

IT services
Data

Shares Outstanding (m):	14.97
Market Cap. (EURm):	68.9
Enterprise Value (EURm):	66.9
Free Float (%):	34.7%
Av. Daily Trad. Vol. (m):	0.024
Main Shareholder:	Founders 53.6%
Reuters/Bloomberg:	MAIL.MI MAIL.IM
52-Week Range (EUR)	3.1 4.9

Source: Factset, UBI Banca estimates
Performance

	1m	3m	12m
Absolute	4.5%	-2.5%	47.9%
Rel. to FTSE IT	5.7%	-18.0%	-4.0%

Source: Factset
Graph area Absolute/Relative 12 M

Source: Factset

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Resilience of mature business, delay in new business growth

1Q20 results showed a solid growth in revenues (EUR15.6 million, +19.5% YoY) and EBITDA (+15% YoY to EUR0.55 million). However, for the next quarters we do not expect Datatrics to continue doubling sales considering the exposure on Travel&Leisure&Hospitality (ca. 20% of sales) and the negative momentum for expanding in new areas (Germany and Nordics); the postponement of marketing events should reduce the growth of BEE Plugin this year. Overall, we have incorporated a 1-year delay in the business plan of Datatrics and BEE Plugin, partially offset by an increase in SMS transactional business. Overall, we have revised downwards our estimates of consolidated revenues by 4% in 2020 and 2% in 2021; we have left unchanged consolidated EBITDA 2020 but reduced it by 18% in 2021 due to a shift of marketing costs for growth. 2022 estimates are substantially unchanged. We confirm our positive view based on the followings: (1) resilience of the top line even under crisis; (2) well balanced geographical presence with international revenues accounting for 51% in 1Q (48% in 2019); (3) solid financial structure (EUR7.4 million net cash ex IFRS16 at end March); (4) exposure to digital marketing, e-commerce and transactional SMS which are likely to play an increasing role. The stock remains trading at a 27% discount to European direct comparable DotDigital (EV/EBITDA 2020 of 11.5x vs 15.7x). Target price is slightly revised (+2% to EUR5.4) due to sector re-rating. Further upside could come from potential new creative acquisitions allowed by its healthy balance sheet.

- In 1Q20 all business lines (even more mature) grew double digit and contributed positively to EBITDA, with the exception of Datatrics which closed with EBITDA at EUR-0.3 million due to cost of expansion (2x sales growth in 1Q). Net financial position at end-March was EUR3 million (vs EUR2.4 million in end-December).
- Our new 2020 estimates incorporate a 20% YoY growth of both sales and EBITDA. 19-21 revenues and EBITDA CAGR is estimated at 20% with cumulative revenues from Datatrics and BEE moving from 8% in 2019 to 15% in 2021.
- Our target price of EUR5.4 per share is obtained as the weighted average of our DCF valuation (EUR5.1, WACC 8.4%, g 2%) and SoP (EUR7.3). To smooth the effect of current extraordinary volatility of Tech sector we reduce the weight of SoP valuation from 50% to 15%.
- Main risks are: (1) low liquidity; (2) increasing competition in MarTech; (3) M&A disappointment.

Financials

	2019	2020E	2021E	2022E
Revenues (EURm)	59,3	71,8	85,2	97,5
EBITDA (EURm)	4,8	5,8	7,0	10,4
EBITDA margin (%)	8,1%	8,1%	8,3%	10,7%
EBIT (EURm)	1,9	2,7	3,7	6,7
EPS (EUR)	0,08	0,11	0,15	0,29
CFPS (EUR)	0,31	0,27	0,40	0,53
DPS (EUR)	0,00	0,00	0,00	0,00

Source: Company Data, UBI Banca Estimates
Ratios

priced on 13 May 2020

	2019 *	2020E	2021E	2022E
P/E(x)	44,3	42,7	30,7	15,8
P/CF(x)	11,9	17,3	11,5	8,7
P/BV(x)	3,2	3,7	3,3	2,7
Dividend Yield	0,0%	0,0%	0,0%	0,0%
EV/EBITDA(x)	11,2	11,5	9,1	5,8
Debt/Equity (x)	-0,1	-0,2	-0,3	-0,4
Debt/EBITDA (x)	-0,5	-0,6	-0,9	-1,0

