

TraWell

A Supportive Environment for External Growth Ambitions

TraWell operated in 13 countries and 44 airports with 130 points of sales, serving around 5M customers in 2023. The sound results in a supportive environment place the company in a strong position for acquisitions and expansion into new niches. The company has already identified a target in a new geography, which also offers complementary services. Moreover, TraWell has confirmed that it is open to implement a shareholders' remuneration policy.

2023 results: broadly in line with our estimates and the company's plan

FY23 revenues increased by 15% yoy to EUR 30.3M, broadly in line with our estimates and the company's plan; Europe was the main market, followed by the US and Asia. FY23 EBITDA adj. was EUR 10.2M, with a 33.7% margin (down 50bps yoy and vs. our estimates and 40bps vs. the plan's target). The difference between adj. EBITDA and the 2023 business plan target (EUR 10.6M) was fully due to the ruble's devaluation. Net attributable income was positive and better than our estimates, at EUR 1.1M (negative for EUR 2.1M in FY22), highlighting a rebalancing between the group and the minorities' performances. Net debt (ex-IFRS 16 impact) stood at EUR 5.5M.

In a winning position to look at new prey

4 new concessions and 4 important renewals in FY23 confirm TraWell's solid competitive edge in its niche sector, in our view. The company is in negotiations for an acquisition of an entity in the traveller service sector in northern Europe, where TraWell is not currently present. The deal is in the wake of TraWell's service portfolio strategic expansion. The company aims to become an aggregator of airport services (such as luggage storage, management of lost luggage on behalf of airports, lockers, baggage deliveries, and transfer to/from cities). We think the company can count on a relatively low financial leverage (net debt/EBITDA ex IFRS 16 <1x), and the potential acquisition looks coherent with the announced plans to expand TraWell's business.

Valuation

We confirm our BUY rating, with a new target price of EUR 14 (from EUR 13.8), based on a DCF (80% weighting) and peers' valuation (20% weighting; moreover, we apply a 20% discount to 24/26E EV/EBIT peers' median) and incorporate the market value of the SOStravel.com stake. Our TP returns a potential upside of about 79%.

TraWell – Key data

Y/E Dec (EUR M)	2022A	2023A	2024E	2025E	2026E
Revenues	26.31	30.27	32.29	34.17	36.19
EBITDA	8.96	9.85	11.26	12.12	12.99
EBIT	3.10	5.71	6.78	7.46	8.33
Net income	-2.09	1.14	1.66	2.11	2.77
Adj. EPS (EUR)	-0.84	0.45	0.66	0.84	1.10
Net debt/-cash	22.13	17.84	12.75	9.88	5.22
Adj P/E (x)	Neg.	16.6	11.9	9.3	7.1
EV/EBITDA (x)	5.1	4.6	3.7	3.2	1.9
EV/EBIT (x)	14.6	8.0	6.2	5.2	3.0
Div ord yield (%)	0	0	0	0	0
FCF Yield (%)	23.0	44.4	29.9	45.0	49.0

Source: Company data and Intesa Sanpaolo Research estimates. Priced at 22/05/2024

27 May 2024: 7:46 CET

Date and time of production

BUY

Target Price: EUR 14.0
(from EUR 13.8)

Italy/Airport Services
Company Results

EGM

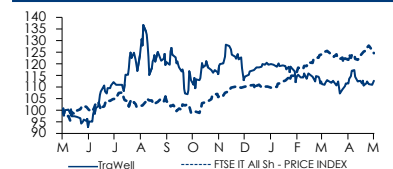
TraWell – Key Data

Price date (market close)	22/05/2024
Target price (€)	14.0
Target upside (%)	79.03
Market price (€)	7.82
Market cap (EUR M)	19.39
52Wk range (€)	9.48/6.44

EPS – DPS changes

(€)	2024E	2025E	2024	2025
	EPS ▲	EPS ▲	chg%	chg%
Curr.	0.659	0.839	35.98	10.46
Prev.	0.485	0.760	-	-
	DPS =	DPS =	chg%	chg%
Prev.	0.000	0.000	-	-

Price Perf. (RIC: TWL.MI BB: TWL IM)



Source: FactSet and Intesa Sanpaolo Research estimates

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Passenger Traffic Still Up in 2023

