

EQUITY - SPAIN

Sector: Containers & Packaging

Closing price: EUR 1.57 (29 Apr 2025)

Report date: 30 Apr 2025 (15:30h)

12m Results 2024

Independent Equity Research

12m Results 2024

 Opinion ⁽¹⁾: In line

 Impact ⁽¹⁾: We will maintain our estimates

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Business description

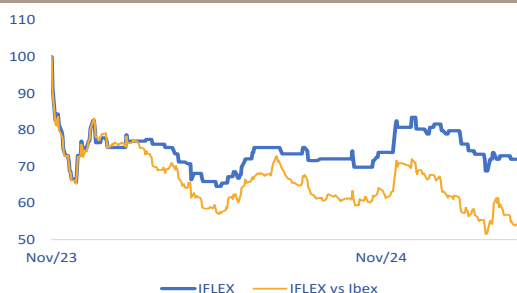
Iflex, is a family-run company established in 1998. It provides personalised flexible packaging printing solutions (gravure printing) on a range of products from film on the reel for making bags, stick packs and lids...In 2024, 81% of sales were generated in Iberia. It has three core lines of business: (i) food (70% of 2024 revenue); (ii) pharma/cosmetics (21%); and (iii) other (9%). IFLEX has been listed on BME Growth since november 2023.

Market Data

Market Cap (Mn EUR and USD)	9.5	10.8
EV (Mn EUR and USD) ⁽²⁾	12.0	13.6
Shares Outstanding (Mn)	6.0	
-12m (Max/Med/Min EUR)	1.82 / 1.60 / 1.41	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	2.8	
Factset / Bloomberg	IFLEX-ES / IFLEX SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Familia Puig	73.2
Treasury stock	1.5
Miquel Angel Bonachera Sierra	1.4
Sergi Audivert Brugué	1.4
Free Float	22.6

Relative performance (Base 100)

Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	-28.0	-11.8	1.7	n.a.
vs Ibex 35	-45.8	-18.9	-15.5	n.a.
vs Ibex Small Cap Index	-39.7	-18.3	-10.4	n.a.
vs Eurostoxx 50	-38.9	-10.6	-1.8	n.a.
vs Sector benchmark ⁽⁴⁾	-42.9	-10.0	-5.8	n.a.

(2) 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).

(3) Please refer to Appendix 2.

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

(5) vs Stoxx Europe 600 Industrial Goods & Services.

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

2024 results in line in transition year

REVENUE OF EUR 14.3MN (+2.4% VS 2023)... slightly below guidance (EUR 14.5-15.2Mn) but fully in line with our estimates (EUR 14.3MN). Double-digit revenue growth in food (+15.8%) and pharmaceuticals (+10%) at the expense of other sectors (-48.3%) is noteworthy. We positively value the progressively greater concentration in the two "core" sectors of food and pharmaceuticals (70% and 21% respectively of 2024 revenue versus 62% and 19% in 2023).

...WITH A DROP IN RECURRING EBITDA MARGIN DESPITE IMPROVEMENT IN GROSS MARGIN. The gross margin grows to 48.2% (+0.9 p.p. vs 2023) due to greater production efficiency. However, the increased investment in improving the sales team (not yet reflected in revenue) translates into an increase in personnel expenses (+12.2% vs 2023, with the average number of employees rising +5%) which, together with other operating expenses (+4.6% vs 2023), pressures the Recurring EBITDA Margin/Sales to 11.0% (-2.1 p.p. vs 2023) and places Recurring EBITDA at EUR 1.6Mn (-13.7% vs 2023), only slightly below our estimate of EUR 1.8Mn (with a Recurring EBITDA/Sales margin of 12.3%).

WORKING CAPITAL MANAGEMENT AND ASSET SALES REDUCE NET DEBT. IFLEX closed 2024 with Net Debt of EUR 2.9Mn (vs EUR 3.4Mn in 2023), slightly better than our estimate of EUR 3Mn, maintaining the Net Debt/EBITDA ratio below 2x.

TRANSFORMATIONAL CAPITAL INCREASE? IFLEX should show an improvement in margin in 2025 due to the contribution of the investment in the sales force and further operational improvements. However, the company is also considering a very significant capital increase (up to 4 Mn new shares: 40% of the capital post rights issue and approved at an Extraordinary General Meeting held today) which becomes the central pillar of the equity story. A capital increase that would be used both to expand production capacity and for M&A (taking advantage of the high fragmentation of the sector). This makes 2024 a transition year ahead of a possible and very significant jump in size. Results in line reinforce the jump in revenue and profitability of 2022. The market will disregard these results focusing instead in the materialization of the already approved capital increase and its possible strategic and long-term growth effects.

