

Neodecortech

Sector: Industrials

The finishing touch in interior design

Driving innovation in decorative surfaces. Neodecortech has successfully built a vertically integrated group setting the standard in decorative surfaces technology, gaining market share in Europe while leveraging internal energy production as a key competitive advantage. This has supported solid growth, resilience in a volatile environment and attractive margins. A structural shift toward higher-margin surfaces and laminates, synergies from the recent Lamitex acquisition and further value chain integration set the foundation for continued value creation. We initiate coverage with BUY and a TP of Eu5.0/share (42% upside).

- **A vertically integrated model across the decorative surfaces value chain.** Neodecortech operates through three highly synergistic business segments covering the entire decorative surfaces value chain: surface printing and impregnation (NDT, 37% of FY25 revenues), decorative base paper manufacturing (Cartiere di Guarcino, 32%), and energy generation (Bio Energia Guarcino, 34%). In FY25 the group generated Eu184.1mn of revenues. This structure enables the group to maintain tight control over raw materials, production costs and energy supply, providing structural advantages in terms of operational flexibility, cost efficiency and time-to-market. The integration of the Guarcino paper mill and the cogeneration energy plant reduces exposure to input volatility and enhances margin stability, particularly in an industry characterised by significant energy intensity and cyclical raw-material dynamics.
- **Structural shift toward higher value-added decorative surfaces.** The group has progressively expanded downstream along the interior surfaces value chain, moving from base decorative papers toward laminates, advanced surface technologies and thermoplastic films used in visible furniture components. This shift increases exposure to segments where design, customization and surface performance drive customer decisions and pricing power. The 2025 acquisition of Lamitex, a specialist in decorative laminates for furniture components and interior architecture, marks a key strategic milestone, strengthening downstream positioning, diversifying the customer base and unlocking cross-selling opportunities. We believe this transition toward visible and design-driven surfaces should progressively enhance profitability, product mix and competitive differentiation.
- **Exposure to structurally growing interior design markets.** The home décor and surfaces market is supported by resilient LT drivers including renovation activity, urbanisation and increasing focus on interior aesthetics and design quality. Decorative papers and laminates represent attractive alternatives to traditional materials, offering durability, flexibility and cost efficiency while replicating premium natural surfaces. The global décor paper market is expected to grow at 2.5% CAGR 26-30, reaching USD128bn, with Europe representing a key value market driven by design-led furniture manufacturing. Within this context, market expansion should remain supported by the structural shift toward engineered decorative surfaces and the rising importance of design-driven interior solutions.
- **Improving profitability and strong cash generation profile.** Looking ahead, we expect the group to deliver gradual revenue expansion and improving profitability, supported by the ongoing shift toward higher value-added products and the integration of Lamitex. Over the FY24-28E period we forecast +3.1% CAGR in revenues and +6.3% CAGR in EBITDA, with EBITDA margin reaching 11.1% in 2028, reflecting an improved product mix and operational synergies. Strong cash generation (>12% FCF yield on average) and disciplined capital allocation should support deleveraging, positioning the group for further strategic investments or selective M&A.
- **We initiate with BUY, TP Eu5.0/share.** We value Neodecortech using a weighted valuation approach combining DCF (60%) and SOTP (40%), reflecting the diversified nature of the group's activities across three main divisions. Our method yields a target price of Eu5.0/share, implying a potential upside of 42% on current price. We initiate coverage with BUY, supported by the group's differentiated industrial positioning, improving profitability profile and attractive valuation relative to European peers.

BUY

New Coverage

TP 5.0

New Coverage

Target price upside 42%

Ticker (BBG, Reut)	NDT IM	NDT MI
Share price Ord. (Eu)		3.5
N. of Ord. shares (mn)		13.4
Total N. of shares (mn)		13.4
Market cap (Eu mn)		47
Total Market Cap (EU mn)		47
Free Float Ord. (%)		18%
Free Float Ord. (Eu mn)		9
Daily AVG liquidity Ord. (Eu k)		44

	1M	3M	12M
Absolute Perf.	-10.5%	3.0%	19.7%
Rel. to FTSEMidCap	-4.2%	6.9%	7.0%
52 weeks range		2.5	3.9



	FY25A	FY26E	FY27E
Sales	184	184	187
EBITDA	20.9	18.6	20.1
Net profit	7.3	4.8	5.7
EPS adj.	0.55	0.36	0.43
DPS - Ord.	0.15	0.15	0.15
EV/EBITDA	3.4x	4.0x	3.6x
P/E adj.	5.5x	9.8x	8.2x
Dividend yield	4.9%	4.3%	4.3%
FCF yield	25.6%	16.8%	9.8%
Net debt/(Net cash)	30.9	29.0	26.4
Net debt/EBITDA	1.5x	1.6x	1.3x

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ALANTRA

Italian Equity Research

Summary Financials (IFRS)

P&L account (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Net Revenues	168.6	184.1	184.0	186.8	190.8
Gross Margin	na	na	na	na	na
EBITDA reported	16.6	20.9	18.6	20.1	21.2
D&A	(9.1)	(10.5)	(10.5)	(10.9)	(10.8)
EBIT reported	7.5	10.4	8.1	9.2	10.5
Net financial charges	(2.3)	(2.1)	(2.3)	(2.3)	(2.3)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	5.2	8.3	5.8	6.9	8.2
Taxes	(1.2)	(1.0)	(1.0)	(1.2)	(1.4)
Minorities	0.1	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	4.1	7.3	4.8	5.7	6.8
EBITDA adjusted	16.6	20.9	18.6	20.1	21.2
EBIT adjusted	7.5	10.4	8.1	9.2	10.5
Net profit adjusted	4.1	7.3	4.8	5.7	6.8

Margins (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Gross margin	na	na	na	na	na
EBITDA margin	9.9%	11.3%	10.1%	10.8%	11.1%
EBIT margin	4.4%	5.6%	4.4%	4.9%	5.5%
Pre-tax margin	3.1%	4.5%	3.2%	3.7%	4.3%
Net profit margin	2.4%	4.0%	2.6%	3.1%	3.6%

Growth rates (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Sales	-17.5%	9.2%	0.0%	1.5%	2.1%
EBITDA	4.0%	25.5%	-10.8%	7.9%	5.8%
EBITDA adjusted	4.0%	25.5%	-10.8%	7.9%	5.8%
EBIT	22.6%	38.8%	-22.0%	13.7%	13.7%
EBIT adjusted	22.6%	38.8%	-22.0%	13.7%	13.7%
Pre-tax	-44.0%	59.9%	-29.9%	19.1%	18.3%
Net profit	-51.9%	79.9%	-33.9%	19.1%	18.3%
Net profit adjusted	-51.9%	79.9%	-33.9%	19.1%	18.3%

Per share data	FY24A	FY25A	FY26E	FY27E	FY28E
Shares	13.80	13.58	13.36	13.36	13.36
N. of shares AVG	13.36	13.36	13.36	13.36	13.36
N. of shares diluted AVG	13.90	13.69	13.47	13.36	13.36
EPS	0.30	0.55	0.36	0.43	0.51
EPS adjusted	0.30	0.55	0.36	0.43	0.51
DPS - Ord.	0.12	0.15	0.15	0.15	0.15
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	6.04	6.49	6.71	6.99	7.34

Enterprise value (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Share price Ord. (Eu)	3.07	3.00	3.52	3.52	3.52
Market cap	41.0	40.1	47.0	47.0	47.0
Net debt/(Net cash)	33.1	30.9	29.0	26.4	24.0
Adjustments	(1.9)	(1.0)	(1.0)	(0.9)	(0.9)
Enterprise value	72.2	70.1	75.1	72.5	70.1

Source: Company data, Alantra estimates

Cash flow (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
EBITDA report	16.6	20.9	18.6	20.1	21.2
Net financial charges	(2.3)	(2.1)	(2.3)	(2.3)	(2.3)
Cash taxes	(1.2)	(0.9)	(1.0)	(1.2)	(1.4)
Ch. in Working Capital	(10.4)	5.9	2.1	(2.0)	(2.7)
Other operating items	0.7	(1.9)	(0.0)	0.0	0.0
Operating cash flow	3.5	21.8	17.4	14.6	14.9
Capex	(10.0)	(11.6)	(9.5)	(10.0)	(10.5)
FCF	(6.5)	10.3	7.9	4.6	4.4
Disposals/Acquisitions	(0.0)	(3.5)	(4.0)	0.0	0.0
Changes in Equity	(0.7)	0.4	0.0	0.0	0.0
Others	0.0	(3.3)	0.0	0.0	0.0
Dividends	0.0	(1.7)	(2.0)	(2.0)	(2.0)
Ch. in NFP	(7.2)	2.2	1.9	2.6	2.4

Ratios (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Capex/Sales	5.9%	6.3%	5.2%	5.4%	5.5%
Capex/D&A	1.1x	1.1x	0.9x	0.9x	1.0x
FCF/EBITDA	-39.2%	neg	42.5%	23.1%	20.7%
FCF/Net profit	-160.7%	neg	164.1%	80.7%	64.6%
Dividend pay-out	42.4%	27.4%	41.5%	34.8%	29.5%

Balance sheet (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Working capital	42.5	38.3	36.2	38.2	40.9
Fixed assets	78.7	87.6	90.6	89.7	89.5
Provisions & others	(7.3)	(8.2)	(8.2)	(8.2)	(8.3)
Net capital employed	113.8	117.7	118.6	119.7	122.1
Net debt/(Net cash)	33.1	30.9	29.0	26.4	24.0
Equity	80.7	86.8	89.6	93.3	98.1
Minority interests	0.0	0.1	0.1	0.0	0.0

Ratios (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Working capital/Sales	25.2%	20.8%	19.7%	20.5%	21.4%
Net debt/Equity	41.0%	35.6%	32.4%	28.3%	24.5%
Net debt/EBITDA	2.0x	1.5x	1.6x	1.3x	1.1x

Valuation	FY24A	FY25A	FY26E	FY27E	FY28E
EV/CE	0.6x	0.6x	0.6x	0.6x	0.5x
P/BV	0.5x	0.5x	0.5x	0.5x	0.5x
EV/Sales	0.4x	0.4x	0.4x	0.4x	0.4x
EV/EBITDA	4.3x	3.4x	4.0x	3.6x	3.3x
EV/EBITDA adjusted	4.3x	3.4x	4.0x	3.6x	3.3x
EV/EBIT	9.7x	6.7x	9.3x	7.9x	6.7x
EV/EBIT adjusted	9.7x	6.7x	9.3x	7.9x	6.7x
P/E	10.1x	5.5x	9.8x	8.2x	6.9x
P/E adjusted	10.1x	5.5x	9.8x	8.2x	6.9x
ROCE pre-tax	10.9%	8.4%	6.4%	7.2%	8.1%
ROE	5.0%	8.4%	5.4%	6.2%	6.9%
EV/FCF	-11.1x	nm	nm	15.6x	16.0x
FCF yield	-15.9%	25.6%	16.8%	9.8%	9.3%
Dividend yield	4.1%	4.9%	4.3%	4.3%	4.3%

Strengths

- Vertical integration across the value chain
- Premium product positioning
- Comprehensive coverage of interior design surface applications
- Progressive downstream expansion

Opportunities

- Product premiumisation
- Sustainability and circular economy positioning
- Expansion potential in new geographies
- M&A to accelerate business expansion

Weaknesses

- Exposure to cyclical end markets
- Revenue are affected by energy regulation changes
- Customer concentration
- Energy division might lead to some WC volatility

Threats

- Regulatory and energy incentive changes
- Raw material price volatility
- Competition from larger players in lower-tier product segments
- Technological obsolescence and rapid innovation cycles

Key shareholders

Finanziaria Valentini: 58.6%
Azimut: 5.0%
Treasury shares: 2.9%
Market: 33.5%

Management

Luigi Cogni - CEO
Massimo Giorgilli - CEO BEG, CEO CG
Marina Fumagalli - CFO

Next events

AGM: 28/04/26
1Q26: 13/05/26
2Q26: 05/08/26
3Q26: 06/11/26

Executive Summary

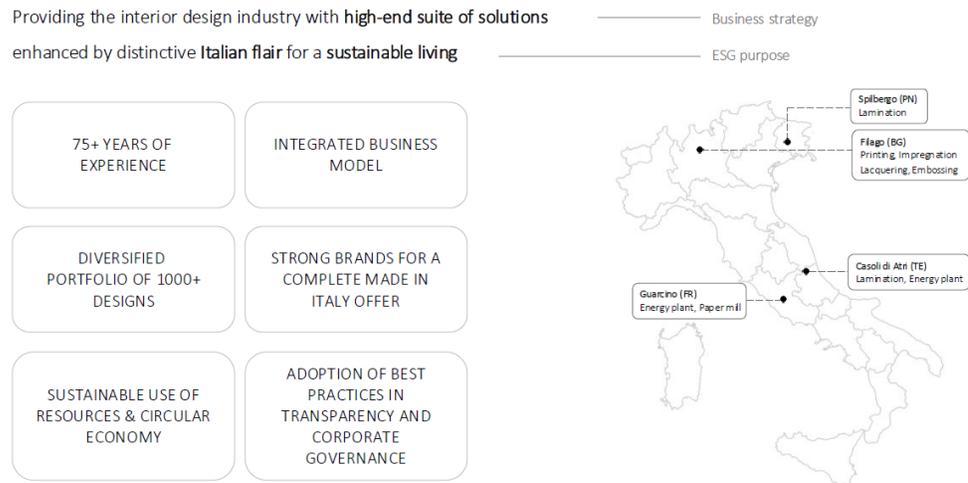
Neodecortech combines decorative base paper production, surface printing and impregnation, and internal energy generation within a fully integrated industrial platform. This structure provides strong control over key inputs and production costs, supporting margin resilience in an energy-intensive industry. At the same time, the group is progressively shifting toward higher value-added surfaces and laminates used in visible furniture components. The recent Lamitex acquisition further strengthens downstream positioning and exposure to premium decorative laminates. We initiate coverage with BUY and a TP of Eu5.0/share (42% upside).

Multi-surface specialist for interior design

Neodecortech is a vertically integrated Italian player active in high-end decorative surfaces for furniture, flooring and interior design. Founded in 1947 and listed on Euronext Milan (STAR) since 2021, the group generated Eu184.1mn of revenues in FY25. The group operates through three integrated segments: surface printing and impregnation (NDT, 37% of FY25 sales), decorative paper manufacturing (Cartiere di Guarcino, 32%) and energy generation (Bio Energia Guarcino, 34%). This structure enables full control of the value chain, from paper production and energy supply to finished surfaces such as printed papers, melamine films, CPL/CLPL laminates and thermoplastic solutions (PVC and rPET). The 2025 acquisition of Lamitex further strengthens the downstream positioning in premium decorative laminates for furniture components and interior architecture, increasing exposure to more fragmented and higher-margin segments. Neodecortech serves leading furniture, flooring and furniture parts manufacturers, with c.40% of sales generated abroad (35% in Europe ex-Italy). The group is controlled by Finanziaria Valentini (58.6%), with a free float of 33.5%.

Company overview

A vertically integrated Italian manufacturer of high-end decorative surfaces



Source: Company information

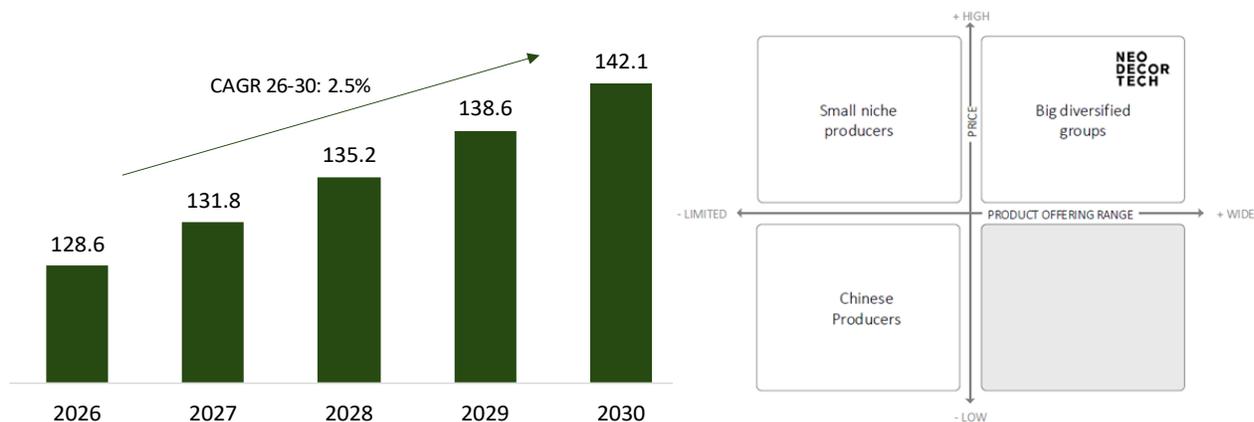
Competitive positioning in a fragmented market

The home décor paper industry is expected to grow at a CAGR 26-30 of 2.5%, reaching USD128bn. China dominates global volumes, however, Europe is a key market by value, led by Germany (36% of European decorative paper market), followed by Italy, the UK, France and Spain. Market growth is driven by renovation activity and new residential construction, alongside the increasing adoption of decorative and laminate-based surfaces offering superior durability, design flexibility and cost efficiency versus traditional materials such as solid wood or ceramic. We see that the Made in Italy allure is relevant here, carrying long lasting prestige and

added value. In this context, Neodecortech benefits from a strong competitive positioning, supported by high barriers to entry, a vertically integrated model, long-standing customer relationships, and a premium, broad-based product offering with strong R&D capabilities.

Global home décor market evolution (LHS; USDbn; 2026E-30E) and NDT competitive positioning

The home décor market is expected to reach over USD142bn with a CAGR of 2.5% 2026-30E



Source: Statista and Company presentation

Further premiumisation and vertical integration

Neodecortech's strategy is focused on driving growth through premiumisation and deeper penetration of higher value-added surface applications, while reinforcing vertical integration. Strategic priorities include the potential acquisition of a small specialty paper mill (e.g. coloured kraft) to strengthen upstream capabilities, extracting industrial and commercial synergies from Lamitex, and expanding internationally through selected regions like in the Middle East and North America. This is expected to increase exposure to more fragmented, higher-margin customer segments while preserving cost competitiveness through integration and energy efficiency. Stronger exploitation of intercompany energy sourcing remains a key strategic priority. The group is expected to benefit from further optimization of the BEG plant, increasing the internal usage rate of thermal energy to around 50%. Moreover, the group is evaluating the development of a new solid-biomass plant as part of its decarbonisation strategy, which could materially reduce gas consumption and emissions while supporting long-term industrial sustainability.

