

Company Note

# EdiliziAcrobatica

## FY21 Results

EdiliziAcrobatica seized well the Bonus Facciate 90% opportunity and delivered record sales of EUR 88M in FY21. It opened 18 new direct branches in Italy and entered the Spanish market. 1Q22 volumes are better than 1Q21. Looking forward, EdiliziAcrobatica intends to hire 650 people in 2022 and is ready to expand internationally. We raise our FY22E and FY23E revenues estimates by 18.5% and 10.0%, respectively, to EUR 124.8M and EUR 137.7M.

### FY21 results

Supported by Bonus Facciate 90%, EdiliziAcrobatica (EdAc) FY21 metrics were above our estimates. Sales were up 90% yoy to EUR 87.7M. Over 96% of revenues were made in Italy, where the company opened 18 new direct branches. EBITDA came in at EUR 21.3M (+326% yoy). Net income amounted to EUR 11M, in net improvement vs. EUR 1.8M in FY20, while the company turned cash positive with EUR 3.6M. At end-March, EdAc counted on a total of 1,473 employees (both direct and franchisees) vs. 1,098 a year ago.

### Outlook and estimates

1Q22 showed the resilience of EdiliziAcrobatica's business model, as subscribed contracts increased by 45% yoy to EUR 25.6M vs. EUR 17.6M in 1Q21, even though the Bonus Facciate has been lowered from 90% to 60%, which can be seen as a very positive test for the new business environment, in our view. Indeed, 650 new hiring is expected in 2022. Moreover, we appreciate management's willingness to strengthen the group's capillary presence in Italy, but also in France and Spain. We do not exclude M&A deals to enter new countries this year. Regarding Bonuses, we see a possibility of Bonus Facciate extension after December 2022 and even if it is not, EdAc should however dispose of a strong backlog that can last for more than 6 months along with the increasing of activities related to Superbonus 110%. Management intends to strengthen its multiservice offer that should grow at double-digit next years. Overall, we revise upwards our net income forecasts by 122.3% in 2022E and 74.7% in 2023E, at EUR 14.2M and EUR 15.4M, respectively.

### Valuation

Following our estimates revision and increase in WACC to 7.9% (previously 5.9%), our updated DCF model points to **a new target price of EUR 26.5/share** (from EUR 20.0/share). Given the implied potential upside of 54%, we consequently move our recommendation on **the stock to BUY** (from HOLD).

11 April 2022: 7:52 CET  
Date and time of production

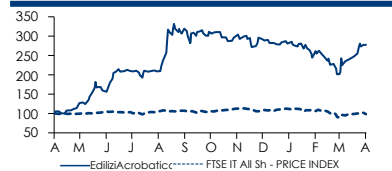
**BUY**  
(from HOLD)

**Target Price: EUR 26.5**  
(from EUR 20.0)

Italy/Building Maintenance Services  
Update

### EGM (ex-AIM)

Price Performance  
(RIC: EDAC.MI, BB: EDAC.IM)



### EdiliziAcrobatica - Key Data

Price date (market close)	07/04/2022
Target price (EUR)	26.5
Target upside (%)	54.07
Market price (EUR)	17.20
Market cap (EUR M)	140.25
52Wk range (EUR)	20.5/6.2

Price performance %	1M	3M	12M
Absolute	37.6	0.6	177.4
Rel. to FTSE IT All Sh	25.4	14.4	181.9

Y/E Dec (EUR M)	FY21A	FY22E	FY23E
Revenues	87.68	124.8	137.7
EBITDA	21.28	26.27	28.54
EBIT	18.33	23.21	25.14
Net income	11.09	14.23	15.37
EPS (EUR)	1.36	1.74	1.89
Net debt/-cash	-3.61	-8.93	-17.51
Adj P/E (x)	9.1	9.9	9.1
EV/EBITDA (x)	4.6	5.2	4.6
EV/EBIT (x)	5.4	5.8	5.3
Div ord yield (%)	2.4	4.1	7.8

