

**COMPANY UPDATE**

**REAL CONSULTING**

**Visibility on mid-term growth remains clear; stay the course**

**On track for >40% yoy EBITDA growth in 2024e** – Following a very robust H1'24 (revenues +43%, EBITDA +40%), we anticipate an equally strong H2'24 performance from RC, expecting the group to continue capitalizing on its SaaS transition initiative and the securing of new installation contracts. Based on the project pipeline, we expect H2 top line to be driven by private sector contracts, in line with the H1 trend. We project H2'24 revenues at €19.6m (+19% yoy) and EBITDA at €4.1m (+46% yoy), corresponding to a robust EBITDA margin of c21% (vs. 16% in H1'24) indicative of more favorable mix from upselling to the installed base and scale effects from new hires in H1.

**Unique positioning within the VAR cohort; Greek IT market facing structural shift** – RC is uniquely positioned to benefit from the structural transformation of the Greek IT market, leveraging its status as a leading SAP/Microsoft partner to deliver enterprise solutions. Its focus on large companies ensures exposure to high-value projects, allowing RC to build a high-quality pipeline which we expect will drive recurring earnings growth through to the medium term.

**Upselling, SaaS transition of portfolio to drive c23% EBITDA CAGR through 2027e** – We maintain our forecasts for 2024e largely unchanged, expecting strong H2 performance to drive FY'24 revenue to €39.4m (+30% yoy) and EBITDA to €7.2m (+43% yoy). Looking ahead, we continue to model c18% revenue CAGR over 2024-27e, as the group benefits from country-wide demand tailwinds supporting tech upgrades. In terms of revenue generation, the project pipeline indicates that growth will come primarily from private sector contracts over the 4-yr period, with an additional c€30m boost from large ongoing Greek state contracts. We expect this robust revenue trajectory to translate into c23% EBITDA CAGR through 2027e, with margins reaching c20% by the end of the period, buoyed by operating leverage from the migration of the solution portfolio to cloud and higher contributions from aftersales.

**Low leverage, cash generation and growing scale make for a flexible balance sheet** – With greater milestone inflows expected in 2024e, we anticipate RC's net cash position will exceed €5m by year-end. Looking ahead, based on our estimates for an accelerating recurring base, we project RC to generate FCF >€6m p.a. from 2026e on, providing ample flexibility for acquisitions, reinvestment for scale, or enhanced returns. Assuming no effects from M&A, our model forecasts RC's net cash position at €20m in 2027e.

**Valuation** – RC remains well below its March 2024 peak and continues to trade at <8x 2025e EV/EBITDA, slightly higher than EU VAR peers but while offering far superior growth. We argue that RC's valuation looks particularly compelling on a growth-adjusted basis given the strong near-term visibility typical of IT VARs. Adding to the fundamental story, we believe the stock's upcoming migration to the ATHEX main market could catalyze further re-rating. We continue to base our valuation on a DCF (9.2% WACC), yielding a PT of €5.4 per share, lifted slightly as we roll over our valuation to end 2025. This places the stock at c12.5x 2025e EV/EBITDA, at premium vs EU VARs but at discount vs the broad EU IT sector.

Estimates					
EUR mn	2022	2023	2024e	2025e	2026e
Revenues	24.4	30.3	39.4	44.9	52.9
EBITDA	3.6	5.0	7.2	8.8	10.4
Net profit	2.1	2.9	5.2	6.2	7.4
EPS (EUR)	0.10	0.14	0.24	0.29	0.34
DPS (EUR)	0.03	0.04	0.05	0.06	0.07

Valuation					
Year to end December	2022	2023	2024e	2025e	2026e
P/E	23.6x	16.6x	14.1x	11.8x	9.9x
EV/EBITDA	13.5x	10.3x	9.7x	7.6x	6.0x
Net Cash/EBITDA	0.3x	-0.1x	0.8x	1.1x	1.4x
Dividend Yield	1.3%	1.7%	1.5%	1.8%	2.2%
ROE	13.1%	16.9%	24.5%	24.1%	23.6%

Source: Eurobank Equities Research.

Recommendation	BUY
Target Price	€ 5.40
Prior Target Price	€ 5.30
Closing Price (17/12)	€3.40
Market Cap (mn)	€73.1
Expected Return	58.8%
Expected Dividend	1.8%
Expected Total Return	60.6%

Stock Data	
Reuters RIC	REALCONSR.AT
Bloomberg Code	REALCONS GA
52 Week High (adj.)	€4.32
52 Week Low (adj.)	€2.50
Abs. performance (1m)	9.7%
Abs. performance (YTD)	29.3%
Number of shares	21.5mn
Avg Daily Trading Volume (qrt)	€46k
Est. 3yr EPS CAGR	17.3%
Free Float	36%

