

EQUITY - SPAIN
 Sector: Software

 Closing price: EUR 17.50 (4 Feb 2025)
 Report date: 5 Feb 2024 (10:00h)

12m 2024 Preliminary results
 Independent Equity Research

12m 2024 Preliminary results

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Axon Partners Group (APG) It is a small size company with headquarters in Madrid (Spain), dedicated to providing consulting services and investing in alternative assets with a focus on technology. With a significant international presence (>90% of consulting revenues), it also has EUR 596Mn of assets under management in 1H24. It is managed and controlled by Francisco Velázquez, Alfonso de León and Dimitri Kallinis (84% of the

2024 Earnings Preview: In Line. Strong Momentum Confirmed. 25e Dividend Yield > 5%.

Market Data

Market Cap (Mn EUR and USD)	92.9	96.4
EV (Mn EUR and USD) ⁽²⁾	63.3	65.8
Shares Outstanding (Mn)	5.3	
-12m (Max/Med/Min EUR)	18.80 / 15.29 / 13.90	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	0.7	
Factset / Bloomberg	APG-ES / APG SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

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

Financials (Mn EUR)

	2023	2024e	2025e	2026e
Adj. nº shares (Mn)	5.2	5.3	5.3	5.3
Total Revenues	19.9	22.4	27.4	30.5
Rec. EBITDA	5.8	6.7	9.0	10.3
% growth	7.0	15.9	33.9	15.1
% Rec. EBITDA/Rev.	29.1	30.0	32.8	33.9
% Inc. EBITDA sector ⁽⁴⁾	17.8	8.3	14.6	15.0
Net Profit	4.1	5.2	6.6	7.4
EPS (EUR)	0.80	0.99	1.24	1.40
% growth	-11.8	23.0	25.4	13.0
Ord. EPS (EUR)	0.80	0.99	1.24	1.40
% growth	-14.3	22.5	25.4	13.0
Rec. Free Cash Flow ⁽⁵⁾	5.6	4.9	5.7	7.2
Pay-out (%)	78.1	75.0	75.0	75.0
DPS (EUR)	0.63	0.74	0.93	1.05
Net financial debt	-7.6	-8.6	-9.4	-11.0
ND/Rec. EBITDA (x)	-1.3	-1.3	-1.0	-1.1
ROE (%)	22.2	24.9	29.1	30.5
ROCE (%) ⁽⁵⁾	141.4	187.6	204.6	198.1

Ratios & Multiples (x) ⁽⁶⁾

P/E	21.8	17.7	14.2	12.5
Ord. P/E	21.7	17.7	14.2	12.5
P/BV	4.6	4.3	4.0	3.7
Dividend Yield (%)	3.6	4.2	5.3	6.0
EV/Sales	3.18	2.83	2.32	2.07
EV/Rec. EBITDA	10.9	9.4	7.0	6.1
EV/EBIT	11.2	9.6	7.1	6.2
FCF Yield (%) ⁽⁵⁾	6.1	5.2	6.2	7.7

(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.

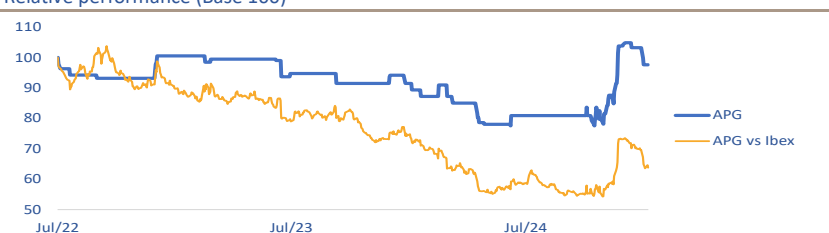
CONSOLIDATED REVENUE > EUR 20MN... APG's 2024 earnings preview anticipates revenue in the range of EUR 20.0 - 20.8Mn, reflecting 5% - 9% growth (in line with our estimate of approx. EUR 21.2Mn ex-Finizens). Geographically, Asia (primarily the Middle East) remains the leading market, contributing 85% of total revenue. The three-year revenue CAGR (2021-2024) of approx. +15% clearly underscores APG's ability to drive real business growth.

...AND REC. EBITDA AROUND EUR 6.5MN. At consolidated level, 2024e EBITDA is expected to range between EUR 6.0-6.8Mn, broadly in line with estimates (EUR 6.7Mn), implying a 30% margin (improving by around 1 p.p. the 2023 margin). The three-year CAGR of Rec. EBITDA (2021-2024; +20%) once again highlights APG's ability to deliver strong growth, supported by the increasing contribution of the alternative investment division (with higher operating leverage and margin expansion potential).

RESULTS IN LINE, WE MAINTAIN ESTIMATES. The 2024 results confirm our numbers. Looking only at 2025e, we expect revenues of EUR 27.4Mn (+22.2%; +10.9% in consulting and +38.7% in asset management; with a similar weight of both businesses in the mix). Consolidated EBITDA 2025e EUR 9.0Mn (+33.9% vs 2024) continuing the improvement of the EBITDA margin (32.8 vs 29.1% in 2023). And FCF to equity of c.EUR 6 Mn (maintaining a very high EBITDA to FCF conversion ratio: 2/3).

