

doxee

Accelerating growth and investments, in line with its path as a "Benefit Corporation"

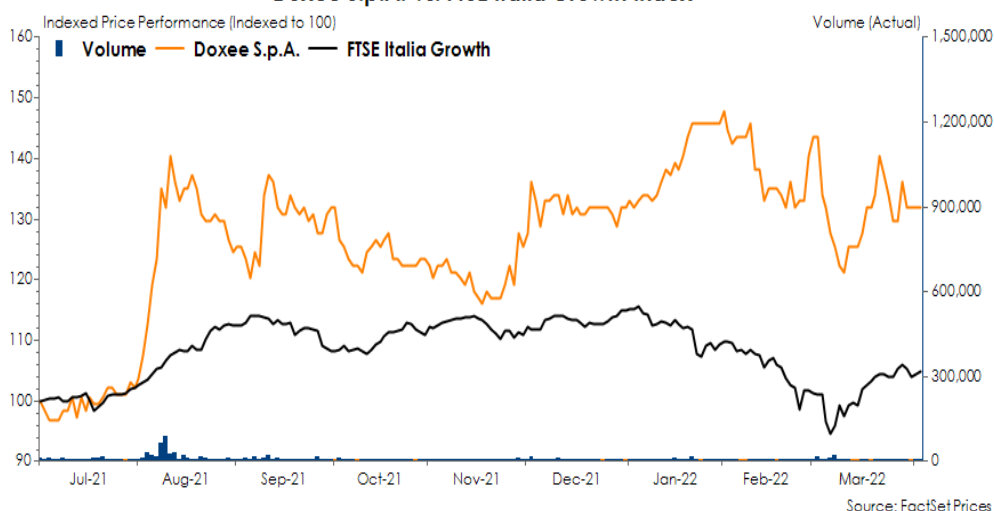
Sector: Technology

FY21 sales reached Euro 20.9 m, confirming our expectations (+18% YoY). Doxee's 2021 closed with a positive revenue trend, confirming its development path and correct market positioning. Growth was driven by the "document experience" product line, with revenues stood at Euro 13.1 m and "interactive experience" with Euro 3.6 m of revenues. In particular, thanks to the boost provided by the NRRP, revenues deriving from the Public Administration field grew by 17% compared with the previous year, while the Group's positioning in the "Utilities and Finance" fields was consolidated, with an increase in revenues of 26% and 9% respectively.

Slightly increase in profitability despite significant investments during the year. EBITDA came in at Euro 5.3 m (vs. Euro 4.9 m in FY20) and EBITDA margin stood at 20.4% in line with our expectations and strictly below last year, even though investments in R&D, HR (+30 employees) and Organizational Structure were considerable throughout the year and amounted to Euro 4.3 m (about 16.3% of VoP): that confirms the Group's strategic objectives in terms of product and process innovation, also with the aim of strengthening the organizational structure. The service delivery model through the Doxee Platform®, a cloud-native platform entirely designed around multi-cloud architectural paradigms, has also led to an improvement in the efficiency of internal processes that has resulted in significant cost savings. Net result was Euro 1.7 m, strictly in line with our estimates and above prior year (Euro 0.9 m). On the balance sheet side, we see a great improvement in Net Financial Position that it is quantified in Euro 1.6 m, vs. Euro 2.9 m at the end of 2020, and Net Equity at year-end 2021 stood at Euro 10.4 m.

Estimates revision and TP update. Given the above we finetuned our revenue forecast now assuming Euro 24.6 m in FY22 (previously Euro 24.9 m) and slightly decrease our EBITDA margin (now 20% in FY22 and 26% in FY23 vs 26% and 28% previously). To show a more realistic growing path of the company, we also considered FY24 on our updated estimates, so based on these ones and on peers' multiple re-rating (c. -15% since our last report), we updated our target price to Euro 14.66 p.s. (13.3 pr.) providing for an upside on current stock price of 18%. The stock is currently trading at FY22E/23E EV/EBITDA multiples of 17.3x and 11.4x at an average discount of 20% to peers. At our target price the stock would be trading at 20.3x and 13.5x respectively.

