

Fine Foods

Sponsored Research

Italy | Healthcare

Investment Research



Company Update

Buy

Recommendation unchanged

Share price: EUR 12.10

closing price as of 06/04/2021

Target price: EUR 15.00

from Target Price: EUR 14.00

Upside/Downside Potential 24.0%

Reuters/Bloomberg

FF.MI/FF IM

Market capitalisation (EURm) 285

Current N° of shares (m) 24

Free float 48%

Daily avg. no. trad. sh. 12 mth (k) 8

Daily avg. trad. vol. 12 mth (k) 161.95

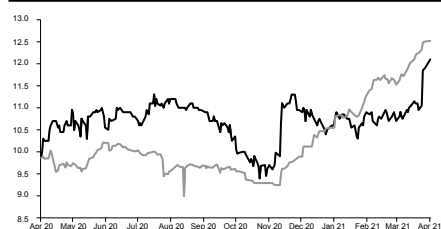
Price high/low 12 months 12.10 / 9.40

Abs Perfs 1/3/12 mths (%) 13.08/14.69/22.72

Key financials (EUR)	12/20	12/21e	12/22e
Sales (m)	172	210	236
EBITDA (m)	21	30	35
EBITDA margin	12.3%	14.4%	15.0%
EBIT (m)	9	16	20
EBIT margin	5.5%	7.8%	8.6%
Net Profit (adj.)(m)	9	12	15
ROCE	6.9%	10.2%	12.5%
Net debt/(cash) (m)	(43)	(49)	(60)
Net Debt Equity	-0.3	-0.3	-0.4
Net Debt/EBITDA	-2.0	-1.6	-1.7
Int. cover(EBITDA/Fin.int)	(2.9)	46.5	54.4
EV/Sales	1.2	1.1	1.0
EV/EBITDA	9.8	7.9	6.4
EV/EBITDA (adj.)	9.3	7.9	6.4
EV/EBIT	21.9	14.6	11.2
P/E (adj.)	18.4	23.3	18.6
P/BV	1.8	1.9	1.8
OpFCF yield	10.4%	-0.1%	5.7%
Dividend yield	1.2%	1.3%	1.4%
EPS (adj.)	0.57	0.52	0.65
BVPS	5.98	6.36	6.86
DPS	0.14	0.15	0.17

Shareholders

Marco Eigenmann 52%;



Source: FactSet

FINE FOODS FTSE AIM Italia (Rebased)

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Reason: Company results (post view)

7 April 2021

Robust H2 20 growth fully offset Covid-19 emergency effects

Fine Foods recorded high single-digit sales and profitability growth despite the strong impact of the Covid-19 pandemic on the business activity. H1 20 results were heavily affected by the first wave of Covid-19. On the contrary, the company achieved a very robust recovery in H2 20 both in sales and profitability, thus confirming the solidity of the business and the company's structure. Moreover, the company has achieved outstanding cash generation which, despite the distribution of a dividend and the ongoing buy-back programme, has allowed it to improve the NFP strongly.

- ✓ **FY 20 results benefit from the significant sales and profitability recovery in H2 20** - FY 20 sales increased by 7.7% Y/Y. The strong sales recovery of the Food BU in H2 20 allowed the company to offset the H1 revenue decrease (-9.4% Y/Y) due to the Covid-19 crisis. Despite the continuing operational difficulties caused by the Covid-19 emergency, the recovery in sales volumes and lower operational inefficiencies compared to the first half allowed Fine Foods to significantly recover profitability in the second part of the year, so the EBITDA adj margin moved from 12.7% in 2019 to 13.0% in 2020.
- ✓ **Outstanding cash generation** - FY 20 NFP was positive (net cash) by EUR 42.8m compared to EUR 24.4m as at 31 December 2019. An impressive cash generation, mainly from operating activities and working capital management, fully supported the new investments and the ongoing buy-back programme and dividends distribution.
- ✓ **2021-23 estimates** - In light of the positive business trend at the beginning of the year and given the expected gradual normalisation of the market, thanks to the vaccination campaign, we believe that Fine Foods will be able to maintain a sustained growth path in the next three years. We forecast a FY 21 total revenue growth of 22.2% Y/Y thanks to the positive contribution from the newly acquired Pharmatek and total sales CAGR of 9.7% in the biennium 2022-2023.

We believe that the Covid-19 crisis did not allow the company to fully extract the value of the expansion investments made in 2019. So, starting from 2021, we expect to fully see the benefits from further operational efficiency. Furthermore, we expect the first positive effects from the integration of Pharmatek. Therefore, the EBITDA adj margin should move from 13.0% in 2020 to 14.4% in 2021. For the biennium 2022-23, we expect a stable EBITDA margin of 15%.

- ✓ **Valuation & conclusions** - the solid profitability achieved in a difficult year like 2020 provides, in our opinion, good visibility on the improvements expected in the coming years; **we confirm our Buy recommendation**. Based on FY 20 results and our new estimates, **we set a target price of EUR 15.00 per share** (vs previous EUR 14.00) calculated based on our DCF model (WACC 6.7% and 1.5% perpetual growth rate).
- ✓ Lastly, we remind investors that, after the Shareholders' Meeting approval on 21 April, Fine Foods will submit applications to Consob for the issuance of **ordinary shares and warrants on the MTA, possibly the STAR segment**. The listing is expected in June.

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FY 20 results benefit from the significant sales and profitability recovery in H2 20

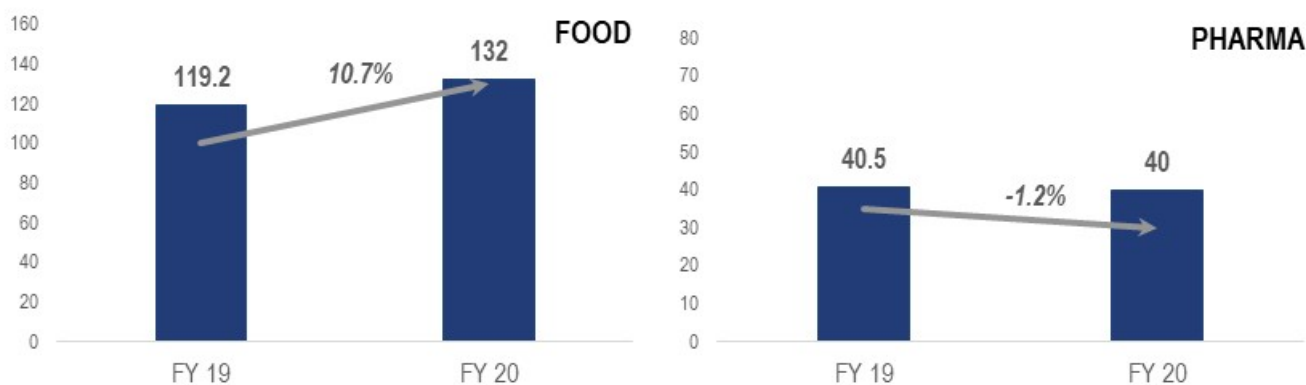
High single-digit revenue growth thanks to the strong sales recovery in H2 20 – FY 20 sales increased by 7.7% Y/Y (vs Akros est. +10.3% Y/Y). The Pharma BU revenues decreased by 1.2% Y/Y, while the Food BU revenues grew by 10.7%. The strong sales recovery of the Food BU in H2 20 allowed the company to offset the H1 revenue decrease (-9.4% Y/Y) caused by the Covid-19 crisis.