NET CASH POSITION AND WITH A GROWING DIVIDEND APG maintains a highly robust balance sheet, with a net cash position of EUR 9.1Mn (vs EUR 7.6Mn in 2023). This supports a sustained high payout ratio (75% for 2024-2026e), with a 2025e dividend yield of 5.3% (DPS 2025e +48% vs 2023).

STRONG MOMENTUM AND ATTRACTIVE VALUATION MULTIPLES. APG continues to demonstrate strong business performance, consistent with recent years. The 2024 results confirm the anticipated takeoff of the alternative investment division, a key pillar of the equity story, as APG remains focused on attracting new capital for its investment platform. The company maintains a 2025e AuM target of EUR 950Mn (+60% vs 2023). 2025e Rec. EV/EBITDA stands at 7.0x, significantly below peers in both consulting and asset management. This has started to be reflected in the stock price (+20.7% over the last three months; +15.2% vs Ibx 35), though there remains substantial upside potential in valuation multiples.

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-6.9	20.7	9.3	-6.9	n.a.	n.a.
vs Ibx 35	-12.3	15.2	-11.1	-12.8	n.a.	n.a.
vs Ibx Small Cap Index	-11.2	11.9	-2.0	-13.5	n.a.	n.a.
vs Eurostoxx 50	-13.9	11.2	-3.4	-13.4	n.a.	n.a.
vs Sector benchmark ⁽⁴⁾	-13.0	5.6	3.5	-13.1	n.a.	n.a.

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

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.

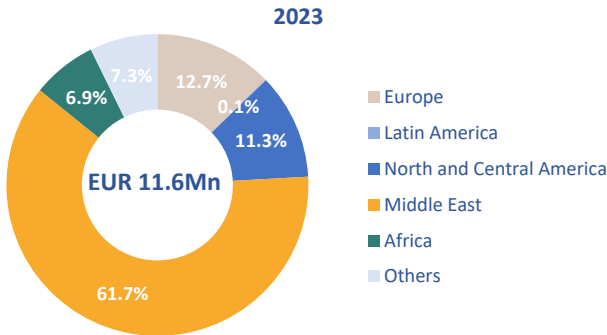
Axon Partners Group (APG) is a BME Growth company

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.

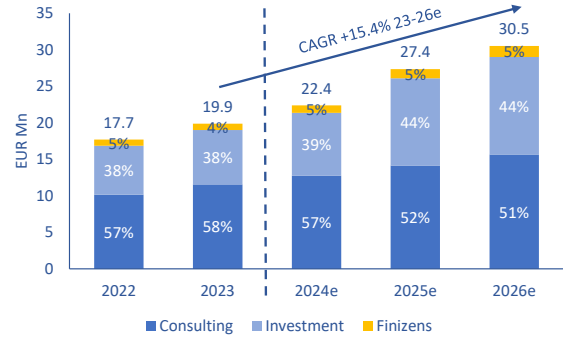
BME Growth is the Spanish equity market for companies of reduced capitalization which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are 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).

The company in 8 charts

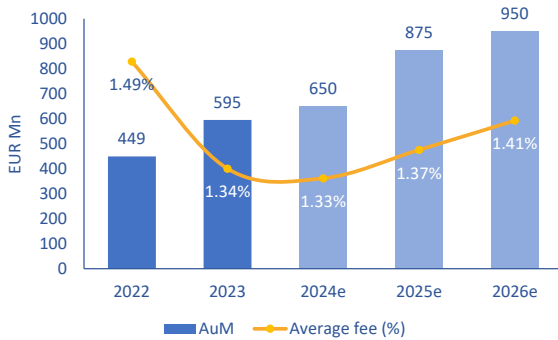
*A diversified consultancy business with an international footprint
(Middle East 62% of total revenues 2023)*



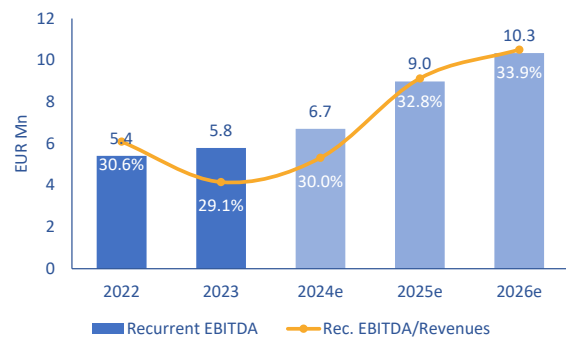
We estimate an increase of the (higher margin) investment business in the mix (cons. revenue: CAGR +15.4% 23-26e)...



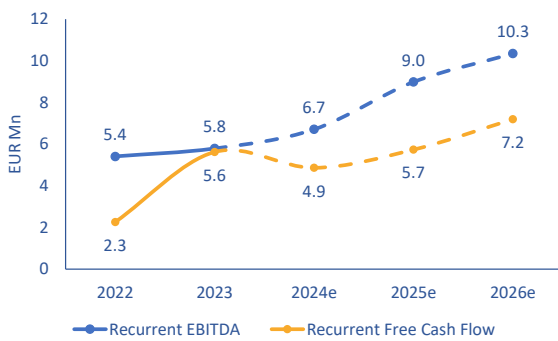
...driven primarily by raising new funds that increase AuM (EUR 950Mn in 2026e vs EUR 595Mn in 2023)...



