

## Soges on Track with IPO Plan for Strategic Growth

ADD | Fair Value: €4.1 (€4.5) | Current Price: €2.0 | Upside: +107.6%

## Research Update

October 17, 2024 – 7.00 h

€ Million	FY20A	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E	FY27E
Total Revenues	2.4	5.9	11.5	15.9	17.2	21.2	25.5	29.8
EBITDA	(1.0)	(0.1)	0.9	1.5	1.6	2.0	2.8	3.9
margin	-41.6%	-1.8%	7.9%	9.1%	9.3%	9.5%	10.8%	13.0%
Net Profit	(0.4)	(0.5)	0.3	0.4	0.2	0.3	0.8	1.4
margin	-14.7%	-8.6%	2.5%	2.6%	1.3%	1.6%	3.0%	4.9%
EPS	n.a.	n.a.	n.a.	n.a.	0.04	0.07	0.15	0.28
NFP	1.4	1.9	2.7	3.4	2.4	1.3	(0.8)	(3.8)

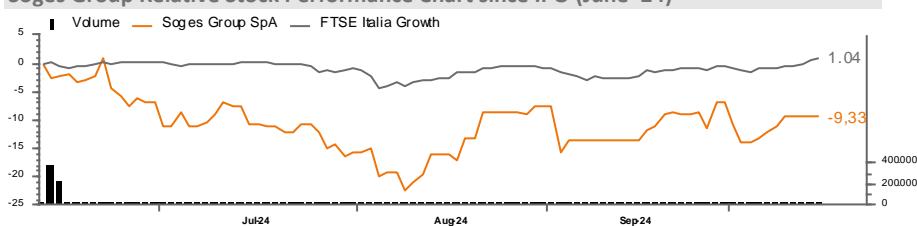
Source: Company Data (FY20A-FY23A), KT&amp;Partners' Elaboration (FY24E-FY27E)

**1H24 Financial Results.** Soges reported its 1H24 financial results announcing €7.4mn in sales revenues (+6.8% YoY), close to our estimate of €7.5mn (-0.4%). Venues located in the Florence cluster performed generally well, mostly exceeding our expectations; in contrast, hotels in the Chianti region generally underperformed our estimates, even experiencing revenue declines in 1H24, due to the relative absence of Tuscan and, more broadly, Italian tourists in these areas, bringing down their spending on hotels' services, particularly on dining, as these hotels rely more heavily on restaurants' revenue compared to the city-based facilities. Soges EBITDAR (EBITDA before Rental Costs) increased by +5.6% YoY from €0.9mn in 1H23 to €1.0mn in 1H24, slightly below our estimate of €1.1mn, thanks to a lower incidence of Products and Raw Materials (13.5% of sales revenue in 1H23 vs. 12.3% in 1H24), despite higher Personnel expenses and Costs of Services related to the June 2024 IPO. The marginality at this level has been preserved, with the EBITDAR margin remaining equal to 13.1%. However, the Group's 1H24 EBITDA decreased to €0.1mn vs. 0.2mn in 1H23 (-27.3% YoY), missing our estimate of €0.4mn, due to a readjustment of some leasing contracts and higher rental costs' incidence (10.7% in 1H23 vs. 11.4% in 1H24), which lowered the EBITDA margin from 2.6% in 1H23 to 1.8% in 1H24. Net income came in at -€0.4mn vs. -€0.4mn in 1H23 (vs. -€0.1mn in our estimate). Finally, the NFP improved to €2.1mn, down from €3.4mn in FY23, primarily due to the €2.4mn cash injection from the IPO in June.

**Change in Estimates.** Following Soges Group's 1H24 financial results, we revised our 2024E–27E estimates. Our overall revenue projections remain largely unchanged: we still anticipate FY24E total revenues at €17.2mn, and project revenues to grow a CAGR FY23A–FY27E of 16.9% reaching €29.8mn in FY27E, consistent with our prior estimate. We keep assuming the addition of two new venues each year from 2025 to 2027, each contributing an average of €1.5mn in annual sales (except for Hotel Malaspina, one of the two venues added in 2025, for which we project €1.6mn in revenue for that year, and around €1.9mn yearly revenues in the following two years). We therefore continue estimating a total of 14 hotels managed by FY27E. We now project Soges to achieve a €3.2mn FY24E EBITDAR (vs. €3.5mn previously estimated), with an EBITDAR margin of 18.4% (from 20.4% previously estimated). We then project the EBITDAR to reach €7.6mn in FY27E, with a margin of 25.4% (vs. €7.8mn on a 26.1% previously estimated). We forecast FY24E EBITDA of at €1.6mn, with an EBITDA margin of 9.3% (vs. €2.0mn on a 11.7% EBITDA margin in our previous forecast) and project a +27.7% CAGR23A–27E to reach €3.9mn in FY27E (vs. €4.1mn previously projected). FY24E Net income is expected to come at 0.2mn, with a net margin of 1.3% (down from €0.5mn and a 2.9% net margin previously estimated). In the following years, we anticipate the net income growing by a CAGR2023–2027E of +36.4%, reaching €1.4mn by FY27E (from €1.6mn previously projected). Finally, we estimate FY24E NFP to be €2.4mn (vs. €2.1mn in our previous estimate). We forecast the Group to improve its NFP until reaching a net cash position of €3.8mn in FY27E (vs. -€4.6mn previously estimated).

**Valuation.** Our valuation - based on DCF and market multiples method (EV/Sales and EV/EBITDA) - returns an equity fair value of €20.9mn, or €4.1ps, implying an upside of +107.6% on the current market price.

## Soges Group Relative Stock Performance Chart since IPO (June '24)



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## Market Data

Main Shareholders	
Gala Holding Srl	77.88%
Andrea Galardi	0.31%
Treasury Shares	0.62%
Mkt Cap (€ mn)	10.1
EV (€ mn)	12.5
Shares out. (mn)	5.1
Free Float	21.2%

Market multiples	2023	2024	2025
EV/EBITDA			
Soges Group S.p.A.	8.6x	7.8x	6.2x
Comps Median	13.9x	7.8x	7.4x
Soges Group S.p.A. vs Median	-38%	0%	-17%
P/E			
Soges Group S.p.A.	24.0x	46.5x	29.8x
Comps Median	16.9x	15.7x	16.6x
Soges Group S.p.A. vs Median	42%	197%	80%

## Stock Data

52 Wk High (€)	2.27
52 Wk Low (€)	1.70
Avg. Daily Trading 90d	4,489
Price Change 1w (%)	-1.01
Price Change 1m (%)	0.77
Price Change YTD (%)	n.a.

