered potential indicators of value of the stocks under coverage. Just for the sake of it, we provide these indicators for six companies we cover. They are inputs that investors could find especially interesting when first selecting which companies to analyse and track.

This is the best way to explain Lighthouse's *raison d'être* and value. Providing the market with information that has gone unnoticed until now. And doing so in a way that meets the requirements of (mostly institutional) investors. All our efforts are geared towards providing key information (e.g., financial strategic) for understanding companies and taking investment decisions. Below we offer four examples of stocks listed on the continuous market and two on BME Growth. All are from different sectors. And have different equity stories, from the classic "growth" companies to "value" plays.

As explained above, we are not making valuations or issuing any investment recommendations. These picks should be considered simply as examples of the stocks included in Lighthouse's research universe that show particularly positive, and reasonably sound and objective, indicators. We think they are worth looking at. But they are only a few examples. There are many more...

In our last annual report (May 2024) we presented our first portfolio of ideas (Adolfo Domínguez, Alquiber, Clerhp Estructuras, Inmobiliaria del Sur, Nicolás Correa and Seresco). The performance of the portfolio so far has been excellent (+25% -12m; +58% since our first portfolio in June 2023) and is a strong incentive to continue "calling for attention" on the Spanish Microcap segment. And especially on those stocks in which indicators of potential undervaluation are particularly clear.

### Stock market performance of Lighthouse Model Portfolio (base 100)



### Lighthouse Model Portfolio Performance (%)

	12-Jun-23		27-May-24	12-Jun-23	
Portfolio 2023	27-May-24	Portfolio 2024	11-Jun-25	11-Jun-25	Annualized
Alquiber	2.4%	Adolfo Domínguez	-11.9%		
Cuatroochenta	30.1%	Alquiber	42.0%		
GAM	-4.1%	Clerhp Estructuras	-31.3%		
LLYC	-4.5%	Inmobiliaria del Sur	50.0%		
Libertas 7	60.3%	Nicolás Correa	70.2%		
Nicolás Correa	23.8%	Seresco	84.3%		
Cartera Lighthouse	18.0%		33.9%	58.0%	25.7%
IBEX 35	21.2%		24.8%	51.3%	23.0%
IBEX Small	10.6%		18.6%	31.3%	14.6%
MSCI Europe Micro Cap	3.6%		0.8%	4.5%	2.2%

Note - Portfolio return calculated assuming we had invested the same amount in each security one year ago.

### Model Portfolio 2025: Alquiber, Amper, Ercros, Inmobiliaria del Sur, Libertas 7 and Nicolás Correa

We have retained three of last year's stocks in our portfolio (Alquiber, Inmobiliaria del Sur and Nicolás Correa) and added three new ones (Amper, Ercros and Libertas 7). The stocks chosen should not be seen as part of a "macro" or market strategy or sector preference. The reason for choosing them is always and exclusively "micro". The only reason is their individual growth potential and potential undervaluation indicators.



The performance of Lighthouse's Model Portfolio over the past two years is the best argument for attracting investors to a segment (Micro Caps) that is enormously attractive due to its offering of good investment ideas in virtually all sectors (except energy and financials). And with a presence in two sectors (Real Estate and Technology) with almost no exposure to the broader market (1.7% and 0.7%, respectively) but with a significant weighting in the mix of the Micro Cap segment of the Spanish market (27.0% and 12.3%, respectively).

In our Model Portfolio this year, we include two real estate companies with enormous potential based on momentum/valuation indicators (Libertas 7 and Inmobiliaria del Sur) and a technology company: Amper (already restructured, with strong exposure to defense and really strong earnings momentum).

And two industrial companies. Alquiber, a unique story that combines impeccable operational management (market share gain, CAGR in revenue -4Y, +25%), a clear driver (convergence of flexible rental in Spain to European usage rates) and PER 2025e 8.4x (self-explanatory...). And Nicolás Correa, present in our model portfolio for two years and which, despite its fantastic performance (multiplying its price by more than 2x along the past 2 years), continues to present optimal fundamentals and growth potential in multiples.

Added to this is the opportunity with Ercros, taking advantage of a foreseeable "takeover bid war", with above +20% upside potential to be captured in less than 12m.

### Alquiber

#### Sector: Industrials / Transportation - Road & Rail

Market Cap (Mn EUR y USD)	67.5	77.5
EV (Mn EUR y USD)	292.3	335.6
Free Float	24.0	
Factset / Bloomberg	ALQ-ES / ALQ SM	
Market	BME Growth	

- ✓ Flexible renting remains strong and will continue driving results in 2025e (EBITDA: +15.9%), supported by sustained fleet growth momentum (+10% CAGR 2024–2027e).
- ✓ Double-digit growth expectations remain intact (EBIT 2024–2027e: +23%), with net profit expected to double by 2026e and approaching positive FCF generation (for the first time and thanks to second-hand car sales) as of 2027e.
- ✓ P/E 2025e of 8.4x and 2026e of 5.4x (vs Northgate's P/E 2025e of 6.9x), which is still a wake-up call. Multiples that do not seem to reflect ALQ's growth profile (historically proven and favored by a sector driver that remains in place), nor the positive impact of a declining rate environment that will alleviate pressure on net income.

### Amper

#### Sector: Technology / Communications Equipment

Market Cap (Mn EUR y USD)	234.7	269.5
EV (Mn EUR y USD)	359.8	413.1
Free Float	85.2	
Factset / Bloomberg	AMP-ES / AMP SM	
Market	Continuous Market	

- ✓ Strong revenue visibility and solid operating momentum: the order backlog reached EUR 540 Mn (+40% vs 2023), with Defence contributing EUR 102.2 Mn. We forecast 2025e revenues of EUR 440.1 Mn (+30% vs comparable perimeter) and recurring EBITDA of EUR 31.4 Mn (+41.4%; margin of 8.5%).
- ✓ Transformation completed: new business mix and lower financial risk. The divestment of Nervión (c. EUR 180 Mn in revenues) reduced industrial exposure and enhanced margins, while 70% of debt is now long term (vs 27% in 2023), increasing financial flexibility for investment and growth.
- ✓ Attractive valuation with upside potential: trades at 11.4x rec. EV/EBITDA 2025e vs a peer group in the 13x–14x range, with margins in the process of improvement. The new profile (with greater exposure to defense and energy transition) and tighter leverage support revaluation potential.



**Sector: Materials / Chemicals**

Market Cap (Mn EUR y USD)	277.1	318.1
EV (Mn EUR y USD)	429.8	493.5
Free Float	76.9	
Factset / Bloomberg	ECR-ES / ECR SM	
Market	Continuous Market	

**Ercros**

- ✓ Despite the poor business momentum, only the takeover bids matter. 2025 is an *annus horribilis* for the global chemical sector. However, ECR's stock will continue to be held down by the takeover bids of Bondalti (EUR 3.505/share) and Esseco (EUR 3.745/share).
- ✓ Both takeover bids determine ECR's current and future share price. Essentially, they highlight ECR's attractiveness as a non-organic growth alternative for other companies in the sector. ECR is a scarce asset, and this factor is structural and always favorable for its share price. In other words, in the (unlikely) event of the current takeover bids failing, ECR's "scarcity" will continue to hold its share price.
- ✓ The sector's poor momentum increases the attractiveness of bids (although these remain far from ECR's fundamental value based on its mid-cycle potential, which we estimate at EUR 4.7/share). The baseline scenario remains one of a "takeover bid war" with an improvement in current bids. This implies a potential of approximately +25% over the 12m period (without improvement). We expect the process to be resolved in Q1 2026.

**Sector: Real Estate / Mangement & Development**

Market Cap (Mn EUR y USD)	224.0	257.2
EV (Mn EUR y USD)	446.5	512.7
Free Float	27.0	
Factset / Bloomberg	ISUR-ES / ISUR SM	
Market	Continuous Market	

**Inmobiliaria del Sur**

- ✓ The pre-sales pipeline (EUR 335Mn, 1,050 units) and homes under construction (at historical highs) anticipate a "size jump" in the development business. Meanwhile, the asset management portfolio maintains a high occupancy rate (94%) and provides recurrence (reducing the risk of the development business).
- ✓ 2025e should be a historic year for ISUR. We estimate it will deliver 700 homes (a historical record) and generate revenue of EUR 301 Mn (+62% vs. 2024), along with EBITDA of EUR 58.7Mn (+77.5% vs. 2024; approx. 3x 2023 EBITDA). The 2025e Dividend Yield is estimated at 7.8%.
- ✓ The NAV (Net Asset Value) in 1Q25 stood at EUR 398Mn. ISUR maintains a discount of approximately -44% vs. NAV. Currently, it trades at a 2025e P/E ratio of 6.1x (vs. 18.9x for the sector).

**Sector: Real Estate / SOCIMIS**

Market Cap (Mn EUR y USD)	41.6	47.8
EV (Mn EUR y USD)	51.3	58.9
Free Float	16.5	
Factset / Bloomberg	LIB-ES / LIB SM	
Market	Continuous Market	

**Libertas 7**

- ✓ The development business is the main growth driver from 2025e. The accumulated pre-sales pipeline in 1Q25 continues to increase, reaching EUR 35.9Mn (135 units), up +12% from December 2024 and +135% vs. 1Q24, with 12 additional homes in 1Q25 (EUR 3.9Mn). The stock pending sale is valued at EUR 28.8Mn.
- ✓ The net investment portfolio value (EUR 63.6Mn) after deducting debt represents 61.8% of the Market Cap. The remaining capitalization (EUR 15.9Mn) does not sufficiently discount the value of real estate investments (EUR 41Mn), nor the development business (at the start of a new cycle) and tourism business (with high occupancy and positive growth prospects). Simply put, the reactivation of LIB's development business implies momentum in a textbook value stock.
- ✓ The upsurge in the residential development business creates momentum for LIB, with 2025e real estate revenues of EUR14.3Mn compared to EUR1.3Mn in 2024.

**Sector: Industrials / Machinery**

Market Cap (Mn EUR y USD)	139.2	159.8
EV (Mn EUR y USD)	122.2	140.3
Free Float	48.3	
Factset / Bloomberg	NEA-ES / NEA SM	
Market	Continuous Market	

**Nicolás Correa**

- ✓ Record figures in 2024 (EBITDA +31%, margin 15%) and a solid balance sheet (net cash of EUR 19 Mn; c.15% of market cap). The company is entering a new investment cycle with the capacity to finance organic growth without compromising financial strength.
- ✓ 2025e–2026e will be years of operational transition, driven by significant investments (CAPEX c. EUR 26 Mn) and some pressure on operating margins, but laying the groundwork for superior value creation from 2027e onwards (ROCE 14.7%, FCF > EUR 11 Mn).
- ✓ Valuation remains attractive: trading at EV/EBITDA 2027e of 6.0x and P/E 2027e of 10.4x, in a niche industrial player with high entry barriers and global exposure (89% of sales) to sectors with favorable dynamics, such as defense and aerospace.



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## Company notes

Attached are updated company notes for Lighthouse's entire research universe as at the date of this report:

- The notes all have the same structure and essentially include:
  - Descriptive information (activity and business model, historical financial statements, shareholder structure, liquidity)
  - Complete financial projections (2024-2027e) and FCF analysis
  - Performance
  - Peer data
  - Valuation inputs
  - Corporate Governance KPIs
  - Analyst view on the company: 2025 momentum, equity story highlights, risks and valuation indicators
- All notes have been updated with closing prices as of June 11, 2025.
- The time of distribution of the report is 9:00 on June 17, 2025.
- Innovative Solutions Ecosystem (ISE) has been suspended from trading since November 25, 2022 for failing to submit audited financial statements (ISE closes its financial year on June 30 of each year). As of the date of publication of this report, ISE is still suspended from trading so we do not include an ISE fact sheet in this report. Lighthouse started to cover ISE in December 2020. Once the company resumes trading, Lighthouse will resume its coverage.
- Ecolumber (ECO) has been suspended from trading since November 20, 2024, due to its bankruptcy filing. As of the date of publication of this report, ECO is still suspended from trading so we do not include an ECO fact sheet in this report. Lighthouse started to cover ECO in June 2020. Once the company resumes trading Lighthouse will resume its coverage.
- Borges-BAIN (BAIN) is part of Lighthouse's universe of coverage (it began coverage in April 2019). Its parent company and main shareholder (89% of the capital) submitted a takeover bid, which was accepted by 96% of the target capital. Borges-BAIN (suspended from trading on June 4, 2025) will be delisted on June 30. Therefore, it is not analyzed in this report.
- Lighthouse initiated coverage of Energy Solar Tech in November 2023. Energy Solar Tech is no longer covered by Lighthouse as of the date of this report. The note included in this report is based on previously published 2024 results. The company's financial projections are not included, due to the lack of visibility to build them.

**Adolfo Domínguez (ADZ)** is a small designer fashion textile group, based in Ourense (Spain), specialising (c. 50 years) in the design and sale (both retail and wholesale) of fashion items. With international presence (>40% o/revenues), it is managed by the founding family (31% of the capital), which prevails in the Board.

## Market Data

Market Cap (Mn EUR and USD)	43.8	50.3
EV (Mn EUR and USD)	85.6	98.2
Shares Outstanding (Mn)	9.3	
-12m (Max/Med/Min EUR)	5.40 / 4.90 / 4.52	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	5.8	
Factset / Bloomberg	ADZ-ES / ADZ SM	
Close fiscal year	28-Feb	

## Shareholders Structure (%)<sup>(3)</sup>

Adolfo Domínguez	31.5
Puig, S.A.	14.8
Libertas 7	10.3
Indumenta Pueri	8.6
Free Float	22.8

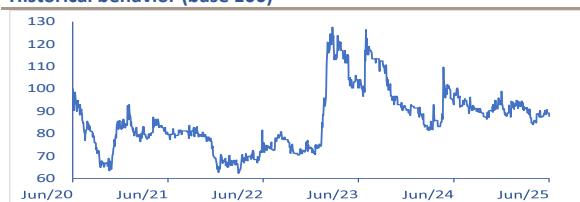
## Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	9.2	9.3	9.3	9.3
Total Revenues	139.8	148.8	157.6	166.6
Rec. EBITDA	16.8	19.5	22.2	25.1
% growth	-3.0	15.8	14.0	13.1
% Rec. EBITDA/Rev.	12.0	13.1	14.1	15.1
% Inc. EBITDA sector <sup>(2)</sup>	-11.0	13.7	11.8	9.3
Net Profit	0.9	1.3	2.8	4.5
EPS (EUR)	0.10	0.14	0.31	0.49
% growth	24.4	46.9	112.0	58.8
Ord. EPS (EUR)	-0.03	0.14	0.31	0.49
% growth	-141.4	561.4	112.0	58.8
Rec. Free Cash Flow	1.8	0.5	1.6	3.1
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	6.3	5.7	4.1	1.1
ND/Rec. EBITDA (x)	0.4	0.3	0.2	0.0
ROE (%)	5.1	7.6	14.4	19.3
ROCE (%)	2.5	6.9	11.5	15.9

## Ratios & Multiples (x)

P/E	47.9	32.6	15.4	9.7
Ord. P/E	n.a.	32.6	15.4	9.7
P/BV	2.6	2.4	2.1	1.7
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.61	0.58	0.54	0.51
EV/Rec. EBITDA	5.1	4.4	3.9	3.4
EV/EBIT	n.a.	32.8	19.1	13.2
FCF Yield (%)	4.1	1.2	3.6	7.0

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	0.4	-3.9	-9.2	-12.3

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

(2) Sector: Factset Europe Apparel & Footwear.

(3) Others: La Previsión Mallorquina de Seguros 7.6%, Preto Magnum SICAV 4.5%

Any reference to the results of a certain year refers to the period between 28-Feb and 28-Feb (of the following year).

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**ADZ solidified its profitable growth in 2024**, with revenue of EUR 139.8 Mn (+7.9% vs 2023). Due to some (cyclical) pressure on gross margin (-2.7 p.p.) from increased logistics costs and exchange rates, rec. EBITDA landed at EUR 16.8 Mn (-3.0% vs 2023). Positive FCF generation allowed for a reduction in net financial debt and the maintenance of a healthy balance sheet (EUR 6.3 Mn; 0.4x NFD/Rec. EBITDA).

**The company increased its omnichannel presence.** The store network grew to 371 locations (+11 net openings), while the online channel accelerated (+25.4% vs 2023) and now accounts for 14.6% of total sales. Average sales per store continued to grow to EUR 0.37 Mn (+4.6% vs 2023).

**Revenue for 2025e > +6%.** We project 2025e revenue of EUR 148.8 Mn (+6.4% vs 2024), which will be supported by the performance of the online channel, improvements in like-for-like sales, and store openings, primarily outside Europe. Average sales/store will continue to rise (+2.5%), backed by ADN Premium and enhanced omnichannel efficiency.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Adolfo Domínguez brand.** The brand strategy has evolved towards a designer fashion approach sustainable and with its own identity, crystallizing in a CAGR of 14.5% for revenue from 2021-2024.

**Multi-channel strategy.** The online channel now represents 14.6% of sales (9.2% in 2019) and maintains a high growth rate. Its development will be key to improving operating leverage through more efficient inventory management (RFID), digital loyalty programs, and initiatives like ADN Rent and ADN Live. This channel is expected to exceed 18% of the total by 2026e.

**International expansion with low capital intensity.** The company is growing with a low CAPEX approach through franchises and corners, avoiding concentrating investment in mature geographies like Europe. In 2024, 100% of new openings were international. The expectation is to maintain a pace of c. 12 net annual openings, supporting a 6.0% revenue CAGR for 2024-2027e.

**Margin expansion and cash generation.** The EBITDA margin is still in the recovery phase after the temporary impact of 2024. If logistics and currency pressures moderate, and growth continues (in both comparable sales and perimeter expansion), the company could achieve an FCF of EUR 3.1 Mn in 2027e, implying a 2027e FCF Yield of 7.0%, which would not have peaked yet.

## RISKS: WHAT TO KEEP AN EYE ON?

**Currency risk.** On the revenue side, there is exposure to the Mexican peso (c. 18%) and Japanese yen (c. 3.5%). In terms of cost of good sold, a significant portion of purchases (c. 80%) are made in USD. As of February 2025, ADZ had forward convertible currency hedging instruments contracted for USD 3 Mn.

**Logistics cost pressure.** The main reason for the drop in gross margin in 2024 was an increase in logistics costs, stemming from a complex geopolitical environment. A prolongation of this situation would limit the improvement in the EBITDA margin.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**A (apparently) unpriced "convergence" story with the sector.** The weight of the online channel has ample room for improvement compared to the sector. This explains why the 2027e EBITDA margin (15.1%), which is below comparables (17%-20%), could continue to improve with (theoretical) ease. ADZ can therefore be seen as a "convergence story" towards sector metrics. And despite growth and positive FCF generation "already" in 2024, ADZ continues to trade at a discount (EV/Sales: 0.58x vs. 1.3x for the European retail sector, excluding MEKKO), which indicates that ADZ's growth differential versus the sector (Recurring EBITDA CAGR 2025e-2027e c.+15% vs. c.+10% for the sector) has probably not yet been priced in.



ADZ closes its financial statements on 28-Feb, so any reference to the results of a certain year refers to the period between 28-Feb and 28-Feb (of the following year).

**Adolfo Domínguez**  
(ADZ-ES / ADZ SM)  
Report date: 17 Jun 2025

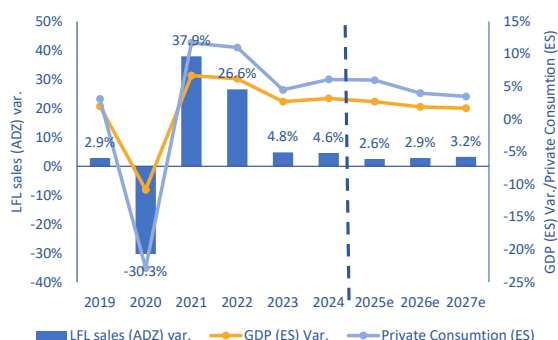
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	28.3	27.8	33.5	41.1	40.2	40.2	40.2	40.2		
Fixed assets	9.7	7.5	9.3	9.0	8.8	9.2	10.1	11.1		
Other Non Current Assets	1.2	2.4	2.7	12.7	13.0	13.0	13.0	13.0		
Financial Investments	4.7	5.7	5.6	7.0	5.7	5.7	5.7	5.7		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	30.6	26.5	35.6	37.3	35.7	38.0	40.3	42.6		
<b>Total assets</b>	<b>74.5</b>	<b>69.8</b>	<b>86.7</b>	<b>107.1</b>	<b>103.5</b>	<b>106.2</b>	<b>109.3</b>	<b>112.7</b>		
Equity	24.0	15.5	17.2	18.7	17.0	18.4	21.2	25.7		
Minority Interests	1.0	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	1.4	1.5	1.4	10.0	10.4	10.4	10.4	10.4		
Other Non Current Liabilities	28.2	29.0	32.7	40.2	40.6	40.6	40.6	40.6		
Net financial debt	(0.8)	1.7	8.1	9.8	6.3	5.7	4.1	1.1		
Current Liabilities	20.7	22.1	27.4	28.4	29.3	31.2	33.1	35.0		
<b>Equity &amp; Total Liabilities</b>	<b>74.5</b>	<b>69.8</b>	<b>86.7</b>	<b>107.1</b>	<b>103.5</b>	<b>106.2</b>	<b>109.3</b>	<b>112.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>66.8</b>	<b>93.2</b>	<b>115.3</b>	<b>129.6</b>	<b>139.8</b>	<b>148.8</b>	<b>157.6</b>	<b>166.6</b>	<b>20.3%</b>	<b>6.0%</b>
Total Revenues growth	-42.5%	39.5%	23.7%	12.4%	7.9%	6.4%	5.9%	5.7%		
COGS	(35.3)	(40.5)	(49.3)	(52.0)	(59.9)	(62.9)	(66.0)	(69.0)		
<b>Gross Margin</b>	<b>31.5</b>	<b>52.7</b>	<b>66.0</b>	<b>77.6</b>	<b>80.0</b>	<b>85.9</b>	<b>91.6</b>	<b>97.6</b>	<b>26.2%</b>	<b>6.9%</b>
Gross Margin/Revenues	47.2%	56.6%	57.3%	59.9%	57.2%	57.7%	58.1%	58.6%		
Personnel Expenses	(22.7)	(28.7)	(33.0)	(34.7)	(37.4)	(39.3)	(40.9)	(42.6)		
Other Operating Expenses	(18.8)	(19.5)	(22.1)	(25.6)	(25.7)	(27.1)	(28.5)	(29.9)		
<b>Recurrent EBITDA</b>	<b>(10.0)</b>	<b>4.5</b>	<b>10.9</b>	<b>17.3</b>	<b>16.8</b>	<b>19.5</b>	<b>22.2</b>	<b>25.1</b>	<b>38.6%</b>	<b>14.3%</b>
Recurrent EBITDA growth	-197.0%	145.2%	142.9%	58.5%	-3.0%	15.8%	14.0%	13.1%		
Rec. EBITDA/Revenues	n.a.	4.8%	9.5%	13.4%	12.0%	13.1%	14.1%	15.1%		
Restructuring Expense & Other non-rec.	3.1	(4.1)	2.4	0.0	0.1	-	-	-		
<b>EBITDA</b>	<b>(6.8)</b>	<b>0.4</b>	<b>13.4</b>	<b>17.4</b>	<b>16.9</b>	<b>19.5</b>	<b>22.2</b>	<b>25.1</b>	<b>45.5%</b>	<b>14.1%</b>
Depreciation & Provisions	(2.1)	(1.2)	(1.3)	(2.8)	(3.1)	(3.1)	(3.1)	(3.2)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(9.1)	(8.4)	(9.8)	(11.9)	(13.0)	(13.8)	(14.6)	(15.4)		
<b>EBIT</b>	<b>(18.0)</b>	<b>(9.3)</b>	<b>2.3</b>	<b>2.7</b>	<b>0.8</b>	<b>2.6</b>	<b>4.5</b>	<b>6.5</b>	<b>19.5%</b>	<b>n.a.</b>
EBIT growth	n.a.	48.1%	124.3%	17.7%	-71.7%	245.5%	71.9%	45.1%		
EBIT/Revenues	n.a.	n.a.	2.0%	2.1%	0.5%	1.8%	2.8%	3.9%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.3)	(0.7)	(1.0)	(1.7)	(0.9)	(0.8)	(0.7)	(0.5)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(19.3)</b>	<b>(10.0)</b>	<b>1.3</b>	<b>1.0</b>	<b>(0.2)</b>	<b>1.8</b>	<b>3.8</b>	<b>6.0</b>	<b>68.6%</b>	<b>n.a.</b>
Ordinary Profit Growth	n.a.	47.9%	112.6%	-23.6%	-119.4%	n.a.	112.0%	58.8%		
Extraordinary Results	-	-	-	-	1.3	-	-	-		
<b>Profit Before Tax</b>	<b>(19.3)</b>	<b>(10.0)</b>	<b>1.3</b>	<b>1.0</b>	<b>1.1</b>	<b>1.8</b>	<b>3.8</b>	<b>6.0</b>	<b>19.8%</b>	<b>74.2%</b>
Tax Expense	(0.0)	0.8	(1.1)	(0.2)	(0.2)	(0.4)	(0.9)	(1.5)		
Effective Tax Rate	n.a.	n.a.	87.5%	24.7%	20.3%	25.0%	25.0%	25.0%		
Minority Interests	(0.1)	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(19.3)</b>	<b>(9.3)</b>	<b>0.2</b>	<b>0.7</b>	<b>0.9</b>	<b>1.3</b>	<b>2.8</b>	<b>4.5</b>	<b>19.6%</b>	<b>70.7%</b>
Net Profit growth	-132.5%	52.1%	101.7%	360.2%	24.4%	47.7%	112.0%	58.8%		
<b>Ordinary Net Profit</b>	<b>(22.5)</b>	<b>(5.9)</b>	<b>(1.2)</b>	<b>0.7</b>	<b>(0.3)</b>	<b>1.3</b>	<b>2.8</b>	<b>4.5</b>	<b>66.3%</b>	<b>n.a.</b>
Ordinary Net Profit growth	n.a.	73.7%	80.4%	160.4%	-141.4%	563.8%	112.0%	58.8%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>19.5</b>	<b>22.2</b>	<b>25.1</b>	<b>38.6%</b>	<b>14.3%</b>
Rentals (IFRS 16 impact)						(13.8)	(14.6)	(15.4)		
Working Capital Increase						(0.4)	(0.4)	(0.4)		
<b>Recurrent Operating Cash Flow</b>						<b>5.3</b>	<b>7.2</b>	<b>9.3</b>	<b>27.5%</b>	<b>14.2%</b>
CAPEX						(3.5)	(4.0)	(4.2)		
Net Financial Result affecting the Cash Flow						(0.8)	(0.7)	(0.5)		
Tax Expense						(0.4)	(0.9)	(1.5)		
<b>Recurrent Free Cash Flow</b>						<b>0.5</b>	<b>1.6</b>	<b>3.1</b>	<b>20.9%</b>	<b>20.0%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>0.5</b>	<b>1.6</b>	<b>3.1</b>	<b>24.4%</b>	<b>-7.4%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(0.5)</b>	<b>(1.6)</b>	<b>(3.1)</b>		

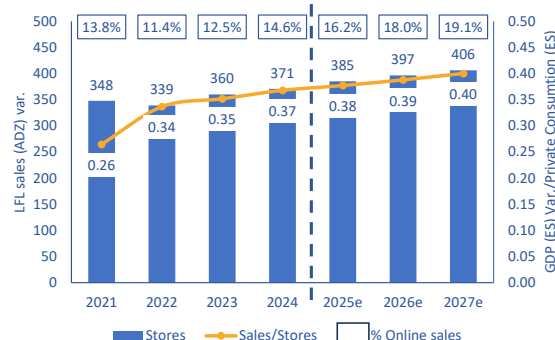


## The company in 8 charts

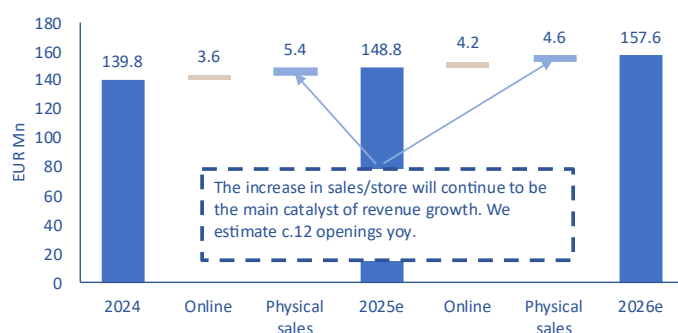
### The sector in which ADZ operates is characterized by a high degree of cyclicity



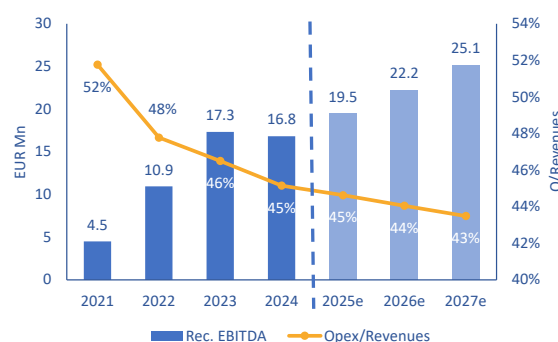
### The re-sizing of the retail surface area has increased profitability per store (driven by the online business: 14.6% of 2024 revenue)



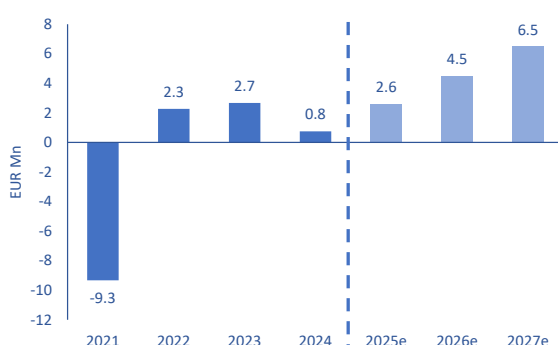
### Revenue growth for 2025e and 2026e will be supported by both the online channel and physical sales (c.12 openings YoY)



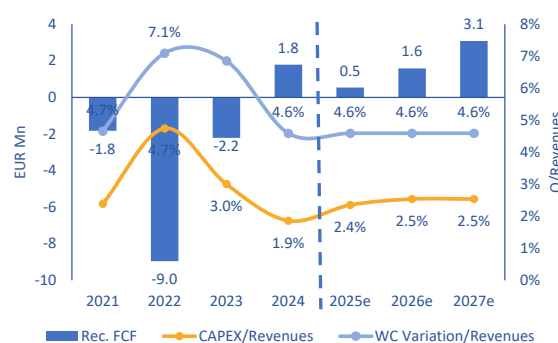
### The focus on cost reduction will allow ADZ to lever on its structure



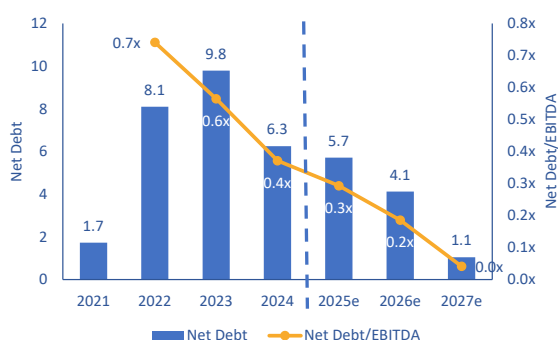
### Revenue growth (CAGR 24-27e 6.0%) and cost control will drive 2027e EBIT to EUR 6.5Mn (vs EUR -9.3Mn in 2021)



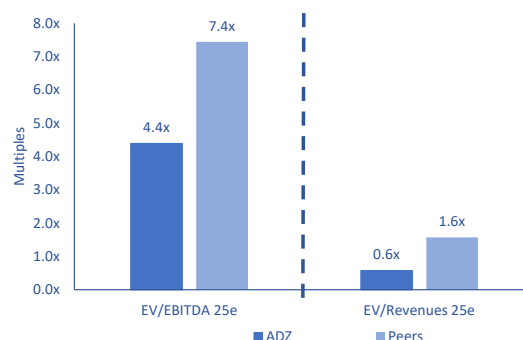
### That will make it possible to keep positive FCF in 2025e, despite of CAPEX and working capital



### Debt will remain under control (ND 2025e4: EUR 5.7Mn; ND/EBITDA 2025e 0.3x)



### Trading at: EV/EBITDA 25e 4.4x and EV/Revenues 25e 0.6x (vs EV/EBITDA 25e 7.4x y EV/Revenues 25e 1.6x from sector)





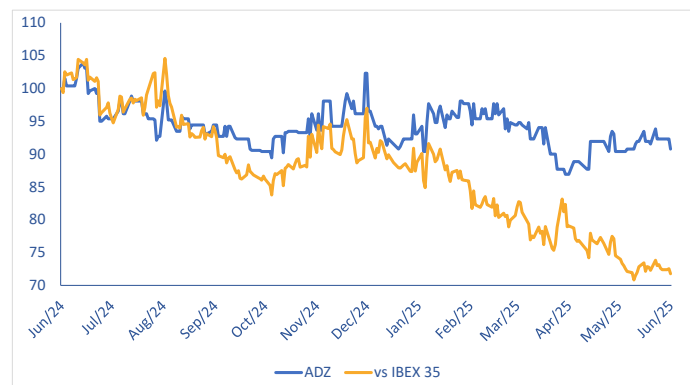


## Evolution of the share price

### Historical behavior vs Ibex 35 (base 100)



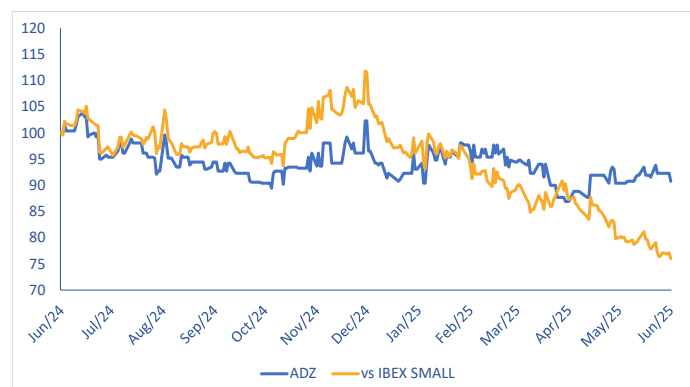
### Behavior -1y vs Ibex 35 (base 100)



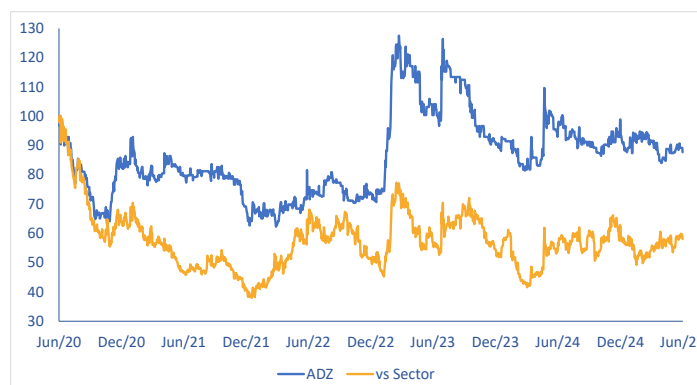
### Historical behavior vs Ibex Small Cap (base 100)



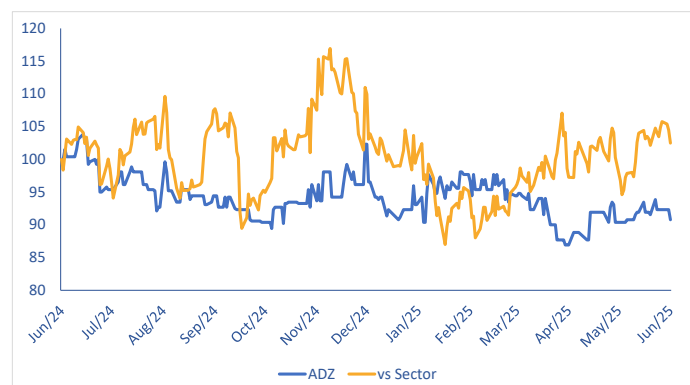
### Behavior -1y vs Ibex Small Cap (base 100)



### Historical behavior vs Sector<sup>(1)</sup> (base 100)



### Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Factset Europe Apparel & Footwear

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.4	-3.9	-9.2	-0.4	18.6	-12.3
<b>vs Market</b>						
vs Ibex 35	-3.7	-12.4	-28.2	-18.3	-29.6	-54.8
vs Euro STOXX 50	-1.1	-5.4	-16.4	-9.6	-20.9	-48.8
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-4.7	-15.4	-24.0	-22.2	-1.7	-49.8
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.4	-10.3	-13.8	-12.3	14.8	-41.0
vs MSCI Europe Micro Cap	-4.0	-11.8	-10.6	-7.6	26.4	-31.2
<b>vs Sector</b>						
vs Factset Europe Apparel & Footwear	2.2	6.6	2.5	3.6	-7.3	-42.0

(1) Constituents on page 10



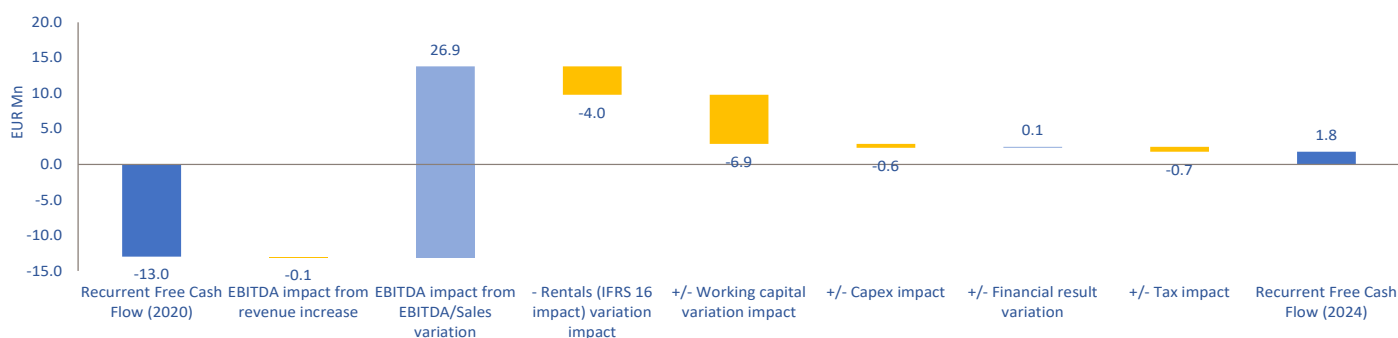
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	4.5	10.9	17.3	16.8	19.5	22.2	25.1	55.2%	14.3%
Recurrent EBITDA growth	145.2%	142.9%	58.5%	-3.0%	15.8%	14.0%	13.1%		
Rec. EBITDA/Revenues	4.8%	9.5%	13.4%	12.0%	13.1%	14.1%	15.1%		
- Rentals (IFRS 16 impact)	(8.4)	(9.8)	(11.9)	(13.0)	(13.8)	(14.6)	(15.4)		
+/- Working Capital increase	5.5	(3.8)	(0.7)	2.5	(0.4)	(0.4)	(0.4)		
= Recurrent Operating Cash Flow	1.6	(2.7)	4.7	6.2	5.3	7.2	9.3	58.7%	14.2%
Rec. Operating Cash Flow growth	116.2%	-273.0%	275.7%	31.6%	-15.0%	36.1%	28.7%		
Rec. Operating Cash Flow / Sales	1.7%	n.a.	3.7%	4.5%	3.6%	4.6%	5.6%		
- CAPEX	(2.2)	(5.5)	(3.9)	(2.6)	(3.5)	(4.0)	(4.2)		
- Net Financial Result affecting Cash Flow	(0.7)	(0.5)	(0.9)	(1.2)	(0.8)	(0.7)	(0.5)		
- Taxes	(0.4)	(0.2)	(2.1)	(0.7)	(0.4)	(0.9)	(1.5)		
= Recurrent Free Cash Flow	(1.8)	(9.0)	(2.2)	1.8	0.5	1.6	3.1	43.8%	20.0%
Rec. Free Cash Flow growth	85.9%	-389.5%	75.2%	180.4%	-69.8%	194.5%	94.1%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	1.3%	0.4%	1.0%	1.8%		
- Restructuring expenses & others	(4.1)	2.4	0.0	0.1	-	-	-		
- Acquisitions / + Divestments	-	-	-	3.4	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(1.4)	-	-	-		
= Free Cash Flow	(6.0)	(6.5)	(2.2)	3.9	0.5	1.6	3.1	38.4%	-7.4%
Free Cash Flow growth	39.5%	-9.6%	66.7%	278.2%	-86.1%	194.5%	94.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	4.1%	1.2%	3.6%	7.0%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	8.8%	1.2%	3.6%	7.0%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(13.0)	(1.8)	(9.0)	(2.2)	1.8	0.5	1.6		
EBITDA impact from revenue increase	(3.9)	1.1	1.4	1.4	1.1	1.2	1.3		
EBITDA impact from EBITDA/Sales variation	18.4	5.4	5.0	(1.9)	1.6	1.6	1.6		
= Recurrent EBITDA variation	14.5	6.4	6.4	(0.5)	2.7	2.7	2.9		
- Rentals (IFRS 16 impact) variation impact	0.6	(1.3)	(2.1)	(1.1)	(0.7)	(0.8)	(0.8)		
+/- Working capital variation impact	(3.9)	(9.3)	3.1	3.2	(2.9)	0.0	(0.0)		
= Recurrent Operating Cash Flow variation	11.2	(4.3)	7.4	1.5	(0.9)	1.9	2.1		
+/- CAPEX impact	(0.2)	(3.2)	1.6	1.3	(0.9)	(0.5)	(0.2)		
+/- Financial result variation	0.6	0.2	(0.4)	(0.2)	0.3	0.1	0.2		
+/- Tax impact	(0.4)	0.2	(1.9)	1.4	0.3	(0.5)	(0.6)		
= Recurrent Free Cash Flow variation	11.2	(7.1)	6.7	4.0	(1.2)	1.0	1.5		
Recurrent Free Cash Flow	(1.8)	(9.0)	(2.2)	1.8	0.5	1.6	3.1		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(9.3)	2.3	2.7	0.8	2.6	4.5	6.5	27.7%	n.a.
* Theoretical Tax rate	0.0%	0.0%	24.7%	0.0%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	-	-	(0.7)	-	(0.7)	(1.1)	(1.6)		
Recurrent EBITDA	4.5	10.9	17.3	16.8	19.5	22.2	25.1	55.2%	14.3%
- Rentals (IFRS 16 impact)	(8.4)	(9.8)	(11.9)	(13.0)	(13.8)	(14.6)	(15.4)		
+/- Working Capital increase	5.5	(3.8)	(0.7)	2.5	(0.4)	(0.4)	(0.4)		
= Recurrent Operating Cash Flow	1.6	(2.7)	4.7	6.2	5.3	7.2	9.3	58.7%	14.2%
- CAPEX	(2.2)	(5.5)	(3.9)	(2.6)	(3.5)	(4.0)	(4.2)		
- Taxes (pre- Financial Result)	-	-	(0.7)	-	(0.7)	(1.1)	(1.6)		
= Recurrent Free Cash Flow (To the Firm)	(0.7)	(8.2)	0.2	3.6	1.2	2.1	3.4	95.3%	-1.9%
Rec. Free Cash Flow (To the Firm) growth	94.3%	n.a.	102.3%	n.a.	-68.4%	82.5%	63.6%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	0.1%	2.6%	0.8%	1.3%	2.1%		
- Acquisitions / + Divestments	-	-	-	3.4	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(1.4)	-	-	-		
= Free Cash Flow "To the Firm"	(0.7)	(8.2)	0.2	5.6	1.2	2.1	3.4	n.a.	-15.2%
Free Cash Flow (To the Firm) growth	94.3%	n.a.	102.3%	n.a.	-79.6%	82.5%	63.6%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	0.2%	4.2%	1.3%	2.5%	4.0%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	0.2%	6.6%	1.3%	2.5%	4.0%		

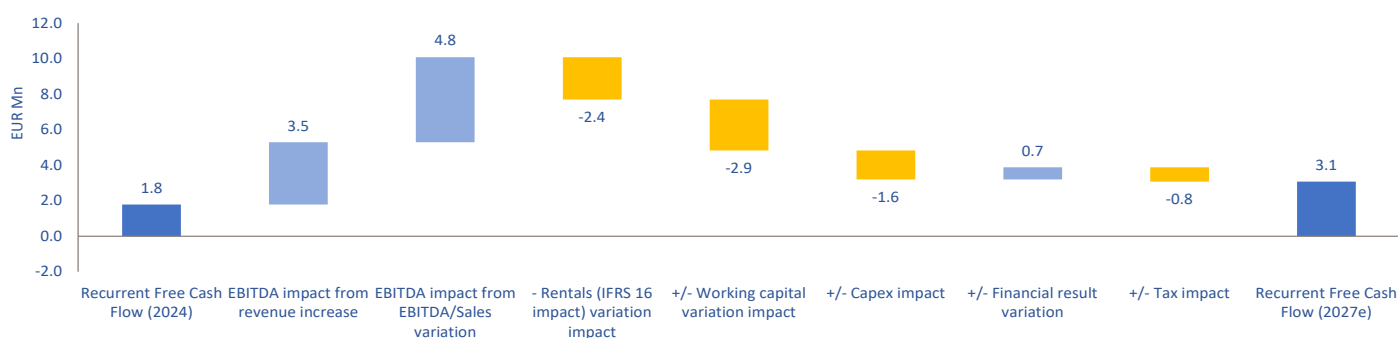


## Free Cash Flow (II)

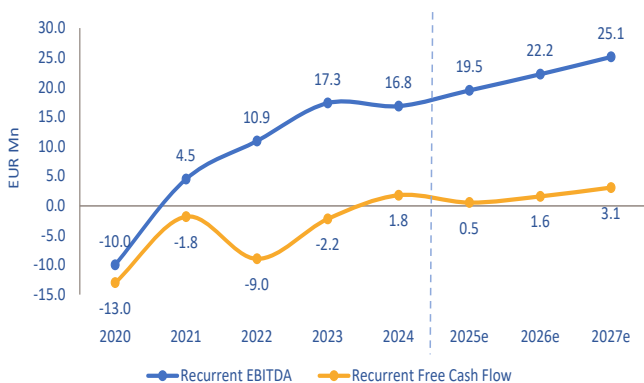
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	1.2	2.1	3.4	53.5		
Market Cap	43.8	At the date of this report				
Net financial debt	6.2	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.8%	Net debt cost			6.5%	7.0%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.4%	$K_d = \text{Cost of Net Debt} * (1-T)$			5.2%	5.6%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.2
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.9%
Equity / (Equity + Net Debt)	87.5%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	12.5%	D			=	=
WACC	9.2%	$WACC = K_d * D + K_e * E$			8.2%	10.2%
G "Fair"	2.0%				2.5%	1.5%

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

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	43.8	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	41.3	12m Results 2024
+ Net financial debt	6.2	12m Results 2024
- Financial Investments	5.7	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>85.6</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	13.3%	7.6%	2.5%
	2024	2027e			
ROCE - WACC	-6.6%	6.7%			
FCF Yield - WACC	-1.1%	-1.5%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	15.5%	24.4	3.5x
Central	14.1%	22.2	3.9x
Min	12.7%	20.0	4.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e			
EBITDA 26e	2.2%	2.5%	2.8%		Scenario	Rec. FCF/Yield 26e		
24.4	4.3	3.8	3.3	➔	Max	9.7%	8.7%	7.6%
22.2	2.1	1.6	1.1		Central	4.7%	3.6%	2.5%
20.0	(0.1)	(0.6)	(1.1)		Min	n.a.	n.a.	n.a.

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	42.9%	42.9%	42.9%
% of proprietary board members	28.6%	28.6%	28.6%
% of executive board members	28.6%	28.6%	28.6%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	42.9%	42.9%	42.9%
% of women out of total workforce	80.0%	80.9%	79.1%
Board remuneration/staff cost	3.0%	3.4%	3.7%



ADZ closes its financial statements on 28-Feb, so any reference to the results of a certain year refers to the period between 28-Feb and 28-Feb (of the following year).

**Adolfo Domínguez**  
(ADZ-ES / ADZ SM)  
Report date: 17 Jun 2025

## Main peers 2025e

	EUR Mn	Affordable Luxury players					Specialised Retail Holdings					ADZ
		Burberry Group	Hugo Boss AG	Salvatore Ferragamo	Marimekko	SMCP	Average	Kering	Tapestry	Capri Holdings	PVH Corp	
Market data	Ticker (Factset)	BRBY-GB	BOSS-DE	SFER-IT	MEKKO-FI	SMCP-FR		KER-FR	TPR-US	CPRI-US	PVH-US	ADZ-ES
	Country	UK	Germany	Italy	Finland	France		France	USA	UK	USA	Spain
	Market cap	4,677.4	2,775.9	924.1	530.9	313.7		22,252.8	14,786.6	1,851.6	2,754.8	43.8
	Enterprise value (EV)	5,973.5	3,782.0	1,408.8	525.5	993.7		39,555.1	17,443.4	4,405.1	5,836.5	85.6
Basic financial information	Total Revenues	2,894.0	4,287.6	1,009.9	194.8	1,215.9		15,588.9	6,057.8	2,989.8	7,665.3	148.8
	Total Revenues growth	-0.3%	-0.5%	-2.4%	6.7%	0.3%	0.8%	-9.3%	4.3%	-22.7%	1.7%	-6.5%
	2y CAGR (2025e - 2027e)	5.6%	3.9%	3.9%	6.6%	2.8%	4.5%	5.5%	3.2%	2.1%	2.4%	5.8%
	EBITDA	625.6	771.5	214.4	44.4	227.9		3,812.3	1,361.2	224.3	916.3	19.5
	EBITDA growth	12.2%	-0.2%	8.4%	9.6%	5.6%	7.1%	-18.3%	0.9%	1.8%	8.7%	-1.7%
	2y CAGR (2025e - 2027e)	18.0%	4.9%	8.3%	8.9%	7.1%	9.5%	9.9%	5.1%	18.0%	3.9%	13.6%
	EBITDA/Revenues	21.6%	18.0%	21.2%	22.8%	18.7%	20.5%	24.5%	22.5%	7.5%	12.0%	16.6%
	EBIT	165.6	390.4	34.7	34.9	64.8		1,925.0	1,210.4	90.9	670.9	2.6
	EBIT growth	134.1%	-3.7%	84.8%	11.8%	23.6%	50.1%	-24.6%	5.3%	73.9%	12.4%	16.7%
	2y CAGR (2025e - 2027e)	53.8%	9.7%	40.0%	11.1%	20.3%	27.0%	17.5%	5.6%	32.2%	3.1%	14.6%
	EBIT/Revenues	5.7%	9.1%	3.4%	17.9%	5.3%	8.3%	12.3%	20.0%	3.0%	8.8%	11.0%
	Net Profit	65.8	237.5	6.4	27.0	19.6		888.5	974.7	127.3	470.5	1.3
	Net Profit growth	174.4%	11.2%	109.3%	10.9%	182.9%	97.8%	-21.6%	37.2%	112.4%	-9.7%	29.6%
	2y CAGR (2025e - 2027e)	95.7%	11.8%	n.a.	11.6%	47.8%	41.7%	27.8%	4.0%	5.9%	3.4%	10.3%
	CAPEX/Sales %	6.8%	6.6%	8.0%	2.2%	4.3%	5.6%	6.2%	2.1%	3.7%	2.4%	3.6%
Multiples and Ratios	Free Cash Flow	335.7	315.1	65.1	24.3	58.9		2,183.7	1,000.0	87.8	547.8	0.5
	Net financial debt	(125.0)	598.7	508.6	(7.2)	445.6		10,856.3	1,604.4	1,324.2	1,294.8	5.7
	ND/EBITDA (x)	n.a.	0.8	2.4	n.a.	2.0	1.7	2.8	1.2	5.9	1.4	2.8
	Pay-out	18.9%	40.7%	77.7%	72.6%	0.0%	42.0%	62.2%	28.5%	0.0%	1.6%	23.1%
	P/E (x)	54.6	11.4	n.a.	19.6	14.0	24.9	24.5	16.2	14.6	6.0	15.3
	P/BV (x)	4.0	1.7	1.4	7.0	0.3	2.9	1.4	10.0	1.5	0.7	3.4
	EV/Revenues (x)	2.1	0.9	1.4	2.7	0.8	1.6	2.5	2.9	1.5	0.8	1.9
	EV/EBITDA (x)	9.5	4.9	6.6	11.8	4.4	7.4	10.4	12.8	19.6	6.4	12.3
Multiples and Ratios	EV/EBIT (x)	36.1	9.7	40.6	15.1	15.3	23.4	20.5	14.4	48.5	8.7	23.0
	ROE	7.3	15.0	1.1	35.6	1.8	12.1	5.8	61.6	10.0	12.2	22.4
	FCF Yield (%)	7.2	11.4	7.0	4.6	18.8	9.8	9.8	6.8	4.7	19.9	10.3
	DPS	0.03	1.40	0.03	0.48	0.00	0.39	4.51	1.21	0.00	0.14	1.46
	Dvd Yield	0.3%	3.6%	0.5%	3.7%	0.0%	1.6%	2.5%	1.7%	0.0%	0.2%	1.1%
												0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues	124.3	108.4	113.2	117.0	113.4	116.2	66.8	93.2	115.3	129.6	139.8	148.8	157.6	166.6	1.2%	6.0%
Total Revenues growth	-7.9%	-12.8%	4.4%	3.3%	-3.0%	2.5%	-42.5%	39.5%	23.7%	12.4%	7.9%	6.4%	5.9%	5.7%		
EBITDA	(1.1)	(17.7)	(9.0)	(2.2)	1.2	11.3	(6.8)	0.4	13.4	17.4	16.9	19.5	22.2	25.1	33.1%	14.1%
EBITDA growth	58.6%	n.a.	49.0%	75.6%	153.3%	868.1%	-160.1%	105.5%	n.a.	30.1%	-2.6%	15.1%	14.0%	13.1%		
EBITDA/Sales	n.a.	n.a.	n.a.	n.a.	1.0%	9.8%	n.a.	0.4%	11.6%	13.4%	12.1%	13.1%	14.1%	15.1%		
Net Profit	(11.0)	8.0	(22.7)	(6.9)	(0.5)	(8.3)	(19.3)	(9.3)	0.2	0.7	0.9	1.3	2.8	4.5	7.6%	70.7%
Net Profit growth	-7.5%	172.2%	-384.8%	69.8%	92.7%	n.a.	-132.5%	52.1%	101.7%	360.2%	24.4%	47.7%	112.0%	58.8%		
Adjusted number shares (Mn)	9.1	9.1	9.1	9.0	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.3	9.3	9.3		
EPS (EUR)	-1.21	0.87	-2.48	-0.76	-0.05	-0.90	-2.10	-1.00	0.02	0.08	0.10	0.14	0.31	0.49	7.6%	70.4%
EPS growth	-7.5%	n.a.	n.a.	69.4%	92.9%	n.a.	n.a.	52.1%	n.a.	n.a.	24.4%	46.9%	n.a.	58.8%		
Ord. EPS (EUR)	-1.28	-2.14	-2.48	-0.81	0.00	-0.10	-2.44	-0.64	-0.13	0.08	-0.03	0.14	0.31	0.49	31.0%	n.a.
Ord. EPS growth	-11.9%	-66.7%	-16.3%	67.4%	n.a.	n.a.	n.a.	73.7%	80.5%	n.a.	n.a.	n.a.	n.a.	58.8%		
CAPEX	(2.0)	(2.4)	(2.0)	(0.9)	(0.8)	(2.6)	(2.0)	(2.2)	(5.5)	(3.9)	(2.6)	(3.5)	(4.0)	(4.2)		
CAPEX/Sales %	1.6%	2.2%	1.8%	0.8%	0.7%	2.2%	3.0%	2.4%	4.7%	3.0%	1.9%	2.4%	2.5%	2.5%		
Free Cash Flow	(3.6)	20.4	(12.7)	4.3	0.1	(3.5)	(9.8)	(6.0)	(6.5)	(2.2)	3.9	0.5	1.6	3.1	11.9%	-7.4%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	-10.2x	-0.9x	n.a.	4.6x	0.6x	0.6x	0.4x	0.3x	0.2x	0.0x		
P/E (x)	n.a.	4.0x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	63.2x	48.1x	32.6x	15.4x	9.7x		
EV/Sales (x)	0.41x	0.08x	0.29x	0.27x	0.48x	0.65x	0.97x	0.65x	0.84x	0.66x	0.63x	0.58x	0.54x	0.51x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	46.0x	6.6x	n.a.	n.a.	7.3x	4.9x	5.2x	4.4x	3.9x	3.4x		
Absolute performance	-12.4%	-30.4%	-4.9%	62.2%	29.7%	2.6%	-35.9%	-16.3%	6.1%	24.1%	-5.2%	-0.4%				
Relative performance vs Ibx 35	-15.5%	-25.1%	-3.0%	51.0%	52.5%	-8.2%	-24.2%	-22.4%	12.3%	1.1%	-17.4%	-18.3%				

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

**Agile Content (AGIL)**, is an IT company with operations in the audio and video streaming industry offering video creation, processing, distribution and management related hardware and software for the provision of TV services. AGIL has traded on BME Growth since November 2015.

## Market Data

Market Cap (Mn EUR and USD)	53.8	61.8
EV (Mn EUR and USD)	55.7	64.0
Shares Outstanding (Mn)	23.2	
-12m (Max/Med/Mín EUR)	3.96 / 3.08 / 2.30	
Daily Avg volume (-12m Mn EUR)	0.05	
Rotation <sup>(1)</sup>	25.1	
Factset / Bloomberg	AGIL-ES / AGIL SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)<sup>(3)</sup>

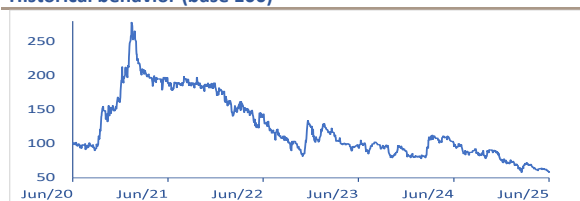
Inveready	15.9
José Eulalio Poza Sanz	11.4
Onchena S.L	11.3
TV Azteca SAB de CV	6.9
Free Float	52.8

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	23.2	23.2	23.2	23.2
Total Revenues	84.0	84.9	87.2	90.0
Rec. EBITDA	3.8	5.4	6.5	7.9
% growth	-41.4	41.9	19.8	21.1
% Rec. EBITDA/Rev.	4.5	6.4	7.4	8.7
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	0.2	0.4	-0.3	-0.7
EPS (EUR)	0.01	0.02	-0.01	-0.03
% growth	713.9	124.8	-166.0	-158.8
Ord. EPS (EUR)	-0.15	0.02	-0.01	-0.03
% growth	-865.9	111.4	-166.0	-158.8
Rec. Free Cash Flow	6.3	0.1	0.5	2.3
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	26.8	26.6	26.1	23.8
ND/Rec. EBITDA (x)	7.0	4.9	4.0	3.0
ROE (%)	0.4	1.0	n.a.	n.a.
ROCE (%)	n.a.	3.4	2.3	1.3

## Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	1.3	1.3	1.3	1.3
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.66	0.66	0.64	0.62
EV/Rec. EBITDA	14.6	10.3	8.6	7.1
EV/EBIT	n.a.	31.7	n.a.	n.a.
FCF Yield (%)	11.7	0.2	1.0	4.3

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	-7.2	-17.7	-38.9	-41.3

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

(2) Sector: Stoxx Europe 600 Technology.

(3) Others: Autocartera 1.8%

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

## MOMENTUM: WHAT TO EXPECT FROM 2025E?

**The 5-year strategic plan** has been approved by the Board and is expected to be presented before the summer break. Operationally, we anticipate a continuation of the shift towards a more "asset-light" model. Financially, we expect clarity on the refinancing of the convertible bonds (approximately EUR 15 Mn).

**Revenue mix with improved recurrence.** In 2024, AGIL continued its policy of reducing lower-margin revenue streams (advertising, content, devices) -WeTek (device installation) classified as asset held for sale- to focus efforts on predictable revenue (long-term contracts) that leverage a stable cost structure.

**2025e: Flat revenue with improved margin (Recurring EBITDA improvement).** For 2025e, we estimate Recurring EBITDA of EUR 5.4 Mn (approx. +40%) on revenue growing 1% (WeTek excluded in 2024 and 2025e).

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**More like Lowi.** AGIL announced a month ago the contract for the development and launch of Lowi's TV service (one of Vodafone Spain's brands). AGIL submitted the best technical and economic bid. This contract represents AGIL's target client/contract type: i) recurrence, ii) access to a new client (Vodafone Spain), and iii) room for growth within the client (with its other brands) and outside the client (credentials with Vodafone, former owner of Vodafone Spain).

**"Monetization" of WeTek.** It's unlikely the sale process will be completed in 2025, but indications of interest or negotiations with buyers would be welcomed by the market due to the financial flexibility that the sale of its 61% stake in WeTek represents for AGIL. Using the independent valuation of the 61% stake in WeTek, and adjusting for intercompany debt, we estimate a potential cash inflow of approximately EUR 20 Mn (pre-tax), which would eliminate Net Debt as of December 31, 2024.

**Board changes.** In late February, AGIL's founder and chairman (Hernan Scapusio) stepped down and reduced his stake from 16% to less than 5%. Other significant shareholders with Board representation (Inveready, Onchena, KeyWolf) increased their stake in AGIL. The free float remains above 50%.

## RISKS: WHAT TO KEEP AN EYE ON?

**Lag between Contract Signing and P&L Revenue.** Long-term and recurring contracts entail implementation. For example, the contract with Alcom (February 2024) contributes to 2025 revenue (but not to 2024 revenue), and Lowi (May 2025) will start contributing to revenue in 2026.

**Refinancing.** The convertible bonds issued in 2020-2021 and 2022 mature in 2026 and 2027, respectively. The bondholders are AGIL shareholders, and the sale of WeTek would leave AGIL debt-free, simplifying the process. Nevertheless, refinancing itself is a risk.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Strategic Reorientation and Poor Stock Performance -12m...** caused by doubts about the renegotiation of the contract with Masorange (renewal signed in October 2024) and the 1H24 results (October 2024). AGIL's strong performance in 2H24 (meeting 2024 guidance), the strategic reorientation towards stable and profitable growth, and the potential refinancing and divestment in WeTek (strengthening the balance sheet) have the potential to change the business momentum. Low multiples vs. sector (2026e EV/Sales, c.0.6x) and poor performance -12m (-39%; -37% vs. sector).





## Financial Projections

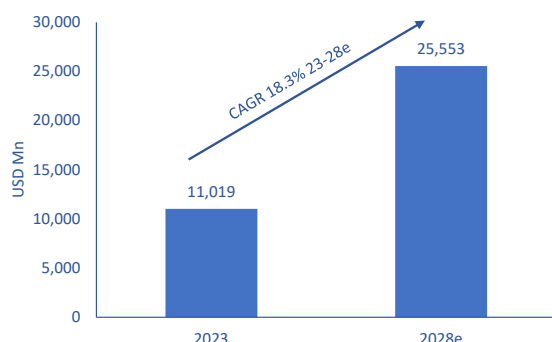
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	19.4	37.2	39.0	35.8	26.3	24.6	21.7	17.6		
Fixed assets	0.8	0.6	0.6	0.7	1.1	2.8	5.0	6.6		
Other Non Current Assets	0.0	0.6	0.6	0.5	0.7	0.7	0.7	0.7		
Financial Investments	6.3	1.0	3.5	3.7	29.5	29.5	29.5	29.5		
Goodwill & Other Intangibles	9.9	39.9	39.9	39.9	34.9	34.9	34.9	34.9		
Current assets	15.4	27.5	27.4	34.1	22.1	20.4	21.1	21.7		
<b>Total assets</b>	<b>51.9</b>	<b>106.8</b>	<b>111.0</b>	<b>114.7</b>	<b>114.5</b>	<b>112.9</b>	<b>112.9</b>	<b>110.9</b>		
Equity	27.7	44.4	44.3	43.1	42.0	42.4	42.2	41.5		
Minority Interests	-	2.1	6.4	7.5	-	-	-	-		
Provisions & Other L/T Liabilities	0.1	0.3	0.3	0.3	2.3	2.3	2.3	2.3		
Other Non Current Liabilities	-	-	3.3	3.1	1.6	1.6	1.6	1.6		
Net financial debt	6.2	28.7	20.3	19.9	26.8	26.6	26.1	23.8		
Current Liabilities	18.0	31.4	36.5	40.8	41.7	39.8	40.6	41.7		
<b>Equity &amp; Total Liabilities</b>	<b>51.9</b>	<b>106.8</b>	<b>111.0</b>	<b>114.7</b>	<b>114.5</b>	<b>112.9</b>	<b>112.9</b>	<b>110.9</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>20.4</b>	<b>55.2</b>	<b>101.5</b>	<b>102.6</b>	<b>84.0</b>	<b>84.9</b>	<b>87.2</b>	<b>90.0</b>	<b>42.4%</b>	<b>2.3%</b>
Total Revenues growth	86.0%	170.3%	83.9%	1.0%	-18.1%	1.1%	2.7%	3.3%		
COGS	(9.1)	(25.4)	(58.8)	(61.8)	(48.3)	(46.7)	(47.1)	(47.7)		
<b>Gross Margin</b>	<b>11.3</b>	<b>29.9</b>	<b>42.8</b>	<b>40.8</b>	<b>35.8</b>	<b>38.2</b>	<b>40.1</b>	<b>42.3</b>	<b>33.3%</b>	<b>5.8%</b>
Gross Margin/Revenues	55.5%	54.1%	42.1%	39.8%	42.5%	45.0%	46.0%	47.0%		
Personnel Expenses	(7.5)	(17.1)	(18.9)	(18.5)	(17.6)	(18.3)	(18.9)	(19.6)		
Other Operating Expenses	(4.3)	(11.6)	(19.6)	(15.8)	(14.3)	(14.5)	(14.7)	(14.9)		
<b>Recurrent EBITDA<sup>(1)</sup></b>	<b>(0.6)</b>	<b>1.2</b>	<b>4.3</b>	<b>6.5</b>	<b>3.8</b>	<b>5.4</b>	<b>6.5</b>	<b>7.9</b>	<b>72.7%</b>	<b>27.2%</b>
Recurrent EBITDA growth	n.a.	318.5%	251.9%	52.8%	-41.4%	41.9%	19.8%	21.1%		
Rec. EBITDA/Revenues	n.a.	2.2%	4.2%	6.4%	4.5%	6.4%	7.4%	8.7%		
Restructuring Expense & Other non-rec.	(1.2)	(2.4)	0.6	0.4	1.1	-	-	-		
Capitalized Expense	3.8	6.2	6.7	7.1	5.9	5.9	5.9	5.9		
<b>EBITDA</b>	<b>2.0</b>	<b>5.1</b>	<b>11.5</b>	<b>14.0</b>	<b>10.7</b>	<b>11.3</b>	<b>12.4</b>	<b>13.7</b>	<b>51.8%</b>	<b>8.5%</b>
Depreciation & Provisions	(3.2)	(8.7)	(9.5)	(9.3)	(12.1)	(9.3)	(11.1)	(12.9)		
Rentals (IFRS 16 impact)	-	-	(1.2)	(1.6)	(0.3)	(0.3)	(0.3)	(0.3)		
<b>EBIT</b>	<b>(1.2)</b>	<b>(3.6)</b>	<b>0.9</b>	<b>3.1</b>	<b>(1.7)</b>	<b>1.8</b>	<b>1.0</b>	<b>0.5</b>	<b>-9.2%</b>	<b>31.8%</b>
EBIT growth	-993.9%	-202.2%	123.9%	259.3%	-154.8%	202.9%	-44.8%	-48.8%		
EBIT/Revenues	n.a.	n.a.	0.9%	3.0%	n.a.	2.1%	1.1%	0.6%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.4)	(2.1)	(1.4)	(1.8)	0.8	(1.3)	(1.2)	(1.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(2.6)</b>	<b>(5.7)</b>	<b>(0.5)</b>	<b>1.3</b>	<b>(0.9)</b>	<b>0.5</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>22.4%</b>	<b>9.7%</b>
Ordinary Profit Growth	-576.1%	-120.0%	91.0%	346.1%	-174.4%	153.9%	-152.8%	-158.8%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(2.6)</b>	<b>(5.7)</b>	<b>(0.5)</b>	<b>1.3</b>	<b>(0.9)</b>	<b>0.5</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>22.4%</b>	<b>9.7%</b>
Tax Expense	(0.2)	(0.0)	(0.2)	(0.1)	(1.3)	(0.1)	-	-		
Effective Tax Rate	n.a.	n.a.	n.a.	9.7%	n.a.	20.0%	n.a.	n.a.		
Minority Interests	-	-	(1.3)	(1.1)	(1.6)	-	-	-		
Discontinued Activities	-	-	-	-	4.0	-	-	-		
<b>Net Profit</b>	<b>(2.8)</b>	<b>(5.8)</b>	<b>(2.0)</b>	<b>0.0</b>	<b>0.2</b>	<b>0.4</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>19.9%</b>	<b>-80.1%</b>
Net Profit growth	n.a.	-102.5%	64.9%	101.1%	713.9%	124.8%	-166.0%	-158.8%		
<b>Ordinary Net Profit</b>	<b>(1.4)</b>	<b>(3.3)</b>	<b>(2.4)</b>	<b>(0.4)</b>	<b>(3.6)</b>	<b>0.4</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>-26.1%</b>	<b>42.0%</b>
Ordinary Net Profit growth	-480.3%	-136.8%	28.7%	84.5%	-865.9%	111.4%	-166.0%	-158.8%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>5.4</b>	<b>6.5</b>	<b>7.9</b>	<b>72.7%</b>	<b>27.2%</b>
Rentals (IFRS 16 impact)						(0.3)	(0.3)	(0.3)		
Working Capital Increase						(0.2)	0.1	0.4		
<b>Recurrent Operating Cash Flow</b>						<b>4.9</b>	<b>6.3</b>	<b>8.0</b>	<b>50.7%</b>	<b>-18.9%</b>
CAPEX						(3.4)	(4.5)	(4.5)		
Net Financial Result affecting the Cash Flow						(1.3)	(1.2)	(1.2)		
Tax Expense						(0.1)	-	-		
<b>Recurrent Free Cash Flow</b>						<b>0.1</b>	<b>0.5</b>	<b>2.3</b>	<b>38.8%</b>	<b>-28.7%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>0.1</b>	<b>0.5</b>	<b>2.3</b>	<b>21.7%</b>	<b>-28.7%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(0.1)</b>	<b>(0.5)</b>	<b>(2.3)</b>		

(1) EBITDA "Cash", que excluye ingresos por capitalización de gastos.

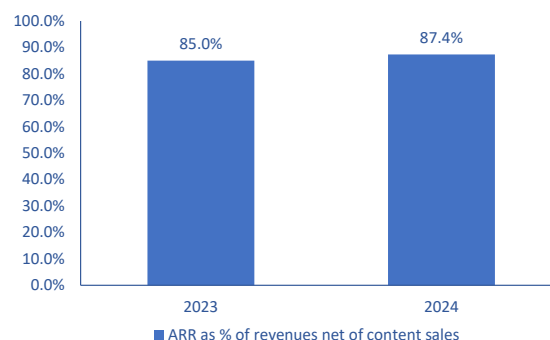


## The company in 8 charts

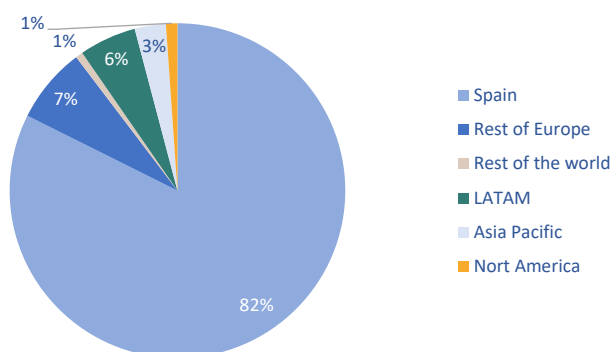
**The global streaming TV market is forecast to grow at a CAGR of 18.3% in 23-28e**



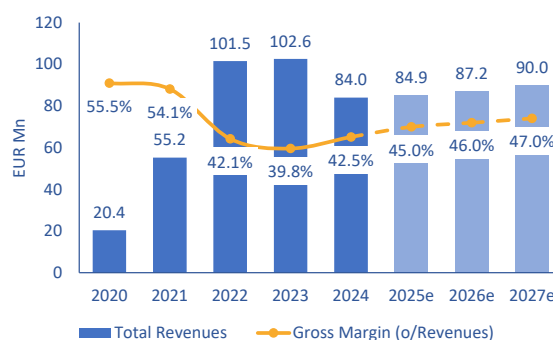
**AGIL: two business lines for the same customer base with high level of recurrent revenue ...**



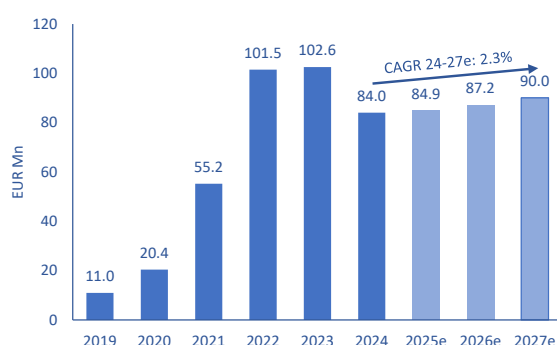
**...and growing geographical diversification. In 2024, sales outside Spain accounted for 18%**



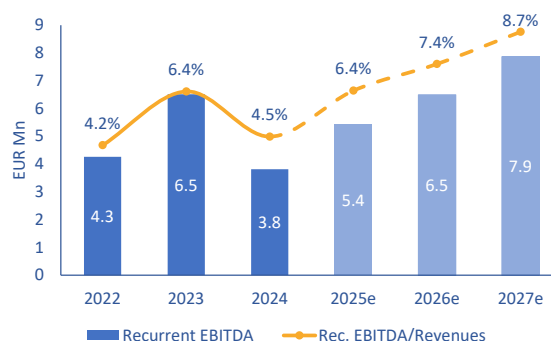
**Following intense M&A activity in 2020-2021 and large jump in scale ...**



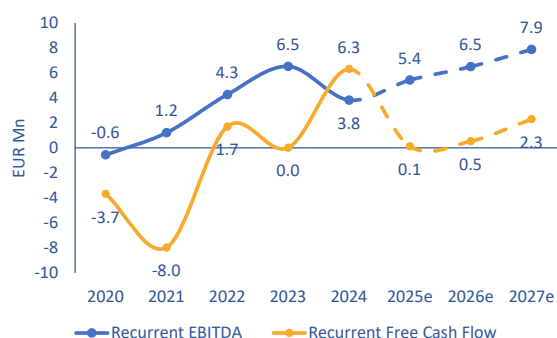
**... focus on organic growth with asset light model (JV's and partnerships) (CAGR 24-27e: 2.3%)(1)**



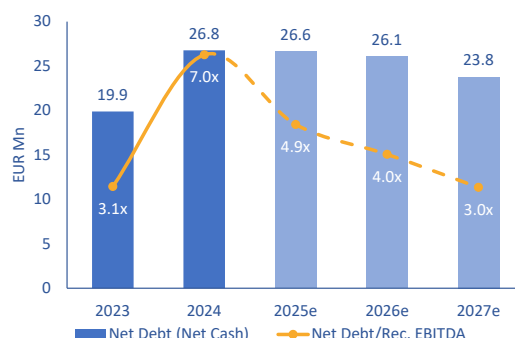
**organic growth without additional CAPEX and operating leverage improves capital employed ... (1)**



**... lifting recurrent free cash flow to EUR 2.3Mn in 2027e (1)**



**Which would leave AGIL with a conservative balance sheet in 2027e and virtually debt free if WeTek -classified as available for sale- is disposed of in 2026(1)**

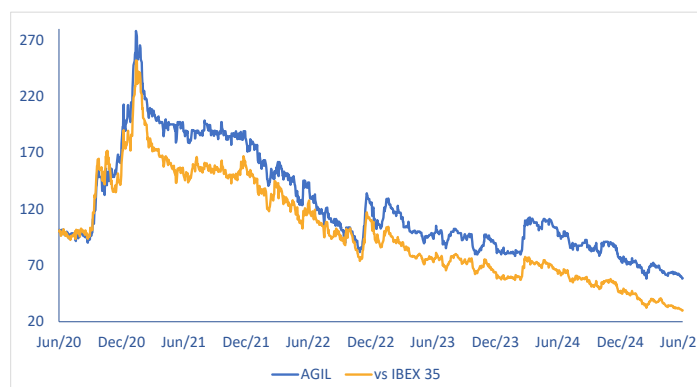


(1) WeTek globally consolidated until 2023 and from 2024 accounted for as available for sale.



## Evolution of the share price

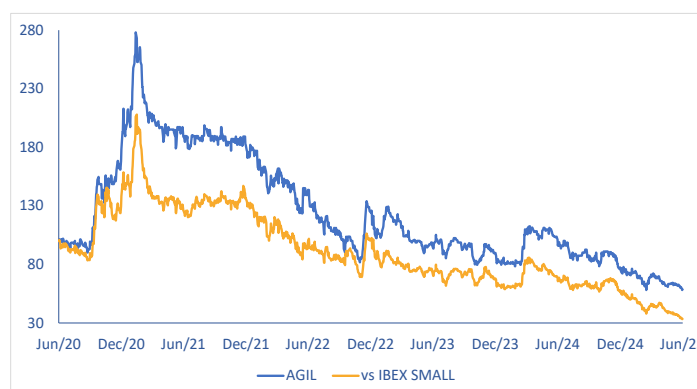
Historical behavior vs Ibex 35 (base 100)



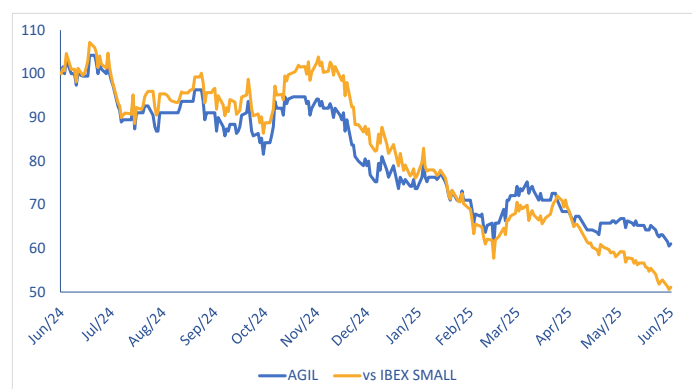
Behavior -1y vs Ibex 35 (base 100)



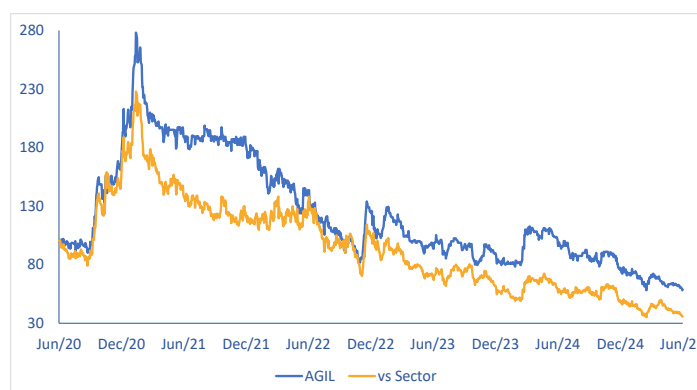
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-7.2	-17.7	-38.9	-20.0	-59.2	-41.3
vs Market						
vs Ibex 35	-11.0	-25.0	-51.7	-34.4	-75.8	-69.8
vs Euro STOXX 50	-8.6	-19.0	-43.8	-27.4	-72.7	-65.8
vs Small Cap References						
vs Ibex Small Cap Index	-12.0	-27.6	-48.9	-37.5	-66.1	-66.4
vs Micro Cap Spain Segment <sup>(1)</sup>	-11.6	-23.2	-42.0	-29.5	-60.4	-60.6
vs MSCI Europe Micro Cap	-11.3	-24.5	-39.9	-25.7	-56.4	-54.0
vs Sector						
vs Stoxx Europe 600 Technology	-12.3	-23.0	-36.6	-24.5	-72.9	-64.1

(1) Constituents on page 10



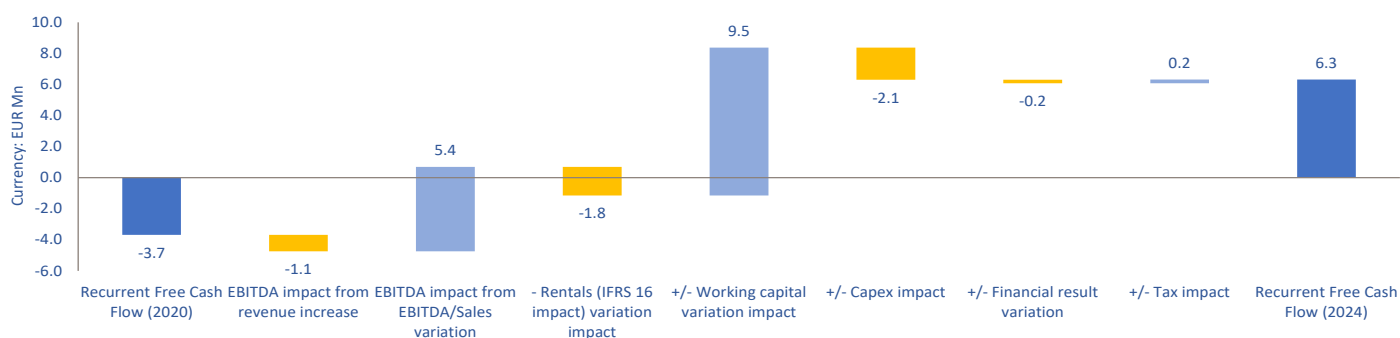
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	1.2	4.3	6.5	3.8	5.4	6.5	7.9	46.6%	27.2%
Recurrent EBITDA growth	318.5%	251.9%	52.8%	-41.4%	41.9%	19.8%	21.1%		
Rec. EBITDA/Revenues	2.2%	4.2%	6.4%	4.5%	6.4%	7.4%	8.7%		
- Rentals (IFRS 16 impact)	-	(1.2)	(1.6)	(1.8)	(0.3)	(0.3)	(0.3)		
+/- Working Capital increase	1.3	5.2	(2.4)	13.0	(0.2)	0.1	0.4		
= Recurrent Operating Cash Flow	2.6	8.3	2.5	15.0	4.9	6.3	8.0	80.3%	-18.9%
Rec. Operating Cash Flow growth	-11.9%	225.6%	-70.0%	500.4%	-67.4%	29.5%	26.5%		
Rec. Operating Cash Flow / Sales	4.6%	8.2%	2.4%	17.8%	5.7%	7.2%	8.9%		
- CAPEX	(8.7)	(5.0)	(1.3)	(7.2)	(3.4)	(4.5)	(4.5)		
- Net Financial Result affecting Cash Flow	(1.8)	(1.4)	(1.2)	(1.4)	(1.3)	(1.2)	(1.2)		
- Taxes	(0.0)	(0.2)	-	-	(0.1)	-	-		
= Recurrent Free Cash Flow	(8.0)	1.7	0.0	6.3	0.1	0.5	2.3	40.8%	-28.7%
Rec. Free Cash Flow growth	-116.5%	121.5%	-99.0%	n.a.	-98.0%	331.8%	324.2%		
Rec. Free Cash Flow / Revenues	n.a.	1.7%	0.0%	7.5%	0.1%	0.6%	2.5%		
- Restructuring expenses & others	(1.0)	0.6	-	-	-	-	-		
- Acquisitions / + Divestments	(33.7)	0.3	0.5	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	2.4	-	-	-	-	-		
= Free Cash Flow	(42.7)	5.0	0.5	6.3	0.1	0.5	2.3	29.0%	-28.7%
Free Cash Flow growth	-29.9%	111.7%	-90.6%	n.a.	-98.0%	331.8%	324.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	3.2%	0.0%	11.7%	0.2%	1.0%	4.3%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	9.2%	0.9%	11.8%	0.2%	1.0%	4.3%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(3.7)	(8.0)	1.7	0.0	6.3	0.1	0.5		
EBITDA impact from revenue increase	(0.9)	1.0	0.0	(1.2)	0.0	0.1	0.2		
EBITDA impact from EBITDA/Sales variation	2.7	2.0	2.2	(1.5)	1.6	0.9	1.2		
= Recurrent EBITDA variation	1.8	3.1	2.3	(2.7)	1.6	1.1	1.4		
- Rentals (IFRS 16 impact) variation impact	-	(1.2)	(0.5)	(0.2)	1.5	-	-		
+/- Working capital variation impact	(2.1)	3.9	(7.6)	15.4	(13.2)	0.4	0.3		
= Recurrent Operating Cash Flow variation	(0.3)	5.8	(5.8)	12.5	(10.1)	1.4	1.7		
+/- CAPEX impact	(3.6)	3.7	3.7	(5.9)	3.8	(1.1)	0.0		
+/- Financial result variation	(0.6)	0.4	0.2	(0.2)	0.2	0.0	0.0		
+/- Tax impact	0.2	(0.2)	0.2	-	(0.1)	0.1	-		
= Recurrent Free Cash Flow variation	(4.3)	9.7	(1.7)	6.3	(6.2)	0.4	1.8		
Recurrent Free Cash Flow	(8.0)	1.7	0.0	6.3	0.1	0.5	2.3		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(3.6)	0.9	3.1	(1.7)	1.8	1.0	0.5	22.2%	31.8%
* Theoretical Tax rate	0.0%	0.0%	9.7%	0.0%	20.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	(0.3)	-	(0.4)	-	-		
Recurrent EBITDA	1.2	4.3	6.5	3.8	5.4	6.5	7.9	46.6%	27.2%
- Rentals (IFRS 16 impact)	-	(1.2)	(1.6)	(1.8)	(0.3)	(0.3)	(0.3)		
+/- Working Capital increase	1.3	5.2	(2.4)	13.0	(0.2)	0.1	0.4		
= Recurrent Operating Cash Flow	2.6	8.3	2.5	15.0	4.9	6.3	8.0	80.3%	-18.9%
- CAPEX	(8.7)	(5.0)	(1.3)	(7.2)	(3.4)	(4.5)	(4.5)		
- Taxes (pre- Financial Result)	-	-	(0.3)	-	(0.4)	-	-		
= Recurrent Free Cash Flow (To the Firm)	(6.2)	3.3	0.9	7.7	1.1	1.8	3.5	48.2%	-23.4%
Rec. Free Cash Flow (To the Firm) growth	-174.3%	153.6%	-72.0%	738.6%	-85.5%	58.2%	95.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	3.3%	0.9%	9.2%	1.3%	2.0%	3.9%		
- Acquisitions / + Divestments	(33.7)	0.3	0.5	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	2.4	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(39.9)	6.0	1.4	7.8	1.1	1.8	3.5	30.0%	-23.4%
Free Cash Flow (To the Firm) growth	-32.0%	115.0%	-77.1%	465.2%	-85.5%	58.2%	95.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	5.9%	1.7%	13.9%	2.0%	3.2%	6.3%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	10.8%	2.5%	13.9%	2.0%	3.2%	6.3%		

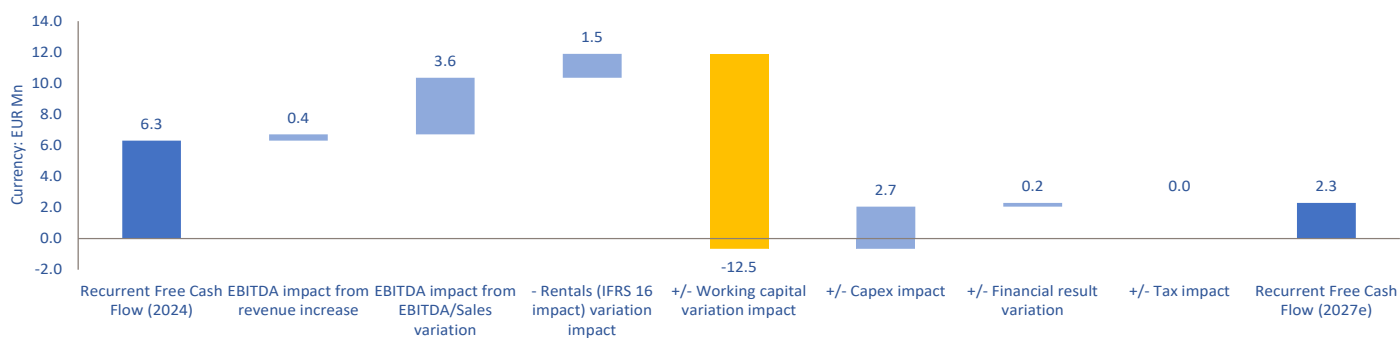


## Free Cash Flow (II)

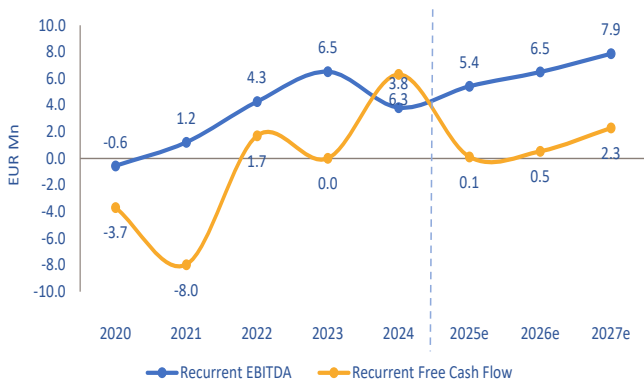
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



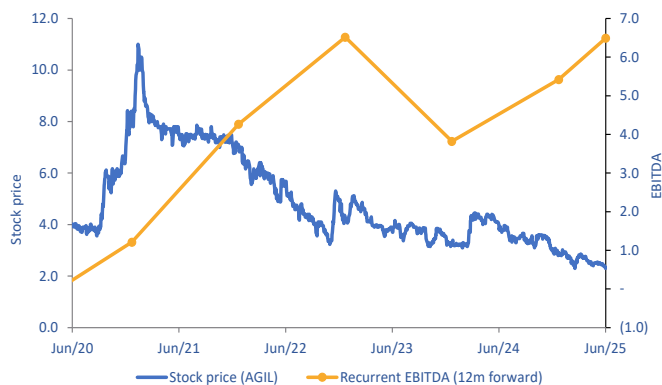
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	1.1	1.8	3.5	50.2		
Market Cap	53.8	At the date of this report				
Net financial debt	26.8	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.3	B (own estimate)			1.2	1.4
Cost of Equity	10.9%	$K_e = Rf + (R * B)$			9.7%	12.2%
Equity / (Equity + Net Debt)	66.8%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	33.2%	D			=	=
WACC	8.9%	$WACC = K_d * D + K_e * E$			8.0%	9.8%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	53.8	
+ Minority Interests		12m Results 2024
+ Provisions & Other L/T Liabilities	2.0	12m Results 2024
+ Net financial debt	26.8	12m Results 2024
- Financial Investments	5.3	12m Results 2024
+/- Others <sup>(1)</sup>	(21.6)	
Enterprise Value (EV)	55.7	

(1) Independent valuation of 61% of WeTek classified as available-for-sale.

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	1.2%	4.2%	n.a.
	2024	2027e			
ROCE - WACC	n.a.	-7.6%			
FCF Yield - WACC	5.0%	-2.6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	8.1%	7.1	7.8x
Central	7.4%	6.5	8.6x
Min	6.7%	5.9	9.5x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	4.7%	5.2%	5.7%		Scenario		
7.1	1.6	1.2	0.7	➔	Max	2.9%	2.1%
6.5	1.0	0.5	0.1		Central	1.8%	1.0%
5.9	0.4	(0.1)	(0.5)		Min	0.7%	n.a.
							1.3%
							0.2%
							n.a.

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	40.0%	40.0%	37.5%
% of proprietary board members	30.0%	30.0%	37.5%
% of executive board members	20.0%	20.0%	0.0%
% of other directors	10.0%	10.0%	25.0%
% of women on the board of directors	20.0%	20.0%	25.0%
% of women out of total workforce	21.7%	22.1%	23.9%
Board remuneration/staff cost	0.9%	1.1%	1.4%



## Main peers 2025e

	EUR Mn	TV Technologies		TV Platform		AGIL
		Kudelski	Average	Netgem	Kaltura	
Market data	Ticker (Factset)	KUD-CH		ALNTG-FR	KLTR-US	AGIL-ES
	Country	Switzerland		France	USA	Spain
	Market cap	83.5		33.6	282.3	53.8
	Enterprise value (EV)	40.5		26.5	266.7	55.7
Basic financial information	Total Revenues	333.3		34.1	157.9	84.9
	Total Revenues growth	-7.2%	-7.2%	1.1%	1.4%	1.1%
	2y CAGR (2025e - 2027e)	13.4%	13.4%	n.a.	3.8%	3.0%
	EBITDA	(8.3)		9.0	12.6	11.3
	EBITDA growth	60.3%	60.3%	-8.3%	172.8%	82.2%
	2y CAGR (2025e - 2027e)	n.a.	n.a.	n.a.	42.2%	42.2%
	EBITDA/Revenues	n.a.	n.a.	26.4%	8.0%	17.2%
	EBIT	(16.4)		4.4	8.8	1.8
	EBIT growth	86.5%	86.5%	68.9%	140.7%	104.8%
	2y CAGR (2025e - 2027e)	85.2%	85.2%	n.a.	55.4%	55.4%
	EBIT/Revenues	n.a.	n.a.	12.9%	5.6%	9.3%
	Net Profit	(16.7)		3.7	(13.5)	0.4
	Net Profit growth	88.1%	88.1%	89.1%	50.6%	69.8%
	2y CAGR (2025e - 2027e)	70.0%	70.0%	n.a.	52.1%	52.1%
	CAPEX/Sales %	2.6%	2.6%	5.9%	0.7%	3.3%
	Free Cash Flow	(36.0)		5.2	10.1	0.1
	Net financial debt	(19.0)		(8.8)	2.3	26.6
Multiples and Ratios	ND/EBITDA (x)	n.a.	n.a.	n.a.	0.2	0.2
	Pay-out	0.0%	0.0%	60.5%	n.a.	60.5%
	P/E (x)	n.a.	n.a.	9.5	70.3	39.9
	P/BV (x)	0.3	0.3	1.2	n.a.	1.2
	EV/Revenues (x)	0.1	0.1	0.8	1.7	1.2
	EV/EBITDA (x)	n.a.	n.a.	2.9	21.2	12.1
	EV/EBIT (x)	n.a.	n.a.	6.0	30.2	18.1
	ROE	n.a.	n.a.	12.6	n.a.	12.6
	FCF Yield (%)	n.a.	n.a.	15.3	3.6	9.5
	DPS	0.00	0.00	0.07	n.a.	0.07
	Dvd Yield	0.0%	0.0%	6.9%	n.a.	6.9%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues				7.9	8.8	11.0	20.4	55.2	101.5	102.6	84.0	84.9	87.2	90.0	n.a.	2.3%
Total Revenues growth				n.a.	12.1%	24.5%	86.0%	170.3%	83.9%	1.0%	-18.1%	1.1%	2.7%	3.3%		
EBITDA				(0.7)	(1.3)	0.0	2.0	5.1	11.5	14.0	10.7	11.3	12.4	13.7	n.a.	8.5%
EBITDA growth				n.a.	-69.5%	102.1%	n.a.	150.0%	127.4%	21.9%	-23.4%	5.7%	9.1%	10.8%		
EBITDA/Sales				n.a.	n.a.	0.2%	9.9%	9.1%	11.3%	13.7%	12.8%	13.4%	14.2%	15.2%		
Net Profit				0.0	(1.3)	0.1	(2.8)	(5.8)	(2.0)	0.0	0.2	0.4	(0.3)	(0.7)	n.a.	-80.1%
Net Profit growth				n.a.	n.a.	109.3%	n.a.	-102.5%	64.9%	101.1%	713.9%	124.8%	-166.0%	-158.8%		
Adjusted number shares (Mn)				12.2	13.5	18.0	20.9	23.1	23.2	23.2	23.2	23.2	23.2	23.2		
EPS (EUR)				0.00	-0.10	0.01	-0.14	-0.25	-0.09	0.00	0.01	0.02	-0.01	-0.03	n.a.	-80.1%
EPS growth				n.a.	n.a.	n.a.	n.a.	-83.5%	65.2%	n.a.	n.a.	n.a.	n.a.	n.a.		
Ord. EPS (EUR)				0.00	-0.10	0.01	-0.07	-0.14	-0.10	-0.02	-0.15	0.02	-0.01	-0.03	n.a.	42.0%
Ord. EPS growth				n.a.	n.a.	n.a.	n.a.	n.a.	29.1%	84.5%	n.a.	n.a.	n.a.	n.a.		
CAPEX				(1.9)	(2.2)	(2.7)	(5.1)	(8.7)	(5.0)	(1.3)	(7.2)	(3.4)	(4.5)	(4.5)		
CAPEX/Sales %				24.3%	25.2%	24.2%	25.2%	15.8%	4.9%	1.2%	8.6%	4.0%	5.2%	5.0%		
Free Cash Flow				(2.7)	(3.1)	(4.3)	(32.9)	(42.7)	5.0	0.5	6.3	0.1	0.5	2.3	n.a.	-28.7%
ND/EBITDA (x) <sup>(2)</sup>				n.a.	n.a.	21.9x	3.1x	5.7x	1.8x	1.4x	2.5x	2.3x	2.1x	1.7x		
P/E (x)				n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
EV/Sales (x)				3.11x	2.48x	1.51x	3.29x	3.28x	1.70x	1.22x	0.91x	0.66x	0.64x	0.62x		
EV/EBITDA (x) <sup>(2)</sup>				n.a.	n.a.	n.a.	33.3x	35.9x	15.1x	8.9x	7.1x	4.9x	4.5x	4.1x		
Absolute performance				-14.7%	3.4%	189.3%	95.8%	-11.8%	-38.6%	-24.3%	-12.1%	-20.0%				
Relative performance vs Ibex 35				-20.6%	21.7%	158.7%	131.6%	-18.3%	-35.0%	-38.3%	-23.4%	-34.4%				

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



**Alquiber (ALQ)**, specialises in the renting of vehicles for commercial and industrial use under the flexible renting model in Spain (where it generates 100% of its activity). ALQ has an important position in the sector (fleet of c. 19,400 vehicles, with 25 offices in Spain and a market share of c.13% (Lighthouse estimates)). The company is controlled by the Acebes family, that is fully involved in the management of the company.

#### Market Data

Market Cap (Mn EUR and USD)	67.5	77.5
EV (Mn EUR and USD)	292.3	335.6
Shares Outstanding (Mn)	5.4	
-12m (Max/Med/Min EUR)	12.50 / 9.98 / 8.37	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	2.9	
Factset / Bloomberg	ALQ-ES / ALQ SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

Miguel Ángel Acebes Acebes	41.1
Marianela Acebes Moreno	17.5
Miguel Acebes Moreno	17.4
Free Float	24.0

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	5.3	5.4	5.4	5.4
Total Revenues	144.5	167.1	189.7	211.2
Rec. EBITDA	82.3	95.4	110.0	123.8
% growth	13.1	15.9	15.3	12.5
% Rec. EBITDA/Rev.	57.0	57.1	58.0	58.6
% Inc. EBITDA sector <sup>(2)</sup>	5.1	10.6	9.8	9.3
Net Profit	6.1	8.1	12.5	18.2
EPS (EUR)	1.14	1.49	2.32	3.37
% growth	-22.0	30.7	55.4	45.4
Ord. EPS (EUR)	1.21	1.49	2.32	3.37
% growth	-25.8	23.7	55.4	45.4
Rec. Free Cash Flow	-17.4	-35.1	-8.3	2.0
Pay-out (%)	25.8	20.1	12.9	13.8
DPS (EUR)	0.29	0.30	0.30	0.46
Net financial debt	212.4	249.1	259.0	259.6
ND/Rec. EBITDA (x)	2.6	2.6	2.4	2.1
ROE (%)	13.6	16.1	21.3	25.3
ROCE (%)	5.5	5.6	6.5	7.8

#### Ratios & Multiples (x)

P/E	10.9	8.4	5.4	3.7
Ord. P/E	10.4	8.4	5.4	3.7
P/BV	1.4	1.3	1.1	0.8
Dividend Yield (%)	2.4	2.4	2.4	3.7
EV/Sales	2.02	1.75	1.54	1.38
EV/Rec. EBITDA	3.6	3.1	2.7	2.4
EV/EBIT	14.8	12.8	9.9	7.9
FCF Yield (%)	n.a.	n.a.	n.a.	2.9

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	7.8	9.6	47.7	151.7

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

(2) Sector: Stoxx Europe 600 Industrial Goods & Services.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

##### Flexible rental continued its strong growth in 2024, with a 12% increase vs 2023.

This is the "core" of the business and accounts for approximately 85% total revenue. It's also the most profitable line, allowing the growth in total revenues (+14.6%) to be passed through to rec. EBITDA (+13.1%; Mg. EBITDA 2024 of 57.0%) However, financial expenses pressured Net Profit in 2024 (EUR 6.1 Mn; -22.0% vs 2023).

**We see no signs of growth exhaustion** (2024 Net Fleet variation: +1,200 units). The inherent momentum of fleet growth in previous years led ALQ to close 2024 with c. 19,400 vehicles (vs. approximately 18,200 in 2023) and an occupancy rate of around 90% (Lighthouse estimate). We estimate a fleet of >22,000 vehicles for 2025e.

**We expect continuity in 2025e (in the best sense of the term)**. The opening of the new branch in Córdoba (May 2025) highlights the need to increase capacity to meet growing demand. Therefore, our estimates for 2025e have a dual focus: i) double-digit revenue growth (+15.6%) and ii) margin maintenance (rec. EBITDA margin 57.1% vs 57.0% in 2024).

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Niche business in a growing industry.** ALQ's fleet (+6.5%) grew above the sector's fleet (+4.9%) in 2024 (according to AER). The renting vehicle fleet in Spain reached 3% (vs 2.9% in 2023) of the total (vs 4%-5% in the UK or France). This is one of the strong arguments in favor of ALQ in the long term.

**"Established" network of branches in Spain.** A capillary network of 25 branches in Spain (vs 30 for Northgate, the main competitor). This allows it to be close to the customer, offer flexible solutions, and anticipate new opportunities to expand the business.

**High growth rates should allow for doubling 2024 Net Profit "as early as" 2026e.** In 2027e, we estimate a company with sales of EUR 211.2 Mn (+13.5% CAGR 2024-2027e), with the ability to defend margins (rec. EBITDA +14.6% CAGR 2024-2027e). This strong growth leads us to maintain the expectation of doubling Net Profit in 2026e (EUR 12.5 Mn vs EUR 6.1 Mn in 2024).

**Fleet rotation is a key factor for cash generation.** Our hypotheses include the sale of approximately 75% of the vehicles acquired -4y (already depreciated, but with residual value). Looking ahead to 2025e, we anticipate significant cash generation derived from fleet acquisitions made in 2021 (c. 4,500 units).

#### RISKS: WHAT TO KEEP AN EYE ON?

**CAPEX-intensive business.** The current growth phase of the business relies on the continuous increase of its fleet. We estimate annual CAPEX of c. EUR 135 Mn +3y, which will pressure cash generation and translate into Net Debt of EUR 249.1 Mn for 2025e (>85% of EV).

**High level of indebtedness.** The logical consequence of a capital-intensive business is a high level of debt (2025e Net Debt/EBITDA stable at 2.6x). This structure increases Net Profit's sensitivity to interest rates. We estimate that the expected decrease in rates (2.0% June 2025 vs 4.0% January 2024) will soften this impact, but it doesn't eliminate the need for rigorous financial management.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Attractive indicators.** The stock's performance (-12m: 47.7% absolute and +27.2% vs sector) is supported by good operational execution and a differentiated equity story. Even so, ALQ continues to trade at objectively low multiples (2025e P/E ratio 8.4x; 2026e P/E ratio 5.4x), which do not seem to reflect the high growth prospects (historically proven and favored by an ongoing sector driver) nor the effect of a lower interest rate environment.



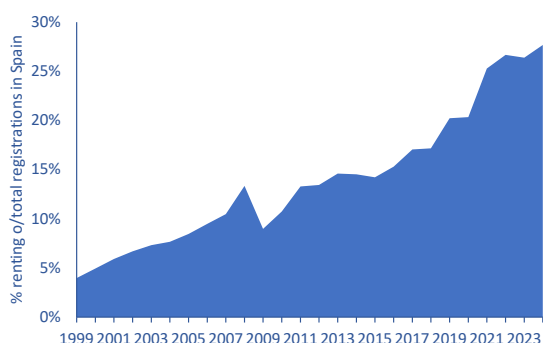
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	0.3	0.4	0.4	0.3	0.5	0.5	0.5	0.5		
Fixed assets	107.2	142.4	187.8	227.9	254.6	295.6	314.3	328.5		
Other Non Current Assets	2.1	1.9	1.9	2.2	2.8	2.8	2.8	2.8		
Financial Investments	0.5	0.7	0.6	0.7	2.2	2.2	2.2	2.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	14.0	17.6	17.6	23.9	22.6	26.1	29.6	33.0		
<b>Total assets</b>	<b>124.1</b>	<b>163.0</b>	<b>208.4</b>	<b>255.0</b>	<b>282.6</b>	<b>327.2</b>	<b>349.4</b>	<b>366.9</b>		
Equity	25.3	29.3	37.5	42.3	46.8	53.3	64.2	79.9		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	6.3	7.4	9.1	11.7	14.6	14.6	14.6	14.6		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	89.4	121.1	155.5	191.3	212.4	249.1	259.0	259.6		
Current Liabilities	3.1	5.3	6.4	9.8	8.9	10.2	11.6	12.9		
<b>Equity &amp; Total Liabilities</b>	<b>124.1</b>	<b>163.0</b>	<b>208.4</b>	<b>255.0</b>	<b>282.6</b>	<b>327.2</b>	<b>349.4</b>	<b>366.9</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>58.9</b>	<b>76.1</b>	<b>100.4</b>	<b>126.1</b>	<b>144.5</b>	<b>167.1</b>	<b>189.7</b>	<b>211.2</b>	<b>25.1%</b>	<b>13.5%</b>
Total Revenues growth	15.8%	29.1%	31.9%	25.7%	14.6%	15.6%	13.5%	11.4%		
COGS	(5.2)	(6.6)	(8.7)	(9.6)	(13.8)	(16.1)	(16.9)	(17.8)		
<b>Gross Margin</b>	<b>53.7</b>	<b>69.5</b>	<b>91.7</b>	<b>116.6</b>	<b>130.7</b>	<b>151.0</b>	<b>172.8</b>	<b>193.4</b>	<b>24.9%</b>	<b>14.0%</b>
Gross Margin/Revenues	91.1%	91.4%	91.4%	92.4%	90.4%	90.4%	91.1%	91.6%		
Personnel Expenses	(4.7)	(5.5)	(6.8)	(8.3)	(9.7)	(11.0)	(12.2)	(13.5)		
Other Operating Expenses	(17.0)	(23.3)	(28.0)	(35.5)	(38.7)	(44.6)	(50.6)	(56.2)		
<b>Recurrent EBITDA</b>	<b>32.0</b>	<b>40.7</b>	<b>56.9</b>	<b>72.8</b>	<b>82.3</b>	<b>95.4</b>	<b>110.0</b>	<b>123.8</b>	<b>26.6%</b>	<b>14.6%</b>
Recurrent EBITDA growth	16.7%	27.2%	39.7%	28.0%	13.1%	15.9%	15.3%	12.5%		
Rec. EBITDA/Revenues	54.3%	53.5%	56.7%	57.7%	57.0%	57.1%	58.0%	58.6%		
Restructuring Expense & Other non-rec.	0.0	(0.2)	(0.4)	(1.2)	(0.5)	-	-	-		
<b>EBITDA</b>	<b>32.0</b>	<b>40.6</b>	<b>56.4</b>	<b>71.6</b>	<b>81.8</b>	<b>95.4</b>	<b>110.0</b>	<b>123.8</b>	<b>26.4%</b>	<b>14.8%</b>
Depreciation & Provisions	(26.1)	(31.3)	(40.7)	(52.3)	(62.1)	(72.6)	(80.5)	(86.8)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>5.9</b>	<b>9.2</b>	<b>15.7</b>	<b>19.3</b>	<b>19.7</b>	<b>22.8</b>	<b>29.5</b>	<b>36.9</b>	<b>35.2%</b>	<b>23.3%</b>
EBIT growth	-3.0%	56.6%	70.5%	22.7%	2.0%	15.7%	29.4%	25.3%		
EBIT/Revenues	10.0%	12.1%	15.7%	15.3%	13.6%	13.6%	15.5%	17.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(2.6)	(3.1)	(4.5)	(8.9)	(11.3)	(11.6)	(12.1)	(11.7)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>3.3</b>	<b>6.1</b>	<b>11.2</b>	<b>10.4</b>	<b>8.4</b>	<b>11.2</b>	<b>17.3</b>	<b>25.2</b>	<b>26.7%</b>	<b>44.2%</b>
Ordinary Profit Growth	-11.2%	87.2%	83.3%	-6.9%	-19.3%	32.7%	55.4%	45.4%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>3.3</b>	<b>6.1</b>	<b>11.2</b>	<b>10.4</b>	<b>8.4</b>	<b>11.2</b>	<b>17.3</b>	<b>25.2</b>	<b>26.7%</b>	<b>44.2%</b>
Tax Expense	(0.8)	(1.4)	(2.7)	(2.6)	(2.3)	(3.1)	(4.8)	(7.0)		
Effective Tax Rate	25.0%	23.5%	23.9%	25.3%	27.8%	27.8%	27.8%	27.8%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>2.4</b>	<b>4.7</b>	<b>8.5</b>	<b>7.8</b>	<b>6.1</b>	<b>8.1</b>	<b>12.5</b>	<b>18.2</b>	<b>25.5%</b>	<b>44.2%</b>
Net Profit growth	-11.0%	91.0%	82.3%	-8.6%	-22.0%	32.7%	55.4%	45.4%		
<b>Ordinary Net Profit</b>	<b>2.4</b>	<b>4.8</b>	<b>8.9</b>	<b>8.7</b>	<b>6.4</b>	<b>8.1</b>	<b>12.5</b>	<b>18.2</b>	<b>27.4%</b>	<b>41.6%</b>
Ordinary Net Profit growth	-11.5%	97.0%	84.5%	-2.3%	-25.8%	25.6%	55.4%	45.4%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>95.4</b>	<b>110.0</b>	<b>123.8</b>	<b>26.6%</b>	<b>14.6%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(2.1)	(2.1)	(2.0)		
<b>Recurrent Operating Cash Flow</b>						<b>93.3</b>	<b>107.8</b>	<b>121.7</b>	<b>26.7%</b>	<b>13.7%</b>
CAPEX						(141.5)	(128.5)	(131.9)		
Net Financial Result affecting the Cash Flow						(11.6)	(12.1)	(11.7)		
Tax Expense						(3.1)	(4.8)	(7.0)		
- Acquisitions / + Divestures of assets						27.9	29.3	30.9		
<b>Recurrent Free Cash Flow</b>						<b>(35.1)</b>	<b>(8.3)</b>	<b>2.0</b>	<b>-10.1%</b>	<b>28.3%</b>
Restructuring Expense & Other non-rec.						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(35.1)</b>	<b>(8.3)</b>	<b>2.0</b>	<b>-10.9%</b>	<b>28.2%</b>
Capital Increase						-	-	-		
Dividends						(1.6)	(1.6)	(2.5)		
<b>Net Debt Variation</b>						<b>36.7</b>	<b>9.9</b>	<b>0.6</b>		



## The company in 8 charts

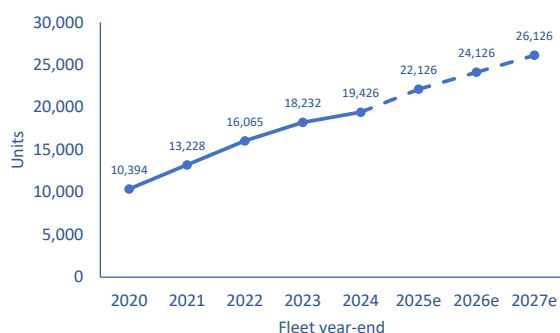
### Vehicle renting: A growing sector in Spain...



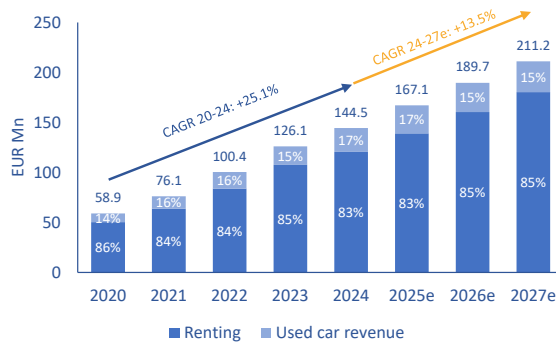
### ...in which ALQ has a significant presence (25 sales offices)



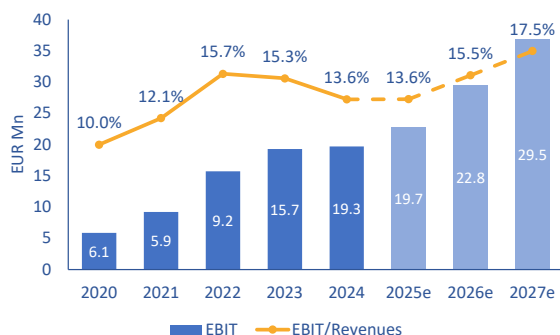
### With a continuously growing fleet of vehicles (CAGR 24-27e: +10.4%)...



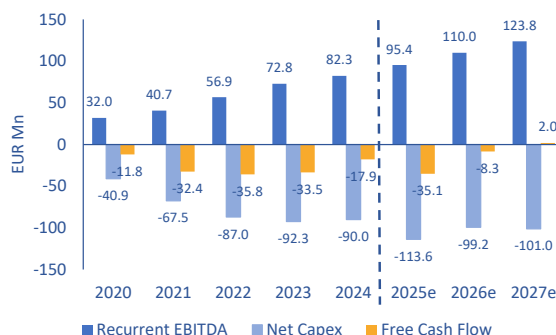
### ... that will allow revenue growth to continue (CAGR 24-27e: +13.5%)



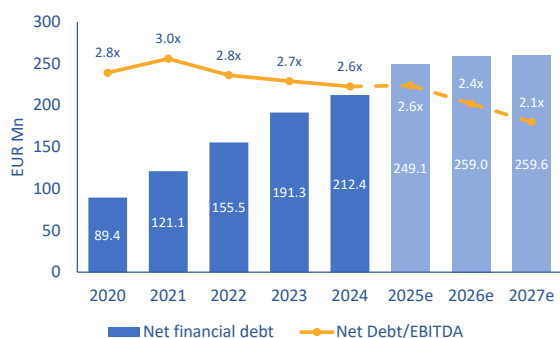
### Maintaining an EBIT margin of c. 17%



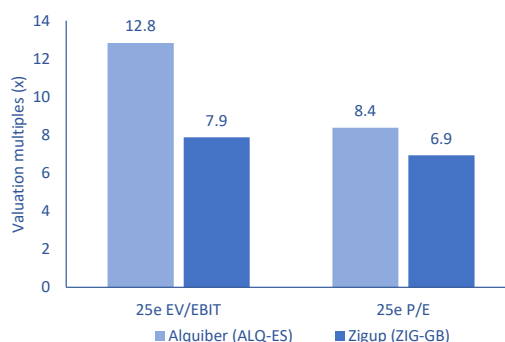
### FCF: A business that is still demanding in terms of CAPEX



### Despite the investment effort, with debt under control (ND/EBITDA <3x)



### Trading at 25e P/E of 8.4x (vs 6.9x for its main peer)





## Evolution of the share price

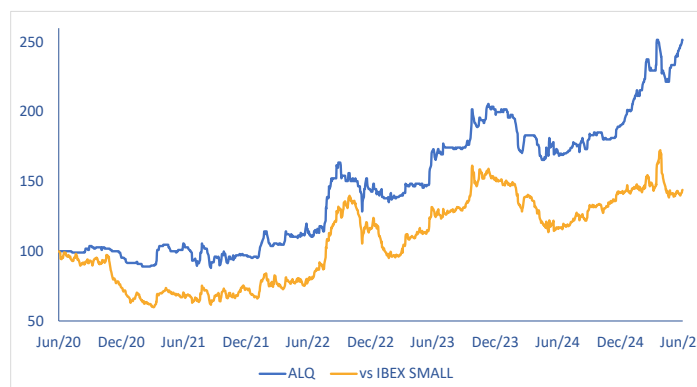
Historical behavior vs Ibex 35 (base 100)



Behavior -1y vs Ibex 35 (base 100)



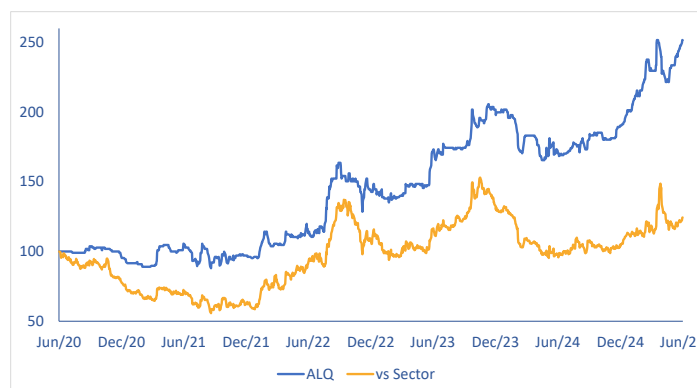
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Industrial Goods & Services

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	7.8	9.6	47.7	25.0	122.3	151.7
vs Market						
vs Ibex 35	3.3	-0.1	16.8	2.5	32.0	29.6
vs Euro STOXX 50	6.1	8.0	36.0	13.5	48.3	46.7
vs Small Cap References						
vs Ibex Small Cap Index	2.2	-3.5	23.7	-2.3	84.2	43.9
vs Micro Cap Spain Segment <sup>(1)</sup>	2.6	2.4	40.3	10.1	115.2	69.2
vs MSCI Europe Micro Cap	3.0	0.6	45.5	16.0	137.0	97.3
vs Sector						
vs Stoxx Europe 600 Industrial Goods & Services	3.2	4.9	27.2	9.6	36.6	24.3

(1) Constituents on page 10



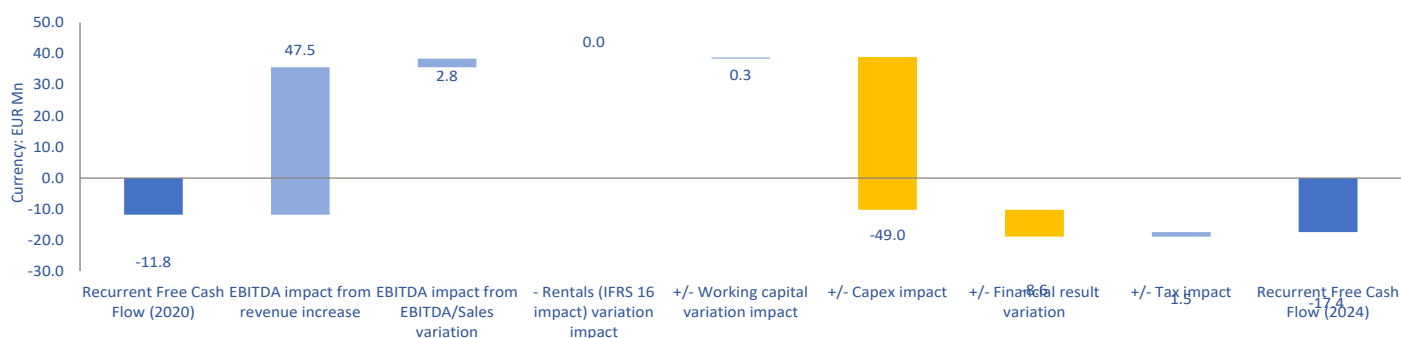
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>40.7</b>	<b>56.9</b>	<b>72.8</b>	<b>82.3</b>	<b>95.4</b>	<b>110.0</b>	<b>123.8</b>	<b>26.4%</b>	<b>14.6%</b>
Recurrent EBITDA growth	27.2%	39.7%	28.0%	13.1%	15.9%	15.3%	12.5%		
Rec. EBITDA/Revenues	53.5%	56.7%	57.7%	57.0%	57.1%	58.0%	58.6%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.4)	1.1	(2.9)	0.4	(2.1)	(2.1)	(2.0)		
<b>= Recurrent Operating Cash Flow</b>	<b>39.3</b>	<b>57.9</b>	<b>69.9</b>	<b>82.7</b>	<b>93.3</b>	<b>107.8</b>	<b>121.7</b>	<b>28.2%</b>	<b>13.7%</b>
Rec. Operating Cash Flow growth	22.4%	47.5%	20.6%	18.3%	12.8%	15.6%	12.9%		
Rec. Operating Cash Flow / Sales	51.6%	57.7%	55.4%	57.2%	55.8%	56.9%	57.6%		
- CAPEX	(74.6)	(95.7)	(102.9)	(106.3)	(141.5)	(128.5)	(131.9)		
- Net Financial Result affecting Cash Flow	(3.1)	(4.5)	(8.2)	(11.3)	(11.6)	(12.1)	(11.7)		
- Taxes	(1.0)	(1.8)	(1.8)	1.1	(3.1)	(4.8)	(7.0)		
- Acquisitions / + Divestments	7.2	8.7	10.6	16.3	27.9	29.3	30.9		
<b>= Recurrent Free Cash Flow</b>	<b>(32.3)</b>	<b>(35.4)</b>	<b>(32.3)</b>	<b>(17.4)</b>	<b>(35.1)</b>	<b>(8.3)</b>	<b>2.0</b>	<b>18.6%</b>	<b>28.3%</b>
Rec. Free Cash Flow growth	-172.8%	-9.7%	8.6%	46.2%	-101.7%	76.4%	123.6%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.9%		
- Restructuring expenses & others	(0.2)	(0.4)	(1.2)	(0.5)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(32.4)</b>	<b>(35.8)</b>	<b>(33.5)</b>	<b>(17.9)</b>	<b>(35.1)</b>	<b>(8.3)</b>	<b>2.0</b>	<b>18.0%</b>	<b>28.2%</b>
Free Cash Flow growth	-174.6%	-10.5%	6.5%	46.6%	-96.4%	76.4%	123.6%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.9%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.9%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>(11.8)</b>	<b>(32.3)</b>	<b>(35.4)</b>	<b>(32.3)</b>	<b>(17.4)</b>	<b>(35.1)</b>	<b>(8.3)</b>		
EBITDA impact from revenue increase	9.3	13.0	14.6	10.6	12.9	12.9	12.5		
EBITDA impact from EBITDA/Sales variation	(0.6)	3.2	1.3	(1.1)	0.2	1.7	1.3		
<b>= Recurrent EBITDA variation</b>	<b>8.7</b>	<b>16.2</b>	<b>15.9</b>	<b>9.5</b>	<b>13.1</b>	<b>14.6</b>	<b>13.8</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(1.5)	2.5	(4.0)	3.3	(2.6)	(0.0)	0.1		
<b>= Recurrent Operating Cash Flow variation</b>	<b>7.2</b>	<b>18.7</b>	<b>12.0</b>	<b>12.8</b>	<b>10.6</b>	<b>14.6</b>	<b>13.9</b>		
+/- CAPEX impact	(26.5)	(19.5)	(5.3)	2.3	(23.6)	14.5	(1.9)		
+/- Financial result variation	(0.5)	(1.4)	(3.6)	(3.1)	(0.4)	(0.5)	0.4		
+/- Tax impact	(0.6)	(0.8)	0.0	2.9	(4.3)	(1.7)	(2.2)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(20.4)</b>	<b>(3.1)</b>	<b>3.1</b>	<b>14.9</b>	<b>(17.7)</b>	<b>26.8</b>	<b>10.2</b>		
<b>Recurrent Free Cash Flow</b>	<b>(32.3)</b>	<b>(35.4)</b>	<b>(32.3)</b>	<b>(17.4)</b>	<b>(35.1)</b>	<b>(8.3)</b>	<b>2.0</b>		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>9.2</b>	<b>15.7</b>	<b>19.3</b>	<b>19.7</b>	<b>22.8</b>	<b>29.5</b>	<b>36.9</b>	<b>28.8%</b>	<b>23.3%</b>
* Theoretical Tax rate	23.5%	23.9%	25.3%	27.8%	27.8%	27.8%	27.8%		
= Taxes (pre- Net Financial Result)	(2.2)	(3.8)	(4.9)	(5.5)	(6.3)	(8.2)	(10.3)		
<b>Recurrent EBITDA</b>	<b>40.7</b>	<b>56.9</b>	<b>72.8</b>	<b>82.3</b>	<b>95.4</b>	<b>110.0</b>	<b>123.8</b>	<b>26.4%</b>	<b>14.6%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.4)	1.1	(2.9)	0.4	(2.1)	(2.1)	(2.0)		
<b>= Recurrent Operating Cash Flow</b>	<b>39.3</b>	<b>57.9</b>	<b>69.9</b>	<b>82.7</b>	<b>93.3</b>	<b>107.8</b>	<b>121.7</b>	<b>28.2%</b>	<b>13.7%</b>
- CAPEX	(74.6)	(95.7)	(102.9)	(106.3)	(141.5)	(128.5)	(131.9)		
- Taxes (pre- Financial Result)	(2.2)	(3.8)	(4.9)	(5.5)	(6.3)	(8.2)	(10.3)		
- Acquisitions / + Divestments	7.2	8.7	10.6	16.3	27.9	29.3	30.9		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(30.4)</b>	<b>(32.8)</b>	<b>(27.3)</b>	<b>(12.8)</b>	<b>(26.7)</b>	<b>0.5</b>	<b>10.4</b>	<b>25.1%</b>	<b>41.2%</b>
Rec. Free Cash Flow (To the Firm) growth	-194.0%	-8.2%	16.9%	53.2%	-109.3%	101.8%	n.a.		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	0.3%	4.9%		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(30.4)</b>	<b>(32.8)</b>	<b>(27.3)</b>	<b>(12.8)</b>	<b>(26.7)</b>	<b>0.5</b>	<b>10.4</b>	<b>25.1%</b>	<b>41.2%</b>
Free Cash Flow (To the Firm) growth	-194.0%	-8.2%	16.9%	53.2%	-109.3%	101.8%	n.a.		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	0.2%	3.6%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	0.2%	3.6%		

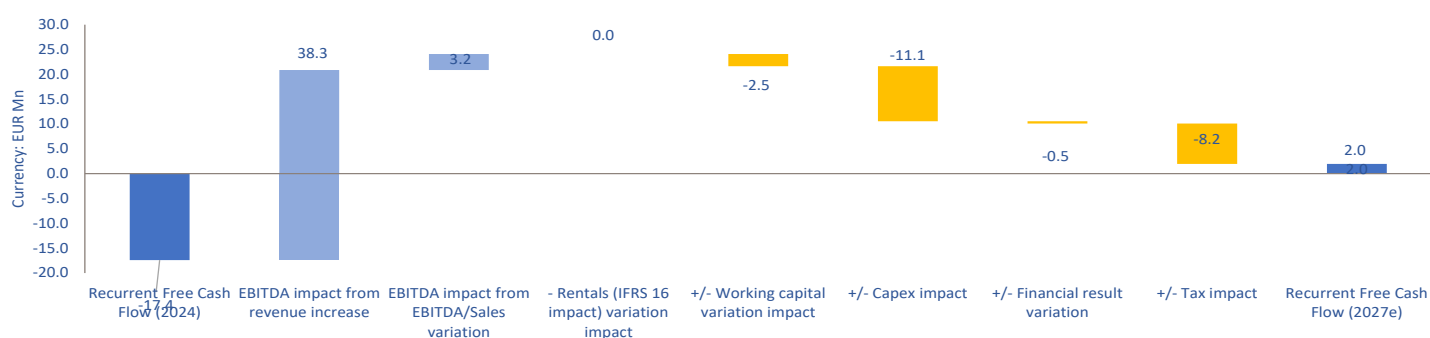


## Free Cash Flow (II)

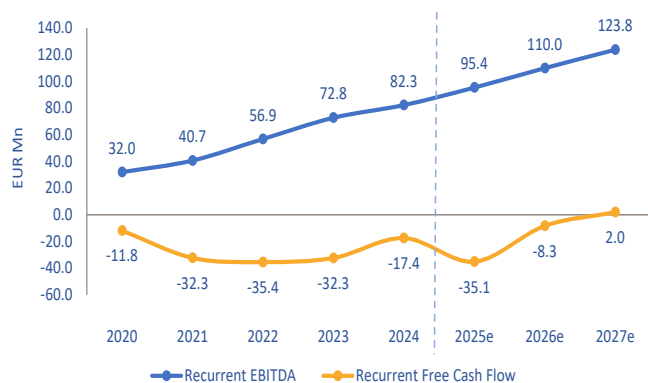
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward







## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(26.7)	0.5	10.4	393.8		
Market Cap	67.5	At the date of this report				
Net financial debt	212.4	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	5.0%	Net debt cost			4.5%	5.5%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.6%	4.4%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	24.1%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	75.9%	D			=	=
WACC	5.5%	$WACC = K_d * D + K_e * E$			4.9%	6.1%
G "Fair"	2.0%				2.5%	1.5%

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

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	67.5	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	14.6	12m Results 2024
+ Net financial debt	212.4	12m Results 2024
- Financial Investments	2.2	12m Results 2024
+/- Others		
Enterprise Value (EV)	292.3	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.9%	5.1%	6.7%	6.5%	5.5%
	2024	2027e			
ROCE - WACC	0.0%	2.3%			
FCF Yield - WACC	n.a.	-1.9%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	60.9%	115.5	2.5x
Central	58.0%	110.0	2.7x
Min	55.1%	104.5	2.8x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	61.0%	67.8%	74.6%		Scenario		
115.5	10.1	(2.8)	(15.7)	➔	Max	15.0%	n.a.
110.0	4.6	(8.3)	(21.2)		Central	6.9%	n.a.
104.5	(0.9)	(13.8)	(26.7)		Min	n.a.	n.a.

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	33.3%	33.3%	33.3%
% of proprietary board members	50.0%	50.0%	50.0%
% of executive board members	16.7%	16.7%	16.7%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	16.7%	16.7%	16.7%
% of women out of total workforce	33.5%	36.1%	36.6%
Board remuneration/staff cost	2.6%	2.0%	1.4%



## Main peers 2025e

	EUR Mn	Renting					Average	ALQ
		Avis Budget	Hertz	Sixt	Ayvens	Zigup		
Market data	Ticker (Factset)	CAR-US	HTZ-US	SIX2-DE	AYV-FR	ZIG-GB		ALQ-ES
	Country	USA	USA	Germany	France	UK		Spain
	Market cap	3,889.6	1,713.2	3,356.0	7,344.5	950.6		67.5
	Enterprise value (EV)	26,434.4	17,212.9	6,904.3	56,630.8	1,866.2		292.3
Basic financial information	Total Revenues	10,199.7	7,403.7	4,279.1	26,831.5	2,286.4		167.1
	Total Revenues growth	-0.7%	-6.1%	6.9%	7.4%	3.5%	2.2%	15.6%
	2y CAGR (2025e - 2027e)	1.7%	2.0%	6.6%	3.0%	n.a.	3.4%	12.4%
	EBITDA	844.7	25.6	1,402.7	1,580.4	591.9		95.4
	EBITDA growth	-82.4%	-99.2%	134.8%	-86.0%	5.9%	-25.4%	16.6%
	2y CAGR (2025e - 2027e)	7.3%	n.a.	6.7%	13.2%	n.a.	9.1%	13.9%
	EBITDA/Revenues	8.3%	0.3%	32.8%	5.9%	25.9%	14.6%	57.1%
	EBIT	575.4	381.8	602.6	1,395.1	236.8		22.8
	EBIT growth	-55.9%	178.0%	61.0%	-43.8%	0.0%	27.9%	15.7%
	2y CAGR (2025e - 2027e)	31.2%	22.4%	3.9%	14.7%	n.a.	18.1%	27.3%
	EBIT/Revenues	5.6%	5.2%	14.1%	5.2%	10.4%	8.1%	13.6%
	Net Profit	274.6	(413.0)	321.0	958.5	127.1		8.1
	Net Profit growth	117.3%	83.4%	31.6%	40.2%	-2.5%	54.0%	32.7%
	2y CAGR (2025e - 2027e)	2.4%	89.2%	14.8%	14.3%	n.a.	30.2%	50.3%
	CAPEX/Sales %	2.2%	1.4%	1.8%	10.8%	16.2%	6.5%	84.7%
	Free Cash Flow	3,034.2	(174.2)	76.0	(1,754.9)	109.4		(35.1)
Multiples and Ratios	Net financial debt	4,311.0	8,974.6	3,171.9	48,202.8	1,070.8		249.1
	ND/EBITDA (x)	5.1	n.a.	2.3	30.5	1.8	9.9	2.6
	Pay-out	0.0%	0.0%	50.3%	49.5%	55.8%	31.1%	20.1%
	P/E (x)	18.3	n.a.	11.3	7.4	6.9	11.0	8.4
	P/BV (x)	n.a.	n.a.	1.6	0.6	0.7	1.0	1.3
	EV/Revenues (x)	2.6	2.3	1.6	2.1	0.8	1.9	1.7
	EV/EBITDA (x)	31.3	n.a.	4.9	35.8	3.2	18.8	3.1
	EV/EBIT (x)	45.9	45.1	11.5	40.6	7.9	30.2	12.8
	ROE	n.a.	n.a.	14.2	8.6	10.3	11.0	16.1
	FCF Yield (%)	78.0	n.a.	2.3	n.a.	11.5	30.6	n.a.
	DPS	0.00	0.00	3.44	0.58	0.32	0.87	0.30
	Dvd Yield	0.0%	0.0%	4.3%	6.5%	7.5%	3.7%	2.4%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	13.6	18.8	23.6	31.8	41.4	50.9	58.9	76.1	100.4	126.1	144.5	167.1	189.7	211.2	23.2%	13.5%
Total Revenues growth	n.a.	38.3%	25.3%	34.9%	30.1%	22.9%	15.8%	29.1%	31.9%	25.7%	14.6%	15.6%	13.5%	11.4%		
EBITDA	7.5	10.4	13.2	17.1	22.1	27.4	32.0	40.6	56.4	71.6	81.8	95.4	110.0	123.8	24.3%	14.8%
EBITDA growth	n.a.	39.8%	26.6%	29.8%	29.2%	23.9%	16.8%	26.6%	39.1%	26.9%	14.2%	16.6%	15.3%	12.5%		
EBITDA/Sales	54.9%	55.4%	56.0%	53.9%	53.5%	53.9%	54.4%	53.3%	56.2%	56.8%	56.6%	57.1%	58.0%	58.6%		
Net Profit	0.8	1.5	2.3	2.4	2.5	2.7	2.4	4.7	8.5	7.8	6.1	8.1	12.5	18.2	16.1%	44.2%
Net Profit growth	n.a.	91.6%	49.6%	3.0%	4.4%	10.6%	-11.0%	91.0%	82.3%	-8.6%	-22.0%	32.7%	55.4%	45.4%		
Adjusted number shares (Mn)	-	5.6	5.6	5.6	5.6	5.6	5.5	5.5	5.5	5.3	5.3	5.4	5.4	5.4		
EPS (EUR)	n.a.	0.28	0.42	0.43	0.45	0.49	0.44	0.85	1.54	1.46	1.14	1.49	2.32	3.37	16.9%	43.4%
EPS growth	n.a.	n.a.	49.6%	3.0%	4.5%	10.6%	-10.7%	91.3%	81.8%	-4.8%	-22.0%	30.7%	55.4%	45.4%		
Ord. EPS (EUR)	n.a.	0.39	0.42	0.43	0.45	0.50	0.44	0.87	1.60	1.63	1.21	1.49	2.32	3.37	17.9%	40.9%
Ord. EPS growth	n.a.	n.a.	6.7%	3.4%	4.3%	10.2%	-11.2%	97.4%	84.0%	1.8%	-25.8%	23.7%	55.4%	45.4%		
CAPEX	(13.8)	(18.4)	(20.5)	(31.6)	(39.4)	(46.4)	(46.5)	(74.6)	(95.7)	(102.9)	(106.3)	(141.5)	(128.5)	(131.9)		
CAPEX/Sales %	101.4%	97.5%	86.9%	99.2%	95.2%	91.2%	78.9%	98.1%	95.3%	81.6%	73.6%	84.7%	67.8%	62.5%		
Free Cash Flow	-	(8.4)	(10.9)	(14.0)	(16.5)	(18.7)	(11.8)	(32.4)	(35.8)	(33.5)	(17.9)	(35.1)	(8.3)	2.0	-1.3%	28.2%
ND/EBITDA (x) <sup>(2)</sup>	2.6x	2.7x	2.9x	3.0x	2.7x	2.8x	2.8x	3.0x	2.8x	2.7x	2.6x	2.6x	2.4x	2.1x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	11.8x	11.0x	10.3x	5.6x	4.6x	6.8x	8.8x	8.4x	5.4x	3.7x		
EV/Sales (x)	1.49x	1.57x	1.69x	1.68x	2.30x	2.27x	2.08x	2.05x	2.05x	2.04x	1.93x	1.75x	1.54x	1.38x		
EV/EBITDA (x) <sup>(2)</sup>	2.7x	2.8x	3.0x	3.1x	4.3x	4.2x	3.8x	3.8x	3.7x	3.6x	3.4x	3.1x	2.7x	2.4x		
Absolute performance	n.a.	n.a.	n.a.	n.a.	n.a.	3.1%	-16.2%	3.9%	50.0%	41.4%	-0.2%	25.0%				
Relative performance vs Ibex 35	n.a.	n.a.	n.a.	n.a.	n.a.	-7.8%	-0.9%	-3.8%	58.8%	15.2%	-13.1%	2.5%				

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

**Amper (AMP)** is a Spanish group that operates through two business lines: (i) energy and sustainability (offshore wind platform engineering, battery energy storage systems, etc.; 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)	234.7	269.5
EV (Mn EUR and USD)	359.8	413.1
Shares Outstanding (Mn)	1,496.7	
-12m (Max/Med/Min EUR)	0.16 / 0.12 / 0.09	
Daily Avg volume (-12m Mn EUR)	0.67	
Rotation <sup>(1)</sup>	72.6	
Factset / Bloomberg	AMP-ES / AMP SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

Zelenza	9.5
Martinavarro Dealbert	5.3
Free Float	85.2

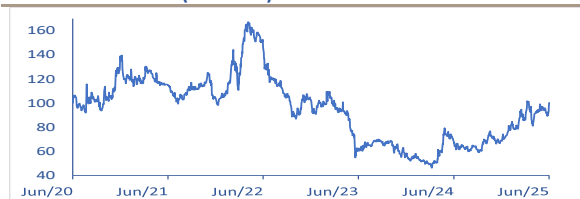
#### Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	1,496.7	1,496.7	1,496.7	1,496.7
Total Revenues	419.5	368.7	440.1	512.8
Rec. EBITDA	22.2	31.4	40.4	49.0
% growth	106.9	41.4	28.6	21.2
% Rec. EBITDA/Rev.	5.3	8.5	9.2	9.6
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	0.1	3.2	9.8	15.9
EPS (EUR)	0.00	0.00	0.01	0.01
% growth	107.2	n.a.	206.6	62.2
Ord. EPS (EUR)	0.00	0.00	0.01	0.01
% growth	157.8	97.4	206.6	62.2
Rec. Free Cash Flow	-15.8	-3.8	-8.6	13.6
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	109.7	113.5	122.1	108.5
ND/Rec. EBITDA (x)	4.9	3.6	3.0	2.2
ROE (%)	0.2	5.1	14.1	19.3
ROCE (%)	6.8	5.7	8.0	9.7

#### Ratios & Multiples (x)

P/E	n.a.	73.3	23.9	14.7
Ord. P/E	n.a.	73.3	23.9	14.7
P/BV	3.8	3.6	3.1	2.6
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.86	0.98	0.82	0.70
EV/Rec. EBITDA	16.2	11.4	8.9	7.3
EV/EBIT	24.1	18.7	12.6	10.0
FCF Yield (%)	n.a.	n.a.	n.a.	5.8

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	3.2	16.8	49.9	0.3

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

(2) Sector: Stoxx Europe 600 Technology.

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024 was a year of solid execution:** profitable growth, achievement of strategic objectives, and significant progress in financial restructuring. The 2024 order book reached EUR 540 Mn (+40% vs 2023), with Defense contributing EUR 102.2 Mn. Revenue grew by +13.6% to EUR 419.5 Mn, and recurring EBITDA doubled to EUR 22.2 Mn (5.3% of sales; excluding capitalized activations of EUR 12.7 Mn).

The sale of non-strategic assets, such as the industrial subsidiary Nervión (2024 sales: c.EUR 180 Mn, with lower margin), modified the business mix, strengthening the weight of Defense and Security. Concurrently, the company optimized its debt structure, moving 70% to long-term debt (vs 27% in 2023).

**The sectoral context is especially favorable.** The Industrial and Technological Plan for Security and Defense anticipates increasing state investment by c.+50% in 2025 (c.EUR 10,000 Mn), with c.30% directed towards telecommunications and cybersecurity. The combination of this tailwind, the completion of new plants in Ferrol (offshore wind) and Arteixo (energy storage), and a high order book leads us to project 2025e revenue of EUR 440.1 Mn (+30% vs comparable perimeter 2024) and 2025e recurring EBITDA of EUR 31.4 Mn (+41.4%, 8.5% margin).

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Exposure to strategic sectors.** AMP has full exposure to strategic sectors such as: (i) defense and security (signal intelligence, critical infrastructure, anti-drone systems, etc.) and (ii) energy and sustainability (alliances for the construction and engineering of offshore wind platforms and BESS).

**Growth via M&A** (announced in the 2023-2026 strategic plan). Given the company's profile and the sectors in which it operates, operations primarily focused on Defense are foreseeable. These are not reflected in our numbers.

**All attention should be on margins.** Revenue growth and mix improvement (due to divestments and cost normalization) should allow recurring EBITDA to climb to EUR 31.4 Mn in 2025e and EUR 40.4 Mn in 2026e (9.2% margin, excluding capitalized activations). Margin improvement will be key to unlocking a potential increase in valuation multiples.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Indebtedness.** AMP closed 2024 with net debt of EUR 109.7 Mn (2024 Net Debt/recurring EBITDA of 3.6x vs 4.9x in 2023 and 9.9x in 2022). The level of debt, investment needs, and therefore, the current cash generation capacity, appear as the main restriction to additional investments and, consequently, to growth.

**Execution and Operational Efficiency.** AMP's success in this new phase depends on: (i) efficiently executing orders in the pipeline (operational risk), (ii) securing new contracts in a competitive environment (commercial risk), and (iii) leveraging the structure, growing without pressure on margins (operational and financial risk).

**Reliance on the Spanish Market.** Sales from Spain in 2024 accounted for 86% (vs. 77% in 2023).

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The stock is up +49.9% -12m (+55.7% vs sector),** reflecting a clear improvement in market perception. Compliance with the plan has strengthened credibility, and now the key is to demonstrate the ability for a structural improvement in margins and to convert growth into sustainable profitability. AMP has completed its operational transformation and is well-positioned to capitalize on a favorable environment (defense, where its exposure is now a differentiating catalyst, and renewables). The focus on profitability and leverage control would justify a jump in multiples that do not yet reflect its full potential (EV/EBITDA rec 25e 11.4x vs c. 13x-14x peers).



## Financial Projections

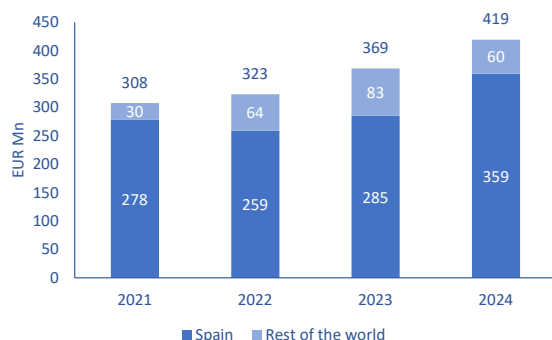
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	61.8	70.7	74.0	79.5	73.9	69.3	65.7	62.1		
Fixed assets	15.6	19.5	34.2	44.0	47.1	63.8	79.6	79.7		
Other Non Current Assets	6.7	11.6	15.7	18.7	72.8	72.8	72.8	72.8		
Financial Investments	6.3	6.5	11.1	11.4	14.8	14.8	14.8	14.8		
Goodwill & Other Intangibles	26.8	27.0	27.1	26.9	26.7	26.7	26.7	26.7		
Current assets	92.4	146.7	161.5	168.6	140.7	123.7	147.7	172.1		
<b>Total assets</b>	<b>209.6</b>	<b>282.1</b>	<b>323.5</b>	<b>349.1</b>	<b>376.1</b>	<b>371.1</b>	<b>407.3</b>	<b>428.1</b>		
Equity	55.0	63.8	50.0	75.1	61.7	64.9	74.7	90.6		
Minority Interests	2.7	3.7	3.2	2.0	1.6	1.9	2.5	3.5		
Provisions & Other L/T Liabilities	29.6	28.5	27.1	17.6	92.8	92.8	92.8	92.8		
Other Non Current Liabilities	8.6	9.5	10.3	13.7	9.3	9.3	9.3	9.3		
Net financial debt	36.9	64.2	110.2	106.0	109.7	113.5	122.1	108.5		
Current Liabilities	76.7	112.3	122.7	134.7	101.0	88.8	105.9	123.4		
<b>Equity &amp; Total Liabilities</b>	<b>209.6</b>	<b>282.1</b>	<b>323.5</b>	<b>349.1</b>	<b>376.1</b>	<b>371.1</b>	<b>407.3</b>	<b>428.1</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>194.8</b>	<b>307.7</b>	<b>323.4</b>	<b>369.4</b>	<b>419.5</b>	<b>368.7</b>	<b>440.1</b>	<b>512.8</b>	<b>21.1%</b>	<b>6.9%</b>
Total Revenues growth	12.4%	58.0%	5.1%	14.2%	13.6%	-12.1%	19.4%	16.5%		
COGS	(82.8)	(133.1)	(145.7)	(167.3)	(185.1)	(169.2)	(202.4)	(236.9)		
<b>Gross Margin</b>	<b>111.9</b>	<b>174.6</b>	<b>177.7</b>	<b>202.1</b>	<b>234.4</b>	<b>199.6</b>	<b>237.7</b>	<b>275.9</b>	<b>20.3%</b>	<b>5.6%</b>
Gross Margin/Revenues	57.5%	56.7%	55.0%	54.7%	55.9%	54.1%	54.0%	53.8%		
Personnel Expenses	(94.3)	(137.6)	(147.1)	(154.4)	(177.7)	(139.8)	(164.0)	(188.6)		
Other Operating Expenses	(19.1)	(27.0)	(37.4)	(36.9)	(34.5)	(28.3)	(33.3)	(38.3)		
<b>Recurrent EBITDA<sup>(1)</sup></b>	<b>(1.5)</b>	<b>9.9</b>	<b>(6.8)</b>	<b>10.7</b>	<b>22.2</b>	<b>31.4</b>	<b>40.4</b>	<b>49.0</b>	<b>n.a.</b>	<b>30.1%</b>
Recurrent EBITDA growth	-109.4%	768.4%	-168.9%	256.9%	106.9%	41.4%	28.6%	21.2%		
Rec. EBITDA/Revenues	n.a.	3.2%	n.a.	2.9%	5.3%	8.5%	9.2%	9.6%		
Restructuring Expense & Other non-rec.	1.6	1.7	2.1	0.3	0.2	-	-	-		
Capitalized Expense	9.2	12.4	16.0	14.3	12.7	8.5	11.0	12.8		
<b>EBITDA</b>	<b>9.4</b>	<b>24.0</b>	<b>11.3</b>	<b>25.4</b>	<b>35.2</b>	<b>39.9</b>	<b>51.4</b>	<b>61.8</b>	<b>39.3%</b>	<b>20.7%</b>
Depreciation & Provisions	(9.2)	(10.0)	(12.8)	(11.5)	(16.0)	(16.4)	(18.7)	(21.4)		
Rentals (IFRS 16 impact)	(1.4)	(1.5)	(1.4)	(3.5)	(4.3)	(4.3)	(4.3)	(4.3)		
<b>EBIT</b>	<b>(1.2)</b>	<b>12.5</b>	<b>(3.0)</b>	<b>10.4</b>	<b>14.9</b>	<b>19.2</b>	<b>28.5</b>	<b>36.2</b>	<b>93.4%</b>	<b>34.3%</b>
EBIT growth	-106.2%	n.a.	-123.6%	451.3%	43.5%	28.8%	48.2%	27.0%		
EBIT/Revenues	n.a.	4.1%	n.a.	2.8%	3.6%	5.2%	6.5%	7.1%		
Impact of Goodwill & Others	3.7	-	-	-	-	-	-	-		
Net Financial Result	(1.1)	(5.5)	(3.7)	(10.3)	(12.4)	(14.7)	(14.6)	(13.6)		
Income by the Equity Method	(0.0)	(0.1)	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>1.3</b>	<b>7.0</b>	<b>(6.7)</b>	<b>0.1</b>	<b>2.5</b>	<b>4.5</b>	<b>13.9</b>	<b>22.6</b>	<b>17.4%</b>	<b>n.a.</b>
Ordinary Profit Growth	-93.2%	419.7%	-196.3%	101.9%	n.a.	78.1%	206.6%	62.2%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>1.3</b>	<b>7.0</b>	<b>(6.7)</b>	<b>0.1</b>	<b>2.5</b>	<b>4.5</b>	<b>13.9</b>	<b>22.6</b>	<b>17.4%</b>	<b>n.a.</b>
Tax Expense	(0.1)	1.9	2.2	2.0	2.1	(1.1)	(3.5)	(5.6)		
Effective Tax Rate	5.7%	n.a.	n.a.	n.a.	n.a.	25.0%	25.0%	25.0%		
Minority Interests	0.8	(0.7)	1.0	(1.9)	(0.7)	(0.2)	(0.6)	(1.0)		
Discontinued Activities	(0.8)	(1.1)	(1.2)	(1.7)	(3.8)	-	-	-		
<b>Net Profit</b>	<b>1.2</b>	<b>7.1</b>	<b>(4.7)</b>	<b>(1.5)</b>	<b>0.1</b>	<b>3.2</b>	<b>9.8</b>	<b>15.9</b>	<b>-41.8%</b>	<b>n.a.</b>
Net Profit growth	-93.6%	470.8%	-166.9%	68.4%	109.5%	n.a.	206.6%	62.2%		
<b>Ordinary Net Profit</b>	<b>0.5</b>	<b>4.6</b>	<b>(7.8)</b>	<b>(2.1)</b>	<b>1.6</b>	<b>3.2</b>	<b>9.8</b>	<b>15.9</b>	<b>33.2%</b>	<b>n.a.</b>
Ordinary Net Profit growth	-97.0%	786.4%	-271.9%	73.0%	176.6%	97.4%	206.6%	62.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>31.4</b>	<b>40.4</b>	<b>49.0</b>	<b>n.a.</b>	<b>30.1%</b>
Rentals (IFRS 16 impact)						(4.3)	(4.3)	(4.3)		
Working Capital Increase						4.8	(6.8)	(6.9)		
<b>Recurrent Operating Cash Flow</b>						<b>32.0</b>	<b>29.4</b>	<b>37.8</b>	<b>29.1%</b>	<b>46.0%</b>
CAPEX						(20.0)	(20.0)	(5.0)		
Net Financial Result affecting the Cash Flow						(14.7)	(14.6)	(13.6)		
Tax Expense						(1.1)	(3.5)	(5.6)		
<b>Recurrent Free Cash Flow</b>						<b>(3.8)</b>	<b>(8.6)</b>	<b>13.6</b>	<b>11.1%</b>	<b>42.0%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(3.8)</b>	<b>(8.6)</b>	<b>13.6</b>	<b>45.2%</b>	<b>78.7%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>3.8</b>	<b>8.6</b>	<b>(13.6)</b>		

(1) EBITDA "Cash", que excluye ingresos por capitalización de gastos.

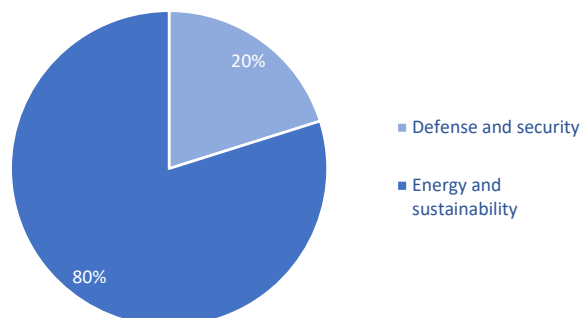


## The company in 8 charts

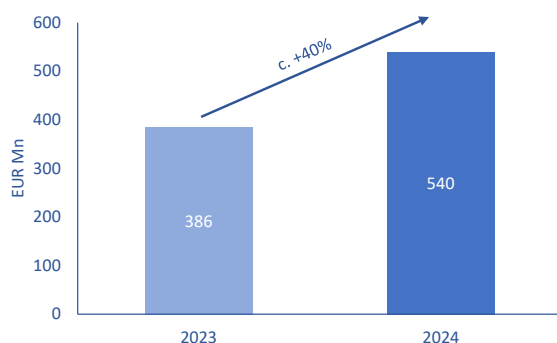
### An essentially domestic business (c.86% of revenue in 2024)



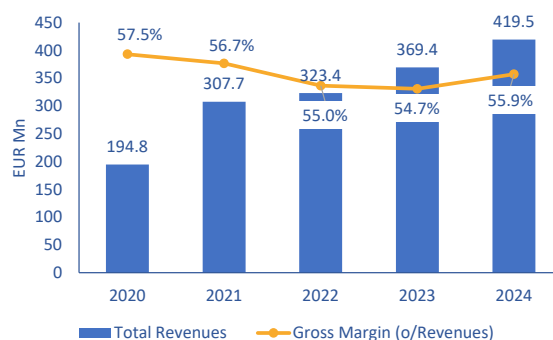
### Diversification across 2 businesses: defense division (non-dominant), expects to increase its weight during the following years



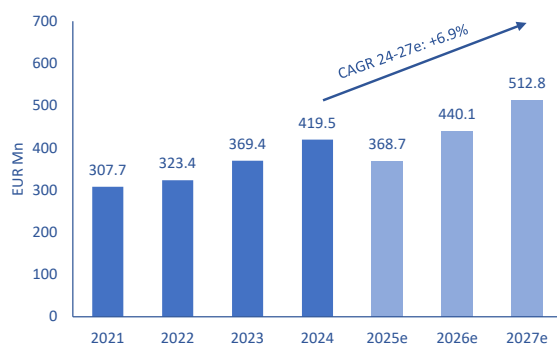
### Year-end 2024 order book EUR 540 Mn (c. +40% vs 2023). Injecting visibility into revenue growth



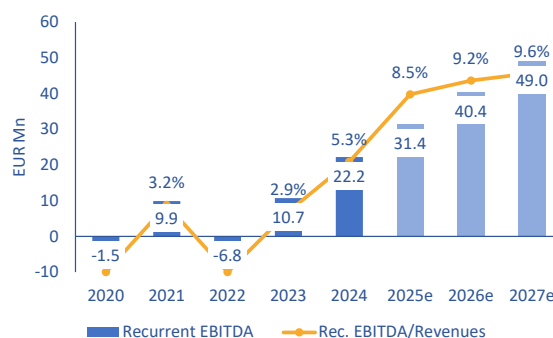
### AMP has fulfilled its 2023-2026 Strategic Plan, achieving the revenue and EBITDA figures forecast for 2023 and 2024



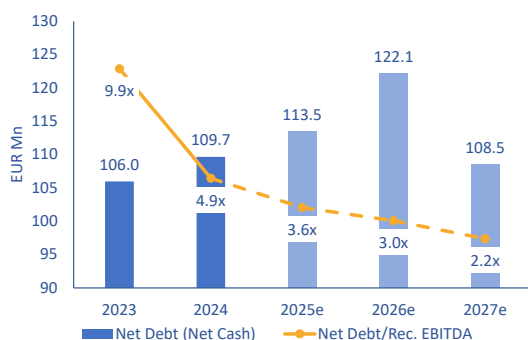
### ... laying the foundations for organic growth in the coming years (revenue: CAGR 24-27e: +6.9%)



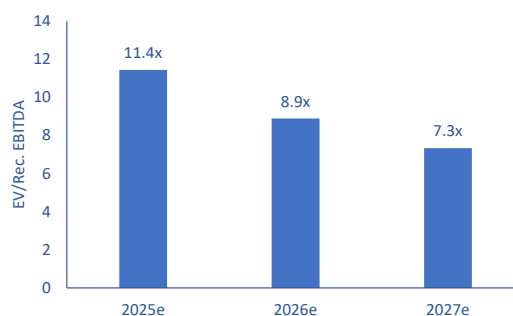
### From current levels, we project a progressive improvement in recurring EBITDA to 9.6% by 2027e



### Indebtedness has improved significantly, but must be kept under control in order to continue investing (CAPEX, M&A, etc.).



### On our estimates, the stock is trading at an EV/ Rec. EBITDA 2027e multiple of 7.3x



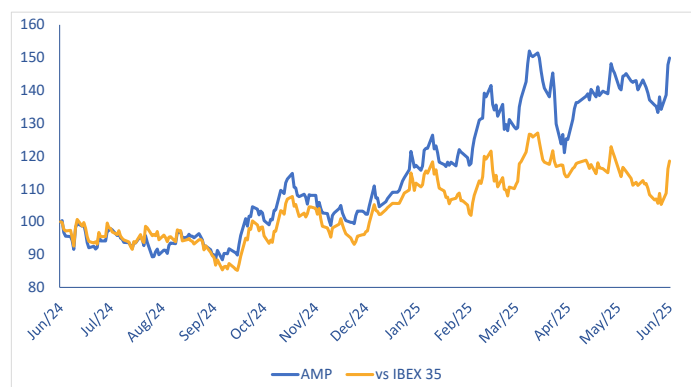


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



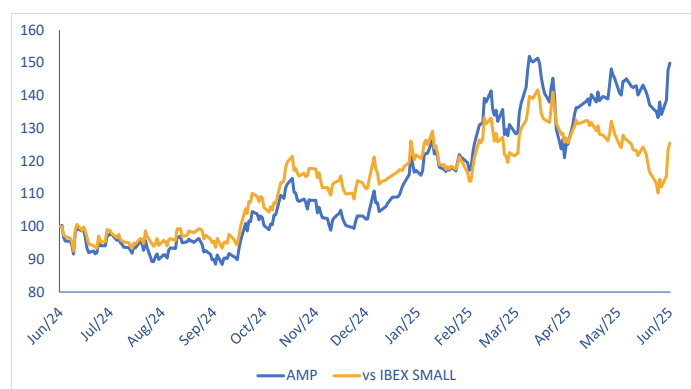
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



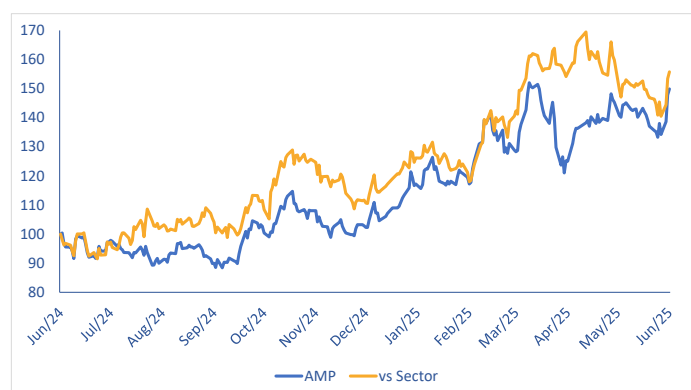
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	3.2	16.8	49.9	36.8	-31.3	0.3
<b>vs Market</b>						
vs Ibex 35	-1.1	6.5	18.5	12.2	-59.2	-48.4
vs Euro STOXX 50	1.6	15.0	38.0	24.2	-54.1	-41.5
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-2.2	2.9	25.5	6.9	-43.1	-42.6
vs Micro Cap Spain Segment <sup>(1)</sup>	-1.8	9.1	42.4	20.5	-33.5	-32.5
vs MSCI Europe Micro Cap	-1.4	7.2	47.7	27.0	-26.7	-21.4
<b>vs Sector</b>						
vs Stoxx Europe 600 Technology	-2.6	9.4	55.7	29.1	-54.4	-38.6

(1) Constituents on page 10





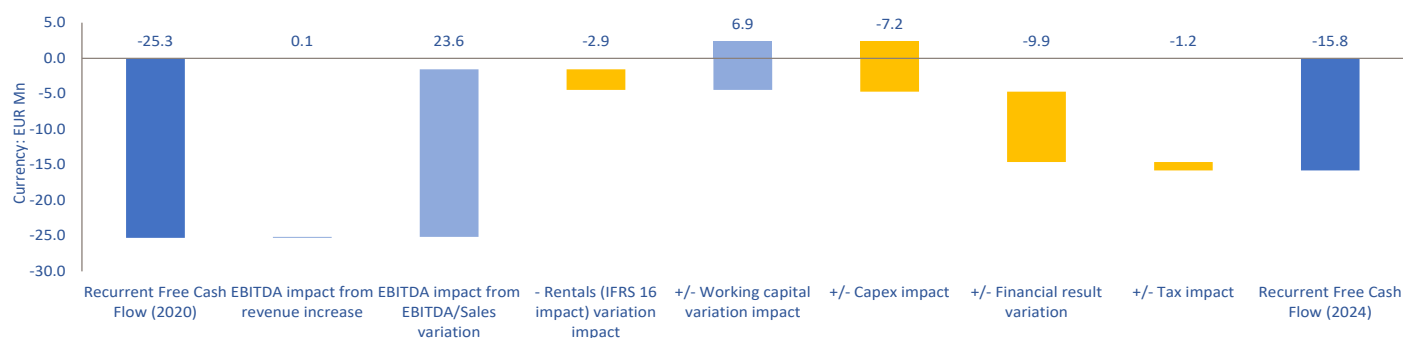
## Free Cash Flow (I)

	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
A) Cash Flow Analysis (EUR Mn)								21-24	24-27e
<b>Recurrent EBITDA</b>	<b>9.9</b>	<b>(6.8)</b>	<b>10.7</b>	<b>22.2</b>	<b>31.4</b>	<b>40.4</b>	<b>49.0</b>	<b>30.8%</b>	<b>30.1%</b>
<i>Recurrent EBITDA growth</i>	768.4%	-168.9%	256.9%	106.9%	41.4%	28.6%	21.2%		
<i>Rec. EBITDA/Revenues</i>	3.2%	n.a.	2.9%	5.3%	8.5%	9.2%	9.6%		
- Rentals (IFRS 16 impact)	(1.5)	(1.4)	(3.5)	(4.3)	(4.3)	(4.3)	(4.3)		
+/- Working Capital increase	(18.8)	(4.4)	4.8	(5.8)	4.8	(6.8)	(6.9)		
<b>= Recurrent Operating Cash Flow</b>	<b>(10.4)</b>	<b>(12.7)</b>	<b>12.1</b>	<b>12.2</b>	<b>32.0</b>	<b>29.4</b>	<b>37.8</b>	<b>47.0%</b>	<b>46.0%</b>
<i>Rec. Operating Cash Flow growth</i>	33.5%	-22.5%	195.4%	0.5%	162.8%	-8.0%	28.7%		
<i>Rec. Operating Cash Flow / Sales</i>	n.a.	n.a.	3.3%	2.9%	8.7%	6.7%	7.4%		
- CAPEX	(9.1)	(13.8)	(26.0)	(12.7)	(20.0)	(20.0)	(5.0)		
- Net Financial Result affecting Cash Flow	(4.1)	(4.4)	(11.1)	(14.1)	(14.7)	(14.6)	(13.6)		
- Taxes	-	-	-	(1.2)	(1.1)	(3.5)	(5.6)		
<b>= Recurrent Free Cash Flow</b>	<b>(23.6)</b>	<b>(30.9)</b>	<b>(25.0)</b>	<b>(15.8)</b>	<b>(3.8)</b>	<b>(8.6)</b>	<b>13.6</b>	<b>12.5%</b>	<b>42.0%</b>
<i>Rec. Free Cash Flow growth</i>	6.6%	-30.8%	19.0%	36.8%	75.8%	-125.3%	258.0%		
<i>Rec. Free Cash Flow / Revenues</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.7%		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	(1.1)	0.9	0.9	5.3	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(4.1)	(16.0)	-	6.8	-	-	-		
<b>= Free Cash Flow</b>	<b>(28.8)</b>	<b>(46.0)</b>	<b>(24.1)</b>	<b>(3.7)</b>	<b>(3.8)</b>	<b>(8.6)</b>	<b>13.6</b>	<b>49.7%</b>	<b>78.7%</b>
<i>Free Cash Flow growth</i>	29.3%	-59.6%	47.7%	84.7%	-4.1%	-125.3%	258.0%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.8%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.8%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent FCF(FY - 1)</b>	<b>(25.3)</b>	<b>(23.6)</b>	<b>(30.9)</b>	<b>(25.0)</b>	<b>(15.8)</b>	<b>(3.8)</b>	<b>(8.6)</b>		
EBITDA impact from revenue increase	(0.9)	0.5	(1.0)	1.5	(2.7)	6.1	6.7		
EBITDA impact from EBITDA/Sales variation	12.3	(17.3)	18.6	10.0	11.9	2.9	1.9		
<b>= Recurrent EBITDA variation</b>	<b>11.4</b>	<b>(16.8)</b>	<b>17.6</b>	<b>11.5</b>	<b>9.2</b>	<b>9.0</b>	<b>8.6</b>		
- Rentals (IFRS 16 impact) variation impact	(0.1)	0.1	(2.0)	(0.8)	-	-	-		
+/- Working capital variation impact	(6.1)	14.4	9.2	(10.6)	10.6	(11.6)	(0.1)		
<b>= Recurrent Operating Cash Flow variation</b>	<b>5.2</b>	<b>(2.3)</b>	<b>24.8</b>	<b>0.1</b>	<b>19.8</b>	<b>(2.6)</b>	<b>8.4</b>		
+/- CAPEX impact	(3.6)	(4.7)	(12.2)	13.3	(7.3)	-	15.0		
+/- Financial result variation	0.0	(0.2)	(6.7)	(3.0)	(0.6)	0.1	1.0		
+/- Tax impact	-	-	-	(1.2)	0.1	(2.3)	(2.2)		
<b>= Recurrent Free Cash Flow variation</b>	<b>1.7</b>	<b>(7.3)</b>	<b>5.9</b>	<b>9.2</b>	<b>12.0</b>	<b>(4.8)</b>	<b>22.2</b>		
<b>Recurrent Free Cash Flow</b>	<b>(23.6)</b>	<b>(30.9)</b>	<b>(25.0)</b>	<b>(15.8)</b>	<b>(3.8)</b>	<b>(8.6)</b>	<b>13.6</b>		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>12.5</b>	<b>(3.0)</b>	<b>10.4</b>	<b>14.9</b>	<b>19.2</b>	<b>28.5</b>	<b>36.2</b>	<b>6.0%</b>	<b>34.3%</b>
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	(4.8)	(7.1)	(9.0)		
<b>Recurrent EBITDA</b>	<b>9.9</b>	<b>(6.8)</b>	<b>10.7</b>	<b>22.2</b>	<b>31.4</b>	<b>40.4</b>	<b>49.0</b>	<b>30.8%</b>	<b>30.1%</b>
- Rentals (IFRS 16 impact)	(1.5)	(1.4)	(3.5)	(4.3)	(4.3)	(4.3)	(4.3)		
+/- Working Capital increase	(18.8)	(4.4)	4.8	(5.8)	4.8	(6.8)	(6.9)		
<b>= Recurrent Operating Cash Flow</b>	<b>(10.4)</b>	<b>(12.7)</b>	<b>12.1</b>	<b>12.2</b>	<b>32.0</b>	<b>29.4</b>	<b>37.8</b>	<b>47.0%</b>	<b>46.0%</b>
- CAPEX	(9.1)	(13.8)	(26.0)	(12.7)	(20.0)	(20.0)	(5.0)		
- Taxes (pre- Financial Result)	-	-	-	-	(4.8)	(7.1)	(9.0)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(19.5)</b>	<b>(26.5)</b>	<b>(13.9)</b>	<b>(0.5)</b>	<b>7.2</b>	<b>2.3</b>	<b>23.8</b>	<b>69.9%</b>	<b>n.a.</b>
<i>Rec. Free Cash Flow (To the Firm) growth</i>	7.7%	-36.0%	47.5%	96.2%	n.a.	-68.1%	938.4%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	n.a.	n.a.	n.a.	n.a.	1.9%	0.5%	4.6%		
- Acquisitions / + Divestments	(1.1)	0.9	0.9	5.3	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(4.1)	(16.0)	-	6.8	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(24.7)</b>	<b>(41.6)</b>	<b>(13.0)</b>	<b>11.6</b>	<b>7.2</b>	<b>2.3</b>	<b>23.8</b>	<b>35.2%</b>	<b>27.1%</b>
<i>Free Cash Flow (To the Firm) growth</i>	32.5%	-68.5%	68.8%	189.3%	-38.1%	-68.1%	938.4%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	n.a.	n.a.	n.a.	n.a.	2.0%	0.6%	6.6%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	n.a.	n.a.	n.a.	3.2%	2.0%	0.6%	6.6%		

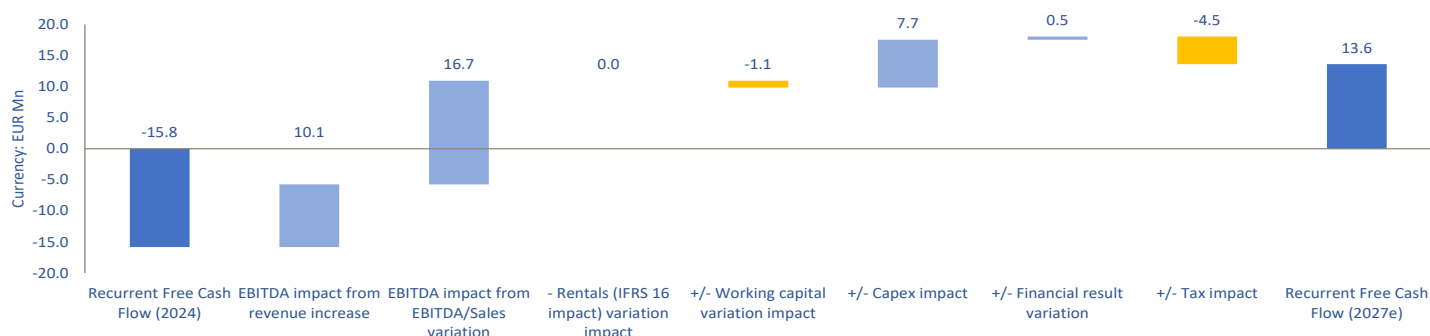


## Free Cash Flow (II)

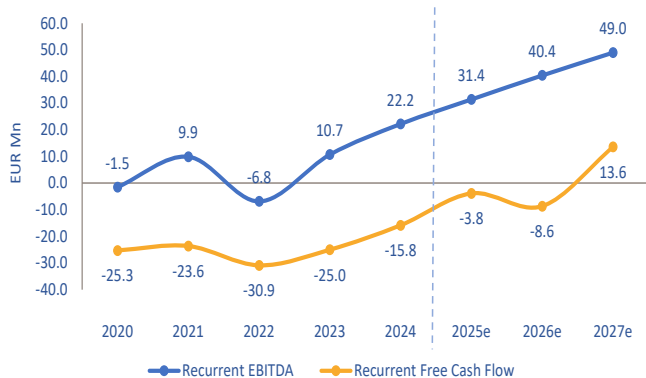
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



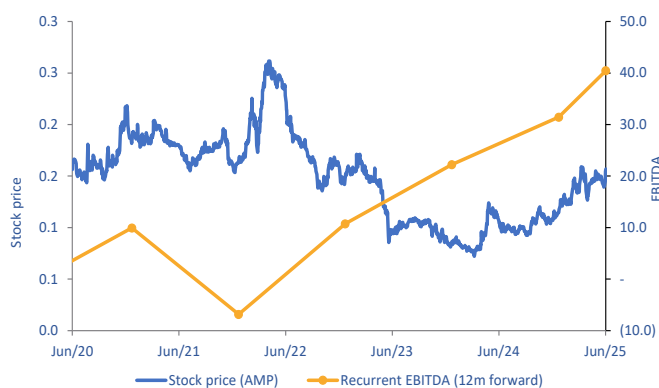
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	7.2	2.3	23.8	398.8		
Market Cap	234.7	At the date of this report				
Net financial debt	109.7	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	68.2%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	31.8%	D			=	=
WACC	8.6%	$WACC = K_d * D + K_e * E$			7.7%	9.5%
G "Fair"	2.0%				2.5%	1.0%

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

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	234.7	
+ 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)	359.8	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	9.2%	n.a.	5.6%	6.8%
	2024	2027e			
ROCE - WACC	-1.8%	1.2%			
FCF Yield - WACC	n.a.	-1.9%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	10.1%	44.4	8.1x
Central	9.2%	40.4	8.9x
Min	8.3%	36.5	9.9x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	4.0%	4.5%	5.0%
44.4	(2.5)	(4.7)	(6.9)
40.4	(6.4)	(8.6)	(10.8)
36.5	(10.4)	(12.6)	(14.8)

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	40.0%	25.0%	42.9%
% of proprietary board members	40.0%	50.0%	28.6%
% of executive board members	10.0%	12.5%	14.3%
% of other directors	10.0%	12.5%	14.3%
% of women on the board of directors	30.0%	12.5%	28.6%
% of women out of total workforce	9.5%	10.2%	10.1%
Board remuneration/staff cost	0.4%	0.4%	0.3%



## Main peers 2025e

	EUR Mn	Defense and critical telecommunications						Energy storage (BESS)		Offshore wind industry			AMP
		Indra	BAE Systems	Thales	Hensoldt	Leonardo	Average	Power Electronics	Average	Aker Solutions	SK Oceanplant	Average	
Market data	Ticker (Factset)	IDR-ES	BA-GB	HO-FR	HAG-DE	LDO-IT		8261-TW		AKSO-NO	100090-KR		AMP-ES
	Country	Spain	UK	France	Germany	Italy		Taiwan		Norway	South Korea		Spain
	Market cap	6,394.6	66,899.4	51,502.3	10,880.1	27,959.2		288.5		1,553.1	762.5		234.7
	Enterprise value (EV)	6,319.9	74,947.0	54,549.8	11,821.1	31,374.6		174.4		1,293.4	829.5		359.8
Basic financial information	Total Revenues	5,287.3	35,901.0	21,935.2	2,593.7	18,948.9		101.4		4,899.8	584.9		368.7
	Total Revenues growth	9.2%	16.0%	6.6%	15.8%	6.7%	10.9%	18.8%	18.8%	7.6%	39.5%	23.5%	-12.1%
	2y CAGR (2025e - 2027e)	7.4%	7.0%	7.3%	14.0%	7.5%	8.6%	n.a.	n.a.	-16.6%	18.8%	1.1%	17.9%
	EBITDA	616.3	4,916.1	3,510.0	478.4	2,348.0		22.2		418.2	55.5		39.9
	EBITDA growth	18.8%	20.7%	18.1%	24.9%	29.6%	22.4%	46.4%	46.4%	32.6%	23.4%	28.0%	13.5%
	2y CAGR (2025e - 2027e)	11.3%	7.0%	9.1%	18.3%	12.0%	11.6%	n.a.	n.a.	-19.1%	31.0%	5.9%	24.4%
	EBITDA/Revenues	11.7%	13.7%	16.0%	18.4%	12.4%	14.4%	21.8%	21.8%	8.5%	9.5%	9.0%	10.8%
	EBIT	510.4	3,898.6	2,783.0	340.7	1,587.1		23.5		306.7	34.3		19.2
	EBIT growth	23.9%	39.4%	53.2%	50.1%	38.1%	40.9%	69.8%	69.8%	43.1%	29.8%	36.4%	28.8%
	2y CAGR (2025e - 2027e)	10.9%	8.2%	11.1%	21.3%	16.0%	13.5%	n.a.	n.a.	-24.5%	43.6%	9.5%	37.2%
	EBIT/Revenues	9.7%	10.9%	12.7%	13.1%	8.4%	10.9%	23.2%	23.2%	6.3%	5.9%	6.1%	5.2%
	Net Profit	329.8	2,527.3	1,684.2	165.9	999.1		20.6		244.5	19.0		3.2
	Net Profit growth	18.8%	9.9%	67.2%	53.6%	-6.8%	28.5%	24.8%	24.8%	5.5%	83.0%	44.3%	n.a.
	2y CAGR (2025e - 2027e)	12.1%	11.0%	15.9%	35.6%	18.6%	18.6%	n.a.	n.a.	-20.3%	61.8%	20.7%	n.a.
	CAPEX/Sales %	3.6%	3.7%	3.5%	6.2%	5.0%	4.4%	0.5%	0.5%	1.2%	5.8%	3.5%	5.4%
Multiples and Ratios	Free Cash Flow	317.9	1,891.1	1,915.7	203.7	864.5		13.3		163.0	26.5		(3.8)
	Net financial debt	(104.1)	6,361.6	2,088.7	509.3	1,022.7		(0.3)		(136.7)	76.6		113.5
	ND/EBITDA (x)	(0.2)	1.3	0.6	1.1	0.4		(0.0)	(0.0)	(0.3)	1.4		3.6
	Pay-out	17.5%	50.0%	47.2%	44.3%	32.7%	38.4%	60.1%	60.1%	54.2%	0.0%	27.1%	0.0%
	P/E (x)	19.3	25.9	26.4	52.4	27.5	30.3	13.9	13.9	6.2	37.0	21.6	73.3
	P/BV (x)	4.0	4.7	6.2	11.1	2.9	5.8	n.a.	n.a.	1.4	1.6	1.5	3.6
	EV/Revenues (x)	1.2	2.1	2.5	4.6	1.7	2.4	1.7	1.7	0.3	1.4	0.8	1.0
	EV/EBITDA (x)	10.3	15.2	15.5	24.7	13.4	15.8	7.9	7.9	3.1	14.9	9.0	11.4
	EV/EBIT (x)	12.4	19.2	19.6	34.7	19.8	21.1	7.4	7.4	4.2	24.2	14.2	18.7
	ROE	20.8	18.2	23.4	21.1	10.5	18.8	n.a.	n.a.	22.3	4.4	13.4	5.1
	FCF Yield (%)	5.0	2.8	3.7	1.9	3.1	3.3	4.6	4.6	10.5	3.5	7.0	n.a.
	DPS	0.33	0.42	3.87	0.63	0.57	1.16	0.11	0.11	0.27	0.00	0.14	0.00
	Dvd Yield	0.9%	1.8%	1.5%	0.7%	1.2%	1.2%	4.3%	4.3%	8.6%	0.0%	4.3%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues	149.5	129.6	28.3	70.2	136.9	173.3	194.8	307.7	323.4	369.4	419.5	368.7	440.1	512.8	10.9%	6.9%
Total Revenues growth	-43.3%	-13.3%	-78.2%	148.2%	94.9%	26.6%	12.4%	58.0%	5.1%	14.2%	13.6%	-12.1%	19.4%	16.5%		
EBITDA	(5.5)	18.7	1.3	4.1	9.3	15.9	9.4	24.0	11.3	25.4	35.2	39.9	51.4	61.8	23.6%	20.7%
EBITDA growth	-169.3%	437.4%	-93.1%	216.0%	127.7%	71.1%	-41.1%	157.2%	-53.2%	125.3%	38.6%	13.5%	28.9%	20.2%		
EBITDA/Sales	n.a.	14.4%	4.6%	5.8%	6.8%	9.2%	4.8%	7.8%	3.5%	6.9%	8.4%	10.8%	11.7%	12.1%		
Net Profit	(75.1)	90.0	(2.7)	1.1	40.7	19.4	1.2	7.1	(4.7)	(1.5)	0.1	3.2	9.8	15.9	7.2%	n.a.
Net Profit growth	-0.1%	219.9%	-103.0%	141.4%	n.a.	-52.2%	-93.6%	470.8%	-166.9%	68.4%	109.5%	n.a.	206.6%	62.2%		
Adjusted number shares (Mn)	334.1	354.3	734.4	900.6	1,097.0	1,137.9	1,140.0	1,149.2	1,165.9	1,128.8	1,496.7	1,496.7	1,496.7	1,496.7		
EPS (EUR)	-0.22	0.25	0.00	0.00	0.04	0.02	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.01	7.2%	n.a.
EPS growth	8.9%	n.a.	n.a.	n.a.	n.a.	-54.0%	-93.6%	n.a.	n.a.	67.4%	n.a.	n.a.	n.a.	62.2%		
Ord. EPS (EUR)	-0.22	-0.01	0.00	-0.01	0.00	0.02	0.00	0.00	-0.01	0.00	0.00	0.00	0.01	0.01	7.2%	n.a.
Ord. EPS growth	1.3%	97.3%	30.2%	-53.5%	n.a.	n.a.	-97.0%	n.a.	n.a.	72.2%	n.a.	97.4%	n.a.	62.2%		
CAPEX	(1.9)	(6.7)	(0.1)	(4.6)	(1.4)	(2.4)	(5.5)	(9.1)	(13.8)	(26.0)	(12.7)	(20.0)	(20.0)	(5.0)		
CAPEX/Sales %	1.3%	5.2%	0.4%	6.5%	1.0%	1.4%	2.8%	3.0%	4.3%	7.0%	3.0%	5.4%	4.5%	1.0%		
Free Cash Flow	(34.3)	47.7	20.8	(6.0)	8.6	(23.9)	(40.7)	(28.8)	(46.0)	(24.1)	(3.7)	(3.8)	(8.6)	13.6	20.0%	78.7%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	3.0x	3.1x	3.9x	1.5x	0.0x	3.9x	2.7x	9.8x	4.2x	3.1x	2.8x	2.4x	1.8x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	6.1x	15.7x	n.a.	26.4x	n.a.	n.a.	n.a.	73.3x	23.9x	14.7x		
EV/Sales (x)	1.26x	1.28x	6.14x	2.95x	1.73x	1.88x	1.38x	0.91x	0.91x	0.65x	0.73x	0.98x	0.82x	0.70x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	8.8x	n.a.	n.a.	25.5x	20.6x	28.7x	11.6x	26.2x	9.4x	8.7x	9.0x	7.0x	5.8x		
Absolute performance	-67.0%	154.5%	76.8%	-13.1%	27.5%	18.0%	-32.2%	-10.6%	-12.7%	-41.1%	37.1%	36.8%				
Relative performance vs Ibex 35	-68.1%	174.1%	80.5%	-19.1%	50.0%	5.5%	-19.8%	-17.1%	-7.6%	-52.0%	19.4%	12.2%				

- (3) 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.  
(4) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

**Audax Renovables (ADX)** is an independent energy group whose core business is the supply of electricity and gas, focused on the Industrial segment (large customer and SME, c.51% y 43%, respectively of the customer portfolio) with an international presence (66% o/sales 2024, excl. Portugal). It has 267MW of installed capacity, 84MW under construction and 686MW of PV at various stages of development.

## Market Data

Market Cap (Mn EUR and USD)	725.5	833.0
EV (Mn EUR and USD)	990.0	1,136.8
Shares Outstanding (Mn)	453.4	
-12m (Max/Med/Mín EUR)	1.92 / 1.66 / 1.38	
Daily Avg volume (-12m Mn EUR)	0.41	
Rotation <sup>(1)</sup>	14.4	
Factset / Bloomberg	ADX-ES / ADX SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

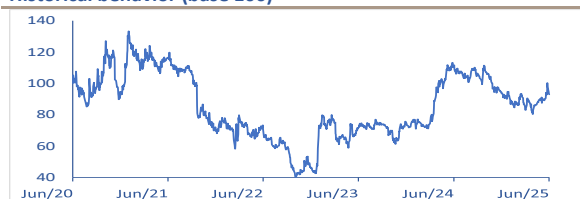
José Elías Navarro	72.6
Global Portfolio Investment	7.0
Treasury Stocks	0.6
Free Float	19.9

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	451.5	453.4	453.4	453.4
Total Revenues	1,987.8	2,499.3	2,277.7	2,182.6
Rec. EBITDA	115.4	127.0	142.2	151.6
% growth	16.2	10.1	12.0	6.6
% Rec. EBITDA/Rev.	5.8	5.1	6.2	6.9
% Inc. EBITDA sector <sup>(2)</sup>	3.9	10.9	5.6	5.5
Net Profit	60.6	60.7	73.2	81.4
EPS (EUR)	0.13	0.13	0.16	0.18
% growth	103.1	-0.2	20.6	11.1
Ord. EPS (EUR)	0.13	0.13	0.16	0.18
% growth	87.8	-0.2	20.6	11.1
Rec. Free Cash Flow	40.3	6.6	42.8	46.1
Pay-out (%)	27.1	24.7	20.5	18.4
DPS (EUR)	0.04	0.03	0.03	0.03
Net financial debt	250.2	258.7	230.9	199.8
ND/Rec. EBITDA (x)	2.2	2.0	1.6	1.3
ROE (%)	32.6	26.0	25.7	23.4
ROCE (%)	15.1	17.4	18.0	18.0

## Ratios & Multiples (x)

P/E	11.9	12.0	9.9	8.9
Ord. P/E	11.9	12.0	9.9	8.9
P/BV	3.4	2.8	2.3	1.9
Dividend Yield (%)	2.3	2.1	2.1	2.1
EV/Sales	0.50	0.40	0.43	0.45
EV/Rec. EBITDA	8.6	7.8	7.0	6.5
EV/EBIT	10.6	9.6	8.4	7.9
FCF Yield (%)	5.6	0.9	5.9	6.4

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	3.1	11.1	-16.1	-7.1

(1) Rotation is the % of the capitalisation traded - 12m.  
(2) Sector: Stoxx Europe 600 Utilities.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q25 results: EBITDA, +5.7%.** The energy price environment during 1Q25 (in Spain: average electricity price c. +100% vs 1Q24) and the increase in supply points (+16% vs 1Q24) propelled ADX's revenue to EUR 571.2 Mn (+18.5% vs 1Q24). EBITDA reached EUR 33.3 Mn, growing 5.7% vs 1Q24, while net profit decreased by -25% vs 1Q24 to EUR 12.7 Mn.

