

SPONSORED RESEARCH

AUSTRIACARD HOLDINGS

Durable fundamentals, easier comps; reiterating our case

Healthy H1 results; abating base effects leave runway for growth – ACAG reported a solid set of H1'24 results, slightly surpassing our forecasts, with adj. EBITDA of €28.8m (+11% yoy) despite a high base. Given mgt's expectations for back-loaded growth in 2024 and the significant number of card provision contracts up for delivery in H2, the guidance for +10% revenue and +10-12% adj. EBITDA growth in FY'24 appears well-supported. Given the momentum from fundamentals and the attractive valuation, we argue the stock is sufficiently de-risked at these levels and expect the shares to trade in sync with fundamentals in the coming months.

Supportive growth characteristics underpin our 3-yr c8% EBITDA CAGR forecast – Our forecasts (unchanged following the H1 results) point to 7% adj. revenue CAGR over 2025-27e, underpinned by industry-driven card volume growth and stronger overall pricing for payment solutions thanks to higher utilization rates and growing value-added card sales. We anticipate the greater revenue base to translate to c8% adj. EBITDA CAGR through 2027e, expecting an additional margin boost from the increased contribution of digital transformation in the mix, the backlog for which currently exceeds €70m. Considering the geographically diversified model, we forecast that most of the growth through the 3-year horizon will be derived from recovering cards demand in WEST and strong digitization inflows in CEE.

Market durability encourages mid-term prospects, capital flexibility backs growth – We argue that medium-term trends remain supportive across ACAG's portfolio. Payment solutions are expected to benefit from cards industry volume growth and the rising significance of challenger banks, while digital transformation is likely to continue being bolstered by demand in CEE. Our forecasts result in an acceleration of OCF generation as working capital dynamics normalize. This dynamic, coupled with capex in the €17-18m range through 2027e, are set to lead ACAG to positive FCFE generation (>€10m from 2025e on). We thus see plenty of capital flexibility ahead, with net debt to adj. EBITDA decreasing to <1.5x by 2026e, assuming no M&A activity.

Valuation – ACAG shares have been moving in broad tandem with the Greek non-financials index in recent months, trading somewhat range-bound in the face of market volatility and seasonally thinner trade activity. Year-to-date, the stock has declined c6% and has generally traded below the price of the placement (€6/share) completed in last April. With these in mind, we argue that the current valuation levels of <5.5x 2025e EV/EBITDA are excessively punitive and not indicative of the group's growth prospects, with ACAG trading at substantial discount compared to the benchmark median of its cohort and at a valuation closer to pure play card manufacturers (which have an inferior growth profile). Our DCF-based valuation for Austriacard (WACC 9.5%) yields a baseline value of €8.2, implying a <7x 1yr forward EV/EBITDA, still at discount relative to the median valuation of the broad peer group. Flexing our WACC and perpetuity growth inputs by 0.5% yields a fair value range between c€7.2-€9.5/share.

Estimates					
€m unless otherwise stated	2022	2023	2024e	2025e	2026e
Sales	314.7	364.6	395.1	423.8	455.3
EBITDA - adj.	39.4	50.4	55.7	59.5	64.9
Net profit - reported	4.2	15.8	21.1	24.9	28.9
EPS - adj.	€0.12	€0.44	€0.58	€0.68	€0.80
DPS	€0.05	€0.10	€0.13	€0.15	€0.18

Valuation					
Year to end December	2022	2023	2024e	2025e	2026e
P/E	54.4x	14.8x	10.2x	8.7x	7.5x
EV/EBITDA	8.0x	6.5x	5.7x	5.2x	4.7x
Net debt/EBITDA	2.0x	2.9x	1.8x	1.5x	1.3x
Dividend Yield	0.4%	1.6%	2.2%	2.6%	3.1%
ROE	27.0%	35.8%	32.6%	31.4%	30.1%

Source: Eurobank Equities Research.

Market Cap (€ mn) €215.9
Closing Price (05/09) €5.94

Stock Data

Reuters RIC	ACAGr.AT
Bloomberg Code	ACAG GA
52 Week High (adj.)	€7.00
52 Week Low (adj.)	€5.35
Abs. performance (1m)	8.0%
Abs. performance (YTD)	-5.7%
Number of shares	36.4mn
Avg Daily Trading Volume (qrt)	€152k
Est. 3yr EPS CAGR	22.3%
Free Float	28%

ACAG Holdings Share Price



Analysts

Marios Bourazanis

Equity Analyst, Small Caps & IT

☎: +30 210 37 20 253

✉: mbourazanis@eurobankequities.gr

Stamatis Draziotis, CFA

Equity Analyst, Head of Research

☎: +30 210 37 20 259

✉: sdraziotis@eurobankequities.gr

Head of Research

☎: +30 210 37 20 259

Sales/Trading

☎: +30 210 37 20 117 / 168 / 110

This report was prepared and published in consideration of a fee payable by Austriacard.

