LIGHTHOUSE
INSTITUTO ESPAÑOL DE ANALISTAS

Substrate Artificial Intelligence

EQUITY - SPAIN
Sector: Software

Closing price: EUR 0.05 (30 Apr 2026)
Report date: 4 May 2026 (9:20h)

12m Results 2025
Independent Equity Research

12m Results 2025
Opinion [1]: Below expectations
Impact [1]: We will have to lower our estimates

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2025 Results: "flat" revenue and Recurring EBITDA of EUR -3.0 Mn. The lack of critical mass explains the losses.

Business description

Substrate AI (SAI), is a Spanish startup tech company focused on AI and its applications incorporated in Talavera de la Reina (Toledo). SAI develops and sells its own products and solutions under a SaaS model. Listed on BME Growth since May 2022.

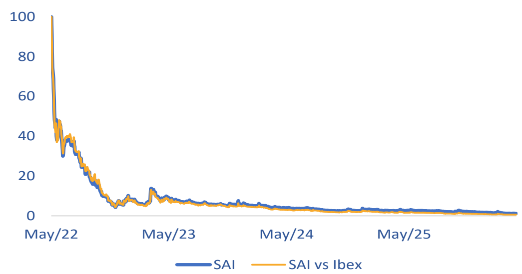
Market Data

Market Cap (Mn EUR and USD)	9.4	11.0
EV (Mn EUR and USD) [2]	17.9	21.0
Shares Outstanding (Mn)	203.2	
-12m (Max/Med/Mín EUR)	0.13 / 0.08 / 0.05	
Daily Avg volume (-12m Mn EUR)	0.23	
Rotation[3]	632.9	
Refinitiv / Bloomberg	SAI.MC / SAI SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)[5]

SUBGEN AI LTD	38.7
Explotaciones la Caprichosa	6.2
Atlas Capital Partners	5.7
Free Float	49.4

Relative performance (Base 100)



Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	-8.3	-30.8	-56.8	n.a.
vs Ibex 35	-12.5	-30.4	-67.7	n.a.
vs Ibex Small Cap Index	-13.9	-31.4	-62.5	n.a.
vs Eurostoxx 50	-13.6	-30.1	-62.1	n.a.
vs Sector benchmark[4]	-20.1	-32.2	-62.7	n.a.

(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 1.
(3) Rotation is the % of the capitalisation traded - 12m.
(4) vs Stoxx Europe 600 Technology.
(5) Shareholding structure estimated by Lighthouse based on Subgen's post-OPA stake and assuming that Explotaciones la Caprichosa and Atlas Capital Partners maintain their pre-OPA stake.

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

REVENUE ROSE +2.6% TO EUR 18.1 MN, SUPPORTED BY M&A, finishing +7.1% above estimates (EUR 16.8 Mn), despite a -6.2% organic decline. The revenue mix remained stable, with 65% coming from international markets (primarily 29% from Latam and 18% from the USA). From a product standpoint, revenue is concentrated in two business lines: Serenity Teams (c. 42% of the mix ex-M&A; HR services such as recruitment and temporary staffing) and Substrate AI Health (c. 36%; healthcare services, including the sale of diagnostic imaging equipment). These two lines account for c. 80% of revenue excluding M&A. There is currently no breakdown of revenue specifically associated with AI products or services.

EBITDA LOSSES PERSIST DESPITE SHARP GROSS MARGIN IMPROVEMENT, which reached 90% (+13.2 p.p. vs. 2024). This significant expansion did not trickle down to Recurring EBITDA (excluding capitalized expenses), which fell to EUR -3.0 Mn (vs. EUR -2.3 Mn in 2024). This decline was driven by a +22.3% increase in structural costs to EUR 19.2 Mn (-41.0% personnel expenses; +56.7% other operating costs).

WHAT DO THE FY25 RESULTS TELL US? Low growth levels are preventing the company from reaching the critical mass necessary to break even. SAI's business model is highly capital-intensive, forcing continued investment (OPEX, CAPEX), which keeps Recurring EBITDA in negative territory. Even against a backdrop of sharp gross margin expansion, the stock remains a high-risk play. Expense capitalization, while lower than in 2024, remains high (EUR 5.9 Mn in 2025 vs. EUR 7.9 Mn in 2024) and accounts for the positive EBIT (EUR 1.4 Mn). Net Income was not significant, at EUR -7.4 Mn due to impairments. The focus must be on the root cause of the Recurring EBITDA loss: the (continued) lack of critical mass.