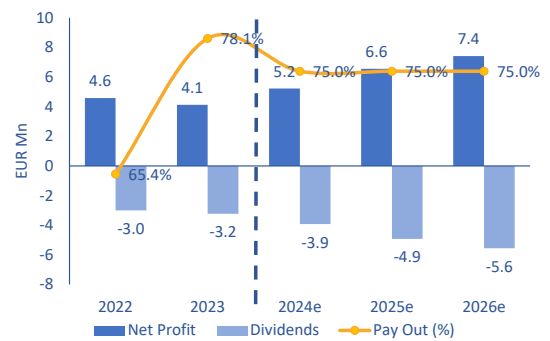
...resulting in strong margin expansion (EBITDA margin 2026e 34% vs 29% in 2023)



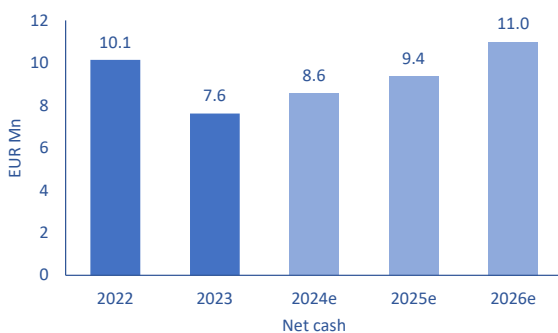
High capacity to convert EBITDA into cash (c. 60%). FCF yield



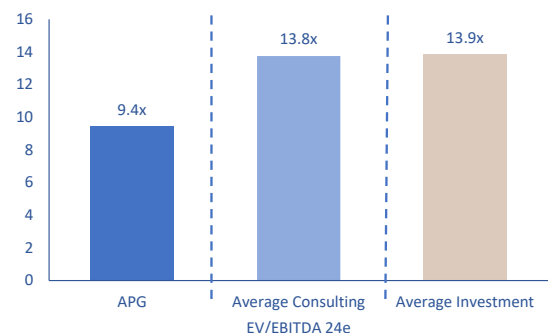
...allowing for a generous payout (75%) and a dividend yield of 2024e 4.2%



*All this while maintaining a net cash position
(net cash/EBITDA 2024e 1.3x)*



*Trading at an EV/EBITDA 2024e multiple of 9.4x
(vs 13.8x for consultancy and 13.9x for investment)*



Valuation inputs

Inputs for the DCF Valuation Approach

	2024e	2025e	2026e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	4.6	5.8	7.3	96.4			
Market Cap	92.9	At the date of this report					
Net financial debt	-9.1	Debt net of Cash (12m Results 2024)					
					Best Case	Worst Case	
Cost of Debt	3.0%	Net debt cost			2.8%	3.3%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	2.4%	Kd = Cost of Net Debt * (1-T)			2.2%	2.6%	
Risk free rate (rf)	3.0%	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	10.2%	Ke = Rf + (R * B)			9.1%	11.5%	
Equity / (Equity + Net Debt)	100.0%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	0.0%	D			=	=	
WACC	10.2%	WACC = Kd * D + Ke * E			9.1%	11.5%	
G "Fair"	2.0%				2.0%	1.5%	

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

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
Accenture	ACN-US	235,971.7	32.8	8.4%	21.4	11.6%	3.8	6.4%	17.7%	3.5%	10.7%
Marsh&McIennan	MMC-US	105,538.7	27.3	n.a.	19.7	13.3%	5.3	8.1%	26.8%	3.9%	11.0%
CAP Gemini	CAP-FR	30,388.5	13.8	5.5%	9.6	2.9%	1.5	3.1%	16.0%	6.1%	6.9%
Booz Allen	BAH-US	16,100.8	20.8	11.4%	14.9	8.2%	1.6	7.2%	11.0%	5.4%	4.8%
Sopra Steria Group	SOP-FR	3,597.9	9.8	8.9%	7.0	3.0%	0.9	2.3%	12.7%	9.2%	4.5%
Wavestone	WAVE-FR	1,245.3	14.9	10.2%	10.0	9.6%	1.4	4.0%	13.7%	5.7%	14.2%
Consulting			19.9	8.9%	13.8	8.1%	2.4	5.2%	16.3%	5.7%	8.7%
EQT AB	EQT-SE	39,458.2	48.2	42.8%	23.8	21.7%	14.0	14.7%	58.8%	1.1%	93.1%
TPG	TPG-US	22,512.3	32.3	26.5%	10.0	24.9%	4.9	16.9%	49.1%	3.7%	-2.0%
Bridgepoint Group	BPT-GB	3,711.9	19.8	9.9%	5.0	14.3%	2.5	12.0%	51.4%	5.2%	27.3%
Tikehau Capital	TKO-FR	3,832.2	18.8	49.2%	16.6	38.5%	8.8	25.2%	52.7%	5.2%	37.3%
Private Equity			29.7	32.1%	13.9	24.8%	7.6	17.2%	53.0%	3.8%	38.9%
APG	APG-ES	92.9	17.7	19.0%	9.4	24.2%	2.8	16.8%	30.0%	5.2%	21.6%

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	36.1%	9.9	6.4x
Central	32.8%	9.0	7.0x
Min	29.5%	8.1	7.8x

