Relatech S.p.A

Digital Innovation

Acting as Market Consolidator: Eight M&A since IPO

ADD | Fair Value: €4.40 (€4.40) | Current Price: €2.05 | Upside: +114.7%

€ Million	FY18A	FY19A	FY20A	FY21A	FY22E PF	FY23E	FY24E
Value of production	14.9	21.3	24.3	33.7	76.1	89.8	103.0
EBITDA	2.5	4.9	5.9	6.9	13.9	18.2	22.1
margin	*16.7%*	*23.1%*	*24.2%*	*20.6%*	*18.2%*	*20.3%*	*21.5%*
Net Profit	1.6	2.5	2.6	3.7	5.3	7.7	10.8
margin	*10.5%*	*11.9%*	*10.5%*	*10.9%*	*7.0%*	*8.6%*	*10.5%*
Net Profit adjusted	1.6	3.0	3.2	3.4	8.7	8.7	10.8
margin	*10.5%*	*14.1%*	*13.2%*	*10.0%*	*11.4%*	*9.7%*	*10.5%*
EPS	n.a.	0.27	0.24	0.10	0.13	0.18	0.2
EPS adj.	n.a.	0.32	0.31	0.35	0.20	0.20	0.2
NFP	1.1	(0.7)	(0.0)	(1.7)	1.4	(5.6)	(15.9)

Source: Company data, KT&Partners' elaborations.

1H22 financial results confirm increasing contribution from recurring revenues. Following the acquisition of EFA Automazione, 1H22 pro-forma revenues reached €28.2mn, exceeding our estimates by 4.3%. Reported sales revenues more than doubled compared to 1H21 (+118.1% YoY), amounting to €25.4mn with recurring revenues jumping by +166% YoY, reaching ca. €8.4mn and accounting for 34% of reported sales (+6pp vs 1H21). Adj. EBITDA PF 1H22 amounted to €5.9mn (3.8% above our expectations) with a margin – broadly in line with our expectations – of 18.9%. Reported EBITDA margin decreased by 3.3pp YoY, reflecting the lower profitability of the newly acquired companies compared to RLT-IT. Looking at the bottom line, on the pro-forma basis, adj. net income amounted at €2mn vs €3.2mn of our expectations, mainly due to higher financial expenses. Finally, RLT-IT closed 1H22 with a net debt position of €4mn (including €2.7mn call option for the acquisition of the remaining stake in EFA Automazione) from a net cash position of €1.7mn in FY21. 1H22 NFP was negatively impacted by the cash-out of €11.1 (including €7.4mn of M&A) and €0.4mn of buyback, benefiting at the same time from €4.9mn following warrant exercise that occurred in May 2022.

Acquisitions of Fair Wind Digital and Venticento closed in September. In September RLT-IT closed the acquisition – previously announced in May – of: i) 100% stake of Fair Wind Digital S.r.l. – a firm specialized in IoT edge computing – for €0.31mn or at ca. 0.3x EV/EBITDA and 5.3x P/E (based on FY21 data); and ii) a further 9.71% stake in Venticento S.r.l. – a firm specialized in cloud and cybersecurity – reaching the controlling stake (51%) for €0.35mn or at ca. 12.4x P/E (based on FY21 data). The deals executed since IPO are eight and thirteen since RLT-IT foundation.

Estimates Update. Following latest M&As and 1H22 financial results, we updated our 2022-2024 estimates. We now expect value of production to increase at a CAGR21–24 of 45.2% (+9.1pp vs our previous estimates), reaching €103mn in 2024. On the profitability side, we factor in the lower marginality of the two acquisitions, and we expect EBITDA margin will gradually improve thanks to cost synergies, amounting to 21.5% in FY24E. The company is expected to generate increasingly strong and positive FCFO from 2023, resulting in a net cash position of €15.9mn in FY24E.

Valuation Update. We updated our valuation – based on both DCF and a market multiples model – to factor in the latest M&A, 1H22 financial results, and warrant exercise occurred in May 2022. Our valuation returns an average equity value of €190.8mn or €4.40ps, implying a potential upside of 114.7% on the current market price.

Relative Performance Chart since IPO

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Market Data	
Pasquale Lambardi	51.8%
Mkt Cap (€ mn)	88.9
EV (€ mn)	83.5
Number of shares (mn)	43.4
Shares outstanding (mn)	42.4
Free Float (%)	42.6

Market multiples	2021A	2022E	2023E
EV/EBITDA			
RLT-IT	12.1x	6.0x	4.6x
Comps median	17.4x	11.8x	9.3x
RLT-IT vs Median	-31%	-49%	-51%
P/E			
RLT-IT	14.2x	13.9x	10.2x
Comps median	30.7x	27.0x	19.3x
RLT-IT vs Median	-54%	-49%	-47%

Stock Data	
52 Wk High (€)	2.97
52 Wk Low (€)	1.82
Avg. Daily Trading 90d	34,364
Price Change 1w (%)	1.49
Price Change 1m (%)	-10.87
Price Change YTD (%)	-26.79

*Note: Multiples are calculated on 2021 reported and 2022 pro-forma data*

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Relatech S.p.A

Price: €2.05 | Fair Value: €4.40

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Key Figures – Relatech S.p.A.

	Current price (€)	Fair Value (€)	Sector				Free Float (%)
	2.05	4.40	Digital Innovation				42.6