Global air travel demand continued its recovery in FY23 and in 1Q24

According to IATA, total passenger traffic in 2023 (measured in revenue passenger kilometers or RPKs) rose by 36.9% compared to 2022. Globally, 2023 traffic was at 94.1% of the pre-pandemic (2019) level. December '23 total traffic rose 25.3% yoy and reached 97.5% of the December '19 level. 4Q23 traffic was at 98.2% of 2019, reflecting a strong recovery towards year-end. According to Assaeroporti, 197.2M passengers passed through Italian airports in FY23 (+19.8% yoy, +2.1% vs. FY19). TraWell is present in 7 airports in Italy: Rome Fiumicino, Milan Malpensa, Milan Linate, Bologna, Cagliari, Olbia, Venezia. Rome Fiumicino is the biggest Italian airport for number of passengers (40.5M passengers in FY23, -6.9% vs. FY19); Milan Malpensa is the second largest (26M passengers in FY23, -9.6% vs. FY19); Venice ranks the sixth (11.3M, -2% vs. FY19), Bologna the eighth (9.9M, +6% vs. FY19), Milan Linate the ninth (9.4M, +43.5% vs. FY19). (Source: Assaeroporti).

January showed a strong start to the year for the global industry, IATA said in its January 2024 update. Total RPKs increased 16.6% yoy in January, when the industry was closer than ever to the monthly recovery as traffic levels reached 99.6% of 2019. In February, the airline industry achieved a full recovery in total passenger traffic, surpassing the 2019 threshold by 5.7%: annual growth in RPKs reached 21.5% yoy. RPKs maintained a positive trajectory in March, growing 13.8% annually, mostly carried by the strong momentum of international traffic.

TraWell stated that 2023 was characterised by the recovery in passenger traffic compared to 2019: in the company-managed airports (on a like-for-like basis) passenger traffic was down only 3% vs. 2019.

FY23 Results: Solid and Overall in Line with Estimates

- **FY23 revenues increased by 15% yoy to EUR 30.3M**, broadly in line with our estimates and the company's plan presented in October 2023, which pointed to around EUR 31M; the main market was Europe, which generated 53% of revenues, followed by the US (40%) and Asia (7%). In 2H23 the top-line growth slowed yoy due to the tougher comparison base (2H22 had a contribution from the first weeks of services in Linate and Malpensa airports);
- **FY23 EBITDA was EUR 9.9M, up around 9.5% yoy, with an implied 32.6% margin**. FY23 EBITDA adj. (which compares with our EBITDA estimate and the company's business plan) stood at EUR 10.2M, with a 33.7% margin (down 50bps yoy and vs. our estimates and 40bps vs. the plan's target). The difference of EUR 0.4M between EBITDA adj. vs. 2023 business plan's EBITDA (EUR 10.6M) was almost fully due to the ruble's devaluation and, to a minor extent, due to the one-off costs related to the reorganization (personnel and consultancy fees), according to the company. Trawell also outlined that the profitability of certain airports was particularly strong, specifically the ones in Portugal, Greece, Switzerland, Canada, Perù and Italy, where EBITDA grew by 50% yoy. EBITDA ex-IFRS 16 impact was EUR 5.7M (vs. EUR 7.2M in FY22);
- **FY23 EBIT reached EUR 5.7M vs. EUR 3.1M in FY22** when it was weighed down by EUR 3.1M of write-downs related to the Russian subsidiary's goodwill devaluation;
- **FY23 net income was in line with our estimate, at EUR 3.3M** (a bit below the company's plan) and almost three times higher than in FY22;
- **The net attributable income was positive and better than our estimate, at EUR 1.1M** (negative for EUR 2.1M in FY22) highlighting a rebalancing between the group and the minorities' performances;
- **The net debt (ex-IFRS impact) stood at EUR 5.5M** vs. our estimate of EUR 4.5M and the company's guidance of EUR 4.9M. The company paid EUR2.6M in bank debt in FY23.

