

Company Note

MID CORPORATE

Labomar

Positive 9M22 Sales Figures

Based on the latest released sales and profitability figures, we see more opportunities than risks on the stock.

Latest released figures

Last week the company said that 9M22 sales amounted to EUR 64.5M vs. EUR 44.6M in 9M21: on a like-for-like basis, 9M22 sales would have amounted to EUR 56.1M (+25.6% yoy). Looking at the latest released profitability results (1H22A), we note that in the first six months of 2022 the group's EBITDA margin increased by 470bps yoy, mainly driven by the better fixed costs absorption, the careful production management and the counter-dilutive impact of the Welcare consolidation. No significant issues emerged below the EBITDA line. Net debt at 30 June increased to EUR 33M vs. EUR 28.2M posted at end-2021, entirely due to the increase in NWC and in particular to the raw materials' stock level aimed at managing the manufacturing activity planned for the second half of the year.

Outlook and estimates

Management confirmed the expectation for a double-digit organic revenue increase for FY22 and for an EBITDA at least in line with the current consensus (approx. EUR 15M, source: Bloomberg), as the cost inflation impact should be at least partially offset by gradual price increases. Based on the announced results we left unchanged our estimates for 2022E-24E. However, in our opinion, management adopted a quite conservative view, as highlighted by the not challenging 2H22E figures implied by our full year forecasts, which are in line with the last released guidance.

Valuation

We believe that this year management's focus will be on the integration of the acquired companies and on the group's gradual EBITDA margin recovery in a still uncertain business environment. Based on the positive 9M sales and 1H profitability figures, we see more opportunities than risks in investing in the stock. Therefore, while reducing our target price to EUR 9.4/share (EUR 10.4/share previously), exclusively to factor in our changed DCF model parameters, we continue to believe that at the current price it is worth accumulating the stock and we reiterate our ADD rating.

27 October 2022: 8:05 CET
Date and time of production

ADD

Target Price: EUR 9.4
(from EUR 10.4)

Italy/Healthcare
Update

EGM (ex-AIM)

Price Performance
(RIC: LBM.MI, BB: LBM IM)



Labomar - Key Data

Price date (market close)	25/10/2022
Target price (EUR)	9.4
Target upside (%)	18.09
Market price (EUR)	7.96
Market cap (EUR M)	147.13
52Wk range (EUR)	12.6/7.4

Price performance %	1M	3M	12M
Absolute	-2.5	-3.9	-35.3
Rel. to FTSE IT All Sh	-8.0	-6.9	-21.4

Y/E Dec (EUR M)	FY21A	FY22E	FY23E
Revenues	65.41	82.94	91.66
EBITDA	10.12	15.02	16.81
EBIT	2.39	8.49	9.61
Net income	8.27	6.11	6.94
EPS (EUR)	0.45	0.33	0.38
Net debt/-cash	28.20	26.46	21.35
Adj P/E (x)	24.5	24.1	21.2
EV/EBITDA (x)	22.8	11.6	10.0
EV/EBIT (x)	96.4	20.4	17.5
Div ord yield (%)	0.9	1.2	1.4

Source: Company data, FactSet and Intesa Sanpaolo Research estimates

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Recent Events

Latest sales figure at 30 September

Last week, the company said that 9M22 sales amounted to EUR 64.5M vs. EUR 44.6M in 9M21: on a like for like basis, 9M22 sales would have amounted to EUR 56.1M (+25.6% yoy). Management highlighted that all the group's companies contributed to the 9M yoy growth: Labomar SpA registered 9M sales of EUR 48.7M (+26.4% yoy), driven by the post pandemic recovery in the sales of probiotics and "cough&cold" products and by the launch of several new solutions dedicated to sleep disorders and gastroenterological illnesses, increasing its share of wallet among major international customers; the Canadian subsidiary ImportFab also reported strong results, having recently developed its first catalogue of ready-to-market solutions made in collaboration with Labomar Spa's R&D; Welcare Group (consolidated since July 2021) significantly benefited from the launch of new devices dedicated to cancer patients while Labiotre (consolidated since December 2021) registered a stable yoy performance.

