

6m Results 2022

Opinion ⁽¹⁾: Below expectationsImpact ⁽¹⁾: We lower our estimates

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Cuatroochenta (480S), is a technology company specialised in designing, developing and implementing cloud software (SaaS model) and cybersecurity, with proprietary products aimed at optimising specific processes in the business context. Revenues from outside Spain account for c. 25% of the total (mainly Latam). The company has been listed on BME Growth since November 2020. Management controls c. 60% of capital.

Market Data

Market Cap (Mn EUR and USD)	30.2	29.7
EV (Mn EUR and USD) ⁽²⁾	33.7	33.3
Shares Outstanding (Mn)	2.7	
-12m (Max/Med/Mín EUR)	18.98 / 15.74 / 11.20	
Daily Avg volume (-12m Mn EUR)	0.01	
Rotation ⁽³⁾	9.3	
Factset / Bloomberg	480S-ES / 480S SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Montesinos family	19.5
Sergio Aguado Gonzalez	18.0
Alfredo Cebrían Fuertes	16.6
Pavasal Group	5.3
Free Float	40.5

Financials (Mn EUR)

	2021	2022e	2023e	2024e
Adj. nº shares (Mn)	2.7	2.7	2.7	2.7
Total Revenues	13.9	17.5	20.5	24.3
Rec. EBITDA	0.7	1.0	2.1	3.5
% growth	-50.4	39.8	96.8	72.1
% Rec. EBITDA/Rev.	5.4	6.0	10.0	14.5
% Inc. EBITDA sector ⁽⁴⁾	32.5	22.6	18.2	17.6
Net Profit	-0.8	-0.4	0.4	1.3
EPS (EUR)	-0.30	-0.16	0.13	0.50
% growth	-316.8	46.1	181.1	281.3
Ord. EPS (EUR)	-0.21	-0.10	0.13	0.50
% growth	-145.4	53.9	233.2	281.3
Rec. Free Cash Flow ⁽⁵⁾	0.4	-0.6	0.4	1.4
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	7.2	2.9	2.5	1.1
ND/Rec. EBITDA (x)	9.7	2.8	1.2	0.3
ROE (%)	n.a.	n.a.	3.2	11.3
ROCE (%) ⁽⁵⁾	n.a.	n.a.	2.7	9.2

Ratios & Multiples (x)⁽⁶⁾

P/E	n.a.	n.a.	85.8	22.5
Ord. P/E	n.a.	n.a.	85.8	22.5
P/BV	6.8	2.8	2.7	2.4
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	2.43	1.93	1.65	1.39
EV/Rec. EBITDA	45.2	32.4	16.4	9.6
EV/EBIT	n.a.	n.a.	n.a.	19.3
FCF Yield (%) ⁽⁵⁾	1.5	n.a.	1.4	4.7

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

(2) Please refer to Appendix 3.

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

(4) Sector: Stoxx Europe 600 Technology.

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

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

1H22: Revenue in line (+32%) although the step-up in size has inevitably reduced the margin

STRONG REVENUE GROWTH CONTINUES (+32% VS 1H21),... 480S closed 1H22 with revenue of EUR 8.4Mn (EUR 9.0Mn in proforma terms; vs EUR 6.9Mn in 1H21). Strong growth (+32% vs 1H21) that moreover was achieved with an increase in ARR (annual recurring revenue) to 47% (vs 40.5% in 2021). Growth in revenue is explained by: (i) continued organic growth (+17% vs 1H22) and (ii) the impact of the M&A executed - 12m: acquisition of Fama Systems (March 2021), Mensamatic (October 2021) and 50% of Matrix Developments (February 2022). By business, cybersecurity saw strong growth (+113%; a business with an ARR of 76%), increasing its weighting in the revenue mix to 27% (vs 17% in 2021).

... ALTHOUGH THE LARGE INCREASE IN THE OPERATING STRUCTURE INEVITABLY REDUCES THE EBITDA MARGIN With the aim of accelerating growth and improving the scalability of the business, 480S has boosted its operating structure with a significant increase in the headcount (241 employees at the 1H22 close), that has resulted in personnel costs increasing to EUR 4.7Mn (+39.6% vs 1H21) and preventing for now the growth in revenue in 1H22 from being translated to Rec. EBITDA (EUR 0.2Mn; Rec. EBITDA margin 2.6%).