NDT: key strategic pillars

NDT is expected to increase its presence into high-margin segments and increase vertical integration organically and via M&A



Source: Company presentation

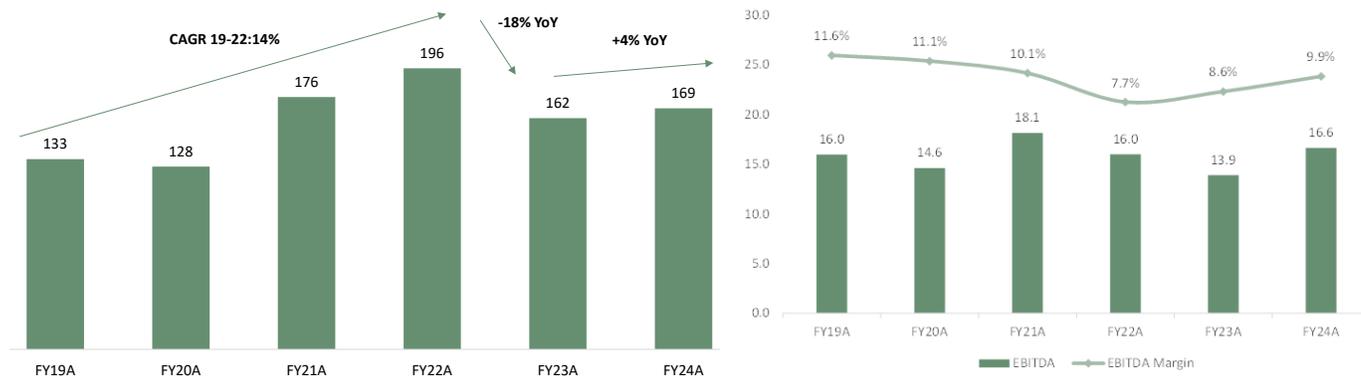
Vertical integration helped margins amid cyclicality

Over FY20-24, the group registered some revenue volatility, mainly driven by three key factors: 1) end-market cyclicality in furniture, 2) energy price dynamics (including incentives), and 3) raw material pass-through effects.

Following the post-pandemic rebound and energy cycle peak, 2023 marked normalization, while 2024 showed stabilization and margin recovery. The energy division (BEG) remains a structural EBITDA stabilizer, pushed by market incentives and securing cost savings that cushioned industrial softness. EBITDA averaged 9.5% over the period, recovering close to 10% in 2024. Leverage remains disciplined at 2.0x Net debt/EBITDA, supported by a predominantly variable cost base and controlled capex

Historical revenue (FY19-24A; Eumn; LHS) and EBITDA evolution (FY19-24A; Eumn; RHS)

Post-pandemic rebound, energy cycle and subsequent normalization shaping topline dynamics. BEG division helped in shielding EBITDA fluctuations



Source: Alantra elaborations on company information

Road to a structural double-digit EBITDA margin

We expect 2026 to maintain a sustained momentum in the printed decorative paper segment, a stable decorative paper division, and a strong contribution from the recently acquired Lamitex, partially offset by weaker economics from the Guarcino Energy division, exacerbated by the extraordinary 2025 performance. In fact, while we expect the other core businesses to grow in 2026, we factor in weaker YoY sales from BEG, following the implications of the new DL Energia, which lowers incentives compared to previous years. All in all, we expect Neodecortech to post a +3.1% FY24-28E CAGR in sales reaching Eu190.8mn, mainly driven by NDT's shift toward higher-value segments (8.6% CAGR 24-28). EBITDA should increase at a +6.3% FY24-28E CAGR to Eu21.2mn, with the EBITDA margin rising from 9.9% of net sales to 11.1%. The gain in profitability stems from an improved pricing mix and increased cost synergies from the Lamitex acquisition, as well as stronger vertical integration through BEG. EBIT and net profit should reach around Eu10.5mn/5.5% margin and Eu6.8mn/3.6%, respectively, in 2028E.

Net Sales by division (LHS) and EBITDA (RHS) evolution (FY26-28E, Eumn)

NDT should grow at 3.1% and 6.3% FY24-28E CAGR in net sales and EBITDA, respectively. The printed dec. paper should remain the main BU by 2028 on both metrics.

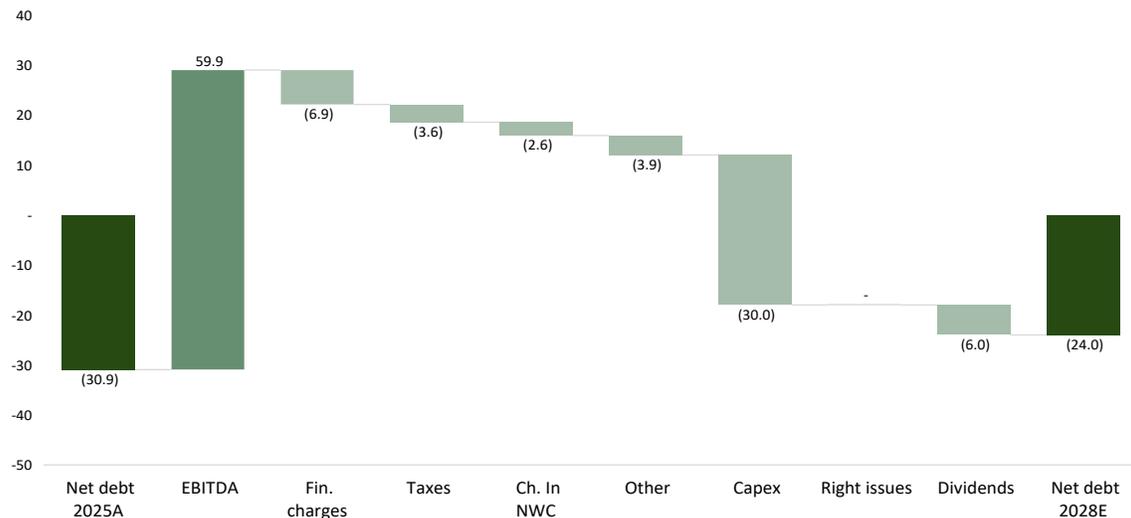


Deleveraging drives FCF yield to 10% in 2028E

While the business is asset intensive, Neodecortech is expected to continue to maintain a diligent NWC management with NWC/sales weighing only 20.5% on average 2026E-28E. Capex, mainly including maintenance, should remain at c.5.5% of sales, broadly in line with historical average. All in all, FCF/EBITDA conversion should reach >20% by 2028 with a FCF yield averaging at 12.4% in the forecasted period (10% by FY28E), mainly driven by operational profitability expansion and tight control over BS items. This should lead to a gradual deleveraging with net cash position by 28E of Eu24.0mn, an expected decrease in net debt/EBITDA from 1.5x to 1.1x, despite considering an average dividend pay-out of over 35% for the forecasted period.

2025-28E Net debt bridge

We expect a gradual deleveraging with net debt decreasing from Eu30.9mn in 25E to Eu24.0mn (FY25 net debt/EBITDA of 1.5x down to 1.1x in FY28E), despite considering an average dividend pay-out of 35% for the forecasted period.



Source: Company data, Alantra estimates

Valuation: TP of Eu5.0/share

We value NDT using a weighted average approach: a DCF model (60%) and a SOTP valuation (40%). The latter is based on a mix of FY26E peer multiples for the printed decorative paper and energy production businesses, and transaction multiples for the paper mills division. We struggled to find directly listed comparables that are vertically integrated and solely exposed to the furniture end market. However, to establish a valuation benchmark, we considered European manufacturers of coated surfaces, wallpapers, and laminate flooring for the printed decorative paper BU. The selected peer group has higher liquidity and a larger market capitalization than NDT (average market cap of c.Eu330mn). For the energy production division, we selected Italian-listed companies. Although these players are large, diversified multi-utilities, we believe their multiples embed the domestic energy cycle, which is closely tied to nationwide regulation. In our view, this provides a correlated benchmark for valuing the Guarcino Energy business, after applying a 20% discount. Lastly, given the lack of listed pure-play paper mills, we selected recent European M&A transaction multiples as a valuation reference. We believe the DCF methodology is better suited to capture the group FCF generation potential. In our DCF valuation, we assume a five-year forecast period, a WACC of 8.8%, and a terminal growth rate of 1.0%. The weighted average of both methods yields a TP of Eu5.0/s, implying a potential upside of 42%. BUY.

Valuation methods and TP calculation

We value Neodecortech at Eu5.0/share

Method	Equity Value		
	(Eu mn)	(Eu per share)	Weight (%)
DCF, 8.8% WACC, 1% g	70.3	5.3	60%
SOTP	62.8	4.7	40%
Weighted AVG	67.3	5.0	

Source: Alantra

Main risks. We believe that the main risks related to Neodecortech's business are: 1) dependency on energy regulations and incentive schemes; 2) limited size compared to large players; 3) exposure to natural gas price volatility; 4) volatility in raw material costs; 5) limited customer diversification; 6) indirect exposure to US tariffs; 7) potential increased competition from Chinese producers; and 8) dependence on a few key people.

Multi-surface specialist for interior design

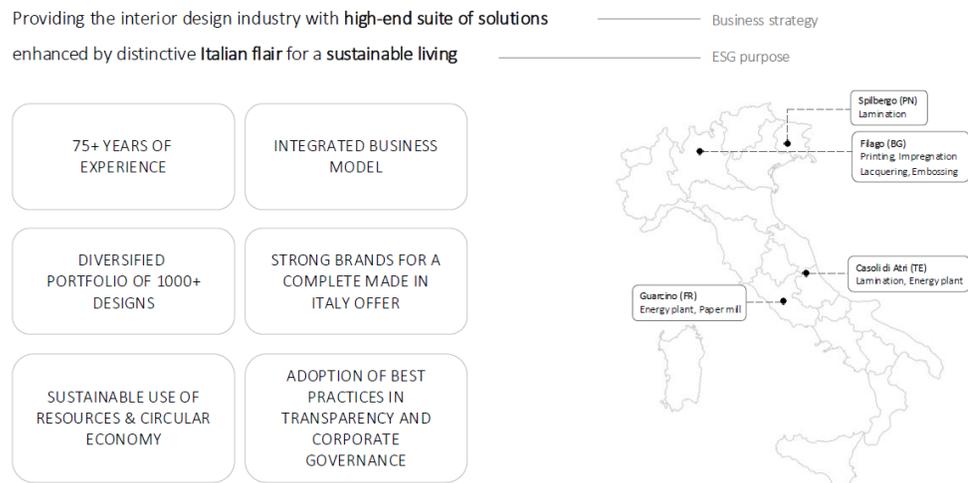
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A vertically integrated player with diversified decorative surfaces

Neodecortech is a vertically integrated Italian group active in decorative surfaces for the interior design and flooring industries, with a distinctive positioning thanks to its product design, technology and industrial know-how. Over the past decade, the group has progressively evolved from a traditional decorative paper producer into a multi-material, multi-surface manufacturer. The group is pursuing a shift toward product premiumisation, portfolio diversification and selective value-accretive M&A, while simultaneously deepening its integration along the value chain. Founded in 1947 in Italy and listed on Euronext Milan (STAR segment) since 2021, Neodecortech generated Eu184.1mn of revenues in FY25, leveraging a broad portfolio of high-end décor solutions that span decorative papers, melamine films, finish foils, laminates and advanced thermoplastic surfaces (PVC and rPET). The group has a global presence (c.40% of sales are made outside Italy) and a strong focus on key markets such as Europe (35%, ex-Italy), pivoting on its Made in Italy DNA and high-end product reputation. The group is controlled by Finanziaria Valentini, the holding company of the Valentini family, which owns 58.6% of the share capital, while the remaining shares are held by the market with a free float of 33.5%.

Company overview

A vertically integrated Italian manufacturer of high-end decorative surfaces



Source: Company information

The group operates through a highly synergistic industrial structure built around three core segments (printed decorative paper/Neodecortech, decorative paper/Cartiere di Guarcino and Guarcino Energy), each addressing a distinct phase of the decorative surfaces value chain, and complemented by a recently added downstream platform following the acquisition of Lamitex, a specialist in premium decorative laminates for furniture and interior architecture:

- **Neodecortech (NDT) - Printed decorative paper (37% of revenues; 7.6% EBITDA margin):** Neodecortech represents the core operational hub of the group and is active in the printing, impregnation, lacquering and lamination of decorative surfaces. The division produces a broad range of decorative surfaces, including paper-based products, such as printed decorative papers, melamine-impregnated papers, finish foils and paper-based laminates (CPL), as well as an increasingly relevant portfolio of advanced surface solutions, notably anti-fingerprint laminates (EOS) and thermoplastic films (PVC and rPET), serving the furniture, flooring and interior markets.

The business is characterised by high technical, design content and a customer-centric approach, with close collaboration with OEM clients in the furniture and flooring industries.

The group leverages on three main brands: Confalonieri (Printed and impregnated decorative papers); Plana (Plastic film) and Texte (CPL laminates).

Neodecortech benefits structurally from its integration with the paper mill and the energy platform, enabling flexibility, time-to-market and cost efficiency. In FY25, the division accounted for 37% of group revenues. Operations are primarily located in Filago (Bergamo), which hosts the group’s main printing and impregnation facilities, and Casoli di Atri (Teramo), dedicated to lamination activities.

- **Lamitex - Downstream surface technologies:** Following the acquisition of Lamitex in December 2025, located in Spilimbergo (Pordenone), the group has added a downstream, higher-value surface activity focused on decorative laminates for furniture fronts, interior architecture and design-driven applications. Lamitex operates in the premium laminate segment, offering CLPL solutions with advanced aesthetic and tactile properties, and provides the group with direct access to distribution channels and a broader customer base within the furniture components market.

Neodecortech’s brands of the printed decorative paper division

A wide and differentiated offer of high-tech surfaces



CONFALONIERI

- Printed decorative papers (DEC)
- Melamine-impregnated papers (MEL)
- Finish-foils mainly for the furniture, laminate flooring and camper/caravan segments (FINISH)



PLANA

- EOS Thermo Plastic (rPET)
- Polymeric printed films (PPF) addressed to the Luxury Vinyl Tiles flooring segment (PVC, PET, PP)
- Plastic printed laminated films (PPLF)



TEXTE

- Paper-based laminates made for the covering, doors and surfaces segments:
- Microtop
 - Thin Top
 - EOS laminate



Lamitex

- Paper-based laminates made for interior surfaces and the furnishing elements:
- CLPL® Sincrolam
 - CPL Sincrolam
 - Sincropan

Source: Company information

- **Cartiere di Guarcino (CDG) - Decorative paper production (29% of revenues; 7.9% EBITDA margin):** Based in Guarcino (Frosinone), Cartiere di Guarcino is the group’s paper manufacturing arm, producing base papers, solid colour papers, balancing papers and technical support papers for high- and low-pressure laminates and flooring applications. Established in 1990, the division counts 180 employees over a 144sqm facility and can produce around 50k tons of paper/year.

Decorative paper product portfolio

Technical characteristics, applications and positioning across furniture and flooring

Product Type	Key Characteristics	Grammage (g/m ²)	Colors	Main Applications	Processing & Notes	Sample Image (illustrative)
Unicolor Paper	Paper designed exclusively for impregnation; color applied during manufacturing as the sole decorative element. Characterized by low porosity and high opacity.	60–120	Standard or customized	Office furniture, residential furniture	Uniform color consistency is critical. Final performance depends on the resins used during impregnation. Subsequently transformed into laminates or melamine-faced panels.	
Balancing Paper	Technical paper used to stabilize laminated flooring structures.	60–120	Brown or customized	Laminate flooring	Applied to the back of MDF/HDF panels to counterbalance the decorative surface and prevent warping.	
Print Base Paper	Smooth, calendered paper optimized for high-quality rotogravure and digital printing.	50–105	Standard or customized	Flooring, office furniture, residential furniture	Produced using 'mat on-line' technology. Printed side is later impregnated with thermosetting resins and converted into laminates or decorative panels.	
Underlay Paper	Impregnation-grade backing paper used as a support layer.	60–100	Standard or customized	Office furniture, residential furniture	Color applied during manufacturing. Used as a substrate layer on particleboard before decorative application.	

Source: Alantra elaborations on company information

The mill represents a strategic asset within the group's vertical integration, ensuring control over critical raw materials. The division operates in a niche segment of the paper market, where product performance, surface characteristics and customisation are more relevant than scale alone. Cartiere di Guarcino increasingly focuses on value-added and specialty papers, including coloured and semi-decorative kraft papers, supporting the group's premiumisation strategy.

In FY25, Cartiere di Guarcino generated 29% of consolidated revenues. The profitability of the division is structurally supported by energy integration and internal demand from Neodecortech with c. 30% of sales followed by other clients with top 10 weighing 64% of sales.