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

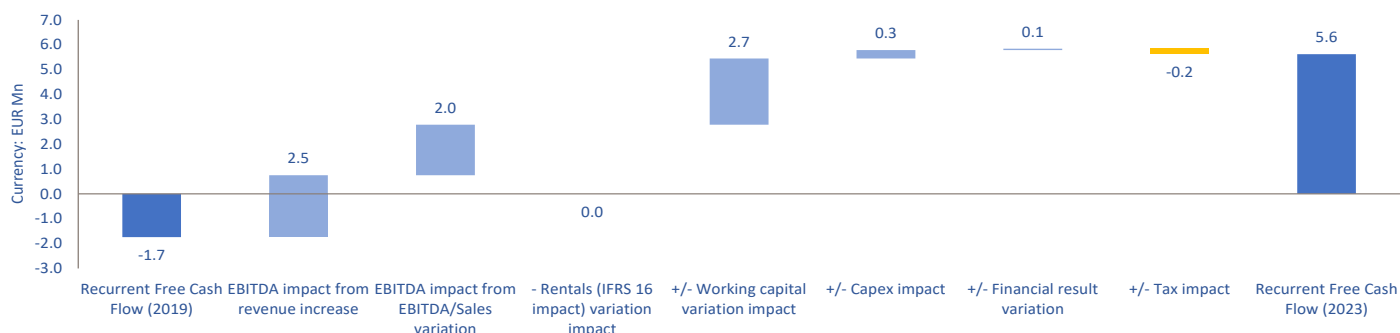
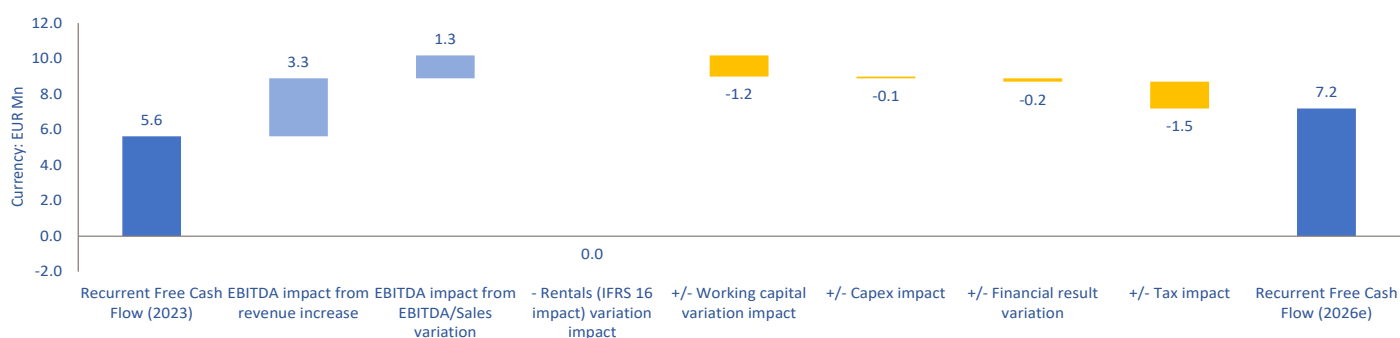
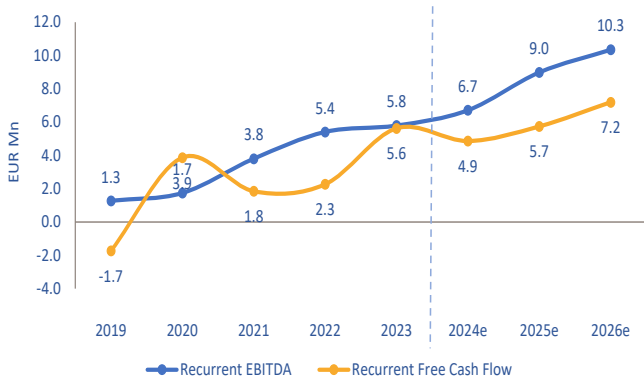
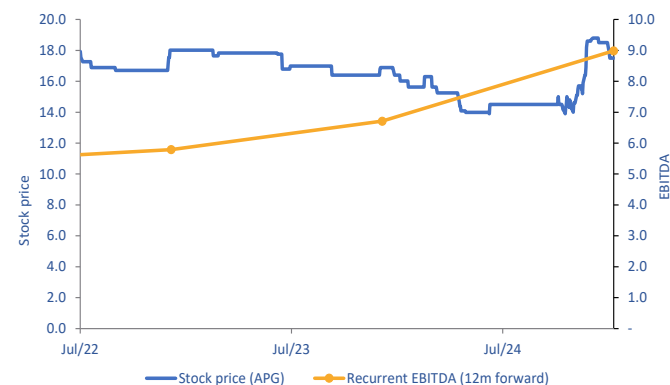
Rec. FCF EUR Mn	CAPEX/Sales 25e			Scenario	Rec. FCF/Yield 25e		
EBITDA 25e	0.4%	0.5%	0.6%		Max	Central	Min
9.9	6.7	6.6	6.6	Max	7.2%	7.1%	7.1%
9.0	5.8	5.7	5.7	Central	6.2%	6.2%	6.1%
8.1	4.9	4.8	4.8	Min	5.2%	5.2%	5.2%

