

ICOP Buy

Italy | Constr., Infra & Materials

MCap: EUR292.1m

Target Price: EUR13.30 (10.80)
Current Price: EUR9.72
Up/downside: 36.8%
Market data: 03 April 2025

Change in TP: 23.1%
Change in Sales: 21.6% 25E/30.5% 26E
Change in Adj EBIT: 9.7% 25E/28.8% 26E
Change in Adj. EPS: 2.8% 25E/28.8% 26E

Bloomberg: ICOP IM Reuters: ICOP.MI
 Free float 16.8%
 Avg. daily volume (EURm) 0.1
 YTD abs performance 18.5%
 52-week high/low (EUR) 9.90/5.88

Incorporating the US acquisition

Why this report?

ICOP continues to deliver on its IPO pledges. After 2024 results, with EBITDA above EUR40m, the company closed the acquisition of AGH on 31 March (announced on 24 February). We welcome the deal, as it improves the geographic footprint of the group outside Europe, it unlocks cross-selling opportunities thanks to the specific techniques mastered by each company, and it paves the way to sustained growth in the medium term. Our estimates and TP hike from EUR10.80 to EUR13.30 fully reflects the central scenario of our preliminary assessment in which we cautiously valued the M&A value creation at EUR2.5 per share. We reiterate our Buy rating.

Key findings

- AGH is a leading foundations and ground improvement player in the US East Coast. In 2024, it posted revenues of USD114m (+21% YOY) with an adj. EBITDA margin of c. 15.5%. AGH's top line grew at a 19% CAGR in 2017-24.
- Its portfolio of solutions includes some technologies (mainly the patented technique for rammed aggregate piles Geopier, sheet piles, silent press, tie rods & deadman anchoring) that complete ICOP's offer.
- AGH's target market is expected to grow at a 5.5-6% CAGR over the next three years. AGH expects to outgrow the market, as it consistently did in the last few years, thanks to the exposure of fast-growing segments (datacentres, waterways, warehouses, and logistics), as well as the penetration of new ones, such as heavy foundations and microtunnelling, by leveraging on ICOP's skills and equipment.

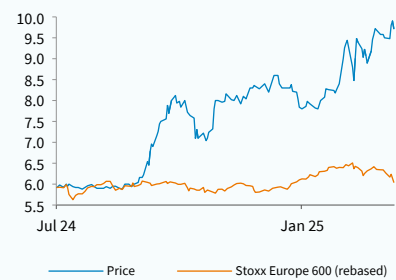
Deconstructing the forecasts

- We include AGH in our estimates from April 2025. We incorporate a 12% CAGR through to 2027E, also underpinned by the addition of heavy foundations and microtunnelling. The 2024 adj. EBITDA margin of 15.5% ought to gradually improve to 17-18% once microtunnelling activity is up and running.
- We forecast a revenue CAGR of 47% (o/w 14pps from AGH) and adj. EBITDA CAGR of 31% (o/w 13pps from AGH) in 2025-27E. EBITA (EBIT before goodwill amortisation) and adj. net income ought to grow by 38% and 41%, respectively.

Valuation and investment conclusion

- We value ICOP using a peer-multiple comparison and derive a target price of EUR13.3, with attractive 38% upside. At our target price, ICOP would trade at an adj. P/E of 8.9-7.8x, at an EV/EBITA of 6.5-5.2x and at an EV/EBITDA of 4.9x-4.1x over 2026-27E.
- We note that pure contractors have strongly rerated (as much as 30%) in the last few weeks, as European players rallied on new plans to boost infrastructure investments. By contrast, foundations players have simultaneously derated by 15% and are now trading at a c. 16% discount to their five-year average, completely erasing the foundations players' historical 15-20% premium to general contractors.

Price performance



FY to 31/12 (EUR)	12/24	12/25E	12/26E
Sales (m)	187.2	482.9	563.0
EBITDA adj (m)	40.7	72.4	85.1
EBIT adj (m)	27.3	52.3	64.9
Net profit adj (m)	17.9	35.1	45.1
Net financial debt (m)	-12.3	105.6	62.7
FCF (m)	10.5	18.7	55.3
EPS adj. and ful. dil.	0.65	1.17	1.50
Consensus EPS	0.67	1.28	1.75
Net dividend	0.07	0.09	0.12
FY to 31/12	12/24	12/25E	12/26E
P/E adj and ful. dil.	10.7	8.3	6.5
EV/EBITDA	4.9	5.5	4.2
EV/EBIT	7.3	7.7	5.5
FCF yield	4.9%	6.5%	19.1%
Dividend yield	1.0%	1.0%	1.2%
ND(F+IFRS16)/EBITDA	-0.3	1.5	0.7
Gearing	-13.6%	92.1%	43.0%
ROIC	38.5%	34.1%	30.4%
EV/IC	3.4	2.4	2.4

Sector Most Pref.
 Heidelberg Materials
 Holcim

Gian Marco Gadini
 Equity Research Analyst
 +390285507215

FY 2024 recap: EUR40m EBITDA target achieved, first-ever dividend surprised

ICOP reported its FY 2024 results on 31 March.

As noted in [our first take](#), FY 2024 EBITDA came in at EUR40.7m, bang in line with our estimate (EUR40.8m), although revenues were below (EUR187m vs. KECH at EUR204m) due to the slower-than-expected start to some large infrastructure projects, which in any case kicked off in H2 2024. The company noted that in the revenue mix, 47% of the turnover stemmed from microtunnelling (vs. 38% in 2023), which supported profitability.

The net cash position was in line (EUR12m vs. KECH EUR13m). The gross debt was a bit higher than expected (EUR59m vs. KECH at EUR53m); however, it was down by EUR5m versus December 2023 and by over EUR7m versus June 2024. We believe that the company may have retained a larger cash position (EUR71m vs. EUR43m at end-2023) in light of the closing of the AGH deal.

The NWC management was extremely tight, with total NWC amounting to EUR13m (7% of sales, in line with 2023). We note that the sharp increase in downpayments (EUR75m vs. EUR30m in 2023, +EUR45m) comes hand in hand with an increase in operating receivables (+EUR49m), mostly related to advance payments turned over to consortia, in line with the group's well-balanced policy of NWC and work in progress. Therefore, we consider the net cash position to be healthy and not inflated by opportunistic management of downpayments.

The backlog at the end of the year stood at EUR960m, still up sequentially (EUR898m as of 30 June 2024 and EUR850m as of 31 December 2023), with a commercial pipeline worth c. EUR1bn, which further increases visibility on the next few years' results. The company also unexpectedly announced the proposal of a dividend distribution of EUR0.07 per share.

Table 1: ICOP FY 2024 results

	2024A	2023A	Δ% YOY	2024E	Δ% A/E
Total backlog	960	850		891	8%
Sales coverage ratio	5.1x	7.6x		4.4x	
Order intake*	297	688		245	21%
Book-to-bill ratio	1.6x	6.1x		1.2x	
Total revenue	187.2	112.2	67%	204.0	-8%
EBITDA	40.7	14.7	178%	40.8	0%
As a % of revenues	21.7%	13.1%	66%	20.0%	
D&A	(13.5)	(11.6)	16%	(11.6)	16%
EBIT	27.2	3.1	8.7x	29.2	-7%
As a % of sales	14.5%	2.7%	11.8pp	14.3%	
Net financial charges	(1.7)	2.2	nm	(3.5)	
Pre-tax profit	25.4	5.2	4.9x	25.6	-1%
Net profit	18.0	4.9	3.7x	21.8	-17%
Net debt/(cash)	(12.2)	21.0	nm	(13.2)	
Gross debt	59.0	63.9	-7.7%	52.9	11%

Source: Kepler Cheuvreux

Atlantic Geoconstruction Holdings in a nutshell

A leading player in the Eastern US

AGH is a comprehensive provider of geotechnical solutions which operates through two main business lines

- **GeoStructures:** established in 1995 in Virginia, it provides foundations and ground improvement services, as well as design and construction of structures, mainly for the commercial, educational, government, healthcare, industrial, residential, recreation, utility and transportation sectors. It mainly operates in the states of New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia and North Carolina.
- **ASAP:** established in 2005 in Florida, it started as a sheet pile installation company based on patented technology and equipment developed in Europe. It now focuses on earth retention, sheet piling, silent press, tie rods & deadman anchoring and specialised foundations, with presence in Florida, West Virginia, and South Carolina.

AGH’s portfolio of solutions competes with the largest players in the US, such as Nicholson and Menard (subsidiaries of Vinci’s Soletanche Bachy and Freyssinet, respectively), Keller, Morris-Shea, Berkel and Malcolm Drilling.

In 2024, the company posted revenues of USD114m (+21% YOY) with an adj. EBITDA margin of c. 15.5% and a net debt of USD35m. According to ICOP, AGH’s topline grew at a 19% CAGR between 2017 and 2024.

Recent corporate action

The AGH group was created by Terratest, a Spanish deep foundations and microtunnelling group operating since 1959, through two main acquisitions. Terratest was backed by private equity funds (namely Platinum Equity between 2014 and 2018 and Nazca thereafter) that supported its international expansion.

Terratest acquired GeoStructures in 2018, while ASAP entered the AGH group in 2021 as part of the expansion plans in the US. In 2024, due to the excessive leverage of Terratest, Nazca entered a restructuring agreement with creditors, which included handing over the ownership of AGH to the private debt fund Tikehau.

Thus, ICOP tap into the opportunity to acquire a well-established company at a reasonable price (an EV of c. USD116m implying an EV/EBITDA 7.1x on 2024 actual results).

Portfolio



The geotechnical solutions offered include:

- Ground improvement, particularly with the patented technology Geopier, which involves ramming aggregate-filled piers into the soil; this is a cost-effective solution with various application fields, from residential, utility, and non-residential construction to windfarms, slope stabilisation, and mitigation of soil liquefaction.
- Deep foundations, with the whole range of piles, micropiles, FDP, CFA (the same offered by ICOP), steel H pile, ductile iron pile.
- Structures, mainly retaining and sound walls.
- Earth retention, which includes retaining walls, soil nails, soldier piles, and sheet piles, depending on site conditions and project requirements, and are mainly employed in infrastructure projects, landscaping, and environmental restoration projects.

AGH’s offer results from the complete integration of ASAP into the group. As highlighted by AGH’s management, the group is intended to be a “platform” on which to add technologies, as well as other individual companies through new M&A in the core US East Coast market.

Compared with ICOP’s portfolio, we note that walls and diaphragms are not part of AGH’s core skills, while Geopier is a new technique ICOP can lever on. Thus, we believe that some cross-selling opportunities could emerge in both Europe and the US, as the group’s portfolio has widened and the combined entities can introduce new solutions in both markets.

Top management

The top managers, which are expected to remain at the helm of AGH, are as follows:

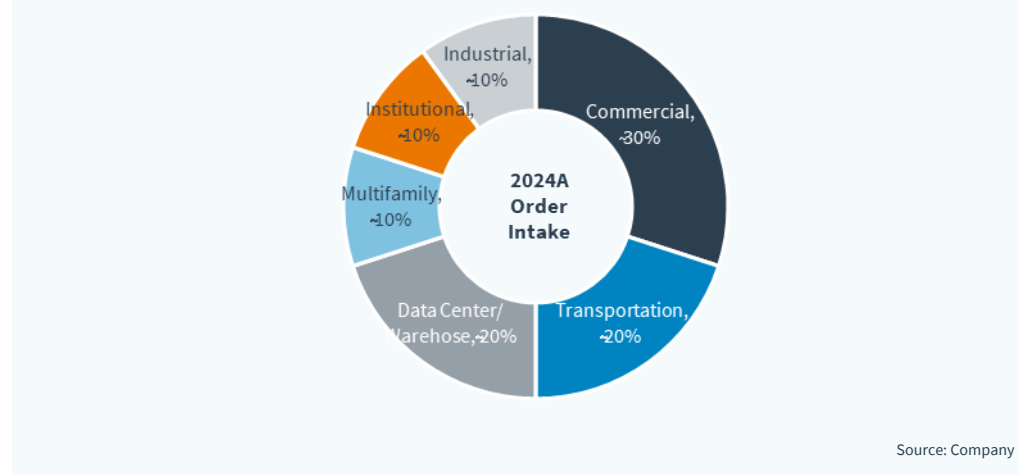
- Guido Pellegrino, President: he boasts over 30 years of experience (including 15 years spent in the US) in ground engineering and underground construction, mainly at Rodio SpA, Nicholson Construction Company, and Terratest. He led the acquisition of GeoStructures by Terratest in 2018 and has chaired the group since then.
- Larry Moore, CEO: he worked for 23 years at Clark Construction Group, particularly in the Foundations division, which he joined in 1995. He also served as Managing Director (2011-17) and Vice President of Engineering (2017-18), before joining GeoStructure as COO in 2018. He was appointed CEO in 2022.
- Pete Sacripanti, CFO: he has almost 25 years of experience in the construction industry, having worked at Lafarge (in US and Canada) between 1987 and 2006. Between 2007 and 2011, he ran a consulting firm focused on the building materials and construction sectors, before joining GeoStructures in 2011 as CFO.