**We expect this trend to soften during 2H 2025e.** For the remainder of 2025e, the futures market discounts a convergence with 2024 prices. We estimate a consolidation of the margin improvement seen in 2024, reaching an EBITDA of EUR 127.0 Mn in 2025e (a new high for ADX). Net debt is estimated to be EUR 258.7 Mn (2025e Net Debt/EBITDA 2.0x). The company has very low exposure to the tariff shock, limited to higher wholesale price volatility and a potential (moderate) reduction in energy supplied due to lower demand. Broadly speaking, 2025e should maintain the growth pace and margins seen in 2024.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Presence in 8 European countries.** ADX operates in Spain, Portugal, Netherlands, Hungary, France, Italy, Poland, and Germany, reducing business risk through geographical diversification. In 2024, approximately 35% of revenue came from Spain and Portugal. Client portfolio growth is the main driver in all markets, and we do not anticipate substantial changes in the revenue mix.

**Focus on the business segment (large clients and SMEs).** The 2024 portfolio mix shows 51% (vs 59% in 2021) from industrial sector clients and 43% (vs 31% in 2021) from SMEs, which have a higher unit volume of energy per supply point, greater profitability, and lower risk compared to residential clients (whose share in 2024 decreased to 6% vs 10% in 2021). The objective is to maximize profitability (a strategy validated by 2023, 2024, and 1Q25 results).

**Continued vertical integration,** with 201MW in Operation (267MW including the 66MW wind farm in Panama, in which ADX holds a 30% stake). An additional 84MW, currently under construction in Spain, are expected to become operational in 2025e. Spain represents 77% (71% photovoltaic, 29% wind), Poland 17% (100% wind), and France 6% (100% wind) of the operational portfolio. The total portfolio amounts to 1.037MW. The goal is to leverage the natural hedging provided by the generation business to the commercialization business, thereby reducing risk.

**Stability and room for margin expansion.** Stability in achieving approximately EUR 100 Mn in EBITDA for two consecutive years, regardless of price fluctuations. Furthermore, we believe the main levers for margin improvement have room to run: i) focus on more profitable clients and higher value-added services, and ii) vertical integration. We estimate maintenance of unit gross margins (EUR/MWh). The 2025e EBITDA margin is 5.1%, which would increase to 6.9% in 2027e based on our hypothesis of declining energy prices.

## RISKS: WHAT TO KEEP AN EYE ON?

**Currency risk.** Exposure to the Hungarian Forint and Polish Zloty (collectively, approximately 30% of 2024 Sales). In 1Q25, ADX recorded negative exchange rate differences of EUR 1.7 Mn.

**Energy commercialization is based on a commodity product,** conducted in a free market with low barriers to entry and specialized clients. This implies a highly competitive market and structural pressure on margins.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Discount under (proven) low-risk conditions.** What was observed in 2021-2024 is particularly interesting as it represents a highly effective stress test for the business model of a small utility like ADX. The "devilish" energy price environment validates a model capable of doubling EBITDA and margins (2024 vs 2021) despite everything. This should result in a reduction of the risk associated with ADX's business model, which merits better target multiples. And this makes its discount vs large integrated utilities even more valuable (2025e EV/EBITDA 7.8x vs. 8.3x for the sector). Something pending to be recognized by the market and the share price (-12m: -33.7% vs Ibex 35; -29.3% vs sector).





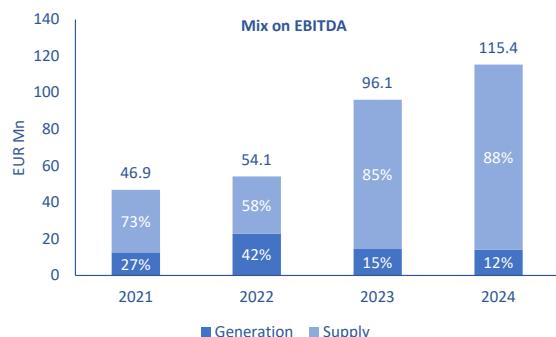
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	159.5	200.0	202.0	198.0	196.9	196.9	196.9	196.9		
Fixed assets	87.4	117.2	140.0	156.3	194.8	223.2	250.2	285.6		
Other Non Current Assets	14.8	24.9	27.6	29.2	37.1	37.1	37.1	37.1		
Financial Investments	25.6	105.7	107.2	89.3	74.2	74.2	74.2	74.2		
Goodwill & Other Intangibles	137.9	137.9	137.8	138.0	138.0	138.0	138.0	138.0		
Current assets	266.0	399.0	384.6	336.5	362.5	444.1	404.7	387.8		
<b>Total assets</b>	<b>691.3</b>	<b>984.8</b>	<b>999.4</b>	<b>947.2</b>	<b>1,003.5</b>	<b>1,113.6</b>	<b>1,101.3</b>	<b>1,119.7</b>		
Equity	135.2	132.4	122.4	161.2	210.5	256.2	314.4	380.8		
Minority Interests	7.8	12.0	13.3	12.0	13.4	16.1	18.8	21.5		
Provisions & Other L/T Liabilities	69.9	88.9	64.1	72.4	46.6	46.6	46.6	46.6		
Other Non Current Liabilities	8.9	16.5	20.7	21.0	22.7	22.7	22.7	22.7		
Net financial debt	247.7	476.6	395.0	277.5	250.2	258.7	230.9	199.8		
Current Liabilities	221.8	258.4	383.8	403.0	460.0	513.3	467.8	448.3		
<b>Equity &amp; Total Liabilities</b>	<b>691.3</b>	<b>984.8</b>	<b>999.4</b>	<b>947.2</b>	<b>1,003.5</b>	<b>1,113.6</b>	<b>1,101.3</b>	<b>1,119.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>969.3</b>	<b>1,683.9</b>	<b>2,633.0</b>	<b>2,293.2</b>	<b>1,987.8</b>	<b>2,499.3</b>	<b>2,277.7</b>	<b>2,182.6</b>	<b>19.7%</b>	<b>3.2%</b>
Total Revenues growth	-7.1%	73.7%	56.4%	-12.9%	-13.3%	25.7%	-8.9%	-4.2%		
COGS	(854.4)	(1,561.2)	(2,489.2)	(2,056.9)	(1,752.1)	(2,239.0)	(2,001.0)	(1,894.1)		
<b>Gross Margin</b>	<b>114.9</b>	<b>122.7</b>	<b>143.8</b>	<b>236.3</b>	<b>235.7</b>	<b>260.2</b>	<b>276.7</b>	<b>288.5</b>	<b>19.7%</b>	<b>7.0%</b>
Gross Margin/Revenues	11.9%	7.3%	5.5%	10.3%	11.9%	10.4%	12.1%	13.2%		
Personnel Expenses	(22.5)	(27.7)	(30.1)	(37.9)	(41.9)	(43.3)	(44.7)	(46.1)		
Other Operating Expenses	(42.3)	(47.9)	(62.1)	(99.1)	(78.5)	(89.9)	(89.8)	(90.9)		
<b>Recurrent EBITDA</b>	<b>50.1</b>	<b>47.0</b>	<b>51.7</b>	<b>99.3</b>	<b>115.4</b>	<b>127.0</b>	<b>142.2</b>	<b>151.6</b>	<b>23.2%</b>	<b>9.5%</b>
Recurrent EBITDA growth	-26.7%	-6.2%	9.9%	92.2%	16.2%	10.1%	12.0%	6.6%		
Rec. EBITDA/Revenues	5.2%	2.8%	2.0%	4.3%	5.8%	5.1%	6.2%	6.9%		
Restructuring Expense & Other non-rec.	-	(0.2)	2.5	(3.2)	0.0	-	-	-		
<b>EBITDA</b>	<b>50.1</b>	<b>46.9</b>	<b>54.1</b>	<b>96.1</b>	<b>115.4</b>	<b>127.0</b>	<b>142.2</b>	<b>151.6</b>	<b>23.2%</b>	<b>9.5%</b>
Depreciation & Provisions	(18.4)	(20.7)	(19.9)	(19.2)	(19.8)	(21.5)	(23.0)	(24.7)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(1.3)	(1.3)	(1.9)	(1.8)	(2.0)	(2.0)	(2.0)	(2.0)		
<b>EBIT</b>	<b>30.4</b>	<b>24.9</b>	<b>32.3</b>	<b>75.1</b>	<b>93.6</b>	<b>103.4</b>	<b>117.2</b>	<b>124.9</b>	<b>32.4%</b>	<b>10.1%</b>
EBIT growth	-27.7%	-18.2%	29.7%	132.6%	24.6%	10.5%	13.3%	6.6%		
EBIT/Revenues	3.1%	1.5%	1.2%	3.3%	4.7%	4.1%	5.1%	5.7%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(12.7)	(26.5)	(22.7)	(30.9)	(3.5)	(24.2)	(22.3)	(19.8)		
Income by the Equity Method	(0.1)	(0.1)	3.0	0.8	(1.2)	-	-	-		
<b>Ordinary Profit</b>	<b>17.7</b>	<b>(1.6)</b>	<b>12.6</b>	<b>45.0</b>	<b>89.0</b>	<b>79.2</b>	<b>94.9</b>	<b>105.1</b>	<b>49.7%</b>	<b>5.7%</b>
Ordinary Profit Growth	-37.0%	-109.2%	875.7%	258.1%	97.6%	-10.9%	19.7%	10.8%		
Extraordinary Results	16.3	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>34.0</b>	<b>(1.6)</b>	<b>12.6</b>	<b>45.0</b>	<b>89.0</b>	<b>79.2</b>	<b>94.9</b>	<b>105.1</b>	<b>27.1%</b>	<b>5.7%</b>
Tax Expense	(3.9)	(1.7)	(4.8)	(13.6)	(25.7)	(15.8)	(19.0)	(21.0)		
Effective Tax Rate	11.4%	n.a.	38.2%	30.3%	28.9%	20.0%	20.0%	20.0%		
Minority Interests	(3.8)	1.6	(4.2)	(2.4)	(2.7)	(2.7)	(2.7)	(2.7)		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>26.4</b>	<b>(1.7)</b>	<b>3.5</b>	<b>29.0</b>	<b>60.6</b>	<b>60.7</b>	<b>73.2</b>	<b>81.4</b>	<b>23.1%</b>	<b>10.3%</b>
Net Profit growth	3.7%	-106.5%	305.8%	720.3%	108.6%	0.2%	20.6%	11.1%		
<b>Ordinary Net Profit</b>	<b>11.9</b>	<b>0.1</b>	<b>2.8</b>	<b>31.4</b>	<b>60.5</b>	<b>60.7</b>	<b>73.2</b>	<b>81.4</b>	<b>50.2%</b>	<b>10.4%</b>
Ordinary Net Profit growth	-42.6%	-98.9%	n.a.	n.a.	92.9%	0.3%	20.6%	11.1%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>127.0</b>	<b>142.2</b>	<b>151.6</b>	<b>23.2%</b>	<b>9.5%</b>
Rentals (IFRS 16 impact)						(2.0)	(2.0)	(2.0)		
Working Capital Increase						(28.3)	(6.1)	(2.6)		
<b>Recurrent Operating Cash Flow</b>						<b>96.6</b>	<b>134.1</b>	<b>146.9</b>	<b>94.0%</b>	<b>0.6%</b>
CAPEX						(50.0)	(50.0)	(60.0)		
Net Financial Result affecting the Cash Flow						(24.2)	(22.3)	(19.8)		
Tax Expense						(15.8)	(19.0)	(21.0)		
<b>Recurrent Free Cash Flow</b>						<b>6.6</b>	<b>42.8</b>	<b>46.1</b>	<b>31.1%</b>	<b>4.5%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>6.6</b>	<b>42.8</b>	<b>46.1</b>	<b>28.5%</b>	<b>1.8%</b>
Capital Increase						-	-	-		
Dividends						(15.0)	(15.0)	(15.0)		
<b>Net Debt Variation</b>						<b>8.4</b>	<b>(27.8)</b>	<b>(31.1)</b>		

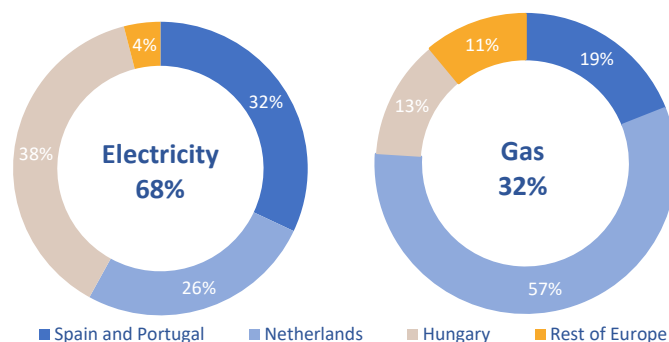


## The company in 8 charts

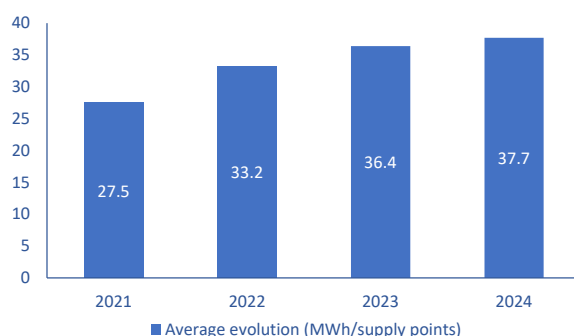
**Two businesses: electricity supply and electricity generation. The generation activity reduces its contribution to EBITDA following the moderation in energy prices**



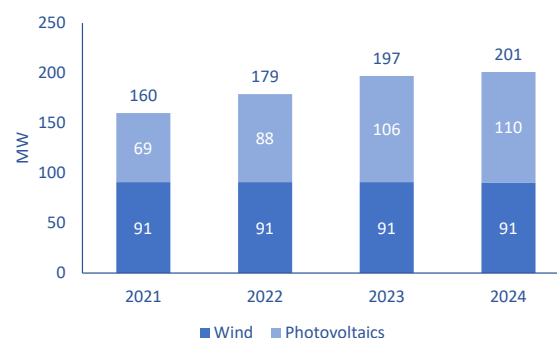
**Electric and gas supply: a geographically diversified business**



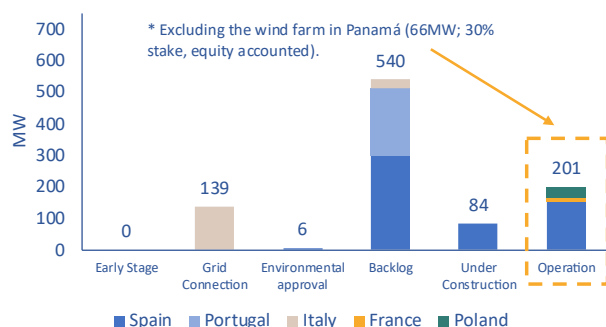
**The focus on the SME segment has resulted in a higher unit volume of energy per supply point**



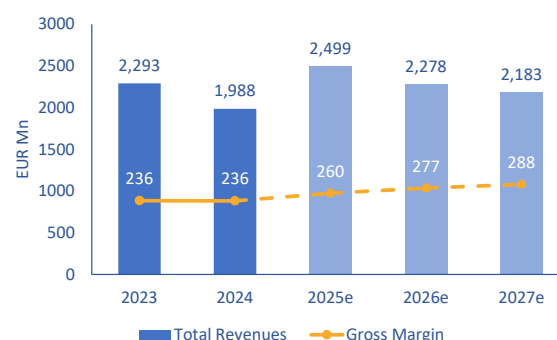
**Generation: installed capacity (MW) by technology**



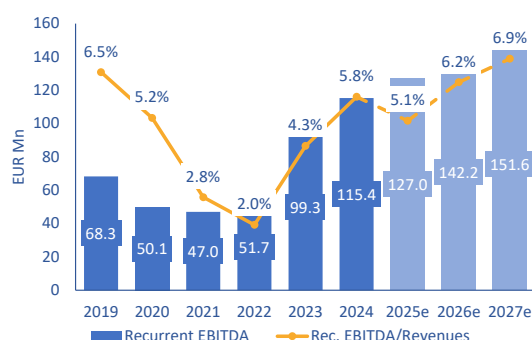
**Generation project pipeline (2024)**



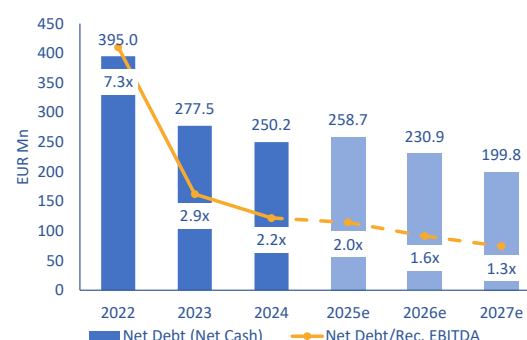
**Despite revenues dependent on energy prices, gross margin growth is estimated in 2025e - 2027e**



**The margin improvement in the supply business will allow surpassing the 2019 Rec. EBITDA margin (6,5%)**



**This should progressively bring down leverage: ND/EBITDA 2025e of 2.0x**





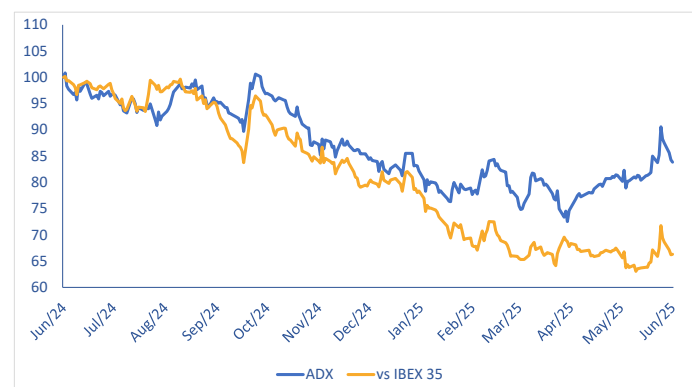


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



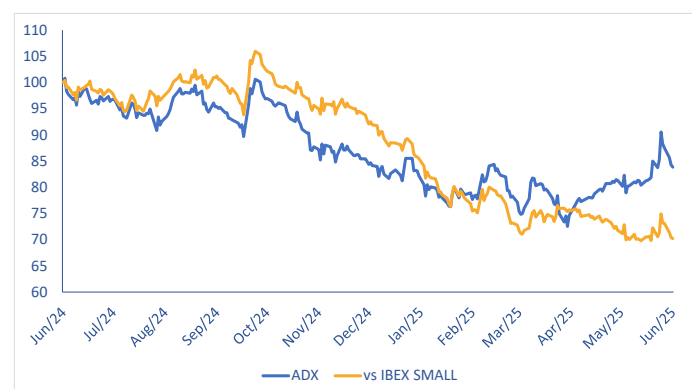
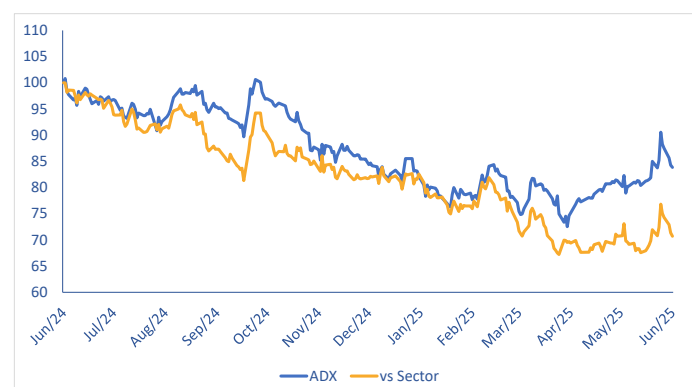
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Utilities

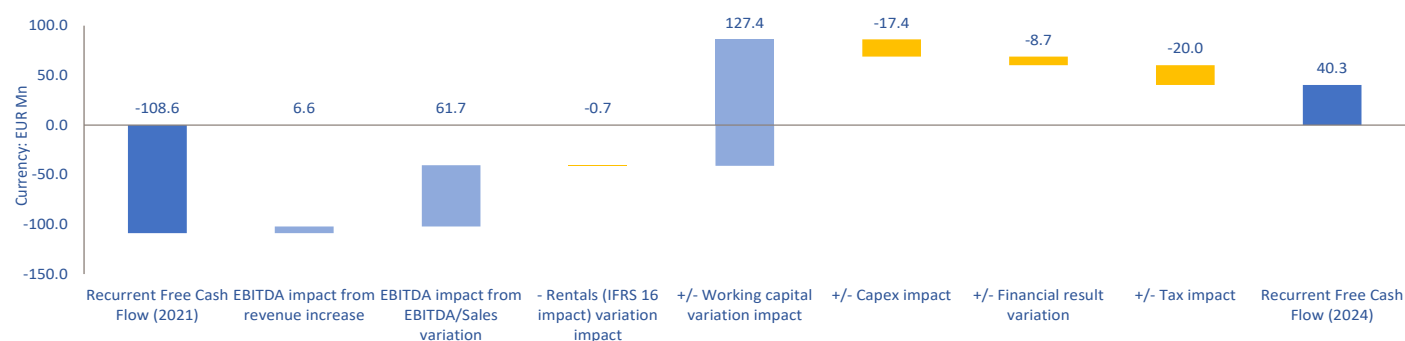
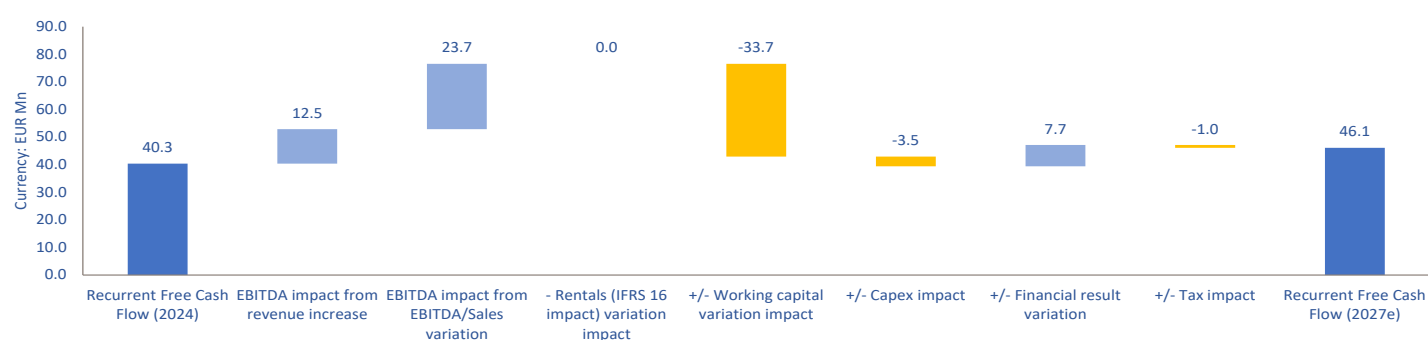
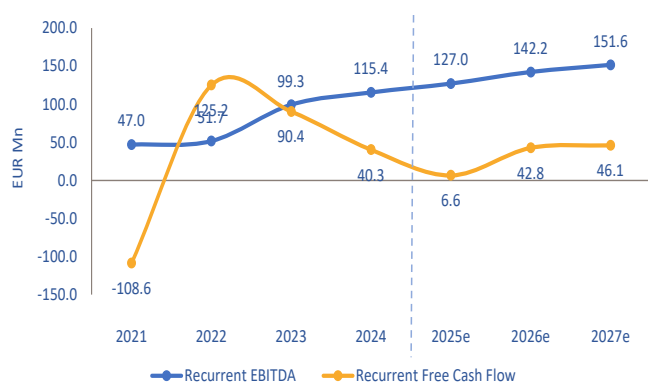
Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	3.1	11.1	-16.1	3.2	31.5	-7.1
vs Market						
vs Ibex 35	-1.1	1.2	-33.7	-15.3	-21.9	-52.2
vs Euro STOXX 50	1.5	9.4	-22.8	-6.3	-12.2	-45.8
vs Small Cap References						
vs Ibex Small Cap Index	-2.2	-2.2	-29.8	-19.3	9.0	-46.9
vs Micro Cap Spain Segment <sup>(1)</sup>	-1.8	3.7	-20.4	-9.1	27.4	-37.5
vs MSCI Europe Micro Cap	-1.5	2.0	-17.4	-4.2	40.3	-27.2
vs Sector						
vs Stoxx Europe 600 Utilities	0.0	-1.4	-29.3	-11.3	10.9	-30.4

(1) Constituents on page 10



## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	47.0	51.7	99.3	115.4	127.0	142.2	151.6	34.9%	9.5%
Recurrent EBITDA growth	-6.2%	9.9%	92.2%	16.2%	10.1%	12.0%	6.6%		
Rec. EBITDA/Revenues	2.8%	2.0%	4.3%	5.8%	5.1%	6.2%	6.9%		
- Rentals (IFRS 16 impact)	(1.3)	(1.9)	(1.8)	(2.0)	(2.0)	(2.0)	(2.0)		
+/- Working Capital increase	(96.3)	139.8	67.4	31.0	(28.3)	(6.1)	(2.6)		
= Recurrent Operating Cash Flow	(50.6)	189.6	164.8	144.4	96.6	134.1	146.9	69.3%	0.6%
Rec. Operating Cash Flow growth	-326.6%	474.4%	-13.1%	-12.4%	-33.1%	38.7%	9.6%		
Rec. Operating Cash Flow / Sales	n.a.	7.2%	7.2%	7.3%	3.9%	5.9%	6.7%		
- CAPEX	(39.1)	(46.7)	(31.1)	(56.5)	(50.0)	(50.0)	(60.0)		
- Net Financial Result affecting Cash Flow	(18.9)	(10.8)	(27.0)	(27.5)	(24.2)	(22.3)	(19.8)		
- Taxes	-	(6.9)	(16.3)	(20.0)	(15.8)	(19.0)	(21.0)		
= Recurrent Free Cash Flow	(108.6)	125.2	90.4	40.3	6.6	42.8	46.1	33.4%	4.5%
Rec. Free Cash Flow growth	-157.4%	215.2%	-27.7%	-55.4%	-83.7%	548.9%	7.7%		
Rec. Free Cash Flow / Revenues	n.a.	4.8%	3.9%	2.0%	0.3%	1.9%	2.1%		
- Restructuring expenses & others	1.4	2.5	(3.2)	0.0	-	-	-		
- Acquisitions / + Divestments	(77.4)	2.7	18.5	(2.4)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(35.3)	(47.4)	11.7	5.7	-	-	-		
= Free Cash Flow	(220.0)	82.9	117.5	43.7	6.6	42.8	46.1	30.0%	1.8%
Free Cash Flow growth	-267.4%	137.7%	41.8%	-62.8%	-84.9%	548.9%	7.7%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	17.3%	12.5%	5.6%	0.9%	5.9%	6.4%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	11.4%	16.2%	6.0%	0.9%	5.9%	6.4%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(42.2)	(108.6)	125.2	90.4	40.3	6.6	42.8		
EBITDA impact from revenue increase	36.9	26.5	(6.7)	(13.2)	29.7	(11.3)	(5.9)		
EBITDA impact from EBITDA/Sales variation	(40.0)	(21.8)	54.3	29.3	(18.1)	26.5	15.3		
= Recurrent EBITDA variation	(3.1)	4.7	47.6	16.1	11.6	15.2	9.3		
- Rentals (IFRS 16 impact) variation impact	(0.0)	(0.6)	0.1	(0.2)	-	-	-		
+/- Working capital variation impact	(35.6)	236.1	(72.4)	(36.3)	(59.4)	22.2	3.5		
= Recurrent Operating Cash Flow variation	(38.8)	240.2	(24.7)	(20.5)	(47.7)	37.4	12.8		
+/- CAPEX impact	(22.2)	(7.5)	15.6	(25.4)	6.5	-	(10.0)		
+/- Financial result variation	(5.5)	8.1	(16.2)	(0.6)	3.3	1.9	2.5		
+/- Tax impact	-	(6.9)	(9.3)	(3.7)	4.1	(3.1)	(2.0)		
= Recurrent Free Cash Flow variation	(66.4)	233.8	(34.7)	(50.1)	(33.7)	36.2	3.3		
Recurrent Free Cash Flow	(108.6)	125.2	90.4	40.3	6.6	42.8	46.1		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	24.9	32.3	75.1	93.6	103.4	117.2	124.9	55.5%	10.1%
* Theoretical Tax rate	0.0%	30.0%	30.0%	28.9%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	(9.7)	(22.5)	(27.0)	(20.7)	(23.4)	(25.0)		
Recurrent EBITDA	47.0	51.7	99.3	115.4	127.0	142.2	151.6	34.9%	9.5%
- Rentals (IFRS 16 impact)	(1.3)	(1.9)	(1.8)	(2.0)	(2.0)	(2.0)	(2.0)		
+/- Working Capital increase	(96.3)	139.8	67.4	31.0	(28.3)	(6.1)	(2.6)		
= Recurrent Operating Cash Flow	(50.6)	189.6	164.8	144.4	96.6	134.1	146.9	69.3%	0.6%
- CAPEX	(39.1)	(46.7)	(31.1)	(56.5)	(50.0)	(50.0)	(60.0)		
- Taxes (pre- Financial Result)	-	(9.7)	(22.5)	(27.0)	(20.7)	(23.4)	(25.0)		
= Recurrent Free Cash Flow (To the Firm)	(89.8)	133.2	111.1	60.8	25.9	60.6	61.9	38.9%	0.6%
Rec. Free Cash Flow (To the Firm) growth	-178.0%	248.4%	-16.5%	-45.3%	-57.3%	133.7%	2.1%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	5.1%	4.8%	3.1%	1.0%	2.7%	2.8%		
- Acquisitions / + Divestments	(77.4)	2.7	18.5	(2.4)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(35.3)	(47.4)	11.7	5.7	-	-	-		
= Free Cash Flow "To the Firm"	(202.5)	88.4	141.4	64.1	25.9	60.6	61.9	32.3%	-1.2%
Free Cash Flow (To the Firm) growth	-301.0%	143.7%	59.9%	-54.6%	-59.6%	133.7%	2.1%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	13.5%	11.2%	6.1%	2.6%	6.1%	6.3%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	8.9%	14.3%	6.5%	2.6%	6.1%	6.3%		

**Free Cash Flow (II)****Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)****Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)****Recurrent EBITDA vs Recurrent Free Cash Flow****Stock performance vs EBITDA 12m forward**



## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	25.9	60.6	61.9	938.3		
Market Cap	725.5	At the date of this report				
Net financial debt	260.3	Debt net of Cash (3m Results 2025)				
					Best Case	Worst Case
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.8%	4.2%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.2
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.9%
Equity / (Equity + Net Debt)	73.6%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	26.4%	D			=	=
WACC	8.2%	$WACC = K_d * D + K_e * E$			7.3%	9.1%
G "Fair"	1.5%				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.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	725.5	
+ Minority Interests	13.1	3m Results 2025
+ Provisions & Other L/T Liabilities	43.1	3m Results 2025
+ Net financial debt	260.3	3m Results 2025
- Financial Investments	51.9	3m Results 2025
+/- Others		
Enterprise Value (EV)	990.0	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	7.3%	4.8%	4.1%	11.4%	15.1%
	2024	2027e			
ROCE - WACC	6.9%	9.8%			
FCF Yield - WACC	-2.1%	-1.9%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	6.8%	155.9	6.4x
Central	6.2%	142.2	7.0x
Min	5.6%	128.6	7.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario	Rec. FCF/Yield 26e		
EBITDA 26e	2.0%	2.2%	2.4%					
155.9	61.0	56.4	51.9		Max	8.4%	7.8%	7.2%
142.2	47.3	42.8	38.2		Central	6.5%	5.9%	5.3%
128.6	33.7	29.1	24.5		Min	4.6%	4.0%	3.4%

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	33.3%	40.0%	40.0%
% of proprietary board members	50.0%	60.0%	60.0%
% of executive board members	16.7%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	33.3%	40.0%	40.0%
% of women out of total workforce	61.2%	60.3%	59.3%
Board remuneration/staff cost	2.7%	3.4%	3.1%



## Main peers 2025e

Market data	EUR Mn	Integrated Utilities				Average	Renewable Energy			Average	ADX
		Iberdrola	Endesa	Naturgy	EDP		Solaria	Grenergy	Scatec A		
Ticker (Factset)		IBE-ES	ELE-ES	NTGY-ES	EDP-PT		SLR-ES	GRE-ES	SCATC-NO		ADX-ES
Country		Spain	Spain	Spain	Portugal		Spain	Spain	Norway		Spain
Market cap		104,015.1	28,406.3	25,442.7	15,045.7		1,093.3	1,986.1	1,208.6		725.5
Enterprise value (EV)		171,086.0	39,688.7	39,298.7	39,120.1		2,228.7	2,744.7	3,301.8		990.0
Basic financial information	Total Revenues	47,728.8	23,415.0	19,233.6	16,469.9		245.6	673.3	537.4		2,499.3
	Total Revenues growth	7.7%	11.8%	-0.2%	7.9%	6.8%	38.9%	26.7%	42.4%	36.0%	25.7%
	2y CAGR (2025e - 2027e)	2.6%	-0.5%	-1.5%	1.7%	0.6%	21.0%	24.0%	14.7%	19.9%	-6.6%
	EBITDA	16,442.9	5,517.9	5,169.7	4,827.1		215.3	212.1	367.2		127.0
	EBITDA growth	2.8%	-6.5%	-0.7%	12.8%	2.1%	6.9%	54.4%	32.1%	31.1%	10.0%
	2y CAGR (2025e - 2027e)	5.2%	1.4%	0.6%	1.0%	2.0%	15.3%	32.9%	13.8%	20.7%	9.2%
	EBITDA/Revenues	34.5%	23.6%	26.9%	29.3%	28.6%	87.7%	31.5%	68.3%	62.5%	5.1%
	EBIT	10,601.6	3,287.7	3,370.7	2,950.5		165.3	171.0	262.3		103.4
	EBIT growth	-2.7%	-16.8%	-8.0%	58.8%	7.8%	4.8%	51.1%	46.6%	34.2%	10.5%
	2y CAGR (2025e - 2027e)	5.6%	0.7%	0.5%	0.4%	1.8%	13.4%	30.6%	13.4%	19.2%	9.9%
	EBIT/Revenues	22.2%	14.0%	17.5%	17.9%	17.9%	67.3%	25.4%	48.8%	47.2%	4.1%
	Net Profit	6,050.0	2,044.8	1,844.7	1,220.3		89.9	108.3	92.2		60.7
	Net Profit growth	7.4%	8.3%	-4.1%	52.3%	16.0%	1.4%	81.0%	-18.5%	21.3%	0.2%
	2y CAGR (2025e - 2027e)	5.1%	1.0%	-2.2%	-0.1%	0.9%	11.7%	14.5%	-2.2%	8.0%	15.8%
	CAPEX/Sales %	27.3%	14.4%	10.9%	20.7%	18.3%	130.1%	108.6%	58.8%	99.2%	2.0%
Multiples and Ratios	Free Cash Flow	357.1	431.0	1,438.3	(226.0)		(278.3)	(482.2)	29.3		6.6
	Net financial debt	56,879.0	10,749.6	14,200.5	17,231.2		1,339.1	881.3	2,084.8		258.7
	ND/EBITDA (x)	3.5	1.9	2.7	3.6	2.9	6.2	4.2	5.7	5.4	2.0
	Pay-out	71.4%	71.0%	85.7%	68.6%	74.2%	0.0%	0.0%	0.0%	0.0%	24.7%
	P/E (x)	17.2	14.0	14.0	12.6	14.4	12.6	19.3	13.4	15.1	12.0
	P/BV (x)	1.9	3.3	2.8	1.2	2.3	1.6	3.3	1.2	2.0	2.8
	EV/Revenues (x)	3.6	1.7	2.0	2.4	2.4	9.1	4.1	6.1	6.4	0.4
	EV/EBITDA (x)	10.4	7.2	7.6	8.1	8.3	10.3	12.9	9.0	10.8	7.8
	EV/EBIT (x)	16.1	12.1	11.7	13.3	13.3	13.5	16.0	12.6	14.0	9.6
	ROE	11.3	23.3	19.8	9.2	15.9	12.4	17.1	8.7	12.7	26.0
	FCF Yield (%)	0.3	1.5	5.7	n.a.	2.5	n.a.	n.a.	2.4	2.4	0.9
	DPS	0.67	1.37	1.65	0.20	0.97	0.00	0.00	0.00	0.00	0.03
	Dvd Yield	4.2%	5.1%	6.3%	5.6%	5.3%	0.0%	0.0%	0.0%	0.0%	2.1%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)													CAGR			
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues				675.6	986.9	1,043.8	969.3	1,683.9	2,633.0	2,293.2	1,987.8	2,499.3	2,277.7	2,182.6	50.3%	3.2%
Total Revenues growth				n.a.	46.1%	5.8%	-7.1%	73.7%	56.4%	-12.9%	-13.3%	25.7%	-8.9%	-4.2%		
EBITDA				37.2	44.8	68.3	50.1	46.9	54.1	96.1	115.4	127.0	142.2	151.6	18.1%	9.5%
EBITDA growth				103.1%	20.6%	52.4%	-26.7%	-6.5%	15.5%	77.6%	20.0%	10.0%	12.0%	6.6%		
EBITDA/Sales				5.5%	4.5%	6.5%	5.2%	2.8%	2.1%	4.2%	5.8%	5.1%	6.2%	6.9%		
Net Profit				8.3	8.4	25.4	26.4	(1.7)	3.5	29.0	60.6	60.7	73.2	81.4	40.6%	10.3%
Net Profit growth				126.1%	2.0%	202.5%	3.7%	-106.5%	305.8%	720.3%	108.6%	0.2%	20.6%	11.1%		
Adjusted number shares (Mn)				140.0	171.4	440.3	440.3	440.3	440.3	439.6	451.5	453.4	453.4	453.4		
EPS (EUR)				0.06	0.05	0.06	0.06	0.00	0.01	0.07	0.13	0.13	0.16	0.18	25.1%	10.2%
EPS growth				n.a.	-16.7%	17.8%	3.7%	n.a.	n.a.	n.a.	n.a.	-0.2%	20.6%	11.1%		
Ord. EPS (EUR)				0.06	0.01	0.05	0.03	0.00	0.01	0.07	0.13	0.13	0.16	0.18	25.1%	10.2%
Ord. EPS growth				n.a.	-88.2%	n.a.	-42.6%	-98.9%	n.a.	n.a.	87.8%	-0.2%	20.6%	11.1%		
CAPEX				(4.3)	(3.1)	(33.5)	(17.0)	(39.1)	(46.7)	(31.1)	(56.5)	(50.0)	(50.0)	(60.0)		
CAPEX/Sales % <sup>1</sup>				0.6%	0.3%	3.2%	1.7%	2.3%	1.8%	1.4%	2.8%	2.0%	2.2%	2.7%		
Free Cash Flow				(64.7)	(31.4)	122.4	(59.9)	(220.0)	82.9	117.5	43.7	6.6	42.8	46.1	23.9%	1.8%
ND/EBITDA (x) <sup>(2)</sup>				7.0x	6.5x	2.5x	4.9x	10.2x	7.3x	2.9x	2.2x	2.0x	1.6x	1.3x		
P/E (x)				7.3x	25.5x	36.0x	31.6x	n.a.	91.6x	19.3x	11.6x	12.0x	9.9x	8.9x		
EV/Sales (x)				0.57x	0.50x	1.08x	1.19x	0.61x	0.26x	0.37x	0.47x	0.40x	0.43x	0.45x		
EV/EBITDA (x) <sup>(2)</sup>				10.3x	11.1x	16.5x	23.1x	21.9x	12.8x	8.8x	8.1x	7.8x	7.0x	6.5x		
Absolute performance				-12.0%	192.0%	66.5%	-9.2%	-34.6%	-40.5%	73.4%	21.4%	3.2%				
Relative performance vs Ibex 35				-18.1%	243.5%	48.9%	7.4%	-39.4%	-37.0%	41.3%	5.7%	-15.3%				

(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.

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

**Axon Partners Group (APG)** es una empresa de pequeño tamaño con sede en Madrid (España), dedicada a prestar servicios de consultoría e inversión en activos alternativos con foco en tecnología. Con elevada presencia internacional (>90% de los ingresos de consultoría), también dispone de EUR 662Mn de activos bajo gestión en 2024. Está gestionada y controlada por Francisco Velázquez, Alfonso de León y Dimitri Kallinis (84% del capital).

## Market Data

Market Cap (Mn EUR y USD)	77.5	89.0
EV (Mn EUR y USD)	53.7	61.7
Número de Acciones (Mn)	5.3	
-12m (Max/Med/Mín EUR)	18.80 / 15.33 / 12.70	
Vol. Medio Día (-12m Mn EUR)	n.s.	
Rotación <sup>(1)</sup>	1.8	
Factset / Bloomberg	APG-ES / APG SM	
Cierre año fiscal	31-dic	

## Estructura Accionarial (%)

Francisco Velázquez	38.8
Alfonso de León	30.9
Dimitri Kallinis	14.3
Mutualidad Abogacía Española	3.9
Free Float	12.1

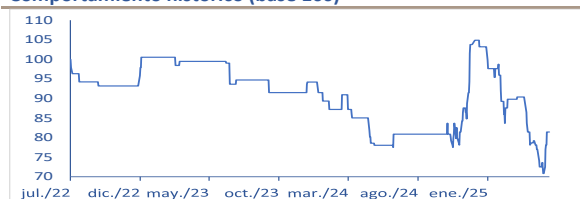
## Datos Financieros

Básicos (EUR Mn)	2024	2025e	2026e	2027e
Nº Acc. ajustado (Mn)	5.2	5.3	5.3	5.3
Total Ingresos	22.6	27.4	30.5	32.5
EBITDA Rec.	6.6	9.0	10.3	11.1
% Var.	14.1	35.9	15.1	7.4
% EBITDA Rec./Ing.	29.2	32.8	33.9	34.2
% Var EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Beneficio neto	5.3	6.6	7.4	7.8
BPA (EUR)	1.02	1.24	1.40	1.47
% Var.	27.2	21.7	12.7	5.3
BPA ord. (EUR)	1.02	1.24	1.40	1.47
% Var.	27.1	21.4	12.7	5.3
Free Cash Flow Rec.	6.7	3.3	7.2	7.9
Pay-out (%)	75.0	75.0	75.0	75.0
DPA (EUR)	0.77	0.93	1.05	1.11
Deuda financiera neta	-9.8	-8.2	-9.8	-11.8
DN / EBITDA Rec.(x)	-1.5	-0.9	-0.9	-1.1
ROE (%)	23.6	26.0	27.4	27.0
ROCE (%)	306.1	282.2	182.2	181.1

## Ratios y Múltiplos (x)

PER	14.3	11.8	10.4	9.9
PER Ordinario	14.3	11.8	10.4	9.9
P/BV	3.2	3.0	2.8	2.6
Dividend Yield (%)	5.2	6.4	7.2	7.6
EV/Ventas	2.37	1.96	1.76	1.65
EV/EBITDA Rec.	8.1	6.0	5.2	4.8
EV/EBIT	8.3	6.0	5.2	4.9
FCF Yield (%)	8.7	4.3	9.3	10.2

## Comportamiento histórico (base 100)



(%)	-1m	-3m	-12m	-5Y
Absoluto	2.8	-7.0	4.4	n.a.

(1) Rotación es el % de la capitalización que ha sido negociado - 12m.

(2) Sector: Stoxx Europe 600 Technology.

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024: Very strong momentum with double-digit growth in consulting and investments.** In line with the trend observed since 2019, APG continues to show solid growth in revenue and profitability. Aggregated investment and consulting revenue increased by +13.7% in 2024, reaching EUR 22.6 Mn. This was primarily driven by (i) its presence in the Middle East in consulting and (ii) the increase in assets under management (AUM) in the investment area, which grew to EUR 662Mn (+11.3% vs. 2023).

**Meanwhile, Finizens reached break-even.** The robo-advisor platform achieved its break-even point for the first time in 2024, implying that APG's dividend should increase in similar proportion to Net Profit (+13.8% CAGR 2024-2027e). The platform's AUM stands at EUR 470Mn, with 22,000 clients.

**2025: Double-Digit Growth Continues.** For 2025e, we expect APG to continue its growth trajectory. We project revenue of EUR 27.4Mn (+20.9% vs. 2024) and recurring EBITDA of EUR 9.0Mn (+35.9% vs. 2024; EBITDA margin of 32.8%), driven by operating leverage in the investment area.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Uniqueness of the business model.** Approximately 60% of APG's revenue comes from technology consulting services (>60% Middle East), while approximately 40% comes from alternative investments. The uniqueness of the business model, diversification, and the absence of comparables in the market position APG as a "unique" option in the market.

**Proven theoretical synergies.** APG has demonstrated in practice that the complementarity between consulting and investment optimizes both revenue growth and cost reduction through economies of scale and shared resources, which improves the company's overall operational efficiency.

**Finizens.** A digital platform dedicated to passive management of indexed portfolios, which currently manages EUR 470Mn in assets. In 2024, it reached break-even for the first time. APG holds a 24% stake in Finizens. For 2024-2027e, we estimate revenue growth at a CAGR of approximately +20%.

**High cash generation and shareholder remuneration.** The efficient cost structure allows the company to achieve a high conversion of EBITDA to FCF. Furthermore, its solid financial position, with net cash since 2019, enables APG to adopt a payout ratio of 75%. For 2025e, we estimate a dividend of EUR 4.9Mn (dividend yield >7%).

## RISKS: WHAT TO KEEP AN EYE ON?

**Ability to attract and retain key personnel.** The main asset in technology consulting is its personnel. Therefore, employee loss and difficulty attracting new consultants with specialized knowledge can slow growth. The ability to retain talent and attract new hires is crucial for maintaining APG's competitiveness and success.

**High concentration in the technology sector.** Both the consulting and investment businesses are focused on the technology sector. This concentration increases the company's sensitivity to industry changes and evolution, which raises business risk due to potential disruptions or fluctuations in market demand.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The uniqueness of the business and high cash generation** make APG a unique option in the technology market. APG enjoys very good momentum, with a 2024-2027e revenue CAGR of +13%, which the business's operating leverage converts into +19% in recurring EBITDA. That is, a business model capable of achieving high growth (EBITDA CAGR -4y approx. +40%). This growth expectation (based on multiples and FCF yield) is not yet priced in (-17.5% vs IBEX 35 -12m).





## Proyecciones financieras

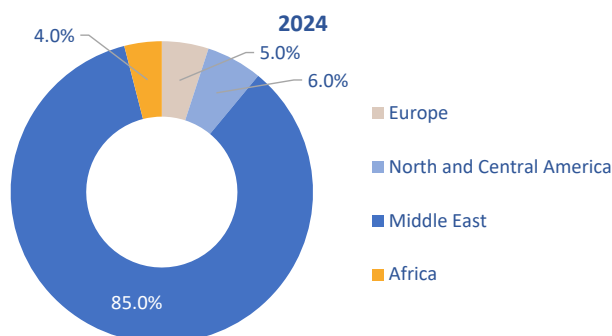
Balance (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Inmovilizado inmaterial	1.1	1.0	0.9	0.8	0.8	0.7	0.6	0.5		
Inmovilizado material	2.9	2.9	0.1	0.1	0.1	0.2	0.4	0.5		
Otros activos no corrientes	0.1	0.0	0.0	0.2	0.3	0.3	0.3	0.3		
Inmovilizado financiero	8.5	10.2	7.2	14.6	17.9	17.9	17.9	17.9		
Fondo de comercio y otros intangibles	-	-	-	-	-	-	-	-		
Activo circulante	3.0	4.3	5.2	5.2	4.5	7.7	8.6	9.2		
<b>Total activo</b>	<b>15.6</b>	<b>18.4</b>	<b>13.4</b>	<b>20.9</b>	<b>23.5</b>	<b>26.8</b>	<b>27.7</b>	<b>28.4</b>		
Patrimonio neto	10.3	14.4	16.9	20.4	24.5	26.2	28.0	30.0		
Minoritarios	1.5	3.0	2.3	2.5	2.4	2.4	2.6	2.9		
Provisiones y otros pasivos a LP	1.4	1.2	1.4	1.8	1.5	1.5	1.5	1.5		
Otros pasivos no corrientes	-	-	-	-	-	-	-	-		
Deuda financiera neta	(0.9)	(4.0)	(10.1)	(7.6)	(9.8)	(8.2)	(9.8)	(11.8)		
Pasivo circulante	3.4	3.8	3.0	3.9	4.9	4.9	5.5	5.9		
<b>Total pasivo</b>	<b>15.6</b>	<b>18.4</b>	<b>13.4</b>	<b>20.9</b>	<b>23.5</b>	<b>26.8</b>	<b>27.8</b>	<b>28.4</b>		
Cuenta de Resultados (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	TACC	
<b>Total Ingresos</b>	<b>10.0</b>	<b>13.8</b>	<b>17.7</b>	<b>19.9</b>	<b>22.6</b>	<b>27.4</b>	<b>30.5</b>	<b>32.5</b>	<b>22.5%</b>	<b>12.9%</b>
Cto.Total Ingresos	7.5%	37.6%	28.1%	12.4%	13.7%	20.9%	11.6%	6.5%		
Coste de ventas	-	-	-	-	-	-	-	-		
<b>Margen Bruto</b>	<b>10.0</b>	<b>13.8</b>	<b>17.7</b>	<b>19.9</b>	<b>22.6</b>	<b>27.4</b>	<b>30.5</b>	<b>32.5</b>	<b>22.5%</b>	<b>12.9%</b>
Margen Bruto / Ingresos	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Gastos de personal	(3.6)	(4.8)	(5.7)	(7.6)	(8.4)	(10.2)	(11.2)	(11.7)		
Otros costes de explotación	(4.7)	(5.2)	(6.6)	(6.5)	(7.6)	(8.2)	(9.0)	(9.7)		
<b>EBITDA recurrente</b>	<b>1.7</b>	<b>3.8</b>	<b>5.4</b>	<b>5.8</b>	<b>6.6</b>	<b>9.0</b>	<b>10.3</b>	<b>11.1</b>	<b>39.6%</b>	<b>18.9%</b>
Cto.EBITDA recurrente	36.6%	118.3%	42.3%	7.0%	14.1%	35.9%	15.1%	7.4%		
EBITDA rec. / Ingresos	17.4%	27.5%	30.6%	29.1%	29.2%	32.8%	33.9%	34.2%		
Gastos de reestructuración y otros no rec.	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	-	-	-		
Gastos capitalizados	0.5	0.2	0.3	0.3	0.3	0.3	0.3	0.3		
<b>EBITDA</b>	<b>2.2</b>	<b>4.0</b>	<b>5.5</b>	<b>6.0</b>	<b>6.9</b>	<b>9.3</b>	<b>10.6</b>	<b>11.4</b>	<b>32.9%</b>	<b>18.3%</b>
Depreciación y provisiones	(0.4)	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
Arrendamientos (Impacto NIIF 16)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>1.8</b>	<b>3.5</b>	<b>5.1</b>	<b>5.6</b>	<b>6.5</b>	<b>8.9</b>	<b>10.2</b>	<b>11.0</b>	<b>38.0%</b>	<b>19.1%</b>
Cto.EBIT	35.7%	97.4%	43.2%	11.4%	15.2%	37.0%	15.0%	7.3%		
EBIT / Ingresos	17.8%	25.6%	28.6%	28.4%	28.7%	32.5%	33.5%	33.8%		
Impacto fondo de comercio y otros	-	-	-	-	-	-	-	-		
Resultado financiero neto	(0.2)	(0.0)	0.1	(0.2)	0.5	(0.1)	(0.1)	(0.1)		
Resultados por puesta en equivalencia	-	-	-	-	-	-	-	-		
<b>Beneficio ordinario</b>	<b>1.6</b>	<b>3.5</b>	<b>5.2</b>	<b>5.5</b>	<b>7.0</b>	<b>8.8</b>	<b>10.1</b>	<b>10.9</b>	<b>43.9%</b>	<b>16.1%</b>
Cto.Beneficio ordinario	21.8%	115.5%	48.8%	4.7%	27.5%	26.5%	15.2%	7.4%		
Extraordinarios	-	-	-	-	-	-	-	-		
<b>Beneficio antes de impuestos</b>	<b>1.6</b>	<b>3.5</b>	<b>5.2</b>	<b>5.5</b>	<b>7.0</b>	<b>8.8</b>	<b>10.1</b>	<b>10.9</b>	<b>43.9%</b>	<b>16.1%</b>
Impuestos	(0.8)	(1.2)	(1.3)	(1.6)	(1.8)	(2.2)	(2.5)	(2.7)		
Tasa fiscal efectiva	50.0%	34.8%	24.4%	28.9%	25.3%	25.0%	25.0%	25.0%		
Minoritarios	0.8	1.1	0.7	0.3	0.1	(0.0)	(0.2)	(0.3)		
Actividades discontinuadas	-	-	-	-	-	-	-	-		
<b>Beneficio neto</b>	<b>1.6</b>	<b>3.3</b>	<b>4.6</b>	<b>4.1</b>	<b>5.3</b>	<b>6.6</b>	<b>7.4</b>	<b>7.8</b>	<b>34.2%</b>	<b>13.8%</b>
Cto.Beneficio neto	1.2%	104.0%	37.3%	-9.9%	28.4%	24.1%	12.7%	5.3%		
<b>Beneficio ordinario neto</b>	<b>2.0</b>	<b>3.5</b>	<b>4.7</b>	<b>4.1</b>	<b>5.3</b>	<b>6.6</b>	<b>7.4</b>	<b>7.8</b>	<b>28.1%</b>	<b>13.7%</b>
Cto. Beneficio ordinario neto	6.1%	79.4%	33.7%	-12.5%	28.4%	23.7%	12.7%	5.3%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	TACC	
<b>EBITDA recurrente</b>						<b>9.0</b>	<b>10.3</b>	<b>11.1</b>	<b>39.6%</b>	<b>18.9%</b>
Arrendamientos (Impacto NIIF 16)						-	-	-		
Var.capital circulante						(3.2)	(0.4)	(0.2)		
<b>Cash Flow operativo recurrente</b>						<b>5.8</b>	<b>10.0</b>	<b>10.9</b>	<b>20.5%</b>	<b>9.1%</b>
CAPEX						(0.1)	(0.2)	(0.2)		
Rdo. Fin. Neto con impacto en Cash Flow						(0.1)	(0.1)	(0.1)		
Impuestos						(2.2)	(2.5)	(2.7)		
<b>Free Cash Flow Recurrente</b>						<b>3.3</b>	<b>7.2</b>	<b>7.9</b>	<b>14.9%</b>	<b>5.5%</b>
Gastos de reestructuración y otros no rec.						-	-	-		
- Adquisiciones / + Desinversiones						-	-	-		
Extraordinarios con impacto en Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>3.3</b>	<b>7.2</b>	<b>7.9</b>	<b>32.7%</b>	<b>5.7%</b>
Ampliaciones de capital						-	-	-		
Dividendos						(4.9)	(5.6)	(5.9)		
<b>Variación de Deuda financiera neta</b>						<b>1.6</b>	<b>(1.6)</b>	<b>(2.0)</b>		



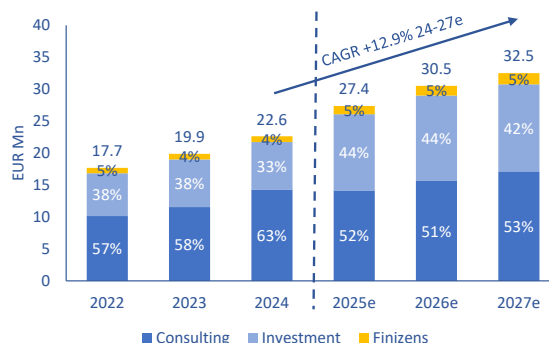


## La compañía en 8 gráficos

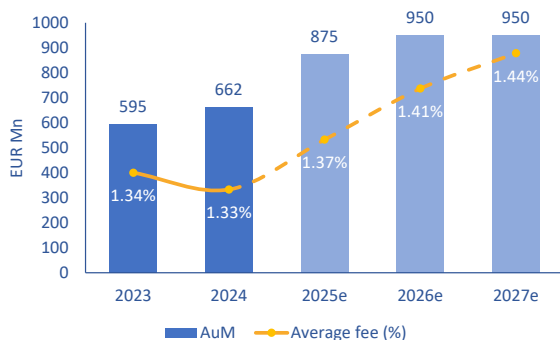
**A diversified consultancy business with an international footprint  
(Africa 04% of total revenues 2024)**



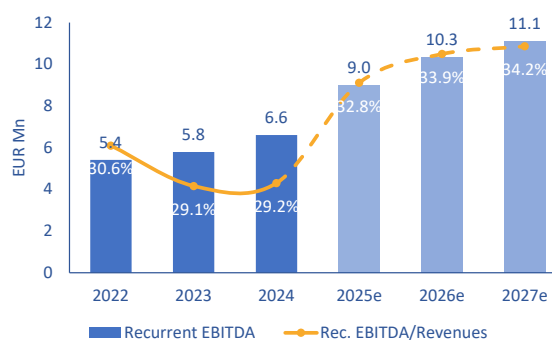
**We estimate an increase of the (higher margin) investment business in the mix (cons. revenue: CAGR +12.9% 24-27e)...**



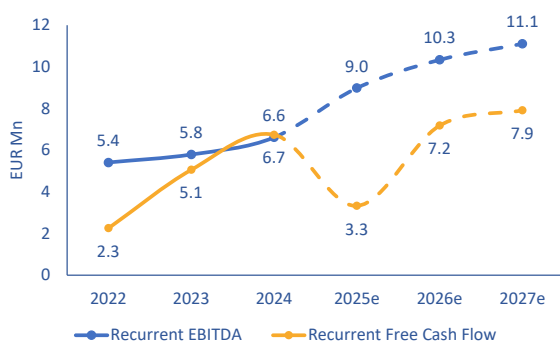
**...driven primarily by raising new funds that increase AuM (EUR 950Mn in 2026e vs EUR 595Mn in 2023)...**



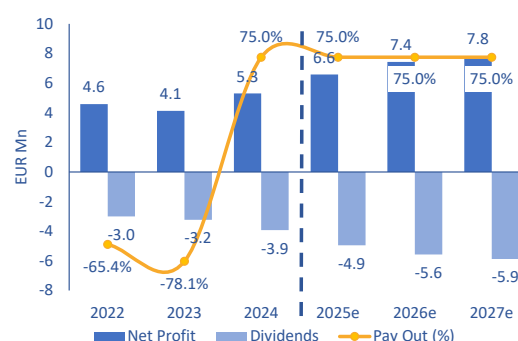
**...resulting in strong margin expansion (EBITDA margin 2026e 34% vs 29% in 2024)**



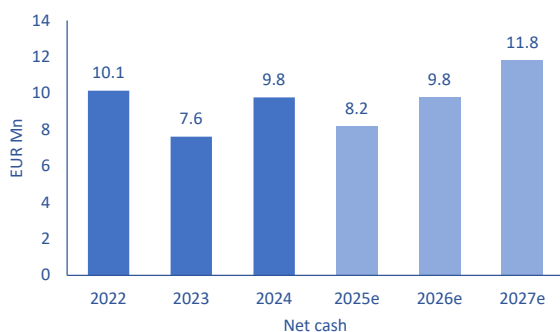
**High capacity to convert EBITDA into cash (c. 60%). FCF yield**



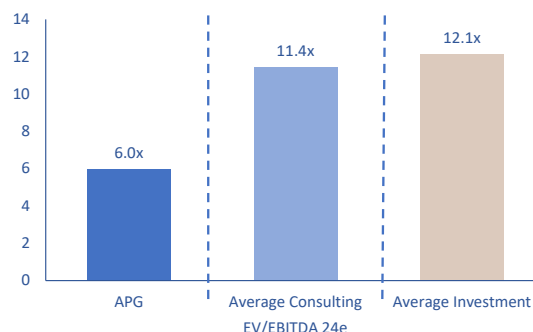
**...allowing for a generous payout (75%) and a dividend yield of 2025e 6.4%**



**All this while maintaining a net cash position (net cash/EBITDA 2025e 0.9x)**



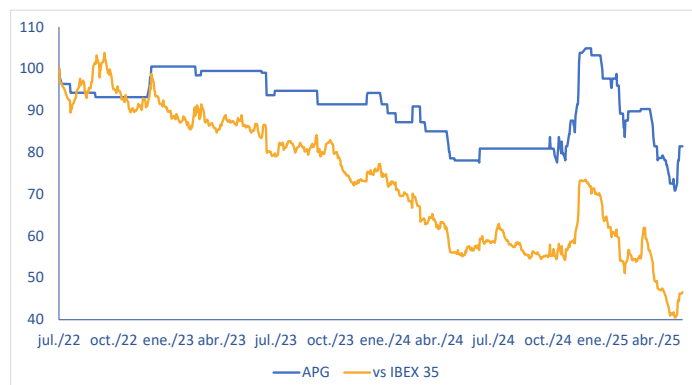
**Trading at an EV/EBITDA 2025e multiple of 6.0x (vs 11.4x for consultancy and 12.1x for investment)**





## Evolución de la cotización

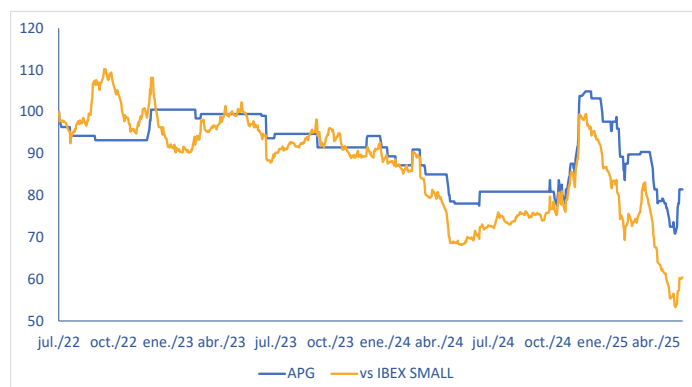
## Comportamiento histórico vs Ibex 35 (base 100)



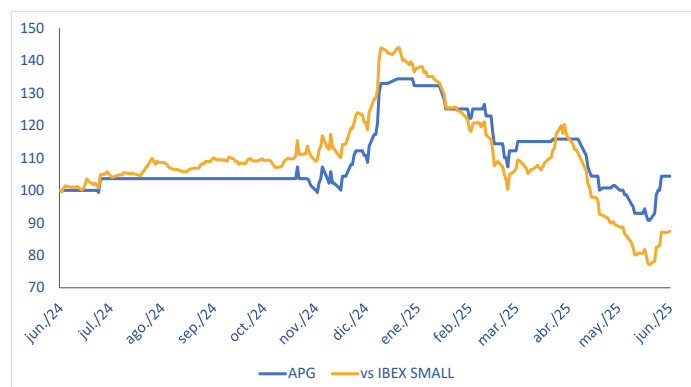
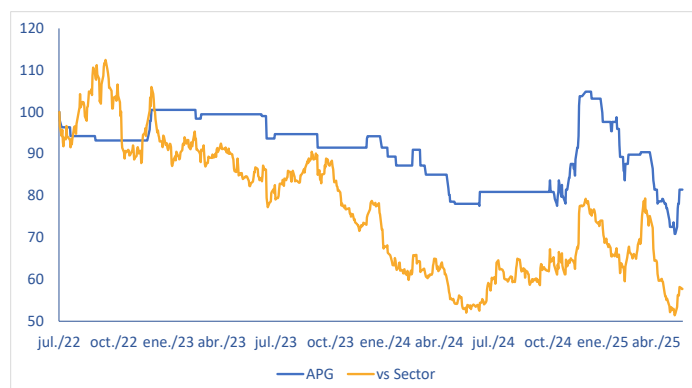
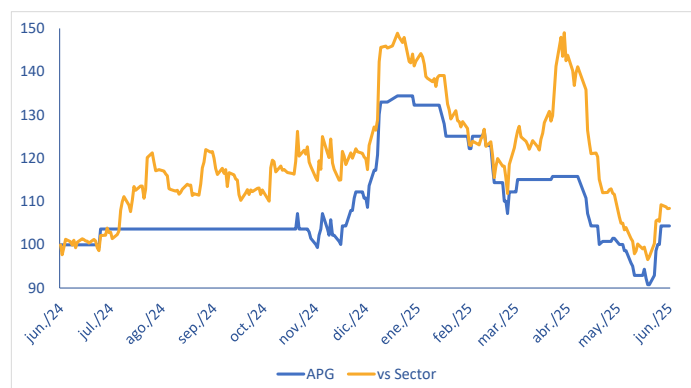
## Comportamiento -1a vs Ibex 35 (base 100)



## Comportamiento histórico vs Ibex Small Cap (base 100)



## Comportamiento -1a vs Ibex Small Cap (base 100)

Comportamiento histórico vs Sector<sup>(1)</sup> (base 100)Comportamiento -1a vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Technology

Comportamiento en bolsa (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absoluto	2.8	-7.0	4.4	-22.3	n.a.	n.a.
vs Mercado						
vs Ibex 35	-1.4	-15.3	-17.5	-36.3	n.a.	n.a.
vs Euro STOXX 50	1.2	-8.4	-3.9	-29.5	n.a.	n.a.
vs Referencias de Small Cap						
vs Ibex Small Cap Index	-2.5	-18.1	-12.6	-39.3	n.a.	n.a.
vs Segmento Micro Cap España <sup>(1)</sup>	-2.1	-13.2	-0.9	-31.6	n.a.	n.a.
vs MSCI Europe Micro Cap	-1.7	-14.7	2.8	-27.9	n.a.	n.a.
vs Sector						
vs Stoxx Europe 600 Technology	-2.9	-12.9	8.4	-26.7	n.a.	n.a.

(1) Referencia segmento Micro Cap España



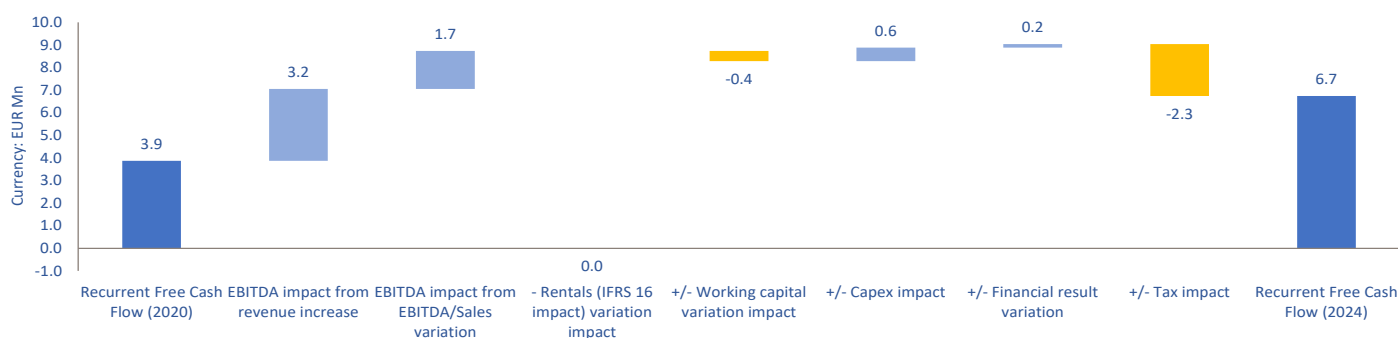
## Analítica del Free Cash Flow (I)

								TACC	
A) Análisis del Free Cash Flow (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
EBITDA recurrente	3.8	5.4	5.8	6.6	9.0	10.3	11.1	20.2%	18.9%
Cto.EBITDA recurrente	118.3%	42.3%	7.0%	14.1%	35.9%	15.1%	7.4%		
EBITDA rec. / Ingresos	27.5%	30.6%	29.1%	29.2%	32.8%	33.9%	34.2%		
- Arrendamientos (Impacto NIIF 16)	-	-	-	-	-	-	-		
+/- Var. Capital circulante	(0.9)	(1.7)	0.8	1.8	(3.2)	(0.4)	(0.2)		
= Cash Flow operativo recurrente	2.9	3.7	6.6	8.4	5.8	10.0	10.9	42.0%	9.1%
Cto. Cash Flow operativo recurrente	-26.3%	25.4%	79.5%	27.1%	-31.4%	72.9%	9.4%		
Cash Flow operativo recurrente / Ingresos	21.3%	20.8%	33.2%	37.1%	21.1%	32.6%	33.5%		
- CAPEX	(0.3)	0.1	(0.1)	-	(0.1)	(0.2)	(0.2)		
- Rdo. Financiero neto con impacto en Cash Flow	(0.1)	(0.0)	0.1	0.1	(0.1)	(0.1)	(0.1)		
- Impuestos	(0.8)	(1.5)	(1.6)	(1.8)	(2.2)	(2.5)	(2.7)		
= Free Cash Flow recurrente	1.8	2.3	5.1	6.7	3.3	7.2	7.9	54.0%	5.5%
Cto. Free Cash Flow recurrente	-52.3%	22.6%	123.7%	33.2%	-50.6%	115.7%	10.3%		
Free Cash Flow recurrente /Ingresos	13.4%	12.8%	25.5%	29.8%	12.2%	23.5%	24.3%		
- Gastos de reestructuración y otros	-	-	-	(0.0)	-	-	-		
- Adquisiciones / + Desinversiones	(0.1)	0.0	(2.6)	-	-	-	-		
+/- Extraordinarios con impacto en Cash Flow	-	-	-	(0.0)	-	-	-		
= Free Cash Flow	1.8	2.3	2.4	6.7	3.3	7.2	7.9	55.9%	5.7%
Cto. Free Cash Flow	-18.1%	30.0%	6.5%	173.7%	-50.3%	115.7%	10.3%		
Free Cash Flow recurrente - Yield (s/Mkt Cap)	2.4%	2.9%	6.5%	8.7%	4.3%	9.3%	10.2%		
Free Cash Flow - Yield (s/Mkt Cap)	2.3%	3.0%	3.2%	8.7%	4.3%	9.3%	10.2%		
B) Analítica de la variación anual del Free Cash Flow recurrente (Mn EUR)									
	2021	2022	2023	2024	2025e	2026e	2027e		
Free Cash Flow recurrente (Año -1)	3.9	1.8	2.3	5.1	6.7	3.3	7.2		
Impacto en EBITDA de la variación de ingresos	0.7	1.1	0.7	0.8	1.4	1.0	0.7		
Impacto en EBITDA de la variación de EBITDA/Ingresos	1.4	0.5	(0.3)	0.0	1.0	0.3	0.1		
= Variación EBITDA recurrente	2.1	1.6	0.4	0.8	2.4	1.4	0.8		
- Impacto por variación arrendamientos (Impacto NIIF 16)	-	-	-	-	-	-	-		
+/- Impacto por variación del capital circulante	(3.1)	(0.9)	2.5	1.0	(5.0)	2.8	0.2		
= Variación del Cash Flow operativo recurrente	(1.0)	0.7	2.9	1.8	(2.6)	4.2	0.9		
+/-Variación del CAPEX	0.3	0.3	(0.1)	0.1	(0.1)	(0.0)	(0.0)		
+/- Variación del resultado financiero neto	0.0	0.0	0.1	0.0	(0.2)	-	-		
+/- Variación de impuestos	(1.3)	(0.7)	(0.1)	(0.2)	(0.4)	(0.3)	(0.2)		
= Variación del Free Cash Flow recurrente	(2.0)	0.4	2.8	1.7	(3.4)	3.9	0.7		
Free Cash Flow Recurrente	1.8	2.3	5.1	6.7	3.3	7.2	7.9		
C) Análisis del "FCF to the Firm" (pre servicio de la deuda) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	TACC	
								21-24	24-27e
EBIT	3.5	5.1	5.6	6.5	8.9	10.2	11.0	22.5%	19.1%
* Tasa fiscal teórica	30.0%	24.4%	28.9%	25.3%	25.0%	25.0%	25.0%		
= Impuestos implícitos (pre Resultado financiero neto)	(1.1)	(1.2)	(1.6)	(1.6)	(2.2)	(2.6)	(2.7)		
EBITDA recurrente	3.8	5.4	5.8	6.6	9.0	10.3	11.1	20.2%	18.9%
- Arrendamientos (Impacto NIIF 16)	-	-	-	-	-	-	-		
+/- Var. Capital circulante	(0.9)	(1.7)	0.8	1.8	(3.2)	(0.4)	(0.2)		
= Cash Flow operativo recurrente	2.9	3.7	6.6	8.4	5.8	10.0	10.9	42.0%	9.1%
- CAPEX	(0.3)	0.1	(0.1)	-	(0.1)	(0.2)	(0.2)		
- Impuestos implícitos (pre Resultado financiero neto)	(1.1)	(1.2)	(1.6)	(1.6)	(2.2)	(2.6)	(2.7)		
= Free Cash Flow (To the Firm) recurrente	1.6	2.5	4.9	6.8	3.4	7.3	8.0	61.7%	5.7%
Cto. Free Cash Flow (To the Firm) Recurrente	-43.9%	57.0%	95.8%	37.4%	-49.6%	113.2%	10.1%		
Free Cash Flow (To the Firm) recurrente / Ingresos	11.6%	14.2%	24.7%	29.9%	12.4%	23.8%	24.6%		
- Adquisiciones / + Desinversiones	(0.1)	0.0	(2.6)	-	-	-	-		
+/- Extraordinarios con impacto en Cash Flow	-	-	-	(0.0)	-	-	-		
= Free Cash Flow "To the Firm"	1.5	2.5	2.3	6.7	3.4	7.3	8.0	64.2%	5.8%
Cto. Free Cash Flow (To the Firm)	33.3%	67.2%	-9.5%	192.5%	-49.5%	113.2%	10.1%		
Free Cash Flow (Recurrente) To the Firm - Yield (s/ EV)	3.0%	4.7%	9.2%	12.6%	6.3%	13.5%	14.9%		
Free Cash Flow To the Firm - Yield (s/EV)	2.8%	4.7%	4.3%	12.5%	6.3%	13.5%	14.9%		

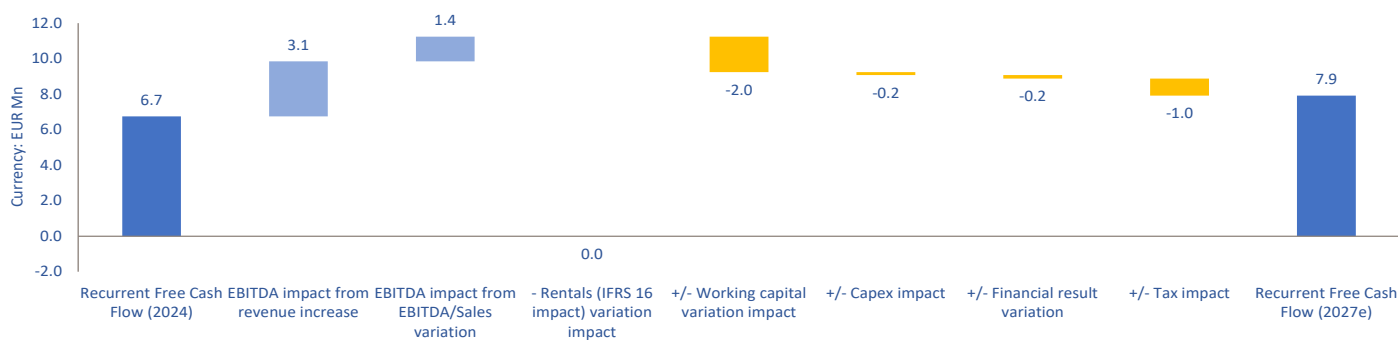


## Analítica del Free Cash Flow (II)

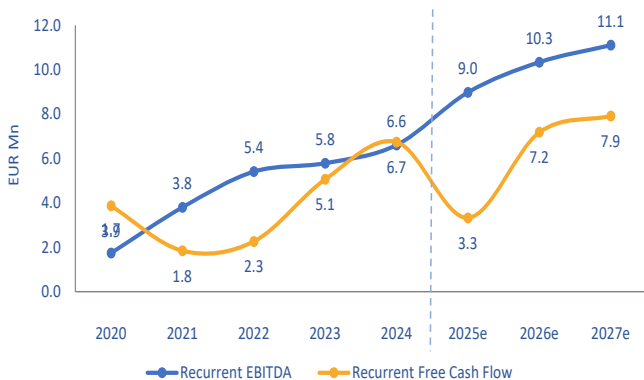
## Análisis de la variación acumulada del Free Cash Flow Recurrente (2020 - 2024)



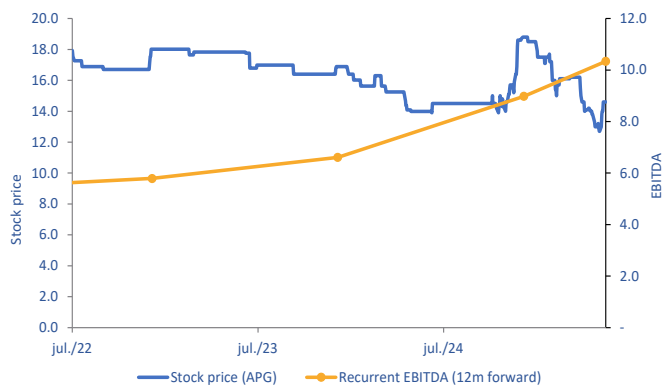
## Análisis de la variación acumulada del Free Cash Flow Recurrente (2024 - 2027e)



## Evolución del EBITDA recurrente vs Free Cash Flow recurrente



## Comportamiento del precio de la acción vs EBITDA (12m forward)





## Inputs de valoración

### Inputs de valoración por DCF

	2025e	2026e	2027e	Perpetuo <sup>(1)</sup>	
Free Cash Flow "To the Firm"	3.4	7.3	8.0	104.9	
Market Cap	77.5	A la fecha de este informe			
Deuda financiera neta	-9.8	Deuda bancaria neta de Caja (12m Results 2024)			
					Inputs favorables      Inputs desfavorables
Coste de la deuda	3.0%	Coste de la deuda neta		2.8%	3.3%
Tasa fiscal (T)	20.0%	T (tasa fiscal normalizada y previsible a largo plazo)		=	=
Coste de la deuda neta	2.4%	$K_d = \text{Coste de Deuda Neta} * (1-T)$		2.2%	2.6%
Risk free rate (rf)	3.1%	Rf (Yield del bono a 10y a la fecha de este informe)		=	=
Equity risk premium	6.0%	R (estimación propia)		5.5%	6.5%
Beta (B)	1.2	B (estimación propia)		1.1	1.3
Coste del Equity	10.3%	$K_e = R_f + (R * B)$		9.2%	11.6%
Equity / (Equity + Deuda Neta)	100.0%	E (tomando como valor del equity su Market Cap)		=	=
Deuda Neta / (Equity + Deuda Neta)	0.0%	D		=	=
WACC	10.3%	$WACC = K_d * D + K_e * E$		9.2%	11.6%
G "Razonable"	2.0%			2.0%	1.5%

(1) El valor perpetuo refleja el VAN del FCF a partir del último año estimado con el WACC y G del escenario base.

### Detalle del cálculo del EV a fecha de este informe

	EUR Mn	Fuente
Market Cap	77.5	
+ Minoritarios	2.4	12m Results 2024
+ Provisiones y otros pasivos a LP	1.5	12m Results 2024
+ Deuda financiera neta	(9.8)	12m Results 2024
- Inmovilizado financiero	17.9	12m Results 2024
+/- Otros		
Enterprise Value (EV)	53.7	

### Métricas de creación de valor del negocio <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolución -5y)	26.2%	61.3%	100.8%	141.4%	306.1%
	2024	2027e			
ROCE - WACC	295.8%	170.8%			
FCF Yield - WACC	2.3%	4.6%			

(1) FCF Yield to the Firm (ver Analítica Free Cash Flow (I)). Detalle del WACC en esta misma página.

### Análisis de sensibilidad (2026e)

#### A) Análisis de sensibilidad del EBITDA Rec. y múltiplos a variaciones en los márgenes

Escenario	EBITDA/Ingresos 26e	EBITDA 26e	EV/EBITDA 26e
Max	37.3%	11.4	4.7x
Central	33.9%	10.3	5.2x
Min	30.5%	9.3	5.8x

#### B) Análisis de sensibilidad del FCF Rec. frente a variaciones en el EBITDA y CAPEX/Vtas

FCF Rec. EUR Mn	CAPEX/Ventas 26e				FCF Rec./Yield 26e		
EBITDA 26e	0.4%	0.5%	0.6%		Escenario		
11.4	8.2	8.2	8.2	➡	Max	10.6%	10.6%
10.3	7.2	7.2	7.1		Central	9.3%	9.2%
9.3	6.2	6.1	6.1		Min	8.0%	7.9%

### Principales indicadores Gobierno Corporativo

KPI	2022	2023	2024 <sup>(1)</sup>
% de consejeros independientes	33.3%	33.3%	33.3%
% de consejeros dominicales	66.7%	66.7%	66.7%
% de consejeros ejecutivos	0.0%	0.0%	0.0%
% de otros consejeros	0.0%	0.0%	0.0%
% de mujeres en el consejo de administración	16.7%	16.7%	0.0%
% de mujeres en la plantilla	23.0%	29.7%	25.6%
Remuneración del Consejo /gastos de personal	19.1%	18.9%	20.2%

(1) Data of the Board of Directors with current composition.



## Principales comparables 2025e

		Consulting							Private Equity					
			Marsh&Mclen nan	CAP Gemini	Booz Allen	Sopra Steria Group	Wavestone				Bridgepoint Group	Tikehau Capital		
	EUR Mn	Accenture						Average	EQT AB	TPG			Average	APG
Market data	Ticker (Factset)	ACN-US	MMC-US	CAP-FR	BAH-US	SOP-FR	WAVE-FR		EQT-SE	TPG-US	BPT-GB	TKO-FR		APG-ES
	Country	Ireland	USA	France	USA	France	France		Sweden	USA	UK	France		Spain
	Market cap	174,038.7	93,241.7	26,310.4	10,885.7	4,179.4	1,457.0		32,452.2	16,511.0	2,888.1	3,347.9		77.5
	Enterprise value (EV)	174,474.9	111,546.2	29,137.9	13,789.3	4,854.6	1,441.2		32,037.5	9,592.4	1,287.5	4,593.6		53.7
Basic financial information	Total Revenues	59,843.9	23,481.8	21,959.6	10,748.0	5,705.8	960.3		2,610.5	1,841.7	642.2	751.8		27.4
	Total Revenues growth	5.9%	10.4%	-0.6%	3.0%	-1.2%	1.8%	3.2%	-5.6%	-39.6%	29.3%	15.2%	-0.1%	20.9%
	2y CAGR (2025e - 2027e)	6.1%	5.7%	3.9%	3.8%	3.2%	2.5%	4.2%	20.4%	22.2%	10.4%	17.6%	17.7%	9.0%
	EBITDA	11,476.1	6,793.7	3,559.4	1,182.2	729.2	136.7		1,534.0	804.0	328.5	390.8		9.3
	EBITDA growth	14.7%	13.5%	11.2%	-4.9%	0.0%	5.1%	6.6%	-5.7%	555.9%	36.2%	n.a.	195.5%	34.8%
	2y CAGR (2025e - 2027e)	5.8%	7.1%	2.9%	4.0%	3.1%	7.3%	5.0%	29.1%	30.8%	12.7%	33.1%	26.4%	10.9%
	EBITDA/Revenues	19.2%	28.9%	16.2%	11.0%	12.8%	14.2%	17.1%	58.8%	43.7%	51.1%	52.0%	51.4%	33.9%
	EBIT	9,322.2	6,377.2	2,923.8	1,048.8	553.0	125.7		1,448.0	862.4	298.4	391.4		8.9
	EBIT growth	6.4%	19.5%	16.1%	-4.7%	8.4%	13.6%	9.9%	23.6%	n.a.	50.4%	44.8%	39.6%	37.0%
	2y CAGR (2025e - 2027e)	6.7%	5.1%	4.4%	4.2%	2.2%	7.4%	5.0%	29.4%	25.4%	12.9%	31.0%	24.7%	11.1%
	EBIT/Revenues	15.6%	27.2%	13.3%	9.8%	9.7%	13.1%	14.8%	55.5%	46.8%	46.5%	52.1%	50.2%	32.5%
	Net Profit	7,026.5	4,118.0	1,972.2	675.2	286.0	82.4		1,032.0	223.4	220.9	266.1		6.6
	Net Profit growth	11.1%	16.5%	18.0%	-16.6%	-7.5%	9.0%	5.1%	27.5%	n.a.	189.1%	70.8%	95.8%	24.1%
	2y CAGR (2025e - 2027e)	7.0%	8.1%	7.0%	5.5%	12.1%	11.6%	8.6%	37.1%	32.8%	16.4%	30.6%	29.2%	9.0%
	CAPEX/Sales %	0.9%	1.3%	1.6%	0.9%	1.8%	0.7%	1.2%	1.5%	1.0%	0.7%	11.8%	3.8%	0.5%
	Free Cash Flow	7,912.3	3,840.8	1,917.4	712.4	331.3	89.6		919.0	713.3	228.6	189.5		3.3
Multiples and Ratios	Net financial debt	(3,226.3)	14,293.6	1,318.4	2,676.9	379.8	(76.2)		14.1	1,005.4	495.2	1,283.6		(8.2)
	ND/EBITDA (x)	n.a.	2.1	0.4	2.3	0.5	n.a.	1.3	0.0	1.3	1.5	3.3	1.5	(0.9)
	Pay-out	44.5%	35.8%	29.8%	27.5%	36.3%	n.a.	34.8%	46.8%	71.7%	41.5%	58.1%	54.5%	75.0%
	P/E (x)	25.0	22.9	13.6	15.7	11.8	16.2	17.5	23.9	25.5	15.6	14.0	19.7	11.8
	P/BV (x)	6.1	7.0	2.0	11.8	1.8	2.0	5.1	3.6	8.4	2.6	1.0	3.9	3.0
	EV/Revenues (x)	2.9	4.8	1.3	1.3	0.9	1.5	2.1	12.3	5.2	2.0	6.1	6.4	2.0
	EV/EBITDA (x)	15.2	16.4	8.2	11.7	6.7	10.5	11.4	20.9	11.9	3.9	11.8	12.1	6.0
	EV/EBIT (x)	18.7	17.5	10.0	13.1	8.8	11.5	13.3	22.1	11.1	4.3	11.7	12.3	6.0
	ROE	24.5	30.7	14.9	75.0	15.4	12.6	28.9	15.0	32.8	16.7	6.9	17.9	26.0
	FCF Yield (%)	4.5	4.1	7.3	6.5	7.9	6.1	6.1	2.8	4.3	7.9	5.7	5.2	4.3
DPS	4.98	3.00	3.45	1.45	5.15	0.50	3.09	0.41	1.60	0.11	0.88	0.75	0.93	
Dvd Yield	1.8%	1.6%	2.2%	1.7%	2.5%	0.9%	1.8%	1.6%	3.6%	3.3%	4.6%	3.3%	6.4%	

(1) Datos financieros, Múltiplos y Ratios basados en el consenso de mercado (Factset). En el caso de la compañía analizada, estimaciones propias (Lighthouse).

(2) Todos los ratios y múltiplos sobre EBITDA, se refieren al EBITDA total (no al EBITDA recurrente).



**Compañía Española de Viviendas en Alquiler, Cevasa (CEV)**, specialises in the development of buildings for long-term renting, mainly in the residential segment (protected homes) in Catalonia, principally in the city of Barcelona and its metropolitan area (where it is the main private property owner).

#### Market Data

Market Cap (Mn EUR and USD)	177.9	204.3
EV (Mn EUR and USD)	347.1	398.6
Shares Outstanding (Mn)	23.3	
-12m (Max/Med/Mín EUR)	8.10 / 6.89 / 5.80	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	0.4	
Factset / Bloomberg	CEV-ES / CEV SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

Familia Vaqué-Boix	61.7
Banco Santander	24.1
Manuel Valiente	6.5
Otros	2.4
Free Float	4.9

#### Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	23.2	23.3	23.3	23.3
Total Revenues	23.0	25.6	27.9	29.7
Rec. EBITDA	16.7	17.5	19.3	20.8
% growth	13.2	4.5	10.3	8.2
% Rec. EBITDA/Rev.	72.7	68.1	69.1	70.0
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	25.1	11.2	12.5	13.7
EPS (EUR)	1.08	0.48	0.54	0.59
% growth	129.8	-55.6	12.0	9.1
Ord. EPS (EUR)	0.42	0.46	0.52	0.56
% growth	-7.2	9.7	11.9	9.0
N Rec. Free Cash Flow	17.4	9.4	9.8	11.2
Pay-out (%)	20.3	51.6	49.6	48.8
DPS (EUR)	0.22	0.25	0.27	0.29
Net financial debt	73.0	75.1	79.7	83.4
ND/Rec. EBITDA (x)	4.4	4.3	4.1	4.0
ROE (%)	6.3	2.7	3.0	3.2
ROCE (%)	5.2	2.5	2.7	2.8

#### Ratios & Multiples (x)

P/E	7.1	15.9	14.2	13.0
Ord. P/E	18.2	16.6	14.8	13.6
P/BV	0.4	0.4	0.4	0.4
Dividend Yield (%)	2.9	3.2	3.5	3.7
EV/Sales	15.10	13.53	12.45	11.67
EV/Rec. EBITDA	20.8	19.9	18.0	16.7
EV/EBIT	9.7	19.5	17.7	16.3
FCF Yield (%)	9.8	5.3	5.5	6.3

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	2.7	7.0	31.4	16.4

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

(2) Sector: Stoxx Europe 600 Real State.

(3) Others: Autocartera 0.4%

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q25 Results in line, portfolio profitability continues to rise.** CEV closed the first quarter with rental revenue of EUR 5.7Mn (+13.6% vs. 1Q24). This increase was driven by rent updates and new contract signings (+5.3%), along with an additional +8.3% from inorganic growth.

**Deliveries from the development business in 2025e are the short-term catalyst.** The deed signing for the remaining 23 homes from the L'Hospitalet development will occur in 2025e, generating a net EBITDA impact of EUR 0.6Mn. We project the company will achieve rental revenue of EUR 25.6Mn and EBITDA of EUR 17.5Mn in 2025e.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Rental Portfolio with a Differentiated Approach in the Catalonia Residential Sector.** CEV is the only publicly traded real estate company on the continuous market with significant exposure to Barcelona's residential sector, primarily focused on subsidized housing (VPO). This specialization provides an "extra" defensive profile, as these types of assets are less sensitive to economic cycles.

**HMB Project.** CEV, with a 25% stake, will develop and manage over 4,500 affordable rental homes in collaboration with Neinor Homes and the Barcelona City Council. An investment of EUR 6Mn has been made, with additional investment commitments reaching EUR 29Mn. The first units are expected to become operational in 2026e.

**Potential for improvement from rent updates.** Currently, c.20% of CEV's residential portfolio consists of old rental agreements priced well below market rates. Starting this year, thanks to changes in the legal framework, the company can partially and gradually adjust these rents to market levels, which will increase the portfolio's profitability.

**Conservative leverage and secure dividend.** CEV maintains a loan-to-value (LTV) of 12.9% with net debt of EUR 77.5Mn in 1Q25 (compared to EUR 49.4Mn in 2023). This is well below the average of c.35-40% for other SOCIMIs.

**High Visibility of the Rental Portfolio Combined with Development Business Deliveries.** The rental portfolio, characterized by its high visibility and high occupancy levels (96.7%), provides strong recurrence for the coming years. Furthermore, pending deliveries from the development business, including the remaining deed signings from the L'Hospitalet development, further reinforce this positive outlook.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Regulatory risk.** The residential sector is the asset class with the most regulation. The Housing Law restricts the ability to update new rents for unsubsidized homes located in stressed areas, which could affect a small portion of CEV's portfolio.

**Geographic concentration.** CEV's entire portfolio is located in Barcelona and its metropolitan area, increasing its dependence on Catalonia's specific regulations and macroeconomic conditions.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Rental portfolio with high visibility, complemented by additional deliveries from the development business.** CEV continues to demonstrate its ability to increase its rents while maintaining high occupancy levels. The initiation of the new development cycle along with the updating of old rents from 2025 are the short-to-medium term catalysts. CEV is positioned in the Spanish Real Estate market as a conservative, low-risk option. The stock's -12m performance of +31.4% (+24.8% vs. sector) leads CEV to trade at a 58.4% discount to NAV. We expect the development business to continue as an additional catalyst in the coming years, with the delivery of one or two projects per year. Likewise, due to low leverage, the acquisition of rental assets in its core market should not be surprising.



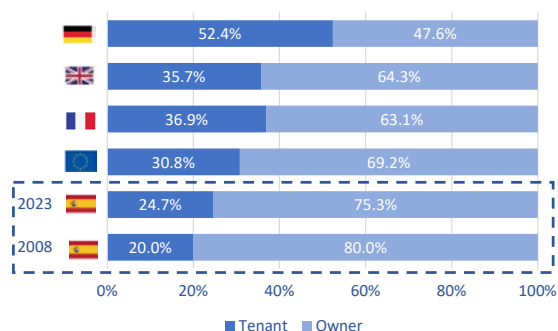
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	1.0	1.1	1.1	1.0	1.3	1.3	1.3	1.3		
Fixed assets	461.7	479.8	496.5	499.0	549.9	557.2	567.2	577.3		
Other Non Current Assets	4.0	3.4	1.9	1.8	2.1	2.1	2.1	2.1		
Financial Investments	7.1	10.3	12.2	11.7	11.5	11.5	11.5	11.4		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	26.3	34.3	27.7	33.3	27.1	28.3	30.6	32.6		
<b>Total assets</b>	<b>500.0</b>	<b>528.8</b>	<b>539.3</b>	<b>546.9</b>	<b>592.0</b>	<b>600.4</b>	<b>612.7</b>	<b>624.7</b>		
Equity	337.2	357.5	383.6	388.2	406.4	411.8	418.1	425.1		
Minority Interests	10.5	11.4	12.8	13.5	14.6	15.1	15.6	16.3		
Provisions & Other L/T Liabilities	83.7	85.3	89.8	89.8	92.4	92.4	92.4	92.4		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	64.9	69.5	49.6	49.4	73.0	75.1	79.7	83.4		
Current Liabilities	3.7	5.0	3.5	6.1	5.6	6.1	6.8	7.6		
<b>Equity &amp; Total Liabilities</b>	<b>500.0</b>	<b>528.8</b>	<b>539.3</b>	<b>546.9</b>	<b>592.0</b>	<b>600.4</b>	<b>612.7</b>	<b>624.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>19.1</b>	<b>19.4</b>	<b>20.4</b>	<b>21.4</b>	<b>23.0</b>	<b>25.6</b>	<b>27.9</b>	<b>29.7</b>	<b>4.8%</b>	<b>9.0%</b>
Total Revenues growth	0.6%	1.9%	5.2%	4.5%	7.5%	11.6%	8.7%	6.7%		
COGS	(0.8)	(1.2)	(1.7)	(1.0)	(0.8)	(1.8)	(1.9)	(2.0)		
<b>Gross Margin</b>	<b>18.2</b>	<b>18.2</b>	<b>18.8</b>	<b>20.4</b>	<b>22.1</b>	<b>23.9</b>	<b>26.0</b>	<b>27.7</b>	<b>5.0%</b>	<b>7.8%</b>
Gross Margin/Revenues	95.7%	93.8%	91.9%	95.4%	96.3%	93.1%	93.2%	93.2%		
Personnel Expenses	(3.1)	(3.4)	(3.8)	(3.9)	(3.6)	(4.1)	(4.2)	(4.3)		
Other Operating Expenses	(1.6)	(1.6)	(1.8)	(1.7)	(1.8)	(2.3)	(2.5)	(2.6)		
<b>Recurrent EBITDA</b>	<b>13.5</b>	<b>13.3</b>	<b>13.2</b>	<b>14.8</b>	<b>16.7</b>	<b>17.5</b>	<b>19.3</b>	<b>20.8</b>	<b>5.5%</b>	<b>7.6%</b>
Recurrent EBITDA growth	1.7%	-1.4%	-0.4%	11.6%	13.2%	4.5%	10.3%	8.2%		
Rec. EBITDA/Revenues	70.7%	68.3%	64.7%	69.1%	72.7%	68.1%	69.1%	70.0%		
Net development revenue and non-rec.	(1.0)	0.4	4.4	(0.0)	2.8	0.6	0.6	0.7		
<b>EBITDA</b>	<b>12.5</b>	<b>13.7</b>	<b>17.6</b>	<b>14.7</b>	<b>19.5</b>	<b>18.0</b>	<b>19.9</b>	<b>21.5</b>	<b>11.8%</b>	<b>3.4%</b>
Depreciation & Provisions	(0.1)	0.4	(0.1)	0.1	(0.2)	(0.2)	(0.3)	(0.3)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Change in the value of the properties	0.2	17.9	15.5	0.5	16.4	-	-	-		
<b>EBIT</b>	<b>12.6</b>	<b>32.0</b>	<b>33.1</b>	<b>15.3</b>	<b>35.6</b>	<b>17.8</b>	<b>19.6</b>	<b>21.3</b>	<b>29.7%</b>	<b>-15.8%</b>
EBIT growth	-57.7%	154.1%	3.3%	-53.6%	132.4%	-50.1%	10.5%	8.4%		
EBIT/Revenues	66.1%	n.a.	n.a.	71.8%	n.a.	69.3%	70.5%	71.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.3)	(1.5)	(1.3)	(1.6)	(2.8)	(3.1)	(3.3)	(3.4)		
Income by the Equity Method	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
<b>Ordinary Profit</b>	<b>11.3</b>	<b>30.5</b>	<b>31.7</b>	<b>13.7</b>	<b>32.8</b>	<b>14.6</b>	<b>16.4</b>	<b>17.8</b>	<b>30.4%</b>	<b>-18.3%</b>
Ordinary Profit Growth	-59.8%	169.9%	3.9%	-56.8%	139.2%	-55.4%	12.0%	9.1%		
Extraordinary Results	-	-	5.9	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>11.3</b>	<b>30.5</b>	<b>37.7</b>	<b>13.7</b>	<b>32.8</b>	<b>14.6</b>	<b>16.4</b>	<b>17.8</b>	<b>30.4%</b>	<b>-18.3%</b>
Tax Expense	(1.5)	(5.2)	(7.9)	(2.1)	(6.6)	(2.9)	(3.3)	(3.6)		
Effective Tax Rate	13.2%	16.9%	21.0%	15.0%	20.0%	20.0%	20.0%	20.0%		
Minority Interests	(0.6)	(0.9)	(1.1)	(0.7)	(1.1)	(0.5)	(0.6)	(0.6)		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>9.3</b>	<b>24.5</b>	<b>28.7</b>	<b>10.9</b>	<b>25.1</b>	<b>11.2</b>	<b>12.5</b>	<b>13.7</b>	<b>28.3%</b>	<b>-18.3%</b>
Net Profit growth	-57.9%	164.8%	17.2%	-62.0%	129.8%	-55.4%	12.0%	9.1%		
<b>Ordinary Net Profit</b>	<b>10.0</b>	<b>9.3</b>	<b>8.3</b>	<b>10.5</b>	<b>9.7</b>	<b>10.7</b>	<b>12.0</b>	<b>13.1</b>	<b>-0.5%</b>	<b>10.4%</b>
Ordinary Net Profit growth	17.2%	-6.4%	-11.0%	26.5%	-7.2%	10.2%	11.9%	9.0%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>17.5</b>	<b>19.3</b>	<b>20.8</b>	<b>5.5%</b>	<b>7.6%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.7)	(1.5)	(1.2)		
<b>Recurrent Operating Cash Flow</b>						<b>16.7</b>	<b>17.7</b>	<b>19.6</b>	<b>18.5%</b>	<b>-4.4%</b>
CAPEX						(1.3)	(1.4)	(1.5)		
Net Financial Result affecting the Cash Flow						(3.1)	(3.3)	(3.4)		
Tax Expense						(2.9)	(3.3)	(3.6)		
<b>Recurrent Free Cash Flow</b>						<b>9.4</b>	<b>9.8</b>	<b>11.2</b>	<b>49.2%</b>	<b>-13.8%</b>
Restructuring Expense & Other non-rec.						0.6	0.6	0.7		
- Acquisitions / + Divestures of assets						(6.3)	(8.8)	(8.8)		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>3.6</b>	<b>1.6</b>	<b>3.0</b>	<b>-43.3%</b>	<b>31.1%</b>
Capital Increase						-	-	-		
Dividends						(5.8)	(6.2)	(6.7)		
<b>Net Debt Variation</b>						<b>2.1</b>	<b>4.6</b>	<b>3.6</b>		

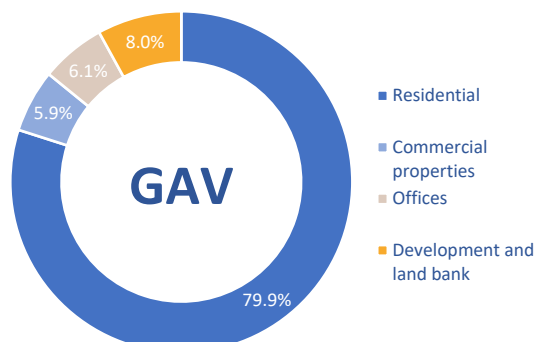


## The company in 8 charts

**Demand for rented housing has continued to grow (since 2008) and Spain is still a long way from European average levels**



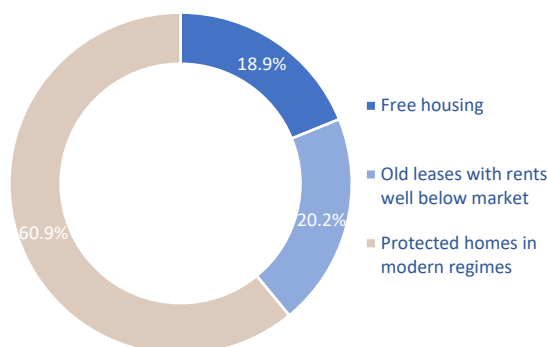
**Cevasa (CEV) has a unique exposure to rented housing (c. 80% of GAV 2024)...**



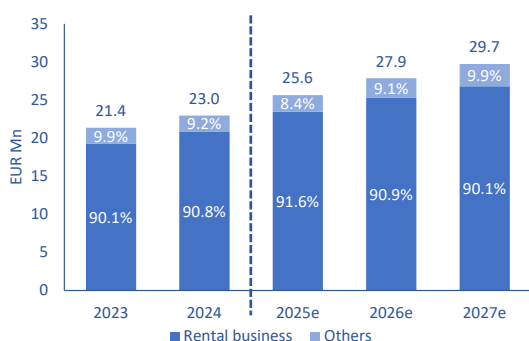
**... with a portfolio concentrated in Catalonia (mainly Barcelona and its metropolitan area)**



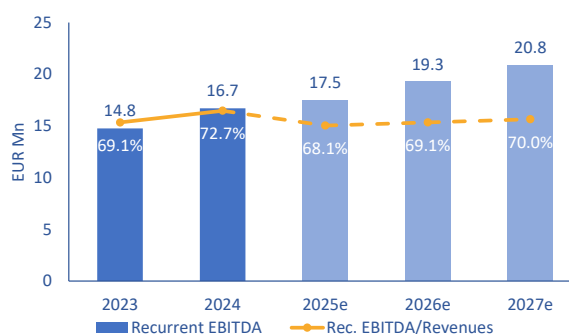
**And the particularity of having invested a large percentage in state sponsored housing**



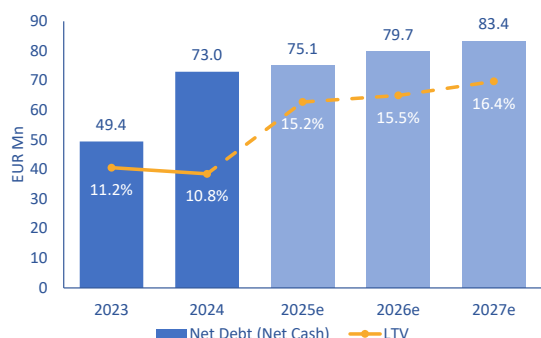
**Until 2027e visibility is significant, for revenue (CAGR 24-27e: +9.0%)...**



**... and margins (Rec EBITDA: CAGR 24-27e: +7.6%)**



**Despite the rebound in investment, leverage will remain at very prudent levels (LTV < 20%)**



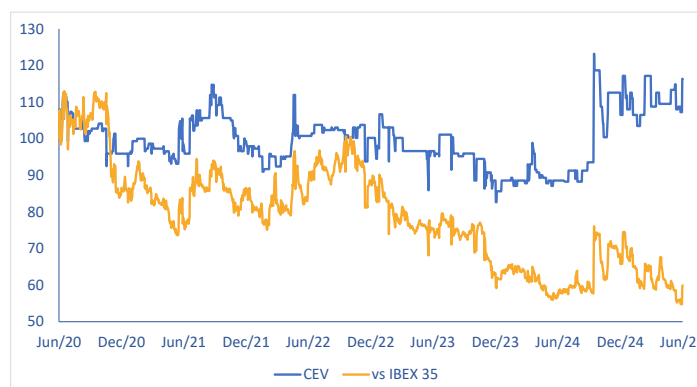
**Trading at a discount of c. 58% to its EPRA NAV/NDV**

EUR Mn	2022	2023	2024	23-24
GAV	536.2	546.3	593.9	8.7%
EPRA NAV/NRV	483.7	490.2	512.2	4.5%
EPRA NAV/NTA	423.9	427.2	448.2	4.9%
EPRA NAV/NDV	400.9	406.7	425.7	4.7%
Number of shares	23.2	23.2	23.2	0.0%
EPRA NAV/NRV per share	20.89	21.17	22.12	4.5%
EPRA NAV/NTA per share	18.31	18.45	19.36	4.9%
EPRA NAV/NDV per share	17.32	17.57	18.39	4.7%

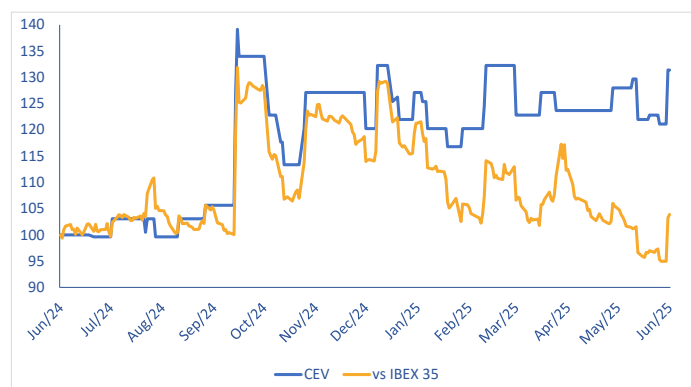


## Evolution of the share price

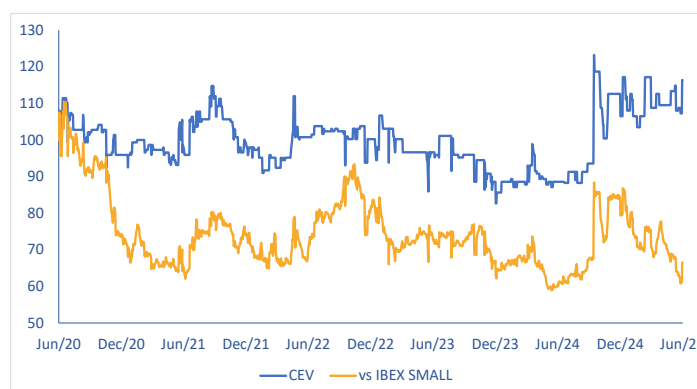
**Historical behavior vs Ibex 35 (base 100)**



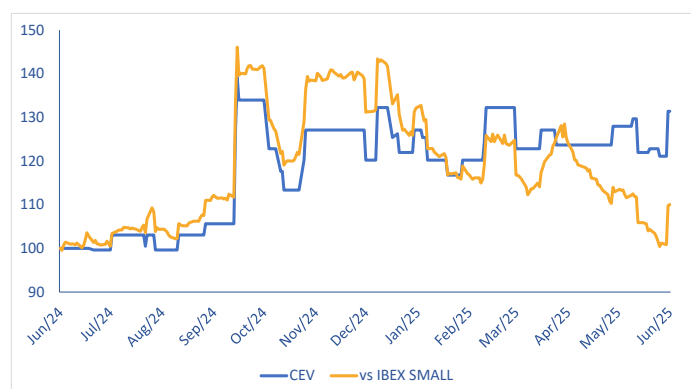
**Behavior -1y vs Ibex 35 (base 100)**



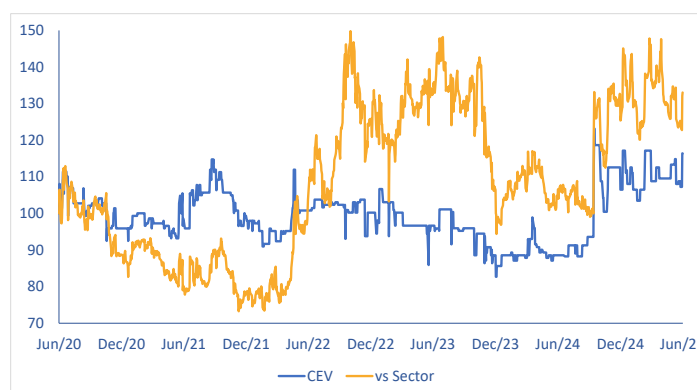
**Historical behavior vs Ibex Small Cap (base 100)**



**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	2.7	7.0	31.4	7.7	15.5	16.4
<b>vs Market</b>						
vs Ibex 35	-1.5	-2.5	3.9	-11.6	-31.4	-40.1
vs Euro STOXX 50	1.1	5.3	21.0	-2.2	-22.9	-32.1
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-2.6	-5.8	10.0	-15.8	-4.3	-33.4
vs Micro Cap Spain Segment <sup>(1)</sup>	-2.2	-0.1	24.8	-5.1	11.8	-21.7
vs MSCI Europe Micro Cap	-1.9	-1.8	29.5	0.0	23.1	-8.8
<b>vs Sector</b>						
vs Stoxx Europe 600 Real State	1.0	-2.7	24.8	1.5	28.1	33.0

(1) Constituents on page 10



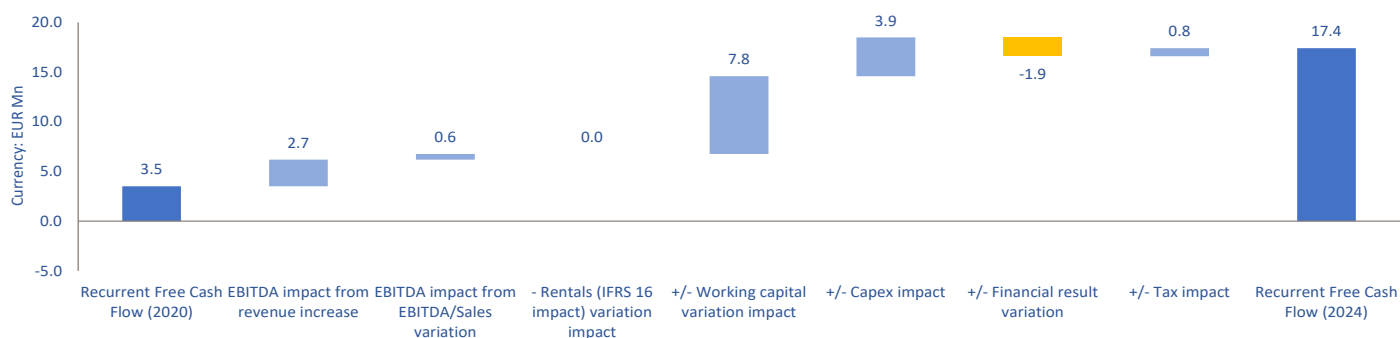
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	13.3	13.2	14.8	16.7	17.5	19.3	20.8	8.0%	7.6%
Recurrent EBITDA growth	-1.4%	-0.4%	11.6%	13.2%	4.5%	10.3%	8.2%		
Rec. EBITDA/Revenues	68.3%	64.7%	69.1%	72.7%	68.1%	69.1%	70.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(6.8)	5.1	(3.0)	5.7	(0.7)	(1.5)	(1.2)		
= Recurrent Operating Cash Flow	6.5	18.3	11.7	22.5	16.7	17.7	19.6	51.1%	-4.4%
Rec. Operating Cash Flow growth	-42.8%	181.8%	-36.0%	91.2%	-25.5%	5.9%	10.7%		
Rec. Operating Cash Flow / Sales	33.5%	89.7%	55.0%	97.7%	65.2%	63.6%	66.0%		
- CAPEX	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
- Net Financial Result affecting Cash Flow	(1.4)	(1.3)	(1.6)	(3.3)	(3.1)	(3.3)	(3.4)		
- Taxes	(0.6)	(7.9)	(2.1)	(1.1)	(2.9)	(3.3)	(3.6)		
= Recurrent Free Cash Flow	3.0	8.0	6.3	17.4	9.4	9.8	11.2	79.0%	-13.8%
Rec. Free Cash Flow growth	-13.6%	162.7%	-21.6%	178.5%	-46.1%	4.3%	13.9%		
Rec. Free Cash Flow / Revenues	15.6%	39.0%	29.2%	75.7%	36.6%	35.1%	37.5%		
- Restructuring expenses & others	-	4.4	(0.0)	2.0	0.6	0.6	0.7		
- Acquisitions / + Divestments	(9.4)	4.0	-	(31.5)	(6.3)	(8.8)	(8.8)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	6.3	6.3	-	-	-	-	-		
= Free Cash Flow	(0.0)	22.7	6.2	(12.1)	3.6	1.6	3.0	n.a.	31.1%
Free Cash Flow growth	-100.4%	n.a.	-72.5%	-293.7%	130.2%	-56.1%	89.5%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	1.7%	4.5%	3.5%	9.8%	5.3%	5.5%	6.3%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	12.7%	3.5%	n.a.	2.0%	0.9%	1.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	3.5	3.0	8.0	6.3	17.4	9.4	9.8		
EBITDA impact from revenue increase	0.3	0.7	0.6	1.1	1.9	1.5	1.3		
EBITDA impact from EBITDA/Sales variation	(0.5)	(0.7)	0.9	0.8	(1.2)	0.3	0.3		
= Recurrent EBITDA variation	(0.2)	(0.0)	1.5	1.9	0.8	1.8	1.6		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(4.7)	11.9	(8.1)	8.8	(6.5)	(0.8)	0.3		
= Recurrent Operating Cash Flow variation	(4.9)	11.8	(6.6)	10.7	(5.7)	1.0	1.9		
+/- CAPEX impact	3.1	0.3	(0.6)	1.2	(0.6)	(0.1)	(0.1)		
+/- Financial result variation	(0.1)	0.1	(0.3)	(1.7)	0.1	(0.1)	(0.1)		
+/- Tax impact	1.3	(7.3)	5.8	0.9	(1.8)	(0.3)	(0.3)		
= Recurrent Free Cash Flow variation	(0.5)	4.9	(1.7)	11.2	(8.0)	0.4	1.4		
Recurrent Free Cash Flow	3.0	8.0	6.3	17.4	9.4	9.8	11.2		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	32.0	33.1	15.3	35.6	17.8	19.6	21.3	3.6%	-15.8%
* Theoretical Tax rate	16.9%	21.0%	15.0%	20.0%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(5.4)	(6.9)	(2.3)	(7.1)	(3.6)	(3.9)	(4.3)		
Recurrent EBITDA	13.3	13.2	14.8	16.7	17.5	19.3	20.8	8.0%	7.6%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(6.8)	5.1	(3.0)	5.7	(0.7)	(1.5)	(1.2)		
= Recurrent Operating Cash Flow	6.5	18.3	11.7	22.5	16.7	17.7	19.6	51.1%	-4.4%
- CAPEX	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
- Taxes (pre- Financial Result)	(5.4)	(6.9)	(2.3)	(7.1)	(3.6)	(3.9)	(4.3)		
= Recurrent Free Cash Flow (To the Firm)	(0.4)	10.2	7.6	14.7	11.9	12.4	13.9	n.a.	-1.8%
Rec. Free Cash Flow (To the Firm) growth	-107.2%	n.a.	-25.6%	92.5%	-18.9%	4.2%	11.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	50.1%	35.7%	63.8%	46.4%	44.5%	46.6%		
- Acquisitions / + Divestments	(9.4)	4.0	-	(31.5)	(6.3)	(8.8)	(8.8)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	6.3	6.3	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(3.4)	20.6	7.6	(16.8)	5.6	3.6	5.0	-69.8%	32.0%
Free Cash Flow (To the Firm) growth	-148.4%	700.0%	-63.0%	-320.3%	133.3%	-36.2%	41.4%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	3.0%	2.2%	4.2%	3.4%	3.6%	4.0%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	5.9%	2.2%	n.a.	1.6%	1.0%	1.5%		

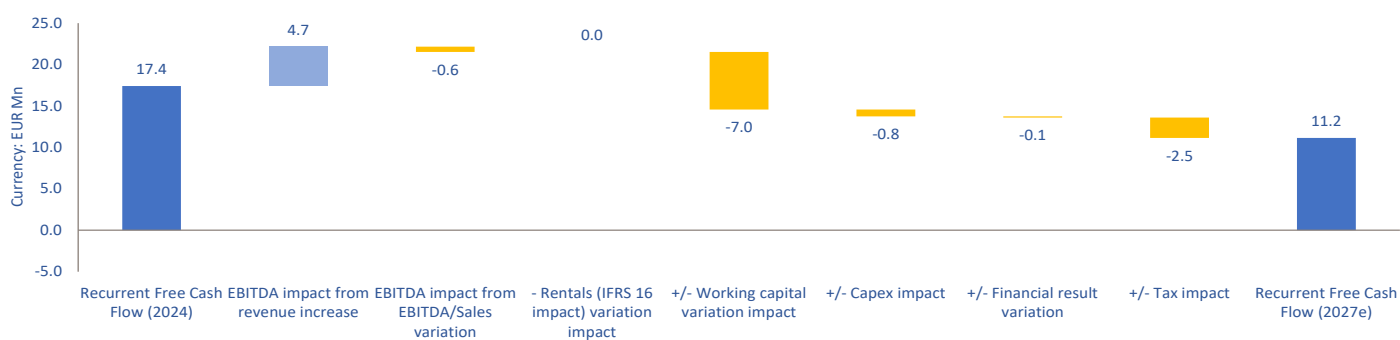


## Free Cash Flow (II)

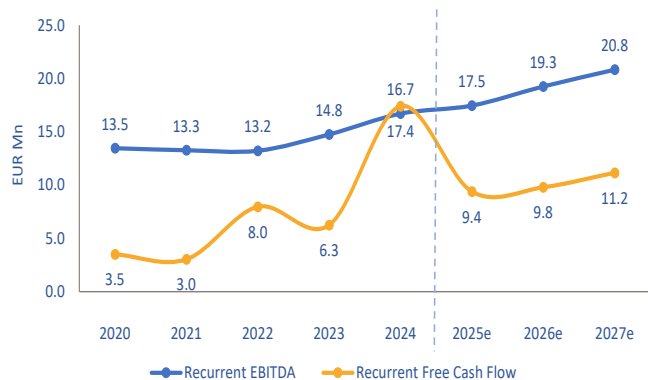
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



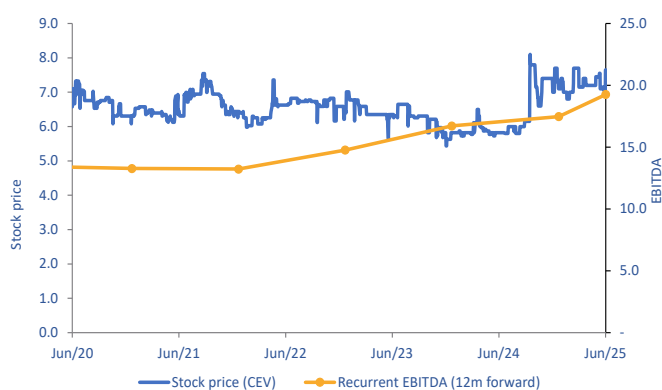
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	5.6	3.6	5.0	261.7		
Market Cap	177.9	At the date of this report				
Net financial debt	77.5	Debt net of Cash (3m Results 2025)				
					Best Case	Worst Case
Cost of Debt	4.4%	Net debt cost			4.2%	4.7%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.5%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.3%	3.7%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.0	B (own estimate)			1.0	1.1
Cost of Equity	9.1%	$K_e = R_f + (R * B)$			8.6%	10.3%
Equity / (Equity + Net Debt)	69.7%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	30.3%	D			=	=
WACC	7.4%	$WACC = K_d * D + K_e * E$			7.0%	8.3%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	177.9	
+ Minority Interests	14.6	3m Results 2025
+ Provisions & Other L/T Liabilities	87.5	3m Results 2025
+ Net financial debt	77.5	3m Results 2025
- Financial Investments	10.4	3m Results 2025
+/- Others		
<b>Enterprise Value (EV)</b>	<b>347.1</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	2.3%	5.3%	5.0%	2.5%	5.2%
	2022	2027e			
ROCE - WACC	-2.2%	-4.6%			
FCF Yield - WACC	-3.2%	-3.4%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	72.6%	20.2	17.2x
Central	69.1%	19.3	18.0x
Min	65.6%	18.3	19.0x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	4.5%	5.0%	5.5%		Scenario		
20.2	10.9	10.8	10.6	➔	Max	6.1%	6.1%
19.3	9.9	9.8	9.7		Central	5.6%	5.5%
18.3	9.0	8.8	8.7		Min	5.0%	5.0%
							4.9%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	25.0%	25.0%	25.0%
% of proprietary board members	50.0%	50.0%	50.0%
% of executive board members	12.5%	12.5%	12.5%
% of other directors	12.5%	12.5%	12.5%
% of women on the board of directors	25.0%	25.0%	50.0%
% of women out of total workforce	50.0%	53.0%	47.4%
Board remuneration/staff cost	14.6%	15.7%	25.7%





## Main peers 2025e

		REITs			
		Merlin Properties	Colonial	Average	CEV
Market data	EUR Mn				
	Ticker (Factset)	MRL-ES	COL-ES		CEV-ES
	Country	Spain	Spain		Spain
	Market cap	6,172.8	3,930.3		177.9
Basic financial information	Enterprise value (EV)	9,794.4	9,347.8		347.1
	Total Revenues	548.0	413.1		25.6
	Total Revenues growth	8.9%	-19.1%	-5.1%	11.6%
	2y CAGR (2025e - 2027e)	11.6%	6.9%	9.2%	7.7%
	EBITDA	406.6	337.4		18.0
	EBITDA growth	8.5%	1.7%	5.1%	-7.5%
	2y CAGR (2025e - 2027e)	11.5%	7.6%	9.5%	9.3%
	EBITDA/Revenues	74.2%	81.7%	77.9%	70.3%
	EBIT	409.4	337.5		17.8
	EBIT growth	10.6%	4.0%	7.3%	-50.1%
	2y CAGR (2025e - 2027e)	13.1%	14.7%	13.9%	9.4%
	EBIT/Revenues	74.7%	81.7%	78.2%	69.3%
	Net Profit	312.5	212.6		11.2
	Net Profit growth	10.1%	-30.8%	-10.4%	-55.4%
	2y CAGR (2025e - 2027e)	8.2%	6.9%	7.5%	10.5%
	CAPEX/Sales %	147.6%	35.6%	91.6%	5.0%
	Free Cash Flow	(106.1)	165.6		3.6
Multiples and Ratios	Net financial debt	4,277.0	4,557.2		75.1
	ND/EBITDA (x)	10.5	13.5	12.0	4.3
	Pay-out	68.5%	84.1%	76.3%	51.6%
	P/E (x)	19.5	19.0	19.2	15.9
	P/BV (x)	0.8	0.7	0.7	0.4
	EV/Revenues (x)	17.9	22.6	20.3	13.5
	EV/EBITDA (x)	24.1	27.7	25.9	19.9
	EV/EBIT (x)	23.9	27.7	25.8	19.5
	ROE	4.0	3.5	3.8	2.7
	FCF Yield (%)	n.a.	4.2	4.2	5.3
	DPS	0.42	0.31	0.37	0.25
	Dvd Yield	3.8%	4.9%	4.4%	3.2%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
															14-24	24-27e
Total Revenues	17.4	16.4	13.9	14.6	16.1	16.9	19.1	19.4	20.4	21.4	23.0	25.6	27.9	29.7	2.8%	9.0%
Total Revenues growth	-11.5%	-5.5%	-15.5%	5.2%	10.2%	5.0%	12.7%	1.9%	5.2%	4.5%	7.5%	11.6%	8.7%	6.7%		
EBITDA	7.3	8.5	8.6	7.9	10.0	11.0	12.5	13.7	17.6	14.7	19.5	18.0	19.9	21.5	10.3%	3.4%
EBITDA growth	-9.0%	16.1%	2.0%	-8.1%	25.7%	9.9%	13.8%	9.3%	28.8%	-16.2%	32.2%	-7.5%	10.4%	8.3%		
EBITDA/Sales	42.0%	51.5%	62.2%	54.4%	62.0%	64.9%	65.5%	70.3%	86.0%	69.0%	84.8%	70.3%	71.4%	72.4%		
Net Profit	22.6	5.6	13.0	14.5	45.0	22.0	9.3	24.5	28.7	10.9	25.1	11.2	12.5	13.7	1.1%	-18.3%
Net Profit growth	647.0%	-75.3%	134.2%	11.6%	209.4%	-51.2%	-57.9%	164.8%	17.2%	-62.0%	129.8%	-55.4%	12.0%	9.1%		
Adjusted number shares (Mn)	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.3	23.3		
EPS (EUR)	0.97	0.24	0.56	0.63	1.94	0.95	0.40	1.06	1.24	0.47	1.08	0.48	0.54	0.59	1.1%	-18.4%
EPS growth	n.a.	-75.3%	n.a.	11.6%	n.a.	-51.1%	-57.9%	n.a.	17.2%	-62.0%	n.a.	-55.6%	12.0%	9.1%		
Ord. EPS (EUR)	0.97	0.24	0.56	0.63	1.94	0.95	0.43	0.40	0.36	0.45	0.42	0.46	0.52	0.56	-8.0%	10.2%
Ord. EPS growth	n.a.	-75.3%	n.a.	11.6%	n.a.	-51.1%	-54.7%	-6.5%	-11.0%	26.7%	-7.2%	9.7%	11.9%	9.0%		
CAPEX	(0.6)	(1.4)	(4.4)	(26.6)	(3.1)	(2.2)	(4.6)	(1.5)	(1.2)	(1.8)	(0.7)	(1.3)	(1.4)	(1.5)		
CAPEX/Sales %	3.2%	8.4%	31.8%	182.4%	19.4%	13.1%	24.0%	7.5%	5.7%	8.5%	2.9%	5.0%	5.0%	5.0%		
Free Cash Flow	3.8	(1.6)	(4.5)	(21.8)	4.3	6.6	5.4	(0.0)	22.7	6.2	(12.1)	3.6	1.6	3.0	-17.8%	31.1%
ND/EBITDA (x) <sup>(2)</sup>	7.0x	6.5x	4.9x	7.9x	6.8x	5.8x	5.2x	5.1x	2.8x	3.4x	3.7x	4.2x	4.0x	3.9x		
P/E (x)	5.0x	22.4x	13.8x	6.0x	3.1x	8.3x	15.8x	6.1x	5.2x	12.4x	6.6x	15.9x	14.2x	13.0x		
EV/Sales (x)	11.83x	16.74x	10.89x	15.94x	17.59x	13.95x	16.24x	15.86x	14.26x	15.03x	13.28x	13.53x	12.45x	11.67x		
EV/EBITDA (x) <sup>(2)</sup>	28.2x	32.5x	17.5x	29.3x	28.4x	21.5x	24.8x	22.6x	16.6x	21.8x	15.7x	19.3x	17.4x	16.1x		
Absolute performance	-18.8%	10.8%	44.5%	-51.7%	61.5%	29.6%	-19.7%	2.1%	0.1%	-9.7%	22.0%	7.7%				
Relative performance vs Ibex 35	-21.7%	19.4%	47.5%	-55.1%	89.9%	15.9%	-5.1%	-5.4%	6.0%	-26.4%	6.3%	-11.6%				

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

**Clerhp Estructuras (CLR)**, is a small structural engineering company (vertically integrated). In 2022, it acquired land in the Dominican Republic (DR) to start the Larimar project (construction of c.20,000 apartments and villas, hotels...). Completely changing the company. It would become (from 2025e) essentially a tourism and residential developer in DR. CLR has been listed on BME Growth since March 2016.

## Market Data

Market Cap (Mn EUR and USD)	51.0	58.6
EV (Mn EUR and USD)	66.3	76.1
Shares Outstanding (Mn)	14.8	
-12m (Max/Med/Min EUR)	4.90 / 4.11 / 2.91	
Daily Avg volume (-12m Mn EUR)	0.09	
Rotation <sup>(1)</sup>	46.4	
Factset / Bloomberg	CLR-ES / CLR SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)<sup>(3)</sup>

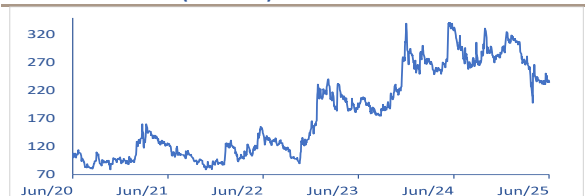
Familia Romero	25.4
Trina World Wide	9.7
Alejandro Clemares Sempere	6.7
Víctor Manuel Rodríguez Martín	6.1
Free Float	47.1

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	14.5	14.8	14.8	14.8
Total Revenues	17.5	21.1	294.6	287.0
Rec. EBITDA	-2.1	5.1	77.0	74.5
% growth	-147.2	343.0	n.a.	-3.2
% Rec. EBITDA/Rev.	n.a.	24.0	26.1	26.0
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	1.6	1.1	52.6	54.1
EPS (EUR)	0.11	0.07	3.55	3.66
% growth	87.7	-33.9	n.a.	2.9
Ord. EPS (EUR)	-0.31	0.07	3.55	3.66
% growth	n.a.	123.2	n.a.	2.9
Rec. Free Cash Flow	-17.5	-21.6	40.3	58.4
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	13.2	34.8	-5.5	-63.9
ND/Rec. EBITDA (x)	n.a.	6.9	-0.1	-0.9
ROE (%)	19.2	9.9	140.4	59.6
ROCE (%)	19.8	8.6	99.6	88.4

## Ratios & Multiples (x)

P/E	32.0	48.5	n.a.	n.a.
Ord. P/E	n.a.	48.5	n.a.	n.a.
P/BV	5.1	4.6	0.8	0.4
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	3.79	3.14	0.23	0.23
EV/Rec. EBITDA	n.a.	13.1	0.9	0.9
EV/EBIT	16.2	15.1	0.9	0.9
FCF Yield (%)	n.a.	n.a.	79.0	114.4

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	-1.4	-12.0	-29.0	134.7

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

(2) Sector: Stoxx Europe 600 Real State.

(3) Others: Meca Alcázar 5.1%

(\*) Variación de ingresos y EBITDA sobre las cifras reexpresadas de 2023 en cuentas anuales de 2024. Las cifras 2023 del Anexo I corresponden a datos no reexpresados.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**The year 2024 primarily includes the infrastructure execution business and a land sale in the Dominican Republic.** CLR closed 2024 with revenue of EUR 17.5Mn (+17.0% vs. 2023\*), including EUR 1.9 Mn in development revenue. The gross margin for construction activity (76.7%) reflects a 2.5 percentage point drop vs. 2023, due to increasing industry costs. EBITDA for 2024 fell to EUR 4.7Mn (-26.4% vs. 2023\*). This negative performance is explained by: i) increased structural costs for the launch of Larimar, and ii) the impairment of projects with low recoverability.

**Larimar project: significant leap in revenue & recurring EBITDA in 2026e.** A significant jump in revenue to EUR 295Mn (c.16x the 2024 figure) and a 2026e recurring EBITDA of EUR 77Mn (vs. EUR -2Mn in 2024) is expected from Larimar. The years 2025e (commercialization) and 2026e (start of deliveries) will be key to quantifying the attractiveness of the growth/risk combination that CLR offers, and the extent to which the enormous value reserve that Larimar "on paper" contains will actually materialize. The forecast for development activity revenue was reduced due to an adjustment in project delivery dates, including, among others, delays in deliveries from 2025 to 2026. The new business plan includes revenue estimates of EUR 21.3 Mn for 2025e, EUR 302.7 Mn for 2026e, and EUR 288.2 Mn for 2027e. CLR expects 2025e EBITDA of EUR 6.0 Mn, EUR 78.3 Mn in 2026e, and EUR 68.8 Mn in 2027e.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**The Larimar city & resorts (LCR) project in the Dominican Republic transforms CLR into a tourist and residential developer from 2026e.** In 2022, CLR acquired land in the Dominican Republic for the development of 3.5Mn square meters of residential buildings (c. 22,000 apartments and villas), hotels, restaurants, and golf courses. This is a turning point for CLR, transforming the business model from construction to real estate development. This will impact the P&L from 2026e, although it has impacted cash flow since 2023 (land acquisition and urbanization expenses).

**Securing the necessary financing to construct LCR is the key to the investment case.** CLR has stated that its financing needs for 2025 are EUR 44Mn, to finance the construction of homes to be delivered in 2026. In our opinion, the base case would be to obtain debt, although we cannot rule out alternative financing sources. The MARF promissory note program amounts to EUR 50Mn, of which EUR 6.3Mn have been issued.

## RISKS: WHAT TO KEEP AN EYE ON?

**Slowdown in deliveries, due to delays in obtaining financing and/or execution problems** (first large-scale real estate development project outside the domestic market), which would inevitably impact CLR's business plan, implying higher cash burn and lower margins.

**Disparity between the size of the LCR project and CLR's current balance sheet (investment > EUR 300 Mn over two years).** At the close of 2024, the company had shareholders' equity of EUR 10.1Mn. This, in relation to the LCR project (approx. EUR 310Mn investment between 2025e-2026e according to our numbers), implies a theoretical risk (financial and accounting) due to the ability to respond to unforeseen events (crises affecting demand, impairments).

**Changes in capital structure.** It is reasonable to assume that financing can be obtained with an increase in Net Debt and working capital financing with suppliers, but without ruling out a potential dilution of current shareholding.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**A unique option with enormous theoretical growth potential. The key lies in speed (financing and execution).** The theoretical value reserve from Larimar is evident, although the impact on the risk premium due to uncertainty in obtaining the necessary financing and project execution is high. The potential jump in size is enormous (aspiration to generate approx. EUR 582Mn in revenue in 2026e and 2027e). The evolution of pre-sales (EUR 215.3 Mn accumulated to date, 33% of the 2026e-27e revenue target) is key to improving visibility and allowing Larimar to start discounting its potential. The flow of news regarding LCR's execution is decisive for the stock price (-12m, -29.0%; -43.9% vs. Ibex 35).



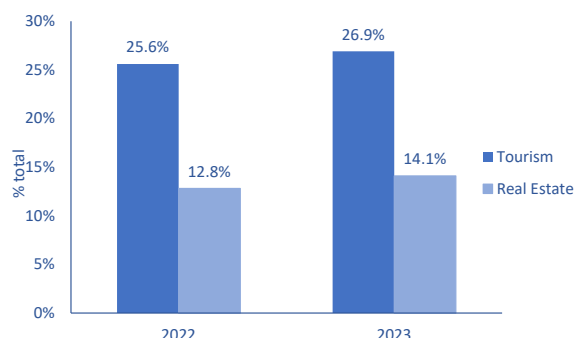
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	2.0	2.7	0.8	0.5	0.2	0.8	1.4	2.1		
Fixed assets	4.2	3.4	3.9	4.5	5.0	4.9	10.2	12.3		
Other Non Current Assets	0.1	0.3	0.1	0.1	-	-	-	-		
Financial Investments	1.0	0.9	5.5	3.9	3.2	3.2	3.2	3.2		
Goodwill & Other Intangibles	0.3	0.2	-	-	-	-	-	-		
Current assets	9.7	9.2	13.0	29.1	58.0	243.8	273.1	300.5		
<b>Total assets</b>	<b>17.3</b>	<b>16.8</b>	<b>23.3</b>	<b>38.2</b>	<b>66.4</b>	<b>252.7</b>	<b>288.0</b>	<b>318.1</b>		
Equity	1.9	(2.8)	2.2	6.2	10.1	11.1	63.7	117.8		
Minority Interests	0.7	0.1	(0.0)	(0.2)	0.1	0.1	0.1	0.1		
Provisions & Other L/T Liabilities	0.3	0.2	3.0	4.3	5.2	5.2	5.2	5.2		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	11.5	15.7	11.7	9.6	13.2	34.8	(5.5)	(63.9)		
Current Liabilities	3.0	3.6	6.4	18.3	37.8	201.5	224.5	258.9		
<b>Equity &amp; Total Liabilities</b>	<b>17.3</b>	<b>16.8</b>	<b>23.3</b>	<b>38.2</b>	<b>66.4</b>	<b>252.7</b>	<b>288.0</b>	<b>318.1</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>10.3</b>	<b>6.1</b>	<b>14.2</b>	<b>17.5</b>	<b>17.5</b>	<b>21.1</b>	<b>294.6</b>	<b>287.0</b>	<b>14.2%</b>	<b>n.a.</b>
Total Revenues growth	-26.5%	-40.9%	133.5%	23.0%	0.1%	20.7%	n.a.	-2.6%		
COGS	(1.9)	(2.7)	(3.3)	(5.9)	(10.5)	(8.0)	(203.2)	(198.0)		
<b>Gross Margin</b>	<b>8.3</b>	<b>3.4</b>	<b>10.9</b>	<b>11.6</b>	<b>7.0</b>	<b>13.1</b>	<b>91.3</b>	<b>89.0</b>	<b>-4.2%</b>	<b>n.a.</b>
Gross Margin/Revenues	81.1%	55.2%	76.5%	66.4%	40.1%	62.0%	31.0%	31.0%		
Personnel Expenses	(4.6)	(3.6)	(3.2)	(3.5)	(3.7)	(4.2)	(9.1)	(9.1)		
Other Operating Expenses	(3.3)	(3.6)	(3.5)	(3.7)	(5.4)	(3.8)	(5.3)	(5.3)		
<b>Recurrent EBITDA</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>4.4</b>	<b>(2.1)</b>	<b>5.1</b>	<b>77.0</b>	<b>74.5</b>	<b>-61.4%</b>	<b>n.a.</b>
Recurrent EBITDA growth	-83.2%	-979.3%	208.8%	6.0%	-147.2%	343.0%	n.a.	-3.2%		
Rec. EBITDA/Revenues	4.2%	n.a.	29.3%	25.2%	n.a.	24.0%	26.1%	26.0%		
Restructuring Expense & Other non-rec.	(0.0)	0.0	-	1.0	6.8	-	-	-		
<b>EBITDA</b>	<b>0.4</b>	<b>(3.8)</b>	<b>4.2</b>	<b>5.5</b>	<b>4.7</b>	<b>5.1</b>	<b>77.0</b>	<b>74.5</b>	<b>84.2%</b>	<b>n.a.</b>
Depreciation & Provisions	(1.0)	(1.0)	(1.2)	(1.3)	(1.2)	(1.3)	(2.1)	(3.1)		
Capitalized Expense	0.8	0.9	0.5	0.9	0.6	0.6	0.6	0.6		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>0.2</b>	<b>(3.9)</b>	<b>3.4</b>	<b>5.1</b>	<b>4.1</b>	<b>4.4</b>	<b>75.5</b>	<b>72.0</b>	<b>n.a.</b>	<b>n.a.</b>
EBIT growth	-88.8%	n.a.	188.9%	48.7%	-20.0%	7.6%	n.a.	-4.6%		
EBIT/Revenues	2.2%	n.a.	24.2%	29.2%	23.3%	20.8%	25.6%	25.1%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.2)	(1.1)	(2.1)	(4.1)	(1.8)	(2.9)	(1.8)	3.8		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>1.0</b>	<b>2.3</b>	<b>1.5</b>	<b>73.7</b>	<b>75.9</b>	<b>45.1%</b>	<b>n.a.</b>
Ordinary Profit Growth	-168.2%	-427.5%	127.4%	-26.1%	128.0%	-35.8%	n.a.	2.9%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>1.0</b>	<b>2.3</b>	<b>1.5</b>	<b>73.7</b>	<b>75.9</b>	<b>45.1%</b>	<b>n.a.</b>
Tax Expense	(0.2)	(0.1)	(0.2)	(0.3)	(0.8)	(0.4)	(21.1)	(21.7)		
Effective Tax Rate	n.a.	n.a.	13.6%	28.7%	32.8%	28.7%	28.7%	28.7%		
Minority Interests	0.0	0.1	0.0	0.1	0.0	-	-	-		
Discontinued Activities	-	-	0.2	-	-	-	-	-		
<b>Net Profit</b>	<b>(1.1)</b>	<b>(5.0)</b>	<b>1.4</b>	<b>0.8</b>	<b>1.6</b>	<b>1.1</b>	<b>52.6</b>	<b>54.1</b>	<b>36.2%</b>	<b>n.a.</b>
Net Profit growth	-211.6%	-360.1%	127.8%	-42.7%	96.7%	-32.7%	n.a.	2.9%		
<b>Ordinary Net Profit</b>	<b>(0.9)</b>	<b>(4.9)</b>	<b>1.2</b>	<b>0.0</b>	<b>(4.5)</b>	<b>1.1</b>	<b>52.6</b>	<b>54.1</b>	<b>-50.6%</b>	<b>n.a.</b>
Ordinary Net Profit growth	-189.8%	-466.5%	124.9%	-96.6%	n.a.	123.6%	n.a.	2.9%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>5.1</b>	<b>77.0</b>	<b>74.5</b>	<b>-61.4%</b>	<b>n.a.</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(22.0)	(6.3)	7.0		
<b>Recurrent Operating Cash Flow</b>						<b>-17.0</b>	<b>70.7</b>	<b>81.5</b>	<b>-69.1%</b>	<b>n.a.</b>
CAPEX						(1.3)	(7.4)	(5.2)		
Net Financial Result affecting the Cash Flow						(2.9)	(1.8)	3.8		
Tax Expense						(0.4)	(21.1)	(21.7)		
<b>Recurrent Free Cash Flow</b>						<b>(21.6)</b>	<b>40.3</b>	<b>58.4</b>	<b>-30.9%</b>	<b>74.7%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(21.6)</b>	<b>40.3</b>	<b>58.4</b>	<b>12.8%</b>	<b>n.a.</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>21.6</b>	<b>(40.3)</b>	<b>(58.4)</b>		

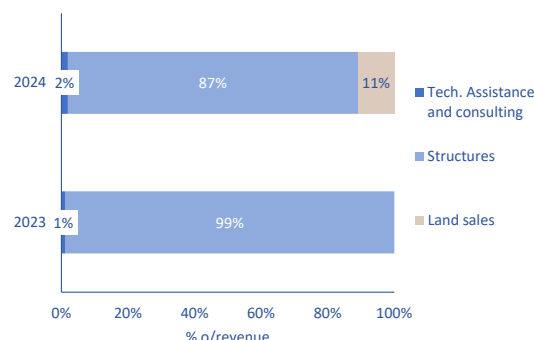


## The company in 8 charts

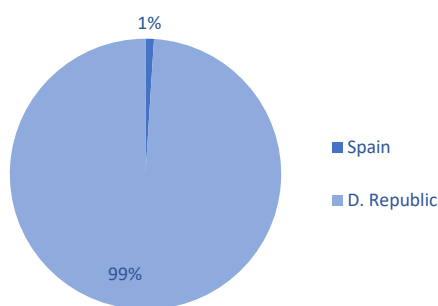
**Tourism and construction are two key sectors for the Dominican Republic, attracting a large % of annual FDI to the country**



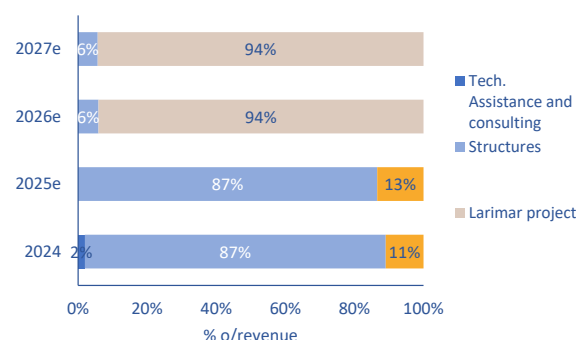
**CLR: its core business is the construction of structures, until Larimar project starts contributing**



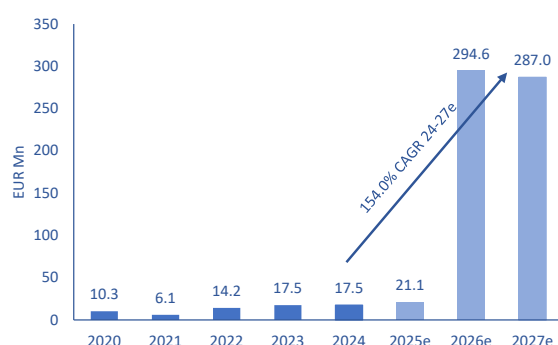
**The company has high business concentration in the Dominican Republic, representing 99% of revenue in 2024.**



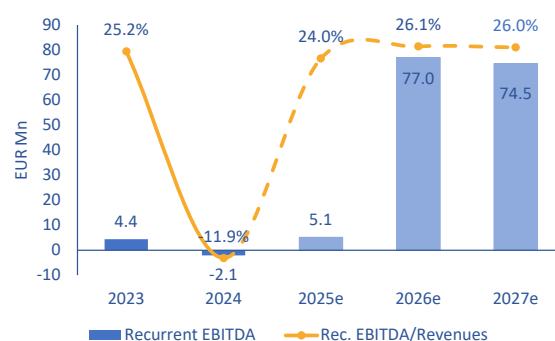
**The DR's share of revenue should remain with the Larimar project, which will drive complete change in the business mix...**



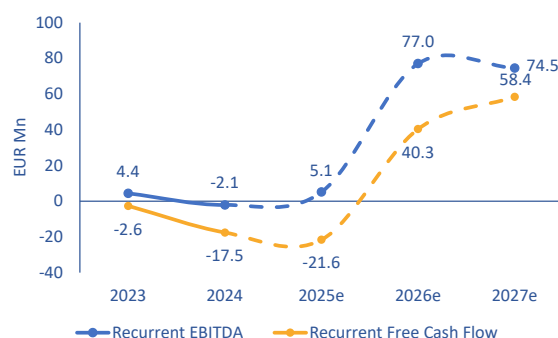
**... paving the way for a (very demanding) lift-off in topline revenue in the P&L to EUR 286 Mn in 2027e**



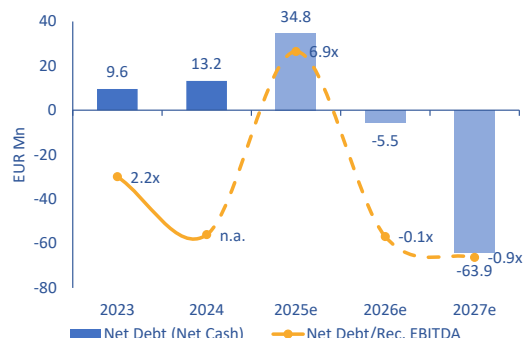
**Pushing up recurring EBITDA to EUR 75Mn in 2027e (vs EUR -2Mn in 2024), because of strong growth in revenue volume...**



**... leaving positive rec. FCF generation of EUR 58Mn in 2027e (vs EUR -4.0Mn in 2024). Highly dependent on the pace of deliveries**



**Increase in ND in 2025e to EUR 35Mn, before tapering off sharply in 2026e (Net cash position of 64Mn; ND/rec. EBITDA multiple of 0.7x).**



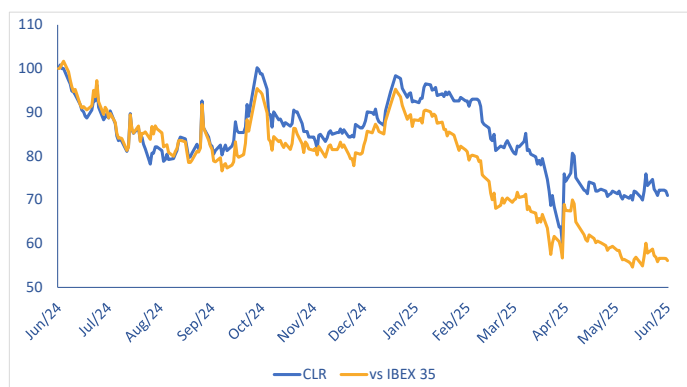


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



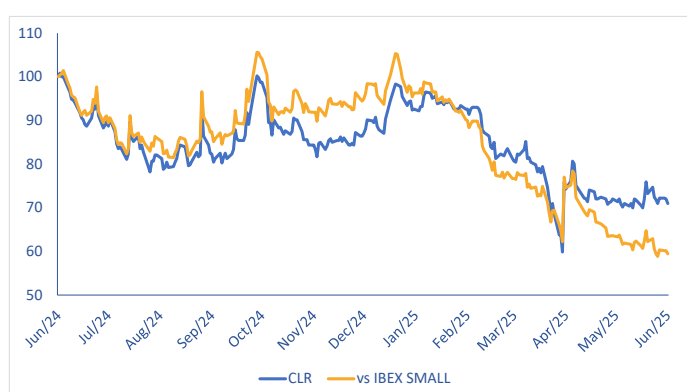
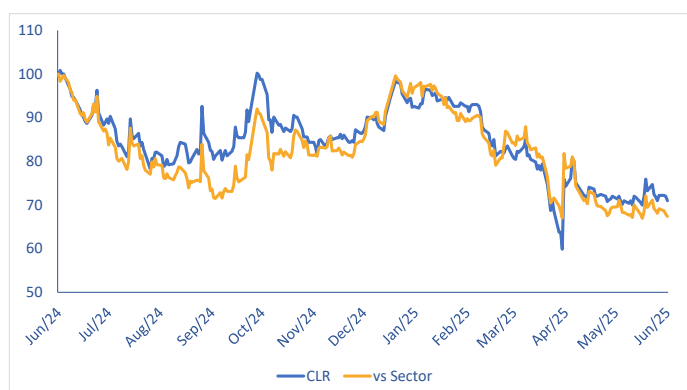
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-1.4	-12.0	-29.0	-27.7	63.5	134.7
<b>vs Market</b>						
vs Ibex 35	-5.5	-19.8	-43.9	-40.7	-2.9	20.8
vs Euro STOXX 50	-3.0	-13.3	-34.6	-34.3	9.1	36.8
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-6.5	-22.5	-40.6	-43.5	35.5	34.2
vs Micro Cap Spain Segment <sup>(1)</sup>	-6.1	-17.8	-32.6	-36.3	58.3	57.8
vs MSCI Europe Micro Cap	-5.8	-19.2	-30.1	-32.9	74.3	84.0
<b>vs Sector</b>						
vs Stoxx Europe 600 Real State	-3.0	-20.0	-32.6	-31.8	81.4	168.2

(1) Constituents on page 10



## Free Cash Flow (I)

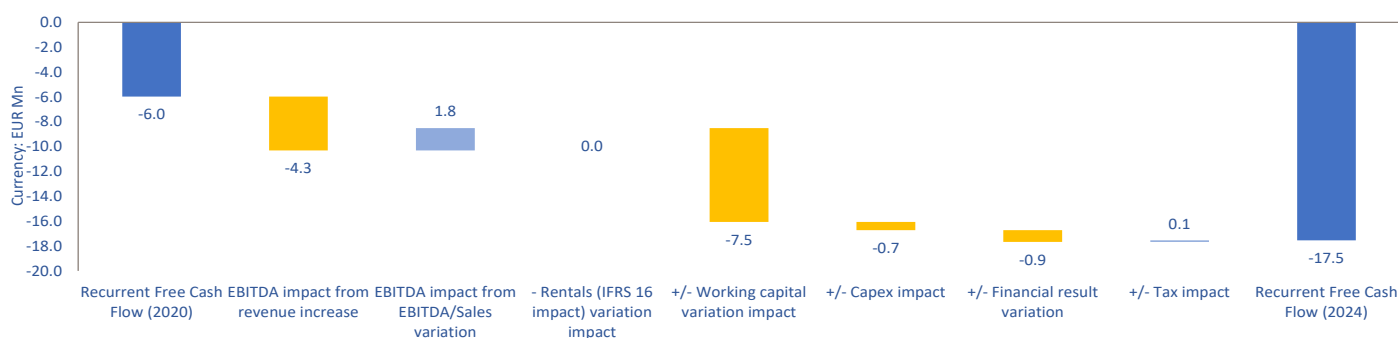
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	(3.8)	4.2	4.4	(2.1)	5.1	77.0	74.5	18.3%	n.a.
Recurrent EBITDA growth	-979.3%	208.8%	6.0%	-147.2%	343.0%	n.a.	-3.2%		
Rec. EBITDA/Revenues	n.a.	29.3%	25.2%	n.a.	24.0%	26.1%	26.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	1.0	(0.9)	(4.2)	(9.4)	(22.0)	(6.3)	7.0		
= Recurrent Operating Cash Flow	(2.8)	3.3	0.2	(11.5)	(17.0)	70.7	81.5	-59.9%	n.a.
Rec. Operating Cash Flow growth	-99.8%	216.0%	-94.7%	n.a.	-47.9%	516.3%	15.3%		
Rec. Operating Cash Flow / Sales	n.a.	22.9%	1.0%	n.a.	n.a.	24.0%	28.4%		
- CAPEX	(0.0)	(2.6)	(1.0)	(4.5)	(1.3)	(7.4)	(5.2)		
- Net Financial Result affecting Cash Flow	(0.9)	(2.1)	(1.7)	(1.4)	(2.9)	(1.8)	3.8		
- Taxes	(0.1)	(0.2)	(0.1)	(0.1)	(0.4)	(21.1)	(21.7)		
= Recurrent Free Cash Flow	(3.9)	(1.6)	(2.6)	(17.5)	(21.6)	40.3	58.4	-65.2%	74.7%
Rec. Free Cash Flow growth	34.9%	59.6%	-67.6%	-565.2%	-23.1%	286.9%	44.8%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	13.7%	20.4%		
- Restructuring expenses & others	0.0	-	1.0	12.0	-	-	-		
- Acquisitions / + Divestments	-	1.6	0.2	1.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.2)	-	-	1.0	-	-	-		
= Free Cash Flow	(4.1)	0.1	(1.4)	(3.6)	(21.6)	40.3	58.4	4.3%	n.a.
Free Cash Flow growth	34.1%	101.9%	n.a.	-159.3%	-503.8%	286.9%	44.8%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	79.0%	114.4%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	0.1%	n.a.	n.a.	n.a.	79.0%	114.4%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(6.0)	(3.9)	(1.6)	(2.6)	(17.5)	(21.6)	40.3		
EBITDA impact from revenue increase	(0.2)	(5.1)	1.0	0.0	(0.4)	65.6	(2.0)		
EBITDA impact from EBITDA/Sales variation	(4.1)	13.1	(0.7)	(6.5)	7.6	6.4	(0.5)		
= Recurrent EBITDA variation	(4.3)	8.0	0.3	(6.5)	7.2	71.9	(2.5)		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	2.9	(1.9)	(3.3)	(5.1)	(12.7)	15.7	13.3		
= Recurrent Operating Cash Flow variation	(1.4)	6.1	(3.1)	(11.6)	(5.5)	87.7	10.8		
+/- CAPEX impact	3.8	(2.5)	1.6	(3.6)	3.3	(6.1)	2.2		
+/- Financial result variation	(0.4)	(1.1)	0.3	0.3	(1.5)	1.1	5.7		
+/- Tax impact	0.1	(0.1)	0.1	0.0	(0.4)	(20.7)	(0.6)		
= Recurrent Free Cash Flow variation	2.1	2.3	(1.1)	(14.9)	(4.0)	61.9	18.1		
Recurrent Free Cash Flow	(3.9)	(1.6)	(2.6)	(17.5)	(21.6)	40.3	58.4		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(3.9)	3.4	5.1	4.1	4.4	75.5	72.0	45.1%	n.a.
* Theoretical Tax rate	0.0%	13.6%	0.0%	0.0%	28.7%	28.7%	28.7%		
= Taxes (pre- Net Financial Result)	-	(0.5)	-	-	(1.3)	(21.7)	(20.6)		
Recurrent EBITDA	(3.8)	4.2	4.4	(2.1)	5.1	77.0	74.5	18.3%	n.a.
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	1.0	(0.9)	(4.2)	(9.4)	(22.0)	(6.3)	7.0		
= Recurrent Operating Cash Flow	(2.8)	3.3	0.2	(11.5)	(17.0)	70.7	81.5	-59.9%	n.a.
- CAPEX	(0.0)	(2.6)	(1.0)	(4.5)	(1.3)	(7.4)	(5.2)		
- Taxes (pre- Financial Result)	-	(0.5)	-	-	(1.3)	(21.7)	(20.6)		
= Recurrent Free Cash Flow (To the Firm)	(2.8)	0.2	(0.8)	(16.0)	(19.5)	41.7	55.7	-78.2%	76.2%
Rec. Free Cash Flow (To the Firm) growth	46.3%	107.6%	-466.5%	n.a.	-21.8%	313.6%	33.6%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	1.5%	n.a.	n.a.	n.a.	14.1%	19.4%		
- Acquisitions / + Divestments	-	1.6	0.2	1.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.2)	-	-	1.0	-	-	-		
= Free Cash Flow "To the Firm"	(3.1)	1.9	(0.6)	(14.1)	(19.5)	41.7	55.7	-66.3%	81.2%
Free Cash Flow (To the Firm) growth	44.2%	160.9%	-130.9%	n.a.	-38.5%	313.6%	33.6%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	0.3%	n.a.	n.a.	n.a.	62.8%	83.9%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	2.8%	n.a.	n.a.	n.a.	62.8%	83.9%		



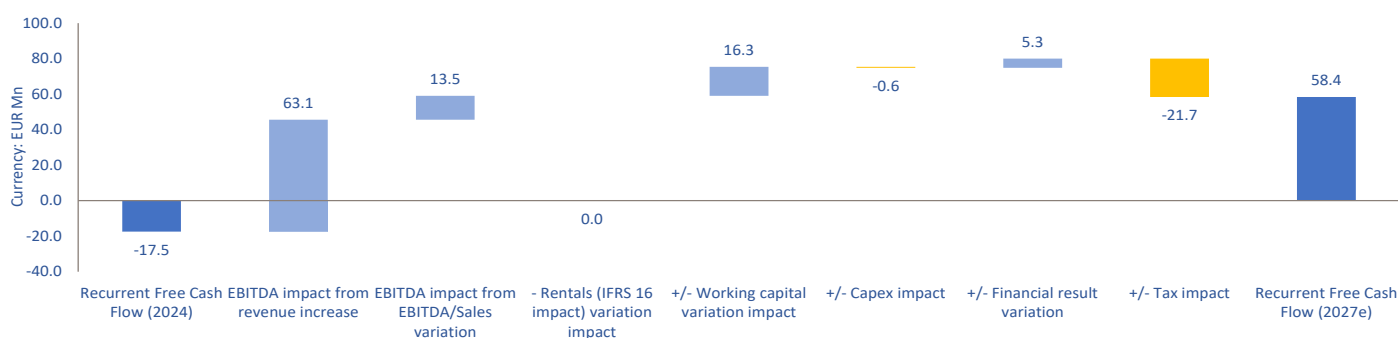


## Free Cash Flow (II)

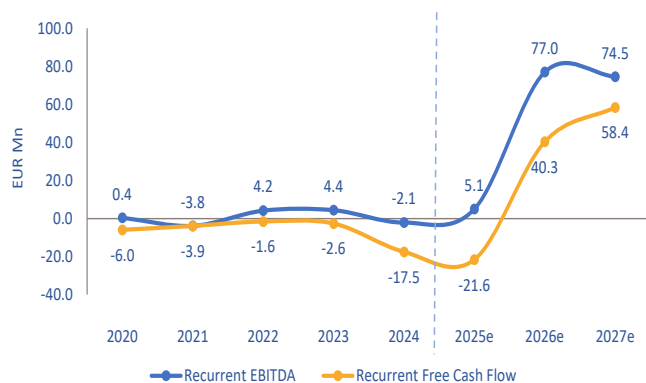
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward







## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(19.5)	41.7	55.7	n.a.		
Market Cap	51.0	At the date of this report				
Net financial debt	13.2	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	79.4%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	20.6%	D			=	=
WACC	9.2%	$WACC = K_d * D + K_e * E$			8.2%	10.2%
G "Fair"	2.0%				2.0%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	51.0	
+ Minority Interests	0.1	12m Results 2024
+ Provisions & Other L/T Liabilities	5.2	12m Results 2024
+ Net financial debt	13.2	12m Results 2024
- Financial Investments	3.2	12m Results 2024
+/- Others		
Enterprise Value (EV)	66.3	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	2.0%	n.a.	25.1%	37.4%	19.8%
	2024	2027e			
ROCE - WACC	10.6%	79.3%			
FCF Yield - WACC	n.a.	74.8%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	28.7%	84.7	0.8x
Central	26.1%	77.0	0.9x
Min	23.5%	69.3	1.0x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e			
EBITDA 26e	2.2%	2.5%	2.8%		Scenario	Rec. FCF/Yield 26e		
84.7	48.9	48.0	47.1	➔	Max	95.8%	94.0%	92.3%
77.0	41.2	40.3	39.5		Central	80.8%	79.0%	77.3%
69.3	33.6	32.7	31.8		Min	65.8%	64.0%	62.3%

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	33.3%	28.6%	33.3%
% of proprietary board members	66.7%	71.4%	66.7%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	0.0%	0.0%	0.0%
% of women out of total workforce	8.2%	40.7%	36.4%
Board remuneration/staff cost	8.0%	10.6%	17.8%



## Main peers 2025e

Real estate and Tourism						Engineering and Construction					CLR
Market data	EUR Mn	Metrovacesa	Aedas Homes	Playa Hotels & Resorts	Insur	Average	Strabag	Hochtief	ACS	Average	
	Ticker (Factset)	MVC-ES	AEDAS-ES	PLYA-US	ISUR-ES		STR-AT	HOT-DE	ACS-ES		CLR-ES
	Country	Spain	Spain	Netherlands	Spain		Austria	Germany	Spain		Spain
	Market cap	1,630.5	1,217.0	1,446.3	224.0		9,375.0	12,472.7	15,389.8		51.0
	Enterprise value (EV)	1,836.4	1,403.5	2,152.1	425.3		5,789.2	14,995.7	16,754.1		66.3
Basic financial information	Total Revenues	707.8	1,047.2	772.2	245.6		19,247.1	35,573.8	45,977.4		21.1
	Total Revenues growth	7.2%	-9.4%	-5.6%	47.6%	9.9%	10.5%	6.8%	10.4%	9.2%	20.7%
	2y CAGR (2025e - 2027e)	2.0%	3.4%	3.3%	-8.7%	0.0%	4.2%	3.8%	5.0%	4.3%	n.a.
	EBITDA	91.7	164.9	214.0	49.0		1,558.4	2,155.6	3,056.8		5.1
	EBITDA growth	104.4%	-0.5%	3.1%	81.1%	47.0%	14.7%	95.4%	80.8%	63.6%	8.0%
	2y CAGR (2025e - 2027e)	4.6%	3.2%	6.3%	-10.3%	1.0%	6.2%	5.8%	5.7%	5.9%	n.a.
	EBITDA/Revenues	13.0%	15.8%	27.7%	19.9%	19.1%	8.1%	6.1%	6.6%	6.9%	24.0%
	EBIT	85.8	160.9	127.1	42.9		916.8	1,451.6	2,017.5		4.4
	EBIT growth	77.9%	0.2%	-8.7%	89.5%	39.7%	17.6%	184.8%	144.7%	115.7%	7.6%
	2y CAGR (2025e - 2027e)	4.5%	3.4%	17.0%	-10.5%	3.6%	9.0%	6.6%	6.9%	7.5%	n.a.
	EBIT/Revenues	12.1%	15.4%	16.5%	17.5%	15.4%	4.8%	4.1%	4.4%	4.4%	20.8%
	Net Profit	45.9	108.1	50.5	29.2		647.6	758.0	803.6		1.1
	Net Profit growth	189.1%	-27.8%	-21.4%	41.5%	45.3%	-21.3%	-2.3%	-2.9%	-8.8%	-32.7%
	2y CAGR (2025e - 2027e)	2.1%	3.4%	37.5%	-15.3%	6.9%	7.6%	8.1%	10.4%	8.7%	n.a.
	CAPEX/Sales %	5.0%	16.8%	14.9%	48.1%	21.2%	5.5%	2.1%	0.9%	2.8%	6.0%
Multiples and Ratios	Free Cash Flow	115.9	81.4	n.a.	11.7		269.9	784.2	1,231.6		(21.6)
	Net financial debt	322.5	356.2	746.7	162.1		(2,147.8)	1,044.4	1,393.3		34.8
	ND/EBITDA (x)	3.5	2.2	3.5	3.3	3.1	n.a.	0.5	0.5	0.5	6.9
	Pay-out	257.0%	n.a.	0.0%	36.3%	97.7%	42.4%	61.3%	69.4%	57.7%	0.0%
	P/E (x)	31.6	11.4	28.2	8.2	19.8	14.2	16.3	19.2	16.6	48.5
	P/BV (x)	1.1	1.2	3.1	1.3	1.7	1.7	10.0	3.0	4.9	4.6
	EV/Revenues (x)	2.6	1.3	2.8	1.7	2.1	0.3	0.4	0.4	0.4	3.1
	EV/EBITDA (x)	20.0	8.5	10.1	8.7	11.8	3.7	7.0	5.5	5.4	13.1
	EV/EBIT (x)	21.4	8.7	16.9	9.9	14.2	6.3	10.3	8.3	8.3	15.1
	ROE	3.4	10.4	11.0	15.6	10.1	12.1	61.2	15.4	29.6	9.9
	FCF Yield (%)	7.1	6.7	n.a.	5.2	6.3	2.9	6.3	8.0	5.7	n.a.
	DPS	0.78	2.43	0.00	0.57	0.94	2.45	6.18	2.18	3.60	0.00
	Dvd Yield	7.2%	8.7%	0.0%	4.8%	5.2%	3.1%	3.9%	3.8%	3.6%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	CAGR 24-27e
Total Revenues				5.3	10.6	14.0	10.3	6.1	14.2	17.5	17.5	21.1	294.6	287.0	n.a.	n.a.
Total Revenues growth				n.a.	101.3%	31.9%	-26.5%	-40.9%	133.5%	23.0%	0.1%	20.7%	n.a.	-2.6%		
EBITDA				1.0	1.7	2.6	0.4	(3.8)	4.2	5.5	4.7	5.1	77.0	74.5	n.a.	n.a.
EBITDA growth				n.a.	67.8%	50.8%	-84.3%	n.a.	210.0%	31.0%	-14.0%	8.0%	n.a.	-3.2%		
EBITDA/Sales				19.5%	16.2%	18.5%	4.0%	n.a.	29.3%	31.2%	26.8%	24.0%	26.1%	26.0%		
Net Profit				0.1	0.8	1.0	(1.1)	(5.0)	1.4	0.8	1.6	1.1	52.6	54.1	n.a.	n.a.
Net Profit growth				n.a.	744.4%	19.9%	-211.6%	-360.1%	127.8%	-42.7%	96.7%	-32.7%	n.a.	2.9%		
Adjusted number shares (Mn)				9.9	-	-	-	10.0	11.7	13.9	14.5	14.8	14.8	14.8		
EPS (EUR)				0.01	n.a.	n.a.	n.a.	-0.50	0.12	0.06	0.11	0.07	3.55	3.66	n.a.	n.a.
EPS growth				n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-51.6%	87.7%	-33.9%	n.a.	2.9%		
Ord. EPS (EUR)				0.01	n.a.	n.a.	n.a.	-0.49	0.10	0.00	-0.31	0.07	3.55	3.66	n.a.	n.a.
Ord. EPS growth				n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-97.1%	n.a.	n.a.	n.a.	2.9%		
CAPEX				(0.6)	(2.1)	(2.1)	(3.9)	(0.0)	(2.6)	(1.0)	(4.5)	(1.3)	(7.4)	(5.2)		
CAPEX/Sales %				10.9%	20.0%	14.8%	37.6%	0.4%	18.1%	5.5%	26.0%	6.0%	2.5%	1.8%		
Free Cash Flow				0.0	(0.6)	(3.2)	(6.2)	(4.1)	0.1	(1.4)	(3.6)	(21.6)	40.3	58.4	n.a.	n.a.
ND/EBITDA (x) <sup>(2)</sup>				1.7x	1.3x	2.1x	28.2x	n.a.	2.8x	1.8x	2.8x	6.9x	-0.1x	-0.9x		
P/E (x)				n.a.	n.a.	n.a.	n.a.	n.a.	20.3x	73.2x	44.3x	48.5x	n.a.	n.a.		
EV/Sales (x)				2.66x	1.72x	1.89x	2.40x	4.73x	2.60x	3.39x	4.90x	3.14x	0.23x	0.23x		
EV/EBITDA (x) <sup>(2)</sup>				13.7x	10.6x	10.2x	n.a.	n.a.	8.9x	10.9x	18.3x	13.1x	0.9x	0.9x		
Absolute performance				-24.3%	9.8%	22.0%	-12.0%	3.0%	77.2%	74.3%	13.6%	-27.7%				
Relative performance vs Ibex 35				-29.5%	29.2%	9.1%	4.1%	-4.5%	87.6%	42.0%	-1.1%	-40.7%				

(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.

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

**Cuatrochenta (480S)**, is a technology company specialised in designing, developing and implementing cloud software (SaaS model) and cybersecurity, with proprietary products aimed at optimising specific processes in the business context. Revenues from outside Spain account for c. 47% of the total (mainly Latam). The company has been listed on BME Growth since November 2020.

#### Market Data

Market Cap (Mn EUR and USD)	46.2	53.0
EV (Mn EUR and USD)	48.2	55.4
Shares Outstanding (Mn)	2.7	
-12m (Max/Med/Min EUR)	16.90 / 12.68 / 10.40	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	5.5	
Factset / Bloomberg	480S-ES / 480S SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

Familia Montesinos	18.6
Alfredo Cebrián Fuertes	16.8
Sergio Aguado Gonzalez	16.7
Grupo Pavasal	6.3
Free Float	36.9

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	2.7	2.7	2.7	2.7
Total Revenues	27.7	33.5	37.5	41.2
Rec. EBITDA	2.5	3.1	3.7	4.4
% growth	177.4	22.8	19.1	18.5
% Rec. EBITDA/Rev.	9.2	9.3	9.9	10.7
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	1.1	2.0	2.7	3.2
EPS (EUR)	0.43	0.72	0.98	1.17
% growth	555.4	69.0	35.4	19.1
Ord. EPS (EUR)	0.36	0.66	0.91	1.10
% growth	538.5	83.8	39.1	21.0
Rec. Free Cash Flow	3.3	4.9	2.1	2.3
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	4.0	-1.1	-3.5	-6.0
ND/Rec. EBITDA (x)	1.6	-0.4	-0.9	-1.4
ROE (%)	10.6	16.2	18.4	18.3
ROCE (%)	7.6	13.0	19.5	23.0

#### Ratios & Multiples (x)

P/E	39.5	23.4	17.2	14.5
Ord. P/E	47.4	25.8	18.5	15.3
P/BV	4.1	3.5	2.9	2.4
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	1.74	1.44	1.29	1.17
EV/Rec. EBITDA	19.0	15.5	13.0	11.0
EV/EBIT	32.6	22.8	17.5	13.9
FCF Yield (%)	7.2	10.7	4.6	4.9

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	9.7	16.6	44.4	n.a.

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

(2) Sector: Stoxx Europe 600 Technology.

(3) Others: Gimenos 111 Estudio de comunicación 3.3%, Inveready 1.4%

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q 2025: strong revenue growth continues.** Sales increased by +26.5% (EUR 8.2Mn vs. EUR 6.5Mn in 1Q24). Two key points stand out: i) double-digit growth in Annual Recurring Revenue (ARR) is maintained (+14% vs. Dec-24), with a very positive impact on long-term P/L visibility, and ii) the comparison to 4Q24 on a standalone basis is favorable, with an 8.2% revenue growth.

**...high EBITDA growth despite gross margin pressure.** A decrease in gross margin (-3.5 p.p.; +24.5%) is more than offset by operating leverage, diluting overhead costs in a high-growth environment.

**2025: more of the same.** The trends observed in 1Q 2025 reflect what's expected for the full year: i) revenue growth exceeding +20%, ii) pressure on gross margin (-2.4 p.p. vs. 2024) due to an increased mix of business (to a greater or lesser extent) based on third-party products, and iii) a slight improvement in EBITDA margin due to the dilution of overhead costs. These three trends are clear and explain 480S's results over the past four years. We expect them to continue over the next three years and even intensify, especially the margin improvement from operating leverage (2024 EBITDA margin, 9.2%; 2025e, 9.3%; 2026e, 9.9%; 2027e, 10.7%).

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Diversified business.** Geographically, in 2024, revenue from outside Spain increased to 47% (vs. 35% in 2023 and 26% in 2022). By business line, cybersecurity (Sofistic) stands out, representing 42% of the business mix. Furthermore, only approximately 30% of sales are concentrated among the top 15 clients. This diversification reduces the business model risk.

**Recurring revenue base.** 480S's proprietary solutions and products are focused on optimizing very specific processes within the business environment (asset management, work plans, cybersecurity, etc.). Once a client has adapted their internal processes to 480S products, the switching costs to a new provider are high, implying strong recurrence. Annual Recurring Revenue (ARR) reached EUR 19.3Mn in 2024 (approximately 70% of Total Revenue). ARR growth is a structural strength for 480S.

**High revenue growth and margin improvement ensure positive FCF generation.** In the 2024-2027e period, we should see Recurring EBITDA growing at a CAGR of approximately +20% (which favors positive Recurring FCF generation) as a result of: (i) continued double-digit revenue growth (+14.2% CAGR 2024-2027e) and (ii) the effect of operating leverage. This allows for an aspiration of a Recurring EBITDA margin of approximately 10% in 2026e (vs. approximately 9.2% in 2024).

#### RISKS: WHAT TO KEEP AN EYE ON?

**Debt level.** 480S closed 2024 with Net Debt (ND) of EUR 4.0Mn (excl. IFRS 16 impact). This represents a ND/Recurring EBITDA multiple of 1.6x. The estimated improvement in Recurring EBITDA would boost Recurring FCF generation and allows for aspirations of a Net Cash position as early as 2025e. However, a slowdown in growth would deteriorate debt ratios.

**Emerging market exposure (LATAM).** Although 480S is not exposed to emerging market currency risk (its transactions are primarily closed in euros or dollars), growth in LATAM (Panama, Colombia; approximately 38% of 2024 Revenue) implies dependence on the region's macroeconomics and growth.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The equity story continues to be the monetization of high revenue growth.** The ability to achieve double-digit revenue growth leads to margin improvement that should continue in 2025e-2027e. The EV/Sales 2025e multiple of 1.4x is still well below its sector. This explains the stock's performance over the past 12 months (+44%; +50% vs sector). Objectively, a technology micro-cap with no "flaws".



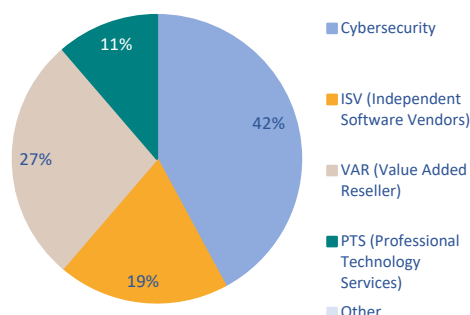
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	3.9	8.1	8.8	8.1	7.5	6.8	6.2	5.5		
Fixed assets	0.2	0.4	0.5	0.8	1.0	1.4	1.8	2.3		
Other Non Current Assets	0.5	0.5	1.9	2.3	2.7	2.7	2.7	2.7		
Financial Investments	1.0	0.1	0.4	0.7	1.0	1.5	2.0	2.4		
Goodwill & Other Intangibles	5.1	7.2	8.3	8.3	8.3	8.3	8.3	8.3		
Current assets	2.8	4.3	8.0	8.4	15.0	11.2	11.7	12.4		
<b>Total assets</b>	<b>13.6</b>	<b>20.6</b>	<b>28.0</b>	<b>28.7</b>	<b>35.5</b>	<b>31.8</b>	<b>32.6</b>	<b>33.6</b>		
Equity	5.4	4.6	10.2	10.4	11.2	13.2	15.9	19.0		
Minority Interests	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1		
Provisions & Other L/T Liabilities	1.4	1.7	1.9	1.6	1.4	1.4	1.4	1.4		
Other Non Current Liabilities	-	1.0	1.0	0.8	0.8	0.8	0.8	0.8		
Net financial debt	3.5	7.5	6.6	6.9	4.0	(1.1)	(3.5)	(6.0)		
Current Liabilities	3.3	5.8	8.2	8.9	18.0	17.4	17.9	18.2		
<b>Equity &amp; Total Liabilities</b>	<b>13.6</b>	<b>20.6</b>	<b>28.0</b>	<b>28.7</b>	<b>35.5</b>	<b>31.9</b>	<b>32.6</b>	<b>33.6</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>11.8</b>	<b>13.9</b>	<b>18.7</b>	<b>22.5</b>	<b>27.7</b>	<b>33.5</b>	<b>37.5</b>	<b>41.2</b>	<b>23.7%</b>	<b>14.2%</b>
Total Revenues growth	99.3%	17.3%	34.5%	20.5%	23.0%	21.0%	12.0%	10.0%		
COGS	(3.1)	(3.8)	(5.4)	(7.4)	(10.1)	(13.0)	(14.8)	(16.4)		
<b>Gross Margin</b>	<b>8.7</b>	<b>10.1</b>	<b>13.3</b>	<b>15.1</b>	<b>17.6</b>	<b>20.5</b>	<b>22.7</b>	<b>24.8</b>	<b>19.2%</b>	<b>12.1%</b>
Gross Margin/Revenues	73.7%	72.6%	71.3%	67.0%	63.5%	61.1%	60.6%	60.1%		
Personnel Expenses	(5.7)	(7.4)	(9.9)	(11.1)	(12.1)	(13.5)	(14.7)	(15.7)		
Other Operating Expenses	(1.5)	(1.7)	(2.6)	(3.0)	(3.0)	(3.9)	(4.3)	(4.7)		
<b>Recurrent EBITDA</b>	<b>1.5</b>	<b>0.9</b>	<b>0.7</b>	<b>0.9</b>	<b>2.5</b>	<b>3.1</b>	<b>3.7</b>	<b>4.4</b>	<b>14.0%</b>	<b>20.1%</b>
Recurrent EBITDA growth	31.2%	-38.1%	-23.0%	27.7%	177.4%	22.8%	19.1%	18.5%		
Rec. EBITDA/Revenues	12.7%	6.7%	3.8%	4.1%	9.2%	9.3%	9.9%	10.7%		
Restructuring Expense & Other non-rec.	(0.3)	(0.1)	(0.2)	0.5	0.2	0.2	0.2	0.2		
Capitalized Expense	0.1	0.6	0.8	0.6	0.5	0.5	0.5	0.5		
<b>EBITDA</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>2.1</b>	<b>3.3</b>	<b>3.9</b>	<b>4.4</b>	<b>5.1</b>	<b>26.0%</b>	<b>16.1%</b>
Depreciation & Provisions	(0.7)	(1.1)	(1.5)	(1.2)	(1.4)	(1.3)	(1.3)	(1.3)		
Rentals (IFRS 16 impact)	-	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
<b>EBIT</b>	<b>0.6</b>	<b>0.1</b>	<b>(0.4)</b>	<b>0.4</b>	<b>1.5</b>	<b>2.1</b>	<b>2.8</b>	<b>3.5</b>	<b>23.0%</b>	<b>32.9%</b>
EBIT growth	-10.3%	-91.3%	-894.2%	197.8%	237.3%	43.3%	30.1%	25.9%		
EBIT/Revenues	5.5%	0.4%	n.a.	1.9%	5.3%	6.3%	7.3%	8.4%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.1)	(0.1)	(0.4)	(0.6)	(0.6)	(0.3)	(0.1)	0.1		
Income by the Equity Method	-	(0.0)	0.2	0.4	0.5	0.5	0.5	0.5		
<b>Ordinary Profit</b>	<b>0.5</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>1.3</b>	<b>2.3</b>	<b>3.2</b>	<b>4.0</b>	<b>26.7%</b>	<b>43.5%</b>
Ordinary Profit Growth	-22.7%	-124.9%	-415.9%	143.3%	363.3%	72.6%	35.4%	26.5%		
Extraordinary Results	(0.3)	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>0.2</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>1.3</b>	<b>2.3</b>	<b>3.2</b>	<b>4.0</b>	<b>58.9%</b>	<b>43.5%</b>
Tax Expense	0.0	(0.1)	0.0	(0.1)	(0.2)	(0.3)	(0.5)	(0.8)		
Effective Tax Rate	n.a.	n.a.	n.a.	40.6%	12.6%	15.0%	15.0%	20.0%		
Minority Interests	-	0.0	0.0	0.0	(0.0)	-	-	-		
Discontinued Activities	-	-	(0.5)	-	-	-	-	-		
<b>Net Profit</b>	<b>0.2</b>	<b>(0.2)</b>	<b>(1.1)</b>	<b>0.2</b>	<b>1.1</b>	<b>2.0</b>	<b>2.7</b>	<b>3.2</b>	<b>47.3%</b>	<b>40.6%</b>
Net Profit growth	n.a.	-184.1%	-436.9%	116.0%	551.5%	72.3%	35.4%	19.1%		
<b>Ordinary Net Profit</b>	<b>0.8</b>	<b>(0.0)</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>1.0</b>	<b>1.8</b>	<b>2.5</b>	<b>3.0</b>	<b>3.7%</b>	<b>46.6%</b>
Ordinary Net Profit growth	75.1%	-104.0%	n.a.	53.8%	535.8%	87.4%	39.1%	21.0%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>3.1</b>	<b>3.7</b>	<b>4.4</b>	<b>14.0%</b>	<b>20.1%</b>
Rentals (IFRS 16 impact)						(0.4)	(0.4)	(0.4)		
Working Capital Increase						3.3	(0.1)	(0.4)		
<b>Recurrent Operating Cash Flow</b>						<b>6.0</b>	<b>3.2</b>	<b>3.6</b>	<b>19.0%</b>	<b>-7.3%</b>
CAPEX						(0.5)	(0.6)	(0.6)		
Net Financial Result affecting the Cash Flow						(0.3)	(0.1)	0.1		
Tax Expense						(0.3)	(0.5)	(0.8)		
<b>Recurrent Free Cash Flow</b>						<b>4.9</b>	<b>2.1</b>	<b>2.3</b>	<b>18.8%</b>	<b>-12.2%</b>
Restructuring Expense & Other non-rec.						0.2	0.2	0.2		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>5.1</b>	<b>2.4</b>	<b>2.5</b>	<b>45.4%</b>	<b>-11.4%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(5.1)</b>	<b>(2.4)</b>	<b>(2.5)</b>		

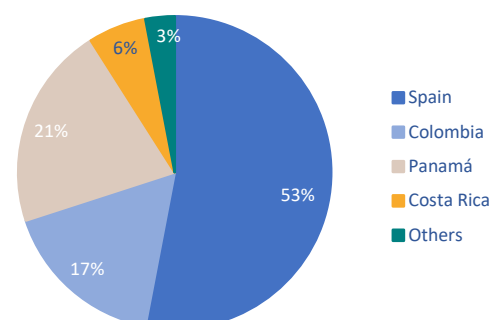


## The company in 8 charts

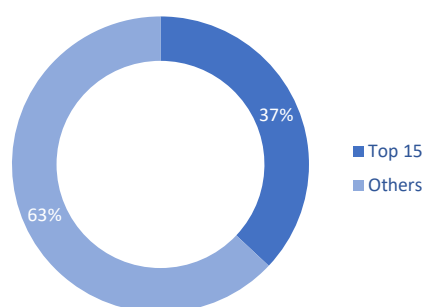
### Diversified by both business lines (focus on SaaS and cybersecurity)



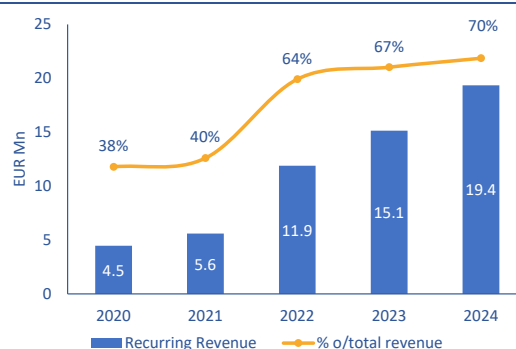
### ... and by geography c.(47% of total sales outside Spain in 2024)



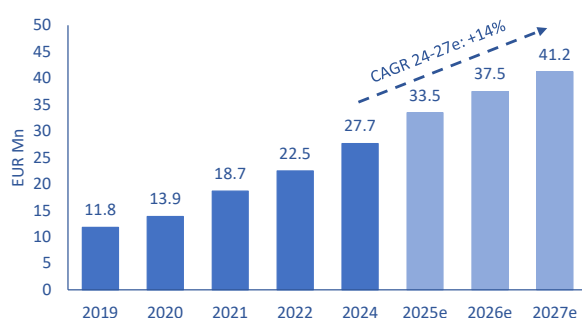
### the 15 largest customers account for 37% of revenue reducing client concentration risk



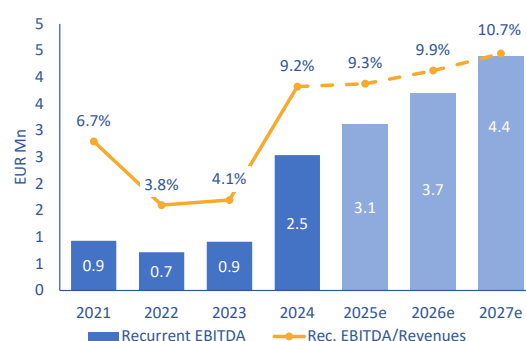
### 480S enjoys a scalable business model and a sound ARR base



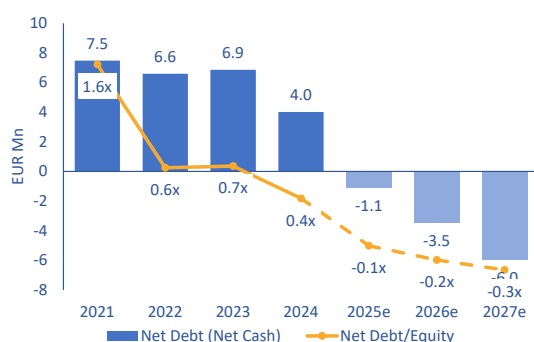
### The focus on SaaS and cybersecurity should enable 480S to deliver mid double-digit growth (CAGR 24-27e: +14%)



### And expand margins through operating leverage



### The strong growth in EBITDA will reduce leverage metrics



### To sum up: 480S' sustained momentum in operational metrics underpins the share price recovery from the lows of early 2024



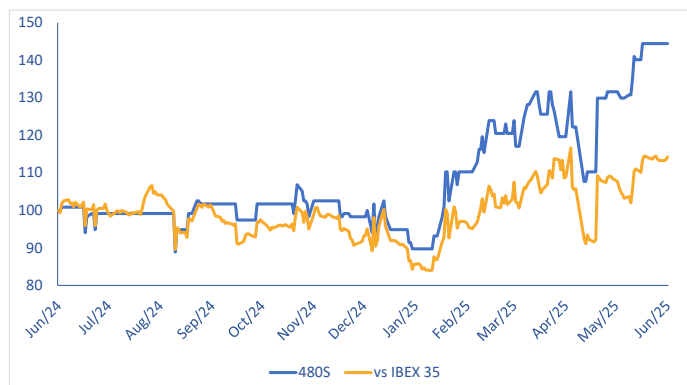


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



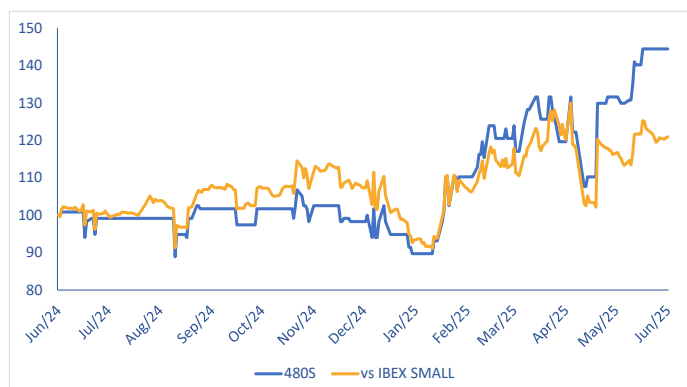
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



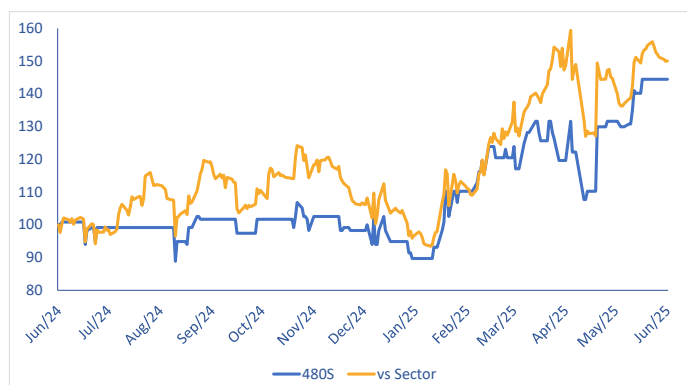
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	9.7	16.6	44.4	52.3	4.3	n.a.
vs Market						
vs Ibex 35	5.2	6.2	14.2	24.9	-38.1	n.a.
vs Euro STOXX 50	8.0	14.8	33.0	38.2	-30.4	n.a.
vs Small Cap References						
vs Ibex Small Cap Index	4.1	2.6	20.9	19.0	-13.5	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	4.5	8.8	37.2	34.1	1.0	n.a.
vs MSCI Europe Micro Cap	4.9	6.9	42.3	41.3	11.2	n.a.
vs Sector						
vs Stoxx Europe 600 Technology	3.7	9.1	50.1	43.7	-30.7	n.a.

