



## Full Company Report

Reason: Company newsflow

20 September 2023

### Accumulate

Recommendation unchanged

Share price: EUR 8.39

closing price as of 19/09/2023

Target price: EUR 11.00

Target Price unchanged

Upside/Downside Potential 31.1%

Reuters/Bloomberg FF.MI/FF IM

Market capitalisation (EURm) 214

Current N° of shares (m) 26

Free float 43%

Daily avg. no. trad. sh. 12 mth (k) 7

Daily avg. trad. vol. 12 mth (k) 54.83

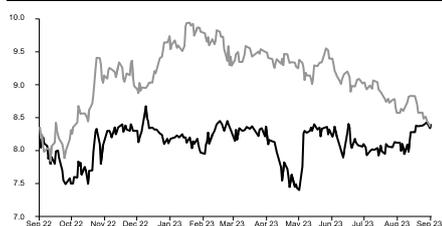
Price high/low 12 months 8.67 / 7.40

Abs Perfs 1/3/12 mths (%) 3.33/2.19/0.48

Key financials (EUR)	12/22	12/23e	12/24e
Sales (m)	207	243	268
EBITDA (m)	15	26	33
EBITDA margin	7.4%	10.9%	12.5%
EBIT (m)	0	5	10
EBIT margin	0.1%	1.9%	3.7%
Net Profit (adj.)(m)	(9)	5	7
ROCE	0.2%	1.7%	3.8%
Net debt/(cash) (m)	44	58	54
Net Debt Equity	0.3	0.4	0.4
Net Debt/EBITDA	2.8	2.2	1.6
Int. cover(EBITDA/Fin.int)	1.2	12.0	9.6
EV/Sales	1.3	1.2	1.0
EV/EBITDA	17.2	10.6	8.3
EV/EBITDA (adj.)	16.8	10.6	8.3
EV/EBIT	nm	61.4	28.1
P/E (adj.)	nm	33.1	23.6
P/BV	1.6	1.6	1.7
OpFCF yield	-8.2%	-4.5%	3.6%
Dividend yield	1.2%	1.3%	1.3%
EPS (adj.)	(0.36)	0.25	0.36
BVPS	5.21	5.11	5.08
DPS	0.10	0.11	0.11

### Shareholders

Marco Eigenmann 53%; Treasury shares 4%;



Source: FactSet

— FINE FOODS — FTSE Italy STAR (Rebased)

### Analyst(s)

Gian Marco Gadini

gianmarco.gadini@bancaakros.it

+39 02 4344 4236

## Solid revenue growth supporting the recovery path

H1 23 results flagged healthy revenue growth in the Pharma and the Food BUs, and the clear recovery of profitability of the two largest divisions (11.1% vs. 8.6% in H1 22). In this respect, we note the clearly improved trading environment, while some tensions on costs and prices are not completely over. The Cosmetic BU's ongoing restructuring affected the group's performance and is expected to gradually deploy its positive effects over the next few quarters. After our estimate revision and the roll-forward of our DCF model, we confirm our EUR 11/sh target price. We argue that the business is on track to recover its historical profitability, but we are keeping to our cautious approach. Accumulate confirmed.

- ✓ **H1 23 results.** Revenues in H1 23 came in slightly better than expected (~+27% Y/Y in H1, vs. Akros est. +25%), as the Q2 22 top line continued to grow by over 24% (after +29% Y/Y in Q1 23). Both the Pharma and Food BU performed strongly, with growth rates in excess of 30% Y/Y. The Cosmetic BU was down by ~4%, affected by the poor start to the year, although Q2 23 top line grew by over 6% Y/Y (improving significantly compared with the -14% Y/Y in Q1). H1 23 EBITDA was substantially in line with our expectations, up by 50% Y/Y on an adjusted basis and by 61% Y/Y on a reported basis. The divisional performance at Pharma and Food was solid, with an aggregated EBITDA margin of 11.1% (vs. ~8.6% in H1 22), whereas Cosmetic's profitability was affected by the ongoing reorganisation. The extra-energy costs' drag ~0.6pp off the EBITDA margin (down sequentially vs. 0.9pp in Q1 23 and ~2pp in H1 23).
- ✓ **FY 23/25 estimates.** We have slightly upgraded our FY 23 revenue estimates, from EUR 233m to EUR 243m, as we upgraded our revenue growth forecast from 12% Y/Y to 17.5%, on the back of the strong H1 23 performance. Indeed, we note that H1 23 sales have also benefitted from the poor comparison base, with H1 22 sales basically flat on a Y/Y basis. H2 22 was already back on track, with an acceleration to over 11% Y/Y. As such, our new sales forecasts imply a ~9% Y/Y growth in H2 23. We have slightly revised our EBITDA margin projections from 11.3% and 12.9% in FY 23 and FY 24 respectively to 10.9% and 12.5%, while we expect FF to reach a 12.9% EBITDA margin in FY 25. We note that the EBITDA in absolute value was almost unchanged. When it comes to cash generation, the expected normalisation in NWC absorption is lagging behind our previous forecasts. As such, we expect the NWC/sales ratio to inch up to ~24% at the end of FY 23 (vs. 22.4% as at 31 Dec 2022), before a smooth decline to 22% and 20% in FY 24 and FY 25 respectively. We have not included the ~EUR 30m in expansion capex announced by FF, since we do not have evidence of the expected revenue and EBITDA profile, particularly as regards the large contract announced, which is expected to employ most of the additional capacity.
- ✓ **Valuation.** Despite the higher cash absorption due to NWC and capex, we confirm our DCF-based fair value of EUR 11/sh after the roll-forward to 2027. Although the upside remains relatively large, we stick to our Accumulate recommendation.



---

## CONTENTS

<b>H1 23 results: solid revenue growth, profitability on track</b>	<b>3</b>
<b>Outlook</b>	<b>6</b>
<b>FY 2023/25 estimates</b>	<b>7</b>
FY 23/25 sales evolution	7
FY 23/25 profitability evolution	8
FY 23/25 capital structure evolution	8
<b>Valuation</b>	<b>11</b>
DCF valuation	11
Peer multiples	12

## H1 23 results: solid revenue growth, profitability on track

### Q2/H1 2023 results

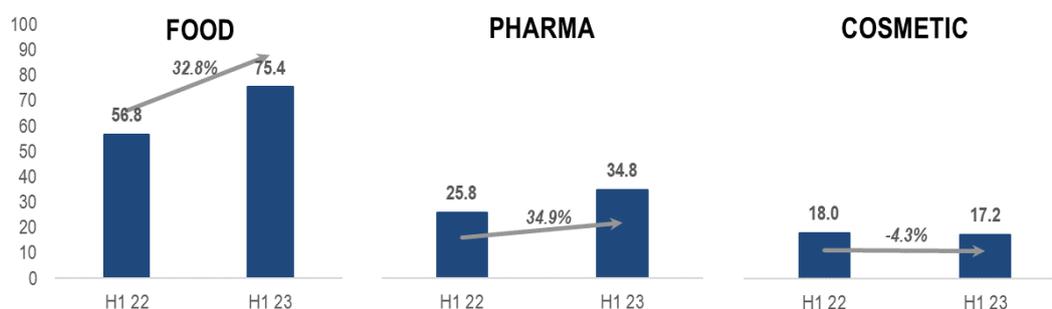
	H1 23a	H1 22a	Δ% Y/Y	H1 23e
Sales	127.5	100.6	26.7%	125.5
EBITDA Adj.	12.6	8.4	50.5%	12.5
EBITDA Margin	9.9%	8.3%	1.6pp	10.0%
EBIT Adj.	4.8	1.1	341.6%	5.0
Net income adj.	2.7	(5.6)	-147.7%	3.7
Net debt	62.2	42.2	47.6%	56.9

Source: Company data

(\*) H1 23 EBIT do not include goodwill impairment equal to EUR 4.4m. H1 22 adj. EBITDA do not include EUR 0.55m in non-recurring charges.

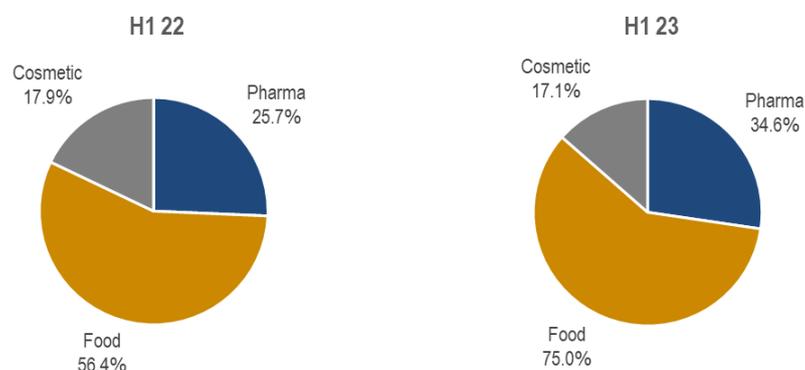
**Revenues** in H1 23 came in slightly better than expected (~+27% Y/Y in H1, vs. Akros est. +25%), as the Q2 22 top line continued to grow by over 24% (after +29% Y/Y in Q1 23). Both the **Pharma and Food BU** performed strongly, with growth rates in excess of 30% Y/Y. In particular, Pharma continued to benefit from the post-pandemic recovery and the normalisation of the technology transfers. The Food BU was boosted by the commercial actions implemented in the last few quarters, which enabled the company to meet specific customers' requirements with focused proposals. The **Cosmetic BU** was down by ~4%, affected by the poor start to the year, although Q2 23 top line grew by over 6% Y/Y (improving significantly compared with the -14% Y/Y in Q1). As a reminder, the management started a reorganisation process of the business unit, which is due to be completed by year end.

