

STAR7

Sector: Business Services

Strong 1H23 FCF; EBITDA margin set to expand from 2H

1H23 top-line organic growth (+9% yoy) met our FY expectation, with increasing relevance from engineering division, in line with mgmt. strategy, which should trigger additional cross-selling capabilities. EBITDA margin (diluted by CAAR business lease) is expected to accelerate in 2H thanks to synergies exploitation from CAAR and other costs optimization. Despite Eu4.6mn capex in 1H23, FCF was material (helped by positive NWC dynamic), paving the way for additional M&A firepower. Messages from the ccall were positive, confirming solid business visibility and group's commitment to return to historical profitability level by 2024E (ca. 18%). We confirmed our FY23-25E top-line while prudentially trim FY23 adj. EBITDA margin to 15.1% on sales (from previous 16.6%), reflecting potential delays related to costs optimization. We also increased FY23E D&A and net financial interests on the back of 1H23 figures. BUY rating confirmed with TP to Eu12.1/share (from Eu13.0), mainly due to peers de-rating. We believe that Star7 is delivering on its growth trajectory, which should command a re-rating of the stock (currently trading at 4.5x EBITDA FY24E, an attractive entry point in our view).

- 1H23 sales organic growth in line with our FY estimate (+9% yoy).** 1H23 sales came in at Eu50.9mn, up 28.3% yoy and in line with our FY growth expectation. The Printing division grew to Eu8.5mn (+17% yoy), with stable contribution on total sales (16.7%). Engineering, Product Knowledge & Experience stood at Eu24.1mn/47.4% of sales (from Eu14.9mn/37.5% in 1H22), mainly thanks to a jump in Engineering division due to the leased CAAR business, weighing 18% of sales from 3%. Global content was flat at Eu18.3mn (+0.2%), weighing 36% of sales. International sales increased by 34% yoy (43% of sales from 41% in 1H22), thanks to the expansion in Brazil and RoW.
- EBITDA margin diluted by CAAR business but is set to rise in 2H.** Adj. EBITDA came in at Eu7.5mn/14.7% margin (+4% yoy), milder compared to our FY margin projection (16.9%), but mainly due to temporary dilution effect from the CAAR business, which is expected to recover in 2H. Adj. EBIT reached Eu3.7mn, after Eu3.8mn D&A, while adj. net profit (w/o amortization linked to M&A for Eu2mn) stood at Eu2.9mn (doubled yoy). FY22 net debt improved to Eu33.6mn, down from Eu35.1mn at YE22 (despite Eu4.6mn capex), thanks to efficiencies over NWC dynamics (mainly in DSO).
- Several positive messages from the ccall; new AI-powered service from 2H.** The mgmt. shared positive hints on several fronts. Main takeaways are: 1) CAAR integration is proceeding well, with expected completion by 1H24; 2) Several contract renewals and new large project awarded with Stellantis; 3) FY23E EBITDA margin target in the region of 16% could be reached, thanks to potential costs optimization and cross-selling activity, not exploited yet, from CAAR business and new off-shore offices; 4) Positive NWC dynamic is expected to continue, triggering further deleveraging. This would pave the way for new M&A opportunities in the short-term (advanced discussion with a target active in packaging and automation). The group has also announced the launch of a new AI-based suite of services (7AI) by 2H23, which should facilitate product and process knowledge management (currently on a testing phase with some clients - e.g. Ferrari), reaping the benefits stemming from AI business opportunities.
- FY23-25E sales confirmed, FY23E EBITDA prudentially trimmed (-9%).** We maintained our FY23-25E top-line unchanged. We prudentially trimmed our FY23E EBITDA reflecting potential slowdown that might arise from costs optimization. Also, we slightly increased our FY23 D&A projections and interests on the back of 1H figures. All in all, our FY23E revenues are pointing to Eu108.4mn (+9.9% organic growth), implying +28% growth in 2H23E (in line with 1H trend). Adj. EBITDA should reach Eu16.4mn/15.1% margin, which we deem conservative. FY23E Net debt should reach Eu32.9mn after shifting CAAR cash-out acquisition of Eu2.8mn in 1H24.
- BUY rating confirmed with TP to Eu12.1/share (from Eu13.0).** BUY confirmed with TP to Eu12.1/share (from Eu13), mainly due to peer de-rating (70% weight) and mark-to-market DCF (30%). The stock trades at 4.5x EV/EBITDA FY24, offering an attractive entry point in our view.

