

## Italy - Food

## Strong Q3 sustained by outstanding Distribution's results

18<sup>th</sup> November 2024

### Q3/9M-24 RESULTS RELEASE

RIC: ORSO.MI  
BBG: ORS IM

Orsero reported outstanding Q3-24 results in a challenging market context, achieving top-notch profitability concerning the Distribution business unit thanks to the focus on high-value-added products. Moreover, Orsero confirmed its ability to generate significant cash used to remunerate shareholders and support future growth. For this purpose, the group started a strategic plan to increase its turnover in the Iberic Peninsula.

#### Rating:

**Buy**

#### Price Target:

**€ 24.50 (€ 24.00)**

Upside/(Downside): 94.1%

Last Price: € 12.62

Market Cap.: € 222.9m

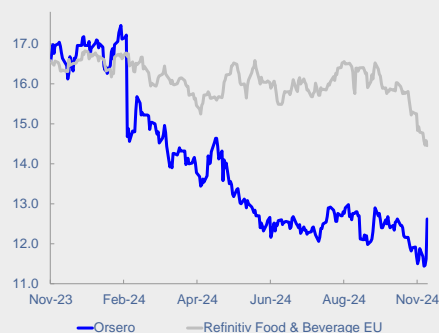
1Y High/Low: € 17.56 / € 11.20

Avg. Daily Turn. (3M, 6M): € 261k, € 299k

Free Float: 55.2%

#### Major shareholders:

FIF Holding 33.4%  
Grupo Fernández 6.7%



#### Stock price performance

	1M	3M	12M
<b>Absolute</b>	0.0%	-2.3%	-25.1%
<b>Rel.to FTSE IT STAR</b>	4.8%	-0.6%	-29.3%
<b>Rel.to EU Sector</b>	9.8%	7.6%	-14.3%

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#### Estimates slightly upgraded: new DCF-based PT of € 24.50/s (€ 24.00). Buy reiterated

Following the 9M-24 results release, we have updated our model to factor in: 1) slightly higher turnover and EBITDA concerning the Distribution BU; 2) slightly lower turnover and EBITDA concerning the Shipping BU; 3) a fine tuning of the tax rate; 4) the capex plan for the development of the new project in Spain; and 5) a fine tuning of NWC. The combined result is an average 0.7%, 3.3% and 1.5% upgrade in revenues, Adj. EBITDA and Adj. Net Profit in 2024-26, coupled with a slight increase in NFP in the same period. Moreover, we have updated the DCF valuation criteria, bringing the Risk-Free Rate up to date. As a consequence, the new PT stands at € 24.50/s (€ 24.00), 94.1% upside. Buy recommendation reiterated.

#### Revenues broadly flat YoY thanks to a strong performance of the Distribution BU

In 9M-24, Orsero reported broadly flat turnover (-0.7% YoY), totalling € 1,155.1m. Distribution's revenues were € 1,100.9m, up by 0.3% YoY (€ 1,097.1m in 9M-23), thanks to an outstanding performance reported in Q3-24 with sales up by 3.4% YoY driven by a good performance of the French subsidiaries, mainly concerning some product categories, such as kiwis, pineapples, grapes, and exotic fruits and despite the poor consumption of citrus and the lowering prices of bananas in line with the historical trend after the exceptional level reached in 2023. The Shipping BU declined by 14.8% YoY to € 83.8m (€ 98.4m in 9M-24), due to the back-to-normal of the "dry-cargo" freight rates compared to the exceptional 2022-23 period, whereas the "reefer" business showed a satisfactory loading factor.

#### Best in class profitability sustained by an excellent product mix

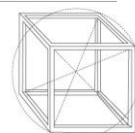
Adj. EBITDA was € 66.9m, 5.8% margin (€ 89.4m, 7.7% margin in 9M-24), in line with the historical level of the group and well above the market competitors. Looking at the business units: Distribution's EBITDA reached € 56.8m, 5.2% margin, down by 9.4% YoY (€ 62.7m, 5.7% margin in 9M-24). However, Orsero reported a strong Q3-24, as EBITDA totalled € 24.9m, up by 3.7% YoY, 6.3% margin (€ 24.0m in Q3-23, unchanged margin), thanks to the excellent profitability of some campaigns regarding kiwis, pineapples, grapes, and exotic fruits. Shipping's EBITDA declined by 51.4% YoY to € 16.0m, 19.1% margin, because of the expected normalisation of the freight rates in 2024, which, according to the management, seems to have reached a bottom, both concerning the dry-cargo and the reefer activity. Moreover, in Q3-24, the business unit's profitability was negatively impacted by the dry-docking activity concerning two vessels, which required the rental of an extra ship. Adj. Group's Net Profit was € 26.8m, 2.3% margin (€ 49.8, 4.3% margin, in 9M-23), as a result of 1) lower operating margin due to the aforementioned reasons, 2) a higher tax rate due to the lower contribution of the Shipping BU, which benefits from a favourable tax regime, and despite lower financial charges.

#### Strong cash flow generation partially absorbed by capex and shareholders remuneration

Net Financial Position totalled € 123.0m, down from € 127.8m at year-end 2023 and € 129.9m at the end of Jun-24, thanks to operating cash flow of € 33.5m mainly offset by 1) the payment of € 10.2m of dividends, 2) the treasury shares buyback of € 1.0m, and 3) capex of € 18.8m.

#### Orsero, key financials and ratios

€ m	2022	2023	2024e	2025e	2026e
Net Revenues	1,196.3	1,540.8	1,541.4	1,563.8	1,578.2
Adjusted EBITDA	76.1	107.1	82.5	83.5	84.2
Adjusted EBIT	45.7	72.8	46.9	47.1	47.5
Net Profit	32.3	47.3	26.2	27.0	27.3
Adjusted Net Profit	36.9	54.1	28.8	29.6	29.9
NFP debt/(cash)	67.4	127.8	122.2	112.8	99.7
EPS adjusted FD	2.09	3.06	1.63	1.67	1.69
EPS adj. FD growth	93.2%	46.7%	-46.9%	2.8%	1.1%
DPS ord. €/s	0.35	0.60	0.60	0.60	0.60
Dividend yield	2.6%	4.3%	4.8%	4.8%	4.8%
Free Cash Flow Yield	8.4%	25.0%	13.3%	14.6%	16.3%
PER x	6.5	4.6	7.8	7.5	7.5
EV/Sales x	0.26	0.24	0.22	0.21	0.20
EV/EBITDA x	4.0	3.5	4.2	4.0	3.8
EV/EBIT x	6.7	5.2	7.4	7.1	6.8