**Real Consulting Share Price**



**Analysts**

**Marios Bourazanis**  
Equity Analyst, Small Caps & IT  
☎: +30 210 37 20 253  
✉: mbourazanis@eurobankequities.gr

**Stamatios Draziotis, CFA**  
Equity Analyst, Head of Research  
☎: +30 210 37 20 259  
✉: sdraziotis@eurobankequities.gr

**Sales/Trading**  
☎: +30 210 37 20 117 / 168 / 110

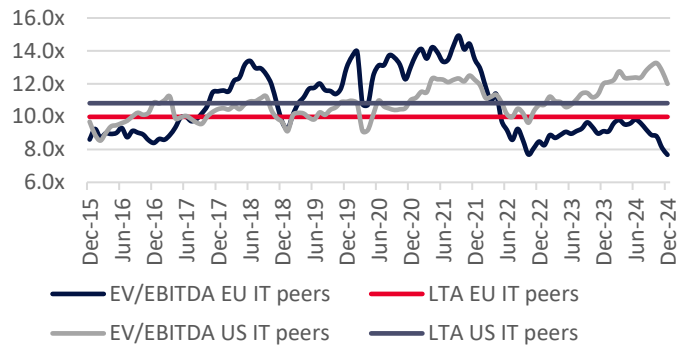
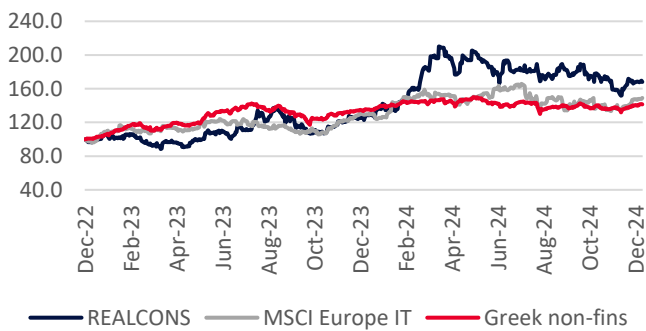
*This report was prepared and published in consideration of a fee payable by the European Bank for Reconstruction and Development (EBRD).*

*See Appendix for Analyst Certification and important disclosures.*

Investment case in 6 charts

RC has shown strong a 2-yr trajectory, outperforming both the EU IT sector and Greek non-fins; lag in valuation despite growth prospects

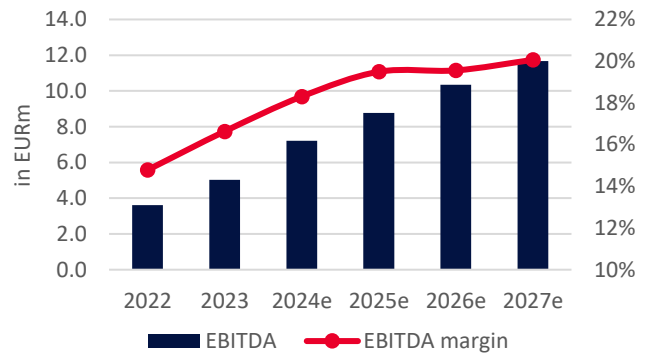
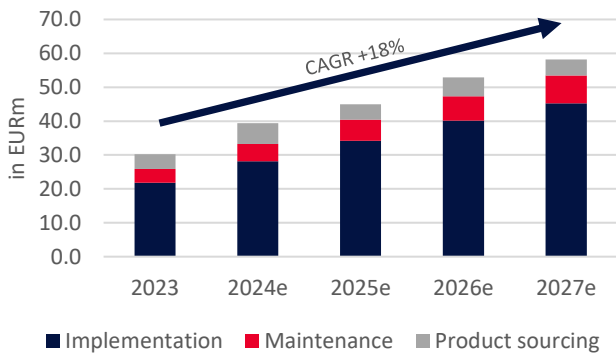
EU IT valuations have significantly trailed those of US IT since 2022, with the gap widening as of mid-2024



Source: Eurobank Equities Research, Bloomberg.

Combination of upselling & new installation contracts to drive +18% top line CAGR for RC during 2024-27e

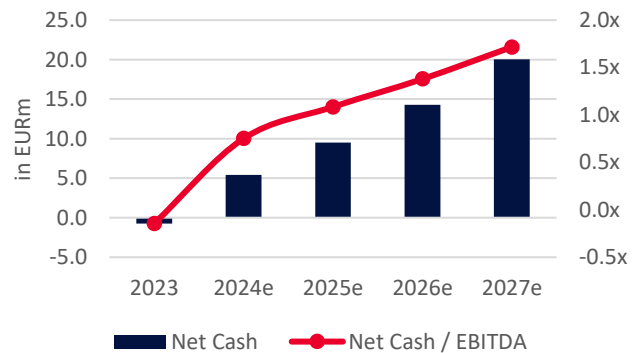
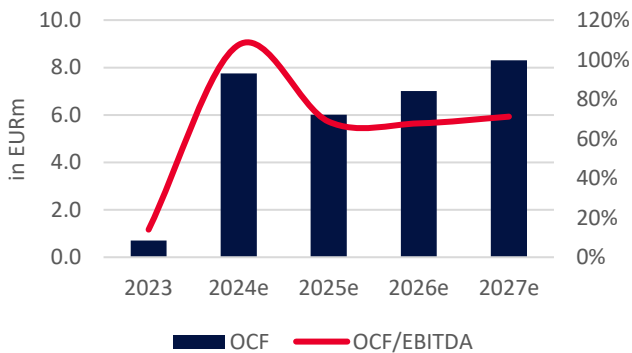
We eye c23% EBITDA CAGR in 2024-27e, expecting margin accretion from SaaS transition across the portfolio and scale benefits



Source: Eurobank Equities Research, Company data.