BUY

Unchanged

TP 12.1

From 13.0

Target price upside 72%

Change in EPS est.	FY23E	FY24E
	-27.4%	-5.5%

Ticker (BBG, Reut)	STAR7 IM	STAR7 MI
Share price Ord. (Eu)		7.1
N. of Ord. shares (mn)		9.0
Total N. of shares (mn)		9.0
Market cap (Eu mn)		63
Total Market Cap (EU mn)		63
Free Float Ord. (%)		25%
Free Float Ord. (Eu mn)		16
Daily AVG liquidity Ord. (Eu k)		7

	1M	3M	12M
Absolute Perf.	1%	-8.7%	-16.1%
Rel. to FTSEMIDCap	5%	-2.4%	-30.2%
52 weeks range		7.2	9.8



	FY22A	FY23E	FY24E
Sales	85	108	118
EBITDA adj.	15.5	16.4	21.9
Net profit adj.	7.4	6.4	11.6
EPS adj.	0.825	0.709	1.292
DPS - Ord.	0.000	0.000	0.000
EV/EBITDA adj.	7.9x	6.4x	4.5x
P/E adj.	10.7x	9.9x	5.5x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	-1.5%	4.4%	13.1%
Net debt/(Net cash)	35.3	32.9	27.3
Net debt/EBITDA	2.3x	2.0x	1.2x

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Summary Financials

P&L account (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Total Revenues	60.0	85.0	108.4	118.0	126.4
First margin	na	na	na	na	na
EBITDA reported	8.3	15.5	15.8	21.9	25.3
D&A	(4.3)	(7.8)	(7.9)	(8.1)	(7.7)
EBIT reported	4.0	7.7	7.9	13.9	17.6
Net financial charges	(0.6)	(2.3)	(2.0)	(1.7)	(1.3)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	3.4	5.4	5.9	12.2	16.3
Taxes	(0.9)	(1.9)	(1.6)	(3.4)	(4.6)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	2.5	3.4	4.2	8.8	11.7
EBITDA adjusted	8.7	15.5	16.4	21.9	25.3
EBIT adjusted	5.1	11.7	10.9	17.8	21.5
Net profit adjusted	3.3	7.4	6.4	11.6	14.5

Margins (%)	FY21A	FY22A	FY23E	FY24E	FY25E
First margin	na	na	na	na	na
EBITDA margin	13.8%	18.2%	14.5%	18.6%	20.0%
EBITDA margin (adj)	14.5%	18.2%	15.1%	18.6%	20.0%
EBIT margin	6.6%	9.0%	7.3%	11.8%	13.9%
EBIT margin (adj)	8.4%	13.7%	10.0%	15.1%	17.0%
Net profit margin	4.1%	4.0%	3.9%	7.5%	9.3%
Net profit margin (adj)	5.4%	8.7%	5.9%	9.9%	11.5%

Growth rates (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	34.6%	41.6%	27.6%	8.8%	7.1%
EBITDA	93.0%	86.2%	2.0%	39.2%	15.1%
EBITDA adjusted	102.3%	77.7%	5.9%	34.1%	15.1%
EBIT	59.6%	92.2%	2.9%	76.1%	26.5%
EBIT adjusted	102.5%	130.6%	-6.7%	63.4%	20.7%
Pre-tax	59.9%	60.0%	9.1%	109.0%	33.1%
Net profit	64.7%	38.6%	23.2%	109.0%	33.1%
Net profit adjusted	117.3%	127.9%	-14.1%	82.2%	25.1%

