

Alfredo Echevarría Otegui – alfredo.echevarria@institutodeanalistas.com
 +34 915 631 972

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

Leveraging its uniqueness to raise EUR 39 Mn.

ISSUANCE AGREEMENT FOR UP TO EUR 39.2 MN IN CONVERTIBLE BONDS, LED BY THE SETT. SAI has signed a financing agreement through the issuance of convertible bonds for a maximum amount of EUR 39.2 Mn with the SETT (Spanish Society for Technological Transformation; up to EUR 19.2 Mn) and private investors 8 International LTD and Loft Structured Opportunities Fund I (up to EUR 10 Mn each). The bonds will accrue interest at 7% annually (payable in cash or shares), have a maturity date of July 30, 2029, and will be mandatorily converted into Class A shares at maturity. The conversion price will be the higher of (i) 80% of the volume-weighted average price of the 30 days prior to conversion and (ii) the nominal value of the shares.

The first subscription (scheduled for July 2026) is for EUR 4 Mn (EUR 2 Mn by SETT and EUR 2 Mn by private investors; marginal impact of EUR +0.14 Mn on 2026e financial expenses, not included in estimates). The remaining subscriptions may be executed over the following 24 months up to the maximum committed amount, with no obligation to carry out all the planned subscriptions.

BEYOND THE AGREEMENT, WHAT IS SAI TODAY?: PENDING REACHING CRITICAL MASS. SAI is still waiting for its AI solutions to reach sufficient scale to substantially boost revenue, which we do not expect before 2027e. The competitive environment remains very demanding, and the development of an AI product/service platform requires a high expenditure structure (c. EUR 19 Mn in 2025). Only by reaching critical mass will it be possible to absorb these costs and achieve a rec. EBITDA >0. In the meantime, FCF will remain structurally negative, requiring external funding to grow. The announced agreement improves access to capital but does not alter our view or 2026e estimates (which do not yet include the new funds): revenue growth of c.+10%, still negative rec. EBITDA (EUR -2.8 Mn), and FCF of EUR -5.3 Mn.

CONCLUSION: POSITIVE NEWS BECAUSE, THEORETICALLY, IT BRINGS POSITIVE FCF GENERATION CLOSER. Access to capital is an obvious constraint for the business model of a small tech company. SAI's uniqueness (one of the few Spanish companies developing AI solutions) has made it possible to solve that problem (albeit with enormous dilution if 100% of the funds are raised). The final amount of funds raised is currently unknown, but: 1) the agreement backs the project, and 2) it increases the capacity to invest (despite negative FCF and high ND). The key to SAI is threefold: 1) generate AI revenue (only possible with investment in proprietary solutions), 2) grow revenue, and 3) improve margins. The probability of achieving this is now theoretically higher. But everything depends on that higher probability being tangible in results (which we do not expect in 2026). The strong stock rebound (c.+92%; -2 days) simply returns it to the -1m level. Now that capital raising is resolved, it must be put to use and made profitable.

Market Data

Market Cap (Mn EUR and USD)	9.6	10.9
EV (Mn EUR and USD) ⁽²⁾	17.4	19.8
Shares Outstanding (Mn)	213.2	
-12m (Max/Med/Min EUR)	0.11 / 0.07 / 0.02	
Daily Avg volume (-12m Mn EUR)	0.20	
Rotation ⁽³⁾	537.7	
Refinitiv / Bloomberg	SAI.MC / SAI SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

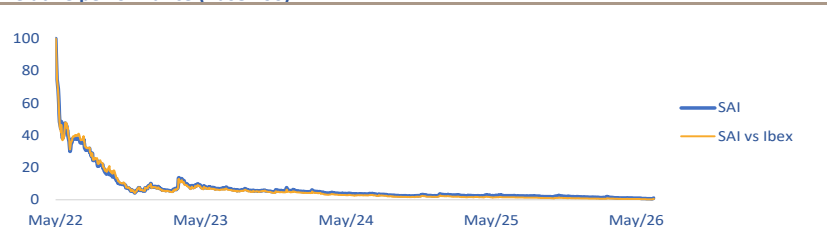
SUBGEN AI AB ⁽⁷⁾	37.1
Free Float	62.9

Financials (Mn EUR)	2025	2026e	2027e	2028e
Adj. nº shares (Mn)	144.5	206.9	213.2	213.2
Total Revenues	18.0	19.9	22.3	25.3
Rec. EBITDA	-3.0	-2.8	-1.3	-0.3
% growth	-34.0	6.4	53.5	78.0
% Rec. EBITDA/Rev.	n.a.	n.a.	n.a.	n.a.
% Inc. EBITDA sector ⁽⁴⁾	5.2	25.7	21.3	16.1
Net Profit	-7.5	-2.1	-1.5	-1.1
EPS (EUR)	-0.05	-0.01	-0.01	-0.01
% growth	-159.7	80.1	33.0	22.4
Ord. EPS (EUR)	0.00	-0.01	-0.01	-0.01
% growth	-98.2	n.a.	33.0	22.4
Rec. Free Cash Flow ⁽⁵⁾	-5.7	-5.3	-2.6	-1.8
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	5.2	10.5	13.1	15.0
ND/Rec. EBITDA (x)	n.a.	n.a.	n.a.	n.a.
ROE (%)	n.a.	n.a.	n.a.	n.a.
ROCE (%) ⁽⁵⁾	5.3	n.a.	n.a.	n.a.

Ratios & Multiples (x)⁽⁶⁾

P/E	n.a.	n.a.	n.a.	n.a.
Ord. P/E	80.1	n.a.	n.a.	n.a.
P/BV	0.2	0.3	0.3	0.3
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.96	0.87	0.78	0.69
EV/Rec. EBITDA	n.a.	n.a.	n.a.	n.a.
EV/EBIT	12.5	n.a.	n.a.	n.a.
FCF Yield (%) ⁽⁵⁾	n.a.	n.a.	n.a.	n.a.