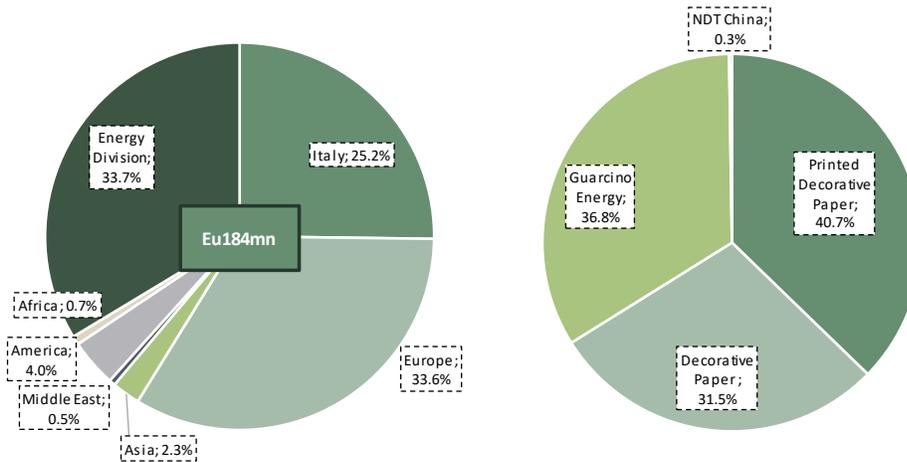
- Bio Energia Guarcino (BEG) - Energy generation (34% of revenues; 16.4% EBITDA margin):** Bio Energia Guarcino operates a cogeneration plant with an installed electrical capacity of 20MW, producing both electricity (20MW) and thermal energy (5MW) through three endothermic engines. Around 30% of electricity is consumed internally by the Cartiere di Guarcino paper mill, while the total thermal energy produced (up to 9 t/h of steam) covers around 40% of Cartiere thermal requirements. The remaining electricity is exported to the grid, historically supported by incentive schemes. The plant is fuelled by certified sustainable biofuels (mainly animal by-products and certified oils), fully aligned with the group's circular economy and ESG strategy. As a result, the group enables the paper mill to be 100% self-sufficient in electricity, while covering approximately 40% of its thermal energy needs.

From an industrial perspective, BEG plays a strategic rather than purely financial role because: 1) it materially reduces exposure to energy price volatility, 2) guarantees continuity of supply and 3) structurally improves the cost base of CDG.

In FY25, the energy division contributed 34% of group revenues, with EBITDA margin reaching a peak of 16.4%, influenced by market prices and the regulatory framework governing renewable energy incentives. BEG is also located in Guarcino (Frosinone), adjacent to the paper mill, maximising industrial synergies.

FY25 revenue breakdown by geography (LHS) and product (RHS)

A diversified geographical footprint and product mix across core business segments



Source: Alantra elaborations on company information

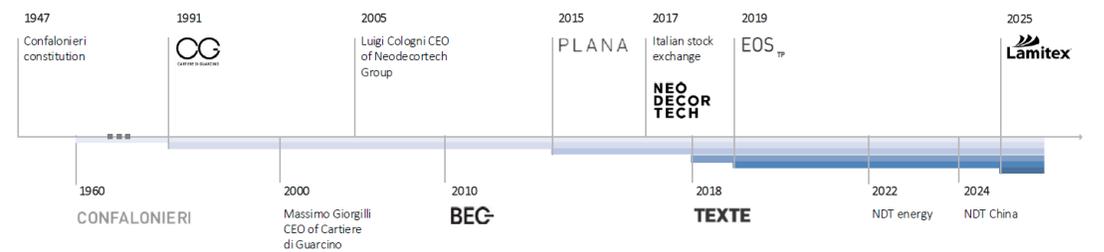
A story of made in Italy technology in the home design

Founded as a decorative paper specialist, Neodecortech initially focused on printed paper supplied in rolls to furniture and panel manufacturers. Over the past decade, as industry structures evolved, the group progressively internalised additional processing steps, expanding into impregnation, surface finishing and lamination. Building on this industrial base, Neodecortech diversified into new materials such as PVC and later into paper-based laminates and thermoplastic surfaces, addressing higher value-added and more design-driven applications. This gradual move downstream shifted the focus from panels toward visible furniture components, including doors and fronts. The acquisition of Lamitex marks the latest step in this evolution, strengthening the group's presence in decorative laminates and reinforcing its premium positioning within the interior design market.

- **1947-1990** - Foundation of Confalonieri and development of decorative paper know-how, building long-standing relationships with furniture and flooring manufacturers.
- **1991-2004** - Entry into paper manufacturing with Cartiere di Guarcino, marking the start of vertical integration and industrial scale-up.
- **2005-2010** - Appointment of Luigi Cogni as CEO and consolidation of the group's industrial platform, alongside the launch of Bio Energia Guarcino, adding energy generation as a strategic pillar.
- **2015-2017** - Acceleration of diversification through Plana (thermoplastic films) and listing on the Italian stock exchange, supporting investment and growth.
- **2018-2019** - Expansion downstream into laminates with Texte and launch of EOS, reinforcing the shift toward higher value-added, design-driven surfaces.
- **2022-2024** - Further strengthening of energy integration (NDT Energy) and international expansion with the establishment of NDT China.
- **2025** - Acquisition of Lamitex, completing the presence into decorative laminates and furniture components and expanding exposure to higher-margin, more fragmented end markets.

History

A track record of growth through brands, products, and strategic expansion



Source: Company information

A well-diversified portfolio covering most furniture applications

The group has built a highly diversified portfolio of decorative surfaces and materials that allows it to address a broad range of applications across the interior design and furniture value chain, moving seamlessly from structural panels to visible and tactile components. Neodecortech is able to cover most furniture applications, spanning doors, panels, furniture fronts, profiles, edges, flooring elements and interior components.

At the upstream and midstream levels, the group supplies decorative papers, melamine-impregnated papers and finish foils, which are primarily used by large panel and flooring manufacturers to coat particleboard and MDF panels. These products represent the backbone of industrial furniture production and are typically supplied to a limited number of large OEMs, characterised by high purchasing volumes and significant bargaining power. While this segment offers scale and long-term relationships, it is structurally more exposed to pricing pressure and cyclical swings in furniture demand.

Moving downstream, the group has progressively expanded into higher value-added surface technologies, including CPL laminates (Microtop, ThinTop), anti-fingerprint surfaces (EOS) and thermoplastic films (PVC and rPET). These solutions are not used mainly for flat panels, but for doors, countertops, vertical elements, profiles and curved components among others, enabling the group to address a much wider set of interior design applications beyond traditional panels.

With the acquisition of Lamitex, the group has taken a further strategic step downstream, entering the decorative laminate segment for furniture components and interior architecture. Lamitex's portfolio of CLPL laminates is specifically designed for furniture fronts, doors, visible surfaces and design-driven elements, where surface quality, consistency and touch are critical. This move has materially changed the group's commercial positioning: from mainly interacting with furniture manufacturers (few customers, high bargaining power), to furniture component producers, structurally fragmented with higher margins potential.

Critical purchase-decision driver, marginal cost - These products are increasingly selected for their aesthetic performance, tactile properties and functional resistance. While their look and feel can match those of more premium surfaces and materials, their cost represents only a marginal share of the overall product value (e.g. doors), making them a structurally attractive solution for manufacturers and a value-accretive segment for suppliers.

Neodecortech covers main interior applications

The group offers a diversified portfolio of solutions



Source: Company information

Vertically integrated business model

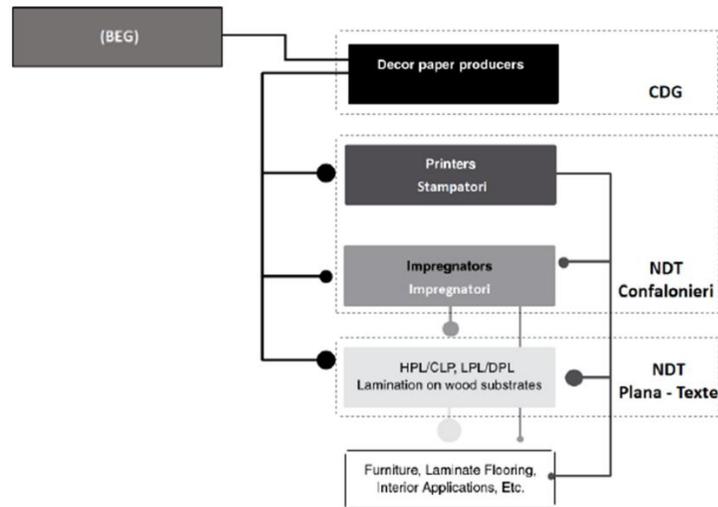
Over time, Neodecortech has progressively integrated critical stages of its value chain across both products and production processes. In the printed decorative paper segment, the group controls the full chain from paper manufacturing to printing, impregnation, coating and lamination, delivering directly applicable surfaces for furniture, doors and flooring. In parallel, the same model has been extended to thermoplastic films, where the group applies its decorative and surface-treatment know-how to PVC and PET substrates, producing ready-to-use surfaces for LVT and furniture applications.

From a process standpoint, the group has integrated several critical stages of its value chain, ranging from paper production (Cartiere di Guarcino) to energy generation (Guarcino Energy). These activities primarily support the core business, enhancing profitability, operational efficiency and sustainability.

The internal production of decorative paper at Cartiere di Guarcino provides the group with security of supply, quality control and flexibility in production volumes, while supporting scale efficiencies. Given that paper manufacturing is an energy-intensive activity, the group has strategically integrated energy generation through Bio Energia Guarcino, reducing exposure to energy price volatility, stabilising costs and improving the overall sustainability profile of the industrial platform.

Integrated value chain and industrial footprint

Vertical integration from energy and paper production to decorative surfaces and end applications



Source: Company information

Casoli Energy Division: The Casoli Energy division (NDT Energy) represents the group’s most recent step in strengthening energy integration along the industrial platform. Located in Casoli di Atri (TE), the facility is designed to support the lamination activities carried out at the same site and to further enhance the group’s energy self-sufficiency, cost control and circularity.

The project is currently awaiting final regulatory clearance. Once authorisation is obtained, the construction phase is expected to last 18 months, after which the plant would become operational and start generating economic benefits.

The group is expected to invest Eu2mn in the project. Once completed, the Casoli Energy plant is expected to generate energy using production waste and trimmings from the Casoli lamination division, one of Neodecortech’s lamination activities, making the site largely energy independent while simultaneously reducing waste disposal costs. Management estimates that the investment could achieve a payback period of around 4-5 years, primarily driven by energy cost savings and lower disposal expenses.

Focus on energy incentives

Over the last years, the Neodecortech group has benefited from a supportive Italian energy regulatory framework aimed at preserving industrial continuity and incentivising electricity generation from renewable and alternative sources, particularly during periods of elevated energy price volatility. Within this context, the group’s energy subsidiary Bio Energia Guarcino, which supplies electricity and steam to the Cartiere di Guarcino paper mill, has progressively transitioned from extraordinary support measures, such as the “maximisation” scheme, to the Prezzi Minimi Garantiti (PMG) regime introduced in late 2023.

The PMG framework guarantees a minimum level of revenues for electricity production by compensating the gap between energy market prices and a regulated reference price (equal to a standard marginal cost of the associated plant), net of ordinary incentives, thereby stabilising cash flows in a low-price environment. This mechanism has enabled the cogeneration plant to operate at full capacity, materially supporting the economic sustainability of Cartiere di Guarcino, a structurally energy-intensive asset, and ensuring business continuity during a challenging macro and energy cycle. Overall, incentivised energy self-production has represented a structural support to the group’s industrial margins.

From 2026 onwards, the revised PMG framework enhances regulatory visibility through to 2030, providing a defined time horizon for the recognition of guaranteed minimum prices.

However, unlike in previous years, the revised framework limits the application of the PMG mechanism to the working hours related to the connected industrial facility. In the case of Neodecortech, this implies that only the working hours attributable to the Cartiere di Guarcino paper mill will benefit from the guaranteed price mechanism, implying an expected reduction in energy production volumes compared to previous years. In FY24, Cartiere di Guarcino operated at full capacity, corresponding to around 8,000 operating hours.

Nevertheless, given its role within an integrated industrial system, the energy asset is expected to remain operationally relevant and plays a central role in the group’s competitive advantage of vertical integration.

Client base, commercial model and supplier structure

The group serves primarily panel, flooring and interior component manufacturers. The top five customers account for 45% of revenues, rising to c.64% for the top ten, reflecting the industrial nature of the markets served. At Cartiere di Guarcino, customer concentration is structurally higher, with the largest customer being intercompany, representing 27% of divisional revenues.

Contractual relationships are predominantly non-volume-binding, with no material minimum annual quantity commitments in place; the only exception relates to a single PVC-printing customer with contractually agreed volumes, with a relevant impact on revenues.

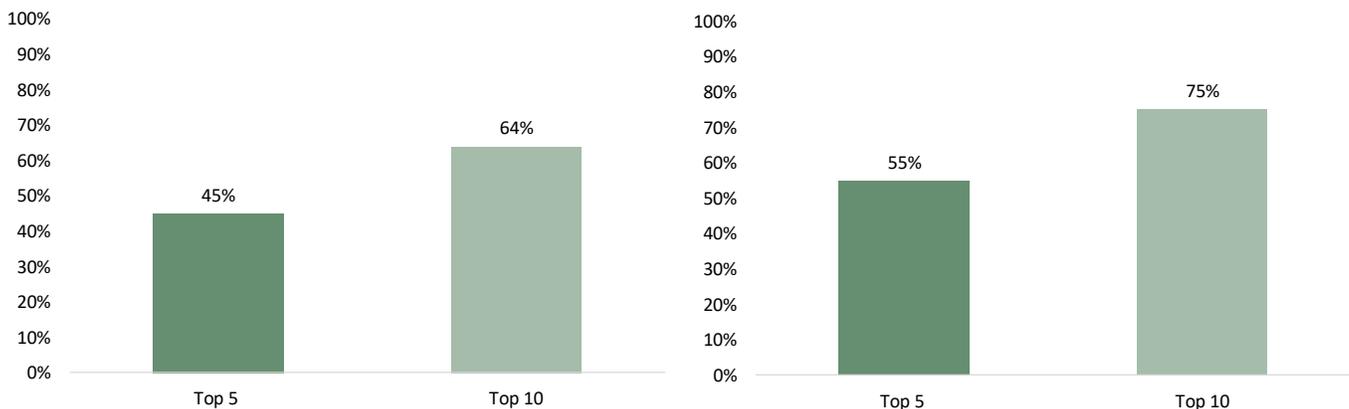
Pricing is managed through a structured adjustment mechanism: raw-material cost movements are monitored through an internal algorithm that acts as a trigger for bilateral negotiations with customers. Variations in input costs are typically passed through, with an average time lag of around 3 months, supporting margin stability over the cycle. Commercial activity is organised through a direct sales model, combining technical sales and application support, with different go-to-market approaches for panel manufacturers and furniture component producers.

On the supply side, procurement shows a degree of concentration typical of industrial manufacturing, with the top five suppliers accounting historically for 55% of purchases and the top ten for 75%. Intercompany sourcing is relevant, particularly for NDT, where the main supplier (30%) is represented by Cartiere di Guarcino.

The group’s supplier diversification ensures that no critical single-source risks exist across either NDT (printed decorative paper) or CDG (decorative paper).

Client (LHS) and supplier (RHS) concentration

Client and supplier concentration reflects the industrial nature of the markets served. However, the base is diversified, limiting exposure to potential single-source risk.



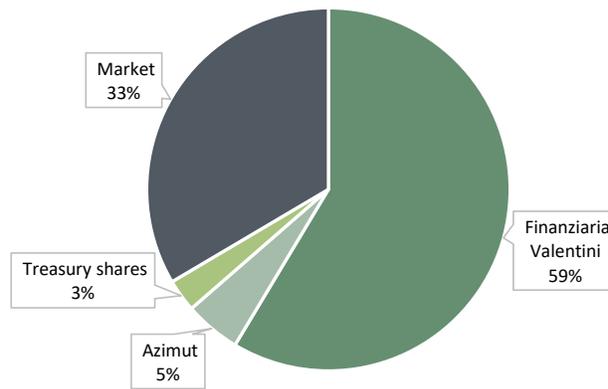
Source: Alantra elaborations on company information; NB: latest available data

Ownership structure and management overview

Neodecortech is controlled by the Valentini family through Finanziaria Valentini SpA, which has been the reference shareholder since 2003, with the family still represented at Board level. Operations are led by CEO Luigi Cogni, with the group since 2005, bringing solid experience gained in multinational furniture companies. Massimo Giorgilli, CEO of Guarcino Energy, contributes as CEO within the paper manufacturing segment. Marina Fumagalli serves as CFO. The Board of Directors is composed of seven members and is chaired by Mr. Gianluca Valentini, representing the Valentini family. Key shareholders include the Valentini family with a 58.6% stake, followed by Azimut Capital Management with 5.0%. The group holds 3.0% treasury shares, with a free float of 33.5%.

Neodecortech's shareholder's base

Free float stands at 33.5%.



Source: Alantra elaborations on company information

Competitive positioning in a fragmented market

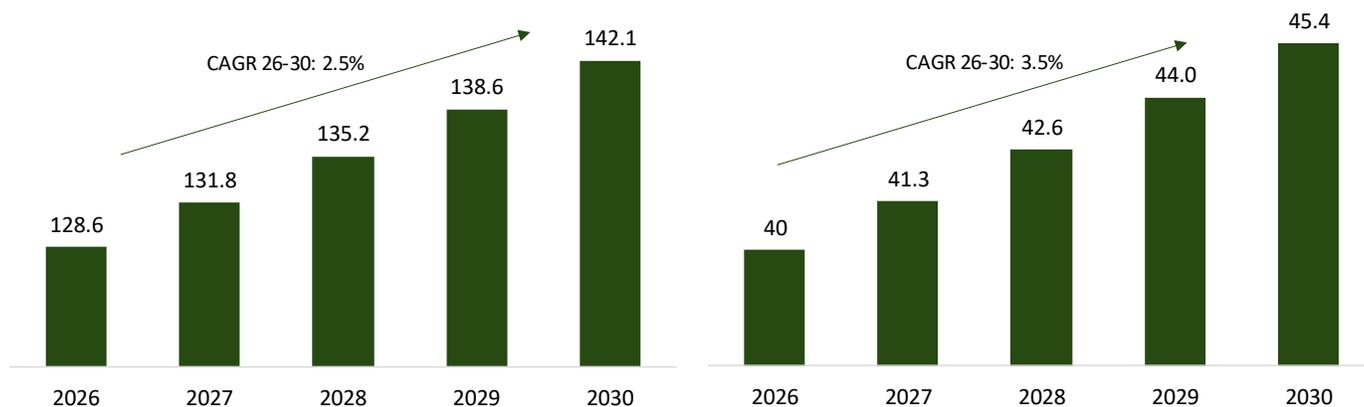
The home décor paper industry is expected to grow at a CAGR 26-30 of 2.5%, reaching USD128bn. China dominates global volumes, however, Europe is a key market by value, led by Germany (36% of European decorative paper market), followed by Italy, the UK, France and Spain. Market growth is driven by renovation activity and new residential construction, alongside the increasing adoption of decorative and laminate-based surfaces offering superior durability, design flexibility and cost efficiency versus traditional materials such as solid wood or ceramic. We see that the Made in Italy allure is relevant here, carrying long lasting prestige and added value. In this context, Neodecortech benefits from a strong competitive positioning, supported by high barriers to entry, a vertically integrated model, long-standing customer relationships, and a premium, broad-based product offering with strong R&D capabilities.

