

SPONSORED RESEARCH

## PERFORMANCE TECHNOLOGIES

### Full Performance Mode: From Projects to Predictable Growth

**Leading systems integrator with top-tier partnerships and strong local positioning** – Performance Technologies is a leading systems integrator and IT services provider, designing and implementing digital transformation solutions across cloud, observability, ITSM/ESM, analytics, automation, cybersecurity and AI. The group delivers the full lifecycle of deployments (planning, customization, implementation, maintenance and managed SaaS/services) leveraging long-standing partnerships with top-tier technology partners. Performance serves a diversified base of large and mid-sized corporates across sectors including banking, telecoms, energy, manufacturing and retail.

**Well placed within Greece’s enterprise modernization cycle** – The Greek IT landscape remains structurally supportive, as enterprises step up IT spending to modernize legacy systems and meet rising digital requirements. Investment in IT infrastructure is becoming continuous rather than cyclical and is now viewed as mission-critical as companies look for operating efficiency and resilience, while increasingly relying on cloud tech. Demand is strongest among large corporates, where integration complexity and limited provider capacity have created a sizeable pipeline. We believe PERF is well placed, given its blue-chip client exposure and expanding managed services footprint.

**c19% adj. EBITDA CAGR and rising margins through 2029e; mix shift toward higher-value services** – We pencil c17% revenue CAGR over 2025-29e anchored by IT Services, which we expect to grow at c15% CAGR through 2029e, on the back of deeper penetration of existing multi-year service agreements, onboarding of new clients and recurring upgrade cycles across addressable markets. We see the revenue mix shifting gradually toward higher-value services as clients migrate to cloud-native architectures. Taking the above into account, we envisage c19% adj. EBITDA CAGR through 2029e, with margins accelerating to c13.7% on better mix, higher utilization of technical teams, operating leverage from standardized delivery and improved vendor terms with scale.

**Healthy cash generation, clean balance sheet and rising return capacity** – Performance has strengthened its operating cash flow materially in the past 2 years and we expect working capital to normalize toward c17% of sales as the model shifts towards higher-margin activities. Intangibles remain modest, as internally developed frameworks are expensed rather than capitalized, while annual capex is limited at €1.5-2mn given the asset-light nature of the model. PERF’s solid net cash position (€10.5mn in 2024) coupled with our forecast for annual FCF >€6mn from 2026 on, creates meaningful deployment optionality for scaling, selective M&A and gradual evolution of shareholder returns. On the latter, we assume c35% payout for 2025-28e (vs. c20% in 2021-24).

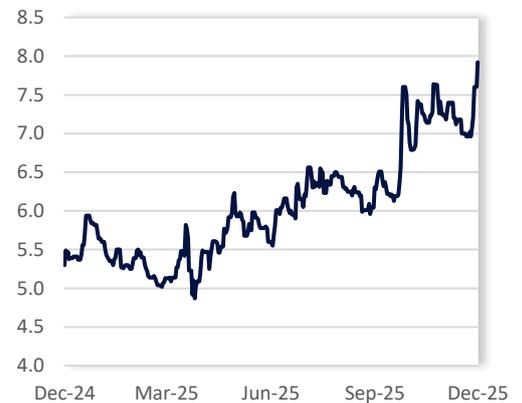
**Valuation: growth leadership at a discounted multiple** – PERF currently trades at c7.1x 2026e EV/EBITDA, at 20-25% discount to EU system integrator/VAR peers and notably below its Greek cohort, which, in our view, looks misaligned, given PERF’s c19% 2025-29e adj. EBITDA CAGR and increasing mix of recurring, higher-value services. We base our valuation on Performance Technologies on a DCF (WACC at 9.3%), yielding a baseline value of €10.2 per share, valuing the stock at c9.5x 2026e EV/EBITDA, at premium vs. EU system integrators (justified by the superior growth) but at discount vs. the broad EU IT sector. Flexing our WACC and perpetuity growth inputs by 1% and 0.5% respectively yields a fair value range between €8.9 and €12.0 per share.

Market Cap (mn) €110.6  
Closing Price (15/12) €7.92

#### Stock Data

|                                |          |
|--------------------------------|----------|
| Reuters RIC                    | PERFr.AT |
| Bloomberg Code                 | PERF GA  |
| 52 Week High (adj.)            | €7.92    |
| 52 Week Low (adj.)             | €4.80    |
| Abs. performance (1m)          | 9.4%     |
| Abs. performance (YTD)         | 42.4%    |
| Number of shares               | 14.0mn   |
| Avg Daily Trading Volume (qrt) | €207k    |
| Est. 3yr EPS CAGR (pro forma)  | 23.4%    |
| Free Float                     | 39%      |

#### Performance Technologies Share Price



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*This report was prepared and published in consideration of a fee payable by Performance Technologies.*

*See Appendix for Analyst Certification and important disclosures.*

#### Estimates

| EURm unless otherwise stated | 2023 | 2024 | 2025e | 2026e | 2027e |
|------------------------------|------|------|-------|-------|-------|
| Sales                        | 57.7 | 74.2 | 90.2  | 108.9 | 124.9 |
| adj. EBITDA                  | 7.2  | 9.3  | 11.3  | 14.1  | 16.3  |
| Net profit - reported        | 4.6  | 4.9  | 6.3   | 7.4   | 9.6   |
| EPS (€)                      | 0.33 | 0.35 | 0.45  | 0.51  | 0.65  |
| DPS (€)                      | 0.05 | 0.11 | 0.16  | 0.18  | 0.23  |

#### Valuation

| Year to end December | 2023  | 2024  | 2025e | 2026e | 2027e |
|----------------------|-------|-------|-------|-------|-------|
| P/E                  | 12.5x | 17.3x | 17.7x | 15.5x | 12.1x |
| EV/EBITDA            | 7.1x  | 9.1x  | 8.9x  | 7.1x  | 5.9x  |
| Net cash/EBITDA      | 1.2x  | 1.4x  | 1.2x  | 1.3x  | 1.4x  |
| Dividend yield       | 1.3%  | 1.8%  | 2.0%  | 2.3%  | 2.9%  |
| ROE                  | 19.5% | 17.3% | 18.6% | 17.9% | 19.4% |

Source: Eurobank Equities Research.

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**Investment Summary**

***Scaling enterprise IT integrator with strong vendor leverage***

Performance Technologies is a leading systems integrator and IT services provider, listed on the ASE Main Market since 2024. The company delivers end-to-end digital transformation solutions spanning planning, customization, implementation, maintenance and managed SaaS/services. Its core strength lies in embedding third-party technologies into tailored solutions, designing optimized cloud architectures and providing continuous aftersales support. Performance maintains strong alliances with global vendors (IBM, Red Hat, Microsoft, AWS, HPE, Dynatrace, Broadcom, OpenText, ServiceNow and SAS) and ranks among their top partners in Greece, giving it access to high-quality solution components and optimized platforms. Its client base consists primarily of large and mid-sized corporates across banking, telecoms and energy, with a growing presence in manufacturing, retail and shipping.

***Market backdrop: robust digitization cycle with structural tailwinds***

The operating backdrop in Greece remains highly supportive, as enterprises accelerate technology investments to modernize legacy systems and keep pace with advancements across cloud, analytics, automation and cybersecurity. This reflects a broader shift in which most organizations are becoming increasingly technology-driven, with digital infrastructure now embedded not only in operations but also in products/services. Investment in IT infrastructure is becoming continuous/recurring rather than cyclical and is now viewed as mission-critical as companies look for operating efficiency and resilience. Demand is particularly strong among large corporates, where integration complexity and a limited pool of capable providers have created a sizeable multi-year pipeline. These trends are reinforced by the broader expansion of the domestic ICT sector and by ongoing RRF and ESPA digitalization programs. We believe Performance is well placed in this environment, given its blue-chip client exposure and expanding managed services footprint.

***17% revenue CAGR coupled with accelerating shift toward higher-value services***

We forecast group revenue to grow at c17% CAGR over 2025-29e as enterprises accelerate cloud-first and hybrid deployments, expand existing contracts and increasingly adopt managed SaaS/services. We expect IT Services revenue at >€120mn by 2029e (c15% CAGR in 2025-29e) driven by deeper penetration of multi-year managed SaaS/service agreements (36-60 months) and support/maintenance contracts. Within this line, we see managed SaaS/services expanding at >17% CAGR as adoption of observability, analytics and ITSM/ESM platforms rises, while implementation and maintenance should grow at mid-teens CAGR as corporates continue modernizing legacy environments. We expect product sourcing to grow at c23% CAGR in 2025-29e, with hardware demand remaining relevant for hybrid deployments and for clients rebuilding on-premise environments, though this pace should soften as the current enterprise IT upgrade cycle in Greece matures. Overall, we see the revenue mix shifting gradually toward higher-value services as clients migrate to cloud-native architectures and Performance captures a larger share of their ongoing IT spend.

***c19% adj. EBITDA CAGR through to 2029e as scaling leverage and richer mix lift profitability***

We estimate adj. EBITDA will grow at c19% CAGR through 2029e, reaching c€19.3mn in 2028e and >€22mn by 2029e, with the respective 2029e margin rising to c13.7%. Mix shift towards value-added services (managed SaaS, managed services, maintenance/support) should drive most of this improvement, as these contracts require fewer on-premise deployments and allow higher staff utilization through centralized SOC/MOC delivery. As multi-year agreements scale and service delivery becomes more standardized, we expect staff costs to grow more slowly than revenue, even as the group continues hiring across cloud, analytics and observability teams. We also see potential for Performance to negotiate improved vendor terms with its growing scale, which should gradually lower third-party fees relative to sales.

***Healthy FCF generation, ample balance sheet capacity***

Operating cash flow improved in 2023-24, supported by tighter receivables management and reduced working capital needs. We expect working capital to normalize toward 17% of sales through 2028e as recurring and service-based revenue grow. We highlight that reported NWC levels remain subject to timing effects linked to project billing, as large invoices tend to cluster around June and December, and that this, combined with the structure of Greek VAT (which inflates receivables while payables carry limited VAT) can create a step-up that does not fully reflect underlying operational dynamics. Intangible assets remain limited, as internally developed tools and delivery frameworks are typically expensed rather than capitalized.

Overall, PERF screens self-funded and increasingly cash-generative, with our forecasts calling for annual FCF of c€6-7.5mn in 2026-27e, rising >€9mn from 2028e onwards. We assume c35% payout ratio going forward (vs. c20% of cumulative net income over 2021-24), comfortably covered by both FCF generation and the €9mn net cash balance as of H1'25. This implies a continued build-up of liquidity, reaching >€28mn by 2028e, which in our view provides ample capital-deployment optionality for further scaling, selective M&A or a more generous shareholder-return framework.

***Compelling valuation  
given long growth avenue***

From a valuation standpoint, the global system integrator and IT services cohort has historically traded at a long-term average valuation of c11x EV/EBITDA, but the EU sector has de-rated into the high-single-digits since 2022, diverging sharply from US-listed peers that continue to hold 2-digit multiples even after some compression in a higher-for-longer rates backdrop. Against this landscape, PERF trades at c7.1x 2026e EV/EBITDA, at 20-25% discount to EU system integrator/VAR peers and notably below its Greek cohort, which, in our view, looks misaligned, given PERF's high teens 2025-29e adj. EBITDA CAGR (vs. high-single-digit for EU peers) and increasing mix of recurring, higher-value services. We base our valuation on Performance Technologies on a DCF (WACC at 9.3%), yielding a baseline value of €10.2 per share, effectively valuing the stock at c9.5x 2026e EV/EBITDA, at premium vs. EU system integrators (justified by the superior growth) but at discount vs. the broad EU IT sector. Flexing our WACC and perpetuity growth inputs by 1% and 0.5% respectively yields a fair value range between €8.9 and €12.0 per share.

Share price performance and Valuation

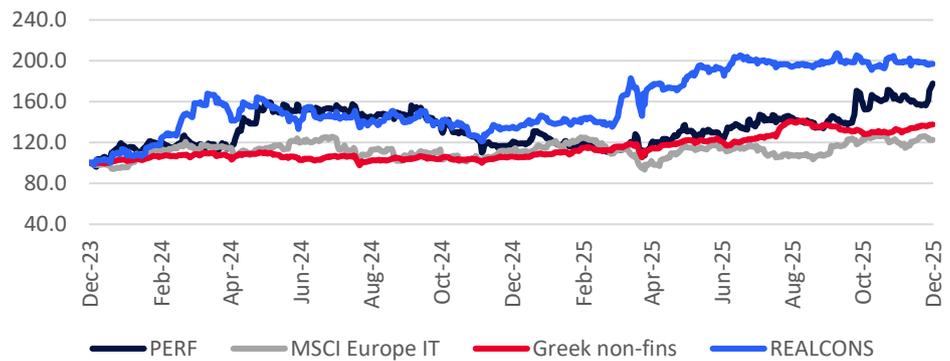
A. Price performance

>40% performance YTD in 2025 but runway for growth looks long

Performance Technologies has delivered a robust run in 2025, advancing by c42% YTD and materially outperforming both MSCI Europe IT and Greek non-financials. The move reflects a broader rerating of European tech during 2025, combined with investors’ deliberate rotation into names with credible exposure to Greece’s digitization cycle. Moreover, the entire domestic IT complex has come back into focus as budgets stabilize and procurement pipelines thicken, improving visibility across the sector.

Looking back over a 2-year horizon, PERF largely tracked its Greek systems integrator/VAR peer group through 2024, rallying between April and October as Greek tech stocks broadly re-rated on stronger growth signals and as the market began to price a more durable shift toward recurring revenue. PERF’s mid-2024 run was supported further the company’s transfer to the ASE Main Market in July. Greek tech names consolidated through late 2024 and into early 2025 but staged a notable rebound from April 2025 onward as investors reassessed the structural relevance of enterprise technology within the Greek corporates universe. Overall, PERF’s relative performance stands comfortably ahead of EU tech benchmarks, reflecting growing recognition of the group’s scaling potential.

Performance Technologies 2-yr performance (rebased) vs. EU IT and Greek non-fins

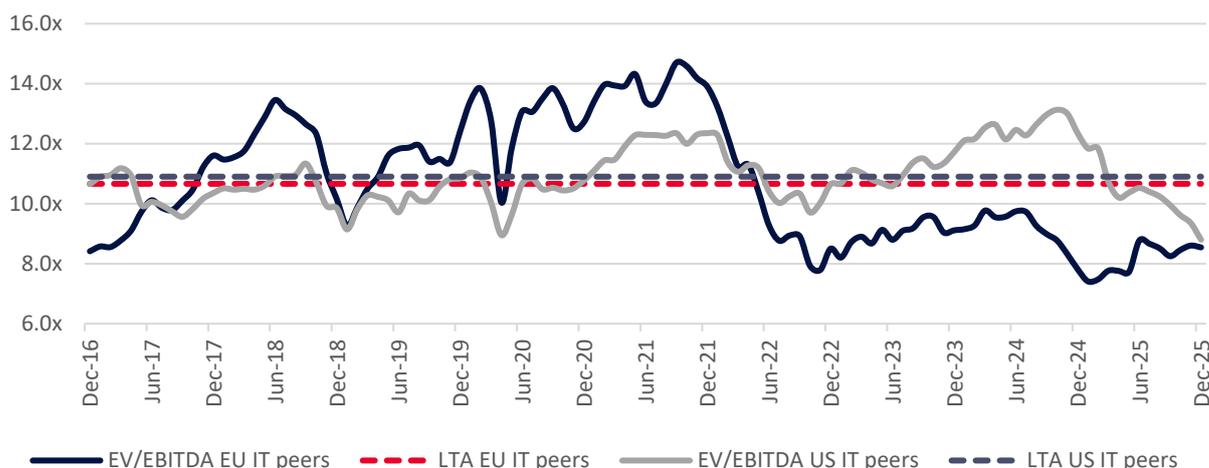


Source: Eurobank Equities Research, Bloomberg, Company data.

