

EQUITY - SPAIN

Sector: Transportation - Road & Rail

Closing price: EUR 9.20 (17 Oct 2024)

Report date: 18 Oct 2024 (16:15h)

6m Results 2024

Independent Equity Research

6m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

Luis Esteban Arribas, CESGA – luis.esteban@institutodeanalistas.com

+34 915 631 972

1H24 Results in Line; Poised for Record 2025. P/E 25e 3.4x

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). With a fleet of c. 18,200 vehicles at the 2023 close, ALQ has an important position in the sector (with 24 offices in Spain and a market share of c. 13%). 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) | 49.7 | 53.8 |
| EV (Mn EUR and USD) ⁽²⁾ | 269.7 | 292.0 |
| Shares Outstanding (Mn) | 5.4 | |
| -12m (Max/Med/Min EUR) | 10.22 / 9.10 / 8.22 | |
| Daily Avg volume (-12m Mn EUR) | n.m. | |
| Rotation ⁽³⁾ | 4.5 | |
| Factset / Bloomberg | ALQ-ES / ALQ SM | |
| Close fiscal year | 31-Dec | |

Shareholders Structure (%)

| | |
|----------------------------|------|
| Miguel Ángel Acebes Acebes | 39.7 |
| Marianela Acebes Moreno | 17.5 |
| Miguel Acebes Moreno | 17.4 |
| Free Float | 25.4 |

Financials (Mn EUR)

| | 2023 | 2024e | 2025e | 2026e |
|-------------------------------------|-------|-------|-------|-------|
| Adj. nº shares (Mn) | 5.4 | 5.4 | 5.4 | 5.4 |
| Total Revenues | 126.1 | 145.7 | 176.6 | 197.3 |
| Rec. EBITDA | 72.8 | 85.2 | 103.5 | 117.1 |
| % growth | 28.0 | 17.1 | 21.5 | 13.1 |
| % Rec. EBITDA/Rev. | 57.7 | 58.5 | 58.6 | 59.3 |
| % Inc. EBITDA sector ⁽⁴⁾ | 9.4 | 12.1 | 10.0 | 9.1 |
| Net Profit | 7.8 | 8.1 | 14.5 | 18.6 |
| EPS (EUR) | 1.44 | 1.50 | 2.68 | 3.45 |
| % growth | -7.2 | 4.3 | 78.5 | 28.5 |
| Ord. EPS (EUR) | 1.60 | 1.50 | 2.68 | 3.45 |
| % growth | -0.7 | -6.2 | 78.5 | 28.5 |
| Rec. Free Cash Flow ⁽⁵⁾ | -25.6 | -17.9 | 3.1 | 13.1 |
| Pay-out (%) | 20.1 | 20.0 | 20.0 | 20.0 |
| DPS (EUR) | 0.29 | 0.30 | 0.54 | 0.69 |
| Net financial debt | 191.3 | 210.7 | 209.2 | 199.0 |
| ND/Rec. EBITDA (x) | 2.6 | 2.5 | 2.0 | 1.7 |
| ROE (%) | 19.5 | 17.8 | 26.2 | 26.8 |
| ROCE (%) ⁽⁵⁾ | 6.5 | 6.5 | 7.9 | 8.7 |

Ratios & Multiples (x)⁽⁶⁾

| | 2023 | 2024e | 2025e | 2026e |
|------------------------------|------|-------|-------|-------|
| P/E | 6.4 | 6.1 | 3.4 | 2.7 |
| Ord. P/E | 5.7 | 6.1 | 3.4 | 2.7 |
| P/BV | 1.2 | 1.0 | 0.8 | 0.6 |
| Dividend Yield (%) | 3.2 | 3.3 | 5.8 | 7.5 |
| EV/Sales | 2.14 | 1.85 | 1.53 | 1.37 |
| EV/Rec. EBITDA | 3.7 | 3.2 | 2.6 | 2.3 |
| EV/EBIT | 14.0 | 12.2 | 9.2 | 8.1 |
| FCF Yield (%) ⁽⁵⁾ | n.a. | n.a. | 6.3 | 26.3 |

(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 Industrial Goods & Services.

(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.

1H24 REVENUE UP 17.1% (VS 1S23) DRIVEN BY USED VEHICLE SALES... ALQ reported revenues of EUR 69.6Mn in 1H24 (vs EUR 59.5Mn in 1H23). Used vehicle sales surged 50.5%, offsetting a slowdown in the rental line to +11.9%. The fleet grew to 18,674 vehicles (+5.7% vs 1H23) and continued its national expansion with the opening of its 24th branch in Elche, Alicante.

...AND LIFTED RECURRING EBITDA 16% (VS 1H23). The higher (temporary) weight of used vehicle sales in the revenue mix (17.1% vs 13.3% in 1H23) pressured the 1H24 gross margin (-2.3pp vs 1H23). Nonetheless, ALQ demonstrated its operating leverage by reducing OPEX (-2pp) in 1H24, maintaining a Recurring EBITDA Margin of 56.1% (in line with 1H23). This led to a Recurring EBITDA of EUR 39.1Mn (+16%; vs EUR 33.7Mn in 1H23).

NET PROFIT CONTINUED TO BE PRESSURED. Primarily due to a 45.9% increase in financial expenses in the context of 1H24, which prevented the translation of operational growth, leaving net profit at EUR 3.1Mn (vs EUR 4.3Mn in 1H23).

DESPITE THE HIGH LEVEL OF DEBT, LEVERAGE REMAINS REASONABLE (ND/EBITDA < 2.5X). The sale of used vehicles provided a cash inflow that kept Net Debt 1H24 stable at EUR 198.7Mn; +6.1% vs 2023). Growth in Recurring EBITDA will maintain a reasonable debt level by the end of 2024e (ND/EBITDA 24e 2.5x).

STRONG OPERATIONAL RESULTS BODE WELL FOR AN EVEN BETTER 2025E. We maintain revenue and EBITDA estimates but reduce our net profit estimate (only) for 2024e; due to the evolution of financial expenses (2024e net profit: EUR 8.1Mn; -10.8% vs previous estimate). We remain positive on ALQ for three reasons: i) double-digit growth in revenue and EBITDA, ii) 1H24 gross margin marked by used vehicle sales (non-linear) which we expect to normalize during 2H24 (and add c.+2pp to the 1H24 EBITDA Margin) and iii) an environment of declining interest rates in the EU (3.25% in October 2024 vs 4.5% in December 2023). That is, although 2024e results will continue to be marked by financial expenses, ALQ has all the levers to make a real leap in net profit as early as 2025e (2025e net profit: EUR 14.5Mn). Something that does not seem to be priced into the share price today (-8.2% YTD; -20.8% vs sector) and leaves ALQ trading at a 2024e EV/EBITDA multiple of 3.2x (3.4x of Zigup previously Northgate). But if we look at 2025e, a P/E of 3.4x for a (low-risk) company with double-digit growth is compelling.