2.5% CAGR 2026-30 in the global home décor industry

The Home Decor market represents a broader industry exposure for Neodecortech but the underlying force of its core business. The segment is expected to amount to USD128.6bn in 2026, with a projected growth at a CAGR 26-30E of 2.5%, reflecting steady underlying demand dynamics. In Europe, the home décor market is expected to generate revenues of USD40bn in 2026 and to grow at 3.2%, supported by renovation activity and stable replacement demand.

Home décor market size and growth (Global LHS; Europe RHS; USDbn; 2026E-30E)

The home décor market in Europe is expected to reach over USD45bn with a CAGR of 3.5% 2026-30E



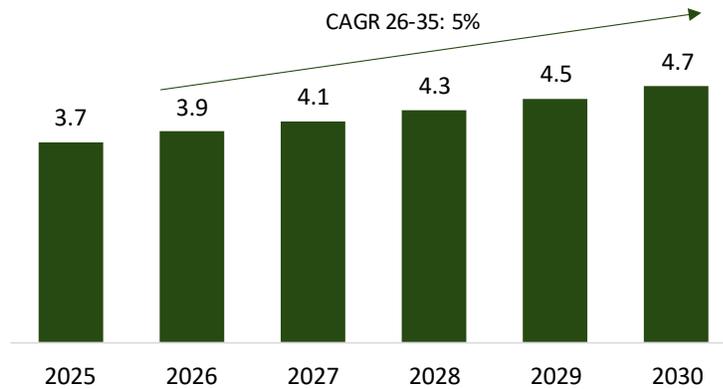
Source: Statista

5% CAGR 26-35E in décor paper underpinned by several growth drivers

Narrowing into a more specific niche, the home décor paper industry is Neodecortech's main reference sector. The market was USD3.7bn in 2025, with Europe representing c.38% of the global consumption, and estimated to grow at 5% CAGR 26-35E. The growth is expected to remain sustained by demand for attractive, durable surfaces finishes across furniture, wall panels and flooring. Growth is supported by strong renovation activity in mature markets, ongoing urbanisation and a sustained shift toward design-led interiors, among others.

Global décor paper market (2025-2030E; USDbn)

Europe represents c.38% of the global consumption.

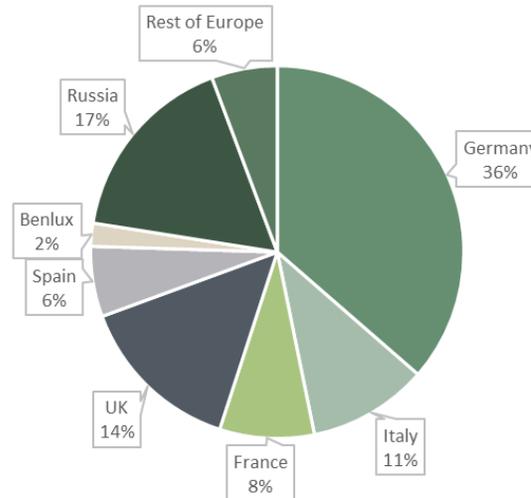


Source: Market Growth Reports

Germany represents the largest national market by value, accounting for more than a third of regional demand, followed by Russia, the UK, Italy, France and Spain, which together comprise the majority of the European décor paper footprint. Furniture remains the dominant end-use segment, as décor papers are widely adopted for surface finishing in cabinets, wardrobes and other interior wood-based products, while growing uptake in laminate flooring and decorative wall applications further expands market opportunity.

Décor Paper market share in Europe (%)

Germany is the largest market in Europe by volume, followed by Italy with an 11% share.

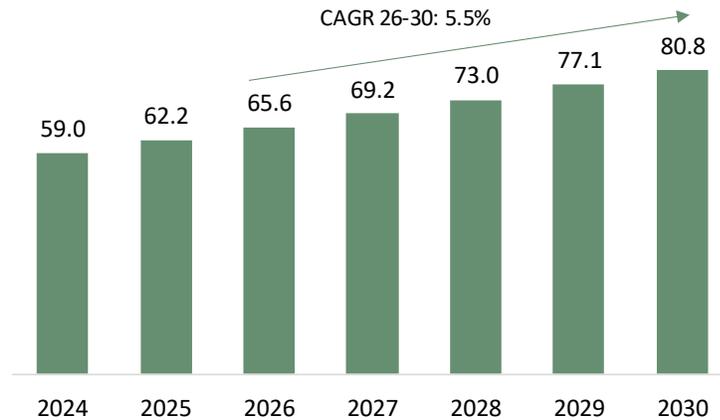


Source: Future Market Insights

Within the décor paper market, laminate flooring represents a relatively faster-growing segment. According to Grand View Research, the global market is valued at USD62.2bn, supported by sustained growth trends driven by its compelling cost-performance profile, which combines high durability, increasingly realistic design aesthetics, ease of installation, and sustainability advantages compared to traditional materials such as solid wood.

Global laminate flooring market evolution (USDbn)

The laminate flooring market is characterized by increasing preference towards design aesthetics and high durability.



Source: GrandView Research

Multiple drivers are supporting structural growth ahead

Both the decor paper and laminate flooring markets are supported by structurally positive demand dynamics, driven by a combination of macro, consumer and industry-specific trends:

- **Rising focus on interior aesthetics and functional design**, with consumers and professionals increasingly prioritising visually appealing, well-designed and high-performance surfaces across residential and commercial environments.
- **Urbanisation and population growth**, which continue to sustain new residential and commercial construction, complemented by a resilient renovation cycle in mature markets, particularly in Europe.
- **Increasing preference for durable and cost-effective surface solutions**, with decor paper and laminate flooring offering attractive alternatives to traditional materials by replicating premium wood and stone aesthetics with enhanced durability.
- **Lifestyle upgrades**, supporting increased spending on home improvement, interior design and furniture as living spaces become a key focus of consumer investment.
- **Attractive cost-performance profile of laminate flooring**, combining high durability, ease of installation, modularity and increasingly realistic design aesthetics versus solid wood and ceramic alternatives.
- **Premiumisation and rising design intensity**, driven by frequent pattern refreshes, advanced printing technologies and value-added finishes that support price and margin progression.
- **Growing focus on sustainability and resource efficiency**, favouring engineered and paper-based decorative solutions that reduce natural wood usage and improve environmental footprint.
- **“Made in Italy” positioning and design heritage**, which continues to command premium recognition globally, reinforcing demand for high-quality, design-led decorative surfaces across furniture and flooring applications.

Strong competitive positioning despite a fragmented market

Neodecortech operates across the decorative surfaces value chain as a highly specialized European player, characterized by a strong focus on product quality, aesthetic differentiation and technological know-how. Within its reference markets, the group positions itself in the mid-sized segment, competing primarily with European manufacturers that share a similar emphasis on complexity of offering and premium positioning, rather than on volume-driven strategies.

Neodecortech operates in structurally fragmented markets where competitive dynamics vary by product family but consistently feature a limited number of large global players alongside a long tail of mid-sized and niche specialists. Across all segments, the group pursues a disciplined premium-niche strategy, prioritizing differentiation, design content, and technological value over scale and volume.

Decorative & Impregnated Papers (Printed + Melamine): These markets are populated by a small set of global leaders (e.g. Schattdecor, Toppan, Surteco, etc.) and several regional players, with competition often driven by scale and cost in commoditized applications. NDT differentiates through design leadership, proximity-based service and selective exposure to higher-margin niches, deliberately avoiding low-value standard products.

Finish Foils & Laminates (CPL): The competitive landscape is highly fragmented, with domestic and international players often larger in size but focused on narrower ranges or price-led strategies. Neodecortech stands out through advanced surface effects, eco-sustainable technologies and a broad, flexible product portfolio, addressing premium furniture, surface and contract applications.

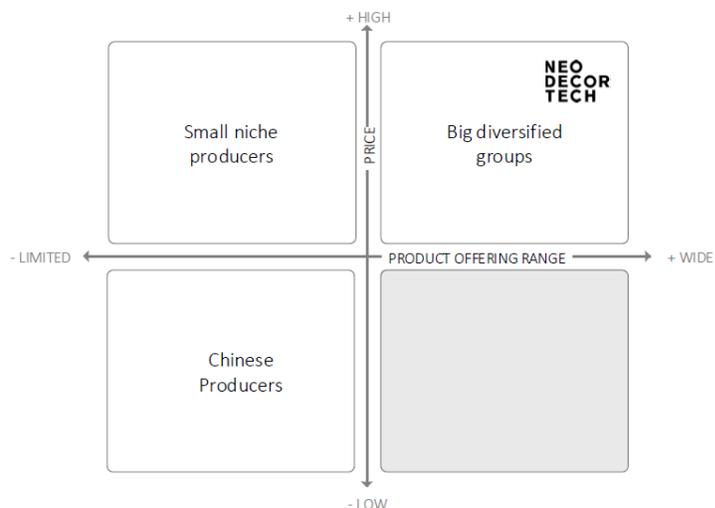
Plastic Films (Printed & Laminated): Competition includes a few large multinational groups like Renolit and Continental alongside niche specialists, with increasing demand for high-performance and decorative solutions. Leveraging its heritage in decorative printing, Neodecortech offers superior aesthetic quality and high value-added films, targeting premium end markets such as kitchen furniture and interior surfaces.

Decorative Base Papers (CDG): The market combines European specialists and large Asian producers, resulting in strong fragmentation and varying quality standards. CDG differentiates through operational efficiency, innovation and high service levels, reinforced by a structurally competitive and sustainable energy cost base thanks to its integrated business model proprietary energy biomass cogeneration.

All in all, Neodecortech's competitive context is defined by fragmented markets with multiple player clusters and varying competitive intensity by product family, while its premium, differentiated and sustainability-oriented positioning underpins resilience and margin robustness.

NDT competitive positioning

Neodecortech's strong positioning in a fragmented decorative surfaces market



Source: Company presentation

Competitive edges amid high barriers to entry

We believe that the group's competitive advantages are shielded by strong entry barriers that protect it from potential newcomers, primarily due to the presence of:

- **Deep vertical integration**, spanning paper manufacturing, surface printing and impregnation, lamination and energy generation, which ensures quality control, flexibility, cost efficiency and time-to-market that are difficult to replicate.
- **A multi-material, multi-technology offer**, allowing the group to apply the same decorative and surface-treatment know-how across paper, laminates and thermoplastics (PVC, rPET), reducing dependence on single materials and broadening addressable markets.
- **Mission-critical role in aesthetic choice** with marginal cost incidence, as the group's surfaces are central to the purchase decision while representing only a small portion of the total cost of the finished product, supporting favourable pricing dynamics.
- **Progressive downstream exposure to higher value-added segments**, reinforced by the acquisition of Lamitex, which shifts the customer base from a few large panel OEMs to a more fragmented set of furniture component producers and distributors, structurally improving margins and bargaining power.
- **Strong design, R&D and customisation capabilities**, supported by a broad library of decors and close co-development with customers, creating switching costs embedded in design approval cycles and time-to-market advantages.
- **Embedded sustainability** and circular economy practices, including FSC-certified paper, recycled materials and biofuel-based energy generation, increasingly valued by customers and acting as an additional barrier to entry.

Porter's Five Forces

Threat of New Entrants - Low: The group operates in a capital-intensive industry requiring significant investment in paper mills, printing lines, lamination equipment and energy cogeneration plants. Vertical integration across paper production, surface finishing and energy generation creates structural cost and operational advantages that are difficult to replicate (e.g. >€30mn capex for the BEG division). In addition, the group's design capabilities, customer co-development approach and established industrial relationships raise switching costs. Regulatory complexity and sustainability certifications further increase barriers to entry.

Bargaining Power of Suppliers - Moderate: Procurement shows some concentration (top suppliers represent a significant share of purchases), yet no critical single-source risks exist. The group mitigates supplier pressure through diversification, intercompany sourcing (notably paper supplied internally by Cartiere di Guarmino) and structured commercial mechanisms. While raw materials such as resins, inks and specialty inputs can be volatile, we think that the group's ability to negotiate and adjust pricing downstream partially offsets input risk.

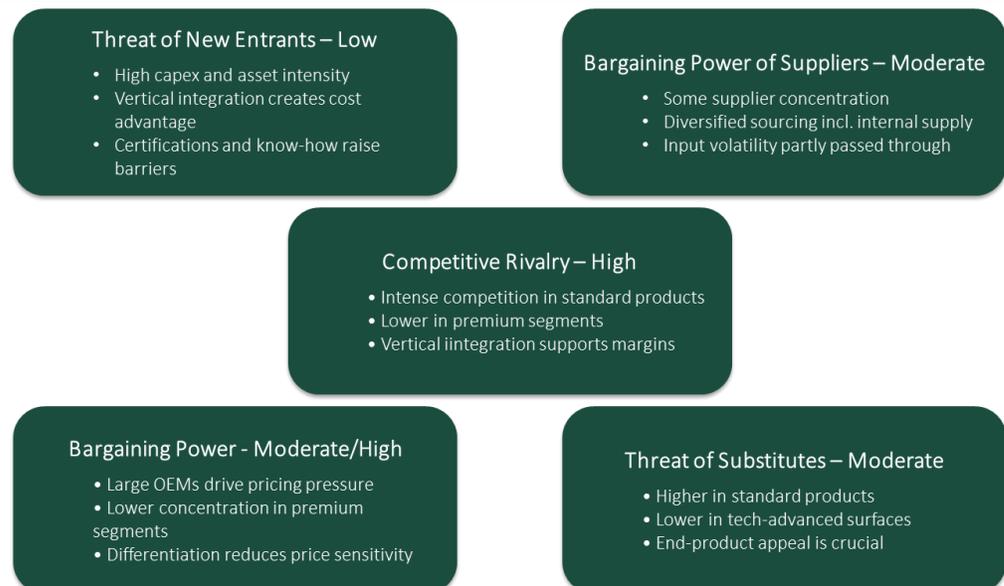
Bargaining Power of Buyers - Moderate to High: In traditional panel and flooring markets, customers are large manufacturers with significant scale and purchasing leverage, resulting in higher bargaining power and some pricing pressure. However, in higher value-added segments, particularly furniture components and premium laminates, the customer base changes from pure furniture manufacturer to furniture parts player, a more fragmented and less concentrated, reducing price sensitivity.

Threat of Substitutes - Moderate: In more standard decorative paper segments, substitution risk is higher due to price competition and alternative suppliers. However, in advanced surfaces such as CPL laminates, anti-fingerprint solutions (EOS) and thermoplastic films, substitution risk is lower. These products often replace more expensive materials (e.g. lacquered surfaces) while offering comparable aesthetics and performance at a lower cost. The mission-critical role of decorative surfaces in purchase decisions further limits substitution risk.

Competitive Rivalry - High: Competitive rivalry is structurally high, particularly in base decorative paper markets where global and low-cost producers compete aggressively. However, rivalry is less intense in differentiated and premium segments where design, technical performance and service matter more than price alone. The group's vertical integration, multi-material platform and increasing exposure to higher value-added applications help mitigate competitive pressure and support margin resilience.

NDT: Porter's five forces

High barriers to entry with competitive intensity mitigated by integration and product differentiation



Source: Alantra

Further premiumisation and vertical integration

Neodecortech's strategy is focused on driving growth through premiumisation and deeper penetration of higher value-added surface applications, while reinforcing vertical integration. Strategic priorities include the potential acquisition of a small specialty paper mill (e.g. coloured kraft) to strengthen upstream capabilities, extracting industrial and commercial synergies from Lamitex, and expanding internationally through selected regions like in the Middle East and North America. This is expected to increase exposure to more fragmented, higher-margin customer segments while preserving cost competitiveness through integration and energy efficiency. Stronger exploitation of intercompany energy sourcing remains a key strategic priority. The group is expected to benefit from further optimization of the BEG plant, increasing the internal usage rate of thermal energy to around 50%. Moreover, the group is evaluating the development of a new solid-biomass plant as part of its decarbonisation strategy, which could materially reduce gas consumption and emissions while supporting long-term industrial sustainability.

NDT: key strategic pillars

NDT is expected to increase its presence into high-margin segments and increase vertical integration organically and via M&A



Source: Company presentation

A continued shift toward high-margin surfaces...

The group aims to expand beyond traditional decorative paper into advanced laminates and thermoplastic solutions, targeting visible furniture components where margins and pricing power are structurally higher. Value-added decorative surfaces entail CPL and CLPL laminates, anti-fingerprint technologies (EOS), thermoplastic films (PVC and rPET) and finished components. These solutions serve visible applications such as doors, furniture fronts and interior elements, which are critical in the purchase decision yet marginal in cost incidence, supporting structural margin resilience. The acquisition of Lamitex accelerates this transition by providing access to the furniture component and distribution channel, reducing reliance on a limited number of large panel manufacturers and enabling cross-selling across the group's laminate and surface portfolio.

...supported by continued vertical integration

The group is expected to leverage its vertical integration capabilities to maintain a strong competitive edge. To extract further benefits from this model, the group is also evaluating the acquisition of small-sized paper mills to serve niche, high-margin markets (e.g. coloured kraft) or producers of value-added surfaces to broaden further the group's offering.

On the energy side, the group is evaluating some optimization of the BEG plant to increase the internal thermal use up to 50% of the needs. Moreover, the group is evaluating the development of a new solid-biomass plant as a cornerstone of its long-term decarbonisation strategy. The project is designed to substantially replace natural gas usage, potentially reducing gas consumption by 90-95% and bringing associated CO₂ emissions close to zero.