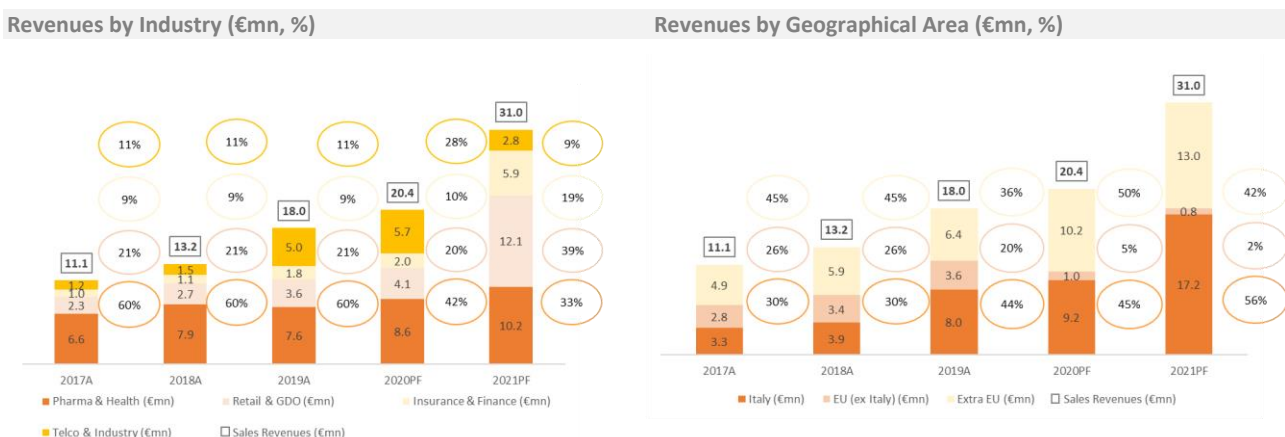| Per Share Data	2018A	2019A	2020A	2021A	2022E PF	2023E	2024E	2025E
Number of shares (mn)	n.a.	9.33	10.92	37.75	43.35	43.35	43.35	43.35
Treasury shares (mn)	n.a.	0.00	0.42	0.91	0.96	0.00	0.00	0.00
Shares oustanding (mn)	n.a.	9.33	10.50	36.84	42.40	43.35	43.35	43.35
EPS	n.a.	0.27	0.24	0.10	0.10	0.18	0.25	0.30
EPS Adjusted	n.a.	0.32	0.31	0.14	0.15	0.20	0.25	0.30
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.
Profit and Loss (EUR million)								
Value of Production	14.9	21.3	24.3	33.7	76.1	89.8	103.0	117.6
EBITDA	2.5	4.9	5.9	6.9	13.9	18.2	22.1	26.4
EBIT	2.4	4.3	4.1	4.0	9.5	12.1	15.1	18.1
EBT	2.4	3.8	3.4	3.2	7.1	10.6	15.0	18.1
Taxes	(0.7)	(1.2)	(0.6)	0.7	(1.4)	(2.4)	(3.5)	(4.3)
Tax rate	32%	31%	19%	-20%	20%	22%	24%	24%
Net Income	1.6	2.6	2.7	3.9	5.7	8.2	11.5	13.8
Net Income attributable to the Group	1.6	2.5	2.6	3.7	5.3	7.7	10.8	12.9
Net Income attributable to the Group Adjusted	1.6	3.0	3.2	5.3	6.3	8.7	10.8	12.9
Balance Sheet (EUR million)								
Total fixed assets	2.8	6.9	13.5	21.7	30.6	32.4	34.5	36.6
Net Working Capital (NWC)	2.1	3.1	3.1	6.7	13.2	14.6	15.9	17.3
Provisions	(0.9)	(2.0)	(3.2)	(5.8)	(7.3)	(9.3)	(11.5)	(14.0)
Total Net capital employed	4.0	8.0	13.4	22.5	36.5	37.7	38.8	39.9
Net financial position/(Cash)	1.1	(0.7)	(0.0)	(1.7)	1.4	(5.6)	(15.9)	(28.6)
Group Shareholder's Equity	2.8	8.5	12.7	23.1	33.4	41.2	52.0	64.9
Minorities	0.1	0.2	0.7	1.1	1.6	2.1	2.8	3.6
Total Shareholder's Equity	2.9	8.7	13.4	24.2	35.0	43.3	54.7	68.5
Cash Flow (EUR million)								
Net operating cash flow	1.7	3.6	5.2	6.1	11.7	15.4	18.6	22.1
Change in NWC	(1.3)	(1.0)	(0.0)	(3.6)	(2.5)	(1.4)	(1.3)	(1.5)
Capital expenditure	(2.6)	(3.1)	(8.4)	(9.1)	(17.7)	(7.9)	(9.1)	(10.5)
Other cash items/Uses of funds	0.5	1.1	1.2	0.5	2.1	1.9	2.2	2.5
Free cash flow	(1.6)	0.5	(2.0)	(6.0)	(6.5)	8.0	10.4	12.7
Enterprise Value (EUR million)								
Market Cap	n.a.	21.0	52.1	96.7	88.9	88.9	88.9	88.9
Minorities	0.1	0.2	0.7	1.1	1.6	2.1	2.8	3.6
Net financial position/(Cash)	1.1	(0.7)	(0.0)	(1.7)	1.4	(5.6)	(15.9)	(28.6)
Enterprise value	n.a.	20.5	52.8	96.1	91.9	85.4	75.8	63.9
Ratios (%)								
EBITDA margin	16.7%	23.1%	24.2%	20.6%	18.2%	20.3%	21.5%	22.5%
EBIT margin	16.2%	20.1%	16.9%	11.8%	12.5%	13.4%	14.7%	15.4%
Gearing - Debt/equity	40.1%	-8.2%	-0.4%	-7.4%	4.3%	-13.5%	-30.6%	-44.0%
Interest cover on EBIT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NFP/EBITDA	44.8%	-14.2%	-0.8%	-24.6%	10.4%	-30.6%	-71.9%	-108.2%
ROCE	59.7%	53.4%	30.6%	17.6%	26.2%	32.0%	38.9%	45.4%
ROE	56.4%	29.8%	20.1%	15.8%	16.0%	18.8%	20.7%	19.9%
EV/Sales	n.a.	3.9x	3.4x	2.5x	1.1x	0.9x	0.8x	0.7x
EV/EBITDA	n.a.	16.9x	14.2x	12.1x	6.0x	4.6x	3.8x	3.2x
P/E	n.a.	7.5x	6.7x	14.2x	13.9x	10.2x	8.3x	6.9x
Free cash flow yield	-1.9%	0.7%	-2.4%	-7.2%	-7.8%	9.6%	12.4%	15.2%
Growth Rates (%)								
Sales	28.0%	43.5%	14.2%	38.3%	126.0%	18.0%	14.7%	14.2%
EBITDA	82.0%	98.3%	19.6%	17.5%	100.1%	31.2%	21.5%	19.5%
EBIT	94.6%	78.5%	-4.3%	-3.5%	140.8%	26.6%	25.1%	20.0%
Net Income	90.8%	59.0%	-10.8%	41.9%	47.2%	45.2%	39.1%	20.1%

