NEODECORTECH

BUY

Sector: Industrials

Price: Eu3.20 - **Target: Eu5.10**

3Q25: revenue growth and further margin acceleration

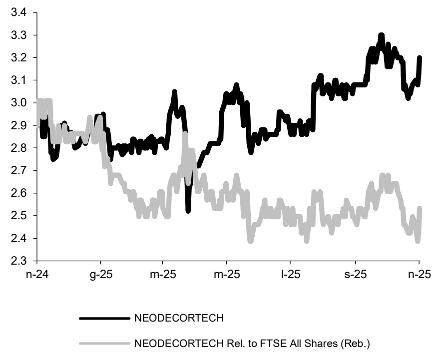
Chiara Tavazzi +39-02-77115.451
chiara.tavazzi@intermonte.it

Stock Rating			
Rating:			Unchanged
Target Price (Eu):			from 4.95 to 5.10
	2025E	**2026E**	**2027E**
Chg in Adj EPS	26.4%	16.0%	12.0%

Next Event

December 3rd: Mid & Small conference

NEODECORTECH - 12M Performance



Stock Data			
Reuters code:			NDT.MI
Bloomberg code:			NDT IM
Performance	**1M**	**3M**	**12M**
Absolute	1.3%	5.3%	10.3%
Relative	-3.0%	2.2%	-17.2%
12M (H/L)			3.30/2.52
3M Average Volume (th):			9.46

Shareholder Data	
No. of Ord shares (mn):	14
Total no. of shares (mn):	14
Mkt Cap Ord (Eu mn):	45
Total Mkt Cap (Eu mn):	45
Mkt Float - Ord (Eu mn):	16
Mkt Float (in %):	36.1%
Main Shareholder:	
Finanziaria Valentini S.p.A	58.6%

Balance Sheet Data	
Book Value (Eu mn):	83
BVPS (Eu):	5.86
P/BV:	0.5
Net Financial Position (Eu mn):	-28
Enterprise Value (Eu mn):	74

The Company closed the first nine months of the year with improvements on a year-on-year and quarterly basis, despite continuing weak demand in the furniture sector. Consolidated revenues amounted to €138.3 million (+13.8% YoY), supported by the performance of the energy division (BEG), up +53% YoY, and printed decorative paper (NDT), up +6.7% YoY, while the decorative paper division (CDG) continued to decline (-7.3% YoY)

- **3Q25: solid revenue growth, EBITDA expansion, and net income increase**. The Company closed the third quarter with revenues of €47.9 million (+32.3% YoY, +3.2% QoQ). Profitability showed a marked improvement: EBITDA amounted to €5.2 million (+54.8% YoY, +25% QoQ), with a margin of 13.6%, up from 11.6% in 3Q24 and 11.2% in 2Q25. Net income rose to €2.4 million, a significant increase compared to €2 million in the third quarter of 2024 and €0.9 million in 3Q24.
- **Growth strategy based on three pillars.** While the Company does not provide quantitative guidance, it confirmed the main drivers of future growth: i) NDT will continue to focus on higher-margin products (laminates and plastic films) and aims to diversify distribution channels, complementing panel manufacturers and furniture component producers with specialized distributors to expand market share over the medium term; ii) CDG, with the launch of kraft paper, will not only benefit from cost savings but will also introduce a new revenue line starting next fiscal year, creating the conditions to reach full production capacity within 2–3 years; iii) BEG aims to replace current raw materials (animal by-products and palm oil) with used cooking oils and European rapeseed oil (EU rapeseed & RUCO), which are more sustainable and circular, in order to improve efficiency, reduce costs, and strengthen the Group's green profile.
- **Revised FY25–27 estimates**. In light of the published results, we are raising our estimates for FY25–27. Despite the market environment in the furniture sector remaining challenging, we have increased revenue expectations by 1.2%, 2.1%, and 2.5%, respectively. For 2025, we expect a higher contribution from Bioenergia, which exceeded our expectations in the third quarter. Profitability is projected to grow more than proportionally, with an expected margin close to 11%, reflecting a largely stable raw material cost scenario and a rising weight of higher-margin products. Finally, thanks to the deleveraging observed since the beginning of the year, we forecast a further improvement in the net financial position, estimated at €28.3 million net debt by the end of 2025.
- **BUY, target price €5.10 (from €4.95)**. We confirm our positive recommendation, supported by i) a distinctive strategic positioning, characterized by a broad and diversified product offering; ii) an integrated business model that ensures effective cost control, supporting profitability; iii) a solid financial structure, with improving leverage that provides room for potential external growth opportunities. On the updated estimates, our DCF model raises the target price to €5.10 (from €4.95), implying upside potential of approximately 60% from current levels.

