Neodecortech

Sector: Industrials

Structurally higher margins in a selective market

9M26 sales were broadly stable despite a weaker decorative surfaces market while profitability was materially above 9M25. 3Q reported margins were affected by BEG true-up timing, but on a comparable basis operating performance remained strong, supported by market share gains, better mix, procurement and efficiency. Net debt declined to Eu23.1mn from Eu30.9mn at YE25, despite some NWC absorption in 3Q. We fine-tune FY26E-28E sales and EBITDA by -2% and -1% on average, while raising EPS by 4%. Our Eu7.7/s TP is unchanged. BUY confirmed.

- **3Q sales reflect lower BEG and CDG contribution, but market share gains continue.** Net sales reached Eu42.2mn in 3Q26, down 12% YoY, bringing 9M26 revenues to Eu139.8mn, up 1% YoY despite BEG's temporary shutdown from 1 January to 20 February 2026. The quarterly decline mainly reflected BEG (-38% YoY, against a demanding comparison including Eu4.9mn prior-year true-up booked in 3Q25) and CDG (-14%), while Printed Decorative Paper increased 20%, supported by 1% organic growth at NDT and Eu3.3mn from Lamitex. Excluding BEG and Lamitex, we calculate decorative activities sales down only 5% YoY in 3Q, comparing favorably with the broader reference market: Surteco's surfaces division recently reported sales down 9% in 3Q and 8% in 9M, supporting NDT's continued market share gain thesis.
- **Profitability remains strong, with 3Q comparison distorted by BEG true-up timing.** 3Q26 EBITDA reached Eu4.1mn, with margin at 9.8% vs Eu6.5mn/13.6% in 3Q25. However, 3Q25 included Eu4.9mn of BEG prior-year true-up; excluding this effect, we calculate EBITDA at only Eu1.6mn, highlighting a materially stronger profitability in 3Q26. The 9M comparison confirms the improvement: EBITDA reached Eu19.8mn (+26% YoY), with margin at 14.1% vs 11.4%, or +11% with margin up 210bps on a pro-forma basis including Lamitex in 9M25. Profitability benefited from procurement, efficiency and product mix, with Lamitex cost synergies now substantially implemented. Lower D&A and financial charges drove EBIT to Eu13.4mn (+79%) and net profit to Eu10.5mn (+100%). Net debt stood at Eu23.1mn vs Eu30.9mn at YE25 and Eu34.8mn in 9M25, although above Eu19.9mn of 2Q26. 9M26 FCF reached Eu9.3mn vs Eu0.8mn in 9M25, while the 3Q vs 2Q increase mainly reflected NWC absorption, with Eu5.0mn of BEG receivables still outstanding at end-September.
- **Selective market, but resilient positioning supported by integration and mix.** The order book has recently shown a slight contraction, which management considers more contained than the broader market thanks to share gains across selected product lines. Raw-material, energy and logistics costs remain under pressure, but after passing through the inflationary step-up seen in 1H26, the group is currently absorbing recent increases through procurement efficiency and product innovation, preserving flexibility on pricing. Strategic focus remains on laminates and printed PVC/films, Lamitex cross-selling, Kraft paper and the integrated BEG/CDG model, which continues to support margin resilience. BEG's useful life is expected to extend beyond 2030, with a new biomass cogeneration unit under evaluation to further strengthen energy integration and reduce CDG's exposure to gas costs.
- **Estimates fine-tuned.** We trim FY26E-28E sales by 2% on average, reflecting the softer market backdrop, while leaving EBITDA broadly unchanged (-1% on average) as mix and operating efficiency should largely offset lower volumes. Our FY26E sales/EBITDA estimates of Eu185.0mn/Eu24.2mn imply Eu45.2mn/Eu4.4mn in 4Q26, or -1% YoY sales and a 9.7% EBITDA margin, in line with 3Q26. We keep FY26E net debt at Eu21.0mn, while revising up FY27E-28E by Eu1.4mn on average to Eu15.5mn/Eu9.8mn on higher capex assumptions. By FY28E, we expect sales of Eu192.9mn, EBITDA of Eu25.9mn/13.4% margin and net debt/EBITDA at 0.4x.
- **BUY reiterated, TP unchanged at Eu7.7/s.** Our updated DCF and relative valuation support an unchanged Eu7.7/s TP. The 9M26 performance reinforces our view that NDT can sustain structurally higher profitability even in a weak reference market, supported by share gains, a richer product mix and the benefits of vertical integration. Lamitex synergies, BEG's extended industrial role and continued deleveraging further support the investment case, while the stock still trades at a >35% discount to peers. BUY confirmed.