### Revenue trend by division



Source: Company data

### Revenue breakdown by division

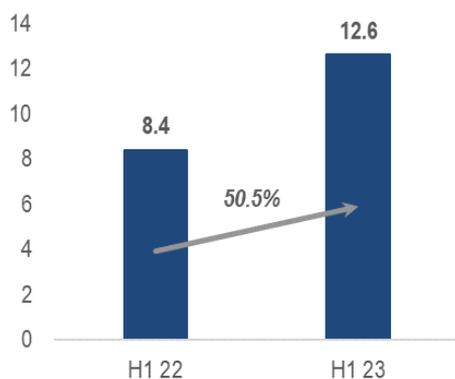


Source: Company data

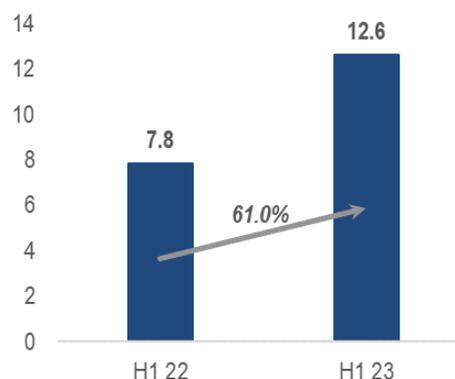
H1 23 **EBITDA** was substantially in line with our expectations, up by 50% Y/Y on an adjusted basis and by 61% Y/Y on a reported basis. The divisional performance at Pharma and Food

was solid, with an aggregated EBITDA margin of 11.1% (vs. ~8.6% in H1 22), whereas Cosmetic’s profitability was affected by the ongoing reorganisation. The extra-energy costs’ drag ~0.6pp off the EBITDA margin (down sequentially vs. 0.9pp in Q1 23 and ~2pp in H1 23).

**H1 23 EBITDA adjusted**



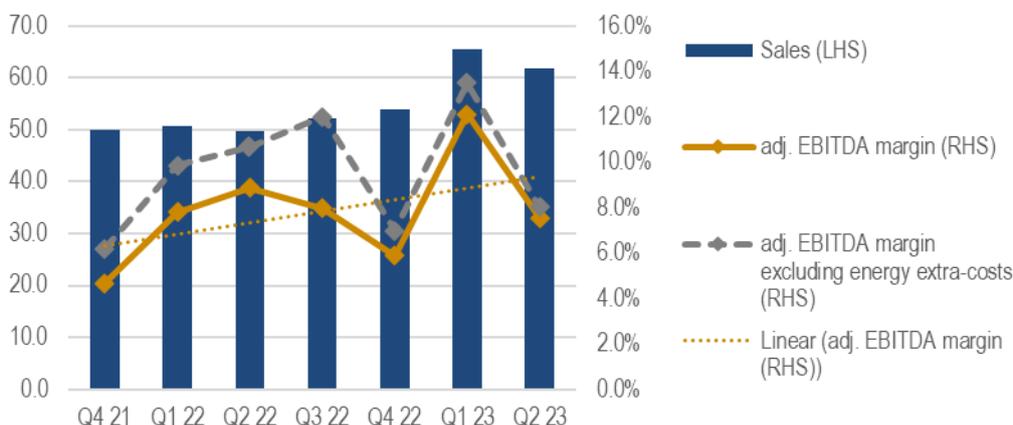
**H1 23 EBITDA reported**



Source: Company data

Overall, we note that the company is gradually recovering its profitability, continuing the trend started in Q4 21, as shown in the chart below. The energy extra-costs are fading out, while the main drag remains the reorganisation of the Cosmetic BU.

**Quarterly sales and adj. EBITDA margin trend (Q4 21/Q2 23)**



Source: Company data

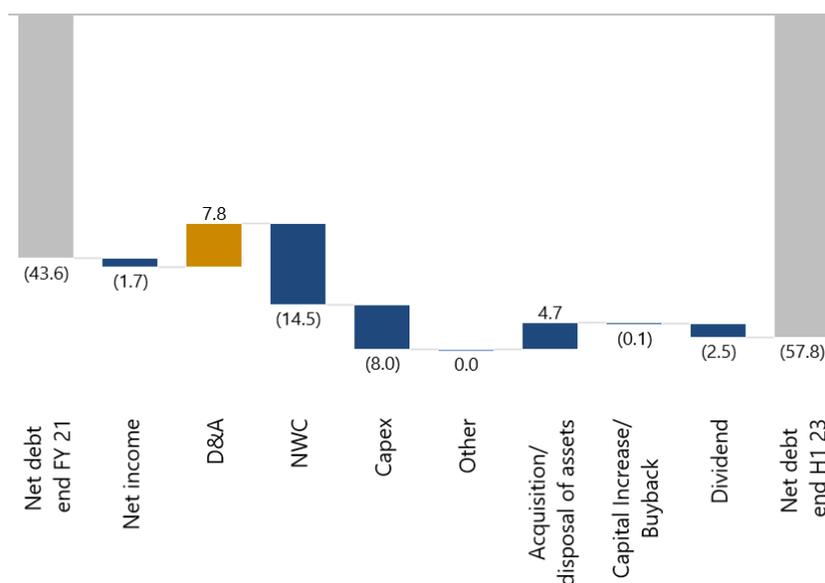
The H1 22 **adj. EBIT** grew more than four-fold or 3.7m, reflecting the increase in the EBITDA (EUR 4.2m) and higher D&A linked to the investments put in place in the last few quarters (EUR 0.5m). We note that, at the reported level, FF booked EUR 4.4m in goodwill impairment related to Pharmatek, due to the disposal of some non-strategic business lines.

The H1 22 **adj. net income** came in at EUR 2.7m after net finance costs of EUR 0.56m (including financial income of EUR 1.7m, vs. EUR 5.8m loss linked to the fair-value valuation of the group’s financial portfolio).

The **net debt** at the end of June 2023 reached EUR 57.8m, vs. EUR 43.6m at the beginning of the year. The main outflows were linked to capex (EUR 8m, ~6.3% of sales) and the NWC absorption (~EUR 14.5m), due to both higher inventories (to cover the need for raw materials) and higher trade receivables.

Fine Foods also distributed EUR 2.5m in dividends and bought EUR 0.1m in own shares in H1 23.

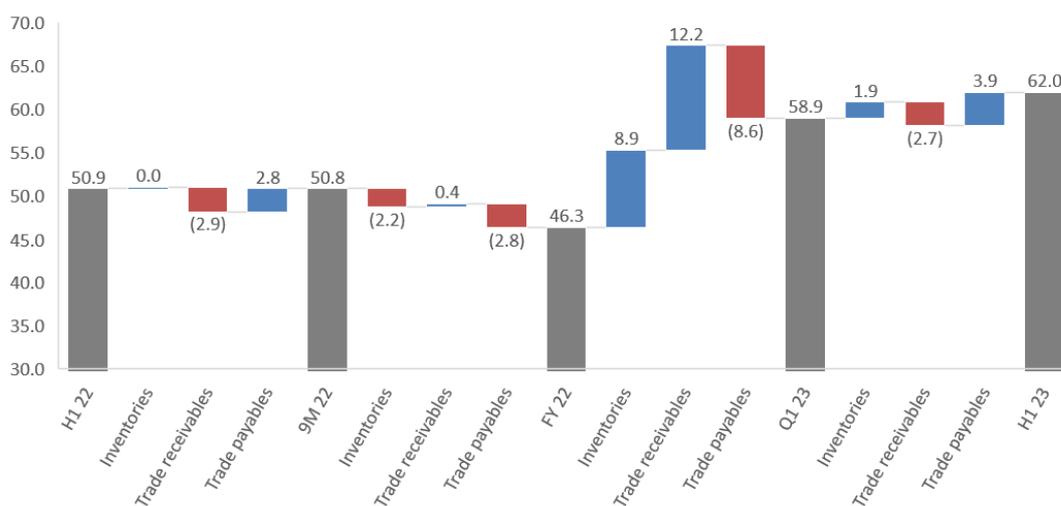
**Net debt development (YTD)**



Source: Company data

As regards the NWC management, we note that the NWC stabilised in Q2 vs. Q1 23, although the operating NWC kept increasing slightly. In any case, most of the Q1 23 absorption was linked to revenue growth.

**NWC development (LTM)**



Source: Company data

## Outlook

The management project a “largely positive outlook” for the Food BU, thanks to the commercial actions implemented in the last few quarters, which have already delivered significant revenue growth in H1 23.

The Pharma BU ought to grow thanks to “key multi-year agreements [...] that will require a production plant expansion”. The construction of the new plant ought to start by the end of the year and is expected to be completed by the end of FY 25, while revenues from a large contract with a multinational company ought to be booked as of Q4 25 or Q1 26. The management also mentioned that they are in talks with other large pharmaceutical companies. Thus, the expected capacity expansion is likely to be largely covered ahead of its construction, thereby increasing the company’s visibility on its return on investment.

As regards the Cosmetic BU, works to expand capacity at the Trezano facility are almost completed, and the division ought to report increasing efficiency gains as long as demand increases.

At the group level, despite the lower profitability in Q2 23, mainly due to the Cosmetic BU, the EBITDA margin’s improvement trend ought to go on. The company noted that it ought to benefit from the previous price hikes their customers have agreed on, while raw materials and energy costs are starting to normalise.