Source: Company data, KT&Partners' elaborations
Note: FY22PF data include the full-year contribution of EFA automazione, Fair Wind Digital and Venticento
  Multiples are calculated on 2021 reported and 2022 pro-forma data
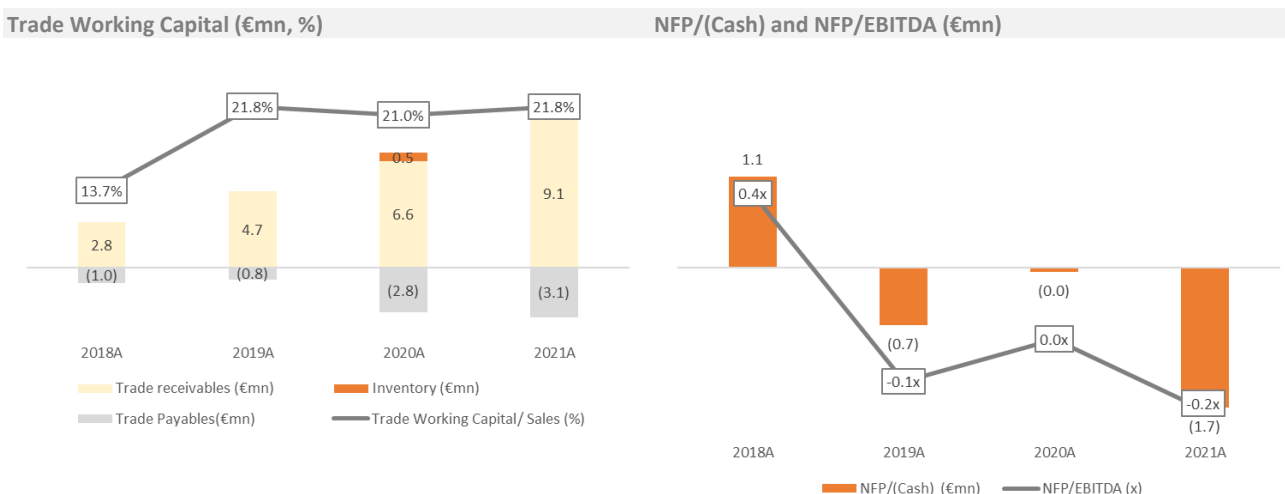
Key charts
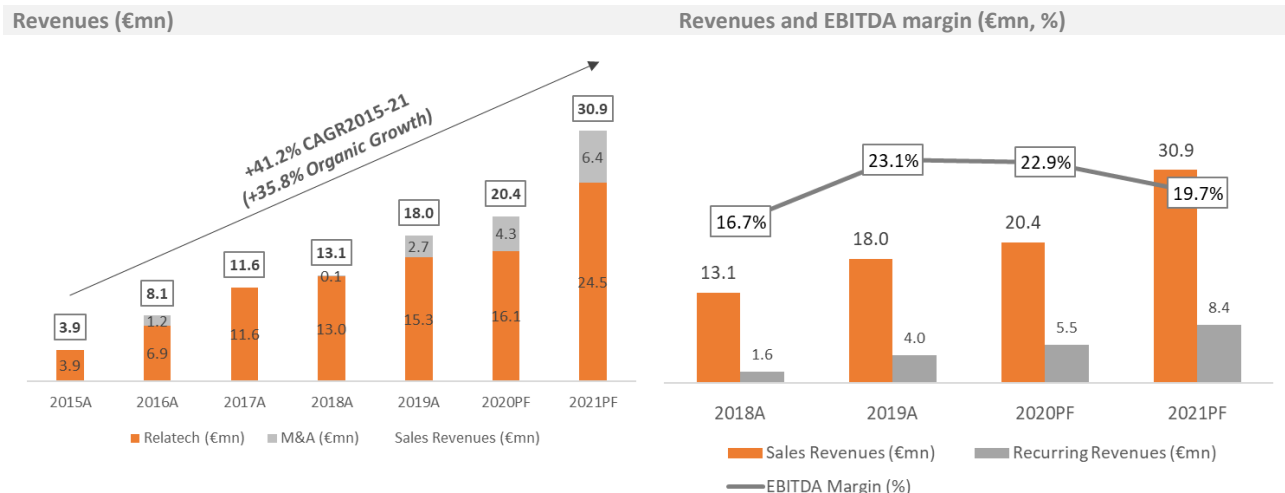
Revenues (€mn)

+41.2% CAGR2015-21
(+35.8% Organic Growth)

Source: Company data, KT&Partners' elaborations
Note: Pro-forma data refer to accrued and not accrued revenue of companies acquired in the year

Revenues and EBITDA margin (€mn, %)

Revenues by Industry (€mn, %)

Source: Company data, KT&Partners' elaborations
Note: Pro-forma data refer to accrued and not accrued revenue of companies acquired in the year

Revenues by Geographical Area (€mn, %)

Source: Company data, KT&Partners' elaborations

Trade Working Capital (€mn, %)

Source: Company data, KT&Partners' elaborations

NFP/(Cash) and NFP/EBITDA (€mn)

Source: Company data, KT&Partners' elaborations

Overview

Company description

Relatech (RLT) provides innovative services and digital solutions, enabling the digital innovation of enterprises. Group's offer is centered on RePlatform, an internally developed digital cloud-based platform that leverages on the next frontier technologies (i.e., Big Data, Artificial Intelligence (AI), Internet of Things (IoT), Cloud, Augmented and Virtual Reality, Cybersecurity, Blockchain). RePlatorm is based on five suites of software (ReYou, ReData, ReThing, ReSec, and ReHub), making RLT the only Italian player able to satisfy customers' technological needs with a unique comprehensive platform. RLT provides both "vertical solutions" (i.e., Rezone – an AI Customer Engagement Solution for the retail industry – and ReFab4.0 – an AIoT predictive maintenance solution for Industry 4.0) and "tailor-made solutions" for a wide range of end-markets (i.e., Pharma & Healthcare, Telco, Finance, Utilities, Distribution, and Retail).

RLT was listed on Euronext Growth Milan (EGM) on June 28, 2019, with an IPO market capitalization of €20mn and ca. €4.1mn of capital raised. IPO proceeds have been used to: i) grasp M&As opportunities; ii) develop scalable solutions while investing in new technologies; and iii) reinforce the management team and expand the commercial workforce to acquire new clients and enter new end-markets.

Investment case

- *A scalable business model with an increasing incidence of recurring revenues.* Over the years, RLT has enriched RePlatform with scalable solutions generating recurring revenues. In FY21, recurring revenues rose by +53% YoY to ca. €7.5mn, accounting for 27% of reported sales.

- *An ongoing focus on R&D.* RLT-IT is committed to continuously innovating its solutions with the aim of enriching RePlatform with new applications. Over the 2016-21 period, the Company has invested ca. +€15mn in R&D and ca. 18% of revenue in 2021. RLT has also embraced an open innovation approach, carrying out R&D also in collaboration with universities, academic spin-offs, and research institutes (i.e., the NRC) to spot new trends.

- *Consolidate partnership with key IT vendors and system integrators.* Over the years, RLT-IT has established long-lasting relationships with key IT vendors and system integrators (i.e., IBM, TechData, NTTData, Atos, etc.) which in some cases are also RLT-IT's clients. Business partnerships have allowed RLT to i) add value to its offer by integrating key enabling technologies and services provided by IT suppliers; and ii) expand its market coverage by leveraging on IT vendors' and system integrators' networks.

- *Grasping M&As opportunities to boost growth.* Since the IPO, RLT-IT has carried out 8 M&As (13 since its foundation) with the aim of: i) enriching its offer with new cutting-edge and complementary technologies/solutions; ii) expanding its customer base and partners portfolio (i.e., Microsoft, Oracle, etc.); and ii) also strengthening its positioning by entering new markets.

- *Positioned in the digital enablers segment, which is expected to keep driving the Italian digital market growth.* RLT-IT is active in the digital innovation market, especially in the Digital Enabler market, which has been the fastest growing segment of the ICT sector for several years. According to our estimates (based on Anitec Assinform report and PNRR data), in 2021 the Italian digital market is expected to be worth ca. €75.4bn and it is expected to grow at +6.5% CAGR2021–24, reaching ca. €94bn in 2024. RLT-IT is increasingly investing in Blockchain, AI, IoT and Cybersecurity, which are the four biggest markets in terms of investments within the Horizon Europe and PNRR programs.

