

## Company Flash Note

## Reason: Company results (post view)

10 April 2024

### Buy

Recommendation unchanged

Share price: EUR **8.40**

closing price as of 09/04/2024

Target price: EUR **11.50**

from Target Price: EUR 11.50

Upside/Downside Potential **37.0%**

Reuters/Bloomberg

IZER.MC/IZER.SM

Market capitalisation (EURm) **222**

Current N° of shares (m) 26

Free float **32%**

Daily avg. no. trad. sh. 12 mth (k) 10

Daily avg. trad. vol. 12 mth (k) 143.98

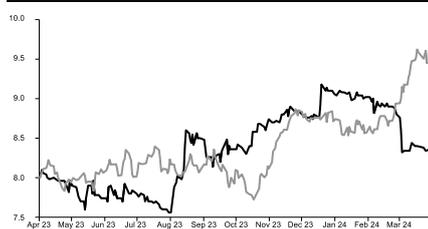
Price high/low 12 months 9.18 / 7.56

Abs Perfs 1/3/12 mths (%) -4.55/-7.69/5.00

| Key financials (EUR)       | 12/23 | 12/24e | 12/25e |
|----------------------------|-------|--------|--------|
| Sales (m)                  | 117   | 156    | 189    |
| EBITDA (m)                 | 19    | 24     | 29     |
| EBITDA margin              | 15.9% | 15.2%  | 15.3%  |
| EBIT (m)                   | 10    | 13     | 17     |
| EBIT margin                | 8.8%  | 8.5%   | 9.0%   |
| Net Profit (adj.)(m)       | 5     | 6      | 9      |
| ROCE                       | 6.9%  | 8.3%   | 10.3%  |
| Net debt/(cash) (m)        | 53    | 57     | 56     |
| Net Debt Equity            | 0.7   | 0.7    | 0.6    |
| Net Debt/EBITDA            | 2.8   | 2.4    | 1.9    |
| Int. cover(EBITDA/Fin.int) | 4.5   | 5.2    | 6.0    |
| EV/Sales                   | 2.5   | 1.8    | 1.5    |
| EV/EBITDA                  | 15.7  | 11.6   | 9.5    |
| EV/EBITDA (adj.)           | 15.7  | 11.6   | 9.5    |
| EV/EBIT                    | 28.3  | 20.8   | 16.1   |
| P/E (adj.)                 | 48.4  | 35.2   | 24.7   |
| P/BV                       | 3.3   | 2.8    | 2.6    |
| OpFCF yield                | 0.8%  | 6.0%   | 7.7%   |
| Dividend yield             | 0.0%  | 0.0%   | 0.0%   |
| EPS (adj.)                 | 0.19  | 0.24   | 0.34   |
| BVPS                       | 2.75  | 2.96   | 3.28   |
| DPS                        | 0.00  | 0.00   | 0.00   |

### Shareholders

Laren Capital, S.L.U. 52%; Management Team 14%; Autocartera 2%;



Source: FactSet

— IZERTIS — IBEX 35 (Rebased)

### Analyst(s)

Juan Peña

juan.pena@gvcgaesco.es

+34 91 436 78 16

## FY23 results: In the right direction

This morning, the company presented its 2023 annual results together with the audit, which are in line with our estimates, confirming the good growth trends observed and maintaining a clear commitment to improving margins, which grew significantly throughout the year. The company maintains its plans for 2027 announced in its Strategic Plan, which we believe will be amply exceeded, given the company's recent evolution and future forecasts.

