

9m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

Alfredo Echevarría Otegui – alfredo.echevarria@institutodeanalistas.com

+34 915 631 972

Cuatroochenta (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. 35% of the total (mainly Latam). The company has been listed on BME Growth since November 2020.

Market Data

Market Cap (Mn EUR and USD)	32.8	34.8
EV (Mn EUR and USD) ⁽²⁾	37.8	40.1
Shares Outstanding (Mn)	2.7	
-12m (Max/Med/Min EUR)	12.50 / 9.69 / 6.90	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	7.3	
Factset / Bloomberg	480S-ES / 480S SM	
Close fiscal year	31-Dec	

Shareholders Structure (%) ⁽⁷⁾

Montesinos family	19.4
Alfredo Cebrían Fuertes	16.8
Sergio Aguado Gonzalez	16.7
Pavasal Group	6.3
Free Float	36.0

Financials (Mn EUR)	2023	2024e	2025e	2026e
Adj. nº shares (Mn)	2.7	2.7	2.7	2.7
Total Revenues	22.5	27.2	31.8	36.3
Rec. EBITDA	0.9	2.0	2.9	3.8
% growth	27.7	119.2	46.2	28.1
% Rec. EBITDA/Rev.	4.1	7.4	9.2	10.4
% Inc. EBITDA sector ⁽⁴⁾	17.8	5.7	15.3	15.2
Net Profit	0.2	0.8	1.6	2.3
EPS (EUR)	0.06	0.30	0.58	0.83
% growth	116.0	362.4	92.9	44.1
Ord. EPS (EUR)	-0.08	0.30	0.58	0.83
% growth	53.8	471.6	92.9	44.1
Rec. Free Cash Flow ⁽⁵⁾	-0.1	0.6	1.1	1.5
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	6.9	6.3	5.2	3.6
ND/Rec. EBITDA (x)	7.5	3.1	1.8	1.0
ROE (%)	1.7	7.6	13.1	16.3
ROCE (%) ⁽⁵⁾	2.4	4.5	8.6	12.0

Ratios & Multiples (x) ⁽⁶⁾

P/E	n.a.	40.3	20.9	14.5
Ord. P/E	n.a.	40.3	20.9	14.5
P/BV	3.2	2.9	2.6	2.2
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	1.68	1.39	1.19	1.04
EV/Rec. EBITDA	41.3	18.9	12.9	10.1
EV/EBIT	n.a.	36.8	19.6	13.8
FCF Yield (%) ⁽⁵⁾	n.a.	1.7	3.5	4.7

(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: Gimeno 111 Estudio de comunicación 3.3%, Inveready 1.4%

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

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

9m24: revenues growing >+20% and progressive margin improvement. YTD share price, +71%.

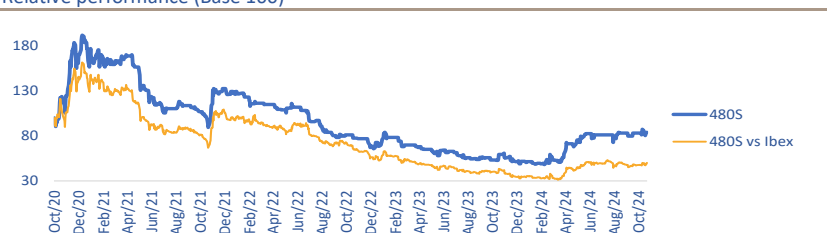
REVENUES CONTINUE TO GROW >20% (IN LINE WITH 2023)... Maintaining the level of the last 2 years: CAGR 2021-2023 c.+27.0%. Organic revenue growth 9m24 of +23.1%. Strong growth continues to be supported by an increasingly broad base of recurring revenue, and whose growth is proving strategic for 480S. Recurring revenue 9m24 of EUR 13.0Mn, 73% of Total Revenue (vs 67% 9m23). The weight of recurring revenue was c.40% in 2021. Its increase implies greater visibility, lower business risk and higher target multiples.

...WITH (EXPECTED) PRESSURE ON GROSS MARGIN... A dynamic that started in 2022 and caused by the change in the revenue mix, with more weight of third-party license sales vs. own product. And whose main cause continues to be the growth of Sofistic (which on the other hand manages to improve margins). The gross margin path is clear: 72.7% (2021), 71.1% (2022), 67.1% (2023) and 63.2% (9m24).

BUT THE IMPROVEMENT IN EBITDA MARGIN IS CONFIRMED. Thanks to the progressive optimization of the structure and the exploitation of the operating leverage of the business in a context of strong revenue growth. Structure costs continue to lose weight on sales: 65.5% (2021), 66.8% (2022), 62.7% (2023) and 56.3% (9m24). Which allows maintaining the high growth of REC. EBITDA (+27.3%) and continue improving margins (EBITDA/Revenue, 6.9% vs 6.7% 9m23; EBITDA adjusted to exclude capitalized expenses).

RESULTS IN LINE AND CONFIRMING THE EQUITY STORY. We maintain estimates. The "scale jump" in operational structure has already been made. And its use was the expected "roadmap". And that is confirmed in the 2024 results: i) revenue growth above +20%, ii) Sofistic gains weight in the mix which penalizes the gross margin (although that effect would be almost exhausted) and iii) operating leverage by dilution of structure costs and improvement of EBITDA/Revenue margin. We maintain 2024e estimates: revenues EUR 27.2Mn (+20.9%) and REC. EBITDA EUR 2.0Mn.

