

## EQUITY RESEARCH

# NEODECORTECH

## RESULTS REVIEW

**BUY**

**TP 6.0€** (vs 5.1€)  
Up/Downside: 50%

### A solid quarter, a confirmed thesis

As the furniture market struggles to regain momentum, Neodecortech continues to improve its operating margins driven by the Lamitex integration and a product mix moving upmarket. Against this backdrop, the 47% discount to peers for a margin gap of only 8% appears excessive.

#### Q1 2026: margin improvement in a sluggish market

Revenue came in at €47.1mn in the first quarter, up 8% year-on-year. This growth is certainly driven by the Lamitex consolidation, contributing €3.5mn, but also reflects the broader improvement across the printed paper division. On a like-for-like basis, revenues were flat – reflecting a furniture market yet to show a meaningful recovery signal. Europe ex-Italy grew +10.7%, Italy +7%, Asia +163%, but the Americas declined by -16%.

The EBITDA figure requires a restatement. The reported €9.1mn (19.3% margin) includes a €5.6mn BEG “conguaglio”, a balance paid by the GSE at the start of the year representing the difference between monthly advances paid throughout the prior year and the final amount due once production data is consolidated. This mechanism is inherent to the PMG regime and will recur annually. Stripping it out, the EBITDA margin stands at 9.3% excluding Lamitex, broadly flat year-on-year, and at 10.8% including it. In a demand environment that remains soft, the group is delivering +160bps of margin improvement through perimeter and mix alone.

#### Estimate revisions

On revenue: at the start of the year, BEG was forced to halt operations due to regulatory uncertainty around PMG allocation conditions. Once the decree-law was published on 20 February, the group restarted by aligning its production schedule with CDG’s industrial rhythm, a necessary condition to qualify as a captive installation and retain priority access to the GSE envelope. This -25% reduction in operating hours weighs on energy division revenues, leading us to revise our revenue estimates to €185.1mn in 2026e, €190.6mn in 2027e and €195.5mn in 2028e. On EBITDA: integrating the annual conguaglio as a structural component of BEG’s income statement lifts our estimates by +€3mn in 2027e and 2028e, to €21.7mn, €22.9mn and €24.0mn respectively.

#### A valuation discount disconnected from fundamentals

NDT trades at 3.9x EV/EBITDA 2026e, a 47% discount to the median of its decorative peers – Forbo, James Halstead, Uzin Utz and Surteco. The margin gap does not justify this discount: our estimates place NDT only 8% below the sector median on EBITDA margin, with an improving trajectory. In an environment of elevated energy cost volatility, peers will have to absorb that pressure alone whereas NDT benefits from BEG as a built-in shield, a structural advantage no decorative peer can claim.

Buy recommendation, TP 6,0 € (vs 5,1 € previously).

TP ICAP Midcap Estimates	12/25	12/26e	12/27e	12/28e	Valuation Ratio	12/26e	12/27e	12/28e
Sales (m €)	184.1	185.1	190.6	195.5	EV/Sales	0.5	0.4	0.4
Current Op Inc (m €)	10.4	12.5	13.6	14.8	EV/EBITDA	3.9	3.6	3.2
Current op. Margin (%)	5.6	6.8	7.1	7.6	EV/EBIT	6.8	6.0	5.2
EPS (€)	0.51	0.60	0.66	0.73	PE	6.6	6.0	5.5
DPS (€)	0.00	0.14	0.20	0.22	Source: TPICAP Midcap			
Yield (%)	0.0	3.5	5.0	5.5				
FCF (m €)	9.0	7.0	7.7	8.8				

#### Key data

Price (€)	4.0
Industry	Diversified Paper
Ticker	NDT-IT
Shares Out (m)	14.218
Market Cap (m €)	56.9
Average trading volumes (k shares / day)	24.017
Next event	Q1 2026 - 13/05/2026
Source: FactSet	

#### Ownership (%)

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

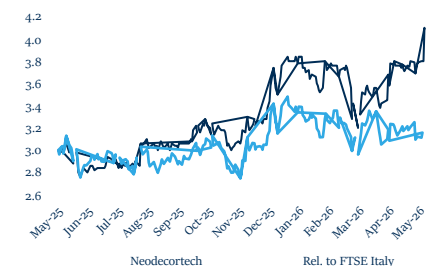
#### EPS (€)

