

Altea Green Power

Storage Development Drives Impressive Margin's Expansion

1H23 results showed strong revenue growth (+34% yoy), with EBITDA margin expanding to a record 51%, we presume thanks to the contribution of the storage co-development activity. Further progress on the Italian BESS Storage co-development should be expected before YE.

1H23 results

1H results confirmed the company's growth trajectory, showing revenue expanding 34% yoy, with a much stronger operating margin vs its own recent history, beating by several quarters the 2025 Business Plan target. Despite the margin by activity undisclosed, we understand that the quicker-than-expected execution of 510MW BESS Storage development contract with Aer Soleir has been one of the key reasons behind the margin's expansion, showing strong opportunities behind 2GW pipeline in Italy, still to be commercialised.

Earnings outlook and estimates

We believe that demand for renewable energy plants in Italy remains well supported. Photovoltaic installed capacity is expected to almost triple in size by 2030, according to the recent update of the National Plan Integrated for Energy and Climate (PNIEC). Acceleration of BESS Storage co-development activity has quickly enhanced the company's margin profile. Further progress expected on 2GW pipeline in Italy leads us to upgrade our 2023-25E EBITDA by 16% on average, suggesting that the management will be able to achieve the high end of the 2023-25 Business Plan Targets.

Valuation

Following our estimates' revision, our DCF model points to **a new TP of EUR 7.0** (from EUR 6.0). The implied potential upside of our new TP is around 40% above the current market price. **BUY rating confirmed.**

13 October 2023: 13:37 CET
Date and time of production

BUY

Target Price: EUR 7.0
(from EUR 6.0)

Italy/Multi-Utilities
Company Results

EGM

Price Performance
(RIC: AGP.MI, BB: AGP IM)



Altea Green Power - Key Data

Price date (market close)	05/10/2023
Target price (€)	7.0
Target upside (%)	44.93
Market price (€)	4.83
Market cap (EUR M)	80.24
52Wk range (€)	4.83/2.13

Y/E Dec (EUR M)	FY22A	FY23E	FY24E
Revenues	16.73	22.14	28.49
EBITDA	6.16	9.71	12.84
EBIT	6.00	9.48	12.55
Net income	4.12	6.45	8.61
EPS (EUR)	0.25	0.39	0.52
Net debt/-cash	-0.86	-0.49	-1.80
Adj P/E (x)	9.2	12.4	9.3
EV/EBITDA (x)	6.1	8.3	6.3
EV/EBIT (x)	6.3	8.5	6.4
Div ord yield (%)	0	0	0

Source: Company data, FactSet and Intesa Sanpaolo Research estimates

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1H23 Results

Company released 1H results after having published at the end of July preliminary unaudited results (revenue and EBITDA range, Orders' Backlog and NFP). The key points of results were:

- **Revenue grew by 34% yoy to EUR 10.1M** (vs. EUR 7.5M in 1H22), stronger than the initial EUR 8.5M-9.5M preliminary range given in July, thanks to the Storage co-development activity that contributed EUR 5.6M revenue in 1H23 (vs. the company's Business Plan first revenue contribution expected in 2024);
- **EBITDA jumped by 191% yoy to EUR 5.2M** (vs. EUR 1.8M in 1H22), in line with the preliminary range of EUR 5.0M-EUR 5.5M given in July, which corresponds to a margin of 51.4% (vs. 23.7% in 1H22), thanks to significantly higher weighting of the higher margin BESS Storage activity within the group's revenue;
- **EBIT surged by almost 200% to EUR 5.1M** (vs. EUR 1.7M in 1H22), which corresponds a margin of 50.6% vs 22.6% in 1H22;
- **NFP was negative at EUR -1.4M**: compared with a cash positive EUR 0.8M at YE, largely due to the increase of projects in the execution phase and to the payment of a second tranche of capital to the subsidiary Bess Storage in the US;
- **Outlook**: The management is confident in being able to maintain the level of progress achieved so far in 2H23 in both the renewable and storage activities, as well as in expanding further international activities (in particular in the US), where returns' prospects are similar to what has so far been earned in Italy.

