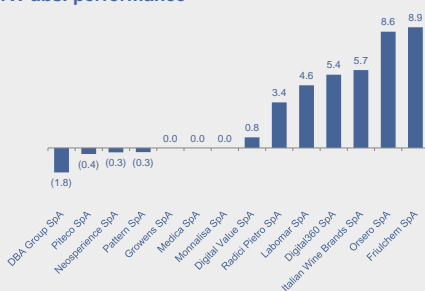


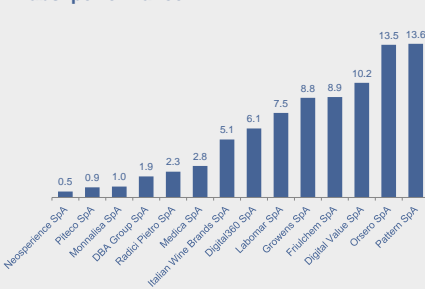
1st August 2022

The CFO SIM Monthly Snapshots publication provides investors with a brief periodic overview of our coverage in terms of fundamentals, absolute/relative valuation and absolute/relative stock price performance, in addition to company description and shareholder structure. Specific company Equity Research reports are available on the CFO SIM and Borsa Italiana websites.

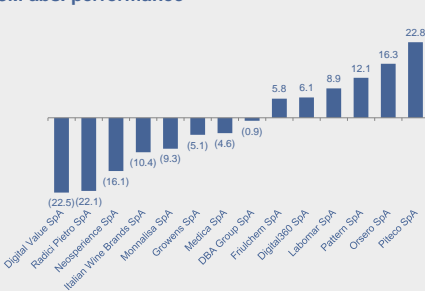
### 1W abs. performance



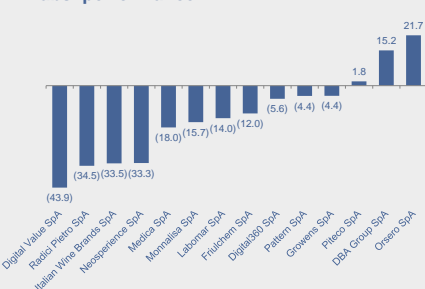
### 1M abs. performance



### 3M abs. performance



### YTD abs. performance



### Equity Research Department:

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CFO SIM Coverage	Mkt Cap € m	Price €	Rating	PT €	% Upside	1Y Max	1Y Min
DBA Group SpA	18.7	1.63	BUY	3.50	114.7	2.09	1.20
Digital360 SpA	94.8	4.68	BUY	6.40	36.8	5.28	3.33
Digital Value SpA	635.7	63.90	BUY	120.00	87.8	120.40	53.90
Friulchem SpA	8.8	1.10	BUY	2.00	81.8	1.37	0.94
Grownes SpA	71.7	4.80	BUY	6.20	29.2	5.48	4.10
Italian Wine Brands SpA	242.4	27.60	BUY	38.00	37.7	49.30	24.05
Labomar SpA	158.6	8.60	NEUTRAL	11.00	27.9	14.90	7.32
Medica SpA	139.1	33.00	BUY	40.00	21.2	45.80	26.45
Monnalisa SpA	16.2	3.11	BUY	5.00	60.8	4.40	2.76
Neosperience SpA	33.8	1.88	BUY	5.35	184.6	3.44	1.76
Orsero SpA	254.4	14.42	BUY	21.40	48.4	15.02	9.18
Pattern SpA	92.5	6.50	BUY	8.00	23.1	6.94	4.50
Piteco SpA	225.6	11.20	BUY	11.50	2.7	12.20	7.42
Radici Pietro SpA	8.6	0.98	BUY	2.30	134.2	1.75	0.95

Sources: CFO SIM, Thomson Reuters Eikon

IPO Data	Sector	Date	Price €	Mkt Cap € m	Type	Raised € m	% since IPO*
DBA Group SpA	ICT Consul.	14-Dec-17	4.00	52.0	Prim./Sec.	23.0	(59.3)
Digital360 SpA	Digital	13-Jun-17	1.15	17.7	Primary	6.6	307.0
Digital Value SpA	IT Services	08-Nov-18	10.00	89.6	-	22.5	722.8
Friulchem SpA	Veterinary	25-Jul-19	1.80	14.4	Primary	4.5	(38.9)
Grownes SpA	MarTech	29-Jul-14	1.92	20.0	Primary	3.0	150.0
Italian Wine Brands SpA	Food & Bev.	29-Jan-15	10.00	52.1	-	-	176.0
Labomar SpA	Nutraceutical	05-Oct-20	6.00	110.9	Prim./Sec.	29.9	43.3
Medica SpA	MedTech	03-Nov-21	27.00	114.0	Prim./Sec.	22.9	22.2
Monnalisa SpA	Fashion	12-Jul-18	13.75	72.0	Prim./Sec.	18.5	(77.4)
Neosperience SpA	Digital Innov.	20-Feb-19	1.71	22.1	Primary	4.1	9.9
Orsero SpA	Food	13-Feb-17	10.00	80.0	(SPAC)	80.0	85.7
Pattern SpA	Luxury Eng.	17-Jul-19	3.25	44.2	Prim./Sec.	12.5	100.0
Piteco SpA	Software	31-Jul-15	3.30	59.8	Primary	16.5	239.4
Radici Pietro SpA	Textile	26-Jul-19	3.10	26.7	Primary	6.2	(68.3)

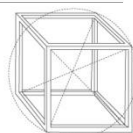
Sources: CFO SIM, Borsa Italiana, Company Data, Thomson Reuters Eikon, \* for DGV and ORS it takes into consideration warrants too

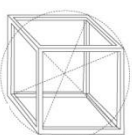
% Absolute performance	1D	1W	1M	3M	6M	YTD	1Y
DBA Group SpA	0.0	(1.8)	1.9	(0.9)	1.2	15.2	34.7
Digital360 SpA	1.5	5.4	6.1	(2.1)	(5.6)	(33.7)	(33.7)
Digital Value SpA	5.6	0.8	10.2	(22.5)	(29.0)	(43.9)	(18.9)
Friulchem SpA	2.8	8.9	8.9	5.8	(10.2)	(12.0)	(17.0)
Grownes SpA	2.1	0.0	8.8	(5.1)	(3.2)	(4.4)	9.3
Italian Wine Brands SpA	2.8	5.7	5.1	(10.4)	(31.5)	(33.5)	(32.8)
Labomar SpA	(1.4)	4.6	7.5	8.9	(4.0)	(14.0)	(35.3)
Medica SpA	(0.8)	0.0	2.8	(4.6)	(4.6)	(18.0)	n.a.
Monnalisa SpA	0.0	0.0	1.0	(9.3)	(14.3)	(15.7)	(22.1)
Neosperience SpA	0.0	(0.3)	0.5	(16.1)	(31.9)	(33.3)	(41.8)
Orsero SpA	0.8	8.6	13.5	16.3	33.5	21.7	50.8
Pattern SpA	(1.5)	(0.3)	13.6	12.1	6.9	(4.4)	27.5
Piteco SpA	0.0	(0.4)	0.9	22.8	14.5	1.8	21.2
Radici Pietro SpA	0.0	3.4	2.3	(22.1)	(38.2)	(34.5)	(42.2)
MSCI World Index	1.3	3.6	7.3	(1.8)	(8.6)	(15.0)	(11.1)
EUROSTOXX	1.5	3.0	7.1	(3.7)	(10.1)	(14.4)	(11.0)
FTSE Italia All Share	2.1	5.3	5.0	(7.5)	(15.2)	(18.0)	(12.4)
FTSE Italia STAR	1.3	1.8	6.6	(5.3)	(13.6)	(24.2)	(14.8)
FTSE Italia Growth	0.9	2.2	4.3	(5.0)	(12.0)	(17.0)	(6.4)

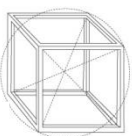
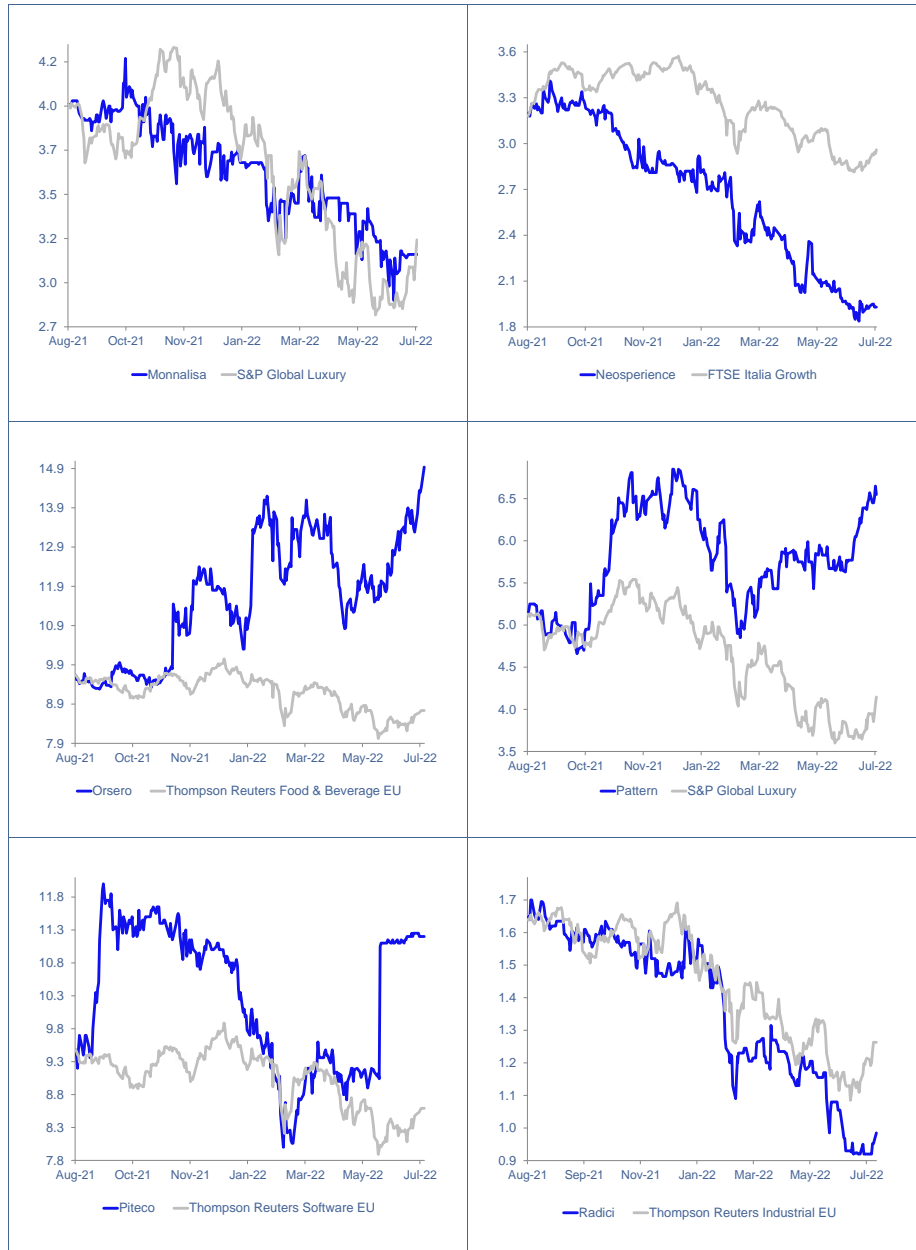
Sources: Thomson Reuters Eikon

% Relative performance	1D	1W	1M	3M	6M	YTD	1Y
DBA Group SpA	(0.9)	(4.0)	(2.4)	4.1	13.3	32.1	41.1
Digital360 SpA	0.7	3.2	1.9	11.1	9.9	11.3	40.1
Digital Value SpA	4.8	(1.4)	5.9	(17.6)	(17.0)	(27.0)	(12.5)
Friulchem SpA	1.9	6.7	4.7	10.7	1.8	5.0	(10.6)
Grownes SpA	1.3	(2.2)	4.6	(0.2)	8.8	12.6	15.7
Italian Wine Brands SpA	1.9	3.6	0.9	(5.4)	(19.5)	(16.5)	(26.4)
Labomar SpA	(2.2)	2.5	3.2	13.8	8.0	3.0	(28.9)
Medica SpA	(1.6)	(2.2)	(1.5)	0.4	7.4	(1.1)	n.a.
Monnalisa SpA	(0.9)	(2.2)	(3.3)	(4.3)	(2.3)	1.2	(15.6)
Neosperience SpA	(0.9)	(2.5)	(3.7)	(11.1)	(19.9)	(16.4)	(35.4)
Orsero SpA	(0.0)	6.4	9.3	21.3	45.5	38.6	57.2
Pattern SpA	(2.4)	(2.5)	9.4	17.0	18.9	12.5	33.9
Piteco SpA	(0.9)	(2.6)	(3.4)	27.8	26.5	18.8	27.6
Radici Pietro SpA	(0.9)	1.2	(2.0)	(17.1)	(26.2)	(17.6)	(35.8)

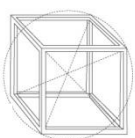
Sources: Thomson Reuters Eikon, perf. rel. to FTSE Italia Growth, Piteco to FTSE Italia All Share and Orsero to FTSE Italia STAR



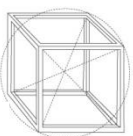




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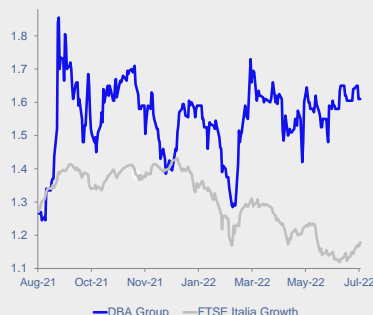


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Italy - ICT Consulting

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 3.50</b>
<b>Upside/(downside) %</b>	<b>115%</b>
Last Price €	1.63
Market Cap. €m	18.7
1Y High €	2.09
1Y Low €	1.20
3M Avg Daily Turnover (n. shares)	14,504
3M Avg Daily Turnover €	31,594
Free Float	50%
RIC	DBA.MI
BBG	DBA IM



Founded in 1991 by the four De Bettin brothers in the hard-working and creative north east of Italy, DBA Group is specialised in network connectivity and infrastructure lifecycle support solutions. The core competence of DBA Group is the proven ability to provide telematics solutions for strategic infrastructures to clients whose business is network-performance critical. It provides integrated services and solutions in the ICT, Project Management and Architecture and Engineering fields in six industries. Founded as an engineer and architect associated firm, now DBA Group is the only player in Italy able to offer the synergic combination of the aforementioned services and solutions for the management of the entire infrastructure lifecycle. DBA Group offers high value added services and software platforms which meet the full range of potential technical, technological and ICT customer needs during the entire infrastructure lifecycle with the aim of providing high added value support services for infrastructure management and maintenance.

**STRENGTHS**

- The only player offering the synergic combination of its 2 BU unit services and solutions
- Over 600 highly skilled, loyal and motivated employees, o/w 60% are graduates

**WEAKNESSES**

- Limited size in the international competitive arena
- Few key relevant people represent a vital asset for the company
- Reference markets price pressure hampers group profitability
- Need of reinforcement of the management structure to boost developments

€ m	2020	2021	2022e	2023e	2024e
Value of production	71.9	79.5	74.1	46.2	48.4
EBITDA	3.9	4.8	6.6	4.6	4.9
EBIT	(0.7)	0.4	2.7	3.5	3.8
EBIT Adjusted	1.3	4.5	4.0	3.8	4.1
Net Profit	(1.2)	(0.7)	5.3	1.9	2.0
Net Profit Adjusted	0.3	0.8	1.2	2.2	2.3
Capex	2.6	2.6	2.2	1.5	1.5
Net Debt (Cash)	16.4	10.4	(11.0)	(11.4)	(12.7)
EPS reported (€/share)	(0.12)	(0.07)	0.53	0.19	0.20
EPS Adjusted (€/share)	0.03	0.08	0.12	0.22	0.23
CPS (€/share)	0.14	0.87	1.15	0.18	0.28
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	5.4%	6.0%	8.9%	10.0%	10.1%
EBIT margin	-0.9%	0.5%	3.7%	7.6%	7.9%
Dividend yield	-	-	-	-	-
ROCE	neg.	0.8%	5.6%	7.0%	7.3%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 30<sup>th</sup> June 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	17.9%	10.5%	-6.9%	-37.6%	4.8%
EBITDA	18.3%	22.2%	38.2%	-30.4%	6.4%
EBIT	-71.2%	n.m.	n.m.	29.1%	8.7%
Net Profit	-55.1%	-41.3%	n.m.	-65.3%	9.6%
Net Profit Adjusted	n.m.	n.m.	42.9%	79.9%	8.3%
Capex	-67.2%	-0.9%	-16.2%	-31.8%	0.0%
Debt	11.6%	-36.9%	n.m.	3.0%	11.4%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
AECOM	0.91	0.82	13.8	12.2	16.2	14.3	20.6	19.0	16.1	15.0
Alten SA	1.19	1.05	9.8	8.6	11.9	10.2	17.3	15.7	13.2	12.3
Arcadis NV	1.14	0.95	10.4	8.4	14.7	11.6	17.5	15.9	11.1	10.3
Jacobs Engineering Group Inc	1.31	1.17	14.2	12.2	14.8	12.6	19.2	16.9	18.2	16.1
SNC-Lavalin Group Inc	0.73	0.69	9.1	7.3	12.0	9.0	16.1	12.0	10.5	8.9
Sweco AB (publ)	1.88	1.77	13.5	12.6	20.2	19.1	25.0	23.5	15.0	14.0
<b>Engineering &amp; PMO median</b>	<b>1.16</b>	<b>1.00</b>	<b>11.9</b>	<b>10.4</b>	<b>14.7</b>	<b>12.1</b>	<b>18.3</b>	<b>16.4</b>	<b>14.1</b>	<b>13.2</b>
Accenture PLC	3.01	2.75	16.1	14.8	19.8	17.8	28.0	25.2	21.4	19.8
Capgemini SE	1.62	1.45	10.4	9.1	13.9	12.1	17.5	15.8	12.0	11.0
Reply SpA	2.50	2.21	14.9	13.3	18.3	16.1	27.3	24.6	20.7	18.9
TXT e solutions SpA	1.16	0.91	8.4	6.6	12.7	9.9	17.2	12.8	9.6	7.4
<b>ICT software median</b>	<b>2.06</b>	<b>1.83</b>	<b>12.7</b>	<b>11.2</b>	<b>16.1</b>	<b>14.1</b>	<b>22.4</b>	<b>20.2</b>	<b>16.4</b>	<b>15.0</b>
DBA Group SpA	0.10	0.16	1.2	1.6	1.9	1.9	15.6	8.7	4.9	6.3
% prem./(disc.) to Engineering & PMO	(91.1)	(84.1)	(90.3)	(84.7)	(86.9)	(84.1)	(14.6)	(47.0)	(65.3)	(51.9)
% prem./(disc.) to ICT software	(95.0)	(91.3)	(90.8)	(85.8)	(88.1)	(86.3)	(30.2)	(56.9)	(70.1)	(57.6)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
DB holding	40.6%	4.67
NB Aurora	9.8%	1.13
Market	49.6%	5.70
<b>Total</b>	<b>100.0%</b>	<b>11.50</b>

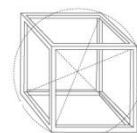
Source: Company data

Price performance	1M	3M	12M
DBA Group SpA	1.9%	-0.9%	34.7%
Rel.to FTSE Italia Growth	-2.4%	4.1%	41.1%
Rel.to Peers Median	-7.9%	2.3%	36.9%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
AECOM	9,938	6.6%	1.3%	2.5
Alten SA	4,520	12.2%	12.0%	n.m.
Arcadis NV	3,252	10.9%	12.6%	1.7
Jacobs Eng.	17,284	9.3%	9.1%	1.5
Snc-Lavalin	3,212	8.0%	1.6%	1.9
Sweco AB	3,942	14.7%	4.3%	0.8
Accenture PLC	189,592	18.6%	17.7%	n.m.
Capgemini SE	31,884	15.7%	9.4%	0.7
Reply SpA	4,778	16.8%	13.3%	n.m.
TXT e solutions	153	15.0%	12.7%	0.2
<b>DBA Group</b>	<b>19</b>	<b>8.9%</b>	<b>-15.3%</b>	<b>n.m.</b>

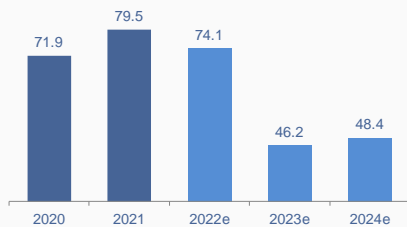
Source: Thomson Reuters Eikon



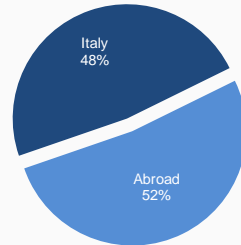


Italy - ICT Consulting

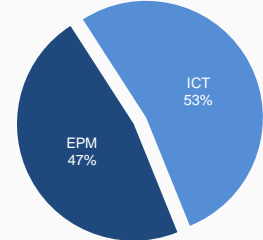
Value of Production (€m)



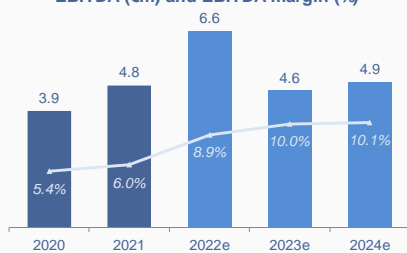
2021 top line by geography



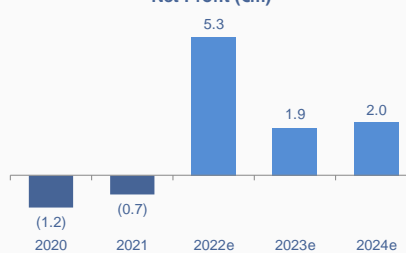
2021 top line by business unit



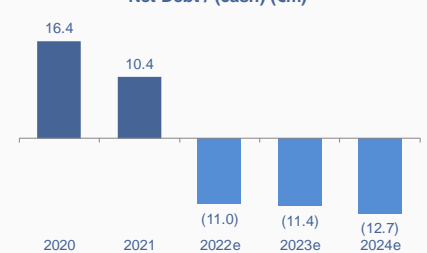
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Following the announcement of FY-21 preliminary numbers on 14-Mar, DBA Group unveiled FY-21 results, with only a few minor adjustments compared to the data reported in March, with the exception of the almost entire write-off of the receivable related to Italtel for a total consideration of € 2.4m. The increasing demand for engineering activities in Italy stemming from the significant investments with regard to the digitalisation of domestic infrastructures supported by the National Recovery and Resiliency Plan – NRRP, are expected to drive next years' results.

In Mar-22, DBA approved the sale of 100% of Actual IT to Telekom Slovenije, which valued the company at € 30m (Enterprise Value), corresponding to 9x EV/EBITDA21. Considering FY-21 results, the equity value of the transaction is € 20.6m, with a cash in for DBA of € 18.9m (corresponding to € 1.64 per share), thus reducing the group's NFP from € 10.4m debt at end-21 to € 11.2m cash. The deal generates a significant capital gain for DBA, to the tune of € 8.6m (€ 6.9m net of deal costs). The implicit IRR with regard to the investment in Actual amounts to 10% per year. The closing is expected by September 2022.

Following FY-21 results, we have updated our model by factoring in 1) the deconsolidation of Actual IT as from Sep-22, 2) the cash-in stemming from its disposal (€ 18.9m) and 3) the related capital gain equal to € 6.9m, net of deal costs. The new consolidation scope as from 2023 will include the EPM business unit as a whole and only the domestic activities with regard to the ICT division. Furthermore, we have also introduced FY-24 projections.

