

EQUITY - SPAIN
 Sector: Software

 Closing price: EUR 0.31 (18 Jul 2023)
 Report date: 19 Jul 2023 (9:30h)

6m 2023 Preliminary results
 Independent Equity Research

6m 2023 Preliminary results

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Substrate AI (SAI), is a small Spanish AI tech company based on reinforcement learning, with headquarters in Valencia. SAI develops and sells its own products and solutions under a SaaS model. Listed on BME Growth since May 2022.

Preliminary 1H23 earnings in line, but with poor visibility

Market Data**

Market Cap (Mn EUR and USD)	10.7	12.1
EV (Mn EUR and USD) ⁽²⁾	12.9	14.5
Shares Outstanding (Mn)	34.7	
-12m (Max/Med/Min EUR)	1.54 / 0.48 / 0.17	
Daily Avg volume (-12m Mn EUR)	0.19	
Rotation ⁽³⁾	461.8	
Factset / Bloomberg	SAI-ES / SAI SM	
Close fiscal year	31-Dec	

Shareholders Structure (%) ⁽⁷⁾

D. Lorenzo Serratoso Gallardo	11.6
D. José Iván García Braulio	10.7
D. Francisco Javier Muñoz Sanfeliu	6.5
D. Fernando Villar del Prado	6.5
Free Float	59.0

Financials (Mn EUR)	2022	2023e	2024e	2025e
Adj. n ^o shares (Mn)	22.0	35.4	39.2	39.2
Total Revenues	3.2	5.0	6.6	8.6
Rec. EBITDA	-3.4	-3.3	-2.8	-2.0
% growth	-204.2	2.9	13.4	29.9
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	n.a.
% Inc. EBITDA sector ⁽⁴⁾	15.9	8.8	22.1	15.6
Net Profit	-16.0	-3.7	-3.8	-3.7
EPS (EUR)	-0.73	-0.10	-0.10	-0.09
% growth	-222.2	85.7	5.9	4.0
Ord. EPS (EUR)	-0.75	-0.10	-0.10	-0.09
% growth	-213.6	86.0	5.9	4.0
Rec. Free Cash Flow ⁽⁵⁾	-4.1	-4.5	-3.7	-3.2
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	1.9	1.9	5.6	8.7
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	n.a.
ROE (%)	n.a.	n.a.	n.a.	n.a.
ROCE (%) ⁽⁵⁾	n.a.	n.a.	n.a.	n.a.

Ratios & Multiples (x) ⁽⁶⁾

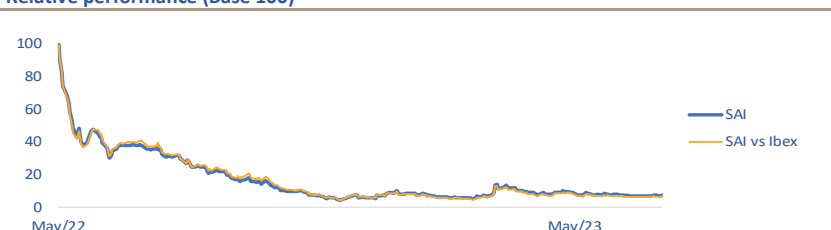
P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	n.a.	n.a.	n.a.	n.a.
P/BV	0.6	0.6	0.7	1.0
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	4.00	2.56	1.96	1.51
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	n.a.	n.a.
FCF Yield (%) ⁽⁵⁾	n.a.	n.a.	n.a.	n.a.

PRELIMINARY 1H23 EARNINGS: FIGURES IN LINE, BUT VISIBILITY IS POOR... SAI has released its preliminary 1H23 earnings (which are still being audited), reporting only total revenue (EUR 2.6Mn; +100% vs 1H22) and EBITDA (EUR -0.9Mn), with no further disclosures on P&L or balance sheet items. It also did not exclude capitalised costs from revenue (which we include below EBITDA). Assuming capitalised costs represent c.25% of revenue (in line with long-run levels) and taking into account seasonality of sales (1H22 accounted for c.39% of the FY22 total), then the preliminary numbers would be in line with our FY estimates. Audited figures come out in October, so we will have to wait until then for confirmation. Revenue growth is primarily driven by the agritech, health and R&D project areas.

