Document produced on
6 July 2026 at 8:01am CET
Document published on
6 July 2026 at 8:51am CET

MIDCAP

EQUITY RESEARCH

STAR7
NEWS

HOLD
TP 11.9€
Up/Downside: 0%

A finalized deal structure

The announced €20m extraordinary dividend, funded via a bridge loan of the same amount, should in our view be interpreted as an integral component of Argos' acquisition of STAR7 rather than as a standalone shareholder remuneration decision. The distribution was indeed approved as part of the change-of-control transaction and remains contingent on the finalization of the dedicated financing.

From an economic standpoint, this structure enables €20m to be extracted from the company ahead of deal completion, while the corresponding debt remains at the STAR7 level. Put differently, part of the value distributed to legacy shareholders is effectively funded through additional leverage taken on at the STAR7 level, following a mechanism akin to a *dividend recapitalization*, a technique commonly deployed in private equity transactions.

For minority shareholders, the key issue is therefore not the dividend per se, but rather the post-deal financial profile. The transaction introduces incremental financial leverage on STAR7's balance sheet and reflects the new reference shareholder's confidence in the group's ability to generate the cash flows required to service this debt.

Announced on April 1, 2026, the acquisition of a 75% stake in STAR7 by European private equity fund Argos Fund is coupled with a partial rollover of sale proceeds by the legacy shareholders into the acquisition vehicle. The founders will thus remain aligned with the group's future development alongside its new majority shareholder.

Key data	
Price (€)	11.9
Industry	Corporate Services
Ticker	STAR7-IT
Shares Out (m)	9.000
Market Cap (m €)	107.1
Next event	H1 2026 - 16.09.2026

Source: FactSet

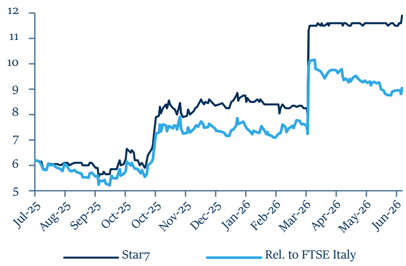
Ownership (%)	
Dante Srl	41.7
Star Ag	33.4
ANIMA SGR S.P.A.	9.5
Free float	15.4

Source: TPICAP Midcap estimates

EPS (€)	12/26e	12/27e	12/28e
Estimates	0.90	1.00	1.08
Change vs previous estimates (%)	0.00	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	2.6	2.6	42.5
Rel FTSE Italy	2.6	-2.2	22.9



Source: FactSet

TP ICAP Midcap Estimates	12/25	12/26e	12/27e	12/28e
Sales (m €)	117.2	130.9	141.1	148.2
Current Op Inc (m €)	14.4	16.2	17.8	18.9
Current op. Margin (%)	12.3	12.4	12.6	12.7
EPS (€)	0.79	0.90	1.00	1.08
DPS (€)	0.00	0.00	0.00	0.00
Yield (%)	0.0	0.0	0.0	0.0
FCF (m €)	10.5	6.4	8.0	9.6

Valuation Ratio	12/26e	12/27e	12/28e
EV/Sales	0.9	0.8	0.7
EV/EBITDA	5.7	4.8	4.2
EV/EBIT	7.5	6.4	5.5
PE	13.2	11.9	11.1

Source: TPICAP Midcap

Consensus FactSet - Analysts:2	12/26e	12/27e	12/28e
Sales	130.3	137.5	na
EBIT	15.1	16.9	na
Net income	9.6	10.8	na

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FINANCIAL DATA

Income Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Sales	105.6	121.1	117.2	130.9	141.1	148.2
Changes (%)	24.3	14.7	-3.2	11.7	7.8	5.0
Gross profit	100.2	115.4	111.7	123.5	133.5	140.7
% of Sales	94.9	95.3	95.3	94.3	94.6	94.9
EBITDA	**16.0**	**18.8**	**19.4**	**21.3**	**23.6**	**25.0**
% of Sales	15.2	15.5	16.6	16.3	16.7	16.9
Current operating profit	**10.0**	**13.7**	**14.4**	**16.2**	**17.8**	**18.9**
% of Sales	9.4	11.3	12.3	12.4	12.6	12.7
Non-recurring items	-0.1	-0.4	-0.1	-0.1	-0.1	-0.1
EBIT	10.0	13.7	14.4	16.2	17.8	18.9
Net financial result	-3.0	-3.3	-3.3	-3.5	-3.5	-3.2
Income Tax	-1.2	-2.3	-2.8	-3.0	-3.7	-4.2
Tax rate (%)	16.8	22.1	25.0	23.9	25.8	26.9
Net profit, group share	**5.8**	**8.1**	**8.5**	**9.7**	**10.6**	**11.4**
EPS	0.60	0.74	0.79	0.90	1.00	1.08

Financial Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Goodwill	29.7	26.0	21.4	16.8	12.3	7.8
Tangible and intangible assets	17.7	18.7	19.1	18.3	17.8	17.2
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.6	0.4	0.4	0.4	0.4	0.4
Working capital	31.2	25.0	21.9	25.4	28.0	29.8
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	79.2	70.2	62.8	61.0	58.5	55.2
Shareholders equity group	29.6	30.5	32.8	36.2	40.5	45.5
Minorities	2.3	2.4	3.3	4.5	5.7	7.0
LT & ST provisions and others	9.3	9.5	9.5	9.5	9.5	9.5
Net debt	38.0	27.8	21.1	14.6	6.6	-3.0
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	79.2	70.2	66.7	64.8	62.3	59.0
Net debt excl. IFRS 16	38.0	27.8	21.1	14.6	6.6	-3.0
Gearing net	1.2	0.8	0.6	0.4	0.1	-0.1
Leverage	2.4	1.5	1.1	0.7	0.3	-0.1