- ✓ Annual revenues reached EUR121.3m, up +31.5% year-on-year (+14.3% in organic terms), confirming the good trends shown in the first half of the year and demonstrating its ability to efficiently integrate the acquisitions made.
- ✓ Additionally, the company's focus on higher value-added activities was confirmed with strong growth in gross margin (+3pp vs. FY22) and normalized EBITDA margin (+2.3pp vs. FY22).
- ✓ By business line, the strongest growth was in IT Governance (+33%), Enterprise IT Security (+41%) and Software Engineering (+73%), driven both by acquisitions made during the year and by the increased demand for these services.
- ✓ EBIT reached EUR9.8m with a margin increase of +1.3pp to 8.1%, rapidly closing the gap vs. the best industry comparables. The company also achieved a positive net profit of EUR5m (+35%), despite the increase in financial costs.
- ✓ The company has reported a net debt of EUR49m (2.6x DN/EBITDA) with an increase vs the EUR31.5m reported in FY22, due to the acquisitions made (Techsociety, Autentia and Keifi).
- ✓ The company has highlighted its internationalization, with almost 20% of revenues coming from outside Spain, being the US the second market at present with c.5% of the activity.
- ✓ The results presented are in line with our estimates and confirm the strong growth that the company is having in recent years, with an exceptional combination of organic (always above +10%) and inorganic growth, with the objective of seeking larger and larger companies and fewer operations throughout each year, due to the current size of the company.
- ✓ In view of the results presented, we maintain our projected estimates and our valuation, as well as our positive view on the company, which continues to deliver a very robust performance, not only meeting but also improving the targets set and with a remarkable improvement in margins that place it increasingly closer to industry best practices and confirming the company's ability to compete with the big players in the sector. We reiterate our target price of EUR11.5 per share and our Buy recommendation.

## FY23 results

### IZERTIS. POST-FY'23 RESULTS.

| EURm                                   | FY'22         | FY'23         | Δ% y/y        |
|--|---------------|---------------|---------------|
| <b>Total income</b>                    | <b>92.20</b>  | <b>121.29</b> | <b>31.5%</b>  |
| <b>Supplies</b>                        | <b>-17.51</b> | <b>-19.36</b> | <b>10.5%</b>  |
| <b>Gross margin</b>                    | <b>74.69</b>  | <b>101.94</b> | <b>36.5%</b>  |
| % gross margin                         | 81.0%         | 84.0%         | 3.0pp         |
| Personnel costs                        | -58.80        | -78.36        | 33.3%         |
| Other general costs                    | -4.59         | -5.62         | 22.4%         |
| Other results                          | 0.91          | 0.05          | -94.8%        |
| Impairment & Results of sale of assets | 0.05          | 0.06          | n.a           |
| <b>EBITDA</b>                          | <b>12.26</b>  | <b>18.06</b>  | <b>47.3%</b>  |
| other non recurrent costs              | -0.20         | 0.56          | -384.8%       |
| <b>Normalized EBITDA</b>               | <b>12.07</b>  | <b>18.62</b>  | <b>67.9%</b>  |
| <b>Normalized EBITDA mg (%)</b>        | <b>13.1%</b>  | <b>15.4%</b>  | <b>2.3pp</b>  |
| <b>EBIT</b>                            | <b>6.29</b>   | <b>9.79</b>   | <b>184.3%</b> |
| <b>Net income</b>                      | <b>3.72</b>   | <b>5.01</b>   | <b>34.6%</b>  |

Source: Izertis & GVC Gaesco Valores

Implied valuation multiples place the company at market levels, comparable to some of the main industry leaders such as Reply (12.5x EV/EBITDA24e), NNIT AS (10.5x) or Epam Systems (16.5x). In Spain, comparables such as Altia are trading at c.12x EV/EBITDA24e.

|           | 2022  | 2023  | 2024e | 2025e | 2026e | 2027e | 2028e | 2029e | 2030e |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| EV/Sales  | 4.0x  | 3.0x  | 2.3x  | 1.9x  | 1.6x  | 1.4x  | 1.2x  | 1.1x  | 0.9x  |
| EV/EBITDA | 28.8x | 19.5x | 15.1x | 12.3x | 10.4x | 8.9x  | 7.8x  | 6.8x  | 6.0x  |
| P/E       | 81.6x | 60.7x | 48.2x | 33.9x | 26.4x | 21.2x | 17.5x | 14.4x | 12.3x |

We think the company's growth profile is superior to some of its competitors and that would justify a somewhat higher multiple than some comparables.