Revenue breakdown by division



Source: Company data

FY 20 Revenue trend by division

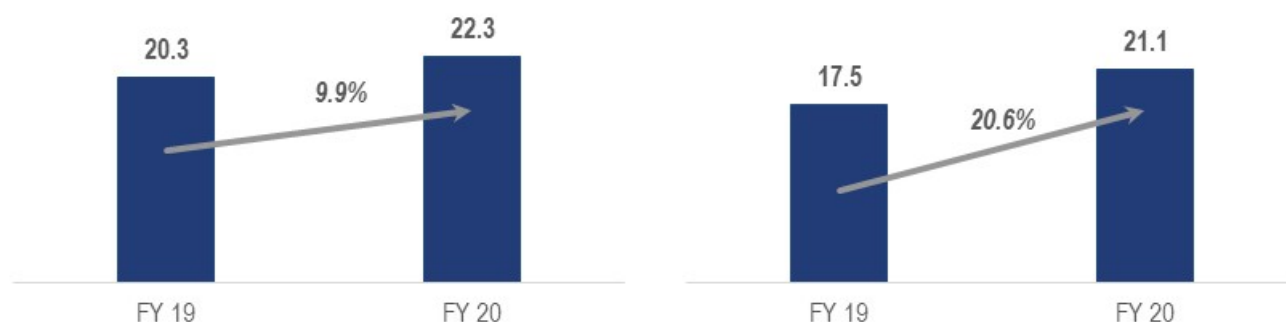


Source: Company data

FY 20 EBITDA adj higher than previous year - despite the continuing operational difficulties caused by the Covid-19 emergency, the recovery in sales volumes and lower operational inefficiencies compared to the first half allowed Fine Foods to recover profitability in the second part of the year significantly: FY 20 EBITDA adj recorded an increase of EUR 2m vs the previous year; so, the EBITDA adj margin moved from 12.7% in 2019 to 13.0% in 2020, in line with the Akros estimates. FY 20 EBITDA reported was EUR 21.1m, with a growth of 20.6% Y/Y thanks to the lower incidence of the one-off costs compared to the previous year; indeed, one-off costs, which were essentially due to the Covid-19 emergency, were Eur 1.2m vs one-off costs of EUR 2.8m in 2019.

FY 20 EBITDA adjusted

FY 20 EBITDA reported



Source: Company data

FY 20 EBIT adj was EUR 10.6m; it was slightly lower compared to EUR 10.9m in 2019 due to the full rate depreciation of the investments for the expansion of the Zingonia Verdellino and Brembate production sites, which became operational in 2019.

Net Profit adj was EUR 9.3m, down compared to the previous year due to the increase in the tax rate on income before taxes (from 24% in 2019 to 28% in 2020).

The BoD is going to propose a dividend of EUR 0.14 per share with rights (vs 0.12 in 2019) at the coming Shareholders' Meeting.

FY 20 Profit & loss

	FY 19a	FY 20a	% Chg	Akros FY 20e	Vs Estimates
Revenues	159.7	172.0	7.7%	176.1	-2.3%
EBITDA adj	20.3	22.3 (*)	9.9%	22.8	-2.2%
Margin	12.7%	13.0%		13.0%	
EBITDA reported	17.5	21.1	20.6%		
Margin	10.9%	12.3%			
EBIT adj	10.9	10.7 (*)	-2.5%	10.0	7.0%
Margin	6.8%	6.2%		5.7%	
EBIT reported	8.1	9.5	16.4%		
Margin	5.1%	5.5%			
Net Profit adj	11.9	9.3 (*)	-21.0%	8.6	8.1%
Net Profit	-2.8	13.4	n.m.		

Source: Company data

(*) FY 20 data adjusted for one-off costs for Covid-19 emergency one-off costs

FY 20 NWC decreased from EUR 19.0m in FY 19 to EUR 9.6m in FY 20. This decrease was due to the positive trend in Trade Receivables (reduction of EUR 4.4m), Inventories (reduction of EUR 2.8m) and Trade Payables (increase of EUR 2.1m).



2019-2020 NWC evolution (EUR m)

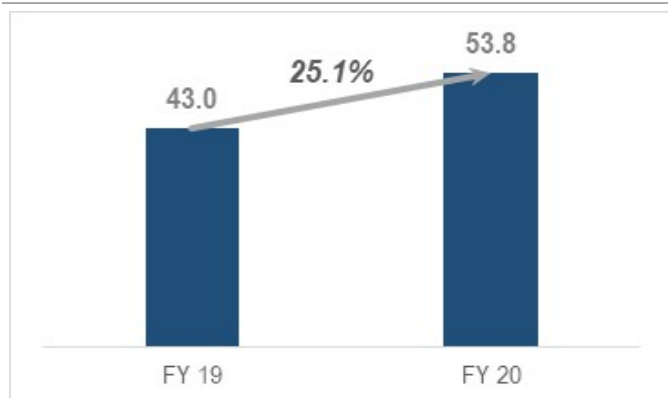


Source: Company data

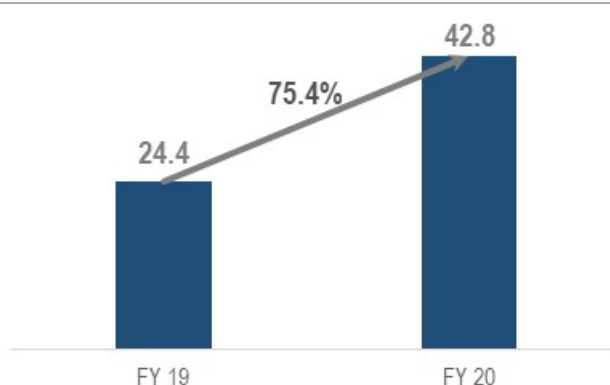
FY 20 NFP (Net Cash) improved from EUR 24.4m at the end of December 2019 to EUR 42.8m at the end of December 2020. Strong cash generation, mainly from operating activities and working capital management, fully supported the new investments and the ongoing buy-back programme and dividends distribution.

Net of the effect of Net Debt generated by warrants, FY 20 NFP *Adj* was positive at EUR 53.8m compared to EUR 43.0m in 2019.

FY 20 NFP (Net Cash) adjusted



FY 20 NFP (Net Cash) reported



Source: Company data

FY 20 Balance Sheet

	FY 19a	FY 20a
Net Capital Employed	106.3	98.2
Shareholder Equity	130.7	141.0
NFP (Net Cash)	(24.4)	(42.8)
Net Debt from warrants	18.6	11.0
Adj NFP (Net Cash)	(43.0)	(53.8)

Acquisition in a complementary sector: Pharmatek



At the end of January 2021, Fine Foods completed the acquisition of 100% of Pharmatek PMC S.r.l.

Pharmatek PMC S.r.l. is based in Cremosano (near Cremona) and produces medical and surgical aids, medical devices and cosmetics.

In 2020, Pharmatek had a turnover of around EUR 17m and an EBITDA of EUR 3.4m (equal to 20% of turnover). FY 20 Net debt amounted to around EUR 0.5m.

The acquisition price was EUR 17.2 m, which will be paid entirely in cash and will be divided into a fixed amount of EUR 11.2m and a variable amount equal to a maximum of EUR 6m to be paid within the next three years. So, the total consideration for the deal implied a multiple FY 20e EV/EBITDA of around 5.2x.

This acquisition is positive from a strategic point of view because it is counter-diluting and allows the company to enter new CDMO market segments. It presents interesting cross-selling synergies for Fine Foods; furthermore, thanks to its organisational and financial structure, Fine Foods will be able to support Pharmatek's growth in the face of the robust demand expected in the cosmetics sector.

2021-23 estimates

2021-23 sales evolution

The positive trend in volumes in the first quarter of 2021 leads the management to exclude negative effects owing to the current uncertainty triggered by the ongoing Covid-19 pandemic.

In light of the positive business trend at the beginning of the year and given the expected gradual normalisation of the market, thanks to the vaccination campaign and the positive contribution from the newly acquired Pharmatek, we believe that Fine Foods will be able to achieve strong organic sales growth in 2021. In particular, we estimate FY 21 Food division revenue growth of +10.0%, FY 21 Pharma division revenue growth of +20.0%, and we add EUR 17.0m of Pharmatek revenues; consequently, we forecast FY 21 total revenues will grow 22.2% Y/Y.

We reckon that the additional production capacity available after the recent expansion investments and the expected solid demand from clients will allow the company to maintain a robust sales growth-rate over the next few years. As such, we estimate: Pharma division 22-23 sales CAGR of +13.3%, Food sector 22-23 sales CAGR of +8.5% and Pharmatek 22-23 sales CAGR of +10%. So, we forecast total sales CAGR of 9.7% in the biennium 2022-2023.

