Vantea Smart S.p.A.

Information Technology

Second year running with triple-digit growth!

ADD | Fair Value: €10.20 (€10.36) | Current Price: €6.20 | Upside: 64.5%

€ Million	FY19A	FY20A	FY21E	FY22E	FY23E	FY24E
Total Revenues	7.6	17.7	35.2	60.6	83.8	103.8
EBITDA	1.0	1.8	4.0	7.6	11.8	16.8
margin	*12.6%*	*10.3%*	*11.4%*	*12.6%*	*14.1%*	*16.1%*
Net Profit	1.2	1.4	2.5	4.6	7.2	10.4
margin	*16.3%*	*7.7%*	*7.0%*	*7.6%*	*8.6%*	*10.0%*
EPS	n.a.	n.a.	0.20	0.37	0.58	0.83
NFP/ (Cash)	(0.6)	0.3	0.9	(0.6)	(4.9)	(12.5)

Source: Company Data, KT&Partners' Elaboration

FY21 preliminary results. On February 1st, Vantea announced its preliminary FY21 results. For the second year in a row, the company recorded a triple-digit growth, doubling its revenues to €34.3mn (in line with our estimates). The boost is the result of the innovative Vantea's business model, based on disruptively entering markets based on old and traditional models. Excluding ESC2 acquisition (June 2021), which contributed for ca. €2mn to FY21 revenues, the company achieved an 88% organic growth. On the other hand, considering a full year contribution from ESC2, (€4mn of revenues) Vantea reached €36.8mn of FY21 pro-forma revenues.

€ million	FY20	FY21	YoY %	FY21E	A vs E %
Sales Revenues	17.2	34.3	100%	34.8	-2%

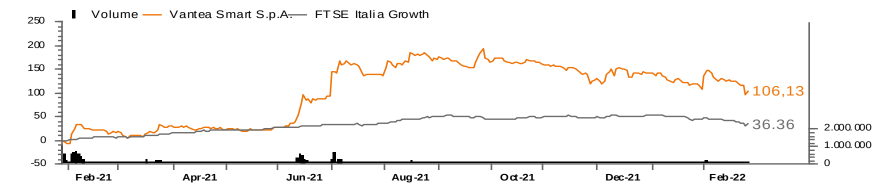
New fundings to support M&As. Thanks to its great reputation among major banks, Vantea obtained €10mn of long-term fundings at favourable rates – of which €4mn of non-convertible bond loan from the first "*Basket Bond Euronext Growth*" program. The new resources could be allocated to support company growth through M&A. Taking advantage from the expected continuation of growth, the company – that also aims at obtaining additional €10mn of short-term loans to support organic growth – intends to maintain for coming years an NFP/EBITDA ratio lower than 3x.

A trusted cybersecurity partner that widens its customer base. Growing government interest to cybersecurity issues – also in the light of the recent Russia-Ukraine conflict – makes cybersecurity a strategic market for business growth. In fact, the National Cybersecurity Agency strongly recommended to adopt high cyber defense measures and maximum internal controls to protect digital infrastructure from potential attacks. In the meanwhile, at the end of 2021, for the first time Vantea attended and won a tender in PA market for the supply of Arcsight SIEM's license and solutions. Leveraging on its long-standing expertise in cybersecurity, the company will also be main technology partner of the new "*Cyber Security Italy*" platform introduced in January at the Chamber of Deputies, with the aim to increase cybersecurity awareness and national resilience to cyberattacks.

Best performer among FY21 EGM listed companies. Vantea was the first company to went public on EGM market in 2021: since the IPO Vantea stocks' value increased by 242% (at the end of 2021), allowing the company to be the top performer among EGM companies listed in 2021. Looking at company outstanding shares, we note that after the exercise of 1.25mn of warrant, the company issued 0.5mn of new shares bringing the number of outstanding shares to 12.5mn, and the free float to 22% (from 19.2%).