Altea Green Power – 1H23 results

EUR M	1H 22A	2H22A	FY22A	1H23A	yoy
Revenue	7.5	9.2	16.7	10.1	34.0
EBITDA	1.8	4.4	6.2	5.2	190.9
EBITDA margin	23.7	47.5	36.8	51.4	
EBIT	1.7	4.3	6.0	5.1	199.8
EBIT Margin	22.6	46.6	35.9	50.6	
Net income	1.2	3.0	4.1	3.5	196.7
Net debt	-0.8		-0.9	1.4	

A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

Despite not disclosing revenue break-down by activity, company gave some qualitative commentary on 1H divisional results' evolution. More in detail:

Qualitative commentary on divisional revenue performance

- **Co-development**: The company is developing activities related to contracts with customers for approximately 1.1GW in the wind and photovoltaic sectors. On top of the already announced co-development partnership with Aer Soléir to develop 300MW agri-photovoltaic project over the next 36 months, company has signed at the end of June a Joint Development Agreement (JDA) to develop over the next 48 months a 9.9MW photovoltaic project in Orbetello at a value of EUR 45K/MW. In August company has signed a second JDA with the same customer to develop 9.6MW photovoltaic project over the next 12 months at a significantly higher value of EUR 150K/MW, given

the project is already authorised. On the latter company expects an operating margin (EBITDA) of above 30%;

- **Storage:** The company has 2.5GW availability of projects in Italy to date. During 3Q23, a competitive auction for a co-development contract of just under 1 GW should be completed. Due diligence is ongoing, and according to the company, the signing should happen soon. During the 4Q23 pre-commercial activity for another group of clustered projects for approx. 1 GW of power should take place, with development phase planned for the end of 2024. A further line of projects for approx. 1GW gathered in the company Black Bess S.r.l. is being completed, with commercial activities to begin in 2024.
- **Engineering, Procurement & Construction (E.P.C.):** The activity has slowed down during 1H23 due to the management's increased commitment to the co-development field, with particular attention paid to the storage market. The management does not expect any significant developments in E.P.C. over the course of the year, also due to a limited profitability of a highly competitive market;
- **Energy efficiency:** The lack of regulatory certainty on the tax credits linked to energy efficiency activities pushed the management to address the private civil and industrial market with the following activities:
 - photovoltaic on the roofs of functional or industrial sites;
 - cogeneration;
 - revamping.

The company has contracted works for approximately 600 kW in 1H23 and expects the activity to reach 1.2 MW of installed systems by 23YE.

1H23 revenue progression compares well with Altea Green Power's domestic peers, with the exception of Redelfi, where the new BU Green (which includes US company RAL Green Energy, controlled in partnership with Altea Green Power) started to have some revenue contribution from a low base.

Record EBITDA margin vs. its own history, better than peers'

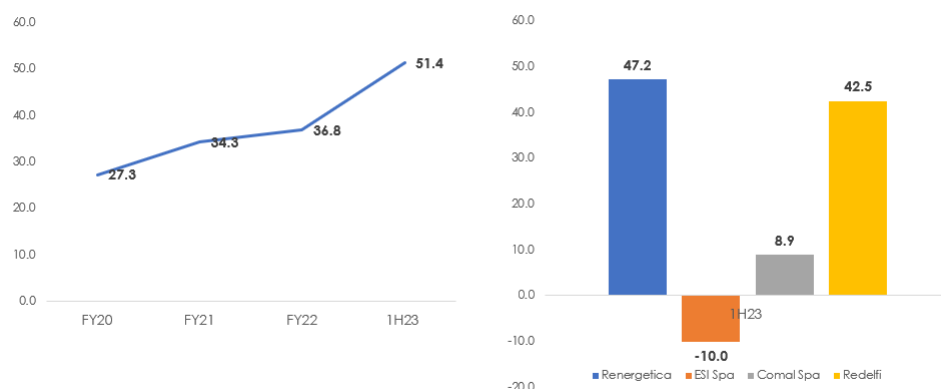
Altea Green Power – 1H23 Revenue vs peers

EUR M	1H22	1H23	Change (%)
Renergetica	6.4	5.3	-17
ESI Spa	15	10	-33
Comal Spa	38.4	47	22
Redelfi	1.3	4.2	227
Average			50
Altea Green Power	7.5	10.1	34

Source: Companies' data

Looking at operating (EBITDA) performance, we would highlight the record margin in the company's recent history, which does not find a similar reference in Altea Green Power domestic competitors:

Altea Green Power – 2020-1H23 EBITDA margin evolution vs peers'



Source: Companies' data

Looking at the costs' structure we highlight the following:

- Cost of services declined by 20% yoy to EUR 3.1M (vs EUR 3.9M in 1H22), with an incidence on revenue down to 31.3% from 52.2% in 1H22;
- Personnel costs rose by 16% yoy to EUR 0.7M (vs EUR 0.6M in 1H22), with number of employees rising to 27 at the end of 1H23 (vs 24 in 1H22). Incidence on revenue declined to 7.1% vs 8.2% in 1H22;
- Other management costs declined by 21% yoy, to EUR 0.6M (vs EUR 0.8M in 1H22), with an incidence on revenue falling to 6.4% from 10.9% in 1H22.

