

## Successfully Grasping Italian M&A Opportunities

ADD | Fair Value: €4.21 (€4.04) | Current Price: €2.70 | Upside: 55.8%

€ million	FY18A	FY19A	FY20A	FY21E PF	FY22E	FY23E
Value of production	14.9	21.3	24.3	37.8	45.2	55.4
EBITDA	2.5	4.9	5.9	8.8	10.9	13.8
margin	16.7%	23.1%	24.2%	23.2%	24.2%	25.0%
Net Profit	1.6	2.5	2.6	3.9	4.9	6.3
margin	10.5%	11.9%	10.5%	10.3%	10.8%	11.4%
Net Profit adjusted	1.6	3.0	3.2	5.0	5.9	7.4
margin	10.5%	14.0%	13.2%	13.1%	13.1%	13.3%
EPS	n.a.	0.3	0.2	0.1	0.1	0.2
EPS adj.	n.a.	0.3	0.3	0.1	0.2	0.2

Source: Company data, KT&Partners' elaboration.

Note: FY20 data are based on 6-month contribution from Mediatech and Xonne

**1Q21 non-audited results: 2020 M&As are paying off.** As of March 31<sup>st</sup>, 2021, RLT's revenues reached €5.6mn, increasing by +40% YoY. This was mainly the result of the full integration of Mediatech and Xonne, together with up- and cross-selling activities on existing clients and on clients of the acquired companies. Recurring revenues accounted for 27.3% (26% in FY20), up by +47% YoY. The excellent results achieved by the Company in 1Q21 confirm the validity of RLT's business model, guaranteeing a growing share of recurring revenues and cash generation. Indeed, excluding IFRS9 option rights of €2.41mn, net cash position was €1.95mn with ca. €7.4mn of cash generated.

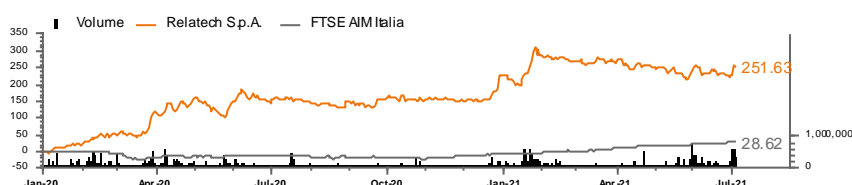
**Four M&As in a row since IPO to boost business growth.** RLT has finalized nine deals in the last six years – four since IPO – of which two were in 2021. Indeed, in May and June 2021, RLT acquired: i) a 60% stake in Dialog Sistemi – an Italian SME specialized in solutions for performance management and data warehousing – for €0.67mn (34% of the deal consideration has been paid in kind); and ii) a 60% stake in Gruppo Sigla – an Italian tech SME specialized in industrial automation, data analysis and cybersecurity – for €2.3mn (25% of the deal consideration has been paid in kind). The two M&As will allow RLT to: i) enhance the modules of its proprietary platform (Replatform); ii) partner with new universities, research centers and tech companies; iii) diversify its customer base and end-markets; and iv) increase recurring revenues driven by the scalability of solutions. Furthermore, on June 30<sup>th</sup>, 2021, RLT acquired the remaining 40% stake in Mediatech - fully integrating the company two years in advance – for a total amount of €1.7mn (of which ca. 78% in kind).

**Warrant exercise and latest events.** In May 2021, RLT carried out a €4.3mn capital increase following the exercise of 3.3mn warrants. Furthermore, RLT increased its free float to 39.7% also following the disposal of ca. 1.9mn of shares from the management to institutional investors. Finally, RLT has started to execute the stock grant plan by already assigned ca. 175k shares to the top management.

**Estimates review.** We upwardly revised our estimates, factoring in: i) the full-year contribution of Gruppo Sigla and Dialog Srl; and ii) the full integration of Mediatech (impacting bottom line estimates). We now expect value of production to increase at a CAGR2020–23 of 27.9%, reaching €55.4mn in FY23. At the EBITDA level, we now anticipate a +31% CAGR2020–23 growth, reaching an EBITDA margin of 25% by FY23. We project the Company to generate increasingly strong and positive FCFO over the coming years, resulting in a net cash position of €12.2mn in FY23.

