

Company Flash Note

Reason: Company results (post view)

15 October 2024

Buy

Recommendation unchanged

Share price: EUR 9.90

closing price as of 14/10/2024

Target price: EUR 12.00

from Target Price: EUR 11.50

Upside/Downside Potential 21.2%

Reuters/Bloomberg

IZER.MC/IZER SM

Market capitalisation (EURm) 276

Current N° of shares (m) 28

Free float 29%

Daily avg. no. trad. sh. 12 mth (k) 16

Daily avg. trad. vol. 12 mth (k) 48.51

Price high/low 12 months 10.60 / 8.30

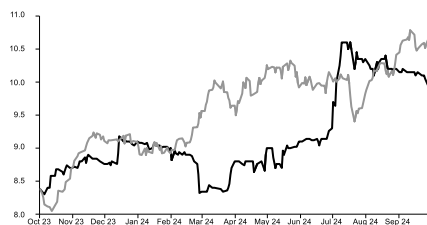
Abs Perfs 1/3/12 mths (%) -2.94/6.91/17.86

Key financials (EUR)

	12/23	12/24e	12/25e
Sales (m)	117	156	189
EBITDA (m)	19	24	29
EBITDA margin	15.9%	15.2%	15.3%
EBIT (m)	10	13	17
EBIT margin	8.8%	8.2%	9.0%
Net Profit (adj.)(m)	5	6	9
ROCE	6.9%	8.0%	10.4%
Net debt/(cash) (m)	53	49	48
Net Debt Equity	0.7	0.6	0.5
Net Debt/EBITDA	2.8	2.1	1.7
Int. cover(EBITDA/Fin.int)	4.5	4.9	5.7
EV/Sales	2.5	2.1	1.7
EV/EBITDA	15.7	13.6	11.1
EV/EBITDA (adj.)	15.7	13.6	11.1
EV/EBIT	28.3	25.2	18.8
P/E (adj.)	48.4	48.1	31.4
P/BV	3.3	3.4	3.1
OpFCF yield	0.8%	4.8%	6.1%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	0.19	0.21	0.32
BVPS	2.75	2.95	3.24
DPS	0.00	0.00	0.00

Shareholders

Laren Capital, S.L.U. 50%; Management Team 15%; Grupo Anémona 6%;



Source: FactSet


Analyst(s)

Juan Peña

juan.pena@gvcgaesco.es

+34 91 436 78 16

Continúa el crecimiento rentable

La compañía presentó ayer sus resultados del primer semestre, los cuales muestran buenas dinámicas operativas y comerciales, mostrando la capacidad y el compromiso de la compañía de seguir creciendo en negocios de alto valor añadido para seguir elevando el margen aunque sea sacrificando ligeramente el crecimiento de ingresos. La compañía ha invertido durante la primera mitad del año de manera intensa en personal para sentar las bases del crecimiento futuro, que se espera que se acelere en 2025 gracias al mayor volumen de negocio con clientes actuales y la apertura de nuevas geografías.

- ✓ Los **ingresos** crecen un +9.5% en el semestre, prácticamente la totalidad de este crecimiento es orgánico, ya que no se han realizado adquisiciones en la primera mitad del año, hay un pequeño impacto proveniente de 2023 poco significativo. Este crecimiento es menor que el de semestres anteriores, que se situaba en c.+15% orgánico debido al esfuerzo de la compañía en focalizar sus esfuerzos en clientes de mayor tamaño y de servicios de mayor valor añadido.
- ✓ Este esfuerzo se refleja en los **márgenes**, ya que el margen bruto crece +4.1pp y el margen EBITDA normalizado en +0.3pp, incluso con un esfuerzo significativo en gastos de personal (+15.4% yoy) debido a la contratación de perfiles de alta cualificación para potenciar el crecimiento de la compañía en nuevas áreas y geografías y que se espera que den frutos en la última parte del año y durante 2025. Incluso con estos efectos, el crecimiento de EBITDA es superior al doble dígito (+10.5%) y el margen de H1 se sitúa por encima de nuestras estimaciones para FY24 (15.3% vs 15.2%), teniendo en cuenta que la segunda mitad del año suele presentar un margen superior a la primera.
- ✓ Las adquisiciones realizadas durante 2023 suponen un aumento notable de los gastos de **amortización** (+32%) y provocan una ligera caída del EBIT (-4.5%). Esperamos que para la segunda mitad del año esta tendencia se corrija y el crecimiento del EBITDA pueda más que compensar este incremento de las amortizaciones y poder cerrar el año con un crecimiento del EBIT.
- ✓ De igual manera, el incremento de **tipos de interés** que se ha producido en 2023 y principios de 2024 ha provocado un incremento significativo de los gastos financieros que ha provocado una caída del beneficio neto, aunque siempre dentro del terreno positivo. También esperamos una mejora de esta situación en la segunda mitad del año con la moderación de los tipos de interés y la mejora de los resultados operativos de la compañía.
- ✓ De cara a FY24 **mantenemos nuestras estimaciones** de alcanzar c.EUR156m de ingresos y c.EUR24m de EBITDA, gracias a la aportación de las dos adquisiciones realizadas durante los últimos meses y al mejor desempeño de la compañía en la segunda mitad del año.
- ✓ Realizamos el **roll-over** de nuestra valoración con una deuda financiera neta estimada de EUR49m para FY24 (incluyendo IFRS16, EUR45m según lo reportado por la compañía) y aumentando el número de acciones de la compañía tras las últimas ampliaciones de capital por compensación de créditos anunciadas y alcanzamos una **valoración de EUR12 por acción**, con un potencial del c.+20% sobre precios actuales.

