

Altea Green Power

A Play on BESS Storage Market

2023 has been characterised by the strong acceleration of BESS projects' development, both in Italy and abroad (US), with the pipeline growing to 3GW and 2GW in the respective regions. FY23 results do not yet reflect this growth prospect on the revenue line, though showing the first improvement in margin (largely driven by strong 1H23). NFP worsened slightly due to the strong pipeline build-up. 2024 guidance and 2024-28 BP targets confirmed.

Strong BESS pipeline to be developed

FY23 results were better than our expectations, both on revenue and profitability margin, which showed a less pronounced deceleration in 2H23 vs. strong 1H23. Company has added a significant pipeline in BESS (Battery Energy Storage System) projects that will be developed over the next 4/5 years, raising visibility of forward revenue and cash flows, that will ultimately be reinvested in own infrastructural photovoltaic plants (90MW installed capacity's first part construction is expected to start in 2025, according to company BP).

Outlook and estimates' revision

Company has pointed at further growth prospects thanks to the strong BESS pipeline and a larger contribution from the Energy Efficiency Business Unit already visible in 2H23, both for residential and industrial clients. Recent signing of a co-development agreement for 9 BESS projects in Italy leads us to revise 2024E revenue and EBITDA estimates by 7% and 8%, respectively.

New TP EUR 11.2

Following our estimates' revision and using our revisited WACC assumptions (8.6% vs 9.1% previously), our DCF model points at a **new TP of EUR 11.2** (from EUR 10.1). The implied potential upside of our new TP is more than 40% above the current market price. **BUY rating confirmed.**

Altea Green Power – Key data

Y/E Dec (EUR M)	2022A	2023A	2024E	2025E	2026E
Revenues	16.75	17.33	30.52	42.84	50.22
EBITDA	6.28	7.26	18.34	26.35	31.38
EBIT	6.06	7.10	18.28	26.29	31.15
Net income	4.17	4.92	12.49	17.94	21.26
Adj. EPS (EUR)	0.24	0.28	0.72	1.04	1.23
Net debt/-cash	-0.86	4.38	-4.21	-6.64	-18.75
Adj P/E (x)	9.4	13.3	10.9	7.6	6.4
EV/EBITDA (x)	6.3	9.0	7.4	5.2	4.3
EV/EBIT (x)	6.5	9.2	7.5	5.2	4.4
Div ord yield (%)	0	0	0	0	15.6
FCF Yield (%)	-9.0	-6.4	6.3	2.5	10.3

Source: Company data and Intesa Sanpaolo Research estimates. Priced at 28/03/2024

3 April 2024: 10:19 CET

Date and time of production

BUY

Target Price: EUR 11.2
(from EUR 10.1)

Italy/Multi-Utilities

Company Results

EGM

Altea Green Power - Key Data

Price date (market close)	28/03/2024
Target price (€)	11.2
Target upside (%)	42.13
Market price (€)	7.88
Market cap (EUR M)	136.43
52Wk range (€)	9.28/2.93

EPS – DPS changes

(€)	2024E	2025E	2024	2025
	EPS ▲	EPS ▲	chg%	chg%
Curr.	0.721	1.036	9.43	3.36
Prev.	0.659	1.002	-	-
	DPS =	DPS =	chg%	chg%
Prev.	0.000	0.000	-	-

Price Perf. (RIC: AGP.MI BB: AGP IM)



Source: FactSet and Intesa Sanpaolo Research estimates

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Solid FY23 Results

Altea Green Power reported FY23 results, which were better than our estimates both on the revenue and EBITDA line, with 2H23 deceleration vs strong 1H23 less pronounced than expected. The key points of results were:

2H23 better than our estimates on revenue and margin, albeit decelerating vs 1H23

