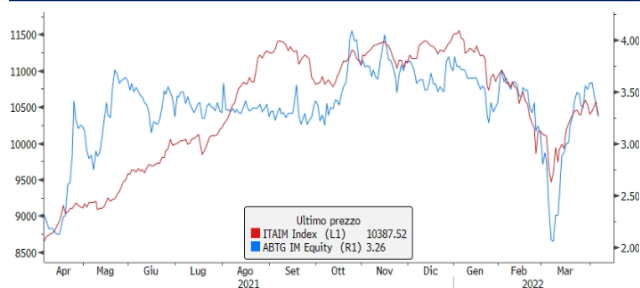


<b>ABTG</b>	<b>Italy</b>	<b>Euronext Growth Milan</b>	<b>Educational Services</b>
<b>Rating: BUY</b>	<b>Target Price: € 8,20</b> (prev. € 7,25)	<b>Update</b>	<b>Risk: Medium</b>

Stock performance	1M	3M	6M	1Y
absolute	56,73%	-12,37%	2,52%	40,52%
to FTSE Italia Growth	46,96%	-3,09%	6,44%	20,39%
to Euronext STAR Milan	49,52%	2,60%	11,46%	33,48%
to FTSE All-Share	46,42%	-0,61%	7,53%	41,66%
to EUROSTOXX	47,83%	-0,80%	7,20%	44,19%
to MSCI World Index	48,58%	-8,12%	1,41%	34,50%

### Stocks performance relative to FTSE Italia Growth



### Stock Data

Price	€ 3,26
Target price	€ 8,20
Upside/(Downside) potential	151,7%
Bloomberg Code	ABTG IM EQUITY
Market Cap (€m)	€ 14,90
EV (€m)	€ 14,78
Free Float	49,80%
Share Outstanding	4.569.388
52-week high	€ 4,08
52-week low	€ 2,01
Average daily volumes (3m)	15.050

### FY21A Results

I ricavi si attestano a € 13,72 mln, rispetto a un valore pari a € 9,43 mln registrato a fine 2020 e a € 13,00 mln stimati nel nostro precedente report. L'EBITDA, pari a € 3,82 mln, registra un significativo aumento pari al 58,9% rispetto a € 2,40 mln dell'esercizio precedente e risulta sostanzialmente in linea con le aspettative pari a € 4,03 mln. Anche l'EBITDA Margin, pari al 27,8%, aumenta rispetto al 25,5% del 2020, rimanendo leggermente al di sotto delle nostre precedenti stime, pari al 31,0%. L'EBIT, dopo ammortamenti e svalutazioni pari a € 2,35 mln, è pari a € 1,47 mln in crescita del 20,9% rispetto all'esercizio precedente (€ 1,21 mln nel 2020). L'Utile Netto si attesta a € 0,82 mln (€ 0,71 mln nel 2020) in diminuzione rispetto a € 1,51 mln atteso. La NFP risulta cash positive, passando da € 0,45 mln a € 0,12 mln.

Key Financials (€m)	FY21A	FY22E	FY23E	FY24E
Revenues	13,7	15,5	18,0	22,0
VoP	14,1	15,5	18,0	22,0
EBITDA	3,8	4,4	5,2	6,7
EBIT	1,5	2,2	3,0	4,4
Net Profit	0,8	1,5	2,1	3,1
EPS (€)	0,18	0,33	0,45	0,68
EBITDA margin	27,8%	28,2%	28,9%	30,2%
EBIT margin	10,7%	14,0%	16,4%	19,8%

### Estimates Update

Alla luce dei risultati pubblicati nella relazione annuale per il 2021A, modifichiamo parzialmente le stime sia per l'anno in corso sia per i prossimi anni. In particolare, confermiamo ricavi 2022E pari a € 15,50 mln ed un EBITDA pari a € 4,37 mln, corrispondente ad una marginalità del 28,2%. Per gli anni successivi, ci aspettiamo che i ricavi possano aumentare fino a € 22,00 mln (CAGR 21A-24E: 17,05%) nel 2024E, con EBITDA pari a € 6,65 mln (corrispondente ad un EBITDA margin del 30,2%), in crescita rispetto a € 3,82 mln del 2021A (corrispondente ad un EBITDA margin del 27,8%). A livello patrimoniale stimiamo per il 2024E una NFP cash positive pari a € 6,79 mln.