Resultados H124

IZERTIS. POST-H1'24 RESULTS.

EURm	H1'23	H1'24	Δ% y/y
Total income	59.9	65.6	9.5%
Supplies	-10.5	-8.8	-16.0%
Gross margin	49.4	56.8	14.9%
% gross margin	82.5%	86.6%	4.1pp
Personnel costs	-37.9	-43.8	15.4%
Other general costs	-3.0	-3.4	13.2%
Other results	-0.1	-0.3	500.0%
Impairment & Results of sale of assets	0.0	0.0	n.a
EBITDA	8.5	9.4	10.5%
other non recurrent costs	0.5	0.7	29.1%
Normalized EBITDA	9.0	10.1	11.6%
Normalized EBITDA mg (%)	15.0%	15.3%	.3pp
EBIT	5.0	4.8	-4.5%
Net income	2.0	1.4	-32.7%

Source: Izertis & GVC Gaesco Valores

Análisis sectorial

Si bien el sector de consultoría IT ha sufrido incertidumbres a nivel europeo en la primera mitad de 2024, estos problemas de demanda se han centrado particularmente en Centroeuropa (UK, Alemania o Francia) y en compañías con clientes muy grandes y con gran volumen de actividad en los mismos, que han reducido sus expectativas de demanda de servicios.

En el caso de Izertis (y otros comparables como Minsait) en el sur de Europa esta demanda por parte de los clientes ha crecido de manera notable y eso se refleja en las compañías que operan en estas geografías. Adicionalmente, compañías como Izertis que están aumentando sus servicios en compañías medianas y grandes tienen un gran potencial de crecimiento, ya que pueden “robar” servicios a competidores más grandes con una eficiencia menor.

Por todo ello, las perspectivas de Izertis continúan siendo robustas y no se aprecia (al contrario incluso) ningún tipo de desaceleración en la demanda de servicios. A todo ello se suma la apertura de nuevas geografías que permitirán a la compañía capturar nuevos clientes y servicios.