BUY

Unchanged

TP 7.7

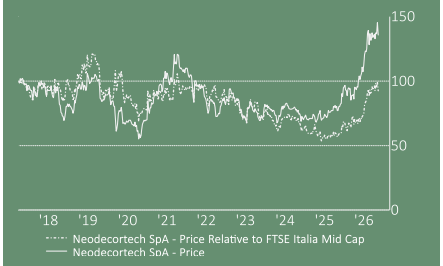
Unchanged

Target price upside 42%

Change in EPS est.	FY26E	FY27E
	11.1%	3.1%

Ticker (BBG, Reut)	NDT IM / NDT MI
Share price Ord. (Eu)	5.4
N. of Ord. shares (mn)	14.0
Total N. of shares (mn)	14.0
Market cap (Eu mn)	76
Total Market Cap (EU mn)	76
Free Float Ord. (%)	40%
Free Float Ord. (Eu mn)	30
Daily AVG liquidity Ord. (Eu k)	80

	1M	3M	12M
Absolute Perf.	7.8%	4.3%	89.5%
Rel.to FTSEMidCap	6.0%	6.5%	80.0%
52 weeks range		3.1	5.8



	FY25A	FY26E	FY27E
Sales	184	185	189
EBITDA	20.9	24.2	25.0
Net profit	7.3	11.8	11.9
EPS adj.	0.53	0.85	0.85
DPS - Ord.	0.15	0.15	0.15
EV/EBITDA	3.8x	4.3x	3.9x
P/E adj.	5.7x	6.4x	6.4x
Dividend yield	5.0%	2.8%	2.8%
FCF yield	34.4%	16.6%	10.1%
Net debt/(Net cash)	30.9	21.0	15.5
Net debt/EBITDA	1.5x	0.9x	0.6x

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Summary Financials (IFRS)

P&L account (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Net Revenues	168.6	184.1	185.0	188.9	192.9
Gross Margin	na	na	na	na	na
EBITDA reported	16.6	20.9	24.2	25.0	25.9
D&A	(9.1)	(10.5)	(8.6)	(8.8)	(9.0)
EBIT reported	7.5	10.4	15.6	16.2	16.9
Net financial charges	(2.3)	(2.1)	(1.1)	(1.0)	(0.8)
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	14.4	15.3	16.2
Taxes	(1.2)	(1.0)	(2.5)	(3.2)	(3.7)
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	11.8	11.9	12.3
EBITDA adjusted	**16.6**	**20.9**	**24.2**	**25.0**	**25.9**
EBIT adjusted	**7.5**	**10.4**	**15.6**	**16.2**	**16.9**
Net profit adjusted	**4.1**	**7.3**	**11.8**	**11.9**	**12.3**

Margins (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Gross margin	na	na	na	na	na
EBITDA margin	9.9%	11.3%	13.1%	13.2%	13.4%
EBIT margin	4.4%	5.6%	8.4%	8.6%	8.8%
Pre-tax margin	3.1%	4.5%	7.8%	8.1%	8.4%
Net profit margin	2.4%	4.0%	6.4%	6.3%	6.4%

Growth rates (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Sales	-17.5%	9.2%	0.5%	2.1%	2.1%
EBITDA	4.0%	25.5%	15.8%	3.5%	3.5%
EBITDA adjusted	4.0%	25.5%	15.8%	3.5%	3.5%
EBIT	22.6%	38.8%	49.8%	4.2%	4.2%
EBIT adjusted	22.6%	38.8%	49.8%	4.2%	4.2%
Pre-tax	-44.0%	59.9%	74.1%	5.9%	5.8%
Net profit	-51.9%	80.6%	61.3%	0.8%	3.1%
Net profit adjusted	-51.9%	80.6%	61.3%	0.8%	3.1%

Per share data	FY24A	FY25A	FY26E	FY27E	FY28E
Shares	13.69	13.82	13.97	13.97	13.97
N. of shares AVG	13.89	13.75	13.90	13.97	13.97
N. of shares diluted AVG	13.89	13.75	13.90	13.97	13.97
EPS	**0.29**	**0.53**	**0.85**	**0.85**	**0.88**
EPS adjusted	**0.29**	**0.53**	**0.85**	**0.85**	**0.88**
DPS - Ord.	**0.15**	**0.15**	**0.15**	**0.15**	**0.15**
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	5.81	6.31	6.90	7.56	8.29

Enterprise value (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Share price Ord. (Eu)	3.07	3.00	5.42	5.42	5.42
Market cap	42.0	41.5	75.7	75.7	75.7
Net debt/(Net cash)	33.1	30.9	21.0	15.5	9.8
Adjustments	6.9	7.8	7.7	7.5	7.4
Enterprise value	82.0	80.2	104.4	98.7	92.9

