

IT services
Data

Shares Outstanding (m):	14.97
Market Cap. (EURm):	70.2
Enterprise Value (EURm):	68.2
Free Float (%):	36.6%
Av. Daily Trad. Vol. (m):	0.017
Main Shareholder:	Founders 53.0%
Reuters/Bloomberg:	MAIL.MI MAIL IM
52-Week Range (EUR)	3.8 5.7

Source: Factset, UbiBanca estimates

Performance

	1m	3m	12m
Absolute	-6.2%	-13.8%	4.2%
Rel. to FTSE IT	-12.4%	-16.5%	15.6%

Source: Factset

Graph area Absolute/Relative 12 M


Source: Factset

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3Q20: revenues and EBITDA up 13% despite Datatrics' slowdown

MailUp was able to close 3Q20 with sales up 13% YoY (vs +6.8% of preliminary gross sales) and flat EBITDA margin at 8.4%. The decreasing revenues of Datatrics and its EBITDA loss at EUR0.4 million (like in 2Q20) was offset by the improvement in other business lines. The management confirmed that the strong balance sheet will allow the Group to protect the strategic investments as well as to continue to look for M&A opportunities. However, considering the difficulty to engage new clients in COVID-19 scenario, the Group announced the re-organization of Datatrics based on the following points: the Italian direct sales force will be re-directed to develop MailUp offer selling Datatrics as add-ins through the indirect channel; as a second step a self-provisioning offer will be introduced. The full fruits of this actions is expected by 3Q21. Following 9M20, we have reduced our FY20 estimates of revenues (-2.4%) but we haven't changed EBITDA forecast which implies 4Q20 in line with 3Q20. The new efforts to support Datatrics' take-off next year lead us to reduce FY21 estimates by 4% of revenues and 5% on EBITDA. We do not change 2022 EBITDA estimates which incorporate an EBITDA margin at 11%. We confirm our positive view based on the followings: (1) resilience of the top line even under crisis, with recurring sales at 30% of total; (2) well balanced geographical presence with international revenues accounting for 54% in 9M20 (vs 48% in FY19); (3) solid financial structure (EUR6 million net cash ex IFRS16 at end September); (4) exposure to digital marketing, e-commerce and transactional SMS which are likely to play an increasing role; (5) impressive self-provisioning sales of BEE which proves its potentiality of growth in normal circumstances. We set our target price at EUR6.9 (+1.6% due to sector re-rating).

- In 3Q20 revenues were EUR15.9 million (+13.9% YoY organic growth) and EBITDA was EUR1.3 million (+13% YoY). 9M20 closed with revenues at EUR46.8 million (+10% YoY) and EBITDA at EUR3.5 million (7.5% EBITDA margin). Reported net cash at the end of September was EUR2 million (EUR6 million ex IFRS16).
- We are incorporating a 19-21 revenues CAGR at 17% and EBITDA CAGR at 18%.
- Our target price of EUR6.9 per share is obtained as the weighted average of our DCF valuation (EUR5.4, WACC 7.4%, g 2%) and SoP (EUR9.1); the latter is weighted at 40%. At our TP the stock would trade at 14.6x EV/EBITDA 21E, equal to a 15% discount to foreign peers and 34% discount to dotDigital. Main risks are: (1) low liquidity; (2) increasing competition in MarTech; (3) M&A disappointment.

Financials

	2019	2020E	2021E	2022E
Revenues (EURm)	59,3	64,1	81,5	92,9
EBITDA (EURm)	4,8	4,9	6,7	10,4
EBITDA margin (%)	8,1%	7,7%	8,2%	11,2%
EBIT (EURm)	1,9	1,5	3,2	6,7
EPS (EUR)	0,08	0,07	0,14	0,30
CFPS (EUR)	0,31	0,28	0,37	0,48
DPS (EUR)	0,00	0,00	0,00	0,00

Source: Company Data, UBI Banca Estimates

Ratios priced on 13 November 2020

	2019 *	2020E	2021E	2022E
P/E(x)	44,3	70,4	33,1	15,6
P/CF(x)	11,9	16,8	12,5	9,7
P/BV(x)	3,2	3,9	3,5	2,8
Dividend Yield	0,0%	0,0%	0,0%	0,0%
EV/EBITDA(x)	11,2	13,9	9,9	6,0
Debt/Equity (x)	-0,1	-0,2	-0,3	-0,4
Debt/EBITDA (x)	-0,5	-0,7	-0,9	-0,9

