ABP Nocivelli

Sponsored Research

Italy | Materials, Construction & Infrastructure Investment Research

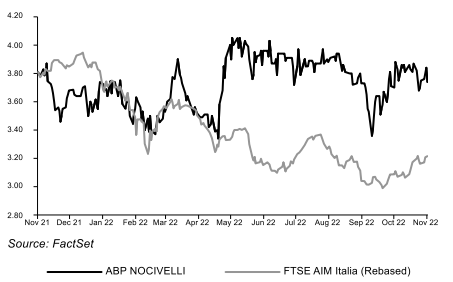
Company Update **Reason: Company results (post view)** ***25 November 2022***

Buy	
Recommendation unchanged	
Share price: EUR	**3.74**
closing price as of 24/11/2022	
Target price: EUR	**5.70**
Target Price unchanged	
Upside/Downside Potential	**52.4%**
Reuters/Bloomberg	ABP.MI/ABP IM
Market capitalisation (EURm)	**114**
Current N° of shares (m)	30
Free float	**11%**
Daily avg. no. trad. sh. 12 mth (k)	7
Daily avg. trad. vol. 12 mth (k)	9.42
Price high/low 12 months	4.05 / 3.34
Abs Perfs 1/3/12 mths (%)	1.08/-3.61/-1.84

Key financials (EUR)	**06/22**	**06/23e**	**06/24e**
Sales (m)	59	87	88
EBITDA (m)	14	14	15
EBITDA margin	*23.8%*	*16.6%*	*16.8%*
EBIT (m)	12	13	13
EBIT margin	*21.1%*	*14.8%*	*15.0%*
Net Profit (adj.)(m)	10	10	10
ROCE	64.1%	46.4%	46.4%
Net debt/(cash) (m)	(40)	(42)	(50)
Net Debt Equity	*-0.7*	*-0.7*	*-0.7*
Net Debt/EBITDA	-2.8	-2.9	-3.3
Int. cover(EBITDA/Fin.int)	82.4	90.1	92.4
EV/Sales	1.4	0.8	0.7
EV/EBITDA	5.8	5.0	4.4
EV/EBITDA (adj.)	5.8	5.0	4.4
EV/EBIT	6.5	5.6	4.9
P/E (adj.)	12.6	11.8	11.5
P/BV	2.2	1.8	1.6
OpFCF yield	*6.8%*	*3.4%*	*8.2%*
Dividend yield	*1.3%*	*1.3%*	*1.3%*
EPS (adj.)	0.31	0.32	0.32
BVPS	1.76	2.08	2.36
DPS	0.05	0.05	0.05

Shareholders

Bruno Nocivelli 58%; Laura Salvatore 27%; Nicola Turra 4%; Alessandra Perego 0.89%;



Source: FactSet

Analyst(s)

Francesco Sala
francesco.sala@bancaakros.it
+39 02 4344 4240

Gian Marco Gadini
gianmarco.gadini@bancaakros.it
+39 02 4344 4236

A resilient business model to ride the energy inflation

The company's 21/22 results were broadly in line with our estimates and confirmed the resiliency of ABP's business model despite, starting from H2 (Jan-Jun 2022), some inflation and rising energy costs. The group has managed to renegotiate contracts and strengthened its cooperation with the public administration in the last few months; this has allowed ABP to protect its profitability and cash generation in H2 21/22 and improve the visibility on future earnings. Moreover, these long-term agreements bear very low counterparty risks, since public administrations (which account for ~90% of ABP's revenue) set aside resources in their budget to cover all foreseeable expenses, including the ones related to energy supply, for the whole year. Finally we stress the company's very sound financial position with a net cash of almost EUR 40m at the end of June. This allows the company to seize the investment opportunities that may arise from PPP projects.

- ✓ **FY 2021/22 results**. The **value of production** (EUR 58.6%, -8% Y/Y) was slightly below our expectations and the previous year level. In particular, sales declined due to the end of some Consip contracts, partially offset by the construction activities. The **EBITDA** (EUR 13.9m, +13.7% Y/Y) was in line with our expectations, thanks to the improved profitability. The CEO Mr. Turra explained that the company actively managed its contracts, particularly in H2 21/22, in order to ease the inflationary pressure and maintain its margins. The **net cash** reached EUR 39.7m, in line with our estimates, thanks to the strong operating cash generation, which stood at ~EUR 11m, after EUR 4.2m in investments and a tiny EUR 0.6m release of NWC. Thus, the operating cash conversion rate was above 80% of the FY 21/22 EBITDA.
- ✓ On 28 October 2022, ABP's shareholders approved the distribution of DPS of EUR 4.9c (for a total cash outflow of EUR 1.5m, i.e. ~16% pay-out), which was paid on November 16, 2022.
- ✓ **Outlook.** Despite the uncertainty, ABP expects to execute projects and deliver services according to plans, achieving the expected profitability. Indeed, the group has managed to renegotiate conditions, particularly those of the construction tenders, where the surge in materials and input costs was seriously threatening the group's margins. The company confirmed its EUR 600m backlog over the next 10 years, while it has applied to become supplier of relevant state-owned companies involved in the energy-efficiency renovations.
- ✓ **Estimates.** We confirm our FY 22/23-23/24 estimates, which are based on the current perimeter and backlog. The expected increase in value of production is mainly driven by the construction segment, which usually yields lower margins vis-à-vis the service contracts, and therefore explains the dilution of the EBITDA margin. In any case, we expect the current backlog to yield a stable stream of EBITDA in the region of EUR 13/14m p.a., thanks to the management's action to tackle the fuel and energy cost increases and turn it into a "business opportunity" to strengthen its cooperation with public administrations.
- ✓ **Valuation**. After the roll-forward of our DCF model (WACC 6.9%, g 1%), we confirm our target price of EUR 5.7/sh. Given the large implied upside, we stick to our Buy recommendation.

Produced by:

Banca Akros
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FY 2021/22 results

Results: half-year and full-year summary

	H1 20/21a	H2 20/21a	FY 20/21a	H1 21/22a	H2 21/22a	FY 21/22a	Y/Y	FY 21/22e
Sales	29.0	31.5	60.5	23.8	27.9	51.7	*-14.6%*	
Value of production	**29.3**	**34.5**	**63.7**	**27.0**	**31.6**	**58.6**	***-8.0%***	***65.0***
EBITDA	**5.5**	**6.7**	**12.3**	**7.1**	**6.8**	**13.9**	***13.7%***	***13.8***
EBITDA Margin	*18.9%*	*19.5%*	*19.2%*	*26.3%*	*21.6%*	*23.8%*	*4.5pp*	*21.2%*
EBIT	**5.1**	**6.0**	**11.2**	**6.3**	**6.0**	**12.4**	***10.6%***	***12.7***
EBIT Margin	*17.5%*	*17.5%*	*17.5%*	*23.4%*	*19.1%*	*21.1%*	*3.5pp*	*19.5%*
Net profit	**4.1**	**4.5**	**8.6**	**5.0**	**4.6**	**9.6**	***10.7%***	***9.6***
Net debt (cash)	**-20.7**	**-31.5**	**-31.5**	**-35.4**	**-39.7**	**-39.7**	***25.9%***	***-40.0***

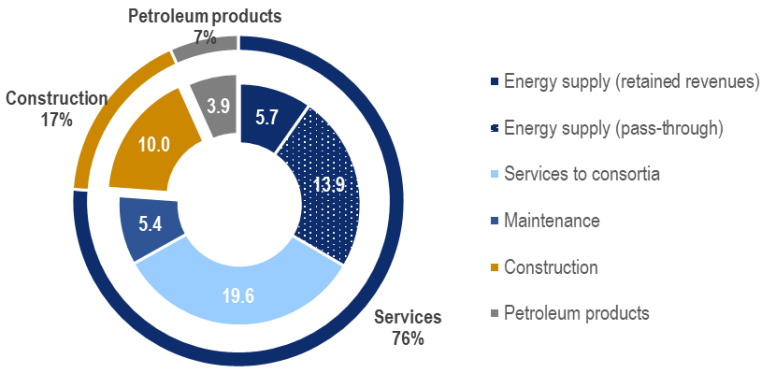
Source: company data

The value of production was slightly below our expectations and the previous year level. In particular, sales declined due to the end of some Consip contracts, partially offset by the construction activities. As a reminder, ABP adopts Italian GAAP. Therefore, the increase in work-in-progress revenues due to multi-annual construction projects are booked at their actual cost, without adding any profit margins.