Labomar - 1H20A-9M22A group sales

EUR M	1H20A	2H20A	FY20A	1H21A	yoy %	9M21A	2H21A	yoy %	FY21A	yoy %	1H22A	yoy %	9M22A	yoy %
Group Sales	33.0	28.1	61.1	30.5	-7.6%	44.6	34.9	14.4%	65.4	7.1%	41.8	37.1%	64.5	44.5%

A:actual; Source: Company data

1H22 results

Looking at the latest released profitability results (1H22A), we note that in the first six months of 2022 the group's EBITDA margin increased by 470bps yoy, mainly driven by the better fixed costs absorption, the careful production management and the counter-dilutive impact of the Welcare consolidation. No significant issues emerged below the EBITDA line.

Net debt at 30 June increased to EUR 33M vs. EUR 28.2M posted at end-2021, entirely due to the increase in NWC and in particular to the raw materials' stock level aimed at managing the manufacturing activity planned for the second half of the year.

Labomar - 1H22 results

EUR M	1H21A	FY21A*	1H22A	1H yoy %	FY22E	FY yoy %	FY22C
Sales	30.5	65.4	41.8	37.1	82.9	26.8	82.8
Value of prod.	31.2	66.5	42.0	34.6	84.3	26.8	84.1
EBITDA	4.5	10.1	8.1	82.0	15.0	48.5	15.0
% on sales	14.6	15.2	19.3	-	17.8	-	17.8
Adj. EBITDA	4.0	10.1	8.1	102.5	15.0	48.5	NA
% on sales	13.1	15.2	19.4	-	17.8	-	-
EBIT	2.4	2.4	4.7	100.7	8.5	254.8	8.2
% on sales	7.7	3.6	11.2	-	10.1	-	9.8
Adj. EBIT	1.9	2.4	4.7	148.3	8.5	254.8	NA
% on sales	6.2	3.6	11.2	-	10.1	-	-
Pre-tax profit	3.6	9.0	4.4	23.2	8.1	-9.5	8.0
Net profit	2.9	8.3	3.1	9.0	6.1	-26.1	6.1

A: actual; E: estimates; C: Bloomberg consensus; Source: Company data and Intesa Sanpaolo Research; *2021 PBT Positively impacted by EUR 5.5M of Labiotre revaluation and the lower ImportFab earnout for EUR 0.5M

Earnings Outlook

Management confirmed its expectation for a double-digit organic revenue increase for FY22 and for an EBITDA at least in line with the current consensus (approx. EUR 15M, source: Bloomberg), as the cost inflation impact should be at least partially offset by gradual price increases.

Based on the announced results, we left unchanged our estimates for 2022E-24E. We highlight however, that in our opinion, management adopted a quite conservative view, as highlighted by the 2H22E figures implied by our full year forecasts, which are in line with the last released guidance.

Labomar – 2H22E estimates

EUR M	1H20A	2H20	FY20A	1H21A	2H21A	FY21A	1H22A	yoy %	2H22E	yoy %	FY22E
Sales	33.0	28.1	61.1	30.5	34.9	65.4	41.8	37.0	41.1	17.9	82.9
EBITDA	7.8	3.6	11.3	4.5	5.6	10.1	8.1	82.0	6.9	22.5	15.0
% on sales	23.5	12.7	18.4	14.6	16.2	15.4	19.4	-	16.8		18.1
Adj. EBITDA	7.8	4.5	12.3	4.0	6.1	10.1	8.1	102.5	6.9	13.5	15.0
% on sales	23.5	16.2	20.0	13.1	17.5	15.4	19.4	-	16.8		18.1
EBIT	5.6	1.7	7.3	2.4	0.0	2.4	4.7	100.7	3.8	NM	8.5
% on sales	16.9	6.1	11.8	7.7	0.1	3.7	11.3	-	9.2		10.2
Adj. EBIT	5.6	2.7	8.3	1.9	0.5	2.4	4.7	148.3	3.8	NM	8.5
% on sales	16.9	9.5	13.4	6.2	1.4	3.7	11.3	-	9.2		10.2
Pre-tax profit	4.9	2.0	6.9	3.6	5.4	9.0	4.7	31.0	3.4	NM	8.1
Net profit	3.6	2.5	6.1	2.9	5.4	8.3	3.1	9.0	3.0	NM	6.1