KT&PARTNERS PREPARED THIS DOCUMENT PURSUANT TO AN ENGAGEMENT LETTER ENTERED INTO WITH MIT SIM S.P.A. ACTING AS SPECIALIST IN ACCORDANCE WITH ART. 35 OF EURONEXT GROWTH MILAN MARKET RULES FOR COMPANIES

## Key Figures - Soges Group SpA

Current price (€)	Fair Value (€)		Sector					Free Float (%)
2.0	4.1		Hotels, Restaurant & Leisure					21.18%
<b>Per Share Data</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Total shares outstanding (mn)	n.m.	n.m.	n.m.	n.m.	5.14	5.14	5.14	5.14
EPS	n.m.	n.m.	n.m.	n.m.	0.04	0.07	0.15	0.28
Dividend per share (ord)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dividend payout ratio (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Profit and Loss (EUR million)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Total Revenues	2.4	5.9	11.5	15.9	17.2	21.2	25.5	29.8
EBITDA	(1.0)	(0.1)	0.9	1.5	1.6	2.0	2.8	3.9
EBIT	(1.3)	(0.5)	0.3	0.6	0.6	0.7	1.2	2.1
EBT	(0.4)	(0.5)	0.2	0.2	0.3	0.5	1.1	2.0
Taxes	-	0.0	0.1	0.2	(0.1)	(0.1)	(0.3)	(0.6)
Tax rate	0%	2%	-34%	-86%	29%	29%	29%	29%
Net Income	(0.4)	(0.5)	0.3	0.4	0.2	0.3	0.8	1.4
<b>Balance Sheet (EUR million)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Total fixed assets	3.0	4.2	5.7	6.6	8.2	8.0	7.5	6.8
Net Working Capital (NWC)	(0.4)	(0.9)	(1.1)	(0.7)	(0.1)	(0.2)	(0.2)	(0.2)
Provisions	(0.3)	(0.4)	(0.6)	(1.0)	(1.5)	(2.1)	(2.8)	(3.6)
Total Net capital employed	2.3	2.8	4.0	4.9	6.5	5.7	4.5	2.9
Net financial position/(Cash)	1.4	1.9	2.7	3.4	2.4	1.3	(0.8)	(3.8)
Group Shareholder's Equity	1.0	0.9	1.2	1.5	4.1	4.5	5.3	6.7
Minorities	-	-	-	-	-	-	-	-
Total Shareholder's Equity	1.0	0.9	1.2	1.5	4.1	4.5	5.3	6.7
<b>Cash Flow (EUR million)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Net operating cash flow	(1.0)	(0.1)	1.0	1.9	1.4	1.8	2.4	3.2
Change in NWC	(0.1)	0.5	0.1	(0.4)	(0.6)	0.1	0.0	(0.0)
Capital expenditure	(0.9)	(1.5)	(1.9)	(1.6)	(2.6)	(1.2)	(1.0)	(1.0)
Other cash items/Uses of funds	0.1	0.1	(0.0)	0.2	0.5	0.6	0.7	0.8
Free cash flow	(1.9)	(0.9)	(0.8)	0.1	(1.2)	1.3	2.1	3.0
<b>Enterprise Value (EUR million)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Market Cap	n.m.	n.m.	n.m.	n.m.	10.1	10.1	10.1	10.1
Minorities	-	-	-	-	-	-	-	-
Net financial position/(Cash)	1.4	1.9	2.7	3.4	2.4	1.3	(0.8)	(3.8)
Enterprise value	n.m.	n.m.	n.m.	n.m.	12.5	11.3	9.3	6.3
<b>Ratios (%)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
EBITDA margin	-41.6%	-1.8%	7.9%	9.1%	9.3%	9.5%	10.8%	13.0%
EBIT margin	-54.9%	-8.5%	3.0%	3.6%	3.5%	3.2%	4.8%	7.2%
Gearing - Debt/equity	139.6%	202.9%	226.2%	233.2%	58.0%	28.2%	-14.9%	-56.0%
Interest cover on EBIT	73.3%	-3.9%	36.7%	60.5%	49.4%	30.3%	10.6%	4.2%
NFP/EBITDA	-1.37x	-17.50x	3.01x	2.37x	1.50x	0.63x	-0.28x	-0.97x
ROCE	-56.1%	-18.0%	8.7%	11.6%	9.2%	11.9%	27.3%	72.4%
ROE	-35.9%	-55.4%	24.1%	28.4%	5.2%	7.6%	14.7%	21.6%
EV/Sales	5.22x	2.10x	1.08x	0.78x	0.73x	0.59x	0.49x	0.42x
EV/EBITDA	-12.53x	-116.87x	13.66x	8.57x	7.80x	6.18x	4.51x	3.23x
P/E	-28.74x	-19.74x	34.36x	24.01x	46.53x	29.76x	13.00x	6.94x
Free cash flow yield	-15.4%	-7.5%	-6.0%	0.8%	-9.6%	10.3%	17.1%	24.4%
<b>Growth Rates (%)</b>								
	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Sales	-74.1%	148.0%	94.0%	38.7%	7.7%	23.6%	20.0%	17.0%
EBITDA	n.m.	-89.3%	n.m.	59.4%	9.9%	26.1%	37.0%	39.9%
EBIT	293.5%	-61.8%	-168.7%	66.1%	5.2%	13.6%	78.4%	74.9%
Net Income	-105.4%	45.6%	-157.5%	43.1%	-48.4%	56.3%	128.9%	87.3%

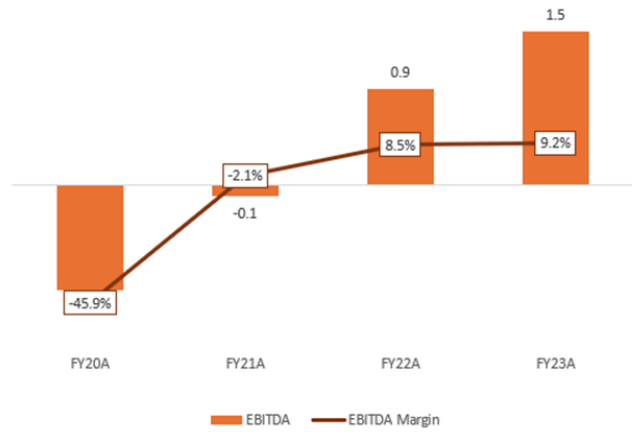
Source: Company Data (2020-2023), KT&amp;Partners' Forecasts (2024-2027)

## Key Charts

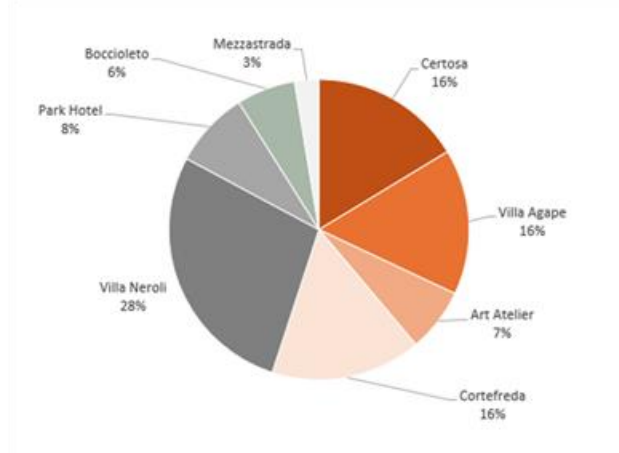
Total Revenues (€mn)