MAINTAINING A COMFORTABLE FINANCIAL POSITION (THAT ENDORSES THE CAPACITY FOR FURTHER GROWTH). In 1H22 480S concluded a EUR 6.8Mn capital increase at a subscription price of EUR 14.2 /share. This capital increase significantly improves the financial position of the company, that closed 1H22 with net debt of EUR 3.2Mn (EUR 0.3Mn excluding the convertibles of Inveready).

THE KEY REMAINS THE RECOVERY OF MARGINS (SOMETHING THAT SHOULD BE VISIBLE ALREADY IN 2023). 1H22 results are fully in line with expectations in terms of revenue, although the increase in the operating structure leads us to reduce our estimate for 22e EBITDA to EUR 1Mn (vs EUR 1.6Mn previously). Looking ahead to 2023e, 1H22 proforma revenue already points to 2023e revenue of, at least, our estimate of EUR 20.5Mn (maintaining a hypothesis of organic growth of c. 15%) and Rec. EBITDA of EUR 2.1Mn (EBITDA margin of 10% vs c. 12% in 2020). Numbers that today would be trading at 16x 23e EV/EBITDA.

Relative performance (Base 100)



Stock performance (%)

	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-6.7	-27.7	-29.8	-37.8	n.a.	n.a.
vs Ibex 35	-3.2	-24.1	-17.4	-28.5	n.a.	n.a.
vs Ibex Small Cap Index	2.0	-17.1	-15.3	-24.3	n.a.	n.a.
vs Eurostoxx 50	-5.5	-29.6	-17.3	-22.5	n.a.	n.a.
vs Sector benchmark ⁽⁴⁾	-4.9	-31.7	-5.4	-8.8	n.a.	n.a.

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

Cuatroochenta (480S) is a BME Growth company

BME Growth is the segment of BME MTF Equity aimed at small and medium sized companies, directed and managed by the Spanish stock market and is subject to the CNMV supervision. BME MTF Equity is not a Regulated Market but instead falls within the classification of a Multilateral Trading Facility (MTF) as defined under the Markets in Financial Instruments Directive (MiFID). In July 2020, BME Growth obtained the status of SME Growth Market, a new category of EU regulations, which in Spain is called Mercado de Pymes en Expansión.

BME Growth is the Spanish equity market for companies of reduced capitalization which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are currently c.120 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 2022

Estimates downgrade

Table 1. 1H22 Results

EUR Mn	6m22 Real	6m21	6m22 Real	2022e	2022e vs
			vs 6m21		2021
Total Revenues	8.4	6.4	32.0%	17.5	26.2%
Gross margin	6.1	4.8	28.4%	13.0	28.8%
Gross Margin (%)	72.6%	74.6%	-2.1 p.p.	74.0%	1.5 p.p.
Personnel expenses	-4.7	-3.4	39.6%	-9.5	28.6%
Other operating expenses	-1.2	-0.9	27.6%	-2.4	25.4%
Recurrent EBITDA¹	0.2	0.5	-52.3%	1.0	39.8%
Rec. EBITDA/Revenues	2.6%	7.2%	-4.6 p.p.	6.0%	0.6 p.p.
EBITDA	0.0	0.1	n.a.	0.8	31.9%
EBITDA/Revenues	-0.3%	2.1%	-2.5 p.p.	4.5%	0.2 p.p.
Net Debt ²	3.2	7.2	-55.3%	2.9	-59.6%

Note 1: Recurrent EBITDA adjusted to exclude: 1) the impact of capitalised expenses (EUR 0.4Mn and EUR 0.2Mn in 1H22 and 1H21, respectively) and 2) the impact of non-recurring expenses incurred in M&A executed.

Note 2: Net debt includes EUR 2.9Mn of convertibles with Inveready. Excluding the convertibles, net debt at the 1H22 close would decline to EUR 0.3Mn.