## The company at a glance

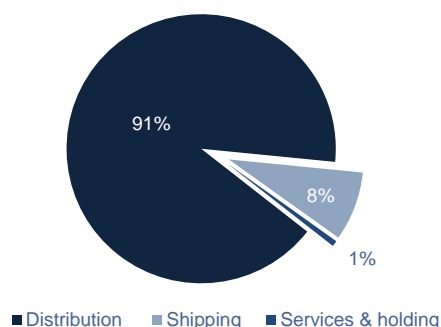
Orsero is an international group headquartered in Milan, operating in the fresh fruit and vegetable import and distribution business in the Mediterranean area of Europe. The group was founded some 80 years ago by the Orsero family. The current business structure includes the distribution of fresh F&Vs as well as the import, production and export of fruit together with chilled maritime transportation. Orsero boasts a significant presence in southern Europe, namely in Italy, France, Spain, Portugal, and Greece, and production facilities in Costa Rica, Colombia and Mexico.

During 2012, the group launched the "Flli Orsero" brand for bananas and pineapples, which expresses a large Italian family company's sense of tradition and passion for top-quality fruit and vegetables.

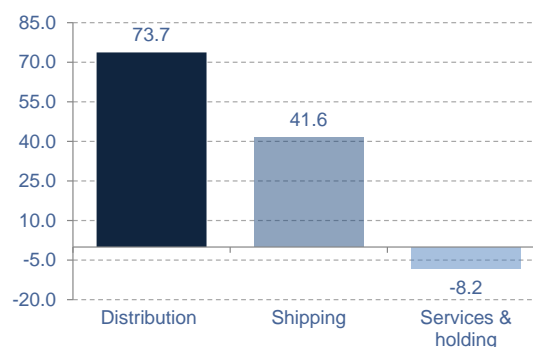
2023 Orsero highlights: revenues of € 1.541m, adj. EBITDA of € 107.1m (7.0% margin), adjusted net profit equal to € 54.1m and net financial position of € 127.8m (1.2x adj. EBITDA).

Orsero was listed on Euronext Growth Milan 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 28-Oct-16. Orsero has been trading on the Euronext STAR Milan segment since 23-Dec-19.

## 2023 Gross Turnover...



## ...and EBITDA by business



## Shareholder structure

	%	# m
FIF Holding	33.4%	5.90
Grupo Fernandez	6.7%	1.18
Treasury Shares	4.7%	0.83
<b>Free Float</b>	<b>55.2%</b>	<b>9.77</b>
o/w Praude Asset Management	8.4%	1.48
First Capital	5.6%	1.00
<b>Total</b>	<b>100.0%</b>	<b>17.68</b>

Source: company data

## Peer group absolute performance

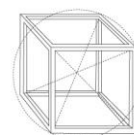
%	1D	1W	1M	3M	6M	YTD
Calavo Growers Inc	(2.3)	(4.5)	(5.4)	9.1	(1.6)	(8.1)
Dole PLC	(0.5)	(11.8)	(8.8)	(4.1)	14.8	19.9
Fresh Del Monte Produce Inc	1.0	(1.4)	14.4	22.5	39.0	28.7
Greenyard NV	(0.3)	(2.4)	(4.7)	(5.9)	6.3	(3.7)
Mission Produce Inc	(2.0)	(3.4)	7.8	27.1	2.5	30.7
Omer Decugis & Cie SA	(3.9)	(0.7)	4.7	(3.5)	11.9	7.0
<b>Peers Median</b>	<b>(1.3)</b>	<b>(2.9)</b>	<b>0.0</b>	<b>2.8</b>	<b>9.1</b>	<b>13.4</b>
<b>Orsero SpA</b>	<b>8.6</b>	<b>6.2</b>	<b>0.0</b>	<b>(2.3)</b>	<b>(4.2)</b>	<b>(25.6)</b>
FTSE Italia STAR	(1.0)	0.1	(4.8)	(1.7)	(7.4)	(5.9)
EU Sector	(0.9)	(2.3)	(9.8)	(9.9)	(12.5)	(14.1)
Orsero SpA to peers	9.9	9.1	(0.0)	(5.1)	(13.3)	(39.0)
Orsero SpA to FTSE Italia STAR	9.6	6.2	4.8	(0.6)	3.2	(19.6)
Orsero SpA to EU Sector	9.5	8.5	9.8	7.6	8.3	(11.5)

Source: Refinitiv Eikon

## Peer group multiples table

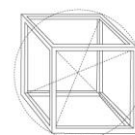
Price & EV multiples x	PER FY1	PER FY2	PER FY3	PCF FY1	PCF FY2	PCF FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3
Calavo Growers Inc	19.0	15.2	13.2	12.2	11.5	11.1	n.a.	n.a.	n.a.
Dole PLC	10.6	10.6	9.4	5.5	5.2	5.1	5.4	5.0	5.0
Fresh Del Monte Produce Inc	19.4	14.5	n.a.	10.1	8.6	n.a.	n.a.	n.a.	n.a.
Greenyard NV	10.1	7.4	5.7	2.1	2.0	1.9	3.5	2.3	2.9
Mission Produce Inc	32.2	76.4	n.a.	11.0	13.5	n.a.	n.a.	n.a.	n.a.
Omer Decugis & Cie SA	10.8	5.7	4.2	6.4	4.2	3.3	6.6	3.4	2.2
<b>Median</b>	<b>14.9</b>	<b>12.6</b>	<b>7.6</b>	<b>8.2</b>	<b>6.9</b>	<b>4.2</b>	<b>5.4</b>	<b>3.4</b>	<b>2.9</b>
<b>Orsero SpA</b>	<b>7.8</b>	<b>7.5</b>	<b>7.5</b>	<b>3.5</b>	<b>3.4</b>	<b>3.3</b>	<b>4.2</b>	<b>4.0</b>	<b>3.8</b>
% (Disc.)/Prem. to peer	(48.1)	(40.0)	(1.4)	(58.0)	(50.9)	(19.9)	(22.9)	19.3	30.6