The development timeline, including design and permitting, is estimated at no less than 36 months, positioning the project as a strategic solution to sustain industrial competitiveness and regulatory visibility beyond the current PMG framework expiring in 2030.

Embedded sustainability and governance resilience

Neodecortech presents an ESG profile that is closely integrated with its industrial strategy. The group combines carbon neutrality in Scope 1 and 2, certified raw material sourcing and energy self-sufficiency with a stable workforce structure and a governance framework aligned with STAR segment standards. Sustainability appears embedded in processes and risk management, supporting regulatory alignment and margin resilience.

Environmental

Neodecortech embeds sustainability within its vertically integrated industrial platform, combining decorative paper production, lamination and proprietary energy generation. The group has been carbon neutral for Scope 1 and Scope 2 emissions since 2023. In 2024, Scope 1 and 2 emissions amounted to 20,955 tonnes of CO₂, down 35.7% YoY, supported by renewable electricity sourcing, efficiency initiatives and offsetting programs. Electricity has been sourced 100% from renewables since 2017 and all purchased pulp is FSC or PEFC certified, mitigating deforestation and regulatory risk. Waste generation declined 23% YoY, while energy consumption remained broadly stable despite revenue growth. The integrated energy plant enhances self-sufficiency and reduces exposure to energy price volatility, aligning decarbonization with structural cost resilience.

Social

At end-24, the group employed 398 people, 96% of whom were on full time contracts, reflecting workforce stability. Human capital development remains a priority, with 15,571 hours of training delivered during the year, up 9% YoY. Generational renewal is supported by 40% of new hires being under 30 and active collaboration with technical institutes and traineeship programs. The combination of long term employment and continuous training supports operational know how in a specialized manufacturing environment.

Governance

Listed on the STAR segment of Euronext Milan, Neodecortech adheres to enhanced standards of transparency and corporate governance. The Board includes three independent directors out of seven and is supported by dedicated committees, including a Control, Risk and Sustainability Committee, embedding ESG oversight at board level. Gender representation within corporate bodies is relatively advanced, with 44% participation of the least represented gender on the Board. External ESG ratings are solid, supporting capital market credibility and signaling alignment with recognized sustainability frameworks.

Neodecortech ESG Ratings

Strong third party ESG validation, with high scores across sustainability frameworks and solid recognition

 score 92% May 2025	 score 92.3% February 2024	 score 86.6% May 2025	 score B A A- B- C C- D D- December 2023
 score green yellow red May 2025	 score A B C D E July 2024	 score conscious top performer leader builder June 2025	 Deloitte October 2025

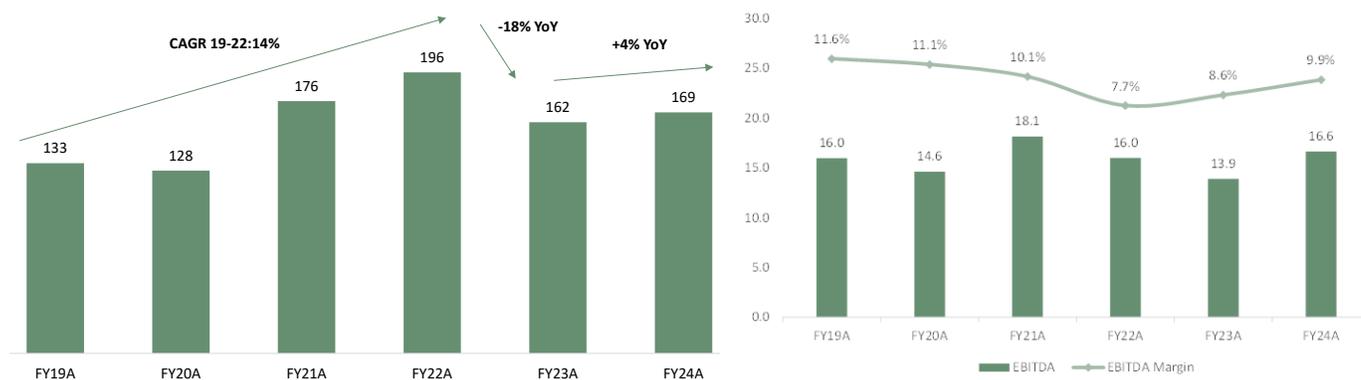
Source: Company information

Vertical integration helped margins amid cyclicity

Over FY20-24, the group registered some revenue volatility, mainly driven by three key factors: 1) end-market cyclicity in furniture, 2) energy price dynamics (including incentives), and 3) raw material pass-through effects. Following the post-pandemic rebound and energy cycle peak, 2023 marked normalization, while 2024 showed stabilization and margin recovery. The energy division (BEG) remains a structural EBITDA stabilizer, pushed by market incentives and securing cost savings that cushioned industrial softness. EBITDA averaged 9.5% over the period, recovering close to 10% in 2024. Leverage remains disciplined at 2.0x Net debt/EBITDA, supported by a predominantly variable cost base and controlled capex.

Historical revenue (FY19-24A; Eumn; LHS) and EBITDA evolution (FY19-24A; Eumn; RHS)

Post-pandemic rebound, energy cycle and subsequent normalization shaping topline dynamics. BEG division helped in shielding EBITDA fluctuations



Source: Alantra elaborations on company information

2020-2024 warp up: navigated through macro challenges

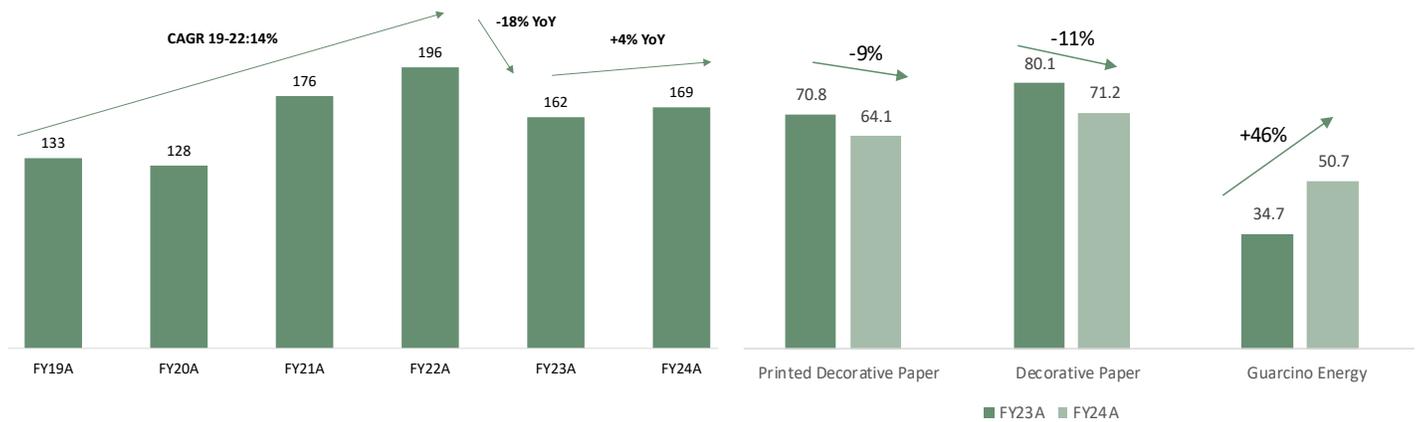
Neodecortech's revenue volatility over the last five years reflects a combination of: 1) cyclicity of the furniture end markets, 2) energy price dynamics; 3) raw material inflation pass-through, and 4) the positive contribution of the energy division (BEG). Moreover, we see that the volatility has been driven more by external macro and price effects than structural loss of competitiveness.

In 2020 (-4% YoY in revenue), revenues declined modestly due to COVID-related disruptions in furniture and flooring demand. In 2021 (+38% YoY), the group benefited from a strong post-pandemic rebound, customer restocking and significant raw material inflation that was passed through to clients, alongside a supportive energy environment. Growth moderated in 2022 (+11.4% YoY) as demand began normalizing, although energy prices and pass-through mechanisms continued to support topline expansion. In 2023 (-18% YoY), revenues declined primarily due to raw material deflation and for lower electricity market prices and normalization of the energy cycle, combined with softer furniture demand. While incentive mechanisms (including PMG) remained significant and "other revenues" increased, these did not fully offset the sharp reduction in merchant electricity revenues and lower selling prices in decorative paper. In 2024 (+4% YoY), revenues stabilized, supported by a more normalized energy environment, gradual recovery in volumes and an improving product mix, including growing contribution from higher value-added surface.

On a division standpoint, the printed decorative paper segment has seen during the last years slowed demand in core printed lines and a price normalization. This was partially offset by higher-value product lines. The decorative paper division (CDG) has been impacted by relevant volume and price mix declines. The latter was mainly driven by price pass-through, following raw material costs normalization amid lower volumes, compressing margin. The Guarcino Energy played a key role in offsetting the downturn trend in the past years. Excluding 2023, when the BEG had a 4-month stoppage in production, the top-line and EBITDA contribution from the division was relevant. For instance, in 2024, Guarcino Energy generated over Eu50.7mn in revenues, supported by the incentive scheme, which enabled the plant to operate at full capacity.

Historical revenue evolution (FY19-24A; Eum; LHS) and revenue breakdown by division (FY23-24A; Eum; RHS)

Post-pandemic rebound, energy cycle and subsequent normalization shaping topline dynamics



Source: Alantra elaborations on company information

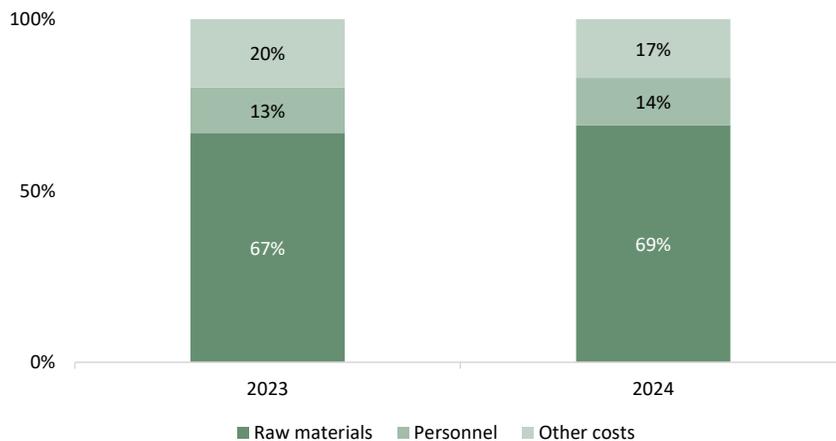
Cost structure breakdown

Neodecortech’s operating cost structure is predominantly driven by raw material consumption, which represents the largest component of total operating expenses (c. 60% of sales and 70% of total operating costs on average FY23A-24A). Most of sourcing is made by the intercompany (e.g. NDT intercompany supply weighs 30% of total costs). Key inputs include cellulose pulp, titanium dioxide, resins, inks and specialty chemicals for decorative paper production, as well as PVC, rPET films and coating materials for thermoplastic. Other operating costs mainly comprise maintenance and logistics expenses, external services, utilities, commercial and administrative costs, and lease-related charges.

All in all, the cost base is structurally variable and closely correlated to volumes and commodity trends, with vertical integration and structured price adjustments acting as key stabilizing mechanisms.

Operating costs (FY23-24A; % of total costs)

Raw material weighs usually 60-70% of total costs



Source: Alantra elaborations on company information

Historical EBITDA margin close to 10%

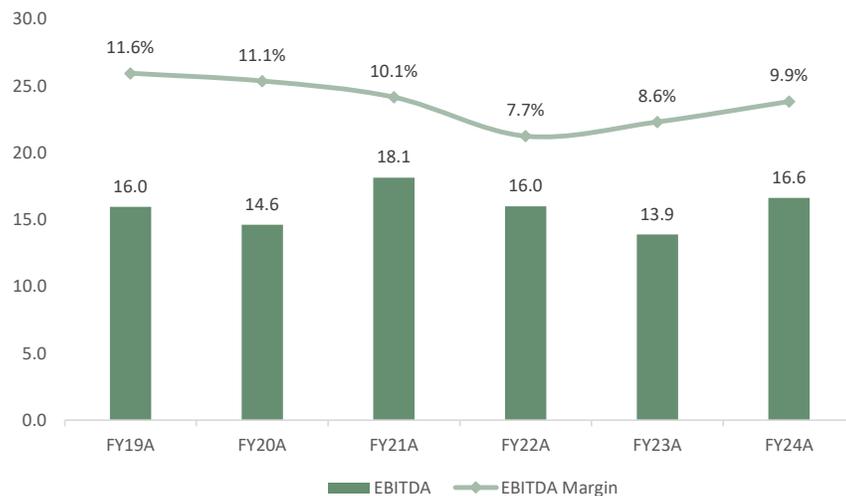
Neodecortech's EBITDA profile over the period reflects both cyclical volatility and the impact of energy dynamics. EBITDA moved from Eu16.0mn to Eu14.6mn (-8.4%) before rebounding strongly to Eu18.1mn (+24.1%), supported by favourable market conditions and energy contribution. It subsequently declined to Eu16.0mn (-11.9%) and further to Eu13.9mn (-13.1%), primarily reflecting normalization of energy revenues, softer volumes and price adjustments following raw material deflation. In the most recent year, EBITDA recovered to Eu16.6mn (+19.7%), signaling stabilization in the core industrial divisions and improved energy contribution.

EBITDA margin followed a similar pattern, gradually compressing from 11.6% to 10.1% during the inflationary and normalization phases, reaching 7.7% in the trough year, before recovering to 9.9%.

The margin evolution highlights the sensitivity of profitability to energy market conditions and volume leverage but also demonstrates the group's ability to restore margins as operating conditions normalize amid the group's shift toward a more favorable product mix (average FY20-24 EBITDA margin of 9.5%).

EBITDA margin evolution (FY19A-24A; %)

Cyclical energy dynamics and volume normalization shaping profitability trend



Source: Alantra elaborations on company information

Bio Energia Guarcino: the main EBITDA contributor, supported by incentives

The group's successful vertical integration is clearly visible by the contribution of the energy division. This allowed the group during the years to navigate macro challenges, lowering input costs baseline and partially offset lack of volumes in the core segments.

We believe that the synergies and value creation are tangible. If we exclude the contribution of the energy division, underpinned by incentives tailwinds, NDT profitability and growth profile would be significantly different, in line with market players not vertically integrated.

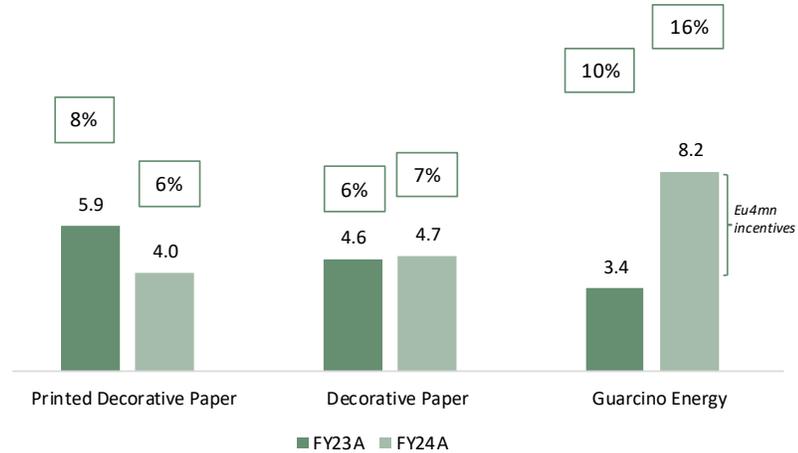
In fact, the BEG-CDG energy asset qualifies as a "Simple Production and Consumption System" (SSPC) and enables the paper mill to achieve significant economic savings (mainly recognized as income from tax receivables within other revenues), estimated at Eu5mn average FY22-24. These savings primarily stem from:

- 1) the non-application of system charges and electricity transmission fees that would otherwise be incurred when sourcing power from the grid;
- 2) a reduction in natural gas consumption, thanks to the steam supplied by the cogeneration plant;
- 3) lower CO₂ emissions and the corresponding reduction in ETS allowances to be purchased.

We believe 2024 was an exceptional year for BEG Energy, driven by a favourable mix of incentives (translated into Eu4mn of costs savings) and full-capacity plant utilization, which lifted divisional EBITDA margin to 16%.

EBITDA and EBITDA margin by division (FY23-24A)

Strong EBITDA contribution from Guarcino Energy in 2024 helped the group to shield margins



Source: Alantra elaborations on company information

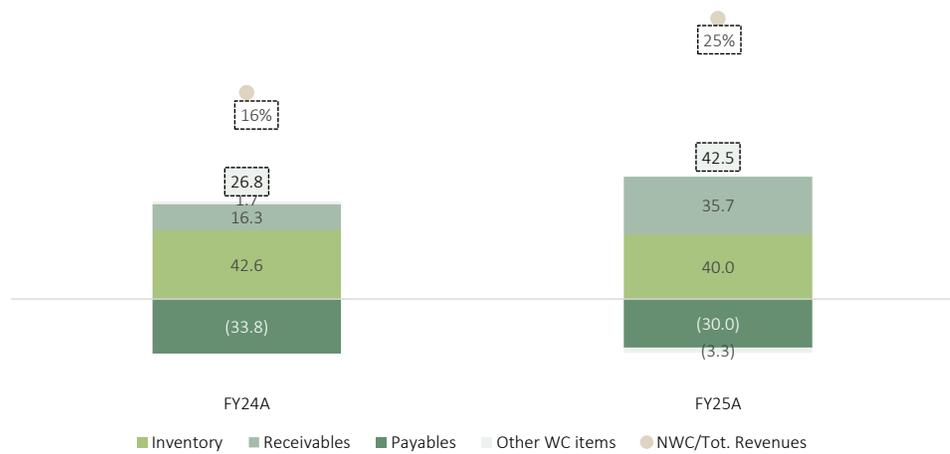
WC tied to BEG energy production dynamics

In the last years, working capital has experienced some volatility, primarily driven by energy-related timing effects. The main contributor has been the accrual-based recognition of incentive mechanisms within the BEG division (including PMG and prior maximization schemes), which created a temporary mismatch between revenue recognition and cash collection, leading to higher receivables. In parallel, intra-year inventory dynamics and the normalization of volumes following the 2021-2022 demand peak also contributed to working capital absorption.