Doxee S.p.A. vs. FTSE Italia Growth Index



Target Price **14.66 (13.3 pr.)**

Price (€ m) **12.4**

Market Cap (€ m) **98.9**

EV (€ m) **100.5**

As of April 6th, 2022

Share Data

Market	Euronext Growth Milan
Reuters/Bloomberg	DOX.MI/DOX:IM
ISIN	IT0005394413
N. of Shares	7,974,772
Free Float	18.11%
CEO	Sergio Muratori Casali

Financials

	2021A	2022E	2023E	2024E
Sales	20.9	24.6	29.0	33.7
YoY %	+18%	+18%	+18%	+16%
EBITDA	5.3	5.8	8.8	11.3
EBITDA %	20.4%	20%	26%	29%
EBIT	1.7	1.5	4.3	6.6
EBIT %	7%	5%	13%	17%
Net Income	1.6	1.3	3.7	5.8
Net Debt	1.6	0.8	(1.6)	(6.3)

Performance

	1M	3M	6M
Absolute %	-	-1.59	6.90
Relative (FTSE Italia Growth)	1.32	14.01	16.34
52-week High/Low (Eu)	14.2	/	5.90

Sustainability

ESG Profile available

Edoardo Fumagalli

e.fumagalli@irtop.com

KEY FINANCIALS

Profit&Loss Statement	2020A	2021A	2022E	2023E	2024E
Revenues (VoP)	22.0	26.1	29.4	33.9	38.5
EBITDA	4.9	5.3	5.8	8.8	11.3
EBIT	2.2	1.7	1.5	4.3	6.6
Financial Income (charges)	(0.6)	0.0	(0.1)	(0.1)	(0.1)
Pre-tax profit (loss)	1.5	1.8	1.4	4.2	6.5
Taxes	(0.6)	(0.2)	(0.2)	(0.5)	(0.7)
Net profit (loss)	0.9	1.6	1.3	3.7	5.8

Balance Sheet					
Net working capital (NWC)	2.1	1.3	1.9	3.3	4.4
Net fixed assets	10.5	12.3	12.3	12.4	11.6
M/L Funds	(1.3)	(1.5)	(1.9)	(2.1)	(2.2)
Net Capital Employed	12.4	12.0	12.3	13.6	13.8
Net Debt	2.5	1.6	0.8	(1.6)	(6.3)
Minorities	0.0	0.0	0.2	0.8	(0.0)
Equity	7.8	10.4	11.3	14.3	20.1

Cash Flow					
Net Profit	0.9	1.6	1.3	3.7	5.8
Non cash items	2.4	4.9	4.7	4.7	4.8
Change in Working Capital	(1.3)	0.9	(0.6)	(1.4)	(1.1)
Cash Flow from Operations	2.1	7.4	5.3	7.0	9.6
Capex	(4.7)	(5.4)	(4.4)	(4.5)	(3.9)
Operating Free Cash Flow	(2.6)	2.0	0.9	2.5	5.7
Dividend	0.0	0.0	0.0	1.0	2.0
Other (equity)	0.4	0.9	(0.3)	(0.6)	0.0
Free Cash Flow	(2.2)	2.9	0.6	2.9	7.7

Per Share Data					
Current Price	12.40				
Total shares out (mn)	7,975				
EPS	0.1	0.2	0.2	0.5	0.8
FCF	(0.3)	0.4	0.1	0.4	1.1
Pay out ratio	0%	0%	0%	100%	200%

Ratios					
EBITDA margin	22.4%	20.4%	19.8%	26.0%	29.4%
EBIT margin	9.8%	6.6%	5.2%	12.7%	17.2%
Net Debt/Equity	31.4%	15.6%	7.1%	-11.2%	-31.4%
Net Debt/(Net Debt + Equity)	23.9%	13.5%	6.6%	-12.6%	-45.8%
Net Debt/EBITDA	0.50	0.30	0.14	-0.18	-0.56
Interest cover EBIT	3.36	n.s.	15.28	43.08	66.17
ROE	11.8%	15.8%	11.1%	26.1%	29.1%
ROCE	22.2%	15.8%	13.8%	35.2%	53.0%

Growth Rates					
Revenues (VoP)	5%	19%	13%	15%	14%
EBITDA	-1%	8%	9%	51%	28%
EBIT	-4%	-20%	-11%	182%	54%
Net Profit	-45%	77%	-24%	197%	56%

Source: Group Consolidated Data & PMI Capital Research Estimates

Revenue breakdown by segment

Eu / 000	2021	2020*	YoY
Paperless Experience (px)	4.116	4.106	0.3%
Document Experience (dx)	13.110	10.211	28.4%
Interactive Experience (ix)	3.625	3.389	7.0%
Total Sales	20.851	17.706	17.7%

Source: Group data

*Values restated to 2020 to reflect the reconciliation of the 5 items that make up revenues to the 3 product lines: Document Experience, Interactive Experience and Paperless Experience.