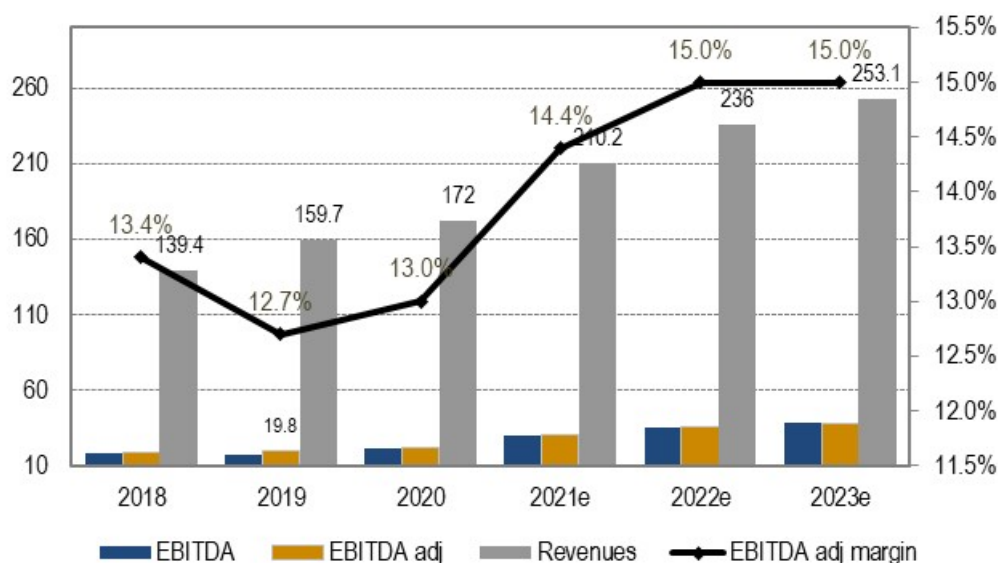
2021-23 profitability evolution

We believe that the Covid-19 crisis did not allow the company to fully extract the value from the expansion investments concluded in 2019. So, starting from 2021, we expect to fully see the benefits from operational efficiency and optimisation of the significant investments made in the past years; furthermore, we expect the first positive effects deriving from the integration of Pharmatek.

Therefore, we estimate a strong acceleration in the profitability improvement in 2021: FY 21e EBITDA adj is expected to grow by 35.7% Y/Y and the EBITDA adj margin should move from 13.0% in 2020 to 14.4% in 2021.

For the biennium 2022-23, we expect a stable EBITDA margin of 15%.

Revenue and EBITDA evolution 2020-2023e (EUR m)

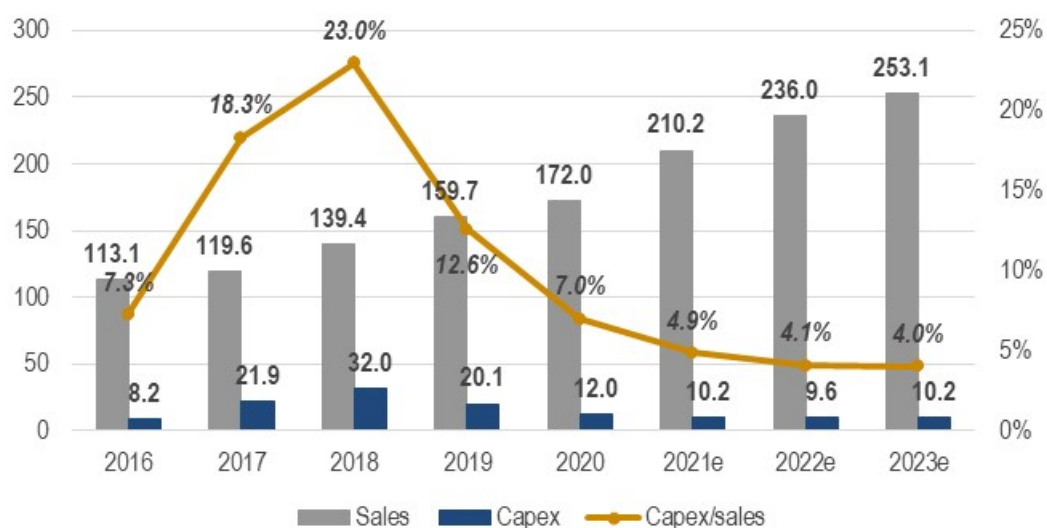


Source: Company data, Banca Akros estimates

2021-23 capital structure evolution

We expect FY 21e CAPEX to be around EUR 10m. Since the expansion capex is almost completed, we estimate maintenance capex will not exceed 4.5% of revenues in the coming years.

Sales and capex evolution 2015-2023e (EUR m)



Source: Company data, Banca Akros estimates

We believe that the steady margin improvement and the lower investments will allow the company to record increasing cash generation and continue to improve the current Net Cash Position.

We remind investors that our estimates do not include any potential acquisitions.

We summarise our forecasts in the following table.



Fine Foods: 2019-2023e Banca Akros estimates

PROFIT & LOSS (EUR m)	2019	2020	%Chg	2021e	%Chg	2022e	%Chg	2023e	%Chg	%CAGR
Pharma	40.5	40.0	-1.2%	48.0	20.0%	57.6	20.0%	61.7	7.0%	
Food	119.2	132.0	10.7%	145.1	10.0%	159.7	10.0%	170.8	7.0%	
Pharmatek				17.0		18.7	10.0%	20.6	10.0%	
Revenues	159.7	172.0	7.7%	210.2	22.2%	236.0	12.3%	253.1	7.2%	13.6%
EBITDA adj	20.3	22.3	9.9%	30.3	35.7%	35.4	17.0%	38.0	7.5%	19.3%
<i>EBITDA adj margin</i>	12.7%	13.0%		14.4%		15.0%		15.0%		
One-off costs	2.8	1.2		0		0		0		
EBITDA	17.5	21.1	20.6%	30.3	43.5%	35.4	17.0%	38.0	7.5%	21.5%
<i>EBITDA margin</i>	10.9%	12.3%		14.4%		15.0%		15.0%		
D&A and provisions	-9.4	-11.6		-13.9		-15.1		-15.9		
EBIT	8.1	9.5	16.4%	16.3	72.7%	20.3	24.4%	22.2	9.2%	32.5%
<i>EBIT margin</i>	5.1%	5.5%		7.8%		8.6%		8.8%		
Net fin. income/charges	-8.0	7.2		-0.7		0.9		0.9		
Non-Recurring items	0	0		0		0		0		
Pre-tax profit	0.1	16.6	n.m.	15.7	-5.9%	19.6	25.4%	21.5	9.5%	
Taxes	-2.9	-3.3		-3.4		-4.3		-4.7		
<i>Tax rate</i>	-	19.9%		21.9%		21.9%		21.9%		
Minorities	0	0		0		0		0		
Net profit	-2.8	13.4	n.m.	12.2	-8.4%	15.3	25.4%	16.8	9.5%	7.9%
Net profit adj	11.9	9.3	-21.00%	12.2		15.3		16.8		21.6%
Maintenance capex	12	12		10.2		9.6		10.2		
Acquisition Capex				11.2(**)				6.0(**)		
Net Debt (Cash)	-24.4	-42.8		-48.5		-60.3		-70.1		
Net Debt from warrants	18.6	11.0		11.0(*)		11.0(*)		11.0(*)		
Net Debt (Cash) Adj	-43.0	-53.8		-59.6		-71.4		-81.1		

Source: Company data and Banca Akros estimates.

(*) For the period 21-23, we assume an adjustment for Net Debt from warrants in line with 2020.

(**) Pharmatek acquisition



Valuation

DCF valuation

Based on our DCF model, we come to a fair value of EUR 15.00 per share, implying an over 25% potential upside.

We have run our DCF analysis based on the following assumptions:

- Sales forecast: a) for the period 2021/2023e, we assume a sales CAGR of 13.6%; b) for the period 2024/2025e we estimate a sales CAGR of 6.7%;
- Profitability forecast: a) for the period 2021/2023e, we assume the EBITDA margin described in the previous table; b) in terms of long-term forecasts, we assume a stable EBITDA margin of around 15.0%, which is higher than the FY 20 adjusted EBITDA margin of 13.0%, because we reckon that the group, helped by the additional production capacity available after the expansion investments and the integration of Pharmatek, will benefit from a lower incidence of fixed costs, an efficiency improvement and further economies of scale.
- A WACC of 6.7% calculated by assuming: a) a risk-free rate of 3.5% and a market risk premium of 5.0%; b) a target capital structure with debt covering 32.0% of net capital employed; c) a beta of 1.1, reflecting that Fine Foods is a small cap, so it is slightly penalised in light of the stock's modest liquidity, but it operates in an anti-cyclical sector.
- A terminal growth rate of 1.5%.