NM: not meaningful; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

Valuation

We value Labomar using a DCF approach with a peers' multiples comparison as a cross-check. In our view, a DCF methodology should allow us to capture, at least in part, the value of the company's production value growth potential over the next few years. By contrast, a peers' multiples analysis should return a more market-related and short-term view of the company's value.

DCF valuation

Our DCF model is based on the following key assumptions:

- A 6.88% WACC (6.43% previously), incorporating a risk-free rate of 3.00% (1.75% previously), an equity risk premium of 6.5% (6.25% prev.), a beta of 0.833x (0.975x previously, source: Bloomberg) and a target gearing ratio (D/D+E) at 20% (unchanged);
- A perpetuity growth rate at 1.0% (unchanged), reflecting on the one hand the long-term growth trend for Labomar's services and manufactured products and, on the other hand, the limited earnings visibility and the discretionary nature of part of the vitamin and dietary supplements consumption.

Our DCF would suggest a Labomar fair value of EUR 9.4/share (EUR 10.4/share previously).

Labomar – DCF valuation

EUR M	
PV of FOpCF 22-26	37
Perpetual growth rate %	1.0
Terminal Value	230
PV of terminal value	167
Enterprise Value	205
Net Debt (+)/Cash(-) 2021 A	28.2
Employee termination indemnities	2.6
Equity Value	174
Minorities	0.0
Group equity value	174
No. of shares (M)	18.5
Fair value (EUR)	9.4

Source: Intesa Sanpaolo Research estimates

Peers' multiples

Multiples comparison

We believe that a market multiples' analysis is a useful instrument to cross-check our DCF valuation. However, we highlight the difficulty in finding perfect comparables as they differ in terms of size, country, reference markets, business models, stock market listings and operating profitability. We select our peers' sample including a certain number of companies all providing manufacturing and/or product development services to the pharmaceutical and nutraceutical industry. In the table below, we report the 2022-24 EV/EBITDA, EV/EBIT and P/E multiples and the operating profitability of Labomar's peers included in our sample.

Peers' sample market multiples (2022E-24E)

x	Price	Mkt Cap (M) Loc.Ccy	Currency	EV/EBITDA			EV/EBIT			P/E		
				2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
Dermapharm	39.5	2125	EUR	7.1	8.4	8.4	8.5	10.2	9.9	10.2	11.7	11.6
Catalent	72.1	12970	USD	12.9	12.4	10.6	16.3	15.7	13.5	18.7	19.0	15.8
ICON	194.5	15880	USD	13.5	11.7	10.0	14.5	12.6	10.8	16.5	14.7	12.7
Siegfried	603.5	2675	CHF	10.8	10.5	9.3	15.5	15.9	13.5	18.3	16.8	15.1
LANXESS	34.5	2976	EUR	7.2	5.9	5.2	16.0	13.9	10.6	9.2	10.9	9.1
Bachem Holding	74.8	5517	CHF	32.5	27.8	23.9	40.2	34.9	30.1	50.5	41.1	34.6
Laboratorios Rovi	45.1	2435	EUR	9.2	9.1	7.5	10.1	10.2	8.4	13.4	13.5	12.2
Boiron SA	44.9	788	EUR	5.0	4.3	3.7	6.9	5.9	4.9	15.7	14.9	13.6
Fine Foods	7.8	198	EUR	13.7	8.3	6.3	87.1	19.9	12.2	-37.8	21.9	14.4
Probi AB	219.5	2501	SEK	12.7	11.1	9.9	23.2	18.9	17.3	33.8	28.7	28.3
BioGaia	84.3	8510	SEK	18.6	17.0	15.1	19.9	17.9	16.1	27.7	28.6	26.3
PharmaNutra	65.6	635	EUR	28.4	23.8	21.0	29.9	25.8	23.1	42.8	37.7	33.8
Labomar*	7.8	144.5	EUR	11.6	10.0	8.5	20.4	17.5	14.4	23.7	20.8	17.7
Median (ex-LBM)				12.8	10.8	9.6	16.1	15.8	12.8	17.4	17.9	14.8
LBM pr.(+)/disc.(-)%				-9.7	-7.4	-11.4	26.6	11.0	12.1	36.1	16.3	20.0