Source: UBI Banca Estimates * Based on 2019 average price

Key Financials

(EURm)	2019	2020E	2021E	2022E
Revenues	59,3	71,8	85,2	97,5
EBITDA	4,8	5,8	7,0	10,4
EBIT	1,9	2,7	3,7	6,7
NOPAT	1,3	1,8	2,5	4,5
Free Cash Flow	-4,0	1,1	2,6	4,0
Net Capital Employed	14,6	15,1	14,8	15,2
Shareholders' Equity	17,0	18,6	20,9	25,2
Net Financial Position	-2,4	-3,5	-6,1	-10,1

Source: Company data, UBI Banca estimates

Key Profitability Drivers

	2019	2020E	2021E	2022E
Net Debt/Ebitda (x)	-0,5	-0,6	-0,9	-1,0
Net Debt/Equity (x)	-0,1	-0,2	-0,3	-0,4
Interest Coverage (%)	0,0%	0,0%	0,0%	0,0%
Free Cash Flow Yield (%)	-7,2%	1,6%	3,7%	5,8%
ROE (%)	7,5%	9,0%	11,4%	18,9%
ROI pre-tax (%)	10,8%	12,9%	17,5%	31,7%
ROCE (%)	10,7%	12,2%	16,6%	30,0%

Source: Company data, UBI Banca estimates

Key Valuation Ratios

	2019 *	2020E	2021E	2022E
P/E (x)	44,3	42,7	30,7	15,8
P/BV (x)	3,2	3,7	3,3	2,7
P/CF (x)	21,2	17,4	12,3	8,6
Dividend Yield (%)	0,0%	0,0%	0,0%	0,0%
EV/Sales (x)	0,9	0,9	0,8	0,6
EV/EBITDA (x)	11,2	11,5	9,1	5,8
EV/EBIT (x)	27,8	24,6	17,4	9,0
EV/CE (x)	3,7	4,4	4,3	4,0

Source: Company data, UBI Banca estimates

* Based on 2019 average price

Key Value Drivers

(%)	2019	2020E	2021E	2022E
Payout	0,0%	0,0%	0,0%	0,0%
NWC/Sales	-14,5%	-11,0%	-9,8%	-8,4%
Capex/Sales	5,1%	4,0%	4,0%	4,0%

Source: Company data, UBI Banca estimates

Recent Developments

- > In 1Q20, MailUp recorded consolidated revenues at EUR15.6 million (+19.5% YoY), with email business growth (+21.3% YoY to EUR3.8 million) exceeding for the first time SMS (+15.3% YoY to EUR10.9 million) thanks to BEE boost (+79% YoY to EUR0.9 million). Datatrics sales were EUR0.8 million (+124% YoY). VoP of BEE+Datatrics amounted to >10% of total.
- > 1Q20 EBITDA closed at EUR0.55 million (+15% YoY), equal to 3.5% EBITDA margin (-10bp). This is the first time that MailUp reports the quarterly operating profits. In 2019 first quarter was 22% of yearly sales and 10% of EBITDA (8% of the EBITDA Adjusted).
- > The analysis of the single business line shows that even mature businesses (MailUp, Agile Telecom and Acumbamail) grew double digit in 1Q20. All business lines posted positive EBITDA, with the exception of Datatrics (EUR-0.3 million) which invested into growth. Overall, in 1Q20 consolidated sales&marketing costs grew 55% (EUR0.5 million) to EUR1.5 million following 10 new hirings.
- > In 1Q20 net cash flow was positive for EUR600k. The company closed end-March with net financial position positive at EUR3 million (EUR7.4 million ex-IFRS16).
- > The management confirmed strategic investments in product and marketing despite COVID-19. At the moment the most relevant consequence of the lockdown is the delay in the acquisition of mid&big corporate clients and some downsizing of active projects in the Travel, Retail&Hospitality sector.
- > On 27 March, MailUp announced the launch of Page Builder by BEE. Combined with the Email Builder, the Page Editor gives SaaS applications the power to deliver a single tool for designing both emails and landing pages. New Page Builder subscriptions activated before April 30 get the first 3 months free. Besides a basic free version, BEE is offered into two formats with different commercial propositions. BEE Pro is addressed to marketers while BEE Plugin is for developers and is embedded in their platforms for a flat fee+usage base revenues stream. The former accounts for 7,000 clients paying monthly fees in the range of USD15-45 (from 5,000 at end-2019). The latter has been embedded in over 600 SaaS applications generating USD350 average monthly revenues per client. Free users are 200,000.