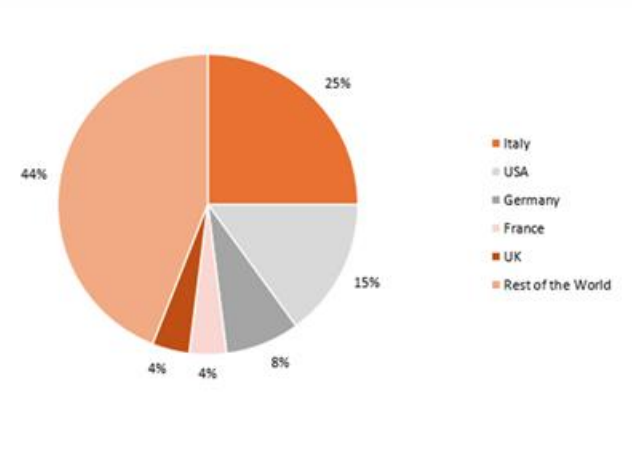
EBITDA ed EBITDA Margin (€mn, %)



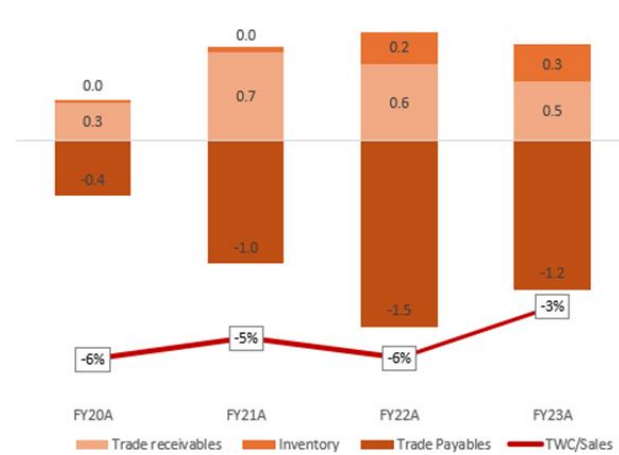
Sales Revenues Breakdown by Managed Hotel in 2023 (€mn)



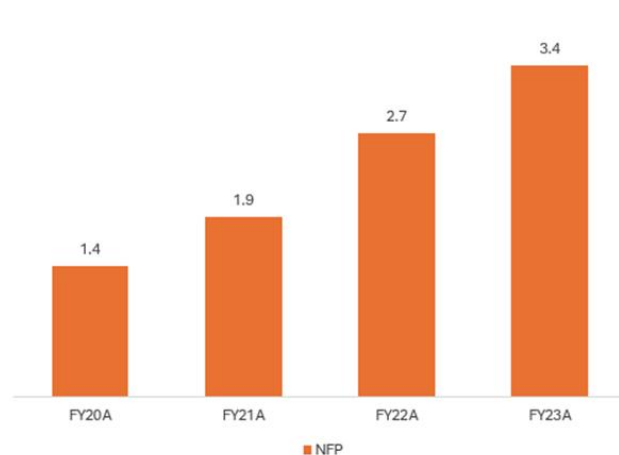
Soges 2022-23 Clients' Breakdown by Nationality (%)



Trade Working Capital and TWC/Total Revenues (€mn, %)



Net Financial Position (€mn)



## Overview

### *Company Description*

Soges Group SpA (“Soges”, or “Company”, or “Group”) is an Italian company today operating in the medium-to-high-end hospitality and lodging market. The Group’s purpose is to blend high-quality lodging services with a set of experiences and activities that allow its customers to live the Tuscanian historical-cultural context artistic and natural vibes to the fullest. To help with its goal, the group chooses to carry its hotel activities in buildings with historical and cultural relevance, such as historical villas, former monasteries, farmsteads, etc. As of today, the Company operates through its commercial brand “Place of Charme”, which encompasses all but one of the managed hotels.

The Company was born in 2000 as a student housing management company and entered the hospitality business in 2014 after acquiring the management of its first hotel, the Certosa di Pontignano. The Company completed its business reconversion in 2019 by selling its student housing business unit and proceeded to expand its activities, reaching 8 managed hotels at the end of 2023, for a total of 324 rooms (40.5 rooms per facility on average). With the addition of the Art Atelier Dependance (operations starting from July 2024) and the acquisition of Hotel Malaspina in the summer of 2024 (opening scheduled in 2025), the Group will bring its managed facilities to 9, with a portfolio of around 370 rooms under its management (41.1 rooms per facility on average).

As of today, the company offers its accommodation services in hotels located exclusively in the Tuscany region, clustered in the city of Florence and in the countryside region of Chianti, leveraging the proximity of hotels within each cluster to create operational efficiencies and synergies by sharing resources, supplies, and personnel as needed. The Company business model is based on the centralized management of the facilities and on the growth and strengthening of its brand through further acquisitions. The Group takes charge of all the administrative functions that can directly perform by itself, cutting overhead costs, making governance more efficient and creating synergies between its venues. The Group aims to further expand its model to other hotels by taking over the management of new hotel facilities (either in Tuscany or other Italian regions) that align with Soges’ quality standards and with its brand proposition. The expansion of the Group’s operations (and therefore, of its revenues) would allow it to enhance profitability and widen margins, since its costs would grow less than its revenues thanks to economies of scale.

### *Investment Case*

- **High-quality brand proposition.** Soges offers accommodation services in hotels situated in the captivating Tuscany region, specifically in the city of Florence and the picturesque Chianti countryside. Soges approach is defined by the cultural and historical context of these locations, emphasizing authenticity and immersion in the rich heritage of Tuscany. The hotels are typically located in buildings of historical and cultural significance and integrated with their surroundings. The Group arranges a diverse array of activities and experiences that showcase the art, literature, history, and natural beauty of Florence and its surrounding countryside, with the aim of offering a permanent positive memory of the accommodation experience for its guests.
- **High customer satisfaction and positive experience reviews.** Soges' services have garnered high praise and appreciation from its customers, as evidenced by excellent reviews and ratings on various online travel portals. In particular, the Company has been able to consistently improve its average Booking.com ratings across all facilities: from 2019 to 2023, Soges elevated its average Booking.com ratings by 0.4/10, and by 0.6/10 when considering only the hotels acquired after 2019. The quality of Soges' services is further underscored by its high average

occupancy rates: in 2023, the Company achieved an average occupancy rate of 82% across its hotels.

- **Successful track record of hotel takeovers.** The Company can boast a track record of successful portfolio additions, managing not only to correctly detect its targets, but also to integrate the acquired hotels in its portfolio and to improve their operational and financial performance. The group aims of expanding their operations in Tuscany and possibly in the rest of Italy, thanks to the plethora of cultural touristic destinations and historical buildings that align with the standards of Soges' brand proposition.
- **Centralized management bringing efficiency and economies of scale.** Soges' business model is founded on the centralization of business and administrative functions of its hotels and facilities, taking charge of all the duties that can directly perform by itself; this approach helps to make governance more efficient and to create synergies between its venues. It also creates economies of scales, as costs rise less than revenues for each hotel it is acquired, empowering further business expansion with wider margins and higher profitability.
- **Industry-level shift toward medium-to-high and higher rated services driven by a change in customer preferences.** The Italian lodging market is undergoing a "luxurization" trend, with 4 and 5-star rated hotels gaining prominence at the expense of lower-rated establishments. Hotels across Italy are evolving into medium-to-high-end and luxury service providers, trying to cater to customers with higher spending capacity as tourists are increasingly seeking higher quality accommodation and better travel experiences, and are simultaneously distancing themselves from the fiercely competitive lower market segments. This evolving landscape offers significant opportunities to companies like Soges, which are already experienced in the medium-to-high-end segment and better positioned to capitalize on these trends.
- **Asset-light business model.** Soges operates as a hotel management company, typically running its operations without direct ownership of the properties it oversees. Rather than acquiring real estate assets, the company secures management contracts, empowering it to meticulously manage and enhance hotels without the financial burden stemming from property ownership. Purchases of the hotel buildings are made occasionally, when the acquisition of the hotel management is deemed strategically important for the Company and the building purchase is necessary to acquire the management of the hotel. This prudent approach enables Soges to focus on maximizing operational efficiency and profitability while mitigating the risks associated with property ownership.