Sources: CFO SIM, Refinitiv Eikon





<b>Income statement (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Net Revenues	1,196.3	1,540.8	1,541.4	1,563.8	1,578.2
COGS	(1,077.4)	(1,369.3)	(1,391.0)	(1,411.7)	(1,424.7)
Gross Profit	118.8	171.5	150.3	152.1	153.5
SG&A	(78.9)	(106.5)	(106.6)	(108.1)	(109.1)
EBIT	39.9	64.9	43.8	43.9	44.4
Financials	(5.9)	(10.4)	(10.3)	(9.1)	(9.1)
Results from investments	2.0	1.6	1.6	1.6	1.6
Pre-Tax Profit	36.1	56.1	35.1	36.4	36.9
Taxes	(3.7)	(8.0)	(8.1)	(8.6)	(8.7)
Discontinued	0.0	0.0	0.0	0.0	0.0
Minorities	(0.2)	(0.9)	(0.9)	(0.9)	(0.9)
Net Profit	32.3	47.3	26.2	27.0	27.3
D&A and Provisions	(30.4)	(34.3)	(35.5)	(36.4)	(36.6)
Non-recurring items	(5.8)	(7.9)	(3.2)	(3.2)	(3.2)
Adjusted EBITDA	76.1	107.1	82.5	83.5	84.2
Adjusted EBIT	45.7	72.8	46.9	47.1	47.5
Adjusted Net Profit	36.9	54.1	28.8	29.6	29.9
<b>Balance sheet (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Net Working Capital	31.7	37.4	32.9	30.4	30.6
Net Fixed Assets	222.2	322.7	329.6	332.7	329.5
Equity Investments	19.4	20.6	21.0	21.4	21.8
Other M/L Term A/L	(4.4)	(14.3)	(5.9)	1.5	8.9
Net Invested Capital	268.9	366.3	377.6	386.0	390.9
Net Financial Debt/(cash)	67.4	127.8	122.2	112.8	99.7
Minorities	0.4	1.7	2.6	3.4	4.3
Group's Shareholders Equity	201.1	236.8	252.8	269.7	286.9
Financial Liabilities & Equity	268.9	366.3	377.6	386.0	390.9
<b>Cash Flow statement (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Total net income	32.5	48.1	27.0	27.9	28.2
Depreciation	28.1	31.5	32.7	33.5	33.7
Other non-cash charges	(4.2)	1.3	(8.4)	(7.4)	(7.4)
Cash Flow from Oper. (CFO)	56.4	80.9	51.2	54.0	54.5
Change in NWC	(1.5)	(5.7)	4.5	2.5	(0.3)
FCF from Operations (FCFO)	54.9	75.2	55.7	56.5	54.2
Net Investments (CFI)	(31.1)	(63.1)	(26.0)	(24.0)	(18.0)
Free CF to the Firm (FCFF)	23.8	12.1	29.7	32.5	36.2
CF from financials (CFF)	(10.0)	9.1	(13.2)	(23.1)	(23.1)
Free Cash Flow to Equity (FCFE)	13.8	21.2	16.5	9.4	13.1
<b>Financial ratios</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Adjusted EBITDA margin	6.4%	7.0%	5.3%	5.3%	5.3%
EBIT margin	3.3%	4.2%	2.8%	2.8%	2.8%
Net profit margin	2.7%	3.1%	1.7%	1.7%	1.7%
Tax rate	10.2%	14.2%	23.0%	23.5%	23.5%
Op NWC/Sales	2.6%	2.4%	2.1%	1.9%	1.9%
Interest coverage x	0.15	0.16	0.23	0.21	0.21
Net Debt/EBITDA adj. x	0.89	1.19	1.48	1.35	1.18
Debt-to-Equity x	0.34	0.54	0.48	0.42	0.35
ROIC	12.0%	12.9%	6.9%	7.0%	7.0%
ROCE	12.8%	15.3%	9.3%	9.1%	8.8%
ROACE	13.2%	17.5%	9.6%	9.2%	9.0%
ROE	16.0%	20.0%	10.4%	10.0%	9.5%
Payout ratio	18.8%	21.5%	38.6%	37.4%	37.0%
<b>Per share figures</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Number of shares # m	17.68	17.68	17.68	17.68	17.68
Number of shares Fully Diluted # m	17.68	17.68	17.68	17.68	17.68
Average Number of shares Fully Diluted # m	17.68	17.68	17.68	17.68	17.68
EPS stated FD €	1.82	2.67	1.48	1.53	1.55
EPS adjusted FD €	2.09	3.06	1.63	1.67	1.69
EBITDA €	4.30	6.06	4.66	4.72	4.76
EBIT €	2.26	3.67	2.47	2.48	2.51
FCFO €	3.11	4.25	3.15	3.20	3.07
FCFF €	1.35	0.68	1.68	1.84	2.05
FCFE €	0.78	1.20	0.93	0.53	0.74
Dividend €	0.35	0.60	0.60	0.60	0.60



## Q3/9M-24 results

Orsero reported **outstanding Q3-24 results in a challenging market context**, with lower consumption, including F&V products. In particular, the Distribution BU benefited from the group's focus on higher value-added products and the **lowering dependence on commodity products, such as bananas** (which now account for less than 20% of the total Distribution turnover). The group confirmed its ability to generate strong cash flow, which was mainly invested in new developments to sustain organic growth and distributed to shareholders.

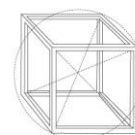
**Table 1 – Orsero, quarterly results summary**