Relative performance (Base 100)



Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	30.5	-10.9	-58.0	-36.4	-84.4	n.a.
vs Ibex 35	23.1	-22.4	-69.8	-43.5	-92.3	n.a.
vs Ibex Small Cap Index	31.3	-18.0	-62.1	-39.7	-88.7	n.a.
vs Eurostoxx 50	24.8	-22.0	-64.8	-41.8	-89.2	n.a.
vs Sector benchmark ⁽⁴⁾	24.5	-33.5	-66.2	-49.3	-89.3	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 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.

(7) Subgen AI AB está controlada por los fundadores de SAI (entre otros Lorenzo Serratos y Jose Iván García).

(*) El EBITDA rec. es un EBITDA "cash", no incluye gastos capitalizados. El EBITDA total sí incluye gastos capitalizados.

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

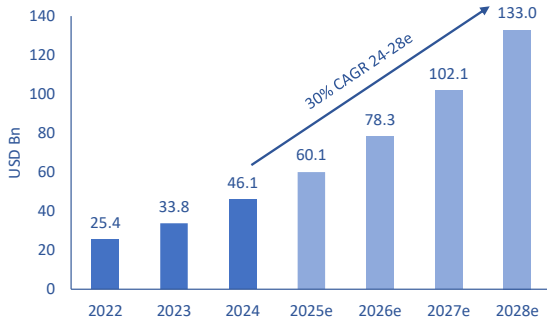
Substrate Artificial Intelligence (SAI) is a BME Growth company

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.

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).

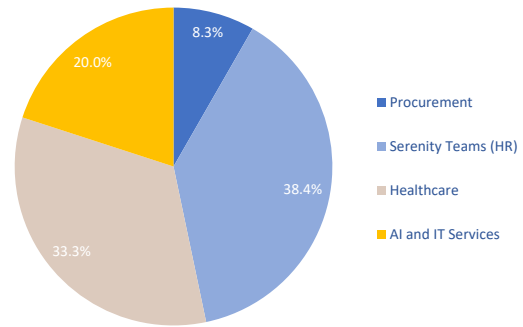
The company in 8 charts

Artificial Intelligence: an attractive market enjoying high growth (30% CAGR 24-28e in Europe)...

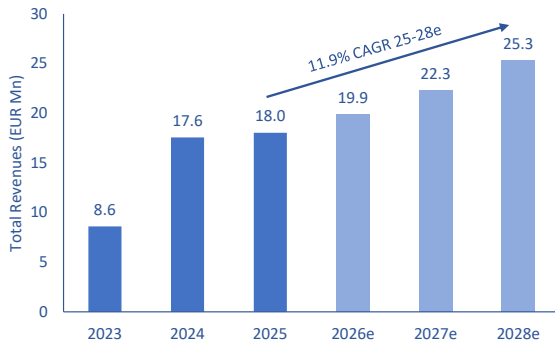


Source: IDC (International Data Corporation)

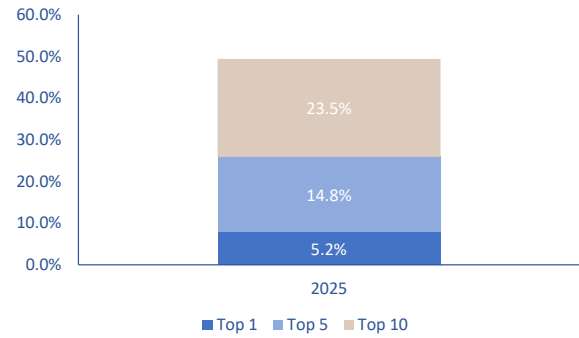
Although Substrate's (SAI) revenue mix is still explained (in more than 70%) by (still) non-AI businesses (HR and Healthcare)



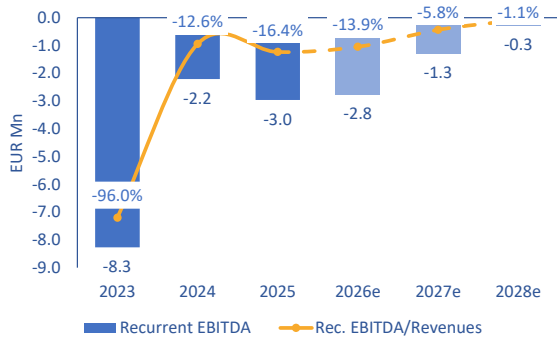
Substrate (SAI): AI start-up with growth potential (organic and inorganic M&A) (11.9% CAGR 25-28e organic) ...



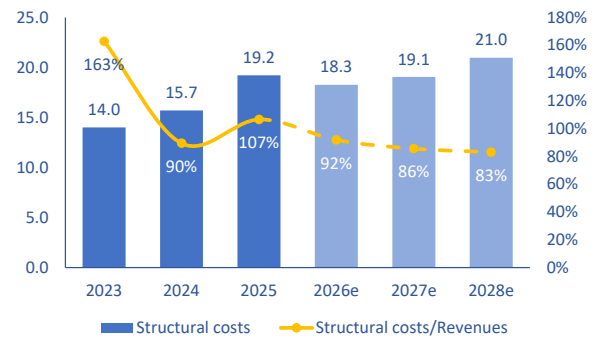
... and with low customer concentration risk



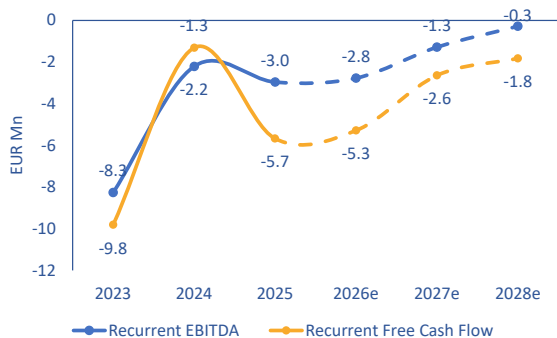
Although without reaching Recurrent EBITDA breakeven until after 2027e...