... WITH EBITDA (INCLUDING CAPITALISED COSTS) STILL BELOW THE BREAK-EVEN POINT (EUR -0.9MN). Recurring EBITDA, taking our estimate of capitalised costs and considering that personnel expenses were far higher in 2H22 than 1H22, would be in line with our 2023e estimates (EUR -3.3Mn). This bears out: (i) an operating structure sized for a much higher level of revenue and (ii) that SAI is still far from reaching breakeven at recurring EBITDA level (which we do not expect before 2025e).

FUNDING FROM CONVERTIBLE NOTES. YTD in 2023, SAI has announced the conversion of notes for a cash value of c.EUR 3.7Mn (with the issuance of 13.7Mn worth of Class A shares). In other words, c.36% of all shares issued in recent months. This has resulted in dilution for existing shareholders of c.42% since June 2022. As a start-up that we think is unlikely to be able to generate positive cash for the next three years (and unable to pay a minimum dividend on Class B shares**), dilution risk of new rights issues is high. ND 2023e of EUR 1.9Mn.

AI STILL HAS A MINORITY WEIGHT IN THE REVENUE MIX (C.20% OF REVENUE IN 2022), PUSHING SAI TO TRADE AT A DISCOUNT. YTD the share price is broadly flat (+8%) and our 2023e estimates put the company trading at an EV/revenue multiple of 2.6x (vs. 3.2x for its European comps). 2023e-25e will be crucial years for gauging SAI's ability to monetise its AI solutions business structure. We do not expect to see positive recurring EBITDA and FCF in 2023e-25e. However, growth via M&A could reverse this situation.

Relative performance (Base 100)


Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-1.0	-14.1	-78.6	8.4	n.a.	n.a.
vs Ibex 35	-0.5	-14.4	-82.0	-5.7	n.a.	n.a.
vs Ibex Small Cap Index	-4.2	-16.2	-79.8	-5.0	n.a.	n.a.
vs Eurostoxx 50	-0.4	-13.7	-82.8	-5.9	n.a.	n.a.
vs Sector benchmark ⁽⁴⁾	-0.6	-19.9	-83.4	-13.9	n.a.	n.a.

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).

(2) Please refer to Appendix 3.

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

(4) Sector: Stoxx Europe 600 Technology.

(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.

(6) Multiples and ratios calculated over prices at the date of this report.

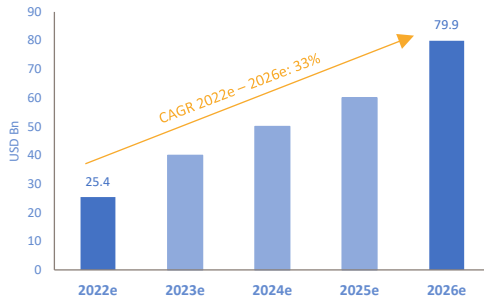
(7) Others: Bren Worth 4.7%, Treasury Stock 1.1%

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

(**) The market cap is calculated exclusively with class A shares, as they are the only ones with voting rights. See page 6 for more details.

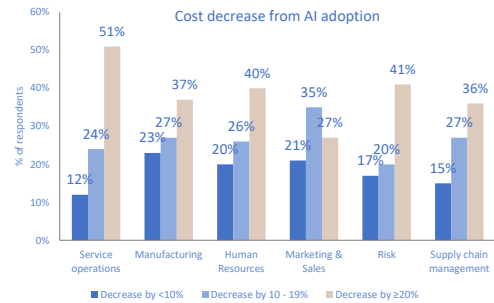
The company in 8 charts

Artificial Intelligence: an attractive market enjoying high growth (33% CAGR 2022e-2026e in Europe) ...



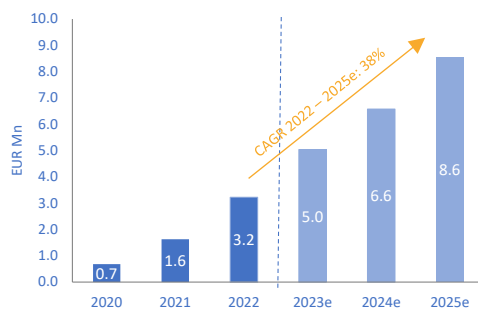
Source: IDC (International Data Corporation)

... increasingly having a greater impact on the companies' income statement at the EBIT level

