

CIRCLE

Strong FY 2018 results

Technology

IR TOP RESEARCH
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FY 2018 Results

CIRCLE had a strong 2018. **FY 2018 revenues came in at 4.8 Eu m, up by c. +18% vs. 2017**, thanks to an overall good performance for all business lines, coupled with the realization of important synergies from the integration of InfoEra (51% acquired in November 2017). EBITDA came in at 1.3 Eu m, +34% vs. PF 2017, and with an EBITDA margin of 27% (24% in PF 2017). **Net profit** was of 0.6 Eu m (+17% vs. PF 2017) and **Net cash** stood at 2.1 Eu m, up from 1.0 Eu m in PF 2017.

FY 2018 revenues were largely in line with our expectations (-4%), whereas in terms of EBITDA margin the Company outperformed our estimates by 120 bps (27.1% vs. 25.9%). Net cash was below our expectations mainly due to higher than expected investments (+0.6 vs. expectations).

In line with strategic guidelines to grow through M&A, Management recently announced the **signing of an MoU for the acquisition of 100% of the shares of 2BM**, a company specialized in software design and development for the maritime and port sector. In 2018 2BM recorded revenues of 163 Eu k (unaudited). The total consideration of the deal is of 95 k Eu m (subject to adjustments).

On the back of the strong FY 2018 profitability and the higher than expected investments, which we believe will boost growth in the short term, we slightly revised our revenue and EBITDA estimates. We also made adjustments to our model to factor in the tax credit related to the IPO which the company should benefit from in the next years. Overall we increased our revenue CAGR to 21% (previously 19%) and increased our forecasts for EBITDA and EPS by an average of +7% in and +35% respectively.

COMPANY DESCRIPTION

CIRCLE, listed on AIM Italia since October 26th 2018 is an **"Innovative SME"** founded in 2012 and, specialized in the provision of **innovative technological solutions for the optimization and digitization of the supply chain for the port and intermodal logistics sector**. Through a vertically integrated business model, the Company completes its offering with services for focused exploitation of European funding and digital marketing.

In November 2017 the Company acquired 51% of Info.Era Srl, owner of *Sinfomar®*. The new Group counts 45 employees and recorded pro-forma revenues of 4.1 Eu m in FY 2017 and an EBITDA margin of 24%. The Company realizes c. 35% of revenues outside Italy, with focus on Europe and the Middle East.

INNOVATION

CIRCLE has developed internally two innovative technological solutions for the digital supply chain of its niche market:

- *Milos®*, an innovative modular software for the digitalisation and optimisation of intermodal logistics operations.
- *Sinfomar®* software that provides IT solutions for companies in the maritime and port sectors and in particular connects all involved actors of the port community in one single platform.

VALUATION

Our new target price of Eu 4.86 p.s. (previous 3.71 Eu p.s.) implies potential upside of 64%. At current market price (2.96 Eu p.s.) CIRCLE is trading at significant discount to peers.

Target Price (Eu)	(Previous 3.71) 4.86
Market Price (Eu)	2.96
Capitalisation (Eu m)	8
Enterprise Value (Eu m)	7
<i>(as of March 20th, 2019)</i>	

AIM Positioning

FY 2017 (Eu m)	Company ¹	AIM Sector ²	AIM Italia
Revenues	4.1	36	42
Revenues YoY	+74%	+18%	+11%
EBITDA Margin	24%	14%	14%
Net Debt (Cash)	(1.0)	(1.4)	10.1
Net Debt/EBITDA	-1.0	0.9	1.5
Market Data (Eu m)	Company	AIM Sector ²	AIM Italia
Capitalisation	9	42	59
Perf. from IPO	+22%	18%	-5%
Free Float	20%	31%	38%
ADTT YTD (Eu)	25,499	175,746	111,711

Source: Company data and Osservatorio AIM Italia as of March 18th, 2019

¹ FY 2017 pro-forma data

² Technology: Alkemy, CIRCLE, DHH, Digital Value, Esautomotion, Expert System, Finlogic, MailUp, MAPS, Neosperience, Neurosoft, Powersoft, Prismi, Softec, Vetrya, Wit