Per share data	FY21A	FY22A	FY23E	FY24E	FY25E
Shares	9,000	9,000	9,000	9,000	9,000
N. of shares AVG	8,436	9,000	9,000	9,000	9,000
N. of shares diluted AVG	8,436	9,000	9,000	9,000	9,000
EPS	0.293	0.381	0.469	0.980	1.304
EPS adjusted	0.386	0.825	0.709	1.292	1.616
DPS - Ord.	0.000	0.000	0.000	0.000	0.000
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	2.913	3.111	3.571	4.542	5.838

Enterprise value (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Share price Ord. (Eu)	8.9	8.8	7.1	7.1	7.1
Market cap	80.3	79.6	63.4	63.4	63.4
Net debt/(Net cash)	31.9	35.3	32.9	27.3	12.9
Adjustments	5.3	7.3	8.4	8.7	6.0
Enterprise value	117.6	122.2	104.7	99.5	82.3

Source: Company data, Alantra estimates

Cash flow (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
EBITDA reported	8.3	15.5	15.8	21.9	25.3
Net financial charges	(0.6)	(2.3)	(2.0)	(1.7)	(1.3)
Cash taxes	(0.5)	(2.0)	(1.6)	(3.4)	(4.6)
Ch. in Working Capital	2.2	(9.6)	(5.3)	(5.8)	(3.2)
Other Op. items	0.4	1.2	0.9	0.2	0.2
Operating cash flow	9.7	2.8	7.8	11.3	16.5
Capex	(6.0)	(4.0)	(5.0)	(3.0)	(2.0)
FCF	3.8	(1.2)	2.8	8.3	14.5
Disposals/Acquisitions	(31.2)	(2.2)	(0.4)	(2.8)	0.0
Changes in Equity	11.8	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Ch. in NFP	(15.6)	(3.3)	2.4	5.5	14.5

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Capex/Sales	9.9%	4.7%	4.6%	2.5%	1.6%
Capex/D&A	1.4x	0.5x	0.6x	0.4x	0.3x
FCF/EBITDA	45.5%	nm	17.7%	38.0%	57.2%
FCF/Net profit	153.0%	nm	66.0%	94.6%	123.2%
Dividend pay-out	0.0%	0.0%	0.0%	0.0%	0.0%

Balance sheet (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital	14.0	23.5	28.8	34.5	37.7
Fixed assets	47.8	46.9	44.4	42.2	36.5
Provisions & others	(4.4)	(5.8)	(6.9)	(7.2)	(7.5)
Net capital employed	57.4	64.6	66.4	69.6	66.8
Net debt/(Net cash)	31.9	35.3	32.9	27.3	12.9
Equity	24.6	28.0	32.1	40.9	52.5
Minority interests	0.9	1.5	1.5	1.5	1.5

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital/Sales	23.4%	27.7%	26.5%	29.3%	29.9%
Net debt/Equity	130.0%	125.9%	102.3%	66.9%	24.5%
Net debt/EBITDA	3.7x	2.3x	2.0x	1.2x	0.5x

Valuation	FY21A	FY22A	FY23E	FY24E	FY25E
EV/CE	1.9x	1.7x	1.4x	1.3x	1.1x
P/BV	3.3x	2.8x	2.0x	1.6x	1.2x
EV/Sales	2.0x	1.4x	1.0x	0.8x	0.7x
EV/EBITDA	14.2x	7.9x	6.6x	4.5x	3.3x
EV/EBITDA adjusted	13.5x	7.9x	6.4x	4.5x	3.3x
EV/EBIT	29.5x	15.9x	13.3x	7.2x	4.7x
EV/EBIT adjusted	23.2x	10.5x	9.6x	5.6x	3.8x
P/E	32.5x	23.2x	15.0x	7.2x	5.4x
P/E adjusted	24.7x	10.7x	9.9x	5.5x	4.4x
ROE pre-tax	10.9%	17.6%	15.2%	23.7%	28.4%
ROE	13.3%	26.5%	19.8%	28.4%	27.7%
EV/FCF	31.1x	-105.4x	37.6x	11.9x	5.7x
FCF yield	4.7%	-1.5%	4.4%	13.1%	22.8%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