Going into depth, we note the significant increase in the value of production linked to the Construction business (17% of group's VoP, vs. 10% in FY 20/21), including the WIP, on a Y/Y basis. On the other hand, services to consortia declined by 15% due to the natural expiration of some contracts, namely:

- ✓ A contract with the ASL 2 Lanciano, Vasto and Chieti (Abruzzo region) to manage the technological systems of some hospitals, that ended on 30 September 2021;
- ✓ The contract under the Consip framework with Fondazione Ordine Mauriziano, Asti Province and cities of Milan and Venaria Reale, for the supply of energy services.

Total revenue breakdown by business unit (EURm and %, FY 2021/22)



Source: company data

P&L

	2020/21	2021/22	Y/Y
Value of production	**63.7**	**58.6**	***-8.0%***
Input costs	(12.6)	(12.8)	*1.0%*
G&A	(31.8)	(27.8)	*-12.7%*
Personnel costs	(6.8)	(5.0)	*-26.9%*
Other income/expenses	(0.2)	0.8	
EBITDA	**12.3**	**13.9**	***13.7%***
EBITDA margin	*19.2%*	*23.8%*	
D&A	(1.1)	(1.6)	*46.4%*
EBIT	**11.2**	**12.4**	***10.6%***
EBIT Margin	*17.5%*	*21.1%*	
Net financial income/(expenses)	0.4	0.4	*1.8%*
PBT	**11.6**	**12.8**	***10.3%***
Taxes	(2.9)	(3.2)	*9.0%*
Tax rate	*25.4%*	*25.2%*	
Net profit	**8.6**	**9.6**	***10.7%***

Source: company data

The **EBITDA** was in line with our expectations, thanks to the improved profitability. The CEO Mr. Turra explained that the company actively managed its contracts, particularly in H2 21/22, in order to ease the inflationary pressure and maintain its margins. The company's actions involved both the Service and the Construction business. In particular, as regards long-term energy supply and service agreements, the negotiations typically involve ABP offering public administrations mild price increases "swapped" for longer duration of the contract itself, as long as the group commits to renovating buildings and systems in an energy-efficient way. As regards the Construction projects (whose tender are usually based on outdated financial plans), terms were revised to take into account the sharp cost inflation.

As regards the cost base, the 27% decrease in personnel costs is due to the expiration of the aforementioned service contracts, since the served public administrations, at the end of the contracts, hire the workforce to conduct the contracted service internally.

Finally, we note that EBITDA included EUR 2.3m non-recurring income linked to some consultancy activities.

Below the EBITDA, D&A increased due to investments in intangibles, which (in compliance with the Italian GAAP) include the investments made on third parties' tangible assets and capitalised expenses linked to multi-annual contracts.

Balance sheet

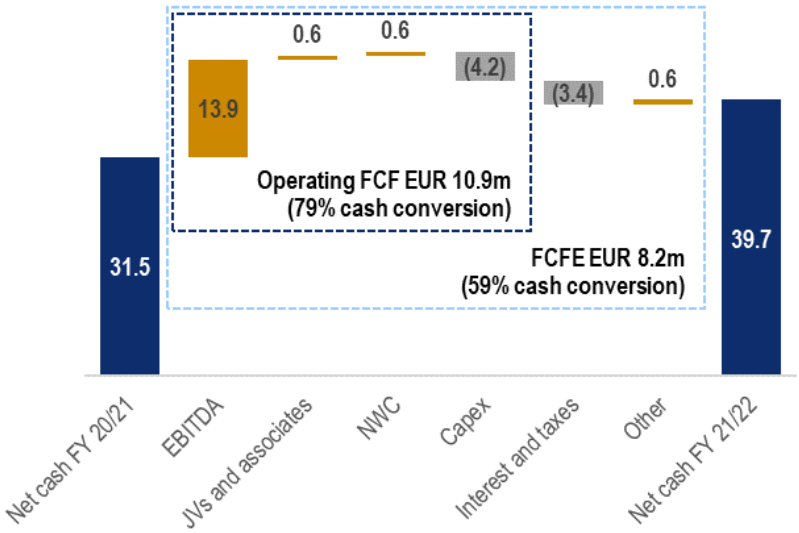
	2021	2022	Y/Y
Intangible fixed assets	4.23	6.52	*54.1%*
Net tangible assets	0.96	0.78	*-19.4%*
Financial assets	1.74	1.13	*-35.1%*
Fixed assets	**6.93**	**8.43**	*21.5%*
Net working capital (NWC)	7.76	7.13	*-8.1%*
Severance indemnity fund	(1.84)	(1.39)	*-24.6%*
Other risk and provision funds	(0.22)	(0.14)	*-38.7%*
NET CAPITAL EMPLOYED	**12.63**	**14.03**	***11.1%***
Shareholders' equity	44.17	53.73	*21.7%*
Cash and marketable securities	(32.97)	(40.21)	*22.0%*
Financial short term debt	1.12	0.51	*-54.1%*
Financial l/m term debt	0.31	0.00	*-100.0%*
Net financial debt (cash)	**(31.54)**	**(39.70)**	*25.9%*
NET INVESTED CAPITAL	**12.63**	**14.03**	***11.1%***

Source: company data

The **net cash** reached EUR 39.7m, in line with our estimates, thanks to the strong operating cash generation, which stood at ~EUR 11m, after EUR 4.2m in investments and a tiny EUR 0.6m release of NWC. Thus, the operating cash conversion rate was above 80% of the FY 21/22 EBITDA.

On 28 October 2022, ABP's shareholders approved the distribution of DPS of EUR 4.9c (for a total cash outflow of EUR 1.5m, i.e. ~16% pay-out), which is due to be paid on November 14, 2022.

FY 21/22 cash generation (EURm)



Source: Banca Akros on company data

Outlook

Despite the general uncertainty, ABP expects to execute projects and deliver services according to plans, achieving the expected profitability. Indeed, the group has managed to renegotiate conditions, particularly those of the construction tenders, where the surge in materials and input costs was seriously threatening the group's margins.

The company confirmed its EUR 600m backlog over the next 10 years, while it has applied to become supplier of relevant state-owned companies involved in the energy-efficiency renovations.

Public tenders and new business opportunities

On 20 October 2022, ABP announced that it had been awarded Lot 10 of **Consip's Facility Management tender**.

Consip's "Facility management for large buildings" tender is a EUR 1bn tender divided into 24 geographic lots that was launched at the end of 2019. It involves the supply of services to public administrations, universities and research centres. ABP Nocivelli bid for two lots as the leader of two different temporary consortia (No.1 and No. 10) and for another one (No.2) as a member.

ABP was awarded Lot 10, which concerns facility management services for buildings in the Marche region and in the province of Perugia, under the "definitive and effective" formula. **The lot is worth EUR 14.4m over the next 36 months** and ABP is entitled to up to 70% of the lot value. The other members of the consortium are Facility Srl, Lacerenza Multiservice Srl, and another consortium (Copura Soc. Coop. - AR.CO. Lavori Soc.Cop. Consortile - Multiservice S.C.R.L. - Kineo Energy).

We estimate that the additional positive impact on ABP's revenues is c. 3% p.a. on FY 22/23-FY24/25 revenues. Along with the economic implications, we highlight the **increasing visibility on backlog** and the group's competitiveness in nationwide public tenders.

Furthermore, the **PNRR projects**, particularly those in the energy transition and in the "proximity healthcare" (which account for ~39% of the total funding, or ~EUR 90bn), may add sizeable business opportunities. We understand that ABP has already succeeded in entering the "universe" of suppliers of relevant state-owned companies engaged in the upgrade of the electrical infrastructure and the national grid.