**Fair value from €4.04ps to €4.21ps.** Our new fair value factors in i) estimates revision following recent M&As and ii) warrant exercise. Our valuation – based on DCF and multiple methods – yields an average equity value of €168.4mn, implying an upside of 55.8% on the current price.

### Relative Performance Chart since January 2020



## Research Update

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Market Data	
Pasquale Lombardi	53.2%
Mkt Cap (€ mn)	101.9
EV (€ mn)	101.9
Number of shares (mn)	37.7
Shares outstanding (mn)	36.8
Free Float (%)	39.72

Market multiples	2021	2022	2023
EV/EBITDA			
RLT-IT	11.7x	9.3x	7.4x
Comps average	17.4x	12.3x	11.3x
RLT-IT vs Average	-33%	-24%	-35%
P/E			
RLT-IT	20.0x	17.0x	13.8x
Comps average	41.2x	27.0x	19.4x
RLT-IT vs Average	-51%	-37%	-29%

Stock Data	
52 Wk High (€)	3.29
52 Wk Low (€)	1.66
Avg. Daily Trading 90d	153,109
Price Change 1w (%)	7.57
Price Change 1m (%)	0.00
Price Change YTD (%)	8.00

## Key Figures – Relatech S.p.A.

	Current price (€)	Fair Value (€)	Sector					Free Float (%)
	2.70	4.21	Digital Innovation					39.7
Per Share Data	2017A	2018A	2019A	2020A	2021E PF	2022E	2023E	2024E
Number of shares (mn)	n.a.	n.a.	9.33	10.92	37.75	37.75	37.75	37.75
Treasury shares (mn)	n.a.	n.a.	0.00	0.42	0.97	0.47	0.00	0.00
Shares outstanding (mn)	n.a.	n.a.	9.33	10.50	36.78	37.28	37.75	37.75
EPS	n.a.	n.a.	0.27	0.23	0.11	0.13	0.17	0.23
EPS Adjusted	n.a.	n.a.	0.32	0.31	0.14	0.16	0.20	0.23
Dividend per share (ord)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dividend pay out ratio (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Profit and Loss (EUR million)</b>								
Value of Production	11.6	14.9	21.3	24.3	37.8	45.2	55.4	64.4
EBITDA	1.4	2.5	4.9	5.9	8.8	10.9	13.8	16.1
EBIT	1.2	2.4	4.3	4.1	6.5	7.7	9.7	11.4
EBT	1.2	2.4	3.8	3.4	5.1	6.3	8.3	11.3
Taxes	(0.3)	(0.7)	(1.2)	(0.6)	(1.0)	(1.3)	(1.7)	(2.5)
Tax rate	27%	32%	31%	19%	20%	20%	20%	22%
Net Income	0.9	1.6	2.6	2.7	4.1	5.1	6.6	8.9
Net Income attributable to the Group	0.9	1.6	2.5	2.6	3.9	4.9	6.3	8.5
Net Income attributable to the Group Adjusted	0.9	1.6	3.0	3.2	5.0	5.9	7.4	8.5
<b>Balance Sheet (EUR million)</b>								
Total fixed assets	0.4	2.8	6.9	13.5	18.7	21.4	23.8	26.5
Net Working Capital (NWC)	0.9	2.1	3.1	3.1	5.0	5.9	6.8	6.6
Provisions	(0.5)	(0.9)	(2.0)	(3.2)	(4.3)	(5.6)	(7.2)	(9.1)
Total Net capital employed	0.8	4.0	8.0	13.4	19.4	21.6	23.3	24.0
