

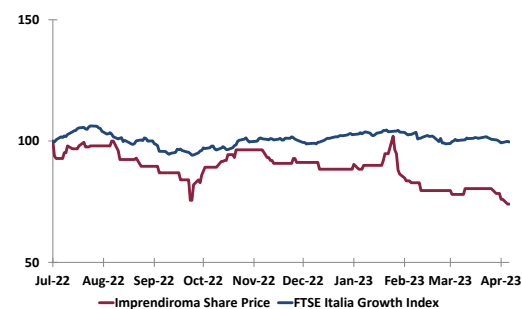


## OUTPERFORM

Current Share Price (€): 3.70

Target Price (€): 5.84

### Imprendiroma - Performance since IPO



Source: S&P Capital IQ - Note: 20/07/2022 (IPO offer price) =100

### Company data

ISIN number	IT0005500571
Bloomberg code	IMP IM
Reuters code	IMPR.MI
Industry	RE / Building Renovation
Stock market	Euronext Growth Milan
Share Price (€)	3.70
Date of Price	25/04/2023
Shares Outstanding (m)	11.2
Market Cap (€m)	41.4
Market Float (%)	10.71%
Daily Volume	0
Avg Daily Volume since IPO	1,175
Target Price (€)	5.84
Upside (%)	58%
Recommendation	OUTPERFORM

### Share price performance

	1M	3M	6M	IPO
Imprendiroma - Absolute (%)	-5%	-16%	-17%	-26%
FTSE Italia Growth Index (%)	-1%	-3%	3%	0%
IPO Range H/L (€)			5.10	3.70
IPO Change (€) / %			-1.30	-26%

Source: S&P Capital IQ

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## FY22 revenues more than doubling, EBITDA increase less than proportional. Almost €120m post FY22 revenues already in backlog and eligible for 110% tax benefit

### Stock performance

Imprendiroma share price lost -26% since IPO in July 2022, underperforming the Italia Growth index (0%).

### FY22: revenues upsurge, margins increase impacted by exogenous issues

The Company recorded FY22 €47.1m total revenues (+122% vs FY21 €21.3m), in line with our last estimate (€46.8m). FY22 EBITDA at €9.7m (€5.0m in FY21), below our €14.3m estimate. The resulting 20.6% EBITDA margin (23.6% in FY21) was impacted by the worsening of pricing conditions for the sale of tax credits and rise of raw material costs. Net income at €6.6m (vs FY21 €4.3m), net cash €3.6m at year-end vs €5.4m in June 22. The BoD will propose €0.04 dividend per share (€0.5m cash out) at the next shareholders meeting.

### Business update

The Company backlog at year-end 2022 for FY23 and following years revenues was €120m, all subject to 110% tax benefit. The FY22-23E average EBITDA margin is expected above 20%. At the end of February 2023, Imprendiroma announced the acquisition of the operating business unit of F.D.M. Costruzioni, focused on the preservation of the cultural heritage. The Company was recently funded with €12m bank loans supporting NWC dynamic. Along FY23 Q1, the Company increased its backlog by €11m circa.

### Industry outlook

The new, less friendly, national framework, which reduced the Superbonus tax benefit rate from 110% to 90% for projects filed after November 2022, and shortened the time horizon available to transfer the tax credit to a bank/financial intermediary (instead of offsetting it with fiscal debts along many years), is coupled with EU Parliament decision and increasing discussion regarding a possible acceleration for EU targets related to harmful emissions cut. The overall resulting M/L outlook confirms positive for energy efficiency industry.

### Target Price €5.84 per share (from €6.62), OUTPERFORM rating confirmed

We updated our 2023-25E estimates, confirming previous revenues trend and anticipating the margin performance reduction that we had already forecasted for the M/L run after 2025. Our new target price is estimated at €5.84 per share (from €6.62), with a potential upside of +58% with respect to current share price. Imprendiroma trades at 0.4x 2023E EV/Revenues vs 0.6x Peers Median. Our OUTPERFORM rating is confirmed.

### CONSOLIDATED KEY FINANCIALS AND ESTIMATES

€m	2019A	2020A	2021A	2022A	2023E	2024E	2025E
<b>Total Revenues</b>	2.7	4.1	21.3	47.1	85.4	79.0	89.0
YoY %	n.a.	51.2%	416.1%	121.6%	81.2%	-7.5%	12.7%
<b>EBITDA</b>	0.3	0.5	5.0	9.7	19.0	18.0	20.8
Margin	11.7%	13.3%	23.6%	20.6%	22.2%	22.8%	23.4%
<b>EBIT</b>	0.3	0.5	4.9	9.4	18.4	17.3	20.0
Margin	10.5%	12.3%	23.0%	20.0%	21.6%	21.9%	22.5%
<b>Net Income</b>	0.1	0.2	4.3	6.6	13.1	12.3	14.2
<b>Trade Working Capital</b>	1.7	2.5	9.6	13.7	27.2	26.1	29.6
<b>Net (Debt) Cash</b>	(1.1)	(1.3)	2.1	3.6	3.4	16.8	27.9
<b>Equity</b>	0.2	0.5	4.4	16.1	28.7	40.9	55.1
<b>KEY RATIOS</b>							
TWC/Total Revenues	63%	60%	45%	29%	32%	33%	33%
Operating cash flow before capex/EBITDA	-271%	10%	94%	-22%	4%	78%	56%
ROE	46%	51%	97%	41%	46%	30%	26%
Earnings per Share (€), basic				0.6	1.2	1.1	1.3