Having a look at costs analysis

Altea Green Power – 1H23 costs' analysis evolution

	1H 22A	1H23A	Change (%)
Cost of services	3.9	3.1	-20
Personnel Cost	0.6	0.7	16
Cost of goods sold	0.3	0.3	-8
Rental costs	0.1	0.1	-9
Other management costs	0.8	0.6	-21
Weighting on revenue	%		
Cost of services	52.2	31.3	
Personnel Cost	8.2	7.1	
Cost of goods sold	3.9	2.7	
Rental costs	1.2	0.8	
Other management costs	10.9	6.4	

Source: Company data

More in general we think that a relevant part of operating margin's expansion has come from higher sales in the more profitable BESS Storage co-development market. Here the company disclosed to have collected EUR 5.6M in the semester, which are likely coming from the interim installment payment of the Aer Soleir 510MW contract announced last year, with a total value of EUR 40M and the final authorisation expected in 2024. On top of it Altea

has the contractual option to build the plant, which, as we understand, is not included in the contract value disclosed.

Company has announced to have further 2GW projects in Italy ready to be commercialised, out of which a little bit less than 1GW has already attracted the interest of an international player, which has signed a *Non-Binding Offer*. Over the course of September remaining 1GW has been put on the market to collect potential institutional investors' appetite. According to the company, the pipeline may be contractualised in 1H24. Lastly the company announced to be working on a further 1GW co-development storage pipeline, where the management expects to start commercialisation activity by the end of 2024.

Recent (October) announcement of competitor Redelfi to target 2.8GW storage development pipeline in Italy over the next three years along with its new partner Flash S.r.l. (subsidiary of WRM Group) suggests to us a rising interest of operators in the BESS storage market, which is expected to experience significant growth in the years ahead. We will monitor pricing evolution in the sector, bearing in mind that contract value varies a lot depending on the location of the site, how close the national electricity grid is from it and the progress reached in the authorisation process. Recent Terna estimates valuing the 2024 BESS Storage market in Italy at 11.8GW suggest Altea Green Power has been able to establish a meaningful presence so far.

Over the course of 1H23 the company has made further necessary steps in the US, aiming to have 2.4GW of co-development BESS storage projects over the next 4 years with RAL Energy Corp., jointly controlled by Altea Green Power and Redelfi. In August 65%-owned subsidiary Bess Energy Corp obtained USD 15M financing to support the expansion. First 480MW project in Texas has already obtained a preliminary agreement for connection to the grid managed by Ercot. The project may be offered to the market in 1H24, according to the company.

We consider the company announcements as a confirmation of how BESS Storage market has gained relevance in Altea Green Power's strategy, probably even beyond what was envisaged in the Business Plan 2023-25.

Speaking of the wind and photovoltaic Italian markets in general, we have collected further evidence of the rapid growth that the sector is going to experience in the years ahead. In July the Italian Ministry of the Environment and Energy Security has updated its National Plan Integrated for Energy and Climate (PNIEC), envisaging an even faster take-up to 2030 than the Terna's 2023 Development Report.

Projections for Wind and PV installed capacity in Italy 2022-2030 (GW)

	2022	2030E *	CAGR 2030-2022	2030E **	CAGR 2030-2022	CAGR 2014-2022
PV	25	74.5	14.6%	80	15.6%	3%
Wind	12	27	10.7%	28	11.2%	4%
Total	37	101.5	13.4%	108	14.3%	4%

Source: * Terna, 2023 Development Report; ** PNIEC 2023

Recent GSE Photovoltaic 1H23 Report showed that the trend of the photovoltaic sector's sustained growth during 2022 has continued, with approx. 200,000 plants put into operation in 1H, slightly less than in all of 2022.

Italian PV Market's Evolution (2020-1H23)

	2020	2021	2022	1H23	Growth vs 22YE
Number of PV plants	935,838	1,016,083	1,225,432	1,425,569	16%
PV Energy Production (GW)	21.65	22.59	25.064	27.356	9%

Source: GSE 1H23 Photovoltaic Report

BESS Storage co-development market in Italy discloses further opportunities....