Source: Company data, FactSet and Intesa Sanpaolo Research estimates

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## FY21 Results

EdiliziAcrobatica recorded sound FY21 results, which were above our estimates. In detail:

- **Sales were up 90% yoy to EUR 87.7M** (above our estimates of EUR 79.5M) vs. EUR 46.2M in FY20, mainly thanks to the Bonus Facciate 90%; note that sales are net of financial charges related to credit certification by auditor and transfers to bank (approx. EUR 12M);
- **EBITDA more than quadrupled (+326% yoy) to EUR 21.3M** vs. EUR 5M in FY20, not only thanks to the above-mentioned bonus but also to an improvement of the group structure, which allowed EdAc to increase its capillary presence in Italy and to strengthen the central and corporate functions;
- **EBIT improved to EUR 18.3M**, thanks to higher volumes, but also to a lower increase in D&A;
- **Net income came in at EUR 11M**, above our estimate of EUR 3.8M;
- The company turned **cash positive at EUR 3.6M** vs. a net debt of EUR 7.7M in FY20;
- **EdiliziAcrobatica France recorded a negative EBITDA of EUR 0.87M**, due to important costs structure changes that it should benefit from for the next years;
- At end-December, EdiliziAcrobatica counted on a total of 1,392 employees (both direct and franchisees) vs. 1,041 a year ago;
- In FY21, the company opened **18 new direct branches** in Italy (13 our estimates), reaching 77 units compared to 59 at 31 December 2020;
- Dividend proposal at EUR 0.3/share, implying a 2.4% yield on current prices.

### EdiliziAcrobatica – FY21 results

EUR M	FY19A	FY20A	FY21A	FY21E	A/E %	yoy %	vs. 2Q19A %
<b>Net revenues</b>	<b>39.2</b>	<b>46.2</b>	<b>87.7</b>	<b>79.5</b>	<b>10.3</b>	<b>89.9</b>	<b>123.5</b>
EBITDA	4.2	5.0	21.3	14.9	42.6	NM	NM
EBITDA margin (%)	10.7	10.8	24.3	18.8	29.3	NM	NM
EBIT	2.3	3.1	18.3	12.1	51.5	NM	NM
<b>Net Income</b>	<b>1.1</b>	<b>1.8</b>	<b>11.1</b>	<b>3.8</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>
Net debt/-cash	2.6	7.7	-3.6	11.0	NM	NM	NM

NM: not meaningful; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

## Earning Outlook

### Outlook and recent developments

In 1Q22, EdiliziAcrobatica reported an increase of 45% in subscribed contracts to EUR 25.6M vs. EUR 17.6M in 1Q21, for the first quarter of Bonus Facciate at 60% vs. 90% in 2021. Moreover, at end-March, EdiliziAcrobatica counted on a total of approx. 1,473 employees (both direct and franchisees) vs. 1,098 a year ago. French activities jumped by approx. 50% and reached EUR 1.02M in 1Q22 vs. EUR 0.68M in 1Q21, while franchising business rose by 7.8% yoy to EUR 9.2M vs. EUR 8.5M a year ago. Lastly, the Spanish entity subscribed contracts amounted to EUR 230,000 in 1Q22.

We believe Bonus Facciate 90% (ended in December 2021) backlog from November-December 2021 should represent a higher portion of 1H22 revenues, while Bonus Facciate 60% (to terminate by December 2022) should drive up volumes in FY22, but also in first half of 2023. We do not exclude an extension of Bonus Facciate beyond December 2022. We highlight that the termination of bonuses should not have a significant impact on margins, but we do not exclude major negotiations from clients, which should reduce slightly EdAc's margins.

EdiliziAcrobatica intends to continue with its expansion strategy by hiring 650 new people in 2022, who should join the 1,392 employees (Dec21 data). More than 500 should be mason, approx. 125 sales and 33 area managers. In 1Q22, 81 new workers were hired. We recall that the company had 665 workers in 2018, 1,041 in 2020 and hired approx. 350 people in 2021. We think the hiring plan communicated by EdiliziAcrobatica demonstrates management's confidence in the resilient building services market and its willingness to strengthen the group's capillary presence in Italy, but also in France and Spain.