Source: UBI Banca Estimates * Based on 2019 average price

Key Financials

(EURm)	2019	2020E	2021E	2022E
Revenues	39.0	64,1	81,5	92,9
EBITDA	3.8	4,9	6,7	10,4
EBIT	1.9	1,5	3,2	6,7
NOPAT	1.3	1,0	2,1	4,5
Free Cash Flow	-1.3	1,1	2,3	3,7
Net Capital Employed	9.6	14,5	14,3	15,1
Shareholders' Equity	15.9	18,0	20,1	24,6
Net Financial Position	-6.4	-3,5	-5,8	-9,5

Source: Company data, UBI Banca estimates

Key Profitability Drivers

	2019	2020E	2021E	2022E
Net Debt/Ebitda (x)	-1.7	-0,7	-0,7	-0,9
Net Debt/Equity (x)	-0.4	-0,2	-0,2	-0,3
Interest Coverage (%)	0.0	0,0%	0,0%	0,0%
Free Cash Flow Yield (%)	-3.8%	1,7%	1,6%	3,3%
ROE (%)	8.4%	5,9%	5,6%	11,1%
ROI pre-tax (%)	16.5%	8,0%	7,6%	16,5%
ROCE (%)	15.6%	7,2%	6,9%	14,8%

Source: Company data, UBI Banca estimates

Key Valuation Ratios

	2019 *	2020E	2021E	2022E
P/E (x)	27.8	70,4	33,1	15,6
P/BV (x)	2.2	3,9	3,5	2,8
P/CF (x)	4.0	16,8	12,5	9,7
Dividend Yield (%)	0.0%	0,0%	0,0%	0,0%
EV/Sales (x)	0.8	1,1	0,8	0,7
EV/EBITDA (x)	7.8	13,9	9,9	6,0
EV/EBIT (x)	15.6	44,9	20,7	9,3
EV/CE (x)	3.1	4,7	4,6	4,1

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	-21.2%	-14,2%	-11,2%	-8,7%
Capex/Sales	8.5%	4,7%	4,0%	3,8%

Source: Company data, UBI Banca estimates

Recent Developments

- MailUp closed 3Q20 with revenues up 13% YoY at EUR15.9 million, which was much better than the 6.8% growth announced for preliminary gross sales on 10 October. Both email and SMS grew by ca 14% YoY to respectively EUR4.2 million and EUR11.2 million. In response to the change in the economic and market environment, which led to a contraction in the demand for Professional Services from larger clients, the personnel devoted to this business was redistributed in the Sales and Operations area and the related revenues were included into email business line. Net of this component, email grew by 18.7% YoY (+20.2% in 9M20). BEE continued to generate around half of the growth recorded by this business line. For the first time Datatrics (predictive marketing) recorded a decrease in the revenues (-6% YoY to EUR0.6 million) due to the great churn in expired subscriptions of clients active in the Travel&Leisure segment.
- Consolidated EBITDA closed 3Q20 at EUR1.3 million (+13.7% YoY); compared to last year it incorporated the EUR0.4 million loss recorded by Datatrics (in line with 2Q20) which was more than offset by the greater contribution by Agile Telecom and Acumbamail. EBITDA margin was flat at 8.4%. EBIT closed at EUR0.4 million.
- 9M20 consolidated revenues were EUR46.8 million (+10% YoY) and EBITDA was EUR3.5 million (+6% YoY), equal to 7.5% EBITDA margin. International revenues reached over 54% of total sales. Reported net cash at the end of September was EUR2 million (vs EUR1.3 million at end of September 2019). Net cash ex IFRS16 was EUR6 million.
- The management announced the re-organization of Datatrics, with no headcount reductions and confirmed to continue to look favourably to M&A opportunities.
- Specifically, in Italy Datatrics S.r.l. will be dissolved approximately by 31 December 2020 and its personnel (6 people) will be reallocated to MailUp S.p.A. Two of them will continue to follow the Italian clients of Datatrics (ca 70) while business development will be pursued through indirect channel and Datatrics services will be sold as add-ons on MailUp services. In Netherlands, Datatrics' operations will move towards a more scalable and self-provisioning model, too. Full outcome of the reorganization is expected by 3Q21.

Figure 1. 3Q-9M20 results

In 3Q20, organic growth was 13.9% vs +7.1% in 1H20, which had suffered from the lack of "Drive to Store" SMS in April-May.