Priced at market close of 24/10/22; Source: FactSet and *Intesa Sanpaolo Research estimates

Peers' sample: EBITDA and EBIT margin (2022E-24E)

%	EBITDA margin			EBIT margin		
	2022E	2023E	2024E	2022E	2023E	2024E
Dermapharm Holding SE	35.0	28.7	28.3	29.1	23.7	23.9
Catalent Inc	26.7	26.5	27.5	21.1	20.8	21.7
ICON Plc	18.9	19.6	20.0	17.5	18.2	18.4
Siegfried Holding AG	22.1	21.5	22.0	15.3	14.3	15.2
LANXESS AG	12.1	12.0	12.9	5.4	5.1	6.3
Bachem Holding AG Class B	30.9	31.5	31.1	24.9	25.0	24.6
Laboratorios Farmaceuticos Rovi, S.A.	31.2	30.0	31.5	28.3	26.8	28.3
Boiron SA	18.6	19.2	19.6	13.4	14.0	14.9
Fine Foods	8.0	11.2	12.8	1.3	4.7	6.6
Probi AB	26.6	26.8	26.1	14.6	15.7	14.9
BioGaia AB Class B	34.9	33.7	33.5	32.6	31.9	31.4
PharmaNutra S.p.A.	26.9	27.4	27.4	25.6	25.3	24.9
Labomar*	17.8	18.0	18.3	10.1	10.3	10.9
Median (ex-Labomar)	26.7	26.7	26.7	19.3	19.5	20.1

Data as at 24/10/22; Source: FactSet and *Intesa Sanpaolo Research estimates

An analysis of Labomar's peers market multiples shows a mixed picture: at the current price, the stock trades at a discount on the EV/EBITDA 2022E-24E peers' sample median and at a premium on EV/EBIT and P/E multiples partly due to the acquisition impact. While for comparison purposes, we prefer to look at EV/EBITDA multiples, which better reflect the group's operating performance and its cash generation, we think that a discount to peers would be justified considering Labomar's lower size and EBITDA margin.

Conclusions

We believe that the stock should be valued using a DCF methodology with the peers' multiples as a cross check. In evaluating the stock, we would point out that:

- The stock liquidity is still quite low, as the free float amounts to 15.8% of the total share capital for a market value at the current price of approx. EUR 30M;
- The company has a small size compared to its peers;
- In 2021, Labomar continued to build its M&A track record with the Welcare and Labiotre acquisitions, showing the ability to acquire profitable companies at reasonable multiples;
- Through its shareholdings in Project Zero (5.56%) and in Labomar Next (51%), the company has entered the vertical farm industry with a project for the cultivation of medicinal plants, which is gaining momentum and is aimed at developing new nutraceutical active ingredients, new functional dressings (superfoods) and at possibly cultivating medical cannabis.

We believe that this year management's focus will be on the integration of the acquired companies and on the group's gradual EBITDA margin recovery in a still uncertain business environment. Based on the positive 9M sales and first half profitability figures, we would not exclude that our current 2022E forecasts, which are in line with the company's guidance could prove to be conservative. Therefore, while reducing our target price **to EUR 9.4/share** (EUR 10.4/share previously), exclusively due to the changed DCF model parameters, we believe that at the current price it is worth accumulating the stock and we reiterate **our ADD rating**.

