



# Bridging the gap: The countdown to FY24

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# Our coverage vs EGM\*



## Strong revenue and consistent growth

Covered stocks showed remarkable turnover, exceeding last year's EGM average (€110.9mln vs €52.8mln). Riba Mundo Tecnologia stood out as a high-turnover leader. While their absolute turnover was higher, their two-year average growth remains strong at ~29.9%, unaffected by base effects and outpacing the market average of ~25.8%.

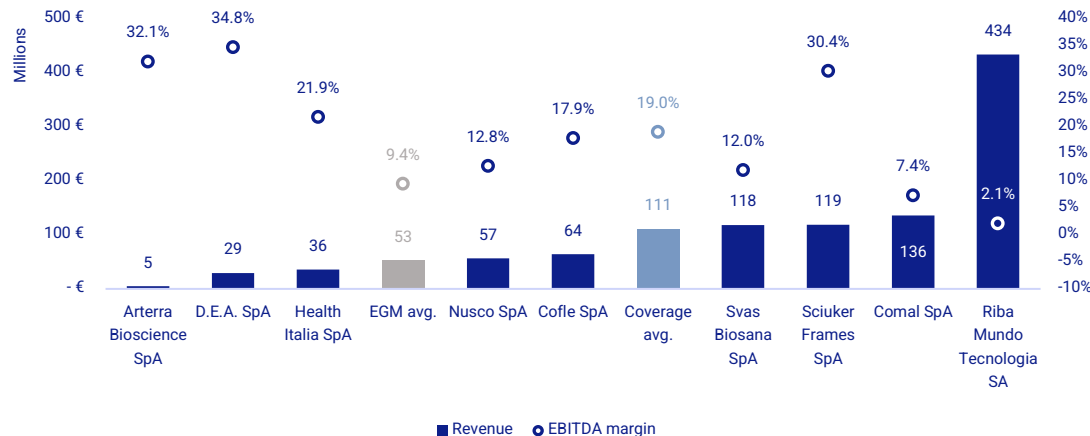
## High margins and financial health

Margins for our Coverage outperformed the market average in both 2022 (18.8% vs 11.4%) and 2023 (19.0% vs 9.4%), even amidst widespread margin contractions. Additionally, the financial riskiness of these companies, measured by Net Debt/EBITDA, is well-aligned with the market average (1.0x vs 1.7x), ensuring solid financial health.

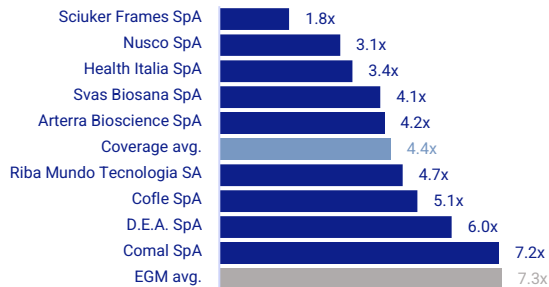
## Compelling valuations

The average EV/EBITDA for 2024 of our Coverage stands at 4.4x, significantly lower than the market average of 7.3x, while the average price-to-book (P/B) ratio is just 1.1x, well below the market's 2.2x. Notably, six stocks in our coverage trade at P/B ratios below 1.0x, underscoring substantial undervaluation.

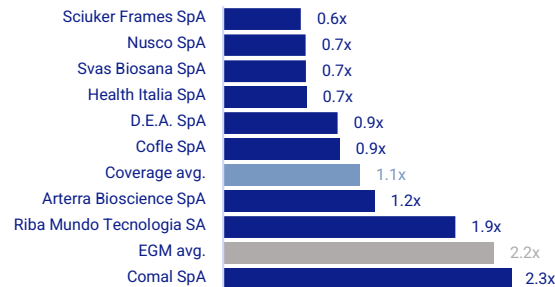
FY23 revenue & EBITDA margin



EV/EBITDA FY24E



Current P/BV



\*excluding Financials and Real Estate

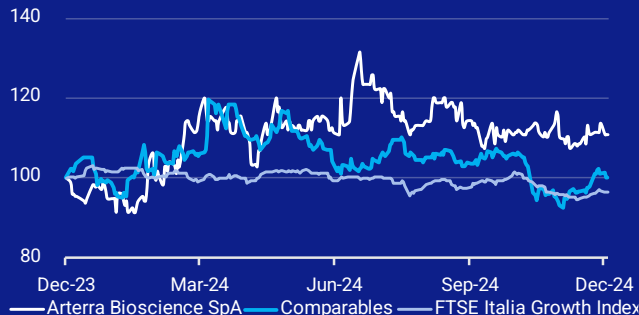
# ARTERRA BIOSCIENCE



- **Business Description:** Arterra Bioscience is an Italian, innovative SME, research-based biotech company with a strong know-how in biological science and an extensive experience in screening for the discovery of new active compounds with potential multiple industrial applications, such in Cosmetics, Nutraceutical, Medical Devices and Agri-food.
- **Investment case:** Arterra keeps working on its corporate strategy to diversify into new-end markets and grow in Cosmetics even beyond Interco and through Vitalab. Indeed, the Company set up a team of experienced managers in research and extraction processes, production optimization and business development.
- **1H24 results:** Turnover rose by over 40% yoy to €2.25mln driven by 49% growth in Cosmetics sales. Selling volumes started to recover in 3Q23, with a pause (-6% yoy) in 4Q23, and showed robust growth in 1Q and 2Q24 (+30% and +72% yoy). In 1H24, Cosmetics selling volumes and turnover reached their half-year historical record at respectively 7,500 kgs and €1.9mln. Yet, Total revenue rose by 9% yoy only for lower contribution of Research grants (€310k vs €660k in 1H23), due to smaller MISE financing on key research projects and to the end of IPO grants. Nevertheless, EBITDA rose by more than 30% yoy to €486k, improving marginality by 4% to 21% thanks to: i) higher concentration of compounds in Cosmetics and higher incidence of make-up vs skincare or a better revenue mix; ii) lower incidence of cost of services (39% vs 42% in 1H23) and iii) of labour (37% vs 38% in 1H23). In 1H24, for the first time ever, EBITDA was mostly driven by Cosmetics sales and to a less extent by grants which reached their minimum contribution ever to turnover (3% vs a 6y-avg above 20%).
- **Bridging the gap:** turnover rose by 7% yoy to €2.77mln in 9M24, including a 7% yoy growth in Cosmetics at €2.29mln. 9M24 sales imply a significant decline in the 3Q with Cosmetics turnover at €374k down from €849k a year earlier. In terms of strategy and Research activities update, 16 new products and 7 patents have been launched in Cosmetics since 2023, and a new patent for active ingredients to stimulate hair growth has been filed in Haircare. Furthermore, Research led to new contracts in Agrifood, Nutraceutical and Medical Devices. With Monte Carlo Fruit, the upcycle of the mango waste led to new products in Baby Food; with ADL and ABR, new valid natural products for skin Acne, Atopic rash and Irritable Bowel Syndrome have been developed. A new potentially disruptive biotech proprietary technology based on Lactobacillus might bring innovative compounds in numerous industrial applications. Arterra's research on Extracellular Vesicles, such as Exosomes, has led to several complex biological functions and claimed properties to be used in Cosmetics, Medical Aesthetics and Medical treatments. In July, the plant Exosomes technology led to a JV with Exosomics SpA,