**Izertis: Summary tables**

| <b>PROFIT &amp; LOSS (EURm)</b>                   | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>Sales</b>                                      | <b>65.0</b>    | <b>88.4</b>    | <b>117</b>     | <b>156</b>      | <b>189</b>      | <b>222</b>      |
| Cost of Sales & Operating Costs                   | -57.8          | -76.4          | -98.6          | -132.5          | -160.4          | -188.1          |
| Non Recurrent Expenses/Income                     | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| <b>EBITDA</b>                                     | <b>7.3</b>     | <b>12.1</b>    | <b>18.6</b>    | <b>23.7</b>     | <b>29.0</b>     | <b>34.4</b>     |
| <b>EBITDA (adj.)*</b>                             | <b>7.3</b>     | <b>12.1</b>    | <b>18.6</b>    | <b>23.7</b>     | <b>29.0</b>     | <b>34.4</b>     |
| Depreciation                                      | -5.6           | -6.0           | -8.3           | -10.5           | -11.9           | -13.6           |
| Depreciation of Right-of-Use                      |                |                |                |                 | 0               | 0               |
| <b>EBITA</b>                                      | <b>1.7</b>     | <b>6.1</b>     | <b>10.4</b>    | <b>13.3</b>     | <b>17.1</b>     | <b>20.8</b>     |
| <b>EBITA (adj.)*</b>                              | <b>1.7</b>     | <b>6.1</b>     | <b>10.4</b>    | <b>13.3</b>     | <b>17.1</b>     | <b>20.8</b>     |
| Amortisations and Write Downs                     | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| <b>EBIT</b>                                       | <b>1.7</b>     | <b>6.1</b>     | <b>10.4</b>    | <b>13.3</b>     | <b>17.1</b>     | <b>20.8</b>     |
| <b>EBIT (adj.)*</b>                               | <b>1.7</b>     | <b>6.1</b>     | <b>10.4</b>    | <b>13.3</b>     | <b>17.1</b>     | <b>20.8</b>     |
| Net Financial Interest                            | -0.9           | -1.9           | -4.2           | -4.5            | -4.8            | -5.1            |
| Other Financials                                  | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Associates  | 0.0            | -0.4           | -0.0           | 0.0             | 0.0             | 0.0             |
| Other Non Recurrent Items                         | -0.1           | 0.2            | -0.6           | -0.3            | -0.3            | -0.3            |
| <b>Earnings Before Tax (EBT)</b>                  | <b>0.7</b>     | <b>4.0</b>     | <b>5.6</b>     | <b>8.4</b>      | <b>12.0</b>     | <b>15.3</b>     |
| Tax   | -0.3           | -0.3           | -0.6           | -2.1            | -3.0            | -3.8            |
| <i>Tax rate</i>                                   | <i>45.8%</i>   | <i>7.4%</i>    | <i>11.1%</i>   | <i>25.0%</i>    | <i>25.0%</i>    | <i>25.0%</i>    |
| Discontinued Operations                           | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Minorities  | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| <b>Net Profit (reported)</b>                      | <b>0.4</b>     | <b>3.7</b>     | <b>5.0</b>     | <b>6.3</b>      | <b>9.0</b>      | <b>11.5</b>     |
| <b>Net Profit (adj.)</b>                          | <b>0.4</b>     | <b>3.7</b>     | <b>5.0</b>     | <b>6.3</b>      | <b>9.0</b>      | <b>11.5</b>     |
| <b>CASH FLOW (EURm)</b>                           | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| Cash Flow from Operations before change in NWC    | 6.0            | 10.1           | 13.3           | 16.8            | 20.9            | 25.1            |
| Change in Net Working Capital                     | -3.1           | -8.8           | -8.3           | -0.2            | -0.2            | -0.2            |
| <b>Cash Flow from Operations</b>                  | <b>2.9</b>     | <b>1.3</b>     | <b>5.0</b>     | <b>16.6</b>     | <b>20.7</b>     | <b>24.8</b>     |
| Capex   | -1.9           | -2.1           | -3.0           | -3.2            | -3.5            | -3.7            |
| Net Financial Investments                         | -1.8           | -33.6          | -11.5          | -11.3           | -13.3           | -14.8           |
| <b>Free Cash Flow</b>                             | <b>-0.8</b>    | <b>-34.4</b>   | <b>-9.6</b>    | <b>2.0</b>      | <b>3.8</b>      | <b>6.3</b>      |
| Dividends   | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Other (incl. Capital Increase & share buy backs)  | -6.2           | 17.1           | -9.5           | -6.1            | -2.9            | -5.4            |
| <b>Change in Net Financial Debt</b>               | <b>-7.0</b>    | <b>-17.2</b>   | <b>-19.1</b>   | <b>-4.1</b>     | <b>0.9</b>      | <b>0.9</b>      |