IN CONCLUSION: A BUSINESS MODEL REQUIRING AGGRESSIVE REVENUE GROWTH TO BE VIABLE. SAI announced (OIR 10/23/2025) its decision to cancel its convertible bond financing program in favor of long-term funding from investors (equity and debt). This is a very positive development, as it avoids dilution risk for shareholders. Additionally, Subgen's tender offer for full control of the company (c. 38% of capital post-offer) could mark a turning point. However, execution remains the primary hurdle; the company must prove its ability to grow AI revenue to leverage its high-cost structure and bring SAI to breakeven. This is a conditio sine qua non for reaching "cash" EBITDA breakeven and achieving positive FCF. Consequently, following the arrival of Subgen, SAI's actual performance (revenue and EBITDA) in 2026 will be essential to reversing its sustained share underperformance (-56.8% over 12 months; -85.2% over 3 years).

Table 1. 12m Results 2025

EUR Mn	12m25	12m24	12m25 vs 12m24	2025e	2025e vs 2025
Total Revenues	**18.0**	**17.6**	**2.6%**	**16.8**	**7.1%**
Gross Margin	**16.3**	**13.5**	**20.3%**	**12.2**	**32.8%**
Gross Margin / Revenue	90.2%	76.9%	*13.2 p.p.*	72.7%	*17.4 p.p.*
Recurrent EBITDA[1]	**-3.0**	**-2.2**	**-33.9%**	**-1.5**	**-102.6%**
Rec. EBITDA/Revenues	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
EBIT	**1.4**	**3.7**	**-62.3%**	**-2.0**	**170.2%**
PBT	**-7.5**	**8.7**	**-186.7%**	**-2.4**	**-209.6%**
NP	**-7.4**	**10.0**	**-174.0%**	**-2.4**	**-205.5%**
Net Debt	0.6	-0.2	n.a.	7.9	87%

(1) Recurring EBITDA is a "cash" EBITDA; it doesn't include capitalized expenses.
(2) ND based on the SAI calculation included in the 2025 earnings release.

Substrate Artificial Intelligence (SAI) 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	9.4	
+ Minority Interests	3.1	12m Results 2025
+ Provisions & Other L/T Liabilities	8.0	12m Results 2025
+ Net financial debt	0.6	12m Results 2025
- Financial Investments	3.2	12m Results 2025
+/- Others		
Enterprise Value (EV)	**17.9**	

Appendix 2. Main peers (2026e)