Net financial position/(Cash)	(0.7)	1.1	(0.7)	(0.0)	(3.4)	(7.3)	(12.2)	(20.3)
Group Shareholder's Equity	1.5	2.8	8.5	12.7	21.9	27.8	34.1	42.7
Minorities	-	0.1	0.2	0.7	0.9	1.1	1.4	1.7
Total Shareholder's Equity	1.5	2.9	8.7	13.4	22.8	28.9	35.5	44.4
<b>Cash Flow (EUR million)</b>								
Net operating cash flow	-	1.7	3.6	5.4	7.4	9.3	11.7	13.7
Change in NWC	-	(1.3)	(1.0)	(0.0)	(0.6)	(0.9)	(0.9)	0.2
Capital expenditure	-	(2.6)	(3.1)	(8.4)	(8.8)	(5.8)	(6.5)	(7.5)
Other cash items/Uses of funds	-	0.5	1.1	1.2	1.1	1.3	1.6	1.8
Free cash flow	-	(1.6)	0.5	(1.8)	(0.9)	3.8	5.9	8.2
<b>Enterprise Value (EUR million)</b>								
Market Cap	n.a.	n.a.	21.0	52.1	101.9	101.9	101.9	101.9
Minorities	-	0.1	0.2	0.7	0.9	1.1	1.4	1.7
Net financial position/(Cash)	(0.7)	1.1	(0.7)	(0.0)	(3.4)	(7.3)	(12.2)	(20.3)
Enterprise value	n.a.	n.a.	20	53	99	96	91	83
<b>Ratios (%)</b>								
EBITDA margin	11.8%	16.7%	23.1%	24.2%	23.2%	24.2%	25.0%	25.1%
EBIT margin	10.6%	16.2%	20.1%	16.9%	17.1%	17.1%	17.5%	17.6%
Gearing - Debt/equity	-48.2%	40.1%	-8.2%	-0.4%	-15.6%	-26.1%	-35.6%	-47.7%
Interest cover on EBIT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NFP/EBITDA	-54.0%	44.8%	-14.3%	-0.8%	-39.0%	-66.4%	-88.0%	-126.1%
ROCE	155.3%	59.7%	53.3%	30.6%	33.4%	35.7%	41.5%	47.3%
ROE	59.2%	56.4%	29.7%	20.1%	17.8%	17.5%	18.5%	20.0%
EV/Sales	n.a.	n.a.	4.8	4.2	2.7	2.3	1.8	1.6
EV/EBITDA	n.a.	n.a.	20.8	17.4	11.7	9.3	7.4	6.3
P/E	n.a.	n.a.	9.9	8.8	20.0	17.0	13.8	11.9
Free cash flow yield	0	0.0	0.0	0.0	0.0	0.1	0.1	0.2
<b>Growth Rates (%)</b>								
Sales	n.a.	28.0%	43.4%	14.2%	55.2%	19.7%	22.3%	16.4%
EBITDA	n.a.	82.0%	97.9%	19.8%	48.6%	24.9%	26.2%	16.8%
EBIT	n.a.	94.6%	78.1%	-4.1%	57.8%	19.4%	25.1%	17.5%
Net Income	n.a.	90.8%	58.6%	-10.5%	49.6%	24.6%	30.1%	34.8%

Source: Company data, KT&amp;Partners' elaboration

## Hunting M&A Opportunities

In mid-May, RLT's management announced the acquisition of 60% stakes in Gruppo Sigla and Dialog Sistemi Srl, continuing to show great M&A deal-making skills. Leveraging on net proceeds deriving from the IPO, the cash-in from warrant conversion and RLT's cash generation power, RLT has carried out four M&As since IPO (nine in the last six years). Furthermore, at the end of June, RLT has acquired the remaining 40% stake in Mediatech, fully integrating the company two years in advance than expected.