The addressable market: high exposure to non-residential, private construction

Compared with ICOP, whose core business is large infrastructure projects, AGH is more exposed to mid- and small-sized projects that are typically awarded by private customers.

Marketwise, AGH is exposed to the megatrends of reshoring and near-shoring of manufacturing capacity, as well as the growing demand for datacentres (with the booming demand from AI applications), warehouses, transportation, and logistics facilities.

Chart 2: AGH order intake by end-market (2024)



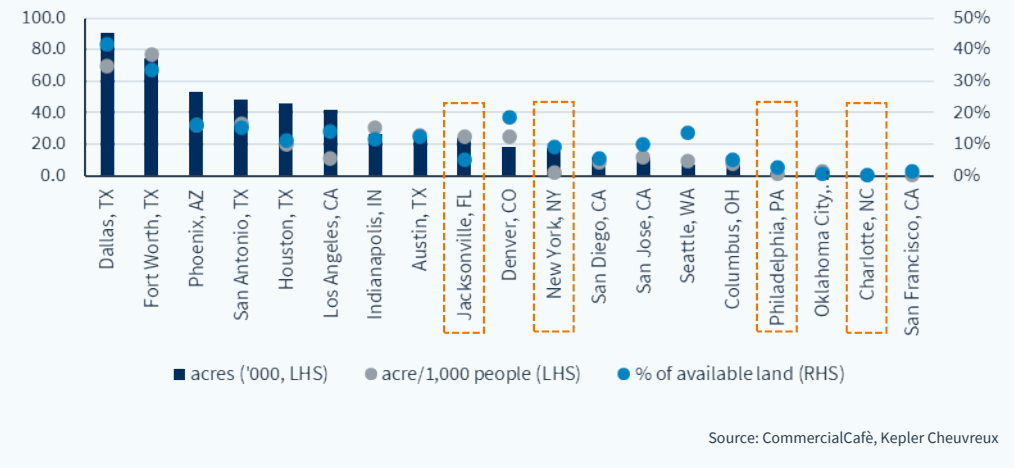
The geographic exposure of the group is also favourable.

With the East Coast being among the most densely populated areas in the US, the need arises to exploit the limited space available, for both residential and commercial use, as cost of individual lots rises. Indeed, according to the US Department of Agriculture, the average price of US farmland increased by almost 30% in nominal terms (+11% inflation-adjusted) between 2020 and 2023. The need for advanced geotechnical solutions increases along with the need for vertical development.

Moreover, city expansion, mainly boosted by growing urbanisation, internal mobility, and immigration, will increasingly involve less favourable grounds in the suburban and rural settings,

which will require more intense use of specialised geotechnical services to support foundations. AGH is well positioned to benefit from these trends, as the largest US cities in the East Coast show a significantly below-average proportion of available land.

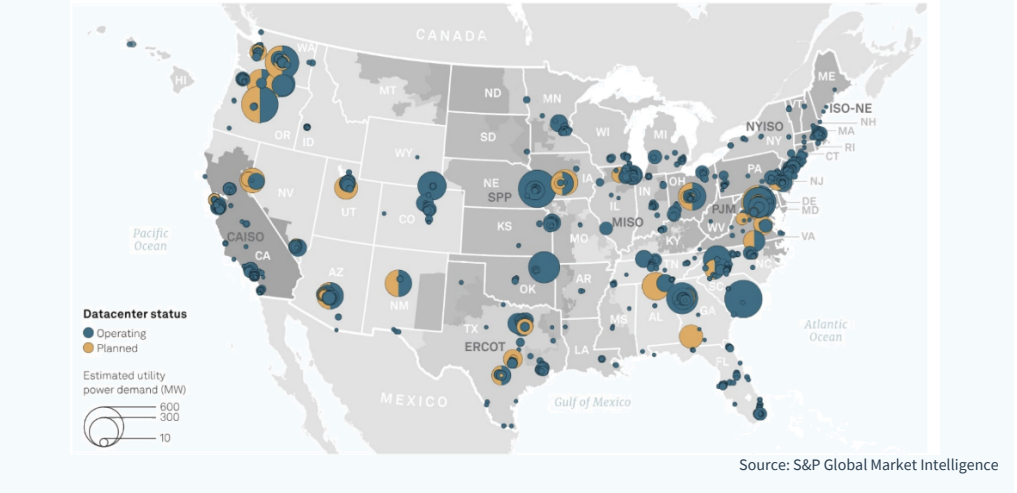
Chart 3: Top 20 populated US cities and available land (per inhabitants and as a % of city area)



In the commercial space, the aging inventories (according to CBRE, over 28% of the existing space in 2022 was more than 50 years old) and the demand for more space spurred by e-commerce logistics, has led to a continuous increase in warehouse clearance. Along with the vertical growth, the soil structural load requirements have grown.

Likewise, multi-story datacentres are being built to make efficient use of land: a large pipeline (the dot size in the chart below measures the estimated power demand, which is a good proxy for the physical size of building) is being developed in the eastern coast. Specifically, AGH has already executed datacentre projects in its reference regions and particularly in Virginia.

Chart 4: Operating and planned datacentres (August 2024)



Overall, the addressable market, which is valued at c. USD11bn in 2024, is expected to grow at a 5.5-6.0% CAGR through to 2028. Notably, it includes techniques and applications, such as deep walls and diaphragms with hydromills, which AGH does not yet have the capability to perform but will be able to do so by leveraging on ICOP’s expertise.

The company expects to outpace market growth thanks to the different mix of verticals served, particularly high-growth subsegments such as datacentres, waterways, and cold storage.

Chart 5: AGH footprint and expected market growth 2023-28E

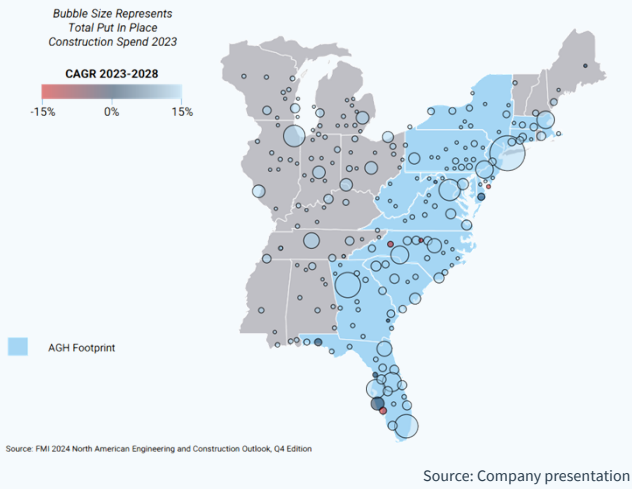
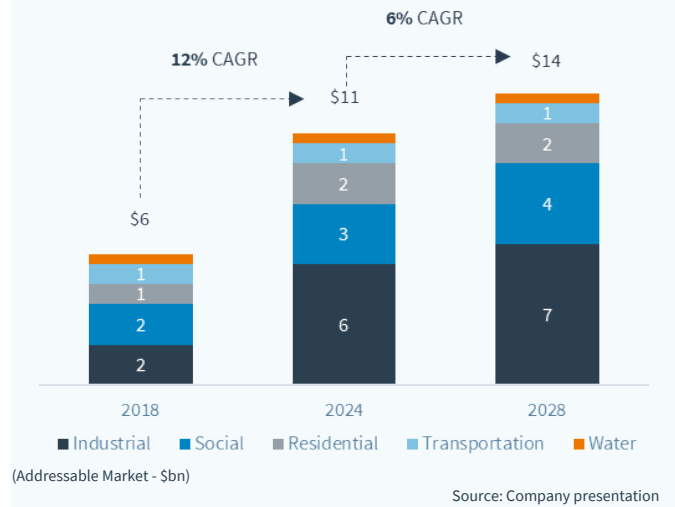
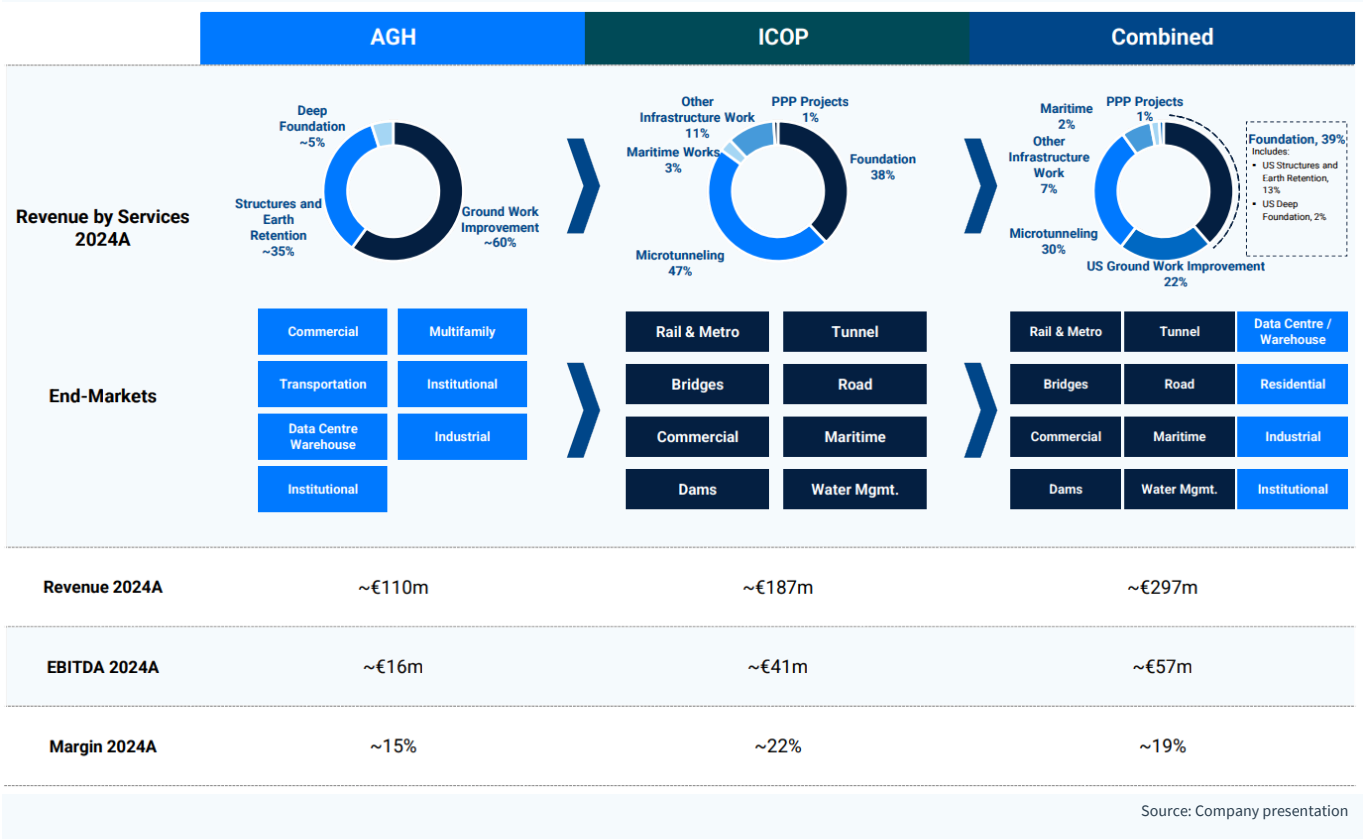


Chart 6: Addressable market growth to 2028E (US East Coast)



The combined entity shows an appealing profile: along with the geographic diversification, the expanded ICOP group will serve a much more diversified customer base, with exposure to private investments and uncorrelated trends compared with the European markets.

Chart 7: Combined entity: activity breakdown, end-market exposure and 2024A financials



Estimates update: integrating AGH

During the joint conference call, AGH’s management was confident that, thanks to the exposure to high-growth subsegments, the company will be able to outpace reference market growth, as it will gain market share and expand into adjacent regions. They highlighted the sound revenue growth path showed by AGH since 2017, with a consistent 19% CAGR through to 2024.

We are incorporating a 12% revenue CAGR going forward, which we deem achievable in light of the sustained market growth and the projected introduction of microtunnelling, which will be a

greenfield activity that ought to start as soon as 2026. AGH Chairman Pellegrino highlighted the attractive opportunities particularly in the water networks and the oil & gas sector, where the company is already monitoring a number of potential target projects.

As we already noted in our initiation of coverage report ([here](#)), the number of microtunnelling projects grew at a CAGR of c. 6% in 2015-23, which could imply high-single-digit growth in USD terms. As we discussed in our initiation of coverage, ICOP's typical microtunnelling project is worth in the EUR5-20m range. Thus, the award of a single project could add 5-15% revenue to the FY 2025 baseline.

