

Company:

Health Italia

Rating:

Suspendend

Target Price:

Sector:

Health Care Services, Welfare

OPA @300/share to be launched by a Club Deal

May, 22th 2025 at 10:00

Founding shareholders and Mutua sell 47.76% of Health Italia

Founding shareholders M.Alfieri and O.Pischeddu, which hold 34.18% of Health Italia (through their vehicles Sorgiva Holding and PHF Srl) and Mutua MBA, which holds 13.58% of Health Italia, have reached agreements with G. Giuliani (formerly McKinsey, Generali, and Zurich) and Stefano Pellegrino (formerly Mediobanca) regarding the transferring of their entire stakes into an acquiring vehicle at €300/share corresponding to a 100% Equity Value of Health Italia of €56.93mIn.

This vehicle will be controlled by a Club Deal made of a qualified group of private investors and some key managers of Health Italia, with the objective of developing an ambitious entrepreneurial project in Healthcare services and Welfare, leading Health Italia to the national leadership in supplementary healthcare offerings.

Once these transactions are executed, the acquiring vehicle will hold an absolute majority of Health Italia's capital and will launch a mandatory public tender offer for the remaining shares of Health Italia at the same price per share as the transactions, which reflects over 150% premium to the weighted average stock price of the past 12 months.

Depending on the OPA results, a merger of Health Italia into the acquiring vehicle is planned, also aimed at delisting the company.

The agreements' execution is expected by July.

Valuation: Suspended

Following this press release, we suspend our recommendation and target price on Health Italia. [*Company Update on April, the 7th with rating Buy and price target of €365*]

Company Profile		
Target Price	suspended	from €365
Recommendation	suspended	from BUY
Company Profile		
Ticker	HI IM (BBG)	HHT (Factset)
Reference Industry	Health Care, Medical services	
Stock Exchange	Italian Stock Exchange - Euronext	
Reference Index	FTSE Italia Small Cap	
Market Data		
Price as of	21/05/2025	122.0
Number of shares		189,780
Market capitalization (€, mIn)		23.15
Max / Min		201/28.
Average daily volumes (1-year)		291

Main Financials	2023	2024	2025E	2026E	2027E
€ mln					
Total Revenue	36.0	36.6	38.9	42.8	47.0
yoy (%)	-10%	2%	6%	10%	10%
EBITDA	7.9	7.5	8.1	9.3	10.7
margin (%)	22%	20%	21%	22%	23%
EBIT	4.6	5.8	6.3	7.4	8.8
margin (%)	13%	16%	16%	17%	19%
Net Income	1.7	2.7	3.0	3.7	4.7
margin (%)	5%	7%	8%	9%	10%
Net Debt	6.5	6.2	2.5	-2.5	-8.8
Equity	36.0	38.7	26.7	30.4	35.1
Capex	1.5	2.4	0.6	0.2	0.3
FCFs	4.0	0.7	4.7	6.2	7.3

Source: BancaProfilo estimates. Company data.