In fact, FY24 trade receivables reached Eu35.7mn, a significant increase compared to Eu16.3mn FY23. This rise is primarily attributable to the Bio Energia Guarcino division and the mechanics of the PMG incentive scheme. Under GMP, revenues are recognized based on electricity production, while cash is collected through monthly advances and subsequent year-end reconciliations. As a result, a portion of the incentive-related revenues accrued in 2024 was only settled in early 2025, temporarily inflating the receivables balance at year-end.

FY24-25 NWC evolution (Eumn)

Strong EBITDA contribution from Guarmino Energy in 2024 helped the group to shield margins



Source: Alantra elaborations on company information

Leverage historically averaging 2.0x EBITDA

In 2024, the group maintained a disciplined capital expenditure profile, with total capex broadly in line with historical levels (Eu8-9mn annually), mainly focused on maintenance, efficiency improvements and selective upgrades across production facilities. The net debt remained manageable, with leverage comfortably at 2.0x Net debt/EBITDA. The debt structure is predominantly variable-rate (c.80%), with medium-to-long-term maturities extending toward 2028.

Historical capex (FY23-24A; Eumn; LHS) and leverage (FY23-24A; Eumn; RHS)

In 2024, the group maintained a disciplined capital expenditure profile, with total capex broadly in line with historical levels (Eu8-9mn annually).



Source: Alantra elaborations on company information

Focus on FY25 results

Neodecortech closed FY25 with solid top-line growth and a significant improvement in profitability, supported by the positive contribution of the Energy division and continued operational efficiency. Revenues reached Eu184.1mn (+9.2% YoY), driven mainly by strong performance in Bio Energia Guarcino (+24%) and resilient growth in the core decorative surfaces business, while the contribution of the newly acquired Lamitex (consolidated from late November) remained limited in the period. All in all, the year was characterized by improving international demand, with decorative surfaces sales declining in Italy but offset by growth in Europe, Asia and the Americas, while the Energy division benefited from higher volumes and regulatory incentives.

Profitability improved markedly, with EBITDA rising to Eu20.9mn (+25.5% YoY) and margin expanding to 11.3% (+140bps YoY), reflecting operating leverage, cost discipline and the positive margin contribution of the Energy division. At the operating level, EBIT increased to Eu10.4mn (+38.8% YoY), while net profit almost doubled to Eu7.3mn (+83.4% YoY), highlighting a strong recovery in the group's earnings profile.

Cash generation remained robust, enabling the company to reduce net financial debt to Eu30.9mn (-6.6% YoY) despite investments, the first tranche of the Lamitex acquisition (Eu4mn) and dividend payments. On an adjusted basis (excluding acquisition-related effects), net debt fell to Eu20.1mn (-39.2% YoY), confirming the group's strong cash flow generation.

The BoD proposed the distribution of a Eu0.15/share dividend, implying a c.4.2% yield based on the share price at the announcement date.

Looking ahead, the group expects a more stable operating environment, although visibility remains limited due to geopolitical tensions and raw material volatility. Strategic priorities remain focused on margin protection, cost discipline and the integration of Lamitex, which should support the ongoing shift toward higher value-added decorative surfaces.

4Q/2H/FY25 results

Strong margin expansion and solid cash generation despite a volatile environment

Eu mn	4Q24A	4Q25A	YoY%	2H24A	2H25A	YoY%	FY24A	FY25A	YoY%
Total Sales	47.0	45.8	-3%	152.5	167.8	10%	168.6	184.1	9%
Value of Production	46.6	50.1	7%	155.0	172.4	11%	171.7	189.5	10%
EBITDA	5.5	5.1	-7%	13.6	17.1	26%	16.6	20.9	25%
<i>Ebitda Margin %</i>	11.8%	10.2%		8.8%	9.9%		9.7%	11.0%	
EBIT	3.1	2.9	-5%	6.7	9.3	38%	7.5	10.4	39%
<i>Ebit Margin %</i>	6.6%	5.8%		4.4%	5.4%		4.4%	5.5%	
Net Profit	1.9	2.0	6%	4.5	6.9	52%	4.1	7.3	nm
<i>Net Profit Margin %</i>	4.0%	4.0%		2.9%	4.0%		2.4%	3.9%	
NFP end of the period	(33.1)	(30.9)		(33.1)	(30.9)		(33.1)	(30.9)	

Source: Alantra

Road to a structural double-digit EBITDA margin

We expect 2026 to maintain a sustained momentum in the printed decorative paper segment, a stable decorative paper division, and a strong contribution from the recently acquired Lamitex, partially offset by weaker economics from the Guarcino Energy division, exacerbated by the extraordinary 2025 performance. In fact, while we expect the other core businesses to grow in 2026, we factor in weaker YoY sales from BEG, following the implications of the new DL Energia, which lowers incentives compared to previous years. All in all, we expect Neodecortech to post a +3.1% FY24-28E CAGR in sales reaching Eu190.8mn, mainly driven by NDT's shift toward higher-value segments (8.6% CAGR 24-28). EBITDA should increase at a +6.3% FY24-28E CAGR to Eu21.2mn, with the EBITDA margin rising from 9.9% of net sales to 11.1%. The gain in profitability stems from an improved pricing mix and increased cost synergies from the Lamitex acquisition, as well as stronger vertical integration through BEG. EBIT and net profit should reach around Eu10.5mn/5.5% margin and Eu6.8mn/3.6%, respectively, in 2028E.

Net Sales by division (LHS) and EBITDA (RHS) evolution (FY26-28E, Eumn)

NDT should grow at 3.1% and 6.3% FY24-28E CAGR in net sales and EBITDA, respectively. The printed dec. paper should remain the main BU by 2028 on both metrics.



Source: Alantra

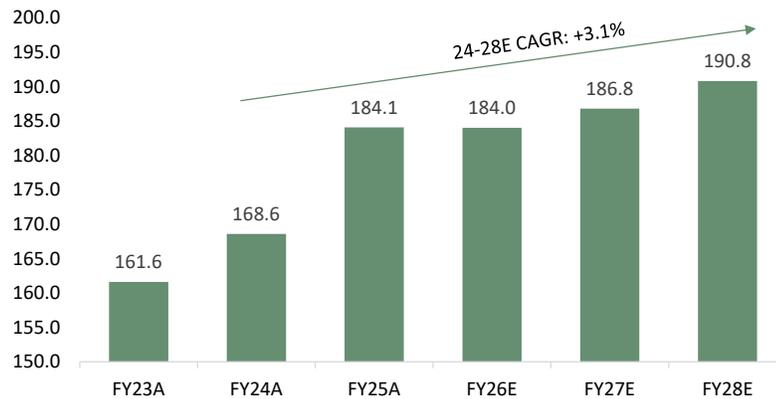
Printed decorative paper division is set to drive revenue growth

We expect the group to accelerate sales in the coming years, mainly thanks to its printed decorative papers business unit due to: 1) the Lamitex integration plus synergies exploitation; 2) a product-mix underpinned by a continued shift towards added value surfaces (laminates, films etc.); and 3) strengthening its market share in Europe. The division should more than offset an expected stable decorative paper and energy division. For the latter segment, we expect a transitional 2026 characterized by the new DL Energia scheme which, unlike 2025 when the segment worked at full capacity, will produce energy only relative to the operating hours of the associated Cartiere di Guarcino. This translates into an estimated cut in production of 20% YoY compared to an extraordinary 2025, which reached a peak level in terms of revenues and energy production hours. However, the new PMG scheme remains valid (now only related to covering the production hours of the asseverated asset), confirming the significance of industrial vertical integration and revenue visibility until 2030.

All in all, we expect Neodecortech to post a +3.1% FY24-28E CAGR in total revenues, rising from Eu184.1mn to Eu190.8mn. Our sales projections do not include potential revenue contributions from Casoli Energy (pending authorization approval) and potential future M&A.

Net sales evolution (Eumn; FY23A-28E)

All in all, we expect Neodecortech to post a +3.1% FY24-28E CAGR in sales.



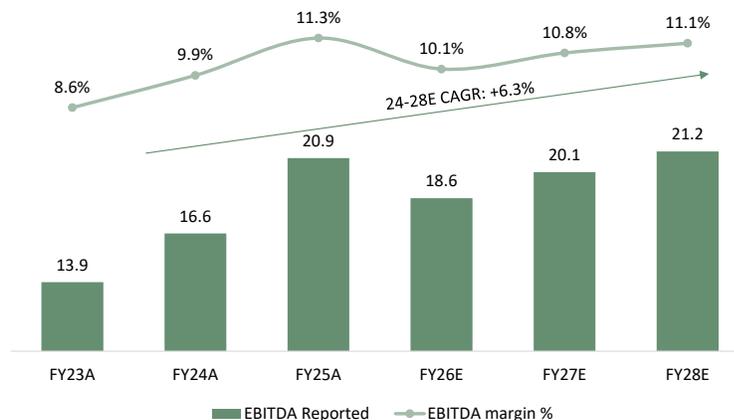
Source: Alantra

EBITDA margin should increase and remain in the LDD digit area

Product-mix enhancement, increased vertical integration and synergies from the Lamitex acquisition should allow Neodecortech to target a sustainable low double-digit EBITDA margin. While this target was already achieved in 2024 and 2025, the underlying driver was more opportunistic, with one-off effects related to energy incentives rather than being structural and driven by the core business. From 2026 onward, we expect an improvement in margin quality, with an average EBITDA margin of 10.7% during FY26E-28E. EBITDA should increase at a 6.3% CAGR 24-28E, moving from Eu16.6mn to Eu21.2mn.

EBITDA evolution (Eumn; FY23A-28E)

EBITDA should increase at +6.3% FY24-28E CAGR to Eu21.2mn, with the EBITDA margin rising from 9.9% of net sales to 11.1%.



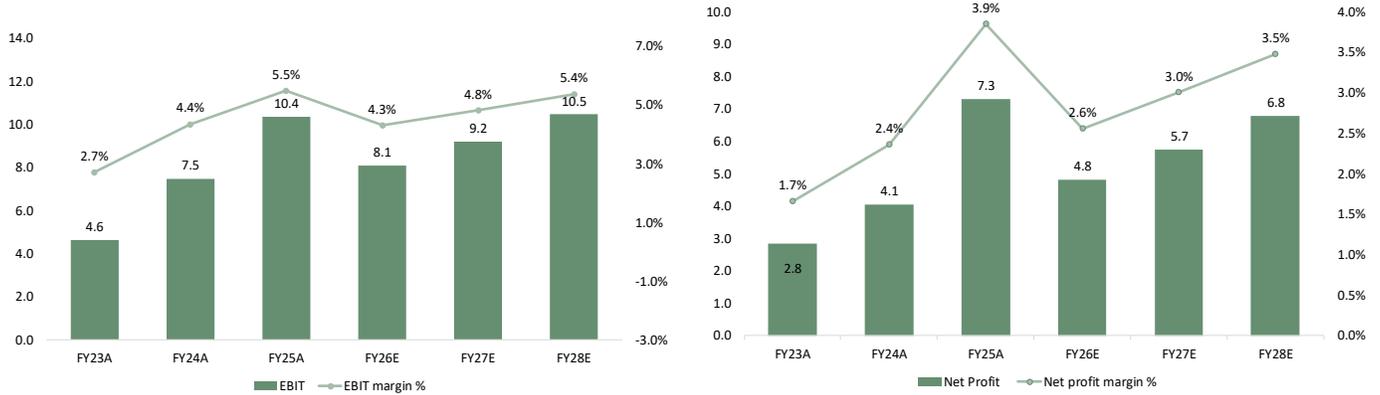
Source: Alantra

EBIT and net profit margin should reach 5.4% and 3.5% in 28E, respectively

EBIT and net profit should land in the region of Eu10.5mn/5.4% margin (+8.8% FY24-28E CAGR) and Eu6.8mn/3.5% margin (+13.7% FY24-28E CAGR), respectively.

EBIT (LHS) and Net profit (RHS) FY23A-28E (Eumn)

EBIT and Net profit should reach Eu10.5mn/5.4% margin and Eu6.8mn/3.5%, respectively, in 2028E.



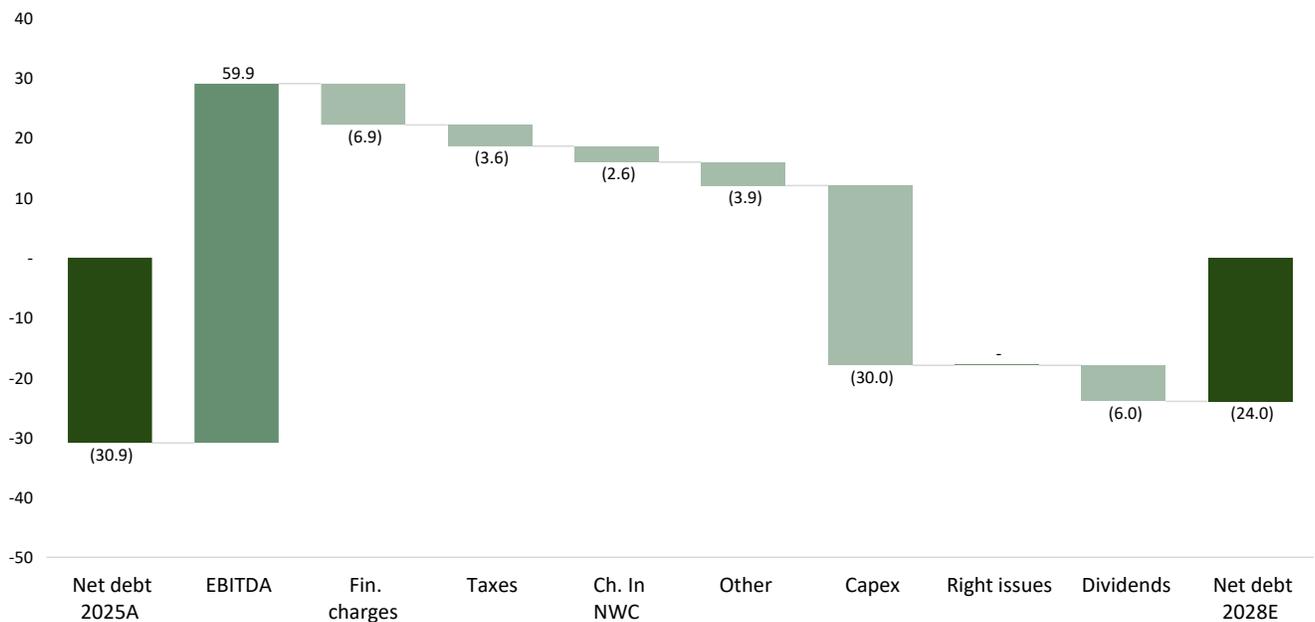
Source: Alantra

Deleveraging drives FCF yield to 10% in 2028E

While the business is asset intensive, Neodecortech is expected to continue to maintain a diligent NWC management with NWC/sales weighing only 20.5% on average 2026E-28E. Capex, mainly including maintenance, should remain at c.5.5% of sales, broadly in line with historical average. All in all, FCF/EBITDA conversion should reach >20% by 2028 with a FCF yield averaging at 12.4% in the forecasted period (10% by FY28E), mainly driven by operational profitability expansion and tight control over BS items. This should lead to a gradual deleveraging with net cash position by 28E of Eu24.0mn, an expected decrease in net debt/EBITDA from 1.5x to 1.1x, despite considering an average dividend pay-out of over 35% for the forecasted period.

2025-28E Net debt bridge

We expect a gradual deleveraging with net debt decreasing from Eu30.9mn in 25E to Eu24.0mn (FY25 net debt/EBITDA of 1.5x down to 1.1x in FY28E), despite considering an average dividend pay-out of 35% for the forecasted period.



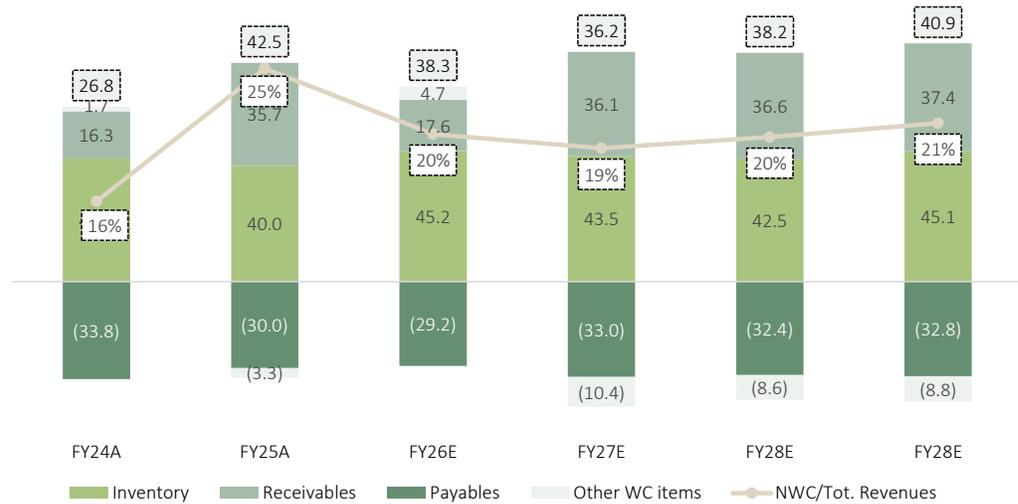
Source: Company data, Alantra estimates

NWC under control with capex at 5.5% of sales

While the business remains relatively capital intensive (fixed assets/revenues at 48% in 2025), we expect the group to show a disciplined working capital management, with NWC/sales averaging 20.5% over 2026E-28E, lower than in 2024 and 2025 when stood at 25.2% and 20.8%, respectively.