| NOPLAT  | 1.7            | 6.1            | 10.4           | 13.3            | 17.1            | 20.8            |
| <b>BALANCE SHEET &amp; OTHER ITEMS (EURm)</b>     | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| Net Tangible Assets                               | 3.9            | 4.0            | 6.2            | 6.3             | 6.3             | 6.4             |
| Net Intangible Assets (incl. Goodwill)            | 41.8           | 75.5           | 117            | 126             | 131             | 136             |
| Right-of-Use Assets (Lease Assets)                | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Net Financial Assets & Other                      | 3.1            | 3.5            | 2.8            | 2.8             | 2.8             | 2.8             |
| <b>Total Fixed Assets</b>                         | <b>48.8</b>    | <b>83.1</b>    | <b>126</b>     | <b>135</b>      | <b>140</b>      | <b>145</b>      |
| Inventories                                       | 0.8            | 0.8            | 1.2            | 1.2             | 1.3             | 1.3             |
| Trade receivables                                 | 14.4           | 23.7           | 32.1           | 33.1            | 34.1            | 35.1            |
| Other current assets                              | 1.3            | 1.4            | 3.3            | 3.4             | 3.4             | 3.5             |
| Cash (-)  | -37.7          | -35.6          | -29.4          | -30.0           | -33.0           | -36.3           |
| <b>Total Current Assets</b>                       | <b>54.2</b>    | <b>61.5</b>    | <b>66.0</b>    | <b>67.7</b>     | <b>71.8</b>     | <b>76.2</b>     |
| <b>Total Assets</b>                               | <b>103.0</b>   | <b>144.6</b>   | <b>192.3</b>   | <b>202.7</b>    | <b>212.2</b>    | <b>221.2</b>    |
| Shareholders Equity                               | 33.5           | 48.5           | 72.7           | 78.3            | 86.6            | 95.0            |
| Minority  | 0.3            | 0.2            | 0.2            | 0.2             | 0.2             | 0.2             |
| <b>Total Equity</b>                               | <b>33.8</b>    | <b>48.7</b>    | <b>72.9</b>    | <b>78.5</b>     | <b>86.8</b>     | <b>95.2</b>     |
| Long term interest bearing debt                   | 37.0           | 47.0           | 52.5           | 57.0            | 58.8            | 60.8            |
| Provisions  | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Lease Liabilities                                 | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| Other long term liabilities                       | 3.0            | 6.5            | 10.3           | 9.8             | 9.3             | 8.8             |
| <b>Total Long Term Liabilities</b>                | <b>40.0</b>    | <b>53.5</b>    | <b>62.8</b>    | <b>66.8</b>     | <b>68.1</b>     | <b>69.6</b>     |
| Short term interest bearing debt                  | 17.5           | 22.6           | 29.9           | 30.1            | 30.3            | 30.7            |
| Trade payables                                    | 5.1            | 5.6            | 6.1            | 6.9             | 7.7             | 8.5             |
| Other current liabilities                         | 6.8            | 14.3           | 20.6           | 20.5            | 19.3            | 17.1            |
| <b>Total Current Liabilities</b>                  | <b>29.3</b>    | <b>42.5</b>    | <b>56.6</b>    | <b>57.5</b>     | <b>57.3</b>     | <b>56.4</b>     |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>103.0</b>   | <b>144.6</b>   | <b>192.3</b>   | <b>202.7</b>    | <b>212.2</b>    | <b>221.2</b>    |
| <b>Net Capital Employed</b>                       | <b>53.5</b>    | <b>89.1</b>    | <b>136.2</b>   | <b>145.4</b>    | <b>152.3</b>    | <b>159.3</b>    |
| <b>Net Working Capital</b>                        | <b>10.1</b>    | <b>18.9</b>    | <b>27.2</b>    | <b>27.4</b>     | <b>27.7</b>     | <b>27.9</b>     |
| <b>GROWTH &amp; MARGINS</b>                       | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| <i>Sales growth</i>                               | <i>28.2%</i>   | <i>36.0%</i>   | <i>32.6%</i>   | <i>33.3%</i>    | <i>21.2%</i>    | <i>17.4%</i>    |
| <b>EBITDA (adj.)* growth</b>                      | <b>38.0%</b>   | <b>65.9%</b>   | <b>54.4%</b>   | <b>27.5%</b>    | <b>22.3%</b>    | <b>18.4%</b>    |
| <i>EBITA (adj.)* growth</i>                       | <i>20.3%</i>   | <i>264.0%</i>  | <i>69.9%</i>   | <i>28.2%</i>    | <i>28.9%</i>    | <i>21.6%</i>    |
| <i>EBIT (adj.)* growth</i>                        | <i>20.3%</i>   | <i>264.0%</i>  | <i>69.9%</i>   | <i>28.2%</i>    | <i>28.9%</i>    | <i>21.6%</i>    |