Source: Company data 2019-22A, EnVent Research 2023-25E

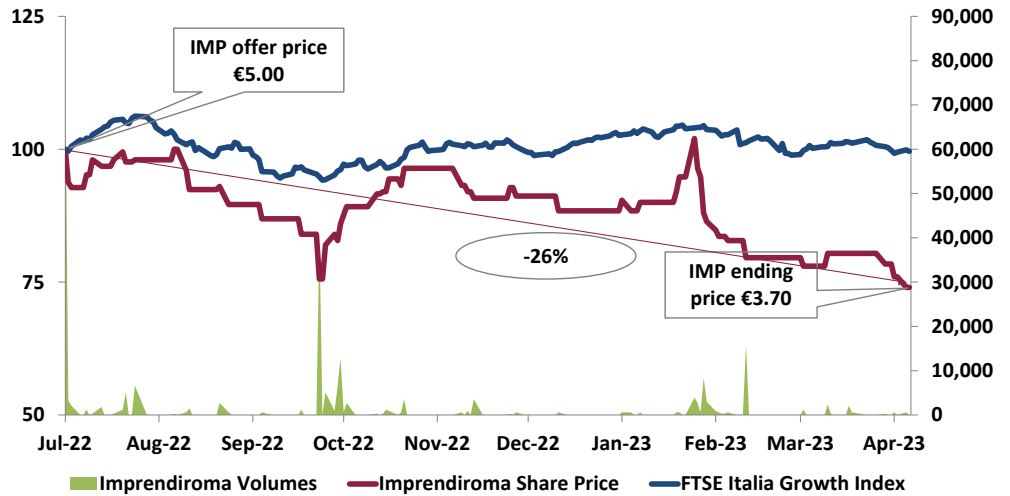
Note 1: 2019A-20A Imprendiroma S.p.A. unaudited and unconsolidated figures

## Market update

Trading price range €3.70-5.10 per share

-26% for Imprendiroma share price, vs. 0% of the Italia Growth Index

### Imprendiroma - Share price performance and trading volumes since IPO

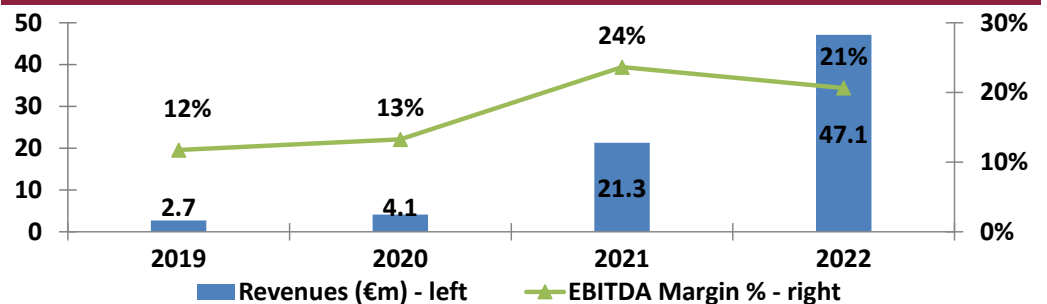


Source: EnVent Research on S&P Capital IQ - Note: 20/07/2022 (IPO offer price) =100

## Investment case

Imprendiroma, listed on Euronext Growth Milan, operates with its subsidiaries in the energy efficiency and green building Italian market, mainly in Rome area, providing integrated services and products for projects of urban renewal and building renovation. Imprendiroma is able to support its customers, typically owners of residential properties, along the whole supply chain, offering sustainable solutions from design and project management to the execution and the administrative matters management. The Company can also operate just as a general contractor, outsourcing project execution to subcontractors. Imprendiroma M/L run strategic goals are: a) expansion beyond Rome area; b) current business extension through the most promising industry niches (silver economy, student accommodation, hospitality) and business diversification (solutions for photovoltaic plants); c) real estate development projects aiming at purchasing disused or abandoned properties to renovate and subsequently sell them, also through partnership with institutional investors.

### Historical Revenues and EBITDA



Source: EnVent Research on Company data. Note: 2019-20 unconsolidated figures

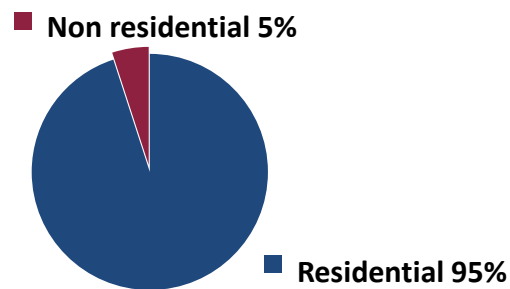
### Industry and Company drivers

- Building renovation is flourishing in Italy, driven by fiscal incentives and by EU M/L run energy efficiency targets (also reflected in Next Generations EU for Italy, with a focus on energy efficiency)
- Italian real estate industry trend, with investors showing interest for sustainability performances
- Imprendiroma wide and integrated services portfolio, along with a diversified customer base and focus on ESG and sustainability issues
- SOA certification
- Innovative solutions and partnerships
- Skilled and young workforce along with industry expert top managers who are also the Company shareholders