Key Figures & Ratios	2023A	2024A	2025E	2026E	2027E
Sales (Eu mn)	162	169	179	185	189
EBITDA Adj (Eu mn)	14	17	20	21	21
Net Profit Adj (Eu mn)	3	4	5	6	6
EPS New Adj (Eu)	0.205	0.296	0.408	0.435	0.481
EPS Old Adj (Eu)	0.205	0.296	0.323	0.375	0.429
DPS (Eu)	0.141	0.150	0.206	0.210	0.232
EV/EBITDA Adj	5.1	4.6	3.8	3.4	3.1
EV/EBIT Adj	15.4	10.3	8.4	7.3	6.4
P/E Adj	15.6	10.8	7.8	7.4	6.7
Div. Yield	4.4%	4.7%	6.4%	6.5%	7.2%
Net Debt/EBITDA Adj	1.9	2.0	1.4	1.2	1.0

NEODECORTECH – Key Figures

Profit & Loss (Eu mn)	2022A	2023A	2024A	2025E	2026E	2027E
Sales	196	162	169	179	185	189
EBITDA	16	14	17	20	21	21
EBIT	6	5	7	9	10	10
Financial Income (charges)	3	-2	-2	-2	-2	-2
Associates & Others	0	0	0	0	0	0
Pre-tax Profit	9	3	5	7	8	8
Taxes	-1	0	-1	-1	-2	-2
Tax rate	-8.7%	9.2%	-23.2%	-16.5%	-23.5%	-23.5%
Minorities & Discontinued Operations	0	0	0	0	0	0
Net Profit	8	3	4	5	6	6
EBITDA Adj	16	14	17	20	21	21
EBIT Adj	6	5	7	9	10	10
Net Profit Adj	8	3	4	5	6	6
Per Share Data (Eu)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Total Shares Outstanding (mn) - Average	14	14	14	14	14	14
Total Shares Outstanding (mn) - Year End	14	14	14	14	14	14
EPS f.d	0.609	0.205	0.296	0.408	0.435	0.481
EPS Adj f.d	0.609	0.205	0.296	0.408	0.435	0.481
BVPS f.d	5.435	5.448	5.678	5.857	6.058	6.280
Dividend per Share ORD	0.139	0.141	0.150	0.206	0.210	0.232
Dividend per Share SAV	0.000	0.000	0.000	0.000	0.000	0.000
Dividend Payout Ratio (%)	23.4%	70.2%	52.5%	52.5%	50.0%	50.0%
Cash Flow (Eu mn)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Gross Cash Flow	19	13	12	16	17	18
Change in NWC	-9	2	-10	1	-2	-1
Capital Expenditure	-9	-6	-10	-9	-8	-9
Other Cash Items	0	0	0	0	0	0
Free Cash Flow (FCF)	1	8	-8	8	6	8
Acquisitions, Divestments & Other Items	0	0	0	0	0	0
Dividends	-2	-2	-2	-2	-2	-2
Equity Financing/Buy-back	0	0	0	0	0	0
Change in Net Financial Position	-1	5	-7	5	4	4
Balance Sheet (Eu mn)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Total Fixed Assets	81	78	79	77	74	72
Net Working Capital	34	25	46	43	45	46
Long term Liabilities	-8	-7	-7	-7	-7	-8
Net Capital Employed	108	103	114	112	111	110
Net Cash (Debt)	-31	-26	-33	-28	-25	-20
Group Equity	77	77	81	83	86	89
Minorities	0	0	-0	-0	-0	-0
Net Equity	77	77	81	83	86	90
Enterprise Value (Eu mn)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Average Mkt Cap	51	45	44	45	45	45
Adjustments (Associate & Minorities)	0	0	0	0	0	0
Net Cash (Debt)	-31	-26	-33	-28	-25	-20
Enterprise Value	82	71	77	74	70	66
Ratios (%)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
EBITDA Adj Margin	8.1%	8.6%	9.9%	11.0%	11.1%	11.3%
EBIT Adj Margin	3.1%	2.9%	4.4%	4.9%	5.2%	5.4%
Gearing - Debt/Equity	39.8%	33.4%	41.0%	34.0%	28.8%	22.7%
Interest Cover on EBIT	nm	2.3	3.2	3.9	4.9	5.6
Net Debt/EBITDA Adj	1.9	1.9	2.0	1.4	1.2	1.0
ROACE*	5.9%	4.4%	6.9%	7.8%	8.6%	9.3%
ROE*	11.4%	3.7%	5.0%	6.7%	6.9%	7.3%
EV/CE	0.8	0.7	0.7	0.7	0.6	0.6
EV/Sales	0.4	0.4	0.5	0.4	0.4	0.3
EV/EBITDA Adj	5.1	5.1	4.6	3.8	3.4	3.1
EV/EBIT Adj	13.4	15.4	10.3	8.4	7.3	6.4
Free Cash Flow Yield	1.4%	17.0%	-17.8%	16.9%	14.3%	17.1%
Growth Rates (%)	**2022A**	**2023A**	**2024A**	**2025E**	**2026E**	**2027E**
Sales	11.4%	-17.7%	4.3%	6.3%	3.1%	2.5%
EBITDA Adj	-11.9%	-13.1%	19.7%	18.3%	4.6%	3.8%
EBIT Adj	-33.8%	-24.0%	61.2%	17.6%	9.1%	6.8%
Net Profit Adj	26.1%	-66.2%	39.6%	37.7%	6.6%	10.6%
EPS Adj	23.2%	-66.4%	44.8%	37.7%	6.6%	10.6%
DPS	56.9%	1.4%	6.2%	37.7%	1.6%	10.6%