Estimates confirmed and valuation at €10.20ps. Being our top-line estimates in line with the announced revenues, and while waiting for FY21 results, we left unchanged our financial estimates. Our valuation – based on market multiples and DCF method, considering 12.5mn of shares and NFP adjusted after warrant exercise – returns an average equity value of €127.5mn or a fair value of €10.20ps, showing a potential upside of 64.5% on current market price.

Relative Performance Chart – Since IPO



Via della Posta, 10 - Piazza Affari, 20123 Milan- Italy
Tel: +39.02.83424007 Fax: +39.02.83424011
segreteria@ktepartners.com

KT&PARTNERS

Research Update

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Equity Research Team
connect@ktepartners.com

Mauro IACCINO
miaccino@ktepartners.com

Federica FIORENZA
ffiorenza@ktepartners.com

Valentina ZANONI
vzanoni@ktepartners.com

Market Data

Main Shareholders	
VGL Holding Srl	77.32%
TALIA 2015 S.r.l.s.	0.27%
Mkt Cap (€ mn)	77.5
EV (€ mn)	72.4
Shares out.	12.5
Free Float	22.0%

Market multiples	2020	2021	2022
EV/EBITDA			
Vantea Smart S.p.A.	39.7x	18.1x	9.5x
Comps median	20.7x	16.2x	13.6x
Vantea Smart S.p.A. vs Median	*92%*	*11%*	*-30%*
P/E			
Vantea Smart S.p.A.	56.7x	31.3x	16.9x
Comps median	40.1x	35.0x	21.7x
Vantea Smart S.p.A. vs Median	*41%*	*-10%*	*-22%*

Stock Data

52 Wk High (€)	9.34
52 Wk Low (€)	3.25
Avg. Daily Trading 90d	22,038
Price Change 1w (%)	-11.55
Price Change 1m (%)	-8.69
Price Change YTD (%)	-17.66

Key Figures – Vantea Smart S.p.A.

Current price (€)	Fair Value (€)	Sector	Free Float (%)
6.20	10.20	Information Technology	22.00%