In addition, the integration of ICOP's skills and equipment in the heavy foundations will enable AGH to target new kinds of projects, mainly in the infrastructure sector, that the company has chosen not to address so far.

We note that the management of both ICOP and AGH were prudent in assessing the potential revenue synergies; while the cross-contamination has already been identified and will be clearly beneficial, synergies are still quite difficult to quantify.

As regards profitability, AGH has posted EBITDA margins of c. 16% on average since 2015 (15.5% in 2024). We expect the company to replicate this performance going forward. We only expect a step-up as of 2027, following the addition of some microtunnelling projects. Assuming microtunnelling contributes less than 20% of 2027E revenue, it could lift the EBITDA margin to c. 18%.

As regards ICOP's European business, we confirm our previous estimates through to 2026. We are including revenue of EUR442m in 2027E (+2% YOY vs. 2026E) as the backlog at the end of 2024 already covers more than two years of production. In addition, the company is constantly feeding its commercial pipeline, which still stands at c. EUR1bn despite the conversion into c. EUR300m in new orders throughout 2024. We are also reiterating the standalone EBITDA margin of c. 15%. Compared with the outstanding c. 22% margin posted in 2024, which benefitted from a larger share of microtunnelling projects (47% of 2024 revenues, vs. historical average of c. 30-35%), we are assuming a more "proportionate" execution of the current backlog.

We introduce the following adjusted measures in our estimates:

- EBITDA: the IPO costs and the fees for the M&A deal are capitalised in compliance with the Italian tax law and accounting principles, with a 5-year depreciation period: the impact is in the region of EUR1m per year and excluded from the adjusted EBITDA.
- EBIT: we introduce the EBITA line to exclude the amortisation of goodwill related to the acquisition of AGH. As per Italian accounting principles, goodwill (*avviamento*, which ICOP preliminarily valued at EUR68m) is amortised in five years in equal instalments, delivering a jumbo impact on D&A of EUR13-14m per year. As a reminder, under IAS/IFRS principles, the excess price paid would be partly allocated to PPA (and amortised over a much longer timeframe) and partly to goodwill, which is not amortised, resulting in a much less penalising impact in the short term.
- Net income: the abovementioned adjustments are deducted from the net income attributable to the group, net of the corporate tax (applied at the same average rate for the sake of simplicity).

The financial charges are expected to increase due to the new bank loans to finance the acquisition ("c. 70% of purchase price", or c. EUR60m) and following the consolidation of the net financial position of AGH (c. EUR32m). We have assumed an average interest rate of c. 4% on ICOP's entire gross debt (2.5% Euribor+150bps spread). On the one hand, the sizeable net debt of AGH (USD35m, or 2.3x net debt/EBITDA at the end of 2024) and the higher US interest rates might imply higher financial charges; on the other hand, the stronger financial position brought by ICOP should enable the group to refinance AGH's exposure at lower rates, while the SACE guarantees on the M&A credit line might give some additional relief to the parent company.

We have slightly lowered our statutory tax rate from c. 27% to c. 26%, as the US subsidiary is subject to the 24% corporate tax.

In our estimates, AGH is consolidated as of April 2025. As such, we have distinguished the inorganic contribution to revenue growth in both 2025 and 2026 (for the residual first quarter not consolidated in 2025).

Table 2: ICOP+AGH combined estimates 2025-27E

	2022	2023	2024	2025E	2026E	2027E	2024-27E CAGR
Order intake			297	386	394	414	
<i>Book-to-bill ratio</i>			1.6x	0.8x	0.7x	0.7x	
Total backlog	342	850	960	863	695	517	
<i>Sales coverage ratio</i>	3.7x	7.6x	5.1x	1.8x	1.2x	0.9x	
ICOP	86.9	102.9	187.2	395.8	433.0	441.6	33%
AGH			106.2*	116.1**	130.0	149.5	12%
Total revenue	92.0	112.2	187.2	482.9	563.0	591.1	47%
<i>Δ% YOY</i>	15.1%	21.9%	66.9%	157.9%	16.6%	5.0%	
<i>o/w M&A</i>				62.0%	5.9%		
<i>o/w organic</i>	15.1%	21.9%	66.9%	95.9%	10.7%	5.0%	
ICOP	17.5	14.7	40.7	55.0	64.9	66.2	18%
<i>As a % of revenue</i>	19.0%	13.1%	21.8%	13.9%	15.0%	15.0%	
AGH			16.5*	17.4**	20.2	25.4	16%
<i>As a % of revenue</i>			15.5%	15.0%	15.5%	17.0%	
Adj. EBITDA			40.7	72.4	85.1	91.7	31%
<i>As a % of revenue</i>			21.8%	15.0%	15.1%	15.5%	
<i>Depreciation of M&A costs</i>			0.0	(0.9)	(0.9)	(0.9)	
EBITDA	17.5	14.7	40.7	71.5	84.2	90.7	31%
<i>As a % of revenue</i>	19.0%	13.1%	21.8%	14.8%	15.0%	15.3%	
D&A	(9.8)	(11.6)	(13.4)	(20.2)	(20.2)	(20.2)	14.5%
EBITA			27.3	52.3	64.9	71.5	38%
<i>As a % of revenue</i>			14.6%	10.8%	11.5%	12.1%	
<i>Goodwill amortisation</i>			0.0	(10.2)	(13.6)	(13.6)	
EBIT	7.7	3.1	27.3	41.1	50.4	57.0	28%
<i>As a % of revenue</i>	8.3%	2.7%	14.6%	8.5%	9.0%	9.6%	
Net financial charges	(1.9)	2.2	(1.8)	(5.5)	(4.8)	(3.2)	
Pre-Tax profit	5.7	5.2	25.5	35.6	45.6	53.8	28%
Tax	(1.6)	(0.3)	(7.4)	(9.2)	(11.8)	(14.0)	
<i>Tax rate</i>	27.8%	6.2%	28.9%	25.8%	26.0%	26.0%	
Minority interests	(0.1)	(0.1)	0.3	0.4	0.5	0.6	
Net profit	4.3	5.1	17.9	26.0	33.3	39.2	30%
Adj. net profit			17.9	34.3	44.0	50.0	41%

Source: Kepler Cheuvreux

(*) not consolidated (**) 12-month expected revenue (included for 9 months in consolidated accounts)

As for cash generation, we provide a reconciliation of the net-debt and the gross-debt approaches.

We estimate the acquisition to impact EUR116m on net debt, based on an EV of USD126m (including net debt of USD35m at the end of 2024), namely:

- c. EUR26-27m from the deployment of the net cash already held by ICOP and raised through the IPO.
- c. EUR30-32m from the consolidation of the net financial position of AGH.
- c. EUR58-60m in additional financing.

We maintain our capex estimate for ICOP in the range of EUR9-10m per year and converging towards the D&A level over the forecast period, as the company has very limited needs for new equipment. The cumulative capex over 2025-27 (c. EUR28m) would be enough to replace nearly a quarter of the current fleet. In addition, we include the ordinary capex of AGH, which the company said to be around USD6-8m per year.

As for operating NWC, we project a gradual convergence towards prudent mid-term levels that are consistent with the company's history:

1. DSO and DPO to reach 100 and 120 days (compared with 105 and 145 in 2024).
2. Unbilled revenues to reach 18% of turnover (26% in 2024).
3. Downpayments to reach 19% of turnover (40% in 2024).

Both unbilled revenues and downpayments are expected to peak between 2025 and early 2026 as backlog execution progresses.

We have factored in a large portion (c. 80%) of incremental downpayments turned over to consortia through the “financial investment/divestment line”, consistent with the group’s accounting policy. Accordingly, our FCFE estimates are not unreasonably boosted by advance payments.

Lastly, we have forecast dividend distribution in the region of 11% of the reported net income, consistently with the DPS announced on 31 March 2025.

Table 3: Cashflow: “net-debt” and “gross-debt” approach 2025-27E (EURm)

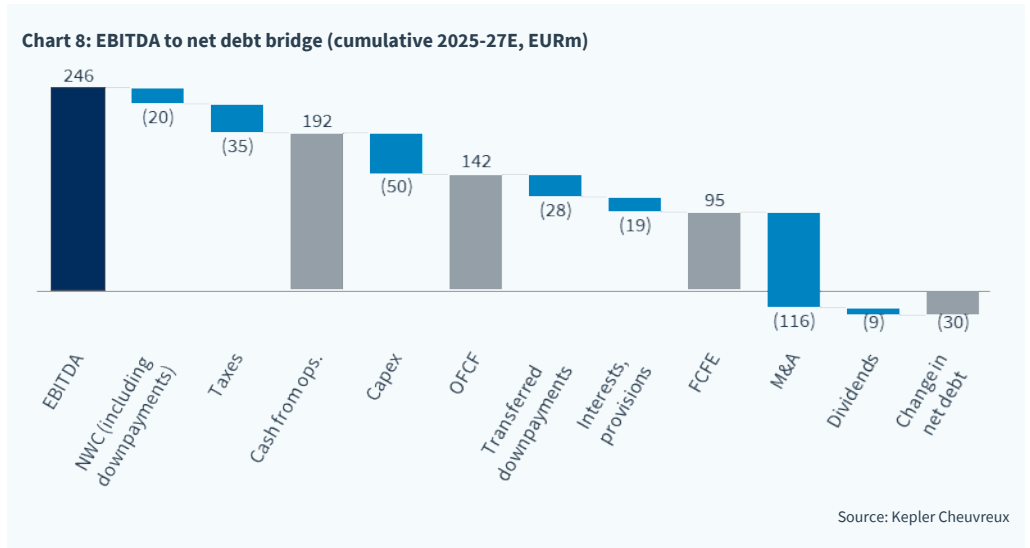
	2022	2023	2024	2025E	2026E	2027E	Cumulated 2025-27E
Net-debt approach							
EBITDA	17.5	14.7	40.7	71.5	84.2	90.7	246.4
WC changes	(5.9)	20.1	(5.4)	(20.8)	6.8	(5.7)	(19.7)
<i>o/w commercial NWC</i>	(3.5)	(5.2)	5.2	(7.8)	6.8	(0.6)	(1.6)
<i>o/w WIP/downpayments balance</i>	6.9	12.8	19.0	(13.0)	0.0	(5.1)	(18.1)
Taxes	(0.6)	(0.6)	(7.4)	(9.2)	(11.8)	(14.0)	(35.0)
Cash from operations	11.0	34.2	28.0	41.5	79.2	71.1	191.8
Capex	(8.5)	(17.1)	(13.0)	(15.5)	(17.3)	(17.3)	(50.0)
<i>As a % of revenue</i>	9.2%	15.2%	6.9%	3.2%	3.1%	2.9%	
Operating Free Cash Flow	2.5	17.1	15.0	26.1	61.9	53.8	141.8
<i>As a % of EBITDA</i>	14%	117%	37%	36%	74%	59%	58%
Net interest	(1.9)	2.2	(1.8)	(5.5)	(4.8)	(3.2)	(13.5)
Asset disposal proceeds	1.3	8.3	0.0	0.0	0.0	0.0	0.0
Financial investment/divestment	(11.3)	1.3	(4.2)	(18.6)	(9.6)	0.0	(28.1)
Others	(3.9)	(3.1)	(2.7)	(1.8)	(1.8)	(1.8)	(5.4)
FCFE	(13.5)	25.8	6.3	0.2	45.7	48.8	94.7
M&A	0.0	0.0	0.0	(116.0)	0.0	0.0	(116.0)
Dividends	(0.2)	(1.2)	0.0	(2.1)	(2.8)	(3.6)	(8.5)
Capital increase	0.0	0.0	27.0	0.0	0.0	0.0	0.0
Change in net debt	13.7	(24.6)	(33.3)	117.9	(42.9)	(45.2)	29.8
FCFE before WIP/DP balance	(23.0)	9.2	(38.8)	(7.8)	45.7	48.8	86.8
Gross-debt approach							
Gross debt	68.2	63.9	59.0	132.4	96.6	63.2	
Change in gross debt	(5.2)	(4.4)	(4.9)	73.4	(35.7)	(33.5)	4.2
Change bef. dvd and cap. increase	(5.3)	(5.6)	22.1	160.3	(38.5)	(37.1)	(84.7)

