

## EDIL SAN FELICE

Sector: Infrastructure

### Robust FY23 results and high business visibility

ESF reported a strong set of FY23 results with EBITDA above our expectations. The increase in backlog signals positive momentum, also thanks to the group's geographical expansion in Emilia Romagna region (already awarded Eu4.1mn contract in January) and the enhanced footprint in Campania, which are expected to contribute to growth this year. We slightly improve FY25E sales, implying a sound double-digit CAGR 23-26 of 11.8%. We fine-tuned FY24-25E EBITDA projections up by 4-6% and increased FY24-25E net profit by 9-11%, respectively, due to a more favourable tax regime. We reiterate our positive stance on ESF amid the increasing need of infrastructure investments and maintenance. We believe that growth potential is still untapped with upcoming geographical expansion, leveraging on an integrated business model and a capillary workforce. The group trades at severe discount vs Reway group (18% discount on FY24 EV/EBIT). We confirm our BUY rating with TP to Eu4.5/share (from 4.2) after updating our DCF and relative valuations.

- **VoP soared to Eu45.8mn with backlog exceeding Eu80mn.** FY23 total revenues came in at Eu45.8mn, +34% yoy and in line with our expectations. The strong sales trend was propelled by new projects in both ordinary and extraordinary works. The growth was aided by some major projects like "Tronco 6 of Cassino" (ordinary) and "Tronco 1 of Genoa" (extraordinary) as well as increase in share of wallet from existing clients (e.g. ANAS). Backlog jumped to Eu80.5mn (c. 2x book-to-bill) above our expectations, from Eu64.5mn at YE22.
- **Record EBITDA margin to 25.4%.** FY23 EBITDA reached Eu11.6mn/25.4% margin, +69% yoy from Eu6.9mn/20.1% margin and 17% better than our projection. EBIT stood at Eu10.6mn/23.1% margin, up 66% yoy from Eu6.4mn/18.6%. The bottom line climbed to Eu8.5mn from Eu4.8mn, with a sound profitability of 18.6%, also thanks to a relatively low VAT regime that the group can benefit from in the long run (ESF is in the ZEIS region), which foresees a reduction of IRAP tax to c. 12%. Net cash was Eu5.1mn, below our forecast primarily due to: 1) Property plant acquisition for Eu3mn not included in our numbers and 2) stronger absorption from NWC dynamic driven by higher DSO of some projects with higher associated profitability. The BoD has approved a phantom stock option plan 2025-27, aiming to incentivize and retain key strategic employees.
- **High business visibility and new initiatives.** ESF is seeing a good entry speed in 2024, which bodes well for sustained business growth ahead. The momentum should be bolstered by: 1) the completion of the facility in Bologna (operations are expected to start in 1H24), 2) the recently acquired production plant in Nola, which allows for the internalization of carpentry activities and the production of components required for ordinary and extraordinary maintenance services, and 3) Scaling in the restoration of cultural heritage sites through the acquired Sogem. On top of that, the group is enhancing its management team with new hirings in response to the increasing business volume, in line with major client's outlook (e.g. ASPI foresees investments in infrastructure maintenance to climb by +15% in 2024).
- **FY24-25E net profit improved by 9-11%, respectively.** We slightly improve FY25E sales, implying a sound double-digit CAGR 23-26 of 11.8%. We factor in higher operating profitability, despite increasing personnel, resulting in a 4-6% uptick of FY24-25 EBITDA, respectively, with a margin of over 23%. The profitability expansion should stem from: 1) internalization of carpentry process 2) higher operating leverage; 3) logistic efficiency; and 4) A shift from leasing to proprietary fleet of specialized vehicles. We reduced our tax rate to 17.6% from 22% (similar to FY23 figure) to reflect a more favourable VAT regime, moving FY24-25 net profit up by 9-11%, respectively.
- **BUY confirmed with TP to Eu4.5/share (from 4.2).** We confirm our BUY rating and increase TP to Eu4.5/share (from 4.2) after updating our relative and DCF valuations. We reiterate our positive stance on the name, corroborated by its solid fundamentals and attractive valuation (18% discount on FY24E EV/EBIT of Reway Group).