Gruppo Sigla is an Italian SME specialized in industrial automation, data analysis and cybersecurity technologies. In FY19, the company reached €5.6mn of revenues with an EBITDA of €0.7mn and €1.2mn of Net Financial Position. Acquired for €2.3mn, 25% of the deal consideration has been paid in kind through 149,970 RLT shares valued at €3.838ps. The remaining 40% will be acquired in two tranches following the approval of the financial statements for FY22 and FY23. Pursuing an open innovation approach, Gruppo Sigla develops its solutions by leveraging on a strong collaboration between its internal R&D team and an ecosystem of scientific partnerships. RLT will thus benefit from scientific partnerships with technological districts and poles, particularly on the topics of cybersecurity, Industry 4.0, Internet of Things and Cloud Architectures. Furthermore, the transaction will enable RLT to consolidate its competitive position by expanding its customer base and acquiring clients of high international standing, as well as entering new sectors such as steel, metallurgy, petrochemicals, energy and the environment, and reinforcing its position in the transport and logistics sector. The deal was closed on June 29<sup>th</sup>, 2021.

Dialog Sistemi is an Italian SME specialized in solutions for performance management and data warehousing. Dialog Sistemi has developed a proprietary platform that will be integrated with RePlatform. In particular, it will enhance the ReData module for the processing and management of large amounts of data, aimed at controlling and managing company performance. In FY20, the company reached €1.12mn of revenues – of which 40% were recurring – an EBITDA of €0.15mn and a net cash position of €0.6mn. Having been acquired for €0.67mn, 34% of the deal consideration has been paid in kind through 73,134 RLT shares valued at €3.2ps. A further sum of €0.25mn, plus an annual yield of 3.75%, will be paid following the approval of Dialog's FY22 financial statements. The remaining 40% will be acquired by 2024. Dialog Sistemi's acquisition will allow RLT to improve its innovation services and increase the share of recurring revenues, thanks to a scalable and modular solution capable of satisfying enterprises' information needs on a single platform that provides all the tools needed to control performances. Furthermore, RLT will enlarge its customer base in the pharma, food industry, telco, GDO and retail industries.



## Valuation

Following the projections of RLT’s future financials, we carried out the valuation of the company by applying the DCF and market multiples methods:

1. EV/EBITDA and P/E multiples, which returns a value of €182.31mn or €4.32ps;
2. DCF analysis based on WACC of 6.8% and 2% perpetual growth, returns a value of €154.5mn or €4.09ps.

The average of the two methods yields a fair value of €4.21ps or an equity value of €168.4mn.

It is worth to point out that in valuing RLT we take into consideration all shares issued, factoring in the dilution effect that the assignment of treasury shares will have on the stock price following the implementation of the stock grant plan.

### Valuation Recap

	Equity Value €mn	Value per share €
DCF	154.50	4.09
EV/EBITDA	144.01	3.81
P/E	182.31	4.83
<b>Average Multiples</b>	<b>182.31</b>	<b>4.32</b>
<b>Total Average</b>	<b>168.40</b>	<b>4.21</b>

Source: FactSet, KT&Partners’ Elaboration

## Market Multiples Valuation

Following the comparables analysis, we proceeded with the definition of market multiples for each peer group, focusing on 2021–23 data.