The PNRR funds may also spark many PPPs (public-private partnerships) in order to get the investments done within the PNRR timeframe (2021/26), especially as regards hospitals and the proximity healthcare network. **ABP is fully structured to bid for this kind of projects and is stockpiling cash in order to take part in them as an equity partner**.

Estimates

We confirm our FY 22/23-23/24 estimates, which are based on the current perimeter and backlog. The expected increase in value of production is mainly driven by the construction segment, which usually yields lower margins vis-à-vis the service contracts, and therefore explains the dilution of the EBITDA margin.

In any case, we expect the current backlog to yield a stable stream of EBITDA in the region of EUR 13/14m p.a., thanks to the management's action to tackle the fuel and energy cost increases and turn it into a "business opportunity" to strengthen its cooperation with public administrations. Moreover, these long-term agreements bear very low counterparty risks, since public administrations (which account for ~90% of ABP's revenue) set aside resources in their budget to cover all foreseeable expenses, including the ones related to energy supply, for the whole year.

P&L: 2020/22 data and 2023/25 estimates

	2019/20a	2020/21a	2021/22a	2022/23e	2023/24e	2024/25e	*CAGR 21/24*
Sales	60.6	60.5	51.7	87.0	88.0	89.0	*19.9%*
Value of production	**57.0**	**63.7**	**58.6**	**87.0**	**88.0**	**89.0**	***14.9%***
Input costs	(12.3)	(12.6)	(12.8)	(17.3)	(17.5)	(17.7)	*11.4%*
G&A	(30.9)	(31.8)	(27.8)	(46.1)	(46.4)	(46.9)	*19.1%*
Personnel costs	(5.9)	(6.8)	(5.0)	(9.2)	(9.4)	(9.5)	*24.1%*
Other income/expenses	3.3	(0.2)	0.8	0.0	0.0	0.0	
EBITDA	**11.2**	**12.3**	**13.9**	**14.4**	**14.8**	**15.0**	***2.4%***
EBITDA margin	*19.7%*	*19.2%*	*23.8%*	*16.6%*	*16.8%*	*16.8%*	
D&A	(1.1)	(1.1)	(1.6)	(1.6)	(1.6)	(1.6)	*0.0%*
EBIT	**10.1**	**11.2**	**12.4**	**12.8**	**13.2**	**13.4**	***2.7%***
EBIT Margin	*17.8%*	*17.5%*	*21.1%*	*14.8%*	*15.0%*	*15.0%*	
Net financial income	0.2	0.4	0.4	0.4	0.4	0.4	
PBT	**10.3**	**11.6**	**12.8**	**13.2**	**13.6**	**13.8**	***2.6%***
Taxes	(2.8)	(2.9)	(3.2)	(3.6)	(3.7)	(3.7)	
Tax rate	*27.5%*	*25.4%*	*25.2%*	*27.0%*	*27.0%*	*27.0%*	
Net profit	**7.5**	**8.6**	**9.6**	**9.7**	**9.9**	**10.1**	***1.7%***

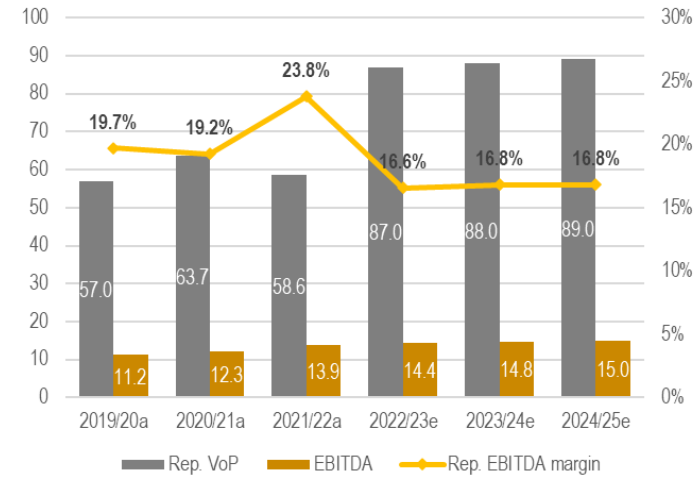
Source: company data, Banca Akros estimates

We point out that the EBITDA margin is likely to fluctuate due to the following factors:

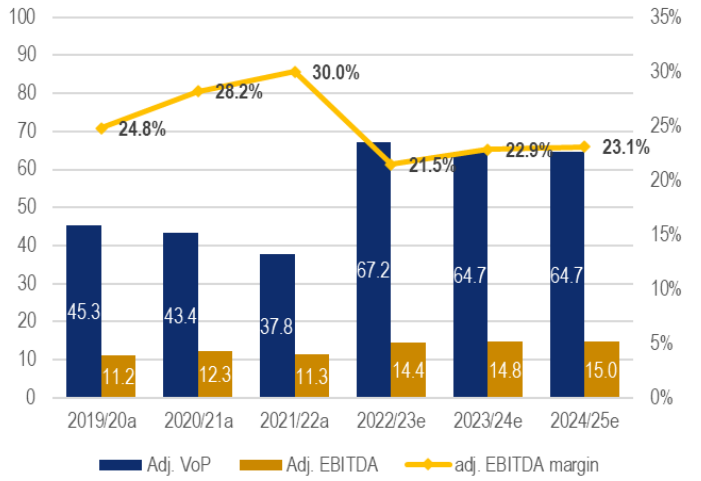
- ✓ **Construction and work-in-progress accounting**: since ABP adopts Italian GAAP, work-in-progress revenues due to multi-annual construction projects are booked at their actual cost, without adding any profit margins as long as projects are not completed. As a result, the EBITDA margin is diluted;
- ✓ **Pass-through revenues**: ABP mainly delivers energy services as a member of temporary consortia ("raggruppamento temporaneo di imprese", or RTI). In some cases ABP also acts as the "agent" of the consortium, i.e. it is the legal entity that deals with the public administration directly and is entitled to book the whole revenues on behalf of the consortium. As a result, revenues and costs are inflated (~EUR 13.9m in FY 21/22) without any impact on EBITDA, as ABP pass these revenues on to the consortium and gets back only its pro-quota share as "real" revenue.

The charts below show our value of production (VoP) and EBITDA margin estimates on a reported and adjusted basis. We have obtained the "adjusted" VoP and EBITDA margin by excluding construction and pass-through revenues (which are invoiced by ABP as the agent of the consortia and are entirely passed on to them), which dilute the profitability margin structurally.

Revenue and EBITDA 23/25e estimates: "reported" figures



Revenue and EBITDA 23/25e estimates: "adjusted" figures



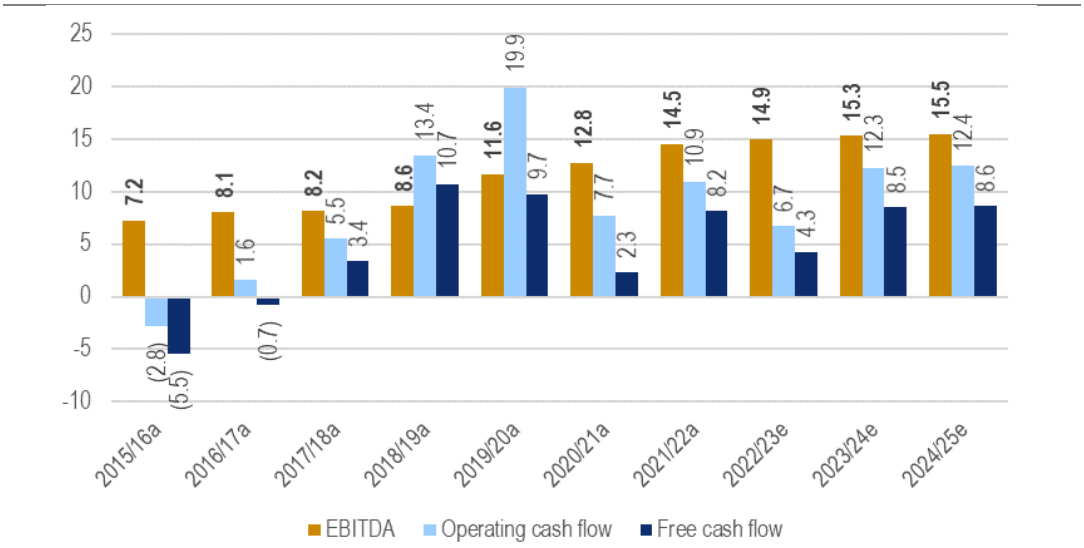
Source: Banca Akros, company data

We also confirm our cash flow projections, which still imply a ~80% operating cash conversion rate of EBITDA (~50% at the free cash flow level) over the next three years.