Share price performance

The stock is down -15% since IPO price (Eu8.25/share)



Valuation

YTD multiples de-rated



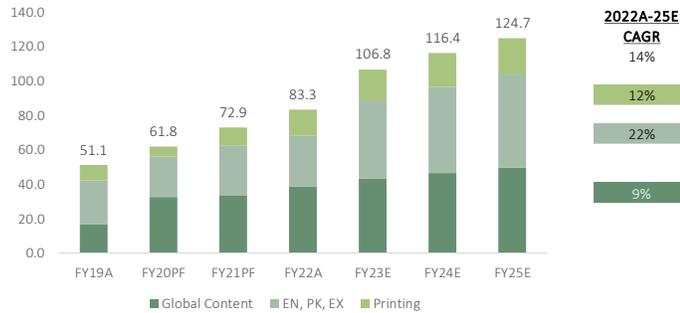
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Key Charts

Sales trend and breakdown by division (FY19A-FY25E)

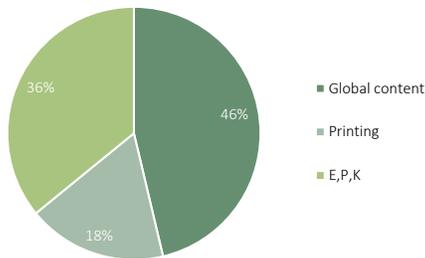
EN, PK, EX division is expected to outpace Global content business



Source: company data and Alantra estimates

Revenue breakdown by division (FY22)

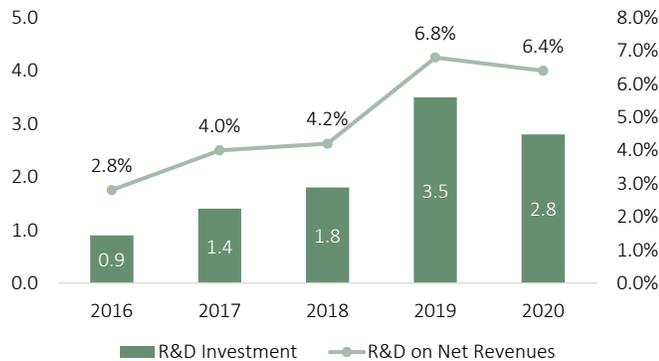
Engineering, Product and Knowledge weighed 36% on total revenue in FY22



Source: company data

Historical R&D investments (FY16A-20A)

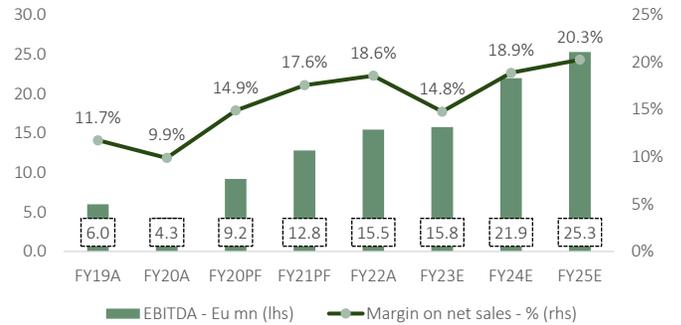
STAR7 invested in R&D c. 5% of net revenues on average in 2016-2020



Source: company data and Alantra estimates

EBITDA evolution (FY19A-FY25E)

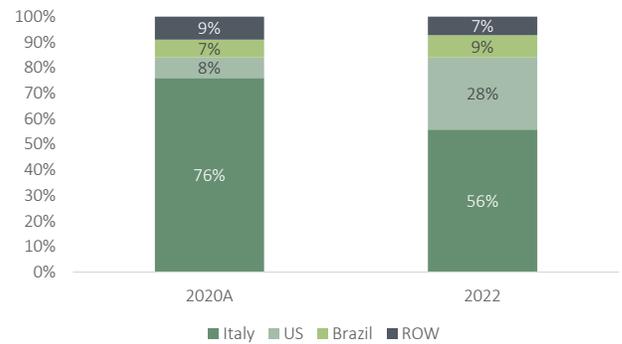
Walking through the 20% margin on net sales threshold in FY22-25E