Cash flow (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
EBITDA report	16.6	20.9	24.2	25.0	25.9
Net financial charges	(2.3)	(2.1)	(1.1)	(1.0)	(0.8)
Cash taxes	(1.2)	(1.0)	(2.5)	(3.2)	(3.7)
Ch. in Working Capital	(10.4)	5.9	0.8	(2.2)	(2.0)
Other operating items	0.7	(1.8)	(0.1)	(0.1)	(0.1)
Operating cash flow	**3.5**	**21.8**	**21.3**	**18.5**	**19.3**
Capex	(10.2)	(7.6)	(8.7)	(10.8)	(11.5)
FCF	**(6.7)**	**14.3**	**12.6**	**7.7**	**7.8**
Disposals/Acquisitions	0.2	(7.5)	0.0	0.0	0.0
Changes in Equity	(0.7)	0.8	(0.6)	0.0	0.0
Others	0.0	(3.3)	0.0	0.0	0.0
Dividends	0.0	(2.0)	(2.1)	(2.1)	(2.1)
Ch. in NFP	**(7.2)**	**2.2**	**9.9**	**5.6**	**5.7**

Ratios (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Capex/Sales	**6.0%**	**4.1%**	**4.7%**	**5.7%**	**6.0%**
Capex/D&A	1.1x	0.7x	1.0x	1.2x	1.3x
FCF/EBITDA	-40.2%	neg	52.0%	30.7%	30.1%
FCF/Net profit	-165.0%	neg	106.4%	64.6%	63.4%
Dividend pay-out	**50.2%**	**28.6%**	**17.7%**	**17.6%**	**17.1%**

Balance sheet (Eu mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Working capital	42.5	38.3	37.5	39.7	41.7
Fixed assets	78.7	87.6	87.7	89.7	92.3
Provisions & others	(7.3)	(8.2)	(8.2)	(8.3)	(8.3)
Net capital employed	**113.8**	**117.7**	**116.9**	**121.2**	**125.6**
Net debt/(Net cash)	**33.1**	**30.9**	**21.0**	**15.5**	**9.8**
Equity	80.7	86.8	95.9	105.7	115.9
Minority interests	0.0	(0.1)	0.1	0.2	0.4

Ratios (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Working capital/Sales	**25.2%**	**20.8%**	**20.2%**	**21.0%**	**21.6%**
Net debt/Equity	**41.0%**	**35.6%**	**21.9%**	**14.6%**	**8.4%**
Net debt/EBITDA	**2.0x**	**1.5x**	**0.9x**	**0.6x**	**0.4x**

Valuation	FY24A	FY25A	FY26E	FY27E	FY28E
EV/CE	**0.7x**	**0.6x**	**0.8x**	**0.8x**	**0.7x**
P/BV	0.5x	0.5x	0.8x	0.7x	0.7x
EV/Sales	0.5x	0.4x	0.6x	0.5x	0.5x
EV/EBITDA	4.9x	3.8x	4.3x	3.9x	3.6x
EV/EBITDA adjusted	**4.9x**	**3.8x**	**4.3x**	**3.9x**	**3.6x**
EV/EBIT	11.0x	7.7x	6.7x	6.1x	5.5x
EV/EBIT adjusted	**11.0x**	**7.7x**	**6.7x**	**6.1x**	**5.5x**
P/E	10.4x	5.7x	6.4x	6.4x	6.2x
P/E adjusted	**10.4x**	**5.7x**	**6.4x**	**6.4x**	**6.2x**
ROCE pre-tax	10.9%	8.4%	12.4%	12.7%	12.8%
ROE	**5.0%**	**8.4%**	**12.3%**	**11.3%**	**10.6%**
EV/FCF	-12.2x	nm	nm	12.8x	11.9x
FCF yield	**-15.9%**	**34.4%**	**16.6%**	**10.1%**	**10.3%**
Dividend yield	**4.8%**	**5.0%**	**2.8%**	**2.8%**	**2.8%**

Source: Company data, Alantra estimates

Share price performance

NDT stock is up only 36% vs its IPO price (Eu4.00/s)



Valuation

The stock has started a significant re-rating from the day-after the 1Q26 release



Source: Factset

Key Charts

Complete High-End, Made in Italy Offer

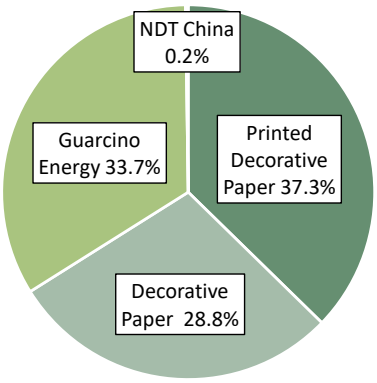
Multi-material and surface portfolio of 1,000+ best-in-class interior designs.



Source: Company data, Alantra

Net Sales by Product (FY25A, %)

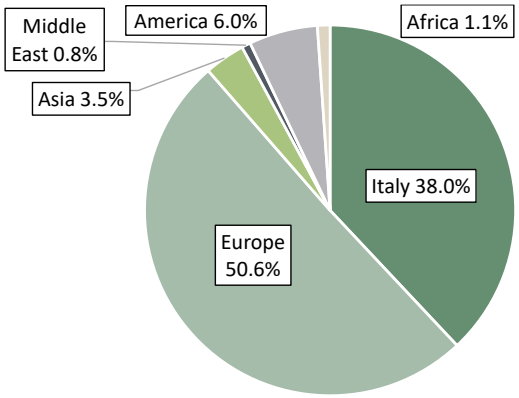
Well-diversified business model allowing to navigate cyclical downturns.