FINE FOODS: Free Cash Flow projection (EUR m)

	2021e	2022e	2023e	2024e	2025e
EBITA	16.3	20.3	22.2	24.1	26.4
Taxes	-3.6	-4.4	-4.9	-5.3	-5.8
Tax rate	21.9%	21.9%	21.9%	21.9%	21.9%
NOPLAT	12.7	15.9	17.3	18.8	20.6
Depreciation & other provisions	13.0	14.1	14.8	15.7	16.6
Operating Cash Flow	25.8	29.9	32.1	34.5	37.2
Capex	-21.4	-9.6	-16.2	-15.0	-15.0
Change in Net Working Capital	-5.1	-4.6	-1.9	-2.6	-0.5
Free Operating Cash Flow (FOCF)	-0.8	15.7	14.0	16.9	21.7

Source: Banca Akros estimates

FINE FOODS: DCF analysis

Perpetual Growth Rate	1.50%
WACC	6.70%
Terminal Value	399.1
Discounting Rate of Terminal Value	0.68
Discounted Terminal Value	270.5
Cumulated DFOCF	53.4
Financial Assets as of 31/12/20	2.0
Enterprise Value (EUR m)	325.9
Net Financial Cash as of 31/12/20 (EUR m)	42.7
Minorities market value (EUR m)	(0.0)
Equity Value (EUR m)	368.5
	24.5
Value per share (EUR)	15.0

Source: Banca Akros estimates



DCF sensitivity table (EUR)

WACC	Terminal growth rate (g)						
	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%
5.80%	15.3	15.9	16.6	17.3	18.2	19.2	20.3
6.10%	14.6	15.2	15.8	16.5	17.2	18.1	19.0
6.40%	14.1	14.6	15.1	15.7	16.4	17.1	17.9
6.70%	13.6	14.0	14.5	15.0	15.6	16.3	17.0
7.00%	13.1	13.5	13.9	14.4	15.0	15.5	16.2
7.30%	12.7	13.1	13.5	13.9	14.4	14.9	15.4
7.60%	12.3	12.6	13.0	13.4	13.8	14.3	14.8

Source: Banca Akros estimates

Peer multiples

Here we provide a sample of the listed players that operate in the CDMO industry and/or are engaged in the provision of products for the health care sector. We have not taken into account the peer multiples in our valuation because, compared to Fine Foods, the peers are too diversified in terms of size, geographical presence, financial structure and profitability.

Nevertheless, as shown in the following table, Fine Foods trades at a discount on its peers in terms of EV/EBITDA and P/E adj multiples.

Fine Foods: peer data

	Cur	Market Cap (m)	EV/EBITDA		P/E adj	
			2021e	2022e	2021e	2022e
CATALENT INC	USD	18,137.8	21.4	19.2	37.7	33.9
PIRAMAL ENTERPRISES LTD	INR	401,413.2	17.8	15.8	16.2	14.9
LABOMAR	EUR	172.6	13.4	11.7	25.9	22.5
SIEGFRIED HOLDING AG-REG	CHF	3,457.5	19.1	16.7	31.4	26.5
STRIDES PHARMA SCIENCE LTD	INR	76,229.7	14.4	11.9	32.5	20.1
AVERAGE			17.2	15.1	28.7	23.6
FINE FOODS	EUR	280.4	10.4	9.1	21.2	18.9
Premium (discount)			-39.6%	-39.7%	-26.1%	-19.8%

Source: Bloomberg data at 6 April 2021 and Banca Akros estimates

Appendix

LABOMAR SPA

Bloomberg LBM IM
Market cap EUR 172m

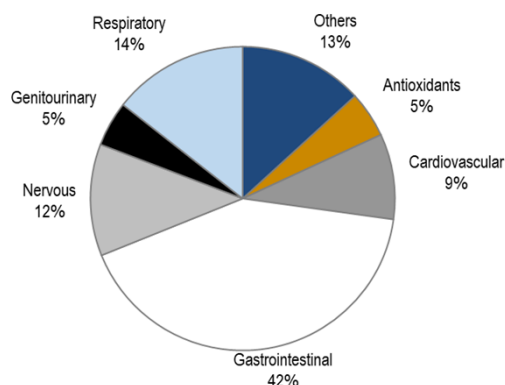
Labomar is an Italian CDMO. It specialises in the manufacture of neutraceuticals and pharmaceutical products in all forms, including tablets, capsules, powders and liquids for a wide range of applications, such as gastrointestinal, cardiovascular, respiratory and nervous. The company also has a strong R&D department: proprietary patents and formulas accounted for 34% of revenues in 2019. On a geographic basis, besides the domestic market, Labomar sells in France (9%), Spain (5%) and Poland (5%). Labomar's customers include Bayer, Angelini, Sanofi, Dompé, Menarini and Nestlé. Founded in 1998, Labomar was listed on the AIM Italy market in October 2020.

Labomar: historical data and consensus forecasts

EUR (m)	2019	2020e	2021e	2022e	CAGR 20-22e
Revenue	48	61	69	79	14%
EBITDA	9	11	15	17	23%
(%)	19%	18%	22%	21%	
EBIT	6	7	10	11	27%
(%)	12%	11%	14%	14%	
Net Income/Net Profit (Losses)	4	6	7	8	12%
Dividend Yield	1.3	1.3	1.4	n.a.	
Net debt	28	n.a.	1	2	
Net Debt/EBITDA	3.1		0.1	0.1	

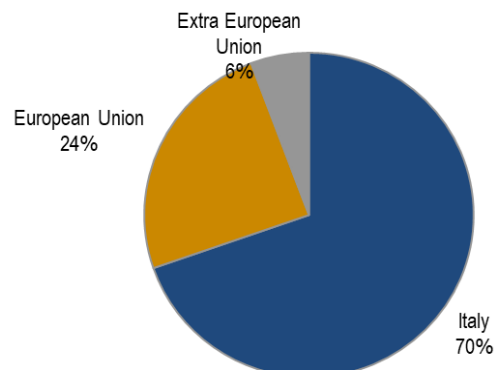
Source: Bloomberg

Labomar: sales by product



Source: Company data.

Labomar: sales by area



Source: Company data.

Labomar: Last Price vs. EBITDA



Source: Bloomberg

Labomar vs. FTSE ITALIA AIM Index



Source: Thomson Reuters

CATALENT

Bloomberg *CTLT US*
Market cap *USD 17,927m*

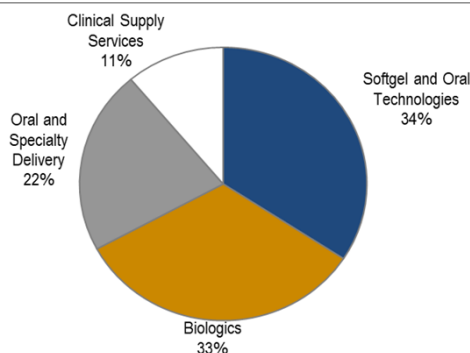
Catalent is a provider of delivery technologies and development solutions for drugs, biologics, and consumer and animal health products. The company's segments include Softgel Technologies, Biologics, Oral and Specialty Drug Delivery and Clinical Supply Services. The Softgel Technologies segment provides prescription and soft consumer health capsules or softgels, including traditional softgel capsules, Vegicaps and OptiShell capsules. The Biologics division formulates, develops and manufactures small molecule and biologic drug products in prefilled syringes, vials and cartridges, blow-fill-seal unit doses, and injectable formats; biologic cell line development; biologic drug substance manufacturing; and bioanalytical development and testing services. The Oral and Specialty Drug Delivery segment makes oral dosage forms using proprietary and conventional drug delivery technologies as well as analytical development and testing. The Clinical Supply Services segment is engaged in manufacturing, packaging, labelling, storage, distribution and inventory management for clinical trials of drugs and biologics for customer required patient kits; FastChain clinical supply service; clinical e-solutions and informatics, and global comparator sourcing services.