*Excluding extraordinary items Source: Intermonte SIM estimates

3Q25/9M25 Results

The 3Q25/9M25 results show year-on-year and quarterly improvements, with a particularly strong third quarter that exceeded our expectations. Key highlights include:

- **Consolidated Revenues of €138.3 million (+13.8% YoY).** Growth was driven by i) the Energy division (BEG), which delivered a significant revenue increase (+52.6% YoY) operating at full capacity and generating 121,599 MWh vs 113,335 MWh in the same period last year, which was impacted by partial plant shutdowns, and ii) the Printed Decorative Paper division (NDT, +6.7% YoY). The Decorative Paper division (CDG: Cartiera di Guarcino) continued to experience weak demand (-7.3% YoY). The third quarter was particularly strong, with revenues of €47.9 million (+32.3% YoY), of which €20.78 million came from the Energy division.
- **EBITDA of €15.7 million (+41.5% YoY),** with an EBITDA margin of 11.4%, up from 9.1% in the prior year. In 3Q25, EBITDA amounted to €6.5 million (+54.8% YoY). The improvement reflects tight cost control, favourable raw material trends, and a stronger contribution from Bioenergia, whose plant is outperforming its benchmark cluster under the minimum guaranteed price (MGP) regime.
- **EBIT of €7.5 million (+69.2% YoY),** corresponding to a margin of 5.4%. Depreciation (€8.2 million) increased following investments in the new ERP system, which became operational during 2025. EBIT for 3Q25 reached €3.2 million (+60% YoY).
- **Net Income of €5.2 million (+144.4% YoY**), including €2.4 million in 3Q25 (+166.7% YoY). Financial expenses remained stable year-on-year.
- **Net Financial Position at €34.7 million debt** (vs €39.1 million as at September 30, 2024). The improvement mainly reflects partial repayment of current debt, aided by collection of government incentives and MGP-related receivables.