Figure 1 – 1Q19-1Q20 results

(EURm)	1Q19	1Q20	% change
Revenues	13,05	15,60	19,5%
email	3,10	3,77	21,3%
SMS	9,43	10,87	15,3%
Professional services	0,17	0,17	2,4%
Predictive marketing (Datatrics)	0,35	0,79	124,3%
VoP	13,35	15,83	18,6%
Gross profit	3,41	4,44	30,3%
Gross profit margin	26,1%	28,5%	2,4%
EBITDA	0,48	0,55	14,9%
EBITDA margin	3,6%	3,5%	-0,1%
EBIT	-0,27	-0,28	-2,3%
EBIT margin	-2,1%	-1,8%	0,3%
Net debt/(Cash)		(3,01)	
Net debt/(cash) without IFRS16		(7,40)	

Source: Company data

Figure 2 – IQ19-IQ20 results by business line

(EURm)	IQ19	IQ20	% change
VoP	13,35	15,83	18,6%
MailUp	3,53	3,96	12,2%
Agile Telecom	9,17	10,52	14,7%
BEE	0,50	0,89	79,3%
Acumbamail	0,26	0,35	33,2%
Datatrix	0,42	0,82	94,3%
Holding	0,58	1,13	95,0%
Intercompany	-1,10	-1,83	
EBITDA	0,48	0,55	14,9%
MailUp	0,73	0,62	-14,9%
Agile Telecom	0,04	0,12	181,3%
BEE	0,01	0,06	353,5%
Acumbamail	0,04	0,07	57,2%
Datatrix	-0,14	-0,32	-121,8%
Holding	-0,29	-0,07	74,2%
Intercompany	0,08	0,08	
EBITDA margin on VoP	3,6%	3,4%	-0,1%
MailUp	20,6%	15,6%	-5,0%
Agile Telecom	0,5%	1,1%	0,7%
BEE	2,6%	6,5%	3,9%
Acumbamail	16,6%	19,5%	3,0%
Datatrix	-34,4%	-39,2%	-4,9%

Source: Company data

Financial Projections

- Despite the good first quarter, we are concerned on the ability of Datatrics to go on with the plan of expanding in Germany and Nordics this year; the postponement of important sector marketing events for SaaS should reduce the potential growth of BEE Plugin in the short-term, too. For both business lines we now assume a 1-year delay of the previous business progression. The shift of variable marketing costs should impact on 2021 EBITDA.
- For 2020 we reduce expectation of top line by 4% with no impact on EBITDA due to some cuts to discretionary costs. For 2021 we cut our estimates by 2% on sales and 18% on EBITDA. Considering also an expected long-term increase in the business of transactional SMS for Agile Telecom, we broadly leave unchanged our 2022 estimates.

Figure 3 - Old vs. New estimates

(EURm)	2019A	2020E		2021E		2022E	
		Old	New	Old	New	Old	New
Revenues	59.3	74,9	71,8	86,9	85,2	95,2	97,5
% change			-4,1%		-2,0%		2,4%
EBITDA	4.80	5,81	5,81	8,49	7,04	10,49	10,39
% change			-0,1%		-17,1%		-0,9%
EBIT	1.85	2,72	2,72	5,12	3,70	6,81	6,72
% change			0,0%		-27,6%		-1,3%
Net profit	1.15	1,60	1,61	3,25	2,25	4,40	4,36
% change			0,7%		-30,9%		-0,8%
Net debt/(Cash)	-2.4	-3,6	-3,5	-6,6	-6,1	-10,6	-10,1
EBITDA margin	8.1%	7,8%	8,1%	9,8%	8,3%	11,0%	10,7%
EBIT margin	3.1%	3,6%	3,8%	5,9%	4,3%	7,2%	6,9%

Source: Company data, UBI Banca estimates

Figure 4 - VoP and EBITDA breakdown by segments in 2017-2022E

In FY19 the positive effect of IFRS 16 was not split among business units.