Table 2. 1H22 Proforma* Results Resultados 1S 22 Proforma

EUR Mn	6m22 proforma	6m21 proforma	6m22 vs 6m21
Total Revenues	9.0	6.9	31.1%
Gross margin	6.9	5.3	31.0%
Gross Margin (%)	76.4%	76.4%	0.0 p.p.
Personnel expenses	-4.5	-3.4	32.6%
Other operating expenses	-2.0	-1.2	74.3%
Recurrent EBITDA¹	0.4	0.7	-46.0%
Rec. EBITDA/Revenues	4.3%	10.5%	-6.2 p.p.
EBITDA	0.1	0.7	-80.2%
EBITDA/Revenues	1.6%	10.5%	-8.9 p.p.

* Proforma figures includes 50% of the revenue and results of Pavabits, S.L and Matrix Development System, S.A. in 1H22 and the revenue and results of Fama Systems, S.A. from January 1 2021 to June 30 2021.

Note 1: Rec. EBITDA and EBITDA stripping out the impact of capitalised expenses (EUR 0.4Mn and EUR 0.2Mn in 1H22 and 1H21, respectively).

Table 3. Estimates Review

EUR Mn	2022e (New)	Review (%)	2023e (New)	Review (%)	2024e (New)	Review (%)
Total Revenues	17.5	0.2%	20.5	0.4%	24.3	2.2%
Recurrent EBITDA	1.0	-34.3%	2.1	-21.0%	3.5	-3.5%
Rec. EBITDA/Revenues	6.0%	-3.1 p.p.	10.0%	-2.7 p.p.	14.5%	-0.9 p.p.
EBIT	-0.4	n.a.	0.5	23.5%	1.7	45.3%
Net Profit	-0.4	n.a.	0.4	72.8%	1.3	59.5%

Valuation inputs

Inputs for the DCF Valuation Approach

	2022e	2023e	2024e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	(2.2)	0.5	1.5	n.a.			
Market Cap	30.2	At the date of this report					
Net financial debt	3.2	Debt net of Cash (6m Results 2021)					
					Best Case	Worst Case	
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	4.0%	Kd = Cost of Net Debt * (1-T)			3.8%	4.2%	
Risk free rate (rf)	3.2%	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	10.4%	Ke = Rf + (R * B)			9.3%	11.7%	
Equity / (Equity + Net Debt)	90.3%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	9.7%	D			=	=	
WACC	9.8%	WACC = Kd * D + Ke * E			8.8%	11.0%	
G "Fair"	2.5%				3.0%	2.0%	

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

Inputs for the Multiples Valuation Approach

Company	Ticker	Mkt. Cap	P/E 22e	EPS 22e-24e	EV/EBITDA 22e	EBITDA 22e-24e	EV/Sales 22e	Revenues 22e-24e	EBITDA/Sales 22e	FCF Yield 22e	FCF 22e-24e
Qualtrics International	XM-US	6,624.8	n.a.	71.0%	n.a.	58.9%	4.2	20.7%	6.4%	n.a.	n.a.
Descartes Systems	DSG-CA	6,003.4	67.7	17.5%	27.9	13.6%	12.3	11.9%	44.0%	2.8%	n.a.
Appfolio	APPF-US	4,222.4	n.a.	36.5%	n.a.	98.3%	8.2	20.6%	2.5%	0.1%	n.a.
American Software	AMSWA-US	549.0	32.2	n.a.	21.4	n.a.	3.4	n.a.	16.0%	n.a.	n.a.
Software			49.9	41.7%	24.6	57.0%	7.0	17.7%	17.2%	1.4%	n.a.
CrowdStrike	CRWD-US	41,843.0	n.a.	44.7%	n.a.	35.8%	17.8	35.1%	18.4%	1.6%	36.7%
SecureWorks	SCWX-US	707.0	n.a.	25.5%	n.a.	51.1%	1.2	9.9%	n.a.	n.a.	n.a.
Absolute Software	ABST-CA	638.0	n.a.	83.3%	15.0	17.6%	3.4	15.7%	22.7%	9.5%	n.a.
Cybersecurity			n.a.	51.2%	15.0	34.9%	7.5	20.2%	20.5%	5.6%	36.7%
480S	480S-ES	30.2	n.a.	n.a.	32.4	n.a.	1.9	17.8%	4.5%	n.a.	59.9%

Free Cash Flow sensitivity analysis (2023e)

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

Scenario	EBITDA/Sales 23e	EBITDA 23e	EV/EBITDA 23e
Max	11.0%	2.3	15.0x
Central	10.0%	2.1	16.4x
Min	9.0%	1.8	18.3x