Peer Group Absolute Performance

%	1M	3M	12M
AECOM	9.8%	2.0%	13.4%
Alten SA	29.5%	1.8%	-0.6%
Arcadis NV	11.4%	-9.9%	-6.1%
Jacobs Engineering Group Inc	8.6%	-0.9%	0.6%
SNC-Lavalin Group Inc	8.1%	-16.2%	-25.3%
Sweco AB (publ)	5.0%	-19.1%	-18.5%
Accenture PLC	9.1%	2.0%	-3.8%
Capgemini SE	14.6%	-5.5%	2.1%
Reply SpA	9.7%	-9.4%	-12.9%
TXT e solutions SpA	12.8%	20.7%	51.7%
<b>DBA Group SpA</b>	<b>1.9%</b>	<b>-0.9%</b>	<b>34.7%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

- June 29<sup>th</sup>, 2022: The shareholders' meeting approves the financial statements as at 31 december 2021, the purchase and disposal of treasury shares and the sales transaction of Actual IT ([link](#))
- June 13<sup>th</sup>, 2022: Calling of Shareholders' meeting ([link](#))
- May 30<sup>th</sup>, 2022: The Board of Directors approves the consolidated results as at 31 December 2021: increased VoP and adj. EBITDA, improvement of the NFP ([link](#))

Financial Calendar

- March 14<sup>th</sup>, 2022: Board of Directors (FY-21 Preliminary Results)
- May 30<sup>th</sup>, 2022: Board of Directors (FY-21 Results)
- June 29<sup>th</sup>, 2022: Annual General Meeting (FY-21 Results)
- Between September 27<sup>th</sup> and September 30<sup>th</sup>, 2022: Board of Directors (H1-22 Results)

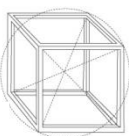
Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
30/06/2022	€ 3.50	BUY	FY-21 results	<a href="#">link</a>
16/03/2022	€ 3.00	BUY	FY-21 prel. results	<a href="#">link</a>
11/10/2021	€ 2.00	BUY	H1-21 results	<a href="#">link</a>
07/06/2021	€ 2.00	BUY	FY-20 results	<a href="#">link</a>

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**Italy - Digital**

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 6.40</b>
<b>Upside/(downside) %</b>	<b>37%</b>
<b>Last Price €</b>	<b>4.68</b>
<b>Market Cap. €m</b>	<b>94.8</b>
<b>1Y High €</b>	<b>5.28</b>
<b>1Y Low €</b>	<b>3.33</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>8,105</b>
<b>3M Avg Daily Turnover €</b>	<b>36,225</b>
<b>Free Float</b>	<b>28%</b>
<b>RIC</b>	<b>DIGT.MI</b>
<b>BBG</b>	<b>DIG IM</b>


**DIGITAL360**

DIGITAL360 is a leading Italian B2B player in the digital innovation arena, offering support to firms and public administrations for understanding and implementing digital innovation processes. Established in 2012, the company runs a match making platform between digital innovation demand and offer. The firm operates in two business areas: 1) Demand Generation - focuses on tech providers, supporting them in marketing and lead generation activities, through a unique model, based on Digital Marketing & Sales Engine approach; and 2) Advisory&Coaching - is aimed at companies and public administrations via a unique business model based on engineered methodologies, data, asset and know how.

The group has grown significantly in recent years: turnover CAGR<sub>11-21PF</sub> is 40% (organic CAGR<sub>11-21</sub> is 37%), boosted by acquisitions, 13 companies between 2012 and 2021, generating additional sales of almost € 21m. In the same period, EBITDA soared from € 0.2m to € 8.0m (on a pro-forma basis), 45% CAGR.

**STRENGTHS**

- Leading position in a large, growing and fragmented market
- Modest CapEx requirement
- Strong M&A track record

**WEAKNESSES**

- Limited size in the international competitive arena
- Few key relevant people represent vital asset for the company

€ m	2020	2021	2022e	2023e	2024e
Revenues	26.3	34.4	55.5	71.0	80.1
Total revenues	27.6	36.0	56.9	72.8	82.1
EBITDA	5.0	6.9	10.2	14.1	16.4
EBIT	2.5	3.6	4.4	8.8	11.7
EBIT Adjusted	3.3	5.0	6.6	11.8	14.7
Net Profit	1.1	1.8	1.9	4.2	5.9
Net Profit Adjusted	1.8	3.2	4.1	7.2	8.9
Capex	1.7	9.2	19.5	2.6	1.5
Net Debt (Cash)	1.4	(3.1)	6.2	2.8	(5.6)
EPS reported (€/share)	0.06	0.09	0.09	0.20	0.29
EPS Adjusted (€/share)	0.10	0.16	0.20	0.35	0.44
CPS (€/share)	0.35	0.35	0.28	0.44	0.49
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	19.1%	20.1%	18.4%	19.9%	20.4%
EBIT margin	9.6%	10.5%	7.8%	12.5%	14.6%
Dividend yield	-	-	-	-	-
Op NWC/Sales	24.6%	18.1%	20.4%	20.0%	20.1%
ROCE	13.2%	12.2%	9.6%	17.3%	20.2%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 14<sup>th</sup> July 2022

% YoY	2020	2021	2022e	2023e	2024e
Total revenues	3.7%	30.1%	58.1%	28.0%	12.8%
EBITDA	98.7%	37.3%	47.8%	38.7%	15.8%
EBIT	n.m.	43.9%	20.1%	n.m.	32.6%
Net Profit	n.m.	68.5%	5.8%	n.m.	41.6%
Net Profit Adjusted	n.m.	78.9%	30.3%	74.1%	24.1%
Capex	-9.5%	n.m.	n.m.	-86.7%	-42.3%
Debt	-78.4%	n.m.	n.m.	-54.2%	n.m.

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Booz Allen Hamilton Holding Corp	1.65	1.55	15.3	14.4	17.6	16.3	21.8	20.1	17.8	16.9
CY4GATE SpA	3.50	2.68	11.9	8.6	15.8	11.1	21.1	14.8	14.5	10.5
Cyberoo SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	19.8	8.3	18.6	7.7
Future PLC	3.28	2.87	9.1	7.9	11.3	8.8	11.4	10.6	8.9	9.2
Gartner Inc	4.39	3.86	20.0	18.6	25.9	24.3	32.6	30.7	23.2	21.7
Infoma PLC	4.12	3.41	15.9	11.3	18.4	13.7	26.0	17.9	21.2	14.0
Relx PLC	6.40	5.90	17.1	15.6	20.8	18.7	24.4	22.2	18.9	17.5
TechTarget Inc	n.a.	5.29	n.a.	12.8	n.a.	14.2	23.2	19.5	20.0	17.1
Wolters Kluwer NV	5.74	5.48	18.2	17.2	22.7	21.3	29.0	27.0	21.5	20.3
<b>Median</b>	<b>4.12</b>	<b>3.64</b>	<b>15.9</b>	<b>13.6</b>	<b>18.4</b>	<b>15.2</b>	<b>23.2</b>	<b>19.5</b>	<b>18.9</b>	<b>16.9</b>
<b>DIGITAL360 SpA</b>	<b>1.77</b>	<b>1.34</b>	<b>9.9</b>	<b>6.9</b>	<b>15.4</b>	<b>8.2</b>	<b>23.1</b>	<b>13.3</b>	<b>12.2</b>	<b>10.0</b>
% premium / (discount)	(56.9)	(63.2)	(37.9)	(49.2)	(16.3)	(45.9)	(0.8)	(32.0)	(35.5)	(40.5)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Andrea Rangone	19.7%	4.00
Mariano Corso	10.1%	2.06
Alessandro Giuseppe Perego	9.7%	1.97
Raffaello Balocco	4.0%	0.81
Gabriele Faggioli	5.1%	1.04
Other <4.0%	23.1%	4.69
Treasury shares	0.6%	0.13
Free Float	27.6%	5.59
<b>Total</b>	<b>100.0%</b>	<b>20.29</b>

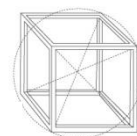
Source: Company data

Price performance	1M	3M	12M
DIGITAL360 SpA	6.1%	6.1%	33.7%
Rel.to FTSE Italia Growth	1.9%	11.1%	40.1%
Rel.to FTSE IT Growth	-2.4%	5.3%	26.7%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Booz Allen	12,430	10.3%	10.4%	2.4
CY4GATE	221	29.4%	76.3%	0.3
Cyberoo	75	35.9%	63.2%	n.m.
Future PLC	2,630	35.8%	14.2%	1.5
Gartner	20,925	22.0%	14.4%	1.6
Infoma PLC	10,256	26.0%	14.3%	0.6
Relx PLC	55,475	37.4%	7.9%	1.9
TechTarget	1,885	40.4%	18.1%	n.a.
Wolters Kluw.	27,767	31.7%	5.5%	1.3
<b>DIGITAL360</b>	<b>95</b>	<b>18.4%</b>	<b>32.6%</b>	<b>0.6</b>

Source: Thomson Reuters Eikon

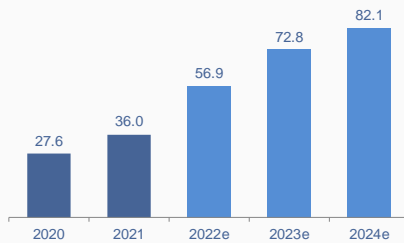




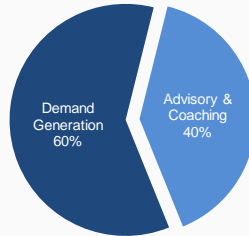


Italy - Digital

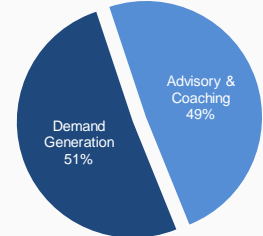
Total Revenues (€m)



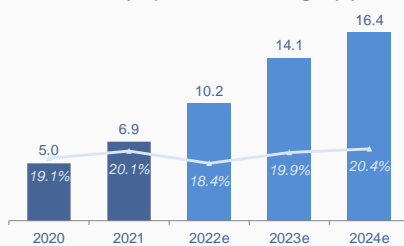
2021PF top line by business unit



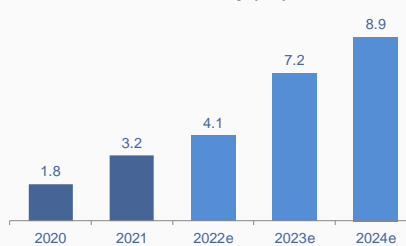
2020 top line by business unit



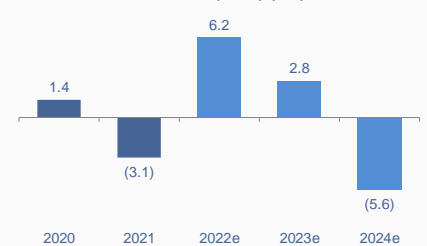
EBITDA (€m) and EBITDA margin (%)



Net Profit adj. (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

DIGITAL360 is definitely a serial acquirer: after the five acquisitions finalised in 2021 and the two closed at the beginning of 2022, the group completed a further four acquisitions in June. Overall, these acquisitions add some € 17m in revenues and € 3m in terms of EBITDA, thus, DIGITAL360's pro-forma turnover for FY-22 is set to be in excess of € 60m, with about € 12m EBITDA (~ 20% margin). Moreover, on the back of the credit lines for € 14m recently obtained by the group, further M&A deals seem to be on the cards.

The group's M&A activity is aimed at consolidating its leading positioning in the domestic digital arena. Furthermore, the acquisition campaign is also devoted to international expansion, in order to replicate abroad the innovative and scalable business model successfully built up in Italy. The main targeted geographies are Spain and LATAM, on the back of certain similarities in the domestic environment (i.e. culture, the presence of a lot of SMEs, a low digitalisation rate, a very fragmented market and the significant financial resources available to relaunch the economy and boost the digitalisation process in the aftermath of the pandemic-related crisis).

Furthermore, DIGITAL360's H1-22 preliminary results showed double-digit organic growth both in terms of revenues and EBITDA, coupled with the consolidation of the companies acquired in H2-21 (i.e. Imageware and ICT Lab). On a pro-forma basis, namely consolidating as of the beginning of the year the acquisitions made in the first semester 2022, H1-22 turnover would be € 33.8m, with EBITDA to the tune of € 6.9m, 20% margin.

Peer Group Absolute Performance

%	1M	3M	12M
Booz Allen Hamilton Holding Corp	3.4%	17.6%	7.0%
CY4GATE SpA	3.4%	-5.8%	6.0%
Cyberoo SpA	8.6%	0.8%	31.9%
Future PLC	8.3%	-17.6%	-47.5%
Gartner Inc	8.7%	-8.6%	0.9%
Informa PLC	13.0%	3.4%	16.1%
Relx PLC	9.8%	1.4%	15.5%
TechTarget Inc	-0.8%	-3.1%	-12.2%
Wolters Kluwer NV	15.2%	9.8%	10.3%
<b>DIGITAL360 SpA</b>	<b>6.1%</b>	<b>6.1%</b>	<b>33.7%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

- July 25<sup>th</sup>, 2022: DIGITAL360 signed a new acquisition for 51% of the shares of Meridiana Italia Srl, a company specialising in innovative solutions and projects for the Public Administration ([link](#))
- July 13<sup>th</sup>, 2022: DIGITAL360 anticipates the main consolidated preliminary H1-22 results: turnover at € 25m, by up 50%, EBITDA at € 4.9m, up by 30% ([link](#))
- July 13<sup>th</sup>, 2022: DIGITAL360 today finalised the acquisition of 75% of the shares of Cryptonet Labs Srl, a company operating in the field of computer security in Italy ([link](#))

Financial Calendar

- February 16<sup>th</sup>, 2022: FY-21 Preliminary Results
- March 28<sup>th</sup>, 2022: Board of Directors (FY-21 Results)
- April 28<sup>th</sup>, 2022: Annual General Meeting (FY-21 Results)
- Between July 11<sup>th</sup> and July 22<sup>nd</sup>, 2022: H1-22 Preliminary Results
- September 20<sup>th</sup>, 2022: Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
14/07/2022	€ 6.40	BUY	M&As Jun-22	<a href="#">link</a>
29/03/2022	€ 6.20	BUY	FY-21 results	<a href="#">link</a>
17/02/2022	€ 6.20	BUY	FY-21 prel. results	<a href="#">link</a>
26/01/2022	€ 5.50	BUY	XONA acquisition	<a href="#">link</a>

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Italy - IT Services

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 120.00</b>
<b>Upside/(downside) %</b>	<b>88%</b>
Last Price €	63.90
Market Cap. €m	635.7
1Y High €	120.40
1Y Low €	53.90
3M Avg Daily Turnover (n. shares)	9,682
3M Avg Daily Turnover €	623,599
Free Float	35%
RIC	DGV.MI
BBG	DGV IM



Digital Value originates from the combination of two domestic IT systems integrators, Italtware and ITD Solutions, with more than 30 years of experience in the field. The group supports the digital transformation of its customers through an offer of customised solutions and services. Headquartered in Milan, DGV (Digital Value) focuses on large accounts, firms with more than 500 employees, accounting for more than 50% of total IT spending in Italy in 2019 and the most promising segment in the IT service arena in terms of growth. The group boasts key expertise in network infrastructure and data centers, security, network testing and monitoring, workstation management, Help Desk, data management and analysis, ERP systems management, retail applications, information systems on premise support and governance, outsourcing and cloud.

**STRENGTHS**

- Focus on Top Clients (>500 employees) the fastest growing segment of the market
- Complete technological solution portfolio from major global IT vendors
- Solid BS, skilled and motivated team, copious technical certifications and competences

**WEAKNESSES**

- Rather marked customer concentration in TLC, utilities and PA
- Decisions are in the hands of few key relevant people, even though DGV is becoming increasingly structured with new senior management hiring

€ m	2020	2021	2022e	2023e	2024e
Sales	440.6	555.9	698.9	813.5	947.8
Value of production	442.3	557.8	700.3	815.2	949.7
EBITDA	45.4	57.5	71.2	85.2	102.5
EBIT	34.0	44.5	56.1	70.2	87.5
Net Profit	24.1	30.1	37.9	47.7	59.7
Net Profit Adjusted	24.1	30.4	37.9	47.7	59.7
Capex	13.0	27.3	13.0	13.0	13.0
Net Debt (Cash)	(32.9)	(21.3)	(48.7)	(95.2)	(158.4)
EPS reported FD (€/share)	2.42	3.02	3.81	4.79	5.99
EPS Adjusted FD (€/share)	2.42	3.05	3.81	4.79	5.99
CPS (€/share)	1.82	1.55	4.06	5.96	7.64
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	10.3%	10.3%	10.2%	10.4%	10.8%
EBIT margin	5.4%	5.4%	5.4%	5.9%	6.3%
Dividend yield	-	-	-	-	-
Op NWC/Sales	2.2%	7.5%	8.3%	7.9%	7.0%
ROCE	25.0%	19.9%	21.0%	22.0%	22.7%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 1<sup>st</sup> April 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	21.2%	26.1%	25.6%	16.4%	16.5%
EBITDA	42.1%	26.7%	23.9%	19.6%	20.3%
EBIT	25.7%	30.9%	26.0%	25.2%	24.6%
Net Profit	27.0%	25.0%	25.9%	25.8%	25.1%
Net Profit Adjusted	27.0%	26.3%	24.7%	25.8%	25.1%
Capex	-62.1%	n.m.	-52.4%	0.0%	0.0%
Debt	17.2%	-35.3%	n.m.	95.4%	66.4%

Sources: Company data, CFO SIM

Outstanding shares	%	# m
DV Holding SpA	64.7%	6.45
Free Float	35.3%	3.52
o/w Ipo Club (Promoters)	3.8%	0.38
<b>Total</b>	<b>100.0%</b>	<b>9.97</b>

Source: Company data

Price performance	1M	3M	12M
Digital Value SpA	10.2%	-22.5%	-18.9%
Rel.to FTSE Italia Growth	5.9%	-17.6%	-12.5%
Rel.to Peers Median	-1.6%	-18.8%	-15.7%

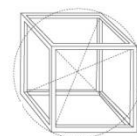
Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>2014-21</sub>	NFP/EBITDA FY1
Accenture	189,592	18.7%	18.6%	n.m.
Alten	4,520	12.3%	12.1%	n.m.
Atos	1,331	8.7%	-0.3%	1.9
Aubay	687	12.4%	7.5%	n.m.
Bechtle	5,659	8.0%	8.5%	n.m.
Capgemini	31,884	15.7%	9.2%	0.7
CDW	24,004	8.5%	13.2%	2.8
Computacenter	3,792	5.0%	4.6%	n.m.
Econocom	739	7.1%	2.8%	0.6
Indra Sistemas	1,569	10.9%	4.9%	0.4
Reply	4,778	16.7%	13.7%	n.m.
Sesa	2,132	7.2%	10.8%	n.a.
Sopra Steria	3,326	11.8%	5.3%	0.3
TietoEVRY	3,132	15.9%	2.7%	1.1
<b>Digital Value</b>	<b>636</b>	<b>10.2%</b>	<b>19.4%</b>	<b>n.m.</b>

Source: Thomson Reuters Eikon

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Accenture PLC	3.01	2.75	16.1	14.8	19.8	17.8	28.0	25.2	21.4	19.8
Alten SA	1.19	1.05	9.8	8.6	11.9	10.2	17.3	15.7	13.2	12.3
Atos SE	0.29	0.31	3.6	3.5	12.7	17.2	7.6	4.6	1.6	1.3
Aubay SA	1.16	1.05	9.4	8.4	11.3	10.1	18.3	17.1	14.2	13.3
Bechtle AG	0.96	0.85	12.0	10.8	15.7	14.0	22.8	21.0	15.9	14.8
Capgemini SE	1.62	1.45	10.4	9.1	13.9	12.1	17.5	15.8	12.0	11.0
CDW Corp	1.24	1.16	14.5	13.5	15.4	14.3	18.6	17.2	17.0	15.8
Computacenter PLC	0.41	0.38	8.1	7.7	10.9	10.2	17.0	16.5	11.6	11.2
Econocom Group SE	0.34	0.30	4.9	4.4	6.5	5.7	7.9	7.4	5.3	5.2
Indra Sistemas SA	0.48	0.42	4.5	3.8	6.1	5.2	8.6	7.8	5.4	5.1
Reply SpA	2.50	2.21	14.9	13.3	18.3	16.1	27.3	24.6	20.7	18.9
Sesa SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	22.9	19.9	14.9	12.7
Sopra Steria Group SA	0.70	0.62	6.0	5.1	8.9	7.5	12.2	10.8	7.1	6.5
TietoEVRY Corp	1.25	1.17	7.8	6.9	11.4	9.8	12.5	11.3	7.9	7.4
<b>Median</b>	<b>1.16</b>	<b>1.05</b>	<b>9.4</b>	<b>8.4</b>	<b>11.9</b>	<b>10.2</b>	<b>17.4</b>	<b>16.2</b>	<b>12.6</b>	<b>11.8</b>
Digital Value SpA	0.84	0.66	8.2	6.3	10.5	7.7	16.8	13.3	12.0	10.1
% premium / (discount)	(28.0)	(36.7)	(12.4)	(24.8)	(12.2)	(24.8)	(3.8)	(17.6)	(5.0)	(13.8)

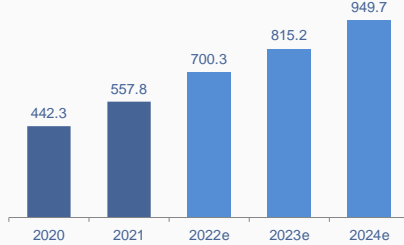
Sources: CFO SIM, Thomson Reuters Eikon



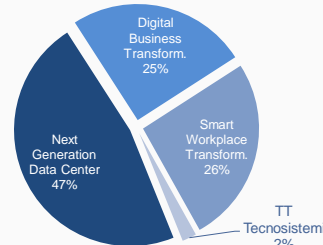


Italy - IT Services

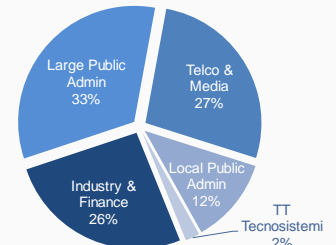
Value of Production (€m)



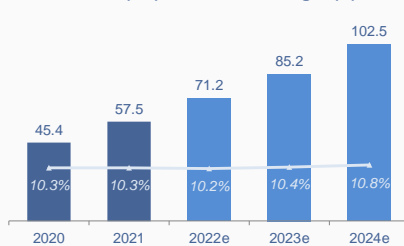
2021 top line by line of business



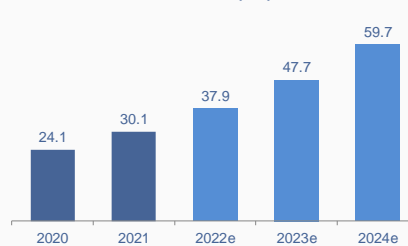
2021 top line by industry



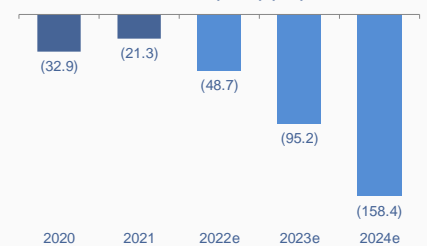
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

The company's 2021 results clearly proved that the segment in which DGV operates is resilient to such a difficult scenario. The pandemic had contributed to revealing many of the technological and innovation gaps in the digitisation levels of companies and the PA. DGV, thanks to its wide array of offers developed together with the best technological partners and its exposure towards large customers (companies and PA), is very well-positioned to benefit from the digitalisation trend. Last but not least, digitalisation is the second most important pillar of the Italian Recovery Fund (Piano Nazionale di Ripresa e Resilienza), which accounts for some € 46bn of a total of € 210bn. This should be a game changer, a tremendous boost to the group's reference market over the next years.

Backlog currently covers approximately 80% of FY-22 top line, offering fairly good visibility, and is based on, and supported by, long-term relationships with customers. Following the publication of FY-21 results, we have fine-tuned our projections, and introduced 2024 figures.

In this complex scenario, DGV represents a cheap, growing, cash-flow generative, safe, resilient player with upside potential arising from the active leading role it can play in this unavoidably consolidating arena. On the back of its extremely solid balance-sheet and massive cash flow generation capability, the magnitude of a possible move might be considerable. Our estimates do not take into account any external growth opportunity.

