



# IR Top RESEARCH

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*Advisory per la quotazione delle PMI in Borsa e  
Strategie di Investor Relations*

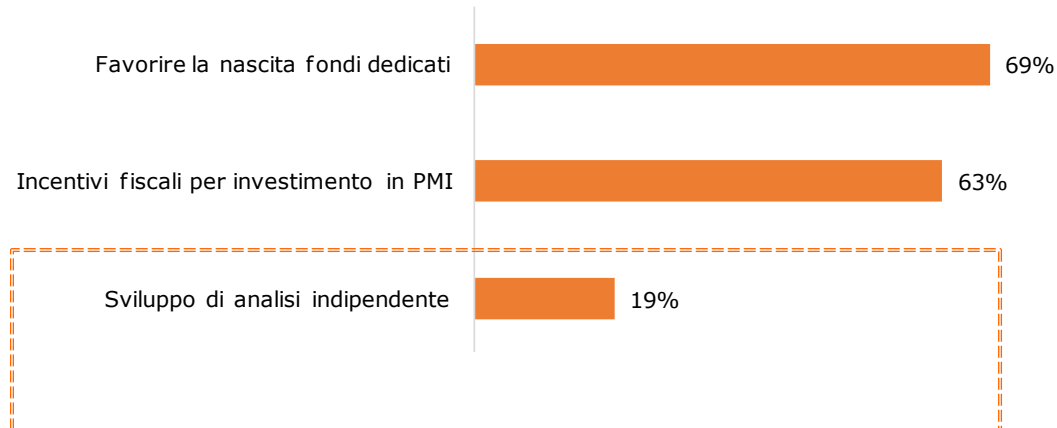


Nell'ambito dell'Osservatorio AIM Italia, l'Ufficio Studi IR TOP ha condotto nel 2016 una **Survey sul mercato AIM** che ha coinvolto i seguenti attori:

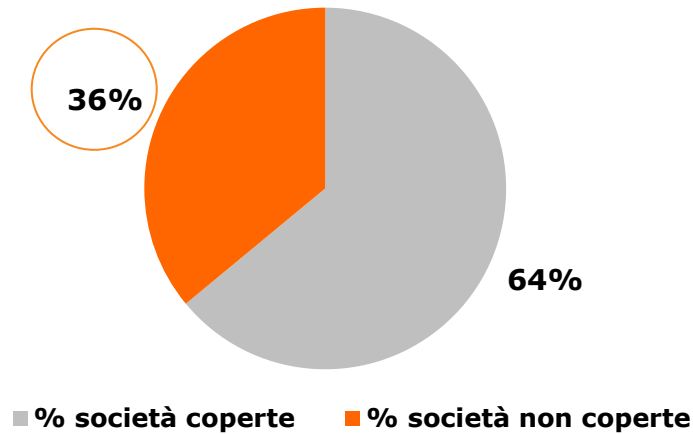
- 1) **Corporate (Amministratori Delegati)**
- 2) **Nomad e Advisor (Responsabili ECM)**
- 3) **Investitori Istituzionali (Portfolio Manager)**

La finalità della indagine svolta è la stima del più probabile "sentiment di mercato"; l'indagine è da considerarsi rappresentativa dell'intero mercato AIM.

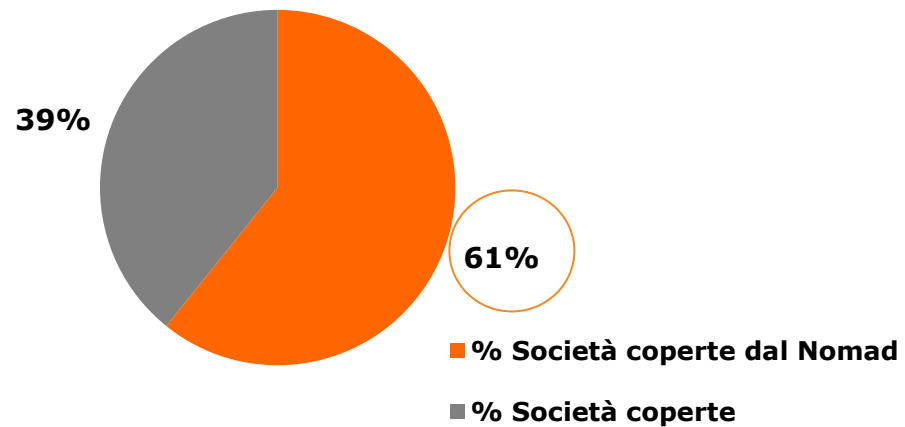
### 3 PROPOSTE CORRETTIVE DEL MERCATO AIM da parte degli Investitori