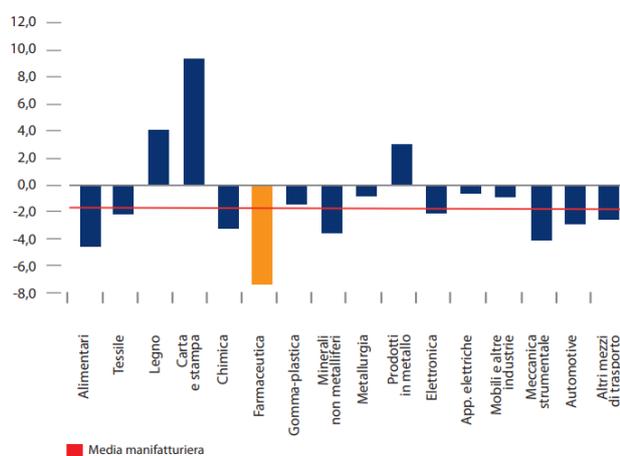
Looking at the **CDMO industry**, according to Farmindustria, Italy remained the largest geographic contributor to the European CDMO market (23%, or EUR 3.1bn in FY 22) and production grew by ~10% Y/Y in the first few months of 2023.

The latest Farmindustria report (July 2023) noted that the pharmaceutical sector experienced the deepest contraction in EBITDA among the manufacturing sector in the aggregate in FY 22.

Cost inflation has been a key issue, and still is for over 70% of the interviewed CDMOs, although input costs started to decline from the peak recorded in H2 22, and sales prices started to accelerate as of Q1 23.

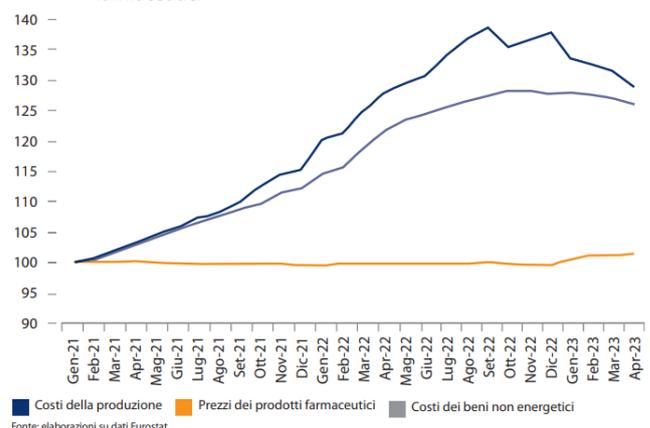
### Italian CDMO: EBITDA variation (2022 vs. average 2018/19) Italy: price and production cost of drugs (Jan 2021 = 100)

TAVOLA 21 Italia: variazione del margine operativo lordo tra 2018-19 e 2022 (var. %; margine operativo lordo in % del fatturato)



Source: Indicatori Farmaceutici (Farmindustria, July 2023)

TAVOLA 20 Indicatori costi della produzione totale e prezzi dei prodotti farmaceutici



Source: Indicatori Farmaceutici (Farmindustria, July 2023)

## FY 2023/25 estimates

### FY 23/25 sales evolution

We have slightly upgraded our FY 23 revenue estimates, from EUR 233m to EUR 243m, as we upgraded our revenue growth forecast from 12% Y/Y to 17.5%, on the back of the strong H1 23 performance. Indeed, we note that H1 23 sales have also benefitted from the poor comparison base, with H1 22 sales basically flat on a Y/Y basis. H2 22 was already back on track, with an acceleration to over 11% Y/Y. As such, our new sales forecasts imply a ~9% Y/Y growth in H2 23.

- ✓ Growth in the Pharma top line continued in H1 23, although a gradual normalisation is expected into H2 23. We expect Pharma sales to reach EUR 69m (vs. our previous EUR 52.5m), posting ~18% Y/Y growth rate in H2 23 (vs. ~35% Y/Y in H1 23 and 46% Y/Y in H2 22);
- ✓ The Food BU grew strongly in H1 23 (+33% Y/Y), more than offsetting the impact of the headwinds in H1 22 (-23% Y/Y) and overcoming the record-high levels reached in H1 21 at the very peak of the food supplements cycle, particularly in the multilevel marketing channel. We project ~4% Y/Y growth in H2 23, as the comparison base becomes slightly more challenging.
- ✓ The Cosmetic BU is seen broadly stable on a Y/Y basis (+2%), due to the ongoing reorganisation which is expected to continue into H2 23.

FY 23 ought to be an exceptional year, with revenue growth in the mid-teen region, after the “transition year” FY 22. The significant upward deviation in FY 23 is expected to revert towards the historical ~10% growth rate p.a. in FY 24 and FY 25.

### FY 23/25E sales evolution

	FY 21	FY 22	Δ% Y/Y	FY 23E	Δ% Y/Y	FY 24E	Δ% Y/Y	FY 25E	Δ% Y/Y	CAGR FY 22/25E
Pharma BU	39.5	54.7	38.6%	69.0	26.1%	74.5	8.0%	82.0	10.0%	14.4%
Food BU	139.1	117.8	-15.3%	139.0	18.0%	150.1	8.0%	165.1	10.0%	11.9%
Cosmetic BU	16.3	34.3	110.7%	35.0	1.9%	43.0	22.9%	47.0	9.3%	11.0%
<b>Sales</b>	<b>194.9</b>	<b>206.9</b>	<b>6.2%</b>	<b>243.0</b>	<b>17.5%</b>	<b>267.6</b>	<b>10.1%</b>	<b>294.1</b>	<b>9.9%</b>	<b>12.4%</b>

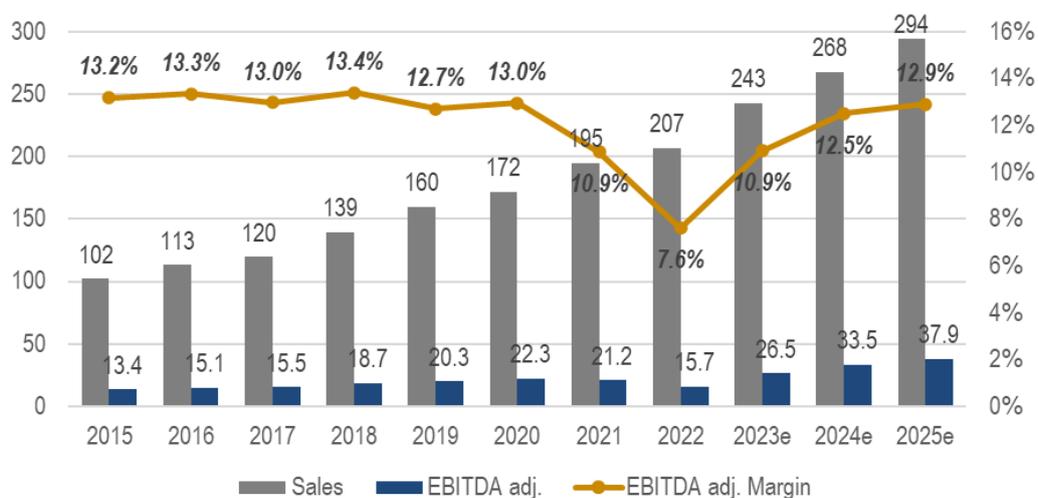
## FY 23/25 profitability evolution

The recovery in EBITDA margin is expected to continue in FY 23. The management explained that the significant revenue growth experienced in H1 23 led to some fluctuations in profitability, although EBITDA margin remained on its upward trend.

Furthermore, the normalisation in energy and most raw materials costs, coupled with the price negotiations carried on in the last few quarters, ought to support the recovery trend.

We have slightly revised our EBITDA margin projections from 11.3% and 12.9% in FY 23 and FY 24 respectively to 10.9% and 12.5%, while we expect FF to reach a 12.9% EBITDA margin in FY 25. We note that the EBITDA in absolute value was almost unchanged.

### Revenue and EBITDA evolution FY 15/25E (EUR m)



Source: Company data, Banca Akros estimates

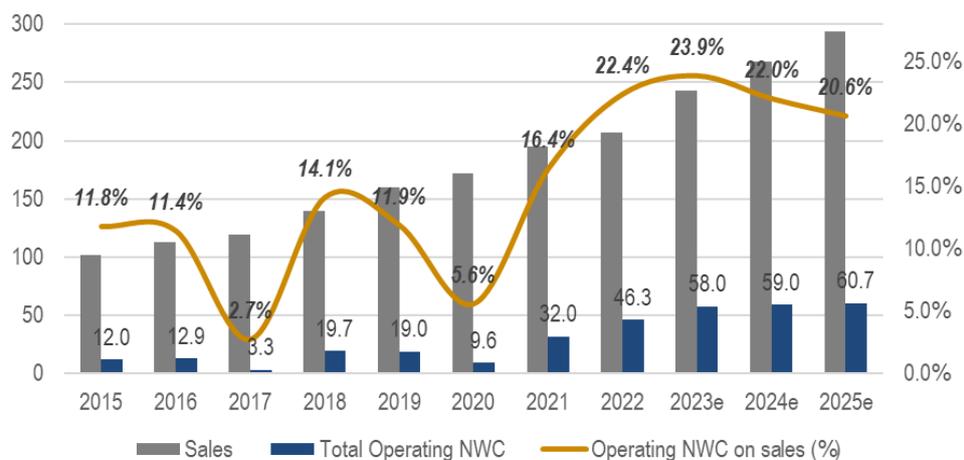
## FY 23/25 capital structure evolution

The NWC expanded significantly in Q1 23, in order to cope with the significant revenue growth, which turned into higher inventory requirements and higher stocks of receivables. In any case, we note that the increase in payables matched the increase in inventories in Q1 23, as it was before the FY 21/22 supply chain disruptions.

However, the expected normalisation in NWC absorption is lagging behind our previous forecasts. As such, we expect the NWC/sales ratio to inch up to ~24% at the end of FY 23 (vs. 22.4% as at 31 Dec 2022), before a smooth decline to 22% and 20% in FY 24 and FY 25 respectively.