### Challenges

- Tax benefits impact and regulatory changes
- Increasing competition
- New sectors: opportunities and risks

### FY22 consolidated sales breakdown



Source: Company data

Note: Company data report sales share from residential customers above 95% of total FY22 sales

### Business update

#### €120m revenues for FY23 and subsequent years from 2022 year-end residual backlog, all eligible for 110% tax benefit

The Company recently confirmed a cumulative FY22-23 €165m backlog at year-end 2022 (resulting in €120m revenues for FY23 and afterwards, without considering further revenues from new backlog), entirely eligible for 110% tax benefit, as well as an expected average EBITDA margin along the two years above 20%. Out of this €165m, the amount of projects already started accounts for €122m circa.

#### Further new backlog in FY23 Q1

In the first months of FY23, the Company increased its backlog by €11m circa.

#### First M&A deal completed after IPO

At the end of February 2023, Imprendiroma announced the acquisition of the operating business unit of F.D.M. Costruzioni, focused on the preservation of the cultural heritage.

**New bank loans**

The Company was recently funded with €10m and €2m bank loans from Unicredit and Intesa Sanpaolo respectively, supporting NWC trend.

**ESG**

On April 5<sup>th</sup>, 2023, the BoD approved the FY22 Company Sustainability report (first time ever), compliant to GRI Standards.

Imprendiroma is ISO 9001 (Quality Management Systems), ISO 45001 (Occupational Health and Safety Management Systems) and ISO 14001 (Effective Environmental Management System) certified. It is also partner of Green Building Council Italia, a group of companies compliant to green building international standards.

**Industry outlook**

The Superbonus 110% tax benefit for new efficiency energy projects was decreased from previous 110% to 90% in 2023 for all the projects whose authorization request was filed after November 25<sup>th</sup>, 2022.

As to the chance to sell this kind of tax credit to the construction company, thus preventing the cash out for the final customer related to the efficiency energy work, Italian government extended until November 2023 the deadline to find a final purchaser of the credit (bank or financial intermediary) for those projects carried out along 2022. The government also decided to forbid any further tax credit transfer for projects not authorized before February 17<sup>th</sup>, 2023 (source: ANSA, 2023).

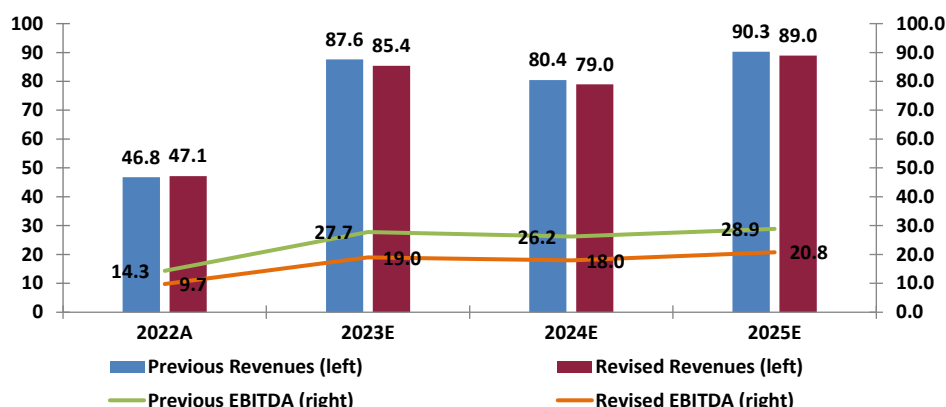
Along with this more tightening and probably less friendly national regulatory framework for the industry, current discussions regarding EU targets related to harmful emissions cut outline and confirm a M/L run positive outlook. European Parliament adopted the revision to the Energy Performance of Buildings Directive, which implies residential buildings to achieve energy performance class E by 2027 and D by 2033 (for non-residential buildings deadlines are respectively 2027 and 2030). Negotiations with EU governments are now expected to arrange a final agreement (source: European Parliament, 2023).

**Estimates revision**

We revised our 2023-25E estimates taking into account FY22 performances, the confirmed revenue outlook along 2023-25E (thanks to current backlog), the anticipation to 2023-25E of the margin reduction that we previously forecasted to occur after 2025 (in order to be consistent with the observed performance along 2022 and the Company announced FY22-23E average EBITDA margin expected above 20%), the overall M/L outlook for the industry which we still forecast positive.