Per Share Data	2019A	2020A	2021E	2022E	2023E	2024E
Total shares outstanding (mn)	n.m.	n.m.	12.5	12.5	12.5	12.5
EPS	n.m.	n.m.	0.20	0.37	0.58	0.83
Dividend per share (ord)	n.a.	0.02	n.a.	n.a.	n.a.	n.a.
Dividend pay out ratio (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Profit and Loss (EUR million)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
Total Revenues	7.6	17.7	35.2	60.6	83.8	103.8
EBITDA	1.0	1.8	4.0	7.6	11.8	16.8
EBIT	0.9	1.7	3.5	6.5	10.2	14.6
EBT	1.6	1.9	3.5	6.5	10.2	14.7
Taxes	(0.3)	(0.6)	(1.0)	(1.9)	(2.9)	(4.3)
Tax rate	22%	29%	29%	29%	29%	29%
Net Income	1.2	1.4	2.5	4.6	7.2	10.4
Net Income attributable to the Group	1.2	1.4	2.5	4.6	7.2	10.4
Balance Sheet (EUR million)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
Total fixed assets	1.5	3.2	6.7	7.9	8.8	9.4
Net Working Capital (NWC)	2.2	2.6	7.7	10.1	12.7	15.7
Provisions	(0.3)	(0.3)	(0.7)	(1.2)	(1.9)	(2.6)
Total Net capital employed	3.4	5.5	13.8	16.8	19.7	22.5
Net financial position/(Cash)	(0.6)	0.3	0.9	(0.6)	(4.9)	(12.5)
Group Shareholder's Equity	3.8	5.2	12.8	17.4	24.7	35.1
Minorities	0.2	0.0	-	-	-	-
Total Shareholder's Equity	4.0	5.2	12.8	17.4	24.7	35.1
Cash Flow (EUR million)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
Net operating cash flow	0.6	1.3	3.0	5.7	8.8	12.5
Change in NWC	(0.5)	(0.5)	(5.1)	(2.4)	(2.6)	(3.0)
Capital expenditure	(1.2)	(1.9)	(4.1)	(2.3)	(2.5)	(2.6)
Other cash items/Uses of funds	0.8	0.2	0.4	0.5	0.6	0.7
Free cash flow	(0.3)	(0.9)	(5.8)	1.6	4.4	7.6
Enterprise Value (EUR million)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
Market Cap	n.m.	n.m.	94.1	77.5	77.5	77.5
Minorities	0	0	-	-	-	-
Net financial position/(Cash)	(0.6)	0.3	0.9	(0.6)	(4.9)	(12.5)
Enterprise value	n.m.	n.m.	95.1	76.9	72.6	65.0
Ratios (%)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
EBITDA margin	12.6%	10.3%	11.4%	12.6%	14.1%	16.1%
EBIT margin	12.0%	9.5%	10.0%	10.7%	12.2%	14.1%
Gearing - Debt/equity	-15.7%	6.4%	7.3%	-3.4%	-20.0%	-35.7%
Interest cover on EBIT	1.7%	1.8%	0.9%	0.4%	0.1%	-0.1%
NFP/EBITDA	-63.3%	18.1%	23.3%	-7.8%	-41.9%	-74.8%
ROCE	26.8%	30.7%	25.5%	38.6%	51.6%	65.0%
ROE	32.2%	26.5%	19.3%	26.3%	29.3%	29.7%
EV/Sales	9.6x	4.1x	2.1x	1.2x	0.9x	0.7x
EV/EBITDA	76.0x	39.7x	18.1x	9.5x	6.1x	4.3x
P/E	62.9x	56.7x	31.3x	16.9x	10.7x	7.4x
Free cash flow yield	-0.5%	-1.3%	-8.0%	2.1%	6.0%	10.5%
Growth Rates (%)	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**	**2024E**
Sales	-	134.6%	98.4%	72.2%	38.2%	23.9%
EBITDA	-	91.5%	119.6%	90.2%	54.5%	42.3%
EBIT	-	85.5%	108.5%	84.9%	56.6%	43.9%
Net Income	-	11.0%	80.7%	85.7%	57.1%	44.2%

Source: Company Data, KT&P's Elaboration

Valuation

Following the projections of Vantea's future financials, we carried out the valuation of the company by applying the DCF and market multiples methods. The valuation now takes into consideration 12.5mn of outstanding shares (instead of 12mn) and NFP adjusted for cash-in following the 500k newly issued shares after warrant exercise:

1. EV/EBITDA and P/E multiples, which returns a value of €97.4mn or €7.79ps;
2. DCF analysis based on WACC of 6.4% and 2% perpetual growth, returns a value of €157.5mn or €12.60ps.

The average of the two methods yields a fair value of €10.20ps or an equity value of €127.5mn.

Valuation Recap

	Equity Value €mn	Value per share €
EV/EBITDA	**94.0**	**7.52**
P/E	**100.8**	**8.07**
Average - multiples	**97.4**	**7.79**
DCF	**157.5**	**12.60**
Average	**127.5**	**10.20**

Source: FactSet, KT&Partners' Elaboration

Market Multiples Valuation

Following the comps analysis, we proceeded with the definition of market multiples for each peer group, focusing on 2020-23 data.