(EURm)	3Q19A	3Q20A	% change	9M19A	9M20A	% delta
Revenues	14,09	15,93	13,0%	42,47	46,83	10,3%
email	3,63	4,15	14,4%	10,31	12,16	17,9%
SMS	9,81	11,16	13,8%	30,65	32,63	6,5%
Predictive marketing	0,66	0,62	-5,9%	1,51	2,04	35,4%
VoP	14,29	16,16	13,1%	43,60	47,85	9,7%
Gross profit	4,11	5,01	21,8%	12,66	14,79	16,8%
Gross margin	29,2%	31,5%		29,8%	31,6%	
Ebitda	1,18	1,34	13,7%	3,32	3,52	5,9%
Ebitda margin	8,4%	8,4%		7,8%	7,5%	
Ebit	0,34	0,42	22,6%	1,13	0,91	-19,6%
Ebit margin	2,4%	2,6%		2,7%	1,9%	
(Net Cash)				-1,3	-2,1	
(Net Cash) ex-IFRS16				-6,2	-6,0	

Source: Company data

Figure 2. 3Q-9M20 results by business units

In 3Q20, the growth of BEE remained impressive (+40% YoY) considering the delay in marketing activity for BEE Plugin. Agile Telecom regained the SMS Drive to store business.

(EURm)	3Q19A	3Q20A	% change	9M19A	9M20A	% change
VoP	14,29	16,16	13,1%	43,60	47,85	9,7%
MailUp	3,6	3,8	4,8%	11,0	11,9	8,4%
Agile Telecom	9,5	10,7	13,3%	30,0	31,4	4,9%
BEE	0,7	1,0	40,5%	1,8	2,8	59,1%
Acumbamail	0,3	0,4	37,1%	0,9	1,1	32,7%
Datatrix	0,6	0,4	-30,4%	1,6	2,1	32,6%
Holding	0,8	1,0		2,3	3,6	
Intercompany	-1,2	-1,2		-3,9	-5,2	
EBITDA	1,18	1,34	13,7%	3,33	3,52	5,9%
MailUp	0,88	0,87	-0,7%	2,36	2,82	19,5%
Agile Telecom	0,09	0,30	219,1%	0,84	0,92	10,4%
BEE	0,21	0,20	-2,4%	0,53	0,30	-43,5%
Acumbamail	0,08	0,14	64,6%	0,20	0,26	33,7%
Datatrix	-0,05	-0,39		-0,41	-1,13	
Holding	-0,11	-0,19		-0,40	-0,23	
Intercompany	0,09	0,42		0,22	0,59	
EBITDA margin on VoP	8,3%	8,3%		7,6%	7,4%	
MailUp	24,0%	22,8%		21,5%	23,7%	
Agile Telecom	1,0%	2,8%		2,8%	2,9%	
BEE	29,7%	20,6%		29,7%	10,5%	
Acumbamail	27,9%	33,5%		22,7%	22,8%	
Datatrix	-9,5%	-99,0%		-25,6%	-53,5%	

Source: Company data

Financial Projections

- We have reduced by 2.4% our estimates on sales FY20E to incorporate the greater than expected churn rate for Datatrics and a slightly more cautious outlook on retail sector considering the European new lockdowns which impact especially on Agile Telecom. However, we have confirmed our expectation on EBITDA FY20 which imply a 4Q20 EBITDA in line with 3Q20.
- Considering the new efforts in the re-organisation of Datatrics which should take ca. 1 year to bring fruits at the top line, we reduce our estimates of 2021 consolidated revenues and EBITDA by respectively 4% and 5%. For 2022 we reduce by 5% revenues but leave unchanged EBITDA estimates.

Figure 3 - Old vs. New estimates

(EURm)	2019A	2020E		2021E		2022E	
		Old	New	Old	New	Old	New
Revenues	59.3	65,7	64,1	85,2	81,5	97,6	92,9
% change			-2,4%		-4,3%		-4,8%
EBITDA	4.80	4,89	4,92	7,00	6,66	10,42	10,41
% change			0,8%		-4,8%		-0,1%
EBIT	1.85	1,56	1,52	3,47	3,19	6,58	6,65
% change			-2,6%		-8,1%		1,1%
Net profit	1.15	1,03	1,00	2,33	2,12	4,46	4,51
% change			-2,9%		-8,8%		1,2%
Net debt/(Cash)	-2.4	-3,6	-3,5	-6,2	-5,8	-9,9	-9,5
EBITDA margin	8.1%	7,4%	7,7%	8,2%	8,2%	10,7%	11,2%
EBIT margin	3.1%	2,4%	2,4%	4,1%	3,9%	6,7%	7,2%

