

Italy – Outdoor Design

FY-24 revenues were slightly higher than our forecast

20th January 2025

FY-24 PRELIMINARY REVENUES

RIC: GBUSS.MI
BBG: GBUS IM

Gibus reported solid preliminary sales despite a tough macroeconomic environment, poor economic conditions in a few key geographies, such as Germany and the Netherlands, and a “back-to-normal” situation in Italy after a biennium of boost driven by the invoice discount mechanism. In 2025, the group expects a positive evolution abroad, mainly in the aforementioned key geographies.

Rating:

Buy

Price Target:

€ 14.50

Upside/(Downside): 62.9%

Last Price: € 8.90

Market Cap.: € 44.7m

1Y High/Low: € 12.60 / € 7.20

Avg. Daily Turn. (3M, 6M): € 16k, € 13k

Free Float: 18.6%

Major shareholder:

Terra Holding 80.0%



Stock price performance

	1M	3M	12M
Absolute	15.9%	10.1%	-27.3%
Rel.to FTSE IT Growth	15.0%	14.3%	-22.8%
Rel.to Peers	9.8%	10.3%	-32.0%

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Estimates, rating and PT confirmed

Gibus has unveiled FY-24 preliminary sales, which came in slightly higher than our forecast and management's expectations. The most innovative product lines, Luxury High Tech (bioclimatic pergolas) and Sustainability (ZIP Screen) sustained positive performance. Despite a tough market environment, they reported broadly unchanged turnover. FY-24 domestic turnover was approximately 67% higher than reported in 2019 before the Italian government implemented several tax incentives and the invoice discount mechanism. In anticipation of the FY-24 results reporting on March, 25th, we kept our estimates unchanged. Rating and PT are confirmed.

€ m	2024	2023	% YoY	2024e	% Diff
Luxury High End	33.9	34.3	(1.2)	31.9	6.3
Luxury High Tech	23.5	23.1	1.7	-	-
Sustainability	10.4	11.2	(7.1)	-	-
Design	20.2	26.1	(22.6)	20.9	(3.3)
Other	7.5	6.9	8.4	6.6	14.1
Leiner	23.0	24.0	(4.2)	22.8	0.9
Revenues	84.6	91.4	(7.4)	82.2	3.0

Source: CFO SIM's elaboration on company data

Foreign revenues were 45% of the total, i.e. € 38.2m

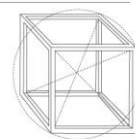
In 2024, Gibus reported preliminary sales of € 84.6m, down by 7.4% YoY but 3.0% higher than our forecast of € 82.2m, mainly thanks to a better-than-expected performance of the Luxury High End division. In particular, foreign revenues were € 38.2m (45% of the total), down by 5.4% compared to € 40.3m (44% of the total) in FY-23. Domestic revenues totalled € 46.4m, down by 9.1% YoY (€ 51.0m in FY-23), mainly as a result of the progressive normalisation of the domestic market after the government decided to prohibit the transfer of the tax credits, including the Ecobonus, in February 2023 and consequently the possibility to use the invoice discount mechanism.

Huge resiliency of the most innovative product lines despite tough environment

The Luxury High End product line reported revenues of € 33.9m, down by 1.2% YoY. In particular, the Luxury High Tech segment (bioclimatic pergolas) totalled € 23.5m vs € 23.1m in FY-23, while the Sustainability (ZIP screens) segment reached € 10.4m vs € 11.2m in FY-23. The Design product line, including Leiner, totalled € 43.2m, down by 13.7% YoY. Leiner contributed € 23.0m, down by 4.2% YoY, thus, concerning the Design segment, Gibus stand-alone declined by 22.6%.