(1) Constituents on page 10





## Free Cash Flow (I)

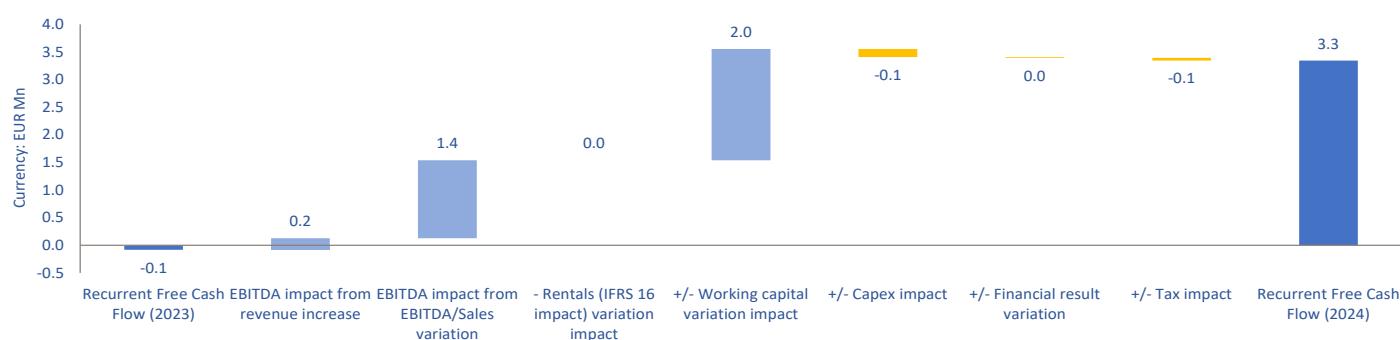
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	0.9	0.7	0.9	2.5	3.1	3.7	4.4	39.7%	20.1%
Recurrent EBITDA growth	-38.1%	-23.0%	27.7%	177.4%	22.8%	19.1%	18.5%		
Rec. EBITDA/Revenues	6.7%	3.8%	4.1%	9.2%	9.3%	9.9%	10.7%		
- Rentals (IFRS 16 impact)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	1.1	(1.4)	0.4	2.4	3.3	(0.1)	(0.4)		
= Recurrent Operating Cash Flow	1.7	(1.0)	0.9	4.5	6.0	3.2	3.6	37.6%	-7.3%
Rec. Operating Cash Flow growth	-22.9%	-155.8%	192.5%	404.6%	32.7%	-46.2%	11.7%		
Rec. Operating Cash Flow / Sales	12.6%	n.a.	4.0%	16.4%	18.0%	8.6%	8.8%		
- CAPEX	(0.8)	(1.3)	(0.3)	(0.4)	(0.5)	(0.6)	(0.6)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.4)	(0.6)	(0.6)	(0.3)	(0.1)	0.1		
- Taxes	(0.2)	0.0	(0.1)	(0.2)	(0.3)	(0.5)	(0.8)		
= Recurrent Free Cash Flow	0.6	(2.6)	(0.1)	3.3	4.9	2.1	2.3	77.0%	-12.2%
Rec. Free Cash Flow growth	-64.1%	-531.7%	96.8%	n.a.	47.1%	-56.5%	5.6%		
Rec. Free Cash Flow / Revenues	4.4%	n.a.	n.a.	12.1%	14.7%	5.7%	5.5%		
- Restructuring expenses & others	(0.1)	(0.2)	0.5	0.2	0.2	0.2	0.2		
- Acquisitions / + Divestments	(3.8)	(3.2)	0.0	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	(0.7)	-	-	-	-		
= Free Cash Flow	(3.3)	(6.0)	(0.3)	3.6	5.1	2.4	2.5	45.4%	-11.4%
Free Cash Flow growth	-129.8%	-80.8%	95.5%	n.a.	44.2%	-54.0%	5.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	1.3%	n.a.	n.a.	7.2%	10.7%	4.6%	4.9%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	7.7%	11.1%	5.1%	5.4%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	1.7	0.6	(2.6)	(0.1)	3.3	4.9	2.1		
EBITDA impact from revenue increase	0.3	0.3	0.1	0.2	0.5	0.4	0.4		
EBITDA impact from EBITDA/Sales variation	(0.8)	(0.5)	0.1	1.4	0.0	0.2	0.3		
= Recurrent EBITDA variation	(0.6)	(0.2)	0.2	1.6	0.6	0.6	0.7		
- Rentals (IFRS 16 impact) variation impact	(0.3)	(0.1)	(0.1)	-	-	-	-		
+/- Working capital variation impact	0.3	(2.4)	1.7	2.0	0.9	(3.4)	(0.3)		
= Recurrent Operating Cash Flow variation	(0.5)	(2.7)	1.9	3.6	1.5	(2.8)	0.4		
+/- CAPEX impact	(0.5)	(0.4)	1.0	(0.1)	(0.1)	(0.1)	(0.1)		
+/- Financial result variation	(0.0)	(0.3)	(0.2)	(0.0)	0.3	0.2	0.1		
+/- Tax impact	(0.0)	0.2	(0.1)	(0.1)	(0.2)	(0.1)	(0.3)		
= Recurrent Free Cash Flow variation	(1.1)	(3.2)	2.5	3.4	1.6	(2.8)	0.1		
Recurrent Free Cash Flow	0.6	(2.6)	(0.1)	3.3	4.9	2.1	2.3		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	0.1	(0.4)	0.4	1.5	2.1	2.8	3.5	n.a.	32.9%
* Theoretical Tax rate	0.0%	0.0%	0.0%	12.6%	15.0%	15.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	(0.2)	(0.3)	(0.4)	(0.7)		
Recurrent EBITDA	0.9	0.7	0.9	2.5	3.1	3.7	4.4	39.7%	20.1%
- Rentals (IFRS 16 impact)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	1.1	(1.4)	0.4	2.4	3.3	(0.1)	(0.4)		
= Recurrent Operating Cash Flow	1.7	(1.0)	0.9	4.5	6.0	3.2	3.6	37.6%	-7.3%
- CAPEX	(0.8)	(1.3)	(0.3)	(0.4)	(0.5)	(0.6)	(0.6)		
- Taxes (pre- Financial Result)	-	-	-	(0.2)	(0.3)	(0.4)	(0.7)		
= Recurrent Free Cash Flow (To the Firm)	0.9	(2.2)	0.6	3.9	5.2	2.3	2.3	61.6%	-16.2%
Rec. Free Cash Flow (To the Firm) growth	-52.8%	-340.1%	127.4%	540.8%	32.7%	-56.5%	1.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	6.7%	n.a.	2.7%	14.2%	15.5%	6.0%	5.6%		
- Acquisitions / + Divestments	(3.8)	(3.2)	0.0	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	(0.7)	-	-	-	-		
= Free Cash Flow "To the Firm"	(2.9)	(5.4)	(0.1)	3.9	5.2	2.3	2.3	49.6%	-16.2%
Free Cash Flow (To the Firm) growth	-240.4%	-86.4%	98.4%	n.a.	32.7%	-56.5%	1.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	1.9%	n.a.	1.3%	8.1%	10.8%	4.7%	4.8%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	8.1%	10.8%	4.7%	4.8%		



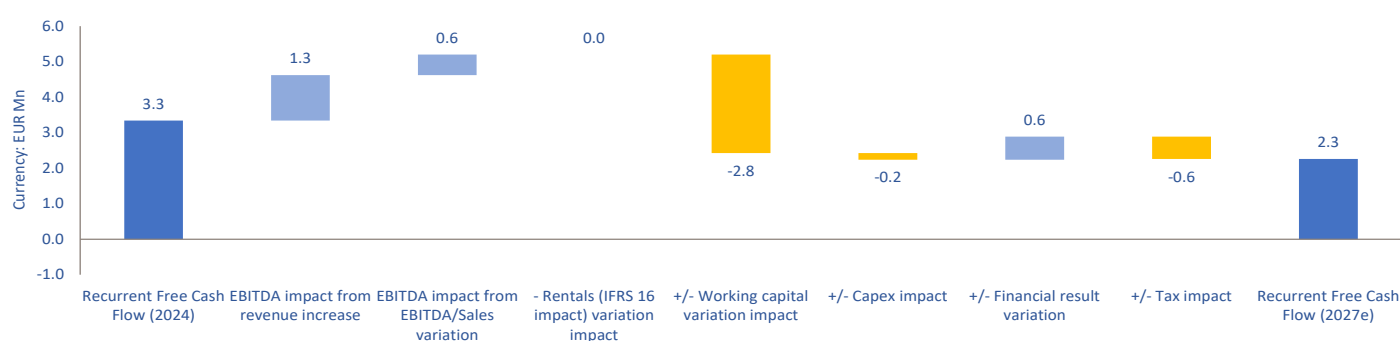


## Free Cash Flow (II)

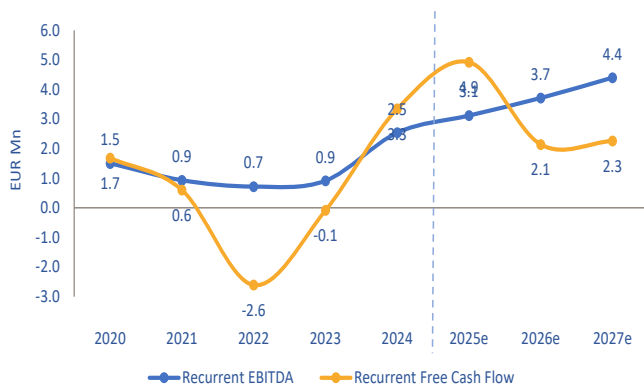
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	5.2	2.3	2.3	n.a.		
Market Cap	46.2	At the date of this report				
Net financial debt	3.7	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.8%	4.2%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	92.6%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	7.4%	D			=	=
WACC	9.8%	$WACC = K_d * D + K_e * E$			8.8%	11.0%
G "Fair"	2.5%				3.0%	2.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	46.2	
+ Minority Interests	0.1	12m Results 2024
+ Provisions & Other L/T Liabilities	1.5	12m Results 2024
+ Net financial debt	3.7	12m Results 2024
- Financial Investments	3.2	12m Results 2024
+/- Others		
Enterprise Value (EV)	48.2	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	9.1%	0.5%	n.a.	2.4%	7.6%
	2024	2027e			
ROCE - WACC	-2.2%	13.2%			
FCF Yield - WACC	-1,6%	-5,0%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	10.9%	4.1	11.8x
Central	9.9%	3.7	13.0x
Min	8.9%	3.3	14.5x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	1.3%	1.5%	1.7%		Scenario		
4.1	2.6	2.5	2.4	➔	Max	5.6%	5.4%
3.7	2.2	2.1	2.1		Central	4.8%	4.6%
3.3	1.8	1.8	1.7		Min	4.0%	3.8%
							5.3%
							4.5%
							3.7%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	25.0%	25.0%	22.2%
% of proprietary board members	37.5%	37.5%	22.2%
% of executive board members	37.5%	37.5%	55.6%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	0.0%	0.0%	11.1%
% of women out of total workforce	33.1%	38.0%	38.5%
Board remuneration/staff cost	0.8%	0.6%	0.5%



## Main peers 2025e

	EUR Mn	Software		Average	Cybersecurity	480S
		Descartes Systems	Appfolio		CrowdStrike	
Market data	Ticker (Factset)	DSG-CA	APPF-US		CRWD-US	480S-ES
	Country	Canada	USA		USA	Spain
	Market cap	7,458.2	7,061.6		103,665.3	46.2
	Enterprise value (EV)	7,310.6	6,914.6		100,394.2	48.2
Basic financial information	Total Revenues	622.6	801.9		4,131.9	33.5
	Total Revenues growth	9.4%	16.9%	13.2%	21.0%	21.0%
	2y CAGR (2025e - 2027e)	12.6%	n.a.	12.6%	22.6%	11.0%
	EBITDA	280.7	217.8		1,060.5	3.9
	EBITDA growth	27.6%	60.4%	44.0%	699.8%	17.6%
	2y CAGR (2025e - 2027e)	12.4%	n.a.	12.4%	29.5%	15.4%
	EBITDA/Revenues	45.1%	27.2%	36.1%	25.7%	11.5%
	EBIT	192.9	137.4		861.2	2.1
	EBIT growth	24.8%	17.3%	21.1%	n.a.	43.3%
	2y CAGR (2025e - 2027e)	25.7%	n.a.	25.7%	38.3%	28.0%
	EBIT/Revenues	31.0%	17.1%	24.1%	20.8%	6.3%
	Net Profit	141.4	163.0		776.1	2.0
	Net Profit growth	12.9%	-7.5%	2.7%	n.a.	72.3%
	2y CAGR (2025e - 2027e)	19.4%	n.a.	19.4%	35.8%	27.0%
	CAPEX/Sales %	0.9%	0.6%	0.7%	7.2%	1.5%
	Free Cash Flow	219.2	180.9		1,018.5	5.1
Multiples and Ratios	Net financial debt	(272.0)	(168.4)		(4,023.0)	(1.1)
	ND/EBITDA (x)	n.a.	n.a.	n.a.	n.a.	(0.4)
	Pay-out	0.0%	0.0%	0.0%	0.0%	0.0%
	P/E (x)	53.9	44.3	49.1	n.a.	23.4
	P/BV (x)	n.a.	13.2	13.2	n.a.	3.5
	EV/Revenues (x)	11.7	8.6	10.2	n.a.	1.4
	EV/EBITDA (x)	26.0	31.8	28.9	n.a.	15.5
	EV/EBIT (x)	37.9	n.a.	37.9	n.a.	22.8
	ROE	n.a.	29.9	29.9	21.4	16.2
	FCF Yield (%)	2.9	2.6	2.7	1.0	10.7
	DPS	0.00	0.00	0.00	0.00	0.00
	Dvd Yield	0.0%	0.0%	0.0%	0.0%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

**Desarrollos Especiales de Sistemas de Anclaje (DESA)** is a small industrial group with its corporate headquarters in Barcelona (Spain), specialising (>60 years) in the manufacture and sale of fasteners, staples and tools used in the construction, industry and agriculture sectors. It has an international presence (c.35% of revenue) and is controlled by its core shareholders (c.75% of capital).

#### Market Data

Market Cap (Mn EUR and USD)	27.4	31.4
EV (Mn EUR and USD)	38.2	43.9
Shares Outstanding (Mn)	1.8	
-12m (Max/Med/Min EUR)	15.57 / 13.97 / 12.59	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	2.4	
Factset / Bloomberg	DESA-ES / DESA SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

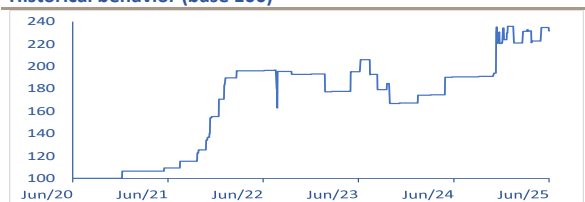
Maden	29.6
SARM	19.4
Gestión Ixua	16.0
Miembros del Consejo	12.6
Free Float	22.4

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	1.8	1.8	1.8	1.8
Total Revenues	47.9	49.9	51.9	53.7
Rec. EBITDA	5.1	5.4	5.8	6.1
% growth	6.1	6.8	7.1	5.7
% Rec. EBITDA/Rev.	10.6	10.8	11.2	11.4
% Inc. EBITDA sector <sup>(2)</sup>	1.3	17.8	18.9	12.7
Net Profit	2.4	3.1	3.4	3.6
EPS (EUR)	1.36	1.71	1.88	2.03
% growth	14.1	25.1	10.0	8.2
Ord. EPS (EUR)	1.48	1.71	1.88	2.03
% growth	12.7	15.7	10.0	8.2
Rec. Free Cash Flow	3.9	1.8	2.9	3.1
Pay-out (%)	82.4	65.6	74.5	68.8
DPS (EUR)	1.12	1.12	1.40	1.40
Net financial debt	7.5	7.7	7.3	6.8
ND/Rec. EBITDA (x)	1.5	1.4	1.3	1.1
ROE (%)	12.5	15.1	15.9	16.4
ROCE (%)	9.0	11.2	11.9	12.5

#### Ratios & Multiples (x)

P/E	11.2	9.0	8.2	7.5
Ord. P/E	10.4	9.0	8.2	7.5
P/BV	1.4	1.3	1.3	1.2
Dividend Yield (%)	7.3	7.3	9.1	9.1
EV/Sales	0.80	0.77	0.74	0.71
EV/Rec. EBITDA	7.5	7.1	6.6	6.2
EV/EBIT	10.2	8.8	8.1	7.5
FCF Yield (%)	14.4	6.5	10.5	11.3

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	4.1	0.2	21.5	131.8

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

(2) Sector: Factset Europe Industrial Machinery.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Strong start to the year driven by international business.** DESA closed 1Q24 with revenue growth of +4.8%, reaching EUR 13.5 Mn (vs EUR 12.9 Mn in 1Q24). This was supported by (i) a higher number of selling days compared to the same period in the previous year (due to the calendar placement of Easter) and (ii) the strong performance of "Tomsystem" exports. Gross margin remained stable at 43%. Maintaining production capacity utilization and cost control also allowed for the EBITDA margin to be sustained at 12.9% (vs 13.1% in 1Q24). DESA solidifies the profitability growth trend experienced since fiscal year 2019-2020 (2019 EBITDA margin of 5.8%).

**2025e: return to revenue growth.** After a 2023 marked by instability and a 2024 characterized by margin improvement, we estimate revenue growth of 4.3% in 2025e, alongside an improvement in Recurring EBITDA Margin to 10.8% (+0.2 p.p. vs 2024), which will amplify EBITDA growth (+12.9%). This is within a company relatively insulated from the global trade crisis.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Diversified business.** DESA boasts diversified sector exposure: industrial (34%), construction (32%), retail (14%), and agriculture (20%). This, coupled with a broad and large client base, reduces the cyclicity of the business.

**Positioning in the agricultural industry and exposure to the construction sector.** DESA is a benchmark in fastening systems for greenhouse plants (with its own, internally developed product). This is the main driver of long-term business growth and profitability. Likewise, the reduction in interest rates and cost stabilization have contributed to improved prospects for the Spanish construction sector in 2025 (surpassing expected GDP evolution).

**Expected revenue growth will be amplified in terms of EBITDA.** We estimate revenue of EUR 53.7 Mn in 2027e (CAGR 2024-2027e of 3.9%), which would translate into an EBITDA of EUR 6.1 Mn (CAGR 2024-2027e of 8.5%) due to the continued focus on efficiency and the improvement of the EBITDA Margin (11.4% 2027e).

**With cash generation capacity (converting approximately 45% of EBITDA into FCF).** This, coupled with a reasonable debt level (2024 Net Debt/EBITDA: 1.5x), will allow for necessary investments and continued dividend distribution. The door is also opening to inorganic growth: the highly probable integration of Vallés would imply a significant jump in revenue (+36%) and EBITDA (+40%) vs. 2024 ([see note](#)).

#### RISKS: WHAT TO KEEP AN EYE ON?

**Currency risk.** In 2024, approximately 40% of purchases were made in USD. DESA primarily hedges USD operations through exchange rate insurance. A +/-5% variation in the EUR/USD exchange rate would have an approximate impact on net profit of EUR +/-0.5 Mn.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Low-risk industrial business with significant cash generation (FCF Yield c. 7%) and trading at P/E of 9.0x.** Reduced operational risk (sectoral, geographical, and product diversification; no direct tariff risk with the USA) and financial risk (low leverage). This, along with its cash generation capacity, is reflected in its dividend policy and stability. 2025e Dividend Yield 7.3% and 2026e 9.1%. Trading at 2025e multiples of EV/EBITDA 7.1x, P/E 9.0x, the stock has increased its visibility, and the price is starting to reflect it (-12m, +21.5%; +9.6% vs. sector). DESA offers a good option to seek exposure to the industrial sector under objectively low-risk conditions. The closing of the Vallés acquisition would be an additional catalyst in 2H25.



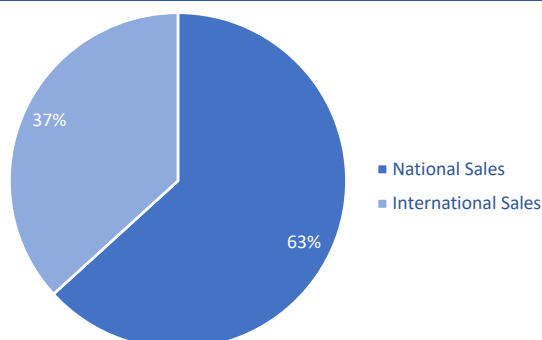
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	0.5	0.6	0.6	0.9	0.9	0.9	0.9	0.9		
Fixed assets	13.9	12.3	13.2	11.8	11.2	11.4	11.3	11.2		
Other Non Current Assets	1.5	2.7	3.2	3.9	2.7	2.7	2.7	2.7		
Financial Investments	0.0	0.0	0.2	0.2	0.2	0.2	0.2	0.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	19.5	26.3	25.9	24.0	25.4	27.0	28.0	29.0		
<b>Total assets</b>	<b>35.4</b>	<b>41.8</b>	<b>43.1</b>	<b>40.7</b>	<b>40.4</b>	<b>42.1</b>	<b>43.0</b>	<b>44.0</b>		
Equity	13.4	15.6	18.8	19.3	19.6	20.7	21.6	22.7		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	0.7	0.7	1.3	1.3	1.5	1.5	1.5	1.5		
Other Non Current Liabilities	0.3	0.5	0.3	0.4	0.4	0.4	0.4	0.4		
Net financial debt	11.4	11.5	13.0	10.7	7.5	7.7	7.3	6.8		
Current Liabilities	9.6	13.5	9.6	9.0	11.3	11.8	12.2	12.6		
<b>Equity &amp; Total Liabilities</b>	<b>35.4</b>	<b>41.8</b>	<b>43.1</b>	<b>40.7</b>	<b>40.4</b>	<b>42.1</b>	<b>43.0</b>	<b>44.0</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>39.7</b>	<b>48.1</b>	<b>50.4</b>	<b>47.7</b>	<b>47.9</b>	<b>49.9</b>	<b>51.9</b>	<b>53.7</b>	<b>4.8%</b>	<b>3.9%</b>
Total Revenues growth	-6.7%	21.3%	4.8%	-5.5%	0.5%	4.3%	3.9%	3.5%		
COGS	(23.8)	(28.8)	(31.4)	(28.9)	(27.7)	(29.2)	(30.3)	(31.3)		
<b>Gross Margin</b>	<b>15.9</b>	<b>19.3</b>	<b>19.0</b>	<b>18.8</b>	<b>20.1</b>	<b>20.8</b>	<b>21.6</b>	<b>22.3</b>	<b>6.2%</b>	<b>3.5%</b>
Gross Margin/Revenues	40.0%	40.2%	37.6%	39.4%	42.1%	41.6%	41.6%	41.6%		
Personnel Expenses	(7.3)	(7.7)	(7.8)	(7.9)	(8.2)	(8.4)	(8.7)	(8.9)		
Other Operating Expenses	(5.3)	(5.8)	(6.0)	(6.1)	(6.8)	(6.9)	(7.1)	(7.3)		
<b>Recurrent EBITDA</b>	<b>3.3</b>	<b>5.8</b>	<b>5.2</b>	<b>4.8</b>	<b>5.1</b>	<b>5.4</b>	<b>5.8</b>	<b>6.1</b>	<b>11.1%</b>	<b>6.5%</b>
Recurrent EBITDA growth	33.9%	75.8%	-11.7%	-7.7%	6.1%	6.8%	7.1%	5.7%		
Rec. EBITDA/Revenues	8.4%	12.2%	10.3%	10.0%	10.6%	10.8%	11.2%	11.4%		
Restructuring Expense & Other non-rec.	(0.5)	-	-	(0.3)	(0.3)	-	-	-		
<b>EBITDA</b>	<b>2.8</b>	<b>5.8</b>	<b>5.2</b>	<b>4.5</b>	<b>4.8</b>	<b>5.4</b>	<b>5.8</b>	<b>6.1</b>	<b>14.0%</b>	<b>8.5%</b>
Depreciation & Provisions	(1.2)	(1.2)	(1.1)	(0.9)	(0.9)	(0.9)	(0.9)	(0.8)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
<b>EBIT</b>	<b>1.4</b>	<b>4.6</b>	<b>4.0</b>	<b>3.4</b>	<b>3.7</b>	<b>4.4</b>	<b>4.7</b>	<b>5.1</b>	<b>27.4%</b>	<b>10.8%</b>
EBIT growth	15.6%	222.0%	-12.8%	-15.3%	10.9%	16.8%	8.8%	7.0%		
EBIT/Revenues	3.6%	9.5%	7.9%	7.1%	7.8%	8.7%	9.1%	9.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.2)	(0.2)	(0.3)	(0.4)	(0.4)	(0.3)	(0.3)	(0.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>1.2</b>	<b>4.3</b>	<b>3.7</b>	<b>2.9</b>	<b>3.4</b>	<b>4.1</b>	<b>4.5</b>	<b>4.8</b>	<b>28.1%</b>	<b>13.0%</b>
Ordinary Profit Growth	17.0%	248.7%	-15.9%	-20.3%	15.3%	21.1%	10.0%	8.2%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>1.2</b>	<b>4.3</b>	<b>3.7</b>	<b>2.9</b>	<b>3.4</b>	<b>4.1</b>	<b>4.5</b>	<b>4.8</b>	<b>28.1%</b>	<b>13.0%</b>
Tax Expense	(0.3)	(0.6)	(0.9)	(0.8)	(0.9)	(1.0)	(1.1)	(1.2)		
Effective Tax Rate	27.4%	13.4%	23.9%	27.0%	27.7%	25.0%	25.0%	25.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>0.9</b>	<b>3.8</b>	<b>2.8</b>	<b>2.1</b>	<b>2.4</b>	<b>3.1</b>	<b>3.4</b>	<b>3.6</b>	<b>28.0%</b>	<b>14.4%</b>
Net Profit growth	11.6%	315.6%	-26.1%	-23.5%	14.1%	25.6%	10.0%	8.2%		
<b>Ordinary Net Profit</b>	<b>1.3</b>	<b>3.8</b>	<b>2.8</b>	<b>2.3</b>	<b>2.6</b>	<b>3.1</b>	<b>3.4</b>	<b>3.6</b>	<b>20.1%</b>	<b>11.4%</b>
Ordinary Net Profit growth	42.4%	198.0%	-26.1%	-16.3%	12.7%	16.2%	10.0%	8.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>5.4</b>	<b>5.8</b>	<b>6.1</b>	<b>11.1%</b>	<b>6.5%</b>
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)		
Working Capital Increase						(1.1)	(0.6)	(0.6)		
<b>Recurrent Operating Cash Flow</b>						<b>4.1</b>	<b>5.0</b>	<b>5.4</b>	<b>-3.1%</b>	<b>-2.2%</b>
CAPEX						(1.0)	(0.7)	(0.8)		
Net Financial Result affecting the Cash Flow						(0.3)	(0.3)	(0.2)		
Tax Expense						(1.0)	(1.1)	(1.2)		
<b>Recurrent Free Cash Flow</b>						<b>1.8</b>	<b>2.9</b>	<b>3.1</b>	<b>-0.8%</b>	<b>-7.8%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>1.8</b>	<b>2.9</b>	<b>3.1</b>	<b>6.0%</b>	<b>-14.1%</b>
Capital Increase						-	-	-		
Dividends						(2.0)	(2.5)	(2.5)		
<b>Net Debt Variation</b>						<b>0.2</b>	<b>(0.4)</b>	<b>(0.6)</b>		

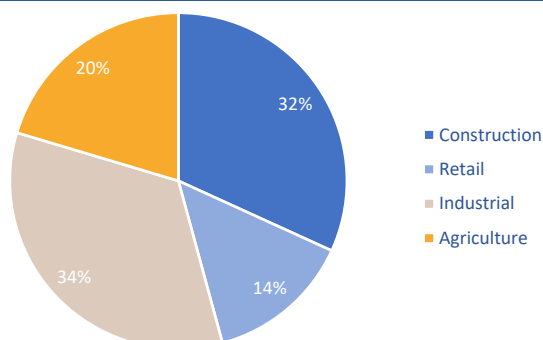


## The company in 8 charts

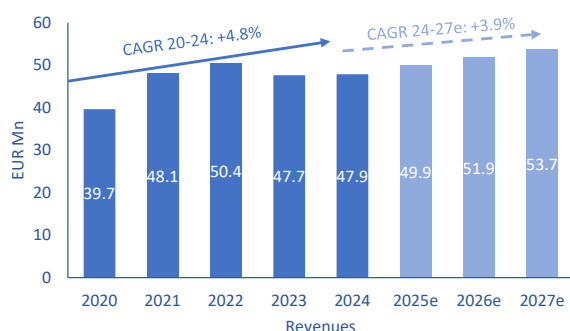
**A diversified business: sales from outside Spain (basically Europe) already account for 37%**



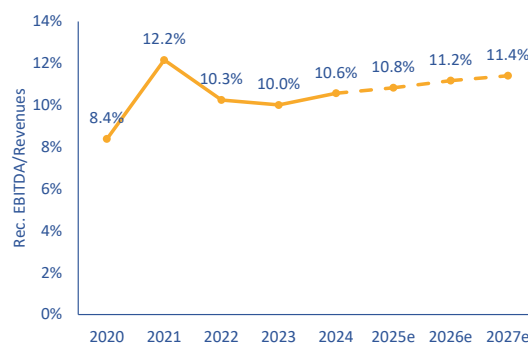
**Positioned in the agricultural market (20% of revenue 2024), its main (midterm) growth driver**



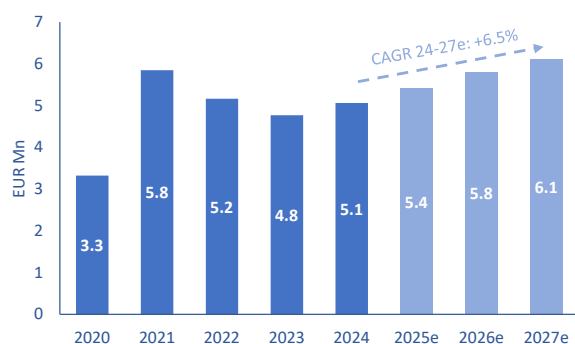
**24-27e: Low-single-digit revenue growth (CAGR 24-27e: +3.9%), in line with that seen in the last 5 years**



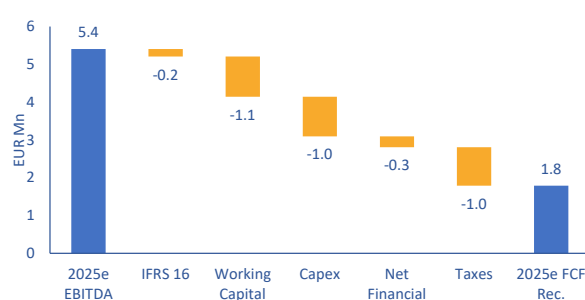
**Maintaining an EBITDA margin of > 10% (with the ability to recover levels of c. 11%, still below 2021 highs)**



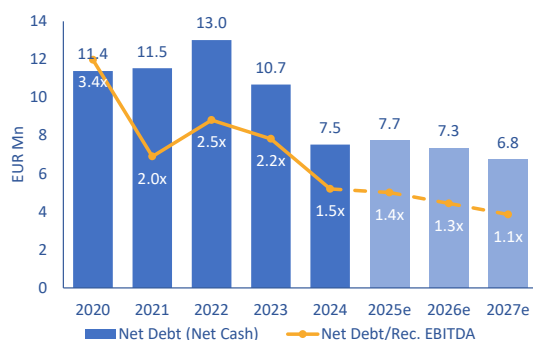
**... And allowing the revenue improvement to be passed on to EBITDA (CAGR 24-27e: +6.5%)**



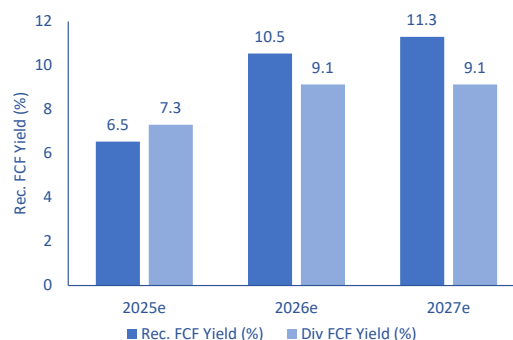
**With the capacity to convert c. 30% of EBITDA in FCF**



**The improvement in debt metrics (ND/EBITDA c. 1.5x) backs the ability to invest (in non-organic growth too)**



**FCF Yield c. >11% in 2026e and 2027e allowing for Div. Yield c. 9%**







## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



Behavior -1y vs Ibex 35 (base 100)



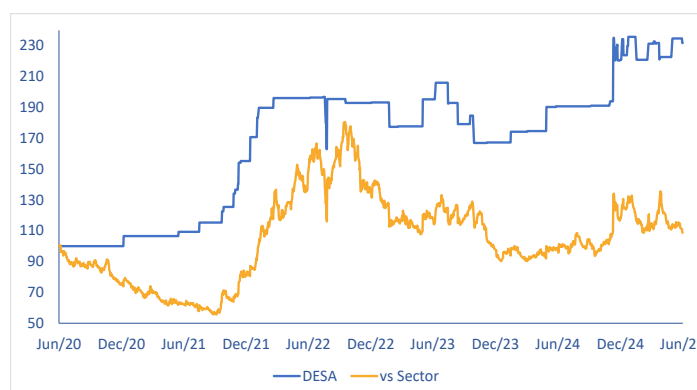
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Factset Europe Industrial Machinery

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	4.1	0.2	21.5	0.8	18.2	131.8
vs Market						
vs Ibex 35	-0.2	-8.7	-3.9	-17.3	-29.8	19.3
vs Euro STOXX 50	2.5	-1.4	11.9	-8.5	-21.1	35.1
vs Small Cap References						
vs Ibex Small Cap Index	-1.3	-11.8	1.8	-21.2	-2.0	32.6
vs Micro Cap Spain Segment <sup>(1)</sup>	-0.9	-6.5	15.4	-11.2	14.5	55.9
vs MSCI Europe Micro Cap	-0.5	-8.1	19.7	-6.4	26.0	81.7
vs Sector						
vs Factset Europe Industrial Machinery	-1.9	-5.3	9.6	-15.3	-26.0	8.7

(1) Constituents on page 10



## Free Cash Flow (I)

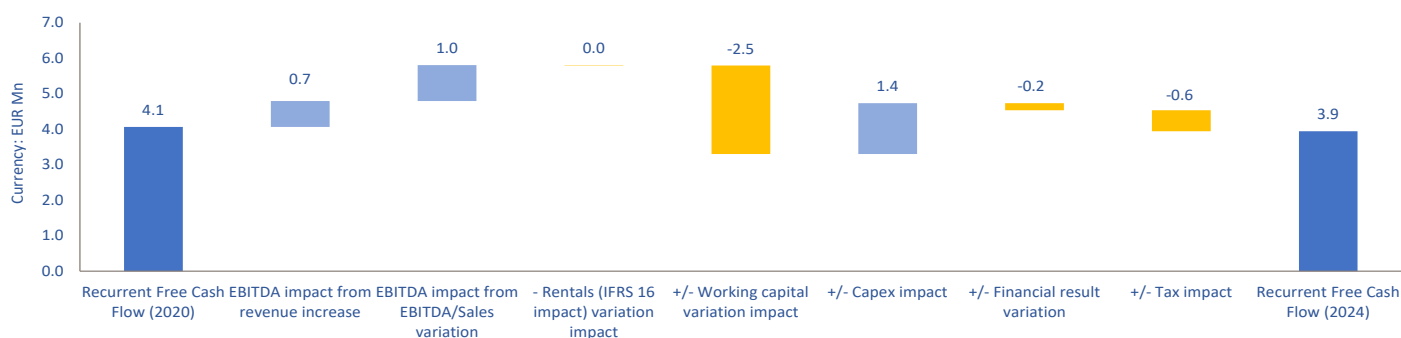
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	5.8	5.2	4.8	5.1	5.4	5.8	6.1	-4.7%	6.5%
Recurrent EBITDA growth	75.8%	-11.7%	-7.7%	6.1%	6.8%	7.1%	5.7%		
Rec. EBITDA/Revenues	12.2%	10.3%	10.0%	10.6%	10.8%	11.2%	11.4%		
- Rentals (IFRS 16 impact)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	(2.9)	(3.5)	1.3	0.9	(1.1)	(0.6)	(0.6)		
= Recurrent Operating Cash Flow	2.8	1.5	5.9	5.7	4.1	5.0	5.4	26.9%	-2.2%
Rec. Operating Cash Flow growth	-56.8%	-46.5%	290.2%	-2.1%	-27.8%	20.8%	7.3%		
Rec. Operating Cash Flow / Sales	5.8%	3.0%	12.3%	12.0%	8.3%	9.7%	10.0%		
- CAPEX	(0.7)	(0.9)	(1.2)	(0.5)	(1.0)	(0.7)	(0.8)		
- Net Financial Result affecting Cash Flow	(0.2)	(0.2)	(0.5)	(0.4)	(0.3)	(0.3)	(0.2)		
- Taxes	(0.5)	(0.4)	(0.5)	(0.9)	(1.0)	(1.1)	(1.2)		
= Recurrent Free Cash Flow	1.5	(0.0)	3.7	3.9	1.8	2.9	3.1	39.3%	-7.8%
Rec. Free Cash Flow growth	-64.1%	-103.1%	n.a.	5.2%	-54.6%	61.1%	7.2%		
Rec. Free Cash Flow / Revenues	3.0%	n.a.	7.9%	8.2%	3.6%	5.6%	5.8%		
- Restructuring expenses & others	-	-	(0.3)	(0.3)	-	-	-		
- Acquisitions / + Divestments	-	-	-	1.2	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	1.5	(0.0)	3.5	4.9	1.8	2.9	3.1	49.4%	-14.1%
Free Cash Flow growth	-62.1%	-103.1%	n.a.	40.3%	-63.3%	61.1%	7.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	5.3%	n.a.	13.7%	14.4%	6.5%	10.5%	11.3%		
Free Cash Flow Yield (s/Mkt Cap)	5.3%	n.a.	12.7%	17.8%	6.5%	10.5%	11.3%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	4.1	1.5	(0.0)	3.7	3.9	1.8	2.9		
EBITDA impact from revenue increase	0.7	0.3	(0.3)	0.0	0.2	0.2	0.2		
EBITDA impact from EBITDA/Sales variation	1.8	(1.0)	(0.1)	0.3	0.1	0.2	0.1		
= Recurrent EBITDA variation	2.5	(0.7)	(0.4)	0.3	0.3	0.4	0.3		
- Rentals (IFRS 16 impact) variation impact	0.0	0.0	(0.1)	-	-	-	-		
+/- Working capital variation impact	(6.3)	(0.6)	4.8	(0.4)	(1.9)	0.5	0.0		
= Recurrent Operating Cash Flow variation	(3.7)	(1.3)	4.4	(0.1)	(1.6)	0.9	0.4		
+/- CAPEX impact	1.2	(0.2)	(0.3)	0.7	(0.6)	0.3	(0.1)		
+/- Financial result variation	(0.0)	(0.1)	(0.2)	0.1	0.1	0.0	0.0		
+/- Tax impact	(0.1)	0.0	(0.0)	(0.5)	(0.1)	(0.1)	(0.1)		
= Recurrent Free Cash Flow variation	(2.6)	(1.5)	3.8	0.2	(2.2)	1.1	0.2		
Recurrent Free Cash Flow	1.5	(0.0)	3.7	3.9	1.8	2.9	3.1		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	4.6	4.0	3.4	3.7	4.4	4.7	5.1	-6.4%	10.8%
* Theoretical Tax rate	13.4%	23.9%	27.0%	27.7%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	(0.6)	(0.9)	(0.9)	(1.0)	(1.1)	(1.2)	(1.3)		
Recurrent EBITDA	5.8	5.2	4.8	5.1	5.4	5.8	6.1	-4.7%	6.5%
- Rentals (IFRS 16 impact)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	(2.9)	(3.5)	1.3	0.9	(1.1)	(0.6)	(0.6)		
= Recurrent Operating Cash Flow	2.8	1.5	5.9	5.7	4.1	5.0	5.4	26.9%	-2.2%
- CAPEX	(0.7)	(0.9)	(1.2)	(0.5)	(1.0)	(0.7)	(0.8)		
- Taxes (pre- Financial Result)	(0.6)	(0.9)	(0.9)	(1.0)	(1.1)	(1.2)	(1.3)		
= Recurrent Free Cash Flow (To the Firm)	1.5	(0.3)	3.8	4.2	2.0	3.1	3.3	41.7%	-8.1%
Rec. Free Cash Flow (To the Firm) growth	-64.6%	-122.7%	n.a.	12.1%	-52.3%	53.6%	5.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	3.1%	n.a.	7.9%	8.8%	4.0%	5.9%	6.1%		
- Acquisitions / + Divestments	-	-	-	1.2	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	1.5	(0.3)	3.8	5.4	2.0	3.1	3.3	54.0%	-15.5%
Free Cash Flow (To the Firm) growth	-66.8%	-122.7%	n.a.	44.1%	-62.9%	53.6%	5.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	3.9%	n.a.	9.8%	11.0%	5.3%	8.1%	8.5%		
Free Cash Flow "To the Firm" - Yield (o/EV)	3.9%	n.a.	9.8%	14.2%	5.3%	8.1%	8.5%		

Nota : DESA anunció un precontrato para la adquisición de Terrers Logística, S.L. (Terrers) y Rafael Vallés Arándiga, S.L. (Vallés), compañías dedicadas a la fabricación y comercialización de productos para la fijación de tabiquería seca (pladur). La operación se prevé cerrar por un Enterprise Value de EUR c.12 Mn (c.6x EV/EBITDA y c.0,7x EV/Ventas 2024). durante el 2S25. Operación con implicaciones relevantes a tres niveles: estratégico, operativo y financiero, que permitiría un salto significativo en ingresos y EBITDA (+36% y +40% vs 2024, respectivamente). [Ver más detalles aquí.](#)

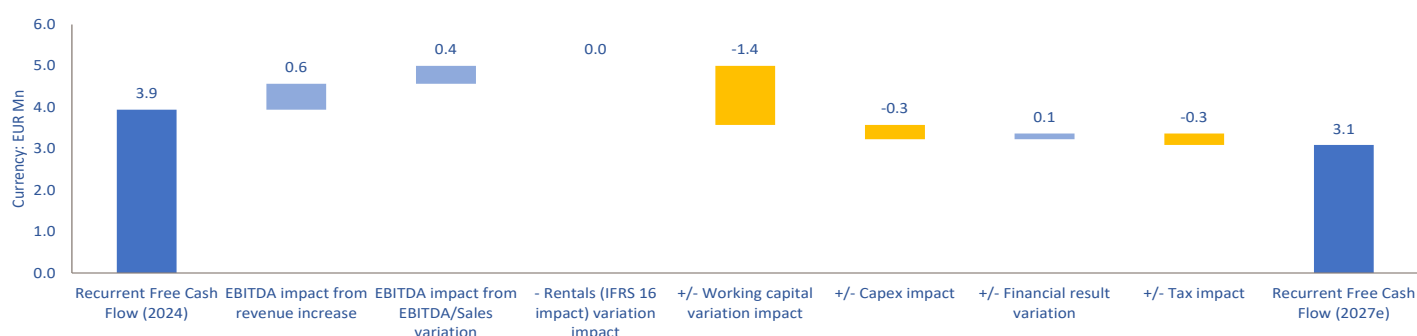


## Free Cash Flow (II)

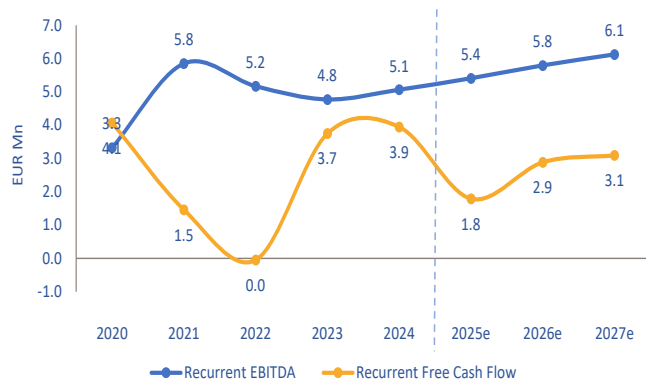
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



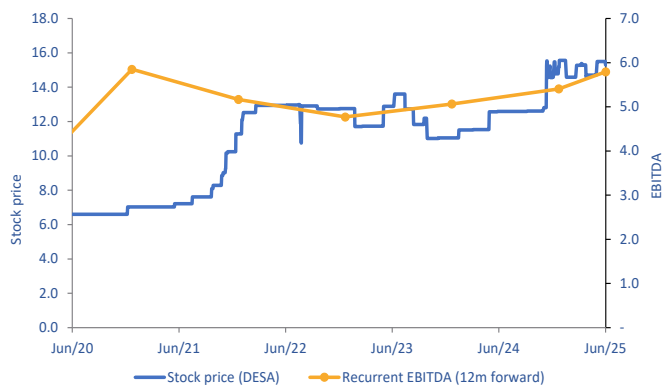
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	2.0	3.1	3.3	51.3		
Market Cap	27.4	At the date of this report				
Net financial debt	9.5	Debt net of Cash (3m Results 2025)				
					Best Case	Worst Case
Cost of Debt	4.0%	Net debt cost			3.8%	4.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.2%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.0%	3.4%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	74.1%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	25.9%	D			=	=
WACC	8.5%	$WACC = K_d * D + K_e * E$			7.6%	9.4%
G "Fair"	1.5%				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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	27.4	
+ Minority Interests	-	3m Results 2025
+ Provisions & Other L/T Liabilities	1.5	3m Results 2025
+ Net financial debt	9.5	3m Results 2025
- Financial Investments	0.2	3m Results 2025
+/- Others		3m Results 2025
<b>Enterprise Value (EV)</b>	<b>38.2</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.8%	14.8%	9.9%	7.7%	9.0%
	2024	2027e			
ROCE - WACC	0.6%	4.0%			
FCF Yield - WACC	2.6%	0.1%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	12.3%	6.4	6.0x
Central	11.2%	5.8	6.6x
Min	10.1%	5.2	7.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e			
EBITDA 26e	1.3%	1.4%	1.5%		Scenario	Rec. FCF/Yield 26e		
6.4	3.5	3.5	3.4	➔	Max	12.8%	12.6%	12.4%
5.8	2.9	2.9	2.8		Central	10.7%	10.5%	10.4%
5.2	2.4	2.3	2.3		Min	8.6%	8.5%	8.3%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	25.0%	18.2%	18.2%
% of proprietary board members	66.7%	72.7%	72.7%
% of executive board members	8.3%	9.1%	9.1%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	16.7%	9.1%	9.1%
% of women out of total workforce	24.1%	24.3%	25.3%
Board remuneration/staff cost	3.3%	3.1%	3.3%



## Main peers 2025e

		Broad Range players				High Tech Specialty players					DESA
		Norma Group SE	Granges AB	Trifast Plc	Average	Georg Fischer AG	Bossard Holding AG	Bufab AB	SFS Group AG	Average	
Market data	EUR Mn	NOEJ-DE	GRNG-SE	TRI-GB		GF-CH	BOSN-CH	BUFAB-SE	SFSN-CH		DESA-ES
Ticker (Factset)		Germany	Sweden	UK		Switzerland	Switzerland	Sweden	Switzerland		Spain
Country											
Market cap		433.3	1,231.4	105.9		5,685.5	1,659.0	1,528.2	4,827.0		27.4
Enterprise value (EV)		777.3	1,690.1	144.9		7,754.0	1,869.5	1,810.4	5,197.5		38.2
Basic financial information	Total Revenues	1,139.3	2,507.6	288.4		4,187.6	1,156.6	748.3	3,271.5		49.9
	Total Revenues growth	-1.4%	17.4%	6.1%	7.4%	1.3%	10.4%	2.2%	1.6%	3.9%	4.3%
	2y CAGR (2025e - 2027e)	4.2%	6.6%	n.a.	5.4%	1.8%	4.6%	4.9%	3.3%	3.6%	3.7%
	EBITDA	125.9	248.3	30.3		571.0	153.2	117.3	526.9		5.4
	EBITDA growth	-15.2%	15.0%	20.7%	6.8%	9.0%	14.1%	16.3%	8.9%	12.1%	12.9%
	2y CAGR (2025e - 2027e)	16.0%	8.6%	n.a.	12.3%	7.0%	8.0%	7.9%	5.8%	7.2%	6.4%
	EBITDA/Revenues	11.0%	9.9%	10.5%	10.5%	13.6%	13.2%	15.7%	16.1%	14.7%	10.8%
	EBIT	41.1	164.2	22.1		415.6	123.4	90.8	386.6		4.4
	EBIT growth	-22.1%	19.3%	27.7%	8.3%	15.4%	16.0%	20.3%	11.7%	15.8%	16.8%
	2y CAGR (2025e - 2027e)	52.1%	11.1%	n.a.	31.6%	11.1%	9.0%	9.9%	7.0%	9.2%	7.9%
	EBIT/Revenues	3.6%	6.5%	7.7%	5.9%	9.9%	10.7%	12.1%	11.8%	11.1%	8.7%
	Net Profit	20.3	109.5	12.6		301.7	87.3	59.0	284.7		3.1
	Net Profit growth	38.2%	18.6%	37.2%	31.3%	58.7%	13.6%	17.5%	11.0%	25.2%	25.6%
	2y CAGR (2025e - 2027e)	61.9%	16.5%	n.a.	39.2%	5.2%	10.0%	13.5%	7.0%	8.9%	9.1%
	CAPEX/Sales %	4.5%	2.7%	2.2%	3.2%	4.2%	3.0%	0.9%	4.9%	3.2%	2.1%
	Free Cash Flow	61.3	157.0	29.4		475.6	33.8	85.6	245.5		1.8
Multiples and Ratios	Net financial debt	286.2	305.0	14.3		1,422.9	278.2	260.9	188.9		7.7
	ND/EBITDA (x)	2.3	1.2	0.5	1.3	2.5	1.8	2.2	0.4	1.7	1.4
	Pay-out	47.5%	34.9%	31.1%	37.8%	40.4%	40.6%	35.4%	40.1%	39.1%	65.6%
	P/E (x)	15.0	10.7	8.0	11.2	21.8	17.2	24.1	16.5	19.9	9.0
	P/BV (x)	0.6	1.1	n.a.	0.9	n.a.	3.4	3.8	2.6	3.3	1.3
	EV/Revenues (x)	0.7	0.7	0.5	0.6	1.9	1.6	2.4	1.6	1.9	0.8
	EV/EBITDA (x)	6.2	6.8	4.8	5.9	13.6	12.2	15.4	9.9	12.8	7.1
	EV/EBIT (x)	18.9	10.3	6.6	11.9	18.7	15.1	19.9	13.4	16.8	8.8
	ROE	4.0	10.4	n.a.	7.2	n.a.	19.8	15.9	15.8	17.2	15.1
	FCF Yield (%)	14.2	12.7	27.7	18.2	8.4	2.0	5.6	5.1	5.3	6.5
	DPS	0.30	0.36	0.03	0.23	1.49	4.61	0.11	2.93	2.28	1.12
	Dvd Yield	2.2%	3.1%	3.7%	3.0%	2.1%	2.2%	1.4%	2.4%	2.0%	7.3%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	24-27e
Total Revenues	32.2	34.1	34.6	38.1	41.1	42.5	39.7	48.1	50.4	47.7	47.9	49.9	51.9	53.7	4.0%	3.9%
Total Revenues growth	1.1%	5.7%	1.7%	9.9%	7.8%	3.5%	-6.7%	21.3%	4.8%	-5.5%	0.5%	4.3%	3.9%	3.5%		
EBITDA	1.2	1.2	1.9	2.2	2.6	2.4	2.8	5.8	5.2	4.5	4.8	5.4	5.8	6.1	14.8%	8.5%
EBITDA growth	177.4%	-1.8%	62.4%	15.7%	15.3%	-6.8%	18.8%	106.3%	-11.7%	-13.0%	6.6%	12.9%	7.1%	5.7%		
EBITDA/Sales	3.7%	3.5%	5.5%	5.8%	6.2%	5.6%	7.1%	12.2%	10.3%	9.4%	10.0%	10.8%	11.2%	11.4%		
Net Profit	(1.7)	(0.1)	0.6	0.8	1.2	0.8	0.9	3.8	2.8	2.1	2.4	3.1	3.4	3.6	13.2%	14.4%
Net Profit growth	-193.4%	92.1%	590.0%	28.8%	46.8%	-33.8%	11.6%	315.6%	-26.1%	-23.5%	14.1%	25.6%	10.0%	8.2%		
Adjusted number shares (Mn)	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8		
EPS (EUR)	-0.94	-0.07	0.36	0.47	0.69	0.46	0.51	2.11	1.56	1.20	1.36	1.71	1.88	2.03	13.2%	14.2%
EPS growth	n.a.	92.1%	n.a.	29.1%	46.9%	-33.8%	11.5%	n.a.	-25.9%	-23.5%	14.1%	25.1%	10.0%	8.2%		
Ord. EPS (EUR)	-0.94	0.00	0.32	0.47	0.69	0.50	0.71	2.11	1.56	1.31	1.48	1.71	1.88	2.03	13.6%	11.3%
Ord. EPS growth	n.a.	n.a.	n.a.	47.7%	46.9%	-27.7%	42.3%	n.a.	-25.9%	-16.3%	12.7%	15.7%	10.0%	8.2%		
CAPEX	(0.5)	(0.8)	(1.1)	(1.1)	(1.3)	(2.5)	(1.9)	(0.7)	(0.9)	(1.2)	(0.5)	(1.0)	(0.7)	(0.8)		
CAPEX/Sales %	1.6%	2.3%	3.1%	2.8%	3.0%	5.9%	4.9%	1.5%	1.8%	2.5%	1.0%	2.1%	1.4%	1.6%		
Free Cash Flow	(0.7)	(0.5)	(1.4)	0.6	(1.2)	(1.1)	3.9	1.5	(0.0)	3.5	4.9	1.8	2.9	3.1	24.8%	-14.1%
ND/EBITDA (x) <sup>(2)</sup>	9.2x	10.1x	6.9x	5.7x	5.2x	6.5x	4.0x	2.0x	2.5x	2.4x	1.6x	1.4x	1.3x	1.1x		
P/E (x)	n.a.	n.a.	25.4x	19.1x	8.7x	14.5x	13.8x	5.3x	8.2x	9.2x	11.1x	9.0x	8.2x	7.5x		
EV/Sales (x)	1.06x	1.03x	1.04x	0.91x	0.69x	0.74x	0.71x	0.76x	0.80x	0.70x	0.76x	0.77x	0.74x	0.71x		
EV/EBITDA (x) <sup>(2)</sup>	28.3x	29.6x	18.8x	15.7x	11.1x	13.1x	9.9x	6.2x	7.8x	7.4x	7.6x	7.1x	6.6x	6.2x		
Absolute performance	0.0%	0.0%	0.0%	-3.2%	-33.1%	10.5%	6.5%	60.3%	13.2%	-13.4%	37.4%	0.8%				
Relative performance vs Ibex 35	-3.5%	7.7%	2.1%	-9.9%	-21.3%	-1.2%	26.0%	48.6%	19.8%	-29.5%	19.7%	-17.3%				

(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.

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

**Endurance Motive (END)**, is a small Spanish company based in Valencia, created in 2018 and specialised in the development and sale of electricity storage systems using lithium-ion batteries for sustainable mobility and storage. In mobility, the sectors it focuses on are i) industrial, ii) marine and iii) urban mobility. The company's founders control 48% of total shares.

## Market Data

Market Cap (Mn EUR and USD)	17.6	20.2
EV (Mn EUR and USD)	19.9	22.9
Shares Outstanding (Mn)	11.3	
-12m (Max/Med/Min EUR)	1.92 / 1.24 / 1.03	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation <sup>(1)</sup>	33.2	
Factset / Bloomberg	END-ES / END SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

Carlos Navarro	26.2
Andrés Muelas	21.7
Free Float	52.1

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	10.1	11.3	11.3	11.3
Total Revenues	6.3	10.5	20.9	26.7
Rec. EBITDA	-1.3	-0.2	1.2	1.9
% growth	-429.1	86.9	804.7	49.7
% Rec. EBITDA/Rev.	n.a.	n.a.	5.9	7.0
% Inc. EBITDA sector <sup>(2)</sup>	-1.8	23.6	21.2	16.2
Net Profit	-1.2	-0.4	0.6	1.0
EPS (EUR)	-0.12	-0.04	0.05	0.09
% growth	-295.6	70.1	236.7	78.3
Ord. EPS (EUR)	-0.16	-0.05	0.05	0.09
% growth	-199.9	71.2	209.3	78.3
Rec. Free Cash Flow	-1.2	-1.6	-1.5	0.7
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	2.3	3.9	5.4	4.7
ND/Rec. EBITDA (x)	n.a.	n.a.	4.4	2.5
ROE (%)	n.a.	n.a.	35.7	42.6
ROCE (%)	n.a.	n.a.	15.0	18.7

## Ratios & Multiples (x)

P/E	n.a.	n.a.	30.8	17.3
Ord. P/E	n.a.	n.a.	30.8	17.3
P/BV	10.2	13.4	9.3	6.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	3.19	1.90	0.95	0.75
EV/Rec. EBITDA	n.a.	n.a.	16.1	10.7
EV/EBIT	n.a.	n.a.	16.9	11.4
FCF Yield (%)	n.a.	n.a.	n.a.	4.1

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	8.8	25.0	2.6	n.a.

(1) Rotation is the % of the capitalisation traded - 12m.  
(2) Sector: Factset Europe Electrical Products.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Revenue decline in 2024 (approx. -40%), in a transition year.** END recorded revenue of EUR 6.3 Mn in 2024 (97% from the Mobility division). The contribution from the Stationary division is still negligible, but it impacts the P&L. The decline in revenue is explained by a slowdown in domestic demand, partially offset by strong performance in the airport client segment. The focus on larger clients protects profitability (gross margin of 41.9% vs 38.2% in 2023).

**2025e: revenue recovery (EUR 10.5Mn) and preparation for the "leap" in 2026e revenue.** We forecast 2025e revenue of EUR 10.5 Mn (+67.9% vs 2024), returning to 2023 figures. This will be driven by the Mobility segment (increasing contribution from the airport sector) and with a greater weighting from the Stationary business (approx. 10% of sales). Maintaining a gross margin of 38.1% will allow END to approach break-even in recurring EBITDA.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**The mobility segment "guarantees" a revenue floor.** END has built a recurring business in the Mobility segment, which generated EUR 6.1 Mn in revenue in 2024. This is expected to recover to EUR 10 Mn in 2025e (already achieved in 2023), providing greater visibility. The gross margin of this division (approx. 40%) helps finance part of the strategic shift towards the Stationary business.

**The strategic bet is on stationary (Storage), but the challenge is validating demand.** Energy storage is emerging as a critical solution in the energy transition: decarbonization, renewable integration, and grid flexibility. In 2024, 21.9 GWh of storage were installed in Europe, and 250 GWh accumulated are expected by 2029 (conservative scenario; approx. 400 GWh by 2029 in the base scenario). On paper, the potential is enormous.

**This allows for a significant revenue take-off in 2026e (+95% vs 2025e).** We estimate the Stationary segment to reach EUR 10 Mn in revenue in 2026e, driving consolidated sales to EUR 20.9 Mn (+99.3% vs 2025e) and profit (EUR 0.6 Mn). This hypothesis is based on three pillars: (i) the strong sectorial driver, (ii) END's existing industrial capabilities (experience and installed capacity), and (iii) its positioning in segments of <50 MWh.

**2027e: digesting growth.** We project continued growth, albeit at a more moderate pace (+27.4% vs 2026e), with margin improvement (recurring EBITDA of EUR 1.9 Mn, 7.0% margin) due to operating leverage (commercial network and production lines). FCF would remain negative until 2027e. We estimate an additional cash consumption of approximately EUR 3.1 Mn for 2025e-2026e.

## RISKS: WHAT TO KEEP AN EYE ON?

**Demand and regulatory risk.** The profitability of storage is questionable without specific remuneration mechanisms (regulatory incentives, auctions, additional capacity/flexibility revenue). Actual 2025e demand is the main catalyst to monitor. Regulation is critical and can slow down the process.

**Execution risk.** Stationary projects (which are larger) require technical capabilities, solvency (guarantees), and demanding delivery times.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The speed of storage growth is key.** END's equity story is sector-driven (energy transition: mobility and storage). However, the Storage sector is nascent, implying risk. 2025e is presented as a key year (revenue recovery in Mobility and awarding of initial Stationary projects) to validate if the strategic bet on Stationary is feasible and, above all, at what speed. The stock is trading at a 2025e EV/Sales multiple of 1.90x vs 0.6x for comparables.





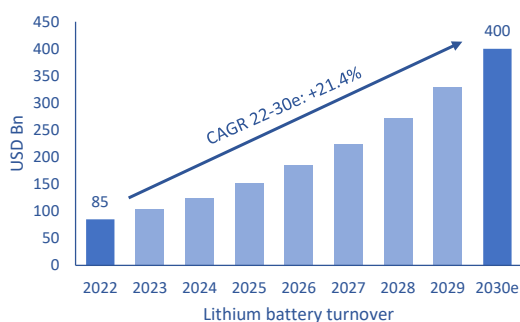
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	0.6	1.2	1.6	1.6	1.6	1.6	1.6	1.6		
Fixed assets	0.1	0.1	0.1	0.1	0.1	0.4	0.6	0.8		
Other Non Current Assets	0.3	0.3	0.3	-	-	0.1	0.1	0.1		
Financial Investments	0.1	0.2	0.1	0.4	0.4	0.4	0.4	0.4		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	1.5	3.1	4.5	3.8	3.1	4.2	6.6	6.8		
<b>Total assets</b>	<b>2.7</b>	<b>4.9</b>	<b>6.7</b>	<b>6.0</b>	<b>5.3</b>	<b>6.7</b>	<b>9.4</b>	<b>9.8</b>		
Equity	0.9	0.9	1.1	1.1	1.7	1.3	1.9	2.9		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	-	0.4	0.8	0.8	0.5	0.5	0.5	0.5		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	1.1	2.3	3.0	3.0	2.3	3.9	5.4	4.7		
Current Liabilities	0.8	1.3	1.7	1.2	0.8	1.1	1.7	1.7		
<b>Equity &amp; Total Liabilities</b>	<b>2.7</b>	<b>4.9</b>	<b>6.7</b>	<b>6.0</b>	<b>5.3</b>	<b>6.7</b>	<b>9.4</b>	<b>9.8</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>2.3</b>	<b>4.7</b>	<b>6.1</b>	<b>10.2</b>	<b>6.3</b>	<b>10.5</b>	<b>20.9</b>	<b>26.7</b>	<b>22-24</b>	<b>24-27e</b>
<i>Total Revenues growth</i>	<i>613.8%</i>	<i>107.3%</i>	<i>29.3%</i>	<i>68.7%</i>	<i>-38.8%</i>	<i>67.9%</i>	<i>99.3%</i>	<i>27.4%</i>	<i>1.6%</i>	<i>62.1%</i>
COGS	(1.8)	(3.5)	(4.8)	(6.3)	(3.6)	(6.5)	(14.9)	(19.3)		
<b>Gross Margin</b>	<b>0.5</b>	<b>1.2</b>	<b>1.3</b>	<b>3.9</b>	<b>2.6</b>	<b>4.0</b>	<b>6.0</b>	<b>7.4</b>	<b>43.5%</b>	<b>41.1%</b>
<i>Gross Margin/Revenues</i>	<i>22.1%</i>	<i>25.5%</i>	<i>21.0%</i>	<i>38.2%</i>	<i>41.9%</i>	<i>38.1%</i>	<i>28.9%</i>	<i>27.6%</i>		
Personnel Expenses	(0.8)	(1.7)	(2.2)	(2.5)	(2.4)	(2.5)	(2.9)	(3.3)		
Other Operating Expenses	(0.7)	(1.2)	(1.5)	(1.7)	(1.5)	(1.7)	(1.9)	(2.2)		
<b>Recurrent EBITDA</b>	<b>(1.0)</b>	<b>(1.7)</b>	<b>(2.4)</b>	<b>(0.3)</b>	<b>(1.3)</b>	<b>(0.2)</b>	<b>1.2</b>	<b>1.9</b>	<b>25.6%</b>	<b>50.1%</b>
<i>Recurrent EBITDA growth</i>	<i>-85.9%</i>	<i>-63.1%</i>	<i>-42.9%</i>	<i>89.6%</i>	<i>-429.1%</i>	<i>86.9%</i>	<i>804.7%</i>	<i>49.7%</i>		
<i>Rec. EBITDA/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>5.9%</i>	<i>7.0%</i>		
Restructuring Expense & Other non-rec.	(0.1)	(0.0)	0.3	0.1	0.3	-	-	-		
<b>EBITDA</b>	<b>(1.2)</b>	<b>(1.7)</b>	<b>(2.1)</b>	<b>(0.2)</b>	<b>(1.1)</b>	<b>(0.2)</b>	<b>1.2</b>	<b>1.9</b>	<b>28.8%</b>	<b>55.4%</b>
Depreciation & Provisions	(0.1)	(0.1)	(0.3)	(0.3)	(0.4)	(0.4)	(0.5)	(0.5)		
Capitalized Expense	0.5	0.6	0.6	0.4	0.4	0.4	0.4	0.4		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(0.7)</b>	<b>(1.3)</b>	<b>(1.7)</b>	<b>(0.1)</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>1.2</b>	<b>1.7</b>	<b>22.9%</b>	<b>54.6%</b>
<i>EBIT growth</i>	<i>-51.3%</i>	<i>-73.4%</i>	<i>-37.0%</i>	<i>92.9%</i>	<i>-734.8%</i>	<i>82.3%</i>	<i>745.4%</i>	<i>48.2%</i>		
<i>EBIT/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>5.6%</i>	<i>6.6%</i>		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.0)	(0.1)	(0.2)	(0.3)	(0.3)	(0.3)	(0.5)	(0.5)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(0.8)</b>	<b>(1.3)</b>	<b>(1.9)</b>	<b>(0.5)</b>	<b>(1.3)</b>	<b>(0.5)</b>	<b>0.7</b>	<b>1.3</b>	<b>16.6%</b>	<b>43.5%</b>
<i>Ordinary Profit Growth</i>	<i>-54.8%</i>	<i>-73.5%</i>	<i>-44.7%</i>	<i>76.2%</i>	<i>-192.8%</i>	<i>60.9%</i>	<i>236.7%</i>	<i>78.3%</i>		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(0.8)</b>	<b>(1.3)</b>	<b>(1.9)</b>	<b>(0.5)</b>	<b>(1.3)</b>	<b>(0.5)</b>	<b>0.7</b>	<b>1.3</b>	<b>16.6%</b>	<b>43.5%</b>
Tax Expense	0.2	-	-	0.2	0.1	0.1	(0.1)	(0.3)		
<i>Effective Tax Rate</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>20.0%</i>	<i>20.0%</i>		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(0.6)</b>	<b>(1.3)</b>	<b>(1.9)</b>	<b>(0.3)</b>	<b>(1.2)</b>	<b>(0.4)</b>	<b>0.6</b>	<b>1.0</b>	<b>19.4%</b>	<b>41.2%</b>
<i>Net Profit growth</i>	<i>-54.8%</i>	<i>-130.6%</i>	<i>-44.7%</i>	<i>84.3%</i>	<i>-314.4%</i>	<i>66.4%</i>	<i>236.7%</i>	<i>78.3%</i>		
<b>Ordinary Net Profit</b>	<b>(0.6)</b>	<b>(1.3)</b>	<b>(2.3)</b>	<b>(0.5)</b>	<b>(1.6)</b>	<b>(0.5)</b>	<b>0.6</b>	<b>1.0</b>	<b>15.3%</b>	<b>38.0%</b>
<i>Ordinary Net Profit growth</i>	<i>-30.4%</i>	<i>-98.1%</i>	<i>-75.2%</i>	<i>77.2%</i>	<i>-214.2%</i>	<i>67.7%</i>	<i>209.3%</i>	<i>78.3%</i>		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>(0.2)</b>	<b>1.2</b>	<b>1.9</b>	<b>25.6%</b>	<b>50.1%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.8)	(1.8)	(0.1)		
<b>Recurrent Operating Cash Flow</b>						<b>(1.0)</b>	<b>(0.6)</b>	<b>1.8</b>	<b>46.3%</b>	<b>56.0%</b>
CAPEX						(0.3)	(0.3)	(0.3)		
Net Financial Result affecting the Cash Flow						(0.3)	(0.5)	(0.5)		
Tax Expense						-	(0.1)	(0.3)		
<b>Recurrent Free Cash Flow</b>						<b>(1.6)</b>	<b>(1.5)</b>	<b>0.7</b>	<b>41.8%</b>	<b>37.5%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(1.6)</b>	<b>(1.5)</b>	<b>0.7</b>	<b>41.7%</b>	<b>n.a.</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>1.6</b>	<b>1.5</b>	<b>(0.7)</b>		



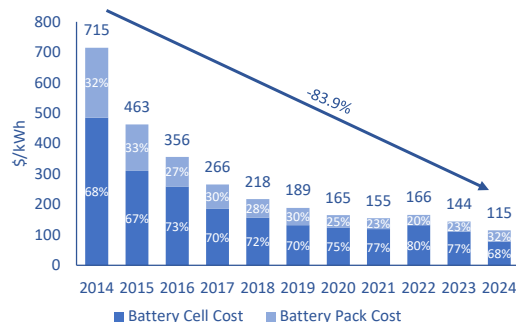
## The company in 8 charts

## Lithium batteries: in full growth stage...



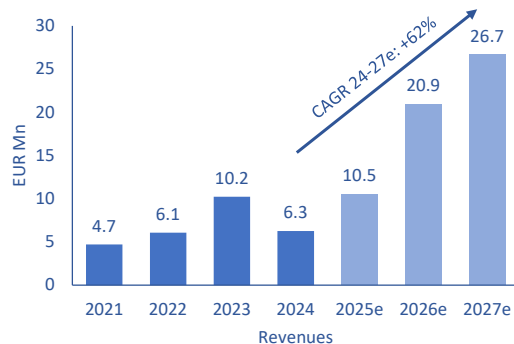
McKinsey Battery Insights

## ... and increasingly affordable (driving demand)

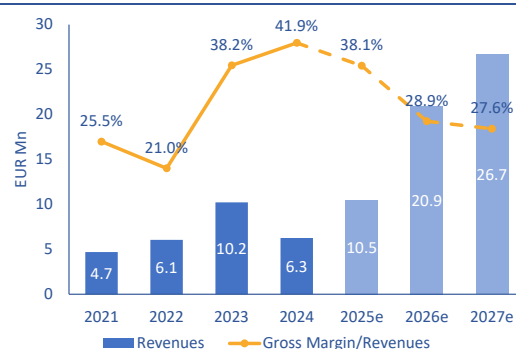


Sources: BNEF (BloombergNEF)

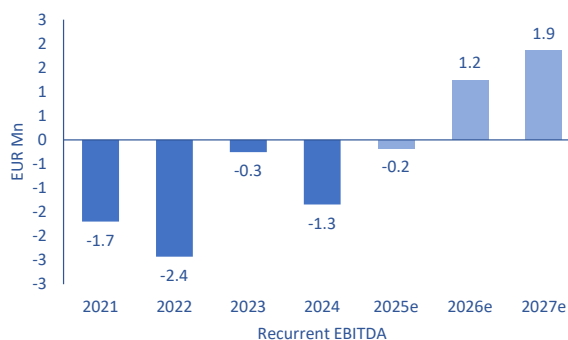
## END: well positioned to accelerate growth (+62% CAGR 24-27e)...



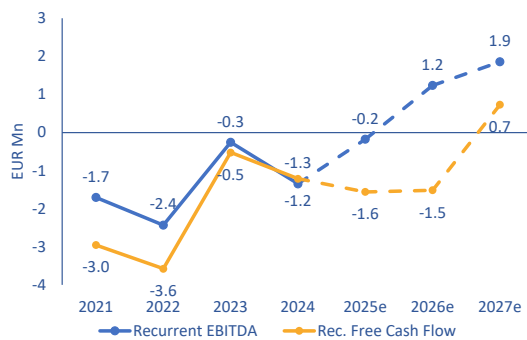
## ... and ability to keep the gross margin above 25%



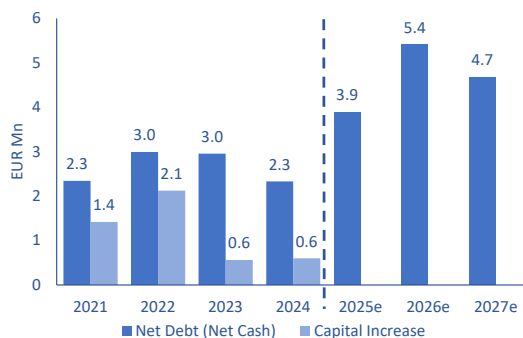
## Driver that will allow to see EBITDA rec. above break-even as early as 2026e



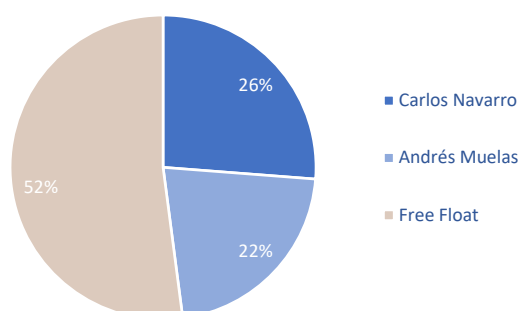
## Even though the business will continue to burn cash...



## This will increase the ND to EUR 5.4 Mn in 2026e



## C. 48% of capital is held by the founders



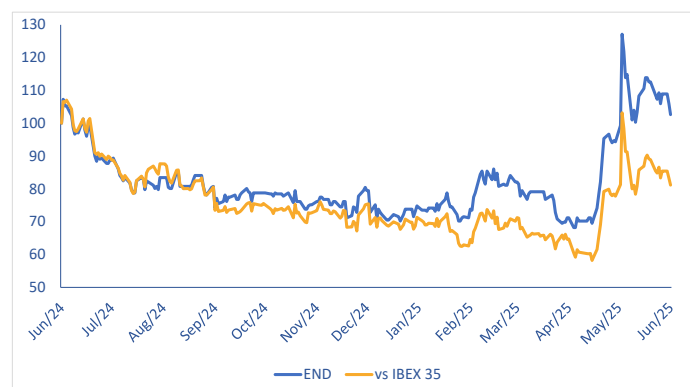


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



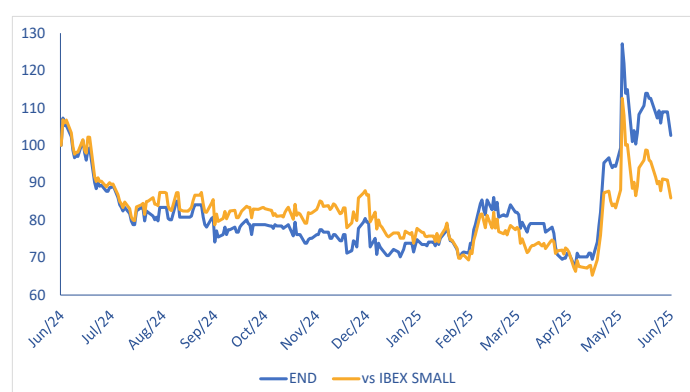
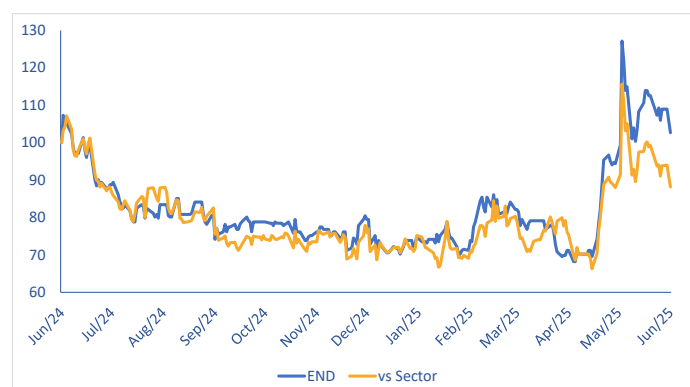
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Factset Europe Electrical Products

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	8.8	25.0	2.6	46.2	-58.0	n.a.
<b>vs Market</b>						
vs Ibex 35	4.3	13.9	-18.8	20.0	-75.1	n.a.
vs Euro STOXX 50	7.1	23.1	-5.5	32.7	-72.0	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	3.2	10.1	-14.1	14.3	-65.2	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	3.6	16.7	-2.5	28.8	-59.3	n.a.
vs MSCI Europe Micro Cap	4.0	14.7	1.1	35.7	-55.2	n.a.
<b>vs Sector</b>						
vs Factset Europe Electrical Products	0.2	11.6	-11.8	24.9	-76.9	n.a.

(1) Constituents on page 10



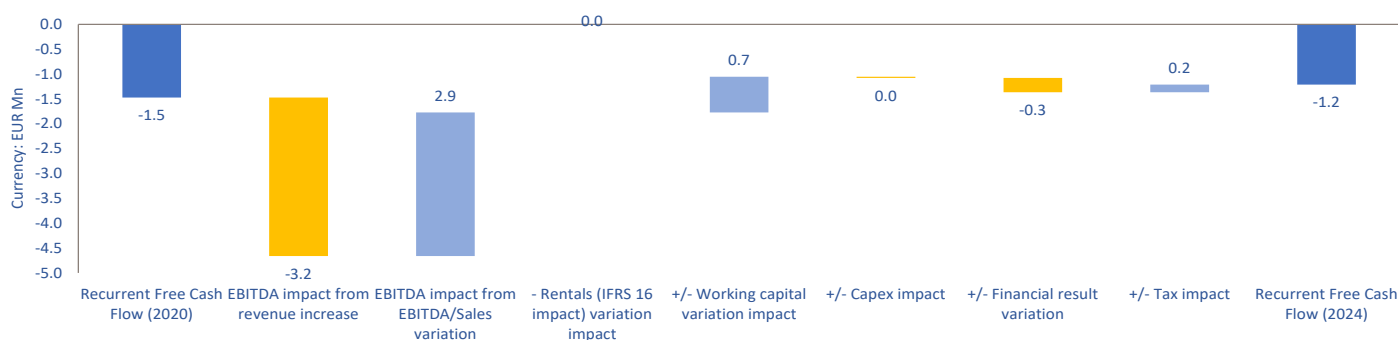
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	(1.7)	(2.4)	(0.3)	(1.3)	(0.2)	1.2	1.9	7.6%	50.1%
Recurrent EBITDA growth	-63.1%	-42.9%	89.6%	-429.1%	86.9%	804.7%	49.7%		
Rec. EBITDA/Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	5.9%	7.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.1)	(1.0)	0.1	0.4	(0.8)	(1.8)	(0.1)		
= Recurrent Operating Cash Flow	(2.8)	(3.4)	(0.2)	(1.0)	(1.0)	(0.6)	1.8	29.3%	56.0%
Rec. Operating Cash Flow growth	-98.7%	-22.1%	94.8%	-458.7%	1.0%	37.4%	390.2%		
Rec. Operating Cash Flow / Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6.6%		
- CAPEX	(0.1)	(0.1)	(0.0)	(0.1)	(0.3)	(0.3)	(0.3)		
- Net Financial Result affecting Cash Flow	(0.0)	(0.1)	(0.3)	(0.3)	(0.3)	(0.5)	(0.5)		
- Taxes	-	-	-	0.2	-	(0.1)	(0.3)		
= Recurrent Free Cash Flow	(3.0)	(3.6)	(0.5)	(1.2)	(1.6)	(1.5)	0.7	25.7%	37.5%
Rec. Free Cash Flow growth	-100.4%	-21.1%	85.4%	-131.9%	-28.6%	2.7%	148.1%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.7%		
- Restructuring expenses & others	(0.0)	0.3	0.1	0.3	-	-	-		
- Acquisitions / + Divestments	-	-	(0.0)	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	0.9	-	-	-		
= Free Cash Flow	(3.0)	(3.2)	(0.5)	0.0	(1.6)	(1.5)	0.7	26.1%	n.a.
Free Cash Flow growth	-88.4%	-8.3%	85.6%	104.5%	n.a.	2.7%	148.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.1%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	0.1%	n.a.	n.a.	4.1%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(1.5)	(3.0)	(3.6)	(0.5)	(1.2)	(1.6)	(1.5)		
EBITDA impact from revenue increase	(1.1)	(0.5)	(1.7)	0.1	(0.9)	(0.2)	0.3		
EBITDA impact from EBITDA/Sales variation	0.5	(0.2)	3.8	(1.2)	2.1	1.6	0.3		
= Recurrent EBITDA variation	(0.7)	(0.7)	2.2	(1.1)	1.2	1.4	0.6		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(0.7)	0.1	1.0	0.3	(1.2)	(1.1)	1.8		
= Recurrent Operating Cash Flow variation	(1.4)	(0.6)	3.2	(0.8)	0.0	0.4	2.4		
+/- CAPEX impact	(0.1)	0.1	0.0	(0.0)	(0.2)	(0.1)	-		
+/- Financial result variation	(0.0)	(0.1)	(0.2)	0.0	(0.0)	(0.1)	(0.0)		
+/- Tax impact	-	-	-	0.2	(0.2)	(0.1)	(0.1)		
= Recurrent Free Cash Flow variation	(1.5)	(0.6)	3.1	(0.7)	(0.3)	0.0	2.2		
Recurrent Free Cash Flow	(3.0)	(3.6)	(0.5)	(1.2)	(1.6)	(1.5)	0.7		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(1.3)	(1.7)	(0.1)	(1.0)	(0.2)	1.2	1.7	6.6%	54.6%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	(0.2)	(0.3)		
Recurrent EBITDA	(1.7)	(2.4)	(0.3)	(1.3)	(0.2)	1.2	1.9	7.6%	50.1%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.1)	(1.0)	0.1	0.4	(0.8)	(1.8)	(0.1)		
= Recurrent Operating Cash Flow	(2.8)	(3.4)	(0.2)	(1.0)	(1.0)	(0.6)	1.8	29.3%	56.0%
- CAPEX	(0.1)	(0.1)	(0.0)	(0.1)	(0.3)	(0.3)	(0.3)		
- Taxes (pre- Financial Result)	-	-	-	-	-	(0.2)	(0.3)		
= Recurrent Free Cash Flow (To the Firm)	(2.9)	(3.5)	(0.2)	(1.0)	(1.2)	(1.1)	1.1	28.9%	45.2%
Rec. Free Cash Flow (To the Firm) growth	-101.6%	-18.8%	94.5%	-447.8%	-16.8%	6.3%	197.2%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.2%		
- Acquisitions / + Divestments	-	-	(0.0)	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	0.9	-	-	-		
= Free Cash Flow "To the Firm"	(2.9)	(3.5)	(0.2)	(0.1)	(1.2)	(1.1)	1.1	68.2%	n.a.
Free Cash Flow (To the Firm) growth	-101.6%	-18.8%	94.4%	51.5%	n.a.	6.3%	197.2%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.6%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.6%		

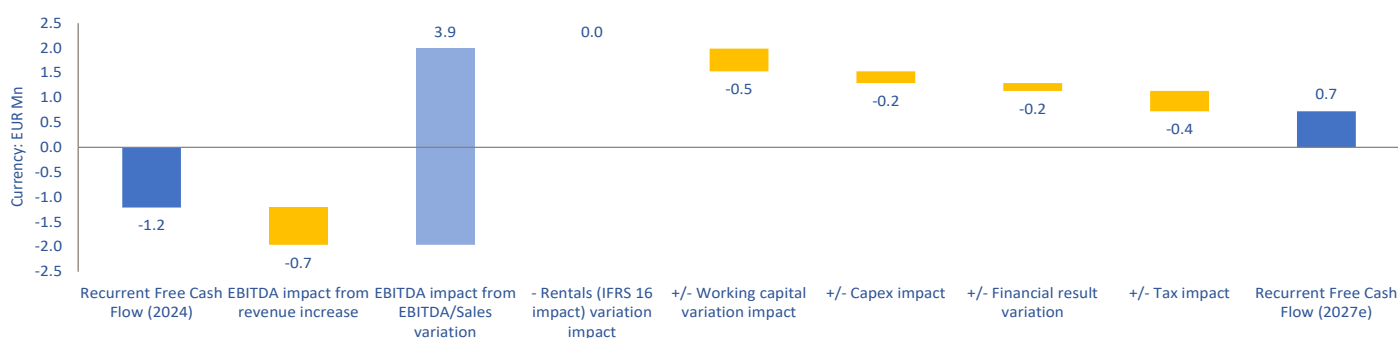


## Free Cash Flow (II)

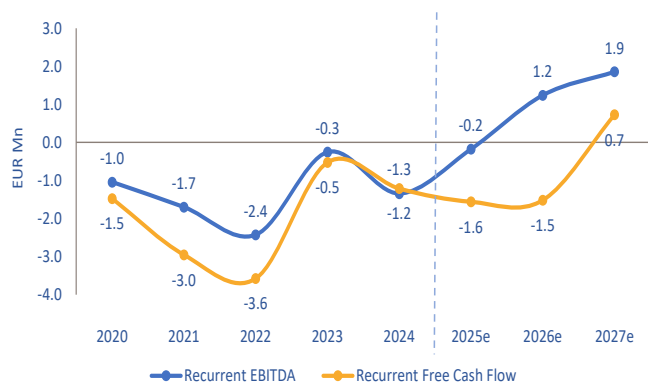
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward





## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(1.2)	(1.1)	1.1	15.5		
Market Cap	17.6	At the date of this report				
Net financial debt	2.3	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	8.0%	Net debt cost			7.8%	8.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	6.4%	$K_d = \text{Cost of Net Debt} * (1-T)$			6.2%	6.6%
Risk free rate (Rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	88.3%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	11.7%	D			=	=
WACC	9.8%	$WACC = K_d * D + K_e * E$			8.8%	11.0%
G "Fair"	2.5%				2.5%	2.0%

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

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	17.6	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.5	12m Results 2024
+ Net financial debt	2.3	12m Results 2024
- Financial Investments	0.4	12m Results 2024
+/- Others		
Enterprise Value (EV)	19.9	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	8.9%			
FCF Yield - WACC	n.a.	-4.3%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	6.5%	1.4	14.6x
Central	5.9%	1.2	16.1x
Min	5.3%	1.1	17.9x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	1.3%	1.4%	1.5%
1.4	(1.4)	(1.4)	(1.4)
1.2	(1.5)	(1.5)	(1.5)
1.1	(1.6)	(1.6)	(1.7)

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	50.0%	50.0%	50.0%
% of proprietary board members	50.0%	50.0%	50.0%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	33.3%	16.7%	16.7%
% of women out of total workforce	32.8%	36.1%	31.7%
Board remuneration/staff cost	1.3%	3.8%	3.7%





## Main peers 2025e

## Lithium batteries

	EUR Mn	Enersys	Fluence	Flux Power Holdings, Inc.	Average	END
Market data	Ticker (Factset)	ENS-US	FLNC-US	FLUX-US		END-ES
	Country	USA	USA	USA		Spain
	Market cap	3,067.4	783.9	23.6		17.6
	Enterprise value (EV)	3,818.6	499.7	35.0		19.9
Basic financial information	Total Revenues	3,201.8	2,410.8	57.7		10.5
	Total Revenues growth	1.6%	2.6%	8.9%	2.1%	67.9%
	2y CAGR (2025e - 2027e)	n.a.	25.3%	17.2%	25.3%	59.3%
	EBITDA	507.5	9.3	(2.4)		(0.2)
	EBITDA growth	-1.5%	n.a.	51.4%	-1.5%	83.4%
	2y CAGR (2025e - 2027e)	n.a.	n.a.	n.a.	n.a.	n.a.
	EBITDA/Revenues	15.8%	0.4%	n.a.	8.1%	n.a.
	EBIT	420.5	(28.2)	(4.5)		(0.2)
	EBIT growth	-1.6%	n.a.	21.3%	-1.6%	82.3%
	2y CAGR (2025e - 2027e)	n.a.	n.a.	77.1%	n.a.	n.a.
	EBIT/Revenues	13.1%	n.a.	n.a.	13.1%	n.a.
	Net Profit	323.5	(31.4)	(5.9)		(0.4)
	Net Profit growth	2.1%	n.a.	18.9%	2.1%	66.4%
	2y CAGR (2025e - 2027e)	n.a.	88.4%	61.4%	88.4%	n.a.
	CAPEX/Sales %	4.4%	0.9%	1.2%	2.6%	2.4%
	Free Cash Flow	276.2	(235.5)	(1.2)		(1.6)
Multiples and Ratios	Net financial debt	n.a.	(230.7)	10.2		3.9
	ND/EBITDA (x)	n.a.	n.a.	n.a.	n.a.	n.a.
	Pay-out	10.4%	0.0%	n.a.	5.2%	0.0%
	P/E (x)	9.0	n.a.	n.a.	9.0	n.a.
	P/BV (x)	1.6	1.5	n.a.	1.5	13.4
	EV/Revenues (x)	1.2	0.2	0.6	0.7	1.9
	EV/EBITDA (x)	7.5	n.a.	n.a.	7.5	n.a.
	EV/EBIT (x)	9.1	n.a.	n.a.	9.1	n.a.
	ROE	17.4	n.a.	n.a.	17.4	n.a.
	FCF Yield (%)	9.0	n.a.	n.a.	9.0	n.a.
	DPS	0.84	0.00	n.a.	0.42	0.00
	Dvd Yield	1.1%	0.0%	n.a.	0.5%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

**Energy Solar Tech**, is a renewable energy company (founded in 2020) that offers its customers energy generation and efficiency technologies through a range of energy outsourcing solutions under the 'Energy as a Service' (EaaS). ETC has traded on BME Growth since 2022. Currently, ETC gets more than 95% of sales from Spain.

As of the date of this report, Lighthouse dropped its coverage of Energy Solar Tech (See page 19).

## MOMENTUM: WHAT TO EXPECT FROM 2025E?

**2024: high revenue growth.** ETC closed 2024 with revenues of EUR 63.6 Mn (+20.9%). For the year energy corrects by c.-30% vs 2023. The revenue growth seen in this price environment confirms the resilience of ETC's business model.

**But margin and EBITDA Rec. fall sharply.** Recurring EBITDA reaches EUR 6.1 Mn in 2024, with a drop in the EBITDA Rec. Margin/Sales, which is almost halved (9.6% 2024 vs 16.9% 2023). The margin directly reflects the effect of the drop in energy prices in the generation business and to a lesser extent in the outsourcing business.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Energy as a Service (EaaS) model.** ETC builds (and maintains) the asset on the customer's premises —ETC retains ownership— and then sells all the power generated to that customer. This produces recurring revenue, with high switching costs for customers once the asset is installed, which significantly mitigates business or churn risk.

**Control of the entire value chain.** ETC pursues a vertical integration strategy, enabling it to control from development and construction through to operation and maintenance of wind and photovoltaic (PV) projects. This helps create synergies and diversifies the business mix.

**Focus on wind and solar PV generation,** acquiring and building generation assets it then owns (higher margins and operating CF), raising the hybrid generation capacity.

**2025e-2026e is "key" to test the new strategy.** All eyes should focus on how the business business mix shifts towards higher-margin business lines and on operating CF. And is extremely dependent on how quickly the company executes the generation business pipeline. The strategic shift sought by ETC is based on the progressive increase in the weight of generation (reducing the weight of engineering in the mix). The engineering business is safe from the "risk" of energy prices but does not allow aspiring to high margins

## RISKS: WHAT TO KEEP AN EYE ON?

**Delays in commissioning or in the acquisition of (wind and PV) farms** would have a significant impact on projected revenue and profitability (and therefore cash generation) for the forecast period. And would push back this step-up in scale. This implies a serious risk of downward revision to our estimates.

**Geographic concentration,** with 100% of revenue from Spain. This makes ETC particularly sensitive to regulation, trends in energy prices, and sector and economic circumstances in Spain.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Awaiting the strategic shift. The problem is margins. And multiples.** ETC's vertical integration model has proven its effectiveness in difficult price environments. Now the challenge is to achieve structurally higher margins, well above those of the engineering business. This explains: 1) the decision to increase the weight of generation, 2) the focus on larger (and higher margin) projects in both engineering and outsourcing, 3) entry into new businesses such as data center construction, etc. That is, a profound strategic shift seeking profitable growth. Although its execution is still an unknown and the price environment remains unfavorable.

Both facts explain ETC's strong -12m underperformance. The fact is that the multiples today (2024 EV/EBITDA, 14.1x) are high. And in a context of possible low revenue growth in 2025, they require a very significant margin jump that is not yet visible, and this is key. Sector integrated utilities multiples (2024 EV/EBITDA, c.8x) remain a handicap (12m performance, -19.1%; -31.8% vs sector).

### Market Data

Market Cap (Mn EUR and USD)	76.3	87.6
EV (Mn EUR and USD)	86.2	99.0
Shares Outstanding (Mn)	27.0	
-12m (Max/Med/Mín EUR)	3.50 / 2.90 / 2.05	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation <sup>(1)</sup>	7.8	
Factset / Bloomberg	ETC-ES / ETC SM	
Close fiscal year	31-Dec	

### Shareholders Structure (%)<sup>(3)</sup>

Alberto Hernández Poza	21.0
Erbiennergía Inversiones	12.5
José Abel Martín Sánchez	10.6
Alberto Torrego López	10.5
Free Float	44.6

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	76.3	
+ Minority Interests	0.1	12m Results 2024
+ Provisions & Other L/T Liabilities	0.2	12m Results 2024
+ Net financial debt	11.1	12m Results 2024
- Financial Investments	1.5	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>86.2</b>	

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	66.7%	57.1%	80.0%
% of proprietary board members	33.3%	42.9%	20.0%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	0.0%	0.0%	0.0%
% of women out of total workforce	30.0%	14.5%	16.3%
Board remuneration/staff cost	19.0%	4.4%	4.1%

### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	37.4	6.0	-19.1	n.a.

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

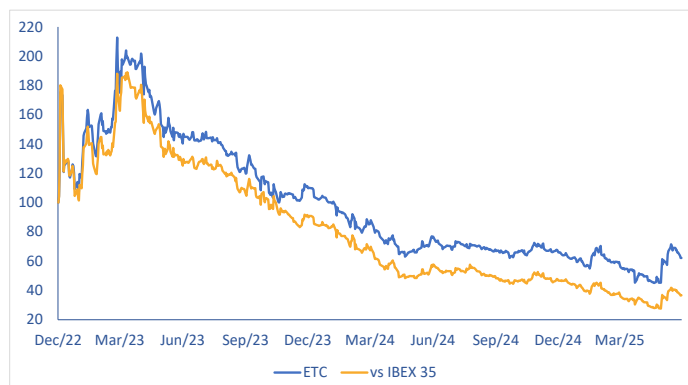
(2) Sector: Stoxx Europe 600 Utilities.

(3) Others: Treasury Stock 0.8%

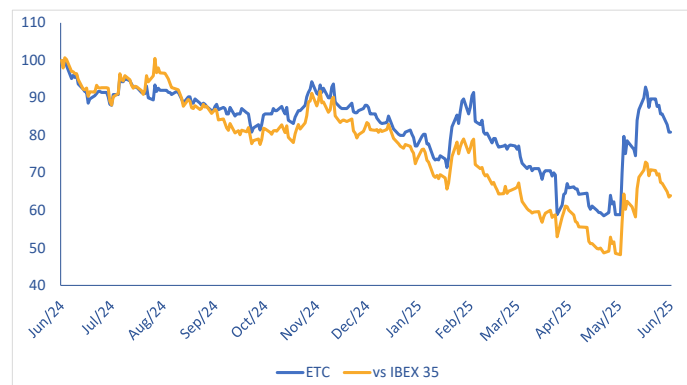


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



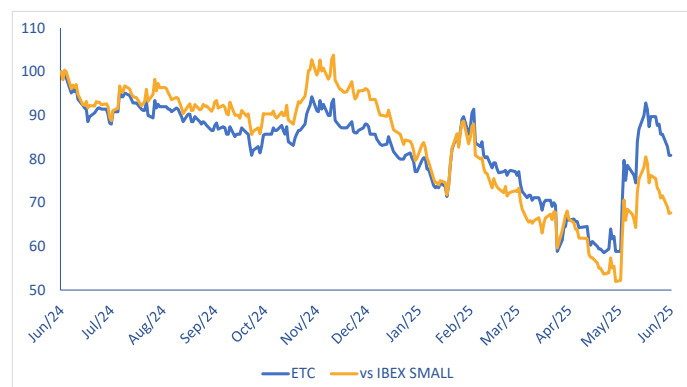
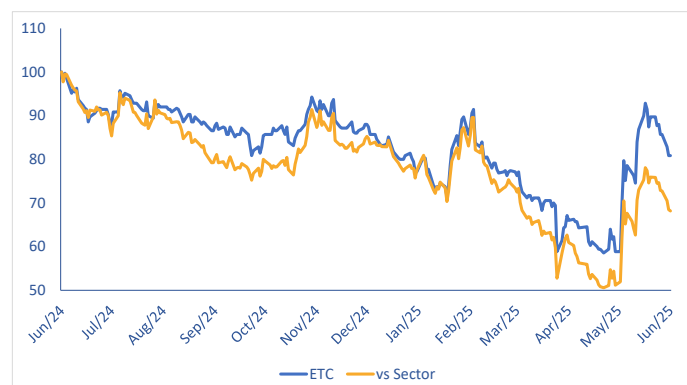
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Utilities

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	37.4	6.0	-19.1	1.1	n.a.	n.a.
<b>vs Market</b>						
vs Ibex 35	31.7	-3.4	-36.1	-17.1	n.a.	n.a.
vs Euro STOXX 50	35.3	4.4	-25.6	-8.2	n.a.	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	30.3	-6.7	-32.3	-21.0	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	30.8	-1.0	-23.2	-11.0	n.a.	n.a.
vs MSCI Europe Micro Cap	31.3	-2.7	-20.3	-6.2	n.a.	n.a.
<b>vs Sector</b>						
vs Stoxx Europe 600 Utilities	33.2	-6.0	-31.8	-13.1	n.a.	n.a.

(1) Constituents on page 10

**Enerside (ENRS)**, is a fully integrated renewables platform (in transition towards a build-to-own model) specialised in solar photovoltaic energy. It currently operates +13 MW and has a pipeline of 4.8 GW of solar photovoltaic projects and 13.2 GWh of BESS projects at various stages of development distributed in Latam (Brazil and Chile) and Europe (Spain and Italy). Listed on BME Growth since March 2022.

#### Market Data

Market Cap (Mn EUR and USD)	104.6	120.1
EV (Mn EUR and USD)	177.8	204.1
Shares Outstanding (Mn)	39.0	
-12m (Max/Med/Min EUR)	4.20 / 3.32 / 2.25	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation <sup>(1)</sup>	3.8	
Factset / Bloomberg	ENRS-ES / ENRS SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

Joatham Grange	13.6
Antoni Gasch	13.5
Jordi Berini	12.1
Alejandro Alorda	8.9
Free Float	32.5

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	38.9	39.0	39.0	39.0
Total Revenues	3.1	2.5	3.7	4.9
Rec. EBITDA	-6.8	-5.1	-4.4	-3.8
% growth	81.5	24.7	12.6	14.2
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	n.a.
% Inc. EBITDA sector <sup>(2)</sup>	3.9	10.9	5.6	5.5
Net Profit	-23.0	-13.4	-5.8	-6.1
EPS (EUR)	-0.59	-0.34	-0.15	-0.16
% growth	43.1	41.8	56.7	-5.5
Ord. EPS (EUR)	-0.63	-0.42	-0.45	-0.45
% growth	41.3	33.3	-6.6	-1.8
Rec. Free Cash Flow	-35.8	-29.2	-27.5	-28.5
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	56.2	82.5	98.4	115.3
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	n.a.
ROE (%)	n.a.	108.1	26.4	21.9
ROCE (%)	n.a.	n.a.	4.0	3.8

#### Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	n.a.	n.a.	n.a.	n.a.
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	n.a.	n.a.	n.a.	n.a.
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	n.a.	49.2
FCF Yield (%)	n.a.	n.a.	n.a.	n.a.

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	2.3	-29.5	-1.0	n.a.

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

(2) Sector: Stoxx Europe 600 Utilities.

(3) Others: Tomás Casanovas 8.3%, Alternative Green Energy 6.1%, Javier García - Mateo 5.1%

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024: a year of transition marked by EPC business exit.** END reported revenue of EUR 3.1 Mn in 2024 (-81.0% vs 2023; excluding asset sales of EUR 2.1 Mn). This decline is attributed to the discontinuation of the construction/EPC business line, to focus on the generation (IPP) business and asset rotation. Losses at the EBIT level significantly decreased to EUR -8.9 Mn (vs EUR -29.6 Mn in 2023) primarily due to a reduction in structural costs.

**With estimated 2025e revenue of EUR 2.5 Mn...**, 100% derived from the generation business (IPP). By year-end 2025e, we estimate a portfolio of 20 MW in operation vs 13 MW at year-end 2024. We anticipate a EUR 2.9 Mn impact on the P&L from asset sales (recognized as non-recurring income).

**...and EBIT is projected at EUR -5.6 Mn**, due to the process of adapting the structure to the discontinuation of the construction/EPC business line and the transition (still in its incipient phase, without critical mass in operation) to the generation business.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**In full transition to IPP.** The company is moving from a business previously dominated by project development and the provision of EPC services for third parties, to a model focused on the development and construction of photovoltaic plants to own and operate them as an independent power producer (IPP). Therefore, the evolution of the pipeline (environmental and administrative permits, signing of new power supply agreements, etc.) is "key."

**With a total pipeline of 4.8 GW solar and 13.2 GWh of storage.** Currently, in various development stages, distributed across LatAm (Brazil, Chile; 34% pipeline) and Europe (Spain and Italy; 66%). Of the project portfolio, 7% is in operation, 24% in backlog, 43% in advanced stage, and 27% in early stage.

**Sector trending towards concentration and subject to energy price volatility.** Temporary supply and demand imbalances lead to increased price volatility (currently, a growing number of hours with zero price in the wholesale market is observed). This could accelerate sector concentration.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Very High Level of Indebtedness.** As of year-end 2024, ENRS's net debt stood at EUR 56.2 Mn (vs EUR 47.6 Mn in 2023 and EUR 16.3 Mn in 2022). This represents a 2024 Net Debt/Equity (including minorities) multiple of 6.8x. ENRS has announced (i) the refinancing of EUR 15 Mn, (ii) the entry of Laurion Group into the shareholding (c. 13% of capital), (iii) a capital increase of c. EUR 4 Mn, and (iv) a new credit facility for EUR 25 Mn to finance and continue with the business plan (Plan Impulsa and new 2025-2028 strategic plan). Due to interest in accelerating the business plan, they do not rule out resorting to debt and equity markets in the short term (which would inevitably imply dilution).

**No cash generation capacity.** This depends on (i) the speed of its generation pipeline development (which requires significant resources and time) and (ii) the asset rotation strategy (with lower recurrence).

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Everything hinges on execution.** The evolution of the generation pipeline and asset rotation will be the main catalysts for the stock. This is the only way to justify and increase the current stock price. ENRS enters a new phase after exiting EPC, with a smaller but potentially more profitable P&L. The market continues to penalize the stock (-12m: -1.0% absolute, -21.7% vs IBEX 35), reflecting uncertainty due to accumulated losses, the change in model, and sectoral weakness. In 2025e, newsflow regarding generation progress will be crucial.



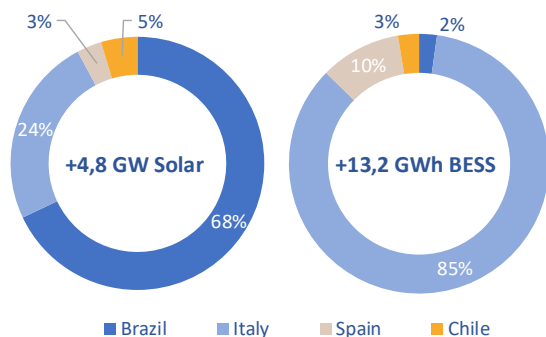
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets			0.2	0.5	0.4	0.6	0.8	1.1		
Fixed assets			21.3	29.2	27.0	28.2	31.2	33.9		
Other Non Current Assets			3.6	-	-	-	-	-		
Financial Investments			3.5	3.3	0.5	0.5	0.5	0.5		
Goodwill & Other Intangibles			-	-	-	-	-	-		
Current assets	-	-	47.8	41.0	58.1	71.0	79.3	88.7		
<b>Total assets</b>	-	-	<b>76.4</b>	<b>73.9</b>	<b>86.0</b>	<b>100.4</b>	<b>111.9</b>	<b>124.2</b>		
Equity			44.2	6.5	(5.7)	(19.1)	(25.0)	(31.1)		
Minority Interests			(0.0)	(0.0)	14.0	14.0	14.0	13.9		
Provisions & Other L/T Liabilities			1.2	2.7	3.5	3.5	3.5	3.5		
Other Non Current Liabilities			-	-	-	-	-	-		
Net financial debt	-	-	16.3	47.6	56.2	82.5	98.4	115.3		
Current Liabilities	-	-	14.7	17.2	18.1	19.6	21.1	22.6		
<b>Equity &amp; Total Liabilities</b>	-	-	<b>76.4</b>	<b>73.9</b>	<b>86.0</b>	<b>100.4</b>	<b>111.9</b>	<b>124.2</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>			<b>31.9</b>	<b>16.5</b>	<b>3.1</b>	<b>2.5</b>	<b>3.7</b>	<b>4.9</b>	<b>22-24</b>	<b>24-27e</b>
<i>Total Revenues growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-48.2%</i>	<i>-81.0%</i>	<i>-21.9%</i>	<i>50.0%</i>	<i>33.3%</i>	<i>-68.6%</i>	<i>16.0%</i>
OPEX			(45.9)	(53.0)	(9.9)	(7.5)	(8.1)	(8.7)		
<b>Recurrent EBITDA</b>	-	-	<b>(14.0)</b>	<b>(36.5)</b>	<b>(6.8)</b>	<b>(5.1)</b>	<b>(4.4)</b>	<b>(3.8)</b>	<b>30.5%</b>	<b>17.4%</b>
<i>Recurrent EBITDA growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-160.9%</i>	<i>81.5%</i>	<i>24.7%</i>	<i>12.6%</i>	<i>14.2%</i>		
<i>Rec. EBITDA/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Restructuring Expense & Other non-rec.			(2.3)	2.9	1.3	2.9	11.6	11.6		
<b>EBITDA</b>	-	-	<b>(16.3)</b>	<b>(33.6)</b>	<b>(5.4)</b>	<b>(2.2)</b>	<b>7.1</b>	<b>7.8</b>	<b>42.3%</b>	<b>50.8%</b>
Depreciation & Provisions			(2.8)	(4.0)	(3.7)	(3.7)	(4.0)	(4.4)		
Capitalized Expense			4.9	8.0	0.2	0.2	0.2	0.2		
Rentals (IFRS 16 impact)			-	-	-	-	-	-		
<b>EBIT</b>	-	-	<b>(14.1)</b>	<b>(29.6)</b>	<b>(8.9)</b>	<b>(5.6)</b>	<b>3.4</b>	<b>3.6</b>	<b>20.5%</b>	<b>34.0%</b>
<i>EBIT growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-109.1%</i>	<i>69.8%</i>	<i>36.9%</i>	<i>159.9%</i>	<i>6.9%</i>		
<i>EBIT/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>91.9%</i>	<i>73.7%</i>		
Impact of Goodwill & Others			-	-	-	-	-	-		
Net Financial Result			(0.9)	(7.3)	(14.2)	(7.8)	(9.2)	(9.8)		
Income by the Equity Method			-	-	-	-	-	-		
<b>Ordinary Profit</b>	-	-	<b>(15.1)</b>	<b>(36.9)</b>	<b>(23.1)</b>	<b>(13.5)</b>	<b>(5.8)</b>	<b>(6.2)</b>	<b>-23.8%</b>	<b>35.7%</b>
<i>Ordinary Profit Growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-144.9%</i>	<i>37.4%</i>	<i>41.7%</i>	<i>56.7%</i>	<i>-5.5%</i>		
Extraordinary Results			-	-	-	-	-	-		
<b>Profit Before Tax</b>	-	-	<b>(15.1)</b>	<b>(36.9)</b>	<b>(23.1)</b>	<b>(13.5)</b>	<b>(5.8)</b>	<b>(6.2)</b>	<b>-23.8%</b>	<b>35.7%</b>
Tax Expense			1.4	(1.9)	0.1	-	-	-		
<i>Effective Tax Rate</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Minority Interests			0.0	0.0	0.1	0.0	0.0	0.0		
Discontinued Activities			-	-	-	-	-	-		
<b>Net Profit</b>	-	-	<b>(13.7)</b>	<b>(38.8)</b>	<b>(23.0)</b>	<b>(13.4)</b>	<b>(5.8)</b>	<b>(6.1)</b>	<b>-29.5%</b>	<b>35.6%</b>
<i>Net Profit growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-182.8%</i>	<i>40.7%</i>	<i>41.6%</i>	<i>56.7%</i>	<i>-5.5%</i>		
<b>Ordinary Net Profit</b>	-	-	<b>(12.7)</b>	<b>(39.8)</b>	<b>(24.4)</b>	<b>(16.3)</b>	<b>(17.4)</b>	<b>(17.7)</b>	<b>-38.4%</b>	<b>10.1%</b>
<i>Ordinary Net Profit growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-213.1%</i>	<i>38.8%</i>	<i>33.0%</i>	<i>-6.6%</i>	<i>-1.8%</i>		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>(5.1)</b>	<b>(4.4)</b>	<b>(3.8)</b>	<b>30.5%</b>	<b>17.4%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(11.4)	(6.8)	(7.9)		
<b>Recurrent Operating Cash Flow</b>						<b>(16.5)</b>	<b>(11.3)</b>	<b>(11.7)</b>	<b>30.0%</b>	<b>20.2%</b>
CAPEX						(4.9)	(7.0)	(7.0)		
Net Financial Result affecting the Cash Flow						(7.8)	(9.2)	(9.8)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(29.2)</b>	<b>(27.5)</b>	<b>(28.5)</b>	<b>25.9%</b>	<b>7.4%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						2.9	11.6	11.6		
<b>Free Cash Flow</b>						<b>(26.3)</b>	<b>(15.9)</b>	<b>(16.9)</b>	<b>55.4%</b>	<b>-17.5%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>26.3</b>	<b>15.9</b>	<b>16.9</b>		

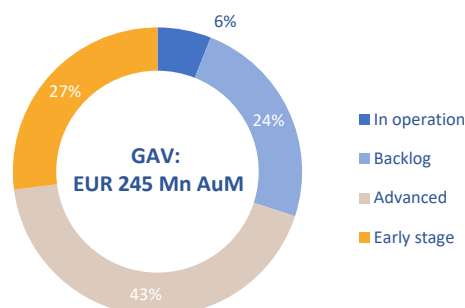


## The company in 8 charts

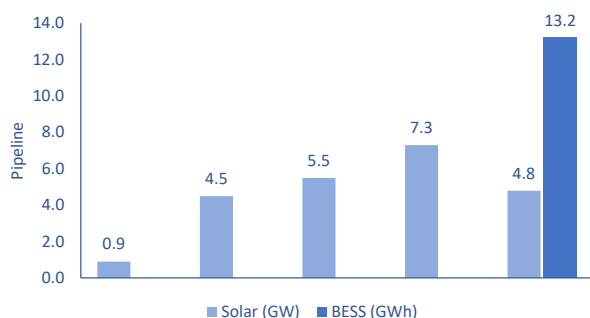
**A company that has completed its transformation to IPP and geographically diversified pipeline of +4.8 GW Solar**



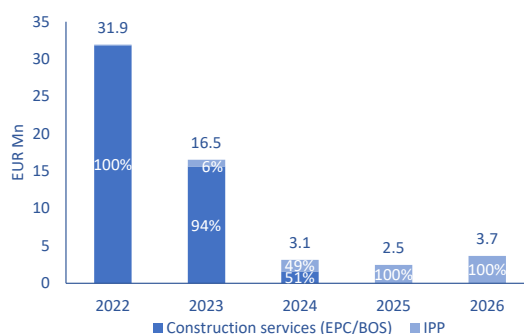
**That has connected 20 MW in Brazil and Chile. And it has an expectation of reaching 2 GW in RTB in 2025-2026 and 40 MW in operation in 2026**



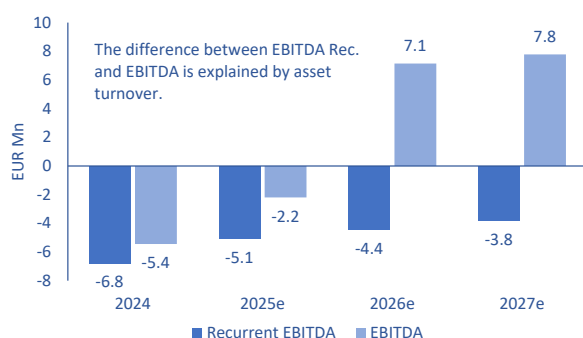
**In other words, since 2017 it has significantly increased its pipeline (4.5 GW at IPO)**



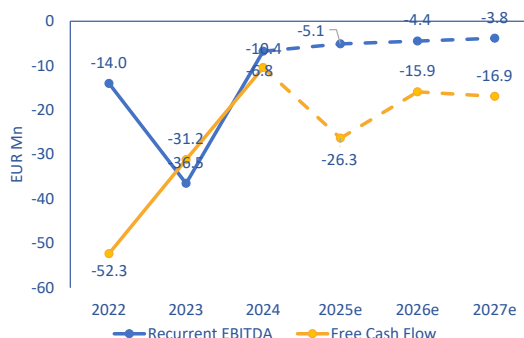
**In 2025e, the generation business (IPP) looks set to represent c. 100% of revenue**



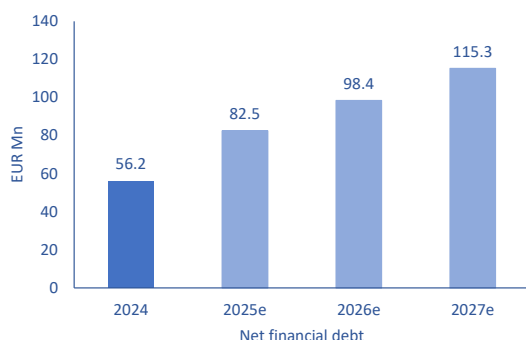
**This should enable ENRS to generate recurring EBITDA of c. EUR 7.8Mn in 2027e**



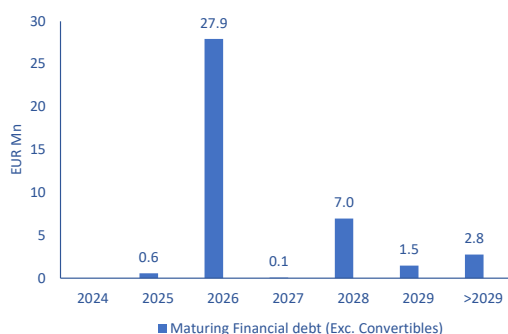
**Which, combine with the high CAPEX for development and construction of the pipeline will affect cash generation**



**Driving net debt to EUR 115 Mn in 2027e**



**With the following maturities of financial debt at the end of 2024**





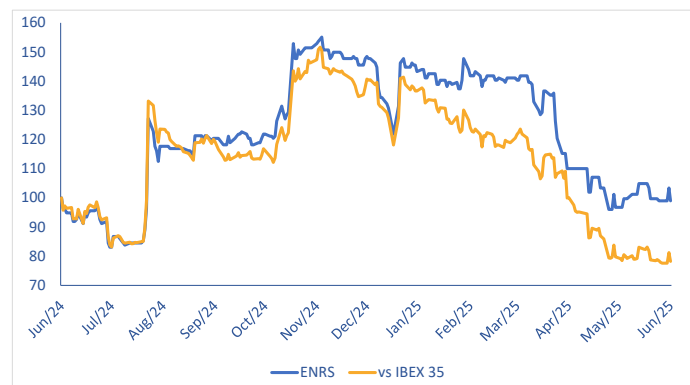


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



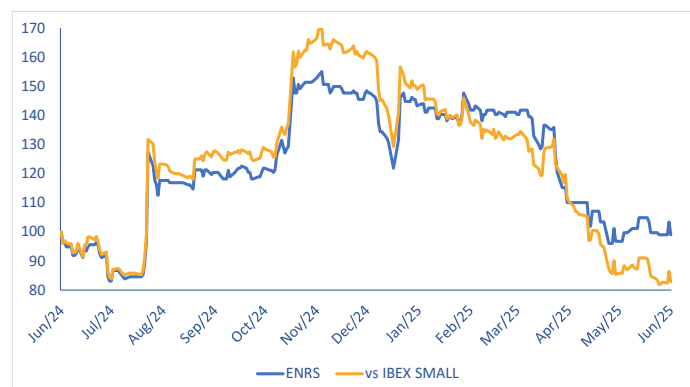
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



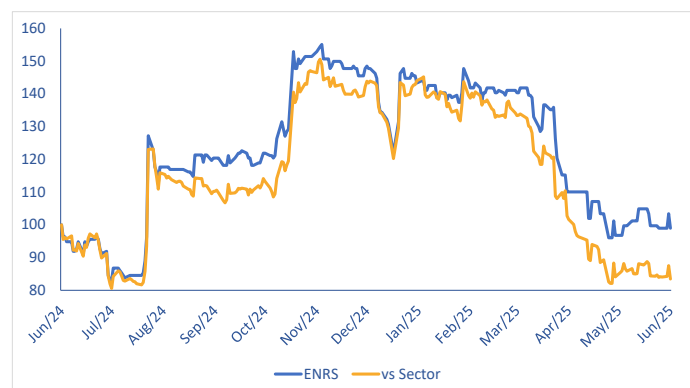
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Utilities

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	2.3	-29.5	-1.0	-32.3	-59.6	n.a.
vs Market						
vs Ibex 35	-1.9	-35.7	-21.7	-44.5	-76.0	n.a.
vs Euro STOXX 50	0.7	-30.6	-8.9	-38.6	-73.0	n.a.
vs Small Cap References						
vs Ibex Small Cap Index	-3.0	-37.9	-17.1	-47.1	-66.5	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	-2.6	-34.2	-6.0	-40.4	-60.9	n.a.
vs MSCI Europe Micro Cap	-2.2	-35.3	-2.5	-37.2	-56.9	n.a.
vs Sector						
vs Stoxx Europe 600 Utilities	-0.8	-37.4	-16.6	-41.8	-65.9	n.a.

(1) Constituents on page 10



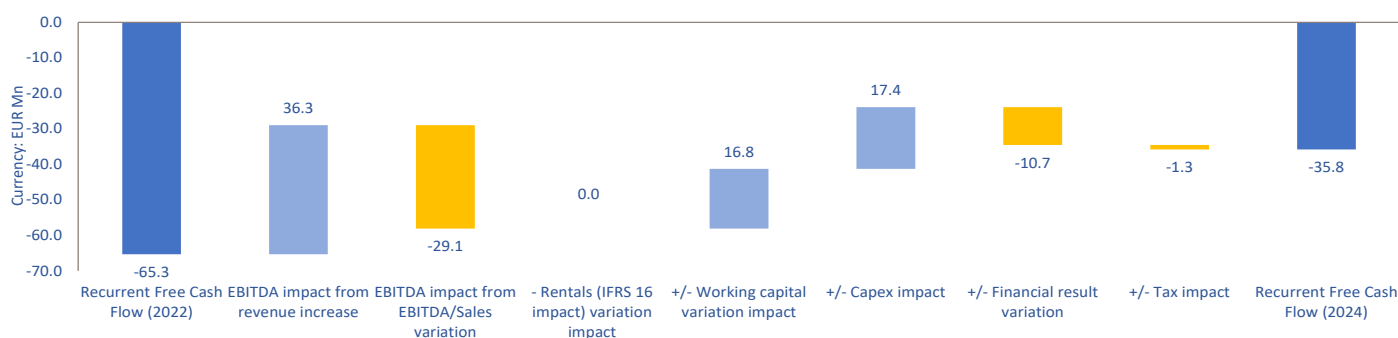
## Free Cash Flow (I)

A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
								22-24	24-27e
<b>Recurrent EBITDA</b>	-	(14.0)	(36.5)	(6.8)	(5.1)	(4.4)	(3.8)	30.5%	17.4%
<i>Recurrent EBITDA growth</i>	n.a.	n.a.	-160.9%	81.5%	24.7%	12.6%	14.2%		
<i>Rec. EBITDA/Revenues</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	-	(33.1)	9.4	(16.3)	(11.4)	(6.8)	(7.9)		
<b>= Recurrent Operating Cash Flow</b>	-	(47.1)	(27.1)	(23.1)	(16.5)	(11.3)	(11.7)	30.0%	20.2%
<i>Rec. Operating Cash Flow growth</i>	n.a.	n.a.	42.5%	14.7%	28.7%	31.6%	-4.1%		
<i>Rec. Operating Cash Flow / Sales</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- CAPEX	-	(18.6)	(4.2)	(1.2)	(4.9)	(7.0)	(7.0)		
- Net Financial Result affecting Cash Flow	-	(0.9)	(4.2)	(11.6)	(7.8)	(9.2)	(9.8)		
- Taxes	-	1.4	(1.9)	0.1	-	-	-		
<b>= Recurrent Free Cash Flow</b>	-	(65.3)	(37.4)	(35.8)	(29.2)	(27.5)	(28.5)	25.9%	7.4%
<i>Rec. Free Cash Flow growth</i>	n.a.	n.a.	42.8%	4.1%	18.5%	5.9%	-3.7%		
<i>Rec. Free Cash Flow / Revenues</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	-	(1.3)	0.2	2.7	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	14.3	6.0	22.7	2.9	11.6	11.6		
<b>= Free Cash Flow</b>	-	(52.3)	(31.2)	(10.4)	(26.3)	(15.9)	(16.9)	55.4%	-17.5%
<i>Free Cash Flow growth</i>	n.a.	n.a.	40.5%	66.6%	-152.6%	39.6%	-6.4%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	0.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	0.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	-	-	(65.3)	(37.4)	(35.8)	(29.2)	(27.5)		
EBITDA impact from revenue increase	n.a.	n.a.	6.7	29.6	1.5	(2.5)	(1.5)		
EBITDA impact from EBITDA/Sales variation	n.a.	n.a.	(29.3)	0.2	0.2	3.2	2.1		
<b>= Recurrent EBITDA variation</b>	n.a.	n.a.	(22.5)	29.7	1.7	0.6	0.6		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	-	(33.1)	42.5	(25.8)	5.0	4.6	(1.1)		
<b>= Recurrent Operating Cash Flow variation</b>	-	(33.1)	20.0	4.0	6.6	5.2	(0.5)		
+/- CAPEX impact	-	(18.6)	14.3	3.1	(3.7)	(2.1)	-		
+/- Financial result variation	-	(0.9)	(3.3)	(7.4)	3.8	(1.4)	(0.6)		
+/- Tax impact	-	1.4	(3.2)	1.9	(0.1)	-	-		
<b>= Recurrent Free Cash Flow variation</b>	-	(51.3)	27.9	1.5	6.6	1.7	(1.0)		
<b>Recurrent Free Cash Flow</b>	-	(51.3)	(37.4)	(35.8)	(29.2)	(27.5)	(28.5)		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	-	(14.1)	(29.6)	(8.9)	(5.6)	3.4	3.6	20.5%	34.0%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
<b>Recurrent EBITDA</b>	-	(14.0)	(36.5)	(6.8)	(5.1)	(4.4)	(3.8)	30.5%	17.4%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	-	(33.1)	9.4	(16.3)	(11.4)	(6.8)	(7.9)		
<b>= Recurrent Operating Cash Flow</b>	-	(47.1)	(27.1)	(23.1)	(16.5)	(11.3)	(11.7)	30.0%	20.2%
- CAPEX	-	(18.6)	(4.2)	(1.2)	(4.9)	(7.0)	(7.0)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	-	(65.7)	(31.3)	(24.3)	(21.4)	(18.3)	(18.7)	39.2%	8.3%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	n.a.	n.a.	52.3%	22.5%	12.0%	14.6%	-2.5%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Acquisitions / + Divestments	-	(1.3)	0.2	2.7	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	14.3	6.0	22.7	2.9	11.6	11.6		
<b>= Free Cash Flow "To the Firm"</b>	-	(52.7)	(25.1)	1.1	(18.5)	(6.7)	(7.1)	42.2%	n.a.
<i>Free Cash Flow (To the Firm) growth</i>	n.a.	n.a.	52.4%	104.5%	n.a.	63.9%	-6.9%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	0.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	0.0%	n.a.	n.a.	0.6%	n.a.	n.a.	n.a.		

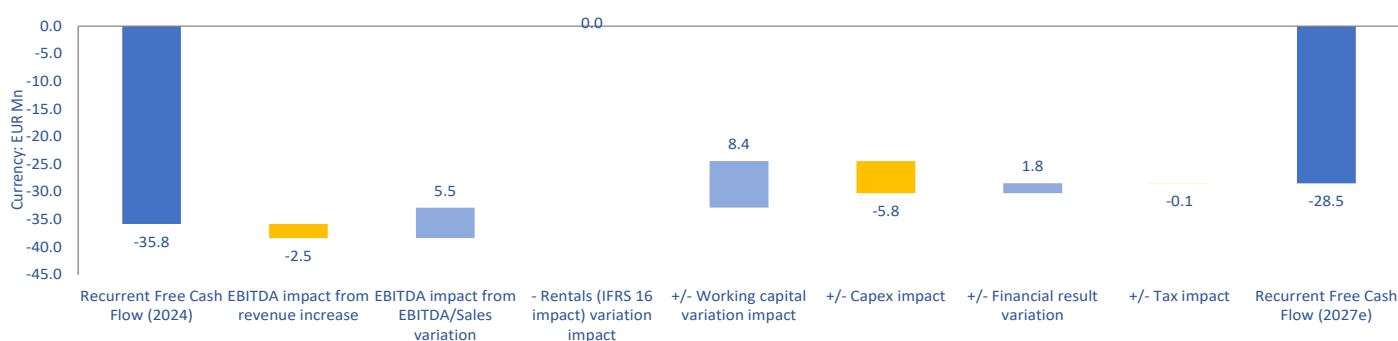


## Free Cash Flow (II)

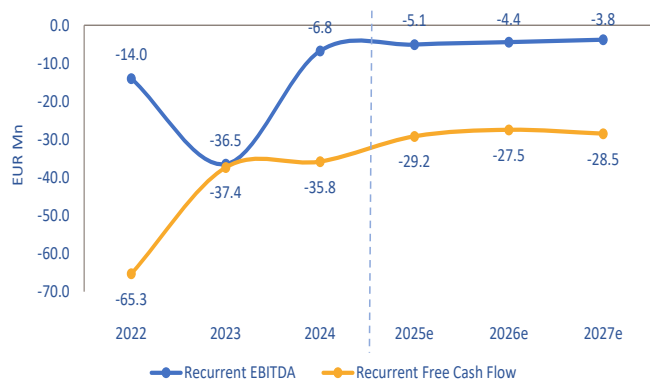
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(18.5)	(6.7)	(7.1)	n.a.		
Market Cap	104.6	At the date of this report				
Net financial debt	56.2	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	7.0%	Net debt cost			6.8%	7.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.6%	$K_d = \text{Cost of Net Debt} * (1-T)$			5.4%	5.8%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	65.1%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	34.9%	D			=	=
WACC	8.7%	$WACC = K_d * D + K_e * E$			7.8%	9.5%
G "Fair"	2.5%				2.0%	2.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	104.6	
+ Minority Interests	14.0	12m Results 2024
+ Provisions & Other L/T Liabilities	3.5	12m Results 2024
+ Net financial debt	56.2	12m Results 2024
- Financial Investments	0.5	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>177.8</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	-4.9%			
FCF Yield - WACC	n.a.	n.a.			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	-133.0%	(4.9)	-36.3x
Central	-120.9%	(4.4)	-39.9x
Min	-108.8%	(4.0)	-44.4x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	171.3%	190.3%	209.3%
(4.9)	(27.2)	(27.9)	(28.6)
(4.4)	(26.8)	(27.5)	(28.2)
(4.0)	(26.3)	(27.0)	(27.7)

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	25.0%	37.5%	33.3%
% of proprietary board members	75.0%	62.5%	66.7%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	25.0%	25.0%	22.2%
% of women out of total workforce	17.0%	24.0%	35.9%
Board remuneration/staff cost	2.8%	4.2%	11.5%



## Main peers 2025e

Renewable Energy companies in Spain					Renewable energy companies			
Market data	EUR Mn	Solaria	Grenergy	Ecoener	Average	Voltaia	Scatec	ENRS
Ticker (Factset)		SLR-ES	GRE-ES	ENER-ES		VLTA-FR	SCATC-NO	ENRS-ES
Country		Spain	Spain	Spain		France	Norway	Spain
Market cap		1,093.3	1,986.1	266.5		1,191.1	1,208.6	104.6
Enterprise value (EV)		2,228.7	2,744.7	702.2		3,188.1	3,301.8	177.8
Basic financial information	Total Revenues	245.6	673.3	106.8		583.5	537.4	2.5
	Total Revenues growth	38.9%	26.7%	30.6%	32.0%	6.7%	42.4%	-21.9%
	2y CAGR (2025e - 2027e)	21.0%	24.0%	26.9%	23.9%	15.4%	14.7%	41.4%
	EBITDA	215.3	212.1	57.8		243.8	367.2	(2.2)
	EBITDA growth	6.9%	54.4%	66.7%	42.7%	13.4%	32.1%	59.7%
	2y CAGR (2025e - 2027e)	15.3%	32.9%	36.1%	28.1%	23.1%	13.8%	n.a.
	EBITDA/Revenues	87.7%	31.5%	54.2%	57.8%	41.8%	68.3%	n.a.
	EBIT	165.3	171.0	35.3		121.5	262.3	(5.6)
	EBIT growth	4.8%	51.1%	111.1%	55.7%	35.8%	46.6%	36.9%
	2y CAGR (2025e - 2027e)	13.4%	30.6%	42.9%	29.0%	32.7%	13.4%	62.5%
	EBIT/Revenues	67.3%	25.4%	33.0%	41.9%	20.8%	48.8%	n.a.
	Net Profit	89.9	108.3	9.5		5.3	92.2	(13.4)
	Net Profit growth	1.4%	81.0%	-2.3%	26.7%	125.2%	-18.5%	41.6%
	2y CAGR (2025e - 2027e)	11.7%	14.5%	50.3%	25.5%	n.a.	-2.2%	32.4%
	CAPEX/Sales %	130.1%	108.6%	174.1%	137.6%	87.5%	58.8%	199.8%
	Free Cash Flow	(278.3)	(482.2)	(156.8)		(402.0)	29.3	(26.3)
Multiples and Ratios	Net financial debt	1,339.1	881.3	684.5		2,331.1	2,084.8	82.5
	ND/EBITDA (x)	6.2	4.2	11.8	7.4	9.6	5.7	n.a.
	Pay-out	0.0%	0.0%	13.2%	4.4%	60.6%	0.0%	0.0%
	P/E (x)	12.7	19.3	n.a.	16.0	n.a.	13.4	n.a.
	P/BV (x)	1.6	3.3	1.8	2.2	1.1	1.2	n.a.
	EV/Revenues (x)	9.1	4.1	6.6	6.6	5.5	6.1	n.a.
	EV/EBITDA (x)	10.3	12.9	12.1	11.8	13.1	9.0	n.a.
	EV/EBIT (x)	13.5	16.0	19.9	16.5	26.2	12.6	n.a.
	ROE	12.4	17.1	1.5	10.3	0.3	8.7	108.1
	FCF Yield (%)	n.a.	n.a.	n.a.	n.a.	n.a.	2.4	n.a.
	DPS	0.00	0.00	0.02	0.01	0.02	0.00	0.00
	Dvd Yield	0.0%	0.0%	0.5%	0.2%	0.3%	0.0%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

**Ercros** (ECR) is an industrial group manufacturing chemical products that operates through 3 divisions: (i) basic chemicals, (ii) intermediate chemicals and (iii) pharmaceuticals. The core activity is the production of chlorine-caustic soda, ECR being the main producer in Spain (60% of total installed capacity) and among the top 10 at the European level.

#### Market Data

Market Cap (Mn EUR and USD)	277.1	318.1
EV (Mn EUR and USD)	429.8	493.5
Shares Outstanding (Mn)	91.4	
-12m (Max/Med/Min EUR)	3.94 / 3.42 / 2.73	
Daily Avg volume (-12m Mn EUR)	0.21	
Rotation <sup>(1)</sup>	18.9	
Factset / Bloomberg	ECR-ES / ECR SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

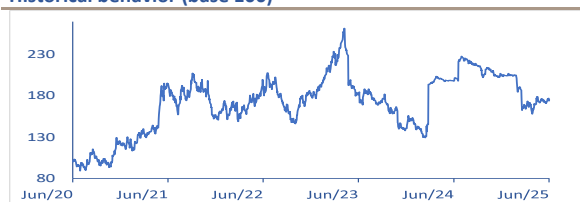
Joan Casas Galofre	6.0
Víctor Manuel Rodríguez Martín	6.1
Dimensional Fund Advisors, L.P.	5.0
Montserrat Garcia Pruns	3.6
Free Float	76.9

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	91.4	91.4	91.4	91.4
Total Revenues	692.8	685.8	787.1	802.6
Rec. EBITDA	28.0	10.0	58.9	62.1
% growth	-40.6	-64.2	487.7	5.3
% Rec. EBITDA/Rev.	4.0	1.5	7.5	7.7
% Inc. EBITDA sector <sup>(2)</sup>	-1.4	14.1	14.3	6.7
Net Profit	-11.7	-21.8	16.8	19.3
EPS (EUR)	-0.13	-0.24	0.18	0.21
% growth	-143.4	-85.9	177.5	14.6
Ord. EPS (EUR)	-0.14	-0.30	0.18	0.21
% growth	-250.6	-109.1	162.0	14.6
Rec. Free Cash Flow	-47.9	-15.6	7.1	11.2
Pay-out (%)	0.0	0.0	33.0	33.0
DPS (EUR)	0.00	0.00	0.06	0.07
Net financial debt	121.6	137.2	130.0	124.4
ND/Rec. EBITDA (x)	4.3	13.7	2.2	2.0
ROE (%)	n.a.	n.a.	5.1	5.6
ROCE (%)	n.a.	n.a.	4.4	4.7

#### Ratios & Multiples (x)

P/E	n.a.	n.a.	16.4	14.3
Ord. P/E	n.a.	n.a.	16.4	14.3
P/BV	0.8	0.9	0.8	0.8
Dividend Yield (%)	0.0	0.0	2.0	2.3
EV/Sales	0.62	0.63	0.55	0.54
EV/Rec. EBITDA	15.3	42.9	7.3	6.9
EV/EBIT	n.a.	n.a.	15.8	14.4
FCF Yield (%)	n.a.	n.a.	2.6	4.0

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	0.8	4.5	-11.7	75.3

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

(2) Sector: Stoxx Europe 600 Chemicals.

(3) Others: Samson Rock Event Driven Fund 1.4%, Blackrock INC 1.0%

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q 2025: revenue decline continues due to poor sector momentum.** Sales reached EUR 184.5Mn (-2.2%). By division, a notable decline of -5.0% was seen in chlorine derivatives (56% of the mix) and -2.1% in intermediate chemistry (27% of the mix). Only pharma (+15.7%) showed clear growth. These poor results are solely explained by weak demand (especially in construction and automotive), which, in a context of overcapacity, prevents growth (volume decrease of -8.2%).

**2025 will be a bad year: "almost identical" to 2024.** The drop in revenue, in a context of high raw material costs and, especially, energy costs (1Q 2025: electricity, +42.0% and gas, +10.2%), led to a collapse in 1Q25 EBITDA, which fell to break-even (vs. EUR 14.3Mn in 1Q24). This dragged Net Profit into losses of EUR -12.2Mn (vs. EUR 3.1Mn in 1Q24). Both weak demand and pressure on costs and margins will continue for the remainder of the fiscal year, making 2025 an absolute "trough" year, prolonging/worsening 2024's losses. Recovery is delayed until at least 2026.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Diversification and FCF generation.** ECR is a company with high exposure to the industrial cycle, especially through its chlorine derivatives division. However, it has an investment plan aimed at strengthening the intermediate chemistry and pharmaceutical divisions, as well as the water purification segment (which will reduce the strong dependence on the chlorine-soda cycle). Outside of "trough" years (2024-2025), the capacity for EBITDA generation and conversion into FCF is very high.

**Active takeover bids.** In March 2024, Bondalti Ibérica (Portuguese chemical company) launched a takeover bid (OPA) for 100% of ECR, with a minimum target of 75% at a price of EUR 3.505/share. This was followed by a counter-bid from Esseco (Italian chemical company) under the same conditions and a price of EUR 3.745/share. Both OPAs determine the current stock price and ECR's future. Essentially, they highlight ECR's attractiveness as a non-organic growth alternative for other companies in the sector. ECR is a scarce asset, and that factor is structural and always favorable for the stock price. This means that, in the (unlikely) event of the current OPAs failing, ECR's "scarcity" will continue to be priced in.

#### RISKS: WHAT TO KEEP AN EYE ON?

**High business sensitivity to price fluctuations of certain raw materials.** In terms of revenue, sensitivity to variations in PVC and soda prices is notable, and in terms of costs, the price of electricity, EDC, ethylene, and methanol. These risks explain the "trough" in results for the 2024-2025 period.

**Withdrawal or failure of the submitted takeover bids.** The current stock price depends on the validity of the Bondalti and Esseco OPAs. Our **central scenario** is the success of one of the two. However, their withdrawal or failure would have a very negative effect on the stock price.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Despite the terrible business momentum, only the takeover bids matter.** 2025 is an *annus horribilis* for the global chemical sector. But ECR's stock will not reflect this and will remain "pegged" by the Bondalti (EUR 3.505/share) and Esseco (EUR 3.745/share) OPAs, with the stock trading at approximately 20% below the best offer.

**Improvement of current offers.** After both OPAs moved to Phase 2 with the competition authority (CNMC), the entire process has slowed down. A CNMC ruling would be expected in July or September, after which the CNMV will need to grant its authorization. This process could extend until 1Q26. The dismal sector momentum increases the attractiveness of the offers (even though they remain far from ECR's fundamental value based on its potential at the mid-point of the cycle, which we estimate at EUR 4.7/share). The central scenario remains a "bid war" with improved current offers.



## Financial Projections

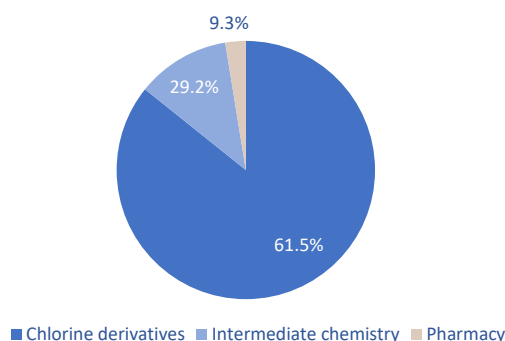
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	16.1	17.7	31.3	29.2	30.6	31.4	32.2	33.0		
Fixed assets	311.3	324.5	341.5	345.1	343.6	346.9	352.0	356.7		
Other Non Current Assets	38.9	35.7	34.4	40.6	41.5	41.5	41.5	41.5		
Financial Investments	28.8	29.0	39.2	57.0	37.9	39.5	41.1	42.7		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	148.6	248.9	239.9	170.2	208.9	192.5	210.4	213.8		
<b>Total assets</b>	<b>543.6</b>	<b>655.8</b>	<b>686.2</b>	<b>642.1</b>	<b>662.4</b>	<b>651.9</b>	<b>677.2</b>	<b>687.7</b>		
Equity	284.2	331.6	360.7	363.1	341.2	319.5	336.3	350.1		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	55.8	67.6	86.6	83.6	75.6	75.6	75.6	75.6		
Other Non Current Liabilities	9.1	6.2	12.3	9.3	14.0	14.0	14.0	14.0		
Net financial debt	75.7	59.6	62.8	80.8	121.6	137.2	130.0	124.4		
Current Liabilities	118.8	190.8	163.8	105.3	110.0	105.6	121.2	123.6		
<b>Equity &amp; Total Liabilities</b>	<b>543.6</b>	<b>655.8</b>	<b>686.2</b>	<b>642.1</b>	<b>662.4</b>	<b>651.8</b>	<b>677.2</b>	<b>687.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>579.3</b>	<b>811.8</b>	<b>1,052.5</b>	<b>755.4</b>	<b>692.8</b>	<b>685.8</b>	<b>787.1</b>	<b>802.6</b>	<b>4.6%</b>	<b>5.0%</b>
Total Revenues growth	-14.6%	40.1%	29.6%	-28.2%	-8.3%	-1.0%	14.8%	2.0%		
COGS	(348.3)	(525.5)	(692.6)	(494.7)	(442.7)	(462.9)	(504.5)	(514.5)		
<b>Gross Margin</b>	<b>230.9</b>	<b>286.3</b>	<b>359.9</b>	<b>260.8</b>	<b>250.1</b>	<b>222.9</b>	<b>282.6</b>	<b>288.1</b>	<b>2.0%</b>	<b>4.8%</b>
Gross Margin/Revenues	39.9%	35.3%	34.2%	34.5%	36.1%	32.5%	35.9%	35.9%		
Personnel Expenses	(84.3)	(83.6)	(89.6)	(91.6)	(101.0)	(95.6)	(97.1)	(98.1)		
Other Operating Expenses	(98.4)	(109.4)	(128.2)	(122.0)	(121.1)	(117.3)	(126.5)	(127.9)		
<b>Recurrent EBITDA</b>	<b>48.2</b>	<b>93.3</b>	<b>142.1</b>	<b>47.1</b>	<b>28.0</b>	<b>10.0</b>	<b>58.9</b>	<b>62.1</b>	<b>-12.7%</b>	<b>30.4%</b>
Recurrent EBITDA growth	-16.9%	93.4%	52.3%	-66.8%	-40.6%	-64.2%	487.7%	5.3%		
Rec. EBITDA/Revenues	8.3%	11.5%	13.5%	6.2%	4.0%	1.5%	7.5%	7.7%		
Restructuring Expense & Other non-rec.	(0.9)	(0.4)	(20.2)	(3.8)	0.7	-	-	-		
<b>EBITDA</b>	<b>47.3</b>	<b>92.9</b>	<b>121.9</b>	<b>43.3</b>	<b>28.7</b>	<b>10.0</b>	<b>58.9</b>	<b>62.1</b>	<b>-11.8%</b>	<b>29.3%</b>
Depreciation & Provisions	(27.4)	(25.2)	(23.4)	(23.5)	(25.0)	(24.6)	(25.0)	(25.3)		
Capitalized Expense	2.3	0.5	0.8	1.0	0.8	0.8	0.8	0.8		
Rentals (IFRS 16 impact)	(7.3)	(6.3)	(7.1)	(7.8)	(7.7)	(7.5)	(7.7)	(7.6)		
<b>EBIT</b>	<b>14.9</b>	<b>61.8</b>	<b>92.2</b>	<b>13.0</b>	<b>(3.2)</b>	<b>(21.3)</b>	<b>27.1</b>	<b>29.9</b>	<b>-22.0%</b>	<b>n.a.</b>
EBIT growth	-52.1%	314.0%	49.0%	-85.9%	-124.5%	-566.2%	227.2%	10.3%		
EBIT/Revenues	2.6%	7.6%	8.8%	1.7%	n.a.	n.a.	3.4%	3.7%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(8.5)	(3.1)	(5.1)	(9.6)	(10.7)	(7.5)	(7.7)	(7.4)		
Income by the Equity Method	0.5	0.6	0.9	1.6	1.6	1.6	1.6	1.6		
<b>Ordinary Profit</b>	<b>7.0</b>	<b>59.3</b>	<b>88.0</b>	<b>5.0</b>	<b>(12.3)</b>	<b>(27.2)</b>	<b>21.1</b>	<b>24.1</b>	<b>-39.3%</b>	<b>58.2%</b>
Ordinary Profit Growth	-72.2%	749.1%	48.3%	-94.3%	-344.3%	-121.1%	177.5%	14.6%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>7.0</b>	<b>59.3</b>	<b>88.0</b>	<b>5.0</b>	<b>(12.3)</b>	<b>(27.2)</b>	<b>21.1</b>	<b>24.1</b>	<b>-39.3%</b>	<b>58.2%</b>
Tax Expense	(0.7)	(9.9)	(17.3)	23.8	0.6	5.4	(4.2)	(4.8)		
Effective Tax Rate	10.4%	16.7%	19.7%	n.a.	n.a.	n.a.	20.0%	20.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	(6.1)	(7.7)	(1.2)	-	-	-	-		
<b>Net Profit</b>	<b>6.3</b>	<b>43.3</b>	<b>63.0</b>	<b>27.6</b>	<b>(11.7)</b>	<b>(21.8)</b>	<b>16.8</b>	<b>19.3</b>	<b>-40.3%</b>	<b>54.0%</b>
Net Profit growth	-79.8%	592.0%	45.5%	-56.2%	-142.4%	-85.9%	177.5%	14.6%		
<b>Ordinary Net Profit</b>	<b>7.1</b>	<b>49.7</b>	<b>86.9</b>	<b>8.8</b>	<b>(13.0)</b>	<b>(27.2)</b>	<b>16.8</b>	<b>19.3</b>	<b>-40.0%</b>	<b>51.6%</b>
Ordinary Net Profit growth	-65.8%	603.6%	74.7%	-89.8%	-247.1%	-109.2%	162.0%	14.6%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>10.0</b>	<b>58.9</b>	<b>62.1</b>	<b>-12.7%</b>	<b>30.4%</b>
Rentals (IFRS 16 impact)						(7.5)	(7.7)	(7.6)		
Working Capital Increase						12.0	(2.3)	(1.1)		
<b>Recurrent Operating Cash Flow</b>						<b>14.5</b>	<b>49.0</b>	<b>53.4</b>	<b>-21.5%</b>	<b>80.7%</b>
CAPEX						(28.0)	(30.0)	(30.0)		
Net Financial Result affecting the Cash Flow						(7.5)	(7.7)	(7.4)		
Tax Expense						5.4	(4.2)	(4.8)		
<b>Recurrent Free Cash Flow</b>						<b>(15.6)</b>	<b>7.1</b>	<b>11.2</b>	<b>-37.2%</b>	<b>30.7%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(15.6)</b>	<b>7.1</b>	<b>11.2</b>	<b>-35.2%</b>	<b>30.8%</b>
Capital Increase						-	-	-		
Dividends						-	-	(5.6)		
<b>Net Debt Variation</b>						<b>15.6</b>	<b>(7.1)</b>	<b>(5.6)</b>		



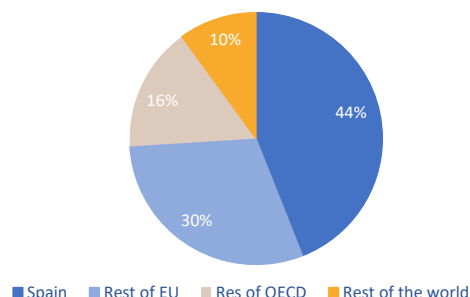


## The company in 8 charts

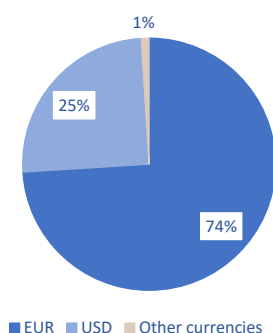
**High exposure to the industrial cycle, especially through its chlorine derivatives division (61.5% of 2024 revenues)**



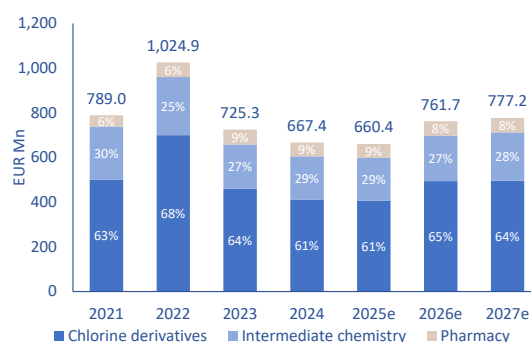
**With 56% of sales coming from outside Spain in 2024**



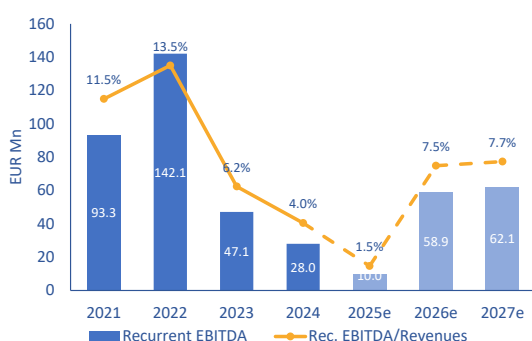
**Although 74% of sales were in EUR and the rest, essentially, USD**



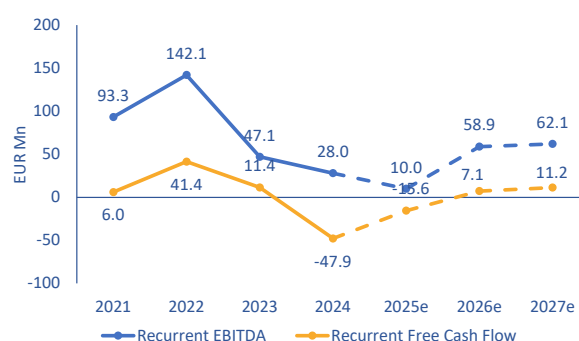
**Product sales revenue: after a record high in 2022, the trough in 2024-2025e should begin to recover in 2026e**



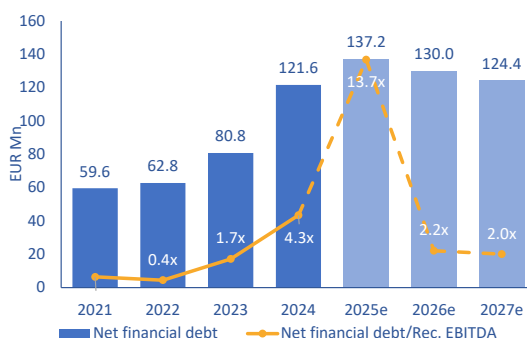
**The reduction in energy costs and the recovery of activity should allow us to maintain an EBITDA margin of > 7% from 2026e**



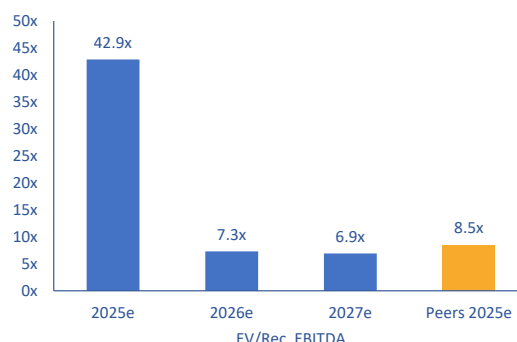
**And despite the high CAPEX, FCF generation capacity will remain positive beyond the 2024-2025e valley**



**A robust balance sheet (ND/EBITDA 2026e: 2.2x)**



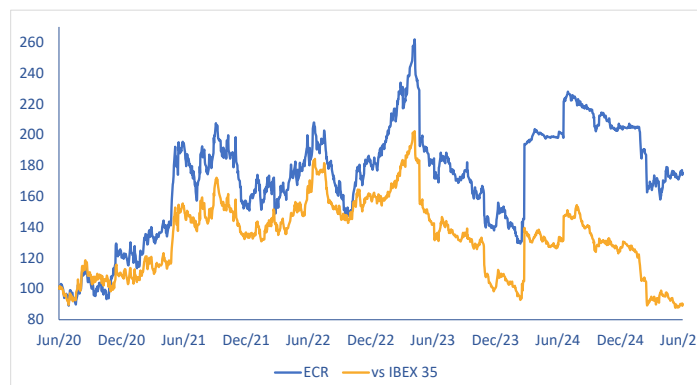
**After the "valley" of 2025e, trading at EV/EBITDA 2026e 7.3x**



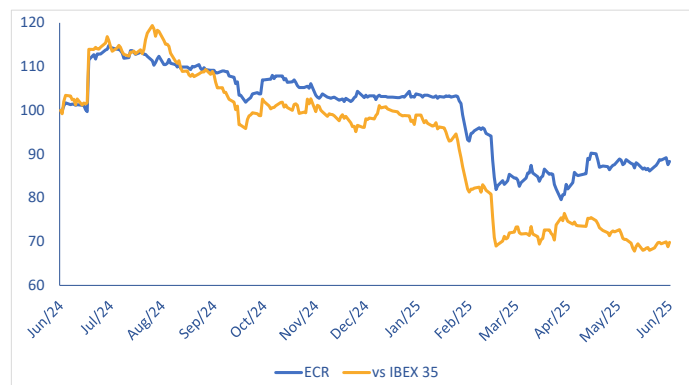


## Evolution of the share price

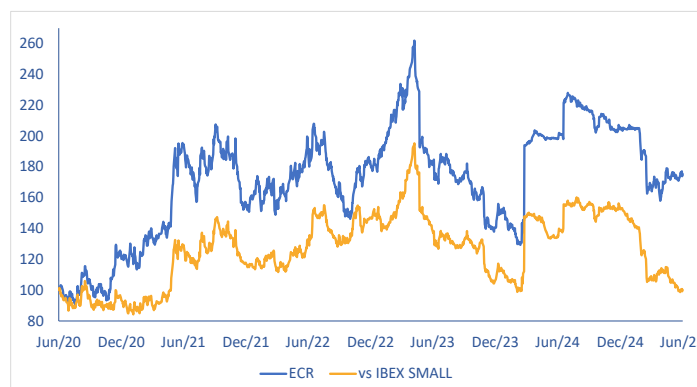
**Historical behavior vs Ibex 35 (base 100)**



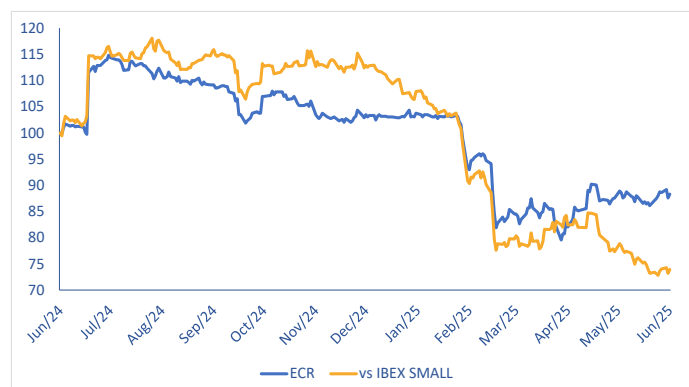
**Behavior -1y vs Ibex 35 (base 100)**



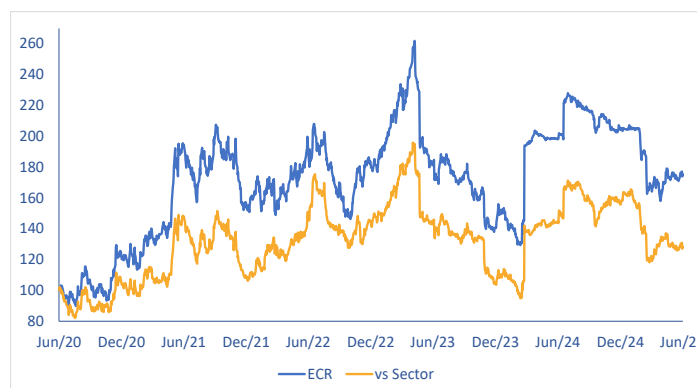
**Historical behavior vs Ibex Small Cap (base 100)**



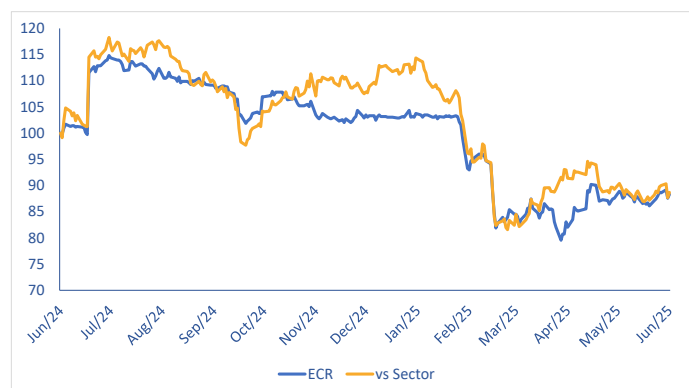
**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Chemicals

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
<b>Absolute</b>	0.8	4.5	-11.7	-14.2	-8.8	75.3
<b>vs Market</b>						
vs Ibex 35	-3.3	-4.8	-30.2	-29.6	-45.8	-9.7
vs Euro STOXX 50	-0.7	2.9	-18.7	-22.1	-39.1	2.2
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-4.4	-8.0	-26.1	-32.9	-24.4	0.3
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.0	-2.5	-16.1	-24.4	-11.7	17.9
vs MSCI Europe Micro Cap	-3.6	-4.1	-13.0	-20.3	-2.7	37.5
<b>vs Sector</b>						
vs Stoxx Europe 600 Chemicals	-0.6	5.0	-11.3	-20.3	-14.7	28.5

(1) Constituents on page 10



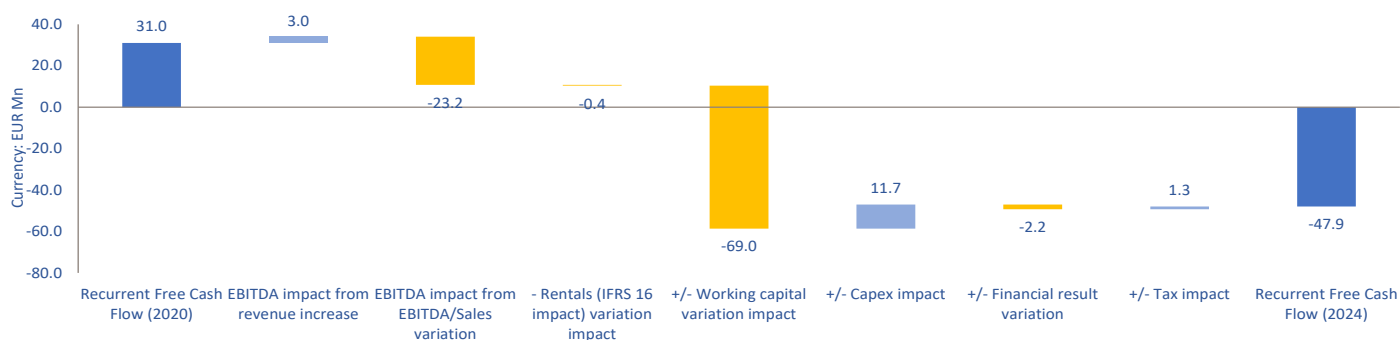
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	93.3	142.1	47.1	28.0	10.0	58.9	62.1	-33.0%	30.4%
Recurrent EBITDA growth	93.4%	52.3%	-66.8%	-40.6%	-64.2%	487.7%	5.3%		
Rec. EBITDA/Revenues	11.5%	13.5%	6.2%	4.0%	1.5%	7.5%	7.7%		
- Rentals (IFRS 16 impact)	(6.3)	(7.1)	(8.1)	(7.7)	(7.5)	(7.7)	(7.6)		
+/- Working Capital increase	(28.3)	(18.0)	11.2	(34.0)	12.0	(2.3)	(1.1)		
= Recurrent Operating Cash Flow	58.7	117.0	50.2	(13.7)	14.5	49.0	53.4	-30.7%	80.7%
Rec. Operating Cash Flow growth	-22.7%	99.4%	-57.1%	-127.2%	205.8%	238.4%	9.0%		
Rec. Operating Cash Flow / Sales	7.2%	11.1%	6.6%	n.a.	2.1%	6.2%	6.7%		
- CAPEX	(39.6)	(53.2)	(24.0)	(24.1)	(28.0)	(30.0)	(30.0)		
- Net Financial Result affecting Cash Flow	(3.1)	(5.1)	(9.6)	(10.7)	(7.5)	(7.7)	(7.4)		
- Taxes	(9.9)	(17.3)	(5.3)	0.6	5.4	(4.2)	(4.8)		
= Recurrent Free Cash Flow	6.0	41.4	11.4	(47.9)	(15.6)	7.1	11.2	n.a.	30.7%
Rec. Free Cash Flow growth	-80.5%	585.0%	-72.5%	-520.4%	67.5%	145.7%	57.1%		
Rec. Free Cash Flow / Revenues	0.7%	3.9%	1.5%	n.a.	n.a.	0.9%	1.4%		
- Restructuring expenses & others	-	-	(1.2)	-	-	-	-		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	16.5	(22.0)	(3.8)	0.7	-	-	-		
= Free Cash Flow	22.6	19.4	6.4	(47.2)	(15.6)	7.1	11.2	-59.9%	30.8%
Free Cash Flow growth	-35.9%	-14.0%	-67.2%	-839.9%	67.0%	145.7%	57.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	2.2%	15.0%	4.1%	n.a.	n.a.	2.6%	4.0%		
Free Cash Flow Yield (s/Mkt Cap)	8.2%	7.0%	2.3%	n.a.	n.a.	2.6%	4.0%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	31.0	6.0	41.4	11.4	(47.9)	(15.6)	7.1		
EBITDA impact from revenue increase	19.4	27.7	(40.1)	(3.9)	(0.3)	1.5	1.2		
EBITDA impact from EBITDA/Sales variation	25.7	21.1	(54.9)	(15.2)	(17.7)	47.4	2.0		
= Recurrent EBITDA variation	45.1	48.8	(95.0)	(19.1)	(18.0)	48.9	3.1		
- Rentals (IFRS 16 impact) variation impact	1.0	(0.8)	(1.0)	0.4	0.2	(0.1)	0.0		
+/- Working capital variation impact	(63.3)	10.3	29.2	(45.2)	45.9	(14.3)	1.2		
= Recurrent Operating Cash Flow variation	(17.3)	58.3	(66.8)	(63.9)	28.2	34.5	4.4		
+/- CAPEX impact	(3.8)	(13.6)	29.2	(0.1)	(3.9)	(2.0)	-		
+/- Financial result variation	5.3	(1.9)	(4.5)	(1.1)	3.2	(0.2)	0.3		
+/- Tax impact	(9.2)	(7.4)	12.0	5.9	4.8	(9.7)	(0.6)		
= Recurrent Free Cash Flow variation	(24.9)	35.4	(30.0)	(59.3)	32.3	22.7	4.1		
Recurrent Free Cash Flow	6.0	41.4	11.4	(47.9)	(15.6)	7.1	11.2		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	61.8	92.2	13.0	(3.2)	(21.3)	27.1	29.9	-27.1%	n.a.
* Theoretical Tax rate	16.7%	19.7%	0.0%	0.0%	0.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(10.3)	(18.1)	-	-	-	(5.4)	(6.0)		
Recurrent EBITDA	93.3	142.1	47.1	28.0	10.0	58.9	62.1	-33.0%	30.4%
- Rentals (IFRS 16 impact)	(6.3)	(7.1)	(8.1)	(7.7)	(7.5)	(7.7)	(7.6)		
+/- Working Capital increase	(28.3)	(18.0)	11.2	(34.0)	12.0	(2.3)	(1.1)		
= Recurrent Operating Cash Flow	58.7	117.0	50.2	(13.7)	14.5	49.0	53.4	-30.7%	80.7%
- CAPEX	(39.6)	(53.2)	(24.0)	(24.1)	(28.0)	(30.0)	(30.0)		
- Taxes (pre- Financial Result)	(10.3)	(18.1)	-	-	-	(5.4)	(6.0)		
= Recurrent Free Cash Flow (To the Firm)	8.8	45.7	26.2	(37.8)	(13.5)	13.6	17.4	-84.8%	35.0%
Rec. Free Cash Flow (To the Firm) growth	-77.3%	421.5%	-42.6%	-244.1%	64.2%	200.3%	28.3%		
Rec. Free Cash Flow (To the Firm) / Revenues	1.1%	4.3%	3.5%	n.a.	n.a.	1.7%	2.2%		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	16.5	(22.0)	(3.8)	0.7	-	-	-		
= Free Cash Flow "To the Firm"	25.3	23.7	22.4	(37.1)	(13.5)	13.6	17.4	-51.3%	35.2%
Free Cash Flow (To the Firm) growth	-41.0%	-6.5%	-5.2%	-265.4%	63.6%	200.3%	28.3%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	2.0%	10.6%	6.1%	n.a.	n.a.	3.2%	4.0%		
Free Cash Flow "To the Firm" - Yield (o/EV)	5.9%	5.5%	5.2%	n.a.	n.a.	3.2%	4.0%		

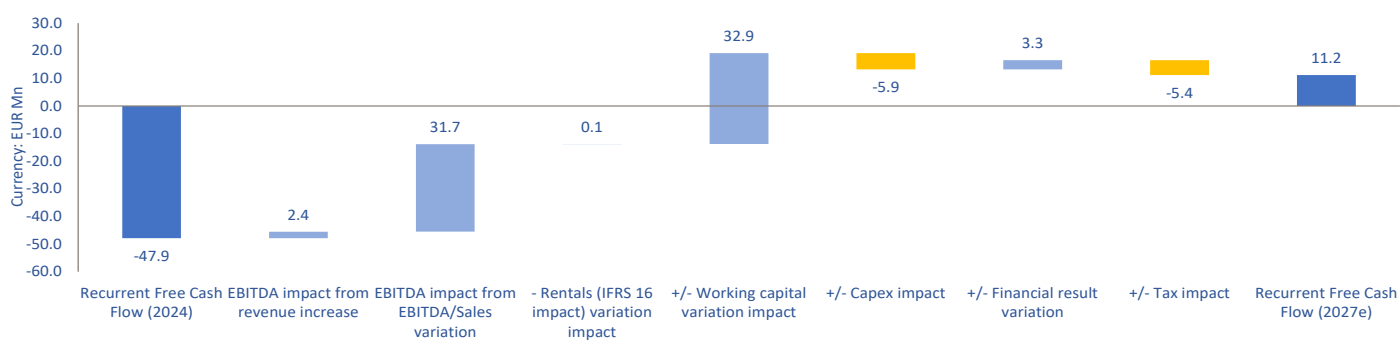


## Free Cash Flow (II)

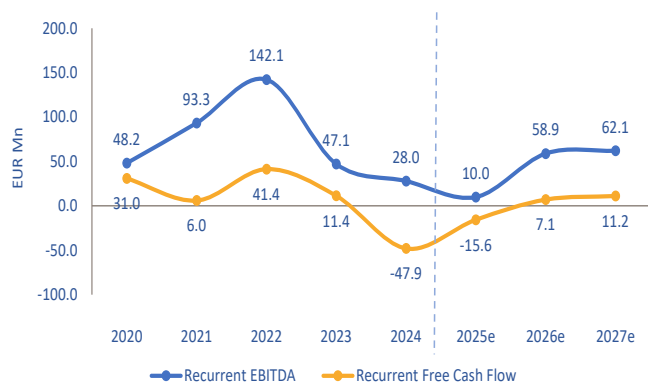
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(13.5)	13.6	17.4	n.a.		
Market Cap	277.1	At the date of this report				
Net financial debt	136.2	Debt net of Cash (3m Results 2025)				
					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)	3.1%	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	1.2
Cost of Equity	10.3%	$K_e = R_f + (R * B)$			9.2%	10.9%
Equity / (Equity + Net Debt)	67.0%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	33.0%	D			=	=
WACC	8.1%	$WACC = K_d * D + K_e * E$			7.3%	8.6%
G "Fair"	1.5%				2.0%	1.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	277.1	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	26.8	3m Results 2025
+ Net financial debt	136.2	3m Results 2025
- Financial Investments	10.3	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>429.8</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.4%	12.6%	16.4%	2.8%	n.a.
	2024	2027e			
ROCE - WACC	n.a.	-3.3%			
FCF Yield - WACC	n.a.	-4,1%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	7.9%	62.1	6.9x
Central	7.5%	58.9	7.3x
Min	7.1%	55.8	7.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	3.4%	3.8%	4.2%		Scenario		
62.1	13.4	10.3	7.1	➔	Max	4.8%	3.7%
58.9	10.3	7.1	4.0		Central	3.7%	2.6%
55.8	7.1	4.0	0.8		Min	2.6%	1.4%
							0.3%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	33.3%	33.3%	33.3%
% of proprietary board members	16.7%	16.7%	16.7%
% of executive board members	16.7%	16.7%	16.7%
% of other directors	33.3%	33.3%	33.3%
% of women on the board of directors	33.3%	33.3%	33.3%
% of women out of total workforce	17.7%	18.3%	19.8%
Board remuneration/staff cost	1.1%	1.0%	1.0%



## Main peers 2025e

	EUR Mn	Europe			Average	USA			Average	ECR
		BASF SE	Solvay	Covestro AG		DowDuPont	Olin Corp	Westlake		
Market data	Ticker (Factset)	BAS-DE	SOLB-BE	1COV-DE		DOW-US	OLN-US	WLK-US		ECR-ES
	Country	Germany	Belgium	Germany		USA	USA	USA		Spain
	Market cap	38,471.5	3,148.8	11,290.9		18,886.6	2,185.9	8,955.7		277.1
	Enterprise value (EV)	60,130.5	4,941.8	14,258.3		33,285.0	4,962.6	12,011.7		429.8
Basic financial information	Total Revenues	65,374.6	4,671.8	14,380.5		36,529.8	5,826.7	10,244.6		685.8
	Total Revenues growth	0.2%	-8.9%	1.4%	-2.4%	-2.4%	2.3%	-3.1%	-1.1%	-1.0%
	2y CAGR (2025e - 2027e)	3.9%	3.5%	4.1%	3.8%	3.3%	3.4%	6.6%	4.4%	8.2%
	EBITDA	7,783.9	985.7	1,090.6		3,559.3	713.9	1,374.7		10.0
	EBITDA growth	0.1%	-1.8%	42.7%	13.7%	-17.6%	-7.8%	-24.1%	-16.5%	-65.1%
	2y CAGR (2025e - 2027e)	11.3%	5.8%	25.7%	14.3%	19.2%	17.4%	19.5%	18.7%	n.a.
	EBITDA/Revenues	11.9%	21.1%	7.6%	13.5%	9.7%	12.3%	13.4%	11.8%	1.5%
	EBIT	3,731.9	658.7	185.0		1,257.0	245.0	278.6		(21.3)
	EBIT growth	-1.6%	-4.1%	337.2%	110.5%	-30.1%	-17.9%	-66.9%	-38.3%	-566.2%
	2y CAGR (2025e - 2027e)	19.4%	8.6%	n.a.	14.0%	38.0%	47.2%	82.2%	55.8%	84.5%
	EBIT/Revenues	5.7%	14.1%	1.3%	7.0%	3.4%	4.2%	2.7%	3.5%	n.a.
	Net Profit	2,230.3	352.4	(23.1)		341.5	66.6	57.3		(21.8)
	Net Profit growth	71.8%	58.0%	91.3%	73.7%	-64.5%	-29.6%	-89.0%	-61.0%	-85.9%
	2y CAGR (2025e - 2027e)	27.1%	14.5%	n.a.	20.8%	86.6%	n.a.	n.a.	86.6%	69.9%
	CAPEX/Sales %	8.0%	7.2%	5.2%	6.8%	6.4%	3.2%	7.7%	5.8%	4.1%
	Free Cash Flow	643.0	309.4	107.0		708.3	190.1	241.2		(15.6)
	Net financial debt	20,076.6	1,711.9	2,619.1		11,173.9	2,359.5	1,743.4		137.2
Multiples and Ratios	ND/EBITDA (x)	2.6	1.7	2.4	2.2	3.1	3.3	1.3	2.6	13.7
	Pay-out	92.5%	73.1%	-14.3%	50.4%	501.5%	123.8%	418.1%	347.8%	0.0%
	P/E (x)	13.7	7.8	n.a.	10.7	41.9	30.4	58.5	43.6	n.a.
	P/BV (x)	1.1	2.2	1.7	1.7	1.4	1.3	0.8	1.1	0.9
	EV/Revenues (x)	0.9	1.1	1.0	1.0	0.9	0.9	1.2	1.0	0.6
	EV/EBITDA (x)	7.7	5.0	13.1	8.6	9.4	7.0	8.7	8.3	42.9
	EV/EBIT (x)	16.1	7.5	n.a.	11.8	26.5	20.3	43.1	29.9	n.a.
	ROE	7.8	28.6	n.a.	18.2	3.3	4.1	1.3	2.9	n.a.
	FCF Yield (%)	1.7	9.8	0.9	4.1	3.8	8.7	2.7	5.0	n.a.
	DPS	2.31	2.45	0.02	1.59	2.43	0.70	1.86	1.67	0.00
	Dvd Yield	5.4%	8.3%	0.0%	4.6%	9.1%	3.7%	2.7%	5.2%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	607.3	624.5	606.9	689.3	677.1	677.9	579.3	811.8	1,052.5	755.4	692.8	685.8	787.1	802.6	1.3%	5.0%
Total Revenues growth	-4.2%	2.8%	-2.8%	13.6%	-1.8%	0.1%	-14.6%	40.1%	29.6%	-28.2%	-8.3%	-1.0%	14.8%	2.0%		
EBITDA	16.9	32.9	61.5	61.0	59.6	56.0	47.3	92.9	121.9	43.3	28.7	10.0	58.9	62.1	5.5%	29.3%
EBITDA growth	-31.1%	95.3%	87.0%	-0.9%	-2.3%	-6.1%	-15.4%	96.3%	31.2%	-64.5%	-33.7%	-65.1%	487.7%	5.3%		
EBITDA/Sales	2.8%	5.3%	10.1%	8.8%	8.8%	8.3%	8.2%	11.4%	11.6%	5.7%	4.1%	1.5%	7.5%	7.7%		
Net Profit	(7.1)	7.2	45.2	44.6	44.9	31.0	6.3	43.3	63.0	27.6	(11.7)	(21.8)	16.8	19.3	-5.1%	54.0%
Net Profit growth	n.a.	202.0%	523.8%	-1.3%	0.7%	-30.8%	-79.8%	592.0%	45.5%	-56.2%	-142.4%	-85.9%	177.5%	14.6%		
Adjusted number shares (Mn)	111.5	114.0	114.1	112.3	109.2	106.2	102.6	98.8	94.2	93.6	91.4	91.4	91.4	91.4		
EPS (EUR)	-0.06	0.06	0.40	0.40	0.41	0.29	0.06	0.44	0.67	0.29	-0.13	-0.24	0.18	0.21	-7.2%	54.0%
EPS growth	n.a.	n.a.	n.a.	0.3%	3.5%	-28.9%	-79.1%	n.a.	52.5%	-55.9%	n.a.	-85.9%	n.a.	14.6%		
Ord. EPS (EUR)	-0.06	0.06	0.40	0.40	0.41	0.29	0.07	0.50	0.92	0.09	-0.14	-0.30	0.18	0.21	-8.4%	51.6%
Ord. EPS growth	n.a.	n.a.	n.a.	0.3%	3.5%	-28.9%	-76.4%	n.a.	83.1%	-89.8%	n.a.	n.a.	n.a.	14.6%		
CAPEX	(6.2)	(9.2)	(18.7)	(42.8)	(42.1)	(37.1)	(35.8)	(39.6)	(53.2)	(24.0)	(24.1)	(28.0)	(30.0)	(30.0)		
CAPEX/Sales %	1.0%	1.5%	3.1%	6.2%	6.2%	5.5%	6.2%	4.9%	5.1%	3.2%	3.5%	4.1%	3.8%	3.7%		
Free Cash Flow	23.4	6.6	20.5	1.1	2.9	22.3	35.2	22.6	19.4	6.4	(47.2)	(15.6)	7.1	11.2	-14.9%	30.8%
ND/EBITDA (x) <sup>(2)</sup>	6.1x	2.8x	1.3x	1.6x	1.9x	2.1x	1.6x	0.6x	0.5x	1.9x	4.2x	13.7x	2.2x	2.0x		
P/E (x)	n.a.	8.4x	4.0x	6.3x	6.7x	7.9x	32.7x	6.3x	4.6x	8.8x	n.a.	n.a.	16.4x	14.3x		
EV/Sales (x)	0.24x	0.26x	0.47x	0.60x	0.69x	0.57x	0.53x	0.45x	0.36x	0.44x	0.66x	0.63x	0.55x	0.54x		
EV/EBITDA (x) <sup>(2)</sup>	8.7x	5.0x	4.7x	6.8x	7.8x	6.9x	6.5x	3.9x	3.1x	7.7x	16.0x	42.9x	7.3x	6.9x		
Absolute performance	-17.3%	56.7%	198.7%	57.0%	9.9%	-15.8%	-14.0%	37.8%	11.3%	-15.3%	36.4%	-14.2%				
Relative performance vs Ibex 35	-20.2%	68.8%	204.8%	46.2%	29.2%	-24.7%	1.7%	27.7%	17.9%	-31.0%	18.8%	-29.6%				

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

**FacePhi (FACE)** is a Spanish tech company based in Alicante. It specialises in the development and marketing of software for identity authentication via digital onboarding solutions and biometric authentication. It is present in Latam (today its main market; c. 95% of 2024 revenue) and has a strong position in the financial sector (c. 93% of 2024 revenues).

#### Market Data

Market Cap (Mn EUR and USD)	63.2	72.5
EV (Mn EUR and USD)	66.4	76.3
Shares Outstanding (Mn)	25.8	
-12m (Max/Med/Mín EUR)	2.49 / 1.91 / 1.50	
Daily Avg volume (-12m Mn EUR)	0.03	
Rotation <sup>(1)</sup>	13.7	
Factset / Bloomberg	FACE-ES / FACE SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

Nice&Green	22.6
Hancom	6.6
Javier Mira Miró	4.8
Juan Alfonso Ortiz Company	4.6
Free Float	61.5

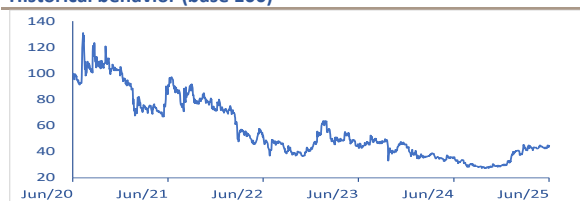
#### Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	25.2	25.8	25.8	25.8
Total Revenues	29.5	37.5	43.2	46.4
Rec. EBITDA	-7.8	-2.4	0.5	1.9
% growth	-50.3	69.6	121.8	264.4
% Rec. EBITDA/Rev.	n.a.	n.a.	1.2	4.1
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	-8.9	-2.0	-1.9	-1.3
EPS (EUR)	-0.35	-0.08	-0.07	-0.05
% growth	-72.8	78.4	2.1	32.4
Ord. EPS (EUR)	-0.38	-0.15	-0.07	-0.05
% growth	-6.2	59.2	51.5	32.4
Rec. Free Cash Flow	-15.1	-3.8	-5.0	-2.8
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	6.4	8.2	13.2	16.0
ND/Rec. EBITDA (x)	n.a.	n.a.	25.4	8.5
ROE (%)	n.a.	n.a.	n.a.	n.a.
ROCE (%)	n.a.	n.a.	n.a.	n.a.

#### Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	3.3	3.7	4.1	4.5
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	2.25	1.77	1.54	1.43
EV/Rec. EBITDA	n.a.	n.a.	n.a.	35.1
EV/EBIT	n.a.	n.a.	n.a.	n.a.
FCF Yield (%)	n.a.	n.a.	n.a.	n.a.

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	2.1	3.4	24.1	-55.3

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

(2) Sector: Stoxx Europe 600 Technology.