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

Rec. FCF EUR Mn	CAPEX/Sales 23e			Scenario	Rec. FCF/Yield 23e		
EBITDA 23e	3.6%	4.0%	4.4%		Max	2.3%	2.0%
2.3	0.7	0.6	0.5	Central	1.6%	1.4%	1.1%
2.1	0.5	0.4	0.3	Min	0.9%	0.7%	0.4%
1.8	0.3	0.2	0.1				

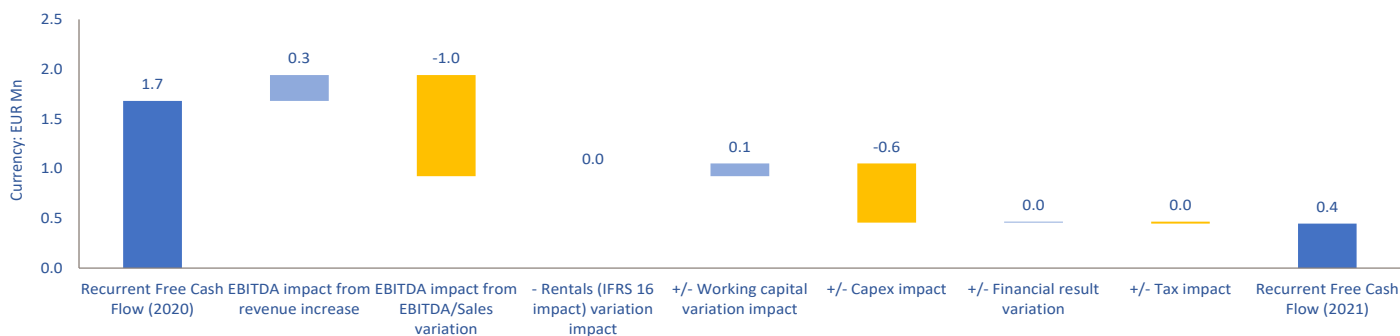
Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2019	2020	2021	2022e	2023e	2024e	CAGR	
Intangible assets	2.4	3.9	7.2	6.2	5.0	3.6		
Fixed assets	0.1	0.2	0.4	2.7	3.1	3.6		
Other Non Current Assets	0.3	0.5	0.5	0.5	0.5	0.5		
Financial Investments	0.0	1.0	0.1	0.1	0.1	0.1		
Goodwill & Other Intangibles	1.8	5.1	6.4	6.4	6.4	6.4		
Current assets	1.6	2.8	4.5	5.5	6.2	7.2		
Total assets	6.2	13.6	19.2	21.4	21.5	21.6		
Equity	1.9	5.4	4.4	10.8	11.2	12.5		
Minority Interests	0.0	0.1	0.0	0.0	0.0	0.0		
Provisions & Other L/T Liabilities	1.1	1.4	1.7	1.7	1.7	1.7		
Other Non Current Liabilities	-	-	-	-	-	-		
Net financial debt	1.9	3.5	7.2	2.9	2.5	1.1		
Current Liabilities	1.2	3.3	5.8	5.9	6.1	6.2		
Equity & Total Liabilities	6.2	13.6	19.2	21.4	21.5	21.6		
P&L (EUR Mn)	2019	2020	2021	2022e	2023e	2024e	CAGR	
Total Revenues	5.9	11.8	13.9	17.5	20.5	24.3	<i>n.a.</i>	20.5%
<i>Total Revenues growth</i>	<i>n.a.</i>	99.3%	17.3%	26.2%	16.9%	18.7%		
COGS	(1.4)	(3.1)	(3.8)	(4.5)	(5.5)	(6.6)		
Gross Margin	4.5	8.7	10.1	13.0	15.0	17.7	<i>n.a.</i>	20.7%
<i>Gross Margin/Revenues</i>	76.2%	73.7%	72.6%	74.0%	73.1%	72.9%		
Personnel Expenses	(2.5)	(5.7)	(7.4)	(9.5)	(10.3)	(11.4)		
Other Operating Expenses	(0.8)	(1.5)	(1.9)	(2.4)	(2.6)	(2.8)		
Recurrent EBITDA	1.1	1.5	0.7	1.0	2.1	3.5	<i>n.a.</i>	67.9%
<i>Recurrent EBITDA growth</i>	<i>n.a.</i>	31.2%	-50.4%	39.8%	96.8%	72.1%		
<i>Rec. EBITDA/Revenues</i>	19.3%	12.7%	5.4%	6.0%	10.0%	14.5%		
Restructuring Expense & Other non-rec.	-	(0.3)	(0.1)	(0.2)	-	-		
EBITDA	1.1	1.2	0.6	0.8	2.1	3.5	<i>n.a.</i>	80.2%
Depreciation & Provisions	(0.4)	(0.7)	(1.8)	(2.0)	(2.4)	(2.6)		