- **FY23 revenue rose by +3.5% yoy to EUR 17.3M vs. EUR 16.7M in FY22**, with 2H23 revenue slowing by -22% yoy to EUR 7.2M, albeit better than our EUR 6.7M estimate, as the company has been highly concentrated on the development of new projects on the Storage sites to make them marketable;
- **FY23 EBITDA rose by +18% yoy to EUR 7.3M vs. EUR 6.2M in FY22**, with a corresponding margin of 42% (vs. 37% in FY22), thanks to the greater weight in the economic progress of BESS projects, characterised by significantly higher margins, compared to photovoltaic and wind projects;
- **FY23 EBIT rose by 17% yoy to EUR 7.1M vs. EUR 6.1M in FY22**, with a margin of 41% vs. 36% in FY22;
- **FY23 net income rose by 16% yoy to EUR 4.9M vs. EUR 4.2M in the previous year;**
- **NFP at YE23 was EUR 4.4M debt vs. EUR 0.1M net cash at YE22** (EUR 0.9M if adjusted for IFRS 16), primarily due to the increased size of the photovoltaic and 3GW storage pipeline to develop. (Without the application of IFRS 16, adopted for the first time in 2023, NFP at the end of 2023 would have been equal to EUR 3.6M debt).

Altea Green Power – FY23 results

EUR M	1H 22A	2H22A	FY22A	1H23A	2H23A	2H23E	A/E (%)	2H yoy	FY23A	FY23E	FY yoy %
Revenue	7.5	9.3	16.7	10.1	7.2	6.7	8.0	-22.2	17.3	16.8	3.5
EBITDA	1.8	4.5	6.2	5.2	2.1	1.9	13.9	-52.4	7.3	7.0	18
EBITDA margin %	23.7	48.1	37	51.4	29.4	27.9			42.2	42.0	
EBIT	1.7	4.4	6.1	5.1	2.0	1.7	15.8	-54.1	7.1	6.8	17
EBIT Margin %	22.6	47.2	36	50.6	27.8	25.9			41.0	40.7	
Net income	1.2	3.0	4.2	3.5	1.4	1.2	20.1	-52.8	4.9	4.7	16.3
Net debt/(-cash)	-0.8		*-0.1	1.4					4.4	3.5	

A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research; * Pre-IFRS 16

Taking a closer look at operating performance we can observe that EBITDA margin improvement (> 500bps to 42.2% vs 37% in FY22) has been achieved thanks through all cost items' containment except the Personnel cost, which rose in absolute terms to EUR 1.5M in FY23 (vs EUR 1.2M in FY22) with an incidence on sales rising to 8.6% (vs 6.9% in FY22).

Margin expanded by over 500bps thanks to strong costs' containment

Altea Green Power – FY22-23 costs' analysis

EUR M	FY22A	FY23A	Change (%)
Cost of services	7.2	7.1	-1
Personnel Cost	1.2	1.5	29
Cost of goods sold	0.7	0.5	-26
Rental Cost	0.1	0.0	-32
Other costs	1.4	0.9	-35
Weighting on revenue	%		
Cost of services	42.9	41.2	
Personnel Cost	6.9	8.6	
Cost of goods sold	3.9	2.8	
Rental Cost	0.4	0.3	
Other costs	8.3	5.2	

A: actual; Source: Intesa Sanpaolo Research elaboration on Company data

We tried to have the first benchmarking assessment of Altea Personnel cost's development by doing a comparison with Redelfi's recent absolute and relative on sales evolution:

Altea Green Power vs Redelfi FY2022-23 personnel cost's evolution

Altea	FY22A	FY23A	Change (%) Redelfi	FY22A	FY23A	Change (%)	
Revenue	16.7	17.3	3.5	Revenue	4.5	10.9	141
Personnel Cost	1.2	1.5	28.5	Personnel Cost	1	1.4	46
Incidence on Revenue	6.9	8.6		Incidence on Revenue	21.9	13.3	