€ m	Q1			Q2			Q3			9M		
	2024	2023	YoY	2024	2023	YoY	2024	2023	YoY	2024	2023	YoY
<b>Net Revenues</b>	<b>337.9</b>	<b>347.3</b>	<b>(2.7)</b>	<b>406.2</b>	<b>416.1</b>	<b>(2.4)</b>	<b>411.0</b>	<b>399.3</b>	<b>2.9</b>	<b>1,155.1</b>	<b>1,162.7</b>	<b>(0.7)</b>
COGS	(306.4)	(307.0)		(365.8)	(366.6)		(370.2)	(352.7)		(1,042.4)	(1,026.3)	
<b>Gross Profit</b>	<b>31.5</b>	<b>40.4</b>	<b>(22.0)</b>	<b>40.4</b>	<b>49.5</b>	<b>(18.3)</b>	<b>40.8</b>	<b>46.6</b>	<b>(12.5)</b>	<b>112.7</b>	<b>136.5</b>	<b>(17.4)</b>
% margin	9.3	11.6		9.9	11.9		9.9	11.7		9.8	11.7	
SG&A	(24.0)	(24.1)		(24.9)	(24.7)		(23.5)	(24.9)		(72.3)	(73.7)	
Other	1.1	1.4		(1.2)	(1.4)		(0.7)	(1.7)		(0.8)	(1.7)	
<b>EBIT</b>	<b>8.7</b>	<b>17.7</b>	<b>(50.8)</b>	<b>14.4</b>	<b>23.4</b>	<b>(38.4)</b>	<b>16.6</b>	<b>20.0</b>	<b>(16.9)</b>	<b>39.7</b>	<b>61.0</b>	<b>(35.0)</b>
% margin	2.6	5.1		3.5	5.6		4.0	5.0		3.4	5.2	
Financials	(2.6)	(2.6)		(2.4)	(2.6)		(2.2)	(2.7)		(7.1)	(7.9)	
Results from inv.	0.3	0.2		0.6	0.9		0.6	0.7		1.6	1.8	
<b>Pre-Tax Profit</b>	<b>6.5</b>	<b>15.3</b>	<b>(57.9)</b>	<b>12.6</b>	<b>21.7</b>	<b>(41.7)</b>	<b>15.0</b>	<b>18.0</b>	<b>(16.3)</b>	<b>34.1</b>	<b>54.9</b>	<b>(37.9)</b>
% margin	1.9	4.4		3.1	5.2		3.7	4.5		3.0	4.7	
Taxes	(1.5)	(2.4)		(2.5)	(2.2)		(3.8)	(2.5)		(7.8)	(7.1)	
Tax Rate	23.0%	15.5%		20.1%	10.3%		25.1%	13.9%		22.9%	12.9%	
Discontinued	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	
Minorities	(0.4)	(0.5)		(0.1)	(0.0)		(0.4)	(0.3)		(0.8)	(0.8)	
<b>Net Profit</b>	<b>4.6</b>	<b>12.5</b>	<b>(63.0)</b>	<b>10.0</b>	<b>19.4</b>	<b>(48.4)</b>	<b>10.9</b>	<b>15.2</b>	<b>(28.5)</b>	<b>25.5</b>	<b>47.0</b>	<b>(45.8)</b>
% margin	1.4	3.6		2.5	4.7		2.6	3.8		2.2	4.0	
D&A	(7.9)	(7.7)		(8.2)	(7.7)		(8.6)	(8.0)		(24.6)	(23.5)	
Provision	(0.3)	(0.3)		(0.3)	(0.6)		(0.3)	(0.7)		(1.0)	(1.7)	
MIP	0.0	(0.2)		0.0	(0.2)		0.0	(0.2)		0.0	(0.6)	
Non-recurring	0.1	(0.4)		(1.2)	(1.0)		(0.5)	(1.2)		(1.6)	(2.6)	
<b>Adj. EBITDA</b>	<b>16.8</b>	<b>26.2</b>	<b>(35.9)</b>	<b>24.1</b>	<b>33.0</b>	<b>(27.0)</b>	<b>26.0</b>	<b>30.1</b>	<b>(13.7)</b>	<b>66.9</b>	<b>89.4</b>	<b>(25.1)</b>
% margin	5.0	7.6		5.9	7.9		6.3	7.5		5.8	7.7	
<b>Adj. EBIT</b>	<b>8.6</b>	<b>18.2</b>	<b>(52.7)</b>	<b>15.6</b>	<b>24.6</b>	<b>(36.5)</b>	<b>17.1</b>	<b>21.4</b>	<b>(20.1)</b>	<b>41.3</b>	<b>64.2</b>	<b>(35.7)</b>
% margin	2.6	5.2		3.8	5.9		4.1	5.3		3.6	5.5	
<b>Adj. Net Profit</b>	<b>4.6</b>	<b>12.9</b>	<b>(64.7)</b>	<b>11.0</b>	<b>20.5</b>	<b>(46.3)</b>	<b>11.2</b>	<b>16.4</b>	<b>(31.5)</b>	<b>26.8</b>	<b>49.8</b>	<b>(46.2)</b>
% margin	1.4	3.7		2.7	4.9		2.7	4.1		2.3	4.3	

Sources: CFO SIM's elaboration based on company data

In **9M-24**, Orsero reported **broadly flat turnover** (-0.7% YoY), totalling **€ 1,155.1m**:

- **Distribution's revenues were € 1,100.9m, up by 0.3% YoY** (€ 1,097.1m in 9M-23), thanks to an **outstanding performance reported in Q3-24** with sales up by 3.4% YoY driven by a good performance of the French subsidiaries, mainly concerning some product categories, such as **kiwis, pineapples, grapes, and exotic fruits** and despite the poor consumption of citrus and the lowering prices of bananas in line with the historical trend after the exceptional level reached in 2023. Moreover, we remind that Orsero intentionally decided to reduce the sale of third-party bananas to the Italian large retail chains with an impact of approximately € 20m on FY-24 turnover. The goal is to replace these products with higher value-added items, with a potential positive impact on profitability.
- **The Shipping BU declined by 14.8% YoY to € 83.8m** (€ 98.4m in 9M-24), due to the back-to-normal of the "dry-cargo" freight rates (already visible in H1-24) compared to the exceptional 2022-23 period, whereas the "reefer" business showed a satisfactory loading factor.