	12/26e	12/27e	12/28e
Estimates	0.60	0.66	0.73
Change vs previous estimates (%)	14.36	19.47	23.50

Source: TPICAP Midcap estimates

#### Performance (%)

	1D	1M	YTD
Price Perf	-2.9	5.8	4.7
Rel FTSE Italy	-1.2	3.5	-3.2



Source: FactSet

Analyst

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## FINANCIAL DATA

<b>Income Statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
Sales	161.6	168.6	184.1	185.1	190.6	195.5
Changes (%)	-17.8	4.3	9.2	0.5	3.0	2.6
Gross profit	66.3	64.5	70.6	71.5	74.4	75.9
% of Sales	41.0	38.3	38.3	38.6	39.0	38.8
<b>EBITDA</b>	<b>13.9</b>	<b>16.6</b>	<b>20.9</b>	<b>21.7</b>	<b>22.9</b>	<b>24.0</b>
% of Sales	8.6	9.9	11.4	11.7	12.0	12.3
<b>Current operating profit</b>	<b>4.6</b>	<b>7.5</b>	<b>10.4</b>	<b>12.5</b>	<b>13.6</b>	<b>14.8</b>
% of Sales	2.9	4.5	5.6	6.8	7.1	7.6
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	4.6	7.5	10.4	12.5	13.6	14.8
Net financial result	-2.0	-2.3	-2.1	-1.8	-1.8	-1.8
Income Tax	0.2	-1.2	-1.0	-2.1	-2.4	-2.6
Tax rate (%)	-9.0	23.2	11.9	20.0	20.0	20.0
<b>Net profit, group share</b>	<b>2.8</b>	<b>4.0</b>	<b>7.3</b>	<b>8.6</b>	<b>9.4</b>	<b>10.4</b>
EPS	0.20	0.28	0.51	0.60	0.66	0.73
<b>Financial Statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	76.7	77.8	87.1	87.4	88.1	88.9
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.8	0.9	0.5	0.5	0.5	0.5
Working capital	33.5	43.8	39.5	42.5	45.3	47.9
Other Assets	1.9	1.1	1.8	1.8	1.8	1.8
<b>Assets</b>	<b>113.0</b>	<b>123.5</b>	<b>128.9</b>	<b>132.2</b>	<b>135.7</b>	<b>139.0</b>
Shareholders equity group	77.5	80.7	86.9	93.4	100.0	107.3
Minorities	0.0	0.0	0.1	0.1	0.1	0.1
LT & ST provisions and others	2.9	2.9	2.9	2.9	2.9	2.9
Net debt	25.9	33.2	30.9	27.7	24.6	20.7
Other liabilities	5.9	5.5	7.0	6.9	6.9	6.9
<b>Liabilities</b>	<b>113.0</b>	<b>123.5</b>	<b>128.9</b>	<b>132.2</b>	<b>135.6</b>	<b>139.0</b>
Net debt excl. IFRS 16	25.9	33.2	30.9	27.7	24.6	20.7
Gearing net	0.3	0.4	0.4	0.3	0.2	0.2
Leverage	1.9	2.0	1.5	1.3	1.1	0.9
<b>Cash flow statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
CF after elimination of net borrowing costs and taxes	12.1	13.9	16.0	17.8	18.7	19.6
$\Delta$ WCR	1.6	-10.4	5.9	-3.0	-2.8	-2.6
Operating cash flow	13.7	3.5	21.9	14.7	15.9	17.0
Net capex	-6.5	-10.1	-8.0	-9.5	-10.0	-10.0
FCF	9.1	-4.2	9.0	7.0	7.7	8.8
Acquisitions/Disposals of subsidiaries	0.0	0.0	-6.8	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	-4.8	7.7	-4.3	0.0	0.0	0.0
Dividends paid	-1.9	0.0	0.0	-2.0	-2.8	-3.1
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.0	0.0	0.0	0.0	0.0	0.0
Others	-0.5	-0.7	-0.2	0.0	0.0	0.0
Change in net cash over the year	0.1	0.4	2.6	3.2	3.1	3.9
ROA (%)	1.7%	2.3%	3.9%	4.5%	4.7%	5.0%
ROE (%)	3.7%	5.0%	8.4%	9.2%	9.4%	9.7%
ROCE (%)	4.9%	5.0%	7.8%	8.3%	8.7%	9.3%