Francesca Sabatini

Head of Equity Research

francesca.sabatini@bancaprofilo.it

+39 02 58408 461

Sales Desk

+39 02 58408 478

Contents

Disclaimer 5



Health Italia	"ID Card"	Recommendation	Target Price	Upside
		suspended	suspended	

Company Overview

Health Italia is a leading Italian operator in Healthcare and Welfare, offering supplementary and integrated solutions to corporates, their employees, and families also through its own Medical Centre facilities and best-in-class Telemedicine. Health Italia promotes its offering following a mutualistic model. It places its complementary Healthcare offering between the Public National Healthcare System and individual Healthcare provided by Health Insurance policies. It is active mainly through two companies and two business divisions: Healthcare promotion and Welfare Services are managed by Health Italia and Health Assistance. Health Italia markets its plans and services through a multi-channel distribution network which includes more than: i) 1,500 specialized promoters; ii) 120 bank branches; iii) 5 mutual benefit companies and Healthcare funds; iv) 3 independent networks with a widespread presence in Italy and online. Since its listing, in 2017, Health Italia has reported a 7% average turnover growth from €22.6mln to €35.4mln. EBITDA increased from €6.1mln to €7.5mln with EBITDA margin substantially stable around 20%. Turnover breakdown has changed over the past 4 years with Medical Services, increasing its weight from 5% in 2019 to 24% in 2024. At the end of 2024, Health Italia had €12.4 of fixed assets, following the disposal of Real Estate. Net Operating Working Capital stood at €18.6mln. The Company financial structure is well balance with Net Invested Capital at €43.5 financed by €39.2mln of Equity and €4.4mln of net debt. Health Italia Business Plan sets 2026 targets: Total Revenue between €50-52mln; EBITDA in the range €12-14mln and Net Cash position of €15-16mln.

SWOT Analysis

Strengths	Weaknesses
- significant growth - leadership in the Italian supplementary Healthcare and Welfare - fully integrated business model including proprietary IT systems - strong R&D and innovation in Medical services - multi-channel diversified distribution model - more than 20-year experienced top management	- dependence on the strategic partner MBA - geographical concentration in Italy - small size in large global players competition+
Opportunities	Threats
- High barriers to entry due to regulations in supplementary Healthcare and Welfare - Increased penetration of supplementary Healthcare on total expenditure	Intensifying competition by Insurance companies

Main catalysts

- Increasing demand of Comprehensive Welfare
- On the edge Medical Services driven by R&D and innovation

Main risks

- Competition by Insurance companies

Health Italia

"ID Card"

Recommendation

suspended

Target Price

suspended

Upside

mag, 22 2025 - 10:21

Main Financials							
€ mln	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	40.5	39.9	36.0	36.6	38.9	42.8	47.0
yoy change	23.3%	-1.5%	-9.8%	1.6%	6.3%	10.0%	10.0%
EBITDA	7.8	8.0	7.9	7.5	8.1	9.3	10.7
EBITDA margin (%)	19.3%	20.0%	21.8%	20.4%	20.8%	21.7%	22.7%
EBIT	5.3	5.9	4.6	5.8	6.3	7.4	8.8
EBIT margin (%)	13.0%	14.8%	12.8%	15.9%	16.3%	17.3%	18.7%
Net income	1.1	3.7	1.7	2.7	3.0	3.7	4.7
Margin (%)	2.8%	9.3%	4.6%	7.3%	7.8%	8.8%	10.0%
Adjusted net debt (cash)	10.4	11.3	6.4	6.2	2.5	-2.5	-8.8
Shareholders Equity	28.5	32.4	36.0	38.7	26.7	30.4	35.1
Fixed assets	26.7	28.6	12.1	12.4	12.4	0.0	0.0
Net Operating Working Capital	13.2	19.8	18.6	20.5	20.5	20.2	19.7
Capex and acquisitions	1.5	4.0	1.5	2.4	0.6	0.2	0.3
Free Cash Flow	2.0	(5.2)	4.0	0.7	4.7	6.2	7.3

Company Description	
Company Sector	Health Care, Medical services
Price (€)	122.0
Number of shares (mln)	189780.0
Market Cap (€ mln)	23.2
Reference Index	Euronext Growth
Main Shareholders	Sorgiva Holding
Main Shareholder stake	25.0%
Free Float	44.0%
Daily Average Volumes	291
Sample of comparables	Marsh, Aon, Willis Towers Watson, Arthur Gallagher, Elevance, Humana, Edenred

Breakdown by business unit							
(% of turnover)	2021	2022	2023	2024	2025E	2026E	2027E
Healthcare and Services	74%	72%	80%	76%	76%	74%	72%
Medical services including	21%	24%	20%	24%	24%	26%	28%
Other	6%	4%	0%	0%	0%	0%	0%
Turnover	39.6	39.2	35.7	35.4	38.5	42.4	46.6