Source: Kepler Cheuvreux

Table 4: Net capital employed 2022-27E

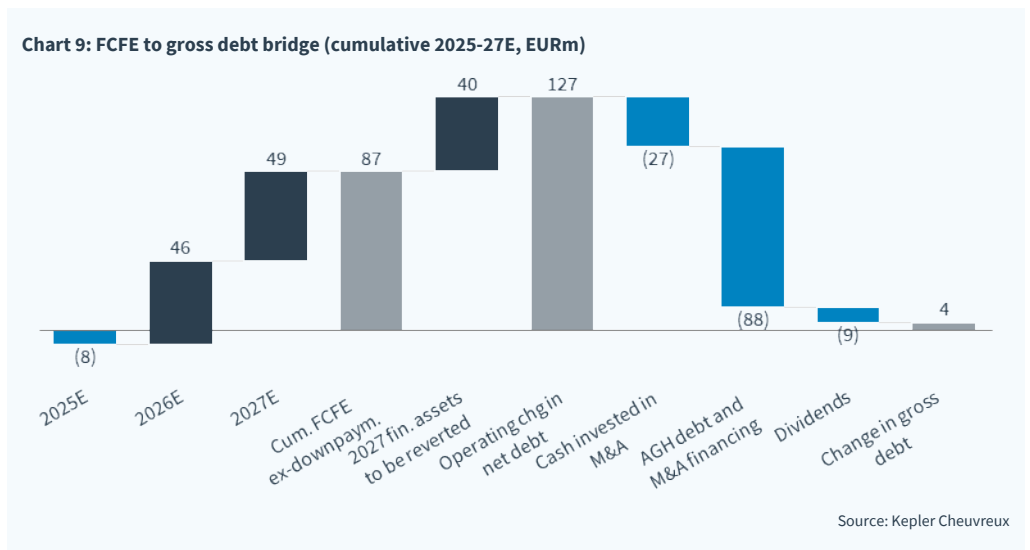
	2022	2023	2024	2025E	2026E	2027E
Tangible assets	36	38	45	77	76	75
Goodwill	0	0	0	58	44	31
Intangible assets	1	1	4	8	8	8
Financial assets	14	22	18	46	55	55
Fixed assets	51	61	67	188	183	168
Inventories	3	4	6	6	6	6
Accounts receivable	31	46	54	139	154	162
Accounts payable	(29)	(39)	(54)	(132)	(154)	(161)
Trade NWC	5	10	5	13	6	7
<i>As a % of revenue</i>	5.7%	9.3%	2.8%	2.4%	1.1%	1.2%
Unbilled revenue	22	26	52	92	101	106
Downpayments	(14)	(30)	(75)	(102)	(111)	(111)
Operating NWC	14	6	(18)	3	(4)	2
<i>As a % of revenue</i>	15.3%	5.8%	-9.5%	0.6%	-0.7%	0.3%
Other assets	42	18	66	66	66	66
Other liabilities	(18)	(16)	(35)	(35)	(35)	(35)
Total NWC	38	8	13	34	27	33
<i>As a % of revenue</i>	41.2%	7.0%	7.0%	6.2%	4.8%	5.6%
Funds and provisions	(3)	(3)	(2)	(2)	(2)	(2)
Net capital employed	86	65	78	220	208	199
Group's equity	40	44	90	114	144	180
Minority interests	1	1	1	1	2	2
Long-term debt	41	37	33	83	60	39
Short-term debt	27	27	26	50	36	24
Cash and cash equivalents	(23)	(43)	(71)	(27)	(34)	(46)
Net debt	46	21	(12)	106	63	17
Leverage(*)	2.6x	1.4x	-0.3x	1.5x	0.7x	0.2x

(*) expressed as net debt/LTM EBITDA. Source: Company, Kepler Cheuvreux



In any case, the year-end cutoff may still cause unexpected swings in NWC items and net cash. In our gross-debt approach analysis, we forecast c. EUR87m in cash generation over the next three years, or c. 35% of EBITDA.

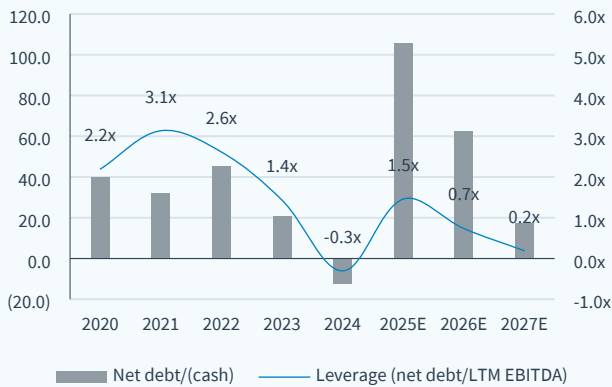
To reconcile the net-debt and gross-debt approach, we have included EUR40m in financial credits to consortia (which will be reverted as works progress) and the deployment of c. EUR27m in cash raised with the IPO and set aside for M&A.



The following charts show the company’s net and gross leverage performance as well as our estimates.

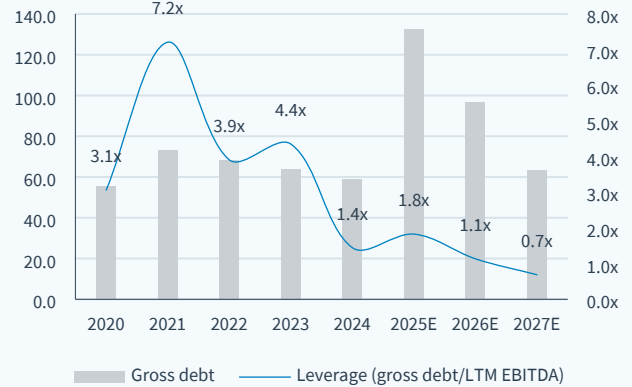
Despite the spike in debt in 2025, we note that both gross and net leverage ratio will remain at healthy levels (1.5x and 1.8x respectively).

Chart 10: Net debt 2020-27E



Source: Kepler Cheuvreux

Chart 11: Gross debt 2020-27E



Source: Kepler Cheuvreux

We summarise our estimates changes below.

Table 5: 2025-27E new KECH estimates

(EUR m)	New 2025E	Old 2025E	Δ%	New 2026E	Old 2026E	Δ%	New 2027E
Sales	483	397	22%	563	431	31%	591
EBITDA adjusted	72	60	22%	85	63	36%	92
<i>As a % of revenues</i>	<i>15.0%</i>	<i>15.0%</i>		<i>15.1%</i>	<i>14.5%</i>		<i>15.5%</i>
EBITDA reported	72	60	20%	84	63	35%	91
<i>As a % of revenues</i>	<i>14.8%</i>	<i>15.0%</i>		<i>15.0%</i>	<i>14.5%</i>		<i>15.3%</i>
EBITA	52	48	10%	65	50	29%	71
<i>As a % of revenues</i>	<i>10.8%</i>	<i>12.0%</i>		<i>11.5%</i>	<i>11.7%</i>		<i>12.1%</i>
EBIT reported	41	48	-14%	50	50	0%	57
<i>As a % of revenues</i>	<i>8.5%</i>	<i>12.0%</i>		<i>9.0%</i>	<i>11.7%</i>		<i>9.6%</i>
Net profit adjusted	35	34	3%	45	35	29%	51
EPS adjusted	1.17	1.14	3%	1.50	1.16	29%	1.70
Net profit reported	27	34	-21%	34	35	-2%	40
EPS reported	0.89	1.14	-21%	1.14	1.16	-2%	1.35
Net debt	106	(19)	nm	63	(60)	nm	18

Source: Kepler Cheuvreux

Valuation: contractors rallied, specialised constructors did not play catch-up

Over the last few weeks, we note that the European construction and materials index has rallied as the newly formed German government unveiled plans to boost infrastructure spending at the beginning of March.

In particular, pure contractors rerated by almost 30% compared with December 2024 on the 2026E P/E ratio, climbing from 6.4x to 8.2x, aligning with the cluster’s 5-year average. Meanwhile, specialised constructors derated materially, despite a similar exposure to construction and infrastructure spending. Namely, the 2026E P/E multiple of the global leading foundations player Keller dropped from 7.7x to 6.6x (-15%), in the same timeframe, standing over 15% below its 5-year average.

Table 6: Pure contractors’ multiples

	Market Cap (EUR m)	EV/EBITDA			EV/EBIT			P/E		
		2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Strabag	7,814	4.6	4.5	n.a.	7.8	7.7	n.a.	11.0	11.0	n.a.
Webuild	3,122	2.0	1.9	1.8	3.2	3.1	2.9	9.2	8.4	8.1
Porr	1,025	3.1	2.9	2.8	6.6	6.1	5.9	9.3	8.1	7.8
Implenia	787	4.0	4.0	3.9	7.5	7.1	6.7	8.0	7.5	7.0
BAM	1,446	3.1	2.9	2.4	4.5	3.9	4.1	7.5	6.7	5.4
Average		3.3	3.2	2.7	5.9	5.6	4.9	9.0	8.3	7.0
Median		3.1	2.9	2.6	6.6	6.1	5.0	9.2	8.1	7.4

Source: Bloomberg, Kepler Cheuvreux

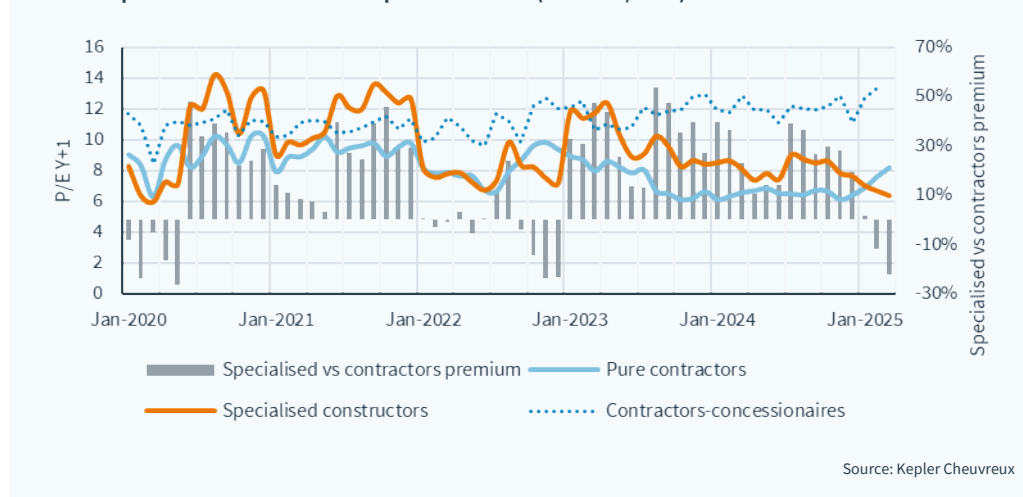
Table 7: ICOP peer group

	EV/EBITDA			EV/EBIT			P/E		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Keller Group Plc	3.8	3.7	3.6	5.8	5.5	5.4	7.0	6.6	6.3
Van Elle Holdings Plc	3.4	2.6	2.3	9.1	5.5	4.1	12.0	7.0	5.1
Palingeo Spa	2.7	2.6	2.5	3.6	3.6	3.4	4.4	4.3	n.a.
Trevi	3.3	3.1	3.0	6.5	5.9	5.4	10.7	6.0	4.4
Average	3.3	3.0	2.8	6.3	5.1	4.6	8.5	6.0	5.2
Median	3.4	2.9	2.7	6.1	5.5	4.7	8.9	6.3	5.1
Premium vs. Pure contractors	10%	-1%	5%	-7%	-10%	-6%	-4%	-22%	-31%
ICOP	5.6	4.3	3.5	7.8	5.6	4.5	8.5	6.6	5.8
<i>premium/(discount) vs. peers</i>	65%	36%	19%	30%	-1%	-16%	-4%	4%	17%

Source: Kepler Cheuvreux

As shown in the chart below, specialised underground players have historically traded at a c. 15-20% premium to general contractors, with discounts being rare and temporary, as one should expect given the same exposure to the macro trend and the more attractive risk-reward profile of such engineering activity.

Chart 12: Specialised constructor versus pure contractors (median P/E Y+1)



Source: Kepler Cheuvreux

Therefore, we argue that current multiples are not reflecting the improved outlook on the sector, making such a discount on both the pure contractors cluster and the historical average unwarranted.

Multiple valuation: Fair value of EUR13.3

We value ICOP on the simple average of EV/EBIT and P/E of the specialised constructor panel.

We warn that both EV-based and EPS-based multiples can be affected by specific factors. Indeed, an EV-based valuation is more sensitive to the year-end net debt position, which can be driven by non-recurring inflows or outflows linked to downpayments (paid and received) or billing close to the fiscal year cut-off. On the other hand, while the P/E metric should be more reliable, as it rules out non-structural fluctuations in net debt, it could be affected by the volatility of EPS.

Compared with our previous valuation, we have replaced the EBIT with EBITA to exclude the impact of the goodwill amortisation as per the Italian accounting principles.

We have also applied a 30% premium on the current trading multiple, justified by: 1) the rerating of pure contractors, which are now trading in line with the cluster's 5-year average; 2) the simultaneous 15% de-rating of the foundations players, which led them to trade at a c. 16% discount vs. 5-year average and appears unwarranted given the performance of pure contractors; and 3) the foundations players' historical 15-20% premium on general contractors.