See Appendix for Analyst Certification and important disclosures.

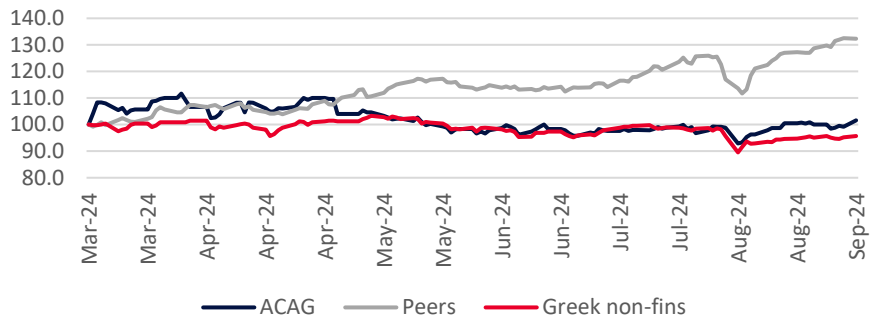
We caution that any forecasts included in this report should not be considered a reliable indicator of future performance.

Stock has displayed resilience in the face of recent market volatility, underlining its diverse exposure; but valuation remains subdued

Share performance

Austriacard shares have moved largely in sync with Greek non-financials over the past 6 months, showing notable resilience despite volatility in the markets, a fact that we attribute to the company's healthy exposure to important financial institutions and its export-oriented model. These characteristics counterbalance the limited liquidity and free float. That said, ACAG shares have returned -6% lower YTD, still underperforming the +4% gain for Greek non-financials. The stock has also not managed to capitalize on the valuation re-rating of its international peers (i.e. card payment solution providers, financial services tech firms and payment tech hardware providers) which seem to have performed quite strongly, especially after the summer.

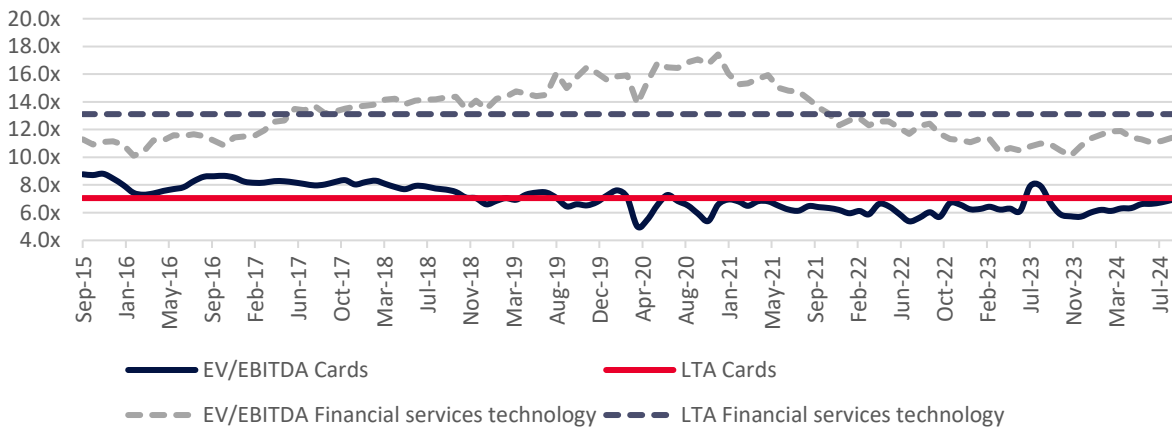
Total return (rebased to 100) – Austriacard vs. Greek non-financials vs. industry peers



Source: Eurobank Equities Research.

On average, pure play card peers have traded near 7-7.5x over the past 10 years, retreating from high single-digits at the start of the previous decade as the boost from several structural changes, particularly in the US (e.g. migration to chip-based cards, namely EMVs) began to wane. On the other hand, diversified payment companies have traded at higher multiples, with an average valuation in the low teens throughout the last decade. Diversified payment companies have traded at somewhat lower valuations since 2021 in the face of higher yields, though they appear to have regained momentum as the outlook on rates has softened.

1yr fwd EV/EBITDA, card manufacturers and financial services technology peers



Source: Eurobank Equities Research.