We highlight that yearly cash generation may fluctuate due to the "contract cycle". Indeed, **the legal framework** (legislative decree 115/2008, annex 2, point 6) **allows public administrations to extend energy service contracts**. In particular, the original duration (between 1 and 10 years) can be extended at the public bodies' discretion, provided that the private supplier agrees to supply additional energy services or implement additional direct investments in the managed building (namely the renovation of the utility systems or of the majority of the building enclosure in order to improve its energy performance). The renewed contracts usually include additional energy efficiency targets and provide for additional sharing mechanisms of savings in favour of the public body.

Therefore, the cash generation is temporarily affected as investments are made upfront, whereas the benefits are distributed over the lifespan of the contract.

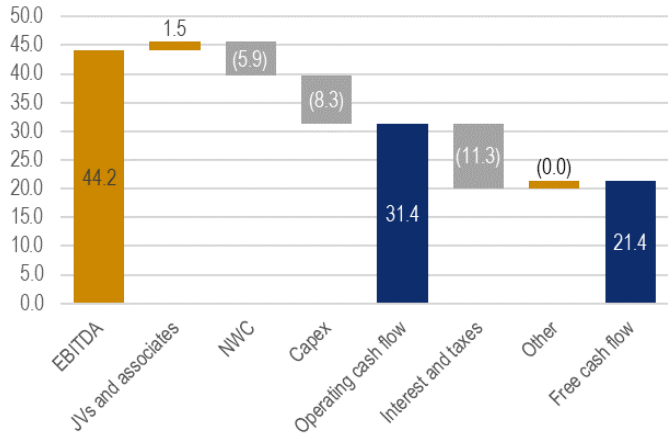
Cash flow: yearly cash generation 2016/25e (EURm)



Source: Banca Akros, company data

Since these swings are closely tight to the execution of works and contract-specific milestones, we have projected an “average” cash conversion over the next three years.

Cash flow: cumulated cash generation 2022/25e (EURm)



Source: Banca Akros, company data

Cash flow: 2020/22 data and 2023/25 estimates

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
EBITDA	11.2	12.3	13.9	14.4	14.8	15.0
+ income from JVs and associates	0.4	0.5	0.6	0.5	0.5	0.5
-/+ change in NWC	9.2	(1.4)	0.6	(3.3)	(0.1)	(0.1)
- capex	(0.9)	(3.6)	(4.2)	(2.6)	(2.9)	0.0
- interest and taxes	(3.1)	(3.1)	(3.4)	(3.7)	(3.8)	(3.8)
- other	(7.1)	(2.3)	0.6	1.3	0.0	(2.9)
Free cash flow	**9.7**	**2.3**	**8.2**	**6.6**	**8.5**	**8.6**
As a % of EBITDA	*86.7%*	*18.9%*	*58.6%*	*45.7%*	*57.8%*	*57.7%*
- Dividends	(0.5)	(0.3)	0.0	0.0	0.0	0.0
- Capital increase	0.0	11.0	0.0	0.0	0.0	0.0
Change in net debt	**9.2**	**13.1**	**8.2**	**6.6**	**8.5**	**8.6**

Source: company data, Banca Akros estimates

Valuation

We valued ABP using a DCF model since we argue it better captures the group's highly-predictable revenue and profit. We also provide a multiple comparison based on a cluster of facility management and energy service (ESCO) companies to support our assumptions.

We confirm our target price of EUR 5.7/sh based on our DCF model. Given the large implied upside, we stick to our Buy recommendation.

DCF model: fair value of EUR 5.7/sh

Along with our analytical estimates spanning 2023/25, we have projected our forecasts for another 3 years under the following assumptions:

- ✓ Revenue growth rate: 1% p.a., based on a stable perimeter of contracts, with a notional value increasing by a normalised inflation rate;
- ✓ EBITDA: based on the average ~EUR 14m EBITDA p.a. we expect the company to reach thanks to the ongoing contracts;
- ✓ Capex: stable at c. 3% of sales, on top of investments in SPVs or consortia (c. 1% of sales).

We have projected a 1% perpetual growth rate. Our WACC discount rate is set at 6.9% (cost of equity equal to 8% and D/E equal to 20%), which we believe is consistent with ABP's low-risk and highly predictable business.

DCF analysis

Perpetual Growth Rate	*1.0%*
WACC	*6.9%*
Terminal Value	**137.1**
Discounting Rate of Terminal Value	0.69
Discounted Terminal Value	94.2
Cumulated DFOCF	**40.9**
Financial Assets as at 30/06/21	1.1
Enterprise Value (EUR mn)	**136.3**
Net Financial Debt (EUR mn) as at 30/06/21	39.7
Pension underfunding (EUR mn)	(1.4)
Equity Value (EUR mn)	**174.6**
Value per share (EUR)	**5.73**
Price as at 24/11/22 (EUR)	3.74
Upside (downside)	***53%***

DCF sensitivity (WACC/terminal growth rate)

	Terminal growth rate (g)						
WACC	***0.75%***	***1.00%***	***1.25%***	***1.00%***	***1.75%***	***2.00%***	***2.25%***
6.75%	7.16	7.18	7.19	7.20	7.21	7.22	7.24
7.25%	6.58	6.59	6.60	6.61	6.62	6.63	6.64
7.75%	6.11	6.11	6.12	6.13	6.14	6.15	6.16
6.50%	5.71	5.72	5.73	**5.73**	5.74	5.75	5.76
8.75%	5.37	5.38	5.39	5.40	5.40	5.41	5.42
9.25%	5.09	5.09	5.10	5.11	5.11	5.12	5.13
9.75%	4.84	4.84	4.85	4.86	4.86	4.87	4.87

DCF sensitivity (terminal EBITDA margin/terminal growth rate)

	Terminal EBITDA margin						
g	***13.8%***	***14.8%***	***15.8%***	***16.8%***	***17.8%***	***18.8%***	***19.8%***
0.25%	4.88	5.16	5.43	5.71	5.98	6.26	6.54
0.50%	4.89	5.16	5.44	5.72	5.99	6.27	6.55
0.75%	4.89	5.17	5.45	5.73	6.00	6.28	6.56
1.00%	4.90	5.18	5.46	**5.73**	6.01	6.29	6.57
1.25%	4.91	5.19	5.46	5.74	6.02	6.30	6.58
1.50%	4.91	5.19	5.47	5.75	6.03	6.31	6.59
1.75%	4.92	5.20	5.48	5.76	6.04	6.32	6.60

Multiple comparison: fair value of EUR 6.7/sh

We have selected a list of European and US companies that provide facility and energy management services.

It is worth mentioning the facility management companies' average EBITDA margin, which consistently stands in the mid-single-digit area, with the notable exception of Rentokil (which provides law-compliant cleaning and pest control services) and Ameresco (which also manages renewable plants directly). As a reminder, we expect ABP to reach an average EBITDA margin of at least 16%.

By contrast, ABP's trading multiples likely discount the poor liquidity of the stock, as floating shares account for only ~11% of the share capital.