EU peers’ valuation at c11x EV/EBITDA in the long-term

From a valuation perspective, we have tracked the performance of IT companies with some degree of product affinity, namely tech resellers and IT services providers. Specifically, we have looked at the valuation history of tech VARs (Computacenter, Softwareone, Capgemini, Atos), IT services companies (Tietoevry, Cancom) and computer retailers (CDW, Insight). Overall, the broad peer group has historically traded at an average of c11x EV/EBITDA over the past decade, with European names trading broadly at par. That said, we note that EU peers seem to have decoupled from their US counterparts since early 2022, suffering a notable de-rating retreating to a valuation in the high single digits, compared to a 2-digit valuation for US-listed names. The latter group has also de-rated somewhat, due to the higher-for-longer rates environment.

## 12m forward EV/EBITDA valuation – IT peers



Source: Eurobank Equities Research, Bloomberg.

**Far superior growth profile vs. sector justifies much higher valuation in our view**

The following table provides a detailed overview of the key valuation metrics of the broad peer group, contrasting them against those of PERF. As can be seen, the stock seems to be trading at 20-25% discount vs. both the EU and the Greek peer median in terms of EV/EBITDA, which, as displayed in the following page, looks out of sync with the materially superior growth profile that PERF enjoys.

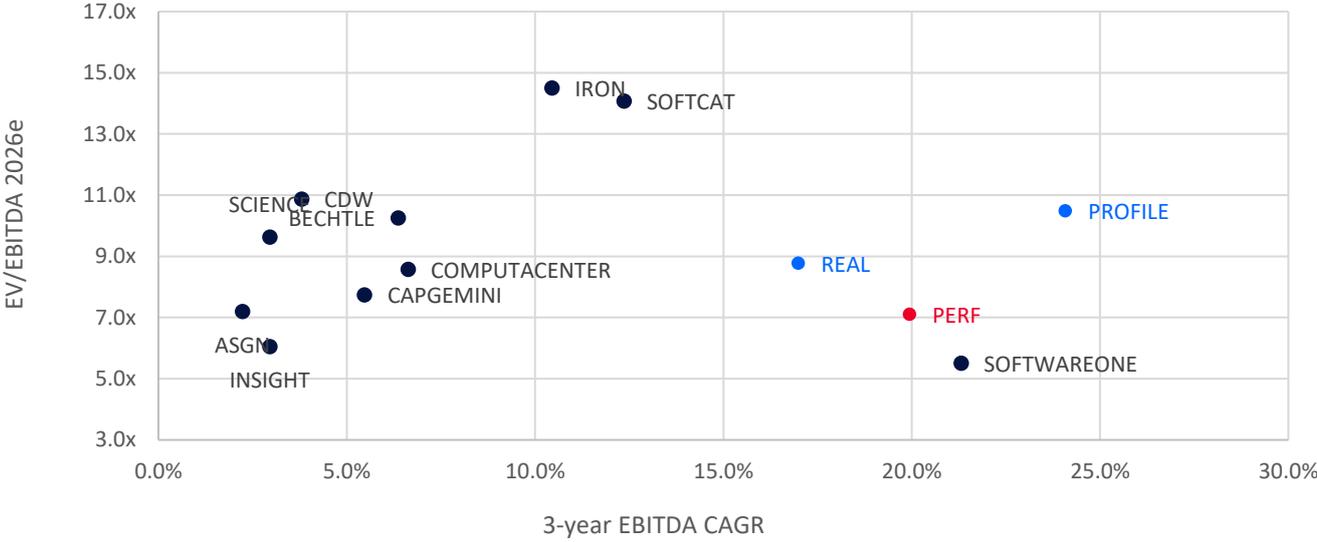
| Peer group valuation            |            |              |              |             |             |                |           |                     |
|---------------------------------|------------|--------------|--------------|-------------|-------------|----------------|-----------|---------------------|
| Stock                           | Mkt Cap    | PE           |              | EV/EBITDA   |             | Dividend yield |           | Net debt/EBITDA 1fy |
|                                 |            | 26cy         | 27cy         | 26cy        | 27cy        | 26cy           | 27cy      |                     |
| COMPUTACENTER PL                | 3,642      | 16.3x        | 15.1x        | 8.6x        | 8.0x        | 3%             | 3%        | -1.3x               |
| SOFTWAREONE HOLD                | 2,002      | 11.0x        | 8.9x         | 5.5x        | 4.7x        | 3%             | 4%        | 0.8x                |
| CAPGEMINI SE                    | 25,479     | 11.8x        | 10.8x        | 7.7x        | 7.3x        | 2%             | 3%        | 1.3x                |
| BECHTLE AG                      | 5,499      | 20.7x        | 18.7x        | 10.3x       | 9.5x        | 2%             | 2%        | -0.1x               |
| TIETOEVRV OYJ                   | 2,171      | 12.5x        | 11.4x        | 9.2x        | 8.5x        | 6%             | 7%        | 2.8x                |
| SOFTCAT PLC                     | 3,316      | 20.6x        | 18.8x        | 14.1x       | 12.9x       | 3%             | 4%        | -0.9x               |
| <b>European peers</b>           |            | <b>14.4x</b> | <b>13.2x</b> | <b>8.9x</b> | <b>8.2x</b> | <b>3%</b>      | <b>3%</b> | <b>0.3x</b>         |
| CDW CORP/DE                     | 16,035     | 13.6x        | 12.6x        | 10.9x       | 10.2x       | 2%             | 2%        | 2.4x                |
| IRON MOUNTAIN                   | 20,761     | 35.2x        | 30.9x        | 14.5x       | 13.3x       | 4%             | 4%        | 6.4x                |
| INSIGHT ENTERPRI                | 2,092      | 7.8x         | 7.0x         | 6.0x        | 5.6x        |                |           | 1.2x                |
| ASGN INC                        | 1,745      | 9.8x         | 8.5x         | 7.2x        | 6.6x        |                |           | 2.3x                |
| SCIENCE APPLICAT                | 3,881      | 10.4x        | 9.5x         | 9.6x        | 9.5x        | 2%             | 2%        | 3.2x                |
| <b>US peers</b>                 |            | <b>10.4x</b> | <b>9.5x</b>  | <b>9.6x</b> | <b>9.5x</b> | <b>2%</b>      | <b>2%</b> | <b>2.4x</b>         |
| PROFILE SYSTEMS                 | 199        | 16.3x        | 12.8x        | 10.5x       | 7.9x        | 2%             | 2%        | -1.3x               |
| REAL CONSULTING                 | 108        | 13.0x        | 11.5x        | 8.8x        | 7.4x        | 1%             | 2%        | -1.1x               |
| <b>Greek Peers</b>              |            | <b>14.6x</b> | <b>12.1x</b> | <b>9.6x</b> | <b>7.6x</b> | <b>2%</b>      | <b>2%</b> | <b>-1.2x</b>        |
| <b>Performance Technologies</b> | <b>111</b> | <b>15.5x</b> | <b>12.1x</b> | <b>7.1x</b> | <b>5.9x</b> | <b>2%</b>      | <b>3%</b> | <b>-1.3x</b>        |

Source: Eurobank Equities Research, Bloomberg.

Compelling relative valuation on earnings growth-adjusted metrics

The chart below reinforces PERF's appeal on a growth-adjusted basis, pairing its valuation with its near-term EBITDA trajectory. As shown, the stock sits firmly in the quadrant of high growth at a low multiple, offering one of the strongest 3-year EBITDA CAGRs in the peer set while trading at the lower end of the EV/EBITDA spectrum. Crucially, PERF also screens attractively relative to its Greek peers Real Consulting and Profile. In our view, this relative positioning underscores a clear mispricing: PERF combines a superior growth runway with a discounted multiple, strengthening the argument for rerating as execution continues to broaden and recurring revenue deepens.

Performance Technologies & broad peer group – 2026e valuation vs. 3-yr expected EBITDA CAGR (2025-28e)



Source: Eurobank Equities Research, Bloomberg.

**DCF valuation yields intrinsic baseline value of €10.2 per share**

## B. Valuation

We value Performance Technologies using a DCF methodology in order to capture the strong near-term earnings growth driven by accelerating digitization in Greece, as well as the long-term value creation potential supported by secular IT spending trends relating to the IT demand upcycle.

Our base case DCF yields a 12-month fair intrinsic value of €10.2 per share, based on the following key assumptions:

- Revenue CAGR of c17% over 2025-29e, underpinned by accelerated upselling and cross-selling to existing clients, robust demand for cloud infrastructure and rising penetration of managed SaaS/services amid Greece's ongoing digitization drive; we assume medium-term growth averages c4% trending down to c1% in the long-term.
- We model adj. EBITDA CAGR of c19% over 2025-29e, reflecting strong top-line momentum and positive mix effects from value-added activities (cloud, managed SaaS, managed services). By 2029e, we expect c1.1pps margin expansion vs. 2024, with margins rising to c13.7%, and settling between c13-13.5% through 2033e.
- We assume medium term FCF conversion (FCF/EBITDA) of c45-50%, consistent with the limited capex expected in the coming years and the working capital dynamics of the business.
- Long-term growth rate of 1%, conservatively predicated on a mid-single digit incremental return on capital in perpetuity, which implies that PERF's competitive advantage gradually fades over time.
- 9.3% WACC, which we believe appropriately reflects the risk profile of the business relative to our broader coverage universe, while also considering issues such as stock liquidity and size.

| Performance Technologies   DCF         |              |             |             |             |             |     |             |
|--|--------------|-------------|-------------|-------------|-------------|-----|-------------|
| in EURmn                               | 2026e        | 2027e       | 2028e       | 2029e       | 2030e       | ... | 2034e       |
| <b>NOPAT</b>                           | <b>10.0</b>  | <b>11.6</b> | <b>13.7</b> | <b>15.7</b> | <b>16.1</b> |     |             |
| Depreciation                           | 1.3          | 1.5         | 1.7         | 2.0         | 2.1         |     |             |
| Working Capital                        | -3.0         | -2.6        | -3.1        | -3.1        | -3.4        |     |             |
| Capex                                  | -2.0         | -2.3        | -2.6        | -3.0        | -3.4        |     |             |
| <b>Unlevered Free Cash Flow</b>        | <b>6.2</b>   | <b>8.1</b>  | <b>9.7</b>  | <b>11.6</b> | <b>11.4</b> | ... | <b>12.1</b> |
| PV                                     | 65.5         |             |             |             |             |     |             |
| PV of terminal value                   | 73.4         |             |             |             |             |     |             |
| <b>Enterprise Value</b>                | <b>138.9</b> |             |             |             |             |     |             |
| Net (debt) incl. leases / other claims | 11.9         |             |             |             |             |     |             |
| Expected dividend                      | -2.6         |             |             |             |             |     |             |
| <b>Equity value (ex-div)</b>           | <b>148.2</b> |             |             |             |             |     |             |
| no. of shares                          | 14.5         |             |             |             |             |     |             |
| <b>Per share</b>                       | <b>€10.2</b> |             |             |             |             |     |             |
| <b>1-year fair value (ex-div)</b>      | <b>147.6</b> |             |             |             |             |     |             |
| <b>12-month value per share</b>        | <b>€10.2</b> |             |             |             |             |     |             |

Source: Eurobank Equities Research.

A basic sensitivity on a combination of WACC and terminal growth rates is presented in the table below. As shown, adjusting our WACC and perpetuity growth inputs by 1% and 0.5% respectively yields a fair value range of €8.9 and €12.0 per share, highlighting an attractive risk-reward balance under our scenario variations, considering the current share price level.

| DCF Sensitivity of our calculated group fair value per share to the WACC and LT growth assumptions |      |       |      |      |      |      |
|--|------|-------|------|------|------|------|
|  |      | WACC  |      |      |      |      |
|  |      | 10.3% | 9.8% | 9.3% | 8.8% | 8.3% |
| Terminal growth  | 2.0% | 9.8   | 10.3 | 11.0 | 11.7 | 12.6 |
|  | 1.5% | 9.4   | 10.0 | 10.5 | 11.2 | 12.0 |
|  | 1.0% | 9.2   | 9.6  | 10.2 | 10.8 | 11.5 |
|  | 0.5% | 8.9   | 9.3  | 9.8  | 10.4 | 11.0 |
|  | 0.0% | 8.7   | 9.1  | 9.5  | 10.0 | 10.6 |

Source: Eurobank Equities Research.

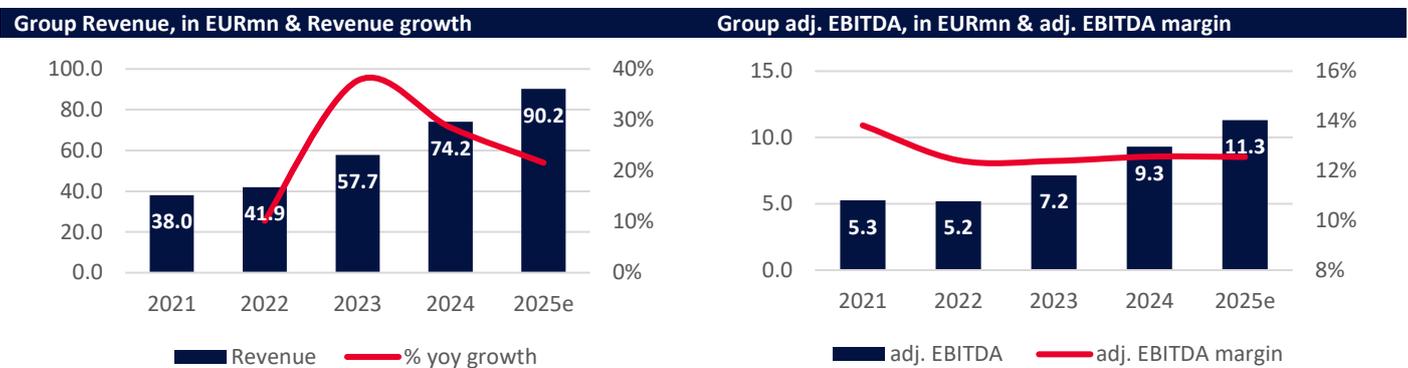
Strategy and Business model

A. Products and geographic overview

*Systems integrator delivering tailored digital solutions*

Performance Technologies is a leading Greek systems integrator and IT services provider incorporated in 1997, delivering digital transformation solutions across cloud, observability, ITSM/ESM, analytics, automation, cybersecurity and AI. The company provides end-to-end deployment services, including implementation, consulting, support and managed SaaS/services, supported by long-standing partnerships with leading ISV/OEM providers. It serves large and mid-sized corporates across banking, telecoms, energy, manufacturing and retail. The company has been trading on the ASE since 2008, initially listed on the Alternative Market before transferring to the Main Market in mid-2024.