...whereas the company is creating the base for a more meaningful presence in the US

Earnings Outlook and Estimates Revision

The management has given a positive outlook for 2H23, identifying further progress that can still be achieved in co-development, both in wind and photovoltaic sectors, as well as in the BESS storage market. The acceleration of the authorisation process on the 510MW BESS Storage co-development project for Aer Solèir will allow for the collection of the final payment to be brought forward.

In the Energy efficiency business unit, the management expects to keep the level of progress shown in 1H23, with the objective of reaching over 1MW of installed capacity in the sector's civil and industrial areas.

In the E.P.C. business unit, the management does not see activity growing by the year-end, given the limited profitability of a highly competitive market.

Given the strong performance the company has achieved in 1H23 and further progress the management expects on the higher margin BESS Storage market, we take the opportunity to revisit our 2023-25E estimates for absolute EBITDA and EBITDA margin, suggesting the company will be able to achieve the high end of the Business Plan 2023-25 targets' range. Given no further update on the company orders' backlog (EUR 80M at end of June), we leave for the time being our 2023-25E revenue estimates unchanged. More in Detail:

Strong BESS Storage execution leads us to revisit 2023E-2025E EBITDA estimates

Altea Green Power – 2023E-2025E Estimates Revision

EUR M	FY23E		Change (%)	FY24E		Change (%)	FY25E		Change (%)
	Old	New		Old	New		Old	New	
Revenue	22.1	22.1	0.0	28.5	28.5	0.0	34.9	34.9	0.0
EBITDA	8.3	9.7	16.5	11.1	12.8	16.0	14.0	16.1	15.5
EBITDA margin	37.7	43.9		38.9	45.1		40.1	46.3	
EBIT	8.1	9.5	16.9	10.8	12.5	16.4	13.6	15.8	15.9
EBIT Margin	36.6	42.8		37.8	44.0	16.4	39.0	45.2	
Net income	5.5	6.5	16.9	7.4	8.6	16.4	9.3	10.8	15.9
Net debt	0.4	-0.5	NM	0.3	-1.8	NM	-1.7	-5.3	NM

E: estimates; Source: Intesa Sanpaolo Research

Valuation

We value Altea Green Power using a DCF model with a WACC of 8.6%, calculated on:

- 4.0% risk-free rate;
- 6.5% equity risk premium;
- 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 %

	2023
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

* Bloomberg Source: Intesa Sanpaolo Research estimates

We incorporate our new 2023-25E forecasts, while for the long term we assume a 0% growth. As usual, capex equals depreciation. To calculate the equity value, we deduct the FY22 net financial position. Considering the valuation reached, we adopt a fully diluted valuation approach, assuming that current existing warrants (equal to 3,256,498) will be fully exercised at EUR 1.45/new share per every 2 warrants (i.e. the conditions of the first available conversion period, 1-15 December 2023). We calculate a target price of EUR 7.0/share.

Altea Green Power – DCF valuation

EUR M	2023E	2024E	2025E	LT
EBIT	9.5	12.5	15.8	19.2
Tax	-3.0	-3.9	-5.0	-6.1
Depreciation	0.2	0.3	0.4	
NOPAT	6.7	8.9	11.1	13.2
WC	-6.5	-7.0	-7.0	
Capex	-0.6	-0.6	-0.6	
FCF	-0.4	1.3	3.5	13.2
Discounted FCF	-0.4	1.2	3.0	10.3
WACC (%)	8.6			
TV growth (%)	0.0			
Sum	3.8			
TV	118.7			
EV	122.4			
Debt 2022A	-0.9			
Equity	123.3			
Shares (M)	16.6			
Warrants (M)	3.3			
Strike price (EUR/sh)	1.5			
Target price (EUR/share)	7.0			

E: estimates; Source: Intesa Sanpaolo Research

Valuation and Key Risks

Valuation basis

We value Altea Green Power using a DCF model with a WACC of 8.6%, calculated on 4.0% risk-free rate, 6.5% equity risk premium, gearing of 0%, assuming 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 the 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.