A HIGH ORGANIC GROWTH MODEL AND AN IMPROVEMENT IN MARGINS THAT HAS A LONG WAY TO GO. VERY GOOD MOMENTUM OF THE STOCK. The 9m24 results reaffirm the equity story of 480S. And that translates into an estimated revenue growth (CAGR 2026-2024) of c.+15% and improvement of the EBITDA margin to place it >10% (7.4% 2024e). Which would imply taking the REC. EBITDA 2026 to c.EUR 4Mn. Which would imply EV/Sales of c.1x, especially valuable given the low-risk conditions of the 480S business model. The momentum is especially good and systematically ratified by the quarterly results of 2024. These results have been the evident catalyst for the share price (+71% YTD; +69% vs sector) and we expect them to continue. Everything pivots on 480S's ability to continue growing strongly in revenues without increasing structure (what we saw in 2024; and that is the basis of our 2025e-2026e estimates).

Relative performance (Base 100)


Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	0.8	3.4	41.2	71.4	-7.7	n.a.
vs Ibex 35	3.8	-3.2	16.2	52.1	-26.3	n.a.
vs Ibex Small Cap Index	5.5	8.8	32.9	72.0	-1.4	n.a.
vs Eurostoxx 50	6.3	1.9	24.9	63.4	-14.9	n.a.
vs Sector benchmark ⁽⁴⁾	7.9	5.9	25.2	68.8	-0.5	n.a.

Cuatroochenta (480S) is a BME Growth company

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.140 companies listed on it. 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).

9m Results 2024
Table 1. 9m24 Results

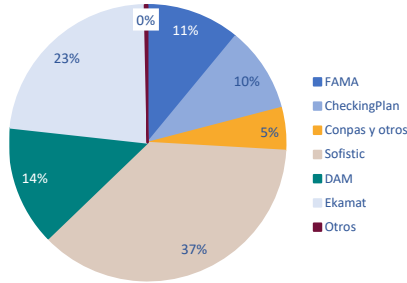
EUR Mn	9m24	9m23	9m24 vs 9m23	2024e	2024e vs 2023
Total Revenues¹	20.1	16.3	23.1%	27.2	20.9%
Gross margin	12.7	11.1	15.0%	17.4	15.6%
<i>Gross Margin (%)</i>	<i>63.3%</i>	<i>67.7%</i>	<i>-4.5 p.p.</i>	<i>64.1%</i>	<i>-3.0 p.p.</i>
Personnel expenses	-9.0	-8.3	8.0%	-12.1	8.3%
Other operating expenses	-2.3	-1.6	42.2%	-3.4	11.2%
Recurrent EBITDA²	1.4	1.1	27.3%	2.0	119.2%
<i>Rec. EBITDA/Revenues</i>	<i>6.9%</i>	<i>6.7%</i>	<i>0.2 p.p.</i>	<i>7.4%</i>	<i>3.3 p.p.</i>

Note 1: The figures for revenue and EBITDA do not include the results generated by Pavabits (50%-owned) and Matrix Development (fully owned by Pavabits), as their results are equity-accounted. These companies generated 9m24 revenues of EUR 2.5Mn and proforma EBITDA of EUR 1.0Mn.

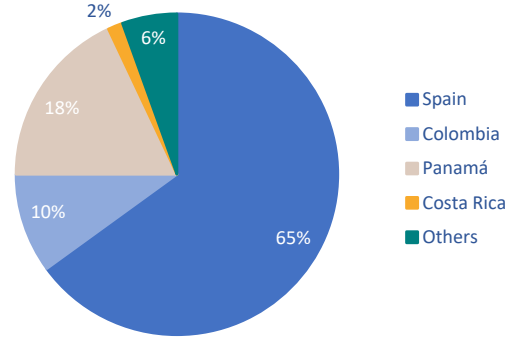
Note 2: Recurring EBITDA and EBITDA adjusted to exclude the impact of capitalized expenses (EUR 0.4Mn in 9m24 and EUR 0.5Mn in 9m23).

The company in 8 charts

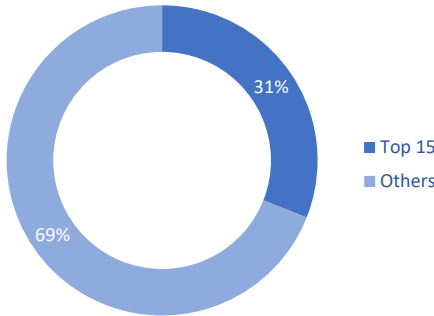
Diversified by both business (focus on SaaS and cybersecurity) ...



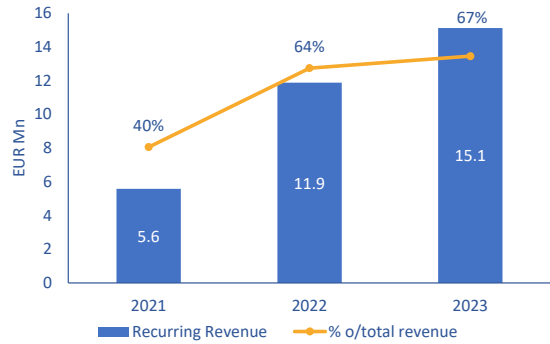
... and geographically c.(35% of total sales outside Spain at the date of this report