Estimate revision – Euro m

	2020A	2021A	2022EOld	2022ENew	2023EOld	2023ENew	2024ENew
Sales	17.7	20.9	24.9	24.6	28.6	29.0	33.7
yoy	+14%	+18%	+17%	+18%	+15%	+18%	+16%
Revenues (VoP)	21.9	26.1	30.0	29.4	34.4	33.8	38.5
yoy	9%	+19%	+16%	+13%	+15%	+15%	+14%
EBITDA	4.9	5.3	7.8	5.8	9.6	8.8	11.3
yoy	+12%	+8%	+37%	+9%	+24%	+51%	+28%
EBIT	2.2	1.7	4.8	1.5	6.3	4.3	6.6
yoy	+31%	-20%	+55%	-11%	+32%	+182%	+55%
Pre tax profit	2.3	1.8	4.6	1.4	6.2	4.2	6.5
Net Profit	1.6	1.7	3.3	1.3	4.4	3.7	5.8

	2020A	2021A	2022EOld	2022New	2023Old	2023New	2024ENew
Net Working Capital (NWC)	0.055	1.3	1.7	1.9	2.4	3.3	4.4
Fixed net assets	10.8	12.3	12.3	12.3	12.4	12.4	11.6
Funds	(1.3)	(1.5)	(1.6)	(1.9)	(1.8)	(2.1)	(2.2)
Net Capital Employed	9.6	11.9	13.8	12.3	13.2	13.5	13.2
Net Financial Position (Cash)	2.9	1.6	0.37	0.8	(5.2)	(1.6)	(5.2)
Total Equity	6.7	10.3	13.4	11.6	18.1	14.4	18.1
Sources	9.6	11.9	11.0	12.3	13.2	13.5	13.2

Source: Company Data and PMI Capital Research Estimates

MATERIAL ESG ISSUES

HIGHLIGHTS

Governance

- Ethics – integrity and compliance
- Data and information security

Doxee has implemented a path of continuous improvement to equip itself with a governance model capable of ensuring responsible integrated management of its organisation, capable of guaranteeing operational efficiency and effectiveness. Doxee cares about the impact generated by its production activities and is committed to continuing its relationship only with suppliers and partners that respect environmental protection criteria and make increasing use of renewable energy to power its infrastructure.

Economic

- Economic and financial performance

The distributed economic value generated directly by Doxee, includes costs reclassified by stakeholder category and for each dividend distributed. It amounts to €17.8m, +8% YoY.

Doxee invests significantly in internal technology development each year at around 13%. Investments in 2020 amount to Euro 3.3 m, +17.8% YoY, and in 2021 amount to Euro 4.3 m, +30.3% YoY

Business Model

- Quality of education and financial training
- Transparency and responsible marketing

Organisational model 231

- Quality Management System - ISO 9001;
- Environmental Management System - ISO 14001;
- Information Security Management ISO/IEC 27001 - 27017 – 27018;
- AgID Accreditation (for electronic archiving);
- Access Point Provider certification through PEPOL channel.

People

- Skills, training and development of employees and collaborators
- Work environment and welfare / Diversity and equal opportunities

Each person represents a valuable and unique element of growth and value generated for the company, assessed through a structured performance management process, linked to the achievement of economic objectives:

- Doxee favours the principles of equal opportunities, respect for diversity and refusal of any form of discrimination;
- Headcount 142 and 31 new hires, with a ratio of 19.7% up to 30 years and a turnover of 17.6%.