	EBITDA			*EBIT*			*Net Profit*		
	2023E	***2024E***	***2025E***	***2023E***	***2024E***	***2025E***	***2023E***	***2024E***	***2025E***
ABP Nocivelli	14.4	14.8	15.0	12.8	13.2	13.4	9.7	9.9	10.1
Multiple (average)	**11.1**	**9.9**	**8.9**	**17.2**	**14.7**	**12.7**	**18.7**	**17.1**	**14.7**
Enterprise Value	160.0	146.1	132.9	221.5	194.2	170.5	181.2	170.3	148.4
- Net Debt	42.5	49.5	56.7	42.5	49.5	56.7			
- Pension underfunding	(2.6)	(2.6)	(2.7)	(2.6)	(2.6)	(2.7)			
Financial assets	2.0	2.9	3.8	2.0	2.9	3.8			
- Minorities	0.0	0.0	0.0	0.0	0.0	0.0			
Equity Value	**201.9**	**195.8**	**190.6**	**263.4**	**244.0**	**228.3**	**181.2**	**170.3**	**148.4**
N. of shares	30,450	30,450	30,450	30,450	30,450	30,450	30,450	30,450	30,450
Equity Value per share	**6.6**	**6.4**	**6.3**	**8.7**	**8.0**	**7.5**	**6.0**	**5.6**	**4.9**
Avg. Equity value per share	**6.7**								

Peer group: key financial indicators

	EBITDA			EBITDA CAGR	EBITDA margin			Cash conversion ratio		
	2022e	**2023e**	**2024e**	**22/24e**	**2022e**	**2023e**	**2024e**	**2022e**	**2023e**	**2024e**
Abm Industries	497.0	521.7	552.8	*5.5%*	*6.4%*	*6.4%*	*6.5%*	*-13.6%*	*46.2%*	*62.9%*
Coor Service Mgmt	824.5	887.0	945.0	*7.1%*	*7.0%*	*7.2%*	*7.4%*	*72.0%*	*56.4%*	*58.5%*
Iss A/S	4,727.4	5,305.6	5,877.1	*11.5%*	*6.2%*	*6.7%*	*7.1%*	*42.7%*	*47.9%*	*49.9%*
Caverion Oyj	152.7	162.3	174.5	*6.9%*	*6.7%*	*7.0%*	*7.2%*	*30.2%*	*43.8%*	*43.0%*
Mitie Group Plc	209.8	193.0	211.0	*0.3%*	*5.4%*	*5.0%*	*5.2%*	*53.1%*	*15.2%*	*45.9%*
Rentokil Initial Plc	814.9	1,182.2	1,259.6	*24.3%*	*22.8%*	*24.1%*	*24.3%*	*46.4%*	*42.1%*	*42.7%*
Emcor Group Inc	652.0	730.3	805.7	*11.2%*	*5.9%*	*6.3%*	*6.6%*	*53.8%*	*61.2%*	*62.2%*
Ameresco Inc	209.3	217.2	266.7	*12.9%*	*11.3%*	*13.8%*	*15.4%*	*-62.2%*	*64.9%*	*26.4%*

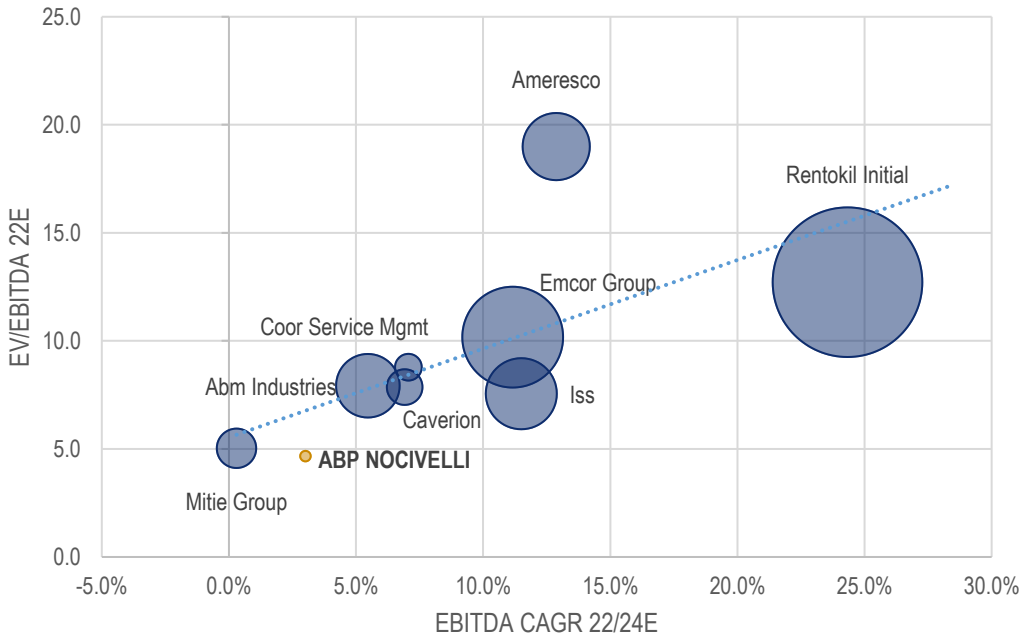
Source: Bloomberg data as at 21 November 2022

Peer group: multiples

	Mkt Cap	EV/EBITDA			EV/EBIT			P/E		
	(EUR m)	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e
Abm Industries	2,936.6	8.3	7.9	7.5	11.7	11.2	10.2	12.4	12.2	10.9
Coor Service Mgmt	561.7	9.4	8.8	8.2	17.9	15.2	13.2	13.3	12.6	11.8
Iss A/S	3,647.2	8.5	7.6	6.8	13.8	11.7	10.2	15.0	12.4	10.3
Caverion Oyj	966.9	8.4	7.9	7.3	16.0	14.5	12.8	17.0	15.4	13.2
Mitie Group Plc	1,170.0	4.6	5.0	4.6	6.0	6.7	6.2	9.6	10.7	9.3
Rentokil Initial Plc	15,733.0	18.4	12.7	11.9	28.9	18.8	17.1	28.2	23.3	20.8
Emcor Group Inc	7,226.7	11.4	10.2	9.2	14.1	12.4	11.4	20.0	17.1	15.3
Ameresco Inc	3,272.1	19.7	19.0	15.5	29.7	27.1	20.9	34.4	33.5	26.5
Average		**11.1**	**9.9**	**8.9**	**17.2**	**14.7**	**12.7**	**18.7**	**17.1**	**14.7**

Source: Bloomberg data as at 21 November 2022

Value map: EV/EBITDA vs. EBITDA CAGR 2022/24e



Source: Banca Akros on Bloomberg data

ABP Nocivelli: Summary tables

PROFIT & LOSS (EURm)	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Sales	**64.9**	**57.0**	**63.7**	**58.6**	**87.0**	**88.0**
Cost of Sales & Operating Costs	-56.6	-45.8	-51.5	-44.7	-72.6	-73.2
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**8.3**	**11.2**	**12.3**	**13.9**	**14.4**	**14.8**
EBITDA (adj.)*	**8.3**	**11.2**	**12.3**	**13.9**	**14.4**	**14.8**
Depreciation	-0.9	-1.1	-1.1	-1.6	-1.6	-1.6
EBITA	**7.3**	**10.1**	**11.2**	**12.4**	**12.8**	**13.2**
EBITA (adj)*	**7.3**	**10.1**	**11.2**	**12.4**	**12.8**	**13.2**
Amortisations and Write Downs	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**7.3**	**10.1**	**11.2**	**12.4**	**12.8**	**13.2**
EBIT (adj.)*	**7.3**	**10.1**	**11.2**	**12.4**	**12.8**	**13.2**
Net Financial Interest	-0.2	-0.1	-0.2	-0.2	-0.2	-0.2
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.3	0.4	0.5	0.6	0.5	0.5
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	**7.4**	**10.4**	**11.5**	**12.8**	**13.2**	**13.6**
Tax	-2.2	-2.8	-2.9	-3.2	-3.6	-3.7
Tax rate	*29.2%*	*27.3%*	*25.6%*	*25.2%*	*27.1%*	*27.1%*
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)	**5.3**	**7.6**	**8.6**	**9.6**	**9.6**	**9.9**
Net Profit (adj.)	**5.3**	**7.5**	**8.6**	**9.6**	**9.6**	**9.9**