Main Ratios	FY21A	FY22E	FY23E	FY24E
EV/EBITDA (x)	3,9	3,4	2,8	2,2
EV/EBIT (x)	10,1	6,8	5,0	3,4
P/E (x)	18,1	9,8	7,2	4,8

### Valuation Update

Abbiamo condotto la valutazione dell'equity value di ABTG sulla base della metodologia DCF. Il DCF method (che nel calcolo del WACC include a fini prudenziali anche un rischio specifico pari al 2,5%) restituisce un equity value pari a €37,49 mln. Il target price è quindi di €8,20 (prev. €7,25), rating BUY e rischio MEDIUM.

**Mattia Petracca** [mattia.petracca@integraesim.it](mailto:mattia.petracca@integraesim.it)

**Alessandro Colombo** [alessandro.colombo@integraesim.it](mailto:alessandro.colombo@integraesim.it)

## 1. Economics & Financials

**Table 1 – Economics & Financials**

<b>INCOME STATEMENT (€/mIn)</b>	<b>FY18A</b>	<b>FY19A</b>	<b>FY20A</b>	<b>FY21A</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Revenues	9,57	12,17	9,43	13,72	15,50	18,00	22,00
Other Revenues	0,66	0,12	0,26	0,41	0,00	0,00	0,00
<b>Value of Production</b>	<b>10,23</b>	<b>12,29</b>	<b>9,69</b>	<b>14,13</b>	<b>15,50</b>	<b>18,00</b>	<b>22,00</b>
COGS	0,13	0,13	0,02	0,03	0,03	0,04	0,05
Use of assets owned by others	0,23	0,51	0,52	0,69	0,75	0,85	1,00
Services	6,99	8,92	5,60	8,23	8,90	10,30	12,50
Employees	1,14	1,70	1,04	1,18	1,25	1,40	1,60
Other Operating Expenses	0,63	0,27	0,10	0,19	0,20	0,20	0,20
<b>EBITDA</b>	<b>0,60</b>	<b>0,76</b>	<b>2,40</b>	<b>3,82</b>	<b>4,37</b>	<b>5,21</b>	<b>6,65</b>
<i>EBITDA Margin</i>	<i>6,3%</i>	<i>6,2%</i>	<i>25,5%</i>	<i>27,8%</i>	<i>28,2%</i>	<i>28,9%</i>	<i>30,2%</i>
D&A	1,91	1,87	1,19	2,35	2,20	2,25	2,30
<b>EBIT</b>	<b>-1,31</b>	<b>(1,11)</b>	<b>1,21</b>	<b>1,47</b>	<b>2,17</b>	<b>2,96</b>	<b>4,35</b>
<i>EBIT Margin</i>	<i>-12,8%</i>	<i>-9,1%</i>	<i>12,9%</i>	<i>10,7%</i>	<i>14,0%</i>	<i>16,4%</i>	<i>19,8%</i>
Financial Management	(0,11)	(0,08)	(0,03)	(0,06)	(0,05)	(0,05)	(0,05)
<b>EBT</b>	<b>-1,42</b>	<b>(1,19)</b>	<b>1,18</b>	<b>1,41</b>	<b>2,12</b>	<b>2,91</b>	<b>4,30</b>
Taxes	-0,18	0,01	0,47	0,59	0,60	0,85	1,20
<b>Net Income</b>	<b>-1,24</b>	<b>(1,20)</b>	<b>0,71</b>	<b>0,82</b>	<b>1,52</b>	<b>2,06</b>	<b>3,10</b>