Data of peers (average) vs Health Italia				
	2022	2023	2024	2025E
Revenue growth (yoy)	9%	13%	10%	9%
Health Italia	-1%	-9%	-1%	9%
EBITDA margin	24%	24%	25%	25%
Health Italia	20%	22%	21%	21%

Solvability Ratios							
	2021	2022	2023	2024	2025E	2026E	2027E
Net debt (cash) / EBITDA	1.3x	1.4x	0.8x	0.8x	0.3x	-0.3x	-0.8x
Net debt (cash) / Equity	0.4x	0.4x	0.2x	0.2x	0.1x	-0.1x	-0.3x

Multiples		2025E
Best peers		
EV / EBITDA		13.5x
Health Italia		3.1x

Financial and Operative ratios							
	2021	2022	2023	2024	2025E	2026E	2027E
Tax rate	55%	32%	49%	35%	35%	35%	35%
ROIC	14%	13%	11%	13%	22%	27%	33%
ROE	4%	11%	5%	7%	11%	12%	13%
Capex/Sales	4%	10%	4%	6%	2%	1%	1%
D&A to capex	95%	38%	83%	47%	192%	535%	486%

Source: Factset, Banca Profilo estimates and elaborations



Disclaimer

ANALYST'S AND BANK'S INFORMATION

THIS DOCUMENT CONCERNING HEALTH ITALIA, (THE "ISSUER" OR THE "COMPANY") HAS BEEN DRAFTED BY FRANCESCA SABATINI WHO IS EMPLOYED BY BANCA PROFILO S.P.A. ("THE BANK") AS FINANCIAL ANALYST; FRANCESCA SABATINI IS RESPONSIBLE FOR THE DRAFTING OF THE DOCUMENT.

BANCA PROFILO S.P.A. IS A BANK AUTHORISED TO PERFORM BANKING AND INVESTMENT SERVICES; IT IS PART OF BANCA PROFILO BANKING GROUP (THE "GROUP") AND IT IS SUBJECT TO THE MANAGEMENT AND CO-ORDINATION OF AREPO BP S.P.A. (THE "PARENT COMPANY"). SATOR PRIVATE EQUITY FUND "A" LP (THE "PARENT ENTITY") HOLDS INDIRECT CONTROL PARTICIPATION INTERESTS IN BANCA PROFILO.

THE BANK IS REGISTERED WITH THE ITALIAN BANKING ASSOCIATION CODE NO. 3025 AND IS SUBJECT TO THE REGULATION AND SURVEILLANCE OF THE BANK OF ITALY AND OF CONSOB (COMMISSIONE NAZIONALE PER LE SOCIETÀ E LE BORSE). THE BANK HAS PREPARED THIS DOCUMENT FOR ITS PROFESSIONAL CLIENTS ONLY, PURSUANT TO DIRECTIVE 2004/39/EC AND ANNEX 3 OF THE CONSOB REGULATION ON INTERMEDIARIES (RESOLUTION N. 16190). THIS DOCUMENT IS BEING DISTRIBUTED AS OF May, the 22nd, 11:00].

THE ANALYST FRANCESCA SABATINI WHO HAS DRAFTED THIS DOCUMENT HAS SIGNIFICANT EXPERIENCE IN BANCA PROFILO S.P.A. AND OTHER INVESTMENT COMPANIES. THE ANALYST AND ITS RELATIVES DO NOT OWN FINANCIAL INSTRUMENTS ISSUED BY THE ISSUER AND SHE DOES NOT ACT AS SENIOR MANAGER, DIRECTOR OR ADVISOR FOR THE ISSUER. THE ANALYST DOES NOT RECEIVE BONUSES, INCOME OR ANY OTHER REMUNERATION CORRELATING, DIRECTLY OR INDIRECTLY, TO THE SUCCESS OF THE INVESTMENT BANKING OPERATIONS OF BANCA PROFILO S.P.A.