Neodecortech: 3Q25 & 9M25 Results

	1Q24	2Q24A	3Q24A	4Q24A	1Q25A	2Q25A	3Q25A	*QoQ*	*YoY*	9M24A	9M25A	*YOY*
Printed paper - NDT	17.50	17.85	13.17	15.52	16.60	18.30	16.87	*-8%*	*28%*	48.52	51.77	*7%*
Decorative Paper - CDG	16.40	15.14	10.18	12.70	14.67	13.84	10.16	*-27%*	*0%*	41.72	38.66	*-7%*
Printed Paper - China	0.0	0.0	0.0	0.0	0.0	0.0	0.1	*100%*	*n.m.*	0.0	0.18	*n.m.*
Energy - BEG	9.18	9.20	12.86	18.71	12.32	14.58	20.78	*42%*	*62%*	31.24	47.68	*53%*
Net Sales	**43.1**	**42.2**	**36.2**	**47.1**	**43.6**	**46.8**	**47.9**	*2.4%*	*32.3%*	**121.5**	**138.3**	*13.8%*
Value of the production	**43.5**	**43.6**	**38.1**	**46.6**	**50.3**	**44.2**	**45.0**	*1.8%*	*18.1%*	**125.2**	**139.5**	*11.4%*
Raw materials costs	(27.9)	(27.8)	(23.2)	(28.4)	(33.8)	(26.7)	(26.7)			(78.9)	(87.1)	
Other operating costs	(6.8)	(6.6)	(5.9)	(7.3)	(6.7)	(6.4)	(6.8)			(19.3)	(20.0)	
Personnel costs	(5.4)	(5.8)	(4.8)	(5.4)	(5.8)	(5.9)	(4.9)			(15.9)	(16.6)	
EBITDA	**3.4**	**3.5**	**4.2**	**5.6**	**4.0**	**5.2**	**6.5**	*25.0%*	*54.8%*	**11.1**	**15.7**	*41.5%*
% margin on net sales	*7.8%*	*8.3%*	*11.6%*	*11.8%*	*9.2%*	*11.2%*	*13.6%*			*9.1%*	*11.4%*	
Non recurring items	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	0.0	
Adj. EBITDA	**3.4**	**3.5**	**4.2**	**5.6**	**4.0**	**5.2**	**6.5**	*25.0%*	*54.8%*	**11.1**	**15.7**	*41.5%*
% margin on net sales	*7.8%*	*8.3%*	*11.6%*	*11.8%*	*9.2%*	*11.2%*	*13.6%*			*9.1%*	*11.4%*	
D&A and Provisions	(2.2)	(2.2)	(2.3)	(2.4)	(2.5)	(2.4)	(3.4)			(6.7)	(8.3)	
EBIT	**1.2**	**1.3**	**1.9**	**3.1**	**1.5**	**2.8**	**3.2**	*13.4%*	*60.0%*	**4.4**	**7.5**	*69.2%*
% margin on net sales	*2.7%*	*3.0%*	*5.3%*	*6.6%*	*3.5%*	*6.0%*	*6.7%*			*3.6%*	*5.4%*	
Net Financial Charges	(0.6)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.5)			(1.7)	(1.7)	
Associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	0.0	
Pretax Profit	**0.6**	**0.8**	**1.3**	**2.5**	**0.9**	**2.2**	**2.7**	*21.9%*	*107.0%*	**2.7**	**5.8**	*114.1%*
Taxes	0.0	(0.2)	(0.4)	(0.6)	(0.2)	(0.2)	(0.2)			(0.6)	(0.6)	
% tax load ratio	*-2%*	*24%*	*32%*	*25%*	*19%*	*10%*	*6%*			*21%*	*10%*	
Consolidated Net Profit	**0.6**	**0.6**	**0.9**	**1.9**	**0.8**	**2.0**	**2.6**	*27.4%*	*185.2%*	**2.1**	**5.3**	*145.7%*
% margin on net sales	*1.5%*	*1.4%*	*2.5%*	*4.0%*	*1.8%*	*4.3%*	*5.3%*			*1.8%*	*3.8%*	
Minorities	0.0	(0.0)	(0.0)	0.0	0.0	0.0	(0.1)			0.0	(0.0)	
Net Profit	**0.7**	**0.6**	**0.9**	**1.9**	**0.8**	**2.0**	**2.4**	*18.9%*	*166.7%*	**2.2**	**5.2**	*144.4%*
% margin on net sales	*1.5%*	*1.3%*	*2.4%*	*4.0%*	*1.8%*	*4.3%*	*5.0%*			*1.8%*	*3.8%*	
Net Financial Position	**(37.5)**	**(38.5)**	**(39.1)**	**(33.1)**	**(33.4)**	**(36.7)**	**(34.8)**			**(39.1)**	**(34.8)**	