TraWell – 2H/FY23 results

EUR M	FY22A restated	FY23 E	FY23 A	yoy %	A/E %	2H22A restated	2H23 E	2H23 A	yoy %	A/E %
Revenues	26.3	31.0	30.3	15.0	-2.3	15.4	17.4	16.1	4.9	-7.5
EBITDA adj.	9.0	10.6	10.2	13.9	-3.8	6.4	5.9	5.1	-19.5	-12.8
Margin (%)	34.2	34.2	33.7			41.5	33.8	31.8		
EBITDA	9.0	10.6	9.9	9.5	-7.1	6.4	5.9	5.1	-19.5	-12.8
Margin (%)	34.2	34.2	32.6			41.5	33.8	31.8		
EBIT	3.1	5.9	5.7	84.1	-2.9	1.3	3.4	3.2	145.5	-5.2
Net result	1.3	3.3	3.3	158.9	-1.4	-0.02	1.9	1.8	NM	
Net result attributable	-2.1	0.5	1.1	NM	134.2					
Net debt/-cash	21.4	18.5	17.8							
Net debt/-cash (ex IFRS 16)	7.5	4.5	5.5			7.5	4.5	5.5		

NM: not meaningful; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

Trawell – FY23A results vs. FY23T targets

EUR M	2023T	2023A	A vs. T %
Revenues	31.1	30.3	-2.7
EBITDA	10.6	10.2*	-3.8
Margin (%)	34.1	33.7	
EBIT	5.9	5.7	-3.2
Net result	3.7	3.3	-10.8
Net debt/-cash	4.9	5.5	

A: actual; T: company's targets; Source: Company data and Intesa Sanpaolo Research; *EBITDA adj.

Trawell – FY22/23 geographical mix

EUR M	FY22A	FY23A	Change %
Europe	8.8	15.5	76.2
% on sales	34.7	52.8	
America	11.9	11.8	-0.7
% on sales	47.1	40.4	
Asia	4.6	2.0	-56.6
% on sales	18.2	6.8	
Sales	25.3	29.3	15.8

A: actual; Source: Company data and Intesa Sanpaolo Research

TraWell operated in 13 countries, 44 airports with 130 points of sales, serving around 5M customers in 2023. It can count on more than 200 employees (including airport operators). The number of airports where Trawell operates has increased to 44 from 42 in October 2023, while the points of sales reached 130 vs. 127 in October. The average duration of concessions is 2.8 years (vs. 3.4 years in 2022).

As for the Russian business, the current political scenario triggers uncertainty. However, TraWell has moved the local airport concessions' management to an indirect business and now receives fees from the local company vs. direct sales previously. The local company's FY23 EBT was around RUB 100M, flat vs. FY22 at reported currency (or translated into EUR).

TraWell – Number of airports (December 2023)

Country	Number of airports
Italy	7
France	5
Switzerland	1
Portugal	5
Greece	1
Estonia	1
Czech Republic	1
Croatia	1
Total Europe	22
Canada	2
USA	1
Peru	1
Total Americas	4
Russia	18
Total Asia	18
Total airports	44

Source: Company data and Intesa Sanpaolo Research

Further expansion in new airports in 2023/24: a recap

- January 2023: TraWell won the contract to supply baggage protection services at **Zagreb airport** for 6+1 years (starting from May 2023);
- January 2023: TraWell renewed the contract for the exclusive supply of baggage protection services at the **Lima airport** until December 2024;
- April 2023: TraWell renewed the contract for an exclusive supply of baggage protection services at **Olbia airport** for the 2023 Summer season;

- July 2023: TraWell renewed the contract for the baggage protection services' supply in **Venice** and won the tender to expand its services to **Verona and Treviso** airports for five years. Both airports' concession contracts will kick off in August 2024;
- October 2023: TraWell renewed its concession agreement to provide the integrated travel assistance services to **Nice** airport for 7 years. The new agreement includes a new multi-service concept store for passengers, in addition to the integrated baggage protection services;
- January 2024: TraWell was awarded a concession for the exclusive supply of the luggage protection service at **Lima Jorge Chavez Airport** for 7 years. With this new agreement TraWell will operate four stores located strategically in the check-in area of the new airport, which will become active in January 2025.

ESG commitment

- In 2023 TraWell participated in "L'Osservatorio ESG del Sole 24 Ore: Indagine sulla situazione della Sostenibilità" (a survey on the Sustainability in small/mid. cap Italian companies listed on EGM, managed by Il Sole 24 Ore);
- TraWell was also included in the ESG Index, identifying the best small/mid cap. companies listed on the EGM segment, and is among the EGM's 30 ESG best-in-class companies;
- TraWell has recently obtained the measurement of its ESG Sustainability profile from the Cerved Rating Agency, achieving an overall score of 51/100, which shows that the company is in an intermediate position vs. the sector's performance in ESG macro areas. TraWell said it's committed to set up a roadmap for defining the improvement areas and will periodically communicate all the developments to the market.