Peer Group Absolute Performance

%	1M	3M	12M
Accenture PLC	9.1%	2.0%	-3.8%
Alten SA	29.5%	1.8%	-0.6%
Atos SE	-5.3%	-48.7%	-70.9%
Aubay SA	7.5%	-5.6%	6.0%
Bechtle AG	17.1%	1.6%	-21.7%
Capgemini SE	14.6%	-5.5%	2.1%
CDW Corp	15.6%	11.2%	-0.9%
Computacenter PLC	10.8%	-3.1%	-2.7%
Econocom Group SE	4.4%	-9.0%	-6.8%
Indra Sistemas SA	-0.3%	-8.9%	1.2%
Reply SpA	9.7%	-9.4%	-12.9%
Sesa SpA	15.0%	-0.6%	-7.2%
Sopra Steria Group SA	15.1%	-4.4%	-2.3%
TietoEVERY Corp	12.7%	10.7%	-6.4%
<b>Digital Value SpA</b>	<b>10.2%</b>	<b>-22.5%</b>	<b>-18.9%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

- July 18<sup>th</sup>, 2022: Digital Value signed an agreement with Bank of Italy for almost € 19m, strengthening its positioning in the Finance & Insurance sector ([link](#))
- June 15<sup>th</sup>, 2022: Amendment to 2022 financial calendar ([link](#))
- June 13<sup>th</sup>, 2022: Digital Value increases to 70% its stake in TT Tecnosistemi SpA ([link](#))

Financial Calendar

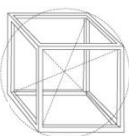
- March 30<sup>th</sup>, 2022: Board of Directors (FY-21 Results)
- April 29<sup>th</sup>, 2022: Annual General Meeting (FY-21 Results)
- August 3<sup>rd</sup>, 2022: H1-22 Preliminary Sales
- September 7<sup>th</sup>, 2022: Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
01/04/2022	€ 120.00	BUY	FY-21 results	<a href="#">link</a>
27/01/2022	€ 122.00	BUY	FY-21 prel. sales	<a href="#">link</a>
09/11/2021	€ 122.00	BUY	TTT Acquisition	<a href="#">link</a>
06/08/2021	€ 115.00	BUY	H1-21 results	<a href="#">link</a>

Investor Relations Contacts

Issuer	Investor Relations Manager
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Italy - Veterinary

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 2.00</b>
<b>Upside/(downside) %</b>	<b>82%</b>
Last Price €	1.10
Market Cap. €m	8.8
1Y High €	1.37
1Y Low €	0.94
3M Avg Daily Turnover (n. shares)	3,647
3M Avg Daily Turnover €	5,482
Free Float	31%
RIC	FCM.MI
BBG	FCM IM



Originating in 1996, today Friulchem is a vertically-integrated R&D-oriented Contract Development and Manufacturing Organisation (CDMO). It is an 'Innovative SME' operating in the pharmaceutical and nutraceutical market, serving both the veterinary and the human sector. The group provides global big pharma firms with finished and semi-finished products, including Active Pharmaceutical Ingredients (APIs), drugs and food supplements. Friulchem is specialised in delivering drugs for veterinary sector and in developing dossiers of generic drugs for human beings. Today Friulchem operates two specialised manufacturing plants, one in Vivaro (Pordenone), in hard-working, creative, north eastern Italy, and the other one in Magny-En-Vexin (France), as well as the headquarters in Milan. The company reported an 8.8% organic sales CAGR<sub>08-21</sub> mainly thanks to continuous product innovation leading to an increased share of wallet with pharma corporations coupled with a higher number of clients.

**STRENGTHS**

- Well-structured R&D team
- Solid proven track-record in developing innovative drug delivery solutions
- Delivering tailor-made solutions via different delivery forms
- Extremely flexible production structure, with approximately 80-20 variable-fixed costs

**WEAKNESSES**

- Limited size in the international competitive arena
- Few key relevant people represent a vital asset for the company
- Need for reinforcement of the management structure to boost developments

€ m	2020	2021	2022e	2023e	2024e
Revenues	16.7	22.9	28.6	30.7	31.9
Value of production	17.7	24.5	30.2	32.4	33.7
EBITDA	0.6	1.6	2.2	2.7	2.9
EBIT	(0.3)	0.7	1.2	1.7	1.9
Net Profit	(0.3)	0.1	0.4	0.8	0.9
Net Profit Adjusted	(0.3)	0.1	0.4	0.8	0.9
Capex	2.7	1.7	1.0	1.0	1.0
Net Debt (Cash)	1.1	3.1	2.9	2.4	1.6
EPS reported FD (€/share)	(0.04)	0.01	0.05	0.10	0.11
EPS Adjusted FD (€/share)	(0.04)	0.01	0.05	0.10	0.11
CPS (€/share)	0.06	0.02	0.15	0.19	0.22
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	3.6%	6.4%	7.1%	8.2%	8.5%
EBIT margin	-1.9%	0.3%	1.4%	2.4%	2.7%
Dividend yield	-	-	-	-	-
Op NWC/Sales	6.9%	9.6%	9.2%	9.4%	9.5%
ROCE	neg.	2.9%	4.8%	6.7%	7.2%

Source: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 28<sup>th</sup> March 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	12.7%	38.5%	23.2%	7.3%	4.0%
EBITDA	-52.1%	n.m.	36.0%	24.2%	7.3%
EBIT	n.m.	n.m.	68.1%	44.9%	11.6%
Net Profit	n.m.	n.m.	n.m.	81.3%	18.0%
Net Profit Adjusted	n.m.	n.m.	n.m.	81.3%	18.0%
Capex	n.m.	-37.3%	-41.2%	0.0%	0.0%
Debt	n.m.	n.m.	-6.6%	-18.0%	-33.4%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Dechra Pharmaceuticals PLC	6.52	5.87	23.0	21.0	27.3	24.7	34.8	32.2	27.9	26.2
ECO Animal Health Group PLC	1.00	0.82	12.4	7.5	18.9	11.2	24.9	23.5	14.8	12.5
Elanco Animal Health Inc	3.13	2.91	12.3	10.4	14.7	12.2	17.0	13.6	12.7	10.5
Merck & Co Inc	4.15	4.10	9.8	9.4	11.1	10.6	12.1	12.1	10.4	10.5
Phibro Animal Health Corp	1.20	1.13	10.1	9.0	13.0	11.8	15.1	15.0	10.3	9.9
Shedir Pharma Srl Unipersonale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	11.4	9.1	6.5	5.7
Vetoquinol SA	2.53	2.22	12.0	10.5	15.4	13.3	22.7	21.1	16.1	15.3
Virbac SA	2.48	2.27	13.2	11.7	16.7	14.8	25.6	23.1	18.4	16.7
Zoetis Inc	10.69	9.76	24.9	22.6	27.6	24.8	36.0	32.0	31.4	28.4
<b>Median Veterinary</b>	<b>2.83</b>	<b>2.59</b>	<b>12.4</b>	<b>10.4</b>	<b>16.1</b>	<b>12.7</b>	<b>22.7</b>	<b>21.1</b>	<b>14.8</b>	<b>12.5</b>
Friulchem SpA	0.39	0.11	5.4	4.2	10.1	6.6	20.5	11.3	6.2	5.0
% premium / (discount)	(86.4)	(95.9)	(56.2)	(60.0)	(37.3)	(47.9)	(9.3)	(46.3)	(58.2)	(60.4)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Evultis SA	38.8%	3.10
Friulia SpA	23.8%	1.90
Fiduciaria Bernasconi SA	6.3%	0.50
Free Float	31.2%	2.50
<b>Total</b>	<b>100.0%</b>	<b>8.00</b>

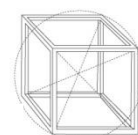
Source: Company data

Price performance	1M	3M	12M
Friulchem SpA	8.9%	5.8%	-17.0%
Rel.to FTSE Italia Growth	4.7%	10.7%	-10.6%
Rel.to Peers Median	4.1%	5.0%	-6.4%

Source: Thomson Reuters Eikon

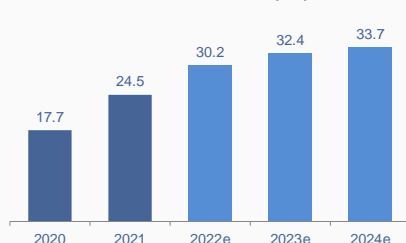
Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Dechra Pharma	4,991	28.6%	9.1%	0.9
ECO	98	8.0%	-3.2%	n.m.
Elanco	9,400	25.7%	3.9%	4.3
Merck & Co	221,104	42.6%	7.0%	0.6
Phibro	776	12.5%	6.4%	2.6
Shedir Pharma	46	17.8%	7.9%	n.a.
Vetoquinol	1,454	21.9%	4.5%	n.m.
Virbac	3,038	19.2%	5.8%	n.m.
Zoetis	84,081	42.9%	9.6%	0.7
<b>Friulchem</b>	<b>9</b>	<b>7.1%</b>	<b>11.2%</b>	<b>1.3</b>

Source: Thomson Reuters Eikon

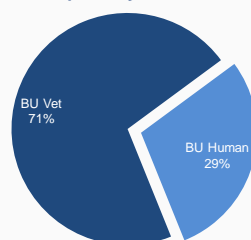


Italy - Veterinary

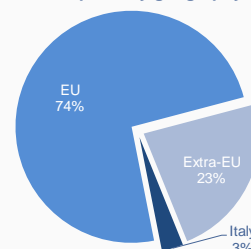
Value of Production (€m)



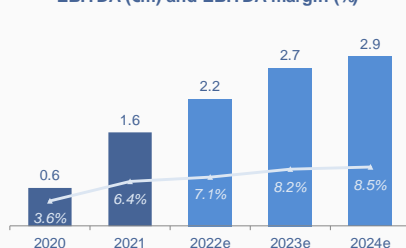
2021 top line by business unit



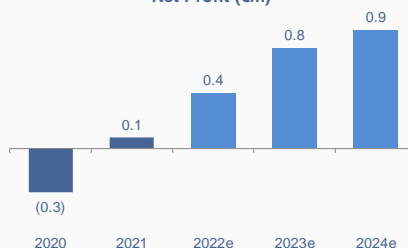
2021 top line by geography



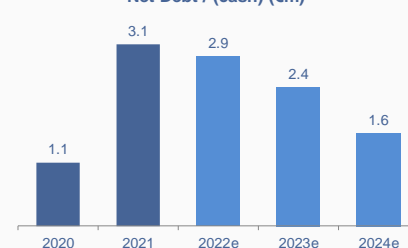
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Friulchem reported a good set of FY-21 results, broadly in line with CFO SIM's estimates. The positive performance in terms of EBITDA was mainly driven by higher sales volumes as well as by the increasing turnover with regard to the Vet business unit, characterised by higher profitability, thanks to a mid-single digit organic growth coupled with the consolidation of the French plant acquired in May-21.

Top line upward trend in the Vet BU is set to continue in 2022, after Friulchem managed to make long-term strategic agreements at the end of FY-21 with Italian and international partners for the development and supply of probiotics and food supplements, leveraging the FC-CUBE® proprietary technology and its proven R&D capabilities.

Following the FY-21 results release, we have fine-tuned our model, factoring in: 1) the higher than expected revenues with regard to the Human BU, leaving almost unchanged top line growth for 2022-23 and 2) a tiny reduction in D&A, in line with the 2021 figure.

Peer Group Absolute Performance

%	1M	3M	12M
Dechra Pharmaceuticals PLC	5.3%	1.3%	-25.0%
ECO Animal Health Group PLC	7.5%	-16.2%	-62.6%
Elanco Animal Health Inc	-1.7%	-20.0%	-44.7%
Merck & Co Inc	-3.3%	0.7%	16.1%
Phibro Animal Health Corp	-0.1%	8.8%	-18.7%
Shedir Pharma Srl Unipersonale	42.5%	3.1%	-9.3%
Vetoquinol SA	6.8%	-1.1%	6.6%
Virbac SA	-2.7%	-6.7%	6.2%
Zoetis Inc	4.8%	3.0%	-10.6%
<b>Friulchem SpA</b>	<b>8.9%</b>	<b>5.8%</b>	<b>-17.0%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

June 27 <sup>th</sup> , 2022	Friulchem to take part to the 2022 Mid&Small Virtual Conference ( <a href="#">link</a> )
April 28 <sup>th</sup> , 2022	Friulchem's ordinary and extraordinary Shareholders' meeting ( <a href="#">link</a> )
April 19 <sup>th</sup> , 2022	Filing of lists of candidates for appointment to the Board of Directors and the Board of Statutory Auditors ( <a href="#">link</a> )

Financial Calendar

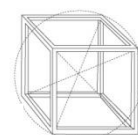
March 23 <sup>rd</sup> , 2022	Board of Directors (FY-21 Results)
April 22 <sup>nd</sup> , 2022	Annual General Meeting (FY-21 Results)
September 23 <sup>rd</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
28/03/2022	€ 2.00	BUY	FY-21 results	<a href="#">link</a>
28/09/2021	€ 1.80	BUY	H1-21 results	<a href="#">link</a>
27/07/2021	€ 1.80	BUY	Initiation of Coverage	<a href="#">link</a>

Investor Relations Contacts

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Italy - Marketing Technology

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 6.20</b>
<b>Upside/(downside) %</b>	<b>29%</b>
<b>Last Price €</b>	<b>4.80</b>
<b>Market Cap. €m</b>	<b>71.7</b>
<b>1Y High €</b>	<b>5.48</b>
<b>1Y Low €</b>	<b>4.10</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>3,240</b>
<b>3M Avg Daily Turnover €</b>	<b>16,543</b>
<b>Free Float</b>	<b>36%</b>
<b>RIC</b>	<b>GROWE.MI</b>
<b>BBG</b>	<b>GROW IM</b>



Founded in Cremona (Italy) in 2002 as an email service provider, Growens is now a leading international scale-up in the European Cloud Marketing Technologies market, one of the fastest growing industries worldwide. The group is a vertically integrated player focusing on messaging and data-driven/multi-channel marketing automation, providing over 23,000 clients in 115 countries with a wide range of solutions. Growens operates two business divisions, declined in five synergic business units, corresponding to five different companies.

1) The SaaS (Software-as-a-Service) division is characterised by subscription-based services supplied to customers via cloud platforms. It includes the following business units: MailUp, BEE, Datatrics and Acumbamail.  
2) The CPaaS (Communication-Platform-as-a-Service) division includes the Agile Telecom business unit, which provides messaging services on a wholesale basis using APIs.

The group achieved a significant growth path since its establishment: born as a start-up in 2002, Growens closed FY-21 with revenues of € 71.2m, EBITDA of € 5.2m and over 260 employees. Since the IPO in 2014 the group's revenues increased by a CAGR<sub>13-21</sub> of 33.2%, thanks to organic growth boosted by a few acquisitions.

**STRENGTHS**

- Leading European player in cloud marketing technologies
- Vertically integrated MarTech actor: from data collection to omni-channel activation
- Datatrics extends the traditional marketing automation with Artificial Intelligence
- R&D investments historically exceeds 10% of revenues every year

**WEAKNESSES**

- Turnover depends highly from SMS, typically non-recurring
- Higher price pressure and lower margins in SMS business compared to email
- Few key relevant people represent a vital asset for the company
- Sizable goodwill (1/3 of total assets)

€ m	2020	2021	2022e	2023e	2024e
Total revenues	65.2	71.2	93.2	102.9	112.0
EBITDA	5.1	5.2	7.4	9.3	11.1
EBIT	1.4	1.1	1.9	3.8	5.6
Net Profit	0.6	0.4	1.2	2.4	3.5
Net Profit Adjusted	0.6	0.4	1.2	2.4	3.5
Capex	3.0	4.1	6.8	3.0	3.0
Net Debt (Cash)	(2.5)	(6.5)	(4.7)	(10.1)	(16.0)
EPS reported (€/share)	0.03	0.02	0.07	0.14	0.21
CPS (€/share)	0.29	0.52	0.37	0.51	0.54
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	7.8%	7.3%	7.9%	9.1%	9.9%
EBIT margin	2.1%	1.6%	2.1%	3.7%	5.0%
Dividend yield	-	-	-	-	-
Op NWC/Sales	-2.3%	-2.4%	-0.5%	-0.3%	-0.1%
ROCE	5.1%	4.1%	6.9%	12.2%	16.1%

Sources: Company data, CFO SIM Estimates. Rating and Price Target updated as of 12<sup>th</sup> July 2022

% YoY	2020	2021	2022e	2023e	2024e
Total revenues	7.3%	9.2%	30.8%	10.4%	8.9%
EBITDA	6.1%	2.2%	42.4%	25.8%	18.8%
EBIT	-25.4%	-18.0%	71.6%	97.2%	46.3%
Net Profit	-50.9%	-34.8%	n.m.	n.m.	47.1%
Capex	-1.3%	34.4%	65.1%	-55.6%	0.0%
Debt	-6.8%	n.m.	28.6%	n.m.	-58.8%

Sources: Company data, CFO SIM

Outstanding shares	%	# m
Founders	52.5%	7.86
Pronti Gianluca	6.1%	0.91
BMC Holding B.V. *	3.9%	0.59
Ex Contactlab's shareholders *	1.3%	0.19
Treasury shares	0.3%	0.05
Free Float	35.9%	5.38
<b>Total</b>	<b>100.0%</b>	<b>14.97</b>

Source: Company data \* subject to lock-up (does not enter the free float)

Price performance	1M	3M	12M
Growens SpA	8.8%	-5.1%	9.3%
Rel.to FTSE Italia Growth	4.6%	-0.2%	15.7%
Rel.to Sector	3.5%	4.7%	35.4%

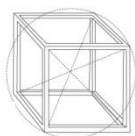
Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
dotDigital Group	349	32.6%	8.6%	n.m.
CM.com	340	n.m.	28.0%	n.m.
Kaleyra	97	8.9%	29.1%	4.0
Link Mobility	373	13.1%	14.5%	3.6
Sinch AB	2,056	11.5%	29.9%	2.8
HubSpot	14,399	12.2%	30.4%	n.m.
Neosperience	34	32.4%	19.6%	1.2
<b>Growens</b>	<b>72</b>	<b>7.9%</b>	<b>16.3%</b>	<b>n.m.</b>

Source: Thomson Reuters Eikon

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
dotDigital Group PLC (Email Marketing)	3.99	3.65	12.1	11.4	17.9	16.7	24.9	24.4	15.8	15.5
CM.com NV	1.11	0.95	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	2,144.4
Kaleyra Inc	0.62	0.47	7.1	5.2	n.m.	n.m.	n.m.	n.m.	4.7	2.7
Link Mobility Group Holding ASA	1.24	1.06	9.4	8.0	22.4	19.1	21.7	12.7	6.6	5.1
Sinch AB (publ)	1.10	0.92	11.4	7.9	29.5	15.1	69.8	19.5	10.9	7.6
<b>Mobile Messaging median</b>	<b>1.10</b>	<b>0.93</b>	<b>9.4</b>	<b>7.9</b>	<b>25.9</b>	<b>17.1</b>	<b>45.7</b>	<b>16.1</b>	<b>6.6</b>	<b>6.3</b>
HubSpot Inc	8.01	6.17	64.5	45.2	89.9	61.1	118.7	83.6	79.9	58.2
Neosperience SpA	2.24	1.56	6.9	5.1	27.2	13.7	50.6	22.5	6.7	5.4
<b>Predictive Marketing median</b>	<b>5.12</b>	<b>3.86</b>	<b>35.7</b>	<b>25.2</b>	<b>58.5</b>	<b>37.4</b>	<b>84.7</b>	<b>53.0</b>	<b>43.3</b>	<b>31.8</b>
Growens SpA	0.72	0.60	9.1	6.6	34.5	16.1	60.7	30.2	10.8	9.1
% Prem./(disc.) to dotDigital PLC	(82.0)	(83.6)	(24.9)	(41.8)	92.3	(3.7)	143.3	24.0	(31.7)	(41.0)
% Prem./(disc.) to Mobile Messaging	(34.9)	(35.7)	(3.9)	(16.4)	33.2	(6.0)	32.7	88.0	63.9	44.7
% Prem./(disc.) to Predictive Marketing	(86.0)	(84.5)	(74.7)	(73.7)	(41.0)	(57.0)	(28.3)	(43.0)	(75.1)	(71.3)

Sources: CFO SIM, Thomson Reuters Eikon



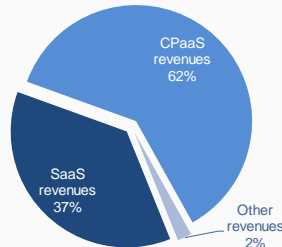




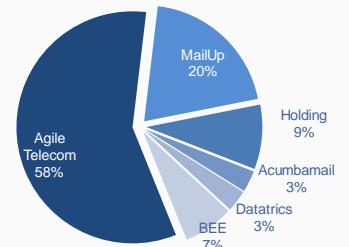
Italy - Marketing Technology



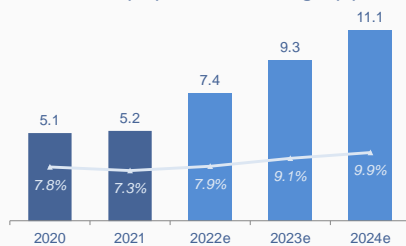
2021 top line by business division



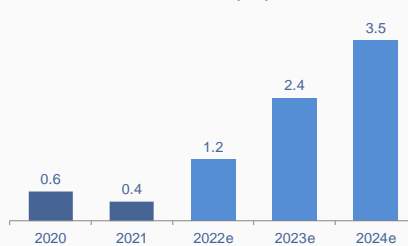
2021 top line by business unit



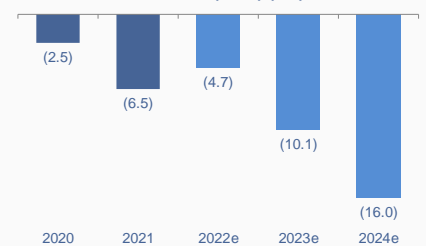
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Growens reported mixed Q1-22 results: top line showed a solid double-digit organic growth while margins were affected by a different revenue mix and the persisting operating loss with regard to Datatrics.

Following the Q1-22 results release we have updated our model in order to factor in: 1) a slight increase in top line growth, mainly driven by the excellent performance of BEE and Agile Telecom in Q1; 2) a slower than expected return to growth with respect to Datatrics and the resulting impact on margins; and 3) a fine-tuning of the EBITDA margin per business unit as a consequence of the greater re-allocation of intercompany costs performed by the group in Q1.

We reiterate our BUY recommendation on the stock. In particular, the recently acquired company Contactlab allows Growens to 1) further enlarge its customer portfolio, 2) strengthen the recurring part of the business stemming from SaaS-based solutions and 3) enrich the group's offer. Furthermore, the group's M&A firepower remains huge: now a possible target might be to enrich BEE's offer.