## Change in estimates

### Previous vs. Revised Revenues and EBITDA estimates (€m)



Source: EnVent Research

€m	Revised				Previous				Change %			
	2022A	2023E	2024E	2025E	2022A	2023E	2024E	2025E	2022A	2023E	2024E	2025E
<b>Revenues</b>	47.1	85.4	79.0	89.0	46.8	87.6	80.4	90.3	1%	-3%	-2%	-1%
<b>EBITDA</b>	9.7	19.0	18.0	20.8	14.3	27.7	26.2	28.9	-32%	-32%	-31%	-28%
<i>Margin</i>	21%	22%	23%	23%	31%	32%	33%	32%				
<b>EBIT</b>	9.4	18.4	17.3	20.0	14.0	27.2	25.6	28.1	-33%	-32%	-32%	-29%
<i>Margin</i>	20%	22%	22%	22%	30%	31%	32%	31%				
<b>Net Income (Loss)</b>	6.6	13.1	12.3	14.2	9.9	19.3	18.2	19.9	-34%	-32%	-32%	-29%
<b>Net (Debt) Cash</b>	3.6	3.4	16.8	27.9	8.3	13.6	36.8	54.0				

Source: EnVent Research

## Financial projections

### Consolidated Profit and Loss

€m	2019A	2020A	2021A	2022A	2023E	2024E	2025E
Sales	2.7	4.0	20.5	36.1	72.5	67.0	75.6
WIP change	0.0	0.0	0.4	10.9	12.8	11.8	13.3
Other income	0.1	0.1	0.3	0.1	0.1	0.1	0.1
<b>Total Revenues</b>	<b>2.7</b>	<b>4.1</b>	<b>21.3</b>	<b>47.1</b>	<b>85.4</b>	<b>79.0</b>	<b>89.0</b>
YoY %	<i>n.a.</i>	51.2%	416.1%	121.6%	81.2%	-7.5%	12.7%
Materials	(1.2)	(1.8)	(2.3)	(7.1)	(11.9)	(10.6)	(11.6)
Services	(0.4)	(0.6)	(9.5)	(21.5)	(38.4)	(35.5)	(40.0)
Personnel	(0.4)	(0.5)	(3.5)	(7.9)	(14.4)	(13.4)	(15.1)
Other operating costs	(0.4)	(0.6)	(1.0)	(0.9)	(1.7)	(1.4)	(1.5)
Operating costs	(2.4)	(3.6)	(16.2)	(37.4)	(66.4)	(61.0)	(68.2)
<b>EBITDA</b>	<b>0.3</b>	<b>0.5</b>	<b>5.0</b>	<b>9.7</b>	<b>19.0</b>	<b>18.0</b>	<b>20.8</b>
<i>Margin</i>	11.7%	13.3%	23.6%	20.6%	22.2%	22.8%	23.4%
D&A	(0.0)	(0.0)	(0.1)	(0.3)	(0.6)	(0.7)	(0.8)
<b>EBIT</b>	<b>0.3</b>	<b>0.5</b>	<b>4.9</b>	<b>9.4</b>	<b>18.4</b>	<b>17.3</b>	<b>20.0</b>
<i>Margin</i>	10.5%	12.3%	23.0%	20.0%	21.6%	21.9%	22.5%
Financial income/expenses	(0.1)	(0.1)	1.2	(0.1)	(0.0)	(0.0)	(0.0)
<b>EBT</b>	<b>0.2</b>	<b>0.4</b>	<b>6.1</b>	<b>9.3</b>	<b>18.4</b>	<b>17.3</b>	<b>20.0</b>
<i>Margin</i>	7.8%	10.5%	28.6%	19.8%	21.5%	21.9%	22.4%
Income taxes	(0.1)	(0.2)	(1.8)	(2.7)	(5.3)	(5.0)	(5.8)
<b>Net Income (Loss)</b>	<b>0.1</b>	<b>0.2</b>	<b>4.3</b>	<b>6.6</b>	<b>13.1</b>	<b>12.3</b>	<b>14.2</b>
<i>Margin</i>	3.9%	6.0%	20.1%	14.0%	15.3%	15.6%	16.0%

Source: EnVent Research on Company data for 2019-22A - EnVent Research for 2023E-25E

Note 1: 2019A-20A Imprendiroma S.p.A. unaudited and unconsolidated figures

Note 2: 2021A interest income/expense includes financial net income as to third parties tax debts/credits trading activity

### Consolidated Balance Sheet

€m	2019A	2020A	2021A	2022A	2023E	2024E	2025E
Inventory	0.0	0.0	0.5	12.0	21.3	19.7	22.2
Trade receivables (incl. tax benefits to be sold to banks)	2.2	3.8	13.5	9.4	18.8	18.2	20.6
Trade payables	(0.5)	(1.3)	(4.3)	(7.6)	(13.0)	(11.8)	(13.2)
Trade Working Capital	1.7	2.5	9.6	13.7	27.2	26.1	29.6
Other assets (liabilities)	(0.5)	(1.0)	(9.5)	(4.1)	(4.2)	(4.2)	(4.2)
<b>Net Working Capital</b>	<b>1.2</b>	<b>1.5</b>	<b>0.2</b>	<b>9.6</b>	<b>23.0</b>	<b>21.9</b>	<b>25.4</b>
Intangible assets	0.0	0.0	0.0	0.1	0.0	(0.1)	(0.2)
Property, plant and equipment	0.1	0.1	2.1	2.9	3.0	2.9	2.7
Equity investments and financial assets	0.1	0.3	0.2	0.4	0.4	0.4	0.4
<b>Non-current assets</b>	<b>0.2</b>	<b>0.4</b>	<b>2.4</b>	<b>3.5</b>	<b>3.4</b>	<b>3.2</b>	<b>2.9</b>
<b>Provisions</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(0.6)</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>(1.1)</b>
<b>Net Invested Capital</b>	<b>1.3</b>	<b>1.8</b>	<b>2.3</b>	<b>12.5</b>	<b>25.3</b>	<b>24.2</b>	<b>27.2</b>
<b>Net Debt (Cash)</b>	<b>1.1</b>	<b>1.3</b>	<b>(2.1)</b>	<b>(3.6)</b>	<b>(3.4)</b>	<b>(16.8)</b>	<b>(27.9)</b>
<b>Equity</b>	<b>0.2</b>	<b>0.5</b>	<b>4.4</b>	<b>16.1</b>	<b>28.7</b>	<b>40.9</b>	<b>55.1</b>
<b>Sources</b>	<b>1.3</b>	<b>1.8</b>	<b>2.3</b>	<b>12.5</b>	<b>25.3</b>	<b>24.2</b>	<b>27.2</b>