Peer Comparison – Market Multiples 2020-2023

Company Name	Exchange	Market Cap	EV/SALES 2020	EV/SALES 2021	EV/SALES 2022	EV/SALES 2023	EV/EBITDA 2020	EV/EBITDA 2021	EV/EBITDA 2022	EV/EBITDA 2023	EV/EBIT 2020	EV/EBIT 2021	EV/EBIT 2022	EV/EBIT 2023	P/E 2020	P/E 2021	P/E 2022	P/E 2023
Mandiant, Inc.	NASDAQ	4,119	4.2x	8.1x	6.9x	5.5x	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
CY4Gate SpA	Milan	157	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	46.5x	29.2x	23.1x
F-Secure Oyj	OMX Helsinki	785	3.4x	3.2x	3.0x	2.8x	22.6x	21.5x	19.3x	15.8x	n.m	31.1x	28.3x	21.7x	n.m	45.4x	39.2x	30.5x
Qualys, Inc.	NASDAQ	4,263	12.4x	11.0x	9.2x	7.9x	34.9x	23.4x	24.0x	20.2x	n.m	27.8x	29.3x	24.7x	n.m	39.3x	42.9x	36.6x
Verint Systems Inc.	NASDAQ	2,924	3.1x	4.4x	4.1x	3.7x	19.1x	16.1x	14.8x	13.3x	35.8x	18.7x	17.4x	15.3x	n.m	22.1x	20.0x	17.5x
Tinexta SpA	Milan	1,419	6.0x	4.4x	3.7x	3.3x	20.7x	16.9x	13.4x	11.4x	28.9x	23.4x	17.6x	14.4x	36.1x	26.7x	21.7x	17.6x
Reply S.p.A.	Milan	5,406	4.2x	3.5x	3.1x	2.8x	27.7x	20.4x	18.1x	16.3x	35.7x	25.2x	22.0x	19.7x	44.1x	36.3x	32.1x	28.7x
NCC Group plc	London	673	2.6x	2.1x	2.0x	1.8x	14.0x	10.8x	9.5x	8.8x	22.9x	13.8x	11.9x	10.9x	n.m	16.9x	14.5x	13.3x
MARR SpA	Milan	1,108	1.2x	0.9x	0.7x	0.7x	n.m	14.1x	10.1x	9.7x	n.m	21.9x	13.3x	12.2x	n.m	33.7x	18.4x	17.2x
Sligro Food Group N.V.	Euronext Amsterdam	1,007	0.7x	0.7x	0.6x	0.5x	19.5x	13.2x	10.1x	8.2x	n.m	n.m	23.2x	12.6x	n.m	n.m	22.0x	14.0x
Longino & Cardenal SpA	Milan	24	1.3x	n.a.	n.a.	n.a.	n.m	n.a.	n.a.	n.a.	n.m	n.a.	n.a.	n.a.	n.m	n.a.	n.a.	n.a.
Premium Brands Holdings Corp	Toronto	3,721	1.8x	1.5x	1.3x	1.2x	24.0x	16.4x	13.7x	12.4x	n.m	22.5x	18.8x	17.9x	n.m	26.4x	21.2x	18.6x
Bid Corporation Limited	JSE	6,174	0.9x	1.0x	0.8x	0.7x	16.2x	16.1x	12.0x	10.6x	24.2x	23.6x	15.6x	13.4x	n.m	36.3x	21.5x	17.9x
Average peer group		2,445	3.5x	3.7x	3.2x	2.8x	22.1x	16.9x	14.5x	12.7x	29.5x	23.1x	19.8x	16.3x	40.1x	33.0x	25.7x	21.4x
Median peer group		1,419	2.9x	3.2x	3.0x	2.8x	20.7x	16.2x	13.6x	11.9x	28.9x	23.4x	18.2x	14.9x	40.1x	35.0x	21.7x	17.9x
Vantea Smart S.p.A.	Milan	94.1	5.2x	2.6x	1.5x	1.1x	n.m	22.2x	11.7x	7.6x	n.m	25.3x	13.7x	8.7x	n.a.	31.3x	16.9x	10.7x

Source: FactSet, KT&Partners' Elaboration

We based our evaluation upon 2021, 2022, and 2023 EV/EBITDA and P/E multiples and our estimates of Vantea's EBITDA and Net Income over the period 2021-23. Our valuation also includes a 15% liquidity/size discount, and takes into consideration FY20 Net Debt (equal to €0.3mn) adjusted for i) IPO capital increase, net of listing costs, ii) ESC2 acquisition and iii) the cash-in following warrant exercise.