(EURm)	2017A	2018A	2019A	2020E	2021E	2022E
VoP (Consolidated)	27,3	40,2	60,8	73,5	87,3	99,9
MailUp	12,3	13,8	15,1	15,6	16,6	17,5
Agile Telecom	14,8	26,3	41,5	50,3	58,0	63,9
Acumbamail	0,7	0,9	1,2	1,4	1,7	2,0
BEE	0,6	1,2	2,6	4,9	7,8	10,5
Datatics			2,4	3,8	5,8	8,8
Holding	1,5	1,4	3,5	3,5	3,5	3,5
Intercompany	-2,6	-3,4	-5,5	-5,9	-6,0	-6,2
EBITDA	2,86	3,80	4,80	5,81	6,96	10,39
MailUp	2,35	2,30	2,80	2,80	2,82	2,89
Agile Telecom	1,35	2,50	1,34	3,07	3,65	4,09
Acumbamail	0,25	0,20	0,24	0,28	0,34	0,39
BEE	-0,04	0,40	0,72	0,70	1,09	2,87
Datatics			-0,55	0,00	0,00	0,00
Holding	-1,05	-1,60	-0,55	-0,49	-0,30	0,70
IFRS 16			0,80			
EBITDA margin on VoP %	10,5%	9,5%	7,9%	7,9%	8,1%	10,4%
MailUp	19,1%	16,7%	18,5%	18,0%	17,0%	16,5%
Agile Telecom	9,1%	9,5%	3,2%	6,1%	6,3%	6,4%
Acumbamail	35,7%	22,2%	20,2%	20,0%	20,0%	20,0%
BEE	-6,7%	33,3%	27,7%	14,2%	14,0%	27,4%
Datatics			-22,9%	-13,0%	-5,2%	8,0%

Source: Company data, UBI Banca estimates

Figure 5 - Old vs New estimates for Datatics revenues in 2018-2022E

We expect that the project of expansion into Germany and Nordics in 2020 should be postponed. Main client KPL is assumed to turn to normal activity in 2021.

(EURm)	2017A	2018A	2019A	2020E	2021E	2022E
New estimates						
Datatics clients	77	120,0	370,0	450,0	640,0	880,0
ARPU (EUR)		12.000,0	6.162,2	8.400,0	9.000,0	10.000,0
Revenues stand alone (EURm)	0,3	1,4	2,3	3,8	5,8	8,8
Old estimates						
Datatics clients		120	370,0	640,0	840,0	820,0
ARPU (EUR)		12,000	6.162,2	9.000,0	10.500,0	12.000,0
Revenues stand alone (EURm)		1,4	2,3	5,8	8,8	9,8

Source: Company data, UBI Banca estimates

Figure 6 - Estimates for BEE revenues in 2019A-2022E

(EURm)	2019A	2020E	2021E	2022E
BEE Pro customers	5.000,0	7.500,0	8.000,0	8.500,0
Monthly ARPU (EUR)	17,3	27,0	29,2	31,5
Revenues (EURm)	1,0	2,4	2,8	3,2
BEE Plugin customers	600,0	650,0	1.200,0	1.620,0
Monthly ARPU (EUR)	216,7	320,0	345,6	373,2
Revenues (EURm)	1,6	2,5	5,0	7,3
Total customers	5.600,0	8.150,0	9.200,0	10.120,0
Monthly ARPU (EUR)	38,7	50,4	70,4	86,2
Total revenues (EURm)	2,6	4,9	7,8	10,5