Peer Group Absolute Performance

%	1M	3M	12M
dotDigital Group PLC	40.3%	13.1%	-59.8%
CM.com NV	-11.8%	-26.5%	-69.9%
Kaleyra Inc	1.8%	-61.1%	-78.1%
Link Mobility Group Holding ASA	5.7%	-19.0%	-61.4%
Sinch AB (publ)	-25.7%	-42.7%	-85.6%
HubSpot Inc	-1.8%	-18.8%	-47.2%
Neosperience SpA	0.5%	-16.1%	-41.8%
<b>Growens SpA</b>	<b>8.8%</b>	<b>-5.1%</b>	<b>9.3%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 11 <sup>th</sup> , 2022	SaaS ARR up 33.3% CPaaS Sales up 52.4%. The BoD appointed Luca Azzali as Corporate Development Director and passed an amendment to the purchase agreement of Datatrics ( <a href="#">link</a> )
May 10 <sup>th</sup> , 2022	The Board of Directors reviewed certain financial data concerning the first quarter of 2022 ( <a href="#">link</a> )
May 4 <sup>th</sup> , 2022	Closing of the purchase of 100% of Contactlab SpA ( <a href="#">link</a> )

Financial Calendar

January 11 <sup>th</sup> , 2022	FY-21 KPIs (SaaS ARR and CPaaS sales)
March 22 <sup>nd</sup> , 2022	Board of Directors (FY-21 Results)
April 11 <sup>th</sup> , 2022	Q1-22 KPIs (SaaS ARR and CPaaS sales)
April 21 <sup>st</sup> , 2022	Annual General Meeting (FY-21 Results)
May 10 <sup>th</sup> , 2022	Board of Directors (Q1-22 Results)
July 11 <sup>th</sup> , 2022	Q2-22 KPIs (SaaS ARR and CPaaS sales)
September 13 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)
October 10 <sup>th</sup> , 2022	Q3-22 KPIs (SaaS ARR and CPaaS sales)
November 8 <sup>th</sup> , 2022	Board of Directors (Q3-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
12/07/2022	€ 6.20	BUY	KPIs Q2-22	<a href="#">link</a>
16/05/2022	€ 6.20	BUY	Q1-22 results	<a href="#">link</a>
12/04/2022	€ 6.60	BUY	Contactlab acquisition	<a href="#">link</a>
25/03/2022	€ 6.20	BUY	FY-21 results	<a href="#">link</a>

Investor Relations Contacts

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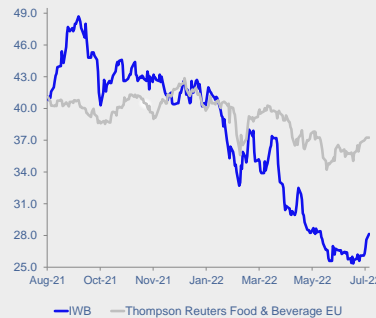
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Italy - Food and Beverage

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 38.00</b>
<b>Upside/(downside) %</b>	<b>38%</b>
<b>Last Price €</b>	<b>27.60</b>
<b>Market Cap. €m</b>	<b>242.4</b>
<b>1Y High €</b>	<b>49.30</b>
<b>1Y Low €</b>	<b>24.05</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>4,803</b>
<b>3M Avg Daily Turnover €</b>	<b>133,442</b>
<b>Free Float</b>	<b>67%</b>
<b>RIC</b>	<b>ITWB.MI</b>
<b>BBG</b>	<b>IWB MI</b>



ITALIAN WINE BRANDS

IWB (Italian Wine Brands) is the holding company of a leading producer and distributor in the Italian wine industry. The Group operates through two channels: Distance Selling and Wholesale. Distance Selling's activity deals with the production and distribution of wine through distance selling channels such as mailing, telesales or internet, addressed to end consumers in Italy, the UK, Germany, Switzerland, Holland, Austria, France and the USA. The Distance Selling division boasts a catalogue of over 140 different wines and spumanti and 130 traditional Italian food products. Since the Distance Selling arm does not own any vineyards, it procures raw materials (grapes, must and bulk wine) from Italian vineyards and wine producers, which it works in its own two proprietary wineries. Wholesale is focused on sale and distribution in the international markets to mass retailers where it distributes both privately labelled and branded products. The Wholesale arm outsources both the bottling and the logistic activity in order to make its supply operations faster, leaner and more efficient.

- STRENGTHS**
- Lean structured and well-proven logistic platform
  - B2C huge clients database
  - Amongst the highest quality/price ratio in the market
  - Skilled and motivated top management

- WEAKNESSES**
- Mature arena, poor market growth rates
  - B2B segment: relevant customers' bargaining power

€ m	2020	2021	2022e	2023e	2024e
Net Sales	204.3	313.2	405.0	418.0	426.9
EBITDA Adjusted	25.6	34.0	34.5	43.9	46.6
EBITDA	23.6	31.0	34.5	43.9	46.6
EBIT Adjusted	20.2	25.9	24.0	33.5	36.3
EBIT	18.2	22.9	24.0	33.5	36.3
Net Profit Adjusted	14.2	14.5	14.9	21.9	24.5
Net Profit	15.6	16.7	14.9	21.9	24.5
Capex	16.4	155.5	27.7	8.2	8.2
Net Debt (Cash)	10.3	121.3	125.0	101.9	80.0
EPS Reported FD (€/share)	1.92	1.65	1.69	2.49	2.78
EPS Adjusted FD (€/share)	2.11	1.90	1.69	2.49	2.78
CPS FD (€/share)	2.14	0.97	2.78	3.89	3.92
DPS (€/share)	0.25	0.10	0.34	0.50	0.56
EBITDA margin	11.6%	9.9%	8.5%	10.5%	10.9%
EBIT margin	8.9%	7.3%	5.9%	8.0%	8.5%
Dividend yield	0.9%	0.4%	1.2%	1.8%	2.0%
Net margin	7.7%	5.3%	3.7%	5.2%	5.7%
Op NWC/Sales	-0.4%	2.8%	2.7%	2.2%	2.2%
ROCE	11.5%	6.5%	6.6%	8.8%	9.4%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 27<sup>th</sup> June 2022

% YoY	2020	2021	2022e	2023e	2024e
Net Sales	29.7%	53.3%	29.3%	3.2%	2.1%
EBITDA	44.8%	31.3%	11.2%	27.4%	6.1%
EBIT	55.4%	25.6%	5.1%	39.3%	8.3%
Net Profit	79.7%	2.3%	2.5%	47.3%	11.8%
Net Profit adj.	70.2%	6.9%	-11.0%	47.3%	11.8%
Capex	n.m.	n.m.	-82.2%	-70.4%	0.0%
Debt	-3.3%	n.m.	3.1%	-18.5%	-21.5%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Concha y Toro Winery Inc	1.55	1.42	8.0	7.3	9.8	8.9	10.2	9.4	7.7	7.2
Lanson BCC SA	2.38	2.25	16.2	15.1	19.6	18.0	9.6	8.9	7.1	6.7
Laurent Perrier SA	2.74	2.57	10.4	9.7	11.7	10.9	12.6	12.8	10.6	10.8
Masi Agricola SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	34.9	30.8	19.7	17.3
Schloss Wachenheim AG	18.60	8.96	164.8	83.3	262.9	138.4	11.0	11.9	4.8	4.8
Treasury Wine Estates Ltd	3.95	3.59	14.6	12.3	18.7	15.3	27.5	22.2	18.9	16.0
Vranken Pommery Monopole SA	2.70	2.52	17.1	15.8	27.2	23.1	16.5	12.4	5.8	5.5
<b>Wine producers median</b>	<b>2.72</b>	<b>2.55</b>	<b>15.4</b>	<b>13.7</b>	<b>19.2</b>	<b>16.7</b>	<b>12.6</b>	<b>12.4</b>	<b>7.7</b>	<b>7.2</b>
Hawesko Holding AG	0.72	0.68	7.0	6.5	10.8	9.8	14.0	13.0	7.5	7.1
Naked Wines PLC	0.21	0.20	40.8	14.2	n.m.	n.m.	n.m.	n.m.	41.5	15.4
<b>Wine distributors median</b>	<b>0.47</b>	<b>0.44</b>	<b>23.9</b>	<b>10.3</b>	<b>10.8</b>	<b>9.8</b>	<b>14.0</b>	<b>13.0</b>	<b>24.5</b>	<b>11.2</b>
<b>Italian Wine Brands SpA</b>	<b>0.91</b>	<b>0.82</b>	<b>10.7</b>	<b>7.8</b>	<b>15.3</b>	<b>10.3</b>	<b>16.3</b>	<b>11.1</b>	<b>9.6</b>	<b>7.5</b>
% premium / (discount) to wine producers	(66.6)	(67.7)	(30.8)	(42.8)	(20.3)	(38.3)	29.6	(10.6)	23.7	4.4
% premium / (discount) to wine distributors	94.5	87.5	(55.5)	(24.1)	41.8	5.4	16.4	(14.6)	(60.9)	(33.2)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Gruppo Pizzolo (ENOITALIA)	15.9%	1.40
Provinco	7.6%	0.67
IPOC	7.3%	0.64
Raphael Dal Bo	2.4%	0.21
Treasury Shares	0.1%	0.01
Free Float, o/w	66.7%	5.87
Otus Capital Management	6.1%	0.54
Praude Asset Management	5.3%	0.47
<b>Total</b>	<b>100.0%</b>	<b>8.80</b>

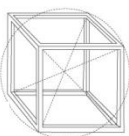
Source: Company data

Price performance	1M	3M	12M
Italian Wine Brands SpA	5.1%	-10.4%	-32.8%
Rel.to FTSE Italia Growth	0.9%	-5.4%	-26.4%
Rel.to FTSE IT Growth	1.5%	-5.1%	-23.8%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Concha y Toro	975	19.5%	9.5%	1.7
Lanson	206	14.7%	3.7%	11.3
Laurent Perrier	591	25.8%	3.3%	3.1
Masi Agricola	157	14.5%	n.a.	n.a.
Schloss Wach.	134	11.3%	3.3%	n.a.
Treasury Wine	6,084	26.9%	4.5%	1.5
Pommery	158	15.7%	3.0%	13.9
Hawesko	376	10.3%	1.3%	1.5
Naked Wines	130	0.8%	7.9%	n.m.
<b>IWB</b>	<b>242</b>	<b>8.5%</b>	<b>10.9%</b>	<b>3.6</b>

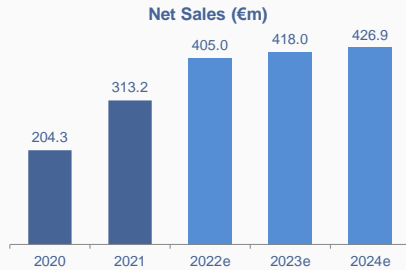
Source: Thomson Reuters Eikon



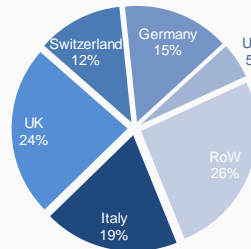




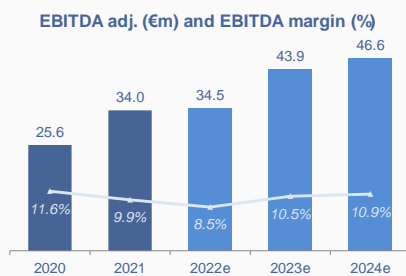
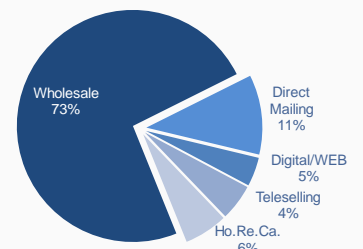
Italy - IT Food and Beverage



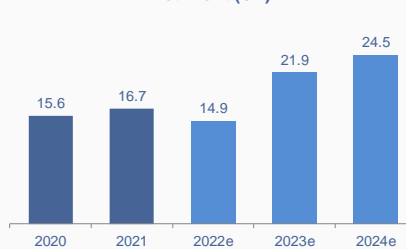
2021 top line by country



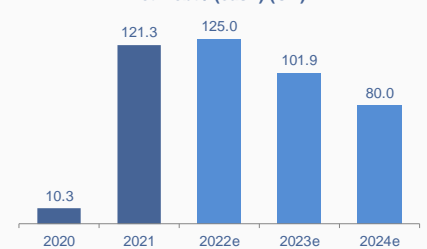
2021 top line by channel



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

According to Federvini (Italian Association of wines and spirits producers), in the first four months of 2022 wine retail sales dropped by 9.6% YoY. Inflation and the war are curbing the spending of Italian consumers, leading to cuts to consumer discretionary purchases to save money, sacrificing wine and spirits.

In light of the aforementioned sales trend in the first four months of 2022 with regard to domestic wine consumption, we believe that IWB is not immune to the current tough macroeconomic environment, characterised by runaway inflation and a consequent decrease in consumption in consumer discretionary coupled with several logistic delays. IWB is acting in order to preserve its sales volumes even at the expense of some basis points in terms of profitability in the short term in order to benefit from a highly likely normalisation of the inflation trend in the medium term.

As a consequence, we have downgraded our estimates by factoring in: 1) declining sales volumes with regard to both Wholesale and Distance Selling divisions partially offset by growing revenues stemming from Ho.Re.Ca.; 2) a further exacerbation of the inflationary trend in Q1-22, mainly with regard to glass, paper, energy and transport.

Peer Group Absolute Performance

%	1M	3M	12M
Concha y Toro Winery Inc	-3.0%	-1.5%	-3.7%
Lanson BCC SA	4.7%	-1.4%	10.3%
Laurent Perrier SA	0.6%	10.7%	-3.3%
Masi Agricola SpA	-3.2%	8.2%	58.6%
Schloss Wachenheim AG	-5.6%	-9.1%	-8.6%
Treasury Wine Estates Ltd	8.4%	10.3%	3.5%
Vranken Pommery Monopole SA	2.9%	2.0%	-2.2%
Hawesko Holding AG	-4.8%	-15.3%	-32.0%
Naked Wines PLC	-9.9%	-59.0%	-83.0%
<b>Italian Wine Brands SpA</b>	<b>5.1%</b>	<b>-10.4%</b>	<b>-32.8%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

May 20 <sup>th</sup> , 2022	Compliance certificate <a href="#">link</a>
April 27 <sup>th</sup> , 2022	Shareholders' meeting resolutions <a href="#">link</a>
April 11 <sup>th</sup> , 2022	2020-2022 Incentive Plan <a href="#">link</a>

Financial Calendar

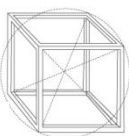
March 22 <sup>nd</sup> , 2022	Board of Directors (FY-21 Results)
April 26 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
September 15 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
27/06/2022	€ 38.00	BUY	Business update	<a href="#">link</a>
30/03/2022	€ 55.00	BUY	FY-21 results	<a href="#">link</a>
28/01/2022	€ 61.00	BUY	FY-21 prel. sales	<a href="#">link</a>
11/01/2022	€ 61.00	BUY	Enovation acquisition	<a href="#">link</a>

Investor Relations Contacts

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Italy - Nutraceutical

Rating **NEUTRAL**

Price Target **€ 11.00**

Upside/(downside) % **28%**

Last Price €	8.60
Market Cap. €m	158.6
1Y High €	14.90
1Y Low €	7.32
3M Avg Daily Turnover (n. shares)	2,655
3M Avg Daily Turnover €	28,794
Free Float	22%
RIC	LBM.MI
BBG	LBM MI



Originating in 1998 from a family pharmacy owned by Mr Bertin, today Labomar is a research-driven full service B2B Contract Development and Manufacturing Organisation (CDMO). It operates in the dietary supplements and medical devices market and provides global big pharma firms with high-grade value-added technological content dietary supplements and medical devices. Labomar aims at being the reference partner for customers looking for innovative and effective products, able to improve people's wellness. Today Labomar operates three specialised manufacturing plants and one R&D facility in Istrana (TV), located in hard-working, creative north eastern Italy, as well as a manufacturing plant in Canada stemming from the ImportFab acquisition. Labomar stand-alone reported 11.5% organic sales CAGR<sub>14-21</sub> (including M&A CAGR<sub>14-21PF</sub> 16.7%) mainly as a result of continuous product innovation and the consequent increased share of wallet with pharma corporations.

**STRENGTHS**

- Well-structured R&D team managing over 800 projects per year
- Wide product portfolio with several ready-to-market solutions
- Tailor-made solutions across several therapeutic areas based on proprietary technologies
- Coverage of the entire value-chain
- Unique salesforce able to proactively understand the client's needs

**WEAKNESSES**

- Limited M&A track record
- Relatively small number of publications/clinical studies

€ m	2020	2021	2022e	2023e	2024e
Value of production	61.5	66.5	83.3	90.7	97.6
EBITDA	11.3	10.1	14.9	17.1	20.0
EBITDA Adjusted	12.3	10.1	14.9	17.1	20.0
EBIT	7.3	2.4	8.0	9.2	11.7
EBIT Adjusted	8.2	2.4	8.0	9.2	11.7
Net Profit	6.1	8.4	6.0	6.9	8.8
Net Profit Adjusted	6.1	8.4	6.0	6.9	8.8
Capex	6.0	19.3	6.5	8.5	8.5
Net Debt (Cash)	3.4	28.2	24.2	19.7	13.4
EPS Reported (€/share)	0.33	0.45	0.32	0.37	0.48
EPS Adjusted (€/share)	0.33	0.45	0.32	0.37	0.48
CPS (€/share)	0.45	0.46	0.67	0.80	0.91
DPS (€/share)	0.11	0.10	0.10	0.11	0.14
EBITDA adj. margin	20.0%	15.2%	17.9%	18.8%	20.5%
EBIT adj. margin	13.4%	3.6%	9.7%	10.1%	12.0%
Dividend yield	1.4%	1.3%	1.3%	1.5%	1.9%
Net margin	9.9%	12.6%	7.2%	7.6%	9.0%
Op NWC/Sales	10.2%	17.7%	17.2%	16.9%	16.6%
ROCE	9.4%	2.7%	8.5%	9.2%	10.8%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 25<sup>th</sup> May 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	25.1%	8.1%	25.3%	8.9%	7.6%
EBITDA Adjusted	27.1%	-17.7%	47.7%	14.2%	17.1%
EBIT Adjusted	28.9%	-71.0%	n.m.	14.4%	27.1%
Net Profit Adjusted	33.6%	36.9%	-28.4%	15.0%	27.8%
Capex	n.m.	n.m.	-66.3%	30.8%	0.0%
Debt	-88.0%	n.m.	-14.3%	-18.3%	-32.0%

Sources: Company data, CFO SIM

Outstanding shares	%	# m
LBM Holding Srl	67.3%	12.45
Master Lab	6.3%	1.17
Value First	4.3%	0.79
Free Float	22.0%	4.08
o/w Joh. Berenberg, Gossler & Co. KG	3.7%	0.68
<b>Total</b>	<b>100.0%</b>	<b>18.48</b>

Source: Company data

Price performance	1M	3M	12M
Labomar SpA	7.5%	8.9%	-35.3%
Rel.to FTSE Italia Growth	3.2%	13.8%	-28.9%
Rel.to CDMO peers	1.8%	13.2%	2.9%

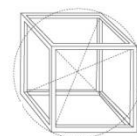
Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Catalent	19,837	26.0%	19.0%	2.5
Clover Corp.	123	16.3%	20.8%	n.m.
Fine Foods	176	10.1%	10.1%	0.8
Jubilant Pharm.	710	18.2%	n.a.	n.a.
Lonza Group	43,982	31.3%	14.5%	0.7
Probi	272	27.4%	4.8%	n.m.
Siegfried Hold.	3,189	19.3%	8.8%	1.9
<b>Labomar</b>	<b>159</b>	<b>17.9%</b>	<b>13.6%</b>	<b>1.6</b>

Source: Thomson Reuters Eikon

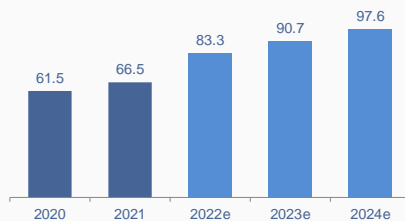
Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Catalent Inc	4.82	4.37	18.5	16.5	25.8	22.2	30.2	27.1	19.7	18.2
Clover Corporation Ltd	2.84	2.28	17.4	12.6	18.8	13.4	27.7	19.1	24.8	17.6
Fine Foods & Pharmaceuticals NTM SpA	0.93	0.80	9.2	6.2	28.3	11.9	33.5	14.8	9.1	6.7
Jubilant Pharmova Ltd	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	14.4	10.9	7.5	6.1
Lonza Group AG	7.10	6.37	22.5	19.6	31.7	27.2	37.7	31.9	25.2	21.7
Probi AB	3.67	3.25	13.4	12.0	24.1	20.8	35.1	31.6	17.3	16.3
Siegfried Holding AG	2.96	2.81	15.4	14.0	22.1	20.4	25.8	23.1	16.3	14.6
<b>Median CDMO</b>	<b>3.32</b>	<b>3.03</b>	<b>16.4</b>	<b>13.3</b>	<b>24.9</b>	<b>20.6</b>	<b>30.2</b>	<b>23.1</b>	<b>17.3</b>	<b>16.3</b>
Biesse SpA	0.34	0.32	3.3	3.0	6.3	5.4	14.1	11.4	5.7	5.2
Brembo SpA	1.17	1.08	6.6	6.1	11.2	9.9	12.9	11.9	6.8	6.5
Eurotech SpA	1.11	0.70	13.8	3.5	44.5	4.4	29.6	5.1	12.8	4.2
Interpump Group SpA	2.54	2.40	11.1	10.4	14.0	13.2	17.7	17.2	12.9	12.4
Lu-Ve SpA	1.05	1.01	9.0	8.1	14.7	14.9	15.1	15.7	8.5	7.5
Prima Industrie SpA	0.66	0.55	6.4	4.5	12.9	7.5	17.4	10.2	6.5	5.0
<b>Median Domestic B2B</b>	<b>1.08</b>	<b>0.86</b>	<b>7.8</b>	<b>5.3</b>	<b>13.5</b>	<b>8.7</b>	<b>16.3</b>	<b>11.6</b>	<b>7.6</b>	<b>5.8</b>
Labomar SpA	2.19	1.97	12.2	10.5	22.7	19.4	26.5	23.1	12.3	10.8
% premium / (discount) to CDMO	(33.9)	(35.1)	(25.4)	(21.4)	(8.9)	(5.9)	(12.4)	(0.2)	(28.9)	(34.1)
% premium / (discount) to Domestic B2B	103.4	129.3	56.1	97.9	68.9	123.3	63.0	98.1	61.1	84.2

Sources: CFO SIM, Thomson Reuters Eikon

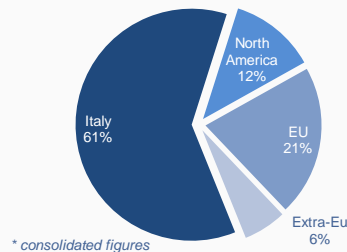


Italy - Nutraceutical

Value of Production (€m)

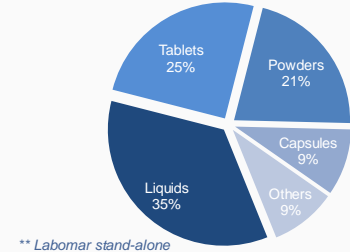


2021 top line by geography \*



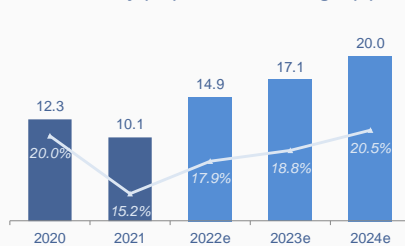
\* consolidated figures

2021 top line by pharmaceutical form \*\*

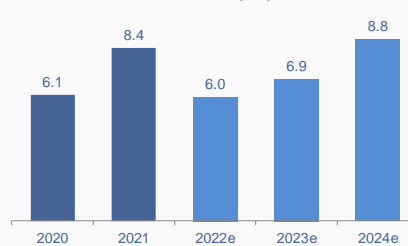


\*\* Labomar stand-alone

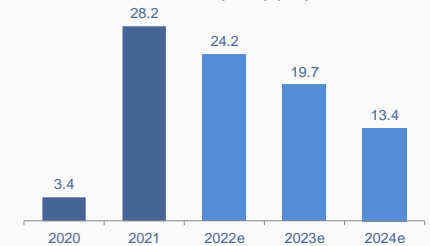
EBITDA adj. (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

In H1-22, Labomar reported growing revenues thanks to a double-digit organic growth coupled with the full consolidation of the companies acquired in the second half of 2021, namely Welcare and Labiotre. Organic growth was mainly driven by the recovery of Probiotics and Cough & Cold segments, particularly impacted by the Covid-19 pandemic in 2021.

In the first half of 2022, the economic environment remains tough, as difficulties in the procurement of some raw materials persist, both in terms of lengthening delivery times and increasing costs. Nevertheless, the group was able to properly face some supply chain related difficulties, such as the shortage of certain raw materials and the absence of employees due to testing positive for Covid-19. As a consequence, Labomar stated it is confident about reaching double-digit organic growth in 2022 and expects a strong second half of the year, on the back of the orders collected as of today and the agreements signed with both existing and new customers (such as that recently announced with Noventure, for a total amount of € 2.8m, entirely billable in 2022).

We believe Labomar is unquestionably a value player in the medium/long term on the back of its 1) strong R&D effort, supported by continuous investments, 2) wide ready-to-market product portfolio, 3) ability to manage several delivery forms, 4) full coverage of the entire value chain, also bolstered by the acquisition of Labiotre and 5) proactive go-to-market strategy.