A REDACTED VERSION OF THIS REPORT HAS BEEN DISCLOSED TO THE ISSUER TO PERMIT TO IT TO REVIEW AND COMMENT ON FACTUAL INFORMATION RELATING TO THE ISSUER AND THIS REPORT HAS BEEN AMENDED FOLLOWING SUCH DISCLOSURE PRIOR TO ITS FINAL DISSEMINATION.

THIS DOCUMENT IS BASED UPON INFORMATION THAT WE CONSIDER RELIABLE, BUT THE BANK HAS NOT INDEPENDENTLY VERIFIED THE CONTENTS HEREOF. THE OPINIONS, ESTIMATES AND PROJECTIONS EXPRESSED IN IT ARE AS OF THE DATE HEREOF AND ARE SUBJECT TO CHANGE WITHOUT NOTICE TO THE RECIPIENT. PAST PERFORMANCE IS NOT GUARANTEE OF FUTURE RESULTS.

THIS REPORT HAS BEEN PREPARED BY ITS AUTHORS INDEPENDENTLY OF THE COMPANY AND ITS SHAREHOLDERS, SUBSIDIARIES AND AFFILIATES. THE BANK HAS NO AUTHORITY WHATSOEVER TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF THE COMPANY, ANY OTHER PERSON IN CONNECTION THEREWITH. IN PARTICULAR, THE OPINIONS, ESTIMATES AND PROJECTIONS EXPRESSED IN IT ARE ENTIRELY THOSE OF THE AUTHOR HEREOF.

NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IS MADE AS TO AND NO RELIANCE SHOULD BE PLACED ON THE FAIRNESS, ACCURACY, COMPLETENESS OR REASONABLENESS OF THE INFORMATION, OPINIONS AND PROJECTIONS CONTAINED IN THIS DOCUMENT, AND NONE OF THE BANK, THE COMPANY, NOR ANY OTHER PERSON ACCEPTS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM ANY USE OF THIS DOCUMENT OR ITS CONTENTS OR OTHERWISE ARISING IN CONNECTION THEREWITH.

NO DUPLICATION

NO PART OF THE CONTENT OF THE DOCUMENT MAY BE COPIED, FORWARDED OR DUPLICATED IN ANY FORM OR BY ANY MEANS WITHOUT THE PRIOR CONSENT OF THE BANK. BY ACCEPTING THIS REPORT, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

NO OFFER OR SOLICITATION

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION OR FORM PART OF AN OFFER, SOLICITATION OR INVITATION TO PURCHASE ANY SECURITIES, AND NEITHER THIS DOCUMENT NOR ANYTHING CONTAINED HEREIN SHALL FORM THE BASIS OF ANY CONTRACT OR COMMITMENT WHATSOEVER.

RECIPIENTS

THIS DOCUMENT IS GIVEN TO YOU SOLELY FOR YOUR INFORMATION ON A CONFIDENTIAL BASIS AND MAY NOT BE REPRODUCED OR REDISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON. IN PARTICULAR, NEITHER THIS DOCUMENT NOR ANY COPY HEREOF MAY BE TAKEN OR TRANSMITTED IN OR INTO THE UNITED STATES (THE "U.S."), AUSTRALIA, CANADA OR JAPAN OR REDISTRIBUTED, DIRECTLY OR INDIRECTLY, IN THE U.S., AUSTRALIA, CANADA OR JAPAN. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S., AUSTRALIAN, CANADIAN OR JAPANESE SECURITIES LAWS.

THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT, PERSONS WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(1) (E) OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC) (ALL SUCH PERSONS BEING REFERRED TO AS "RELEVANT PERSONS"). THIS DOCUMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS COMMUNICATION RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

IN CASE THAT THIS DOCUMENT IS DISTRIBUTED IN ITALY IT SHALL BE DIRECTED ONLY AT QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 100(1) (A) OF LEGISLATIVE DECREE NO. 58 OF FEBRUARY 24, 1998, AS AMENDED, AND ARTICLE 34-TER, PARA. 1, LETT B), OF CONSOB REGULATION NO. 11971 OF 1999, AS AMENDED. THIS DOCUMENT IS NOT ADDRESSED TO ANY MEMBER OF THE GENERAL PUBLIC IN ITALY. IN NO CIRCUMSTANCES SHOULD THIS DOCUMENT CIRCULATE AMONG OR BE DISTRIBUTED TO (I) A MEMBER OF THE GENERAL PUBLIC, (II) INDIVIDUALS OR ENTITIES FALLING OUTSIDE THE DEFINITION OF "QUALIFIED INVESTORS" AS SPECIFIED ABOVE OR (III) TO DISTRIBUTION CHANNELS THROUGH WHICH INFORMATION IS OR IS LIKELY TO BECOME AVAILABLE TO A LARGE NUMBER OF PERSONS.

THE DISTRIBUTION OF THIS DOCUMENT IN OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE LAWS OF ANY SUCH OTHER JURISDICTION.

CONFLICTS OF INTEREST

THE BANK MAY, FROM TIME TO TIME, DEAL IN, HOLD OR ACT AS MARKET MAKER OR ADVISER, BROKER OR BANKER IN RELATION TO THE FINANCIAL INSTRUMENTS, OR DERIVATIVES THEREOF, OF PERSONS, FIRMS OR ENTITIES MENTIONED IN THIS DOCUMENT, OR BE REPRESENTED IN THE GOVERNING BODIES OF THE COMPANY. IN FACT, THE BANK ACTED AS GLOBAL COORDINATOR IN THE IPO OF THE ISSUER, THE BANK IS PRESENTLY EGA, CORPORATE BROKER, LIQUIDITY PROVIDER AND SPECIALIST OF THE ISSUER.

BANCA PROFILO S.P.A. HAS ADOPTED INTERNAL PROCEDURES FOR THE PREVENTION AND AVOIDANCE OF CONFLICTS OF INTEREST WITH RESPECT TO THE RECOMMENDATIONS, WHICH CAN BE CONSULTED ON THE RELEVANT SECTION OF ITS WEBSITE (WWW.BANCAPROFILO.IT, IN THE SECTION "CLIENTI AZIENDALI E ISTITUZIONALI/ANALISI E RICERCA").

EQUITY RESEARCH PUBLICATIONS IN LAST 12M

THE BANK PUBLISHES ON ITS WEBSITE WWW.BANCAPROFILO.IT, ON A QUARTERLY BASIS, THE PROPORTION OF ALL RECOMMENDATIONS THAT ARE 'BUY', 'HOLD', 'SELL' OR EQUIVALENT TERMS OVER THE PREVIOUS 12 MONTHS, AND THE PROPORTION OF ISSUERS CORRESPONDING TO EACH OF THOSE CATEGORIES TO WHICH SUCH PERSON HAS SUPPLIED MATERIAL SERVICES OF INVESTMENT FIRMS SET OUT IN SECTIONS A AND B OF ANNEX I TO DIRECTIVE 2014/65/EU OVER THE PREVIOUS 12 MONTHS.

ADDITIONAL INFORMATION

THE BANK PROVIDES ALL OTHER ADDITIONAL INFORMATION, ACCORDING TO ARTICLE 114, PARAGRAPH 8 OF LEGISLATIVE DECREE 58/98 ("FINANCIAL DECREE") AND COMMISSION DELEGATED REGULATION (EU) 2016/958 AS OF 9 MARCH 2016 (THE "COMMISSION REGULATION") ON THE RELEVANT SECTION OF ITS WEBSITE (WWW.BANCAPROFILO.IT, IN THE SECTION "CLIENTI AZIENDALI E ISTITUZIONALI/ANALISI E RICERCA").