EV/EBITDA Multiple Valuation

Multiple Valuation (€mn)	2021E	2022E	2023E
EV/EBITDA Comps	16.9x	14.5x	12.7x
Vantea EBITDA	4.0	7.6	11.8
Enterprise value	**67.7**	**110.5**	**149.2**
Vantea FY20 Net Debt Adjusted	(0.8)	(0.8)	(0.8)
Equity Value	**68.5**	**111.3**	**150.0**
Average Equity Value		**109.9**	
Size/Liquidity Discount		*15%*	
Equity Value Post-Discount		**94.0**	
Number of shares (mn)		*12.5*	
Value per Share €		**7.52**	

P/E Multiple Valuation

Multiple Valuation (€mn)	2021E	2022E	2023E
P/E Comps	33.0x	25.7x	21.4x
Vantea Net Income	2.5	4.6	7.2
Equity Value	**81.6**	**118.0**	**154.2**
Average Equity Value		**117.9**	
Size/Liquidity Discount		*15%*	
Equity Value Post-Discount		**100.8**	
Number of shares (mn)		*12.5*	
Value per Share €		**8.07**	

Source: FactSet, KT&Partners' Elaboration

DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 6.8% cost of equity, 2% cost of debt, and a D/E ratio of 6.55% (Damodaran for Software (System Application)). The cost of equity is a function of the risk-free rate of 1.6% (Italian 10y BTP), 4.52% equity risk premium (Damodaran for a mature market – March 2021) and a premium for size and liquidity of 2.05% (source: Duff&Phelps). We, therefore, obtained 6.4% WACC.

We discounted 2021E-24E annual cash flows and considered a terminal growth rate of 2%; to obtain the company's equity value, we also considered an NFP adjusted for IPO capital raise and listing costs, and cash-in following warrant exercise; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

DCF Valuation

€ Millions	2021E	2022E	2023E	2024E
EBIT	**3.5**	**6.5**	**10.2**	**14.6**
Taxes	(1.0)	(1.9)	(3.0)	(4.2)
D&A	0.5	1.1	1.6	2.1
Change in Net Working Capital	(5.1)	(2.4)	(2.6)	(3.0)
Change in Funds	0.4	0.5	0.6	0.7
Net Operating Cash Flow	**(1.7)**	**3.8**	**6.9**	**10.2**
Capex	(4.1)	(2.3)	(2.5)	(2.6)
FCFO	**(5.8)**	**1.6**	**4.4**	**7.6**
g	***2.0%***			
Wacc	***6.4%***			
FCFO (discounted)	(5.8)	1.5	3.9	6.3
Discounted Cumulated FCFO	5.9			
TV	174.9			
TV (discounted)	146.5			
Enterprise Value	**152.4**			
NFP/(Cash) FY2020 Adj.	(5.1)			
Equity Value	**157.5**			
Current number of shares (mn)	12.5			
Value per share (€)	**12.60**			

Source: Company Data, KT&Partners' Elaboration

Sensitivity analysis

€ millions		WACC				
		6.9%	6.7%	6.4%	6.2%	5.9%
Terminal growth Rate	1.5%	128.2	134.8	142.0	150.0	158.9
	1.8%	134.2	141.4	149.4	158.2	168.2
	2.0%	140.8	148.7	157.5	167.4	178.6
	2.3%	148.1	156.9	166.7	177.8	190.4
	2.5%	156.2	166.0	177.0	189.6	204.0

Source: Company Data, KT&Partners' Elaboration

Appendix

Peer Comparison

In order to define Vantea's peer sample, we carried out an in-depth analysis of listed companies active in the Information technology market (with a focus on cybersecurity) and companies operating in the F&B market. In selecting potential peers, we consider Vantea's offering, business model, growth, and profitability profile.