Promising developments for 2024

- **External growth ambitions:** TraWell has recently signed a Letter of Intent for a three-month (until the end of June) exclusive negotiations to acquire a company in the traveler service sector in Northern Europe. The deal is being negotiated and reflects TraWell's service portfolio strategic expansion. Indeed, TraWell aims to become an aggregator of airport services (such as luggage storage, lost luggage management on behalf of airports; lockers, baggage deliveries, and transfer to/from cities). The target company is based in Northern Europe, where TraWell is not present, and is expected to release FY23 (the fiscal year ending 31 March) revenues of between EUR 3M and EUR 3.5M, adj. EBITDA margin at around 13% and positive net financial position. TraWell has identified revenue synergies in terms of offered services' extension in the 44 airports where it currently operates; potential synergies could also arise on the costs side, thanks to the adoption by the target company of TraWell's new management systems and software, which should support its revenues and profitability path. The target is also seen as a platform for the development of international business in growing countries in the Middle East, Africa and Asia. In our view, TraWell can count on a relatively low financial leverage (net financial position/EBITDA ex IFRS 16 <1x) and should complete the acquisition without financial stress. We view the potential acquisition as coherent with the announced plans to expand TraWell's business.
- **Capital reduction to remunerate shareholders:** At 31 May AGM the company's BoD will propose to shareholders to reduce the share capital in 2 steps: zeroing losses carried forward (around EUR 10.6M in 2023), partially attributing them to existing reserves (EUR 5.8M) and partially reducing the share capital (EUR 4.3M); further reducing the share capital (according to Art. 2445 of the Italian Civil Code) by a total amount of EUR 6.9M,

thus bringing down the share capital to EUR 5M (from the current EUR 16M), EUR 6.9M will be recognised as a legal reserve for EUR 1M and as other reserves for EUR 5.9M. There will be no changes to the number of shares issued and in circulation. In our view, this move could represent the basis for a shareholders' remuneration policy.

Estimates' Fine-Tuning

We have trimmed our FY24-25 estimates, given the slightly lower FY23 base vs. our forecasts. However, our estimates remain broadly in line with the company's targets and incorporate mid-single-digit top-line growth and more than proportional EBITDA increase. We have increased our net attributable result vs. previous estimates (reflecting the FY23 yoy performance). As in our previous estimates, we expect TraWell to be close to cash positive at YE25E and to be cash positive at YE26E. Our estimates are built on a constant perimeter.

TraWell – Estimates' fine-tuning (2024-25E)

EUR M	FY24E old	FY24E new	New/Old %	FY25E old	FY25E new	New/Old %
Revenues	33.1	32.3	-2.4	34.9	34.2	-1.9
EBITDA	11.7	11.3	-3.7	12.4	12.1	-2.1
Margin (%)	35.3	34.9		35.5	35.5	
EBIT	6.8	6.8	0.4	7.2	7.5	3.7
Net result	4.3	4.4	2.5	4.8	5.1	6.1
Net result attributable	1.2	1.7	36.1	1.9	2.1	10.6
Net debt/-cash	10.5	12.7		6.0	9.9	
Net debt/-cash (ex IFRS 16 impact)	1.5	1.7		0.5	0.9	

A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

TraWell – New estimates (2022A-26E)

EUR M	FY22A restated	FY23A	yoy chg. %	FY24E	yoy Chg. %	FY25E	yoy Chg. %	FY26E	yoy Chg. %
Revenues	26.3	30.3	15.0	32.3	6.7	34.2	5.8	36.2	5.9
EBITDA	9.0	9.9	10.0	11.3	14.3	12.1	7.6	13.0	7.2
Margin (%)	34.0	32.6		34.9		35.5		35.9	
EBIT	3.1	5.7	84.1	6.8	18.7	7.5	10.1	8.3	11.6
Net result	1.3	3.3	NM	4.4	32.4	5.1	16.6	5.9	16.3
Net result attributable	-2.1	1.14	NM	1.7	NM	2.1	NM	2.8	31.2
Net debt/-cash	21.4	17.8		12.7		9.9		5.2	
Net debt/-cash (ex IFRS 16 impact)	7.5	5.5		1.7		0.9		-1.8	