**29 società AIM Italia su 80 non presenta copertura (36%)**



**31 società sulle 51 società coperte ha la copertura del NOMAD/SPECIALIST (61%)**



**L'impatto degli Equity Research sui prezzi delle Small Cap in Italia** - Studio di Consob (2013) analizza la reazione del mercato alla pubblicazione di studi di equity research:

1.167 studi elaborati - 26 analisti - 37 società small cap sul MTA

- gli studi relativi alle small cap hanno un valore informativo per il mercato (correlazione statistica tra pubblicazione e andamento del titolo)
- Il report sottolinea **la rilevanza del contributo degli studi degli analisti finanziari**, al fine di **limitare le asimmetrie informative** che caratterizzano soprattutto le società di dimensioni più limitate





## IR Top RESEARCH

- 1. Analisi di mercato primario (IPO)**
- 2. Analisi di mercato secondario – Ricerca Indipendente**
- 3. Valutazioni di società private**

# OsservatorioAIM



## FOPE

A rare opportunity in the Italian hard luxury market

FIRST COVERAGE

2016 FY Results – July, 18<sup>th</sup> 2017 7:00 p.m.

Luxury

IR TOP RESEARCH  
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## LA PECULIRITA':

### «AIM POSITIONING»

- DECRIZIONE DEL MERCATO AIM
- ANALISI DEL SETTORE AIM DI APPARTINENZA E POSIZIONAMENTO
- AGGIORNAMENTO PERIODICO

Target Price (Eu)	5.40
Market Price (Eu)	3.83
Capitalisation (Eu m)	18
Enterprise Value (Eu m)	20

(as of 17 July 2017)

#### COMPANY DESCRIPTION

FOPE, founded in 1929 in Vicenza, produces high end jewellery with its own brand. The company is known for its characteristic design and has patented the "roll on" elastic gold mesh chain (Flex fit). The core business includes all the phases of productive cycles, from in house creation (concept, design realization of prototype) to in house production (final assembly) and delivery. It is a global company with around 80% of sales abroad. Germany, UK and USA are the most important markets with 20% of sales each.

#### MARKET AND STRATEGY

Luxury jewellery market was worth about 16 Eu b in 2016 and is expected to grow by 5% in 2017. Main sources of demand are: "made in", demand of branded products versus non branded products, tourism and emerging markets.

FOPE will consolidate its position on international markets through:

- focus on the main markets (America - UK - Germany)
- value proposition (best customer loyalty)
- brand awareness

#### AIM POSITIONING

Compared to average AIM "Fashion & Luxury" Sector, FOPE shows:

- higher Sales growth rates and higher EBITDA margin
- higher NFP/EBITDA ratio, but with lower level of indebtedness in absolute term
- lower capitalisation and liquidity

Performance from IPO is positive and above average.

#### 2016 FY RESULTS

Sales grew by +10.3% to 23.1 Eu m; 80% abroad (USA +15.4%; Germany +12%; UK +9.7%).

Italian market grew by +8%, ahead of expectations, due to a very good performance of the new monobrand shop in Venice.

Operating profitability came to 2.3 Eu m, up 15.7%. NFP improved from 4.4 Eu m to 2.1 Eu m because of capital increase in IPO (2.2 Eu m).

The management is positive for 2017 and expects "an increase in sales and a positive economic result".

#### 2017-2019 ESTIMATES

Sales CAGR +10% based on:

- jewellery market growth of 5% (Bain/Altgamma estimates)
- specific marketing initiatives (Shop-in-Shop projects, important exhibitions and e-commerce)

EBITDA CAGR +15% based on increase in volumes

#### VALUATION

We set a 5.40 Eu p.s. target price, derived from a relative valuation using the EV/EBITDA multiple discounted by 27.5% to peers as of AIM Positioning (5.18 Eu p.s.) and a DCF model (5.62 Eu p.s., wacc 9.2%, g 2%).

#### AIM Positioning

2014 FY (Eu m)	Company	AIM Sector*	AIM Italia
Sales	23	37	37
Sales YoY	+10%	-4%	+17%
EBITDA Margin	10%	2%	16%
NFP (Cash)	2.1	3.7	8.7
NFP/EBITDA	0.9	0.1	3.2
Market Data (Eu m)	Company	AIM Sector*	AIM Italia
Capitalisation	18	30	49
Perf. from IPO	+32%	-1%	+0.1%
Free Float	17%	21%	29%
ADTT YTD (Eu)	17,945	35,993	104,978