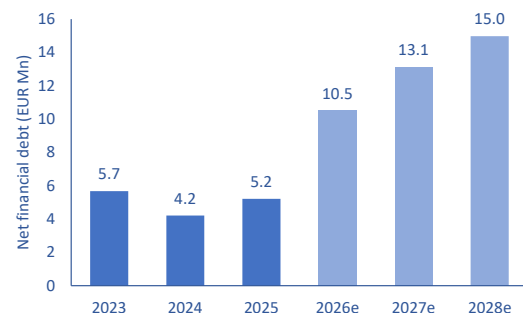
...due to overhead costs sized for higher income levels...



...pushing the company into a structurally negative recurring cash flow...



... which implies increasing leverage, with DN 2028e of EUR 15.0Mn.



Valuation inputs

Inputs for the DCF Valuation Approach

	2026e	2027e	2028e	Terminal Value ⁽¹⁾		
Free Cash Flow "To the Firm"	(4.7)	(1.8)	(0.9)	n.a.		
Market Cap	9.6	At the date of this report				
Net financial debt	5.2	Debt net of Cash (12m Results 2025)				
					Best Case	Worst Case
Cost of Debt	7.0%	Net debt cost			6.8%	7.3%
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=
Net debt cost	5.6%	Kd = Cost of Net Debt * (1-T)			5.4%	5.8%
Risk free rate (rf)	3.3%	Rf (10y Spanish bond yield)			=	=
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%
Beta (B)	1.6	B (own estimate)			1.5	1.7
Cost of Equity	12.9%	Ke = Rf + (R * B)			11.6%	14.4%
Equity / (Equity + Net Debt)	64.8%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	35.2%	D			=	=
WACC	10.4%	WACC = Kd * D + Ke * E			9.4%	11.4%
G "Fair"	3.0%				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 26e	EPS 26e-28e	EV/EBITDA 26e	EBITDA 26e-28e	EV/Sales 26e	Revenues 26e-28e	EBITDA/Sales 26e	FCF Yield 26e	FCF 26e-28e
Sidetrade	ALBFR.PA	263.9	27.9	23.0%	25.4	13.1%	3.9	11.0%	15.3%	4.2%	5.9%
Median Technologies	ALMDT.PA	233.8	n.a.	41.4%	n.a.	-17.9%	8.9	35.6%	n.a.	n.a.	41.4%
Lectra	LECS.PA	649.2	23.4	35.7%	9.5	19.9%	1.4	6.6%	15.1%	8.4%	18.2%
Europe			25.6	33.4%	17.5	5.0%	4.8	17.7%	15.2%	6.3%	21.8%
C3.ai	AI	1,237.2	n.a.	29.3%	n.a.	33.6%	3.7	9.7%	n.a.	n.a.	48.6%
Palantir Technologies	PLTR.O	244,894.8	79.7	43.3%	n.a.	51.9%	n.a.	44.8%	58.2%	1.5%	43.5%
United States			79.7	36.3%	n.a.	42.8%	3.7	27.2%	58.2%	1.5%	46.1%
SAI	SAI.MC	9.6	n.a.	27.9%	n.a.	n.a.	0.9	12.7%	1.1%	n.a.	41.2%

Free Cash Flow sensitivity analysis (2027e)

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

Scenario	EBITDA/Sales 27e	EBITDA 27e	EV/EBITDA 27e
Max	-15.3%	(3.4)	-5.1x
Central	-13.9%	(3.1)	-5.6x
Min	-12.5%	(2.8)	-6.2x

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

Rec. FCF EUR Mn	CAPEX/Sales 27e		
EBITDA 27e	0.4%	0.4%	0.4%
(3.4)	(4.8)	(4.8)	(4.8)
(3.1)	(4.4)	(4.4)	(4.4)
(2.8)	(4.1)	(4.1)	(4.1)