Sound NWC level (Eumn, FY24A-28E) and NWC/sales ratio (%)

We expect NWC/sales to improve vs 2025 (average FY26-28E NWC/sales of 20.5%)

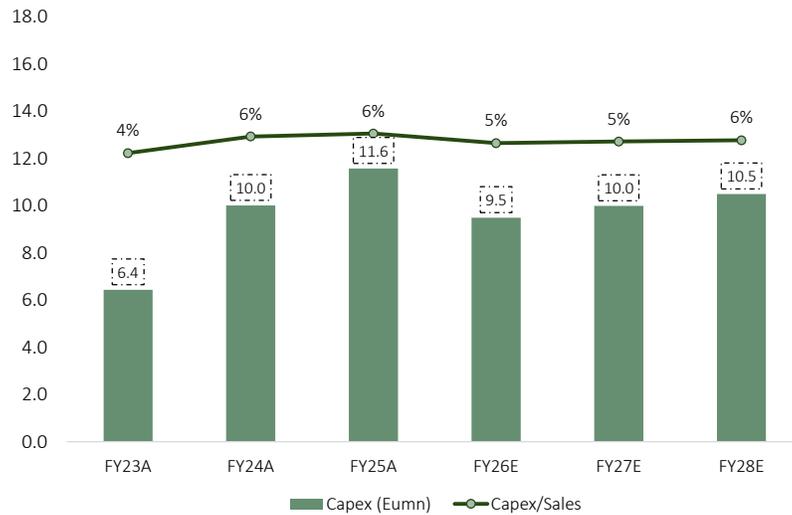


Source: Company data, Alantra estimates

We expect capex to remain in the region of 5.5% of sales, in line with the average historical ratio. We projected mainly maintenance capex. We have not included potential investments for the startup of Casoli Energy (pending authorization approval) and potential production expansion in energy production with an additional cogeneration plant.

Stable capex/sales projections (FY23-28E; %)

We expect capex/sales to remain at ca. 5.5% of sales



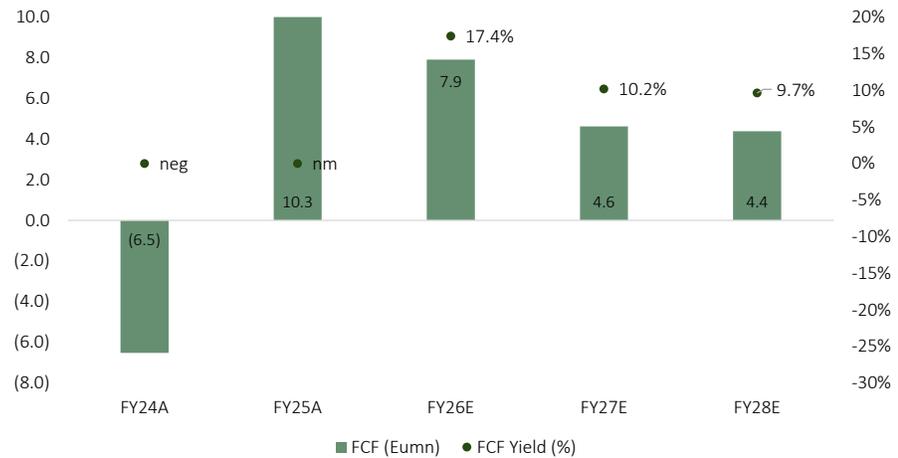
Source: Company data, Alantra estimates

Improving cash conversion to drive >12% average FCF yield

We expect FCF/EBITDA to reach >22% by 2028, supported by a more structurally profitable operating profile and disciplined capital allocation. Over the forecast period, FCF yield should average >12%, reaching 10% by FY28E. This performance is mainly driven by EBITDA expansion, improving cash generation quality, and tight control over BS items, particularly working capital and capex discipline.

FCF (LHS, Eumn) and FCF yield (RHS, %) evolution (FY24A-28E)

We expect NDT to generate Eu18mn of cash in the forecasted period, with FCF yield expected to remain >10%



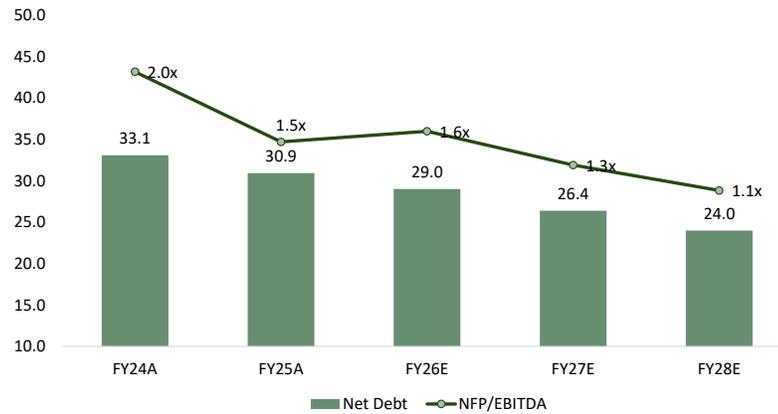
Source: Company data, Alantra estimates

Gradual deleveraging ahead

Neodecortech is expected to reach a net debt position of Eu24mn by FY28E. We forecast net debt/EBITDA to decline from 1.5x to 1.1x over the period, even assuming an average dividend pay-out of 35% throughout the forecasted horizon.

Net Debt (Eumn) and Net Debt/EBITDA (x) in FY24A-28E

We expect Neodecortech to deleverage and reaching 1.1x net debt/EBITDA by 2028E



Source: Company data, Alantra estimates

Valuation: TP of Eu5.0/share

We value NDT using a weighted average approach: a DCF model (60%) and a SOTP valuation (40%). The latter is based on a mix of FY26E peer multiples for the printed decorative paper and energy production businesses, and transaction multiples for the paper mills division. We struggled to find directly listed comparables that are vertically integrated and solely exposed to the furniture end market. However, to establish a valuation benchmark, we considered European manufacturers of coated surfaces, wallpapers, and laminate flooring for the printed decorative paper BU. The selected peer group has higher liquidity and a larger market capitalization than NDT (average market cap of c.Eu330mn). For the energy production division, we selected Italian-listed companies. Although these players are large, diversified multi-utilities, we believe their multiples embed the domestic energy cycle, which is closely tied to nationwide regulation. In our view, this provides a correlated benchmark for valuing the Guarcino Energy business, after applying a 20% discount. Lastly, given the lack of listed pure-play paper mills, we selected recent European M&A transaction multiples as a valuation reference. We believe the DCF methodology is better suited to capture the group FCF generation potential. In our DCF valuation, we assume a five-year forecast period, a WACC of 8.8%, and a terminal growth rate of 1.0%. The weighted average of both methods yields a TP of Eu5.0/s, implying a potential upside of 42%. BUY.

Valuation methods and TP calculation

We value Neodecortech at Eu5.0/share

Method	Equity Value		
	(Eu mn)	(Eu per share)	Weight (%)
DCF, 8.8% WACC, 1% g	70.3	5.3	60%
SOTP	62.8	4.7	40%
Weighted AVG	67.3	5.0	

Source: Alantra

Valuation approach based on multiples of peers

Printed decorative paper division: To benchmark Neodecortech printed decorative paper division, we selected a panel of European-listed companies operating in adjacent surface materials, wallpapers, flooring, and interior decorative segments. None of the identified players represents a pure-play decorative paper producer fully comparable to NDT's vertically integrated model. However, they provide a relevant reference set in terms of end-market exposure (furniture, flooring, and interior design), industrial processes, and margin profile.

- **A.S. Création Tapeten AG (Germany, Eu20mn market cap)** engages in the manufacturing and distribution of wallpapers and furnishing fabrics across Europe. The company operates through two main segments: Wallpaper and Furnishing Fabrics. The Wallpaper segment produces and markets wallpapers and borders under brands such as innova, A.S. Création, livingwalls, and Architects Paper. While primarily focused on residential interior decoration, the company offers exposure to surface design and decorative finishing, making it partially comparable to NDT's decorative printing activities.
- **Arctic Paper S.A. (Poland, Eu134mn market cap)** is a holding company engaged in the production of book paper and fine graphic paper, operating through the Uncoated Papers, Coated Papers, Cellulose, and other segments. Although more exposed to graphic and publishing paper rather than decorative laminates, the company shares industrial characteristics such as coating processes, pulp sourcing, and paper manufacturing integration, offering a relevant reference for upstream paper economics.
- **Forbo Holding AG (Switzerland, Eu1.3bn market cap)** manufactures and markets flooring systems, adhesives, and conveyor technology. The Flooring Systems segment develops and sells linoleum, vinyl flooring, carpet tiles, and related installation products. While not active in decorative paper printing,

Forbo is exposed to similar end markets, particularly flooring and interiors, and therefore provides a relevant downstream benchmark for interior surface applications.

- **James Halstead Plc (United Kingdom, Eu601mn market cap)** engages in the manufacturing and distribution of commercial flooring products globally. The company operates across multiple geographies and focuses on resilient floor coverings. Its exposure to interior surfaces and renovation cycles provides an indirect comparable in terms of customer base and demand dynamics.
- **Sanderson Design Group Plc (United Kingdom, Eu47mn market cap)** engages in the design, manufacture, and marketing of interior furnishings, fabrics, and wallpapers. Through its Brands and Manufacturing segments, the group combines branded interior decoration activities with wall-covering production. Its wallpaper manufacturing operations offer partial comparability to NDT's decorative surface activities.
- **Surteco Group SE (Germany, Eu183mn market cap)** operates as a holding company engaged in the development, production, and sale of coated surface materials based on paper and plastic. Through its Decoratives segment, the company serves the wood-based panel, flooring, furniture, and interior industries. Given its exposure to decorative surfaces and coated materials for furniture and flooring applications, Surteco represents one of the closest industrial comparables to NDT's decorative paper business model.
- **Uzin Utz SE (Germany, Eu376mn market cap)** engages in the provision of flooring systems and installation products across multiple regions. While primarily focused on flooring installation solutions rather than decorative printing, the company shares exposure to flooring end markets and renovation demand dynamics.
- **Victoria Plc (United Kingdom, Eu29mn market cap)** engages in the manufacturing, distribution, and sale of carpets, ceramic tiles, and hard flooring products across Europe, Australia, and North America. The company's exposure to soft and hard flooring markets provides a relevant end-market benchmark for interior surface demand trends.

The selected surface manufacturers trade on a profitability profile broadly aligned with Neodecortech. The panel delivers an average FY26-28E EBITDA margin of 12.4% (11.5% median), slightly higher than NDT's 10.7%. At the EBIT level, peers average 7.5% (5.2% median) versus NDT's 6.5%, suggesting a minimal margin premium versus the reference set, also thanks to a greater NDT's vertical integration. Alignment arises also in terms of capex intensity with the peer group showing slightly lower level of investment with capex/sales at 4.3% median vs NDT of 5.3%.

From a growth perspective, the peer group shows several nm data due to M&A activity. However, the peer group points to a modest top-line expansion (average sales CAGR FY24A-27E of 2.1%, median 1.8%), above NDT's 1.2%.

Financials – Neodecortech versus selected peers

Neodecortech offers higher growth across the board vs peers with profitability in line with the selected panel.

Company	Country	Mkt Cap (Eu mn)	FY26E - FY28E average margins					CAGR FY25A - FY28E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
Neodecortech	ITALY	45	10.7%	4.9%	3.1%	5.3%	35.3%	1.2%	0.6%	0.3%	nm
	Average		19.9%	11.2%	6.3%	10.0%	46.4%	2.1%	4.4%	5.5%	4.0%
	Median		13.8%	8.7%	5.0%	5.4%	40.8%	1.6%	3.6%	4.5%	4.1%
A.S. Creation Tapeten AG	GERMANY	20	8.3%	4.3%	2.5%	3.4%	36.4%	nm	nm	nm	nm
Arctic Paper S.A.	POLAND	134	6.8%	2.6%	1.3%	5.3%	17.1%	2.4%	nm	na	nm
Forbo Holding AG	SWITZERLAND	1,265	14.3%	9.7%	7.7%	4.0%	42.8%	0.8%	8.5%	12.5%	9.1%
James Halstead plc	UNITED KINGDOM	601	22.8%	20.2%	15.7%	2.5%	87.6%	2.1%	3.1%	3.3%	2.9%
Sanderson Design Group PLC	UNITED KINGDOM	47	10.9%	5.0%	3.6%	na	31.0%	na	na	na	na
SURTECO GROUP SE	GERMANY	183	11.2%	4.8%	2.1%	na	38.7%	2.3%	nm	nm	nm
Uzin Utz SE	GERMANY	376	11.9%	7.7%	4.9%	5.5%	35.6%	na	na	na	na
Victoria PLC	UNITED KINGDOM	29	13.2%	5.4%	-3.0%	4.6%	0.0%	1.5%	na	na	na
	Average	332	12.4%	7.5%	4.4%	4.2%	36.1%	1.8%	5.8%	7.9%	6.0%
	Median	158	11.5%	5.2%	3.0%	4.3%	36.0%	2.1%	5.8%	7.9%	6.0%

Source: Factset, Alantra

We favour EV/EBITDA multiples as the most appropriate metric. The surface manufacturer peers are trading at 5.8x EV/EBITDA FY26E, at 32% premium vs Neodecortech.

Trading multiples

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Neodecortech	ITALY	45	0.4 x	0.4 x	0.4 x	3.9 x	3.5 x	3.2 x	9.1 x	7.7 x	6.5 x	9.4 x	7.9 x	6.7 x
			-40%	-48%	-42%	-32%	-42%	-29%	nm	-12%	-14%	-22%	-32%	-39%
	Average		0.7 x	0.7 x	0.7 x	5.6 x	5.1 x	4.6 x	10.9 x	9.0 x	7.4 x	14.5 x	10.1 x	10.2 x
	Median		0.7 x	0.7 x	0.6 x	5.8 x	6.0 x	4.6 x	10.2 x	8.8 x	7.6 x	12.1 x	11.7 x	11.0 x
A.S. Creation Tapeten AG	GERMANY	20	0.2 x	0.1 x	na	2.5 x	1.6 x	na	nm	2.8 x	na	10.1 x	5.1 x	na
Arctic Paper S.A.	POLAND	134	0.2 x	0.2 x	0.2 x	4.3 x	3.1 x	3.0 x	19.1 x	7.4 x	6.5 x	31.5 x	nm	10.9 x
Forbo Holding AG	SWITZERLAND	1,265	1.0 x	0.9 x	0.8 x	7.1 x	6.0 x	5.3 x	10.9 x	8.8 x	7.9 x	13.9 x	12.1 x	11.0 x
James Halstead plc	UNITED KINGDOM	601	1.6 x	1.6 x	1.4 x	7.2 x	6.8 x	6.5 x	8.1 x	7.7 x	7.2 x	12.1 x	11.7 x	11.2 x
Sanderson Design Group PLC	UNITED KINGDOM	47	0.3 x	na	na	3.2 x	na	na	6.3 x	na	na	8.9 x	na	na
SURTECO GROUP SE	GERMANY	183	0.5 x	0.5 x	0.4 x	5.0 x	4.6 x	3.8 x	nm	10.6 x	8.1 x	10.8 x	8.6 x	7.8 x
Uzin Utz SE	GERMANY	376	0.8 x	0.7 x	na	6.6 x	6.1 x	na	10.2 x	9.3 x	na	14.4 x	12.9 x	na
Victoria PLC	UNITED KINGDOM	29	1.1 x	1.1 x	na	9.2 x	7.5 x	na	nm	16.5 x	na	na	na	na
	Average	332	0.7 x	0.7 x	0.7 x	5.6 x	5.1 x	4.6 x	10.9 x	9.0 x	7.4 x	14.5 x	10.1 x	10.2 x
	Median	158	0.7 x	0.7 x	0.6 x	5.8 x	6.0 x	4.6 x	10.2 x	8.8 x	7.6 x	12.1 x	11.7 x	11.0 x

Source: Factset, Alantra

Guarcino Energy: To value the energy production division, we selected a panel of Italian-listed energy companies, namely Enel (Eu96bn market cap), A2A (Eu7.4bn), Iren (Eu3.3bn), and ERG (Eu3.7bn). The cluster shows significant dispersion in size, reflecting the presence of both large-cap incumbents and mid-sized renewable-focused operators. While these companies are structurally larger, more diversified with some of them operating as integrated multi-utilities, we consider them relevant benchmarks for the Guarcino Energy division.

Despite differences in scale and business mix, we believe that their trading multiples appropriately capture the Italian domestic energy cycle, which remains closely linked to national regulatory frameworks, pricing mechanisms, and incentive schemes. In our view, this provides a correlated and economically meaningful reference point for valuing the Guarcino Energy business, as it's correlated with similar regulatory backdrop

and market conditions. However, given the larger size of the peer group with a median of market capitalization of Eu5.5bn and more energy-diversified business models we apply a discount of 20%.

Valuation (Eumn), using peers' multiples

Italian energy producers are trading at 6.3x EV/EBITDA FY26E

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Neodecortech <i>Prem. (disc.) to Surface manufact.</i>	ITALY	45	0.4 x -75%	0.4 x -77%	0.4 x -78%	3.9 x -38%	3.5 x -43%	3.2 x -48%	9.1 x nm	7.7 x -36%	6.5 x -44%	9.4 x -23%	7.9 x -33%	6.7 x -42%
	Average		2.6 x	2.6 x	2.5 x	6.7 x	6.6 x	6.6 x	12.9 x	12.8 x	12.6 x	12.9 x	12.9 x	12.9 x
	Median		1.6 x	1.6 x	1.6 x	6.3 x	6.2 x	6.2 x	12.4 x	12.1 x	11.8 x	12.2 x	11.8 x	11.6 x
Enel SpA	ITALY	96,136	2.0 x	2.0 x	2.1 x	6.7 x	6.6 x	6.6 x	10.4 x	10.3 x	10.5 x	13.2 x	12.7 x	12.3 x
AZA S.p.A.	ITALY	7,406	1.1 x	1.1 x	1.0 x	5.9 x	5.9 x	5.9 x	11.6 x	11.5 x	11.4 x	11.2 x	10.8 x	11.0 x
Iren S.p.A.	ITALY	3,343	1.2 x	1.2 x	1.2 x	5.5 x	5.4 x	5.3 x	13.1 x	12.7 x	12.2 x	11.0 x	10.3 x	9.8 x
ERG S.p.A.	ITALY	3,713	6.2 x	6.0 x	5.6 x	8.8 x	8.7 x	8.5 x	16.5 x	16.7 x	16.4 x	16.1 x	17.9 x	18.4 x
Energy producers	Average	27,650	2.6 x	2.6 x	2.5 x	6.7 x	6.6 x	6.6 x	12.9 x	12.8 x	12.6 x	12.9 x	12.9 x	12.9 x
	Median	5,560	1.6 x	1.6 x	1.6 x	6.3 x	6.2 x	6.2 x	12.4 x	12.1 x	11.8 x	12.2 x	11.8 x	11.6 x

Source: Alantra estimates

Cartiere di Guarcino: We struggled to identify directly comparable listed peers for Neodecortech's paper mill division. Most similar players are listed in the Nordic region, where structurally lower energy costs result in materially higher profitability compared to Southern European operators, leading to a structural valuation premium. As such, we prefer to reference recent M&A transactions in the sector as a more appropriate benchmark.