Source: Company data for 2019A-22A - EnVent Research for 2023E-25E

Note 1: 2019A-20A Imprendiroma S.p.A. unaudited and unconsolidated figures

Note 2: 2021A Other assets and liabilities also include third parties tax credits and debts regarding building renovation projects, which the Company could trade in order to exploit potential financial net income (no more after 2021 due to new regulatory framework)

### Consolidated Cash Flow

€m	2020A	2021A	2022A	2023E	2024E	2025E
<b>EBIT</b>	<b>0.5</b>	<b>4.9</b>	<b>9.4</b>	<b>18.4</b>	<b>17.3</b>	<b>20.0</b>
Current taxes	(0.2)	(1.8)	(2.7)	(5.3)	(5.0)	(5.8)
D&A	0.0	0.1	0.3	0.6	0.7	0.8
Provisions	0.0	0.2	0.3	0.5	(0.1)	0.1
<b>Cash flow from P&amp;L operations</b>	<b>0.4</b>	<b>3.4</b>	<b>7.3</b>	<b>14.1</b>	<b>12.9</b>	<b>15.2</b>
Trade Working Capital	(0.8)	(7.2)	(4.1)	(13.4)	1.1	(3.5)
Other assets and liabilities	0.4	8.5	(5.3)	0.1	(0.0)	0.0
<b>Operating cash flow before capex</b>	<b>0.1</b>	<b>4.7</b>	<b>(2.1)</b>	<b>0.8</b>	<b>14.0</b>	<b>11.7</b>
Capex	(0.1)	(2.2)	(1.2)	(0.5)	(0.5)	(0.5)
<b>Operating cash flow after working capital and capex</b>	<b>0.0</b>	<b>2.6</b>	<b>(3.3)</b>	<b>0.3</b>	<b>13.5</b>	<b>11.2</b>
Interest	(0.1)	1.2	(0.1)	(0.0)	(0.0)	(0.0)
Equity investments and financial assets	(0.1)	0.0	(0.2)	0.0	0.0	0.0
Paid-in Capital	0.0	0.0	5.1	0.0	0.0	0.0
Dividends and other equity changes	0.0	(0.3)	0.0	(0.5)	0.0	0.0
<b>Net cash flow</b>	<b>(0.2)</b>	<b>3.4</b>	<b>1.5</b>	<b>(0.3)</b>	<b>13.4</b>	<b>11.1</b>
(Net Debt)/Cash Beginning	(1.1)	(1.3)	2.1	3.6	3.4	16.8
(Net Debt)/Cash End	(1.3)	2.1	3.6	3.4	16.8	27.9
<b>Change in (Net Debt)/Cash</b>	<b>(0.2)</b>	<b>3.4</b>	<b>1.5</b>	<b>(0.3)</b>	<b>13.4</b>	<b>11.1</b>

Source: Company data for 2020A-22A - EnVent Research for 2023E-25E

Note 1: 2020A Imprendiroma S.p.A. unaudited and unconsolidated figures. As a consequence, 2021A figures are a proxy of consolidated cash flow

### Ratio analysis

	2019A	2020A	2021A	2022A	2023E	2024E	2025E
ROE	46%	51%	97%	41%	46%	30%	26%
ROS (EBIT/Total Revenues)	11%	12%	23%	20%	22%	22%	22%
DSO	272	286	215	86	86	90	90
DPO	102	152	106	91	90	90	90
TWC/Total Revenues	63%	60%	45%	29%	32%	33%	33%
NWC/Total Revenues	43%	37%	1%	20%	27%	28%	29%
Net Debt/EBITDA	3.4x	2.3x	cash	cash	cash	cash	cash
Net Debt/Equity	4.7x	2.7x	cash	cash	cash	cash	cash
Net Debt/(Net Debt+Equity)	0.8x	0.7x	cash	cash	cash	cash	cash
Operating cash flow before capex/EBITDA	-271%	10%	94%	-22%	4%	78%	56%
Per-capita sales (€k)	n.a.	n.a.	218	164	191	199	209
Per-capita costs (€k)	n.a.	n.a.	37	36	38	40	42
Earnings per Share (€), basic				0.6	1.2	1.1	1.3

Source: EnVent Research on Company data for 2019A-22A - EnVent Research for 2023E-25E

Note 1: 2019A- 2020A Imprendiroma S.p.A. unaudited and unconsolidated figures

## Valuation

We have updated our DCF valuation and market multiples.

### Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.7% (Italian 10-year government bonds interest rate – last 30 days average. Source: Bloomberg, April 2023)
- Market return: 11.7% (last 30 days average. Source: Bloomberg, April 2023)
- Market risk premium: 8.1%
- Beta: 0.9 (on the back of peer market data)
- Cost of equity: 10.9%
- Cost of debt: 6.0%
- Tax rate: 24% IRES
- 20% debt/(debt + equity) as target capital structure
- WACC calculated at 9.7%, according to above data
- Perpetual growth rate after explicit projections: 1.0%
- Terminal Value: considering: i) the intrinsic nature of Imprendiroma as a construction company; ii) its value strongly depending on revenues/backlog evolution starting from 2025E; and iii) the intrinsic sector risks regarding the expected long run profitability trends, we estimated terminal value according to a sensitivity analysis as to: a) EBITDA margin in the range 12.5%-17.5%; and b) time horizon between 10 years and perpetuity

### DCF Valuation

€m	2023E	2024E	2025E	Perpetuity
<b>Revenues</b>	<b>85.4</b>	<b>79.0</b>	<b>89.0</b>	<b>89.8</b>
<b>EBITDA</b>	<b>19.0</b>	<b>18.0</b>	<b>20.8</b>	<b>13.5</b>
<i>Margin</i>	22.2%	22.8%	23.4%	15.0%
<b>EBIT</b>	<b>18.4</b>	<b>17.3</b>	<b>20.0</b>	<b>13.0</b>
<i>Margin</i>	21.6%	21.9%	22.5%	14.4%
Taxes	(5.3)	(5.0)	(5.8)	(3.7)
<b>NOPAT</b>	<b>13.1</b>	<b>12.3</b>	<b>14.2</b>	<b>9.2</b>
D&A	0.6	0.7	0.8	0.5
Provisions	0.5	(0.1)	0.1	0.0
<b>Cash flow from operations</b>	<b>14.1</b>	<b>12.9</b>	<b>15.1</b>	<b>9.7</b>
Trade Working Capital	(13.4)	1.1	(3.5)	(2.7)
Capex	(0.5)	(0.5)	(0.5)	(0.5)
Other assets and liabilities	0.1	(0.0)	0.0	0.0
<b>Unlevered free cash flow</b>	<b>0.2</b>	<b>13.5</b>	<b>11.2</b>	<b>6.5</b>
WACC	9.7%			
Long-term growth (G)	1.0%			
<b>Discounted Cash Flows</b>	<b>0.2</b>	<b>11.2</b>	<b>8.5</b>	
Sum of Discounted Cash Flows	19.9			
<b>Terminal Value</b>				<b>75.4</b>
Discounted TV	57.2			
<b>Enterprise Value</b>	<b>77.1</b>			
Net (Debt) Cash as of 31/12/2022	3.6			
Minorities as of 31/12/2022	(0.0)			
<b>Equity Value</b>	<b>80.7</b>			

DCF Valuation (€m) - Sensitivity Analysis				
		Long run EBITDA Margin		
		12.5%	15.0%	17.5%
Long run cash flow - Discounting years	10 years	49.3	57.6	65.9
	15 years	55.2	65.4	75.6
	Perpetuity	66.8	80.7	94.7

Source: EnVent Research

## Market multiples

Listed companies operating in the same target market often manage also other businesses and provide also other services to their customers. Even size can be quite different, along with geographical presence. Moreover, due to tax benefits which currently push some business units more than others, the regulatory framework is likely to significantly impact financials, thus representing another issue as to market metrics analysis. As a consequence, since there are no listed peers that overall could match the Company business model, size and geographical presence, we selected two different clusters:

- Cluster 1 – Players with: i) a business similar to Imprendiroma; and/or ii) most comparable actors of the larger industry of facility management services
- Cluster 2 – Italian listed companies taking advantage of tax benefits somehow related with energy efficiency/building renovation activity.

Some peers may belong to both clusters according to their profile.