	EBITA			Net profit		
	FY 25E	FY 26E	FY 27E	FY 25E	FY 26E	FY 27E
ICOP (KECH estimate, EURm)	52	65	71	34	44	50
Median multiple	5.9	5.5	4.7	9.5	6.8	5.1
@ 30% premium	7.8	7.2	6.1	12.4	8.8	6.6
EV (EURm)	406	464	438			
Net financial cash (debt)	(106)	(63)	(17)			
IFRS 16 debt	0	0	0			
Financial assets	37	47	47			
Pension provisions	(0)	(0)	(0)			
Market value of minorities	(2)	(3)	(5)			
Equity value (EURm)	335	445	463	423	389	331
Average (EURm)	396					
NOSH (m)	30.1					
FV per share	13.3					

Source: Kepler Cheuvreux

The target price of EUR13.3 (from EUR10.8) also reflects the central scenario of our preliminary assessment in which we cautiously valued the M&A value creation at EUR2.5 per share.

At our target price, ICOP would trade at an adj. P/E of 8.9-7.8x, at an EV/EBITA of 6.5-5.2x, and at an EV/EBITDA of 4.9x-4.1x over 2026-27E.

Reverse-engineered DCF: implied EBITA much smaller than 2027E exit point

Since revenue from construction contracts are not recurring by design, we argue that long-term assumptions for a reliable DCF valuation cannot be applied. Conversely, we have reverse-engineered a DCF model as a support to our multiple-based valuation, to clarify the hypothetical long-term financial model implied by our target.

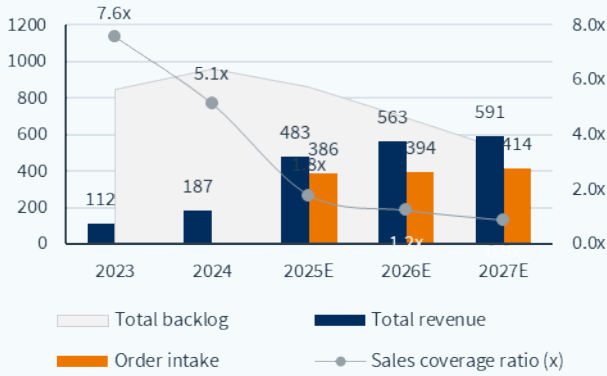
As shown in the following table, our target is consistent with a gradual decline in revenues to c. EUR470m (-20% vs. our analytical estimate on 2027E), with an EBITDA margin of 15% (in line with the historical average and slightly improved by the AGH consolidation) and an EBITA of c. EUR56m (-20% vs. 2027E). The terminal growth rate is equal to 2%, while a prudently assessed WACC is c. 10% (with 70/30% equity/debt, 13.0% cost of equity and 4.8% cost of debt).

	Analytic estimates			Inertial projections							
	2025E	2026E	2027E	2028	2029	2030	2031	2032	2033	2034	TV
Revenue	483	563	591	574	558	542	527	512	498	484	470
EBITDA	72	84	91	88	85	83	80	77	75	73	71
As a % of revenue	14.8%	15.0%	15.3%	15.4%	15.3%	15.2%	15.2%	15.1%	15.1%	15.0%	15.0%
EBITA	51	64	71	69	67	65	63	61	60	58	56
Taxes	(13)	(17)	(18)	(18)	(17)	(17)	(16)	(16)	(16)	(15)	(15)
Tax rate	25.8%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
NOPAT	38	47	52	51	49	48	47	45	44	43	42
Depreciation	20	20	20	20	19	18	17	16	15	15	14
Operating Cash Flow	58	68	72	70	68	66	64	61	59	57	56
Capex	(15)	(17)	(17)	(14)	(14)	(14)	(14)	(14)	(14)	(15)	(14)
As a % of revenue	3.2%	3.1%	2.9%	2.4%	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.0%
Change in working capital	(21)	7	(6)	1	1	1	1	1	1	1	0
Free Cash Flow	22	57	49	58	55	53	50	48	46	44	42
Terminal growth rate	2%										
WACC	10%										
NPV of FCF (2025-34)	274										
NPV of Terminal Value	180										
Enterprise Value (EURm)	454										
Financial Assets 2025E (EURm)	37										
Net Financial Debt 2024E (EURm)	(106)										
Minorities market value (EURm)	(2)										
Pension provision & other	(0)										
Equity Value (EURm)	383										
Value per share (EUR)	13.3										

Source: Kepler Cheuvreux

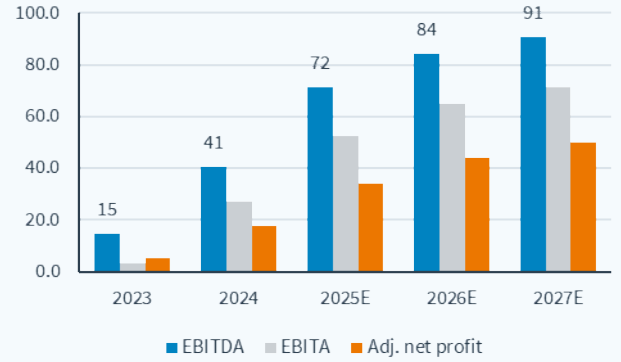
Investment case in six charts

Chart 13: Huge backlog covering more than two years of production



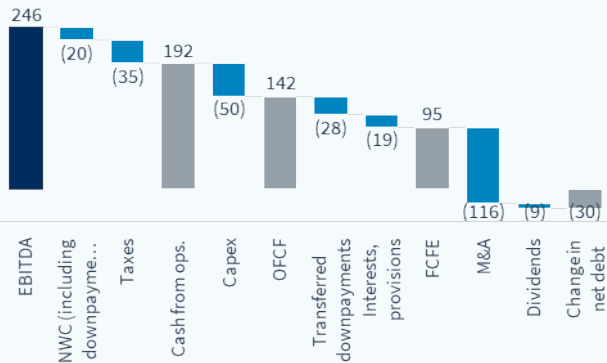
Source: Kepler Cheuvreux

Chart 14: Over-proportionate EBIT and net income growth...



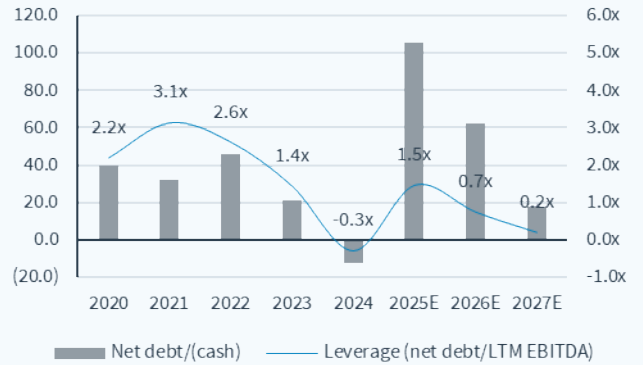
Source: Kepler Cheuvreux

Chart 15: ...ensuring cash generation (cumulated 2025-27E, EURm)...



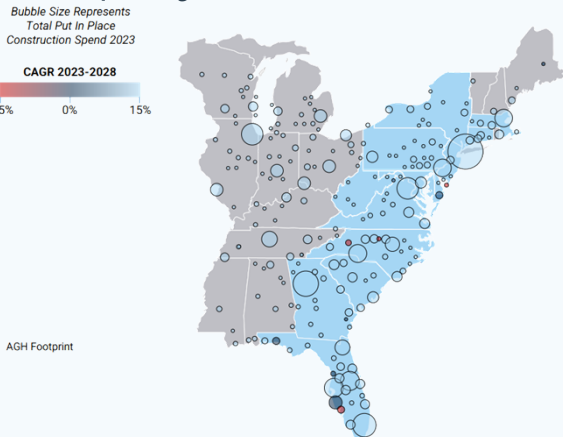
Source: Kepler Cheuvreux

Chart 16: ...and deleveraging after the transformative M&A in the US



Source: Kepler Cheuvreux

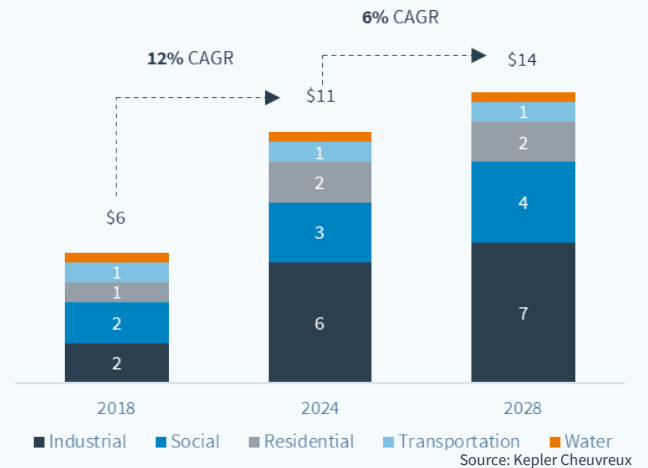
Chart 17: AGH acquisition gives foothold in the US East Coast...



Source: FMI 2024 North American Engineering and Construction Outlook, Q4 Edition

Source: Kepler Cheuvreux

Chart 18: ...and exposure to fast-growing construction segments



Source: Kepler Cheuvreux

Company description

ICOP is an underground engineering company, among the largest independent players in the microtunnelling and deep foundations business in Europe. Managed by the Petrucco family (now at its fourth generation), it has gained expertise in the special foundations over more than a century of operations and pioneered the microtunnelling technology in Italy in the 1990s.

Management

Vittorio Petrucco, Chairman
Piero Petrucco, CEO
Paolo Copetti, CFO

Key shareholders

Free float	16.81%
Cifre Srl (Petrucco family)	80.38%
Friulia	2.81%

Investment case

- ICOP is a leading European player in microtunnelling and foundations, with growing business in the maritime work segment. With high entry barriers and a backlog covering over 2 years production and sound financial structure, we see a strong competitive edge and compelling growth opportunities.
- The infrastructure market in developed countries (EU, USA, Australia) is calling for sophisticated solutions for grid, oil&gas and utility pipelines.
- M&A in the US is transformative, thanks to the regional diversification and the potential cross-contamination of technologies, as well as the exposure to fast-growing sectors (datacentres, warehouses, waterways).

Catalysts

- M&A in the USA in the foundation segment, with prospects in microtunnelling.
- More microtunnelling contracts for electric grid.
- Winning of Triesteport tender, with 100% works valued >EUR500m until 2027.

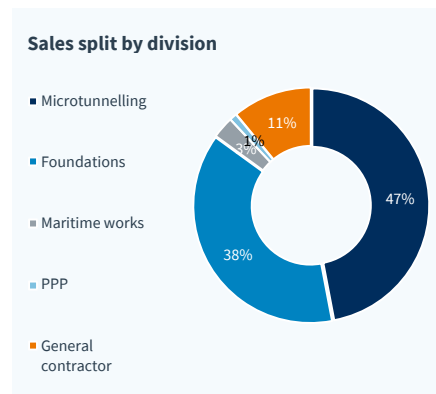
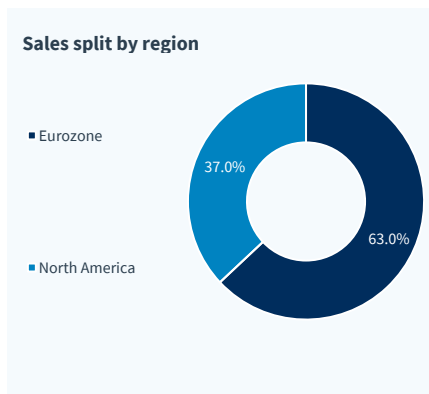
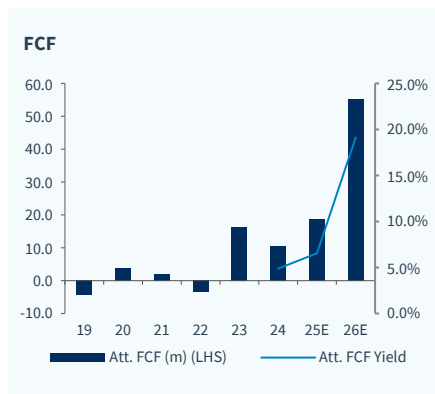
Valuation methodology

- We value ICOP through a multiple-based comparison on EV/EBITA and P/E.
- The panel of specialised construction companies has historically traded at a 20% premium on P/E compared to pure contractors.
- We provide a reverse-engineered DCF to support the multiple valuation. Our fair value is consistent with a conservative target financial model (-20% EBIT vs. our 2027E exit point, g = 2%, WACC = 10%).

Risks to our rating

- Softer-than-expected order intake which could decrease medium-term visibility, after years of "infrastructure revival" in Italy and the EU.
- Potential M&A in the US: excessive multiples paid may result in limited EPS accretion.
- Potential M&A in the US: retention of target company's management would be key as ICOP has limited knowledge of the US market and no significant M&A track record.