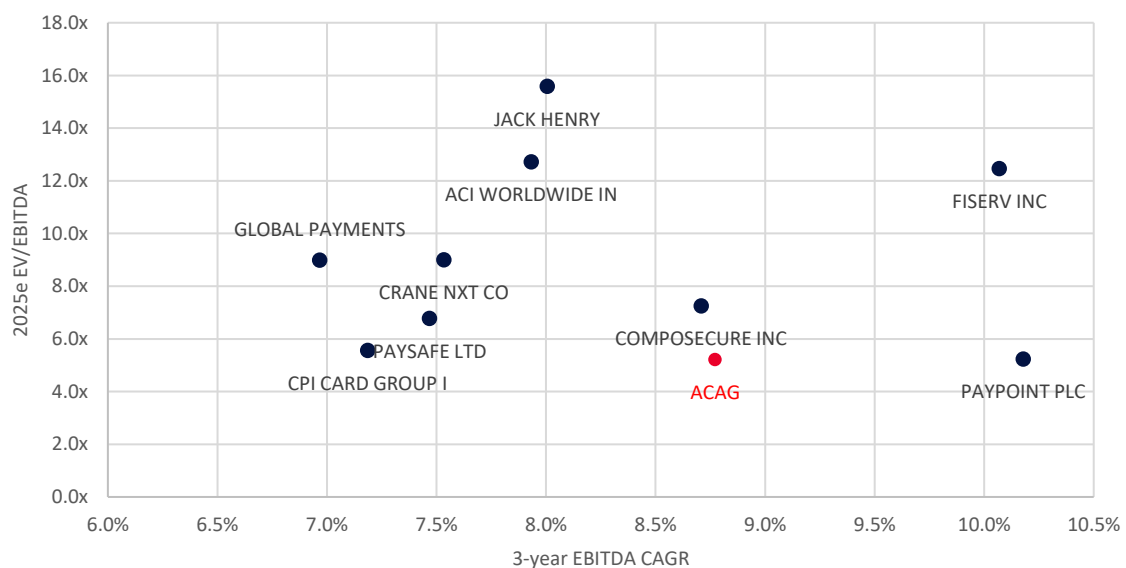
The table below contrasts Austriacard's valuation against that of its blended peer group. As illustrated, the stock is trading at notable discount vs. the enlarged peer group while enjoying a healthy balance sheet and offering a superior growth profile. Overall, we consider ACAG's valuation at <5.5x 2025e EV/EBITDA to be quite subdued, especially considering its potential to move up in the valuation spectrum as digital transformation revenue gains traction.

Peer group valuation								
Stock	Mkt Cap	PE		EV/EBITDA		Dividend yield		Net debt/EBITDA
		24cy	25cy	24cy	25cy	24cy	25cy	
Payment Solution Providers		10.6x	8.9x	7.5x	6.8x			
CPI CARD GROUP I	261	11.3x	8.9x	6.1x	5.6x	0%	0%	0.0x
COMPOSECURE IN-A	854	10.6x	9.3x	8.0x	7.2x	0%	0%	1.6x
PAYPOINT PLC	573	9.6x	8.8x	5.6x	5.2x	6%	6%	1.0x
PAYSAFE LTD	1,201	8.6x	6.8x	7.5x	6.8x			4.5x
EQUALS GROUP PLC	253	16.9x	13.3x	8.0x	7.3x			-1.3x
Financial Services Technology		22.0x	17.0x	13.6x	12.5x			
FISERV INC	89,180	19.7x	17.0x	13.6x	12.5x			2.6x
FIDELITY NATIONA	40,468	16.1x	14.8x	13.1x	12.3x	2%	2%	2.3x
JACK HENRY	11,359	29.9x	27.5x	16.8x	15.6x	1%	1%	0.0x
ACI WORLDWIDE IN	4,613	22.0x	19.5x	13.8x	12.7x			
CANTALOUPE INC	418	22.3x	16.2x	10.6x	7.8x			
GLOBAL PAYMENTS	24,936	9.4x	8.3x	9.6x	9.0x	1%	1%	3.2x
PAYSIGN INC	211	81.7x	50.1x	21.7x	16.4x			
Other		14.9x	11.6x	7.8x	7.2x			
DE LA RUE PLC	215	16.5x	11.4x	5.8x	5.3x	0%	0%	1.7x
CRANE NXT CO	2,921	13.3x	11.9x	9.8x	9.0x	1%	1%	1.2x
Peer group average		20.6x	16.0x	10.7x	9.5x	1%	1%	1.5x
Austriacard	216	10.2x	8.7x	5.7x	5.2x	2%	3%	1.8x

Source: Eurobank Equities Research, Bloomberg.