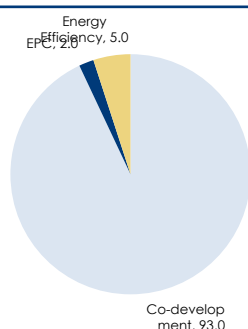
Key data

Mkt price (€)	4.83	Free float (%)	27.8
No. of shares	16.61	Major shr	Dxor S.r.l.
52Wk range (€)	4.83/2.13	(%)	65.7
Reuters	AGP.MI	Bloomberg	AGP IM
Performance (%)	Absolute	Rel. FTSE Italia Growth	
-1M	22.9	-1M	30.9
-3M	32.3	-3M	43.3
-12M	104.2	-12M	139.7

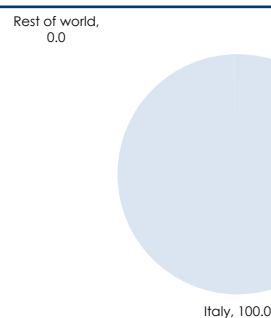
Estimates vs. consensus

EUR M (Y/E Dec)	2022A	2023E	2023C	2024E	2024C	2025E	2025C
Sales	16.73	22.14	NA	28.49	NA	34.87	NA
EBITDA	6.16	9.71	NA	12.84	NA	16.13	NA
EBIT	6.00	9.48	NA	12.55	NA	15.77	NA
Pre-tax income	5.95	9.48	NA	12.54	NA	15.77	NA
Net income	4.12	6.45	NA	8.61	NA	10.78	NA
Adj. EPS (€)	0.25	0.39	NA	0.52	NA	0.65	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 05/10/2023)

Altea Green Power – Key Data

Rating BUY	Target price (€/sh) Ord 7.0		Mkt price (€/sh) Ord 4.83			Sector Multi-Utilities
Values per share (EUR)	2020A	2021A	2022A	2023E	2024E	2025E
No. ordinary shares (M)	16.61	16.61	16.61	16.61	16.61	16.61
Total no. of shares (M)	16.61	16.61	16.61	16.61	16.61	16.61
Market cap (EUR M)	NA	NA	37.70	80.24	80.24	80.24
Adj. EPS	0.18	0.07	0.25	0.39	0.52	0.65
BVPS	0.05	0.12	0.70	1.1	1.6	2.3
Dividend ord	0	0	0	0	0	0.65
Dividend SAV Nc	NA	NA	NA	NA	NA	1.00
Income statement (EUR M)	2020A	2021A	2022A	2023E	2024E	2025E
Revenues	5.75	6.22	16.73	22.14	28.49	34.87
EBITDA	1.57	2.13	6.16	9.71	12.84	16.13
EBIT	2.80	2.10	6.00	9.48	12.55	15.77
Pre-tax income	2.76	1.73	5.95	9.48	12.54	15.77
Net income	3.06	1.16	4.12	6.45	8.61	10.78
Adj. net income	3.06	1.16	4.12	6.45	8.61	10.78
Cash flow (EUR M)	2020A	2021A	2022A	2023E	2024E	2025E
Net income before minorities	3.1	1.2	4.1	6.5	8.6	10.8
Depreciation and provisions	0	0.0	0.2	0.2	0.3	0.4
Others/Uses of funds	-0.2	2.8	5.1	0	0	0
Change in working capital	-7.7	2.1	-12.3	-6.5	-7.0	-7.0
Operating cash flow	-4.8	6.1	-2.9	0.2	1.9	4.1
Capital expenditure	-0.2	0.2	-0.7	-0.6	-0.6	0.4
Financial investments	0	0	0	0	0	0
Acquisitions and disposals	0	0	0	0	0	0
Free cash flow	-5.0	6.3	-3.6	-0.4	1.3	4.5
Dividends	0	0	0	0	0	0
Equity changes & Non-op items	-2.3	0	5.5	0	0	0
Net change in cash	-7.3	6.3	1.9	-0.4	1.3	4.5
Balance sheet (EUR M)	2020A	2021A	2022A	2023E	2024E	2025E
Net capital employed	8.1	3.0	10.8	17.7	25.0	32.3
of which associates	0	0	0	0	0	0
Net debt/-cash	7.3	1.0	-0.9	-0.5	-1.8	-5.3
Minorities	0	0	0	0	0	0
Net equity	0.8	2.0	11.7	18.2	26.8	37.5
Minorities value	0	0	0	0	0	0
Enterprise value	NA	NA	37.7	80.2	80.2	80.2
Stock market ratios (x)	2020A	2021A	2022A	2023E	2024E	2025E
Adj. P/E	NA	NA	9.2	12.4	9.3	7.4
P/CFPS	NA	NA	8.8	12.0	9.0	7.2
P/BVPS	NA	NA	3.2	4.4	3.0	2.1
Payout (%)	0	0	0	0	0	100
Dividend yield (% ord)	NA	NA	0	0	0	13.4
FCF yield (%)	NA	NA	-9.6	-0.5	1.6	5.6
EV/sales	NA	NA	2.3	3.6	2.8	2.3
EV/EBITDA	NA	NA	6.1	8.3	6.3	5.0
EV/EBIT	NA	NA	6.3	8.5	6.4	5.1
EV/CE	NA	NA	3.5	4.5	3.2	2.5
D/EBITDA	4.6	0.47	Neg.	Neg.	Neg.	Neg.
D/EBIT	2.6	0.48	Neg.	Neg.	Neg.	Neg.
Profitability & financial ratios (%)	2020A	2021A	2022A	2023E	2024E	2025E
EBITDA margin	27.3	34.3	36.8	43.9	45.1	46.3
EBIT margin	48.7	33.8	35.9	42.8	44.0	45.2
Tax rate	NM	33.1	30.8	32.0	31.4	31.7
Net income margin	53.2	18.6	24.6	29.1	30.2	30.9
ROCE	34.7	70.5	55.3	53.6	50.2	48.9
ROE	775.0	83.8	60.2	43.2	38.3	33.5
Interest cover	68.0	5.7	132.5	7,903.0	10,454.8	13,145.1
Debt/equity ratio	922.8	51.1	Neg.	Neg.	Neg.	Neg.
Growth (%)		2021A	2022A	2023E	2024E	2025E
Sales		8.2	NM	32.4	28.7	22.4
EBITDA		35.9	NM	57.6	32.2	25.7
EBIT		-24.9	NM	58.1	32.3	25.7
Pre-tax income		-37.3	NM	59.3	32.3	25.7
Net income		-62.1	NM	56.7	33.4	25.2
Adj. net income		-62.1	NM	56.7	33.4	25.2