Relative performance (Base 100)



| Stock performance (%) | -1m | -3m | -12m | YTD | -3Y | -5Y |
|------------------------------------|------|------|-------|-------|-------|------|
| Absolute | 1.1 | 7.0 | -2.5 | -8.2 | 101.1 | 65.2 |
| vs Ibex 35 | -0.6 | -0.2 | -23.9 | -22.1 | 52.0 | 29.6 |
| vs Ibex Small Cap Index | -0.4 | 9.8 | -10.4 | -13.3 | 97.2 | 28.8 |
| vs Eurostoxx 50 | -0.7 | 5.8 | -18.2 | -16.1 | 70.0 | 19.8 |
| vs Sector benchmark ⁽⁴⁾ | -3.4 | 2.1 | -26.3 | -20.8 | 69.9 | 0.5 |

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

Alquiber (ALQ) is a BME Growth company

Report issued by IEAF Servicios de Análisis, S.L.U. Lighthouse is a project of IEAF Servicios de Análisis, S.L.U.

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.

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. 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).

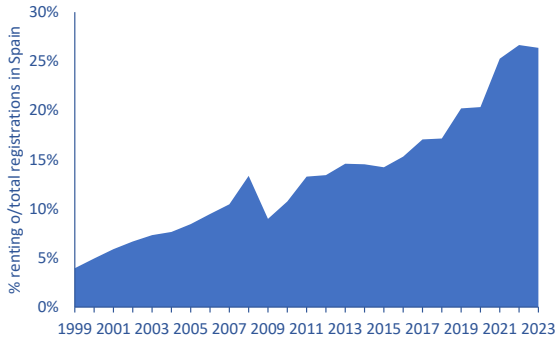
6m Results 2024
Table 1. 1H24 Results

| EUR Mn | 6m24 | | 6m24 Real vs | | 2024e vs |
|--|--------------|--------------|------------------|--------------|-----------------|
| | Real | 6m23 | 6m23 | 2024e | 2023 |
| Total Revenues | 69.6 | 59.5 | 17.1% | 145.7 | 15.6% |
| Renting | 57.7 | 51.6 | 11.9% | 128.1 | 19.1% |
| Used car revenue | 11.9 | 7.9 | 50.5% | 17.6 | -4.9% |
| Recurrent EBITDA | 39.1 | 33.7 | 16.0% | 85.2 | 17.1% |
| <i>Rec. EBITDA/Revenues</i> | <i>56.1%</i> | <i>56.7%</i> | <i>-0.6 p.p.</i> | <i>58.5%</i> | <i>0.8 p.p.</i> |
| EBITDA | 39.2 | 33.6 | 16.7% | 85.2 | 19.0% |
| <i>EBITDA/Revenues</i> | <i>56.3%</i> | <i>56.6%</i> | <i>-0.3 p.p.</i> | <i>58.5%</i> | <i>1.7 p.p.</i> |
| EBIT | 9.7 | 9.4 | 2.7% | 22.2 | 14.9% |
| PBT | 4.2 | 5.6 | -24.4% | 10.8 | 3.8% |
| NP | 3.1 | 4.3 | -28.7% | 8.1 | 4.3% |
| Ordinary NP | 3.0 | 4.3 | -30.6% | 8.1 | -6.2% |
| Recurrent Operating Cash Flow ¹ | 40.1 | 32.8 | 22.4% | 83.2 | 19.0% |
| Capex | -46.8 | -57.1 | 18.1% | -104.6 | -1.7% |
| Net Debt | 198.7 | 187.4 | 6.1% | 210.7 | 10.2% |
| Number of sales offices | 24 | 23 | 4.3% | | |
| Fleet (number of vehicles) | 18,674 | 17,662 | 5.7% | | |
| Average occupancy | 89.2% | 90.2% | -1.0 p.p. | | |

Note 1: Recurrent operating cash flow calculated as Recurrent EBITDA – Change in working capital. This metric allows us to measure ALQ's capacity for cash generation apart from the capex needed for continual growth in the fleet (a factor that, given the company's growth strategy, has affected recurrent FCF in recent years). A normalisation of Capex in relation to the company's turnover (Capex/average sales -3y: c. 90%) will "mathematically" imply evident potential for growth in Recurrent FCF.

The company in 8 charts

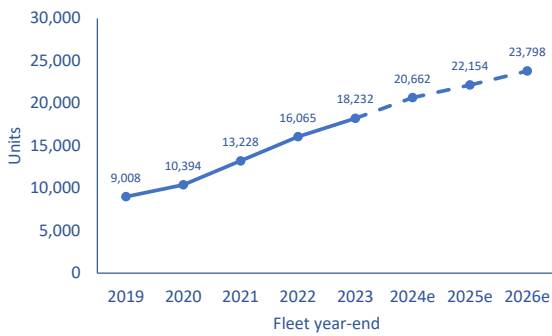
Vehicle renting: A growing sector in Spain...



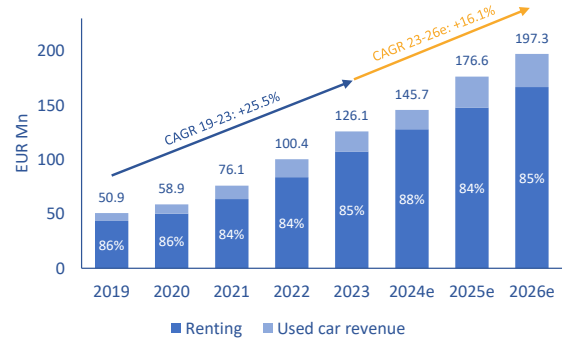
...in which ALQ has a significant presence (24 sales offices)



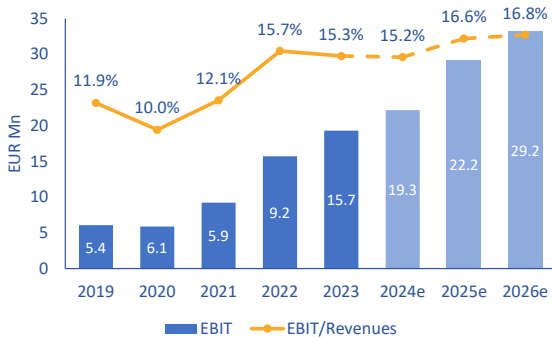
With a continuously growing fleet of vehicles (CAGR 23-26e: +9.3%)...



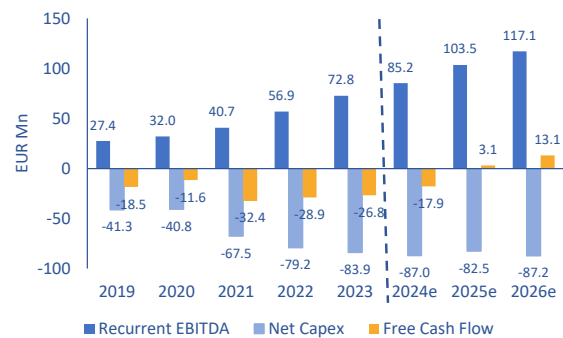
... that will allow revenue growth to continue (CAGR 23-26e: +16.1%)