Results & Estimates

Key Figures (Eu m)	17PF	18A	19E	20E	21E
Value of Production	4.1	4.8	5.8	7.0	8.4
YoY growth	74%	18%	22%	20%	20%
EBITDA	1.0	1.3	1.6	1.9	2.3
EBITDA%	24%	27%	27%	27%	27%
EBIT	0.7	0.8	0.9	1.2	1.9
EBIT%	17%	16%	15%	17%	22%
Group's Net Profit	0.5	0.5	0.8	1.0	1.7
EPS (Eu)	0.19	0.15	0.24	0.32	0.54
Net Debt (Cash)	(1.0)	(2.1)	(2.9)	(4.7)	(6.9)

Source: Company data (Italian accounting principles) for 2017 pro-forma and 2018, IR Top Research estimates for FY 2019-2022

Peers Comparison

EV/EBITDA (x)	19E	20E
CIRCLE	4.1	2.8
AIM peers' median	6.5	4.7
Discount/Premium	-36%	-40%
Small & Mid Cap peers' median	10.6	9.6
Discount/Premium	-61%	-71%

P/E (x)

P/E (x)	19E	20E
CIRCLE	12.0	9.2
AIM peers' median	16.5	12.0
Discount/Premium	-27%	-23%
Small & Mid Cap peers' median	20.7	16.5
Discount/Premium	-42%	-44%

Source: IR Top Research estimates for CIRCLE, Osservatorio AIM Italia for AIM peers and FactSet data as of March 20th, 2019 for peers

Performance

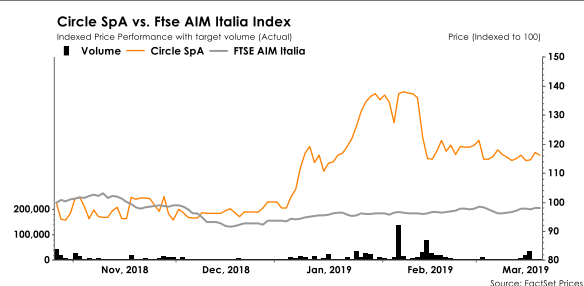
	1M	3M	1Y
Absolute	-127%	2,210%	n.a.
Relative (FTSE AIM Italia)	-264%	1,484%	n.a.
52-week High / Low (Eu)*	3.68 / 2.30		

Source: FactSet data as of March 20th, 2019

Please, read important disclaimer on the last page of this report.

SHARE DATA

Market	AIM Italia
Bloomberg/Reuters	CIRC IM / CIRC.MI
ISIN	IT0005344996
N. of shares	3,154,650
Free float	20.24%
Main shareholder	Luca Abatello (66.48%)
CEO	Luca Abatello



RESULTS AND ESTIMATES

BUSINESS UPDATE

- After the IPO in October 2018, Circle released its first FY statements as a listed Company last week, and presented a strong set of results with revenues growing by +18% and an increase in EBITDA margin by 330 bps. Management **confirmed the strategic guidelines** presented in the IPO and gave a **positive outlook for 2019** on the back of the important investments made in R&D, and in activity related to IoT, Industria 4.0, and the International Fast Trade Lane.
- In line with strategic guidelines, earlier this week CIRCLE announced the signing of a Memorandum of Understanding for the **acquisition of 2BM**, a company specialized in software design and development for the maritime and port sector. The deal is expected to close by the end of 1H 2019, at a price of 95 Eu k for 100% of the shares. The MoU includes a price adjustment mechanism according to which the total price will be adjusted to consider the target's cash at closing. The agreement also includes an earn-out related to the EBITDA growth in 2019-2020. With the acquisition Circle will **widen its product range** as well as being able to **exploit synergies between** the group companies. In 2018 2BM recorded revenues of 163 Eu k (unaudited).
- At the end of January 2019 Circle was awarded two important tenders by the European Commission:
 - "MoS Implementation Plan 2019-2022", a project regarding the Autostrade del Mare, and won in collaboration with two important partners (ADS Insight and ISL), for a total value of 660 Eu k over the next 42 months;
 - evaluation of telematic applications for freight transport. The tender, won in collaboration with a German partner, HaCon, has a total value of 130 Eu k over the next 9 months.

FY 2018 RESULTS

CIRCLE recorded strong 2018 results with revenues **up by 18% to 4.8 Eu m** (4.1 Eu m in Pro Forma results 2017, -4% vs. our estimates) driven both by the strong performance of Circle (c. +10% yoy) and in particular Infoera (+29% yoy) following realization of important synergies after the acquisition concluded in November, 2017.