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
Intangible assets	0.9	1.1	1.0	0.9	0.8	0.7	0.6	0.5		
Fixed assets	3.0	2.9	2.9	0.1	0.1	0.2	0.3	0.5		
Other Non Current Assets	0.1	0.1	0.0	0.0	0.2	0.2	0.2	0.2		
Financial Investments	7.5	8.5	10.2	7.2	14.6	14.6	14.6	14.6		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	4.1	3.0	4.3	5.2	5.2	6.5	7.7	8.6		
Total assets	15.6	15.6	18.4	13.4	20.9	22.1	23.4	24.3		
Equity	11.5	10.3	14.4	16.9	20.4	21.7	23.4	25.2		
Minority Interests	2.5	1.5	3.0	2.3	2.5	2.5	2.5	2.7		
Provisions & Other L/T Liabilities	1.3	1.4	1.2	1.4	1.8	1.8	1.8	1.8		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	(1.8)	(0.9)	(4.0)	(10.1)	(7.6)	(8.6)	(9.4)	(11.0)		
Current Liabilities	2.3	3.4	3.8	3.0	3.9	4.7	5.1	5.7		
Equity & Total Liabilities	15.6	15.6	18.4	13.4	20.9	22.1	23.4	24.3		
P&L (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Total Revenues	9.3	10.0	13.8	17.7	19.9	22.4	27.4	30.5	20.8%	15.4%
Total Revenues growth	n.a.	7.5%	37.6%	28.1%	12.4%	12.5%	22.2%	11.6%		
COGS	-	-	-	-	-	-	-	-		
Gross Margin	9.3	10.0	13.8	17.7	19.9	22.4	27.4	30.5	20.8%	15.4%
Gross Margin/Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Personnel Expenses	(3.2)	(3.6)	(4.8)	(5.7)	(7.6)	(8.4)	(10.2)	(11.2)		
Other Operating Expenses	(4.8)	(4.7)	(5.2)	(6.6)	(6.5)	(7.2)	(8.2)	(9.0)		
Recurrent EBITDA	1.3	1.7	3.8	5.4	5.8	6.7	9.0	10.3	46.0%	21.3%
Recurrent EBITDA growth	n.a.	36.6%	118.3%	42.3%	7.0%	15.9%	33.9%	15.1%		
Rec. EBITDA/Revenues	13.7%	17.4%	27.5%	30.6%	29.1%	30.0%	32.8%	33.9%		
Restructuring Expense & Other non-rec.	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	-	-	-		
EBITDA	1.3	1.7	3.8	5.2	5.8	6.7	9.0	10.3	46.4%	21.5%
Depreciation & Provisions	(0.3)	(0.4)	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)		
Capitalized Expense	0.4	0.5	0.2	0.3	0.3	0.3	0.3	0.3		
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
EBIT	1.3	1.8	3.5	5.1	5.6	6.6	8.9	10.2	43.8%	21.9%
EBIT growth	n.a.	35.7%	97.4%	43.2%	11.4%	16.9%	34.4%	15.2%		
EBIT/Revenues	14.1%	17.8%	25.6%	28.6%	28.4%	29.5%	32.4%	33.5%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	0.0	(0.2)	(0.0)	0.1	(0.2)	0.4	(0.1)	(0.1)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
Ordinary Profit	1.3	1.6	3.5	5.2	5.5	7.0	8.8	10.1	42.2%	22.8%
Ordinary Profit Growth	n.a.	21.8%	115.5%	48.8%	4.7%	28.2%	25.3%	15.4%		
Extraordinary Results	-	-	-	-	-	-	-	-		
Profit Before Tax	1.3	1.6	3.5	5.2	5.5	7.0	8.8	10.1	42.2%	22.8%
Tax Expense	(0.6)	(0.8)	(1.2)	(1.3)	(1.6)	(1.7)	(2.2)	(2.5)		
Effective Tax Rate	47.3%	50.0%	34.8%	24.4%	28.9%	25.0%	25.0%	25.0%		
Minority Interests	0.9	0.8	1.1	0.7	0.3	(0.0)	(0.0)	(0.2)		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	1.6	1.6	3.3	4.6	4.1	5.2	6.6	7.4	26.4%	21.5%
Net Profit growth	n.a.	1.2%	104.0%	37.3%	-9.9%	26.6%	25.4%	13.0%		
Ordinary Net Profit	1.9	2.0	3.5	4.7	4.1	5.2	6.6	7.4	22.2%	21.4%
Ordinary Net Profit growth	n.a.	6.1%	79.4%	33.7%	-12.5%	26.2%	25.4%	13.0%		
Cash Flow (EUR Mn)	2019	2020	2021	2022	2023	2024e	2025e	2026e	19-23	23-26e
Recurrent EBITDA	1.3	1.7	3.8	5.2	5.8	6.7	9.0	10.3	46.0%	21.3%
Rentals (IFRS 16 impact)	-	-	-	-	-	-	-	-		
Working Capital Increase	(0.4)	(0.8)	(0.4)	(0.4)	(0.4)	(0.4)	(0.8)	(0.4)		
Recurrent Operating Cash Flow	0.9	0.9	3.4	4.8	5.4	6.3	8.2	10.0	92.0%	14.7%
CAPEX	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.2)		
Net Financial Result affecting the Cash Flow	0.4	(0.1)	(0.1)	(0.1)	(0.1)	0.4	(0.1)	(0.1)		
Tax Expense	(1.7)	(2.2)	(2.5)	(2.5)	(2.5)	(1.7)	(2.2)	(2.5)		
Recurrent Free Cash Flow	0.1	0.7	3.1	4.3	4.9	4.9	5.7	7.2	51.3%	8.5%
Restructuring Expense & Other non-rec.	-	-	-	-	-	-	-	-		
- Acquisitions / + Divestures of assets	-	-	-	-	-	-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow	-	-	-	-	-	-	-	-		
Free Cash Flow	0.1	0.7	3.1	4.3	4.9	4.9	5.7	7.2	45.4%	33.7%
Capital Increase	-	-	-	-	-	-	-	-		
Dividends	(3.9)	(4.9)	(5.6)	(5.6)	(5.6)	(3.9)	(4.9)	(5.6)		
Net Debt Variation	(3.8)	(4.2)	(2.5)	(1.3)	(1.7)	(0.9)	(0.8)	(1.6)		