Source: Company data, Alantra

Net Sales by Geography (FY25A, %, excl. Energy division)

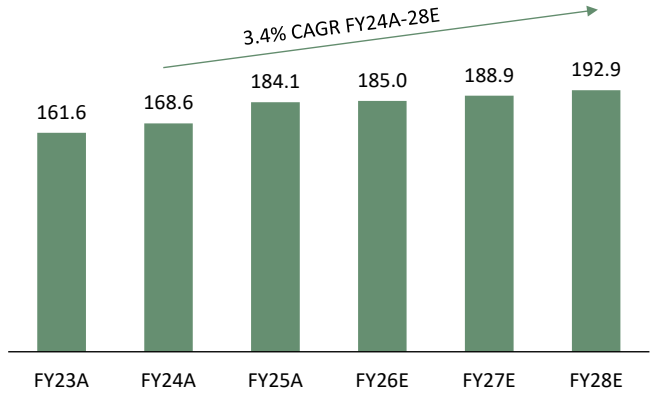
Excluding the energy division, the group generated 62% of FY25 sales abroad.



Source: Company data, Alantra

Net Sales Evolution (FY23A-FY28E, Eumn)

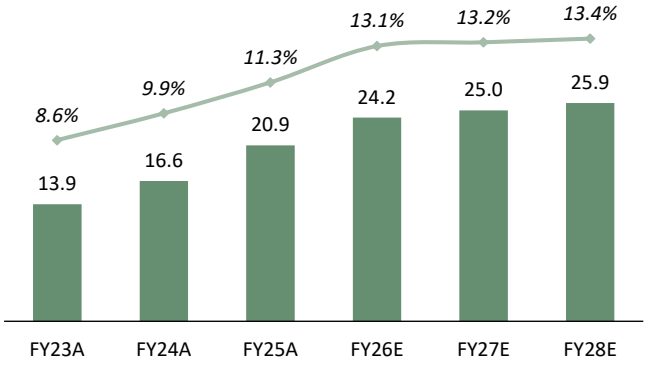
We expect Neodecortech to post a +3.4% FY24A-FY28E CAGR in Net Sales.



Source: Company data, Alantra

EBITDA and EBITDA Margin (FY23A-FY28E, Eumn, %)

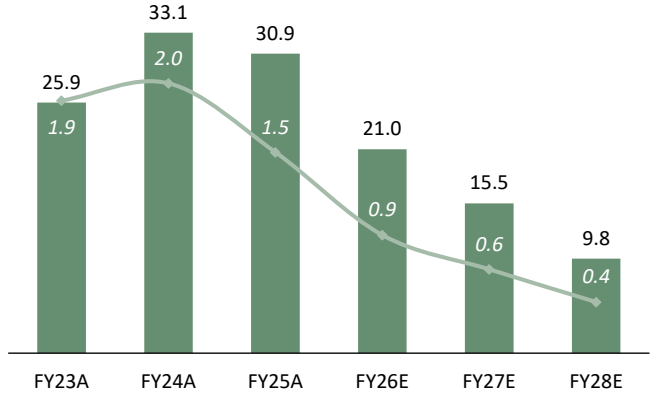
Mix enhancement, stronger integration, synergies to improve margin quality.



Source: Company data, Alantra

Net Debt and Net Debt/EBITDA (FY23A-FY28E, Eumn, x)

We expect Neodecortech to reach 0.4x Net Debt/EBITDA by FY28E.



Source: Company data, Alantra

This report is intended for Filippo Mazzoleni. 10 11 2026/ 07:58

Profile

Background

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, 29%) 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 62% of sales (excluding the energy division) generated abroad.

Positioning

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.

Growth

We expect Neodecortech to post a +3.4% FY24A-FY28E CAGR in sales reaching Eu192.9mn, mainly driven by NDT's shift toward higher-value segments. EBITDA should increase at a +11.7% FY24A-FY28E CAGR to Eu25.9mn, with the EBITDA margin rising from 9.9% of net sales to 13.4%. 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 Eu16.9mn/8.8% margin and Eu12.3mn/6.4%, respectively, in FY28E.

Strategy

Neodecortech's strategy is focused on driving growth through premiumization 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. colored 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 decarbonization strategy, which could materially reduce gas consumption and emissions while supporting long-term industrial sustainability.