#### **Recent developments**

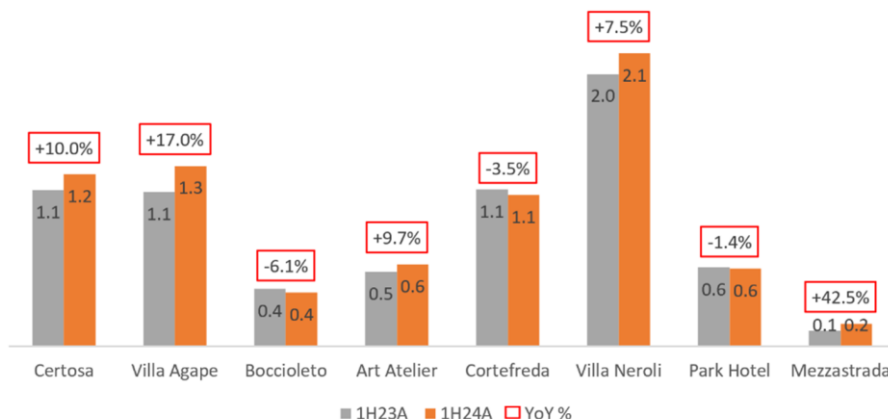
- **Closing of purchase Park Hotel Chianti.** On September 30, 2024, Soges Group announced to having closed the purchase of the business operations and license of the Park Hotel Chianti, after having exercised the purchase option embedded in the hotel's business lease contract, on July 8. The acquisition comes with a total price tag of €906k, including €198k of already paid rent fees, €108k of bail deposit, €78k for the personnel severance pay provision and €146k of up-front payment. The rest of the transaction price will be deferred and settled with three payment of €125k to be made on the first day of June of 2025, 2026, and 2027.

## 1H24 Financial Results

On September 27, 2024, Soges reported its 1H24 financial results, announcing €7.4mn in sales revenues, growing by +6.8% YoY from €7.0mn in 1H23 and almost confirming our estimate of €7.5mn (-0.4%). Looking at the revenues' breakdown by single venue, hotels located in the Florence cluster showed an overall better performance, mostly exceeding our revenue growth projections; in contrast, hotels in the Chianti region generally underperformed our estimates, even experiencing revenue declines in 1H24. This was particularly true for the two hotels in Tavernelle Val di Pesa—Park Hotel Chianti (-1.4% YoY) and Borgo di Cortefreda (-3.5% YoY)—as well as Boccioleto (-6.1% YoY) in the countryside of Montaione. The decline is mainly due to the relative absence of Tuscan and, more broadly, Italian tourists in these areas, which has affected their spending on services, particularly dining as these hotels rely more heavily on food and beverage revenue compared to the city-based facilities.

Villa Agape, situated on the hillside at the edge of Florence, made the largest contribution to revenue growth, adding nearly €0.2mn to its turnover, with sales increasing from €1.1mn in 1H23 to €1.3mn in 1H24 (+17.0%). Villa Neroli ranked second in terms of revenue growth contribution, with an increase of almost €150k, from €2.0mn in 1H23 to €2.2mn in 1H24 (+7.5%), while still maintaining its position as the largest revenue-generating venue in Soges' portfolio.

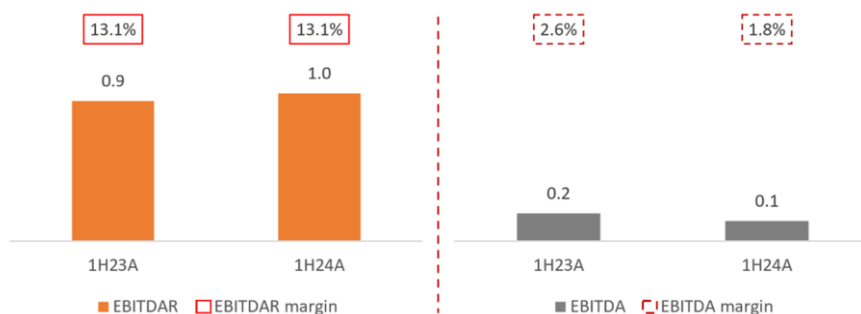
Soges Sales Revenues Breakdown by Managed Facility 1H23-1H24 (€mn)



Source: KT&Partners' Elaboration on Company Data

Soges achieved a 5.6% YoY increase in EBITDAR (EBITDA before Rental Costs), rising from €0.9mn to €1.0mn, though slightly below our estimate of €1.1mn. This growth was driven by a reduced incidence of Products and Raw Materials (13.5% of sales revenue in 1H23 vs. 12.3% in 1H24), despite higher Personnel expenses and Costs of Services related to the June 2024 IPO. The marginality at this level has been preserved, with the EBITDAR margin remaining equal to 13.1%.

Soges Group EBITDAR and EBITDA, EBITDAR and EBITDA Margin 1H23-1H24 (€mn, %)



Source: KT&Partners' Elaboration on Company Data

However, after accounting for the rental costs, the Group has recorded a decreasing EBITDA in 1H24 with €0.1mn vs. 0.2mn in 1H23 (-27.3% YoY), missing our estimate of €0.4mn, due to a readjustment of some leasing contracts. Given the higher incidence of rental costs (from 10.7% in 1H23 to 11.37% in 1H24), the EBITDA margin decreased from 2.6% in 1H23 to 1.8% in 1H24.

1H24 EBIT came in at -€0.3mn, declining from the -€0.2mn registered in 1H23, with an EBIT margin of -4.0% (vs 2.6% in 1H23). At the bottom-line level, the Net income came in at -€0.4mn vs -€0.4mn in 1H23 (vs. -€0.1mn in our estimate).

Finally, the NFP improved to €2.1mn, down from €3.4mn in FY23, primarily due to the €2.4mn cash injection from the IPO in June.