<b>BALANCE SHEET (€/mIn)</b>	<b>FY18A</b>	<b>FY19A</b>	<b>FY20A</b>	<b>FY21A</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
<b>Fixed Assets</b>	<b>7,06</b>	<b>6,41</b>	<b>6,83</b>	<b>6,62</b>	<b>6,50</b>	<b>6,25</b>	<b>5,95</b>
Account receivable	0,82	0,83	0,76	1,39	1,55	1,80	2,20
Inventories	0,00	0,02	0,10	0,10	0,10	0,10	0,10
Account payable	1,51	1,61	1,10	1,11	1,20	1,40	1,70
<b>Operating Working Capital</b>	<b>(0,7)</b>	<b>(0,76)</b>	<b>(0,24)</b>	<b>0,38</b>	<b>0,45</b>	<b>0,50</b>	<b>0,60</b>
Other receivable	1,64	2,57	1,16	1,07	1,20	1,40	1,70
Other payable	1,88	4,27	2,86	2,43	2,65	3,05	3,70
<b>Net Working Capital</b>	<b>(0,9)</b>	<b>(2,46)</b>	<b>(1,93)</b>	<b>(0,98)</b>	<b>(1,00)</b>	<b>(1,15)</b>	<b>(1,40)</b>
Severance Indemnities & Other Provisions	0,21	0,25	0,40	0,65	0,65	0,70	0,80
<b>NET INVESTED CAPITAL</b>	<b>5,93</b>	<b>3,70</b>	<b>4,49</b>	<b>4,99</b>	<b>4,85</b>	<b>4,40</b>	<b>3,75</b>
Share Capital	5,09	5,09	5,09	2,50	2,50	2,50	2,50
Reserves	1,58	0,35	-0,86	1,78	2,44	3,50	4,94
Net Income	-1,24	(1,20)	0,71	0,82	1,52	2,06	3,10
<b>Equity</b>	<b>5,44</b>	<b>4,24</b>	<b>4,94</b>	<b>5,10</b>	<b>6,46</b>	<b>8,06</b>	<b>10,54</b>
Cash & Cash Equivalent	0,37	1,09	1,11	1,36	3,21	5,66	9,39
Short Term Debt to Bank	0,31	0,12	0,00	0,20	0,40	0,60	0,80
M/L Term Debt to Bank	0,55	0,43	0,66	1,05	1,20	1,40	1,80
<b>Net Financial Position</b>	<b>0,5</b>	<b>(0,54)</b>	<b>(0,45)</b>	<b>(0,12)</b>	<b>(1,61)</b>	<b>(3,66)</b>	<b>(6,79)</b>
<b>SOURCES</b>	<b>5,93</b>	<b>3,70</b>	<b>4,49</b>	<b>4,99</b>	<b>4,85</b>	<b>4,40</b>	<b>3,75</b>

<b>CASH FLOW (€/mIn)</b>	<b>FY19A</b>	<b>FY20A</b>	<b>FY21A</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EBIT	(1,11)	1,21	1,47	2,17	2,96	4,35
Taxes	0,01	0,47	0,59	0,60	0,85	1,20
<b>NOPAT</b>	<b>(1,12)</b>	<b>0,74</b>	<b>0,88</b>	<b>1,57</b>	<b>2,11</b>	<b>3,15</b>
D&A	1,87	1,19	2,35	2,20	2,25	2,30
Change in receivable	(0,01)	0,07	(0,63)	(0,16)	(0,25)	(0,40)
Change in inventories	(0,02)	(0,08)	(0,00)	0,00	0,00	0,00
Change in payable	0,10	(0,51)	0,01	0,09	0,20	0,30
Change in others	1,47	(0,01)	(0,34)	0,09	0,20	0,35
<i>Change in NWC</i>	<i>1,54</i>	<i>(0,53)</i>	<i>(0,96)</i>	<i>0,02</i>	<i>0,15</i>	<i>0,25</i>
Change in provisions	0,04	0,15	0,25	0,00	0,05	0,10
<b>OPERATING CASH FLOW</b>	<b>2,33</b>	<b>1,56</b>	<b>2,53</b>	<b>3,79</b>	<b>4,56</b>	<b>5,80</b>
Capex	(1,22)	(1,61)	(2,14)	(2,08)	(2,00)	(2,00)
<b>FREE CASH FLOW</b>	<b>1,11</b>	<b>(0,05)</b>	<b>0,39</b>	<b>1,71</b>	<b>2,56</b>	<b>3,80</b>
Financial Management	(0,08)	(0,03)	(0,06)	(0,05)	(0,05)	(0,05)
Change in Debt to Bank	(0,31)	0,11	0,58	0,35	0,40	0,60
Change in Equity	0,00	(0,01)	(0,66)	(0,17)	(0,46)	(0,62)
<b>FREE CASH FLOW TO EQUITY</b>	<b>0,72</b>	<b>0,02</b>	<b>0,25</b>	<b>1,84</b>	<b>2,45</b>	<b>3,73</b>