Capitalized Expense	-	0.1	0.6	0.9	0.9	0.9		
Rentals (IFRS 16 impact)	-	-	-	-	-	-		
EBIT	0.7	0.6	(0.6)	(0.4)	0.5	1.7	<i>n.a.</i>	71.4%
<i>EBIT growth</i>	<i>n.a.</i>	-10.3%	-189.1%	30.4%	229.9%	235.6%		
<i>EBIT/Revenues</i>	12.1%	5.5%	<i>n.a.</i>	<i>n.a.</i>	2.5%	7.2%		
Impact of Goodwill & Others	-	-	-	-	-	-		
Net Financial Result	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		
Income by the Equity Method	-	-	(0.0)	-	-	-		
Ordinary Profit	0.7	0.5	(0.7)	(0.5)	0.4	1.7	<i>n.a.</i>	62.6%
<i>Ordinary Profit Growth</i>	<i>n.a.</i>	-22.7%	-239.6%	30.1%	186.2%	281.3%		
Extraordinary Results	(0.5)	(0.3)	-	-	-	-		
Profit Before Tax	0.1	0.2	(0.7)	(0.5)	0.4	1.7	<i>n.a.</i>	62.6%
Tax Expense	(0.2)	0.0	(0.1)	0.1	(0.1)	(0.3)		
<i>Effective Tax Rate</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	20.0%	20.0%		
Minority Interests	-	-	0.0	-	-	-		
Discontinued Activities	-	-	-	-	-	-		
Net Profit	(0.0)	0.2	(0.8)	(0.4)	0.4	1.3	<i>n.a.</i>	54.2%
<i>Net Profit growth</i>	<i>n.a.</i>	<i>n.a.</i>	-430.1%	46.1%	181.1%	281.3%		
Ordinary Net Profit	0.5	0.8	(0.6)	(0.3)	0.4	1.3	<i>n.a.</i>	63.2%
<i>Ordinary Net Profit growth</i>	<i>n.a.</i>	75.1%	-169.1%	53.9%	233.2%	281.3%		
Cash Flow (EUR Mn)	2019	2020	2021	2022e	2023e	2024e	CAGR	
Recurrent EBITDA				1.0	2.1	3.5	<i>n.a.</i>	67.9%
Rentals (IFRS 16 impact)				-	-	-		
Working Capital Increase				(0.8)	(0.7)	(0.8)		
Recurrent Operating Cash Flow				0.2	1.4	2.7	<i>n.a.</i>	18.1%
CAPEX				(0.8)	(0.8)	(0.9)		
Net Financial Result affecting the Cash Flow				(0.1)	(0.1)	(0.1)		
Tax Expense				0.1	(0.1)	(0.3)		
Recurrent Free Cash Flow				(0.6)	0.4	1.4	<i>n.a.</i>	46.4%
Restructuring Expense & Other non-rec.				(0.2)	-	-		
- Acquisitions / + Divestures of assets				(1.7)	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow				-	-	-		
Free Cash Flow				(2.5)	0.4	1.4	<i>n.a.</i>	32.3%
Capital Increase				6.8	-	-		
Dividends				-	-	-		
Net Debt Variation				(4.3)	(0.4)	(1.4)		