Environment

- Responsible consumption
- Sustainable events

VALUATION UPDATE

Valuation Summary

Method	Weight	Price (Eu p.s.)	Equity Value (Eu m)
Multiple analysis EV/EBITDA, P/E 22/23 and International/EGM Peers	50%	8.70	69.4
DCF (WACC 5.78% and g 1.0%)	50%	20.6	164.5
Target Price	100%	14.66	116.9

Source: PMI Capital Research Estimates

Multiples Comparison

Companies	Market Cap	Price	Sales 2022E	Sales YoY 22/21	EBITDA % 2022E	NI % 2022E
International Peers						
Opentext	10,529	38.8	3,295	16%	36%	25%
Adobe	192,267	406.9	16,358	23%	49%	36%
Esker	1,002	170.4	156	17%	20%	10%
Quadient SA	545	15.8	1,045	2%	24%	8%
Pitney Bowes Inc	780	4.5	3,474	12%	10%	1%
Edison SA	4	1.4	n.a.	n.a.	n.a.	n.a.
Heeros Oyj	24	4.6	12	28%	21%	5%
BusinessOn Communication	209	9.2	32	27%	n.a.	20%
AIM Peers						
Cyberoo	76	7.7	18	80%	33%	22%
Expert.ai	72	1.4	41	31%	-8%	-31%
Growens	76	5.1	78	10%	9%	2%
MAPS	39	3.4	30	39%	27%	11%
Neosperience	43	4.8	27	33%	29%	7%
Average	15,820	52	2,047	27%	23%	10%
DOXEE	99	12.40	24.6	18%	20%	5%

Factset Data and PMI Capital Research estimates for DOXEE

Companies	EV/EBITDA			P/E		
	21A	22E	23E	21A	22E	23E
International Peers						
Opentext	12.1	11.2	10.3	43.0	12.8	11.7
Adobe	40.7	24.5	21.2	61.5	32.6	27.6
Esker	78.8	31.6	26.3	148.9	61.7	50.8
Quadient SA	4.9	4.5	4.3	7.8	6.3	5.7
Pitney Bowes Inc	8.4	7.5	12.6	338.3	17.3	11.1
Edison SA	n.a.	n.a.	n.a.	23.1	n.a.	n.a.
Heeros Oyj	12.4	9.2	7.6	47.5	25.4	18.4
AIM Peers						
Cyberoo	71.5	12.4	4.9	454.1	21.3	8.5
Expert.ai	n.a.	n.a.	9.5	n.a.	n.a.	n.a.
Growens	15.0	11.9	9.7	204.1	44.8	28.8
MAPS	n.a.	5.1	4.4	17.9	12.5	11.3
Neosperience	8.5	5.5	4.2	60.9	21.7	11.8
Average	28.0	13.1	11.1	127.9	26.0	18.5
DOXEE	5.8	15.6	9.6	53.9	76.1	26.7
Premium/Discount to Peers	-79%	26%	-8%	-58%	245%	39%

Factset Data and PMI Capital Research estimates for DOXEE

INDUSTRY COMPARISON

Doxee Spa (DOX-IT): PMI Capital Research estimates and Factset Data

EGM Sector: average data for listed on EGM included in the Technology sub sector: Almwave (AIW-IT), Circle (CIRC-IT), CY4gate (CY4-IT), Cyberoo (CYB-IT), Datrix (DATA-IT), Defence Tech Holding (DTH-IT), DHH (DHH-IT), Digital Value (DGV-IT), Doxee (DOX-IT), Eles (ELES-IT), Esautomotion (ESAU-IT), Expert.ai (EXAI-IT), Finlogic (FNL-IT), FOS (FOS-IT), Growens (GROW-IT), Idntt (IDNTT-IT), Jonix (JNX-IT), MAPS (MAPS-IT), Matica Fintec (MFT-IT), MeglioQuesto (1CALL-IT), Neosperience (NSP-IT), Neurosoft (NRST-IT), OSAI Automation System (OSA-IT), Powersoft (PWS-IT), Prismi (PRM-IT), REEVO (REEVO-IT), Relatech (RLT-IT), Reti (RETI-IT), Sababa Security (SBB-IT), Softec (YSFT-IT), Sourcesense (SOU-IT), Spindox (SPN-IT), Tecma Solutions (TCM-IT), Vantea Smart (VNT-IT), Vetrya (VTY-IT), Websolute (WEB-IT).