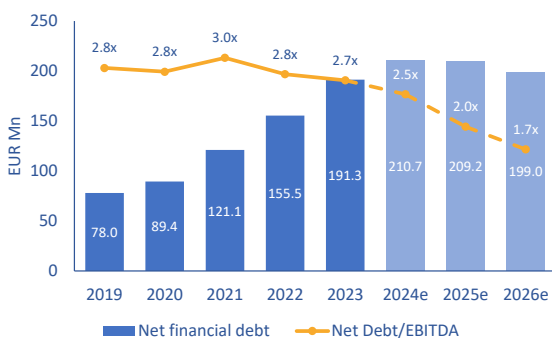
Maintaining an EBIT margin of c. 17%



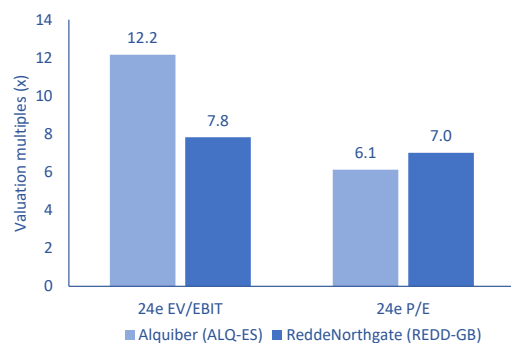
FCF: A business that is still demanding in terms of CAPEX



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



Trading at 24e P/E of 6.1x (vs 7.0x for its main peer)



Valuation inputs

Inputs for the DCF Valuation Approach

| | 2024e | 2025e | 2026e | Terminal Value ⁽¹⁾ | | |
|--------------------------------|-------|--|-------|-------------------------------|-----------|------------|
| Free Cash Flow "To the Firm" | (9.4) | 10.6 | 19.3 | 652.3 | | |
| Market Cap | 49.7 | At the date of this report | | | | |
| Net financial debt | 210.2 | Debt net of Cash (6m Results 2024) | | | | |
| | | | | | Best Case | Worst Case |
| Cost of Debt | 5.3% | Net debt cost | | | 4.8% | 5.8% |
| Tax rate (T) | 20.0% | T (Normalised tax rate) | | | = | = |
| Net debt cost | 4.2% | $Kd = \text{Cost of Net Debt} * (1-T)$ | | | 3.8% | 4.6% |
| Risk free rate (rf) | 2.9% | 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 | 10.1% | $Ke = Rf + (R * B)$ | | | 9.0% | 11.4% |
| Equity / (Equity + Net Debt) | 19.1% | E (Market Cap as equity value) | | | = | = |
| Net Debt / (Equity + Net Debt) | 80.9% | D | | | = | = |
| WACC | 5.4% | $WACC = Kd * D + Ke * E$ | | | 4.8% | 5.9% |
| 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.

Inputs for the Multiples Valuation Approach

| Company | Ticker Factset | 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 |
|-------------|----------------|----------|---------|-------------|---------------|----------------|--------------|------------------|------------------|---------------|-------------|
| Avis Budget | CAR-US | 2,643.5 | 11.1 | 59.2% | 32.0 | 33.2% | 2.5 | 2.8% | 7.8% | 53.9% | n.a. |
| Hertz | HTZ-US | 917.1 | n.a. | 43.7% | n.a. | 63.0% | 2.1 | 3.2% | n.a. | n.a. | 41.5% |
| Sixt | SIX2-DE | 3,163.9 | 13.6 | 23.0% | 5.8 | 7.9% | 2.0 | 7.9% | 34.5% | n.a. | n.a. |
| Ayvens | AYV-FR | 5,187.7 | 7.0 | 26.8% | 42.6 | 21.5% | 2.1 | 3.9% | 4.9% | n.a. | 7.9% |
| Zigup | ZIG-GB | 1,008.4 | 7.0 | -0.4% | 3.4 | 5.2% | 0.8 | 6.1% | 24.6% | n.a. | 71.8% |
| Renting | | | 9.7 | 30.5% | 21.0 | 26.2% | 1.9 | 4.8% | 18.0% | 53.9% | 40.4% |
| ALQ | ALQ-ES | 49.7 | 6.1 | 51.5% | 3.2 | 17.2% | 1.9 | 16.4% | 58.5% | n.a. | 65.2% |

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 | 61.5% | 108.7 | 2.5x |
| Central | 58.6% | 103.5 | 2.6x |
| Min | 55.7% | 98.4 | 2.7x |

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 | 56.6% | 62.9% | 69.2% | | Max | 39.0% | 16.6% | n.a. | |
| 108.7 | 19.4 | 8.2 | (2.9) | ➔ | Central | 28.7% | 6.3% | n.a. | |
| 103.5 | 14.2 | 3.1 | (8.0) | | Min | 18.4% | n.a. | n.a. | |
| 98.4 | 9.1 | (2.0) | (13.1) | | | | | | |