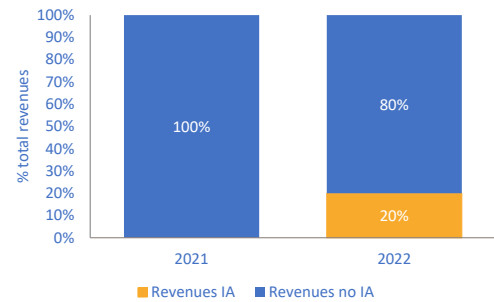


Source: McKinsey Technology Trends 2022

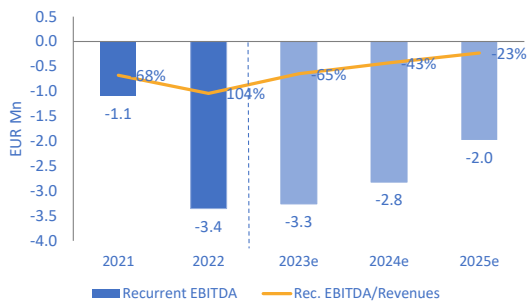
Substrate (SAI): With the potential for high double-digit revenue growth (38.0% CAGR 2022 – 2025e) ...



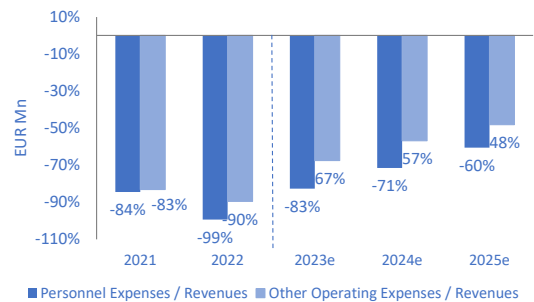
... and with sales in 2022 derived from artificial intelligence of around c.20%.



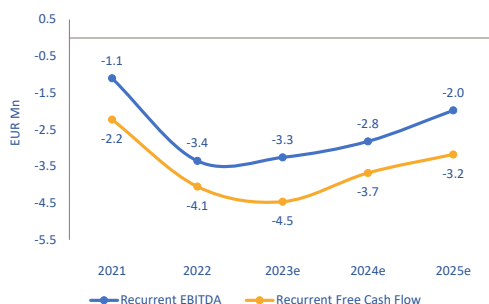
Although without reaching breakeven in Recurrent EBITDA until after 2025e



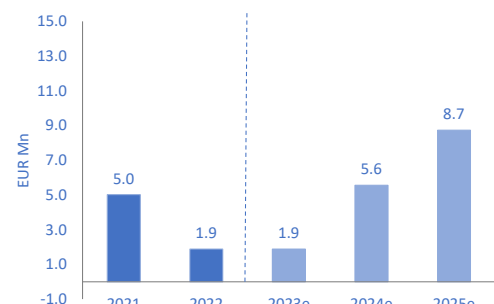
... due to oversized operating expenses for much higher revenue levels



And without the ability to generate positive recurrent FCF for the next years (2023e – 2025e) ...



that will lead to a "theoretical" increase in net debt (EUR 8.7Mn 2025e). Although "secured" with convertible bonds



Valuation inputs

Inputs for the DCF Valuation Approach

	2023e	2024e	2025e	Terminal Value ⁽¹⁾		
Free Cash Flow "To the Firm"	(4.2)	(3.3)	(2.6)	n.a.		
Market Cap	10.7	At the date of this report				
Net financial debt	1.9	Debt net of Cash (12m Results 2022)				
					Best Case	Worst Case
Cost of Debt	6.6%	Net debt cost			6.4%	6.9%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.3%	$K_d = \text{Cost of Net Debt} * (1-T)$			5.1%	5.5%
Risk free rate (rf)	3.4%	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	12.4%	$K_e = R_f + (R * B)$			11.1%	13.8%
Equity / (Equity + Net Debt)	85.1%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	14.9%	D			=	=
WACC	11.3%	$WACC = K_d * D + K_e * E$			10.2%	12.5%
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.