#### 1H23A-1H24A Consolidated Income Statement vs 1H24 Estimates

€ Millions	1H23A	1H24A	YoY %	1H24E	A vs E %
Sales Revenues	7.0	7.4	6.8%	7.5	-0.4%
Other Revenues	0.1	0.0		0.1	
<b>Total Revenues</b>	<b>7.0</b>	<b>7.5</b>	<b>6.2%</b>	<b>7.6</b>	<b>-1.6%</b>
Growth %	n.a.	6.2%			
Products and Raw materials	(0.9)	(0.9)		(1.0)	
<b>Gross Profit</b>	<b>6.1</b>	<b>6.6</b>	<b>7.6%</b>	<b>6.6</b>	<b>-0.3%</b>
Gross Margin	86.6%	87.8%		86.7%	
Cost of Services	(2.0)	(2.2)		(2.1)	
Personnel Expenses	(3.0)	(3.2)		(3.2)	
Other Operating Expenses	(0.1)	(0.1)		(0.2)	
<b>EBITDAR</b>	<b>0.9</b>	<b>1.0</b>	<b>5.6%</b>	<b>1.1</b>	<b>-14.1%</b>
EBITDAR margin	13.1%	13.1%		15.0%	
Rental Costs	(0.7)	(0.8)		(0.7)	
<b>EBITDA</b>	<b>0.2</b>	<b>0.1</b>	<b>-27.3%</b>	<b>0.4</b>	<b>-67.4%</b>
EBITDA margin	2.6%	1.8%		5.3%	
Growth %	n.a.	-27.3%			
D&A and Provisions	(0.4)	(0.4)		(0.4)	
<b>EBIT</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>-65.2%</b>	<b>(0.0)</b>	<b>6750.5%</b>
EBIT margin	-2.6%	-4.0%		-0.1%	
Financial Income and Expenses	(0.1)	(0.2)		(0.1)	
Extraordinary items	-	-		-	
<b>EBT</b>	<b>(0.3)</b>	<b>(0.5)</b>	<b>-60.8%</b>	<b>(0.1)</b>	<b>347.6%</b>
Taxes	(0.1)	0.0		0.0	
Tax Rate	-17.1%	8.3%		-20.0%	
<b>Net Income</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>-26.0%</b>	<b>(0.1)</b>	<b>413.2%</b>
Net margin	-5.0%	-5.9%		-1.1%	
Growth %	n.a.	-26.0%			

Source: KT&Partners' Elaboration on Company Data

## Change in Estimates

Following Soges Group's 1H24 financial results, we have updated our estimates for the 2024E–27E period. Our overall revenue projections remain largely unchanged, as sales aligned closely with our expectations. However, we revised the revenue forecasts for individual venues to reflect the performance trends in the urban and countryside clusters. Specifically, we still expect total revenues in FY24E to reach €17.2mn and project revenues to grow to €29.8mn by FY27E, reflecting a CAGR of 16.9% for 2023–2027, consistent with our prior estimate.

We also maintain our assumption of adding two new venues each year from 2025 to 2027, with each contributing an average of €1.5mn in annual sales, except for Hotel Malaspina, one of the two venues added in 2025, for which we project €1.6mn in revenue for that year, rising to around €1.9mn in the following two years. Therefore, we continue to estimate a total of 14 establishments managed by the end of FY27E and €29.8mn in total revenues.

At the EBITDAR level, we now project Soges to achieve a €3.2mn FY24E EBITDAR, instead of €3.5mn previously estimated. Hence, the estimated EBITDAR margin on total revenues in FY24E is now projected to be 18.4%, down from 20.4% previously estimated. We then project the EBITDAR to reach €7.6mn, with a margin of 25.4%, vs. €7.8mn on a 26.1% previously estimated.

With the deduction of rental costs, we project an EBITDA of €1.6mn in FY24E, with an EBITDA margin 9.3%, down from our previous forecast of €2.0mn on a 11.7% EBITDA margin and forecast it to rise at a CAGR23A–27E of +27.7% to reach €3.9mn in FY27E instead of €4.1mn previously projected.

For the bottom line, we now expect the Net income in FY24E to come at €0.2mn, with a net margin of 1.3%, down from €0.5mn and a 2.9% net margin previously estimated. In the following years, we anticipate the net income growing by a CAGR2023–2027E of +36.4%, reaching €1.4mn by the end of FY27E (down from €1.6mn previously projected).

Finally, we estimate FY24E NFP to be €2.4mn (vs. €2.1mn in our previous estimate). We forecast the Group to improve its NFP until reaching a net cash position of -€3.8mn in FY27E (vs. -€4.6mn previously estimated).

Change in Estimates																
€ Millions	2022A	2023A	2024E	2024E	Change	2025E	2025E	Change	2026E	2026E	Change	2027E	2027E	Change	CAGR OLD 2023-27	CAGR NEW 2023-27
	Actual	Actual	Old	New		Old	New		Old	New		Old	New			
<b>Revenues</b>	11.5	15.9	17.2	17.2	-0.1%	21.1	21.2	0.5%	25.4	25.5	0.3%	29.8	29.8	-0.1%	16.9%	16.9%
YoY Change (%)	94.0%	38.7%	7.8%	7.7%		22.9%	23.6%		20.3%	20.0%		17.4%	17.0%			
<b>EBITDAR</b>	1.9	3.0	3.5	3.2	-9.8%	4.7	4.4	-5.6%	6.1	5.9	-3.7%	7.8	7.6	-2.8%	27.2%	26.3%
YoY Change (%)	n.m.	55.3%	17.8%	6.2%		34.3%	40.6%		30.6%	33.3%		26.7%	27.9%			
EBITDAR Margin	16.7%	18.7%	20.4%	18.4%		22.3%	20.9%		24.2%	23.2%		26.1%	25.4%			
<b>EBITDA</b>	0.9	1.5	2.0	1.6	-20.2%	2.3	2.0	-11.5%	3.0	2.8	-7.5%	4.1	3.9	-5.3%	29.4%	27.7%
YoY Change (%)	n.m.	59.4%	37.7%	9.9%		13.7%	26.1%		31.1%	37.0%		36.6%	39.9%			
EBITDA Margin	7.9%	9.1%	11.7%	9.3%		10.8%	9.5%		11.8%	10.8%		13.7%	13.0%			
<b>EBIT</b>	0.3	0.6	1.0	0.6	-40.2%	0.9	0.7	-27.8%	1.4	1.2	-15.6%	2.3	2.1	-9.1%	42.3%	38.9%
YoY Change (%)	n.m.	66.1%	75.9%	5.2%		-6.0%	13.6%		52.7%	78.4%		62.5%	74.9%			
EBIT Margin	3.0%	3.6%	5.9%	3.5%		4.5%	3.2%		5.7%	4.8%		7.9%	7.2%			
<b>Net Income</b>	0.3	0.4	0.5	0.2	-57.1%	0.5	0.3	-35.5%	0.9	0.8	-17.1%	1.6	1.4	-9.5%	39.8%	36.4%
YoY Change (%)	n.m.	43.1%	20.1%	-48.4%		4.2%	56.3%		78.0%	n.m.		71.5%	87.3%			
Net Margin	2.5%	2.6%	2.9%	1.3%		2.5%	1.6%		3.7%	3.0%		5.4%	4.9%			
<b>NFP</b>	2.7	1.9	2.1	2.4	0.3	0.8	1.3	0.5	(1.4)	(0.8)	0.6	(4.6)	(3.8)	0.8		
YoY Change (%)	47.0%	-32.0%	12.2%	28.7%		-62.7%	-47.4%		n.m.	-161.7%		n.m.	381.1%			

Source: KT&Partners' elaboration on company data



## Valuation

Following our projections of Soges' pre-money future financials, we carried out the valuation by applying market multiples methods. Our fair value is the result of:

1. EV/Sales and EV/EBITDA multiples, which return an average value of €3.9 per share;
2. DCF analysis based on WACC of 11.8% and a 1% perpetual growth, which returns an equity value of €4.3 per share.