Key data charts



SWOT analysis

Strengths

- Focus on underground engineering rather than general contracting.
- Strong skills in niche techniques of foundations and microtunnelling.
- Well-designed system for worksite and group financial management.
- High visibility on revenue.

Opportunities

- Idle capacity to support backlog execution.
- New demand for micro-tunnelling (utilities, grid, oil & gas).
- Port of Trieste (>EUR1bn project for Pier VIII by 2040).
- M&A in the US in Foundations, with prospects in Micro-tunnelling.

Weaknesses

- Customer concentration (top 10 customers 47% of 2023 revenue).
- Execution risks (lower than pure contractors, but intrinsic in work).
- Short-term volatility due to year-end cut-off.

Threats

- Competition and internalisation of underground work in larger players.
- Concentrated supplier of equipment (hydromills, Direct Pipe).
- Delays due to bureaucratic hindrance or funding allocation.
- Slowdown of state-backed investment programmes (mainly in Europe).

Valuation table

Market data as of: 03 April 2025

FY to 31/12 (EUR)	12/17	12/18	12/19	12/20	12/21	12/22	12/23	12/24	12/25E	12/26E
Per share data (EUR)										
EPS adjusted	0.15	0.18	0.29	0.35	0.13	0.17	0.20	0.65	1.17	1.50
% Change		19.0%	65.5%	20.1%	-63.1%	32.1%	18.0%	221.2%	80.0%	28.4%
EPS adjusted and fully diluted	-0.03	0.09	0.29	0.35	0.13	0.17	0.20	0.65	1.17	1.50
% Change		+chg	240.9%	20.1%	-63.1%	32.1%	18.0%	221.2%	80.0%	28.4%
EPS reported	0.15	0.18	0.29	0.35	0.13	0.17	0.20	0.65	0.89	1.14
% Change		19.0%	65.5%	20.1%	-63.1%	32.1%	18.0%	221.2%	37.6%	27.9%
EPS Consensus									1.28	1.75
Cash flow per share	0.67	1.48	0.36	0.46	0.44	0.20	1.33	0.85	1.14	2.42
Book value per share	1.22	1.45	2.34	1.83	1.46	1.59	1.75	3.26	3.78	4.80
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.09	0.12
Number of shares, YE (m)	8.0	8.0	8.0	17.8	17.8	17.8	17.8	30.1	30.1	30.1
Nbr of shares, fully diluted, YE (m)	8.0	8.0	8.0	17.8	17.8	17.8	17.8	30.1	30.1	30.1
Share price										
Latest price / year end								8.2	9.7	9.7
52 week high								8.4	9.9	
52 week low								5.9	7.8	
Average price (Year)								7.0	9.7	9.7
Enterprise value (EURm)										
Market capitalisation								209.4	292.1	292.1
Net financial debt	37.2	39.1	44.5	39.9	31.9	45.6	21.0	-12.3	105.6	62.7
Pension provisions	0.6	0.6	0.5	0.4	0.3	0.4	0.3	0.3	0.3	0.3
IFRS 16 debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Market value of minorities					0.0	0.0	0.0	2.2	2.2	3.2
MV of equity affiliates (net of tax)					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
Enterprise value								199.6	400.3	358.3
Valuation										
P/E adjusted								10.7	8.3	6.5
P/E adjusted and fully diluted								10.7	8.3	6.5
P/E consensus									7.6	5.6
P/BV								2.1	2.6	2.0
P/CF								8.2	8.5	4.0
Dividend yield (%)								1.0%	1.0%	1.2%
Dividend yield preference shares (%)								0.0%	0.0%	0.0%
Share buybacks over market cap (%)								0.0%	0.0%	0.0%
Attributable FCF yield (%)								4.9%	6.5%	19.1%
ROE (%)		13.2%	15.4%	21.6%	9.3%	11.2%	12.1%	26.8%	34.5%	35.0%
ROIC (%)		8.1%	6.6%	11.0%	1.8%	8.5%	3.8%	38.5%	34.1%	30.4%
EV/Sales								1.07	0.83	0.64
EV/EBITDA adj.								4.9	5.5	4.2
EV/EBIT adj.								7.3	7.7	5.5
EV/NOPAT								9.9	10.3	7.5
EV/IC								3.4	2.4	2.4
ROIC/WACC					na	na	na	3.8	3.4	3.0
EV/IC over ROIC/WACC								0.9	0.7	0.8

Income statement

FY to 31/12 (EUR)	12/17	12/18	12/19	12/20	12/21	12/22	12/23	12/24	12/25E	12/26E
Sales	100.9	122.4	152.1	111.4	80.0	92.0	112.2	187.2	482.9	563.0
<i>Sales % Change</i>		21.4%	24.2%	-26.7%	-28.2%	15.1%	21.9%	66.9%	157.9%	16.6%
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Gross profit margin (%)</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
EBITDA reported	14.8	13.8	13.3	18.2	10.2	17.5	14.7	40.7	71.5	84.2
EBITDA adjusted	14.8	13.8	13.3	18.2	10.2	17.5	14.7	40.7	72.4	85.1
EBITDA margin (%)	14.6%	11.3%	8.8%	16.3%	12.7%	19.0%	13.1%	21.8%	15.0%	15.1%
<i>EBITDA adjusted % Change</i>		-6.6%	-3.2%	36.4%	-44.0%	71.4%	-16.0%	177.8%	77.8%	17.5%
Depreciation and amortisation	-7.1	-7.6	-8.5	-9.1	-8.4	-8.5	-8.8	-11.8	-18.4	-18.4
Goodwill impairment	0.0	0.0	0.0	0.0	-0.3	0.0	-0.4	0.0	-10.2	-13.6
Other financial result and associates	-2.0	-1.2	-0.2	-0.1	0.0	-1.3	-2.4	-1.7	-1.8	-1.8
EBIT reported	5.7	4.9	4.7	8.9	1.4	7.7	3.1	27.3	41.1	50.4
EBIT adjusted	5.7	4.9	4.7	8.9	1.4	7.7	3.1	27.3	52.3	64.9
EBIT margin (%)	5.7%	4.0%	3.1%	8.0%	1.8%	8.3%	2.7%	14.6%	10.8%	11.5%
<i>EBIT adjusted % Change</i>		-13.7%	-4.6%	89.0%	-84.0%	437.0%	-60.1%	792.3%	91.5%	24.2%
Net financial items	-2.8	-2.3	-2.2	-2.1	-2.1	-2.1	-3.9	-3.9	-5.9	-5.3
Associates	0.0	0.1	1.0	0.2	2.5	0.1	7.3	1.5	0.4	0.5
Others	0.0	0.1	0.0	0.0	0.1	0.1	-1.2	0.6	0.0	0.0
Earnings before tax	3.0	2.8	3.5	7.0	2.0	5.7	5.2	25.5	35.6	45.6
Tax	-1.5	-0.8	-0.3	-0.7	1.2	-1.6	-0.3	-7.4	-9.2	-11.8
<i>Tax rate (%)</i>	<i>50%</i>	<i>30%</i>	<i>8%</i>	<i>9%</i>	<i>-61%</i>	<i>28%</i>	<i>6%</i>	<i>29%</i>	<i>26%</i>	<i>26%</i>
Net profit from continuing op.	1.5	2.0	3.2	6.3	3.2	4.1	4.9	18.1	26.4	33.8
Net profit from disc. activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	1.5	2.0	3.2	6.3	3.2	4.1	4.9	18.1	26.4	33.8
Minorities	0.1	0.0	0.0	0.0	0.1	0.1	0.1	-0.3	0.4	0.5
Net profit reported	1.6	1.9	3.2	6.3	3.2	4.3	5.1	17.9	26.8	34.3
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.3	10.8
Net profit adjusted	1.6	1.9	3.2	6.3	3.2	4.3	5.1	17.9	35.1	45.1
Net profit margin (%)	1.6%	1.6%	2.1%	5.7%	4.1%	4.7%	4.5%	9.5%	7.3%	8.0%
<i>Net profit adjusted % Change</i>		19.0%	65.5%	96.5%	-48.8%	32.1%	18.0%	253.6%	96.5%	28.4%
EPS reported (EUR)	0.15	0.18	0.29	0.35	0.13	0.17	0.20	0.65	0.89	1.14
EPS adjusted (EUR)	0.15	0.18	0.29	0.35	0.13	0.17	0.20	0.65	1.17	1.50
EPS adj. and fully diluted (EUR)	-0.03	0.09	0.29	0.35	0.13	0.17	0.20	0.65	1.17	1.50
<i>EPS adj. and fully diluted % Change</i>		+chg	240.9%	20.1%	-63.1%	32.1%	18.0%	221.2%	80.0%	28.4%
DPS (EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.09	0.12
<i>DPS % Change</i>								+chg	33.5%	27.9%
<i>Payout ratio (%)</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>11%</i>	<i>8%</i>	<i>8%</i>
DPS, preference shares (EUR)	-2.00	-1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Consensus Sales (EURm)									536.8	609.0
Consensus EBITDA (EURm)									75.1	92.8
Consensus EBIT (EURm)									59.0	76.4
Consensus EPS (EUR)									1.28	1.75

Cash flow statement

Market data as of: 03 April 2025

FY to 31/12 (EUR)	12/17	12/18	12/19	12/20	12/21	12/22	12/23	12/24	12/25E	12/26E
Net profit before minorities	1.5	2.0	3.2	6.3	3.2	4.1	4.9	18.1	26.4	33.8
Depreciation and amortisation	9.0	8.8	8.6	9.3	8.4	9.8	11.2	13.4	20.2	20.2
Goodwill impairment	0.0	0.0	0.0	0.0	0.3	0.0	0.4	0.0	10.2	13.6
Change in working capital	-2.7	5.0	-5.2	-5.8	0.7	-5.9	20.1	-5.4	-20.8	6.8
Others	-0.6	0.5	-2.7	-1.6	-1.5	-2.9	-3.4	-2.7	-1.8	-1.8
Levered post tax CF before capex	7.3	16.3	3.9	8.2	11.1	5.1	33.3	23.5	34.2	72.6
% Change		122.6%	-75.9%	109.3%	34.8%	-54.0%	552.4%	-29.4%	45.5%	112.4%
Capex	-9.6	-14.3	-8.3	-4.4	-9.1	-8.5	-17.1	-13.0	-15.5	-17.3
Capex / Sales (%)	9.5%	11.7%	5.4%	3.9%	11.3%	9.2%	15.2%	6.9%	3.2%	3.1%
Free cash flow	-2.3	2.0	-4.4	3.9	2.0	-3.4	16.2	10.5	18.7	55.3
% Change		+chg	-chg	+chg	-48.0%	-chg	+chg	-35.1%	78.5%	195.5%
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-116.0	0.0
Divestments	0.8	-2.8	0.1	-2.3	6.0	-10.1	9.6	-4.2	-18.6	-9.6
Dividend paid	0.0	0.0	0.0	0.0	0.0	-0.2	-1.2	0.0	-2.1	-2.8
Share buy back	-2.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital increases	0.0	0.0	0.0	3.0	0.0	0.0	0.0	27.0	0.0	0.0
Others	-2.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in net financial debt	5.5	2.8	4.3	-4.5	-8.0	13.7	-24.6	-33.3	117.9	-42.9
Change in cash and cash equiv.		3.0	-1.8	2.4	25.7	-18.8	20.2	28.4	-44.5	7.2
Attributable FCF	-4.2	1.0	-4.4	3.9	2.1	-3.3	16.3	10.2	19.1	55.8
Attributable FCF / Net profit(%)	-254.6%	52.4%	-135.4%	61.1%	64.0%	-76.3%	322.7%	57.2%	54.5%	123.9%
Cash flow per share (EUR)	0.67	1.48	0.36	0.46	0.44	0.20	1.33	0.85	1.14	2.42
% Change		122.6%	-75.9%	27.9%	-2.9%	-54.0%	552.4%	-35.9%	33.3%	112.4%
Attributable FCF per share (EUR)	-0.38	0.09	-0.40	0.21	0.08	-0.13	0.65	0.37	0.64	1.86
% Change		+chg	-chg	+chg	-61.4%	-chg	+chg	-43.1%	71.4%	192.1%