Catalent: historical data and consensus forecasts

EUR (m)	2019	2020e	2021e	2022e	CAGR 20-22e
Revenue	2,518	3,094	3,912	4,267	17%
EBITDA	503	668	978	1,087	28%
(%)	20%	22%	25%	25%	
EBIT	274	394	721	858	47%
(%)	11%	13%	18%	20%	
Net Income/Net Profit (Losses)	137	221	507	564	60%
Dividend Yield	n.a.	n.a.	n.a.	n.a.	
Net debt	2,614	2,168	1,803	1,465	
Net Debt/EBITDA	5.2	3.2	1.8	1.3	

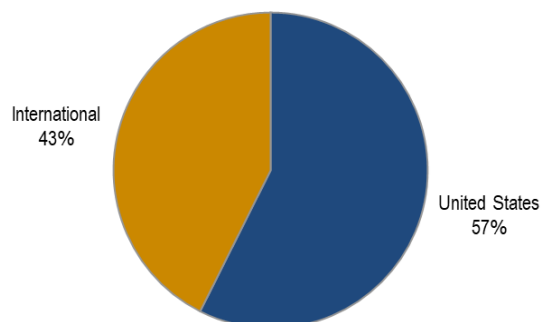
Source: Bloomberg

Catalent: sales by segment



Source: Company data.

Catalent: sales by area



Source: Company data.

Catalent: Last Price vs. EBITDA



Source: Bloomberg

Catalent vs. NYSE Composite Index



Source: Bloomberg

Piramal Enterprises LTD

Bloomberg PIEL IN
Market cap INR 401,413m

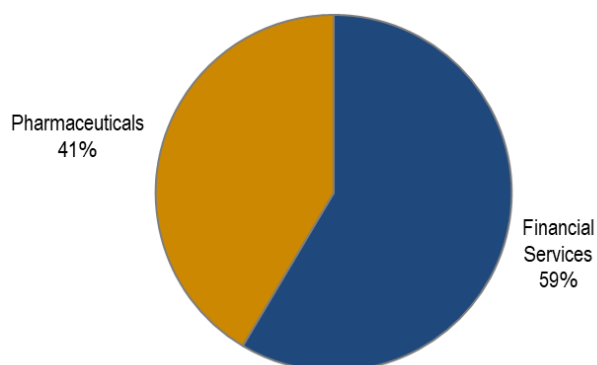
Piramal Enterprises is engaged in the business of pharmaceuticals, including research and development, financial services and information management through its subsidiaries. The company's pharmaceutical business consists of manufacturing and sale of own and traded bulk drugs and formulations. It operates through two segments: Pharma and Financial Services. Pharma divisions includes CDMO operations (24% of FY 20 revenues), hospital generics (14%), including inhalation/injectable anaesthesia and pain management products, Consumer healthcare (3%), which markets OTC pharmaceuticals, and ophthalmologic products (3%), through a JV with Allergan. The Financial Services segment includes wholesale and retail lending, alternative asset management and investments in Shriram Group.

Piramal: historical data and consensus forecasts

INR (m)	2019	2020e	2021e	2022e	CAGR 20-22e
Revenue	118,124	129,692	129,132	141,090	4%
EBITDA	69,856	64,061	35,669	43,627	-17%
(%)	59%	49%	28%	31%	
EBIT	64,654	57,471	28,442	33,267	-24%
(%)	55%	44%	22%	24%	
Net Income	14,671	240	26,001	32,417	1061%
Dividend Yield	1.4	1.4	1.6	1.8	
Net debt	527,482	345,518	n.a.	#VALUE!	
Net Debt/EBITDA	7.6	5.4			

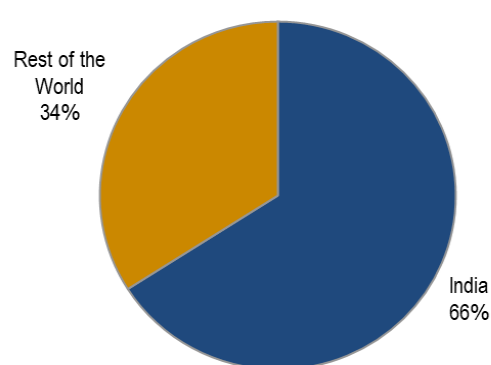
Source: Bloomberg

Piramal: sales by segment



Source: Company data.

Piramal: sales by area



Source: Company data.

Piramal: Last Price vs. EBITDA



Source: Bloomberg

Piramal vs. BSE Sensex Index



Source: Bloomberg

SIEGFRIED HOLDING AG

Bloomberg SFZN SW
Market cap CHF 3,466m

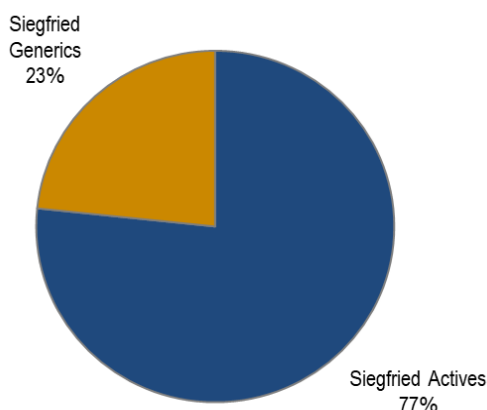
Siegfried Holding AG is a Swiss-based life sciences company active in primary and secondary drug manufacturing. The company produces both drug substances and drug products. The drug substance portfolio includes contract development and manufacturing of both active pharmaceutical ingredients (APIs) and intermediates. The drug products portfolio comprises licensing and contract or co-development and manufacturing of oral solids and steriles. The company's products and substances are developed for treatment of hypertension, benign prostate hyperplasia, depression, chronic myeloid leukaemia, glaucoma, asthma, schizophrenia and bipolar disorders and diabetes. The company operates production facilities in Switzerland, Germany, France, Malta, the United States and China.

Siegfried: historical data and consensus forecasts

EUR (m)	2018	2019e	2020e	2021e	CAGR 19-21e
Revenue	324	350	373	395	6%
EBITDA	72	87	105	119	17%
(%)	22%	25%	28%	30%	
EBIT	62	77	94	106	17%
(%)	19%	22%	25%	27%	
Net Income/Net Profit (Losses)	52	64	77	88	17%
Dividend Yield	1.1	1.1	1.4	1.6	
Net debt	-20	-8	-31	-168	
Net Debt/EBITDA	-0.3	-0.1	-0.3	-1.4	

Source: Bloomberg

Siegfried: sales by segment



Source: Company data.

Siegfried: sales by area

na

Source: Company data.

Siegfried: Last Price vs. EBITDA



Source: Bloomberg

Siegfried vs. SMI Index



Source: Thomson Reuters

STRIDES PHARMA SCIENCE LTD

Bloomberg *STR IN*
Market cap *INR 76,230m*

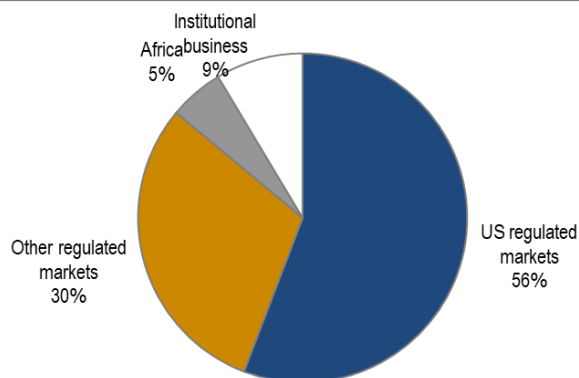
Strides Pharma Science develops, manufactures, and sells pharmaceutical products through three main business units: Regulated markets, Branded generics and Institutional business. Regulated markets include the core generic pharma business, led by IP-driven product licensing, marketing and distribution; the segment mainly provides oral dosage forms, topicals and soft gel capsules, and addresses complex therapeutic segments in the USA, Europe, Australia and South Africa. The Branded generics operations are mainly based in Africa with a "local-for-local" approach. Through its Institutional business segment, Strides develops and manufactures anti-retroviral, anti-malarial and anti-tuberculosis drugs, as well as medicines for hepatitis and other infectious disease, mainly for institutionally-funded aid projects and global procurement agencies.