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	1.7	3.8	5.4	5.8	6.7	9.0	10.3	49.2%	21.3%
<i>Recurrent EBITDA growth</i>	36.6%	118.3%	42.3%	7.0%	15.9%	33.9%	15.1%		
<i>Rec. EBITDA/Revenues</i>	17.4%	27.5%	30.6%	29.1%	30.0%	32.8%	33.9%		
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	2.2	(0.9)	(1.7)	0.8	(0.4)	(0.8)	(0.4)		
= Recurrent Operating Cash Flow	4.0	2.9	3.7	6.6	6.3	8.2	10.0	18.4%	14.7%
<i>Rec. Operating Cash Flow growth</i>	798.9%	-26.3%	25.4%	79.5%	-4.4%	29.2%	22.1%		
<i>Rec. Operating Cash Flow / Sales</i>	39.7%	21.3%	20.8%	33.2%	28.2%	29.9%	32.7%		
- CAPEX	(0.6)	(0.3)	0.1	(0.1)	(0.1)	(0.1)	(0.2)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.1)	(0.0)	0.1	0.4	(0.1)	(0.1)		
- Taxes	0.5	(0.8)	(1.5)	(1.0)	(1.7)	(2.2)	(2.5)		
= Recurrent Free Cash Flow	3.9	1.8	2.3	5.6	4.9	5.7	7.2	13.3%	8.5%
<i>Rec. Free Cash Flow growth</i>	322.9%	-52.3%	22.6%	148.5%	-13.6%	18.0%	25.3%		
<i>Rec. Free Cash Flow / Revenues</i>	38.5%	13.4%	12.8%	28.3%	21.7%	21.0%	23.5%		
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	(1.7)	(0.1)	0.0	(2.6)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow	2.2	1.8	2.3	3.0	4.9	5.7	7.2	11.7%	33.7%
<i>Free Cash Flow growth</i>	276.8%	-18.1%	30.0%	30.9%	61.5%	18.0%	25.3%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	4.2%	2.0%	2.4%	6.1%	5.2%	6.2%	7.7%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	2.3%	1.9%	2.5%	3.2%	5.2%	6.2%	7.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e		
Recurrent FCF(FY - 1)	(1.7)	3.9	1.8	2.3	5.6	4.9	5.7		
EBITDA impact from revenue increase	0.1	0.7	1.1	0.7	0.7	1.5	1.0		
EBITDA impact from EBITDA/Sales variation	0.4	1.4	0.5	(0.3)	0.2	0.8	0.3		
= Recurrent EBITDA variation	0.5	2.1	1.6	0.4	0.9	2.3	1.4		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-	-	-		
+/- Working capital variation impact	4.1	(3.1)	(0.9)	2.5	(1.2)	(0.4)	0.4		
= Recurrent Operating Cash Flow variation	4.6	(1.0)	0.7	2.9	(0.3)	1.8	1.8		
+/- CAPEX impact	(0.2)	0.3	0.3	(0.1)	(0.1)	(0.0)	(0.0)		
+/- Financial result variation	(0.1)	0.0	0.0	0.1	0.3	(0.5)	-		
+/- Tax impact	1.3	(1.3)	(0.7)	0.4	(0.7)	(0.4)	(0.3)		
= Recurrent Free Cash Flow variation	5.6	(2.0)	0.4	3.4	(0.8)	0.9	1.5		
Recurrent Free Cash Flow	3.9	1.8	2.3	5.6	4.9	5.7	7.2		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2020	2021	2022	2023	2024e	2025e	2026e	CAGR	
EBIT	1.8	3.5	5.1	5.6	6.6	8.9	10.2	46.6%	21.9%
* Theoretical Tax rate	30.0%	30.0%	24.4%	28.9%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	(0.5)	(1.1)	(1.2)	(1.6)	(1.6)	(2.2)	(2.6)		
Recurrent EBITDA	1.7	3.8	5.4	5.8	6.7	9.0	10.3	49.2%	21.3%
- Rentals (IFRS 16 impact)	-	-	-	-	-	-	-		
+/- Working Capital increase	2.2	(0.9)	(1.7)	0.8	(0.4)	(0.8)	(0.4)		
= Recurrent Operating Cash Flow	4.0	2.9	3.7	6.6	6.3	8.2	10.0	18.4%	14.7%
- CAPEX	(0.6)	(0.3)	0.1	(0.1)	(0.1)	(0.1)	(0.2)		
- Taxes (pre- Financial Result)	(0.5)	(1.1)	(1.2)	(1.6)	(1.6)	(2.2)	(2.6)		
= Recurrent Free Cash Flow (To the Firm)	2.9	1.6	2.5	4.9	4.6	5.8	7.3	19.9%	13.9%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	308.8%	-43.9%	57.0%	95.8%	-7.3%	27.5%	25.0%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	28.4%	11.6%	14.2%	24.7%	20.4%	21.2%	23.8%		
- Acquisitions / + Divestments	(1.7)	(0.1)	0.0	(2.6)	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-	-	-		
= Free Cash Flow "To the Firm"	1.1	1.5	2.5	2.3	4.6	5.8	7.3	26.3%	46.6%
<i>Free Cash Flow (To the Firm) growth</i>	234.2%	33.3%	67.2%	-9.5%	97.9%	27.5%	25.0%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	4.5%	2.5%	4.0%	7.8%	7.2%	9.2%	11.5%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	1.8%	2.4%	4.0%	3.6%	7.2%	9.2%	11.5%		