The average of the two methods yields a fair value of €4.1ps or an equity value of €20.9mn.

### Multiple valuation

	Equity Value €mn	Value per share €
EV/Sales	29.2	5.7
EV/EBITDA	10.7	2.1
<b>Multiple Average</b>	<b>20.0</b>	<b>3.9</b>
DCF	21.8	4.3
<b>Average</b>	<b>20.9</b>	<b>4.1</b>

Source: FactSet, KT&Partners' Elaboration

## Peer Comparison

To define Soges' peer sample, we carried out an in-depth analysis of Italian and internationally listed companies active in the Hotel Management Industry. In selecting potential peers, we consider Soges Group's offering and revenue mix, business model, growth, and profitability profile.

For peer analysis, we built a sample of 8 companies, which includes:

- **Accor SA:** listed on the Euronext Paris Stock Exchange with a market capitalization of €10.0bn, Accor SA engages in the operation and investment in hotel properties. It operates through the following business segments: Hotel Services, Hotel Assets, and New Businesses. The Hotel Services segment corresponds to AccorHotels business as a hotel manager and franchisor. The Hotel Assets segment comprises the group's owned and leased hotels. The New Businesses segment corresponds digital services for independent hotels, private luxury home rentals, digital sales, and concierge services. In FY23, Accor reached €5.1bn in sales revenues.
- **MHP Hotel AG:** listed on the XETRA with a market capitalization of €50mn, MHP Hotel AG is a German hotel investment and management platform. The group designs and implements hotel and gastronomy concepts for hotels in the premium and luxury segments and operates them as a connecting partner between real estate investors and franchisors. In addition, the operation of its own hotel brand MOOONS as well as co investments in hotel properties, alongside real estate investors, are part of MHP's business model. In FY23, MHP reached €136mn in sales revenues.
- **Hilton Worldwide Holdings Inc:** listed on the NY Stock Exchange with a market capitalization of €53.4bn, Hilton Worldwide Holdings, Inc. engages in the provision of hospitality businesses. It operates through the Management and Franchise, and Ownership segments. The Management and Franchise segment operates hotels of third-party owners. The Ownership segment includes owned, leased, and joint venture hotels. In FY23, Hilton Worldwide Holdings reached €9.5mn in sales revenues.
- **Hyatt Hotels Corporation:** listed on the NY Stock Exchange with a market capitalization of €13.9bn, Hyatt Hotels Corp. engages in the development and management of resort and hotel chains. It operates through the following segments: Owned and Leased Hotels, Americas Management and Franchising, ASPAC Management and Franchising, EAME/SW Asia Management and Franchising, and Apple Leisure Group. The Owned and Leased Hotels segment offers hospitality services and hotels. The Americas

Management and Franchising segment consists of properties located in the United States, Latin America, Canada, and the Caribbean. The ASPAC Management and Franchising segment consists of the management and franchising of properties located in Southeast Asia, Greater China, Australia, South Korea, Japan, and Micronesia. The EAME/SW Asia Management segment consists of its management and franchising of properties located primarily in Europe, Africa, the Middle East, India, Central Asia, and Nepal. The Apple Leisure Group segment consists of management and marketing of primarily all-inclusive resorts within the AMR Collection in Latin America. In FY23, Hyatt Hotels Corporation reached €6.2bn in sales revenues.

- **Melia Hotels International, S.A.:** listed on the Spain Stock Exchange with a market capitalization of €1.5bn, Meliá Hotels International SA engages in the operation and management of hotels. It operates through the following segments: Hotel Management, Hotel Business, Real Estate, Vacation Club, Corporate, and Others. The Hotel Management segment operates hotels under management and franchise agreements. The Hotel Business segment operates hotel units owned or leased by the group. The Real Estate segment includes capital gains on asset rotation, and real estate development and operation. The Vacation Club segment includes the results deriving from the sale of shared rights of use of specific vacation complex units. The Corporate segment includes structural costs, results linked to the intermediation and marketing of room and tourist service reservations. The Other segment includes additional income from the hotel business, such as casinos or tour-operator activities. In FY23, Melia Hotels International reached €1.9bn in sales revenues.
- **NH Hotel Group SA:** listed on the Spain Stock Exchange with a market capitalization of €1.9bn, NH Hotel Group SA engages in the management of hotels. It operates hotel chains across Europe, America, Africa and Asia, which includes in Amsterdam, Barcelona, Berlin, Bogota, Brussels, Buenos Aires, Düsseldorf, Frankfurt, London, Madrid, Mexico City, Milan, Munich, New York, Rome and Vienna. Its brands include NH Collections, NH Hotels, NHOW, and Hesperia Resorts. The firm operates through the following segments: Real Estate and Hotel. In FY23, NH Hotel Group SA reached €2.2bn in sales revenues.
- **Emma Villas S.p.A.:** listed on the Euronext Growth Milan with a market capitalization of €17mn, Emma Villas S.p.A. Emma Villas is an Italian Incoming Tour Operator. You operate in the sector of weekly tourist rentals of luxury villas and farmhouses with private swimming pools. It currently manages, exclusively, over 600 properties throughout Italy, welcoming more than 55,000 international guests every year. Property management, Smart Hospitality, dedicated Concierge 7/7, Guest & Property Protection are among the elements characterizing the Emma Villas model. In FY23, Emma Villas reached €33mn in sales revenues.
- **Marriott Vacations Worldwide Corporation:** listed on the Euronext Growth Milan with a market capitalization of €2.4bn, Marriot Vacations Worldwide Corporation encompasses a portfolio of nearly 8,800 properties across more than 30 leading brands in 139 countries and territories. Marriott operates and franchises hotels and licenses v acation ownership resorts all around the world. In FY23, Marriott reached €4.4bn in sales revenues.

We conducted an analysis of peer companies, considering their average revenue and EBITDA growth, and compared them to Soges' historical revenues and EBITDA. It should be noted that Soges adheres to OIC principles in drawing its financial statements, and not to IFRS standards, contrary to the peer companies included in our panel (apart from Emma Villas), which all adhere to IFRS accounting principles. Leasing costs are therefore categorized as rental costs and weight on the EBITDA and its margin, whereas peer companies categorize leasing costs as financial expenses, bringing the EBITDA up and giving the illusion of a higher profitability compared to Soges.

By looking at 2022-23 revenue growth, peer companies grew on average by 16.3% YoY while Soges showed revenues increase at 46.3% YoY. Over the 2023-26E period, Soges' sales are expected to grow at a 16.7% CAGR23-26E vs 7.8% of the average growth of the peers.

Looking at FY23A EBITDA, Soges increased by 59.4% YoY, well above its peers which showed an EBITDA growth of +25.3% YoY. According to our financial pre-money projections, Soges' EBITDA is expected to grow at a CAGR2023-2026E well above the one shown by its peers (27.1% vs. +17.8%).