Industry Peers: average data for a selected group industrial peers (see tables in "Multiples Comparison" section).

Euronext Growth Milan: average financial and market data for all the companies listed on EGM, reported price performance data are related to the FTSE Italia Index.

	DOX-IT	Technology	XS0072	
	DOXEE	EGM Sector	Peers Avg	FTSE Italia Growth
Key financials (Euro m)				
Revenues	26.1	44.4	1,788	36.0
EBITDA	5.3	6.4	791	4.2
EBITDA %	20.3%	14.4%	44.2%	11.5%
EBIT	1.7	4.2	706	7.9
EBIT %	6.5%	9.6%	39.5%	22.0%
Earnings	1.6	2.3	516	0.6
Earnings %	6.1%	5.2%	28.9%	1.8%
NFP	1.6	-0.4	213	3.4
NFP/EBITDA	0.3	-0.1	0.3	0.8
FY18-20 Revenues CAGR	14%	13%	12%	4%
FY20-22 Revenues CAGR	18%	26%	18%	28%
Market data				
Market Cap Euro m	98.9	82.7	663	57.7
EV Euro m	100.5	82.3	1,298	59.4
Free Float	18.11%	37.67%	n.a.	32.20%
ADTT YTD (Eu k)	n.a.	71,774	243,455,386	93,713
Market Multiples				
EV/Sales 2022	4.1	2.2	3.7	1.8
EV/Sales 2023	3.5	1.8	2.9	1.4
EV/EBITDA 2022	17.3	10.2	13.1	14.3
EV/EBITDA 2023	11.4	8.8	11.1	8.0
EV/EBIT 2022	67.0	14.2	21.9	16.2
EV/EBIT 2023	23.4	10.3	16.3	9.5
P/E 2022	76.1	21.1	26.0	25.3
P/E 2023	26.7	14.9	18.5	18.4
Earnings Yield	1.3%	4.7%	3.8%	4.0%
Stock Performance				
1D	-0.2%	-0.1%	2%	0.4%
1W	3.5%	0.3%	1%	0.5%
1M	12.0%	2.8%	4%	3.2%
3M	-4.1%	-10.6%	10%	-9.1%
6M	-1.1%	-6.7%	11%	-3.5%
YTD	-4.1%	-13.5%	10%	33.8%
1Y	n.a.	22.8%	24%	20.9%

Factset Data and PMI Capital Research estimates

DOXEE IN BRIEF

Group Description

Doxee, an innovative SME listed on Euronext Growth Milan since December 2019, is a hi-tech company and Italian leader in the development of cloud technologies that enable enterprises to offer a valuable Digital Customer Experience. The Company's business model is based on its proprietary technology Enterprise Communications Platform (the Doxee Platform®), a native cloud platform that enables the three business lines offered: **document experience** (dx) for print and digital communications, **interactive experience** (ix) for personalized video and microsites, and **paperless experience** (px) for electronic and legal invoicing and archiving.

Doxee's client base includes c. 200 companies in the enterprise segment (large companies) with a clear sector focus: Telco and Utility (c. 70% of total revenues). The Company is headquartered in Modena (Emilia Romagna), it has a strong presence in Eastern Europe. Doxee has customers in Europe, US and Latin America.

Innovation

- The Doxee Platform® – the most valuable company asset – is an almost unique platform, proprietary, cloud native, that embraces the whole life cycle of business digital communications. It is an integrated ecosystem of cloud services that enables all Doxee product lines (dx, px and ix product lines) development and servicing, providing both flexibility and scalability in size and addressed markets, by boosting up and cross-selling. The Platform is the core of an important technology intangible assets portfolio made of: 5 patents, robust know-how and trade secrets, a portfolio of more than 10 in-process R&D projects, 30 experienced and skilled professionals
- Doxee has developed the Platform internally with a cumulated investment of nearly Euro 20 m over the last 10 years (average of almost 13% of Value of Production per year).