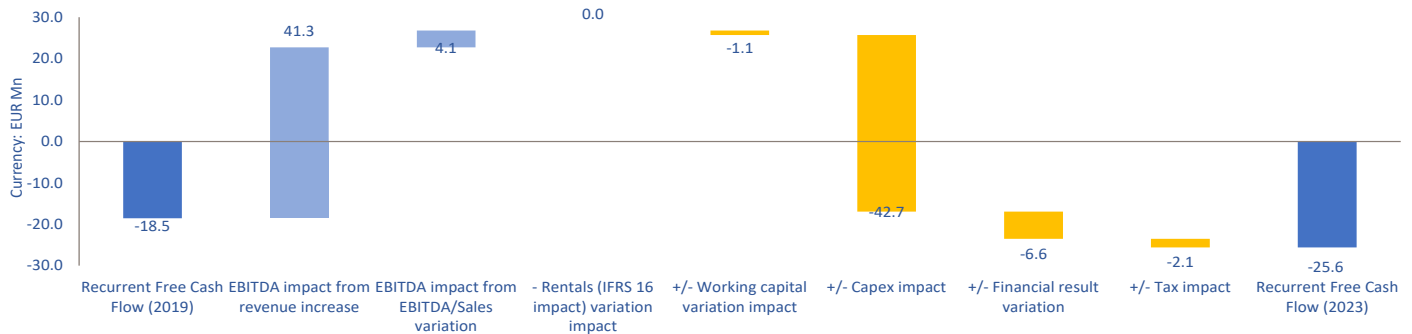
Appendix 1. Financial Projections

| Balance Sheet (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|--|--------------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|--------------|---------------|
| Intangible assets | 0.1 | 0.3 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | | |
| Fixed assets | 93.0 | 107.2 | 142.4 | 187.8 | 227.9 | 251.9 | 260.1 | 263.5 | | |
| Other Non Current Assets | 1.5 | 2.1 | 1.9 | 1.9 | 2.2 | 2.2 | 2.2 | 2.2 | | |
| Financial Investments | 0.3 | 0.5 | 0.7 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | | |
| Goodwill & Other Intangibles | - | - | - | - | - | - | - | - | | |
| Current assets | 14.5 | 14.0 | 17.6 | 17.6 | 23.9 | 27.3 | 32.5 | 36.1 | | |
| Total assets | 109.4 | 124.1 | 163.0 | 208.4 | 255.0 | 282.3 | 295.7 | 302.7 | | |
| Equity | 23.0 | 25.3 | 29.3 | 37.5 | 42.3 | 48.9 | 61.7 | 77.4 | | |
| Minority Interests | - | - | - | - | - | - | - | - | | |
| Provisions & Other L/T Liabilities | 4.9 | 6.3 | 7.4 | 9.1 | 11.7 | 11.7 | 11.7 | 11.7 | | |
| Other Non Current Liabilities | - | - | - | - | - | - | - | - | | |
| Net financial debt | 78.0 | 89.4 | 121.1 | 155.5 | 191.3 | 210.7 | 209.2 | 199.0 | | |
| Current Liabilities | 3.5 | 3.1 | 5.3 | 6.4 | 9.8 | 11.1 | 13.1 | 14.5 | | |
| Equity & Total Liabilities | 109.4 | 124.1 | 163.0 | 208.4 | 255.0 | 282.3 | 295.7 | 302.7 | | |
| P&L (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | 19-23 | 23-26e |
| Total Revenues | 50.9 | 58.9 | 76.1 | 100.4 | 126.1 | 145.7 | 176.6 | 197.3 | 25.5% | 16.1% |
| <i>Total Revenues growth</i> | 22.9% | 15.8% | 29.1% | 31.9% | 25.7% | 15.6% | 21.2% | 11.7% | | |
| COGS | (4.8) | (5.2) | (6.6) | (8.7) | (9.6) | (10.2) | (15.7) | (16.2) | | |
| Gross Margin | 46.0 | 53.7 | 69.5 | 91.7 | 116.6 | 135.5 | 160.8 | 181.1 | 26.1% | 15.8% |
| <i>Gross Margin/Revenues</i> | 90.5% | 91.1% | 91.4% | 91.4% | 92.4% | 93.0% | 91.1% | 91.8% | | |
| Personnel Expenses | (4.1) | (4.7) | (5.5) | (6.8) | (8.3) | (9.5) | (10.8) | (12.0) | | |
| Other Operating Expenses | (14.5) | (17.0) | (23.3) | (28.0) | (35.5) | (40.8) | (46.5) | (52.0) | | |
| Recurrent EBITDA | 27.4 | 32.0 | 40.7 | 56.9 | 72.8 | 85.2 | 103.5 | 117.1 | 27.6% | 17.2% |
| <i>Recurrent EBITDA growth</i> | 23.8% | 16.7% | 27.2% | 39.7% | 28.0% | 17.1% | 21.5% | 13.1% | | |
| <i>Rec. EBITDA/Revenues</i> | 53.9% | 54.3% | 53.5% | 56.7% | 57.7% | 58.5% | 58.6% | 59.3% | | |
| Restructuring Expense & Other non-rec. | (0.0) | 0.0 | (0.2) | (0.4) | (1.2) | - | - | - | | |
| EBITDA | 27.4 | 32.0 | 40.6 | 56.4 | 71.6 | 85.2 | 103.5 | 117.1 | 27.1% | 17.8% |
| Depreciation & Provisions | (21.4) | (26.1) | (31.3) | (40.7) | (52.3) | (63.1) | (74.3) | (83.8) | | |
| Capitalized Expense | - | - | - | - | - | - | - | - | | |
| Rentals (IFRS 16 impact) | - | - | - | - | - | - | - | - | | |
| EBIT | 6.1 | 5.9 | 9.2 | 15.7 | 19.3 | 22.2 | 29.2 | 33.2 | 33.5% | 19.8% |
| <i>EBIT growth</i> | 12.2% | -3.0% | 56.6% | 70.5% | 22.7% | 14.9% | 31.8% | 13.6% | | |
| <i>EBIT/Revenues</i> | 11.9% | 10.0% | 12.1% | 15.7% | 15.3% | 15.2% | 16.6% | 16.8% | | |
| Impact of Goodwill & Others | - | - | - | - | - | - | - | - | | |
| Net Financial Result | (2.4) | (2.6) | (3.1) | (4.5) | (8.9) | (11.4) | (9.9) | (8.4) | | |
| Income by the Equity Method | - | - | - | - | - | - | - | - | | |
| Ordinary Profit | 3.7 | 3.3 | 6.1 | 11.2 | 10.4 | 10.8 | 19.3 | 24.8 | 29.8% | 33.6% |
| <i>Ordinary Profit Growth</i> | 10.6% | -11.2% | 87.2% | 83.3% | -6.9% | 3.8% | 78.5% | 28.5% | | |
| Extraordinary Results | - | - | - | - | - | - | - | - | | |
| Profit Before Tax | 3.7 | 3.3 | 6.1 | 11.2 | 10.4 | 10.8 | 19.3 | 24.8 | 29.8% | 33.6% |
| Tax Expense | (0.9) | (0.8) | (1.4) | (2.7) | (2.6) | (2.7) | (4.8) | (6.2) | | |
| <i>Effective Tax Rate</i> | 25.1% | 25.0% | 23.5% | 23.9% | 25.3% | 25.0% | 25.0% | 25.0% | | |
| Minority Interests | - | - | - | - | - | - | - | - | | |
| Discontinued Activities | - | - | - | - | - | - | - | - | | |
| Net Profit | 2.7 | 2.4 | 4.7 | 8.5 | 7.8 | 8.1 | 14.5 | 18.6 | 29.7% | 33.7% |
| <i>Net Profit growth</i> | 10.6% | -11.0% | 91.0% | 82.3% | -8.6% | 4.3% | 78.5% | 28.5% | | |
| Ordinary Net Profit | 2.8 | 2.4 | 4.8 | 8.9 | 8.7 | 8.1 | 14.5 | 18.6 | 33.2% | 29.1% |
| <i>Ordinary Net Profit growth</i> | 10.2% | -11.5% | 97.0% | 84.5% | -2.3% | -6.2% | 78.5% | 28.5% | | |
| Cash Flow (EUR Mn) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | 19-23 | 23-26e |
| Recurrent EBITDA | | | | | | 85.2 | 103.5 | 117.1 | 27.6% | 17.2% |
| Rentals (IFRS 16 impact) | | | | | | - | - | - | | |
| Working Capital Increase | | | | | | (2.0) | (3.2) | (2.2) | | |
| Recurrent Operating Cash Flow | | | | | | 83.2 | 100.3 | 114.9 | 28.5% | 18.0% |
| CAPEX | | | | | | (104.6) | (111.0) | (117.7) | | |
| Net Financial Result affecting the Cash Flow | | | | | | (11.4) | (9.9) | (8.4) | | |
| Tax Expense | | | | | | (2.7) | (4.8) | (6.2) | | |
| Recurrent Free Cash Flow | | | | | | (17.9) | 3.1 | 13.1 | -8.4% | 35.9% |
| Restructuring Expense & Other non-rec. | | | | | | - | - | - | | |
| - Acquisitions / + Divestures of assets | | | | | | 17.6 | 28.5 | 30.4 | | |
| Extraordinary Inc./Exp. Affecting Cash Flow | | | | | | - | - | - | | |
| Free Cash Flow | | | | | | (17.9) | 3.1 | 13.1 | -9.6% | 35.5% |
| Capital Increase | | | | | | - | - | - | | |
| Dividends | | | | | | (1.6) | (1.6) | (2.9) | | |
| Net Debt Variation | | | | | | 19.4 | (1.5) | (10.2) | | |