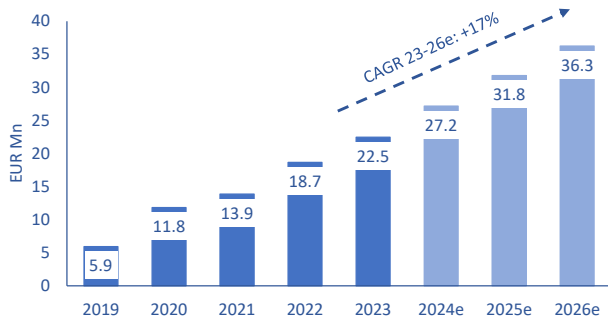
And with low customer concentration; the 15 largest customers account for just 31% of revenue



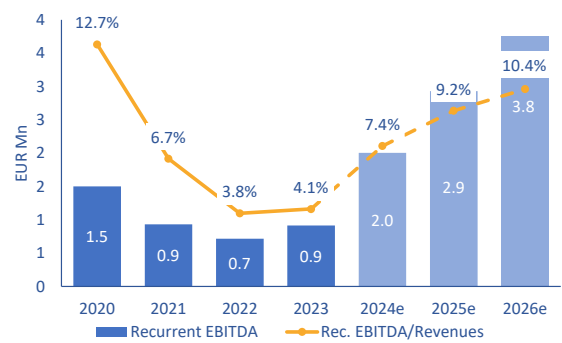
480S boasts a scalable business model and a sound recurring revenue base



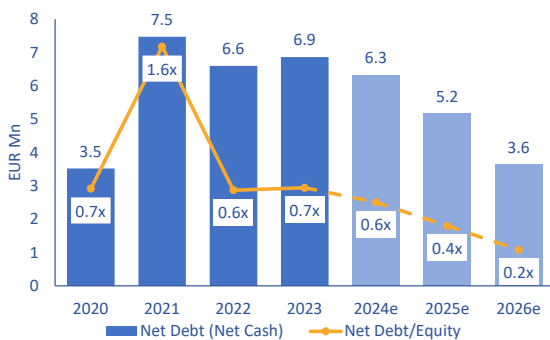
The focus on SaaS and cybersecurity should enable 480S to deliver high double-digit growth (CAGR 23-26e: +17%)



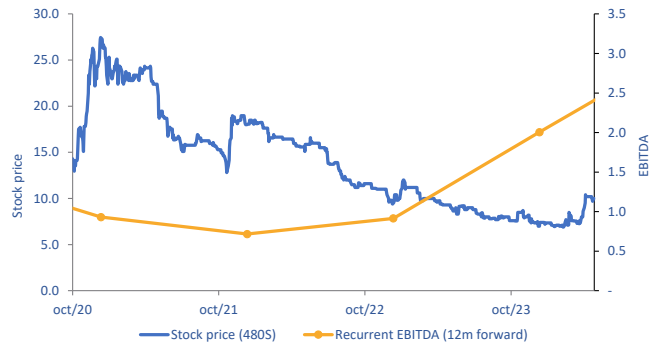
And aspire "mathematically" to wider margins (simply as a result of the company's operating leverage)



The strong growth forecast for EBITDA leaves scope to maintain the leverage level under control



In conclusión: 480S regain momentum with the share price near all time lows



Valuation inputs

Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	1.0	1.5	1.9	n.a.			
Market Cap	32.8	At the date of this report					
Net financial debt	6.1	Debt net of Cash (6m 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 = 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)			9.1%	11.5%	
Equity / (Equity + Net Debt)	84.4%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	15.6%	D			=	=	
WACC	9.3%	WACC = Kd * D + Ke * E			8.3%	10.4%	
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.

Inputs for the Multiples Valuation Approach

Company	Ticker	Mkt. Cap	P/E 24e	EPS 24e-26e	EV/EBITDA 24e	EBITDA 24e-26e	EV/Sales 24e	Revenues 24e-26e	EBITDA/Sales 24e	FCF Yield 24e	FCF 24e-26e
Descartes Systems	DSG-CA	9,287.7	71.5	13.4%	34.4	12.3%	15.1	11.0%	44.0%	2.1%	16.0%
Appfolio	APPF-US	8,381.7	53.5	24.5%	37.7	27.0%	10.4	17.3%	27.7%	2.1%	23.5%
LGTY	LGTY-US	402.0	29.3	n.a.	25.4	n.a.	3.2	n.a.	12.5%	n.a.	n.a.
Software			51.4	18.9%	32.5	19.6%	9.6	14.2%	28.1%	2.1%	19.7%
CrowdStrike	CRWD-US	79,368.4	94.2	22.3%	n.a.	29.3%	n.a.	22.2%	24.5%	1.3%	30.0%
SecureWorks	SCWX-US	701.3	n.a.	n.a.	n.a.	n.a.	2.1	4.0%	3.2%	n.a.	n.a.
Cybersecurity			94.2	22.3%	n.a.	29.3%	2.1	13.1%	13.9%	1.3%	30.0%
480S	480S-ES	32.8	40.3	66.8%	18.9	36.9%	1.4	15.5%	7.4%	1.7%	66.4%

Free Cash Flow sensitivity analysis (2025e)

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

Scenario	EBITDA/Sales 25e	EBITDA 25e	EV/EBITDA 25e
Max	10.1%	3.2	11.8x
Central	9.2%	2.9	12.9x
Min	8.3%	2.6	14.3x