The group reported €74.2mn revenue and €9.3mn adj. EBITDA in FY'24 and boasts a solid track record of growth, delivering c21% adj. EBITDA CAGR in 2021-24 (almost entirely organic). Growth has been underpinned by the structural expansion of the domestic IT industry, as corporates modernize core systems, accelerate cloud/SaaS adoption and broaden their digital capabilities. This backdrop has favored vendors with scale, enterprise focus and wide-ranging partnerships, with upselling and recurring revenues enhancing earnings visibility.



Source: Eurobank Equities Research.

The solution portfolio spans cloud computing, digital processes, big data and analytics, cybersecurity, IT monitoring and virtualization. Performance holds long-term partnerships with global technology vendors including IBM, Red Hat, Microsoft, AWS, HPE, Dynatrace, Broadcom, OpenText, ServiceNow and SAS, ranking among their top domestic partners. This network enables Performance to provide clients with highly customized and cost-optimized solutions while capturing value from consulting and services.

From a business perspective, Performance generates revenue across 2 core streams, namely IT services and product sourcing. In more detail:

*IT services mix tilted towards implementation & maintenance/support; growing share of managed SaaS/services*

- **IT Services:** IT Services represent the core of group activity, accounting for c81% of total revenue in 2024. This segment encompasses implementation, integration, maintenance, managed services and managed SaaS contracts, as well as third-party software licenses procured mostly for private sector clients (but also the Greek state). Services typically cover the design and deployment of hybrid and multi-cloud environments, IT service management (ITSM/ESM), observability, data analytics, automation and cybersecurity. Performance operates specialized units across its solution domains, leveraging technologies from its ISV/OEM partners.

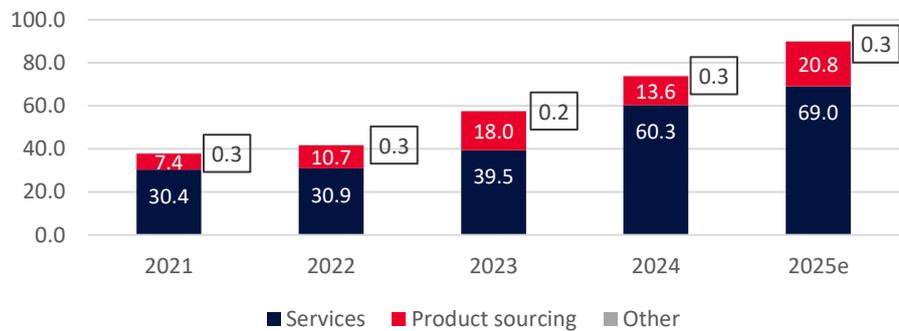
Within IT Services, implementation & maintenance projects typically involve an initial implementation phase followed by multi-year support agreements, while managed SaaS/services are delivered through 36-60 month contracts, often supported via the company's SOC/MOC. Service delivery has become more centralized, with more implementation and monitoring being performed remotely, improving utilization of

technical resources and enabling engineers to support multiple projects concurrently. The share of managed services and managed SaaS has grown in recent years, strengthening margin visibility.

**Product sourcing revenue mirrors IT services mix**

- **Product sourcing:** This line contributed c18% of group turnover in 2024 and reflects third-party enterprise hardware (servers, storage, networking) mostly embedded in integrated solutions. Movements typically mirror project mix and deployment architecture, with sourcing intensity rising in periods where there are more perpetual licenses and on-premises builds. Hardware sales have been declining in recent years as % of sales, as customers opt to rely on managed services, XXaaS and cloud services rather than procure and operate their own IT assets. As the portfolio continues to migrate toward cloud-first platforms we expect this trend to continue.
- **Other:** Revenue derived from Performance’s tech academy, representing just c1% of the 2024 total. Entails the provision of professional training and certification programs in collaboration with key technology partners.

**Revenue mix evolution, in EURmn**

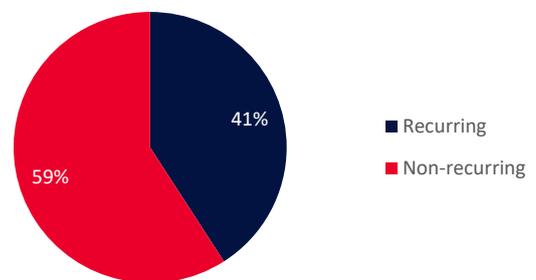
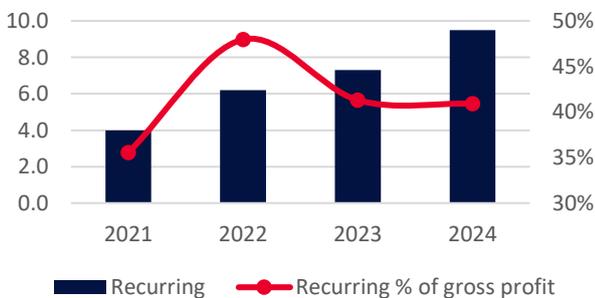


Source: Eurobank Equities Research.

**c41% of gross profit is recurring, set to increase further in 2026-28e**

Recurring gross profit represented c35-50% of total gross profit in 2020-22, with the largest step-up in 2022 as Performance secured additional long-term maintenance and managed services/SaaS contracts. Recurring gross profit increased in absolute terms over 2023-24 but declined as a share of the total mix (at 41%) due to strong growth in implementation contracts that lifted the share of non-recurring in group gross profit. Looking ahead, we expect the recurring component to trend toward 42-45% of gross profit, driven by continued cross-selling, further expansion of managed SaaS/services and the broader shift of Greek corporates toward subscription-based IT models.

**Recurring gross profit, in EURmn & Recurring as % of gross profit**      **Recurring vs. Non-recurring gross profit – 2024**

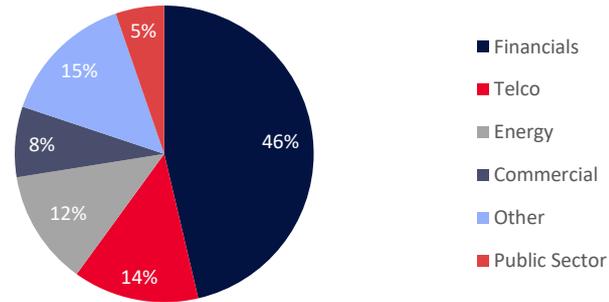


Source: Eurobank Equities Research, Company data.      Source: Eurobank Equities Research, Company data.

**Strong legacy in Financials & Telco; Blue-chip client base with rising diversification across industries**

The client base has historically been concentrated in banking and telecoms, where Performance has long-standing relationships with the systemic Greek banks and a major telecom provider. In recent years, the group has also expanded into energy, manufacturing, retail and shipping sectors. Exposure to Greek state projects remains limited at c5-6% of sales. To our understanding, management is selectively pursuing opportunities that align with the PERF's core strengths as the Greek state digitization agenda advances. Client concentration has also improved, with the number of key accounts (clients generating >€1mn revenue p.a.) doubling from 9 in 2021 to 20 in 2024.

### Performance Technologies revenue by industry – 2024



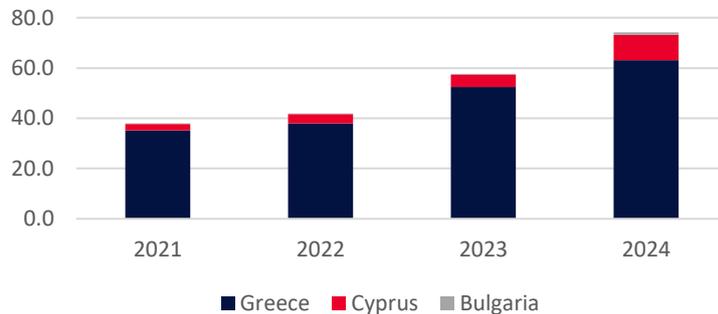
Source: Eurobank Equities Research, Company data.

Performance primarily targets large enterprises (>500 employees) and mid-sized corporates (50-500 employees) which together represent the majority of revenues. These organizations typically require complex, integrated solutions aligned with Performance's expertise and are more likely to commit to multi-year service agreements (managed SaaS, services, XXaaS). This is the case especially in Greece, where companies in PERF's target markets are still relatively underpenetrated in areas such as cybersecurity and observability.

**Capturing IT spending tailwinds in Greece; growing international exposure in recent years**

Greece remains the company's main market, contributing c85% of FY'24 revenues. Cyprus and Bulgaria account for the remaining c15%, both representing smaller but growing markets with similar digitalization dynamics, particularly in cybersecurity, observability and cloud services. International sales have grown c4x since 2021, highlighting the company's ability to leverage its offering across adjacent geographies.

### Geographic sales mix evolution

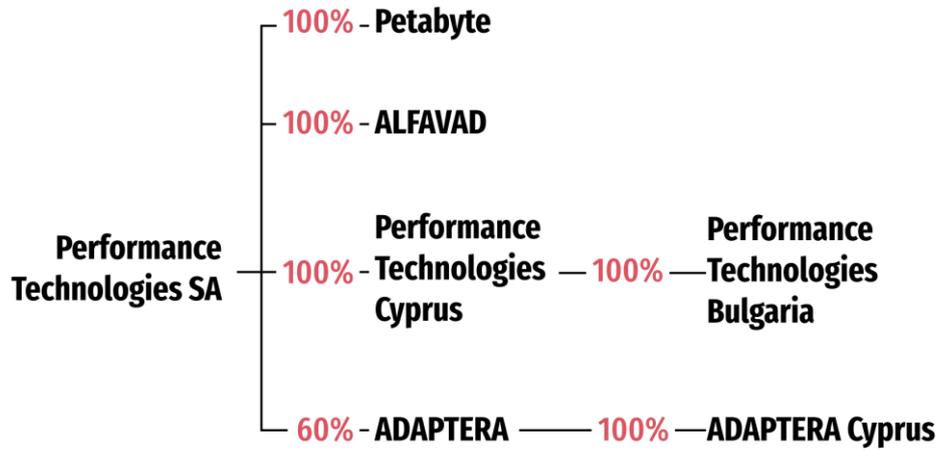


Source: Eurobank Equities Research, Company data.

*Integrated regional footprint supported by select investments*

Performance Technologies S.A. is the parent entity and oversees several subsidiaries. In Greece, these include AlfaVAD (software/hardware distribution), Petabyte Solutions (IT services and implementation) and Adaptera (60% stake). Internationally, the group operates through Performance Cyprus Ltd, which controls Performance Bulgaria EOOD, as well as Adaptera Cyprus Ltd. Minority holdings include 5% (with an option to rise to 12.5%) in Continuous Software, 28% in GAIN Consulting and a strategic cybersecurity partnership with ThreatScene.

### Performance Technologies group structure

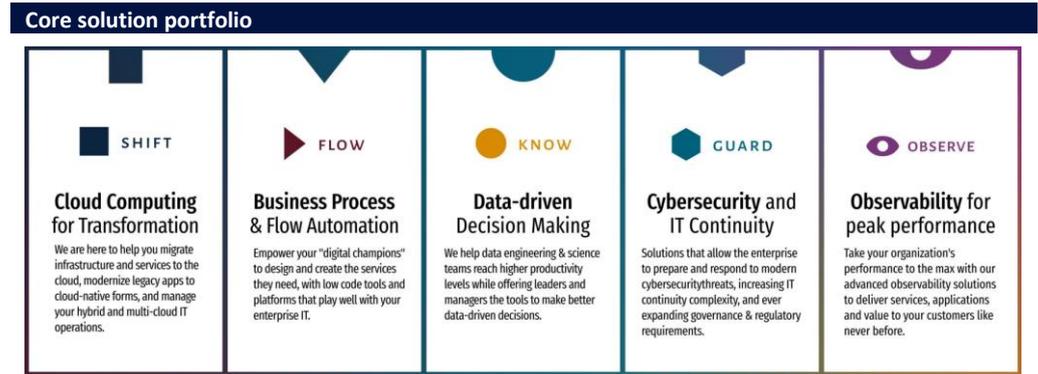


Source: Company data.

**One-stop shop for digital transformation anchored in broad partner ecosystem**

**B. Strategy**

Performance Technologies positions itself as a one-stop shop for digital transformation, delivering an integrated set of solutions that span the entire digitization process, from planning and design through to customization, implementation, maintenance and 24/7 managed support. The company’s core competitive advantage lies in its ability to add value to partner products by embedding them within tailored service packages, ensuring that enterprise clients receive optimized, high-quality outcomes rather than off-the-shelf solutions. Its extensive network of global alliances (notably with AWS, Microsoft Azure, ServiceNow, Dynatrace and OpenText) provides access to a broad pool of software and hardware, enabling Performance to design highly customized, cloud-first architectures.



Source: Company data.

**Gradual shift to cloud-delivered driving revenue visibility, margin potential**

Performance Technologies has accelerated its transition from traditional license and maintenance (L&M) models to SaaS-delivered solutions, with the majority of its solution portfolio now available as cloud-native offerings. This shift enhances scalability and margins while improving revenue visibility and supporting long-term growth. In parallel, the company has doubled its workforce over the past 3 years, effectively building the capacity to deliver full managed SaaS/services and 24/7 post-implementation support. Crucially, this pivot is aligned with the agendas of key ISV partners (i.e. Dynatrace, ServiceNow), which are actively promoting cloud-first adoption and SaaS-native platforms across enterprise IT.

**Main pillars underpinning growth in the coming years**

Driven to Grow

**Execution, expansion and pipeline**



Source: Company data.

**“Land and expand” approach in existing contracts...**

Performance is strengthening engagement within its existing client base, leveraging established client relationships (many of which within the Greek blue chip universe) to expand service penetration and layer adjacent offerings onto active deployments. This "land and expand" approach supports incremental revenue growth and enhances customer retention, as clients increasingly consolidate cloud, data, automation and security needs under a single provider.

**...combined with growing recurring base through new contracts**

At the same time, the company is expanding its contract base, adding new multi-year license and/or managed SaaS/service agreements (typically 36-60 months). Recurring gross profit stood at c41% of total gross profit in 2024, providing visibility and supporting margin expansion through scale efficiencies and standardized delivery. Complementing this, Performance invests heavily in training and certifications to deepen partner expertise, while dedicated aftersales and support teams reinforce retention and enable incremental upselling opportunities.

**Deep industry know-how aids scalability**

The company’s long-term presence in sectors such as telecoms, banking and energy together with its enduring relationships with leading ISV partners, enables it to replicate best practices across clients, creating scalability benefits that lower project-specific costs and ensure consistent quality. The accumulated expertise from complex deployments also feeds back into solution refinement, allowing Performance to deliver faster and more efficiently while preserving quality. We highlight that Performance opts to recognize R&D costs on the P&L as they are incurred (rather than capitalizing them). Annual R&D expenses equate to c3-4% of revenue.

| Key OEM/ISV partners  | Indicative long-term clients  |
|---|---|
| <br><br><br><br><br> | <br><br><br><br><br><br><br><br><br> |

Source: Company.

Source: Company.