Inputs for the Multiples Valuation Approach

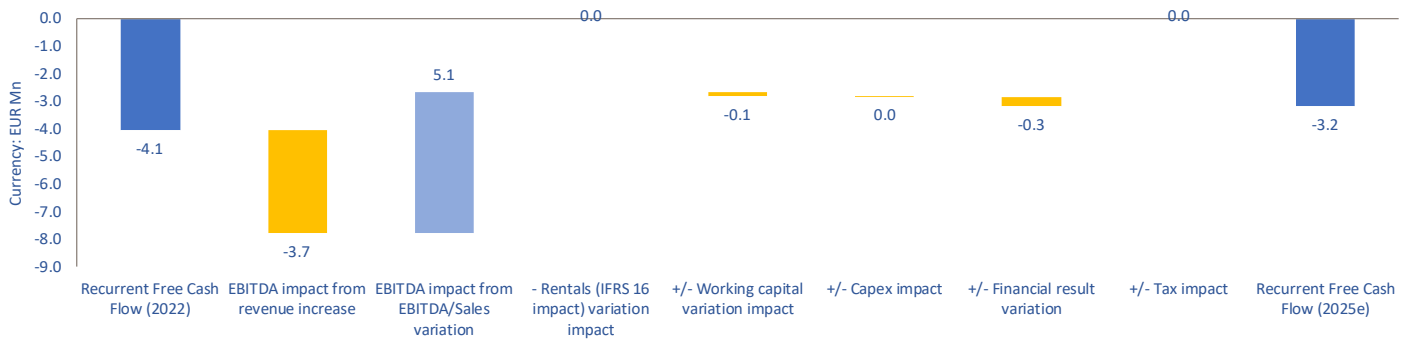
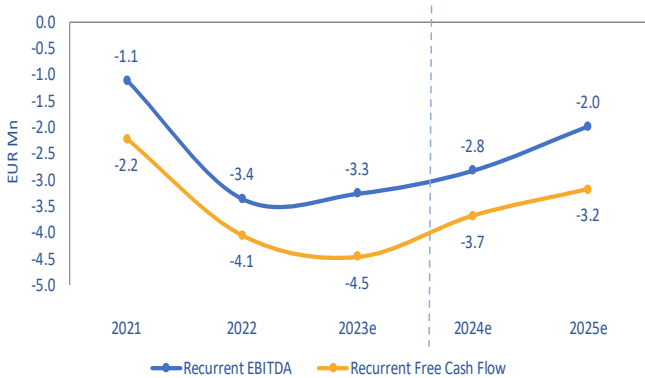
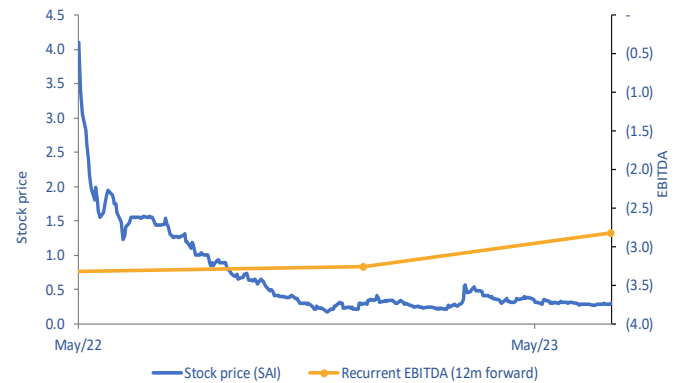
Company	Ticker	Mkt. Cap	P/E 23e	EPS 23e-25e	EV/EBITDA 23e	EBITDA 23e-25e	EV/Sales 23e	Revenues 23e-25e	EBITDA/Sales 23e	FCF Yield 23e	FCF 23e-25e
Sidetrade SA	ALBFR-FR	205.5	49.1	23.5%	40.0	-0.4%	4.3	14.7%	10.7%	2.3%	38.2%
Median Technologies	ALMDT-FR	96.7	n.a.	19.1%	n.a.	16.3%	3.5	46.4%	n.a.	n.a.	17.9%
Linedata Services	LIN-FR	298.6	14.8	15.9%	8.2	3.2%	2.3	2.6%	28.1%	8.3%	0.7%
Lectra	LSS-FR	1,029.7	24.3	23.0%	12.7	17.1%	2.1	8.3%	16.7%	5.8%	13.7%
Artificial Solutions	ASAI-SE	8.8	n.a.	45.8%	n.a.	48.0%	4.0	59.6%	n.a.	n.a.	42.7%
Europe			29.4	25.5%	20.3	16.9%	3.2	26.3%	18.5%	5.5%	22.6%
C3.ai	AI-US	4,178.4	n.a.	79.0%	n.a.	65.9%	12.8	27.4%	n.a.	n.a.	54.0%
Palantir Technologies	PLTR-US	34,086.7	85.5	24.8%	n.a.	29.3%	16.2	19.3%	24.4%	1.2%	-10.1%
United States			85.5	51.9%	n.a.	47.6%	14.5	23.3%	24.4%	1.2%	21.9%
SAI	SAI-ES	10.7	n.a.	5.0%	n.a.	22.1%	2.6	30.3%	n.a.	n.a.	15.6%