In the following chart, we compare the current valuation of Austriacard vs. that of its blended peer group while also accounting for 3-year fwd profit estimates (2023-26e). As we display below, Austriacard continues to look compelling at the current levels considering it also enjoys among the strongest growth profiles in its cohort (high-single-digit EBITDA CAGR).

Austriacard vs. broad peers – 2025e valuation vs. 3-year expected growth



Source: Eurobank Equities Research, Bloomberg.

Valuation: DCF-based valuation yields c€7.2-9.5 intrinsic value range per share

DCF-based valuation yields baseline of €8.2/share

We value Austriacard using a DCF-based valuation in order to capture the expected high earnings growth in the coming years, given the secular tailwinds for the industry, and the long-term earnings potential of the business.

Our base case DCF yields a c€8.2 12-month baseline price per share. This is predicated on the following assumptions:

- High single digit sales CAGR over 2024-2027e, driven by: 1) volume growth, given the expanding cards market and further underpinned by ACAG's diversified geographical footprint and underpenetrated markets; 2) price/mix growth supported by adjacency opportunities including contactless, premium (e.g. metal) and biometric cards; 3) the digitization push underpinning Austria's digital transformation technologies business. We assume growth fades to c3.5% by 2033e, translating to a CAGR of c6% over the entire 10-year period.
- Adj. EBITDA growth of 11% in 2024e followed by 8-9% in the ensuing 3 years, driven by robust top line growth, implying c0.6pps margin expansion vs 2023 levels on positive operating leverage and improving price/mix. We assume that medium-term EBITDA margins settle in the 14.5% area, from 12% over 2020-22. This would still be below the respective margins of bigger peers, due to the group's smaller scale.
- We use a long-term growth rate of 1% based on a reinvestment rate >30% and low-single digit incremental ROIC in perpetuity, conservatively assuming that the group's competitive advantage will fade.
- The implied FCF conversion (FCF/EBITDA) in the medium term will settle near c40%, a level we consider feasible given the headroom vs current capacity in terms of utilization and the existence of a proprietary operating system which the group developed years ago.
- 9.5% WACC, which we believe captures the relative risk profile of the business vis-à-vis the rest of our coverage universe (including the aspect of low stock liquidity).

DCF								
EURmn unless otherwise stated	2024e	2025e	2026e	2027e	2028e	2029e	...	TV
NOPAT	29.3	32.8	36.6	40.1	42.0	45.3		55.2
Reinvestment	(18.6)	(11.7)	(13.3)	(7.5)	(10.3)	(11.7)		(18.8)
Unlevered Free Cash Flow	10.7	21.2	23.3	32.5	31.7	33.6	...	36.4
Sum of PV of FCF	193.6							
PV of terminal value	191.2							
Enterprise Value	384.8							
Net debt	(80.3)							
Other claims (net)	(15.1)							
Equity value ex-div	289.3							
no. of shares	36.4							
Per share (year-end)	8.0 €							
12-month fair value per share ex div	8.2 €							

Source: Eurobank Equities Research

A basic sensitivity on a combination of WACC and terminal growth rates is presented in the table below. As can be seen, flexing our WACC and perpetuity growth inputs by 0.5% each yields a fair value range between c€7.2 and c€9.5 per share, thus indicating plenty of upside to be crystallized if our future estimates materialize.

DCF Sensitivity of our calculated group fair value per share to the WACC and LT growth assumptions						
		WACC				
		10.5%	10.0%	9.5%	9.0%	8.5%
Terminal growth	2.0%	7.9	8.5	9.3	10.1	11.1
	1.5%	7.4	8.0	8.7	9.5	10.3
	1.0%	7.0	7.6	8.2	8.9	9.6
	0.5%	6.7	7.2	7.7	8.3	9.0
	0.0%	6.3	6.8	7.3	7.9	8.5

Source: Eurobank Equities Research.

H1'24 results review

Austriacard reported healthy H1'24 results on recovering sales momentum as tough comps began to ease. Cards volume growth in MEA combined with digitization inflows from the Greek state drove group H1'24 sales to €192m (+7% yoy, EeE €187.8m) and adj. EBITDA to €28.8m (+11% yoy, EeE €27.6m). Management affirmed it is on track to meet or exceed the guidance of 10% revenue growth and 10-12% adj. EBITDA growth, effectively underpinning our 2024 forecasts.

In more detail:

Group H1'24 top line grew to €192m (+7% yoy) driven by a +€11.9m rise in digital transformation revenue, attributed to projects for the Greek state and expansion in Romania. Performance was further supported by document management revenue, which grew to €57m for H1'24 (+5% yoy). Conversely, H1 payment solutions revenue came in at €118.7m, c2% lower yoy, impacted by mgt's strategic discontinuation of chip module sales. On a like-for-like basis, though, payment solutions delivered quite robust 12.8% growth yoy, underpinned by strong volume growth in MEA and improved metal cards sales.