**Strategic investments enhance solution capabilities**

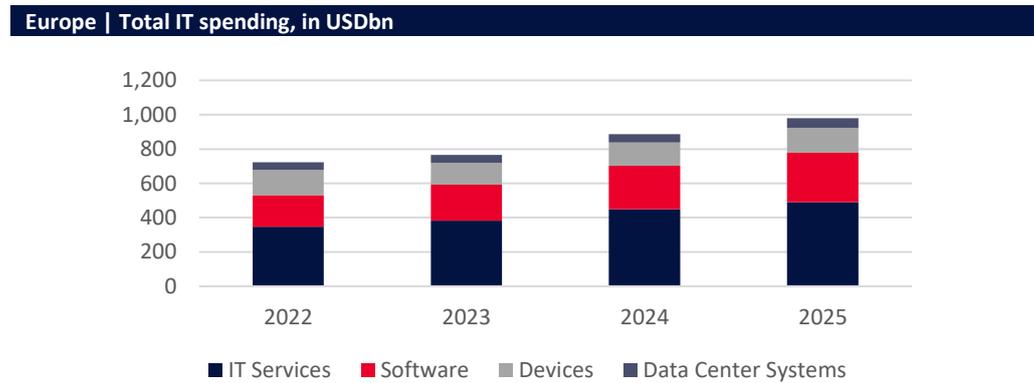
Performance Technologies’ strong organic growth profile has been complemented by selective strategic investments, either to increase its international presence or expand into new tech subsegments. In September 2022, the company acquired 60% of Adaptera, a domestic IT solutions provider, for a consideration of €1.8mn. The addition of Adaptera had a c€2.7mn inorganic effect on revenue growth over 2021-24, equivalent to c8% of total group top line expansion over the period. Beyond this, Performance has taken minority positions in several niche technology firms, including a 5% stake in Continuous Software and a 28% holding in GAIN Consulting, while also forging a strategic cybersecurity partnership with ThreatScene.

**Robust EU IT services backdrop supports sustained IT spending**

### IT Services Market Landscape

Gartner forecasts the EU IT services market to expand strongly in 2025, with spending projected to rise +9.2% to \$490bn, reflecting continued prioritization of integration, outsourcing and cloud-delivered infrastructure by enterprises. Within IT services, the 3 key subsegments remain consulting/support services, infrastructure-as-a-service (IaaS) and outsourcing, all of which benefit from the structural shift toward scalable, cloud-native IT models.

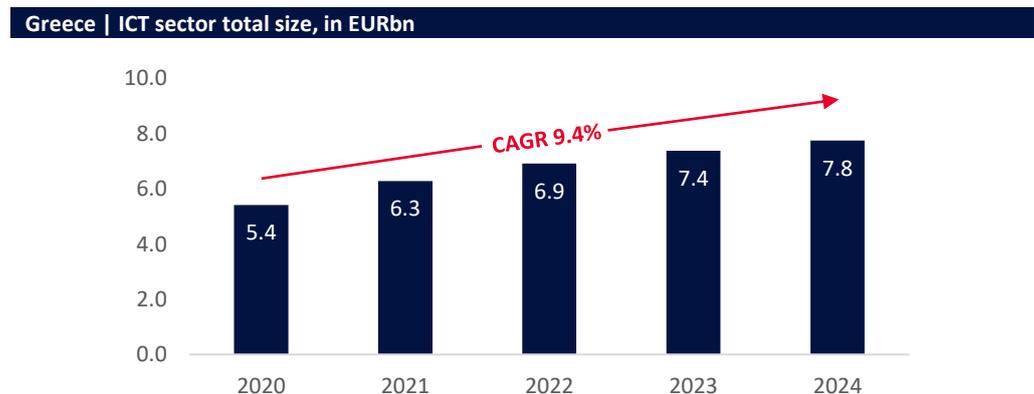
Following a soft patch in 2022 (+2% yoy), EU IT services spending accelerated with c10% annual growth in 2023-24, underpinned by enterprise digitization, heightened cybersecurity requirements and hybrid infrastructure demand in lower-maturity EU economies. At the same time, the rising importance of cybersecurity particularly managed detection and response (MDR), cloud-native security and compliance-related offerings is adding an additional layer of structural growth, as regulatory frameworks broaden requirements across industries and SMEs step up adoption of outsourced security solutions.



Source: Eurobank Equities Research, Gartner (as of Nov. 2024).

**Greece ICT spending at €7.8bn in 2024; growing both in volumes & per-client spending**

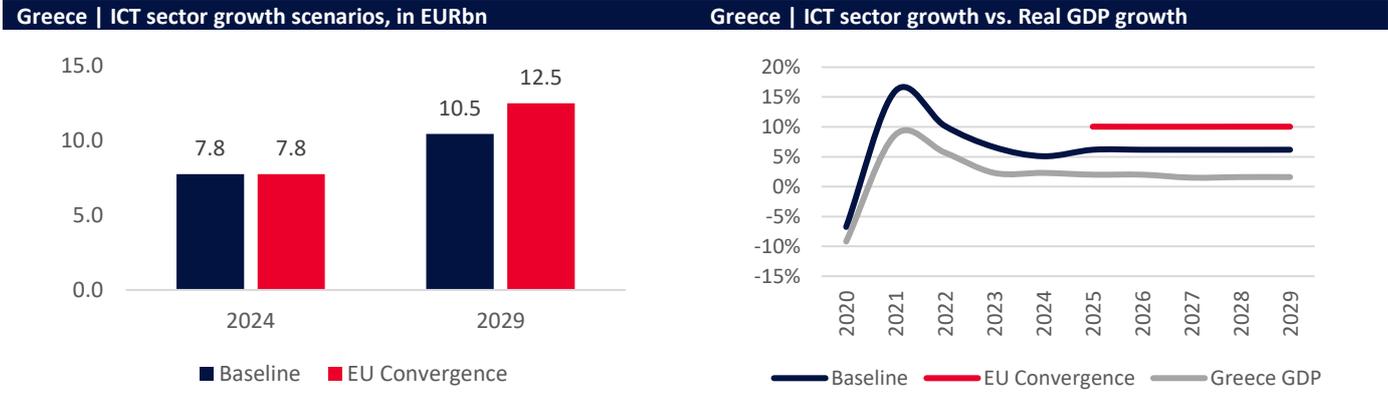
IT spending in Greece has accelerated meaningfully post-pandemic, as companies have sought to keep up with increasing technological requirements. According to SEPE data, the Greek ICT sector reached c€7.8bn in 2024 (+9.4% CAGR over 2020-24) accounting for c3.9% of GDP and expanding at roughly 2x the pace of the overall economy over the period. In our view, this growth has been driven both by higher volumes (broader base of enterprises investing in IT) and by rising spending per client, as many companies have embarked on multi-year upgrade cycles following a prolonged period of underinvestment.



Source: Eurobank Equities Research, SEPE.

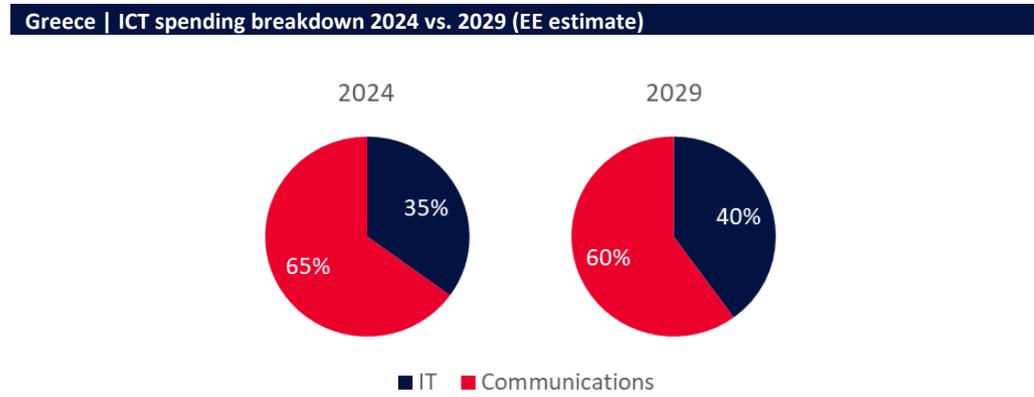
**Greek ICT sector in structural growth; sophisticated digital solutions in high demand**

Under SEPE’s baseline scenario (the sector continues growing in line with the recent 5-year trend) the Greek ICT market is projected to reach €10.5bn by 2029, developing at c6% CAGR over 2024-29. Under a faster EU convergence scenario (Greece closes the gap with the EU average in terms of ICT contribution to GDP) market size could approach €12.5bn by 2029, growing at c10% CAGR. Structural growth is expected to be driven by the accelerated adoption of cloud-based solutions and AI/ML tools, as well as sustained demand for enterprise software in both the private sector and the Greek state.



Source: Eurobank Equities Research, SEPE. Source: Eurobank Equities Research, SEPE, IMF WEO (Oct. 2025).

On our estimates, IT accounted for c35% of the total Greek ICT sector in 2024, with Communications representing the remaining c65%. Within IT, we estimate that IT services made up c50% of spending, followed by hardware distribution (servers, data centers, PCs) at c30% and software distribution (ERP, CRM, big data) at c20%. We expect IT’s share to rise to c40% of total ICT spending by 2029, as the segment continues to outpace communications, supported by the acceleration of cloud-delivered solutions, enterprise software and managed SaaS/services.



Source: Eurobank Equities Research.

**Idiosyncratic factors of Greek corporate universe further underpin growth**

We outline below several underlying factors specific to Greece that continue to support momentum:

- **Persistent appetite for upgrades to legacy systems:** Years of underinvestment have left a large portion of corporate IT infrastructure outdated. Although modernization has improved in recent years, Greece remains behind the EU average in corporate tech adoption, sustaining strong demand for replacement and upgrade activity.
- **Gradual smoothing of the spending cycle:** Greek enterprises are increasingly looking for scalable infrastructure that supports continuous expansion/upgrades, accelerating the shift toward SaaS and service-based models. This makes revenues for IT companies more linear/recurring, rather than concentrated upfront as was typically the case in older license-and-maintenance setups.

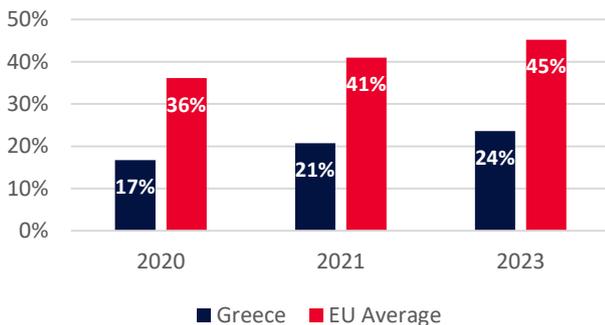
- **Rising IT dependence:** Mission-critical IT infrastructure is increasingly being adopted across sectors (i.e. in banking, telcos, utilities, energy), effectively transforming IT into a key supporting element as companies look for greater operational efficiency.
- **Hardware investment still relevant:** Hardware remains essential as many Greek companies need to rebuild infrastructure almost from the ground up rather than apply incremental upgrades to outdated platforms.

We believe Performance is well positioned to capture the opportunities this environment creates for system integrators, with value creation driven primarily by 2 factors, namely: 1) growing managed services penetration, enabling PERF to participate not only in the initial investment cycle but increasingly in recurring operational spend, improving revenue visibility/stability, and 2) expansion into specialized solutions, with continued investment in high-demand, high-value technology areas to increase market share in the digital transformation space.

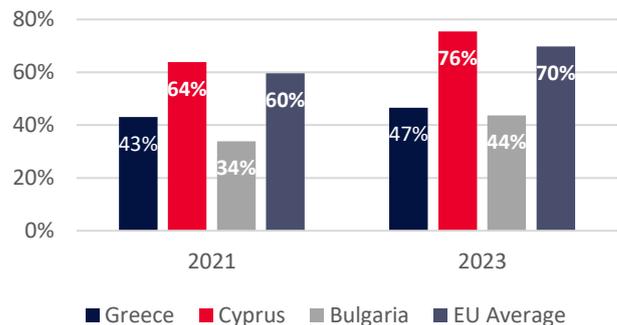
**Domestic enterprises still relatively underserved compared to rest of EU**

Enterprise cloud adoption in Greece remains below EU averages, with only c24% (vs. 45% in EU) of enterprises using any cloud services in 2023 and c47% (vs. 70% in EU) having deployed more advanced cloud infrastructure. This relatively underserved market creates ample headroom for growth, reinforcing the durability of private sector demand. For larger systems integrators, it also provides stronger bargaining power in client negotiations and supports the scaling of managed SaaS/managed services offerings, as they can embed themselves deeply into client infrastructure at attractive economics. Combined with high switching costs in enterprise solutions, this dynamic facilitates recurring sales generation and enhances visibility over future revenues.

Greece | Enterprise cloud adoption rate vs. EU average



Greece | Enterprises with sophisticated cloud infrastructure



Source: Eurobank Equities Research, Eurostat.

Source: Eurobank Equities Research, Eurostat.

**RRF funding inflows continue to underpin Greek digital transformation**

Greece has allocated c€7.9bn (22% of the total) towards digital transformation under the Recovery and Resilience Facility (RRF) to be deployed through 2026, targeting cloud migration, cybersecurity, data infrastructure and enterprise IT upgrades. Absorbed funds as of Sept. 2025 amounted to c€2.56bn according to the Ministry of Finance (c33% of the allocated figure). Complementing this is the ongoing ESPA program (2021-27) which includes a dedicated >€2bn envelope for digital transformation. While both frameworks primarily fund public sector upgrades, their impact spills over into the private sector raising digital capacity and incentivizing corporates to accelerate investments in cloud, observability and integration services, creating a more favorable environment for Greek systems integrators and VARs.

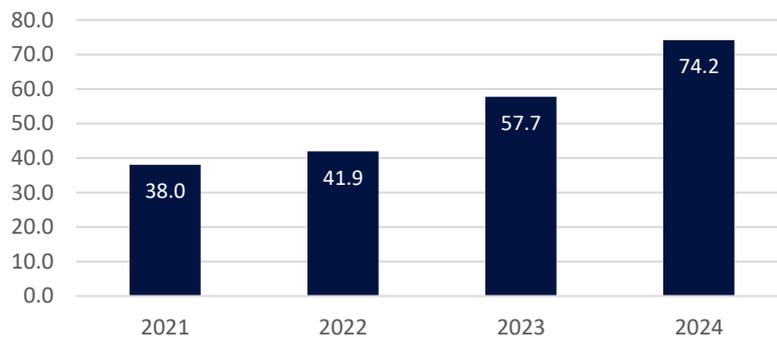
Top line overview

*Consistent organic growth supported by expanding delivery capacity*

**A. Historic performance: c25% revenue CAGR in previous 4 years**

Group revenues grew strongly over 2021-24, rising from €38.1mn to €74.2mn, implying c25% CAGR. Growth was almost entirely organic, driven by both the expansion of procured solutions among existing clients and the broadening of the customer base to new enterprises and the Greek state (to a lesser extent). This was supported by increased delivery capacity and rising demand for managed SaaS and services. Performance’s diversified focus across virtualization, monitoring, cybersecurity and observability, combined with its proprietary solution portfolio (Shift, Flow, Know, Guard, Observe) position it as a highly relevant player in the evolving Greek enterprise solutions industry.

Group top line performance, in EURmn



Source: Eurobank Equities Research, Company data.

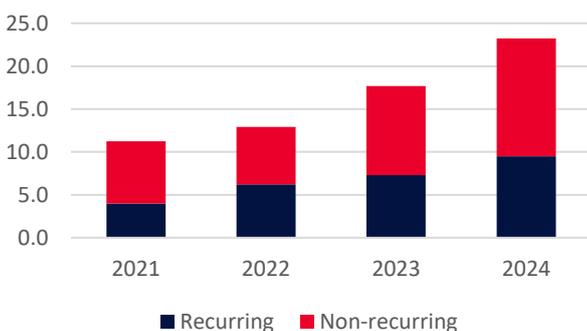
*Mix gradually shifting toward long-term service agreements and ARR growth*

The revenue mix has gradually shifted toward long-term service agreements with recurring billing, reflecting the growing share of managed services and XXaaS contracts (typically 36-60 months). To our understanding, management’s primary focus is to standardize and productize service offerings where the company has accumulated technical expertise (enterprise backup, disaster recovery, virtualization, cloud services) into repeatable solutions with defined parameters and fixed pricing, thereby improving revenue visibility and predictability. This transition has begun to reshape the earnings profile, with annual recurring gross profit at 41% in 2024 and set to increase further in the coming years.