Strengths	Weaknesses
Vertical integration across the value chain	Exposure to cyclical end markets
Premium product positioning	Revenue are affected by energy regulation changes
Comprehensive coverage of interior design surface applications	Customer concentration
Progressive downstream expansion	Energy division might lead to some WC volatility

Opportunities	Threats
Product premiumisation	Regulatory and energy incentive changes
Sustainability and circular economy positioning	Raw material price volatility
Expansion potential in new geographies	Competition from larger players in lower-tier product segments
M&A to accelerate business expansion	Technological obsolescence and rapid innovation cycles

Key shareholders	Management	Next events
Finanziaria Valentini: 58.6%	Luigi Cologni - CEO	
Treasury shares: 1.6%	Massimo Giorgilli - CEO BEG, CEO CG	
Market: 39.8%	Marina Fumagalli - CFO	

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3Q/9M26 Results

9M26 profitability remains strong despite a more selective 3Q. Net sales reached Eu42.2mn in 3Q26, down 12% YoY, bringing 9M26 revenues to Eu139.8mn, up 1% YoY despite BEG's temporary shutdown from 1 January to 20 February 2026. The quarterly decline mainly reflected BEG (-38% YoY, against a demanding comparison including Eu4.9mn prior-year true-up booked in 3Q25) and CDG (-14%), while Printed Decorative Paper increased 20%, supported by 1% organic growth at NDT and Eu3.3mn from Lamitex. Reported 3Q26 EBITDA declined 36% YoY to Eu4.1mn, although the comparison was distorted by the Eu4.9mn BEG true-up booked in 3Q25. On a 9M basis, EBITDA reached Eu19.8mn (+26% YoY), with margin expanding to 14.1% from 11.4%. EBIT reached Eu2.0mn in 3Q26 and Eu13.4mn in 9M26 (+79%), while net profit stood at Eu1.6mn and Eu10.5mn (+100%), respectively. Net debt declined to Eu23.1mn from Eu30.9mn at YE25 and Eu34.8mn in 9M25.

3Q/9M26 Results

3Q26 sales declined 12% YoY, while 9M26 EBITDA, EBIT and net profit increased 26%, 79% and 100%, respectively; net debt fell to Eu23.1mn from Eu30.9mn at YE25.

Eu mn	3Q25A	3Q26A	YoY%	9M25A	9M26A	YoY%	4Q25A	OLD 4Q26E	YoY%	FY25A	OLD FY26E	YoY%
Net Sales	47.9	42.2	-12%	138.3	139.8	1%	45.8	49.4	8%	184.1	189.2	3%
Net Sales (Net of BEG True-Up)	42.9	42.2	-2%	133.4	134.2	1%	45.8	49.4	8%	179.1	183.6	2%
EBITDA (Net of BEG True-Up)	1.6	4.1	165%	10.8	14.9	38%	5.1	4.4	-14%	15.9	19.4	21%
Ebitda Adj. Margin %	*3.6%*	*9.8%*		*8.1%*	*11.1%*		*11.2%*	*9.0%*		*8.9%*	*10.5%*	
EBITDA	6.5	4.1	-36%	15.7	19.8	26%	5.1	4.4	-14%	20.9	24.2	16%
Ebitda Margin %	*13.6%*	*9.8%*		*11.4%*	*14.1%*		*11.2%*	*9.0%*		*11.3%*	*12.8%*	
EBIT	3.1	2.0	-36%	7.5	13.4	79%	2.9	1.9	-34%	10.4	15.3	48%
Ebit Margin %	*6.5%*	*4.8%*		*5.4%*	*9.6%*		*6.4%*	*3.9%*		*5.6%*	*8.1%*	
Net Profit	2.5	1.6	-37%	5.3	10.5	100%	2.0	(0.0)	-102%	7.3	10.5	44%
Net Profit Margin %	*5.2%*	*3.7%*		*3.8%*	*7.5%*		*4.5%*	*-0.1%*		*4.0%*	*5.6%*	
Net Debt	34.8	23.1		34.8	23.1		30.9	21.0		30.9	21.0	

Source: Company data and Alantra estimates

BEG true-up timing masks a broader improvement in margin quality. The Eu4.9mn FY24 true-up was recognized in 3Q25, while the corresponding FY25 contribution was booked in 1Q26, significantly distorting the reported quarterly comparison. Excluding these effects, we calculate 3Q25 EBITDA at just Eu1.6mn, versus Eu4.1mn in 3Q26, implying +165% YoY growth and a 9.8% margin vs 3.6%. More importantly, EBITDA margin ex-BEG true-up improved YoY in every quarter of 2026, reaching 10.8% in 1Q, 12.4% in 2Q and 9.8% in 3Q, versus 9.2%, 11.2% and 3.6% in the corresponding 2025 periods. We see this as further evidence that the margin step-up is increasingly supported by better mix, procurement discipline, operating efficiency and Lamitex synergies, rather than by BEG timing effects alone.

Quarterly profitability excluding BEG true-up

Ex-BEG true-up, EBITDA margin improved YoY in every quarter of 2026, reaching 9.8% in 3Q26 vs 3.6% in 3Q25.