EBITDA came in at 1.3 Eu m, recording a significant increase vs. PF 2017 (+34%) and with an EBITDA margin of 27.1%, up by 330 bps vs. 23.8% in PF 2017, thanks to operational leverage and cost efficiencies from the integration of Infoera. EBITDA margin outperformed our estimates by 120 bps (27.1% vs. 25.9%)

EBIT reached 0.8 Eu m in FY 2018, after an increase by +13% vs. 0.7 Eu m in PF 2017, in spite of higher D&As (0.5 in FY 2018 vs. 0.3 Eu m in PF 2017) following the important investments totaling 1.4 Eu m in FY 2018. Investments were mainly related to the IPO and new information and management systems (0.7 Eu m), finalization of the Infoera acquisition (0.4 Eu m) and development of the MLOS platform (0.4) Eu m. **Net Profit** stood at 0.6 Eu m, +33% vs. 0.5 Eu m in PF 2017.

Net cash was up by 1.1 Eu m to 2.1 Eu m of (vs. 1.0 Eu m in FY 2017), after net proceeds from the IPO of 0.8 Eu m (1.5 Eu m share capital increase less 0.7 Eu m IPO related costs).

Key financials

Eu m – IAS/IFRS	FY 2017 pro-forma	FY 2018A	Var % 17PF-18A	FY 2018E	Var % 18A-18E
Value of Production (VoP)	4.1	4.8	+18%	5.0	-4%
YoY growth	+62.4%	+18.3%		+24%	
EBITDA	1.0	1.3	+34%	1.3	+0%
EBITDA%	23.8%	27.1%		25.9%	
EBIT	0.7	0.8	+13%	1.0	-23%
EBIT%	16.9%	16.1%		20.3%	
EBT	0.7	0.8	+13%	1.0	-23%
Net Profit	0.5	0.6	+17%	0.7	-11%
Net Working Capital (NWC)	0.3	0.7	+133%	0.2	+249%
Fixed net assets	0.8	1.5	+88%	1.2	+24%
Funds	(0.3)	(0.3)	+0%	(0.4)	-21%
Net Capital Employed	0.8	1.9	+138%	1.0	+87%
Net Debt (Cash)	(1.0)	(2.1)	-110%	(3.1)	-32%
Equity	1.8	4.0	+122%	4.1	-3%
Sources	0.8	1.9	+138%	1.0	+87%

Source: Company Data and IR Top Estimates

RESULTS AND ESTIMATES

ESTIMATES

On the back of the strong FY 2018 profitability and the higher than expected investments, which we believe will boost growth in the short term, we slightly revised our revenue and EBITDA estimates. We also made adjustments to our model to factor in the tax credit related to the IPO which the company should benefit from in the next years. Overall we increased our revenue CAGR to 21% (previously 19%) and increased our forecasts for EBITDA and EPS by an average of +7% in and +35% respectively.

We do not assume any M&A transaction, and closing of 2BM therefore represents a potential upside to our estimates.

Key financials

Eu m	18A	19E Old	19E New	20E Old	20E New	21E Old	21E New
Value of Production (VoP)	4.8	5.9	5.8	7.0	7.0	8.3	8.4
VoP YoY % growth	+18.3%	+18.0%	22.0%	+18.0%	20.0%	+18.0%	20.0%
EBITDA	1.3	1.5	1.6	1.8	1.9	2.1	2.3
EBITDA margin	27.1%	25.3%	26.6%	25.9%	27.1%	25.9%	27.2%
EBIT	0.8	1.1	0.9	1.4	1.2	1.6	1.9
EBIT margin	16.1%	19.0%	15.1%	19.7%	16.6%	19.9%	22.0%
Pre-tax profit	0.8	1.1	0.9	1.4	1.2	1.6	1.8
EBT margin	16.2%	19.0%	15.0%	19.7%	16.5%	19.9%	21.9%
Group's Net Profit	0.5	0.7	0.8	0.9	1.0	1.1	1.7
Net margin	10.0%	12.4%	13.0%	13.3%	15.0%	13.7%	20.2%
EPS (Eu)	0.15	0.23	0.24	0.29	0.32	0.36	0.54
Eu m	18A	19E Old	19E New	20E Old	20E New	21E Old	21E New
Net working capital (NWC)	0.7	0.5	1.1	0.7	1.1	0.9	0.9
Net fixed assets	1.5	1.1	1.0	1.0	0.5	0.8	0.3
Funds	(0.3)	(0.4)	(0.3)	(0.4)	(0.3)	(0.5)	(0.3)
Net Capital Employed	1.9	1.2	1.9	1.3	1.3	1.3	0.9
Net financial Debt (Cash)	(2.1)	(3.7)	(2.9)	(4.7)	(4.7)	(6.0)	(6.9)
Total Equity	4.0	4.9	4.8	6.0	6.0	7.3	7.8
Sources	1.9	1.2	1.9	1.3	1.3	1.3	0.9

Source: Company data (Italian accounting principles) for FY 2018, IRTop Research estimates for FY 2019-2021

VALUATION

Our valuation yields a Target Price of 4.88 Eu p.s.