The path ought to continue in the next few years, although we expect the NWC stock to remain at a higher level vis-à-vis 2019.

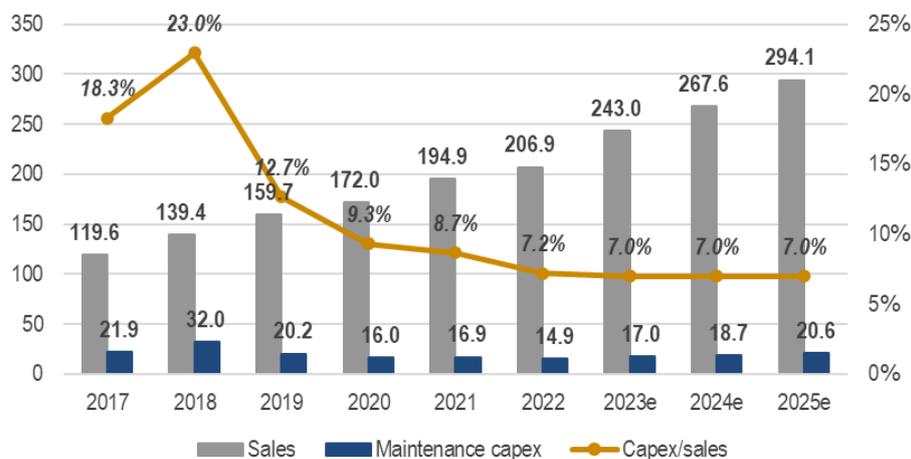
### NWC evolution FY 15/25E (EUR m)



Source: Company data, Banca Akros estimates

We expect FY 23E CAPEX to be around EUR 17m. We see maintenance capex stable at ~7% of revenues in the coming years. **We highlight that, for the time being, we are not including the ~EUR 30m in expansion capex announced by FF**, since we do not have evidence of the expected revenue and EBITDA profile, particularly as regards the large contract announced, which is expected to employ most of the additional capacity.

### Sales and capex evolution FY 17/25E (EUR m)



Source: Company data, Banca Akros estimates

We believe that the steady margin improvement and the gradual normalisation in NWC requirements will benefit cash generation and lower the current NFP.

We summarise our forecasts in the following table.

We note that the adj. EBITDA, despite the slightly more conservative margin recovery profile, remained basically unchanged compared with our previous estimates. At the D&A line, we note that FY 23 will be affected by EUR 4.4m goodwill impairment on the former Pharmatek's non-core business lines. Furthermore, we no longer include financial income as of H1 23, due to the divestment of the financial portfolio.

Cash generation in FY 23 is expected to be significantly affected by the NWC absorption (~EUR 16m in FY 23, o/w EUR 14.5m booked in H1 23). Going forward, we have revised the ordinary capex ratio to ~7% of sales (compared with the previous 5/6%).

#### Fine Foods: FY 23/25E Banca Akros estimates

PROFIT & LOSS (EUR m)	FY 22	FY 23E		Δ% Y/Y	FY 24E		Δ% Y/Y
		NEW	OLD		NEW	OLD	
<b>Revenues</b>	<b>206.9</b>	<b>243.0</b>	<b>232.5</b>	<b>17.5%</b>	<b>267.6</b>	<b>257.0</b>	<b>10.1%</b>
<b>EBITDA adj</b>	<b>15.7</b>	<b>26.5</b>	<b>26.3</b>	<b>68.3%</b>	<b>33.5</b>	<b>33.2</b>	<b>26.3%</b>
<i>As a % of sales</i>	7.6%	10.9%	11.3%		12.5%	12.9%	
One-off costs	1.6	0.0	0.0		0.0	0.0	
<b>EBITDA</b>	<b>15.4</b>	<b>26.5</b>	<b>26.3</b>	<b>71.9%</b>	<b>33.5</b>	<b>33.2</b>	<b>26.3%</b>
<i>As a % of sales</i>	7.4%	10.9%	11.3%		12.5%	12.9%	
D&A and provisions	(16.4)	(22.0)	(17.6)		(18.8)	(18.8)	
<b>EBIT adj.</b>	<b>0.3</b>	<b>8.9</b>	<b>8.7</b>	<b>n.m.</b>	<b>14.7</b>	<b>14.4</b>	<b>64.3%</b>
<i>As a % of sales</i>	0.1%	3.7%	3.7%		5.5%	5.6%	
<b>EBIT</b>	<b>(1.0)</b>	<b>4.5</b>	<b>8.7</b>	<b>n.m.</b>	<b>14.7</b>	<b>14.4</b>	<b>224.4%</b>
<i>EBIT margin</i>	-0.5%	1.9%	3.7%		5.5%	5.6%	
Net fin. income/charges	(13.3)	(2.2)	0.9		(3.5)	0.9	
Non-Recurring items	0.0	0.0	0.0		0.0	0.0	
<b>Pre-tax profit</b>	<b>(14.2)</b>	<b>2.3</b>	<b>9.6</b>	<b>n.m.</b>	<b>11.2</b>	<b>15.3</b>	<b>381.3%</b>
Taxes	4.7	(0.5)	(2.1)		(2.4)	(3.3)	
<i>Tax rate</i>	33.1%	21.9%	21.9%		21.9%	21.9%	
Minorities	0.0	0.0	0.0		0.0	0.0	
<b>Net profit rep</b>	<b>(9.5)</b>	<b>1.9</b>	<b>7.5</b>	<b>n.m.</b>	<b>8.7</b>	<b>11.9</b>	<b>368.9%</b>
<b>Net profit adj</b>	<b>(8.6)</b>	<b>6.2</b>	<b>7.5</b>	<b>n.m.</b>	<b>8.7</b>	<b>11.9</b>	<b>40.3%</b>
Maintenance capex	14.9	17.0	10.5		18.7	10.3	
Acquisition Capex							
Cash from operations	(3.6)	3.1	19.7		26.5	29.2	
FCFO	(18.5)	(13.9)	9.3		7.8	18.9	
FCFE	(23.1)	(13.8)	9.2		8.0	18.8	
<b>Net Debt (Cash)</b>	<b>43.6</b>	<b>61.9</b>	<b>38.8</b>		<b>58.7</b>	<b>24.3</b>	

Source: Company data and Banca Akros estimates

## Valuation

### DCF valuation

Based on our DCF model and after the roll-forward to FY 27, we confirm our fair value of EUR 11.0 per share, implying an over 30% potential upside.

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

- ✓ Sales forecast: a) for the period FY 22/27e, we assume a sales CAGR of ~10%, in line with the historic growth rate.
- ✓ Profitability forecast: a) for the period 2023/2025e, we assume the EBITDA margin described in the previous table; b) in terms of long-term forecasts, we assume a stable EBITDA margin of ~14%, which is the achievable target indicated by the management since the additional production capacity available after the increase in investments and the integration of recent acquisitions will allow the group to obtain a lower incidence of fixed costs, an efficiency improvement and further economies of scale in the coming years.
- ✓ We increase the WACC from 6.5% to 7.5% to account for the higher cost of debt (4% vs. the previous 2.5%).

#### FINE FOODS: Free Cash Flow projection (EUR m)

	2023e	2024e	2025e	2026e	2027e
EBITA	8.9	14.7	17.8	22.5	24.2
Taxes	-0.7	-3.2	-3.9	-4.9	-5.3
Tax rate	7.6%	21.9%	21.9%	21.9%	21.9%
<b>NOPLAT</b>	<b>8.2</b>	<b>11.4</b>	<b>13.9</b>	<b>17.6</b>	<b>18.9</b>
Depreciation & other provisions	17.6	18.8	20.1	22.1	25.6
<b>Operating Cash Flow</b>	<b>8.9</b>	<b>14.7</b>	<b>17.8</b>	<b>22.5</b>	<b>24.2</b>
Capex	-17.0	-18.7	-20.6	-15.0	-15.0
Change in Net Working Capital	-16.3	-1.0	0.0	-0.4	-8.1
<b>Free Operating Cash Flow (FOCF)</b>	<b>-7.5</b>	<b>10.5</b>	<b>13.4</b>	<b>24.3</b>	<b>21.4</b>

Source: Banca Akros estimates

#### FINE FOODS: DCF analysis

Perpetual Growth Rate	1.80%
WACC	7.50%
<b>Terminal Value</b>	<b>404.2</b>
Discounting Rate of Terminal Value	0.63
Discounted Terminal Value	256.5
<b>Cumulated DFOCF</b>	<b>62.8</b>
Financial Assets as of 31/12/22	8.1
<b>Enterprise Value (EUR m)</b>	<b>327.5</b>
Net Financial Debt as of 31/12/22 (EUR m)	(43.6)
Minorities market value (EUR m)	(0.0)
<b>Equity Value (EUR m)</b>	<b>292.0</b>
<b>Value per share (EUR)</b>	<b>11.0</b>

Source: Banca Akros estimates

### DCF sensitivity table (EUR)

WACC	Terminal growth rate (g)						
	1.05%	1.30%	1.55%	1.80%	2.05%	2.30%	2.55%
6.0%	13.6	14.3	15.1	16.0	17.0	18.2	19.5
6.5%	12.0	12.6	13.3	14.0	14.8	15.7	16.7
7.0%	10.8	11.3	11.8	12.3	13.0	13.7	14.5
7.5%	9.7	10.1	10.5	11.0	11.5	12.1	12.7
8.0%	8.8	9.1	9.5	9.9	10.3	10.8	11.3
8.5%	8.0	8.3	8.6	8.9	9.3	9.7	10.1
9.0%	7.3	7.6	7.8	8.1	8.4	8.7	9.1

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 supply of products for the health care sector. We have not taken into account the peer multiples in our valuation because, compared to FF, the peers are too diversified in terms of size, geographical presence, financial structure and profitability.