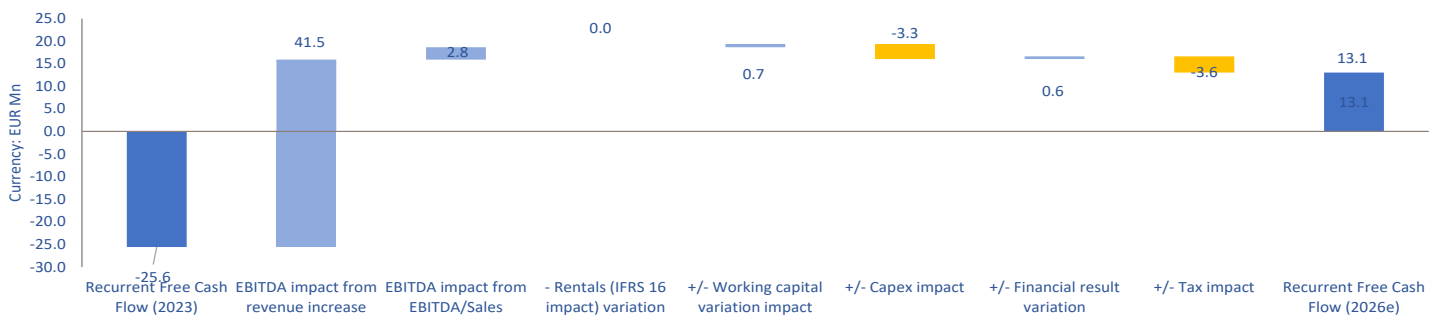
Appendix 2. Free Cash Flow

| A) Cash Flow Analysis (EUR Mn) | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|--------------|
| | | | | | | | | 20-23 | 23-26e |
| Recurrent EBITDA | 32.0 | 40.7 | 56.9 | 72.8 | 85.2 | 103.5 | 117.1 | 31.5% | 17.2% |
| <i>Recurrent EBITDA growth</i> | 16.7% | 27.2% | 39.7% | 28.0% | 17.1% | 21.5% | 13.1% | | |
| <i>Rec. EBITDA/Revenues</i> | 54.3% | 53.5% | 56.7% | 57.7% | 58.5% | 58.6% | 59.3% | | |
| - Rentals (IFRS 16 impact) | - | - | - | - | - | - | - | | |
| +/- Working Capital increase | 0.1 | (1.4) | 1.1 | (2.9) | (2.0) | (3.2) | (2.2) | | |
| = Recurrent Operating Cash Flow | 32.1 | 39.3 | 57.9 | 69.9 | 83.2 | 100.3 | 114.9 | 29.6% | 18.0% |
| <i>Rec. Operating Cash Flow growth</i> | 25.1% | 22.4% | 47.5% | 20.6% | 19.0% | 20.6% | 14.5% | | |
| <i>Rec. Operating Cash Flow / Sales</i> | 54.5% | 51.6% | 57.7% | 55.4% | 57.1% | 56.8% | 58.2% | | |
| - CAPEX | (46.5) | (74.6) | (95.7) | (102.9) | (104.6) | (111.0) | (117.7) | | |
| - Net Financial Result affecting Cash Flow | (2.6) | (3.1) | (4.5) | (9.0) | (11.4) | (9.9) | (8.4) | | |
| - Taxes | (0.4) | (1.0) | (2.7) | (2.6) | (2.7) | (4.8) | (6.2) | | |
| = Recurrent Free Cash Flow | (11.6) | (32.3) | (28.4) | (25.6) | (17.9) | 3.1 | 13.1 | -30.0% | 35.9% |
| <i>Rec. Free Cash Flow growth</i> | 37.1% | -177.1% | 11.9% | 9.9% | 30.2% | 117.5% | 318.2% | | |
| <i>Rec. Free Cash Flow / Revenues</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 1.8% | 6.6% | | |
| - Restructuring expenses & others | 0.0 | (0.2) | (0.4) | (1.2) | - | - | - | | |
| - Acquisitions / + Divestments | 5.7 | 7.2 | 16.5 | 19.0 | 17.6 | 28.5 | 30.4 | | |
| +/- Extraordinary Inc./Exp. affecting Cash Flow | - | - | - | - | - | - | - | | |
| = Free Cash Flow | (11.6) | (32.4) | (28.9) | (26.8) | (17.9) | 3.1 | 13.1 | -32.0% | 35.5% |
| <i>Free Cash Flow growth</i> | 37.2% | -178.8% | 11.0% | 7.3% | 33.2% | 117.5% | 318.2% | | |
| <i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 6.3% | 26.3% | | |
| <i>Free Cash Flow Yield (s/Mkt Cap)</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 6.3% | 26.3% | | |
| B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn) | | | | | | | | | |
| | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | | |
| Recurrent FCF(FY - 1) | (18.5) | (11.6) | (32.3) | (28.4) | (25.6) | (17.9) | 3.1 | | |
| EBITDA impact from revenue increase | 4.3 | 9.3 | 13.0 | 14.6 | 11.3 | 18.0 | 12.2 | | |
| EBITDA impact from EBITDA/Sales variation | 0.2 | (0.6) | 3.2 | 1.3 | 1.1 | 0.3 | 1.4 | | |
| = Recurrent EBITDA variation | 4.6 | 8.7 | 16.2 | 15.9 | 12.4 | 18.3 | 13.5 | | |
| - Rentals (IFRS 16 impact) variation impact | - | - | - | - | - | - | - | | |
| +/- Working capital variation impact | 1.8 | (1.5) | 2.5 | (4.0) | 0.8 | (1.2) | 1.1 | | |
| = Recurrent Operating Cash Flow variation | 6.4 | 7.2 | 18.7 | 12.0 | 13.3 | 17.1 | 14.6 | | |
| +/- CAPEX impact | 0.5 | (26.7) | (11.7) | (4.7) | (3.1) | 4.5 | (4.8) | | |
| +/- Financial result variation | (0.2) | (0.5) | (1.4) | (4.4) | (2.4) | 1.4 | 1.5 | | |
| +/- Tax impact | 0.2 | (0.6) | (1.7) | 0.0 | (0.1) | (2.1) | (1.4) | | |
| = Recurrent Free Cash Flow variation | 6.9 | (20.6) | 3.8 | 2.8 | 7.7 | 21.0 | 9.9 | | |
| Recurrent Free Cash Flow | (11.6) | (32.3) | (28.4) | (25.6) | (17.9) | 3.1 | 13.1 | | |
| C) "FCF to the Firm" (pre debt service) (EUR Mn) | | | | | | | | | |
| | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
| EBIT | 5.9 | 9.2 | 15.7 | 19.3 | 22.2 | 29.2 | 33.2 | 48.5% | 19.8% |
| * <i>Theoretical Tax rate</i> | 25.0% | 23.5% | 23.9% | 25.3% | 25.0% | 25.0% | 25.0% | | |
| = Taxes (pre- Net Financial Result) | (1.5) | (2.2) | (3.8) | (4.9) | (5.5) | (7.3) | (8.3) | | |
| Recurrent EBITDA | 32.0 | 40.7 | 56.9 | 72.8 | 85.2 | 103.5 | 117.1 | 31.5% | 17.2% |
| - Rentals (IFRS 16 impact) | - | - | - | - | - | - | - | | |
| +/- Working Capital increase | 0.1 | (1.4) | 1.1 | (2.9) | (2.0) | (3.2) | (2.2) | | |
| = Recurrent Operating Cash Flow | 32.1 | 39.3 | 57.9 | 69.9 | 83.2 | 100.3 | 114.9 | 29.6% | 18.0% |
| - CAPEX | (46.5) | (74.6) | (95.7) | (102.9) | (104.6) | (111.0) | (117.7) | | |
| - Taxes (pre- Financial Result) | (1.5) | (2.2) | (3.8) | (4.9) | (5.5) | (7.3) | (8.3) | | |
| = Recurrent Free Cash Flow (To the Firm) | (10.1) | (30.4) | (25.0) | (18.9) | (9.4) | 10.6 | 19.3 | -23.0% | 44.6% |
| <i>Rec. Free Cash Flow (To the Firm) growth</i> | 40.7% | -199.2% | 17.7% | 24.4% | 50.4% | 212.7% | 83.3% | | |
| <i>Rec. Free Cash Flow (To the Firm) / Revenues</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 6.0% | 9.8% | | |
| - Acquisitions / + Divestments | 5.7 | 7.2 | 16.5 | 19.0 | 17.6 | 28.5 | 30.4 | | |
| +/- Extraordinary Inc./Exp. affecting Cash Flow | - | - | - | - | - | - | - | | |
| = Free Cash Flow "To the Firm" | (10.1) | (30.4) | (25.0) | (18.9) | (9.4) | 10.6 | 19.3 | -23.0% | 44.6% |
| <i>Free Cash Flow (To the Firm) growth</i> | 40.7% | -199.2% | 17.7% | 24.4% | 50.4% | 212.7% | 83.3% | | |
| <i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 3.9% | 7.2% | | |
| <i>Free Cash Flow "To the Firm" - Yield (o/EV)</i> | n.a. | n.a. | n.a. | n.a. | n.a. | 3.9% | 7.2% | | |