Looking into revenue by geography, growth was driven primarily by CEE and MEA, up +14.2% and +24.5% respectively. The strong results were mainly attributed to digitization projects for the former and payment solutions for the latter. In contrast, WEST saw a slight decline (-3.6% yoy) as results were affected by discontinued chip module sales. Like-for-like WEST revenues were up 21.7% vs. a year ago.

In terms of profitability, gross profit reached €48.8m in H1'24 (+10% yoy), benefiting from the tilt toward margin-accretive activities (IT services, metal cards). This jump in profitability translated to H1'24 adj. EBITDA of €28.8m (+11% vs. H1'23) on c60bps higher margins, more than offsetting the higher opex from the consolidation of Pink Post (acquired March 2023). H1'24 net profit settled at €11.2m (down from €12m a year ago) as improved operating profitability was toned down somewhat by higher financial expenses and special items, the latter a result of more rational expenses for mgt participation programs, which had been positively impacted by a provision reversal in H1'23.

On the cash flow front, group OCF grew to €5m in H1'24, as improved profitability more than compensated for the increased operating WC required to meet demand. H1'24 Capex totaled €10.5m, broadly in sync with our view for expected growth-related investment. Group net debt thus shaped at €103m in H1'24, equivalent to c2x LTM adj. EBITDA, consistent with mgt's conservative approach.

Austriacard H1'24 results review								
amounts in €m	H1'23	H1'24	% yoy	H1'24e	vs. EeE	Q2'23	Q2'24	% yoy
Revenue*	179.5	192.0	7.0%	187.8	2.2%	91.1	102.3	12.3%
- COGS*	-137.3	-143.2	4.3%	-141.9	0.9%	-68.6	-76.0	10.8%
Gross profit*	44.3	48.8	10.2%	45.9	6.2%	22.5	26.3	16.7%
Gross margin	24.2%	25.4%	1.2pps	24.5%	1.0pps	24.1%	25.7%	1.6pps
Adj. EBITDA*	25.9	28.8	11.2%	27.6	4.5%	12.5	15.1	21.2%
Adj. EBITDA margin	14.4%	15.0%	0.6pps	14.7%	0.3pps	13.7%	14.8%	1.1pps
PBT	14.7	14.9	1.4%	14.3	4.4%	7.4	7.1	-3.4%
Net profit	12.0	11.2	-6.7%	10.7	4.3%	7.2	4.7	-34.6%

Source: Eurobank Equities Research, Company data. *Ex. the impact of IAS 29 Hyperinflation accounting.

Interim results overview

Austriacard interim results									
amounts in €m	H1'22	H2'22	FY'22	H1'23	H2'23	FY'23	H1'24	H2'24e	FY'24e
WEST	50.9	64.2	115.2	65.5	46.8	112.3	61.4	79.0	140.5
% change				29%	-27%	-2%	-6%	69%	25%
CEE	68.1	72.2	140.3	84.0	101.4	185.4	93.1	99.8	192.9
% change				23%	40%	32%	11%	-2%	4%
MEA*	18.1	36.8	54.9	30.1	23.5	53.6	37.5	24.3	61.7
% change				66%	-36%	-2%	25%	3%	15%
Group Sales*	137.1	173.2	310.3	179.5	171.7	351.3	192.0	203.1	395.1
% change				31%	-1%	13%	7%	18%	12%
Gross profit*	34.2	40.3	74.4	44.3	42.5	86.8	48.8	50.5	99.3
Gross margin	24.9%	23.3%	24.0%	24.7%	24.7%	24.7%	25.4%	24.9%	25.1%
Adj. EBITDA*	19.8	19.0	38.7	25.9	23.4	49.3	28.8	26.9	55.7
Adj. EBITDA margin	14.4%	10.9%	12.5%	14.4%	13.6%	14.0%	15.0%	13.3%	14.1%
Adj. EBIT	11.7	5.1	16.8	17.7	13.7	31.4	18.7	18.8	37.5
PBT	6.6	1.8	8.4	15.0	6.0	21.0	14.9	13.7	28.5
Net profit (post-NCI)	4.2	-0.1	4.2	11.8	4.0	15.8	10.6	10.5	21.1
Operating Cash Flow	7.7	29.1	36.8	0.1	1.7	1.8	5.0	17.1	22.1
Capex	-8.3	-6.2	-14.5	-7.8	-3.3	-11.1	-9.2	-8.0	-17.2
Net debt / (cash)	93.9	76.6	76.6	87.1	95.0	95.0	103.3	98.3	98.3

Source: Eurobank Equities Research, Company data. *Ex. the impact of IAS 29 Hyperinflation accounting.