In 2021, franchises diminished from 35 to 30 points of sale, as EdAc tightened its franchising strategy and prefers to work only with solid entrepreneurs who respect procedures and group's standards.

Management intends to increase its multiservice business and enlarge its commercial offer mainly to condominiums but also to corporates, leveraging its capillary network and its EAcondominio app that should become a point of reference for condominium administrators.

Through Energy Acrobatica 110, EdAc started in September 2021 to offer solutions related to Superbonus 110%. Although the first 4 months of business were characterised by low volumes (estimated at less than EUR 1M), largely due to initial set up phase and bureaucracy, we believe in a rapid surge in FY22E and beyond. We recall that Superbonus should terminate in 2025. However, we think that it is necessary for the government to extend it for more years or to implement similar measures if Italy intends to achieve its carbon emission targets by 2030 and 2050.

Considering management's willingness to expand EdAc's replicable business model in Europe coupled with a net cash position at end December 2021 of EUR 3.6M, we believe M&A deals to enter new countries/regions are a good opportunity and highly probable. In April 2022, EdAc announced the creation of a new company in the Principality of Monaco, namely, EdiliziAcrobatica Monaco S.A.M, a rich market with considerable opportunities.

**Solid 1Q22 subscribed contracts**

**Bonuses are a true tailwind for EdAc's volumes**

**New hiring in 2022: 650 people**

**Franchising weighting in revenues is diminishing**

**Multiservice business should grow at double digit in next years**

**Superbonus related activities should jump starting this year**

**M&A to drive European expansion**

### Estimates revision

Considering the above-mentioned points (and excluding any potential M&A for the time being), we revise our estimates as follows:

- We raise our FY22E revenue estimates (net of financial charges related to credit transfer) to EUR 124.8M, +18.5% vs. our previous estimate. We assume an increase in FY23E of 10.3% yoy;
- We reduce our net margin gradually to 11.4% in FY22E and to 11.2% in FY23E (from 12.6% in FY21A), mainly due to a progressive decrease in fiscal incentives in Italy. Net profit should increase to EUR 14.2M in FY22E and should reach EUR 15.4M in FY23E.

### EdiliziAcrobatica – Top-line assumptions (2019A-23E)

EUR M	2019A	2020A	2021A	2022E	2023E
<b>Italy</b>	<b>33.4</b>	<b>39.3</b>	<b>86.2</b>	<b>99.4</b>	<b>95.6</b>
PoS	45	59	77	87	90
Revenue per PoS	0.74	0.67	1.12	1.14	1.06
<b>Franchising (Italy)</b>	<b>2.6</b>	<b>2.3</b>	<b>5.1</b>	<b>6.0</b>	<b>6.1</b>
offices	33	35	30	35	38
Revenues per franchisee	0.08	0.06	0.17	0.17	0.16
<b>Energy Acrobatica 110</b>			<b>0.7</b>	<b>10.0</b>	<b>23.0</b>
<b>Total Italy</b>	<b>35.9</b>	<b>41.5</b>	<b>92.0</b>	<b>115.3</b>	<b>124.8</b>
<b>France</b>	<b>3.3</b>	<b>3.1</b>	<b>3.4</b>	<b>7.0</b>	<b>10.0</b>
PoS	5	8	8	10	12
Revenue per PoS	0.66	0.39	0.34	0.50	0.52
<b>Spain</b>			<b>0.5</b>	<b>2.5</b>	<b>3.0</b>
<b>Revenues</b>	<b>39.2</b>	<b>44.7</b>	<b>95.9</b>	<b>124.8</b>	<b>137.7</b>
Others	2.6	1.5	1.8	1.2	0.5
<b>Value of production</b>	<b>41.8</b>	<b>46.2</b>	<b>97.7</b>	<b>126.0</b>	<b>138.2</b>