Rating	Target Price	Last price	Market Cap
Buy	€3.2	€1.9	€12.9mln

(€/th)	FY22	FY23	FY24E	FY25E	FY26E
<b>Total revenue</b>	<b>5,303</b>	<b>4,951</b>	<b>4,979</b>	<b>5,802</b>	<b>6,780</b>
<i>yoy (%)</i>	15%	-7%	1%	17%	17%
<b>EBITDA</b>	<b>2,133</b>	<b>1,591</b>	<b>1,605</b>	<b>1,968</b>	<b>2,442</b>
<i>margin (%)</i>	40%	32%	32%	34%	36%
<b>EBIT</b>	<b>1,601</b>	<b>1,059</b>	<b>1,235</b>	<b>1,488</b>	<b>1,882</b>
<i>margin (%)</i>	30%	21%	25%	26%	28%
<b>Net Income</b>	<b>1,414</b>	<b>1,076</b>	<b>1,233</b>	<b>1,415</b>	<b>1,738</b>
<i>margin (%)</i>	27%	22%	25%	24%	26%
Net Debt	(3,796)	(5,672)	(6,099)	(6,737)	(7,603)
Sh. Equity	10,467	10,752	11,478	12,312	13,384
CapEx	184	83	704	400	400
<b>FCFs</b>	<b>779</b>	<b>1,328</b>	<b>587</b>	<b>994</b>	<b>1,299</b>



Comparables	EV / EBITDA	
	FY24E	FY25E
17/12/2024		
BRAIN Biotech AG	34.5x	17.9x
Croda International Plc	14.0x	12.6x
Symrise AG	16.1x	14.8x
Novonesis A/S Class B	17.2x	15.4x
Lonza Group	23.0x	19.3x
Ashland	10.0x	9.8x
OCI NV	6.9x	4.4x
Wacker Chemie AG	5.6x	4.4x
<b>Median</b>	<b>14.0x</b>	<b>12.6x</b>
<b>Arterra Bioscience SpA</b>	<b>4.2x</b>	<b>3.4x</b>
<i>premium (discount) on median</i>	<i>-70%</i>	<i>-73%</i>

- **Market performance:** Over the past 12M, Arterra has outperformed both the FTSE Italia Growth Index and its selected peers.
- **Multiple valuation:** Arterra is trading at a discount of over 70% compared to the median FY24-25E EV/EBITDA of its peers.

# COFLE



Rating	Target Price	Last price	Market Cap
Buy	€8.0	€4.0	€24.4mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Value of Production</b>	<b>58.0</b>	<b>64.1</b>	<b>59.8</b>	<b>63.3</b>	<b>68.4</b>
<i>yoy (%)</i>	5%	11%	-7%	6%	8%
<b>Adj. EBITDA</b>	<b>13.0</b>	<b>11.5</b>	<b>7.6</b>	<b>9.6</b>	<b>10.9</b>
<i>margin (%)</i>	22%	18%	13%	15%	16%
<b>EBIT</b>	<b>8.4</b>	<b>6.7</b>	<b>1.9</b>	<b>3.7</b>	<b>5.3</b>
<i>margin (%)</i>	15%	10%	3%	6%	8%
<b>Net Income</b>	<b>2.3</b>	<b>0.4</b>	<b>(3.2)</b>	<b>0.0</b>	<b>2.7</b>
<i>margin (%)</i>	4%	1%	-5%	0%	4%
Adj. Net Debt	(0.2)	5.1	12.2	12.0	11.5
Sh. Equity	29.6	29.2	24.5	24.8	26.5
CapEx	3.0	8.5	4.0	4.5	3.0)
<b>FCFs</b>	<b>3.8</b>	<b>0.0</b>	<b>(1.1)</b>	<b>2.8</b>	<b>3.7</b>

- Business Description:** Cofle is a multinational company operating as Original Equipment Manufacturer (OEM) mainly for top worldwide producers of Agricultural & Earthmoving machineries, but also for Luxury Automotive and Light Commercial vehicles manufacturers. Cofle is also active in the Aftermarket, specialized in the production of automotive parts on a global scale.
- Investment case:** Cofle is strategically expanding its product offerings to meet evolving demand, focusing on electronic systems and optimizing its portfolio. Ongoing internal restructuring will enhance scalability.
- 1H24 results:** Value of Production was up by 4.7% yoy to €31.1mln. OE declined by 5.4% to €19.3mln due to the downturn in agricultural machinery market, while IAM was up 26.9% to €11.8mln thanks to new customers acquired through the French division and interest in the new range of EPB. Adj. EBITDA was €4.4mln (-18.5% yoy, -32.3% vs 2H23) with EBITDA margin losing 5.7pp vs 2H23 to 13.8%, due to the slowdown in the cycle and, once again, higher operating costs in Turkey. Net loss was €2.1mln (vs Net profit €0.8mln yoy), still affected hyperinflation in Turkey. Reported Net debt increased to €10.3mln (€5mln at YE23) driven by i) NWC absorption due to changes in suppliers and payment terms, ii) dividends, iii) investments for the logistic plant and production of electronic boards.
- Bridging the gap:** 1) production of INEOS Grenadier which was halted in September 2024 due to a component shortage, is set to resume in early January 2025 according to a November press release by INEOS. 2) The general business climate index for the agricultural machinery industry in Europe in November saw the strongest increase since entering the recession even though it remains in deep negative territory. This improvement was driven by less negative turnover expectations for the coming six months. 3) Deere released its FY25 guidance and sector outlook which does not suggest a sector turning point during next year. Deere sector expectations in units are US and Canada Large Ag down 30%, US and Canada Small Ag down 10%, Europe Ag down 5-10%, Asia down slightly and South America Ag flat.



Comparables	EV / EBITDA	
	FY24E	FY25E
<i>17/12/2024</i>		
Brembo N.V.	5.4x	5.1x
Comer Industries SpA	6.2x	6.0x
SKF AB Class B	7.2x	6.4x
CIE Automotive, S.A.	6.4x	6.0x
Kongsberg Automotive ASA	5.1x	3.9x
Suprajit Engineering Limited	19.1x	14.0x
Mayville Engineering Company, Inc.	8.2x	7.8x
Safran SA	16.9x	14.6x
<b>Median</b>	<b>6.8x</b>	<b>6.2x</b>
<b>Cofle S.p.A.</b>	<b>5.1x</b>	<b>4.1x</b>
<i>premium (discount) on median</i>	<i>-24%</i>	<i>-35%</i>

- Market performance:** Over the past 12M, Cofle has underperformed both the FTSE Italia Growth Index and its selected peers.
- Multiple valuation:** Cofle is trading at a discount of about 30% compared to the median FY24-25E EV/EBITDA of its peers.