**BUY**

Unchanged

**TP 4.5**

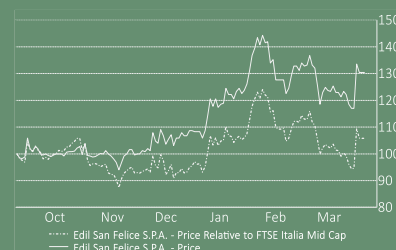
From 4.2

Target price upside 29%

Change in EPS est.	FY24E 9%	FY25E 11%
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Ticker (BBG, Reut)	ESF IM	ESF MI
Share price Ord. (Eu)		3.5
N. of Ord. shares (mn)		19.2
Total N. of shares (mn)		19.2
Market cap (Eu mn)		67
Total Market Cap (EU mn)		67
Free Float Ord. (%)		11%
Free Float Ord. (Eu mn)		8
Daily AVG liquidity Ord. (Eu k)		27

	1M	3M	12M
Absolute Perf.	-2.1%	20.4%	na
Rel. to FTSEMIDCap	-6.5%	11.0%	na
52 weeks range		2.4	3.7



	FY23A	FY24E	FY25E
Sales	46	53	59
EBITDA	11.6	12.2	13.8
Net profit	8.5	8.7	10.0
EPS adj.	0.442	0.454	0.518
DPS - Ord.	0.000	0.000	0.000
EV/EBITDA	3.9x	4.9x	3.8x
P/E adj.	5.8x	7.7x	6.8x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	0.0%	6.8%	10.6%
Net debt/(Net cash)	(5.1)	(9.7)	(16.8)
Net debt/EBITDA	nm	nm	nm

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## Summary Financials (ITA GAAP)

P&L account (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Total Revenues	34.3	45.8	52.6	58.8	64.0
Gross margin	na	na	na	na	na
EBITDA reported	6.9	11.6	12.2	13.8	15.2
D&A	(0.5)	(1.0)	(1.4)	(1.5)	(1.6)
EBIT reported	6.4	10.6	10.8	12.3	13.5
Net financial charges	(0.2)	(0.3)	(0.2)	(0.2)	(0.3)
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	6.2	10.3	10.6	12.1	13.3
Taxes	(1.5)	(1.8)	(1.9)	(2.1)	(2.3)
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	4.8	8.5	8.7	10.0	10.9
<b>EBITDA adjusted</b>	<b>6.9</b>	<b>11.6</b>	<b>12.2</b>	<b>13.8</b>	<b>15.2</b>
<b>EBIT adjusted</b>	<b>6.4</b>	<b>10.6</b>	<b>10.8</b>	<b>12.3</b>	<b>13.5</b>
<b>Net profit adjusted</b>	<b>4.8</b>	<b>8.5</b>	<b>8.7</b>	<b>10.0</b>	<b>10.9</b>

Margins (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Gross margin	nm	nm	nm	nm	nm
EBITDA margin (adj)	20.1%	25.4%	23.2%	23.5%	23.7%
EBIT margin (adj)	18.6%	23.1%	20.5%	20.9%	21.2%
Pre-tax margin	18.1%	22.5%	20.2%	20.6%	20.7%
Net profit margin (adj)	13.9%	18.6%	16.6%	17.0%	17.1%

Growth rates (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Sales	89.9%	33.6%	14.7%	11.8%	8.9%
EBITDA	197.6%	68.8%	4.8%	13.2%	9.8%
EBITDA adjusted	197.6%	68.8%	4.8%	13.2%	9.8%
EBIT	212.7%	66.0%	1.6%	14.0%	10.4%
EBIT adjusted	212.7%	66.0%	1.6%	14.0%	10.4%
Pre-tax	206.3%	66.2%	2.6%	14.2%	9.6%
Net profit	236.0%	79.0%	2.6%	14.2%	9.6%
Net profit adjusted	236.0%	79.0%	2.6%	14.2%	9.6%

Per share data	FY22A	FY23A	FY24E	FY25E	FY26E
Shares	19,249	19,249	19,249	19,249	19,249
N. of shares AVG	19,249	19,249	19,249	19,249	19,249
N. of shares diluted AVG	19,249	19,249	19,249	19,249	19,249
<b>EPS</b>	<b>0.442</b>	<b>0.454</b>	<b>0.518</b>	<b>0.568</b>	<b>0.568</b>
<b>EPS adjusted</b>	<b>0.442</b>	<b>0.454</b>	<b>0.518</b>	<b>0.568</b>	<b>0.568</b>
<b>DPS - Ord.</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	1.569	2.023	2.541	3.109	