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

#### MOMENTUM: WHAT TO EXPECT FROM 2025E?

**Operating expenses growing less than revenue.** FACE confirmed in its 2024 earnings presentation (May 7, 2025) that its cost structure had reached cruising speed and that its personnel expenses and other operating expenses will grow less than revenue. For 2025e, we estimate approximately +5% growth in operating expenses and approximately +30% in revenue (excluding other income), which compares favorably with +20% and +15%, respectively, in 2024. We anticipate a strong take-off in revenue in 2025e, which should trigger a significant improvement in margins and EBITDA due to the dilution of the fixed cost base built over recent years (OPEX + CAPEX).

**Less LATAM and more EMEA and APAC.** FACE holds a dominant position in LATAM (95% of 2024 revenue) but is growing rapidly in APAC (alliance with HANCOM), reaching 4% of 2024 revenue (1.7% in 2023), and has ambitious growth targets in EMEA (we estimate 7% of revenue in 2025e vs. 1.3% in 2024). Geographic diversification with a reduced weighting of LATAM in the revenue mix is a medium-to long-term growth driver.

**No more dilution.** FACE already announced in mid-2024 the termination of the convertible bond program subscribed by the main shareholder (Nice&Green). Following the capitalization of the last EUR 2 Mn loan (pending approval by the AGM in June), capital increases that have funded growth to date would come to an end.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Growth in new geographic markets and new verticals** by applying an "asset-light" model that relies on alliances (HANCOM) and partners that commercialize FACE's services without demanding an increase in FACE's commercial structure. In new verticals, FACE can leverage on the credentials obtained in a leading cybersecurity sector like finance (which accounts for >90% of its revenue).

**Growth in new products** that allow penetration of virgin markets for FACE (SME/PYME with the IDVSUITE solution) or growth in already penetrated markets with products (Mule Account Detection) that have generated significant interest among FACE's banking clients.

**ARR is the KPI** that measures FACE's transition from a license sales model to a SaaS model with greater recurrence and visibility. The trend has been very positive, increasing from EUR 12.7 Mn in 2022 to EUR 28 Mn in 2024 (97% and 75% of revenue —excluding other income— in 2024 and 2025, respectively).

#### RISKS: WHAT TO KEEP AN EYE ON?

**Execution.** FACE needs to "replicate" its success in one geography (LATAM), one vertical (finance/insurance), and one product (facial identification and onboarding) across multiple geographies, verticals, and products.

**Indebtedness.** FACE is negotiating a refinancing of its existing debt with its banks, which is expected to be announced before year-end. Currently —as in 2023— the banks have approved a "waiver" on covenant compliance (FACE is meeting its interest and principal payment obligations).

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Favorable revenue momentum and potential for margin improvement.** Strong recurring revenue in 2024 and the announcement of the conclusion of a significant investment plan (funded by internal resources and which has increased the number of shares from 15.1 Mn in 2021 to 25.8 Mn currently; imply that dilution risk would disappear). All of this has led to improved momentum that is already priced in (-12m, +24.1%; +28.9% vs. sector). Given the strength in revenue, everything hinges on FACE's ability to "freeze" its structure and significantly improve margins as early as 2025.





## Financial Projections

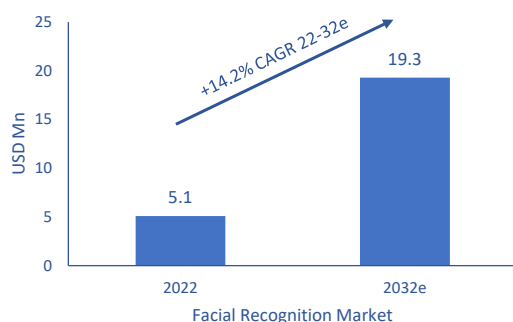
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	4.1	5.1	7.6	11.8	11.8	11.1	9.5	7.4		
Fixed assets	0.2	0.4	1.8	2.7	2.4	6.5	10.4	13.6		
Other Non Current Assets	0.5	1.1	1.6	4.9	1.8	1.8	1.8	1.8		
Financial Investments	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	4.6	9.8	18.8	23.3	27.7	28.6	32.5	34.8		
<b>Total assets</b>	<b>9.5</b>	<b>16.6</b>	<b>29.9</b>	<b>42.8</b>	<b>43.8</b>	<b>48.2</b>	<b>54.4</b>	<b>57.8</b>		
Equity	7.0	8.7	15.2	20.0	19.2	17.2	15.3	14.0		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	0.1	0.1	0.2	0.5	0.7	0.7	0.7	0.7		
Other Non Current Liabilities	-	-	0.1	-	-	-	-	-		
Net financial debt	0.5	4.7	9.0	10.3	6.4	8.2	13.2	16.0		
Current Liabilities	1.8	3.1	5.4	11.9	17.5	22.0	25.2	27.0		
<b>Equity &amp; Total Liabilities</b>	<b>9.5</b>	<b>16.6</b>	<b>29.9</b>	<b>42.8</b>	<b>43.8</b>	<b>48.2</b>	<b>54.4</b>	<b>57.8</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>7.3</b>	<b>13.2</b>	<b>22.4</b>	<b>25.2</b>	<b>29.5</b>	<b>37.5</b>	<b>43.2</b>	<b>46.4</b>	<b>41.8%</b>	<b>16.4%</b>
Total Revenues growth	-11.3%	81.4%	69.9%	12.5%	16.8%	27.4%	15.0%	7.5%		
COGS	(1.4)	(1.9)	(3.5)	(3.4)	(4.8)	(5.6)	(6.5)	(7.0)		
<b>Gross Margin</b>	<b>5.9</b>	<b>11.3</b>	<b>19.0</b>	<b>21.8</b>	<b>24.7</b>	<b>31.9</b>	<b>36.7</b>	<b>39.4</b>	<b>43.2%</b>	<b>16.9%</b>
Gross Margin/Revenues	80.7%	85.8%	84.6%	86.6%	83.8%	85.0%	85.0%	85.0%		
Personnel Expenses	(3.2)	(6.2)	(11.0)	(13.6)	(18.1)	(19.1)	(20.2)	(20.9)		
Other Operating Expenses	(3.0)	(5.6)	(7.7)	(13.5)	(14.4)	(15.2)	(16.0)	(16.6)		
<b>Recurrent EBITDA(1)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>0.2</b>	<b>(5.2)</b>	<b>(7.8)</b>	<b>(2.4)</b>	<b>0.5</b>	<b>1.9</b>	<b>n.a.</b>	<b>30.9%</b>
Recurrent EBITDA growth	-114.7%	-13.2%	154.6%	n.a.	-50.3%	69.6%	121.8%	264.4%		
Rec. EBITDA/Revenues	n.a.	n.a.	1.0%	n.a.	n.a.	n.a.	1.2%	4.1%		
Restructuring Expense & Other non-rec.	(0.4)	(1.2)	(0.7)	0.4	2.2	2.0	-	-		
Capitalized Expense	1.1	2.2	3.8	4.2	4.6	4.6	4.6	4.6		
<b>EBITDA</b>	<b>0.4</b>	<b>0.6</b>	<b>3.3</b>	<b>(0.6)</b>	<b>(1.1)</b>	<b>4.2</b>	<b>5.1</b>	<b>6.5</b>	<b>-48.8%</b>	<b>99.9%</b>
Depreciation & Provisions	(0.7)	(1.2)	(1.8)	(4.8)	(5.6)	(5.2)	(6.2)	(6.7)		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(0.4)</b>	<b>(0.6)</b>	<b>1.5</b>	<b>(5.4)</b>	<b>(6.7)</b>	<b>(1.0)</b>	<b>(1.1)</b>	<b>(0.3)</b>	<b>n.a.</b>	<b>65.5%</b>
EBIT growth	-119.0%	-65.0%	345.4%	-464.5%	-23.9%	84.5%	-5.3%	74.9%		
EBIT/Revenues	n.a.	n.a.	6.6%	n.a.	n.a.	n.a.	n.a.	n.a.		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.6)	(0.3)	(0.7)	(1.7)	(0.7)	(0.9)	(0.8)	(1.0)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(2.0)</b>	<b>(0.9)</b>	<b>0.8</b>	<b>(7.1)</b>	<b>(7.3)</b>	<b>(2.0)</b>	<b>(1.9)</b>	<b>(1.3)</b>	<b>-38.3%</b>	<b>43.9%</b>
Ordinary Profit Growth	-217.0%	57.4%	188.6%	n.a.	-3.9%	73.3%	2.1%	32.4%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(2.0)</b>	<b>(0.9)</b>	<b>0.8</b>	<b>(7.1)</b>	<b>(7.3)</b>	<b>(2.0)</b>	<b>(1.9)</b>	<b>(1.3)</b>	<b>-38.3%</b>	<b>43.9%</b>
Tax Expense	0.1	0.3	0.1	2.7	(1.6)	-	-	-		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(1.9)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>(4.3)</b>	<b>(8.9)</b>	<b>(2.0)</b>	<b>(1.9)</b>	<b>(1.3)</b>	<b>-47.9%</b>	<b>47.3%</b>
Net Profit growth	-243.9%	70.1%	251.1%	-614.7%	-106.2%	77.9%	2.1%	32.4%		
<b>Ordinary Net Profit</b>	<b>(1.6)</b>	<b>0.3</b>	<b>1.5</b>	<b>(7.5)</b>	<b>(9.5)</b>	<b>(4.0)</b>	<b>(1.9)</b>	<b>(1.3)</b>	<b>-55.6%</b>	<b>48.5%</b>
Ordinary Net Profit growth	-192.6%	119.9%	358.7%	-607.1%	-26.8%	58.3%	51.5%	32.4%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>(2.4)</b>	<b>0.5</b>	<b>1.9</b>	<b>n.a.</b>	<b>30.9%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						3.6	(0.8)	(0.4)		
<b>Recurrent Operating Cash Flow</b>						<b>1.3</b>	<b>-0.2</b>	<b>1.5</b>	<b>-57.0%</b>	<b>30.4%</b>
CAPEX						(4.1)	(3.9)	(3.2)		
Net Financial Result affecting the Cash Flow						(0.9)	(0.8)	(1.0)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(3.8)</b>	<b>(5.0)</b>	<b>(2.8)</b>	<b>-96.7%</b>	<b>42.8%</b>
Restructuring Expense & Other non-rec.						2.0	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(1.8)</b>	<b>(5.0)</b>	<b>(2.8)</b>	<b>-53.4%</b>	<b>33.6%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>1.8</b>	<b>5.0</b>	<b>2.8</b>		

(1) EBITDA "Cash", que excluye ingresos por capitalización de gastos.



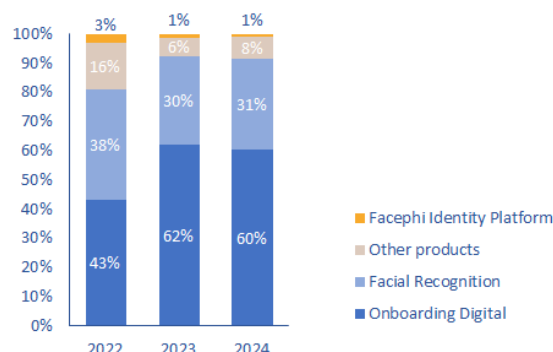
## The company in 8 charts

### Facial recognition: a market with strong growth potential worldwide (+14.2% CAGR 22-32e)

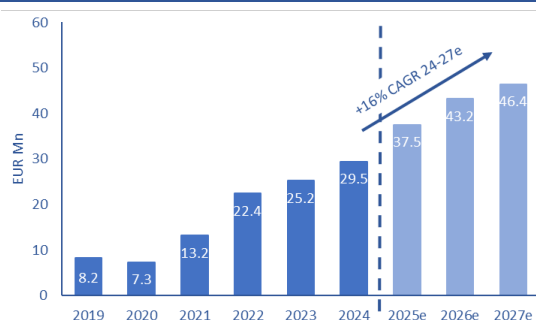


Source: Biometric technologies report Statista

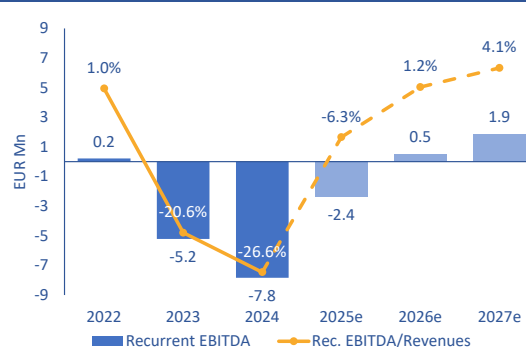
### FACE: shift from on-premise offering to SaaS and Plug & Play model to reduce development time



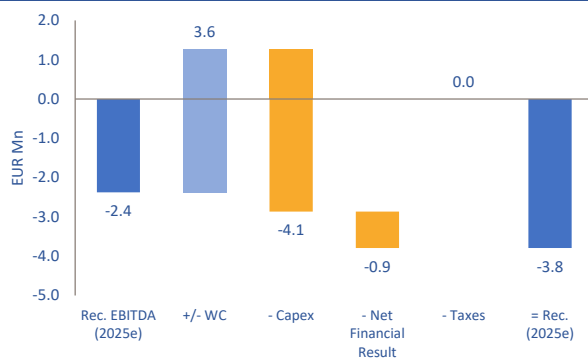
### With capacity to deliver mid double-digit revenue growth (+16% CAGR 24-27e)



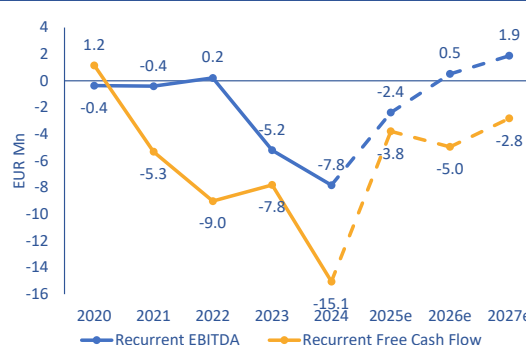
### Operational leverage to deliver significant improvement in recurring EBITDA margin (-6.3% in 2025e)



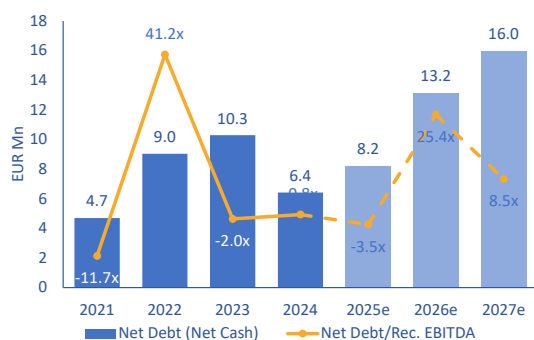
### FCF hit by capitalized expenses and CAPEX...



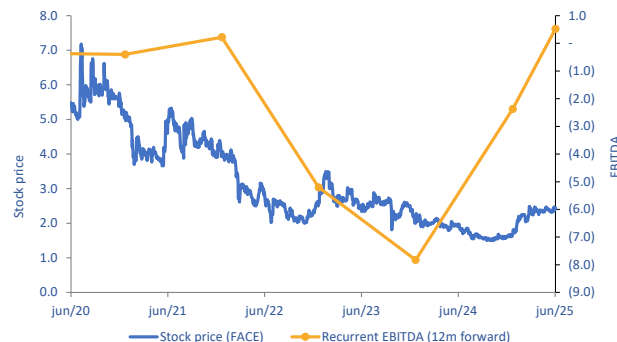
### ... delaying positive recurring cash flow generation beyond 2027e



### We estimate that NFD will reach EUR 16.0Mn in 2027e, leaving a NFD/recurring EBITDA multiple at 8.5x



### 2025 is a pivotal year to improve profitability through operating leverage and fund growth without new cash calls on shareholders



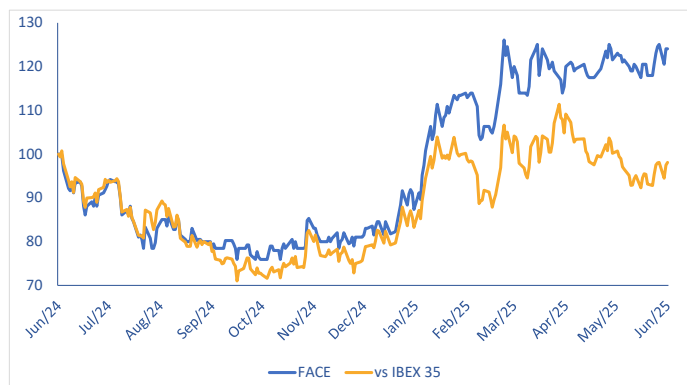


## Evolution of the share price

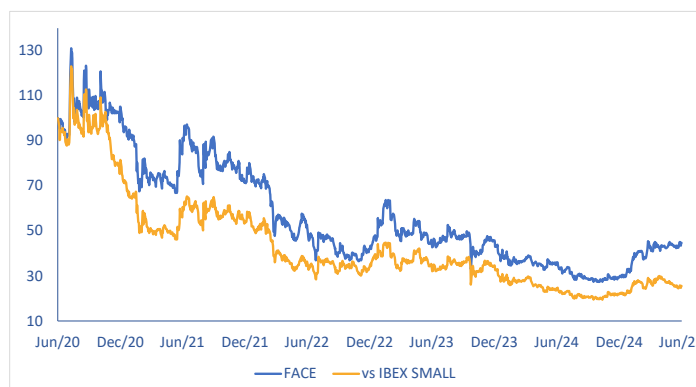
Historical behavior vs Ibex 35 (base 100)



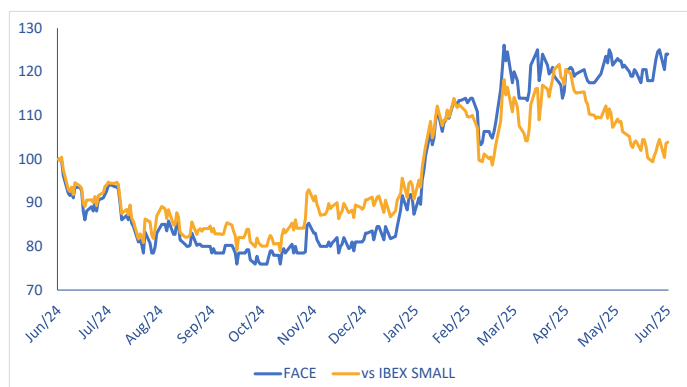
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



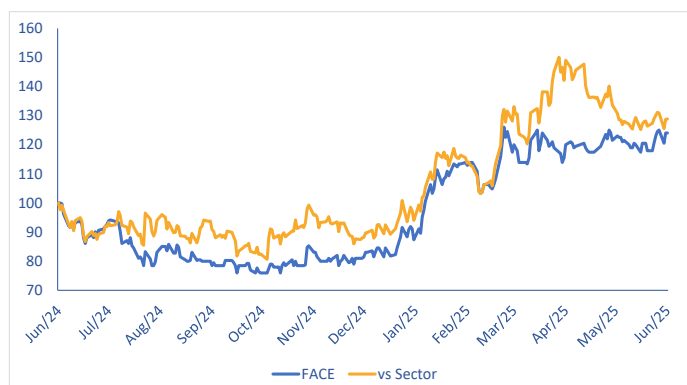
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	2.1	3.4	24.1	46.7	-15.2	-55.3
<b>vs Market</b>						
vs Ibex 35	-2.1	-5.8	-1.9	20.4	-49.7	-77.0
vs Euro STOXX 50	0.5	1.8	14.2	33.2	-43.4	-73.9
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-3.2	-9.0	3.9	14.7	-29.7	-74.4
vs Micro Cap Spain Segment <sup>(1)</sup>	-2.8	-3.5	17.8	29.2	-17.9	-69.9
vs MSCI Europe Micro Cap	-2.4	-5.1	22.2	36.2	-9.6	-65.0
<b>vs Sector</b>						
vs Stoxx Europe 600 Technology	-3.6	-3.2	28.9	38.4	-43.7	-72.6

(1) Constituents on page 10



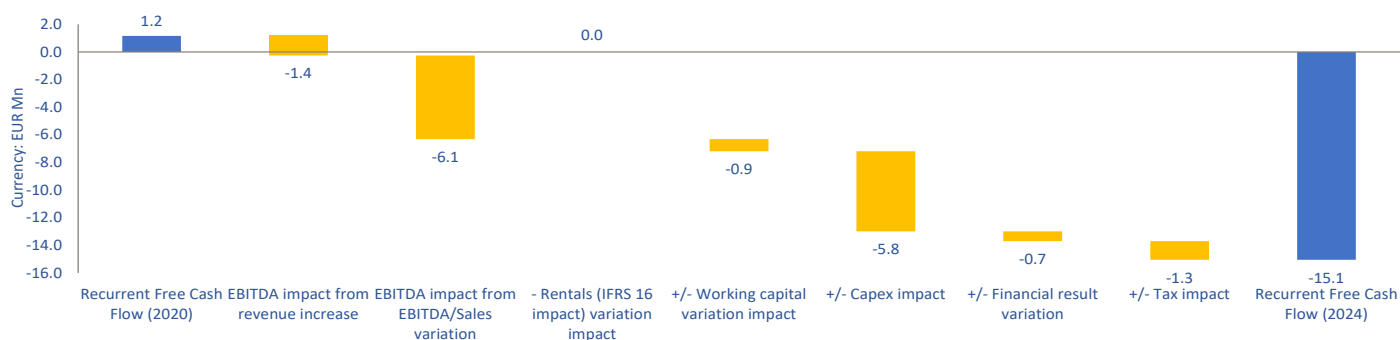
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	(0.4)	0.2	(5.2)	(7.8)	(2.4)	0.5	1.9	n.a.	30.9%
Recurrent EBITDA growth	-13.2%	154.6%	n.a.	-50.3%	69.6%	121.8%	264.4%		
Rec. EBITDA/Revenues	n.a.	1.0%	n.a.	n.a.	n.a.	1.2%	4.1%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(3.9)	(6.7)	2.0	1.1	3.6	(0.8)	(0.4)		
= Recurrent Operating Cash Flow	(4.3)	(6.5)	(3.2)	(6.7)	1.3	(0.2)	1.5	-15.9%	30.4%
Rec. Operating Cash Flow growth	-361.4%	-50.1%	50.5%	-109.7%	118.9%	-119.3%	696.3%		
Rec. Operating Cash Flow / Sales	n.a.	n.a.	n.a.	n.a.	3.4%	n.a.	3.1%		
- CAPEX	(0.3)	(1.9)	(5.7)	(6.1)	(4.1)	(3.9)	(3.2)		
- Net Financial Result affecting Cash Flow	(0.4)	(0.7)	(1.7)	(0.7)	(0.9)	(0.8)	(1.0)		
- Taxes	(0.3)	0.1	2.7	(1.6)	-	-	-		
= Recurrent Free Cash Flow	(5.3)	(9.0)	(7.8)	(15.1)	(3.8)	(5.0)	(2.8)	-41.5%	42.8%
Rec. Free Cash Flow growth	-558.0%	-69.7%	13.5%	-92.9%	74.8%	-30.8%	43.1%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others	(1.1)	(0.7)	0.4	2.2	2.0	-	-		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	(0.3)	(3.0)	3.3	-	-	-		
= Free Cash Flow	(6.4)	(10.0)	(10.4)	(9.6)	(1.8)	(5.0)	(2.8)	-14.5%	33.6%
Free Cash Flow growth	-269.3%	-55.8%	-4.0%	7.3%	81.4%	-176.9%	43.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	1.2	(5.3)	(9.0)	(7.8)	(15.1)	(3.8)	(5.0)		
EBITDA impact from revenue increase	(0.3)	(0.3)	0.0	(0.9)	(2.1)	(0.4)	0.0		
EBITDA impact from EBITDA/Sales variation	0.2	0.9	(5.5)	(1.7)	7.6	3.2	1.3		
= Recurrent EBITDA variation	(0.0)	0.6	(5.4)	(2.6)	5.4	2.9	1.4		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(5.9)	(2.8)	8.7	(0.9)	2.5	(4.4)	0.3		
= Recurrent Operating Cash Flow variation	(5.9)	(2.2)	3.3	(3.5)	8.0	(1.5)	1.7		
+/- CAPEX impact	0.0	(1.6)	(3.8)	(0.5)	2.0	0.2	0.6		
+/- Financial result variation	(0.4)	(0.3)	(1.0)	1.0	(0.3)	0.1	(0.2)		
+/- Tax impact	(0.1)	0.4	2.7	(4.3)	1.6	-	-		
= Recurrent Free Cash Flow variation	(6.5)	(3.7)	1.2	(7.2)	11.3	(1.2)	2.1		
Recurrent Free Cash Flow	(5.3)	(9.0)	(7.8)	(15.1)	(3.8)	(5.0)	(2.8)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(0.6)	1.5	(5.4)	(6.7)	(1.0)	(1.1)	(0.3)	n.a.	65.5%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
Recurrent EBITDA	(0.4)	0.2	(5.2)	(7.8)	(2.4)	0.5	1.9	n.a.	30.9%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(3.9)	(6.7)	2.0	1.1	3.6	(0.8)	(0.4)		
= Recurrent Operating Cash Flow	(4.3)	(6.5)	(3.2)	(6.7)	1.3	(0.2)	1.5	-15.9%	30.4%
- CAPEX	(0.3)	(1.9)	(5.7)	(6.1)	(4.1)	(3.9)	(3.2)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
= Recurrent Free Cash Flow (To the Firm)	(4.6)	(8.4)	(8.9)	(12.8)	(2.9)	(4.1)	(1.8)	-40.7%	48.1%
Rec. Free Cash Flow (To the Firm) growth	-449.2%	-82.0%	-5.9%	-44.6%	77.7%	-44.1%	56.5%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	(0.3)	(3.0)	3.3	-	-	-		
= Free Cash Flow "To the Firm"	(4.6)	(8.6)	(11.9)	(9.6)	(2.9)	(4.1)	(1.8)	-27.6%	42.8%
Free Cash Flow (To the Firm) growth	-285.2%	-87.5%	-37.8%	19.5%	70.1%	-44.1%	56.5%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		

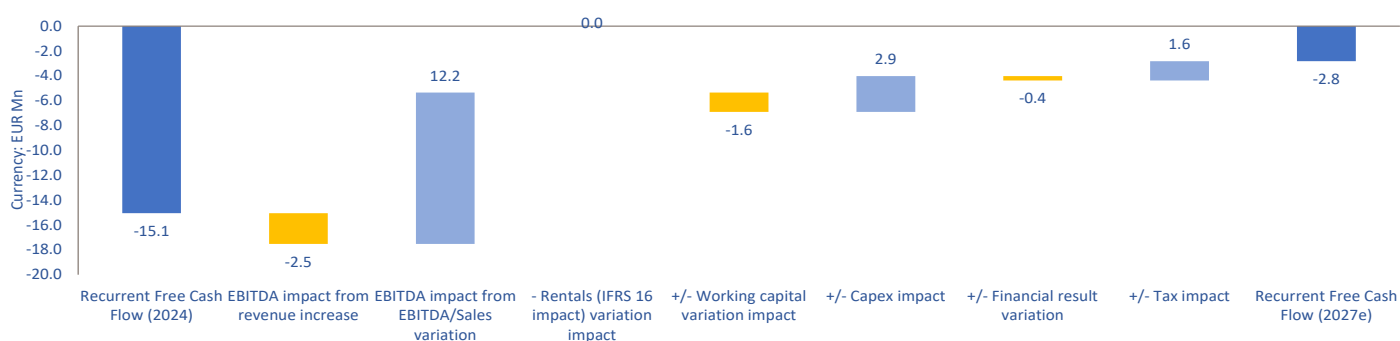


## Free Cash Flow (II)

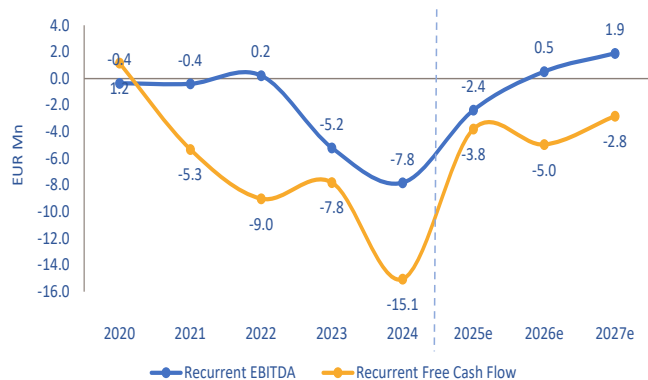
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



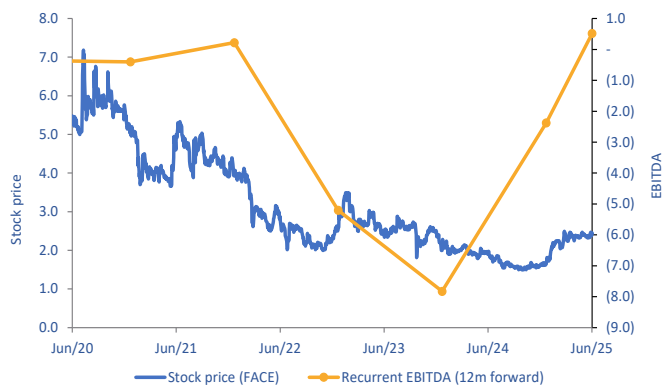
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(2.9)	(4.1)	(1.8)	n.a.		
Market Cap	63.2	At the date of this report				
Net financial debt	4.5	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$Kd = \text{Cost of Net Debt} * (1-T)$			3.8%	4.2%
Risk free rate (rf)	3.1%	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	10.3%	$Ke = Rf + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	93.4%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	6.6%	D			=	=
WACC	9.9%	$WACC = Kd * D + Ke * E$			8.8%	11.1%
G "Fair"	2.5%				2.5%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	63.2	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.0	12m Results 2024
+ Net financial debt	4.5	12m Results 2024
- Financial Investments	0.2	12m Results 2024
+/- Others <sup>(1)</sup>	(1.1)	See note
<b>Enterprise Value (EV)</b>	<b>66.4</b>	

(1) Related to the book value (not actuarial) of deferred tax assets

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	7.9%	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	n.a.			
FCF Yield - WACC	n.a.	n.a.			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	1.3%	0.6	118.2x
Central	1.2%	0.5	128.1x
Min	1.1%	0.5	139.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	8.1%	9.0%	9.9%
0.6	(4.5)	(4.9)	(5.3)
0.5	(4.6)	(5.0)	(5.3)
0.5	(4.6)	(5.0)	(5.4)

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	40.0%	40.0%	40.0%
% of proprietary board members	40.0%	40.0%	40.0%
% of executive board members	20.0%	20.0%	20.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	0.0%	0.0%	0.0%
% of women out of total workforce	32.8%	21.9%	25.3%
Board remuneration/staff cost	3.6%	3.5%	4.5%



## Main peers 2025e

	EUR Mn	Biometrics (Niche Players)						Companies with exposure to biometrics					FACE
		Egis Technology	Elan Microelectronics Corp.	Mitek Systems, Inc.	OneSpan	Secunet	Average	Diebold Nixdorf Technology	NEC	NICE	Synaptics	Average	
Market data	Ticker (Factset)	6462-TW	2458-TW	MITK-US	OSPN-US	YSN-DE		DBD-US	6701-JP	NICE-IL	SYNA-US		FACE-ES
	Country	Taiwan	Taiwan	USA	USA	Germany		USA	Japan	Israel	USA		Spain
	Market cap	332.3	1,115.5	393.8	536.4	1,378.0		1,644.0	31,872.6	9,538.3	2,134.5		63.2
	Enterprise value (EV)	491.6	958.3	408.5	453.2	1,338.1		2,277.6	32,344.2	8,566.3	2,531.7		66.4
Basic financial information	Total Revenues	159.3	375.2	151.7	214.6	431.8		3,289.8	20,944.7	2,517.5	925.2		37.5
	Total Revenues growth	14.0%	1.4%	2.1%	2.2%	6.3%	5.2%	1.6%	1.9%	2.4%	11.7%	4.4%	27.4%
	2y CAGR (2025e - 2027e)	n.a.	5.8%	8.0%	3.2%	9.6%	6.6%	2.8%	3.6%	7.5%	10.2%	6.0%	11.2%
	EBITDA	7.0	98.3	41.8	62.9	66.1		416.4	2,858.0	896.2	179.3		4.2
	EBITDA growth	163.4%	-0.2%	113.0%	26.4%	9.5%	62.4%	15.0%	7.8%	32.8%	521.7%	144.3%	489.4%
	2y CAGR (2025e - 2027e)	n.a.	1.1%	17.3%	5.2%	13.7%	9.3%	7.9%	9.1%	7.4%	16.6%	10.3%	24.0%
	EBITDA/Revenues	4.4%	26.2%	27.6%	29.3%	15.3%	20.5%	12.7%	13.6%	35.6%	19.4%	20.3%	11.2%
	EBIT	3.0	93.1	11.8	52.3	46.0		274.1	1,845.0	797.6	153.5		(1.0)
	EBIT growth	108.0%	4.2%	231.9%	22.9%	8.1%	75.0%	10.6%	8.5%	62.5%	334.5%	104.0%	84.5%
	2y CAGR (2025e - 2027e)	n.a.	1.3%	49.7%	1.6%	16.0%	17.2%	14.9%	12.5%	9.5%	21.4%	14.6%	48.6%
	EBIT/Revenues	1.9%	24.8%	7.8%	24.4%	10.7%	13.9%	8.3%	8.8%	31.7%	16.6%	16.4%	n.a.
	Net Profit	13.5	77.6	34.8	41.2	31.2		83.4	1,295.3	682.6	124.2		(2.0)
	Net Profit growth	145.2%	-2.6%	n.a.	-16.4%	11.5%	34.4%	685.5%	23.1%	71.6%	14.5%	198.7%	77.9%
	2y CAGR (2025e - 2027e)	n.a.	-2.2%	7.3%	11.0%	16.2%	8.1%	40.9%	14.4%	9.1%	21.3%	21.4%	18.7%
	CAPEX/Sales %	n.a.	7.3%	0.8%	3.4%	2.9%	3.6%	1.0%	2.5%	1.3%	2.4%	1.8%	-11.0%
Multiples and Ratios	Free Cash Flow	n.a.	1.9	30.6	42.5	40.5		175.1	1,634.8	700.4	39.6		(1.8)
	Net financial debt	(49.0)	(97.5)	16.2	n.a.	(58.7)		349.2	(702.2)	(1,326.6)	375.6		8.2
	ND/EBITDA (x)	(7.1)	(1.0)	0.4	n.a.	(0.9)	(2.1)	0.8	(0.2)	(1.5)	2.1	0.3	n.a.
	Pay-out	n.a.	79.5%	n.a.	n.a.	57.1%	68.3%	207.1%	20.2%	0.0%	n.a.	75.8%	0.0%
	P/E (x)	n.a.	13.5	11.6	11.3	44.0	20.1	14.9	24.1	14.2	17.6	17.7	n.a.
	P/BV (x)	n.a.	3.3	n.a.	n.a.	8.2	5.8	n.a.	2.4	2.7	1.8	2.3	3.7
	EV/Revenues (x)	3.1	2.6	2.7	2.1	3.1	2.7	0.7	1.5	3.4	2.7	2.1	1.8
	EV/EBITDA (x)	n.a.	9.7	9.8	7.2	20.3	11.7	5.5	11.3	9.6	14.1	10.1	n.a.
	EV/EBIT (x)	n.a.	10.3	34.5	8.7	29.1	20.6	8.3	17.5	10.7	16.5	13.3	n.a.
	ROE	n.a.	24.5	n.a.	n.a.	18.7	21.6	n.a.	10.0	19.4	10.3	13.3	n.a.
	FCF Yield (%)	n.a.	0.2	7.8	7.9	2.9	4.7	10.7	5.1	7.3	1.9	6.2	n.a.
	DPS	n.a.	0.22	n.a.	n.a.	2.75	1.48	4.59	0.20	0.00	n.a.	1.60	0.00
	Dvd Yield	n.a.	5.9%	n.a.	n.a.	1.3%	3.6%	10.4%	0.8%	0.0%	n.a.	3.8%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	CAGR 24-27e
Total Revenues					4.5	8.2	7.3	13.2	22.4	25.2	29.5	37.5	43.2	46.4	n.a.	16.4%
Total Revenues growth					66.0%	82.7%	-11.3%	81.4%	69.9%	12.5%	16.8%	27.4%	15.0%	7.5%		
EBITDA					0.7	1.8	0.4	0.6	3.3	(0.6)	(1.1)	4.2	5.1	6.5	n.a.	99.9%
EBITDA growth					48.5%	143.8%	-79.2%	60.9%	454.2%	-118.2%	-79.2%	489.4%	21.2%	26.9%		
EBITDA/Sales					16.3%	21.8%	5.1%	4.5%	14.8%	n.a.	n.a.	11.2%	11.8%	14.0%		
Net Profit					1.2	1.3	(1.9)	(0.6)	0.8	(4.3)	(8.9)	(2.0)	(1.9)	(1.3)	n.a.	47.3%
Net Profit growth					219.9%	10.4%	-243.9%	70.1%	251.1%	-614.7%	-106.2%	77.9%	2.1%	32.4%		
Adjusted number shares (Mn)					13.1	13.4	14.4	15.0	17.3	21.1	25.2	25.8	25.8	25.8		
EPS (EUR)					0.09	0.10	-0.13	-0.04	0.05	-0.20	-0.35	-0.08	-0.07	-0.05	n.a.	47.7%
EPS growth					n.a.	7.6%	n.a.	71.4%	n.a.	n.a.	-72.8%	78.4%	2.1%	32.4%		
Ord. EPS (EUR)					0.02	0.13	-0.11	0.02	0.09	-0.35	-0.38	-0.15	-0.07	-0.05	n.a.	48.9%
Ord. EPS growth					n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-6.2%	59.2%	51.5%	32.4%		
CAPEX					-	(1.9)	(0.3)	(0.3)	(1.9)	(5.7)	(6.1)	(4.1)	(3.9)	(3.2)		
CAPEX/Sales %					0.0%	23.5%	4.5%	2.3%	8.6%	22.5%	20.8%	11.0%	9.0%	7.0%		
Free Cash Flow					0.7	(3.0)	(1.7)	(6.4)	(10.0)	(10.4)	(9.6)	(1.8)	(5.0)	(2.8)	n.a.	33.6%
ND/EBITDA (x) <sup>(2)</sup>					2.6x	1.5x	1.5x	7.8x	2.7x	n.a.	n.a.	1.9x	2.6x	2.5x		
P/E (x)					8.4x	32.6x	n.a.	n.a.	51.6x	n.a.	n.a.	n.a.	n.a.	n.a.		
EV/Sales (x)					2.33x	5.13x	10.13x	4.57x	1.97x	1.73x	1.35x	1.77x	1.54x	1.43x		
EV/EBITDA (x) <sup>(2)</sup>					14.3x	23.6x	n.a.	n.a.	13.3x	n.a.	n.a.	15.8x	13.0x	10.3x		
Absolute performance					-31.2%	316.0%	62.8%	-22.6%	-36.4%	-20.0%	-16.5%	46.7%				
Relative performance vs Ibex 35					-19.1%	272.0%	92.6%	-28.3%	-32.6%	-34.8%	-27.3%	20.4%				

- (3) 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.  
(4) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).



**GAM** is a company specialising in services associated with machinery hire (it has a fleet of 40,000 pieces of equipment) with a revenue mix diversified by sector and a certain balance between generalist and specialist operator. With c.80 branches in 8 countries, it is leader in the Iberian Peninsula (58 branches), where it obtains the bulk of its revenues (>80% in 2024), and Latam is the main destination for the company's exports (c.16%).

#### Market Data

Market Cap (Mn EUR and USD)	123.9	142.3
EV (Mn EUR and USD)	405.5	465.6
Shares Outstanding (Mn)	94.6	
-12m (Max/Med/Min EUR)	1.43 / 1.28 / 1.08	
Daily Avg volume (-12m Mn EUR)	0.03	
Rotation <sup>(1)</sup>	5.5	
Factset / Bloomberg	GAM-ES / GAM SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

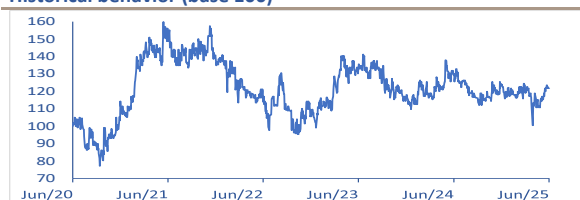
Francisco Riberas y familia	58.2
Indumenta Pueri	10.6
Banco Santander	4.5
Pedro Luis Fernández	6.2
Free Float	20.6

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	94.2	94.6	94.6	94.6
Total Revenues	304.0	327.8	349.0	369.1
Rec. EBITDA	66.0	72.4	78.5	84.5
% growth	6.5	9.7	8.5	7.6
% Rec. EBITDA/Rev.	21.7	22.1	22.5	22.9
% Inc. EBITDA sector <sup>(2)</sup>	5.1	10.6	9.8	9.3
Net Profit	4.4	5.6	11.1	16.3
EPS (EUR)	0.05	0.06	0.12	0.17
% growth	-51.5	27.0	97.7	47.1
Ord. EPS (EUR)	0.03	0.06	0.12	0.17
% growth	-60.9	119.4	85.2	47.1
Rec. Free Cash Flow	-25.7	-11.1	-4.8	1.8
Pay-out (%)	3.5	3.5	3.5	3.5
DPS (EUR)	0.00	0.00	0.00	0.01
Net financial debt	258.3	271.1	276.3	275.0
ND/Rec. EBITDA (x)	3.9	3.7	3.5	3.3
ROE (%)	4.2	5.2	9.6	12.6
ROCE (%)	5.9	5.9	6.5	7.0

#### Ratios & Multiples (x)

P/E	28.1	22.1	11.2	7.6
Ord. P/E	45.4	20.7	11.2	7.6
P/BV	1.2	1.1	1.0	0.9
Dividend Yield (%)	0.1	0.2	0.3	0.5
EV/Sales	1.33	1.24	1.16	1.10
EV/Rec. EBITDA	6.1	5.6	5.2	4.8
EV/EBIT	16.6	15.8	12.4	10.7
FCF Yield (%)	n.a.	n.a.	n.a.	1.5

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	5.6	1.6	-6.4	21.7

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

(2) Sector: Stoxx Europe 600 Industrial Goods & Services.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Long-term and CAPEX-free businesses drive growth in 1Q25.** GAM closed 1Q25 with consolidated revenue of EUR 73.5 Mn (+9% vs 1Q24). The 1Q25 EBITDA margin stood at 25% (-2 p.p. vs 1Q24) due to lower activity in Mexico and Saudi Arabia. These results demonstrate the stability provided by long-term and CAPEX-free businesses in environments of greater uncertainty.

**2025e should continue the growth trajectory.** 1Q25 shows the company's ability to grow organically in a complex macroeconomic environment. For 2025e, we expect revenue of EUR 327.8 Mn (+7.8% vs 2024) and an EBITDA margin of 22.1% (EUR 72.4 Mn; +0.4 p.p. vs 2024). However, D&A and financial expenses will continue to pressure both EBIT and Net Profit. The launch of Reviver (refabrication of used machinery) should contribute to CAPEX reduction as early as 2025e.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**High sectoral diversification.** GAM has adapted its offering to decrease the cyclicity of its business model. In 2024, GAM has exposure to over 15 sectors (the largest sector, services, represents 14%; 11% of revenue corresponds to the construction sector, which was the primary business in 2008).

**Strategic shift in business model.** This shift aims to integrate its services into the company's activity. The main drivers have been entry into (i) the long-term rental market and (ii) non-rental and CAPEX-free businesses (distribution, maintenance). This provides greater visibility, recurrence, and reduces cyclicity. Currently, both business lines account for 63% of the business mix (vs 35% in 2019).

**Growing trend towards outsourcing of rental services.** GAM enjoys a leading position in the Iberian Peninsula (approx. 72% of 2024 revenue) and Latam. These are two regions where we can expect a convergence to rental utilization rates (versus purchase) similar to those in Continental Europe and the USA (approx. 20 p.p. higher).

**High single-digit growth driven by recurring and CAPEX-free businesses.** The greater recurrence of the business provides visibility. We estimate revenue growth at a CAGR of +6.7% for 2024-2027e, reaching EUR 369.1Mn in 2027e, improving the EBITDA margin to 22.9% in 2027e (+1.2 p.p. vs 2024; 2027e EBITDA: EUR 84.5 Mn). The Reviver plant will reduce high investment needs and improve ROCE.

#### RISKS: WHAT TO KEEP AN EYE ON?

**High leverage.** Net debt in 2024 stood at EUR 258.3 Mn (2024 Net Debt/recurring EBITDA of 3.9x vs. c.2x for the sector), translating into an increase in financial expenses (+34% vs 2023), reflecting the interest rate environment. This impact has a certain lag as the cost of debt does not adjust immediately. This same lag will limit the expected improvement following interest rate cuts (2.0% June 2025 vs 4% January 2024), pressuring net profit in 2025e-2026e. For 2025e, we estimate net debt of EUR 271.1 Mn and a financial result of EUR -21.1 Mn (-6% vs 2024, approx. 80% of 2025e EBIT).

**Macroeconomic deterioration.** Despite the diversification undertaken in recent years (lower cyclical dependence), the short-term rental business (37% of revenue) would be affected by slower macroeconomic growth.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**GAM is laying the groundwork to reduce the "heavy structure" of the business** (high CAPEX, depreciation, and high debt). This, combined with falling interest rates, will allow growth to translate to Net Profit and FCF (positive in 2027e). The stock is currently trading at 2025e EV/EBITDA of 5.6x (in line with the European sector).



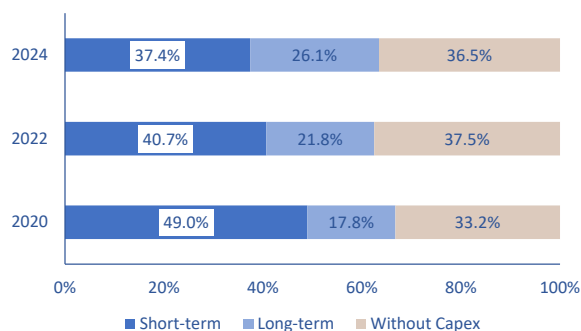
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	21.2	22.3	24.4	22.0	23.9	23.9	23.9	23.9		
Fixed assets	151.7	201.3	237.3	328.5	335.0	349.0	362.3	374.2		
Other Non Current Assets	6.8	6.9	6.9	11.5	15.4	16.5	16.5	16.5		
Financial Investments	3.6	3.8	5.7	2.2	2.8	2.8	2.8	2.8		
Goodwill & Other Intangibles	19.8	20.5	25.4	28.5	29.4	29.4	29.4	29.4		
Current assets	49.9	70.6	92.4	105.3	114.4	123.4	131.3	138.9		
<b>Total assets</b>	<b>253.0</b>	<b>325.3</b>	<b>392.0</b>	<b>498.1</b>	<b>520.9</b>	<b>545.0</b>	<b>566.1</b>	<b>585.6</b>		
Equity	81.9	84.5	93.5	101.9	105.2	110.6	121.3	137.0		
Minority Interests	0.3	0.4	4.0	2.1	2.0	2.0	2.0	2.0		
Provisions & Other L/T Liabilities	13.7	30.7	39.2	52.3	59.1	59.1	59.1	59.1		
Other Non Current Liabilities	18.5	17.2	19.9	18.5	20.7	20.7	20.7	20.7		
Net financial debt	108.6	147.5	179.5	246.0	258.3	271.1	276.3	275.0		
Current Liabilities	30.0	44.9	55.8	77.3	75.5	81.4	86.7	91.7		
<b>Equity &amp; Total Liabilities</b>	<b>253.0</b>	<b>325.3</b>	<b>392.0</b>	<b>498.1</b>	<b>520.9</b>	<b>545.0</b>	<b>566.1</b>	<b>585.6</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>134.1</b>	<b>169.1</b>	<b>225.7</b>	<b>283.6</b>	<b>304.0</b>	<b>327.8</b>	<b>349.0</b>	<b>369.1</b>	<b>22.7%</b>	<b>6.7%</b>
Total Revenues growth	-6.3%	26.1%	33.5%	25.6%	7.2%	7.8%	6.5%	5.7%		
COGS	(42.2)	(60.1)	(80.6)	(105.5)	(110.5)	(122.0)	(129.9)	(136.8)		
<b>Gross Margin</b>	<b>91.9</b>	<b>109.0</b>	<b>145.1</b>	<b>178.0</b>	<b>193.6</b>	<b>205.8</b>	<b>219.2</b>	<b>232.2</b>	<b>20.5%</b>	<b>6.3%</b>
Gross Margin/Revenues	68.5%	64.4%	64.3%	62.8%	63.7%	62.8%	62.8%	62.9%		
Personnel Expenses	(35.8)	(43.1)	(52.7)	(68.0)	(76.5)	(80.4)	(84.8)	(89.1)		
Other Operating Expenses	(25.2)	(29.5)	(42.3)	(48.1)	(51.1)	(53.1)	(55.9)	(58.6)		
<b>Recurrent EBITDA</b>	<b>30.9</b>	<b>36.4</b>	<b>50.1</b>	<b>62.0</b>	<b>66.0</b>	<b>72.4</b>	<b>78.5</b>	<b>84.5</b>	<b>20.9%</b>	<b>8.6%</b>
Recurrent EBITDA growth	-9.0%	18.0%	37.6%	23.6%	6.5%	9.7%	8.5%	7.6%		
Rec. EBITDA/Revenues	23.0%	21.5%	22.2%	21.9%	21.7%	22.1%	22.5%	22.9%		
Restructuring Expense & Other non-rec.	(1.0)	(0.7)	-	-	-	(1.5)	-	-		
<b>EBITDA</b>	<b>29.8</b>	<b>35.7</b>	<b>50.1</b>	<b>62.0</b>	<b>66.0</b>	<b>70.9</b>	<b>78.5</b>	<b>84.5</b>	<b>22.0%</b>	<b>8.6%</b>
Depreciation & Provisions	(20.6)	(20.0)	(26.9)	(33.4)	(32.0)	(34.8)	(35.7)	(36.5)		
Capitalized Expense	6.3	7.2	8.0	10.1	13.4	13.0	13.9	14.7		
Rentals (IFRS 16 impact)	(8.1)	(12.1)	(14.3)	(16.2)	(22.9)	(23.6)	(24.2)	(24.7)		
<b>EBIT</b>	<b>7.5</b>	<b>10.8</b>	<b>16.9</b>	<b>22.4</b>	<b>24.5</b>	<b>25.6</b>	<b>32.6</b>	<b>38.0</b>	<b>34.2%</b>	<b>15.9%</b>
EBIT growth	-30.8%	43.6%	56.2%	32.5%	9.1%	4.8%	27.1%	16.8%		
EBIT/Revenues	5.6%	6.4%	7.5%	7.9%	8.0%	7.8%	9.3%	10.3%		
Impact of Goodwill & Others	-	-	-	0.8	0.8	-	-	-		
Net Financial Result	(7.0)	(7.5)	(9.6)	(16.3)	(22.5)	(21.1)	(20.3)	(18.9)		
Income by the Equity Method	0.3	0.2	(0.3)	0.0	-	-	-	-		
<b>Ordinary Profit</b>	<b>0.8</b>	<b>3.5</b>	<b>7.0</b>	<b>6.9</b>	<b>2.7</b>	<b>4.5</b>	<b>12.3</b>	<b>19.2</b>	<b>33.4%</b>	<b>92.8%</b>
Ordinary Profit Growth	161.2%	316.4%	100.1%	-1.7%	-61.3%	67.5%	174.6%	55.8%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>0.8</b>	<b>3.5</b>	<b>7.0</b>	<b>6.9</b>	<b>2.7</b>	<b>4.5</b>	<b>12.3</b>	<b>19.2</b>	<b>33.4%</b>	<b>92.8%</b>
Tax Expense	0.3	(0.8)	0.8	2.1	1.7	1.1	(1.2)	(2.9)		
Effective Tax Rate	n.a.	23.4%	n.a.	n.a.	n.a.	n.a.	10.0%	15.0%		
Minority Interests	(0.0)	(0.1)	(0.2)	0.0	0.0	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>1.1</b>	<b>2.6</b>	<b>7.7</b>	<b>9.1</b>	<b>4.4</b>	<b>5.6</b>	<b>11.1</b>	<b>16.3</b>	<b>40.1%</b>	<b>54.8%</b>
Net Profit growth	-97.1%	130.4%	190.8%	18.5%	-51.5%	27.5%	97.7%	47.1%		
<b>Ordinary Net Profit</b>	<b>1.9</b>	<b>3.2</b>	<b>6.8</b>	<b>6.9</b>	<b>2.7</b>	<b>6.0</b>	<b>11.1</b>	<b>16.3</b>	<b>10.0%</b>	<b>81.7%</b>
Ordinary Net Profit growth	795.1%	70.3%	116.2%	1.6%	-60.9%	120.2%	85.2%	47.1%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>72.4</b>	<b>78.5</b>	<b>84.5</b>	<b>20.9%</b>	<b>8.6%</b>
Rentals (IFRS 16 impact)						(7.9)	(7.9)	(7.9)		
Working Capital Increase						(3.0)	(2.7)	(2.6)		
<b>Recurrent Operating Cash Flow</b>						<b>61.5</b>	<b>67.9</b>	<b>74.1</b>	<b>15.8%</b>	<b>16.1%</b>
CAPEX						(51.4)	(51.3)	(50.5)		
Net Financial Result affecting the Cash Flow						(21.1)	(20.3)	(18.9)		
Tax Expense						-	(1.2)	(2.9)		
<b>Recurrent Free Cash Flow</b>						<b>(11.1)</b>	<b>(4.8)</b>	<b>1.8</b>	<b>-65.5%</b>	<b>27.5%</b>
Restructuring Expense & Other non-rec.						(1.5)	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(12.6)</b>	<b>(4.8)</b>	<b>1.8</b>	<b>0.1%</b>	<b>29.7%</b>
Capital Increase						-	-	-		
Dividends						(0.2)	(0.4)	(0.6)		
<b>Net Debt Variation</b>						<b>12.8</b>	<b>5.2</b>	<b>(1.3)</b>		

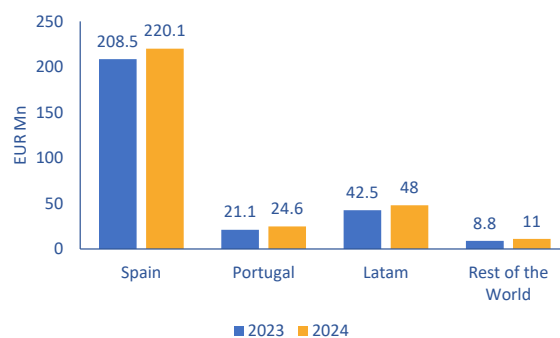


## The company in 8 charts

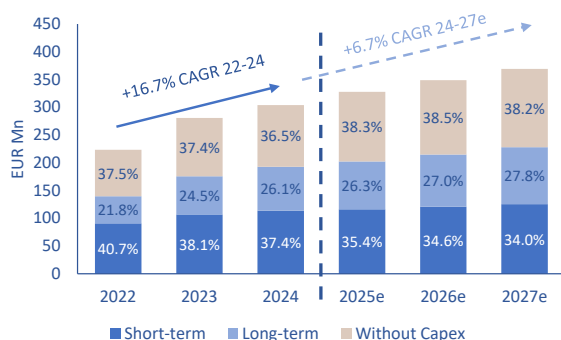
**GAM has successfully executed its strategic repositioning: rec. and non-CAPEX business now accounts for 63% of sales**



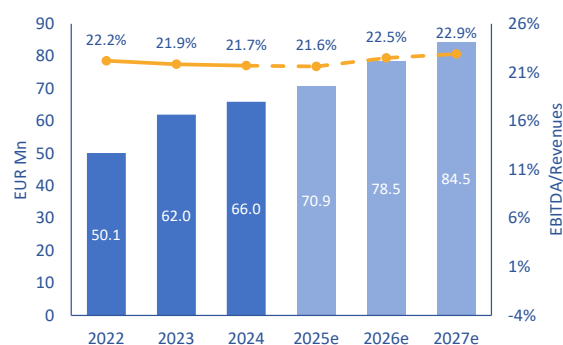
**And is applying its model of diversification to the international business (where it is growing in all its geographies)**



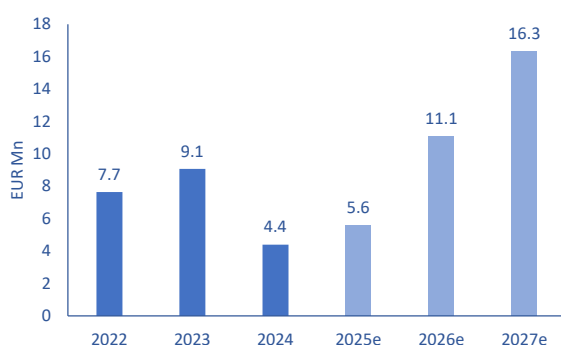
**Recurrent (long term) and non-CAPEX business will continue to drive growth in the mid term (+6.7% CAGR 24-27e)**



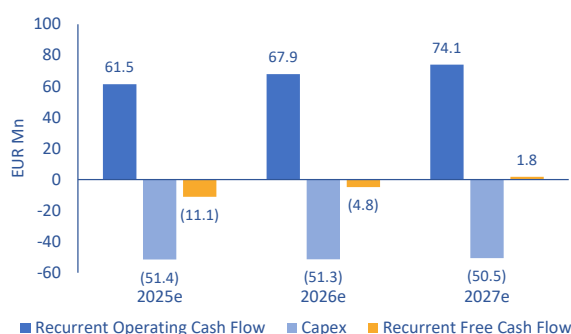
**EBITDA 2024-2027e: +9% CAGR (24-27e)**



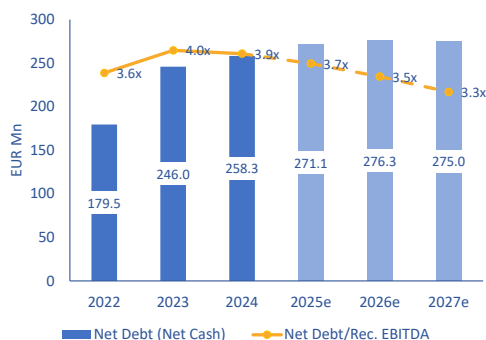
**Net Profit about to take off**



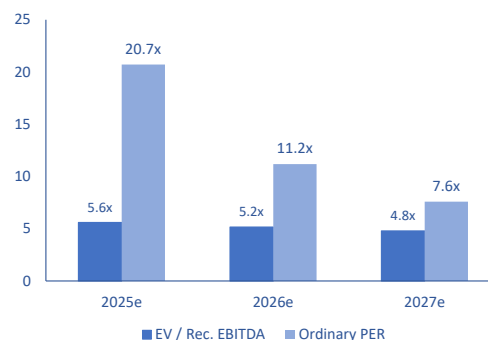
**A business that is very intensive in Capex, that will continue to shape FCF generation**



**And, after the execution of the M&A, we do not estimate gearing levels above 4x ND/EBITDA**



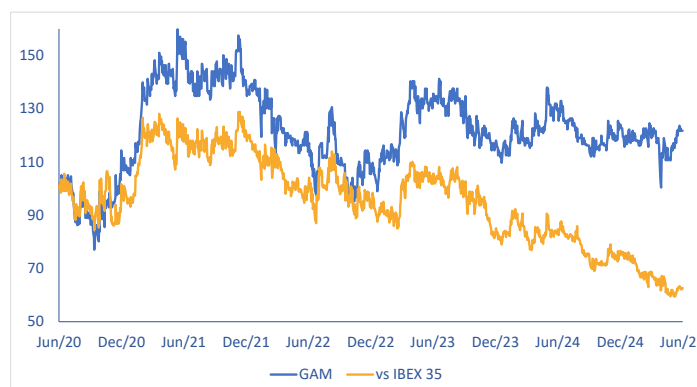
**Trading at EV/EBITDA 2027e multiple of 4.8x and PER 2027e of 7.6x**



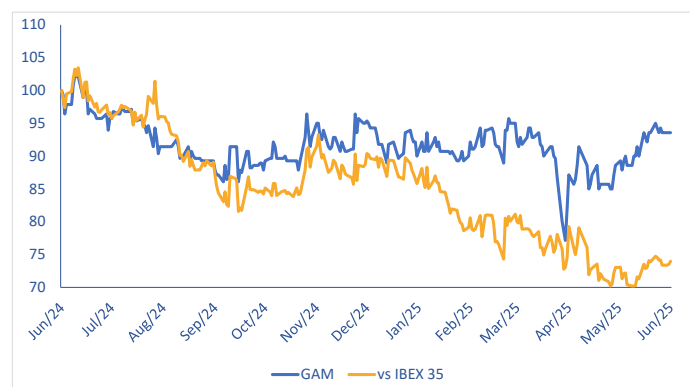


## Evolution of the share price

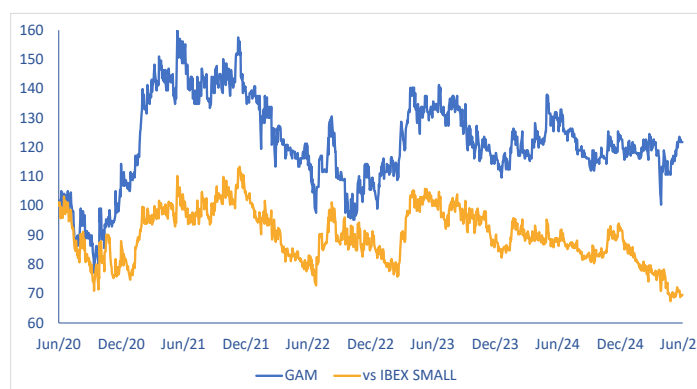
**Historical behavior vs Ibex 35 (base 100)**



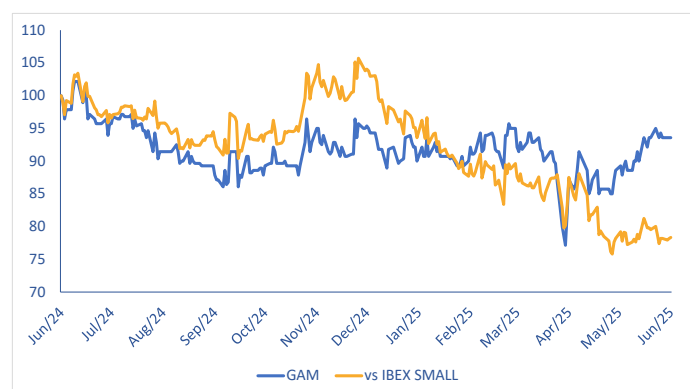
**Behavior -1y vs Ibex 35 (base 100)**



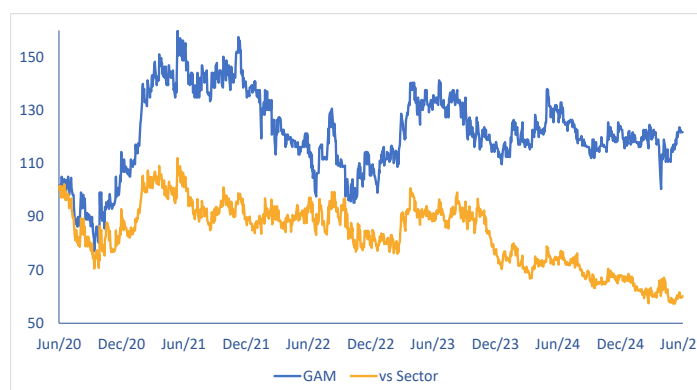
**Historical behavior vs Ibex Small Cap (base 100)**



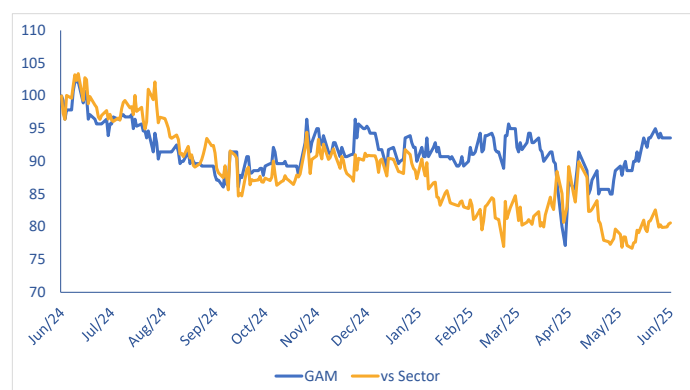
**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Industrial Goods & Services

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	5.6	1.6	-6.4	4.0	6.9	21.7
<b>vs Market</b>						
vs Ibex 35	1.3	-7.5	-26.0	-14.7	-36.5	-37.3
vs Euro STOXX 50	4.0	0.0	-13.9	-5.6	-28.6	-29.0
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	0.2	-10.6	-21.7	-18.7	-11.4	-30.4
vs Micro Cap Spain Segment <sup>(1)</sup>	0.6	-5.2	-11.1	-8.4	3.6	-18.1
vs MSCI Europe Micro Cap	1.0	-6.8	-7.8	-3.5	14.0	-4.6
<b>vs Sector</b>						
vs Stoxx Europe 600 Industrial Goods & Services	1.2	-2.9	-19.4	-8.8	-34.3	-39.8

(1) Constituents on page 10



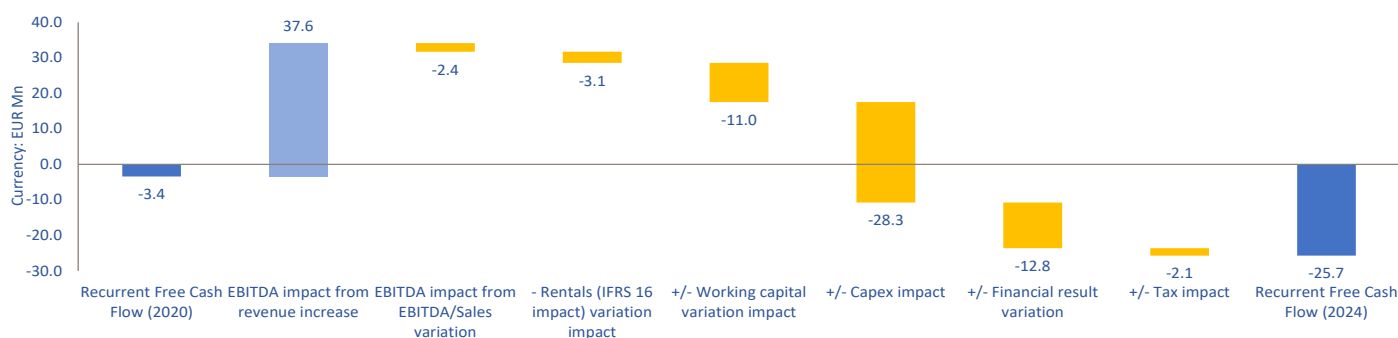
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>36.4</b>	<b>50.1</b>	<b>62.0</b>	<b>66.0</b>	<b>72.4</b>	<b>78.5</b>	<b>84.5</b>	<b>21.9%</b>	<b>8.6%</b>
<i>Recurrent EBITDA growth</i>	18.0%	37.6%	23.6%	6.5%	9.7%	8.5%	7.6%		
<i>Rec. EBITDA/Revenues</i>	21.5%	22.2%	21.9%	21.7%	22.1%	22.5%	22.9%		
- Rentals (IFRS 16 impact)	(6.0)	(6.5)	(6.7)	(7.9)	(7.9)	(7.9)	(7.9)		
+/- Working Capital increase	(5.8)	(10.9)	8.5	(10.8)	(3.0)	(2.7)	(2.6)		
<b>= Recurrent Operating Cash Flow</b>	<b>24.6</b>	<b>32.7</b>	<b>63.7</b>	<b>47.3</b>	<b>61.5</b>	<b>67.9</b>	<b>74.1</b>	<b>24.3%</b>	<b>16.1%</b>
<i>Rec. Operating Cash Flow growth</i>	-6.5%	32.8%	94.8%	-25.8%	29.9%	10.5%	9.1%		
<i>Rec. Operating Cash Flow / Sales</i>	14.6%	14.5%	22.5%	15.6%	18.8%	19.5%	20.1%		
- CAPEX	(31.1)	(50.8)	(92.4)	(50.7)	(51.4)	(51.3)	(50.5)		
- Net Financial Result affecting Cash Flow	(4.5)	(9.6)	(15.5)	(19.5)	(21.1)	(20.3)	(18.9)		
- Taxes	(0.9)	0.8	(1.9)	(2.8)	-	(1.2)	(2.9)		
<b>= Recurrent Free Cash Flow</b>	<b>(11.9)</b>	<b>(26.9)</b>	<b>(46.0)</b>	<b>(25.7)</b>	<b>(11.1)</b>	<b>(4.8)</b>	<b>1.8</b>	<b>-29.3%</b>	<b>27.5%</b>
<i>Rec. Free Cash Flow growth</i>	-247.8%	-125.9%	-71.2%	44.2%	56.8%	56.4%	137.7%		
<i>Rec. Free Cash Flow / Revenues</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.5%		
- Restructuring expenses & others	(0.7)	-	-	15.6	(1.5)	-	-		
- Acquisitions / + Divestments	(8.7)	(6.2)	(19.9)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(21.3)</b>	<b>(33.0)</b>	<b>(66.0)</b>	<b>(10.1)</b>	<b>(12.6)</b>	<b>(4.8)</b>	<b>1.8</b>	<b>22.1%</b>	<b>29.7%</b>
<i>Free Cash Flow growth</i>	-110.9%	-55.1%	-99.7%	84.7%	-25.0%	61.6%	137.7%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.5%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.5%		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>(3.4)</b>	<b>(11.9)</b>	<b>(26.9)</b>	<b>(46.0)</b>	<b>(25.7)</b>	<b>(11.1)</b>	<b>(4.8)</b>		
EBITDA impact from revenue increase	8.1	12.2	12.8	4.5	5.2	4.7	4.5		
EBITDA impact from EBITDA/Sales variation	(2.5)	1.5	(1.0)	(0.5)	1.2	1.4	1.5		
<b>= Recurrent EBITDA variation</b>	<b>5.6</b>	<b>13.7</b>	<b>11.8</b>	<b>4.0</b>	<b>6.4</b>	<b>6.1</b>	<b>6.0</b>		
- Rentals (IFRS 16 impact) variation impact	(1.3)	(0.5)	(0.2)	(1.2)	-	-	-		
+/- Working capital variation impact	(6.0)	(5.1)	19.4	(19.3)	7.7	0.3	0.2		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(1.7)</b>	<b>8.1</b>	<b>31.0</b>	<b>(16.4)</b>	<b>14.2</b>	<b>6.5</b>	<b>6.2</b>		
+/- CAPEX impact	(8.7)	(19.7)	(41.5)	41.6	(0.7)	0.2	0.8		
+/- Financial result variation	2.1	(5.1)	(5.9)	(4.0)	(1.6)	0.9	1.4		
+/- Tax impact	(0.2)	1.7	(2.7)	(0.9)	2.8	(1.2)	(1.6)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(8.5)</b>	<b>(15.0)</b>	<b>(19.2)</b>	<b>20.3</b>	<b>14.6</b>	<b>6.3</b>	<b>6.7</b>		
<b>Recurrent Free Cash Flow</b>	<b>(11.9)</b>	<b>(26.9)</b>	<b>(46.0)</b>	<b>(25.7)</b>	<b>(11.1)</b>	<b>(4.8)</b>	<b>1.8</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>10.8</b>	<b>16.9</b>	<b>22.4</b>	<b>24.5</b>	<b>25.6</b>	<b>32.6</b>	<b>38.0</b>	<b>31.2%</b>	<b>15.9%</b>
* Theoretical Tax rate	23.4%	0.0%	0.0%	0.0%	0.0%	10.0%	15.0%		
= Taxes (pre- Net Financial Result)	(2.5)	-	-	-	-	(3.3)	(5.7)		
<b>Recurrent EBITDA</b>	<b>36.4</b>	<b>50.1</b>	<b>62.0</b>	<b>66.0</b>	<b>72.4</b>	<b>78.5</b>	<b>84.5</b>	<b>21.9%</b>	<b>8.6%</b>
- Rentals (IFRS 16 impact)	(6.0)	(6.5)	(6.7)	(7.9)	(7.9)	(7.9)	(7.9)		
+/- Working Capital increase	(5.8)	(10.9)	8.5	(10.8)	(3.0)	(2.7)	(2.6)		
<b>= Recurrent Operating Cash Flow</b>	<b>24.6</b>	<b>32.7</b>	<b>63.7</b>	<b>47.3</b>	<b>61.5</b>	<b>67.9</b>	<b>74.1</b>	<b>24.3%</b>	<b>16.1%</b>
- CAPEX	(31.1)	(50.8)	(92.4)	(50.7)	(51.4)	(51.3)	(50.5)		
- Taxes (pre- Financial Result)	(2.5)	-	-	-	-	(3.3)	(5.7)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(9.0)</b>	<b>(18.1)</b>	<b>(28.6)</b>	<b>(3.4)</b>	<b>10.0</b>	<b>13.4</b>	<b>17.9</b>	<b>27.5%</b>	<b>93.2%</b>
<i>Rec. Free Cash Flow (To the Firm) growth</i>	-329.8%	-101.5%	-58.1%	88.0%	393.3%	33.5%	33.2%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	n.a.	n.a.	n.a.	n.a.	3.1%	3.8%	4.8%		
- Acquisitions / + Divestments	(8.7)	(6.2)	(19.9)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(17.7)</b>	<b>(24.3)</b>	<b>(48.6)</b>	<b>(3.4)</b>	<b>10.0</b>	<b>13.4</b>	<b>17.9</b>	<b>42.2%</b>	<b>93.2%</b>
<i>Free Cash Flow (To the Firm) growth</i>	-918.6%	-37.1%	-100.2%	93.0%	393.3%	33.5%	33.2%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	n.a.	n.a.	n.a.	n.a.	2.5%	3.3%	4.4%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	n.a.	n.a.	n.a.	n.a.	2.5%	3.3%	4.4%		

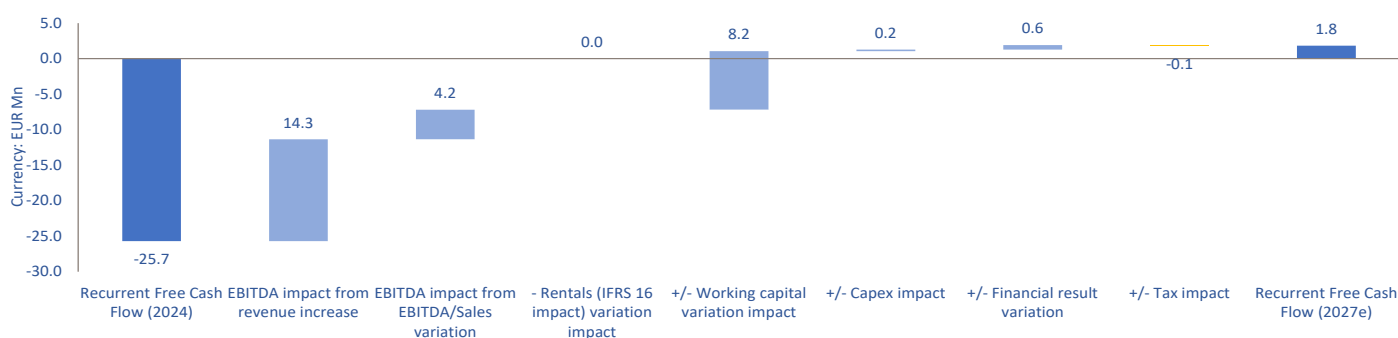


## Free Cash Flow (II)

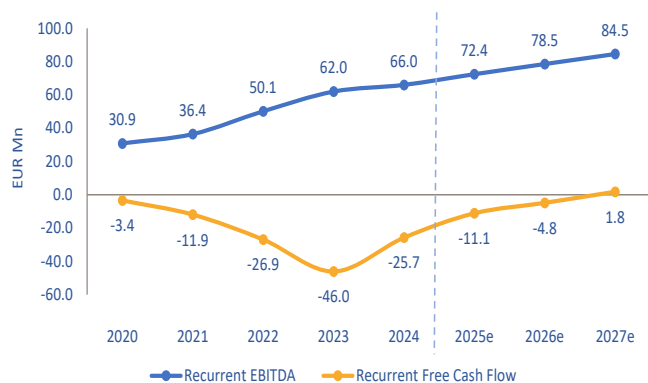
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



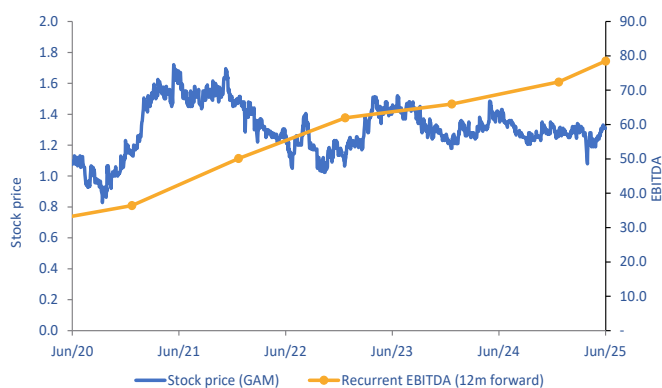
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	10.0	13.4	17.9	350.3		
Market Cap	123.9	At the date of this report				
Net financial debt	246.0	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	33.5%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	66.5%	D			=	=
WACC	6.6%	$WACC = K_d * D + K_e * E$			6.1%	7.2%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	123.9	
+ Minority Interests	2.1	12m Results 2024
+ Provisions & Other L/T Liabilities	35.6	12m Results 2024
+ Net financial debt	246.0	12m Results 2024
- Financial Investments	2.2	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>405.5</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	4.0%	3.6%	5.9%	6.3%	5.9%
	2024	2027e			
ROCE - WACC	-0.7%	0.3%			
FCF Yield - WACC	n.a.	-2.2%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	24.7%	86.2	4.7x
Central	22.5%	78.5	5.2x
Min	20.3%	70.8	5.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	13.2%	14.7%	16.2%		Scenario		
86.2	8.1	2.8	(2.4)	➔	Max	6.5%	2.3%
78.5	0.4	(4.8)	(10.1)		Central	0.3%	n.a.
70.8	(7.3)	(12.5)	(17.7)		Min	n.a.	n.a.

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	50.0%	50.0%	50.0%
% of proprietary board members	50.0%	50.0%	50.0%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	33.3%	33.3%	33.3%
% of women out of total workforce	19.6%	19.6%	18.6%
Board remuneration/staff cost	2.5%	1.9%	2.6%





## Main peers 2025e

	EUR Mn	Europe				USA				GAM
		Ashtead Group	VP	Speedy Hire	Average	United Rentals	Herc Rentals	H&E Equipment S.	Average	
Market data	Ticker (Factset)	AHT-GB	VP-GB	SDY-GB		URI-US	HRI-US	HEES-US		GAM-ES
	Country	UK	UK	UK		USA	USA	USA		Spain
	Market cap	21,667.3	290.3	141.2		40,232.3	3,418.7	#N/D		123.9
	Enterprise value (EV)	31,700.9	527.9	382.7		51,845.6	7,735.6	#N/D		405.5
Basic financial information	Total Revenues	9,743.7	455.2	529.3		13,722.2	3,242.6	n.a.		327.8
	Total Revenues growth	3.7%	2.1%	4.9%	3.5%	3.6%	5.3%	n.a.	4.4%	7.8%
	2y CAGR (2025e - 2027e)	6.6%	3.8%	n.a.	5.2%	5.0%	3.8%	n.a.	4.4%	6.1%
	EBITDA	4,496.3	131.4	120.5		6,278.7	1,369.2	n.a.		70.9
	EBITDA growth	3.8%	2.9%	6.0%	4.2%	4.3%	2.4%	n.a.	3.4%	7.4%
	2y CAGR (2025e - 2027e)	7.5%	4.4%	n.a.	5.9%	5.6%	6.1%	n.a.	5.8%	9.2%
	EBITDA/Revenues	46.1%	28.9%	22.8%	32.6%	45.8%	42.2%	n.a.	44.0%	21.6%
	EBIT	2,354.3	55.1	34.2		3,535.9	619.6	n.a.		25.6
	EBIT growth	3.5%	17.7%	19.6%	13.6%	0.7%	-3.4%	n.a.	-1.4%	4.8%
	2y CAGR (2025e - 2027e)	9.4%	7.5%	n.a.	8.4%	7.6%	16.2%	n.a.	11.9%	21.9%
	EBIT/Revenues	24.2%	12.1%	6.5%	14.2%	25.8%	19.1%	n.a.	22.4%	7.8%
	Net Profit	1,418.5	28.9	9.9		2,242.9	271.7	n.a.		5.6
	Net Profit growth	5.5%	70.5%	148.0%	74.7%	0.9%	49.1%	n.a.	25.0%	27.5%
	2y CAGR (2025e - 2027e)	13.1%	14.3%	n.a.	13.7%	8.4%	19.7%	n.a.	14.1%	70.6%
	CAPEX/Sales %	16.6%	14.8%	7.7%	13.1%	20.9%	23.3%	n.a.	22.1%	15.7%
Multiples and Ratios	Free Cash Flow	1,857.4	33.7	15.7		1,834.2	226.2	n.a.		(12.6)
	Net financial debt	7,959.3	200.0	142.9		11,094.4	4,731.4	n.a.		271.1
	ND/EBITDA (x)	1.8	1.5	1.2	1.5	1.8	3.5	n.a.	2.6	3.7
	Pay-out	28.8%	64.3%	133.8%	75.6%	17.8%	25.3%	n.a.	21.6%	3.5%
	P/E (x)	15.1	8.9	9.7	11.2	16.6	9.5	n.a.	13.0	22.1
	P/BV (x)	3.3	1.6	0.7	1.9	4.9	2.2	n.a.	3.6	1.1
	EV/Revenues (x)	3.3	1.2	0.7	1.7	3.8	2.4	n.a.	3.1	1.2
	EV/EBITDA (x)	7.1	4.0	3.2	4.7	8.3	5.6	n.a.	7.0	5.6
	EV/EBIT (x)	13.5	9.6	11.2	11.4	14.7	12.5	n.a.	13.6	15.8
	ROE	21.9	18.2	7.4	15.8	29.7	23.5	n.a.	26.6	5.2
	FCF Yield (%)	8.6	11.6	11.1	10.4	4.6	6.6	n.a.	5.6	n.a.
	DPS	0.93	0.47	0.03	0.48	6.03	2.42	n.a.	4.23	0.00
	Dvd Yield	1.9%	6.5%	9.4%	5.9%	1.0%	2.3%	n.a.	1.7%	0.2%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
															14-24	24-27e
Total Revenues	103.9	105.1	105.2	116.4	132.0	142.7	134.1	169.1	225.7	283.6	304.0	327.8	349.0	369.1	11.3%	6.7%
Total Revenues growth	-14.0%	1.2%	0.0%	10.7%	13.4%	8.1%	-6.0%	26.1%	33.5%	25.6%	7.2%	7.8%	6.5%	5.7%		
EBITDA	4.8	6.1	14.1	22.4	31.9	35.2	29.8	35.7	50.1	62.0	66.0	70.9	78.5	84.5	30.1%	8.6%
EBITDA growth	-4.1%	27.6%	133.2%	58.7%	42.1%	10.2%	-15.2%	19.8%	40.3%	23.6%	6.5%	7.4%	10.7%	7.6%		
EBITDA/Sales	4.6%	5.8%	13.4%	19.3%	24.2%	24.6%	22.2%	21.1%	22.2%	21.9%	21.7%	21.6%	22.5%	22.9%		
Net Profit	(28.3)	(5.8)	(11.1)	(7.7)	(4.0)	40.0	1.1	2.6	7.7	9.1	4.4	5.6	11.1	16.3	8.0%	54.8%
Net Profit growth	-65.7%	79.4%	-91.5%	30.5%	47.9%	n.a.	-97.1%	130.4%	190.8%	18.5%	-51.5%	27.5%	97.7%	47.1%		
Adjusted number shares (Mn)	6.5	24.4	43.4	43.5	43.5	36.0	66.2	94.6	94.6	94.2	94.2	94.6	94.6	94.6		
EPS (EUR)	-4.38	-0.24	-0.26	-0.18	-0.09	1.11	0.02	0.03	0.08	0.10	0.05	0.06	0.12	0.17	7.2%	54.6%
EPS growth	-50.5%	94.6%	-7.9%	30.7%	47.9%	n.a.	-98.4%	61.2%	n.a.	18.9%	-51.5%	27.0%	97.7%	47.1%		
Ord. EPS (EUR)	-4.38	-0.24	-0.26	-0.18	-0.09	1.11	0.03	0.03	0.07	0.07	0.03	0.06	0.12	0.17	7.2%	81.5%
Ord. EPS growth	-50.5%	94.6%	-7.9%	30.7%	47.9%	n.a.	-97.5%	19.1%	n.a.	2.0%	-60.9%	n.a.	85.2%	47.1%		
CAPEX	(0.3)	(23.7)	(31.3)	(22.9)	(24.8)	(21.8)	(22.4)	(31.1)	(50.8)	(92.4)	(50.7)	(51.4)	(51.3)	(50.5)		
CAPEX/Sales % <sup>1</sup>	0.2%	22.6%	29.8%	19.7%	18.8%	15.3%	16.7%	18.4%	22.5%	32.6%	16.7%	15.7%	14.7%	13.7%		
Free Cash Flow	16.5	(2.6)	(14.2)	11.4	9.2	7.9	(10.1)	(21.3)	(33.0)	(66.0)	(10.1)	(12.6)	(4.8)	1.8	-10.1%	29.7%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	27.1x	12.3x	7.8x	5.9x	4.1x	3.6x	4.1x	3.6x	4.0x	3.9x	3.8x	3.5x	3.3x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	66.1x	53.8x	13.2x	12.3x	27.0x	22.1x	11.2x	7.6x		
EV/Sales (x)	2.64x	2.32x	2.54x	1.98x	1.74x	1.71x	1.69x	1.87x	1.41x	1.45x	1.43x	1.24x	1.16x	1.10x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	40.2x	18.9x	10.3x	7.2x	6.9x	7.6x	8.9x	6.3x	6.6x	6.6x	5.7x	5.2x	4.8x		
Absolute performance	-70.8%	14.3%	16.7%	-41.1%	-22.4%	56.3%	-25.5%	31.1%	-28.8%	10.8%	6.8%	4.0%				
Relative performance vs Ibex 35	-71.9%	23.1%	19.1%	-45.1%	-8.8%	39.8%	-11.9%	21.5%	-24.6%	-9.7%	-7.0%	-14.7%				

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

**Holaluz (HLZ)**, founded in Barcelona in 2010, is a small utility (greentech) focused on the supply of 100%-renewable electricity, the representation of producers in the electricity market and the installation of PV solar systems for self-consumption. In 2024, it had c.300k contracts and was managing 15,200 solar installations. The three founding shareholders control 38% of the company and are fully involved in the company's management.

## Market Data

Market Cap (Mn EUR and USD)	28.0	32.2
EV (Mn EUR and USD)	64.5	74.0
Shares Outstanding (Mn)	21.9	
-12m (Max/Med/Min EUR)	1.63 / 1.29 / 0.87	
Daily Avg volume (-12m Mn EUR)	0.05	
Rotation <sup>(1)</sup>	48.7	
Factset / Bloomberg	HLZ-ES / HLZ SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)<sup>(3)</sup>

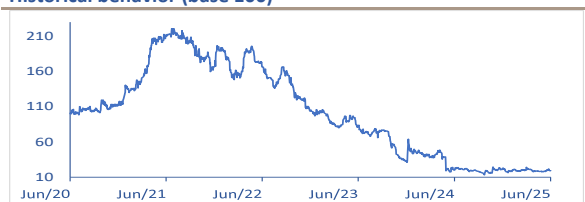
Fondo Axon ICT III	14.4
Icosium	14.1
Carlota Pi	12.6
Ferran Nogué	12.6
Free Float	27.9

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	21.8	21.9	21.9	21.9
Total Revenues	271.9	265.3	283.2	293.4
Rec. EBITDA	-3.0	7.0	9.8	12.3
% growth	41.5	328.7	40.6	26.1
% Rec. EBITDA/Rev.	n.a.	2.6	3.5	4.2
% Inc. EBITDA sector <sup>(2)</sup>	3.9	10.9	5.6	5.5
Net Profit	-31.5	-9.7	-7.2	1.9
EPS (EUR)	-1.44	-0.44	-0.33	0.09
% growth	-14.0	69.4	25.6	126.5
Ord. EPS (EUR)	-1.22	-0.44	-0.33	0.09
% growth	1.4	63.8	25.6	126.5
Rec. Free Cash Flow	14.8	-35.1	-2.5	-1.0
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	41.1	58.7	61.2	62.2
ND/Rec. EBITDA (x)	n.a.	8.4	6.3	5.0
ROE (%)	n.a.	n.a.	n.a.	n.a.
ROCE (%)	n.a.	n.a.	n.a.	12.9

## Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	14.7
Ord. P/E	n.a.	n.a.	n.a.	14.7
P/BV	n.a.	n.a.	n.a.	n.a.
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.24	0.24	0.23	0.22
EV/Rec. EBITDA	n.a.	9.3	6.6	5.2
EV/EBIT	n.a.	n.a.	n.a.	12.0
FCF Yield (%)	n.a.	n.a.	n.a.	n.a.

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	10.3	-19.7	-4.5	-80.6

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

(2) Sector: Stoxx Europe 600 Utilities.

(3) Others: Oriol Vila 12.6%, Geroa Pentsioak 5.7%

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024: Revenue contraction, operational adjustment, and Restructuring Plan underway.** HLZ closed 2024 with revenue of EUR 271.9 Mn (-56% vs 2023) in a context of lower prices and reduced supply points. This decline was accompanied by a deep operational restructuring (initiated in 2023), which included a workforce reduction, cuts in external services, and greater process automation. This allowed for cost reduction and operational stabilization.

In parallel, indebtedness and liquidity constraints led HLZ to approve a Restructuring Plan with its financial creditors in 2024. The Plan was judicially approved in June 2025 and is pending the remaining disbursement of the second phase of the capital increase committed by Icosium (EUR 15.5 Mn, essential to guarantee the financial viability of the model).

**2025e: Operational stabilization and return to positive EBITDA, but without cash generation.** For 2025e, we anticipate a stabilization of revenue at approximately EUR 275 Mn and a return to positive recurring EBITDA (EUR 7 Mn), supported by the consolidation of the "Tarifa Justa" (Fair Rate), margin improvement, and the gradual rebound of the Solar business. The expected normalization of working capital in 2025e will imply a significant cash outflow (approx. EUR -34 Mn), keeping Free Cash Flow in negative territory. Full execution of the Restructuring Plan and access to external financing are necessary conditions.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Strategic repositioning with a focus on profitability.** HLZ has executed a deep restructuring between 2023 and 2024, simplifying its structure, reducing headcount, and automating processes. This has allowed the business to stabilize after the revenue contraction and lay the groundwork for a more agile, scalable, and margin-oriented model. The return to positive EBITDA in 2025e would mark an inflection point after two years of operational and financial strain.

**Differentiated business model in a traditional sector.** HLZ's model combines the "Tarifa Justa" (a subscription model), a 100% renewable offering, a 100% digital experience, and a focus on domestic customers. In a sector characterized by large incumbents, low margins, and little differentiation, HLZ bets on customer loyalty, predictability, and user experience, leveraging technology.

**Proprietary technology platform as a strategic asset in the energy transition,** enabling operations to scale without proportional cost growth. Its platform integrates critical functions: commercialization, representation, self-consumption management, battery integration, control center, and virtual power plants. HLZ positions itself as a unique player with the potential to capture value in nascent markets (distributed generation, flexibility, demand aggregation).

## RISKS: WHAT TO KEEP AN EYE ON?

**Incomplete execution of the Restructuring Plan.** The disbursement of the second tranche of the capital increase committed by Icosium (EUR 15.5 Mn) is a *conditio sine qua non* for the full deployment of the Plan and, therefore, for operational continuity.

**Non-self-financing model in the short/medium term.** Despite the expected operational improvement, we estimate accumulated negative FCF of approximately EUR -40 Mn in 2025e–2027e. In the absence of clear access to external financing, the model faces a double risk: liquidity tensions and dilution for current shareholders.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**HLZ is trading at 9.3x EV/EBITDA 2025e, at a premium to comparables,** partially reflecting the expected operational recovery. This multiple is supported by a full execution of the Restructuring Plan and access to additional financing—conditions not yet fully guaranteed.



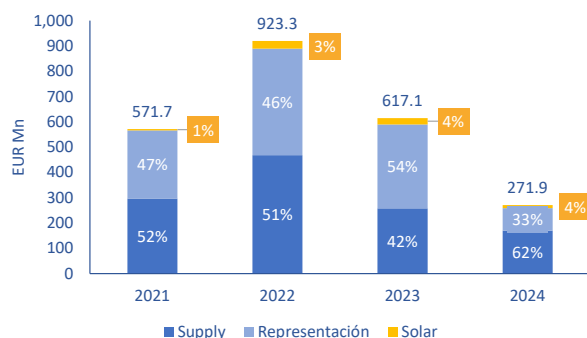
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	20.8	15.5	31.7	34.7	30.5	27.3	25.2	23.9		
Fixed assets	0.6	0.8	2.1	1.6	0.9	0.9	0.9	0.9		
Other Non Current Assets	4.4	54.5	51.5	44.2	35.5	30.5	25.4	26.5		
Financial Investments	9.2	117.3	46.2	28.0	12.7	12.7	12.7	12.7		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	29.2	85.4	135.7	57.0	28.5	27.8	29.6	30.7		
<b>Total assets</b>	<b>64.2</b>	<b>273.6</b>	<b>267.2</b>	<b>165.6</b>	<b>108.1</b>	<b>99.1</b>	<b>93.9</b>	<b>94.7</b>		
Equity	41.4	7.1	19.7	9.9	(17.2)	(9.4)	(16.6)	(14.6)		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	7.3	96.4	41.3	13.2	8.0	8.0	8.0	8.0		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	(8.3)	46.9	62.2	65.4	41.1	58.7	61.2	62.2		
Current Liabilities	23.8	123.1	144.0	77.1	76.2	41.8	41.2	39.1		
<b>Equity &amp; Total Liabilities</b>	<b>64.2</b>	<b>273.6</b>	<b>267.2</b>	<b>165.6</b>	<b>108.1</b>	<b>99.1</b>	<b>93.9</b>	<b>94.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>236.0</b>	<b>571.7</b>	<b>923.3</b>	<b>617.1</b>	<b>271.9</b>	<b>265.3</b>	<b>283.2</b>	<b>293.4</b>	<b>3.6%</b>	<b>2.6%</b>
Total Revenues growth	13.0%	142.3%	61.5%	-33.2%	-55.9%	-2.5%	6.8%	3.6%		
COGS	(208.5)	(540.1)	(836.7)	(544.5)	(229.5)	(223.6)	(236.9)	(242.5)		
<b>Gross Margin</b>	<b>27.5</b>	<b>31.6</b>	<b>86.6</b>	<b>72.6</b>	<b>42.5</b>	<b>41.7</b>	<b>46.3</b>	<b>50.9</b>	<b>11.5%</b>	<b>6.2%</b>
Gross Margin/Revenues	11.6%	5.5%	9.4%	11.8%	15.6%	15.7%	16.4%	17.3%		
Personnel Expenses	(9.9)	(13.4)	(29.4)	(38.0)	(21.0)	(11.0)	(11.7)	(12.4)		
Other Operating Expenses	(16.8)	(24.9)	(49.8)	(39.8)	(24.5)	(23.7)	(24.8)	(26.2)		
<b>Recurrent EBITDA</b>	<b>0.7</b>	<b>(6.6)</b>	<b>7.5</b>	<b>(5.2)</b>	<b>(3.0)</b>	<b>7.0</b>	<b>9.8</b>	<b>12.3</b>	<b>-57.7%</b>	<b>82.3%</b>
Recurrent EBITDA growth	711.1%	n.a.	212.7%	-169.6%	41.5%	328.7%	40.6%	26.1%		
Rec. EBITDA/Revenues	0.3%	n.a.	0.8%	n.a.	n.a.	2.6%	3.5%	4.2%		
Restructuring Expense & Other non-rec.	(1.0)	(0.2)	(0.2)	(10.7)	(4.9)	-	-	-		
<b>EBITDA</b>	<b>(0.2)</b>	<b>(6.9)</b>	<b>7.3</b>	<b>(15.9)</b>	<b>(8.0)</b>	<b>7.0</b>	<b>9.8</b>	<b>12.3</b>	<b>n.a.</b>	<b>52.5%</b>
Depreciation & Provisions	(4.4)	(9.2)	(20.9)	(26.5)	(23.6)	(18.3)	(18.3)	(12.0)		
Capitalized Expense	3.3	4.5	7.0	8.8	5.2	5.0	5.0	5.0		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(1.3)</b>	<b>(11.5)</b>	<b>(6.5)</b>	<b>(33.6)</b>	<b>(26.4)</b>	<b>(6.3)</b>	<b>(3.5)</b>	<b>5.4</b>	<b>n.a.</b>	<b>30.1%</b>
EBIT growth	n.a.	-765.9%	43.7%	-416.6%	21.5%	76.1%	44.4%	252.9%		
EBIT/Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.8%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.5)	(0.8)	(2.1)	(4.0)	(5.1)	(3.3)	(3.7)	(3.5)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(1.9)</b>	<b>(12.3)</b>	<b>(8.6)</b>	<b>(37.6)</b>	<b>(31.5)</b>	<b>(9.7)</b>	<b>(7.2)</b>	<b>1.9</b>	<b>n.a.</b>	<b>27.2%</b>
Ordinary Profit Growth	-132.5%	-560.5%	29.7%	-335.0%	16.3%	69.3%	25.6%	126.5%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(1.9)</b>	<b>(12.3)</b>	<b>(8.6)</b>	<b>(37.6)</b>	<b>(31.5)</b>	<b>(9.7)</b>	<b>(7.2)</b>	<b>1.9</b>	<b>n.a.</b>	<b>27.2%</b>
Tax Expense	1.1	3.9	3.5	10.0	-	-	-	-		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(0.7)</b>	<b>(8.4)</b>	<b>(5.1)</b>	<b>(27.7)</b>	<b>(31.5)</b>	<b>(9.7)</b>	<b>(7.2)</b>	<b>1.9</b>	<b>n.a.</b>	<b>27.2%</b>
Net Profit growth	-12.5%	n.a.	39.1%	-440.1%	-13.8%	69.3%	25.6%	126.5%		
<b>Ordinary Net Profit</b>	<b>(0.9)</b>	<b>(12.1)</b>	<b>(8.5)</b>	<b>(26.9)</b>	<b>(26.5)</b>	<b>(9.7)</b>	<b>(7.2)</b>	<b>1.9</b>	<b>n.a.</b>	<b>27.5%</b>
Ordinary Net Profit growth	-36.0%	n.a.	29.6%	-217.3%	1.5%	63.6%	25.6%	126.5%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>7.0</b>	<b>9.8</b>	<b>12.3</b>	<b>-57.7%</b>	<b>82.3%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(33.6)	(2.5)	(3.2)		
<b>Recurrent Operating Cash Flow</b>						<b>-26.7</b>	<b>7.3</b>	<b>9.2</b>	<b>60.4%</b>	<b>-28.0%</b>
CAPEX						(5.0)	(6.1)	(6.7)		
Net Financial Result affecting the Cash Flow						(3.3)	(3.7)	(3.5)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(35.1)</b>	<b>(2.5)</b>	<b>(1.0)</b>	<b>32.3%</b>	<b>-27.4%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(35.1)</b>	<b>(2.5)</b>	<b>(1.0)</b>	<b>37.4%</b>	<b>-27.1%</b>
Capital Increase						17.5	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>17.5</b>	<b>2.5</b>	<b>1.0</b>		

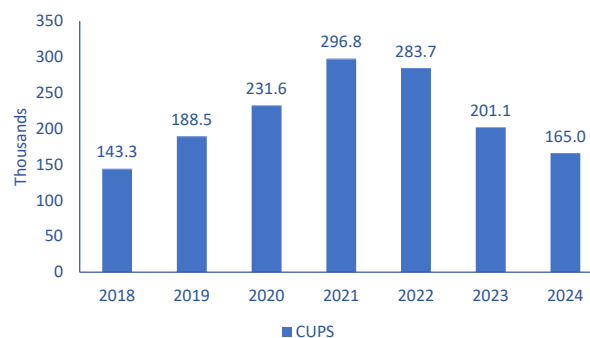


## The company in 8 charts

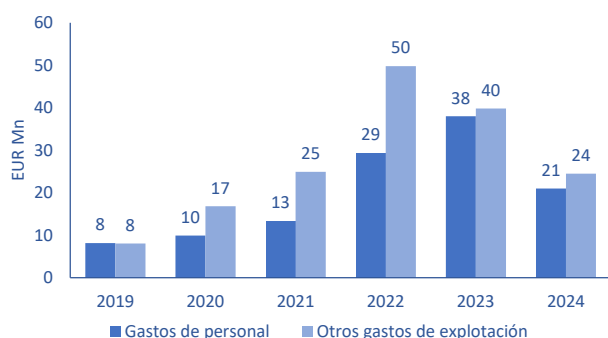
**Greentech that offers services of commercialization, representation and installation and management of solar energy systems**



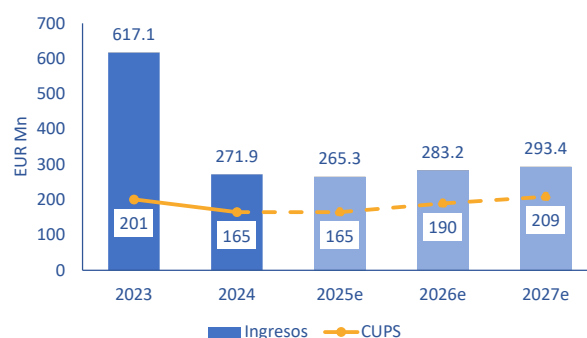
**The company experienced strong growth through 2021, followed by an adjustment in the customer base**



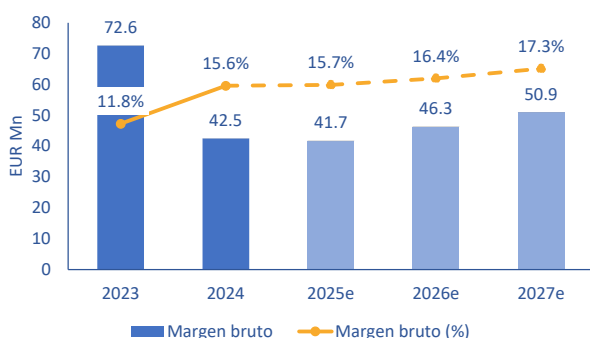
**This situation led HLZ to adapt its operating structure (personnel expenses -45% vs 2023; other expl. expenses -38% vs 2023)**



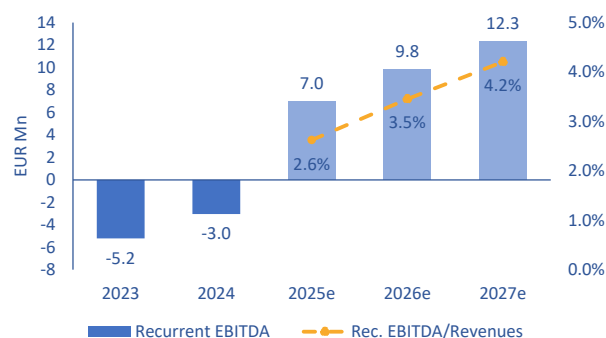
**The operational restructuring lays the foundation to consolidate the business model and resume the growth path (CAGR 24-27e: +2.6%)**



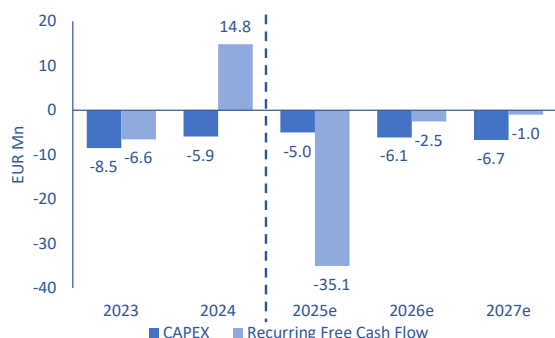
**The proprietary technology platform and the Tarifa Justa continue to drive a sustained improvement in gross margin**



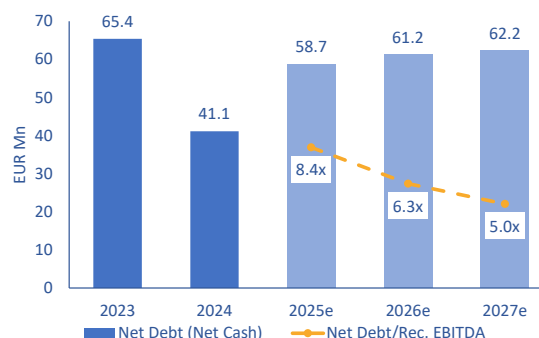
**Cost containment and operational efficiency pave the way for a return to positive rec. EBITDA in 2025e (EBITDA margin of 2.6%)**



**Despite operational improvements, the model requires investment in innovation and acquisition, keeping FCF negative over 25e-27e**



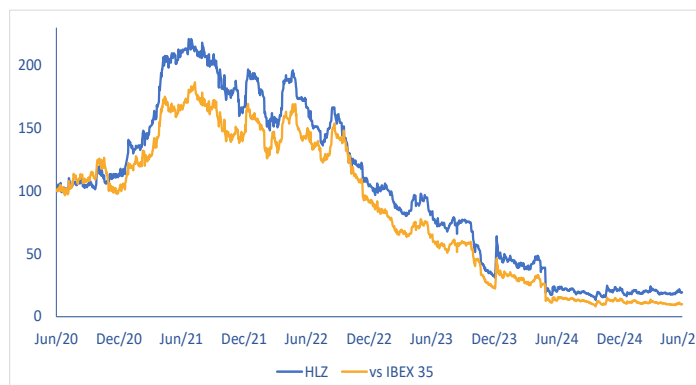
**Access to financing and deleveraging will be critical to executing the business plan (2025e ND/Rec. EBITDA: 8.4x)**



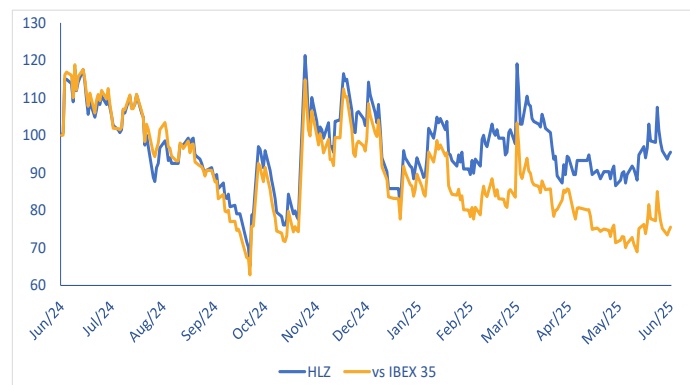


## Evolution of the share price

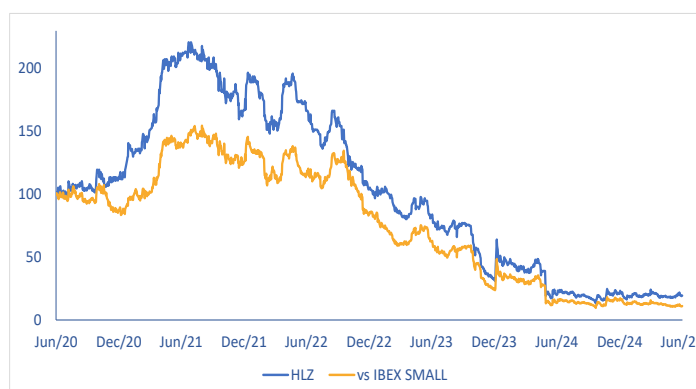
Historical behavior vs Ibex 35 (base 100)



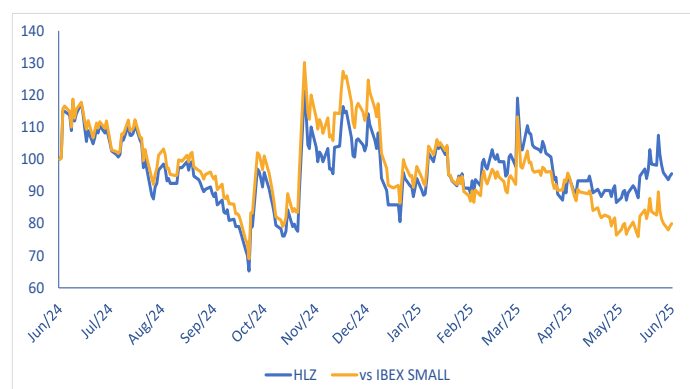
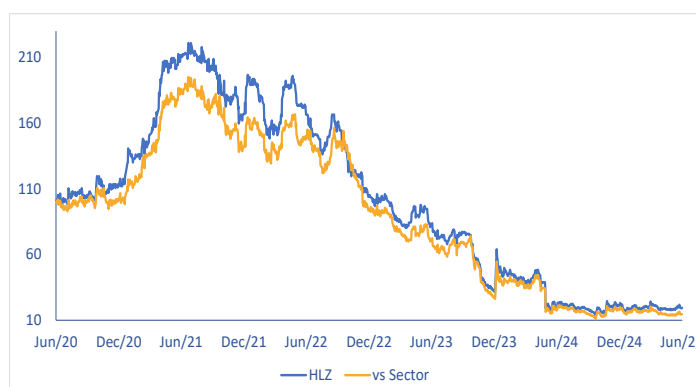
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Utilities

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	10.3	-19.7	-4.5	18.5	-88.4	-80.6
vs Market						
vs Ibex 35	5.8	-26.9	-24.5	-2.8	-93.1	-90.0
vs Euro STOXX 50	8.6	-21.0	-12.1	7.6	-92.2	-88.7
vs Small Cap References						
vs Ibex Small Cap Index	4.7	-29.3	-20.0	-7.4	-90.4	-88.9
vs Micro Cap Spain Segment <sup>(1)</sup>	5.1	-25.1	-9.3	4.4	-88.7	-87.0
vs MSCI Europe Micro Cap	5.5	-26.4	-5.9	10.0	-87.6	-84.8
vs Sector						
vs Stoxx Europe 600 Utilities	7.0	-28.8	-19.5	1.9	-90.2	-85.5

(1) Constituents on page 10



## Free Cash Flow (I)

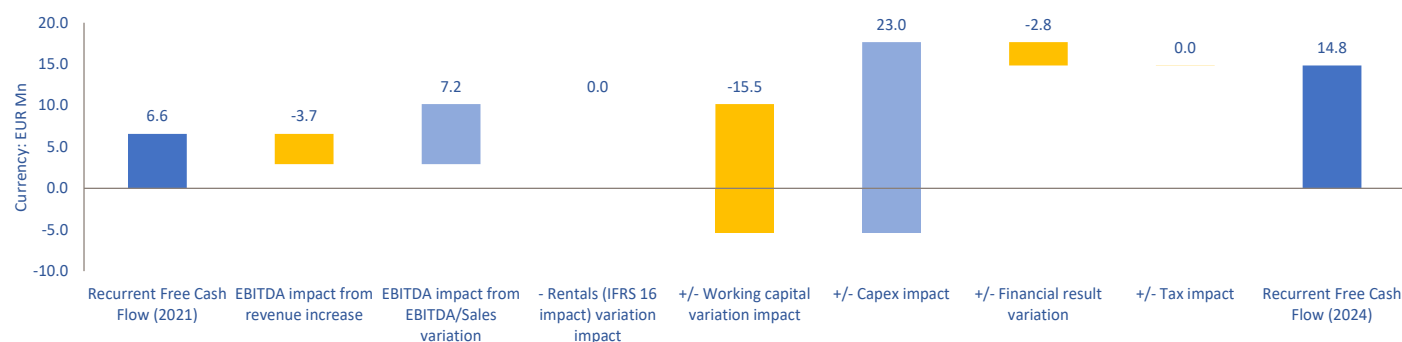
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	(6.6)	7.5	(5.2)	(3.0)	7.0	9.8	12.3	22.9%	82.3%
Recurrent EBITDA growth	n.a.	212.7%	-169.6%	41.5%	328.7%	40.6%	26.1%		
Rec. EBITDA/Revenues	n.a.	0.8%	n.a.	n.a.	2.6%	3.5%	4.2%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	43.1	(29.4)	11.9	27.6	(33.6)	(2.5)	(3.2)		
= Recurrent Operating Cash Flow	36.4	(22.0)	6.7	24.5	(26.7)	7.3	9.2	-12.4%	-28.0%
Rec. Operating Cash Flow growth	787.7%	-160.3%	130.4%	266.8%	-208.8%	127.2%	26.1%		
Rec. Operating Cash Flow / Sales	6.4%	n.a.	1.1%	9.0%	n.a.	2.6%	3.1%		
- CAPEX	(29.0)	(32.5)	(8.5)	(5.9)	(5.0)	(6.1)	(6.7)		
- Net Financial Result affecting Cash Flow	(0.9)	(2.1)	(4.0)	(3.7)	(3.3)	(3.7)	(3.5)		
- Taxes	-	(0.7)	(0.7)	(0.0)	-	-	-		
= Recurrent Free Cash Flow	6.6	(57.3)	(6.6)	14.8	(35.1)	(2.5)	(1.0)	31.2%	-27.4%
Rec. Free Cash Flow growth	147.3%	-972.5%	88.5%	325.9%	-336.4%	92.7%	60.3%		
Rec. Free Cash Flow / Revenues	1.1%	n.a.	n.a.	5.5%	n.a.	n.a.	n.a.		
- Restructuring expenses & others	(0.2)	(0.2)	(10.7)	(4.9)	-	-	-		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(79.6)	42.2	14.1	9.9	-	-	-		
= Free Cash Flow	(73.3)	(15.3)	(3.2)	19.8	(35.1)	(2.5)	(1.0)	31.4%	-27.1%
Free Cash Flow growth	-481.0%	79.1%	79.3%	724.7%	-277.2%	92.7%	60.3%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	23.5%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(13.9)	6.6	(57.3)	(6.6)	14.8	(35.1)	(2.5)		
EBITDA impact from revenue increase	1.0	(4.1)	(2.5)	2.9	0.1	0.5	0.4		
EBITDA impact from EBITDA/Sales variation	(8.4)	18.2	(10.2)	(0.7)	9.9	2.4	2.2		
= Recurrent EBITDA variation	(7.4)	14.1	(12.7)	2.2	10.0	2.8	2.6		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	49.1	(72.5)	41.3	15.7	(61.2)	31.1	(0.7)		
= Recurrent Operating Cash Flow variation	41.7	(58.4)	28.7	17.8	(51.2)	34.0	1.9		
+/- CAPEX impact	(20.9)	(3.6)	24.0	2.6	0.9	(1.1)	(0.6)		
+/- Financial result variation	(0.4)	(1.2)	(1.9)	0.3	0.4	(0.3)	0.2		
+/- Tax impact	-	(0.7)	0.0	0.7	0.0	-	-		
= Recurrent Free Cash Flow variation	20.5	(63.9)	50.8	21.4	(49.9)	32.5	1.5		
Recurrent Free Cash Flow	6.6	(57.3)	(6.6)	14.8	(35.1)	(2.5)	(1.0)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(11.5)	(6.5)	(33.6)	(26.4)	(6.3)	(3.5)	5.4	-31.7%	30.1%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
Recurrent EBITDA	(6.6)	7.5	(5.2)	(3.0)	7.0	9.8	12.3	22.9%	82.3%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	43.1	(29.4)	11.9	27.6	(33.6)	(2.5)	(3.2)		
= Recurrent Operating Cash Flow	36.4	(22.0)	6.7	24.5	(26.7)	7.3	9.2	-12.4%	-28.0%
- CAPEX	(29.0)	(32.5)	(8.5)	(5.9)	(5.0)	(6.1)	(6.7)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
= Recurrent Free Cash Flow (To the Firm)	7.5	(54.5)	(1.8)	18.6	(31.7)	1.1	2.5	35.4%	-49.1%
Rec. Free Cash Flow (To the Firm) growth	156.0%	-827.8%	96.6%	n.a.	-270.8%	103.6%	117.2%		
Rec. Free Cash Flow (To the Firm) / Revenues	1.3%	n.a.	n.a.	6.8%	n.a.	0.4%	0.8%		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(79.6)	42.2	14.1	9.9	-	-	-		
= Free Cash Flow "To the Firm"	(72.1)	(12.3)	12.2	28.5	(31.7)	1.1	2.5	33.8%	-55.8%
Free Cash Flow (To the Firm) growth	-549.4%	82.9%	199.5%	132.6%	-211.5%	103.6%	117.2%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	11.6%	n.a.	n.a.	n.a.	n.a.	1.7%	3.8%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	19.0%	n.a.	n.a.	1.7%	3.8%		



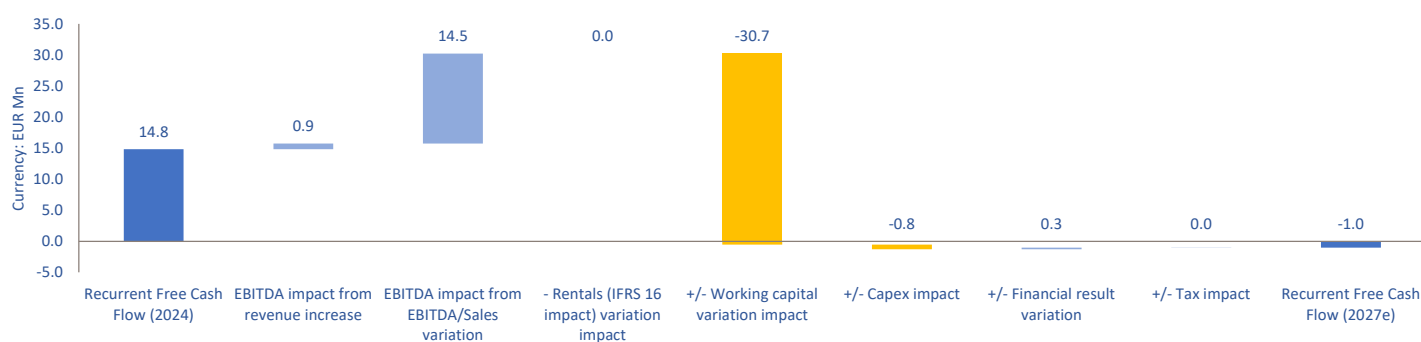


## Free Cash Flow (II)

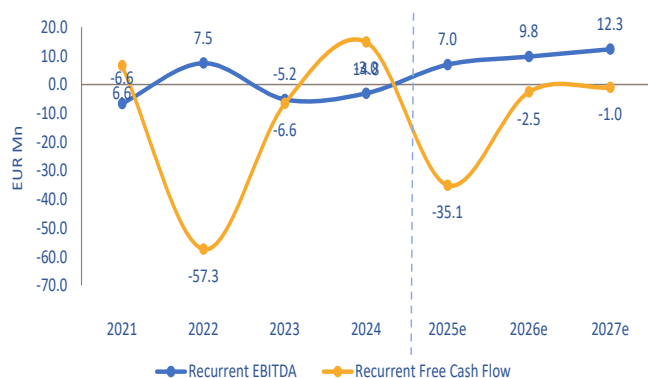
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward







## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(31.7)	1.1	2.5	n.a.		
Market Cap	28.0	At the date of this report				
Net financial debt	41.1	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.4%	Net debt cost			6.2%	6.7%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.1%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.9%	5.3%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.5	B (own estimate)			1.4	1.6
Cost of Equity	12.1%	$K_e = R_f + (R * B)$			10.8%	13.5%
Equity / (Equity + Net Debt)	40.5%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	59.5%	D			=	=
WACC	8.0%	$WACC = K_d * D + K_e * E$			7.3%	8.6%
G "Fair"	2.0%				2.5%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	28.0	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	8.0	12m Results 2024
+ Net financial debt	41.1	12m Results 2024
- Financial Investments	12.7	12m Results 2024
+/- Others		
Enterprise Value (EV)	64.5	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	5.0%			
FCF Yield - WACC	n.a.	-4.2%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	3.8%	10.6	6.1x
Central	3.5%	9.8	6.6x
Min	3.2%	8.9	7.2x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	2.0%	2.2%	2.4%
10.6	(1.1)	(1.7)	(2.3)
9.8	(2.0)	(2.5)	(3.1)
8.9	(2.8)	(3.4)	(4.0)

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	28.6%	28.6%	28.6%
% of proprietary board members	71.4%	71.4%	71.4%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	42.9%	28.6%	28.6%
% of women out of total workforce	39.6%	41.3%	40.4%
Board remuneration/staff cost	3.1%	2.5%	3.6%



## Main peers 2025e

	EUR Mn	Integrated Utilities				Average	Independent energy supplier		Average	Distributed generation		Average	HLZ
		Iberdrola	Endesa	Naturgy	EDP		Audax Ren.	Elmera		Sunrun, Inc.	Sunnova Energy Int.		
Market data	Ticker (Factset)	IBE-ES	ELE-ES	NTGY-ES	EDP-PT		ADX-ES	ELMRA-NO		RUN-US	NOVA-US		HLZ-ES
	Country	Spain	Spain	Spain	Portugal		Spain	Norway		USA	USA		Spain
	Market cap	104,369.3	28,819.2	25,694.8	15,100.1		703.7	339.2		1,979.4	0.2		28.0
	Enterprise value (EV)	171,429.2	40,101.4	39,548.5	39,173.8		1,061.6	407.4		14,259.8	7,840.1		64.5
Basic financial information	Total Revenues	47,745.2	23,342.2	19,216.2	16,469.9		2,308.1	152.8		1,941.3	825.3		265.3
	Total Revenues growth	7.7%	11.5%	-0.3%	7.9%	6.7%	16.5%	-85.4%	-34.5%	10.0%	13.4%	11.7%	-2.5%
	2y CAGR (2025e - 2027e)	2.5%	-0.3%	-1.5%	1.7%	0.6%	0.7%	3.6%	2.1%	13.7%	n.a.	13.7%	5.2%
	EBITDA	16,444.0	5,519.8	5,171.0	4,827.1		122.7	67.5		192.4	593.9		7.0
	EBITDA growth	2.8%	-6.4%	-0.6%	12.8%	2.1%	6.6%	-15.5%	-4.4%	59.0%	n.a.	59.0%	187.3%
	2y CAGR (2025e - 2027e)	5.2%	1.3%	0.5%	1.0%	2.0%	8.5%	5.8%	7.2%	53.6%	n.a.	53.6%	33.2%
	EBITDA/Revenues	34.4%	23.6%	26.9%	29.3%	28.6%	5.3%	44.2%	24.8%	9.9%	72.0%	40.9%	2.6%
	EBIT	10,601.5	3,289.7	3,365.3	2,950.5		97.4	44.0		(412.9)	(49.0)		(6.3)
	EBIT growth	-2.7%	-16.8%	-8.1%	58.8%	7.8%	4.4%	-6.3%	-0.9%	16.8%	74.5%	45.7%	76.1%
	2y CAGR (2025e - 2027e)	5.6%	0.6%	0.5%	0.4%	1.8%	8.8%	9.1%	9.0%	10.8%	n.a.	10.8%	68.8%
	EBIT/Revenues	22.2%	14.1%	17.5%	17.9%	17.9%	4.2%	28.8%	16.5%	n.a.	n.a.	n.a.	n.a.
	Net Profit	6,048.2	2,046.2	1,842.6	1,220.3		51.7	18.4		(63.3)	(323.9)		(9.7)
	Net Profit growth	7.4%	8.4%	-4.2%	52.3%	16.0%	-14.7%	-40.5%	-27.6%	97.4%	-1.6%	47.9%	69.3%
	2y CAGR (2025e - 2027e)	5.1%	0.9%	-2.2%	-0.1%	0.9%	11.1%	31.1%	21.1%	n.a.	n.a.	n.a.	48.2%
	CAPEX/Sales %	27.3%	14.5%	10.9%	20.7%	18.4%	2.8%	3.5%	3.2%	127.1%	n.a.	127.1%	1.9%
	Free Cash Flow	515.2	518.9	1,594.5	(226.0)		n.a.	(26.3)		(2,514.8)	(1,333.7)		(35.1)
	Net financial debt	56,883.9	10,805.5	14,217.0	17,231.2		248.3	83.5		12,191.3	7,782.1		58.7
Multiples and Ratios	ND/EBITDA (x)	3.5	2.0	2.7	3.6	2.9	2.0	1.2	1.6	n.a.	13.1	13.1	8.4
	Pay-out	71.3%	71.0%	85.7%	68.6%	74.1%	27.7%	131.5%	79.6%	0.0%	n.a.	0.0%	0.0%
	P/E (x)	17.1	14.0	14.0	12.5	14.4	13.6	13.3	13.4	n.a.	n.a.	n.a.	n.a.
	P/BV (x)	1.9	3.3	2.8	1.1	2.3	2.9	2.5	2.7	0.7	0.0	0.3	n.a.
	EV/Revenues (x)	3.6	1.7	2.1	2.4	2.4	0.5	2.7	1.6	7.3	9.5	8.4	0.2
	EV/EBITDA (x)	10.4	7.3	7.6	8.1	8.4	8.7	6.0	7.3	n.a.	13.2	13.2	9.3
	EV/EBIT (x)	16.2	12.2	11.8	13.3	13.3	10.9	9.3	10.1	n.a.	n.a.	n.a.	n.a.
	ROE	11.3	23.3	19.8	9.2	15.9	21.4	18.5	19.9	n.a.	n.a.	n.a.	n.a.
	FCF Yield (%)	0.5	1.8	6.2	n.a.	2.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	DPS	0.67	1.37	1.64	0.20	0.97	0.03	0.22	0.13	0.00	n.a.	0.00	0.00
	Dvd Yield	4.1%	5.0%	6.2%	5.6%	5.2%	2.0%	7.5%	4.8%	0.0%	n.a.	0.0%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
															14-24	24-27e
Total Revenues						208.8	236.0	571.7	923.3	617.1	271.9	265.3	283.2	293.4	n.a.	2.6%
Total Revenues growth						n.a.	13.0%	142.3%	61.5%	-33.2%	-55.9%	-2.5%	6.8%	3.6%		
EBITDA						(0.1)	(0.2)	(6.9)	7.3	(15.9)	(8.0)	7.0	9.8	12.3	n.a.	52.5%
EBITDA growth						n.a.	-323.2%	n.a.	206.6%	-316.7%	49.8%	187.3%	40.6%	26.1%		
EBITDA/Sales						n.a.	n.a.	n.a.	0.8%	n.a.	n.a.	2.6%	3.5%	4.2%		
Net Profit						(0.6)	(0.7)	(8.4)	(5.1)	(27.7)	(31.5)	(9.7)	(7.2)	1.9	n.a.	27.2%
Net Profit growth						n.a.	-12.5%	n.a.	39.1%	-440.1%	-13.8%	69.3%	25.6%	126.5%		
Adjusted number shares (Mn)						0.5	-	21.9	21.9	21.8	21.8	21.9	21.9	21.9		
EPS (EUR)						-1.25	n.a.	-0.39	-0.23	-1.27	-1.44	-0.44	-0.33	0.09	n.a.	27.2%
EPS growth						n.a.	n.a.	n.a.	39.1%	n.a.	-14.0%	69.4%	25.6%	n.a.		
Ord. EPS (EUR)						-1.02	n.a.	-0.55	-0.39	-1.23	-1.22	-0.44	-0.33	0.09	n.a.	27.5%
Ord. EPS growth						n.a.	n.a.	n.a.	29.6%	n.a.	1.4%	63.8%	25.6%	n.a.		
CAPEX						(4.3)	(8.1)	(29.0)	(32.5)	(8.5)	(5.9)	(5.0)	(6.1)	(6.7)		
CAPEX/Sales % <sup>1</sup>						2.0%	3.4%	5.1%	3.5%	1.4%	2.2%	1.9%	2.2%	2.3%		
Free Cash Flow						-	(12.6)	(73.3)	(15.3)	(3.2)	19.8	(35.1)	(2.5)	(1.0)	n.a.	-27.1%
ND/EBITDA (x) <sup>(2)</sup>						n.a.	n.a.	n.a.	8.5x	n.a.	n.a.	8.4x	6.3x	5.0x		
P/E (x)						n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	14.7x		
EV/Sales (x)						0.00x	0.55x	0.50x	0.22x	0.20x	0.22x	0.24x	0.23x	0.22x		
EV/EBITDA (x) <sup>(2)</sup>						n.a.	n.a.	n.a.	27.5x	n.a.	n.a.	9.3x	6.6x	5.2x		
Absolute performance						n.a.	-14.0%	55.5%	-47.2%	-51.2%	-66.5%	18.5%				
Relative performance vs Ibex 35						n.a.	1.7%	44.1%	-44.1%	-60.3%	-70.8%	-2.8%				

(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.

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

**Iflex**, is a family-run company established in 1998. It provides personalised flexible packaging printing solutions (gravure printing) on a range of products from film on the reel for making bags, stick packs and lids...In 2024, 81% of sales were generated in Iberia. It has three core lines of business: (i) food (70% of 2024 revenue); (ii) pharma/cosmetics (21%); and (iii) other (9%). IFLEX has been listed on BME Growth since november 2023.

#### Market Data

Market Cap (Mn EUR and USD)	10.3	11.8
EV (Mn EUR and USD)	12.7	14.6
Shares Outstanding (Mn)	6.0	
-12m (Max/Med/Mín EUR)	1.79 / 1.59 / 1.40	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	2.3	
Factset / Bloomberg	IFLEX-ES / IFLEX SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3) (4)</sup>

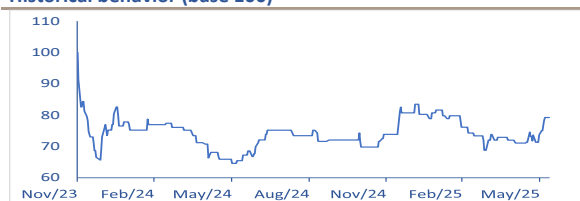
Puig Family	52.2
Flycorp SL	11.2
IVI Grupo Cosimet SL	11.2
Mirling Europe SL	11.2
Free Float	7.0

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	6.0	8.1	9.6	9.6
Total Revenues	14.4	15.3	16.6	18.0
Rec. EBITDA	1.6	1.7	2.1	2.6
% growth	-13.5	6.7	25.9	22.8
% Rec. EBITDA/Rev.	11.1	11.2	13.0	14.7
% Inc. EBITDA sector <sup>(2)</sup>	5.1	10.6	9.8	9.3
Net Profit	0.8	0.7	1.3	1.7
EPS (EUR)	0.14	0.09	0.13	0.18
% growth	-2.0	-37.4	50.9	35.2
Ord. EPS (EUR)	0.15	0.11	0.13	0.18
% growth	-10.9	-24.6	21.5	35.2
Rec. Free Cash Flow	0.7	0.8	1.2	1.6
Pay-out (%)	59.0	50.0	50.0	50.0
DPS (EUR)	0.08	0.04	0.07	0.09
Net financial debt	2.9	-1.2	-2.0	-2.8
ND/Rec. EBITDA (x)	1.8	-0.7	-0.9	-1.0
ROE (%)	21.1	10.2	12.6	15.6
ROCE (%)	14.1	10.2	15.4	20.5

#### Ratios & Multiples (x)

P/E	11.9	19.1	12.6	9.4
Ord. P/E	11.6	15.4	12.6	9.4
P/BV	2.4	1.0	1.0	0.9
Dividend Yield (%)	4.9	2.6	4.0	5.3
EV/Sales	0.89	0.83	0.77	0.71
EV/Rec. EBITDA	8.0	7.5	5.9	4.8
EV/EBIT	12.3	14.5	8.7	6.5
FCF Yield (%)	6.8	7.7	12.0	15.3

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	11.5	6.7	21.0	n.a.

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

(2) Sector: Stoxx Europe 600 Industrial Goods & Services.

(3) Others: Miquel Angel Bonachera Sierra 5.2%, Treasury Stock 2.1%

(4) Shareholders structure post completion of ongoing capital increase.

#### MOMENTUM: WHAT TO EXPECT FROM 2025E?

**2025: strong organic performance.** We estimate sales growth of +6.3%, a slight improvement in gross margin—consolidating the 1 percentage point gain from 2024—and recurring EBITDA growth in line with sales (+6.7%). We expect an acceleration in recurring EBITDA in 2026e and 2027e (CAGR 2024-2027e of +18%) due to the dilution of overhead costs.

**A transformational year for IFLEX.** A significant capital increase (approximately 2x3, raising EUR 5.3Mn) is "transforming" IFLEX quantitatively (to a net cash position) and qualitatively (M&A optionality and the entry of three long-term industrial investors into the shareholding and board with a shareholders' pact).

**... a strengthened balance sheet.** IFLEX moves from a comfortable position (2024 Net Debt/Recurring EBITDA of 1.8x) to a net cash position (EUR 1.2Mn). This provides the financial muscle to grow both organically and inorganically while maintaining an attractive dividend (50% payout).

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Exposure to counter-cyclical/defensive markets** growing at 5%-6% annually, which also offer "build-up" potential given their fragmentation.

**Entry of investors with industrial "pedigree,"** validating IFLEX's management and strategy with a long-term investment at market prices, board representation (4 out of 8 seats), and a shareholders' pact with reinforced qualified majorities.

**Use of funds.** Accelerating organic growth in a business with an estimated 2026e ROCE of approximately 15% (IFLEX will invest in land in 2025 to increase medium-term capacity and will continue to strengthen its sales team). The company will also analyze M&A opportunities of family-owned businesses in the same sector.

**2025e-2029e: post-capital increase, growth potential expands.** The capital increase document contains medium-term projections approved by the board with a 2024-2029e CAGR in revenue and adjusted EBITDA of +13% and +24%, respectively.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Change in shareholding structure to activate growth.** The Puig family held over 70% of the shares before the capital increase (approximately 50% after the increase). The capital increase—at virtually market price—involves the entry of three industrial-profile investors, each estimated to hold slightly over 11% (after the increase), and the signing of a shareholders' pact. The effective functioning of the Board is key for the profitable investment of proceeds from the capital increase and IFLEX's FCF.

**M&A: execution risk.** The flexible packaging sector is highly fragmented in Spain (and Europe), with over 90 companies in Spain having sales similar to IFLEX. This represents both an opportunity and a challenge (integration) for IFLEX, which lacks a recent track record in M&A. The capital increase necessarily implies the "obligation" to grow non-organically and execute M&A transactions.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**An industrial stock trading at objectively low multiples.** IFLEX is trading at 2025e EV/Recurring EBITDA multiples of 7.5x and 2026e of 5.9x for a quality business with robust fundamentals. With minimal operational, financial, or commercial risks, the capital raised through the capital increase opens the door to jumping from low revenue growth (approx. 2-3% in 2023-2024) to stable growth above +5% and improved margins. This makes the low multiples more visible.



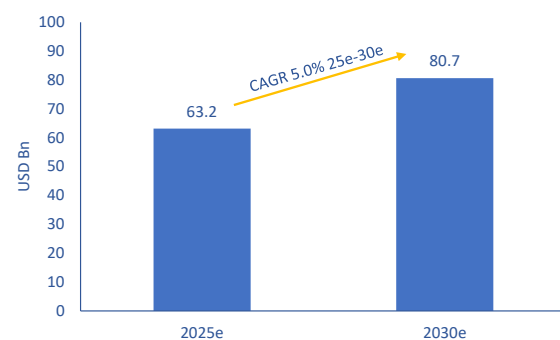
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	0.0	0.1	0.1	0.1	0.2	0.3	0.3	0.4		
Fixed assets	4.8	4.1	3.9	4.2	4.3	5.4	5.1	5.0		
Other Non Current Assets	-	-	-	-	0.1	0.1	0.1	0.1		
Financial Investments	0.5	0.5	0.2	0.5	0.5	0.5	0.5	0.5		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	3.3	5.2	4.9	4.7	4.1	4.5	4.9	5.3		
<b>Total assets</b>	<b>8.6</b>	<b>9.8</b>	<b>9.1</b>	<b>9.6</b>	<b>9.1</b>	<b>10.7</b>	<b>10.8</b>	<b>11.1</b>		
Equity	2.2	2.0	1.8	3.8	4.2	9.8	10.6	11.6		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	0.0	0.2	0.3	0.3	0.1	0.1	0.1	0.1		
Other Non Current Liabilities	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.2		
Net financial debt	4.8	5.2	4.6	3.4	2.9	(1.2)	(2.0)	(2.8)		
Current Liabilities	1.3	2.0	2.2	1.9	1.7	1.8	1.9	2.1		
<b>Equity &amp; Total Liabilities</b>	<b>8.6</b>	<b>9.8</b>	<b>9.1</b>	<b>9.6</b>	<b>9.1</b>	<b>10.7</b>	<b>10.8</b>	<b>11.1</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>8.6</b>	<b>9.2</b>	<b>13.7</b>	<b>14.0</b>	<b>14.4</b>	<b>15.3</b>	<b>16.6</b>	<b>18.0</b>	<b>13.7%</b>	<b>7.8%</b>
Total Revenues growth	13.1%	7.2%	48.3%	2.7%	2.4%	6.3%	8.5%	8.5%		
COGS	(4.7)	(5.2)	(7.7)	(7.4)	(7.4)	(7.9)	(8.5)	(9.2)		
<b>Gross Margin</b>	<b>3.9</b>	<b>4.0</b>	<b>5.9</b>	<b>6.6</b>	<b>6.9</b>	<b>7.4</b>	<b>8.0</b>	<b>8.7</b>	<b>15.3%</b>	<b>8.0%</b>
Gross Margin/Revenues	45.7%	43.1%	43.5%	47.3%	48.3%	48.4%	48.5%	48.6%		
Personnel Expenses	(1.8)	(1.8)	(2.1)	(2.7)	(3.0)	(3.3)	(3.4)	(3.5)		
Other Operating Expenses	(1.5)	(1.5)	(2.1)	(2.1)	(2.3)	(2.4)	(2.5)	(2.6)		
<b>Recurrent EBITDA</b>	<b>0.7</b>	<b>0.6</b>	<b>1.8</b>	<b>1.8</b>	<b>1.6</b>	<b>1.7</b>	<b>2.1</b>	<b>2.6</b>	<b>24.5%</b>	<b>18.2%</b>
Recurrent EBITDA growth	-0.5%	-3.7%	176.9%	4.1%	-13.5%	6.7%	25.9%	22.8%		
Rec. EBITDA/Revenues	7.8%	7.0%	13.0%	13.2%	11.1%	11.2%	13.0%	14.7%		
Restructuring Expense & Other non-rec.	-	-	(0.1)	(0.1)	(0.0)	(0.2)	-	-		
<b>EBITDA</b>	<b>0.7</b>	<b>0.6</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>	<b>2.1</b>	<b>2.6</b>	<b>23.9%</b>	<b>18.8%</b>
Depreciation & Provisions	(0.4)	(0.4)	(0.5)	(0.5)	(0.6)	(0.7)	(0.7)	(0.7)		
Capitalized Expense	-	-	-	-	0.1	0.1	0.1	0.1		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>0.3</b>	<b>0.2</b>	<b>1.3</b>	<b>1.2</b>	<b>1.0</b>	<b>0.9</b>	<b>1.5</b>	<b>2.0</b>	<b>37.5%</b>	<b>23.9%</b>
EBIT growth	-13.1%	-29.5%	512.2%	-2.9%	-14.7%	-15.0%	66.0%	34.8%		
EBIT/Revenues	3.4%	2.2%	9.2%	8.7%	7.2%	5.8%	8.8%	11.0%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	0.0	0.0		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>0.2</b>	<b>0.1</b>	<b>1.1</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	<b>1.5</b>	<b>2.0</b>	<b>49.2%</b>	<b>30.2%</b>
Ordinary Profit Growth	-18.7%	-54.5%	n.a.	-10.9%	-8.0%	-8.8%	78.8%	35.2%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>0.2</b>	<b>0.1</b>	<b>1.1</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	<b>1.5</b>	<b>2.0</b>	<b>49.2%</b>	<b>30.2%</b>
Tax Expense	(0.1)	(0.0)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)		
Effective Tax Rate	28.2%	26.1%	18.7%	12.3%	6.5%	13.0%	13.0%	13.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>0.1</b>	<b>0.1</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>0.7</b>	<b>1.3</b>	<b>1.7</b>	<b>59.3%</b>	<b>27.1%</b>
Net Profit growth	-17.3%	-53.1%	n.a.	-3.8%	-2.0%	-15.1%	78.8%	35.2%		
<b>Ordinary Net Profit</b>	<b>0.1</b>	<b>0.1</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>1.3</b>	<b>1.7</b>	<b>60.5%</b>	<b>25.8%</b>
Ordinary Net Profit growth	-17.3%	-53.1%	n.a.	2.4%	-10.9%	2.3%	44.0%	35.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>1.7</b>	<b>2.1</b>	<b>2.6</b>	<b>24.5%</b>	<b>18.2%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.3)	(0.2)	(0.3)		
<b>Recurrent Operating Cash Flow</b>						<b>1.4</b>	<b>1.9</b>	<b>2.4</b>	<b>25.5%</b>	<b>4.9%</b>
CAPEX						(0.4)	(0.5)	(0.6)		
Net Financial Result affecting the Cash Flow						(0.1)	0.0	0.0		
Tax Expense						(0.1)	(0.2)	(0.3)		
<b>Recurrent Free Cash Flow</b>						<b>0.8</b>	<b>1.2</b>	<b>1.6</b>	<b>54.7%</b>	<b>30.9%</b>
Restructuring Expense & Other non-rec.						(0.2)	-	-		
- Acquisitions / + Divestures of assets						(1.1)	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						(0.2)	-	-		
<b>Free Cash Flow</b>						<b>(0.7)</b>	<b>1.2</b>	<b>1.6</b>	<b>59.9%</b>	<b>16.8%</b>
Capital Increase						5.3	-	-		
Dividends						(0.4)	(0.5)	(0.8)		
<b>Net Debt Variation</b>						<b>(4.2)</b>	<b>(0.7)</b>	<b>(0.8)</b>		



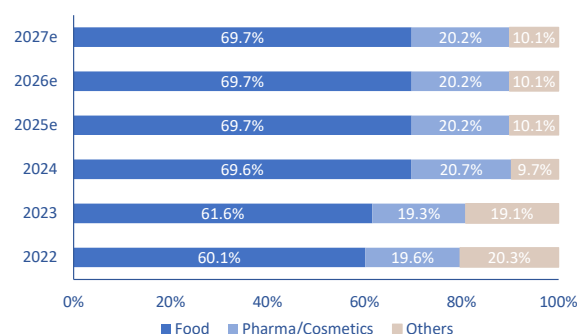
## The company in 8 charts

**The European flexible packaging sector is expected to grow at CAGR of 5.0% in 25e-30e**

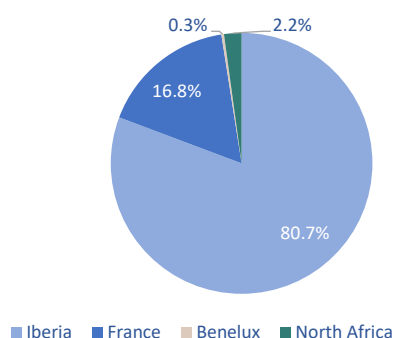


Source: Mordor Intelligence

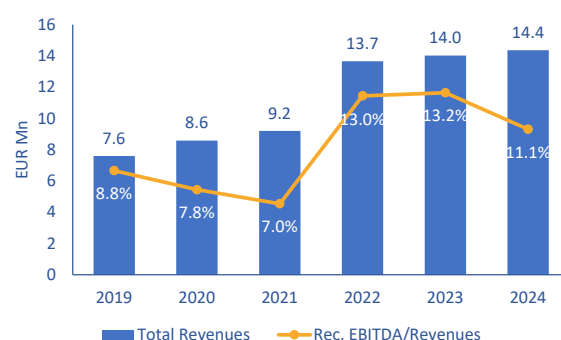
**IFLEX: a vertically integrated business with exposure to defensive/anti-cyclical sectors ...**



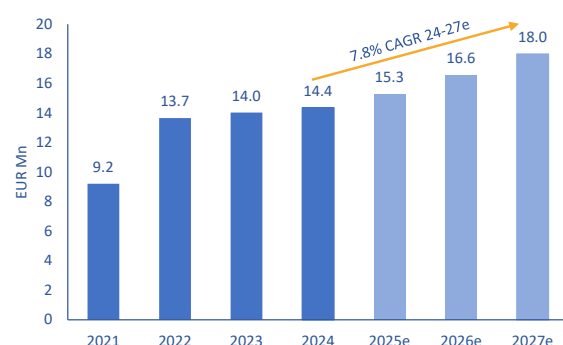
**... and an international presence (which it plans to expand). In 2024, international sales accounted for 19%**



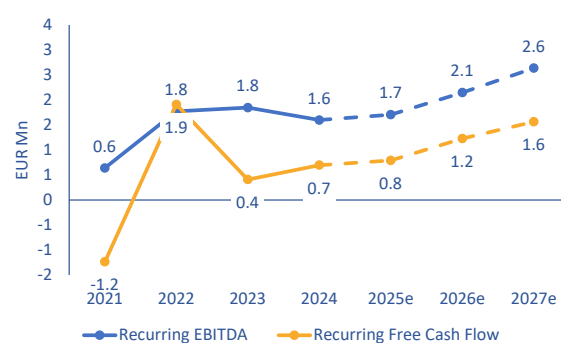
**in 2022, organic leap in scale in both revenues and profitability that is consolidated in 2023 - 2024**



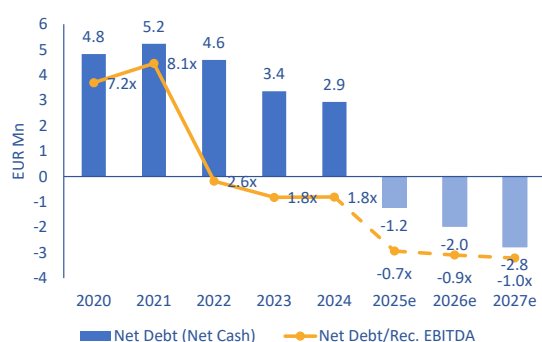
**... another step jump in 2025 -capital increase- that adds M&A growth potential to attractive organic growth profile**



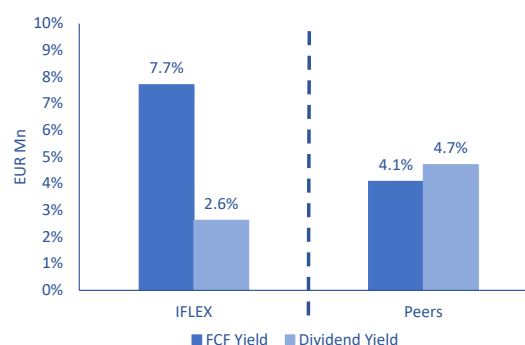
**Driving EBITDA growth with the corresponding impact on recurring FCF generation**



**Allowing IFLEX to search for M&A targets in a very fragmented sector while maintaining an attractive dividend and a healthy balance sheet**



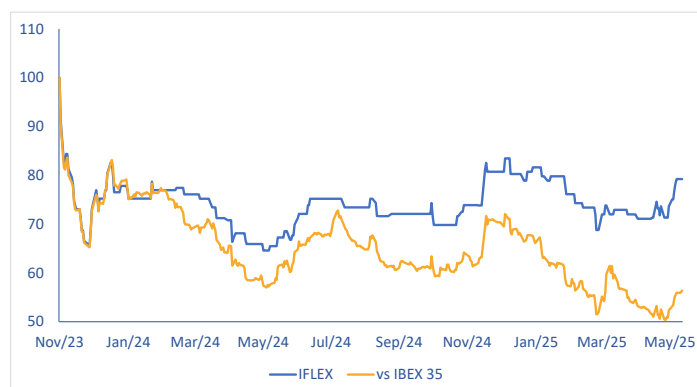
**Attractive 2025e multiples versus peers (dividend yield penalized by capital increase) before any upside from M&A**



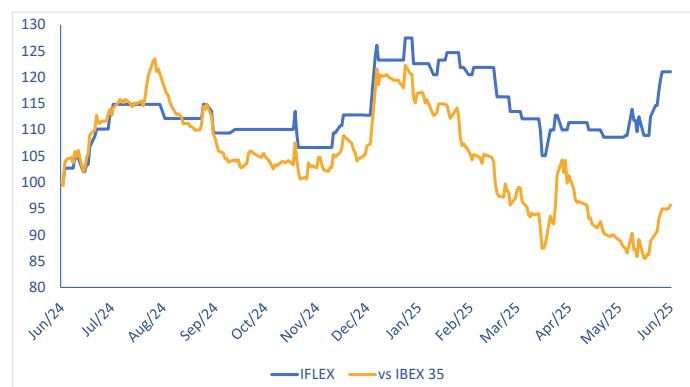


## Evolution of the share price

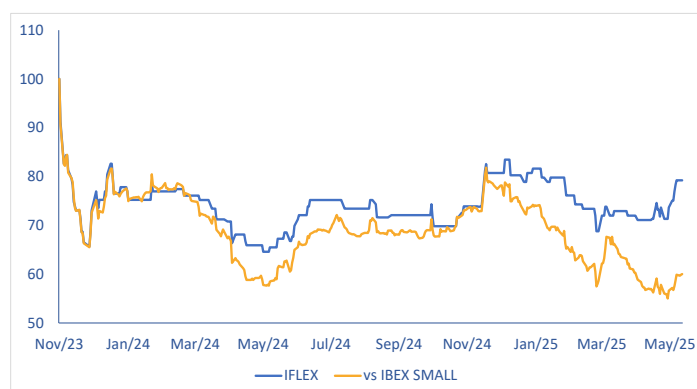
**Historical behavior vs Ibex 35 (base 100)**



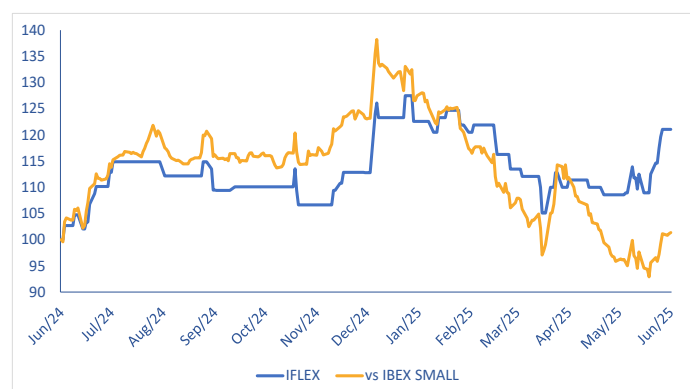
**Behavior -1y vs Ibex 35 (base 100)**



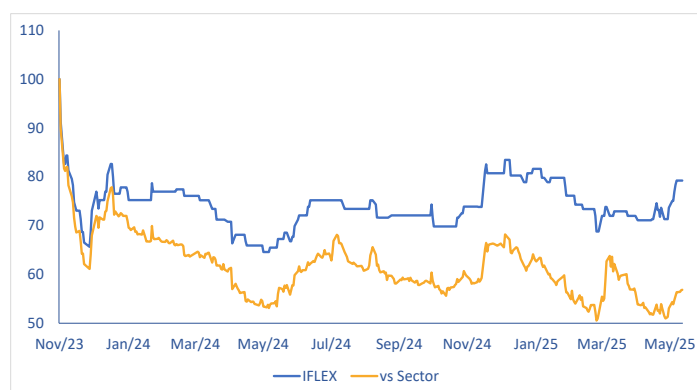
**Historical behavior vs Ibex Small Cap (base 100)**



**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Industrial Goods & Services

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	11.5	6.7	21.0	-1.8	n.a.	n.a.
<b>vs Market</b>						
vs Ibex 35	6.9	-2.8	-4.3	-19.5	n.a.	n.a.
vs Euro STOXX 50	9.8	5.0	11.4	-10.9	n.a.	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	5.7	-6.1	1.3	-23.3	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	6.2	-0.4	14.9	-13.5	n.a.	n.a.
vs MSCI Europe Micro Cap	6.5	-2.1	19.2	-8.9	n.a.	n.a.
<b>vs Sector</b>						
vs Stoxx Europe 600 Industrial Goods & Services	6.8	2.0	4.3	-13.9	n.a.	n.a.

(1) Constituents on page 10





## Free Cash Flow (I)

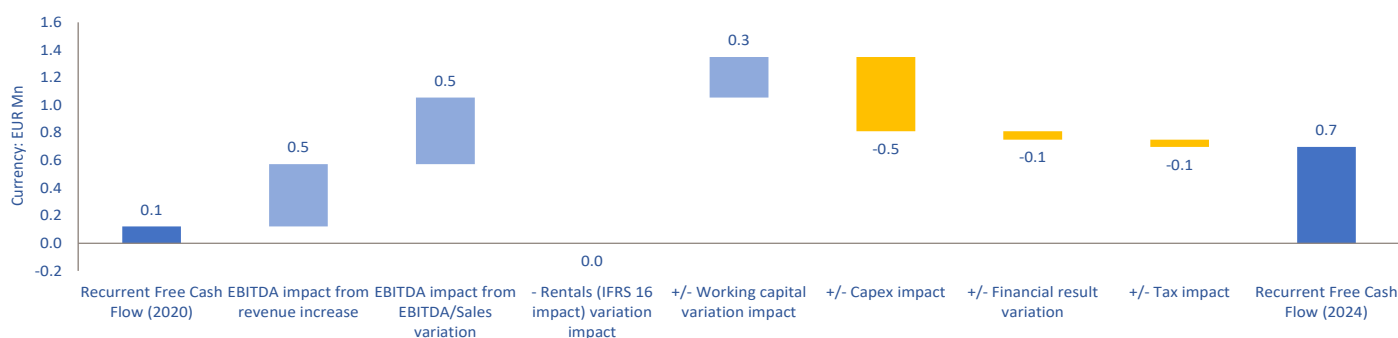
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
A) Cash Flow Analysis (EUR Mn)								21-24	24-27e
<b>Recurrent EBITDA</b>	<b>0.6</b>	<b>1.8</b>	<b>1.8</b>	<b>1.6</b>	<b>1.7</b>	<b>2.1</b>	<b>2.6</b>	<b>35.6%</b>	<b>18.2%</b>
Recurrent EBITDA growth	-3.7%	176.9%	4.1%	-13.5%	6.7%	25.9%	22.8%		
Rec. EBITDA/Revenues	7.0%	13.0%	13.2%	11.1%	11.2%	13.0%	14.7%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.2)	0.5	(0.1)	0.5	(0.3)	(0.2)	(0.3)		
<b>= Recurrent Operating Cash Flow</b>	<b>(0.6)</b>	<b>2.3</b>	<b>1.7</b>	<b>2.1</b>	<b>1.4</b>	<b>1.9</b>	<b>2.4</b>	<b>76.1%</b>	<b>4.9%</b>
Rec. Operating Cash Flow growth	-171.7%	485.8%	-25.5%	20.4%	-33.2%	38.7%	24.7%		
Rec. Operating Cash Flow / Sales	n.a.	16.8%	12.2%	14.3%	9.0%	11.5%	13.2%		
- CAPEX	(0.5)	(0.3)	(0.9)	(1.1)	(0.4)	(0.5)	(0.6)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.1)	(0.2)	(0.2)	(0.1)	0.0	0.0		
- Taxes	-	-	(0.2)	(0.1)	(0.1)	(0.2)	(0.3)		
<b>= Recurrent Free Cash Flow</b>	<b>(1.2)</b>	<b>1.9</b>	<b>0.4</b>	<b>0.7</b>	<b>0.8</b>	<b>1.2</b>	<b>1.6</b>	<b>36.9%</b>	<b>30.9%</b>
Rec. Free Cash Flow growth	n.a.	254.8%	-78.5%	69.9%	13.3%	55.6%	27.2%		
Rec. Free Cash Flow / Revenues	n.a.	14.0%	2.9%	4.9%	5.2%	7.4%	8.7%		
- Restructuring expenses & others	-	-	(0.2)	-	(0.2)	-	-		
- Acquisitions / + Divestments	0.7	0.1	(0.3)	0.3	(1.1)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(0.0)	(0.2)	-	-		
<b>= Free Cash Flow</b>	<b>(0.5)</b>	<b>2.0</b>	<b>(0.1)</b>	<b>1.0</b>	<b>(0.7)</b>	<b>1.2</b>	<b>1.6</b>	<b>58.8%</b>	<b>16.8%</b>
Free Cash Flow growth	-426.2%	516.5%	-103.4%	n.a.	-172.3%	273.5%	27.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	18.6%	4.0%	6.8%	7.7%	12.0%	15.3%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	19.9%	n.a.	9.6%	n.a.	12.0%	15.3%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent FCF(FY - 1)</b>	<b>0.1</b>	<b>(1.2)</b>	<b>1.9</b>	<b>0.4</b>	<b>0.7</b>	<b>0.8</b>	<b>1.2</b>		
EBITDA impact from revenue increase	0.0	0.3	0.0	0.0	0.1	0.1	0.2		
EBITDA impact from EBITDA/Sales variation	(0.1)	0.8	0.0	(0.3)	0.0	0.3	0.3		
<b>= Recurrent EBITDA variation</b>	<b>(0.0)</b>	<b>1.1</b>	<b>0.1</b>	<b>(0.2)</b>	<b>0.1</b>	<b>0.4</b>	<b>0.5</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(1.4)	1.8	(0.7)	0.6	(0.8)	0.1	(0.0)		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(1.4)</b>	<b>2.9</b>	<b>(0.6)</b>	<b>0.3</b>	<b>(0.7)</b>	<b>0.5</b>	<b>0.5</b>		
+/- CAPEX impact	0.0	0.3	(0.6)	(0.2)	0.7	(0.1)	(0.1)		
+/- Financial result variation	(0.0)	(0.0)	(0.1)	0.0	0.1	0.1	0.0		
+/- Tax impact	0.1	-	(0.2)	0.1	0.0	(0.1)	(0.1)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(1.4)</b>	<b>3.1</b>	<b>(1.5)</b>	<b>0.3</b>	<b>0.1</b>	<b>0.4</b>	<b>0.3</b>		
<b>Recurrent Free Cash Flow</b>	<b>(1.2)</b>	<b>1.9</b>	<b>0.4</b>	<b>0.7</b>	<b>0.8</b>	<b>1.2</b>	<b>1.6</b>		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>0.2</b>	<b>1.3</b>	<b>1.2</b>	<b>1.0</b>	<b>0.9</b>	<b>1.5</b>	<b>2.0</b>	<b>71.8%</b>	<b>23.9%</b>
* Theoretical Tax rate	26.1%	18.7%	12.3%	6.5%	13.0%	13.0%	13.0%		
= Taxes (pre- Net Financial Result)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)		
<b>Recurrent EBITDA</b>	<b>0.6</b>	<b>1.8</b>	<b>1.8</b>	<b>1.6</b>	<b>1.7</b>	<b>2.1</b>	<b>2.6</b>	<b>35.6%</b>	<b>18.2%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(1.2)	0.5	(0.1)	0.5	(0.3)	(0.2)	(0.3)		
<b>= Recurrent Operating Cash Flow</b>	<b>(0.6)</b>	<b>2.3</b>	<b>1.7</b>	<b>2.1</b>	<b>1.4</b>	<b>1.9</b>	<b>2.4</b>	<b>76.1%</b>	<b>4.9%</b>
- CAPEX	(0.5)	(0.3)	(0.9)	(1.1)	(0.4)	(0.5)	(0.6)		
- Taxes (pre- Financial Result)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(1.2)</b>	<b>1.8</b>	<b>0.7</b>	<b>0.9</b>	<b>0.8</b>	<b>1.2</b>	<b>1.5</b>	<b>40.6%</b>	<b>19.2%</b>
Rec. Free Cash Flow (To the Firm) growth	-666.4%	254.7%	-62.1%	33.0%	-7.9%	45.2%	26.7%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	13.2%	4.9%	6.3%	5.5%	7.3%	8.6%		
- Acquisitions / + Divestments	0.7	0.1	(0.3)	0.3	(1.1)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(0.0)	(0.2)	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(0.4)</b>	<b>1.9</b>	<b>0.4</b>	<b>1.2</b>	<b>(0.5)</b>	<b>1.2</b>	<b>1.5</b>	<b>69.0%</b>	<b>8.9%</b>
Free Cash Flow (To the Firm) growth	-280.3%	557.8%	-79.5%	200.7%	-138.7%	363.2%	26.7%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	14.2%	5.4%	7.1%	6.6%	9.5%	12.1%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	15.2%	3.1%	9.4%	n.a.	9.5%	12.1%		



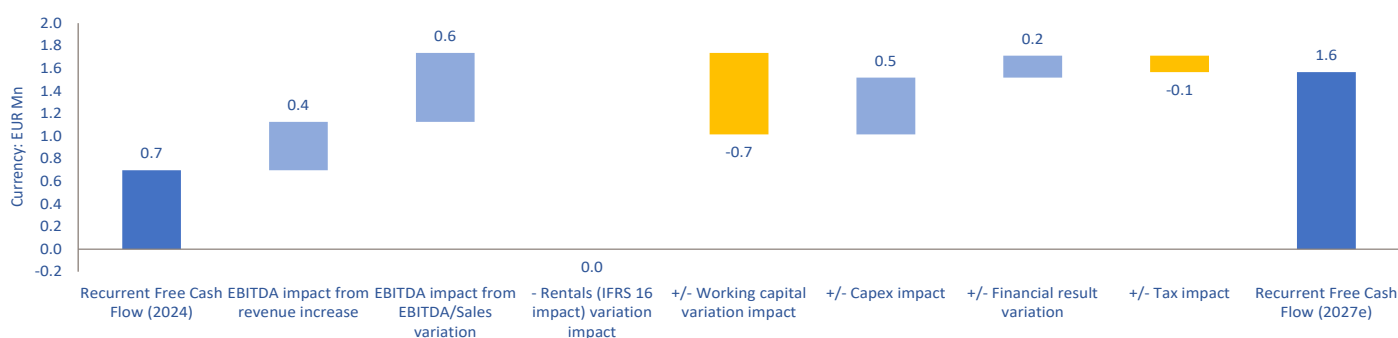


## Free Cash Flow (II)

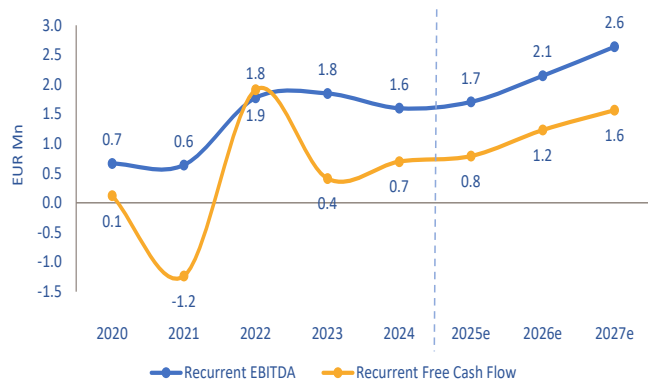
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



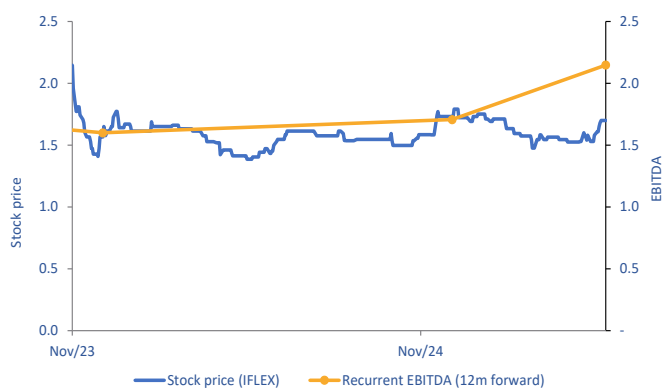
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(0.5)	1.2	1.5	20.9		
Market Cap	10.3	At the date of this report				
Net financial debt	2.9	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.5%	Net debt cost			4.2%	4.7%
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)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	78.2%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	21.8%	D			=	=
WACC	8.8%	$WACC = K_d * D + K_e * E$			7.9%	9.9%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	10.3	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.0	12m Results 2024
+ Net financial debt	2.9	12m Results 2024
- Financial Investments	0.4	12m Results 2024
+/- Others		
Enterprise Value (EV)	12.7	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.2%	2.2%	15.1%	16.0%	14.1%
	2024	2027e			
ROCE - WACC	5.3%	11.7%			
FCF Yield - WACC	-1.7%	3.3%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	14.3%	2.4	5.4x
Central	13.0%	2.1	5.9x
Min	11.7%	1.9	6.6x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	2.7%	3.0%	3.3%		Scenario		
2.4	1.5	1.4	1.4	➔	Max	14.6%	14.1%
2.1	1.3	1.2	1.2		Central	12.5%	12.0%
1.9	1.1	1.0	1.0		Min	10.4%	9.9%
							9.4%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	44.4%	44.4%	25.0%
% of proprietary board members	11.1%	11.1%	50.0%
% of executive board members	44.4%	44.4%	25.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	11.1%	11.1%	12.5%
% of women out of total workforce	31.7%	33.3%	30.2%
Board remuneration/staff cost	0.0%	1.9%	1.6%



## Main peers 2025e

	EUR Mn	Packaging			Average	IFLEX
		Amcor	Huhtamaki	Mondi		
Market data	Ticker (Factset)	AMCR-US	HUH1V-FI	MNDI-GB		IFLEX-ES
	Country	UK	Finland	UK		Spain
	Market cap	18,391.0	3,413.8	6,134.2		10.3
	Enterprise value (EV)	24,613.3	4,694.3	8,276.4		12.7
Basic financial information	Total Revenues	12,716.8	4,166.3	7,983.5		15.3
	Total Revenues growth	8.0%	1.0%	8.3%	5.8%	6.3%
	2y CAGR (2025e - 2027e)	24.4%	4.0%	5.8%	11.4%	8.5%
	EBITDA	1,871.6	635.8	1,225.5		1.5
	EBITDA growth	12.1%	7.0%	17.6%	12.2%	-4.2%
	2y CAGR (2025e - 2027e)	31.6%	4.8%	11.9%	16.1%	32.3%
	EBITDA/Revenues	14.7%	15.3%	15.4%	15.1%	9.9%
	EBIT	1,493.8	418.2	743.3		0.9
	EBIT growth	28.4%	12.7%	23.5%	21.5%	-15.0%
	2y CAGR (2025e - 2027e)	30.4%	5.6%	17.3%	17.8%	49.6%
	EBIT/Revenues	11.7%	10.0%	9.3%	10.4%	5.8%
	Net Profit	965.4	257.5	477.0		0.7
	Net Profit growth	53.2%	14.9%	120.2%	62.8%	-15.1%
	2y CAGR (2025e - 2027e)	27.3%	8.3%	18.8%	18.1%	55.5%
	CAPEX/Sales %	4.0%	5.9%	10.1%	6.6%	2.8%
	Free Cash Flow	763.0	219.3	102.5		(0.7)
Multiples and Ratios	Net financial debt	9,059.9	1,168.2	2,541.2		(1.2)
	ND/EBITDA (x)	4.8	1.8	2.1	2.9	(0.7)
	Pay-out	65.7%	47.1%	63.9%	58.9%	50.0%
	P/E (x)	12.7	12.4	13.1	12.7	19.1
	P/BV (x)	2.1	1.5	1.2	1.6	1.0
	EV/Revenues (x)	1.9	1.1	1.0	1.4	0.8
	EV/EBITDA (x)	13.2	7.4	6.8	9.1	7.5
	EV/EBIT (x)	16.5	11.2	11.1	12.9	14.5
	ROE	16.6	12.2	9.3	12.7	10.2
	FCF Yield (%)	4.1	6.4	1.7	4.1	7.7
	DPS	0.44	1.16	0.69	0.76	0.04
	Dvd Yield	5.5%	3.7%	4.9%	4.7%	2.6%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

**Inmobiliaria del Sur (ISUR)**, is a property company with headquarters in Seville and a presence in Andalusia and Madrid, whose business model combines a development activity (residential and tertiary) with a property management business, that has a portfolio of rental assets (mainly offices), both activities having a significant weighting in terms of GAV. The board directly and indirectly controls c. 71,5% of capital.

## Market Data

Market Cap (Mn EUR and USD)	224.0	257.2
EV (Mn EUR and USD)	446.5	512.7
Shares Outstanding (Mn)	18.7	
-12m (Max/Med/Mín EUR)	12.00 / 9.32 / 7.95	
Daily Avg volume (-12m Mn EUR)	0.03	
Rotation <sup>(1)</sup>	3.3	
Factset / Bloomberg	ISUR-ES / ISUR SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

Consejo de Administración	71.5
Autocartera	1.5
Free Float	27.0

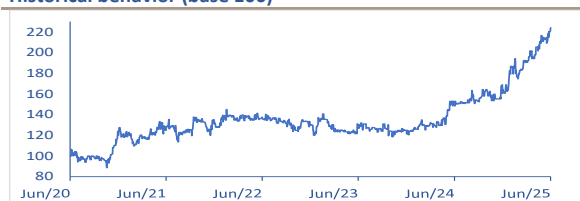
## Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	18.4	18.7	18.7	18.7
Total Revenues	185.8	301.3	234.6	276.6
Rec. EBITDA	33.0	58.7	41.0	53.5
% growth	48.1	77.5	-30.0	30.3
% Rec. EBITDA/Rev.	17.8	19.5	17.5	19.3
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	21.0	36.5	23.0	32.5
EPS (EUR)	1.14	1.95	1.23	1.74
% growth	86.8	71.0	-36.9	41.2
Ord. EPS (EUR)	0.88	1.95	1.23	1.74
% growth	147.3	122.5	-36.9	41.2
Rec. Free Cash Flow	38.3	22.7	1.9	21.8
Pay-out (%)	47.9	48.0	48.0	48.0
DPS (EUR)	0.55	0.94	0.59	0.83
Net financial debt	202.0	189.6	205.2	194.5
ND/Rec. EBITDA (x)	6.1	3.2	5.0	3.6
ROE (%)	14.0	21.7	12.5	16.4
ROCE (%)	7.2	11.6	7.6	9.7

## Ratios & Multiples (x)

PER	10.5	6.1	9.7	6.9
Ord. P/E	13.7	6.1	9.7	6.9
P/BV	1.4	1.2	1.2	1.1
Dividend Yield (%)	4.6	7.8	4.9	7.0
EV/Sales	2.40	1.48	1.90	1.61
EV/Rec. EBITDA	13.5	7.6	10.9	8.4
EV/EBIT	12.5	8.0	11.7	8.8
FCF Yield (%)	17.1	10.1	0.8	9.7

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	4.3	17.6	50.9	124.1

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

(2) Sector: Stoxx Europe 600 Real State.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q25 results: the first step in a significant scale-up.** During 1Q25, ISUR sold 200 homes, marking a +111% increase compared to 1Q24. The company closed 1Q25 with consolidated revenue of EUR 30.0Mn (-17% vs. 1Q24). This was due to a reduction in home deliveries, which is expected to be offset in upcoming quarters, and a product mix with a lower average price. The rental property business recorded a 7.3% increase in revenue to EUR 4.8Mn, with an occupancy rate of 94.1% (+5.4 p.p. vs. 1Q24 and +0.6 p.p. vs. December 2024), representing an all-time high.

**2025e should be a historic year for ISUR.** We estimate ISUR will deliver 700 homes (a historic high) and generate revenue of EUR 301 Mn (+62% vs. 2024), along with an EBITDA of EUR 58.7Mn (+77.5% vs. 2024; approx. 3x 2023 EBITDA).

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**The pre-sales pipeline is the primary argument, offering visibility for the scale-up.** At historic highs and providing significant visibility, the pre-sales pipeline amounts to 1,050 homes (EUR 335Mn). This represents a coverage ratio for the company's estimated deliveries of 91.6% for 2025e and 44% for 2026e. Units under construction and pending delivery stand at 1,029 homes.

**Combination of development and rental property businesses.** 48% of ISUR's GAV (Gross Asset Value) corresponds to the development business (residential and commercial), while 52% corresponds to the rental property business (primarily offices). This hybrid model helps reduce development risk (more cyclical) with the greater recurrence and visibility of the rental property portfolio. The rental property portfolio maintains a high occupancy rate (94%) and provides strong recurrence.

**Activity in Andalusia (Seville and Costa del Sol) and Madrid,** in cities with high population growth forecasts for the coming years. ISUR has a land bank for the construction of over 3,800 homes (27.6% sold).

**Development and construction business driven by JVs.** ISUR has increased its development and construction activity thanks to strategic Joint Ventures (JVs). This strategy allows the company to undertake a larger number of projects while mitigating development risk.

**With commercial development.** ISUR has three commercial projects under development for the next two years: two buildings in Malaga with delivery in 2025-2026 and an office building in Madrid for own use (2026). Additionally, there are three projects (in initial phase) with expected delivery beyond 2027.

**Return to "normalcy."** After the peak in 2025e due to increased development activity, ISUR should return to its usual delivery levels, with 415 deliveries in 2026 and 500 in 2027.

## RISKS: WHAT TO KEEP AN EYE ON?

**High level of indebtedness.** Net Debt at the end of 1Q25 (EUR 219Mn) implies a loan-to-value (LTV) of 35.5%, which is at the higher end of the sector's range. As deliveries materialize, we expect a reduction in the debt level.

**Delivery delays.** Any delays in construction, deed signing, or home deliveries could reduce the year's results and impact the dividend.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**2025: very strong business momentum.** The acceleration of commercial activity in 1Q25 confirms that ISUR's business momentum is very favorable. The realization of deliveries in the coming quarters remains the main catalyst for the business. ISUR closed 1Q25 with a NAV (Net Asset Value) of EUR 398Mn (flat compared to December 2024), leaving the NAV/share at EUR 21.1 (approx. 1.8x the current stock price). The solid fundamentals in terms of an all-time high pre-sales pipeline, along with the improvement in rental portfolio occupancy, confirm the gradual reduction of the company's risk premium associated with execution risk. Despite the stock's excellent -12m performance (+50.9%), the momentum and the significant discount to NAV (approx. 44%) indicate that outperformance could continue.