Peer Group Absolute Performance

%	1M	3M	12M
Catalent Inc	5.7%	24.9%	-5.2%
Clover Corporation Ltd	4.9%	-20.0%	-38.3%
Fine Foods & Pharmaceuticals SpA	-4.4%	-4.3%	-42.0%
Jubilant Pharmova Ltd	6.7%	-23.4%	-47.3%
Lonza Group AG	11.0%	-0.4%	-16.8%
Probi AB	-0.4%	-17.9%	-50.5%
Siegfried Holding AG	12.4%	-0.6%	-20.6%
<b>Labomar SpA</b>	<b>7.5%</b>	<b>8.9%</b>	<b>-35.3%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 29 <sup>th</sup> , 2022	New "L6" logistics hub project begins <a href="#">(link)</a>
July 21 <sup>st</sup> , 2022	Labomar: H1-22 consolidated revenues of € 41.8m (up by 36.9%) <a href="#">(link)</a>
July 20 <sup>th</sup> , 2022	Amendment to 2022 financial calendar <a href="#">(link)</a>

Financial Calendar

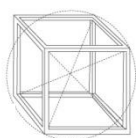
January 20 <sup>th</sup> , 2022	Board of Directors (FY-21 Preliminary Revenues)
March 30 <sup>th</sup> , 2022	Board of Directors (FY-21 Results)
April 22 <sup>nd</sup> , 2022	Board of Directors (Q1-22 Preliminary Revenues)
April 29 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
July 25 <sup>th</sup> , 2022	Board of Directors (Q2-22 Preliminary Revenues)
September 29 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)
October 20 <sup>th</sup> , 2022	Board of Directors (Q3-22 Preliminary Revenues)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
25/05/2022	€ 11.00	NEUTRAL	German Spring Conf.	<a href="#">link</a>
22/04/2022	€ 11.00	NEUTRAL	Q1-22 prel. sales	<a href="#">link</a>
06/04/2022	€ 11.00	NEUTRAL	FY-21 results	<a href="#">link</a>
21/01/2022	€ 11.00	NEUTRAL	FY-21 prel. sales	<a href="#">link</a>

Investor Relations Contacts

<b>Issuer</b> Labomar SpA Via N. Sauro, 35/l 31036 – Istrana (TV)	<b>Investor Relations Manager</b> Claudio De Nadai +39 0422677203 claudio.denadai@labomar.com
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Italy - Medical Technology

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 40.00</b>
<b>Upside/(downside) %</b>	<b>21%</b>
<b>Last Price €</b>	<b>33.00</b>
<b>Market Cap. €m</b>	<b>139.1</b>
<b>1Y High €</b>	<b>45.80</b>
<b>1Y Low €</b>	<b>26.45</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>516</b>
<b>3M Avg Daily Turnover €</b>	<b>33,581</b>
<b>Free Float</b>	<b>20%</b>
<b>RIC</b>	<b>MED.MI</b>
<b>BBG</b>	<b>MDC IM</b>



Established in 1985 in Medolla (Modena) by Luciano Fecondini and Andrea Bocchi as an R&D laboratory providing consultancy and development services to the major global MedTech companies, Medica soon focused on designing and manufacturing electro-medical equipment and related disposables, both own-branded and for third parties. The founders' extensive experience in hollow fibre technology as well as in blood purification allowed Medica to become the only Italian manufacturer of hollow fibre membranes for blood and water purification and among the few companies worldwide. Thanks to the subsidiary Tecnoideal, the group is also able to provide medical device manufacturers with a full range of turn-key highly-automated production lines. Medica operates three main business divisions: 1) the Medical division develops and produces electro-medical equipment and disposables mainly for blood purification; 2) the Water division develops and produces membranes and filters for water ultrafiltration and microfiltration; and 3) the Assembly Technology division provides custom and standard machinery able to automatize the assembly of medical tubing sets and blood filters.

**STRENGTHS**

- The only Italian manufacturer of hollow fibre membranes and among few players worldwide
- Wide product portfolio, including both medical equipment and disposables
- Strong R&D effort: 18 patent families protected by IP rights, 45 patents globally
- Ability to provide tailor-made solutions with high flexibility and fast time-to-market

**WEAKNESSES**

- Quite high client concentration
- Nowadays, the Water division depends mainly on a single client
- High level of operating leverage

€ m	2020	2021	2022e	2023e	2024e
Revenues	44.1	43.8	55.6	74.3	85.6
EBITDA	9.5	9.9	12.3	16.5	19.2
EBITDA Adjusted	9.5	10.0	12.3	16.5	19.2
EBIT	5.6	5.8	6.4	9.2	11.9
EBIT Adjusted	5.6	5.9	6.4	9.2	11.9
Net Profit	3.8	5.0	4.7	6.7	8.7
Net Profit Adjusted	3.8	5.1	4.7	6.7	8.7
Capex	4.4	8.7	14.5	3.5	3.5
Net Debt (Cash)	3.1	(10.8)	(7.0)	(13.3)	(24.3)
EPS reported (€/share)	-	1.2	1.1	1.6	2.1
CPS (€/share)	-	1.0	2.9	2.3	3.4
DPS (€/share)	-	0.00	0.00	0.00	0.00
EBITDA margin	21.7%	22.5%	22.1%	22.3%	22.4%
EBIT margin	12.7%	13.3%	11.6%	12.4%	13.9%
Dividend yield	-	-	-	-	-
Op. NWC/Sales	11.7%	18.8%	13.6%	14.6%	15.3%
ROCE	11.6%	8.5%	9.0%	12.0%	14.3%

Sources: Company data, CFO SIM Estimates. Rating and Price Target updated as of 26<sup>th</sup> July 2022

% YoY	2020	2021	2022e	2023e	2024e
Revenues	27.1%	-0.6%	27.0%	33.6%	15.2%
EBITDA	25.7%	3.4%	24.3%	34.7%	16.2%
EBIT	55.5%	4.1%	10.7%	42.7%	29.4%
Net Profit	35.6%	31.8%	-4.6%	41.3%	29.5%
Capex	n.m.	96.4%	66.2%	-75.9%	0.0%
Debt	-73.7%	n.m.	-34.7%	89.2%	82.3%

Sources: Company data, CFO SIM

Outstanding shares	%	# m
Pelmo87 Srl	79.9%	3.38
Free Float	20.1%	0.85
<b>Total</b>	<b>100.0%</b>	<b>4.22</b>

Source: Company data

Price performance	1M	3M	12M
Medica SpA	2.8%	-4.6%	-
Rel.to FTSE Italia Growth	-1.5%	0.4%	-
Rel.to MedTech median	0.6%	1.1%	-

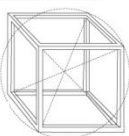
Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Asahi Kasei	11,036	12.7%	5.1%	1.4
Baxter Intern.	28,912	26.1%	15.1%	3.4
Fresenius MC	10,587	18.0%	6.0%	3.3
Kaneka	1,836	11.5%	6.2%	1.2
LivaNova	3,330	19.8%	7.2%	n.m.
Medtronic	120,310	30.4%	5.0%	1.9
Sartorius	35,836	35.2%	14.7%	0.2
Terumo	25,187	25.5%	6.9%	n.a.
Beijing OT	2,925	25.1%	6.6%	9.3
Kurita Water	4,696	19.1%	4.6%	n.m.
Nephros	15	n.m.	n.a.	n.m.
Pentair	7,869	19.8%	9.2%	0.5
<b>Medica</b>	<b>139</b>	<b>22.1%</b>	<b>25.0%</b>	<b>n.m.</b>

Source: Thomson Reuters Eikon

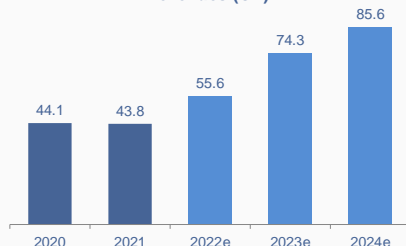
Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Asahi Kasei Corp	0.73	0.70	5.8	5.3	n.a.	n.a.	9.5	9.2	n.a.	n.a.
Baxter International Inc	2.85	2.73	11.3	10.6	16.1	14.7	15.8	14.7	9.8	9.5
Fresenius Medical Care AG & Co KGaA	1.16	1.04	6.6	5.5	11.7	9.6	10.0	8.9	4.2	3.8
Kaneka Corp	0.48	0.46	4.2	4.0	n.a.	n.a.	9.0	8.0	n.a.	n.a.
LivaNova PLC	3.35	3.01	16.9	13.9	20.6	16.4	25.5	22.0	20.2	17.8
Medtronic PLC	4.39	4.12	14.5	13.3	16.2	14.8	16.5	15.4	14.5	13.6
Sartorius Stedim Biotech SA	10.20	9.05	29.0	25.8	32.9	29.4	43.0	39.2	36.5	33.2
Terumo Corp	4.55	4.08	17.8	15.4	22.9	16.8	34.3	29.8	24.0	25.7
<b>Median MedTech</b>	<b>3.10</b>	<b>2.87</b>	<b>12.9</b>	<b>12.0</b>	<b>18.4</b>	<b>15.6</b>	<b>16.2</b>	<b>15.0</b>	<b>17.4</b>	<b>15.7</b>
Beijing Originwater Technology Co Ltd	4.35	4.10	17.3	15.7	26.8	24.8	18.4	14.8	10.2	8.4
Kurita Water Industries Ltd	2.00	1.87	10.5	9.3	n.a.	n.a.	25.2	22.3	n.a.	n.a.
Nephros Inc	0.99	0.97	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Pentair PLC	2.03	1.90	10.3	9.4	11.1	10.2	13.1	12.7	11.9	11.4
<b>Median Water Filtration</b>	<b>2.01</b>	<b>1.89</b>	<b>10.5</b>	<b>9.4</b>	<b>18.9</b>	<b>17.5</b>	<b>18.4</b>	<b>14.8</b>	<b>11.0</b>	<b>9.9</b>
Biesse SpA	0.34	0.32	3.3	3.0	6.3	5.4	14.1	11.4	5.7	5.2
Brembo SpA	1.17	1.08	6.6	6.1	11.2	9.9	12.9	11.9	6.8	6.5
DiaSorin SpA	6.59	6.25	18.2	17.3	23.4	22.5	29.8	28.1	21.2	20.0
Fine Foods & Pharmaceuticals NTM SpA	0.93	0.80	9.2	6.2	28.3	11.9	33.5	14.8	9.1	6.7
GVS SpA	4.93	4.18	18.3	15.5	22.5	19.3	27.0	24.1	20.3	17.6
Labomar SpA	2.22	1.97	12.3	10.6	22.3	19.0	26.2	22.9	12.4	11.0
Lu-Ve SpA	1.05	1.01	9.0	8.1	14.7	14.9	15.1	15.7	8.5	7.5
Salcef Group SpA	2.16	1.91	10.7	8.9	15.5	12.3	22.0	17.9	13.7	11.8
<b>Median Domestic B2B</b>	<b>1.67</b>	<b>1.49</b>	<b>9.9</b>	<b>8.5</b>	<b>18.9</b>	<b>13.6</b>	<b>24.1</b>	<b>16.8</b>	<b>10.8</b>	<b>9.2</b>
<b>Medica SpA</b>	<b>2.37</b>	<b>1.69</b>	<b>10.8</b>	<b>7.6</b>	<b>20.5</b>	<b>13.7</b>	<b>29.3</b>	<b>20.7</b>	<b>13.2</b>	<b>9.9</b>
% premium/(discount) to MedTech	(23.4)	(41.0)	(16.5)	(36.4)	11.5	(12.6)	81.4	37.9	(24.2)	(36.8)
% premium/(discount) to Water Filtration	17.9	(10.3)	2.7	(18.7)	8.1	(21.8)	59.2	40.3	19.3	0.1
% premium/(discount) to Domestic B2B	42.5	13.3	8.2	(10.8)	8.4	0.6	21.7	23.6	22.1	7.1

Sources: CFO SIM, Thomson Reuters Eikon

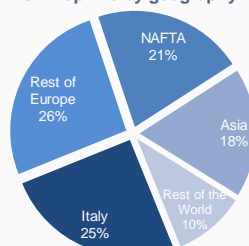


Italy - Medical Technology

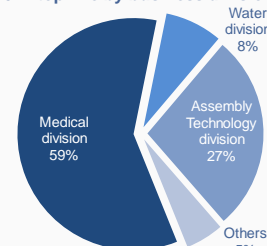
Revenues (€m)



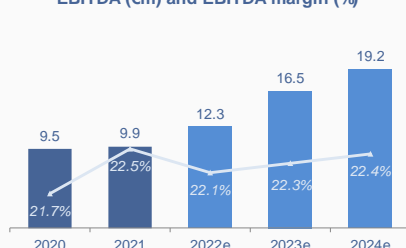
2021 top line by geography



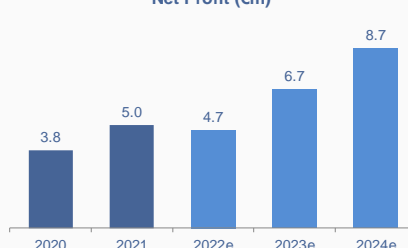
2021 top line by business division



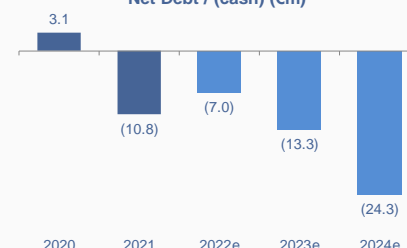
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Medica announced its first acquisition since the IPO: the target is a domestic distributor of medical devices for dialysis and it is active in the management of dialysis centres. The strategic rationale of the deal lies in the strengthening of the group's commercial structure, by leveraging on Spindial's salesforce in order to boost the sales of Medica's wide product portfolio.

The acquisition of Spindial brings € 18.5m (€ 4.40/s) additional value to Medica. In addition, the move is accretive at EBITDA and Net Profit level, already as from 2023, the first year of full consolidation. Following this acquisition, we have updated our model by factoring in the consolidation of Spindial for five months in 2022 and for the whole year starting from 2023 as well as the related cash-out.

Established in 2000 by the Grondelli family in Collecchio (Parma), Spindial is a domestic distributor of medical devices for the dialysis therapy. The company distributes medical devices for in-hospital and in-home dialysis, providing the Local Health Authorities with disposable and medical equipment devices as well as with technical assistance. Moreover, Spindial manages some dialysis centres accredited and under Public Private Partnership. In 2021, Spindial totalled € 15.5m in revenues, with adjusted EBITDA of about € 2.0m, ca. 13% margin.

Medica pays € 7.5m for 51% of Spindial SpA, corresponding to 9x EV/Adj. EBITDA21. In detail, Medica acquired 40% of the company from Spindial Europe SA for € 4.8m, in addition to the subscription of a reserved capital increase of € 2.7m, obtaining an additional 11% stake.

Peer Group Absolute Performance

%	1M	3M	12M
Asahi Kasei Corp	3.1%	-0.1%	-9.2%
Baxter International Inc	-10.4%	-17.5%	-24.2%
Fresenius Medical Care AG & Co KGaA	-24.0%	-39.2%	-48.1%
Kaneka Corp	9.4%	5.9%	-15.0%
LivaNova PLC	0.6%	-16.9%	-28.2%
Medtronic PLC	1.2%	-11.3%	-29.2%
Sartorius Stedim Biotech SA	28.4%	24.5%	-17.5%
Terumo Corp	11.1%	15.7%	6.5%
Beijing Originwater Technology Co Ltd	5.7%	18.6%	-19.3%
Kurita Water Industries Ltd	12.4%	25.1%	3.8%
Nephros Inc	-0.7%	-62.6%	-82.5%
Pentair PLC	5.2%	-3.7%	-32.8%
<b>Medica SpA</b>	<b>2.8%</b>	<b>-4.6%</b>	-

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 21 <sup>st</sup> , 2022	Medica acquires 51% of Spindial SpA ( <a href="#">link</a> )
May 17 <sup>th</sup> , 2022	Medica takes part to the event Euronext Growth Milan Conference 2022 ( <a href="#">link</a> )
April 29 <sup>th</sup> , 2022	Ordinary Shareholders' meeting of 29 April 2022 ( <a href="#">link</a> )

Financial Calendar

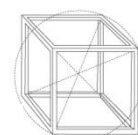
February 4 <sup>th</sup> , 2022	Board of Directors (FY-21 Preliminary Results)
March 30 <sup>th</sup> , 2022	Board of Directors (FY-21 Results)
April 29 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
August 5 <sup>th</sup> , 2022	Board of Directors (H1-22 Preliminary Results)
September 28 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
26/07/2022	€ 40.00	BUY	Spindial acquisition	<a href="#">link</a>
06/04/2022	€ 40.00	NEUTRAL	FY-21 results	<a href="#">link</a>
07/02/2022	€ 40.00	NEUTRAL	FY-21 prel. results	<a href="#">link</a>
20/01/2022	€ 40.00	NEUTRAL	Initiation of Coverage	<a href="#">link</a>

Investor Relations Contacts

<b>Issuer</b> Medica SpA Via degli Artigiani, 7 41036 – Medolla (MO)	<b>Investor Relations Manager</b> Giovanni Plasmati +39 0535 51159 giovanni.plasmati@medica.it
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Italy - Fashion

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 5.00</b>
<b>Upside/(downside) %</b>	<b>61%</b>
<b>Last Price €</b>	<b>3.11</b>
<b>Market Cap. €m</b>	<b>16.2</b>
<b>1Y High €</b>	<b>4.40</b>
<b>1Y Low €</b>	<b>2.76</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>633</b>
<b>3M Avg Daily Turnover €</b>	<b>3,005</b>
<b>Free Float</b>	<b>25%</b>
<b>RIC</b>	<b>MONNA.MI</b>
<b>BBG</b>	<b>MNL IM</b>



**MONNALISA®**

Founded in 1968 by Piero Iacomoni and Barbara Bertocci in the fashion and creative centre of Italy, Monnalisa is specialised in high-end childrenswear (0-16 years) through its own proprietary brands and licenses. The philosophy of Monnalisa is the creation of a lifestyle identity, offering a complete range of products from apparel to footwear, from accessories to cosmetics and furniture. At the end of 2021, Monnalisa operated worldwide in more than 60 countries through 51 direct stores and almost 500 multibrand stores. The company sells via three distribution channels:

- Wholesale, 61% of top line in FY-21. Monnalisa conducts a strict selection of stores considering location, visibility and coherence of the store with the Monnalisa brand identity. This includes Wholesale retail, namely monobrand stores in partnership (Third Party Operated Stores) and located in top department stores (Third Party Shop In Shop).
- Retail, 32% of top line. Monnalisa sells directly to the final customer through its directly owned stores: Directly Operated Stores (DOS) and Directly Operated Outlets (DOO), totalling 51 stores at the end of 2021.
- E-commerce, 7% of top line. Monnalisa sells its products online through its own monobrand online boutique.

**STRENGTHS**

- One of the few companies specialising in the high-end childrenswear niche
- Monnalisa operates in the high-end segment being the company with the best entry price among competitors
- Complete strategic autonomy thanks to the use of proprietary brands and selective licenses

**WEAKNESSES**

- Limited size in the international competitive arena
- Decisions are made by few key figures
- Its growth strategy is based on increasing the retail distribution, an area where Monnalisa is only gradually gaining experience

€ m	2020	2021	2022e	2023e	2024e
Sales	33.6	43.7	51.0	55.1	58.2
Value of production	33.0	44.1	51.3	55.4	58.5
EBITDA	(6.5)	0.2	3.0	4.0	5.0
EBITDA Adjusted	(2.2)	2.0	3.0	4.0	5.0
EBIT	(7.4)	(3.2)	(0.2)	1.7	2.9
EBIT Adjusted	(3.1)	(1.4)	(0.2)	1.7	2.9
Net Profit	(7.8)	(1.9)	(0.5)	1.0	2.0
Capex	1.4	0.2	0.5	0.5	0.5
Net Debt (Cash)	8.0	7.8	7.4	5.4	2.6
EPS reported (€/share)	(1.5)	(0.4)	(0.1)	0.2	0.4
CPS (€/share)	(0.82)	(0.08)	(0.09)	0.19	0.38
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	-19.8%	0.4%	5.9%	7.3%	8.5%
EBIT margin	-22.5%	-7.3%	-0.3%	3.0%	5.0%
EBITDA adj. margin	-6.7%	4.6%	5.9%	7.3%	8.5%
EBIT adj. margin	-9.3%	-3.2%	-0.3%	3.0%	5.0%
Dividend yield	-	-	-	-	-
NWC/Sales	51.0%	36.4%	36.2%	36.2%	36.3%
ROCE	n.m.	n.m.	n.m.	3.4%	5.8%

Sources: Company data, CFO SIM Estimates, Rating and Price Target updated as of 28<sup>th</sup> April 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	-34.1%	33.4%	16.5%	7.9%	5.6%
EBITDA	n.m.	n.m.	n.m.	34.2%	23.5%
EBIT	-2.0%	-56.4%	-94.6%	n.m.	75.7%
Net Profit	-7.4%	-75.6%	-74.8%	n.m.	n.m.
Capex	-63.1%	-83.8%	n.m.	0.0%	0.0%
Debt	n.m.	-2.5%	-5.8%	-26.9%	-52.1%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Brunello Cucinelli SpA	5.17	4.78	19.7	17.6	38.6	34.7	56.2	48.7	21.8	18.9
Burberry Group PLC	2.08	1.94	7.2	6.7	10.7	9.8	16.0	15.5	9.7	9.5
Capri Holdings Ltd	1.36	0.99	6.3	4.5	7.6	5.4	7.2	6.8	5.9	5.6
Hugo Boss AG	1.38	1.33	7.0	6.6	15.3	13.5	20.9	17.5	7.2	6.7
Kering SA	3.53	3.05	9.8	8.5	12.2	10.5	17.3	15.8	12.7	11.8
Moncler SpA	5.04	4.39	12.9	11.2	16.9	14.5	24.5	22.7	17.2	15.8
Prada SpA	3.67	3.26	11.0	9.5	20.9	16.8	34.0	26.9	14.0	12.3
Ralph Lauren Corp	0.97	0.94	5.9	5.6	7.7	7.3	12.0	11.1	8.3	7.8
Salvatore Ferragamo SpA	2.52	2.03	11.0	10.0	26.5	27.5	44.1	56.6	12.4	12.9
Tod's SpA	1.72	1.59	8.6	7.5	37.7	22.4	59.6	28.2	6.8	6.1
<b>Median</b>	<b>2.30</b>	<b>1.99</b>	<b>9.2</b>	<b>8.0</b>	<b>16.1</b>	<b>14.0</b>	<b>22.7</b>	<b>20.1</b>	<b>11.1</b>	<b>10.6</b>
<b>Monnalisa SpA</b>	<b>0.46</b>	<b>0.39</b>	<b>7.9</b>	<b>5.4</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>	<b>16.2</b>	<b>6.0</b>	<b>4.8</b>
% premium / (discount)	(79.9)	(80.2)	(14.6)	(33.0)	n.m.	n.m.	n.m.	(19.2)	(45.6)	(54.4)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Jafin Due (Iacomoni Family)	74.5%	3.90
Treasury Shares	0.3%	0.02
Free Float	25.2%	1.32
<b>Total</b>	<b>100.0%</b>	<b>5.24</b>

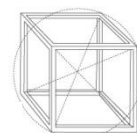
Source: Company data

Price performance	1M	3M	12M
Monnalisa SpA	1.0%	-9.3%	-22.1%
Rel.to FTSE Italia Growth	-3.3%	-4.3%	-15.6%
Rel.to Sector	-12.0%	-5.9%	-9.1%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Cucinelli	3,830	26.3%	12.3%	2.4
Burberry	8,449	29.0%	6.4%	n.m.
Capri Holdings	6,804	21.6%	9.3%	0.7
Hugo Boss	4,039	19.9%	11.3%	0.8
Kering	69,349	35.6%	10.3%	0.4
Moncler	13,320	39.0%	14.9%	n.m.
Prada	14,452	33.1%	10.8%	n.m.
Ralph Lauren	6,764	16.6%	7.7%	n.m.
Ferragamo	2,909	22.6%	9.0%	0.9
Tod's	1,140	20.0%	7.0%	2.7
<b>Monnalisa</b>	<b>16</b>	<b>5.9%</b>	<b>10.1%</b>	<b>2.5</b>

Source: Thomson Reuters Eikon

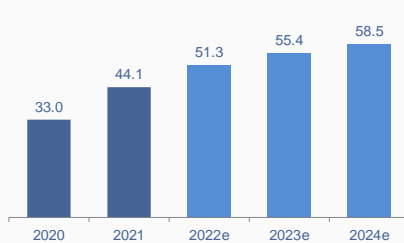




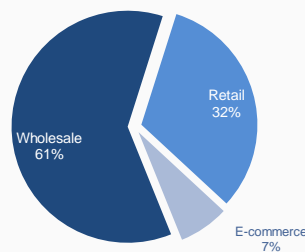


Italy - Fashion

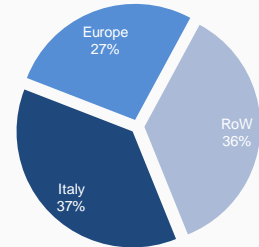
Value of Production (€m)



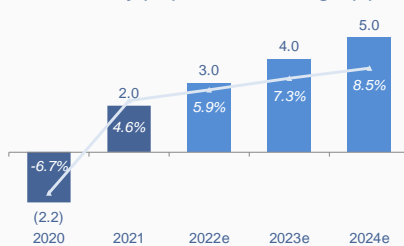
2021 top line by channel



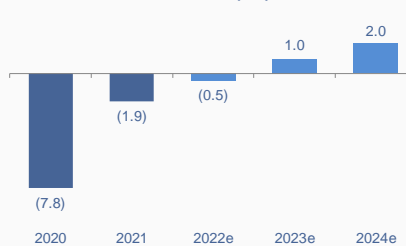
2021 top line by country



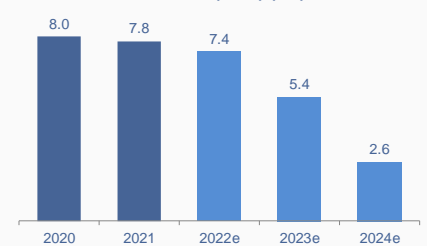
EBITDA adj. (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Despite the persistence of the pandemic, in 2021 Monnalisa reported encouraging results, aligned with CFO Sim's expectation in terms of top line. The increase in sales was driven by a robust recovery in both retail and wholesale channels, in addition to the online channel, which experienced massive growth rate. Moreover, margins came in significantly higher than our projection primarily thanks to increasing revenues, which allowed for a better absorption of overhead costs, as well as a successful strategy aimed at reducing operating expenses. The approach aimed at the reorganisation of the retail structure, focusing on fewer but more profitable shops, is going in the right direction.