#### Peer comparison – Sales growth 2020-2026

Company Name	Sales				YoY	Sales			CAGR
	2020	2021	2022	2023	22-23	2024	2025	2026	2023-'26
Accor SA	1,621	2,204	4,224	5,056	19.7%	5,434	5,733	6,050	6.2%
MHP Hotel AG	0	n.a.	105	136	30.0%	164	183	199	13.5%
Hilton Worldwide Holdings Inc.	3,778	4,897	8,347	9,467	13.4%	10,383	11,208	12,192	8.8%
Hyatt Hotels Corporation Class A	1,846	2,598	5,534	6,218	12.4%	6,278	6,583	7,029	4.2%
Melia Hotels International, S.A.	528	827	1,680	1,929	14.8%	2,030	2,090	2,163	3.9%
Minor Hotels Europe & Americas, S.A	536	746	1,722	2,159	25.4%	2,325	2,407	2,488	4.8%
Emma Villas S.P.A.	5	9	14	33	n.m.	38	43	47	13.4%
Marriott Vacations Worldwide Corporation	2,532	3,291	4,430	4,372	-1.3%	4,583	4,780	n.a.	n.a.
<b>Peers Average</b>	<b>1,356</b>	<b>2,082</b>	<b>3,257</b>	<b>3,671</b>	<b>16.3%</b>	<b>3,904</b>	<b>4,128</b>	<b>4,310</b>	<b>7.8%</b>
<b>Soges Group S.p.A.</b>	<b>2</b>	<b>5</b>	<b>11</b>	<b>16</b>	<b>46.3%</b>	<b>17</b>	<b>21</b>	<b>25</b>	<b>16.7%</b>

Source: FactSet, KT&P's Elaboration

#### Peer comparison – EBITDA growth 2020-2026

Company Name	EBITDA				YoY	EBITDA			CAGR
	2020	2021	2022	2023	22-23	2024	2025	2026	2023-'26
Accor SA	-391	22	675	1,003	48.6%	1,112	1,209	1,315	9.5%
MHP Hotel AG	0	0	-6	-3	43.1%	5	9	11	n.a.
Hilton Worldwide Holdings Inc.	186	1,019	2,147	2,229	3.8%	3,145	3,385	3,656	17.9%
Hyatt Hotels Corporation Class A	-260	103	677	739	9.1%	1,077	1,170	1,271	19.8%
Melia Hotels International, S.A.	-159	62	439	496	12.9%	526	546	569	4.7%
Minor Hotels Europe & Americas, S.A	-53	82	491	621	26.5%	566	570	593	-1.5%
Emma Villas S.P.A.	n.a.	n.a.	1	2	83.1%	5	5	6	56.5%
Marriott Vacations Worldwide Corporation	137	515	884	668	-24.4%	718	766	n.a.	n.a.
<b>Peers Average</b>	<b>-77</b>	<b>258</b>	<b>664</b>	<b>719</b>	<b>25.3%</b>	<b>894</b>	<b>958</b>	<b>1,060</b>	<b>17.8%</b>
<b>Soges Group S.p.A.</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>59.4%</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>27.1%</b>

Source: FactSet, KT&P's Elaboration

We then compared peers' profitability with Soges' historical and expected margins. Soges showed a FY23 EBITDA margin at 9.2%, below its peers' average EBITDA margin of 18.1% due to the different accounting of leasing costs, because of the adherence to the OIC accounting standards by Soges, as opposed to its peers who adhere to the IFRS standards. By 2024, our projections result in an EBITDA margin of 11.8%, to settle at 10.9% at the end of FY25E vs an expected average peers' profitability almost of 18.7% in FY24E to 19.1% in FY25E.

#### Peer comparison – EBITDA margin, EBIT margin, and Net margin 2021-25

Company Name	EBITDA Margin					EBIT Margin					Net Margin				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Accor SA	1.0%	16.0%	19.8%	20.5%	21.1%	neg	10.6%	14.3%	15.2%	16.0%	neg	7.7%	11.4%	10.8%	11.1%
MHP Hotel AG	n.m.	neg	neg	3.3%	5.0%	n.m.	neg	neg	neg	1.2%	n.m.	neg	neg	neg	0.4%
Hilton Worldwide Holdings Inc.	20.8%	25.7%	23.5%	30.3%	30.2%	17.6%	23.9%	22.1%	25.8%	26.9%	7.1%	14.3%	11.1%	14.3%	15.4%
Hyatt Hotels Corporation Class A	4.0%	12.2%	11.9%	17.2%	17.8%	neg	4.9%	6.0%	8.7%	10.3%	neg	7.8%	3.3%	14.8%	6.2%
Melia Hotels International, S.A.	7.5%	26.1%	25.7%	25.9%	26.1%	neg	9.2%	12.7%	13.2%	13.6%	neg	6.6%	6.1%	6.3%	6.8%
Minor Hotels Europe & Americas, S.A	11.0%	28.5%	28.8%	24.4%	23.7%	neg	12.4%	15.2%	14.3%	14.3%	neg	5.8%	5.9%	6.5%	6.4%
Emma Villas S.P.A.	n.m.	6.3%	5.1%	12.2%	12.8%	n.m.	1.9%	3.2%	10.3%	10.9%	n.m.	1.2%	2.9%	6.9%	7.5%
Marriott Vacations Worldwide Corporation	15.7%	20.0%	15.3%	15.7%	16.0%	11.9%	17.1%	12.4%	12.5%	13.1%	1.3%	8.4%	5.4%	5.7%	6.4%
<b>Peers Average</b>	<b>10.0%</b>	<b>19.3%</b>	<b>18.6%</b>	<b>18.7%</b>	<b>19.1%</b>	<b>14.7%</b>	<b>11.4%</b>	<b>12.3%</b>	<b>14.3%</b>	<b>13.3%</b>	<b>4.2%</b>	<b>7.4%</b>	<b>6.6%</b>	<b>9.3%</b>	<b>7.5%</b>
<b>Soges Group S.p.A.</b>	<b>neg</b>	<b>8.5%</b>	<b>9.2%</b>	<b>11.8%</b>	<b>10.9%</b>	<b>neg</b>	<b>3.2%</b>	<b>3.6%</b>	<b>5.9%</b>	<b>4.5%</b>	<b>neg</b>	<b>2.7%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>2.5%</b>

Source: FactSet, KT&P's Elaboration

## Market Multiples Valuation

Following our comparable' analysis, we evaluated the company by using the 2024–26 EV/Sales and EV/EBITDA multiples of the peer sample. Our valuation takes our estimates of Soges' EBITDA in 2024, 2025, and 2026 into account. We also considered FY23A NFP at €3.4mn. Moreover, we included a 20% liquidity/size discount in our valuation with the EV/Sales multiple and EV/EBITDA valuation.