Source: Osservatorio AIM Italia - \* Fashion & Luxury

#### Results & Estimates

Key Figures (Eu m)	15A	14A	17E	18E	19E
Sales	20.9	23.1	25.4	27.9	30.7
YoY growth	+15%	+10%	+10%	+10%	+10%
EBITDA	2.0	2.3	2.6	3.0	3.5
EBITDA%	9.4%	9.8%	10.3%	10.9%	11.4%
EBIT	1.4	1.6	1.8	2.1	2.6
EBIT%	6.8%	6.8%	7.1%	7.4%	8.4%
Net Profit	1.0	1.1	1.2	1.4	1.7
NFP (Cash)	4.4	2.1	2.5	2.9	2.5
EPS	0.22	0.23	0.26	0.30	0.37

Source: Company Data and IR Top Estimates

#### Peers Comparison

EV/EBITDA (x)	17E	18E	19E
FOPE	8.0	7.4	6.2
Luxury Peers	13.6	12.2	11.0
Discount/Premium to Luxury Peers	-41%	-39%	-44%

#### F/E (x)

	17E	18E	19E
FOPE	14.8	13.3	11.9
Luxury Peers	25.5	22.9	20.8
Discount/Premium to Luxury Peers	-42%	-42%	-43%

Source: IR Top Estimate for FOPE and Factset data for comparables

#### Performance

	1M	3M	1Y
Absolute	-11.9%	-6.3%	n.a.
Relative (FTSE AIM Italia)	-10.6%	-14.8%	n.a.
52-week High/Low	4.70 / 2.98		

Source: Factset data



## Osservatorio Green Economy on Equity Capital Markets

### LA PECULIRITA':

#### «AIM POSITIONING»

- DECRIZIONE DELLA «GREEN ECONOMY» QUOTATA IN ITALIA
- ANALISI DEI SETTORI DELLA GREEN ECONOMY E POSIZIONAMENTO
- AGGIORNAMENTO PERIODICO



### ELETTRA INVESTIMENTI From power generation to IoT

Target Price (Eu)	9.74
Market Price (Eu)	7.63
Market Cap (Eu m)	29
Enterprise Value (Eu m) <i>(as of July 17<sup>th</sup>, 2017)</i>	44

#### COMPANY DESCRIPTION

ELETTRA INVESTIMENTI is a leading Italian company active in the energy sector and, in particular:

- energy generation (43% of 2016 pro-forma sales) through cogeneration and trigeneration plants fuelled by natural gas or biomass/bio liquids;
- energy efficiency services (30%) by providing technological solutions to companies in order to save energy (white certificates market);
- trading raw materials (10%) for their or third party oil plants;
- O&M (3%), EPC and sale of PV plants (2%) and other revenues (4%);
- recent acquisitions in the IoT business.

#### MARKET AND STRATEGY

- Reference markets: distributed generation, energy efficiency, IoT and renewables. In particular, the expected investments in Italy in the IoT and energy intelligence are estimated to reach 3 billion by 2020 (Source: Energy & Strategy Group, Politecnico di Milano), also thanks to the Decree named Piano Nazionale Industria 4.0.
- Internal growth: (i) build new plants in Italy; (ii) develop IoT and energy efficiency interventions as services integrator, to reach new clients and new markets (in particular, industrial and residential segments), even abroad (France).
- External growth: acquisition of (i) cogeneration plants and (ii) renewable energy plants.

#### AIM POSITIONING

Compared to average AIM "Energy & Renewables" Sector, ELETTRA INVESTIMENTI shows:

- higher sales growth rate but lower EBITDA margin;
- much better financial position;
- better performance from IPO.

#### 2016 FY RESULTS

- Pro-forma sales grew by 60.7% to 48.6 Eu m, after Tholos acquisition (like-for-like growth +6.0%);
- EBITDA doubled to 7.1 Eu m;
- Net profit almost tripled to 2.4 Eu m;
- NFP went from -4.8 Eu m (cash) to 2.1 Eu m (net financial debt) due to the acquisition of Tholos.

#### 2017-2019 ESTIMATES

For 2017 management estimates 45.2 Eu m sales and 17.8% EBITDA margin; net profit should grow by 7.1% to 2.6 Eu m and net financial debt should decrease to 1.5 Eu m at the end of the year. We confirm these targets.

For 2018 and 2019 we assume: (i) sales CAGR of 6.8% based on the 200 Eu m order backlog (51% to be delivered in 2017-2020), capex in the co/trigeneration area and IoT; (ii) EBITDA CAGR of 13.3% thanks to high-margin TEEs in portfolio and better product mix with higher weight of IoT business.

#### VALUATION

We set a target price of 9.74 Eu obtained by applying 2 different approaches, equally weighted:

- 2017 EV/EBITDA and P/E multiples comparison with a 28.5% discount to peers as of AIM positioning (8.61 Eu);
- DCF model (10.87 Eu with WACC=9.4% and g=2%).