Strides Pharma: historical data and consensus forecasts

INR (m)	2019	2020e	2021e	2022e	CAGR 20-22e
Revenue	21,784	27,520	32,885	38,171	18%
EBITDA	3,101	5,488	6,519	7,921	20%
(%)	14%	20%	20%	21%	
EBIT	1,383	3,610	4,512	5,694	26%
(%)	6%	13%	14%	15%	
Net Income/Net Profit (Losses)	3,246	364	2,205	3,602	215%
Dividend Yield	n.a.	0.8	0.7	0.8	
Net debt	23,465	17,495	15,436	9,222	
Net Debt/EBITDA	7.6	3.2	2.4	1.2	

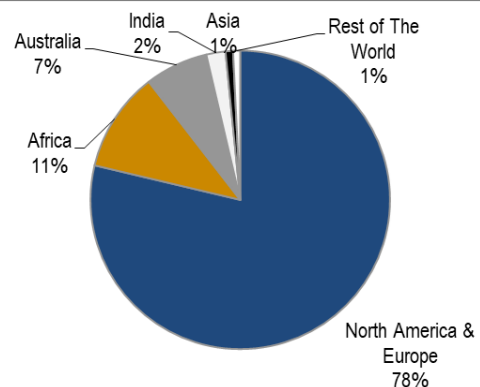
Source: Bloomberg

Strides Pharma: sales by segment



Source: Company data.

Strides Pharma: sales by area



Source: Company data.

Strides Pharma: Last Price vs. EBITDA



Source: Bloomberg

Strides Pharma vs. BSE Sensex Index



Source: Thomson Reuters



Fine Foods: Summary tables

PROFIT & LOSS (EURm)	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Sales	139	160	172	210	236	253
Cost of Sales & Operating Costs	-81.6	-69.5	-85.1	-96.6	-108.8	-127.6
Non Recurrent Expenses/Income	0.0	-2.8	-1.2	0.0	0.0	0.0
EBITDA	18.7	17.5	21.1	30.3	35.4	38.0
EBITDA (adj.)*	18.7	20.3	22.3	30.3	35.4	38.0
Depreciation	-8.5	-9.4	-11.6	-13.0	-14.1	-14.8
EBITA	10.2	8.1	9.5	17.2	21.3	23.3
EBITA (adj.)*	10.2	10.9	10.7	17.2	21.3	23.3
Amortisations and Write Downs	0.0	0.0	0.0	-0.9	-1.0	-1.1
EBIT	10.2	8.1	9.5	16.3	20.3	22.2
EBIT (adj.)*	10.2	10.9	10.7	16.3	20.3	22.2
Net Financial Interest	0.2	-8.0	7.2	-0.7	-0.7	-0.7
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	10.4	0.1	16.6	15.7	19.6	21.5
Tax	-1.7	-2.9	-3.3	-3.4	-4.3	-4.7
<i>Tax rate</i>	<i>16.7%</i>	<i>n.m.</i>	<i>19.9%</i>	<i>21.9%</i>	<i>21.9%</i>	<i>21.9%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	8.7	-2.8	13.3	12.2	15.3	16.8
Net Profit (adj.)	8.7	11.9	9.3	12.2	15.3	16.8
CASH FLOW (EURm)	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Cash Flow from Operations before change in NWC	17.2	6.5	25.0	26.2	30.4	32.7
Change in Net Working Capital	-18.7	5.3	12.7	-5.1	-4.6	-1.9
Cash Flow from Operations	-1.5	11.8	37.7	21.0	25.8	30.7
Capex	-32.0	-12.0	-12.0	-21.4	-9.6	-16.2
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	-33.5	-0.2	25.7	-0.4	16.2	14.5
Dividends	0.0	-2.3	-2.8	-3.3	-3.6	-3.9
Other (incl. Capital Increase & share buy backs)	202	-33.4	-4.9	9.5	-0.8	-0.9
Change in Net Debt	169	-36	18	6	12	10
NOPLAT	7.0	7.5	7.3	11.2	13.9	15.2
BALANCE SHEET & OTHER ITEMS (EURm)	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Net Tangible Assets	78.6	89.3	93.4	91.7	87.3	88.7
Net Intangible Assets (incl. Goodwill)	4.3	1.9	1.9	1.9	1.9	1.9
Net Financial Assets & Other	0.0	2.0	2.0	2.0	2.0	2.0
Total Fixed Assets	82.9	93.3	97.3	95.6	91.1	92.6
Inventories	22.0	22.5	19.6	26.6	31.3	35.7
Trade receivables	21.5	17.1	12.7	17.4	21.7	22.3
Other current assets	5.7	2.5	3.3	4.0	4.5	4.8
Cash (-)	-74.8	-74.8	-75.0	-79.0	-87.6	-95.0
Total Current Assets	124	117	111	127	145	158
Total Assets	207	210	208	223	236	250
Shareholders Equity	149	131	141	150	162	175
Minority	0.0	0.0	0.0	0.0	0.0	0.0
Total Equity	149	131	141	150	162	175
Long term interest bearing debt	22.6	21.2	16.1	15.2	13.6	12.4
Provisions	1.0	1.1	1.1	1.3	1.5	1.6
Other long term liabilities	0.0	1.2	0.6	0.7	0.8	0.8
Total Long Term Liabilities	23.6	23.6	17.7	17.2	15.8	14.8
Short term interest bearing debt	5.5	29.2	16.2	15.3	13.6	12.5
Trade payables	23.9	20.6	22.7	27.8	31.2	33.4
Other current liabilities	4.7	6.1	10.2	12.5	14.0	15.1
Total Current Liabilities	34.1	55.9	49.1	55.6	58.9	61.0
Total Liabilities and Shareholders' Equity	206.9	210.2	207.8	222.7	236.3	250.4
Net Capital Employed	103.5	108.6	99.9	103.4	103.5	106.9
Net Working Capital	20.1	19.4	10.0	16.7	22.3	24.9
GROWTH & MARGINS	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
<i>Sales growth</i>	<i>16.6%</i>	<i>14.6%</i>	<i>7.7%</i>	<i>22.2%</i>	<i>12.3%</i>	<i>7.2%</i>
EBITDA (adj.)* growth	20.3%	8.6%	9.9%	35.7%	17.0%	7.5%
<i>EBITA (adj.)* growth</i>	<i>13.6%</i>	<i>7.2%</i>	<i>-2.5%</i>	<i>61.7%</i>	<i>23.7%</i>	<i>9.1%</i>
<i>EBIT (adj.)* growth</i>	<i>13.6%</i>	<i>7.2%</i>	<i>-2.5%</i>	<i>53.2%</i>	<i>24.4%</i>	<i>9.2%</i>



Fine Foods: Summary tables

GROWTH & MARGINS	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Net Profit growth	41.4%	37.0%	-21.8%	31.6%	25.4%	9.5%
EPS adj. growth	-31.8%	n.m.	n.m.	-9.2%	25.4%	9.5%
DPS adj. growth	n.m.	20.0%	16.7%	10.0%	8.0%	8.0%
EBITDA (adj)* margin	13.4%	12.7%	13.0%	14.4%	15.0%	15.0%
EBITA (adj)* margin	7.3%	6.8%	6.2%	8.2%	9.0%	9.2%
EBIT (adj)* margin	7.3%	6.8%	6.2%	7.8%	8.6%	8.8%
RATIOS	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Net Debt/Equity	-0.3	-0.2	-0.3	-0.3	-0.4	-0.4
Net Debt/EBITDA	-2.5	-1.4	-2.0	-1.6	-1.7	-1.8
Interest cover (EBITDA/Fin.interest)	n.m.	2.2	n.m.	46.5	54.4	58.5
Capex/D&A	376.7%	128.2%	103.1%	153.6%	63.6%	102.1%
Capex/Sales	23.0%	7.5%	7.0%	10.2%	4.1%	6.4%
NWC/Sales	14.4%	12.1%	5.8%	7.9%	9.4%	9.8%
ROE (average)	9.2%	8.5%	6.8%	8.4%	9.8%	10.0%
ROCE (adj.)	6.8%	6.8%	6.9%	10.2%	12.5%	13.2%
WACC	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
ROCE (adj.)/WACC	1.0	1.0	1.0	1.5	1.9	2.0
PER SHARE DATA (EUR)***	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Average diluted number of shares	22.7	23.2	23.6	23.6	23.6	23.6
EPS (reported)	0.61	-0.12	0.57	0.52	0.65	0.71
EPS (adj.)	0.61	-0.12	0.57	0.52	0.65	0.71
BVPS	6.57	5.63	5.98	6.36	6.86	7.40
DPS	0.10	0.12	0.14	0.15	0.17	0.18
VALUATION	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
EV/Sales	1.2	1.6	1.2	1.1	1.0	0.9
EV/EBITDA	8.7	14.7	9.8	7.9	6.4	5.7
EV/EBITDA (adj.)*	8.7	12.6	9.3	7.9	6.4	5.7
EV/EBITA	16.0	31.5	21.9	13.9	10.7	9.3
EV/EBITA (adj.)*	16.0	23.5	19.4	13.9	10.7	9.3
EV/EBIT	16.0	31.5	21.9	14.6	11.2	9.8
EV/EBIT (adj.)*	16.0	23.5	19.4	14.6	11.2	9.8
P/E (adj.)	15.2	n.m.	18.4	23.3	18.6	17.0
P/BV	1.4	2.1	1.8	1.9	1.8	1.6
Total Yield Ratio	1.1%	1.0%	1.2%	1.3%	1.4%	1.9
EV/CE	1.6	2.3	2.0	2.2	2.0	1.9
OpFCF yield	-16.0%	-0.1%	10.4%	-0.1%	5.7%	5.1%
OpFCF/EV	-20.5%	-0.1%	12.4%	-0.2%	7.2%	6.7%
Payout ratio	16.4%	-98.7%	24.5%	29.7%	25.5%	25.2%
Dividend yield (gross)	1.1%	1.0%	1.2%	1.3%	1.4%	1.5%
EV AND MKT CAP (EURm)	12/2018	12/2019	12/2020	12/2021e	12/2022e	12/2023e
Price** (EUR)	9.25	12.00	10.50	12.10	12.10	12.10
Outstanding number of shares for main stock	22.7	23.2	23.6	23.6	23.6	23.6
Total Market Cap	209.9	278.3	247.5	285.2	285.2	285.2
Gross Financial Debt (+)	28.1	50.4	32.3	30.5	27.2	24.9
Cash & Marketable Securities (-)	-74.8	-74.8	-75.0	-79.0	-87.6	-95.0
Net Financial Debt	-46.7	-24.4	-42.7	-48.5	-60.3	-70.1
Lease Liabilities (+)						
Net Debt	-46.7	-24.4	-42.7	-48.5	-60.3	-70.1
Other EV components	0.1	2.2	2.1	2.1	2.1	2.1
Enterprise Value (EV adj.)	163.4	256.1	206.9	238.8	227.0	217.3