### Peer Comparison – Market Multiples 2023-2026

Company Name	Exchange	Market Cap	EV/SALES 2023	EV/SALES 2024	EV/SALES 2025	EV/SALES 2026	EV/EBITDA 2023	EV/EBITDA 2024	EV/EBITDA 2025	EV/EBITDA 2026	EV/EBIT 2023	EV/EBIT 2024	EV/EBIT 2025	EV/EBIT 2026	P/E 2023	P/E 2024	P/E 2025	P/E 2026
Accor SA	Euronext Paris	9,971	2.7x	2.5x	2.4x	2.3x	13.9x	12.5x	11.5x	10.5x	19.2x	17.0x	15.3x	13.9x	18.7x	18.9x	16.9x	14.9x
MHP Hotel AG	XETRA	50	0.3x	0.3x	0.2x	0.2x	n.m	7.8x	4.6x	3.8x	n.m	n.m	19.3x	11.0x	n.m	n.a.	16.6x	29.0x
Hilton Worldwide Holdings Inc.	NYSE	53,367	6.6x	6.1x	5.7x	5.2x	28.2x	20.2x	18.7x	17.2x	30.0x	24.4x	21.4x	19.5x	n.m	33.8x	29.4x	25.5x
Hyatt Hotels Corporation Class A	NYSE	13,947	2.6x	2.7x	2.6x	2.4x	21.7x	15.4x	14.4x	13.5x	n.m	33.8x	26.2x	23.4x	n.m	37.6x	37.9x	30.7x
Melia Hotels International, S.A.	Spain	1,474	2.1x	2.0x	2.0x	1.9x	8.3x	7.8x	7.5x	7.2x	16.7x	15.0x	14.3x	13.5x	12.8x	11.7x	10.7x	9.7x
Minor Hotels Europe & Americas, S.A.	Spain	1,946	1.9x	1.8x	1.8x	1.7x	6.7x	7.4x	7.4x	7.1x	12.7x	12.6x	12.2x	11.6x	15.2x	12.4x	11.8x	11.0x
Emma Villas S.p.A.	Milan	17	0.8x	0.7x	0.6x	0.6x	16.7x	6.0x	5.0x	4.4x	26.2x	7.1x	5.9x	4.9x	18.6x	6.6x	5.4x	0.0x
Marriott Vacations Worldwide Corporation	NYSE	2,412	0.6x	0.5x	0.5x	0.5x	3.6x	3.8x	3.4x	3.3x	4.4x	5.2x	4.6x	3.8x	n.a.	n.a.	n.a.	0.0x
Average peer group		10,398	2.2x	2.1x	2.0x	1.8x	14.1x	10.1x	9.1x	8.4x	18.2x	16.4x	14.9x	12.7x	16.3x	20.2x	18.4x	15.1x
Median peer group		2,179	2.0x	1.9x	1.9x	1.8x	13.9x	7.8x	7.4x	7.1x	17.9x	15.0x	14.8x	12.5x	16.9x	15.7x	16.6x	12.9x
Soges Group S.p.A.	Milan	10	0.8x	0.7x	0.6x	0.5x	8.6x	7.8x	6.2x	4.5x	21.8x	20.7x	18.2x	10.2x	n.a.	46.5x	29.8x	13.0x

Source: FactSet, KT&P's Elaboration

We end up with our Soges' equity value of €29.2mn or €5.7 per share obtained with the EV/Sales method, and of €10.7mn or €2.1 per share though the EV/EBITDA method.

### EV/Sales Multiple Valuation

Multiple Valuation (€mn)	2024E	2025E	2026E
EV/Sales Comps	1.9x	1.9x	1.8x
Soges Group S.p.A. Sales	17.0	20.9	25.1
<b>Enterprise value</b>	<b>32.5</b>	<b>38.8</b>	<b>45.2</b>
<b>Average Enterprise value</b>		<b>38.8</b>	
Liquidity/Size Discount		20%	
<b>Enterprise Value Post-Discout</b>		<b>31.1</b>	
Soges Group S.p.A. FY23 Net Debt		1.9	
Soges Group S.p.A. FY23 Minorities		-	
<b>Equity Value</b>		<b>29.2</b>	
Number of shares (mn)		5.1	
<b>Value per Share €</b>		<b>5.7</b>	

Source: FactSet, KT&P's Elaboration

### EV/EBITDA Multiple Valuation

Multiple Valuation (€mn)	2024E	2025E	2026E
EV/EBITDA Comps	7.8x	7.4x	7.1x
Soges Group S.p.A. EBITDA	1.6	2.0	2.8
<b>Enterprise value</b>	<b>12.5</b>	<b>15.0</b>	<b>19.7</b>
<b>Average Enterprise value</b>		<b>15.7</b>	
Liquidity/Size Discount		20%	
<b>Enterprise Value Post-Discout</b>		<b>12.6</b>	
Soges Group S.p.A. FY23 Net Debt		1.9	
Soges Group S.p.A. FY23 Minorities		-	
<b>Equity Value</b>		<b>10.7</b>	
Number of shares (mn)		5.1	
<b>Value per Share €</b>		<b>2.1</b>	

## DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 13.1% cost of equity, 6% cost of debt, and a D/E ratio of 17.9%. The cost of equity is a function of the risk-free rate of 3.65% (Italian 10y BTP yield, last 3 months average) and the equity risk premium of 5.2% (Damodaran equity risk premium for Italy). We, therefore, obtained 11.8% WACC.

We discounted 2024E-27E annual cash flow and considered a terminal growth rate of 1%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

### DCF Valuation

€ Millions	2024E	2025E	2026E	2027E
<b>EBIT</b>	<b>0.6</b>	<b>0.7</b>	<b>1.2</b>	<b>2.1</b>
Taxes	(0.2)	(0.2)	(0.4)	(0.6)
D&A	1.0	1.3	1.5	1.7
Change in Net Working Capital	(0.6)	0.1	0.0	(0.0)
Change in Funds	0.5	0.6	0.7	0.8
<b>Net Operating Cash Flow</b>	<b>1.4</b>	<b>2.5</b>	<b>3.1</b>	<b>4.0</b>
Capex	(2.6)	(1.2)	(1.0)	(1.0)
<b>FCFO</b>	<b>(1.2)</b>	<b>1.3</b>	<b>2.1</b>	<b>3.0</b>
<b>g</b>	<b>1.0%</b>			
<b>Wacc</b>	<b>11.8%</b>			
FCFO (discounted)	(1.2)	1.1	1.7	2.1
Discounted Cumulated FCFO	3.8			
TV	28.5			
TV (discounted)	19.9			
<b>Enterprise Value</b>	<b>23.7</b>			
NFP FY2023 Adjusted	1.9			
<b>Equity Value</b>	<b>21.8</b>			
Current number of shares (mn)	5.1			
Value per share (€)	4.3			

Source: FactSet, KT&P's Elaboration

### Sensitivity Analysis

€ Millions	Terminal growth Rate	WACC				
		12.3%	12.0%	11.8%	11.5%	11.3%
	0.5%	19.7	20.3	20.8	21.4	22.1
	0.8%	20.2	20.7	21.3	21.9	22.6
	1.0%	20.6	21.2	21.8	22.5	23.2
	1.3%	21.1	21.7	22.4	23.0	23.7
	1.5%	21.6	22.2	22.9	23.6	24.4

Source: KT&P's Elaboration

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- ADD – FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD – FOR A FAIR VALUE < 15% AND > – 15% ON CURRENT PRICE
- REDUCE – FOR A FAIR VALUE < – 15% ON CURRENT PRICE



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