*Growth majority organic; minimal contribution from M&A*

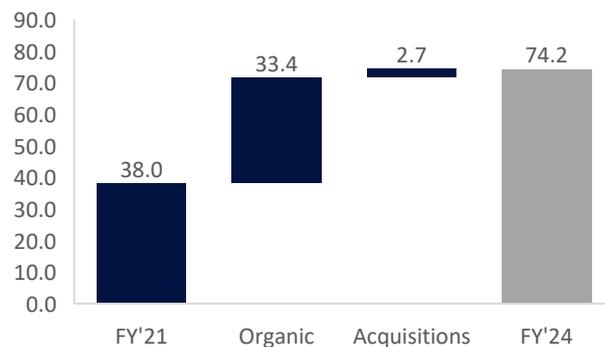
Revenue growth has been almost entirely organic, with the 2022 acquisition of Adaptera (60% stake) adding limited incremental contribution to consolidated revenues. The transaction added complementary expertise in advanced observability and application performance monitoring (APM) but did not alter top line dynamics materially. Expansion through 2021-24 was underpinned by stronger execution capacity (underpinned by >2x workforce growth during 2021-24, from 132 employees to 272) as well as strengthened positioning in cloud infrastructure modernization, process automation, analytics and observability services.

Recurring vs. non-recurring gross profit, in EURmn



Source: Eurobank Equities Research, Company data.

Revenue bridge 2021-24, in EURmn



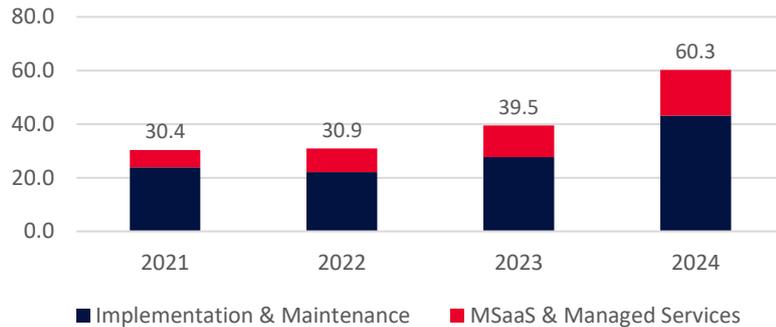
Source: Eurobank Equities Research.

*IT Services revenue >2x over 2021-24 on solid execution across the value-added offering*

Looking further into the historic performance of each revenue category:

- **IT Services:** Revenue from implementation, maintenance, managed SaaS/services contracts and software licenses increased from €30.4mn in 2021 to €60.3mn in 2024, implying c25% CAGR. Growth remained consistent throughout the period, supported by large-scale contracts in cloud, IT service management, analytics and automation. Within this line, managed SaaS and managed services expanded sharply, on growing domestic demand for multi-year agreements in system monitoring, observability and IT operations. Implementation & maintenance revenue also grew strongly, driven by recurring upgrade cycles and integration work for both existing and new clients.

### IT Services revenue – I&M vs. Managed, in EURmn

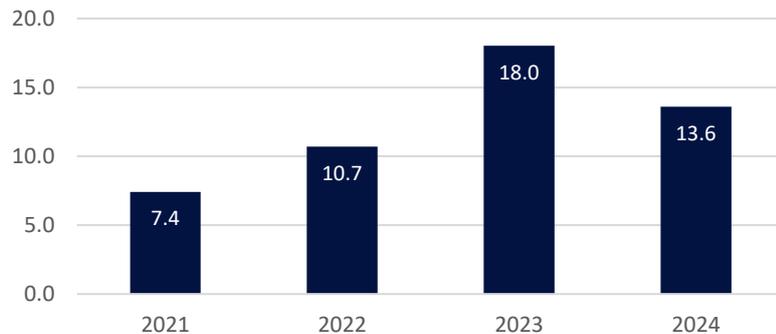


Source: Eurobank Equities Research.

*Product sourcing revenue typically reflects project timing/architecture mix*

- **Product sourcing:** Revenue from hardware supplied as part of integrated solutions totaled €13.6mn in 2024, reflecting the OEM component of Performance’s projects. Movements during the period primarily reflected project timing and architecture mix, with revenue accelerating in 2022-23 on large-scale deployments for financial and telecom clients, followed by normalization in 2024 as cloud-first environments gained share.

### Product sourcing revenue, in EURmn



Source: Eurobank Equities Research, Company data.

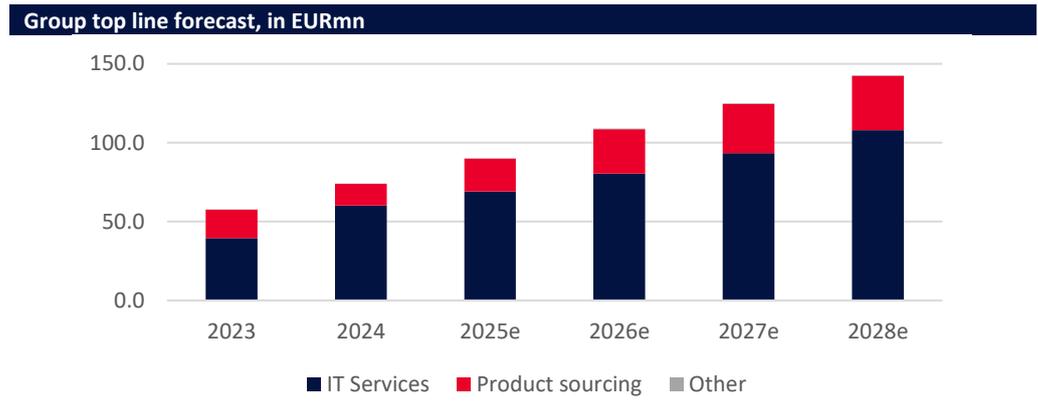
- **Other:** Revenue from the in-house coding academy remained broadly stable at €0.3mn per year over 2021-24, contributing <1% of turnover. While immaterial financially, the academy supports workforce development and strengthens internal resourcing capacity for expanding service operations.

**Upselling/cross-selling and contract base expansion to drive c18% revenue CAGR through 2028e**

**B. Looking ahead: Envisaging c18% revenue CAGR through 2028e**

We forecast group revenue to grow at c18% CAGR over 2025-28e, supported by structural demand for digital transformation, ongoing upselling to existing clients and steady onboarding of new ones. Results should benefit from the rising share of managed SaaS/services within the portfolio and from improved pricing as scale efficiencies deepen. Growth will remain primarily private sector driven, with public projects contributing only modestly, while visibility is supported by a solid pipeline of enterprise integration/maintenance and managed SaaS/service contracts across client verticals.

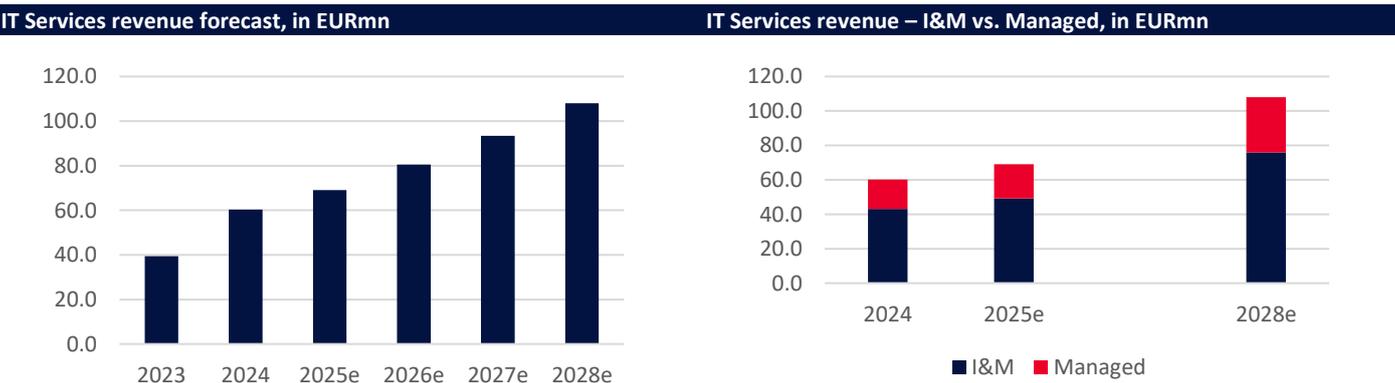
We caveat that revenue is presented mainly for context, as gross profit is a more relevant KPI for system integrators given that it captures the value generated through IT services and a clearer view of mix improvement, scalability and underlying earnings power.



Source: Eurobank Equities Research.

**IT Services to almost 2x by 2028e, underpinned by platform upgrades and extensions**

We expect IT Services to expand at c16% CAGR through 2028e reaching >€105mn, almost 2x the 2024 level. Growth will be anchored in new multi-year service agreements within existing accounts, as Performance leverages its long-standing client relationships to drive platform upgrades and extensions. Broad-based demand in Greece and ongoing cloud adoption among banks, telecoms and energy companies should further underpin expansion. The transition toward cloud-native deployments should also enable faster delivery and higher utilization of technical teams, as engineers can implement and maintain multiple client environments remotely via the company’s operations hub.



Source: Eurobank Equities Research.

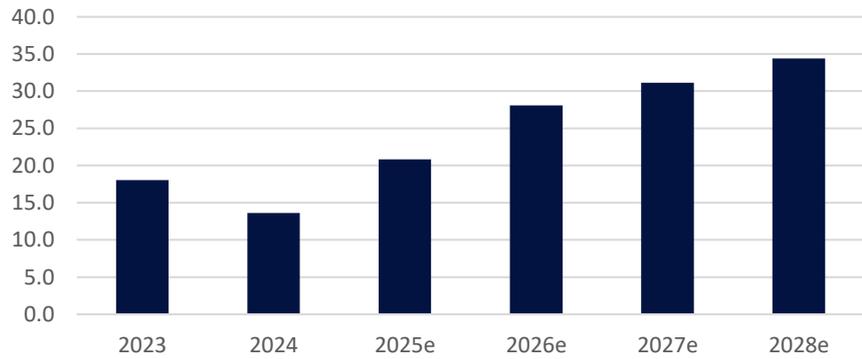
Within IT Services, we forecast managed SaaS and managed services to grow at >17% CAGR over 2025-28e, accounting for c30% of services revenue by 2028e, driven by rising domestic demand for observability, analytics and IT service management solutions. Growth will be supported both by Performance’s internal push to upsell cloud-delivered solutions to its existing client base and by ISV partners (notably Dynatrace, ServiceNow) that continue to incentivize systems integrators to transition toward centralized, service-based models.

We expect revenue from implementation & maintenance to grow at mid-teens CAGR through 2028e supported by continuing inflows of integration projects from large accounts and higher maintenance fees. Conventional/on premises, private cloud and hybrid cloud deployments remain relevant in Greece, as many corporates and public institutions still use outdated IT infrastructure and are not embracing public cloud use, partly due to data sovereignty concerns.

**Expecting c26% CAGR for product sourcing revenues; hardware remains relevant in the addressable market**

In product sourcing, we forecast revenue to rise at c26% CAGR during 2025-28e, supported by hardware demand as on-premise/hybrid deployments remain relevant in the Greek tech ecosystem. We expect the pace of hardware sales growth to moderate in the mid-term as the current enterprise IT upgrade cycle in Greece matures and as Performance migrates a larger share of its client base to cloud-native architectures to capture a larger portion of their IT spend. This is also supported by the agendas of ISV partners (e.g. Dynatrace, ServiceNow) favoring SaaS-native architectures.

**Product sourcing revenue forecast, in EURmn**

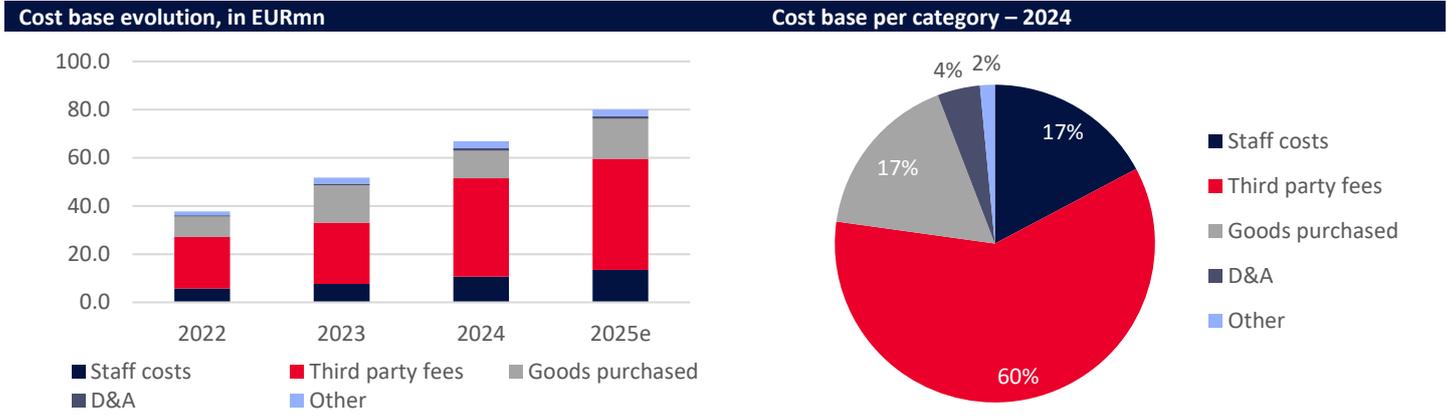


Source: Eurobank Equities Research.

**Costs and margins**

**Cost base scaling in line with activity; gross margin at 31.3% in 2024**

Over 2021-24, total expenses grew broadly in line with revenue, rising from €33.6mn to €66.8mn (+25.7% CAGR over 2021-24) compared to top line CAGR of +24.9% in the same period. The cost base is primarily driven by staff costs and third-party fees to ISV/OEM partners, which together accounted for c77% of total expenses in 2024. Another 17% of total expenses in 2024 was attributed to goods purchased for resale. Gross profit increased from €11.3mn in 2021 to €23.2mn in 2024, with gross margin improving by +1.7pps to 31.3%, while adj. EBITDA rose from €5.3mn to €9.3mn, maintaining margins in the 12-14% area throughout.