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

ESG Matrix

Altea Green Power - ESG Matrix

Main KPIs	2020	2021	2022	Target	Trend
Emissions (tonne CO2 eq)					
Scope 1	NA	10.5	25.9	//	-
Scope 2 (Location based)	NA	3.0	5.3	//	-
Scope 3	NA	NA	NA	//	NA
CO2 Scope 1+2 intensity index*	NA	2.2	1.9	//	+
E Waste diverted to recycle rate (%)	NA	NA	NA	//	-
Wastes (tons)	NA	NA	NA	//	-
Electricity from renewables on total consumption (%)	NA	NA	NA	//	+
Energy Consumption (Gj)	NA	NA	NA	//	-
Water withdrawals (mL/d)	NA	NA	NA	//	-
Notes (Environmental):	* CO2 intensity index includes only Scope 1 and 2. Scope 2 data is market based.				
S Women in leadership roles* (%)	NA	33.3	25.0	NA	-
Training hrs per capita (No.)	NA	NA	NA	//	NA
Turnover ratio (%)	NA	5.0	7.7	//	-
Frequency index of workplace injuries	NA	NA	NA	//	NA
Ethical code	NA	NA	Yes	//	+
G Independent directors' rate (%)	NA	NA	66.7	//	=
Women in BoD (%)	NA	NA	40.0	//	=
Anti-corruption	NA	NA	Yes	//	+
Management Remuneration Policy linked to ESG goals	NA	NA	No	//	
ESG Report	NA	NA	Yes	//	+
NA	NA	NA	NA	//	NA
Loyalty Shares	NA	NA	NA	//	

Note: the indicators +/- refer to how the company, in ISP view, is progressing towards its targets and/or vs. its historic trend; //: no explicit targets; Source: Company data and Intesa Sanpaolo Research elaboration

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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

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

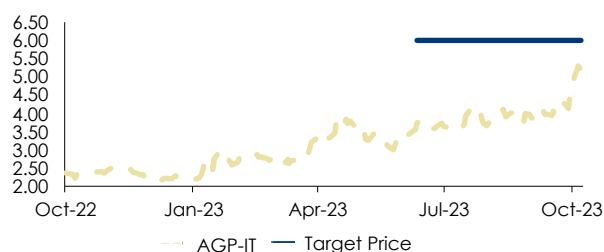
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Equity Rating Key (long-term horizon: 12M)

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

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Target price and market price trend (-1Y)**Historical recommendations and target price trend (-1Y)**

Date	Rating	TP (EUR)	Mkt Price (EUR)
15-Jun-23	BUY	6.0	3.7

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Number of companies considered: 132	BUY	HOLD	SELL
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of which Intesa Sanpaolo's Clients (%)**	70	53	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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