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

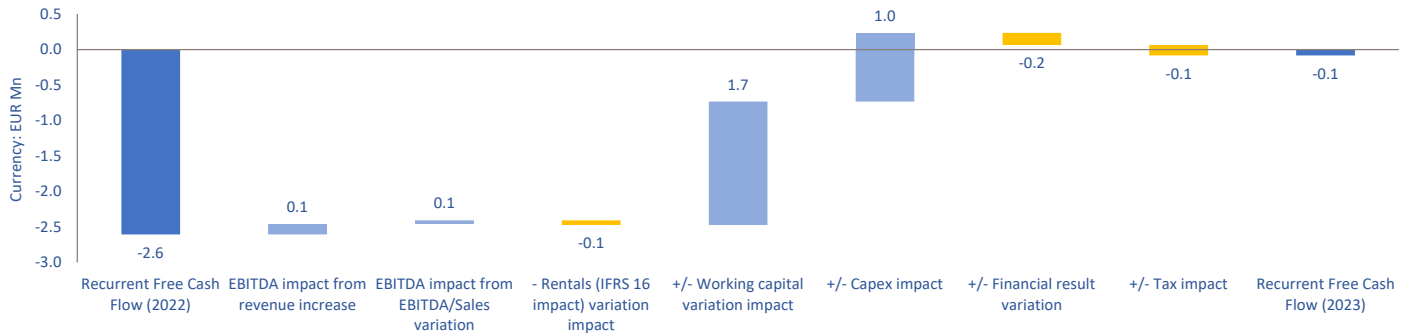
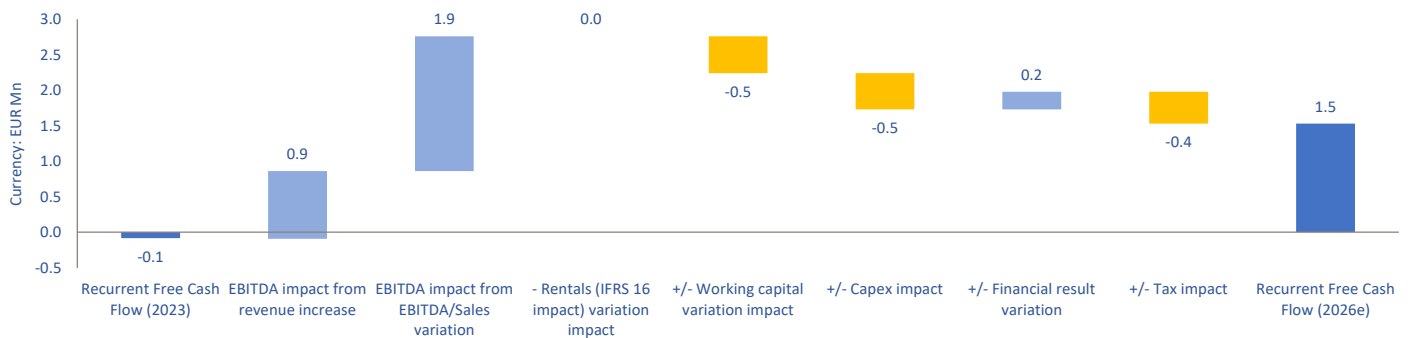
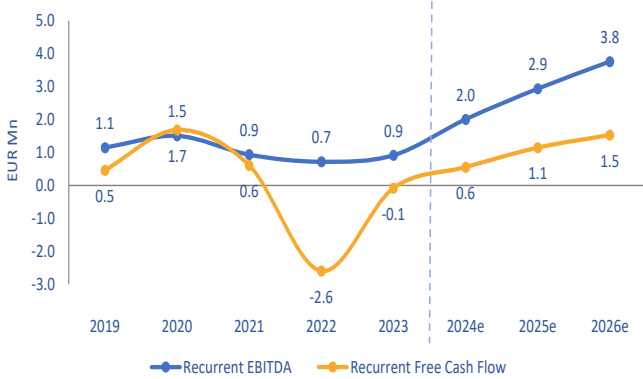
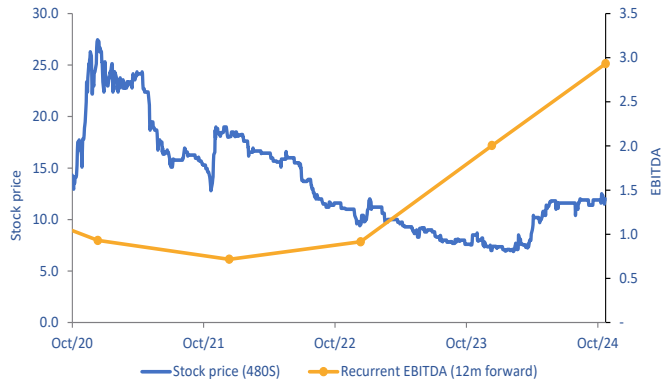
Rec. FCF EUR Mn	CAPEX/Sales 25e			Scenario	Rec. FCF/Yield 25e		
EBITDA 25e	2.2%	2.5%	2.8%		Max	Central	Min
3.2	1.5	1.4	1.3	Max	4.7%	4.4%	4.1%
2.9	1.2	1.1	1.0	Central	3.8%	3.5%	3.2%
2.6	1.0	0.9	0.8	Min	2.9%	2.6%	2.3%