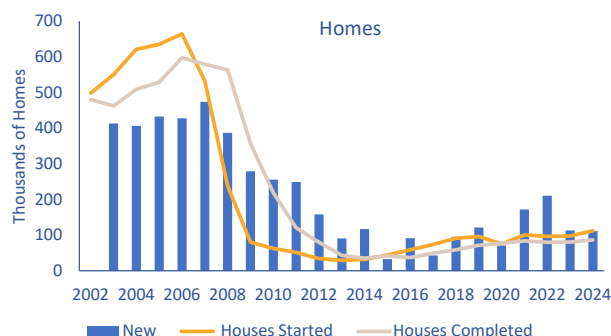
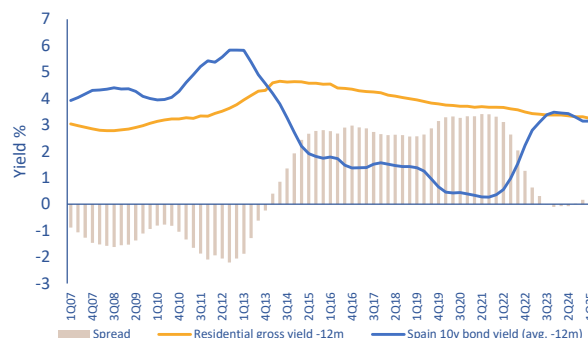
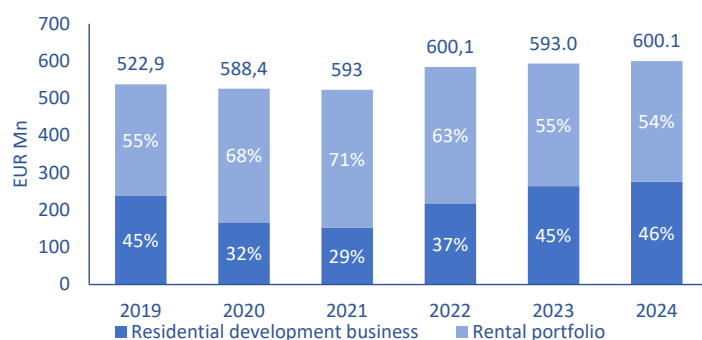
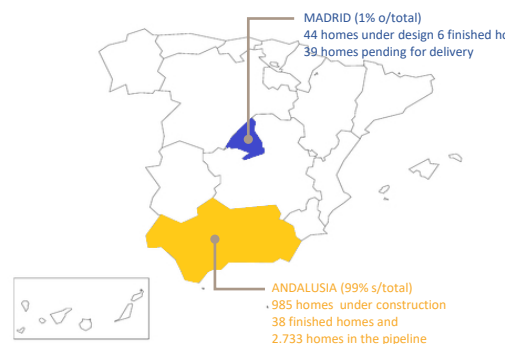
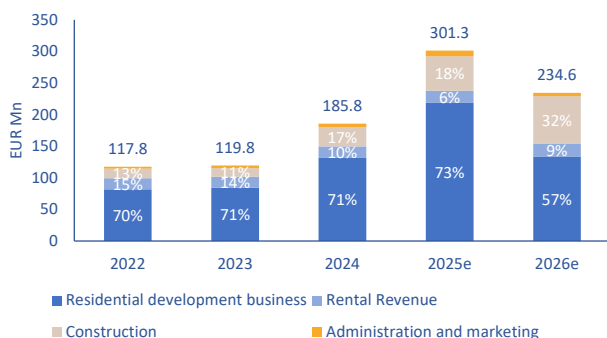
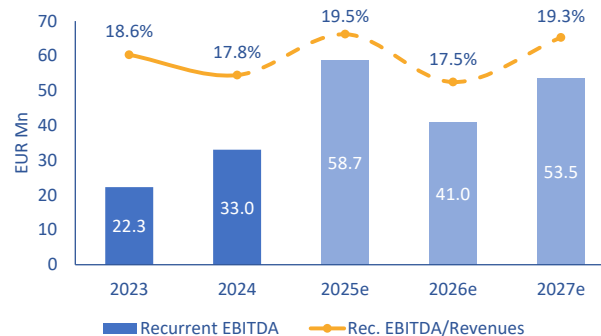
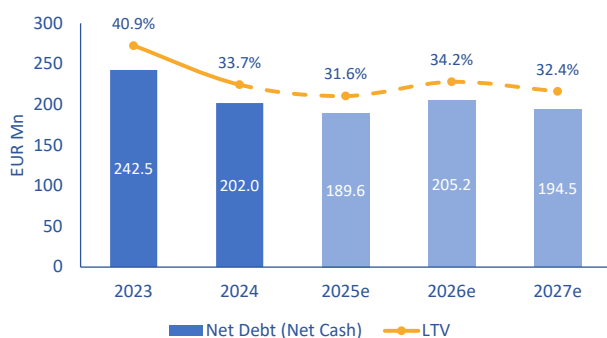
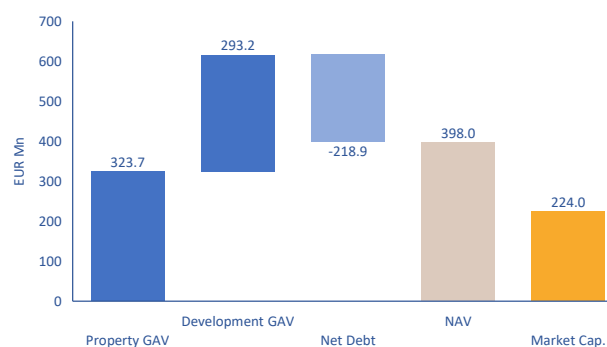


## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	-	-	-	-	-	-	-	-		
Fixed assets	216.0	216.9	216.2	206.6	195.6	193.1	190.5	188.0		
Other Non Current Assets	-	-	-	-	-	-	-	-		
Financial Investments	1.2	0.5	0.3	-	-	-	-	-		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	196.9	185.2	250.1	285.2	288.2	309.0	327.9	353.8		
<b>Total assets</b>	<b>414.1</b>	<b>402.6</b>	<b>466.6</b>	<b>491.8</b>	<b>483.8</b>	<b>502.1</b>	<b>518.4</b>	<b>541.8</b>		
Equity	122.3	128.3	137.3	145.7	155.1	181.3	186.8	208.2		
Minority Interests	3.2	3.2	3.1	3.2	3.2	3.2	3.2	3.2		
Provisions & Other L/T Liabilities	-	-	-	-	-	-	-	-		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	208.9	198.0	239.9	242.5	202.0	189.6	205.2	194.5		
Current Liabilities	79.7	73.1	86.3	100.4	123.5	128.0	123.2	135.9		
<b>Equity &amp; Total Liabilities</b>	<b>414.1</b>	<b>402.6</b>	<b>466.6</b>	<b>491.8</b>	<b>483.8</b>	<b>502.1</b>	<b>518.4</b>	<b>541.8</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>132.7</b>	<b>125.2</b>	<b>117.8</b>	<b>119.8</b>	<b>185.8</b>	<b>301.3</b>	<b>234.6</b>	<b>276.6</b>	<b>14.1%</b>	<b>14.2%</b>
Total Revenues growth	8.1%	-5.7%	-5.9%	1.7%	55.1%	62.2%	-22.2%	17.9%		
COGS	(73.2)	(63.8)	(64.3)	(66.1)	(103.8)	(170.6)	(103.2)	(117.9)		
<b>Gross Margin</b>	<b>59.6</b>	<b>61.3</b>	<b>53.5</b>	<b>53.7</b>	<b>82.0</b>	<b>130.7</b>	<b>131.3</b>	<b>158.7</b>	<b>10.1%</b>	<b>24.6%</b>
Gross Margin/Revenues	44.9%	49.0%	45.4%	44.8%	44.1%	43.4%	56.0%	57.4%		
Personnel Expenses	(9.0)	(9.1)	(11.1)	(12.6)	(13.6)	(14.7)	(15.2)	(15.8)		
Other Operating Expenses	(26.0)	(29.8)	(21.5)	(18.8)	(35.4)	(57.4)	(75.1)	(89.4)		
<b>Recurrent EBITDA</b>	<b>24.5</b>	<b>22.5</b>	<b>20.9</b>	<b>22.3</b>	<b>33.0</b>	<b>58.7</b>	<b>41.0</b>	<b>53.5</b>	<b>13.7%</b>	<b>17.4%</b>
Recurrent EBITDA growth	9.5%	-8.5%	-7.0%	6.9%	48.1%	77.5%	-30.0%	30.3%		
Rec. EBITDA/Revenues	18.5%	17.9%	17.7%	18.6%	17.8%	19.5%	17.5%	19.3%		
Restructuring Expense & Other non-rec.	(5.1)	-	-	-	-	-	-	-		
<b>EBITDA</b>	<b>19.4</b>	<b>22.5</b>	<b>20.9</b>	<b>22.3</b>	<b>33.0</b>	<b>58.7</b>	<b>41.0</b>	<b>53.5</b>	<b>13.7%</b>	<b>17.4%</b>
Depreciation & Provisions	(6.3)	(4.3)	(4.2)	(4.6)	(3.8)	(2.9)	(2.9)	(2.8)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Income from the sale of property investments	0.3	3.8	2.2	6.1	6.4	-	-	-		
<b>EBIT</b>	<b>13.3</b>	<b>21.9</b>	<b>18.8</b>	<b>23.8</b>	<b>35.6</b>	<b>55.7</b>	<b>38.2</b>	<b>50.6</b>	<b>17.6%</b>	<b>12.4%</b>
EBIT growth	-44.4%	64.2%	-14.2%	26.5%	49.7%	56.5%	-31.5%	32.7%		
EBIT/Revenues	10.1%	17.5%	16.0%	19.9%	19.2%	18.5%	16.3%	18.3%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(5.9)	(5.6)	(5.2)	(9.1)	(8.1)	(8.0)	(8.1)	(8.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>7.4</b>	<b>16.4</b>	<b>13.6</b>	<b>14.7</b>	<b>27.5</b>	<b>47.7</b>	<b>30.1</b>	<b>42.5</b>	<b>18.9%</b>	<b>15.6%</b>
Ordinary Profit Growth	-57.4%	120.1%	-16.9%	7.8%	87.8%	73.3%	-36.9%	41.2%		
Extraordinary Results	21.9	-	6.4	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>29.4</b>	<b>16.4</b>	<b>20.0</b>	<b>14.7</b>	<b>27.5</b>	<b>47.7</b>	<b>30.1</b>	<b>42.5</b>	<b>18.9%</b>	<b>15.6%</b>
Tax Expense	(8.3)	(4.3)	(4.9)	(3.2)	(6.5)	(11.2)	(7.1)	(10.0)		
Effective Tax Rate	28.2%	26.0%	24.4%	21.8%	23.5%	23.5%	23.5%	23.5%		
Minority Interests	(0.0)	(0.1)	(0.1)	(0.2)	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>21.1</b>	<b>12.0</b>	<b>15.0</b>	<b>11.3</b>	<b>21.0</b>	<b>36.5</b>	<b>23.0</b>	<b>32.5</b>	<b>20.5%</b>	<b>15.6%</b>
Net Profit growth	136.4%	-43.0%	25.0%	-24.8%	86.1%	73.3%	-36.9%	41.2%		
<b>Ordinary Net Profit</b>	<b>9.0</b>	<b>9.2</b>	<b>8.6</b>	<b>6.6</b>	<b>16.2</b>	<b>36.5</b>	<b>23.0</b>	<b>32.5</b>	<b>20.5%</b>	<b>26.2%</b>
Ordinary Net Profit growth	-26.6%	2.9%	-7.4%	-23.3%	146.5%	125.5%	-36.9%	41.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>58.7</b>	<b>41.0</b>	<b>53.5</b>	<b>13.7%</b>	<b>17.4%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(16.3)	(23.7)	(13.2)		
<b>Recurrent Operating Cash Flow</b>						<b>42.4</b>	<b>17.3</b>	<b>40.3</b>	<b>24.5%</b>	<b>-8.8%</b>
CAPEX						(0.4)	(0.3)	(0.4)		
Net Financial Result affecting the Cash Flow						(8.0)	(8.1)	(8.2)		
Tax Expense						(11.2)	(7.1)	(10.0)		
<b>Recurrent Free Cash Flow</b>						<b>22.7</b>	<b>1.9</b>	<b>21.8</b>	<b>43.9%</b>	<b>-17.2%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>22.7</b>	<b>1.9</b>	<b>21.8</b>	<b>53.9%</b>	<b>-25.2%</b>
Capital Increase						-	-	-		
Dividends						(10.3)	(17.5)	(11.0)		
<b>Net Debt Variation</b>						<b>(12.4)</b>	<b>15.6</b>	<b>(10.8)</b>		



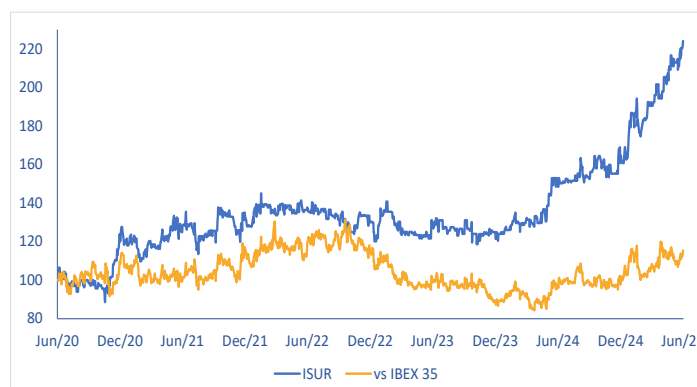
## The company in 8 charts

**Supply-demand imbalance: a long-term growth driver for the Spanish residential sector****Although the macro and interest rates fall, impact positively the residential sector in the short term****ISUR: A unique property company, combining development and management businesses (both with significant weighting in GAV)****With a land bank for building +3,800 homes (50% in marketing), maintaining unique exposure in Andalusia****2025e should see a company with revenue of EUR 301Mn...****... and EBITDA of c. EUR 59Mn (+17% CAGR 24-27e)****Despite the rebound in investment, leverage will remain reasonable (LTV c. 32%)****Trading at a discount of 44% vs the NAV**

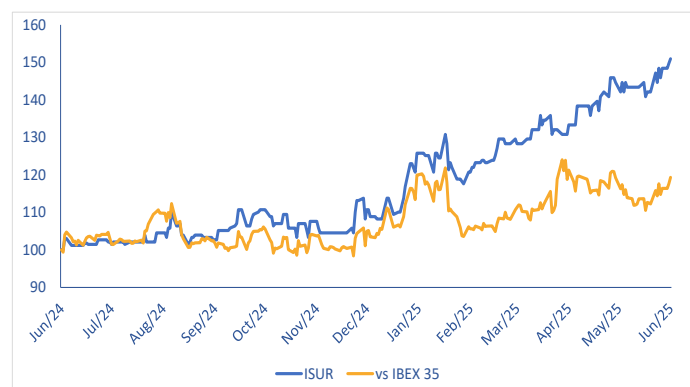


## Evolution of the share price

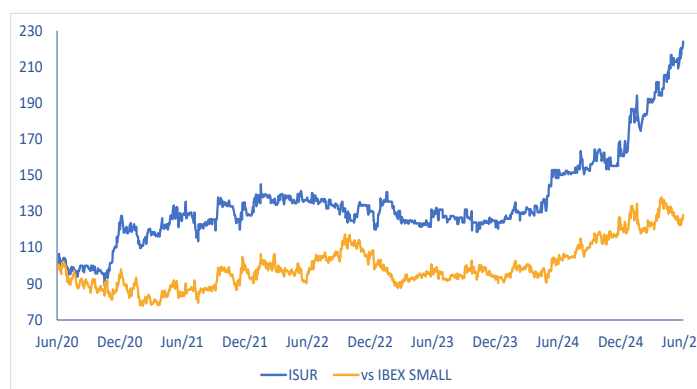
Historical behavior vs Ibex 35 (base 100)



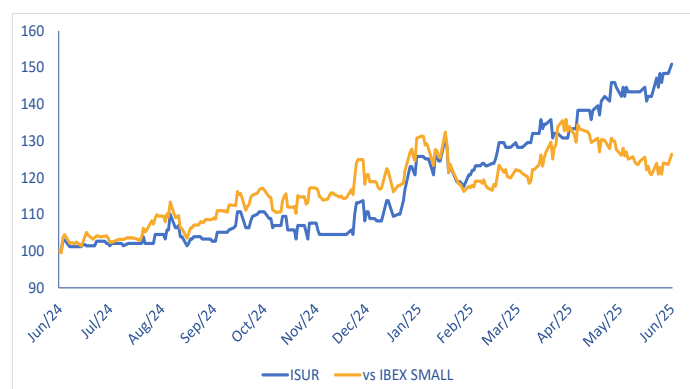
Behavior -1y vs Ibex 35 (base 100)



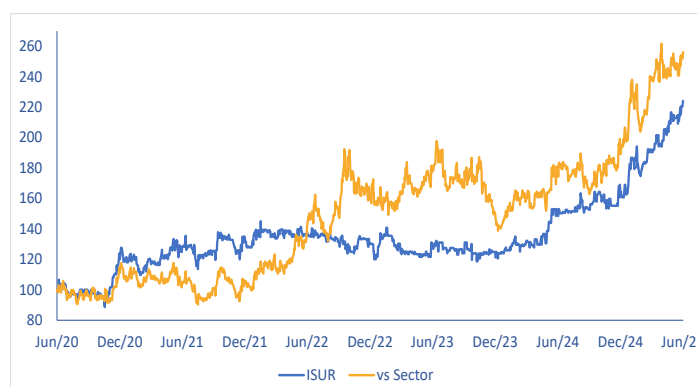
Historical behavior vs Ibex Small Cap (base 100)



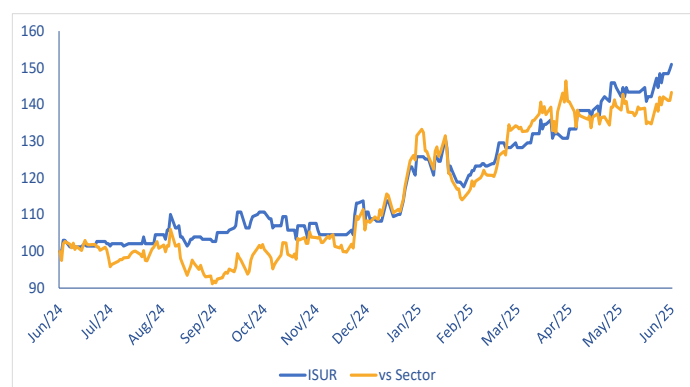
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	4.3	17.6	50.9	37.1	62.8	124.1
vs Market						
vs Ibex 35	0.1	7.2	19.3	12.5	-3.4	15.4
vs Euro STOXX 50	2.7	15.8	38.9	24.5	8.6	30.6
vs Small Cap References						
vs Ibex Small Cap Index	-1.0	3.6	26.4	7.2	34.9	28.2
vs Micro Cap Spain Segment <sup>(1)</sup>	-0.6	9.8	43.3	20.8	57.6	50.7
vs MSCI Europe Micro Cap	-0.3	7.9	48.7	27.3	73.5	75.7
vs Sector						
vs Stoxx Europe 600 Real State	2.7	7.0	43.3	29.2	80.6	156.1

(1) Constituents on page 10





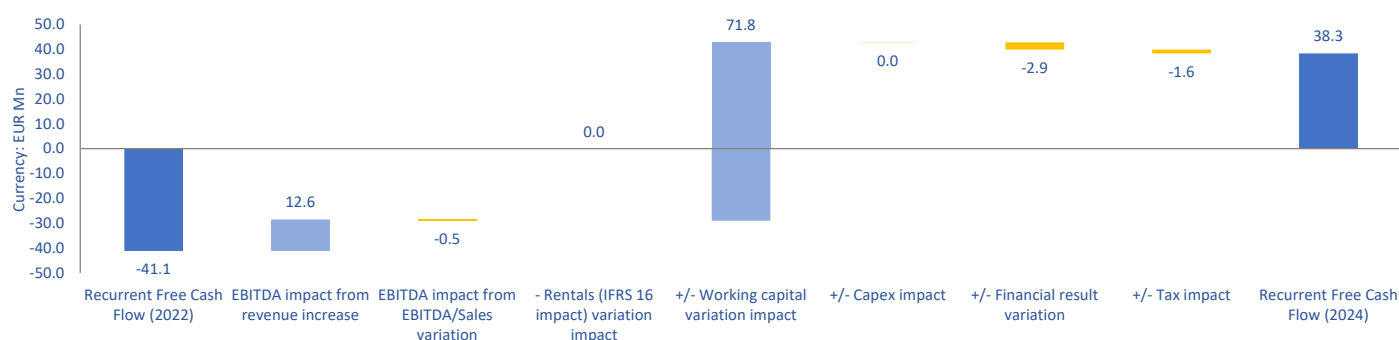
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	22-24	24-27e
Recurrent EBITDA	22.5	20.9	22.3	33.0	58.7	41.0	53.5	25.8%	17.4%
Recurrent EBITDA growth	-8.5%	-7.0%	6.9%	48.1%	77.5%	-30.0%	30.3%		
Rec. EBITDA/Revenues	17.9%	17.7%	18.6%	17.8%	19.5%	17.5%	19.3%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	5.1	(51.7)	(21.0)	20.1	(16.3)	(23.7)	(13.2)		
= Recurrent Operating Cash Flow	27.6	(30.8)	1.3	53.1	42.4	17.3	40.3	93.0%	-8.8%
Rec. Operating Cash Flow growth	-55.9%	-211.9%	104.2%	n.a.	-20.3%	-59.1%	132.6%		
Rec. Operating Cash Flow / Sales	22.0%	n.a.	1.1%	28.6%	14.1%	7.4%	14.6%		
- CAPEX	(4.9)	(0.2)	(0.2)	(0.2)	(0.4)	(0.3)	(0.4)		
- Net Financial Result affecting Cash Flow	(5.6)	(5.2)	(9.1)	(8.1)	(8.0)	(8.1)	(8.2)		
- Taxes	(4.3)	(4.9)	(3.2)	(6.5)	(11.2)	(7.1)	(10.0)		
= Recurrent Free Cash Flow	12.9	(41.1)	(11.2)	38.3	22.7	1.9	21.8	71.2%	-17.2%
Rec. Free Cash Flow growth	-69.6%	-419.6%	72.8%	442.6%	-40.8%	-91.8%	n.a.		
Rec. Free Cash Flow / Revenues	10.3%	n.a.	n.a.	20.6%	7.5%	0.8%	7.9%		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	4.0	5.4	11.4	13.8	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(2.6)	(0.5)	(0.5)	-	-	-	-		
= Free Cash Flow	14.3	(36.3)	(0.3)	52.1	22.7	1.9	21.8	85.4%	-25.2%
Free Cash Flow growth	303.2%	-353.8%	99.1%	n.a.	-56.5%	-91.8%	n.a.		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	5.7%	n.a.	n.a.	17.1%	10.1%	0.8%	9.7%		
Free Cash Flow Yield (s/Mkt Cap)	6.4%	n.a.	n.a.	23.3%	10.1%	0.8%	9.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	42.3	12.9	(41.1)	(11.2)	38.3	22.7	1.9		
EBITDA impact from revenue increase	(1.4)	(1.3)	0.4	12.3	20.6	(13.0)	7.4		
EBITDA impact from EBITDA/Sales variation	(0.7)	(0.3)	1.1	(1.6)	5.1	(4.6)	5.1		
= Recurrent EBITDA variation	(2.1)	(1.6)	1.4	10.7	25.6	(17.6)	12.4		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(32.8)	(56.8)	30.7	41.1	(36.4)	(7.4)	10.6		
= Recurrent Operating Cash Flow variation	(34.9)	(58.4)	32.1	51.8	(10.8)	(25.0)	23.0		
+/- CAPEX impact	1.1	4.7	0.1	(0.1)	(0.1)	0.1	(0.1)		
+/- Financial result variation	0.4	0.3	(3.9)	1.0	0.1	(0.0)	(0.1)		
+/- Tax impact	4.0	(0.6)	1.7	(3.3)	(4.8)	4.1	(2.9)		
= Recurrent Free Cash Flow variation	(29.4)	(54.0)	29.9	49.5	(15.6)	(20.8)	19.9		
Recurrent Free Cash Flow	12.9	(41.1)	(11.2)	38.3	22.7	1.9	21.8		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	21.9	18.8	23.8	35.6	55.7	38.2	50.6	37.6%	12.4%
* Theoretical Tax rate	26.0%	24.4%	21.8%	23.5%	23.5%	23.5%	23.5%		
= Taxes (pre- Net Financial Result)	(5.7)	(4.6)	(5.2)	(8.4)	(13.1)	(9.0)	(11.9)		
Recurrent EBITDA	22.5	20.9	22.3	33.0	58.7	41.0	53.5	25.8%	17.4%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	5.1	(51.7)	(21.0)	20.1	(16.3)	(23.7)	(13.2)		
= Recurrent Operating Cash Flow	27.6	(30.8)	1.3	53.1	42.4	17.3	40.3	93.0%	-8.8%
- CAPEX	(4.9)	(0.2)	(0.2)	(0.2)	(0.4)	(0.3)	(0.4)		
- Taxes (pre- Financial Result)	(5.7)	(4.6)	(5.2)	(8.4)	(13.1)	(9.0)	(11.9)		
= Recurrent Free Cash Flow (To the Firm)	17.0	(35.6)	(4.0)	44.5	28.8	8.0	28.0	80.3%	-14.3%
Rec. Free Cash Flow (To the Firm) growth	-67.8%	-309.9%	88.7%	n.a.	-35.2%	-72.1%	248.6%		
Rec. Free Cash Flow (To the Firm) / Revenues	13.6%	n.a.	n.a.	24.0%	9.6%	3.4%	10.1%		
- Acquisitions / + Divestments	4.0	5.4	11.4	13.8	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(2.6)	(0.5)	(0.5)	-	-	-	-		
= Free Cash Flow "To the Firm"	18.4	(30.8)	6.8	58.3	28.8	8.0	28.0	97.4%	-21.7%
Free Cash Flow (To the Firm) growth	441.6%	-267.3%	122.1%	756.5%	-50.6%	-72.1%	248.6%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	3.8%	n.a.	n.a.	10.0%	6.5%	1.8%	6.3%		
Free Cash Flow "To the Firm" - Yield (o/EV)	4.1%	n.a.	1.5%	13.1%	6.5%	1.8%	6.3%		

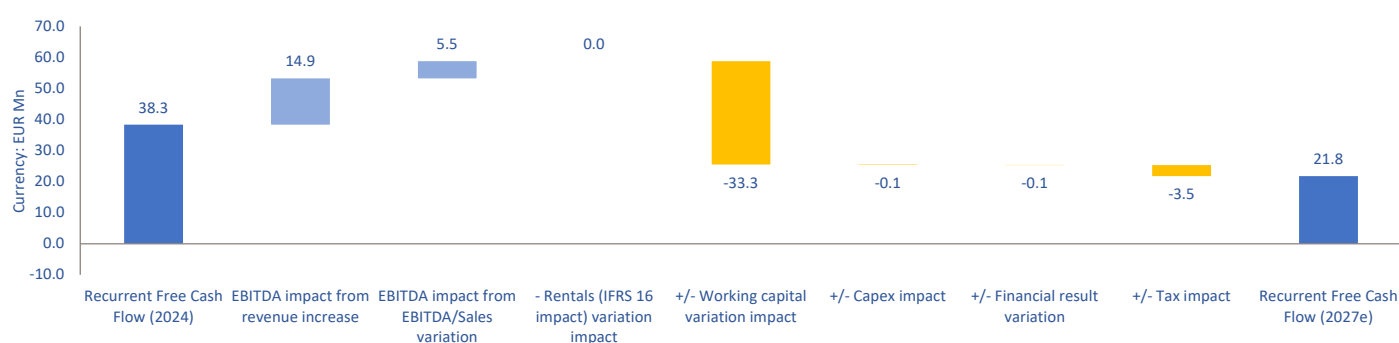


## Free Cash Flow (II)

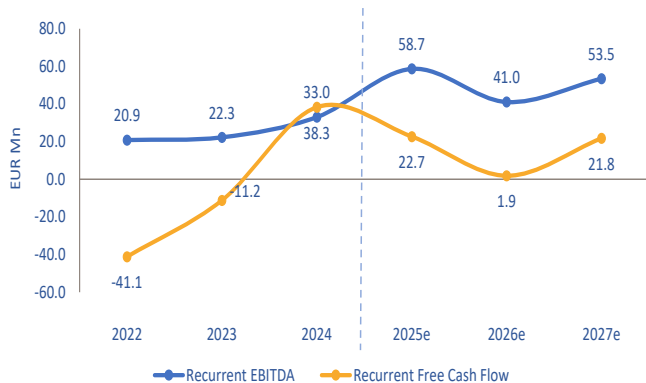
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



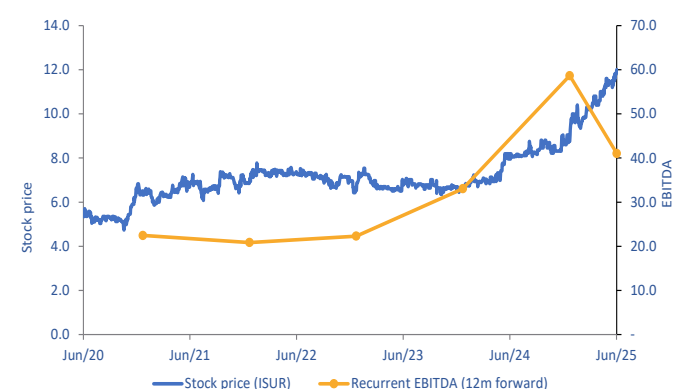
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	28.8	8.0	28.0	696.0		
Market Cap	224.0	At the date of this report				
Net financial debt	218.9	Debt net of Cash (3m Results 2025)				
					Best Case	Worst Case
Cost of Debt	3.7%	Net debt cost			3.5%	4.0%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			2.8%	3.2%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.2
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.9%
Equity / (Equity + Net Debt)	50.6%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	49.4%	D			=	=
WACC	6.4%	$WACC = K_d * D + K_e * E$			5.7%	7.1%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	224.0	
+ Minority Interests	3.6	3m Results 2025
+ Provisions & Other L/T Liabilities	-	3m Results 2025
+ Net financial debt	218.9	3m Results 2025
- Financial Investments	-	3m Results 2025
+/- Others		
<b>Enterprise Value (EV)</b>	<b>446.5</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.0%	4.9%	4.0%	4.8%	7.2%
	2022	2027e			
ROCE - WACC	0.9%	3.3%			
FCF Yield - WACC	3.6%	-0.1%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	19.2%	45.0	9.9x
Central	17.5%	41.0	10.9x
Min	15.8%	37.1	12.0x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario			Rec. FCF/Yield 26e
EBITDA 26e	0.1%	0.1%	0.1%		Max	Central	Min	
45.0	5.8	5.8	5.8		2.6%	2.6%	2.6%	
41.0	1.9	1.9	1.9		0.8%	0.8%	0.8%	
37.1	(2.1)	(2.1)	(2.1)		n.a.	n.a.	n.a.	

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	20.0%	20.0%	20.0%
% of proprietary board members	80.0%	80.0%	73.3%
% of executive board members	0.0%	0.0%	6.7%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	13.3%	13.3%	26.7%
% of women out of total workforce	32.0%	31.9%	31.3%
Board remuneration/staff costs	8.2%	7.1%	6.9%



## Main peers 2025e

	EUR Mn	Real estate				REITs				ISUR
		Metrovacesa	Aedas Homes	Neinor Homes	Average	Merlin Properties	Colonial	Cevasa	Average	
Market data	Ticker (Factset)	MVC-ES	AEDAS-ES	HOME-ES		MRL-ES	COL-ES	CEV-ES		ISUR-ES
	Country	Spain	Spain	Spain		Spain	Spain	Spain		Spain
	Market cap	1,615.4	1,217.0	1,045.1		6,077.0	3,895.8	177.9		224.0
	Enterprise value (EV)	1,821.2	1,403.5	1,191.5		9,698.8	9,313.8	347.1		446.5
Basic financial information	Total Revenues	707.8	1,047.2	664.5		548.0	413.1	25.6		301.3
	Total Revenues growth	7.2%	-9.4%	34.9%	10.9%	8.9%	-19.1%	11.6%	0.5%	62.2%
	2y CAGR (2025e - 2027e)	2.0%	3.4%	2.3%	2.5%	11.6%	6.9%	7.7%	8.7%	-4.2%
	EBITDA	91.7	164.9	114.1		406.6	337.4	18.0		58.7
	EBITDA growth	104.4%	-0.5%	75.8%	59.9%	8.5%	1.7%	-7.5%	0.9%	77.5%
	2y CAGR (2025e - 2027e)	4.6%	3.2%	1.7%	3.2%	11.5%	7.6%	9.3%	9.5%	-4.5%
	EBITDA/Revenues	13.0%	15.8%	17.2%	15.3%	74.2%	81.7%	70.3%	75.4%	19.5%
	EBIT	85.8	160.9	108.0		409.4	337.5	17.8		55.7
	EBIT growth	77.9%	0.2%	78.5%	52.2%	10.6%	4.0%	-50.1%	-11.8%	56.5%
	2y CAGR (2025e - 2027e)	4.5%	3.4%	2.2%	3.4%	13.1%	14.7%	9.4%	12.4%	-4.7%
	EBIT/Revenues	12.1%	15.4%	16.3%	14.6%	74.7%	81.7%	69.3%	75.2%	18.5%
	Net Profit	45.9	108.1	76.9		312.5	212.6	11.2		36.5
	Net Profit growth	189.1%	-27.8%	24.1%	61.8%	10.1%	-30.8%	-55.4%	-25.4%	73.3%
	2y CAGR (2025e - 2027e)	2.1%	3.4%	4.9%	3.5%	8.2%	6.9%	10.5%	8.5%	-5.6%
	CAPEX/Sales %	5.0%	16.8%	15.1%	12.3%	147.6%	35.6%	5.0%	62.7%	0.1%
	Free Cash Flow	115.9	81.4	158.0		(106.1)	165.6	3.6		22.7
Multiples and Ratios	Net financial debt	322.5	356.2	213.5		4,277.0	4,557.2	75.1		189.6
	ND/EBITDA (x)	3.5	2.2	1.9	2.5	10.5	13.5	4.3	9.4	3.2
	Pay-out	257.0%	n.a.	187.5%	222.2%	68.5%	84.1%	51.6%	68.1%	48.0%
	P/E (x)	31.6	11.4	13.9	18.9	19.5	18.9	15.9	18.1	6.1
	P/BV (x)	1.1	1.2	1.3	1.2	0.8	0.7	0.4	0.6	1.2
	EV/Revenues (x)	2.6	1.3	1.8	1.9	17.7	n.a.	13.5	15.6	1.5
	EV/EBITDA (x)	19.9	8.5	10.4	12.9	23.9	27.6	19.9	23.8	7.6
	EV/EBIT (x)	21.2	8.7	11.0	13.7	23.7	27.6	19.5	23.6	8.0
	ROE	3.4	10.4	9.6	7.8	4.0	3.5	2.7	3.4	21.7
	FCF Yield (%)	7.2	6.7	15.1	9.7	n.a.	4.3	5.3	4.8	10.1
	DPS	0.78	2.43	1.93	1.71	0.42	0.31	0.25	0.33	0.94
	Dvd Yield	7.3%	8.7%	13.9%	10.0%	3.9%	5.0%	3.2%	4.0%	7.8%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Total Revenues					113.9	122.8	132.7	125.2	117.8	119.8	185.8	301.3	234.6	276.6	14.1%	14.2%
Total Revenues growth					n.a.	7.8%	8.1%	-5.7%	-5.9%	1.7%	55.1%	62.2%	-22.2%	17.9%		
EBITDA					17.4	22.4	19.4	22.5	20.9	22.3	33.0	58.7	41.0	53.5	13.7%	17.4%
EBITDA growth					n.a.	28.6%	-13.3%	15.6%	-7.0%	6.9%	48.1%	77.5%	-30.0%	30.3%		
EBITDA/Sales					15.3%	18.2%	14.6%	17.9%	17.7%	18.6%	17.8%	19.5%	17.5%	19.3%		
Net Profit					10.1	8.9	21.1	12.0	15.0	11.3	21.0	36.5	23.0	32.5	20.5%	15.6%
Net Profit growth					n.a.	-11.5%	136.4%	-43.0%	25.0%	-24.8%	86.1%	73.3%	-36.9%	41.2%		
Adjusted number shares (Mn)					18.5	18.5	18.5	17.8	18.6	18.5	18.4	18.7	18.7	18.7		
EPS (EUR)					0.54	0.48	1.14	0.68	0.81	0.61	1.14	1.95	1.23	1.74	19.1%	15.1%
EPS growth					n.a.	-11.5%	n.a.	-40.8%	19.6%	-24.5%	86.8%	71.0%	-36.9%	41.2%		
Ord. EPS (EUR)					0.30	0.49	0.49	0.52	0.46	0.35	0.88	1.95	1.23	1.74	19.0%	25.6%
Ord. EPS growth					n.a.	66.7%	-1.1%	6.9%	-11.4%	-23.0%	n.a.	n.a.	-36.9%	41.2%		
CAPEX					-	(1.9)	(5.9)	(4.9)	(0.2)	(0.2)	(0.2)	(0.4)	(0.3)	(0.4)		
CAPEX/Sales %					0.0%	1.5%	4.5%	3.9%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%		
Free Cash Flow					-	(7.0)	(7.0)	14.3	(36.3)	(0.3)	52.1	22.7	1.9	21.8	53.9%	-25.2%
ND/EBITDA (x) <sup>(2)</sup>					10.6x	8.8x	10.8x	8.8x	11.5x	10.9x	6.1x	3.2x	5.0x	3.6x		
P/E (x)					14.0x	16.5x	5.5x	10.1x	8.1x	10.9x	7.7x	6.1x	9.7x	6.9x		
EV/Sales (x)					3.14x	3.04x	2.63x	2.75x	3.19x	3.14x	2.00x	1.48x	1.90x	1.61x		
EV/EBITDA (x) <sup>(2)</sup>					20.5x	16.6x	18.0x	15.3x	18.0x	16.9x	11.3x	7.6x	10.9x	8.4x		
Absolute performance	-61.6%	31.5%	1.0%	30.1%	1.9%	4.0%	-20.3%	8.3%	-4.7%	1.8%	31.8%	37.1%				
Relative performance vs Ibex 35	-62.9%	41.7%	3.1%	21.1%	19.8%	-7.0%	-5.7%	0.3%	0.9%	-17.1%	14.9%	12.5%				

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

**Kompuestos (KOM)**, is a Spanish chemical company (Barcelona), that produces mineral based concentrates (fillers) and colour and additive concentrates (masterbatches) for the plastics transformation industry, including resins for the creation of bioplastics. With a nominal production capacity of 220,510 tonnes, it is controlled and run by the founding family (c.65% of capital).

## Market Data

Market Cap (Mn EUR and USD)	12.2	14.0
EV (Mn EUR and USD)	22.9	26.3
Shares Outstanding (Mn)	12.2	
-12m (Max/Med/Mín EUR)	1.05 / 0.91 / 0.63	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	1.9	
Factset / Bloomberg	KOM-ES / KOM SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)<sup>(3)</sup>

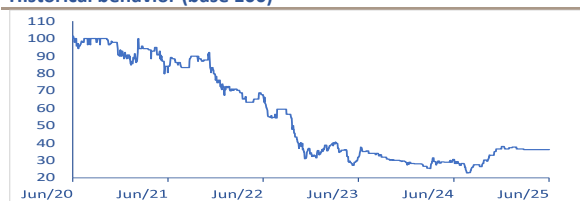
Ignacio Duch y familia	64.6
Noriande Global	9.6
Gestión y administración Mobiliaria	5.1
Gant Finance	5.0
Free Float	9.1

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	12.2	12.2	12.2	12.2
Total Revenues	44.0	50.2	56.6	58.3
Rec. EBITDA	3.4	5.5	7.6	7.9
% growth	-11.0	62.6	37.8	4.5
% Rec. EBITDA/Rev.	7.7	10.9	13.3	13.5
% Inc. EBITDA sector <sup>(2)</sup>	-1.4	14.1	14.3	6.7
Net Profit	-0.2	2.6	5.2	6.3
EPS (EUR)	-0.01	0.22	0.43	0.52
% growth	-38.4	n.a.	99.1	21.0
Ord. EPS (EUR)	-0.01	0.22	0.43	0.52
% growth	23.6	n.a.	99.1	21.0
Rec. Free Cash Flow	1.2	1.9	5.6	6.8
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	10.6	8.7	3.1	-3.6
ND/Rec. EBITDA (x)	3.2	1.6	0.4	-0.5
ROE (%)	n.a.	18.0	28.2	26.0
ROCE (%)	5.0	15.6	24.5	26.9

## Ratios & Multiples (x)

P/E	n.a.	4.6	2.3	n.a.
Ord. P/E	n.a.	4.6	2.3	n.a.
P/BV	0.9	0.8	0.6	0.4
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.52	0.46	0.40	0.39
EV/Rec. EBITDA	6.8	4.2	3.0	2.9
EV/EBIT	18.6	6.0	3.8	3.5
FCF Yield (%)	10.2	15.5	46.2	55.7

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	0.0	0.0	18.3	-63.8

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

(2) Sector: Stoxx Europe 600 Chemicals.

(3) Others: Associats TJ and 333 5.0%, Treasury Stock 1.6%

## MOMENTUM: WHAT TO EXPECT FROM 2025E?

**2025: volume with a tailwind, prices with no headwind.** Volume continues to grow (as it did in 2024), improving capacity utilization and benefiting from the new line added in 2024. Our estimated +14% in revenue is 100% volume-driven, with a neutral price effect (negative contribution in 2024).

**Cost management.** Gross margin is slightly improving (35.0% in 2025e versus 34.6% in 2024), coupled with strict control over personnel expenses and other operating costs (+1.8% versus 2024), a trend that will continue into 2026e and 2027e.

**FCF improvement.** The 2025e recurring EBITDA margin of 10.9% (7.7% in 2024) and lower organic CAPEX "push" the cash generated from operations to EUR 3.4 Mn (EUR 2.6 Mn in 2024). This provides KOM with the flexibility to accelerate future growth and strengthen its balance sheet. The trend of progressively reducing Net Debt, which began in 2022, is maintained.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**International opportunity.** LATAM is a market KOM knows well (sales to large clients representing approximately 5% of its revenue). This market relies on imports from China and the USA, which pose quality and price challenges, respectively. KOM plans to establish a direct commercial presence in the region in 2025 with financing from Spanish ECAs (Export Credit Agencies) -to protect its balance sheet-, which will accelerate revenue growth in 2026e and 2027e.

**Regulation-favored product (Bioplastics).** KOM boasts a range of certified "bio" products. Although still a very nascent market, this should enable KOM to accelerate its growth as regulations become stricter for traditional products. The company benefits from a favorable regulatory tailwind for recycling and the circular economy.

**Capital deployment.** In our estimates, KOM reduces its leverage to 0.4x Net Debt/Recurring EBITDA in 2026e and enters a net cash position in 2027e. We understand that, under these conditions, the restrictions on dividend payments required by financing entities will no longer apply, opening the door to shareholder remuneration.

## RISKS: WHAT TO KEEP AN EYE ON?

**Financial leverage.** KOM must continue to reduce its leverage, as it has in recent years (2024 Net Debt/Recurring EBITDA of 3.2x vs. 6x in 2021-2022). We expect substantial improvement in 2025e (1.6x), which will allow KOM to enhance its presence in geographical markets where it currently has limited presence without weakening its financial position.

**High competition.** The market in which KOM operates is characterized by high competition. KOM manages this by increasing sales of specialty products (from 20% of revenue in 2022 to 27% in 2024), implementing operational improvements, and expanding into markets with lower competitive pressure (LATAM).

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The +18.3% revaluation over the past 12 months (from historical lows) still represents a 2025e FCF yield (to equity) of 15.5%.** This is very high despite the cyclical nature of the business and without the counterbalance of high financial risk following the deleveraging in 2023-2024 (which continues in 2025e). This FCF yield more than compensates for the cyclical nature of the business and should translate into dividend yield. It also serves as a floor for the share price, given that the multiples are extraordinarily low (2025e EV/EBITDA approximately 4x).



## Financial Projections

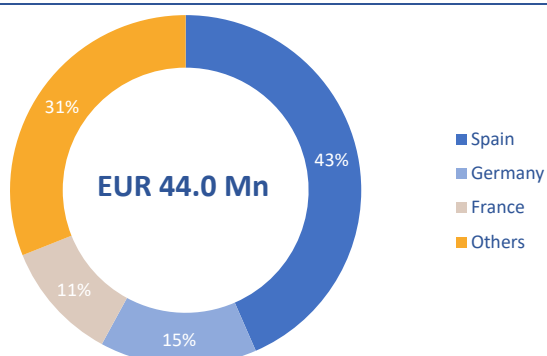
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	3.6	4.1	3.7	3.3	2.9	2.4	2.1	1.9		
Fixed assets	21.2	21.1	19.7	18.6	18.1	18.7	18.3	18.0		
Other Non Current Assets	0.7	0.9	1.3	1.3	1.4	1.4	1.4	1.4		
Financial Investments	0.1	0.2	0.3	0.2	0.1	0.1	0.1	0.1		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	9.9	11.2	10.0	9.4	8.3	9.6	10.8	11.1		
<b>Total assets</b>	<b>35.7</b>	<b>37.3</b>	<b>35.1</b>	<b>32.8</b>	<b>30.7</b>	<b>32.2</b>	<b>32.8</b>	<b>32.5</b>		
Equity	15.2	14.8	13.6	13.4	13.3	15.9	21.1	27.4		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	0.9	0.9	0.9	0.3	0.2	0.2	0.2	0.2		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	10.9	11.8	12.5	11.8	10.6	8.7	3.1	(3.6)		
Current Liabilities	9.2	10.4	8.6	7.3	6.6	7.4	8.3	8.5		
<b>Equity &amp; Total Liabilities</b>	<b>36.2</b>	<b>37.8</b>	<b>35.6</b>	<b>32.8</b>	<b>30.7</b>	<b>32.2</b>	<b>32.8</b>	<b>32.5</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Total Revenues</b>	<b>43.2</b>	<b>58.9</b>	<b>51.6</b>	<b>46.2</b>	<b>44.0</b>	<b>50.2</b>	<b>56.6</b>	<b>58.3</b>	<b>0.5%</b>	<b>9.8%</b>
Total Revenues growth	-6.8%	36.5%	-12.5%	-10.4%	-4.7%	14.0%	12.7%	3.0%		
COGS	(30.2)	(42.3)	(35.9)	(30.4)	(28.8)	(32.6)	(36.7)	(37.7)		
<b>Gross Margin</b>	<b>12.9</b>	<b>16.6</b>	<b>15.6</b>	<b>15.8</b>	<b>15.3</b>	<b>17.6</b>	<b>19.9</b>	<b>20.6</b>	<b>4.2%</b>	<b>10.6%</b>
Gross Margin/Revenues	30.0%	28.2%	30.3%	34.3%	34.6%	35.0%	35.2%	35.4%		
Personnel Expenses	(3.6)	(4.0)	(3.9)	(3.9)	(3.8)	(3.9)	(4.0)	(4.1)		
Other Operating Expenses	(8.2)	(10.7)	(9.8)	(8.1)	(8.1)	(8.2)	(8.4)	(8.6)		
<b>Recurrent EBITDA</b>	<b>1.1</b>	<b>1.9</b>	<b>1.9</b>	<b>3.8</b>	<b>3.4</b>	<b>5.5</b>	<b>7.6</b>	<b>7.9</b>	<b>31.8%</b>	<b>32.8%</b>
Recurrent EBITDA growth	-49.0%	72.4%	0.2%	95.8%	-11.0%	62.6%	37.8%	4.5%		
Rec. EBITDA/Revenues	2.6%	3.3%	3.8%	8.2%	7.7%	10.9%	13.3%	13.5%		
Restructuring Expense & Other non-rec.	(0.4)	(0.2)	(0.2)	0.0	(0.1)	-	-	-		
<b>EBITDA</b>	<b>0.7</b>	<b>1.7</b>	<b>1.7</b>	<b>3.8</b>	<b>3.3</b>	<b>5.5</b>	<b>7.6</b>	<b>7.9</b>	<b>45.1%</b>	<b>33.9%</b>
Depreciation & Provisions	(3.0)	(2.7)	(2.9)	(2.9)	(2.5)	(2.3)	(2.1)	(2.0)		
Capitalized Expense	1.2	1.3	0.9	0.5	0.4	0.6	0.6	0.6		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(1.0)</b>	<b>0.4</b>	<b>(0.4)</b>	<b>1.4</b>	<b>1.2</b>	<b>3.8</b>	<b>6.0</b>	<b>6.5</b>	<b>34.2%</b>	<b>74.0%</b>
EBIT growth	-168.7%	135.6%	-209.5%	454.9%	-10.3%	208.8%	58.3%	7.8%		
EBIT/Revenues	n.a.	0.6%	n.a.	3.0%	2.8%	7.6%	10.6%	11.1%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.2)	(1.1)	(1.4)	(1.5)	(1.4)	(1.2)	(0.8)	(0.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(2.2)</b>	<b>(0.8)</b>	<b>(1.8)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>2.6</b>	<b>5.2</b>	<b>6.3</b>	<b>44.5%</b>	<b>n.a.</b>
Ordinary Profit Growth	-761.5%	64.4%	-128.6%	93.2%	-70.9%	n.a.	99.1%	21.0%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(2.2)</b>	<b>(0.8)</b>	<b>(1.8)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>2.6</b>	<b>5.2</b>	<b>6.3</b>	<b>44.5%</b>	<b>n.a.</b>
Tax Expense	0.4	0.2	0.4	0.0	0.0	-	-	-		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(1.8)</b>	<b>(0.6)</b>	<b>(1.3)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>2.6</b>	<b>5.2</b>	<b>6.3</b>	<b>45.0%</b>	<b>n.a.</b>
Net Profit growth	-774.6%	67.3%	-135.8%	91.4%	-38.4%	n.a.	99.1%	21.0%		
<b>Ordinary Net Profit</b>	<b>(1.8)</b>	<b>(0.6)</b>	<b>(1.5)</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>2.6</b>	<b>5.2</b>	<b>6.3</b>	<b>48.6%</b>	<b>n.a.</b>
Ordinary Net Profit growth	-365.0%	69.0%	-175.3%	89.2%	23.6%	n.a.	99.1%	21.0%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Recurrent EBITDA</b>						<b>5.5</b>	<b>7.6</b>	<b>7.9</b>	<b>31.8%</b>	<b>32.8%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.5)	(0.3)	(0.1)		
<b>Recurrent Operating Cash Flow</b>						<b>4.9</b>	<b>7.3</b>	<b>7.8</b>	<b>-0.3%</b>	<b>27.4%</b>
CAPEX						(1.9)	(0.8)	(0.9)		
Net Financial Result affecting the Cash Flow						(1.2)	(0.8)	(0.2)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>1.9</b>	<b>5.6</b>	<b>6.8</b>	<b>12.3%</b>	<b>76.3%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>1.9</b>	<b>5.6</b>	<b>6.8</b>	<b>20.2%</b>	<b>80.3%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(1.9)</b>	<b>(5.6)</b>	<b>(6.8)</b>		



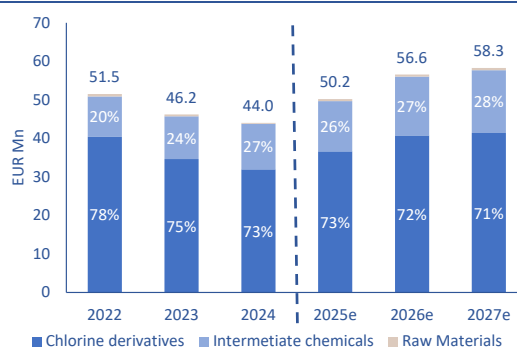


## The company in 8 charts

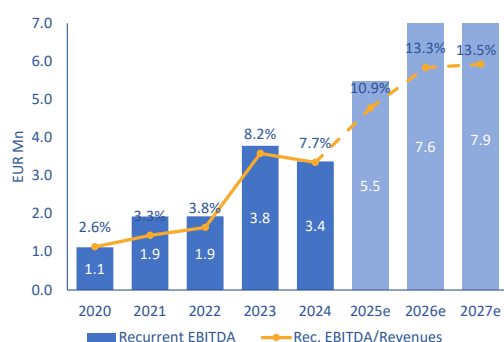
**KOM obtained 57% of its revenue outside Spain in 2024**



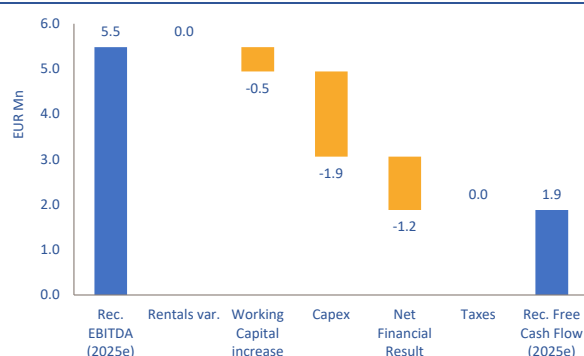
**We expect the (higher margin) specialties business to continue increasing its weight in the mix to 28% in 2027e**



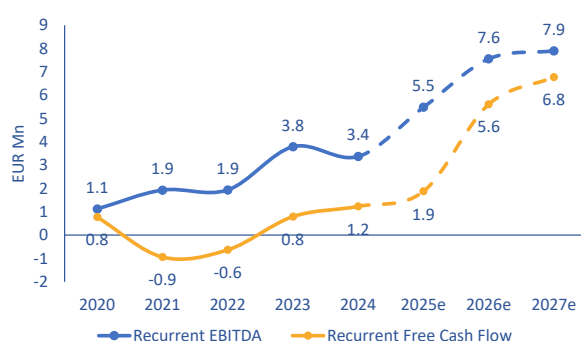
**Margin improvement: i) focus on more profitable products and ii) EBITDA contribution of capacity increase already built**



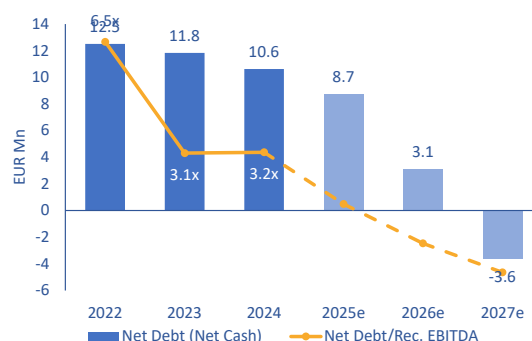
**Margin growth and CAPEX containment (CAPES/sales 3.8%) should allow for positive FCF generation in 2025e**



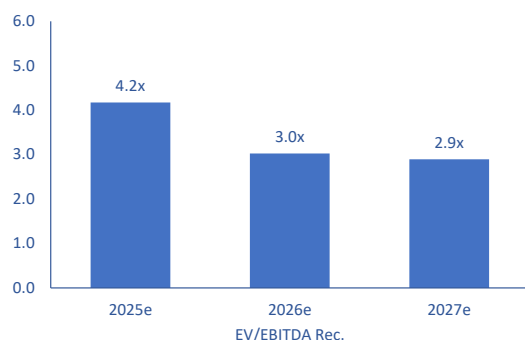
**And unlock the business' free cash flow generation capacity**



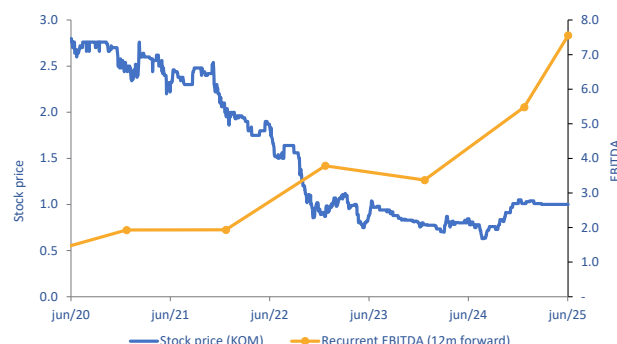
**This should enable the company to deleverage (we estimate an NFD/EBITDA 2025e below 2x)**



**EV/EBITDA multiple <4.5X throughout the forecast period**



**KOM should gain momentum in 2025 with share price still close to all-time lows despite better EBITDA generation**





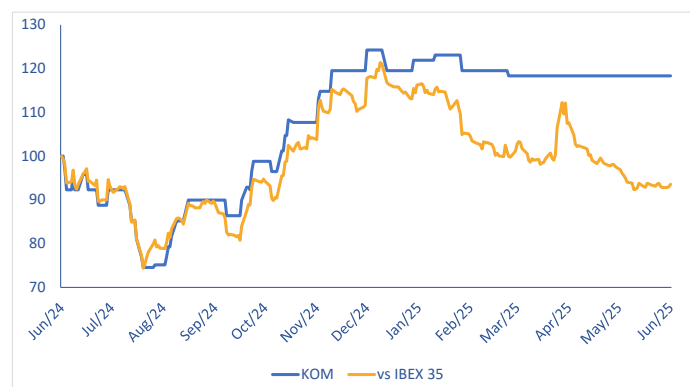


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



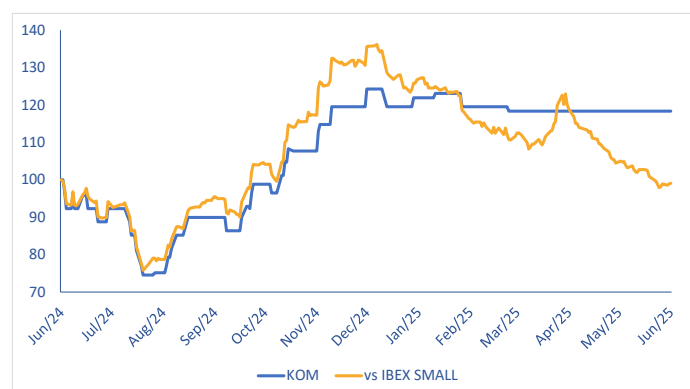
Behavior -1y vs Ibex 35 (base 100)



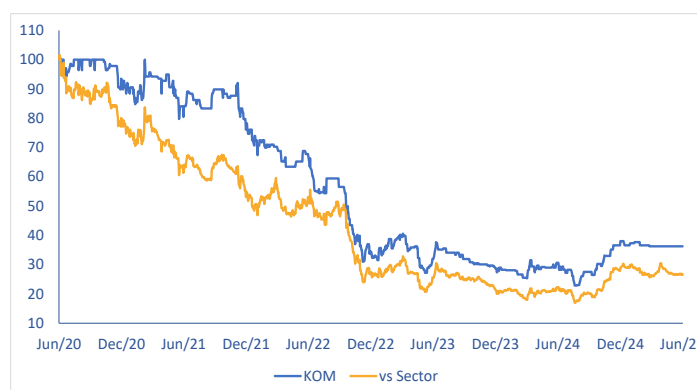
Historical behavior vs Ibex Small Cap (base 100)



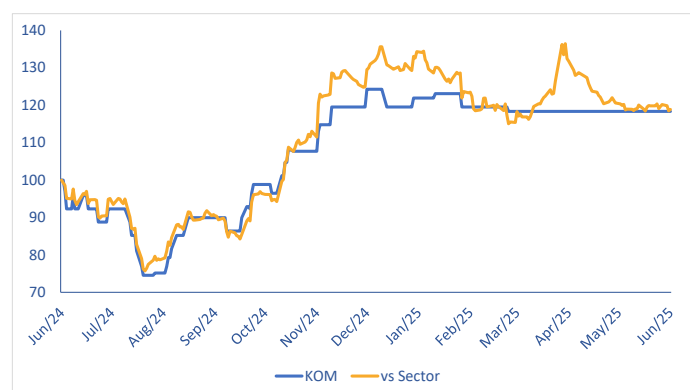
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Chemicals

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.0	0.0	18.3	-1.0	-46.5	-63.8
<b>vs Market</b>						
vs Ibex 35	-4.1	-8.9	-6.4	-18.8	-68.3	-81.3
vs Euro STOXX 50	-1.5	-1.5	9.0	-10.1	-64.3	-78.9
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-5.2	-11.9	-0.9	-22.6	-55.7	-79.3
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.8	-6.6	12.4	-12.8	-48.2	-75.6
vs MSCI Europe Micro Cap	-4.4	-8.2	16.6	-8.1	-43.0	-71.6
<b>vs Sector</b>						
vs Stoxx Europe 600 Chemicals	-1.5	0.5	18.9	-8.0	-50.0	-73.5

(1) Constituents on page 10



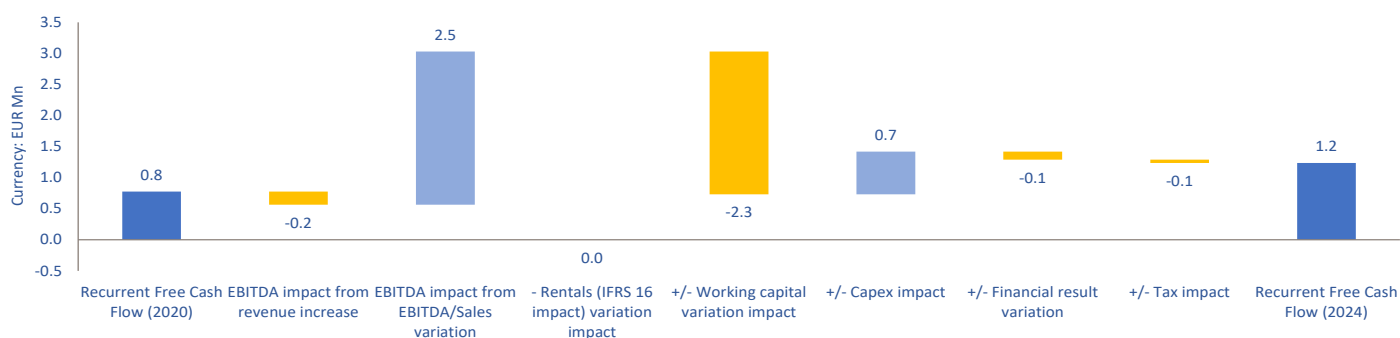
## Free Cash Flow (I)

	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
A) Cash Flow Analysis (EUR Mn)								21-24	24-27e
<b>Recurrent EBITDA</b>	<b>1.9</b>	<b>1.9</b>	<b>3.8</b>	<b>3.4</b>	<b>5.5</b>	<b>7.6</b>	<b>7.9</b>	<b>20.5%</b>	<b>32.8%</b>
Recurrent EBITDA growth	72.4%	0.2%	95.8%	-11.0%	62.6%	37.8%	4.5%		
Rec. EBITDA/Revenues	3.3%	3.8%	8.2%	7.7%	10.9%	13.3%	13.5%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.1)	(0.7)	(0.7)	0.4	(0.5)	(0.3)	(0.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>1.9</b>	<b>1.3</b>	<b>3.1</b>	<b>3.8</b>	<b>4.9</b>	<b>7.3</b>	<b>7.8</b>	<b>26.4%</b>	<b>27.4%</b>
Rec. Operating Cash Flow growth	-51.0%	-32.1%	146.4%	20.6%	30.7%	46.9%	7.7%		
Rec. Operating Cash Flow / Sales	3.2%	2.5%	6.8%	8.6%	9.8%	12.8%	13.4%		
- CAPEX	(1.7)	(0.3)	(0.9)	(1.2)	(1.9)	(0.8)	(0.9)		
- Net Financial Result affecting Cash Flow	(1.2)	(1.5)	(1.4)	(1.3)	(1.2)	(0.8)	(0.2)		
- Taxes	-	(0.1)	-	-	-	-	-		
<b>= Recurrent Free Cash Flow</b>	<b>(0.9)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>1.2</b>	<b>1.9</b>	<b>5.6</b>	<b>6.8</b>	<b>49.2%</b>	<b>76.3%</b>
Rec. Free Cash Flow growth	-220.5%	32.9%	227.2%	54.8%	52.1%	198.7%	20.7%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	1.7%	2.8%	3.7%	9.9%	11.6%		
- Restructuring expenses & others	-	-	0.0	(0.1)	-	-	-		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	0.0	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(0.9)</b>	<b>(0.6)</b>	<b>0.9</b>	<b>1.2</b>	<b>1.9</b>	<b>5.6</b>	<b>6.8</b>	<b>47.9%</b>	<b>80.3%</b>
Free Cash Flow growth	-269.2%	32.9%	241.5%	30.0%	62.6%	198.7%	20.7%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	6.6%	10.2%	15.5%	46.2%	55.7%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	7.3%	9.5%	15.5%	46.2%	55.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent FCF(FY - 1)</b>	<b>0.8</b>	<b>(0.9)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>1.2</b>	<b>1.9</b>	<b>5.6</b>		
EBITDA impact from revenue increase	0.4	(0.2)	(0.2)	(0.2)	0.5	0.7	0.2		
EBITDA impact from EBITDA/Sales variation	0.4	0.2	2.1	(0.2)	1.6	1.4	0.1		
<b>= Recurrent EBITDA variation</b>	<b>0.8</b>	<b>0.0</b>	<b>1.9</b>	<b>(0.4)</b>	<b>2.1</b>	<b>2.1</b>	<b>0.3</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(2.8)	(0.6)	0.0	1.1	(0.9)	0.2	0.2		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(2.0)</b>	<b>(0.6)</b>	<b>1.9</b>	<b>0.6</b>	<b>1.2</b>	<b>2.3</b>	<b>0.6</b>		
+/- CAPEX impact	0.3	1.3	(0.6)	(0.3)	(0.7)	1.0	(0.0)		
+/- Financial result variation	0.0	(0.3)	0.1	0.1	0.1	0.4	0.6		
+/- Tax impact	(0.1)	(0.1)	0.1	-	-	-	-		
<b>= Recurrent Free Cash Flow variation</b>	<b>(1.7)</b>	<b>0.3</b>	<b>1.4</b>	<b>0.4</b>	<b>0.6</b>	<b>3.7</b>	<b>1.2</b>		
<b>Recurrent Free Cash Flow</b>	<b>(0.9)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>1.2</b>	<b>1.9</b>	<b>5.6</b>	<b>6.8</b>		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>0.4</b>	<b>(0.4)</b>	<b>1.4</b>	<b>1.2</b>	<b>3.8</b>	<b>6.0</b>	<b>6.5</b>	<b>51.6%</b>	<b>74.0%</b>
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
<b>Recurrent EBITDA</b>	<b>1.9</b>	<b>1.9</b>	<b>3.8</b>	<b>3.4</b>	<b>5.5</b>	<b>7.6</b>	<b>7.9</b>	<b>20.5%</b>	<b>32.8%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.1)	(0.7)	(0.7)	0.4	(0.5)	(0.3)	(0.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>1.9</b>	<b>1.3</b>	<b>3.1</b>	<b>3.8</b>	<b>4.9</b>	<b>7.3</b>	<b>7.8</b>	<b>26.4%</b>	<b>27.4%</b>
- CAPEX	(1.7)	(0.3)	(0.9)	(1.2)	(1.9)	(0.8)	(0.9)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>0.2</b>	<b>0.9</b>	<b>2.2</b>	<b>2.6</b>	<b>3.1</b>	<b>6.4</b>	<b>6.9</b>	<b>n.a.</b>	<b>39.4%</b>
Rec. Free Cash Flow (To the Firm) growth	-88.6%	333.1%	135.5%	14.7%	19.5%	109.5%	8.3%		
Rec. Free Cash Flow (To the Firm) / Revenues	0.4%	1.8%	4.8%	5.8%	6.1%	11.3%	11.9%		
- Acquisitions / + Divestments	-	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	0.0	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>0.2</b>	<b>0.9</b>	<b>2.3</b>	<b>2.6</b>	<b>3.1</b>	<b>6.4</b>	<b>6.9</b>	<b>n.a.</b>	<b>39.4%</b>
Free Cash Flow (To the Firm) growth	-87.1%	333.1%	140.2%	12.4%	19.5%	109.5%	8.3%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	1.0%	4.1%	9.8%	11.2%	13.4%	28.0%	30.4%		
Free Cash Flow "To the Firm" - Yield (o/EV)	1.0%	4.1%	10.0%	11.2%	13.4%	28.0%	30.4%		

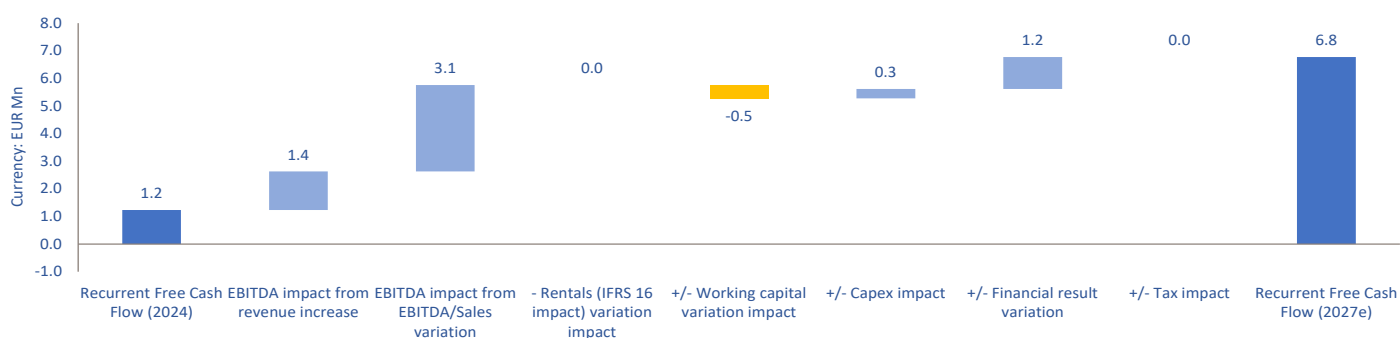


## Free Cash Flow (II)

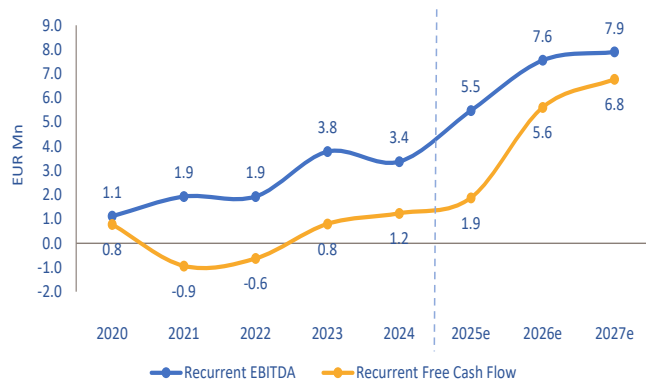
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	3.1	6.4	6.9	103.8		
Market Cap	12.2	At the date of this report				
Net financial debt	10.6	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	5.5%	Net debt cost			5.3%	5.8%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.4%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.2%	4.6%
Risk free rate (rf)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	53.4%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	46.6%	D			=	=
WACC	7.6%	$WACC = K_d * D + K_e * E$			6.8%	8.3%
G "Fair"	2.0%				2.5%	2.0%

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

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	12.2	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.2	12m Results 2024
+ Net financial debt	10.6	12m Results 2024
- Financial Investments	0.1	12m Results 2024
+/- Others		
Enterprise Value (EV)	22.9	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	1.3%	n.a.	5.3%	5.0%
	2024	2027e			
ROCE - WACC	-2.5%	19.4%			
FCF Yield - WACC	3.7%	22.8%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	14.6%	8.3	2.8x
Central	13.3%	7.6	3.0x
Min	12.0%	6.8	3.4x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario			Rec. FCF/Yield 26e
EBITDA 26e	1.3%	1.5%	1.7%		Max	Central	Min	
8.3	6.5	6.3	6.2		53.1%	52.2%	51.3%	
7.6	5.7	5.6	5.5		47.1%	46.2%	45.2%	
6.8	5.0	4.9	4.8		41.0%	40.1%	39.2%	

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	22.2%	22.2%	22.2%
% of proprietary board members	33.3%	33.3%	33.3%
% of executive board members	377.8%	33.3%	33.3%
% of other directors	11.1%	11.1%	11.1%
% of women on the board of directors	33.3%	33.3%	33.3%
% of women out of total workforce	20.2%	20.0%	20.0%
Board remuneration/staff cost	3.8%	5.5%	2.9%



## Main peers 2025e

Specialty Chemicals					Close peers			KOM
EUR Mn		BASF	LyondellBasell	Clariant	Average	Avient Corporation	Cabot Corporation	
Market data	Ticker (Factset)	BAS-DE	LYB-US	CLN-CH		AVNT-US	CBT-US	KOM-ES
	Country	Germany	UK	Switzerland		USA	USA	Spain
	Market cap	38,101.8	16,685.3	3,042.4		2,822.8	3,535.8	12.2
	Enterprise value (EV)	59,817.7	26,113.3	4,795.4		4,229.4	4,605.5	22.9
Basic financial information	Total Revenues	65,356.0	26,456.4	4,419.9		2,824.5	3,301.4	50.2
	Total Revenues growth	0.1%	-24.0%	0.3%	-7.9%	1.0%	-4.3%	14.0%
	2y CAGR (2025e - 2027e)	3.9%	2.3%	4.1%	3.4%	4.0%	3.4%	7.8%
	EBITDA	7,776.9	2,860.9	741.9		473.7	694.7	5.5
	EBITDA growth	0.0%	-19.7%	3.4%	-5.5%	6.8%	3.4%	66.5%
	2y CAGR (2025e - 2027e)	11.3%	20.5%	9.8%	13.9%	8.2%	5.0%	20.0%
	EBITDA/Revenues	11.9%	10.8%	16.8%	13.2%	16.8%	21.0%	10.9%
	EBIT	3,695.1	1,644.1	471.6		316.6	561.4	3.8
	EBIT growth	-2.5%	-26.9%	3.5%	-8.6%	22.6%	3.7%	208.8%
	2y CAGR (2025e - 2027e)	19.7%	33.0%	14.9%	22.6%	10.5%	5.3%	30.6%
	EBIT/Revenues	5.7%	6.2%	10.7%	7.5%	11.2%	17.0%	7.6%
	Net Profit	2,221.9	1,079.7	241.8		152.3	343.4	2.6
	Net Profit growth	71.2%	-7.8%	-6.7%	18.9%	4.1%	6.3%	n.a.
	2y CAGR (2025e - 2027e)	27.1%	38.8%	26.8%	30.9%	25.4%	5.3%	55.2%
	CAPEX/Sales %	8.0%	6.0%	5.2%	6.4%	3.3%	7.1%	3.8%
	Free Cash Flow	619.0	703.4	253.7		156.5	274.9	1.9
Multiples and Ratios	Net financial debt	20,096.7	8,033.4	1,473.2		1,310.3	816.4	8.7
	ND/EBITDA (x)	2.6	2.8	2.0	2.5	2.8	1.2	1.6
	Pay-out	92.8%	141.3%	62.7%	98.9%	43.1%	24.3%	0.0%
	P/E (x)	13.7	14.7	11.1	13.2	12.8	10.4	4.6
	P/BV (x)	1.1	1.7	1.2	1.3	1.4	2.7	0.8
	EV/Revenues (x)	0.9	1.0	1.1	1.0	1.5	1.4	0.5
	EV/EBITDA (x)	7.7	9.1	6.5	7.8	8.9	6.6	4.2
	EV/EBIT (x)	16.2	15.9	10.2	14.1	13.4	8.2	6.0
	ROE	7.8	11.3	10.8	10.0	10.7	26.3	18.5
	FCF Yield (%)	1.6	4.2	8.3	4.7	5.5	7.8	15.5
	DPS	2.31	4.69	0.46	2.49	0.72	1.51	0.00
	Dvd Yield	5.4%	9.0%	5.0%	6.5%	2.3%	2.3%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	-	25.1	28.6	36.6	41.4	46.3	43.2	58.9	51.6	46.2	44.0	50.2	56.6	58.3	n.a.	9.8%
Total Revenues growth	n.a.	n.a.	14.3%	27.9%	12.9%	12.0%	-6.8%	36.5%	-12.5%	-10.4%	-4.7%	14.0%	12.7%	3.0%		
EBITDA	-	0.9	1.3	1.0	2.5	1.7	0.7	1.7	1.7	3.8	3.3	5.5	7.6	7.9	n.a.	33.9%
EBITDA growth	n.a.	n.a.	47.5%	-22.6%	146.1%	-34.2%	-55.1%	130.7%	-0.8%	125.8%	-14.1%	66.5%	37.8%	4.5%		
EBITDA/Sales	n.a.	3.6%	4.6%	2.8%	6.1%	3.6%	1.7%	2.9%	3.3%	8.3%	7.5%	10.9%	13.3%	13.5%		
Net Profit	-	(0.5)	0.1	0.1	0.5	0.3	(1.8)	(0.6)	(1.3)	(0.1)	(0.2)	2.6	5.2	6.3	n.a.	n.a.
Net Profit growth	n.a.	n.a.	115.1%	32.5%	410.8%	-46.7%	-774.6%	67.3%	-135.8%	91.4%	-38.4%	n.a.	99.1%	21.0%		
Adjusted number shares (Mn)	-	-	-	12.0	12.0	12.0	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2		
EPS (EUR)	n.a.	n.a.	n.a.	0.01	0.04	0.02	-0.14	-0.05	-0.11	-0.01	-0.01	0.22	0.43	0.52	n.a.	n.a.
EPS growth	n.a.	n.a.	n.a.	n.a.	n.a.	-46.7%	n.a.	67.3%	n.a.	91.4%	-38.4%	n.a.	99.1%	21.0%		
Ord. EPS (EUR)	n.a.	n.a.	n.a.	-0.01	0.03	0.06	-0.15	-0.05	-0.13	-0.01	-0.01	0.22	0.43	0.52	n.a.	n.a.
Ord. EPS growth	n.a.	n.a.	n.a.	n.a.	n.a.	94.2%	n.a.	69.0%	n.a.	89.2%	23.6%	n.a.	99.1%	21.0%		
CAPEX	-	(2.0)	(3.8)	(2.0)	(2.7)	(4.2)	(1.9)	(1.7)	(0.3)	(0.9)	(1.2)	(1.9)	(0.8)	(0.9)		
CAPEX/Sales %	n.a.	8.1%	13.4%	5.4%	6.6%	9.2%	4.4%	2.8%	0.6%	2.0%	2.8%	3.8%	1.5%	1.5%		
Free Cash Flow	-	(6.7)	(3.1)	(2.3)	(1.2)	(2.1)	0.6	(0.9)	(0.6)	0.9	1.2	1.9	5.6	6.8	n.a.	80.3%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	10.3x	9.4x	14.4x	5.6x	6.9x	14.7x	6.9x	7.4x	3.1x	3.2x	1.6x	0.4x	-0.5x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.6x	2.3x	n.a.		
EV/Sales (x)	n.a.	0.37x	0.44x	0.40x	0.34x	1.02x	0.97x	0.62x	0.46x	0.46x	0.52x	0.46x	0.40x	0.39x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	10.5x	9.5x	14.5x	5.6x	28.6x	n.a.	21.5x	14.0x	5.6x	7.0x	4.2x	3.0x	2.9x		
Absolute performance	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-14.5%	-19.4%	-56.5%	-10.3%	29.5%	-1.0%				
Relative performance vs Ibex 35	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.1%	-25.3%	-53.9%	-27.0%	12.8%	-18.8%				

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

Ktesios (YKTS) is a REIT wholly focused on rental housing. Affordable housing in provinces and non prime Metropolitan areas. Its gross asset value stands at EUR 61.7Mn, made up of properties acquired at discounts of around 55% to their market value, allowing YKTS to offer affordable rents and keep occupancy high.

#### Market Data

Market Cap (Mn EUR and USD)	34.5	39.6
EV (Mn EUR and USD)	48.4	55.6
Shares Outstanding (Mn)	1.9	
-12m (Max/Med/Min EUR)	17.92 / 16.57 / 14.93	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	5.4	
Factset / Bloomberg	YKTS-ES / YKTS SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

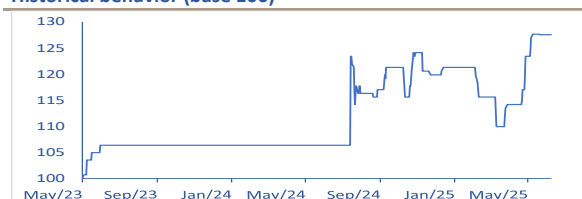
RKS Real Estate <sup>(3)</sup>	80,6
RKS-AM <sup>(3)</sup>	4,3
Autocartera	1,0
Henry Gallego	0,7
Free Float	13.9

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	1.9	1.9	1.9	1.9
Total Revenues	3.2	3.8	4.6	5.1
Rec. EBITDA	0.7	1.2	1.6	1.9
% growth	n.a.	65.8	31.0	16.6
% Rec. EBITDA/Rev.	23.3	32.2	35.2	36.7
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	0.2	0.2	0.6	0.7
EPS (EUR)	0.11	0.12	0.31	0.37
% growth	121.1	3.3	160.8	22.3
Ord. EPS (EUR)	-0.63	0.08	0.25	0.32
% growth	9.2	112.4	222.4	26.4
Rec. Free Cash Flow	-1.6	-9.0	-2.6	-2.5
Pay-out (%)	0.0	90.0	90.0	90.0
DPS (EUR)	0.00	0.11	0.28	0.34
Net financial debt	14.2	23.3	26.0	28.9
ND/Rec. EBITDA (x)	19.0	18.9	16.1	15.3
ROE (%)	1.0	1.0	2.7	3.2
ROCE (%)	1.3	2.6	3.1	3.4

#### Ratios & Multiples (x)

P/E	n.a.	n.a.	58.6	47.9
Ord. P/E	n.a.	n.a.	71.0	56.2
P/BV	1.6	1.6	1.5	1.5
Dividend Yield (%)	0.0	0.6	1.5	1.9
EV/Sales	15.15	12.62	10.54	9.42
EV/Rec. EBITDA	n.a.	39.2	29.9	25.7
EV/EBIT	n.a.	46.5	33.8	28.7
FCF Yield (%)	n.a.	n.a.	n.a.	n.a.

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	0.5	10.3	19.9	n.a.

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

(2) Sector: Stoxx Europe 600 Real Estate.

(3) Henry Gallego is the owner of these companies.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Rising revenue and expanding housing portfolio.** In 2025, we estimate YKTS's revenue will reach EUR 3.8Mn (+19% vs. 2024). This growth will be driven by an aggressive growth plan, which we estimate will incorporate 150 new homes during fiscal year 2025. This strengthens the organic expansion potential of the portfolio and ensures a growing base of recurring revenue.

**YKTS enters 2025 with a consolidated inflection point,** having achieved positive recurring EBITDA for the first time in 2024 (EUR 0.7Mn). We anticipate a significant improvement in recurring EBITDA margin from 23.3% in 2024 to 32.2% in 2025e, and a further jump in recurring EBITDA to EUR 1.2Mn (+66%).

**Net profit improvement thanks to debt refinancing.** We expect YKTS's net profit in 2025e to reach EUR 0.2Mn, supported by an improvement in operating margin and, crucially, a reduction in financial burden. In 2024, interest expenses accounted for nearly 55% of Gross Rental Income (GRI), which considerably weighed down net profit. The refinancing signed in 1Q25 with Deutsche Bank (EUR 9.5Mn at 15 years and a fixed rate) substantially lowers these costs and stabilizes long-term debt.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Low operational, financial, and regulatory risk model.** YKTS combines stable revenue, affordable rent, and high occupancy, with moderate sensitivity to the cycle. The recent 15-year refinancing strengthens its balance sheet. Furthermore, its focus on affordable housing provides it with a degree of "regulatory protection" against a potential tightening of conditions in the SOCIMI sector.

**Under-exploited segment (affordable housing) where YKTS can aspire to a significant position.** This has two implications: 1) access to assets at substantial discounts, favoring its profitability, and 2) non-organic growth opportunities via M&A (in line with the already executed acquisition of QPQ). The best example is the recently submitted offer for the acquisition of Mistral Patrimonio Inmobiliario SOCIMI (around EUR 10.9Mn; conditional on reaching 85% of the capital; condition already met). This transaction is not included in our figures.

**High scalability and visible growth,** with a portfolio of EUR 61.7Mn and 150 new homes planned for 2025, YKTS has the capacity for continued growth and margin improvement. The enormous pipeline and high fragmentation of the SOCIMI market reinforce its potential as a consolidator in this market segment.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Regulatory risk.** Despite operating in a "theoretically" less threatened segment (affordable housing), YKTS also faces uncertainty due to potential legislative changes in the rental market and the SOCIMI regime. The new Housing Law of 2023 limited annual rent increases, and a rental index that does not exceed inflation was approved in 2025. This restricts organic rental revenue growth, which will always remain below inflation.

**Pipeline and execution dependency.** The growth plan is aggressive and pivots on the acquisition of homes and "non-organic" growth. This demands disciplined execution in new acquisitions, both in housing portfolios and in M&A. Delays or poor investments can affect growth and profitability.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Significant discount despite improving fundamentals.** YKTS trades at a 27% discount to its 1Q25 NAV (EUR 47.2Mn), with still moderate leverage (LTV of 30.8% at 1Q25 close), and a model that combines increasing profitability and controlled risk. This valuation is partly explained by the limited visibility of the project due to the stock's illiquidity. Positive results momentum (2025-2027), with high revenue growth and margin improvement, could act as a catalyst to close this gap. Added to this is something unusual: the uniqueness of the stock. A business model (affordable housing SOCIMI) that does not exist on the stock market. And it clearly outperforms its sector (+13.8% -12m).





## Financial Projections

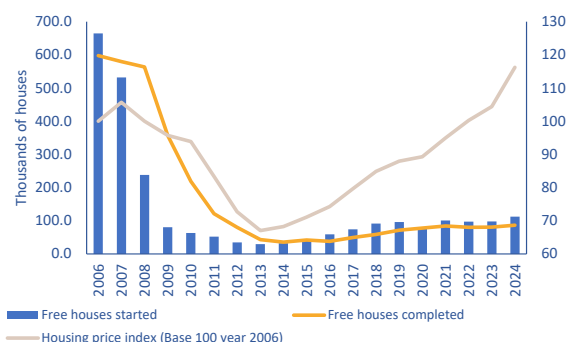
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Fixed assets	5.9	9.7	15.1	19.4	34.9	44.2	47.0	50.0		
Other Non Current Assets	0.0	-	-	13.6	-	-	-	-		
Financial Investments	0.0	1.4	0.0	0.1	0.2	0.2	0.2	0.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	0.2	0.8	0.9	1.1	1.3	1.2	1.4	1.5		
<b>Total assets</b>	<b>6.1</b>	<b>11.9</b>	<b>16.0</b>	<b>34.2</b>	<b>36.3</b>	<b>45.5</b>	<b>48.6</b>	<b>51.7</b>		
Equity	4.8	8.7	16.2	19.9	22.0	22.0	22.4	22.6		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	-	-	-	-	-	-	-	-		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	1.2	3.0	(0.4)	14.0	14.2	23.3	26.0	28.9		
Current Liabilities	0.1	0.3	0.3	0.3	0.2	0.2	0.2	0.3		
<b>Equity &amp; Total Liabilities</b>	<b>6.1</b>	<b>11.9</b>	<b>16.0</b>	<b>34.2</b>	<b>36.3</b>	<b>45.5</b>	<b>48.6</b>	<b>51.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Gross rental income (GRI)</b>	<b>0.3</b>	<b>0.5</b>	<b>1.1</b>	<b>1.8</b>	<b>3.2</b>	<b>3.8</b>	<b>4.6</b>	<b>5.1</b>	<b>85.9%</b>	<b>17.1%</b>
Total Revenues growth	564.5%	92.0%	119.2%	59.1%	78.2%	20.0%	19.8%	11.8%		
Operating expenses	(0.1)	(0.2)	(0.2)	(0.5)	(0.9)	(0.9)	(1.1)	(1.2)		
<b>Net Operating Income (NOI)</b>	<b>0.1</b>	<b>0.3</b>	<b>0.9</b>	<b>1.3</b>	<b>2.3</b>	<b>3.0</b>	<b>3.5</b>	<b>3.9</b>	<b>n.a.</b>	<b>19.5%</b>
Net Operating Income / Income	46.2%	55.8%	80.8%	74.9%	71.9%	77.1%	76.7%	76.3%		
Personnel Expenses	-	-	-	-	-	-	-	-		
Other Operating Expenses	(0.3)	(0.8)	(1.0)	(1.4)	(1.6)	(1.7)	(1.9)	(2.0)		
<b>Recurrent EBITDA</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>0.7</b>	<b>1.2</b>	<b>1.6</b>	<b>1.9</b>	<b>59.7%</b>	<b>36.3%</b>
Recurrent EBITDA growth	-66.8%	-182.9%	73.3%	65.8%	n.a.	65.8%	31.0%	16.6%		
Rec. EBITDA/Revenues	n.a.	n.a.	n.a.	n.a.	23.3%	32.2%	35.2%	36.7%		
Other non recurrent Income and expenses	0.0	0.0	0.1	0.2	(0.1)	-	-	-		
Gain/loss on Disposals	-	-	-	0.0	0.0	0.1	0.1	0.1		
<b>EBITDA</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>(0.1)</b>	<b>0.1</b>	<b>0.7</b>	<b>1.3</b>	<b>1.7</b>	<b>2.0</b>	<b>60.6%</b>	<b>45.0%</b>
Depreciation & Provisions	(0.0)	(0.0)	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Variation in property values	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>0.4</b>	<b>1.0</b>	<b>1.4</b>	<b>1.7</b>	<b>46.2%</b>	<b>56.4%</b>
EBIT growth	-105.5%	-179.6%	62.2%	97.1%	n.a.	136.0%	37.7%	17.6%		
EBIT/Revenues	n.a.	n.a.	n.a.	n.a.	13.8%	27.2%	31.2%	32.9%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.1)	(0.1)	(0.2)	(1.1)	(1.7)	(0.8)	(0.8)	(1.0)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>(0.2)</b>	<b>(0.6)</b>	<b>(0.4)</b>	<b>(1.1)</b>	<b>(1.3)</b>	<b>0.2</b>	<b>0.6</b>	<b>0.7</b>	<b>-52.7%</b>	<b>36.7%</b>
Ordinary Profit Growth	-108.7%	-132.4%	36.7%	-220.5%	-15.3%	117.3%	160.8%	22.3%		
Extraordinary Results	(0.3)	0.5	0.0	0.1	1.5	-	-	-		
<b>Profit Before Tax</b>	<b>(0.6)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(1.0)</b>	<b>0.2</b>	<b>0.2</b>	<b>0.6</b>	<b>0.7</b>	<b>24.2%</b>	<b>48.8%</b>
Tax Expense	-	-	-	-	-	-	-	-		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(0.6)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(1.0)</b>	<b>0.2</b>	<b>0.2</b>	<b>0.6</b>	<b>0.7</b>	<b>24.2%</b>	<b>48.8%</b>
Net Profit growth	-396.2%	87.9%	-394.9%	-200.8%	121.3%	3.3%	160.8%	22.3%		
<b>Ordinary Net Profit</b>	<b>(0.3)</b>	<b>(0.6)</b>	<b>(0.4)</b>	<b>(1.3)</b>	<b>(1.2)</b>	<b>0.2</b>	<b>0.5</b>	<b>0.6</b>	<b>-46.3%</b>	<b>35.8%</b>
Ordinary Net Profit growth	-93.6%	-124.2%	32.0%	-227.5%	8.3%	112.4%	222.4%	26.4%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>1.2</b>	<b>1.6</b>	<b>1.9</b>	<b>59.7%</b>	<b>36.3%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						0.1	(0.2)	(0.1)		
<b>Recurrent Operating Cash Flow</b>						<b>1.3</b>	<b>1.5</b>	<b>1.8</b>	<b>52.5%</b>	<b>52.7%</b>
CAPEX						(9.5)	(3.2)	(3.3)		
Net Financial Result affecting the Cash Flow						(0.8)	(0.8)	(1.0)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(9.0)</b>	<b>(2.6)</b>	<b>(2.5)</b>	<b>13.4%</b>	<b>-16.3%</b>
Gain/loss on Disposals						0.1	0.1	0.1		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(9.0)</b>	<b>(2.5)</b>	<b>(2.4)</b>	<b>13.5%</b>	<b>-14.9%</b>
Capital Increase						-	-	-		
Dividends						(0.2)	(0.2)	(0.5)		
<b>Net Debt Variation</b>						<b>9.2</b>	<b>2.7</b>	<b>2.9</b>		



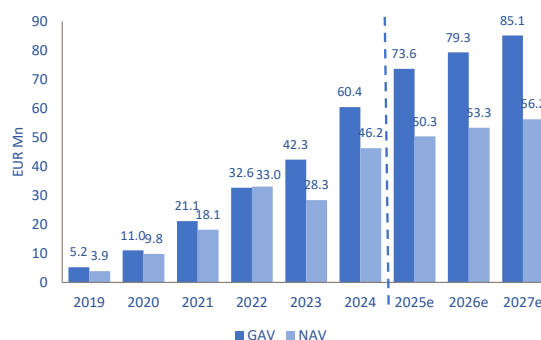


## The company in 8 charts

### A strained housing market that does not increase supply despite rising prices.



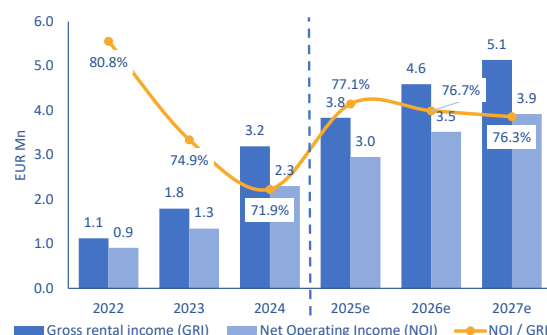
### A REIT experiencing strong growth...



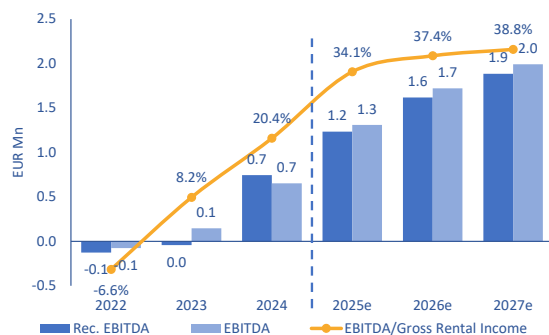
### ...with a portfolio diversified geographically



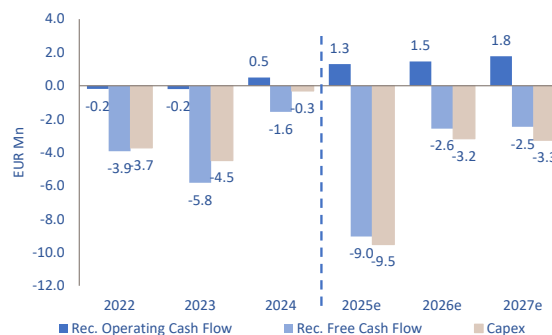
### With revenue growth (+17.1% CAGR 24-27e) and margin stabilization



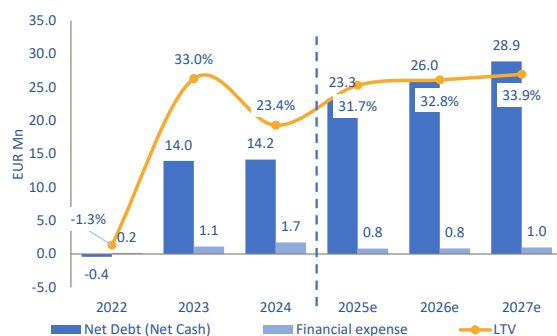
### The scalability of the model allows recurring EBITDA to triple between 2024 and 2027e, with increasing EBITDA margins.



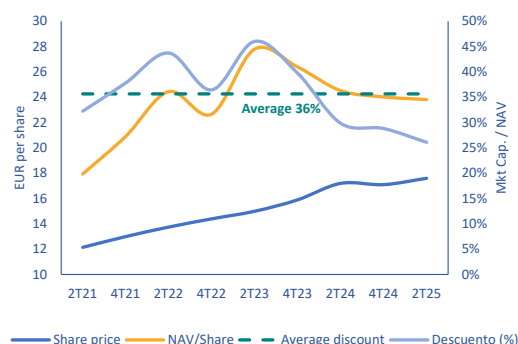
### A capital-intensive growth model that will require significant external financing



### A solid financial position (LTV ≤ 25% 2024), supported by asset acquisitions at a significant discount.



### YKTS is trading at a discount of nearly 25% to net asset value (NAV)



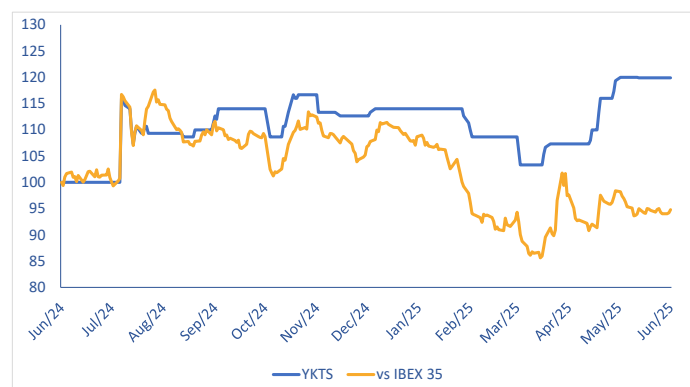


## Evolution of the share price

**Historical behavior vs Ibex 35 (base 100)**



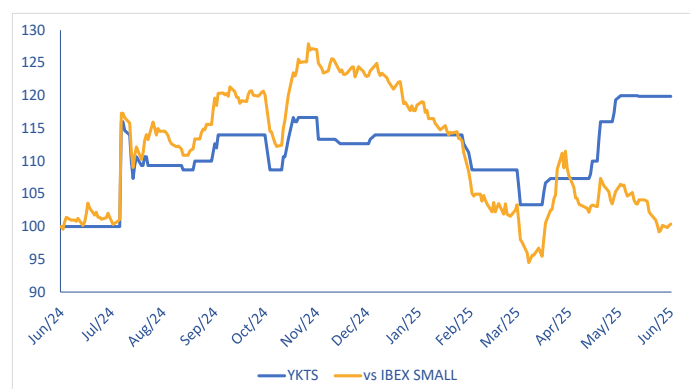
**Behavior -1y vs Ibex 35 (base 100)**



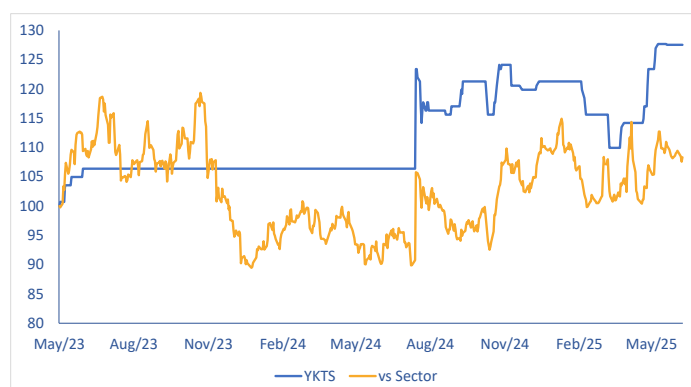
**Historical behavior vs Ibex Small Cap (base 100)**



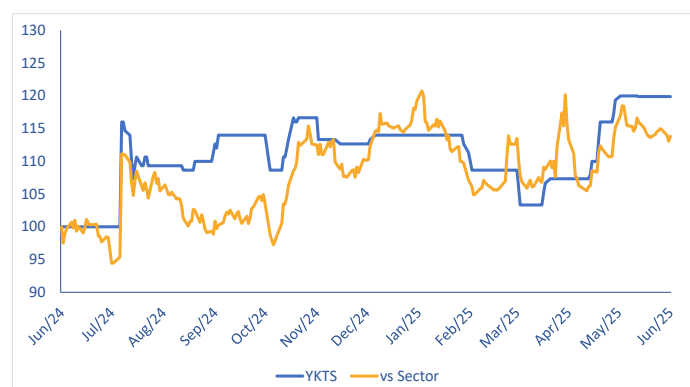
**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.5	10.3	19.9	5.2	n.a.	n.a.
<b>vs Market</b>						
vs Ibex 35	-3.7	0.5	-5.2	-13.7	n.a.	n.a.
vs Euro STOXX 50	-1.1	8.6	10.4	-4.5	n.a.	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-4.7	-2.9	0.4	-17.8	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.3	3.0	13.9	-7.4	n.a.	n.a.
vs MSCI Europe Micro Cap	-4.0	1.2	18.1	-2.4	n.a.	n.a.
<b>vs Sector</b>						
vs Stoxx Europe 600 Real State	-1.1	0.3	13.8	-0.9	n.a.	n.a.

(1) Constituents on page 10



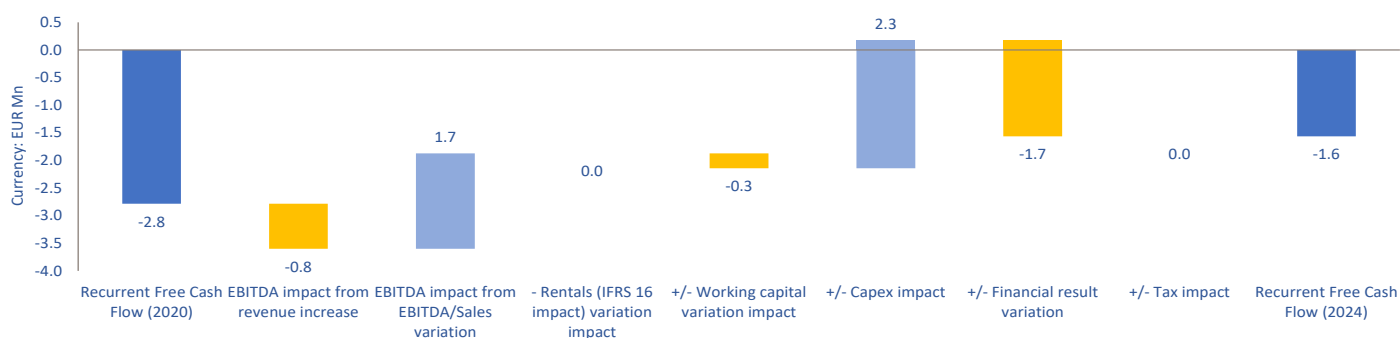
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>0.7</b>	<b>1.2</b>	<b>1.6</b>	<b>1.9</b>	<b>53.1%</b>	<b>36.3%</b>
Recurrent EBITDA growth	-182.9%	73.3%	65.8%	n.a.	65.8%	31.0%	16.6%		
Rec. EBITDA/Revenues	n.a.	n.a.	n.a.	23.3%	32.2%	35.2%	36.7%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.5)	(0.1)	(0.2)	(0.2)	0.1	(0.2)	(0.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>0.5</b>	<b>1.3</b>	<b>1.5</b>	<b>1.8</b>	<b>35.9%</b>	<b>52.7%</b>
Rec. Operating Cash Flow growth	-570.6%	80.4%	-6.9%	342.2%	162.1%	11.8%	21.5%		
Rec. Operating Cash Flow / Sales	n.a.	n.a.	n.a.	15.6%	34.0%	31.7%	34.5%		
- CAPEX	(3.8)	(3.7)	(4.5)	(0.3)	(9.5)	(3.2)	(3.3)		
- Net Financial Result affecting Cash Flow	(0.0)	(0.0)	(1.1)	(1.7)	(0.8)	(0.8)	(1.0)		
- Taxes	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(5.8)</b>	<b>(1.6)</b>	<b>(9.0)</b>	<b>(2.6)</b>	<b>(2.5)</b>	<b>31.3%</b>	<b>-16.3%</b>
Rec. Free Cash Flow growth	-72.9%	18.4%	-48.2%	73.1%	-477.9%	71.6%	4.2%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
+/- Other Income	-	-	0.0	0.0	0.1	0.1	0.1		
- Acquisitions / + Divestments	-	-	(13.7)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(19.5)</b>	<b>(1.6)</b>	<b>(9.0)</b>	<b>(2.5)</b>	<b>(2.4)</b>	<b>31.4%</b>	<b>-14.9%</b>
Free Cash Flow growth	-72.9%	18.4%	-397.0%	92.0%	-476.4%	72.5%	4.5%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>(2.8)</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(5.8)</b>	<b>(1.6)</b>	<b>(9.0)</b>	<b>(2.6)</b>		
EBITDA impact from revenue increase	(0.2)	(0.6)	(0.1)	(0.0)	0.1	0.2	0.2		
EBITDA impact from EBITDA/Sales variation	(0.2)	0.9	0.2	0.8	0.3	0.1	0.1		
<b>= Recurrent EBITDA variation</b>	<b>(0.3)</b>	<b>0.3</b>	<b>0.1</b>	<b>0.8</b>	<b>0.5</b>	<b>0.4</b>	<b>0.3</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(0.5)	0.4	(0.1)	(0.1)	0.3	(0.2)	0.0		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(0.8)</b>	<b>0.8</b>	<b>(0.0)</b>	<b>0.7</b>	<b>0.8</b>	<b>0.2</b>	<b>0.3</b>		
+/- CAPEX impact	(1.2)	0.1	(0.8)	4.2	(9.2)	6.3	(0.1)		
+/- Financial result variation	(0.0)	(0.0)	(1.1)	(0.6)	0.9	(0.0)	(0.1)		
+/- Tax impact	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow variation</b>	<b>(2.0)</b>	<b>0.9</b>	<b>(1.9)</b>	<b>4.3</b>	<b>(7.5)</b>	<b>6.5</b>	<b>0.1</b>		
<b>Recurrent Free Cash Flow</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(5.8)</b>	<b>(1.6)</b>	<b>(9.0)</b>	<b>(2.6)</b>	<b>(2.5)</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>0.4</b>	<b>1.0</b>	<b>1.4</b>	<b>1.7</b>	<b>42.9%</b>	<b>56.4%</b>
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
<b>Recurrent EBITDA</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>0.7</b>	<b>1.2</b>	<b>1.6</b>	<b>1.9</b>	<b>53.1%</b>	<b>36.3%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.5)	(0.1)	(0.2)	(0.2)	0.1	(0.2)	(0.1)		
<b>= Recurrent Operating Cash Flow</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>0.5</b>	<b>1.3</b>	<b>1.5</b>	<b>1.8</b>	<b>35.9%</b>	<b>52.7%</b>
- CAPEX	(3.8)	(3.7)	(4.5)	(0.3)	(9.5)	(3.2)	(3.3)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(4.7)</b>	<b>0.2</b>	<b>(8.2)</b>	<b>(1.7)</b>	<b>(1.5)</b>	<b>26.8%</b>	<b>n.a.</b>
Rec. Free Cash Flow (To the Firm) growth	-73.1%	18.5%	-20.0%	103.9%	n.a.	79.0%	13.3%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	5.7%	n.a.	n.a.	n.a.		
- Acquisitions / + Divestments	-	-	(13.7)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(4.8)</b>	<b>(3.9)</b>	<b>(18.4)</b>	<b>0.2</b>	<b>(8.2)</b>	<b>(1.7)</b>	<b>(1.5)</b>	<b>26.8%</b>	<b>n.a.</b>
Free Cash Flow (To the Firm) growth	-73.1%	18.5%	-370.3%	101.0%	n.a.	79.0%	13.3%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	0.4%	n.a.	n.a.	n.a.		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	0.4%	n.a.	n.a.	n.a.		
<b>Funds from operations</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.9)</b>	<b>0.4</b>	<b>0.4</b>	<b>0.8</b>	<b>0.9</b>		
Mkt Cap/Funds from operations	n.a.	n.a.	n.a.	78.2x	82.4x	44.7x	37.6x		
<b>Adjusted funds from operations</b>	<b>(4.3)</b>	<b>(4.0)</b>	<b>(5.4)</b>	<b>0.1</b>	<b>(9.1)</b>	<b>(2.4)</b>	<b>(2.3)</b>		
Mkt Cap/Adjusted funds from operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		

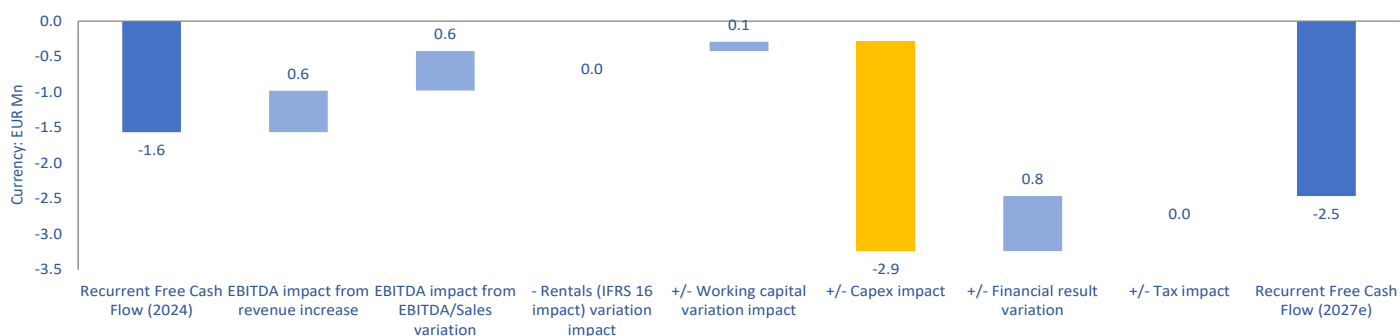


## Free Cash Flow (II)

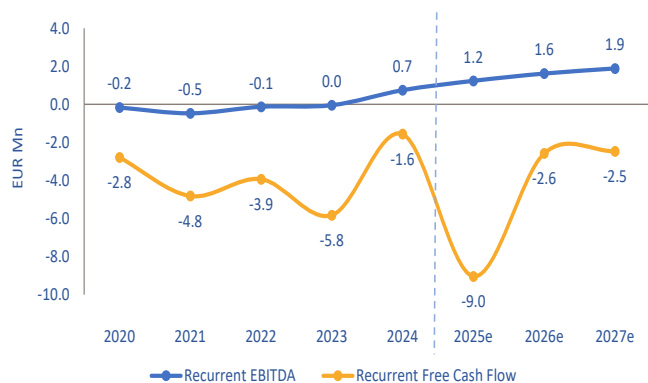
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



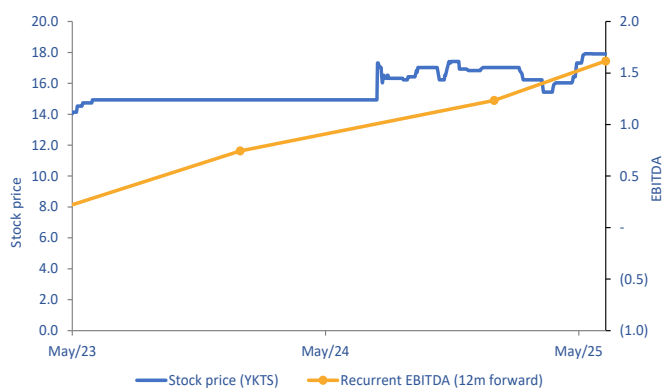
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(8.2)	(1.7)	(1.5)	n.a.		
Market Cap	34.5	At the date of this report				
Net financial debt	14.2	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.0%	Net debt cost			3.8%	4.3%
Tax rate (T)	0.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.8%	4.3%
Risk free rate (rf)	3.1%	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	9.1%	$K_e = R_f + (R * B)$			8.1%	10.3%
Equity / (Equity + Net Debt)	70.9%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	29.1%	D			=	=
WACC	7.6%	$WACC = K_d * D + K_e * E$			6.8%	8.5%
G "Fair"	2.0%				2.0%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	34.5	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	-	12m Results 2024
+ Net financial debt	14.2	12m Results 2024
- Financial Investments	0.2	12m Results 2024
+/- Others		
Enterprise Value (EV)	48.4	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	1.3%
	2024	2027e			
ROCE - WACC	-6.4%	-4.2%			
FCF Yield - WACC	-7,3%	n.a.			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	38.7%	1.8	27.2x
Central	35.2%	1.6	29.9x
Min	31.7%	1.5	33.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	62.3%	69.2%	76.1%
1.8	(2.1)	(2.4)	(2.7)
1.6	(2.3)	(2.6)	(2.9)
1.5	(2.4)	(2.7)	(3.0)

### Main Corporate Governance indicators

KPI	2022	2023	2024 <sup>(*)</sup>
% of independent board members	40,0%	40,0%	66,7%
% of proprietary board members	60,0%	60,0%	33,3%
% of executive board members	0,0%	0,0%	0,0%
% of other directors	0,0%	0,0%	0,0%
% of women on the board of directors	20,0%	20,0%	33,3%
% of women out of total workforce	n.a.	n.a.	n.a.
Remuneración del Consejo / Total rentas brutas (GRI)	4,1%	5,5%	3,1%

(\*) % of directors 2024 corresponds to the structure of the Board as of the date of this report.



## Main peers 2025e

	EUR Mn	Continuous Market			Europe				Average	YKTS
		Merlin Properties	Colonial	Average	Vonovia	SEGRO	Land Securities	Icade		
Market data	Ticker (Factset)	MRL-ES	COL-ES		VNA-DE	SGRO-GB	LAND-GB	ICAD-FR		YKTS-ES
	Country	Spain	Spain		Germany	UK	UK	France		Spain
	Market cap	6,077.0	3,895.8		23,377.3	11,199.7	5,447.2	1,840.3		34.5
	Enterprise value (EV)	9,698.8	9,313.8		68,200.1	16,254.3	10,721.4	5,371.7		48.4
Basic financial information	Total Revenues	548.0	413.1		3,324.8	832.7	772.3	371.6		3.8
	Total Revenues growth	8.9%	-19.1%	-2.2%	-35.2%	5.1%	-20.9%	-76.4%	-31.8%	20.0%
	2y CAGR (2025e - 2027e)	11.6%	6.9%	9.2%	11.0%	5.8%	2.8%	-1.3%	4.6%	15.7%
	EBITDA	406.6	337.4		2,689.2	701.8	604.3	303.8		1.3
	EBITDA growth	8.5%	1.7%	8.7%	28.1%	27.8%	24.4%	27.4%	26.9%	100.6%
	2y CAGR (2025e - 2027e)	11.5%	7.6%	9.5%	6.4%	6.4%	5.1%	2.4%	5.1%	23.3%
	EBITDA/Revenues	74.2%	81.7%	73.5%	80.9%	84.3%	78.3%	81.8%	81.3%	34.1%
	EBIT	409.4	337.5		2,678.5	733.5	602.2	306.2		1.0
	EBIT growth	10.6%	4.0%	11.6%	35.4%	36.5%	25.1%	44.7%	35.4%	136.0%
	2y CAGR (2025e - 2027e)	13.1%	14.7%	13.9%	11.1%	6.5%	5.7%	7.1%	7.6%	27.3%
	EBIT/Revenues	74.7%	81.7%	69.1%	80.6%	88.1%	78.0%	82.4%	82.3%	27.2%
	Net Profit	312.5	212.6		1,878.3	582.4	734.2	261.0		0.2
	Net Profit growth	10.1%	-30.8%	-10.7%	303.6%	-16.5%	58.0%	194.8%	135.0%	3.3%
	2y CAGR (2025e - 2027e)	8.2%	6.9%	7.5%	21.1%	7.4%	1.4%	-5.5%	6.1%	78.6%
	CAPEX/Sales %	147.6%	35.6%	75.8%	33.3%	105.2%	36.8%	-7.4%	42.0%	248.3%
	Free Cash Flow	(106.1)	165.6		1,785.4	100.9	271.6	461.3		(9.0)
Multiples and Ratios	Net financial debt	4,277.0	4,557.2		39,057.2	6,011.1	5,064.4	3,211.6		23.3
	ND/EBITDA (x)	10.5	13.5	10.7	14.5	8.6	8.4	10.6	10.5	18.9
	Pay-out	68.5%	84.1%	95.6%	54.3%	83.3%	49.2%	70.8%	64.4%	90.0%
	P/E (x)	19.5	18.9	25.2	14.7	19.5	12.0	7.1	13.3	n.a.
	P/BV (x)	0.8	0.7	0.7	0.8	0.7	0.6	0.4	0.7	1.6
	EV/Revenues (x)	17.7	n.a.	17.8	n.a.	19.5	13.9	14.5	16.0	12.6
	EV/EBITDA (x)	23.9	27.6	26.4	25.4	23.2	17.7	17.7	21.0	39.2
	EV/EBIT (x)	23.7	27.6	28.8	25.5	22.2	17.8	17.5	20.7	46.5
	ROE	4.0	3.5	3.8	5.7	3.7	5.4	6.1	5.2	1.0
	FCF Yield (%)	n.a.	4.3	2.4	7.6	0.9	5.0	25.1	9.6	n.a.
	DPS	0.42	0.31	0.43	1.24	0.37	0.49	2.44	1.13	0.11
	Dvd Yield	3.9%	5.0%	4.2%	4.4%	4.4%	6.6%	10.1%	6.4%	0.6%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

**Labiana Health (LAB)** LAB is a small pharmaceutical company based in Madrid (Spain), specialised in proprietary and third-party (CDMO) manufacturing and marketing of medicines for animal (veterinary) and human health. It has a strong international footprint (>70% of revenue from outside Spain). Founded in 1958, the company is managed (and controlled) by CEO Manuel Ramos, who holds a 54% stake.

**Market Data**

Market Cap (Mn EUR and USD)	25.9	29.7
EV (Mn EUR and USD)	53.2	61.1
Shares Outstanding (Mn)	7.2	
-12m (Max/Med/Mín EUR)	3.58 / 2.80 / 1.86	
Daily Avg volume (-12m Mn EUR)	0.01	
Rotation <sup>(1)</sup>	13.0	
Factset / Bloomberg	LAB-ES / LAB SM	
Close fiscal year	31-Dec	

**Shareholders Structure (%)**

Manuel Ramos	53.7
John Williams	13.0
Otros directivos	10.4
Autocartera	4.3
Free Float	18.6

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	7.2	7.2	7.2	7.2
Total Revenues	66.3	73.7	82.4	92.4
Rec. EBITDA	8.3	11.2	14.0	17.3
% growth	201.5	35.2	24.4	23.7
% Rec. EBITDA/Rev.	12.6	15.3	17.0	18.7
% Inc. EBITDA sector <sup>(2)</sup>	8.1	14.6	14.6	11.9
Net Profit	0.0	3.9	6.5	7.7
EPS (EUR)	0.00	0.54	0.90	1.06
% growth	100.3	n.a.	65.3	18.2
Ord. EPS (EUR)	0.02	0.54	0.90	1.06
% growth	102.7	n.a.	65.3	18.2
Rec. Free Cash Flow	4.1	0.1	1.9	4.1
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	28.7	28.5	26.6	22.5
ND/Rec. EBITDA (x)	3.4	2.5	1.9	1.3
ROE (%)	0.5	76.2	69.2	48.5
ROCE (%)	14.1	27.5	32.4	30.2

**Ratios & Multiples (x)**

P/E	n.a.	6.6	4.0	3.4
Ord. P/E	n.a.	6.6	4.0	3.4
P/BV	7.3	3.8	2.2	1.3
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.80	0.72	0.65	0.58
EV/Rec. EBITDA	6.4	4.7	3.8	3.1
EV/EBIT	10.7	6.4	4.9	3.8
FCF Yield (%)	16.0	0.4	7.4	15.9

**Historical behavior (base 100)**


(%)	-1m	-3m	-12m	-5Y
Absolute	10.5	17.0	45.5	n.a.

(1) Rotation is the % of the capitalisation traded - 12m.  
(2) Sector: Stoxx Europe 600 Health Care.

**MOMENTUM: WHAT DO WE EXPECT FROM 2025E?**

**2024: a breath of fresh air.** LAB achieved double-digit revenue growth (+18.4%) and a 168% increase in recurring EBITDA (EUR 8.6Mn vs. EUR 2.8Mn in 2023), with positive Net Profit for the first time in three years. The impact of the debt renegotiation signed with Blantyre and Miralta in 2023 was clearly visible throughout 2024. Additionally, LAB reduced its debt after decreasing its stake in its Serbian subsidiary (Zabod) to 10%.

**2025: growth momentum expected to continue...** the take-off of the CDMO segment in both Human Health (+15%) and Animal Health (+11.5%) in the short term should act as catalysts, allowing for aspirations of double-digit consolidated revenue growth (+11.3%) in 2025e.

...this growth should enable a "leap" in profitability due to the end of working capital constraints, combined with the ability to leverage its overhead costs (developing economies of scale) through an increased manufacturing pace. This should translate into a 2025e recurring EBITDA of EUR 11.2Mn, up +35.2% (2025e EBITDA margin of 15.3% vs. 12.6% in 2024).

**EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?**

**Diversified mix reduces risk.** By business line, human health accounts for 52% of revenue and animal health for 48%. By manufacturing type, proprietary products represent 32.2% of revenue, and CDMO accounts for 67.8%. LAB has a portfolio of over 50 proprietary drugs (especially Fosfomycin) and a consolidated presence in over 110 international markets.

**Entry/exit barriers and recurring customers.** The high investment requirements for drug manufacturing act as strong barriers to entry. High switching costs create strong barriers to exit and ensure a recurring customer base.

**Increased utilization of production capacity.** LAB can increase the utilization of its installed capacity and expand it with minimal additional investment (EUR 4.0Mn in 2024 and our estimate of EUR 4.4Mn in 2025e).

...this is key to recurring EBITDA growth (+27.7% CAGR 2024-2027e). The ability to maintain the gross margin at approximately 61% (vs. 60% in 2024) and the gradual leveraging of production capacity will enable double-digit recurring EBITDA growth to EUR 17.3Mn in 2027e (vs. EUR 8.3Mn in 2024).

**Cash generation (2026e FCF Yield 7.4%).** Despite high CAPEX (approx. 6% of revenue) and high financial costs, improved profitability will significantly boost cash generation. This will reduce LAB's debt (equity story) and allow for investment in niche drugs that offer high growth potential.

**RISKS: WHAT TO KEEP AN EYE ON?**

**High presence of intangible assets related to R&D.** Approximately 95% of its net intangible assets are linked to R&D. This implies potential impairments and a progressive increase in depreciation and amortization expenses, impacting its P&L.

**High cost of debt.** Around 64% of gross debt is with Blantyre and Miralta, which have a significantly higher financing cost than the market. Therefore, lower operating results would eliminate the possibility of achieving positive Net Profit.

**VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?**

**LAB's equity story is based on sustaining the positive results momentum beyond 2024.** The 12m24 results were crucial, as we expected, by highlighting the opportunities and true potential of LAB's business model (hidden for the past four years) and suggest a change of cycle: double-digit growth and margin improvement. Although the stock price seems to have taken note (-12m +45.5%), our central scenario (without assuming a potential debt renegotiation) would leave LAB trading at a 2025e EV/EBITDA of 4.7x. This is an investment idea that, at a minimum, warrants consideration and analysis. Now. Especially given that the drivers behind the "leap" in revenue and margins seen in 2024 remain valid for 2025, implying a return to double-digit revenue growth and continued margin improvement.





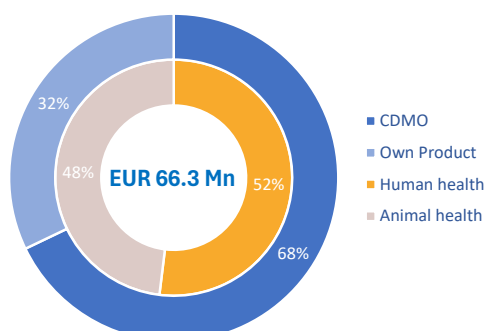
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	11.4	11.5	9.0	7.7	6.0	7.6	9.2	10.8		
Fixed assets	20.3	20.4	20.6	19.8	12.7	12.6	12.9	13.6		
Other Non Current Assets	2.2	1.4	0.9	1.8	2.5	2.5	2.5	2.5		
Financial Investments	3.1	4.4	1.4	0.9	2.4	2.3	2.3	2.3		
Goodwill & Other Intangibles	0.6	1.3	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
Current assets	26.9	26.1	26.2	26.0	21.8	24.8	27.9	31.1		
<b>Total assets</b>	<b>64.5</b>	<b>65.1</b>	<b>58.3</b>	<b>56.2</b>	<b>45.4</b>	<b>49.9</b>	<b>54.8</b>	<b>60.3</b>		
Equity	14.3	11.5	6.9	3.4	3.5	6.8	12.0	19.6		
Minority Interests	-	-	-	-	(1.0)	(1.0)	(1.0)	(1.0)		
Provisions & Other L/T Liabilities	0.7	0.4	0.5	0.4	0.0	0.0	0.0	0.0		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	37.8	42.2	36.0	38.8	28.7	28.5	26.6	22.5		
Current Liabilities	11.7	11.0	14.9	13.6	14.1	15.5	17.2	19.1		
<b>Equity &amp; Total Liabilities</b>	<b>64.5</b>	<b>65.1</b>	<b>58.3</b>	<b>56.2</b>	<b>45.4</b>	<b>49.9</b>	<b>54.8</b>	<b>60.3</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Total Revenues</b>	<b>58.4</b>	<b>57.1</b>	<b>58.2</b>	<b>58.5</b>	<b>66.3</b>	<b>73.7</b>	<b>82.4</b>	<b>92.4</b>	<b>3.2%</b>	<b>11.7%</b>
Total Revenues growth	21.1%	-2.3%	2.0%	0.5%	13.3%	11.3%	11.7%	12.2%		
COGS	(26.1)	(24.4)	(28.1)	(25.4)	(26.4)	(28.7)	(32.1)	(36.0)		
<b>Gross Margin</b>	<b>32.3</b>	<b>32.6</b>	<b>30.1</b>	<b>33.1</b>	<b>39.8</b>	<b>45.0</b>	<b>50.3</b>	<b>56.5</b>	<b>5.4%</b>	<b>12.3%</b>
Gross Margin/Revenues	55.4%	57.2%	51.7%	56.6%	60.1%	61.1%	61.1%	61.1%		
Personnel Expenses	(17.5)	(17.7)	(18.0)	(19.1)	(20.4)	(21.6)	(23.0)	(24.6)		
Other Operating Expenses	(11.6)	(11.7)	(10.7)	(11.3)	(11.1)	(12.1)	(13.3)	(14.5)		
<b>Recurrent EBITDA</b>	<b>3.2</b>	<b>3.1</b>	<b>1.3</b>	<b>2.8</b>	<b>8.3</b>	<b>11.2</b>	<b>14.0</b>	<b>17.3</b>	<b>26.9%</b>	<b>27.7%</b>
Recurrent EBITDA growth	46.4%	-2.4%	-57.4%	106.9%	201.5%	35.2%	24.4%	23.7%		
Rec. EBITDA/Revenues	5.5%	5.5%	2.3%	4.7%	12.6%	15.3%	17.0%	18.7%		
Restructuring Expense & Other non-rec.	(0.1)	(0.0)	(1.6)	(0.8)	(0.1)	-	-	-		
<b>EBITDA</b>	<b>3.1</b>	<b>3.1</b>	<b>(0.3)</b>	<b>1.9</b>	<b>8.2</b>	<b>11.2</b>	<b>14.0</b>	<b>17.3</b>	<b>27.3%</b>	<b>28.2%</b>
Depreciation & Provisions	(2.9)	(5.0)	(5.1)	(4.7)	(4.4)	(4.5)	(4.7)	(4.9)		
Capitalized Expense	2.3	2.5	2.9	1.2	1.1	1.6	1.6	1.6		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>2.5</b>	<b>0.6</b>	<b>(2.5)</b>	<b>(1.6)</b>	<b>5.0</b>	<b>8.4</b>	<b>10.9</b>	<b>14.0</b>	<b>19.2%</b>	<b>41.4%</b>
EBIT growth	35.4%	-74.9%	-504.5%	36.6%	413.4%	68.7%	30.6%	28.3%		
EBIT/Revenues	4.2%	1.1%	n.a.	n.a.	7.5%	11.3%	13.3%	15.2%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(1.9)	(2.7)	(1.8)	(3.7)	(5.0)	(4.4)	(4.4)	(4.4)		
Income by the Equity Method	-	-	-	-	-	(0.0)	(0.0)	(0.0)		
<b>Ordinary Profit</b>	<b>0.5</b>	<b>(2.1)</b>	<b>(4.3)</b>	<b>(5.3)</b>	<b>(0.0)</b>	<b>3.9</b>	<b>6.5</b>	<b>9.6</b>	<b>-19.7%</b>	<b>n.a.</b>
Ordinary Profit Growth	-29.1%	-491.6%	-101.1%	-23.3%	99.4%	n.a.	65.3%	47.7%		
Extraordinary Results	-	-	(3.6)	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>0.5</b>	<b>(2.1)</b>	<b>(7.8)</b>	<b>(5.3)</b>	<b>(0.0)</b>	<b>3.9</b>	<b>6.5</b>	<b>9.6</b>	<b>-19.7%</b>	<b>n.a.</b>
Tax Expense	-	-	-	-	-	-	-	(1.9)		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	20.0%		
Minority Interests	-	0.3	0.2	0.1	0.0	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>0.5</b>	<b>(1.8)</b>	<b>(7.7)</b>	<b>(5.2)</b>	<b>0.0</b>	<b>3.9</b>	<b>6.5</b>	<b>7.7</b>	<b>-58.0%</b>	<b>n.a.</b>
Net Profit growth	0.1%	-429.8%	-328.9%	32.2%	100.3%	n.a.	65.3%	18.2%		
<b>Ordinary Net Profit</b>	<b>0.6</b>	<b>(1.8)</b>	<b>(2.5)</b>	<b>(4.4)</b>	<b>0.1</b>	<b>3.9</b>	<b>6.5</b>	<b>7.7</b>	<b>-34.2%</b>	<b>n.a.</b>
Ordinary Net Profit growth	-37.9%	-387.3%	-38.1%	-76.8%	102.7%	n.a.	65.3%	18.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Recurrent EBITDA</b>						<b>11.2</b>	<b>14.0</b>	<b>17.3</b>	<b>26.9%</b>	<b>27.7%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(1.6)	(1.4)	(1.3)		
<b>Recurrent Operating Cash Flow</b>						<b>9.6</b>	<b>12.6</b>	<b>16.0</b>	<b>37.1%</b>	<b>7.0%</b>
CAPEX						(4.4)	(4.9)	(5.5)		
Net Financial Result affecting the Cash Flow						(4.4)	(4.4)	(4.4)		
Tax Expense						(0.7)	(1.3)	(1.9)		
<b>Recurrent Free Cash Flow</b>						<b>0.1</b>	<b>1.9</b>	<b>4.1</b>	<b>29.8%</b>	<b>-0.3%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>0.1</b>	<b>1.9</b>	<b>4.1</b>	<b>28.4%</b>	<b>1.1%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(0.1)</b>	<b>(1.9)</b>	<b>(4.1)</b>		

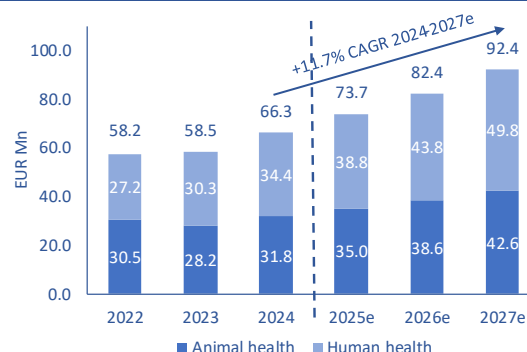


## The company in 8 charts

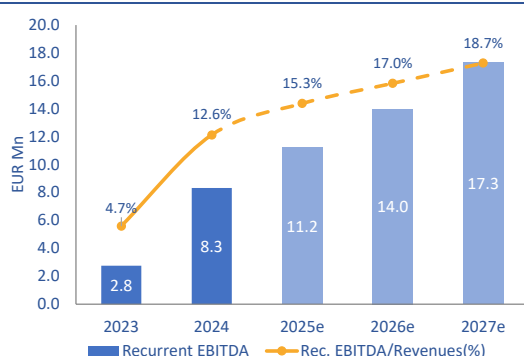
*A diversified business (animal and human health) in an inherently defensive industry...*



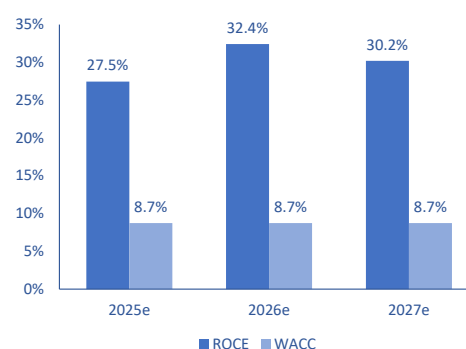
*... which we expect to enter a double-digit growth phase until 2027e (+11.7% CAGR 2024-2027e)*



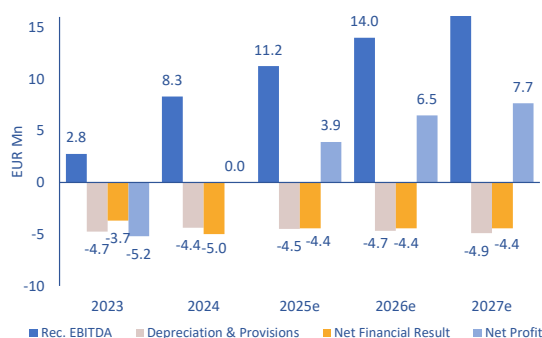
*And crystallize on a leap in profitability levels as early as 2025e*



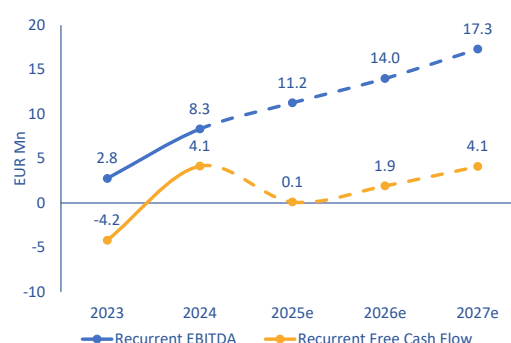
*Which will lead to value creation from the business model (ROCE 2025e: 27.5% vs WACC 2025e: 8.7%)*



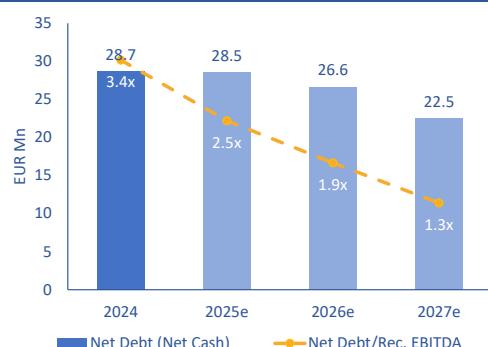
*The inertia of EBITDA growth will mitigate the effect of financial expenses, unblocking Net Profit...*



*... And with the capacity to generate positive recurring FCF starting in 2026e (Recurring FCF 2026e: EUR 1.9Mn)...*



*... Reducing the debt level to (DN/EBITDA 2027e: 1.3x)*



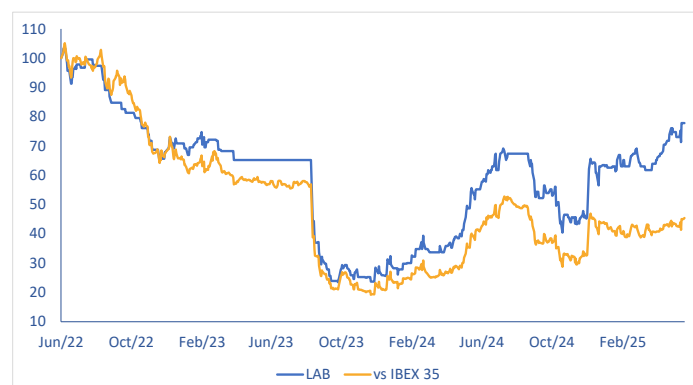
*Trading at objectively very low multiples: P/E 2026e 4x vs sector 16x*



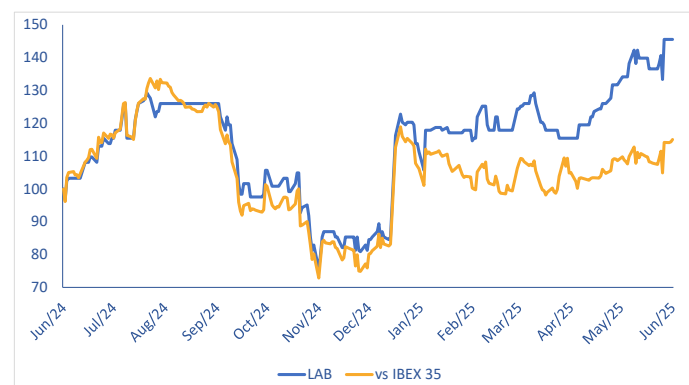


## Evolution of the share price

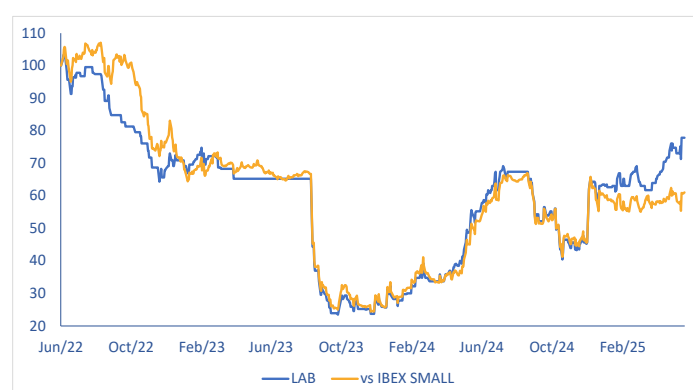
Historical behavior vs Ibex 35 (base 100)



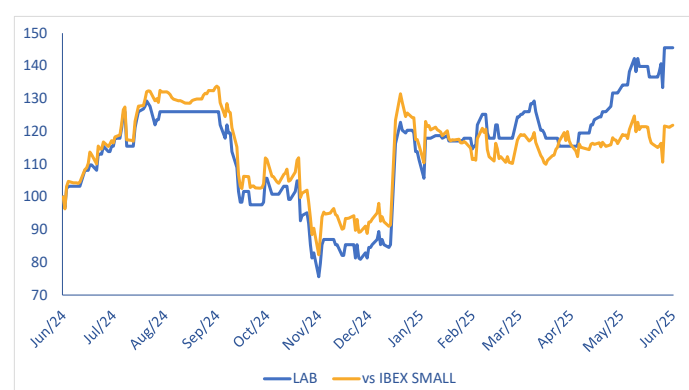
Behavior -1y vs Ibex 35 (base 100)



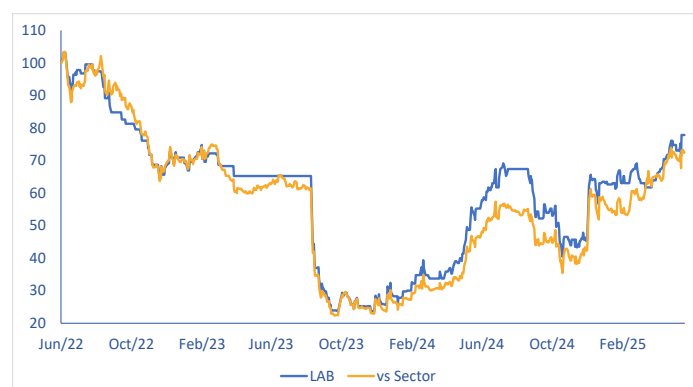
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Health Care

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	10.5	17.0	45.5	20.9	n.a.	n.a.
<b>vs Market</b>						
vs Ibex 35	6.0	6.6	15.1	-0.8	n.a.	n.a.
vs Euro STOXX 50	8.8	15.2	34.0	9.8	n.a.	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	4.8	3.0	21.9	-5.5	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	5.2	9.2	38.2	6.5	n.a.	n.a.
vs MSCI Europe Micro Cap	5.6	7.3	43.4	12.3	n.a.	n.a.
<b>vs Sector</b>						
vs Stoxx Europe 600 Health Care	5.2	19.8	61.0	21.5	n.a.	n.a.

(1) Constituents on page 10



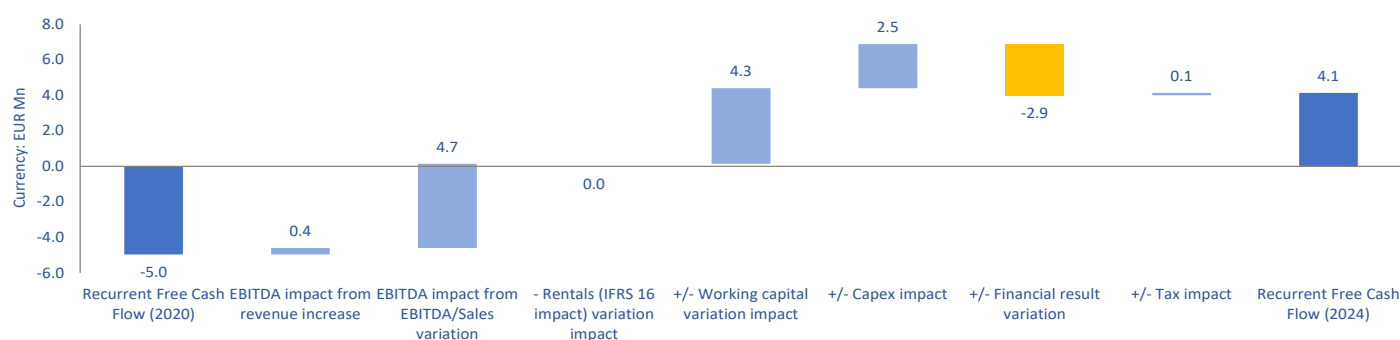
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	3.1	1.3	2.8	8.3	11.2	14.0	17.3	38.5%	27.7%
Recurrent EBITDA growth	-2.4%	-57.4%	106.9%	201.5%	35.2%	24.4%	23.7%		
Rec. EBITDA/Revenues	5.5%	2.3%	4.7%	12.6%	15.3%	17.0%	18.7%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	0.1	3.8	(1.1)	4.7	(1.6)	(1.4)	(1.3)		
= Recurrent Operating Cash Flow	3.2	5.2	1.7	13.1	9.6	12.6	16.0	59.8%	7.0%
Rec. Operating Cash Flow growth	-13.3%	60.9%	-67.8%	687.7%	-26.3%	30.6%	27.2%		
Rec. Operating Cash Flow / Sales	5.6%	8.9%	2.8%	19.7%	13.1%	15.3%	17.3%		
- CAPEX	(4.8)	(5.5)	(2.5)	(4.0)	(4.4)	(4.9)	(5.5)		
- Net Financial Result affecting Cash Flow	(2.0)	(1.5)	(3.3)	(4.8)	(4.4)	(4.4)	(4.4)		
- Taxes	(1.1)	(0.1)	(0.0)	(0.1)	(0.7)	(1.3)	(1.9)		
= Recurrent Free Cash Flow	(4.6)	(1.9)	(4.2)	4.1	0.1	1.9	4.1	42.5%	-0.3%
Rec. Free Cash Flow growth	6.6%	58.7%	-119.1%	198.7%	-97.2%	n.a.	114.8%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	6.3%	0.2%	2.3%	4.4%		
- Restructuring expenses & others	-	(1.6)	(0.8)	(0.1)	-	-	-		
- Acquisitions / + Divestments	1.3	-	-	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	3.4	-	(0.1)	-	-	-		
= Free Cash Flow	(3.4)	(0.1)	(5.0)	4.0	0.1	1.9	4.1	47.0%	1.1%
Free Cash Flow growth	39.2%	96.8%	n.a.	178.9%	-97.1%	n.a.	114.8%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	16.0%	0.4%	7.4%	15.9%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	15.4%	0.4%	7.4%	15.9%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(5.0)	(4.6)	(1.9)	(4.2)	4.1	0.1	1.9		
EBITDA impact from revenue increase	(0.1)	0.1	0.0	0.4	0.9	1.3	1.7		
EBITDA impact from EBITDA/Sales variation	(0.0)	(1.9)	1.4	5.2	2.0	1.4	1.6		
= Recurrent EBITDA variation	(0.1)	(1.8)	1.4	5.6	2.9	2.7	3.3		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(0.4)	3.7	(4.9)	5.8	(6.4)	0.2	0.1		
= Recurrent Operating Cash Flow variation	(0.5)	2.0	(3.5)	11.4	(3.4)	2.9	3.4		
+/- CAPEX impact	1.7	(0.7)	2.9	(1.5)	(0.4)	(0.5)	(0.6)		
+/- Financial result variation	(0.1)	0.5	(1.8)	(1.5)	0.4	-	-		
+/- Tax impact	(0.9)	0.9	0.1	(0.0)	(0.6)	(0.6)	(0.6)		
= Recurrent Free Cash Flow variation	0.3	2.7	(2.3)	8.3	(4.0)	1.8	2.2		
Recurrent Free Cash Flow	(4.6)	(1.9)	(4.2)	4.1	0.1	1.9	4.1		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	0.6	(2.5)	(1.6)	5.0	8.4	10.9	14.0	n.a.	41.4%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	(2.8)		
Recurrent EBITDA	3.1	1.3	2.8	8.3	11.2	14.0	17.3	38.5%	27.7%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	0.1	3.8	(1.1)	4.7	(1.6)	(1.4)	(1.3)		
= Recurrent Operating Cash Flow	3.2	5.2	1.7	13.1	9.6	12.6	16.0	59.8%	7.0%
- CAPEX	(4.8)	(5.5)	(2.5)	(4.0)	(4.4)	(4.9)	(5.5)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	(2.8)		
= Recurrent Free Cash Flow (To the Firm)	(1.6)	(0.3)	(0.9)	9.0	5.2	7.6	7.6	98.3%	-5.5%
Rec. Free Cash Flow (To the Firm) growth	44.3%	80.9%	-190.3%	n.a.	-42.5%	46.6%	0.1%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	13.7%	7.1%	9.3%	8.3%		
- Acquisitions / + Divestments	1.3	-	-	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	3.4	-	(0.1)	-	-	-		
= Free Cash Flow "To the Firm"	(0.3)	3.1	(0.9)	9.0	5.2	7.6	7.6	n.a.	-5.2%
Free Cash Flow (To the Firm) growth	91.1%	n.a.	-127.6%	n.a.	-42.0%	46.6%	0.1%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	17.0%	9.8%	14.3%	14.4%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	5.9%	n.a.	16.9%	9.8%	14.3%	14.4%		

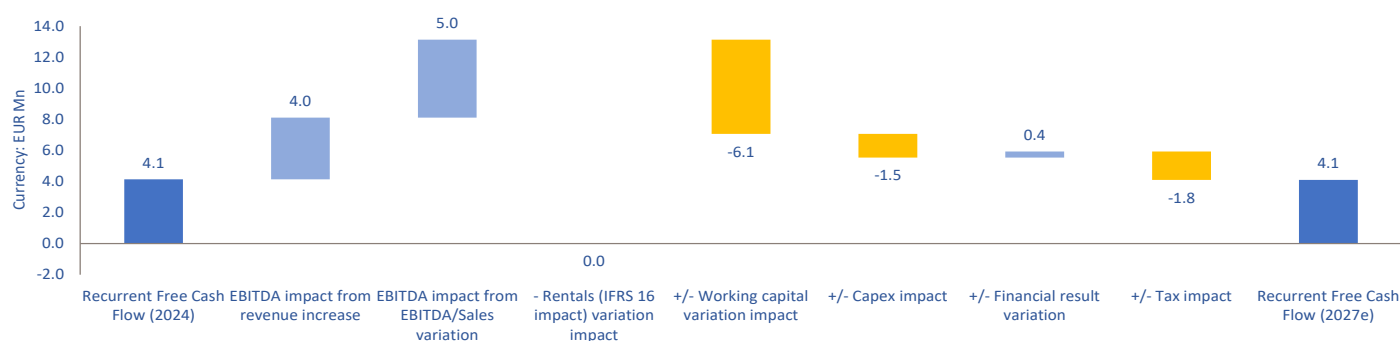


## Free Cash Flow (II)

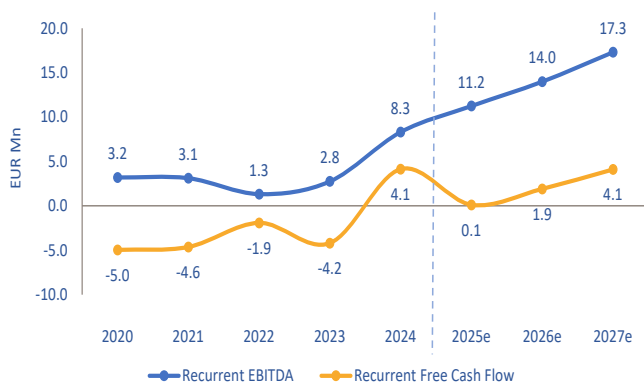
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



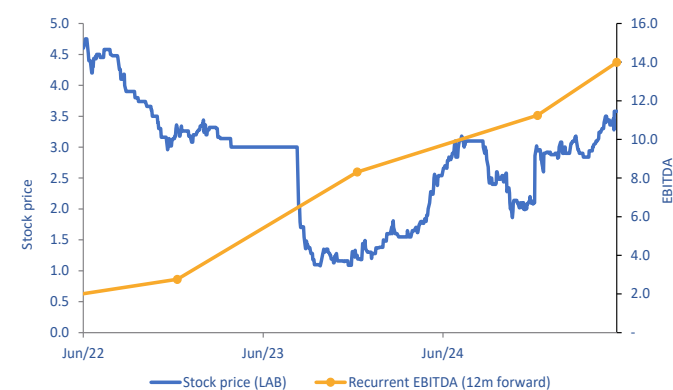
## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	5.2	7.6	7.6	115.7		
Market Cap	25.9	At the date of this report				
Net financial debt	28.7	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	10.5%	Net debt cost			10.3%	10.8%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	8.4%	$K_d = \text{Cost of Net Debt} * (1-T)$			8.2%	8.6%
Risk free rate (rf)	3.1%	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	9.1%	$K_e = R_f + (R * B)$			8.1%	10.3%
Equity / (Equity + Net Debt)	47.4%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	52.6%	D			=	=
WACC	8.7%	$WACC = K_d * D + K_e * E$			8.1%	9.4%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	25.9	
+ Minority Interests	1.0	12m Results 2024
+ Provisions & Other L/T Liabilities	0.0	12m Results 2024
+ Net financial debt	28.7	12m Results 2024
- Financial Investments	2.3	12m Results 2024
+/- Others		12m Results 2024
<b>Enterprise Value (EV)</b>	<b>53.2</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	5.1%	1.2%	n.a.	n.a.	14.1%
	2024	2027e			
ROCE - WACC	5.3%	21.5%			
FCF Yield - WACC	8.3%	5.6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	18.7%	15.4	3.5x
Central	17.0%	14.0	3.8x
Min	15.3%	12.6	4.2x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario	Rec. FCF/Yield 26e		
EBITDA 26e	5.4%	6.0%	6.6%					
15.4	3.8	3.3	2.8	➔	Max	14.7%	12.8%	10.9%
14.0	2.4	1.9	1.4		Central	9.3%	7.4%	5.5%
12.6	1.0	0.5	0.0		Min	3.9%	2.0%	0.1%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% de consejeros independientes	33.30%	33.30%	33.30%
% de consejeros dominicales	16.70%	16.70%	16.70%
% de consejeros ejecutivos	50.00%	50.00%	50.00%
% de otros consejeros	0.00%	0.00%	0.00%
% de mujeres en el consejo de administración	16.70%	16.70%	16.70%
% de mujeres en la plantilla	54.20%	55.70%	58.90%
Remuneración del Consejo /gastos de personal	3.80%	4.90%	4.80%



## Main peers 2025e

	Human Health					Animal Health					LAB
	EUR Mn	Laboratorio Reig Jofre	Enanta	Laboratorios Rovi	Average	Elanco	Veocrinol	Virbac	ECO Animal Health Group	Average	
Market data	Ticker (Factset)	RJF-ES	ENTA-US	ROVI-ES		ELAN-US	VETO-FR	VIRP-FR	EAH-GB		LAB-ES
	Country	Spain	USA	Spain		USA	France	France	UK		Spain
	Market cap	254.8	136.8	2,917.9		6,076.0	866.2	2,676.6	50.1		25.9
	Enterprise value (EV)	302.3	156.4	3,001.6		9,450.0	675.1	2,830.1	42.7		53.2
Basic financial information	Total Revenues	358.0	53.3	723.4		3,918.5	553.3	1,482.3	101.2		73.7
	Total Revenues growth	5.6%	-8.7%	-5.3%	-2.8%	2.2%	2.6%	6.1%	4.2%	3.8%	11.3%
	2y CAGR (2025e - 2027e)	6.2%	-5.3%	15.1%	5.3%	4.4%	2.8%	5.4%	8.0%	5.2%	12.0%
	EBITDA	46.0	(78.2)	191.4		734.4	109.7	297.3	9.1		11.2
	EBITDA growth	20.8%	24.1%	-7.4%	12.5%	-6.8%	7.2%	8.2%	5.8%	3.6%	36.9%
	2y CAGR (2025e - 2027e)	5.3%	-6.5%	26.4%	8.4%	9.2%	5.3%	9.9%	16.6%	10.2%	24.0%
	EBITDA/Revenues	12.8%	n.a.	26.5%	19.7%	18.7%	19.8%	20.1%	9.0%	16.9%	15.3%
	EBIT	27.0	(98.1)	162.0		621.5	83.5	234.4	5.5		8.4
	EBIT growth	83.3%	6.6%	-9.3%	26.8%	186.8%	18.6%	7.7%	6.5%	54.9%	68.7%
	2y CAGR (2025e - 2027e)	8.9%	-9.8%	29.6%	9.6%	10.6%	7.2%	10.6%	28.3%	14.2%	29.4%
	EBIT/Revenues	7.5%	n.a.	22.4%	15.0%	15.9%	15.1%	15.8%	5.4%	13.0%	11.3%
	Net Profit	17.0	(86.5)	127.4		361.5	70.0	161.9	2.3		3.9
	Net Profit growth	63.7%	13.7%	-6.9%	23.5%	23.9%	19.2%	11.5%	13.6%	17.0%	n.a.
	2y CAGR (2025e - 2027e)	8.5%	-20.4%	29.7%	5.9%	14.6%	13.3%	11.8%	42.5%	20.6%	39.8%
	CAPEX/Sales %	7.3%	29.0%	7.6%	14.6%	5.1%	3.2%	7.2%	3.2%	4.7%	6.0%
	Free Cash Flow	11.0	(64.8)	113.0		323.5	65.3	109.8	3.6		0.1
Multiples and Ratios	Net financial debt	47.0	n.a.	33.0		3,064.8	(237.8)	88.1	(22.5)		28.5
	ND/EBITDA (x)	1.0	n.a.	0.2	0.6	4.2	n.a.	0.3	n.a.	2.2	2.5
	Pay-out	37.7%	n.a.	36.2%	36.9%	0.0%	16.2%	8.3%	0.0%	6.1%	0.0%
	P/E (x)	11.5	n.a.	22.8	17.1	16.9	13.8	16.4	31.8	19.7	6.6
	P/BV (x)	1.1	1.0	4.4	2.1	1.1	1.4	2.2	0.5	1.3	3.8
	EV/Revenues (x)	0.8	2.9	4.1	2.6	2.4	1.2	1.9	0.4	1.5	0.7
	EV/EBITDA (x)	6.6	n.a.	15.7	11.1	12.9	6.2	9.5	4.7	8.3	4.7
	EV/EBIT (x)	11.2	n.a.	18.5	14.9	15.2	8.1	12.1	7.8	10.8	6.4
	ROE	9.2	n.a.	19.1	14.2	6.7	10.0	13.6	1.4	7.9	76.2
	FCF Yield (%)	4.3	n.a.	3.9	4.1	5.3	7.5	4.1	7.2	6.0	0.4
	DPS	0.08	n.a.	0.90	0.49	0.00	0.96	1.61	0.00	0.64	0.00
	Dvd Yield	2.5%	n.a.	1.6%	2.1%	0.0%	1.3%	0.5%	0.0%	0.5%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	24-27e
Total Revenues					43.0	48.2	58.4	57.1	58.2	58.5	66.3	73.7	82.4	92.4	n.a.	11.7%
Total Revenues growth					n.a.	12.1%	21.1%	-2.3%	2.0%	0.5%	13.3%	11.3%	11.7%	12.2%		
EBITDA					0.6	1.7	3.1	3.1	(0.3)	1.9	8.2	11.2	14.0	17.3	n.a.	28.2%
EBITDA growth					n.a.	182.2%	80.6%	0.0%	-109.6%	739.5%	327.4%	36.9%	24.4%	23.7%		
EBITDA/Sales					1.4%	3.6%	5.4%	5.5%	n.a.	3.3%	12.4%	15.3%	17.0%	18.7%		
Net Profit					0.7	0.7	0.5	(1.8)	(7.7)	(5.2)	0.0	3.9	6.5	7.7	n.a.	n.a.
Net Profit growth					n.a.	0.4%	-21.6%	-429.8%	-328.9%	32.2%	100.3%	n.a.	65.3%	18.2%		
Adjusted number shares (Mn)					-	0.1	6.2	6.2	7.2	7.2	7.2	7.2	7.2	7.2		
EPS (EUR)					n.a.	8.65	0.09	-0.29	-1.06	-0.72	0.00	0.54	0.90	1.06	n.a.	n.a.
EPS growth					n.a.	n.a.	-99.0%	n.a.	n.a.	32.2%	n.a.	n.a.	65.3%	18.2%		
Ord. EPS (EUR)					n.a.	14.77	0.10	-0.29	-0.34	-0.60	0.02	0.54	0.90	1.06	n.a.	n.a.
Ord. EPS growth					n.a.	n.a.	-99.3%	n.a.	-18.4%	-76.8%	n.a.	n.a.	65.3%	18.2%		
CAPEX					(4.7)	(5.5)	(6.5)	(4.8)	(5.5)	(2.5)	(4.0)	(4.4)	(4.9)	(5.5)		
CAPEX/Sales %					10.9%	11.3%	11.1%	8.4%	9.4%	4.3%	6.1%	6.0%	6.0%	6.0%		
Free Cash Flow					(16.2)	(18.1)	(5.6)	(3.4)	(0.1)	(5.0)	4.0	0.1	1.9	4.1	n.a.	1.1%
ND/EBITDA (x) <sup>(2)</sup>					30.0x	19.9x	12.1x	13.5x	n.a.	20.2x	3.5x	2.5x	1.9x	1.3x		
P/E (x)					n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6.6x	4.0x	3.4x		
EV/Sales (x)					n.a.	n.a.	n.a.	n.a.	1.02x	0.81x	0.71x	0.72x	0.65x	0.58x		
EV/EBITDA (x) <sup>(2)</sup>					n.a.	n.a.	n.a.	n.a.	n.a.	24.6x	5.7x	4.7x	3.8x	3.1x		
Absolute performance					n.a.	n.a.	n.a.	n.a.	n.a.	-62.8%	136.8%	20.9%				
Relative performance vs Ibex 35					n.a.	n.a.	n.a.	n.a.	n.a.	-69.7%	106.3%	-0.8%				

(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.

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



**Laboratorio Reig Jofre (RJF)** a pharmaceutical company headquartered in Barcelona (Spain) specialised in research, manufacturing, and marketing of pharmaceutical products (injectables and generic antibiotics) and food supplements at its development and logistics centres (Barcelona, Toledo and Malmö). With an international footprint (> 50% of revenue). Managed and controlled by the Reig family (63% of share capital).

## Market Data

Market Cap (Mn EUR and USD)	258.9	297.2
EV (Mn EUR and USD)	309.5	355.4
Shares Outstanding (Mn)	80.9	
-12m (Max/Med/Mín EUR)	3.31 / 2.75 / 2.45	
Daily Avg volume (-12m Mn EUR)	0.07	
Rotation <sup>(1)</sup>	7.2	
Factset / Bloomberg	RJF-ES / RJF SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

Reig Jofre Investments	62.8
Kaizaharra Corp	10.1
Onchena	6.1
Autocartera	1.0
Free Float	20.0

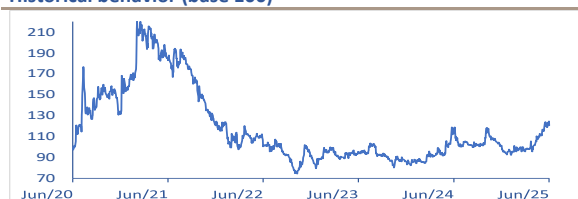
## Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	80.1	80.9	80.9	80.9
Total Revenues	338.9	366.7	394.0	421.5
Rec. EBITDA	35.6	39.1	44.6	48.9
% growth	7.1	9.6	14.2	9.7
% Rec. EBITDA/Rev.	10.5	10.7	11.3	11.6
% Inc. EBITDA sector <sup>(2)</sup>	8.1	14.6	14.6	11.9
Net Profit	11.8	14.6	18.4	17.2
EPS (EUR)	0.15	0.18	0.23	0.21
% growth	10.9	22.4	25.8	-6.4
Ord. EPS (EUR)	0.15	0.18	0.23	0.21
% growth	10.9	22.4	25.8	-6.4
Rec. Free Cash Flow	1.5	6.7	6.4	8.6
Pay-out (%)	-0.7	-0.7	-0.7	-0.7
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	45.3	38.7	32.4	23.8
ND/Rec. EBITDA (x)	1.3	1.0	0.7	0.5
ROE (%)	5.7	6.6	7.9	6.9
ROCE (%)	5.1	5.9	7.2	6.5

## Ratios & Multiples (x)

P/E	21.7	17.7	14.1	15.0
Ord. P/E	21.7	17.7	14.1	15.0
P/BV	1.2	1.1	1.1	1.0
Dividend Yield (%)	n.a.	n.a.	n.a.	n.a.
EV/Sales	0.91	0.84	0.79	0.73
EV/Rec. EBITDA	8.7	7.9	6.9	6.3
EV/EBIT	24.5	21.1	16.9	14.7
FCF Yield (%)	0.6	2.6	2.5	3.3

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	8.5	26.2	4.9	20.6

(1) Rotation is the % of the capitalisation traded - 12m.  
 (2) Sector: Stoxx Europe 600 Health Care.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**1Q25 confirms growth potential.** RJF closed 1Q25 with revenue of EUR 88.0Mn, a +2% increase. This represents a moderation in growth, as the first quarter was focused on transition and operational optimization aimed at improving profitability and future global expansion. The gross margin remained stable at 60.0% (vs. 60.2% in 1Q24). However, an 8% increase in personnel expenses explains the 3.8% decline in recurring EBITDA, which fell to EUR 9.4 Mn in 1Q25 (vs. EUR 9.8Mn in 1Q24).

**International expansion is one of the main growth drivers.** International sales (60% of total) grew +11% in 1Q25, primarily driven by Europe (+12%, continuing the trend from 2024). This progress reflects the company's strategic focus on reducing its reliance on the domestic market. Domestic revenue (40% of total) fell by 10%. CDMO (Contract Development and Manufacturing Organization) production reached EUR 14Mn (-10% vs. 1Q24). Consumer Healthcare sales grew 9% and are expected to continue an upward trend in the coming years.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Defensive business model with high barriers to entry,** primarily due to the complexity in drug manufacturing and development (to meet production standards and necessary commercialization guarantees). This business requires significant capital investment (over EUR 180Mn since 2015).

**Improved profitability is the main strategic focus.** The key drivers for profitability improvement are: i) gradual transformation towards a more biotechnological profile from a chemical one, strengthening expertise in injectables with proprietary production and a greater weighting of CDMO (external production); ii) improved capacity/efficiency with new capital expenditures (CAPEX); iii) an revenue mix oriented towards higher-margin products (non-antibiotic injectable sales, +13% in 1Q25); and iv) increasing plant utilization rates.

**Improved revenue mix towards more profitable products and cross-selling across sales channels.** RJF has a diversified revenue mix thanks to its Consumer Healthcare (food supplements), Specialty Pharmacare (prescription drugs), and Pharmaceutical Technologies (generic antibiotics, injectables, and lyophilized products) businesses. The objective is to shift the mix towards more profitable products, attempt cross-selling across the three sales channels (different for each segment), and increase synergies between medical and pharmaceutical professionals.

**2024-2027e: Time to reap the rewards.** RJF's focus is on profitability after a period of heavy investment. The next three years should see an improvement in profitability levels (2027e EBIT margin: 5% vs. 3.3% in 2023). We estimate revenue growth (+7.5% CAGR 2024-2027e), which should translate into double-digit recurring EBITDA growth (+11.2% CAGR 2024-2027e). Indebtedness is expected to decrease to Net Debt/Recurring EBITDA of 0.5x in 2027e (vs. 1.3x in 2023). In summary: growth, profitability, and relatively low risk.

## RISKS: WHAT TO KEEP AN EYE ON?

**High investment requirements.** The pharmaceutical industry is characterized by continuous technological and scientific advancements. The need for facility upgrades to meet the highest quality standards could entail additional CAPEX and reduce the capacity to generate FCF (Free Cash Flow).

**Regulation:** i) The antibiotics line (15.6% of 1Q25 revenue) operates in a regulated market that limits the ability to raise prices; ii) additional production safety requirements may force an increase in CAPEX.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Margin improvement is key to aspiring to multiple expansion.** The key for 2025 is to maintain high single-digit growth, with a focus on improving profitability levels. High barriers to entry and inelastic demand for its products offer, a priori, tailwinds to facilitate meeting expectations. The 2020-2024 figures are self-explanatory: revenue increased by approximately +50% (CAGR +10.2%), with EBITDA up approximately +55% (CAGR approximately +12%) and an improvement in EBITDA margin/Sales of +0.6 percentage points. Aspiring to truly higher multiples will only happen with faster and more substantial margin improvement. This is the big challenge for RJF and its stock price.



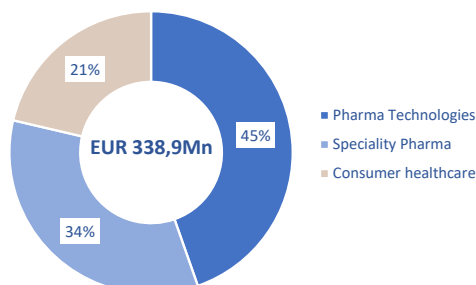
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	93.0	88.9	81.6	72.6	64.7	67.1	69.6	72.1		
Fixed assets	75.1	81.2	82.5	82.1	87.7	85.6	86.7	87.5		
Other Non Current Assets	16.1	13.8	11.9	10.3	10.0	10.0	10.0	10.0		
Financial Investments	2.2	2.4	4.0	5.0	18.6	20.2	22.0	23.7		
Goodwill & Other Intangibles	30.0	29.8	29.0	28.0	26.8	26.8	26.8	26.8		
Current assets	88.3	102.8	105.4	126.1	126.7	137.2	147.1	157.0		
<b>Total assets</b>	<b>304.8</b>	<b>318.9</b>	<b>314.3</b>	<b>324.1</b>	<b>334.4</b>	<b>347.0</b>	<b>362.1</b>	<b>377.1</b>		
Equity	184.5	188.6	194.6	204.4	214.0	226.4	241.4	258.5		
Minority Interests	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)		
Provisions & Other L/T Liabilities	6.0	6.3	6.7	6.4	6.3	6.3	6.3	6.3		
Other Non Current Liabilities	10.5	11.6	11.0	9.8	9.7	9.7	9.7	9.7		
Net financial debt	58.8	56.5	50.9	44.7	45.3	38.7	32.4	23.8		
Current Liabilities	44.9	56.0	51.2	58.9	59.2	66.1	72.4	78.8		
<b>Equity &amp; Total Liabilities</b>	<b>304.8</b>	<b>318.9</b>	<b>314.3</b>	<b>324.1</b>	<b>334.4</b>	<b>347.0</b>	<b>362.1</b>	<b>377.1</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>230.1</b>	<b>236.2</b>	<b>271.2</b>	<b>316.1</b>	<b>338.9</b>	<b>366.7</b>	<b>394.0</b>	<b>421.5</b>	<b>10.2%</b>	<b>7.5%</b>
Total Revenues growth	14.9%	2.7%	14.8%	16.6%	7.2%	8.2%	7.4%	7.0%		
COGS	(89.8)	(91.5)	(113.1)	(133.7)	(140.1)	(151.4)	(162.5)	(173.9)		
<b>Gross Margin</b>	<b>140.3</b>	<b>144.7</b>	<b>158.1</b>	<b>182.4</b>	<b>198.8</b>	<b>215.4</b>	<b>231.5</b>	<b>247.6</b>	<b>9.1%</b>	<b>7.6%</b>
Gross Margin/Revenues	61.0%	61.3%	58.3%	57.7%	58.6%	58.7%	58.8%	58.8%		
Personnel Expenses	(66.4)	(64.2)	(70.5)	(75.9)	(87.7)	(95.3)	(101.7)	(108.8)		
Other Operating Expenses	(51.0)	(56.9)	(60.2)	(73.2)	(75.4)	(81.0)	(85.2)	(89.9)		
<b>Recurrent EBITDA</b>	<b>22.9</b>	<b>23.7</b>	<b>27.4</b>	<b>33.3</b>	<b>35.6</b>	<b>39.1</b>	<b>44.6</b>	<b>48.9</b>	<b>11.7%</b>	<b>11.2%</b>
Recurrent EBITDA growth	39.7%	3.6%	15.6%	21.5%	7.1%	9.6%	14.2%	9.7%		
Rec. EBITDA/Revenues	9.9%	10.0%	10.1%	10.5%	10.5%	10.7%	11.3%	11.6%		
Restructuring Expense & Other non-rec.	-	-	-	-	-	-	-	-		
<b>EBITDA</b>	<b>22.9</b>	<b>23.7</b>	<b>27.4</b>	<b>33.3</b>	<b>35.6</b>	<b>39.1</b>	<b>44.6</b>	<b>48.9</b>	<b>11.7%</b>	<b>11.2%</b>
Depreciation & Provisions	(14.9)	(15.5)	(18.2)	(20.6)	(24.5)	(25.8)	(27.7)	(29.1)		
Capitalized Expense	3.7	3.6	3.1	1.9	2.5	2.5	2.5	2.5		
Rentals (IFRS 16 impact)	(2.4)	(3.0)	(3.7)	(4.1)	(1.0)	(1.1)	(1.1)	(1.2)		
<b>EBIT</b>	<b>9.2</b>	<b>8.9</b>	<b>8.5</b>	<b>10.5</b>	<b>12.6</b>	<b>14.7</b>	<b>18.3</b>	<b>21.1</b>	<b>8.1%</b>	<b>18.7%</b>
EBIT growth	45.8%	-4.0%	-3.7%	23.1%	20.0%	16.5%	24.5%	15.3%		
EBIT/Revenues	4.0%	3.8%	3.1%	3.3%	3.7%	4.0%	4.6%	5.0%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(2.9)	(3.2)	(1.4)	(1.0)	(0.7)	(1.7)	(1.6)	(1.3)		
Income by the Equity Method	0.1	0.1	1.6	1.0	(0.1)	1.7	1.7	1.8		
<b>Ordinary Profit</b>	<b>6.4</b>	<b>5.8</b>	<b>8.8</b>	<b>10.5</b>	<b>11.8</b>	<b>14.6</b>	<b>18.4</b>	<b>21.5</b>	<b>16.5%</b>	<b>22.1%</b>
Ordinary Profit Growth	21.0%	-9.9%	51.4%	19.7%	12.6%	23.7%	25.8%	16.9%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>6.4</b>	<b>5.8</b>	<b>8.8</b>	<b>10.5</b>	<b>11.8</b>	<b>14.6</b>	<b>18.4</b>	<b>21.5</b>	<b>16.5%</b>	<b>22.1%</b>
Tax Expense	-	-	-	-	-	-	-	(4.3)		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	20.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>6.4</b>	<b>5.8</b>	<b>8.8</b>	<b>10.5</b>	<b>11.8</b>	<b>14.6</b>	<b>18.4</b>	<b>17.2</b>	<b>16.5%</b>	<b>13.4%</b>
Net Profit growth	21.0%	-9.9%	51.4%	19.7%	12.6%	23.7%	25.8%	-6.4%		
<b>Ordinary Net Profit</b>	<b>6.4</b>	<b>5.8</b>	<b>8.8</b>	<b>10.5</b>	<b>11.8</b>	<b>14.6</b>	<b>18.4</b>	<b>17.2</b>	<b>16.5%</b>	<b>13.4%</b>
Ordinary Net Profit growth	-15.5%	-9.9%	51.4%	19.7%	12.6%	23.7%	25.8%	-6.4%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>39.1</b>	<b>44.6</b>	<b>48.9</b>	<b>11.7%</b>	<b>11.2%</b>
Rentals (IFRS 16 impact)						(1.1)	(1.1)	(1.2)		
Working Capital Increase						(3.6)	(3.5)	(3.5)		
<b>Recurrent Operating Cash Flow</b>						<b>34.3</b>	<b>40.0</b>	<b>44.3</b>	<b>12.5%</b>	<b>8.9%</b>
CAPEX						(23.7)	(28.7)	(30.0)		
Net Financial Result affecting the Cash Flow						(1.7)	(1.6)	(1.3)		
Tax Expense						(2.2)	(3.3)	(4.3)		
<b>Recurrent Free Cash Flow</b>						<b>6.7</b>	<b>6.4</b>	<b>8.6</b>	<b>-48.9%</b>	<b>78.5%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>6.7</b>	<b>6.4</b>	<b>8.6</b>	<b>-36.3%</b>	<b>78.5%</b>
Capital Increase						-	-	-		
Dividends						(0.0)	(0.1)	(0.1)		
<b>Net Debt Variation</b>						<b>(6.6)</b>	<b>(6.3)</b>	<b>(8.5)</b>		

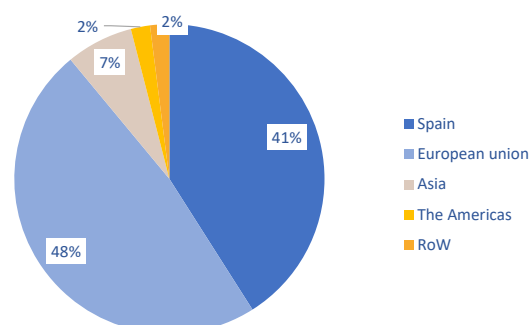


## The company in 8 charts

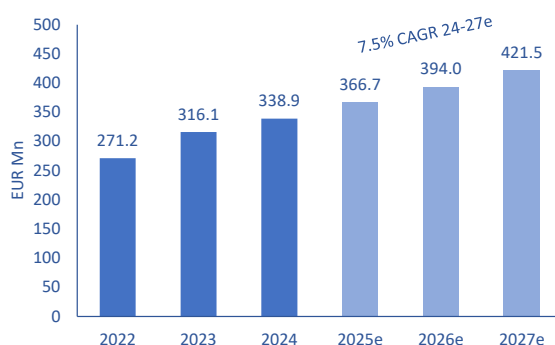
**RJF's ability to produce a broad range of products enables its three business lines to contribute positively to revenue**



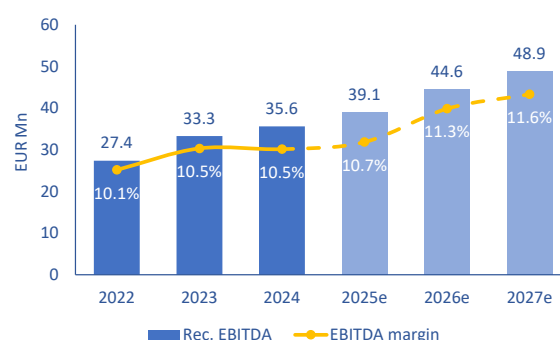
**RJF has a healthy geographical diversification, with c. 59% of 2024 revenues coming from international markets**



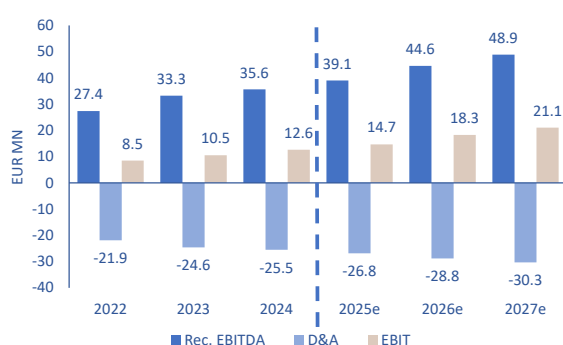
**We expect high-single digit revenue growth to 2027e (CAGR 2024-27e: +7,5%)...**



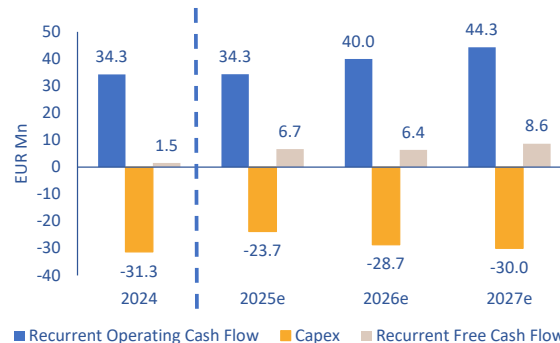
**...and operational gearing to unlock profitability (EBITDA margin 2026e: 11.3%)**



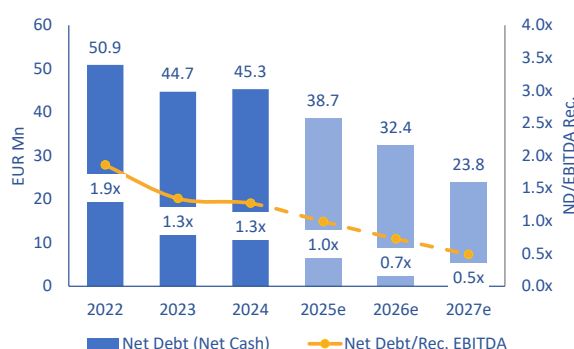
**EBITDA growth (CAGR 2024-27e: 11.2%) will mitigate D&A and leave room to increase EBIT by 67.5% in 2027e to EUR 21,1Mn**



**An extremely CAPEX-intensive business (7% of revenue), which will continue to shape cash generation (FCF 2027e: EUR 8,6Mn)**



**...all while keeping debt in check (ND 2027e: EUR 23,8Mn; ND/EBITDA 2027e: 0.5x)**



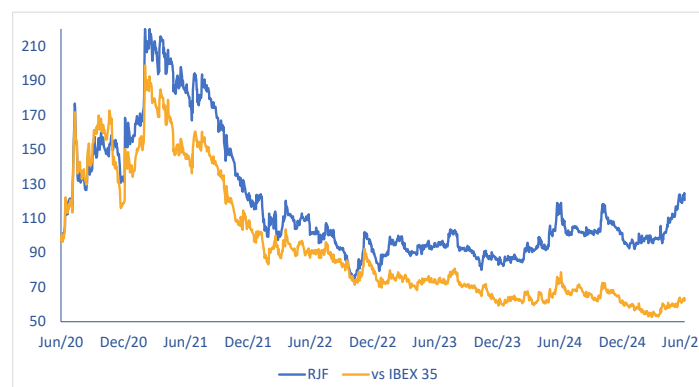
**An opportunity to capitalise on investment made (-8y) and with the share price well off its peak of 2021**



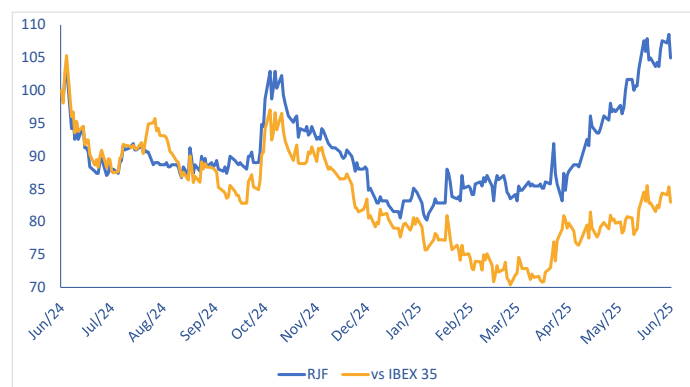


## Evolution of the share price

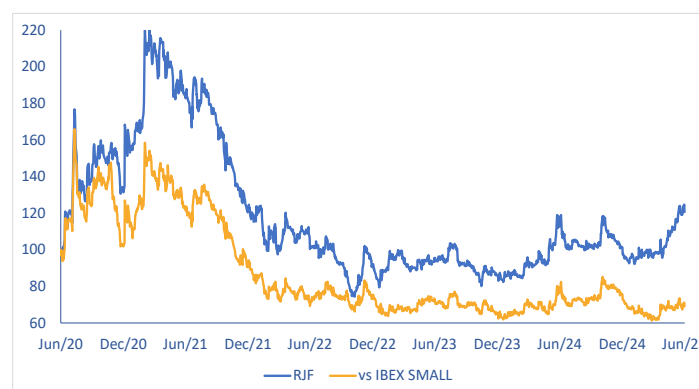
Historical behavior vs Ibex 35 (base 100)



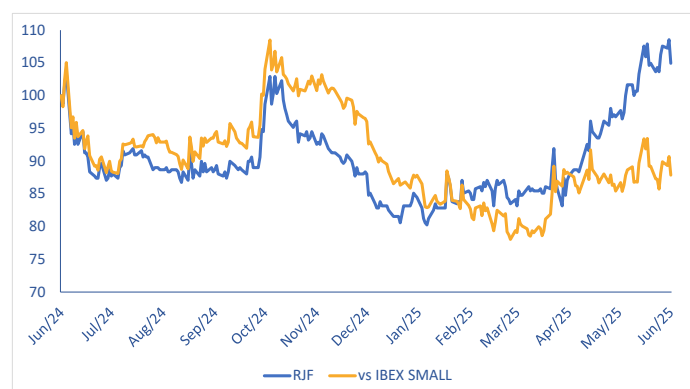
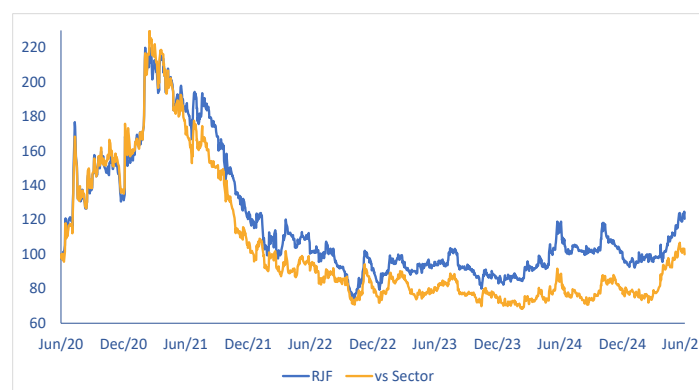
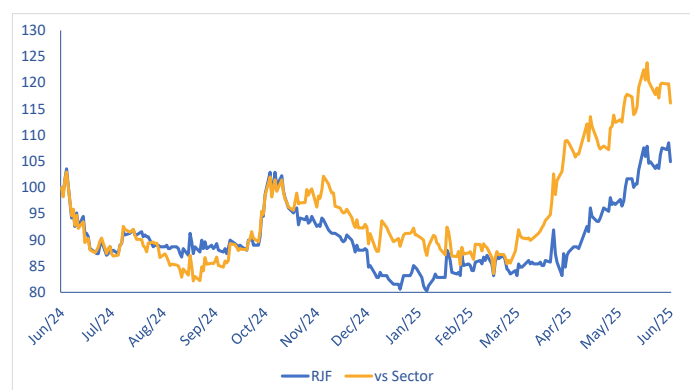
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Health Care

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	8.5	26.2	4.9	30.2	20.1	20.6
<b>vs Market</b>						
vs Ibex 35	4.0	15.0	-17.0	6.8	-28.7	-37.9
vs Euro STOXX 50	6.8	24.2	-3.4	18.2	-19.8	-29.7
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	2.9	11.1	-12.1	1.8	-0.4	-31.0
vs Micro Cap Spain Segment <sup>(1)</sup>	3.3	17.8	-0.3	14.7	16.3	-18.9
vs MSCI Europe Micro Cap	3.6	15.8	3.4	20.9	28.1	-5.5
<b>vs Sector</b>						
vs Stoxx Europe 600 Health Care	3.3	29.2	16.1	30.8	10.4	0.0

(1) Constituents on page 10



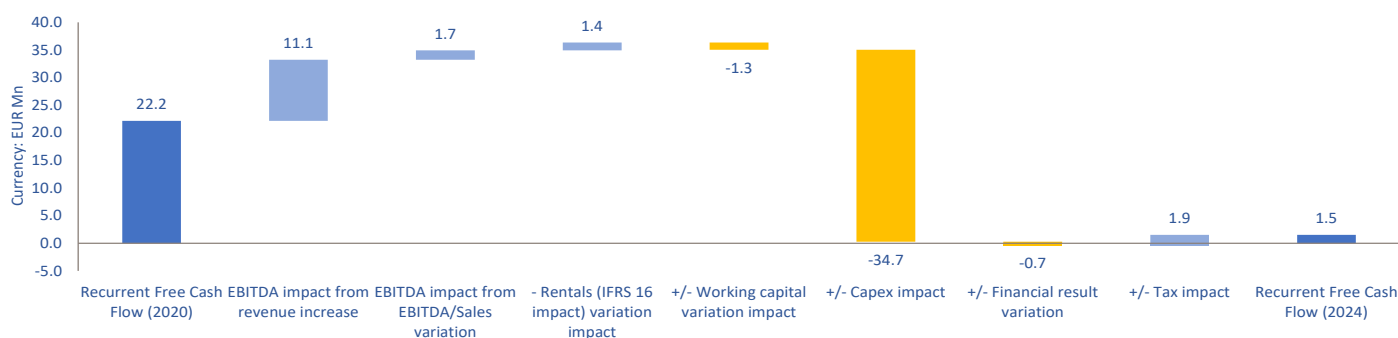
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	23.7	27.4	33.3	35.6	39.1	44.6	48.9	14.6%	11.2%
Recurrent EBITDA growth	3.6%	15.6%	21.5%	7.1%	9.6%	14.2%	9.7%		
Rec. EBITDA/Revenues	10.0%	10.1%	10.5%	10.5%	10.7%	11.3%	11.6%		
- Rentals (IFRS 16 impact)	(3.0)	(3.7)	(4.1)	(1.0)	(1.1)	(1.1)	(1.2)		
+/- Working Capital increase	(3.3)	(7.5)	(12.9)	(0.4)	(3.6)	(3.5)	(3.5)		
= Recurrent Operating Cash Flow	17.4	16.2	16.3	34.3	34.3	40.0	44.3	25.4%	8.9%
Rec. Operating Cash Flow growth	-18.8%	-6.8%	0.5%	110.5%	0.3%	16.4%	10.7%		
Rec. Operating Cash Flow / Sales	7.4%	6.0%	5.1%	10.1%	9.4%	10.1%	10.5%		
- CAPEX	1.2	(7.1)	(9.3)	(31.3)	(23.7)	(28.7)	(30.0)		
- Net Financial Result affecting Cash Flow	(0.9)	(0.9)	(1.2)	(1.7)	(1.7)	(1.6)	(1.3)		
- Taxes	(0.9)	(0.9)	(1.5)	0.3	(2.2)	(3.3)	(4.3)		
= Recurrent Free Cash Flow	16.8	7.3	4.3	1.5	6.7	6.4	8.6	-55.1%	78.5%
Rec. Free Cash Flow growth	-24.3%	-56.6%	-40.7%	-64.9%	340.2%	-4.6%	35.5%		
Rec. Free Cash Flow / Revenues	7.1%	2.7%	1.4%	0.4%	1.8%	1.6%	2.0%		
- Restructuring expenses & others	0.2	-	-	-	-	-	-		
- Acquisitions / + Divestments	(15.0)	(2.0)	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	2.0	5.3	4.3	1.5	6.7	6.4	8.6	-8.2%	78.5%
Free Cash Flow growth	-78.7%	169.6%	-18.3%	-64.9%	340.2%	-4.6%	35.5%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	6.5%	2.8%	1.7%	0.6%	2.6%	2.5%	3.3%		
Free Cash Flow Yield (s/Mkt Cap)	0.8%	2.0%	1.7%	0.6%	2.6%	2.5%	3.3%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	22.2	16.8	7.3	4.3	1.5	6.7	6.4		
EBITDA impact from revenue increase	0.6	3.5	4.5	2.4	2.9	2.9	3.1		
EBITDA impact from EBITDA/Sales variation	0.2	0.2	1.4	(0.0)	0.5	2.6	1.2		
= Recurrent EBITDA variation	0.8	3.7	5.9	2.4	3.4	5.5	4.3		
- Rentals (IFRS 16 impact) variation impact	(0.6)	(0.7)	(0.4)	3.1	(0.1)	(0.1)	(0.1)		
+/- Working capital variation impact	(4.3)	(4.2)	(5.4)	12.6	(3.3)	0.1	0.0		
= Recurrent Operating Cash Flow variation	(4.0)	(1.2)	0.1	18.0	0.1	5.6	4.3		
+/- CAPEX impact	(2.2)	(8.3)	(2.2)	(22.0)	7.6	(5.0)	(1.3)		
+/- Financial result variation	0.1	(0.0)	(0.3)	(0.5)	(0.0)	0.1	0.3		
+/- Tax impact	0.7	0.0	(0.6)	1.8	(2.5)	(1.1)	(1.0)		
= Recurrent Free Cash Flow variation	(5.4)	(9.5)	(3.0)	(2.8)	5.2	(0.3)	2.3		
Recurrent Free Cash Flow	16.8	7.3	4.3	1.5	6.7	6.4	8.6		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	8.9	8.5	10.5	12.6	14.7	18.3	21.1	12.5%	18.7%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	(4.2)		
Recurrent EBITDA	23.7	27.4	33.3	35.6	39.1	44.6	48.9	14.6%	11.2%
- Rentals (IFRS 16 impact)	(3.0)	(3.7)	(4.1)	(1.0)	(1.1)	(1.1)	(1.2)		
+/- Working Capital increase	(3.3)	(7.5)	(12.9)	(0.4)	(3.6)	(3.5)	(3.5)		
= Recurrent Operating Cash Flow	17.4	16.2	16.3	34.3	34.3	40.0	44.3	25.4%	8.9%
- CAPEX	1.2	(7.1)	(9.3)	(31.3)	(23.7)	(28.7)	(30.0)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	(4.2)		
= Recurrent Free Cash Flow (To the Firm)	18.6	9.1	7.0	2.9	10.6	11.3	10.1	-46.1%	51.1%
Rec. Free Cash Flow (To the Firm) growth	-25.2%	-51.1%	-23.2%	-58.2%	263.9%	6.5%	-10.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	7.9%	3.3%	2.2%	0.9%	2.9%	2.9%	2.4%		
- Acquisitions / + Divestments	(15.0)	(2.0)	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	3.6	7.1	7.0	2.9	10.6	11.3	10.1	-6.4%	51.1%
Free Cash Flow (To the Firm) growth	-63.7%	98.9%	-1.5%	-58.2%	263.9%	6.5%	-10.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	6.0%	2.9%	2.3%	0.9%	3.4%	3.6%	3.2%		
Free Cash Flow "To the Firm" - Yield (o/EV)	1.1%	2.3%	2.3%	0.9%	3.4%	3.6%	3.2%		

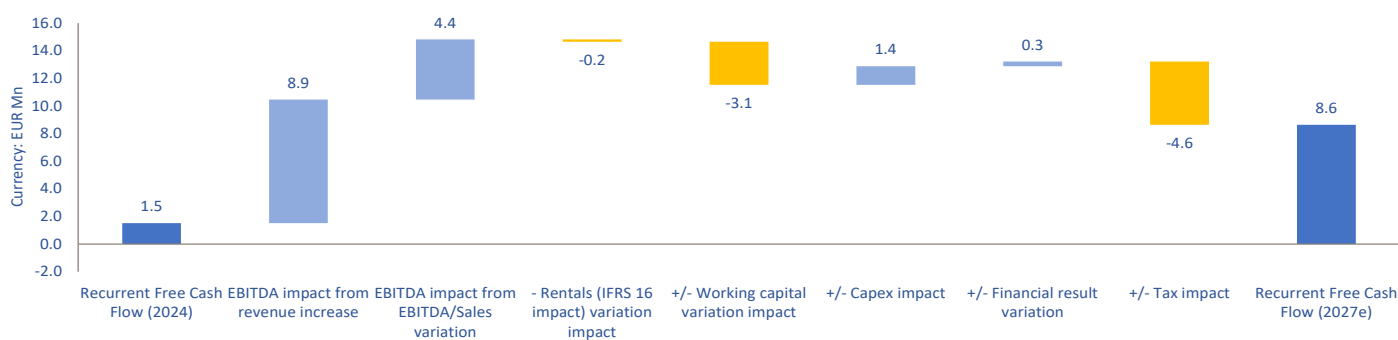


## Free Cash Flow (II)

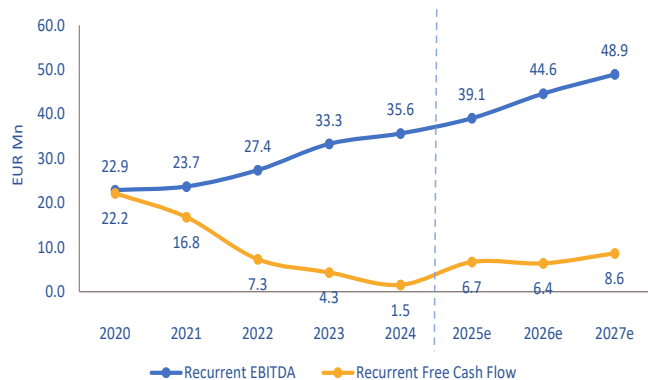
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward







## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	10.6	11.3	10.1	n.a.		
Market Cap	258.9	At the date of this report				
Net financial debt	48.5	Debt net of Cash (3m Results 2025)				
					Best Case	Worst Case
Cost of Debt	3.1%	Net debt cost			2.9%	3.4%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	2.5%	$K_d = \text{Cost of Net Debt} * (1-T)$			2.3%	2.7%
Risk free rate (rf)	3.1%	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	9.3%	$K_e = R_f + (R * B)$			8.2%	10.4%
Equity / (Equity + Net Debt)	84.2%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	15.8%	D			=	=
WACC	8.2%	$WACC = K_d * D + K_e * E$			7.3%	9.2%
G "Fair"	2.0%				2.0%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	258.9	
+ Minority Interests	0.1	3m Results 2025
+ Provisions & Other L/T Liabilities	20.3	3m Results 2025
+ Net financial debt	48.5	3m Results 2025
- Financial Investments	18.3	3m Results 2025
+/- Others		3m Results 2025
Enterprise Value (EV)	309.5	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	3.7%	3.6%	3.4%	4.2%	5.1%
	2024	2027e			
ROCE - WACC	-3.1%	-1.8%			
FCF Yield - WACC	-7,3%	-5,0%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	12.4%	48.9	6.3x
Central	11.3%	44.6	6.9x
Min	10.2%	40.3	7.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario			
EBITDA 26e	6.6%	7.3%	8.0%		Rec. FCF/Yield 26e			
48.9	13.5	10.7	7.9	➔	Max	5.2%	4.1%	3.1%
44.6	9.1	6.4	3.6		Central	3.5%	2.5%	1.4%
40.3	4.8	2.0	(0.7)		Min	1.9%	0.8%	n.a.