### Peer Comparison – Market Multiples 2021–2023

Company Name	Exchange	Market Cap	EV/SALES 2021	EV/SALES 2022	EV/SALES 2023	EV/EBITDA 2021	EV/EBITDA 2022	EV/EBITDA 2023	EV/EBIT 2021	EV/EBIT 2022	EV/EBIT 2023	P/E 2021	P/E 2022	P/E 2023
Reply S.p.A.	Milan	5,492	3.7x	3.3x	3.0x	22.5x	20.2x	18.4x	27.8x	24.2x	21.8x	40.5x	35.5x	31.7x
Cyberoo S.p.A.	Milan	58	4.3x	2.7x	1.9x	14.0x	5.6x	3.3x	28.0x	7.0x	3.7x	41.9x	12.1x	6.6x
Neosperience SpA	Milan	46	2.6x	2.0x	1.5x	9.1x	7.1x	5.2x	n.m	19.4x	10.0x	n.m	31.3x	14.3x
Eurotech S.p.A.	Milan	165	2.2x	1.7x	1.5x	20.4x	10.4x	7.3x	n.m	14.5x	9.1x	n.m	16.1x	9.8x
Expert.Lai S.p.A.	Milan	150	3.9x	2.8x	2.0x	n.m	n.m	17.0x	n.m	n.m	n.m	n.m	n.m	n.m
WIIT SpA	Milan	535	8.1x	7.4x	6.8x	20.9x	18.4x	16.8x	39.9x	32.4x	28.1x	n.m	40.3x	34.6x
<b>Average peer group</b>		<b>1,074</b>	<b>4.1x</b>	<b>3.3x</b>	<b>2.8x</b>	<b>17.4x</b>	<b>12.3x</b>	<b>11.3x</b>	<b>31.9x</b>	<b>19.5x</b>	<b>14.6x</b>	<b>41.2x</b>	<b>27.0x</b>	<b>19.4x</b>
<b>Median peer group</b>		<b>157</b>	<b>3.8x</b>	<b>2.7x</b>	<b>1.9x</b>	<b>20.4x</b>	<b>10.4x</b>	<b>12.0x</b>	<b>28.0x</b>	<b>19.4x</b>	<b>10.0x</b>	<b>41.2x</b>	<b>31.3x</b>	<b>14.3x</b>
Relatech S.p.A.	Milan	102	2.7x	2.3x	1.8x	11.7x	9.3x	7.4x	15.8x	13.2x	10.6x	20.0x	17.0x	13.8x

Source: FactSet, KT&Partners' elaboration

We based our evaluation upon our estimates of RLT's EBITDA and Net Income Adjusted for 2021, 2022. We also consider NFP adjusted for the cash-in deriving from warrant exercise in May 2021, and cash-out following M&A transactions partially paid in kind.

### EV/EBITDA Multiple Valuation

Multiple Valuation (€mn)	2021E	2022E
EV/EBITDA Comps	17.4x	12.3x
Relatech SpA EBITDA	8.8	10.9
<b>Enterprise value</b>	<b>152.3</b>	<b>135.1</b>
Relatech SpA FY20 Net Debt Adjusted	-0.3	-0.3
<b>Equity Value</b>	<b>152.6</b>	<b>135.4</b>
Average Equity Value		<b>144.0</b>
Liquidity Discount		0%
<b>Equity Value Post-Discount</b>		<b>144.0</b>
Number of shares (mn)		<b>37.7</b>
<b>Value per Share €</b>		<b>3.8</b>

Source: FactSet, KT&Partners' elaboration

### P/E Multiple Valuation

Multiple Valuation (€mn)	2021E	2022E
P/E Comps	41.2x	27.0x
Relatech SpA Net Income Adjusted	5.0	5.9
<b>Equity Value</b>	<b>204.5</b>	<b>160.1</b>
Average Equity Value		<b>182.3</b>
Liquidity Discount		0%
<b>Equity Value Post-Discount</b>		<b>182.3</b>
Number of shares (thousand)		<b>37.7</b>
<b>Value per Share €</b>		<b>4.8</b>

Source: FactSet, KT&Partners' elaboration

## DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 8.9% cost of equity, 2% cost of debt and a D/E ratio of 40% (Damodaran for Software, System & Application). The cost of equity is a function of the risk-free rate of 0.76% (Italian 10y BTP), 5.39% equity risk premium (Damodaran – June ERP T12 m with sustainable payout) and a premium for size and liquidity of 2.05% (source: Duff&Phelps). We, therefore, obtained 6.8% WACC. We also consider NFP adjusted for the cash-in deriving from warrant exercise in May 2021, and cash-out following M&A transactions partially paid in kind.