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets	2.4	3.9	8.1	8.8	8.1	7.7	7.2	6.7		
Fixed assets	0.1	0.2	0.4	0.5	0.8	1.4	2.1	2.8		
Other Non Current Assets	0.3	0.5	0.5	1.9	2.3	2.3	2.3	2.3		
Financial Investments	0.0	1.0	0.1	0.4	0.7	1.2	1.6	2.0		
Goodwill & Other Intangibles	1.8	5.1	7.2	8.3	8.3	8.3	8.3	8.3		
Current assets	1.6	2.8	4.3	8.0	8.4	8.5	8.9	9.5		
Total assets	6.2	13.6	20.6	28.0	28.7	29.3	30.3	31.5		
Equity	1.9	5.4	4.6	10.2	10.4	11.2	12.8	15.0		
Minority Interests	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0		
Provisions & Other L/T Liabilities	1.1	1.4	1.7	1.9	1.6	1.6	1.6	1.6		
Other Non Current Liabilities	-	-	1.0	1.0	0.8	0.8	0.8	0.8		
Net financial debt	1.9	3.5	7.5	6.6	6.9	6.3	5.2	3.6		
Current Liabilities	1.2	3.3	5.8	8.2	8.9	9.3	9.9	10.4		
Equity & Total Liabilities	6.2	13.6	20.6	28.0	28.7	29.3	30.3	31.5		
P&L (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Total Revenues	5.9	11.8	13.9	18.7	22.5	27.2	31.8	36.3	39.5%	17.3%
<i>Total Revenues growth</i>	<i>n.a.</i>	<i>99.3%</i>	<i>17.3%</i>	<i>34.5%</i>	<i>20.5%</i>	<i>20.9%</i>	<i>17.0%</i>	<i>14.1%</i>		
COGS	(1.4)	(3.1)	(3.8)	(5.4)	(7.4)	(9.8)	(11.5)	(13.2)		
Gross Margin	4.5	8.7	10.1	13.3	15.1	17.4	20.3	23.1	35.1%	15.3%
<i>Gross Margin/Revenues</i>	<i>76.2%</i>	<i>73.7%</i>	<i>72.6%</i>	<i>71.3%</i>	<i>67.0%</i>	<i>64.1%</i>	<i>63.8%</i>	<i>63.7%</i>		
Personnel Expenses	(2.5)	(5.7)	(7.4)	(9.9)	(11.1)	(12.1)	(13.5)	(15.0)		
Other Operating Expenses	(0.8)	(1.5)	(1.7)	(2.6)	(3.0)	(3.4)	(3.8)	(4.3)		
Recurrent EBITDA	1.1	1.5	0.9	0.7	0.9	2.0	2.9	3.8	-5.5%	60.1%
<i>Recurrent EBITDA growth</i>	<i>n.a.</i>	<i>31.2%</i>	<i>-38.1%</i>	<i>-23.0%</i>	<i>27.7%</i>	<i>119.2%</i>	<i>46.2%</i>	<i>28.1%</i>		
<i>Rec. EBITDA/Revenues</i>	<i>19.3%</i>	<i>12.7%</i>	<i>6.7%</i>	<i>3.8%</i>	<i>4.1%</i>	<i>7.4%</i>	<i>9.2%</i>	<i>10.4%</i>		
Restructuring Expense & Other non-rec.	-	(0.3)	(0.1)	(0.2)	0.5	-	-	-		
EBITDA	1.1	1.2	0.8	0.5	1.4	2.0	2.9	3.8	5.7%	38.0%
Depreciation & Provisions	(0.4)	(0.7)	(1.1)	(1.5)	(1.2)	(1.2)	(1.2)	(1.3)		
Capitalized Expense	-	0.1	0.6	0.8	0.6	0.6	0.6	0.6		
Rentals (IFRS 16 impact)	-	-	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)		
EBIT	0.7	0.6	0.1	(0.4)	0.4	1.0	1.9	2.7	-11.7%	84.1%
<i>EBIT growth</i>	<i>n.a.</i>	<i>-10.3%</i>	<i>-91.3%</i>	<i>-894.2%</i>	<i>197.8%</i>	<i>134.5%</i>	<i>88.0%</i>	<i>41.4%</i>		
<i>EBIT/Revenues</i>	<i>12.1%</i>	<i>5.5%</i>	<i>0.4%</i>	<i>n.a.</i>	<i>1.9%</i>	<i>3.8%</i>	<i>6.1%</i>	<i>7.5%</i>		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.0)	(0.1)	(0.1)	(0.4)	(0.6)	(0.4)	(0.4)	(0.3)		
Income by the Equity Method	-	-	(0.0)	0.2	0.4	0.4	0.4	0.4		
Ordinary Profit	0.7	0.5	(0.1)	(0.7)	0.3	1.0	2.0	2.8	-19.0%	n.a.
<i>Ordinary Profit Growth</i>	<i>n.a.</i>	<i>-22.7%</i>	<i>-124.9%</i>	<i>-415.9%</i>	<i>143.3%</i>	<i>250.1%</i>	<i>92.9%</i>	<i>44.1%</i>		
Extraordinary Results	(0.5)	(0.3)	-	-	-	-	-	-		
Profit Before Tax	0.1	0.2	(0.1)	(0.7)	0.3	1.0	2.0	2.8	18.4%	n.a.
Tax Expense	(0.2)	0.0	(0.1)	0.0	(0.1)	(0.2)	(0.4)	(0.6)		
<i>Effective Tax Rate</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>40.6%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>		
Minority Interests	-	-	0.0	0.0	0.0	-	-	-		
Discontinued Activities	-	-	-	(0.5)	-	-	-	-		
Net Profit	(0.0)	0.2	(0.2)	(1.1)	0.2	0.8	1.6	2.3	73.1%	n.a.
<i>Net Profit growth</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-184.1%</i>	<i>-436.9%</i>	<i>116.0%</i>	<i>362.4%</i>	<i>92.9%</i>	<i>44.1%</i>		
Ordinary Net Profit	0.5	0.8	(0.0)	(0.5)	(0.2)	0.8	1.6	2.3	-25.3%	n.a.
<i>Ordinary Net Profit growth</i>	<i>n.a.</i>	<i>75.1%</i>	<i>-104.0%</i>	<i>n.a.</i>	<i>53.8%</i>	<i>471.6%</i>	<i>92.9%</i>	<i>44.1%</i>		
Cash Flow (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Recurrent EBITDA						2.0	2.9	3.8	-5.5%	60.1%
Rentals (IFRS 16 impact)						(0.4)	(0.4)	(0.4)		
Working Capital Increase						0.3	0.2	(0.1)		
Recurrent Operating Cash Flow						1.9	2.7	3.2	2.9%	53.1%
CAPEX						(0.7)	(0.8)	(0.8)		
Net Financial Result affecting the Cash Flow						(0.4)	(0.4)	(0.3)		
Tax Expense						(0.2)	(0.4)	(0.6)		
Recurrent Free Cash Flow						0.6	1.1	1.5	-21.5%	n.a.
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						0.6	1.1	1.5	43.4%	97.5%
Capital Increase						-	-	-		
Dividends						-	-	-		
Net Debt Variation						(0.6)	(1.1)	(1.5)		

Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
								20-23	23-26e
Recurrent EBITDA	1.5	0.9	0.7	0.9	2.0	2.9	3.8	-15.3%	60.1%
<i>Recurrent EBITDA growth</i>	31.2%	-38.1%	-23.0%	27.7%	119.2%	46.2%	28.1%		
<i>Rec. EBITDA/Revenues</i>	12.7%	6.7%	3.8%	4.1%	7.4%	9.2%	10.4%		
- Rentals (IFRS 16 impact)	-	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	0.8	1.1	(1.4)	0.4	0.3	0.2	(0.1)		
= Recurrent Operating Cash Flow	2.3	1.7	(1.0)	0.9	1.9	2.7	3.2	-26.4%	53.1%
<i>Rec. Operating Cash Flow growth</i>	181.7%	-22.9%	-155.8%	192.5%	114.5%	41.4%	18.2%		
<i>Rec. Operating Cash Flow / Sales</i>	19.1%	12.6%	n.a.	4.0%	7.1%	8.6%	8.9%		
- CAPEX	(0.3)	(0.8)	(1.3)	(0.3)	(0.7)	(0.8)	(0.8)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.1)	(0.4)	(0.6)	(0.4)	(0.4)	(0.3)		
- Taxes	(0.2)	(0.2)	0.0	(0.1)	(0.2)	(0.4)	(0.6)		
= Recurrent Free Cash Flow	1.7	0.6	(2.6)	(0.1)	0.6	1.1	1.5	-27.0%	n.a.
<i>Rec. Free Cash Flow growth</i>	265.2%	-64.1%	-531.7%	96.8%	766.6%	107.0%	33.8%		
<i>Rec. Free Cash Flow / Revenues</i>	14.2%	4.4%	n.a.	n.a.	2.0%	3.6%	4.2%		
- Restructuring expenses & others	(0.3)	(0.1)	(0.2)	0.5	-	-	-		
- Acquisitions / + Divestments	(2.8)	(3.8)	(3.2)	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(0.7)	-	-	-		
= Free Cash Flow	(1.4)	(3.3)	(6.0)	(0.3)	0.6	1.1	1.5	42.9%	97.5%
<i>Free Cash Flow growth</i>	45.0%	-129.8%	-80.8%	95.5%	306.0%	107.0%	33.8%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	5.1%	1.8%	n.a.	n.a.	1.7%	3.5%	4.7%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	n.a.	n.a.	n.a.	n.a.	1.7%	3.5%	4.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Recurrent FCF(FY - 1)	0.5	1.7	0.6	(2.6)	(0.1)	0.6	1.1		
EBITDA impact from revenue increase	1.1	0.3	0.3	0.1	0.2	0.3	0.4		
EBITDA impact from EBITDA/Sales variation	(0.8)	(0.8)	(0.5)	0.1	0.9	0.6	0.4		
= Recurrent EBITDA variation	0.4	(0.6)	(0.2)	0.2	1.1	0.9	0.8		
- Rentals (IFRS 16 impact) variation impact	-	(0.3)	(0.1)	(0.1)	-	-	-		
+/- Working capital variation impact	1.1	0.3	(2.4)	1.7	(0.1)	(0.1)	(0.3)		
= Recurrent Operating Cash Flow variation	1.5	(0.5)	(2.7)	1.9	1.0	0.8	0.5		
+/- CAPEX impact	(0.2)	(0.5)	(0.4)	1.0	(0.4)	(0.1)	(0.0)		
+/- Financial result variation	(0.1)	(0.0)	(0.3)	(0.2)	0.1	0.0	0.1		
+/- Tax impact	0.1	(0.0)	0.2	(0.1)	(0.1)	(0.2)	(0.2)		
= Recurrent Free Cash Flow variation	1.2	(1.1)	(3.2)	2.5	0.6	0.6	0.4		
Recurrent Free Cash Flow	1.7	0.6	(2.6)	(0.1)	0.6	1.1	1.5		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
EBIT	0.6	0.1	(0.4)	0.4	1.0	1.9	2.7	-12.1%	84.1%
* Theoretical Tax rate	0.0%	0.0%	0.0%	0.0%	20.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	-	(0.2)	(0.4)	(0.5)		
Recurrent EBITDA	1.5	0.9	0.7	0.9	2.0	2.9	3.8	-15.3%	60.1%
- Rentals (IFRS 16 impact)	-	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)		
+/- Working Capital increase	0.8	1.1	(1.4)	0.4	0.3	0.2	(0.1)		
= Recurrent Operating Cash Flow	2.3	1.7	(1.0)	0.9	1.9	2.7	3.2	-26.4%	53.1%
- CAPEX	(0.3)	(0.8)	(1.3)	(0.3)	(0.7)	(0.8)	(0.8)		
- Taxes (pre- Financial Result)	-	-	-	-	(0.2)	(0.4)	(0.5)		
= Recurrent Free Cash Flow (To the Firm)	2.0	0.9	(2.2)	0.6	1.0	1.5	1.9	-32.2%	45.4%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	293.9%	-52.8%	-340.1%	127.4%	61.7%	56.4%	21.6%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	16.6%	6.7%	n.a.	2.7%	3.6%	4.9%	5.2%		
- Acquisitions / + Divestments	(2.8)	(3.8)	(3.2)	0.0	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	(0.7)	-	-	-		
= Free Cash Flow "To the Firm"	(0.9)	(2.9)	(5.4)	(0.1)	1.0	1.5	1.9	53.2%	n.a.
<i>Free Cash Flow (To the Firm) growth</i>	66.9%	-240.4%	-86.4%	98.4%	n.a.	56.4%	21.6%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	5.2%	2.5%	n.a.	1.6%	2.6%	4.1%	5.0%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	n.a.	n.a.	n.a.	n.a.	2.6%	4.1%	5.0%		