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	50.0%	50.0%	50.0%
% of proprietary board members	50.0%	50.0%	37.5%
% of executive board members	0.0%	0.0%	12.5%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	25.0%	25.0%	25.0%
% of women out of total workforce	58.5%	58.4%	58.2%
Board remuneration/staff cost	1.6%	1.4%	1.2%





## Main peers 2025e

		Generics and Injectables				Specialty Pharma				Cosumer Healthcare				Global Players				
		EUR Mn	Viartis	Teva	Sandoz	Average	Incyte Corporation	Eli Lilly	Novartis	Average	Herbalife	HAIR Celestial	Average	Abbvie	Sanofi	Pfizer	Average	RJF
Market data	Ticker (Factset)	VTRS-US	TEVA-US	SDZ-CH		INCY-US	LLY-US	NOVN-CH		HLF-US	HAIR-US		ABBV-US	SAN-FR	PFE-US		RJF-ES	
	Country	USA	Israel	Switzerland		USA	USA	Switzerland		USA	USA		USA	France	USA		Spain	
	Market cap	9,211.1	17,258.5	20,167.9		11,568.2	664,441.9	219,960.1		726.3	132.5		293,452.4	107,649.6	121,929.2		258.9	
	Enterprise value (EV)	20,966.3	30,426.4	23,281.7		9,525.9	694,985.5	220,282.3		2,512.0	765.6		349,360.1	117,513.9	160,859.5		309.5	
Basic financial Information	Total Revenues	11,924.1	14,652.6	9,334.1		4,071.7	51,528.6	46,683.4		4,272.2	1,363.3		51,672.9	45,837.1	53,933.2		366.7	
	Total Revenues growth	-6.1%	2.8%	-3.6%	-2.3%	11.2%	32.5%	-0.8%	14.3%	-0.9%	-9.1%	-5.0%	6.2%	11.6%	-1.8%	5.3%	8.2%	
	2y CAGR (2025e - 2027e)	1.6%	1.7%	5.5%	2.9%	9.7%	18.7%	2.4%	10.3%	5.5%	-0.3%	2.6%	7.6%	6.4%	-1.2%	4.3%	7.2%	
	EBITDA	3,486.1	4,231.0	1,962.1		976.3	22,527.7	18,940.5		549.0	111.9		24,457.7	14,119.8	20,771.0		39.1	
	EBITDA growth	-11.6%	11.7%	2.6%	0.9%	567.6%	38.7%	-5.8%	200.2%	11.2%	-4.8%	3.2%	13.3%	7.5%	2.4%	7.7%	9.6%	
	2y CAGR (2025e - 2027e)	4.8%	6.7%	11.6%	7.7%	34.3%	26.2%	3.0%	21.2%	10.4%	3.8%	7.1%	9.4%	6.1%	0.0%	5.1%	11.9%	
	EBITDA/Revenues	29.2%	28.9%	21.0%	26.4%	24.0%	43.7%	40.6%	36.1%	12.9%	8.2%	10.5%	47.3%	30.8%	38.5%	38.9%	10.7%	
	EBIT	3,162.6	3,825.8	1,691.3		1,203.0	20,871.6	18,261.4		421.6	62.6		24,139.9	12,168.0	18,799.6		14.7	
	EBIT growth	96.9%	33.1%	17.1%	49.0%	n.a.	41.9%	26.6%	34.2%	8.4%	-24.5%	-8.1%	68.2%	28.0%	32.1%	42.8%	16.5%	
	2y CAGR (2025e - 2027e)	5.6%	7.6%	11.8%	8.3%	21.1%	27.5%	2.6%	17.1%	14.8%	4.0%	9.4%	11.2%	7.2%	0.0%	6.2%	19.8%	
	EBIT/Revenues	26.5%	26.1%	18.1%	23.6%	29.5%	40.5%	39.1%	36.4%	9.9%	4.6%	7.2%	46.7%	26.5%	34.9%	36.0%	4.0%	
	Net Profit	2,290.5	2,543.3	835.3		1,003.6	16,892.8	14,674.0		171.3	13.1		18,778.9	9,873.8	14,770.5		14.6	
	Net Profit growth	518.3%	279.7%	n.a.	399.0%	n.a.	84.8%	31.4%	58.1%	-22.0%	120.2%	49.1%	413.2%	79.7%	113.3%	202.1%	23.7%	
	2y CAGR (2025e - 2027e)	6.2%	11.0%	27.4%	14.9%	21.0%	29.8%	3.9%	18.2%	34.9%	20.0%	27.4%	12.5%	7.5%	1.8%	7.3%	8.5%	
	CAPEX/Sales %	2.8%	3.1%	6.0%	3.9%	1.1%	9.5%	4.2%	4.9%	n.a.	2.3%	2.3%	1.5%	5.6%	4.3%	3.8%	6.5%	
	Free Cash Flow	1,691.3	1,508.7	449.2		837.5	10,119.4	13,384.6		n.a.	40.2		16,871.9	9,794.7	16,973.5		6.7	
	Net financial debt	11,089.4	11,271.2	2,697.2		(2,818.3)	22,221.9	12,606.9		n.a.	592.3		46,586.1	4,858.7	40,030.8		38.7	
Multiples and Ratios	ND/EBITDA (x)	3.2	2.7	1.4	2.4	n.a.	1.0	0.7	0.8	n.a.	5.3	5.3	1.9	0.3	1.9	1.4	1.0	
	Pay-out	21.5%	0.0%	33.7%	18.4%	0.0%	30.0%	47.5%	25.8%	0.0%	n.a.	0.0%	52.9%	52.5%	56.5%	54.0%	-0.7%	
	P/E (x)	4.1	7.0	16.4	9.2	12.3	37.2	14.1	21.2	4.1	9.3	6.7	15.7	10.7	8.3	11.6	17.7	
	P/BV (x)	0.6	2.7	2.5	1.9	2.6	n.a.	5.1	3.8	n.a.	0.2	0.2	n.a.	1.3	1.6	1.4	1.1	
	EV/Revenues (x)	1.8	2.1	2.5	2.1	2.3	13.5	4.7	6.8	0.6	0.6	0.6	6.8	2.6	3.0	4.1	0.8	
	EV/EBITDA (x)	6.0	7.2	11.9	8.4	9.8	30.9	11.6	17.4	4.6	6.8	5.7	14.3	8.3	7.7	10.1	7.9	
	EV/EBIT (x)	6.6	8.0	13.8	9.4	7.9	33.3	12.1	17.8	6.0	12.2	9.1	14.5	9.7	8.6	10.9	21.1	
	ROE	15.2	38.1	15.2	22.8	21.4	75.6	35.9	44.3	n.a.	2.4	2.4	414.4	12.5	18.7	148.5	6.6	
	FCF Yield (%)	18.4	8.7	2.2	9.8	7.2	1.5	6.1	4.9	n.a.	30.3	30.3	5.7	9.1	13.9	9.6	2.6	
	DPS	0.41	0.00	0.65	0.36	0.00	5.63	3.45	3.03	0.00	n.a.	0.00	5.62	4.14	1.47	3.74	0.00	
	Dvd Yield	5.3%	0.0%	1.4%	2.2%	0.0%	0.8%	3.3%	1.4%	0.0%	n.a.	0.0%	3.4%	4.7%	6.9%	5.0%	n.a.	

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)															CAGR	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues	-	-	161.1	168.0	180.5	200.2	230.1	236.2	271.2	316.1	338.9	366.7	394.0	421.5	n.a.	7.5%
Total Revenues growth	n.a.	n.a.	n.a.	4.3%	7.4%	10.9%	14.9%	2.7%	14.8%	16.6%	7.2%	8.2%	7.4%	7.0%		
EBITDA	-	-	17.1	15.3	12.1	11.6	22.9	23.7	27.4	33.3	35.6	39.1	44.6	48.9	n.a.	11.2%
EBITDA growth	n.a.	n.a.	n.a.	-10.3%	-21.4%	-4.1%	97.7%	3.6%	15.6%	21.5%	7.1%	9.6%	14.2%	9.7%		
EBITDA/Sales	n.a.	n.a.	10.6%	9.1%	6.7%	5.8%	9.9%	10.0%	10.1%	10.5%	10.5%	10.7%	11.3%	11.6%		
Net Profit	-	-	8.7	7.6	8.8	9.2	6.4	5.8	8.8	10.5	11.8	14.6	18.4	17.2	n.a.	13.4%
Net Profit growth	n.a.	n.a.	n.a.	-13.3%	16.2%	4.1%	-29.9%	-9.9%	51.4%	19.7%	12.6%	23.7%	25.8%	-6.4%		
Adjusted number shares (Mn)	-	-	62.9	63.1	65.3	71.3	76.4	76.9	77.7	78.8	80.1	80.9	80.9	80.9		
EPS (EUR)	n.a.	n.a.	0.14	0.12	0.13	0.13	0.08	0.08	0.11	0.13	0.15	0.18	0.23	0.21	n.a.	13.0%
EPS growth	n.a.	n.a.	n.a.	-13.6%	12.4%	-4.7%	-34.6%	-10.4%	49.8%	17.9%	10.9%	22.4%	25.8%	-6.4%		
Ord. EPS (EUR)	n.a.	n.a.	0.14	0.12	0.13	0.13	0.08	0.08	0.11	0.13	0.15	0.18	0.23	0.21	n.a.	13.0%
Ord. EPS growth	n.a.	n.a.	n.a.	-13.6%	12.4%	-4.7%	-34.6%	-10.4%	49.8%	17.9%	10.9%	22.4%	25.8%	-6.4%		
CAPEX	-	-	12.2	17.6	21.1	31.1	3.4	1.2	(7.1)	(9.3)	(31.3)	(23.7)	(28.7)	(30.0)		
CAPEX/Sales %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.6%	2.9%	9.2%	6.5%	7.3%	7.1%		
Free Cash Flow	-	-	(12.2)	3.7	(1.1)	5.8	9.2	2.0	5.3	4.3	1.5	6.7	6.4	8.6	n.a.	78.5%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	0.7x	1.2x	1.2x	1.9x	2.6x	2.4x	1.9x	1.3x	1.3x	1.0x	0.7x	0.5x		
P/E (x)	n.a.	n.a.	20.2x	17.8x	15.6x	18.4x	49.3x	41.1x	18.7x	16.5x	16.6x	17.7x	14.1x	15.0x		
EV/Sales (x)	n.a.	n.a.	1.36x	1.00x	0.96x	1.30x	1.74x	1.32x	0.83x	0.71x	0.69x	0.84x	0.79x	0.73x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	12.8x	11.0x	14.4x	22.5x	17.5x	13.2x	8.2x	6.8x	6.6x	7.9x	6.9x	6.3x		
Absolute performance	-35.9%	-6.2%	-9.6%	-24.1%	-1.2%	12.1%	75.5%	-25.2%	-32.0%	4.1%	12.0%	30.2%				
Relative performance vs Ibex 35	-38.2%	1.0%	-7.7%	-29.3%	16.2%	0.3%	107.5%	-30.7%	-28.0%	-15.2%	-2.4%	6.8%				

(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.

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

**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)	41.6	47.8
EV (Mn EUR and USD)	51.3	58.9
Shares Outstanding (Mn)	21.9	
-12m (Max/Med/Mín EUR)	1.95 / 1.55 / 1.20	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	5.2	
Factset / Bloomberg	LIB-ES / LIB SM	
Close fiscal year	31-Dec	

**Shareholders Structure (%)**

Familia Noguera y otros accs.	80.0
Autocartera	3.5
Free Float	16.5

<b>Financials (Mn EUR)</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
Adj. nº shares (Mn)	21.1	21.9	21.9	21.9
Total Revenues	7.8	20.3	21.9	35.9
Rec. EBITDA	3.4	5.1	6.8	10.7
% growth	12.5	47.4	35.5	55.8
% Rec. EBITDA/Rev.	43.8	24.9	31.3	29.7
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	2.8	2.5	4.0	7.2
EPS (EUR)	0.13	0.12	0.18	0.33
% growth	19.0	-12.5	57.4	80.2
Ord. EPS (EUR)	0.09	0.12	0.18	0.33
% growth	-6.3	24.7	57.4	80.2
Rec. Free Cash Flow	-8.9	-0.3	3.2	6.7
Pay-out (%)	30.4	35.5	25.1	16.7
DPS (EUR)	0.04	0.04	0.05	0.05
Net financial debt	37.0	38.3	36.2	30.8
ND/Rec. EBITDA (x)	10.8	7.6	5.3	2.9
ROE (%)	2.9	2.6	4.0	6.9
ROCE (%)	3.5	4.2	5.6	8.7

**Ratios & Multiples (x)**

P/E	14.4	16.4	10.4	5.8
Ord. P/E	20.5	16.4	10.4	5.8
P/BV	0.4	0.4	0.4	0.4
Dividend Yield (%)	2.1	2.2	2.4	2.9
EV/Sales	6.55	2.53	2.35	1.43
EV/Rec. EBITDA	15.0	10.2	7.5	4.8
EV/EBIT	12.1	10.7	7.8	4.9
FCF Yield (%)	n.a.	n.a.	7.7	16.0

**Historical behavior (base 100)**


(%)	<b>-1m</b>	<b>-3m</b>	<b>-12m</b>	<b>-5Y</b>
Absolute	15.0	10.4	13.9	48.6

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

(2) Sector: Stoxx Europe 600 Real State.

**MOMENTUM: WHAT DO WE EXPECT FROM 2025E?**

**1Q25 results are not highly indicative.** LIB recorded revenue of EUR 1.0Mn (flat vs. 1Q24), which is explained by the absence of deliveries in the development business and a 20% decline in the tourism segment. 1Q25 is a less significant quarter due to business seasonality, the impact of DANA (Depresión Aislada en Niveles Altos), an isolated depression at upper levels, a weather phenomenon), and the negative impact of adverse weather conditions.

**2025e: a new development cycle begins for LIB, and the tourism business stands out.** We estimate the first deliveries, with the deed signing of approximately 55 homes (EUR 13.8Mn), from the "Edificio Paseo del Mar" project, of which 27% have already been deeded in the second quarter, "Residencial Zaïda", as well as a commercial premise. Our estimate for the tourism business revenue in 2025e, EUR 3.5Mn, +9%, accounts for recovery in availability, higher occupancy, and an improvement in ADR (Average Daily Rate).

**EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?**

**Development business, the main growth driver from 2025e.** The accumulated pre-sales pipeline in 1Q25 continues to increase, reaching EUR 35.9Mn (135 units), up +12% from December 2024 and +135% vs. 1Q24, with 12 additional homes in 1Q25 (EUR 3.9Mn). The stock pending sale is valued at EUR 28.8Mn. Our estimates point to the recovery of a recurring development business with the capacity to deliver 55 homes in 2025e, 52 units in 2026e, and 103 in 2027e. This is a local business, within the Valencian Community, where LIB leverages its extensive experience.

**Net portfolio value vs. Market Cap.** With a diversified and highly liquid investment portfolio of EUR 63.6Mn (76.6% corresponds to equities), which reduces dependence on the real estate cycle. And, net of debt at the end of 1Q25, this implies a net portfolio value of EUR 23.8Mn (70.1% of the current Market Cap).

**Divestment in the private equity portfolio,** with a weighting in the total investment portfolio at the end of 1Q25 of 10.3% (EUR 6.6Mn). LIB began the divestment process of three investees in 2024. In 2025, additional divestments could occur, with potential impact on P/L (Profit and Loss) and cash generation.

**Healthy balance sheet structure.** With Net Debt (ND) of EUR 37.9Mn in 1Q25, in a company that has a very liquid investment portfolio (excluded from net debt calculation and with rental real estate assets), which highlights a very comfortable financial position that will allow continued growth in development.

**RISKS: WHAT TO KEEP AN EYE ON?**

**Delays in ongoing developments,** as well as the speed of launching new developments (necessary to "feed" the business beyond 2025e).

**Recoverability of tax credits.** LIB has accumulated deferred tax assets and liabilities for a net of approximately EUR 20Mn. Given its magnitude, any risk associated with its recoverability is material (with an impact on P/L and Equity).

**Exposure to cyclical sectors,** such as real estate and the Spanish tourism sector. A slowdown in the Spanish economy would negatively impact LIB (which lacks international exposure).

**VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?**

**Value preservation is maintained, and the development business returns to normal.** The focus of the investment case should be on the following: (i) limited operational risk; the recurrence in tourism and patrimonial (rental property) revenue guarantees break-even even without development revenue; (ii) low financial risk, with net debt under control (EUR 37.9Mn), representing 59.6% of the investment portfolio; (iii) a Price/Book Value of 0.4x 2025e; and (iv) the portfolio value (EUR 63.6Mn) net of debt represents 61,8% of the Market Cap. The remaining capitalization (EUR 15,9Mn) does not sufficiently discount the value of real estate investments (EUR 41Mn), nor the development business (at the start of a new cycle) and tourism business (with high occupancy and good growth prospects). Simply put, the reactivation of LIB's development business suggests momentum in a value stock by the book.



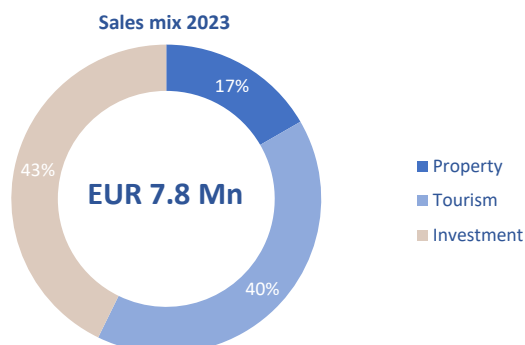
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	2.2	2.0	1.7	1.5	1.2	1.2	1.2	1.2		
Fixed assets	38.0	38.4	37.5	38.6	41.7	42.1	42.5	43.2		
Other Non Current Assets	36.8	36.1	35.9	35.2	34.5	34.5	34.5	34.5		
Financial Investments	43.3	52.0	51.8	55.8	59.6	59.2	58.5	56.9		
Goodwill & Other Intangibles	0.6	0.6	0.6	0.6	0.3	0.3	0.3	0.3		
Current assets	22.0	15.6	14.8	12.6	20.6	23.0	24.7	30.2		
<b>Total assets</b>	<b>143.0</b>	<b>144.7</b>	<b>142.2</b>	<b>144.3</b>	<b>158.0</b>	<b>160.4</b>	<b>161.7</b>	<b>166.4</b>		
Equity	87.9	91.5	92.3	95.5	96.9	98.5	101.4	107.3		
Minority Interests	-	-	-	-	0.0	0.0	(0.0)	(0.0)		
Provisions & Other L/T Liabilities	13.4	13.9	13.9	14.9	15.2	15.2	15.2	15.2		
Other Non Current Liabilities	2.2	2.1	1.7	1.5	2.3	2.3	2.3	2.3		
Net financial debt	34.1	32.6	31.5	29.1	37.0	38.3	36.2	30.8		
Current Liabilities	5.4	4.6	2.8	3.3	6.6	6.1	6.6	10.8		
<b>Equity &amp; Total Liabilities</b>	<b>143.0</b>	<b>144.7</b>	<b>142.2</b>	<b>144.3</b>	<b>158.0</b>	<b>160.4</b>	<b>161.7</b>	<b>166.4</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>3.9</b>	<b>16.8</b>	<b>11.5</b>	<b>13.4</b>	<b>7.8</b>	<b>20.3</b>	<b>21.9</b>	<b>35.9</b>	<b>18.8%</b>	<b>66.1%</b>
Total Revenues growth	-29.3%	328.4%	-31.6%	16.4%	-41.6%	159.6%	7.7%	63.9%		
COGS	(1.4)	(12.1)	(5.5)	(5.8)	(0.0)	(10.6)	(10.2)	(20.2)		
<b>Gross Margin</b>	<b>2.5</b>	<b>4.7</b>	<b>6.0</b>	<b>7.6</b>	<b>7.8</b>	<b>9.7</b>	<b>11.7</b>	<b>15.7</b>	<b>32.4%</b>	<b>26.0%</b>
Gross Margin/Revenues	64.8%	28.0%	51.8%	56.8%	100.0%	47.9%	53.4%	43.7%		
Personnel Expenses	(1.7)	(2.0)	(2.2)	(2.4)	(2.6)	(2.7)	(2.8)	(2.9)		
Other Operating Expenses	(1.5)	(2.1)	(1.9)	(2.2)	(1.8)	(1.9)	(2.0)	(2.1)		
<b>Recurrent EBITDA</b>	<b>(0.7)</b>	<b>0.6</b>	<b>1.8</b>	<b>3.0</b>	<b>3.4</b>	<b>5.1</b>	<b>6.8</b>	<b>10.7</b>	<b>62.6%</b>	<b>46.0%</b>
Recurrent EBITDA growth	-80.8%	184.9%	217.0%	64.8%	12.5%	47.4%	35.5%	55.8%		
Rec. EBITDA/Revenues	n.a.	3.5%	16.1%	22.7%	43.8%	24.9%	31.3%	29.7%		
Restructuring Expense & Other non-rec.	(0.4)	1.1	0.0	0.4	1.2	-	-	-		
<b>EBITDA</b>	<b>(1.1)</b>	<b>1.7</b>	<b>1.9</b>	<b>3.4</b>	<b>4.6</b>	<b>5.1</b>	<b>6.8</b>	<b>10.7</b>	<b>58.6%</b>	<b>32.6%</b>
Depreciation & Provisions	(0.0)	0.3	0.3	(0.1)	(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)		
<b>EBIT</b>	<b>(1.3)</b>	<b>1.7</b>	<b>1.9</b>	<b>3.1</b>	<b>4.2</b>	<b>4.8</b>	<b>6.6</b>	<b>10.4</b>	<b>52.3%</b>	<b>34.9%</b>
EBIT growth	-162.3%	234.1%	14.8%	58.7%	38.2%	13.1%	37.3%	58.0%		
EBIT/Revenues	n.a.	10.0%	16.8%	22.9%	54.2%	23.6%	30.1%	29.0%		
Impact of Goodwill & Others	(0.1)	0.8	0.9	1.3	1.0	-	-	-		
Net Financial Result	(0.9)	(0.5)	(0.6)	(1.2)	(1.6)	(1.9)	(1.8)	(1.7)		
Income by the Equity Method	(1.7)	(0.4)	(0.1)	0.0	0.2	0.2	0.2	0.2		
<b>Ordinary Profit</b>	<b>(3.9)</b>	<b>1.6</b>	<b>2.2</b>	<b>3.3</b>	<b>3.9</b>	<b>3.2</b>	<b>5.0</b>	<b>9.0</b>	<b>31.6%</b>	<b>32.5%</b>
Ordinary Profit Growth	-359.7%	140.5%	37.9%	51.2%	18.4%	-17.9%	57.4%	80.2%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(3.9)</b>	<b>1.6</b>	<b>2.2</b>	<b>3.3</b>	<b>3.9</b>	<b>3.2</b>	<b>5.0</b>	<b>9.0</b>	<b>31.6%</b>	<b>32.5%</b>
Tax Expense	0.3	(0.4)	(0.7)	(0.9)	(1.1)	(0.6)	(1.0)	(1.8)		
Effective Tax Rate	n.a.	22.4%	30.6%	28.2%	27.7%	20.0%	20.0%	20.0%		
Minority Interests	-	-	-	-	0.0	0.0	0.0	0.0		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(3.6)</b>	<b>1.2</b>	<b>1.5</b>	<b>2.3</b>	<b>2.8</b>	<b>2.5</b>	<b>4.0</b>	<b>7.2</b>	<b>29.1%</b>	<b>37.0%</b>
Net Profit growth	-440.0%	133.8%	23.4%	56.4%	19.2%	-9.2%	57.4%	80.2%		
<b>Ordinary Net Profit</b>	<b>(3.5)</b>	<b>0.4</b>	<b>1.5</b>	<b>2.1</b>	<b>2.0</b>	<b>2.5</b>	<b>4.0</b>	<b>7.2</b>	<b>26.5%</b>	<b>54.2%</b>
Ordinary Net Profit growth	-430.9%	111.0%	287.7%	39.7%	-6.1%	29.3%	57.4%	80.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>5.1</b>	<b>6.8</b>	<b>10.7</b>	<b>62.6%</b>	<b>46.0%</b>
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)		
Working Capital Increase						(2.9)	(1.2)	(1.4)		
<b>Recurrent Operating Cash Flow</b>						<b>2.0</b>	<b>5.5</b>	<b>9.0</b>	<b>23.4%</b>	<b>97.5%</b>
CAPEX						(0.4)	(0.4)	(0.7)		
Net Financial Result affecting the Cash Flow						(1.9)	(1.8)	(1.7)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(0.3)</b>	<b>3.2</b>	<b>6.7</b>	<b>-13.5%</b>	<b>40.0%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(0.3)</b>	<b>3.2</b>	<b>6.7</b>	<b>-13.7%</b>	<b>41.9%</b>
Capital Increase						-	-	-		
Dividends						(1.0)	(1.1)	(1.3)		
<b>Net Debt Variation</b>						<b>1.3</b>	<b>(2.1)</b>	<b>(5.4)</b>		

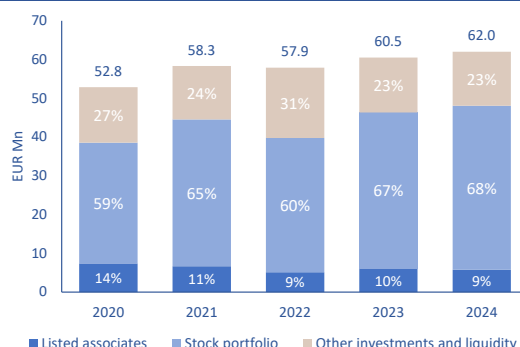


## The company in 8 charts

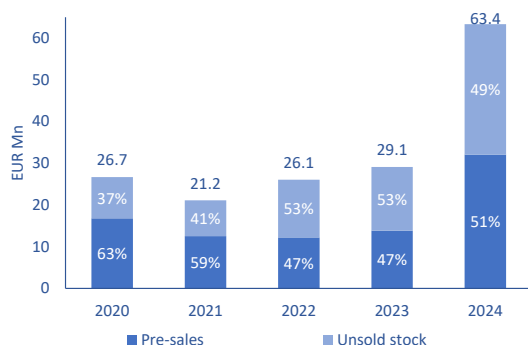
**A group with three core businesses: property development, tourism management and financial investment**



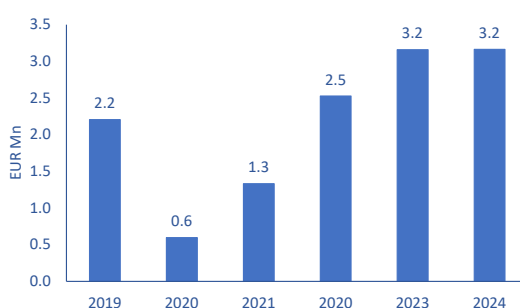
**Investment area: provides greater diversification of assets (which reduces group risk), liquidity and profitability**



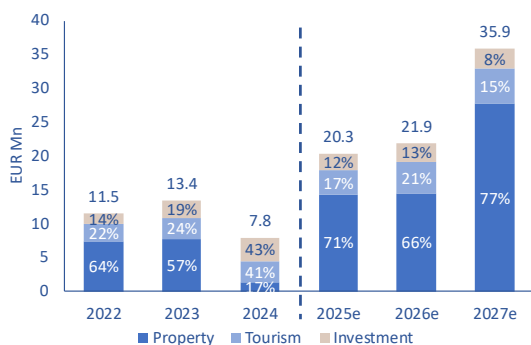
**Housing pre-sales (EUR 32.1Mn) and unsold stock (EUR 31.3Mn) lend visibility to the development business**



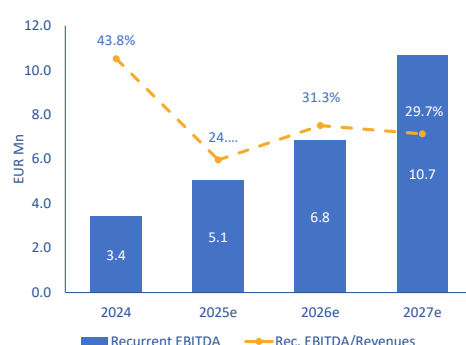
**The tourism business is also much bigger than in 2019 (and still has more room to grow)**



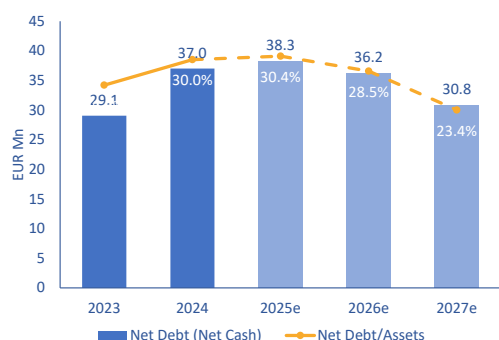
**2025-2027e: the development business will be the main driver of revenue growth**



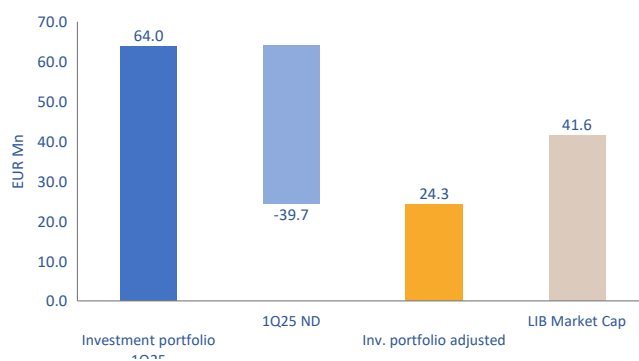
**This will be visible in the generation of recurring EBITDA**



**All while maintaining a comfortable financial position (ND/Assets < 31%)**



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





## Evolution of the share price

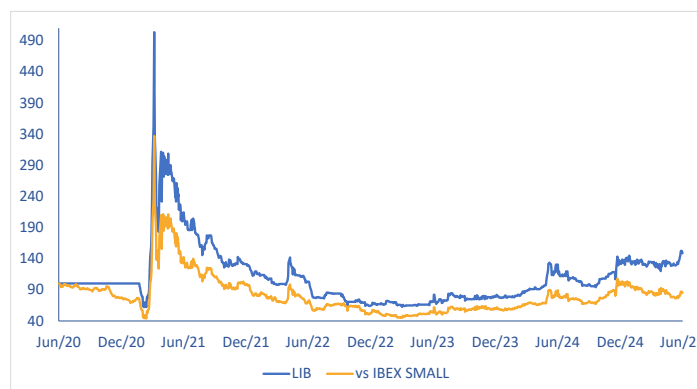
Historical behavior vs Ibex 35 (base 100)



Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	15.0	10.4	13.9	4.9	44.4	48.6
vs Market						
vs Ibex 35	10.3	0.5	-9.9	-13.9	-14.3	-23.5
vs Euro STOXX 50	13.2	8.6	4.9	-4.7	-3.6	-13.4
vs Small Cap References						
vs Ibex Small Cap Index	9.1	-2.8	-4.6	-18.0	19.7	-15.0
vs Micro Cap Spain Segment <sup>(1)</sup>	9.5	3.0	8.2	-7.6	39.9	-0.1
vs MSCI Europe Micro Cap	9.9	1.3	12.2	-2.6	54.0	16.5
vs Sector						
vs Stoxx Europe 600 Real State	13.1	0.3	8.2	-1.1	60.2	69.8

(1) Constituents on page 10



## Free Cash Flow (I)

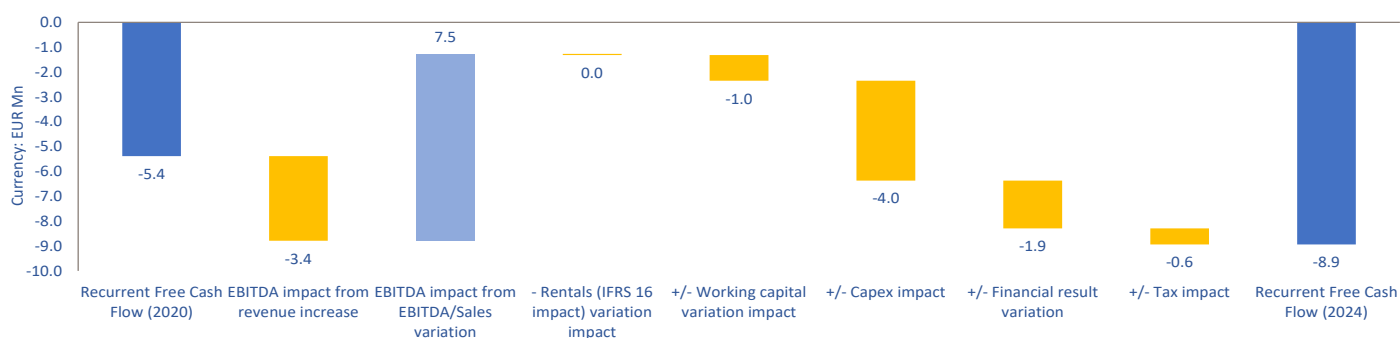
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	0.6	1.8	3.0	3.4	5.1	6.8	10.7	80.5%	46.0%
Recurrent EBITDA growth	184.9%	217.0%	64.8%	12.5%	47.4%	35.5%	55.8%		
Rec. EBITDA/Revenues	3.5%	16.1%	22.7%	43.8%	24.9%	31.3%	29.7%		
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	5.6	(1.0)	2.7	(4.8)	(2.9)	(1.2)	(1.4)		
= Recurrent Operating Cash Flow	6.0	0.6	5.5	(1.6)	2.0	5.5	9.0	-31.3%	97.5%
Rec. Operating Cash Flow growth	229.8%	-89.6%	778.3%	-128.9%	223.6%	178.4%	65.8%		
Rec. Operating Cash Flow / Sales	35.6%	5.4%	41.0%	n.a.	9.7%	25.0%	25.2%		
- CAPEX	(0.1)	(0.2)	(0.2)	(4.4)	(0.4)	(0.4)	(0.7)		
- Net Financial Result affecting Cash Flow	(0.7)	(0.6)	(1.2)	(2.6)	(1.9)	(1.8)	(1.7)		
- Taxes	(0.4)	(0.7)	(0.9)	(0.4)	-	-	-		
= Recurrent Free Cash Flow	4.9	(0.9)	3.1	(8.9)	(0.3)	3.2	6.7	-56.4%	40.0%
Rec. Free Cash Flow growth	190.8%	-117.5%	465.2%	-385.4%	96.6%	n.a.	109.2%		
Rec. Free Cash Flow / Revenues	29.0%	n.a.	23.4%	n.a.	n.a.	14.6%	18.6%		
- Restructuring expenses & others	1.1	0.0	0.4	-	-	-	-		
- Acquisitions / + Divestments	(0.6)	2.2	(0.2)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	1.2	-	-	-		
= Free Cash Flow	5.4	1.4	3.3	(7.8)	(0.3)	3.2	6.7	-51.1%	41.9%
Free Cash Flow growth	215.6%	-73.7%	132.7%	-336.8%	96.1%	n.a.	109.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	11.7%	n.a.	7.5%	n.a.	n.a.	7.7%	16.0%		
Free Cash Flow Yield (s/Mkt Cap)	12.9%	3.4%	7.9%	n.a.	n.a.	7.7%	16.0%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(5.4)	4.9	(0.9)	3.1	(8.9)	(0.3)	3.2		
EBITDA impact from revenue increase	(2.3)	(0.2)	0.3	(1.3)	5.5	0.4	4.4		
EBITDA impact from EBITDA/Sales variation	3.5	1.4	0.9	1.6	(3.8)	1.4	(0.6)		
= Recurrent EBITDA variation	1.3	1.3	1.2	0.4	1.6	1.8	3.8		
- Rentals (IFRS 16 impact) variation impact	(0.0)	-	-	-	-	-	-		
+/- Working capital variation impact	9.4	(6.6)	3.7	(7.5)	1.9	1.7	(0.2)		
= Recurrent Operating Cash Flow variation	10.6	(5.4)	4.9	(7.1)	3.5	3.5	3.6		
+/- CAPEX impact	0.3	(0.2)	(0.0)	(4.1)	4.0	(0.0)	(0.3)		
+/- Financial result variation	(0.0)	0.1	(0.6)	(1.4)	0.7	0.0	0.2		
+/- Tax impact	(0.6)	(0.3)	(0.3)	0.5	0.4	-	-		
= Recurrent Free Cash Flow variation	10.3	(5.7)	4.0	(12.1)	8.6	3.5	3.5		
Recurrent Free Cash Flow	4.9	(0.9)	3.1	(8.9)	(0.3)	3.2	6.7		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	1.7	1.9	3.1	4.2	4.8	6.6	10.4	36.0%	34.9%
* Theoretical Tax rate	22.4%	30.0%	28.2%	27.7%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(0.4)	(0.6)	(0.9)	(1.2)	(1.0)	(1.3)	(2.1)		
Recurrent EBITDA	0.6	1.8	3.0	3.4	5.1	6.8	10.7	80.5%	46.0%
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	5.6	(1.0)	2.7	(4.8)	(2.9)	(1.2)	(1.4)		
= Recurrent Operating Cash Flow	6.0	0.6	5.5	(1.6)	2.0	5.5	9.0	-31.3%	97.5%
- CAPEX	(0.1)	(0.2)	(0.2)	(4.4)	(0.4)	(0.4)	(0.7)		
- Taxes (pre- Financial Result)	(0.4)	(0.6)	(0.9)	(1.2)	(1.0)	(1.3)	(2.1)		
= Recurrent Free Cash Flow (To the Firm)	5.6	(0.2)	4.4	(7.1)	0.6	3.7	6.2	-48.6%	42.2%
Rec. Free Cash Flow (To the Firm) growth	212.0%	-103.1%	n.a.	-262.6%	108.3%	523.2%	68.7%		
Rec. Free Cash Flow (To the Firm) / Revenues	33.0%	n.a.	32.7%	n.a.	2.9%	16.9%	17.4%		
- Acquisitions / + Divestments	(0.6)	2.2	(0.2)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	1.2	-	-	-		
= Free Cash Flow "To the Firm"	5.0	2.1	4.2	(6.0)	0.6	3.7	6.2	-47.3%	45.0%
Free Cash Flow (To the Firm) growth	228.9%	-58.3%	101.5%	-242.8%	110.0%	523.2%	68.7%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	10.8%	n.a.	8.5%	n.a.	1.2%	7.2%	12.2%		
Free Cash Flow "To the Firm" - Yield (o/EV)	9.7%	4.0%	8.2%	n.a.	1.2%	7.2%	12.2%		



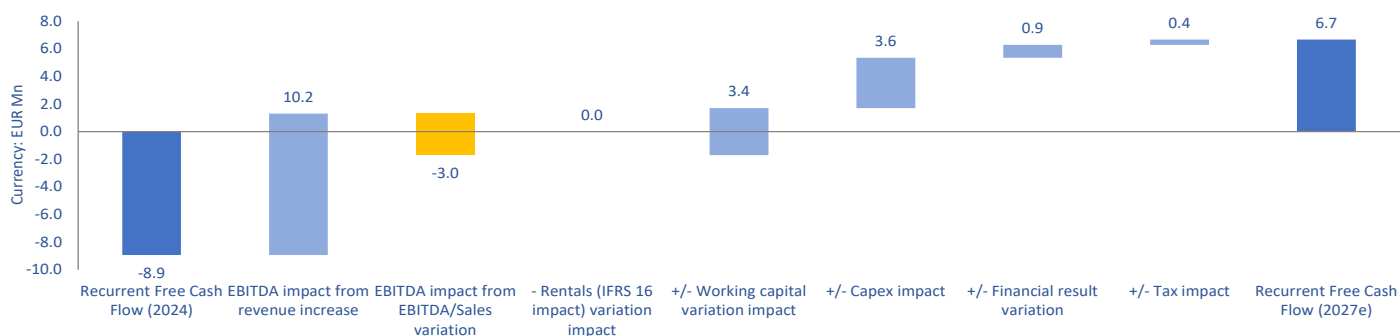


## Free Cash Flow (II)

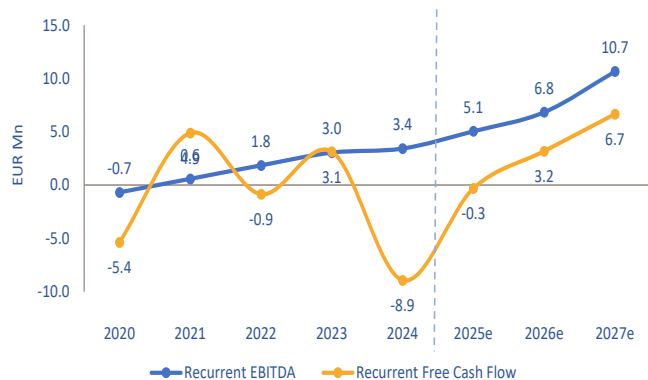
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward







## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	0.6	3.7	6.2	124.8		
Market Cap	41.6	At the date of this report				
Net financial debt	37.9	Debt net of Cash (3m Results 2025)				
					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)	3.1%	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	10.3%	$K_e = R_f + (R * B)$			9.2%	11.6%
Equity / (Equity + Net Debt)	52.3%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	47.7%	D			=	=
WACC	7.1%	$WACC = K_d * D + K_e * E$			6.4%	7.9%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	41.6	
+ Minority Interests	-	3m Results 2025
+ Provisions & Other L/T Liabilities	0.0	3m Results 2025
+ Net financial debt	37.9	3m Results 2025
- Financial Investments	7.0	3m Results 2025
+/- Others <sup>(1)</sup>	(21.3)	3m Results 2025
<b>Enterprise Value (EV)</b>	<b>51.3</b>	

(1) Related to: (i) the book value (not actuarial) of deferred tax assets and liabilities (EUR 34,5Mn and EUR 14,7Mn, respectively) and (ii) the market value of treasury stock (c.EUR 1.57Mn)

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	1.5%	1.6%	2.6%	3.5%
	2024	2027e			
ROCE - WACC	-3.6%	1.6%			
FCF Yield - WACC	n.a.	5.1%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	34.4%	7.5	6.8x
Central	31.3%	6.8	7.5x
Min	28.2%	6.2	8.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario	Rec. FCF/Yield 26e		
EBITDA 26e	1.8%	2.0%	2.2%					
7.5	3.9	3.9	3.8	➔	Max	9.4%	9.3%	9.2%
6.8	3.2	3.2	3.1		Central	7.8%	7.7%	7.5%
6.2	2.6	2.5	2.5		Min	6.1%	6.0%	5.9%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	37.5%	37.5%	42.9%
% of proprietary board members	37.5%	37.5%	42.9%
% of executive board members	12.5%	12.5%	14.3%
% of other directors	12.5%	12.5%	0.0%
% of women on the board of directors	50.0%	50.0%	57.1%
% of women out of total workforce	46.7%	50.0%	54.2%
Board remuneration/staff costs	12.8%	13.7%	12.2%



## Main peers 2025e

Market data	EUR Mn	Real estate				Average	Tourism			Average	LIB
		Metrovacesa	Aedas Homes	Neinor Homes	Insur		Playa Hotels & Resorts	PPHE Hotel Group	Pierre et Vacances		
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		1,615.4	1,217.0	1,045.1	220.3		1,432.7	759.3	678.2		41.6
Enterprise value (EV)		1,821.2	1,403.5	1,191.5	421.6		2,132.5	2,227.5	3,990.2		51.3
Basic financial information	Total Revenues	707.8	1,047.2	664.5	245.6		765.5	554.1	1,948.8		20.3
	Total Revenues growth	7.2%	-9.4%	34.9%	47.6%	20.1%	-5.6%	6.6%	7.2%	2.7%	159.6%
	2y CAGR (2025e - 2027e)	2.0%	2.1%	2.3%	-8.7%	-0.6%	3.3%	5.6%	2.5%	3.8%	32.9%
	EBITDA	91.7	164.9	114.1	49.0		212.2	176.5	183.6		5.1
	EBITDA growth	104.4%	-0.5%	75.8%	81.1%	65.2%	3.1%	10.2%	-66.3%	-17.7%	10.3%
	2y CAGR (2025e - 2027e)	4.6%	0.5%	1.7%	-10.3%	-0.9%	6.3%	9.4%	8.7%	8.1%	45.3%
	EBITDA/Revenues	13.0%	15.8%	17.2%	19.9%	16.5%	27.7%	31.9%	9.4%	23.0%	24.9%
	EBIT	85.8	160.9	108.0	42.9		126.0	112.6	116.3		4.8
	EBIT growth	77.9%	-5.7%	78.5%	89.5%	60.0%	-8.7%	7.4%	-53.8%	-18.4%	13.1%
	2y CAGR (2025e - 2027e)	4.5%	0.5%	2.2%	-10.5%	-0.8%	17.0%	12.0%	11.0%	13.4%	47.3%
	EBIT/Revenues	12.1%	15.4%	16.3%	17.5%	15.3%	16.5%	20.3%	6.0%	14.3%	23.6%
	Net Profit	45.9	108.1	76.9	29.2		50.1	40.2	47.0		2.5
	Net Profit growth	189.1%	-0.7%	24.1%	41.5%	63.5%	-21.4%	21.3%	134.4%	44.8%	-9.2%
	2y CAGR (2025e - 2027e)	2.1%	-0.1%	4.9%	-15.3%	-2.1%	37.5%	27.1%	28.1%	30.9%	68.4%
	CAPEX/Sales %	5.0%	0.5%	15.1%	48.1%	17.2%	14.9%	11.2%	4.4%	10.2%	2.0%
	Free Cash Flow	115.9	116.7	158.0	11.7		n.a.	63.5	36.4		(0.3)
Multiples and Ratios	Net financial debt	322.5	356.2	213.5	162.1		740.2	858.5	(37.8)		38.3
	ND/EBITDA (x)	3.5	2.2	1.9	3.3	2.7	3.5	4.9	n.a.	4.2	7.6
	Pay-out	257.0%	n.a.	187.5%	36.3%	160.3%	0.0%	53.4%	0.0%	17.8%	35.5%
	P/E (x)	31.5	10.8	13.7	8.3	16.1	28.1	13.7	14.9	18.9	16.4
	P/BV (x)	1.1	1.1	1.3	1.3	1.2	3.1	2.0	2.5	2.5	0.4
	EV/Revenues (x)	2.6	1.3	1.8	1.7	1.9	2.8	4.0	2.0	3.0	2.5
	EV/EBITDA (x)	19.9	8.5	10.4	8.6	11.9	10.1	12.6	21.7	14.8	10.2
	EV/EBIT (x)	21.2	8.7	11.0	9.8	12.7	16.9	19.8	34.3	23.7	10.7
	ROE	3.4	10.5	9.6	15.6	9.8	11.0	14.5	16.8	14.1	2.6
	FCF Yield (%)	7.2	9.6	15.1	5.3	9.3	n.a.	8.4	5.4	6.9	n.a.
	DPS	0.78	2.35	1.93	0.57	1.41	0.00	0.51	0.00	0.17	0.04
	Dvd Yield	7.3%	8.4%	13.9%	4.9%	8.6%	0.0%	2.8%	0.0%	0.9%	2.2%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	CAGR 24-27e
Total Revenues	9.0	5.7	5.2	3.7	5.5	5.0	3.9	16.8	11.5	13.4	7.8	20.3	21.9	35.9	-1.4%	66.1%
Total Revenues growth	-11.1%	-36.2%	-9.8%	-28.3%	49.5%	-10.0%	-21.2%	328.4%	-31.6%	16.4%	-41.6%	159.6%	7.7%	63.9%		
EBITDA	1.4	0.5	0.3	0.2	0.7	(0.0)	(1.1)	1.7	1.9	3.4	4.6	5.1	6.8	10.7	12.7%	32.6%
EBITDA growth	116.9%	-62.2%	-39.7%	-44.0%	283.9%	-101.0%	n.a.	256.2%	13.4%	81.7%	34.6%	10.3%	35.5%	55.8%		
EBITDA/Sales	15.5%	9.2%	6.1%	4.8%	12.3%	n.a.	n.a.	9.8%	16.3%	25.4%	58.5%	24.9%	31.3%	29.7%		
Net Profit	0.7	1.2	0.9	0.3	0.1	0.1	(3.6)	1.2	1.5	2.3	2.8	2.5	4.0	7.2	15.3%	37.0%
Net Profit growth	101.4%	72.8%	-20.7%	-64.6%	-58.0%	-0.1%	n.a.	133.8%	23.4%	56.4%	19.2%	-9.2%	57.4%	80.2%		
Adjusted number shares (Mn)	20.9	20.9	20.9	20.9	20.9	20.9	20.9	21.0	21.1	21.1	21.1	21.9	21.9	21.9		
EPS (EUR)	0.03	0.06	0.04	0.02	0.01	0.01	-0.17	0.06	0.07	0.11	0.13	0.12	0.18	0.33	15.1%	35.4%
EPS growth	n.a.	72.9%	-20.7%	-64.6%	-58.0%	-0.1%	n.a.	n.a.	23.0%	56.4%	19.0%	-12.5%	57.4%	80.2%		
Ord. EPS (EUR)	0.03	0.06	0.04	0.02	0.01	0.01	-0.17	0.02	0.07	0.10	0.09	0.12	0.18	0.33	11.1%	52.3%
Ord. EPS growth	n.a.	72.9%	-20.7%	-64.6%	-58.0%	-16.1%	n.a.	n.a.	n.a.	39.7%	-6.3%	24.7%	57.4%	80.2%		
CAPEX	0.0	0.1	0.1	0.0	0.1	(0.2)	(0.3)	(0.1)	(0.2)	(0.2)	(4.4)	(0.4)	(0.4)	(0.7)		
CAPEX/Sales %	n.a.	n.a.	n.a.	n.a.	n.a.	4.8%	8.7%	0.4%	1.9%	1.8%	55.7%	2.0%	2.0%	2.0%		
Free Cash Flow	17.8	4.9	3.7	3.1	0.4	0.9	(4.7)	5.4	1.4	3.3	(7.8)	(0.3)	3.2	6.7	-9.3%	41.9%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	19.7x	16.8x	8.5x	8.1x	7.6x	5.3x	2.9x		
P/E (x)	65.1x	35.2x	44.4x	n.a.	n.a.	n.a.	n.a.	24.9x	12.1x	8.9x	13.7x	16.4x	10.4x	5.8x		
EV/Sales (x)	5.08x	7.12x	7.46x	9.28x	4.55x	9.21x	10.21x	2.67x	2.63x	2.38x	6.24x	2.53x	2.35x	1.43x		
EV/EBITDA (x) <sup>(2)</sup>	32.8x	n.a.	n.a.	n.a.	37.0x	n.a.	n.a.	27.2x	16.2x	9.4x	10.7x	10.2x	7.5x	4.8x		
Absolute performance	135.0%	-6.4%	0.0%	-0.1%	-30.1%	6.4%	-12.5%	12.4%	-40.4%	15.4%	83.1%	4.9%				
Relative performance vs Ibex 35	126.7%	0.8%	2.1%	-7.0%	-17.8%	-4.8%	3.5%	4.1%	-36.8%	-6.0%	59.5%	-13.9%				

(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.

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

**Lingotes Especiales (LGT)** is a small Spanish industrial company specialising in the design, development, casting and machining of steel components, mainly for use in the automotive industry, where it is a market leader in braking systems with a c.10% market share in Europe (>85% sales).

## Market Data

Market Cap (Mn EUR and USD)	60.0	68.9
EV (Mn EUR and USD)	88.4	101.5
Shares Outstanding (Mn)	10.0	
-12m (Max/Med/Mín EUR)	8.52 / 6.80 / 5.60	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation <sup>(1)</sup>	10.0	
Factset / Bloomberg	LGT-ES / LGT SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

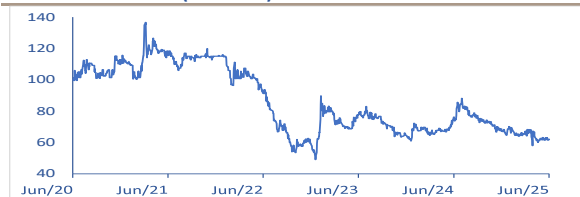
Consejo de Administración	55.0
Onchena	9.4
Mallorquina de Seguros	6.2
Free Float	29.5

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	10.0	10.0	10.0	10.0
Total Revenues	89.1	90.0	97.3	105.1
Rec. EBITDA	6.3	7.2	10.2	12.9
% growth	-25.1	15.3	41.5	25.9
% Rec. EBITDA/Rev.	7.0	8.0	10.5	12.3
% Inc. EBITDA sector <sup>(2)</sup>	-4.1	6.2	7.4	6.6
Net Profit	1.9	1.4	3.7	5.6
EPS (EUR)	0.19	0.14	0.37	0.56
% growth	-42.1	-27.6	170.6	53.7
Ord. EPS (EUR)	0.03	0.07	0.30	0.50
% growth	-87.8	122.5	340.5	65.9
Rec. Free Cash Flow	-11.2	2.3	3.3	5.3
Pay-out (%)	214.2	0.0	95.6	80.0
DPS (EUR)	0.40	0.00	0.35	0.45
Net financial debt	22.3	19.1	18.4	16.8
ND/Rec. EBITDA (x)	3.6	2.6	1.8	1.3
ROE (%)	4.2	3.0	8.1	12.2
ROCE (%)	4.3	3.2	6.7	9.8

## Ratios & Multiples (x)

P/E	32.1	44.4	16.4	10.7
Ord. P/E	n.a.	88.6	20.1	12.1
P/BV	1.4	1.3	1.3	1.3
Dividend Yield (%)	6.7	0.0	5.8	7.5
EV/Sales	0.99	0.98	0.91	0.84
EV/Rec. EBITDA	14.1	12.2	8.6	6.9
EV/EBIT	27.7	31.6	15.2	10.5
FCF Yield (%)	n.a.	3.9	5.4	8.8

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	-0.8	-6.0	-18.6	-37.9

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

(2) Sector: Stoxx Europe 600 Automobiles & Parts.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Persistent uncertainty in the automotive sector in 2024.** LGT experienced a revenue decline in 2024 (EUR 89.1 Mn; -9.6% vs. 2023) due to lower volume (-5% vs. 2023) and a reduction in prices from the normalization of raw material costs. Recurring EBITDA in 2024 was EUR 6.3 Mn (-25.1% vs. 2023) due to a cost structure with a high fixed component, in a sector where operating leverage works strongly against you if sales fall. Net debt increased to EUR 22.3 Mn (+130% vs. 2023) driven by the normalization of working capital and continued investments (new facility and equipment).

**We estimate 2025e to be a transition year.** With a repeat of volumes and a moderate price increase due to the introduction of new parts. European car registrations are at levels similar to 2024 in the first months of 2025. We estimate a limited impact from the tariff war due to reduced exposure to models with sales in the USA. 2025e revenue is projected at EUR 90.0 Mn (+1.1%) and recurring EBITDA at EUR 7.2 Mn (+15.3%; 2025e EBITDA margin 8.0%), which would imply a recovery to 2022-2023 levels.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Leadership in a specialized business.** The differentiating factor is know-how (founded in 1968) and a long-term approach to customer relationships. LGT maintains a leadership position in brake discs (approx. 60% of sales), with a market share close to 10% in Europe (Europe accounts for 87% of 2024 revenue).

**Continuous development of new parts and modernization of facilities.** LGT is committed to developing higher value-added parts, a process that takes approximately three years from inception to final bidding, with a duration of approximately six years. This allows for aspirations of 2027e revenue of EUR 105.1 Mn (+5.7% CAGR 2024-2027e).

**Room for margin improvement.** We expect 2025e to be a transition year due to vehicle sales expectations (13.0 Mn cars were registered in Europe in 2024, -18% vs. 2019). The stabilization (and subsequent recovery) of the sector will be the catalyst for an improvement in the 2027e EBITDA margin to 12.3% (vs. 7.0% in 2024 and 14.6% in 2019). This is the keystone of the equity story.

**Solid cash generation.** With major investments already undertaken (annual CAPEX approx. EUR 9 Mn in 2023 and 2024; new facility, machinery, and modernization), we estimate stable CAPEX (3-4% of revenue) in 2025e-2027e. This would allow the higher level of profitability to translate into higher FCF (Free Cash Flow) (2027e FCF Yield 8.8%) and an 80% payout ratio (in line with historical figures) with a 2027e Dividend Yield of 7.5% (no dividend in 2025e).

## RISKS: WHAT TO KEEP AN EYE ON?

**Regulation.** The Euro 7 standard expands the focus of emissions beyond the exhaust pipe, increasing pressure on car manufacturers with stricter standards, directly affecting the production chain.

**Customer concentration.** LGT concentrates its sales among the main European manufacturers. The loss of market share by these manufacturers due to changes in market trends would negatively impact LGT.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The weak sector momentum "constrains" the stock price.** Parts manufacturers have been going through a weak market phase since the pandemic. The unknown is whether the reduction in car manufacturing and sales in Europe compared to 2019 is cyclical or structural. Volume recovery is essential to restore attractiveness to a company with the potential for high levels of FCF generation (which we expect to recover in 2026-2027). 2025 points to a transition year, conditioned by tariff policies, the progress of electrification, consumer confidence, and the evolution of emissions regulations. Momentum remains weak, and medium-term visibility is limited. It's also worth noting that LGT is trading at approximately 5-year lows, which implies enormous potential in a scenario of volume and revenue normalization (which we do not expect in 2025 but rather in 2026-2027).



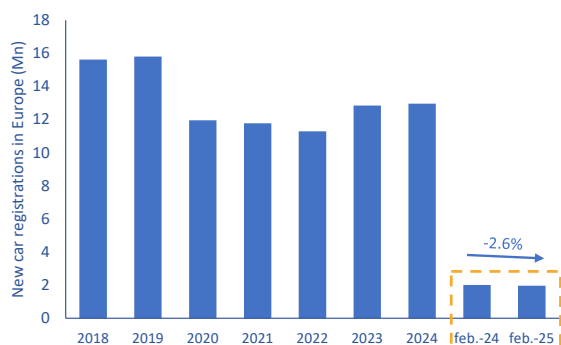
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	1.3	1.8	1.6	3.4	4.7	6.1	7.4	8.5		
Fixed assets	57.1	57.0	56.4	59.5	62.2	58.9	56.7	54.6		
Other Non Current Assets	0.4	1.2	0.8	0.2	0.2	0.2	0.2	0.2		
Financial Investments	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	28.3	25.7	32.2	22.0	26.3	26.6	28.8	31.1		
<b>Total assets</b>	<b>87.3</b>	<b>85.9</b>	<b>91.3</b>	<b>85.4</b>	<b>93.6</b>	<b>92.0</b>	<b>93.2</b>	<b>94.6</b>		
Equity	45.1	43.7	46.8	46.0	43.9	45.3	45.4	46.5		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	8.3	1.4	0.9	0.8	0.7	0.7	0.7	0.7		
Other Non Current Liabilities	0.1	0.2	0.1	5.5	5.6	5.6	5.6	5.6		
Net financial debt	9.2	19.9	18.7	9.6	22.3	19.1	18.4	16.8		
Current Liabilities	24.5	20.7	24.7	23.5	21.1	21.3	23.1	24.9		
<b>Equity &amp; Total Liabilities</b>	<b>87.3</b>	<b>85.9</b>	<b>91.3</b>	<b>85.4</b>	<b>93.6</b>	<b>92.0</b>	<b>93.2</b>	<b>94.6</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>91.2</b>	<b>85.9</b>	<b>113.9</b>	<b>98.5</b>	<b>89.1</b>	<b>90.0</b>	<b>97.3</b>	<b>105.1</b>	<b>-0.6%</b>	<b>5.7%</b>
Total Revenues growth	-20.7%	-5.8%	32.7%	-13.6%	-9.6%	1.1%	8.0%	8.0%		
COGS	(37.7)	(40.5)	(48.9)	(45.6)	(39.3)	(38.1)	(41.2)	(44.5)		
<b>Gross Margin</b>	<b>53.5</b>	<b>45.4</b>	<b>65.0</b>	<b>52.9</b>	<b>49.8</b>	<b>51.9</b>	<b>56.1</b>	<b>60.6</b>	<b>-1.8%</b>	<b>6.8%</b>
Gross Margin/Revenues	58.7%	52.9%	57.1%	53.7%	55.9%	57.6%	57.6%	57.6%		
Personnel Expenses	(25.2)	(22.7)	(23.3)	(24.5)	(24.9)	(25.0)	(26.8)	(28.7)		
Other Operating Expenses	(16.5)	(21.2)	(33.7)	(20.0)	(18.6)	(19.6)	(19.0)	(19.0)		
<b>Recurrent EBITDA</b>	<b>11.8</b>	<b>1.5</b>	<b>8.0</b>	<b>8.4</b>	<b>6.3</b>	<b>7.2</b>	<b>10.2</b>	<b>12.9</b>	<b>-14.6%</b>	<b>27.1%</b>
Recurrent EBITDA growth	-29.9%	-87.2%	430.5%	4.0%	-25.1%	15.3%	41.5%	25.9%		
Rec. EBITDA/Revenues	12.9%	1.8%	7.1%	8.5%	7.0%	8.0%	10.5%	12.3%		
Restructuring Expense & Other non-rec.	0.8	0.5	0.8	1.0	1.9	0.9	0.9	0.9		
<b>EBITDA</b>	<b>12.6</b>	<b>2.0</b>	<b>8.9</b>	<b>9.3</b>	<b>8.2</b>	<b>8.1</b>	<b>11.1</b>	<b>13.8</b>	<b>-10.4%</b>	<b>19.0%</b>
Depreciation & Provisions	(4.5)	(5.1)	(5.5)	(5.6)	(6.2)	(6.3)	(6.2)	(6.1)		
Capitalized Expense	0.7	1.0	1.2	1.5	1.7	1.4	1.3	1.1		
Rentals (IFRS 16 impact)	(0.1)	(0.1)	(0.1)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
<b>EBIT</b>	<b>8.7</b>	<b>(2.2)</b>	<b>4.5</b>	<b>4.9</b>	<b>3.2</b>	<b>2.8</b>	<b>5.8</b>	<b>8.4</b>	<b>-22.2%</b>	<b>38.1%</b>
EBIT growth	-25.8%	-124.9%	308.2%	8.5%	-34.7%	-12.1%	107.4%	44.5%		
EBIT/Revenues	9.5%	n.a.	3.9%	5.0%	3.6%	3.1%	6.0%	8.0%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.3)	(0.3)	(0.4)	(0.6)	(0.9)	(1.0)	(0.9)	(0.9)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>8.4</b>	<b>(2.5)</b>	<b>4.1</b>	<b>4.2</b>	<b>2.3</b>	<b>1.8</b>	<b>4.9</b>	<b>7.5</b>	<b>-27.9%</b>	<b>48.9%</b>
Ordinary Profit Growth	-26.7%	-129.6%	265.2%	3.3%	-46.4%	-20.6%	170.6%	53.7%		
Extraordinary Results	(0.4)	0.5	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>8.0</b>	<b>(2.0)</b>	<b>4.1</b>	<b>4.2</b>	<b>2.3</b>	<b>1.8</b>	<b>4.9</b>	<b>7.5</b>	<b>-27.1%</b>	<b>48.9%</b>
Tax Expense	(2.1)	0.5	(0.9)	(1.0)	(0.4)	(0.5)	(1.2)	(1.9)		
Effective Tax Rate	25.7%	n.a.	23.1%	23.8%	17.7%	25.0%	25.0%	25.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>6.0</b>	<b>(1.5)</b>	<b>3.2</b>	<b>3.2</b>	<b>1.9</b>	<b>1.4</b>	<b>3.7</b>	<b>5.6</b>	<b>-25.2%</b>	<b>44.4%</b>
Net Profit growth	-31.7%	-124.8%	313.3%	2.4%	-42.1%	-27.6%	170.6%	53.7%		
<b>Ordinary Net Profit</b>	<b>5.6</b>	<b>(2.9)</b>	<b>2.5</b>	<b>2.5</b>	<b>0.3</b>	<b>0.7</b>	<b>3.0</b>	<b>5.0</b>	<b>-51.7%</b>	<b>n.a.</b>
Ordinary Net Profit growth	-35.8%	-152.3%	186.0%	-1.4%	-87.8%	122.5%	340.5%	65.9%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>7.2</b>	<b>10.2</b>	<b>12.9</b>	<b>-14.6%</b>	<b>27.1%</b>
Rentals (IFRS 16 impact)						(0.4)	(0.4)	(0.4)		
Working Capital Increase						(0.1)	(0.4)	(0.5)		
<b>Recurrent Operating Cash Flow</b>						<b>6.8</b>	<b>9.4</b>	<b>12.0</b>	<b>-19.9%</b>	<b>n.a.</b>
CAPEX						(3.0)	(4.0)	(4.0)		
Net Financial Result affecting the Cash Flow						(1.0)	(0.9)	(0.9)		
Tax Expense						(0.5)	(1.2)	(1.9)		
<b>Recurrent Free Cash Flow</b>						<b>2.3</b>	<b>3.3</b>	<b>5.3</b>	<b>-44.4%</b>	<b>35.2%</b>
Restructuring Expense & Other non-rec.						0.9	0.9	0.9		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>3.2</b>	<b>4.2</b>	<b>6.2</b>	<b>-38.3%</b>	<b>38.6%</b>
Capital Increase						-	-	-		
Dividends						-	(3.5)	(4.5)		
<b>Net Debt Variation</b>						<b>(3.2)</b>	<b>(0.7)</b>	<b>(1.7)</b>		

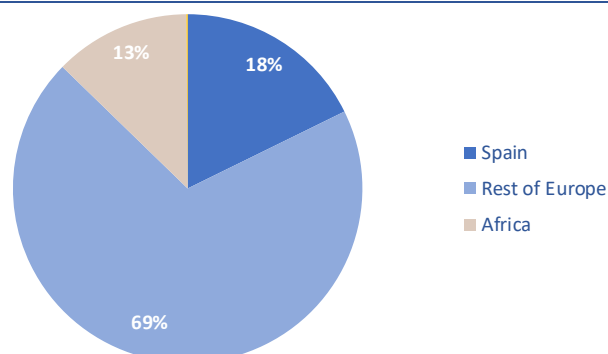


## The company in 8 charts

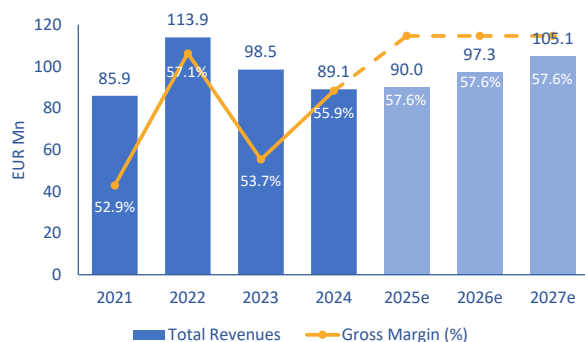
## Stagnation in the number of car registrations in Europe in 2025



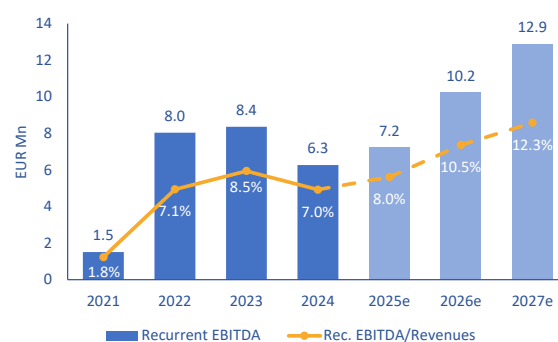
## Exports make up 82% of revenue, with Europe as the main revenue source



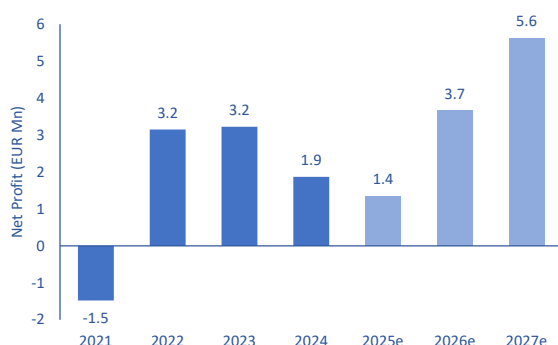
## We estimate a gradual recovery in volume, together with an increase in prices, which will allow an increase in the gross margin



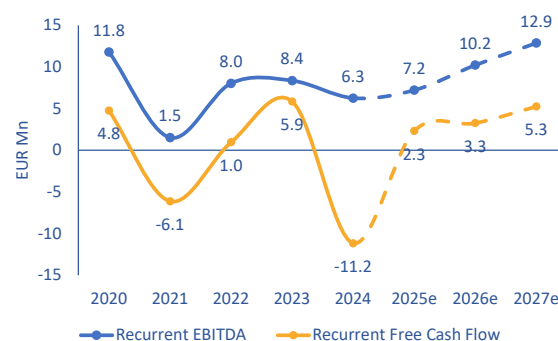
## There is still plenty of room for margins (penalized by the increase in raw material, energy and personnel costs) to recover



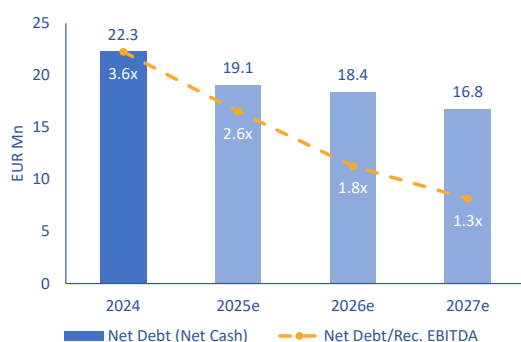
## Net income 2025e temporarily impacted by the increase in debt seen in 2024 to carry out investments



## A company with strong potential to generate FCF



## Cash generation should bring gearing back to levels of 2.6x ND/EBITDA in 2025e



## Earnings in 2025e could provide a catalyst by making revenue growth and margin improvement appear more credible



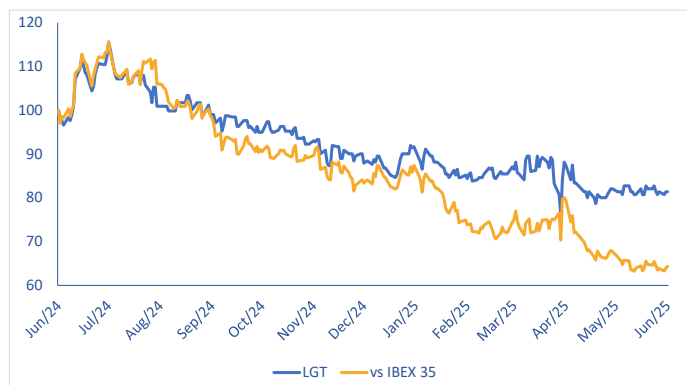


## Evolution of the share price

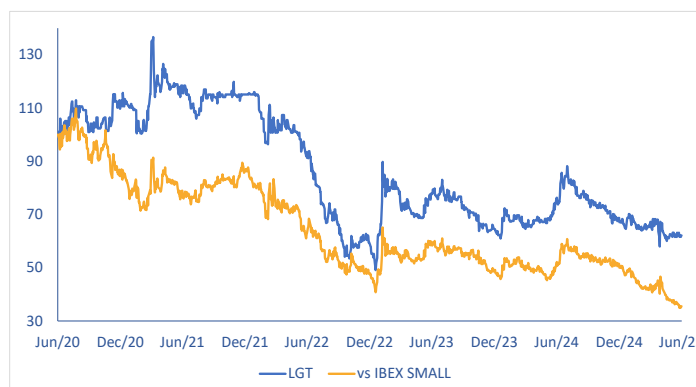
Historical behavior vs Ibex 35 (base 100)



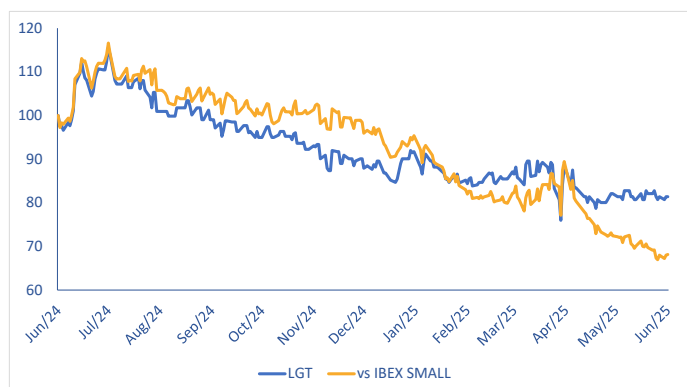
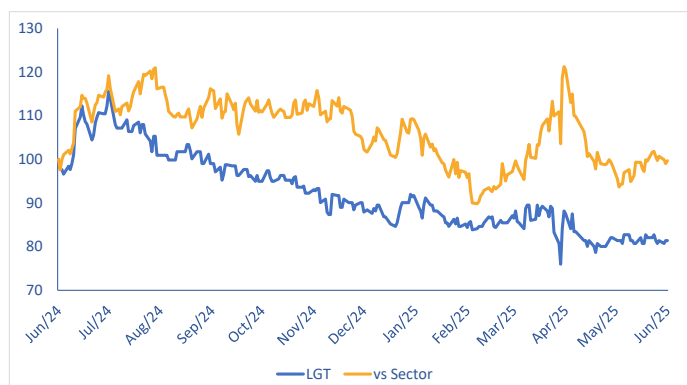
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Automobiles &amp; Parts

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-0.8	-6.0	-18.6	-4.8	-32.0	-37.9
<b>vs Market</b>						
vs Ibex 35	-4.9	-14.3	-35.6	-21.9	-59.6	-68.0
vs Euro STOXX 50	-2.4	-7.4	-25.1	-13.5	-54.6	-63.8
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-5.9	-17.2	-31.8	-25.6	-43.6	-64.5
vs Micro Cap Spain Segment <sup>(1)</sup>	-5.6	-12.2	-22.7	-16.1	-34.1	-58.2
vs MSCI Europe Micro Cap	-5.2	-13.7	-19.8	-11.6	-27.5	-51.3
<b>vs Sector</b>						
vs Stoxx Europe 600 Automobiles & Parts	1.1	1.3	-0.3	-1.5	-28.7	-56.0

(1) Constituents on page 10





## Free Cash Flow (I)

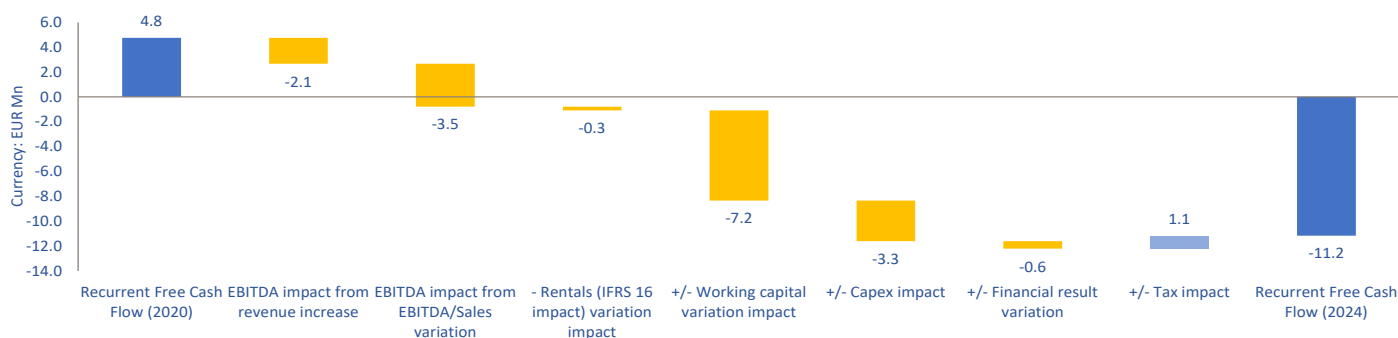
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	1.5	8.0	8.4	6.3	7.2	10.2	12.9	60.5%	27.1%
Recurrent EBITDA growth	-87.2%	430.5%	4.0%	-25.1%	15.3%	41.5%	25.9%		
Rec. EBITDA/Revenues	1.8%	7.1%	8.5%	7.0%	8.0%	10.5%	12.3%		
- Rentals (IFRS 16 impact)	(0.1)	(0.1)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	(1.3)	(2.5)	8.9	(6.7)	(0.1)	(0.4)	(0.5)		
= Recurrent Operating Cash Flow	0.1	5.5	16.9	(0.8)	6.8	9.4	12.0	n.a.	n.a.
Rec. Operating Cash Flow growth	-99.0%	n.a.	208.6%	-104.8%	923.7%	38.9%	27.8%		
Rec. Operating Cash Flow / Sales	0.1%	4.8%	17.2%	n.a.	7.5%	9.7%	11.4%		
- CAPEX	(5.2)	(3.8)	(9.4)	(8.7)	(3.0)	(4.0)	(4.0)		
- Net Financial Result affecting Cash Flow	(0.3)	(0.4)	(0.6)	(0.9)	(1.0)	(0.9)	(0.9)		
- Taxes	(0.7)	(0.3)	(1.1)	(0.7)	(0.5)	(1.2)	(1.9)		
= Recurrent Free Cash Flow	(6.1)	1.0	5.9	(11.2)	2.3	3.3	5.3	-22.2%	35.2%
Rec. Free Cash Flow growth	-228.6%	115.8%	505.5%	-290.3%	120.8%	40.2%	61.5%		
Rec. Free Cash Flow / Revenues	n.a.	0.9%	6.0%	n.a.	2.6%	3.3%	5.0%		
- Restructuring expenses & others	0.5	0.8	1.0	1.9	0.9	0.9	0.9		
- Acquisitions / + Divestments	0.5	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	6.3	0.0	-	-	-		
= Free Cash Flow	(5.2)	1.8	13.2	(9.3)	3.2	4.2	6.2	-21.1%	38.6%
Free Cash Flow growth	-193.1%	134.3%	636.9%	-170.3%	134.8%	29.0%	48.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	1.6%	9.8%	n.a.	3.9%	5.4%	8.8%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	3.0%	21.9%	n.a.	5.4%	6.9%	10.3%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	4.8	(6.1)	1.0	5.9	(11.2)	2.3	3.3		
EBITDA impact from revenue increase	(0.7)	0.5	(1.1)	(0.8)	0.1	0.6	0.8		
EBITDA impact from EBITDA/Sales variation	(9.6)	6.0	1.4	(1.3)	0.9	2.4	1.8		
= Recurrent EBITDA variation	(10.3)	6.5	0.3	(2.1)	1.0	3.0	2.7		
- Rentals (IFRS 16 impact) variation impact	(0.0)	0.0	(0.3)	(0.0)	-	-	-		
+/- Working capital variation impact	(1.9)	(1.2)	11.4	(15.6)	6.6	(0.4)	(0.0)		
= Recurrent Operating Cash Flow variation	(12.2)	5.4	11.5	(17.8)	7.6	2.6	2.6		
+/- CAPEX impact	0.2	1.4	(5.6)	0.7	5.7	(1.0)	-		
+/- Financial result variation	(0.0)	(0.1)	(0.2)	(0.3)	(0.1)	0.1	0.0		
+/- Tax impact	1.1	0.4	(0.8)	0.4	0.3	(0.8)	(0.7)		
= Recurrent Free Cash Flow variation	(10.9)	7.1	4.9	(17.0)	13.5	0.9	2.0		
Recurrent Free Cash Flow	(6.1)	1.0	5.9	(11.2)	2.3	3.3	5.3		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	(2.2)	4.5	4.9	3.2	2.8	5.8	8.4	51.5%	38.1%
* Theoretical Tax rate	0.0%	23.1%	23.8%	17.7%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	-	(1.0)	(1.2)	(0.6)	(0.7)	(1.5)	(2.1)		
Recurrent EBITDA	1.5	8.0	8.4	6.3	7.2	10.2	12.9	60.5%	27.1%
- Rentals (IFRS 16 impact)	(0.1)	(0.1)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	(1.3)	(2.5)	8.9	(6.7)	(0.1)	(0.4)	(0.5)		
= Recurrent Operating Cash Flow	0.1	5.5	16.9	(0.8)	6.8	9.4	12.0	n.a.	n.a.
- CAPEX	(5.2)	(3.8)	(9.4)	(8.7)	(3.0)	(4.0)	(4.0)		
- Taxes (pre- Financial Result)	-	(1.0)	(1.2)	(0.6)	(0.7)	(1.5)	(2.1)		
= Recurrent Free Cash Flow (To the Firm)	(5.1)	0.6	6.4	(10.1)	3.1	3.9	5.9	-25.5%	37.3%
Rec. Free Cash Flow (To the Firm) growth	-211.6%	112.2%	923.7%	-257.9%	130.3%	28.8%	49.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	0.5%	6.5%	n.a.	3.4%	4.1%	5.6%		
- Acquisitions / + Divestments	0.5	-	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	6.3	0.0	-	-	-		
= Free Cash Flow "To the Firm"	(4.7)	0.6	12.7	(10.1)	3.1	3.9	5.9	-29.4%	37.3%
Free Cash Flow (To the Firm) growth	-201.7%	113.4%	n.a.	-179.4%	130.3%	28.8%	49.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	0.7%	7.2%	n.a.	3.5%	4.5%	6.7%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	0.7%	14.4%	n.a.	3.5%	4.5%	6.7%		



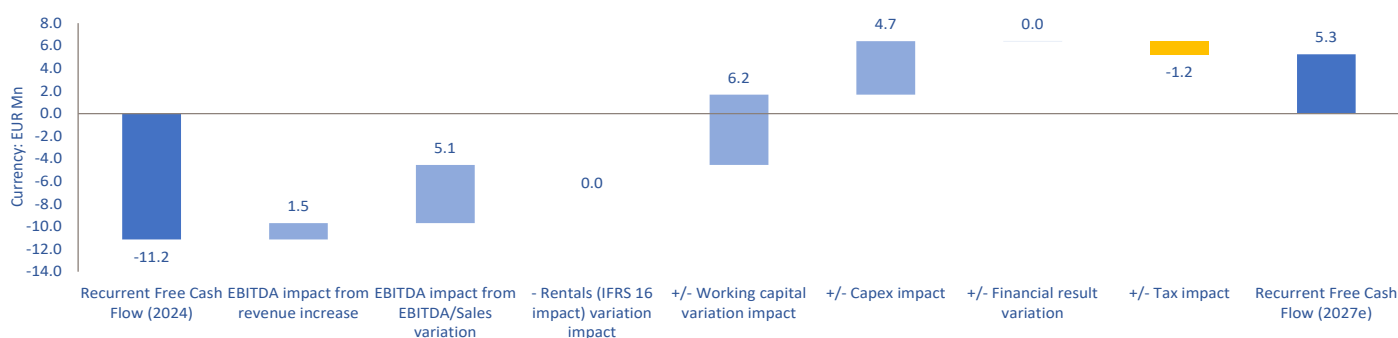


## Free Cash Flow (II)

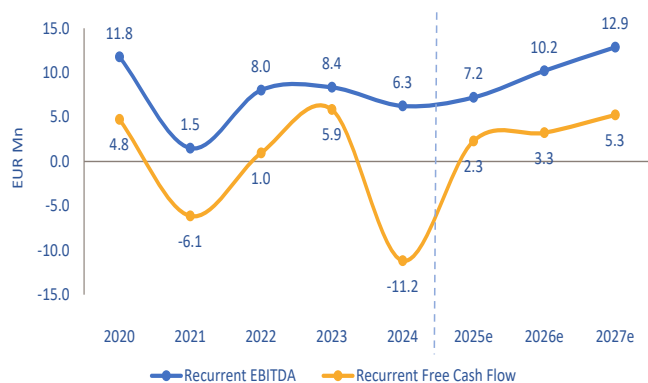
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward





## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	3.1	3.9	5.9	108.8		
Market Cap	60.0	At the date of this report				
Net financial debt	22.3	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.0%	Net debt cost			3.8%	4.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.2%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.0%	3.4%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.1
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.3%
Equity / (Equity + Net Debt)	72.9%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	27.1%	D			=	=
WACC	7.9%	$WACC = K_d * D + K_e * E$			7.1%	8.4%
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.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	60.0	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	6.3	12m Results 2024
+ Net financial debt	22.3	12m Results 2024
- Financial Investments	0.2	12m Results 2024
+/- Others		
Enterprise Value (EV)	88.4	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	10.3%	n.a.	5.3%	6.1%	4.3%
	2024	2027e			
ROCE - WACC	-3.7%	1.9%			
FCF Yield - WACC	n.a.	-1,3%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	11.6%	11.3	7.8x
Central	10.5%	10.2	8.6x
Min	9.4%	9.2	9.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario			Rec. FCF/Yield 26e
EBITDA 26e	3.7%	4.1%	4.5%		Max	Central	Min	
11.3	4.7	4.3	3.9		7.9%	6.1%	4.3%	7.2%
10.2	3.6	3.3	2.9					5.4%
9.2	2.6	2.2	1.8					3.6%

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	25.0%	22.2%	22.2%
% of proprietary board members	12.5%	22.2%	22.2%
% of executive board members	37.5%	33.3%	33.3%
% of other directors	25.0%	22.2%	22.2%
% of women on the board of directors	37.5%	33.3%	33.3%
% of women out of total workforce	4.7%	4.4%	5.2%
Board remuneration/staff cost	3.3%	3.3%	3.4%



## Main peers 2025e

## Auto-Parts

## Brake Systems

Market data	EUR Mn	CIE Automotive	Gestamp	Cummins	Voestalpine	Average	Brembo SPA	LGT
	Ticker (Factset)	CIE-ES	GEST-ES	CMI-US	VOE-AT		BRE-IT	LGT-ES
Country		Spain	Spain	USA	Austria		Italy	Spain
	Market cap	2,921.4	1,858.5	38,622.5	4,038.1		2,539.3	60.0
Enterprise value (EV)		4,500.7	4,808.0	44,600.5	5,787.1		2,906.8	88.4
Basic financial information	Total Revenues	3,990.1	12,000.0	28,705.3	15,685.0		3,793.7	90.0
	Total Revenues growth	0.7%	0.0%	-2.5%	-0.4%	-0.5%	-1.2%	1.1%
	2y CAGR (2025e - 2027e)	4.2%	3.7%	4.1%	3.2%	3.8%	5.0%	8.0%
	EBITDA	753.0	1,306.7	4,657.6	1,473.0		617.5	8.1
	EBITDA growth	3.4%	2.2%	16.4%	9.7%	7.9%	4.3%	-0.5%
	2y CAGR (2025e - 2027e)	5.2%	7.9%	7.2%	8.4%	7.2%	8.7%	30.2%
	EBITDA/Revenues	18.9%	10.9%	16.2%	9.4%	13.8%	16.3%	9.0%
	EBIT	561.3	596.5	3,601.0	691.1		345.1	2.8
	EBIT growth	3.1%	5.2%	16.9%	9.8%	8.7%	5.0%	-12.1%
	2y CAGR (2025e - 2027e)	5.7%	12.2%	8.4%	17.0%	10.8%	13.7%	73.1%
	EBIT/Revenues	14.1%	5.0%	12.5%	4.4%	9.0%	9.1%	3.1%
	Net Profit	345.3	215.7	2,480.4	360.9		230.7	1.4
	Net Profit growth	6.3%	14.4%	-27.2%	230.2%	55.9%	-12.2%	-27.6%
	2y CAGR (2025e - 2027e)	8.2%	18.7%	10.7%	21.8%	14.9%	16.6%	n.a.
	CAPEX/Sales %	5.5%	7.4%	3.9%	7.5%	6.1%	10.8%	3.3%
	Free Cash Flow	334.5	249.9	2,190.0	191.5		41.8	3.2
Multiples and Ratios	Net financial debt	899.9	2,063.1	3,965.0	1,914.6		678.8	19.1
	ND/EBITDA (x)	1.2	1.6	0.9	1.3	1.2	1.1	2.6
	Pay-out	33.8%	30.3%	35.7%	27.1%	31.7%	37.1%	0.0%
	P/E (x)	8.3	8.4	15.4	13.8	11.5	10.7	44.4
	P/BV (x)	1.6	0.7	3.8	0.5	1.7	1.0	1.3
	EV/Revenues (x)	1.1	0.4	1.6	0.4	0.9	0.8	1.0
	EV/EBITDA (x)	6.0	3.7	9.6	3.9	5.8	4.7	12.2
	EV/EBIT (x)	8.0	8.1	12.4	8.4	9.2	8.4	31.6
	ROE	19.7	8.7	24.7	3.8	14.2	9.6	3.0
	FCF Yield (%)	11.4	13.4	5.7	4.7	8.8	1.6	3.9
	DPS	0.98	0.11	6.40	0.57	2.02	0.27	0.00
	Dvd Yield	4.0%	3.5%	2.3%	2.5%	3.1%	3.4%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)														CAGR		
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues	63.3	79.5	95.6	104.2	115.6	114.9	91.2	85.9	113.9	98.5	89.1	90.0	97.3	105.1	3.5%	5.7%
Total Revenues growth	7.3%	25.5%	20.3%	9.0%	10.9%	-0.6%	-20.7%	-5.8%	32.7%	-13.6%	-9.6%	1.1%	8.0%	8.0%		
EBITDA	8.7	13.2	19.0	16.7	18.2	16.8	12.6	2.0	8.9	9.3	8.2	8.1	11.1	13.8	-0.7%	19.0%
EBITDA growth	22.0%	50.8%	44.6%	-12.1%	8.9%	-7.5%	-24.9%	-84.4%	350.1%	5.3%	-12.5%	-0.5%	36.9%	23.8%		
EBITDA/Sales	13.8%	16.6%	19.9%	16.0%	15.8%	14.6%	13.9%	2.3%	7.8%	9.5%	9.2%	9.0%	11.4%	13.1%		
Net Profit	4.0	6.7	10.5	8.9	9.2	8.7	6.0	(1.5)	3.2	3.2	1.9	1.4	3.7	5.6	-7.3%	44.4%
Net Profit growth	58.1%	69.1%	56.0%	-14.9%	3.1%	-5.1%	-31.7%	-124.8%	313.3%	2.4%	-42.1%	-27.6%	170.6%	53.7%		
Adjusted number shares (Mn)	9.9	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0		
EPS (EUR)	0.40	0.67	1.05	0.89	0.92	0.87	0.60	-0.15	0.32	0.32	0.19	0.14	0.37	0.56	-7.4%	44.4%
EPS growth	74.3%	67.3%	56.0%	-14.9%	3.1%	-5.1%	-31.7%	n.a.	n.a.	2.4%	-42.1%	-27.6%	n.a.	53.7%		
Ord. EPS (EUR)	0.40	0.67	1.05	0.89	0.92	0.87	0.56	-0.29	0.25	0.25	0.03	0.07	0.30	0.50	-22.7%	n.a.
Ord. EPS growth	74.3%	67.3%	56.0%	-14.9%	3.1%	-5.1%	-35.8%	n.a.	n.a.	-1.4%	-87.8%	n.a.	n.a.	65.9%		
CAPEX	(3.5)	(6.1)	(18.1)	(10.0)	(11.5)	(7.5)	(5.5)	(5.2)	(3.8)	(9.4)	(8.7)	(3.0)	(4.0)	(4.0)		
CAPEX/Sales % <sup>1</sup>	5.5%	7.7%	18.9%	9.6%	9.9%	6.5%	6.0%	6.1%	3.4%	9.5%	9.8%	3.3%	4.1%	3.8%		
Free Cash Flow	0.7	10.3	(0.3)	(0.7)	0.8	8.8	5.6	(5.2)	1.8	13.2	(9.3)	3.2	4.2	6.2	-30.7%	38.6%
ND/EBITDA (x) <sup>(2)</sup>	0.7x	-0.2x	0.2x	0.6x	0.9x	0.9x	0.7x	10.1x	2.1x	1.0x	2.7x	2.4x	1.7x	1.2x		
P/E (x)	7.0x	9.8x	11.0x	16.6x	10.3x	13.8x	18.1x	n.a.	15.9x	18.2x	33.7x	44.4x	16.4x	10.7x		
EV/Sales (x)	0.76x	1.04x	1.53x	1.82x	1.11x	1.32x	1.52x	1.64x	0.64x	0.72x	0.96x	0.98x	0.91x	0.84x		
EV/EBITDA (x) <sup>(2)</sup>	5.5x	6.3x	7.7x	11.4x	7.0x	9.0x	10.9x	n.a.	8.3x	7.6x	10.5x	10.9x	7.9x	6.4x		
Absolute performance	27.5%	133.6%	74.3%	29.0%	-36.4%	27.8%	-10.7%	3.2%	-55.0%	17.7%	7.0%	-4.8%				
Relative performance vs Ibex 35	23.0%	151.6%	77.9%	20.1%	-25.2%	14.3%	5.6%	-4.4%	-52.3%	-4.1%	-6.8%	-21.9%				

(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.

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

LLYC is a communication consultancy company operating in the field of corporate communication, digital marketing and public affairs combining traditional corporate communication services with technological and creative capabilities. It has a leadership position in both Spain and Portugal (c.39% of 2024 revenue), USA (c.31% of 2024 revenue) and in Latam (c. 30% of 2024 revenue).

#### Market Data

Market Cap (Mn EUR and USD)	98.9	113.6
EV (Mn EUR and USD)	155.5	178.6
Shares Outstanding (Mn)	11.6	
-12m (Max/Med/Min EUR)	9.90 / 8.22 / 5.95	
Daily Avg volume (-12m Mn EUR)	0.04	
Rotation <sup>(1)</sup>	10.5	
Factset / Bloomberg	LLYC-ES / LLYC SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

LLYC Partners	26.2
Octavius Sensus Caucae	21.4
Vivirdemais	13.8
D. Alejandro Romero Paniagua	13.0
Free Float	2.9

#### Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	11.4	11.6	11.6	11.6
Total Revenues	115.2	125.7	144.6	162.6
Rec. EBITDA	14.9	25.3	30.9	36.1
% growth	-15.5	69.9	22.3	16.7
% Rec. EBITDA/Rev.	12.9	20.1	21.4	22.2
% Inc. EBITDA sector <sup>(2)</sup>	1.2	-7.1	6.3	6.6
Net Profit	9.0	12.2	16.6	20.9
EPS (EUR)	0.79	1.05	1.42	1.79
% growth	6.7	33.3	35.4	26.0
Ord. EPS (EUR)	0.72	1.05	1.42	1.79
% growth	-8.6	45.0	35.4	26.0
Rec. Free Cash Flow	4.5	3.0	9.4	13.1
Pay-out (%)	25.0	25.0	25.0	25.0
DPS (EUR)	0.20	0.26	0.36	0.45
Net financial debt	30.0	29.0	21.7	10.8
ND/Rec. EBITDA (x)	2.0	1.1	0.7	0.3
ROE (%)	27.3	37.9	37.1	34.1
ROCE (%)	9.2	17.8	20.5	22.6

#### Ratios & Multiples (x)

P/E	10.8	8.1	6.0	4.7
Ord. P/E	11.7	8.1	6.0	4.7
P/BV	3.6	2.6	1.9	1.4
Dividend Yield (%)	2.3	3.1	4.2	5.3
EV/Sales	1.35	1.24	1.08	0.96
EV/Rec. EBITDA	10.5	6.2	5.0	4.3
EV/EBIT	18.7	7.8	6.2	5.2
FCF Yield (%)	4.6	3.0	9.5	13.2

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	6.3	0.0	-7.3	n.a.

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

(2) Sector: Stoxx Europe 600 Media.

(3) Others: GPI 9.5%, Luisa García 5.6%, Inversiones Asúa 6.0%, Autocartera 1.7%

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024 was marked by the discontinuation of BAM**, leading to a year below expectations. However, this did not prevent double-digit revenue growth (2024 Revenue: EUR 115.1Mn, +13.6% vs. 2023). That said, it did negatively impact profitability, with a 2024 recurring EBITDA margin of 12.9% (vs. 17.4% in 2023). All of this occurred with a reasonable debt level (2x Net Debt/Recurring EBITDA in 2024).

**We project 5% organic growth for 2025e, plus M&A consolidation.** LLYC recorded a 2H24 EBITDA margin of 17.0% (vs. 10.5% in 1H24 and 16.7% in 2023), laying the groundwork for growth in 2025. We expect margin improvement to intensify in 2025, including the full impact of cost optimization policies implemented over the past two years. At the revenue level, combining 5% organic growth with the expected growth from 2024 M&A consolidation, we anticipate revenue of EUR 125.7Mn (+9% vs. 2024) and recurring EBITDA of EUR 25.3Mn (approx. +70% vs. 2024). This would imply a 2025e recurring EBITDA margin of 20.1%.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Business Model Transformation.** LLYC accelerated the integration of its commercial offerings in 2024, revamping its organizational model with two main business areas, Marketing and Corporate Affairs, to enhance agility and efficiency. LLYC's resilient model is showing signs of strength, with margin improvement in 2H24, which will not be fully visible until 2025.

**Focus on International Growth.** Expansion in the U.S. is one of LLYC's strategic pillars, and following the acquisition of Lambert, it has solidified its position as its second-largest market. LLYC has a broad international presence (61% of 2024 Revenue) split across Europe, Latin America, and the U.S. LLYC announced on June 6 the acquisition of a 60% in the Brazilian company Digital Solvers.

**M&A integration.** In 2024, LLYC executed three acquisitions with a record investment of over EUR 30Mn: Lambert (EUR 17.2Mn proforma) in the United States, Dattis in Colombia (EUR 6.2Mn proforma), and Zeus in Spain (EUR 2.5Mn proforma). Integrating and adapting the business models of these recent acquisitions to the group's cost structure is the main challenge.

**FCF generation will enable debt reduction.** The high capacity for EBITDA-to-cash conversion (2027e FCF yield approx. 13.2%; FCF approx. 63% of 2025e EBITDA) stems from LLYC's capital-light business model, which supports its inorganic growth strategy.

**The Equity Story Hinges on Profitability Recovery and Continued Growth.** Consolidating its position in the U.S. and continuing to grow (organically or inorganically) are the pillars of LLYC's equity story. We expect double-digit revenue growth rates: +12.2% CAGR 2024-2027e, with a significant improvement in margins (2027e EBITDA margin >22%).

#### RISKS: WHAT TO KEEP AN EYE ON?

**Adverse macroeconomic situation.** The communication and marketing services sector is suffering from a negative impact on client advertising investment due to uncertainty generated by the announced implementation of tariffs in the United States. This negatively impacts growth prospects for 2025.

**M&A execution and profitability.** Corporate transactions pose a risk in terms of both price and operational integration, especially after what was observed with BAM (2024). However, M&A will continue to be one of the main avenues for growth.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**A Unique Moment.** The stock's performance (-7.3% over the past 12 months; -26.7% vs. Ibex 35) has left LLYC trading at a 2025e EV/EBITDA of approximately 6.2x (vs. 6.9x sector average). The advantage is that the expected recovery for 2025 will not start from scratch, as it has already been (partially) visible in 2H24 results. The discontinuation of BAM and the poor 12-month performance overlook what is essential for LLYC: its ability to consistently achieve high operating growth. This will also hold true in 2025.



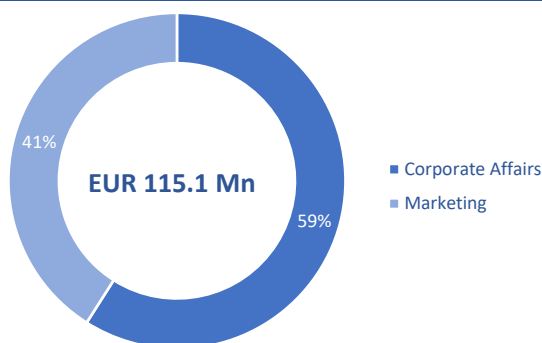
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	10.2	12.7	13.1	15.5	27.0	28.2	29.4	30.6		
Fixed assets	2.4	2.3	2.2	2.3	3.6	4.8	5.3	6.1		
Other Non Current Assets	1.2	1.7	1.8	3.1	9.1	9.1	9.1	9.1		
Financial Investments	0.7	1.0	0.8	0.8	1.0	1.0	1.0	1.0		
Goodwill & Other Intangibles	3.4	15.3	18.1	28.2	41.5	41.5	41.5	41.5		
Current assets	13.3	22.1	22.9	26.8	48.0	55.2	62.8	71.6		
<b>Total assets</b>	<b>31.2</b>	<b>55.1</b>	<b>58.9</b>	<b>76.6</b>	<b>130.2</b>	<b>139.9</b>	<b>149.1</b>	<b>160.0</b>		
Equity	20.9	28.2	34.2	38.4	27.2	37.4	51.9	70.6		
Minority Interests	3.4	1.2	1.1	1.8	0.8	1.1	1.6	2.1		
Provisions & Other L/T Liabilities	0.1	0.0	0.0	0.6	25.0	25.0	25.0	25.0		
Other Non Current Liabilities	6.2	8.1	7.4	7.0	7.9	7.9	7.9	7.9		
Net financial debt	(8.1)	(1.1)	(1.5)	10.5	30.0	29.0	21.7	10.8		
Current Liabilities	8.7	18.8	17.7	18.4	39.3	39.4	41.0	43.5		
<b>Equity &amp; Total Liabilities</b>	<b>31.2</b>	<b>55.1</b>	<b>58.9</b>	<b>76.6</b>	<b>130.2</b>	<b>139.9</b>	<b>149.1</b>	<b>160.0</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>44.7</b>	<b>64.1</b>	<b>89.5</b>	<b>101.4</b>	<b>115.2</b>	<b>125.7</b>	<b>144.6</b>	<b>162.6</b>	<b>26.7%</b>	<b>12.2%</b>
Total Revenues growth	-7.2%	43.5%	39.5%	13.3%	13.6%	9.2%	15.0%	12.5%		
COGS	(6.6)	(10.9)	(16.8)	(18.3)	(22.0)	(23.2)	(26.6)	(30.0)		
<b>Gross Margin</b>	<b>38.1</b>	<b>53.3</b>	<b>72.7</b>	<b>83.1</b>	<b>93.1</b>	<b>102.5</b>	<b>117.9</b>	<b>132.7</b>	<b>25.0%</b>	<b>12.5%</b>
Gross Margin/Revenues	85.3%	83.1%	81.3%	82.0%	80.9%	81.6%	81.6%	81.6%		
Personnel Expenses	(24.3)	(31.6)	(45.9)	(53.8)	(62.7)	(61.9)	(69.3)	(76.3)		
Other Operating Expenses	(5.4)	(9.0)	(11.7)	(11.7)	(15.5)	(15.4)	(17.7)	(20.3)		
<b>Recurrent EBITDA</b>	<b>8.4</b>	<b>12.7</b>	<b>15.2</b>	<b>17.6</b>	<b>14.9</b>	<b>25.3</b>	<b>30.9</b>	<b>36.1</b>	<b>15.2%</b>	<b>34.3%</b>
Recurrent EBITDA growth	-16.4%	50.2%	19.6%	16.1%	-15.5%	69.9%	22.3%	16.7%		
Rec. EBITDA/Revenues	18.9%	19.8%	17.0%	17.4%	12.9%	20.1%	21.4%	22.2%		
Restructuring Expense & Other non-rec.	(0.3)	(1.5)	(0.8)	(0.8)	(2.7)	-	-	-		
<b>EBITDA</b>	<b>8.1</b>	<b>11.2</b>	<b>14.4</b>	<b>16.8</b>	<b>12.2</b>	<b>25.3</b>	<b>30.9</b>	<b>36.1</b>	<b>10.5%</b>	<b>43.7%</b>
Depreciation & Provisions	(1.0)	(1.2)	(1.4)	(1.7)	(4.3)	(4.5)	(4.7)	(5.0)		
Capitalized Expense	-	-	0.8	1.3	2.5	1.2	1.2	1.2		
Rentals (IFRS 16 impact)	(1.3)	(1.5)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)		
<b>EBIT</b>	<b>5.8</b>	<b>8.5</b>	<b>11.7</b>	<b>14.3</b>	<b>8.3</b>	<b>19.9</b>	<b>25.3</b>	<b>30.2</b>	<b>9.3%</b>	<b>53.8%</b>
EBIT growth	-25.3%	45.9%	37.6%	22.2%	-41.8%	139.9%	26.9%	19.4%		
EBIT/Revenues	13.0%	13.2%	13.0%	14.1%	7.2%	15.8%	17.5%	18.6%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.7)	(0.6)	(1.5)	(1.9)	0.3	(3.7)	(3.3)	(2.5)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>5.1</b>	<b>7.9</b>	<b>10.1</b>	<b>12.4</b>	<b>8.6</b>	<b>16.2</b>	<b>21.9</b>	<b>27.7</b>	<b>13.7%</b>	<b>47.6%</b>
Ordinary Profit Growth	-29.6%	54.4%	27.7%	21.9%	-30.4%	88.6%	35.4%	26.0%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>5.1</b>	<b>7.9</b>	<b>10.1</b>	<b>12.4</b>	<b>8.6</b>	<b>16.2</b>	<b>21.9</b>	<b>27.7</b>	<b>13.7%</b>	<b>47.6%</b>
Tax Expense	(2.2)	(2.4)	(2.9)	(3.2)	(2.3)	(3.6)	(4.9)	(6.2)		
Effective Tax Rate	42.5%	30.4%	28.8%	25.8%	26.5%	22.5%	22.5%	22.5%		
Minority Interests	(0.7)	(0.2)	(0.4)	(0.8)	(0.1)	(0.3)	(0.4)	(0.6)		
Discontinued Activities	-	-	-	-	2.7	-	-	-		
<b>Net Profit</b>	<b>2.3</b>	<b>5.3</b>	<b>6.8</b>	<b>8.3</b>	<b>9.0</b>	<b>12.2</b>	<b>16.6</b>	<b>20.9</b>	<b>40.9%</b>	<b>32.6%</b>
Net Profit growth	-46.6%	134.6%	27.4%	23.0%	7.3%	36.7%	35.4%	26.0%		
<b>Ordinary Net Profit</b>	<b>3.1</b>	<b>6.4</b>	<b>7.3</b>	<b>8.9</b>	<b>8.2</b>	<b>12.2</b>	<b>16.6</b>	<b>20.9</b>	<b>27.4%</b>	<b>36.4%</b>
Ordinary Net Profit growth	-26.9%	105.1%	14.3%	22.0%	-8.1%	48.7%	35.4%	26.0%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>25.3</b>	<b>30.9</b>	<b>36.1</b>	<b>15.2%</b>	<b>34.3%</b>
Rentals (IFRS 16 impact)						(2.1)	(2.1)	(2.1)		
Working Capital Increase						(7.2)	(5.9)	(6.3)		
<b>Recurrent Operating Cash Flow</b>						<b>16.0</b>	<b>22.9</b>	<b>27.7</b>	<b>7.7%</b>	<b>30.3%</b>
CAPEX						(5.7)	(5.2)	(5.9)		
Net Financial Result affecting the Cash Flow						(3.7)	(3.3)	(2.5)		
Tax Expense						(3.6)	(4.9)	(6.2)		
<b>Recurrent Free Cash Flow</b>						<b>3.0</b>	<b>9.4</b>	<b>13.1</b>	<b>8.7%</b>	<b>42.6%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>3.0</b>	<b>9.4</b>	<b>13.1</b>	<b>n.a.</b>	<b>33.8%</b>
Capital Increase						-	-	-		
Dividends						(2.0)	(2.1)	(2.2)		
<b>Net Debt Variation</b>						<b>(1.0)</b>	<b>(7.3)</b>	<b>(10.9)</b>		

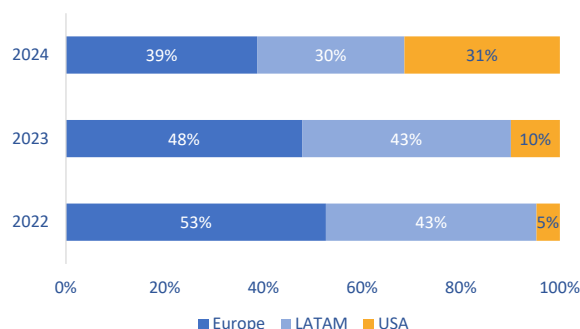


## The company in 8 charts

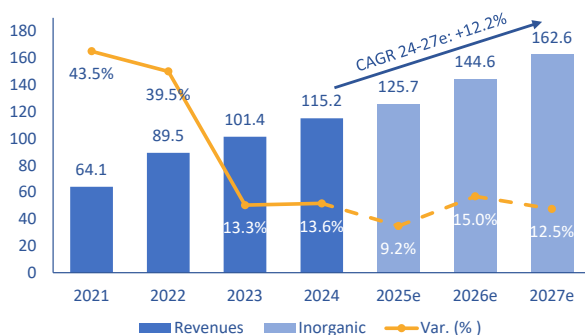
LLYC's business offers a relevant exposure to Corporate Affairs (c. 59% of total revenue in 2024)...



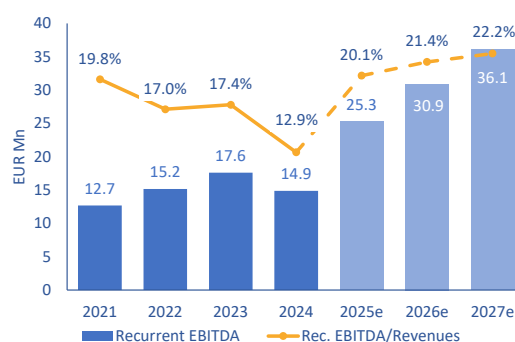
... and a global footprint (with significant exposure to the USA and emerging markets)



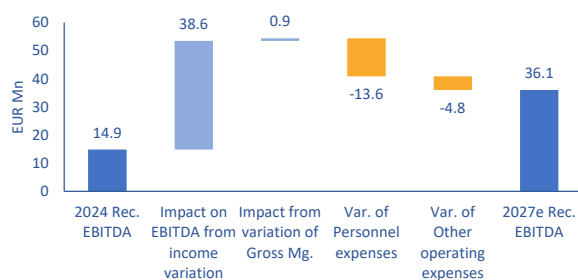
A diversified and recurring service offering that leaves scope for continued growth (revenue: CAGR 24-27e: +12.2%)



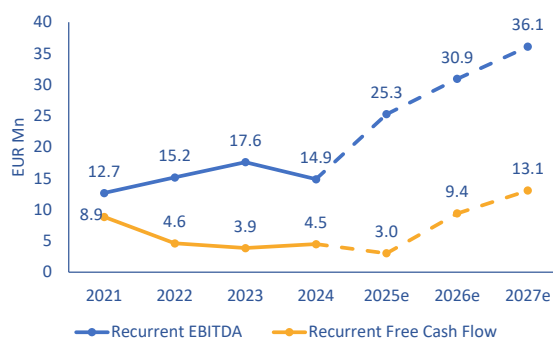
Without losing sight of the "focus" on profitability (EBITDA margin of 20%)



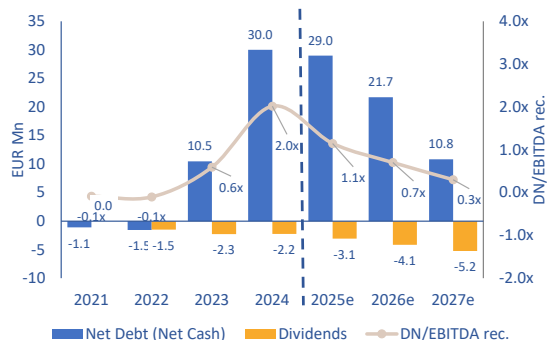
... And allowing the revenue improvement to be passed on to EBITDA (24-27e CAGR 34.3%)



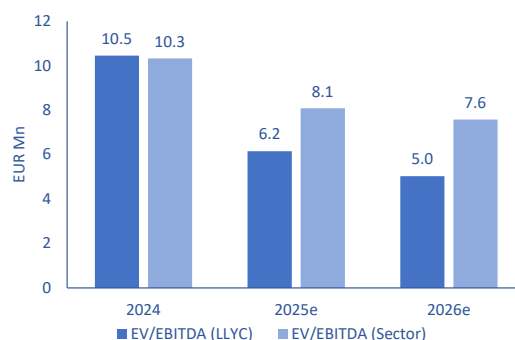
High cash generation capacity (FCF yield 2025e: c. 3%).....



....keeping its debt under control in spite of M&A; (1.1x ND/EBITDA 2025e)



With low multiples within reach (EV/EBITDA 2025e 6.2x vs. 8.1x for the sector)



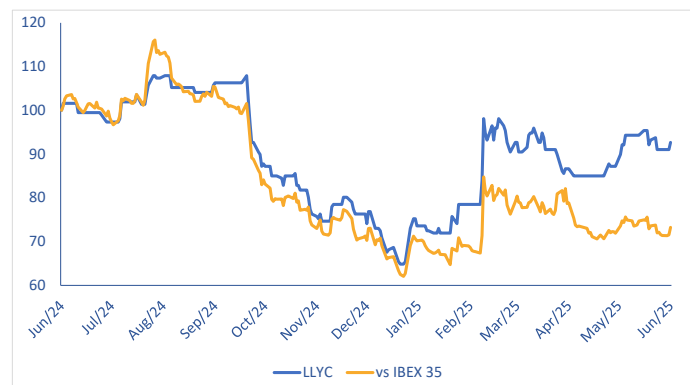


## Evolution of the share price

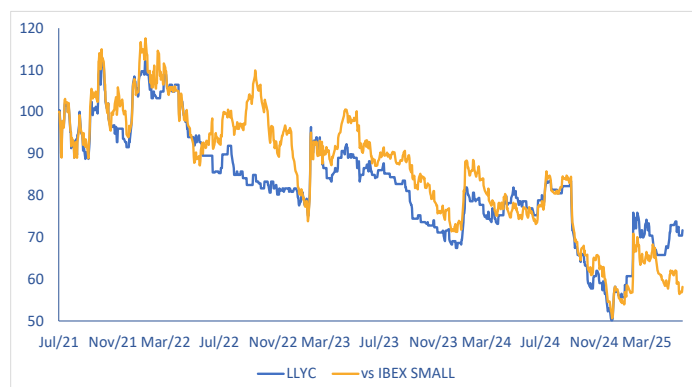
**Historical behavior vs Ibex 35 (base 100)**



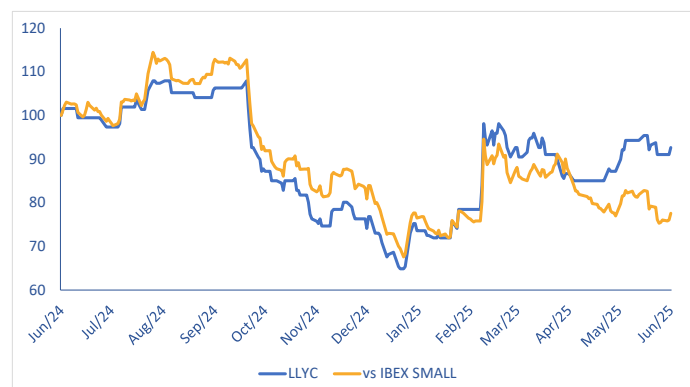
**Behavior -1y vs Ibex 35 (base 100)**



**Historical behavior vs Ibex Small Cap (base 100)**



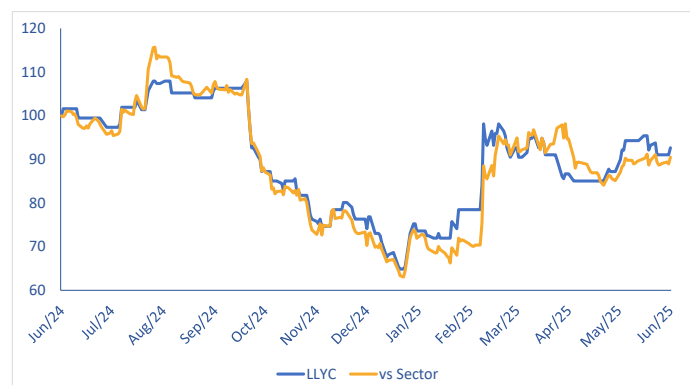
**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Stoxx Europe 600 Media

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	6.3	0.0	-7.3	42.9	-22.7	n.a.
<b>vs Market</b>						
vs Ibex 35	1.9	-8.9	-26.7	17.2	-54.1	n.a.
vs Euro STOXX 50	4.6	-1.5	-14.7	29.7	-48.4	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	0.8	-11.9	-22.4	11.7	-35.9	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	1.2	-6.6	-12.0	25.8	-25.2	n.a.
vs MSCI Europe Micro Cap	1.5	-8.2	-8.7	32.6	-17.6	n.a.
<b>vs Sector</b>						
vs Stoxx Europe 600 Media	6.2	-4.7	-9.5	42.8	-48.9	n.a.

(1) Constituents on page 10





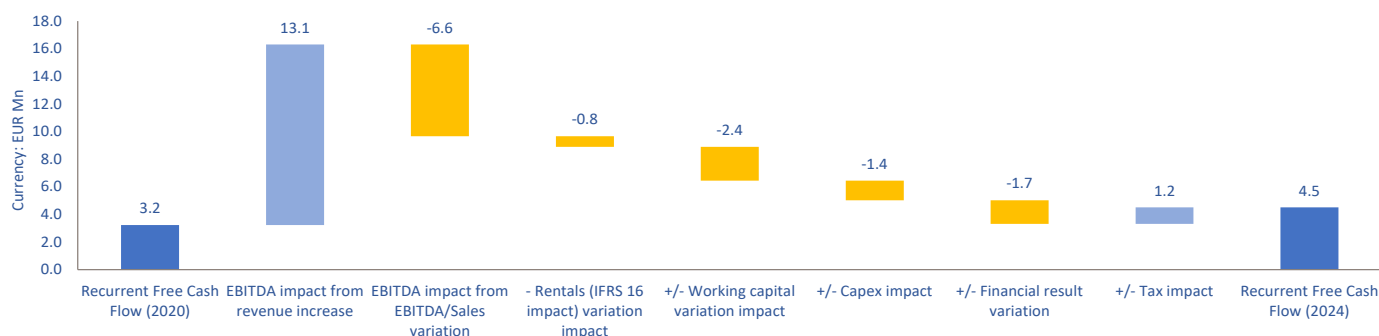
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	12.7	15.2	17.6	14.9	25.3	30.9	36.1	5.5%	34.3%
Recurrent EBITDA growth	50.2%	19.6%	16.1%	-15.5%	69.9%	22.3%	16.7%		
Rec. EBITDA/Revenues	19.8%	17.0%	17.4%	12.9%	20.1%	21.4%	22.2%		
- Rentals (IFRS 16 impact)	(1.5)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)		
+/- Working Capital increase	1.3	(1.9)	(3.2)	(0.3)	(7.2)	(5.9)	(6.3)		
= Recurrent Operating Cash Flow	12.4	11.2	12.3	12.5	16.0	22.9	27.7	0.1%	30.3%
Rec. Operating Cash Flow growth	34.1%	-10.2%	10.3%	1.4%	28.2%	42.8%	20.8%		
Rec. Operating Cash Flow / Sales	19.4%	12.5%	12.2%	10.9%	12.7%	15.8%	17.0%		
- CAPEX	(1.5)	(2.5)	(4.6)	(4.6)	(5.7)	(5.2)	(5.9)		
- Net Financial Result affecting Cash Flow	(0.6)	(1.0)	(1.5)	(2.4)	(3.7)	(3.3)	(2.5)		
- Taxes	(1.6)	(3.0)	(2.3)	(1.0)	(3.6)	(4.9)	(6.2)		
= Recurrent Free Cash Flow	8.9	4.6	3.9	4.5	3.0	9.4	13.1	-20.2%	42.6%
Rec. Free Cash Flow growth	174.4%	-47.8%	-16.4%	16.6%	-33.1%	212.5%	38.8%		
Rec. Free Cash Flow / Revenues	13.8%	5.2%	3.8%	3.9%	2.4%	6.5%	8.0%		
- Restructuring expenses & others	(1.5)	(0.8)	(0.8)	-	-	-	-		
- Acquisitions / + Divestments	(16.4)	-	(12.0)	(34.6)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(2.7)	-	-	-		
= Free Cash Flow	(9.0)	3.9	(9.0)	(32.8)	3.0	9.4	13.1	-53.8%	33.8%
Free Cash Flow growth	n.a.	142.7%	-332.4%	-266.7%	109.2%	212.5%	38.8%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	9.0%	4.7%	3.9%	4.6%	3.0%	9.5%	13.2%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	3.9%	n.a.	n.a.	3.0%	9.5%	13.2%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	3.2	8.9	4.6	3.9	4.5	3.0	9.4		
EBITDA impact from revenue increase	3.7	5.0	2.0	2.4	1.4	3.8	3.9		
EBITDA impact from EBITDA/Sales variation	0.6	(2.5)	0.4	(5.1)	9.0	1.9	1.3		
= Recurrent EBITDA variation	4.2	2.5	2.4	(2.7)	10.4	5.6	5.2		
- Rentals (IFRS 16 impact) variation impact	(0.2)	(0.6)	0.0	-	-	-	-		
+/- Working capital variation impact	(0.9)	(3.2)	(1.3)	2.9	(6.9)	1.2	(0.4)		
= Recurrent Operating Cash Flow variation	3.2	(1.3)	1.2	0.2	3.5	6.9	4.8		
+/- CAPEX impact	1.7	(1.0)	(2.1)	0.0	(1.0)	0.5	(0.7)		
+/- Financial result variation	0.1	(0.5)	(0.5)	(0.9)	(1.3)	0.4	0.8		
+/- Tax impact	0.6	(1.5)	0.7	1.3	(2.7)	(1.3)	(1.3)		
= Recurrent Free Cash Flow variation	5.6	(4.2)	(0.8)	0.6	(1.5)	6.4	3.7		
Recurrent Free Cash Flow	8.9	4.6	3.9	4.5	3.0	9.4	13.1		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	8.5	11.7	14.3	8.3	19.9	25.3	30.2	-0.7%	53.8%
* Theoretical Tax rate	30.0%	28.8%	25.8%	26.5%	22.5%	22.5%	22.5%		
= Taxes (pre- Net Financial Result)	(2.5)	(3.4)	(3.7)	(2.2)	(4.5)	(5.7)	(6.8)		
Recurrent EBITDA	12.7	15.2	17.6	14.9	25.3	30.9	36.1	5.5%	34.3%
- Rentals (IFRS 16 impact)	(1.5)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)		
+/- Working Capital increase	1.3	(1.9)	(3.2)	(0.3)	(7.2)	(5.9)	(6.3)		
= Recurrent Operating Cash Flow	12.4	11.2	12.3	12.5	16.0	22.9	27.7	0.1%	30.3%
- CAPEX	(1.5)	(2.5)	(4.6)	(4.6)	(5.7)	(5.2)	(5.9)		
- Taxes (pre- Financial Result)	(2.5)	(3.4)	(3.7)	(2.2)	(4.5)	(5.7)	(6.8)		
= Recurrent Free Cash Flow (To the Firm)	8.4	5.3	4.0	5.7	5.9	12.0	15.0	-12.3%	38.2%
Rec. Free Cash Flow (To the Firm) growth	93.7%	-37.1%	-24.1%	41.5%	3.5%	103.8%	25.2%		
Rec. Free Cash Flow (To the Firm) / Revenues	13.1%	5.9%	4.0%	4.9%	4.7%	8.3%	9.2%		
- Acquisitions / + Divestments	(16.4)	-	(12.0)	(34.6)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(2.7)	-	-	-		
= Free Cash Flow "To the Firm"	(8.0)	5.3	(8.0)	(31.6)	5.9	12.0	15.0	-58.4%	35.3%
Free Cash Flow (To the Firm) growth	-467.7%	166.6%	-250.7%	-296.4%	118.6%	103.8%	25.2%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	5.4%	3.4%	2.6%	3.7%	3.8%	7.7%	9.7%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	3.4%	n.a.	n.a.	3.8%	7.7%	9.7%		

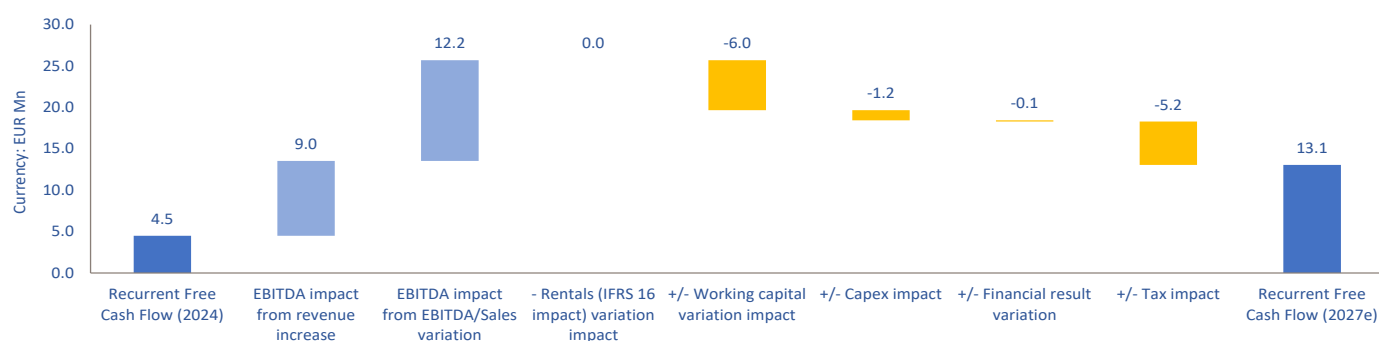


## Free Cash Flow (II)

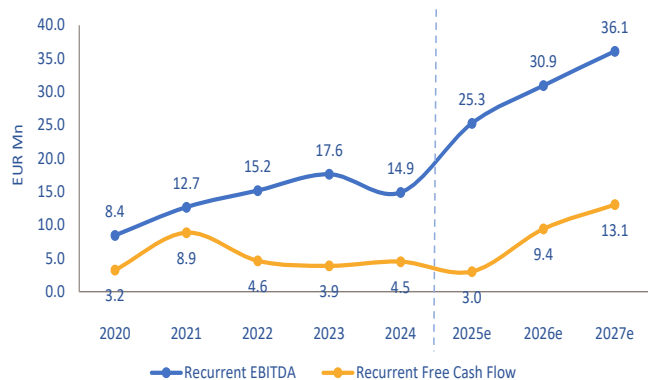
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



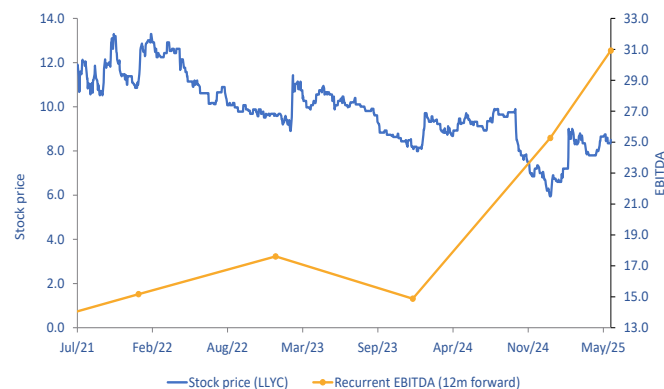
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	5.9	12.0	15.0	263.6		
Market Cap	98.9	At the date of this report				
Net financial debt	30.0	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	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	9.1%	$K_e = R_f + (R * B)$			8.1%	10.3%
Equity / (Equity + Net Debt)	76.7%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	23.3%	D			=	=
WACC	8.1%	$WACC = K_d * D + K_e * E$			7.3%	9.0%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	98.9	
+ Minority Interests	0.8	12m Results 2024
+ Provisions & Other L/T Liabilities	25.0	12m Results 2024
+ Net financial debt	30.0	12m Results 2024
- Financial Investments	1.0	12m Results 2024
+/- Others <sup>(1)</sup>	1.7	12m Results 2024
<b>Enterprise Value (EV)</b>	<b>155.5</b>	

(1) Related to the market value of treasury stock and assets held for sale.

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	24.8%	27.7%	27.6%	25.4%	9.2%
	2024	2027e			
ROCE - WACC	1.1%	14.5%			
FCF Yield - WACC	-4.4%	1.6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	22.5%	32.5	4.8x
Central	21.4%	30.9	5.0x
Min	20.3%	29.3	5.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	3.2%	3.6%	4.0%		Scenario		
32.5	11.6	11.0	10.4	➔	Max	11.7%	11.1%
30.9	10.0	9.4	8.8		Central	10.1%	9.5%
29.3	8.4	7.8	7.2		Min	8.5%	7.9%
							10.5%
							8.9%
							7.3%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% de consejeros independientes	33,3%	55,6%	50,0%
% de consejeros dominicales	55,6%	44,4%	10,0%
% de consejeros ejecutivos	11,1%	0,0%	30,0%
% de otros consejeros	0,0%	0,0%	10,0%
% de mujeres en el consejo de administración	55,6%	55,6%	50,0%
% de mujeres en la plantilla	62,6%	63,8%	64,0%
Remuneración del Consejo /gastos de personal	3,8%	3,6%	2,5%



## Main peers 2025e

		Media				Communication Agencies			LLYC
EUR Mn		WPP-GB	Publicis	Omnicom	Interpublic	Average	Next Fifteen	Hopscotch Group	
Market data	Ticker (Factset)	WPP-GB	PUB-FR	OMC-US	IPG-US		NFG-GB	ALHOP-FR	LLYC-ES
	Country	UK	France	USA	USA		UK	France	Spain
	Market cap	7,065.4	24,719.1	11,992.1	7,546.3		357.7	54.8	98.9
	Enterprise value (EV)	11,723.6	25,878.9	15,916.0	9,658.3		429.4	76.2	155.5
Basic financial information	Total Revenues	12,477.9	14,753.7	13,856.1	7,521.0		578.7	314.3	125.7
	Total Revenues growth	-27.9%	-8.0%	2.3%	-18.5%	-13.0%	-32.4%	-1.5%	9.2%
	2y CAGR (2025e - 2027e)	1.7%	6.1%	3.6%	2.9%	3.6%	3.6%	-1.3%	13.7%
	EBITDA	2,236.5	3,192.0	2,257.8	1,306.6		111.2	15.1	25.3
	EBITDA growth	-9.5%	1.3%	1.0%	-10.4%	-4.4%	-12.5%	5.8%	108.0%
	2y CAGR (2025e - 2027e)	2.3%	5.3%	4.4%	7.8%	4.9%	4.7%	6.3%	19.5%
	EBITDA/Revenues	17.9%	21.6%	16.3%	17.4%	18.3%	19.2%	4.8%	20.1%
	EBIT	1,859.1	2,579.1	2,059.6	1,024.0		92.7	10.8	19.9
	EBIT growth	-1.7%	6.5%	1.6%	-17.1%	-2.6%	6.4%	17.0%	139.9%
	2y CAGR (2025e - 2027e)	3.2%	6.2%	4.5%	12.1%	6.5%	7.2%	8.3%	23.1%
	EBIT/Revenues	14.9%	17.5%	14.9%	13.6%	15.2%	16.0%	3.4%	15.8%
	Net Profit	1,034.3	1,754.7	1,351.8	830.1		39.3	6.0	12.2
	Net Profit growth	62.6%	5.7%	5.7%	39.4%	28.4%	-15.2%	24.4%	36.7%
	2y CAGR (2025e - 2027e)	2.6%	7.8%	5.2%	5.2%	5.2%	28.3%	11.1%	30.6%
	CAPEX/Sales %	2.8%	1.7%	0.8%	1.6%	1.7%	1.2%	0.2%	4.5%
	Free Cash Flow	1,036.9	1,989.1	1,393.1	788.0		73.0	14.8	3.0
Multiples and Ratios	Net financial debt	4,651.3	(1,104.6)	1,334.1	942.3		86.9	8.6	29.0
	ND/EBITDA (x)	2.1	n.a.	0.6	0.7	1.1	0.8	0.6	1.1
	Pay-out	44.1%	52.8%	37.0%	52.4%	46.6%	46.1%	31.3%	25.0%
	P/E (x)	6.9	12.6	8.5	9.0	9.2	5.5	8.9	8.1
	P/BV (x)	1.5	2.0	2.9	2.3	2.2	4.1	1.5	2.6
	EV/Revenues (x)	0.9	1.8	1.1	1.3	1.3	0.7	0.2	1.2
	EV/EBITDA (x)	5.2	8.1	7.0	7.4	6.9	3.9	5.1	6.2
	EV/EBIT (x)	6.3	10.0	7.7	9.4	8.4	4.6	7.1	7.8
	ROE	22.1	15.9	34.5	25.8	24.6	74.9	16.7	45.8
	FCF Yield (%)	14.7	8.0	11.6	10.4	11.2	20.4	27.0	23.7
	DPS	0.42	3.70	2.55	1.16	1.96	0.18	0.65	0.42
	Dvd Yield	6.5%	3.8%	4.1%	5.7%	5.0%	5.1%	3.6%	3.1%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	-	-	-	38.7	41.5	48.2	44.7	64.1	89.5	101.4	115.2	125.7	144.6	162.6	n.a.	12.2%
Total Revenues growth	n.a.	n.a.	n.a.	n.a.	7.2%	16.0%	-7.2%	43.5%	39.5%	13.3%	13.6%	9.2%	15.0%	12.5%		
EBITDA	-	-	-	8.0	7.8	10.1	8.1	11.2	14.4	16.8	12.2	25.3	30.9	36.1	n.a.	43.7%
EBITDA growth	n.a.	n.a.	n.a.	n.a.	-2.3%	29.5%	-19.1%	37.3%	28.9%	16.6%	-27.6%	108.0%	22.3%	16.7%		
EBITDA/Sales	n.a.	n.a.	n.a.	20.5%	18.7%	20.9%	18.2%	17.4%	16.1%	16.6%	10.6%	20.1%	21.4%	22.2%		
Net Profit	-	-	-	1.5	1.8	4.3	2.3	5.3	6.8	8.3	9.0	12.2	16.6	20.9	n.a.	32.6%
Net Profit growth	n.a.	n.a.	n.a.	n.a.	20.0%	138.7%	-46.6%	134.6%	27.4%	23.0%	7.3%	36.7%	35.4%	26.0%		
Adjusted number shares (Mn)	-	-	10.6	10.6	10.6	10.6	10.6	11.6	11.6	11.3	11.4	11.6	11.6	11.6		
EPS (EUR)	n.a.	n.a.	0.00	0.14	0.17	0.40	0.21	0.46	0.58	0.74	0.79	1.05	1.42	1.79	n.a.	31.5%
EPS growth	n.a.	n.a.	n.a.	n.a.	20.0%	n.a.	-46.6%	n.a.	27.4%	26.7%	6.7%	33.3%	35.4%	26.0%		
Ord. EPS (EUR)	n.a.	n.a.	0.00	0.15	0.20	0.40	0.30	0.55	0.63	0.79	0.72	1.05	1.42	1.79	n.a.	35.3%
Ord. EPS growth	n.a.	n.a.	n.a.	n.a.	30.9%	n.a.	-26.9%	86.5%	14.3%	25.7%	-8.6%	45.0%	35.4%	26.0%		
CAPEX	-	-	-	(1.8)	(1.4)	(0.5)	(3.2)	(1.5)	(2.5)	(4.6)	(4.6)	(5.7)	(5.2)	(5.9)		
CAPEX/Sales % <sup>1</sup>	n.a.	n.a.	n.a.	4.7%	3.3%	1.1%	7.1%	2.3%	2.8%	4.6%	4.0%	4.5%	3.6%	3.6%		
Free Cash Flow	-	-	-	2.6	0.4	4.8	0.7	(9.0)	3.9	(9.0)	(32.8)	3.0	9.4	13.1	n.a.	33.8%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	-0.7x	-0.6x	-0.7x	-1.0x	-0.1x	-0.1x	0.6x	2.5x	1.1x	0.7x	0.3x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	24.0x	16.6x	11.1x	7.5x	8.1x	6.0x	4.7x		
EV/Sales (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.24x	1.08x	0.96x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6.2x	5.0x	4.3x		
Absolute performance	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-11.9%	-15.4%	-27.4%	42.9%				
Relative performance vs Ibex 35	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-6.8%	-31.1%	-36.7%	17.2%				

(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.

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

**Natac Natural Ingredients (NAT)**, is the result of the merger between IFFE Futura and Natac Group. Combining Natac Group's expertise in research, development, production and commercialization of natural ingredients derived mainly from herbal extracts, with IFFE Futura's specialization in the development and refining of Omega 3. This allows NAT to offer a wider range of high quality natural products.

**Market Data**

Market Cap (Mn EUR and USD)	304.4	349.5
EV (Mn EUR and USD)	379.8	436.1
Shares Outstanding (Mn)	434.8	
-12m (Max/Med/Mín EUR)	0.72 / 0.65 / 0.53	
Daily Avg volume (-12m Mn EUR)	0.01	
Rotation <sup>(1)</sup>	1.2	
Factset / Bloomberg	NAT-ES / NAT SM	
Close fiscal year	31-Dec	

**Shareholders Structure (%)**

Idoasis 2002	29.4
Aldabi Inversiones	29.3
Inveready	11.8
Onchena	6.0
Free Float	23.5

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	431.6	434.8	434.8	434.8
Total Revenues	36.0	50.4	65.8	78.7
Rec. EBITDA	11.3	15.3	22.0	27.6
% growth	37.4	36.2	43.5	25.5
% Rec. EBITDA/Rev.	31.3	30.5	33.5	35.1
% Inc. EBITDA sector <sup>(2)</sup>	4.9	5.1	9.6	6.1
Net Profit	0.4	5.3	10.1	14.6
EPS (EUR)	0.00	0.01	0.02	0.03
% growth	-94.1	n.a.	89.0	44.5
Ord. EPS (EUR)	0.01	0.01	0.02	0.03
% growth	n.a.	58.5	137.3	54.6
Rec. Free Cash Flow	-3.8	0.4	7.5	8.4
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	66.7	66.3	58.8	50.4
ND/Rec. EBITDA (x)	5.9	4.3	2.7	1.8
ROE (%)	0.9	11.8	19.0	22.3
ROCE (%)	3.9	7.3	11.1	14.4

**Ratios & Multiples (x)**

P/E	n.a.	57.1	30.2	20.9
Ord. P/E	n.a.	88.0	37.1	24.0
P/BV	7.1	6.3	5.2	4.2
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	10.54	7.54	5.77	4.82
EV/Rec. EBITDA	33.7	24.7	17.2	13.7
EV/EBIT	n.a.	32.2	20.9	15.9
FCF Yield (%)	n.a.	0.1	2.5	2.7

**Historical behavior (base 100)**


(%)	-1m	-3m	-12m	-5Y
Absolute	0.0	4.5	6.9	-62.2

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

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

**MOMENTUM: WHAT DO WE EXPECT FROM 2025E?**

**Strong growth in 2024 for both revenue and recurring EBITDA.** NAT closed 2024 with revenue of EUR 36Mn (+35% vs. 2023), driven by: i) growth in Asia (opening of a representative office in Singapore), ii) focus on high-growth sectors (animal nutrition, organic market), iii) growth of the Tier 1 client portfolio, and iv) expansion of the product portfolio. Omega-3 production in As Somozas began last September, thus having a limited impact in 2024. The APAC region (opened in 2022) contributed EUR 5.3Mn in revenue. Recurring EBITDA stood at EUR 11.3Mn (+37.3% vs. 2023), with a stable margin.

**We expect a significant "leap" in revenue and recurring EBITDA for 2025e, reaching EUR 50.4Mn (+41% vs. 2024) and EUR 15.5Mn (+36.2% vs. 2024),** respectively. This jump would be explained by: (i) expanding the customer base (international expansion), (ii) growth from existing customers (via cross-selling), (iii) increased utilization of production capacity, and (iv) the ability to produce at highly competitive costs (with economies of scale).

**EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?**

**"Catch-up" in terms of utilization.** Our estimates indicate that installed capacity would generate approximately EUR 120Mn in revenue (without the need for significant additional investments). This means NAT has very high potential (on its own) to continue growing at high double-digit rates simply by increasing utilization, both in extracts and Omega-3 (which we expect as early as 2025e).

**Increased weight of the pharmaceutical industry.** This is thanks to: (i) GMP certification, which allows the Hervás factory to focus on APIs (Active Pharmaceutical Ingredients) for medicinal plants, and (ii) the acquisition of a U.S. client that has received FDA authorization for the production of a drug requiring a unique extract produced by NAT (derived from olive trees). This generates a base of recurring revenue in a defensive/counter-cyclical industry with higher margins.

**Highly diversified by business line and geography.** With a broad portfolio of products/services, which necessarily leads to a lower-risk business model. This supports organic revenue growth (via cross-selling) and geographical diversification, also reducing business risk by avoiding concentration of activity and dependence on a few countries and clients. International expansion is a growth driver for the coming years (in 2024, NAT exported 92% of its production).

**2025e-2027e:** widespread growth (Revenue, EBITDA, FCF). By 2027e, we should see a company with revenue of EUR 78.7Mn (29.8% CAGR 2024-2027e; in line with historical growth) and recurring EBITDA of EUR 27.6Mn (34.9% CAGR 2024-2027e). This would boost cash generation to EUR 8.4Mn in 2027.

**RISKS: WHAT TO KEEP AN EYE ON?**

**Debt level.** At the end of 2024, NAT had net debt (ND) of EUR 66.7Mn (including EUR 10.3Mn of convertible bonds), representing a ND/Recurring EBITDA multiple of 5.9x. However, we expect NAT's cash generation capacity (due to the "leap" in EBITDA) to reduce the leverage level.

**Working capital management.** This is common throughout the sector, as sourcing occurs during harvest months (generally once a year), extending the cash conversion cycle from inventory purchase to commercialization (impacting working capital).

**VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?**

**Positive momentum continues.** We expect the strong growth that materialized in NAT's business in 2024 to continue in 2025-2026. The equity story remains the opportunity to leverage already installed production capacity and capitalize on that growth to continue improving profitability. The main handicap (high financial leverage) should gradually dilute as EBITDA increases. Business momentum remains very favorable, and NAT will continue to grow strongly in 2025 and 2026. This is something that the stock price still does not reflect (-15.5% over the past 12 months vs. Ibex 35).



## Financial Projections

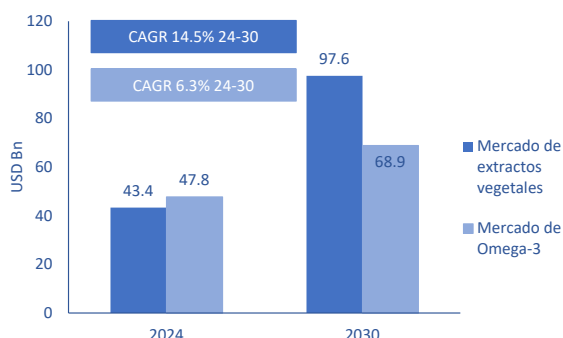
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	4.7	3.2	9.9	9.9	16.9	16.9	16.9	16.9		
Fixed assets	14.9	15.0	15.8	26.0	35.1	41.0	40.7	40.4		
Other Non Current Assets	0.9	0.7	0.7	0.7	1.9	1.9	1.9	1.9		
Financial Investments	0.3	2.5	8.0	12.3	4.4	4.4	4.4	4.4		
Goodwill & Other Intangibles	-	-	4.0	48.7	48.7	48.7	48.7	48.7		
Current assets	15.0	21.3	31.8	28.9	27.8	29.4	33.6	40.9		
<b>Total assets</b>	<b>35.9</b>	<b>42.8</b>	<b>70.2</b>	<b>126.5</b>	<b>134.7</b>	<b>142.3</b>	<b>146.2</b>	<b>153.1</b>		
Equity	5.2	8.5	(16.9)	41.4	42.7	48.0	58.1	72.7		
Minority Interests	0.2	0.3	0.7	2.5	-	-	-	-		
Provisions & Other L/T Liabilities	5.3	5.8	7.1	16.5	15.0	12.5	10.0	7.5		
Other Non Current Liabilities	-	-	0.4	0.3	0.6	0.6	0.6	0.6		
Net financial debt	19.2	24.0	71.8	59.3	66.7	66.3	58.8	50.4		
Current Liabilities	6.0	4.2	7.1	6.4	9.8	14.8	18.7	21.9		
<b>Equity &amp; Total Liabilities</b>	<b>35.9</b>	<b>42.8</b>	<b>70.2</b>	<b>126.5</b>	<b>134.7</b>	<b>142.3</b>	<b>146.2</b>	<b>153.1</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>17.7</b>	<b>20.4</b>	<b>22.5</b>	<b>26.7</b>	<b>36.0</b>	<b>50.4</b>	<b>65.8</b>	<b>78.7</b>	<b>19.5%</b>	<b>29.8%</b>
Total Revenues growth	n.a.	15.5%	10.2%	18.7%	35.0%	39.8%	30.6%	19.6%		
COGS	(5.1)	(5.1)	(5.9)	(6.3)	(10.3)	(13.8)	(18.0)	(21.5)		
<b>Gross Margin</b>	<b>12.6</b>	<b>15.3</b>	<b>16.6</b>	<b>20.4</b>	<b>25.8</b>	<b>36.6</b>	<b>47.8</b>	<b>57.2</b>	<b>19.6%</b>	<b>30.4%</b>
Gross Margin/Revenues	71.1%	75.1%	73.8%	76.4%	71.5%	72.6%	72.6%	72.6%		
Personnel Expenses	(3.1)	(4.2)	(5.6)	(7.0)	(9.2)	(10.5)	(12.4)	(13.8)		
Other Operating Expenses	(3.7)	(4.7)	(4.3)	(5.2)	(5.3)	(10.8)	(13.4)	(15.7)		
<b>Recurrent EBITDA</b>	<b>5.8</b>	<b>6.4</b>	<b>6.7</b>	<b>8.2</b>	<b>11.3</b>	<b>15.3</b>	<b>22.0</b>	<b>27.6</b>	<b>18.0%</b>	<b>34.9%</b>
Recurrent EBITDA growth	n.a.	10.7%	3.4%	23.1%	37.4%	36.2%	43.5%	25.5%		
Rec. EBITDA/Revenues	32.9%	31.6%	29.6%	30.7%	31.3%	30.5%	33.5%	35.1%		
Restructuring Expense & Other non-rec.	1.4	0.9	(1.5)	(1.1)	(1.9)	2.5	2.5	2.5		
<b>EBITDA</b>	<b>7.3</b>	<b>7.4</b>	<b>5.2</b>	<b>7.1</b>	<b>9.3</b>	<b>17.8</b>	<b>24.5</b>	<b>30.1</b>	<b>6.5%</b>	<b>47.8%</b>
Depreciation & Provisions	(1.8)	(2.5)	(3.2)	(4.1)	(4.9)	(6.0)	(6.4)	(6.3)		
Capitalized Expense	-	-	-	0.1	-	-	-	-		
Rentals (IFRS 16 impact)	-	-	(0.1)	(0.2)	-	-	-	-		
<b>EBIT</b>	<b>5.5</b>	<b>4.8</b>	<b>1.9</b>	<b>3.0</b>	<b>4.4</b>	<b>11.8</b>	<b>18.2</b>	<b>23.8</b>	<b>-5.2%</b>	<b>75.2%</b>
EBIT growth	n.a.	-11.9%	-60.6%	56.4%	48.6%	166.5%	54.0%	31.1%		
EBIT/Revenues	31.1%	23.7%	8.5%	11.2%	12.3%	23.4%	27.6%	30.3%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.6)	(0.0)	0.4	(4.1)	(4.2)	(4.7)	(4.7)	(4.4)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>4.8</b>	<b>4.8</b>	<b>2.3</b>	<b>(1.1)</b>	<b>0.2</b>	<b>7.1</b>	<b>13.4</b>	<b>19.4</b>	<b>-52.9%</b>	<b>n.a.</b>
Ordinary Profit Growth	n.a.	-0.9%	-53.0%	-148.9%	121.6%	n.a.	89.0%	44.5%		
Extraordinary Results	-	-	(0.0)	9.6	-	-	-	-		
<b>Profit Before Tax</b>	<b>4.8</b>	<b>4.8</b>	<b>2.3</b>	<b>8.5</b>	<b>0.2</b>	<b>7.1</b>	<b>13.4</b>	<b>19.4</b>	<b>-52.9%</b>	<b>n.a.</b>
Tax Expense	(1.4)	(1.3)	(1.2)	(2.2)	0.1	(1.8)	(3.4)	(4.9)		
Effective Tax Rate	28.2%	26.8%	53.4%	25.9%	n.a.	25.0%	25.0%	25.0%		
Minority Interests	(0.2)	(0.1)	(0.1)	0.2	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>3.3</b>	<b>3.4</b>	<b>1.0</b>	<b>6.4</b>	<b>0.4</b>	<b>5.3</b>	<b>10.1</b>	<b>14.6</b>	<b>-41.5%</b>	<b>n.a.</b>
Net Profit growth	n.a.	3.2%	-72.0%	569.8%	-94.0%	n.a.	89.0%	44.5%		
<b>Ordinary Net Profit</b>	<b>2.3</b>	<b>2.7</b>	<b>2.5</b>	<b>0.1</b>	<b>2.2</b>	<b>3.5</b>	<b>8.2</b>	<b>12.7</b>	<b>-1.3%</b>	<b>80.3%</b>
Ordinary Net Profit growth	n.a.	19.7%	-7.3%	-95.4%	n.a.	59.7%	137.3%	54.6%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>15.3</b>	<b>22.0</b>	<b>27.6</b>	<b>18.0%</b>	<b>34.9%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						3.5	(0.4)	(4.0)		
<b>Recurrent Operating Cash Flow</b>						<b>18.9</b>	<b>21.6</b>	<b>23.6</b>	<b>62.4%</b>	<b>14.6%</b>
CAPEX						(12.0)	(6.0)	(6.0)		
Net Financial Result affecting the Cash Flow						(4.7)	(4.7)	(4.4)		
Tax Expense						(1.8)	(3.4)	(4.9)		
<b>Recurrent Free Cash Flow</b>						<b>0.4</b>	<b>7.5</b>	<b>8.4</b>	<b>30.7%</b>	<b>61.6%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>0.4</b>	<b>7.5</b>	<b>8.4</b>	<b>29.5%</b>	<b>61.6%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>(0.4)</b>	<b>(7.5)</b>	<b>(8.4)</b>		



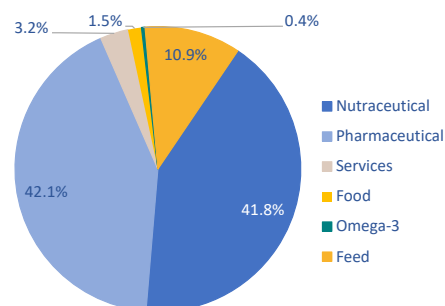


## The company in 8 charts

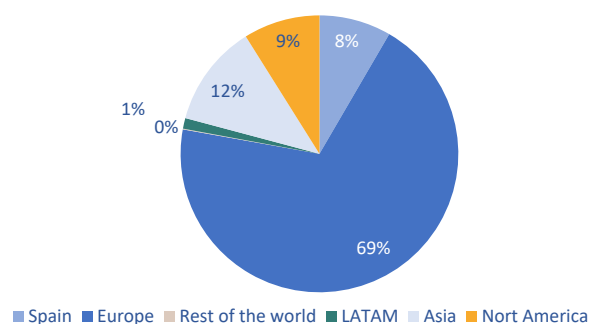
**The world's plant extracts market is forecast to grow at a CAGR 2024-2030e of 14,5% and Omega-3 at 6,3%**



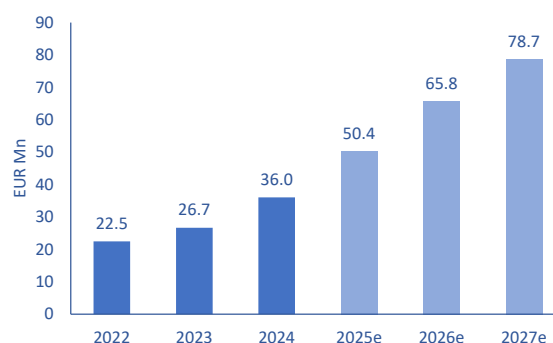
**NAT: a company with a highly diversified business mix...**



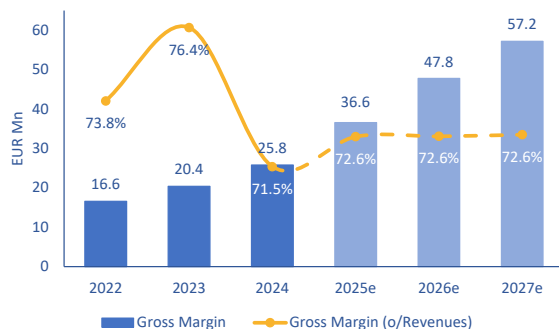
**...and geographic mix. In 2024, sales outside Spain accounted for 92%**



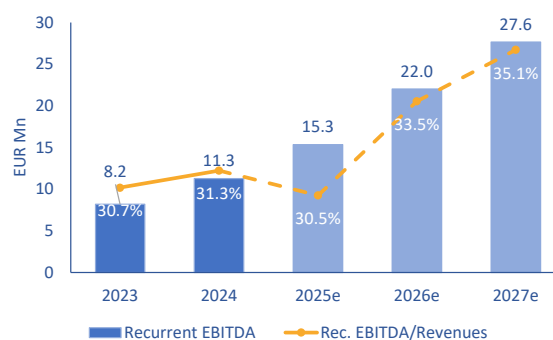
**Paving the way for organic growth over the next few years (along with higher capacity utilisation)**



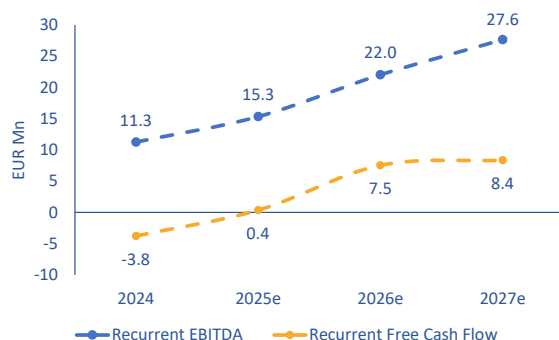
**In spite of Omega-3's business (50% gross margin) gaining weight in the mix, we expect a marginal improvement in gross margin to 72,6% by 2025e**



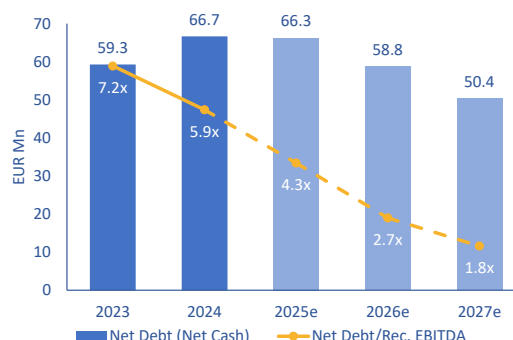
**Thanks to high operating leverage, we estimate an improvement in Recurring EBITDA (EBITDA Mg. 26e: 33,5%)...**



**... lifting recurring free cash flow generation to EUR 8.4Mn in 2027e (vs EUR 0.4Mn in 2025e)**



**Which would leave NAT with a reasonable leverage in 2027e (ND: EUR 50.4Mn; ND/rec. EBITDA: 1.8x)**





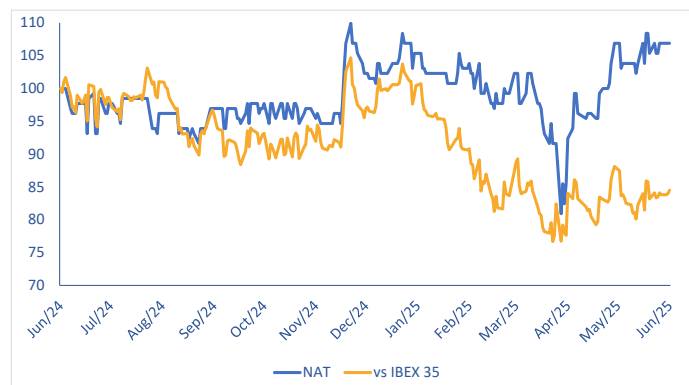


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



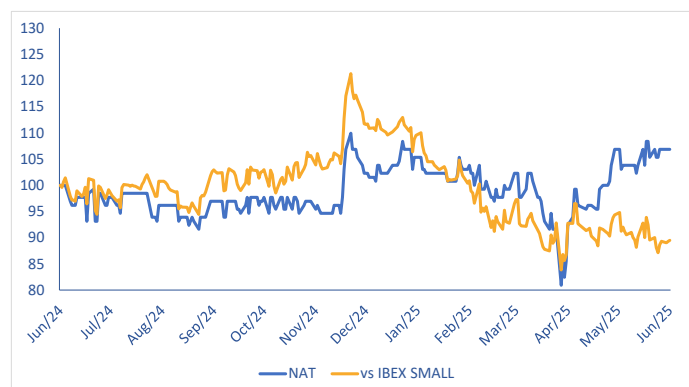
Behavior -1y vs Ibex 35 (base 100)



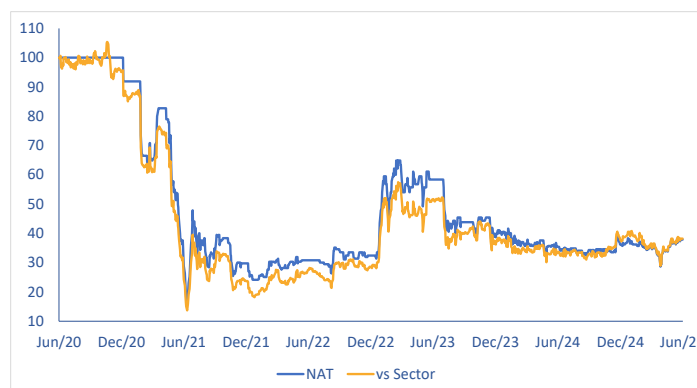
Historical behavior vs Ibex Small Cap (base 100)



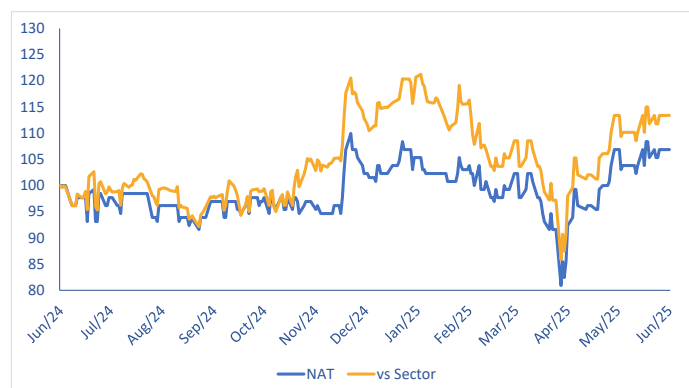
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Food & Beverage

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.0	4.5	6.9	2.2	22.8	-62.2
<b>vs Market</b>						
vs Ibex 35	-4.1	-4.8	-15.5	-16.2	-27.1	-80.5
vs Euro STOXX 50	-1.5	2.9	-1.6	-7.2	-18.0	-77.9
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-5.2	-8.0	-10.5	-20.1	1.8	-78.4
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.8	-2.5	1.5	-10.0	18.9	-74.6
vs MSCI Europe Micro Cap	-4.4	-4.1	5.3	-5.2	30.9	-70.3
<b>vs Sector</b>						
vs Stoxx Europe 600 Food & Beverage	0.0	4.5	13.4	-2.7	38.8	-61.8

(1) Constituents on page 10



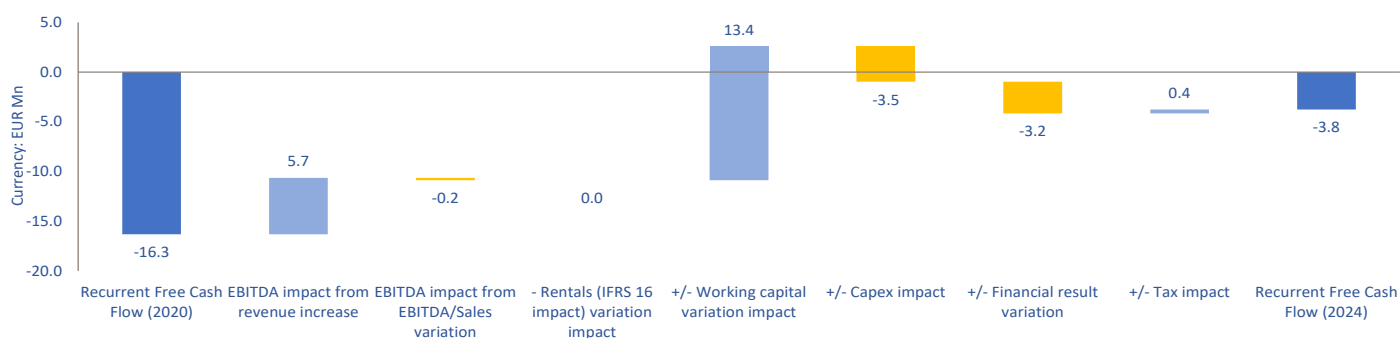
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	6.4	6.7	8.2	11.3	15.3	22.0	27.6	20.5%	34.9%
Recurrent EBITDA growth	10.7%	3.4%	23.1%	37.4%	36.2%	43.5%	25.5%		
Rec. EBITDA/Revenues	31.6%	29.6%	30.7%	31.3%	30.5%	33.5%	35.1%		
- Rentals (IFRS 16 impact)	-	(0.1)	(0.2)	-	-	-	-		
+/- Working Capital increase	(8.1)	(7.6)	2.2	4.4	3.5	(0.4)	(4.0)		
= Recurrent Operating Cash Flow	(1.7)	(1.0)	10.2	15.7	18.9	21.6	23.6	n.a.	14.6%
Rec. Operating Cash Flow growth	47.0%	41.7%	n.a.	53.7%	20.0%	14.7%	9.3%		
Rec. Operating Cash Flow / Sales	n.a.	n.a.	38.3%	43.6%	37.4%	32.9%	30.0%		
- CAPEX	(3.2)	(5.9)	(2.2)	(15.8)	(12.0)	(6.0)	(6.0)		
- Net Financial Result affecting Cash Flow	(0.3)	(2.3)	(4.0)	(3.6)	(4.7)	(4.7)	(4.4)		
- Taxes	(0.5)	(1.0)	(0.7)	-	(1.8)	(3.4)	(4.9)		
= Recurrent Free Cash Flow	(5.7)	(10.1)	3.4	(3.8)	0.4	7.5	8.4	13.0%	61.6%
Rec. Free Cash Flow growth	65.0%	-76.8%	133.4%	-211.5%	110.1%	n.a.	11.0%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	12.6%	n.a.	0.8%	11.4%	10.6%		
- Restructuring expenses & others	-	(1.5)	(2.9)	-	-	-	-		
- Acquisitions / + Divestments	-	(10.5)	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.7	-	-	-	-	-	-		
= Free Cash Flow	(5.0)	(22.1)	0.5	(3.8)	0.4	7.5	8.4	9.4%	61.6%
Free Cash Flow growth	66.9%	-337.6%	102.1%	-898.6%	110.1%	n.a.	11.0%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	1.1%	n.a.	0.1%	2.5%	2.7%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	0.2%	n.a.	0.1%	2.5%	2.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(16.3)	(5.7)	(10.1)	3.4	(3.8)	0.4	7.5		
EBITDA impact from revenue increase	0.9	0.7	1.2	2.9	4.5	4.7	4.3		
EBITDA impact from EBITDA/Sales variation	(0.3)	(0.4)	0.3	0.2	(0.4)	2.0	1.3		
= Recurrent EBITDA variation	0.6	0.2	1.5	3.1	4.1	6.7	5.6		
- Rentals (IFRS 16 impact) variation impact	-	(0.1)	(0.1)	0.2	-	-	-		
+/- Working capital variation impact	0.9	0.6	9.7	2.3	(0.9)	(3.9)	(3.6)		
= Recurrent Operating Cash Flow variation	1.5	0.7	11.2	5.5	3.1	2.8	2.0		
+/- CAPEX impact	9.1	(2.7)	3.7	(13.7)	3.8	6.0	-		
+/- Financial result variation	0.1	(1.9)	(1.7)	0.4	(1.1)	(0.0)	0.3		
+/- Tax impact	(0.1)	(0.5)	0.2	0.7	(1.8)	(1.6)	(1.5)		
= Recurrent Free Cash Flow variation	10.6	(4.4)	13.5	(7.1)	4.1	7.1	0.8		
Recurrent Free Cash Flow	(5.7)	(10.1)	3.4	(3.8)	0.4	7.5	8.4		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	4.8	1.9	3.0	4.4	11.8	18.2	23.8	-2.9%	75.2%
* Theoretical Tax rate	26.8%	30.0%	0.0%	0.0%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	(1.3)	(0.6)	-	-	(3.0)	(4.5)	(6.0)		
Recurrent EBITDA	6.4	6.7	8.2	11.3	15.3	22.0	27.6	20.5%	34.9%
- Rentals (IFRS 16 impact)	-	(0.1)	(0.2)	-	-	-	-		
+/- Working Capital increase	(8.1)	(7.6)	2.2	4.4	3.5	(0.4)	(4.0)		
= Recurrent Operating Cash Flow	(1.7)	(1.0)	10.2	15.7	18.9	21.6	23.6	n.a.	14.6%
- CAPEX	(3.2)	(5.9)	(2.2)	(15.8)	(12.0)	(6.0)	(6.0)		
- Taxes (pre- Financial Result)	(1.3)	(0.6)	-	-	(3.0)	(4.5)	(6.0)		
= Recurrent Free Cash Flow (To the Firm)	(6.2)	(7.5)	8.1	(0.1)	3.9	11.1	11.7	73.2%	n.a.
Rec. Free Cash Flow (To the Firm) growth	63.6%	-20.4%	208.3%	-101.5%	n.a.	184.0%	5.3%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	30.2%	n.a.	7.7%	16.8%	14.8%		
- Acquisitions / + Divestments	-	(10.5)	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.7	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(5.5)	(18.0)	8.1	(0.1)	3.9	11.1	11.7	72.2%	n.a.
Free Cash Flow (To the Firm) growth	65.3%	-224.8%	144.9%	-101.5%	n.a.	184.0%	5.3%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	2.1%	n.a.	1.0%	2.9%	3.1%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	2.1%	n.a.	1.0%	2.9%	3.1%		

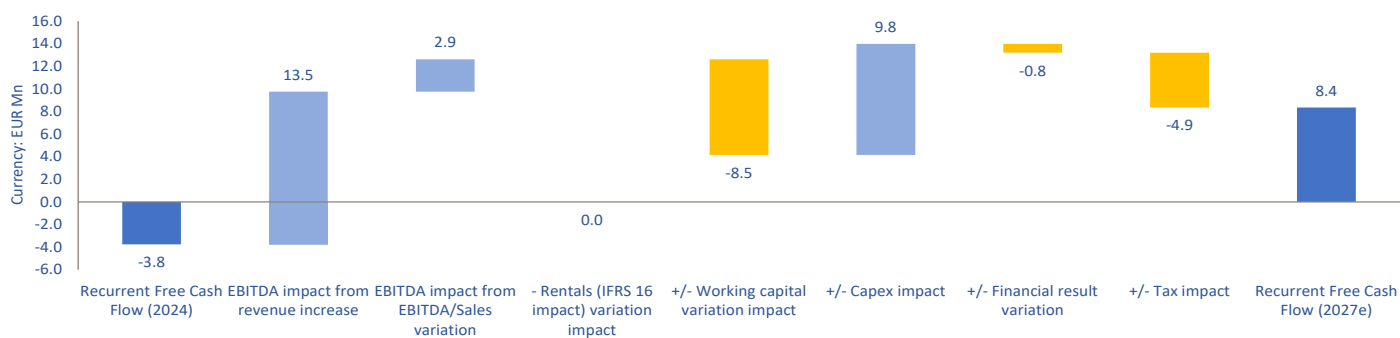


## Free Cash Flow (II)

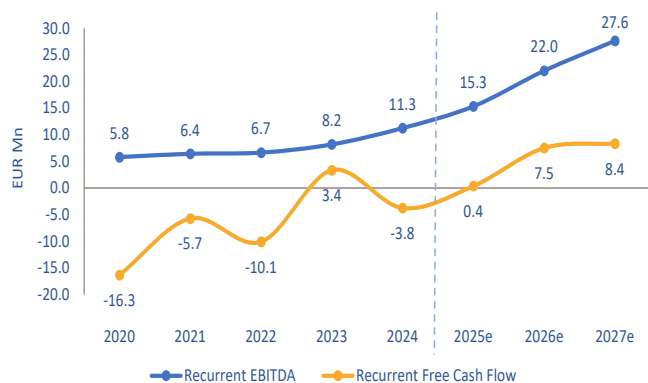
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



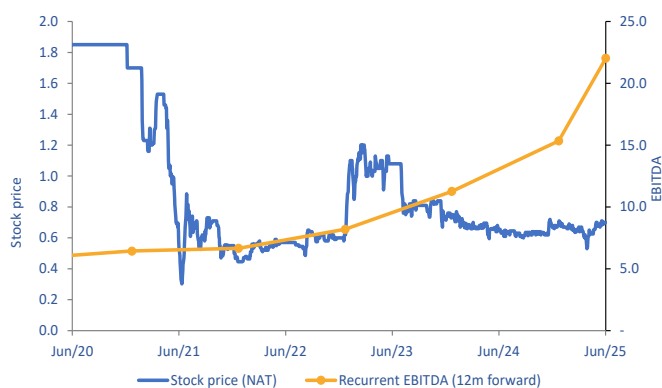
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	3.9	11.1	11.7	192.1		
Market Cap	304.4	At the date of this report				
Net financial debt	66.7	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.2
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.9%
Equity / (Equity + Net Debt)	82.0%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	18.0%	D			=	=
WACC	8.8%	$WACC = K_d * D + K_e * E$			7.9%	9.8%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	304.4	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	15.0	12m Results 2024
+ Net financial debt	66.7	12m Results 2024
- Financial Investments	6.3	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>379.8</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	10.8%	2.9%	3.7%	3.9%
	2024	2027e			
ROCE - WACC	-4.9%	5.6%			
FCF Yield - WACC	n.a.	-5,7%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	36.8%	24.2	15.7x
Central	33.5%	22.0	17.2x
Min	30.2%	19.9	19.1x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	8.2%	9.1%	10.0%		Scenario		
24.2	10.3	9.7	9.1	➔	Max	3.4%	3.2%
22.0	8.1	7.5	6.9		Central	2.7%	2.5%
19.9	5.9	5.4	4.8		Min	2.0%	1.8%
							1.6%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	n.a.	60.0%	28.6%
% of proprietary board members	n.a.	40.0%	71.4%
% of executive board members	n.a.	0.0%	0.0%
% of other directors	n.a.	0.0%	0.0%
% of women on the board of directors	n.a.	0.0%	0.0%
% of women out of total workforce	n.a.	32.9%	36.8%
Board remuneration/staff cost	n.a.	1.5%	3.4%



## Main peers 2025e

		Herbal Extracts				Omega-3				
EUR Mn		Inter. Flavors & Fragrances	Symrise	Givaudan	Average	BASF	KERRY	Archer Daniels	Average	NAT
Market data	Ticker (Factset)	IFF-US	SY1-DE	GIVN-CH		BAS-DE	KRZ-IE	ADM-US		NAT-ES
	Country	USA	Germany	Switzerland		Germany	Ireland	USA		Spain
	Market cap	17,307.4	14,382.5	40,891.9		38,158.7	16,005.8	20,599.3		304.4
	Enterprise value (EV)	25,366.1	16,243.8	45,094.8		59,817.7	17,916.9	28,021.7		379.8
Basic financial information	Total Revenues	9,321.9	5,166.5	8,142.7		65,356.0	7,071.9	73,433.5		50.4
	Total Revenues growth	-6.0%	2.9%	3.5%	0.1%	0.1%	2.1%	-0.5%	0.6%	39.8%
	2y CAGR (2025e - 2027e)	2.3%	6.0%	4.8%	4.4%	3.9%	4.6%	4.4%	4.3%	25.0%
	EBITDA	1,809.2	1,091.1	1,964.7		7,776.9	1,252.3	3,470.0		17.8
	EBITDA growth	-4.5%	8.4%	4.6%	2.8%	0.0%	4.6%	19.9%	8.1%	91.1%
	2y CAGR (2025e - 2027e)	5.2%	7.9%	5.0%	6.0%	11.3%	8.1%	6.1%	8.5%	30.0%
	EBITDA/Revenues	19.4%	21.1%	24.1%	21.6%	11.9%	17.7%	4.7%	11.4%	35.4%
	EBIT	682.6	789.7	1,591.4		3,695.1	971.5	1,464.8		11.8
	EBIT growth	-33.0%	11.1%	6.3%	-5.2%	-2.5%	8.3%	-23.3%	-5.9%	166.5%
	2y CAGR (2025e - 2027e)	30.6%	10.5%	6.1%	15.7%	19.7%	9.9%	23.4%	17.7%	42.1%
	EBIT/Revenues	7.3%	15.3%	19.5%	14.1%	5.7%	13.7%	2.0%	7.1%	23.4%
	Net Profit	951.2	541.3	1,208.4		2,221.9	763.4	1,648.5		5.3
	Net Profit growth	353.4%	13.2%	4.4%	123.7%	71.2%	13.4%	6.1%	30.2%	n.a.
	2y CAGR (2025e - 2027e)	8.4%	12.2%	7.4%	9.4%	27.1%	9.8%	8.9%	15.3%	65.2%
	CAPEX/Sales %	6.0%	5.1%	3.8%	5.0%	8.0%	4.3%	1.7%	4.7%	23.8%
	Free Cash Flow	505.1	523.8	1,302.6		619.0	701.9	859.1		0.4
Multiples and Ratios	Net financial debt	5,371.4	1,501.6	3,847.8		20,096.7	1,857.9	6,075.9		66.3
	ND/EBITDA (x)	3.0	1.4	2.0	2.1	2.6	1.5	1.8	1.9	4.3
	Pay-out	38.2%	33.5%	61.0%	44.2%	92.8%	31.2%	54.1%	59.4%	0.0%
	P/E (x)	18.4	26.8	32.6	25.9	13.4	19.6	12.4	15.1	57.1
	P/BV (x)	1.5	3.3	7.7	4.1	1.0	2.4	1.1	1.5	6.3
	EV/Revenues (x)	2.7	3.1	5.5	3.8	0.9	2.5	0.4	1.3	7.5
	EV/EBITDA (x)	14.0	14.9	23.0	17.3	7.7	14.3	8.1	10.0	24.7
	EV/EBIT (x)	37.2	20.6	28.3	28.7	16.2	18.4	19.1	17.9	32.2
	ROE	8.2	12.3	23.5	14.7	7.8	12.3	8.8	9.7	11.8
	FCF Yield (%)	2.9	3.6	3.2	3.2	1.6	4.4	4.2	3.4	0.1
	DPS	1.42	1.30	79.96	27.56	2.31	1.38	1.81	1.83	0.00
	Dvd Yield	2.1%	1.3%	1.8%	1.7%	5.4%	1.4%	4.2%	3.7%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

**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)	108.0	124.0
EV (Mn EUR and USD)	92.4	106.1
Shares Outstanding (Mn)	60.0	
-12m (Max/Med/Min EUR)	1.97 / 1.65 / 1.48	
Daily Avg volume (-12m Mn EUR)	0.07	
Rotation <sup>(1)</sup>	16.0	
Factset / Bloomberg	NTH-ES / NTH SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

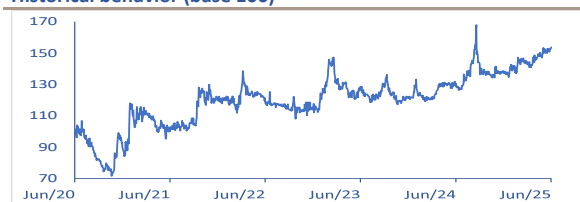
D. F. Revuelta y Familia	78.4
Miembros del Consejo	0.1
Autocartera	0.1
Free Float	21.4

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	59.9	60.0	60.0	60.0
Total Revenues	49.6	48.8	48.1	47.6
Rec. EBITDA	15.4	14.8	14.5	14.2
% growth	-16.9	-3.7	-2.5	-1.7
% Rec. EBITDA/Rev.	31.1	30.4	30.1	29.9
% Inc. EBITDA sector <sup>(2)</sup>	4.9	5.1	9.6	6.1
Net Profit	9.9	9.4	9.1	9.0
EPS (EUR)	0.16	0.16	0.15	0.15
% growth	-12.7	-4.8	-2.6	-1.7
Ord. EPS (EUR)	0.17	0.16	0.15	0.15
% growth	-10.8	-7.0	-2.6	-1.7
Rec. Free Cash Flow	7.9	9.4	9.2	9.0
Pay-out (%)	121.7	90.0	90.0	90.0
DPS (EUR)	0.20	0.14	0.14	0.13
Net financial debt	-19.5	-20.4	-21.4	-22.3
ND/Rec. EBITDA (x)	-1.3	-1.4	-1.5	-1.6
ROE (%)	31.7	29.2	27.6	26.5
ROCE (%)	87.1	78.3	76.3	75.1

## Ratios & Multiples (x)

P/E	10.9	11.5	11.8	12.0
Ord. P/E	10.7	11.5	11.8	12.0
P/BV	3.4	3.3	3.2	3.1
Dividend Yield (%)	11.1	7.8	7.6	7.5
EV/Sales	1.86	1.89	1.92	1.94
EV/Rec. EBITDA	6.0	6.2	6.4	6.5
EV/EBIT	7.0	7.2	7.4	7.5
FCF Yield (%)	7.3	8.7	8.5	8.4

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	2.9	6.5	19.5	53.7

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

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

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**Flat revenue in 2024.** 2024 results show practically flat revenue of EUR 49.6 Mn (-2.5% vs 2023) despite a lower number of points of sale: 1,324 (-7.6% vs 1,433 in 2023). The online channel generated approximately EUR 3.0 Mn (vs EUR 2.7 Mn; c. 6% of total). Geographically, revenue decreased in all countries (France: -1.6%, Italy: -1.9%, Poland: -1.3%), with Spain being the most pressured (-3.3%) due to the largest loss of centers (-40 centers vs. 2023).

**Margin normalization.** After the margin improvement observed in 2023, there was a normalization in both gross margin (71.9% in 2024 vs 73.1% in 2023) and EBITDA margin (due to increases in salaries and OPEX, mainly advertising; 2024 EBITDA margin of 31.1% of Sales vs 36.5% in 2023). We estimate an EBITDA margin of c. 30.4% for the coming years.

**NTH's new challenge is to curb closures.** NTH appears to be in an adverse environment in recent years (high inflation and the threat of new substitute products like Ozempic). We expect NTH to be able to reduce the pace of closures over the next few years. For 2025e, we project a company with revenue of EUR 48.8 Mn (-1.6% vs 2024) and the ability to maintain margins, with recurring EBITDA of EUR 14.8 Mn (-3.7% vs 2024; EBITDA margin 30.4%).

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Restructuring of points of sale.** NTH has pursued a strategy of reducing points of sale in recent years. Since 2017, over 1,000 stores have been closed (-109 in 2024; average of c. -150 annually). For the coming years, we estimate a reduction in the pace of closures to approximately 1,140 points of sale in 2027e (vs 1,324 in 2024).

**A vertically integrated business model with a very efficient structure.** Vertical integration and a light cost structure allow NTH to have resilient and competitive margins (which have increased over recent years). This is mainly due to the franchise-based business model.

**High cash generation (2025e FCF EUR 9.4 Mn; FCF yield 8.7%).** The main appeal of NTH is its high capacity to generate cash. Low working capital needs (c. 2% of Sales) and CAPEX (c. 1% of Sales) allow for sustained Free Cash Flow generation (2025e FCF EUR 9.4 Mn; FCF yield 8.7%).

**Shareholder remuneration via dividends is NTH's primary focus.** The company's historical payout ratio is between 80%-100% (2024: 60%), which implies a 2025e Dividend Yield of 7.8% (which our earnings estimates for 2025e and 2026e allow to be maintained).

## RISKS: WHAT TO KEEP AN EYE ON?

**Highly competitive sector with the threat of substitute products.** With low barriers to entry. The emergence of substitute products driven by technological and scientific advancements is the main threat to NTH.

**Product obsolescence.** Changes in consumer patterns represent a risk of obsolescence for NTH's products. It must be able to attract new customers and achieve successful generational replacement in the medium and long term.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**NTH has shown resilient performance** (-12m: +19.5% absolute and +24.7% vs. sector) in an adverse industry environment. Good cost management, combined with vertical integration, has allowed it to maintain resilient margins. However, undoubtedly, the most interesting aspect is the high FCF generation. This is the main support for attractive shareholder remuneration (2025e Dividend Yield: 7.8%). The question is clear: without visibility on growth potential, the investment opportunity in NTH pivots almost exclusively on the valuation of its capacity for recurring FCF generation.



## Financial Projections

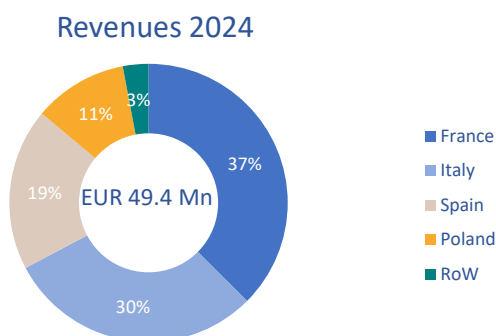
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	3.7	2.5	3.4	3.1	2.9	2.7	2.4	2.2		
Fixed assets	1.2	0.9	1.2	1.0	0.8	1.0	1.2	1.5		
Other Non Current Assets	3.5	7.0	10.7	10.0	10.3	10.3	10.3	10.3		
Financial Investments	0.6	1.3	3.1	3.1	1.4	1.4	1.4	1.4		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	11.8	10.0	12.3	7.3	6.5	6.4	6.3	6.2		
<b>Total assets</b>	<b>21.0</b>	<b>21.8</b>	<b>30.7</b>	<b>24.5</b>	<b>21.9</b>	<b>21.8</b>	<b>21.7</b>	<b>21.6</b>		
Equity	26.0	36.0	27.8	30.6	31.7	32.6	33.5	34.4		
Minority Interests	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0		
Provisions & Other L/T Liabilities	1.4	1.5	2.7	4.9	1.2	1.2	1.2	1.2		
Other Non Current Liabilities	3.7	2.2	3.3	3.2	3.0	3.0	3.0	3.0		
Net financial debt	(18.3)	(25.1)	(10.0)	(22.5)	(19.5)	(20.4)	(21.4)	(22.3)		
Current Liabilities	8.1	7.1	6.9	8.2	5.5	5.4	5.3	5.2		
<b>Equity &amp; Total Liabilities</b>	<b>21.0</b>	<b>21.8</b>	<b>30.7</b>	<b>24.5</b>	<b>21.9</b>	<b>21.8</b>	<b>21.7</b>	<b>21.6</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Total Revenues</b>	<b>56.2</b>	<b>57.9</b>	<b>52.6</b>	<b>50.9</b>	<b>49.6</b>	<b>48.8</b>	<b>48.1</b>	<b>47.6</b>	<b>-3.1%</b>	<b>-1.4%</b>
Total Revenues growth	-31.7%	3.0%	-9.3%	-3.2%	-2.5%	-1.6%	-1.4%	-1.1%		
COGS	(15.9)	(16.3)	(14.9)	(13.7)	(14.0)	(13.8)	(13.7)	(13.5)		
<b>Gross Margin</b>	<b>40.4</b>	<b>41.6</b>	<b>37.7</b>	<b>37.2</b>	<b>35.6</b>	<b>35.0</b>	<b>34.5</b>	<b>34.1</b>	<b>-3.1%</b>	<b>-1.4%</b>
Gross Margin/Revenues	71.8%	71.8%	71.6%	73.1%	71.9%	71.7%	71.6%	71.7%		
Personnel Expenses	(12.4)	(10.8)	(10.6)	(9.3)	(9.8)	(9.8)	(9.7)	(9.5)		
Other Operating Expenses	(10.6)	(10.3)	(11.3)	(9.3)	(10.4)	(10.4)	(10.4)	(10.4)		
<b>Recurrent EBITDA</b>	<b>17.4</b>	<b>20.5</b>	<b>15.7</b>	<b>18.6</b>	<b>15.4</b>	<b>14.8</b>	<b>14.5</b>	<b>14.2</b>	<b>-3.0%</b>	<b>-2.7%</b>
Recurrent EBITDA growth	-24.8%	18.1%	-23.4%	18.0%	-16.9%	-3.7%	-2.5%	-1.7%		
Rec. EBITDA/Revenues	30.9%	35.4%	29.9%	36.5%	31.1%	30.4%	30.1%	29.9%		
Restructuring Expense & Other non-rec.	0.1	(0.6)	(0.6)	(0.0)	(0.3)	-	-	-		
<b>EBITDA</b>	<b>17.4</b>	<b>19.9</b>	<b>15.2</b>	<b>18.5</b>	<b>15.1</b>	<b>14.8</b>	<b>14.5</b>	<b>14.2</b>	<b>-3.5%</b>	<b>-2.0%</b>
Depreciation & Provisions	(0.7)	(0.6)	(0.6)	(0.7)	(0.5)	(0.5)	(0.5)	(0.5)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	(2.6)	(1.9)	(1.7)	(1.6)	(1.4)	(1.4)	(1.4)	(1.4)		
<b>EBIT</b>	<b>14.2</b>	<b>17.5</b>	<b>12.9</b>	<b>16.3</b>	<b>13.1</b>	<b>12.9</b>	<b>12.6</b>	<b>12.3</b>	<b>-1.9%</b>	<b>-2.2%</b>
EBIT growth	-24.0%	23.4%	-26.5%	26.5%	-19.2%	-1.7%	-2.9%	-1.9%		
EBIT/Revenues	25.2%	30.2%	24.4%	32.0%	26.5%	26.5%	26.1%	25.9%		
Impact of Goodwill & Others	(0.9)	(0.1)	-	-	-	-	-	-		
Net Financial Result	(0.0)	0.3	(0.1)	(0.7)	(0.1)	(0.0)	0.0	0.0		
Income by the Equity Method	0.3	0.6	0.3	(0.2)	0.5	-	-	-		
<b>Ordinary Profit</b>	<b>13.5</b>	<b>18.2</b>	<b>13.1</b>	<b>15.4</b>	<b>13.5</b>	<b>12.9</b>	<b>12.6</b>	<b>12.3</b>	<b>0.1%</b>	<b>-3.0%</b>
Ordinary Profit Growth	-27.7%	35.0%	-28.2%	17.6%	-12.2%	-4.8%	-2.6%	-1.7%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>13.5</b>	<b>18.2</b>	<b>13.1</b>	<b>15.4</b>	<b>13.5</b>	<b>12.9</b>	<b>12.6</b>	<b>12.3</b>	<b>0.1%</b>	<b>-3.0%</b>
Tax Expense	(4.1)	(4.9)	(3.5)	(4.2)	(3.7)	(3.5)	(3.4)	(3.4)		
Effective Tax Rate	30.5%	26.7%	26.6%	27.0%	27.2%	27.2%	27.2%	27.2%		
Minority Interests	(0.0)	(0.0)	0.0	0.0	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>9.4</b>	<b>13.4</b>	<b>9.6</b>	<b>11.3</b>	<b>9.9</b>	<b>9.4</b>	<b>9.1</b>	<b>9.0</b>	<b>1.3%</b>	<b>-3.0%</b>
Net Profit growth	-29.3%	42.5%	-27.9%	17.3%	-12.7%	-4.8%	-2.6%	-1.7%		
<b>Ordinary Net Profit</b>	<b>9.4</b>	<b>13.8</b>	<b>10.0</b>	<b>11.3</b>	<b>10.1</b>	<b>9.4</b>	<b>9.1</b>	<b>9.0</b>	<b>1.8%</b>	<b>-3.8%</b>
Ordinary Net Profit growth	-29.0%	46.5%	-27.2%	12.6%	-10.8%	-6.9%	-2.6%	-1.7%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
									20-24	24-27e
<b>Recurrent EBITDA</b>						<b>14.8</b>	<b>14.5</b>	<b>14.2</b>	<b>-3.0%</b>	<b>-2.7%</b>
Rentals (IFRS 16 impact)						(1.4)	(1.4)	(1.4)		
Working Capital Increase						0.0	0.0	0.0		
<b>Recurrent Operating Cash Flow</b>						<b>13.4</b>	<b>13.1</b>	<b>12.8</b>	<b>-5.8%</b>	<b>2.4%</b>
CAPEX						(0.5)	(0.5)	(0.5)		
Net Financial Result affecting the Cash Flow						(0.0)	0.0	0.0		
Tax Expense						(3.5)	(3.4)	(3.4)		
<b>Recurrent Free Cash Flow</b>						<b>9.4</b>	<b>9.2</b>	<b>9.0</b>	<b>-7.7%</b>	<b>4.7%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>9.4</b>	<b>9.2</b>	<b>9.0</b>	<b>-5.2%</b>	<b>0.5%</b>
Capital Increase						-	-	-		
Dividends						(8.5)	(8.2)	(8.1)		
<b>Net Debt Variation</b>						<b>(1.0)</b>	<b>(1.0)</b>	<b>(0.9)</b>		



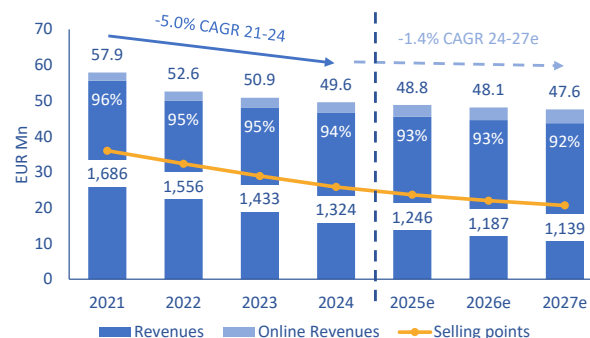


## The company in 8 charts

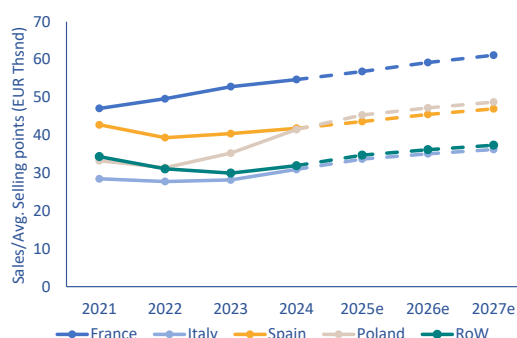
## A geographically diversified business (especially in Europe)



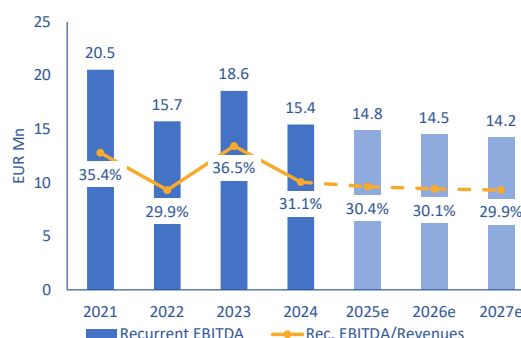
## Reducing the rate of store closures is key to achieving a revenue "floor" of EUR c.48 Mn



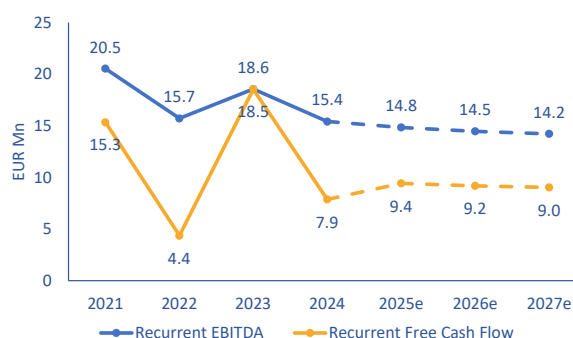
## Sales per store that we expect to continue to increase as a result of commercial restructuring (+4.4% CAGR 24-27e), in line with recent years



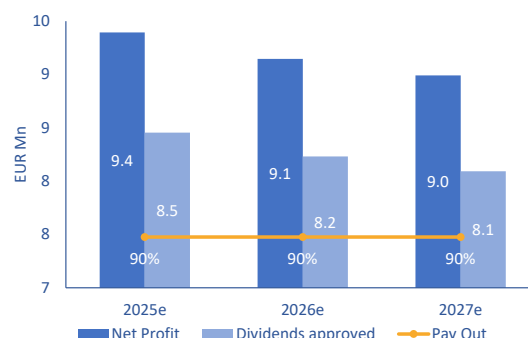
## NTH's cost-light structure will allow it to maintain high margins (EBITDA margin c. 30%)



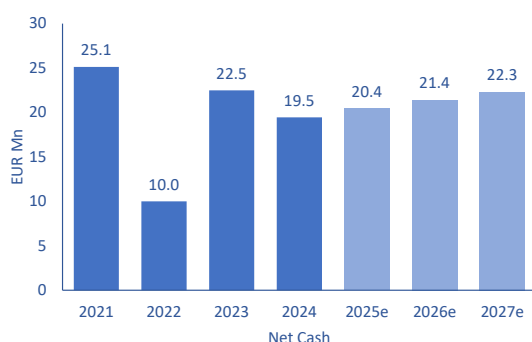
## High capacity to convert EBITDA into cash (c. 60%). FCF Yield 9% ...