CASH FLOW (EURm)	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Cash Flow from Operations before change in NWC	6.2	8.6	9.7	11.1	11.2	11.5
Change in Net Working Capital	4.6	9.2	-1.4	0.6	-5.6	-0.1
Cash Flow from Operations	**10.8**	**17.8**	**8.2**	**11.8**	**5.5**	**11.3**
Capex	-0.3	-1.1	-4.3	-3.6	-1.7	-2.0
Net Financial Investments	0.4	0.0	0.8	0.0	0.0	0.0
Free Cash Flow	**11.0**	**16.8**	**4.7**	**8.2**	**3.8**	**9.3**
Dividends	0.0	0.0	0.0	0.0	-1.5	-1.5
Other (incl. Capital Increase & share buy backs)	-0.3	-10.0	11.6	0.0	0.4	-0.8
Change in Net Financial Debt	**10.7**	**6.8**	**16.3**	**8.2**	**2.7**	**7.0**
NOPLAT	5.2	7.4	8.3	9.3	9.4	9.6

BALANCE SHEET & OTHER ITEMS (EURm)	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Net Tangible Assets	1.5	1.0	1.0	0.8	0.8	0.8
Net Intangible Assets (incl.Goodwill)	0.8	0.9	4.2	6.5	6.6	7.1
Net Financial Assets & Other	2.7	2.4	1.7	1.1	2.0	2.9
Total Fixed Assets	**5.0**	**4.2**	**6.9**	**8.4**	**9.4**	**10.7**
Inventories	13.2	2.3	5.5	12.5	18.5	18.7
Trade receivables	12.4	11.4	12.0	11.9	17.7	17.9
Other current assets	7.4	5.5	4.4	2.9	4.3	4.4
Cash (-)	-16.2	-19.2	-33.0	-40.2	-43.0	-49.9
Total Current Assets	**49.1**	**38.3**	**54.9**	**67.5**	**83.5**	**90.9**
Total Assets	**54.1**	**42.6**	**61.8**	**76.0**	**92.9**	**101.7**
Shareholders Equity	27.9	24.6	44.2	53.7	63.4	71.8
Minority	0.0	0.0	0.0	0.0	0.0	0.0
Total Equity	**27.9**	**24.6**	**44.2**	**53.7**	**63.4**	**71.8**
Long term interest bearing debt	3.5	1.4	0.3	0.0	0.0	0.0
Provisions	1.9	1.9	2.1	1.5	2.8	2.8
Other long term liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Total Long Term Liabilities	**5.4**	**3.4**	**2.4**	**1.5**	**2.8**	**2.8**
Short term interest bearing debt	3.4	1.8	1.1	0.5	0.5	0.4
Trade payables	12.9	8.1	10.3	16.6	22.4	22.7
Other current liabilities	4.5	4.7	3.8	3.6	5.3	5.4
Total Current Liabilities	**20.8**	**14.6**	**15.3**	**20.7**	**28.2**	**28.5**
Total Liabilities and Shareholders' Equity	**54.1**	**42.6**	**61.8**	**76.0**	**94.4**	**103.2**
Net Capital Employed	**20.5**	**10.6**	**14.7**	**15.6**	**22.2**	**23.7**
Net Working Capital	**15.5**	**6.3**	**7.8**	**7.1**	**12.8**	**12.9**

GROWTH & MARGINS	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Sales growth	*11.3%*	*-12.2%*	*11.9%*	*-8.0%*	*48.4%*	*1.1%*
EBITDA (adj.)* growth	***15.9%***	***35.7%***	***9.2%***	***13.7%***	***3.5%***	***2.5%***
EBITA (adj.) growth*	*25.6%*	*38.2%*	*10.2%*	*10.6%*	*3.9%*	*2.8%*
*EBIT (adj)*growth*	*25.6%*	*38.2%*	*10.2%*	*10.6%*	*3.9%*	*2.8%*

ABP Nocivelli: Summary tables

GROWTH & MARGINS	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Net Profit growth	*10.1%*	*41.5%*	*14.0%*	*11.2%*	*0.8%*	*2.8%*
EPS adj. growth	*10.1%*	*41.5%*	*1.1%*	*11.2%*	*0.8%*	*2.8%*
DPS adj. growth				*n.m.*	*0.0%*	*0.0%*
EBITDA (adj) margin*	*12.8%*	*19.7%*	*19.2%*	*23.8%*	*16.6%*	*16.8%*
EBITA (adj) margin*	*11.3%*	*17.8%*	*17.5%*	*21.1%*	*14.8%*	*15.0%*
EBIT (adj) margin*	*11.3%*	*17.8%*	*17.5%*	*21.1%*	*14.8%*	*15.0%*

RATIOS	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Net Debt/Equity	-0.3	-0.6	-0.7	-0.7	-0.7	-0.7
Net Debt/EBITDA	-1.1	-1.4	-2.6	-2.8	-2.9	-3.3
Interest cover (EBITDA/Fin.interest)	34.2	76.4	76.6	82.4	90.1	92.4
Capex/D&A	28.0%	98.2%	404.5%	229.3%	108.1%	127.2%
Capex/Sales	0.4%	1.9%	6.8%	6.1%	2.0%	2.3%
NWC/Sales	23.9%	11.1%	12.2%	12.2%	14.7%	14.7%
ROE (average)	20.9%	28.7%	25.0%	19.5%	16.4%	14.6%
ROCE (adj.)	29.1%	90.0%	64.2%	64.1%	46.4%	46.4%
WACC	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
ROCE (adj.)/WACC	4.2	13.0	9.3	9.3	6.7	6.7

PER SHARE DATA (EUR)***	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Average diluted number of shares	27.0	27.0	30.5	30.5	30.5	30.5
EPS (reported)	0.19	0.28	0.28	0.31	0.32	0.32
EPS (adj.)	0.20	0.28	0.28	0.31	0.32	0.32
BVPS	1.03	0.91	1.45	1.76	2.08	2.36
DPS	0.00	0.00	0.00	0.05	0.05	0.05

VALUATION	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
EV/Sales			1.2	1.4	0.8	0.7
EV/EBITDA			6.5	5.8	5.0	4.4
EV/EBITDA (adj.)*			**6.5**	**5.8**	**5.0**	**4.4**
EV/EBITA			7.1	6.5	5.6	4.9
EV/EBITA (adj.)*			**7.1**	**6.5**	**5.6**	**4.9**
EV/EBIT			7.1	6.5	5.6	4.9
EV/EBIT (adj.)*			**7.1**	**6.5**	**5.6**	**4.9**
P/E (adj.)			**12.9**	**12.6**	**11.8**	**11.5**
P/BV			2.5	2.2	1.8	1.6
Total Yield Ratio			0.0%	1.3%	1.3%	
EV/CE			6.1	5.6	3.5	3.1
OpFCF yield			3.5%	6.8%	3.4%	8.2%
OpFCF/EV			4.9%	10.1%	5.4%	14.5%
Payout ratio	0.0%	0.0%	0.0%	15.6%	15.5%	15.1%
Dividend yield (gross)			0.0%	1.3%	1.3%	1.3%

EV AND MKT CAP (EURm)	06/2019	06/2020	06/2021	06/2022	06/2023e	06/2024e
Price** (EUR)			3.65	3.96	3.74	3.74
Outstanding number of shares for main stock	27.0	27.0	30.5	30.5	30.5	30.5
Total Market Cap			**111.1**	**120.6**	**113.9**	**113.9**
Gross Financial Debt (+)	6.9	3.2	1.4	0.5	0.5	0.4
Cash & Marketable Securities (-)	-16.2	-19.2	-33.0	-40.2	-43.0	-49.9
Net Financial Debt	**-9.3**	**-16.0**	**-31.5**	**-39.7**	**-42.5**	**-49.5**
Lease Liabilities (+)						
Net Debt	**-9.3**	**-16.0**	**-31.5**	**-39.7**	**-42.5**	**-49.5**
Other EV components	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Enterprise Value (EV adj.)			**79.6**	**80.9**	**71.4**	**64.4**

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: Materials, Construction & Infrastructure/Infrastructure

Company Description: ABP Nocivelli specialises in supplying public administrations with energy services. ABP levers on a solid know-how gained over the last 60 years that also includes the promotion of PPP projects involving the building of hospitals and the supply of energy and facility management services. In addition to a solid, highly profitable portfolio of contracts, the group focus on the enhancement of the healthcare assistance and the energy-efficient renovation of public buildings.