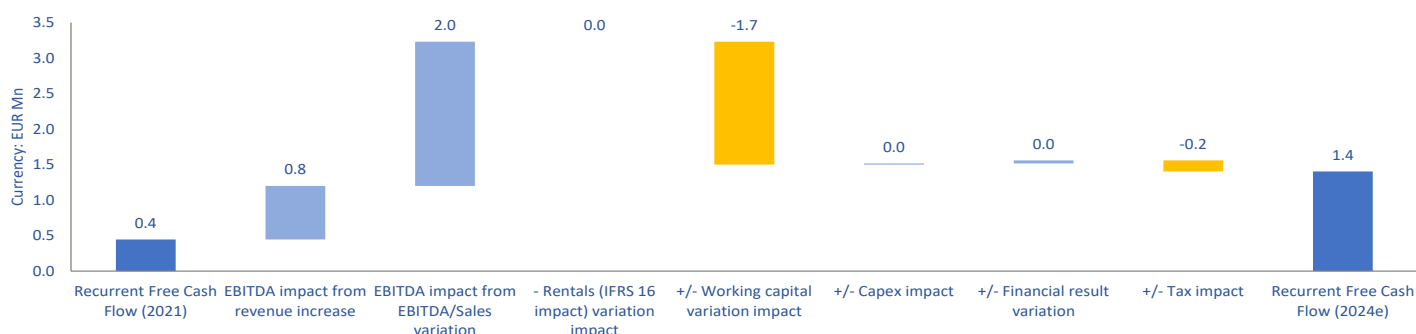
Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2020	2021	2022e	2023e	2024e	CAGR	
						18-21	21-24e
Recurrent EBITDA	1.5	0.7	1.0	2.1	3.5	<i>n.a.</i>	67.9%
<i>Recurrent EBITDA growth</i>	31.2%	-50.4%	39.8%	96.8%	72.1%		
<i>Rec. EBITDA/Revenues</i>	12.7%	5.4%	6.0%	10.0%	14.5%		
- Rentals (IFRS 16 impact)	-	-	-	-	-		
+/- Working Capital increase	0.8	0.9	(0.8)	(0.7)	(0.8)		
= Recurrent Operating Cash Flow	2.3	1.6	0.2	1.4	2.7	<i>n.a.</i>	18.1%
<i>Rec. Operating Cash Flow growth</i>	181.7%	-27.8%	-85.7%	497.5%	92.4%		
<i>Rec. Operating Cash Flow / Sales</i>	19.1%	11.8%	1.3%	6.8%	11.1%		
- CAPEX	(0.3)	(0.9)	(0.8)	(0.8)	(0.9)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		
- Taxes	(0.2)	(0.2)	0.1	(0.1)	(0.3)		
= Recurrent Free Cash Flow	1.7	0.4	(0.6)	0.4	1.4	<i>n.a.</i>	46.4%
<i>Rec. Free Cash Flow growth</i>	265.2%	-73.4%	-231.3%	169.4%	244.4%		
<i>Rec. Free Cash Flow / Revenues</i>	14.2%	3.2%	<i>n.a.</i>	2.0%	5.8%		
- Restructuring expenses & others	(0.3)	(0.1)	(0.2)	-	-		
- Acquisitions / + Divestments	(2.8)	(4.8)	(1.7)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-		
= Free Cash Flow	(1.4)	(4.5)	(2.5)	0.4	1.4	<i>n.a.</i>	32.3%
<i>Free Cash Flow growth</i>	45.0%	-208.5%	43.2%	116.1%	244.4%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	5.6%	1.5%	<i>n.a.</i>	1.4%	4.7%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	1.4%	4.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)							
	2020	2021	2022e	2023e	2024e		
Recurrent FCF(FY - 1)	0.5	1.7	0.4	(0.6)	0.4		
EBITDA impact from revenue increase	1.1	0.3	0.2	0.2	0.4		
EBITDA impact from EBITDA/Sales variation	(0.8)	(1.0)	0.1	0.8	1.1		
= Recurrent EBITDA variation	0.4	(0.8)	0.3	1.0	1.5		
- Rentals (IFRS 16 impact) variation impact	-	-	-	-	-		
+/- Working capital variation impact	1.1	0.1	(1.7)	0.2	(0.2)		
= Recurrent Operating Cash Flow variation	1.5	(0.6)	(1.4)	1.2	1.3		
+/- CAPEX impact	(0.2)	(0.6)	0.1	(0.0)	(0.1)		
+/- Financial result variation	(0.1)	0.0	0.0	0.0	0.0		
+/- Tax impact	0.1	(0.0)	0.3	(0.2)	(0.2)		
= Recurrent Free Cash Flow variation	1.2	(1.2)	(1.0)	1.0	1.0		
Recurrent Free Cash Flow	1.7	0.4	(0.6)	0.4	1.4		
C) "FCF to the Firm" (pre debt service) (EUR Mn)							
	2020	2021	2022e	2023e	2024e	CAGR	
EBIT	0.6	(0.6)	(0.4)	0.5	1.7	<i>n.a.</i>	71.4%
* <i>Theoretical Tax rate</i>	0.0%	0.0%	0.0%	20.0%	20.0%		
= Taxes (pre- Net Financial Result)	-	-	-	(0.1)	(0.3)		
Recurrent EBITDA	1.5	0.7	1.0	2.1	3.5	<i>n.a.</i>	67.9%
- Rentals (IFRS 16 impact)	-	-	-	-	-		
+/- Working Capital increase	0.8	0.9	(0.8)	(0.7)	(0.8)		
= Recurrent Operating Cash Flow	2.3	1.6	0.2	1.4	2.7	<i>n.a.</i>	18.1%
- CAPEX	(0.3)	(0.9)	(0.8)	(0.8)	(0.9)		
- Taxes (pre- Financial Result)	-	-	-	(0.1)	(0.3)		
= Recurrent Free Cash Flow (To the Firm)	2.0	0.7	(0.6)	0.5	1.5	<i>n.a.</i>	25.4%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	293.9%	-62.3%	-175.0%	185.2%	209.2%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	16.6%	5.3%	<i>n.a.</i>	2.3%	6.0%		
- Acquisitions / + Divestments	(2.8)	(4.8)	(1.7)	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	-	-		
= Free Cash Flow "To the Firm"	(0.9)	(4.0)	(2.2)	0.5	1.5	<i>n.a.</i>	33.2%
<i>Free Cash Flow (To the Firm) growth</i>	66.9%	-370.0%	44.0%	121.0%	209.2%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	5.8%	2.2%	<i>n.a.</i>	1.4%	4.3%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	1.4%	4.3%		