A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

TraWell – Business plan vs. our estimates

EUR M	Business plan			Our estimates			% Change		
	2024T	2025T	2026T	2024E	2025E	2026E	2024	2025	2026
Revenues	33.4	34.9	36.8	32.3	34.2	36.2	-3.3	-2.1	-1.7
EBITDA	11.8	12.4	13.5	11.3	12.1	13.0	-4.5	-2.3	-3.8
Margin (%)	35	35	37	34.9	35.5	35.9			
EBIT	6.9	7.6	8.7	6.8	7.5	8.3	-1.7	-1.8	-4.2
Net result	4.5	5.1	5.8	4.4	5.1	5.9	-2.9	-0.2	2.1
Net debt/-cash (ex IFRS 16 impact)	1.2	-1.9	-5.4	1.7	0.9	-1.8			

T: targets; E: estimates; Source: Company data and Intesa Sanpaolo Research

Valuation

We confirm our BUY rating, with a new target price of EUR 14 (from EUR 13.8), based on a DCF (an 80% weighting) and a relative valuation (20% weighting) plus the market value of the SOStavel.com stake (EUR 1.1M or around EUR 0.44/share), with a potential upside of 79%.

We confirm our BUY rating

Our DCF model returns a fair value of EUR 9.6 and reflects our estimates' fine-tuning. The WACC is at 8.7% (vs. 10% previously) following risk-free rate decrease to 3.75% (from 4%), higher beta (1.5x vs. 1.4x), weight of debt at 60%.

We assume an EBIT margin at 7% at terminal value (well below our 2023-25E estimates) and a 1.5% terminal growth rate.

TraWell – Valuation summary (EUR/sh)

DCF Valuation (80% weighting)	9.6
Relative Valuation (20% weighting)*	29.2
Average	13.5
SOStavel.com	0.45
Target price	14.0
Current price	7.8
Potential upside (%)	79.0

Source: Intesa Sanpaolo Research; * we have applied a 20% discount to peers' 24/26E EV/EBIT median

DCF Model

TraWell – WACC assumptions

WACC assumptions	(%)
Risk-Free rate (10Y BTP bench.)	3.8
Debt spread	4.0
Cost of debt [net]	5.4
Market risk premium	6.5
Beta (x)	1.5
Cost of equity	13.5
Weight of Debt	60.0
Weight of Equity	40.0
WACC	8.7

Source: Intesa Sanpaolo Research

TraWell – DCF valuation

	EUR M	% weight	EUR/sh
Sum of PV 2024-32 FCF	36.3	79%	14.4
Terminal value	9.4	21%	3.7
Total Enterprise value	45.7	100%	18.1
- Minorities	-3.4		-1.4
- Pension Provision	-0.2		-0.1
- Net debt 2023A (+cash)	-17.8		-7.1
Total Equity value	24.2		9.6
Fully diluted number of shares (M)	2.5		
Fair value per share (EUR)	9.6		

Source: Intesa Sanpaolo Research

Multiples' analysis

TraWell has no comparable listed peers, although there are some listed companies active in the airport services business or in the service industry, all with a market capitalisation of over EUR 1Bn. Our sample is composed of: 1) Avolta (former Dufry), a global travel retailer; 2) Compass Group, a world-leading food and support service company; 3) Sodexo, an international service company; 4) Elior Group, a leading operator in the contracted food and support service industry; and 5) SSP Group, an operator of branded food and beverage outlets in travel locations.

Trawell – Multiples analysis

Company	Market Cap EUR M	EV/EBIT (x)		
		2023E	2024E	2025E
Avolta	5,576	16.1	14.7	13.6
Compass Group	45,199	18.5	16.8	15.4
Sodexo	12,696	15.2	13.2	12.3
Elior Group	901	14.5	10.1	8.5
SSP Group	1,706	14.0	11.7	10.4
Average		15.7	13.3	12.1
Median		15.2	13.2	12.3
TraWell*	20	6.2	5.2	3.0
Premium (discount) to median %		-59.2%	-60.7%	-75.5%

Priced at market close on 22/05/2024; Source: Company data and *Intesa Sanpaolo Research

Valuation and Key Risks

Valuation basis

Our EUR 14/sh target price is derived from a DCF (an 80% weighting, WACC 8.7%, g=1.5%) and a relative valuation (20% weighting) plus the market value of the SOStravel.com stake (EUR 1.1M or EUR 0.45/share).