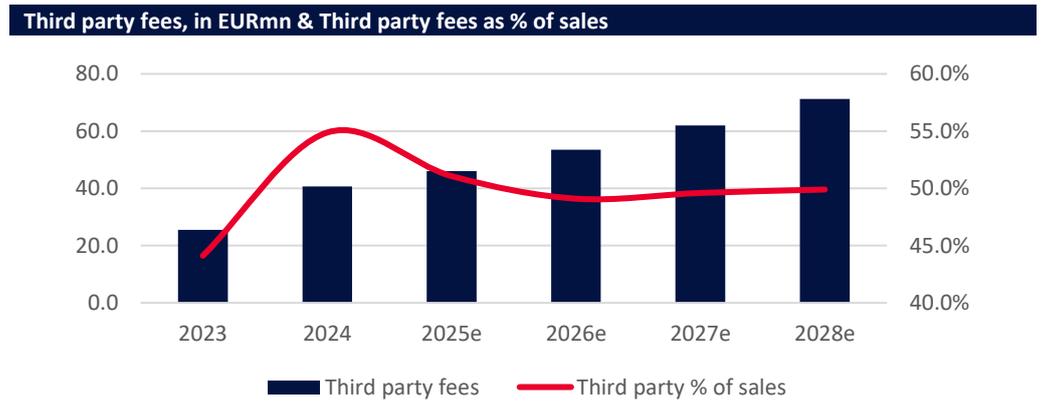


Source: Eurobank Equities Research.

Source: Eurobank Equities Research, Company data.

**Third party fees to gradually ease as cloud-based delivery increases**

Third party fees, mainly payments to software and OEM partners, totaled €40.7mn in 2024, equivalent to c55% of sales. These payments correspond to the ISV/OEM share of integrated solutions (licenses, cloud capacity and platform subscriptions) on which Performance provides design, integration and managed SaaS/services. As the revenue mix continues to shift toward higher-margin solutions, where Performance delivers monitoring, analytics and automation on top of ISV/OEM technologies, the proportion of external costs is likely to gradually decline. Combined with PERF’s growing partner status and potential for rebates and volume discounts with scale, we expect third party fees to ease to c48-49% of sales in the coming years.

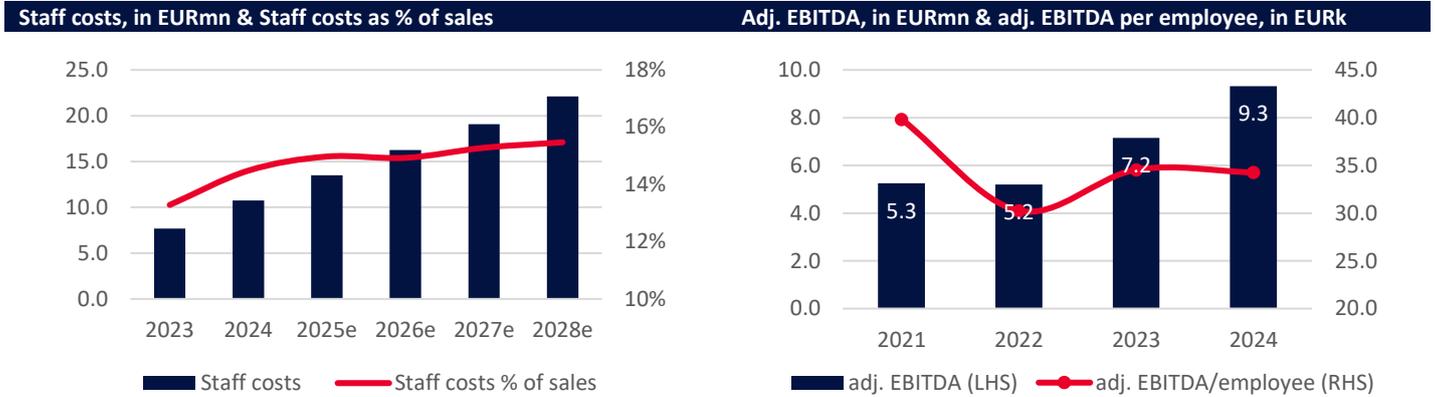


Source: Eurobank Equities Research.

**Headcount >2x over 2021-24 to support top line expansion; productivity broadly stable**

Staff costs increased to €11.7mn in 2024 (c17% of group sales) from €7.7mn in 2023 and €5.8mn in 2022, reflecting accelerated hiring to support top line growth. Headcount roughly doubled during 2021-24 (reaching 272 by 2024, from 132 in 2021) while productivity (adj. EBITDA per employee) remained broadly stable in the €30-40k area, supported by higher project throughput and utilization. As the group continues being in a growth phase and is still looking to scale its technical departments and grow its SOC/MOC capabilities, headcount additions are set to persist, though operating leverage should gradually improve as the model continues to shift towards a more service-oriented direction.

Goods purchased for resale, mainly representing hardware and infrastructure procured to client specifications, amounted to €11.5mn in 2024. Given that hardware is ordered to project specification, inventory levels have remained limited, implying minimal working capital exposure. Depreciation & amortization reached €2.9mn in 2024, following incremental investments in IT infrastructure and leased assets, while other operating expenses remained modest at €1.0mn.



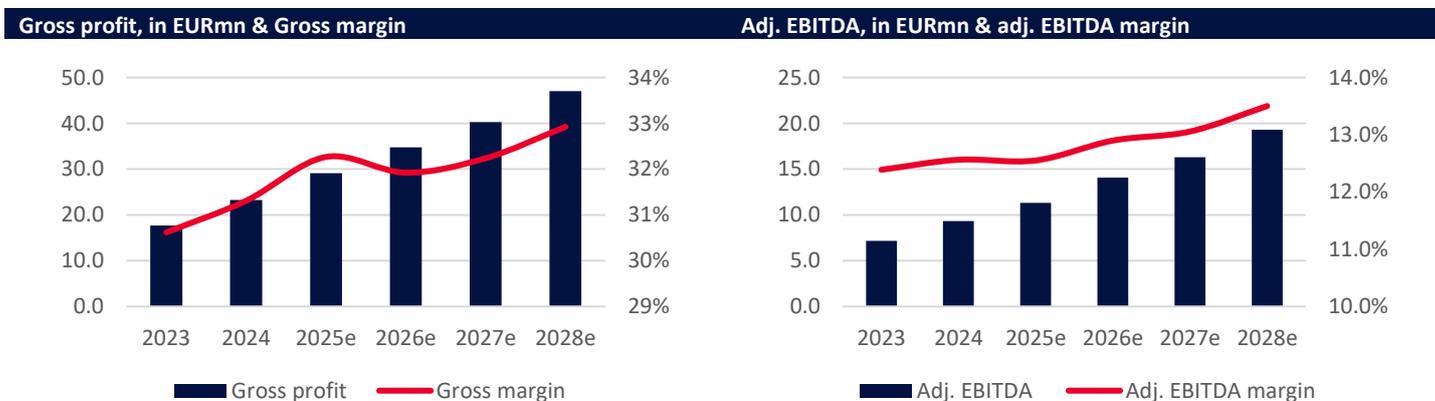
Source: Eurobank Equities Research.

Source: Eurobank Equities Research.

At the profitability level, gross profit increased to €23.2mn in 2024 (+31% yoy) with gross margin improving to 31.3% (from 30.6% in 2023 and 29.5% in 2022). Looking ahead, we forecast gross profit to more than double by 2028e (reaching €47.0mn) with gross margin rising from c31% in 2024 to 32.9%, driven by the ongoing revenue mix shift toward value-added services and managed SaaS/services. The gradual phase-out of legacy installations should reduce goods purchased for resale as a share of total expenses, while scale benefits and improved terms with ISV/OEM partners should help to keep third party fees stable.

**c20% adj. EBITDA CAGR in 2025-28e as hiring costs should be offset by growing scale, efficient delivery, better vendor terms**

Adj. EBITDA stood at €9.3mn in 2024, implying 12.6% margin, up from 12.4% in 2022-23 despite increasing staff costs with continued expansion (c65 employees added in 2024 vs. 35 in 2023 and 40 in 2022). We forecast adj. EBITDA CAGR of 20% over 2025-28e, with margin expanding to 13.5% by 2028e (+0.9pps vs. 2024). Despite ongoing hiring as Performance continues to scale its teams and its SOC/MOC procurement capabilities, profitability should benefit as existing agreements scale and service delivery becomes more standardized. We also expect positive effects from higher utilization of technical staff as service provision becomes more centralized through the SOC/MOC, and improved vendor terms driven by growing scale, which should gradually lower third-party fees relative to sales.

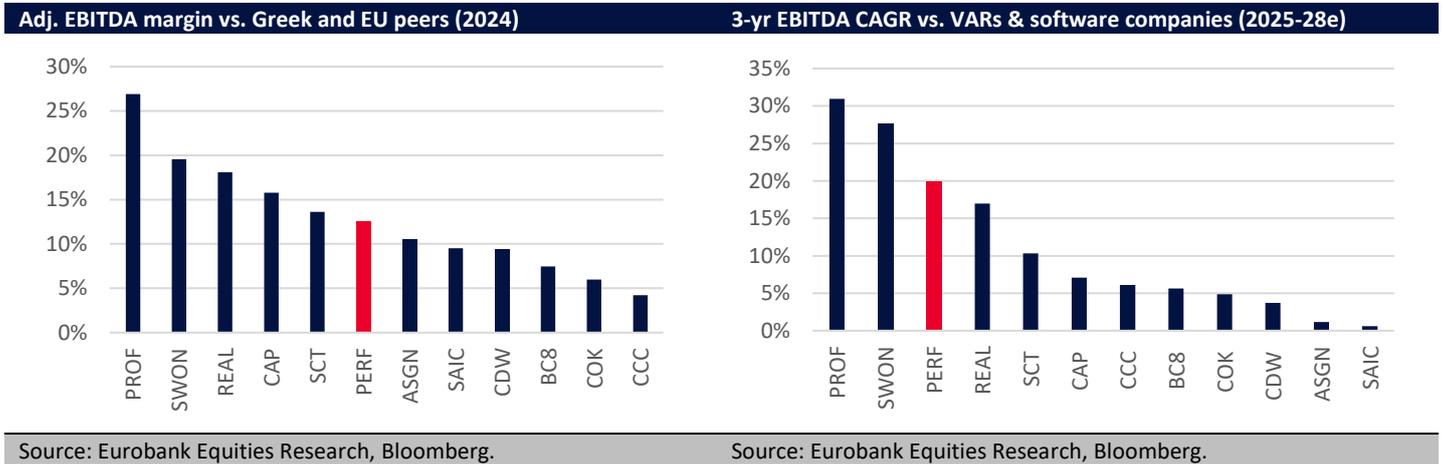


Source: Eurobank Equities Research.

Source: Eurobank Equities Research.

**3-yr EBITDA CAGR at the top end of the broad peer set; margin still has room to expand**

Performance screens near the middle of its broad set of peers in terms of adj. EBITDA margin (at c12.6% in 2024, reported margin at c11.2% incl. adjustments for an ongoing stock reward plan) with the deficit to the top part of the range mostly due to mix (less services penetration) and scale (smaller compared to EU peers). That said, the comparison is much more favorable in terms of 3-yr EBITDA growth over 2025-2028e, with Performance near the top of the range (c20% adj. EBITDA CAGR in 2025-28e) and well above its Greek cohort, supported, in our view, by strong revenue visibility from multi-year contracts with Greek blue chips, increasing scale and potential for growing the share of services within its revenue mix.



The table below outlines our forecasts for Performance’s profit/margin evolution going forward. Overall, we project group adj. EBITDA margin to head towards 13-13.5% by 2027-28e, underpinned by positive operating leverage and rising value-added services penetration.

| Profitability and margins estimates |       |       |       |       |       |       |               |
|-------------------------------------|-------|-------|-------|-------|-------|-------|---------------|
| in EURmn, unless otherwise stated   | 2023  | 2024  | 2025e | 2026e | 2027e | 2028e | CAGR 2025-28e |
| <b>Gross profit</b>                 | 17.7  | 23.2  | 29.1  | 34.8  | 40.3  | 47.0  | 19.3%         |
| <b>Gross margin</b>                 | 30.6% | 31.3% | 32.3% | 31.9% | 32.2% | 32.9% |               |
| Opex (incl. D&A)                    | 11.7  | 15.9  | 18.9  | 22.0  | 25.4  | 29.4  |               |
| Opex/sales                          | 20.3% | 21.4% | 21.0% | 20.2% | 20.4% | 20.6% |               |
| <b>Adj. EBITDA</b>                  | 7.2   | 9.3   | 11.3  | 14.1  | 16.3  | 19.3  | 19.9%         |
| <b>Adj. EBITDA margin</b>           | 12.4% | 12.6% | 12.6% | 12.9% | 13.1% | 13.5% |               |
| EBIT                                | 6.4   | 7.3   | 8.7   | 10.2  | 13.1  | 16.1  | 21.9%         |
| EBIT margin                         | 11.1% | 9.8%  | 9.7%  | 9.3%  | 10.5% | 11.3% |               |

Source: Eurobank Equities Research.

Cash flow generation, balance sheet and shareholder returns

Healthy cash conversion

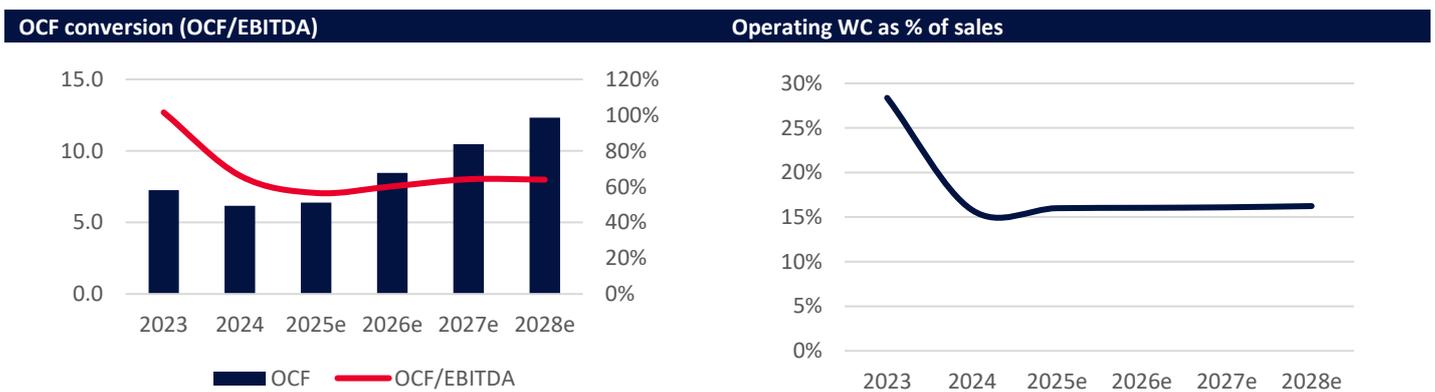
Operating cash flow strengthened materially over the past 2 years, reflecting improving efficiency as the group scaled. Following 2 years of negative cash conversion linked to working capital expansion, OCF turned positive in 2023 at €7.3mn and remained resilient in 2024 at €6.2mn. Recovery was driven by tighter receivables management and lower working capital requirements (at 16% of sales in 2024, from 28% in 2023) resulting in cash conversion at >70% of EBITDA.

We envisage operating working capital to normalize towards 17% of sales through 2028e, as the model continues to shift towards service-based contracts and revenue predictability increases. Despite continuing payroll investment as the group scales (growing existing departments for each of the provided solutions, continuing to staff the SOC/MOC to provide full-service capabilities to clients), we see cash conversion heading to the 64-66% area by 2028e.

Working capital: timing distortion rather than structural drag

Given headline working capital figures at year-end look heavy if taken at face value, we thought it would be useful to provide some background to the underlying mechanics. The latter revolves around a simple mechanic: the company earns margin today and collects cash later. In project integration, hardware and software are procured early in the delivery cycle, while revenue is booked only upon client acceptance. Moreover, billing for managed-service contracts clusters around period-end. The result is structurally high receivables at reporting dates, with payables rising far less because supplier invoices are smaller in value and, in the case of EU vendors, do not carry VAT. In addition, Greece’s 24% VAT inflates A/R meaningfully, while A/P contains little or no VAT, creating an optical spike in net working capital at 31 December.