Source: Company Data

Revision of FY25–27 Forecasts

Despite the environment in the furniture sector, which remains challenging, we slightly raise our revenue estimates for FY25–27 by 1.2%, 2.1% and 2.5% respectively.

For 2025, we are factoring in a stronger contribution from the Bioenergy division, which delivered better-than-expected results in the third quarter. For Cartiera di Guarcino and Neodecortech, the launch of kraft paper and the expansion of distribution channels respectively should support volume growth over the following two years.

In terms of profitability, we forecast EBITDA to increase by +8.7% in 2025, +10.9% in 2026 and +11.2% in 2027, together with a further improvement in margins, expected to approach 11%. This trend reflects broadly stable raw material costs (with the exception of pulp, expected to rise slightly) and the Company's growing focus on higher-margin products.

This adjustment also boosts net income, now revised upward by 26.4%, 16% and 12% for the respective years.

The net financial position is expected to improve further, with net debt estimated at €28.3 million by year-end 2025.

Neodecortech: change in estimates

(Eu mn)	2025E Old	2025E New	% chg	2026E Old	2026E New	% chg	2027E Old	2027E New	% chg
Net revenues	**177.1**	**179.3**	*1.2%*	**181.0**	**184.7**	*2.1%*	**184.8**	**189.3**	*2.5%*
Value of production	**179.5**	**181.4**	*1.1%*	**183.4**	**186.9**	*1.9%*	**187.3**	**191.7**	*2.4%*
Reported EBITDA	**18.1**	**19.7**	*8.7%*	**18.6**	**20.6**	*10.9%*	**19.2**	**21.4**	*11.2%*
% margin on net sales	*10.2%*	*11.0%*		*10.3%*	*11.1%*		*10.4%*	*11.3%*	
D&A	(9.7)	(10.8)		(10.0)	(10.9)		(10.2)	(11.1)	
% on net sales	*5.5%*	*6.0%*		*5.5%*	*5.9%*		*5.5%*	*5.8%*	
Writedowns/Provision	(0.1)	(0.1)		(0.1)	(0.1)		(0.1)	(0.1)	
% on net sales	*0.0%*	*0.0%*		*0.0%*	*0.0%*		*0.0%*	*0.0%*	
Reported EBIT	**8.3**	**8.8**	*6.0%*	**8.5**	**9.6**	*12.3%*	**9.0**	**10.3**	*14.3%*
% margin on net sales	*4.7%*	*4.9%*		*4.7%*	*5.2%*		*4.9%*	*5.4%*	
Pretax	**5.7**	**6.6**	*15.8%*	**6.6**	**7.6**	*16.0%*	**7.5**	**8.4**	*12.0%*
Taxes	(1.3)	(1.1)		(1.5)	(1.8)		(1.8)	(2.0)	
% tax load ratio	*23.5%*	*16.5%*		*23.5%*	*23.5%*		*23.5%*	*23.5%*	
Minorities	(0.1)	(0.1)		(0.1)	(0.1)		(0.1)	(0.1)	
Net income	**4.3**	**5.5**	*26.4%*	**5.0**	**5.8**	*16.0%*	**5.8**	**6.5**	*12.0%*
% margin on net sales	*2.4%*	*3.1%*		*2.8%*	*3.2%*		*3.1%*	*3.4%*	
Net Financial Position	**(29.8)**	**(28.3)**	*-4.9%*	**(26.3)**	**(24.8)**	*-5.7%*	**(22.5)**	**(20.3)**	*-9.7%*
Operating Working Capital	**42.7**	**42.8**	*0.4%*	**43.6**	**44.9**	*3.0%*	**44.5**	**46.2**	*3.7%*
Capex	**9.4**	**9.3**	*-0.7%*	**8.1**	**8.3**	*2.1%*	**8.3**	**8.5**	*2.5%*