Source: Company data, UBI Banca estimates

Valuation

- > Following the forecast revision, our target price based on DCF (WACC 8.4%, g 2%) has been decreased by 4% to EUR5.1 per share. At the moment, we are not incorporating the potential dilution due to EUR3 million earn-out to be paid at the end of 2021/2022 to Datatrics' shareholders, which would lead to a total 8% dilutive effect.
- > As we estimate BEE to remain cash flow neutral for the next 3-years, DCF valuation is not able to incorporate the value creation in this "growth story". Therefore, we provide also a Sum-of-the-Part valuation for the Group.
- > We value MailUp+Acumbamail and Agile Telecom by applying 13.8x to EBITDA20E, which corresponds to the median multiple of foreign peers; at latest update ("COVID-19: not immune but ready to face the change", 27 March 2020) the multiple was 9.8x, reflecting the severe drop of shares at the beginning of global lockdown. Regarding BEE, which is a Silicon-Valley company, we take a panel of the most representative American SaaS companies active in the communication/advertising technology; the sample has median EBITDA margin 2020 at 13.2% and 19E-21E sales CAGR at 20% (compared to respectively 14.2% and 73% of BEE). These giant tech stocks are trading at 7.9xSales20E (vs 6.4x recorded in March 27) and 53xEBITDA20E (vs 25.2x of latest update); by applying these two multiples discounted by 50% we obtain an average fair value of EUR19 million, equal to 4xSales 2020.
- > Overall, our SoP valuation is equal to EUR110 million of EUR7.3 per share; BEE represents ca 17% of it.
- > To smooth the effect of the extraordinary volatility of the market we have decided to reduce the weight of multiple valuation from 50% to 15%.

Figure 7 – Valuation summary

(EUR)	Current valuation	Weight	Previous valuation (27/03/2020)	Delta
DCF Valuation	5.1	85%	5.32	-4.3%
SoP	7.3	15%	5.28	+38.9%
Target Price	5.4		5.30	2.4%
Current price	4.6		4.05	13.6%
Potential upside	18%		30.9%	

Source: UBI Banca estimates

Figure 8. DCF Valuation

	Valuation (EURm)	% Weight	Per share (EUR)
Sum of PV 2010-22 FCF	6.8	9%	0.46
Sum of PV 2023-26 FCF	15.1	20%	1.01
Terminal Value	52.4	71%	3.50
Total Enterprise value	74.3	100%	4.96
- financial assets	0.3		0.02
- net cash (debt) at end-2019	2.4		0.16
- cash out for Datatrics earn-out	-0.8		-0.05
Total Equity value	76.3		5.09
Number of shares outstanding (m)	14.97		
Fair value per share (EUR)	5.1		

Source: UBI Banca estimates

Figure 9. Implicit multiples based on our EUR5.6 target price

(x)	2020E	2021E	2022E
P/E	50,4 x	36,2 x	18,6 x
EV/EBITDA	13,4 x	10,7 x	6,9 x
EV/EBIT	28,6 x	20,3 x	10,6 x
EV/Sales	1,08 x	0,88 x	0,73 x
P/BV	4,4 x	3,9 x	3,2 x
EV/ Capital employed	5,1 x	5,1 x	4,7 x

Source: UBI Banca estimates

Sum-of-the-Part valuation

Figure 10. SoP valuation based on multiples priced on 13 May 2020

Our SoP valuation implies an EV/EBITDA 2020E of 16.6x

	Valuation (EURm)	Method	Per share (EUR)
MailUp+Acumbamail	42.5	13.8xEBITDA20E	2.84
Agile Telecom	42.4	13.8xEBITDA20E	2.83
BEE	19.1	3xSales20E	1.27
Datatics	3.8	Price tag	0.25
Total Enterprise value	107.7		7.19
- net cash (debt) at end-2019	2.4		0.16
- financial assets	0.3		-0.02
- cash out for Datatics	-0.8		-0.05
Total Equity value	109.7		7.33
Number of shares outstanding (m)	14.97		
Fair value per share (EUR)	7.3		

Source: UBI Banca estimates

Figure 11 – Peer comparison for BEE based on multiples priced on 13 May 2020

As there is no direct comparable for BEE, we have taken the most representative American players in the Advertising technology/CPService segments.

		Market Cap (EURm)	EV/Sales20E	EV/EBITDA 20E	EBITDA margin 20E	Sales CAGR 19-21
Trade Desk Inc	USA	12,423	19,3	78,4	24,6%	19,4%
HubSpot Inc	USA	7,067	8,7	90,8	9,6%	20,3%
Terada Corp	USA	2,000	1,2	7,0	16,9%	-0,6%
Adobe	USA	159,382	13,1	28,0	47,1%	17,5%
Salesforce	USA	140,766	7,0	25,6	27,4%	20,2%
ChannelAdvisor Corp	USA	325	2,2	11,2	19,3%	3,5%
Twilio Inc	USA	24,203	16,8	269,9	6,2%	29,7%
Slack Technologies	USA	17,281	21,2		-11,7%	35,8%
Nuance Communication	USA	5,016	3,8	15,5	24,5%	-8,6%
Everbridge Inc	USA	5,038	20,6	1271,6	1,6%	28,0%
LivePerson Inc	USA	2,230	7,1	386,7	1,8%	20,8%
8x8 Inc	USA	1,421	2,8		-0,5%	17,3%
Median			7.9	53.2	13.2%	19.8%
Discount			50%	50%		
Median discounted			4.0	26.6		

Source: UBI Banca estimates and Factset consensus

Figure 12. Peer comparison based on multiples priced on 13 May 2020

On 2020, MailUp is trading at a discount compared to foreign players which have got similar business model.