New EUR 9.4/share TP; ADD rating confirmed

Labomar – Key Data

Rating ADD	Target price (EUR/sh) Ord 9.4		Mkt price (EUR/sh) Ord 7.96			Sector Healthcare
Values per share (EUR)	2019A	2020A	2021A	2022E	2023E	2024E
No. ordinary shares (M)	14.15	18.48	18.48	18.48	18.48	18.48
Total no. of shares (M)	14.15	18.48	18.48	18.48	18.48	18.48
Market cap (EUR M)	NA	125.05	202.45	147.13	147.13	147.13
Adj. EPS	0.32	0.39	0.45	0.33	0.38	0.44
BVPS	0.70	2.1	2.4	2.6	2.9	3.2
Dividend ord	0.10	0.11	0.10	0.10	0.11	0.13
Income statement (EUR M)	2019A	2020A	2021A	2022E	2023E	2024E
Revenues	48.34	61.06	65.41	82.94	91.66	101.7
EBITDA	9.10	11.33	10.12	15.02	16.81	18.96
EBIT	5.82	7.28	2.39	8.49	9.61	11.22
Pre-tax income	5.56	6.90	8.99	8.14	9.26	10.87
Net income	4.15	6.10	8.27	6.11	6.94	8.15
Adj. net income	4.57	7.13	8.27	6.11	6.94	8.15
Cash flow (EUR M)	2019A	2020A	2021A	2022E	2023E	2024E
Net income before minorities	4.1	6.1	8.3	6.1	6.9	8.2
Depreciation and provisions	3.3	4.0	7.7	6.5	7.2	7.7
Others/Uses of funds	-18.6	-0.9	-28.8	0	0	0
Change in working capital	-1.7	-1.7	-0.0	-1.7	-0.8	-0.6
Operating cash flow	-12.9	7.6	-19.2	11.0	13.3	15.3
Capital expenditure	-3.8	-5.7	-3.3	-7.1	-6.1	-5.6
Financial investments	0	0	0	0	0	0
Acquisitions and disposals	0	0	0	0	0	0
Free cash flow	-16.7	1.8	-22.5	3.9	7.2	9.6
Dividends	1.2	1.4	2.0	1.8	1.8	2.1
Equity changes & Non-op items	0	25.0	0	0	0	0
Net cash flow	-15.5	28.2	-20.5	5.7	9.1	11.7
Balance sheet (EUR M)	2019A	2020A	2021A	2022E	2023E	2024E
Net capital employed	38.6	41.7	58.1	60.7	60.7	59.5
of which associates	0	0	0	0	0	0
Net debt/-cash	28.7	3.4	28.2	26.5	21.4	14.1
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net equity	9.9	38.2	44.5	48.8	53.9	60.0
Minorities value	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise value	NA	128.5	230.7	173.6	168.5	161.3
Stock market ratios (x)	2019A	2020A	2021A	2022E	2023E	2024E
Adj. P/E	NA	17.6	24.5	24.1	21.2	18.0
P/CFPS	NA	12.6	21.7	11.9	10.6	9.4
P/BVPS	NA	3.3	4.5	3.0	2.7	2.5
Payout (%)	29	22	24	30	26	26
Dividend yield (% ord)	NA	1.6	0.9	1.2	1.4	1.7
FCF yield (%)	NA	1.3	-11.3	2.4	4.7	6.3
EV/sales	NA	2.1	3.5	2.1	1.8	1.6
EV/EBITDA	NA	11.3	22.8	11.6	10.0	8.5
EV/EBIT	NA	17.6	96.4	20.4	17.5	14.4
EV/CE	NA	3.1	4.0	2.9	2.8	2.7
D/EBITDA	3.2	0.30	2.8	1.8	1.3	0.75
D/EBIT	4.9	0.47	11.8	3.1	2.2	1.3
Profitability & financial ratios (%)	2019A	2020A	2021A	2022E	2023E	2024E
EBITDA margin	18.8	18.6	15.5	18.1	18.3	18.6
EBIT margin	12.0	11.9	3.7	10.2	10.5	11.0
Tax rate	25.5	11.6	8.1	25.0	25.0	25.0
Net income margin	8.6	10.0	12.6	7.4	7.6	8.0
ROCE	15.1	17.5	4.1	14.0	15.8	18.8
ROE	48.0	25.4	20.0	13.1	13.5	14.3
Interest cover	-24.2	-30.3	10.7	-24.3	-27.5	-32.1
Debt/equity ratio	289.2	8.9	63.3	54.2	39.6	23.6
Growth (%)		2020A	2021A	2022E	2023E	2024E
Sales		26.3	7.1	26.8	10.5	10.9
EBITDA		24.6	-10.7	48.5	11.9	12.8
EBIT		25.1	-67.1	NM	13.1	16.8
Pre-tax income		24.0	30.4	-9.5	13.7	17.4
Net income		47.1	35.5	-26.1	13.7	17.4
Adj. net income		56.0	16.0	-26.1	13.7	17.4