Source: ABTG and Integrae SIM estimates

## 1.1 FY21A Results

**Table 2 – Actual VS Estimates FY21A**

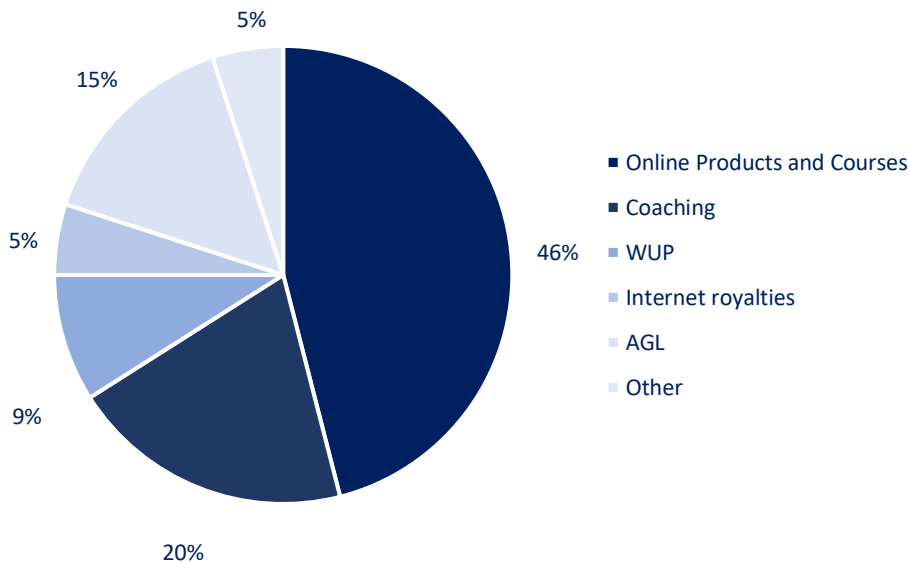
€/mln	Revenues	EBITDA	EBITDA %	EBIT	Net Income	NFP
<b>FY21A</b>	<b>13,72</b>	<b>3,82</b>	<b>27,8%</b>	<b>1,47</b>	<b>0,82</b>	<b>(0,12)</b>
FY21E	13,00	4,03	31,0%	2,26	1,51	(0,16)
Change	5,5%	-5,2%	-3,2%	-35,0%	-45,4%	N.A

Source: Integrae SIM

Tramite comunicato stampa, Alfio Bardolla, Presidente e CEO di ABTG, commentando i risultati annuali, dichiara che: *“Siamo molto soddisfatti dei risultati del gruppo per il 2021 che sono i migliori di sempre. Proseguiamo con la politica di distribuzione dei dividendi iniziata nello scorso esercizio e riteniamo che la congiuntura di mercato possa fornire ulteriori possibilità di crescita nei prossimi esercizi”*.

I ricavi si attestano a € 13,72 mln, rispetto a un valore pari a € 9,43 mln registrato a fine 2020 e a € 13,00 mln stimati nel nostro precedente report.

**Chart 1 – Revenues Breakdown by Segment**



Source: ABTG

La crescita dei ricavi è principalmente riconducibile ai buoni risultati ottenuti dalla linea di prodotti e corsi online che ha generato il 46% dei ricavi totali (37% nel 2020), diventando la principale fonte di fatturato. I ricavi generati da Wake Up Call sono stati pari al 9% del totale e i ricavi generati da *coaching* sono stati pari al 20% del totale (24% nel 2020). Inoltre, i ricavi derivanti dalla controllata AGL, rappresentano una quota pari al 15% del totale (14% nel 2020). Infine, i ricavi da *internet royalties*, in crescita del 134% rispetto al 2020, rappresentano il 5% del totale. Gli altri ricavi pesano per il 5% circa del totale (1% legato ai ricavi della controllata SBL). I ricavi del Gruppo nel 2021 beneficiano dell’evento Wake Up Call (WUP) poiché durante il 2020 non fu svolto a causa delle misure restrittive per contrastare l’emergenza sanitaria. Il management, in risposta alla situazione pandemica, ha implementato durante il 2021 investimenti e strategie di crescita dal punto di vista della digitalizzazione per ampliare il business del Gruppo.

L’EBITDA, pari a € 3,82 mln, registra un significativo aumento pari al 58,9% rispetto a € 2,40 mln dell’esercizio precedente e risulta sostanzialmente in linea con le aspettative pari a € 4,03 mln. Anche l’EBITDA Margin, pari al 27,8%, aumenta rispetto al 25,5% del 2020, rimanendo

leggermente al di sotto delle nostre precedenti stime, pari al 31,0%. La crescita dell'EBITDA è legata al nuovo modello di business adottato dal management che ha permesso di incrementare l'efficienza e la redditività del Gruppo.

L'EBIT, dopo ammortamenti e svalutazioni pari a € 2,35 mln, è pari a € 1,47 mln in crescita del 20,9% rispetto all'esercizio precedente (€ 1,21 mln nel 2020). L'Utile Netto si attesta a € 0,82 mln (€ 0,71 mln nel 2020) in diminuzione rispetto a € 1,51 mln atteso.