Source: company data and Alantra estimates

Revenues breakdown by geography (2020A-22)

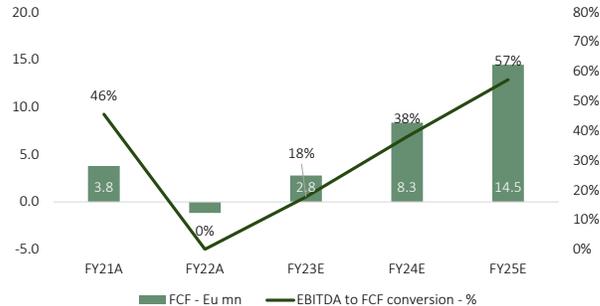
With the LocalEyes acquisition, Star7 increase its US presence to 28% in FY22



Source: company data

FCF generation and conversion (FY21A-FY25E)

FCF conversion should reach >50% in FY25E



Source: company data and Alantra estimates

Profile

Background

STAR7 creates and manages multilingual product content and information for business clients, covering the entire product cycle, thanks to the support of its proprietary technologies. Established in 2000, the group operates through 5 divisions. It was initially a pure language service provider (Global Content), which gradually expanded into Product Knowledge, Printing, Engineering and Experience. STAR7 serves over 900 clients included in 8 different sector clusters. The first client in terms of 2020PF revenues is Apple (23%), followed by the luxury automotive group Ferrari (13%). The portfolio includes other prestigious brands: ENI, Ferrero, Luxottica, Stellantis, Technogym just to mention few names. Clients are diversified in terms of sector and exposure to economic / product cycles. Most of sales are from multi-annual contracts and framework agreements. Churn rate is negligible.

Positioning

The broad offer of product content and information services of STAR7, which covers the entire product cycle is a differentiated element in the competitive landscape. In each division, the group usually competes with product specialists. By contrast, STAR7's business model is not about being a specialist in doing something. It is mainly about satisfying customer's needs in an integrated way. The business model should trigger the exploitation of cross-selling opportunities.

The group has invested in R&D around 5% of sales over the last 5 years. This is a barrier to entry for potential newcomers, together with: Client loyalty (61% of top 20 clients active for >5 years); Legacy with customer's processes (high switching cost/risk for clients); Multiyear contracts and framework agreements (83% of 2020PF sales); Exposure to top clients (time and efforts to be included in their suppliers list). New organisation, recent acquisition of LocalEyes (which has added strong presence in the US and a top client) and coverage of the entire product cycle (Engineering and Experience have been recently introduced) pave the way to scale-up further the business model in the coming years. We expect that most of the top line growth should be driven by cross-selling and higher share of wallet of existing clients, with a relatively low risk profile. New clients should contribute by c. 15% of our top line growth. STAR7 has a database of around 5k potential clients, which is >5x the current portfolio. Geographical expansion should help client acquisition.

Growth

STAR7 has a long track record of top line growth, interrupted by the pandemic in 2020. The group delivered 2013-21 CAGR of >20% mainly organic (also tanks to the introduction of the Engineering and Experience division) and in Italy. The acquisition of LocalEyes has been a transformational deal for STAR7. Apart the size of the target (Eu16mn 2020 sales and Eu3.9mn EBITDA), the deal has brought on board a top client (Apple), strengthened position of the group in Global Content (in the TOP40 global players based on 2020PF sales), expanded presence in US, added a new end-market (tech), created potential for cross-selling and optimize the cost structure. With the recent lease subject to acquisition of CAAR/STI business, STAR7 is targeting to substantially increase its Engineering division (FY22 CAAR sales of Eu15mn). The integration of the CAAR/STI business divisions would increase STAR7's presence on top of the product information value chain, embracing strategic engineering services with high business visibility and cross-selling potential.