		Europe					United States		
	EUR Mn	Sidetrade	Median Technologies	Linedata Services	Lectra	Average	C3.ai	Palantir Technologies	Average
Market data	Ticker (Factset)	ALBFR.PA	ALMDT.PA	LDSV.PA	LECS.PA		AI	PLTR.O	
	Country	France	France	France	France		USA	USA	
	Market cap	253.1	181.2	213.8	606.4		1,135.5	294,673.6	
	Enterprise value (EV)	267.5	209.6	279.5	671.4		604.9	288,635.8	
Basic financial information	Total Revenues	71.5	27.9	167.1	501.9		191.8	6,200.5	
	Total Revenues growth	*16.3%*	*19.4%*	*-1.5%*	*-1.0%*	*8.3%*	*-9.6%*	*62.4%*	*26.4%*
	2y CAGR (2026e - 2028e)	*11.0%*	*5.1%*	*-41.4%*	*6.3%*	*-4.8%*	*-41.4%*	*42.6%*	*0.6%*
	EBITDA	11.0	(17.4)	n.a.	76.2		(116.9)	3,526.4	
	EBITDA growth	*33.2%*	*n.a.*	*n.a.*	*-4.1%*	*14.6%*	*34.5%*	*187.0%*	*110.7%*
	2y CAGR (2026e - 2028e)	*13.1%*	*41.4%*	*n.a.*	*20.1%*	*24.9%*	*41.4%*	*46.4%*	*43.9%*
	EBITDA/Revenues	*15.3%*	*n.a.*	*n.a.*	*15.2%*	*15.3%*	*n.a.*	*56.9%*	*56.9%*
	EBIT	10.8	(19.7)	n.a.	39.5		(127.4)	3,477.9	
	EBIT growth	*58.4%*	*-301.3%*	*n.a.*	*3.4%*	*-79.8%*	*33.2%*	*188.3%*	*110.7%*
	2y CAGR (2026e - 2028e)	*22.0%*	*41.4%*	*n.a.*	*34.7%*	*32.7%*	*41.4%*	*43.0%*	*42.2%*
	EBIT/Revenues	*15.0%*	*n.a.*	*n.a.*	*7.9%*	*11.5%*	*n.a.*	*56.1%*	*56.1%*
	Net Profit	9.3	(10.1)	n.a.	28.6		(107.0)	2,814.6	
	Net Profit growth	*3.0%*	*n.a.*	*n.a.*	*11.6%*	*7.3%*	*35.6%*	*101.8%*	*68.7%*
	2y CAGR (2026e - 2028e)	*18.2%*	*41.4%*	*n.a.*	*34.9%*	*31.5%*	*41.4%*	*46.0%*	*43.7%*
	CAPEX/Sales %	*1.7%*	*5.9%*	*0.0%*	*1.8%*	*2.3%*	*1.3%*	*0.7%*	*1.0%*
	Free Cash Flow	11.2	(13.0)	n.a.	55.7		(104.8)	3,264.2	
	Net financial debt	0.4	31.4	n.a.	45.8		(438.1)	(8,042.0)	
	ND/EBITDA (x)	0.0	n.a.	n.a.	0.6	0.3	n.a.	n.a.	n.a.
	Pay-out	*0.0%*	*0.0%*	*n.a.*	*46.5%*	*15.5%*	*0.0%*	*0.0%*	*0.0%*
Multiples and Ratios	P/E (x)	27.0	n.a.	7.9	21.5	18.8	n.a.	n.a.	n.a.
	P/BV (x)	4.2	n.a.	n.a.	1.7	2.9	2.5	n.a.	2.5
	EV/Revenues (x)	3.7	7.5	1.7	1.3	3.6	3.2	n.a.	3.2
	EV/EBITDA (x)	24.4	n.a.	n.a.	8.8	16.6	n.a.	n.a.	n.a.
	EV/EBIT (x)	24.9	n.a.	n.a.	17.0	20.9	n.a.	n.a.	n.a.
	ROE	*16.3*	*20.9*	*n.a.*	*7.3*	*14.8*	*n.a.*	*41.6*	*41.6*
	FCF Yield (%)	*4.4*	*n.a.*	*n.a.*	*9.2*	*6.8*	*n.a.*	*1.1*	*1.1*
	DPS	*0.00*	*0.00*	*n.a.*	*0.35*	*0.12*	*0.00*	*0.00*	*0.00*
	Dvd Yield	*0.0%*	*0.0%*	*0.0%*	*2.2%*	*0.5%*	*0.0%*	*0.0%*	*0.0%*

Note 1: Financial data, multiples and ratios based on market consensus (Refinitiv).
Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
04-May-2026	n.a.	0.046	n.a.	n.a.	12m Results 2025	Alfredo Echevarría Otegui
12-Mar-2026	n.a.	0.061	n.a.	n.a.	Important news	Alfredo Echevarría Otegui
29-Oct-2025	n.a.	0.093	n.a.	n.a.	6m Results 2025	Alfredo Echevarría Otegui
17-Jun-2025	n.a.	0.110	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
05-May-2025	n.a.	0.120	n.a.	n.a.	12m Results 2024	Alfredo Echevarría Otegui
04-Nov-2024	n.a.	0.101	n.a.	n.a.	6m Results 2024	Alfredo Echevarría Otegui
27-May-2024	n.a.	0.166	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
02-May-2024	n.a.	0.161	n.a.	n.a.	12m Results 2023	Enrique Andrés Abad, CFA
29-Dec-2023	n.a.	0.233	n.a.	n.a.	Estimates downgrade	Enrique Andrés Abad, CFA
06-Nov-2023	n.a.	0.220	n.a.	n.a.	Important news	Enrique Andrés Abad, CFA
25-Sep-2023	n.a.	0.224	n.a.	n.a.	Important news	Enrique Andrés Abad, CFA
03-Aug-2023	n.a.	0.276	n.a.	n.a.	Important news - Estimates upgrade	Enrique Andrés Abad, CFA
19-Jul-2023	n.a.	0.310	n.a.	n.a.	6m 2023 Preliminary results	Enrique Andrés Abad, CFA
12-Jun-2023	n.a.	0.320	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
14-Apr-2023	n.a.	0.397	n.a.	n.a.	12m Results 2022 - Estimates downgrade	Enrique Andrés Abad, CFA
03-Feb-2023	n.a.	0.288	n.a.	n.a.	Important news	Enrique Andrés Abad, CFA
23-Jan-2023	n.a.	0.340	n.a.	n.a.	12m 2022 Preliminary results	Enrique Andrés Abad, CFA
22-Dec-2022	n.a.	0.235	n.a.	n.a.	Initiation of Coverage	Enrique Andrés Abad, CFA