Recent developments

- *Stock performance, warrant exercise, and stock grant attribution.* Since its IPO occurred in June 2019, RLT-IT stock achieved an outstanding return of +133.1%, based on first trading day closing price (or +186% on the IPO price), more than 2x the performance registered by the FTSE Italia Growth Index of -0.2% over the same period. As a result of the closing of the last exercise period for the "*Warrants Relatech 2019-2022,*" which occurred in May 2022, RLT-IT issued 5,188,158 shares, raising €4.9mn that will be employed to further boost the company's growth in Italy and abroad through M&As as well as to reinforce its organizational structure. Finally, RLT has assigned ca. 460,034 shares newly issued to the top management, executing the *"Stock Grant Plan 2021."* The total shares outstanding are 42.5mn, with 42.8% of free float. It worth pointing out that Pasquale Lombardi and Silvio Cosoleto exercised 1,320,050 and 100,000 warrants (equal to 1,980,075 and 150,000 shares) for more than €2mn of investment, highlighting the top management's growing commitment to the company's business expansion path.

- *Strengthening ReFab offer thanks to the acquisition of EFA Automazione.* On February 21st, 2022, RLT announced the acquisition of 81.66% stake of EFA Automazione S.p.A.– a firm specialized in Industrial IoT - for €7.35mn or at ca. 6.1x EV/EBITDA (based on FY20 data). This is the sixth deal since IPO and the eleventh since RLT-IT foundation. Thanks to the acquisition of EFA, RLT-IT will integrate its ReFab offer by providing end-to-end solutions able to cover the entire Industry 4.0 supply chain from infrastructural and connectivity set-up of machines/plants to collection and data analysis solutions while ensuring data protection.

- *Discovering the Metaverse also through academic institutions.* IULM University has chosen RLT-IT as partner for "IULM AI LAB," a laboratory of scientific research on AI, with the aim to develop innovative solutions for private firms and PAs (i.e. Metaverse).

- *Welcome to ReSoc, the new RLT-IT's cybersecurity service.* Seizing the growing needs from the market, RLT-IT has developed the innovative ReSOC assistance service, leveraging on the high skills of the company Mediatech, the Group's aggregator pole for services and solutions in the cybersecurity and cloud.

- *External line growth.* On February 21, 2022, RLT-IT announced the acquisition of 81.66% stake of EFA Automazione. On December 23, 2021, the Company announced the acquisition of a 51% stake of DtoK Lab Srl through its subsidiary Ithea Srl. Furthermore, on November 26, 2021, RLT-IT anticipated the acquisition of the remaining 46.5% stake in Xonne whereas on June 30, 2021, the company acquired the remaining 40% of Mediatech. In May and June of 2021, RLT-IT acquired a 60% stake in Dialog Sistemi and Gruppo SIGLA.

- *Release of the first non-financial statement.* Based on GRI Standards, RLT has released its first Environmental, Social and Governance (ESG) report on June 21, 2021, with the aim to steer its business increasingly toward sustainable and cutting-edge systems.

- *Buyback program and Stock split.* In January 2021, the company announced i) a buyback plan for a maximum of €1,500,000; and ii) a 3:1 ratio stock split of the total number of 10,922,507 ordinary shares.

1H22 Financial Results

Despite a challenging macroeconomic backdrop, 1H22 pro-forma sales – including the half-year contributions of EFA Automazione, acquired in February 2022 – soared to €28.2mn, 4.3% above our estimates. Despite higher-than-expected sales, value of Production came in line with our expectation at €31.2mn mainy following lower-than-expected R&D public grants and tax credits.

Focusing on reported top-line data, 1H22 revenues more than doubled compared with 1H21 results, reaching €25.4mn. Recurring revenues more than doubled as well, growing by +166% YoY to ca. €8.6mn and accounting for ca. 34% of reported sales. Looking at the breakdown of revenue by sector, the top contributor was Telco & Industry, with €15mn, followed by Pharma & Health and Retail & GDO, and Insurance & Finance with €7.1mn, €2.5mn, respectively. In 1H22, RLT kept expanding its international business: foreign revenues increased by +42% YoY, reaching €9.1mn or 32% of total reported sales.

Adj. EBITDA PF reached €5.9mn – above our expectations by 3.8% – with an EBITDA margin of ca. 18.9% (ca. -2.2pp YoY and broadly in line with our expectations). Considering the reported data, adj. EBITDA rose to €5.6mn (+78.1 YoY) with EBITDA margin decreasing by 3.3pp vs 1H21, penalized by the lower profitability of EFA Automazione acquired in early 2022.

As for the bottom line, on a pro-forma basis, net income after minorities came in at €1mn, €1.3mn below our estimates mainly due to higher-than-expected financial expenses and taxes. By adjusting for extraordinary items mainly related to the stock grant plan, net income should have been €2mn with a margin of 6.3%.

On the capital structure side, fixed assets went from €21.7mn in FY21 to €31mn in 1H22, mainly following the capitalization of R&D costs (in 1H22, R&D costs amounted to €2.5mn, of which ca. 73% were capitalized) and M&A investments (ca. €7.4mn).

At the end of 1H22, RLT's net financial position worsened by €5.8mn, from a net cash position of €1.7mn in FY21 to a net debt position of €4mn in 1H22 (including €2.7mn call option for the acquisition of the remaining stake in EFA Automazione). The worsening was mainly driven by the cash-out of €11.1 (including €7.4mn of M&A) and €0.4mn of buyback, despite the cash-in of €4.9mn thanks to the warrant exercise occurred in May 2022.