# COMAL



Rating	Target Price	Last price	Market Cap
Suspended	-	€4.8	€62.7mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Value of Production</b>	<b>77.8</b>	<b>136.2</b>	<b>181.0</b>	<b>203.2</b>	<b>245.4</b>
<i>yoy (%)</i>	<i>84.6%</i>	<i>75.1%</i>	<i>32.9%</i>	<i>12.2%</i>	<i>20.8%</i>
<b>EBITDA</b>	<b>6.9</b>	<b>10.0</b>	<b>14.7</b>	<b>18.1</b>	<b>22.3</b>
<i>margin (%)</i>	<i>8.9%</i>	<i>7.4%</i>	<i>8.1%</i>	<i>8.9%</i>	<i>9.1%</i>
<b>EBIT</b>	<b>5.8</b>	<b>8.3</b>	<b>12.6</b>	<b>15.1</b>	<b>18.7</b>
<i>margin (%)</i>	<i>7.4%</i>	<i>6.1%</i>	<i>7.0%</i>	<i>7.4%</i>	<i>7.6%</i>
<b>Net Income</b>	<b>3.4</b>	<b>4.1</b>	<b>5.9</b>	<b>7.4</b>	<b>10.0</b>
<i>margin (%)</i>	<i>4.3%</i>	<i>3.0%</i>	<i>3.3%</i>	<i>3.6%</i>	<i>4.1%</i>
Net Debt	19.2	30.2	44.0	46.5	45.6
Sh. equity	15.7	19.8	30.5	37.9	47.9
CapEx	2.1	4.3	5.6	7.9	1.7
<b>FCFs</b>	<b>(14.9)</b>	<b>(7.7)</b>	<b>(15.0)</b>	<b>(3.0)</b>	<b>3.2</b>

- Business Description:** Comal is a leading player in Italy's solar energy systems sector. Specializing in delivering high-power photovoltaic (PV) plants, the Company employs the EPC-M (Engineering, Procurement, Construction Management) and O&M (Operation & Maintenance) formulas, covering the entire project lifecycle - from design and construction to installation, testing, commissioning and ongoing maintenance. Comal expanded its offerings by introducing a new business line focused on supplying solar trackers, leveraging its proprietary technology previously integrated into the EPC-M offering.
- Investment case:** Comal is currently the target of a €4.80/share takeover bid from Duferco Solar Projects, aimed at delisting the company. Comal, with its strong expertise and proven track record in EPC-M project delivery, is a leading player in Italy's thriving market. Additionally, building on the success of its "SUN HUNTER" tracker, the company plans to expand its product portfolio by starting in-house production of PV modules in 2025.
- 1H24 results:** Value of Production soared by 163% yoy, reaching €123.7mln. Growth was primarily driven by changes in work in progress, with major deliveries expected by year-end to significantly boost revenue, which recorded a 10.3% yoy increase to €29.0mln in 1H24. In the revenue breakdown, EPC accounted for €23.4mln (+105% yoy), Supply disappointed with only €3.7mln (-71% yoy) and O&M for €1.8mln (+6% yoy). The lag in Supply sales is expected to be made up in the second half of the year with the delivery of some important orders. EBITDA climbed to €9.3mln, reflecting a robust 122% increase yoy, although the EBITDA margin narrowed to 7.5% (down 140bps yoy), primarily due to elevated raw material costs. As of June 2024, net debt increased further to €41.1mln, compared to €30.2mln at the end of 2023 (or 3.0x EBITDA). The order backlog at the end of June stood at €348mln (-5% yoy) confirming sustained demand.
- Bridging the gap:** in 2H24, Comal maintained steady operations, securing new orders across both tracker production and EPC services, including a major €32.2mln contract with a leading international energy operator. Furthermore, in November, the company issued a €5mln minibond, subscribed by Banco Desio and Banca Valsabbina, to support its ongoing growth, particularly the development and marketing of its "SUN HUNTER" trackers. A key development occurred on December 11<sup>th</sup>, 2024, when Duferco Solar Projects launched a €4.80 per share tender offer to acquire nearly all of Comal S.p.A.'s shares, with the goal of delisting the company from Euronext Growth Milan.



Comparables	EV / EBITDA	
	FY24E	FY25E
17/12/2024		
PLC S.p.A.	9.8x	6.0x
ESI S.p.A.	6.4x	4.4x
Grenergy Renewables S.A	13.2x	6.5x
Quanta Services, Inc.	23.2x	20.6x
Soltec Power Holdings SA	4.8x	4.1x
Nextracker Inc. Class A	13.8x	13.0x
Array Technologies Inc	7.4x	5.4x
<b>Median</b>	<b>9.8x</b>	<b>6.0x</b>
<b>Comal S.p.A.</b>	<b>7.2x</b>	<b>5.9x</b>
<i>premium (discount) on median</i>	<i>-26%</i>	<i>-2%</i>

- Market performance:** Over the past 12M, Comal has outperformed both the FTSE Italia Growth Index and its selected peers.
- Multiple valuation:** Comal is trading at a discount of over 10% compared to the median FY24-25E EV/EBITDA of its peers.

# DEA



Rating	Target Price	Last price	Market Cap
Buy	€13.7	€8.2	€64.3mln

(€/mln)	FY22	FY23PF	FY24E	FY25E	FY26E
<b>Value of Production</b>	<b>13.8</b>	<b>29.3</b>	<b>33.6</b>	<b>38.3</b>	<b>39.1</b>
<i>yoy (%)</i>	<i>2.4%</i>	<i>111.7%</i>	<i>14.7%</i>	<i>14.2%</i>	<i>2.1%</i>
<b>EBITDA</b>	<b>4.3</b>	<b>10.2</b>	<b>12.2</b>	<b>13.5</b>	<b>13.9</b>
<i>margin (%)</i>	<i>31.3%</i>	<i>34.8%</i>	<i>36.3%</i>	<i>35.2%</i>	<i>35.6%</i>
<b>EBIT</b>	<b>1.6</b>	<b>5</b>	<b>6.8</b>	<b>7.9</b>	<b>8.4</b>
<i>margin (%)</i>	<i>11.7%</i>	<i>17.2%</i>	<i>20.2%</i>	<i>20.6%</i>	<i>21.5%</i>
<b>Net Income</b>	<b>1</b>	<b>3.4</b>	<b>4.3</b>	<b>5.1</b>	<b>5.7</b>
<i>margin (%)</i>	<i>7.5%</i>	<i>11.6%</i>	<i>12.9%</i>	<i>13.4%</i>	<i>14.6%</i>
Net debt (cash)	8.3	10.4	8.2	5.8	2.3
Sh. Equity	34	67.2	79.7	84.1	89.2
Adj. CapEx	2	4	12.4	8.9	6.7
<b>FCFs</b>			<b>(3)</b>	<b>3.6</b>	<b>4.5</b>