Higher caliber execution to underpin stronger OCF generation ahead

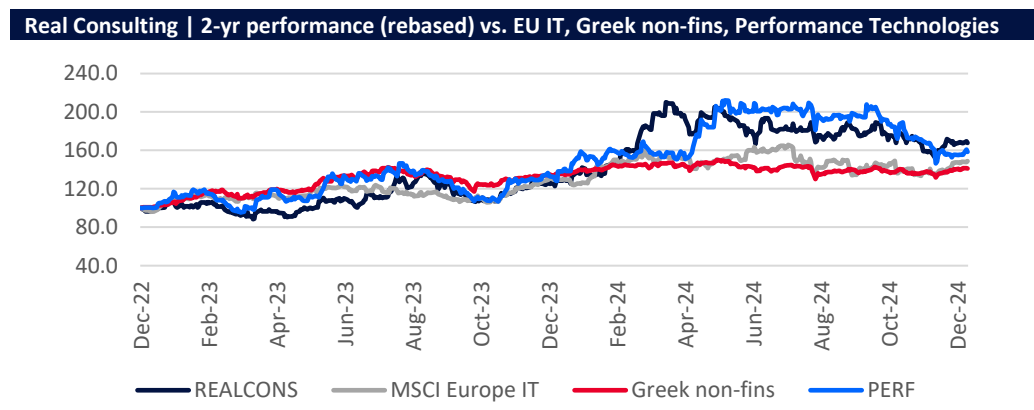
Balance sheet health provides important spending flexibility



Source: Eurobank Equities Research, Company data.

### Valuation remains compelling on a growth-adjusted basis

Real Consulting has delivered an impressive performance over the past 2 years, notably outpacing the MSCI Europe IT Index and Greek non-financials. Following a steady uptrend from mid-2023, RC surged significantly in early 2024, driven by a broad re-rating of Greek tech stocks and growing investor focus on Greek digitization initiatives. That said, the stock has had a somewhat tepid performance since mid-2024, largely in sync with the prevalent market trend, remaining c21% below its peak registered in March 2024. Despite regaining some momentum in recent weeks, the stock remains near its mid-2024 levels, reflecting a disconnect between the share price performance and the company’s expected profit growth trajectory.



Source: Eurobank Equities Research, Bloomberg.

### Valuation just above EU peers on 2025e, but offering far superior growth profile

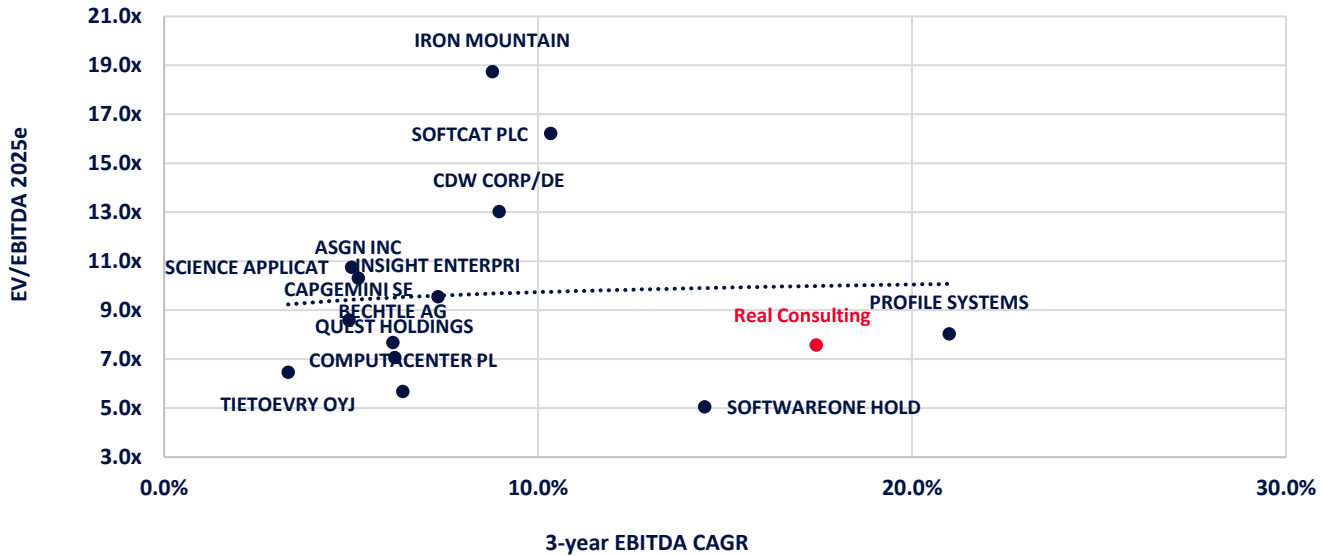
The following table provides a detailed overview of the key valuation metrics of the broad peer group, contrasting them with those of Real Consulting. As can be seen, the stock seems to be trading slightly above the EU peer median on 2025e, but as we display in the following page, this effectively does not capture the materially superior growth profile that RC enjoys (which explains why RC switches to discount on 2026e). In addition, RC remains at c35% 2025e EV/EBITDA discount vs US peers.