Source: Company data, UBI Banca estimates

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

(EURm)	2017A	2018A	2019A	2020E	2021E	2022E
VoP (Consolidated)	27,3	40,2	60,8	65,7	83,5	95,2
MailUp	12,3	13,8	15,1	16,1	17,6	18,5
Agile Telecom	14,8	26,3	41,5	44,0	55,0	60,6
Acumbamail	0,7	0,9	1,2	1,59	2,2	2,5
BEE	0,6	1,2	2,6	3,9	7,8	10,5
Datatrics			2,4	2,5	3,4	5,8
Holding	1,5	1,4	3,5	5,0	3,5	3,5
Intercompany	-2,6	-3,4	-5,5	-7,4	-6,0	-6,2
EBITDA	2,86	3,80	4,80	4,92	6,66	10,41
MailUp	2,35	2,30	2,80	3,45	3,52	3,71
Agile Telecom	1,35	2,50	1,34	1,45	2,75	3,03
Acumbamail	0,25	0,20	0,24	0,42	0,55	0,63
BEE	-0,04	0,40	0,72	0,60	1,25	3,04
Datatrics			-0,55	-1,60	-1,40	0,00
Holding	-1,05	-1,60	-0,55	0,60	0,00	0,00
IFRS 16			0,80			
EBITDA margin on VoP %	10,5%	9,5%	7,9%	7,5%	8,0%	10,9%
MailUp	19,1%	16,7%	18,5%	21,5%	20,0%	20,0%
Agile Telecom	9,1%	9,5%	3,2%	3,3%	5,0%	5,0%
Acumbamail	35,7%	22,2%	20,2%	26,4%	25,0%	25,0%
BEE	-6,7%	33,3%	27,7%	15,2%	16,0%	29,0%
Datatrics			-22,9%	-63,5%	-40,9%	0,0%

Source: Company data, UBI Banca estimates

Valuation

- As an effect of the revision of the estimates, our target price based on DCF (WACC 7.4%, g 2%) has been decreased by 8% to EUR5.4 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.
- In our SoP valuation, we value MailUp+Acumbamail and Agile Telecom by applying 21x to EBITDA20E (+12% compared to previous update of 21 September), which corresponds to the median multiple of foreign peers discounted by 10% (liquidity discount). Datatrics is conservatively incorporated at the price tag (EUR3.8 million before potential earn-out). Regarding BEE, which is a Silicon-Valley company, we take a panel of the most representative American SaaS companies active as providers in the vertical software market.
- Overall, our SoP valuation is equal to EUR137 million of EUR9.15 per share (+10% vs latest update); BEE represents ca 15% of it.
- We set a new target price of EUR6.9 (+1.6% compared to previous, 47% upside); it is equal to the weighted average of DCF valuation (60% weight) and SoP (40% weight).
- The stock is trading at an EV/EBITDA 20E of 13.9x which is at a 40% discount to median peers. At our new TP MailUp would trade at EV/EBITDA 20E-21E of 20.4-14.6x, corresponding to a respectively 13% and 15% discount to peers.

Figure 5 – Valuation summary

(EUR)	Current valuation	Weight	Previous (21/09/2020)	Delta
DCF Valuation	5,4	60%	5,9	-8,2%
SoP	9,1	40%	8,3	10,2%
Target Price	6,9		6,8	1,6%
Current price	4,7		5,2	-9,8%
Potential upside	47%		15%	

Source: UBI Banca estimates

Figure 6. Implicit multiples based on our EUR6.9 target price

(x)	2020E	2021E	2022E
P/E	105,3 x	48,7 x	22,9 x
EV/EBITDA	20,4 x	14,6 x	9,0 x
EV/EBIT	66,7 x	30,6 x	14,1 x
EV/Sales	1,56 x	1,20 x	1,01 x
P/BV	5,7 x	5,1 x	4,2 x
EV/ Capital employed	6,9 x	6,8 x	6,2 x

Source: UBI Banca estimates

DCF Valuation

To calculate the company's WACC and DCF valuation, we used the following assumptions:

Figure 7. WACC and embedded DCF assumptions

WACC assumptions		Embedded DCF assumptions	
Risk-free rate	2.0%	Revenue CAGR 2019-2022 (%)	16.2%
Debt spread (%)		Target EBIT margin 2022 (%)	7.2%
Cost of debt [net] (%)		D&A. on sales (avg. 2019-2022) (%)	4.5%
Market risk premium (%)	4.5%	Capex on sales (avg. 2019-2022) (%)	4.3%
Beta (x)	1.20	Revenue CAGR 2022-2026 (%)	4.4%
Cost of equity (%)	7.4%	Target EBIT margin 2026 (%)	8.6%
Weight of Debt	0%	D&A. on sales (avg. 2023-2026) (%)	4.4%
Weight of Equity	100%	Capex on sales (avg. 2023-2026) (%)	4.4%
WACC	7.4%		

Source: UBI Banca estimates

Figure 8. DCF Valuation

Our DCF valuation implies an EV/EBITDA 2020E of 16.1x and EV/Sales of 1.3x			
	Valuation (EURm)	% Weight	Per share (EUR)
Sum of PV 2020-22 FCF	6.9	9%	0.46
Sum of PV 2023-26 FCF	17.3	22%	1.15
Terminal Value	54.9	69%	3.67
Total Enterprise value	79.1	100%	5.29
- minorities	0.0		0.00
- financial assets	0.3		0.02
- net cash (debt) at end-2019	2.3		0.16
- earn-out for Datatrics	-0.8		-0.05
Total Equity value	81.1		5.41
Number of shares outstanding (m)	14.97		
Fair value per share (EUR)	5.41		

Source: UBI Banca estimates

Sum-of-the-Part valuation

Figure 9. SoP valuation based on multiples priced on 13 November 2020

Our SoP valuation implies an EV/EBITDA 2020E of 27x and EV/Sales of 2.1x			
	Valuation (EURm)	Method	Per share (EUR)
MailUp+Acumbamail	81.6	21x EBITDA20E, 4.6x Sales20E	4.64
Agile Telecom	30.5	21x EBITDA20E, 0.7xSales20E	2.01
BEE	19.1	26x EBITDA 20E, 4.8xSales20E	1.22
Datatrics	3.8	Price tag	0.25
Total Enterprise value	135.0		8.12
- net cash (debt) at end-2019	2.3		0.16
- financial assets	0.3		0.02
- cash out for Datatrics	-0.8		-0.05
Total Equity value	136.9		8.25
Number of shares outstanding (m)	14.97		
Fair value per share (EUR)	9.15		

Source: UBI Banca estimates

Figure 10 – Peer comparison for BEE based on multiples priced on 13 November 2020

As there is no direct comparable for BEE, we have taken the most representative American players active as provider of vertical software.

	Country	Market Cap (EURm)	EV/Sales 20E	EV/EBITDA 20E	EBITDA margin 20E	Sales CAGR 19-21
2U, Inc.	USA	1,974	3,0	203,7	1,4%	21%
Veeva Systems Inc Class A	USA	33,805	27,1	68,7	39,8%	20%
RealPage, Inc.	USA	5,332	5,9	21,5	27,6%	10%
Pluralsight, Inc. Class A	USA	1,956	6,3	nm	-1,5%	14%
CoreLogic, Inc.	USA	5,124	4,7	12,7	37,1%	-6%
CDK Global Inc	USA	4,941	4,2	11,1	38,3%	0%
Blackbaud, Inc.	USA	2,196	3,4	13,4	25,5%	-5%
Black Knight, Inc.	USA	12,557	13,9	28,1	49,4%	5%
Average			9,5	57,1	22,8%	7,6%
Median			5,9	24,8	27,6%	6,3%

Source: UBI Banca estimates and Factset consensus

Figure 11. Peer comparison for MailUp Group based on multiples priced on 13 November 2020