- Business Description:** DEA is an operator in electricity distribution and public lighting management in central and northern Italy. It was founded in 2015 from the electricity distribution and metering business unit of Astea, operating under concessions valid from 2001 to 2030. In 2016, DEA transitioned into an S.p.A. after integrating ASP Polverigi, further consolidating its electricity distribution operations. By 2023, DEA had achieved significant growth, including winning a tender to acquire electricity distribution and metering networks in Magliano di Tenna. It also expanded its group through a capital increase with contributions in kind, gaining new shareholders: Odoardo Zecca and Energie Offida.
- Investment case:** DEA operates ~90k PoD across four Italian regions as a natural monopolist under stable, regulated tariffs, ensuring predictable and inflation-protected revenues. The sector is likely to see consolidation as future concessions will only be opened to distributors that by the end of 2025 operate at least 100k PoD, DEA targets small-scale distributors unlikely to renew concessions. It also manages public lighting in 15 municipalities, adding diversification. After raising €8mln in its 2023 IPO, DEA acquired an 80% stake in ASPM, adding 5k PoD and lighting contracts in eight municipalities. With rights to acquire 24k more PoD and potential targets up to 31k PoD, DEA is positioned for further growth as a key consolidator in Italy's fragmented electricity distribution market.
- 1H24 results:** DEA reported a 162% yoy increase in VoP to €18.4mln, primarily due to an expanded consolidation scope, PoD rising from 33k to 85k following the acquisition of 4 companies in 2023. Factors contributing to revenue growth included tariff equalization effects under the new method, a one-off revenue boost of €472k (up 122% yoy) from network connection contributions related to PV systems and a higher WACC. Revenue was distributed across key segments, with €14.4mln from distribution, €1.6mln from public lighting and €0.5mln from other activities. EBITDA increased by 244% yoy to €8mln, with margin improving by 10pp to 43.3%. Net profit rose 567% yoy to €3.7mln. These results were recorded prior to the IPO and therefore did not include costs associated with the larger PoD or amortization related to the listing. Net debt grew slightly to €10.5mln, up from €10.4mln at the end of 2023 (pro forma).
- Bridging the gap:** on November 29 the regulator Arera updated RAB remuneration for the sub-period 2025-27, reducing WACC for Electricity Distribution to 5.6% from 6% in FY24. In our update on 9 December, we updated the model from FY25E onwards while confirming our FY24E. The average impact on EPS is -5% while the impact on FCF FY25-30E is -5.6%. On December 5, DEA announced the closing of ASPM acquisition.

Comparables	EV / EBITDA	
	FY24E	FY25E
<i>17/12/2024</i>		
Terna S.p.A.	10.7x	10.4x
Italgas SpA	8.5x	7.1x
Snam S.p.A.	10.8x	10.3x
Redes Energeticas Nacionais SA	8.4x	8.2x
Elia Group SA/NV	10.2x	8.1x
Redeia Corporacion SA	10.6x	10.1x
<b>Median</b>	<b>10.4x</b>	<b>9.2x</b>
Distribuzione Elettrica Adriatica S.p.A.	6.0x	5.4x
<i>premium (discount) on median</i>	<i>-43%</i>	<i>-41%</i>

- Market performance:** Since IPO, DEA has overperformed the FTSE Italia Growth Index. Performance was in line with its selected peers.
- Multiple valuation:** DEA is trading at a discount of over 40% compared to the median FY24-25E EV/EBITDA of its peers.

# HEALTH ITALIA



Rating	Target Price	Last price	Market Cap
Buy	€430	€131	€24.9mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Total Revenue</b>	<b>39.9</b>	<b>36.0</b>	<b>39.2</b>	<b>43.1</b>	<b>47.5</b>
<i>yoy (%)</i>	-1%	-10%	9%	10%	10%
<b>EBITDA</b>	<b>8.0</b>	<b>7.9</b>	<b>8.5</b>	<b>9.9</b>	<b>11.5</b>
<i>margin (%)</i>	20%	22%	22%	23%	24%
<b>EBIT</b>	<b>5.9</b>	<b>4.6</b>	<b>6.1</b>	<b>7.4</b>	<b>9.2</b>
<i>margin (%)</i>	15%	13%	16%	17%	19%
<b>Net Income</b>	<b>3.7</b>	<b>1.7</b>	<b>3.2</b>	<b>3.9</b>	<b>5.2</b>
<i>margin (%)</i>	9%	5%	8%	9%	11%
Net Debt	11.3	6.5	4.4	(12.2)	(15.9)
Sh. Equity	32.4	36.0	39.2	43.1	48.3
CapEx	4.0	1.5	0.4	0.4	0.4
<b>FCFs</b>	<b>(5.3)</b>	<b>4.0</b>	<b>4.9</b>	<b>5.5</b>	<b>7.3</b>

- Business Description:** Health Italia SpA is a leading Italian operator in Healthcare and Welfare offering integrated solutions to corporates, their employees, and families. Health Italia provides solutions for better access to Healthcare and Welfare, also through its own (Health Point) facilities and best-in-class Telemedicine services.
- Investment case:** Over the past 10 years, there has been an increasing demand for private integrated Health Insurance and Welfare plans as both an alternative to public offerings. Welfare has been recently expanding as a corporate benefit and a means of employee retention as it can be integrated with different Healthcare services.
- 1H24 results:** Revenue increased by 8.4% yoy to €19.3mln, driven by Group streamlining and efforts concentration on core activities. EBITDA rose by 26% yoy to €4.1mln with margin improving 3pp to 21%, as the result of process optimization and savings. Bottom line has been affected by provisions and one-off extraordinary expense due to legal controversies. Consequently, Net income was flat yoy at €1.5mln. At the end of June, net debt decreased to €3.9mln from a reported €6.4mln at the end of December 2023 (or 0.8x EBITDA).
- Bridging the gap:** Health Italia has been working on the Real Estate spin-off and consequent focus on its Core businesses, which now comprise Healthcare, Welfare services and Medical Services only. Be Health (Nutraceutical) and Health Property (Real Estate) exited the Group perimeter, whereas the previously fully controlled Health Point (Medical Services) has been merged into Health Italia. Be Health has been accounted as equity participation (21.8%), whereas Rebirth (43.52% owned) has been written as Assets for Sales. At the end of October, the BoD proposed the distribution of an extraordinary dividend in kind, consisting of shares of Rebirth, to reward its shareholders, for a total distribution of 25.75% of Rebirth's capital. The estimated value of the dividend in kind is €9,906,516, based on a valuation of €1.8 per Rebirth share, as determined by an independent expert. The distribution will occur within the limits of distributable profits and available reserves, confirming the financial solidity of the proposal and it is subject to the admission of Rebirth shares on Euronext Growth Paris, with an initial market valuation not lower than that expressed by the independent expert. To ensure stability, the Rebirth shares allocated to Health Italia shareholders will initially be subject to a temporary unavailability constraint.