E: estimates; Source: Intesa Sanpaolo Research

### EdiliziAcrobatica – Estimates revision (FY22-23E)

EUR M	2022E Old	2022E New	chg %	2023E Old	2023E New	chg %
<b>Revenues</b>	<b>105.3</b>	<b>124.8</b>	<b>18.5</b>	<b>125.3</b>	<b>137.7</b>	<b>7.0</b>
EBITDA	20.0	26.3	31.3	24.7	28.5	15.4
EBITDA margin (%)	19.0	21.0	10.8	19.7	20.7	7.8
EBIT	16.8	23.2	38.2	21.1	25.1	18.2
EBIT margin (%)	16.0	18.6	16.6	16.9	18.3	10.4
<b>Net profit</b>	<b>6.4</b>	<b>14.2</b>	<b>NM</b>	<b>8.8</b>	<b>15.4</b>	<b>70.7</b>
Net margin	6.5*	11.4	NM	7.8*	11.2	NM
Net debt/-cash	10.6	-8.9	NM	10.4	-17.5	NM

\*Net margin calculated previously on net sales (excluding a financial charges); NM: not meaningful; E: estimates; Source: Intesa Sanpaolo Research

Our revenues assumptions are net of the financial charges related to the tax credit transferred to banks, which we estimate at approx. 12% of gross revenues.

## Valuation

We believe that the most appropriate methodology to value EdAc is a DCF valuation, due to the absence of listed companies of a similar size, background and/or geographical presence. Furthermore, we highlight that our valuation does not include any potential opportunities arising from external growth which, according to management, should be a key strategic pillar for the group in the next few years.

Our DCF model points to a **fair value of EUR 26.5/share** (from EUR 20.0/share previously) and, given the around 51% potential upside, we move our recommendation on the stock to BUY (from HOLD).

**New TP of EUR 26.5/share; BUY**

### DCF model

We maintain our valuation approach calculating our TP using a DCF-based valuation, incorporating our FY22E-23E estimates and a WACC of 7.9% (previously 5.9%) calculated on:

- A 1.75% risk-free rate (previously 1.0%);
- A 6.25% equity risk premium (previously 6.5%);
- A gearing ratio of 0% (previously 30%), as the company is already cash positive.

#### EdiliziAcrobatica – WACC calculation (%)

Risk-free rate	1.75
Equity risk premium	6.25
Beta (x)*	1.0
Cost of equity	8.0
Net Cost of Debt	2.1
Gross Cost of Debt	3.3
Tax rate	35
Gearing	0.0
<b>WACC</b>	<b>7.9</b>

Source: \*Bloomberg and Intesa Sanpaolo Research estimates

As of 1 October 2021, EdiliziAcrobatica has only ordinary shares that are listed. We recall that our revenues assumptions are net of the financial charges related to the tax credit transferred to banks.

To calculate LT, we use a 0% terminal value growth to incorporate a growth path (new branches and expansion in Europe), which should go beyond FY23E but also the termination of fiscal incentives in Italy. As usual, in the long term, capex equals depreciation.

We highlight that we do not account for Nusco Investment as we view it more as a strategic deal than a financial investment and the amount invested is immaterial.

**EdiliziAcrobatica – DCF calculation**

EUR M	FY22E	FY23E	LT
Revenues	124.8	137.7	140.5
Change yoy (%)	42.4	10.3	2.0
EBIT	23.2	25.1	25.6
EBIT margin (%)	18.6	18.3	18.3
Taxes	-7.4	-8.0	-8.2
NOPAT	15.8	17.1	17.4
D&A	3.1	3.4	
Capex	-2.5	-2.5	
NWC changes	-7.1	-2.2	
FCF	9.3	15.8	17.4
Discounted FCF	9.3	14.7	15.0
WACC (%)	7.9		
Perpetuity growth rate (%)	0.0		
NPV of cash flows	23.9		
NPV of terminal value	190.3		
EV	214.3		
NFP @FY21A	-3.6		
Employee benefits	0.0		
Minorities	-2.0		
<b>Equity value</b>	<b>215.9</b>		
No. of shares fully diluted (M)	8.2		
<b>Value per share (EUR)</b>	<b>26.5</b>		

E: estimates; Source: Intesa Sanpaolo Research

**Multiples' analysis as a cross-check**

There are no listed peers that perfectly match EdAc's business model, size and geographical presence. Therefore, in our peers' analysis, we selected companies active in a business similar to EdAc's one, but also in the larger Industry of Facility Management services. We compared EV/EBITDA, EV/EBIT and P/E for FY22E and FY23E multiples. We calculate a fair value per share ranging between EUR 25.3/share and EUR 38.5/share, with an average value of EUR 31.0/share.