Strategy

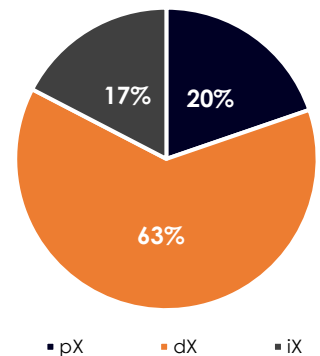
- Consolidation in markets where already present and focus on new sectors (PA, healthcare, automotive, retail)
- Geographic expansion with market entry in DACH, UK, Spain in the Enterprise sector, focus on LATAM in the Telco & Utilities sector and entry into three-invoicing market in selected EU countries
- Launch of Doxee PVideo@ in the configuration of self-service leveraging the Littlesea acquisition in the digital Agency Market international
- Growth through M&A activity with focus on DACH Region (revenues of c. Euro 5 – 8 m)

Management & Group Structure

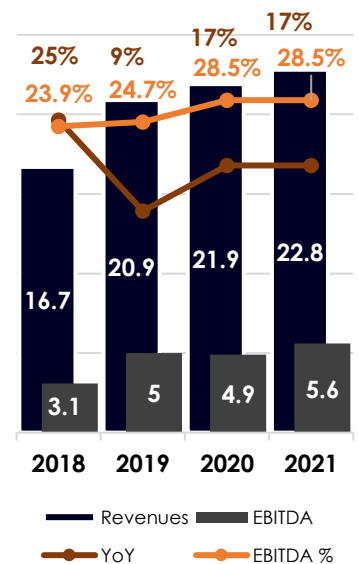


Source: Group Data

Revenues breakdown by segment



Revenues & EBITDA evolution



DOXEE ON EGM

IPO

Trading Market: AIM Italia – Borsa Italiana SpA

Date: December 19th, 2019

Price: 3.00 Eu

Capital raised: Eu 5.0 m equity (Eu 4.5 m IPO proceeds, Eu 0.5 m through Greenshoe option)

Capitalisation: Eu 21.6 m

SHARES (as of 06th April 2022)

Code: DOX

Bloomberg: DOX IM

Reuters: DOX.MI

ISIN ordinary shares: IT0005394413

Shares: 7.974.772

Price: 12.40 Eu

Performance from IPO: +313%

Capitalisation: Euro 98.9 m

Free Float: 18.11%

EGA: Integrae SIM S.p.a.

Specialist: Integrae SIM S.p.a.

OWNERSHIP

Shareholder	N° of shares	%
P&S Srl	5,678,690	71.21%
Ipoc 5 Srl	451.310	5.66%
Eiffel Investment Group	400.100	5.02%
Free float	1,444,672	18.11%
Total shares outstanding	7,974,772	100.00%

Source: Company Data

WARRANT

Name: "Warrant Doxee 2019-2022"

Alphanumeric code: WDOX22

ISIN: IT0005394769

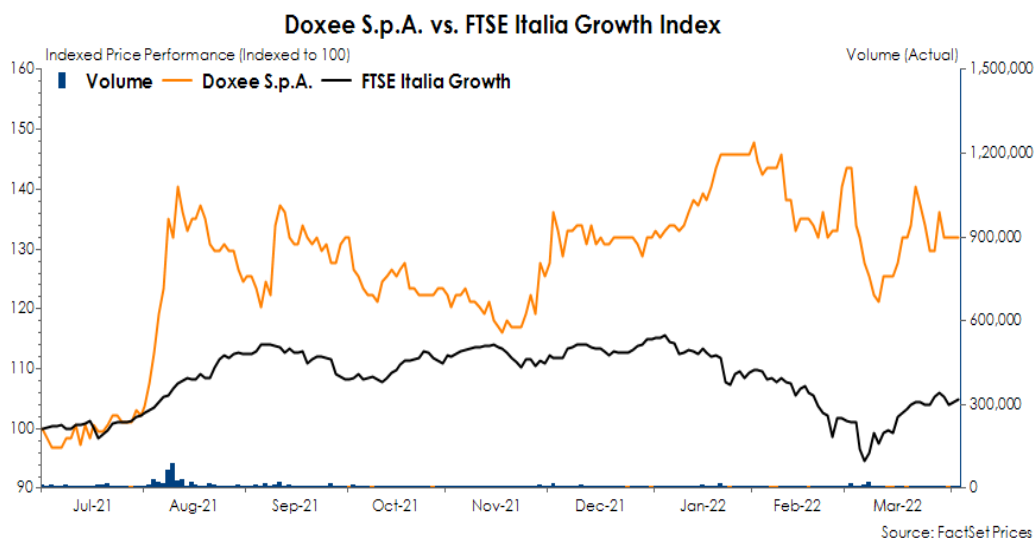
Issued warrants: 7,191,500

Exercise ratio: 1 ordinary share every 5 warrants held

3rd exercise period: December 1st, 2022 – December 15th, 2022; exercise price Euro 3.993

Number of outstanding Warrant at 06th April 2022: 3,275,140.