Key Financials (IFRS, Eu mn)	1Q25	2Q25	3Q25	1Q26	2Q26	3Q26
Net Sales	43.6	46.8	47.9	47.1	50.5	42.2
o/w BEG True-Up	*0.0*	*0.0*	*4.9*	*5.6*	*0.0*	*0.0*
EBITDA	4.0	5.2	6.5	9.1	6.6	4.1
YoY				*126%*	*25%*	***-36%***
EBITDA Margin	*9.2%*	*11.2%*	*13.6%*	*19.3%*	*13.0%*	*9.8%*
EBITDA (Net of BEG True-Up)	4.0	5.2	1.6	4.5	6.3	4.1
YoY				*12%*	*20%*	***165%***
EBITDA Margin (Net of BEG True-Up)	***9.2%***	***11.2%***	***3.6%***	***10.8%***	***12.4%***	***9.8%***

Source: Alantra elaboration on company data; 1H26 BEG true-up amounted to Eu5.6mn in net sales, with a Eu4.9mn impact on EBITDA; in 3Q25, the Eu4.9mn true-up had the same impact on both net sales and EBITDA.

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3Q/9M26 Net Sales by Product

Printed Decorative Paper grew 20% YoY in 3Q26, supported by 1% organic growth at NDT and Eu3.3mn from Lamitex.

Net Sales by Product (Eu mn)	3Q25A	3Q26A	YoY%	9M25A	9M26A	YoY%
Printed Decorative Paper	16.8	20.2	20%	51.8	64.5	25%
% Net Sales	35%	48%		37%	46%	
Decorative Paper	10.9	9.4	-14%	38.7	36.2	-6%
% Net Sales	23%	22%		28%	26%	
Guarcino Energy	20.0	12.4	-38%	47.7	38.3	-20%
% Net Sales	42%	29%		34%	27%	
NDT China	0.1	0.1	-4%	0.2	0.9	373%
% Net Sales	0%	0%		0%	1%	
Net Sales	47.9	42.2	-12%	138.3	139.8	1%

Source: Company data

3Q/9M26 Net Sales by Geography

Excluding the energy division, sales increased 7% YoY in 3Q26, led by Italy (+23%) and Asia (+64%).

Net Sales by Geography (Eu mn)	3Q25A	3Q26A	YoY%	9M25A	9M26A	YoY%
Italy	10.2	12.5	23%	34.9	39.4	13%
% Net Sales	21%	30%		25%	28%	
Europe	14.3	13.4	-6%	45.9	48.1	5%
% Net Sales	30%	32%		33%	34%	
Asia	1.2	1.9	64%	3.7	6.5	76%
% Net Sales	2%	5%		3%	5%	
America	1.7	0.9	-48%	5.1	4.4	-13%
% Net Sales	3%	2%		4%	3%	
Africa	0.5	1.1	98%	1.0	3.0	208%
% Net Sales	1%	2%		1%	2%	
Oceania	0.0	0.0	nm	0.0	0.2	nm
% Net Sales	0%	0%		0%	0%	
Energy Division	20.0	12.4	-38%	47.7	38.3	-20%
% Net Sales	42%	29%		34%	27%	
Net Sales	47.9	42.2	-12%	138.3	139.8	1%

Source: Company data

Change in estimates

Change in estimates

We trim FY26E-28E sales/EBITDA by 2%/1% on average on a weaker market backdrop, while raising EPS by 4%

	NEW Estimates			% Change			OLD Estimates		
(Eu mn)	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Sales	185.0	188.9	192.9	-2.2%	-2.2%	-2.2%	189.2	193.1	197.2
EBITDA	24.2	25.0	25.9	-0.2%	-1.1%	-1.9%	24.2	25.3	26.4
EBIT	15.6	16.2	16.9	1.5%	0.0%	-1.2%	15.3	16.2	17.1
Pretax Profit	14.4	15.3	16.2	4.1%	2.6%	1.2%	13.9	14.9	16.0
Net Profit	11.8	11.9	12.3	12.4%	5.3%	1.2%	10.5	11.3	12.1
EPS	0.85	0.85	0.88	11.1%	3.1%	-0.9%	0.77	0.83	0.89
Net Financial Position	(21.0)	(15.5)	(9.8)	(0.0)	(0.9)	(2.0)	(21.0)	(14.5)	(7.8)

Source: Alantra

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Peers

Financials

Neodecortech offers growth and profitability levels comparable with surface manufacturers peers.