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
Intangible assets				1.3	2.4	3.8	4.7	5.2		
Fixed assets				0.1	0.1	0.2	0.3	0.3		
Other Non Current Assets				0.3	0.9	0.9	0.9	0.9		
Financial Investments				1.4	0.3	0.3	0.3	0.3		
Goodwill & Other Intangibles				28.2	15.5	13.9	12.4	10.8		
Current assets				0.6	1.6	2.5	3.0	3.7		
Total assets				31.9	20.7	21.6	21.5	21.2		
Equity				26.7	17.5	18.3	14.4	10.8		
Minority Interests				(0.0)	0.1	0.1	0.1	0.1		
Provisions & Other L/T Liabilities				-	0.4	0.4	0.4	0.4		
Other Non Current Liabilities				-	-	-	-	-		
Net financial debt				5.0	1.9	1.9	5.6	8.7		
Current Liabilities				0.3	0.8	0.9	1.0	1.2		
Equity & Total Liabilities				31.9	20.7	21.6	21.5	21.2		
P&L (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	18-22	22-25e
Total Revenues				1.6	3.2	5.0	6.6	8.6	<i>n.a.</i>	38.5%
<i>Total Revenues growth</i>				<i>n.a.</i>	<i>98.0%</i>	<i>56.4%</i>	<i>30.6%</i>	<i>30.0%</i>		
COGS				(0.0)	(0.5)	(0.7)	(1.0)	(1.2)		
Gross Margin				1.6	2.7	4.3	5.6	7.3	<i>n.a.</i>	38.8%
<i>Gross Margin/Revenues</i>				<i>99.9%</i>	<i>84.9%</i>	<i>85.5%</i>	<i>85.5%</i>	<i>85.5%</i>		
Personnel Expenses				(1.4)	(3.2)	(4.2)	(4.7)	(5.2)		
Other Operating Expenses				(1.4)	(2.9)	(3.4)	(3.7)	(4.1)		
Recurrent EBITDA				(1.1)	(3.4)	(3.3)	(2.8)	(2.0)	<i>n.a.</i>	16.2%
<i>Recurrent EBITDA growth</i>				<i>n.a.</i>	<i>-204.2%</i>	<i>2.9%</i>	<i>13.4%</i>	<i>29.9%</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>		
Restructuring Expense & Other non-rec.				0.0	(0.1)	-	-	-		
EBITDA				(1.1)	(3.5)	(3.3)	(2.8)	(2.0)	<i>n.a.</i>	17.3%
Depreciation & Provisions				(1.3)	(2.6)	(2.4)	(2.9)	(3.4)		
Capitalized Expense				0.4	1.5	2.3	2.3	2.3		
Rentals (IFRS 16 impact)				-	-	-	-	-		
EBIT				(2.0)	(4.6)	(3.5)	(3.5)	(3.1)	<i>n.a.</i>	12.4%
<i>EBIT growth</i>				<i>n.a.</i>	<i>-131.9%</i>	<i>25.2%</i>	<i>-0.8%</i>	<i>10.9%</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>		
Impact of Goodwill & Others				-	(11.6)	-	-	-		
Net Financial Result				0.1	(0.2)	(0.2)	(0.4)	(0.6)		
Income by the Equity Method				-	-	-	-	-		
Ordinary Profit				(1.9)	(16.5)	(3.7)	(3.8)	(3.7)	<i>n.a.</i>	39.3%
<i>Ordinary Profit Growth</i>				<i>n.a.</i>	<i>-773.5%</i>	<i>77.7%</i>	<i>-4.0%</i>	<i>4.0%</i>		
Extraordinary Results				-	-	-	-	-		
Profit Before Tax				(1.9)	(16.5)	(3.7)	(3.8)	(3.7)	<i>n.a.</i>	39.3%
Tax Expense				0.1	0.6	-	-	-		
<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>		
Minority Interests				0.0	(0.0)	-	-	-		
Discontinued Activities				-	-	-	-	-		
Net Profit				(1.8)	(16.0)	(3.7)	(3.8)	(3.7)	<i>n.a.</i>	38.7%
<i>Net Profit growth</i>				<i>n.a.</i>	<i>-797.3%</i>	<i>76.9%</i>	<i>-4.0%</i>	<i>4.0%</i>		
Ordinary Net Profit				(1.9)	(16.4)	(3.7)	(3.8)	(3.7)	<i>n.a.</i>	39.2%
<i>Ordinary Net Profit growth</i>				<i>n.a.</i>	<i>-773.6%</i>	<i>77.5%</i>	<i>-4.0%</i>	<i>4.0%</i>		
Cash Flow (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	18-22	22-25e
Recurrent EBITDA						(3.3)	(2.8)	(2.0)	<i>n.a.</i>	16.2%
Rentals (IFRS 16 impact)						-	-	-		
Working Capital Increase						(0.8)	(0.4)	(0.5)		
Recurrent Operating Cash Flow						-4.1	-3.2	-2.5	<i>n.a.</i>	12.6%
CAPEX						(0.2)	(0.1)	(0.1)		
Net Financial Result affecting the Cash Flow						(0.2)	(0.4)	(0.6)		
Tax Expense						-	-	-		
Recurrent Free Cash Flow						(4.5)	(3.7)	(3.2)	<i>n.a.</i>	7.8%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						(4.5)	(3.7)	(3.2)	<i>n.a.</i>	7.8%
Capital Increase						4.5	-	-		
Dividends						-	-	-		
Net Debt Variation						(0.0)	3.7	3.2		

Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
								19-22	22-25e
Recurrent EBITDA			(1.1)	(3.4)	(3.3)	(2.8)	(2.0)	n.a.	16.2%
<i>Recurrent EBITDA growth</i>			n.a.	-204.2%	2.9%	13.4%	29.9%		
<i>Rec. EBITDA/Revenues</i>			n.a.	n.a.	n.a.	n.a.	n.a.		
- Rentals (IFRS 16 impact)			-	-	-	-	-		
+/- Working Capital increase			(0.4)	(0.4)	(0.8)	(0.4)	(0.5)		
= Recurrent Operating Cash Flow			(1.5)	(3.7)	(4.1)	(3.2)	(2.5)	n.a.	12.6%
<i>Rec. Operating Cash Flow growth</i>			n.a.	-153.6%	-9.1%	20.9%	22.6%		
<i>Rec. Operating Cash Flow / Sales</i>			n.a.	n.a.	n.a.	n.a.	n.a.		
- CAPEX			(0.7)	(0.1)	(0.2)	(0.1)	(0.1)		
- Net Financial Result affecting Cash Flow			(0.0)	(0.2)	(0.2)	(0.4)	(0.6)		
- Taxes			-	-	-	-	-		
= Recurrent Free Cash Flow			(2.2)	(4.1)	(4.5)	(3.7)	(3.2)	n.a.	7.8%
<i>Rec. Free Cash Flow growth</i>			n.a.	-82.1%	-10.1%	17.6%	13.7%		
<i>Rec. Free Cash Flow / Revenues</i>			n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others			-	-	-	-	-		
- Acquisitions / + Divestments			(0.1)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow			-	-	-	-	-		
= Free Cash Flow			(2.4)	(4.1)	(4.5)	(3.7)	(3.2)	n.a.	7.8%
<i>Free Cash Flow growth</i>			n.a.	-71.2%	-10.1%	17.6%	13.7%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>			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.		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2019	2020	2021	2022	2023e	2024e	2025e		
Recurrent FCF(FY - 1)			-	(2.2)	(4.1)	(4.5)	(3.7)		
EBITDA impact from revenue increase			n.a.	(1.1)	(1.9)	(1.0)	(0.8)		
EBITDA impact from EBITDA/Sales variation			n.a.	(1.2)	2.0	1.4	1.7		
= Recurrent EBITDA variation			n.a.	(2.3)	0.1	0.4	0.8		
- Rentals (IFRS 16 impact) variation impact			-	-	-	-	-		
+/- Working capital variation impact			(0.4)	(0.0)	(0.4)	0.4	(0.1)		
= Recurrent Operating Cash Flow variation			(0.4)	(2.3)	(0.3)	0.9	0.7		
+/- CAPEX impact			(0.7)	0.7	(0.1)	0.1	-		
+/- Financial result variation			(0.0)	(0.2)	0.0	(0.1)	(0.2)		
+/- Tax impact			-	-	-	-	-		
= Recurrent Free Cash Flow variation			(1.1)	(1.8)	(0.4)	0.8	0.5		
Recurrent Free Cash Flow			(1.1)	(4.1)	(4.5)	(3.7)	(3.2)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
EBIT			(2.0)	(4.6)	(3.5)	(3.5)	(3.1)	n.a.	12.4%
* Theoretical Tax rate			0.0%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)			-	-	-	-	-		
Recurrent EBITDA			(1.1)	(3.4)	(3.3)	(2.8)	(2.0)	n.a.	16.2%
- Rentals (IFRS 16 impact)			-	-	-	-	-		
+/- Working Capital increase			(0.4)	(0.4)	(0.8)	(0.4)	(0.5)		
= Recurrent Operating Cash Flow			(1.5)	(3.7)	(4.1)	(3.2)	(2.5)	n.a.	12.6%
- CAPEX			(0.7)	(0.1)	(0.2)	(0.1)	(0.1)		
- Taxes (pre- Financial Result)			-	-	-	-	-		
= Recurrent Free Cash Flow (To the Firm)			(2.2)	(3.8)	(4.2)	(3.3)	(2.6)	n.a.	12.1%
<i>Rec. Free Cash Flow (To the Firm) growth</i>			n.a.	-72.6%	-10.8%	21.4%	21.9%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>			n.a.	n.a.	n.a.	n.a.	n.a.		
- Acquisitions / + Divestments			(0.1)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow			-	-	-	-	-		
= Free Cash Flow "To the Firm"			(2.4)	(3.8)	(4.2)	(3.3)	(2.6)	n.a.	12.1%
<i>Free Cash Flow (To the Firm) growth</i>			n.a.	-62.2%	-10.8%	21.4%	21.9%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>			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.		