**EdiliziAcrobatica – Multiples comparison**

x	FY22E			FY23E		
	EV/EBITDA	EV/EBIT	P/E	EV/EBITDA	EV/EBIT	P/E
ABM Industries	7.9	10.9	12.9	7.1	9.9	12.0
Mears Group	3.6	8.9	10.2	3.5	8.4	10.0
Rentokil Initial	15.3	23.7	27.6	13.5	21.7	25.3
HomeServe	5.2	6.0	5.1	4.4	5.0	5.2
GDI Integrated Facility Services	11.1	14.4	18.1	10.1	13.1	16.2
<b>Average</b>	<b>8.6</b>	<b>12.8</b>	<b>14.8</b>	<b>7.7</b>	<b>11.6</b>	<b>13.7</b>
EdAc* EBITDA (EUR M)	27.1			28.5		
EdAc* EBIT (EUR M)		23.9			25.0	
EdAc* net income (EUR M)			14.4			15.0
EdAc* net debt (EUR M)	-8.7	-8.7		-16.7	-16.7	
EV (EUR M)	232.7	305.2		220.1	290.5	
Fair value (EUR M)	241.4	313.9	213.4	236.8	307.3	206.0
Fair value per share (EUR)	29.6	38.5	26.2	29.0	37.7	25.3
<b>Avg fair value per share (EUR)</b>	<b>31.0</b>					

Price at market close of 06/04/2022; Source: Bloomberg and \* Intesa Sanpaolo Research estimates