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This Report may mention evaluation methods defined as follows:

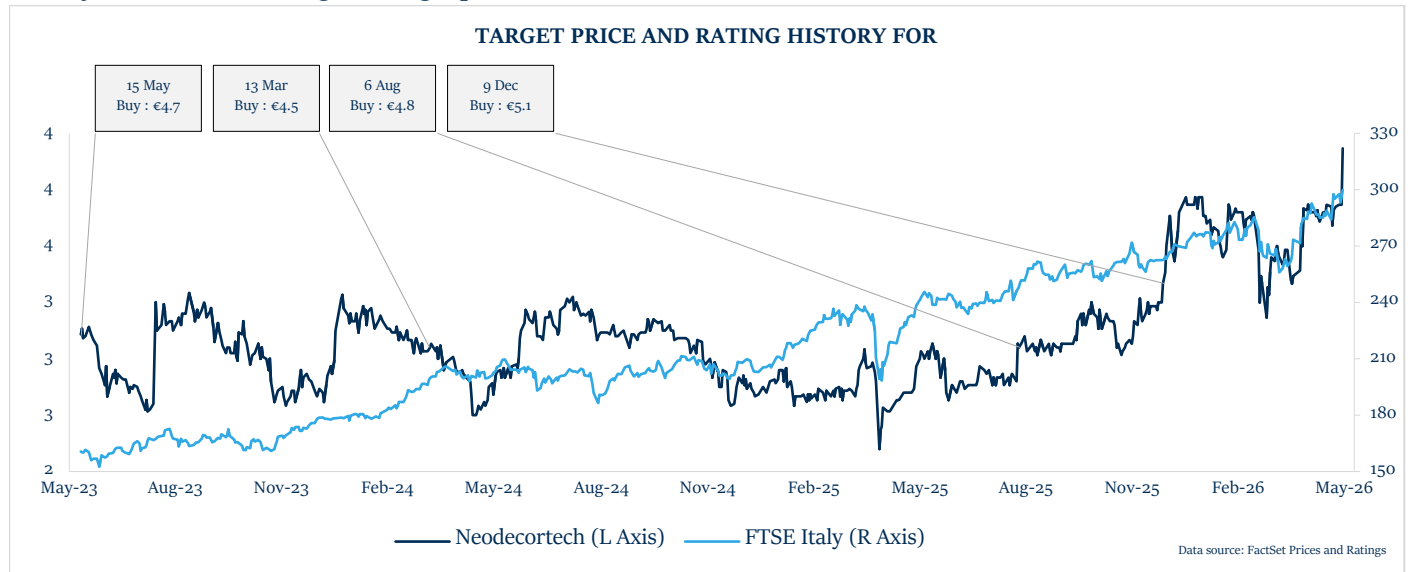
1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's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

### Conflict of Interests between TP ICAP Midcap and the Issuer

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

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

## History of investment rating and target price – Neodecortech



### Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
16 Mar 26 - 08:39:36	Mathias Paladino	€ 5.10	€ 5.10	€ 3.54	Buy	Buy
11 Mar 26 - 17:37:38	Mathias Paladino	€ 5.10	€ 5.10	€ 3.38	Buy	Buy
09 Dec 25 - 07:56:38	Mathias Paladino	€ 4.80	€ 5.10	€ 3.30	Buy	Buy
14 Nov 25 - 08:29:51	Mathias Paladino	€ 4.80	€ 4.80	€ 3.12	Buy	Buy
06 Aug 25 - 08:12:46	Mathias Paladino	€ 4.80	€ 4.80	€ 3.08	Buy	Buy
05 Aug 25 - 07:57:34	Mathias Paladino	€ 4.50	€ 4.50	€ 2.88	Buy	Buy
18 May 25 - 20:04:09	Mathias Paladino	€ 4.50	€ 4.50	€ 3.00	Buy	Buy

### Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	70%	73%
Hold	21%	57%
Sell	4%	33%
Under review	5%	78%

Midcap employs a rating system based on the following:

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

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

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

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

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