	Market Cap (EURm)	EV/Sales		EV/EBITDA		EBITDA margin	
		20E	21E	20E	21E	20E	21E
Alkemy SpA	29	0.5x	na	6.0x	na	7.5%	8.7%
dotDigital Group plc	334	5.8x	5.1x	15.7x	14.5x	36.9%	35.3%
IMImobile	287	1.5x	na	12.0x	na	12.1%	13.1%
Kaleyra	133	0.9x	0.6x	15.6x	6.2x	8.6%	12.2%
SharpSpring	83	3.1x	2.5x	NA	NA	Neg.	Neg.
Median		1.5x	2.5x	13.8x	10.4x	12.1%	13.1%
MailUp	69	0.9x	0.8x	11.5x	9.1x	8.1%	8.3%
Premium/Discount to average		-36%	-70%	-17%	-12%	-33%	-37%
MailUp at target		1.1x	0.9x	14.7x	10.7x		
Premium/Discount to peers		-26%	-65%	-3%	3%		
Premium/Discount to Dotdigital		-81%	-83%	-15%	-26%		

Source: UBI Banca estimates and Factset consensus

ESG Picture

Corporate Governance

Does the company have a combined Chair/CEO?	No
Percentage of independent directors	20% (1 out of 5)
Does the company have loyalty shares?	No
Does major shareholders (if any) have a “shareholders pact” in place?	Yes
Has the company adopted a “poison pill” or “change of control” clauses?	No
Potential dilution from stock options outstanding + not yet granted?	Around 8% in 21/22 due to earn-outs
CEO remuneration detail (fixed salary)	EUR170k
Chairman remuneration detail (fixed salary)	EUR170k
Is the share price included in the MBO criteria?	Yes
Percentage of treasury shares	0.75%

Climate related risk

Has the company defined GHG-emissions targets?	No
How does the company assess climate-related risk?	New sustainable office, internal recycling culture and CO2 compensation policy since 2007

Social Responsibilities

Does the company publish a separated Sustainability report?	Yes
Does the company have a Chief SRI/CSR officer (or a committee)?	No
Does the Chief SRI/CSR officer votes in any of the company’s committee?	No
Is the Investor Relation officer a different person from CFO (or other officers)?	Yes
Is the ESG strategy integrated in the Business Plan (or in the group strategy)?	No
Does the company have an ethical code?	Yes
Percentage of female directors	20% (1 out of 5)
How is the cybersecurity issue managed?	The company is fully compliant with EU GDPR regulation. The company is member of M3AAWG to fight abuse

Income Statement

(EURm)	2019	2020E	2021E	2022E
Value of production	59,3	71,8	85,2	97,5
EBITDA	4,8	5,8	7,0	10,4
EBITDA margin	8,1%	8,1%	8,3%	10,7%
EBIT	1,9	2,7	3,7	6,7
EBIT margin	3,3%	3,8%	4,3%	6,9%
Net financial income /expense	0,0	0,0	0,0	0,0
Associates & Others	1,0	2,0	3,0	4,0
Profit before taxes	1,9	2,7	3,7	6,7
Taxes	-0,7	-1,1	-1,5	-2,4
Minorities & discontinuing ops	1,0	2,0	3,0	4,0
Net Income	1,2	1,6	2,2	4,4

Source: Company data, UBI Banca estimates

Balance Sheet

(EURm)	2019	2020E	2021E	2022E
Net working capital	-8,6	-7,9	-8,3	-8,2
Net Fixed assets	29,4	29,2	29,3	29,6
M/L term funds	-6,2	-6,2	-6,2	-6,2
Capital employed	14,6	15,1	14,8	15,2
Shareholders' equity	17,0	18,6	20,9	25,2
Minorities	0,0	0,0	0,0	0,0
Shareholders' funds	17,0	18,6	20,9	25,2
Net financial debt/(cash)	-2,4	-3,5	-6,1	-10,1