## EdiliziAcrobatica – Key Data

Rating	Target price (EUR/sh)	Mkt price (EUR/sh)			Sector
BUY	Ord 26.5	Ord 17.20			Building Maintenance Services
Values per share (EUR)	2019A	2020A	2021A	2022E	2023E
No. ordinary shares (M)	8.05	8.15	8.15	8.15	8.15
Total no. of shares (M)	8.05	8.15	8.15	8.15	8.15
Market cap (EUR M)	47.81	45.21	100.65	140.25	140.25
Adj. EPS	0.14	0.22	1.36	1.74	1.89
CFPS	0.35	0.35	1.7	2.1	2.3
BVPS	1.4	1.6	2.7	4.2	5.4
Dividend ord	0.10	0.21	0.30	0.70	1.34
Income statement (EUR M)	2019A	2020A	2021A	2022E	2023E
Revenues	39.22	44.66	87.68	124.8	137.7
EBITDA	4.21	5.00	21.28	26.27	28.54
EBIT	2.32	3.15	18.33	23.21	25.14
Pre-tax income	2.04	2.84	17.09	21.71	23.64
Net income	1.11	1.76	11.09	14.23	15.37
Adj. net income	1.11	1.76	11.09	14.23	15.37
Cash flow (EUR M)	2019A	2020A	2021A	2022E	2023E
Net income before minorities	1.1	1.8	11.1	14.2	15.4
Depreciation and provisions	1.9	1.9	3.0	3.1	3.4
Others/Uses of funds	0	0	0	0	0
Change in working capital	-3.6	-5.7	1.8	-7.1	-2.2
Operating cash flow	-0.6	-2.1	15.8	10.3	16.8
Capital expenditure	-4.0	-3.0	-2.8	-2.5	-2.5
Financial investments	0	0	0	0	0
Acquisitions and disposals	0	0	0	0	0
Free cash flow	-4.6	-5.1	13.0	7.8	14.3
Dividends	0	-0.8	-1.7	-2.4	-5.7
Equity changes & Non-op items	-0.2	0.9	0	0	0
Net cash flow	-4.8	-5.0	11.3	5.3	8.6
Balance sheet (EUR M)	2019A	2020A	2021A	2022E	2023E
Net capital employed	14.2	20.6	18.5	25.1	26.4
of which associates	0	0	0	0	0
Net debt/-cash	2.7	7.7	-3.6	-8.9	-17.5
Minorities	0	0	0.0	0.1	0.4
Net equity	11.5	12.9	22.1	34.0	43.9
Minorities value	0	0	1.1	4.2	9.4
Enterprise value	50.5	52.9	98.1	135.5	132.2
Stock market ratios (x)	2019A	2020A	2021A	2022E	2023E
Adj. P/E	43.2	25.7	9.1	9.9	9.1
P/CFPS	17.2	15.7	7.2	8.1	7.5
P/BVPS	4.1	3.5	4.5	4.1	3.2
Payout (%)	70	99	22	40	71
Dividend yield (% ord)	1.6	3.9	2.4	4.1	7.8
FCF yield (%)	-9.6	-11.3	13.0	5.5	10.2
EV/sales	1.3	1.2	1.1	1.1	0.96
EV/EBITDA	12.0	10.6	4.6	5.2	4.6
EV/EBIT	21.8	16.8	5.4	5.8	5.3
EV/CE	3.6	2.6	5.3	5.4	5.0
D/EBITDA	0.63	1.5	Neg.	Neg.	Neg.
D/EBIT	1.1	2.4	Neg.	Neg.	Neg.
Profitability & financial ratios (%)	2019A	2020A	2021A	2022E	2023E
EBITDA margin	10.7	11.2	24.3	21.0	20.7
EBIT margin	5.9	7.0	20.9	18.6	18.3
Tax rate	NM	NM	NM	NM	NM
Net income margin	2.8	3.9	12.6	11.4	11.2
ROCE	16.3	15.3	98.9	92.5	95.3
ROE	10.3	14.4	63.3	50.7	39.5
Interest cover	-8.4	-10.5	-14.8	-15.5	-16.8
Debt/equity ratio	23.1	59.8	Neg.	Neg.	Neg.
Growth (%)		2020A	2021A	2022E	2023E
Sales		13.9	96.3	42.4	10.3
EBITDA		18.7	NM	23.4	8.7
EBIT		35.6	NM	26.6	8.3
Pre-tax income		39.1	NM	27.0	8.9
Net income		58.7	NM	28.4	8.0
Adj. net income		58.7	NM	28.4	8.0

NM: not meaningful; NA: not available; Neg.: negative; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

## Company Snapshot

### Company Description

EdiliziAcrobatica S.p.A. is the Italian leader in building maintenance services. The company offers renovation, securing and prompt intervention, installation, building cleaning, proofing, maintenance and rebuilding services. EdiliziAcrobatica is headquartered in Genova and has a capillary presence with 85 offices in Italy. In 2019, it entered the French market through the acquisition of "ETAIR méditerranée", as of 1 January 2021, the company can count on 8 offices in France. In May 2021, EdiliziAcrobatica entered the Spanish market. As of March 2022, the company can count on 1,473 employees (Direct and franchises).

### Key data

Mkt price (EUR)	17.20	Free float (%)	23.9
No. of shares	8.15	Major shr	Arim holding
52Wk range (EUR)	20.5/6.2	(%)	75.2
Reuters	EDAC.MI	Bloomberg	EDAC.IM
<b>Performance (%)</b>	<b>Absolute</b>		<b>Rel. FTSE IT All Sh</b>
-1M	37.6	-1M	25.4
-3M	0.6	-3M	14.4
-12M	177.4	-12M	181.9

### Key Risks

#### Company specific risks:

- Labour intensive business model, requiring highly-skilled workers;
- Still high exposure to the Italian market;
- Credit collection takes long time.