Comparables	EV / EBITDA	
	FY24E	FY25E
<i>17/12/2024</i>		
Marsh & McLennan Companies, Inc.	16.5x	14.6x
Aon Plc Class A	18.1x	16.2x
Willis Towers Watson PLC	13.0x	12.7x
Arthur J. Gallagher & Co.	21.7x	15.6x
Elevance Health, Inc.	9.8x	9.0x
Humana Inc.	9.2x	8.7x
Edenred SA	6.9x	6.4x
<b>Median</b>	<b>13.0x</b>	<b>12.7x</b>
<b>Health Italia SpA</b>	<b>3.4x</b>	<b>3.0x</b>
<i>premium (discount) on median</i>	-74%	-77%

- Market performance:** Over the past 12M, Health Italia has outperformed both the FTSE Italia Growth Index and its selected peers.
- Multiple valuation:** Health Italia is trading at a discount of over 70% compared to the median FY24-25E EV/EBITDA of its peers.

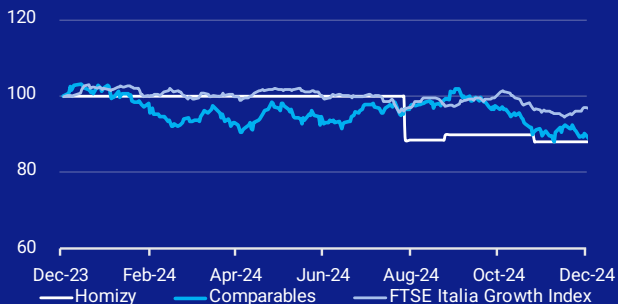


# HOMIZY



Rating	Target Price	Last price	Market Cap
Buy	Under review	€3.9	€39.6mln

(€/th)	FY22	FY23	FY24	FY25E	FY26E
<b>Total Revenue (VoP)</b>	<b>3,203</b>	<b>14,756</b>	<b>7,217</b>	<b>19,504</b>	<b>5,644</b>
<i>yoy (%)</i>	<i>20%</i>	<i>361%</i>	<i>-51%</i>	<i>170%</i>	<i>-71%</i>
<b>EBITDA</b>	<b>(370)</b>	<b>264</b>	<b>944</b>	<b>1,687</b>	<b>4,069</b>
<i>margin (%)</i>	<i>-12%</i>	<i>2%</i>	<i>13%</i>	<i>9%</i>	<i>72%</i>
<b>EBIT</b>	<b>(685)</b>	<b>(51)</b>	<b>653</b>	<b>1,026</b>	<b>2,701</b>
<i>margin (%)</i>	<i>-21%</i>	<i>0%</i>	<i>9%</i>	<i>5%</i>	<i>48%</i>
<b>Net Income</b>	<b>(585)</b>	<b>(757)</b>	<b>(636)</b>	<b>(946)</b>	<b>527</b>
<i>margin (%)</i>	<i>-18%</i>	<i>-5%</i>	<i>-9%</i>	<i>-5%</i>	<i>9%</i>
Net Debt	<b>(7,329)</b>	<b>7,010</b>	<b>13,633</b>	<b>34,892</b>	<b>31,595</b>
Sh. Equity	13,639	12,882	12,246	10,938	11,465
CapEx	<b>(7,194)</b>	<b>(14,682)</b>	<b>(7,227)</b>	<b>(19,018)</b>	<b>0</b>
<b>FCFs</b>			<b>(5,414)</b>	<b>(17,775)</b>	<b>5,470</b>



- Business Description:** Homizy is a build-to-rent company specialized in co-living with two owned buildings in Milan undergoing construction works. Once renovations are completed (YE 2024) Homizy will rent 578 rooms, targeting young professionals and students looking for single rooms in shared apartments or studios. The offering consists of fully furnished new flats among an aging real estate stock, optimized floor plans developed for coliving, digital onboarding and competitive all-in pricing.
- Investment case:** Milan dominates Italy's co-living market, with single room prices averaging €626/month in summer 2023, expected to reach around €800 when considering all costs. This is fueled by factors like low unemployment, projected population growth by 2031, and the city's appeal as a hub for leading universities and arts institutions.
- FY24 results:** On December 10, Homizy released its FY24 results, which ended on 30 September 2024. The Company reported EBT of €-434k (vs our FY24E €-1mln) and Net income of €-636k (vs our FY24E €-1mln). The loss was driven by the lack of revenues as the projects are not operational yet. Net debt came in at €13.6mln (vs our FY24E €15.1mln).
- Bridging the gap:** In its December update, Homizy said is continuing with the development of the real estate management platform/app. The subsidiary Deametra has completed the demolition and strip out phase, has contracted out the Tuciddo complex, which are expected to be completed by the summer of 2025. The sample apartment has been completed. The subsidiary Smartcity (Bistolfi complex) has completed the remediation work and started the demolition works in March and, at the same time, the renovation works have been contracted out, which are currently underway and are expected to be completed within the current fiscal year. In March and April, the design works for the furnishings of the apartments and common areas were also assigned.

Comparables	EV / EBIT
17/12/2024	FY26E
UNITE Group plc	16.3x
Xior Student Housing N.V.	20.9x
Irish Residential Properties REIT PLC	13.2x
Empiric Student Property Plc	15.7x
<b>Median</b>	<b>16.0x</b>
<b>Homizy S.p.A.</b>	<b>20.8x</b>
<i>premium (discount) on median</i>	<i>30%</i>

- Market performance:** In the past year, Homizy underperformed the EGM index and its selected peers.
- Multiple valuation:** Homizy is trading at a premium of 30% compared to the median FY26E EV/EBIT of its peers.