1H22 Consolidated Income Statement

€ Million	1H19	1H20	1H21	1H22	YoY %	1H22 PF	1H22E PF	A vs E % based on PF Data
Sales Revenues	9.0	8.2	11.6	25.4	118.1%	28.2	27.0	4.3%
Other Revenues	1.4	2.5	2.7	2.9	10.9%	3.0	3.8	-20.1%
Value of production	**10.4**	**10.7**	**14.3**	**28.3**	**98.1%**	**31.2**	**30.8**	**1.3%**
Growth %		*3.0%*	*33.6%*	*98.1%*		*75.5%*	*73.3%*	
Products and Raw materials	-	-	(1.4)	(6.0)	324.9%	(7.9)	(6.6)	18.2%
Gross Profit	**10.4**	**10.7**	**12.9**	**22.3**	**73.3%**	**23.3**	**24.2**	**-3.4%**
Gross Margin	*100.0%*	*100.0%*	*90.1%*	*78.8%*	*-21.0%*	*74.8%*	*78.4%*	*-3.6%*
Cost of Services	(3.2)	(3.3)	(4.1)	(6.9)	68.2%	(7.5)	(8.5)	-12.2%
Personnel Expenses	(5.1)	(4.6)	(5.6)	(9.7)	73.3%	(9.9)	(9.9)	-0.1%
Other Operating Expenses	(0.2)	(0.1)	(0.0)	(0.1)	251.3%	(0.1)	(0.1)	16.7%
EBITDA	**1.9**	**2.6**	**3.1**	**5.6**	**78.1%**	**5.9**	**5.7**	**3.8%**
EBITDA margin	*18.6%*	*24.5%*	*21.9%*	*19.7%*	*-3.3%*	*18.9%*	*18.4%*	*0.5%*
D&A and Provisions	(0.3)	(0.6)	(1.1)	(1.9)	70.4%	(1.9)	(1.7)	10.5%
EBIT	**1.7**	**2.0**	**2.0**	**3.7**	**82.2%**	**4.0**	**4.0**	**0.9%**
EBIT margin	*15.9%*	*18.5%*	*14.3%*	*13.1%*	*-7.0%*	*12.9%*	*13.0%*	*0.0%*
Financial Income and Expenses	(0.0)	(0.0)	0.3	(0.9)	n.m.	(0.9)	0.0	n.m.
Extraordinary items	(0.4)	(0.4)	(0.7)	(0.9)	32.0%	(0.9)	(0.9)	5.2%
EBT	**1.2**	**1.6**	**1.6**	**1.9**	**16.2%**	**2.2**	**3.2**	**-29.6%**
Taxes	(0.5)	(0.4)	0.9	(0.9)	n.m.	(1.0)	(0.7)	40.6%
Tax Rate	*44.3%*	*22.1%*	*-57.4%*	*45.6%*		*43.1%*	*21.6%*	
Net Income	**0.7**	**1.2**	**2.6**	**1.0**	**-59.9%**	**1.3**	**2.5**	**-49.0%**
Net margin	*6.4%*	*11.7%*	*18.0%*	*3.6%*	*-8.5%*	*4.1%*	*8.1%*	*-4.0%*
Minorities	0.1	0.2	0.1	0.2	168.2%	0.2	0.2	
Net Income after minorities	**0.6**	**1.1**	**2.5**	**0.8**	**-67.5%**	**1.0**	**2.3**	**n.m.**
Net margin	*5.8%*	*10.3%*	*17.4%*	*2.9%*	*-9.1%*	*3.3%*	*7.6%*	*-4.2%*
Net Income after minorities Adjusted	**1.0**	**1.4**	**3.2**	**1.7**	**-45.7%**	**2.0**	**3.2**	**-38.6%**
Net margin	*9.9%*	*13.5%*	*22.3%*	*6.1%*	*-7.9%*	*6.3%*	*10.4%*	*-4.1%*

Source: Company data

1H22 Consolidated Balance Sheet

€ Million	1H19	1H20	1H21	FY21A	1H22
Fixed Assets	**2.9**	**9.7**	**18.6**	**21.7**	**31.0**
Trade receivables	3.9	3.3	6.1	9.1	15.1
Inventory	0.0	0.0	0.2	0.7	2.1
Trade Payables	(2.1)	(1.1)	(2.4)	(3.1)	(6.3)
Trade Working Capital	**1.8**	**2.2**	**3.9**	**6.7**	**10.9**
Other assets and liabilities	0.2	(1.0)	0.6	(0.0)	(0.6)
Net Working Capital	**2.0**	**1.2**	**4.5**	**6.7**	**10.2**
Other Provisions	**(1.0)**	**(2.3)**	**(3.5)**	**(5.8)**	**(5.6)**
Net Capital Employed	**3.9**	**8.5**	**19.6**	**22.5**	**35.6**
Group shareholders' equity	7.1	12.2	20.7	23.1	29.8
Minority shareholders' equity	0.2	0.3	0.8	1.1	1.9
Total shareholders' equity	**7.2**	**12.6**	**21.4**	**24.2**	**31.6**
Short-term debt / Cash (-)	(4.7)	(8.6)	(7.9)	(8.4)	(7.8)
Long-term liabilities	1.4	4.6	6.0	6.7	11.8
Net Financial Position	**(3.4)**	**(4.0)**	**(1.8)**	**(1.7)**	**4.0**
Sources	**3.9**	**8.5**	**19.6**	**22.5**	**35.6**

Source: Company data

9M22: Warm M&A Activity

Leveraging on the proceeds from the warrant conversion and on RLT-IT's cash generation power, Company's top management continues to show a high M&A deal-making activity.

After the acquisition of EFA in February, in September 2022 RLT-IT closed the acquisition – previously announced in May – of:

- 100% stake of Fair Wind Digital – a firm specialized in IoT edge computing – for a total consideration of €0.31mn or at 0.3x EV/EBITDA and 5.3x P/E (based on FY21 figure). The acquisition of a 75% stake was carried out in September and the remaining 25% was acquired in October, 2022.
- a further 9.71% stake in Venticento – a firm specialized in cloud and cybersecurity – reaching the controlling stake (51%) for €0.35mn or at ca. 12.4x P/E (based on FY21 data). The closing occurred on September 13, 2022. Moreover, RLT-IT has the right to acquire the remaining 49% stake through put and call options that can be exercised within one year following the approval of the financial statement for 2024, with an exercise price based on a floor of €0.68mn.

Fair Wind Digital is an Italian start-up based in Rome, specializing in IoT edge computing through proprietary platform and tailor-made solutions and active in several sectors, such as industrial IoT, telecommunications, energy, and smart city. The company acts as digital player of reference in Rome to offer innovative solutions which allow improvements in business management performance, supporting clients in overall processes. such as design, setup. and daily operational assistance. In FY21, the Company reported €2.5mn of revenues with an EBITDA margin of 15.4%, net margin of 2.4%. and a net cash position of €170k. The deal consideration was paid entirely in cash. Thanks to this acquisition, RLT-IT will enrich Replatform's offer by integrating *IoT Catalyst* – the IoT edge computing platform for digital twins – and expand the Company's customer base towards PAs with a new reference office in Rome. We believe that by leveraging on the synergies between Fair Winds Digital and EFA Automazione, RLT-IT will strengthen the end-to-end smart industry solution ReFab 4.0, seizing the opportunities offered by the PNRR to act as one of the first mover in areas like smart factory, smart city, and smart building. Furthermore, Fair Wind Digital's acquisition will allow RLT-IT 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.

Venticento is an Italian SME founded in Milan, active in several industries, with international branches in New York and Hong Kong. The company is specialized in Cybersecurity and Cloud solutions for enterprises, ensuring high protection and infrastructural flexibility. In FY21, the company reached €10mn in revenues, a net income of ca. €0.3mn (or 2.9% of net margin) and a net cash position of €85k. Thanks to the acquisition of Venticento, RLT-IT has made its first step toward the internationalization process through external lines, leveraging on the knowledge acquired from the domestic experience. Venticento's acquisition will allow RLT-IT to enhance ReHub (Cloud) and ReSec (Cybersecurity) solutions, also exploiting synergies with Mediatech and the international partnership within the ecosystem of Venticento.

The deals executed since IPO are 8 and 13 since the Company foundation, highlighting that RLT-IT continues to boost the company's growth in Italy and abroad through M&As, acting as a consolidator in a highly fragmented and competitive market.