A: actual; Source: Intesa Sanpaolo Research elaboration on Company data

Outlook and estimates' revision

2024 guidance and 2028 targets of the 2024-28 BP presented at the beginning of the year have been confirmed, with 2024 guidance including:

- Value of Production: EUR 28-31M
- EBITDA: EUR 17-19M
- EBITDA margin: around 60%
- NFP: cash positive ~ EUR 5M

2028 Targets

- Value of Production: EUR 60-67M
- EBITDA: EUR 37-43M
- EBITDA margin: above 60%
- NFP: cash positive ~ EUR 48M

As regards to Energy Efficiency activities, thanks to the relaunch of 2023 activity, management expects a strong consolidation of the current trend in 2024.

In March the company has signed a co-development agreement for 9 BESS projects in Italy with an American institutional investor for a total installed capacity of over 1.1GW, which will be developed over the next three and half years.

The value of the agreement is over EUR 68M, plus a success fee of EUR 15M, depending on the achievement of operational KPIs. An initial instalment of EUR 5.5M will be paid at the signing of the agreement, and an additional EUR 10.M over 2024, with the balance spread over the contract period. The contract's terms imply a project EBITDA margin higher than what had been communicated in the new 2024-26 Business Plan presented in January.

Following FY23 results, taking into consideration the company's outlook and the recent significant co-development agreement, we take the opportunity to revisit our 2024-25E revenue and EBITDA estimates as follows, while introducing our first 2026E explicit estimates:

- We increase 2024E revenue estimate by 7.2% to EUR 30.5M close to high end of the company's guidance, while leaving 2025E largely unchanged;
- We raise 2024E EBITDA estimate by 8.3% to EUR 18.3, with corresponding margin of 60.1%, bang in line with the guidance.

Agreement signed in March for 9 BESS projects in Italy

Altea Green Power – 2024-26E estimates' revision

EUR M	FY24E			Change (%)	FY25E			Change (%)	FY26E
	Old	New			Old	New			
Revenue	28.5	30.5	7.2	42.3	42.8	1.2		50	
EBITDA	16.9	18.3	8.3	25.8	26.3	2.3		31.4	
EBITDA margin %	59.4	60.1	1.1	60.8	61.5	1.1		62.5	
EBIT	16.6	18.3	10.0	25.3	26	3.8		31	
EBIT Margin %	58	60	2.7	60	61	2.6		62	
Net income	11.3	12.5	10.2	17.3	17.9	4.0		21.3	
Net debt	-4.4	-4.2	-3.9	-2.2	-6.6	NM		-19	

E: estimates; Source: Intesa Sanpaolo Research

Valuation

We value Altea Green Power using a DCF model with a WACC of 8.6% (vs. previous 9.1%), calculated on:

- 4.0% risk-free rate (vs previous 4.5%);
- 6.5% equity risk premium (unchanged);
- Gearing of 0%, assuming that the company will be cash positive by the end of 2025;
- Gross cost of debt of 3.9%.

Altea Green Power – WACC %

	2024
Gross Debt Rate	3.9
Tax rate	24
Net Debt Rate	3.0
Beta Levered	0.7
Gearing	0.0
Beta Re-Levered	0.7
Risk Free Rate	4.00
Equity Risk Premium	6.50
Cost of equity	8.6
WACC	8.6

Source: Intesa Sanpaolo Research estimates

We incorporate our new 2024-26E forecasts, while for the long term we assume a 0% growth. As usual, capex equals depreciation. To calculate the equity value, we deduct the FY23 net financial position. Considering the valuation reached, we adopt a fully diluted valuation approach, assuming that current existing warrants (equal to 1,856,988) will be fully exercised at EUR 1.60/new share per every 2 warrants (i.e. the conditions of the first available conversion period, 1-15 December 2024). We calculate a **new target price of EUR 11.2**.