FIRST COVERAGE  
2016 FY Results – July 18<sup>th</sup>, 2017 7:00 p.m.

Renewable energy/Energy efficiency

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#### AIM Positioning

2016 FY	Company	AIM Sector*	AIM Italia
Sales (Eu m)	49	38	37
Sales YOY	61%	21%	17%
EBITDA Margin	15%	22%	16%
NFP (Cash)	2.1	27.6	8.7
NFP/EBITDA	0.3	14.6	3.2
Market Data	Company	AIM Sector*	AIM Italia
Market Cap (Eu m)	29	35	49
Perf. from IPO	27%	-23%	0.1%
Free Float %	15%	21%	29%
ADTT YTD (Eu)	27,632	53,739	104,978

\* Energy & Renewables.  
Source: Osservatorio AIM Italia 2017 and Factset data.

#### Results & Estimates

Key Figures (Eu m)	15A	16A	17E	18E	19E
Sales	30.3	48.6	45.2	47.9	51.5
YoY growth	9.7%	60.7%	-7.0%	6.0%	7.5%
EBITDA	3.4	7.1	8.1	10.2	10.8
EBITDA %	11.3%	14.6%	18.0%	21.3%	21.0%
EBIT	1.7	4.3	5.1	7.0	7.0
EBIT %	5.8%	8.8%	11.4%	14.6%	13.5%
Total net profit	0.8	2.4	2.7	3.4	3.5
NFP (Cash)	-4.8	2.1	1.5	0.9	1.5
EPS	0.22	0.66	0.70	0.90	0.91

Source: company data (pro-forma for FY 2014) and IR Top estimates.

#### Peers Comparison

EV/EBITDA (x)	17E	18E	19E
ELETTRA INVESTIMENTI	3.7	3.0	2.8
Mid and Small Cap peers median	6.9	7.0	6.3
Discount/Premium	-46%	-58%	-55%

#### P/E (x)

	17E	18E	19E
ELETTRA INVESTIMENTI	10.9	8.5	8.4
Mid and Small Cap peers median	15.5	19.0	16.6
Discount/Premium	-30%	-55%	-50%

Source: IR Top estimates for ELETTRA INVESTIMENTI and Factset data for comparables.

#### Performance

	1M	3M	1Y
Absolute	9.2%	22.0%	94.6%
Relative (FTSE AIM)	9.9%	10.9%	53.1%

52-week High/Low	€ 8.15	/	€ 3.49
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Source: Factset data.

## ALGORITMO

### A) QUANTITATIVE ITEMS

#### **1 MARKET DATA**

Captializzazione  
Liquidita'  
Flottante

#### **2 FINANCIALS**

Crescita ricavi  
EBITDA Margin  
Politica Dividendi

### B) QUALITATIVE ITEMS

#### **3 SOSTENIBILITA' (ESG)**

Consiglieri indipendenti  
Voto di lista  
Dati ambientali rilevanti  
Dati sociali rilevanti

#### **4 TRASPARENZA**

Strategic Plan

20-30%

+/- 5%



## BENEFICI:

- ✓ Permettere la costruzione di un «**consensus**»
- ✓ Migliorare la conoscenza dell'**Equity Story** delle società AIM sul target Investitori
- ✓ Attrarre **investitori istituzionali esteri**
- ✓ Migliorare la **liquidità** del titolo
- ✓ Valorizzare le società sul mercato **retail**



## **OSSERVATORIO AIM ITALIA**

### **Impatto dei PIR, analisi indipendente AIM**

Mercoledì 19 Luglio 2017 - ore 11.30  
Palazzo Mezzanotte, Piazza degli Affari 6 - Milano

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PARTNER TECNICO

**AIMnews.it**

RSVP

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**Invito riservato a Investitori e Stampa.**

Iscrizione obbligatoria ai fini dell'ingresso.

IR Top invierà il codice di accesso.

#### **OSSERVATORIO AIM ITALIA**

Anna Lambiase, IR Top Consulting - *Amministratore Delegato*  
Luisa Primi, IR Top Research – *Senior Analyst*

#### **L'IMPORTANZA DELLA RICERCA INDIPENDENTE SU AIM ITALIA**

*Tavola Rotonda gestori PIR*

Andrea Buragina, Mediolanum Gestione Fondi SGR  
Gian Paolo Rivano, Amaranto Investment SIM

#### **Con la partecipazione di**

Luca Tavano, Borsa Italiana *Primary Markets*  
Luca Filippa, FTSE Russell - *Managing Director Southern Europe*

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