La NFP risulta *cash* positive, passando da € 0,45 mln a € 0,12 mln, in linea con le nostre stime di NFP pari a € 0,16 mln.

## 1.2 FY22E – FY24E Estimates

**Table 3 – Estimates Updates FY22E-24E**

€/mln	FY22E	FY23E	FY24E
<b>Revenues</b>			
New	<b>15,5</b>	<b>18,0</b>	<b>22,0</b>
Old	15,5	18,0	N.A
Change	0,0%	0,0%	N.A
<b>EBITDA</b>			
New	<b>4,4</b>	<b>5,2</b>	<b>6,7</b>
Old	4,9	5,9	N.A
Change	-11,2%	-11,1%	N.A
<b>EBITDA %</b>			
New	<b>28,2%</b>	<b>28,9%</b>	<b>30,2%</b>
Old	31,7%	32,6%	N.A
Change	-3,5%	-3,6%	N.A
<b>EBIT</b>			
New	<b>2,2</b>	<b>3,0</b>	<b>4,4</b>
Old	3,2	4,0	N.A
Change	-32,6%	-25,3%	N.A
<b>Net Income</b>			
New	<b>1,5</b>	<b>2,1</b>	<b>3,1</b>
Old	2,2	2,7	N.A
Change	-30,6%	-24,9%	N.A
<b>NFP</b>			
New	<b>(1,6)</b>	<b>(3,7)</b>	<b>(6,8)</b>
Old	(2,8)	(4,2)	N.A
Change	N.A	N.A	N.A

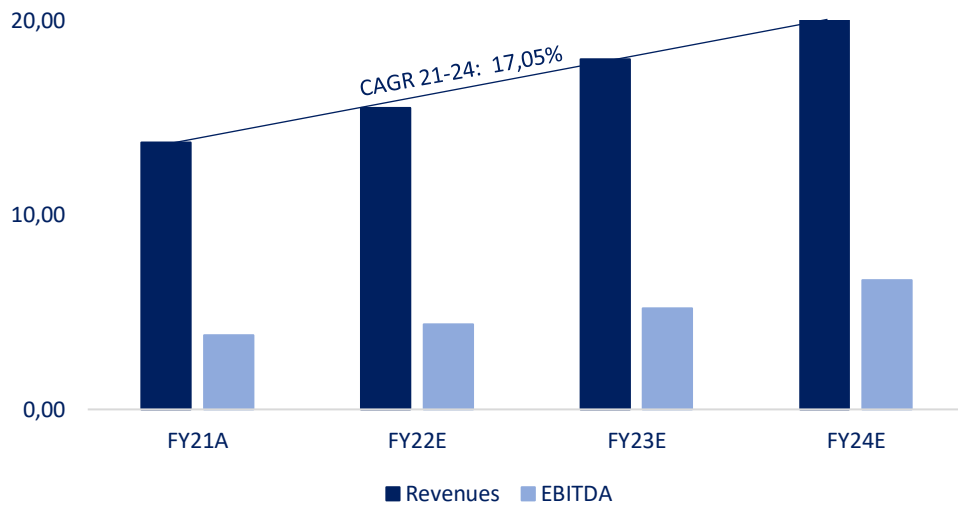
Source: Integrae SIM

Alla luce dei risultati pubblicati nella relazione annuale per il 2021A, modifichiamo parzialmente le stime sia per l'anno in corso sia per i prossimi anni.

In particolare, confermiamo ricavi 2022E pari a € 15,50 mln ed un EBITDA pari a € 4,37 mln, corrispondente ad una marginalità del 28,2%. Per gli anni successivi, ci aspettiamo che i ricavi possano aumentare fino a € 22,00 mln (CAGR 21A-24E: 17,05%) nel 2024E, con EBITDA pari a € 6,65 mln (corrispondente ad un EBITDA margin del 30,2%), in crescita rispetto a € 3,82 mln del 2021A (corrispondente ad un EBITDA margin del 27,8%).