Izertis: Summary tables

PROFIT & LOSS (EURm)	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Sales	65.0	88.4	117	156	189	222
Cost of Sales & Operating Costs	-57.8	-76.4	-98.6	-132.5	-160.4	-188.1
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	7.3	12.1	18.6	23.7	29.0	34.4
EBITDA (adj.)*	7.3	12.1	18.6	23.7	29.0	34.4
Depreciation	-5.6	-6.0	-8.3	-10.9	-11.9	-13.6
Depreciation of Right-of-Use					0	0
EBITA	1.7	6.1	10.4	12.8	17.1	20.8
EBITA (adj.)*	1.7	6.1	10.4	12.8	17.1	20.8
Amortisations and Write Downs	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.7	6.1	10.4	12.8	17.1	20.8
EBIT (adj.)*	1.7	6.1	10.4	12.8	17.1	20.8
Net Financial Interest	-0.9	-1.9	-4.2	-4.8	-5.1	-5.0
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	-0.4	-0.0	0.0	0.0	0.0
Other Non Recurrent Items	-0.1	0.2	-0.6	-0.3	-0.3	-0.3
Earnings Before Tax (EBT)	0.7	4.0	5.6	7.6	11.7	15.4
Tax	-0.3	-0.3	-0.6	-1.9	-2.9	-3.9
<i>Tax rate</i>	<i>45.8%</i>	<i>7.4%</i>	<i>11.1%</i>	<i>25.0%</i>	<i>25.0%</i>	<i>25.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	0.4	3.7	5.0	5.7	8.8	11.6
Net Profit (adj.)	0.4	3.7	5.0	5.7	8.8	11.6
CASH FLOW (EURm)	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Cash Flow from Operations before change in NWC	6.0	10.1	13.3	16.7	20.7	25.2
Change in Net Working Capital	-3.1	-8.8	-8.3	-0.2	-0.2	-0.2
Cash Flow from Operations	2.9	1.3	5.0	16.5	20.5	24.9
Capex	-1.9	-2.1	-3.0	-3.2	-3.5	-3.7
Net Financial Investments	-1.8	-33.6	-11.5	-11.3	-13.3	-14.8
Free Cash Flow	-0.8	-34.4	-9.6	1.9	3.6	6.3
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Other (incl. Capital Increase & share buy backs)	-6.2	17.1	-9.5	2.0	-2.9	-5.6
Change in Net Financial Debt	-7.0	-17.2	-19.1	3.9	0.7	0.7
NOPLAT	1.7	6.1	10.4	12.8	17.1	20.8
BALANCE SHEET & OTHER ITEMS (EURm)	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Net Tangible Assets	3.9	4.0	6.2	6.3	6.3	6.4
Net Intangible Assets (incl. Goodwill)	41.8	75.5	117	126	131	135
Right-of-Use Assets (Lease Assets)	0.0	0.0	0.0	0.0	0.0	0.0
Net Financial Assets & Other	3.1	3.5	2.8	2.8	2.8	2.8
Total Fixed Assets	48.8	83.1	126	135	140	145
Inventories	0.8	0.8	1.2	1.2	1.3	1.3
Trade receivables	14.4	23.7	32.1	33.1	34.1	35.1
Other current assets	1.3	1.4	3.3	3.4	3.4	3.5
Cash (-)	-37.7	-35.6	-29.4	-30.0	-33.0	-36.3
Total Current Assets	54.2	61.5	66.0	67.7	71.8	76.2
Total Assets	103.0	144.6	192.3	202.3	211.8	220.8
Shareholders Equity	33.5	48.5	72.7	82.3	90.4	98.9
Minority	0.3	0.2	0.2	0.2	0.2	0.2
Total Equity	33.8	48.7	72.9	82.5	90.6	99.1
Long term interest bearing debt	37.0	47.0	52.5	53.1	54.9	56.9
Provisions	0.0	0.0	0.0	0.0	0.0	0.0
Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	3.0	6.5	10.3	9.8	9.3	8.8
Total Long Term Liabilities	40.0	53.5	62.8	62.8	64.2	65.7
Short term interest bearing debt	17.5	22.6	29.9	26.0	26.5	27.1
Trade payables	5.1	5.6	6.1	6.9	7.7	8.5
Other current liabilities	6.8	14.3	20.6	24.1	22.8	20.4
Total Current Liabilities	29.3	42.5	56.6	57.0	57.0	56.0
Total Liabilities and Shareholders' Equity	103.0	144.6	192.3	202.3	211.8	220.8
Net Capital Employed	53.5	89.1	136.2	141.4	148.3	155.6
Net Working Capital	10.1	18.9	27.2	27.4	27.7	27.9
GROWTH & MARGINS	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
<i>Sales growth</i>	<i>28.2%</i>	<i>36.0%</i>	<i>32.6%</i>	<i>33.3%</i>	<i>21.2%</i>	<i>17.4%</i>
EBITDA (adj.)* growth	38.0%	65.9%	54.4%	27.5%	22.3%	18.4%
<i>EBITA (adj.)* growth</i>	<i>20.3%</i>	<i>264.0%</i>	<i>69.9%</i>	<i>23.7%</i>	<i>33.6%</i>	<i>21.6%</i>
<i>EBIT (adj.)* growth</i>	<i>20.3%</i>	<i>264.0%</i>	<i>69.9%</i>	<i>23.7%</i>	<i>33.6%</i>	<i>21.6%</i>