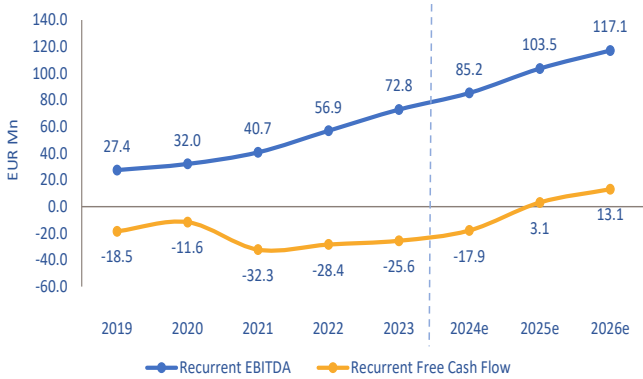
Recurrent Free Cash Flow accumulated variation analysis (2019 - 2023)



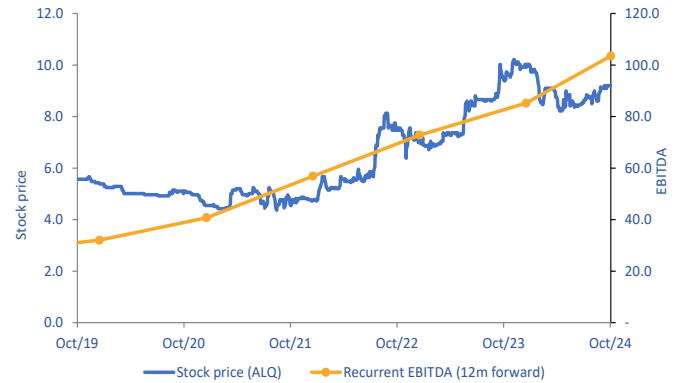
Recurrent Free Cash Flow accumulated variation analysis (2023 - 2026e)



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 | 49.7 | |
| + Minority Interests | - | 6m Results 2024 |
| + Provisions & Other L/T Liabilities | 11.7 | 6m Results 2024 |
| + Net financial debt | 210.2 | 6m Results 2024 |
| - Financial Investments | 1.9 | 6m Results 2024 |
| +/- Others | | |
| Enterprise Value (EV) | 269.7 | |

Appendix 4. Historical performance ⁽¹⁾

| Historical performance (EUR Mn) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e | 2025e | 2026e | CAGR | |
|------------------------------------|------|------|-------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|--------|--------|
| | | | | | | | | | | | | | | | 17-23 | 23-26e |
| Total Revenues | | | 13.6 | 18.8 | 23.6 | 31.8 | 50.9 | 58.9 | 76.1 | 100.4 | 126.1 | 145.7 | 176.6 | 197.3 | 32.2% | 16.1% |
| Total Revenues growth | | | n.a. | 38.3% | 25.3% | 34.9% | 59.8% | 15.8% | 29.1% | 31.9% | 25.7% | 15.6% | 21.2% | 11.7% | | |
| EBITDA | | | 7.5 | 10.4 | 13.2 | 17.1 | 27.4 | 32.0 | 40.6 | 56.4 | 71.6 | 85.2 | 103.5 | 117.1 | 32.5% | 17.8% |
| EBITDA growth | | | n.a. | 39.8% | 26.6% | 29.8% | 60.0% | 16.8% | 26.6% | 39.1% | 26.9% | 19.0% | 21.5% | 13.1% | | |
| EBITDA/Sales | | | 54.9% | 55.4% | 56.0% | 53.9% | 53.9% | 54.4% | 53.3% | 56.2% | 56.8% | 58.5% | 58.6% | 59.3% | | |
| Net Profit | | | 0.8 | 1.5 | 2.3 | 2.4 | 2.7 | 2.4 | 4.7 | 8.5 | 7.8 | 8.1 | 14.5 | 18.6 | 22.4% | 33.7% |
| Net Profit growth | | | n.a. | 91.6% | 49.6% | 3.0% | 15.5% | -11.0% | 91.0% | 82.3% | -8.6% | 4.3% | 78.5% | 28.5% | | |
| Adjusted number shares (Mn) | | | - | 5.6 | 5.6 | 5.6 | 5.6 | 5.5 | 5.5 | 5.4 | 5.4 | 5.4 | 5.4 | 5.4 | | |
| EPS (EUR) | | | n.a. | 0.28 | 0.42 | 0.43 | 0.49 | 0.44 | 0.85 | 1.55 | 1.44 | 1.50 | 2.68 | 3.45 | 23.0% | 33.7% |
| EPS growth | | | n.a. | n.a. | 49.6% | 3.1% | 15.4% | -10.7% | 91.3% | 83.7% | -7.2% | 4.3% | 78.5% | 28.5% | | |
| Ord. EPS (EUR) | | | n.a. | 0.39 | 0.42 | 0.43 | 0.50 | 0.44 | 0.87 | 1.61 | 1.60 | 1.50 | 2.68 | 3.45 | 25.2% | 29.1% |
| Ord. EPS growth | | | n.a. | n.a. | 6.7% | 3.5% | 14.9% | -11.2% | 97.4% | 85.9% | -0.7% | -6.2% | 78.5% | 28.5% | | |
| CAPEX | | | - | (18.4) | (20.5) | (31.6) | (46.4) | (46.5) | (74.6) | (95.7) | (102.9) | (104.6) | (111.0) | (117.7) | | |
| CAPEX/Sales % | | | 0.0% | 97.5% | 86.9% | 99.2% | 91.2% | 78.9% | 98.1% | 95.3% | 81.6% | 71.8% | 62.9% | 59.7% | | |
| Free Cash Flow | | | - | (10.2) | (11.0) | (13.9) | (18.5) | (11.6) | (32.4) | (28.9) | (26.8) | (17.9) | 3.1 | 13.1 | -15.9% | 35.5% |
| ND/EBITDA (x) ⁽²⁾ | | | 2.6x | 2.7x | 2.9x | 3.0x | 2.8x | 2.8x | 3.0x | 2.8x | 2.7x | 2.5x | 2.0x | 1.7x | | |
| P/E (x) | | | n.a. | n.a. | n.a. | 12.3x | 11.0x | 10.3x | 5.6x | 4.6x | 7.0x | 6.1x | 3.4x | 2.7x | | |
| EV/Sales (x) | | | n.a. | n.a. | n.a. | 2.70x | 1.88x | 1.87x | 1.62x | 1.69x | 1.74x | 1.85x | 1.53x | 1.37x | | |
| EV/EBITDA (x) ⁽²⁾ | | | n.a. | n.a. | n.a. | 5.0x | 3.5x | 3.4x | 3.0x | 3.0x | 3.1x | 3.2x | 2.6x | 2.3x | | |
| Absolute performance | | | n.a. | n.a. | n.a. | n.a. | 3.1% | -16.2% | 3.9% | 50.0% | 41.4% | -8.2% | | | | |
| Relative performance vs Ibx 35 | | | n.a. | n.a. | n.a. | n.a. | -7.8% | -0.9% | -3.8% | 58.8% | 15.2% | -22.1% | | | | |