Results table

	12m24 vs		12m24 vs	
	12m24	12m23	12m23	2024e
EUR Mn	12m24	12m23	12m23	2024e
Total Revenues	14.3	14.0	2.4%	14.3
Gross Margin	6.9	6.6	4.4%	6.8
<i>Gross Margin/Revenue</i>	<i>48.2%</i>	<i>47.3%</i>	<i>0.9 p.p.</i>	<i>47.3%</i>
Recurrent EBITDA¹	1.6	1.8	-13.7%	1.8
<i>Rec. EBITDA/Revenues</i>	<i>11.0%</i>	<i>13.1%</i>	<i>-2.1 p.p.</i>	<i>12.3%</i>
EBITDA	1.6	1.7	-5.3%	1.8
<i>EBITDA/Revenues</i>	<i>11.3%</i>	<i>12.3%</i>	<i>-0.9 p.p.</i>	<i>12.3%</i>
EBIT	1.0	1.2	-14.7%	1.2
PBT	0.9	1.0	-8.0%	1.1
NP	0.8	0.9	-2.0%	0.9
Net Debt	2.9	3.4	-15%	3.0

(1) Excludes subsidies and other results.

IFLEX (IFLEX) 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.

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Appendix 1. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	9.5	
+ Minority Interests	-	12m Results 2024
+ Provisions & Other L/T Liabilities	0.0	12m Results 2024
+ Net financial debt	2.9	12m Results 2024
- Financial Investments	0.4	12m Results 2024
+/- Others		
Enterprise Value (EV)	12.0	

Appendix 3. Main peers (2025e)

	EUR Mn	Packaging			Average
		Amcor	Huhtamaki	Mondi	
Market data	Ticker (Factset)	AMCR-US	HUH1V-FI	MNDI-GB	
	Country	UK	Finland	UK	
	Market cap	11,846.1	3,472.0	5,885.1	
	Enterprise value (EV)	17,961.1	4,751.0	8,032.4	
Basic financial information	Total Revenues	12,040.9	4,179.1	7,973.4	
	Total Revenues growth	0.5%	1.3%	8.0%	3.3%
	2y CAGR (2025e - 2027e)	6.3%	4.0%	5.0%	5.1%
	EBITDA	1,756.4	636.2	1,237.2	
	EBITDA growth	3.4%	7.0%	18.5%	9.6%
	2y CAGR (2025e - 2027e)	9.3%	4.9%	11.0%	8.4%
	EBITDA/Revenues	14.6%	15.2%	15.5%	15.1%
	EBIT	1,414.3	419.6	753.9	
	EBIT growth	19.5%	13.1%	24.9%	19.2%
	2y CAGR (2025e - 2027e)	3.6%	5.4%	15.9%	8.3%
	EBIT/Revenues	11.7%	10.0%	9.5%	10.4%
	Net Profit	926.3	258.9	484.8	
	Net Profit growth	44.4%	15.5%	123.3%	61.1%
	2y CAGR (2025e - 2027e)	10.6%	8.5%	16.7%	12.0%
	CAPEX/Sales %	3.6%	5.8%	9.9%	6.4%
	Free Cash Flow	822.6	221.6	144.9	
Multiples and Ratios	Net financial debt	5,872.6	1,160.9	2,506.8	
	ND/EBITDA (x)	3.3	1.8	2.0	2.4
	Pay-out	69.7%	47.0%	62.5%	59.7%
	P/E (x)	12.8	12.6	12.3	12.6
	P/BV (x)	3.4	1.6	1.2	2.0
	EV/Revenues (x)	1.5	1.1	1.0	1.2
	EV/EBITDA (x)	10.2	7.5	6.5	8.1
	EV/EBIT (x)	12.7	11.3	10.7	11.6
	ROE	26.5	12.3	9.5	16.1
	FCF Yield (%)	6.9	6.4	2.5	5.3
	DPS	0.45	1.16	0.68	0.76
	Dvd Yield	5.5%	3.6%	5.1%	4.7%

Note 1: Financial data, multiples and ratios based on market consensus (Factset).

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

LIGHTHOUSE

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
30-Apr-2025	n.a.	1.57	n.a.	n.a.	12m Results 2024	Alfredo Echevarría Otegui
30-Oct-2024	n.a.	1.62	n.a.	n.a.	6m Results 2024 - Estimates downgrade	José Miguel Cabrera van Grieken
27-May-2024	n.a.	1.44	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
29-Apr-2024	n.a.	1.55	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
22-Dec-2023	n.a.	1.50	n.a.	n.a.	Initiation of Coverage	Enrique Andrés Abad, CFA