Source: Company, Banca Akros estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) +/- Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT +/- Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

***EPS (adj.) diluted = Net Profit (adj.)/Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported/Avg DIL. Ord. (+ Ord. equivalent) Shs.

Sector: Healthcare/Pharmaceuticals

Company Description: Fine Foods is the largest independent Italian Contract Development and Manufacturing (CDMO) of Pharmaceuticals, Nutraceuticals and Medical Devices in solid oral form (tablets, capsules, effervescent tablets, granules, effervescent granules, powders). Fine Foods currently produces and develops products for the most important world players in both the pharmaceutical and food supplements sectors. Products are manufactured in two production plants located around Bergamo.



European Coverage of the Members of ESN

Aerospace & Defense	Mem(*)	Electronic & Electrical Eq.	Mem(*)	General Industrials	Mem(*)	Ctt	CBI
Avio	BAK	Rexel	CIC	Cembre	BAK	Insurance	Mem(*)
Leonardo	BAK	Fin. Serv. Holdings	Mem(*)	Sergeferrari Group	CIC	Axa	CIC
Alternative Energy	Mem(*)	Cir	BAK	Spie	CIC	Catalana Occidente	GVC
Encavis Ag	CIC	Corp. Financiera Alba	GVC	General Retailers	Mem(*)	Cattolica Assicurazioni	BAK
Plc	BAK	Digital Magics	BAK	Emova Group	IAC	Generali	BAK
Siemens Gamesa Re	GVC	Eurazeo	CIC	Fnac Darty	CIC	Mapfre	GVC
Volitalia	CIC	Ffp	CIC	Inditex	GVC	Net Insurance	BAK
Automobiles & Parts	Mem(*)	Gbl	CIC	Maisons Du Monde	CIC	Unipolsai	BAK
Brembo	BAK	Rallye	CIC	Ovs	BAK	Materials, Construction	Mem(*)
Faurecia	CIC	Tip Tamburi Investment Partners	BAK	Unieuro	BAK	Acs	GVC
Ferrari	BAK	Wendel	CIC	Healthcare	Mem(*)	Aena	GVC
Gestamp	GVC	Fin. Serv. Industrials	Mem(*)	Abionyx Pharma	CIC	Astm	BAK
Indelb	BAK	Abitare In	BAK	Amplifon	BAK	Atlantia	BAK
Landi Renzo	BAK	Dovalue	BAK	Atrys Health	GVC	Buzzi Unicem	BAK
Michelin	CIC	Nexi	BAK	Crossject	CIC	Capelli	CIC
Piaggio	BAK	Tinexta	BAK	Diasorin	BAK	Cementir	BAK
Plastic Omnium	CIC	Financial Services Banks	Mem(*)	El.En.	BAK	Clerhp Estructuras	GVC
Sogefi	BAK	Amundi	CIC	Fermentalg	CIC	Eiffage	CIC
Stellantis	BAK	Anima	BAK	Fine Foods	BAK	Ezentis	GVC
Valeo	CIC	Azimut	BAK	Genfit	CIC	Fcc	GVC
Banks	Mem(*)	Banca Generali	BAK	Guerbet	CIC	Ferrovial	GVC
Banca Mps	BAK	Banca Ifis	BAK	Korian	CIC	Groupe Adp	CIC
Banco Sabadell	GVC	Banca Mediolanum	BAK	Oncodesign	CIC	Groupe Poujoulat	CIC
Banco Santander	GVC	Banca Sistema	BAK	Orpea	CIC	Groupe Sfpj S.A.	CIC
Bankia	GVC	Bff Bank	BAK	Recordati	BAK	Herige	CIC
Bankinter	GVC	Fincobank	BAK	Shedir Pharma	BAK	Hexaom	CIC
Bbva	GVC	Poste Italiane	BAK	Theraclion	CIC	Imerys	CIC
Bnp Paribas	CIC	Food & Beverage	Mem(*)	Vetoquinol	CIC	Kaufman & Broad	IAC
Bper	BAK	Advini	CIC	Virbac	CIC	Lafargeholcim	CIC
Caixabank	GVC	Bonduelle	CIC	Household Goods	Mem(*)	Maire Tecnimont	BAK
Credem	BAK	Campari	BAK	Abeo	CIC	Mota Engil	CBI
Credit Agricole Sa	CIC	Danone	CIC	De Longhi	BAK	Obrascon Huarte Lain	GVC
Creval	BAK	Ebro Foods	GVC	Fila	BAK	Sacyr	GVC
Intesa Sanpaolo	BAK	Enervit	BAK	Groupe Seb	CIC	Saint Gobain	CIC
Liberbank	GVC	Fleury Michon	CIC	Industrial Engineering	Mem(*)	Salcef	BAK
Mediobanca	BAK	Italian Wine Brands	BAK	Biesse	BAK	Sonae Industria	CBI
Natisis	CIC	Lanson-Bcc	CIC	Caf	GVC	Tarkett	CIC
Rothschild & Co	CIC	Laurent Perrier	CIC	Carraro	BAK	Thermador Groupe	CIC
Societe Generale	CIC	Ldc	CIC	Cnh Industrial	BAK	Vicat	CIC
Unicredit	BAK	Orsero	BAK	Danieli	BAK	Vinci	CIC
Basic Resources	Mem(*)	Pernod Ricard	CIC	Datalogic	BAK	Webuild	BAK
Acerinox	GVC	Remy Cointreau	CIC	Exel Industries	CIC	Media	Mem(*)
Altri	CBI	Tipiak	CIC	Fincantieri	BAK	Arnoldo Mondadori Editore	BAK
Arcelormittal	GVC	Vidrala	GVC	Haulotte Group	CIC	Atresmedia	GVC
Corticeira Amorim	CBI	Vilmorin	CIC	Interpump	BAK	Cairo Communication	BAK
Ence	GVC	Viscofan	GVC	Manitou	CIC	Digital Bros	BAK
Semapa	CBI	Vranken Pommery Monopole	CIC	Prima Industrie	BAK	GI Events	CIC
The Navigator Company	CBI	Food & Drug Retailers	Mem(*)	Prysmian	BAK	Il Sole 24 Ore	BAK
Tubacex	GVC	Carrefour	CIC	Saes	BAK	Ipsos	CIC
Verallia	CIC	Casino Guichard-Perrachon	CIC	Talgo	GVC	Jodecaux	CIC
Chemicals	Mem(*)	Jeronimo Martins	CBI	Zardoya Otis	GVC	Lagardere	CIC
Air Liquide	CIC	Marr	BAK	Industrial Transportation	Mem(*)	M6-Metropole Television	CIC
Arkema	CIC	Sonae	CBI	Bollere	CIC	Mediaset	BAK
Plasticos Compuestos	GVC	Winfarm	CIC	Clasquin	IAC	Mediaset Espana	GVC