Izertis: Summary tables

GROWTH & MARGINS	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Net Profit growth	-71.6%	852.4%	34.5%	14.5%	53.5%	31.7%
EPS adj. growth	-73.8%	792.9%	27.2%	8.4%	53.5%	31.7%
DPS adj. growth						
EBITDA (adj)* margin	11.2%	13.6%	15.9%	15.2%	15.3%	15.5%
EBITA (adj)* margin	2.6%	6.9%	8.8%	8.2%	9.0%	9.4%
EBIT (adj)* margin	2.6%	6.9%	8.8%	8.2%	9.0%	9.4%
RATIOS	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Net Debt/Equity	0.5	0.7	0.7	0.6	0.5	0.5
Net Debt/EBITDA	2.3	2.8	2.8	2.1	1.7	1.4
Interest cover (EBITDA/Fin.interest)	8.5	6.4	4.5	4.9	5.7	6.8
Capex/D&A	34.5%	34.9%	36.6%	29.5%	29.5%	27.4%
Capex/Sales	3.0%	2.4%	2.6%	2.1%	1.9%	1.7%
NWC/Sales	15.6%	21.4%	23.2%	17.5%	14.6%	12.5%
ROE (average)	1.4%	9.1%	8.3%	7.4%	10.2%	12.2%
ROCE (adj.)	3.0%	6.2%	6.9%	8.0%	10.4%	12.3%
WACC	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
ROCE (adj.)/WACC	0.3	0.7	0.8	0.9	1.2	1.4
PER SHARE DATA (EUR)***	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Average diluted number of shares	23.4	25.0	26.4	27.9	27.9	27.9
EPS (reported)	0.02	0.15	0.19	0.21	0.32	0.42
EPS (adj.)	0.02	0.15	0.19	0.21	0.32	0.42
BVPS	1.43	1.94	2.75	2.95	3.24	3.55
DPS	0.00	0.00	0.00	0.00	0.00	0.00
VALUATION	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
EV/Sales	3.1	2.7	2.5	2.1	1.7	1.4
EV/EBITDA	27.6	19.6	15.7	13.6	11.1	9.3
EV/EBITDA (adj.)*	27.6	19.6	15.7	13.6	11.1	9.3
EV/EBITA	119.7	38.8	28.3	25.2	18.8	15.4
EV/EBITA (adj.)*	119.7	38.8	28.3	25.2	18.8	15.4
EV/EBIT	n.m.	38.8	28.3	25.2	18.8	15.4
EV/EBIT (adj.)*	n.m.	38.8	28.3	25.2	18.8	15.4
P/E (adj.)	n.m.	55.3	48.4	48.1	31.4	23.8
P/BV	5.6	4.2	3.3	3.4	3.1	2.8
Total Yield Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/CE	3.6	2.4	1.9	2.0	2.0	1.9
OpFCF yield	0.5%	-0.4%	0.8%	4.8%	6.1%	7.7%
OpFCF/EV	0.5%	-0.3%	0.7%	4.1%	5.3%	6.6%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield (gross)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV AND MKT CAP (EURm)	12/2021	12/2022	12/2023	12/2024e	12/2025e	12/2026e
Price** (EUR)	7.98	8.24	9.18	9.90	9.90	9.90
Outstanding number of shares for main stock	23.4	25.0	26.4	27.9	27.9	27.9
Total Market Cap	186.8	205.8	242.4	276.0	276.0	276.0
Gross Financial Debt (+)	54.5	69.6	82.5	79.1	81.4	84.0
Cash & Marketable Securities (-)	-37.7	-35.6	-29.4	-30.0	-33.0	-36.3
Net Financial Debt	16.7	34.0	53.1	49.1	48.4	47.7
Lease Liabilities (+)	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt	16.7	34.0	53.1	49.1	48.4	47.7
Other EV components	-3.1	-3.5	-2.8	-2.8	-2.8	-2.8
Enterprise Value (EV adj.)	200.4	236.2	292.7	322.4	321.7	321.0

Source: Company, GVC Gaesco Valores estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) +/- Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT +/- Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

***EPS (adj.) diluted = Net Profit (adj.) / Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported / Avg DIL. Ord. (+ Ord. equivalent) Shs.

Sector: Technology/Computer Services

Company Description: Izertis is a technological consulting company that helps customers through its digital transformation with a broad portfolio of services. The company has founded in 1996 by its Presidente and CEO and its growth has been constant since then. Now the company is in a growth momentum both organically and inorganically to consolidate the market.

Information regarding Market Abuse and Conflicts of Interests and recommendation history available in our web page: www.gvcgaesco.es. GVC Gaesco Valores S.V., S.A., is a company regulated by the CNMV and is registered under number 182 in the Official Register of Securities Companies and Agencies of the CNMV.