Enterprise value (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share price Ord. (Eu)	na	2.6	3.5	3.5	3.5
Market cap		49.4	67.4	67.4	67.4
Net debt/(Net cash)	(2.1)	(5.1)	(9.7)	(16.8)	(24.2)
Adjustments	1.2	1.3	1.5	1.7	1.9
Enterprise value		45.6	59.2	52.3	45.1

Source: Company data, Alantra estimates

Cash flow (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
EBITDA adjusted	6.9	11.6	12.2	13.8	15.2
Net financial charges	(0.2)	(0.3)	(0.2)	(0.2)	(0.3)
Cash taxes	(1.5)	(1.8)	(1.9)	(2.1)	(2.3)
Ch. in Working Capital	(1.7)	(6.1)	(2.7)	(2.2)	(3.2)
Other operating items	0.5	0.6	0.2	0.2	0.2
<b>Operating cash flow</b>	<b>4.0</b>	<b>4.0</b>	<b>7.7</b>	<b>9.5</b>	<b>9.5</b>
Capex	(1.8)	(5.9)	(3.1)	(2.4)	(2.1)
<b>FCF</b>	<b>2.2</b>	<b>(1.9)</b>	<b>4.6</b>	<b>7.1</b>	<b>7.4</b>
Disposals/Acquisitions	0.0	(0.4)	0.0	0.0	0.0
Changes in Equity	0.0	9.8	0.0	0.0	0.0
Others	(1.5)	(3.6)	0.0	0.0	0.0
Dividends	(0.9)	(0.9)	0.0	0.0	0.0
<b>Ch. in NFP</b>	<b>(0.2)</b>	<b>3.0</b>	<b>4.6</b>	<b>7.1</b>	<b>7.4</b>

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Capex/Sales</b>	<b>5.1%</b>	<b>13.0%</b>	<b>5.9%</b>	<b>4.1%</b>	<b>3.3%</b>
Capex/D&A	3.4x	5.7x	2.2x	1.6x	1.3x
FCF/EBITDA	32.4%	-16.5%	37.7%	51.6%	49.0%
FCF/Net profit	47.0%	nm	52.6%	71.5%	67.9%
<b>Dividend pay-out</b>	<b>18.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

Balance sheet (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital	4.6	14.6	17.4	19.6	22.8
Fixed assets	6.6	12.2	13.9	14.7	15.2
Provisions & others	(1.4)	(1.7)	(2.0)	(2.2)	(2.4)
<b>Net capital employed</b>	<b>9.8</b>	<b>25.1</b>	<b>29.3</b>	<b>32.1</b>	<b>35.6</b>
<b>Net debt/(Net cash)</b>	<b>(2.1)</b>	<b>(5.1)</b>	<b>(9.7)</b>	<b>(16.8)</b>	<b>(24.2)</b>
Equity	11.9	30.2	38.9	48.9	59.8
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Working capital/Sales</b>	<b>13.3%</b>	<b>32.0%</b>	<b>33.0%</b>	<b>33.3%</b>	<b>35.6%</b>
<b>Net debt/Equity</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
<b>Net debt/EBITDA</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>

Valuation	FY22A	FY23A	FY24E	FY25E	FY26E
<b>EV/CE</b>		<b>1.7x</b>	<b>1.9x</b>	<b>1.5x</b>	<b>1.2x</b>
P/BV		1.6x	1.7x	1.4x	1.1x
EV/Sales		1.0x	1.1x	0.9x	0.7x
EV/EBITDA		3.9x	4.9x	3.8x	3.0x
<b>EV/EBITDA adjusted</b>		<b>3.9x</b>	<b>4.9x</b>	<b>3.8x</b>	<b>3.0x</b>
EV/EBIT		4.3x	5.5x	4.3x	3.3x
<b>EV/EBIT adjusted</b>		<b>4.3x</b>	<b>5.5x</b>	<b>4.3x</b>	<b>3.3x</b>
P/E		5.8x	7.7x	6.8x	6.2x
<b>P/E adjusted</b>		<b>5.8x</b>	<b>7.7x</b>	<b>6.8x</b>	<b>6.2x</b>
ROCE pre-tax		55.7%	37.1%	37.5%	37.5%
<b>ROE</b>		<b>28.2%</b>	<b>22.4%</b>	<b>20.4%</b>	<b>18.3%</b>
EV/FCF			12.9x	7.3x	6.1x
<b>FCF yield</b>			<b>6.8%</b>	<b>10.6%</b>	<b>11.0%</b>
<b>Dividend yield</b>		<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

### Share price performance

Healthy performance from IPO price...