Altea Green Power – DCF valuation

EUR M	2024E	2025E	2026E	2027E	2028E	LT
EBIT	18.3	26.3	31.2	33.9	36.1	32.0
Tax	-5.8	-8.4	-9.9	-10.8	-11.5	-9.0
Depreciation	0.1	0.1	0.2	0.3	1.3	0.0
NOPAT	12.5	18.0	21.5	23.4	25.9	23.0
WC	-2.7	-13.8	-7.4	-5.2	-5.1	
Capex	-1.2	-1.7	-2.0	-12.0	-14.0	
FCF	8.6	2.4	12.1	6.2	6.8	23.0
Discounted FCF	8.6	2.2	10.3	4.8	4.9	15.2
WACC (%)	8.6					
TV growth (%)	0.0					
Sum	30.8					
TV	175.8					
EV	206.6					
Debt 2023A	4.4					
Equity	202.2					
Shares (M)	17.3					
Warrants (M)	1.9					
Strike price (EUR/sh)	1.6					
Target price (EUR/share)	11.2					

E: estimates; Source: Intesa Sanpaolo Research

As a point of reference, we highlight the current trading 2024 and 2025 EV/EBITDA and EV/Revenue multiples that Altea Green Power is trading at vs its listed domestic peers, with one specific focus on Discount/Premium vs Redelfi, the main competitor in the BESS Italian market.

Altea Green Power 2024-25 EV/Revenue and EV/ EBITDA multiples vs domestic peers

	Last_price	EV/EBITDA 2024	EV/EBITDA 2025	EV/Revenue 2024	EV/Revenue 2025
ESI SpA	2.03	6.8	3.7	0.4	0.3
Comal SPA	3.75	5.9	4.8	0.7	0.5
Redelfi SPA	5.78	8.2	3.7	3.0	2.1
Average		7.0	4.1	1.4	1.0
Altea Green Power SpA	7.64	7.1	4.9	4.3	3.0
Premium/Discount (vs Average) %		1	20	213	214
Premium/Discount (vs Redelfi Spa) %		-14	31	41	47

Source: Intesa Sanpaolo Research elaboration on Bloomberg. Price as of 02/04/2024

Altea Green Power 2023-25 Revenue growth vs domestic peers

EUR M	2023A	2024E	2025E	CAGR 2023-2025 (%)
ESI Spa	17	40	50	71
Comal Spa	81	102	129	26
Redelfi Spa	11	18	27	56
Average				51
Altea Green Power SpA	17	31	43	57

Source: Intesa Sanpaolo Research elaboration on Bloomberg

Altea Green Power 2023-25 EBITDA margin vs domestic peers

%	2023A	2024E	2025E
ESI Spa	-9	6	8
Comal Spa	12	11	11
Redelfi Spa	46	37	55
Average	16	18	25
Altea	42	60	61

Source: Intesa Sanpaolo Research elaboration on Bloomberg

Valuation and Key Risks

Valuation basis

We value Altea Green Power using a DCF model with a WACC of 8.6% (vs previous 9.1%), calculated on 4.0% risk-free rate (vs previous 4.5%), 6.5% equity risk premium (unchanged), gearing of 0%, assuming that the company will be cash positive by the end of 2025

Key Risks

Company specific risks:

- An intermittent orders' collection
- High clients' concentration

Sector generic risks:

- Lengthening of authorisation process

Company Snapshot

Company Description

Altea Green Power S.p.A. operates as renewable energy project development company. The Company provides assistance during all phases of design, construction, maintenance and management of photovoltaic, wind and cogeneration, battery energy storage systems.