Gibus, key financials and ratios

€ m	2022	2023	2024e	2025e	2026e
Revenues	83.9	91.3	82.2	90.7	97.0
EBITDA	19.0	14.3	10.8	13.6	15.0
EBIT	15.3	8.1	5.7	8.5	9.2
Net Profit	10.3	3.7	2.5	4.1	4.5
NFP (cash)/debt	22.6	20.5	16.4	16.5	25.1
EBITDA margin	22.6%	15.6%	13.2%	15.0%	15.5%
EBIT margin	18.3%	8.9%	7.0%	9.3%	9.5%
EPS stated FD €	2.06	0.74	0.50	0.82	0.90
EPS growth	-26.6%	-64.0%	-32.3%	62.7%	10.3%
Dividend	0.50	0.50	0.50	0.50	0.50
Dividend Yield	3.4%	5.6%	5.6%	5.6%	5.6%
ROCE	18.3%	10.2%	8.4%	12.8%	11.8%
NWC/Sales	22.0%	19.8%	19.7%	19.8%	19.8%
Free Cash Flow Yield	-69.9%	10.5%	14.7%	5.4%	-13.8%
PER x	7.1	17.5	18.5	10.9	9.9
EV/Sales x	1.14	0.93	0.76	0.67	0.72
EV/EBITDA x	5.1	6.0	5.8	4.5	4.6
EV/EBIT x	6.3	10.5	10.9	7.2	7.6



The Company at a Glance

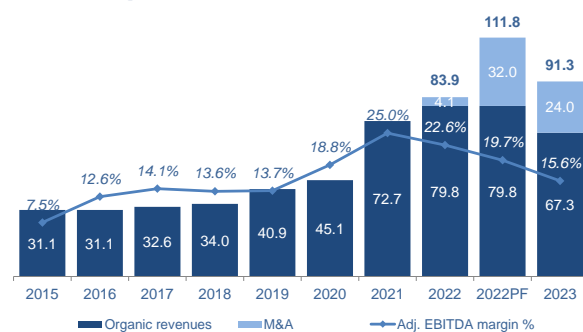
Gibus is a leading player in the outdoor design sector, designing, manufacturing and distributing bespoke high-end sun awnings, pergolas, bioclimatic pergolas and ZIP screens. Thanks to its 40 years of history in the high-end outdoor design sector, Gibus is unquestionably the leading brand for customers looking for reliable, tailor-made products with a Made in Italy style. The group has an unwavering effort in R&D activities, investing every year in technological and product innovation in order to define new quality standards in the sector. As of today, Gibus owns over 50 patents for technical solutions and 30 protected design models.

Gibus runs different product lines:

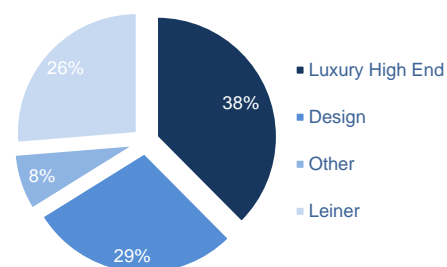
- Luxury High-End, which includes:
 - ✓ Luxury High Tech: it includes bioclimatic pergolas, namely innovative pergolas characterised by a roof composed of directional and folding aluminium blades.
 - ✓ Sustainability: this product line is composed by vertical drop-down awnings with aluminium side guides called ZIP screen. They allow to improve the thermal and visual comfort of the interiors, also reducing the building's energy consumption.
- Design: it is the historical business of the group and includes pergolas, sun awnings and glass doors, suitable as lateral closures for pergolas and patios. With regard to sun awnings, Gibus is leader in Italy thanks to its focus on products with innovative design and technology content stronger than competitors. The recently acquired Leiner manufactures and sells sun awnings, pergolas, terrace roofs and glass walls, distributed via two brands, Leiner® and Sunrain®.

In 2023, Gibus totalled revenues of € 91.3m, approximately 44% of which generated abroad, and EBITDA of € 14.3m, 15.6% margin. In the 2015-23 period, Gibus grew organically with a CAGR₁₅₋₂₃ of 10.1% (14.4% including M&A), with a particular boost in the last three years.