**Table 2 – Orsero, quarterly revenues and EBITDA breakdown by BU**

€ m	Q1	Q1	%	Q2	Q2	%	Q3	Q3	%	9M	9M	%
	2024	2023	YoY	2024	2023	YoY	2024	2023	YoY	2024	2023	YoY
<b>Net Revenues</b>	<b>337.9</b>	<b>347.3</b>	<b>(2.7)</b>	<b>406.2</b>	<b>416.1</b>	<b>(2.4)</b>	<b>411.0</b>	<b>399.3</b>	<b>2.9</b>	<b>1,155.1</b>	<b>1,162.7</b>	<b>(0.7)</b>
Distribution	320.3	323.1	(0.9)	386.8	393.3	(1.7)	393.8	380.7	3.4	1,100.9	1,097.1	0.3
Shipping	28.1	34.5	(18.6)	29.9	34.5	(13.5)	25.8	29.3	(11.9)	83.8	98.4	(14.8)
Holding&Services	2.6	2.8	(8.6)	2.7	2.6	6.8	2.6	2.6	1.3	8.0	8.0	(0.5)
Intercompany	(13.1)	(13.1)	(0.0)	(13.2)	(14.3)	7.7	(11.3)	(13.4)	15.7	(37.5)	(40.7)	7.9
<b>Adjusted EBITDA</b>	<b>16.8</b>	<b>26.2</b>	<b>(35.9)</b>	<b>24.1</b>	<b>33.0</b>	<b>(27.0)</b>	<b>26.0</b>	<b>30.1</b>	<b>(13.7)</b>	<b>66.9</b>	<b>89.4</b>	<b>(25.1)</b>
Distribution	11.7	15.6	(25.0)	20.2	23.1	(12.4)	24.9	24.0	3.7	56.8	62.7	(9.4)
Shipping	7.2	12.9	(44.3)	5.7	12.1	(53.1)	3.1	7.9	(60.3)	16.0	33.0	(51.4)
Holding&Services	(2.1)	(2.3)	9.7	(1.8)	(2.2)	17.6	(2.0)	(1.8)	(14.3)	(5.9)	(6.3)	5.7
<b>Adjusted EBITDA %</b>	<b>5.0</b>	<b>7.6</b>		<b>5.9</b>	<b>7.9</b>		<b>6.3</b>	<b>7.5</b>		<b>5.8</b>	<b>7.7</b>	
Distribution %	3.7	4.8		5.2	5.9		6.3	6.3		5.2	5.7	
Shipping %	25.6	37.4		19.1	35.2		12.1	26.9		19.1	33.5	
Holding&Services %	(80.1)	(81.1)		(67.0)	(86.8)		(76.9)	(68.1)		(74.5)	(78.7)	

Sources: CFO SIM's elaboration based on company data

**Adjusted EBITDA was € 66.9m, 5.8% margin** (€ 89.4m, 7.7% margin in 9M-23), in line with the historical level of the group and well above the market competitors. Looking at the business units:

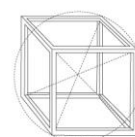
- **Distribution's EBITDA reached € 56.8m, 5.2% margin**, down by 9.4% YoY (€ 62.7m, 5.7% margin in 9M-23). However, **Orsero reported a strong Q3-24**, as EBITDA totalled € 24.9m, up by 3.7% YoY, 6.3% margin (€ 24.0m in Q3-23, unchanged margin), thanks to the excellent profitability of some campaigns regarding kiwis, pineapples, grapes, and exotic fruits.
- **Shipping's EBITDA declined by 51.4% YoY to € 16.0m, 19.1% margin**, because of the **expected normalisation of the freight rates in 2024**, which, according to the management, seems to have reached a bottom, both concerning the dry-cargo and the reefer activity. Moreover, **in Q3-24, the profitability of the business unit was negatively impacted by the dry-docking activity concerning two vessels**, which required the rental of an extra ship for three voyages to cover the weekly service for bananas and pineapples (fully included in the company's guidance).

**Adjusted Group's Net Profit was € 26.8m, 2.3% margin** (€ 49.8, 4.3% margin, in 9M-23), as a result of 1) lower operating margin due to the aforementioned reasons, 2) a higher tax rate due to the lower contribution of the Shipping BU, which benefits from a favourable tax regime (i.e. tonnage tax), and despite lower financial charges.

**Net Financial Position totalled € 123.0m**, down from € 127.8m at year-end 2023 and € 129.9m at the end of June 2024, thanks to **operating cash flow of € 33.5m** mainly offset by 1) the payment of **€ 10.2m of dividends**, 2) the **treasury shares buyback of € 1.0m**, and 3) **capex of € 18.8m**, of which:

- ✓ € 5.6m for warehouses upgrade in Italy and France;
- ✓ € 5.6m for the dry-docking activity of two vessels;
- ✓ € 1.0m for bananas and avocados ripening rooms in France and Spain;
- ✓ € 0.9m for the ERP in Italy, Spain and Portugal;
- ✓ € 0.5m for the retooling of the Alverca warehouse;
- ✓ € 0.4m as a first tranche for the growth project in Seville;
- ✓ € 4.8m related to several minor recurring investments on distribution platforms.

By excluding the figurative debt concerning lease liabilities, NFP was € 66.3m.



**Table 3 – Orsero, 9M-24 balance sheet KPIs**

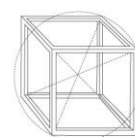
€ m	9M-24	FY-23	% Diff.
<b>Shareholders' Equity</b>	<b>250.8</b>	<b>238.5</b>	<b>5.1</b>
<b>Net Financial Position</b>	<b>123.0</b>	<b>127.8</b>	<b>(3.8)</b>
<i>NFP/Shareholders' Equity</i>	<i>0.49</i>	<i>0.54</i>	
<i>NFP/Adjusted EBITDA</i>	<i>n.m.</i>	<i>1.19</i>	
<b>Net Financial Position ex. IFRS16</b>	<b>66.3</b>	<b>67.1</b>	<b>(1.1)</b>
<i>NFP/Shareholders' Equity excl. IFRS-16</i>	<i>0.26</i>	<i>0.28</i>	
<i>NFP/Adjusted EBITDA excl. IFRS-16</i>	<i>n.m.</i>	<i>0.74</i>	

Sources: company data

## 2025-29 Growth Project in the Iberic Peninsula

Orsero announced it had started a growth project in the Iberic Peninsula through its subsidiary Hermanos Fernández López SA by building a new 20,000 sqm warehouse in Seville (Spain) mainly for the ripening of exotic fruits, berries and other high-value-added products.

**Seville is a strategic location to serve both the Spanish and the Portuguese markets** thanks to its important port on the Mediterranean Sea. As of today, Spain and Portugal **contribute approximately € 400m to Orsero's turnover**, being together the third geographical market for the group (behind France and Italy), and the group's "production capacity" is fully saturated in that region. Thus, thanks to significant investments over the next years (€ 3.5m of which was already made in Q4-24 for the land acquisition), **Orsero expects to increase its turnover in the Iberic Peninsula up to € 100m by the end of 2029.**



## Outlook, estimates, valuation & risks

9M-24 results confirmed that Orsero's strategy to focus on higher value-added products to the detriment of commodity products with low marginality is paying off: the Distribution BU's profitability was outstanding, especially in Q3, despite a tough market environment characterised by consumption of fruit and vegetables lower than last year.