Balance sheet

FY to 31/12 (EUR)	12/17	12/18	12/19	12/20	12/21	12/22	12/23	12/24	12/25E	12/26E
Cash and cash equivalents	12.1	15.1	13.3	15.7	41.5	22.7	42.9	71.3	26.7	33.9
Inventories	24.8	27.3	23.6	22.6	23.1	25.7	29.8	58.3	97.8	107.4
Accounts receivable	32.4	28.9	34.0	38.9	23.0	30.8	45.5	53.7	138.9	154.2
Other current assets	19.0	24.3	30.1	31.2	35.7	42.1	17.6	66.4	66.4	66.4
Current assets	88.3	95.6	100.9	108.4	123.3	121.4	135.8	249.7	329.9	362.0
Tangible assets	28.2	33.6	42.3	37.4	36.2	36.1	38.0	45.1	77.2	76.1
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	57.8	44.2
Other Intangible assets	1.8	1.2	0.9	0.9	0.8	0.7	0.5	3.9	7.6	7.6
Financial assets	6.8	10.8	11.9	15.2	13.0	14.3	22.0	17.8	36.7	46.8
Other non-current assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.9	8.4
Non-current assets	36.8	45.6	55.1	53.5	50.0	51.1	60.6	66.8	188.2	183.1
Short term debt	24.1	27.0	32.1	14.6	13.0	27.4	26.8	26.0	49.6	36.2
Accounts payable	38.8	37.2	40.7	38.2	28.6	42.5	68.9	129.7	233.7	265.4
Other short term liabilities	21.5	31.8	30.1	31.8	31.2	18.3	16.3	35.5	35.5	35.5
Current liabilities	84.3	96.0	102.9	84.6	72.8	88.1	112.0	191.3	318.8	337.1
Long term debt	25.2	27.2	25.7	41.1	60.4	40.9	37.0	32.9	82.8	60.4
Pension provisions	0.6	0.6	0.5	0.4	0.3	0.4	0.3	0.3	0.3	0.3
IFRS16 Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term provisions	1.5	1.5	1.2	1.8	2.2	2.5	2.7	1.6	1.6	1.6
Other long term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	27.4	29.3	27.3	43.3	63.0	43.7	40.0	34.8	84.6	62.3
Shareholders' equity	13.4	16.0	25.7	32.9	36.5	39.8	43.7	89.7	113.6	144.1
Minority interests	0.0	-0.1	0.1	1.1	1.0	0.9	0.6	0.7	1.1	1.6
Total equity	13.4	15.9	25.8	34.1	37.5	40.7	44.4	90.4	114.7	145.7
Balance sheet total	125.1	141.2	156.0	161.9	173.3	172.5	196.4	316.5	518.1	545.2
% Change		12.9%	10.5%	3.8%	7.0%	-0.5%	13.9%	61.1%	63.7%	5.2%
Book value per share (EUR)	1.22	1.45	2.34	1.83	1.46	1.59	1.75	3.26	3.78	4.80
% Change		18.7%	61.0%	-21.7%	-20.2%	8.9%	10.0%	86.3%	16.0%	26.8%
Net financial debt	37.2	39.1	44.5	39.9	31.9	45.6	21.0	-12.3	105.6	62.7
IFRS16 Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension provisions	0.6	0.6	0.5	0.4	0.3	0.4	0.3	0.3	0.3	0.3
Others	-2.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt	35.8	38.7	44.9	40.4	32.3	46.0	21.3	-12.0	105.9	63.0
Net fi. debt (+IFRS16) / EBITDA (x)	2.5	2.8	3.3	2.2	3.1	2.6	1.4	-0.3	1.5	0.7
Trade working capital	18.4	18.9	16.9	23.2	17.5	14.1	6.5	-17.8	3.1	-3.8
Net working capital	15.9	11.5	16.9	22.7	22.0	37.9	7.8	13.2	34.0	27.2
NWC/Sales	15.8%	9.4%	11.1%	20.4%	27.5%	41.2%	7.0%	7.0%	7.0%	4.8%
Inventories/sales	24.6%	22.3%	15.5%	20.3%	28.9%	27.9%	26.6%	31.1%	20.3%	19.1%
Invested capital	44.1	45.1	59.2	60.1	58.2	74.0	45.8	58.3	169.0	147.5
Net fin. debt / FCF (x)	-16.4	19.3	-10.2	10.3	15.9	-13.4	1.3	-1.2	5.6	1.1
Gearing (%)	277.4%	246.4%	172.1%	117.2%	85.2%	112.1%	47.3%	-13.6%	92.1%	43.0%
Goodwill / Equity (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.4%	30.3%

Research ratings and important disclosures

The term "KEPLER CHEUVREUX" shall, unless the context otherwise requires, mean each of KEPLER CHEUVREUX and its affiliates, subsidiaries and related companies (see "Regulators" table below).

The investment recommendation(s) referred to in this report was (were) completed on 04/04/2025 05:14 (GMT) and was first disseminated on 04/04/2025 05:16 (GMT).

Unless otherwise stated, all prices are aligned with the "Market Data date" on the front page of this report.

Disclosure checklist - Potential conflict of interests

Company Name	ISIN	Disclosure
ICOP	IT0001214433	KEPLER CHEUVREUX and the issuer have agreed that KEPLER CHEUVREUX will produce and disseminate investment research on the said issuer as a service to the issuer

Organizational and administrative arrangements to avoid and prevent conflicts of interests

KEPLER CHEUVREUX promotes and disseminates independent investment research and have implemented written procedures designed to identify and manage potential conflicts of interest that arise in connection with its research business, which are available upon request. The KEPLER CHEUVREUX research analysts and other staff involved in issuing and disseminating research reports operate independently of KEPLER CHEUVREUX Investment Banking business. Information barriers and procedures are in place between the research analysts and staff involved in securities trading for the account of KEPLER CHEUVREUX or clients to ensure that price sensitive information is handled according to applicable laws and regulations.

It is Kepler Cheuvreux' policy not to disclose the rating to the issuer before publication and dissemination. Nevertheless, this document, in whole or in part, and with the exclusion of ratings, target prices and any other information that could lead to determine its valuation, may have been provided to the issuer prior to publication and dissemination, solely with the aim of verifying factual accuracy.

Please refer to www.keplercheuvreux.com for further information relating to research and conflict of interest management.

Analyst disclosures

The functional job title of the person(s) responsible for the recommendations contained in this report is Equity/Credit Research Analyst unless otherwise stated on the cover.

Name of the Research Analyst(s): Gian Marco Gadini

Regulation AC - Analyst Certification: Each Equity/Credit Research Analyst(s) listed on the front-page of this report, principally responsible for the preparation and content of all or any identified portion of this research report hereby certifies that, with respect to each issuer or security or any identified portion of the report with respect to an issuer or security that the equity research analyst covers in this research report, all of the views expressed in this research report accurately reflect their personal views about those issuer(s) or securities. Each Equity/Credit Research Analyst(s) also certifies that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) expressed by that equity research analyst in this research report.

Each Equity/Credit Research Analyst certifies that he is acting independently and impartially from KEPLER CHEUVREUX shareholders, directors and is not affected by any current or potential conflict of interest that may arise from any KEPLER CHEUVREUX activities.

Analyst Compensation: The research analyst(s) primarily responsible for the preparation of the content of the research report attest that no part of the analyst's(s') compensation was, is or will be, directly or indirectly, related to the specific recommendations expressed by the research analyst(s) in the research report. The research analyst's(s') compensation is, however, determined by the overall economic performance of KEPLER CHEUVREUX.

Registration of non-US Analysts: Unless otherwise noted, the non-US analysts listed on the front of this report are employees of KEPLER CHEUVREUX, which is a non-US affiliate and parent company of Kepler Capital Markets, Inc. a SEC registered and FINRA member broker-dealer. Equity/Credit Research Analysts employed by KEPLER CHEUVREUX, are not registered/qualified as research analysts under FINRA/NYSE rules, may not be associated persons of Kepler Capital Markets, Inc. and may not be subject to NASD Rule 2711 and NYSE Rule 472 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

Research ratings

Kepler Cheuvreux rating split as of 04 April 2025

Rating Breakdown	A	B
Buy	56%	63%
Hold	33%	26%
Reduce	8%	5%
Not Rated/Under Review/Accept Offer	3%	6%
Total	100%	100%

Source: Kepler Cheuvreux

A: % of all research recommendations

B: % of issuers to which material services of investment firms are supplied

12 months rating history

The below table shows the history of recommendations and target prices changes issued by KEPLER CHEUVREUX research department (Equity and Credit) over a 12 months period.

Company Name	Date	Business Line	Rating	Target Price	Closing Price
ICOP (EUR)	10/02/2025 06:37	Equity Research	Buy	10.80	8.00

Credit research does not issue target prices. Left intentionally blank.

Please refer to the following link <https://research.keplercheuvreux.com/disclosure/stock/> for a full list of investment recommendations issued over the last 12 months by the author(s) and contributor(s) of this report on any financial instruments.

Equity research

Rating system

KEPLER CHEUVREUX equity research ratings and target prices are issued in absolute terms, not relative to any given benchmark. A rating on a stock is set after assessing the twelve months expected upside or downside of the stock derived from the analyst's fair value (target price) and in the light of the risk profile of the company. Ratings are defined as follows:

Buy: The minimum expected upside is 10% over next 12 months (the minimum required upside could be higher in light of the company's risk profile).

Hold: The expected upside is below 10% (the expected upside could be higher in light of the company's risk profile).

Reduce: There is an expected downside.

Accept offer: In the context of a total or partial take-over bid, squeeze-out or similar share purchase proposals, the offer price is considered to be fairly valuing the shares.

Reject offer: In the context of a total or partial take-over bid, squeeze-out or similar share purchase proposals, the offered price is considered to be undervaluing the shares.

Under review: An event occurred with an expected significant impact on our target price and we cannot issue a recommendation before having processed that new information and/or without a new share price reference.

Not rated: The stock is not covered.

Restricted: A recommendation, target price and/or financial forecast is not disclosed further to compliance and/or other regulatory considerations.

Due to share prices volatility, ratings and target prices may occasionally and temporarily be inconsistent with the above definition.

Valuation methodology and risks

Unless otherwise stated in this report, target prices and investment recommendations are determined based on fundamental research methodologies and relies on commonly used valuation methodologies such as Discounted Cash Flow (DCF), valuation multiples comparison with history and peers, Dividend Discount Model (DDM).

Valuation methodologies and models can be highly dependent on macroeconomic factors (such as the price of commodities, exchange rates and interest rates) as well as other external factors including taxation, regulation and geopolitical changes (such as tax policy changes, strikes or war). In addition, investors' confidence and market sentiment can affect the valuation of companies. The valuation is also based on expectations that might change rapidly and without notice, depending on developments specific to individual industries. Whichever valuation method is used there is a significant risk that the target price will not be achieved within the expected timeframe.

Unless otherwise stated, models used are proprietary. Additional information about the proprietary models used in this report is accessible on request.

KEPLER CHEUVREUX' equity research policy is to update research rating when it deems appropriate in the light of new findings, markets development and any relevant information that can impact the analyst's view and opinion.

Regulators

Location	Regulator	Abbreviation
KEPLER CHEUVREUX S.A - France	Autorité des Marchés Financiers	AMF
KEPLER CHEUVREUX, Sucursal en España	Comisión Nacional del Mercado de Valores	CNMV
KEPLER CHEUVREUX, Frankfurt branch	Bundesanstalt für Finanzdienstleistungsaufsicht	BaFin
KEPLER CHEUVREUX, Milan branch	Commissione Nazionale per le Società e la Borsa	CONSOB
KEPLER CHEUVREUX, Amsterdam branch	Autoriteit Financiële Markten	AFM
Kepler Capital Markets SA - Switzerland, Zurich branch	Swiss Financial Market Supervisory Authority	FINMA
Kepler Capital Markets, Inc.	Financial Industry Regulatory Authority	FINRA
KEPLER CHEUVREUX, London branch	Financial Conduct Authority	FCA
KEPLER CHEUVREUX, Vienna branch	Austrian Financial Services Authority	FMA
KEPLER CHEUVREUX, Stockholm Branch	Finansinspektionen	FI
KEPLER CHEUVREUX Oslo Branch	Finanstilsynet	NFSA
KEPLER CHEUVREUX, Bruxelles Branch	Autorité des Services et Marchés Financiers	FSMA

KEPLER CHEUVREUX is authorised and regulated by both Autorité de Contrôle Prudentiel and Autorité des Marchés Financiers.

Legal and disclosure information

Other disclosures

This product is not for distribution to retail clients.

MIFID 2 WARNING: We remind you that pursuant to MiFID 2, it is your responsibility, as a recipient of this research document, to determine whether or not your firm is impacted by the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID 2") regarding the unbundling of research and execution (the "MiFID 2 Research Rules"). For any request on the provision of research documents, please send an email to crystal.team@keplercheuvreux.com.

The information contained in this publication was obtained from various publicly available sources believed to be reliable, but has not been independently verified by KEPLER CHEUVREUX. KEPLER CHEUVREUX does not warrant the completeness or accuracy of such information and does not accept any liability with respect to the accuracy or completeness of such information, except to the extent required by applicable law.

This publication is a brief summary and does not purport to contain all available information on the subjects covered. Further information may be available on request.