Source: Websim Corporate estimates

Company in Brief

Business description

Neodecortech is one of the leading European players in the production of decorative surfaces for laminated panels and flooring for the interior design sector. Listed on the STAR segment since 2021, the Group covers all stages of the production process: from raw material selection to printing and surface finishing, through impregnation and logistics management. NDT offers 8 product categories and over 1,000 available designs. Through its Energy division, the Group is also engaged in the cogeneration of electricity and steam, supporting the efficiency and sustainability of the production process.

Management

CEO: Luigi Cologni
Chairman: Gianluca Valentini
CFO: Marina Fumagalli
Executive Director: Massimo Giorgilli

Shareholders

Finanziaria Valentini S.p.A.	58.6%
Azimut Investment SA	5.0%
Azioni proprie	5.0%
Mkt float	41.4%

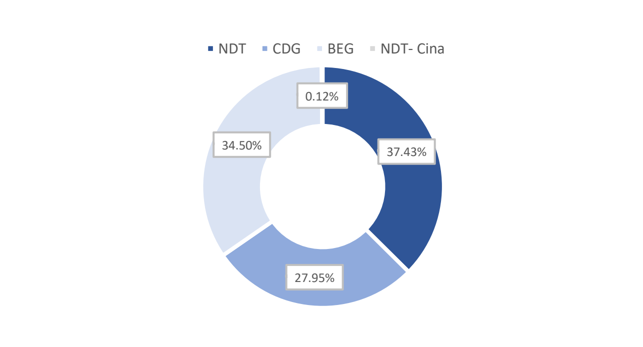
Strengths/Opportunities

- Integrated business model, capable of optimizing operational performance and reducing costs.
- Highly diversified product portfolio with over 1,000 designs.
- Innovation capability supported by R&D investments, enabling penetration into new market segments (kraft paper).

Risks/Weaknesses

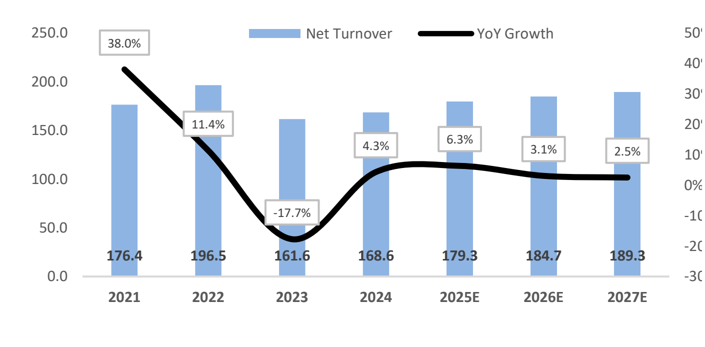
- Potential intensification of competition from large German and Chinese market players.
- Regulatory risk, related to possible changes in the Italian energy market framework.