Company	EV/REVENUES				EV/EBITDA				EV/EBIT				P/E				
	2022A	2023E	2024E	2025E	2022A	2023E	2024E	2025E	2022A	2023E	2024E	2025E	2022A	2023E	2024E	2025E	
Cluster 1	ABM Industries Incorporated	0.5x	0.5x	0.5x	0.5x	8.7x	8.0x	7.6x	7.2x	11.5x	10.4x	9.6x	8.9x	11.7x	11.8x	10.6x	9.6x
	Mears Group plc	0.4x	0.4x	0.4x	0.4x	3.7x	3.7x	3.6x	n.a.	8.7x	9.1x	8.9x	8.5x	8.7x	9.5x	9.5x	n.a.
	Sun Frontier Fudousan Co., Ltd.	1.1x	0.8x	0.8x	0.7x	5.4x	4.7x	3.7x	n.a.	6.0x	5.2x	4.1x	n.a.	6.9x	7.1x	5.5x	4.7x
	Gabetti Property Solutions S.p.A.	0.5x	n.a.	n.a.	n.a.	6.0x	n.a.	n.a.	n.a.	6.1x	n.a.	n.a.	n.a.	5.4x	n.a.	n.a.	n.a.
	City Service SE	0.7x	n.a.	n.a.	n.a.	7.2x	n.a.	n.a.	n.a.	13.1x	n.a.	n.a.	n.a.	45.9x	n.a.	n.a.	n.a.
	EdiliziAcrobatica S.p.A.	1.0x	1.0x	0.9x	0.7x	3.6x	4.5x	4.0x	3.3x	3.8x	4.8x	4.3x	3.6x	7.0x	8.0x	6.8x	5.3x
	Abitare In S.p.A.	10.7x	1.4x	1.1x	1.5x	17.5x	5.2x	3.5x	6.1x	18.2x	5.4x	3.5x	6.3x	19.3x	4.0x	2.6x	4.8x
Mean	2.1x	0.8x	0.7x	0.8x	7.4x	5.2x	4.5x	5.5x	9.6x	7.0x	6.1x	6.8x	15.0x	8.1x	7.0x	6.1x	
Median	0.7x	0.8x	0.8x	0.7x	6.0x	4.7x	3.7x	6.1x	8.7x	5.4x	4.3x	7.4x	8.7x	8.0x	6.8x	5.0x	
Cluster 2	Gabetti Property Solutions S.p.A.	0.5x	n.a.	n.a.	n.a.	6.0x	n.a.	n.a.	n.a.	6.1x	n.a.	n.a.	n.a.	5.4x	n.a.	n.a.	n.a.
	Innovatec S.p.A.	0.7x	0.5x	0.5x	0.4x	5.5x	4.2x	3.6x	2.9x	9.2x	7.0x	5.4x	4.1x	11.0x	8.6x	6.6x	5.0x
	EdiliziAcrobatica S.p.A.	1.0x	1.0x	0.9x	0.7x	3.6x	4.5x	4.0x	3.3x	3.8x	4.8x	4.3x	3.6x	7.0x	8.0x	6.8x	5.3x
	Sciuker Frames S.p.A.	1.2x	0.6x	0.7x	n.a.	3.3x	2.4x	3.1x	n.a.	3.7x	2.8x	3.7x	n.a.	6.3x	4.6x	6.0x	n.a.
	Gibus S.p.A.	0.8x	0.6x	0.5x	n.a.	3.3x	3.5x	2.9x	n.a.	4.1x	4.7x	3.9x	n.a.	7.6x	9.0x	7.7x	n.a.
	Abitare In S.p.A.	10.7x	1.4x	1.1x	1.5x	17.5x	5.2x	3.5x	6.1x	18.2x	5.4x	3.5x	6.3x	19.3x	4.0x	2.6x	4.8x
	Nusco S.p.A.	0.7x	0.6x	0.5x	0.5x	11.3x	5.1x	4.4x	3.7x	7.8x	6.0x	4.8x	n.a.	22.3x	9.0x	6.9x	5.4x
Mean	2.2x	0.8x	0.7x	0.8x	7.2x	4.2x	3.6x	4.0x	7.6x	5.1x	4.3x	4.7x	11.3x	7.2x	6.1x	5.1x	
Median	0.8x	0.6x	0.6x	0.6x	5.5x	4.4x	3.5x	3.5x	6.1x	5.1x	4.1x	4.1x	7.6x	8.3x	6.7x	5.1x	
Combined Mean	2.2x	0.8x	0.7x	0.8x	7.3x	4.6x	4.0x	4.7x	8.6x	6.0x	5.1x	5.9x	13.1x	7.6x	6.5x	5.6x	
Combined Median	0.7x	0.6x	0.7x	0.7x	5.7x	4.5x	3.6x	3.7x	6.9x	5.4x	4.3x	6.3x	8.1x	8.0x	6.8x	5.1x	
Imprendiroma Current Price and Consensus estimates	1.0x	0.4x	0.5x	0.4x	4.7x	1.4x	1.4x	1.3x	4.9x	1.4x	1.5x	1.3x	7.5x	2.1x	2.3x	2.1x	

Source: EnVent Research on S&P Capital IQ, 25/04/2023



### Multiples application

We apply combined mean/median multiples to our updated projections, observing that most of 2025E multiples are unavailable or not meaningful, due to lack of disclosed consensus estimates for most of the peers. With our new estimates, 2023-25E EBITDA, EBIT and Net Income margins are now more in line with the listed peers mean/median figures. Therefore, we are not applying anymore a 30% discount to EV/EBITDA, EV/EBIT and P/E multiples application.