For peer analysis, we built a sample of 13 companies, which includes companies operating in the IT or F&B market:

IT market

- **Mandiant, Inc:** listed on NASDAQ stock exchange with a market capitalization of €4.1bn, Mandiant provides intelligence-based cybersecurity solutions that allow organizations to prepare for, prevent, respond to, and remediate cyberattacks. It operates through the following segments: Enterprise Security, Managed Security, Threat Intelligence, and Industry Solutions. In FY20, Mandiant reached €0.8bn of sales revenues.
- **CY4Gate SpA**: listed on Borsa Italiana stock exchange with a market capitalization of €0.16bn, CY4Gate provides solutions for cyber intelligence, cyber security, and cyber electronic conflict. It operates through the Cyber Intelligence division (creating programs that collect and analyze information from open sources on the Internet or social media) and Cyber Security business division (specialized in products and services which protect information technology systems). In FY20, CY4Gate revenues amounted to €7mn.
- **F-Secure Oyj:** listed on OMX Helsinki stock exchange with a market capitalization of €0.79bn, F-Secure engages in the provision of internet and mobile security software solutions. It also offers data and content security. The company operates through the following segments: Consumer Security, Cybersecurity Consulting, and Corporate Security products. In FY20, company's revenues amounted to €220mn.
- **Qualys, Inc.:** listed on NASDAQ stock exchange with a market capitalization of €4.3bn, Qualys provides cloud security and compliance solutions. Its products enable organizations to identify security risks to information technology infrastructures and helps protect information technology systems and applications from cyberattacks. In FY20 the company reached €318mn of revenues.
- **Verint Systems Inc.:** listed on NASDAQ stock exchange with a market capitalization of €2.9bn, Verint Systems engages in providing actionable intelligence. It operates through the following segments: Customer Engagement Solutions and Cyber Intelligence Solutions. In FY20, the company reached €1.1bn of revenues.
- **Tinexta SpA:** listed on Borsa Italiana stock exchange with a market capitalization of €1.4bn, Tinexta engages in the provision of information technology solutions and services for the dematerialization and digitalization of document processes with legal value. Through its subsidiaries, Tinexta operates in four business areas: Digital Trust, Credit Information & Management, Innovation & Marketing Services and Cyber Security. In FY20, company's revenues amounted to €269mn.
- **Reply S.p.A.:** listed on Borsa Italiana stock exchange with a market capitalization of €5.4bn, Reply provides solutions based on the new communication channels and digital media. It supports the main European industrial groups in defining and developing new business models utilizing big data, cloud computing, customer relationship management, mobile, social media and Internet of Things paradigms. In FY20, the company's revenues amounted to €1.3bn.
- **NCC Group plc:** listed on the London Stock Exchange with a market capitalization of €0.7bn, NCC Group is engaged in the provision of information technology assurance, security software, and consultancy services. It operates through the Escrow segment

(business software applications for the protection of end-users and software suppliers) and the Assurance segments (security consulting, and website performance and load testing). In FY20, the company reached €300mn of revenues.

Food & Beverage market

- **MARR SpA:** listed on Borsa Italiana stock exchange with a market capitalization of €1.1bn, MARR is specialized in the distribution of food products for out-of-home or foodservice consumption. It operates through the following business sectors: Street Market, National Account, and Wholesale. The company distributes its products – groceries, seafood, meat, fruit and vegetables, and equipment – to the Ho.Re.Ca. businesses and to canteens. In FY20, the company reached €1bn of revenues.
- **Sligro Food Group N.V.:** listed on the Euronext Amsterdam stock exchange with a market capitalization of €1bn, Sligro Food Group engages in the management and operation of supermarkets and grocery stores. It operates through the Foodservice segment, which involves operating cash-and-carry delivery service outlets for hotels, restaurants, companies, caterers, and retail businesses. In FY20, company's revenues amounted to €1.9bn.
- **Longino & Cardenal SpA:** listed on Borsa Italiana stock exchange with a market capitalization of €24mn, Longino & Cardenal provides products for catering. The company is one of Italy's leading "food globetrotters," continually searching for the best raw materials in order to satisfy the new trends in consumer behavior, which is looking for products of excellence, until now reserved only for restaurants and hotels, making them available to all gourmet enthusiasts. In FY20, company's revenues amounted to €19mn.
- **Premium Brands Holdings Corp:** listed on the Toronto stock exchange with a market capitalization of €3.7bn, the company operates in the manufacture and distribution of a variety of specialty food products. It operates through the Specialty Foods (that includes the specialty food manufacturing businesses) and the Premium Food Distribution segment (including the differentiated distribution and wholesale businesses, and certain seafood processing businesses). In FY20, company's revenues amounted to €2.6bn.
- **Bid Corporation Limited:** listed on Johannesburg stock exchange with a market capitalization of €6.2bn, Bid Corporation engages in the foodservice business. The profile of the customer base is strategically targeted to fully service the foodservice industry's needs. It operates through the following geographical segments: Australasia, UK, EU, Emerging Markets, and Corporate. In FY20, company's revenues amounted to €7bn.