Nevertheless, as shown in the following table, FF trades at a discount on its peers in terms of 2023/24 EV/EBITDA and 2024 P/E adj. We also note that Labomar's multiples are based on the stock price as at 6 September, when the company was delisted following the PTO launched by its main shareholder earlier this year.

### Fine Foods: peer data

	Cur	Market Cap (m)	EV/EBITDA			P/E adj		
			2023e	2024e	2025e	2023e	2024e	2025e
LABOMAR	EUR	184	10.9	9.7	8.5	25.5	22.4	18.8
CATALENT INC	USD	8,671	18.4	18.5	13.7	46.9	63.1	27.4
PIRAMAL ENTERPRISES LTD	INR	258,401	33.3	12.2	12.0	12.0	15.8	16.4
INTERCOS	EUR	1,251	9.8	8.8	7.9	20.1	17.3	15.2
SIEGFRIED HOLDING AG-REG	CHF	3,476	15.3	13.7	11.9	24.8	22.3	19.1
<b>AVERAGE</b>			<b>17.6</b>	<b>12.6</b>	<b>10.8</b>	<b>25.9</b>	<b>28.2</b>	<b>19.4</b>
FINE FOODS	EUR	213	10.6	8.3	7.1	33.3	23.7	9.0
<b>Premium (discount)</b>			<b>-39.6%</b>	<b>-33.9%</b>	<b>-34.3%</b>	<b>28.7%</b>	<b>-15.8%</b>	<b>-53.5%</b>

Source: Bloomberg data as at 18 September 2023 and Banca Akros estimates



---

## Upcoming Corporate Events Calendar

Date	Event Type	Description	Period
14/11/23	Results	Q3 2023 Results	2023Q3

Source: *Precise*

## Fine Foods: Summary tables

<b>PROFIT &amp; LOSS (EURm)</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
<b>Sales</b>	<b>172</b>	<b>195</b>	<b>207</b>	<b>243</b>	<b>268</b>	<b>294</b>
Cost of Sales & Operating Costs	-85.1	-96.6	-108.8	-118.7	-128.0	-144.1
Non Recurrent Expenses/Income	-1.2	-1.6	-0.3	0.0	0.0	0.0
<b>EBITDA</b>	<b>21.1</b>	<b>19.6</b>	<b>15.4</b>	<b>26.5</b>	<b>33.5</b>	<b>37.9</b>
<b>EBITDA (adj.)*</b>	<b>22.3</b>	<b>21.2</b>	<b>15.7</b>	<b>26.5</b>	<b>33.5</b>	<b>37.9</b>
Depreciation	-11.6	-14.5	-16.4	-17.6	-18.8	-20.1
<b>EBITA</b>	<b>9.5</b>	<b>5.0</b>	<b>-1.0</b>	<b>8.9</b>	<b>14.7</b>	<b>17.8</b>
<b>EBITA (adj)*</b>	<b>10.7</b>	<b>6.6</b>	<b>-0.7</b>	<b>8.9</b>	<b>14.7</b>	<b>17.8</b>
Amortisations and Write Downs	0.0	0.0	0.0	-4.4	-4.8	-5.3
<b>EBIT</b>	<b>10.7</b>	<b>7.7</b>	<b>0.3</b>	<b>4.6</b>	<b>9.9</b>	<b>12.6</b>
<b>EBIT (adj.)*</b>	<b>11.9</b>	<b>9.3</b>	<b>0.6</b>	<b>4.6</b>	<b>9.9</b>	<b>12.6</b>
Net Financial Interest	7.2	-9.3	-13.2	-2.2	-3.5	-3.3
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
<b>Earnings Before Tax (EBT)</b>	<b>17.9</b>	<b>-1.6</b>	<b>-12.9</b>	<b>2.4</b>	<b>6.4</b>	<b>9.3</b>
Tax	-3.3	3.2	4.7	-0.5	-2.4	-3.2
<i>Tax rate</i>	<i>18.6%</i>	<i>68.9%</i>	<i>33.9%</i>	<i>21.5%</i>	<i>38.4%</i>	<i>34.4%</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
<b>Net Profit (reported)</b>	<b>13.4</b>	<b>-1.4</b>	<b>-9.5</b>	<b>1.9</b>	<b>3.9</b>	<b>6.1</b>
<b>Net Profit (adj.)</b>	<b>9.3</b>	<b>10.2</b>	<b>-8.6</b>	<b>5.3</b>	<b>6.9</b>	<b>9.5</b>
<b>CASH FLOW (EURm)</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Cash Flow from Operations before change in NWC	25.0	13.1	6.9	23.8	27.5	31.5
Change in Net Working Capital	12.7	-32.0	-9.5	-16.3	-1.0	0.0
<b>Cash Flow from Operations</b>	<b>37.7</b>	<b>-18.9</b>	<b>-2.6</b>	<b>7.5</b>	<b>26.5</b>	<b>31.5</b>
Capex	-16.0	-66.0	-14.9	-17.0	-18.7	-20.6
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
<b>Free Cash Flow</b>	<b>21.7</b>	<b>-84.9</b>	<b>-17.5</b>	<b>-9.6</b>	<b>7.8</b>	<b>10.9</b>
Dividends	-2.8	-3.3	-3.9	-2.6	-2.8	-2.8
Other (incl. Capital Increase & share buy backs)	-0.9	40.8	-7.0	-3.9	-3.7	0.3
<b>Change in Net Financial Debt</b>	<b>18.0</b>	<b>-47.4</b>	<b>-28.4</b>	<b>-16.0</b>	<b>1.3</b>	<b>8.4</b>
NOPLAT	8.1	6.4	0.4	3.1	6.8	8.6
<b>BALANCE SHEET &amp; OTHER ITEMS (EURm)</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Net Tangible Assets	93.4	103	109	109	109	109
Net Intangible Assets (incl. Goodwill)	1.9	24.7	17.7	13.3	8.5	3.3
Net Financial Assets & Other	2.0	3.7	8.1	8.1	8.1	8.1
<b>Total Fixed Assets</b>	<b>97.3</b>	<b>131</b>	<b>135</b>	<b>130</b>	<b>125</b>	<b>121</b>
Inventories	19.6	35.1	40.4	49.0	51.0	51.0
Trade receivables	12.7	29.4	39.3	47.0	45.0	45.0
Other current assets	3.3	12.0	8.2	-9.5	-9.5	-9.5
Cash (-)	-75.0	-95.1	-76.7	-71.3	-72.5	-75.5
<b>Total Current Assets</b>	<b>111</b>	<b>172</b>	<b>165</b>	<b>158</b>	<b>159</b>	<b>162</b>
<b>Total Assets</b>	<b>207.8</b>	<b>302.8</b>	<b>299.8</b>	<b>288.0</b>	<b>284.3</b>	<b>282.6</b>
Shareholders Equity	141	147	133	131	130	133
Minority	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Equity</b>	<b>141</b>	<b>147</b>	<b>133</b>	<b>131</b>	<b>130</b>	<b>133</b>
Long term interest bearing debt	16.1	42.5	79.8	85.5	84.1	80.5
Provisions	1.1	3.0	2.4	2.5	2.8	3.1
Other long term liabilities	0.6	0.0	0.0	0.0	0.0	0.0
<b>Total Long Term Liabilities</b>	<b>17.7</b>	<b>45.5</b>	<b>82.2</b>	<b>88.0</b>	<b>86.9</b>	<b>83.6</b>
Short term interest bearing debt	16.2	68.2	40.6	43.4	42.7	40.9
Trade payables	22.7	32.5	33.5	38.0	37.0	37.0
Other current liabilities	10.2	9.3	10.3	-12.0	-12.0	-12.0
<b>Total Current Liabilities</b>	<b>49.1</b>	<b>110</b>	<b>84.3</b>	<b>69.4</b>	<b>67.7</b>	<b>65.9</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>207.8</b>	<b>302.8</b>	<b>299.8</b>	<b>288.0</b>	<b>284.3</b>	<b>282.6</b>
<b>Net Capital Employed</b>	<b>99.9</b>	<b>165.9</b>	<b>179.3</b>	<b>190.7</b>	<b>186.9</b>	<b>182.1</b>
<b>Net Working Capital</b>	<b>9.6</b>	<b>32.0</b>	<b>46.3</b>	<b>58.0</b>	<b>59.0</b>	<b>59.0</b>
<b>GROWTH &amp; MARGINS</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
<i>Sales growth</i>	<i>7.7%</i>	<i>13.3%</i>	<i>6.2%</i>	<i>17.5%</i>	<i>10.1%</i>	<i>9.9%</i>
<b>EBITDA (adj.)* growth</b>	<b>9.9%</b>	<b>-5.0%</b>	<b>-25.6%</b>	<b>68.3%</b>	<b>26.3%</b>	<b>13.4%</b>
<i>EBITA (adj.)* growth</i>	<i>-2.5%</i>	<i>-37.7%</i>	<i>n.m.</i>	<i>n.m.</i>	<i>64.3%</i>	<i>21.6%</i>
<i>EBIT (adj)*growth</i>	<i>-13.6%</i>	<i>-21.4%</i>	<i>-93.6%</i>	<i>669.9%</i>	<i>116.0%</i>	<i>27.3%</i>