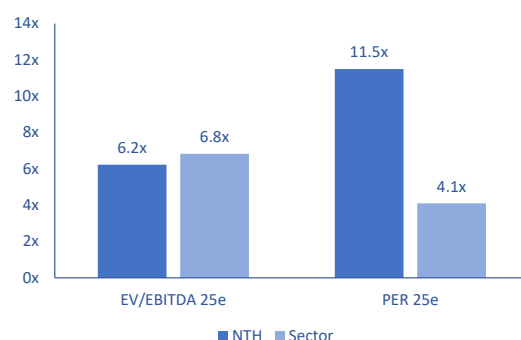
## ... that will allow a high pay-out (90%) and a 2025e Dividend Yield of c.8% to be maintained



## And a very robust balance sheet position (2025e Net Cash EUR 20Mn), especially interesting in a climate of positive rates



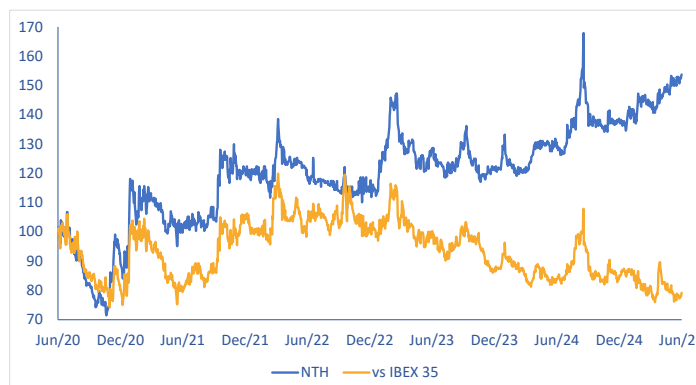
## Trading at 2024e EV/EBITDA 2025e 6.2x vs 6.8x for its sector



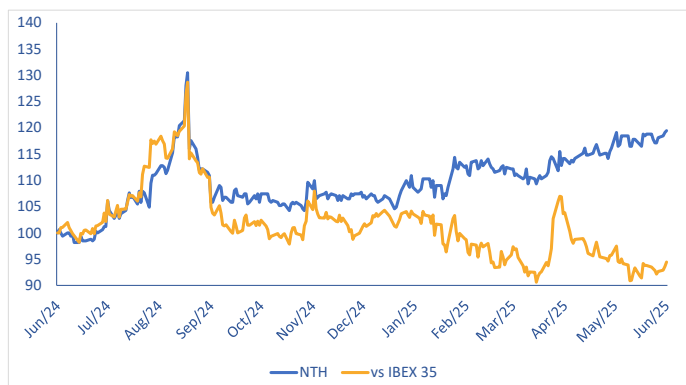


## Evolution of the share price

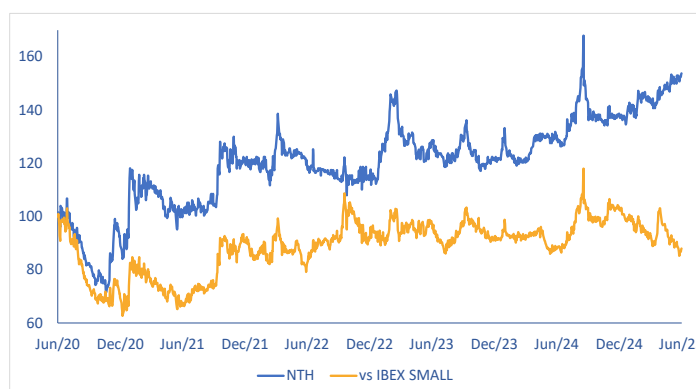
Historical behavior vs Ibex 35 (base 100)



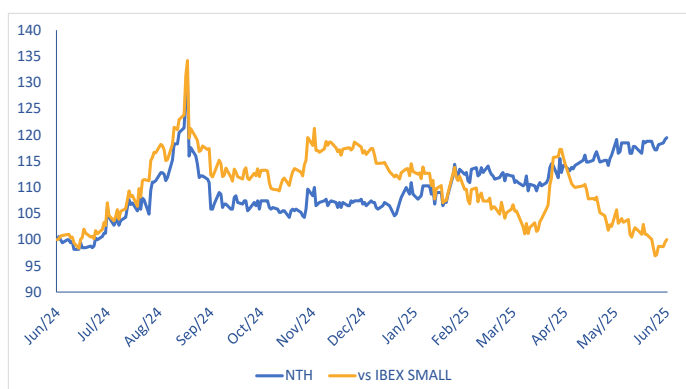
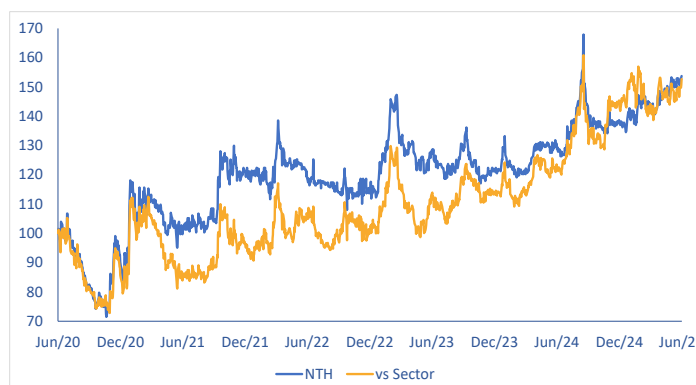
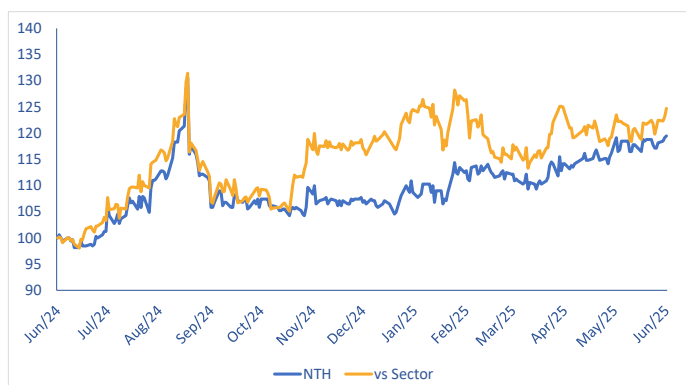
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Food &amp; Beverage

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	2.9	6.5	19.5	13.9	29.1	53.7
vs Market						
vs Ibex 35	-1.4	-3.0	-5.5	-6.6	-23.4	-20.8
vs Euro STOXX 50	1.3	4.9	10.0	3.4	-13.9	-10.4
vs Small Cap References						
vs Ibex Small Cap Index	-2.4	-6.2	0.0	-11.0	7.0	-12.1
vs Micro Cap Spain Segment <sup>(1)</sup>	-2.1	-0.6	13.5	0.3	25.0	3.4
vs MSCI Europe Micro Cap	-1.7	-2.3	17.7	5.7	37.6	20.5
vs Sector						
vs Stoxx Europe 600 Food & Beverage	4.6	5.9	24.7	6.8	43.6	52.6

(1) Constituents on page 10



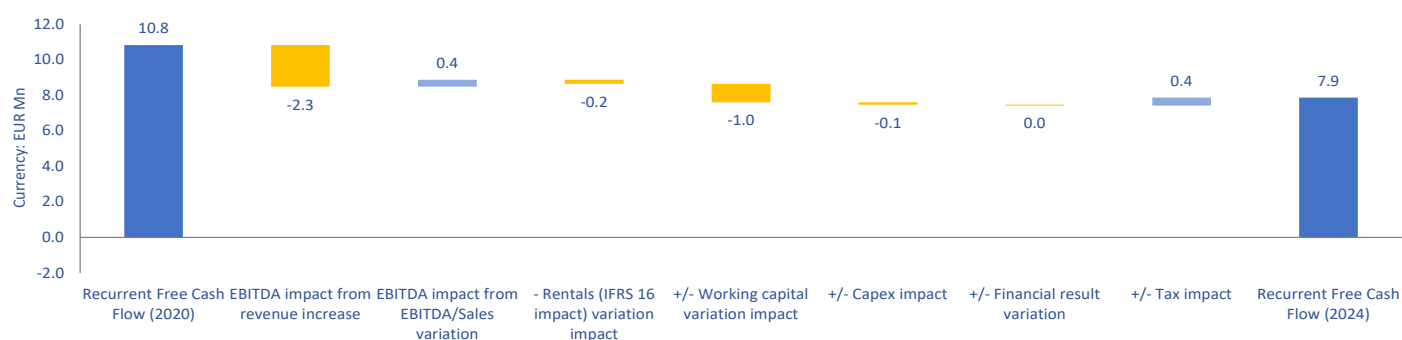
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	20.5	15.7	18.6	15.4	14.8	14.5	14.2	-9.1%	-2.7%
Recurrent EBITDA growth	18.1%	-23.4%	18.0%	-16.9%	-3.7%	-2.5%	-1.7%		
Rec. EBITDA/Revenues	35.4%	29.9%	36.5%	31.1%	30.4%	30.1%	29.9%		
- Rentals (IFRS 16 impact)	(0.9)	(1.7)	(1.6)	(1.5)	(1.4)	(1.4)	(1.4)		
+/- Working Capital increase	0.7	(2.5)	6.4	(2.0)	0.0	0.0	0.0		
= Recurrent Operating Cash Flow	20.4	11.6	23.3	11.9	13.4	13.1	12.8	-16.3%	2.4%
Rec. Operating Cash Flow growth	34.3%	-43.3%	101.9%	-48.8%	12.6%	-2.8%	-1.9%		
Rec. Operating Cash Flow / Sales	35.2%	22.0%	45.8%	24.1%	27.5%	27.2%	27.0%		
- CAPEX	(0.1)	(1.0)	(0.6)	(0.3)	(0.5)	(0.5)	(0.5)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.1)	(0.0)	(0.1)	(0.0)	0.0	0.0		
- Taxes	(4.9)	(6.1)	(4.2)	(3.7)	(3.5)	(3.4)	(3.4)		
= Recurrent Free Cash Flow	15.3	4.4	18.5	7.9	9.4	9.2	9.0	-19.9%	4.7%
Rec. Free Cash Flow growth	41.6%	-71.5%	324.4%	-57.5%	19.8%	-2.6%	-1.7%		
Rec. Free Cash Flow / Revenues	26.5%	8.3%	36.4%	15.9%	19.3%	19.1%	19.0%		
- Restructuring expenses & others	(0.7)	1.0	-	-	-	-	-		
- Acquisitions / + Divestments	(3.5)	(4.4)	-	1.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	11.1	1.0	18.5	8.9	9.4	9.2	9.0	-7.2%	0.5%
Free Cash Flow growth	1.0%	-91.4%	n.a.	-52.1%	6.2%	-2.6%	-1.7%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	14.2%	4.0%	17.2%	7.3%	8.7%	8.5%	8.4%		
Free Cash Flow Yield (s/Mkt Cap)	10.3%	0.9%	17.2%	8.2%	8.7%	8.5%	8.4%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	10.8	15.3	4.4	18.5	7.9	9.4	9.2		
EBITDA impact from revenue increase	0.5	(1.9)	(0.5)	(0.5)	(0.2)	(0.2)	(0.2)		
EBITDA impact from EBITDA/Sales variation	2.6	(2.9)	3.3	(2.7)	(0.3)	(0.2)	(0.1)		
= Recurrent EBITDA variation	3.2	(4.8)	2.8	(3.1)	(0.6)	(0.4)	(0.2)		
- Rentals (IFRS 16 impact) variation impact	0.3	(0.8)	0.1	0.2	0.0	-	-		
+/- Working capital variation impact	1.7	(3.2)	8.9	(8.4)	2.0	(0.0)	(0.0)		
= Recurrent Operating Cash Flow variation	5.2	(8.8)	11.8	(11.4)	1.5	(0.4)	(0.2)		
+/- CAPEX impact	0.2	(0.9)	0.4	0.2	(0.2)	0.0	0.0		
+/- Financial result variation	(0.1)	0.0	0.0	(0.0)	0.0	0.0	0.0		
+/- Tax impact	(0.8)	(1.2)	2.0	0.5	0.2	0.1	0.1		
= Recurrent Free Cash Flow variation	4.5	(11.0)	14.2	(10.7)	1.6	(0.2)	(0.2)		
Recurrent Free Cash Flow	15.3	4.4	18.5	7.9	9.4	9.2	9.0		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	17.5	12.9	16.3	13.1	12.9	12.6	12.3	-9.1%	-2.2%
* Theoretical Tax rate	26.7%	26.6%	27.0%	27.2%	27.2%	27.2%	27.2%		
= Taxes (pre- Net Financial Result)	(4.7)	(3.4)	(4.4)	(3.6)	(3.5)	(3.4)	(3.3)		
Recurrent EBITDA	20.5	15.7	18.6	15.4	14.8	14.5	14.2	-9.1%	-2.7%
- Rentals (IFRS 16 impact)	(0.9)	(1.7)	(1.6)	(1.5)	(1.4)	(1.4)	(1.4)		
+/- Working Capital increase	0.7	(2.5)	6.4	(2.0)	0.0	0.0	0.0		
= Recurrent Operating Cash Flow	20.4	11.6	23.3	11.9	13.4	13.1	12.8	-16.3%	2.4%
- CAPEX	(0.1)	(1.0)	(0.6)	(0.3)	(0.5)	(0.5)	(0.5)		
- Taxes (pre- Financial Result)	(4.7)	(3.4)	(4.4)	(3.6)	(3.5)	(3.4)	(3.3)		
= Recurrent Free Cash Flow (To the Firm)	15.6	7.2	18.4	8.0	9.4	9.2	9.0	-19.9%	3.9%
Rec. Free Cash Flow (To the Firm) growth	46.0%	-54.2%	156.0%	-56.2%	17.6%	-2.8%	-1.9%		
Rec. Free Cash Flow (To the Firm) / Revenues	27.0%	13.6%	36.1%	16.2%	19.4%	19.1%	18.9%		
- Acquisitions / + Divestments	(3.5)	(4.4)	-	1.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	12.1	2.8	18.4	9.0	9.4	9.2	9.0	-9.3%	-0.2%
Free Cash Flow (To the Firm) growth	11.3%	-77.1%	559.6%	-50.7%	4.5%	-2.8%	-1.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	16.9%	7.8%	19.9%	8.7%	10.2%	9.9%	9.7%		
Free Cash Flow "To the Firm" - Yield (o/EV)	13.1%	3.0%	19.9%	9.8%	10.2%	9.9%	9.7%		

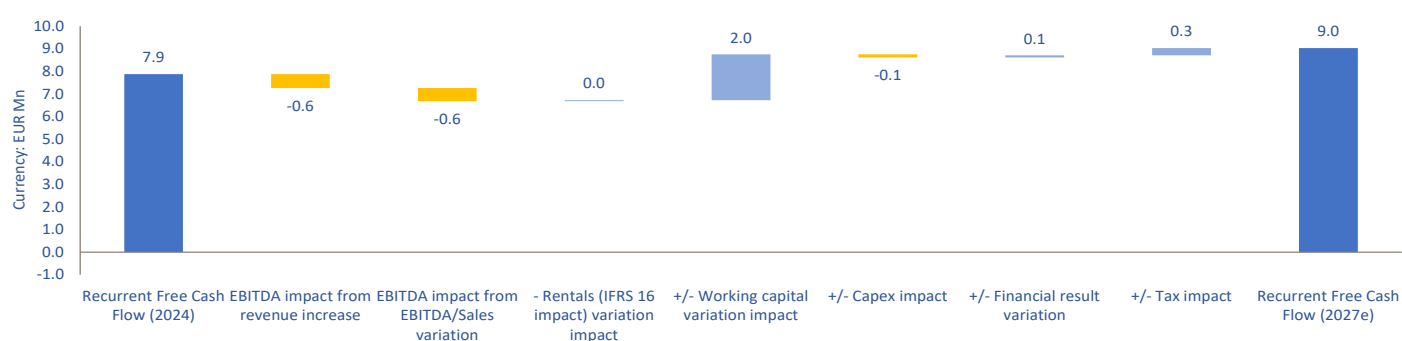


## Free Cash Flow (II)

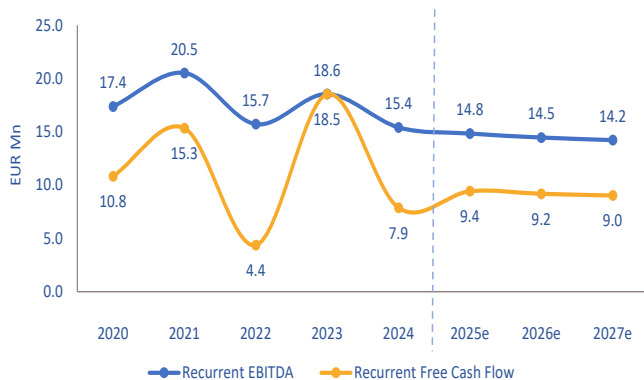
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



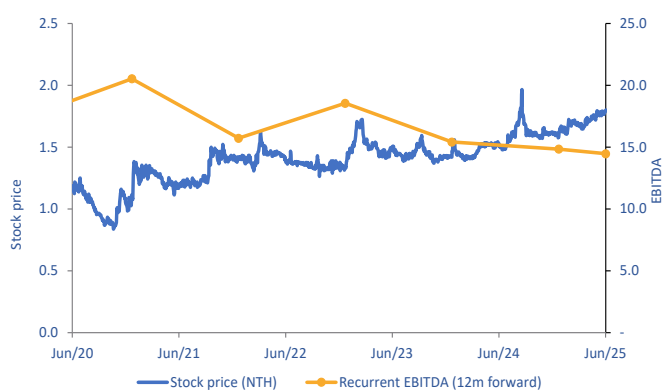
## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward





## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	9.4	9.2	9.0	108.6		
Market Cap	108.0	At the date of this report				
Net financial debt	-19.5	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.0%	Net debt cost			3.8%	4.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	3.2%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.0%	3.4%
Risk free rate (rf)	3.1%	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	9.1%	$K_e = R_f + (R * B)$			8.1%	10.3%
Equity / (Equity + Net Debt)	100.0%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	0.0%	D			=	=
WACC	9.1%	$WACC = K_d * D + K_e * E$			8.1%	10.3%
G "Fair"	0.0%				0.5%	-1.0%

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

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	108.0	
+ 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)	92.4	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	111.4%	130.4%	66.0%	86.6%	87.1%
	2024	2027e			
ROCE - WACC	78.0%	66.0%			
FCF Yield - WACC	-0.4%	0.6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	33.1%	15.9	5.8x
Central	30.1%	14.5	6.4x
Min	27.1%	13.0	7.1x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	0.9%	1.0%	1.1%		Scenario		
15.9	10.7	10.6	10.6	➔	Max	9.9%	9.8%
14.5	9.2	9.2	9.1		Central	8.6%	8.5%
13.0	7.8	7.7	7.7		Min	7.2%	7.2%

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	42.9%	42.9%	33.3%
% of proprietary board members	57.1%	57.1%	66.7%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	14.3%	14.3%	16.7%
% of women out of total workforce	81.7%	81.6%	83.2%
Board remuneration/staff cost	3.0%	3.4%	2.9%



## Main peers 2025e

		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	USA	USA	USA		USA	Ireland		Spain
	Market cap	726.3	124.9	18.0		340.9	3,206.8		108.0
	Enterprise value (EV)	2,512.0	(4.6)	1,237.0		416.1	3,735.1		92.4
Basic financial information	Total Revenues	4,272.2	336.8	662.6		n.a.	3,360.7		48.8
	Total Revenues growth	-0.9%	-35.2%	-2.3%	-12.8%	n.a.	-5.3%	-5.3%	-1.6%
	2y CAGR (2025e - 2027e)	5.5%	n.a.	3.8%	4.6%	n.a.	3.7%	3.7%	-1.3%
	EBITDA	549.0	(1.2)	102.4		n.a.	417.7		14.8
	EBITDA growth	11.2%	-106.9%	-2.5%	-32.7%	n.a.	-18.4%	-18.4%	-1.7%
	2y CAGR (2025e - 2027e)	10.4%	n.a.	0.7%	5.6%	n.a.	7.0%	7.0%	-2.1%
	EBITDA/Revenues	12.9%	n.a.	15.5%	14.2%	n.a.	12.4%	12.4%	30.4%
	EBIT	421.6	(14.8)	78.4		n.a.	301.9		12.9
	EBIT growth	8.4%	-697.6%	8.2%	-227.0%	n.a.	-17.9%	-17.9%	-1.7%
	2y CAGR (2025e - 2027e)	14.8%	n.a.	8.5%	11.6%	n.a.	9.3%	9.3%	-2.4%
	EBIT/Revenues	9.9%	n.a.	11.8%	10.8%	n.a.	9.0%	9.0%	26.5%
	Net Profit	171.3	(9.1)	(14.7)		n.a.	230.7		9.4
	Net Profit growth	-22.0%	-602.2%	95.1%	-176.4%	n.a.	51.5%	51.5%	-4.8%
	2y CAGR (2025e - 2027e)	34.9%	n.a.	52.7%	43.8%	n.a.	10.7%	10.7%	-2.2%
	CAPEX/Sales %	n.a.	n.a.	n.a.	n.a.	n.a.	2.1%	2.1%	1.0%
	Free Cash Flow	n.a.	(1.3)	n.a.		n.a.	240.6		9.4
	Net financial debt	n.a.	n.a.	1,249.4		n.a.	442.2		(20.4)
ND/EBITDA (x)	n.a.	n.a.	12.2	12.2	n.a.	1.1	1.1	(1.4)	
Pay-out	0.0%	n.a.	0.0%	0.0%	n.a.	41.2%	41.2%	90.0%	
Multiples and Ratios	P/E (x)	4.1	n.a.	n.a.	4.1	n.a.	11.7	11.7	11.5
	P/BV (x)	n.a.	n.a.	n.a.	n.a.	n.a.	1.8	1.8	3.3
	EV/Revenues (x)	0.6	n.a.	1.9	1.2	n.a.	1.1	1.1	1.9
	EV/EBITDA (x)	4.6	3.8	12.1	6.8	n.a.	8.9	8.9	6.2
	EV/EBIT (x)	6.0	0.3	15.8	7.3	n.a.	12.4	12.4	7.2
	ROE	n.a.	n.a.	n.a.	n.a.	n.a.	15.2	15.2	29.2
	FCF Yield (%)	n.a.	n.a.	n.a.	n.a.	n.a.	7.5	7.5	8.7
	DPS	0.00	n.a.	0.00	0.00	n.a.	0.36	0.36	0.14
	Dvd Yield	0.0%	n.a.	0.0%	0.0%	n.a.	2.9%	2.9%	7.8%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
															18-24	24-27e
Total Revenues	96.4	96.6	98.3	95.4	88.7	82.4	56.2	57.9	52.6	50.9	49.6	48.8	48.1	47.6	-9.2%	-1.4%
Total Revenues growth	56.7%	0.2%	1.8%	-2.9%	-7.1%	-7.1%	-31.7%	3.0%	-9.3%	-3.2%	-2.5%	-1.6%	-1.4%	-1.1%		
EBITDA	33.7	33.6	32.4	29.4	23.3	22.9	17.4	19.9	15.2	18.5	15.1	14.8	14.5	14.2	-6.9%	-2.0%
EBITDA growth	143.8%	-0.2%	-3.7%	-9.3%	-20.8%	-1.4%	-24.0%	14.4%	-24.0%	22.3%	-18.5%	-1.7%	-2.5%	-1.7%		
EBITDA/Sales	34.9%	34.8%	32.9%	30.8%	26.2%	27.8%	31.0%	34.4%	28.8%	36.4%	30.4%	30.4%	30.1%	29.9%		
Net Profit	22.6	22.9	22.5	19.9	15.4	13.3	9.4	13.4	9.6	11.3	9.9	9.4	9.1	9.0	-7.1%	-3.0%
Net Profit growth	164.0%	1.3%	-1.6%	-11.8%	-22.6%	-13.8%	-29.3%	42.5%	-27.9%	17.3%	-12.7%	-4.8%	-2.6%	-1.7%		
Adjusted number shares (Mn)	60.0	59.9	60.0	60.0	60.0	59.9	59.9	59.9	59.9	59.9	59.9	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	0.16	0.16	0.15	0.15	-7.1%	-3.1%
EPS growth	n.a.	1.4%	-1.6%	-11.8%	-22.6%	-13.7%	-29.3%	42.5%	-27.9%	17.3%	-12.7%	-4.8%	-2.6%	-1.7%		
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	0.16	0.15	0.15	-6.7%	-3.8%
Ord. EPS growth	n.a.	1.9%	-1.3%	-9.7%	-25.2%	-15.0%	-27.7%	46.5%	-27.2%	12.6%	-10.8%	-7.0%	-2.6%	-1.7%		
CAPEX	(3.1)	(0.9)	(1.2)	(1.3)	(0.7)	(0.9)	(0.2)	(0.1)	(1.0)	(0.6)	(0.3)	(0.5)	(0.5)	(0.5)		
CAPEX/Sales % <sup>1</sup>	3.2%	0.9%	1.2%	1.4%	0.8%	1.1%	0.4%	0.1%	1.8%	1.1%	0.7%	1.0%	1.0%	1.0%		
Free Cash Flow	37.0	30.9	14.4	14.7	20.8	18.9	11.0	11.1	1.0	18.5	8.9	9.4	9.2	9.0	-13.2%	0.5%
ND/EBITDA (x) <sup>(2)</sup>	0.0x	-0.4x	-0.4x	-0.2x	-0.2x	-0.3x	-1.0x	-1.3x	-0.7x	-1.2x	-1.3x	-1.4x	-1.5x	-1.6x		
P/E (x)	n.a.	5.4x	7.1x	7.3x	4.0x	6.5x	7.1x	6.4x	8.2x	7.5x	9.6x	11.5x	11.8x	12.0x		
EV/Sales (x)	0.00x	2.25x	2.78x	2.49x	1.01x	1.37x	1.34x	1.56x	1.60x	1.50x	1.61x	1.89x	1.92x	1.94x		
EV/EBITDA (x) <sup>(2)</sup>	0.0x	6.5x	8.4x	8.1x	3.9x	4.9x	4.3x	4.5x	5.6x	4.1x	5.3x	6.2x	6.4x	6.5x		
Absolute performance	n.a.	n.a.	29.2%	-9.3%	-57.6%	39.2%	-22.3%	27.7%	-7.3%	7.7%	11.3%	13.9%				
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%	-3.0%	-6.6%				

(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.

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

**Nicolás Correa (NEA)** is a Spanish industrial (Burgos), whose core business is the design and manufacture of chip removal machine tools, specialising in milling machines for the general mechanical engineering industry (aerospace, defense, renewable energy and nuclear sectors standing out). Currently, sales in Spain account for 11% (2024) of the total, with a c. 50% of sales made in the rest of Europe.

#### Market Data

Market Cap (Mn EUR and USD)	139.2	159.8
EV (Mn EUR and USD)	122.2	140.3
Shares Outstanding (Mn)	12.3	
-12m (Max/Med/Min EUR)	12.05 / 8.09 / 6.23	
Daily Avg volume (-12m Mn EUR)	0.07	
Rotation <sup>(1)</sup>	13.5	
Factset / Bloomberg	NEA-ES / NEA SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

Familia Nicolás-Correa	29.0
Onchena	5.4
Jose Maria Galíndez	5.4
Consejo (Excl. Nicolás-Correa)	5.6
Free Float	48.3

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	12.2	12.3	12.3	12.3
Total Revenues	122.3	114.7	122.2	134.4
Rec. EBITDA	18.5	16.7	17.5	20.3
% growth	31.3	-9.7	4.7	15.8
% Rec. EBITDA/Rev.	15.1	14.6	14.3	15.1
% Inc. EBITDA sector <sup>(2)</sup>	1.3	17.8	18.9	12.7
Net Profit	13.7	11.7	11.2	13.4
EPS (EUR)	1.13	0.95	0.91	1.09
% growth	29.8	-15.6	-4.8	20.5
Ord. EPS (EUR)	1.14	0.95	0.91	1.09
% growth	31.8	-16.5	-4.8	20.5
Rec. Free Cash Flow	9.4	1.9	4.6	11.2
Pay-out (%)	24.6	31.2	31.5	24.9
DPS (EUR)	0.28	0.30	0.29	0.27
Net financial debt	-19.8	-12.8	-12.1	-19.9
ND/Rec. EBITDA (x)	-1.1	-0.8	-0.7	-1.0
ROE (%)	17.3	13.2	11.6	12.8
ROCE (%)	20.1	15.6	13.1	14.7

#### Ratios & Multiples (x)

P/E	10.0	11.9	12.5	10.4
Ord. P/E	9.9	11.9	12.5	10.4
P/BV	1.6	1.5	1.4	1.3
Dividend Yield (%)	2.4	2.6	2.5	2.4
EV/Sales	1.00	1.07	1.00	0.91
EV/Rec. EBITDA	6.6	7.3	7.0	6.0
EV/EBIT	7.5	8.4	8.7	7.3
FCF Yield (%)	6.7	1.4	3.3	8.0

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	3.0	23.8	77.0	229.3

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

(2) Sector: Factset Europe Industrial Machinery.

(3) Others: Masaveu Finanzas 5.0%, Autocartera 1.3%

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**NEA closed 2024 with record figures.** Revenue of EUR 122.3 Mn (+10.6% vs 2023) and recurring EBITDA of EUR 18.5 Mn (+31.3% vs 2023). The company has demonstrated excellent execution capabilities, efficiently leveraging its cost structure to strong sales growth.

**However, these results also mark an inflection point.** NEA has reached 100% occupancy of its production capacity, limiting its future growth. The company has initiated a demanding investment plan to expand its manufacturing capacity, with an estimated CAPEX of approximately EUR 26 Mn between 2025e-2026e ([see note](#)). Part of the production resources will be dedicated to in-house manufacturing of machinery for its new machining facility. This, along with a normalization of the order backlog in 2024 (EUR 78 Mn, -27% vs 2023), foreshadows 2025e revenue of EUR 114.7 Mn (-6.2% vs 2024) and recurring EBITDA of EUR 16.7 Mn (-9.7% vs 2024, recurring EBITDA margin 14.6%, not including expenses associated with activations).

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Leading position in an industrial niche (startup machinery and large milling machines).** This allows it to enjoy its "own cycle," relatively detached from the macroeconomic situation. The business model (specialized development and high barriers to entry) suggests NEA's ability to grow above its sector.

**Geographic diversification and exposure to sectors with positive dynamics.** NEA exports 89% of its revenue (Europe approx. 50% and China approx. 20%; USA <10%). Its exposure to various sectors (reducing commercial risk), especially aerospace, defense, and energy, stands out.

**Hyper-deleveraged balance sheet (Net Cash).** This is the sixth consecutive year in a net cash position with EUR -19.8 Mn (c. 15% of Market Cap), which supports its ability to undertake the investment plan without compromising its financial structure.

**Increased capacity, higher FCF, and value creation from 2027e.** From 2027e, with investments completed, we estimate FCF of approximately EUR 11.2 Mn (vs EUR 9.4 Mn in 2024) and significantly higher installed capacity, opening a new phase of value creation. We estimate a 2027e ROCE of 14.7% (vs WACC 10.3%), which economically validates the investment effort.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Increased CAPEX.** The expansion of production capacity implies operational and financial risk. The in-house manufacturing of machinery will affect both revenue and margins in 2025e-2026e, translating into lower cash generation.

**Global uncertainty.** NEA operates in the capital goods sector, exposed to investment cycles. A reduction in consumer confidence could affect the order backlog, already at more normalized levels at the end of 2024 (EUR 78 Mn; -27% vs. 2023), and would negatively influence our estimates.

**Changes in dividend policy.** Our estimates contemplate a payout ratio of approximately 30% (2025e Dividend Yield: approx. 2.5%), but the investment effort could lead to a temporary suspension of the dividend to preserve the balance sheet's soundness.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**We still see value embedded despite the stock's performance over the last 12 months: (+77.0%).** The reasons are: superior cash generation capacity from 2027e, a ROCE structurally higher than its WACC, and objectively low multiples (2027e EV/EBITDA 6.0x; 2027e P/E ratio 10.4x). The story is clear: today, it sacrifices some of its momentum, but in exchange, it buys future growth capacity and sustainable value creation.





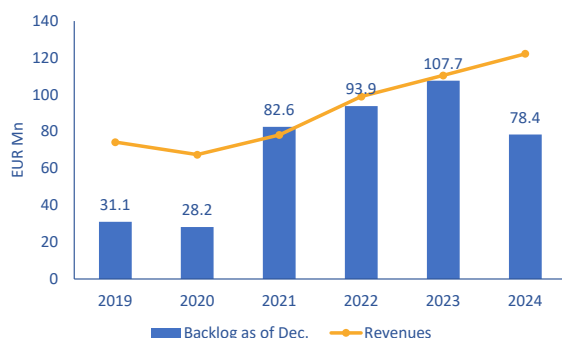
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	1.0	1.1	1.5	1.8	1.6	1.6	1.6	1.6		
Fixed assets	14.8	15.3	18.9	21.2	22.6	38.6	44.8	42.4		
Other Non Current Assets	11.6	11.0	11.4	11.4	9.9	9.9	9.9	9.9		
Financial Investments	2.1	2.5	3.0	3.3	3.9	4.8	5.6	6.5		
Goodwill & Other Intangibles	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5		
Current assets	40.6	51.1	56.3	70.8	63.9	60.0	63.9	71.9		
<b>Total assets</b>	<b>79.7</b>	<b>90.5</b>	<b>100.6</b>	<b>118.0</b>	<b>111.6</b>	<b>124.4</b>	<b>135.4</b>	<b>141.8</b>		
Equity	56.3	59.6	66.2	73.7	84.5	92.5	100.2	110.3		
Minority Interests	0.7	0.4	1.0	1.1	1.2	1.4	1.6	1.8		
Provisions & Other L/T Liabilities	3.5	3.7	4.6	5.0	5.5	5.5	5.5	5.5		
Other Non Current Liabilities	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.8		
Net financial debt	(1.8)	(13.1)	(11.4)	(12.5)	(19.8)	(12.8)	(12.1)	(19.9)		
Current Liabilities	20.1	39.2	39.5	49.9	39.4	36.9	39.3	43.3		
<b>Equity &amp; Total Liabilities</b>	<b>79.7</b>	<b>90.5</b>	<b>100.6</b>	<b>118.0</b>	<b>111.6</b>	<b>124.4</b>	<b>135.4</b>	<b>141.8</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>67.5</b>	<b>78.2</b>	<b>99.1</b>	<b>110.5</b>	<b>122.3</b>	<b>114.7</b>	<b>122.2</b>	<b>134.4</b>	<b>16.0%</b>	<b>3.2%</b>
Total Revenues growth	-9.1%	15.8%	26.7%	11.6%	10.6%	-6.2%	6.5%	10.0%		
COGS	(29.2)	(34.2)	(45.9)	(49.2)	(54.0)	(50.6)	(53.9)	(59.3)		
<b>Gross Margin</b>	<b>38.3</b>	<b>44.0</b>	<b>53.2</b>	<b>61.3</b>	<b>68.3</b>	<b>64.1</b>	<b>68.3</b>	<b>75.1</b>	<b>15.6%</b>	<b>3.2%</b>
Gross Margin/Revenues	56.7%	56.3%	53.7%	55.5%	55.9%	55.9%	55.9%	55.9%		
Personnel Expenses	(17.8)	(18.8)	(21.9)	(25.8)	(28.1)	(27.1)	(29.1)	(31.0)		
Other Operating Expenses	(12.3)	(16.0)	(20.2)	(21.4)	(21.7)	(20.3)	(21.7)	(23.8)		
<b>Recurrent EBITDA</b>	<b>8.1</b>	<b>9.2</b>	<b>11.1</b>	<b>14.1</b>	<b>18.5</b>	<b>16.7</b>	<b>17.5</b>	<b>20.3</b>	<b>22.8%</b>	<b>3.1%</b>
Recurrent EBITDA growth	-13.0%	12.7%	21.3%	26.6%	31.3%	-9.7%	4.7%	15.8%		
Rec. EBITDA/Revenues	12.0%	11.7%	11.2%	12.7%	15.1%	14.6%	14.3%	15.1%		
Restructuring Expense & Other non-rec.	-	(0.1)	(0.2)	0.0	(0.2)	(5.3)	(1.8)	-		
<b>EBITDA</b>	<b>8.1</b>	<b>9.0</b>	<b>10.9</b>	<b>14.1</b>	<b>18.3</b>	<b>11.4</b>	<b>15.7</b>	<b>20.3</b>	<b>22.5%</b>	<b>3.5%</b>
Depreciation & Provisions	(1.5)	(1.6)	(1.7)	(1.8)	(1.8)	(1.9)	(3.2)	(3.4)		
Capitalized Expense	-	-	-	-	-	5.3	1.8	-		
Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
<b>EBIT</b>	<b>6.5</b>	<b>7.3</b>	<b>9.0</b>	<b>12.1</b>	<b>16.3</b>	<b>14.6</b>	<b>14.0</b>	<b>16.7</b>	<b>25.8%</b>	<b>0.8%</b>
EBIT growth	-20.5%	12.0%	23.7%	34.9%	34.0%	-10.2%	-3.9%	18.7%		
EBIT/Revenues	9.6%	9.3%	9.1%	11.0%	13.3%	12.7%	11.5%	12.4%		
Impact of Goodwill & Others	-	-	1.2	-	-	-	-	-		
Net Financial Result	(0.1)	(0.6)	(0.4)	(0.1)	(0.0)	(0.5)	(0.7)	(0.4)		
Income by the Equity Method	0.1	0.4	0.6	0.8	0.8	0.8	0.8	0.8		
<b>Ordinary Profit</b>	<b>6.5</b>	<b>7.0</b>	<b>10.3</b>	<b>12.8</b>	<b>17.1</b>	<b>14.9</b>	<b>14.2</b>	<b>17.1</b>	<b>27.5%</b>	<b>0.0%</b>
Ordinary Profit Growth	-18.9%	8.9%	46.5%	24.0%	33.7%	-12.8%	-4.8%	20.5%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>6.5</b>	<b>7.0</b>	<b>10.3</b>	<b>12.8</b>	<b>17.1</b>	<b>14.9</b>	<b>14.2</b>	<b>17.1</b>	<b>27.5%</b>	<b>0.0%</b>
Tax Expense	(0.6)	(1.4)	(1.1)	(2.0)	(3.2)	(3.0)	(2.8)	(3.4)		
Effective Tax Rate	9.0%	19.4%	11.1%	15.7%	18.8%	20.0%	20.0%	20.0%		
Minority Interests	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>5.8</b>	<b>5.6</b>	<b>9.0</b>	<b>10.5</b>	<b>13.7</b>	<b>11.7</b>	<b>11.2</b>	<b>13.4</b>	<b>24.2%</b>	<b>-0.6%</b>
Net Profit growth	-28.4%	-3.3%	62.2%	16.6%	30.0%	-14.5%	-4.8%	20.5%		
<b>Ordinary Net Profit</b>	<b>5.8</b>	<b>5.7</b>	<b>9.2</b>	<b>10.5</b>	<b>13.9</b>	<b>11.7</b>	<b>11.2</b>	<b>13.4</b>	<b>24.5%</b>	<b>-1.0%</b>
Ordinary Net Profit growth	-26.3%	-1.7%	62.4%	14.1%	31.9%	-15.4%	-4.8%	20.5%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>16.7</b>	<b>17.5</b>	<b>20.3</b>	<b>22.8%</b>	<b>3.1%</b>
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)		
Working Capital Increase						1.5	(1.5)	(4.1)		
<b>Recurrent Operating Cash Flow</b>						<b>18.0</b>	<b>15.8</b>	<b>16.0</b>	<b>51.5%</b>	<b>2.9%</b>
CAPEX						(12.6)	(7.7)	(1.0)		
Net Financial Result affecting the Cash Flow						(0.5)	(0.7)	(0.4)		
Tax Expense						(3.0)	(2.8)	(3.4)		
<b>Recurrent Free Cash Flow</b>						<b>1.9</b>	<b>4.6</b>	<b>11.2</b>	<b>84.5%</b>	<b>6.0%</b>
Restructuring Expense & Other non-rec.						(5.3)	(1.8)	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(3.3)</b>	<b>2.8</b>	<b>11.2</b>	<b>98.0%</b>	<b>1.7%</b>
Capital Increase						-	-	-		
Dividends						(3.7)	(3.5)	(3.3)		
<b>Net Debt Variation</b>						<b>7.0</b>	<b>0.7</b>	<b>(7.8)</b>		

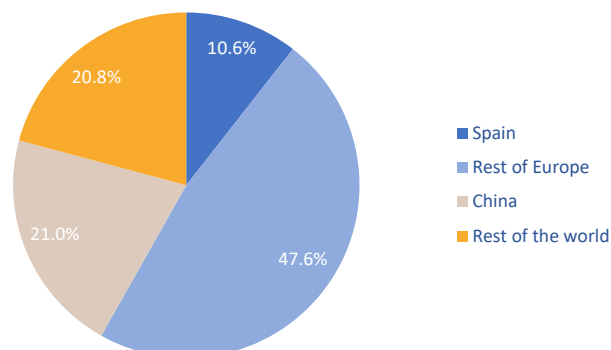


## The company in 8 charts

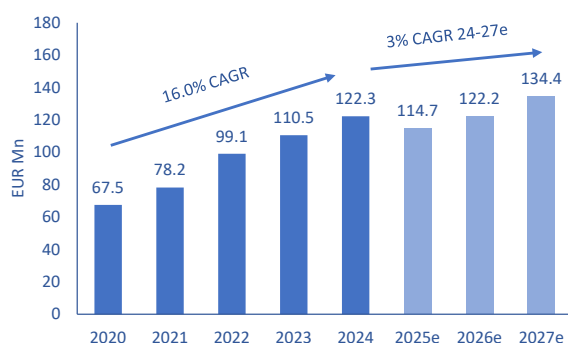
### Normalization (expected) of the order book, but still high and offering a lot of visibility



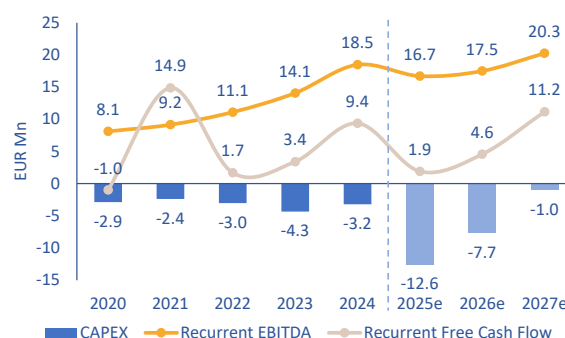
### Revenue mix: geographical diversification and exposure to growth markets



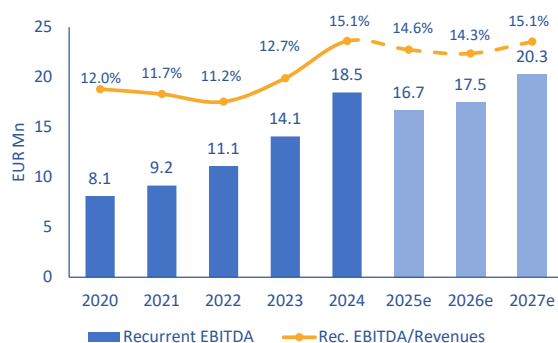
### Growth in recent years has brought NEA to record figures and 100% of its production capacity



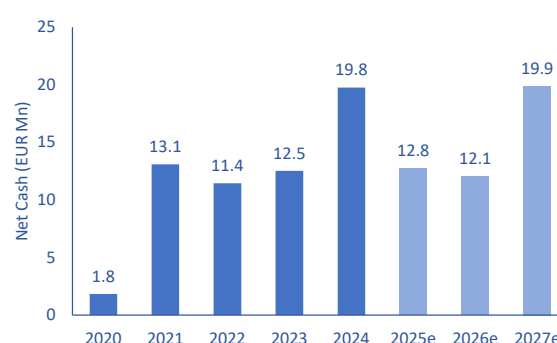
### NEA has announced an investment plan, which will reduce profitability and cash generation over the 2025e-2026e period



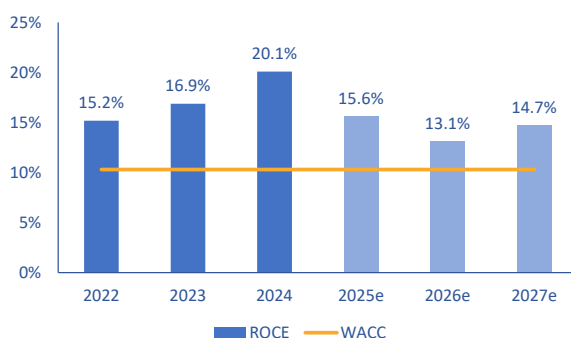
### Operational gearing should enable EBITDA margin to recovery to c. 15% in 2027e after capacity expansion



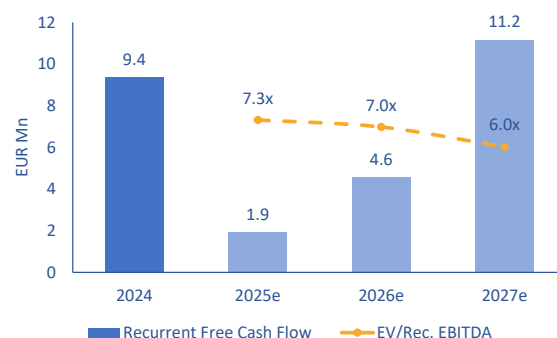
### NEA's net cash position (14% of market cap) underlines its capacity for investment and maintain financial flexibility



### At a company that is clearly - and sustained - generating value: ROCE c. 15% vs 10% in 2027



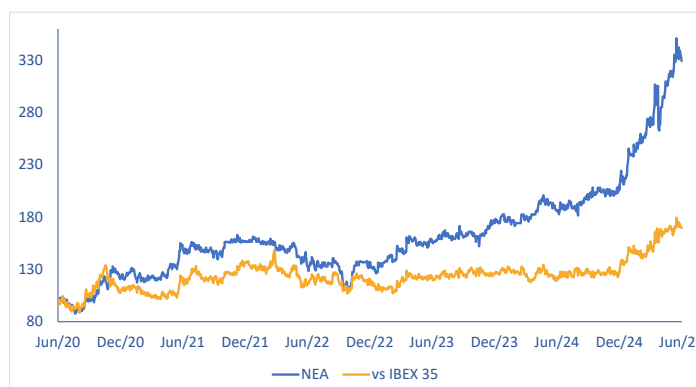
### Higher cash generation from 2027e onwards, trading at (objectively) low multiples (EV/EBITDA 2027e 6.0x)



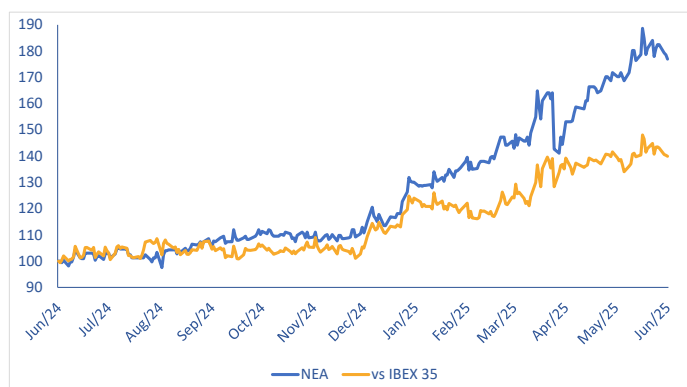


## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



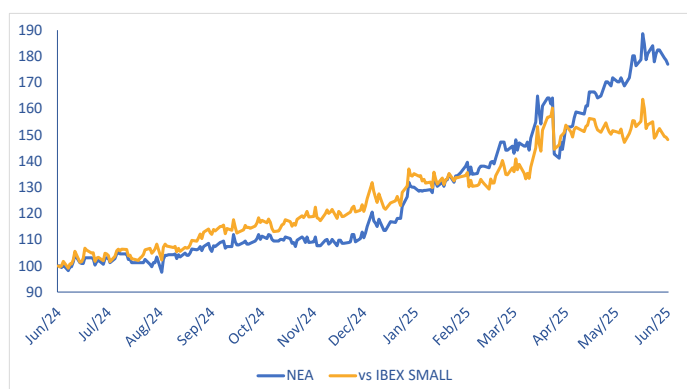
Behavior -1y vs Ibex 35 (base 100)



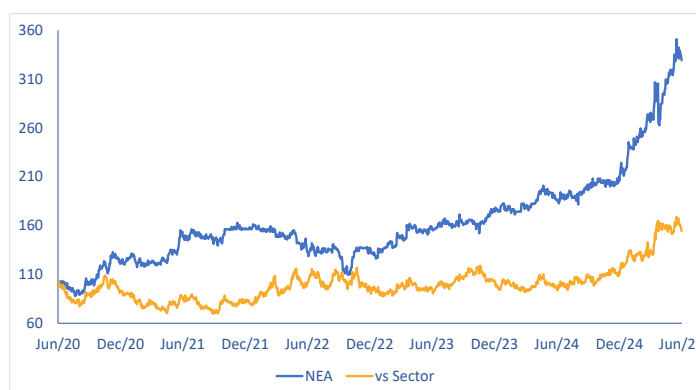
Historical behavior vs Ibex Small Cap (base 100)



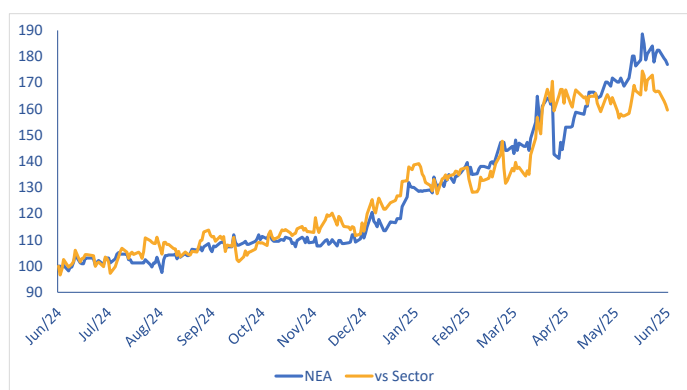
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Factset Europe Industrial Machinery

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	3.0	23.8	77.0	49.8	146.0	229.3
vs Market						
vs Ibex 35	-1.2	12.8	39.9	22.9	46.1	69.6
vs Euro STOXX 50	1.4	21.9	62.9	36.0	64.2	92.0
vs Small Cap References						
vs Ibex Small Cap Index	-2.3	9.0	48.2	17.1	103.9	88.3
vs Micro Cap Spain Segment <sup>(1)</sup>	-1.9	15.6	68.1	32.0	138.2	121.4
vs MSCI Europe Micro Cap	-1.5	13.6	74.3	39.1	162.3	158.1
vs Sector						
vs Factset Europe Industrial Machinery	-2.9	17.0	59.6	25.8	54.1	54.4

(1) Constituents on page 10



## Free Cash Flow (I)

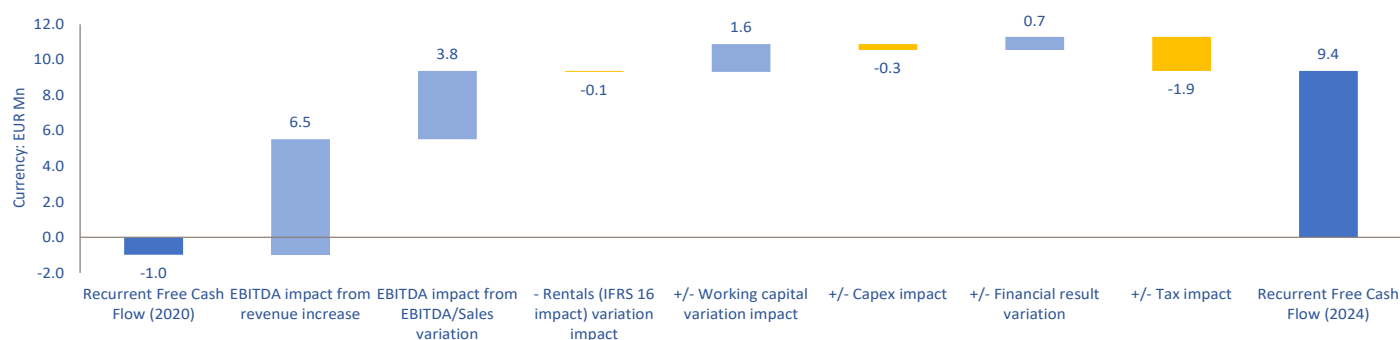
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
Recurrent EBITDA	9.2	11.1	14.1	18.5	16.7	17.5	20.3	26.4%	3.1%
Recurrent EBITDA growth	12.7%	21.3%	26.6%	31.3%	-9.7%	4.7%	15.8%		
Rec. EBITDA/Revenues	11.7%	11.2%	12.7%	15.1%	14.6%	14.3%	15.1%		
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	8.6	(4.8)	(4.2)	(3.6)	1.5	(1.5)	(4.1)		
= Recurrent Operating Cash Flow	17.6	6.1	9.7	14.7	18.0	15.8	16.0	-5.9%	2.9%
Rec. Operating Cash Flow growth	530.4%	-65.2%	59.0%	51.0%	22.8%	-12.3%	1.3%		
Rec. Operating Cash Flow / Sales	22.5%	6.2%	8.8%	12.0%	15.7%	12.9%	11.9%		
- CAPEX	(2.4)	(3.0)	(4.3)	(3.2)	(12.6)	(7.7)	(1.0)		
- Net Financial Result affecting Cash Flow	(0.3)	(0.3)	0.1	0.6	(0.5)	(0.7)	(0.4)		
- Taxes	(0.0)	(1.1)	(2.1)	(2.7)	(3.0)	(2.8)	(3.4)		
= Recurrent Free Cash Flow	14.9	1.7	3.4	9.4	1.9	4.6	11.2	-14.3%	6.0%
Rec. Free Cash Flow growth	n.a.	-88.6%	102.1%	174.3%	-79.6%	138.6%	144.5%		
Rec. Free Cash Flow / Revenues	19.0%	1.7%	3.1%	7.7%	1.7%	3.7%	8.3%		
- Restructuring expenses & others	(0.1)	(0.2)	0.0	(0.2)	(5.3)	(1.8)	-		
- Acquisitions / + Divestments	0.0	(1.7)	(0.8)	0.7	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(1.4)	1.1	1.4	0.7	-	-	-		
= Free Cash Flow	13.4	0.9	4.0	10.6	(3.3)	2.8	11.2	-7.5%	1.7%
Free Cash Flow growth	n.a.	-93.6%	370.5%	164.6%	-131.5%	184.2%	297.3%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	10.7%	1.2%	2.5%	6.7%	1.4%	3.3%	8.0%		
Free Cash Flow Yield (s/Mkt Cap)	9.6%	0.6%	2.9%	7.6%	n.a.	2.0%	8.0%		
B) Analytical Review of Annual Recurrent Free Cash Flow									
Performance (Eur Mn)	2021	2022	2023	2024	2025e	2026e	2027e		
Recurrent FCF(FY - 1)	(1.0)	14.9	1.7	3.4	9.4	1.9	4.6		
EBITDA impact from revenue increase	1.3	2.4	1.3	1.5	(1.1)	1.1	1.7		
EBITDA impact from EBITDA/Sales variation	(0.2)	(0.5)	1.7	2.9	(0.6)	(0.3)	1.0		
= Recurrent EBITDA variation	1.0	2.0	3.0	4.4	(1.8)	0.8	2.8		
- Rentals (IFRS 16 impact) variation impact	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-		
+/- Working capital variation impact	13.8	(13.4)	0.6	0.6	5.1	(3.0)	(2.6)		
= Recurrent Operating Cash Flow variation	14.8	(11.5)	3.6	4.9	3.3	(2.2)	0.2		
+/- CAPEX impact	0.5	(0.6)	(1.3)	1.1	(9.4)	4.9	6.7		
+/- Financial result variation	(0.1)	0.0	0.4	0.5	(1.1)	(0.1)	0.3		
+/- Tax impact	0.7	(1.1)	(0.9)	(0.6)	(0.3)	0.1	(0.6)		
= Recurrent Free Cash Flow variation	15.9	(13.2)	1.7	6.0	(7.5)	2.7	6.6		
Recurrent Free Cash Flow	14.9	1.7	3.4	9.4	1.9	4.6	11.2		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
EBIT	7.3	9.0	12.1	16.3	14.6	14.0	16.7	30.8%	0.8%
* Theoretical Tax rate	19.4%	11.1%	15.7%	18.8%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(1.4)	(1.0)	(1.9)	(3.1)	(2.9)	(2.8)	(3.3)		
Recurrent EBITDA	9.2	11.1	14.1	18.5	16.7	17.5	20.3	26.4%	3.1%
- Rentals (IFRS 16 impact)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase	8.6	(4.8)	(4.2)	(3.6)	1.5	(1.5)	(4.1)		
= Recurrent Operating Cash Flow	17.6	6.1	9.7	14.7	18.0	15.8	16.0	-5.9%	2.9%
- CAPEX	(2.4)	(3.0)	(4.3)	(3.2)	(12.6)	(7.7)	(1.0)		
- Taxes (pre- Financial Result)	(1.4)	(1.0)	(1.9)	(3.1)	(2.9)	(2.8)	(3.3)		
= Recurrent Free Cash Flow (To the Firm)	13.8	2.1	3.5	8.4	2.5	5.3	11.7	-15.2%	11.6%
Rec. Free Cash Flow (To the Firm) growth	n.a.	-84.8%	66.1%	142.3%	-70.1%	110.5%	120.8%		
Rec. Free Cash Flow (To the Firm) / Revenues	17.6%	2.1%	3.1%	6.9%	2.2%	4.3%	8.7%		
- Acquisitions / + Divestments	0.0	(1.7)	(0.8)	0.7	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(1.4)	1.1	1.4	0.7	-	-	-		
= Free Cash Flow "To the Firm"	12.4	1.4	4.0	9.8	2.5	5.3	11.7	-7.5%	5.9%
Free Cash Flow (To the Firm) growth	n.a.	-88.4%	179.4%	145.1%	-74.5%	110.5%	120.8%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	11.3%	1.7%	2.8%	6.9%	2.1%	4.3%	9.5%		
Free Cash Flow "To the Firm" - Yield (o/EV)	10.1%	1.2%	3.3%	8.0%	2.1%	4.3%	9.5%		

Nota. En 2024 (i) NEA comenzó las obras para la ampliación de la zona de montaje de su fábrica (+5.000 m2 adicionales; lo que supondría duplicar la capacidad actual); (ii) su filial, Correa Electrónica, adquirió la nave contigua a sus instalaciones y está realizando las obras de rehabilitación y adecuación; (iii) su filial, Nicolas Correa Service, ha procedido a anexas las dos parcelas contiguas y se están adecuando sus naves. Adicionalmente, en 2024 se pagaron nuevos anticipos de la maquinaria que se instalará en la nueva planta de su filial, Correa Mecanizado, en Burgos. También se está avanzando en la construcción de la nueva planta de Correa Mecanizado, que se situará en la parcela adquirida en 2022 de 21.000 m2 (16.000 m2 edificables).

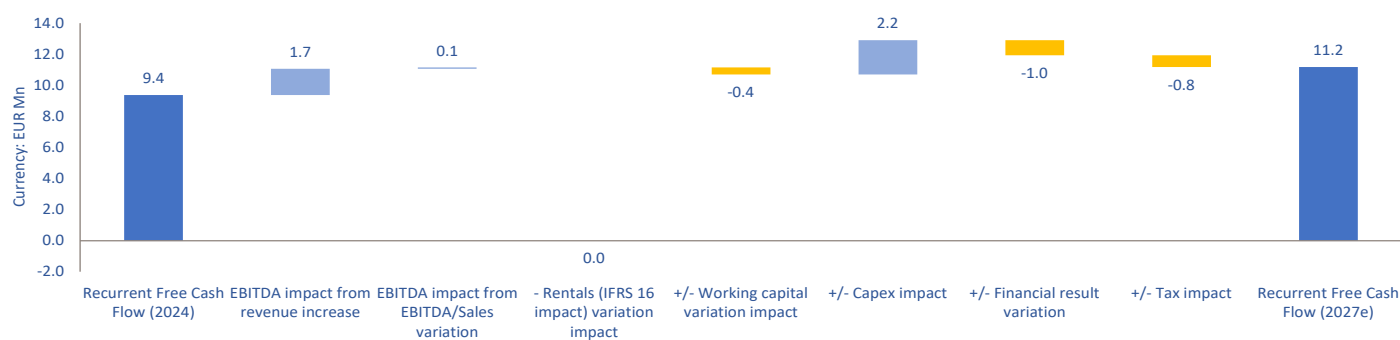


## Free Cash Flow (II)

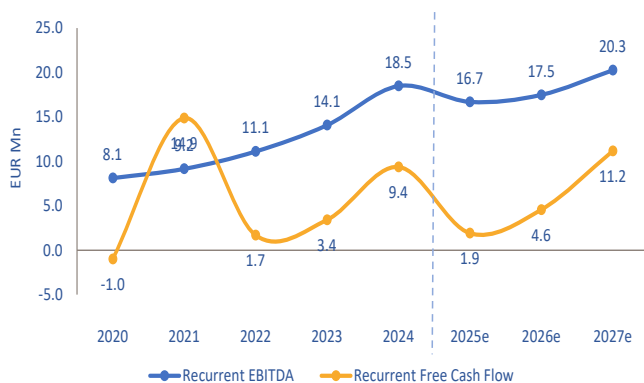
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



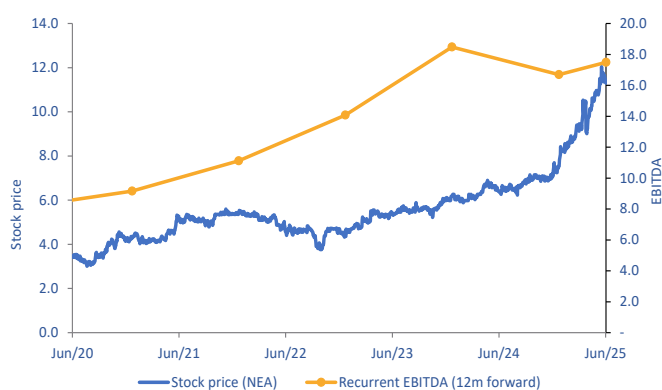
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>
Free Cash Flow "To the Firm"	2.5	5.3	11.7	143.1
Market Cap	139.2	At the date of this report		
Net financial debt	-19.8	Debt net of Cash (12m Results 2024)		
Cost of Debt	4.0%	Net debt cost		Best Case Worst Case
Tax rate (T)	20.0%	T (Normalised tax rate)		3.8% 4.3%
Net debt cost	3.2%	$K_d = \text{Cost of Net Debt} * (1-T)$		= =
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)		3.0% 3.4%
Equity risk premium	6.0%	R (own estimate)		= =
Beta (B)	1.2	B (own estimate)		5.5% 6.5%
Cost of Equity	10.3%	$K_e = R_f + (R * B)$		1.1 1.3
Equity / (Equity + Net Debt)	100.0%	E (Market Cap as equity value)		9.2% 11.6%
Net Debt / (Equity + Net Debt)	0.0%	D		= =
WACC	10.3%	$WACC = K_d * D + K_e * E$		9.2% 11.6%
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.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	139.2	
+ Minority Interests	1.2	12m Results 2024
+ Provisions & Other L/T Liabilities	5.5	12m Results 2024
+ Net financial debt	(19.8)	12m Results 2024
- Financial Investments	3.9	12m Results 2024
+/- Others		
Enterprise Value (EV)	122.2	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	11.0%	11.2%	15.2%	16.9%	20.1%
	2024	2027e			
ROCE - WACC	9.8%	4.4%			
FCF Yield - WACC	-3.4%	-0.8%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	15.7%	19.2	6.4x
Central	14.3%	17.5	7.0x
Min	12.9%	15.8	7.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e		
EBITDA 26e	5.7%	6.3%	6.9%		Scenario		
19.2	7.0	6.3	5.5	➔	Max	5.0%	4.5%
17.5	5.3	4.6	3.8		Central	3.8%	3.3%
15.8	3.6	2.9	2.1		Min	2.6%	2.1%
							1.5%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	28.6%	28.6%	28.6%
% of proprietary board members	28.6%	28.6%	28.6%
% of executive board members	14.3%	14.3%	14.3%
% of other directors	28.6%	28.6%	28.6%
% of women on the board of directors	42.9%	42.9%	42.9%
% of women out of total workforce	11.9%	12.5%	12.4%
Board remuneration/staff cost	5.9%	3.6%	3.3%



## Main peers 2025e

	EUR Mn	Machine-tools				Average	NEA
		Georg Fischer	Makino	Starrag	Datron AG		
Market data	Ticker (Factset)	GF-CH	6135-JP	STGN-CH	DAR-DE		NEA-ES
	Country	Switzerland	Japan	Switzerland	Germany		Spain
	Market cap	5,594.6	1,694.0	196.2	35.0		139.2
	Enterprise value (EV)	7,662.4	1,598.1	196.5	50.0		122.2
Basic financial information	Total Revenues	4,185.2	1,454.3	540.3	62.5		114.7
	Total Revenues growth	1.3%	3.4%	3.0%	3.2%	2.7%	-6.2%
	2y CAGR (2025e - 2027e)	1.8%	5.4%	2.2%	8.0%	4.4%	8.2%
	EBITDA	570.7	182.0	44.1	6.4		11.4
	EBITDA growth	9.0%	12.9%	80.9%	82.2%	46.3%	-37.4%
	2y CAGR (2025e - 2027e)	7.0%	14.2%	5.7%	29.9%	14.2%	33.1%
	EBITDA/Revenues	13.6%	12.5%	8.2%	10.3%	11.1%	10.0%
	EBIT	415.4	129.7	31.6	5.1		14.6
	EBIT growth	15.4%	16.6%	174.2%	113.5%	80.0%	-10.2%
	2y CAGR (2025e - 2027e)	11.1%	16.9%	7.0%	25.3%	15.1%	6.8%
	EBIT/Revenues	9.9%	8.9%	5.8%	8.2%	8.2%	12.7%
	Net Profit	301.5	119.2	23.8	1.3		11.7
	Net Profit growth	58.7%	37.6%	89.2%	-47.9%	34.4%	-14.5%
	2y CAGR (2025e - 2027e)	5.2%	14.0%	9.2%	87.5%	29.0%	7.1%
	CAPEX/Sales %	4.2%	8.3%	2.3%	n.a.	5.0%	11.0%
	Free Cash Flow	475.3	110.5	24.3	(4.6)		(3.3)
	Net financial debt	1,422.0	(135.7)	(27.0)	n.a.		(12.8)
Multiples and Ratios	ND/EBITDA (x)	2.5	(0.7)	(0.6)	n.a.		(0.8)
	Pay-out	40.4%	40.1%	48.7%	44.1%	43.3%	31.2%
	P/E (x)	21.3	13.7	8.1	12.4	13.9	11.9
	P/BV (x)	n.a.	1.1	0.5	n.a.	0.8	1.5
	EV/Revenues (x)	1.8	1.1	0.4	0.8	1.0	1.1
	EV/EBITDA (x)	13.4	8.8	4.5	7.8	8.6	7.3
	EV/EBIT (x)	18.4	12.3	6.2	9.7	11.7	8.4
	ROE	n.a.	8.2	6.7	n.a.	7.5	13.2
	FCF Yield (%)	8.5	6.5	12.4	n.a.	9.1	1.4
	DPS	1.49	2.03	2.12	0.14	1.44	0.30
	Dvd Yield	2.2%	2.9%	5.9%	1.6%	3.1%	2.6%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
Total Revenues	56.5	56.2	60.5	59.2	72.1	74.3	67.5	78.2	99.1	110.5	122.3	114.7	122.2	134.4	8.0%	3.2%
Total Revenues growth	1.4%	-0.5%	7.7%	-2.1%	21.7%	3.0%	-9.1%	15.8%	26.7%	11.6%	10.6%	-6.2%	6.5%	10.0%		
EBITDA	3.8	3.7	5.6	4.3	8.4	9.3	8.1	9.0	10.9	14.1	18.3	11.4	15.7	20.3	17.0%	3.5%
EBITDA growth	181.4%	-2.6%	49.3%	-22.1%	94.5%	11.0%	-13.0%	11.3%	20.8%	29.2%	29.5%	-37.4%	37.5%	28.8%		
EBITDA/Sales	6.8%	6.6%	9.2%	7.3%	11.7%	12.6%	12.0%	11.6%	11.0%	12.8%	15.0%	10.0%	12.9%	15.1%		
Net Profit	1.4	1.4	4.1	2.2	7.8	8.1	5.8	5.6	9.0	10.5	13.7	11.7	11.2	13.4	26.0%	-0.6%
Net Profit growth	n.a.	0.2%	203.0%	-45.6%	250.0%	2.8%	-28.4%	-3.3%	62.2%	16.6%	30.0%	-14.5%	-4.8%	20.5%		
Adjusted number shares (Mn)	12.2	-	12.2	12.2	12.3	12.3	12.2	12.1	12.1	12.1	12.2	12.3	12.3	12.3		
EPS (EUR)	0.11	n.a.	0.34	0.18	0.64	0.66	0.47	0.46	0.75	0.87	1.13	0.95	0.91	1.09	26.1%	-1.1%
EPS growth	n.a.	n.a.	n.a.	-45.6%	n.a.	2.8%	-27.8%	-2.8%	62.3%	16.1%	29.8%	-15.6%	-4.8%	20.5%		
Ord. EPS (EUR)	0.11	n.a.	0.18	0.35	0.60	0.66	0.47	0.47	0.76	0.86	1.14	0.95	0.91	1.09	26.3%	-1.4%
Ord. EPS growth	n.a.	n.a.	n.a.	99.7%	70.4%	8.8%	-27.8%	-1.1%	62.6%	13.6%	31.8%	-16.5%	-4.8%	20.5%		
CAPEX	(0.9)	(1.5)	(0.9)	(1.0)	(1.9)	(1.8)	(2.9)	(2.4)	(3.0)	(4.3)	(3.2)	(12.6)	(7.7)	(1.0)		
CAPEX/Sales %	1.6%	2.6%	1.5%	1.7%	2.6%	2.4%	4.2%	3.1%	3.0%	3.9%	2.6%	11.0%	6.3%	0.7%		
Free Cash Flow	4.4	2.3	3.0	5.3	5.9	8.3	(0.8)	13.4	0.9	4.0	10.6	(3.3)	2.8	11.2	9.2%	1.7%
ND/EBITDA (x) <sup>(2)</sup>	4.3x	3.9x	2.2x	1.9x	0.2x	-0.5x	-0.2x	-1.4x	-1.0x	-0.9x	-1.1x	-1.1x	-0.8x	-1.0x		
P/E (x)	8.1x	n.a.	4.3x	14.4x	4.2x	6.0x	9.0x	11.6x	5.8x	7.1x	6.7x	11.9x	12.5x	10.4x		
EV/Sales (x)	0.62x	0.63x	0.55x	0.81x	0.55x	0.74x	0.90x	0.80x	0.50x	0.64x	0.64x	1.07x	1.00x	0.91x		
EV/EBITDA (x) <sup>(2)</sup>	9.2x	9.5x	6.0x	11.0x	4.7x	5.9x	7.5x	6.9x	4.5x	5.0x	4.3x	10.7x	7.8x	6.0x		
Absolute performance	-15.8%	17.0%	36.9%	83.1%	1.7%	48.5%	7.6%	25.7%	-18.6%	41.4%	22.2%	49.8%				
Relative performance vs Ibex 35	-18.8%	26.0%	39.7%	70.5%	19.6%	32.8%	27.2%	16.5%	-13.8%	15.2%	6.5%	22.9%				

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



**Pangaea Oncology (PANG)** is a small Spanish biotech company (Zaragoza), specialising in differentiated cancer diagnosis and treatment and corporate services (molecular diagnostics and biomarker discovery for the pharmaceutical industry). It is run by a prestigious medical team that includes its founders (c.12% of capital). The Villagrà family (Villagrà) and GPI (Mayoral) are reference shareholders.

## Market Data

Market Cap (Mn EUR and USD)	58.5	67.2
EV (Mn EUR and USD)	58.2	66.9
Shares Outstanding (Mn)	34.4	
-12m (Max/Med/Min EUR)	1.81 / 1.75 / 1.66	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation <sup>(1)</sup>	2.0	
Factset / Bloomberg	PANG-ES / PANG SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)<sup>(3)</sup>

GPI (Familia Domínguez, Mayoral)	14.7
Inv. Industriales Serpis	7.4
Vidaro Inv. (Fam. Villagrà Blanco)	7.3
Mirling Europe	7.0
Free Float	11.5

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	34.1	34.4	34.4	34.4
Total Revenues	14.6	16.4	18.4	20.4
Rec. EBITDA	-2.1	-2.5	-0.7	0.3
% growth	29.0	-18.9	71.5	147.9
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	1.7
% Inc. EBITDA sector <sup>(2)</sup>	6.1	25.4	25.2	24.6
Net Profit	-1.2	-2.4	-0.9	0.1
EPS (EUR)	-0.03	-0.07	-0.03	0.00
% growth	77.9	-107.0	64.2	107.0
Ord. EPS (EUR)	-0.05	-0.08	-0.03	0.00
% growth	52.2	-69.8	63.9	106.6
Rec. Free Cash Flow	-4.9	-0.7	0.2	0.8
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	1.2	1.9	1.7	0.9
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	2.5
ROE (%)	n.a.	n.a.	n.a.	0.3
ROCE (%)	n.a.	n.a.	n.a.	1.4

## Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	2.6	3.0	3.1	3.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	3.98	3.56	3.17	2.85
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	n.a.	n.a.
FCF Yield (%)	n.a.	n.a.	0.4	1.3

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	0.0	-1.7	-4.0	15.0

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

(2) Sector: Factset Europe Biotechnology.

(3) Others: Founders 11.7%, Eléctrica del Oeste 6.8%, Areyhold 6.6%, Inversiones Orensanas de Patrimonio 6.6%

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**The leap in size is already a reality, and 2024 results are the proof.** PANG recorded 2024 revenue of EUR 14.6Mn (+93% vs. 2023). This revenue figure reflects the first full year of integrating the M&A executed in 2023 (IOB, IBCC, and Pectus), combined with organic growth. The new scale has allowed PANG to reduce its operating losses (recurring EBITDA) to EUR -2.1Mn (vs. EUR -3Mn in 2023).

**In 2025, PANG will focus on consolidating synergies from recent M&A, aiming to take an additional step towards operating break-even (recurring EBITDA).** This is a key objective of the business model and central to the equity story. We estimate 2025e revenue of approximately EUR 16.4Mn and 2025e recurring EBITDA of EUR -2.5Mn.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Circular model across business lines.** The combination of its molecular biology laboratory team with the medical assistance team enables the company to offer therapeutic improvements for its patients. This circular model, which will be boosted by IOB's patient volume, fosters a constant generation of innovative ideas in the field of oncology. This translates into a steady flow of R&D projects (R&D activations over 5 years: EUR 11Mn) in oncology for the pharmaceutical industry.

**Prestige of the medical team.** One of PANG's most valuable assets is its medical-scientific team, composed of internationally renowned professionals. Led by Dr. Rosell, the presence of highly prestigious doctors consolidates PANG's leadership position in oncology treatments, ensuring high visibility and recognition for PANG in the sector.

**Beginning to materialize organic growth from 2025e.** Once integrations are complete, organic growth in the business services line, driven by increasing KPIs (visits, new patients), should push revenue to EUR 20.4Mn in 2027e (+11.8% CAGR 2024-2027e).

**Synergies will lead PANG to surpass break-even in recurring EBITDA by 2027e.** The challenge of profitability is the main pillar of the equity story. We expect EBITDA to reach approximately EUR 0.3Mn by 2027 (vs. EUR -2.1Mn in 2024). We anticipate reduced FCF (Free Cash Flow) consumption in 2025e and positive cash generation in 2026e and 2027e, not accounting for potential inorganic growth operations that could accelerate achieving positive recurring EBITDA.

## RISKS: WHAT TO KEEP AN EYE ON?

**Unstable margins.** Contracts with large pharmaceutical companies are crucial for margin evolution (with a greater impact on recurring EBITDA). Failure to secure expected contracts due to slower growth in key KPIs would imply the inability to achieve expected profitability levels in the medium and long term.

**Risk of losing key personnel.** Reference physicians have extensive experience, so losing any of them could significantly affect the ability to attract a larger number of patients and PANG's prestige. The ability to attract and retain key personnel is one of the main risks of PANG's business model.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**PANG's equity story is summarized as leveraging its acquired structure (M&A) and created structure (2024 OPEX) to reach EBITDA break-even in the medium to long term.** 2024 results suggest the beginning of a profitability improvement that should become increasingly visible through emerging synergies and the take-off of the business services line (due to higher volume). This should enable PANG to achieve EBITDA break-even in 2027. The stock's performance over the past twelve months (-4.0%; -24.1% vs. Ibex 35; -13.0% vs. sector) indicates that the growth potential provided by the 2024 M&A is still not reflected in the stock price. The *sine qua non* condition for this to happen is to demonstrate rapid profitability improvement in operating results ("cash" EBITDA). This makes 2025 results and news flow crucial.



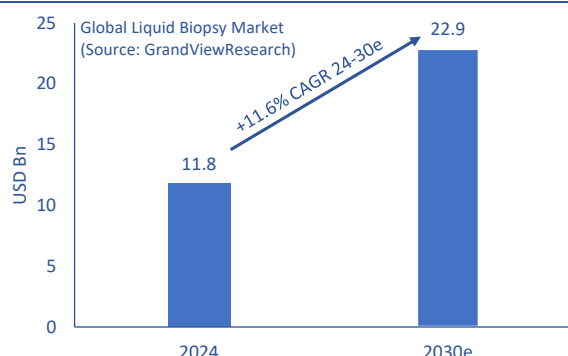
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	7.0	8.2	9.6	12.7	13.0	13.1	13.3	13.5		
Fixed assets	0.6	0.4	0.4	0.5	0.9	0.9	0.9	0.9		
Other Non Current Assets	3.9	4.0	4.0	2.7	2.9	2.8	2.5	2.1		
Financial Investments	0.0	0.6	0.5	0.1	0.1	0.1	0.1	0.1		
Goodwill & Other Intangibles	0.0	0.0	0.6	3.2	2.4	2.4	2.4	2.4		
Current assets	4.3	4.6	4.8	6.8	8.7	9.1	10.0	11.0		
<b>Total assets</b>	<b>15.8</b>	<b>17.9</b>	<b>19.9</b>	<b>26.0</b>	<b>28.0</b>	<b>28.4</b>	<b>29.3</b>	<b>30.0</b>		
Equity	8.3	14.1	22.9	17.8	22.1	19.7	18.8	18.9		
Minority Interests	-	-	0.2	1.0	0.7	0.6	0.5	0.4		
Provisions & Other L/T Liabilities	0.2	0.3	0.3	1.0	0.8	0.8	0.8	0.8		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	5.7	2.4	(4.8)	2.9	1.2	1.9	1.7	0.9		
Current Liabilities	1.5	1.1	1.3	3.2	3.1	5.4	7.5	9.0		
<b>Equity &amp; Total Liabilities</b>	<b>15.8</b>	<b>17.9</b>	<b>19.9</b>	<b>26.0</b>	<b>28.0</b>	<b>28.4</b>	<b>29.3</b>	<b>30.0</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>4.1</b>	<b>4.6</b>	<b>4.4</b>	<b>8.0</b>	<b>14.6</b>	<b>16.4</b>	<b>18.4</b>	<b>20.4</b>	<b>37.5%</b>	<b>11.8%</b>
Total Revenues growth	23.6%	12.3%	-5.1%	83.1%	83.0%	11.8%	12.4%	11.1%		
COGS	(1.6)	(1.5)	(2.6)	(2.2)	(2.5)	(3.7)	(3.8)	(4.0)		
<b>Gross Margin</b>	<b>2.5</b>	<b>3.1</b>	<b>1.8</b>	<b>5.8</b>	<b>12.1</b>	<b>12.7</b>	<b>14.6</b>	<b>16.4</b>	<b>47.9%</b>	<b>10.5%</b>
Gross Margin/Revenues	61.9%	66.6%	41.3%	72.5%	82.9%	77.4%	79.4%	80.2%		
Personnel Expenses	(2.8)	(3.2)	(3.6)	(5.6)	(9.4)	(9.9)	(10.4)	(10.9)		
Other Operating Expenses	(1.2)	(1.5)	(1.5)	(3.2)	(4.9)	(5.3)	(4.9)	(5.1)		
<b>Recurrent EBITDA</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(3.3)</b>	<b>(3.0)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-8.6%</b>	<b>29.3%</b>
Recurrent EBITDA growth	11.7%	-2.8%	-110.5%	9.5%	29.0%	-18.9%	71.5%	147.9%		
Rec. EBITDA/Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.7%		
Restructuring Expense & Other non-rec.	0.2	(0.1)	(0.3)	(0.4)	(0.0)	-	-	-		
<b>EBITDA</b>	<b>(1.3)</b>	<b>(1.6)</b>	<b>(3.6)</b>	<b>(3.5)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-13.6%</b>	<b>29.3%</b>
Depreciation & Provisions	(2.4)	(1.0)	(1.2)	(2.3)	(2.4)	(2.5)	(2.5)	(2.6)		
Capitalized Expense	2.1	2.1	2.3	2.0	2.5	2.5	2.5	2.5		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>(1.6)</b>	<b>(0.5)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-6.1%</b>	<b>29.0%</b>
EBIT growth	29.3%	67.1%	-380.1%	-49.3%	46.2%	-23.2%	70.6%	140.4%		
EBIT/Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.2)	(0.4)	(0.1)	0.4	0.4	(0.3)	(0.3)	(0.3)		
Income by the Equity Method	(0.0)	(0.2)	(0.2)	(0.1)	-	-	-	-		
<b>Ordinary Profit</b>	<b>(1.9)</b>	<b>(1.1)</b>	<b>(2.8)</b>	<b>(3.5)</b>	<b>(1.7)</b>	<b>(2.8)</b>	<b>(1.1)</b>	<b>(0.0)</b>	<b>2.4%</b>	<b>72.3%</b>
Ordinary Profit Growth	62.6%	41.1%	-158.5%	-23.5%	51.7%	-66.4%	61.6%	96.7%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(1.9)</b>	<b>(1.1)</b>	<b>(2.8)</b>	<b>(3.5)</b>	<b>(1.7)</b>	<b>(2.8)</b>	<b>(1.1)</b>	<b>(0.0)</b>	<b>2.4%</b>	<b>72.3%</b>
Tax Expense	0.1	0.5	0.1	(1.3)	0.5	0.3	0.1	(0.0)		
Effective Tax Rate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	0.0	0.1	0.1	0.1	0.1	0.1		
Discontinued Activities	-	-	-	-	(0.1)	-	-	-		
<b>Net Profit</b>	<b>(1.8)</b>	<b>(0.6)</b>	<b>(2.7)</b>	<b>(4.7)</b>	<b>(1.2)</b>	<b>(2.4)</b>	<b>(0.9)</b>	<b>0.1</b>	<b>9.7%</b>	<b>27.1%</b>
Net Profit growth	63.8%	63.4%	-322.5%	-71.7%	74.9%	-108.7%	64.2%	107.0%		
<b>Ordinary Net Profit</b>	<b>(2.1)</b>	<b>(1.0)</b>	<b>(2.5)</b>	<b>(2.9)</b>	<b>(1.6)</b>	<b>(2.7)</b>	<b>(1.0)</b>	<b>0.1</b>	<b>6.9%</b>	<b>26.8%</b>
Ordinary Net Profit growth	60.3%	51.1%	-144.6%	-15.9%	45.9%	-71.2%	63.9%	106.6%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-8.6%</b>	<b>29.3%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						1.9	1.1	0.6		
<b>Recurrent Operating Cash Flow</b>						<b>-0.7</b>	<b>0.4</b>	<b>1.0</b>	<b>-19.1%</b>	<b>30.7%</b>
CAPEX						(0.2)	(0.2)	(0.2)		
Net Financial Result affecting the Cash Flow						(0.3)	(0.3)	(0.3)		
Tax Expense						0.4	0.4	0.4		
<b>Recurrent Free Cash Flow</b>						<b>(0.7)</b>	<b>0.2</b>	<b>0.8</b>	<b>-24.9%</b>	<b>29.3%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(0.7)</b>	<b>0.2</b>	<b>0.8</b>	<b>-18.1%</b>	<b>29.5%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>0.7</b>	<b>(0.2)</b>	<b>(0.8)</b>		

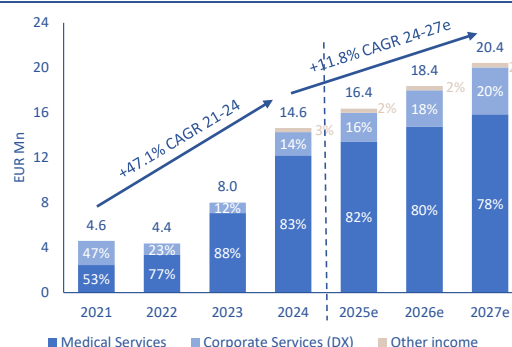


## The company in 8 charts

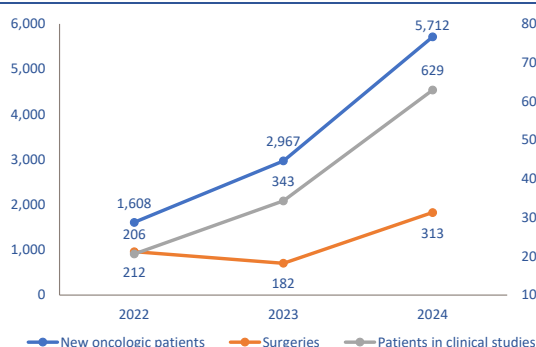
**PANG is committed to a technology (liquid biopsy) with rational expectations for high growth ...**



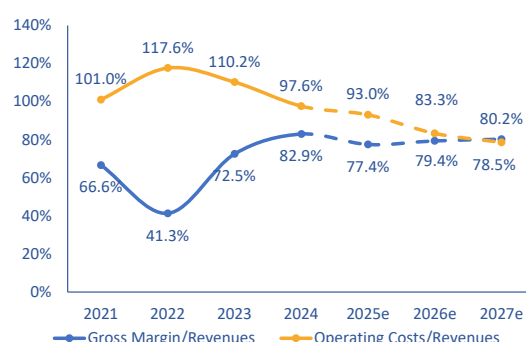
**... and is faced with a genuine step up in scale (+11.8% Sales CAGR 24-27e)**



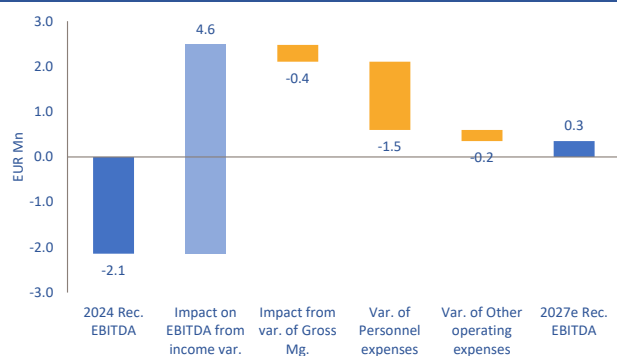
**M&A executed in 2023 explained part of total growth in 2024**



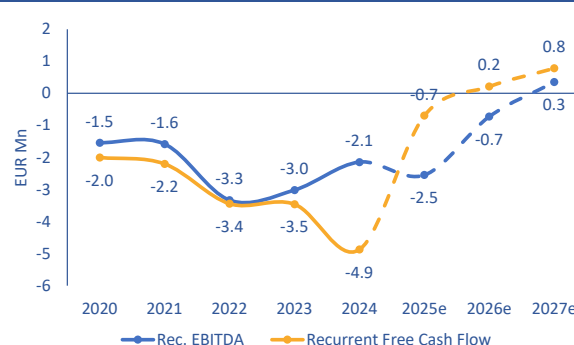
**The improvement of margins is the business' main catalyst (gross margin c. 79% from 2026e)**



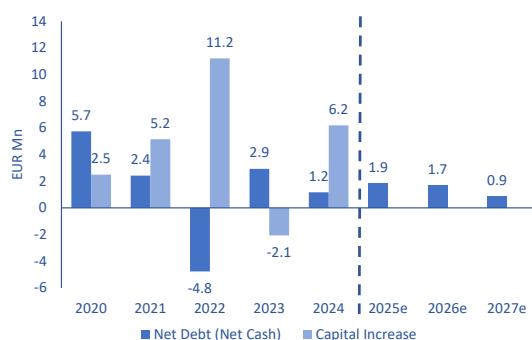
**The combination of growth and improved margins points to breakeven in EBITDA in 2027e...**



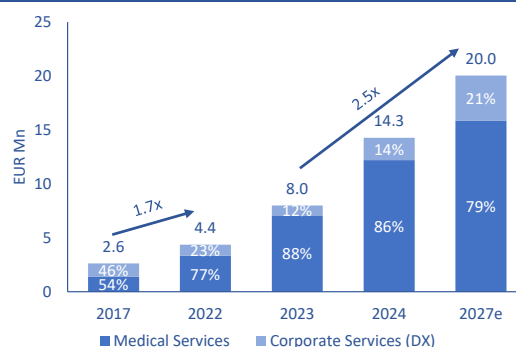
**... and will make it possible to reduce cash consumption (breakeven) as early as 2026e**



**With a strong balance sheet structure**



**The high volume of activity will increase the speed of expansion of molecular diagnostics (liquid biopsy) in the long term**



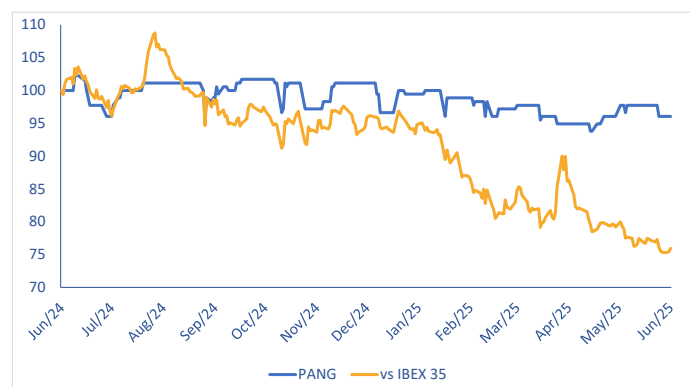


## Evolution of the share price

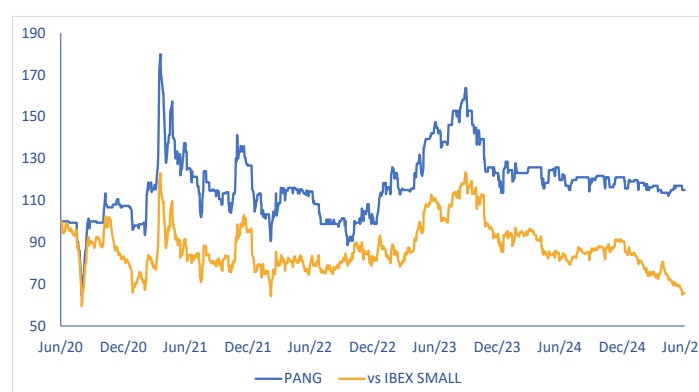
Historical behavior vs Ibex 35 (base 100)



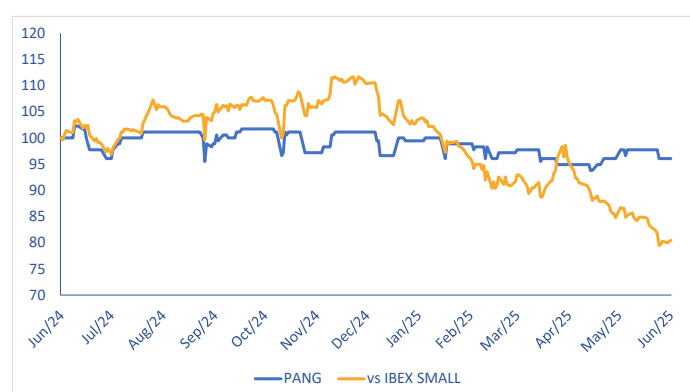
Behavior -1y vs Ibex 35 (base 100)



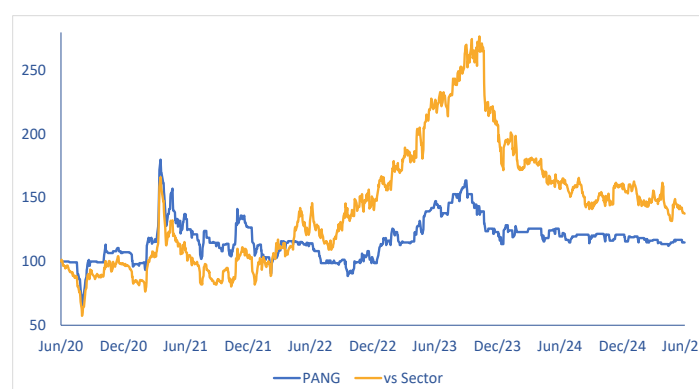
Historical behavior vs Ibex Small Cap (base 100)



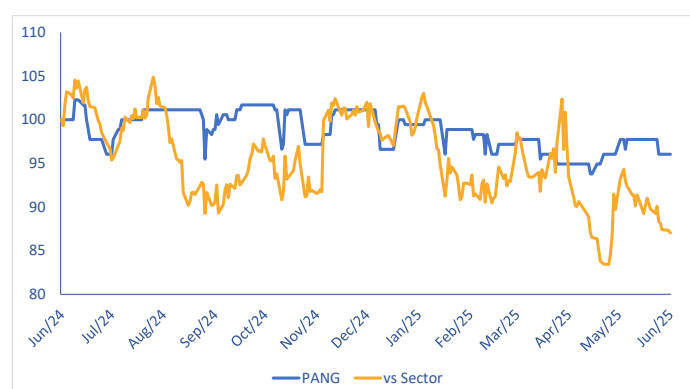
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Factset Europe Biotechnology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.0	-1.7	-4.0	-4.0	0.6	15.0
<b>vs Market</b>						
vs Ibex 35	-4.1	-10.5	-24.1	-21.2	-40.3	-40.8
vs Euro STOXX 50	-1.5	-3.3	-11.6	-12.8	-32.9	-32.9
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-5.2	-13.5	-19.6	-24.9	-16.6	-34.2
vs Micro Cap Spain Segment <sup>(1)</sup>	-4.8	-8.3	-8.8	-15.4	-2.6	-22.7
vs MSCI Europe Micro Cap	-4.4	-9.8	-5.4	-10.9	7.3	-9.8
<b>vs Sector</b>						
vs Factset Europe Biotechnology	-3.0	-11.7	-13.0	-14.2	4.4	37.6

(1) Constituents on page 10



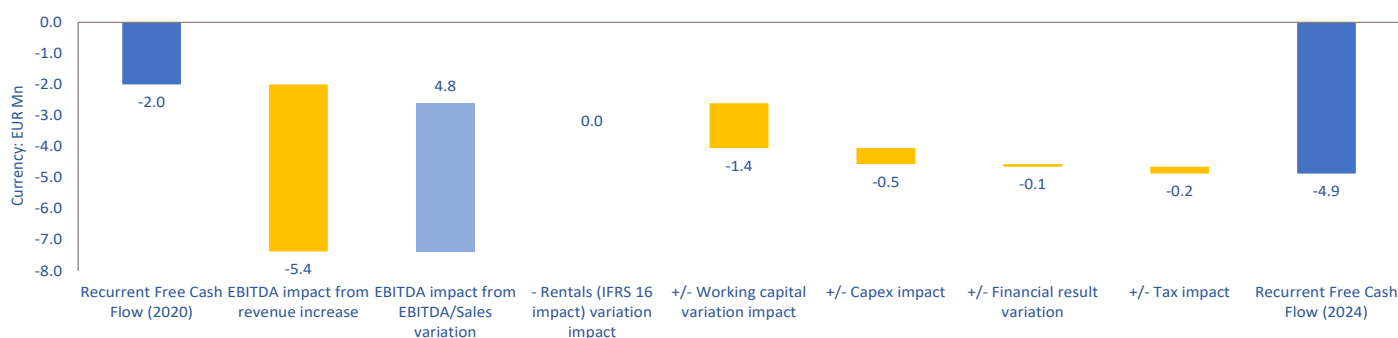
## Free Cash Flow (l)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>(1.6)</b>	<b>(3.3)</b>	<b>(3.0)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-10.6%</b>	<b>29.3%</b>
Recurrent EBITDA growth	-2.8%	-110.5%	9.5%	29.0%	-18.9%	71.5%	147.9%		
Rec. EBITDA/Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.7%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.7)	(0.0)	(0.1)	(1.9)	1.9	1.1	0.6		
<b>= Recurrent Operating Cash Flow</b>	<b>(2.3)</b>	<b>(3.4)</b>	<b>(3.1)</b>	<b>(4.1)</b>	<b>(0.7)</b>	<b>0.4</b>	<b>1.0</b>	<b>-21.9%</b>	<b>30.7%</b>
Rec. Operating Cash Flow growth	-11.0%	-49.7%	8.7%	-32.6%	83.9%	153.8%	168.9%		
Rec. Operating Cash Flow / Sales	n.a.	n.a.	n.a.	n.a.	n.a.	1.9%	4.7%		
- CAPEX	(0.3)	(0.0)	(0.3)	(0.6)	(0.2)	(0.2)	(0.2)		
- Net Financial Result affecting Cash Flow	(0.4)	(0.1)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)		
- Taxes	0.7	0.1	(0.1)	0.1	0.4	0.4	0.4		
<b>= Recurrent Free Cash Flow</b>	<b>(2.2)</b>	<b>(3.4)</b>	<b>(3.5)</b>	<b>(4.9)</b>	<b>(0.7)</b>	<b>0.2</b>	<b>0.8</b>	<b>-30.3%</b>	<b>29.3%</b>
Rec. Free Cash Flow growth	-10.0%	-56.4%	-0.5%	-40.8%	85.6%	130.3%	268.7%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	1.1%	3.8%		
- Restructuring expenses & others	0.1	(0.3)	(0.4)	(0.0)	-	-	-		
- Acquisitions / + Divestments	(0.2)	(0.1)	(1.5)	0.3	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(2.4)</b>	<b>(3.9)</b>	<b>(5.4)</b>	<b>(4.6)</b>	<b>(0.7)</b>	<b>0.2</b>	<b>0.8</b>	<b>-24.5%</b>	<b>29.5%</b>
Free Cash Flow growth	-0.8%	-63.3%	-39.9%	15.4%	84.7%	130.3%	268.7%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	0.4%	1.3%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	n.a.	n.a.	n.a.	0.4%	1.3%		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>(2.0)</b>	<b>(2.2)</b>	<b>(3.4)</b>	<b>(3.5)</b>	<b>(4.9)</b>	<b>(0.7)</b>	<b>0.2</b>		
EBITDA impact from revenue increase	(0.2)	0.1	(2.8)	(2.5)	(0.3)	(0.3)	(0.1)		
EBITDA impact from EBITDA/Sales variation	0.1	(1.8)	3.1	3.4	(0.2)	2.1	1.2		
<b>= Recurrent EBITDA variation</b>	<b>(0.0)</b>	<b>(1.7)</b>	<b>0.3</b>	<b>0.9</b>	<b>(0.4)</b>	<b>1.8</b>	<b>1.1</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(0.2)	0.6	(0.0)	(1.9)	3.8	(0.8)	(0.5)		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(0.2)</b>	<b>(1.1)</b>	<b>0.3</b>	<b>(1.0)</b>	<b>3.4</b>	<b>1.0</b>	<b>0.6</b>		
+/- CAPEX impact	(0.3)	0.3	(0.2)	(0.3)	0.4	(0.0)	(0.0)		
+/- Financial result variation	(0.2)	0.2	0.1	(0.3)	0.0	(0.1)	-		
+/- Tax impact	0.4	(0.7)	(0.2)	0.2	0.3	(0.0)	(0.0)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(0.2)</b>	<b>(1.2)</b>	<b>(0.0)</b>	<b>(1.4)</b>	<b>4.2</b>	<b>0.9</b>	<b>0.6</b>		
<b>Recurrent Free Cash Flow</b>	<b>(2.2)</b>	<b>(3.4)</b>	<b>(3.5)</b>	<b>(4.9)</b>	<b>(0.7)</b>	<b>0.2</b>	<b>0.8</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>(0.5)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-56.9%</b>	<b>29.0%</b>
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	-	-	-		
<b>Recurrent EBITDA</b>	<b>(1.6)</b>	<b>(3.3)</b>	<b>(3.0)</b>	<b>(2.1)</b>	<b>(2.5)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>-10.6%</b>	<b>29.3%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.7)	(0.0)	(0.1)	(1.9)	1.9	1.1	0.6		
<b>= Recurrent Operating Cash Flow</b>	<b>(2.3)</b>	<b>(3.4)</b>	<b>(3.1)</b>	<b>(4.1)</b>	<b>(0.7)</b>	<b>0.4</b>	<b>1.0</b>	<b>-21.9%</b>	<b>30.7%</b>
- CAPEX	(0.3)	(0.0)	(0.3)	(0.6)	(0.2)	(0.2)	(0.2)		
- Taxes (pre- Financial Result)	-	-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(2.6)</b>	<b>(3.4)</b>	<b>(3.3)</b>	<b>(4.7)</b>	<b>(0.8)</b>	<b>0.2</b>	<b>0.7</b>	<b>-22.0%</b>	<b>29.3%</b>
Rec. Free Cash Flow (To the Firm) growth	-22.5%	-31.8%	1.7%	-40.0%	82.4%	120.7%	339.1%		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	n.a.	n.a.	n.a.	0.9%	3.7%		
- Acquisitions / + Divestments	(0.2)	(0.1)	(1.5)	0.3	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(2.8)</b>	<b>(3.5)</b>	<b>(4.8)</b>	<b>(4.4)</b>	<b>(0.8)</b>	<b>0.2</b>	<b>0.7</b>	<b>-15.6%</b>	<b>29.5%</b>
Free Cash Flow (To the Firm) growth	-16.1%	-24.6%	-37.7%	9.9%	81.1%	120.7%	339.1%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	0.3%	1.3%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	n.a.	n.a.	n.a.	0.3%	1.3%		

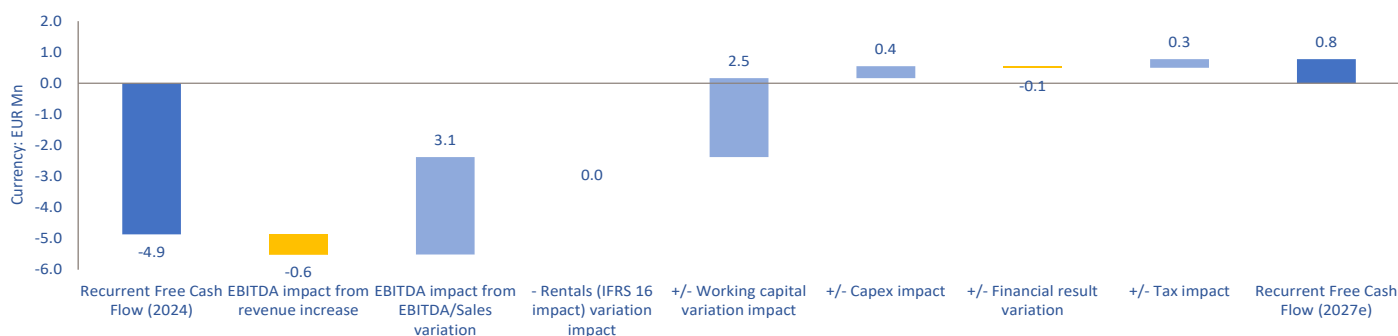


## Free Cash Flow (II)

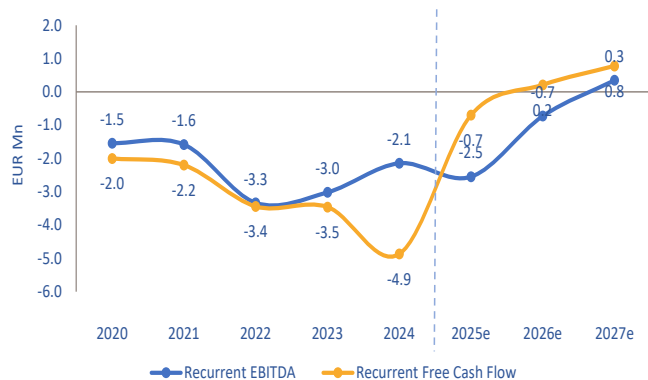
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(0.8)	0.2	0.7	n.a.		
Market Cap	58.5	At the date of this report				
Net financial debt	1.2	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.8%	4.2%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.3	B (own estimate)			1.2	1.4
Cost of Equity	10.9%	$K_e = R_f + (R * B)$			9.7%	12.2%
Equity / (Equity + Net Debt)	98.0%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	2.0%	D			=	=
WACC	10.8%	$WACC = K_d * D + K_e * E$			9.6%	12.0%
G "Fair"	2.0%				2.5%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	58.5	
+ Minority Interests	0.7	12m Results 2024
+ Provisions & Other L/T Liabilities	0.8	12m Results 2024
+ Net financial debt	1.2	12m Results 2024
- Financial Investments	0.1	12m Results 2024
+/- Others <sup>(1)</sup>	(2.9)	12m Results 2024
<b>Enterprise Value (EV)</b>	<b>58.2</b>	

(1) Tax loss carry forward

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	-9.4%			
FCF Yield - WACC	n.a.	-9,6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	-17.2%	(3.2)	-18.5x
Central	-15.6%	(2.9)	-20.3x
Min	-14.0%	(2.6)	-22.7x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	0.9%	1.0%	1.1%
(3.2)	(2.2)	(2.2)	(2.2)
(2.9)	(1.9)	(1.9)	(1.9)
(2.6)	(1.6)	(1.6)	(1.6)

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	16.7%	15.4%	23.1%
% of proprietary board members	66.7%	69.2%	69.2%
% of executive board members	16.6%	15.4%	7.7%
% of other directors	7.6%	7.1%	0.0%
% of women on the board of directors	7.6%	14.2%	7.7%
% of women out of total workforce	72.7%	75.5%	75.8%
Board remuneration/staff cost	7.2%	4.7%	4.8%





## Main peers 2025e

		Molecular Diagnostic Laboratories						Advanced Medical Equipment						Global Leader	
Market data	EUR Mn	MDxHealth SA	Atrys Health	Guardant Health Inc	Exact Sciences Corp	Neogenomics Inc.	Average	Thermo Fisher	Qiagen	Danaher	Agilent	Becton Dickinson	Average	Roche	PANG
		MDXH-BE	ATRY-ES	GH-US	EXAS-US	NEO-US		TMO-US	QGEN-US	DHR-US	A-US	BDX-US		ROG-CH	PANG-ES
	Ticker (Factset)	MDXH-BE	ATRY-ES	GH-US	EXAS-US	NEO-US		TMO-US	QGEN-US	DHR-US	A-US	BDX-US		ROG-CH	PANG-ES
	Country	Belgium	Spain	USA	USA	USA		USA	Netherlands	USA	USA	USA		Switzerland	Spain
	Market cap	91.5	208.3	5,243.2	8,796.3	821.1		135,363.3	8,860.4	126,729.0	29,163.1	43,169.9		236,243.7	58.5
	Enterprise value (EV)	108.4	443.3	5,768.0	10,309.7	1,034.1		159,814.9	9,244.5	140,190.7	30,897.6	59,148.2		255,096.0	58.2
Basic financial information	Total Revenues	97.1	230.3	764.1	2,675.7	643.0		37,763.5	1,776.7	21,088.3	5,856.5	18,848.3		67,406.6	16.4
	Total Revenues growth	16.6%	8.3%	19.8%	12.3%	12.7%	13.9%	2.0%	4.0%	2.3%	4.2%	8.2%	4.1%	4.9%	11.8%
	2y CAGR (25e - 27e)	17.5%	6.5%	21.9%	12.3%	10.8%	13.8%	6.5%	6.4%	7.1%	6.0%	4.8%	6.2%	4.1%	11.7%
	EBITDA	(0.9)	48.9	(194.2)	379.2	47.1		9,366.2	664.2	6,615.2	1,720.2	5,490.5		26,567.5	(2.5)
	EBITDA growth	94.2%	38.5%	43.9%	n.a.	n.a.	58.9%	0.7%	10.2%	1.7%	7.7%	21.6%	8.4%	15.5%	-18.6%
	2y CAGR (25e - 27e)	n.a.	8.0%	45.0%	34.7%	39.4%	31.8%	8.5%	8.1%	9.2%	8.4%	6.8%	8.2%	4.2%	46.2%
	EBITDA/Revenues	n.a.	21.3%	n.a.	14.2%	7.3%	14.2%	24.8%	37.4%	31.4%	29.4%	29.1%	30.4%	39.4%	n.a.
	EBIT	(8.2)	19.5	(374.9)	(79.3)	(77.4)		8,486.5	536.8	5,981.3	1,558.6	4,659.5		23,677.1	(2.5)
	EBIT growth	63.2%	208.8%	2.1%	52.1%	-25.0%	60.2%	28.3%	25.6%	33.6%	13.3%	74.8%	35.1%	22.3%	-23.2%
	2y CAGR (25e - 27e)	n.a.	21.0%	18.6%	n.a.	34.3%	24.7%	9.3%	8.3%	9.7%	8.8%	5.1%	8.2%	4.8%	45.6%
	EBIT/Revenues	n.a.	8.4%	n.a.	n.a.	n.a.	8.4%	22.5%	30.2%	28.4%	26.6%	24.7%	26.5%	35.1%	n.a.
	Net Profit	(20.9)	(2.5)	(291.7)	(111.9)	(70.4)		7,285.0	442.9	4,805.5	1,372.7	3,532.8		15,632.8	(2.4)
	Net Profit growth	40.5%	92.1%	22.6%	87.4%	-3.5%	47.8%	33.2%	513.7%	42.8%	23.3%	140.0%	150.6%	77.9%	-108.7%
	2y CAGR (25e - 27e)	43.4%	n.a.	22.2%	97.3%	40.7%	50.9%	9.7%	7.7%	10.7%	8.6%	5.9%	8.5%	6.1%	42.3%
	CAPEX/Sales %	n.a.	4.9%	4.0%	4.7%	4.1%	4.5%	3.5%	8.6%	5.0%	6.6%	3.4%	5.4%	7.1%	-1.0%
	Free Cash Flow	n.a.	14.4	(215.2)	200.9	n.a.		6,233.5	358.3	4,357.0	1,004.1	2,691.2		15,896.1	(0.7)
Multiples and Ratios	Net financial debt	n.a.	181.3	200.4	1,139.6	230.3		19,970.3	270.8	9,905.5	1,274.9	14,894.9		13,633.1	1.9
	ND/EBITDA (x)	n.a.	3.7	n.a.	3.0	4.9	3.9	2.1	0.4	1.5	0.7	2.7	1.5	0.5	n.a.
	Pay-out	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.5%	3.9%	15.9%	17.9%	27.5%	14.5%	53.8%	0.0%
	P/E (x)	n.a.	29.7	n.a.	n.a.	48.5	39.1	18.6	20.2	26.6	21.3	12.3	19.8	13.5	n.a.
	P/BV (x)	n.a.	0.8	n.a.	4.2	1.1	2.0	2.9	2.7	2.8	5.1	2.0	3.1	5.6	3.0
	EV/Revenues (x)	1.1	1.9	7.5	3.9	1.6	3.2	4.2	5.2	6.6	5.3	3.1	4.9	3.8	3.6
	EV/EBITDA (x)	n.a.	9.1	n.a.	27.2	21.9	19.4	17.1	13.9	21.2	18.0	10.8	16.2	9.6	n.a.
	EV/EBIT (x)	n.a.	22.8	n.a.	n.a.	n.a.	22.8	18.8	17.2	23.4	19.8	12.7	18.4	10.8	n.a.
	ROE	n.a.	2.7	n.a.	n.a.	2.2	2.5	15.9	13.5	10.4	23.9	16.0	15.9	41.3	n.a.
	FCF Yield (%)	n.a.	6.9	n.a.	2.3	n.a.	4.6	4.6	4.0	3.4	3.4	6.2	4.4	6.7	n.a.
	DPS	0.00	0.00	0.00	0.00	0.00	0.00	1.43	0.08	1.05	0.85	3.35	1.35	10.55	0.00
	Dvd Yield	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.2%	0.6%	0.8%	2.2%	0.8%	3.6%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	16-24	24-27e
<b>Total Revenues</b>	1.7	1.9	2.5	2.6	3.1	3.3	4.1	4.6	4.4	8.0	14.6	16.4	18.4	20.4	24.6%	11.8%
<b>Total Revenues growth</b>	-44.4%	13.5%	29.1%	4.1%	16.7%	8.4%	23.6%	12.3%	-5.1%	83.1%	83.0%	11.8%	12.4%	11.1%		
<b>EBITDA</b>	(1.6)	(2.0)	(3.3)	(4.5)	(2.1)	(1.4)	(1.3)	(1.6)	(3.6)	(3.5)	(2.1)	(2.5)	(0.7)	0.3	5.2%	29.3%
<b>EBITDA growth</b>	-237.0%	-22.1%	-69.4%	-37.0%	54.0%	32.7%	8.1%	-27.6%	-120.3%	4.8%	37.8%	-18.6%	71.5%	147.9%		
<b>EBITDA/Sales</b>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.7%		
<b>Net Profit</b>	(0.2)	(0.5)	(0.6)	(1.6)	(1.3)	(4.8)	(1.8)	(0.6)	(2.7)	(4.7)	(1.2)	(2.4)	(0.9)	0.1	-8.8%	27.1%
<b>Net Profit growth</b>	-289.1%	-147.7%	-22.2%	-177.0%	23.9%	-286.4%	63.8%	63.4%	-322.5%	-71.7%	74.9%	-108.7%	64.2%	107.0%		
<b>Adjusted number shares (Mn)</b>	0.2	0.2	11.9	11.9	14.5	17.1	18.9	22.8	30.4	30.1	34.1	34.4	34.4	34.4		
<b>EPS (EUR)</b>	-1.06	-2.65	-0.05	-0.14	-0.09	-0.28	-0.09	-0.03	-0.09	-0.15	-0.03	-0.07	-0.03	0.00	4.6%	27.1%
<b>EPS growth</b>	n.a.	n.a.	98.1%	n.a.	37.6%	n.a.	67.2%	69.7%	n.a.	-73.4%	77.9%	n.a.	64.2%	n.a.		
<b>Ord. EPS (EUR)</b>	-1.13	-2.93	-0.05	-0.14	-0.10	-0.30	-0.11	-0.05	-0.08	-0.10	-0.05	-0.08	-0.03	0.00	1.0%	26.8%
<b>Ord. EPS growth</b>	n.a.	n.a.	98.3%	n.a.	28.8%	n.a.	62.9%	59.5%	-83.3%	-17.0%	52.2%	-69.8%	63.9%	n.a.		
<b>CAPEX</b>	(0.1)	(0.2)	(0.5)	(0.2)	(0.0)	(0.0)	(0.1)	(0.3)	(0.0)	(0.3)	(0.6)	(0.2)	(0.2)	(0.2)		
<b>CAPEX/Sales %</b>	3.5%	12.0%	21.8%	5.9%	0.9%	0.0%	1.7%	7.0%	0.5%	3.2%	4.0%	1.0%	1.0%	1.0%		
<b>Free Cash Flow</b>	(1.9)	(2.8)	(2.8)	(5.8)	(2.7)	(1.7)	(2.3)	(2.4)	(3.9)	(5.4)	(4.6)	(0.7)	0.2	0.8	-6.3%	29.5%
<b>ND/EBITDA (x)<sup>(2)</sup></b>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.5x		
<b>P/E (x)</b>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<b>EV/Sales (x)</b>	3.26x	4.30x	14.57x	13.67x	12.24x	10.38x	8.04x	8.15x	10.34x	7.62x	4.34x	3.56x	3.17x	2.85x		
<b>EV/EBITDA (x)<sup>(2)</sup></b>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<b>Absolute performance</b>	n.a.	n.a.	n.a.	-22.0%	-3.8%	-16.3%	-5.9%	-1.9%	6.0%	12.2%	-3.8%	-4.0%				
<b>Relative performance vs Ibx 35</b>	n.a.	n.a.	n.a.	-27.4%	13.2%	-25.2%	11.3%	-9.1%	12.2%	-8.6%	-16.2%	-21.2%				

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

**Seresco (SCO)**, is a highly diversified Spanish tech company: payroll and personnel administration, consulting and software development, IT infrastructures and systems, digital transformation, and land registry management and cartography. It also operates internationally (21% of revenue in 2024). SCO has been listed on BME Growth since December 2022.

#### Market Data

Market Cap (Mn EUR and USD)	78.3	89.9
EV (Mn EUR and USD)	86.8	99.7
Shares Outstanding (Mn)	9.1	
-12m (Max/Med/Mín EUR)	8.60 / 5.01 / 3.88	
Daily Avg volume (-12m Mn EUR)	0.02	
Rotation <sup>(1)</sup>	5.1	
Factset / Bloomberg	SCO-ES / SCO SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)<sup>(3)</sup>

Familia Suárez García	61.4
Directivos	7.5
Tomás Reinares Fernández	5.9
Manuel Angel Busto Riego	5.7
Free Float	19.4

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	9.6	9.2	9.1	9.1
Total Revenues	53.6	62.6	63.9	68.3
Rec. EBITDA	8.2	9.6	8.8	9.5
% growth	136.6	16.8	-8.3	8.6
% Rec. EBITDA/Rev.	15.3	15.3	13.7	14.0
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	4.8	6.4	5.8	6.4
EPS (EUR)	0.50	0.70	0.63	0.70
% growth	133.2	39.2	-9.1	11.0
Ord. EPS (EUR)	0.48	0.67	0.61	0.68
% growth	161.6	41.6	-9.5	11.4
Rec. Free Cash Flow	-0.4	7.1	5.1	6.4
Pay-out (%)	28.5	15.5	21.2	17.7
DPS (EUR)	0.14	0.11	0.13	0.12
Net financial debt	7.6	7.3	3.3	-2.0
ND/Rec. EBITDA (x)	0.9	0.8	0.4	-0.2
ROE (%)	54.8	48.7	31.7	27.7
ROCE (%)	33.9	31.9	25.1	26.8

#### Ratios & Multiples (x)

P/E	17.2	12.4	13.6	12.3
Ord. P/E	18.1	12.8	14.1	12.7
P/BV	7.5	4.9	3.8	3.0
Dividend Yield (%)	1.7	1.3	1.6	1.4
EV/Sales	1.62	1.39	1.36	1.27
EV/Rec. EBITDA	10.6	9.1	9.9	9.1
EV/EBIT	12.8	10.1	11.3	10.4
FCF Yield (%)	n.a.	9.0	6.5	8.2

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	44.5	72.0	89.2	n.a.

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

(2) Sector: Stoxx Europe 600 Technology.

(3) Others: Treasury Stock 1.8%

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.

#### MOMENTUM: WHAT TO EXPECT FROM 2025E?

**2025: Lower revenue growth and higher cash flow growth.** We estimate +17% in revenues (+27% in 2024), which boosts recurring operating cash flow to EUR 7Mn (versus an outflow of EUR -0.4Mn in 2024). The cartography contract in Peru contributed significantly to 2024 revenue but drained cash in working capital, while in 2025, it continues to contribute to revenue and the working capital is monetized.

**M&A once again contributes to growth.** SCO announced in March the acquisition of 75% of F5IT, which we estimate will generate approximately one-third of the revenue growth in 2025e. F5IT fits with SCO's M&A strategy: profitable and financially sound, in a segment it knows well, increasing international presence (Portugal), and with a management team incentivized to maximize the value of the retained 25% stake.

**Conclusion of the 2022-2025 strategic plan** and announcement of the new 2026-2028 plan, which will be made public in 4Q25.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Take-off in cartography...** The \$ 13Mn Peru cartography contract, to be executed in 2024 and 2025, is a very good margin activity—SCO is selective, rejecting projects with misaligned margins and execution risk—that has a significant positive impact in 2024 and 2025 but a lower level of recurrence.

**...which should not obscure a diversified business with a high level of recurrence.** We estimate that SCO, excluding the Peru cartography revenues and M&A, generated organic growth of 8%-9% in 2024 with a high degree of recurrence (payroll services) and with high-growth businesses (+33% in revenue in 2024) like CIES (cybersecurity).

**Larger M&A in the future?** A strong balance sheet (Net Debt/Recurring EBITDA <1x), a good track record in company integration, and proven management capabilities (14%-15% recurring EBITDA margin) position SCO to acquire "bigger fish": companies with revenue (at the time of acquisition) exceeding those of past M&A such as EUR 2.2Mn from ELO, EUR 3.3Mn from CIES, or EUR 2.9Mn from F5IT.

**Redefining dividend policy?** The current policy is a payout ratio of 20% of the parent company's profit, but the parent company is losing weight within the group, a trend that will accelerate with more and larger M&A.

#### RISKS: WHAT TO KEEP AN EYE ON?

**Cartography is good business but less recurring.** SCO is actively working on incorporating new cartography contracts and adding a certain element of recurrence through services. As of today, there are no new contracts in the pipeline, and for this reason, our 2026 revenue growth estimate is +2%. The impact of the Peru contract's completion "hides" good organic growth from the rest of the business.

**M&A execution.** Good past execution, family ownership, the importance of dividends, and risk aversion (financially sound companies are the target, not turnarounds or restructuring plays) minimize but do not eliminate execution risk.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Strong fundamentals trading at a P/E of 12x.** The stellar share price performance(+89.2% over the past 12 months; +96.5.2% vs. sector and +44.5% over 1 month; 36.5% vs. sector) reflects the more than successful execution of the current strategic plan and the "earned" credibility: the track record is "self-explanatory" (4-year CAGR: Revenue +17%, EBITDA +42%). The new strategic plan (4Q25) could act as a catalyst in the short term, favored by the low multiples (PER 2025E, 12.4x),



## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	0.4	0.2	0.3	0.3	1.2	1.0	1.0	0.9		
Fixed assets	1.0	1.2	1.2	2.1	1.7	2.2	2.4	2.7		
Other Non Current Assets	0.9	0.6	0.6	0.3	0.9	0.9	0.8	0.8		
Financial Investments	0.5	0.6	0.4	0.3	0.4	0.4	0.4	0.4		
Goodwill & Other Intangibles	4.2	3.7	4.2	8.0	7.0	12.2	11.4	10.6		
Current assets	7.5	8.9	9.6	17.1	20.4	21.4	23.6	24.5		
<b>Total assets</b>	<b>14.5</b>	<b>15.2</b>	<b>16.3</b>	<b>28.3</b>	<b>31.6</b>	<b>38.0</b>	<b>39.6</b>	<b>40.0</b>		
Equity	3.7	3.9	5.4	7.0	10.5	15.9	20.4	25.7		
Minority Interests	-	-	-	0.5	1.0	1.1	1.3	1.4		
Provisions & Other L/T Liabilities	-	-	0.0	0.0	0.4	0.4	0.4	0.4		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	5.3	5.0	4.5	7.6	7.6	7.3	3.3	(2.0)		
Current Liabilities	5.4	6.2	6.4	13.1	12.2	13.3	14.3	14.6		
<b>Equity &amp; Total Liabilities</b>	<b>14.5</b>	<b>15.2</b>	<b>16.3</b>	<b>28.3</b>	<b>31.6</b>	<b>38.0</b>	<b>39.6</b>	<b>40.0</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>28.7</b>	<b>30.6</b>	<b>34.0</b>	<b>42.2</b>	<b>53.6</b>	<b>62.6</b>	<b>63.9</b>	<b>68.3</b>	<b>16.9%</b>	<b>8.4%</b>
Total Revenues growth	-6.1%	6.7%	10.9%	24.0%	27.1%	16.8%	2.1%	6.9%		
COGS	(3.5)	(4.2)	(4.7)	(7.3)	(8.3)	(9.7)	(9.9)	(10.6)		
<b>Gross Margin</b>	<b>25.2</b>	<b>26.5</b>	<b>29.3</b>	<b>34.8</b>	<b>45.3</b>	<b>52.9</b>	<b>54.0</b>	<b>57.7</b>	<b>15.7%</b>	<b>8.4%</b>
Gross Margin/Revenues	87.8%	86.4%	86.2%	82.6%	84.4%	84.4%	84.4%	84.4%		
Personnel Expenses	(21.4)	(22.1)	(23.9)	(27.4)	(32.2)	(35.1)	(36.1)	(38.1)		
Other Operating Expenses	(1.8)	(2.1)	(2.0)	(3.9)	(4.9)	(8.2)	(9.1)	(10.0)		
<b>Recurrent EBITDA<sup>(1)</sup></b>	<b>2.0</b>	<b>2.3</b>	<b>3.4</b>	<b>3.5</b>	<b>8.2</b>	<b>9.6</b>	<b>8.8</b>	<b>9.5</b>	<b>42.1%</b>	<b>5.2%</b>
Recurrent EBITDA growth	-7.4%	13.4%	49.0%	2.1%	136.6%	16.8%	-8.3%	8.6%		
Rec. EBITDA/Revenues	7.0%	7.4%	10.0%	8.2%	15.3%	15.3%	13.7%	14.0%		
Restructuring Expense & Other non-rec.	0.1	0.1	0.1	0.4	0.3	0.3	0.3	0.3		
Capitalized Expense	-	0.3	0.2	0.7	0.2	0.2	0.2	0.2		
<b>EBITDA</b>	<b>2.1</b>	<b>2.6</b>	<b>3.7</b>	<b>4.6</b>	<b>8.6</b>	<b>10.0</b>	<b>9.2</b>	<b>10.0</b>	<b>41.9%</b>	<b>4.9%</b>
Depreciation & Provisions	(1.2)	(1.0)	(1.0)	(1.3)	(1.9)	(1.4)	(1.5)	(1.6)		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>0.9</b>	<b>1.6</b>	<b>2.7</b>	<b>3.3</b>	<b>6.8</b>	<b>8.6</b>	<b>7.7</b>	<b>8.3</b>	<b>64.0%</b>	<b>7.2%</b>
EBIT growth	-21.0%	70.4%	67.6%	23.2%	105.5%	27.0%	-10.5%	8.4%		
EBIT/Revenues	3.3%	5.2%	7.9%	7.8%	12.6%	13.7%	12.1%	12.2%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.4)	(0.6)	(0.1)	(0.3)	(0.5)	(0.4)	(0.3)	(0.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>0.5</b>	<b>1.0</b>	<b>2.6</b>	<b>3.0</b>	<b>6.3</b>	<b>8.2</b>	<b>7.4</b>	<b>8.2</b>	<b>84.1%</b>	<b>9.2%</b>
Ordinary Profit Growth	-22.5%	76.4%	165.4%	16.4%	110.9%	31.0%	-10.1%	10.7%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>0.5</b>	<b>1.0</b>	<b>2.6</b>	<b>3.0</b>	<b>6.3</b>	<b>8.2</b>	<b>7.4</b>	<b>8.2</b>	<b>84.1%</b>	<b>9.2%</b>
Tax Expense	(0.2)	(0.5)	(0.7)	(0.8)	(1.0)	(1.6)	(1.5)	(1.6)		
Effective Tax Rate	29.5%	52.0%	26.9%	28.1%	15.4%	20.0%	20.0%	20.0%		
Minority Interests	-	-	-	(0.1)	(0.5)	(0.1)	(0.1)	(0.1)		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>0.4</b>	<b>0.5</b>	<b>1.9</b>	<b>2.1</b>	<b>4.8</b>	<b>6.4</b>	<b>5.8</b>	<b>6.4</b>	<b>87.9%</b>	<b>10.1%</b>
Net Profit growth	-58.1%	20.3%	303.6%	10.0%	133.2%	34.0%	-10.4%	11.0%		
<b>Ordinary Net Profit</b>	<b>0.3</b>	<b>0.6</b>	<b>1.8</b>	<b>1.7</b>	<b>4.6</b>	<b>6.2</b>	<b>5.6</b>	<b>6.2</b>	<b>97.6%</b>	<b>10.7%</b>
Ordinary Net Profit growth	-48.1%	106.4%	193.7%	-3.9%	161.5%	36.3%	-10.7%	11.4%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>9.6</b>	<b>8.8</b>	<b>9.5</b>	<b>42.1%</b>	<b>5.2%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						0.1	(1.3)	(0.7)		
<b>Recurrent Operating Cash Flow</b>						<b>9.7</b>	<b>7.5</b>	<b>8.9</b>	<b>-9.4%</b>	<b>29.5%</b>
CAPEX						(0.6)	(0.6)	(0.7)		
Net Financial Result affecting the Cash Flow						(0.4)	(0.3)	(0.2)		
Tax Expense						(1.6)	(1.5)	(1.6)		
<b>Recurrent Free Cash Flow</b>						<b>7.1</b>	<b>5.1</b>	<b>6.4</b>	<b>-20.3%</b>	<b>n.a.</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						(6.0)	(0.1)	(0.2)		
Extraordinary Inc./Exp. Affecting Cash Flow						0.3	0.3	0.3		
<b>Free Cash Flow</b>						<b>1.3</b>	<b>5.2</b>	<b>6.5</b>	<b>-78.5%</b>	<b>n.a.</b>
Capital Increase						-	-	-		
Dividends						(1.0)	(1.2)	(1.1)		
<b>Net Debt Variation</b>						<b>(0.3)</b>	<b>(4.0)</b>	<b>(5.4)</b>		

(1) EBITDA "Cash", que excluye ingresos por capitalización de gastos.



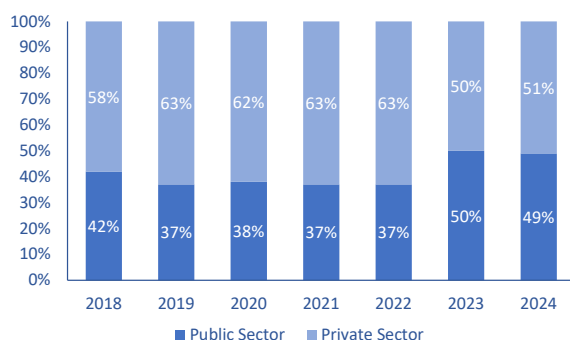
## The company in 8 charts

### Present in markets with secular growth

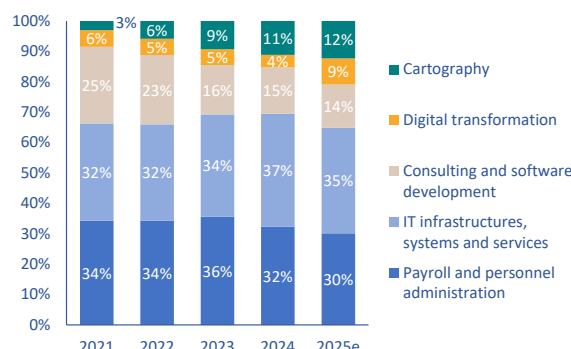
(USD Bn)	2023	2030	2030 CAGR	2032	2032 CAGR
ICT	871			1,984	9.6%
Outsourcing	343			771	9.4%
Digitalization	1,100	3,700	18.9%		
Cybersecurity	172	425	13.8%		

Source: Globalnewswire.com

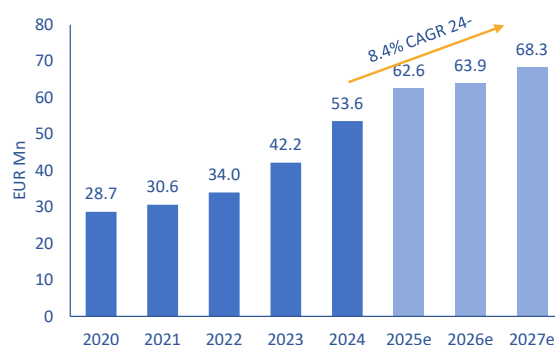
...and client type. In 2024, 51% of sales came from the private sector and the rest from public administrations



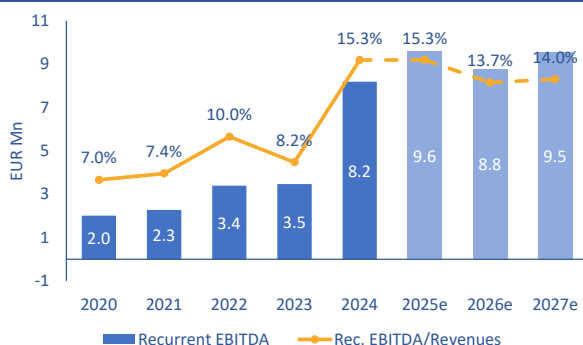
### SCO: diversified by both business (focus on proprietary software as a services) ...



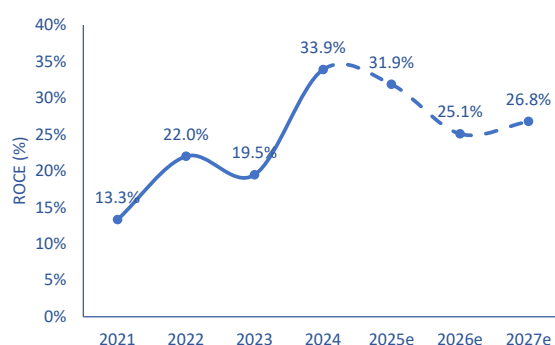
With capacity to deliver organic revenue growth (8.4% CAGR 24-27e)



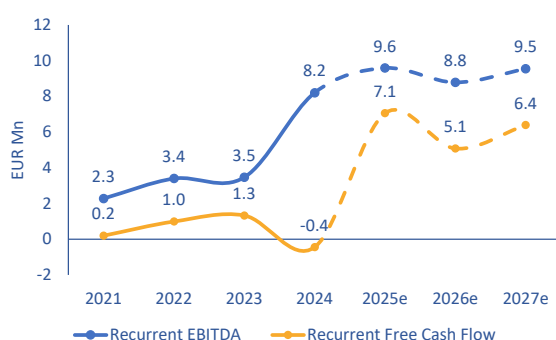
and maintain a stable EBITDA Rec. margin (adjusting for cartography) in the 2025–2027e period...



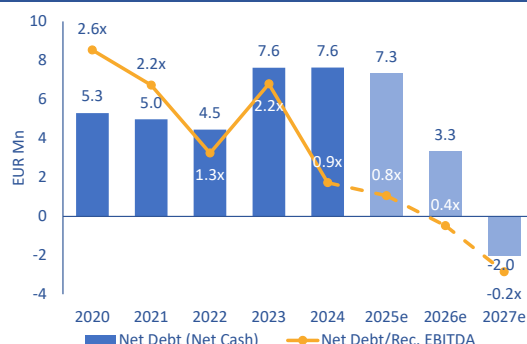
... yielding a very respectable ROCE above 25%



And a very healthy free cash flow generation of EUR 6.4Mn in 2027e ...



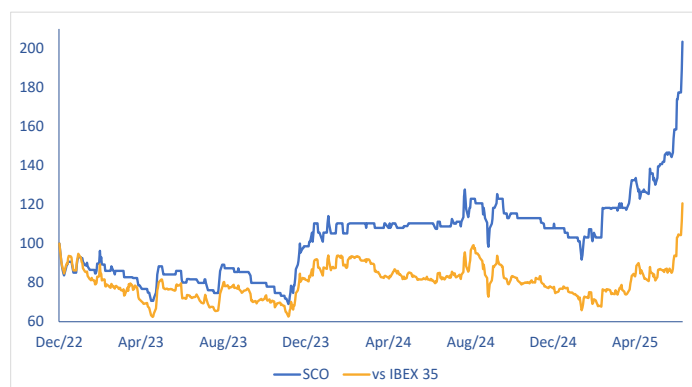
... which would leave the company in a net cash position in 2027e with ample financial headroom to pursue M&A (excellent track record)





## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



Behavior -1y vs Ibex 35 (base 100)



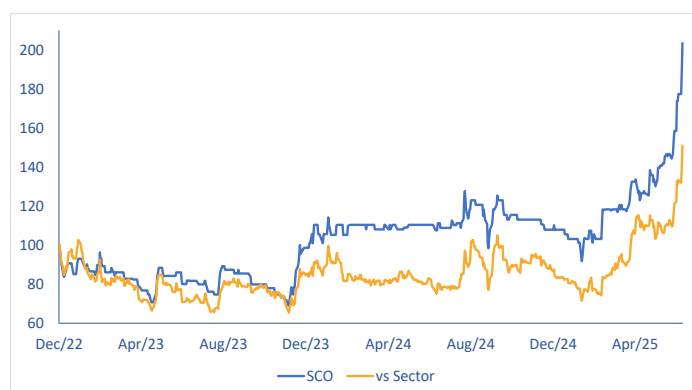
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	44.5	72.0	89.2	97.2	n.a.	n.a.
vs Market						
vs Ibex 35	38.6	56.7	49.6	61.8	n.a.	n.a.
vs Euro STOXX 50	42.3	69.3	74.1	79.1	n.a.	n.a.
vs Small Cap References						
vs Ibex Small Cap Index	37.1	51.5	58.4	54.2	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	37.6	60.6	79.6	73.7	n.a.	n.a.
vs MSCI Europe Micro Cap	38.1	57.8	86.4	83.1	n.a.	n.a.
vs Sector						
vs Stoxx Europe 600 Technology	36.5	61.1	96.5	86.1	n.a.	n.a.

(1) Constituents on page 10



## Free Cash Flow (I)

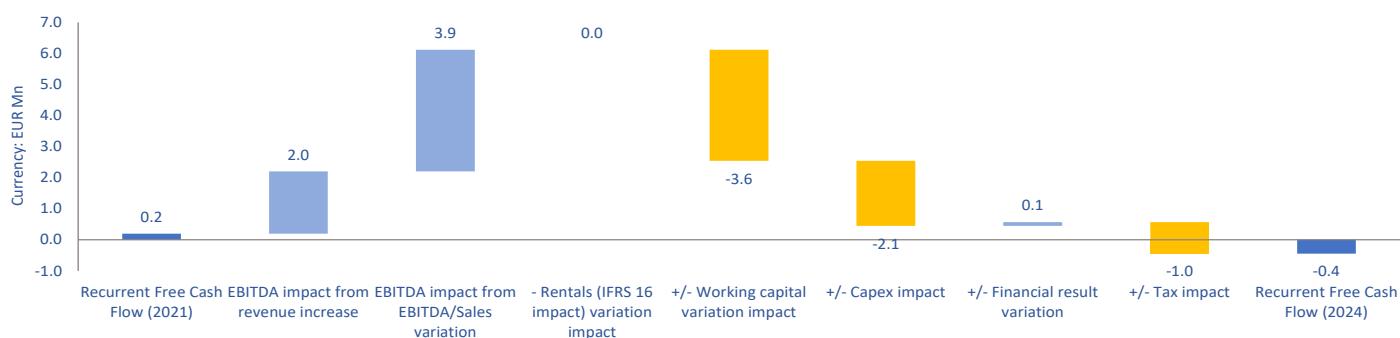
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>2.3</b>	<b>3.4</b>	<b>3.5</b>	<b>8.2</b>	<b>9.6</b>	<b>8.8</b>	<b>9.5</b>	<b>53.2%</b>	<b>5.2%</b>
Recurrent EBITDA growth	13.4%	49.0%	2.1%	136.6%	16.8%	-8.3%	8.6%		
Rec. EBITDA/Revenues	7.4%	10.0%	8.2%	15.3%	15.3%	13.7%	14.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.5)	(0.6)	(0.8)	(4.1)	0.1	(1.3)	(0.7)		
<b>= Recurrent Operating Cash Flow</b>	<b>1.7</b>	<b>2.8</b>	<b>2.6</b>	<b>4.1</b>	<b>9.7</b>	<b>7.5</b>	<b>8.9</b>	<b>32.8%</b>	<b>29.5%</b>
Rec. Operating Cash Flow growth	-71.3%	59.4%	-4.8%	54.4%	137.7%	-22.7%	18.2%		
Rec. Operating Cash Flow / Sales	5.7%	8.2%	6.3%	7.6%	15.5%	11.8%	13.0%		
- CAPEX	(0.6)	(1.0)	(0.2)	(2.7)	(0.6)	(0.6)	(0.7)		
- Net Financial Result affecting Cash Flow	(0.6)	(0.1)	(0.3)	(0.5)	(0.4)	(0.3)	(0.2)		
- Taxes	(0.4)	(0.7)	(0.8)	(1.4)	(1.6)	(1.5)	(1.6)		
<b>= Recurrent Free Cash Flow</b>	<b>0.2</b>	<b>1.0</b>	<b>1.3</b>	<b>(0.4)</b>	<b>7.1</b>	<b>5.1</b>	<b>6.4</b>	<b>-62.3%</b>	<b>n.a.</b>
Rec. Free Cash Flow growth	-96.0%	405.2%	34.3%	-133.5%	n.a.	-28.1%	25.9%		
Rec. Free Cash Flow / Revenues	0.6%	2.9%	3.1%	n.a.	11.3%	7.9%	9.4%		
- Restructuring expenses & others	0.1	-	-	-	-	-	-		
- Acquisitions / + Divestments	0.4	0.1	(3.9)	0.5	(6.0)	(0.1)	(0.2)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.2	(0.2)	-	-	0.3	0.3	0.3		
<b>= Free Cash Flow</b>	<b>0.8</b>	<b>0.9</b>	<b>(2.6)</b>	<b>0.0</b>	<b>1.3</b>	<b>5.2</b>	<b>6.5</b>	<b>-76.1%</b>	<b>n.a.</b>
Free Cash Flow growth	-84.4%	3.9%	-395.7%	100.4%	n.a.	302.0%	24.2%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	0.2%	1.3%	1.7%	n.a.	9.0%	6.5%	8.2%		
Free Cash Flow Yield (s/Mkt Cap)	1.1%	1.1%	n.a.	0.0%	1.7%	6.7%	8.3%		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>4.9</b>	<b>0.2</b>	<b>1.0</b>	<b>1.3</b>	<b>(0.4)</b>	<b>7.1</b>	<b>5.1</b>		
EBITDA impact from revenue increase	0.1	0.2	0.8	0.9	1.4	0.2	0.6		
EBITDA impact from EBITDA/Sales variation	0.1	0.9	(0.7)	3.8	0.0	(1.0)	0.2		
<b>= Recurrent EBITDA variation</b>	<b>0.3</b>	<b>1.1</b>	<b>0.1</b>	<b>4.7</b>	<b>1.4</b>	<b>(0.8)</b>	<b>0.8</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	(4.6)	(0.1)	(0.2)	(3.3)	4.2	(1.4)	0.6		
<b>= Recurrent Operating Cash Flow variation</b>	<b>(4.3)</b>	<b>1.0</b>	<b>(0.1)</b>	<b>1.4</b>	<b>5.6</b>	<b>(2.2)</b>	<b>1.4</b>		
+/- CAPEX impact	0.1	(0.4)	0.8	(2.4)	2.0	(0.0)	(0.0)		
+/- Financial result variation	(0.2)	0.5	(0.1)	(0.2)	0.1	0.1	0.1		
+/- Tax impact	(0.2)	(0.3)	(0.1)	(0.5)	(0.3)	0.2	(0.2)		
<b>= Recurrent Free Cash Flow variation</b>	<b>(4.7)</b>	<b>0.8</b>	<b>0.3</b>	<b>(1.8)</b>	<b>7.5</b>	<b>(2.0)</b>	<b>1.3</b>		
<b>Recurrent Free Cash Flow</b>	<b>0.2</b>	<b>1.0</b>	<b>1.3</b>	<b>(0.4)</b>	<b>7.1</b>	<b>5.1</b>	<b>6.4</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>1.6</b>	<b>2.7</b>	<b>3.3</b>	<b>6.8</b>	<b>8.6</b>	<b>7.7</b>	<b>8.3</b>	<b>61.9%</b>	<b>7.2%</b>
* Theoretical Tax rate	30.0%	26.9%	28.1%	15.4%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	(0.5)	(0.7)	(0.9)	(1.0)	(1.7)	(1.5)	(1.7)		
<b>Recurrent EBITDA</b>	<b>2.3</b>	<b>3.4</b>	<b>3.5</b>	<b>8.2</b>	<b>9.6</b>	<b>8.8</b>	<b>9.5</b>	<b>53.2%</b>	<b>5.2%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	(0.5)	(0.6)	(0.8)	(4.1)	0.1	(1.3)	(0.7)		
<b>= Recurrent Operating Cash Flow</b>	<b>1.7</b>	<b>2.8</b>	<b>2.6</b>	<b>4.1</b>	<b>9.7</b>	<b>7.5</b>	<b>8.9</b>	<b>32.8%</b>	<b>29.5%</b>
- CAPEX	(0.6)	(1.0)	(0.2)	(2.7)	(0.6)	(0.6)	(0.7)		
- Taxes (pre- Financial Result)	(0.5)	(0.7)	(0.9)	(1.0)	(1.7)	(1.5)	(1.7)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>0.7</b>	<b>1.1</b>	<b>1.5</b>	<b>0.4</b>	<b>7.4</b>	<b>5.3</b>	<b>6.5</b>	<b>-17.9%</b>	<b>n.a.</b>
Rec. Free Cash Flow (To the Firm) growth	-86.5%	55.0%	39.6%	-74.5%	n.a.	-27.6%	22.4%		
Rec. Free Cash Flow (To the Firm) / Revenues	2.3%	3.2%	3.6%	0.7%	11.8%	8.3%	9.6%		
- Acquisitions / + Divestments	0.4	0.1	(3.9)	0.5	(6.0)	(0.1)	(0.2)		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.2	(0.2)	-	-	0.3	0.3	0.3		
<b>= Free Cash Flow "To the Firm"</b>	<b>1.3</b>	<b>1.0</b>	<b>(2.4)</b>	<b>0.8</b>	<b>1.6</b>	<b>5.5</b>	<b>6.6</b>	<b>-12.7%</b>	<b>99.1%</b>
Free Cash Flow (To the Firm) growth	-77.2%	-23.6%	-350.5%	134.8%	92.2%	239.9%	20.9%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	0.8%	1.2%	1.7%	0.4%	8.5%	6.1%	7.5%		
Free Cash Flow "To the Firm" - Yield (o/EV)	1.5%	1.1%	n.a.	1.0%	1.9%	6.3%	7.6%		



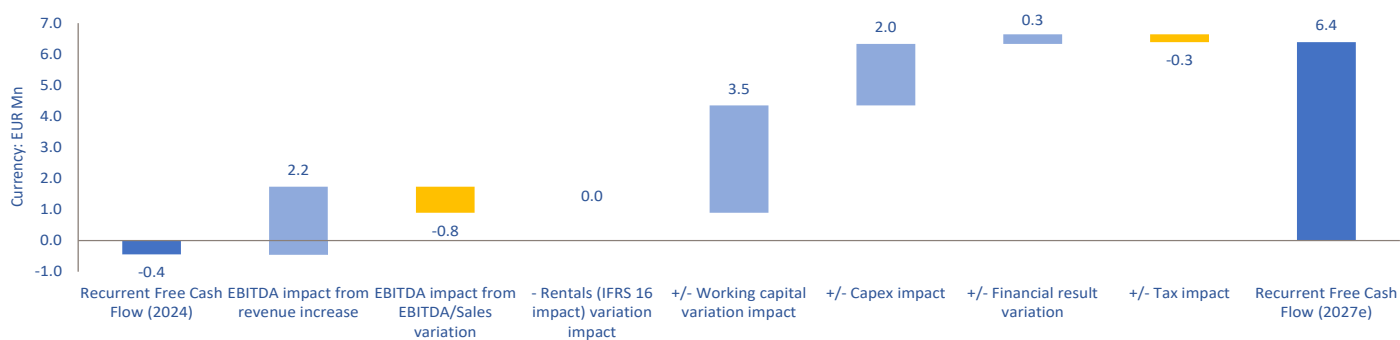


## Free Cash Flow (II)

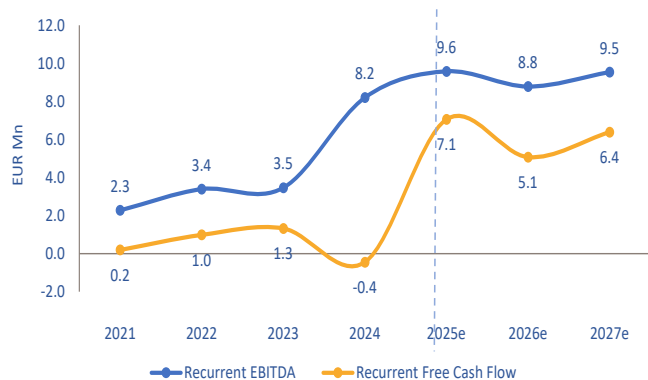
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



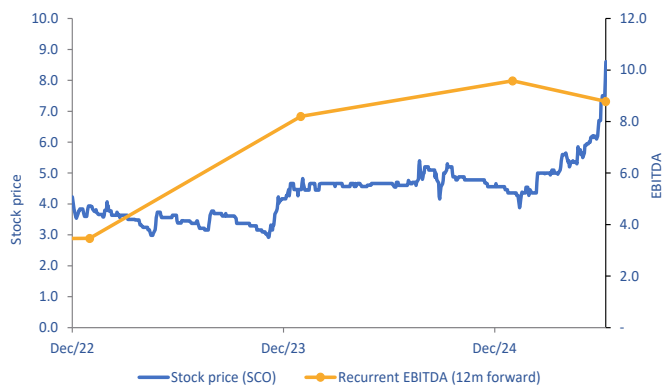
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward







## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	1.6	5.5	6.6	n.a.		
Market Cap	78.3	At the date of this report				
Net financial debt	7.5	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	3.1%	Net debt cost			2.9%	3.4%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	2.5%	$Kd = \text{Cost of Net Debt} * (1-T)$			2.3%	2.7%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.3	B (own estimate)			1.2	1.4
Cost of Equity	10.9%	$Ke = Rf + (R * B)$			9.7%	12.2%
Equity / (Equity + Net Debt)	91.3%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	8.7%	D			=	=
WACC	10.2%	$WACC = Kd * D + Ke * E$			9.1%	11.4%
G "Fair"	2.5%				2.5%	2.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	78.3	
+ Minority Interests	1.0	12m Results 2024
+ Provisions & Other L/T Liabilities	0.4	12m Results 2024
+ Net financial debt	7.5	12m Results 2024
- Financial Investments	0.3	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>86.8</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	6.0%	13.3%	22.0%	19.5%	33.9%
	2024	2027e			
ROCE - WACC	23.7%	16.6%			
FCF Yield - WACC	-9.7%	-2.6%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	15.1%	9.7	9.0x
Central	13.7%	8.8	9.9x
Min	12.3%	7.9	11.0x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e			
EBITDA 26e	0.9%	1.0%	1.1%		Scenario	Rec. FCF/Yield 26e		
9.7	6.0	6.0	5.9	➔	Max	7.7%	7.6%	7.5%
8.8	5.1	5.1	5.0		Central	6.6%	6.5%	6.4%
7.9	4.2	4.2	4.1		Min	5.4%	5.3%	5.3%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	33.3%	28.6%	25.0%
% of proprietary board members	33.3%	28.6%	25.0%
% of executive board members	16.7%	14.3%	12.5%
% of other directors	16.7%	28.6%	37.5%
% of women on the board of directors	0.0%	14.3%	12.5%
% of women out of total workforce	42.2%	42.3%	43.6%
Board remuneration/staff cost	1.0%	1.4%	2.2%



## Main peers 2025e

	EUR Mn	Sopra Steria	Indra	Izertis	Capgemini	SAP	SCO
Market data	Ticker (Factset)	SOP-FR	IDR-ES	IZER-ES	CAP-FR	SAP-DE	SCO-ES
	Country	France	Spain	Spain	France	Germany	Spain
	Market cap	4,142.4	6,306.6	255.4	26,173.3	320,823.9	78.3
	Enterprise value (EV)	4,819.3	6,214.4	307.8	29,001.9	302,150.7	86.8
Basic financial information	Total Revenues	5,705.8	5,295.6	181.5	21,959.6	37,654.6	62.6
	Total Revenues growth	-1.2%	9.3%	36.4%	-0.6%	10.2%	16.8%
	2y CAGR (2025e - 2027e)	3.2%	7.3%	24.3%	3.9%	12.4%	4.5%
	EBITDA	729.2	617.2	26.5	3,559.4	11,537.4	10.0
	EBITDA growth	0.0%	18.9%	60.0%	11.2%	21.1%	16.0%
	2y CAGR (2025e - 2027e)	3.1%	11.3%	25.1%	2.9%	16.4%	-0.2%
	EBITDA/Revenues	12.8%	11.7%	14.6%	16.2%	30.6%	16.0%
	EBIT	553.0	511.6	19.5	2,923.8	10,409.2	8.6
	EBIT growth	8.4%	24.2%	177.6%	16.1%	26.2%	27.0%
	2y CAGR (2025e - 2027e)	2.2%	10.8%	28.1%	4.4%	17.3%	-1.5%
	EBIT/Revenues	9.7%	9.7%	10.7%	13.3%	27.6%	13.7%
	Net Profit	286.0	330.0	7.6	1,972.2	7,163.3	6.4
	Net Profit growth	-7.5%	18.9%	76.3%	18.0%	129.3%	34.0%
	2y CAGR (2025e - 2027e)	12.1%	12.0%	41.9%	7.0%	18.2%	-0.3%
	CAPEX/Sales %	1.8%	3.6%	6.9%	1.6%	2.2%	1.0%
	Free Cash Flow	331.3	310.7	13.2	1,917.4	8,127.9	1.3
	Net financial debt	379.8	(89.8)	70.0	1,318.4	(2,900.4)	7.3
Multiples and Ratios	ND/EBITDA (x)	0.5	n.a.	2.6	0.4	n.a.	0.8
	Pay-out	36.3%	17.6%	0.0%	29.8%	38.6%	15.5%
	P/E (x)	11.7	19.0	24.1	13.4	41.5	12.4
	P/BV (x)	1.8	4.0	2.7	2.0	6.2	4.9
	EV/Revenues (x)	0.8	1.2	1.7	1.3	8.0	1.4
	EV/EBITDA (x)	6.6	10.1	11.6	8.1	26.2	9.1
	EV/EBIT (x)	8.7	12.1	15.8	9.9	29.0	10.1
	ROE	15.4	20.9	11.1	14.9	14.9	48.7
	FCF Yield (%)	8.0	4.9	5.2	7.3	2.5	9.0
	DPS	5.15	0.33	0.00	3.45	2.37	0.11
	Dvd Yield	2.6%	0.9%	0.0%	2.3%	0.9%	1.3%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

Squirrel Media (SQRL), is a Spanish group present throughout the value chain of the entertainment and media sector through its businesses of: (i) Advertising (52% of revenue), (ii) Content (production and distribution of audiovisual content; 23%), (iii) TMT services (5%) and (iv) Media (20%).

## Market Data

Market Cap (Mn EUR and USD)	204.0	234.2
EV (Mn EUR and USD)	254.7	292.5
Shares Outstanding (Mn)	90.7	
-12m (Max/Med/Mín EUR)	2.96 / 1.75 / 1.21	
Daily Avg volume (-12m Mn EUR)	0.11	
Rotation <sup>(1)</sup>	13.8	
Factset / Bloomberg	SQRL-ES / SQRL SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

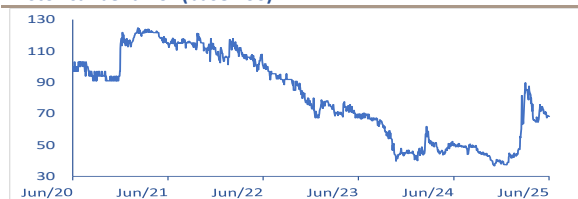
Squirrel Capital	85.0
Free Float	15.0

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	89.0	96.5	96.5	96.5
Total Revenues	144.5	289.6	333.6	360.1
Rec. EBITDA	19.8	38.8	45.4	50.0
% growth	-10.1	96.2	17.0	10.1
% Rec. EBITDA/Rev.	13.7	13.4	13.6	13.9
% Inc. EBITDA sector <sup>(2)</sup>	1.2	-7.1	6.3	6.6
Net Profit	5.8	11.7	13.7	14.5
EPS (EUR)	0.06	0.12	0.14	0.15
% growth	-46.1	87.1	17.7	5.7
Ord. EPS (EUR)	0.04	0.12	0.14	0.15
% growth	-56.3	184.5	17.7	5.7
Rec. Free Cash Flow	-21.2	-7.7	-3.3	2.2
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	42.4	50.0	53.4	51.2
ND/Rec. EBITDA (x)	2.1	1.3	1.2	1.0
ROE (%)	9.9	17.6	17.4	15.6
ROCE (%)	11.7	15.7	15.2	14.1

## Ratios & Multiples (x)

P/E	34.8	18.6	15.8	15.0
Ord. P/E	53.0	18.6	15.8	15.0
P/BV	3.4	2.8	2.4	2.0
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	1.76	0.88	0.76	0.71
EV/Rec. EBITDA	12.9	6.6	5.6	5.1
EV/EBIT	20.6	9.5	8.3	7.9
FCF Yield (%)	n.a.	n.a.	n.a.	1.1

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	-4.7	-18.2	38.0	-31.8

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

(2) Sector: Stoxx Europe 600 Media.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**The operating trends from 2024 results don't provide a clear guide for 2025 performance.** The 11% growth in sales was driven by the impact of M&A in the Media vertical, while the Content vertical, which was expected to be the company's main growth lever, saw a 41% decline in revenue. This was due to the delay of some agreed productions to 2025 and the postponement of 9 releases from 2024 to 2025. EBITDA fell by -2.6%, impacted by a mix with less weighting in Content (the highest-margin vertical) and the integration costs of companies acquired during the year.

**The recent presentation of its business plan** confirmed the existence of a unique, diversified business model with growth visibility, scalability, and the expectation of long-term self-sufficiency. It has a significant focus on quality content due to its value preservation and lower volatility, within an expanding sector driven by high demand and consumption.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**The Content segment, synergies, and cross-selling following the integration of recent acquisitions, along with new contracts in the Media vertical, are the business's growth engines.** This is without forgetting the exploitation of new asset integration opportunities. On one hand, content revenue should continue to grow at high rates, stemming from the company's significant investment effort to expand its catalog, accumulating an investment of approximately EUR 78Mn in the 2021-2024 period (as of year-end 2024, it has 91 committed releases in Spain, Italy, Portugal, Andorra, and LATAM for 2025). This is a business with higher profitability that should be one of the catalysts for margin improvement. On the other hand, the integration of recent acquisitions could lead to cost synergies and cross-selling that can confirm the robustness of the business model.

**The inorganic growth model will continue** and is based on: i) seeking profitable niches within the highly fragmented Media and Entertainment sector, caught between very large "majors" and very small "indies"; ii) a "causal," not "casual," model for specifically selecting high-quality assets and talent with strong strategic fit and synergy/cross-selling generation; iii) operations involving control acquisition of assets with at least 51% of capital acquired through share exchange, continuity of the management team, and a minimum 3-year lock-up period; iv) the option to acquire 100% of the capital through staged acquisitions; v) capitalization of earn-outs and deferred payments.

**A (dizzying) quantum leap.** The full impact of acquisitions and releases will not be visible until 2025e. At that point, the company should aspire to revenue of approximately EUR 290 Mn (vs. EUR 32.6 Mn in 2020), according to our estimates. However, visibility remains limited. SQRL's challenge (and equity story) is to consolidate/monetize the acquisitions following its aggressive M&A strategy, which has made it a benchmark player in the Spanish media sector.

## RISKS: WHAT TO KEEP AN EYE ON?

**M&A execution and integration risk.** The success of M&A execution and integration over the coming years is an essential factor for business development. Therefore, there is a risk of value destruction, higher-than-expected costs, and/or failure to meet expected profit forecasts.

**Leverage level, negative working capital, and refinancing risk.** As a consequence of an inorganic growth model, the next challenge is debt digestion, subsequent refinancing/restructuring, as well as managing the negative working capital (EUR 30.6Mn) at year-end 2024.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Following the stock's recent rally (+81.5% YTD in absolute terms, +81.4% vs. sector),** SQRL is trading at a 2025e EV/EBITDA of 6.6x, in line with its sector (large global advertising companies: 6.9x 2025e EV/EBITDA; Spanish Media sector: 7.1x; and global Media sector: 7.7x). However, the highly atypical (rare bird) nature of SQRL's business model makes comparison difficult. The leap in 2025e revenue and recurring EBITDA (doubling 2024) implies a substantial improvement in the stock's momentum.



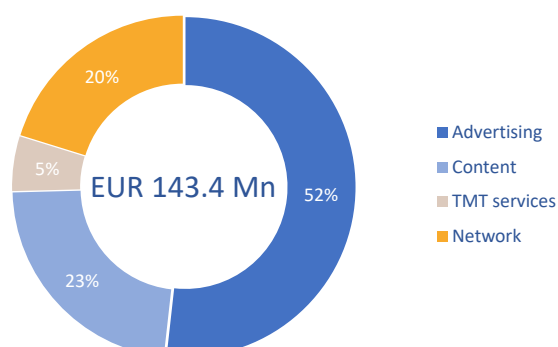
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	19.1	31.3	70.7	88.9	108.1	108.1	108.1	108.1		
Fixed assets	2.0	2.2	2.3	3.3	3.1	17.3	32.7	47.4		
Other Non Current Assets	0.0	0.8	4.8	8.8	8.7	8.7	8.7	8.7		
Financial Investments	10.5	12.9	12.0	12.6	15.7	15.7	15.7	15.7		
Goodwill & Other Intangibles	3.0	2.3	5.0	11.1	23.1	23.1	23.1	23.1		
Current assets	13.7	11.4	18.6	34.1	42.5	85.4	99.4	108.7		
<b>Total assets</b>	<b>48.3</b>	<b>61.0</b>	<b>113.4</b>	<b>158.9</b>	<b>201.2</b>	<b>258.3</b>	<b>287.7</b>	<b>311.7</b>		
Equity	26.9	29.9	43.0	55.7	60.4	72.1	85.8	100.4		
Minority Interests	0.4	0.5	5.0	9.6	11.8	16.7	22.4	28.5		
Provisions & Other L/T Liabilities	4.2	5.5	18.6	18.0	17.4	17.4	17.4	17.4		
Other Non Current Liabilities	-	0.7	1.2	2.2	2.2	2.2	2.2	2.2		
Net financial debt	1.4	7.2	23.4	24.0	42.4	50.0	53.4	51.2		
Current Liabilities	15.4	17.1	22.1	49.3	67.1	99.9	106.5	112.1		
<b>Equity &amp; Total Liabilities</b>	<b>48.3</b>	<b>61.0</b>	<b>113.4</b>	<b>158.9</b>	<b>201.2</b>	<b>258.3</b>	<b>287.7</b>	<b>311.7</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>	<b>32.6</b>	<b>70.0</b>	<b>79.1</b>	<b>129.6</b>	<b>144.5</b>	<b>289.6</b>	<b>333.6</b>	<b>360.1</b>	<b>45.1%</b>	<b>35.6%</b>
Total Revenues growth	203.0%	114.7%	13.0%	63.8%	11.5%	100.4%	15.2%	8.0%		
COGS	(21.9)	(53.4)	(56.2)	(88.1)	(102.3)	(198.7)	(228.7)	(245.5)		
<b>Gross Margin</b>	<b>10.7</b>	<b>16.6</b>	<b>22.9</b>	<b>41.5</b>	<b>42.2</b>	<b>90.9</b>	<b>104.9</b>	<b>114.6</b>	<b>40.8%</b>	<b>39.5%</b>
Gross Margin/Revenues	32.9%	23.7%	29.0%	32.0%	29.2%	31.4%	31.4%	31.8%		
Personnel Expenses	(3.9)	(5.3)	(6.0)	(13.1)	(14.3)	(33.1)	(37.8)	(40.5)		
Other Operating Expenses	(4.2)	(3.8)	(3.2)	(6.4)	(8.2)	(19.0)	(21.6)	(24.1)		
<b>Recurrent EBITDA</b>	<b>2.7</b>	<b>7.4</b>	<b>13.8</b>	<b>22.0</b>	<b>19.8</b>	<b>38.8</b>	<b>45.4</b>	<b>50.0</b>	<b>64.9%</b>	<b>36.2%</b>
Recurrent EBITDA growth	98.0%	177.6%	85.3%	59.7%	-10.1%	96.2%	17.0%	10.1%		
Rec. EBITDA/Revenues	8.2%	10.6%	17.4%	17.0%	13.7%	13.4%	13.6%	13.9%		
Restructuring Expense & Other non-rec.	-	0.5	0.7	2.0	2.0	-	-	-		
<b>EBITDA</b>	<b>2.7</b>	<b>8.0</b>	<b>14.5</b>	<b>24.0</b>	<b>21.8</b>	<b>38.8</b>	<b>45.4</b>	<b>50.0</b>	<b>68.8%</b>	<b>32.0%</b>
Depreciation & Provisions	(1.1)	(2.5)	(6.5)	(8.8)	(9.4)	(11.9)	(14.6)	(17.7)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
<b>EBIT</b>	<b>1.6</b>	<b>5.5</b>	<b>8.0</b>	<b>15.2</b>	<b>12.4</b>	<b>26.9</b>	<b>30.9</b>	<b>32.3</b>	<b>67.3%</b>	<b>37.7%</b>
EBIT growth	240.8%	248.3%	44.5%	91.6%	-18.8%	117.7%	14.5%	4.8%		
EBIT/Revenues	4.8%	7.9%	10.1%	11.8%	8.6%	9.3%	9.3%	9.0%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.1)	(0.1)	(1.4)	(1.5)	(4.2)	(4.9)	(4.9)	(4.9)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>1.5</b>	<b>5.4</b>	<b>6.5</b>	<b>13.8</b>	<b>8.1</b>	<b>22.1</b>	<b>26.0</b>	<b>27.5</b>	<b>53.4%</b>	<b>50.1%</b>
Ordinary Profit Growth	224.5%	266.4%	21.7%	110.0%	-40.9%	171.5%	17.7%	5.7%		
Extraordinary Results	-	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>1.5</b>	<b>5.4</b>	<b>6.5</b>	<b>13.8</b>	<b>8.1</b>	<b>22.1</b>	<b>26.0</b>	<b>27.5</b>	<b>53.4%</b>	<b>50.1%</b>
Tax Expense	-	0.2	-	(0.4)	-	(5.5)	(6.5)	(6.9)		
Effective Tax Rate	n.a.	n.a.	n.a.	3.0%	n.a.	25.0%	25.0%	25.0%		
Minority Interests	0.0	(0.0)	(1.1)	(3.0)	(2.4)	(4.9)	(5.8)	(6.1)		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>1.5</b>	<b>5.6</b>	<b>5.4</b>	<b>10.3</b>	<b>5.8</b>	<b>11.7</b>	<b>13.7</b>	<b>14.5</b>	<b>39.7%</b>	<b>36.2%</b>
Net Profit growth	201.4%	268.2%	-2.2%	89.2%	-44.1%	102.8%	17.7%	5.7%		
<b>Ordinary Net Profit</b>	<b>1.5</b>	<b>4.8</b>	<b>4.7</b>	<b>8.4</b>	<b>3.8</b>	<b>11.7</b>	<b>13.7</b>	<b>14.5</b>	<b>25.8%</b>	<b>56.6%</b>
Ordinary Net Profit growth	228.1%	220.5%	-2.3%	76.7%	-54.8%	208.5%	17.7%	5.7%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>38.8</b>	<b>45.4</b>	<b>50.0</b>	<b>64.9%</b>	<b>36.2%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(10.1)	(7.4)	(3.7)		
<b>Recurrent Operating Cash Flow</b>						<b>28.8</b>	<b>38.0</b>	<b>46.3</b>	<b>52.7%</b>	<b>16.7%</b>
CAPEX						(26.1)	(30.0)	(32.4)		
Net Financial Result affecting the Cash Flow						(4.9)	(4.9)	(4.9)		
Tax Expense						(5.5)	(6.5)	(6.9)		
<b>Recurrent Free Cash Flow</b>						<b>(7.7)</b>	<b>(3.3)</b>	<b>2.2</b>	<b>n.a.</b>	<b>28.1%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(7.7)</b>	<b>(3.3)</b>	<b>2.2</b>	<b>n.a.</b>	<b>28.1%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>7.7</b>	<b>3.3</b>	<b>(2.2)</b>		

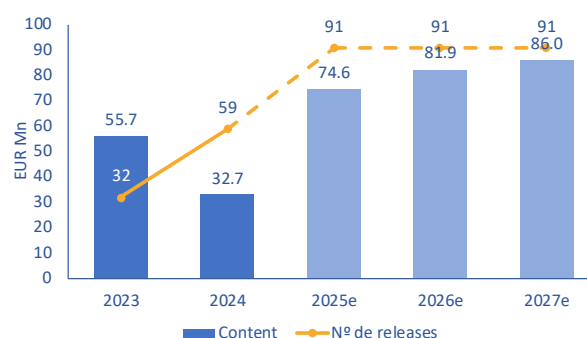


## The company in 8 charts

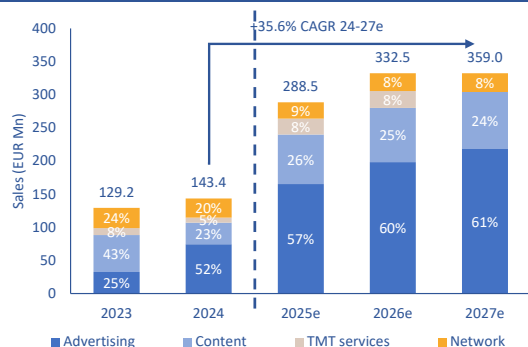
**A business diversified across four major areas of the media business**



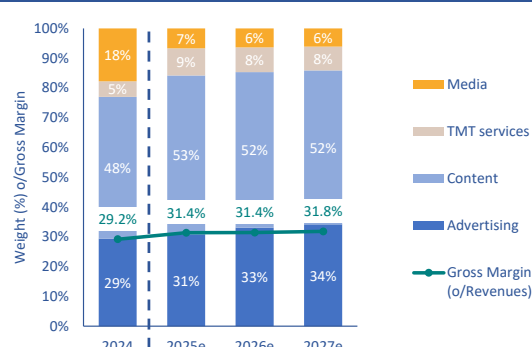
**We expect a higher contribution from the content business (explained by the higher number of new releases)...**



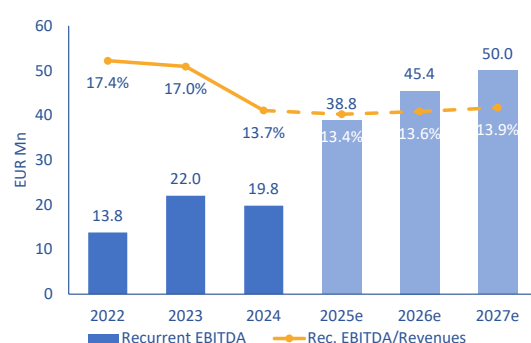
**...and enabling the company to expect revenue in 2027e of around EUR 359.0Mn (+35.6% CAGR 24-27e)**



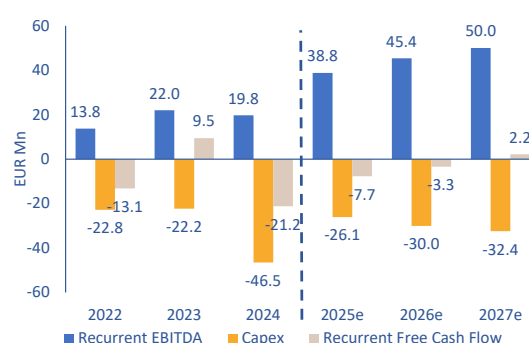
**With a gross margin of 31.8% in 2027e (vs 29.2% in 2024) driven by growth in the more profitable business lines**



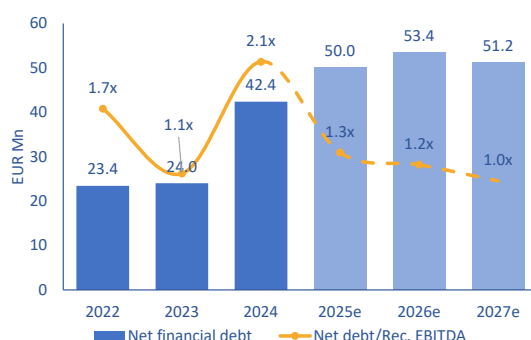
**The larger weight of content in the revenue mix should drive EBITDA 2027e to EUR 50.0Mn (vs EUR 19.8Mn in 2024)...**



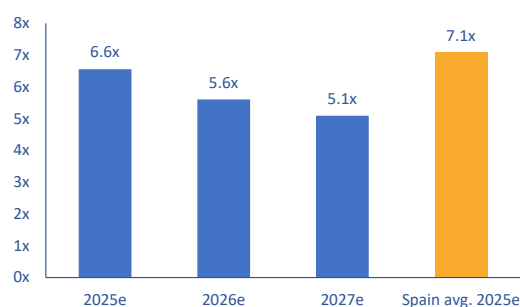
**...leaving room for positive FCF (Rec. FCF 2027e: EUR 2.2Mn) despite high CAPEX (required to renew content)**



**Cash generation in 2027e should keep debt under control (ND/EBITDA 2027e 1.0x)**



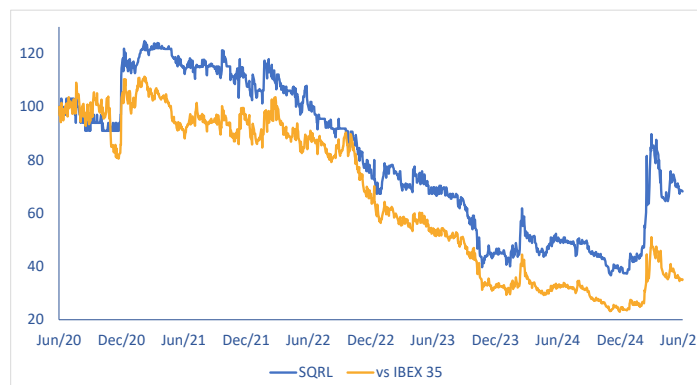
**EV/EBITDA 2025e 6.6x vs 7.1x from its Spanish peers**





## Evolution of the share price

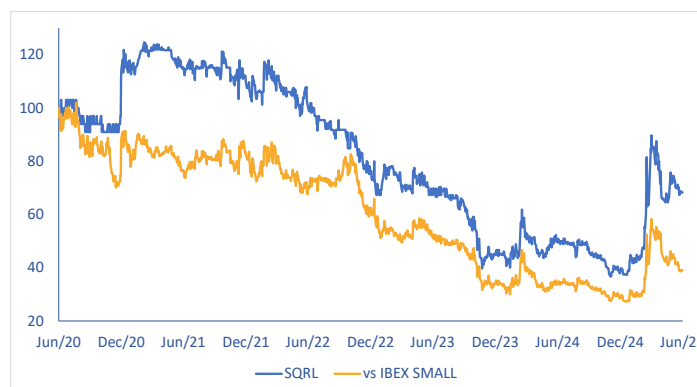
Historical behavior vs Ibex 35 (base 100)



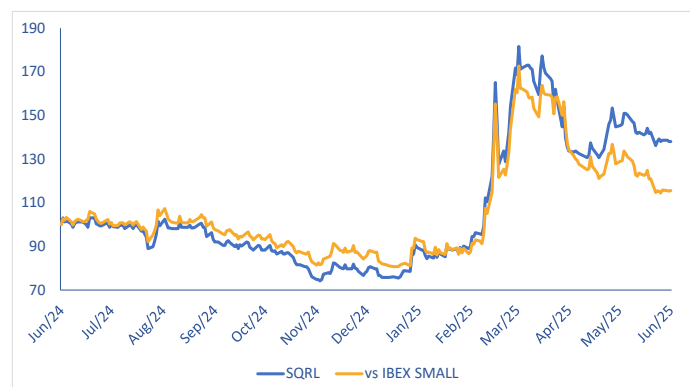
Behavior -1y vs Ibex 35 (base 100)



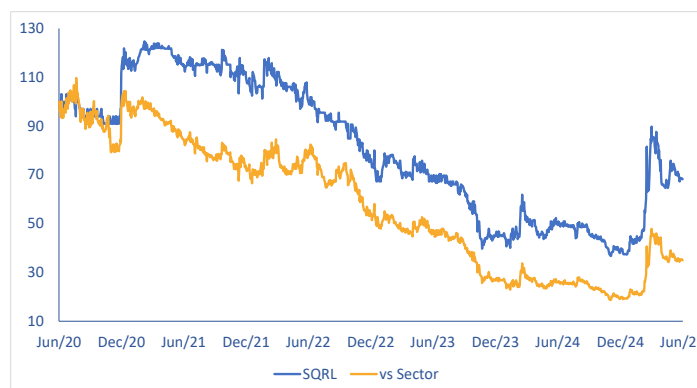
Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Media

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-4.7	-18.2	38.0	81.5	-32.2	-31.8
<b>vs Market</b>						
vs Ibex 35	-8.6	-25.5	9.1	48.9	-59.8	-64.9
vs Euro STOXX 50	-6.1	-19.4	27.1	64.7	-54.8	-60.2
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	-9.6	-28.0	15.6	41.8	-43.8	-61.0
vs Micro Cap Spain Segment <sup>(1)</sup>	-9.2	-23.6	31.1	59.8	-34.4	-54.1
vs MSCI Europe Micro Cap	-8.9	-24.9	36.0	68.4	-27.7	-46.5
<b>vs Sector</b>						
vs Stoxx Europe 600 Media	-4.7	-22.0	34.8	81.4	-55.2	-65.0

(1) Constituents on page 10





## Free Cash Flow (I)

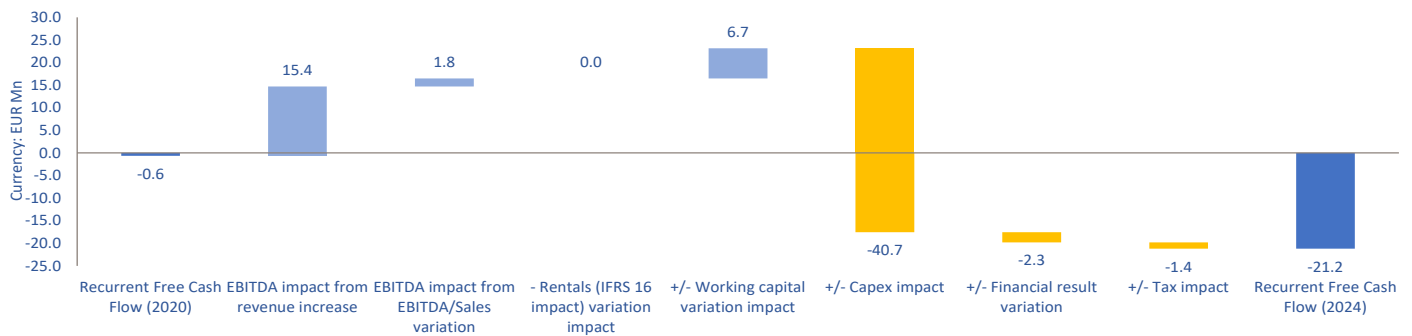
								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>7.4</b>	<b>13.8</b>	<b>22.0</b>	<b>19.8</b>	<b>38.8</b>	<b>45.4</b>	<b>50.0</b>	<b>38.6%</b>	<b>36.2%</b>
Recurrent EBITDA growth	177.6%	85.3%	59.7%	-10.1%	96.2%	17.0%	10.1%		
Rec. EBITDA/Revenues	10.6%	17.4%	17.0%	13.7%	13.4%	13.6%	13.9%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	4.1	(2.2)	11.7	9.4	(10.1)	(7.4)	(3.7)		
<b>= Recurrent Operating Cash Flow</b>	<b>11.5</b>	<b>11.6</b>	<b>33.7</b>	<b>29.2</b>	<b>28.8</b>	<b>38.0</b>	<b>46.3</b>	<b>36.3%</b>	<b>16.7%</b>
Rec. Operating Cash Flow growth	114.6%	0.6%	190.9%	-13.4%	-1.3%	32.1%	21.8%		
Rec. Operating Cash Flow / Sales	16.4%	14.6%	26.0%	20.2%	9.9%	11.4%	12.9%		
- CAPEX	(11.7)	(22.8)	(22.2)	(46.5)	(26.1)	(30.0)	(32.4)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.8)	(0.8)	(2.4)	(4.9)	(4.9)	(4.9)		
- Taxes	(0.1)	(1.2)	(1.2)	(1.5)	(5.5)	(6.5)	(6.9)		
<b>= Recurrent Free Cash Flow</b>	<b>(0.5)</b>	<b>(13.1)</b>	<b>9.5</b>	<b>(21.2)</b>	<b>(7.7)</b>	<b>(3.3)</b>	<b>2.2</b>	<b>n.a.</b>	<b>28.1%</b>
Rec. Free Cash Flow growth	29.7%	n.a.	172.2%	-323.4%	63.9%	56.3%	165.7%		
Rec. Free Cash Flow / Revenues	n.a.	n.a.	7.3%	n.a.	n.a.	n.a.	0.6%		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	(2.3)	(12.2)	(5.7)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow</b>	<b>(2.8)</b>	<b>(25.3)</b>	<b>3.8</b>	<b>(21.2)</b>	<b>(7.7)</b>	<b>(3.3)</b>	<b>2.2</b>	<b>-96.9%</b>	<b>28.1%</b>
Free Cash Flow growth	-329.5%	-810.3%	114.9%	-662.4%	63.9%	56.3%	165.7%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	n.a.	n.a.	4.7%	n.a.	n.a.	n.a.	1.1%		
Free Cash Flow Yield (s/Mkt Cap)	n.a.	n.a.	1.8%	n.a.	n.a.	n.a.	1.1%		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>	<b>(0.6)</b>	<b>(0.5)</b>	<b>(13.1)</b>	<b>9.5</b>	<b>(21.2)</b>	<b>(7.7)</b>	<b>(3.3)</b>		
EBITDA impact from revenue increase	3.1	1.0	8.8	2.5	19.9	5.9	3.6		
EBITDA impact from EBITDA/Sales variation	1.7	5.4	(0.6)	(4.7)	(0.8)	0.7	1.0		
<b>= Recurrent EBITDA variation</b>	<b>4.8</b>	<b>6.3</b>	<b>8.2</b>	<b>(2.2)</b>	<b>19.0</b>	<b>6.6</b>	<b>4.6</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	1.4	(6.3)	13.9	(2.3)	(19.4)	2.6	3.7		
<b>= Recurrent Operating Cash Flow variation</b>	<b>6.1</b>	<b>0.1</b>	<b>22.1</b>	<b>(4.5)</b>	<b>(0.4)</b>	<b>9.3</b>	<b>8.3</b>		
+/- CAPEX impact	(6.0)	(11.0)	0.5	(24.2)	20.4	(4.0)	(2.4)		
+/- Financial result variation	(0.0)	(0.6)	-	(1.6)	(2.5)	-	-		
+/- Tax impact	0.0	(1.1)	-	(0.3)	(4.0)	(1.0)	(0.4)		
<b>= Recurrent Free Cash Flow variation</b>	<b>0.2</b>	<b>(12.7)</b>	<b>22.6</b>	<b>(30.7)</b>	<b>13.5</b>	<b>4.3</b>	<b>5.5</b>		
<b>Recurrent Free Cash Flow</b>	<b>(0.5)</b>	<b>(13.1)</b>	<b>9.5</b>	<b>(21.2)</b>	<b>(7.7)</b>	<b>(3.3)</b>	<b>2.2</b>		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>5.5</b>	<b>8.0</b>	<b>15.2</b>	<b>12.4</b>	<b>26.9</b>	<b>30.9</b>	<b>32.3</b>	<b>31.0%</b>	<b>37.7%</b>
* Theoretical Tax rate	0.0%	0.0%	3.0%	0.0%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	-	-	(0.5)	-	(6.7)	(7.7)	(8.1)		
<b>Recurrent EBITDA</b>	<b>7.4</b>	<b>13.8</b>	<b>22.0</b>	<b>19.8</b>	<b>38.8</b>	<b>45.4</b>	<b>50.0</b>	<b>38.6%</b>	<b>36.2%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	4.1	(2.2)	11.7	9.4	(10.1)	(7.4)	(3.7)		
<b>= Recurrent Operating Cash Flow</b>	<b>11.5</b>	<b>11.6</b>	<b>33.7</b>	<b>29.2</b>	<b>28.8</b>	<b>38.0</b>	<b>46.3</b>	<b>36.3%</b>	<b>16.7%</b>
- CAPEX	(11.7)	(22.8)	(22.2)	(46.5)	(26.1)	(30.0)	(32.4)		
- Taxes (pre- Financial Result)	-	-	(0.5)	-	(6.7)	(7.7)	(8.1)		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(0.2)</b>	<b>(11.2)</b>	<b>11.0</b>	<b>(17.3)</b>	<b>(4.0)</b>	<b>0.3</b>	<b>5.8</b>	<b>n.a.</b>	<b>32.7%</b>
Rec. Free Cash Flow (To the Firm) growth	43.8%	n.a.	197.8%	-257.9%	76.8%	107.5%	n.a.		
Rec. Free Cash Flow (To the Firm) / Revenues	n.a.	n.a.	8.5%	n.a.	n.a.	0.1%	1.6%		
- Acquisitions / + Divestments	(2.3)	(12.2)	(5.7)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>(2.6)</b>	<b>(23.4)</b>	<b>5.2</b>	<b>(17.3)</b>	<b>(4.0)</b>	<b>0.3</b>	<b>5.8</b>	<b>-89.1%</b>	<b>32.7%</b>
Free Cash Flow (To the Firm) growth	-506.9%	-812.4%	122.4%	-430.3%	76.8%	107.5%	n.a.		
Rec. Free Cash Flow To the Firm Yield (o/EV)	n.a.	n.a.	4.3%	n.a.	n.a.	0.1%	2.3%		
Free Cash Flow "To the Firm" - Yield (o/EV)	n.a.	n.a.	2.1%	n.a.	n.a.	0.1%	2.3%		



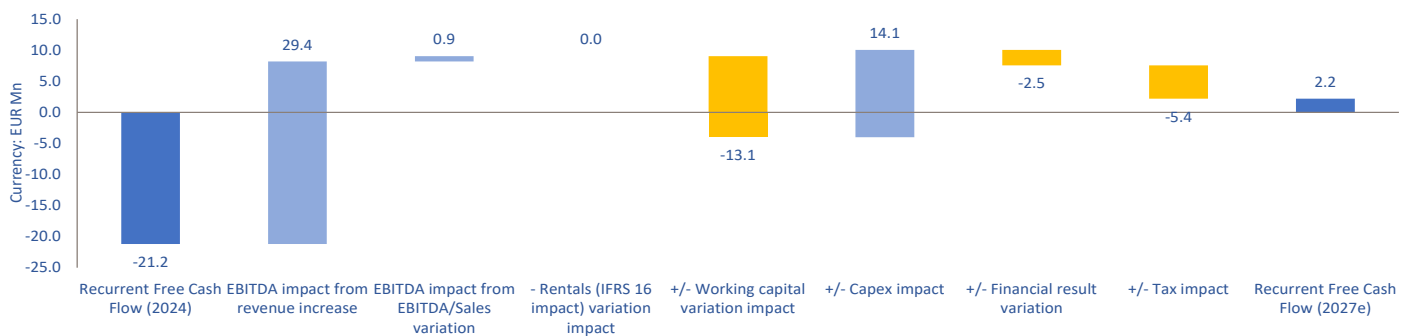


## Free Cash Flow (II)

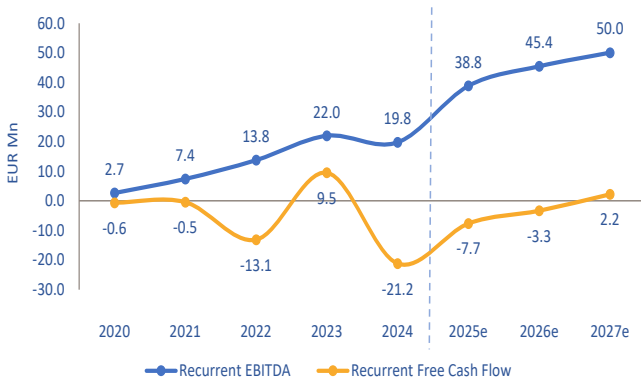
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



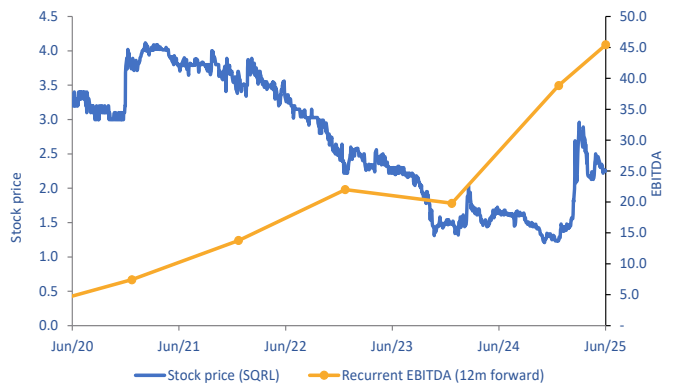
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(4.0)	0.3	5.8	n.a.		
Market Cap	204.0	At the date of this report				
Net financial debt	37.3	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	9.4%	Net debt cost			9.2%	9.7%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	7.5%	$K_d = \text{Cost of Net Debt} * (1-T)$			7.3%	7.7%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.1	B (own estimate)			1.0	1.2
Cost of Equity	9.7%	$K_e = R_f + (R * B)$			8.6%	10.9%
Equity / (Equity + Net Debt)	84.5%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	15.5%	D			=	=
WACC	9.4%	$WACC = K_d * D + K_e * E$			8.4%	10.4%
G "Fair"	2.0%				2.5%	2.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	204.0	
+ Minority Interests	12.4	12m Results 2024
+ Provisions & Other L/T Liabilities	15.3	12m Results 2024
+ Net financial debt	37.3	12m Results 2024
- Financial Investments	14.2	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>254.7</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	7.4%	20.9%	14.7%	17.1%	11.7%
	2022	2027e			
ROCE - WACC	2.4%	4.7%			
FCF Yield - WACC	n.a.	-7,2%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	15.0%	50.1	5.1x
Central	13.6%	45.4	5.6x
Min	12.2%	40.8	6.2x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Scenario	Rec. FCF/Yield 26e		
EBITDA 26e	8.1%	9.0%	9.9%					
50.1	4.3	1.3	(1.7)	➔	Max	2.1%	0.6%	n.a.
45.4	(0.3)	(3.3)	(6.4)		Central	n.a.	n.a.	n.a.
40.8	(5.0)	(8.0)	(11.0)		Min	n.a.	n.a.	n.a.