Following FY-21 results, we have fine-tuned our estimates also on the back of a few consumption uncertainties on Eastern European markets and in China, due to war in the Ukraine and selective local lockdowns that could jeopardise the short-term full recovery of the market, respectively.

The brand recognition and global reputation puts Monnalisa in the position of leveraging its structure and expertise by adding another selective couple of license agreements. However, such upside and impact cannot be yet reflected in our projections.

Peer Group Absolute Performance

%	1M	3M	12M
Brunello Cucinelli SpA	34.1%	14.6%	10.7%
Burberry Group PLC	10.0%	12.9%	-3.3%
Capri Holdings Ltd	18.1%	2.1%	-14.7%
Hugo Boss AG	14.3%	6.8%	6.0%
Kering SA	14.3%	8.5%	-14.0%
Moncler SpA	20.6%	-3.2%	-12.2%
Prada SpA	3.1%	-7.6%	-2.2%
Ralph Lauren Corp	8.7%	-5.5%	-9.8%
Salvatore Ferragamo SpA	18.4%	3.9%	-6.0%
Tod's SpA	16.2%	-9.2%	-26.2%
<b>Monnalisa SpA</b>	<b>1.0%</b>	<b>-9.3%</b>	<b>-22.1%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 22 <sup>nd</sup> , 2022	Monnalisa approves the 2022-24 sustainability plan <a href="#">(link)</a>
May 13 <sup>th</sup> , 2022	Monnalisa receives the award for 'Best ESG communication Euronext Growth Milan' <a href="#">(link)</a>
April 29 <sup>th</sup> , 2022	Shareholders' meeting approves 2021 annual financial statement <a href="#">(link)</a>

Financial Calendar

March 31 <sup>st</sup> , 2022	Board of Directors (FY-21 Results)
April 29 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
September 30 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
28/04/2022	€ 5.00	BUY	FY-21 results	<a href="#">link</a>
26/10/2021	€ 4.50	NEUTRAL	H1-21 results	<a href="#">link</a>
31/05/2021	€ 4.00	NEUTRAL	FY-20 results	<a href="#">link</a>
30/10/2020	€ 2.50	NEUTRAL	H1-20 results	<a href="#">link</a>

Investor Relations Contacts

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Italy - Digital Innovation

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 5.35</b>
<b>Upside/(downside) %</b>	<b>185%</b>
Last Price €	1.88
Market Cap. €m	33.8
1Y High €	3.44
1Y Low €	1.76
3M Avg Daily Turnover (n. shares)	19,272
3M Avg Daily Turnover €	42,723
Free Float	64%
RIC	NSP.MI
BBG	NSP IM



NEOSPERIENCE

Set up in Brescia by Dario Melpignano and Luigi Linotto in 2006, today Neosperience is a leading software vendor operating in the digital customer experience & customer analytics sector. Thanks to its deep knowledge of software and app developing, the group internally designed Neosperience Cloud, an innovative cutting-edge Customer Data Platform based on Artificial Intelligence helping businesses to acquire new clients and increase the value of existing ones. Neosperience's 'empathy in technology' vision perfectly explains the peculiarity of the group's offer: by applying machine learning to the results of decades of research in cognitive, social, and behavioural psychology, organisations can provide their clients with a customised and optimised experience based on customer personality.

**STRENGTHS**

- Leading software vendor in the digital customer experience & customer analytics sector
- Proprietary AI-based Customer Data Platform, internally developed: Neosperience Cloud
- SaaS-based business model: a huge slice of revenue is recurring
- Low client concentration: over 750 clients

**WEAKNESSES**

- Limited international presence
- Few key relevant people representing a vital asset for the company
- Sizeable intangible assets (c. 80% of total assets)

€ m	2020	2021	2022e	2023e	2024e
Revenues	16.4	18.2	25.5	31.7	37.4
Value of production	19.6	20.7	28.2	34.4	40.0
EBITDA	4.8	5.9	8.2	10.1	12.0
EBIT	0.8	1.5	3.2	5.1	7.0
Net Profit	0.3	0.6	1.7	3.1	4.3
Net Profit Adjusted	0.3	0.6	1.7	3.1	4.3
Capex	10.4	10.5	3.0	3.0	3.0
Net Debt (Cash)	5.4	7.0	4.4	0.1	(5.7)
EPS reported FD (€/share)	0.03	0.07	0.09	0.17	0.24
EPS Adjusted FD (€/share)	0.03	0.07	0.09	0.17	0.24
CPS (€/share)	0.52	0.46	0.31	0.41	0.48
DPS (€/share)	0.00	0.00	0.00	0.00	0.00
EBITDA margin	24.7%	28.7%	29.0%	29.5%	30.0%
EBIT margin	1.3%	2.9%	6.0%	8.9%	10.7%
Dividend yield	-	-	-	-	-
Op NWC/Sales	21.2%	26.8%	24.2%	22.9%	21.6%
ROCE	2.7%	3.7%	7.5%	11.3%	13.9%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 26<sup>th</sup> May 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	11.7%	5.9%	36.1%	21.9%	16.4%
EBITDA	35.2%	23.1%	37.6%	24.0%	18.3%
EBIT	-27.5%	82.0%	n.m.	62.7%	35.3%
Net Profit	-71.9%	n.m.	n.m.	82.0%	39.7%
Net Profit Adjusted	-71.9%	n.m.	n.m.	82.0%	39.7%
Capex	17.1%	0.5%	-71.4%	0.0%	0.0%
Debt	n.m.	29.5%	-37.2%	-98.8%	n.m.

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Accenture PLC	3.01	2.75	16.1	14.8	19.8	17.8	28.0	25.2	21.4	19.8
Adobe Inc	10.65	9.14	22.6	18.6	24.0	20.4	29.8	25.7	27.7	23.1
Alkemy SpA	0.93	0.80	8.1	6.6	10.4	8.2	12.6	10.4	8.9	7.6
Be Shaping the Future SpA	1.68	1.50	10.0	8.5	16.0	13.1	29.9	25.3	14.5	13.1
Digital360 SpA	1.63	1.22	8.8	6.1	16.4	9.5	24.1	15.9	11.0	8.6
dotDigital Group PLC	3.99	3.65	12.1	11.4	17.9	16.7	24.9	24.4	15.8	15.5
Gartner Inc	4.39	3.86	20.0	18.6	25.9	24.3	32.6	30.7	23.2	21.7
Growens SpA	0.72	0.59	8.7	6.4	25.6	12.5	46.1	23.2	11.0	9.1
HubSpot Inc	8.01	6.17	64.5	45.2	89.9	61.1	118.7	83.6	79.9	58.2
Kaleyra Inc	0.62	0.47	7.1	5.2	n.m.	n.m.	n.m.	n.m.	4.7	2.7
Maps SpA	1.82	0.91	6.5	4.9	13.7	8.1	14.3	10.5	6.4	5.5
Reply SpA	2.50	2.21	14.9	13.3	18.3	16.1	27.3	24.6	20.7	18.9
Salesforce Inc	5.57	4.50	18.1	15.0	27.3	20.9	37.9	29.9	22.6	19.7
TechTarget Inc	n.a.	5.29	n.a.	12.8	n.a.	14.2	23.2	19.5	20.0	17.1
<b>Median</b>	<b>2.50</b>	<b>2.48</b>	<b>12.1</b>	<b>12.1</b>	<b>19.0</b>	<b>16.1</b>	<b>28.0</b>	<b>24.6</b>	<b>17.9</b>	<b>16.3</b>
Neosperience SpA	1.35	0.98	4.7	3.3	12.1	6.6	20.0	11.0	5.0	4.2
% premium / (discount)	(45.8)	(60.3)	(61.3)	(72.4)	(36.7)	(59.2)	(28.5)	(55.2)	(71.9)	(74.2)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Neos Srl	36.2%	6.50
Treasury shares	0.1%	0.02
Free Float	63.8%	11.47
o/w Chelverton European Select Fund	5.0%	0.90
<b>Total</b>	<b>100.0%</b>	<b>17.99</b>

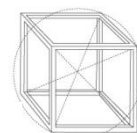
Source: Company data

Price performance	1M	3M	12M
Neosperience SpA	0.5%	-16.1%	-41.8%
Rel.to FTSE Italia Growth	-3.7%	-11.1%	-35.4%
Rel.to Peers Median	-6.9%	-13.9%	-33.8%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Accenture	189,592	18.2%	17.0%	n.m.
Adobe	187,842	48.8%	15.6%	n.m.
Alkemy	79	11.5%	10.5%	1.6
Be	454	16.8%	-0.4%	n.m.
Digital360	95	19.0%	20.3%	n.m.
dotDigital	349	32.6%	8.6%	n.m.
Gartner	20,925	22.0%	14.0%	1.6
Growens	72	8.2%	19.7%	n.m.
HubSpot	14,399	12.2%	30.4%	n.m.
Kaleyra	97	8.9%	29.1%	4.0
Maps	39	23.4%	19.9%	1.1
Reply	4,778	16.8%	13.0%	n.m.
Salesforce	179,194	31.5%	20.1%	n.m.
TechTarget	1,885	40.4%	18.1%	n.a.
<b>Neosperience</b>	<b>34</b>	<b>29.0%</b>	<b>24.6%</b>	<b>0.5</b>

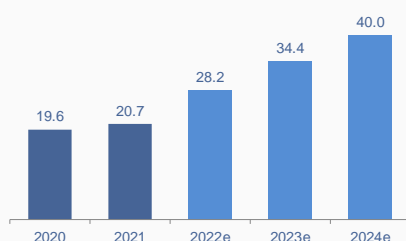
Source: Thomson Reuters Eikon



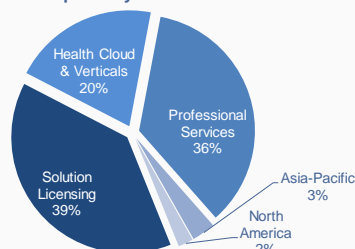


Italy - Digital Innovation

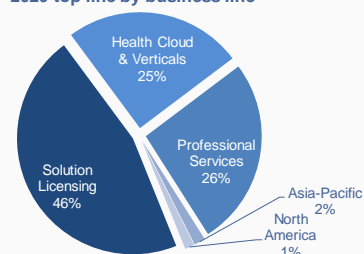
Value of Production (€m)



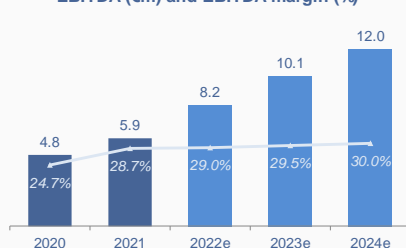
2021 top line by business line



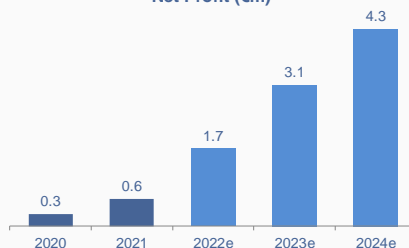
2020 top line by business line



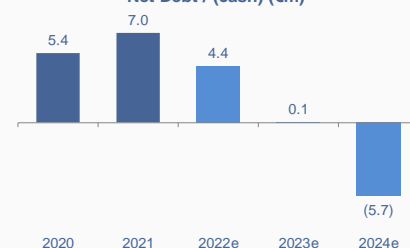
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

Neosperience reported growing 2021 results, showing double-digit growth in terms of top line and a more than proportional progression in margins. FY-21 results are broadly aligned with CFO SIM's projections with respect to revenues, while margins came in significantly better mainly as a result of lower than expected service costs related to outsourced activities. On the other hand, NFP was considerably higher than our projection, on the back of underestimated intangible capex and a higher than expected cash absorption with regard to NWC.

Neosperience has made several acquisitions in recent years aimed at strengthening the group's know-how mainly in the field of Artificial Intelligence. Regarding M&A, NSP is still looking for companies capable of enriching the group's offer.

On the back of FY-21 results release, we have updated our model in order to factor in a fine-tuning with regard to growth rates as well as to the cost structure, in line with 2021 figures.

Peer Group Absolute Performance

%	1M	3M	12M
Accenture PLC	9.1%	2.0%	-3.8%
Adobe Inc	11.3%	3.6%	-34.0%
Alkemy SpA	0.3%	-11.9%	0.0%
Be Shaping the Future SpA	0.8%	-0.5%	77.3%
Digital360 SpA	6.1%	6.1%	33.7%
dotDigital Group PLC	40.3%	13.1%	-59.8%
Gartner Inc	8.7%	-8.6%	0.9%
Growens SpA	8.8%	-5.1%	9.3%
HubSpot Inc	-1.8%	-18.8%	-47.2%
Kaleyra Inc	1.8%	-61.1%	-78.1%
Maps SpA	3.1%	-1.2%	9.8%
Reply SpA	9.7%	-9.4%	-12.9%
Salesforce Inc	9.4%	4.6%	-24.6%
TechTarget Inc	-0.8%	-3.1%	-12.2%
<b>Neosperience SpA</b>	<b>0.5%</b>	<b>-16.1%</b>	<b>-41.8%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

June 13 <sup>th</sup> , 2022	Change in composition of share capital ( <a href="#">link</a> )
June 9 <sup>th</sup> , 2022	New ISIN code following the stock split ( <a href="#">link</a> )
May 24 <sup>th</sup> , 2022	The collaboration between Neosperience and AstraZeneca gives birth to the platform 'Haya' ( <a href="#">link</a> )

Financial Calendar

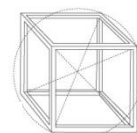
March 30 <sup>th</sup> , 2022	Board of Directors (FY-21 Results)
April 29 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
September 30 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
14/06/2022	€ 5.35	BUY	Stock Split	<a href="#">link</a>
26/05/2022	€ 10.70	BUY	German Spring Conf.	<a href="#">link</a>
01/04/2022	€ 10.70	BUY	FY-21 results	<a href="#">link</a>
15/12/2021	€ 10.50	BUY	Rhei acquisition	<a href="#">link</a>

Investor Relations Contacts

<b>Issuer</b> Neosperience SpA Via Orzinuovi, 20 – Torre Athena 25125 – Brescia (BS)	<b>Investor Relations Manager</b> Lorenzo Scaravelli +39 0236755690 ir@neosperience.com
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Italy - Food

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 21.40</b>
<b>Upside/(downside) %</b>	<b>48%</b>
Last Price €	14.42
Market Cap. €m	254.4
1Y High €	15.02
1Y Low €	9.18
3M Avg Daily Turnover (n. shares)	25,330
3M Avg Daily Turnover €	334,453
Free Float	59%
RIC	ORSO.MI
BBG	ORS IM



Orsero is an international group headquartered in Milan, operating in the fresh fruit and vegetable import and distribution business in the Mediterranean area of Europe. The group was founded over 50 years ago by the Orsero family. The current business includes the import and distribution of fresh fruit and vegetables as well as the production and export of fruit together with chilled maritime transportation. Orsero boasts a presence mainly in Italy, France, Spain, Portugal, Greece, Costa Rica and Colombia. During 2012, the group launched the "F.lli Orsero" brand for bananas and pineapples, which expresses the sense of tradition and the passion of a large Italian family company for fruit and vegetables of the highest quality. Orsero was listed on Euronext Growth Milan (formerly AIM Italia) on 13-Feb-17 as a result of the merger between Glenalta Food and Orsero. The merger was the final step in the business combination between Glenalta Food and GF Group, as regulated by the agreement signed and announced on 28th October 2016. Orsero has been trading on the STAR segment of the Euronext Milan market (formerly MTA) of Borsa Italiana since 23-Dec-19.

**STRENGTHS**

- Well-established business model vertically integrated from production to distribution-logistic.
- Strong trade brand
- Vessel ownership is to a certain extent a competitive advantage with 10+Y residual life

**WEAKNESSES**

- Currently still limited F.lli Orsero brand awareness on end consumers
- Exposure to USD/EUR, in particular for the maritime transport segment
- Market share expansion may be more complicated than expected

€ m	2020	2021	2022e	2023e	2024e
Turnover	1,041.5	1,069.8	1,171.3	1,419.3	1,454.0
EBITDA Adjusted	48.4	52.9	67.9	84.0	86.0
EBIT Adjusted	22.4	25.5	33.4	49.8	51.9
EBIT	18.8	23.1	30.2	48.0	50.1
Net Profit	12.2	18.3	25.0	40.1	41.9
Net Profit Adjusted	14.0	19.1	27.8	41.6	43.4
Capex	42.3	40.2	102.1	15.0	19.0
Net Debt (Cash)	103.5	84.3	154.8	120.8	82.4
EPS reported FD (€/share)	0.69	1.03	1.41	2.27	2.37
EPS Adjusted FD (€/share)	0.79	1.08	1.57	2.35	2.46
CPS (€/share)	2.10	3.12	2.64	3.19	3.83
DPS (€/share)	0.20	0.30	0.45	0.60	0.65
EBITDA margin	4.6%	4.9%	5.8%	5.9%	5.9%
EBIT margin	2.2%	2.4%	2.9%	3.5%	3.6%
Dividend yield	1.4%	2.1%	3.1%	4.2%	4.5%
Op NWC/Sales	3.6%	2.8%	3.5%	4.0%	4.3%
ROCE	6.9%	7.6%	9.4%	12.8%	12.3%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 1<sup>st</sup> August 2022

% YoY	2020	2021	2022e	2023e	2024e
Turnover	3.6%	2.7%	9.5%	21.2%	2.4%
EBITDA Adjusted	25.1%	9.3%	28.2%	23.8%	2.3%
EBIT	n.m.	23.2%	30.4%	59.3%	4.3%
Net Profit	n.m.	49.7%	36.5%	60.7%	4.5%
Net Profit adj.	n.m.	36.4%	45.8%	49.5%	4.3%
Capex	-16.8%	-5.1%	n.m.	-85.3%	26.7%
Debt	-18.4%	-18.6%	83.6%	-21.9%	-31.8%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Dole PLC	0.22	0.20	5.7	4.9	9.7	8.0	7.4	6.2	3.3	3.0
Fresh Del Monte Produce Inc	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	23.3	15.2	n.a.	7.6
Greenyard NV	0.18	0.16	4.6	4.0	10.7	8.9	12.5	9.6	3.2	2.9
<b>Median</b>	<b>0.20</b>	<b>0.18</b>	<b>5.2</b>	<b>4.5</b>	<b>10.2</b>	<b>8.4</b>	<b>12.5</b>	<b>9.6</b>	<b>3.3</b>	<b>3.0</b>
Orsero SpA	0.35	0.26	6.0	4.5	12.2	7.5	9.1	6.1	4.1	3.4
% premium / (discount)	76.8	44.6	17.1	(0.0)	20.2	(10.8)	(26.9)	(36.5)	24.9	12.3

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Orsero family	32.5%	5.75
Grupo Fernandez	6.3%	1.12
Treasury shares	1.9%	0.33
Free Float	59.3%	10.49
<b>Total</b>	<b>100.0%</b>	<b>17.68</b>

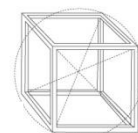
Source: Company data

Price performance	1M	3M	12M
Orsero SpA	13.5%	16.3%	50.8%
Rel.to FTSE Italia STAR	6.9%	21.6%	65.7%
Rel.to EU Sector	9.9%	21.6%	59.9%

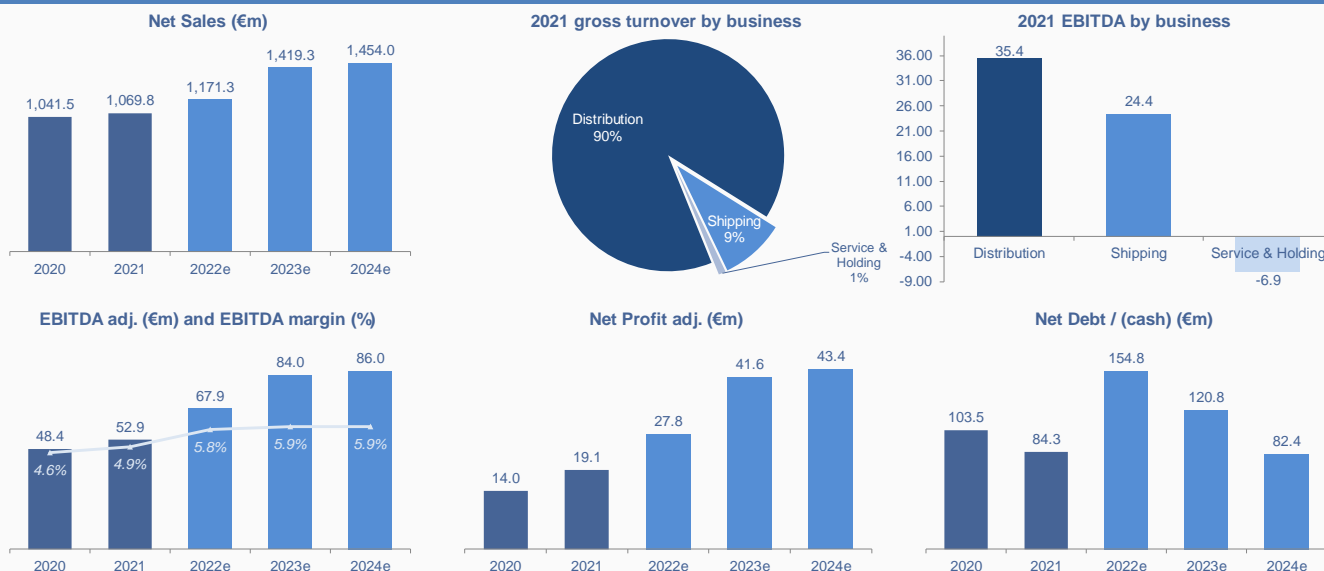
Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Dole	870	3.8%	19.9%	3.3
Del Monte	1,390	4.6%	n.a.	n.a.
Greenyard	450	3.9%	5.0%	2.1
<b>Orsero</b>	<b>254</b>	<b>5.8%</b>	<b>10.8%</b>	<b>2.3</b>

Source: Thomson Reuters Eikon



Italy - Food



Investment Case: Reasons to Invest and Valuation

Orsero announced two sizeable/fairly priced acquisitions, assuming a bolder presence in the wholesale market and in the lucrative exotic fruit niche.