## Fine Foods: Summary tables

<b>GROWTH &amp; MARGINS</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Net Profit growth	-21.8%	9.4%	n.m.	n.m.	30.2%	38.7%
EPS adj. growth	-23.3%	11.1%	n.m.	n.m.	40.3%	102.9%
DPS adj. growth	16.7%	14.3%	-37.5%	8.0%	0.0%	0.0%
EBITDA (adj)* margin	13.0%	10.9%	7.6%	10.9%	12.5%	12.9%
EBITA (adj)* margin	6.2%	3.4%	-0.3%	3.7%	5.5%	6.1%
EBIT (adj)* margin	6.9%	4.8%	0.3%	1.9%	3.7%	4.3%
<b>RATIOS</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Net Debt/Equity	-0.3	0.1	0.3	0.4	0.4	0.3
Net Debt/EBITDA	-2.0	0.8	2.8	2.2	1.6	1.2
Interest cover (EBITDA/Fin.interest)	n.m.	2.1	1.2	12.0	9.6	11.5
Capex/D&A	137.5%	454.3%	90.7%	96.8%	99.7%	102.3%
Capex/Sales	9.3%	33.9%	7.2%	7.0%	7.0%	7.0%
NWC/Sales	5.6%	16.4%	22.4%	23.9%	22.0%	20.1%
ROE (average)	6.8%	7.1%	-6.1%	4.0%	5.3%	7.3%
ROCE (adj.)	7.8%	4.0%	0.2%	1.7%	3.8%	5.0%
WACC	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
ROCE (adj.)/WACC	1.0	0.5	0.0	0.2	0.5	0.7
<b>PER SHARE DATA (EUR)***</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Average diluted number of shares	23.6	24.5	25.6	25.6	25.6	25.6
EPS (reported)	0.57	-0.06	-0.38	0.07	0.15	0.24
EPS (adj.)	0.40	0.44	-0.36	0.25	0.36	0.72
BVPS	5.98	6.00	5.21	5.11	5.08	5.21
DPS	0.14	0.16	0.10	0.11	0.11	0.11
<b>VALUATION</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
EV/Sales	1.2	2.0	1.3	1.2	1.0	0.9
EV/EBITDA	9.8	20.3	17.2	10.6	8.3	7.1
<b>EV/EBITDA (adj.)*</b>	<b>9.3</b>	<b>18.8</b>	<b>16.8</b>	<b>10.6</b>	<b>8.3</b>	<b>7.1</b>
EV/EBITA	21.9	78.9	-262.3	31.4	18.9	15.1
<b>EV/EBITA (adj.)*</b>	<b>19.4</b>	<b>59.8</b>	<b>-388.2</b>	<b>31.4</b>	<b>18.9</b>	<b>15.1</b>
EV/EBIT	19.4	51.5	n.m.	61.4	28.1	21.4
<b>EV/EBIT (adj.)*</b>	<b>17.5</b>	<b>42.6</b>	<b>n.m.</b>	<b>61.4</b>	<b>28.1</b>	<b>21.4</b>
<b>P/E (adj.)</b>	<b>26.4</b>	<b>34.8</b>	<b>n.m.</b>	<b>33.1</b>	<b>23.6</b>	<b>11.6</b>
P/BV	1.8	2.6	1.6	1.6	1.7	1.6
Total Yield Ratio	1.3%	1.0%	1.2%	1.3%	1.3%	1.6
EV/CE	2.0	2.5	1.5	1.6	1.6	1.6
OpFCF yield	8.8%	-22.5%	-8.2%	-4.5%	3.6%	5.1%
OpFCF/EV	10.5%	-21.4%	-6.6%	-3.4%	2.8%	4.0%
Payout ratio	24.5%	n.m.	-26.4%	148.6%	70.4%	45.4%
Dividend yield (gross)	1.3%	1.0%	1.2%	1.3%	1.3%	1.3%
<b>EV AND MKT CAP (EURm)</b>	<b>12/2020</b>	<b>12/2021</b>	<b>12/2022</b>	<b>12/2023e</b>	<b>12/2024e</b>	<b>12/2025e</b>
Price** (EUR)	10.50	15.40	8.34	8.39	8.39	8.39
Outstanding number of shares for main stock	23.6	24.5	25.6	25.6	25.6	25.6
<b>Total Market Cap</b>	<b>247.5</b>	<b>377.7</b>	<b>213.2</b>	<b>214.4</b>	<b>214.4</b>	<b>214.4</b>
Gross Financial Debt (+)	32.3	110.8	120.4	128.9	126.8	121.4
Cash & Marketable Securities (-)	-75.0	-95.1	-76.7	-71.3	-72.5	-75.5
<b>Net Financial Debt</b>	<b>-42.7</b>	<b>15.7</b>	<b>43.6</b>	<b>57.6</b>	<b>54.3</b>	<b>45.9</b>
Lease Liabilities (+)						
<b>Net Debt</b>	<b>-42.7</b>	<b>15.7</b>	<b>43.6</b>	<b>57.6</b>	<b>54.3</b>	<b>45.9</b>
<b>Other EV components</b>	<b>2.1</b>	<b>3.9</b>	<b>8.4</b>	<b>8.4</b>	<b>8.4</b>	<b>8.3</b>
<b>Enterprise Value (EV adj.)</b>	<b>206.9</b>	<b>397.3</b>	<b>265.1</b>	<b>280.4</b>	<b>277.1</b>	<b>268.7</b>

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 1/2

<b>Automobiles &amp; Parts</b>	<b>Mem(*)</b>	Maisons Du Monde	CIC	Mediobanca	BAK	Cit	CBI
Brembo	BAK	Ovs	BAK	Poste Italiane	BAK	Danieli	BAK
Cie Automotive	GVC	Piaggio	BAK	Rothschild & Co	CIC	Dassault Aviation	CIC
Ferrari	BAK	Richemont	CIC	<b>Food &amp; Beverage</b>	<b>Mem(*)</b>	Datalogic	BAK
Forvia	CIC	Smcp	CIC	Ab Inbev	CIC	Elecnor	GVC
Gestamp	GVC	Swatch Group	CIC	Advini	CIC	Elis	CIC
Landi Renzo	BAK	Technogym	BAK	Bonduelle	CIC	Enav	BAK
Michelin	CIC	Trigano	CIC	Campari	BAK	Enogia	CIC
Pirelli & C.	BAK	Ubisoft	CIC	Carlsberg As-B	CIC	Exel Industries	CIC
Plastic Omnium	CIC	<b>Energy</b>	<b>Mem(*)</b>	Danone	CIC	Fincantieri	BAK
Renault	CIC	Cgg	CIC	Diageo	CIC	Getlink	CIC
Sogefi	BAK	Ecoslops	CIC	Ebro Foods	GVC	Global Dominion	GVC
Stellantis	BAK	Eni	BAK	Fleury Michon	CIC	Haulotte Group	CIC
Valeo	CIC	Galp Energia	CBI	Heineken	CIC	Interpump	BAK
<b>Banks</b>	<b>Mem(*)</b>	Gas Plus	BAK	Italian Wine Brands	BAK	Inwit	BAK
Banca Mps	BAK	Gtt	CIC	Lans on-Boc	CIC	Legrand	CIC
Banco Sabadell	GVC	Maurel Et Prom	CIC	Laurent Perrier	CIC	Leonardo	BAK
Banco Santander	GVC	Neoen	CIC	Ldc	CIC	Lisi	CIC
Bankinter	GVC	Plc	BAK	Lindt & Sprüngli	CIC	Logista	GVC
Bbva	GVC	Repsol	GVC	Nestle	CIC	Manitou	CIC
Bnp Paribas	CIC	Rubis	CIC	Orsero	BAK	Nbi Bearings Europe	GVC
Bper	BAK	Saipem	BAK	Pernod Ricard	CIC	Nexans	CIC
Caixabank	GVC	Technip Energies	CIC	Remy Cointreau	CIC	Nicolas Correa	GVC
Credem	BAK	Tecnicas Reunidas	GVC	Tipiak	CIC	Openjobmetis	BAK
Credit Agricole Sa	CIC	Tenaris	BAK	Viscofan	GVC	Osai	BAK
Intesa Sanpaolo	BAK	Totalenergies	CIC	Vranken	CIC	Prosegur	GVC
Societe Generale	CIC	Vallourec	CIC	<b>Healthcare</b>	<b>Mem(*)</b>	Prosegur Cash	GVC
Unicaja Banco	GVC	<b>Fin. Serv. Holdings</b>	<b>Mem(*)</b>	Amplifon	BAK	Prysmian	BAK
Unicredit	BAK	Cir	BAK	Atrys Health	GVC	Rai Way	BAK
<b>Basic Resources</b>	<b>Mem(*)</b>	Corp. Financiera Alba	GVC	Biomerieux	CIC	Rexel	CIC
Acerinox	GVC	Digital Magics	BAK	Diasorin	BAK	Saes	BAK
Altri	CBI	Eurazeo	CIC	El En.	BAK	Safran	CIC
Arcelormittal	GVC	First Capital	BAK	Fine Foods	BAK	Salcef	BAK
Ence	GVC	Gbl	CIC	Genfit	CIC	Schneider Electric Se	CIC
The Navigator Company	CBI	Peugeot Invest	CIC	Gpi	BAK	Talgo	GVC
Tubacex	GVC	Rallye	CIC	Prim Sa	GVC	Teleperformance	CIC
<b>Chemicals</b>	<b>Mem(*)</b>	Tip Tamburi Investment Partners	BAK	Reordati	BAK	Thales	CIC
Air Liquide	CIC	Wendel	CIC	Vytrus Biotech	GVC	Tikehau Capital	CIC
Arkema	CIC	<b>Fin. Serv. Industrials</b>	<b>Mem(*)</b>	<b>Industrial Goods &amp; Services</b>	<b>Mem(*)</b>	Verallia	CIC
Plasticos Compuestos	GVC	Dovalue	BAK	Airbus Se	CIC	Vidrala	GVC
<b>Consumer Products &amp; Services</b>	<b>Mem(*)</b>	Nexi	BAK	Als tom	CIC	Zignago Vetro	BAK
Abeo	CIC	Tinexta	BAK	Antin Infrastructure	CIC	<b>Insurance</b>	<b>Mem(*)</b>
Beneteau	CIC	<b>Financial Services Banks</b>	<b>Mem(*)</b>	Applis	GVC	Axa	CIC
Capelli	CIC	Amundi	CIC	Arteche	GVC	Catalana Occidente	GVC
De Longhi	BAK	Anima	BAK	Avio	BAK	Generali	BAK
Fila	BAK	Azimut	BAK	Biesse	BAK	Linea Directa Asesguradora	GVC
Geox	BAK	Banca Generali	BAK	Bolloré	CIC	Mapfre	GVC
Givaudan	CIC	Banca Ifis	BAK	Bureau Veritas	CIC	Net Insurance	BAK
Groupe Seb	CIC	Banca Mediolanum	BAK	Caf	GVC	Revo Insurance	BAK
Hermes Intl.	CIC	Banca Sistema	BAK	Catenon	GVC	Unipolsai	BAK
Hexacom	CIC	Bff Bank	BAK	Cellnex Telecom	GVC	<b>Materials, Construction</b>	<b>Mem(*)</b>
Interparfums	CIC	Dea Capital	BAK	Cembre	BAK	Abp Novivelli	BAK
Kaufman & Broad	IAC	Dws	CIC	Chargeurs	CIC	Acs	GVC
Kering	CIC	Finecobank	BAK	Clasquin	IAC	Aena	GVC
L'Oreal	CIC	Generalfinance	BAK	Cnh Industrial	BAK	Ariston Holding	BAK
Lvmh	CIC	Illimity Bank	BAK	Corticeira Amorim	CBI	Buzzi Unicem	BAK