### Valuation

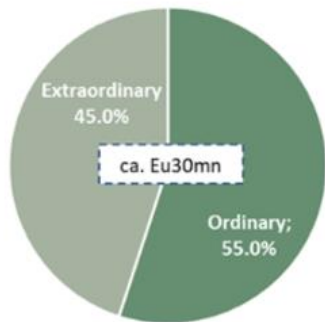
...but still trading at discount vs peers

n.m.

## Key Charts

### Sales breakdown by business (FY22A, %)

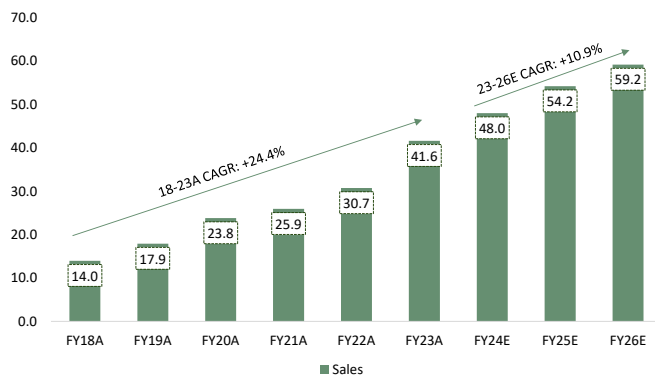
ESF sales are well-balanced between ordinary and extraordinary works



Source: Company data, Alantra

### Net sales evolution (FY18A-FY26E, Eumn)

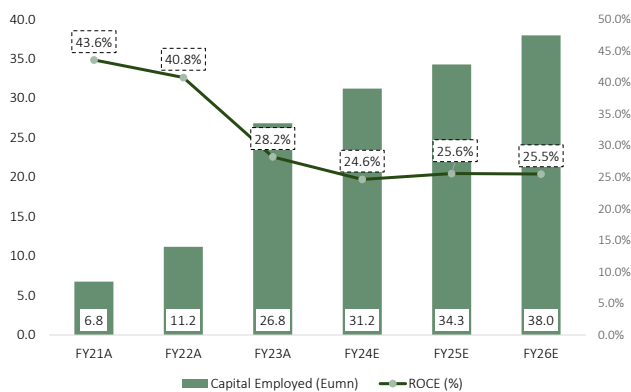
We expect ESF to experience a net sales CAGR 23-26E of 10.9%



Source: Company data, Alantra

### ROCE and capital employed (FY21A-FY26E, Eumn, %)

We expect an attractive level of ROCE (25% on average)



Source: Company data, Alantra

### Nationwide presence (FY22A, %)

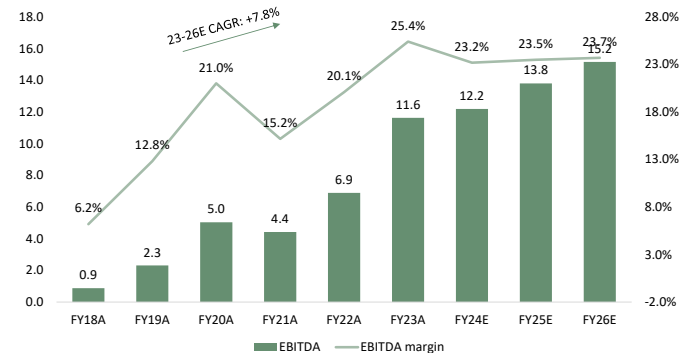
Nationwide presence with revenues concentration in Campania (c. 60% in FY22)