Strategy

The main growth drivers will be: 1) Higher share of wallet on existing clients and new small clients in existing verticals; 2) Geographical expansion and consolidation in US; 3) Product / Process innovation with a particular focus on the development of Experience solutions; 4) New sectors with specific focus on Life Science, Gaming and Entertainment is a strategic target; 5) Additional M&A on the back of a strong historical track record on the subject

Strengths	Weaknesses
Integrated offer of the full range of product content and information services Portfolio of top clients (#1 client is Apple; #2 is Ferrari) Loyal and recurring client base	Relatively high concentration of the client portfolio High Working Capital requirements Business links with the main shareholders
Opportunities	Threats
Increase in cross selling International expansion Addition of new sector clusters	Exposure to product innovation cycles, often linked to macro cycles Disruptive technological changes in Global Content and Printing Experience could partially cannibalize other divisions
Key shareholders	Management
Dante S.r.l. 41.7% STAR A.G. 33.4% KAIROS Partners SGR S.P.A. 6.1% Float 18.8%	Lorenzo Mondo - Founder & CEO Barbara Donadio - CFO Matteo Gera - General Manager
Next events	

1H23 Results

1H23 Results

1H23 sales organic growth in line with our FY estimate (+9% yoy). EBITDA margin diluted by CAAR business but is set to rise in 2H.

Eu mn	1H22A	1H23A	YoY %	2H22A	2H23E	YoY %	FY22A	FY23A	YoY %
Net revenues	39.6	50.9	28%	43.6	55.9	28%	83.3	106.8	28%
Total Revenues	40.5	51.7	28%	44.4	56.8	28%	84.8	108.4	28%
EBITDA Adjusted	7.2	7.5	4%	8.2	8.9	8%	15.5	16.4	6%
<i>Ebitda Margin %</i>	<i>18.3%</i>	<i>14.7%</i>		<i>18.8%</i>	<i>15.9%</i>		<i>18.6%</i>	<i>15.3%</i>	
EBIT Adjusted	3.5	3.7	4%	8.1	7.2	-11%	11.7	10.9	-7%
<i>Ebit Margin %</i>	<i>9.0%</i>	<i>7.3%</i>		<i>18.6%</i>	<i>12.9%</i>		<i>14.0%</i>	<i>10.2%</i>	
Restated Net Profit	1.5	2.9	94%	5.9	3.5	-41%	7.4	6.4	-14%
<i>Net Profit Margin %</i>	<i>3.8%</i>	<i>5.7%</i>		<i>13.6%</i>	<i>6.2%</i>		<i>8.9%</i>	<i>6.0%</i>	
NFP end of the period	(37.4)	(33.6)		(35.1)	(32.9)		(35.1)	(32.9)	

Source: Company data, Alantra estimates

Estimates

Change in estimates

FY23-25E sales confirmed, FY23E EBITDA prudentially trimmed (-9%).

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Total Revenues	108.4	118.0	126.4	0.0%	0.0%	0.0%	108.4	118.0	126.4
EBITDA Adjusted	16.4	21.9	25.3	-9.0%	0.0%	0.0%	18.0	21.9	25.3
EBIT Adjusted	10.9	17.8	21.5	-26.0%	-9.5%	-7.7%	14.7	19.7	23.3
Net profit restated	6.4	11.6	14.5	-27.4%	-5.5%	-2.5%	8.8	12.3	14.9
EPS	0.709	1.292	1.616	-27.4%	-5.5%	-2.5%	0.976	1.367	1.7
Net financial position	(32.9)	(27.3)	(12.9)	2.1	-0.9	-0.4	(35.0)	(26.4)	(12.5)

Source: Alantra estimates

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Trading multiples

The stock is now trading at discount of c. 30-50% versus peers with respect to EV/EBIT 24-25E