as at 7 August 2023

## European Coverage of the Members of ESN 2/2

Cementir	BAK	Unilever	CIC	Edreams Odigeo	GVC
Cementos Mblins	GVC	Winfarm	CIC	Elior	CIC
Crh	CIC	<b>Real Estate</b>	<b>Mem(*)</b>	Fdj	CIC
Eiffage	CIC	Igd	BAK	Groupe Parbouche	IAC
Fcc	GVC	Inmobiliaria Colonial	GVC	Huntyvers	CIC
Ferrovial	GVC	Inversa Prime	GVC	I Grandi Viaggi	BAK
Groupe Adp	CIC	Ktes ios Socimi	GVC	Ibers ol	CBI
Groupe Poujolat	CIC	Lar Es paña	GVC	Int. Airlines Group	GVC
Heidelberg Materials	CIC	Merlin Properties	GVC	Lottomatica Group	BAK
Herige	CIC	Realia	GVC	Melia Hotels International	GVC
Holcim	CIC	<b>Retail</b>	<b>Mem(*)</b>	Nh Hotel Group	GVC
Imerys	CIC	Aramis Group	CIC	Pierre Et Vacances	CIC
Maire Tecnimont	BAK	Burberry	CIC	Sicity ByCar	BAK
Mota Engil	CBI	Fnac Darty	CIC	Sodexo	CIC
Obrascon Huarte Lain	GVC	Inditex	GVC	<b>Utilities</b>	<b>Mem(*)</b>
Sacyr	GVC	Unieuro	BAK	AZA	BAK
Saint-Gobain	CIC	<b>Technology</b>	<b>Mem(*)</b>	Acciona	GVC
Serge Ferrari Group	CIC	Agile Content	GVC	Acea	BAK
Sika	CIC	Almawave	BAK	Audax	GVC
Spie	CIC	Alten	CIC	Derichebourg	CIC
Tarkett	CIC	Amadeus	GVC	Edp	CBI
Thermador Groupe	CIC	Atos	CIC	Enagas	GVC
Vicat	CIC	Axway Software	CIC	Encavis Ag	CIC
Vinci	CIC	Capgemini	CIC	Endesa	GVC
Webuild	BAK	Dassault Systemes	CIC	Enel	BAK
<b>Media</b>	<b>Mem(*)</b>	Digital Value	BAK	Engie	CIC
Arnoldo Mondadori Editore	BAK	Esi Group	CIC	E-Pango	CIC
Atresmedia	GVC	Exprivia	BAK	Erg	BAK
Believe	CIC	Gigas Hosting	GVC	Greenvolt	CBI
Cairo Communication	BAK	Indra Sistemas	GVC	Hera	BAK
Deezer	CIC	Izertis	GVC	Holaluz	GVC
Digital Bros	BAK	Lleida.Net	GVC	Iberdrola	GVC
Fill Up Media	CIC	Neurones	CIC	Iren	BAK
GI Events	CIC	Ovhcloud	CIC	Italgas	BAK
Il Sole 24 Ore	BAK	Reply	BAK	Naturgy	GVC
Ipsos	CIC	Sii	CIC	Opdenenergy	GVC
Jodecaux	CIC	Sopra Steria Group	CIC	Redeia	GVC
Lagardere	CIC	Spindox	BAK	Ren	CBI
MB	CIC	Stmicroelectronics	BAK	Seche Environnement	CIC
Mfe-Mediaforeurope	BAK	Tier1 Technology	GVC	Snam	BAK
Mogroup	GVC	Visiativ	CIC	Solaria	GVC
Nrj Group	CIC	Vogo	CIC	Solarprofit	GVC
Prisa	GVC	<b>Telecommunications</b>	<b>Mem(*)</b>	Terna	BAK
Publicis	CIC	Bouygues	CIC	Veolia	CIC
Rcs Mediagroup	BAK	Ekinops	CIC	Volitalia	CIC
Tf1	CIC	Nos	CBI		
Universal Music Group	CIC	Orange	CIC		
Vivendi	CIC	Parlem Telecom	GVC		
Vocento	GVC	Telecom Italia	BAK		
<b>Personal Care, Drug &amp; Grocery</b>	<b>Mem(*)</b>	Telefonica	GVC		
Bic	CIC	Tiscali	BAK		
Carrefour	CIC	Unidata	BAK		
Casino	CIC	Vodafone	BAK		
Jeronimo Martins	CBI	<b>Travel &amp; Leisure</b>	<b>Mem(*)</b>		
Marr	BAK	Accor	CIC		
Sonae	CBI	Compagnie Des Alpes	CIC		

as at 7 August 2023

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

## List of ESN Analysts (\*\*)

Artur Amaro	CBI	+351 213 89 6822	artur.amaro@caixabi.pt
Andrea Bonfà	BAK	+39 02 4344 4269	andrea.bonfa@bancaakros.it
Arnaud Cadart	CIC	+33 1 53 48 80 84	arnaud.cadart@cmcic.fr
Pierre Chédeville	CIC	+33 1 53 48 80 97	pierre.chedeville@cic.fr
Emmanuel Chevalier	CIC	+33 1 53 48 80 72	emmanuel.chevalier@cic.fr
Matteo Cuconato	BAK	+39 02 4344 4784	matteo.cuconato@bancaakros.it
David Da Maia	CIC	+33 1 53 48 89 36	david.damaia@cic.fr
Dominique Descours	CIC	+33 1 53 48 81 12	dominique.descours@cic.fr
Christian Devismes	CIC	+33 1 53 48 80 85	christian.devismes@cic.fr
Andrea Devita, CFA	BAK	+39 02 4344 4031	andrea.devita@bancaakros.it
Hervé Drouet	CIC	+33 1 53 48 23 45	herve.drouet@cic.fr
Enrico Esposti, CIIA	BAK	+39 02 4344 4022	enrico.esposti@bancaakros.it
Rafael Fernández de Heredia	GVC	+34 91 436 78 08	rafael.fernandezdeheredia@gvgaesco.es
Gian Marco Gadini	BAK	+39 02 4344 4236	gianmarco.gadini@bancaakros.it
Gabriele Gambarova	BAK	+39 02 43 444 289	gabriele.gambarova@bancaakros.it
Ebrahim Homani	CIC	+33 1 53 48 80 94	ebrahim.homani@cic.fr
Carlos Jesus	CBI	+351 21 389 6812	carlos.jesus@caixabi.pt
Jean-Christophe Lefèvre-Mouleng	CIC	+33 1 53 48 80 65	jeanchristophe.lefevremouleng@cic.fr
Eric Lemarié	CIC	+33 1 53 48 64 25	eric.lemarie@cic.fr
João Miguel Lourenço	CBI	+35 121 389 6841	joao.lourenco@caixabi.pt
Marisa Mazo, Ph.D, CFA	GVC	+34 91 436 7817	marisa.mazo@gvgaesco.es
Jaime Pallares Garcia	GVC	+34 91 436 7818	jaim.pallares@gvgaesco.es
Arnaud Palliez	CIC	+33 1 41 81 74 24	arnaud.palliez@cic.fr
Victor Peiro Pérez	GVC	+34 91 436 7812	victor.peiro@gvgaesco.es
Juan Peña	GVC	+34 91 436 78 16	juan.pena@gvgaesco.es
Alexandre Plaud	CIC	+33 1 53 48 80 90	alexandre.plaud@cic.fr
Francis Prêtre	CIC	+33 4 78 92 02 30	francis.pretre@cic.fr
Eric Ravary	CIC	+33 1 53 48 80 71	eric.ravary@cic.fr
Iñigo Recio Pascual	GVC	+34 91 436 7814	inigo.recio@gvgaesco.es
Jean-Luc Romain	CIC	+33 1 53 48 80 66	jeanluc.romain@cic.fr
Virginie Royère, CFA	CIC	+33 1 53 48 76 52	virginie.royere@cic.fr
Paola Saglietti	BAK	+39 02 4344 4287	pada.saglietti@bancaakros.it
Francesco Sala	BAK	+39 02 4344 4240	francesco.sala@bancaakros.it
Luigi Tramontana	BAK	+39 02 4344 4239	luigi.tramontana@bancaakros.it

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

Il presente documento è stato redatto da Gian Marco Gadini (socio AIAF) che svolge funzioni di analista presso Banca Akros SpA ("Banca Akros"), soggetto responsabile della produzione del documento stesso. **Esso è prodotto e distribuito dal giorno 20 September 2023, ore 08:47 italiane.**

L'analista di Banca Akros, che ha redatto il presente documento, ha maturato una significativa esperienza presso Banca Akros e altri intermediari.