In our view, this timing distortion is mechanical rather than a sign of cash strain. Collections typically unwind in Q1, restoring liquidity and normalizing cash conversion. In essence, working capital here captures “value in progress”: gross profit already earned but not yet monetized. As the business scales — and given negligible inventory, strong customer credit quality and a recurring revenue base — this balance grows alongside equity. Overall, PT operates a self-financing model where working capital expansion mirrors profitable growth, not funding pressure and year-end volatility reflects seasonality rather than structural risk.



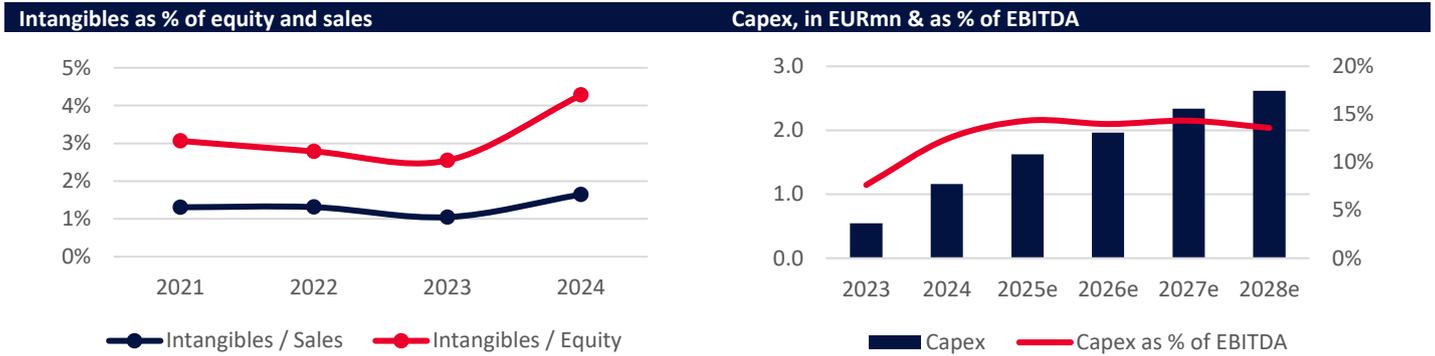
Source: Eurobank Equities Research.

Source: Eurobank Equities Research.

Low intangible load reinforces quality of earnings

Performance Technologies recognizes as intangible assets only acquired software licenses used in the provision of IT services. These are recorded at acquisition cost less accumulated amortization and impairment losses, with amortization applied on a straight-line basis over an estimated useful life of up to 5 years. No internally developed software or proprietary solutions are capitalized under IAS 38, as the group’s value-added activities (implementation frameworks, integration templates and service automation tools) are expensed as incurred. This treatment is consistent with standard practice among most Greek systems integrators and VARs. The low intangible intensity supports clean returns, transparent capital employed and a tighter linkage between reported earnings and economic value creation.

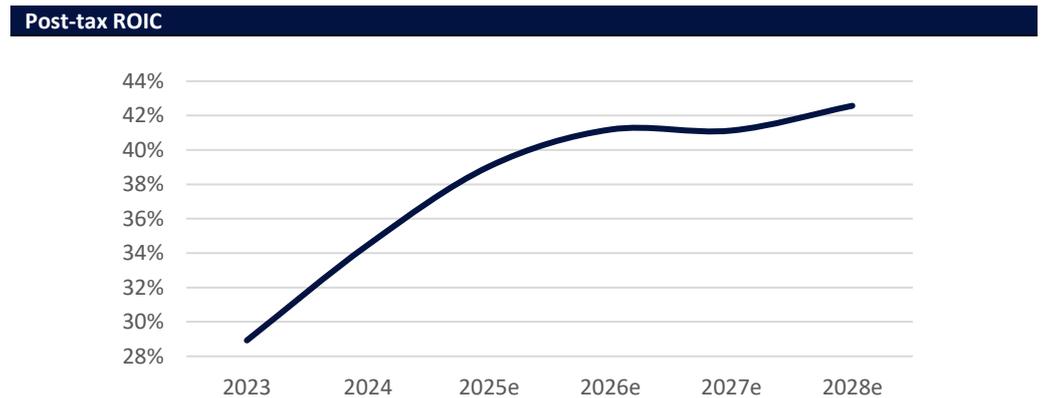
Accordingly, capex has historically remained limited, totaling €3.5mn over the past 5 years, with most outlays relating to purchasing/modifications of office buildings and for procurement of equipment and hardware/software assets.



Source: Eurobank Equities Research, Company data.

Source: Eurobank Equities Research.

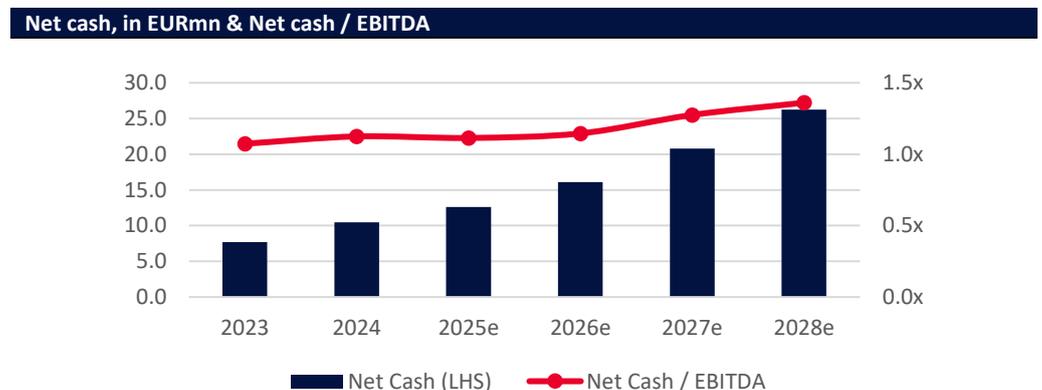
Performance has generated solid incremental returns, ramping up its post-tax ROIC to 30% in 2024 on the back of an impressive 1.4x expansion to group NOPAT over 2021-24 (majority organic). Looking ahead, we expect stronger margins from cloud-delivered mix shift, operating leverage from scale and ARR growth ramp-up to help sustain ROIC >40% through 2028e despite ongoing staff additions.



Source: Eurobank Equities Research.

**Strong balance sheet with net cash, offering plenty of optionality**

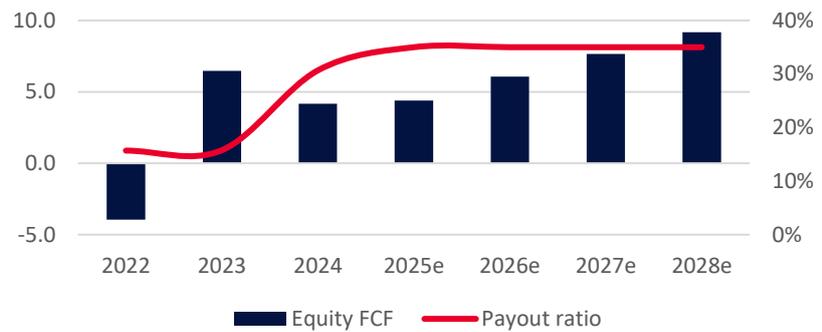
On to balance sheet dynamics, Performance has enjoyed a robust net cash position in recent years (ending 2024 on €10.5mn net cash) as solid cash accrual has more than sufficed to cover reinvestment for growth and occasional M&A outlays. We expect FCF generation to accelerate in the mid-term as SaaS transition of existing contracts kicks into gear and ARR growth materializes in a more pronounced manner.



Source: Eurobank Equities Research.

The company has shown glimpses of its cash generative potential in the past, boasting positive FCF >€4mn in 2021, 2023 and 2024. Management has kept dividends deliberately restrained, distributing just under c20% of cumulative net profits between 2021-24 (or c29% of cumulative FCF). Looking ahead, considering our projections for near 2x expansion of revenue through 2028e, we expect rising FCF and, in turn, more significant shareholder returns, especially as the company has now moved to the ASE Main Market. We assume the payout ratio will hover near the 35% mark going forward, a level which we believe presents a fair balance between the reinvestment needed for scaling company activities and rewarding shareholders.

## Equity FCF, in EURmn (LHS) & Payout ratio (RHS)



Source: Eurobank Equities Research.

In the following table, we summarize the group's main cash flow drivers and outline our FCF outlook for 2025-27e. We forecast EBITDA to reach c€14-16.5mn in 2026-27e, underpinned by rising operating leverage and expansion of managed SaaS/services. We see this translating into annual FCF of c€6-7.5mn over the same period, with margin gains partly offset by working capital movements. FCF stood at €4.2mn in 2024, while from 2025-26e onward we expect FCF generation to improve even further as PERF continues to scale its operations and working capital absorption eases.

| Summary Cash Flow Statement            |             |              |              |              |              |              |
|--|-------------|--------------|--------------|--------------|--------------|--------------|
| in EURmn, unless stated                | 2023        | 2024         | 2025e        | 2026e        | 2027e        | 2028e        |
| <b>Adj. EBITDA</b>                     | <b>7.2</b>  | <b>9.3</b>   | <b>11.3</b>  | <b>14.1</b>  | <b>16.3</b>  | <b>19.3</b>  |
| Change in Working Capital              | 0.7         | -1.8         | -2.7         | -3.0         | -2.6         | -3.1         |
| Tax                                    | -0.7        | -1.1         | -1.8         | -2.1         | -2.8         | -3.4         |
| Net Interest                           | -0.2        | -0.3         | -0.4         | -0.4         | -0.4         | -0.4         |
| Other operating                        | 0.4         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Operating Cash Flow</b>             | <b>7.3</b>  | <b>6.2</b>   | <b>6.4</b>   | <b>8.5</b>   | <b>10.5</b>  | <b>12.3</b>  |
| Capex                                  | -0.5        | -1.2         | -1.6         | -2.0         | -2.3         | -2.6         |
| Other investing                        | 0.0         | -0.5         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Investing Cash Flow</b>             | <b>-0.5</b> | <b>-1.7</b>  | <b>-1.6</b>  | <b>-2.0</b>  | <b>-2.3</b>  | <b>-2.6</b>  |
| Capital repayment of lease obligations | -0.2        | -0.3         | -0.4         | -0.4         | -0.5         | -0.5         |
| <b>Free Cash Flow (Levered)</b>        | <b>6.5</b>  | <b>4.2</b>   | <b>4.4</b>   | <b>6.1</b>   | <b>7.6</b>   | <b>9.2</b>   |
| Dividends paid                         | -0.8        | -0.8         | -1.6         | -2.2         | -2.6         | -3.4         |
| Capital raising/share repurchases      | 0.0         | -0.4         | -0.3         | 0.0          | 0.0          | 0.0          |
| Other                                  | 0.0         | -0.1         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net debt / (cash) – ex leases</b>   | <b>-8.7</b> | <b>-11.5</b> | <b>-14.0</b> | <b>-17.8</b> | <b>-22.9</b> | <b>-28.7</b> |
| Inflow / (Outflow)                     | 5.6         | 2.9          | 2.5          | 3.8          | 5.0          | 5.8          |

Source: Eurobank Equities Research.

## Estimates and main assumptions

In terms of revenue generation, our assumptions reflect Performance's continued shift toward long-term service agreements, the growing weight of managed SaaS/services in the mix and sustained inflow of integration projects from large enterprise accounts. We forecast group revenue to grow at c17% CAGR over 2025-29e (using 2025 as base year, after c25% revenue growth), supported by:

- IT Services expanding at c15% CAGR (to >€120mn) over 2025-29e, with managed SaaS and managed services growing at >17% CAGR, driven by rising demand for observability, ITSM/ESM, analytics and automation, and supported by ISV agendas that increasingly favor cloud-first, subscription-based deployments. Implementation & maintenance should continue to grow at mid-teens CAGR, reflecting continuing upgrade cycles, new system integrations and the relevance of hybrid architectures in Greece.
- Product sourcing growing at c23% CAGR in 2025-29e, supported by continuing structural demand as on-premise/hybrid deployments remain relevant in the Greek tech ecosystem. We expect hardware sales growth to moderate somewhat in the mid-term as the current enterprise IT upgrade cycle in Greece matures and as Performance migrates a larger share of its client base to cloud-native architectures to capture a larger portion of their IT spend.

Looking at profitability, we envisage gross margin improving to 32.9% by 2028e, driven by higher mix of value-added services, better terms on existing contracts and greater penetration of managed SaaS/services. We see adj. EBITDA growth accelerating materially over 2025-29e, with Performance delivering c19% adj. EBITDA CAGR over the period, and margin expanding to c13.7% by 2029e, supported by higher utilization of technical staff, centralized of delivery via the SOC/MOC, and incremental operating leverage despite continued payroll investment.

| Main estimates overview             |              |              |              |              |              |              |              |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| in EURmn, unless otherwise stated   | 2023         | 2024         | 2025e        | 2026e        | 2027e        | 2028e        | 2029e        |
| <b>Revenue</b>                      | <b>57.7</b>  | <b>74.2</b>  | <b>90.2</b>  | <b>108.9</b> | <b>124.9</b> | <b>142.8</b> | <b>161.5</b> |
| IT Services & Software              | 39.5         | 60.3         | 69.0         | 80.5         | 93.4         | 108.0        | 123.0        |
| Product sourcing                    | 18.0         | 13.6         | 20.8         | 28.1         | 31.1         | 34.4         | 38.0         |
| Other                               | 0.2          | 0.3          | 0.3          | 0.4          | 0.4          | 0.4          | 0.5          |
| - COGS                              | -40.0        | -50.9        | -61.1        | -74.2        | -84.7        | -95.8        | -107.9       |
| <b>Gross profit</b>                 | <b>17.7</b>  | <b>23.2</b>  | <b>29.1</b>  | <b>34.8</b>  | <b>40.3</b>  | <b>47.0</b>  | <b>53.5</b>  |
| <i>Gross margin</i>                 | <i>30.6%</i> | <i>31.3%</i> | <i>32.3%</i> | <i>31.9%</i> | <i>32.2%</i> | <i>32.9%</i> | <i>33.1%</i> |
| <b>Adj. EBITDA</b>                  | <b>7.2</b>   | <b>9.3</b>   | <b>11.3</b>  | <b>14.1</b>  | <b>16.3</b>  | <b>19.3</b>  | <b>22.1</b>  |
| <i>Adj. EBITDA margin</i>           | <i>12.4%</i> | <i>12.6%</i> | <i>12.6%</i> | <i>12.9%</i> | <i>13.1%</i> | <i>13.5%</i> | <i>13.7%</i> |
| <b>PBT</b>                          | <b>6.1</b>   | <b>6.9</b>   | <b>8.3</b>   | <b>9.7</b>   | <b>12.7</b>  | <b>15.6</b>  | <b>18.2</b>  |
| - Tax                               | -1.4         | -1.9         | -1.8         | -2.1         | -2.8         | -3.4         | -4.0         |
| - Non-controlling                   | -0.1         | -0.1         | -0.2         | -0.2         | -0.2         | -0.3         | -0.3         |
| <b>Net profit (excl. NCI)</b>       | <b>4.6</b>   | <b>4.9</b>   | <b>6.3</b>   | <b>7.4</b>   | <b>9.6</b>   | <b>11.9</b>  | <b>13.9</b>  |
| Operating Cash Flow                 | 7.3          | 6.2          | 6.4          | 8.5          | 10.5         | 12.3         | 14.6         |
| Capex                               | -0.5         | -1.2         | -1.6         | -2.0         | -2.3         | -2.6         | -3.0         |
| <b>Net debt / (cash) ex. leases</b> | <b>-8.7</b>  | <b>-11.5</b> | <b>-14.0</b> | <b>-17.8</b> | <b>-22.9</b> | <b>-28.7</b> | <b>-35.5</b> |

Source: Eurobank Equities Research.