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE			
			FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	
STAR7	ITALY	63	1.0 x	0.8 x	0.7 x	6.6 x	4.5 x	3.3 x	13.3 x	7.2 x	4.7 x	15.0 x	7.2 x	5.4 x	
Premium (discount) to Peers' Median			-20%	-26%	-38%	22%	-9%	-24%	17%	-29%	-47%	54%	-18%	-32%	
PEERS			Average	1.0 x	1.0 x	0.9 x	6.7 x	6.0 x	5.3 x	11.6 x	10.2 x	8.9 x	11.5 x	10.3 x	9.2 x
			Median	1.2 x	1.1 x	1.0 x	5.4 x	5.0 x	4.3 x	11.4 x	10.0 x	8.8 x	9.7 x	8.8 x	8.0 x
Etteplan Oyj	FINLAND	382	1.2 x	1.1 x	1.0 x	9.5 x	8.4 x	7.6 x	16.4 x	14.1 x	12.1 x	16.0 x	15.1 x	13.4 x	
Elanders AB Class B	SWEDEN	278	0.7 x	0.6 x	0.6 x	5.1 x	4.7 x	4.1 x	11.4 x	10.0 x	8.8 x	8.7 x	7.1 x	6.3 x	
RWS Holdings plc	UNITED KINGDOM	1,097	1.2 x	1.2 x	1.0 x	5.4 x	5.0 x	4.3 x	6.9 x	6.5 x	5.7 x	9.7 x	8.8 x	8.0 x	
Business Comparables			Average	1.0 x	1.0 x	0.9 x	6.7 x	6.0 x	5.3 x	11.6 x	10.2 x	8.9 x	11.5 x	10.3 x	9.2 x
			Median	1.2 x	1.1 x	1.0 x	5.4 x	5.0 x	4.3 x	11.4 x	10.0 x	8.8 x	9.7 x	8.8 x	8.0 x
Apple Inc.	UNITED STATES	2,602,577	6.9 x	6.6 x	6.2 x	21.2 x	20.0 x	18.8 x	23.4 x	22.1 x	20.7 x	28.6 x	26.5 x	24.0 x	
Ferrari NV	ITALY	52,883	12.0 x	11.0 x	10.1 x	31.3 x	28.1 x	25.4 x	44.7 x	39.1 x	34.9 x	41.8 x	36.3 x	32.4 x	
CNH Industrial NV	UNITED STATES	15,441	0.6 x	0.6 x	1.0 x	4.6 x	4.2 x	7.0 x	5.2 x	4.8 x	7.9 x	6.8 x	6.5 x	7.1 x	
Iveco Group NV	ITALY	2,494	0.3 x	0.2 x	0.2 x	3.0 x	2.8 x	1.9 x	5.9 x	5.0 x	3.3 x	7.1 x	7.3 x	5.7 x	
Stellantis N.V.	ITALY	56,812	0.1 x	0.1 x	0.1 x	0.8 x	0.8 x	0.6 x	1.1 x	1.0 x	0.8 x	3.1 x	3.4 x	3.5 x	
Leonardo SpA	ITALY	7,877	0.7 x	0.6 x	0.5 x	5.7 x	4.9 x	4.2 x	8.8 x	7.2 x	6.0 x	10.8 x	9.3 x	8.3 x	
Main clients			Average	3.4 x	3.2 x	3.0 x	11.1 x	10.1 x	9.6 x	14.9 x	13.2 x	12.3 x	16.4 x	14.9 x	13.5 x
			Median	0.7 x	0.6 x	0.8 x	5.2 x	4.6 x	5.6 x	7.3 x	6.1 x	6.9 x	8.9 x	8.3 x	7.7 x