We first analyzed growth rates over the period 2019-23 of peer companies compared with Vantea: looking at revenues, Vantea shows an expected CAGR19-23, equal to +82.7% against +6.6% of the average sample; on the EBITDA side, peers show a more interesting expected growth (CAGR19-23 equal to +17.8%), that, however, remains far below that of Vantea (+87.5%).

Peer comparison – Sales and EBITDA growth 2019-23

Company Name	Sales 2019	2020	2021	2022	2023	CAGR 2019-'23
Mandiant, Inc.	794	825	423	500	620	*-6.0%*
CY4Gate SpA	7	n.a.	19	29	35	*49.0%*
F-Secure Oyj	217	220	236	254	274	*6.0%*
Qualys, Inc.	287	318	361	430	502	*15.0%*
Verint Systems Inc.	1,168	1,109	778	834	917	*-5.9%*
Tinexta SpA	259	269	373	437	496	*17.6%*
Reply S.p.A.	1,183	1,250	1,478	1,688	1,878	*12.3%*
NCC Group plc	301	304	376	409	440	*10.0%*
MARR SpA	1,651	1,048	1,439	1,766	1,836	*2.7%*
Sligro Food Group N.V.	2,395	1,946	1,950	2,369	2,540	*1.5%*
Longino & Cardenal SpA	34	19	n.a.	n.a.	n.a.	*n.a.*
Premium Brands Holdings Corp	2,457	2,661	3,378	3,824	4,044	*13.3%*
Bid Corporation Limited	7,987	6,961	6,584	8,058	8,767	*2.4%*
Peers Average	**1,442**	**1,411**	**1,450**	**1,716**	**1,862**	***6.6%***
Vantea Smart S.p.A.	7.44	17.16	34.85	60.01	82.95	***82.7%***

Company Name	EBITDA 2019	2020	2021	2022	2023	CAGR 2019-'23
Mandiant, Inc.	-86	-28	-37	-26	43	*n.m.*
CY4Gate SpA	3	n.a.	8	12	14	*46.8%*
F-Secure Oyj	17	34	35	39	48	*29.4%*
Qualys, Inc.	95	113	169	165	196	*20.0%*
Verint Systems Inc.	160	180	214	232	258	*12.6%*
Tinexta SpA	71	79	96	121	143	*19.3%*
Reply S.p.A.	168	189	256	289	320	*17.5%*
NCC Group plc	51	57	74	84	91	*15.3%*
MARR SpA	70	-6	88	123	129	*16.6%*
Sligro Food Group N.V.	113	71	105	137	170	*10.7%*
Longino & Cardenal SpA	1	-2	n.a.	n.a.	n.a.	*n.a.*
Premium Brands Holdings Corp	207	204	300	358	395	*17.5%*
Bid Corporation Limited	493	402	405	542	617	*5.7%*
Peers Average	**105**	**108**	**143**	**173**	**202**	***17.8%***
Vantea Smart S.p.A.	1.0	1.8	4.0	7.6	11.8	***87.5%***

Source: FactSet, KT&P'S Elaborations

Secondly, we compared the peers' marginalities with Vantea's historical and expected financials. In comparing profitability, it is important to highlight that Vantea shows a business model that combines IT with more traditional sectors (such as F&B). Indeed: average peer's EBITDA margin for FY20 was 16% (22% for IT companies and 6% for F&B peers), compared with Vantea's EBITDA margin equal to 10.3%. For the next few years, Vantea's marginality is expected to increase, reaching 14.1% in 2023 (vs 24.8% and 7.6% of IT and F&B peers, respectively).

