

EQUITY RESEARCH

NEODECORTECH RESULTS REVIEW

BUY
TP 4.80€
Up/Downside: 56%

A Q3 above of expectations

Neodecortech reported yesterday evening its 9M 2025 results, up +14%, beating our forecasts and confirming its ability to meet full-year targets. The announcement of a new product line adds diversification to the offering and opens new medium-term growth prospects.

The group reported consolidated revenue of €138.3m for the first nine months, up +14% YoY (vs +9% estimated), an excellent achievement in a global environment that remains challenging.

Growth drivers:

- The energy segment (BEG) was the main contributor, posting an impressive +53% YoY increase, supported by a particularly favourable minimum guaranteed price regime.
- Decorative papers recorded a solid +7% YoY rise, while printed papers declined -7% YoY, reflecting weaker volumes in this category.

Profitability:

EBITDA came in at €15.7m (+€2.6m vs estimates), delivering a margin of 11.4% (+230 bps YoY). This strong performance was driven by the PMG system, which continues to optimise operating costs across the group. The positive impact flowed through to net income, which surged +144% YoY, despite a €1.5m increase in depreciation and amortisation.

Financial position:

Net debt stood at €34.7m, up €1.6m compared to year-end 2024, mainly due to slightly higher working capital requirements and CapEx of €5.7m.

Outlook:

We believe Neodecortech is well positioned to achieve our full-year forecasts, despite a still subdued furniture market and persistent geopolitical tensions. The launch of the new kraft line is a strategic milestone that we will monitor closely in upcoming updates. That said, we remain mindful that the current high margin level is largely attributable to the PMG regime. We expect further clarification from the group on this point, which would allow us to confirm medium-term profitability projections with greater confidence. Buy recommendation reiterated, TP maintained at €4.8.

TP ICAP Midcap Estimates	12/24	12/25e	12/26e	12/27e	Valuation Ratio	12/25e	12/26e	12/27e
Sales (m €)	168.6	175.4	181.6	188.3	EV/Sales	0.4	0.4	0.4
Current Op Inc (m €)	7.5	9.3	9.7	10.3	EV/EBITDA	4.2	3.8	3.5
Current op. Margin (%)	4.4	5.3	5.4	5.5	EV/EBIT	8.2	7.4	6.8
EPS (€)	0.28	0.43	0.47	0.49	PE	7.2	6.6	6.3
DPS (€)	1.79	1.87	1.98	1.94	Source: TPICAP Midcap			
Yield (%)	58.1	60.9	64.2	63.1				
FCF (m €)	-5.1	5.1	7.7	6.0				

Key data

Price (€)	3.1
Industry	Diversified Paper
Ticker	NDT-IT
Shares Out (m)	14.218
Market Cap (m €)	43.8
Average trading volumes (k shares / day)	5.184
Source: FactSet	

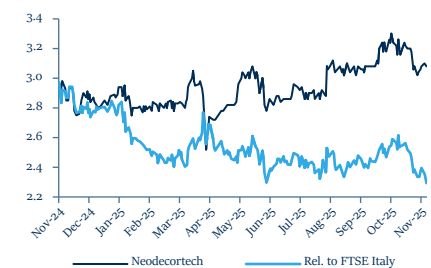
Ownership (%)

Valentini Finanziaria SpA	58.6
Free float	41.4
Source: TPICAP Midcap estimates	

EPS (€)	12/25e	12/26e	12/27e
Estimates	0.43	0.47	0.49
Change vs previous estimates (%)	0.00	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.6	-4.9	9.2
Rel FTSE Italy	-1.5	-11.3	-17.3



Source: FactSet

Consensus FactSet - Analysts:na	12/25e	12/26e	12/27e
Sales	174.2	178.8	184.7
EBIT	8.3	8.8	9.0
Net income	4.5	5.8	6.4