Source: Company data, Alantra

### EBITDA and EBITDA margin (FY18A-FY26E, Eumn, %)

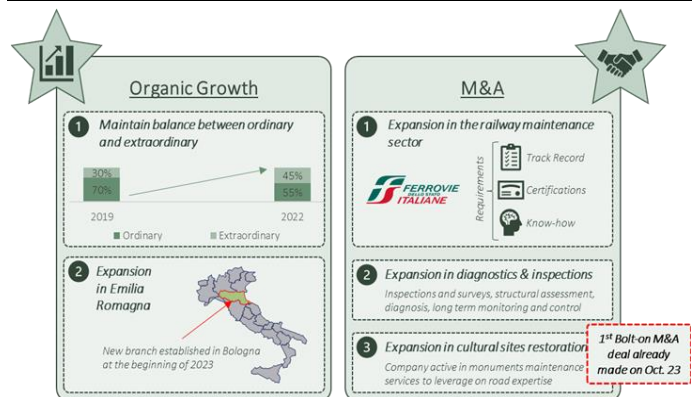
EBITDA is expected to reach Eu14.6mn/23.7% margin by FY26E



Source: Company data, Alantra

### A mix of strategy made by organic/inorganic growth

ESF should maintain a similar of organic and inorganic growth



Source: Company data, Alantra

## Profile

### Background

With 40+ years of activity, Edil San Felice (ESF) provides a complete offer of infrastructure services of ordinary and extraordinary maintenance works primarily to highways and airports. These services include among others, the supply and installation of safety barriers, road signs damage repair, joints substitution, etc. While the ordinary maintenance gives a solid and reoccurring base of revenues (services related to preserve and keep proper highways condition) with high visibility (contracts last up to 40 months), the extraordinary service requires a high degree of specialization and adds scalability, operating efficiencies, and margins' expansion (intervention of repairing, replacing or rehabilitating parts of highways, viaducts and bridges). By leveraging on over 200 specialized workers and 150 vehicles, ESF takes full control over the entire project value chain without making use of any subcontractor. With Eu34.3mn revenues in FY22 (45% extraordinary/55% ordinary works; 24% CAGR 19-22A) the group has built an established track record (zero penalty and delays) in Campania (62% of sales) and is successfully expanding across other 9 regions (38% of FY22 sales). On top of that, the group has entered in the restoration of cultural heritages with a recent bolt-on acquisition. Based in Nola (NA) with a new production unit in Bologna, ESF is 100% owned by Lorenzo di Palma (CEO).

### Positioning

Among Italian maintenance specialists, ESF is the second largest player by revenues (after AVR, which is mainly active in environmental and waste services) and with the highest EBIT margin (20.2% in FY22) among the top 5 players by sales. While extraordinary maintenance is scalable across regions, ordinary specialists are often presiding one specific region, thus entry barriers are higher. We believe that ESF is successfully expanding into new regions (e.g. Emilia Romagna) due to its competitive positioning that relies on its: 1) integrated business model, allowing to provide maintenance services without relying on sub-contractors; 2) full-service capabilities with diversification in both ordinary and extraordinary maintenance, covering all the needs of infrastructure preservation; and 3) long and established track-record in the field (first operator in Campania with strong ties with Autostrade per l'Italia). We believe that the competitive positioning of ESF is well summarized by its superior level of ROCE of 40.8% in FY22, well above the average of the top 5 players.

### Growth

We believe that ESF should continue to grow in revenue outside the Campania region. We expect sales to increase by +10.9% CAGR 23-26E. EBITDA should increase from Eu11.6mn in FY23 to Eu14.6mn and reaching 23.7% margin in FY26E (above average FY18-23A of 17%) thanks to: 1) internalization of carpentry process 2) higher operating leverage; 3) logistic efficiency; and 4) gradual shift from leasing to proprietary fleet of specialized vehicles.

### Strategy

We believe that ESF main strategic pillars are: 1) maintaining a balanced mix of revenues between ordinary/extraordinary works to benefit from higher visibility and profitability, respectively; 2) Continue to expand into new regions in Italy (e.g. increasing awarded contracts in Emilia Romagna); 3) additional growth also through M&A. Indeed, organic growth should be accompanied by several M&A optionality like in: 1) railway maintenance; 2) diagnostics and inspections; 3) restoration of cultural heritage sites (first bolt-on acquisition already completed in October 23). Moreover, the group has also acquired a new plant to internalize carpentry and assembly works of safety barriers (one of the core activities).