Nrj Group	CIC	Atos	CIC	Fdj	CIC
Publicis	CIC	Away Software	CIC	Groupe Partouche	IAC
Rcs Mediagroup	BAK	Capgemini	CIC	I Grandi Viaggi	BAK
Teleperformance	CIC	Cast	CIC	Ibersol	CBI
Tf1	CIC	Catenon	GVC	Int. Airlines Group	GVC
Ubisoft	CIC	Ekinops	CIC	Melia Hotels International	GVC
Vivendi	CIC	Esi Group	CIC	Nh Hotel Group	GVC
Vogo	CIC	Exprivia	BAK	Pierre Et Vacances	CIC
Oil & Gas Producers	Mem(*)	Gigas Hosting	GVC	Sodexo	CIC
Ecoslops	CIC	Gpi	BAK	Trigano	CIC
Eni	BAK	Indra Sistemas	GVC	Utilities	Mem(*)
Galp Energia	CBI	Lleida.Net	GVC	A2A	BAK
Gas Plus	BAK	Neurones	CIC	Acciona	GVC
Maurel Et Prom	CIC	Reply	BAK	Acea	BAK
Repsol	GVC	Sii	CIC	Albioma	CIC
Total	CIC	Sopra Steria Group	CIC	Alerion Clean Power	BAK
Oil Services	Mem(*)	Visiativ	CIC	Audax	GVC
Cgg	CIC	Support Services	Mem(*)	Derichebourg	CIC
Glt	CIC	Applus	GVC	Edp	CBI
Rubis	CIC	Bureau Veritas	CIC	Edp Renováveis	CBI
Saipem	BAK	Cellnex Telecom	GVC	Enagas	GVC
Technipmc Plc	CIC	Enav	BAK	Endesa	GVC
Tecnicas Reunidas	GVC	Fiera Milano	BAK	Enel	BAK
Tenaris	BAK	Global Dominion	GVC	Erg	BAK
Vallourec	CIC	Inwit	BAK	Falck Renewables	BAK
Personal Goods	Mem(*)	Openjobmetis	BAK	Greenalia	GVC
Basicnet	BAK	Prosegur	GVC	Hera	BAK
Brunello Cucinelli	BAK	Prosegur Cash	GVC	Holaluz	GVC
Cellularline	BAK	Rai Way	BAK	Iberdrola	GVC
Cie Fin. Richemont	CIC	Technology Hardware & Eq.	Mem(*)	Iren	BAK
Geox	BAK	Memscap	IAC	Italgas	BAK
Hermes Intl.	CIC	Osmosis	CIC	Naturgy	GVC
Interparfums	CIC	Stmicroelectronics	BAK	Red Electrica Corporacion	GVC
Kering	CIC	Tier 1 Technology	GVC	Ren	CBI
L'Oreal	CIC	Telecommunications	Mem(*)	Snam	BAK
Lvmh	CIC	Bouygues	CIC	Solaria	GVC
Moncler	BAK	Euskaltel	GVC	Terna	BAK
Monnalisa	BAK	Iliad	CIC		
Safilo	BAK	Nos	CBI		
Salvatore Ferragamo	BAK	Orange	CIC		
Smcp	CIC	Retelit	BAK		
Swatch Group	CIC	Telecom Italia	BAK		
Technogym	BAK	Telefonica	GVC		
Tod'S	BAK	Tiscali	BAK		
Real Estate	Mem(*)	Unidata	BAK		
Igd	BAK	Vodafone	BAK		
Lar España	GVC	Travel & Leisure	Mem(*)		
Merlin Properties	GVC	Accor	CIC		
Quabit Inmobiliaria	GVC	Autogrill	BAK		
Realia	GVC	Beneteau	CIC		
Software & Computer Ser.	Mem(*)	Codere	GVC		
Agile Content	GVC	Compagnie Des Alpes	CIC		
Akka Technologies	CIC	Edreams Odigeo	GVC		
Alten	CIC	Elior	CIC		
Amadeus	GVC	Europcar	CIC		

LEGEND: BAK: Banca Akros; CIC: CIC Market Solutions; CBI: Caixa-Banco de Investimento; GVC: GVC Gaesco Valores, SV, SA

as at 26 March 2021



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(**) excluding: strategists, macroeconomists, heads of research not covering specific stocks, credit analysts, technical analysts

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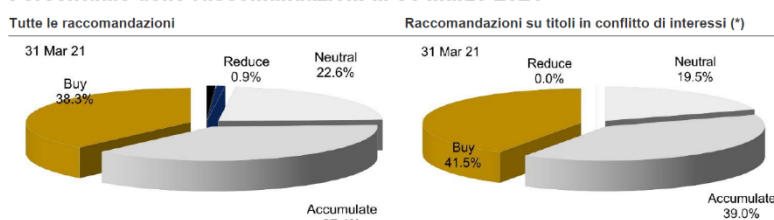
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Percentuale delle raccomandazioni al 31 marzo 2021



(*) Si informa che la percentuale degli emittenti in potenziale conflitto di interessi con Banca Akros è pari al 35,65% del totale degli emittenti oggetto di copertura

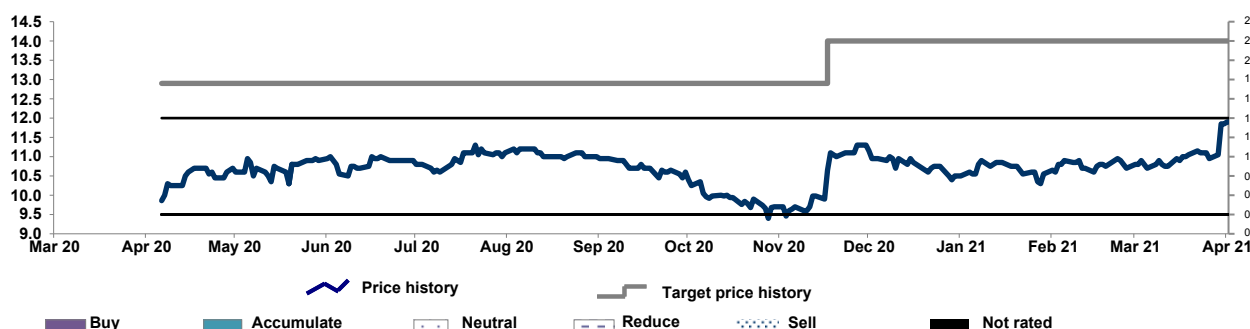
Recommendation history for FINE FOODS

Date	Recommendation	Target price	Price at change date
17-Nov-20	Buy	14.00	10.65
10-Jan-20	Buy	12.90	12.20
14-Nov-19	Buy	13.00	10.80
18-Sep-19	Buy	13.20	10.20
15-Apr-19	Buy	12.70	10.50

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows Banca Akros continuing coverage of this stock; the current analyst may or may not have covered it over the entire period.

Current analyst: Paola Saglietti (since 01/12/2018)



ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated based on **total return**, measured by the upside/downside potential (including dividends and capital reimbursement) over a **12-month time horizon**. The final responsible of the recommendation of a listed company is the analyst who covers that company. The recommendation and the target price set by an analyst on one stock are correlated but not totally, because an analyst may include in its recommendation also qualitative elements as market volatility, earning momentum, short term news flow, possible M&A scenarios and other subjective elements.



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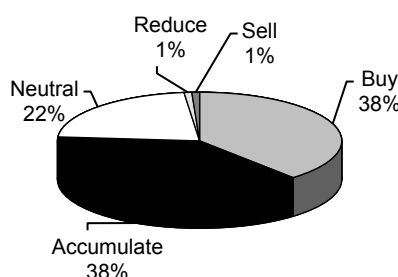
Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12-month
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12-month
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12-month
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12-month
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12-month
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Note: a certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

Banca Akros Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

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