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

| | | Renting | | | | | | |
|-----------------------------|-------------------------|-------------|-----------|-----------|----------|---------|---------|--------|
| EUR Mn | | Avis Budget | Hertz | Sixt | Ayvens | Zigup | Average | ALQ |
| 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 | 2,643.5 | 917.1 | 3,163.9 | 5,187.7 | 1,008.4 | | 49.7 |
| | Enterprise value (EV) | 27,661.1 | 17,986.6 | 7,937.2 | 52,756.4 | 1,886.9 | | 269.7 |
| Basic financial information | Total Revenues | 11,029.6 | 8,653.1 | 3,945.0 | 25,080.5 | 2,232.6 | | 145.7 |
| | Total Revenues growth | -0.5% | 0.0% | 9.0% | 34.5% | 1.5% | 8.9% | 15.6% |
| | 2y CAGR (2024e - 2026e) | 2.8% | 3.2% | 7.9% | 3.9% | 6.1% | 4.8% | 16.4% |
| | EBITDA | 865.1 | (1,140.2) | 1,361.9 | 1,237.1 | 548.8 | | 85.2 |
| | EBITDA growth | -83.9% | -136.9% | 111.7% | -85.1% | 2.7% | -38.3% | 19.0% |
| | 2y CAGR (2024e - 2026e) | 33.2% | 63.0% | 7.9% | 21.5% | 5.2% | 26.2% | 17.2% |
| | EBITDA/Revenues | 7.8% | n.a. | 34.5% | 4.9% | 24.6% | 18.0% | 58.5% |
| | EBIT | 798.8 | (710.5) | 493.7 | 1,086.6 | 241.0 | | 22.2 |
| | EBIT growth | -63.2% | -199.4% | 7.3% | -49.5% | 3.5% | -60.3% | 14.9% |
| | 2y CAGR (2024e - 2026e) | 22.6% | 85.8% | 18.2% | 25.4% | 3.1% | 31.0% | 22.4% |
| | EBIT/Revenues | 7.2% | n.a. | 12.5% | 4.3% | 10.8% | 8.7% | 15.2% |
| | Net Profit | 238.0 | (1,117.6) | 251.7 | 711.3 | 143.1 | | 8.1 |
| | Net Profit growth | -84.2% | -296.4% | -24.9% | -20.4% | -4.7% | -86.1% | 4.3% |
| | 2y CAGR (2024e - 2026e) | 27.7% | 45.3% | 23.0% | 31.0% | 0.4% | 25.5% | 51.5% |
| CAPEX/Sales % | 2.7% | 1.7% | 1.8% | 0.9% | 17.2% | 4.9% | 71.8% | |
| Free Cash Flow | 1,425.5 | (509.8) | (23.1) | (2,653.0) | (51.2) | | (17.9) | |
| Net financial debt | 4,108.2 | 9,565.6 | 3,544.1 | 46,864.7 | 1,024.6 | | 210.7 | |
| ND/EBITDA (x) | 4.7 | n.a. | 2.6 | 37.9 | 1.9 | 11.8 | 2.5 | |
| Pay-out | 0.0% | 0.0% | 63.0% | 42.3% | 48.4% | 30.7% | 20.0% | |
| Multiples and Ratios | P/E (x) | 11.1 | n.a. | 13.6 | 7.0 | 7.0 | 9.7 | 6.1 |
| | P/BV (x) | n.a. | 0.6 | 1.7 | 0.5 | 0.8 | 0.9 | 1.0 |
| | EV/Revenues (x) | 2.5 | 2.1 | 2.0 | 2.1 | 0.8 | 1.9 | 1.9 |
| | EV/EBITDA (x) | 32.0 | n.a. | 5.8 | 42.6 | 3.4 | 21.0 | 3.2 |
| | EV/EBIT (x) | 34.6 | n.a. | 16.1 | 48.6 | 7.8 | 26.8 | 12.2 |
| | ROE | n.a. | n.a. | 12.2 | 7.1 | 10.9 | 10.1 | 17.8 |
| | FCF Yield (%) | 53.9 | n.a. | n.a. | n.a. | n.a. | 53.9 | n.a. |
| | DPS | 0.00 | 0.00 | 3.38 | 0.42 | 0.31 | 0.82 | 0.30 |
| Dvd Yield | 0.0% | 0.0% | 4.7% | 6.7% | 6.9% | 3.6% | 3.3% | |

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).

LIGHTHOUSE

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

All Lighthouse research documents are available simultaneously on the Lighthouse website (institutodeanalistas.com/lighthouse) and via third-party aggregators such as Bloomberg, Factset, Capital IQ and Refinitiv.

IMPORTANT LEGAL INFORMATION REGARDING THIS REPORT

LIGHTHOUSE

Lighthouse is a project of IEAF Servicios de Análisis S.L.U. Lighthouse is a research project funded by Bolsas y Mercados Españoles S.A. Lighthouse aims to improve the research coverage of the "orphan stocks" of the Spanish market: those which lack real and continuous research coverage. Lighthouse reports will not include valuation and target price. Lighthouse does not seek to provide investment advice to any natural or legal person. For this reason, Lighthouse will not provide a valuation, target price or investment recommendation for any of the securities analysed.

IEAF Servicios de Análisis S.L.U. is a Spanish company whose corporate purpose is:

- 1º To provide information and financial analysis regarding securities issued by any class of legal person traded or not on official secondary markets, and especially (but not exclusively) those securities which are not the object of the recurrent provision of information and analysis by financial analysts who participate in the markets.
- 2º To publicise and update the aforementioned financial reports and analysis, in addition to the monitoring and following of the securities on which the information and analysis is provided.
- 3º To prepare studies and projects aimed at proposing and implementing measures to improve the information and financial analysis of securities traded on official secondary markets.

IEAF Servicios de Análisis S.L.U. is a company whose sole shareholder is the Instituto Español de Analistas Financieros, a professional, not for profit association.