Detto analista e i suoi familiari non detengono Strumenti Finanziari emessi dagli Emittenti oggetto di analisi, né svolgono ruoli di amministrazione, direzione o consulenza per gli Emittenti, né l'analista riceve bonus, stipendi o altre forme di retribuzione correlate, direttamente o indirettamente, al successo di operazioni di investment banking.

Banca Akros, nell'ultimo anno, ha pubblicato sulla società oggetto di analisi tre studi in data 29 giugno, 13 e 14 settembre 2023.

Ai sensi degli artt. 5 e 6 del Regolamento Delegato 2016/958, **Banca Akros ha specifici interessi nei confronti della società oggetto di analisi nel presente documento, in quanto la Banca è specialista o liquidity provider in strumenti negoziati su mercati regolamentati e/o MTF, Banca Akros svolge il ruolo di Nomad e-Banca Akros ha svolto il ruolo di Sponsor nel passaggio da AIM a MTA/STAR (12 luglio 2021)**

Banca Akros è una banca autorizzata anche alla prestazione di servizi di investimento appartenente al Gruppo Banco BPM (il "Gruppo"), ed è soggetta all'attività di direzione e coordinamento di Banco BPM (la "Capogruppo"). La banca è iscritta all'albo delle Banche al n. 5328 ed è soggetta alla regolamentazione e alla vigilanza di Banca d'Italia e Consob.

La banca ha prodotto il presente documento solo ed esclusivamente per i propri clienti professionali ai sensi della Direttiva 2014/65/EU, del Regolamento Delegato 2016/958 e dell'Allegato 3 del Regolamento Intermediari Consob (Delibera Consob n. 20307).

Banca Akros rende disponibili informazioni sui conflitti di interesse, ai sensi delle disposizioni contenute nell'art. 20 del Regolamento EU 2014/596 (Regolamento sugli Abusi di Mercato) e in particolare ai sensi degli artt. 5 e 6 del Regolamento Delegato EU 2016/958, sul proprio sito internet:

<https://www.bancaakros.it/documentazione/avvertenze-legali/>

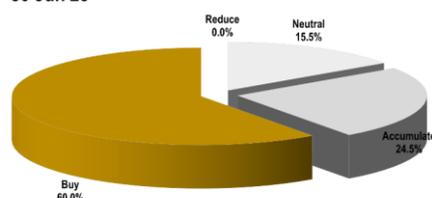
Le informazioni e le opinioni contenute in questo documento si basano su fonti ritenute attendibili. La provenienza di dette informazioni e il fatto che si tratti di informazioni già rese note al pubblico è stata oggetto di ogni ragionevole verifica da parte di Banca Akros. Banca Akros tuttavia, nonostante le suddette verifiche, non può garantire in alcun modo né potrà in nessun caso essere ritenuta responsabile qualora le informazioni alla stessa fornite, riprodotte nel presente documento, ovvero sulla base delle quali è stato redatto il presente documento, si rivelino non accurate, complete, veritiere ovvero non corrette.

Il documento è fornito a solo scopo informativo; esso non costituisce proposta contrattuale, offerta o sollecitazione all'acquisto e/o alla vendita di strumenti finanziari o, in genere, all'investimento, né costituisce consulenza in materia di investimenti. Banca Akros non fornisce alcuna garanzia di raggiungimento di qualunque previsione e/o stima contenuta nel documento stesso. Inoltre Banca Akros non assume alcuna responsabilità in merito a qualsivoglia conseguenza e/o danno derivante dall'utilizzo del presente documento e/o delle informazioni in esso contenute. Le informazioni o le opinioni ivi contenute possono variare senza alcun conseguente obbligo di comunicazione in capo a Banca Akros, fermi restando eventuali obblighi di legge o regolamentari. E' vietata la riproduzione e/o la ridistribuzione, in tutto o in parte, direttamente o indirettamente, del presente documento, se non espressamente autorizzata da Banca Akros. **In ogni caso è espressamente vietata la trasmissione con qualsiasi mezzo del presente documento o del suo contenuto, anche solo in parte, a soggetti che non siano classificati come clienti professionali o controparti qualificate ai sensi della Direttiva UE 2014/65.**

### Percentuale delle raccomandazioni al 30 giugno 2023

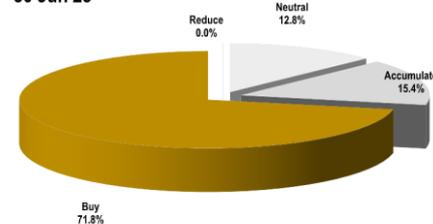
Tutte le raccomandazioni

30 Jun 23



Raccomandazioni su titoli in conflitto di interessi (\*)

30 Jun 23



(\*) Si informa che la percentuale degli emittenti in potenziale conflitto di interessi con Banca Akros è pari al 34.45% del totale degli emittenti oggetto di copertura

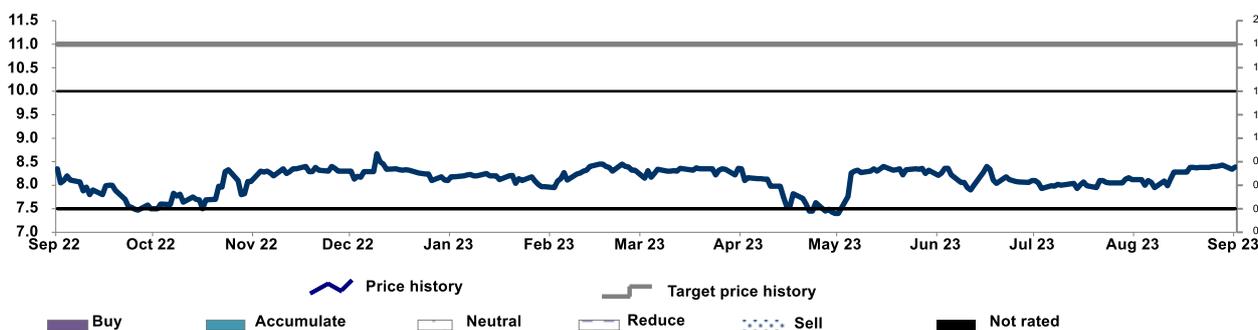
### Recommendation history for FINE FOODS

Date	Recommendation	Target price	Price at change date
08-Apr-22	Accumulate	11.00	9.20
31-Mar-22	Not rated	0.00	11.75
15-Nov-21	Buy	20.50	16.50
28-Sep-21	Buy	23.00	17.15
22-Sep-21	Buy	21.50	18.30
14-Sep-21	Accumulate	21.50	17.65
07-Apr-21	Buy	15.00	12.40
17-Nov-20	Buy	14.00	10.65

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: Gian Marco Gadini (since 15/04/2019)



## 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.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B), Accumulate (A), Neutral (N), Reduce (R) and Sell (S)**.

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 months
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months
- **Rating Suspended:** the rating is suspended due to: a) a capital operation (take-over bid, SPO, etc.) where a Member of ESN is or could be involved with the issuer or a related party of the issuer; b) a change of analyst covering the stock; c) the rating of a stock is under review by the Analyst.
- **Not Rated:** there is no rating for a stock when there is a termination of coverage of the stocks or a company being floated (IPO) by a Member of ESN or a related party of the Member.

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

Recommendation	Number of stocks covered	%
Buy	63	60%
Accumulate	24	23%
Neutral	17	16%
Reduce	1	1%
Sell	0	0%

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

Date and time of production: **CET**

First date and time of dissemination: **CET**

## Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ("ESN"). ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. The views expressed in this research report accurately reflect the research analyst's personal views about the subject securities and issuers. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ("related investments"). These reports are prepared for the professional clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk. ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. Unless otherwise specified in the research report, no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. For further details about the analyst certification, the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the specific disclaimer pages prepared by the ESN Members. In the case of a short note please refer to the latest relevant published research on single stock or contact the analyst named on the front of the report/note for detailed information on the valuation methods, earning estimates and risks. A full description of all the organisational and administrative measures taken by the Members of ESN to manage interest and conflicts of interest are available on the website of the Members or in the local disclaimer of the Members or contacting directly the Members. Research is available through the ESN Members sales representative. ESN and/or ESN Members will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report, you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document. For disclosure upon "conflicts of interest" on the companies under coverage by all the ESN Members, on the "interests" and "conflicts" of the analysts and on each "company recommendation history", please visit the ESN website

[www.esnpartnership.eu](http://www.esnpartnership.eu)

or refer to the local disclaimer of the Members, or contact directly the Members:

[www.bancaakros.it](http://www.bancaakros.it) regulated by the CONSOB - Commissione Nazionale per le Società e la Borsa

[www.caixabi.pt](http://www.caixabi.pt) regulated by the CMVM - Comissão do Mercado de Valores Mobiliários

[www.cic-marketsolutions.eu](http://www.cic-marketsolutions.eu) regulated by the AMF - Autorité des marchés financiers

[www.gvcgaesco.es](http://www.gvcgaesco.es) regulated by CNMV - Comisión Nacional del Mercado de Valores

## Members of ESN (European Securities Network LLP)