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	66.7%	57.1%	40.0%
% of proprietary board members	33.3%	28.6%	40.0%
% of executive board members	0.0%	14.3%	20.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	33.3%	28.6%	40.0%
% of women out of total workforce	46.0%	47.7%	55.2%
Board remuneration/staff cost	11.7%	5.4%	4.9%



## Main peers 2025e

	EUR Mn	Advertising global players					Media sector in España				Media World Players		
		Omnicom	WPP	Publicis	Interpublic	Average	Atresmedia	Prisa	Vocento	Average	Vivendi	Paramount	SQRL
Market data	Ticker (Factset)	OMC-US	WPP-GB	PUB-FR	IPG-US		A3M-ES	PRS-ES	VOC-ES		VIV-FR	paraa-us	SQRL-ES
	Country	USA	UK	France	USA		Spain	Spain	Spain		USA	USA	Spain
	Market cap	11,992.1	7,065.1	24,371.9	7,546.3		1,373.6	526.2	79.3		2,910.0	7,319.0	204.0
	Enterprise value (EV)	15,916.0	11,723.6	25,878.9	9,658.3		1,244.4	1,127.2	179.1		5,485.0	18,384.2	254.7
Basic financial information	Total Revenues	13,856.1	12,477.9	14,753.7	7,521.0		1,031.0	945.8	338.9		308.0	24,448.9	289.6
	Total Revenues growth	2.3%	-27.9%	-8.0%	-18.5%	-13.0%	12.2%	7.4%	-0.9%	6.2%	3.7%	-3.1%	0.3%
	2y CAGR (2025e - 2027e)	3.6%	1.7%	6.1%	2.9%	3.6%	0.3%	3.4%	-0.5%	1.1%	2.1%	0.6%	1.4%
	EBITDA	2,257.8	2,236.5	3,192.0	1,306.6		176.9	192.4	21.4		(9.8)	2,389.0	38.8
	EBITDA growth	1.0%	-9.5%	1.3%	-10.4%	-4.4%	-0.4%	31.5%	289.7%	106.9%	-117.5%	38.4%	-39.6%
	2y CAGR (2025e - 2027e)	4.4%	2.3%	5.3%	7.8%	4.9%	-1.2%	7.0%	15.7%	7.2%	n.a.	0.0%	0.0%
	EBITDA/Revenues	16.3%	17.9%	21.6%	17.4%	18.3%	17.2%	20.3%	6.3%	14.6%	n.a.	9.8%	9.8%
	EBIT	2,059.6	1,859.1	2,579.1	1,024.0		159.6	119.3	(2.2)		(65.4)	1,994.4	26.9
	EBIT growth	1.6%	-1.7%	6.5%	-17.1%	-2.6%	-0.4%	51.1%	93.7%	48.1%	51.9%	43.7%	47.8%
	2y CAGR (2025e - 2027e)	4.5%	3.2%	6.2%	12.1%	6.5%	-1.2%	10.0%	n.a.	4.4%	49.5%	1.9%	25.7%
	EBIT/Revenues	14.9%	14.9%	17.5%	13.6%	15.2%	15.5%	12.6%	n.a.	14.1%	n.a.	8.2%	8.2%
	Net Profit	1,351.8	1,034.3	1,754.7	830.1		121.3	8.4	2.5		39.3	659.7	11.7
	Net Profit growth	5.7%	62.6%	5.7%	39.4%	28.4%	0.9%	170.8%	102.6%	91.4%	113.3%	112.3%	112.8%
	2y CAGR (2025e - 2027e)	5.2%	2.6%	7.8%	5.2%	5.2%	-0.9%	99.3%	-57.9%	13.5%	83.5%	15.4%	49.5%
	CAPEX/Sales %	0.8%	2.8%	1.7%	1.6%	1.7%	3.9%	5.3%	3.2%	4.2%	1.7%	0.9%	1.3%
	Free Cash Flow	1,393.1	1,036.9	1,989.1	788.0		109.3	33.0	7.0		(48.5)	350.1	(7.7)
	Net financial debt	1,334.1	4,651.3	(1,104.6)	942.3		(85.2)	670.2	39.1		2,228.7	10,176.9	50.0
	ND/EBITDA (x)	0.6	2.1	(0.3)	0.7	0.8	(0.5)	3.5	1.8	1.6	n.a.	4.3	1.3
	Pay-out	37.0%	44.1%	52.8%	52.4%	46.6%	92.9%	0.0%	80.8%	57.9%	112.2%	17.4%	64.8%
Multiples and Ratios	P/E (x)	8.5	7.0	12.6	9.0	9.2	11.4	39.4	14.3	21.7	n.a.	18.3	18.3
	P/BV (x)	2.9	1.5	2.0	2.3	2.2	1.7	n.a.	0.4	1.1	0.7	0.9	0.8
	EV/Revenues (x)	1.1	0.9	1.8	1.3	1.3	1.2	1.2	0.5	1.0	17.8	0.8	9.3
	EV/EBITDA (x)	7.0	5.2	8.1	7.4	6.9	7.0	5.9	8.4	7.1	n.a.	7.7	7.7
	EV/EBIT (x)	7.7	6.3	10.0	9.4	8.4	7.8	9.4	n.a.	8.6	n.a.	9.2	9.2
	ROE	34.5	22.1	15.9	25.8	24.6	15.2	n.a.	2.8	9.0	0.4	4.8	2.6
	FCF Yield (%)	11.6	14.7	8.2	10.4	11.2	8.0	6.3	8.8	7.7	n.a.	4.8	4.8
	DPS	2.55	0.42	3.70	1.16	1.96	0.50	0.00	0.02	0.17	0.04	0.17	0.11
	Dvd Yield	4.1%	6.5%	3.8%	5.7%	5.0%	8.2%	0.0%	2.5%	3.6%	1.5%	0.9%	1.2%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	14-24	24-27e
Total Revenues	-	3.0	4.0	3.9	6.4	10.8	32.6	70.0	79.1	129.6	144.5	289.6	333.6	360.1	n.a.	35.6%
Total Revenues growth	n.a.	n.a.	33.3%	-3.5%	66.2%	67.3%	203.0%	114.7%	13.0%	63.8%	11.5%	100.4%	15.2%	8.0%		
EBITDA	-	(1.8)	(0.3)	0.6	2.5	1.4	2.7	8.0	14.5	24.0	21.8	38.8	45.4	50.0	n.a.	32.0%
EBITDA growth	n.a.	n.a.	82.8%	307.3%	292.9%	-44.8%	98.0%	197.2%	81.9%	65.7%	-9.3%	78.5%	17.0%	10.1%		
EBITDA/Sales	n.a.	n.a.	n.a.	16.1%	38.1%	12.6%	8.2%	11.4%	18.3%	18.5%	15.1%	13.4%	13.6%	13.9%		
Net Profit	-	(4.1)	(1.2)	27.9	1.8	(1.5)	1.5	5.6	5.4	10.3	5.8	11.7	13.7	14.5	n.a.	36.2%
Net Profit growth	n.a.	n.a.	70.6%	n.a.	-93.5%	-182.6%	201.4%	268.2%	-2.2%	89.2%	-44.1%	102.8%	17.7%	5.7%		
Adjusted number shares (Mn)	7.9	7.9	7.9	7.8	15.1	19.1	41.0	85.9	87.7	85.9	89.0	96.5	96.5	96.5		
EPS (EUR)	0.00	-0.53	-0.15	3.57	0.12	-0.08	0.04	0.06	0.06	0.12	0.06	0.12	0.14	0.15	n.a.	32.5%
EPS growth	n.a.	n.a.	70.6%	n.a.	-96.6%	n.a.	n.a.	75.9%	-4.2%	93.2%	-46.1%	87.1%	17.7%	5.7%		
Ord. EPS (EUR)	0.00	-0.53	-0.15	0.23	0.12	-0.08	0.04	0.06	0.05	0.10	0.04	0.12	0.14	0.15	n.a.	52.4%
Ord. EPS growth	n.a.	n.a.	70.6%	n.a.	-48.6%	n.a.	n.a.	53.1%	-4.3%	80.5%	-56.3%	n.a.	17.7%	5.7%		
CAPEX	-	(0.4)	(0.7)	(1.7)	(1.1)	(5.9)	(5.8)	(11.7)	(22.8)	(22.2)	(46.5)	(26.1)	(30.0)	(32.4)		
CAPEX/Sales %	n.a.	13.5%	16.4%	43.1%	17.7%	54.8%	17.7%	16.8%	28.8%	17.2%	32.2%	9.0%	9.0%	9.0%		
Free Cash Flow	-	4.4	(1.6)	(9.2)	(1.5)	(5.4)	(0.6)	(2.8)	(25.3)	3.8	(21.2)	(7.7)	(3.3)	2.2	n.a.	28.1%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	8.4x	1.6x	0.8x	0.5x	0.9x	1.6x	1.0x	1.9x	1.3x	1.2x	1.0x		
P/E (x)	n.a.	n.a.	n.a.	n.a.	20.9x	n.a.	n.a.	57.2x	38.1x	12.4x	19.2x	18.6x	15.8x	15.0x		
EV/Sales (x)	n.a.	11.57x	9.11x	5.29x	6.46x	5.52x	10.06x	4.55x	3.10x	1.34x	1.16x	0.88x	0.76x	0.71x		
EV/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	32.8x	16.9x	43.9x	n.a.	40.0x	16.9x	7.3x	7.7x	6.6x	5.6x	5.1x		
Absolute performance	2.2%	0.0%	0.0%	0.0%	32.5%	23.7%	24.8%	-4.4%	-36.2%	-36.9%	-16.8%	81.5%				
Relative performance vs Ibex 35	-1.4%	7.7%	2.1%	-6.9%	55.8%	10.6%	47.7%	-11.4%	-32.5%	-48.6%	-27.5%	48.9%				

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

**Substrate AI (SAI)**, is a Spanish startup tech company focused on AI and its applications, with headquarters in Valencia. SAI develops and sells its own products and solutions under a SaaS model. Listed on BME Growth since May 2022.

## MOMENTUM: WHAT TO EXPECT FROM 2025E?

**2024 results: revenue doubled to EUR 17.5Mn...** versus EUR 8.6Mn in 2023, reflecting the impact of M&A completed in 2023 (Yamro Holding, Diaximag, PS Vet, Binit, and Deltanova) and organic growth. SAI continues to advance its internationalization, with international revenue reaching 48% (39% in 2023).

**...with significant gross margin improvement**, reaching 76.9% (+10 p.p. versus 2023). Recurring EBITDA improved (EUR -2.2Mn versus EUR -8.9Mn in 2023) due to strong revenue performance and operating leverage, with personnel expenses rising (+40%) below revenue (+103%) and other operating expenses decreasing by 5%.

**2025: revenue impacted by divestitures, but EBITDA continues to improve due to structural cost reductions.** Revenue is expected to fall in 2025e (-4.2%) due to the deconsolidation of Subgen AI, Binit (Argentina), and Deltanova (Uruguay). Despite gross margin pressure, the positive impact on structural costs, which reduce their weight as a percentage of revenue (2024: 89%; 2025e: 81%), allows Recurring EBITDA to continue improving (EUR -1.5Mn vs. EUR -2.2Mn in 2024). The combination of less aggressive growth and structural reduction brings Recurring EBITDA and FCF (Free Cash Flow) closer to break-even (beyond 2027 though). Net Debt (ND) remains the main constraint of the business model (2024 ND EUR 4.2Mn), as the non-cash-generating environment implies increasing leverage, potential capital increases, and dilution.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Sectoral driver:** Artificial Intelligence. SAI operates in the AI sector, which has benefited from the pandemic driven by digital transformation processes. Today, AI implementation is a priority for many organizations, accelerating its adoption.

**Potential for long-term margin improvement.** SAI has proprietary software solutions (under a SaaS model). Some solutions are developed, while others are not. However, given that AI training requires time and resources, the business is not easily scalable and requires a considerable development period.

**Increasing cash generation (though we do not expect positive FCF before 2027).** Developing an AI business is very demanding in terms of costs. We estimate a significant improvement in margins in the 2025e-2027e period, but we do not estimate positive Recurring EBITDA and FCF before 2027 (2027e Recurring EBITDA EUR -0.6Mn). The next three years will be crucial to ascertain SAI's ability to achieve Recurring EBITDA closer to break-even while developing its AI solutions. SAI remains a bet on a high-growth sector but with very limited visibility.

## RISKS: WHAT TO KEEP AN EYE ON?

**Structural financing via capital increases.** Given the size and business stage (start-up) and our assessment that the company will not be able to generate cash in the next three years, the risk of dilution from new capital increases (or convertible bonds) is very high.

**Highly competitive and nascent sector.** The AI industry itself is very fragmented, which could pose a commercial risk for SAI in terms of client loss and the emergence of competitors with more attractive technology, implying a reduction in expected activity.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Good revenue momentum is maintained.** The challenge is to reach break-even. The investment process and its financing via capital increases have led to high levels of dilution. Performance has been significantly below market and sector over the last 12 months (-18.6%; -15.5% vs. sector). Following the 2024 results, which beat expectations in both revenue and EBITDA, the only catalyst for the share price can be improving EBITDA and reaching break-even. Structural costs reduction is the main growth driver. This is the "only" possible catalyst: the speed of execution in cutting structural costs.

### Market Data

Market Cap (Mn EUR and USD)	16.0	18.4
EV (Mn EUR and USD)	19.4	22.2
Shares Outstanding (Mn)	135.5	
-12m (Max/Med/Mín EUR)	0.16 / 0.12 / 0.09	
Daily Avg volume (-12m Mn EUR)	0.17	
Rotation <sup>(1)</sup>	269.7	
Factset / Bloomberg	SAI-ES / SAI SM	
Close fiscal year	31-Dec	

### Shareholders Structure (%)<sup>(3)</sup>

United General LTD	5.6
Autocartera	4.5
YARO Investment Holding	1.8
Free Float	86.8

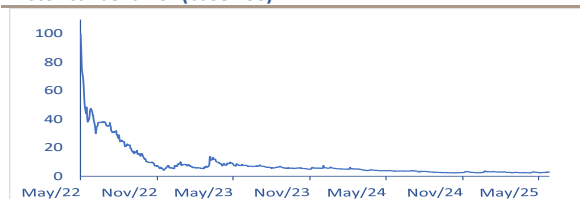
### Financials (Mn EUR)

	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	111.2	141.5	145.5	145.5
Total Revenues	17.6	16.8	19.4	22.3
Rec. EBITDA	-2.2	-1.5	-1.1	-0.6
% growth	73.2	33.9	26.1	40.8
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	n.a.
% Inc. EBITDA sector <sup>(2)</sup>	3.3	12.5	16.5	12.2
Net Profit	10.0	-2.4	-3.1	-3.2
EPS (EUR)	0.09	-0.02	-0.02	-0.02
% growth	133.1	-119.0	-24.6	-3.2
Ord. EPS (EUR)	0.03	-0.02	-0.02	-0.02
% growth	111.3	-162.6	-24.6	-3.2
Rec. Free Cash Flow	-1.3	-3.7	-3.2	-3.0
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	4.2	7.9	11.1	14.0
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	n.a.
ROE (%)	31.2	n.a.	n.a.	n.a.
ROCE (%)	13.4	n.a.	n.a.	n.a.

### Ratios & Multiples (x)

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	4.3	n.a.	n.a.	n.a.
P/BV	0.4	0.4	0.4	0.5
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	1.10	1.15	1.00	0.87
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	5.2	n.a.	n.a.	n.a.
FCF Yield (%)	n.a.	n.a.	n.a.	n.a.

### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	1.7	11.7	-18.6	n.a.

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

(2) Sector: Stoxx Europe 600 Technology.

(3) Others: Lorenzo Serratos 0.6%, José Iván García Braulio 0.6%

(\*) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses. Total EBITDA does include capitalized expenses.



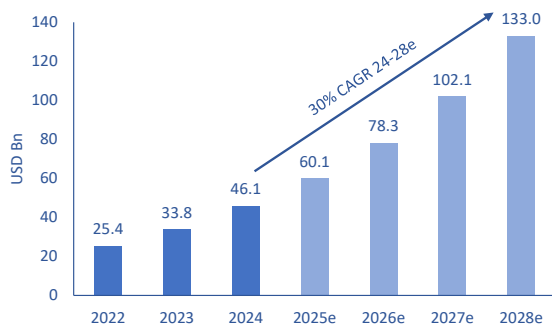
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets			2.9	8.7	17.6	17.5	16.6	15.6		
Fixed assets			0.1	0.2	0.8	1.5	2.1	2.6		
Other Non Current Assets			0.9	2.0	1.2	1.2	1.2	1.2		
Financial Investments			0.3	1.0	28.1	28.1	28.1	28.1		
Goodwill & Other Intangibles			16.3	22.5	6.6	6.6	6.6	6.6		
Current assets			1.5	5.6	6.1	6.5	7.4	8.5		
<b>Total assets</b>			<b>22.1</b>	<b>40.0</b>	<b>60.2</b>	<b>61.3</b>	<b>62.0</b>	<b>62.6</b>		
Equity			18.2	22.9	41.1	38.7	35.6	32.4		
Minority Interests			0.1	0.9	0.6	0.6	0.6	0.6		
Provisions & Other L/T Liabilities			0.6	4.3	4.9	4.9	4.9	4.9		
Other Non Current Liabilities			0.5	0.6	0.7	0.7	0.7	0.7		
Net financial debt			1.9	5.7	4.2	7.9	11.1	14.0		
Current Liabilities			0.8	5.7	8.7	8.5	9.2	9.9		
<b>Equity &amp; Total Liabilities</b>			<b>22.1</b>	<b>40.0</b>	<b>60.2</b>	<b>61.3</b>	<b>62.0</b>	<b>62.6</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Total Revenues</b>			<b>3.1</b>	<b>8.6</b>	<b>17.6</b>	<b>16.8</b>	<b>19.4</b>	<b>22.3</b>	<b>20-24</b>	<b>24-27e</b>
<i>Total Revenues growth</i>			<i>n.a.</i>	<i>174.5%</i>	<i>103.9%</i>	<i>-4.2%</i>	<i>15.0%</i>	<i>15.0%</i>	<i>n.a.</i>	<i>8.2%</i>
COGS			(0.5)	(2.9)	(4.0)	(4.6)	(6.0)	(7.8)		
<b>Gross Margin</b>			<b>2.6</b>	<b>5.8</b>	<b>13.5</b>	<b>12.2</b>	<b>13.3</b>	<b>14.5</b>	<b>n.a.</b>	<b>2.3%</b>
<i>Gross Margin/Revenues</i>			<i>84.5%</i>	<i>66.9%</i>	<i>76.9%</i>	<i>72.7%</i>	<i>68.8%</i>	<i>65.0%</i>		
Personnel Expenses			(3.2)	(4.0)	(5.5)	(5.6)	(5.9)	(6.2)		
Other Operating Expenses			(2.8)	(10.1)	(10.2)	(8.1)	(8.5)	(8.9)		
<b>Recurrent EBITDA<sup>(1)</sup></b>			<b>(3.4)</b>	<b>(8.3)</b>	<b>(2.2)</b>	<b>(1.5)</b>	<b>(1.1)</b>	<b>(0.6)</b>	<b>n.a.</b>	<b>33.9%</b>
<i>Recurrent EBITDA growth</i>			<i>n.a.</i>	<i>-143.8%</i>	<i>73.2%</i>	<i>33.9%</i>	<i>26.1%</i>	<i>40.8%</i>		
<i>Rec. EBITDA/Revenues</i>			<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Restructuring Expense & Other non-rec.			(0.2)	(0.7)	(0.0)	-	-	-		
Capitalized Expense			1.6	5.2	7.9	2.0	1.5	1.5		
<b>EBITDA</b>			<b>(2.0)</b>	<b>(3.7)</b>	<b>5.7</b>	<b>0.5</b>	<b>0.4</b>	<b>0.9</b>	<b>n.a.</b>	<b>-46.7%</b>
Depreciation & Provisions			(0.3)	(0.6)	(1.8)	(2.4)	(2.7)	(3.1)		
Rentals (IFRS 16 impact)			(0.0)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)		
<b>EBIT</b>			<b>(2.3)</b>	<b>(4.9)</b>	<b>3.7</b>	<b>(2.0)</b>	<b>(2.5)</b>	<b>(2.4)</b>	<b>n.a.</b>	<b>-38.3%</b>
<i>EBIT growth</i>			<i>n.a.</i>	<i>-112.0%</i>	<i>176.3%</i>	<i>-153.7%</i>	<i>-23.9%</i>	<i>3.4%</i>		
<i>EBIT/Revenues</i>			<i>n.a.</i>	<i>n.a.</i>	<i>21.1%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Impact of Goodwill & Others			(13.1)	(2.6)	(0.3)	-	-	-		
Net Financial Result			(0.3)	(0.7)	(0.4)	(0.4)	(0.6)	(0.8)		
Income by the Equity Method			-	-	-	-	-	-		
<b>Ordinary Profit</b>			<b>(15.6)</b>	<b>(8.2)</b>	<b>3.0</b>	<b>(2.4)</b>	<b>(3.1)</b>	<b>(3.2)</b>	<b>n.a.</b>	<b>-45.1%</b>
<i>Ordinary Profit Growth</i>			<i>n.a.</i>	<i>47.5%</i>	<i>137.0%</i>	<i>-179.8%</i>	<i>-28.1%</i>	<i>-3.2%</i>		
Extraordinary Results			-	-	5.6	-	-	-		
<b>Profit Before Tax</b>			<b>(15.6)</b>	<b>(8.2)</b>	<b>8.7</b>	<b>(2.4)</b>	<b>(3.1)</b>	<b>(3.2)</b>	<b>n.a.</b>	<b>-33.3%</b>
Tax Expense			0.6	(0.3)	1.3	-	-	-		
<i>Effective Tax Rate</i>			<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Minority Interests			(0.0)	(0.3)	-	-	-	-		
Discontinued Activities			-	-	-	-	-	-		
<b>Net Profit</b>			<b>(15.1)</b>	<b>(8.7)</b>	<b>10.0</b>	<b>(2.4)</b>	<b>(3.1)</b>	<b>(3.2)</b>	<b>n.a.</b>	<b>-32.4%</b>
<i>Net Profit growth</i>			<i>n.a.</i>	<i>42.1%</i>	<i>214.6%</i>	<i>-124.2%</i>	<i>-28.1%</i>	<i>-3.2%</i>		
<b>Ordinary Net Profit</b>			<b>(15.5)</b>	<b>(7.8)</b>	<b>3.0</b>	<b>(2.4)</b>	<b>(3.1)</b>	<b>(3.2)</b>	<b>n.a.</b>	<b>-45.1%</b>
<i>Ordinary Net Profit growth</i>			<i>n.a.</i>	<i>49.8%</i>	<i>139.1%</i>	<i>-179.6%</i>	<i>-28.1%</i>	<i>-3.2%</i>		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>(1.5)</b>	<b>(1.1)</b>	<b>(0.6)</b>	<b>20-24</b>	<b>24-27e</b>
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)	<i>n.a.</i>	<i>33.9%</i>
Working Capital Increase						(0.6)	(0.3)	(0.3)		
<b>Recurrent Operating Cash Flow</b>						<b>-2.3</b>	<b>-1.5</b>	<b>-1.1</b>	<b>n.a.</b>	<b>n.a.</b>
CAPEX						(1.0)	(1.0)	(1.0)		
Net Financial Result affecting the Cash Flow						(0.4)	(0.6)	(0.8)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>(3.7)</b>	<b>(3.2)</b>	<b>(3.0)</b>	<b>n.a.</b>	<b>-31.1%</b>
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(3.7)</b>	<b>(3.2)</b>	<b>(3.0)</b>	<b>n.a.</b>	<b>-5.2%</b>
Capital Increase						-	-	-		
Dividends						-	-	-		
<b>Net Debt Variation</b>						<b>3.7</b>	<b>3.2</b>	<b>3.0</b>		

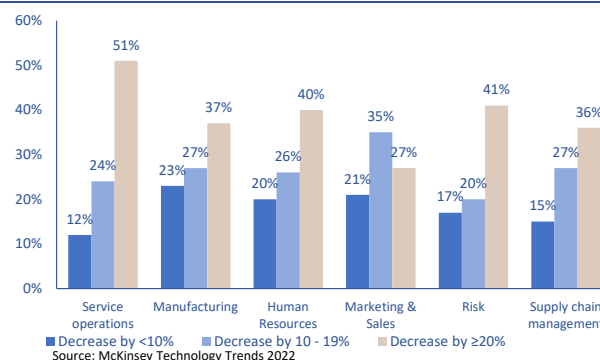
(1) EBITDA "Cash", que excluye ingresos por capitalización de gastos.



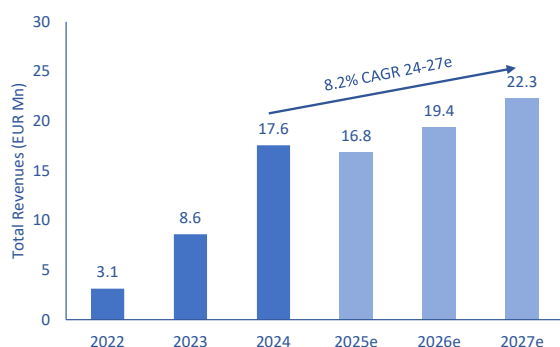
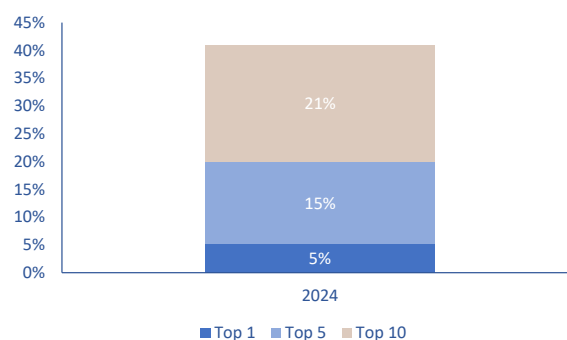
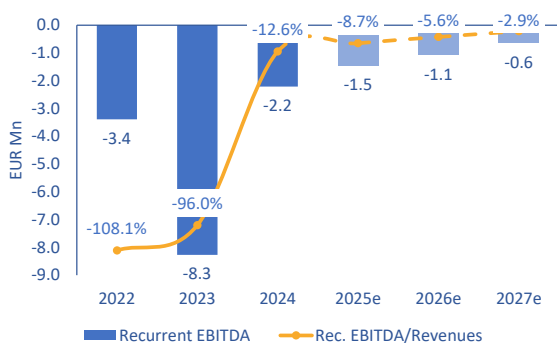
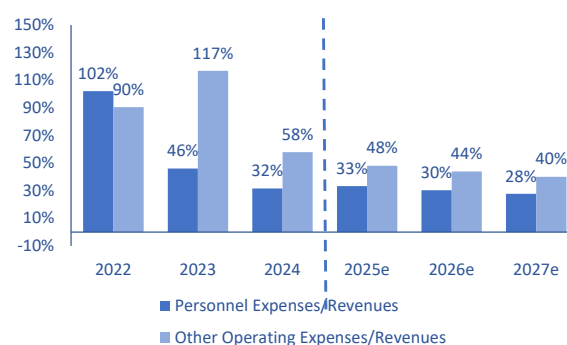
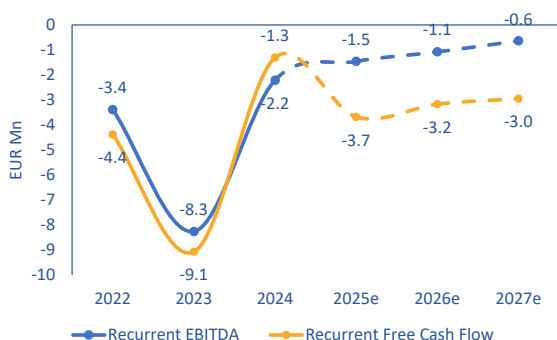
## The company in 8 charts

**Artificial Intelligence: an attractive market enjoying high growth (30% CAGR 24-28e in Europe)...**

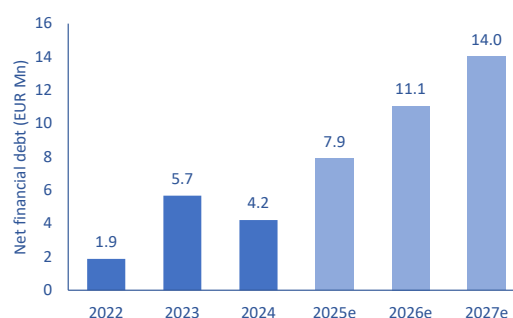
Source: IDC (International Data Corporation)

**... increasingly having a greater impact on the P&L's at the EBIT level**

Source: McKinsey Technology Trends 2022

**Substrate (SAI): With the potential for revenue growth both organic and inorganic M&A (8.2% CAGR 24-27e organic only) ...****... and with low customer concentration risk****Although without reaching Recurrent EBITDA breakeven until after 2027e****... due to a heavy corporate structure built for a larger revenue base****... Leaving the company with negative recurrent FCF of c. EUR 3Mn annually**

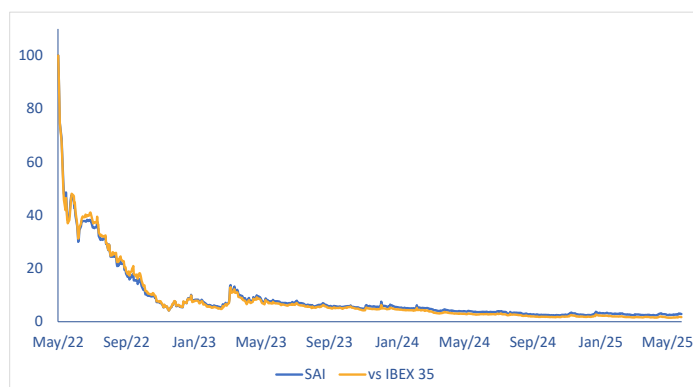
that will lead to NFD (EUR 14.0Mn 2027e). SAI has stated its intention to monetize (IPO) its portfolio to strengthen its balance sheet and will continue to issue equity linked (convertibles/warrants) instruments





## Evolution of the share price

Historical behavior vs Ibex 35 (base 100)



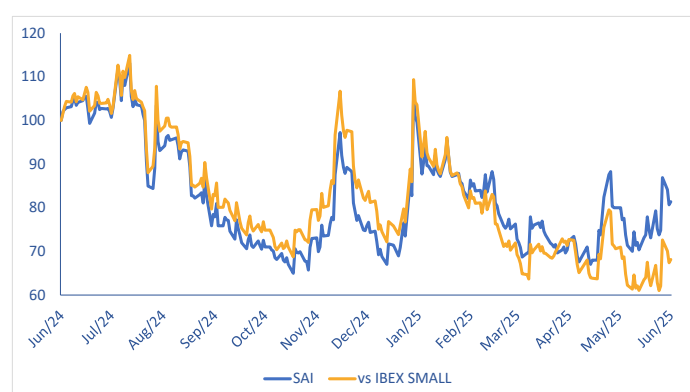
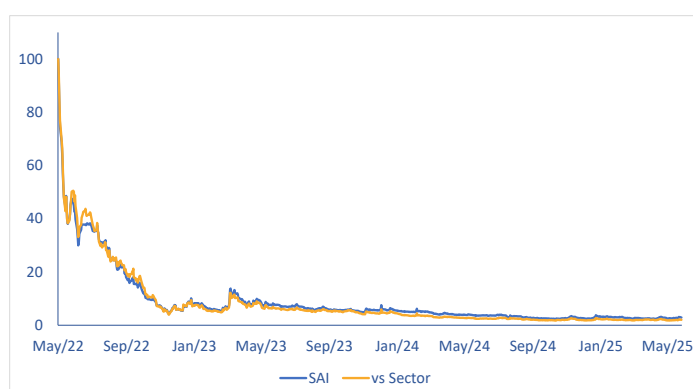
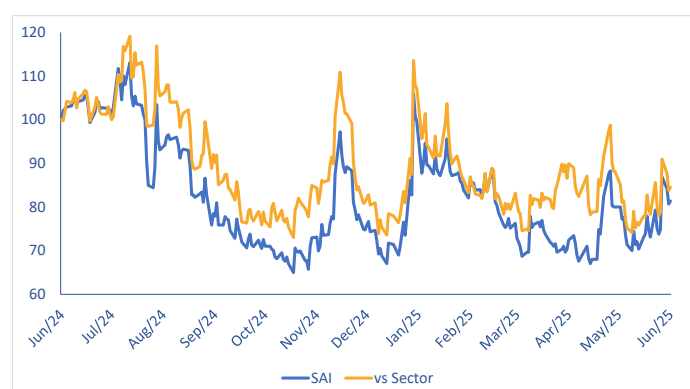
Behavior -1y vs Ibex 35 (base 100)



Historical behavior vs Ibex Small Cap (base 100)



Behavior -1y vs Ibex Small Cap (base 100)

Historical behavior vs Sector<sup>(1)</sup> (base 100)Behavior -1y vs Sector<sup>(1)</sup> (base 100)

(1) Sector: Stoxx Europe 600 Technology

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	1.7	11.7	-18.6	14.8	-93.9	n.a.
vs Market						
vs Ibex 35	-2.5	1.8	-35.7	-5.8	-96.4	n.a.
vs Euro STOXX 50	0.2	10.0	-25.1	4.2	-96.0	n.a.
vs Small Cap References						
vs Ibex Small Cap Index	-3.5	-1.6	-31.9	-10.3	-95.0	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	-3.1	4.3	-22.7	1.1	-94.1	n.a.
vs MSCI Europe Micro Cap	-2.8	2.5	-19.8	6.5	-93.5	n.a.
vs Sector						
vs Stoxx Europe 600 Technology	-3.9	4.6	-15.5	8.3	-96.0	n.a.

(1) Constituents on page 10





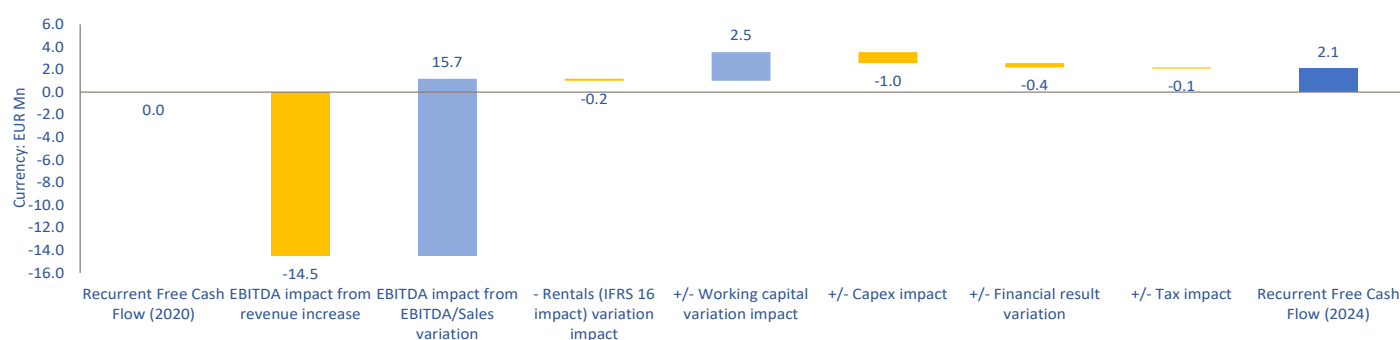
## Free Cash Flow (I)

A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
								21-24	24-27e
<b>Recurrent EBITDA</b>		(3.4)	(8.3)	(2.2)	(1.5)	(1.1)	(0.6)	n.a.	33.9%
<i>Recurrent EBITDA growth</i>		n.a.	-143.8%	73.2%	33.9%	26.1%	40.8%		
<i>Rec. EBITDA/Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Rentals (IFRS 16 impact)		(0.0)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase		(0.7)	0.8	2.5	(0.6)	(0.3)	(0.3)		
<b>= Recurrent Operating Cash Flow</b>		(4.2)	(8.0)	0.2	(2.3)	(1.5)	(1.1)	n.a.	n.a.
<i>Rec. Operating Cash Flow growth</i>		n.a.	-91.6%	101.9%	n.a.	31.9%	26.0%		
<i>Rec. Operating Cash Flow / Sales</i>		n.a.	n.a.	0.9%	n.a.	n.a.	n.a.		
- CAPEX		(0.1)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)		
- Net Financial Result affecting Cash Flow		(0.1)	(0.2)	(0.4)	(0.4)	(0.6)	(0.8)		
- Taxes		-	-	(0.1)	-	-	-		
<b>= Recurrent Free Cash Flow</b>		(4.4)	(9.1)	(1.3)	(3.7)	(3.2)	(3.0)	n.a.	-31.1%
<i>Rec. Free Cash Flow growth</i>		n.a.	-107.1%	85.6%	-180.9%	13.9%	6.8%		
<i>Rec. Free Cash Flow / Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others		-	0.5	-	-	-	-		
- Acquisitions / + Divestments		-	0.3	(1.2)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	-	-	-	-	-		
<b>= Free Cash Flow</b>		(4.4)	(8.3)	(2.5)	(3.7)	(3.2)	(3.0)	n.a.	-5.2%
<i>Free Cash Flow growth</i>		n.a.	-88.3%	69.2%	-45.0%	13.9%	6.8%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF(FY - 1)</b>		-	(4.4)	(9.1)	(1.3)	(3.7)	(3.2)		
EBITDA impact from revenue increase		n.a.	(5.9)	(8.6)	0.1	(0.2)	(0.2)		
EBITDA impact from EBITDA/Sales variation		n.a.	1.0	14.6	0.7	0.6	0.6		
<b>= Recurrent EBITDA variation</b>		n.a.	(4.9)	6.1	0.8	0.4	0.4		
- Rentals (IFRS 16 impact) variation impact		(0.0)	(0.5)	0.3	-	-	-		
+/- Working capital variation impact		(0.7)	1.5	1.7	(3.2)	0.3	(0.0)		
<b>= Recurrent Operating Cash Flow variation</b>		(0.8)	(3.8)	8.1	(2.4)	0.7	0.4		
+/- CAPEX impact		(0.1)	(0.8)	(0.1)	(0.0)	-	-		
+/- Financial result variation		(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)		
+/- Tax impact		-	-	(0.1)	0.1	-	-		
<b>= Recurrent Free Cash Flow variation</b>		(1.0)	(4.7)	7.8	(2.4)	0.5	0.2		
<b>Recurrent Free Cash Flow</b>		(1.0)	(9.1)	(1.3)	(3.7)	(3.2)	(3.0)		
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
								21-24	24-27e
<b>EBIT</b>		(2.3)	(4.9)	3.7	(2.0)	(2.5)	(2.4)	n.a.	-38.3%
* Theoretical Tax rate		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)		-	-	-	-	-	-		
<b>Recurrent EBITDA</b>		(3.4)	(8.3)	(2.2)	(1.5)	(1.1)	(0.6)	n.a.	33.9%
- Rentals (IFRS 16 impact)		(0.0)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase		(0.7)	0.8	2.5	(0.6)	(0.3)	(0.3)		
<b>= Recurrent Operating Cash Flow</b>		(4.2)	(8.0)	0.2	(2.3)	(1.5)	(1.1)	n.a.	n.a.
- CAPEX		(0.1)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)		
- Taxes (pre- Financial Result)		-	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>		(4.2)	(8.8)	(0.8)	(3.3)	(2.5)	(2.1)	n.a.	-37.3%
<i>Rec. Free Cash Flow (To the Firm) growth</i>		n.a.	-108.2%	90.7%	-294.6%	22.1%	15.7%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Acquisitions / + Divestments		-	0.3	(1.2)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	-	-	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>		(4.2)	(8.6)	(2.1)	(3.3)	(2.5)	(2.1)	n.a.	-1.3%
<i>Free Cash Flow (To the Firm) growth</i>		n.a.	-101.7%	76.0%	-58.4%	22.1%	15.7%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		

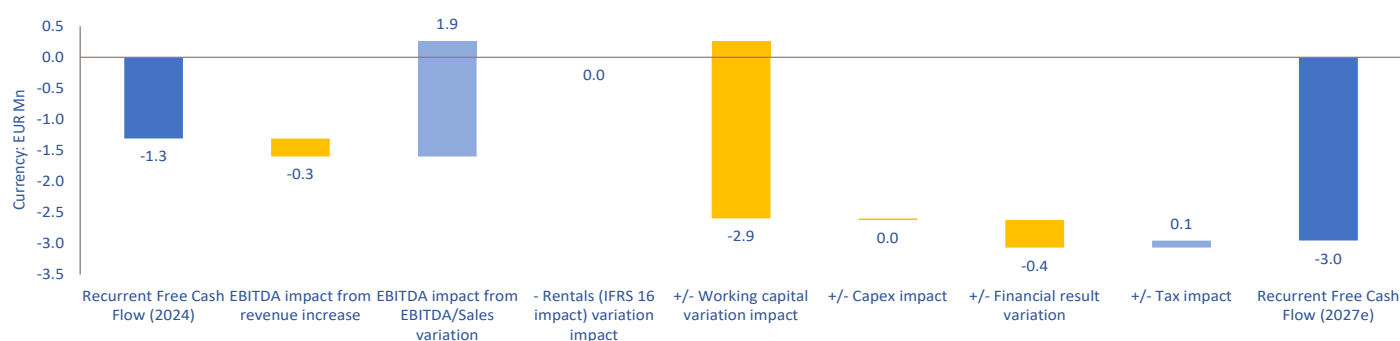


## Free Cash Flow (II)

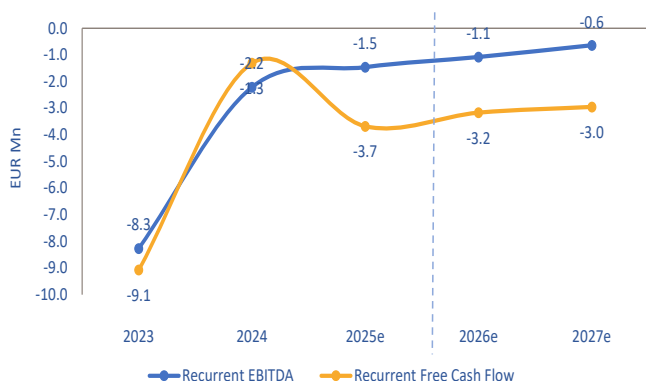
## Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



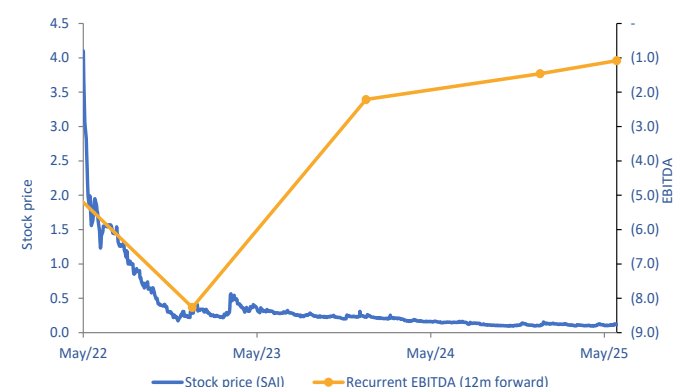
## Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



## Recurrent EBITDA vs Recurrent Free Cash Flow



## Stock performance vs EBITDA 12m forward





## Valuation inputs

## Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(3.3)	(2.5)	(2.1)	n.a.		
Market Cap	16.0	At the date of this report				
Net financial debt	6.6	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	7.0%	Net debt cost			6.8%	7.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.6%	$K_d = \text{Cost of Net Debt} * (1-T)$			5.4%	5.8%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.6	B (own estimate)			1.5	1.7
Cost of Equity	12.7%	$K_e = R_f + (R * B)$			11.4%	14.2%
Equity / (Equity + Net Debt)	70.9%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	29.1%	D			=	=
WACC	10.6%	$WACC = K_d * D + K_e * E$			9.6%	11.7%
G "Fair"	3.0%				3.0%	2.0%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

## EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	16.0	
+ Minority Interests	(0.6)	12m Results 2024
+ Provisions & Other L/T Liabilities	1.8	12m Results 2024
+ Net financial debt	6.6	12m Results 2024
- Financial Investments	4.3	12m Results 2024
+/- Others		
Enterprise Value (EV)	19.4	

Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	13.4%
	2024	2027e			
ROCE - WACC	2.7%	n.a.			
FCF Yield - WACC	n.a.	n.a.			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

## Free Cash Flow sensitivity analysis (2026e)

## A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	-9.6%	(1.9)	-10.4x
Central	-8.7%	(1.7)	-11.5x
Min	-7.8%	(1.5)	-12.9x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	4.7%	5.2%	5.7%
(1.9)	(3.8)	(3.9)	(4.0)
(1.7)	(3.7)	(3.8)	(3.9)
(1.5)	(3.5)	(3.6)	(3.7)

## Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	60.0%	40.0%	60.0%
% of proprietary board members	0.0%	20.0%	0.0%
% of executive board members	40.0%	40.0%	40.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	0.0%	0.0%	20.0%
% of women out of total workforce	51.7%	34.1%	36.4%
Board remuneration/staff cost	21.9%	14.0%	12.5%



## Main peers 2025e

		Europe					United States			SAI
		Sidetrade SA	Median Technologies	Linedata Services	Lectra	Average	C3.ai	Palantir Technologies	Average	
Market data	EUR Mn									
	Ticker (Factset)	ALBFR-FR	ALMDT-FR	LIN-FR	LSS-FR		AI-US	PLTR-US		SAI-ES
	Country	France	France	France	France		USA	USA		Spain
	Market cap	396.8	40.2	398.8	898.5		2,791.7	275,447.3		16.0
Basic financial information	Enterprise value (EV)	356.9	65.4	460.0	971.5		2,150.5	271,045.3		19.4
	Total Revenues	63.7	26.3	186.2	533.5		400.6	3,348.8		16.8
	Total Revenues growth	15.9%	14.6%	1.3%	1.3%	8.3%	19.3%	35.4%	27.3%	-4.2%
	2y CAGR (2025e - 2027e)	n.a.	17.6%	n.a.	6.9%	12.3%	22.5%	29.6%	26.0%	15.0%
	EBITDA	9.9	(18.6)	53.9	97.5		(61.7)	1,476.8		0.5
	EBITDA growth	46.2%	9.1%	-0.9%	14.1%	17.1%	77.1%	400.2%	238.6%	-90.5%
	2y CAGR (2025e - 2027e)	n.a.	23.5%	n.a.	13.4%	18.4%	79.1%	33.5%	56.3%	26.3%
	EBITDA/Revenues	15.5%	n.a.	28.9%	18.3%	20.9%	n.a.	44.1%	44.1%	3.2%
	EBIT	9.0	(20.0)	39.5	57.0		(74.1)	1,466.2		(2.0)
	EBIT growth	59.1%	10.8%	-3.4%	30.8%	24.3%	73.6%	447.1%	260.3%	-153.7%
	2y CAGR (2025e - 2027e)	n.a.	20.9%	n.a.	19.4%	20.2%	55.6%	33.6%	44.6%	-9.4%
	EBIT/Revenues	14.1%	n.a.	21.2%	10.7%	15.3%	n.a.	43.8%	43.8%	n.a.
	Net Profit	8.7	(22.1)	27.5	38.5		(42.9)	1,263.9		(2.4)
	Net Profit growth	10.6%	12.5%	-2.4%	23.4%	11.0%	82.8%	216.7%	149.8%	-124.2%
	2y CAGR (2025e - 2027e)	n.a.	14.8%	n.a.	24.0%	19.4%	50.0%	34.3%	42.2%	-15.0%
	CAPEX/Sales %	1.7%	4.2%	5.3%	1.4%	3.2%	2.2%	0.7%	1.5%	5.9%
Multiples and Ratios	Free Cash Flow	10.8	(21.0)	27.8	58.7		(31.0)	1,410.3		(3.7)
	Net financial debt	(28.1)	39.0	39.0	50.3		(620.7)	(5,818.2)		7.9
	ND/EBITDA (x)	n.a.	n.a.	0.7	0.5	0.6	n.a.	n.a.	n.a.	n.a.
	Pay-out	0.0%	0.0%	31.3%	45.9%	19.3%	0.0%	0.0%	0.0%	0.0%
	P/E (x)	43.7	n.a.	14.2	21.6	26.5	n.a.	n.a.	n.a.	n.a.
	P/BV (x)	7.9	n.a.	2.5	2.4	4.3	4.2	n.a.	4.2	0.4
	EV/Revenues (x)	5.6	2.5	2.5	1.8	3.1	5.4	n.a.	5.4	1.2
	EV/EBITDA (x)	36.2	n.a.	8.5	10.0	18.2	n.a.	n.a.	n.a.	n.a.
	EV/EBIT (x)	39.8	n.a.	11.7	17.0	22.8	n.a.	n.a.	n.a.	n.a.
	ROE	18.0	n.a.	17.7	11.0	15.6	n.a.	20.7	20.7	n.a.
	FCF Yield (%)	2.7	n.a.	7.0	6.5	5.4	n.a.	0.5	0.5	n.a.
	DPS	0.00	0.00	1.74	0.47	0.55	0.00	0.00	0.00	0.00
	Dvd Yield	0.0%	0.0%	2.2%	2.0%	1.0%	0.0%	0.0%	0.0%	0.0%

(1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

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

**Vanadi Coffee (VANA)** this is a small-sized coffee shop chain based in Alicante, Spain, with a focus on healthy food. Founded in November 2021, it currently has 5 open locations and a bakery, all within Spain. It has been listed on BME Growth since 2023.

## Market Data

Market Cap (Mn EUR and USD)	5.3	6.1
EV (Mn EUR and USD)	6.2	7.1
Shares Outstanding (Mn)	12.7	
-12m (Max/Med/Mín EUR)	1.06 / 0.38 / 0.10	
Daily Avg volume (-12m Mn EUR)	0.10	
Rotation <sup>(1)</sup>	488.1	
Factset / Bloomberg	VANA-ES / VANA SM	
Close fiscal year	31-Dec	

## Shareholders Structure (%)

Alpha Blue Ocean	44.7
Free Float	55.3

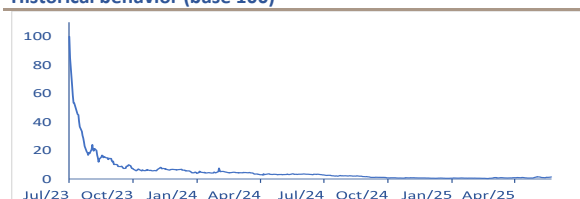
## Financials (Mn EUR)

	2024	2025e
Adj. nº shares (Mn)	1.9	12.7
Total Revenues	2.0	2.3
Rec. EBITDA	-1.7	-1.1
% growth	15.6	35.9
% Rec. EBITDA/Rev.	n.a.	n.a.
% Inc. EBITDA sector <sup>(2)</sup>	15.1	8.7
Net Profit	-3.1	-1.3
EPS (EUR)	-1.67	-0.11
% growth	58.7	93.7
Ord. EPS (EUR)	-1.62	-0.11
% growth	54.3	93.5
Rec. Free Cash Flow	-2.1	-1.4
Pay-out (%)	0.0	0.0
DPS (EUR)	0.00	0.00
Net financial debt	0.9	2.3
ND/Rec. EBITDA (x)	n.a.	n.a.
ROE (%)	n.a.	n.a.
ROCE (%)	n.a.	n.a.

## Ratios & Multiples (x)

P/E	n.a.	n.a.
Ord. P/E	n.a.	n.a.
P/BV	n.a.	n.a.
Dividend Yield (%)	0.0	0.0
EV/Sales	3.06	2.73
EV/Rec. EBITDA	n.a.	n.a.
EV/EBIT	n.a.	n.a.
FCF Yield (%)	n.a.	n.a.

## Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	104.4	301.0	-55.6	n.a.

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

(2) Sector: Factset Europe Restaurants.

## MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024: "Flat" revenue.** VANA closed 2024 with revenue of EUR 2.3Mn (-2% vs 2023). Gross margin improved to 64% (approx. +8 p.p. vs 2023), and overhead cost containment reduced recurring EBITDA losses (EUR -1.7Mn vs EUR -2.0Mn in 2023).

**Store closures and radical strategy change.** VANA has implemented a significant strategy shift, moving from a business model based on rapid growth via openings to one focused on higher profitability. VANA closed 2023 with 8 commercial premises and a central bakery. In 2024, it made a radical shift in its inorganic growth strategy by selectively closing three unprofitable coffee shops. The new plan anticipates reaching 9 stores in 2025 (27 in the previous plan), 15 in 2026 (vs 41), and 27 in 2027 (vs 55).

**2025e is key and will determine the company's future.** The reduction of losses is positive. However, we still estimate losses in 2025e: EBITDA EUR -1.1Mn and FCF EUR -1.4Mn. This is for a business model based on investment, starting with Net Debt of approximately EUR 1Mn and negative shareholders' equity. The lack of critical mass prevents reaching break-even in 2025. Without visibility on the financing for the opening plan from 2026 onwards, we are confining our projections to 2025.

## EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**Dynamic sector and presence in tourist locations.** Stores located in strategic areas of Alicante, with significant potential for a restaurant project.

**Strategic shift towards a more profitable model.** The company has decided to focus its strategy on managing more profitable stores. The reduction in the number of openings should lower overhead costs and accelerate break-even. This is objectively key to VANA's viability.

**The major constraint of the business model is financing.** Although the business model has shifted to a less aggressive and more selective opening plan, everything still hinges on access to financing. The current critical mass does not allow covering the cost structure and reaching break-even. In the short term, this reduces the equity story to fundraising, necessarily via equity.

## RISKS: WHAT TO KEEP AN EYE ON?

**Delays in the expansion plan.** A lower number of openings than expected would delay EBITDA break-even, increasing financing needs.

**High debt level and dilution.** VANA's shareholders have already experienced significant dilution since 2023. However, VANA's model will continue to be based on growth at the cost of further dilution. And securing financing is a *conditio sine qua non* for the execution of the current business plan and reaching break-even.

**Negative shareholders' equity.** Accumulated losses have led to negative shareholders' equity in 2024 (EUR -0.6Mn). The company's viability is only feasible through equity, as the dimension planned for 2024 (9 stores) would not yet allow it to break even on losses. This would lead to 2025e shareholders' equity of EUR -2.0Mn.

**Strategic uncertainty.** The recent announcement of aggressive investment in Bitcoin (up to EUR 1 billion?) poses a clear risk, due to the type of asset and its execution.

## VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**Objectively, very high risk.** The pursuit of profitability implies coffee shop closures, making growth difficult. And the growth of the coffee shop network (though less ambitious now) leads to very high investment needs, with uncertain realization and highly dilutive. The situation of negative shareholders' equity in a company that will very likely remain in losses in 2025 implies that the stock's risk is inevitably very high. EV/Sales in 2024 was 3.1x, above the sector's mid-caps (Alsea, Amrest, Greggs; trading on average at approx. 1.0x). The stock's performance (-55.6%, -12m) reflects this risk.



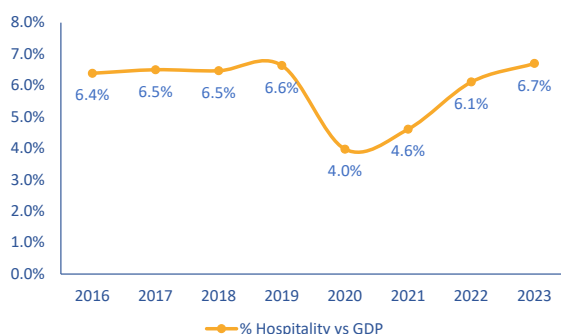
## Financial Projections

Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e
Intangible assets			0.3	0.2	0.1	0.1
Fixed assets			1.0	1.6	1.0	1.0
Other Non Current Assets			0.2	0.2	0.2	0.2
Financial Investments			0.2	0.3	0.3	0.3
Goodwill & Other Intangibles			-	0.4	0.4	0.4
Current assets			0.4	0.7	0.4	0.4
<b>Total assets</b>			<b>2.2</b>	<b>3.5</b>	<b>2.3</b>	<b>2.4</b>
Equity			0.5	0.6	(0.6)	(2.0)
Minority Interests			-	-	-	-
Provisions & Other L/T Liabilities			0.7	0.2	0.1	0.1
Other Non Current Liabilities			-	-	-	-
Net financial debt			0.1	1.0	0.9	2.3
Current Liabilities			0.8	1.7	1.9	1.9
<b>Equity &amp; Total Liabilities</b>			<b>2.2</b>	<b>3.5</b>	<b>2.3</b>	<b>2.4</b>
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e
<b>Total Revenues</b>			<b>0.5</b>	<b>2.1</b>	<b>2.0</b>	<b>2.3</b>
Total Revenues growth			n.a.	336.9%	-1.5%	12.0%
COGS			(0.2)	(0.9)	(0.7)	(0.8)
<b>Gross Margin</b>			<b>0.2</b>	<b>1.2</b>	<b>1.3</b>	<b>1.5</b>
Gross Margin/Revenues			50.7%	56.2%	64.0%	66.5%
Personnel Expenses			(0.6)	(1.8)	(1.8)	(1.4)
Other Operating Expenses			(0.8)	(1.4)	(1.2)	(1.2)
<b>Recurrent EBITDA</b>			<b>(1.2)</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>(1.1)</b>
Recurrent EBITDA growth			n.a.	-66.3%	15.6%	35.9%
Rec. EBITDA/Revenues			n.a.	n.a.	n.a.	n.a.
Restructuring Expense & Other non-rec.			-	(0.3)	(0.1)	-
<b>EBITDA</b>			<b>(1.2)</b>	<b>(2.4)</b>	<b>(1.8)</b>	<b>(1.1)</b>
Depreciation & Provisions			(0.1)	(0.4)	(0.8)	(0.2)
Capitalized Expense			-	-	-	-
Rentals (IFRS 16 impact)			-	-	-	-
<b>EBIT</b>			<b>(1.3)</b>	<b>(2.7)</b>	<b>(2.6)</b>	<b>(1.3)</b>
EBIT growth			n.a.	-112.7%	4.6%	51.2%
EBIT/Revenues			n.a.	n.a.	n.a.	n.a.
Impact of Goodwill & Others			-	-	-	-
Net Financial Result			(0.0)	(0.2)	(0.5)	(0.1)
Income by the Equity Method			-	-	-	-
<b>Ordinary Profit</b>			<b>(1.3)</b>	<b>(2.9)</b>	<b>(3.1)</b>	<b>(1.3)</b>
Ordinary Profit Growth			n.a.	-124.2%	-8.1%	56.7%
Extraordinary Results			-	-	-	-
<b>Profit Before Tax</b>			<b>(1.3)</b>	<b>(2.9)</b>	<b>(3.1)</b>	<b>(1.3)</b>
Tax Expense			-	-	-	-
Effective Tax Rate			n.a.	n.a.	n.a.	n.a.
Minority Interests			-	-	-	-
Discontinued Activities			-	-	-	-
<b>Net Profit</b>			<b>(1.3)</b>	<b>(2.9)</b>	<b>(3.1)</b>	<b>(1.3)</b>
Net Profit growth			n.a.	-124.2%	-8.1%	56.7%
<b>Ordinary Net Profit</b>			<b>(1.3)</b>	<b>(2.5)</b>	<b>(3.0)</b>	<b>(1.3)</b>
Ordinary Net Profit growth			n.a.	-97.1%	-19.8%	55.6%
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e
<b>Recurrent EBITDA</b>						<b>(1.1)</b>
Rentals (IFRS 16 impact)						-
Working Capital Increase						(0.0)
<b>Recurrent Operating Cash Flow</b>						<b>-1.1</b>
CAPEX						(0.2)
Net Financial Result affecting the Cash Flow						(0.1)
Tax Expense						-
<b>Recurrent Free Cash Flow</b>						<b>(1.4)</b>
Restructuring Expense & Other non-rec.						-
- Acquisitions / + Divestures of assets						-
Extraordinary Inc./Exp. Affecting Cash Flow						-
<b>Free Cash Flow</b>						<b>(1.4)</b>
Capital Increase						-
Dividends						-
<b>Net Debt Variation</b>						<b>1.4</b>

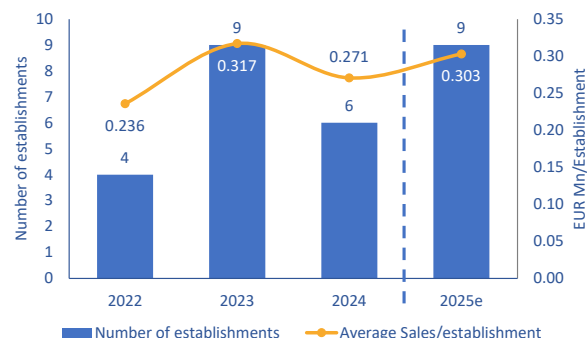


## The company in 8 charts

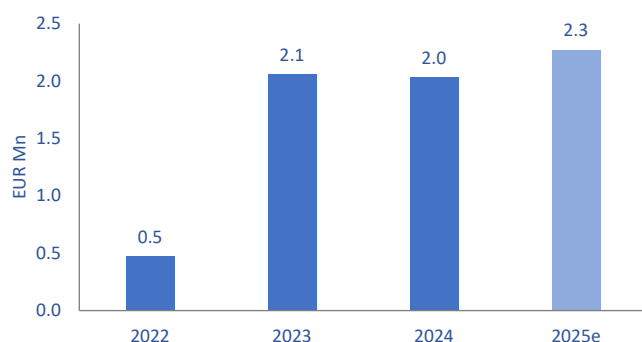
### Hospitality is one the main growth drivers of the Spanish economy (and Spanish employment)



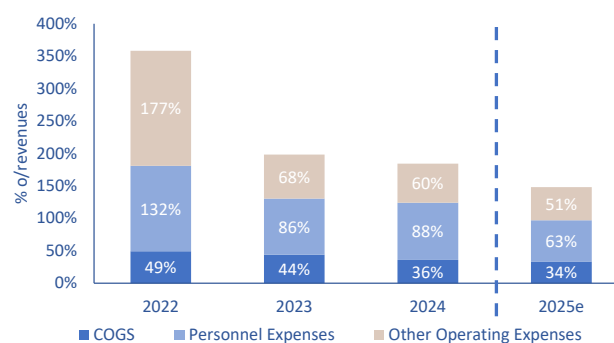
### Average revenue per establishment and the number of establishments will be the main catalyst for business...



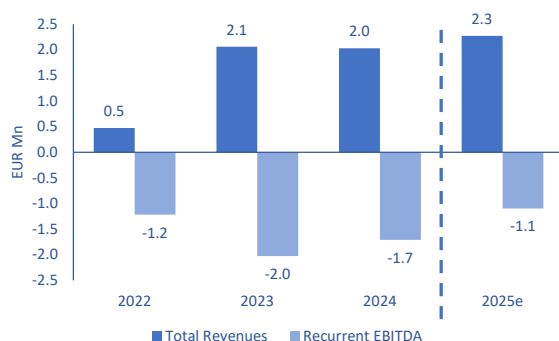
### ...on which our estimate of revenue growth for 2025e is based (Revenue 2025e, in line with 2023)



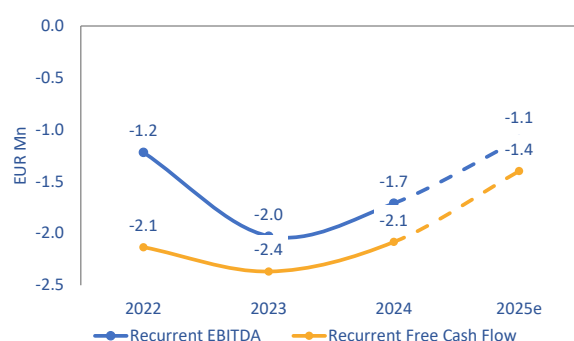
### Accompanied by an improvement in margins due to a reduction in structural costs, reducing EBITDA losses.



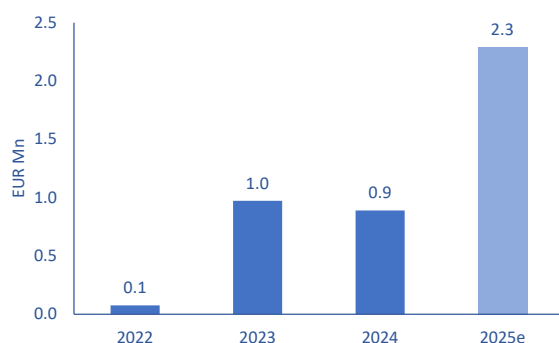
### Although we will have to wait until (at least) 2026e to break-even on EBITDA.



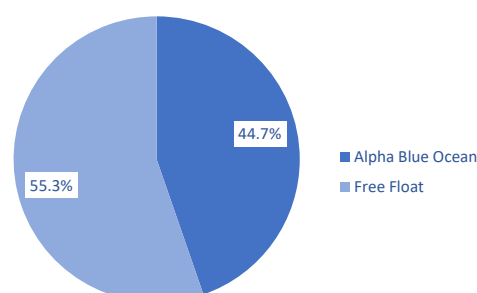
### Hefty CAPEX which, coupled with operating losses, will prevent the company from positive FCF...



### ...significantly raising the Net Debt to EUR 2.3Mn in 2025e (with negative Net Equity from 2024)



### Situation partially mitigated by convertible bonds that have diluted reference shareholders

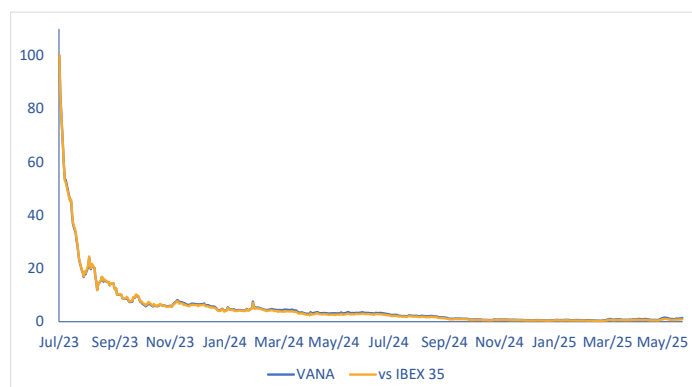




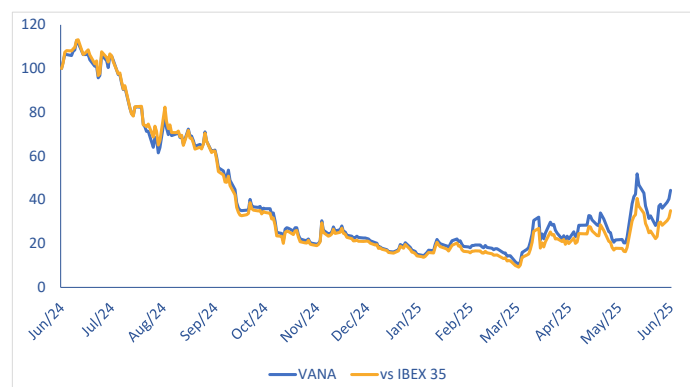


## Evolution of the share price

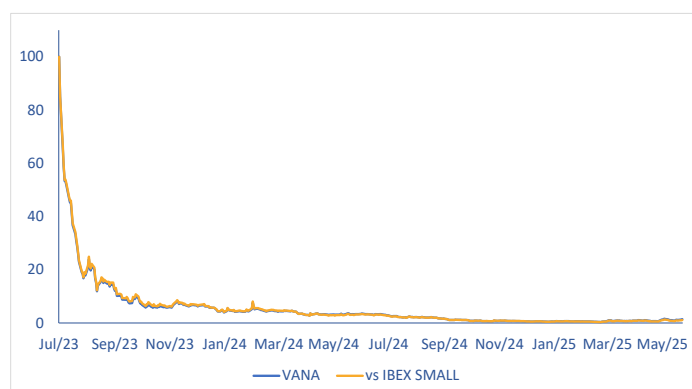
**Historical behavior vs Ibex 35 (base 100)**



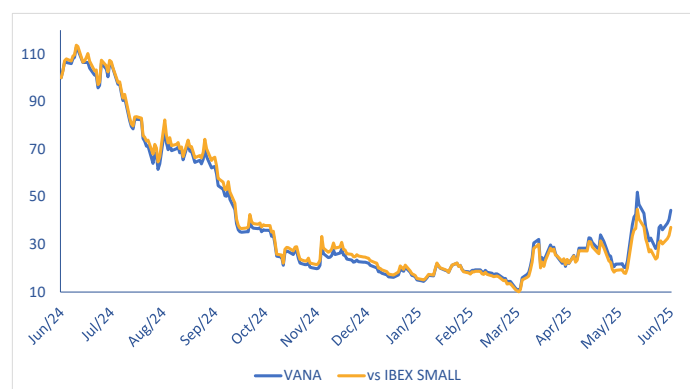
**Behavior -1y vs Ibex 35 (base 100)**



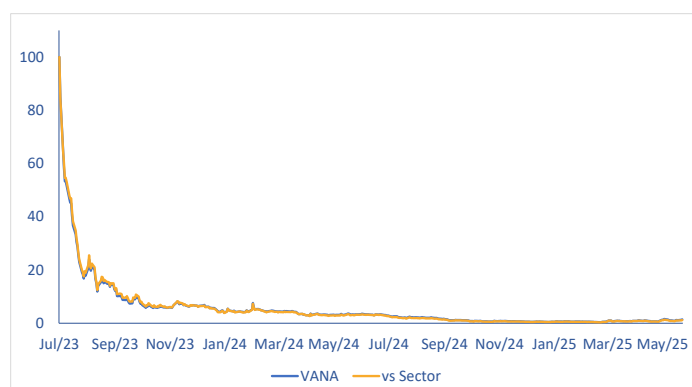
**Historical behavior vs Ibex Small Cap (base 100)**



**Behavior -1y vs Ibex Small Cap (base 100)**



**Historical behavior vs Sector<sup>(1)</sup> (base 100)**



**Behavior -1y vs Sector<sup>(1)</sup> (base 100)**



(1) Sector: Factset Europe Restaurants

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
<b>Absolute</b>	104.4	301.0	-55.6	126.6	n.a.	n.a.
<b>vs Market</b>						
vs Ibex 35	96.0	265.3	-64.9	85.9	n.a.	n.a.
vs Euro STOXX 50	101.3	294.8	-59.2	105.7	n.a.	n.a.
<b>vs Small Cap References</b>						
vs Ibex Small Cap Index	93.9	253.1	-62.9	77.1	n.a.	n.a.
vs Micro Cap Spain Segment <sup>(1)</sup>	94.6	274.3	-57.9	99.6	n.a.	n.a.
vs MSCI Europe Micro Cap	95.4	267.9	-56.3	110.4	n.a.	n.a.
<b>vs Sector</b>						
vs Factset Europe Restaurants	98.4	295.2	-60.6	119.7	n.a.	n.a.

(1) (1) For a description of Lighthouse's Micro Cap Spain Segment see pp. XX-XX of this report.



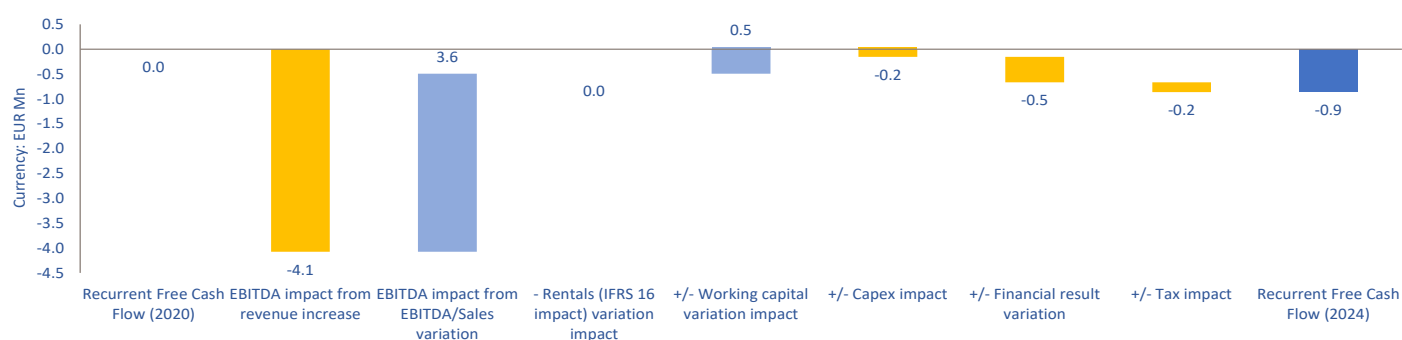
## Free Cash Flow (I)

	2021	2022	2023	2024	2025e	CAGR 21-24
<b>A) Cash Flow Analysis (EUR Mn)</b>						
<b>Recurrent EBITDA</b>	<b>(0.1)</b>	<b>(1.2)</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>(1.1)</b>	<b>n.a.</b>
<i>Recurrent EBITDA growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-66.3%</i>	<i>15.6%</i>	<i>35.9%</i>	
<i>Rec. EBITDA/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
- Rentals (IFRS 16 impact)	-	-	-	-	-	
+/- Working Capital increase	(0.0)	0.4	0.6	0.5	(0.0)	
<b>= Recurrent Operating Cash Flow</b>	<b>(0.1)</b>	<b>(0.8)</b>	<b>(1.5)</b>	<b>(1.2)</b>	<b>(1.1)</b>	<b>n.a.</b>
<i>Rec. Operating Cash Flow growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-87.0%</i>	<i>19.3%</i>	<i>4.4%</i>	
<i>Rec. Operating Cash Flow / Sales</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
- CAPEX	-	(1.4)	(0.8)	(0.2)	(0.2)	
- Net Financial Result affecting Cash Flow	-	(0.0)	(0.2)	(0.5)	(0.1)	
- Taxes	-	-	-	(0.2)	-	
<b>= Recurrent Free Cash Flow</b>	<b>(0.1)</b>	<b>(2.1)</b>	<b>(2.4)</b>	<b>(2.1)</b>	<b>(1.4)</b>	<b>n.a.</b>
<i>Rec. Free Cash Flow growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-11.0%</i>	<i>12.0%</i>	<i>32.8%</i>	
<i>Rec. Free Cash Flow / Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
- Restructuring expenses & others	-	-	(0.3)	(0.1)	-	
- Acquisitions / + Divestments	-	-	(0.6)	0.3	-	
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.6	0.1	-	-	-	
<b>= Free Cash Flow</b>	<b>0.6</b>	<b>(2.0)</b>	<b>(3.3)</b>	<b>(1.9)</b>	<b>(1.4)</b>	<b>-73.1%</b>
<i>Free Cash Flow growth</i>	<i>n.a.</i>	<i>-450.5%</i>	<i>-62.7%</i>	<i>44.1%</i>	<i>24.9%</i>	
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	<i>11.0%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
<b>B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)</b>						
	2021	2022	2023	2024	2025e	
<b>Recurrent FCF(FY - 1)</b>	<b>-</b>	<b>(0.1)</b>	<b>(2.1)</b>	<b>(2.4)</b>	<b>(2.1)</b>	
EBITDA impact from revenue increase	n.a.	n.a.	(4.1)	0.0	(0.2)	
EBITDA impact from EBITDA/Sales variation	n.a.	n.a.	3.3	0.3	0.8	
<b>= Recurrent EBITDA variation</b>	<b>n.a.</b>	<b>n.a.</b>	<b>(0.8)</b>	<b>0.3</b>	<b>0.6</b>	
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	
+/- Working capital variation impact	(0.0)	0.5	0.1	(0.0)	(0.6)	
<b>= Recurrent Operating Cash Flow variation</b>	<b>(0.0)</b>	<b>0.5</b>	<b>(0.7)</b>	<b>0.3</b>	<b>0.1</b>	
+/- CAPEX impact	-	(1.4)	0.6	0.6	-	
+/- Financial result variation	-	(0.0)	(0.2)	(0.4)	0.4	
+/- Tax impact	-	-	-	(0.2)	0.2	
<b>= Recurrent Free Cash Flow variation</b>	<b>(0.0)</b>	<b>(0.9)</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.7</b>	
<b>Recurrent Free Cash Flow</b>	<b>(0.0)</b>	<b>(1.0)</b>	<b>(2.4)</b>	<b>(2.1)</b>	<b>(1.4)</b>	
<b>C) "FCF to the Firm" (pre debt service) (EUR Mn)</b>						
	2021	2022	2023	2024	2025e	CAGR 21-24
<b>EBIT</b>	<b>(0.1)</b>	<b>(1.3)</b>	<b>(2.7)</b>	<b>(2.6)</b>	<b>(1.3)</b>	<b>n.a.</b>
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	
= Taxes (pre- Net Financial Result)	-	-	-	-	-	
<b>Recurrent EBITDA</b>	<b>(0.1)</b>	<b>(1.2)</b>	<b>(2.0)</b>	<b>(1.7)</b>	<b>(1.1)</b>	<b>n.a.</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	
+/- Working Capital increase	(0.0)	0.4	0.6	0.5	(0.0)	
<b>= Recurrent Operating Cash Flow</b>	<b>(0.1)</b>	<b>(0.8)</b>	<b>(1.5)</b>	<b>(1.2)</b>	<b>(1.1)</b>	<b>n.a.</b>
- CAPEX	-	(1.4)	(0.8)	(0.2)	(0.2)	
- Taxes (pre- Financial Result)	-	-	-	-	-	
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>(0.1)</b>	<b>(2.1)</b>	<b>(2.2)</b>	<b>(1.4)</b>	<b>(1.3)</b>	<b>n.a.</b>
<i>Rec. Free Cash Flow (To the Firm) growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-4.0%</i>	<i>38.0%</i>	<i>3.8%</i>	
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
- Acquisitions / + Divestments	-	-	(0.6)	0.3	-	
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.6	0.1	-	-	-	
<b>= Free Cash Flow "To the Firm"</b>	<b>0.6</b>	<b>(2.0)</b>	<b>(2.8)</b>	<b>(1.1)</b>	<b>(1.3)</b>	<b>-56.5%</b>
<i>Free Cash Flow (To the Firm) growth</i>	<i>n.a.</i>	<i>-450.1%</i>	<i>-38.5%</i>	<i>62.1%</i>	<i>-23.1%</i>	
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	<i>9.4%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	

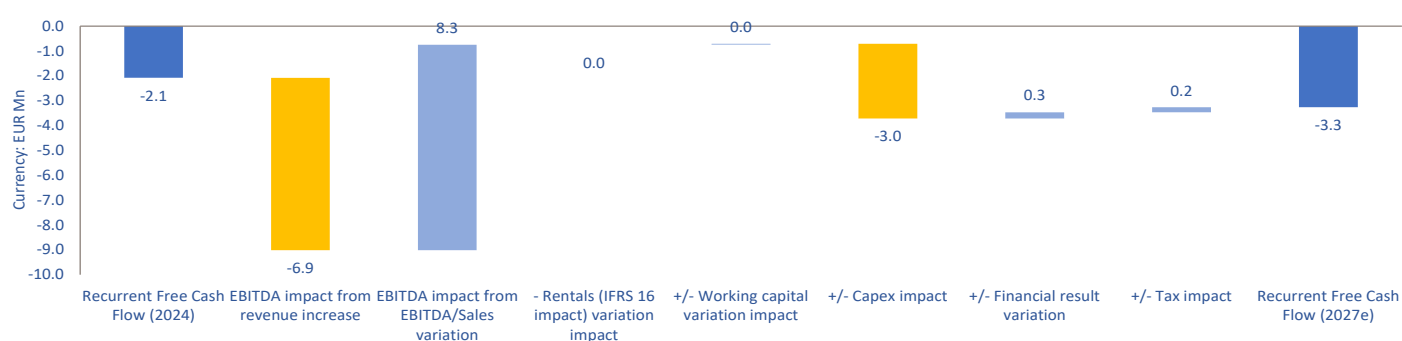


## Free Cash Flow (II)

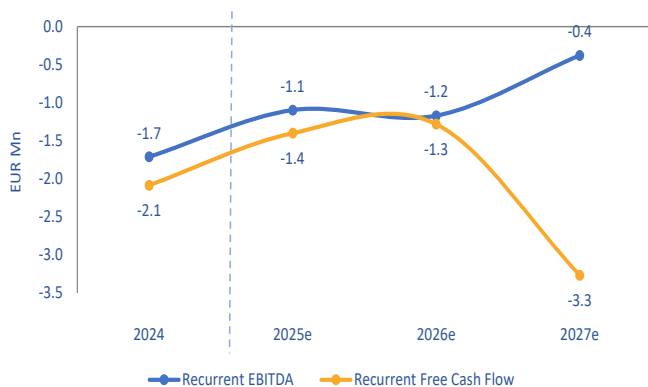
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



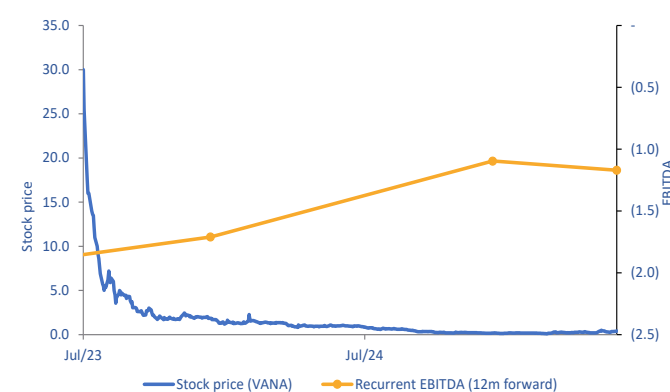
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(1.3)	(1.1)	(3.0)	n.a.		
Market Cap	5.3	At the date of this report				
Net financial debt	0.9	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	6.0%	Net debt cost			5.8%	6.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	4.8%	$K_d = \text{Cost of Net Debt} * (1-T)$			4.6%	5.0%
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.4	B (own estimate)			1.3	1.5
Cost of Equity	11.5%	$K_e = R_f + (R * B)$			10.3%	12.9%
Equity / (Equity + Net Debt)	85.5%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	14.5%	D			=	=
WACC	10.5%	$WACC = K_d * D + K_e * E$			9.4%	11.7%
G "Fair"	2.0%				2.5%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	5.3	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.4	12m Results 2024
+ Net financial debt	0.9	12m Results 2024
- Financial Investments	0.4	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>6.2</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	n.a.	n.a.	n.a.	n.a.	n.a.
	2024	2027e			
ROCE - WACC	n.a.	n.a.			
FCF Yield - WACC	n.a.	n.a.			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	-8.2%	(1.3)	-4.9x
Central	-7.5%	(1.2)	-5.3x
Min	-6.8%	(1.1)	-5.9x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e		
EBITDA 26e	17.7%	19.7%	21.7%
(1.3)	(1.1)	(1.4)	(1.7)
(1.2)	(1.0)	(1.3)	(1.6)
(1.1)	(0.9)	(1.2)	(1.5)

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	n.a.	40.0%	33.3%
% of proprietary board members	n.a.	60.0%	0.0%
% of executive board members	n.a.	0.0%	66.7%
% of other directors	n.a.	0.0%	0.0%
% of women on the board of directors	n.a.	0.0%	0.0%
% of women out of total workforce	n.a.	62.2%	63.3%
Board remuneration/staff cost	n.a.	21.9%	19.5%



## Main peers 2025e

		Food service chains					Coffe Chains			VANA
EUR Mn		Amrest	Alsea	Restaurant Brands	Compass Group PLC	Average	Starbucks	Greggs	Average	
Market data	Ticker (Factset)	EAT-PL	AISEA-MX	QSR-CA	CPG-GB		SBUX-US	GRG-GB		VANA-ES
	Country	Spain	Mexico	Canada	UK		USA	UK		Spain
	Market cap	817.5	1,865.4	26,798.0	51,401.1		92,540.7	2,381.2		5.3
	Enterprise value (EV)	2,286.3	4,083.6	34,582.3	57,357.2		112,402.5	2,711.2		6.2
Basic financial information	Total Revenues	2,744.8	3,993.1	8,095.9	38,846.8		31,836.7	2,560.4		2.3
	Total Revenues growth	6.5%	10.8%	10.8%	-0.1%	7.0%	2.0%	8.3%	5.2%	12.0%
	2y CAGR (2025e - 2027e)	6.2%	7.3%	3.5%	7.0%	6.0%	7.0%	8.3%	7.6%	n.a.
	EBITDA	455.3	718.7	2,604.6	3,878.8		4,996.1	426.3		(1.1)
	EBITDA growth	11.7%	-23.5%	15.5%	4.8%	2.1%	-14.0%	10.5%	-1.8%	38.8%
	2y CAGR (2025e - 2027e)	8.9%	9.4%	5.6%	7.9%	7.9%	14.4%	7.9%	11.1%	41.3%
	EBITDA/Revenues	16.6%	18.0%	32.2%	10.0%	19.2%	15.7%	16.6%	16.2%	n.a.
	EBIT	184.3	371.1	2,253.4	2,815.7		3,490.1	234.0		(1.3)
	EBIT growth	26.5%	-31.4%	11.3%	9.1%	3.9%	-21.3%	5.6%	-7.8%	51.2%
	2y CAGR (2025e - 2027e)	10.2%	13.0%	5.9%	8.8%	9.5%	18.5%	4.6%	11.5%	1.8%
	EBIT/Revenues	6.7%	9.3%	27.8%	7.2%	12.8%	11.0%	9.1%	10.1%	n.a.
	Net Profit	73.5	112.1	1,480.4	1,896.4		2,387.4	162.9		(1.3)
	Net Profit growth	758.0%	180.0%	66.9%	45.9%	262.7%	-26.5%	-9.5%	-18.0%	56.7%
	2y CAGR (2025e - 2027e)	18.7%	30.4%	6.8%	10.3%	16.6%	19.6%	3.7%	11.7%	-4.9%
	CAPEX/Sales %	9.1%	6.3%	4.0%	3.3%	5.7%	6.8%	13.4%	10.1%	8.8%
Multiples and Ratios	Free Cash Flow	209.1	186.3	1,161.6	1,727.8		2,136.7	(18.0)		(1.4)
	Net financial debt	1,484.0	1,676.6	11,171.9	4,894.6		14,654.4	437.3		2.3
	ND/EBITDA (x)	3.3	2.3	4.3	1.3	2.8	2.9	1.0	2.0	n.a.
	Pay-out	0.0%	22.8%	46.8%	50.4%	30.0%	100.2%	49.9%	75.1%	0.0%
	P/E (x)	16.9	16.3	18.1	26.6	19.5	38.5	14.5	26.5	n.a.
	P/BV (x)	1.9	2.9	6.0	7.5	4.6	n.a.	3.2	3.2	n.a.
	EV/Revenues (x)	0.8	1.0	4.3	1.5	1.9	3.5	1.1	2.3	2.7
	EV/EBITDA (x)	5.0	5.7	13.3	14.8	9.7	22.5	6.4	14.4	n.a.
	EV/EBIT (x)	12.4	11.0	15.3	20.4	14.8	32.2	11.6	21.9	n.a.
	ROE	11.4	18.0	33.2	28.3	22.7	n.a.	21.7	21.7	n.a.
	FCF Yield (%)	25.6	10.0	4.3	3.4	10.8	2.3	n.a.	2.3	n.a.
	DPS	0.00	0.03	2.17	0.56	0.69	2.11	0.80	1.45	0.00
	Dvd Yield	0.0%	1.4%	3.7%	1.9%	1.7%	2.6%	3.4%	3.0%	0.0%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

**Vitruvio (YVIT)** is a “classic” real estate company engaged in the purchase and development of urban real estate for lease, with a focus on property management, primarily in Madrid (which accounts for c.82% of its GAV). It has a diversified portfolio, with exposure to residential (32%), commercial (52%), office (13%) and logistics (3%) properties. YVIT has traded as a listed Spanish REIT (SOCIMI) on BME Growth since 2016 (free float: 94.5%).

#### Market Data

Market Cap (Mn EUR and USD)	148.0	169.9
EV (Mn EUR and USD)	180.6	207.3
Shares Outstanding (Mn)	9.6	
-12m (Max/Med/Mín EUR)	15.90 / 14.29 / 13.45	
Daily Avg volume (-12m Mn EUR)	0.05	
Rotation <sup>(1)</sup>	8.2	
Factset / Bloomberg	YVIT-ES / YVIT SM	
Close fiscal year	31-Dec	

#### Shareholders Structure (%)

Onchena	5.5
Free Float	94.5

Financials (Mn EUR)	2024	2025e	2026e	2027e
Adj. nº shares (Mn)	9.2	9.6	9.6	9.6
Total Revenues	9.9	13.7	15.5	16.0
Rec. EBITDA	5.7	7.9	9.3	9.6
% growth	16.5	39.6	17.7	2.7
% Rec. EBITDA/Rev.	57.6	58.0	60.0	60.0
% Inc. EBITDA sector <sup>(2)</sup>	11.4	12.3	5.5	5.7
Net Profit	3.6	4.3	5.5	5.7
EPS (EUR)	0.39	0.45	0.57	0.60
% growth	-5.2	15.4	26.3	4.9
Ord. EPS (EUR)	0.28	0.42	0.54	0.57
% growth	4.1	50.4	27.8	5.2
Rec. Free Cash Flow	7.7	4.1	4.8	5.3
Pay-out (%)	115.6	106.8	88.8	88.9
DPS (EUR)	0.45	0.48	0.50	0.53
Net financial debt	30.1	49.7	49.7	49.5
ND/Rec. EBITDA (x)	5.3	6.3	5.3	5.2
ROE (%)	3.2	3.3	3.5	3.7
ROCE (%)	3.3	3.5	3.5	3.7

#### Ratios & Multiples (x)

P/E	39.6	34.3	27.1	25.9
Ord. P/E	54.6	36.3	28.4	27.0
P/BV	1.3	1.0	1.0	1.0
Dividend Yield (%)	2.9	3.1	3.3	3.4
EV/Sales	18.32	13.22	11.62	11.31
EV/Rec. EBITDA	31.8	22.8	19.4	18.9
EV/EBIT	38.5	29.1	24.6	23.7
FCF Yield (%)	5.2	2.8	3.2	3.6

#### Historical behavior (base 100)



(%)	-1m	-3m	-12m	-5Y
Absolute	-2.5	6.1	13.7	40.6

(1) Rotation is the % of the capitalisation traded - 12m.  
 (2) Sector: Stoxx Europe 600 Real Estate.

#### MOMENTUM: WHAT DO WE EXPECT FROM 2025E?

**2024 results confirmed YVIT's ability to increase profitability while maintaining a defensive profile.** YVIT closed 2024 with rental income of EUR 9.9Mn (+14.6% vs. 2023). This growth was driven by: (i) a larger portfolio (GAV 2024 EUR 183Mn vs. EUR 163Mn in 2023) and (ii) an average occupancy rate of 97% (+1.0 p.p. vs. 2023). YVIT demonstrates its ability to raise rents while OPEX rises at a slower pace (+6.5% vs. 2023). This translates into a 0.9 p.p. improvement in recurring EBITDA margin (vs. 2023) to 57.6%.

**Following the March announcement of the integration of Mercal, with a GAV of EUR 63Mn, and the recent announcement of the integration of Alkigar (GAV EUR 18.2 Mn) and Polígono Garza (GAV EUR 7.5Mn), we expect additional inorganic growth in 2025.** The improvement in the share price over the last twelve months (+13.7%) has reactivated YVIT's primary growth avenue. As an example, YVIT has reached an agreement with Mercal Inmuebles SOCIMI, S.A. for a merger by absorption, with a capital increase of 2.8 million new shares. This operation, along with the mergers by absorption of Alkigar (capital increase of 1.34 million new shares) and Polígono Garza (capital increase of 0.565 million new shares), are set to be approved at the Extraordinary Shareholders' Meeting on July 7th.

#### EQUITY STORY HIGHLIGHTS: WHAT TO WATCH FOR?

**A diversified portfolio that helps reduce risk.** Following the integration of Mercal, the portfolio comprises the following asset types: residential (31.9%), commercial (52.4%), office (12.7%), and logistics (7.8%). Additionally, tenants are diversified, with none representing more than 5% of total rents. Madrid accounts for 82.3% of the GAV, primarily in strategic and well-located areas.

**The high visibility (97% occupancy) of the business model and larger size support the payment of a growing dividend.** Solid cash generation and the demonstrated potential for orderly and profitable growth explain the payment of a growing dividend (2025e DPS: EUR 0.48/share; +6.7% vs. 2024), which at current prices would imply a 2025e Dividend Yield of 3.1%.

**Conservative leverage.** With Net Debt (ND) of EUR 30.1Mn as of December 2024 and a loan-to-value (LTV) of 16.3%, YVIT's indebtedness is below its comparables (approx. 35-40%) and the level set in the company's bylaws (33%).

**Profitable and non-dilutive growth via capital increases.** YVIT's main growth avenue is inorganic activity through asset contributions. We expect inorganic activity to continue over the next few months. YVIT has communicated that in 2025, it expects to expand its portfolio through new acquisitions, both via direct asset purchases and contributions from family groups (in exchange for equity), with the goal of closing the fiscal year with a portfolio valued at EUR 300 Mn (+12.2% vs. post-Mercal portfolio).

#### RISKS: WHAT TO KEEP AN EYE ON?

**Lower occupancy.** Changes in occupancy levels in properties, primarily in offices, commercial premises, or logistics warehouses, could reduce YVIT's revenue and decrease portfolio profitability.

**Volatility in rental demand** due to changes in secular trends, the dynamic of working from home, or the increased penetration of e-commerce.

#### VALUATION METRICS: WHAT DO THE MULTIPLES TELL US?

**The stock price near NAV (EUR 16.32/share as of March 2025) supports the reactivation of M&A.** Following the stock's performance over the last 12 months in absolute terms (+13.7%), the discount to NAV (Net Asset Value) has narrowed (approx. 5.6%), and therefore, the growth strategy via asset contributions has been reactivated, and we expect it to continue. YVIT has proven to be a story of profitable, non-dilutive growth for its shareholders, with a reasonable risk level from a leverage perspective.



## Financial Projections

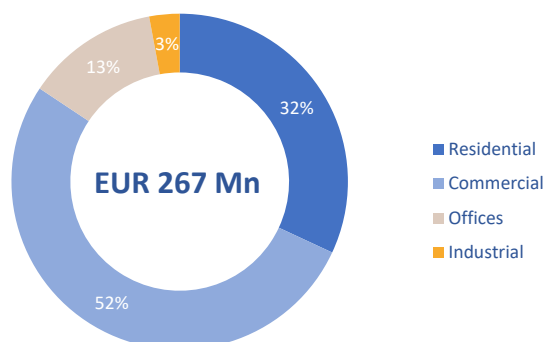
Balance Sheet (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Intangible assets	2.1	1.9	1.9	1.6	1.4	1.3	1.2	1.1		
Fixed assets	148.7	142.2	133.7	135.8	146.6	209.4	209.5	209.6		
Other Non Current Assets	-	-	-	-	-	-	-	-		
Financial Investments	4.1	3.4	3.7	3.0	3.0	3.1	3.2	3.3		
Goodwill & Other Intangibles	0.8	0.6	0.5	0.4	0.2	0.2	0.2	0.2		
Current assets	1.5	0.7	0.1	0.6	0.4	1.2	1.2	1.3		
<b>Total assets</b>	<b>157.2</b>	<b>149.0</b>	<b>139.8</b>	<b>141.5</b>	<b>151.6</b>	<b>215.2</b>	<b>215.3</b>	<b>215.5</b>		
Equity	97.5	96.8	97.5	110.6	111.1	154.5	155.1	155.7		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	8.5	8.3	7.5	7.0	5.7	5.5	5.4	5.2		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	51.2	44.2	34.8	26.7	30.1	49.7	49.7	49.5		
Current Liabilities	0.9	1.7	1.1	0.5	5.4	6.1	5.7	5.6		
<b>Equity &amp; Total Liabilities</b>	<b>158.1</b>	<b>151.0</b>	<b>140.9</b>	<b>144.9</b>	<b>152.2</b>	<b>215.8</b>	<b>215.9</b>	<b>216.0</b>		
P&L (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Gross rental income (GRI)</b>	<b>7.6</b>	<b>7.9</b>	<b>8.2</b>	<b>8.6</b>	<b>9.9</b>	<b>13.7</b>	<b>15.5</b>	<b>16.0</b>	<b>20-24</b>	<b>24-27e</b>
<i>Total Revenues growth</i>	-3.0%	4.0%	4.1%	4.6%	14.6%	38.6%	13.7%	2.7%	6.7%	17.4%
Operating expenses	(1.6)	(1.7)	(1.9)	(1.5)	(1.8)	(2.6)	(3.0)	(3.0)		
<b>Net Operating Income (NOI)</b>	<b>6.0</b>	<b>6.2</b>	<b>6.3</b>	<b>7.1</b>	<b>8.0</b>	<b>11.1</b>	<b>12.6</b>	<b>12.9</b>	<b>7.6%</b>	<b>17.3%</b>
<i>Net Operating Income / Income</i>	78.6%	78.9%	77.1%	82.5%	81.3%	81.0%	81.0%	81.0%		
Personnel Expenses	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)		
Other Operating Expenses	(1.7)	(1.7)	(1.4)	(2.1)	(2.2)	(2.9)	(3.0)	(3.1)		
<b>Recurrent EBITDA</b>	<b>4.1</b>	<b>4.4</b>	<b>4.8</b>	<b>4.9</b>	<b>5.7</b>	<b>7.9</b>	<b>9.3</b>	<b>9.6</b>	<b>8.6%</b>	<b>19.0%</b>
<i>Recurrent EBITDA growth</i>	-10.0%	8.0%	8.7%	1.9%	16.5%	39.6%	17.7%	2.7%		
<i>Rec. EBITDA/Revenues</i>	53.6%	55.6%	58.1%	56.7%	57.6%	58.0%	60.0%	60.0%		
<i>Other non recurrent Income and expenses</i>	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1		
Gain/loss on Disposals	(0.1)	(0.2)	1.9	0.6	0.7	-	-	-		
<b>EBITDA</b>	<b>4.2</b>	<b>4.4</b>	<b>6.9</b>	<b>5.7</b>	<b>6.6</b>	<b>8.1</b>	<b>9.5</b>	<b>9.7</b>	<b>12.0%</b>	<b>14.0%</b>
Depreciation & Provisions	(1.4)	(1.3)	(1.3)	(1.2)	(1.4)	(1.9)	(2.1)	(2.1)		
Capitalized Expense	-	-	-	-	-	-	-	-		
Variation in property values	(0.4)	(0.5)	(1.9)	(0.4)	(0.5)	-	-	-		
<b>EBIT</b>	<b>2.3</b>	<b>2.6</b>	<b>3.7</b>	<b>4.1</b>	<b>4.7</b>	<b>6.2</b>	<b>7.3</b>	<b>7.6</b>	<b>19.7%</b>	<b>17.5%</b>
<i>EBIT growth</i>	-34.3%	13.9%	42.0%	10.2%	15.4%	32.3%	18.3%	3.6%		
<i>EBIT/Revenues</i>	30.0%	32.9%	44.8%	47.3%	47.6%	45.4%	47.2%	47.6%		
Impact of Goodwill & Others	0.1	-	-	-	-	-	-	-		
Net Financial Result	(1.1)	(1.0)	(0.8)	(1.0)	(1.2)	(2.0)	(2.0)	(2.0)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
<b>Ordinary Profit</b>	<b>1.2</b>	<b>1.6</b>	<b>2.9</b>	<b>3.0</b>	<b>3.5</b>	<b>4.2</b>	<b>5.4</b>	<b>5.6</b>	<b>29.5%</b>	<b>17.4%</b>
<i>Ordinary Profit Growth</i>	-52.5%	30.7%	78.6%	5.6%	14.0%	21.3%	26.9%	5.0%		
Extraordinary Results	(9.5)	-	-	-	-	-	-	-		
<b>Profit Before Tax</b>	<b>(8.3)</b>	<b>1.6</b>	<b>2.9</b>	<b>3.0</b>	<b>3.5</b>	<b>4.2</b>	<b>5.4</b>	<b>5.6</b>	<b>24.7%</b>	<b>17.4%</b>
Tax Expense	0.1	0.1	(0.2)	0.3	0.1	0.1	0.1	0.1		
<i>Effective Tax Rate</i>	n.a.	n.a.	7.8%	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
<b>Net Profit</b>	<b>(8.2)</b>	<b>1.7</b>	<b>2.7</b>	<b>3.4</b>	<b>3.6</b>	<b>4.3</b>	<b>5.5</b>	<b>5.7</b>	<b>24.9%</b>	<b>17.0%</b>
<i>Net Profit growth</i>	-404.7%	120.9%	55.5%	26.5%	6.2%	20.7%	26.3%	4.9%		
<b>Ordinary Net Profit</b>	<b>1.1</b>	<b>1.6</b>	<b>0.7</b>	<b>2.2</b>	<b>2.6</b>	<b>4.1</b>	<b>5.2</b>	<b>5.5</b>	<b>22.8%</b>	<b>28.4%</b>
<i>Ordinary Net Profit growth</i>	-40.0%	40.6%	-54.6%	205.2%	16.6%	57.3%	27.8%	5.2%		
Cash Flow (EUR Mn)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>Recurrent EBITDA</b>						<b>7.9</b>	<b>9.3</b>	<b>9.6</b>	<b>8.6%</b>	<b>19.0%</b>
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.0)	(0.4)	(0.2)		
<b>Recurrent Operating Cash Flow</b>						<b>7.9</b>	<b>8.9</b>	<b>9.4</b>	<b>34.3%</b>	<b>-4.2%</b>
CAPEX						(1.9)	(2.1)	(2.1)		
Net Financial Result affecting the Cash Flow						(2.0)	(2.0)	(2.0)		
Tax Expense						-	-	-		
<b>Recurrent Free Cash Flow</b>						<b>4.1</b>	<b>4.8</b>	<b>5.3</b>	<b>38.9%</b>	<b>-11.7%</b>
Gain/loss on Disposals						-	-	-		
- Acquisitions / + Divestures of assets						(62.7)	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
<b>Free Cash Flow</b>						<b>(58.6)</b>	<b>4.8</b>	<b>5.3</b>	<b>-19.0%</b>	<b>n.a.</b>
Capital Increase						43.7	-	-		
Dividends						(4.6)	(4.8)	(5.1)		
<b>Net Debt Variation</b>						<b>19.5</b>	<b>0.0</b>	<b>(0.2)</b>		



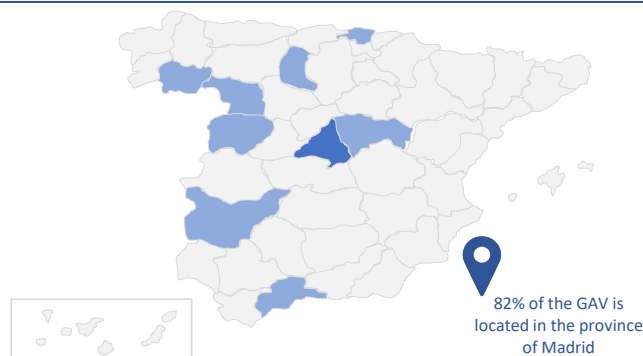


## The company in 8 charts

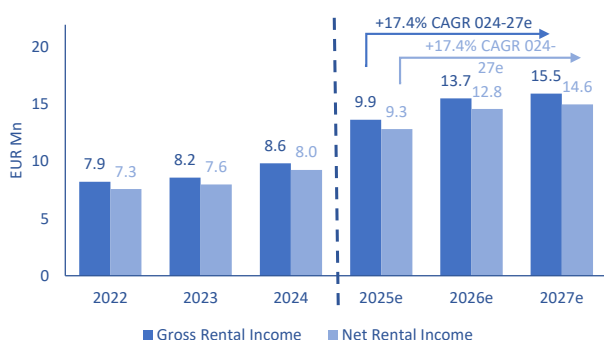
YVIT's portfolio (Feb. 2025) is well diversified across residential, commercial, office and logistics assets...



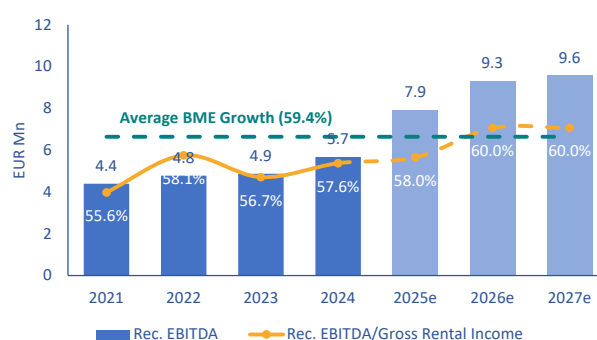
...with the bulk of GAV concentrated in high growth areas (82% of the GAV in Madrid)



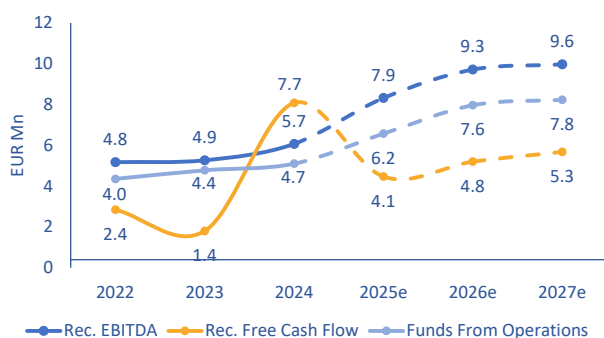
Rent increases are the main revenue driver to 2026e (+17.4% CAGR 24-27e)...



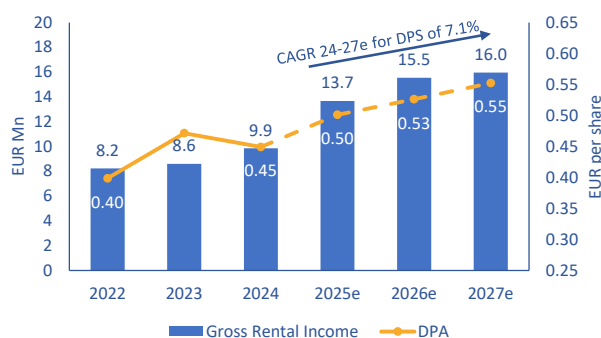
...keeping margins in line with comps (EBITDA margin >59%)



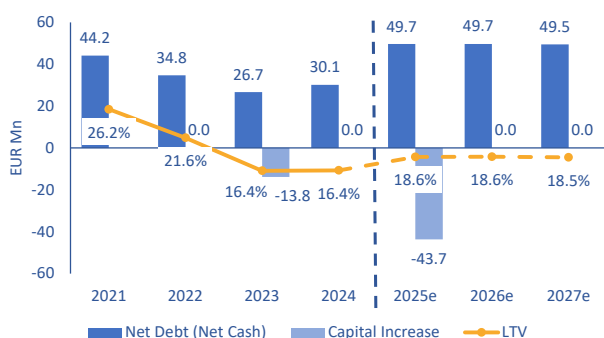
The property management business and low CAPEX needs (except 2025e) allow >50% of recurring EBITDA to be converted to cash



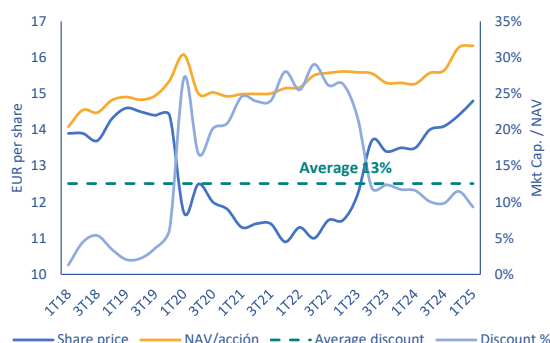
The stable and increasing dividend (CAGR 24-27e for DPS of 7.1%) is one of YVIT's main attractions (3.1% Dividend Yield 2025e)



A comfortable financial position (LTV 2026 < 20%) including capital increases, asset purchases and asset rotation



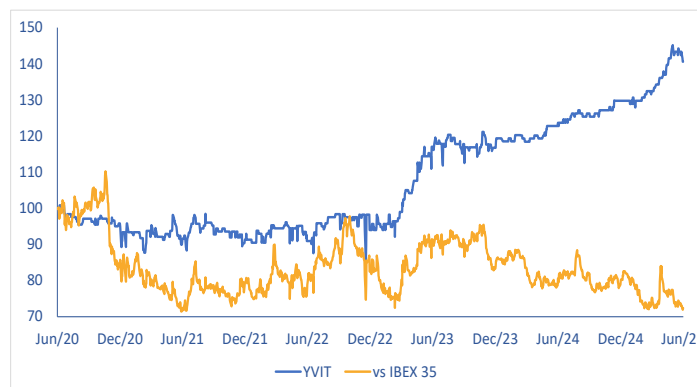
YVIT is trading at a discount of nearly 5,6% to net asset value (NAV)



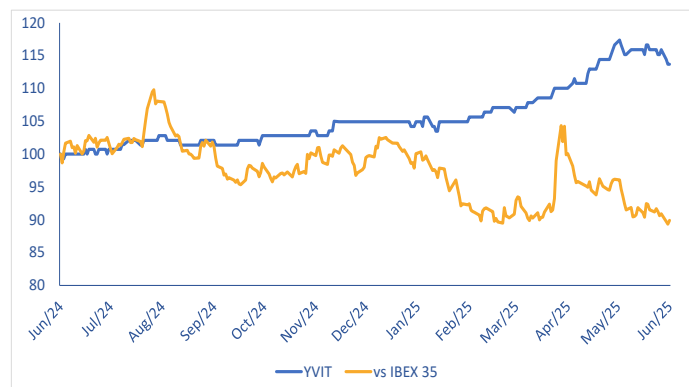


## Evolution of the share price

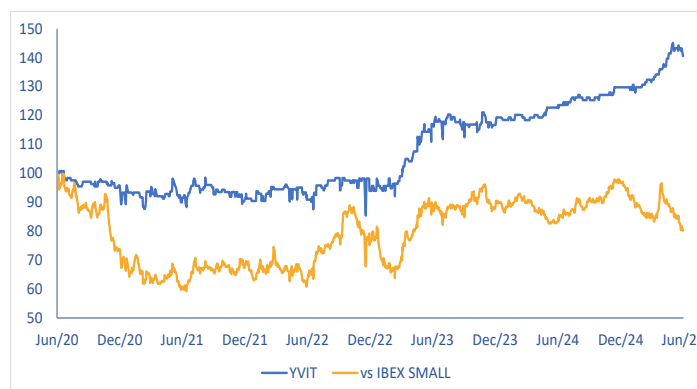
Historical behavior vs Ibex 35 (base 100)



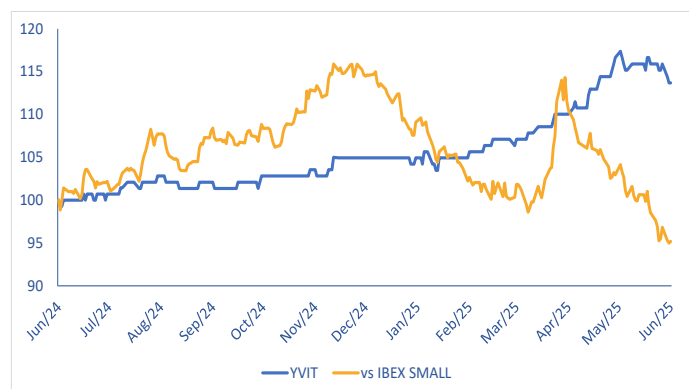
Behavior -1y vs Ibex 35 (base 100)



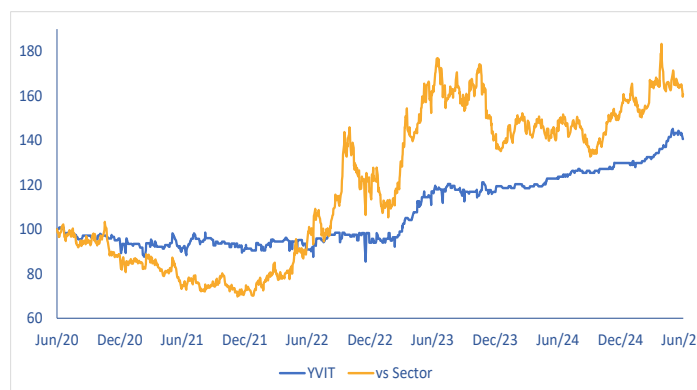
Historical behavior vs Ibex Small Cap (base 100)



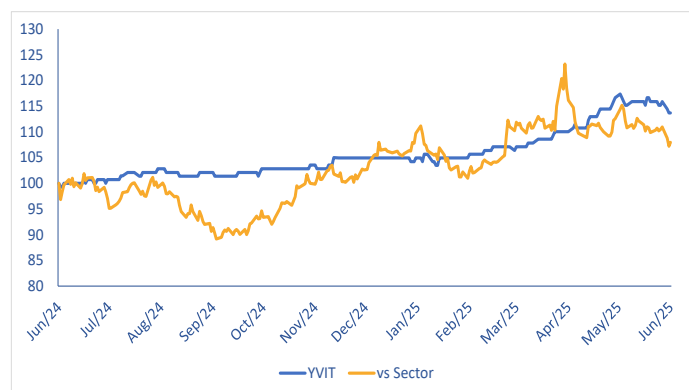
Behavior -1y vs Ibex Small Cap (base 100)



Historical behavior vs Sector<sup>(1)</sup> (base 100)



Behavior -1y vs Sector<sup>(1)</sup> (base 100)



(1) Sector: Stoxx Europe 600 Real State

Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-2.5	6.1	13.7	8.3	54.6	40.6
vs Market						
vs Ibex 35	-6.5	-3.3	-10.1	-11.1	-8.2	-27.6
vs Euro STOXX 50	-4.0	4.5	4.7	-1.6	3.2	-18.0
vs Small Cap References						
vs Ibex Small Cap Index	-7.6	-6.5	-4.8	-15.3	28.1	-19.6
vs Micro Cap Spain Segment <sup>(1)</sup>	-7.2	-0.9	8.0	-4.6	49.7	-5.5
vs MSCI Europe Micro Cap	-6.8	-2.6	12.0	0.6	64.8	10.2
vs Sector						
vs Stoxx Europe 600 Real State	-4.1	-3.5	7.9	2.1	71.5	60.7

(1) Constituents on page 10



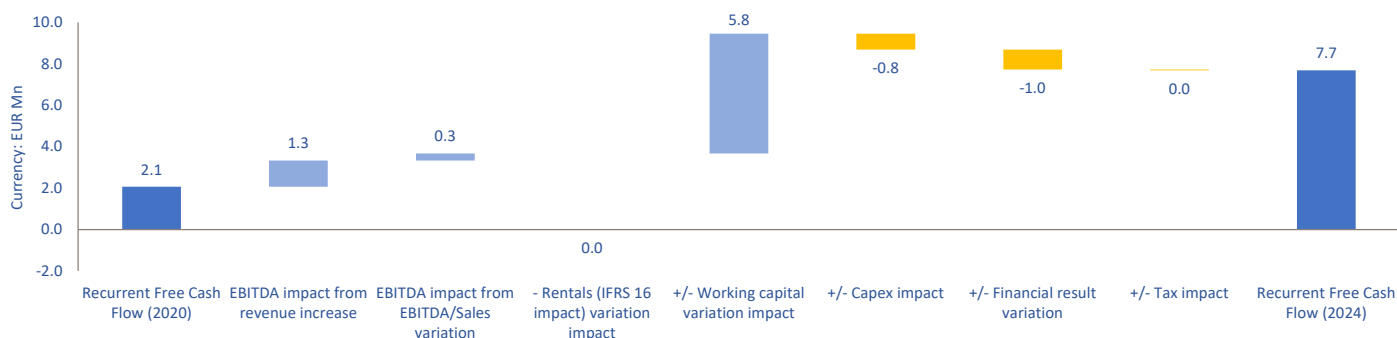
## Free Cash Flow (I)

								CAGR	
A) Cash Flow Analysis (EUR Mn)	2021	2022	2023	2024	2025e	2026e	2027e	21-24	24-27e
<b>Recurrent EBITDA</b>	<b>4.4</b>	<b>4.8</b>	<b>4.9</b>	<b>5.7</b>	<b>7.9</b>	<b>9.3</b>	<b>9.6</b>	<b>8.9%</b>	<b>19.0%</b>
Recurrent EBITDA growth	8.0%	8.7%	1.9%	16.5%	39.6%	17.7%	2.7%		
Rec. EBITDA/Revenues	55.6%	58.1%	56.7%	57.6%	58.0%	60.0%	60.0%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	1.6	0.1	(1.1)	5.0	(0.0)	(0.4)	(0.2)		
<b>= Recurrent Operating Cash Flow</b>	<b>6.0</b>	<b>4.9</b>	<b>3.8</b>	<b>10.7</b>	<b>7.9</b>	<b>8.9</b>	<b>9.4</b>	<b>21.4%</b>	<b>-4.2%</b>
Rec. Operating Cash Flow growth	81.5%	-18.6%	-22.2%	182.7%	-25.9%	12.6%	5.3%		
Rec. Operating Cash Flow / Sales	75.5%	59.0%	43.9%	n.a.	57.9%	57.3%	58.8%		
- CAPEX	(1.0)	(0.9)	(1.0)	(1.0)	(1.9)	(2.1)	(2.1)		
- Net Financial Result affecting Cash Flow	(0.9)	(0.8)	(1.0)	(1.9)	(2.0)	(2.0)	(2.0)		
- Taxes	0.0	(0.7)	(0.4)	(0.0)	-	-	-		
<b>= Recurrent Free Cash Flow</b>	<b>4.1</b>	<b>2.4</b>	<b>1.4</b>	<b>7.7</b>	<b>4.1</b>	<b>4.8</b>	<b>5.3</b>	<b>23.5%</b>	<b>-11.7%</b>
Rec. Free Cash Flow growth	97.3%	-40.0%	-42.7%	447.6%	-47.1%	18.0%	10.1%		
Rec. Free Cash Flow / Revenues	51.6%	29.8%	16.3%	78.0%	29.8%	30.9%	33.1%		
+/- Other Income	(0.2)	1.9	0.6	-	-	-	-		
- Acquisitions / + Divestments	2.6	7.6	(2.4)	(7.9)	(62.7)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.3)	-	-	0.2	-	-	-		
<b>= Free Cash Flow</b>	<b>6.2</b>	<b>11.9</b>	<b>(0.3)</b>	<b>(0.0)</b>	<b>(58.6)</b>	<b>4.8</b>	<b>5.3</b>	<b>-26.1%</b>	<b>n.a.</b>
Free Cash Flow growth	12.2%	93.4%	-102.8%	91.8%	n.a.	108.2%	10.1%		
Recurrent Free Cash Flow - Yield (s/Mkt Cap)	2.8%	1.7%	0.9%	5.2%	2.8%	3.2%	3.6%		
Free Cash Flow Yield (s/Mkt Cap)	4.2%	8.0%	n.a.	n.a.	n.a.	3.2%	3.6%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e		
<b>Recurrent FCF (FY - 1)</b>	<b>2.1</b>	<b>4.1</b>	<b>2.4</b>	<b>1.4</b>	<b>7.7</b>	<b>4.1</b>	<b>4.8</b>		
EBITDA impact from revenue increase	0.2	0.2	0.2	0.7	2.2	1.1	0.3		
EBITDA impact from EBITDA/Sales variation	0.2	0.2	(0.1)	0.1	0.1	0.3	(0.0)		
<b>= Recurrent EBITDA variation</b>	<b>0.3</b>	<b>0.4</b>	<b>0.1</b>	<b>0.8</b>	<b>2.2</b>	<b>1.4</b>	<b>0.3</b>		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	2.4	(1.5)	(1.2)	6.1	(5.0)	(0.4)	0.2		
<b>= Recurrent Operating Cash Flow variation</b>	<b>2.7</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>6.9</b>	<b>(2.8)</b>	<b>1.0</b>	<b>0.5</b>		
+/- CAPEX impact	(0.8)	0.1	(0.0)	(0.0)	(0.9)	(0.3)	0.0		
+/- Financial result variation	0.1	0.1	(0.2)	(0.9)	(0.0)	(0.0)	0.0		
+/- Tax impact	0.0	(0.7)	0.3	0.3	0.0	-	-		
<b>= Recurrent Free Cash Flow variation</b>	<b>2.0</b>	<b>(1.6)</b>	<b>(1.0)</b>	<b>6.3</b>	<b>(3.6)</b>	<b>0.7</b>	<b>0.5</b>		
<b>Recurrent Free Cash Flow</b>	<b>4.1</b>	<b>2.4</b>	<b>1.4</b>	<b>7.7</b>	<b>4.1</b>	<b>4.8</b>	<b>5.3</b>		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2021	2022	2023	2024	2025e	2026e	2027e	CAGR	
<b>EBIT</b>	<b>2.6</b>	<b>3.7</b>	<b>4.1</b>	<b>4.7</b>	<b>6.2</b>	<b>7.3</b>	<b>7.6</b>	<b>21.8%</b>	<b>17.5%</b>
* Theoretical Tax rate	0.0%	7.8%	0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	(0.3)	-	-	-	-	-		
<b>Recurrent EBITDA</b>	<b>4.4</b>	<b>4.8</b>	<b>4.9</b>	<b>5.7</b>	<b>7.9</b>	<b>9.3</b>	<b>9.6</b>	<b>8.9%</b>	<b>19.0%</b>
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	1.6	0.1	(1.1)	5.0	(0.0)	(0.4)	(0.2)		
<b>= Recurrent Operating Cash Flow</b>	<b>6.0</b>	<b>4.9</b>	<b>3.8</b>	<b>10.7</b>	<b>7.9</b>	<b>8.9</b>	<b>9.4</b>	<b>21.4%</b>	<b>-4.2%</b>
- CAPEX	(1.0)	(0.9)	(1.0)	(1.0)	(1.9)	(2.1)	(2.1)		
- Taxes (pre- Financial Result)	-	(0.3)	-	-	-	-	-		
<b>= Recurrent Free Cash Flow (To the Firm)</b>	<b>4.9</b>	<b>3.6</b>	<b>2.8</b>	<b>9.7</b>	<b>6.1</b>	<b>6.8</b>	<b>7.3</b>	<b>25.2%</b>	<b>-9.1%</b>
Rec. Free Cash Flow (To the Firm) growth	61.4%	-26.5%	-22.9%	246.5%	-37.4%	12.1%	7.1%		
Rec. Free Cash Flow (To the Firm) / Revenues	62.3%	44.1%	32.5%	98.2%	44.3%	43.7%	45.5%		
- Acquisitions / + Divestments	2.6	7.6	(2.4)	(7.9)	(62.7)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	(0.3)	-	-	0.2	-	-	-		
<b>= Free Cash Flow "To the Firm"</b>	<b>7.2</b>	<b>11.2</b>	<b>0.4</b>	<b>2.0</b>	<b>(56.6)</b>	<b>6.8</b>	<b>7.3</b>	<b>-35.2%</b>	<b>54.6%</b>
Free Cash Flow (To the Firm) growth	9.4%	54.8%	-96.2%	357.2%	n.a.	112.0%	7.1%		
Rec. Free Cash Flow To the Firm Yield (o/EV)	2.7%	2.0%	1.5%	5.4%	3.4%	3.8%	4.0%		
Free Cash Flow "To the Firm" - Yield (o/EV)	4.0%	6.2%	0.2%	1.1%	n.a.	3.8%	4.0%		
<b>Funds from operations</b>	<b>3.7</b>	<b>4.0</b>	<b>4.4</b>	<b>4.7</b>	<b>6.2</b>	<b>7.6</b>	<b>7.8</b>		
Mkt Cap/Funds from operations	23.9x	23.8x	28.6x	28.2x	24.0x	19.5x	18.9x		
Adjusted funds from operations	<b>2.7</b>	<b>3.0</b>	<b>3.4</b>	<b>3.7</b>	<b>4.3</b>	<b>5.5</b>	<b>5.7</b>		
Mkt Cap/Adjusted funds from operations	33.1x	31.3x	36.9x	35.8x	34.3x	27.1x	25.9x		

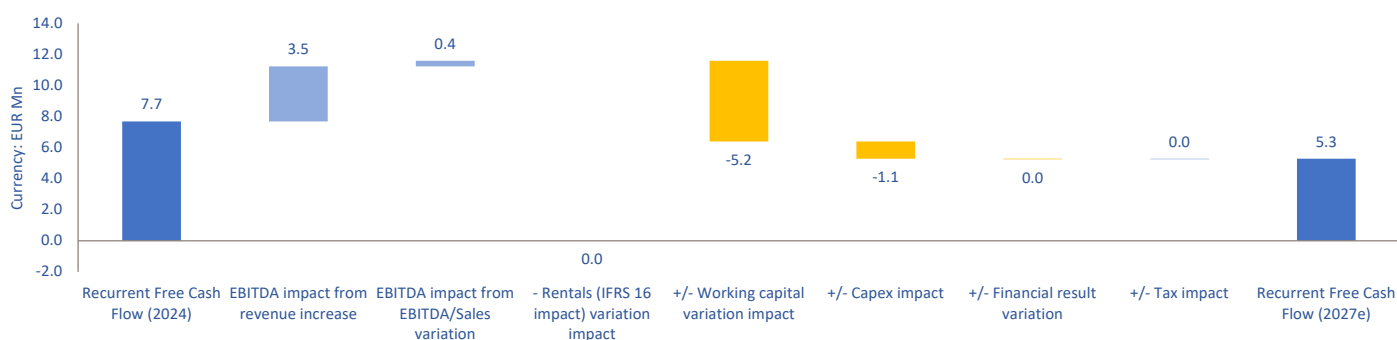


## Free Cash Flow (II)

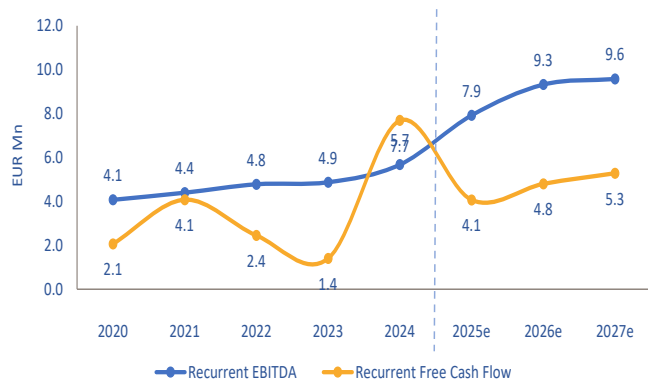
### Recurrent Free Cash Flow accumulated variation analysis (2020 - 2024)



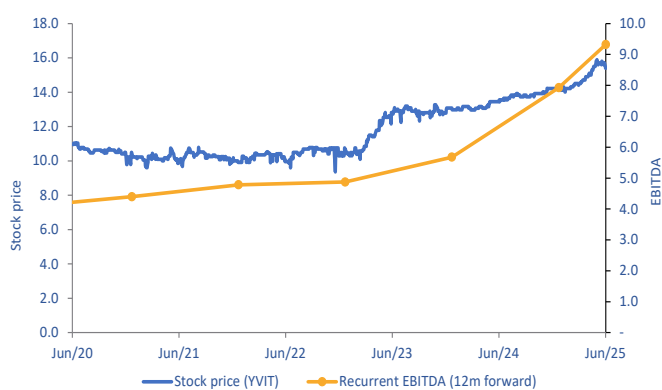
### Recurrent Free Cash Flow accumulated variation analysis (2024 - 2027e)



### Recurrent EBITDA vs Recurrent Free Cash Flow



### Stock performance vs EBITDA 12m forward





## Valuation inputs

### Inputs for the DCF Valuation Approach

	2025e	2026e	2027e	Terminal Value <sup>(1)</sup>		
Free Cash Flow "To the Firm"	(56.6)	6.8	7.3	n.a.		
Market Cap	148.0	At the date of this report				
Net financial debt	29.9	Debt net of Cash (12m Results 2024)				
					Best Case	Worst Case
Cost of Debt	4.0%	Net debt cost			3.8%	4.3%
Tax rate (T)	0.0%	T (Normalised tax rate)			=	=
Net debt cost	4.0%	$K_d = \text{Cost of Net Debt} * (1-T)$			3.8%	4.3%
Risk free rate (rf)	3.1%	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	9.1%	$K_e = R_f + (R * B)$			8.1%	10.3%
Equity / (Equity + Net Debt)	83.2%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	16.8%	D			=	=
WACC	8.2%	$WACC = K_d * D + K_e * E$			7.3%	9.2%
G "Fair"	2.0%				2.0%	1.5%

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

### EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	148.0	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	5.7	12m Results 2024
+ Net financial debt	29.9	12m Results 2024
- Financial Investments	3.0	12m Results 2024
+/- Others		
<b>Enterprise Value (EV)</b>	<b>180.6</b>	

### Business Value Creation Metrics <sup>(1)</sup>

	2020	2021	2022	2023	2024
ROCE (evolution -5y)	1.5%	1.7%	2.4%	2.9%	3.3%
	2024	2027e			
ROCE - WACC	-5.0%	-4.6%			
FCF Yield - WACC	-2.9%	-4.2%			

(1) FCF Yield to the Firm (see Free Cash Flow Analysis (I)). Detail of the WACC on this page.

### Free Cash Flow sensitivity analysis (2026e)

#### A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 26e	EBITDA 26e	EV/EBITDA 26e
Max	66.0%	10.3	17.6x
Central	60.0%	9.3	19.4x
Min	54.0%	8.4	21.5x

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

Rec. FCF EUR Mn	CAPEX/Sales 26e				Rec. FCF/Yield 26e			
EBITDA 26e	12.3%	13.7%	15.1%		Scenario	Rec. FCF/Yield 26e		
10.3	6.0	5.7	5.5	➔	Max	4.0%	3.9%	3.7%
9.3	5.0	4.8	4.6		Central	3.4%	3.2%	3.1%
8.4	4.1	3.9	3.7		Min	2.8%	2.6%	2.5%

### Main Corporate Governance indicators

KPI	2022	2023	2024
% of independent board members	10.0%	22.2%	50.0%
% of proprietary board members	90.0%	77.8%	30.0%
% of executive board members	0.0%	0.0%	0.0%
% of other directors	0.0%	0.0%	0.0%
% of women on the board of directors	11.1%	11.1%	20.0%
% of women out of total workforce	23.1%	21.4%	26.7%
Board remuneration/staff cost	n.a.	n.a.	n.a.



## Main peers 2025e

	EUR Mn	Continuous Market			Europe			Average	YVIT
		Merlin Properties	Colonial	Average	SEGRO	Land Securities	Icade		
Market data	Ticker (Factset)	MRL-ES	COL-ES		SGRO-GB	LAND-GB	ICAD-FR		YVIT-ES
	Country	Spain	Spain		UK	UK	France		Spain
	Market cap	6,026.2	3,845.6		11,009.3	5,397.0	1,817.4		148.0
	Enterprise value (EV)	9,648.2	9,264.3		16,074.5	10,682.3	5,349.0		180.6
Basic financial information	Total Revenues	547.7	413.4		834.4	773.8	371.6		13.7
	Total Revenues growth	8.9%	-19.0%	-5.1%	5.1%	-20.9%	-76.4%	-30.7%	38.6%
	2y CAGR (2025e - 2027e)	11.6%	6.8%	9.2%	5.8%	2.8%	-1.3%	2.4%	8.1%
	EBITDA	406.2	337.8		703.2	605.6	303.8		8.1
	EBITDA growth	8.4%	1.8%	5.1%	27.8%	24.4%	27.4%	26.5%	22.9%
	2y CAGR (2025e - 2027e)	11.5%	7.5%	9.5%	6.4%	5.1%	2.4%	4.7%	9.8%
	EBITDA/Revenues	74.2%	81.7%	77.9%	84.3%	78.3%	81.8%	81.4%	59.0%
	EBIT	408.8	326.4		735.0	603.4	306.2		6.2
	EBIT growth	10.4%	0.6%	5.5%	36.5%	25.1%	44.7%	35.4%	32.3%
	2y CAGR (2025e - 2027e)	13.2%	16.6%	14.9%	6.5%	5.7%	7.1%	6.4%	10.7%
	EBIT/Revenues	74.6%	79.0%	76.8%	88.1%	78.0%	82.4%	82.8%	45.4%
	Net Profit	312.5	213.2		583.6	735.7	261.0		4.3
	Net Profit growth	10.1%	-30.7%	-10.3%	-16.5%	58.0%	194.8%	78.8%	20.7%
	2y CAGR (2025e - 2027e)	8.2%	6.7%	7.5%	7.4%	1.4%	-5.5%	1.1%	15.1%
	CAPEX/Sales %	147.7%	35.6%	91.6%	105.2%	36.8%	-7.4%	44.9%	13.6%
Multiples and Ratios	Free Cash Flow	(56.4)	168.1		101.1	272.1	461.3		(58.6)
	Net financial debt	4,281.6	4,587.5		6,023.5	5,099.4	3,211.6		49.7
	ND/EBITDA (x)	10.5	13.6	12.1	8.6	8.4	10.6	9.2	6.3
	Pay-out	68.5%	83.7%	76.1%	83.3%	49.2%	70.8%	67.8%	106.8%
	P/E (x)	19.3	18.6	18.9	19.1	11.9	7.1	12.7	34.3
	P/BV (x)	0.8	0.7	0.7	0.7	0.7	0.4	0.6	1.0
	EV/Revenues (x)	17.6	n.a.	17.6	19.3	13.8	14.4	15.8	13.2
	EV/EBITDA (x)	23.7	27.4	25.6	22.9	17.6	17.6	19.4	22.8
	EV/EBIT (x)	23.6	28.4	26.0	21.9	17.7	17.5	19.0	29.1
	ROE	4.0	3.5	3.8	3.7	5.5	6.1	5.1	3.3
	FCF Yield (%)	n.a.	4.4	4.4	0.9	5.0	25.4	10.4	2.8
	DPS	0.42	0.31	0.36	0.37	0.49	2.44	1.10	0.48
	Dvd Yield	3.9%	5.0%	4.5%	4.5%	6.7%	10.2%	7.2%	3.1%

- (1) Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).  
(2) All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

## Historical performance

Historical performance (EUR Mn)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR 14-24	CAGR 24-27e
Total Revenues	-	-	-	-	-	4.1	7.6	7.9	8.2	8.6	9.9	13.7	15.5	16.0	n.a.	17.4%
Total Revenues growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	84.6%	4.0%	4.1%	4.6%	14.6%	38.6%	13.7%	2.7%	n.a.	14.0%
EBITDA	-	-	-	-	-	2.4	4.2	4.4	6.9	5.7	6.6	8.1	9.5	9.7	n.a.	14.0%
EBITDA growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	74.8%	5.8%	56.0%	-17.2%	15.1%	22.9%	17.4%	2.7%	n.a.	14.0%
EBITDA/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	57.9%	54.8%	55.8%	83.6%	66.3%	66.6%	59.0%	60.9%	60.9%	n.a.	17.0%
Net Profit	-	-	-	-	-	1.1	(8.2)	1.7	2.7	3.4	3.6	4.3	5.5	5.7	n.a.	17.0%
Net Profit growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-828.3%	120.9%	55.5%	26.5%	6.2%	20.7%	26.3%	4.9%	n.a.	17.0%
Adjusted number shares (Mn)	-	-	3.0	4.9	-	4.9	5.7	7.5	8.2	8.2	9.2	9.6	9.6	9.6	n.a.	15.2%
EPS (EUR)	n.a.	n.a.	0.00	0.00	n.a.	0.23	-1.43	0.23	0.32	0.41	0.39	0.45	0.57	0.60	n.a.	15.2%
EPS growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	42.7%	26.5%	-5.2%	15.4%	26.3%	4.9%	n.a.	26.5%
Ord. EPS (EUR)	n.a.	n.a.	0.00	0.00	n.a.	0.23	0.20	0.21	0.09	0.27	0.28	0.42	0.54	0.57	n.a.	26.5%
Ord. EPS growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-12.6%	7.3%	-58.3%	n.a.	4.1%	50.4%	27.8%	5.2%	n.a.	26.5%
CAPEX	-	-	-	-	-	(2.6)	(0.2)	(1.0)	(0.9)	(1.0)	(1.0)	(1.9)	(2.1)	(2.1)	n.a.	26.5%
CAPEX/Sales %	n.a.	n.a.	n.a.	n.a.	n.a.	63.5%	3.1%	13.2%	11.5%	11.4%	10.1%	13.6%	13.7%	13.2%	n.a.	26.5%
Free Cash Flow	-	-	-	-	-	(5.0)	5.5	6.2	11.9	(0.3)	(0.0)	(58.6)	4.8	5.3	n.a.	26.5%
ND/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	15.6x	12.3x	10.0x	5.1x	4.7x	4.6x	6.2x	5.3x	5.1x	n.a.	26.5%
P/E (x)	n.a.	n.a.	n.a.	n.a.	n.a.	54.8x	n.a.	43.5x	33.1x	31.8x	36.5x	34.3x	27.1x	25.9x	n.a.	26.5%
EV/Sales (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16.35x	17.02x	18.23x	n.a.	17.36x	13.22x	11.62x	11.31x	n.a.	26.5%
EV/EBITDA (x) <sup>(2)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	29.8x	30.5x	21.8x	30.6x	26.1x	22.4x	19.1x	18.6x	n.a.	26.5%
Absolute performance	n.a.	n.a.	n.a.	n.a.	n.a.	7.0%	4.0%	2.3%	-16.6%	-5.6%	8.7%	8.3%	21.5%	13.2%	n.a.	26.5%
Relative performance vs Ibex 35	n.a.	n.a.	n.a.	-0.4%	22.4%	-8.5%	-1.3%	-12.5%	15.0%	-1.0%	-5.3%	-11.1%			n.a.	26.5%

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



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## Summary tables for the Lighthouse Research Universe (Performance, EBITDA and FCF generation, ratios, multiples)



## Market capitalization, free float, liquidity and share price performance

Company	Ticker	Sector	Market Cap.	Free	Free Cap.	Volume 12m	Rotation <sup>(1)</sup>	Prices -12m (EUR)			Last price vs
			(Mn EUR)	Float	(Mn EUR)	(Mn EUR)	(%)	Min.	Avg	Max.	average -12m
Adolfo Domínguez	ADZ-ES	Textiles, Apparel & Luxury Goods	43.8	22.8	10.0	2.51	5.7	4.52	4.90	5.40	-3.6%
Agile Content	AGIL-ES	Software	53.8	52.8	28.4	13.50	25.1	2.30	3.08	3.96	-24.7%
Alquiber	ALQ-ES	Transportation - Road & Rail	67.5	24.0	16.2	1.98	2.9	8.37	9.98	12.50	25.2%
Amper	AMP-ES	Communications Equipment	234.7	85.2	199.9	170.02	72.4	0.09	0.12	0.16	31.6%
Audax Renovables	ADX-ES	Electric Utilities	725.5	19.9	144.1	104.17	14.4	1.38	1.66	1.92	-3.7%
Axon Partners Group	APG-ES	Commercial Services & Supplies	77.5	12.1	9.4	1.39	1.8	13.00	15.35	18.80	-4.9%
Cevasa	CEV-ES	Management & Development	177.9	4.9	8.7	0.75	0.4	5.80	6.89	8.10	11.0%
Clerhp Estructuras	CLR-ES	Management & Development	51.0	47.1	24.0	23.57	46.2	2.91	4.11	4.90	-16.0%
Cuatroochenta	480S-ES	Software	46.2	36.9	17.0	2.54	5.5	10.40	12.68	16.90	33.3%
DESA	DESA-ES	Machinery	27.4	22.4	6.1	0.65	2.4	12.59	13.97	15.57	9.5%
Endurance Motive	END-ES	Electrical Equipment	17.6	52.1	9.1	5.82	33.1	1.03	1.24	1.92	25.0%
Enerside	ENRS-ES	Independent Power Producers (IPP)	104.6	32.5	34.0	3.96	3.8	2.25	3.32	4.20	-19.2%
Ercros	ECR-ES	Chemicals	277.1	76.9	213.0	52.24	18.9	2.73	3.42	3.94	-11.5%
Facephi	FACE-ES	Software	63.2	61.5	38.9	8.61	13.6	1.50	1.91	2.49	28.2%
GAM	GAM-ES	Trading Companies & Distributors	123.9	20.6	25.5	6.87	5.5	1.08	1.28	1.43	2.1%
Holaluz Clidom	HLZ-ES	Electric Utilities	28.0	27.9	7.8	13.62	48.6	0.87	1.29	1.63	-1.0%
Iflex	IFLEX-ES	Containers & Packaging	10.3	7.0	0.7	0.24	2.3	1.40	1.59	1.79	6.8%
Inmobiliaria del Sur	ISUR-ES	Management & Development	224.0	27.0	60.5	7.37	3.3	7.95	9.32	12.00	28.7%
Kompuestos	KOM-ES	Chemicals	12.2	9.1	1.1	0.23	1.9	0.63	0.91	1.05	9.8%
Ktesios	YKTS-ES	SOCIMIS	34.5	13.9	4.8	1.85	5.4	14.93	16.57	17.92	8.0%
Labiana Health	LAB-ES	Biotechnology	25.9	18.6	4.8	3.36	13.0	1.86	2.80	3.58	27.7%
Laboratorio Reig Jofre	RJF-ES	Pharmaceuticals	258.9	20.0	51.8	18.66	7.2	2.45	2.75	3.31	16.3%
Libertas 7	LIB-ES	Management & Development	41.6	16.5	6.9	2.13	5.1	1.20	1.55	1.95	22.6%
Lingotes Especiales	LGT-ES	Auto Components	60.0	29.5	17.7	6.01	10.0	5.60	6.80	8.52	-11.8%
LLYC	LLYC-ES	Media	98.9	2.9	2.9	10.35	10.5	5.95	8.22	9.90	3.4%
Natac	NAT-ES	Food Products	304.4	23.5	71.4	3.72	1.2	0.53	0.65	0.72	8.1%
Naturhouse Health	NTH-ES	Personal Products	108.0	21.4	23.1	17.26	16.0	1.48	1.65	1.97	8.9%
Nicolás Correa	NEA-ES	Machinery	139.2	48.3	67.2	18.70	13.4	6.23	8.09	12.05	39.6%
Pangaea Oncology	PANG-ES	Biotechnology	58.5	11.5	6.7	1.18	2.0	1.66	1.75	1.81	-2.7%
Seresco	SCO-ES	Software	78.3	19.4	15.2	3.95	5.0	3.88	5.01	8.60	71.8%
Squirrel Media	SQRL-ES	Media	204.0	15.0	30.6	28.12	13.8	1.21	1.75	2.96	28.8%
Substrate Artificial Intelligence	SAI-ES	Software	48.8	86.8	42.3	43.10	88.4	0.09	0.12	0.16	-0.9%
Vanadi Coffee	VANA-ES	Hotels, Restaurants & Leisure	5.3	55.3	2.9	25.94	488.0	0.10	0.38	1.06	8.8%
Vitruvio	YVIT-ES	SOCIMIS	148.0	94.5	139.8	12.05	8.1	13.45	14.29	15.90	7.8%

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

➤ The five largest underperformers over the last 12 months relative to their average price are shaded.



## Absolute and relative performance (vs IBEX 35)

Company	Absolute Performance (%)					Performance vs IBEX 35 (%)				
	-1M	-3M	-12M	-3Y	YTD	-1M	-3M	-12M	-3Y	YTD
Adolfo Domínguez	0.4	-3.9	-9.2	18.6	-0.4	-3.7	-12.4	-28.2	-29.6	-18.3
Agile Content	-7.2	-17.7	-38.9	-59.2	-20.0	-11.0	-25.0	-51.7	-75.8	-34.4
Alquiber	7.8	9.6	47.7	122.3	25.0	3.3	-0.1	16.8	32.0	2.5
Amper	3.2	16.8	49.9	-31.3	36.8	-1.1	6.5	18.5	-59.2	12.2
Audax Renovables	3.1	11.1	-16.1	31.5	3.2	-1.1	1.2	-33.7	-21.9	-15.3
Axon Partners Group	2.8	-7.0	4.4	n.a.	-22.3	-1.4	-15.3	-17.5	n.a.	-36.3
Cevasa	2.7	7.0	31.4	15.5	7.7	-1.5	-2.5	3.9	-31.4	-11.6
Clerhp Estructuras	-1.4	-12.0	-29.0	63.5	-27.7	-5.5	-19.8	-43.9	-2.9	-40.7
Cuatroochenta	9.7	16.6	44.4	4.3	52.3	5.2	6.2	14.2	-38.1	24.9
DESA	4.1	0.2	21.5	18.2	0.8	-0.2	-8.7	-3.9	-29.8	-17.3
Endurance Motive	8.8	25.0	2.6	-58.0	46.2	4.3	13.9	-18.8	-75.1	20.0
Enerside	2.3	-29.5	-1.0	-59.6	-32.3	-1.9	-35.7	-21.7	-76.0	-44.5
Ercros	0.8	4.5	-11.7	-8.8	-14.2	-3.3	-4.8	-30.2	-45.8	-29.6
Facephi	2.1	3.4	24.1	-15.2	46.7	-2.1	-5.8	-1.9	-49.7	20.4
GAM	5.6	1.6	-6.4	6.9	4.0	1.3	-7.5	-26.0	-36.5	-14.7
Holaluz Clidom	10.3	-19.7	-4.5	-88.4	18.5	5.8	-26.9	-24.5	-93.1	-2.8
Iflex	11.5	6.7	21.0	n.a.	-1.8	6.9	-2.8	-4.3	n.a.	-19.5
Inmobiliaria del Sur	4.3	17.6	50.9	62.8	37.1	0.1	7.2	19.3	-3.4	12.5
Kompuestos	0.0	0.0	18.3	-46.5	-1.0	-4.1	-8.9	-6.4	-68.3	-18.8
Ktesios	0.5	10.3	19.9	n.a.	5.2	-3.7	0.5	-5.2	n.a.	-13.7
Labiana Health	10.5	17.0	45.5	n.a.	20.9	6.0	6.6	15.1	n.a.	-0.8
Laboratorio Reig Jofre	8.5	26.2	4.9	20.1	30.2	4.0	15.0	-17.0	-28.7	6.8
Libertas 7	15.0	10.4	13.9	44.4	4.9	10.3	0.5	-9.9	-14.3	-13.9
Lingotes Especiales	-0.8	-6.0	-18.6	-32.0	-4.8	-4.9	-14.3	-35.6	-59.6	-21.9
LLYC	6.3	0.0	-7.3	-22.7	42.9	1.9	-8.9	-26.7	-54.1	17.2
Natac	0.0	4.5	6.9	22.8	2.2	-4.1	-4.8	-15.5	-27.1	-16.2
Naturhouse Health	2.9	6.5	19.5	29.1	13.9	-1.4	-3.0	-5.5	-23.4	-6.6
Nicolás Correa	3.0	23.8	77.0	146.0	49.8	-1.2	12.8	39.9	46.1	22.9
Pangaea Oncology	0.0	-1.7	-4.0	0.6	-4.0	-4.1	-10.5	-24.1	-40.3	-21.2
Seresco	44.5	72.0	89.2	n.a.	97.2	38.6	56.7	49.6	n.a.	61.8
Squirrel Media	-4.7	-18.2	38.0	-32.2	81.5	-8.6	-25.5	9.1	-59.8	48.9
Substrate Artificial Intelligence	1.7	11.7	-18.6	-93.9	14.8	-2.5	1.8	-35.7	-96.4	-5.8
Vanadi Coffee	104.4	301.0	-55.6	n.a.	126.6	96.0	265.3	-64.9	n.a.	85.9
Vitruvio	-2.5	6.1	13.7	54.6	8.3	-6.5	-3.3	-10.1	-8.2	-11.1

➤ The five worst absolute performers over the last 12 months are shaded.



## Net Profit, EPS y PER

Company	Ord. Net Profit / Revenues 2024	Ord. Net Profit / EBITDA 2024	Ord. P/E 2024	Ord. EPS 25e/24	Ord. EPS CAGR 27e/24	Ord. P/E 2025e	Ord. EPS 26e/25e
Adolfo Domínguez	n.a.	n.a.	n.a.	n.a.	n.a.	32.6	n.a.
Agile Content	n.a.	n.a.	n.a.	n.a.	42.0%	n.a.	n.a.
Alquiber	4.4%	7.8%	10.4	23.7%	40.9%	8.4	55.4%
Amper	0.4%	4.6%	n.a.	97.4%	n.a.	73.3	n.a.
Audax Renovables	3.0%	52.5%	11.9	-0.2%	10.2%	12.0	20.6%
Axon Partners Group	23.5%	77.4%	12.7	21.4%	12.9%	10.5	12.7%
Cevasa	42.4%	50.0%	18.2	9.7%	10.2%	16.6	11.9%
Clerhp Estructuras	n.a.	n.a.	n.a.	n.a.	n.a.	48.5	n.a.
Cuatroochenta	3.5%	29.1%	47.4	83.8%	45.7%	25.8	39.1%
DESA	5.5%	54.8%	10.4	15.7%	11.3%	9.0	10.0%
Endurance Motive	n.a.	n.a.	n.a.	71.2%	36.8%	n.a.	n.a.
Enerside	n.a.	n.a.	n.a.	33.3%	10.2%	n.a.	-6.6%
Ercros	n.a.	n.a.	n.a.	n.a.	51.6%	n.a.	n.a.
Facephi	n.a.	n.a.	n.a.	59.2%	48.9%	n.a.	51.5%
GAM	0.9%	4.1%	45.4	n.a.	81.5%	20.7	85.2%
Holaluz Clidom	n.a.	n.a.	n.a.	63.8%	27.5%	n.a.	25.6%
Iflex	6.1%	55.5%	11.6	-24.6%	7.4%	15.4	21.5%
Inmobiliaria del Sur	8.7%	48.9%	13.7	n.a.	25.6%	6.1	-36.9%
Kompuestos	n.a.	n.a.	n.a.	n.a.	n.a.	4.6	99.1%
Ktesios	n.a.	n.a.	n.a.	n.a.	35.8%	n.a.	n.a.
Labiana Health	0.2%	1.4%	n.a.	n.a.	n.a.	6.6	65.3%
Laboratorio Reig Jofre	3.5%	33.2%	21.7	22.4%	13.0%	17.7	25.8%
Libertas 7	25.1%	42.8%	20.5	24.7%	52.3%	16.4	57.4%
Lingotes Especiales	0.3%	3.7%	n.a.	n.a.	n.a.	88.6	n.a.
LLYC	7.1%	67.7%	11.7	45.0%	35.3%	8.1	35.4%
Natac	6.0%	23.2%	n.a.	58.5%	79.8%	88.0	n.a.
Naturhouse Health	20.3%	66.9%	10.7	-7.0%	-3.8%	11.5	-2.6%
Nicolás Correa	11.3%	75.7%	9.9	-16.5%	-1.4%	11.9	-4.8%
Pangaea Oncology	n.a.	73.9%	n.a.	-69.8%	26.8%	n.a.	63.9%
Seresco	8.5%	52.8%	18.1	41.6%	12.6%	12.8	-9.5%
Squirrel Media	2.6%	17.4%	53.0	n.a.	52.4%	18.6	17.7%
Substrate Artificial Intelligence	17.3%	53.4%	4.3	n.a.	-41.0%	n.a.	-24.6%
Vanadi Coffee	n.a.	n.a.	n.a.	93.5%	58.5%	n.a.	n.a.
Vitruvio	26.3%	39.5%	54.6	50.4%	26.5%	36.3	27.8%

➤ The five companies with the lowest 2025e P/E ratios (with positive EPS growth in 26e/25e) are shaded.



## EBITDA and EV/EBITDA

Company	EV/Rec. EBITDA 2024	EBITDA growth				CAGR 27e/24 Rec. EBITDA	EV/Rec. EBITDA	EBITDA Rec. 26e/25e
		Revenue growth	25e vs 24 Var. EBITDA Mg.	25e vs 24 (p.p.) Var. EBITDA Mg.	Rec. EBITDA			
Adolfo Domínguez	5.1	6.4%	8.8%	1.1	15.8%	14.3%	4.4	14.0%
Agile Content	14.6	1.1%	40.5%	1.8	41.9%	27.2%	10.3	19.8%
Alquiber	3.6	15.6%	0.3%	0.1	15.9%	14.6%	3.1	15.3%
Amper	16.2	-12.1%	60.9%	3.2	41.4%	30.1%	11.4	28.6%
Audax Renovables	8.6	25.7%	-12.5%	-0.7	10.1%	9.5%	7.8	12.0%
Axon Partners Group	8.1	20.9%	12.4%	3.6	35.9%	18.9%	6.0	15.1%
Cevasa	20.8	11.6%	-6.3%	-4.6	4.5%	7.6%	19.9	10.3%
Clerhp Estructuras	n.a.	20.7%	n.a.	n.a.	343.0%	n.a.	13.1	n.a.
Cuatroochenta	19.0	21.0%	1.4%	0.1	22.8%	20.1%	15.5	19.1%
DESA	7.5	4.3%	2.4%	0.3	6.8%	6.5%	7.1	7.1%
Endurance Motive	n.a.	67.9%	n.a.	n.a.	86.9%	50.1%	n.a.	804.7%
Enerside	n.a.	-21.9%	n.a.	n.a.	24.7%	17.4%	n.a.	12.6%
Ercros	15.3	-1.0%	-63.8%	-2.6	-64.2%	30.4%	42.9	487.7%
Facephi	n.a.	27.4%	n.a.	n.a.	69.6%	30.9%	n.a.	121.8%
GAM	6.1	7.8%	1.7%	0.4	9.7%	8.6%	5.6	8.5%
Holaluz Clidom	n.a.	-2.5%	n.a.	n.a.	328.7%	82.3%	9.3	40.6%
Iflex	8.0	6.3%	0.3%	0.0	6.7%	18.2%	7.5	25.9%
Inmobiliaria del Sur	13.5	62.2%	9.4%	1.7	77.5%	17.4%	7.6	-30.0%
Kompuestos	6.8	14.0%	42.6%	3.3	62.6%	32.8%	4.2	37.8%
Ktesios	n.a.	20.0%	38.1%	8.9	65.8%	36.3%	39.2	31.0%
Labiana Health	6.4	11.3%	21.5%	2.7	35.2%	27.7%	4.7	24.4%
Laboratorio Reig Jofre	8.7	8.2%	1.3%	0.1	9.6%	11.2%	7.9	14.2%
Libertas 7	15.0	159.6%	-43.2%	-18.9	47.4%	46.0%	10.2	35.5%
Lingotes Especiales	14.1	1.1%	14.1%	1.0	15.3%	27.1%	12.2	41.5%
LLYC	10.5	9.2%	55.6%	7.2	69.9%	34.3%	6.2	22.3%
Natac	33.7	39.8%	-2.6%	-0.8	36.2%	34.9%	24.7	43.5%
Naturhouse Health	6.0	-1.6%	-2.2%	-0.7	-3.7%	-2.7%	6.2	-2.5%
Nicolás Correa	6.6	-6.2%	-3.7%	-0.6	-9.7%	3.1%	7.3	4.7%
Pangaea Oncology	n.a.	11.8%	n.a.	n.a.	-18.9%	29.3%	n.a.	71.5%
Seresco	10.6	16.8%	0.0%	0.0	16.8%	5.2%	9.1	-8.3%
Squirrel Media	12.9	100.4%	-2.1%	-0.3	96.2%	36.2%	6.6	17.0%
Substrate Artificial Intelligence	n.a.	-4.2%	n.a.	n.a.	33.9%	33.9%	n.a.	26.1%
Vanadi Coffee	n.a.	12.0%	n.a.	n.a.	35.9%	n.a.	n.a.	n.a.
Vitruvio	31.8	38.6%	0.7%	0.4	39.6%	19.0%	22.8	17.7%

➤ The five companies with the lowest 2025e rec. EV/EBITDA ratios (with positive EBITDA growth in 26e/25e) are shaded.



## Estimated EBIT and EV/EBIT

Company	EV/EBIT 2024	EBIT 25e/24	EBIT CAGR 27e/24	EV/EBIT 25e	EBIT 26e/25e
Adolfo Domínguez	n.a.	245.5%	n.a.	32.8	71.9%
Agile Content	n.a.	202.9%	31.8%	31.7	-44.8%
Alquiber	14.8	15.7%	23.3%	12.8	29.4%
Amper	24.1	28.8%	34.3%	18.7	48.2%
Audax Renovables	10.6	10.5%	10.1%	9.6	13.3%
Axon Partners Group	8.3	37.0%	19.1%	6.0	15.0%
Cevasa	9.7	-50.1%	-15.8%	19.5	10.5%
Clerhp Estructuras	16.2	7.6%	n.a.	15.1	n.a.
Cuatroochenta	32.6	43.3%	32.9%	22.8	30.1%
DESA	10.2	16.8%	10.8%	8.8	8.8%
Endurance Motive	n.a.	82.3%	54.6%	n.a.	745.4%
Enerside	n.a.	36.9%	34.0%	n.a.	159.9%
Ercros	n.a.	-566.2%	n.a.	n.a.	227.2%
Facephi	n.a.	84.5%	65.5%	n.a.	-5.3%
GAM	16.6	4.8%	15.9%	15.8	27.1%
Holaluz Clidom	n.a.	76.1%	30.1%	n.a.	44.4%
Iflex	12.3	-15.0%	23.9%	14.5	66.0%
Inmobiliaria del Sur	12.5	56.5%	12.4%	8.0	-31.5%
Kompuestos	18.6	208.8%	74.0%	6.0	58.3%
Ktesios	n.a.	136.0%	56.4%	46.5	37.7%
Labiana Health	10.7	68.7%	41.4%	6.4	30.6%
Laboratorio Reig Jofre	24.5	16.5%	18.7%	21.1	24.5%
Libertas 7	12.1	13.1%	34.9%	10.7	37.3%
Lingotes Especiales	27.7	-12.1%	38.1%	31.6	107.4%
LLYC	18.7	139.9%	53.8%	7.8	26.9%
Natac	n.a.	166.5%	75.2%	32.2	54.0%
Naturhouse Health	7.0	-1.7%	-2.2%	7.2	-2.9%
Nicolás Correa	7.5	-10.2%	0.8%	8.4	-3.9%
Seresco	12.8	27.0%	7.2%	10.1	-10.5%
Squirrel Media	20.6	117.7%	37.7%	9.5	14.5%
Substrate Artificial Intelligence	5.2	-153.7%	-38.3%	n.a.	-23.9%
Vanadi Coffee	n.a.	51.2%	n.a.	n.a.	n.a.
Vitruvio	38.5	32.3%	17.5%	29.1	18.3%

➤ The five companies with the lowest 2025e EV/EBIT ratios (with positive EBIT growth in 26e/25e) are shaded.



## Revenues, EBITDA and FCF to Equity growth

Company	Revenue Growth				EBITDA growth rec.				CAGR 27e/24 FCF Equity
	25e/24	26e/25e	27e/26e	CAGR 27e/24	25e/24	26e/25e	27e/26e	CAGR 27e/24	
Adolfo Domínguez	6.4%	5.9%	5.7%	6.0%	15.8%	14.0%	13.1%	14.3%	-7.4%
Agile Content	1.1%	2.7%	3.3%	2.3%	41.9%	19.8%	21.1%	27.2%	-28.7%
Alquiber	15.6%	13.5%	11.4%	13.5%	15.9%	15.3%	12.5%	14.6%	28.2%
Amper	-12.1%	19.4%	16.5%	6.9%	41.4%	28.6%	21.2%	30.1%	78.7%
Audax Renovables	25.7%	-8.9%	-4.2%	3.2%	10.1%	12.0%	6.6%	9.5%	1.8%
Axon Partners Group	20.9%	11.6%	6.5%	12.9%	35.9%	15.1%	7.4%	18.9%	5.7%
Cevasa	11.6%	8.7%	6.7%	9.0%	4.5%	10.3%	8.2%	7.6%	31.1%
Clerhp Estructuras	20.7%	n.a.	-2.6%	n.a.	343.0%	n.a.	-3.2%	n.a.	n.a.
Cuatroochenta	21.0%	12.0%	10.0%	14.2%	22.8%	19.1%	18.5%	20.1%	-11.4%
DESA	4.3%	3.9%	3.5%	3.9%	6.8%	7.1%	5.7%	6.5%	-14.1%
Endurance Motive	67.9%	99.3%	27.4%	62.1%	86.9%	804.7%	49.7%	50.1%	n.a.
Enerside	-21.9%	50.0%	33.3%	16.0%	24.7%	12.6%	14.2%	17.4%	-17.5%
Ercros	-1.0%	14.8%	2.0%	5.0%	-64.2%	487.7%	5.3%	30.4%	30.8%
Facephi	27.4%	15.0%	7.5%	16.4%	69.6%	121.8%	264.4%	30.9%	33.6%
GAM	7.8%	6.5%	5.7%	6.7%	9.7%	8.5%	7.6%	8.6%	29.7%
Holaluz Clidom	-2.5%	6.8%	3.6%	2.6%	328.7%	40.6%	26.1%	82.3%	-27.1%
Iflex	6.3%	8.5%	8.5%	7.8%	6.7%	25.9%	22.8%	18.2%	16.8%
Inmobiliaria del Sur	62.2%	-22.2%	17.9%	14.2%	77.5%	-30.0%	30.3%	17.4%	-25.2%
Kompuestos	14.0%	12.7%	3.0%	9.8%	62.6%	37.8%	4.5%	32.8%	80.3%
Ktesios	20.0%	19.8%	11.8%	17.1%	65.8%	31.0%	16.6%	36.3%	-14.9%
Labiana Health	11.3%	11.7%	12.2%	11.7%	35.2%	24.4%	23.7%	27.7%	1.1%
Laboratorio Reig Jofre	8.2%	7.4%	7.0%	7.5%	9.6%	14.2%	9.7%	11.2%	78.5%
Libertas 7	159.6%	7.7%	63.9%	66.1%	47.4%	35.5%	55.8%	46.0%	41.9%
Lingotes Especiales	1.1%	8.0%	8.0%	5.7%	15.3%	41.5%	25.9%	27.1%	38.6%
LLYC	9.2%	15.0%	12.5%	12.2%	69.9%	22.3%	16.7%	34.3%	33.8%
Natac	39.8%	30.6%	19.6%	29.8%	36.2%	43.5%	25.5%	34.9%	61.6%
Naturhouse Health	-1.6%	-1.4%	-1.1%	-1.4%	-3.7%	-2.5%	-1.7%	-2.7%	0.5%
Nicolás Correa	-6.2%	6.5%	10.0%	3.2%	-9.7%	4.7%	15.8%	3.1%	1.7%
Pangaea Oncology	11.8%	12.4%	11.1%	11.8%	-18.9%	71.5%	147.9%	29.3%	29.5%
Seresco	16.8%	2.1%	6.9%	8.4%	16.8%	-8.3%	8.6%	5.2%	n.a.
Squirrel Media	100.4%	15.2%	8.0%	35.6%	96.2%	17.0%	10.1%	36.2%	28.1%
Substrate Artificial Intelligence	-4.2%	15.0%	15.0%	8.2%	33.9%	26.1%	40.8%	33.9%	-5.2%
Vanadi Coffee	12.0%	n.a.	n.a.	n.a.	35.9%	n.a.	n.a.	n.a.	n.a.
Vitruvio	38.6%	13.7%	2.7%	17.4%	39.6%	17.7%	2.7%	19.0%	n.a.





## P/BV, FCF yield, ROCE and value creation

Company	P/BV				Rec. FCF to Equity yield (%)				ROCE (%)				Spread	
	2024	2025e	2026e	2027e	2024	2025e	2026e	2027e	2024	2025e	2026e	2027e	ROCE 25e vs WACC <sup>(1)</sup>	
Adolfo Domínguez	2.6	2.4	2.1	1.7	4.1	1.2	3.6	7.0	2.5	6.9	11.5	15.9	-2.3%	
Agile Content	1.3	1.3	1.3	1.3	11.7	0.2	1.0	4.3	n.a.	3.4	2.3	1.3	-5.5%	
Alquiber	1.4	1.3	1.1	0.8	n.a.	n.a.	n.a.	2.9	5.5	5.6	6.5	7.8	0.1%	
Amper	3.8	3.6	3.1	2.6	n.a.	n.a.	n.a.	5.8	6.8	5.7	8.0	9.7	-2.9%	
Audax Renovables	3.4	2.8	2.3	1.9	5.6	0.9	5.9	6.4	15.1	17.4	18.0	18.0	9.2%	
Axon Partners Group	2.8	2.6	2.5	2.3	9.8	4.8	10.4	11.5	306.1	282.2	182.2	181.1	271.8%	
Cevasa	0.4	0.4	0.4	0.4	9.8	5.3	5.5	6.3	5.2	2.5	2.7	2.8	-5.0%	
Clerhp Estructuras	5.1	4.6	0.8	0.4	n.a.	n.a.	79.0	114.4	19.8	8.6	99.6	88.4	-0.6%	
Cuatroochenta	4.1	3.5	2.9	2.4	7.2	10.7	4.6	4.9	7.6	13.0	19.5	23.0	3.1%	
DESA	1.4	1.3	1.3	1.2	14.4	6.5	10.5	11.3	9.0	11.2	11.9	12.5	2.8%	
Endurance Motive	10.2	13.4	9.3	6.1	n.a.	n.a.	n.a.	4.1	n.a.	n.a.	15.0	18.7	n.a.	
Enerside	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.0	3.8	n.a.	
Ercros	0.8	0.9	0.8	0.8	n.a.	n.a.	2.6	4.0	n.a.	n.a.	4.4	4.7	n.a.	
Facephi	3.3	3.7	4.1	4.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
GAM	1.2	1.1	1.0	0.9	n.a.	n.a.	n.a.	1.5	5.9	5.9	6.5	7.0	-0.7%	
Holaluz Clidom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12.9	n.a.	
Iflex	2.4	1.0	1.0	0.9	6.8	7.7	12.0	15.3	14.1	10.2	15.4	20.5	1.4%	
Inmobiliaria del Sur	1.4	1.2	1.2	1.1	17.1	10.1	0.8	9.7	7.2	11.6	7.6	9.7	5.2%	
Kompuestos	0.9	0.8	0.6	0.4	10.2	15.5	46.2	55.7	5.0	15.6	24.5	26.9	8.1%	
Ktesios	1.6	1.6	1.5	1.5	n.a.	n.a.	n.a.	n.a.	1.3	2.6	3.1	3.4	-5.0%	
Labiana Health	7.3	3.8	2.2	1.3	16.0	0.4	7.4	15.9	14.1	27.5	32.4	30.2	18.7%	
Laboratorio Reig Jofre	1.2	1.1	1.1	1.0	0.6	2.6	2.5	3.3	5.1	5.9	7.2	6.5	-2.3%	
Libertas 7	0.4	0.4	0.4	0.4	n.a.	n.a.	7.7	16.0	3.5	4.2	5.6	8.7	-2.9%	
Lingotes Especiales	1.4	1.3	1.3	1.3	n.a.	3.9	5.4	8.8	4.3	3.2	6.7	9.8	-4.7%	
LLYC	3.6	2.6	1.9	1.4	4.6	3.0	9.5	13.2	9.2	17.8	20.5	22.6	9.7%	
Natac	7.1	6.3	5.2	4.2	n.a.	0.1	2.5	2.7	3.9	7.3	11.1	14.4	-1.5%	
Naturhouse Health	3.4	3.3	3.2	3.1	7.3	8.7	8.5	8.4	87.1	78.3	76.3	75.1	69.2%	
Nicolás Correa	1.6	1.5	1.4	1.3	6.7	1.4	3.3	8.0	20.1	15.6	13.1	14.7	5.3%	
Pangaea Oncology	2.6	3.0	3.1	3.1	n.a.	n.a.	0.4	1.3	n.a.	n.a.	n.a.	1.4	n.a.	
Seresco	7.5	4.9	3.8	3.0	n.a.	9.0	6.5	8.2	33.9	31.9	25.1	26.8	21.7%	
Squirrel Media	3.4	2.8	2.4	2.0	n.a.	n.a.	n.a.	1.1	11.7	15.7	15.2	14.1	6.4%	
Substrate Artificial Intelligence	0.4	0.4	0.4	0.5	n.a.	n.a.	n.a.	n.a.	13.4	n.a.	n.a.	n.a.	n.a.	
Vanadi Coffee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3,693.4	n.a.	n.a.	
Vitruvio	1.3	1.0	1.0	1.0	5.2	2.8	3.2	3.6	3.3	3.5	3.5	3.7	-4.7%	

(1) Refer to the "Valuation inputs" section in each company note for details on the calculation of WACC.

➤ The five companies with the highest rec. FCF to Equity yield 2025e are shaded.



## Leverage and financial risk

Company	Net Debt 2025e	Net Debt / Equity 2025e	ND/Rec. EBITDA 2025e	ND/EV 2025e	Dividend		CAGR 24/21 Revenue growth	2024/2021 Accumulated	No. of years with dividend - 5y
					yield 2025e	Payout 2025e		Dividend (EUR Mn)	
Adolfo Domínguez	5.7	31.1%	0.3	6.7%	0.0%	0.0%	14.5%	0.0	0
Agile Content	26.6	62.8%	4.9	47.8%	0.0%	0.0%	15.0%	0.0	0
Alquiber	249.1	467.6%	2.6	85.2%	2.4%	20.1%	23.8%	3.9	3
Amper	113.5	175.0%	3.6	31.5%	0.0%	0.0%	10.9%	0.0	0
Audax Renovables	258.7	101.0%	2.0	26.1%	2.1%	24.7%	5.7%	28.0	5
Axon Partners Group	-8.2	n.a.	-0.9	n.a.	7.2%	75.0%	17.9%	-3.9	1
Cevasa	75.1	18.2%	4.3	21.6%	3.2%	51.6%	5.8%	20.1	5
Clerhp Estructuras	34.8	312.4%	6.9	52.5%	0.0%	0.0%	42.2%	0.0	0
Cuatroochenta	-1.1	n.a.	-0.4	n.a.	0.0%	0.0%	25.9%	0.0	0
DESA	7.7	37.4%	1.4	20.2%	7.3%	65.6%	-0.2%	6.5	4
Endurance Motive	3.9	297.0%	n.a.	19.5%	0.0%	0.0%	10.1%	0.0	0
Enerside	82.5	n.a.	n.a.	46.4%	0.0%	0.0%	n.a.	0.0	0
Ercros	137.2	42.9%	13.7	31.9%	0.0%	0.0%	-5.1%	30.7	3
Facephi	8.2	47.6%	n.a.	12.3%	0.0%	0.0%	30.7%	0.0	0
GAM	271.1	245.1%	3.7	66.9%	0.2%	3.5%	21.6%	0.6	2
Holaluz Clidom	58.7	n.a.	8.4	91.0%	0.0%	0.0%	-21.9%	0.0	0
Iflex	-1.2	n.a.	-0.7	n.a.	2.6%	50.0%	16.0%	2.1	3
Inmobiliaria del Sur	189.6	104.6%	3.2	43.2%	7.8%	48.0%	14.1%	24.8	5
Kompuestos	8.7	55.1%	1.6	38.2%	0.0%	0.0%	-9.3%	0.0	0
Ktesios	23.3	106.0%	18.9	48.1%	0.6%	90.0%	83.9%	0.0	0
Labiana Health	28.5	421.5%	2.5	53.7%	0.0%	0.0%	5.1%	0.0	0
Laboratorio Reig Jofre	38.7	17.1%	1.0	12.5%	n.a.	-0.7%	12.8%	-0.2	0
Libertas 7	38.3	38.9%	7.6	74.7%	2.2%	35.5%	-22.5%	3.0	5
Lingotes Especiales	19.1	42.2%	2.6	21.6%	0.0%	0.0%	1.2%	15.0	3
LLYC	29.0	77.5%	1.1	18.7%	3.1%	25.0%	21.5%	6.0	4
Natac	66.3	138.0%	4.3	17.5%	0.0%	0.0%	20.9%	0.0	0
Naturhouse Health	-20.4	n.a.	-1.4	n.a.	7.8%	90.0%	-5.0%	36.6	4
Nicolás Correa	-12.8	n.a.	-0.8	n.a.	2.6%	31.2%	16.1%	10.9	5
Pangaea Oncology	1.9	9.5%	n.a.	3.2%	0.0%	0.0%	47.1%	0.0	0
Seresco	7.3	46.2%	0.8	8.4%	1.3%	15.5%	20.5%	4.4	4
Squirrel Media	50.0	69.4%	1.3	19.6%	0.0%	0.0%	27.3%	0.0	0
Substrate Artificial Intelligence	7.9	20.4%	n.a.	40.8%	0.0%	0.0%	n.a.	0.0	0
Vanadi Coffee	2.3	n.a.	n.a.	36.8%	0.0%	0.0%	n.a.	0.0	0
Vitruvio	49.7	32.1%	6.3	27.5%	3.1%	106.8%	7.6%	13.7	5



## Upcoming earnings releases

Company	Close fiscal year	Upcoming earnings release	Date of publication <sup>(1)</sup>
Adolfo Domínguez	28-Feb	1Q25	2nd half of July 2025
Agile Content	31-Dec	1H25	2nd half of October 2025
Alquiber	31-Dec	1H25	2nd half of October 2025
Amper	31-Dec	1H25	2nd half of July 2025
Audax Renovables	31-Dec	1H25	2nd half of September 2025
Axon Partners Group	31-Dec	1H25	2nd half of September 2025
Cevasa	31-Dec	1H25	1st half of September 2025
Clerhp Estructuras	31-Dec	1H25	2nd half of October 2025
Cuatroochenta	31-Dec	1H25	1st half of October 2025
Desa	31-Dec	1H25	2nd half of July 2025
Endurance Motive	31-Dec	Preliminary 1H25	2st half of July 2025
Energy Solar Tech	31-Dec	1H25	2nd half of September 2025
Enerside	31-Dec	1H25	2nd half of October 2025
Ercros	31-Dec	1H25	2nd half of July 2025
Facephi	31-Dec	1S25	1st half of August 2025
GAM	31-Dec	1H25	2nd half of July 2025
Holaluz	31-Dec	1H25	2nd half of October 2025
Iflex	31-Dec	1H25	2nd half of October 2025
Inmobiliaria del Sur	31-Dec	1H25	2nd half of July 2025
Kompuestos	31-Dec	1H25	2nd half of July 2025
Ktesios	31-Dec	1H25	2nd half of October 2025
Labiana Health	31-Dec	1H25	2nd half of October 2025
Libertas 7	31-Dec	1H25	2nd half of July 2025
Libertas 7	31-Dec	1H25	2nd half of July 2025
Lingotes Especiales	31-Dec	1H25	2nd half of July 2025
LLYC	31-Dec	Preliminary 1H25	2nd half of July 2025
Natac	31-Dec	1H25	1nd half of October 2025
Naturhouse Health	31-Dec	1H25	2nd half of September 2025
Nicolás Correa	31-Dec	1H25	2nd half of August 2025
Pangaea Oncology	31-Dec	1H25	2nd half of October 2025
Seresco	31-Dec	1H25	2nd half of October 2025
Squirrel Media	31-Dec	1H25	2nd half of July 2025
Substrate Artificial Intelligence	31-Dec	1H25	2nd half of July 2025
Vanadi Coffee	31-Dec	1H25	2nd half of October 2025
Vitruvio	31-Dec	1H25	2nd half of October 2025

(1) Reference is given as Monday of the week in which the company is expected to release its next results. Lighthouse's estimate.



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### LIGHTHOUSE

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