DISCLAIMER

The Instituto Español de Analistas Financieros hereby certifies that the analyst of IEAF Servicios de Análisis S.L.U. whose name figures as the author of this report, expresses views that reflect their personal and independent opinion of the company analysed without these implying, either directly or indirectly, a personalised recommendation of the company analysed for purposes of providing investment advice. This report is based on the preparation of detailed financial projections from information available to the public and following traditional fundamental research methodology (i.e. it is not a technical or quantitative analysis report). For the analysis methodology used in the preparation of this report, please contact the analyst directly; contact details are included on the front page of this report.

The report includes basic information regarding the main parameters to be used by an investor when making their own valuation (whether by discounted cash flows or multiples). These parameters are the personal opinion or estimate of the analyst. The person receiving this report should use their own judgement when using these parameters and should consider them as another element in their decision-making process in respect of investment. These parameters do not represent a personalised investment recommendation.

Rules governing confidentiality and conflicts of interest

None of the following rules governing confidentiality and conflicts of interest (12) is applicable to this report:

1. This report is non-independent research as it has been commissioned by the company analysed (issuer).
2. In the last 12 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., has had Investment Banking mandates or has managed or co-managed a public offering of the securities of the issuer, or has received compensation from said issuer for Investment Banking services, that exclude brokerage services for prepaid fees.
3. In the next 6 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., expects to receive or intends to obtain compensation for Investment Banking services provided to this company that exclude brokerage services for prepaid fees.
4. The Investment Analyst or a member of the Research Department or a member of their household has a long position in the shares or derivatives of the corresponding issuer.
5. The Investment Analyst or a member of the Research Department or a member of their household has a short position in the shares or derivatives of the corresponding issuer.
6. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a long position of over 0.5% of the issuer's capital.
7. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a short position of over 0.5% of the issuer's capital.
8. At the end of the month immediately prior to the publication of this report, or of the previous month if the report is published in the ten days following the end of the month, the company analysed (the issuer) or any of its subsidiaries held 5% or more of any class of equity security of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.
9. A senior director or officer of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., or a member of their department is a director, officer, advisor or member of the Board of Directors of the issuer and/or one of its subsidiaries.
10. The Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., acts as broker for the Issuer for the corresponding prepaid fees.
11. The contents of this report related to the financial analysis, financial projections, valuation, investment summary and opinion of the analyst have been reviewed by the issuer prior to its publication.
12. The issuer has made changes to the contents of this report prior to its distribution.

The Investment Analysts who have prepared this Investment Analysis are employees of IEAF Servicios de Análisis S.L.U. These analysts have received (or will receive) compensation according to the general earnings of IEAF Servicios de Análisis S.L.U. To obtain a copy of the Code of Conduct of IEAF Servicios de Análisis S.L.U. (in respect of the Management of Conflicts of Interest in the research department), please use the e-mail address secretaria@institutodeanalistas.com or consult the contents of this Code at <https://institutodeanalistas.com>.

IEAF Servicios de Análisis S.L.U. is compensated by Bolsas y Mercados Españoles, S.A. for the preparation of this report. This report should be considered as just another element in the taking of investment decisions.

A report issued by IEAF servicios de análisis S.L.U.

All rights reserved. The unauthorised use or distribution of this report is prohibited. This document has been prepared and distributed, according to the provisions of the MiFID II by IEAF Servicios de Análisis S.L.U. Its corporate activity is regulated by the CNMV (the Spanish Securities Exchange Commission). The information and opinions expressed in this document do not represent nor are they intended to represent an offer or a solicitation to buy or sell the securities (in other words, the securities mentioned in this report and related warrants, options, rights or interests). The information and opinions contained in this document are based upon information available to the public and have been obtained from sources believed to be reliable by IEAF Servicios de Análisis S.L.U., but no guarantee is given regarding their accuracy or completeness. All comments and estimates reflect solely the opinion of IEAF Servicios de Análisis S.L.U. and do not offer any implicit or explicit guarantee. All the opinions expressed are subject to change without prior warning. This document does not take into account the specific investment objectives, financial position, risk profile or other specific aspects of the person who receives this document, and accordingly they should exercise their own judgement in this respect. Neither the Instituto Español de Analistas Financieros nor its subsidiary, IEAF Servicios de Análisis S.L.U., assumes any responsibility for direct or

indirect losses arising from the use of the published research, except in the event of negligent conduct by IEAF Servicios de Análisis S.L.U. The information contained in this report is approved for distribution to professional clients, eligible counterparties and professional advisers, but not for distribution to private individuals or retail clients. Its reproduction, distribution or publication for any purpose without the written authorisation of IEAF Servicios de Análisis S.L.U. is prohibited. The Instituto Español de Analistas Financieros and/or its subsidiary IEAF Servicios de Análisis S.L.U., their employees and directors, may hold a position (long or short) in an investment knowing that this issuer will be the object of analysis and that this analysis will be distributed to institutional investors. Any further information regarding the contents of this report will be provided upon request. IEAF Servicios de Análisis S.L.U. intends to publish (at least) one quarterly report or note updating the information on the company analysed.

United States. IEAF Servicios de Análisis S.L.U. is not registered in the United States and, consequently, is not subject to the regulations of that country governing the preparation of research and the independence of analysts. This report is distributed solely to major US institutional investors, in reliance on the exemption from registration provided by Rule 15a-6 of the US Securities Exchange Act of 1934, as amended (the "Exchange Act"), and interpretations of this made by the US Securities Exchange Commission.

Major US Institutional Investors. This report will be distributed to "major US institutional investors", as defined by Rule 15a-6 of the US Securities Exchange Commission and of the US Securities Exchange Act of 1934.

Notes and Reports History

| Date of report | Recommendation | Price (EUR) | Target price (EUR) | Period of validity | Reason for report | Analyst |
|----------------|----------------|-------------|--------------------|--------------------|--------------------------------------|-----------------------------|
| 18-Oct-2024 | n.a. | 9.20 | n.a. | n.a. | 6m Results 2024 | Luis Esteban Arribas, CESGA |
| 27-May-2024 | n.a. | 8.76 | n.a. | n.a. | Small & Micro Caps (Spain) | Alfredo Echevarría Otegui |
| 11-Apr-2024 | n.a. | 8.95 | n.a. | n.a. | 12m Results 2023 - Estimates upgrade | Luis Esteban Arribas, CESGA |
| 30-Oct-2023 | n.a. | 9.73 | n.a. | n.a. | 6m Results 2023 | Luis Esteban Arribas, CESGA |
| 12-Jun-2023 | n.a. | 8.51 | n.a. | n.a. | Small & Micro Caps (Spain) | David López Sánchez |
| 20-Apr-2023 | n.a. | 7.32 | n.a. | n.a. | 12m Results 2022 - Estimates upgrade | David López Sánchez |
| 20-Oct-2022 | n.a. | 7.56 | n.a. | n.a. | 6m Results 2022 - Estimates upgrade | David López Sánchez |
| 07-Apr-2022 | n.a. | 5.67 | n.a. | n.a. | 12m Results 2021 | David López Sánchez |
| 09-Mar-2022 | n.a. | 5.25 | n.a. | n.a. | Initiation of Coverage | David López Sánchez |