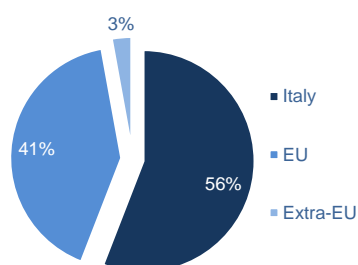
2015-23 top line and EBITDA % evolution



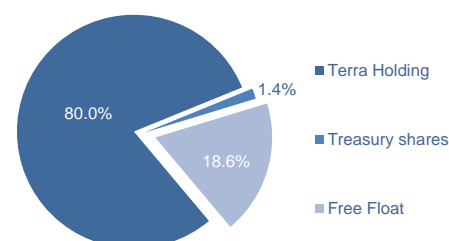
2023 sales breakdown by product line...



... and by geography



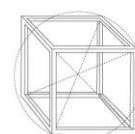
Shareholding structure



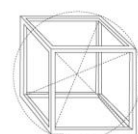
Peer group multiples table

EV & PER multiples x	Sales FY1	Sales FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2
Balco Group AB	0.77	0.61	9.8	5.4	18.4	7.4	20.2	8.3
Griffon Corp	1.90	n.a.	9.3	n.a.	10.7	n.a.	14.2	12.4
Nien Made Enterprise Co Ltd	4.03	3.55	12.3	10.4	13.9	11.7	20.0	18.3
Sciuker Frames SpA	0.53	0.46	3.2	2.3	4.7	3.1	9.8	3.2
Sergeferrari Group SA	0.47	0.44	5.4	4.2	42.5	9.9	neg.	13.6
Tyman Ltd	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Median	0.77	0.53	9.3	4.8	13.9	8.6	17.1	12.4
Gibus SpA	0.76	0.67	5.8	4.5	10.9	7.2	18.5	10.9