## Izertis: Summary tables

| <b>GROWTH &amp; MARGINS</b>                 | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
|---|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| Net Profit growth                           | -71.6%         | 852.4%         | 34.5%          | 25.8%           | 42.3%           | 28.4%           |
| EPS adj. growth                             | -73.8%         | 792.9%         | 27.2%          | 25.8%           | 42.3%           | 28.4%           |
| DPS adj. growth                             |                |                |                |                 |                 |                 |
| EBITDA (adj)* margin                        | 11.2%          | 13.6%          | 15.9%          | 15.2%           | 15.3%           | 15.5%           |
| EBITA (adj)* margin                         | 2.6%           | 6.9%           | 8.8%           | 8.5%            | 9.0%            | 9.4%            |
| EBIT (adj)* margin                          | 2.6%           | 6.9%           | 8.8%           | 8.5%            | 9.0%            | 9.4%            |
| <b>RATIOS</b>                               | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| Net Debt/Equity                             | 0.5            | 0.7            | 0.7            | 0.7             | 0.6             | 0.6             |
| Net Debt/EBITDA                             | 2.3            | 2.8            | 2.8            | 2.4             | 1.9             | 1.6             |
| Interest cover (EBITDA/Fin.interest)        | 8.5            | 6.4            | 4.5            | 5.2             | 6.0             | 6.7             |
| Capex/D&A                                   | 34.5%          | 34.9%          | 36.6%          | 30.9%           | 29.5%           | 27.4%           |
| Capex/Sales                                 | 3.0%           | 2.4%           | 2.6%           | 2.1%            | 1.9%            | 1.7%            |
| NWC/Sales                                   | 15.6%          | 21.4%          | 23.2%          | 17.5%           | 14.6%           | 12.5%           |
| ROE (average)                               | 1.4%           | 9.1%           | 8.3%           | 8.3%            | 10.9%           | 12.7%           |
| ROCE (adj.)                                 | 3.0%           | 6.2%           | 6.9%           | 8.3%            | 10.3%           | 12.2%           |
| WACC  | 9.0%           | 9.0%           | 9.0%           | 9.0%            | 9.0%            | 9.0%            |
| ROCE (adj.)/WACC                            | 0.3            | 0.7            | 0.8            | 0.9             | 1.2             | 1.4             |
| <b>PER SHARE DATA (EUR)***</b>              | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| Average diluted number of shares            | 23.4           | 25.0           | 26.4           | 26.4            | 26.4            | 26.4            |
| EPS (reported)                              | 0.02           | 0.15           | 0.19           | 0.24            | 0.34            | 0.44            |
| EPS (adj.)                                  | 0.02           | 0.15           | 0.19           | 0.24            | 0.34            | 0.44            |
| BVPS  | 1.43           | 1.94           | 2.75           | 2.96            | 3.28            | 3.60            |
| DPS   | 0.00           | 0.00           | 0.00           | 0.00            | 0.00            | 0.00            |
| <b>VALUATION</b>                            | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| EV/Sales                                    | 3.1            | 2.7            | 2.5            | 1.8             | 1.5             | 1.2             |