European Coverage of the Members of ESN

Automobiles & Parts	Mem(*)
Brembo	BAK
Cie Automotive	GVC
Faurecia	CIC
Ferrari	BAK
Gestamp	GVC
Indelb	BAK
Landi Renzo	BAK
Michelin	CIC
Pirelli & C.	BAK
Plastic Omnium	CIC
Renault	CIC
Sogefi	BAK
Stellantis	BAK
Valeo	CIC

Banks	Mem(*)
Banca Mps	BAK
Banco Sabadell	GVC
Banco Santander	GVC
Bankinter	GVC
Bbva	GVC
Bnp Paribas	CIC
Bper	BAK
Caixabank	GVC
Credem	BAK
Credit Agricole Sa	CIC
Intesa Sanpaolo	BAK
Societe Generale	CIC
Unicaja Banco	GVC
Unicredit	BAK

Basic Resources	Mem(*)
Acerinox	GVC
Altri	CBI
Arcelormittal	GVC
Ence	GVC
Neodecortech	BAK
Semapa	CBI
The Navigator Company	CBI
Tubacex	GVC

Chemicals	Mem(*)
Air Liquide	CIC
Arkema	CIC
Plasticos Compuestos	GVC

Consumer Products & Services	Mem(*)
Abeo	CIC
Beneteau	CIC
Brunello Cucinelli	BAK
Capelli	CIC
De Longhi	BAK
Fila	BAK
Geox	BAK
Givaudan	CIC
Groupe Seb	CIC
Hermes Intl.	CIC
Hexaom	CIC
Interparfums	CIC
Kaufman & Broad	IAC
Kering	CIC
L'Oreal	CIC
Lvmh	CIC
Maisons Du Monde	CIC
Moncler	BAK
Monnalisa	BAK
Ovs	BAK
Piaggio	BAK
Richemont	CIC
Safilo	BAK
Salvatore Ferragamo	BAK
Smcp	CIC
Swatch Group	CIC
Technogym	BAK
Tod'S	BAK
Trigano	CIC
Ubisoft	CIC

Energy	Mem(*)
Cgg	CIC
Ecoslops	CIC
Eni	BAK
Galp Energia	CBI
Gas Plus	BAK
Gtt	CIC
Maurel Et Prom	CIC
Neoen	CIC
Plc	BAK
Repsol	GVC
Rubis	CIC
Saipem	BAK
Technip Energies	CIC
Technipfmc Plc	CIC
Tecnicas Reunidas	GVC
Tenaris	BAK
Totalenergies	CIC
Vallourec	CIC

Fin. Serv. Holdings	Mem(*)
Cir	BAK
Corp. Financiera Alba	GVC
Digital Magics	BAK
Eurazeo	CIC
Gbl	CIC
Peugeot Invest	CIC
Rallye	CIC
Tip Tamburi Investment Partners	BAK
Wendel	CIC

Fin. Serv. Industrials	Mem(*)
Dovalue	BAK
Nexi	BAK
Tinexta	BAK

Financial Services Banks	Mem(*)
Amundi	CIC
Anima	BAK
Azimut	BAK
Banca Generali	BAK
Banca Ifis	BAK
Banca Mediolanum	BAK
Banca Sistema	BAK
Bff Bank	BAK
Dea Capital	BAK
Dws	CIC
Finecobank	BAK
Generalfinance	BAK
Illimity Bank	BAK
Mediobanca	BAK
Poste Italiane	BAK
Rothschild & Co	CIC

Food & Beverage	Mem(*)
Ab Inbev	CIC
Advini	CIC
Bonduelle	CIC
Campari	BAK
Carlsberg As-B	CIC
Danone	CIC
Diageo	CIC
Ebro Foods	GVC
Enervit	BAK
Fleury Michon	CIC
Heineken	CIC
Italian Wine Brands	BAK
Lanson-Bcc	CIC
Laurent Perrier	CIC
Ldc	CIC
Lindt & Sprüngli	CIC
Nestle	CIC
Orsero	BAK
Pernod Ricard	CIC
Remy Cointreau	CIC
Tipiak	CIC
Vilmorin	CIC
Viscofan	GVC
Vranken	CIC

Healthcare	Mem(*)
Abionyx Pharma	CIC
Amplifon	BAK
Atrys Health	GVC
Biomerieux	CIC
Crossject	CIC
Diasorin	BAK
El.En.	BAK
Fermentalg	CIC
Fine Foods	BAK
Genfit	CIC
Gpi	BAK
Guerbet	CIC
Ipsen	CIC
Korian	CIC
Oncodesign	CIC
Orpea	CIC
Prim Sa	GVC
Recordati	BAK
Theraclion	CIC
Vetoquinol	CIC
Virbac	CIC
Vytrus Biotech	GVC

Industrial Goods & Services	Mem(*)
Alstom	CIC
Applus	GVC
Arteche	GVC
Avio	BAK
Biesse	BAK
Bollore	CIC
Bureau Veritas	CIC
Caf	GVC
Catenon	GVC
Cellnex Telecom	GVC
Cembre	BAK
Chargeurs	CIC
Clasquin	IAC
Cnh Industrial	BAK
Corticeira Amorim	CBI
Ctt	CBI
Danieli	BAK
Datalogic	BAK
Enav	BAK
Enogia	CIC
Exel Industries	CIC
Fiera Milano	BAK
Fincantieri	BAK
Getlink	CIC
Global Dominion	GVC
Haulotte Group	CIC
Interpump	BAK
Inwit	BAK
Legrand	CIC
Leonardo	BAK
Logista	GVC
Manitou	CIC
Nbi Bearings Europe	GVC
Nexans	CIC
Nicolas Correa	GVC
Openjobmetis	BAK
Osai	BAK
Prima Industrie	BAK
Prosegur	GVC
Prosegur Cash	GVC
Prysmian	BAK
Rai Way	BAK
Rexel	CIC
Saes	BAK
Salcef	BAK
Schneider Electric Se	CIC
Somfy	CIC
Talgo	GVC
Teleperformance	CIC
Verallia	CIC
Vidrala	GVC