# NUSCO



Rating	Target Price	Last price	Market Cap
Buy	€2.2	€0.9	€18.6mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Value of Production</b>	<b>40.6</b>	<b>56.6</b>	<b>60.7</b>	<b>65.0</b>	<b>69.9</b>
<i>yoy (%)</i>	<i>62.2%</i>	<i>39.5%</i>	<i>7.3%</i>	<i>7.2%</i>	<i>7.4%</i>
<b>Adj. EBITDA</b>	<b>4.0</b>	<b>7.2</b>	<b>9.0</b>	<b>10.3</b>	<b>11.5</b>
<i>margin (%)</i>	<i>10.0%</i>	<i>12.8%</i>	<i>14.9%</i>	<i>15.8%</i>	<i>16.5%</i>
<b>EBIT</b>	<b>2.0</b>	<b>4.3</b>	<b>6.4</b>	<b>7.6</b>	<b>8.6</b>
<i>margin (%)</i>	<i>5.1%</i>	<i>7.7%</i>	<i>10.5%</i>	<i>11.6%</i>	<i>12.3%</i>
<b>Net Income</b>	<b>0.8</b>	<b>2.2</b>	<b>3.2</b>	<b>3.9</b>	<b>4.5</b>
<i>margin (%)</i>	<i>2.1%</i>	<i>3.9%</i>	<i>5.3%</i>	<i>6.0%</i>	<i>6.5%</i>
Adj. Net Debt	8.9	9.0	9.5	10.1	10.6
Sh. Equity	23.6	25.6	29.0	29.7	30.3
CapEx	18.7	0.9	0.3	2.8	2.0
<b>FCFs</b>	<b>(19.6)</b>	<b>2.6</b>	<b>4.1</b>	<b>2.8</b>	<b>4.2</b>

- **Business Description:** Nusco S.p.A., based in Nola (NA), Italy, is a leading producer and marketer of interior doors and frames made from wood, PVC, aluminum and iron under the "NUSCO" brand. The company heads a group that includes Pinum Doors & Windows S.r.l., a subsidiary operating in the Romanian market. With over 60 years of history, Nusco is a key player in the doors and windows sector in central and southern Italy. It serves a broad clientele, including construction companies, franchisees, authorized multi-brand resellers and private customers.

- **Investment case:** Following a period of significant growth in 2021-22, the sector is now facing a slowdown, with projections indicating flat or potentially negative growth in the near term. Despite these challenges, Nusco is strategically positioned to outperform the broader Italian market. This is evidenced by its strong relative performance against competitors in 2023 and its impressive financial results in the first half of 2024. Nusco's strategic priorities include consolidating its leadership in the domestic market while actively pursuing opportunities for international expansion, leveraging its operational strengths and market agility to drive sustainable growth.

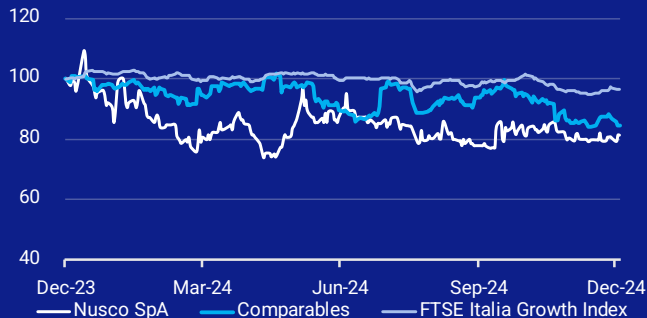
- **1H24 results:** Nusco achieved an 8.2% yoy increase in revenue, driven by organic growth, particularly in the Windows BU, which saw a 14.1% yoy rise. EBITDA surged by 36.6% to €4.0mln, leading to a margin improvement of 310bps to 15.0%, primarily due to enhanced cost efficiency. By the end of June, adj. net debt grew to €9.6mln from €9.0mln at the end of 2023 (or 1.3x EBITDA).

- **Bridging the gap:** preliminary revenue amounted to €37.8mln, reflecting a 6.5% yoy growth in 9M24, including 39% contribution by Pinum. The order backlog expanded to €18.5mln, up 7.5% yoy, with 50% attributable to Pinum. Furthermore, in October, Nusco secured over €3.6mln in subsidies from the Ministero delle Imprese e del Made in Italy for a €4.8mln investment program. The investment aims to renovate the Nola production unit, including a new PVC frame production line, two automated vertical warehouses, digitalization of order management and the installation of 500 kWh of PV panels, making the facility energy self-sufficient. Set for completion in 18 months, according to the management, the project will increase production capacity by 20%, improve efficiency and streamline administrative processes.

Comparables	EV / EBITDA	
	FY24E	FY25E
<i>17/12/2024</i>		
Inwido AB	10.0x	8.6x
JELD-WEN Holding, Inc.	7.0x	6.5x
Deceuninck nv	3.3x	3.1x
Eurocell Plc	5.0x	4.5x
Sciuker Frames SpA	6.4x	4.9x
<b>Median</b>	<b>6.4x</b>	<b>4.9x</b>
<b>Nusco SpA</b>	<b>3.1x</b>	<b>2.7x</b>
<i>premium (discount) on median</i>	<i>-51%</i>	<i>-50%</i>

- **Market performance:** Over the past 12M, Nusco has underperformed both the FTSE Italia Growth Index and its selected peers.

- **Multiple valuation:** Nusco is trading at a discount of over 50% compared to the median FY24-25E EV/EBITDA of its peers.



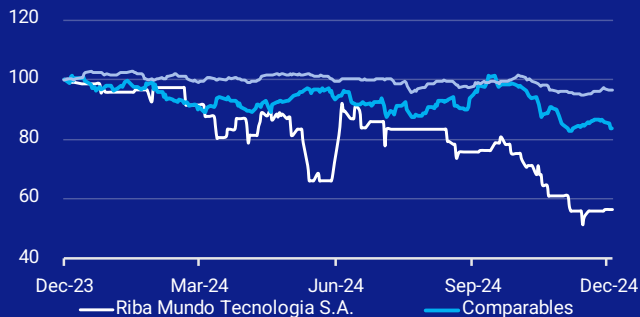
# RIBA MUNDO TECNOLOGIA



- Business Description:** Riba Mundo Tecnología S.A., founded in 2018 and headquartered in Valencia, Spain, specializes in big data and international B2B trading of consumer electronics, focusing on smartphones, tablets, entertainment and IT devices. Its proprietary software, MarVin, optimizes procurement, sales, demand forecasting and inventory management. Operating in over 45 countries, the company employs around 70 professionals and serves a global client base of over 1,000 businesses, offering also logistics and warehouse management services.
- Investment case:** Riba Mundo is positioned to benefit from the rapidly growing global consumer electronics market, projected to expand from \$815bn in 2024 to \$1,468bn by 2032 at a 7.6% CAGR. The company's acquisition of a 67% stake in ePRICE IT S.r.l. in 2024 enhances operational scale, with breakeven targeted by 2025. Growth in Spain, where sales are expected to exceed 20% of 2024 revenue, and a focus on margin improvement and debt restructuring further strengthen Riba Mundo's potential in this expanding market.
- 1H24 results:** Revenue increased by 25.3% yoy, reaching €230.2mln, ePRICE, which has been consolidated since 1<sup>st</sup> April contributed around €8mln to the result. The mobile phone category remains the largest source of Riba's revenue, but its share has declined to 30.4%, reflecting a strategic shift towards diversification. The gross margin held steady at 5.1%, but EBITDA margin decreased by 30bps yoy to 1.8% due to higher operating costs, resulting in an EBITDA of 4.1mln (+4.4% yoy). Despite the increase in turnover, net profit fell to €0.2mln (-82% yoy), primarily driven by elevated financial expenses that impacted EBIT by €2.6mln. Net debt remained steady at €36.4mln compared to €36.0mln at the end of 2023 (or 4.5x EBITDA).
- Bridging the gap:** preliminary revenue reached €365.7mln, marking a 19.4% yoy growth in 9M24, including €14.7mln contribution by ePRICE. Riba Mundo recorded 54,125 standalone orders, a 43.1% increase from 37,833 in the same period in 2023, and total units sold amounted to 3,068,652, up 16.3% from 2,638,766 units in 9M23. Finally, the management underscored the effectiveness of the strategies to expand and diversify both their product offerings and geographic sales channels.