Cash flow statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
CF after elimination of net borrowing costs and taxes	12.5	12.1	12.4	13.9	16.5	17.7
ΔWCR	-6.0	4.1	3.1	-3.5	-2.6	-1.8
Operating cash flow	6.5	16.2	15.5	10.3	13.9	15.9
Net capex	-9.7	-6.1	-5.0	-3.9	-4.9	-5.3
FCF	-3.2	10.1	10.5	6.4	8.0	9.6
Acquisitions/Disposals of subsidiaries	0.0	0.0	-3.8	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	1.0	1.0
Change in borrowings	-6.3	5.9	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	-0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	-9.5	16.0	6.7	6.4	10.0	11.6

ROA (%)	6.8%	10.1%	12.2%	13.9%	16.0%	18.3%
ROE (%)	18.2%	23.3%	23.3%	23.4%	23.1%	22.2%
ROCE (%)	10.3%	8.2%	12.1%	12.3%	16.0%	18.3%

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Methodology

This Report may mention evaluation methods defined as follows:
1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

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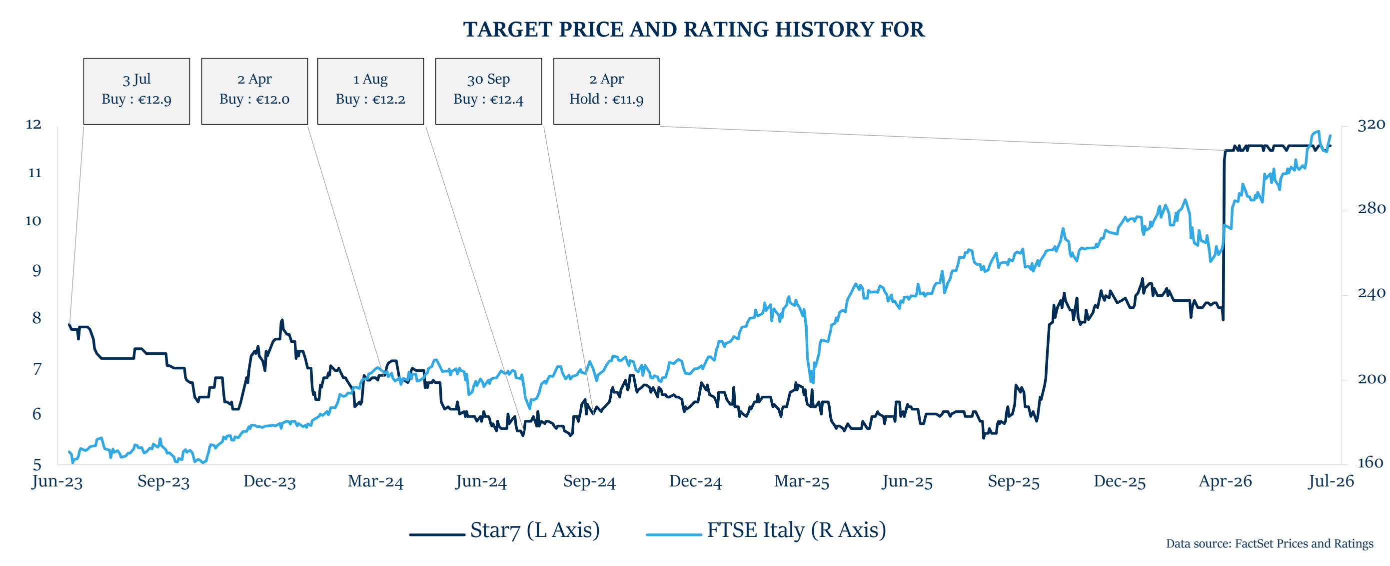
G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Star7
K. Midcap, according to article 3, paragraph 1, numbers (34) and (35) Regulation (EU) No 596/2014, has been commissioned to produce Equity Research for the Company by arrangement with the Specialist engaged by the Company: Star7

History of investment rating and target price – Star7



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
02 Apr 26 - 08:15:40	Alessio Olmi	NA	€ 11.90	€ 11.30	NA	Hold
19 Mar 26 - 08:26:25	Alessio Olmi	€ 12.40	€ 12.40	€ 8.35	Buy	Buy
18 Mar 26 - 08:34:24	Alessio Olmi	€ 12.40	€ 12.40	€ 8.35	Buy	Buy
25 Sep 25 - 08:29:12	Alessio Olmi	€ 12.40	€ 12.40	€ 6.10	Buy	Buy
23 Sep 25 - 08:26:42	Alessio Olmi	€ 12.40	€ 12.40	€ 5.85	Buy	Buy
01 Aug 25 - 08:06:33	Alessio Olmi	€ 12.40	€ 10.50	€ 6.10	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	71%	72%
Hold	19%	60%
Sell	4%	50%
Under review	6%	80%

Midcap employs a rating system based on the following:
Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.
Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.
Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at https://researchtpicap.midcapp.com/en/disclaimer.

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