| EV/EBITDA                                   | 27.6           | 19.6           | 15.7           | 11.6            | 9.5             | 8.0             |
| <b>EV/EBITDA (adj.)*</b>                    | <b>27.6</b>    | <b>19.6</b>    | <b>15.7</b>    | <b>11.6</b>     | <b>9.5</b>      | <b>8.0</b>      |
| EV/EBITA                                    | 119.7          | 38.8           | 28.3           | 20.8            | 16.1            | 13.2            |
| <b>EV/EBITA (adj.)*</b>                     | <b>119.7</b>   | <b>38.8</b>    | <b>28.3</b>    | <b>20.8</b>     | <b>16.1</b>     | <b>13.2</b>     |
| EV/EBIT                                     | n.m.           | 38.8           | 28.3           | 20.8            | 16.1            | 13.2            |
| <b>EV/EBIT (adj.)*</b>                      | <b>n.m.</b>    | <b>38.8</b>    | <b>28.3</b>    | <b>20.8</b>     | <b>16.1</b>     | <b>13.2</b>     |
| <b>P/E (adj.)</b>                           | <b>n.m.</b>    | <b>n.m.</b>    | <b>48.4</b>    | <b>35.2</b>     | <b>24.7</b>     | <b>19.3</b>     |
| P/BV  | 5.6            | 4.2            | 3.3            | 2.8             | 2.6             | 2.3             |
| Total Yield Ratio                           | 0.0%           | 0.0%           | 0.0%           | 0.0%            | 0.0%            | 0.0%            |
| EV/CE                                       | 3.6            | 2.4            | 1.9            | 1.7             | 1.7             | 1.6             |
| OpFCF yield                                 | 0.5%           | -0.4%          | 0.8%           | 6.0%            | 7.7%            | 9.5%            |
| OpFCF/EV                                    | 0.5%           | -0.3%          | 0.7%           | 4.8%            | 6.2%            | 7.7%            |
| Payout ratio                                | 0.0%           | 0.0%           | 0.0%           | 0.0%            | 0.0%            | 0.0%            |
| Dividend yield (gross)                      | 0.0%           | 0.0%           | 0.0%           | 0.0%            | 0.0%            | 0.0%            |
| <b>EV AND MKT CAP (EURm)</b>                | <b>12/2021</b> | <b>12/2022</b> | <b>12/2023</b> | <b>12/2024e</b> | <b>12/2025e</b> | <b>12/2026e</b> |
| Price** (EUR)                               | 7.98           | 8.24           | 9.18           | 8.40            | 8.40            | 8.40            |
| Outstanding number of shares for main stock | 23.4           | 25.0           | 26.4           | 26.4            | 26.4            | 26.4            |
| <b>Total Market Cap</b>                     | <b>186.8</b>   | <b>205.8</b>   | <b>242.4</b>   | <b>221.8</b>    | <b>221.8</b>    | <b>221.8</b>    |
| Gross Financial Debt (+)                    | 54.5           | 69.6           | 82.5           | 87.1            | 89.2            | 91.6            |
| Cash & Marketable Securities (-)            | -37.7          | -35.6          | -29.4          | -30.0           | -33.0           | -36.3           |
| <b>Net Financial Debt</b>                   | <b>16.7</b>    | <b>34.0</b>    | <b>53.1</b>    | <b>57.1</b>     | <b>56.2</b>     | <b>55.3</b>     |
| Lease Liabilities (+)                       | 0.0            | 0.0            | 0.0            | 0.0             | 0.0             | 0.0             |
| <b>Net Debt</b>                             | <b>16.7</b>    | <b>34.0</b>    | <b>53.1</b>    | <b>57.1</b>     | <b>56.2</b>     | <b>55.3</b>     |
| <b>Other EV components</b>                  | <b>-3.1</b>    | <b>-3.5</b>    | <b>-2.8</b>    | <b>-2.8</b>     | <b>-2.8</b>     | <b>-2.8</b>     |
| <b>Enterprise Value (EV adj.)</b>           | <b>200.4</b>   | <b>236.2</b>   | <b>292.7</b>   | <b>276.2</b>    | <b>275.3</b>    | <b>274.4</b>    |