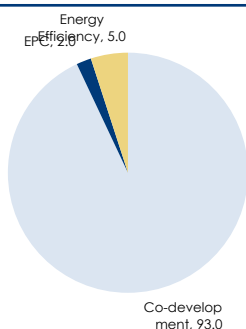
Key data

Mkt price (€)	7.88	Free float (%)	30.7
No. of shares	17.31	Major shr	Dxor S.r.l.
52Wk range (€)	9.28/2.93	(%)	63.1
Reuters	AGP.MI	Bloomberg	AGP IM
Performance (%)	Absolute	Rel. FTSE Italia	Growth
-1M	-5.7	-1M	-6.4
-3M	10.4	-3M	13.4
-12M	181.4	-12M	200.1

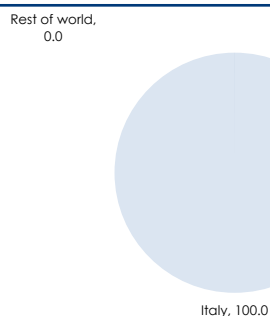
Estimates vs. consensus

EUR M (Y/E Dec)	2023A	2024E	2024C	2025E	2025C	2026E	2026C
Sales	17.33	30.52	19.99	42.84	27.16	50.22	31.00
EBITDA	7.26	18.34	17.86	26.35	27.01	31.38	33.75
EBIT	7.10	18.28	17.56	26.29	26.62	31.15	33.35
Pre-tax income	6.87	18.28	17.43	26.29	26.44	31.15	32.90
Net income	4.92	12.49	12.08	17.94	18.31	21.26	23.00
Adj. EPS (€)	0.28	0.72	0.66	1.04	1.00	1.23	NA

Sales breakdown by segment (%)



Sales breakdown by geography (%)



Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 28/03/2024)

Altea Green Power – Key Data

Rating BUY	Target price (€/sh) Ord 11.2		Mkt price (€/sh) Ord 7.88			Sector Multi-Utilities
Values per share (EUR)	2021A	2022A	2023A	2024E	2025E	2026E
No. ordinary shares (M)	17.31	17.31	17.31	17.31	17.31	17.31
Total no. of shares (M)	17.31	17.31	17.31	17.31	17.31	17.31
Market cap (EUR M)	NA	39.29	65.25	136.43	136.43	136.43
Adj. EPS	0.07	0.24	0.28	0.72	1.04	1.23
BVPS	0.11	0.68	1.0	1.7	2.8	4.0
Dividend ord	0	0	0	0	0	1.23
Dividend SAV Nc	NA	NA	NA	NA	1.00	2.00
Income statement (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Revenues	6.22	16.75	17.33	30.52	42.84	50.22
EBITDA	2.13	6.28	7.26	18.34	26.35	31.38
EBIT	2.10	6.06	7.10	18.28	26.29	31.15
Pre-tax income	1.73	6.00	6.87	18.28	26.29	31.15
Net income	1.16	4.17	4.92	12.49	17.94	21.26
Adj. net income	1.16	4.17	4.92	12.49	17.94	21.26
Cash flow (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Net income before minorities	1.2	4.2	4.9	12.5	17.9	21.3
Depreciation and provisions	0.0	0.2	0.2	0.1	0.1	0.2
Others/Uses of funds	2.8	5.1	0.8	0	0	0
Change in working capital	2.1	-12.3	-8.4	-2.7	-13.8	-7.4
Operating cash flow	6.1	-2.8	-2.5	9.8	4.1	14.1
Capital expenditure	0.2	-0.7	-1.7	-1.2	-0.7	-0.0
Financial investments	0	0	0	0	0	0
Acquisitions and disposals	0	0	0	0	0	0
Free cash flow	6.3	-3.5	-4.2	8.6	3.4	14.1
Dividends	0	0	0	0	0	0
Equity changes & Non-op items	0	5.5	-1.0	0	0	0
Net change in cash	6.3	2.0	-5.2	8.6	3.4	14.1
Balance sheet (EUR M)	2021A	2022A	2023A	2024E	2025E	2026E
Net capital employed	3.0	10.8	19.9	23.8	39.3	48.5
of which associates	0	0	0	0	0	0
Net debt/-cash	1.0	-0.9	4.4	-4.2	-6.6	-18.7
Minorities	0	0	0	0	0	0
Net equity	2.0	11.7	17.4	29.9	47.8	69.1
Minorities value	0	0	0	0	0	0
Enterprise value	NA	39.3	65.2	136.4	136.4	136.4
Stock market ratios (x)	2021A	2022A	2023A	2024E	2025E	2026E
Adj. P/E	NA	9.4	13.3	10.9	7.6	6.4
P/CFPS	NA	9.0	12.9	10.9	7.6	6.3
P/BVPS	NA	3.4	3.7	4.6	2.9	2.0
Payout (%)	0	0	0	0	0	100
Dividend yield (% ord)	NA	0	0	0	0	15.6
FCF yield (%)	NA	-9.0	-6.4	6.3	2.5	10.3
EV/sales	NA	2.3	3.8	4.5	3.2	2.7
EV/EBITDA	NA	6.3	9.0	7.4	5.2	4.3
EV/EBIT	NA	6.5	9.2	7.5	5.2	4.4
EV/CE	NA	3.6	3.3	5.7	3.5	2.8
D/EBITDA	0.47	Neg.	0.60	Neg.	Neg.	Neg.
D/EBIT	0.48	Neg.	0.62	Neg.	Neg.	Neg.
Profitability & financial ratios (%)	2021A	2022A	2023A	2024E	2025E	2026E
EBITDA margin	34.3	37.5	41.9	60.1	61.5	62.5
EBIT margin	33.8	36.2	41.0	59.9	61.4	62.0
Tax rate	33.1	30.6	28.4	31.7	31.8	31.7
Net income margin	18.6	24.9	28.4	40.9	41.9	42.3
ROCE	70.5	55.9	35.7	76.8	66.9	64.3
ROE	83.8	60.9	33.8	52.8	46.2	36.4
Interest cover	5.7	101.0	30.6	15,237.1	21,911.8	25,959.7
Debt/equity ratio	51.1	Neg.	25.1	Neg.	Neg.	Neg.
Growth (%)		2022A	2023A	2024E	2025E	2026E
Sales		NM	3.5	76.1	40.4	17.2
EBITDA		NM	15.6	NM	43.6	19.1
EBIT		NM	17.2	NM	43.8	18.5
Pre-tax income		NM	14.5	NM	43.8	18.5
Net income		NM	18.1	NM	43.7	18.5
Adj. net income		NM	18.1	NM	43.7	18.5