Real Consulting   Peer group valuation								
Stock	Mkt Cap	PE		EV/EBITDA		Dividend yield		Net debt/EBITDA 1fy
		25cy	26cy	25cy	26cy	25cy	26cy	
COMPUTACENTER PL	2,763	11.7x	10.9x	5.7x	5.4x	3%	4%	-0.8x
SOFTWAREONE HOLD	1,027	8.6x	7.0x	5.1x	4.4x	5%	6%	-0.6x
CAPGEMINI SE	26,522	13.0x	11.9x	8.6x	8.0x	2%	3%	0.4x
BECHTLE AG	3,914	14.7x	13.4x	7.7x	7.1x	2%	3%	-0.1x
TIETOEVRY OYJ	1,990	8.2x	7.7x	6.5x	6.2x	9%	9%	2.1x
SOFTCAT PLC	3,635	23.3x	21.2x	16.2x	14.6x	3%	3%	-0.3x
<b>European peers</b>		<b>12.3x</b>	<b>11.4x</b>	<b>7.1x</b>	<b>6.6x</b>	<b>3%</b>	<b>3%</b>	<b>-0.2x</b>
CDW CORP/DE	22,419	17.4x	16.2x	13.0x	12.2x	1%	2%	2.3x
IRON MOUNTAIN	30,766	56.1x	45.2x	18.7x	17.1x	3%	3%	6.0x
INSIGHT ENTERPRI	4,711	15.2x	13.0x	9.6x	9.2x			1.5x
ASGN INC	3,669	15.8x	13.5x	10.3x	9.3x			1.8x
SCIENCE APPLICAT	5,324	12.6x	11.4x	10.8x	10.4x	1%	1%	2.9x
<b>US peers</b>		<b>15.8x</b>	<b>13.5x</b>	<b>10.8x</b>	<b>10.4x</b>	<b>1%</b>	<b>2%</b>	<b>2.3x</b>
PROFILE SYSTEMS	127	13.9x	10.9x	8.0x	6.3x	2%	3%	-1.4x
QUEST HOLDINGS	617	11.5x	10.3x	7.1x	6.7x	5%	5%	-0.3x
<b>Real Consulting</b>	<b>73</b>	<b>11.8x</b>	<b>9.9x</b>	<b>7.6x</b>	<b>6.0x</b>	<b>2%</b>	<b>2%</b>	<b>-1.1x</b>

Source: Eurobank Equities Research, Bloomberg.

The chart below is indicative of RC’s attractiveness on a growth-adjusted basis, namely considering the current valuation along with the near-term growth profile. As can be seen, the stock is offering one of the highest growth rates for a valuation in the middle of the pack.

Real Consulting & broad peer group – 2025e valuation vs. 3-yr expected EBITDA CAGR (2024-27e)



Source: Eurobank Equities Research, Bloomberg.

### Summary of estimate changes

We have fine-tuned our forecasts for RC, making just slight revisions to our FY’24 numbers to reflect a stronger-than-anticipated end to the year and an increased contribution from on-site products sales, mostly as a result of ongoing projects for the Greek state, we believe. Our revised FY’24 estimates place group top line at €39.4m (+4% vs. our prior numbers) and adj. EBITDA at €7.2m, corresponding to an adj. EBITDA margin of c18.3% (0.5pps lower than our previous estimate) as we anticipate some margin dilution from the increased contribution of Greek state contracts. We have maintained our estimates unchanged for the medium/long term, expecting RC to continue enjoying secular tailwinds from digitization spending in Greece as the country’s tech ecosystem matures and from upselling opportunities thanks to the recurring updates typical in a predominantly SaaS-based solution portfolio.

Real Consulting   Estimate changes			
in EURm	2024e	2025e	2026e
<b>New</b>			
Revenue	39.4	44.9	52.9
adj. EBITDA	7.2	8.8	10.4
Net profit	5.2	6.2	7.4
<b>Previous</b>			
Revenue	37.9	44.9	52.9
adj. EBITDA	7.1	8.8	10.4
Net profit	5.1	6.2	7.4
<b>% change</b>			
Revenue	4%	0%	0%
adj. EBITDA	1%	0%	0%
Net profit	1%	0%	0%

Source: Eurobank Equities Research.