All the information contained in this report has been compiled and prepared in good faith by GVC Gaesco Valores S.V., S.A. from sources we believe to be reliable (including public accounts and audits). The opinions expressed in this report are those of our research department at the time of publication and may be changed at any time without notice and without communication. There is no scheduled frequency for updating the recommendations. The recommendation contained in this document has not been communicated in advance to the issuer. This document does not constitute an invitation to buy or sell securities. GVC Gaesco Valores S.V., S.A. accepts no responsibility for the use of this report. GVC Gaesco Valores S.V., S.A. has no proprietary investment positions in the securities mentioned in this report. There may be a business relationship between GVC Gaesco Valores S.V., S.A., and the issuer on which this report is issued, and if so, this is detailed in the following section. This and other documents are only one source of information, among others, which is not intended in itself to constitute an investment decision tool. In no way can this or any other analysis documents produced by us be used for investment decisions. Each investor is responsible for his or her own decisions and this document or others are only a source of supplementary information. This document has been distributed only to professional, qualified and selected investors or potential investors and has not been distributed in a generic form. Any use of this document implies an understanding and explicit acceptance of these warnings.

As of the date of this report, GVC Gaesco Valores S.V., S.A.,

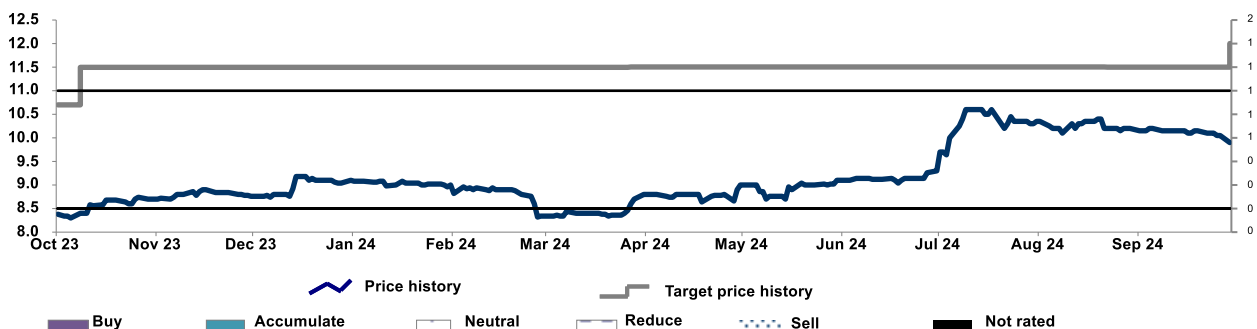
- acts as registered advisor, agent or liquidity provider for the following companies: Catenon SA; Clever Global SA; Facephi Biometría SA., Griño Ecologic SA, NBI Bearings Europe S.A.; Trajano Iberia (Socimi), SA; IFFE Futura, S.A.; Secuoya Grupo de Comunicación SA; Mercal Inmuebles (Socimi); TIER1 Technology; Excem Capital Partners Sociedad de Inversión Residencial (Socimi YEXR); Agile Content; Holaluz Clidom SA; S.A. Pangea Oncology, S.A.; Investment Media Optimization S.A., Inmobiliaria del Sur S.A., Club de Futbol Intercity, S.A.D (CITY); Profithol S.A. (SPH); Vytrus Biotech.; Labiana Health, S.A.; Axon Partners Group, S.A., Biotechnology Assets S.A., Grupo Greening 2022, S.A.; Ktesios Real Estate Socimi, S.A., Gigas Hosting, S.A., Parlem Telecom, S.A., Vanadi Coffee
- has participated and/or participates as lead or co-lead manager in corporate operations with the following companies Plásticos Compuestos SA; Holaluz Clidom SA; ASPY Global Services, S.A; The Nimo's Holding; Parlem Telecom Compañia de Telecomunicaciones SA; Inversa Prime Socimi SA; Profithol S.A. (SPH); Hannum S.A., OPDEnergy Holding S.A; Labiana Health S.A., Axon Partners Group S.A., Deoleo S.A., Audasa, S.A., Agile Content, S.A, GIGAS Hosting, S.A., TIER 1 Technology, S.A., Atrys Health, S.A, Pangea Oncology, S.A, Obras y Servicios COPASA, Inmobiliaria del Sur, S.A.G
- has a liquidity contract as outlined by the CNMV's Circular 1/2017 with: Melia Hotels International; Española de Viviendas en Alquiler S.A. (CEVASA); ENCE Energia y Celulosa; Cementos Molins; Desarrollo Especiales de Sistemas de Anclaje, S.A. (DESA).
- has signed a Corporate Brokerage agreement that includes a contractually agreed provision of research services that in return, GVC Gaesco Valores receives a compensation. These reports (sponsored) may/could have been previously shown to the companies: Atrys Health; Audax Renovables; Gigas Hosting; Vytrus Biotech; Nicolás Correa; Prim; Ktesios, Cementos Molins.