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

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

Recurrent EBITDA vs Recurrent Free Cash Flow

Stock performance vs EBITDA 12m forward

Appendix 3. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	32.8	
+ Minority Interests	0.1	6m Results 2024
+ Provisions & Other L/T Liabilities	1.6	6m Results 2024
+ Net financial debt	6.1	6m Results 2024
- Financial Investments	2.7	6m Results 2024
+/- Others		
Enterprise Value (EV)	37.8	

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
															13-23	23-26e
Total Revenues							5.9	11.8	13.9	18.7	22.5	27.2	31.8	36.3	n.a.	17.3%
Total Revenues growth							n.a.	99.3%	17.3%	34.5%	20.5%	20.9%	17.0%	14.1%		
EBITDA							1.1	1.2	0.8	0.5	1.4	2.0	2.9	3.8	n.a.	38.0%
EBITDA growth							n.a.	4.5%	-29.1%	-38.6%	174.0%	40.4%	46.2%	28.1%		
EBITDA/Sales							19.3%	10.1%	6.1%	2.8%	6.4%	7.4%	9.2%	10.4%		
Net Profit							(0.0)	0.2	(0.2)	(1.1)	0.2	0.8	1.6	2.3	n.a.	n.a.
Net Profit growth							n.a.	n.a.	-184.1%	-436.9%	116.0%	362.4%	92.9%	44.1%		
Adjusted number shares (Mn)							-	-	1.8	2.7	2.7	2.7	2.7	2.7		
EPS (EUR)							n.a.	n.a.	-0.12	-0.40	0.06	0.30	0.58	0.83	n.a.	n.a.
EPS growth							n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	92.9%	44.1%		
Ord. EPS (EUR)							n.a.	n.a.	-0.02	-0.17	-0.08	0.30	0.58	0.83	n.a.	n.a.
Ord. EPS growth							n.a.	n.a.	n.a.	n.a.	53.8%	n.a.	92.9%	44.1%		
CAPEX							(0.1)	(0.3)	(0.8)	(1.3)	(0.3)	(0.7)	(0.8)	(0.8)		
CAPEX/Sales %							1.5%	2.5%	5.9%	6.7%	1.3%	2.7%	2.5%	2.2%		
Free Cash Flow							(2.6)	(1.4)	(3.3)	(6.0)	(0.3)	0.6	1.1	1.5	n.a.	97.5%
ND/EBITDA (x) ⁽²⁾							1.7x	2.9x	8.8x	12.7x	4.8x	3.1x	1.8x	1.0x		
P/E (x)							n.a.	n.a.	n.a.	n.a.	n.a.	40.3x	20.9x	14.5x		
EV/Sales (x)							0.00x	5.31x	2.99x	1.37x	1.20x	1.39x	1.19x	1.04x		
EV/EBITDA (x) ⁽²⁾							0.0x	n.a.	48.9x	49.1x	18.9x	18.9x	12.9x	10.1x		
Absolute performance							n.a.	n.a.	-34.4%	-47.8%	-25.5%	71.4%				
Relative performance vs Ibex 35							n.a.	n.a.	-39.2%	-44.7%	-39.3%	52.1%				

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Factset.