## DCF-based valuation yields intrinsic value of €5.4 per share

*DCF yields a baseline value of €5.4 per share*

We continue to base our valuation of Real Consulting on a DCF to capture the expected high earnings growth in the short and medium term, supported by accelerating digitization tailwinds in the Greek private sector and the boost from ongoing Greek state projects over 2025-27e. In the long term, our forecasts reflect the recurring earnings potential typical for IT VARs, underpinned by secular tailwinds relating to the tech demand upcycle in and around Greece.

Rolling our valuation over to 2025e, our DCF now yields a slightly increased 12-month price target of €5.4 per share. This is predicated on the following assumptions:

- Sales CAGR of c18% over 2024-27e, driven by sustained high IT spending among Greek large caps as their digitization agendas mature, topped up by RC's accrued Greek state project backlog. Our estimates are further underpinned by the evolving portfolio of SAP and Microsoft cloud-based SaaS solutions, which we believe may create new avenues for ARR expansion ahead; we conservatively assume medium-term growth trends down to c2%.
- Reported EBITDA CAGR of c23% over 2024-27e, on robust top line growth and improved terms on contracts as the installed base gradually transitions to SaaS, implying c3.4pps margin expansion vs. 2023 levels on positive operating leverage. We assume EBITDA margins will accelerate to c20% by 2026-27 and hover near the c20% mark through to 2032e, at par with best-in-class peers.
- We use a medium term FCF conversion (FCF/EBITDA) assumption of c65-70%, a level we consider feasible given the nature of the industry and limited capex.
- We assume a long-term growth rate of 1%, predicated on c11% return on capital in perpetuity, which implicitly assumes that RC's competitive advantage fades in the long run.
- 9.2% WACC, which we believe captures the relative risk profile of the business vis-à-vis the rest of our coverage universe while also considering issues such as stock liquidity and size.

Real Consulting DCF								
in EURm	2025e	2026e	2027e	2028e	2029e	2030e	...	TV
NOPAT	6.5	7.7	8.8	9.5	10.0	10.3		10.6
Reinvestment	0.7	1.0	0.7	0.3	0.5	0.5		1.0
<b>Unlevered FCF</b>	<b>5.8</b>	<b>6.8</b>	<b>8.0</b>	<b>9.3</b>	<b>9.5</b>	<b>9.8</b>		<b>9.7</b>
Sum of PV of FCF	49.9							
PV of terminal value	64.5							
<b>Enterprise Value</b>	<b>114.4</b>							
Net cash (debt) incl. leases / other claims	3.3							
Expected dividend	-1.1							
<b>Equity value (ex-div)</b>	<b>116.6</b>							
no. of shares	21.5							
<b>Per share</b>	<b>€5.4</b>							
<b>12-month indicative value per share</b>	<b>€5.4</b>							

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 1% and 0.5% respectively yields a fair value range between €4.7 and €6.4 per share, indicating quite a compelling risk-reward skew.

DCF Sensitivity of our calculated group fair value per share to the WACC and LT growth assumptions						
		WACC				
		10.2%	9.7%	9.2%	8.7%	8.2%
Terminal growth	2.0%	5.2	5.5	5.9	6.3	6.8
	1.5%	5.0	5.3	5.6	6.0	6.4
	1.0%	4.8	5.1	5.4	5.7	6.1
	0.5%	4.7	4.9	5.2	5.5	5.9
	0.0%	4.6	4.8	5.1	5.3	5.6

Source: Eurobank Equities Research.