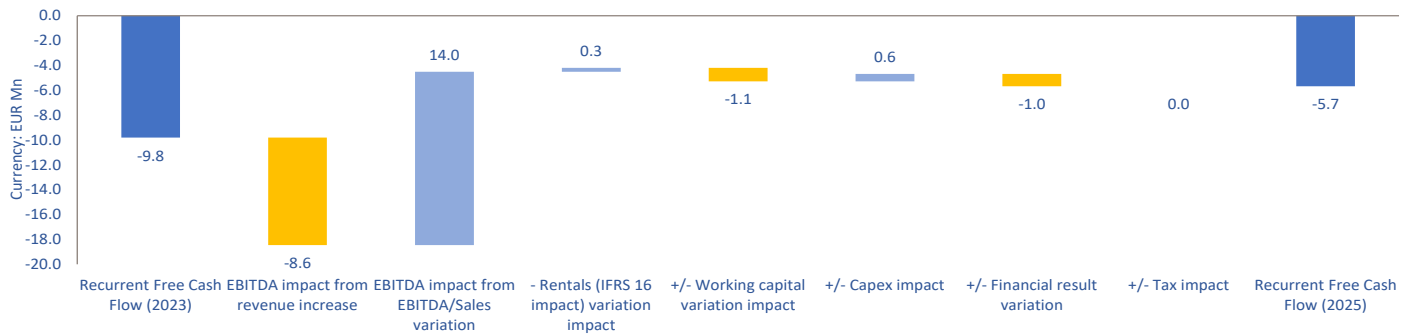
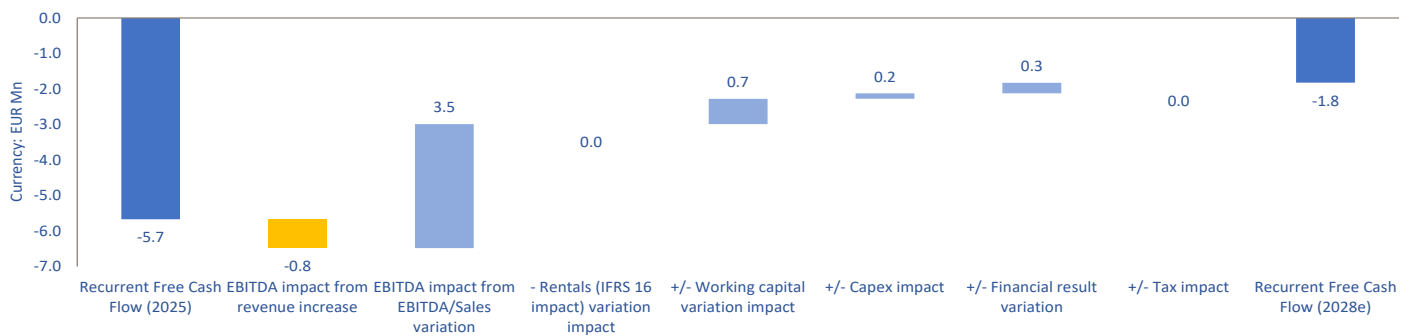
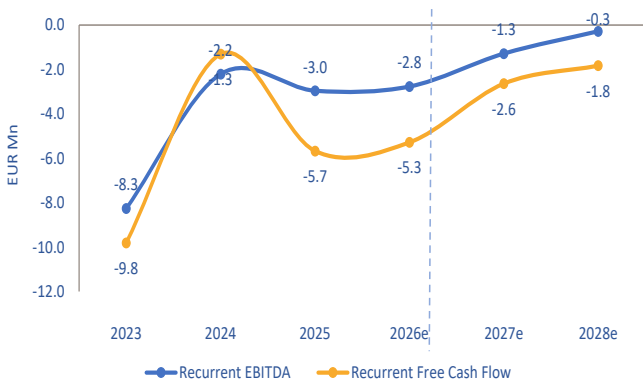
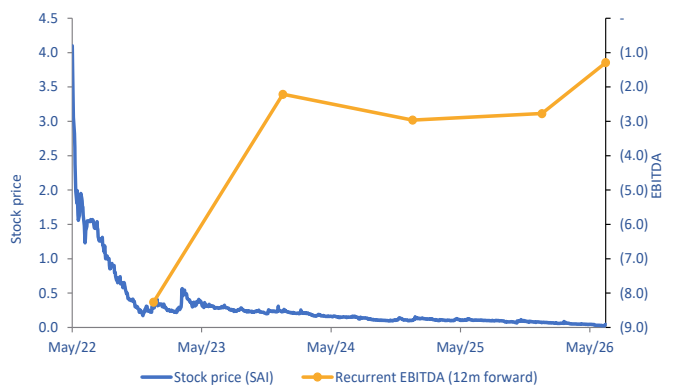
Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2021	2022	2023	2024	2025	2026e	2027e	2028e	CAGR	
Intangible assets			8.7	17.6	22.2	23.6	24.4	24.7		
Fixed assets			0.2	0.8	0.4	0.6	0.7	0.8		
Other Non Current Assets			2.0	1.2	1.4	1.4	1.4	1.4		
Financial Investments			1.0	28.1	22.8	22.8	22.8	22.8		
Goodwill & Other Intangibles			22.5	6.6	7.4	7.4	7.4	7.4		
Current assets			5.6	6.1	10.2	8.7	9.7	10.9		
Total assets			40.0	60.2	64.5	64.6	66.5	68.0		
Equity			22.9	41.1	39.5	37.3	35.9	34.7		
Minority Interests			0.9	0.6	3.1	3.1	3.1	3.1		
Provisions & Other L/T Liabilities			4.3	4.9	4.3	4.3	4.3	4.3		
Other Non Current Liabilities			0.6	0.7	0.5	0.5	0.5	0.5		
Net financial debt			5.7	4.2	5.2	10.5	13.1	15.0		
Current Liabilities			5.7	8.7	11.8	8.7	9.4	10.3		
Equity & Total Liabilities			40.0	60.2	64.5	64.6	66.5	68.0		
P&L (EUR Mn)	2021	2022	2023	2024	2025	2026e	2027e	2028e	21-25	25-28e
Total Revenues			8.6	17.6	18.0	19.9	22.3	25.3	<i>n.a.</i>	11.9%
<i>Total Revenues growth</i>			<i>n.a.</i>	<i>103.9%</i>	<i>2.6%</i>	<i>10.4%</i>	<i>11.9%</i>	<i>13.5%</i>		
COGS			(2.9)	(4.0)	(1.8)	(4.4)	(4.5)	(4.6)		
Gross Margin			5.8	13.5	16.3	15.5	17.8	20.7	<i>n.a.</i>	8.4%
<i>Gross Margin/Revenues</i>			<i>66.9%</i>	<i>76.9%</i>	<i>90.2%</i>	<i>77.9%</i>	<i>79.9%</i>	<i>81.9%</i>		
Personnel Expenses			(4.0)	(5.5)	(3.3)	(3.9)	(4.0)	(4.4)		
Other Operating Expenses			(10.1)	(10.2)	(15.9)	(14.3)	(15.1)	(16.6)		
Recurrent EBITDA			(8.3)	(2.2)	(3.0)	(2.8)	(1.3)	(0.3)	<i>n.a.</i>	54.3%
<i>Recurrent EBITDA growth</i>			<i>n.a.</i>	<i>73.2%</i>	<i>-34.0%</i>	<i>6.4%</i>	<i>53.5%</i>	<i>78.0%</i>		
<i>Rec. EBITDA/Revenues</i>			<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Restructuring Expense & Other non-rec.			(0.7)	(0.0)	-	-	-	-		
Capitalized Expense			5.2	7.9	6.0	3.0	2.5	2.0		
EBITDA			(3.7)	5.7	3.0	0.2	1.2	1.7	<i>n.a.</i>	-16.9%
Depreciation & Provisions			(0.6)	(1.8)	(1.4)	(1.6)	(1.7)	(1.7)		
Rentals (IFRS 16 impact)			(0.5)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
EBIT			(4.9)	3.7	1.4	(1.6)	(0.7)	(0.2)	<i>n.a.</i>	-29.0%
<i>EBIT growth</i>			<i>n.a.</i>	<i>176.3%</i>	<i>-62.4%</i>	<i>-212.1%</i>	<i>57.3%</i>	<i>69.2%</i>		
<i>EBIT/Revenues</i>			<i>n.a.</i>	<i>21.1%</i>	<i>7.7%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Impact of Goodwill & Others			(2.6)	(0.3)	-	-	-	-		
Net Financial Result			(0.7)	(0.4)	(1.2)	(0.6)	(0.8)	(0.9)		
Income by the Equity Method			-	-	-	-	-	-		
Ordinary Profit			(8.2)	3.0	0.2	(2.1)	(1.5)	(1.1)	<i>n.a.</i>	<i>n.a.</i>
<i>Ordinary Profit Growth</i>			<i>n.a.</i>	<i>137.0%</i>	<i>-94.5%</i>	<i>n.a.</i>	<i>31.0%</i>	<i>22.4%</i>		
Extraordinary Results			-	5.6	(7.7)	-	-	-		
Profit Before Tax			(8.2)	8.7	(7.5)	(2.1)	(1.5)	(1.1)	<i>n.a.</i>	46.7%
Tax Expense			(0.3)	(1.3)	0.1	-	-	-		
<i>Effective Tax Rate</i>			<i>n.a.</i>	<i>15.6%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
Minority Interests			(0.3)	0.1	(0.1)	-	-	-		
Discontinued Activities			-	-	-	-	-	-		
Net Profit			(8.7)	7.4	(7.5)	(2.1)	(1.5)	(1.1)	<i>n.a.</i>	46.6%
<i>Net Profit growth</i>			<i>n.a.</i>	<i>184.5%</i>	<i>-201.3%</i>	<i>71.6%</i>	<i>31.0%</i>	<i>22.4%</i>		
Ordinary Net Profit			(7.8)	2.6	0.1	(2.1)	(1.5)	(1.1)	<i>n.a.</i>	<i>n.a.</i>
<i>Ordinary Net Profit growth</i>			<i>n.a.</i>	<i>133.9%</i>	<i>-96.9%</i>	<i>n.a.</i>	<i>31.0%</i>	<i>22.4%</i>		
Cash Flow (EUR Mn)	2021	2022	2023	2024	2025	2026e	2027e	2028e	21-25	25-28e
Recurrent EBITDA						(2.8)	(1.3)	(0.3)	<i>n.a.</i>	54.3%
Rentals (IFRS 16 impact)						(0.2)	(0.2)	(0.2)		
Working Capital Increase						(1.6)	(0.2)	(0.3)		
Recurrent Operating Cash Flow						-4.5	-1.7	-0.8	<i>n.a.</i>	42.5%
CAPEX						(0.2)	(0.1)	(0.1)		
Net Financial Result affecting the Cash Flow						(0.6)	(0.8)	(0.9)		
Tax Expense						-	-	-		
Recurrent Free Cash Flow						(5.3)	(2.6)	(1.8)	<i>n.a.</i>	31.4%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						(5.3)	(2.6)	(1.8)	<i>n.a.</i>	38.0%
Capital Increase						-	-	-		
Dividends						-	-	-		
Net Debt Variation						5.3	2.6	1.8		

Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2022	2023	2024	2025	2026e	2027e	2028e	CAGR	
								22-25	25-28e
Recurrent EBITDA		(8.3)	(2.2)	(3.0)	(2.8)	(1.3)	(0.3)	n.a.	54.3%
<i>Recurrent EBITDA growth</i>		n.a.	73.2%	-34.0%	6.4%	53.5%	78.0%		
<i>Rec. EBITDA/Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Rentals (IFRS 16 impact)		(0.5)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase		0.1	2.5	(1.0)	(1.6)	(0.2)	(0.3)		
= Recurrent Operating Cash Flow		(8.7)	0.2	(4.2)	(4.5)	(1.7)	(0.8)	n.a.	42.5%
<i>Rec. Operating Cash Flow growth</i>		n.a.	101.7%	n.a.	-7.9%	61.6%	54.2%		
<i>Rec. Operating Cash Flow / Sales</i>		n.a.	0.9%	n.a.	n.a.	n.a.	n.a.		
- CAPEX		(0.9)	(1.0)	(0.3)	(0.2)	(0.1)	(0.1)		
- Net Financial Result affecting Cash Flow		(0.2)	(0.4)	(1.2)	(0.6)	(0.8)	(0.9)		
- Taxes		-	(0.1)	-	-	-	-		
= Recurrent Free Cash Flow		(9.8)	(1.3)	(5.7)	(5.3)	(2.6)	(1.8)	n.a.	31.4%
<i>Rec. Free Cash Flow growth</i>		n.a.	86.6%	-332.8%	6.8%	50.1%	30.7%		
<i>Rec. Free Cash Flow / Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others		0.5	-	-	-	-	-		
- Acquisitions / + Divestments		0.3	(1.2)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	-	(2.0)	-	-	-		
= Free Cash Flow		(9.0)	(2.5)	(7.7)	(5.3)	(2.6)	(1.8)	n.a.	38.0%
<i>Free Cash Flow growth</i>		n.a.	71.7%	-202.1%	31.1%	50.1%	30.7%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2022	2023	2024	2025	2026e	2027e	2028e	CAGR	
Recurrent FCF(FY - 1)			(9.8)	(1.3)	(5.7)	(5.3)	(2.6)		
EBITDA impact from revenue increase			(8.6)	(0.1)	(0.3)	(0.3)	(0.2)		
EBITDA impact from EBITDA/Sales variation			14.6	(0.7)	0.5	1.8	1.2		
= Recurrent EBITDA variation			6.1	(0.8)	0.2	1.5	1.0		
- Rentals (IFRS 16 impact) variation impact			0.3	(0.0)	-	-	-		
+/- Working capital variation impact			2.5	(3.6)	(0.5)	1.3	(0.1)		
= Recurrent Operating Cash Flow variation			8.9	(4.3)	(0.3)	2.8	0.9		
+/- CAPEX impact			(0.1)	0.7	0.1	0.1	-		
+/- Financial result variation			(0.1)	(0.9)	0.7	(0.2)	(0.1)		
+/- Tax impact			(0.1)	0.1	-	-	-		
= Recurrent Free Cash Flow variation			8.5	(4.4)	0.4	2.6	0.8		
Recurrent Free Cash Flow			(1.3)	(5.7)	(5.3)	(2.6)	(1.8)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2022	2023	2024	2025	2026e	2027e	2028e	CAGR	
EBIT		(4.9)	3.7	1.4	(1.6)	(0.7)	(0.2)	n.a.	-29.0%
* Theoretical Tax rate		0.0%	15.6%	0.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)		-	(0.6)	-	-	-	-		
Recurrent EBITDA		(8.3)	(2.2)	(3.0)	(2.8)	(1.3)	(0.3)	n.a.	54.3%
- Rentals (IFRS 16 impact)		(0.5)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		
+/- Working Capital increase		0.1	2.5	(1.0)	(1.6)	(0.2)	(0.3)		
= Recurrent Operating Cash Flow		(8.7)	0.2	(4.2)	(4.5)	(1.7)	(0.8)	n.a.	42.5%
- CAPEX		(0.9)	(1.0)	(0.3)	(0.2)	(0.1)	(0.1)		
- Taxes (pre- Financial Result)		-	(0.6)	-	-	-	-		
= Recurrent Free Cash Flow (To the Firm)		(9.6)	(1.4)	(4.4)	(4.7)	(1.8)	(0.9)	n.a.	41.3%
<i>Rec. Free Cash Flow (To the Firm) growth</i>		n.a.	85.4%	-216.8%	-6.4%	61.1%	51.2%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
- Restructuring expenses & others		0.5	-	-	-	-	-		
- Acquisitions / + Divestments		0.3	(1.2)	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow		-	-	(2.0)	-	-	-		
= Free Cash Flow "To the Firm"		(8.7)	(2.6)	(6.4)	(4.7)	(1.8)	(0.9)	n.a.	48.2%
<i>Free Cash Flow (To the Firm) growth</i>		n.a.	69.9%	-144.9%	26.7%	61.1%	51.2%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		