Rating	Target Price	Last price	Market Cap
Buy	€32.5	€11.1	€25.5mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Revenue</b>	<b>329.1</b>	<b>434.2</b>	<b>516.0</b>	<b>589.0</b>	<b>655.0</b>
<i>yoy (%)</i>	<i>89.5%</i>	<i>31.9%</i>	<i>18.8%</i>	<i>14.1%</i>	<i>11.2%</i>
<b>Adj. EBITDA</b>	<b>7.5</b>	<b>9.2</b>	<b>11.9</b>	<b>14.1</b>	<b>17.1</b>
<i>margin (%)</i>	<i>2.3%</i>	<i>2.1%</i>	<i>2.3%</i>	<i>2.4%</i>	<i>2.6%</i>
<b>EBIT</b>	<b>8.2</b>	<b>7.1</b>	<b>10.1</b>	<b>12.1</b>	<b>15.1</b>
<i>margin (%)</i>	<i>2.5%</i>	<i>1.6%</i>	<i>1.9%</i>	<i>2.0%</i>	<i>2.3%</i>
<b>Net Income</b>	<b>5.0</b>	<b>0.7</b>	<b>3.8</b>	<b>6.6</b>	<b>9.8</b>
<i>margin (%)</i>	<i>1.5%</i>	<i>0.2%</i>	<i>0.7%</i>	<i>1.1%</i>	<i>1.5%</i>
Net Debt	17.1	36.0	30.7	25.9	19.1
Sh. Equity	7.4	13.7	17.5	23.9	33.4
CapEx	2.0	3.3	2.0	1.4	1.3
<b>FCFs</b>	<b>(1.3)</b>	<b>(11.0)</b>	<b>0.4</b>	<b>6.2</b>	<b>6.8</b>



Comparables	EV / SALES	
	FY24E	FY25E
<i>17/12/2024</i>		
Esprinet S.p.A.	0.05x	0.05x
ALSO Holding AG	0.25x	0.18x
DistIT AB	0.26x	0.26x
Arrow Electronics, Inc.	0.37x	0.36x
TD SYNnex Corporation	0.23x	0.22x
PC Connection, Inc.	0.58x	0.55x
SeSa S.p.A.	0.38x	0.36x
<b>Median</b>	<b>0.26x</b>	<b>0.26x</b>
<b>Riba Mundo Tecnologia S.A.</b>	<b>0.11x</b>	<b>0.10x</b>
<i>premium (discount) on median</i>	<i>-58%</i>	<i>-63%</i>

- Market performance:** Over the past 12M, Riba Mundo has underperformed both the FTSE Italia Growth Index and its selected peers.
- Multiple valuation:** Riba Mundo is trading at a discount of about 60% compared to the median FY24-25E EV/SALES of its peers.

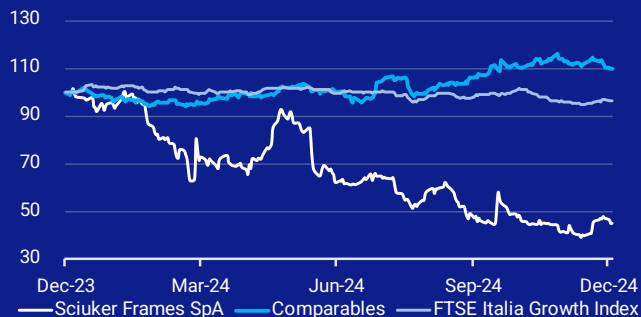
# SCIUKER FRAMES



Rating	Target Price	Last price	Market Cap
Buy	€5.4	€2.0	€42.8mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Value of Production</b>	<b>193.8</b>	<b>118.9</b>	<b>140.2</b>	<b>157.5</b>	<b>191.7</b>
<i>yoy (%)</i>	<i>88.3%</i>	<i>-38.6%</i>	<i>17.9%</i>	<i>12.4%</i>	<i>21.7%</i>
<b>Adj. EBITDA</b>	<b>43.2</b>	<b>36.1</b>	<b>25.2</b>	<b>31.8</b>	<b>40.0</b>
<i>margin (%)</i>	<i>22.3%</i>	<i>30.4%</i>	<i>18.0%</i>	<i>20.2%</i>	<i>20.9%</i>
<b>EBIT</b>	<b>35.5</b>	<b>16.9</b>	<b>16.9</b>	<b>23.3</b>	<b>30.7</b>
<i>margin (%)</i>	<i>18.3%</i>	<i>14.2%</i>	<i>12.1%</i>	<i>14.8%</i>	<i>16.0%</i>
<b>Net income</b>	<b>20.7</b>	<b>(2.5)</b>	<b>4.3</b>	<b>13.0</b>	<b>18.6</b>
<i>margin (%)</i>	<i>10.7%</i>	<i>-2.1%</i>	<i>3.1%</i>	<i>8.3%</i>	<i>9.7%</i>
Net Debt	(1.4)	81.3	37.5	31.4	25.0
Sh. Equity	55.5	72.6	76.9	87.4	102.3
CapEx	11.0	18.9	4.0	4.0	4.0
<b>FCFs</b>	<b>2.7</b>	<b>(10.4)</b>	<b>7.9</b>	<b>14.8</b>	<b>17.0</b>