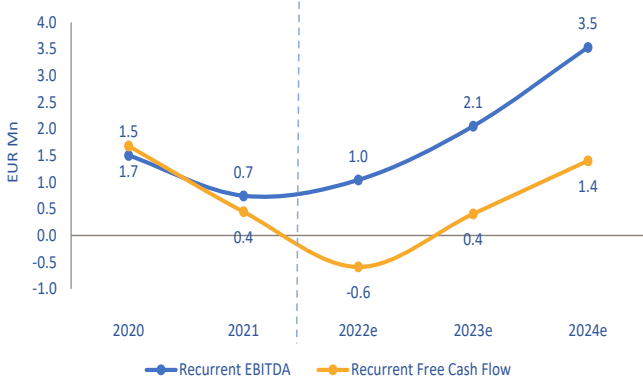
Recurrent Free Cash Flow accumulated variation analysis (2017 - 2021)



Recurrent Free Cash Flow accumulated variation analysis (2021 - 2024e)



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	30.2	
+ Minority Interests	0.0	6m Results 2021
+ Provisions & Other L/T Liabilities	1.6	6m Results 2021
+ Net financial debt	3.2	6m Results 2021
- Financial Investments	1.3	6m Results 2021
+/- Others		
Enterprise Value (EV)	33.7	