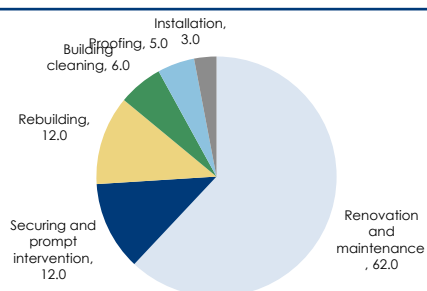
#### Sector generic risks:

- Possible rising competition from either the traditional business of construction works with scaffolds or from new competitors given low entry barriers;
- Difficulties to replicate the model outside Italy, also in light of different regulatory landscapes;
- A significant change in the Regulatory framework.

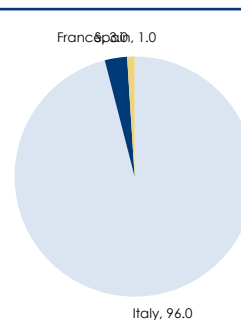
### Estimates vs. consensus

EUR M (Y/E Dec)	2021A	2022E	2022C	2023E	2023C
Sales	87.68	124.8	105.3	137.7	125.3
EBITDA	21.28	26.27	20.02	28.54	24.68
EBIT	18.33	23.21	NA	25.14	NA
Pre-tax income	17.09	21.71	NA	23.64	NA
Net income	11.09	14.23	NA	15.37	NA
EPS (€)	1.36	1.74	0.79	1.89	1.09

### Sales breakdown by service - FY21 (%)



### Sales breakdown by geography - FY21 (%)



Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 07/04/2022)

## Our Mid Corporate Definition

Italy is characterised by a large number of non-listed and listed micro, small and medium-sized companies. Looking at the revenues of these Italian companies, around 5,000 companies eligible for listing have revenues below EUR 1,500M based on Intesa Sanpaolo elaborations. We define these companies as 'Mid Corporate'. Looking more specifically at Italian listed companies, we include in our Mid Corporate segment all STAR companies and those with a market capitalisation below EUR 1Bn.



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### Equity rating key: (long-term horizon: 12M)

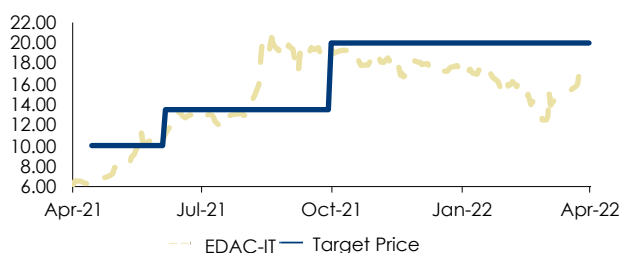
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**Equity Rating Key (long-term horizon: 12M)**

Long-term rating	Definition
BUY	If the target price is 20% higher than the market price
ADD	If the target price is 10%-20% higher than the market price
HOLD	If the target price is 10% below or 10% above the market price
REDUCE	If the target price is 10%-20% lower than the market price
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TENDER SHARES	We advise investors to tender the shares to the offer.
TARGET PRICE	The market price that the analyst believes the share may reach within a one-year time horizon
MARKET PRICE	Closing price on the day before the issue date of the report, as indicated on the first page, except where otherwise indicated

**Historical recommendations and target price trends (long-term horizon: 12M)**

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**Target price and market price trend (-1Y)****Historical recommendations and target price trend (-1Y)**

Date	Rating	TP (EUR)	Mkt Price (EUR)
06-Oct-21	HOLD	20.0	19.4
11-Jun-21	BUY	13.5	11.2
20-Apr-21	BUY	10.0	6.4

**Equity rating allocations (long-term horizon: 12M)****Intesa Sanpaolo Research Rating Distribution (at April 2022)**

Number of companies considered: 130	BUY	ADD	HOLD	REDUCE	SELL
Total Equity Research Coverage relating to last rating (%)*	50	29	21	0	0
of which Intesa Sanpaolo's Clients (%)**	83	66	56	0	0

\* Last rating refers to rating as at end of the previous quarter; \*\* Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and investment banking services in the last 12 months; percentage of clients in each rating category

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**Equity rating key (short-term horizon: 3M)**

<b>Short-term rating</b>	<b>Definition</b>
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