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

Appendix 5. Main peers 2024e

		Software				Cybersecurity			
EUR Mn		Descartes	Appfolio	LGTY	Average	CrowdStrike	SecureWorks	Average	480S
Market data		Systems							
Ticker (Factset)		DSG-CA	APPF-US	LGTY-US		CRWD-US	SCWX-US		480S-ES
Country		Canada	USA	USA		USA	USA		Spain
Market cap		9,287.7	8,381.7	402.0		79,368.4	701.3		32.8
Enterprise value (EV)		9,058.5	7,783.2	315.3		76,343.9	661.9		37.8
Basic financial information									
Total Revenues		598.1	745.0	99.6		3,677.2	310.8		27.2
Total Revenues growth		14.4%	27.4%	3.1%	15.0%	27.7%	-9.9%	8.9%	20.9%
2y CAGR (2024e - 2026e)		11.0%	17.3%	n.a.	14.2%	22.2%	4.0%	13.1%	15.5%
EBITDA		263.3	206.2	12.4		902.5	10.0		2.0
EBITDA growth		22.8%	395.3%	62.8%	160.3%	516.0%	118.4%	317.2%	40.4%
2y CAGR (2024e - 2026e)		12.3%	27.0%	n.a.	19.6%	29.3%	n.a.	29.3%	36.9%
EBITDA/Revenues		44.0%	27.7%	12.5%	28.1%	24.5%	3.2%	13.9%	7.4%
EBIT		177.3	131.1	11.1		739.8	19.4		1.0
EBIT growth		14.9%	966.3%	224.0%	401.7%	n.a.	121.7%	121.7%	134.5%
2y CAGR (2024e - 2026e)		16.4%	31.7%	n.a.	24.1%	32.0%	71.4%	51.7%	63.1%
EBIT/Revenues		29.6%	17.6%	11.2%	19.5%	20.1%	6.2%	13.2%	3.8%
Net Profit		130.3	152.0	7.0		839.3	5.2		0.8
Net Profit growth		23.2%	n.a.	-22.9%	0.2%	896.8%	106.4%	501.6%	362.4%
2y CAGR (2024e - 2026e)		15.8%	25.8%	n.a.	20.8%	24.5%	n.a.	24.5%	66.8%
CAPEX/Sales %		0.9%	0.8%	0.8%	0.9%	6.1%	2.0%	4.0%	2.7%
Free Cash Flow		199.2	174.6	n.a.		1,044.3	(1.2)		0.6
Net financial debt		(207.0)	(86.7)	(81.2)		(3,498.7)	(73.7)		6.3
ND/EBITDA (x)		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3.1
Pay-out		0.0%	0.0%	n.a.	0.0%	0.0%	n.a.	0.0%	0.0%
Multiples and Ratios									
P/E (x)		71.5	53.5	29.3	51.4	94.2	n.a.	94.2	40.3
P/BV (x)		7.4	19.2	n.a.	13.3	n.a.	1.6	1.6	2.9
EV/Revenues (x)		15.1	10.4	3.2	9.6	n.a.	2.1	2.1	1.4
EV/EBITDA (x)		34.4	37.7	25.4	32.5	n.a.	n.a.	n.a.	18.9
EV/EBIT (x)		n.a.	n.a.	28.3	28.3	n.a.	34.1	34.1	36.8
ROE		10.4	35.9	n.a.	23.1	28.0	0.9	14.4	7.6
FCF Yield (%)		2.1	2.1	n.a.	2.1	1.3	n.a.	1.3	1.7
DPS		0.00	0.00	n.a.	0.00	0.00	n.a.	0.00	0.00
Dvd Yield		0.0%	0.0%	n.a.	0.0%	0.0%	n.a.	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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Calle Núñez de Balboa, 108 1ª Planta
28006 Madrid
T: +34 915 904 226
institutodeanalistas.com/lighthouse

Alfredo Echevarría Otegui
Head of research
alfredo.echevarria@institutodeanalistas.com

Luis Esteban Arribas, CESGA
Equity research
luis.esteban@institutodeanalistas.com

José Miguel Cabrera van Grieken
Equity research
Jose.cabrera@institutodeanalistas.com

Jesús López Gómez, CESGA
ESG Analyst & Data analytics
jesus.lopez@institutodeanalistas.com

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
13-Nov-2024	n.a.	12.00	n.a.	n.a.	9m Results 2024	Alfredo Echevarría Otegui
03-Oct-2024	n.a.	11.40	n.a.	n.a.	6m Results 2024	Alfredo Echevarría Otegui
27-May-2024	n.a.	10.40	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
07-May-2024	n.a.	10.20	n.a.	n.a.	3m Results 2024	Enrique Andrés Abad, CFA
18-Apr-2024	n.a.	8.00	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
07-Nov-2023	n.a.	7.55	n.a.	n.a.	9m Results 2023	Enrique Andrés Abad, CFA
26-Sep-2023	n.a.	7.85	n.a.	n.a.	6m Results 2023	Enrique Andrés Abad, CFA
15-Jun-2023	n.a.	9.15	n.a.	n.a.	3m Results 2023	David López Sánchez
12-Jun-2023	n.a.	8.30	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
25-Apr-2023	n.a.	9.75	n.a.	n.a.	12m Results 2022	David López Sánchez
23-Dec-2022	n.a.	9.80	n.a.	n.a.	9m Results 2022	David López Sánchez
06-Oct-2022	n.a.	11.20	n.a.	n.a.	6m Results 2022 - Estimates downgrade	David López Sánchez
09-Jun-2022	n.a.	16.60	n.a.	n.a.	3m Results 2022	David López Sánchez
18-Mar-2022	n.a.	16.64	n.a.	n.a.	12m 2021 Preliminary results	David López Sánchez
01-Dec-2021	n.a.	18.83	n.a.	n.a.	9m Results 2021 - Estimates downgrade	David López Sánchez
07-Oct-2021	n.a.	15.96	n.a.	n.a.	6m Results 2021	David López Sánchez
22-Apr-2021	n.a.	24.14	n.a.	n.a.	Initiation of Coverage	David López Sánchez