We discounted 2021E–24E annual cash flows and considered a terminal growth rate of 2%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

DCF Valuation				
€ million	2021E	2022E	2023E	2024E
<b>EBIT</b>	<b>6.5</b>	<b>7.7</b>	<b>9.7</b>	<b>11.4</b>
Taxes	(1.4)	(1.7)	(2.1)	(2.5)
D&A	2.3	3.2	4.1	4.8
Change in Net Working Capital	(0.6)	(0.9)	(0.9)	0.2
Change in Funds	1.1	1.3	1.6	1.8
<b>Net Operating Cash Flow</b>	<b>7.9</b>	<b>9.7</b>	<b>12.4</b>	<b>15.7</b>
Capex	(8.8)	(5.8)	(6.5)	(7.5)
<b>FCFO</b>	<b>(0.9)</b>	<b>3.8</b>	<b>5.9</b>	<b>8.2</b>
<b>g</b>	<b>2.0%</b>			
<b>Wacc</b>	<b>6.8%</b>			
FCFO (discounted)	(0.9)	3.5	5.0	6.5
Discounted Cumulated FCFO	14.1			
TV	175.9			
TV (discounted)	140.1			
<b>Enterprise Value</b>	<b>154.2</b>			
FY20 NFP Adjusted	(0.3)			
<b>Equity Value</b>	<b>154.5</b>			
Current number of shares (mn)	37.7			
<b>Value per share (€)</b>	<b>4.09</b>			

Source: Company data, KT&Partners' elaboration

Sensitivity Analysis						
€ million		WACC				
		7.3%	7.0%	6.8%	6.5%	6.3%
Terminal growth Rate	1.5%	127.6	133.8	140.6	148.0	156.3
	1.8%	133.0	139.7	147.2	155.4	164.5
	2.0%	138.9	146.3	154.5	163.6	173.7
	2.3%	145.5	153.6	162.6	172.7	184.1
	2.5%	152.7	161.7	171.7	183.0	195.8

Source: Company data, KT&Partners' elaboration

## Appendix

### Peer Comparison

We carried out an in-depth analysis of public companies that could be considered as peers of RLT, taking into account its offering, business model, growth and profitability profile. Looking at the Italian market, we notice that selected companies – some of which are also RLT's competitors – do not provide a range of solutions for different technology needs like RLT but each one of them is focused on one of RLT's verticals.

We built a six-company sample, based on RLT's offer (Innovation Services, ReYou, ReData, ReSec, ReThing, ReHub), which includes:

- Reply S.p.A. (REY-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €5.5bn, REY focuses on conception, design and development of solutions based on the new communication channels and digital media. It supports the main European industrial groups in defining and developing new business models utilizing big data, cloud computing, customer relationship management, mobile, social media, and IoT paradigms. The firm also offers consultancy, system integration and application management, and business process outsourcing. In FY20, REY reached €1.2bn of sales;
- Cyberoo S.p.A. (CYB-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €58mn, CYB is an emerging Italian player in the cybersecurity sector. Started in 2008 as a device distributor, the company has been able to evolve initially as a provider of subscription-based managed security services and subsequently entered the cybersecurity market. In 2019, CYB launched three proprietary security software applications, developed in-house. CYB operates through the following business units: Cybersecurity (19%), Managed Services (63%), and Digital Transformation (18%). In FY20, CYB reached €7.9mn of sales;
- Neosperience (NSP-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €46mn, NSP provides digital customers with experience services through its cloud-based platform named "Neosperience Cloud". The company offers AI proprietary models to enhance brand and product experience. In FY20, NSP reached €16mn of sales;
- Eurotech S.p.A. (ETH-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €165mn, ETH is a multinational that designs, develops, and supplies IoT services, software, and hardware to leasing systems integrators, and large and small companies. In FY20, ETH reached €69mn of sales;
- Expert System S.p.A. (EXSY-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €150mn, EXSY engages in the development of semantic technology. It provides solutions for online activities such as search and explore, tagging and categorization, intelligence, natural language understanding, and advertisement. In FY20, EXSY reached €29mn of sales;
- WIIT S.p.A. (WIIT-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €535mn, WIIT is a holding company, which engages in the provision of hosted private and hybrid cloud services. It offers cloud computing, critical applications, business continuity and disaster recovery, cybersecurity, technology migrations, service desk, and digital transformation solutions. In FY20, WIIT reached €52mn of sales.