Finally, according to our estimates, M&A carried out after the IPO have a median 6.0x EV/EBITDA and 12.4x P/E acquisition multiples for a total cash out of ca. €15.3mn.

Relatech's M&A deals since IPO

Company Name	Announcement date	Acquisition Stake	Deal Value (€mn)	Cash (€mn)	Payment in Kind (€mn)	Revenues (€mn)	EBITDA (€mn)	Net Income (€mn)	NFP (€mn)	EV/Sales	EV/EBITDA	P/E
Mediatech Srl	giu-20	60.0%	1.50	1.00	0.50	3.58	0.44	0.19	0.26	0.8x	6.2x	12.9x
Xonne Srl	lug-20	53.5%	0.32	0.16	0.16	0.71	-0.02	0.10	0.09	1.0x	n.m	6.1x
SIGLA Srl	mag-21	60.0%	2.30	1.73	0.57	4.99	0.70	0.43	1.20	1.0x	7.2x	8.9x
Dialog Sistemi Srl	mag-21	60.0%	0.94	0.70	0.23	1.12	0.15	0.11	-0.60	0.9x	6.4x	14.2x
Mediatech Srl	giu-21	40.0%	1.70	0.38	1.32	3.37	0.33	0.30	n.a.	n.a.	n.a.	14.1x
Xonne Srl	nov-21	46.5%	0.49	0.00	0.49	0.94	-0.01	0.08	-0.10	1.0x	n.m	13.9x
DtoK Lab Srl	dic-21	51.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
E.F.A. Automazione SpA*	dic-21	81.7%	7.35	7.35	0.00	13.62	1.47	0.95	-0.59	0.6x	5.7x	9.5x
Fair Winds Digital Srl	mag-22	100%	0.31	0.31	0.00	2.54	0.47	0.06	-0.17	0.1x	0.3x	5.3x
Venticento Srl**	mag-22	9.7%	0.35	n.a.	n.a.	10.00	0.71	0.29	-0.09	0.4x	5.0x	12.4x
Average			**1.69**	**1.45**	**0.41**	**4.54**	**0.47**	**0.28**	**0.00**	**0.7x**	**5.1x**	**10.8x**
Median			**0.94**	**0.54**	**0.36**	**3.37**	**0.44**	**0.19**	**-0.09**	**0.8x**	**6.0x**	**12.4x**
Total			**15.25**	**11.63**	**3.27**							

Source: Leanus, KT&Partners' elaborations
Note: Revenues, EBITDA and NFP are related to the previous fiscal years of the announcement date.

Change in Estimates

Following the two takeovers that occurred in September and the 1H22 financial results, we updated our 2022-2024 estimates.

The value proposition of the two companies perfectly fits with RLT-IT's strategy, allowing it to enrich its cloud-based platform (i.e., ReFab, ReHub, and ReSec modules) with new features, while increasing recurring revenues and strengthening its competitive positioning by also targeting new domestic and international end-markets/customers. As result, we now anticipate value of production to grow at CAGR21–24 of 45.2% (+9.1 pp vs our previous research), reaching €76.1mn in 2022 and €103mn in 2024.

On the profitability side, we slightly revised downward EBITDA margin projection, factoring in the lower profitability of Fair Wind Digital and Venticento. As result, we expect FY22E EBITDA margin at 18.2% (1.4pp lower than our previous estimates) and we expect it will gradually improve to 21.5% by FY24E (lower than our previous projections by ca. 87bps) thanks to business growth and OpEx's economies of scale between group's companies. In absolute term, we now expect EBITDA grow at 47.2% CAGR21-24 (+7.4pp above our previous estimates), reaching €22.1mn in 2024.

As for the bottom line, we now foresee net income adjusted to grow at 26.4% CAGR21–24 (+6.4pp of our previous projections), amounting to €10.8mn in 2024.

Finally, in FY22E we anticipate a net debt of €1.4mn, also including €2.7mn option right for the acquisition of the remaining stake in EFA Automazione. The company is expected to generate increasingly strong and positive FCFO from 2023, resulting in a net cash position of €15.9mn in FY24E.

Change in Estimates

€ Million	2021 Actual	2022E PF Old KT&P	2022E PF New KT&P	Change	2023E Old KT&P	2023E New KT&P	Change	2024E Old KT&P	2024E New KT&P	Change	CAGR Old 2021-24	CAGR New 2021-24
Value of Production	33.7	61.6	76.1	23.6%	73.4	89.8	22.2%	84.7	103.0	21.5%	36.0%	45.2%
YoY Change (%)	*57.9%*	*82.9%*	*126.0%*		*19.3%*	*18.0%*		*15.4%*	*14.7%*			
EBITDA	6.9	12.1	13.9	14.5%	15.6	18.2	16.9%	18.9	22.1	16.8%	39.8%	47.2%
YoY Change (%)	*40.5%*	*74.7%*	*100.1%*		*28.6%*	*31.2%*		*21.6%*	*21.5%*			
EBITDA Margin	*20.6%*	*19.7%*	*18.2%*		*21.2%*	*20.3%*		*22.3%*	*21.5%*			
EBIT	4.0	8.1	9.5	18.1%	10.1	12.1	19.7%	12.7	15.1	19.3%	47.3%	56.2%
YoY Change (%)	*-7.7%*	*103.9%*	*140.8%*		*24.8%*	*26.6%*		*25.5%*	*25.1%*			
EBIT Margin	*11.8%*	*13.1%*	*12.5%*		*13.7%*	*13.4%*		*14.9%*	*14.7%*			
Net Income	3.7	5.2	5.3	2.7%	6.7	7.7	16.3%	9.2	10.8	17.0%	36.1%	43.4%
YoY Change (%)	*43.6%*	*42.2%*	*46.0%*		*28.1%*	*45.2%*		*38.3%*	*39.1%*			
Net Margin	*10.9%*	*8.4%*	*7.0%*		*9.1%*	*8.6%*		*10.9%*	*10.5%*			
Net Income Adjusted	5.3	6.1	6.3	2.1%	7.6	8.7	14.1%	9.2	10.8	17.0%	20.0%	26.4%
YoY Change (%)	*65.9%*	*15.3%*	*17.7%*		*23.8%*	*38.4%*		*21.0%*	*24.1%*			
Net Margin Adjusted	*15.8%*	*10.0%*	*8.2%*		*10.4%*	*9.7%*		*10.9%*	*10.5%*			
NFP	-	1.7	1.2	1.4	0.2 -	4.0 -	5.6	-1.6 -	12.1 -	15.9	-3.8	

Source: Company data, KT&Partners' elaborations

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 €177mn or €4.08ps;

2. DCF analysis based on WACC of 7.7% and 2 % perpetual growth, returns a value of €204.6mn or €4.72ps.

The average of the two methods yields a fair value of €4.40ps or an equity value of €190.8mn.