On the cash flow front, OCF turned positive in 2023 (€7.3mn) and remained solid in 2024 (€6.2mn), driven by tighter receivables management and a drop in working capital requirements to 16% of sales (from 28% in 2023). We expect working capital to normalize toward c17% of sales through 2028e as recurring inflows expand and revenue predictability increases. Timing effects remain relevant, as hardware/software procurement and period-end billing patterns inflate receivables at year-end, with collections typically unwinding in Q1. Intangibles remain low, with the company expensing internally developed tools and capitalizing only acquired software, consistent with common practice among system integrators/VARs. Performance maintains a robust net cash position (€10.5mn at end-2024), with FCF expected to rise to c€6-7.5mn in 2026-27e. Management has historically kept dividends restrained (c20% payout over 2021-24), and we assume a payout ratio near c35% going forward, balancing reinvestment needs with strengthening FCF generation.

## History and shareholder structure

Performance Technologies was founded in 1993 by Dr. D. Papantoniou as a wholesaler and distributor of storage systems, and was formally incorporated in 1997, at which point it expanded into enterprise software, solutions and services and established a strategic alliance with Veritas Software that shaped the company's early positioning in the domestic IT market.

In 2001, following a capital increase through which Mr. C. Sclavounis joined as a shareholder, the company acquired the remaining 48% of its subsidiary Performance Solutions via a share swap with Mr. A. Tsangaris, thereby becoming sole owner while Mr. Tsangaris acquired a material stake at parent level. In the same year, Performance broadened its technological scope by introducing advanced storage, backup and disaster recovery solutions as well as system integration services for large enterprise clients.

Between 2002 and 2005, the company expanded its vendor ecosystem through partnerships with HPE, IBM, Microsoft, VMware and Symantec (now NortonLifeLock), establishing itself by 2005 as the leading Greek partner for VMware, Veritas and Symantec.

In 2008, Performance Technologies was listed on the Athens Stock Exchange's Alternative Market without raising capital, and subsequently strengthened its alliances with HPE, Dell, EMC and Microsoft, reaching top-tier partner status with the former three and Gold Partner status with the latter by 2012-2013. In 2012, Performance discontinued its software distribution activities in order to concentrate on higher-value enterprise software solutions and services.

In 2016, Mr. D. Hintzidis, previously Head of Sales and member of the Board, was appointed co-CEO alongside Dr. Papantoniou, and the company formed a new alliance with Red Hat. In 2017, Dr. Papantoniou stepped down from the CEO role and Mr. Hintzidis became the sole CEO.

Over the subsequent years, Performance continued to expand its solutions portfolio, adding Micro Focus in 2017, Dynatrace and Tableau in 2018, and AWS and Fortinet in 2019. At the end of 2021, the company raised 5mn equity through a private placement with institutional investors, supporting its growth initiatives.

In 2022, it enhanced its regional presence in Cyprus and Bulgaria and invested further to strengthen delivery capacity in big data, analytics and IT service management. In 2023, Performance completed the acquisition of a 60 percent stake in Adaptera, an APM and observability specialist active across Greece and Cyprus, consolidating its monitoring and analytics capabilities and supporting the expansion of managed SaaS and service-based offerings.

In 2024, the company successfully transferred its shares from the ASE Alternative Market to the Main Market. By 2025, Performance Technologies has established itself as one of Greece's leading enterprise IT integrators, offering a comprehensive solutions portfolio spanning cloud, observability, analytics, ITSM/ESM, cybersecurity and automation.

Dr. D. Papantoniou, founder of the company, served as CEO and Chairman until 2017. He now serves as Managing Director, International Business, and as CEO of the group's subsidiaries in Cyprus and Bulgaria. He holds a B.Sc. in Engineering and Applied Science, an M.Sc. in Mechanical Engineering and a Ph.D. in Engineering Science and Aeronautics, all from the California Institute of Technology.

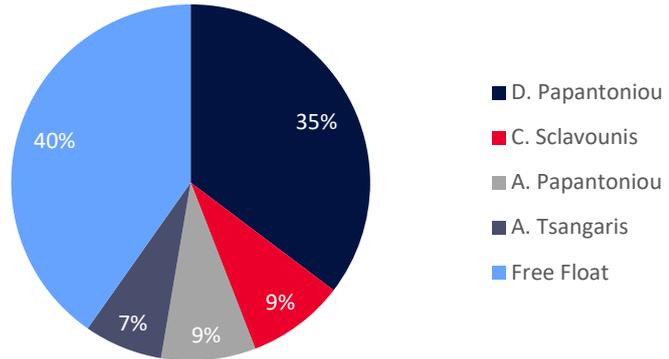
Mr. D. Hintzidis has served as Chairman and CEO since 2017. He holds a B.Sc. in Business from the University of Plymouth and an M.Sc. in Telematics Management from the Danube University of Krems, and joined the company in 2000, serving in roles including Business Development Manager, Head of Sales and member of the Board.

Mr. A. Tsangaris, who joined shortly after the company's inception, has served as CTO and member of the Board since incorporation and as Vice Chairman since 2008. He studied Chemical Engineering at the National Technical University of Athens.

Mr. A. Kiagias has served as CFO since 2008 and as member of the Board since incorporation. He joined Performance in 1996 after graduating from the University of Piraeus with a B.Sc. in Economic Science.

Overall, the aforementioned executives, along with Mr. C. Sclavounis and Mr. A. Papantoniou hold 59.7% of the share capital, with the remaining 40.3% of the share capital being free float.

## Shareholder structure



Source: Eurobank Equities Research, Bloomberg.

## Group Financial Statements

| Reported Figures in EURmn     |       |       |       |       |       |
|-------------------------------|-------|-------|-------|-------|-------|
| Group P&L                     | 2023  | 2024  | 2025e | 2026e | 2027e |
| Sales                         | 57.7  | 74.2  | 90.2  | 108.9 | 124.9 |
| Gross Profit                  | 17.7  | 23.2  | 29.1  | 34.8  | 40.3  |
| Adj. EBITDA                   | 7.2   | 9.3   | 11.3  | 14.1  | 16.3  |
| change                        | 37%   | 30%   | 21%   | 24%   | 16%   |
| Adj. EBITDA margin            | 12.4% | 12.6% | 12.6% | 12.9% | 13.1% |
| EBIT                          | 6.4   | 7.3   | 8.7   | 10.2  | 13.1  |
| Net Financial expense         | -0.3  | -0.3  | -0.4  | -0.4  | -0.4  |
| Exceptionals/other income     | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| PBT                           | 6.1   | 6.9   | 8.3   | 9.7   | 12.7  |
| Income tax                    | -1.4  | -1.9  | -1.8  | -2.1  | -2.8  |
| Non-controlling interest      | -0.1  | -0.1  | -0.2  | -0.2  | -0.2  |
| Net Profit                    | 4.6   | 4.9   | 6.3   | 7.4   | 9.6   |
| EPS (EUR)                     | 0.33  | 0.35  | 0.45  | 0.51  | 0.65  |
| DPS (EUR)                     | 0.05  | 0.11  | 0.16  | 0.18  | 0.23  |
| Group Cash Flow Statement     | 2023  | 2024  | 2025e | 2026e | 2027e |
| EBITDA                        | 7.2   | 9.3   | 11.3  | 14.1  | 16.3  |
| Change in Working Capital     | 0.7   | -1.8  | -2.7  | -3.0  | -2.6  |
| Net Interest                  | -0.2  | -0.3  | -0.4  | -0.4  | -0.4  |
| Tax                           | -0.7  | -1.1  | -1.8  | -2.1  | -2.8  |
| Other                         | 0.4   | 0.0   | 0.0   | 0.0   | 0.0   |
| Operating Cash Flow           | 7.3   | 6.2   | 6.4   | 8.5   | 10.5  |
| Capex                         | -0.5  | -1.2  | -1.6  | -2.0  | -2.3  |
| Other investing               | 0.0   | -0.5  | 0.0   | 0.0   | 0.0   |
| Net Investing Cash Flow       | -0.5  | -1.7  | -1.6  | -2.0  | -2.3  |
| Dividends                     | -0.8  | -0.8  | -1.6  | -2.2  | -2.6  |
| Other                         | -0.3  | -0.8  | -0.7  | -0.4  | -0.5  |
| Net Debt (cash), excl. leases | -8.7  | -11.5 | -14.0 | -17.8 | -22.9 |
| Free Cash Flow (adj.)         | 6.5   | 4.2   | 4.4   | 6.1   | 7.6   |
| Group Balance Sheet           | 2023  | 2024  | 2025e | 2026e | 2027e |
| Tangible Assets               | 1.4   | 1.8   | 2.1   | 2.4   | 2.9   |
| Intangible Assets             | 0.4   | 0.5   | 1.0   | 1.7   | 2.5   |
| Other non-current Assets      | 1.1   | 1.7   | 1.7   | 1.7   | 1.6   |
| Non-current Assets            | 2.9   | 3.9   | 4.8   | 5.8   | 7.0   |
| Inventories                   | 0.6   | 0.8   | 1.0   | 1.2   | 1.4   |
| Trade Receivables             | 27.5  | 28.0  | 34.0  | 41.0  | 47.1  |
| Other receivables             | 4.6   | 9.5   | 9.5   | 9.5   | 9.5   |
| Cash & Equivalents            | 11.1  | 15.0  | 17.4  | 21.3  | 26.3  |
| Current Assets                | 45.5  | 55.1  | 63.7  | 74.8  | 86.0  |
| Total Assets                  | 48.4  | 59.0  | 68.4  | 80.6  | 93.0  |
| Shareholder funds             | 23.7  | 28.5  | 34.1  | 41.4  | 49.7  |
| Non-controlling interest      | 0.2   | 0.3   | 0.4   | 0.6   | 0.8   |
| Total Equity                  | 23.9  | 28.8  | 34.5  | 42.0  | 50.6  |
| Long-term debt                | 1.3   | 1.6   | 1.6   | 1.6   | 1.6   |
| Other long-term liabilities   | 0.9   | 1.0   | 1.2   | 1.4   | 1.7   |
| Long Term Liabilities         | 2.2   | 2.5   | 2.7   | 3.0   | 3.2   |
| Short-term debt               | 1.2   | 1.9   | 1.9   | 1.9   | 1.9   |
| Trade Payables                | 11.7  | 17.1  | 20.5  | 24.7  | 28.3  |
| Other current liabilities     | 9.4   | 8.7   | 8.8   | 8.9   | 9.0   |
| Current Liabilities           | 22.3  | 27.7  | 31.2  | 35.5  | 39.2  |
| Total Equity & Liabilities    | 48.4  | 59.0  | 68.4  | 80.6  | 93.0  |
| Key Financial Ratios          | 2023  | 2024  | 2025e | 2026e | 2027e |
| P/E                           | 12.5x | 17.3x | 17.7x | 15.5x | 12.1x |
| P/BV                          | 2.4x  | 3.0x  | 3.3x  | 2.8x  | 2.3x  |
| EV/EBITDA                     | 7.1x  | 9.1x  | 8.9x  | 7.1x  | 5.9x  |
| EBIT/Interest expense         | 21.5x | 21.5x | 22.7x | 25.1x | 31.0x |
| Net Debt (cash)/EBITDA        | -1.2x | -1.4x | -1.2x | -1.3x | -1.4x |
| Dividend Yield                | 1.3%  | 1.8%  | 2.0%  | 2.3%  | 2.9%  |
| ROE                           | 19%   | 17%   | 19%   | 18%   | 19%   |
| Free Cash Flow yield          | 11%   | 5%    | 4%    | 5%    | 7%    |
| Payout Ratio                  | 16%   | 31%   | 35%   | 35%   | 35%   |

Source: Eurobank Equities.

## Company description

Performance Technologies is a leading Greek systems integrator and IT services provider incorporated in 1997, delivering digital transformation solutions across cloud, observability, ITSM/ESM, analytics, automation, cybersecurity and AI. The company provides end-to-end deployment services, including implementation, consulting, support and managed SaaS/services, supported by long-standing partnerships with leading ISV/OEM providers.

## Risks and sensitivities

•**Macro and demand risks:** PERF's revenue trajectory is closely linked to Greek enterprise IT spending and the country's digitization pipeline. Softer private sector demand or a broader macro downturn would, in our view, pose downside risk to our top line assumptions.

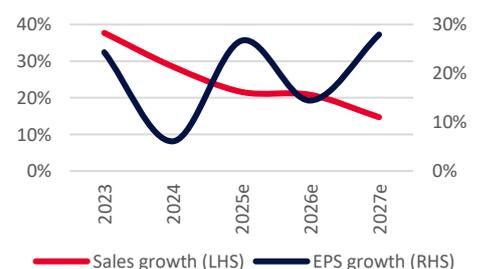
•**Personnel-related risk:** Human capital is the defining input for any technology integrator. Should wage inflation accelerate or competition for specialized talent intensify, margins could face pressure as the company scales its workforce and adjusts compensation to retain key skills.

•**Industry and execution risk:** Heightened competition across the domestic IT landscape may weigh on the pace of new contract wins or lead to higher churn in recurring support and services.

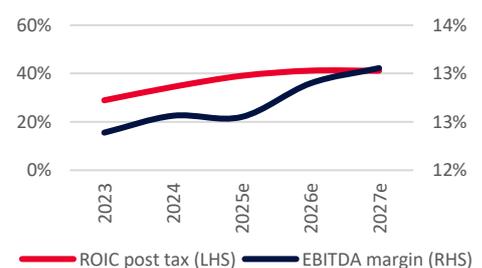
•**M&A risk:** Potential future transactions carry integration risk and the potential for non-accretive deployment of capital, particularly in a market with rising valuation dispersion.

•**Sensitivity:** We estimate that flexing our revenue assumption by 1% would result in a c2-3% change in group EBITDA.

## Sales and EPS growth



## Profitability and returns



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

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## 12-month Rating History of Performance Technologies

| Date       | Rating    | Stock price | Target price |
|------------|-----------|-------------|--------------|
| 16/12/2025 | Not Rated | € 7.92      | -            |

## 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 2025 |       |
|---------------|-------------------|-------------|----------------------------|-------|---|-------|
|               | Count             | Total       | Count                      | Total | Count   | Total |
| Buy           | 25                | 61%         | 0                          | 0%    | 14  | 52%   |
| Hold          | 9                 | 22%         | 1                          | 11%   | 4   | 80%   |
| Sell          | 0                 | 0%          | 0                          | 0%    | 0   | 0%    |
| Restricted    | 1                 | 2%          | 0                          | 0%    | 1   | 100%  |
| Under Review  | 1                 | 2%          | 0                          | 0%    | 1   | 50%   |
| Not Rated     | 5                 | 12%         | 0                          | 0%    | 3   | 75%   |
| <b>Total</b>  | <b>41</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  |