Neodecortech: 9M25 Breakdown of Revenues by Business Unit



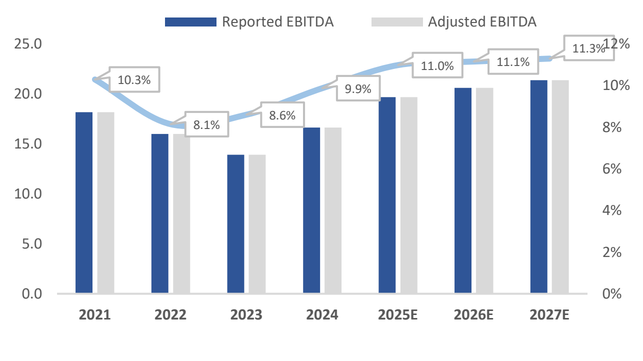
Source: Company Data

Neodecortech: 2021-27E Net Turnover (€ mn) & YoY Growth (%)



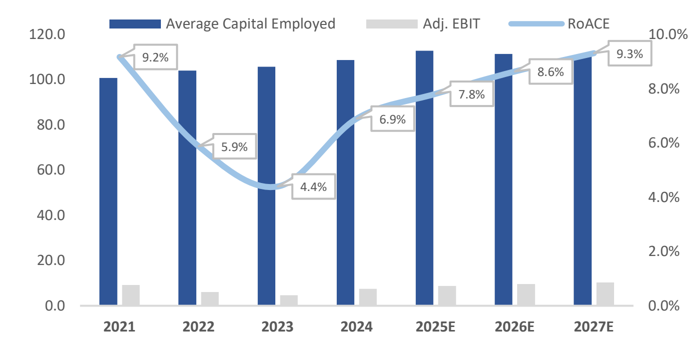
Source: Company Data & Websim Corporate estimates

Neodecortech: 2021-27E EBITDA (€ mn) & EBITDA Margin (%)



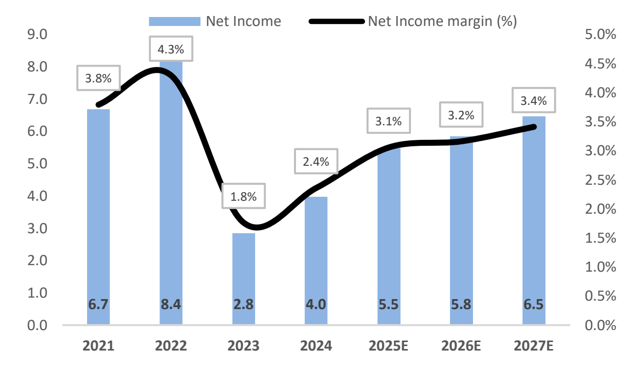
Source: Company Data & Websim Corporate estimates

Neodecortech: 2021-2027E RoACE Evolution (%)



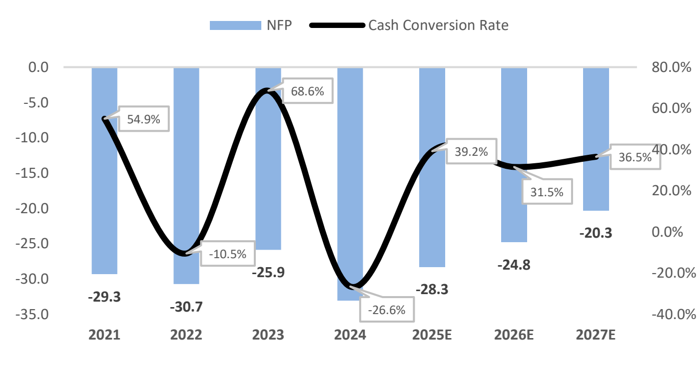
Source: Company Data & Websim Corporate estimates

Neodecortech: 2021-27E Net Income (€ mn) & Net Income Margin (%)



Source: Company Data & Websim Corporate estimates

Neodecortech: 2021-27E Net Income (€ mn) & Net Income Margin (%)



Source: Company Data & Websim Corporate estimates

DETAILS ON STOCKS RECOMMENDATION			
Stock NAME	**NEODECORTECH**		
Current Recomm:	BUY	Previous Recomm:	BUY
Current Target (Eu):	5.10	Previous Target (Eu):	4.95
Current Price (Eu):	3.20	Previous Price (Eu):	3.06
Date of report:	18/11/2025	Date of last report:	07/08/2025