Note: Free Cash Flow Yield (s/Market Cap) estimated adjusted for minority interests.

Recurrent Free Cash Flow accumulated variation analysis (2021 - 2025)

Recurrent Free Cash Flow accumulated variation analysis (2025 - 2028e)

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	9.6	
+ Minority Interests	3.1	12m Results 2025
+ Provisions & Other L/T Liabilities	4.3	12m Results 2025
+ Net financial debt	5.2	12m Results 2025
- Financial Investments	4.8	12m Results 2025
+/- Others		
Enterprise Value (EV)*	17.4	

(*) The Enterprise Value (EV) calculation and financial projections (2026e-2028e) do not incorporate the convertible bond financing agreement announced on June 30, 2026 (maximum amount of EUR 39.2 Mn), nor the initial subscription scheduled for July 2026 in the amount of EUR 4 Mn.

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	15-25	25-28e	CAGR
Total Revenues									8.6	17.6	18.0	19.9	22.3	25.3	n.a.	11.9%	
Total Revenues growth									n.a.	103.9%	2.6%	10.4%	11.9%	13.5%			
EBITDA									(3.7)	5.7	3.0	0.2	1.2	1.7	n.a.	-16.9%	
EBITDA growth									n.a.	252.1%	-47.5%	-92.4%	430.7%	41.9%			
EBITDA/Sales									n.a.	32.4%	16.6%	1.1%	5.4%	6.8%			
Net Profit									(8.7)	7.4	(7.5)	(2.1)	(1.5)	(1.1)	n.a.	46.6%	
Net Profit growth									n.a.	184.5%	-201.3%	71.6%	31.0%	22.4%			
Adjusted number shares (Mn)									33.5	85.2	144.5	206.9	213.2	213.2			
EPS (EUR)									-0.26	0.09	-0.05	-0.01	-0.01	-0.01	n.a.	53.1%	
EPS growth									n.a.	n.a.	n.a.	80.1%	33.0%	22.4%			
Ord. EPS (EUR)									-0.23	0.03	0.00	-0.01	-0.01	-0.01	n.a.	n.a.	
Ord. EPS growth									n.a.	n.a.	-98.2%	n.a.	33.0%	22.4%			
CAPEX									(0.9)	(1.0)	(0.3)	(0.2)	(0.1)	(0.1)			
CAPEX/Sales % ¹									9.9%	5.6%	1.4%	1.0%	1.4%	0.4%			
Free Cash Flow									(9.0)	(2.5)	(7.7)	(5.3)	(2.6)	(1.8)	n.a.	38.0%	
ND/EBITDA (x) ⁽²⁾									n.a.	0.7x	1.7x	46.1x	10.9x	8.7x			
P/E (x)									n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			
EV/Sales (x)									6.94x	1.46x	1.57x	0.87x	0.78x	0.69x			
EV/EBITDA (x) ⁽²⁾									n.a.	4.5x	9.4x	n.a.	14.4x	10.1x			
Absolute performance									-20.6%	-54.7%	-31.3%	-36.4%					
Relative performance vs Ibex 35									-35.3%	-60.5%	-54.0%	-43.5%					

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 Refinitiv.