Moreover, as aforementioned, Orsero decided to start an **expansion plan in the Iberic Peninsula** to consolidate its presence in one of the key European markets.

Concerning the group's **FY-24 guidance**, Orsero confirmed the P&L goals and updated NFP and capex projections:

- Net revenues € 1,530-1,590m (unchanged);
- Adj. EBITDA € 77-84m (unchanged);
- Adj. Net Profit € 28-32m (unchanged);
- Capex € 25-27m (+ € 4m vs. previous € 21-23m, due to the new strategic project in the Iberic Peninsula);
- NFP € 123-118m (+ € 13m vs. previous € 110-118m, due to higher capex and NWC needs).

Following the 9M-24 results release, **we have updated our model** to factor in: 1) slightly higher turnover and EBITDA concerning the Distribution BU; 2) slightly lower turnover and EBITDA concerning the Shipping BU; 3) a fine tuning of the tax rate to incorporate the declining profit stemming from the Shipping BU (subjected to a more favourable tax regime, i.e. the "tonnage tax"); 4) the capex plan for the development of the new project in Spain; and 5) a fine tuning of NWC. The combined result is **an average 0.7%, 3.3% and 1.5% upgrade in revenues, Adj. EBITDA and Adj. Net Profit in 2024-26, coupled with a slight increase in NFP in the same period.**

**Table 4 – Orsero, 2024e new/old estimates**

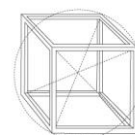
€ m	New	Old	Δ %	Δ € m
<b>Net Revenues</b>	<b>1,541.4</b>	<b>1,530.0</b>	0.7	<b>11.3</b>
<b>Adjusted EBITDA</b>	<b>82.5</b>	<b>80.1</b>	3.0	<b>2.4</b>
% margin	5.3	5.2		
<b>Adjusted EBIT</b>	<b>46.9</b>	<b>44.9</b>	4.5	<b>2.0</b>
% margin	3.0	2.9		
<b>Adjusted Net Profit</b>	<b>28.8</b>	<b>28.3</b>	1.8	<b>0.5</b>
% margin	1.9	1.8		
<b>NFP debt/(cash)</b>	<b>122.2</b>	<b>118.4</b>	3.2	<b>3.8</b>

Source: CFO SIM

**Table 5 – Orsero, 2025e new/old estimates**

€ m	New	Old	Δ %	Δ € m
<b>Net Revenues</b>	<b>1,563.8</b>	<b>1,552.3</b>	0.7	<b>11.5</b>
<b>Adjusted EBITDA</b>	<b>83.5</b>	<b>80.8</b>	3.3	<b>2.7</b>
% margin	5.3	5.2		
<b>Adjusted EBIT</b>	<b>47.1</b>	<b>45.0</b>	4.6	<b>2.1</b>
% margin	3.0	2.9		
<b>Adjusted Net Profit</b>	<b>29.6</b>	<b>29.3</b>	1.1	<b>0.3</b>
% margin	1.9	1.9		
<b>NFP debt/(cash)</b>	<b>112.8</b>	<b>109.9</b>	2.7	<b>2.9</b>

Source: CFO SIM



**Table 6 – Orsero, 2026e new/old estimates**

€ m	New	Old	Δ %	Δ € m
<b>Net Revenues</b>	<b>1,578.2</b>	<b>1,566.6</b>	0.7	<b>11.6</b>
<b>Adjusted EBITDA</b>	<b>84.2</b>	<b>81.2</b>	3.6	<b>2.9</b>
% margin	5.3	5.2		
<b>Adjusted EBIT</b>	<b>47.5</b>	<b>45.2</b>	5.1	<b>2.3</b>
% margin	3.0	2.9		
<b>Adjusted Net Profit</b>	<b>29.9</b>	<b>29.4</b>	1.7	<b>0.5</b>
% margin	1.9	1.9		
<b>NFP debt/(cash)</b>	<b>99.7</b>	<b>96.9</b>	2.8	<b>2.8</b>

Source: CFO SIM

Moreover, we have updated the DCF valuation criteria, bringing the Risk-Free Rate up to date, which now points to 3.73% (prev. 3.80%). As a consequence, the new **PT stands at € 24.50/s (€ 24.00), 94.1% upside. Buy recommendation reiterated.**

## DCF

In the valuation via the DCF method explicit estimates until 2028 and a long-term growth of 1.0% were used. Cash flows were discounted back at a weighted average cost of capital calculated in accordance with the following parameters:

**Table 7 - Orsero, WACC derived from:**

Interest costs, pre-tax	4.5%
Tax rate	23.5%
<b>Int. costs, after taxes</b>	<b>3.4%</b>
Risk premium, incl. small size premium	9.0%
Risk-free (10Y Gov. Bond 200d moving average)	3.73%
Beta levered (x)	0.67
<b>Required ROE</b>	<b>9.8%</b>

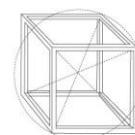
Source: CFO SIM

**Risk premium at 9.0%** factors in the minute size of the company and basically all small capitalisation-related concerns that an investor might have. **Beta at 0.67x** corresponds to Orsero's 5Y levered beta (source: Refinitiv Eikon). The **risk-free rate at 3.73%** (previously 3.80%) corresponds to the 200-day moving average of the 10Y Italian Government Bond yield. The WACC is computed using the current 30/70% debt/equity balance-sheet structure.

**Table 8 - Orsero, DCF model**

€ m	2024e	2025e	2026e	2027e	2028e	TV
EBIT	43.8	43.9	44.4	45.3	45.5	
Tax rate	23.0%	23.5%	23.5%	23.5%	23.5%	
<b>Operating profit (NOPAT)</b>	<b>33.7</b>	<b>33.6</b>	<b>33.9</b>	<b>34.7</b>	<b>34.8</b>	
Change working capital	4.5	2.5	(0.3)	(0.2)	(0.2)	
Depreciation	32.7	33.5	33.7	24.9	16.0	
Investments	(26.0)	(24.0)	(18.0)	(17.0)	(16.0)	
<b>Free Cash Flows</b>	<b>44.9</b>	<b>45.6</b>	<b>49.4</b>	<b>42.3</b>	<b>34.6</b>	<b>509.4</b>
Present value	44.5	41.9	42.1	33.4	25.4	373.0
WACC	7.9%	7.9%	7.9%	7.9%	7.9%	
<b>Long-term growth rate</b>	<b>1.0%</b>					

Source: CFO SIM





**Table 9 – Orsero, DCF equity value derived from:**

€ m		
Total EV present value		560.2
	<i>thereof terminal value</i>	66.6%
NFP FY-23		(127.8)
Pension provision last reported		(9.0)
Dividends paid in FY-24		(10.2)
<b>Equity value</b>		<b>413.3</b>
#m shares (ex. treasury shares)		16.85
<b>Equity value €/s</b>		<b>24.50</b>
<i>% upside/(downside)</i>		94.1%

Source: CFO SIM

The application of the model produces an equity value of € 413.3m, corresponding to € 24.50/share (€ 24.00), 94.1% upside.