STOCK PERFORMANCE



DISCLAIMER

UPDATES: This Research is an update coverage made by IR Top Consulting S.r.l. (IR Top) on DOXEE SpA (the "Company"). Update frequency might depend on circumstances considered to be important (corporate events and changes of recommendation, etc.) or on further advisory commitment. Last Research on the same Company was released on September 28th 2021. Opinions and estimates of this Research are as the date of this material and are subject to change. Information and opinions have been obtained from sources public and believed to be reliable, but no warranty is made as to their accuracy or correctness. Past performances of the Company are not guarantee of future results. During the last 12 months, the following indications have been disseminated:

	Date	Target Price	Market Price	Validity Time
	07 April 2022	14.66	12.40	12 months
	28 September 2021	13.33	12.00	12 months
	30 March 2021	8.50	5.18	12 months
	29 September 2020	7.05	3.26	12 months
	28 April 2020	7.09	3.98	12 months
	15 January 2020	9.18	6.00	12 months
	25 September 2019	8.17	6.00	12 months

VALUATION METHODOLOGY (HORIZON: 12M): IR Top obtained a fair value using different valuation methodologies including Discounted Cash Flow method and Multiple-based models. Moreover, IR Top used a proprietary model, "EGM Positioning rating", which incorporates a number of variables selected by IR Top based on research of "Osservatorio EGM", managed by IR Top and focused on research about performance of Companies listed on Euronext Growth Milan. Detailed information about the valuation or methodology and the underlying assumptions and information about the proprietary model used is accessible at IR Top premises.

RESEARCH TEAM:

Edoardo Fumagalli (Analyst, AIAF Associated)

No other people or companies participated or anyhow contributed to the Research. Neither the members of the research team, nor any person closely associated with them have any relationships or are involved in circumstances that may reasonably be expected to impair the objectivity of the Research, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them who was involved in producing the Research.

INTERESTS INVOLVED AND CONFLICTS: This document has been prepared by IR Top, Partner Equity Markets of Italian Stock Exchange, part of LSE Group, on behalf of the Company according to a contract, under which IR Top undertook to prepare this report expressing only independent, fair and balanced views on the Company. The fees agreed for this Research do not depend on the results of the Research.

This Research has been disclosed to the issuer to which the Research, directly or indirectly, relates before its release. It is incumbent on the Company to provide timely and constructive feedback on draft Research prior to publication. It is IR Top's sole discretion as to whether comment and feedback from the Company is incorporated into the Research prior to publication and where it is, a further iteration to the draft will be sent to the Company for comment.

IR Top is also engaged in investor relations services in the interest of the Company and might occasionally be involved in other consulting activities intended to increase the value of the Company. In any case, Chinese Walls and other information barriers are in place to avoid the exchange of confidential information between the Equity Research Department and other services areas; employees and advisors involved in such services have restrictions preventing them from the access to confidential information that cannot be published.

IR Top restricts research analysts from performing roles, which could prejudice the independence of their research. In particular:

- they are permitted to attend and speak at widely attended conferences or other widely attended events at which IR Top colleagues and clients, among others, may also be present, provided that their independence may not be affected. These widely-attended conferences/events may include some investor presentations by clients of investor relations services.

- Analysts are also permitted to attend and speak at conference calls or meetings between analysts and bankers, investors or customers in which are discussed Research reports already published or general view on specific sectors. In such cases, at the start of that meeting, bankers, investors or customers need to be clarified that the discussion cannot involve the communication of privileged information to the analyst as the analyst would be prohibited from producing new research report on the companies whose privileged information has been disclosed.

Members of the Research Team do not receive salaries, commissions, bonuses or any other form of compensation based upon specific investment banking transactions or securities' performances.