Appendix 4. Main peers 2022e

		Software				Cybersecurity					
EUR Mn		Qualtrics International	Descartes Systems	Appfolio	American Software	Average	CrowdStrike	SecureWorks	Absolute Software	Average	480S
Market data	Ticker (Factset)	XM-US	DSG-CA	APPF-US	AMSWA-US		CRWD-US	SCWX-US	ABST-CA		480S-ES
	Country	USA	Canada	USA	USA		USA	USA	Canada		Spain
	Market cap	6,624.8	6,003.4	4,222.4	549.0		41,843.0	707.0	638.0		30.2
	Enterprise value (EV)	6,117.4	5,832.1	3,841.9	508.7		40,291.6	551.6	841.8		33.7
Basic financial information	Total Revenues	1,445.4	475.0	466.7	148.6		2,267.1	468.1	246.6		17.5
	Total Revenues growth	32.4%	20.4%	28.0%	9.8%	22.7%	53.9%	-13.8%	33.2%	24.4%	26.2%
	2y CAGR (2022e - 2024e)	20.7%	11.9%	20.6%	n.a.	17.7%	35.1%	9.9%	15.7%	20.2%	17.8%
	EBITDA	92.1	209.0	11.7	23.8		417.0	(64.5)	56.0		0.8
	EBITDA growth	109.8%	31.5%	-47.9%	41.7%	33.8%	803.3%	n.a.	87.6%	445.5%	31.9%
	2y CAGR (2022e - 2024e)	58.9%	13.6%	98.3%	n.a.	57.0%	35.8%	51.1%	17.6%	34.9%	n.a.
	EBITDA/Revenues	6.4%	44.0%	2.5%	16.0%	17.2%	18.4%	n.a.	22.7%	20.5%	4.5%
	EBIT	29.6	131.4	(77.6)	16.4		340.0	(60.2)	14.2		(0.4)
	EBIT growth	102.8%	32.3%	-544.1%	57.9%	-87.8%	345.8%	-13.2%	311.1%	214.6%	30.4%
	2y CAGR (2022e - 2024e)	n.a.	24.1%	29.8%	n.a.	26.9%	51.6%	45.5%	53.9%	50.3%	n.a.
	EBIT/Revenues	2.0%	27.7%	n.a.	11.1%	13.6%	15.0%	n.a.	5.7%	10.4%	n.a.
	Net Profit	(1,072.2)	91.5	(16.2)	12.8		324.9	(46.9)	(10.7)		(0.4)
	Net Profit growth	0.2%	14.2%	n.a.	64.2%	26.2%	236.4%	-16.2%	53.4%	91.2%	46.1%
	2y CAGR (2022e - 2024e)	23.9%	25.9%	25.1%	n.a.	24.9%	48.0%	66.6%	84.1%	66.2%	n.a.
	CAPEX/Sales %	4.1%	1.2%	4.3%	1.2%	2.7%	10.5%	1.6%	n.a.	6.0%	4.5%
Free Cash Flow	(15.2)	167.0	3.0	n.a.		689.4	(71.2)	60.4		(2.5)	
Net financial debt	(712.7)	(75.7)	(40.6)	(118.8)		(1,980.9)	(152.8)	165.1		2.9	
ND/EBITDA (x)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.9	2.9	2.8	
Pay-out	0.0%	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	-114.6%	-38.2%	0.0%	
Multiples and Ratios	P/E (x)	n.a.	67.7	n.a.	32.2	49.9	n.a.	n.a.	n.a.	n.a.	n.a.
	P/BV (x)	3.7	5.7	13.8	n.a.	7.7	n.a.	1.3	n.a.	1.3	2.8
	EV/Revenues (x)	4.2	12.3	8.2	3.4	7.0	17.8	1.2	3.4	7.5	1.9
	EV/EBITDA (x)	n.a.	27.9	n.a.	21.4	24.6	n.a.	n.a.	15.0	15.0	32.4
	EV/EBIT (x)	n.a.	44.4	n.a.	31.0	37.7	n.a.	n.a.	n.a.	n.a.	n.a.
	ROE	n.a.	8.4	n.a.	n.a.	8.4	22.6	n.a.	n.a.	22.6	n.a.
	FCF Yield (%)	n.a.	2.8	0.1	n.a.	1.4	1.6	n.a.	9.5	5.6	n.a.
	DPS	0.00	n.a.	n.a.	n.a.	0.00	0.00	0.00	0.24	0.08	0.00
	Dvd Yield	0.0%	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	2.0%	0.7%	0.0%

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

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

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
06-Oct-2022	n.a.	11.20	n.a.	n.a.	6m Results 2022 - Estimates downgrade	David López Sánchez
09-Jun-2022	n.a.	16.60	n.a.	n.a.	3m Results 2022	David López Sánchez
18-Mar-2022	n.a.	16.64	n.a.	n.a.	12m 2021 Preliminary results	David López Sánchez
01-Dec-2021	n.a.	18.83	n.a.	n.a.	9m Results 2021 - Estimates downgrade	David López Sánchez
07-Oct-2021	n.a.	15.96	n.a.	n.a.	6m Results 2021	David López Sánchez
22-Apr-2021	n.a.	24.14	n.a.	n.a.	Initiation of Coverage	David López Sánchez