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

Appendix 5. Main peers 2026e

	EUR Mn	Europe			Average	United States			SAI
		Sidetrade	Median Technologies	Lectra		C3.ai	Palantir Technologies	Average	
Market data	Ticker (Factset)	ALBFR.PA	ALMDT.PA	LECS.PA		AI	PLTR.O		SAI.MC
	Country	France	France	France		USA	USA		Spain
	Market cap	263.9	233.8	649.2		1,237.2	244,894.8		9.6
	Enterprise value (EV)	278.4	234.3	711.5		733.4	237,960.4		17.4
Basic financial information	Total Revenues	71.5	26.3	495.5		196.4	6,741.2		19.9
	Total Revenues growth	16.3%	12.4%	-2.2%	8.8%	-10.4%	72.0%	30.8%	10.4%
	2y CAGR (2026e - 2028e)	11.0%	35.6%	6.6%	17.7%	9.7%	44.8%	27.2%	12.7%
	EBITDA	11.0	(16.4)	74.9		(110.1)	3,920.2		0.2
	EBITDA growth	37.9%	-16.3%	-5.7%	5.3%	73.5%	210.9%	142.2%	-92.4%
	2y CAGR (2026e - 2028e)	13.1%	-17.9%	19.9%	5.0%	33.6%	51.9%	42.8%	n.a.
	EBITDA/Revenues	15.3%	n.a.	15.1%	15.2%	n.a.	58.2%	58.2%	1.1%
	EBIT	10.3	(18.8)	38.3		(125.2)	3,898.5		(1.6)
	EBIT growth	51.1%	-15.9%	0.3%	11.8%	70.7%	214.9%	142.8%	-212.1%
	2y CAGR (2026e - 2028e)	24.9%	-17.3%	36.1%	14.6%	20.6%	46.3%	33.4%	63.7%
	EBIT/Revenues	14.3%	n.a.	7.7%	11.0%	n.a.	57.8%	57.8%	n.a.
	Net Profit	8.8	(10.1)	28.0		(104.3)	3,259.7		(2.1)
	Net Profit growth	-2.5%	70.5%	9.3%	25.7%	74.7%	127.7%	101.2%	71.6%
	2y CAGR (2026e - 2028e)	21.5%	41.4%	35.7%	32.9%	25.6%	45.7%	35.6%	26.8%
CAPEX/Sales %	1.7%	6.3%	1.8%	3.2%	1.2%	0.6%	0.9%	1.0%	
Free Cash Flow	11.2	(13.0)	54.6		(90.9)	3,742.8		(5.3)	
Net financial debt	0.4	31.4	47.3		(411.0)	(8,259.8)		10.5	
ND/EBITDA (x)	0.0	n.a.	0.6	0.3	n.a.	n.a.	n.a.	46.1	
Pay-out	0.0%	0.0%	46.4%	15.5%	0.0%	0.0%	0.0%	0.0%	
Multiples and Ratios	P/E (x)	27.9	n.a.	23.4	25.6	n.a.	79.7	79.7	n.a.
	P/BV (x)	4.3	n.a.	1.8	3.1	2.6	n.a.	2.6	0.3
	EV/Revenues (x)	3.9	8.9	1.4	4.8	3.7	n.a.	3.7	0.9
	EV/EBITDA (x)	25.4	n.a.	9.5	17.5	n.a.	n.a.	n.a.	n.a.
	EV/EBIT (x)	27.2	n.a.	18.6	22.9	n.a.	n.a.	n.a.	n.a.
	ROE	16.3	20.9	7.1	14.8	n.a.	36.4	36.4	n.a.
	FCF Yield (%)	4.2	n.a.	8.4	6.3	n.a.	1.5	1.5	n.a.
	DPS	0.00	0.00	0.34	0.11	0.00	0.00	0.00	0.00
Dvd Yield	0.0%	0.0%	2.0%	0.7%	0.0%	0.0%	0.0%	0.0%	

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

Calle Núñez de Balboa, 108 1ª Planta
28006 Madrid
T: +34 91 563 19 72
institutodeanalistas.com/lighthouse

Head of research

Alfredo Echevarría Otegui

alfredo.echevarria@institutodeanalistas.com

Analysts who contributed to this report:

Pablo Victoria Rivera, CESGA

Equity research

pablo.victoria@institutodeanalistas.com

Daniel Gandoy López

Equity research

lighthouse@institutodeanalistas.com

Miguel Medina Sivilotti

Equity research

lighthouse@institutodeanalistas.com

Jesús López Gómez, CESGA

ESG Analyst & Data analytics

jesus.lopez@institutodeanalistas.com

All Lighthouse research documents are available simultaneously on the Lighthouse website (institutodeanalistas.com/lighthouse) and via third-party aggregators such as Bloomberg, Factset, Capital IQ and Refinitiv.

IMPORTANT LEGAL INFORMATION REGARDING THIS REPORT

LIGHTHOUSE

Lighthouse is a project of IEAF Servicios de Análisis S.L.U. Lighthouse is a research project funded by Bolsas y Mercados Españoles S.A. Lighthouse aims to improve the research coverage of the "orphan stocks" of the Spanish market: those which lack real and continuous research coverage. Lighthouse reports will not include valuation and target price. Lighthouse does not seek to provide investment advice to any natural or legal person. For this reason, Lighthouse will not provide a valuation, target price or investment recommendation for any of the securities analysed.

IEAF Servicios de Análisis S.L.U. is a Spanish company whose corporate purpose is:

- 1º) To provide information and financial analysis regarding securities** issued by any class of legal person traded or not on official secondary markets, and especially (but not exclusively) those securities which are not the object of the recurrent provision of information and analysis by financial analysts who participate in the markets.
- 2º) To publicise and update the aforementioned financial reports** and analysis, in addition to the monitoring and following of the securities on which the information and analysis is provided.
- 3º) To prepare studies and projects aimed at proposing** and implementing measures to improve the information and financial analysis of securities traded on official secondary markets.

IEAF Servicios de Análisis S.L.U. is a company whose sole shareholder is the Instituto Español de Analistas Financieros, a professional, not for profit association.