Group Financial Statements

amounts in €m					
Group P&L	2022	2023	2024e	2025e	2026e
Sales (reported)	314.7	364.6	395.1	423.8	455.3
Gross Profit	74.9	88.3	99.3	106.0	113.6
EBITDA (reported)	31.2	47.5	54.5	59.5	64.9
% change	16.7%	52.3%	14.6%	9.3%	9.0%
EBITDA margin	9.9%	13.0%	13.8%	14.1%	14.3%
EBIT - adjusted	16.8	31.4	37.5	42.1	46.9
Financial income (expense)	-8.5	-10.4	-9.0	-8.6	-8.0
Other income	0.1	0.1	0.0	0.0	0.0
PBT - reported	8.4	21.0	28.5	33.5	38.9
Income tax	-3.5	-4.2	-6.3	-7.4	-8.5
Non-controlling interest	-0.7	-1.0	-1.1	-1.2	-1.4
Net Profit - reported	4.2	15.8	21.1	24.9	28.9
EPS - adjusted (EUR)	0.12	0.44	0.58	0.68	0.80
DPS (EUR)	0.05	0.10	0.13	0.15	0.18
Group Cash Flow Statement	2022	2023	2024e	2025e	2026e
Adj. EBITDA	39.4	50.4	55.7	59.5	64.9
Change in Working Capital	2.7	-35.3	-18.2	-12.0	-13.4
Tax	-1.6	-6.4	-6.3	-7.4	-8.5
Net Interest	-4.1	-7.4	-9.0	-8.6	-8.0
Other	-0.1	0.4	0.0	0.0	0.0
Operating Cash Flow	36.3	1.8	22.1	31.6	34.9
Capex	-14.5	-11.1	-17.2	-17.1	-17.8
Other investing	-6.0	-1.1	-1.6	0.0	0.0
Net Investing Cash Flow	-20.5	-12.2	-18.8	-17.1	-17.8
Dividends	0.0	-0.9	-3.6	-4.7	-5.6
Other (incl. capital repayment of leases)	-7.3	-7.1	-2.9	-3.0	-3.3
Net Debt (cash)	76.6	95.0	98.3	91.5	83.3
Free Cash Flow (adj.)	12.0	-13.3	0.4	11.5	13.9
Group Balance Sheet	2022	2023	2024e	2025e	2026e
Tangible Assets	90.4	96.3	95.7	95.4	95.4
Intangible Assets	57.2	55.5	58.0	64.8	72.1
Other Long-term assets	6.2	5.0	4.3	4.3	4.3
Non-current Assets	153.8	156.8	158.1	164.5	171.8
Inventories	36.1	58.2	83.0	91.1	100.2
Trade Receivables	40.0	44.7	51.4	56.7	62.8
Other receivables	18.7	38.3	33.8	35.4	37.1
Cash & Equivalents	21.6	23.8	20.6	27.4	35.6
Current assets	116.4	164.9	188.7	210.6	235.7
Total Assets	270.2	321.7	346.7	375.1	407.5
Shareholder funds	69.2	106.4	123.9	144.1	167.5
Non-controlling interest	11.6	0.8	1.9	3.1	4.5
Total Equity	80.8	107.2	125.8	147.2	171.9
Long-term debt	62.0	91.5	91.5	91.5	91.5
Other long-term liabilities	27.9	23.7	23.7	23.7	23.7
Long Term Liabilities	90.0	115.2	115.2	115.2	115.2
Short-term debt	25.3	12.7	12.6	12.7	12.8
Trade Payables	57.8	62.0	66.4	71.9	78.0
Other current liabilities	16.4	24.7	26.7	28.1	29.6
Current liabilities	99.4	99.3	105.8	112.7	120.4
Equity & Liabilities	270.2	321.7	346.7	375.1	407.5
Key Financial Ratios	2022	2023	2024e	2025e	2026e
P/E	54.4x	14.8x	10.2x	8.7x	7.5x
P/BV	3.3x	2.2x	1.7x	1.5x	1.3x
EV/EBITDA	8.0x	6.5x	5.7x	5.2x	4.7x
EBIT/Interest expense	2.0x	2.9x	3.9x	4.7x	5.6x
Net Debt (cash)/EBITDA	1.9x	1.9x	1.8x	1.5x	1.3x
Dividend Yield	0.4%	1.6%	2.2%	2.6%	3.1%
ROE	27.0%	35.8%	32.6%	31.4%	30.1%
Free Cash Flow yield	5.3%	-5.7%	0.2%	5.3%	6.4%
Payout Ratio	21.8%	23.0%	22.0%	22.5%	23.0%

Source: Eurobank Equities Research.