Source: Company data, UBI Banca estimates

Cash Flow Statement

(EURm)	2019	2020E	2021E	2022E
NFP Beginning of Period	-6,4	-2,4	-3,5	-6,1
Group Net Profit	1,2	1,6	2,2	4,4
Minorities	0,0	0,0	0,0	0,0
D&A	2,9	3,1	3,3	3,7
Change in Funds & TFR	-1,5	-0,8	0,0	0,0
Gross Cash Flow	2,6	4,0	5,6	8,0
Change In Working Capital	1,9	0,0	0,4	-0,1
Other	0,1	0,0	0,0	0,0
Operating Cash Flow	4,6	4,0	6,0	7,9
Net Capex	-8,6	-2,9	-3,4	-3,9
Other Investments	0,0	0,0	0,0	0,0
Free Cash Flow	-4,0	1,1	2,6	4,0
Dividends Paid	0,0	0,0	0,0	0,0
Other & Chg in Consolid. Area	0,0	0,0	0,0	0,0
Chg in Net Worth&Capital Incr.	0,0	0,0	0,0	0,0
Change in NFP	-4,0	1,1	2,6	4,0
NFP End of Period	-2,4	-3,5	-6,1	-10,1

Source: Company data, UBI Banca estimates

Financial Ratios

(%)	2019	2020E	2021E	2022E
ROE (%)	7,5%	9,0%	11,4%	18,9%
ROI pre-tax (%)	10,8%	12,9%	17,5%	31,7%
Net Fin. Debt/Equity (x)	-0,5	-0,6	-0,9	-1,0
Net Fin. Debt/EBITDA (x)	-0,1	-0,2	-0,3	-0,4
Interest Coverage	0,0	0,0	0,0	0,0
NWC/Sales	-14,5%	-11,0%	-9,8%	-8,4%
Capex/Sales	5,1%	4,0%	4,0%	4,0%
Pay Out Ratio	0,0%	0,0%	0,0%	0,0%

Source: Company data, UBI Banca estimates

Per Share Data

(EUR)	2019	2020E	2021E	2022E
EPS	0,08	0,11	0,15	0,29
DPS	0,00	0,00	0,00	0,00
Op. CFPS	0,31	0,27	0,40	0,53
Free CFPS	-0,26	0,07	0,17	0,27
BVPS	1,14	1,24	1,39	1,69

Source: Company data, UBI Banca estimates

Stock Market Ratios

(x)	2019 *	2020E	2021E	2022E
P/E	44,3	42,7	30,7	15,8
P/OpCFPS	21,2	17,4	12,3	8,6
P/BV	3,2	3,7	3,3	2,7
Dividend Yield (%)	0,0%	0,0%	0,0%	0,0%
Free Cash Flow Yield (%)	nm	1,6%	3,7%	5,8%
EV (EURm)	53,7	66,9	64,3	60,3
EV/Sales	0,9	0,9	0,8	0,6
EV/EBITDA	11,2	11,5	9,1	5,8
EV/EBIT	27,8	24,6	17,4	9,0
EV/Capital Employed	3,7	4,4	4,3	4,0

Source: Company data, UBI Banca estimates

* Based on 2019 average price

Growth Rates

(%)	2019	2020E	2021E	2022E
Growth Group Net Sales	51,9%	21,1%	18,6%	14,5%
Growth EBITDA	27,3%	21,0%	21,2%	47,6%
Growth EBIT	1,8%	40,7%	36,3%	81,4%
Growth Net Profit	-1,8%	30,8%	39,3%	94,3%

Source: Company data, UBI Banca estimates

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17 October 2018	BUY	3.63	2.44
15 January 2019	BUY	3.72	2.52
26 April 2019	BUY	3.85	3.04
23 May 2019	BUY	3.89	3.31
11 July 2019	BUY	5.20	4.49
18 September 2019	BUY	5.07	4.40
14 November 2019	BUY	6.00	4.50
14 February 2020	BUY	6.00	4.72
27 March 2020	BUY	5.30	4.05