Peer Comparison – Profitability

Company Name	EBITDA Margin 2019	2020	2021	2022	2023	Net margin 2019	2020	2021	2022	2023
Mandiant, Inc.	*neg*	*neg*	*neg*	*neg*	*7.0%*	*neg*	*neg*	*8.2%*	*neg*	*neg*
CY4Gate SpA	*42.9%*	*n.a.*	*42.1%*	*39.7%*	*40.4%*	*26.2%*	*n.a.*	*21.1%*	*22.4%*	*23.0%*
F-Secure Oyj	*7.9%*	*15.3%*	*14.9%*	*15.5%*	*17.5%*	*1.5%*	*5.8%*	*5.6%*	*7.4%*	*9.3%*
Qualys, Inc.	*32.9%*	*35.6%*	*46.7%*	*38.3%*	*39.0%*	*21.6%*	*25.3%*	*31.4%*	*24.1%*	*24.4%*
Verint Systems Inc.	*13.7%*	*16.2%*	*27.5%*	*27.9%*	*28.1%*	*2.2%*	*neg*	*19.7%*	*20.3%*	*21.1%*
Tinexta SpA	*27.3%*	*29.2%*	*25.8%*	*27.7%*	*28.9%*	*10.9%*	*13.9%*	*12.4%*	*13.4%*	*14.8%*
Reply S.p.A.	*14.2%*	*15.1%*	*17.3%*	*17.1%*	*17.0%*	*9.6%*	*9.9%*	*10.3%*	*10.1%*	*10.2%*
NCC Group plc	*17.1%*	*18.7%*	*19.6%*	*20.6%*	*20.6%*	*2.4%*	*3.7%*	*10.2%*	*11.1%*	*11.3%*
MARR SpA	*4.2%*	*neg*	*6.1%*	*7.0%*	*7.0%*	*4.0%*	*neg*	*2.5%*	*3.6%*	*3.7%*
Sligro Food Group N.V.	*4.7%*	*3.6%*	*5.4%*	*5.8%*	*6.7%*	*1.4%*	*neg*	*0.9%*	*1.8%*	*2.8%*
Longino & Cardenal SpA	*3.1%*	*neg*	*n.a.*	*n.a.*	*n.a.*	*2.8%*	*neg*	*n.a.*	*n.a.*	*n.a.*
Premium Brands Holdings Corp	*8.4%*	*7.7%*	*8.9%*	*9.4%*	*9.8%*	*2.3%*	*2.1%*	*3.6%*	*4.4%*	*4.5%*
Bid Corporation Limited	*6.2%*	*5.8%*	*6.2%*	*6.7%*	*7.0%*	*3.7%*	*1.2%*	*2.6%*	*3.5%*	*3.8%*
Peers Average	**15.2%**	**16.4%**	**20.0%**	**19.6%**	**19.1%**	**7.4%**	**8.8%**	**10.7%**	**11.1%**	**11.7%**
Vantea Smart S.p.A.	**12.6%**	**10.3%**	**11.4%**	**12.6%**	**14.1%**	**16.6%**	**7.7%**	**7.0%**	**7.6%**	**8.6%**

Source: FactSet, KT&P'S Elaborations

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KT&PARTNERS

Via della Posta, 10 - Piazza Affari, 20123 Milano - Italy
Tel: +39.02.83424007 Fax: +39.02.83424011
segreteria@ktepartners.com