Company description

ACAG is a leading provider of smart cards, personalization and payment solutions, as well as secure data management and digitization services. The group is the result of the cross-border merger of two entities, namely the previously non-listed parent holding company ACAG and its c71% previous Greek-listed subsidiary Inform Lykos S.A., with the latter having a long track record spanning 125 years.

Risks and sensitivities

•**Macro:** ACAG's card business is to an extent dependent on consumer credit trends and the macroeconomic environment. In that regard, there is a downside risk to our estimates under a weaker macro scenario, especially if tighter credit standards lead to slower card volume growth.

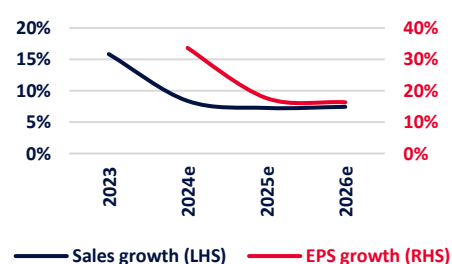
•**Industry competition:** The payment card market is quite competitive, with providers competing on the basis of quality, design, production capacity and price. That said, there are significant barriers to entry for new players, especially as far as the breadth of service offerings and the technical expertise are concerned.

•**Card replacement cycle:** A longer-than-usual replacement card cycle (normally 3-4 years) would result in lower demand for the issuance of cards, thus weighing on group numbers.

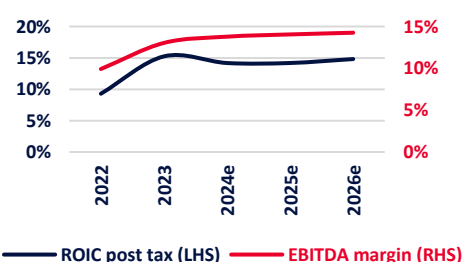
•**Tech advancements:** The fast pace and constant evolution of the industry means card printing businesses have some inherent sensitivity to tech advancements, since enhanced card capabilities (e.g. NFC for contactless payments, metal cards, biometric cards, eco-friendly products etc.) are important in driving future revenue growth.

•**Sensitivity:** We estimate that a 1% change in revenue results in a 3% change in EBITDA.

Sales and EPS growth



Profitability and returns



Eurobank Equities Investment Firm S.A.
Member of Athens Exchange,
Cyprus Stock Exchange and Eurobank Group.

Regulated by the Hellenic Capital Markets Commission
Authorisation No: 6/149/12.1.1999
VAT No: 094543092, Reg. No. 003214701000

Important Disclosures

This report has been issued by Eurobank Equities Investment Firm S.A., a member of the Athens Exchange, a member of the Cyprus Stock Exchange and a member of EUROBANK Ergasias S.A. Eurobank Equities Investment Firm S.A. is regulated by the Hellenic Capital Markets Commission (HCMC) with authorisation number 6/149/12.1.1999. This report may not be reproduced in any manner or provided to any other persons. Each person that receives a copy by acceptance thereof represents and agrees that it will not distribute or provide it to any other person. This report is not an offer to buy or sell or a solicitation of an offer to buy or sell securities mentioned herein. The investments discussed in this report may be unsuitable for investors, depending on their specific investment objectives and financial position. The investments discussed in this report are subject to risks and in respect of some investments there is risk for multiplied losses to be caused in respect to the capital invested.

The information on this research report is only intended to be available to non-U.S. investors and/or residents outside of the United States, Australia, Canada, Japan and South Africa. In certain jurisdictions, including but not limited to the United States, Australia, Canada, Japan and South Africa, the furnishing of such information may be restricted or prohibited by applicable laws. Potential users of the information are requested to inform themselves about and observe any such restrictions, and if you are not permitted to view material on this report or are in any doubt as to whether you are permitted to view these materials, please discard/ignore this report.

By reading this research report, you warrant that you are not located in the United States or in any other jurisdiction in which the furnishing of such information may be restricted or prohibited and you agree that you will not transmit or otherwise send any information contained in this report to any person in the United States or to publications with a general circulation in the United States or any other restricted jurisdiction.

Any information provided on this report does not constitute or implicitly substitutes a recommendation for the purchase, sale, subscription, redemption, exchange, retention of a specific financial instrument or the exercise of any right a specific financial instrument grants for the purchase, sale, subscription, exchange or redemption of a financial instrument and thus, it cannot be considered as provision of investment advice or as any solicitation whatsoever.