Key Risks

Company specific risks:

- Potential further write down of existing goodwill;
- Average duration of concessions is relatively low;
- Currency fluctuations.

Sector generic risks:

- Lower than expected recovery of air traffic up to date;
- Geopolitical risk (e.g. terrorist attack).

Company Snapshot

Company Description

Trawell is a leading service company specialising in luggage wrapping and tracing for airline passengers. It operates in 44 airports, in Italy, Europe, Canada, the US (Miami) and Asia with 130 selling points. The average duration of its concessions is 2.8 years. TraWell was listed on the Euronext Growth market in September 2013 and on Nasdaq in July 2019.

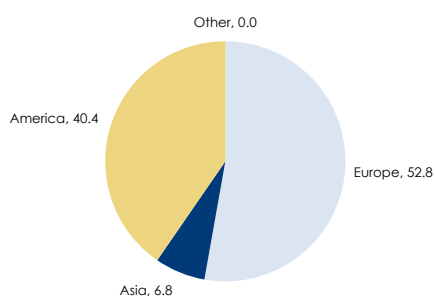
Key data

Mkt price (€)	7.82	Free float (%)	42
No. of shares	2.48	Major shr	RG Hol
52Wk range (€)	9.48/6.44	(%)	51
Reuters	TWL.MI	Bloomberg	TWL I
Performance (%)	Absolute	Rel. FTSE IT All	
-1M	1.0	-1M	-1
-3M	-1.8	-3M	-7
-12M	12.7	-12M	-9

Estimates vs. consensus

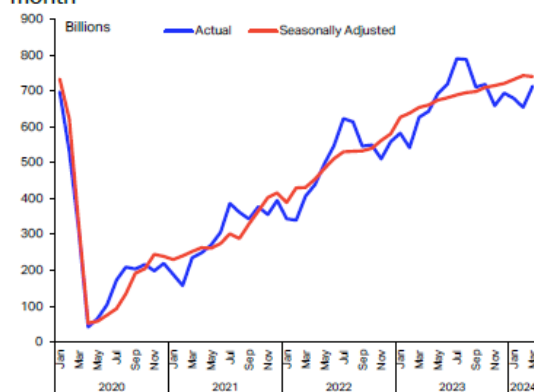
EUR M (Y/E Dec)	2023A	2024E	2024C	2025E	2025C	2026E	2026C
Sales	30.27	32.29	NM	34.17	NM	36.19	NA
EBITDA	9.85	11.26	NM	12.12	NM	12.99	NA
EBIT	5.71	6.78	NM	7.46	NM	8.33	NA
Pre-tax income	4.21	5.58	NM	6.50	NM	7.56	NA
Net income	1.14	1.66	NM	2.11	NM	2.77	NA
Adj. EPS (€)	0.45	0.66	NM	0.84	NM	1.10	NA

Sales breakdown by area (%)



Global air passenger volumes (RPKs)

Chart 1 – Global air passengers, RPK, billions per month



Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 22/05/2024)