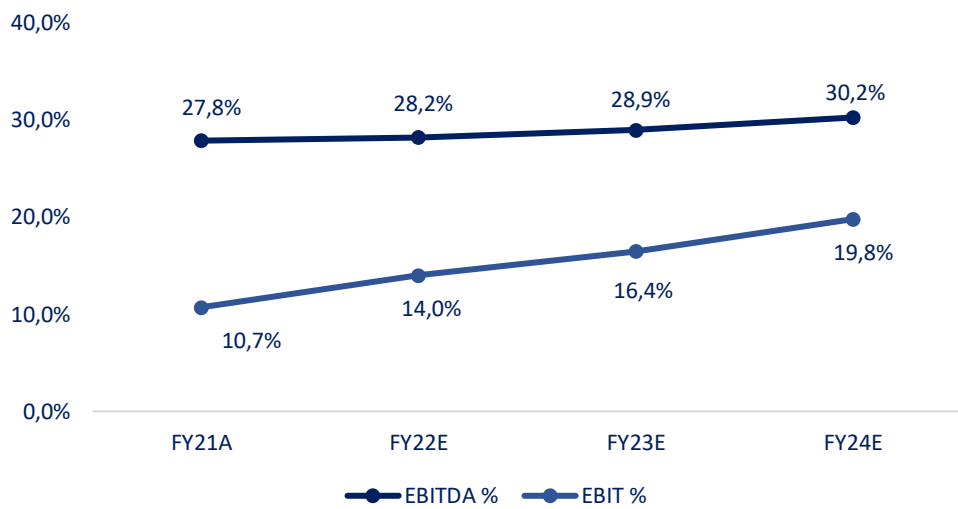
A livello patrimoniale stimiamo per il 2024E una NFP *cash* positive pari a € 6,79 mln. Per gli anni di piano, inoltre, crediamo che ABTG continuerà a distribuire dividendi, con un *payout ratio* in leggera crescita rispetto a quello proposto per il 2021A.

**Chart 2 – Revenues and EBITDA FY21A-24E**



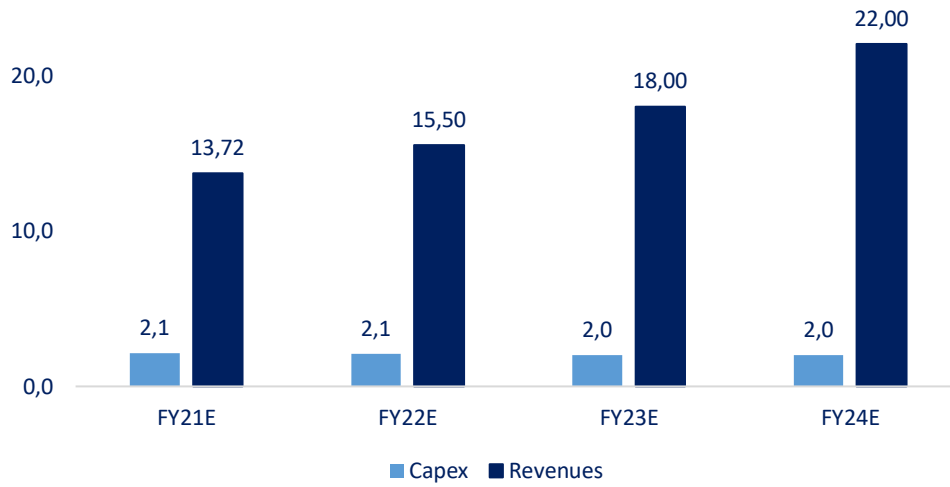
Source: Integrae SIM

**Chart 3 – Margin FY21A-24E**



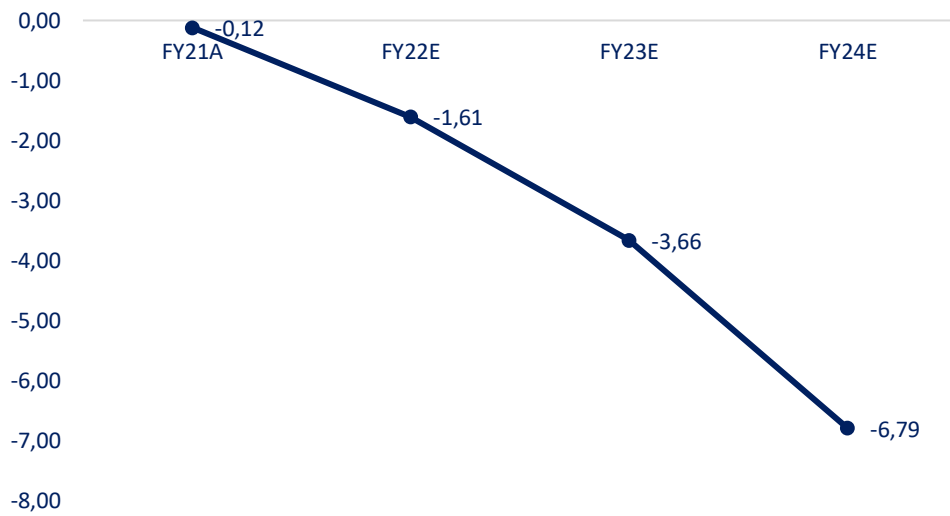
Source: Integrae SIM

**Chart 4 – Capex FY21A-24E**



Source: Integrae SIM

**Chart 5 – NFP FY21A-24E**



Source: Integrae SIM

## 2. Valuation

Abbiamo condotto la valutazione dell'*equity value* di ABTG sulla base della metodologia DCF.