- Business Description:** For over 25 years, Sciuker Frames has been designing innovative wood-aluminium and wood-glass windows, leveraging advanced technology and holding numerous patents.. Following several acquisitions, SCK Group now encompasses a federation of brands (including Sciuker Frames, GC Infissi, Ecospace, Teknika, Diquigiovanni, D&V Serramenti, and DMR) making it Italy's largest operator in the design and production of windows and solar screens, and a leader in green design and energy transition. The Group offers a comprehensive, integrated portfolio of fixtures and accessories.
- Investment case:** There are approximately 25mln residential buildings in Italy and around 60% of these are in inefficient energy classes (class F-G), responsible for 45% of CO2 emissions. According to Eurostat, 40% of the population intends to renovate their homes in the next 3-5 years. The "window" plays a crucial role in urban development and energy efficiency upgrade of our cities. The European Commission is committed to a 55% reduction in GhG by 2030 (compared to 1990) and to become the first climate-neutral continent by 2050.
- 1H24 results:** Value of Production increased by 8.3% yoy, reaching €70.3mln. Of this, the industrial hub contributed €62.0mln (+45.5% yoy), accounting for 88.1% of the total, while Ecospace generated €8.4mln (-62.3% yoy), representing 11.9% of the total. The shift in revenue mix from high-margin energy retrofit projects to core industrial activities has started to impact margins. As a result, EBITDA, entirely driven by the industrial hub, fell to €10.7mln (-40.1% yoy), with a margin of 15.2% (-12.3pp yoy). EBIT declined by 54.2% yoy to €7.0mln and net income for the period dropped significantly to €0.4mln (-96.2% yoy), heavily affected by €6.0mln in financial expenses. Net debt increased to €86.3mln from €81.3mln at the end of 2023 (or 2.5x EBITDA).
- Bridging the gap:** in September, the management revised its FY24 guidance and now expects VoP above €140mln with EBITDA surpassing €25mln (up from previous "over €20mln") and a Net Debt below €50mln (worsened from prior "under €40mln"). Additionally, in November, SCK entered into a partnership with Unicredit to promote energy efficiency in Italian homes: through UniCredit's digital platform, Buddy, customers can access exclusive promotions on Sciuker Frames' Italian-designed windows and solar screens. Management anticipates this partnership will have a significant commercial and revenue impact, although the exact financial effect remains difficult to quantify.



Comparables	EV / EBITDA	
	FY24E	FY25E
Deceuninck nv	3.3x	3.1x
Inwido AB	10.0x	8.6x
Eurocell Plc	5.0x	4.5x
Apogee Enterprises, Inc.	9.1x	8.7x
EdiliziAcrobatica SpA	7.4x	5.6x
Nusco SpA	2.9x	2.6x
<b>Median</b>	<b>6.2x</b>	<b>5.1x</b>
<b>Sciuker Frames SpA</b>	<b>1.8x</b>	<b>1.4x</b>
<i>premium (discount) on median</i>	<i>-72%</i>	<i>-73%</i>

- Market performance:** Over the past 12M, SCK has underperformed both the FTSE Italia Growth Index and its selected peers.
- Multiple valuation:** SCK is trading at a discount of over 70% compared to the median FY24-25E EV/EBITDA of its peers.

# SVAS BIOSANA



Rating	Target Price	Last price	Market Cap
Buy	€13.5	€6.9	€38.6mln

(€/mln)	FY22	FY23	FY24E	FY25E	FY26E
<b>Revenue</b>	<b>97.2</b>	<b>118.3</b>	<b>122.1</b>	<b>127.6</b>	<b>133.4</b>
<i>yoy (%)</i>	20%	22%	3%	4%	4%
<b>EBITDA</b>	<b>11.9</b>	<b>14.2</b>	<b>15.2</b>	<b>16.2</b>	<b>17.1</b>
<i>margin (%)</i>	12%	12%	12%	13%	13%
<b>EBIT</b>	<b>6.3</b>	<b>8.6</b>	<b>9.3</b>	<b>9.2</b>	<b>10.3</b>
<i>margin (%)</i>	6%	7%	8%	7%	8%
<b>Net Income</b>	<b>3.6</b>	<b>5.1</b>	<b>5.0</b>	<b>5.4</b>	<b>6.4</b>
<i>margin (%)</i>	4%	4%	4%	4%	5%
Net Debt	21.7	23.8	27.0	27.0	25.5
Sh. Equity	54.5	59.0	62.4	67.2	73.1
CapEx	4.9	5.8	5.6	8.5	8.7
FCFs	<b>(2.2)</b>	<b>0.0</b>	<b>(0.7)</b>	<b>2.1</b>	<b>3.4</b>

- **Business Description:** Svas operates in Medical Devices, acting as a producer and distributor through 5 business units. Farmex produces and sells incontinence products; Svas distributes consumables addressed to a vast range of medicNovember 15,and surgical situations; Medical produces and sales procedural packs; Mark Medical and Bormia are both distributors of medical devices in foreign countries.
- **Investment case:** Svas Biosana has a solid M&A track record highlighted by the acquisition of Bormia as well as consistent financial performance. Despite headwinds from energy prices and growing material costs, EBITDA margin never dipped below 12%, neither higher interest rates halted the FY21-23 EPS CAGR of 27.3%. Svas ongoing investments to increase production capacity should sustain long term growth.
- **1H24 results:** revenues are up by 5.8% yoy to €58.2mln: Farmex increased by 1.7% to €17.7mln, Svas decreased by 5.7% to €8.3mln, Medical decreased by 13% to €4mln, Mark Medical increased by 12.4% to €20mln and Bormia increased by 30% to €9.1mln. The geographic breakdown showed 49% of revenues in Italy (vs 55% in FY23) and 51% abroad, confirming Svas expansion path in the Balkans. EBITDA grew by 11.4% yoy to €7.7mln with EBITDA margin improving to 13.3%, the highest EBITDA margin in 5 semesters, 60bps above 1H23 and 170bps above 2H23. At the end of June, Net debt rose to €27mln from €23.8mln in FY23 mainly due to i) higher operating net working capital at €48.6mln (from €43mln) coming from faster payments time and longer DSO; ii) €2.1mln Capex (vs €2.2mln yoy); and iii) €1.6mln Dividend distribution.
- **Bridging the gap:** preliminary revenues increased by 5.3% yoy to €85.9mln in 9M24. Revenue growth breakdown shows Mark Medical +9.8% yoy to €29.1mln; Farmex +1.1% yoy to €26.7mln, Bormia +19.6% yoy to €13.4mln; Svas -0.8% yoy to €12.5mln and Medical -6.7% yoy to €5.6mln. On November 15, the Company announced the ending of the buyback programme, which began in May 2023. During the period Svas bought 75.5k shares for €589k.

Comparables	EV / EBITDA	
	17/12/2024	
GVS S.p.A	11.1x	9.5x
Medtronic Plc	12.5x	11.7x
Coloplast A/S Class B	23.8x	23.8x
ConvaTec Group Plc	12.4x	11.5x
Stryker Corporation	24.8x	22.1x
Becton, Dickinson and Company	15.3x	15.3x
Cardinal Health, Inc.	9.8x	9.8x
Terumo Corporation	18.2x	16.3x
Teleflex Incorporated	11.1x	10.3x
Integra LifeSciences Holdings Corporation	9.9x	9.4x
Shandong Weigao Group Medical Polymer Co. Ltd. Class H	5.6x	5.3x
Ontex Group N.V.	6.5x	5.9x
<b>Median</b>	<b>11.7x</b>	<b>10.9x</b>
<b>Svas Biosana S.p.A.</b>	<b>4.1x</b>	<b>3.9x</b>
<i>premium (discount) on median</i>	<i>-65%</i>	<i>-65%</i>

- **Market performance:** Over the past 12M, Svas Biosana has underperformed both the FTSE Italia Growth Index and its selected peers.
- **Multiple valuation:** Svas Biosana is trading at a discount of over 60% compared to the median FY24-25E EV/EBITDA of its peers.





# References



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