The following tables illustrate that **sensitivity 1)** compared to changes in the **terminal growth rate**, produces an equity value of € 21.52-28.56/s (perpetuity range of between 0.00% and 2.00%), while, 2) if compared to changes in the **risk-free rate**, it produces an equity value of € 19.57-32.01/s (risk-free rate range of between 5.73% and 1.73%) and 3) if compared to changes in the **risk premium**, including small size premiums, it results in an equity value of € 21.01-29.16/s (risk premium range of between 11.00% and 7.00%).

**Table 10 – Orsero, equity value sensitivity to changes in terminal growth rate**

€ m	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%
Present value of CF	187.2	187.2	187.2	187.2	187.2	187.2	187.2	187.2	187.2
PV of terminal value	322.3	333.8	345.9	359.0	373.0	388.0	404.3	421.8	440.9
<b>Total value</b>	<b>509.6</b>	<b>521.0</b>	<b>533.2</b>	<b>546.2</b>	<b>560.2</b>	<b>575.3</b>	<b>591.5</b>	<b>609.1</b>	<b>628.1</b>
NFP FY-23	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)
Pension provision last reported	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)
Dividends paid in FY-24	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)
<b>Equity value</b>	<b>362.7</b>	<b>374.1</b>	<b>386.3</b>	<b>399.3</b>	<b>413.3</b>	<b>428.4</b>	<b>444.6</b>	<b>462.2</b>	<b>481.2</b>
<b>Equity value/share €</b>	<b>21.52</b>	<b>22.20</b>	<b>22.93</b>	<b>23.70</b>	<b>24.50</b>	<b>25.42</b>	<b>26.39</b>	<b>27.43</b>	<b>28.56</b>

Source: CFO SIM

**Table 11 – Orsero, equity value sensitivity to changes in free risk rate**

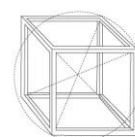
€ m	1.73%	2.23%	2.73%	3.23%	3.73%	4.23%	4.73%	5.23%	5.73%
Present value of CF	191.9	190.7	189.5	188.4	187.2	186.1	185.0	183.9	182.8
PV of terminal value	494.4	458.4	426.6	398.3	373.0	350.2	329.6	310.9	293.8
<b>Total value</b>	<b>686.3</b>	<b>649.1</b>	<b>616.2</b>	<b>586.7</b>	<b>560.2</b>	<b>536.3</b>	<b>514.6</b>	<b>494.8</b>	<b>476.6</b>
NFP FY-23	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)
Pension provision last reported	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)
Dividends paid in FY-24	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)
<b>Equity value</b>	<b>539.4</b>	<b>502.2</b>	<b>469.2</b>	<b>439.8</b>	<b>413.3</b>	<b>389.4</b>	<b>367.7</b>	<b>347.8</b>	<b>329.7</b>
<b>Equity value/share €</b>	<b>32.01</b>	<b>29.81</b>	<b>27.85</b>	<b>26.10</b>	<b>24.50</b>	<b>23.11</b>	<b>21.82</b>	<b>20.64</b>	<b>19.57</b>

Source: CFO SIM

**Table 12 – Orsero, equity value sensitivity to changes in risk premium**

€ m	7.00%	7.50%	8.00%	8.50%	9.00%	9.50%	10.00%	10.50%	11.00%
Present value of CF	190.3	189.5	188.8	188.0	187.2	186.5	185.7	185.0	184.2
PV of terminal value	447.8	426.9	407.6	389.7	373.0	357.5	343.0	329.4	316.7
<b>Total value</b>	<b>638.2</b>	<b>616.5</b>	<b>596.4</b>	<b>577.7</b>	<b>560.2</b>	<b>543.9</b>	<b>528.7</b>	<b>514.4</b>	<b>500.9</b>
NFP FY-23	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)	(127.8)
Pension provision last reported	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)	(9.0)
Dividends paid in FY-24	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)
<b>Equity value</b>	<b>491.2</b>	<b>469.5</b>	<b>449.4</b>	<b>430.7</b>	<b>413.3</b>	<b>397.0</b>	<b>381.8</b>	<b>367.5</b>	<b>354.0</b>
<b>Equity value/share €</b>	<b>29.16</b>	<b>27.87</b>	<b>26.67</b>	<b>25.57</b>	<b>24.50</b>	<b>23.56</b>	<b>22.66</b>	<b>21.81</b>	<b>21.01</b>

Source: CFO SIM



## Market multiples

We have included 6 peers in the sample, operating in global fresh fruit and vegetable production and distribution. Our sample comprises **Calavo Growers, Dole, Fresh Del Monte Produce, Greenyard, Mission Produce and Omer Decugis & Cie.**

**Orsero trades at a double-digit discount** vs. peers considering EV/EBITDA, PCF and PER multiples in 2024. We believe this gap can be explained only in part by the size difference, but it needs to be bridged somehow considering 1) Orsero's higher profitability than its peer group's median and 2) the active role it can play in the medium and long term in this unavoidably consolidating disciplined oligopoly.