### 2.1 DCF Method

**Table 4 – WACC**

WACC		8,17%
Risk Free Rate	0,78% $\alpha$ (specific risk)	2,50%
Market Premium	6,42% Beta Adjusted	1,00
D/E (average)	25,00% Beta Relevered	1,18
Ke	9,68% Kd	3,00%

Source: Integrae SIM

A fini prudenziali, abbiamo inserito un rischio specifico pari a 2,5%. Ne risulta quindi un WACC di 8,17%.

**Table 5 – DCF Valuation**

DCF Equity Value		37,49
FCFO actualized	7,0	19%
TV actualized DCF	30,4	81%
<b>Enterprise Value</b>	<b>37,4</b>	100%
NFP (FY21A)	(0,1)	

Source: Integrae SIM

Con i dati di cui sopra e prendendo come riferimento le nostre stime ed *assumption*, risulta un *equity value* di € 37,49 mln. Il target price è quindi di € 8,20 (prev. €7,25). Confermiamo rating BUY e rischio MEDIUM.

**Table 6 – Equity Value – Sensitivity Analysis**

€/mln	Growth Rate (g)	WACC						
		6,7%	7,2%	7,7%	8,2%	8,7%	9,2%	9,7%
2,5%		61,5	55,1	49,8	45,5	41,9	38,9	36,2
2,0%		55,7	50,4	46,1	42,4	39,3	36,6	34,3
1,5%		51,0	46,6	42,9	39,8	37,1	34,7	32,6
1,0%		47,2	43,4	40,2	37,49	35,1	33,0	31,1
0,5%		43,9	40,7	37,9	35,5	33,4	31,5	29,8
0,0%		41,2	38,4	35,9	33,8	31,9	30,2	28,6
-0,5%		38,8	36,3	34,2	32,2	30,5	29,0	27,6

Source: Integrae SIM

**Table 7 – Target Price Implied Valuation Multiples**

Multiples	FY21A	FY22E	FY23E	FY24E
EV/EBITDA	9,8x	8,6x	7,2x	5,6x
EV/EBIT	25,4x	17,2x	12,6x	8,6x

Source: Integrae SIM

**Table 8 – Current Price Implied Valuation Multiples**

Multiples	FY21A	FY22E	FY23E	FY24E
EV/EBITDA	3,9x	3,4x	2,8x	2,2x
EV/EBIT	10,1x	6,8x	5,0x	3,4x

Source: Integrae SIM



**Disclosure Pursuant to Delegated Regulation UE n. 2016/958 and Consob Regulation n. 20307/2018**

**Analyst/s certification**

The analyst(s) which has/have produced the following analyses hereby certifies/certify that the opinions expressed herein reflect their own opinions, and that no direct and/or indirect remuneration has been, nor shall be received by the analyst(s) as a result of the above opinions or shall be correlated to the success of investment banking operations. INTEGRAE SPA is comprised of the following analysts who have gained significant experience working for INTEGRAE and other intermediaries: Antonio Tognoli. Neither the analysts nor any of their relatives hold administration, management or advising roles for the Issuer. Antonio Tognoli is Integrae SIM's current Head of Research, Vice President of Associazione Nazionale Private and Investment Banking – ANPIB, member of Organismo Italiano di Valutazione – OIV and Journalists guild. Mattia Petracca, Giuseppe Riviello and Alessandro Colombo are the current financial analysts.

**Disclaimer**

This publication was produced by INTEGRAE SIM SpA. INTEGRAE SIM SpA is licensed to provide investment services pursuant to Italian Legislative Decree n. 58/1998, released by Consob, with Resolution n. 17725 of March 29th 2011.

INTEGRAE SIM SpA performs the role of corporate broker for the financial instruments issued by the company covered in this report.

INTEGRAE SIM SpA is distributing this report in Italian and in English, starting from the date indicated on the document, to approximately 300 qualified institutional investors by post and/or via electronic media, and to non-qualified investors through the Borsa Italiana website and through the leading press agencies.