**Interim results overview**

Real Consulting   Interim results									
in EURm, unless otherwise stated	H1'22	H2'22	FY'22	H1'23	H2'23	FY'23	H1'24	H2'24e	FY'24e
<b>Revenue</b>	<b>11.5</b>	<b>12.9</b>	<b>24.4</b>	<b>13.8</b>	<b>16.5</b>	<b>30.3</b>	<b>19.8</b>	<b>19.6</b>	<b>39.4</b>
<b>% yoy growth</b>				<b>20%</b>	<b>27%</b>	<b>24%</b>	<b>43%</b>	<b>19%</b>	<b>30%</b>
Gross profit	4.4	4.8	9.2	5.3	6.3	11.6	7.4	8.2	15.6
<i>Gross margin</i>	<i>38%</i>	<i>37%</i>	<i>38%</i>	<i>38%</i>	<i>38%</i>	<i>38%</i>	<i>37%</i>	<i>42%</i>	<i>40%</i>
<b>EBITDA</b>	<b>1.7</b>	<b>1.9</b>	<b>3.6</b>	<b>2.2</b>	<b>2.8</b>	<b>5.0</b>	<b>3.1</b>	<b>4.1</b>	<b>7.2</b>
<b>EBITDA margin</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>16%</b>	<b>17%</b>	<b>17%</b>	<b>16%</b>	<b>21%</b>	<b>18%</b>
<b>% yoy growth</b>				<b>32%</b>	<b>46%</b>	<b>39%</b>	<b>40%</b>	<b>46%</b>	<b>43%</b>
<b>EBIT</b>	<b>1.4</b>	<b>1.7</b>	<b>3.1</b>	<b>1.9</b>	<b>2.5</b>	<b>4.4</b>	<b>2.7</b>	<b>4.1</b>	<b>6.8</b>
<b>PBT</b>	<b>1.3</b>	<b>1.5</b>	<b>2.8</b>	<b>1.7</b>	<b>2.2</b>	<b>4.0</b>	<b>2.5</b>	<b>4.2</b>	<b>6.7</b>
<b>Net profit</b>	<b>0.9</b>	<b>1.1</b>	<b>2.1</b>	<b>1.3</b>	<b>1.7</b>	<b>2.9</b>	<b>1.9</b>	<b>3.3</b>	<b>5.2</b>
Operating Cash Flow	2.0	1.5	3.5	-1.3	2.0	0.7	1.5	6.2	7.7
Capex	0.0	-0.5	-0.5	0.0	-0.1	-0.1	0.0	-0.2	-0.3
<b>Net cash / (debt)</b>	<b>0.6</b>	<b>1.1</b>	<b>1.1</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-0.7</b>	<b>0.4</b>	<b>5.4</b>	<b>5.4</b>

Source: Eurobank Equities Research.

## H1'24 results review

Real Consulting delivered robust H1 results in October, with group top line rising to €19.8m (+43% vs. H1'23) and EBITDA to €3.1m (up +40% yoy) on little-changed margins near c16%. Results were primarily driven by organic growth from the accelerated execution of digitization projects in Greece, with results topped up further by base effects from the consolidation of Cyprus-based AMS (acquired Jul. 2023). The combination of solid operating profitability and low debt translated to H1'24 PBT of €2.5m (+43% yoy) and H1'24 net profit of €1.9m (+47% yoy).

In more detail, H1'24 group revenue surged to €19.8m (+43% yoy, majority organic) on the back of stronger Greek state project implementation and growing aftersales momentum from the transition of the existing contract base to SaaS. Private sector revenues accounted for 77% of the total (down from 90% in H1'23) with the Greek state contributing the remaining c23%. We note that RC's Greek state project backlog stood at €35-40m in FY'23. Regarding M&A add-ons, we estimate the top line effect from the consolidation of AMS between €1.5-2.1m in H1'24.

In terms of profitability, H1'24 EBITDA rose to €3.1m (+40% yoy) on little-changed EBITDA margins near 16%, as operating leverage from new SaaS-based contracts and the migration of the installed base to cloud somewhat offset the dilutive impact of Greek state projects in the mix. We note that projects for the Greek state typically require software/hardware to be installed on-premise, making them more HR-intensive compared to SaaS-based solutions and, consequently, less margin-accretive.

Milestone payments for ongoing projects drove group OCF to €1.5m in H1'24, which, combined with the minimal capex investment typical in VAR models, resulted in group FCF of €1.2m for H1'24. Stronger cash flows led to a switch to net cash of €0.4m in H1'24, providing RC with significant optionality for capital deployment ahead.

Real Consulting   H1'24 results review			
in EURm, unless otherwise stated	H1'23	H1'24	% yoy
<b>Revenue</b>	<b>13.8</b>	<b>19.8</b>	<b>43%</b>
of which:			
IT Services	11.5	15.6	36%
Cloud products	0.8	1.0	17%
On-site products	1.5	3.2	118%
<b>Gross profit</b>	<b>5.3</b>	<b>7.4</b>	<b>39%</b>
<i>Gross margin</i>	38.5%	37.3%	-1.1pps
<b>EBITDA</b>	<b>2.2</b>	<b>3.1</b>	<b>40%</b>
<i>EBITDA margin</i>	16.0%	15.7%	-0.4pps
<b>PBT</b>	<b>1.7</b>	<b>2.5</b>	<b>43%</b>
- Tax	-0.5	-0.6	31%
<b>Net profit</b>	<b>1.3</b>	<b>1.9</b>	<b>47%</b>
Operating Cash Flow pre leases	-1.3	1.5	
Capex	0.0	0.0	
<b>Free Cash Flow post leases</b>	<b>-1.6</b>	<b>1.2</b>	
<b>Net cash / (debt)</b>	<b>-0.7</b>	<b>0.4</b>	

Source: Eurobank Equities Research, Company data.