A part from Anna Lambiase (CEO and founder of IR Top) being on the Board of the Company, IR Top and the members of the Research Team do not have any further interest or conflict of interest directly or indirectly related with the Research, the Company or the securities, that may reasonably be expected to impair the objectivity of the Research.

There are no other interests or conflicts of interest of any person belonging to the same group of IR Top that are: (a) known, or reasonably expected to be known, to the persons involved in the production of the recommendation; or (b) known to persons who, although not involved in the production of the recommendation, have or could reasonably be expected to have, access to the recommendation prior to its completion.

In any case, as a general Policy, nobody of the Research Team nor IR Top is allowed to have a financial interest in the securities of the client company or serve as an officer, director or advisory board member of the client company.

Analysts must not undertake personal transactions on financial instruments that are object of the investment research or that relate to the same industry. Exceptions may be made with the prior approval of IR Top's CEO in special circumstances such as for disposal of (a) positions already held before the employment or before the implementation of the company policy, or when initiating coverage and (b) positions obtained as a result of the issuer extraordinary activities. By the way, when analysts hold instruments to which Equity Research relates, they are required to disclose their interests in Research reports. Any trades that analysts make must be in line with their recommendation(s), contained in the last published Research. An analyst is prohibited from producing a Research on an issuer if the analyst carries out activities for which he receives compensation from the issuer. If an analyst's household member / relative / relative in-law (within the second degree) serves in such a high capacity for the issuer (i.e. manager or director), the analyst has to inform IR Top's CEO and the analyst will cease covering the issuer.

POLICY: IR Top has in place a "Joint conflict management policy" in order to effectively manage any conflicts of interest, and an "Equity Research Policy", in order to rule research services in compliance with Parliament Regulation (EU) no.596/2014 and Commission Delegated Regulation (EU) no. 958/2016 on Market Abuse.

IR Top has adopted the "Joint conflict management policy" in accordance with best practice regarding "information barriers" to restrict the flow of information to prevent the misuse of information and/or prevent any conflicts of interest arising from other activities of IR Top. A copy of these policies is available to the recipient of this Research upon making a request to IR Top by e-mail.

DISCLAIMER: This report has been prepared solely for information purpose and is not intended as an offer or solicitation with respect to the purchase or sale of any financial products. It should not be regarded as a substitute for the exercise of the recipient's own judgment. IR Top does not accept any liability for any direct, consequential or indirect loss arising from any use of material contained in this report. This document may only be reproduced or published together with the name of IR Top. Opinions and estimates in this Research are as at the date of release and are subject to change without notice to the recipient. Information and opinions have been obtained from sources believed to be reliable, but no representation or warranty is made as to their accuracy or correctness. Past performance is not a guarantee of future results. The investments and strategies discussed in this Research may not be suitable for all investors. In any case, you should consult your investment advisor. This document is intended for distribution only to E.U. "qualified investors" and to "qualified counterparties" resident in Italy, within the meaning of article 2(1)(e) of the prospectus directive (directive 2003/71/EC) and Consob Reg. 16190, as subsequently amended and supplemented; its distribution in USA, Canada, Australia, Japan is not allowed.

In Italy, this document is being distributed only to, and is directed at qualified investors within the meaning of article 100 of legislative decree no. 58 of 24 February 1998, as amended, and article 34-ter, paragraph 1, letter b), of Consob regulation on issuers no. 11971 of May 14, 1999, provided that such qualified investors will act in their capacity and not as depositaries or nominees for other shareholders, such as persons authorized and regulated to operate in financial markets, both Italian and foreign.

DISTRIBUTION: In the United Kingdom, this document is not for distribution to persons that would be defined as private customers under rules of the FSA; it is for distribution only to persons who: (i) have professional experience in matters relating to investments falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (as amended, the "financial promotion order"), (ii) are persons falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the financial promotion order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FINANCIAL SERVICES AND MARKETS ACT 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons").

This document is not addressed to any member of the general public and under no circumstances should this document circulate among, or be distributed to (i) a member of the general public, (ii) individuals or entities falling outside the definition of "qualified investors" as specified above or (iii) distribution channels through which information is or is likely to become available to a large number of persons.