Unless otherwise indicated, the prices of the financial instruments shown in this report are the prices referring to the day prior to publication of the report. INTEGRAE SIM SpA will continue to cover this share on a continuing basis, according to a schedule which depends on the circumstances considered important (corporate events, changes in recommendations, etc.), or useful to its role as specialist.

The table below, shows INTEGRAE SIM's recommendation, target price and risk issued during the last 12 months:

<b>Date</b>	<b>Price</b>	<b>Recommendation</b>	<b>Target Price</b>	<b>Risk</b>	<b>Comment</b>
16/04/2021	2,22	Buy	5,00	Medium	Update
07/10/2021	3,18	Buy	7,25	Medium	Update

The list of all recommendations on any financial instrument or issuer produced by Integrae SIM Research Department and distributed during the preceding 12-month period is available on the Integrae SIM website.

The information and opinions contained herein are based on sources considered reliable. INTEGRAE SIM SpA also declares that it takes all reasonable steps to ensure the correctness of the sources considered reliable; however, INTEGRAE SIM SpA shall not be directly and/or indirectly held liable for the correctness or completeness of said sources.

The most commonly used sources are the periodic publications of the company (financial statements and consolidated financial statements, interim and quarterly reports, press releases and periodic presentations). INTEGRAE SIM SpA also makes use of instruments provided by several service companies (Bloomberg, Reuters, JCF), daily newspapers and press in general, both national and international. INTEGRAE SIM SpA generally submits a draft of the analysis to the Investor Relator Department of the company being analyzed, exclusively for the purpose of verifying the correctness of the information contained therein, not the correctness of the assessment. INTEGRAE SIM SpA has adopted internal procedures able to assure the independence of its financial analysts and that establish appropriate rules of conduct for them. Integrae SIM S.p.A. has formalised a set of principles and procedures for dealing with conflicts of interest. The Conflicts Management Policy is clearly explained in the relevant section of Integrae SIM's web site ([www.integraesim.it](http://www.integraesim.it)). This document is provided for information purposes only. Therefore, it does not constitute a contractual proposal, offer and/or solicitation to purchase and/or sell financial instruments or, in general, solicitation of investment, nor does it constitute advice regarding financial instruments. INTEGRAE SIM SpA does not provide any guarantee that any of the forecasts and/or estimates contained herein will be reached. The information and/or opinions contained herein may change without any consequent obligation of INTEGRAE SIM SpA to communicate such changes. Therefore, neither INTEGRAE SIM SpA, nor its directors, employees or contractors, may be held liable (due to negligence or other causes) for damages deriving from the use of this document or the contents thereof. Thus, Integrae SIM does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the

transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. Therefore, Integrae SIM and/or the author of the present publication cannot in any way be held liable for any losses, damage or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.

This document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation no. 20307/2018, as subsequently amended and supplemented, either as a printed document and/or in electronic form.

**Rating system (long term horizon: 12 months)**

The BUY, HOLD and SELL ratings are based on the expected total return (ETR – absolute performance in the 12 months following the publication of the analysis, including the ordinary dividend paid by the company), and the risk associated to the share analyzed. The degree of risk is based on the liquidity and volatility of the share, and on the rating provided by the analyst and contained in the report. Due to daily fluctuations in share prices, the expected total return may temporarily fall outside the proposed range

Equity Total Return (ETR) for different risk categories			
Rating	Low Risk	Medium Risk	High Risk
BUY	ETR >= 7.5%	ETR >= 10%	ETR >= 15%
HOLD	-5% < ETR < 7.5%	-5% < ETR < 10%	0% < ETR < 15%
SELL	ETR <= -5%	ETR <= -5%	ETR <= 0%
U.R.	Rating e/o target price Under Review		
N.R.	Stock Not Rated		

**Valuation methodologies (long term horizon: 12 months)**

The methods that INTEGRÆ SIM SpA prefers to use for value the company under analysis are those which are generally used, such as the market multiples method which compares average multiples (P/E, EV/EBITDA, and other) of similar shares and/or sectors, and the traditional financial methods (RIM, DCF, DDM, EVA etc). For financial securities (banks and insurance companies) Integrae SIM SpA tends to use methods based on comparison of the ROE and the cost of capital (embedded value for insurance companies).

The estimates and opinions expressed in the publication may be subject to change without notice. Any copying and/or redistribution, in full or in part, directly or indirectly, of this document are prohibited, unless expressly authorized.

**Conflict of interest**

In order to disclose its possible interest conflict Integrae SIM states that:

- It operates or has operated in the past 12 months as the entity responsible for carrying out the activities of Euronext Growth Advisor of the ABTG SpA;