Source: Company, GVC Gaesco Valores estimates.

### Notes

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

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

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

Sector: Technology/Computer Services

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

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

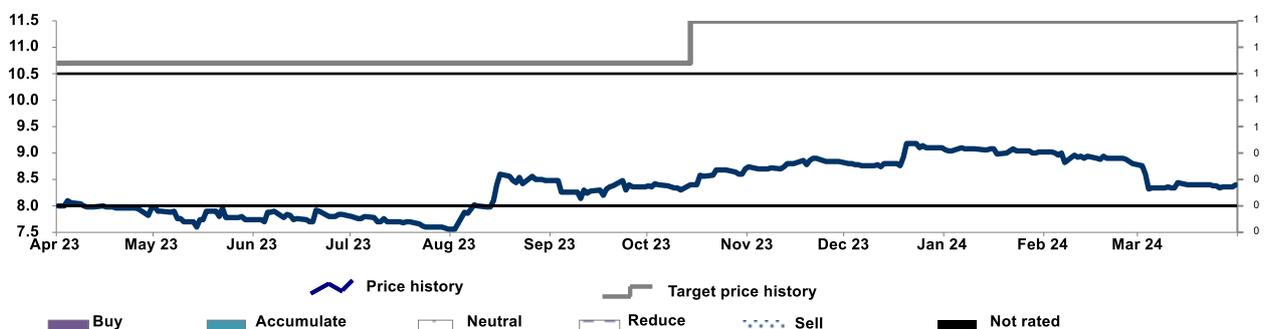
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#### Recommendation history for IZERTIS

| Date      | Recommendation | Target price | Price at change date |
|-----------|----------------|--------------|----------------------|
| 23-Oct-23 | Buy            | 11.50        | 8.40                 |
| 12-Apr-23 | Buy            | 10.70        | 8.00                 |
| 13-Dec-22 | Buy            | 10.70        | 7.92                 |
| 07-Apr-22 | Buy            | 9.70         | 8.24                 |
| 29-Nov-21 | Buy            | 9.70         | 7.20                 |

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

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



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- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months
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- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months
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- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months
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Note: a certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

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

| Recommendation | Number of stocks covered | %   |
|----------------|--------------------------|-----|
| Buy            | 64                       | 78% |
| Accumulate     | 7                        | 9%  |
| Neutral        | 8                        | 10% |
| Reduce         | 2                        | 2%  |
| Sell           | 0                        | 0%  |

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

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