Zignago Vetro	BAK	Mfe-Mediaforeurope	BAK	Stmicroelectronics	BAK	Ren	CBI
Insurance	**Mem(*)**	Miogroup	GVC	Tier1 Technology	GVC	Seche Environnement	CIC
Axa	CIC	Nrj Group	CIC	Visiativ	CIC	Snam	BAK
Catalana Occidente	GVC	Prisa	GVC	Vogo	CIC	Solaria	GVC
Cattolica Assicurazioni	BAK	Publicis	CIC	**Telecommunications**	**Mem(*)**	Solarprofit	GVC
Generali	BAK	Rcs Mediagroup	BAK	Bouygues	CIC	Terna	BAK
Linea Directa Aseguradora	GVC	Tf1	CIC	Ekinops	CIC	Veolia	CIC
Mapfre	GVC	Universal Music Group	CIC	Nos	CBI	Voltalia	CIC
Net Insurance	BAK	Vivendi	CIC	Orange	CIC		
Unipolsai	BAK	Vocento	GVC	Telecom Italia	BAK		
Materials, Construction	**Mem(*)**	**Personal Care, Drug & Grocery S**	**Mem(*)**	Telefonica	GVC		
Abp Nocivelli	BAK	Carrefour	CIC	Tiscali	BAK		
Acs	GVC	Casino	CIC	Unidata	BAK		
Aena	GVC	Jeronimo Martins	CBI	Vodafone	BAK		
Atlantia	BAK	Marr	BAK	**Travel & Leisure**	**Mem(*)**		
Buzzi Unicem	BAK	Sonae	CBI	Accor	CIC		
Cementir	BAK	Unilever	CIC	Autogrill	BAK		
Cementos Molins	GVC	Winfarm	CIC	Compagnie Des Alpes	CIC		
Clerhp Estructuras	GVC	**Real Estate**	**Mem(*)**	Edreams Odigeo	GVC		
Crh	CIC	Igd	BAK	Elior	CIC		
Eiffage	CIC	Inmobiliaria Colonial	GVC	Fdj	CIC		
Fcc	GVC	Inversa Prime	GVC	Groupe Partouche	IAC		
Ferrovial	GVC	Lar España	GVC	Hunyvers	CIC		
Groupe Adp	CIC	Merlin Properties	GVC	I Grandi Viaggi	BAK		
Groupe Poujoulat	CIC	Realia	GVC	Ibersol	CBI		
Groupe Sfpi S.A.	CIC	**Retail**	**Mem(*)**	Int. Airlines Group	GVC		
Heidelberg Cement	CIC	Aramis Group	CIC	Melia Hotels International	GVC		
Herige	CIC	Burberry	CIC	Nh Hotel Group	GVC		
Holcim	CIC	Fnac Darty	CIC	Pierre Et Vacances	CIC		
Imerys	CIC	Inditex	GVC	Sodexo	CIC		
Maire Tecnimont	BAK	Unieuro	BAK	**Utilities**	**Mem(*)**		
Mota Engil	CBI	**Technology**	**Mem(*)**	A2A	BAK		
Obrascon Huarte Lain	GVC	Agile Content	GVC	Acciona	GVC		
Sacyr	GVC	Akka Technologies	CIC	Acea	BAK		
Saint-Gobain	CIC	Almawave	BAK	Albioma	CIC		
Sciuker Frames	BAK	Alten	CIC	Alerion Clean Power	BAK		
Sergeferrari Group	CIC	Amadeus	GVC	Audax	GVC		
Spie	CIC	Atos	CIC	Derichebourg	CIC		
Tarkett	CIC	Axway Software	CIC	Edf	CIC		
Thermador Groupe	CIC	Capgemini	CIC	Edp	CBI		
Vicat	CIC	Cast	CIC	Enagas	GVC		
Vinci	CIC	Dassault Systemes	CIC	Encavis Ag	CIC		
Webuild	BAK	Digital Value	BAK	Endesa	GVC		
Media	**Mem(*)**	Esi Group	CIC	Enel	BAK		
Arnoldo Mondadori Editore	BAK	Exprivia	BAK	Engie	CIC		
Atresmedia	GVC	Gigas Hosting	GVC	E-Pango	CIC		
Believe	CIC	Indra Sistemas	GVC	Erg	BAK		
Cairo Communication	BAK	Izertis	GVC	Greenvolt	CBI		
Digital Bros	BAK	Lleida.Net	GVC	Hera	BAK		
Gl Events	CIC	Memscap	IAC	Holaluz	GVC		
Il Sole 24 Ore	BAK	Neurones	CIC	Iberdrola	GVC		
Ipsos	CIC	Ovhcloud	CIC	Iren	BAK		
Jcdecaux	CIC	Reply	BAK	Italgas	BAK		
Lagardere	CIC	Sii	CIC	Naturgy	GVC		
M6	CIC	Sopra Steria Group	CIC	Opdenergy	GVC		
Mediaset Espana	GVC	Spindox	BAK	Redeia	GVC		

LEGEND: BAK: Banca Akros; CIC: CIC Market Solutions; CBI: Caixa-Banco de Investimento; GVC: GVC Gaesco Valores as at 17 October 2022

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
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
Enrico Esposti, CIIA	BAK	+39 02 4344 4022	enrico.esposti@bancaakros.it
Rafael Fernández de Heredia	GVC	+34 91 436 78 08	rafael.fernandezdeheredia@gvcgaesco.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
Alexandre Gérard	CIC	+33 1 53 48 80 93	alexandre.gerard@cic.fr
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-Moulenq	CIC	+33 1 53 48 80 65	jeanchristophe.lefevremoulenq@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@gvcgaesco.es
Fanny Meindre, PhD	CIC	+33 1 53 48 80 84	fanny.meindre@cic.fr
Jaime Pallares Garcia	GVC	+34 91 436 7818	jaime.pallares@gvcgaesco.es
Arnaud Palliez	CIC	+33 1 41 81 74 24	arnaud.palliez@cic.fr
Victor Peiro Pérez	GVC	+34 91 436 7812	victor.peiro@gvcgaesco.es
Juan Peña	GVC	+34 91 436 78 16	juan.pena@gvcgaesco.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@gvcgaesco.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	paola.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

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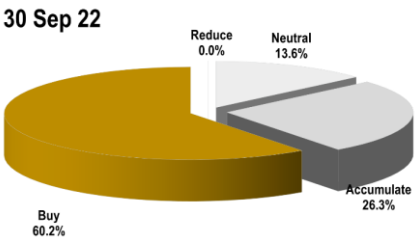
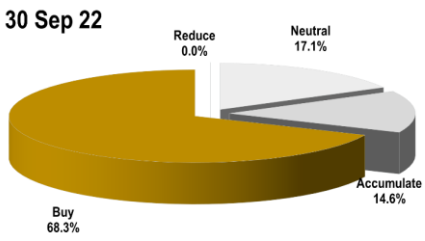
Percentuale delle raccomandazioni al 30 settembre 2022

Tutte le raccomandazioni



Raccomandazioni su titoli in conflitto di interessi (*)

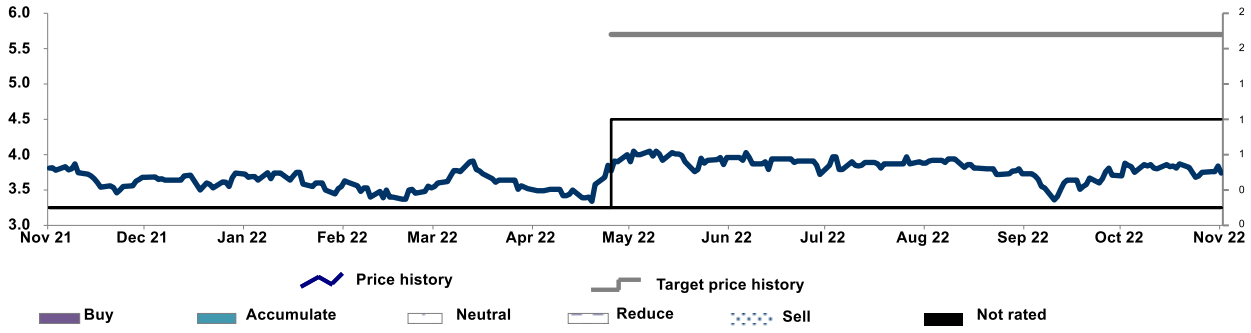


(*) Si informa che la percentuale degli emittenti in potenziale conflitto di interessi con Banca Akros è pari al 34.75% del totale degli emittenti oggetto di copertura

Recommendation history for ABP NOCIVELLI

Date	Recommendation	Target price	Price at change date
18-May-22	Buy	5.70	3.77

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: Francesco Sala (since 01/12/2018)



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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)**.

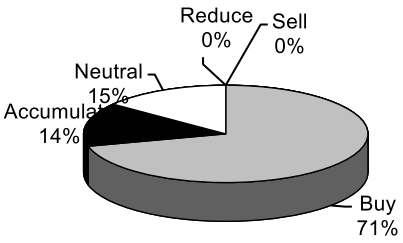
Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

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



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website Link
Date and time of production: ***CET***
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Members of ESN (European Securities Network LLP)

Banca Akros SpA
Viale Eginardo, 29
20149 Milano
Italy
Phone: +39 02 4344 4389

CIC Market Solutions
6, avenue de Provence
75441 Paris - Cedex 09
France
Phone: +33 1 5348 8193

Caixa-Banco de Investimento
Avenida João XXI, 63
1000-300 Lisboa
Portugal
Phone: +351 21 313 7300

GVC Gaesco Valores, S.V., S.A.
C/- Fortuny, 17
28010 Madrid
Spain
Phone: +34 91 436 7813

ESN