Recurrent Free Cash Flow accumulated variation analysis (2022 - 2025e)

Recurrent EBITDA vs Recurrent Free Cash Flow

Stock performance vs EBITDA 12m forward

Appendix 3. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	10.7	
+ Minority Interests	0.1	12m Results 2022
+ Provisions & Other L/T Liabilities	0.4	12m Results 2022
+ Net financial debt	1.9	12m Results 2022
- Financial Investments	0.3	12m Results 2022
+/- Others		
Enterprise Value (EV)	12.9	

- (1) In addition to class A shares, the company has class B shares. These shares have only economic rights (right to receive a minimum preferred dividend of EUR 0.01/share subject to the existence of distributable profits) but no political rights (no voting rights). Given the nature of class B shares (quasi preferred shares) we have not included them in the company's market cap. We do not expect positive FCF before 2025e. For more details on the class B shares see the DAR (Reduced Growth Document) of 4/04/2023 in BME Growth.

Appendix 4. Main peers 2023e

		Europe					United States				
EUR Mn		Sidetrade SA	Median Technologies	Linedata Services	Lectra	Artificial Solutions	Average	C3.ai	Palantir Technologies	Average	SAI
Market data	Ticker (Factset)	ALBFR-FR	ALMDT-FR	LIN-FR	LSS-FR	ASAI-SE		AI-US	PLTR-US		SAI-ES
	Country	France	France	France	France	Sweden		USA	USA		Spain
	Market cap	205.5	96.7	298.6	1,029.7	8.8		4,178.4	34,086.7		10.7
	Enterprise value (EV)	185.2	88.3	402.8	1,061.1	22.5		3,527.8	31,792.8		12.9
Basic financial information	Total Revenues	43.3	25.5	174.2	500.8	5.7		274.8	1,963.7		5.0
	Total Revenues growth	17.8%	7.6%	0.9%	-4.0%	42.4%	12.9%	15.7%	15.8%	15.7%	56.4%
	2y CAGR (2023e - 2025e)	14.7%	46.4%	2.6%	8.3%	59.6%	26.3%	27.4%	19.3%	23.3%	30.3%
	EBITDA	4.6	(21.0)	49.0	83.8	(6.0)		(46.5)	478.4		(3.3)
	EBITDA growth	184.2%	6.9%	-4.1%	-8.2%	27.3%	41.2%	81.2%	646.4%	363.8%	6.8%
	2y CAGR (2023e - 2025e)	-0.4%	16.3%	3.2%	17.1%	48.0%	16.9%	65.9%	29.3%	47.6%	22.1%
	EBITDA/Revenues	10.7%	n.a.	28.1%	16.7%	n.a.	18.5%	n.a.	24.4%	24.4%	n.a.