Valuation Recap

	Equity Value €mn	Value per share €
DCF	204.60	4.72
EV/EBITDA	187.24	4.32
P/E	166.70	3.85
Average Multiples	**176.97**	**4.08**
Total Average	**190.79**	**4.40**

Source: FactSet, KT&Partners' elaboration

Market Multiples Valuation

We updated our peers sample by replacing comps with non-meaningful multiples. Therefore, we replaced Cyberoo, Eurotech, and Expert AI with CY4Gate, SECO, and Almawave.

Following the comparables analysis, we proceeded with the definition of market multiples for each peer, focusing on 2021–24 data.

Peer Comparison – Market Multiples 2021–24

Company Name	Exchange	Market Cap	EV/SALES 2021	EV/SALES 2022	EV/SALES 2023	EV/SALES 2024	EV/EBITDA 2021	EV/EBITDA 2022	EV/EBITDA 2023	EV/EBITDA 2024	EV/EBIT 2021	EV/EBIT 2022	EV/EBIT 2023	EV/EBIT 2024	P/E 2021	P/E 2022	P/E 2023	P/E 2024
Reply S.p.A.	Milan	4,025	2.6x	2.1x	1.9x	1.7x	15.7x	12.6x	11.4x	10.4x	19.5x	15.1x	13.7x	12.3x	27.0x	23.0x	20.3x	18.2x
CY4Gate SpA	Milan	183	10.9x	3.0x	2.2x	2.0x	26.0x	9.4x	6.8x	6.2x	n.m	13.9x	9.2x	8.3x	22.7x	20.1x	13.5x	12.3x
Neosperience SpA	Milan	25	1.9x	1.4x	1.1x	0.9x	6.3x	4.3x	3.5x	2.9x	32.3x	16.6x	8.1x	5.6x	42.9x	21.1x	11.4x	7.4x
SECO S.p.A.	Milan	583	6.5x	3.6x	2.9x	2.3x	n.m	17.0x	12.4x	9.3x	n.m	24.4x	16.4x	11.7x	n.m	32.9x	21.6x	14.9x
Almawave S.p.A.	Milan	113	3.3x	2.5x	2.0x	1.7x	15.1x	14.0x	10.3x	7.9x	21.3x	21.0x	15.0x	9.5x	30.2x	28.7x	21.5x	14.2x
WIIT SpA	Milan	400	7.2x	4.7x	4.2x	3.9x	23.7x	13.8x	11.6x	10.3x	n.m	23.4x	18.5x	15.6x	n.m	36.1x	27.4x	22.5x
Average peer group		**888**	**5.4x**	**2.9x**	**2.4x**	**2.1x**	**17.4x**	**11.8x**	**9.3x**	**7.8x**	**24.4x**	**19.1x**	**13.5x**	**10.5x**	**30.7x**	**27.0x**	**19.3x**	**14.9x**
Median peer group		**292**	**4.9x**	**2.7x**	**2.1x**	**1.9x**	**15.7x**	**13.2x**	**10.9x**	**8.6x**	**21.3x**	**18.8x**	**14.3x**	**10.6x**	**28.6x**	**25.8x**	**20.9x**	**14.6x**
Relatech S.p.A.	**Milan**	**89**	**2.5x**	**1.1x**	**0.9x**	**0.8x**	**12.1x**	**6.0x**	**4.6x**	**3.8x**	**21.1x**	**8.8x**	**6.9x**	**5.5x**	**14.2x**	**13.9x**	**10.2x**	**8.3x**

Source: FactSet, KT&Partners' elaboration

We decide to base our valuation upon: i) 2022, 2023 and 2024 multiples; and ii) our estimates of RLT's EBITDA and net income adjusted for 2022, 2023 and 2024. We also consider NFP adjusted for the cash-out following the acquisition of EFA Automazione, Fair Wind Digital and Venticento.

EV/EBITD A Multiple Valuation

Multiple Valuation (€mn)	2022E	2023E	2024E
EV/EBITDA Comps	13.2x	10.9x	8.6x
Relatech SpA EBITDA	13.9	18.2	22.1
Enterprise value	**182.5**	**197.8**	**189.5**
Relatech SpA FY21 Net Debt Adjusted	1.4	1.4	1.4
Relatech SpA FY21 Minorities Adj	1.3	1.3	1.3
Equity Value	**179.8**	**195.1**	**186.8**
Average Equity Value		187.2	
Liquidity Discount		*0%*	
Equity Value Post-Discount		**187.2**	
Number of shares (mn)		**43.4**	
Value per Share €		**4.32**	

Source: FactSet, KT&Partners' elaboration

P/E Multiple Valuation

Multiple Valuation (€mn)	2022E	2023E	2024E
P/E Comps	25.8x	20.9x	14.6x
Relatech SpA Net Income Adjusted	6.3	8.7	10.8
Equity Value	**162.0**	**181.2**	**156.9**
Average Equity Value		166.7	
Liquidity Discount		*0%*	
Equity Value Post-Discount		**166.70**	
Number of shares (thousand)		**43.35**	
Value per Share €		**3.85**	

Source: FactSet, KT&Partners' elaboration

DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 8.1% cost of equity, 4% cost of debt and a D/E ratio of 8.5% (Damodaran for Software, System & Application). The cost of equity is a function of the risk-free rate of 3.6 (Italian 10y BTP, +1.3pp compared to our latest research), 5.1% equity risk premium (Damodaran – September ERP T12 m with sustainable payout, +0.5pp compared to our latest research) and a premium for size and liquidity of 1.8% (source: Duff&Phelps). We, therefore, obtained 7.7% WACC (+0.9pp vs our latest research).

We discounted 2022E–25E 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	2022E	2023E	2024E	2025E
EBIT	**9.5**	**12.1**	**15.1**	**18.1**
Taxes	(2.2)	(2.8)	(3.6)	(4.3)
D&A	4.3	6.1	7.0	8.3
Change in Net Working Capital	(2.5)	(1.4)	(1.3)	(1.5)
Change in Funds	1.5	1.9	2.2	2.5
Net Operating Cash Flow	**10.7**	**15.9**	**19.5**	**23.2**
Capex	(17.2)	(7.9)	(9.1)	(10.5)
FCFO	**(6.5)**	**8.0**	**10.4**	**12.7**
g	**2.0%**			
Wacc	**7.7%**			
FCFO (discounted)	(6.4)	7.4	8.8	10.0
Discounted Cumulated FCFO	19.8			
TV	227.7			
TV (discounted)	179.5			
Enterprise Value	**199.3**			
FY21 NFP Adj	(6.6)			
FY21 Minorities Adj	1.3			
Equity Value	**204.6**			
Current number of shares (mn)	43.35			
Value per share (€)	**4.72**			

Source: Company data, KT&Partners' elaboration

Sensitivity Analysis

€ Million		WACC				
		8.2%	7.9%	7.7%	7.4%	7.2%
Terminal growth Rate	1.5%	174.5	181.6	189.3	197.7	206.7
	1.8%	180.7	188.4	196.7	205.7	215.5
	2.0%	187.4	195.7	204.6	214.4	225.2
	2.3%	194.7	203.6	213.4	224.0	235.8
	2.5%	202.6	212.3	222.9	234.6	247.6

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, considering its offerings, 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 as does RLT but each one of them is focused on one of RLT's verticals.