## Peers Comparison – Sales (€mn) and Sales CAGR (%)

Company Name	RePlatform	Sales			YoY 19-20	Sales			CAGR 20-23
		2019	2020	2021		2022	2023		
Reply S.p.A.	Innovation Services	1,183	1,250	5.7%	1,427	1,587	1,738	11.6%	
Neosperience SpA	ReYou	14	16	17.6%	20	25	33	26.2%	
Expert.ai S.p.A.	ReData	32	28	-11.2%	33	46	66	33.0%	
Cyberoo S.p.A.	ReSec	6	6	-0.7%	13	21	29	n.m.	
Eurotech S.p.A.	ReThing	102	69	-32.1%	72	93	105	14.9%	
WIIT SpA	ReHub	34	52	54.5%	72	79	86	18.0%	
<b>Peers Average</b>		<b>228</b>	<b>237</b>	<b>3.8%</b>	<b>273</b>	<b>308</b>	<b>343</b>	<b>13.1%</b>	
<b>Relatech SpA</b>		<b>21</b>	<b>26</b>	<b>24.2%</b>	<b>26</b>	<b>38</b>	<b>45</b>	<b>19.5%</b>	

Source: FactSet, KT&amp;Partners' elaboration

## Peers Comparison – EBITDA Margin, EBIT Margin and Net Margin

Company Name	EBITDA Margin					EBIT Margin					Net Margin				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Reply S.p.A.	14.2%	15.1%	16.5%	16.5%	16.5%	11.1%	11.7%	13.3%	13.8%	13.9%	9.6%	9.9%	9.6%	9.9%	10.1%
Neosperience SpA	11.5%	29.5%	28.4%	28.2%	29.4%	neg	neg	6.2%	10.3%	15.4%	6.6%	1.6%	2.2%	5.3%	9.5%
Expert.ai S.p.A.	12.6%	neg	neg	neg	11.5%	neg	neg	neg	neg	4.3%	neg	neg	neg	neg	neg
Cyberoo S.p.A.	43.4%	33.7%	30.8%	47.6%	58.6%	20.2%	3.4%	15.4%	38.1%	51.7%	12.5%	1.0%	7.7%	23.8%	34.5%
Eurotech S.p.A.	19.7%	9.9%	10.6%	16.0%	20.2%	15.9%	4.1%	4.8%	11.5%	16.2%	18.9%	0.2%	2.5%	11.2%	16.1%
WIIT SpA	35.7%	31.0%	38.7%	40.1%	40.5%	15.5%	9.7%	20.3%	22.7%	24.2%	14.8%	3.1%	12.1%	15.0%	16.5%
<b>Peers Average</b>	<b>22.9%</b>	<b>23.8%</b>	<b>25.0%</b>	<b>29.7%</b>	<b>29.5%</b>	<b>15.7%</b>	<b>7.2%</b>	<b>12.0%</b>	<b>19.3%</b>	<b>21.0%</b>	<b>12.5%</b>	<b>3.1%</b>	<b>6.8%</b>	<b>13.0%</b>	<b>17.3%</b>
<b>Relatech SpA</b>	<b>23.1%</b>	<b>23.2%</b>	<b>23.2%</b>	<b>24.2%</b>	<b>25.0%</b>	<b>20.1%</b>	<b>16.4%</b>	<b>17.1%</b>	<b>17.1%</b>	<b>17.5%</b>	<b>11.9%</b>	<b>10.5%</b>	<b>10.3%</b>	<b>10.8%</b>	<b>11.4%</b>

Source: FactSet, KT&amp;Partners' elaboration

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IN THIS STUDY DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

- ADD – FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD – FOR A FAIR VALUE <15% AND >-15% ON CURRENT PRICE
- REDUCE – FOR A FAIR VALUE <-15% ON CURRENT PRICE

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