Multiples - Comparables		(€m)		Multiple	EV (€m)	Net (Debt)/ Cash (€m)	Minorities (€m)	Equity Value (€m)
						31/12/22	31/12/22	
<b>Imprendiroma</b>								
2023E	Total revenues	<b>85.4</b>	Mean	0.8x	67.5	3.6	(0.0)	71.1
			Median	0.6x	50.6	3.6	(0.0)	54.3
2024E	Total revenues	<b>79.0</b>	Mean	0.7x	56.9	3.6	(0.0)	60.6
			Median	0.7x	53.0	3.6	(0.0)	56.7
2025E	Total revenues	<b>89.0</b>	Mean	0.8x	67.8	3.6	(0.0)	71.4
			Median	0.7x	60.9	3.6	(0.0)	64.6
<b>Mean 2023-25E</b>								<b>63.1</b>
2023E	EBITDA	<b>19.0</b>	Mean	4.6x	88.0	3.6	(0.0)	91.6
			Median	4.5x	84.8	3.6	(0.0)	88.5
2024E	EBITDA	<b>18.0</b>	Mean	4.0x	71.6	3.6	(0.0)	75.3
			Median	3.6x	64.6	3.6	(0.0)	68.2
2025E	EBITDA	<b>20.8</b>	Mean	4.7x	96.8	3.6	(0.0)	100.4
			Median	3.7x	76.5	3.6	(0.0)	80.1
<b>Mean 2023-25E</b>								<b>84.0</b>
2023E	EBIT	<b>18.4</b>	Mean	6.0x	109.6	3.6	(0.0)	113.2
			Median	5.4x	99.4	3.6	(0.0)	103.1
2024E	EBIT	<b>17.3</b>	Mean	5.1x	88.4	3.6	(0.0)	92.0
			Median	4.3x	74.5	3.6	(0.0)	78.2
2025E	EBIT	<b>20.0</b>	Mean	5.9x	118.1	3.6	(0.0)	121.8
			Median	6.3x	126.2	3.6	(0.0)	129.8
<b>Mean 2023-25E</b>								<b>106.3</b>
2023E	Earnings	<b>13.1</b>	Mean	7.6x				99.4
			Median	8.0x				105.0
2024E	Earnings	<b>12.3</b>	Mean	6.5x				79.8
			Median	6.8x				83.0
2025E	Earnings	<b>14.2</b>	Mean	5.6x				79.5
			Median	5.1x				72.7
<b>Mean 2023-25E</b>								<b>86.6</b>

Source: EnVent Research

### Target Price

We confirm our preference for DCF as the most suitable valuation methodology for Imprendiroma, fully capable to take properly account of the impact of the existing backlog, as well as of our medium/long run margins and profitability forecasts. Given all of that, we believe that our 15 years horizon DCF, with its assumptions regarding long run profitability trend (15% EBITDA Margin), is the right approach to assess the Company investment case.

The resulting target price is €5.84 per share, from €6.62 of our prior note, implying a

58% upside potential on Imprendiroma current stock price. We confirm the OUTPERFORM rating on the stock.

Please refer to important disclosures at the end of this report.

Imprendiroma Price per share	€
<b>Target Price</b>	5.84
Current Share Price (25/04/2023)	3.70
<b>Premium (Discount)</b>	<b>58%</b>

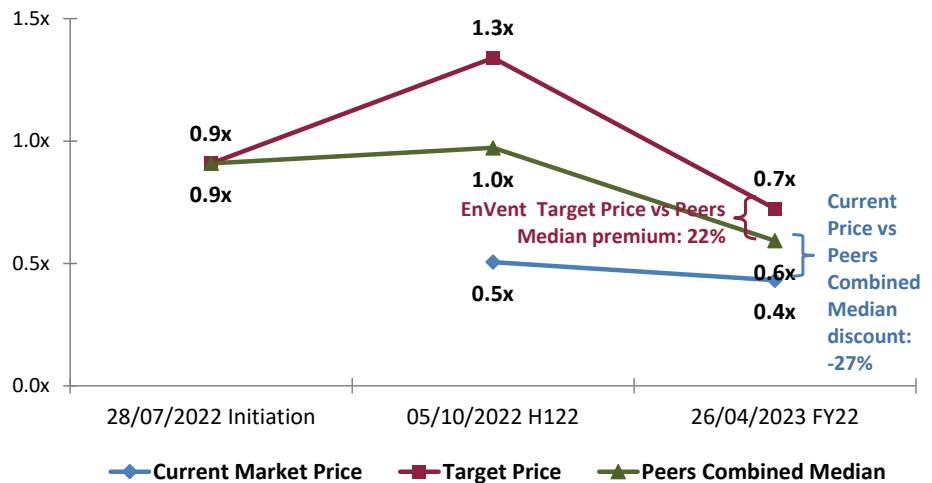
Source: EnVent Research

### Imprendiroma Share Price vs EnVent Target Price



Source: EnVent Research on S&P Capital IQ, 26/04/2023

### Implied EV/Revenues vs industry median multiples



Imprendiroma current 0.4x EV/Rev 23E resulting in over 25% discount vs. peers combined median

Target Price implying almost 20% premium

Source: EnVent Research on S&P Capital IQ, 26/04/2023

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Date and time of Production: 25/04/2023 h. 6.30pm

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#### DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
28/07/2022	OUTPERFORM	6.70	4.76
11/10/2022	OUTPERFORM	6.62	4.20
26/04/2023	OUTPERFORM	5.84	3.70

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