DISCLAIMER

The Instituto Español de Analistas Financieros hereby certifies that the analyst of IEAF Servicios de Análisis S.L.U. whose name figures as the author of this report, expresses views that reflect their personal and independent opinion of the company analysed without these implying, either directly or indirectly, a personalised recommendation of the company analysed for purposes of providing investment advice. This report is based on the preparation of detailed financial projections from information available to the public and following traditional fundamental research methodology (i.e. it is not a technical or quantitative analysis report). For the analysis methodology used in the preparation of this report, please contact the analyst directly; contact details are included on the front page of this report.

The report includes basic information regarding the main parameters to be used by an investor when making their own valuation (whether by discounted cash flows or multiples). These parameters are the personal opinion or estimate of the analyst. The person receiving this report should use their own judgement when using these parameters and should consider them as another element in their decision-making process in respect of investment. These parameters do not represent a personalised investment recommendation.

Rules governing confidentiality and conflicts of interest

None of the following rules governing confidentiality and conflicts of interest (12) is applicable to this report:

- 1. This report is non-independent research as it has** been commissioned by the company analysed (issuer).
- 2. In the last 12 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.,** has had Investment Banking mandates or has managed or co-managed a public offering of the securities of the issuer, or has received compensation from said issuer for Investment Banking services, that exclude brokerage services for prepaid fees.
- 3. In the next 6 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.,** expects to receive or intends to obtain compensation for Investment Banking services provided to this company that exclude brokerage services for prepaid fees.
- 4. The Investment Analyst or a member of the** Research Department or a member of their household has a long position in the shares or derivatives of the corresponding issuer.
- 5. The Investment Analyst or a member of the** Research Department or a member of their household has a short position in the shares or derivatives of the corresponding issuer.
- 6. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.** held a long position of over 0.5% of the issuer's capital.
- 7. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.** held a short position of over 0.5% of the issuer's capital.
- 8. At the end of the month immediately prior to the publication of this report, or of the previous month if the report is published in the ten days following the end of the month, the company analysed (the issuer) or any of its subsidiaries held 5% or more of any class of equity security of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.**
- 9. A senior director or officer of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.,** or a member of their department is a director, officer, advisor or member of the Board of Directors of the issuer and/or one of its subsidiaries.
- 10. The Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.,** acts as broker for the Issuer for the corresponding prepaid fees.
- 11. The contents of this report related to the financial analysis, financial projections, valuation, investment summary and opinion of the analyst** have been reviewed by the issuer prior to its publication.
- 12. The issuer has made changes to the contents** of this report prior to its distribution.

The Investment Analysts who have prepared this Investment Analysis are employees of IEAF Servicios de Análisis S.L.U. These analysts have received (or will receive) compensation according to the general earnings of IEAF Servicios de Análisis S.L.U. To obtain a copy of the Code of Conduct of IEAF Servicios de Análisis S.L.U. (in respect of the Management of Conflicts of Interest in the research department), please use the e-mail address secretaria@institutodeanalistas.com or consult the contents of this Code at <https://institutodeanalistas.com>.

IEAF Servicios de Análisis S.L.U. is compensated by Bolsas y Mercados Españoles, S.A. for the preparation of this report. This report should be considered as just another element in the taking of investment decisions.

A report issued by [IEAF servicios de análisis S.L.U.](#)

All rights reserved. The unauthorised use or distribution of this report is prohibited. This document has been prepared and distributed, according to the provisions of the MiFID II by IEAF Servicios de Análisis S.L.U. Its corporate activity is regulated by the CNMV (the Spanish Securities Exchange Commission). The information and opinions expressed in this document do not represent nor are they intended to represent an offer or a solicitation to buy or sell the securities (in other words, the securities mentioned in this report and related warrants, options, rights or interests). The information and opinions contained in this document are based upon information available to the public and have been obtained from sources believed to be reliable by IEAF Servicios de Análisis S.L.U., but no guarantee is given regarding their accuracy or completeness. All comments and estimates reflect solely the opinion of IEAF Servicios de Análisis S.L.U. and do not offer any implicit or explicit guarantee. All the opinions expressed are subject to change without prior warning. This document does not take

into account the specific investment objectives, financial position, risk profile or other specific aspects of the person who receives this document, and accordingly they should exercise their own judgement in this respect. Neither the Instituto Español de Analistas Financieros nor its subsidiary, IEAF Servicios de Análisis S.L.U., assumes any responsibility for direct or indirect losses arising from the use of the published research, except in the event of negligent conduct by IEAF Servicios de Análisis S.L.U. The information contained in this report is approved for distribution to professional clients, eligible counterparties and professional advisers, but not for distribution to private individuals or retail clients. Its reproduction, distribution or publication for any purpose without the written authorisation of IEAF Servicios de Análisis S.L.U. is prohibited. The Instituto Español de Analistas Financieros and/or its subsidiary IEAF Servicios de Análisis S.L.U., their employees and directors, may hold a position (long or short) in an investment knowing that this issuer will be the object of analysis and that this analysis will be distributed to institutional investors. Any further information regarding the contents of this report will be provided upon request. IEAF Servicios de Análisis S.L.U. intends to publish (at least) one quarterly report or note updating the information on the company analysed.

United States. IEAF Servicios de Análisis S.L.U. is not registered in the United States and, consequently, is not subject to the regulations of that country governing the preparation of research and the independence of analysts. This report is distributed solely to major US institutional investors, in reliance on the exemption from registration provided by Rule 15a-6 of the US Securities Exchange Act of 1934, as amended (the "Exchange Act"), and interpretations of this made by the US Securities Exchange Commission.

Major US Institutional Investors. This report will be distributed to "major US institutional investors", as defined by Rule 15a-6 of the US Securities Exchange Commission and of the US Securities Exchange Act of 1934.

Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
01-Jul-2026	n.a.	0.045	n.a.	n.a.	Important news	Alfredo Echevarría Otegui
26-May-2026	n.a.	0.041	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
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