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

- Reply S.p.A. (REY-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €4.0bn, REY-IT 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 FY21, REY reached ca. €1.5bn of sales.

- CY4Gate S.p.A. (CY4-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €183mn, CY4-IT engages in the design, development, and production of technologies, products, systems, and services to provide solutions for cyber intelligence, cyber security, and cyber electronic warfare. It operates through the Cyber Intelligence and Cyber Security business divisions. In FY21, CY4-IT reached ca. €17mn of sales.

- Neosperience S.p.A. (NSP-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €25mn, NSP-IT 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 FY21, NSP-IT reached €18mn of sales.

- SECO S.p.A. (IOT-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €583mn, IOT-IT designs and manufactures proprietary technological solutions for microcomputers and other integrated systems for personal computer miniaturization. It operates through the following product and service areas: Custom Edge Systems, Edge Platforms, and IoT Solutions. In FY21, ETH reached €112mn of sales.

- Almawave S.p.A. (AIW-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €113mn, AIW-IT develops software technologies for artificial intelligence, natural language analysis, and big data management. The firm owns and distributes patented technologies which offer solutions for text and speech analytics, knowledge management, multi-channel contact management and virtual agent, and customer experience management under the platform brands Iride and Audioma. Its software products also feature automatic speech recognition under its platform brands Audioma, FlyScribe, and Verbamatic. In FY21, AIW-IT reached €33mn of sales.

- WIIT S.p.A. (WIIT-IT): listed on the Borsa Italiana stock exchange with a market capitalization of €400mn, WIIT-IT 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 FY21, WIIT reached €76mn of sales.

We analyzed the peer companies by considering their average revenue and EBITDA growth and compared them to RLT-IT's historical and expected financials. By looking at 2018–21 revenue growth, the peers' average experienced a CAGR18–21 of +15% while RLT-IT's revenues registered a CAGR18–21 of 31.3%, higher than comparable growth by 16pp. Over the 2021–24 period, RLT-IT's sales are expected to grow at a 45.2% CAGR vs 18.5% average of the peer's average. Looking at EBITDA, RLT-IT registered a CAGR19–21 of 40.7%, outperforming the peers' average by ca. +15.1pp. According to our financial projection, RLT-IT's EBITDA shows an expected 47.2% CAGR21–24, compared with expected growth of the peers' average of +22.5%.

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

Company Name	RePlatform	Sales				CAGR 18-21	Sales			CAGR 21-24
		2018	2019	2020	2021		2022	2023	2024	
Reply S.p.A.	Innovation Services	1,036	1,183	1,250	1,484	12.7%	1,812	2,018	2,250	14.9%
CY4Gate SpA	ReSec	5	7	13	17	48.5%	61	85	93	n.m.
Neosperience SpA	ReYou	9	14	16	18	28.5%	26	32	37	27.2%
SECO S.p.A.	ReThing	54	65	76	112	27.3%	201	251	312	40.6%
Almawave S.p.A.	ReData	16	21	27	33	27.1%	44	56	64	24.6%
WIIT SpA	ReHub	24	34	52	76	46.3%	116	130	141	22.5%
Peers Average		**191**	**221**	**239**	**290**	**15.0%**	**377**	**428**	**483**	**18.5%**
Relatech SpA		**15**	**21**	**26**	**34**	**31.3%**	**76**	**90**	**103**	**45.2%**

Company Name	RePlatform	EBITDA				CAGR 18-21	EBITDA			CAGR 21-24
		2018	2019	2020	2021		2022	2023	2024	
Reply S.p.A.	Innovation Services	130	168	189	245	23.6%	306	337	369	14.6%
CY4Gate SpA	ReSec	-1	3	7	7	n.m.	20	27	30	n.m.
Neosperience SpA	ReYou	2	2	4	6	34.0%	8	10	12	29.7%
SECO S.p.A.	ReThing	8	12	13	15	23.6%	43	59	79	n.m.
Almawave S.p.A.	ReData	3	4	5	7	29.3%	8	11	14	24.2%
WIIT SpA	ReHub	10	12	16	23	32.3%	40	47	53	32.2%
Peers Average		**25**	**33**	**39**	**51**	**25.6%**	**71**	**82**	**93**	**22.5%**
Relatech SpA		**2**	**5**	**6**	**7**	**40.7%**	**14**	**18**	**22**	**47.2%**

Source: FactSet, KT&Partners' elaborations
Note: Historical sales revenues, EBITDA are related to reported data.

We then compared peers' marginalities with RLT-IT's historical and expected margins. The peer sample have a level of marginality that is almost in line with Relatech.

Peers Comparison – EBITDA Margin, EBIT Margin and Net Margin

Company Name	EBITDA Margin						EBIT Margin					Net Margin					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2024
Reply S.p.A.	14.2%	15.1%	16.5%	16.9%	16.7%	16.4%	11.1%	11.7%	13.3%	14.0%	13.9%	9.6%	9.9%	10.2%	9.8%	10.0%	10.0%
CY4Gate SpA	42.9%	52.1%	41.8%	32.0%	32.2%	32.3%	33.7%	39.8%	21.9%	21.7%	23.7%	26.2%	42.0%	30.4%	14.8%	17.6%	18.0%
Neosperience SpA	11.5%	23.3%	30.3%	32.2%	31.9%	32.1%	neg	neg	6.0%	8.2%	13.6%	6.6%	1.6%	3.3%	3.9%	7.9%	10.2%
SECO S.p.A.	17.8%	17.1%	13.3%	21.4%	23.6%	25.3%	13.0%	9.9%	5.1%	14.9%	17.8%	8.0%	5.3%	3.7%	8.3%	10.7%	12.6%
Almawave S.p.A.	19.7%	20.1%	21.9%	17.6%	18.9%	21.7%	9.8%	10.4%	15.5%	11.8%	13.0%	9.6%	5.0%	10.6%	8.1%	8.8%	11.7%
WIIT SpA	35.7%	31.0%	30.3%	34.3%	36.6%	38.1%	15.5%	9.7%	6.7%	20.2%	22.9%	14.8%	3.1%	neg	8.4%	10.9%	12.5%
Peers Average	23.6%	26.5%	25.7%	25.7%	26.6%	26.8%	16.6%	16.3%	11.4%	15.1%	17.5%	12.5%	11.1%	11.6%	8.9%	11.0%	12.5%
Relatech SpA	23.1%	22.9%	20.6%	19.1%	20.3%	21.5%	20.1%	16.1%	11.8%	13.4%	13.4%	11.9%	10.2%	10.9%	7.6%	8.6%	10.5%

Source: FactSet, KT&Partners' elaborations
Note: Historical sales revenues, EBITDA are related to reported data.

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