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	92.9	
+ Minority Interests	2.4	6m Results 2024
+ Provisions & Other L/T Liabilities	1.7	6m Results 2024
+ Net financial debt	(9.1)	12m preliminary results 2024
- Financial Investments	14.9	12m preliminary results 2024
+/- Others ⁽¹⁾	(9.6)	12m preliminary results 2024
Enterprise Value (EV)	63.3	

(1) Amount corresponding to APG's participation in Finizens

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							9.3	10.0	13.8	17.7	19.9	22.4	27.4	30.5	n.a.	15.4%
Total Revenues growth							n.a.	7.5%	37.6%	28.1%	12.4%	12.5%	22.2%	11.6%		
EBITDA							1.3	1.7	3.8	5.2	5.8	6.7	9.0	10.3	n.a.	21.5%
EBITDA growth							n.a.	37.1%	117.8%	38.8%	10.7%	16.3%	33.9%	15.1%		
EBITDA/Sales							13.5%	17.2%	27.2%	29.5%	29.0%	30.0%	32.8%	33.9%		
Net Profit							1.6	1.6	3.3	4.6	4.1	5.2	6.6	7.4	n.a.	21.5%
Net Profit growth							n.a.	1.2%	104.0%	37.3%	-9.9%	26.6%	25.4%	13.0%		
Adjusted number shares (Mn)							0.5	0.5	0.5	5.0	5.2	5.3	5.3	5.3		
EPS (EUR)							3.43	3.47	7.08	0.91	0.80	0.99	1.24	1.40	n.a.	20.3%
EPS growth							n.a.	1.2%	n.a.	-87.2%	-11.8%	23.0%	25.4%	13.0%		
Ord. EPS (EUR)							3.95	4.19	7.51	0.94	0.80	0.99	1.24	1.40	n.a.	20.2%
Ord. EPS growth							n.a.	6.1%	79.4%	-87.5%	-14.3%	22.5%	25.4%	13.0%		
CAPEX							(0.4)	(0.6)	(0.3)	0.1	(0.1)	(0.1)	(0.1)	(0.2)		
CAPEX/Sales %							4.3%	5.9%	2.0%	n.a.	0.3%	0.5%	0.5%	0.5%		
Free Cash Flow							(1.2)	2.2	1.8	2.3	3.0	4.9	5.7	7.2	n.a.	33.7%
ND/EBITDA (x) ⁽²⁾							-1.5x	-0.5x	-1.1x	-1.9x	-1.3x	-1.3x	-1.0x	-1.1x		
P/E (x)							n.a.	n.a.	2.5x	18.6x	23.4x	17.7x	14.2x	12.5x		
EV/Sales (x)							n.a.	n.a.	n.a.	5.76x	4.67x	2.83x	2.32x	2.07x		
EV/EBITDA (x) ⁽²⁾							n.a.	n.a.	n.a.	19.5x	16.1x	9.4x	7.0x	6.1x		
Absolute performance							n.a.	n.a.	n.a.	n.a.	-6.3%	11.3%				
Relative performance vs Ibex 35							n.a.	n.a.	n.a.	n.a.	-23.7%	-3.0%				