We apply a 20% discount to transaction multiples to reflect the absence of a control premium and the captive nature of the asset.

Valuation (Eumn), using peers' multiples

Main recent M&A transaction in the paper mills industry stood at a median of 7.4x EV/EBITDA.

Date	Target	Country	Target Description	Buyer	Stake %	EV (€m)	EV/Sales	EV/EBITDA	EBITDA %
Dec-21	Reno de Medici SpA	Italy	Engaged in production and distribution of cartonboard made primarily from recycled fibers	Apollo Global Management LLC	100%	536	0.8x	6.8x	11.6%
Mar-20	BSC Drukarnia Opakowan SA	Poland	Engaged in manufacturing of corrugated and solid fiber boxes	A&R Carton AB; Colorpack Verpackungen mit System GmbH	100%	98	1.5x	8.1x	17.9%
Oct-18	Barcelona Cartonboard SAU	Spain	Manufacturer of cardboard containers from recycled fibers	Reno De Medici SpA	100%	46	0.4x	9.0x	4.2%
Oct-18	Cartiera di Bosco Marengo SpA	Italy	Manufacturer of paper and paper products	Benfante SpA	100%	32	0.8x	5.4x	15.5%
Apr-18	Fedrigoni Group	Italy	Provider of paper products and binding services	Bain Capital LP	90%	753	1.2x	7.9x	14.6%
Nov-17	Chatziioannou Industrial and Commercial SA	Greece	Manufacturer of packaging paper, paperboard boxes and cases	Smurfit Kappa Group Plc	100%	22	0.9x	8.1x	11.0%
Nov-17	W.A. Sanders Coldenhove	Netherlands	Producer of paper, paper-based containers, and decorating/printing patterns onto paper	Neenah Paper Inc	100%	36	0.9x	6.4x	13.3%
Average							0.91x	7.4x	12.6%
Median							0.85x	7.4x	13.3%
							Discount to Median Reference multiple	20%	6.1x

Source: Alantra

Looking at our SOTP method, we derive a valuation of Eu4.7/share.

SOTP valuation

We apply different reference EV/EBITDA multiples to each business unit, reflecting the specific characteristics and peer groups of each segment.

Business Unit	Method	Multiple (x)	EBITDA		EV 2026		Discounted EV 2025	
			FY26E (Eu mn)	(Eu mn)	(Eu mn)	(Eu per share)	(Eu mn)	(Eu per share)
Printed Decorative Paper	Surface manufacturers EV/EBITDA FY26E	5.8x	7.8	45.3	3.4	41.7	3.1	
Decorative Paper	EV/EBITDA transaction multiples after 20% discount	6.1x	4.5	27.5	2.1	25.3	1.9	
Guarcino Energy	EV/EBITDA FY26E after 20% discount	5.1x	5.5	28.0	2.1	25.7	1.9	
Enterprise Value			implicit 5.7x	sum 17.8	sum 100.9	7.6	92.7	6.9
(Net debt)/Net cash	FY25E			(30.9)		(30.9)		
Adjustments	FY25E			1.0		1.0		
Equity value				(Eu mn)	(Eu per share)	(Eu mn)	(Eu per share)	
				70.9	5.3	62.8	4.7	

Source: Alantra

Valuation based on DCF approach

We believe that the DCF methodology also helps us to derive the group's intrinsic value. In our DCF valuation we assume 5 years of estimates, with 8.8% WACC and 1.0% terminal growth rate. Our DCF suggests a valuation of Eu5.3/share.

DCF Valuation

(Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E	FY30E	TV
Value of Production	171.7	189.5	188.3	191.1	195.2	199.4	203.7	205.7
	<i>YoY growth</i>							
	-	10%	-1%	2%	2%	2%	2%	
EBITDA	16.6	20.9	18.6	20.1	21.2	23.1	24.4	20.6
	<i>EBITDA Margin</i>							
	9.7%	11%	10%	11%	10.9%	11.6%	12.0%	10%
taxes on EBIT	(1.7)	(1.2)	(1.4)	(1.6)	(1.8)	(1.9)	(2.0)	(2.5)
Non recurring Cash-out	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NWC Change	(10.4)	5.9	2.1	(2.0)	(2.7)	(2.8)	(2.8)	(2.0)
Capex	(10.0)	(11.6)	(9.5)	(10.0)	(10.5)	(10.0)	(10.2)	(8.2)
Capex/Revenues	-6%	-6%	-5%	-5%	-5%	-5%	-5%	-4%
Free cash flow			9.8	6.5	6.2	8.4	9.4	101.7
Disc. Free Cash Flow			9.2	5.6	4.9	6.2	6.3	68.1
			0.8	1.8	2.8	3.8	4.8	
Total Disc. FCF	32.2							
Terminal value	68.1							
Total EV (Eu mn)	100.3							
NFP FY25A (debt)/cash	(30.9)							
Adjustments FY25A	1.0							
TOTAL Equity Value	70.3							
# of shares (mn)	13.4							
Fair Value per share (Eu)	5.3							
Implied multiples	FY24A	FY25A	FY26E	FY27E	FY28E			
EV/ Sales	0.6 x	0.6 x	0.6 x	0.5 x	0.5 x			
EV/ Adj. EBITDA	6.7 x	5.2 x	5.8 x	5.2 x	5.2 x			
EV/Adj. EBIT	14.8 x	10.5 x	13.3 x	11.4 x	11.4 x			
P/Adj. E	17.3 x	9.6 x	14.6 x	12.2 x	12.2 x			

Source: Alantra

Valuation with sensitivity based on DCF

		Wacc				
		9.8%	9.3%	8.8%	8.3%	7.8%
Terminal Growth	1.5%	4.7	5.1	5.6	6.2	6.9
	1.3%	4.6	5.0	5.4	6.0	6.6
	1.0%	4.4	4.8	5.3	5.8	6.3
	0.8%	4.3	4.7	5.1	5.6	6.1
	0.5%	4.2	4.5	4.9	5.4	5.9

Source: Alantra

Main risks

We believe that the main risks related to Neodecortech's business can be summarised in the following factors:

Dependency on energy regulations and incentive schemes. The BEG division's profitability is influenced by regulatory incentive frameworks (e.g., PMG). Changes to or expiration of incentive schemes could materially affect the energy division's EBITDA and increase revenue volatility. However, the energy asset primarily serves an industrial purpose (self-supply to the paper mill) and delivers industrial synergies and cost savings.

Limited size compared to large players. The group's size is not comparable with some international players. This could translate into strong pricing pressure, especially in the lower-tier and high-volume products. However, we think that this risk is partially reduced by the group's strategy to focus on niche and value-added solutions where competition from large players eases. Moreover, the diversified offerings of NDT allow it to remain flexible and maintain a solid competitive positioning.

Exposure to natural gas price volatility. While Neodecortech is fully self-sufficient in electricity through its internal cogeneration plant, thermal steam generation relies on natural gas, with c.40% internally sourced and the remainder purchased from the market. As a result, increases in gas prices, potentially driven by geopolitical tensions such as the current conflict involving Iran, could raise production costs. However, the integrated energy model still provides a partial hedge, mitigating overall energy cost volatility.

Volatility in raw material costs. The business is exposed to fluctuations in key inputs such as pulp, titanium dioxide, resins, PVC, PET and biofuels. Sharp increases in these costs can compress margins, particularly in periods of weak demand when price pass-through becomes more challenging. However, the group applies structured price-adjustment mechanisms with an average lag of one quarter, allowing it to transfer most input cost changes downstream over time. Additionally, the cost base is predominantly variable, limiting structural margin pressure. Vertical integration further enhances procurement flexibility.

Limited customer diversification. Customer concentration remains meaningful, typical of the reference industry, with the top five clients representing a significant share of revenues. Large OEM customers may exert pricing pressure or reduce volumes during downturns, impacting sales stability. The progressive shift toward furniture components and downstream applications (accelerated by Lamitex) reduces dependence on a small number of panel manufacturers and broadens the customer base toward more fragmented players. Furthermore, products are often mission-critical for aesthetic choices, reducing switching risk.

Indirect exposure to US tariffs. While not directly impacted, the group, being within the furniture and home décor end-market, is indirectly impacted by US tariff headwinds through customers operating in export-oriented furniture markets. However, revenue coming from this region is negligible (4% of sales).

Potential increased competition from Chinese producers. A potential reduction in EU trade barriers or anti-dumping protections could facilitate increased imports from Chinese producers, particularly in lower-tier decorative paper and thermoplastic film segments. However, Neodecortech's exposure to pure commodity segments has progressively declined in favour of higher value-added, design-driven and technically differentiated surfaces (e.g., CPL, EOS, specialty laminates), where quality, customization and service are more relevant than price alone.

Dependence on a few key people. We believe that the group is highly dependent on a few key individuals. Mr. Luigi Cologni (CEO) and Massimo Giorgilli (CEO of BEG and CG) play a very crucial role, in our view.

Appendix

Neodecortech – P&L

Eu mn	FY24A	FY25A	FY26E	FY27E	FY28E
Total Sales	168.6	184.1	184.0	186.8	190.8
YoY Growth	4.3%	9.2%	0.0%	1.5%	2.1%
Increases in fixed assets for internal works	0.0	0.0	0.0	0.0	0.0
YoY Growth	-	-	-	-	-
% of net sales	0.0%	0.0%	0.0%	0.0%	0.0%
Other revenues	4.1	3.8	4.2	4.3	4.4
YoY Growth	-43.1%	-7.9%	11.8%	1.5%	2.1%
on sales %	2.4%	2.3%	2.3%	2.3%	2.3%
Value of Production	171.7	189.5	188.3	191.1	195.2
YoY Growth	-0.2%	10.4%	-0.7%	1.5%	2.1%
on sales %	100.0%	100.0%	100.0%	100.0%	100.0%
Raw materials	(107.2)	(119.0)	(118.6)	(119.1)	(120.2)
YoY Growth	1.4%	11.0%	-0.3%	0.4%	1.0%
on sales %	-62.4%	-62.8%	-63.0%	-62.3%	-61.6%
Services	0.0	0.0	0.0	0.0	0.0
YoY Growth	-	-	-	-	-
on sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Personnel	(21.3)	(22.6)	(22.7)	(23.3)	(24.4)
YoY Growth	1.6%	6.0%	0.6%	2.2%	5.0%
on sales %	-12.4%	-11.9%	-12.1%	-12.2%	-12.5%
Other costs	(26.6)	(27.1)	(28.3)	(28.7)	(29.3)
YoY Growth	-15.5%	2.0%	4.5%	1.5%	2.1%
on sales %	-15.5%	-14.3%	-15.0%	-15.0%	-15.0%
Third parties	0.0	0.0	0.0	0.0	0.0
YoY Growth	-	-	-	-	-
on sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Total Costs	(155.1)	(168.7)	(169.6)	(171.0)	(174.0)
YoY Growth	-1.9%	8.7%	0.6%	0.8%	1.7%
on Total Revenues %	-90.3%	-89.0%	-90.1%	-89.5%	-89.1%
EBITDA Reported	16.6	20.9	18.6	20.1	21.2
YoY Growth	19.7%	25.5%	-10.8%	7.9%	5.8%
on Total Revenues %	9.9%	11.3%	10.1%	10.8%	11.1%
D&A	(9.1)	(10.5)	(10.5)	(10.9)	(10.8)
YoY Growth	-1.1%	14.6%	0.3%	3.4%	-1.0%
on total assets %	-10.6%	-12.3%	-12.0%	-12.0%	-12.0%
EBIT	7.5	10.4	8.1	9.2	10.5
YoY Growth	61.2%	38.8%	-22.0%	13.7%	13.7%
on Total Revenues %	4.4%	5.5%	4.3%	4.8%	5.4%
Net financial income (costs)	(2.3)	(2.1)	(2.3)	(2.3)	(2.3)
YoY Growth	13.4%	-8.7%	9.0%	0.0%	0.0%
on Total Revenues %	-1.3%	-1.1%	-1.2%	-1.2%	-1.2%
on Total Debt %	-5.1%	-4.6%	-5.0%	-5.0%	-5.0%
Pre-tax profits	5.2	8.3	5.8	6.9	8.2
YoY Growth	98.6%	59.9%	-29.9%	19.1%	18.3%
on Total Revenues %	3.0%	4.4%	3.1%	3.6%	4.2%
Taxes	(1.2)	(1.0)	(1.0)	(1.2)	(1.4)
tax rate %	-23.2%	-11.9%	17.0%	17.0%	17.0%
Net Profit	4.1	7.3	4.8	5.7	6.8
YoY Growth	42.5%	79.9%	-33.9%	19.1%	18.3%
on Total Revenues %	2.4%	3.9%	2.6%	3.0%	3.5%
Net Profit Adj.	4.1	7.3	4.8	5.7	6.8
YoY Growth	42.5%	79.9%	-33.9%	19.1%	18.3%
on Total Revenues %	2.4%	3.9%	2.6%	3.0%	3.5%

Source: Alantra

(Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Inventory	40.0	45.2	43.5	42.5	45.1
<i>% sales</i>	23.3%	23.8%	23.1%	22.3%	23.1%
<i>Days of Inventory</i>	85	90	85	82	85
Receivables	35.7	17.6	36.1	36.6	37.4
<i>% sales</i>	20.8%	9.3%	19.2%	19.2%	19.2%
<i>DSO</i>	76	76	70	70	70
Payables	(30.0)	(29.2)	(33.0)	(32.4)	(32.8)
<i>% costs</i>	19.2%	17.2%	19.3%	18.8%	18.7%
<i>Days of payables</i>	82	82	82	80	80
Other current assets	5.4	17.6	7.5	7.6	7.8
<i>% sales</i>	3.2%	4.0%	4.0%	4.0%	4.0%
Other current liabilities	(8.7)	(12.9)	(17.9)	(16.2)	(16.6)
<i>% sales</i>	-5.1%	-8.5%	-9.5%	-8.5%	-8.5%
Net Working Capital	42.5	38.3	36.2	38.2	40.9
<i>% sales</i>	24.7%	20.2%	19.2%	20.0%	21.0%
Proprierty, plant and equipment	74.5	77.3	75.3	73.4	72.2
Intangible assets	3.3	9.8	11.9	13.8	15.5
<i>o/w goodwill</i>	-	-	-	-	-
Financial assets	0.5	0.5	0.5	0.5	0.5
Others/Right of use	0.4	0.1	2.9	2.0	1.3
Total fixed assets	78.7	87.6	90.6	89.7	89.5
Employee pension benefits	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)
Other non current assets/liabilities (funds)	(5.3)	(6.1)	(6.1)	(6.1)	(6.1)
Net Invested Capital	113.8	117.7	118.6	119.7	122.1
Short Term debts	25.7	24.5	24.5	24.5	24.5
Long Term debts	20.0	21.5	21.5	21.5	21.5
Cash	(12.6)	(15.0)	(16.9)	(19.6)	(22.0)
Net financial position	33.1	30.9	29.0	26.4	24.0
Share capital	18.8	18.8	18.8	18.8	18.8
Reserves	49.1	52.0	57.3	60.1	63.8
Net result	4.1	7.3	4.8	5.7	6.8
Shareholders Equity	80.7	86.8	89.6	93.3	98.1
Source of Funds	113.8	117.7	118.6	119.7	122.1

Source: Alantra

Neodecortech - Cash-flow statement

(Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Net Profit	4.0	7.3	4.8	5.7	6.8
Interests	2.5	2.1	2.3	2.3	2.3
Taxes	0.7	1.0	1.0	1.2	1.4
Losses (gains) of disposal of fixed assets	0.5	0.0	0.0	0.0	0.0
Provisions	0.3	1.5	0.0	0.0	0.0
D&A	9.1	10.4	10.5	10.9	10.8
Change in net working capital	(10.4)	5.9	2.1	(2.0)	(2.7)
Interests paid	(2.3)	(2.0)	(2.3)	(2.3)	(2.3)
Taxes paid	(1.2)	(0.9)	(1.0)	(1.2)	(1.4)
Use of funds	0.0	(0.3)	(0.0)	0.0	0.0
Other operating items	0.3	(3.1)	0.0	0.0	0.0
Cash flow from operating activities	3.5	21.8	17.4	14.6	14.9
Intangibles	(2.9)	(5.4)	(3.0)	(3.0)	(3.0)
Tangibles	(7.2)	(6.2)	(6.5)	(7.0)	(7.5)
Financials	(0.1)	(0.3)	0.0	0.0	0.0
Acquisitions	0.0	(3.5)	(4.0)	0.0	0.0
Disposals	(0.0)	0.0	0.0	0.0	0.0
Cash flow from investment activities	(10.1)	(15.4)	(13.5)	(10.0)	(10.5)
New short term debt	0.0	0.0	0.0	0.0	0.0
New M/L term debt	0.0	0.0	0.0	0.0	0.0
Remboursement	0.0	0.0	0.0	0.0	0.0
Change in shareholders equity	(0.7)	0.4	0.0	0.0	0.0
Dividends	0.0	(1.7)	(2.0)	(2.0)	(2.0)
Other items	0.1	(3.0)	0.0	0.0	0.0
Change in NFP	(7.2)	2.2	1.9	2.6	2.4
NFP at year beginning	(25.9)	(33.1)	(30.9)	(29.0)	(26.4)
NFP at YE (debt)/cash	(33.1)	(30.9)	(29.0)	(26.4)	(24.0)
Net Debt/EBITDA	1.5x	1.6x	1.3x	1.1x	0.0x

Source: Alantra

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