#### Strengths

Established activity in full-service maintenance to highways  
Subcontract-free approach  
Strong track-record with zero claims and delays

#### Weaknesses

High concentration of clients  
Limited presence outside the Campania region  
Dependency on few key people

#### Opportunities

Old infrastructure and highways in Italy with high needs of maintenance  
Growth outside Campania region  
Vertical & horizontal integration through M&A

#### Threats

Price pressure from commissioners might dent profitability  
Internalization of ordinary maintenance from commissioners  
Increase competition when entering into a new region

#### Key shareholders

The Sight Srl - 75.87%  
Invitalia - 7.19%  
Indépendance AM - 5.54%  
Market - 11.4%

#### Management

Lorenzo Di Palma - CEO  
Carmelo Intrisano - Chairman  
Vincenzo Di Pietro - CFO  
Marika Sgritto - IR

#### Next events

Shareholding meeting: 29/04/2024  
1H24 results: 27/09/2024

## 2H/FY23 Results

### FY23 results

VoP soared to Eu45.8mn with backlog exceeding Eu80mn. Record EBITDA margin to 25.4%.

Eu mn				Alantra					Alantra	
	2H22A	2H23A	YoY%	2H23E	AvE	FY22A	FY23A	YoY%	FY23E	AvE
<b>Value of Production</b>	<b>18.7</b>	<b>24.3</b>	<b>30%</b>	<b>23.6</b>	<b>3%</b>	<b>34.3</b>	<b>45.8</b>	<b>34%</b>	<b>45.1</b>	<b>2%</b>
<b>EBITDA</b>	<b>4.3</b>	<b>6.2</b>	<b>44%</b>	<b>4.5</b>	<b>37%</b>	<b>6.9</b>	<b>11.6</b>	<b>69%</b>	<b>9.9</b>	<b>17%</b>
<i>Ebitda Margin %</i>	23.1%	25.6%		19.2%		20.1%	25.4%		22.1%	
<b>EBIT</b>	<b>4.1</b>	<b>5.5</b>	<b>36%</b>	<b>4.1</b>	<b>36%</b>	<b>6.4</b>	<b>10.6</b>	<b>66%</b>	<b>9.1</b>	<b>16%</b>
<i>Ebit Margin %</i>	21.8%	22.7%		17.2%		18.6%	23.1%		20.3%	
<b>Net Profit</b>	<b>2.9</b>	<b>4.3</b>	<b>52%</b>	<b>2.8</b>	<b>53%</b>	<b>4.8</b>	<b>8.5</b>	<b>79%</b>	<b>7.0</b>	<b>22%</b>
<i>Net Profit Margin %</i>	15.3%	17.8%		12.0%		13.9%	18.6%		15.5%	
<b>NFP end of the period</b>	<b>2.1</b>	<b>5.1</b>		<b>13.3</b>		<b>2.1</b>	<b>5.1</b>		<b>13.3</b>	

Source: Company data and Alantra estimates

## Change in estimates

### Estimates upgrade

We mainly increased FY24-25E Net Profit due to a more favourable taxation regime. EBITDA fine-tuned up by 5% on average FY24-25E

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Total Revenues	52.6	58.8	64.0	0.0%	1.8%	na	52.6	57.7	na
EBITDA Adjusted	12.2	13.8	15.2	4.2%	6.2%	na	11.7	13.0	na
EBIT Adjusted	10.8	12.3	13.5	3.1%	5.2%	na	10.4	11.7	na
Pretax Profit	10.6	12.1	13.3	3.1%	5.2%	na	10.3	11.5	na
Net profit	8.7	10.0	10.9	9.0%	11.2%	na	8.0	9.0	na
Net profit restated	8.7	10.0	10.9	9.0%	11.2%	na	8.0	9.0	na
EPS	0.454	0.518	0.568	9.0%	11.2%	na	0.416	0.466	na
Net financial position	9.7	16.8	24.2	-8.6	-8.0	na	18.3	24.8	na

Source: Company data and Alantra estimates

## Peers

### Financials- ESF versus selected peers

ESF is expected to deliver higher profitability across the board with more attractive growth rates