Analyst
Mathias Paladino
mathias.paladino@tpicap.com



FINANCIAL DATA

Income Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Sales	196.5	161.6	168.6	175.4	181.6	188.3
Changes (%)	11.4	-17.7	4.3	4.0	3.6	3.7
Gross profit	70.8	66.3	64.5	68.2	71.4	74.8
% of Sales	36.0	41.0	38.3	38.9	39.3	39.7
EBITDA	16.0	13.9	16.6	18.1	18.9	19.8
% of Sales	8.1	8.6	9.9	10.3	10.4	10.5
Current operating profit	6.1	4.6	7.5	9.3	9.7	10.3
% of Sales	3.1	2.9	4.4	5.3	5.4	5.5
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	6.1	4.6	7.5	9.3	9.7	10.3
Net financial result	3.1	-2.0	-2.3	-2.4	-2.0	-2.1
Income Tax	-0.8	0.2	-1.2	-0.9	-1.2	-1.2
Tax rate (%)	8.7	na	23.2	12.0	15.0	15.0
Net profit, group share	8.4	2.9	4.0	6.0	6.6	6.9
EPS	0.60	0.20	0.28	0.43	0.47	0.49
Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	79.4	76.7	77.8	78.5	78.4	78.0
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.5	0.4	0.5	0.5	0.5	0.5
Working capital	30.3	31.5	41.5	42.8	44.6	48.0
Other Assets	8.1	4.4	3.8	4.8	4.0	4.2
Assets	118.4	113.1	123.6	126.7	127.6	130.7
Shareholders equity group	77.3	77.5	80.7	84.6	88.9	93.5
LT & ST provisions and others	2.9	2.9	2.9	2.9	2.9	2.9
Net debt	30.7	25.9	33.2	32.1	28.1	26.0
Other liabilities	6.3	5.9	5.5	6.0	6.6	7.2
Liabilities	118.4	113.1	123.6	126.7	127.6	130.7
Net debt excl. IFRS 16	30.7	25.9	33.2	32.1	28.1	26.0
Leverage	1.9	1.9	2.0	1.8	1.5	1.3
Cash flow statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
CF after elimination of net borrowing costs and taxes	14.7	12.1	13.9	15.3	16.3	17.0
Δ WCR	-9.1	1.6	-10.4	-2.5	-1.0	-3.5
Operating cash flow	5.6	13.7	3.5	12.7	15.3	13.5
Net capex	-9.3	-6.5	-10.1	-9.5	-9.0	-9.0
FCF	-3.2	9.3	-5.1	5.1	7.7	6.0
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	6.7	-4.5	7.7	0.0	0.0	0.0
Dividends paid	-2.0	-1.9	0.0	-1.9	-2.0	-1.9
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	-0.3	-0.5	-0.7	-0.3	-0.3	-0.4
Others	-2.1	-0.3	0.0	0.0	0.0	0.0
Change in net cash over the year	-1.4	0.1	0.3	1.1	4.0	2.1
ROA (%)	5.0%	1.7%	2.3%	3.4%	3.6%	3.7%
ROE (%)	10.9%	3.7%	4.9%	7.1%	7.4%	7.4%
ROCE (%)	4.9%	3.2%	4.8%	6.6%	6.6%	6.9%

DISCLAIMER

Analyst certifications

This research report (the “Report”) has been approved by Midcap, a business division of TP ICAP (Europe) SA (“Midcap”), an Investment Services Provider authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution (“ACPR”). By issuing this Report, each Midcap analyst and associate whose name appears within this Report hereby certifies that (i) the recommendations and opinions expressed in the Report accurately reflect the research analyst’s and associate’s personal views about any and all of the subject securities or issuers discussed herein and (ii) no part of the research analyst’s or associate’s compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst or associate in the Report.

Methodology

This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Neodecortech

H. TPICAP Midcap prepared this document on behalf of BPER Banca S.p.A acting as specialist in accordance with article 2.3.5 of Rules of the Markets (and related instructions) organized and managed by Borsa Italiana S.p.A.: Neodecortech

History of investment rating and target price – Neodecortech



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
06 Aug 25 - 08:12:46	Mathias Paladino	€ 4.80	€ 4.80	€ 3.08	Achat	Buy
05 Aug 25 - 07:57:34	Mathias Paladino	€ 4.50	€ 4.50	€ 2.88	Achat	Buy
18 May 25 - 20:04:09	Mathias Paladino	€ 4.50	€ 4.50	€ 3.00	Achat	Buy
14 May 25 - 18:26:45	Mathias Paladino	€ 4.50	€ 4.50	€ 3.04	Achat	Buy
20 Mar 25 - 07:58:14	Mathias Paladino	€ 4.50	€ 4.50	€ 2.86	Achat	Buy
14 Nov 24 - 08:29:33	Mathias Paladino	€ 4.50	€ 4.50	€ 2.90	Achat	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	76%	69%
Hold	18%	67%
Sell	4%	0%
Under review	3%	100%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

General Disclaimer

This Report is confidential and is for the benefit and internal use of the selected recipients only. No part of it may be reproduced, distributed, or transmitted without the prior written consent of Midcap

This Report is published for information purposes only and does not constitute a solicitation or an offer to buy or sell any of the securities mentioned herein. The information contained in this Report has been obtained from sources believed to be reliable and public, Midcap makes no representation as to its accuracy or completeness. The reference prices used in this Report are closing prices of the day before the publication unless otherwise stated. All opinions expressed in this Report reflect our judgement at the date of the documents and are subject to change without notice. The securities discussed in this Report may not be suitable for all investors and are not intended to recommend specific securities, financial instruments, or strategies to particular clients. Investors should make their own investment decisions based on their financial situation and investment objectives. The value of the income from your investment may vary due to changes in interest rates, changes in the financial and operating conditions of companies and other factors. Investors should be aware that the market price of the securities discussed in this Report may be volatile. Due to the risk and volatility of the industry, the company, and the market in general, at the current price of the securities, our investment rating may not correspond to the stated price target. Additional information regarding the securities mentioned in this Report is available on request.

This Report is not intended for distribution or use by any entity who is a citizen or resident of, or an entity located in any locality, territory, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to or limited by law or regulation. Entity or entities in possession of this Report must inform themselves about and comply with any such restrictions, including MIFID II. This Report is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of MIFID II regulation. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. The Report is subject to restricted circulation. The research was conducted in accordance with the provisions of the Charter of good practices for sponsored research. Midcap has adopted effective administrative and organizational arrangements, including "information barriers", to prevent and avoid conflicts of interest regarding investment recommendations. The remuneration of financial analysts who participate in the preparation of the recommendation is not linked to the corporate finance activity.