Group Financial Statements

Reported Figures in €m					
Group P&L	2022	2023	2024e	2025e	2026e
Sales	24.4	30.3	39.4	44.9	52.9
Gross Profit	9.7	12.2	16.0	18.4	21.9
<b>EBITDA</b>	<b>3.6</b>	<b>5.0</b>	<b>7.2</b>	<b>8.8</b>	<b>10.4</b>
change	11%	39%	43%	22%	18%
EBITDA margin	15%	17%	18%	19%	20%
<b>EBIT</b>	<b>3.1</b>	<b>4.4</b>	<b>6.8</b>	<b>8.3</b>	<b>9.9</b>
Net Financial expense	-0.3	-0.4	-0.1	-0.1	-0.2
Exceptionals/other income	0.0	0.0	0.0	0.0	0.0
<b>PBT</b>	<b>2.8</b>	<b>4.0</b>	<b>6.7</b>	<b>8.2</b>	<b>9.8</b>
Income tax	-0.8	-1.0	-1.5	-1.8	-2.1
Non-controlling interest	0.0	0.0	0.0	-0.2	-0.2
<b>Net Profit</b>	<b>2.1</b>	<b>2.9</b>	<b>5.2</b>	<b>6.2</b>	<b>7.4</b>
<b>EPS (EUR)</b>	<b>0.10</b>	<b>0.14</b>	<b>0.24</b>	<b>0.29</b>	<b>0.34</b>
<b>DPS (EUR)</b>	<b>0.03</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.07</b>
Group Cash Flow Statement	2022	2023	2024e	2025e	2026e
EBITDA	3.6	5.0	7.2	8.8	10.4
Change in Working Capital	0.7	-3.8	2.1	-0.8	-1.0
Net Interest	-0.2	-0.3	-0.1	-0.1	-0.2
Tax	-0.6	-0.4	-1.5	-1.8	-2.1
Other	0.0	0.1	0.0	0.0	0.0
<b>Operating Cash Flow</b>	<b>3.5</b>	<b>0.7</b>	<b>7.7</b>	<b>6.0</b>	<b>7.0</b>
Capex	-0.5	-0.1	-0.3	-0.3	-0.4
Other investing	-1.2	-1.6	0.0	0.0	0.0
<b>Net Investing Cash Flow</b>	<b>-1.7</b>	<b>-1.7</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.4</b>
Dividends	-0.9	-0.6	-0.9	-1.1	-1.3
Other	-0.1	-0.2	-0.5	-0.5	-0.5
<b>Net Debt (cash)</b>	<b>-1.1</b>	<b>0.7</b>	<b>-5.4</b>	<b>-9.5</b>	<b>-14.3</b>
<b>Free Cash Flow (adj.)</b>	<b>1.8</b>	<b>-1.6</b>	<b>6.9</b>	<b>5.2</b>	<b>6.1</b>
Group Balance Sheet	2022	2023	2024e	2025e	2026e
Tangible Assets	0.3	0.3	0.5	0.7	0.9
Intangible Assets	12.9	13.9	13.9	13.9	13.9
Other non-current Assets	1.2	1.4	1.5	1.6	1.6
<b>Non-current Assets</b>	<b>14.4</b>	<b>15.6</b>	<b>15.9</b>	<b>16.2</b>	<b>16.4</b>
Inventories	0.1	0.1	0.2	0.2	0.2
Trade Receivables	9.4	13.6	13.2	15.1	17.7
Other receivables	0.0	0.0	0.0	0.0	0.0
Cash & Equivalents	5.5	2.7	8.5	12.6	17.3
<b>Current Assets</b>	<b>15.0</b>	<b>16.4</b>	<b>21.8</b>	<b>27.8</b>	<b>35.2</b>
<b>Total Assets</b>	<b>29.4</b>	<b>32.0</b>	<b>37.8</b>	<b>44.0</b>	<b>51.7</b>
Shareholder funds	15.6	17.4	21.2	25.7	31.3
Non-controlling interest	0.0	0.3	0.3	0.5	0.7
<b>Total Equity</b>	<b>15.6</b>	<b>17.7</b>	<b>21.5</b>	<b>26.2</b>	<b>32.0</b>
Long-term debt	2.8	1.5	1.5	1.5	1.5
Other long-term liabilities	1.2	2.3	2.2	2.4	2.6
<b>Long Term Liabilities</b>	<b>4.0</b>	<b>3.8</b>	<b>3.6</b>	<b>3.9</b>	<b>4.1</b>
Short-term debt	1.6	2.0	1.6	1.6	1.6
Trade Payables	5.9	6.3	8.1	9.2	10.8
Other current liabilities	2.3	2.8	3.0	3.1	3.3
<b>Current Liabilities</b>	<b>9.8</b>	<b>11.1</b>	<b>12.7</b>	<b>13.9</b>	<b>15.6</b>
<b>Total Equity &amp; Liabilities</b>	<b>29.4</b>	<b>32.5</b>	<b>37.8</b>	<b>44.0</b>	<b>51.7</b>
Key Financial Ratios	2022	2023	2024e	2025e	2026e
P/E	23.6x	16.6x	14.1x	11.8x	9.9x
P/BV	3.1x	2.8x	3.5x	2.8x	2.3x
EV/EBITDA	13.5x	10.3x	9.7x	7.6x	6.0x
EBIT/Interest expense	10.1x	10.8x	46.7x	57.0x	62.6x
Net Debt (Cash) /EBITDA	0.3x	-0.1x	-0.8x	-1.1x	-1.4x
Dividend Yield	1.3%	1.6%	1.5%	1.8%	2.2%
ROE	13%	17%	25%	24%	24%
Free Cash Flow yield	4%	-3%	9%	7%	8%
Payout Ratio	31%	27%	20%	21%	22%

Source: Eurobank Equities Research, Company data.