Intermonte

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.
This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.
The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.
This disclaimer is constantly updated on Intermonte's website www.intermonte.it under LEGAL NOTICES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the web page CUSTOMER AREA.
Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors ("Majors") and other Qualified Institutional Buyers ("QIBs"), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is not a member of the Securities Investor Protection Corporation ("SIPC"). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.
The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities. Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.
The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Avenue, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (**DCF**) model or similar methods such as a dividend discount model (**DDM**)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium between 5.5% - 6.0% are being used.
Frequency of research: quarterly.
Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.
A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.
Explanation of our ratings system:
BUY: stock expected to outperform the market by over 25% over a 12 month period;
OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;
NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;
UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;
SELL: stock expected to underperform the market by over 25% over a 12 month period.
Prices: The prices reported in the research refer to the price at the close of the previous day of trading

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.
As at 18 November 2025 Intermonte's Research Department covered 131 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	32.06%
OUTPERFORM:	37.40%
NEUTRAL:	29.78%
UNDERPERFORM:	00.76%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (77 in total) is as follows:

BUY:	50.65%
OUTPERFORM:	29.87%
NEUTRAL:	18.18%
UNDERPERFORM:	01.30%
SELL:	00.00%

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:
Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of ABITARE IN, AZIMUT, EL.EN., ELICA, INTERCOS, INTRED, PHARMANUTRA, SESA, STAR7, SYS-DAT, TMP GROUP, UNIDATA, VALSOIA, WEBUILD
Intermonte SIM S.p.A. provides or has provided corporate brokerage services to ALLCORE, ALMAWAVE, ANTARES VISION, AQUAFIL, AVIO, CASTA DIVA GROUP, CUBE LABS, CY4GATE, CYBEROO, DOMINION HOSTING HOLDING, ELICA, ESPRINET, EVISO, EXECUS, FINE FOODS & PHARMACEUTICALS NTM, FNM, FRANCHI UMBERTO MARMI, G.M. LEATHER, GPI, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTRED, ISCC FINTECH, LEMON SISTEMI, LUVE, MAPS, MARE ENGINEERING GROUP, NEODECORTECH, NOTORIOUS PICTURES, PREATONI GROUP, REDELFI, REDFISH LONGTERM CAPITAL, REVO INSURANCE, REWAY GROUP, SERI INDUSTRIAL, SPINDOX, STAR7, TALEA GROUP, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA **in the last 12 months**
Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company ALLCORE, ALMAWAVE, B&C SPEAKERS, BANCA SISTEMA, BIFIRE, CASTA DIVA GROUP, COFLE, CROWDFUNDME, CUBE LABS, DIGITOUCH, DOMINION HOSTING HOLDING, ECOSUNTEK, EDILIZIACROBATICA, ELES, ENERGY, EVISO, EXECUS, FIERA MILANO, FILA, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTERCOS, INTRED, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MISITANO & STRACUZZI SPA, NEODECORTECH, NOTORIOUS PICTURES, OLIDATA, OSAI AUTOMATION SYSTEM, PREATONI GROUP, RACING FORCE, REDELFI, REDFISH LONGTERM CAPITAL, RETI, SCIUKER FRAMES, SG COMPANY, SIMONE, SPINDOX, TALEA GROUP, TAMBURI, TINEXTA, TMP GROUP, TPS, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of MARE ENGINEERING GROUP, TINEXTA
Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA
Intermonte SIM has acted as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying.
Intermonte SIM is acting as financial advisor to Banca CF+ in the context of the public tender offer promoted on Banca Sistema.
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for AQUAFIL, BANCA GENERALI, BANCA IFIS, BANCO BPM, MARE ENGINEERING GROUP, TINEXTA
Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA GENERALI, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD
Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N, WISDOMTREE IRELAND LIMITED
Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, ALKEMY, BANCA IFIS, BANCA SISTEMA, COFLE, CYBEROO, DIGITOUCH, ECOSUNTEK, EL.EN., EMAK, ENERGY, GREEN OLEO, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, QF ALPHA IMM, REPLY, SERVIZI ITALIA, SESA, SG COMPANY, SOMEC, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA, WIIT **with the obligation to disseminate studies**
Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website https://www.intermonte.it/it/avvertenze-legali/mifid-ii.html
Further information is available.