AIM Positioning discount of 27.5%

We have updated our valuation for CIRCLE and in particular:

- The DCF to include new estimates and up-to-date risk free rate and ERP;
- The relative valuation to reflect current market multiples for two separate peer groups (i) AIM Italia listed peers active in IT industry and software development, and (ii) Italian and European industry peers operating in the process consultancy, supply chain and logistics software. On this peer group we have applied a discount of 27.5% as calculated by the "Osservatorio AIM". No discount was applied on AIM Italia listed peers.

	Country	Market Cap (Eu m)	2017 revenue (Eu m)	Revenue % change 2017/2016	2018E revenue (Eu m)	2017 EBITDA margin	2018E EBITDA margin
Alkemy	Italy	58.7	44.9	28.9%	64.4	11.3%	11.0%
DHH	Italy	8.4	5.7	43.2%	6.2	9.4%	10.8%
Digital Value	Italy	85.9	259.0	n.a.	278.0	7.3%	8.1%
Esautomotion	Italy	37.9	15.1	23.1%	18.0	29.5%	30.8%
Expert system	Italy	59.9	32.8	11%	31.2	3.2%	13.8%
Finlogic	Italy	38.6	22.4	19.1%	31.1	14.5%	14.7%
MailUp	Italy	45.7	27.3	26.2%	37.6	10.5%	10.2%
Neosperience	Italy	30.4	7.9	25.9%	11.1	19.6%	28.8%
Powersoft	Italy	50.6	30.5	11.8%	33.4	19.6%	15.9%
Prismi	Italy	23.5	15.0	21.4%	21.5	6.3%	19.5%
Vetrya	Italy	48.3	58.8	3.8%	61.0	11.5%	11.9%
WiiT	Italy	116.4	19.6	27.5%	24.9	39.0%	41.4%
DBA Group	Italy	24.1	45.2	9.1%	55.2	10.1%	11.9%
AIM peers' median		42.1	24.8	24.7%	33.1	11.4%	11.9%
Datalogic	Italy	1,344	606	+5.1%	636	16.6%	16.7%
Exprivia	Italy	66	157	+14.4%	608	6.0%	6.7%
Generix Group France	France	91	70	+11.6%	77	8.1%	10.0%
PSI Software	Germany	270	186	+5.2%	200	7.3%	10.1%
Reply	Italy	2,144	884	+13.3%	1,036	11.9%	14.0%
SeSa	Italy	449	1,351	+7.2%	1,529	3.4%	4.7%
TXT e-solutions	Italy	117	36	+8.4%	40	10.4%	10.3%
Small & Mid Cap peers' median		270	186	+8.4%	200	8.1%	10.1%
CIRCLE	Italy	9.2	4.1	+73.7%	4.8	23.8%	27.1%

	EV/EBITDA (x)		P/E (x)	
	19 E	20E	19E	20E
Alkemy	4.4	3.5	23.9	17.5
DHH	5.7	3.5	19.9	13.1
Digital Value	2.2	1.6	5.5	4.8
Esautomotion	4.0	3.0	9.8	8.2
Expert system	9.8	7.3	n.s.	61.5
Finlogic	6.5	5.3	13.1	10.9
MailUp	8.9	6.5	27.0	17.1
Neosperience	7.4	4.7	16.0	17.2
Powersoft	6.9	5.6	19.1	15.4
Prismi	7.2	5.7	14.4	10.7
Vetrya	4.0	3.2	10.4	10.4
WiiT	8.3	6.8	20.6	16.4
DBA Group	2.7	1.6	9.3	6.0
AIM peers' median	6.5	4.7	16.5	12.0
Datalogic	10.6	9.4	18.3	16.5
Exprivia	5.7	5.3	10.6	7.1
Generix Group France	9.2	n.a.	25.8	n.a.
PSI Software	11.2	9.9	21.2	18.7
Reply	12.6	11.2	20.7	18.8
SeSa	4.7	4.2	12.6	11.4
TXT e-solutions	12.1	10.1	39.2	n.a.
Small & Mid Cap peers' median	10.6	9.6	20.7	18.0
CIRCLE	4.1	2.8	12.0	9.2
<i>Discount/Premium to AIM peers</i>	<i>-36%</i>	<i>-40%</i>	<i>-27%</i>	<i>-23%</i>
<i>Discount/Premium to Small & Mid Cap peers</i>	<i>-61%</i>	<i>-71%</i>	<i>-42%</i>	<i>-44%</i>
Discount/Premium to peers	-49%	-56%	-34%	-36%