NM: not meaningful; NA: not available; Neg.: negative; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

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Our Mid Corporate Definition

Italy is characterised by a large number of non-listed and listed micro, small and medium-sized companies. Looking at the revenues of these Italian companies, around 5,000 companies eligible for listing have revenues below EUR 1,500M based on Intesa Sanpaolo elaborations. We define these companies as 'Mid Corporate'. Looking more specifically at Italian listed companies, we include in our Mid Corporate segment all STAR companies and those with a market capitalisation of around EUR 1Bn.

Equity Research Publications in Last 12M

The list of all recommendations on any financial instrument or issuer produced by Intesa Sanpaolo Research Department and distributed during the preceding 12-month period is available on the Intesa Sanpaolo website at the following address:

<https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/archive-of-intesa-sanpaolo-group-s-conflicts-of-interest0>

Valuation methodology (long-term horizon: 12M)

The Intesa Sanpaolo SpA Equity Research Department values the companies for which it assigns recommendations as follows:

We obtain a fair value using a number of valuation methodologies including: discounted cash flow method (DCF), dividend discount model (DDM), embedded value methodology, return on allocated capital, break-up value, asset-based valuation method, sum-of-the-parts, and multiples-based models (for example PE, P/BV, PCF, EV/Sales, EV/EBITDA, EV/EBIT, etc.). The financial analysts use the above valuation methods alternatively and/or jointly at their discretion. The assigned target price may differ from the fair value, as it also takes into account overall market/sector conditions, corporate/market events, and corporate specifics (ie, holding discounts) reasonably considered to be possible drivers of the company's share price performance. These factors may also be assessed using the methodologies indicated above.