Sources: CFO SIM, Refinitiv Workspace



Income statement (€ m)	2022	2023	2024e	2025e	2026e
Revenues	83.9	91.3	82.2	90.7	97.0
COGS	(43.1)	(49.6)	(45.2)	(49.5)	(52.4)
Gross Profit	40.9	41.8	37.0	41.3	44.6
Other variable and overhead costs	(21.9)	(27.5)	(26.1)	(27.7)	(29.6)
EBITDA	19.0	14.3	10.8	13.6	15.0
D&A	(3.1)	(5.4)	(5.1)	(5.1)	(5.8)
Extraordinary	(0.6)	(0.7)	0.0	0.0	0.0
EBIT	15.3	8.1	5.7	8.5	9.2
Financials	2.1	(1.2)	(1.2)	(1.0)	(1.1)
Pre-Tax profit	17.5	6.9	4.6	7.4	8.2
Income taxes	(7.2)	(3.1)	(2.1)	(3.3)	(3.7)
Minorities	0.0	0.0	0.0	0.0	0.0
Net Profit	10.3	3.7	2.5	4.1	4.5
Adjusted Net Profit	10.6	4.1	2.5	4.1	4.5
Balance sheet (€ m)	2022	2023	2024e	2025e	2026e
Net Working Capital	18.5	18.1	16.2	17.9	19.2
Net Fixed Assets	44.2	42.1	39.5	39.8	49.5
Equity Investments	0.0	0.0	0.0	0.0	0.0
Other M/L Term A/L	(5.6)	(4.2)	(3.8)	(4.2)	(4.5)
Net Invested Capital	57.1	56.0	51.9	53.6	64.3
Net Financial Debt	22.6	20.5	16.4	16.5	25.1
Minorities	0.0	0.0	0.0	0.0	0.0
Group's Shareholders Equity	34.5	35.5	35.5	37.2	39.2
Financial Liabilities & Equity	57.1	56.0	51.9	53.6	64.3
Cash Flow statement (€ m)	2022	2023	2024e	2025e	2026e
Total net income	10.3	3.7	2.5	4.1	4.5
Depreciation	3.1	5.4	5.1	5.1	5.8
Other non-cash charges	8.0	(1.4)	(0.4)	0.4	0.3
Cash Flow from Oper. (CFO)	21.4	7.7	7.2	9.6	10.6
Change in NWC	(13.0)	0.4	1.9	(1.7)	(1.3)
FCF from Operations (FCFO)	8.4	8.1	9.1	7.9	9.3
Net Investments (CFI)	(39.7)	(3.4)	(2.5)	(5.5)	(15.5)
Free CF to the Firm (FCFF)	(31.2)	4.7	6.6	2.4	(6.2)
CF from financials (CFF)	30.6	(7.6)	(13.5)	(6.5)	7.5
Free Cash Flow to Equity (FCFE)	(0.6)	(2.9)	(6.9)	(4.0)	1.4
Financial ratios	2022	2023	2024e	2025e	2026e
EBITDA margin	22.6%	15.6%	13.2%	15.0%	15.5%
EBIT margin	18.3%	8.9%	7.0%	9.3%	9.5%
Net profit margin	12.3%	4.1%	3.1%	4.5%	4.6%
Tax rate	41.0%	45.9%	45.0%	45.0%	45.0%
Op NWC/Sales	22.0%	19.8%	19.7%	19.8%	19.8%
Interest coverage x	(7.13)	6.50	4.87	8.14	8.75
Net Debt/EBITDA x	1.19	1.44	1.51	1.21	1.67
Debt-to-Equity x	0.65	0.58	0.46	0.44	0.64
ROIC	18.0%	6.6%	4.8%	7.6%	7.0%
ROCE	18.3%	10.2%	8.4%	12.8%	11.8%
ROACE	25.4%	9.9%	7.8%	12.6%	12.8%
ROE	29.9%	10.4%	7.1%	11.0%	11.5%
Payout ratio	24.3%	67.5%	99.8%	61.3%	55.6%
Per share figures	2022	2023	2024e	2025e	2026e
Number of shares # m	5.01	5.01	5.01	5.01	5.01
Number of shares Fully Diluted # m	5.01	5.01	5.01	5.01	5.01
Average Number of shares Fully Diluted # m	5.01	5.01	5.01	5.01	5.01
EPS stated FD €	2.06	0.74	0.50	0.82	0.90
EPS adjusted FD €	2.12	0.82	0.50	0.82	0.90
EBITDA €	3.79	2.85	2.17	2.72	3.00
EBIT €	3.06	1.62	1.15	1.69	1.85
BV €	6.89	7.09	7.10	7.42	7.82
FCFO €	1.68	1.61	1.81	1.58	1.86
FCFF €	(6.24)	0.94	1.31	0.48	(1.23)
FCFE €	(0.12)	(0.58)	(1.38)	(0.81)	0.27
Dividend €	0.50	0.50	0.50	0.50	0.50



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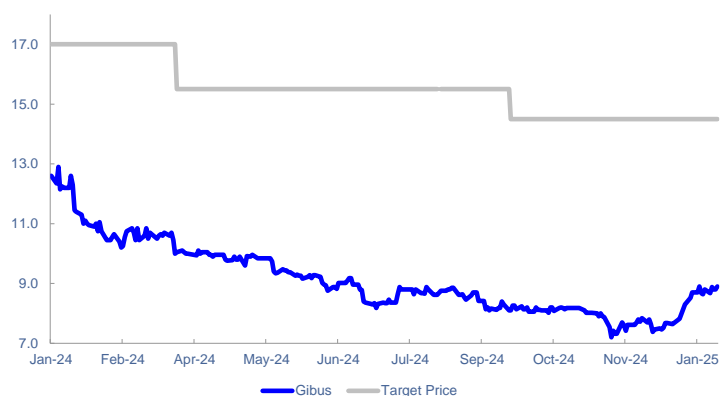
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DATE	TARGET PRICE	RATING
20/01/2025	€14,50	BUY
24/09/2024	€14,50	BUY
12/07/2024	€15,50	BUY
22/03/2024	€15,50	BUY
17/01/2024	€17,00	BUY

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