NM: not meaningful; NA: not available; Neg.: negative; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

Company Snapshot

Company Description

Labomar group is a CDMO (Contract Development and Manufacturing Organisation) of nutraceutical and pharmaceutical products with a 2019 consolidated pro-forma VoP of EUR 57.4M and an adjusted pro-forma EBITDA margin of 21.2%.

Key Risks

Company specific risks:

- Short-term visibility on production volumes
- Low stock liquidity and market float
- Still too focused on the domestic market despite a growing internationalization trend

Sector generic risks:

- Potential changes in consumer trends and needs
- Possible changes in the regulatory framework
- New lockdown measures

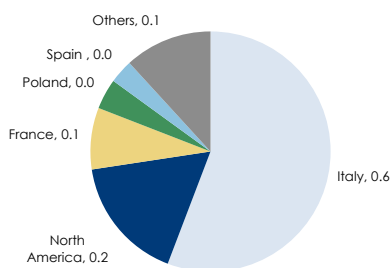
Key data

Mkt price (EUR)	7.96	Free float (%)	15.8
No. of shares	18.48	Major shr	LBM Holding
52Wk range (EUR)	12.6/7.4	(%)	67.3
Reuters	LBM.MI	Bloomberg	LBM IM
Performance (%)	Absolute		Rel. FTSE IT All Sh
-1M	-2.5	-1M	-8.0
-3M	-3.9	-3M	-6.9
-12M	-35.3	-12M	-21.4

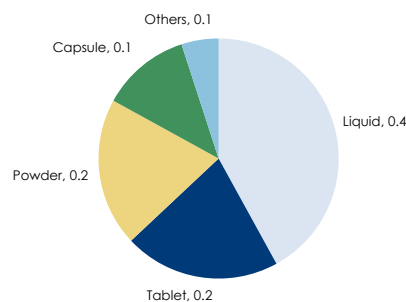
Estimates vs. consensus

EUR M (Y/E Dec)	2021A	2022E	2022C	2023E	2023C	2024E	2024C
Sales	65.41	82.94	84.10	91.66	91.50	101.7	98.50
EBITDA	10.12	15.02	14.90	16.81	17.10	18.96	20.00
EBIT	2.39	8.49	8.00	9.61	9.20	11.22	11.70
Pre-tax income	8.99	8.14	7.50	9.26	8.70	10.87	11.10
Net income	8.27	6.11	5.80	6.94	6.70	8.15	8.60
EPS (€)	0.45	0.33	0.31	0.38	0.36	0.44	0.46

Sales breakdown by geography (%)



Sales breakdown by dosage form (%)



Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 25/10/2022)

Our Mid Corporate Definition

Italy is characterised by a large number of non-listed and listed micro, small and medium-sized companies. Looking at the revenues of these Italian companies, around 5,000 companies eligible for listing have revenues below EUR 1,500M based on Intesa Sanpaolo elaborations. We define these companies as 'Mid Corporate'. Looking more specifically at Italian listed companies, we include in our Mid Corporate segment all STAR companies and those with a market capitalisation below EUR 1Bn.