We welcome this impeccable move: two fairly priced acquisitions, which allow Orsero to 1) attain a bolder presence in the French wholesale market and 2) enlarge its penetration of the lucrative exotic fruit niche. This move brings in some € 83.0m (€ 4.70/s) value to Orsero and additional turnover in excess of € 260.0m, EBITDA to the tune of some € 17.0m and 285 employees, literally doubling the size of the group's presence in the key French market.

For both acquisitions, the key managers have provided medium-term business continuation agreements, in addition, the current major shareholders have agreed the continuation of their active roles in business management. The expertise and know-how about the products and customer service of the two acquisitions, are anticipated to generate future commercial synergies in particular with the group's subsidiaries already present in France (AZ France and Fruttica) as well as in Europe.

We have updated our model, assuming the consolidation of the two companies as of Nov-22 and leaving unchanged Orsero's stand-alone projections. For the two acquisitions, we have applied the same top line growth projections assumed for Orsero's Import & Distribution division and maintaining unchanged the adj. EBITDA margin, thus conservatively not implying any sales/cost synergies.

Peer Group Absolute Performance

%	1M	3M	12M
Dole PLC	5.6%	-21.3%	n.a.
Fresh Del Monte Produce Inc	-2.3%	14.0%	-2.9%
Greenyard NV	15.1%	11.7%	-7.8%
<b>Orsero SpA</b>	<b>13.5%</b>	<b>16.3%</b>	<b>50.8%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 27 <sup>th</sup> , 2022	Orsero signed exclusivity agreements for two acquisitions in France ( <a href="#">link</a> )
July 22 <sup>nd</sup> , 2022	Conclusion of the share buyback program ( <a href="#">link</a> )
June 10 <sup>th</sup> , 2022	Launch of the share buyback program ( <a href="#">link</a> )

Financial Calendar

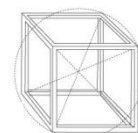
March 15 <sup>th</sup> , 2022	Board of Directors (FY-21 Results)
April 28 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
May 12 <sup>th</sup> , 2022	Board of Directors (Q1-22 Results)
September 12 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)
November 10 <sup>th</sup> , 2022	Board of Directors (Q3-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
01/08/2022	€ 21.40	BUY	French M&As	<a href="#">link</a>
17/05/2022	€ 20.00	BUY	Q1-22 results	<a href="#">link</a>
18/03/2022	€ 20.00	BUY	FY-21 results	<a href="#">link</a>
03/02/2022	€ 20.00	BUY	FY-22 Guidance	<a href="#">link</a>

Investor Relations Contacts

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Italy - Luxury Engineering

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 8.00</b>
<b>Upside/(downside) %</b>	<b>23%</b>
<b>Last Price €</b>	<b>6.50</b>
<b>Market Cap. €m</b>	<b>92.5</b>
<b>1Y High €</b>	<b>6.94</b>
<b>1Y Low €</b>	<b>4.50</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>7,982</b>
<b>3M Avg Daily Turnover €</b>	<b>50,352</b>
<b>Free Float</b>	<b>30%</b>
<b>RIC</b>	<b>PTRN.MI</b>
<b>BBG</b>	<b>PTR IM</b>



Founded in 2000 by Fulvio Botto and Francesco Martorella (group directors and major shareholders with a 33% stake each), Pattern is the second Italian player (CFO SIM estimate) specialised in the modelling, engineering, grading, prototyping and production of luxury clothing for men and women, and the undisputed leader in the outerwear niche, operating in the catwalk segment and among the top lines of the most prestigious global luxury brands. Pattern manages the entire engineering and production cycle from patterns to prototypes, from the creation of ready-to-wear garments to successive productions. Pattern runs the high value added engineering and prototyping phases whilst production is outsourced to a plethora of suppliers. Since 2017, Pattern has been embarking on an external growth process, with the acquisition of Roscini (luxury womenswear) in 2017, S.M.T. (luxury knitwear) in 2019, Idee Partner (luxury leather goods) in 2021, and Zanni (wholegarment knitwear manufacturing technique) and RGB (luxury leather goods accessories) in 2022, thus creating the first Italian hub of luxury fashion engineering. Pattern's global export sales reached almost 60% of total revenues in 2021. 88% of revenues come from production while engineering processes account for 10%. Female apparel makes up 41% of the total thanks to the acquisition of Roscini Atelier in 2017, whereas male apparel now accounts for 59% of total revenues. In terms of products, most of the group's production comes from outerwear, namely 46% of the total, whereas knitwear accounts for 38% and the remainder is represented by upper wear, light wear and leather goods (consolidated for just one month in 2021). Since 2015, Pattern has been voluntarily drawing up sustainability reports in accordance with the reporting guidelines of the Global Reporting Initiative (GRI Standards), focusing its attention on Corporate Social Responsibility principles.

**STRENGTHS**

- Reference partner of the key absolute luxury brands in the fashion engineering space
- Made in Italy as primary key success factor in the luxury fashion industry
- Innovative fabrics and garment production techniques (ESEMPLARE)
- Advanced 3D pattern-making technologies
- Pattern is the only player ESG-rated in the competitive arena
- Several market segments served: man, woman, outerwear, knitwear, leather goods
- Flexible manufacturing structure, low WC pressure, complete selling proposition
- 70% of 2021 sales stem from customers with more than 10 years of loyalty

**WEAKNESSES**

- Clients concentration: top 5 clients generated 85% of 2021 sales
- Management functions in the hands of a few key people
- First 5 suppliers account for 22% / 36% of total purchases of raw materials / services
- Limited sustainability certified faonists available, mainly in Eastern Europe
- Production capacity is becoming an issue

€ m	2020	2021	2022e	2023e	2024e
Value of production	54.0	72.5	94.9	121.9	134.0
EBITDA	5.4	7.7	10.5	13.7	16.2
EBITDA Adjusted	4.9	7.7	10.5	13.7	16.2
EBIT	3.6	5.3	6.5	9.1	11.7
EBIT Adjusted	3.1	5.3	6.5	9.1	11.7
Net Profit	2.3	3.0	3.2	4.7	6.0
Net Profit Adjusted	1.8	3.0	3.2	4.7	6.0
Capex	5.1	7.2	16.0	2.1	3.6
Net Debt (Cash)	(8.8)	(3.1)	8.7	6.3	2.5
EPS reported FD (€/share)	0.17	0.22	0.23	0.34	0.43
EPS Adjusted FD (€/share)	0.13	0.22	0.23	0.34	0.43
CPS (€/share)	0.37	0.19	0.38	0.42	0.66
DPS (€/share)	0.00	0.08	0.08	0.12	0.15
EBITDA margin	9.0%	10.6%	11.1%	11.2%	12.1%
EBIT adj. margin	5.7%	7.3%	6.8%	7.5%	8.7%
Dividend yield	-	-	-	-	-
Op NWC/Sales	6.1%	8.2%	8.2%	9.1%	9.2%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 20<sup>th</sup> July 2022

% YoY	2020	2021	2022e	2023e	2024e
Value of production	-2.4%	34.2%	30.9%	28.5%	9.9%
EBITDA	-9.4%	42.8%	36.7%	30.1%	18.5%
EBIT	-35.1%	47.7%	22.5%	41.7%	28.1%
Net Profit	-40.1%	32.1%	6.3%	46.6%	27.3%
Capex	n.m.	41.9%	n.m.	-86.7%	70.4%
Net Cash	-29.1%	-64.8%	n.m.	-28.1%	-60.1%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Burberry Group PLC	2.08	1.94	7.2	6.7	10.7	9.8	16.0	15.5	9.7	9.5
Capri Holdings Ltd	1.36	0.99	6.3	4.5	7.6	5.4	7.2	6.8	5.9	5.6
Compagnie Financiere Richemont SA	2.64	2.45	9.9	9.0	13.6	12.2	19.5	17.7	13.1	12.0
Hermes International SCA	12.42	11.08	28.3	25.3	32.5	28.9	49.4	44.4	40.9	36.9
Kering SA	3.53	3.05	9.8	8.5	12.2	10.5	17.3	15.8	12.7	11.8
LVMH Moet Hennessy Louis Vuitton SE	4.59	4.11	13.5	12.0	16.8	14.9	24.5	22.1	17.9	16.3
<b>Median Luxury</b>	<b>3.08</b>	<b>2.75</b>	<b>9.9</b>	<b>8.7</b>	<b>12.9</b>	<b>11.3</b>	<b>18.4</b>	<b>16.7</b>	<b>12.9</b>	<b>11.9</b>
Brembo SpA	1.17	1.08	6.6	6.1	11.2	9.9	12.9	11.9	6.8	6.5
Eurotech SpA	1.11	0.70	13.8	3.5	44.5	4.4	29.6	5.1	12.8	4.2
Fine Foods & Pharmaceuticals NTM SpA	0.93	0.80	9.2	6.2	28.3	11.9	33.5	14.8	9.1	6.7
Sabaf SpA	1.23	1.13	6.8	5.9	10.0	8.7	11.1	10.3	6.8	6.2
<b>Median domestic B2B</b>	<b>1.14</b>	<b>0.94</b>	<b>8.0</b>	<b>6.0</b>	<b>19.7</b>	<b>9.3</b>	<b>21.3</b>	<b>11.1</b>	<b>8.0</b>	<b>6.3</b>
<b>Pattern SpA</b>	<b>1.07</b>	<b>0.81</b>	<b>9.6</b>	<b>7.2</b>	<b>15.7</b>	<b>10.8</b>	<b>29.0</b>	<b>19.8</b>	<b>12.8</b>	<b>10.1</b>
% premium / (discount) to luxury	(65.4)	(70.5)	(2.3)	(17.4)	21.5	(4.8)	57.6	18.4	(1.0)	(15.5)
% premium / (discount) to domestic B2B	(6.3)	(13.9)	20.3	20.5	(20.5)	16.1	36.6	78.6	60.3	58.4

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Founders	63.3%	9.03
Luca Sburlati	2.1%	0.29
Others	4.4%	0.62
Free Float	30.3%	4.32
o/w Otus Capital Management	5.7%	0.81
<b>Total</b>	<b>100.0%</b>	<b>14.26</b>

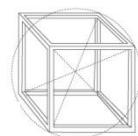
Source: Company data

Price performance	1M	3M	12M
Pattern SpA	13.6%	12.1%	27.5%
Rel.to FTSE Italia Growth	9.4%	17.0%	33.9%
Rel.to Peers median	1.2%	7.4%	36.7%

Source: Thomson Reuters Eikon

Peers	Mkt Cap	EBITDA %	Sales	NFP/EBITDA
	€ m	FY1	CAGR <sub>21-24</sub>	FY1
Burberry	8,449	29.0%	6.4%	n.m.
Capri Holdings	6,804	35.1%	25.8%	0.7
Richemont	61,187	26.7%	8.4%	n.m.
Hermes	140,830	42.8%	12.4%	n.m.
Kering	69,349	35.6%	10.2%	0.4
LVMH	339,699	33.9%	10.8%	0.2
Brembo	3,429	13.1%	7.8%	0.8
Eurotech	103	8.0%	n.a.	n.m.
Fine Foods	176	10.1%	10.1%	0.8
Sabaf	277	18.1%	4.8%	1.4
<b>Pattern</b>	<b>93</b>	<b>11.1%</b>	<b>22.7%</b>	<b>0.8</b>

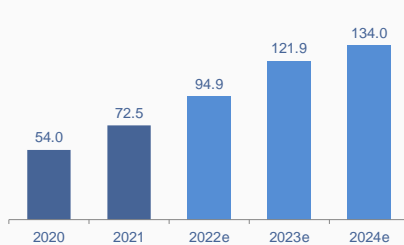
Source: Thomson Reuters Eikon



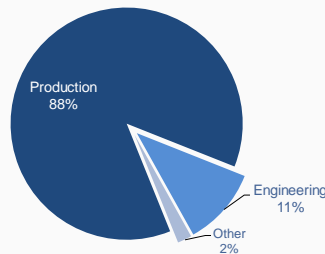


Italy - Luxury Engineering

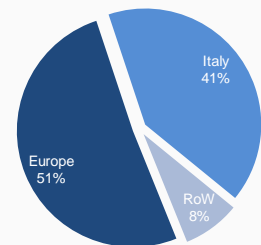
Value of Production (€m)



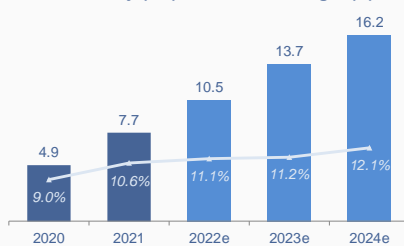
2021 top line by service



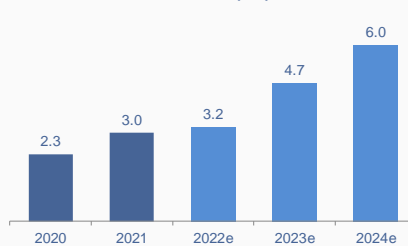
2021 top line by country



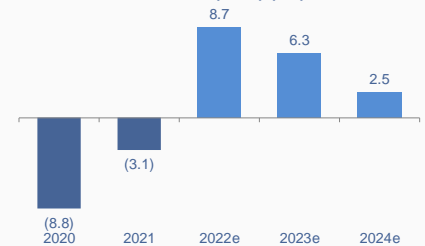
EBITDA adj. (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

The short-term outlook is still delicate: 2022 should be characterised by a growing first part of the year and a second semester impacted by uncertainty due to the current political situation. Pattern is one season ahead of what is currently on sale in shops. That is why production and delivery are more affected by customers' expectations for the next seasons rather than by current in-store sales.

The 2023-24 outlook appears positive. There will be greater sensitivity to the quality aspects of manufacturing and the sustainability of products and supply chains. This attention could lead to potential further reshoring to Italy of activities previously carried out abroad with a consequent expansion of Made in Italy in the luxury segment to Pattern's benefit.

Thanks to the recently completed acquisitions, Pattern is definitely delivering what it announced at the time of the IPO: the creation of an Italian leading hub for luxury fashion engineering. The group has proven itself to be amongst the few industry players worldwide able to internally manage different product categories (fabric, knitwear and leather) and hybrids, complex garments made from different materials and through various processes.

Pattern continues to look for external growth opportunities for the development of the "Italian Hub of Luxury Fashion Engineering". The crisis has only emphasised the need for sector consolidation in order to better face the current situation, competition and demands of international markets. Potential targets in the leather goods, knitwear and kids segments could expand the product portfolio through the acquisition of strong brands and the expansion of the customer base.

Peer Group Absolute Performance

%	1M	3M	12M
Burberry Group PLC	10.0%	12.9%	-14.3%
Capri Holdings Ltd	18.1%	2.1%	-2.7%
Compagnie Financiere Richemont	13.7%	-1.3%	-2.6%
Hermes International SCA	25.2%	12.4%	3.7%
Kering SA	14.3%	8.5%	-26.7%
LVMH Moet Hennessy Louis Vuitton	16.4%	9.0%	-1.3%
Eurotech SpA	1.6%	-16.6%	-36.7%
Fine Foods & Pharmaceuticals	-4.4%	-4.3%	-42.0%
Brembo SpA	11.1%	7.2%	-11.1%
Sabaf SpA	3.9%	-1.4%	-7.3%
<b>Pattern SpA</b>	<b>13.6%</b>	<b>12.1%</b>	<b>27.5%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

- July 18<sup>th</sup>, 2022: Pattern signs a binding investment agreement to acquire 70% of D-Holding, the holding company of Bond Factory Srl (known as Dyloan) [\(link\)](#)
- May 10<sup>th</sup>, 2022: Closing for the entrance of RGB SpA in the Pattern group, through its subsidiary Idee Partners Srl [\(link\)](#)
- April 28<sup>th</sup>, 2022: Ordinary and extraordinary Shareholders' meeting [\(link\)](#)

Financial Calendar

- March 28<sup>th</sup>, 2022: Board of Directors (FY-21 Results)
- April 28<sup>th</sup>, 2022: Annual General Meeting (FY-21 Results)
- September 26<sup>th</sup>, 2022: Board of Directors (H1-22 Results)

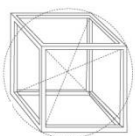
Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
20/07/2022	€ 8.00	BUY	Dyloan acquisition	<a href="#">link</a>
08/04/2022	€ 8.50	BUY	FY-21 results	<a href="#">link</a>
15/02/2022	€ 8.50	BUY	FY-21 prel. results	<a href="#">link</a>
24/01/2022	€ 8.50	BUY	Zanni Acquisition	<a href="#">link</a>

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Italy - Software

<b>Rating</b>	<b>BUY</b>
<b>Price Target</b>	<b>€ 11.50</b>
<b>Upside/(downside) %</b>	<b>3%</b>
<b>Last Price €</b>	<b>11.20</b>
<b>Market Cap. €m</b>	<b>225.6</b>
<b>1Y High €</b>	<b>12.20</b>
<b>1Y Low €</b>	<b>7.42</b>
<b>3M Avg Daily Turnover (n. shares)</b>	<b>27,519</b>
<b>3M Avg Daily Turnover €</b>	<b>304,464</b>
<b>Free Float</b>	<b>26%</b>
<b>RIC</b>	<b>PITE.MI</b>
<b>BBG</b>	<b>PITE IM</b>



Piteco, more than 4x the size of its closest competitors, is the undisputed domestic leader in corporate treasury management and financial planning software. The company designs, develops and implements proprietary software and solutions for corporate cash and risk management. It focuses on large/mid enterprises operating in all industries except public administration. The Piteco software is 100% proprietary as well as modular (19 different modules), embeddable (it can work within Oracle, Sap or Microsoft environments), customisable (its open architecture allows several combinations of product modules) and available on foreign markets. The group is developing a challenging internationalisation and diversification process, boosted by the recent acquisitions: 1) Juniper Payments enables Piteco to penetrate the huge US market with a well-managed cash flow generative firm, paid for fairly cheaply; 2) Myrios widened the group's offer with a risk management, capital markets and compliance software dedicated to banks (60% of the business line turnover) as well as to large manufacturing and services companies (40%); 3) RAD, which has developed a knowledge management tool that connects all those interested in the operational management of NPL and litigation.

**STRENGTHS**

- Undisputed leading positioning in Italy, the Brand in treasury management software
- Substantial CF generation and sound BS allow external growth opportunities
- Pronounced visibility of top line and margins expansion

**WEAKNESSES**

- > 80% of sales come from Italy, heavy dependence on one single country
- Limited size in the international competitive arena

€ m	2020	2021	2022e	2023e	2024e
Sales	24.7	39.0	38.6	40.2	43.6
EBITDA	9.9	17.6	18.3	20.2	22.0
EBIT	6.3	11.9	12.5	13.2	14.5
Net Profit	7.1	11.9	10.6	11.3	12.5
Net Profit Adjusted	6.1	11.5	10.6	11.3	12.5
Capex	36.5	2.4	1.4	1.4	1.4
Net Debt (Cash)	65.0	57.9	31.5	18.2	2.7
EPS reported (€/share)	0.35	0.59	0.52	0.56	0.62
EPS Adjusted (€/share)	0.34	0.63	0.58	0.62	0.69
CPS (€/share)	0.53	0.70	0.80	0.93	1.04
DPS (€/share)	0.15	0.00	0.20	0.20	0.20
EBITDA margin	40.2%	45.2%	47.5%	50.3%	50.6%
EBIT margin	25.5%	30.5%	32.3%	32.8%	33.4%
Dividend yield	1.3%	-	1.8%	1.8%	1.8%
ROCE	4.7%	9.0%	9.2%	9.6%	10.2%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 31<sup>st</sup> May 2022

% YoY	2020	2021	2022e	2023e	2024e
Turnover	2.8%	57.8%	-1.0%	4.2%	8.2%
EBITDA	-3.0%	77.5%	4.0%	10.3%	8.9%
EBIT	-13.0%	88.7%	4.6%	6.0%	10.0%
Net Profit	n.m.	67.2%	-11.1%	7.0%	11.0%
Net Profit Adjusted	8.0%	86.6%	-8.0%	7.0%	11.0%
Capex	n.m.	-93.3%	-43.8%	0.0%	0.0%
Debt	n.m.	-10.8%	-45.6%	-42.3%	-85.4%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Intuit Inc	10.42	8.94	28.3	22.6	29.6	24.6	39.6	31.5	37.3	28.4
Microsoft Corp	9.17	7.90	18.4	15.7	21.7	18.5	27.7	23.6	22.7	19.5
Oracle Corp	5.28	4.93	11.1	10.2	12.7	11.7	14.5	13.1	11.9	10.8
Salesforce Inc	5.57	4.50	18.1	15.0	27.3	20.9	37.9	29.9	22.6	19.7
SAP SE	3.87	3.51	12.5	12.0	15.1	13.8	19.5	17.9	15.2	14.9
<b>Median large player</b>	<b>5.57</b>	<b>4.93</b>	<b>18.1</b>	<b>15.0</b>	<b>21.7</b>	<b>18.5</b>	<b>27.7</b>	<b>23.6</b>	<b>22.6</b>	<b>19.5</b>
Datalogic SpA	0.76	0.68	8.9	5.7	19.3	8.9	25.1	11.6	9.4	6.5
Digital Bros SpA	2.53	2.20	7.5	6.1	12.2	10.1	16.4	14.2	9.1	7.6
ExpertAI SpA	1.51	1.22	n.m.	15.7	n.m.	n.m.	n.m.	n.m.	n.m.	10.0
Exprivia SpA	0.63	0.57	4.3	3.6	5.5	4.4	6.7	5.5	4.7	4.1
Reply SpA	2.50	2.21	14.9	13.3	18.3	16.1	27.3	24.6	20.7	18.9
TXT e solutions SpA	1.16	0.91	8.4	6.6	12.7	9.9	17.2	12.8	9.6	7.4
<b>Median small player</b>	<b>1.33</b>	<b>1.06</b>	<b>8.4</b>	<b>6.3</b>	<b>12.7</b>	<b>9.9</b>	<b>17.2</b>	<b>12.8</b>	<b>9.4</b>	<b>7.5</b>
<b>Piteco SpA</b>	<b>6.66</b>	<b>6.06</b>	<b>14.0</b>	<b>12.1</b>	<b>20.6</b>	<b>18.5</b>	<b>21.4</b>	<b>20.0</b>	<b>13.7</b>	<b>12.3</b>
% premium / (discount) to large players	19.5	23.0	(22.6)	(19.6)	(5.0)	0.0	(22.8)	(15.2)	(39.2)	(36.7)
% premium / (discount) to small players	398.9	470.7	66.0	90.0	62.8	87.1	24.2	56.6	45.5	64.3

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
Podini Family + Management + Treasury sh.	74.1%	14.22
Free Float	25.9%	5.22
<b>Total</b>	<b>100.0%</b>	<b>20.18</b>

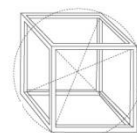
Source: Company data

Price performance	1M	3M	12M
Piteco SpA	0.9%	22.8%	21.2%
Rel.to FTSE Italia All Shares	-4.1%	30.3%	33.6%
Rel.to Sector	-2.7%	28.1%	30.3%

Source: Thomson Reuters Eikon

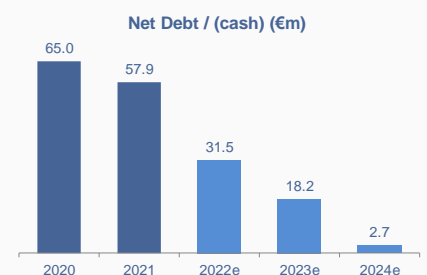
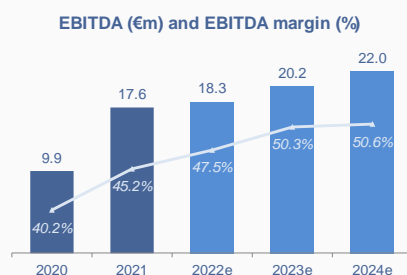
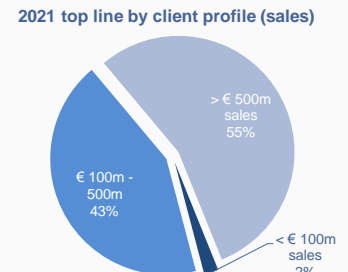
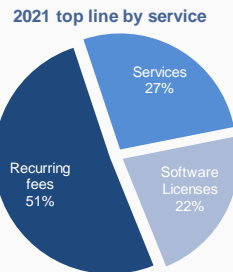
Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Intuit	125,930	36.7%	24.6%	0.6
Microsoft	2,049,069	49.8%	19.9%	n.m.
Oracle	203,013	49.3%	9.9%	2.3
Salesforce	179,194	31.2%	21.3%	n.m.
SAP	111,161	31.4%	7.5%	0.6
Datalogic	443	8.9%	5.2%	0.7
Digital Bros	376	31.7%	5.7%	n.m.
ExpertAI	45	-8.9%	36.6%	n.m.
Exprivia	94	14.5%	n.a.	1.0
Reply	4,778	16.8%	13.0%	n.m.
TXT e solutions	153	15.0%	12.7%	0.2
<b>Piteco</b>	<b>226</b>	<b>47.5%</b>	<b>3.7%</b>	<b>1.7</b>

Source: Thomson Reuters Eikon





Italy - Software



Investment Case: Reasons to Invest and Valuation

Piteco reported growing 2021 results thanks to the full consolidation of RAD Informatica and a 4% organic growth. Profitability was broadly in line with our projection. Margins improved thanks to the operating leverage and, to a greater extent, to the consolidation of the highly profitable RAD.