The information contained herein has been obtained from sources believed to be reliable, but it has not been verified by Eurobank Equities Investment Firm S.A.

This report has been submitted to Austriacard Holdings for review prior to its publication. Some changes have been made by Eurobank Equities S.A. to this report as a result of the review from Austriacard Holdings.

The opinions expressed herein may not necessarily coincide with those of any member of the Eurobank Group. No representation or warranty (express or implied) is made as to the accuracy, completeness, correctness, timeliness or fairness of the information or opinions herein, all of which are subject to change without notice. No responsibility of liability whatsoever or howsoever arising is accepted in relation to the contents hereof by Eurobank Equities Investment Firm S.A. or any of its directors, officers or employees.

Eurobank Equities Investment Firm S.A. follows procedures under Eurobank Group policies that set up Chinese Walls, restricting communication between Research and other departments inside the Company or the Group so that Eurobank Equities Investment Firm S.A. complies with regulations on confidential information and market abuse.

Eurobank Equities Investment Firm S.A., or any of its related legal persons, does not hold shareholdings exceeding 0.5% (net long or short position) of the total issued share capital in Austriacard Holdings.

None of the subject companies mentioned in this report holds shareholdings exceeding 5% of the total issued share capital of Eurobank Equities Investment Firm S.A., or any of its related legal persons.

Eurobank Equities Investment Firm S.A., or any of its related legal persons, is not a market maker of Austriacard Holdings.

Eurobank Equities Investment Firm S.A. prepared and published this report in consideration of a fee payable by Austriacard Holdings. Fees are always paid in cash only.

Eurobank Equities Investment Firm S.A. or any of its related investment banking services' legal persons, has not received compensation for investment banking services provided within the last twelve months from Austriacard Holdings.

Eurobank Equities Investment Firm S.A. occasionally trades for own account on investment instruments related to Austriacard Holdings.

This report was not sent to the company for factual verification prior to publication.

Analyst Certification:

This report has been written by Stamatios Draziotis, CFA and Marios Bourazanis (Equity Analysts).

Analyst Compensation:

The remuneration of Stamatios Draziotis, CFA and Marios Bourazanis is not tied to the investment banking services performed by Eurobank Equities Investment Firm S.A. or any of its related legal persons.

Stamatios Draziotis, CFA and Marios Bourazanis did not receive or purchase the shares of Austriacard Holdings prior to a public offering of such shares.

Stamatios Draziotis, CFA and Marios Bourazanis do not have a significant financial interest in one or more of the financial instruments which are the subject of this report or a significant conflict of interest with respect to the subject companies mentioned in this report a) that are accessible or reasonably expected to be accessible to the persons involved in the preparation of this report or b) known to persons who, although not involved in the preparation of this report, had or could reasonably be expected to have access to this report prior to its dissemination to customers or the public.

Planned Frequency of Updates:

Eurobank Equities Investment Firm S.A. provides updates on Austriacard Holdings based on the terms of the agreement between the two parties and at least but not limited to bi-annually after the publication of financial statements of Austriacard Holdings.

12-month Rating History of Austriacard Holdings

Date	Rating	Stock price	Target price
06/09/2024	Not Rated	€ 5.94	-
05/06/2024	Not Rated	€ 5.80	-
22/01/2024	Not Rated	€ 6.00	-
21/11/2023	Not Rated	€ 6.05	-

Eurobank Equities Investment Firm S.A. Rating System:

Stock Ratings	Coverage Universe		Investment Banking Clients		Other Material Investment Services Clients (MISC) - as of Jul 15	
	Count	Total	Count	Total	Count	Total
Buy	24	69%	2	8%	10	40%
Hold	3	9%	0	0%	1	33%
Sell	0	0%	0	0%	0	0%
Restricted	1	3%	0	0%	1	100%
Under Review	2	6%	1	50%	2	100%
Not Rated	5	14%	2	40%	2	40%
Total	35	100%				

Coverage Universe: A summary of historic ratings for our coverage universe in the last 12 months is available [here](#).

Analyst Stock Ratings:

- Buy: Based on a current 12-month view of total shareholder return (percentage change in share price to projected target price plus projected dividend yield), we recommend that investors buy the stock.
- Hold: We adopt a neutral view on the stock 12-months out and, on this time horizon, do not recommend either Buy or Sell.
- Sell: Based on a current 12-month view of total shareholder return, we recommend that investors sell the stock.
- Restricted: Under Eurobank Group policy and / or regulations which do not allow ratings
- Under Review: Our estimates, target price and recommendation are currently under review
- Not Rated: Refers to Sponsored Research reports