Equity rating key: (long-term horizon: 12M)

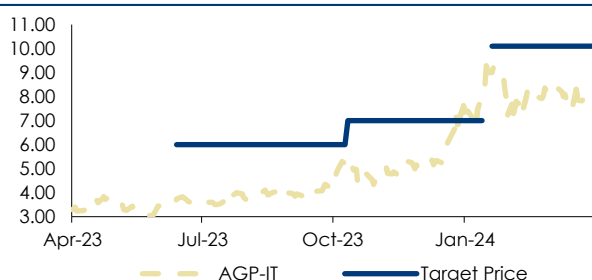
In its recommendations, Intesa Sanpaolo SpA uses an "absolute" rating system, whose key is reported below:

Equity Rating Key (long-term horizon: 12M)

Long-term rating	Definition
BUY	If the target price is 10% higher than the market price.
HOLD	If the target price is in a range 10% below or 10% above the market price.
SELL	If the target price is 10% lower than the market price.
RATING SUSPENDED	The investment rating and target price for this stock have been suspended as there is not a sufficient fundamental basis to determine an investment rating or target price. The previous investment rating and target price, if any, are no longer in effect for this stock.
NO RATING	The company is or may be covered by the Research Department but no rating or target price is assigned either voluntarily or to comply with applicable regulations and/or firm policies in certain circumstances.
TENDER SHARES	We advise investors to tender the shares to the offer.
TARGET PRICE	The market price that the analyst believes the share may reach within a 12M time horizon.
MARKET PRICE	Closing price on the day before the issue date of the report, as indicated on the first page, except where otherwise indicated.
Note	Intesa Sanpaolo assigns ratings to stocks on a 12M horizon based on a number of fundamental drivers including, among others, updates to earnings and/or valuation models; short-term price movements alone do not imply a reassessment of the rating by the analyst.

Historical recommendations and target price trends (long-term horizon: 12M)

The 12M rating and target price history chart(s) for the companies currently under our coverage can also be found at Intesa Sanpaolo's website/Research/Regulatory disclosures: <https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/tp-and-rating-history-12-months->. Intesa Sanpaolo changed its long-term 12M horizon rating key on 3 April 2023; please refer to the ISP Equity Rating Reconciliation Table for further details at the following link: <https://group.intesasanpaolo.com/it/research/equity-credit-research>.

Altea Green Power:**Target price and market price trend (-1Y)****Historical recommendations and target price trend (-1Y)**

Date	Rating	TP (EUR)	Mkt Price (EUR)
22-Jan-24	BUY	10.1	9.0
16-Jan-24	Under Review	Under Review	8.0
13-Oct-23	BUY	7.0	5.4
15-Jun-23	BUY	6.0	3.7

Equity rating allocations (long-term horizon: 12M)**Intesa Sanpaolo Research Rating Distribution (at January 2024)**

Number of companies considered: 146	BUY	HOLD	SELL
Total Equity Research Coverage relating to last rating (%)*	72	28	0
of which Intesa Sanpaolo's Clients (%)**	69	49	0

* Last rating refers to rating as at end of the previous quarter; ** Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and investment banking services in the last 12 months; percentage of clients in each rating category

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At the Intesa Sanpaolo website, webpage <https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/archive-of-intesa-sanpaolo-group-s-conflicts-of-interest> you can find the archive of disclosure of interests or conflicts of interest of the Intesa Sanpaolo Banking Group in compliance with the applicable laws and regulations.

Furthermore, we disclose the following information on the Intesa Sanpaolo Banking Group's conflicts of interest.

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- One or more of the companies of the Intesa Sanpaolo Banking Group are one of the main financial lenders to Altea Green Power and its parent and group companies
- Intesa Sanpaolo acts as Corporate Broker relative to securities issued by Altea Green Power

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