This publication is for information purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any securities, or as an invitation, inducement or intermediation for the sale, subscription or purchase of any securities, or for engaging in any other transaction.

Any opinions, projections, forecasts or estimates in this report are those of the author only, who has acted with a high degree of expertise. They reflect only the current views of the author at the date of this report and are subject to change without notice. KEPLER CHEUVREUX has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the event that any matter, opinion, projection, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. The analysis, opinions, projections, forecasts and estimates expressed in this report were in no way affected or influenced by the issuer. The author of this publication benefits financially from the overall success of KEPLER CHEUVREUX.

The investments referred to in this publication may not be suitable for all recipients. Recipients are urged to base their investment decisions upon their own appropriate investigations that they deem necessary. Any loss or other consequence arising from the use of the material contained in this publication shall be the sole and exclusive responsibility of the investor and KEPLER CHEUVREUX accepts no liability for any such loss or consequence. In the event of any doubt about any investment, recipients should contact their own investment, legal and/or tax advisers to seek advice regarding the appropriateness of investing. Some of the investments mentioned in this publication may not be readily liquid investments. Consequently it may be difficult to sell or realise such investments. The past is not necessarily a guide to future performance of an investment. The value of investments and the income derived from them may fall as well as rise and investors may not get back the amount invested. Some investments discussed in this publication may have a high level of volatility. High volatility investments may experience sudden and large falls in their value which may cause losses. International investing includes risks related to political and economic uncertainties of foreign countries, as well as currency risk.

To the extent permitted by applicable law, no liability whatsoever is accepted for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of this publication or its contents.

Country and region disclosures

United Kingdom: This document is for persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Articles 19(5) (Investment professionals) and 49(2) (High net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Any investment to which this document relates is available only to such persons, and other classes of person should not rely on this document.

United States: This communication is only intended for, and will only be distributed to, persons residing in any jurisdictions where such distribution or availability would not be contrary to local law or regulation. This communication must not be acted upon or relied on by persons in any jurisdiction other than in accordance with local law or regulation and where such person is an investment professional with the requisite sophistication to understand an investment in such securities of the type communicated and assume the risks associated therewith.

This communication is confidential and is intended solely for the addressee. It is not to be forwarded to any other person or copied without the permission of the sender. This communication is provided for information only. It is not a personal recommendation or an offer to sell or a solicitation to buy the securities mentioned. Investors should obtain independent professional advice before making an investment.

Notice to U.S. Investors: This material is not for distribution in the United States, except to "major US institutional investors" as defined in SEC Rule 15a-6 ("Rule 15a-6"). KEPLER CHEUVREUX has entered into a 15a-6 Agreement with Kepler Capital Markets, Inc. ("KCM, Inc.") which enables this report to be furnished to certain U.S. recipients in reliance on Rule 15a-6 through KCM, Inc.

Each U.S. recipient of this report represents and agrees, by virtue of its acceptance thereof, that it is a "major U.S. institutional investor" (as such term is defined in Rule 15a-6) and that it understands the risks involved in executing transactions in such securities. Any U.S. recipient of this report that wishes to discuss or receive additional information regarding any security or issuer mentioned herein, or engage in any transaction to purchase or sell or solicit or offer the purchase or sale of such securities, should contact a registered representative of KCM, Inc.

KCM, Inc. is a broker-dealer registered with the Securities and Exchange Commission ("SEC") under the U.S. Securities Exchange Act of 1934, as amended, Member of the Financial Industry Regulatory Authority ("FINRA") and Member of the Securities Investor Protection Corporation ("SIPC"). Pursuant to SEC Rule 15a-6, you must contact a Registered Representative of KCM, Inc. if you are seeking to execute a transaction in the securities discussed in this report. You can reach KCM, Inc. at Tower 49, 12 East 49th Street, Floor 36, New York, NY 10017, Compliance Department (212) 710-7625; Operations Department (212) 710-7606; Trading Desk (212) 710-7602. Further information is also available at www.keplercheuvreux.com. You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC directly at 202-371-8300; website: <http://www.sipc.org/>.

KCM, Inc. is a wholly owned subsidiary of KEPLER CHEUVREUX. KEPLER CHEUVREUX, registered on the Paris Register of Companies with the number 413 064 841 (1997 B 10253), whose registered office is located at 112 avenue Kléber, 75016 Paris, is authorised and regulated by both Autorité de Contrôle Prudentiel (ACP) and Autorité des Marchés Financiers (AMF).

Nothing herein excludes or restricts any duty or liability to a customer that KCM, Inc. may have under applicable law. Investment products provided by or through KCM, Inc. are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution, may lose value and are not guaranteed by the entity that published the research as disclosed on the front page and are not guaranteed by KCM, Inc.

Investing in non-U.S. Securities may entail certain risks. The securities referred to in this report and non-U.S. issuers may not be registered under the U.S. Securities Act of 1933, as amended, and the issuer of such securities may not be subject to U.S. reporting and/or other requirements. Rule 144A securities may be offered or sold only to persons in the U.S. who are Qualified Institutional Buyers within the meaning of Rule 144A under the Securities Act. The information available about non-U.S. companies may be limited, and non-U.S. companies are generally not subject to the same uniform auditing and reporting standards as U.S. companies. Securities of some non-U.S. companies may not be as

liquid as securities of comparable U.S. companies. Securities discussed herein may be rated below investment grade and should therefore only be considered for inclusion in accounts qualified for speculative investment.

Analysts employed by KEPLER CHEUVREUX SA, a non-U.S. broker-dealer, are not required to take the FINRA analyst exam. The information contained in this report is intended solely for certain "major U.S. institutional investors" and may not be used or relied upon by any other person for any purpose. Such information is provided for informational purposes only and does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other U.S. federal or state securities laws, rules or regulations. The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives, risk tolerance and financial position.

In jurisdictions where KCM, Inc. is not registered or licensed to trade in securities, or other financial products, transactions may be executed only in accordance with applicable law and legislation, which may vary from jurisdiction to jurisdiction and which may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

The information in this publication is based on sources believed to be reliable, but KCM, Inc. does not make any representation with respect to its completeness or accuracy. All opinions expressed herein reflect the author's judgment at the original time of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

KCM, Inc. and/or its affiliates may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. These publications reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is provided in relation to future performance.

KCM, Inc. and any company affiliated with it may, with respect to any securities discussed herein: (a) take a long or short position and buy or sell such securities; (b) act as investment and/or commercial bankers for issuers of such securities; (c) act as market makers for such securities; (d) serve on the board of any issuer of such securities; and (e) act as paid consultant or advisor to any issuer. The information contained herein may include forward-looking statements within the meaning of U.S. federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from expectations include, without limitation: political uncertainty, changes in general economic conditions that adversely affect the level of demand for the company's products or services, changes in foreign exchange markets, changes in international and domestic financial markets and in the competitive environment, and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

France: This publication is issued and distributed in accordance with legal or regulatory requirements relating to independent investment research, as defined under Article 36 of the EU delegated regulation n°565/2017.

Germany: This report must not be distributed to persons who are retail clients in the meaning of Sec. 67 para. 3 of the German Securities Trading Act (Wertpapierhandelsgesetz – "WpHG"). This report may be amended, supplemented or updated in such manner and as frequently as the author deems.

Italy: This document is issued by KEPLER CHEUVREUX Milan branch, authorised in France by the Autorité des Marchés Financiers (AMF) and the Autorité de Contrôle Prudentiel (ACP) and registered in Italy by the Commissione Nazionale per le Società e la Borsa (CONSOB) and is distributed by KEPLER CHEUVREUX. This document is for Eligible Counterparties or Professional Clients only as defined by the CONSOB Regulation 16190/2007 (art. 26 and art. 58). Other classes of persons should not rely on this document. Reports on issuers of financial instruments listed by Article 180, paragraph 1, letter a) of the Italian Consolidated Act on Financial Services (Legislative Decree No. 58 of 24/2/1998, as amended from time to time) must comply with the requirements envisaged by articles 69 to 69-novies of CONSOB Regulation 11971/1999. According to these provisions KEPLER CHEUVREUX warns on the significant interests of KEPLER CHEUVREUX indicated in Annex 1 hereof, confirms that there are not significant financial interests of KEPLER CHEUVREUX in relation to the securities object of this report as well as other circumstance or relationship with the issuer of the securities object of this report (including but not limited to conflict of interest, significant shareholdings held in or by the issuer and other significant interests held by KEPLER CHEUVREUX or other entities controlling or subject to control by KEPLER CHEUVREUX in relation to the issuer which may affect the impartiality of this document). Equities discussed herein are covered on a continuous basis with regular reports at results release. Reports are released on the date shown on cover and distributed via print and email. KEPLER CHEUVREUX branch di Milano analysts is not affiliated with any professional groups or organisations. All estimates are by KEPLER CHEUVREUX unless otherwise stated.

Spain: This document is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of Article 78bis and Article 78ter of the Spanish Securities Market Act. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. This report has been issued by KEPLER CHEUVREUX Sucursal en España registered in Spain by the Comisión Nacional del Mercado de Valores (CNMV) in the foreign investments firms registry and it has been distributed in Spain by it or by KEPLER CHEUVREUX authorised and regulated by both Autorité de Contrôle Prudentiel and Autorité des Marchés Financiers. There is no obligation to either register or file any report or any supplemental documentation or information with the CNMV. In accordance with the Spanish Securities Market Law (Ley del Mercado de Valores), there is no need for the CNMV to verify, authorise or carry out a compliance review of this document or related documentation, and no information needs to be provided.

Switzerland: This publication is intended to be distributed to professional investors in circumstances such that there is no public offer. This publication does not constitute a prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations.

UAE Dubai DIFC: This material is being communicated by Kepler Cheuvreux SA (DIFC Branch) who are regulated by the Dubai Financial Services Authority and are authorized to provide financial services to Professional Clients and Market Counterparties only as defined by the DFSA rulebook. Kepler Cheuvreux SA (DIFC Branch)'s registered address is Unit 104, Level 1, Building 1, Al Fattan Currency House, DIFC, PO Box 11638, Dubai, UAE. This material is intended only for Professional Clients or Market Counterparties. This material is not intended for Retail clients.

Canada: The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. In Canada, the information contained herein is intended solely for distribution to Permitted Clients (as such term is defined in National Instrument 31-103) with whom Kepler Capital Markets, inc. deals pursuant to the international dealer exemption. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities may not be conducted through Kepler Capital Markets, inc. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein.

Other countries: Laws and regulations of other countries may also restrict the distribution of this report. Persons in possession of this document should inform themselves about possible legal restrictions and observe them accordingly.

None of the material, nor its content may be altered in anyway, transmitted to, copied or distributed to any other party, in whole or in part, unless otherwise agreed with KEPLER CHEUVREUX in writing.

Copyright © KEPLER CHEUVREUX. All rights reserved.

Local insight, European scale.



Europe

 **Amsterdam**
Kepler Cheuvreux Benelux
Johannes Vermeerstraat 9
1071 DK Amsterdam
+31 20 563 2365

 **London**
Kepler Cheuvreux UK
5th Floor
95 Gresham Street
London EC2V 7NA
+44 20 7621 5100

 **Paris**
Kepler Cheuvreux France
112 Avenue Kleber
75016 Paris
+33 1 53 65 35 00

 **Brussels**
Kepler Cheuvreux Belgium
Rogier Tower
Place Rogier 11
1210 Brussels
+32 11 491460

 **Madrid**
Kepler Cheuvreux Espana
Paseo de la Castellana, 52
28046 Madrid
+34 914 36 5100


 **Stockholm**
Kepler Cheuvreux Sweden
Malmskillnadsgatan 23
11157 Stockholm
+46 8 723 51 00

 **Frankfurt**
Kepler Cheuvreux Germany
Taunusanlage 19
60325 Frankfurt
+49 69 756 960

 **Milan**
Kepler Cheuvreux Italia
Via C. Cornaggia 10
20123 Milan
+39 02 8550 7201

 **Vienna**
Kepler Cheuvreux Austria
Schottenring 16/2
1010 Vienna
+43 1 537 124 147

 **Geneva**
Kepler Cheuvreux SA
Avenue Perdtemps 23,
1260 Nyon
Switzerland
+41 22361 5151

 **Oslo**
Kepler Cheuvreux Norway
Munkedamsveien 59B
0270 Oslo
+47 23 13 9080

 **Zurich**
Kepler Cheuvreux Switzerland
Stadelhoferstrasse 22
8001 Zurich
+41 43 333 66 66

North America

 **New York**
Kepler Capital Markets, Inc.
Tower 49
12 East 49th Street, Floor 36
10017 New York, NY USA
+1 212 710 7600

United Arab Emirates

 **Dubai (DIFC)**
Office 104, Level 1, Tower 1,
Al Fattan Currency House,
Plot No. GB02, Al Fattan Area,
Emirate of Dubai
Dubai International Financial
Centre,
Dubai, UAE