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	76	13.2%	8.6%	6.4%	5.5%	17.5%	1.6%	7.4%	17.6%	18.2%
Peers	Average	9,437	18.9%	10.2%	5.7%	9.6%	44.2%	5.4%	28.6%	46.5%	19.9%
	Median	501	12.7%	8.0%	4.8%	4.7%	39.4%	4.5%	12.1%	13.8%	5.1%
A.S. Creation Tapeten AG	GERMANY	17	7.0%	3.0%	1.6%	3.5%	30.5%	3.2%	34.3%	156.3%	136.1%
Arctic Paper S.A.	POLAND	79	5.2%	0.8%	0.4%	4.8%	20.0%	3.2%	194.8%	na	nm
Forbo Holding AG	SWITZERLAND	1,420	13.6%	9.2%	7.2%	4.3%	43.7%	5.0%	11.2%	13.8%	6.6%
James Halstead plc	UNITED KINGDOM	674	20.9%	17.9%	13.9%	2.0%	102.1%	3.0%	-1.6%	-2.4%	-2.7%
Sanderson Design Group PLC	UNITED KINGDOM	66	11.9%	6.6%	5.3%	2.5%	23.7%	8.9%	21.5%	37.6%	16.9%
SURTECO GROUP SE	GERMANY	95	9.9%	2.9%	0.3%	na	0.0%	3.9%	15.6%	70.4%	nm
Uzin Utz SE	GERMANY	329	11.6%	7.7%	4.9%	4.7%	35.1%	11.4%	12.9%	15.8%	10.1%
Victoria PLC	UNITED KINGDOM	47	11.8%	3.6%	-3.4%	4.7%	0.0%	8.8%	34.2%	196.1%	nm
Peers Surface Manufacturers	Average	341	11.5%	6.5%	3.8%	3.8%	31.9%	5.9%	40.4%	69.7%	33.4%
	Median	87	11.7%	5.1%	3.3%	4.3%	27.1%	4.5%	18.5%	37.6%	10.1%
Enel SpA	ITALY	96,325	29.9%	19.6%	9.1%	19.1%	71.8%	1.9%	6.2%	6.9%	5.1%
A2A S.p.A.	ITALY	7,619	16.2%	8.3%	4.7%	12.2%	53.0%	1.5%	3.8%	0.1%	0.2%
Iren S.p.A.	ITALY	3,203	20.4%	8.5%	4.5%	14.1%	66.2%	5.0%	5.3%	10.1%	3.4%
ERG S.p.A.	ITALY	3,376	68.4%	34.8%	20.5%	33.8%	84.3%	8.7%	5.0%	7.1%	3.7%
Peers Energy Producers	Average	27,631	33.7%	17.8%	9.7%	19.8%	68.8%	4.3%	5.1%	6.1%	3.1%
	Median	5,498	25.2%	14.1%	6.9%	16.6%	69.0%	3.4%	5.2%	7.0%	3.6%

Source: FactSet, Alantra

Trading multiples

Neodecortech is trading at >35% average discount on FY26E-FY28E peers' EV/EBITDA 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	76	0.6 x	0.5 x	0.5 x	4.3 x	3.9 x	3.6 x	6.7 x	6.1 x	5.5 x	6.4 x	6.4 x	6.2 x
Prem. (disc.) to Peers			*-39%*	*-43%*	*-46%*	*-35%*	*-32%*	*-35%*	*-49%*	*-46%*	*-45%*	*-54%*	*-47%*	*-41%*
Peers	Average	9,437	1.4 x	1.4 x	1.3 x	7.0 x	5.9 x	5.4 x	28.1 x	11.5 x	9.7 x	17.7 x	12.4 x	10.8 x
	Median	501	0.9 x	0.9 x	0.9 x	6.7 x	5.8 x	5.6 x	13.1 x	11.2 x	10.0 x	13.9 x	12.1 x	10.4 x
A.S. Creation Tapeten AG	GERMANY	17	0.2 x	0.2 x	0.1 x	3.4 x	2.0 x	1.7 x	14.4 x	4.3 x	3.3 x	43.9 x	7.8 x	6.3 x
Arctic Paper S.A.	POLAND	79	0.2 x	0.2 x	0.2 x	8.4 x	3.4 x	2.6 x	na	12.8 x	6.2 x	na	16.2 x	10.4 x
Forbo Holding AG	SWITZERLAND	1,420	1.1 x	1.0 x	1.0 x	8.6 x	7.5 x	6.6 x	13.1 x	10.8 x	9.7 x	16.3 x	14.4 x	13.1 x
James Halstead plc	UNITED KINGDOM	674	2.0 x	1.9 x	1.8 x	9.4 x	9.0 x	8.7 x	11.0 x	10.5 x	10.0 x	16.2 x	15.4 x	14.6 x
Sanderson Design Group PLC	UNITED KINGDOM	66	0.4 x	0.4 x	0.3 x	4.1 x	3.3 x	2.7 x	8.2 x	5.8 x	4.5 x	12.5 x	9.2 x	7.7 x
SURTECO GROUP SE	GERMANY	95	0.5 x	0.5 x	0.4 x	6.3 x	4.6 x	4.1 x	158.7 x	12.5 x	9.9 x	na	7.0 x	5.3 x
Uzin Utz SE	GERMANY	329	0.7 x	0.6 x	0.6 x	6.5 x	5.6 x	4.6 x	10.2 x	8.6 x	6.7 x	13.9 x	12.1 x	9.4 x
Victoria PLC	UNITED KINGDOM	47	0.9 x	0.9 x	0.8 x	9.1 x	7.2 x	6.1 x	38.2 x	18.1 x	13.1 x	na	na	na
Peers Surface Manufacturers	Average	341	0.8 x	0.7 x	0.7 x	7.0 x	5.3 x	4.6 x	36.3 x	10.4 x	7.9 x	20.6 x	11.7 x	9.5 x
	Median	87	0.6 x	0.6 x	0.5 x	7.4 x	5.1 x	4.4 x	13.1 x	10.6 x	8.2 x	16.2 x	12.1 x	9.4 x
Enel SpA	ITALY	96,325	2.0 x	2.1 x	2.1 x	6.9 x	6.9 x	6.8 x	10.5 x	10.5 x	10.4 x	13.5 x	12.9 x	12.3 x
A2A S.p.A.	ITALY	7,619	1.0 x	1.0 x	1.0 x	6.0 x	6.0 x	5.9 x	11.8 x	11.6 x	11.4 x	11.9 x	11.5 x	11.0 x
Iren S.p.A.	ITALY	3,203	1.1 x	1.1 x	1.1 x	5.4 x	5.3 x	5.3 x	13.5 x	12.9 x	12.3 x	10.7 x	10.3 x	9.7 x
ERG S.p.A.	ITALY	3,376	6.7 x	6.7 x	6.3 x	9.8 x	9.8 x	9.4 x	19.3 x	19.0 x	18.4 x	20.8 x	20.3 x	19.4 x
Peers Energy Producers	Average	27,631	2.7 x	2.7 x	2.6 x	7.0 x	7.0 x	6.8 x	13.8 x	13.5 x	13.1 x	14.2 x	13.7 x	13.1 x
	Median	5,498	1.5 x	1.6 x	1.6 x	6.5 x	6.4 x	6.3 x	12.6 x	12.3 x	11.9 x	12.7 x	12.2 x	11.7 x