Disclaimer

Analyst certification

The financial analyst who prepared this report, and whose name and role appear on the first page, certifies that:

1. The views expressed on the company mentioned herein accurately reflect independent, fair and balanced personal views; 2. No direct or indirect compensation has been or will be received in exchange for any views expressed.

Specific disclosures

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Equity rating key: (long-term horizon: 12M)

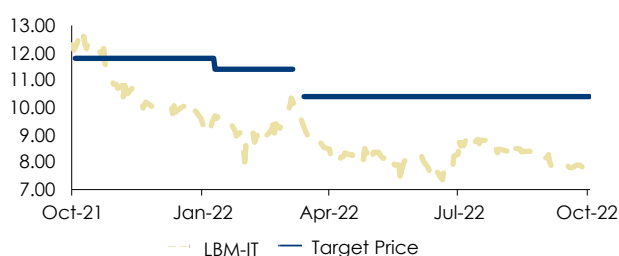
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Equity Rating Key (long-term horizon: 12M)

Long-term rating	Definition
BUY	If the target price is 20% higher than the market price
ADD	If the target price is 10%-20% higher than the market price
HOLD	If the target price is 10% below or 10% above the market price
REDUCE	If the target price is 10%-20% lower than the market price
SELL	If the target price is 20% lower than the market price
RATING SUSPENDED	The investment rating and target price for this stock have been suspended as there is not a sufficient fundamental basis for determining an investment rating or target. The previous investment rating and target price, if any, are no longer in effect for this stock.
NO RATING	The company is or may be covered by the Research Department but no rating or target price is assigned either voluntarily or to comply with applicable regulations and/or firm policies in certain circumstances.
TENDER SHARES	We advise investors to tender the shares to the offer.
TARGET PRICE	The market price that the analyst believes the share may reach within a one-year time horizon
MARKET PRICE	Closing price on the day before the issue date of the report, as indicated on the first page, except where otherwise indicated

Historical recommendations and target price trends (long-term horizon: 12M)

The 12M rating and target price history chart(s) for the companies currently under our coverage can also be found at Intesa Sanpaolo's website/Research/Regulatory disclosures: <https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/tp-and-rating-history-12-months->. Note: please also refer to <https://group.intesasanpaolo.com/it/research/equity-credit-research/equity> in applicable cases for the ISP-UBI Equity Ratings Reconciliation Table, the archive of ex-UBI's previously published research reports and 12M historical recommendations.

Target price and market price trend (-1Y)**Historical recommendations and target price trend (-1Y)**

Date	Rating	TP (EUR)	Mkt Price (EUR)
07-Apr-22	ADD	10.4	9.3
31-Mar-22	ADD	Under Review	10.1
03-Feb-22	ADD	11.4	9.7
27-Oct-21	HOLD	11.8	12.2

Equity rating allocations (long-term horizon: 12M)**Intesa Sanpaolo Research Rating Distribution (at October 2022)**

Number of companies considered: 127	BUY	ADD	HOLD	REDUCE	SELL
Total Equity Research Coverage relating to last rating (%)*	65	18	17	0	0
of which Intesa Sanpaolo's Clients (%)**	83	39	55	0	0

* Last rating refers to rating as at end of the previous quarter; ** Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and investment banking services in the last 12 months; percentage of clients in each rating category

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Equity rating key (short-term horizon: 3M)

Short-term rating	Definition
LONG	Stock price expected to rise or outperform within three months from the time the rating was assigned due to a specific catalyst or event
SHORT	Stock price expected to fall or underperform within three months from the time the rating was assigned due to a specific catalyst or event

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