Source: Osservatorio AIM Italia for AIM peers, FactSet data as of March 20th, 2019 for Small & Mid Cap peers, IRTop Research estimates for CIRCLE
n.a. = not available

Using 2019-2020 EV/EBITDA, our market multiple comparison yields a **fair value of 4.71 Eu** per share.

At current market prices, CIRCLE trades at a significant discount to peers: average of -52% for 2019-2020 EV/EBITDA and -34% for P/E.

DISCOUNTED CASH FLOW

WACC assumptions:

- Risk-free interest rate: 2.74% (12-month average of Italian 10y BTP yield)
- Perpetual growth: 1%
- Market risk premium: 8.59%
- Beta: 1.01
- WACC: 11.42% = Cost of equity (K_E) as we expect that CIRCLE will remain cash positive

Our DCF valuation yields a fair value of **5.02 Eu per share**.

+ Sum of PV 2019-2022 FCFO (Eu m)	5.06	34%
+ Discounted Terminal Value (Eu m) ¹	9.67	66%
= Enterprise Value (Eu m)	14.74	100%
- Net financial Debt (Cash) as of December 31 st , 2018 (Eu m) ²	(2.10)	
- Minorities (6% DCF) (Eu m)	1.01	
= Equity Value (Eu m)	15.82	
÷ Number of outstanding shares after IPO (m)	3.155	
= Fair Value per share (Eu)	5.02	

Source: Company data (Italian accounting principles) and IRTop Research estimates as of March 20th, 2019

¹ Computed on the basis of 2019-2022 FCFO average

² Expected

Sensitivity analysis

Eu		WACC				
		10,4%	10,9%	11,4%	11,9%	12,4%
g	0,5%	5,3	5,1	4,9	4,7	4,5
	1,0%	5,5	5,2	5,0	4,8	4,6
	1,5%	5,7	5,4	5,2	5,0	4,7

VALUATION SUMMARY

Weighting the two approaches equally, we set a **target price of 4.86 Eu per share** (previously 3.71 Eu), implying an upside of 64% and an implicit 2019-2020 EV/EBITDA multiples of 8.6x and 7.0x respectively.

Method	Weight	Price (Eu)
Multiple analysis	50%	4.71
DCF	50%	5.02
Target Price	100%	4.86

Xxxx

CIRCLE ON AIM

+xx% from IPO

IPO

Trading Market: AIM Italia – Borsa Italiana SpA
 Date: October 26th, 2018
 Price: 2.40 Eu
 Capital raised: 1,532,160 Eu
 Capitalisation: 7.57 Eu m

SHARES (as of March 20th, 2019)

Code: CIRC
 Bloomberg: CIRC IM
 Reuters: CIRC.MI
 ISIN: IT0005344996
 Shares: 3,154,650
 Share capital: 211,000 Eu
 Price: 2.96 Eu
 Performance from IPO: +22%
 Capitalisation: 9 Eu m
 Free Float: 20.24%
 NomAd and Specialist: Integrae SIM SpA
 Auditing firm: BDO Italia SpA

CIRCLE is owned by the co-founder, and CEO Luca Abatello, who holds 66.48% of the outstanding shares. The share capital subscribed and paid up is 211,000 Eu, made up by n. 3,154,650 ordinary shares without nominal value.

Innotech, LigurCapital, CapitalImpresa and Alcalega have a **lock-up agreement** with the NomAd on their shares **for 30 months from the IPO date**.