Source: FactSet, Alantra

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Performance

Neodecortech's stock price has consistently overperformed its peers.

Company	Country	Mkt Cap (Eu mn)	Performance 1M	3M	6M	YTD	1YR	3YR	5YR
Neodecortech	ITALY	76	7.8%	4.3%	53.0%	51.8%	89.5%	103.5%	32.4%
Peers	Average	9,437	-2.0%	-8.4%	-5.0%	-3.0%	-6.6%	-14.2%	-38.3%
	Median	501	1.2%	-3.3%	-3.4%	-2.6%	-7.1%	-23.7%	-49.0%
A.S. Creation Tapeten AG	GERMANY	17	4.3%	-15.3%	-17.6%	-18.7%	-28.7%	-43.5%	-70.4%
Arctic Paper S.A.	POLAND	79	-12.3%	-27.3%	-21.5%	-39.1%	-40.1%	-72.0%	-45.2%
Forbo Holding AG	SWITZERLAND	1,420	-4.3%	-6.1%	16.7%	0.0%	24.3%	-13.6%	-52.8%
James Halstead plc	UNITED KINGDOM	674	9.0%	8.0%	-4.7%	-1.5%	-3.6%	-33.8%	-53.3%
Sanderson Design Group PLC	UNITED KINGDOM	66	2.0%	-1.9%	17.8%	74.7%	68.9%	-35.3%	-56.3%
SURTECO GROUP SE	GERMANY	95	-14.6%	-23.6%	-39.1%	-44.1%	-53.1%	-59.0%	-84.5%
Uzin Utz SE	GERMANY	329	-3.3%	9.0%	-6.9%	-6.9%	-10.7%	62.2%	-23.3%
Victoria PLC	UNITED KINGDOM	47	-26.1%	-45.6%	3.0%	-13.6%	-31.7%	-90.3%	-96.8%
Peers Surface Manufacturers	Average	341	-5.6%	-12.9%	-6.5%	-6.1%	-9.3%	-35.7%	-60.3%
	Median	87	-3.8%	-10.7%	-5.8%	-10.2%	-19.7%	-39.4%	-54.8%
Enel SpA	ITALY	96,325	9.7%	-2.8%	-1.6%	9.2%	9.0%	57.7%	32.9%
A2A S.p.A.	ITALY	7,619	8.1%	5.3%	2.0%	5.3%	-10.7%	35.9%	31.1%
Iren S.p.A.	ITALY	3,203	2.3%	-3.8%	-6.2%	-3.7%	-2.3%	26.9%	-14.5%
ERG S.p.A.	ITALY	3,376	0.4%	3.3%	-2.2%	2.2%	-0.4%	-5.0%	-26.8%
Peers Energy Producers	Average	27,631	5.2%	0.5%	-2.0%	3.2%	-1.1%	28.9%	5.7%
	Median	5,498	5.2%	0.3%	-1.9%	3.7%	-1.4%	31.4%	8.3%

Source: FactSet, Alantra

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