**Table 13 – Orsero, peer group summary table**

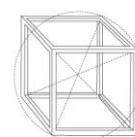
€ m	Mkt Cap	Sales FY1	EBITDA FY1	EBITDA % CAGR <sub>23-26</sub>	Sales CAGR <sub>23-26</sub>	EBITDA CAGR <sub>23-26</sub>	EBIT CAGR <sub>23-26</sub>	EPS CAGR <sub>24-26</sub>	NFP FY1	NFP /EBITDA
Calavo Growers Inc	456	609	40	6.6%	-8.9%	28.7%	72.5%	19.9%	n.a.	n.a.
Dole PLC	1,328	7,866	361	4.6%	2.6%	13.9%	16.9%	6.3%	633	1.8
Fresh Del Monte Produce Inc	1,536	3,975	231	5.8%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Greenyard NV	295	5,257	196	3.7%	3.3%	3.4%	11.8%	32.9%	400	2.0
Mission Produce Inc	887	999	84	8.4%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Omer Decugis & Cie SA	38	247	7	2.7%	10.0%	n.a.	n.a.	60.4%	7	1.0
<b>Median</b>	<b>672</b>	<b>2,487</b>	<b>140</b>	<b>5.2%</b>	<b>2.9%</b>	<b>13.9%</b>	<b>16.9%</b>	<b>26.4%</b>	<b>400</b>	<b>1.8</b>
<b>Orsero SpA</b>	<b>223</b>	<b>1,541</b>	<b>82</b>	<b>5.3%</b>	<b>0.8%</b>	<b>-7.7%</b>	<b>-13.2%</b>	<b>2.0%</b>	<b>122</b>	<b>1.5</b>

Sources: Refinitiv Eikon, CFO SIM

**Table 14 – Orsero, peer group multiples table**

EV & Price multiples x	EBITDA FY1	EBITDA FY2	EBITDA FY3	PER FY1	PER FY2	PER FY3	PCF FY1	PCF FY2	PCF FY3
Calavo Growers Inc	n.a.	n.a.	n.a.	19.0	15.2	13.2	12.2	11.5	11.1
Dole PLC	5.4	5.0	5.0	10.6	10.6	9.4	5.5	5.2	5.1
Fresh Del Monte Produce Inc	n.a.	n.a.	n.a.	19.4	14.5	n.a.	10.1	8.6	n.a.
Greenyard NV	3.5	2.3	2.9	10.1	7.4	5.7	2.1	2.0	1.9
Mission Produce Inc	n.a.	n.a.	n.a.	32.2	76.4	n.a.	11.0	13.5	n.a.
Omer Decugis & Cie SA	6.6	3.4	2.2	10.8	5.7	4.2	6.4	4.2	3.3
<b>Median</b>	<b>5.4</b>	<b>3.4</b>	<b>2.9</b>	<b>14.9</b>	<b>12.6</b>	<b>7.6</b>	<b>8.2</b>	<b>6.9</b>	<b>4.2</b>
<b>Orsero SpA</b>	<b>4.2</b>	<b>4.0</b>	<b>3.8</b>	<b>7.8</b>	<b>7.5</b>	<b>7.5</b>	<b>3.5</b>	<b>3.4</b>	<b>3.3</b>
% (Discount)/Premium to peer median	(22.9)	19.3	30.6	(48.1)	(40.0)	(1.4)	(58.0)	(50.9)	(19.9)

Sources: Refinitiv Eikon, CFO SIM



## Stock performance

Glenalta Food was listed on Euronext Growth Milan on 10<sup>th</sup> Nov 2015 at € 10.0/share, corresponding to a market capitalisation of € 80.0m. Its target, Orsero, was listed on **Euronext Growth Milan on 13-Feb-17** as a result of the merger between Glenalta Food and Orsero. **As of Dec-19 Orsero moved to the Euronext Star Milan**, the STAR segment of Borsa Italiana dedicated to high requirement stocks. Orsero stock reached an intraday 1Y maximum level of € 17.56/s on 1<sup>st</sup> February 24 and a 1Y minimum price of € 11.20 on 6<sup>th</sup> November 2024.

**Table 15 - Orsero, peers' group and indexes absolute performance**

%	1D	1W	1M	3M	6M	YTD	1Y
Calavo Growers Inc	(2.3)	(4.5)	(5.4)	9.1	(1.6)	(8.1)	9.0
Dole PLC	(0.5)	(11.8)	(8.8)	(4.1)	14.8	19.9	33.1
Fresh Del Monte Produce Inc	1.0	(1.4)	14.4	22.5	39.0	28.7	44.0
Greenyard NV	(0.3)	(2.4)	(4.7)	(5.9)	6.3	(3.7)	(5.1)
Mission Produce Inc	(2.0)	(3.4)	7.8	27.1	2.5	30.7	44.5
Omer Decugis & Cie SA	(3.9)	(0.7)	4.7	(3.5)	11.9	7.0	7.0
<b>Peers Median</b>	<b>(1.3)</b>	<b>(2.9)</b>	<b>0.0</b>	<b>2.8</b>	<b>9.1</b>	<b>13.4</b>	<b>21.1</b>
<b>Orsero SpA</b>	<b>8.6</b>	<b>6.2</b>	<b>0.0</b>	<b>(2.3)</b>	<b>(4.2)</b>	<b>(25.6)</b>	<b>(25.1)</b>
FTSE Italia STAR	(1.0)	0.1	(4.8)	(1.7)	(7.4)	(5.9)	4.2
Refinitiv Food & Beverage EU	(0.9)	(2.3)	(9.8)	(9.9)	(12.5)	(14.1)	(10.9)

Source: Refinitiv Eikon

**Table 16 – Orsero, relative performances**

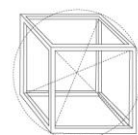
%	1D	1W	1M	3M	6M	YTD	1Y
Orsero SpA to peers	9.9	9.1	(0.0)	(5.1)	(13.3)	(39.0)	(46.2)
Orsero SpA to FTSE Italia STAR	9.6	6.2	4.8	(0.6)	3.2	(19.6)	(29.3)
Orsero SpA to EU Sector	9.5	8.5	9.8	7.6	8.3	(11.5)	(14.3)

Source: Refinitiv Eikon

## Risks

The principal investment **risks** associated with Orsero include:

- impacts on the P&L account and balance sheet profiles triggered by a sharp decline in local and global economic growth;
- profit margin dilution stemming from the acquisition campaign;
- impact of sharp US\$ and bunker price fluctuations.



## ANALYST CERTIFICATION

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DATE	TARGET PRICE	RATING
18/11/2024	€24.50	BUY
16/09/2024	€24.00	BUY
08/05/2024	€24.00	BUY
15/03/2024	€24.00	BUY
07/02/2024	€25.00	BUY
17/11/2023	€25.00	BUY

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- 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% range identified using the preceding criteria.

The rating is determined on the basis of the **expected absolute return over a 12-month period** and not on the basis of the estimated outperformance or underperformance relative to a market index. Thus, the rating can be directly linked to the estimated percentage difference between current and target prices. 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.