In our peer analysis we have added CM.com and Sinch which are both players offering Communication Platform as a Service (CPaaS). Anyway, we have excluded Sinch in our mean calculation because its intense M&A activity boosts growth and multiples. On 2020-2021, 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	Sales growth 20E
		20E	21E	20E	21E		
dotDigital Group plc	488	8,9	7,6	23,4	22,2	38,0%	-12,5%
IMImobile	374	1,8	1,6	12,8	11,1	14,0%	7,6%
Kaleyra	175	1,6	1,2	70,4	17,3	8,6%	5,7%
SharpSpring	139	5,6	4,8	n.a.	n.a.	negative	20,5%
CM.com	566	3,8	2,9	n.a.	n.a.	breakeven	38,9%
Sinch	5,676	7,7	4,5	70,4	40,6	11,2%	58,3%
Median		4,7	3,7	46,9	19,8	11,2%	14,0%
Median ex Sinch		3,8	2,9	23,4	17,3	11,3%	7,6%
MailUp	70	1,1	0,8	13,9	9,9	7,6%	8,2%
Premium/Discount to peers		-72,2%	-71,7%	-40,5%	-42,9%	-32,3%	7,8%
MailUp at target		1,6	1,2	20,4	14,6		
Premium/Discount to peers		-59,2%	-58,1%	-12,8%	-15,5%		
Premium/Discount to dotDigital		-82,4%	-84,3%	-12,8%	-34,0%		

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	0.59%

Climate related risk

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

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	64,1	81,5	92,9
EBITDA	4,8	4,9	6,7	10,4
EBITDA margin	8,1%	7,6%	8,2%	11,2%
EBIT	1,9	1,5	3,2	6,7
EBIT margin	3,3%	2,3%	3,9%	7,2%
Net financial income /expense	0,0	0,0	0,0	0,0
Associates & Others	1,0	0,0	0,0	0,0
Profit before taxes	1,9	1,5	3,2	6,7
Taxes	-0,7	-0,5	-1,1	-2,2
Minorities & discontinuing ops	1,0	0,0	0,0	0,0
Net Income	1,2	1,0	2,1	4,5

Source: Company data, UBI Banca estimates

Balance Sheet

(EURm)	2019	2020E	2021E	2022E
Net working capital	-8,6	-9,1	-9,1	-8,1
Net Fixed assets	29,4	28,6	28,4	28,2
M/L term funds	-6,2	-4,9	-4,9	-4,9
Capital employed	14,6	14,5	14,3	15,1
Shareholders' equity	17,0	18,0	20,1	24,6
Minorities	0,0	0,0	0,0	0,0
Shareholders' funds	17,0	18,0	20,1	24,6
Net financial debt/(cash)	-2,4	-3,5	-5,8	-9,5

Source: Company data, UBI Banca estimates

Cash Flow Statement

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

Source: Company data, UBI Banca estimates

Financial Ratios				
(%)	2019	2020E	2021E	2022E
ROE (%)	8.4%	5,6%	11,1%	20,2%
ROI pre-tax (%)	11.1%	7,6%	16,5%	33,9%
Net Fin. Debt/Equity (x)	-0.4	-0,7	-0,9	-0,9
Net Fin. Debt/EBITDA (x)	-1.7	-0,2	-0,3	-0,4
Interest Coverage	0.0	0,0	0,0	0,0
NWC/Sales	-21.2%	-14,2%	-11,2%	-8,7%
Capex/Sales	8.5%	4,7%	4,0%	3,8%
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	0,07	0,14	0,30
DPS	0,00	0,00	0,00	0,00
Op. CFPS	0,31	0,28	0,37	0,48
Free CFPS	-0,26	0,08	0,16	0,25
BVPS	1,14	1,20	1,34	1,65

Source: Company data, UBI Banca estimates

Stock Market Ratios				
(x)	2019 *	2020E	2021E	2022E
P/E	44,3	70,4	33,1	15,6
P/OpCFPS	21,2	16,8	12,5	9,7
P/BV	3,2	3,9	3,5	2,8
Dividend Yield (%)	0,0%	0,0%	0,0%	0,0%
Free Cash Flow Yield (%)	nm	1,7%	3,3%	5,3%
EV (EURm)	53,7	68,2	65,9	62,2
EV/Sales	0,9	1,1	0,8	0,7
EV/EBITDA	11,2	13,9	9,9	6,0
EV/EBIT	27,8	44,9	20,7	9,3
EV/Capital Employed	3,7	4,7	4,6	4,1

Source: Company data, UBI Banca estimates

* Based on 2019 average price

Growth Rates				
(%)	2019	2020E	2021E	2022E
Growth Group Net Sales	51,9%	8,2%	27,1%	14,0%
Growth EBITDA	27,3%	2,6%	35,3%	56,2%
Growth EBIT	1,8%	-22,4%	109,9%	108,6%
Growth Net Profit	-1,8%	-20,8%	112,8%	112,6%

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
14 May 2020	BUY	5.40	4.60
13 July 2020	BUY	6.30	5.50
21 September 2020	BUY	6.80	5.20