Shareholder	N° of shares	%
Innotech Srl ¹	2,097,060	66.48%
LigurCapital SpA ²	154,410	4.89%
CapitalImpresa SpA ²	154,410	4.89%
Alcalega Srl ³	110,370	3.50%
Market	638,400	20.24%
Total	3,154,650	100.00%

Source: Company data as of March 20th, 2019

¹ 100% Luca Abatello

² Funds

³ Related to Alexio Picco, CIRCLE's co-founder, Director and Head of the business unit Connecting EU

Circle SpA vs. Fse AIM Italia Index

Indexed Price Performance with target volume (Actual)



Source: FactSet Prices

KEY FIGURES

Eu m	2017PF	2018A	2019E	2020E	2021E
Profit & Loss Statement					
Value of Production (VoP)	4.1	4.8	5.8	7.0	8.4
EBITDA	1.0	1.3	1.6	1.9	2.3
EBIT	0.7	0.8	0.9	1.2	1.9
Financial income (charges)	(0.0)	0.0	(0.0)	(0.0)	(0.0)
Pre-tax profit (loss)	0.7	0.8	0.9	1.2	1.8
Taxes	(0.2)	(0.2)	0.0	0.0	0.0
Net Profit (Loss)	0.5	0.6	0.9	1.2	1.8
Minorities	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)
Group's Net Profit (Loss)	0.5	0.5	0.8	1.0	1.7
Balance Sheet					
Net working capital (NWC)	0.3	0.7	1.1	1.1	0.9
Net fixed assets	0.8	1.5	1.0	0.5	0.3
M/L Funds	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Net Capital Employed	0.8	1.9	1.9	1.3	0.9
Net financial Debt (Cash)	(1.0)	(2.1)	(2.9)	(4.7)	(6.9)
Group's Equity	1.8	4.0	4.8	6.0	7.8
Minorities	(0.2)	(0.3)	(0.4)	(0.6)	(0.7)
Total Equity	1.6	3.6	4.4	5.4	7.1
Cash Flow					
EBIT	0.7	0.8	0.9	1.2	1.9
D&A	0.3	0.5	0.7	0.7	0.4
Taxes	(0.2)	(0.2)	0.0	0.0	0.0
Change in M/L Funds	0.3	(0.0)	(0.1)	0.0	0.0
Gross Cash Flow	1.1	1.1	1.5	1.9	2.3
Change in NWC	(0.1)	(0.4)	(0.4)	0.0	0.2
Operating Cash Flow	1.0	0.7	1.1	1.9	2.5
Capex	(0.9)	(1.2)	(0.2)	(0.2)	(0.2)
Financial income (charges)	(0.0)	0.0	(0.0)	(0.0)	(0.0)
Free Cash Flow	0.1	(0.5)	0.8	1.7	2.3
Dividends	0.0	0.0	0.0	0.0	0.0
Change in Equity	(0.2)	1.7	0.0	0.0	0.0
Change in Net financial Debt (Cash)	(0.1)	1.2	0.8	1.7	2.3
Per Share Data					
Current Price		€ 2.9610			
Total outstanding shares (m)	2.52	3.15	3.15	3.15	3.15
EPS	0.19	0.15	0.24	0.32	0.54
DPS	n.m.	0.0	0.0	0.0	0.0
FCF	n.m.	(0.5)	0.8	1.7	2.3
Pay-out ratio	0%	0%	0%	0%	0%
Ratios					
EBITDA margin	23.8%	27.1%	26.6%	27.1%	27.2%
EBIT margin	16.9%	16.1%	15.1%	16.6%	22.0%
Net Debt/Equity (Gearing)	-56.2%	-52.9%	-60.7%	-77.6%	-88.3%
Net Debt/EBITDA	-1.03	-1.62	-1.89	-2.45	-3.03
Interest cover EBIT	693.45	-591.55	165.52	217.98	347.46
ROE	30.0%	15.7%	18.1%	19.3%	23.6%
ROCE	108.6%	49.6%	46.4%	86.7%	202.0%
Free Cash Flow Yield	n.m.	-15.7%	28.7%	58.9%	77.7%
Growth Rates					
Value of Production (VoP)	73.7%	18.3%	22.0%	20.0%	20.0%
EBITDA	61.1%	34.4%	19.8%	22.3%	20.4%
EBIT	37.3%	13.0%	14.2%	31.7%	59.4%
Group's Net Profit (Loss)	33.7%	17.4%	41.2%	31.9%	59.7%

Source: Company data (Italian accounting principles) for FY 2017 pro-forma and FY 2018. IRTop Research estimates for FY 2019-2021
n.a. = not available; n.m. = not meaningful

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During the last 12 months, the following indications have been disseminated:

Date	Target Price	Market Price	Validity Time
March 21 st 2019	4.86	2.96	12 months
November 15 th 2018	3.71	2.50	12 months

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IRTop obtained a fair value using different valuation methodologies including Discounted Cash Flow method and Multiple-based models.

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RESEARCH TEAM

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