	EBIT	4.4	(21.8)	32.2	58.4	(7.3)		(56.4)	469.4		(3.5)
	EBIT growth	444.5%	6.6%	-8.4%	-4.9%	11.5%	89.9%	78.2%	427.2%	252.7%	25.2%
	2y CAGR (2023e - 2025e)	27.0%	14.1%	9.0%	23.2%	78.3%	30.3%	58.0%	28.0%	43.0%	5.2%
	EBIT/Revenues	10.2%	n.a.	18.5%	11.7%	n.a.	13.4%	n.a.	23.9%	23.9%	n.a.
	Net Profit	4.0	(23.6)	22.1	40.2	(5.8)		(212.4)	414.4		(3.7)
	Net Profit growth	19.5%	-16.8%	-16.7%	-9.3%	22.0%	-0.2%	11.2%	224.6%	117.9%	76.9%
	2y CAGR (2023e - 2025e)	22.0%	12.2%	10.9%	25.8%	46.2%	23.4%	85.8%	28.2%	57.0%	0.1%
	CAPEX/Sales %	1.9%	3.5%	7.9%	1.8%	0.0%	3.0%	8.7%	1.2%	5.0%	3.0%
Free Cash Flow	4.8	(22.3)	24.9	60.1	(4.7)		(66.5)	394.5		(4.5)	
Net financial debt	(12.2)	12.1	71.1	(30.8)	20.2		(607.1)	(2,303.7)		1.9	
ND/EBITDA (x)	n.a.	n.a.	1.5	n.a.	n.a.	1.5	n.a.	n.a.	n.a.	n.a.	
Pay-out	0.0%	0.0%	44.0%	46.3%	0.0%	18.1%	0.0%	0.0%	0.0%	0.0%	
Multiples and Ratios	P/E (x)	49.1	n.a.	14.8	24.3	n.a.	29.4	n.a.	85.5	85.5	n.a.
	P/BV (x)	6.5	n.a.	2.8	2.2	n.a.	3.9	5.4	12.5	9.0	0.6
	EV/Revenues (x)	4.3	3.5	2.3	2.1	4.0	3.2	12.8	16.2	14.5	2.6
	EV/EBITDA (x)	40.0	n.a.	8.2	12.7	n.a.	20.3	n.a.	n.a.	n.a.	n.a.
	EV/EBIT (x)	42.1	n.a.	12.5	18.2	n.a.	24.3	n.a.	n.a.	n.a.	n.a.
	ROE	13.3	n.a.	18.9	9.2	n.a.	13.8	n.a.	14.6	14.6	n.a.
	FCF Yield (%)	2.3	n.a.	8.3	5.8	n.a.	5.5	n.a.	1.2	1.2	n.a.
	DPS	0.00	0.00	1.58	0.49	0.00	0.41	0.00	0.00	0.00	0.00
	Dvd Yield	0.0%	0.0%	2.6%	1.8%	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%

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

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

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
19-Jul-2023	n.a.	0.310	n.a.	n.a.	6m 2023 Preliminary results	Enrique Andres Abad
12-Jun-2023	n.a.	0.320	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
14-Apr-2023	n.a.	0.397	n.a.	n.a.	12m Results 2022 - Estimates downgrade	Enrique Andres Abad
03-Feb-2023	n.a.	0.288	n.a.	n.a.	Important news	Enrique Andres Abad
23-Jan-2023	n.a.	0.340	n.a.	n.a.	12m 2022 Preliminary results	Enrique Andres Abad
22-Dec-2022	n.a.	0.235	n.a.	n.a.	Initiation of Coverage	Enrique Andres Abad