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

		Consulting						Private Equity						
EUR Mn		Marsh&Mclen			Sopra Steria			Average	EQT AB	TPG	Bridgepoint	Tikehau	Average	APG
Ticker (Factset)		Accenture	nan	CAP Gemini	Booz Allen	Group	Wavestone	USA	USA	UK	France	France		Spain
Market data	Country	ACN-US	MMC-US	CAP-FR	BAH-US	SOP-FR	WAVE-FR	Sweden	TPG-US	BPT-GB	TKO-FR		APG-ES	
	Market cap	235,971.7	105,538.7	30,388.5	16,100.8	3,597.9	1,245.3	39,458.2	22,512.3	3,711.9	3,832.2		92.9	
Basic financial information	Enterprise value (EV)	236,691.5	124,263.2	33,838.3	19,128.4	5,098.1	1,296.6	37,329.4	8,723.6	1,464.1	5,204.2		63.3	
	Total Revenues	62,517.7	23,561.5	22,043.1	11,595.9	5,795.7	944.5	2,665.0	1,768.1	574.5	593.6		22.4	
	Total Revenues growth	1.2%	7.5%	-2.1%	12.9%	-0.2%	34.7%	9.0%	28.2%	-23.1%	49.8%	-4.3%	12.7%	12.5%
	2y CAGR (2024e - 2026e)	6.4%	8.1%	3.1%	7.2%	2.3%	4.0%	5.2%	14.7%	16.9%	12.0%	25.2%	17.2%	16.8%
	EBITDA	11,071.4	6,322.4	3,533.3	1,280.7	733.3	129.3	1,567.1	868.8	295.1	312.6		6.7	
	EBITDA growth	2.2%	-1.7%	7.5%	12.2%	8.2%	19.2%	7.9%	37.2%	75.1%	70.8%	n.a.	287.4%	16.3%
	2y CAGR (2024e - 2026e)	11.6%	13.3%	2.9%	8.2%	3.0%	9.6%	8.1%	21.7%	24.9%	14.3%	38.5%	24.8%	24.2%
	EBITDA/Revenues	17.7%	26.8%	16.0%	11.0%	12.7%	13.7%	16.3%	58.8%	49.1%	51.4%	52.7%	53.0%	30.0%
	EBIT	9,693.8	5,603.8	2,932.3	1,293.5	570.1	118.1	1,129.1	846.4	259.0	254.6		6.6	
	EBIT growth	2.2%	-2.4%	13.3%	31.5%	23.6%	22.3%	15.1%	56.6%	n.a.	72.4%	11.1%	46.7%	16.9%
	2y CAGR (2024e - 2026e)	8.0%	13.8%	4.8%	1.7%	4.5%	10.2%	7.2%	40.1%	23.5%	15.7%	39.6%	29.7%	24.5%
	EBIT/Revenues	15.5%	23.8%	13.3%	11.2%	9.8%	12.5%	14.3%	42.4%	47.9%	45.1%	42.9%	44.6%	29.5%
	Net Profit	6,998.5	3,911.2	2,014.0	874.5	290.7	76.6	779.5	763.1	209.2	203.1		5.2	
	Net Profit growth	5.7%	8.1%	21.1%	51.1%	58.3%	31.6%	29.3%	455.5%	n.a.	146.1%	15.0%	205.5%	26.6%
	2y CAGR (2024e - 2026e)	10.0%	12.7%	5.3%	1.7%	11.8%	13.2%	9.1%	51.7%	27.8%	14.6%	47.0%	35.3%	19.0%
	CAPEX/Sales %	0.8%	1.3%	1.4%	0.8%	1.2%	0.8%	1.0%	1.7%	1.1%	0.5%	27.6%	7.8%	0.5%
	Free Cash Flow	8,298.8	4,137.6	1,862.3	871.6	332.4	71.4	448.0	835.8	192.9	200.7		4.9	
	Net financial debt	(856.7)	18,750.5	1,200.8	2,774.4	552.2	(21.5)	(243.2)	894.4	250.5	1,347.2		(8.6)	
	ND/EBITDA (x)	n.a.	3.0	0.3	2.2	0.8	n.a.	1.6	n.a.	1.0	0.8	4.3	2.1	(1.3)
	Pay-out	40.2%	33.0%	29.6%	30.0%	35.2%	9.2%	29.5%	48.0%	16.8%	42.9%	66.1%	43.5%	75.0%
Multiples and Ratios	P/E (x)	32.8	27.3	13.8	20.8	9.8	14.9	19.9	48.2	32.3	19.8	18.8	29.7	17.7
	P/BV (x)	8.7	8.1	2.3	13.2	1.7	1.9	6.0	4.6	10.4	3.1	1.1	4.8	4.3
	EV/Revenues (x)	3.8	5.3	1.5	1.6	0.9	1.4	2.4	14.0	4.9	2.5	8.8	7.6	2.8
	EV/EBITDA (x)	21.4	19.7	9.6	14.9	7.0	10.0	13.8	23.8	10.0	5.0	16.6	13.9	9.4
	EV/EBIT (x)	24.4	22.2	11.5	14.8	8.9	11.0	15.5	33.1	10.3	5.7	20.4	17.4	9.6
	ROE	26.9	31.6	16.8	63.3	17.2	13.1	28.1	11.1	32.4	15.8	5.9	16.3	24.9
	FCF Yield (%)	3.5	3.9	6.1	5.4	9.2	5.7	5.7	1.1	3.7	5.2	5.2	3.8	5.2
	DPS	4.48	2.62	3.48	2.01	5.06	0.33	3.00	0.32	1.60	0.11	0.77	0.70	0.74
Dvd Yield	1.2%	1.2%	2.0%	1.6%	2.9%	0.7%	1.6%	1.0%	2.6%	2.5%	3.5%	2.4%	4.2%	

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

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
23-Dec-2024	n.a.	18.60	n.a.	n.a.	Initiation of Coverage	Alfredo Echevarría Otegui
05-Feb-2024	n.a.	16.02	n.a.	n.a.	12m 2024 Preliminary results	Alfredo Echevarría Otegui