Source: Alantra estimates and Factset

Financials

Profitability in line with business peers but with expected higher growth rates

Company	Country	Mkt Cap (Eu mn)	FY23E - FY25E average margins					CAGR 22-25E				
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS	
STAR7 (*)	ITALY	63	17.7%	11.0%	6.9%	2.9%	0.0%	14.1%	17.8%	22.5%	25.1%	
Etteplan Oyj	FINLAND	382	na	na	na	na	na	na	na	na	na	
Elanders AB Class B	SWEDEN	278	13.9%	6.4%	3.0%	1.4%	37.0%	1.7%	5.5%	7.1%	3.5%	
RWS Holdings plc	UNITED KINGDOM	1,097	23.1%	17.8%	13.1%	4.9%	50.2%	4.0%	5.7%	3.8%	6.1%	
BUSINESS PEERS			Average	18.5%	12.1%	8.1%	3.1%	43.6%	2.9%	5.6%	5.4%	4.8%
			Median	18.5%	12.1%	8.1%	3.1%	43.6%	2.9%	5.6%	5.4%	4.8%
Apple Inc.	UNITED STATES	2,602,577	32.9%	29.8%	25.0%	3.0%	15.1%	2.8%	2.8%	2.6%	5.5%	
Ferrari NV	ITALY	52,883	39.1%	28.0%	21.3%	14.5%	34.2%	10.5%	15.6%	17.6%	18.1%	
Iveco Group NV	ITALY	2,494	9.2%	5.0%	2.2%	5.6%	23.3%	4.7%	12.5%	18.5%	27.0%	
CNH Industrial NV	UNITED STATES	15,441	13.7%	12.0%	9.7%	2.6%	22.5%	0.6%	6.6%	6.5%	5.2%	
Stellantis N.V.	ITALY	56,812	15.3%	11.5%	8.8%	6.5%	28.7%	3.3%	1.2%	-2.4%	-1.2%	
Leonardo SpA	ITALY	7,877	12.4%	8.5%	5.2%	4.7%	10.2%	4.4%	6.8%	17.8%	0.4%	
MAIN CLIENTS			Average	20.4%	15.8%	12.0%	6.2%	22.3%	4.4%	7.6%	10.1%	9.2%
			Median	14.5%	11.8%	9.2%	5.1%	22.9%	3.8%	6.7%	12.0%	5.4%

Source: Alantra estimates and Factset

ALANTRA

Italian Equity Research

Performance

The group overperformed vs its direct peers in the last 12M

Company	Country	Mkt Cap (Eu mn)	Performance						
			1M	3M	6M	1YR	3YR	5YR	YTD
STAR7	ITALY	66	1.4%	-8.7%	-23.5%	-16.1%	na	na	-14.1%
Tecma Solutions SpA	ITALY	30	-2.3%	-9.9%	-51.3%	-57.5%	na	na	-48.0%
Etteplan Oyj	FINLAND	382	-8.2%	-15.1%	-4.4%	17.0%	67.2%	54.9%	3.8%
Elanders AB Class B	SWEDEN	278	-5.2%	-16.2%	-37.4%	-27.8%	40.4%	13.3%	-35.4%
RWS Holdings plc	UNITED KINGDOM	1,097	5.4%	4.1%	-17.6%	-26.0%	-57.3%	-50.9%	-33.8%
Business PEERS	Average		-2.6%	-9.3%	-27.7%	-23.6%	16.8%	5.8%	-28.1%
	Median		-3.7%	-12.5%	-27.5%	-26.9%	40.4%	13.3%	-33.8%
Apple Inc.	UNITED STATES	2,602,577	-1.4%	-5.7%	9.9%	17.1%	56.8%	217.0%	35.5%
Ferrari NV	ITALY	52,883	-4.9%	-3.5%	11.8%	43.4%	75.9%	129.2%	36.2%
Iveco Group NV	ITALY	2,494	6.6%	13.8%	7.3%	94.1%	na	na	65.4%
CNH Industrial NV	UNITED STATES	15,441	-5.8%	-10.9%	-16.1%	9.7%	86.3%	13.2%	-23.8%
Stellantis N.V.	ITALY	56,812	8.1%	19.5%	13.6%	44.8%	114.4%	57.3%	36.2%
Leonardo SpA	ITALY	7,877	5.2%	27.6%	27.7%	77.6%	173.3%	27.2%	69.0%
MAIN CLIENTS	Average		1.3%	6.8%	9.0%	47.8%	101.3%	88.8%	36.4%
	Median		1.9%	5.1%	10.8%	44.1%	86.3%	57.3%	36.2%

Source: Alantra estimates and Factset

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NOT RATED: The stock is not covered.

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