Company description

RC is a leading value-added reseller with a particularly prominent position in large Greek enterprises and LT partnerships with some of the leading software distributors globally (SAP, Microsoft). The group effectively serves as a one-stop shop for digital transformation, offering a wide range of products and services involving the customization and implementation of enterprise solutions, and the provision of aftersales.

Risks and sensitivities

•**Macro and other demand risks:** RC's top line hinges on the digitization agenda of Greece. In that regard, there is downside risk to our estimates in case IT spending slows or in case of a significant macroeconomic downturn.

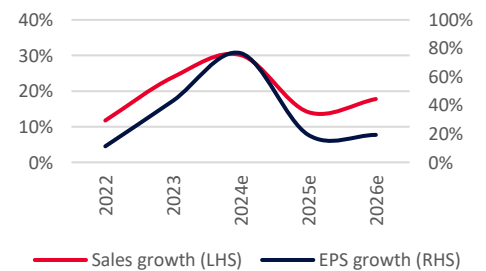
•**Personnel costs:** Human capital is the overriding factor behind the success of a services provider, and the same holds for RC. In that regard, margins could be negatively affected if wage inflation accelerates further, driving the need for the company to invest more in personnel.

•**Idiosyncratic/industry risks:** Industry competition may result in weaker-than-expected signing of new agreements and higher churn on the maintenance revenue stream. The high dependence on SAP-related revenues also means RC momentum is closely tied to SAP product competitiveness, and, in that regard, any delays in product development/releases or lower customer uptake could affect profitability.

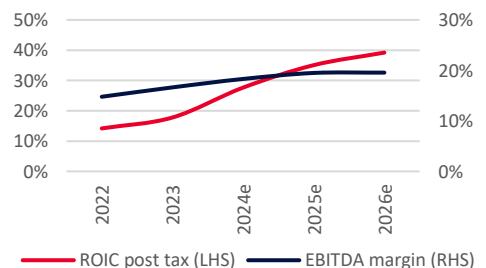
•**M&A risk:** RC has at times resorted to M&A to top up its growth profile. In case of similar moves in the future, there is some integration risk (or risk of non-accretive M&A).

•**Sensitivity:** We estimate that flexing our revenue assumption by 1% would result in a c3-4% change in group EBITDA.

Sales and EPS growth



Profitability and returns





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

10 Filellinon Street  
105 57 Athens, Greece  
Telephone: +30 210-3720 000  
Facsimile: +30 210-3720 001  
Website: [www.eurobankequities.gr](http://www.eurobankequities.gr)  
E-mail: [research@eurobankequities.gr](mailto:research@eurobankequities.gr)

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 has not been verified by Eurobank Equities Investment Firm S.A.

This report has not been reviewed by EBRD prior to its publication, and as such, no changes have been made by Eurobank Equities Investment Firm S.A. as a result of influence from EBRD.

The opinions expressed herein may not necessarily coincide with those of any member of the Eurobank Group or EBRD. 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, or by EBRD. 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 Real Consulting.

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 Real Consulting.

Eurobank Equities Investment Firm S.A. prepared and published this report in consideration of a fee payable by EBRD. 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 Real Consulting.

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

This report was not sent to the company for factual verification prior to publication. There have been no significant changes to the initially sent report.

EBRD may, as of the date hereof or in the future, have an investment in, provide other advice or services to, or otherwise have a financial interest in, certain of the companies and parties contained or named in this investment research or in their affiliates.

## 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 Real Consulting 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 Real Consulting based on the terms of the agreement between Eurobank Equities Investment Firm S.A. and EBRD and at least but not limited to bi-annually or after the publication of the financial statements of Real Consulting.

## 12-month Rating History of Real Consulting

Date	Rating	Stock price	Target price
18/12/2024	Buy	€ 3.40	€ 5.40
18/06/2024	Buy	€ 3.67	€ 5.30

## Eurobank Equities Investment Firm S.A. Rating System:

Stock Ratings	Coverage Universe		Investment Banking Clients		Other Material Investment Services Clients (MISC) - as of 15th Oct 2024	
	Count	Total	Count	Total	Count	Total
Buy	25	69%	4	16%	11	46%
Hold	4	11%	2	50%	2	67%
Sell	0	0%	0	0%	0	0%
Restricted	1	3%	0	0%	1	100%
Under Review	1	3%	0	0%	2	100%
Not Rated	5	14%	1	20%	2	40%
<b>Total</b>	<b>36</b>	<b>100%</b>				

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