Recommendation history for IZERTIS

Date	Recommendation	Target price	Price at change date
14-Oct-24	Buy	12.00	9.90
05-Sep-24	Buy	11.50	10.20
10-Apr-24	Buy	11.50	8.46
23-Oct-23	Buy	11.50	8.40
12-Apr-23	Buy	10.70	8.00
13-Dec-22	Buy	10.70	7.92
07-Apr-22	Buy	9.70	8.24
29-Nov-21	Buy	9.70	7.20

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows GVC Gaesco Valores continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Juan Peña (since 24/11/2021)



ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated based on **total return**, measured by the upside/downside potential (including dividends and capital reimbursement) over a **12-month time horizon**. The final responsible of the recommendation of a listed company is the analyst who covers that company. The recommendation and the target price set by an analyst on one stock are correlated but not totally, because an analyst may include in its recommendation also qualitative elements as market volatility, earning momentum, short term news flow, possible M&A scenarios and other subjective elements.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B), Accumulate (A), Neutral (N), Reduce (R) and Sell (S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months
- **Rating Suspended:** the rating is suspended due to: a) a capital operation (take-over bid, SPO, etc.) where a Member of ESN is or could be involved with the issuer or a related party of the issuer; b) a change of analyst covering the stock; c) the rating of a stock is under review by the Analyst.
- **Not Rated:** there is no rating for a stock when there is a termination of coverage of the stocks or a company being floated (IPO) by a Member of ESN or a related party of the Member.

Note: a certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

GVC Gaesco Valores, S.V., S.A. Ratings Breakdown

Recommendation	Nr. of stocks covered	%
Buy	60	77%
Accumulate	7	9%
Neutral	9	12%
Reduce	1	1%
Sell	1	1%

of which Sponsored Research

Recommendation	Nr. of stocks covered	%
Buy	12	100%
Accumulate	0	0%
Neutral	0	0%
Reduce	0	0%
Sell	0	0%

ESN Ratings Breakdown

Recommendation	Nr. of stocks covered	%
Buy	230	66%
Accumulate	29	8%
Neutral	83	24%
Reduce	1	0%
Sell	4	1%

of which Sponsored Research

Recommendation	Nr. of stocks covered	%
Buy	36	78%
Accumulate	3	7%
Neutral	7	15%
Reduce	0	0%
Sell	0	0%

For full ESN Recommendation and Target price history (in the last 12 months), please see ESN Website [Link](#)

Date and time of production: **15th of October 2024 08:30CET**

First date and time of dissemination: **15th of October 2024 08:35CET**

Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ('ESN'), ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. The views expressed in this research report accurately reflect the research analyst's personal views about the subject securities and issuers. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ('related investments'). These reports are prepared for the professional clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk. ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. Unless otherwise specified in the research report, no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. For further details about the analyst certification, the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the specific disclaimer pages prepared by the ESN Members. In the case of a short note please refer to the latest relevant published research on single stock or contact the analyst named on the front of the report/note for detailed information on the valuation methods, earning estimates and risks. A full description of all the organisational and administrative measures taken by the Members of ESN to manage interest and conflicts of interest are available on the website of the Members or in the local disclaimer of the Members or contacting directly the Members. Research is available through the ESN Members sales representative. ESN and/or ESN Members will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report, you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document. For disclosure upon "conflicts of interest" on the companies under coverage by all the ESN Members, on the "interests" and "conflicts" of the analysts and on each "company recommendation history", please visit the ESN website

www.esnpartnership.eu

or refer to the local disclaimer of the Members, or contact directly the Members:

www.bancaakros.it regulated by the CONSOB - Commissione Nazionale per le Società e la Borsa

www.caixabi.pt regulated by the CMVM - Comissão do Mercado de Valores Mobiliários

www.cic-marketsolutions.eu regulated by the AMF - Autorité des marchés financiers

www.gvcgaesco.es regulated by CNMV - Comisión Nacional del Mercado de Valores

Members of ESN (European Securities Network LLP)