The first few months of 2022, despite the perseverance of the pandemic and the increased geopolitical risks, confirm the organic growth trend reported in 2021. Piteco TMS is proving successful following the recently launched Piteco Evo 5.0 and IDM, particularly in the cloud versions. RAD Informatica is confirming FY-21 results in terms of growth and profitability. Myrios is registering a rising interest in the Corporate segment. Juniper Payments has started implementing the new Instant Payments solution on the US market, mainly addressed to the Credit Union market, the development of which ended in 2021.

On 15-Jun-22, Limbo Srl (fully controlled by Dedagroup SpA) has launched a voluntary takeover bid on Piteco's entire share capital at € 11.25/s. The takeover bid will end on 5-Aug-22.

Peer Group Absolute Performance

%	1M	3M	12M
Intuit Inc	17.5%	8.9%	-13.2%
Microsoft Corp	8.2%	1.2%	-2.0%
Oracle Corp	9.8%	6.0%	-11.2%
Salesforce Inc	9.4%	4.6%	-24.6%
SAP SE	4.6%	-6.5%	-24.8%
Datalogic SpA	6.8%	-18.5%	-61.5%
Digital Bros SpA	3.4%	8.7%	8.6%
ExpertAI SpA	10.1%	-30.2%	-69.0%
Exprivia SpA	9.9%	0.9%	17.5%
Reply SpA	9.7%	-9.4%	-12.9%
TXT e solutions SpA	12.8%	20.7%	51.7%
<b>Piteco SpA</b>	<b>0.9%</b>	<b>22.8%</b>	<b>21.2%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

- July 14<sup>th</sup>, 2022: Acquisition of an additional 5.29% of the corporate capital in Myrios Srl completed ([link](#))
- July 4<sup>th</sup>, 2022: The Board of Director of Piteco has considered adequate the consideration of € 11.25/s ([link](#))
- June 22<sup>nd</sup>, 2022: Appointed the financial advisor in relation to the voluntary tender offer ([link](#))

Financial Calendar

- March 23<sup>rd</sup>, 2022: Board of Directors (FY-21 Results)
- April 28<sup>th</sup>, 2022: Annual General Meeting (FY-21 Results)
- September 28<sup>th</sup>, 2022: Board of Directors (H1-22 Results)

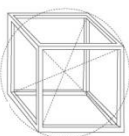
Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
31/05/2022	€ 11.50	BUY	Sale of Juniper LLC	<a href="#">link</a>
29/03/2022	€ 12.00	BUY	FY-21 results	<a href="#">link</a>
01/10/2021	€ 12.00	NEUTRAL	H1-21 results	<a href="#">link</a>
21/05/2021	€ 11.30	NEUTRAL	German Spring Conf	<a href="#">link</a>

Investor Relations Contacts

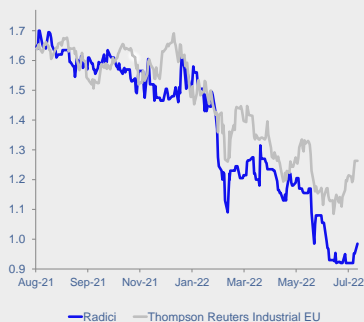
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**Italy - Textile Flooring**
**Rating BUY**
**Price Target € 2.30**
**Upside/(downside) % 134%**

**Last Price € 0.98**  
**Market Cap. € m 8.6**  
**1Y High € 1.75**  
**1Y Low € 0.95**  
**3M Avg Daily Turnover (n. shares) 3,242**  
**3M Avg Daily Turnover € 5,845**  
**Free Float 24%**  
**RIC RADIC.MI**  
**BBG RAD IM**



Founded in 1950 in Cazzano Sant'Andrea, close to Bergamo (Italy), Radici Pietro is a leading international player in the textile flooring market, designing, manufacturing and selling high-end carpet floorings, artificial turf and non-woven fabrics, chiefly custom-made. The group operates three production plants, two in Italy and one in Hungary, and four commercial branches worldwide, managing the entire value chain, from raw materials processing to the production of finished goods, including the quality control, testing phases and distribution. Radici Pietro covers almost 90 countries, serving more than 2,000 customers in four different industries: Residential & Contract, Marine, Sport and Automotive. The group's global export sales are 49% of total revenues. 46% of turnover comes from the Residential & Contract segment, 27% from Sport, 16% from Automotive and 11% from Marine.

**STRENGTHS**

- Leading player in the textile flooring market
- Wide product portfolio with several types of textile coverings for flooring
- Vertical integration: from raw material processing to finished goods distribution
- International presence: 49% of FY-21 turnover

**WEAKNESSES**

- Exposure to foreign currencies
- Few key relevant people represent a vital asset for the company
- Limited fire power for M&A and development

€ m	2020	2021	2022e	2023e	2024e
Total Revenues	43.0	44.2	53.5	59.0	63.0
Value of Production	43.6	45.7	54.2	59.7	63.8
EBITDA	0.6	2.1	3.8	5.0	5.6
EBIT	0.1	(0.1)	1.0	2.2	2.9
Net Profit	(0.9)	(0.9)	0.4	1.6	2.2
Capex	1.7	0.8	1.5	2.5	2.5
Net Debt (Cash)	20.0	17.5	18.0	13.0	11.7
EPS reported (€/share)	0.01	0.05	0.07	0.08	0.09
EPS Adjusted (€/share)	0.00	(0.00)	0.02	0.04	0.05
CPS (€/share)	-	-	-	-	-
DPS (€/share)	0.48	0.42	0.41	0.40	0.40
EBITDA margin	1.4%	4.8%	7.2%	8.5%	9.0%
EBIT margin	0.1%	-0.2%	1.9%	3.8%	4.6%
Dividend yield	48.8%	42.7%	42.0%	41.0%	41.0%
ROCE	-11.8%	21.9%	-5.2%	10.8%	16.0%

Sources: Company data, CFO SIM. Estimates, Rating and Price Target updated as of 12<sup>th</sup> April 2022

% YoY	2020	2021	2022e	2023e	2024e
Total Revenues	-27.7%	3.0%	20.9%	10.4%	6.8%
Value of Production	-31.7%	4.7%	18.6%	10.2%	6.8%
EBITDA	-91.0%	n.m.	79.7%	30.3%	12.7%
EBIT	-98.6%	n.m.	n.m.	n.m.	29.6%
Net Profit	n.m.	5.7%	n.m.	n.m.	38.8%
Capex	-48.2%	-51.3%	86.3%	66.7%	0.0%
Debt	-9.5%	-12.1%	2.5%	-27.8%	-10.2%

Sources: Company data, CFO SIM

Price & EV multiples x	SALES FY1	SALES FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2	PCF FY1	PCF FY2
Aquafil SpA	0.67	0.62	5.6	5.1	12.9	10.8	12.1	10.3	4.0	3.7
Balta Group NV	1.17	0.60	5.6	2.7	13.5	6.0	3.9	5.8	1.1	1.2
Interface Inc	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	11.3	9.4	7.2	6.2
Mohawk Industries Inc	0.82	0.79	5.5	5.2	7.9	7.8	8.7	8.8	5.4	5.3
Somec SpA	0.55	0.51	5.4	4.8	9.2	7.3	22.2	14.7	9.8	7.9
Tarkett SA	0.42	0.40	6.0	5.1	28.2	15.6	37.5	16.6	4.7	4.0
Victoria PLC	1.03	0.34	7.0	2.2	16.3	5.0	7.3	6.5	2.5	2.4
<b>Median</b>	<b>0.75</b>	<b>0.56</b>	<b>5.6</b>	<b>4.9</b>	<b>13.2</b>	<b>7.5</b>	<b>11.3</b>	<b>9.4</b>	<b>4.7</b>	<b>4.0</b>
Radici Pietro Industries & Brands SpA	0.50	0.37	6.9	4.3	26.7	9.7	19.4	5.3	2.6	2.0
% premium / (discount)	(33.2)	(34.5)	23.2	(12.6)	102.1	28.7	70.8	(43.3)	(44.1)	(50.9)

Sources: CFO SIM, Thomson Reuters Eikon

Outstanding shares	%	# m
MRFoC SpA	69.9%	6.09
Radici Family	6.0%	0.53
Free Float	24.1%	2.10
<b>Total</b>	<b>100.0%</b>	<b>8.72</b>

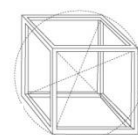
Source: Company data

Price performance	1M	3M	12M
Radici Pietro	2.3%	-22.1%	-42.2%
Rel.to FTSE Italia Growth	-2.0%	-17.1%	-35.8%
Rel.to Peers Median	2.7%	-21.5%	-7.8%

Source: Thomson Reuters Eikon

Peers	Mkt Cap € m	EBITDA % FY1	Sales CAGR <sub>21-24</sub>	NFP/EBITDA FY1
Aquafil	270	12.0%	8.9%	2.3
Balta Group	58	20.7%	4.3%	4.7
Interface	843	13.6%	8.3%	n.a.
Mohawk Ind.	7,989	15.6%	9.9%	0.9
Somec	216	10.3%	15.0%	n.m.
Tarkett	863	6.9%	n.a.	1.8
Victoria	517	16.0%	29.0%	4.2
<b>Radici Pietro</b>	<b>9</b>	<b>7.2%</b>	<b>12.5%</b>	<b>4.7</b>

Source: Thomson Reuters Eikon

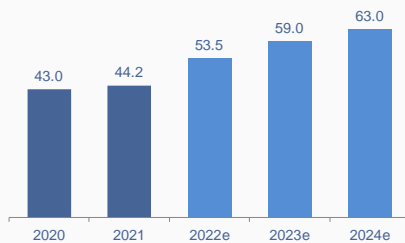




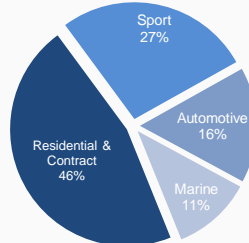


Italy - Textile Flooring

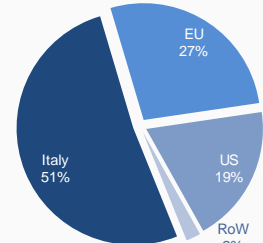
Total Revenues (€m)



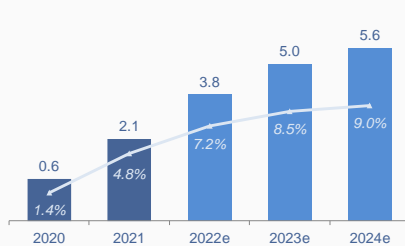
2021 top line by industry



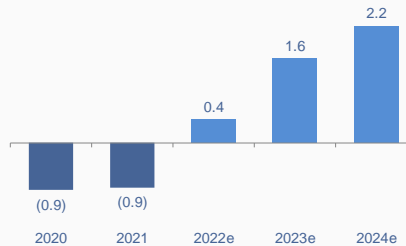
2021 top line by country



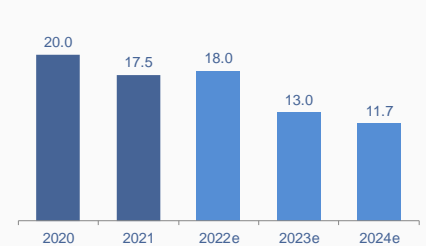
EBITDA (€m) and EBITDA margin (%)



Net Profit (€m)



Net Debt / (cash) (€m)



Investment Case: Reasons to Invest and Valuation

FY-21 results came in broadly in line with both the company's budget and CFO SIM's estimates. The Marine segment unveiled a faster than expected recovery, boosted by increasing activity with regard to the building of new cruise ships and the refitting of existing vessels. On the other hand, the Automotive segment suffered the prolonged global supply chain shortages and the contraction of a few orders in the US market.

On the back of FY-21 results, Radici Pietro confirmed its guidance for 2022, also by virtue of promising results for the beginning of the year. Nevertheless, both a sharper inflation and the recent Russia-Ukraine conflict has generated instability and may harm the global economic outlook. In our view, the 2022 guidance reasonably factors in the tough market conditions under which the Automotive segment will be operating in the 2022-23 period and a gradual recovery of the Marine segment to pre-pandemic levels. We believe the updated figures are reasonable and fairly sustainable. The group has demonstrated it has appropriate control of the variables influencing the business and the budgeting process is properly managed.

Following the FY-21 results release, we left our estimates for the 2022-23 period unchanged. We have also introduced projections for 2024.

Peer Group Absolute Performance

%	1M	3M	12M
Aquafil SpA	2.1%	3.9%	-15.3%
Balta Group NV	-6.9%	-49.7%	-37.2%
Interface Inc	14.2%	14.2%	-2.1%
Mohawk Industries Inc	-0.4%	-8.9%	-34.4%
Somec SpA	-2.5%	13.4%	15.9%
Tarkett SA	4.3%	-0.6%	-34.7%
Victoria PLC	-17.0%	-41.9%	-64.9%
<b>Radici Pietro</b>	<b>2.3%</b>	<b>-22.1%</b>	<b>-42.2%</b>

Source: Thomson Reuters Eikon

Latest IR Press Releases

July 20 <sup>th</sup> , 2022	Change in the composition of share capital ( <a href="#">link</a> )
June 30 <sup>th</sup> , 2022	Appointment of EnVent Capital Markets as Euronext Growth Advisor and adjustment of the procedure relating to operations with related parties ( <a href="#">link</a> )
June 23 <sup>th</sup> , 2022	Result of the third and last exercise period of "Warrant RPIB 2019-2022" ( <a href="#">link</a> )

Financial Calendar

March 30 <sup>th</sup> , 2022	Board of Directors (FY-21 Results)
April 29 <sup>th</sup> , 2022	Annual General Meeting (FY-21 Results)
September 28 <sup>th</sup> , 2022	Board of Directors (H1-22 Results)

Latest Equity Research published

Date	PT €/s	Rating	Type of report	Download
12/04/2022	€ 2.30	BUY	FY-21 results	<a href="#">link</a>
29/11/2021	€ 2.20	BUY	New 22-23 guidance	<a href="#">link</a>
11/10/2021	€ 2.50	BUY	H1-21 results	<a href="#">link</a>
12/04/2021	€ 2.50	BUY	FY-20 results	<a href="#">link</a>

Investor Relations Contacts

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#### ANALYSTS CERTIFICATION

This publication was prepared by Corporate Family Office SIM S.p.A. ("CFO SIM"), namely by **LUCA ARENA**, Head of the Equity Research Department, **GIANLUCA MOZZALI** and **LUCA SOLARI**, Equity Analysts. This is to certify that the views expressed on the companies mentioned in this document reflect the analysts' personal opinions and no direct or indirect remuneration has been, or will be, received by the analysts further to the views expressed herein.

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**DBA Group SpA:** CFO SIM acts as Corporate Broker for DBA Group SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

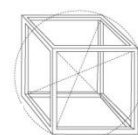
DATE	TARGET PRICE	RATING
30/06/2022	€3.50	BUY
11/10/2021	€2.00	BUY
07/06/2021	€2.00	BUY
28/01/2021	€1.50	BUY
10/11/2020	€1.50	BUY
26/10/2020	€1.50	BUY

**DIGITAL360 SpA:** CFO SIM acts as Euronext Growth Advisor and Corporate Broker for DIGITAL360 SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
14/07/2022	€6.40	BUY
29/03/2022	€6.20	BUY
17/02/2022	€6.20	BUY
26/01/2022	€5.50	BUY
23/09/2021	€5.50	BUY
19/07/2021	€4.40	BUY
25/03/2021	€4.00	BUY
12/02/2021	€3.10	BUY
23/09/2020	€2.40	BUY

**Digital Value SpA:** CFO SIM acts as Euronext Growth Advisor, Specialist and Corporate Broker for Digital Value SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
01/04/2022	€120.00	BUY
27/01/2022	€122.00	BUY
09/11/2021	€122.00	BUY
06/08/2021	€115.00	BUY
20/05/2021	€68.00	BUY
09/04/2021	€68.00	BUY
10/08/2020	€38.40	BUY



**Frulchem SpA:** CFO SIM acts as Euronext Growth Advisor, Specialist and Corporate Broker for Frulchem SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
28/03/2022	€2.00	BUY
28/09/2021	€1.80	BUY
27/07/2021	€1.80	BUY

**Growens SpA:** CFO SIM acts as Specialist and Corporate Broker for Growens SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

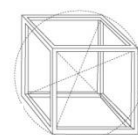
DATE	TARGET PRICE	RATING
12/07/2022	€6.20	BUY
16/05/2022	€6.20	BUY
12/04/2022	€6.60	BUY
25/03/2022	€6.20	BUY
11/11/2021	€5.90	BUY
17/09/2021	€5.90	BUY
20/05/2021	€6.00	BUY
13/05/2021	€6.00	BUY
30/03/2021	€6.00	BUY
11/01/2021	€6.60	BUY
10/12/2020	€6.60	BUY
13/11/2020	€6.60	BUY
21/09/2020	€6.30	NEUTRAL

**Italian Wine Brands SpA:** CFO SIM acts as Corporate Broker for Italian Wine Brands SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
27/06/2022	€38.00	BUY
30/03/2022	€55.00	BUY
28/01/2022	€61.00	BUY
11/01/2022	€61.00	BUY
20/09/2021	€58.00	BUY
24/06/2021	€53.00	BUY
22/03/2021	€41.50	BUY
22/01/2021	€30.00	BUY
04/12/2020	€25.00	BUY

**Labomar SpA:** CFO SIM acts as Corporate Broker for Labomar SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
25/05/2022	€11.00	NEUTRAL
22/04/2022	€11.00	NEUTRAL
06/04/2022	€11.00	NEUTRAL
21/01/2022	€11.00	NEUTRAL
18/01/2022	€11.00	NEUTRAL
25/11/2021	€11.00	NEUTRAL
21/10/2021	€9.50	NEUTRAL
01/10/2021	€9.50	NEUTRAL
16/07/2021	€11.50	NEUTRAL
21/05/2021	€9.50	NEUTRAL
09/04/2021	€9.50	NEUTRAL
05/02/2021	€8.50	BUY
23/11/2020	€8.50	BUY



**Medica SpA:** CFO SIM acts as Euronext Growth Advisor and Corporate Broker for Medica SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
26/07/2022	€40.00	BUY
06/04/2022	€40.00	NEUTRAL
07/02/2022	€40.00	NEUTRAL
20/01/2022	€40.00	NEUTRAL

**Monnalisa SpA:** CFO SIM acts as Euronext Growth Advisor, Specialist and Corporate Broker for Monnalisa SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
28/04/2022	€5.00	BUY
26/10/2021	€4.50	NEUTRAL
31/05/2021	€4.00	NEUTRAL
30/10/2020	€2.50	NEUTRAL

**Neosperience SpA:** CFO SIM acts as Euronext Growth Advisor and Corporate Broker for Neosperience SpA stock, listed on Euronext Growth Milan. CFO SIM produces Equity Research documents on behalf of the Company's Specialist. The next table shows the ratings issued on the stock in the last 24 months.

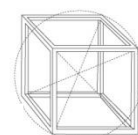
DATE	TARGET PRICE	RATING
14/06/2022	€5.35	BUY
26/05/2022	€10.70	BUY
01/04/2022	€10.70	BUY
15/12/2021	€10.50	BUY
30/09/2021	€10.00	BUY
29/07/2021	€10.00	BUY

**Orsero SpA:** CFO SIM acts as Corporate Broker for Orsero SpA stock, listed on Euronext STAR Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
01/08/2022	€21.40	BUY
18/03/2022	€20.00	BUY
03/02/2022	€20.00	BUY
12/11/2021	€13.50	BUY
15/09/2021	€13.50	BUY
14/05/2021	€12.80	BUY
19/03/2021	€11.50	BUY
26/02/2021	€8.50	BUY
02/02/2021	€8.50	BUY
16/11/2020	€8.50	BUY
16/09/2020	€8.50	BUY

**Pattern SpA:** CFO SIM acts as Euronext Growth Advisor and Corporate Broker for Pattern SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
20/07/2022	€8.00	BUY
08/04/2022	€8.50	BUY
15/02/2022	€8.50	BUY
24/01/2022	€8.50	BUY
28/10/2021	€8.20	BUY
29/09/2021	€7.60	BUY
28/05/2021	€7.00	BUY
08/04/2021	€7.00	BUY
26/02/2021	€6.00	BUY
17/02/2021	€6.00	BUY
28/09/2020	€5.00	BUY



**Piteco SpA:** CFO SIM acts as Corporate Broker for Piteco SpA stock, listed on Euronext Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
31/05/2022	€11.50	BUY
29/03/2022	€12.00	BUY
01/10/2021	€12.00	NEUTRAL
21/05/2021	€11.30	NEUTRAL
29/03/2021	€11.30	NEUTRAL
04/11/2020	€11.30	BUY
29/09/2020	€9.40	BUY

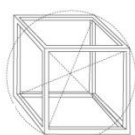
**Radici Pietro Industries & Brands SpA:** CFO SIM acts as Corporate Broker for Radici Pietro Industries & Brands SpA stock, listed on Euronext Growth Milan. The next table shows the ratings issued on the stock in the last 24 months.

DATE	TARGET PRICE	RATING
12/04/2022	€2.30	BUY
29/11/2021	€2.20	BUY
11/10/2021	€2.50	BUY
12/04/2021	€2.50	BUY
18/03/2021	€2.90	BUY
30/09/2020	€2.90	BUY
16/06/2020	€2.70	BUY

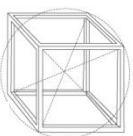
#### RATING SYSTEM

- a **BUY** rating is assigned if the target price is at least 15% higher than the market price;
- a **SELL** rating is assigned if the target price is at least 15% lower than the market price;
- a **NEUTRAL** rating is assigned if the difference between the current price and target price lies within the +/- 15% bands identified using the preceding criteria.

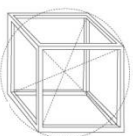
The rating is determined on the basis of the **expected absolute return 12 months forward** and not on the basis of the estimated out/underperformance relative to a market index. Thus, the rating can be directly linked with the estimated percentage difference between current price and target price. The prices of the financial securities mentioned in the report (also used for the calculation of market capitalisation and market multiples) are the reference prices of the stock market trading day preceding the publication date of the report, otherwise stated.



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