TraWell – Key Data

Rating BUY	Target price (€/sh) Ord 14.0		Mkt price (€/sh) Ord 7.82			Sector Airport Services
Values per share (EUR)	2021A	2022A	2023A	2024E	2025E	2026E
No. ordinary shares (M)	2.48	2.48	2.52	2.52	2.52	2.52
Total no. of shares (M)	2.48	2.48	2.52	2.52	2.52	2.52
Market cap (EUR M)	17.21	14.08	18.88	19.70	19.70	19.70
Adj. EPS	-0.23	-0.84	0.45	0.66	0.84	1.10
BVPS	3.2	2.5	2.9	3.5	4.4	5.5
Dividend ord	0	0	0	0	0	0
Income statement (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Revenues	20.03	26.31	30.27	32.29	34.17	36.19
EBITDA	2.31	8.96	9.85	11.26	12.12	12.99
EBIT	1.03	3.10	5.71	6.78	7.46	8.33
Pre-tax income	0.95	2.11	4.21	5.58	6.50	7.56
Net income	-0.57	-2.09	1.14	1.66	2.11	2.77
Adj. net income	-0.57	-2.09	1.14	1.66	2.11	2.77
Cash flow (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Net income before minorities	0.7	1.3	3.3	4.4	5.1	5.9
Depreciation and provisions	1.3	5.9	4.1	4.5	4.7	4.7
Others/Uses of funds	3.6	5.8	3.9	4.8	2.4	2.4
Change in working capital	-1.7	-0.0	0.8	-0.4	-0.0	-0.0
Operating cash flow	1.3	6.2	7.8	7.7	6.2	6.7
Capital expenditure	-0.8	-2.2	-0.5	-0.8	0.2	1.1
Financial investments	0	0	0	0	1.0	2.0
Acquisitions and disposals	0	-2.0	0	0	0	0
Free cash flow	0.5	1.9	7.3	7.0	7.4	9.8
Dividends	-0.1	0	0	0	0	0
Equity changes & Non-op items	0.9	-13.5	-6.0	-0.8	-5.0	-3.0
Net change in cash	1.3	-11.6	1.3	6.2	2.4	6.8
Balance sheet (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Net capital employed	20.6	32.1	28.5	25.9	26.1	25.1
of which associates	0	0	0	0	0	1.0
Net debt/-cash	9.3	22.1	17.8	12.7	9.9	5.2
Minorities	3.4	3.9	3.4	4.3	5.1	6.1
Net equity	7.9	6.1	7.3	8.9	11.0	13.8
Minorities value	0	0	0	0	0	1.0
Enterprise value	33.8	45.3	45.7	41.8	38.8	24.9
Stock market ratios (x)	2021A	2022A	2023A	2024E	2025E	2026E
Adj. P/E	Neg.	Neg.	16.6	11.9	9.3	7.1
P/CFPS	13.0	1.9	2.1	3.0	2.0	1.9
P/BVPS	2.2	2.3	2.6	2.2	1.8	1.4
Payout (%)	0	0	0	0	0	0
Dividend yield (% ord)	0	0	0	0	0	0
FCF yield (%)	2.8	23.0	44.4	29.9	45.0	49.0
EV/sales	1.7	1.7	1.5	1.3	1.1	0.69
EV/EBITDA	14.7	5.1	4.6	3.7	3.2	1.9
EV/EBIT	32.7	14.6	8.0	6.2	5.2	3.0
EV/CE	1.6	1.4	1.6	1.6	1.5	0.99
D/EBITDA	4.0	2.5	1.8	1.1	0.81	0.40
D/EBIT	9.0	7.1	3.1	1.9	1.3	0.63
Profitability & financial ratios (%)	2021A	2022A	2023A	2024E	2025E	2026E
EBITDA margin	11.5	34.0	32.6	34.9	35.5	35.9
EBIT margin	5.2	11.8	18.9	21.0	21.8	23.0
Tax rate	25.8	39.6	21.7	21.7	21.7	21.7
Net income margin	-2.9	-7.9	3.8	5.1	6.2	7.7
ROCE	5.0	9.7	20.0	26.1	28.6	33.2
ROE	-7.9	-29.8	17.1	20.5	21.2	22.3
Interest cover	12.6	3.1	3.8	5.6	7.8	10.8
Debt/equity ratio	82.2	221.4	166.7	96.8	61.0	26.3
Growth (%)		2022A	2023A	2024E	2025E	2026E
Sales		31.4	15.0	6.7	5.8	5.9
EBITDA		NM	10.0	14.3	7.6	7.2
EBIT		NM	84.1	18.7	10.1	11.6
Pre-tax income		NM	99.6	32.4	16.6	16.3
Net income		NM	NM	45.6	27.4	31.2
Adj. net income		NM	NM	45.6	27.4	31.2

NM: not meaningful; NA: not available; Neg.: negative; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

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Equity rating key: (long-term horizon: 12M)

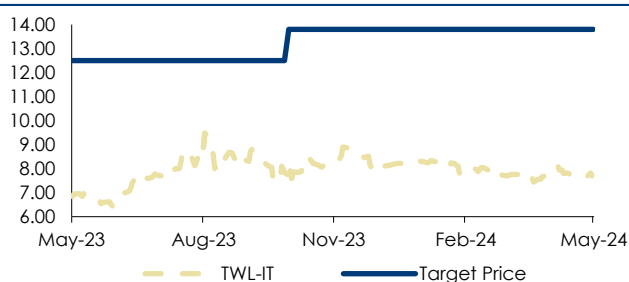
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Date	Rating	TP (EUR)	Mkt Price (EUR)
23-Oct-23	BUY	13.8	7.7

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