Company	Country	Mkt Cap (Eu mn)	FY24E - FY26E average margins					CAGR FY23A - FY26E		
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT
ESF	ITALY	64	23.5%	20.8%	16.9%	4.4%	0.0%	11.8%	9.2%	8.5%
Reway Group SpA	ITALY	155	21.1%	17.0%	7.8%	3.1%	na	na	na	na
Salcef Group S.p.A	ITALY	1,410	19.5%	13.5%	9.4%	6.4%	45.4%	12.3%	11.9%	16.7%
Peab AB Class B	SWEDEN	1,522	6.6%	3.8%	2.6%	2.2%	53.9%	0.0%	-1.2%	5.8%
Vestum AB	SWEDEN	292	14.6%	5.9%	1.6%	1.2%	0.0%	-0.9%	3.6%	12.9%
Railcare Group AB	SWEDEN	54	20.4%	12.3%	8.5%	10.4%	na	13.6%	15.6%	14.8%
PEERS Infrastructure services & construction	Average		15.5%	10.0%	5.4%	3.2%	33.1%	3.8%	4.8%	11.8%
	Median		19.5%	12.3%	7.8%	3.1%	45.4%	6.1%	7.8%	13.9%

Source: Factset, Alantra

### Trading multiples

ESF is trading at severe discount vs peers (52% discount on EV/EBIT FY24E)

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
ESF	ITALY	64	1.1 x	0.9 x	0.7 x	4.9 x	3.8 x	3.0 x	5.5 x	4.3 x	3.3 x	7.7 x	6.8 x	6.2 x
<i>Premium (discount) to Peers' Median</i>			1%	-1%	-12%	-24%	-31%	-43%	-52%	-56%	-66%	-36%	-35%	-38%
PEERS	Average		1.0 x	0.9 x	0.8 x	6.8 x	6.0 x	5.6 x	12.0 x	10.4 x	9.9 x	12.7 x	11.0 x	9.7 x
	Median		1.1 x	0.9 x	0.8 x	6.4 x	5.5 x	5.3 x	11.3 x	9.8 x	9.8 x	12.0 x	10.4 x	9.9 x
Reway Group SpA	ITALY	144	1.1 x	0.9 x	na	5.3 x	4.2 x	na	6.7 x	5.2 x	na	12.0 x	9.9 x	8.6 x
Salcef Group S.p.A	ITALY	1,410	1.5 x	1.3 x	1.1 x	7.6 x	6.8 x	5.7 x	11.3 x	9.8 x	8.1 x	15.9 x	14.1 x	12.3 x
Peab AB Class B	SWEDEN	1,522	0.6 x	0.6 x	0.5 x	8.8 x	8.4 x	7.7 x	15.5 x	14.7 x	13.0 x	14.3 x	12.6 x	11.3 x
Vestum AB	SWEDEN	292	0.9 x	0.8 x	0.7 x	6.4 x	5.5 x	4.8 x	16.7 x	13.7 x	11.6 x	9.5 x	7.9 x	6.6 x
Railcare Group AB	SWEDEN	54	1.2 x	1.0 x	0.9 x	5.8 x	5.2 x	4.2 x	9.9 x	8.6 x	7.1 x	11.8 x	10.4 x	na
PEERS Infrastructure services & construction	Average		1.0 x	0.9 x	0.8 x	6.8 x	6.0 x	5.6 x	12.0 x	10.4 x	9.9 x	12.7 x	11.0 x	9.7 x
	Median		1.1 x	0.9 x	0.8 x	6.4 x	5.5 x	5.3 x	11.3 x	9.8 x	9.8 x	12.0 x	10.4 x	9.9 x

Source: Factset, Alantra

### Performance

ESF share price has underperformed its peers in the last 6M

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
ESF	ITALY	64	-2.1%	20.4%	29.4%	na	na	na
PEERS	Average		6.8%	13.4%	45.3%	19.5%	48.7%	64.1%
	Median		8.4%	19.4%	37.6%	27.2%	42.4%	68.8%
Reway Group SpA	ITALY	155	10.1%	6.7%	28.0%	52.4%	na	na
Salcef Group S.p.A	ITALY	1,410	-1.5%	-4.4%	2.5%	5.4%	73.2%	133.2%
Peab AB Class B	SWEDEN	1,522	18.9%	21.6%	51.8%	27.2%	-37.7%	-14.3%
Vestum AB	SWEDEN	292	-1.9%	23.7%	106.5%	-28.6%	147.6%	43.5%
Railcare Group AB	SWEDEN	54	8.4%	19.4%	37.6%	41.0%	11.7%	94.0%
PEERS Infrastructure services & construction	Average		6.8%	13.4%	45.3%	19.5%	48.7%	64.1%
	Median		8.4%	19.4%	37.6%	27.2%	42.4%	68.8%

Source: Factset, Alantra



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