

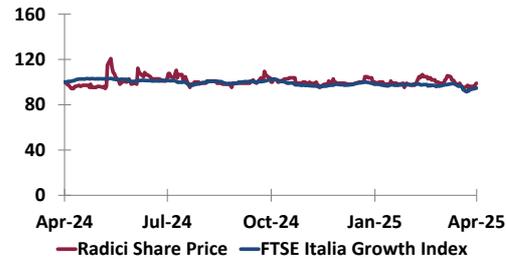


OUTPERFORM

Current Share Price (€): 1.03

Target Price (€): 2.35

Radici - 1Y Performance



Company data

ISIN number	IT0005379737
Bloomberg code	RAD:IM
Reuters code	RADIC.MI
Industry	Manufacturing
Stock market	Euronext Growth Milan
Share Price (€)	1.03
Date of Price	17/04/2025
Shares Outstanding (m)	8.8
Market Cap (€m)	9.1
Market Float (%)	24.9%
Daily Volume	3,500
Avg Daily Volume YTD	10,353
Target Price (€)	2.35
Upside (%)	128%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
Radici - Absolute (%)	-2%	-2%	-6%	-3%
FTSE Italia Growth (%)	-3%	-4%	-8%	-6%
1Y Range H/L (€)			1.28	1.00
YTD Change (€) / %			-0.02	-2%

Source: S&P Capital IQ

Analysts

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Performance continuity, adapting sales mix to face adversity

Trading update: in line with the market

Radici share price performance LTM was in line with the FTSE Italia Growth index trend in the same period, respectively -3% vs -6%, floating around €1-1.10, after a peak close to €1.30 at the end of May.

FY24: H2 industry slowdown affecting growth

Radici sales at €56.2m in FY24 were aligned to last year performance, with a different target industry mix: Marine and Sports sales increase (respectively, +4% and +40% YoY) offset the slowdown in Residential&Contract (-8% YoY, affected by domestic sale slackening) and Automotive (whose reference industry is undergoing a downturn period, -43% YoY). By region, US sales (+34% on FY23) leapt closer to EU as second market. Total revenues at €60m, in line with 2023. EBITDA was €5.4m, close to 10% margin on sales, vs 9% in 2023; period net income of €1.5m vs €0.5m in FY23, after €0.7m tax relief on facilities sale. Trade Working Capital slightly better than prior year; period capex of €3.8m for facility relamping and new equipment investments. Net debt improved at €13.1m as of December 2024 (from €16m as of December 2023), in the region of 2.4x on EBITDA, from 3.2x.

Management guidelines review and relaunch

Considering Residential and Automotive slowdown in H2 2024 and delays in Sports orders, management revised downward 2025 sales and profitability guidelines, respectively at €65.1m from €70.6m and 9.3% from 11.1%, while previous net debt target (€15.2m) has been achieved. Radici diversification strategy has proven resilience on the long term, hedging from downward market trends; sustainability strategy is ongoing, with further Turfrecycler synergies, low environmental impact products expected in the short-term and €4.0m capex to improve facility efficiency and sales network. Our assessments of Radici business, financial and plan achievement risk outcome with a *medium* business risk and a *low financial risk* rating.

Target price €2.35 and OUTPERFORM rating confirmed

We update our previous estimates, factoring in current sales mix, fine-tuning costs and working capital dynamics, resulting in previous target shift. We recall Net Debt/EBITDA improvement (from 8.5x at FY21 to current healthy 2.4x) and business model proven resilience over the years as base of an overall medium-low risk profile. Our updated valuation confirms the €2.35 target price per share, +128% on current share price, and the OUTPERFORM rating.

KEY FINANCIALS AND ESTIMATES

€m	2023	2024	2025E	2026E	2027E
Sales	56.0	56.2	64.8	69.5	74.7
EBITDA	4.9	5.4	6.3	7.2	7.7
<i>Margin on Sales</i>	9%	10%	10%	10%	10%
Net Income (Loss)	0.5	1.5	1.2	1.8	1.9
Trade Working Capital	23.5	20.5	23.1	25.6	27.0
Net (Debt) Cash	(16.0)	(13.3)	(13.1)	(12.3)	(10.1)

KEY RATIOS

TWC/Sales	42%	36%	36%	37%	36%
Net Debt /EBITDA	3.2x	2.4x	2.1x	1.7x	1.3x

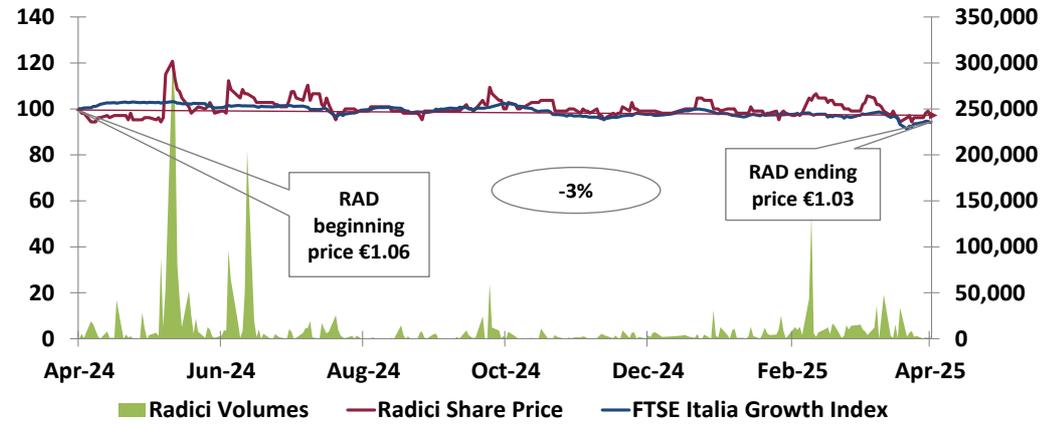
DCF IMPLIED MULTIPLES

	2023	2024	2025E	2026E	2027E
EV/Revenues	0.4x	0.4x	0.3x	0.3x	0.3x
EV/EBITDA	4.5x	4.1x	3.5x	3.1x	2.9x

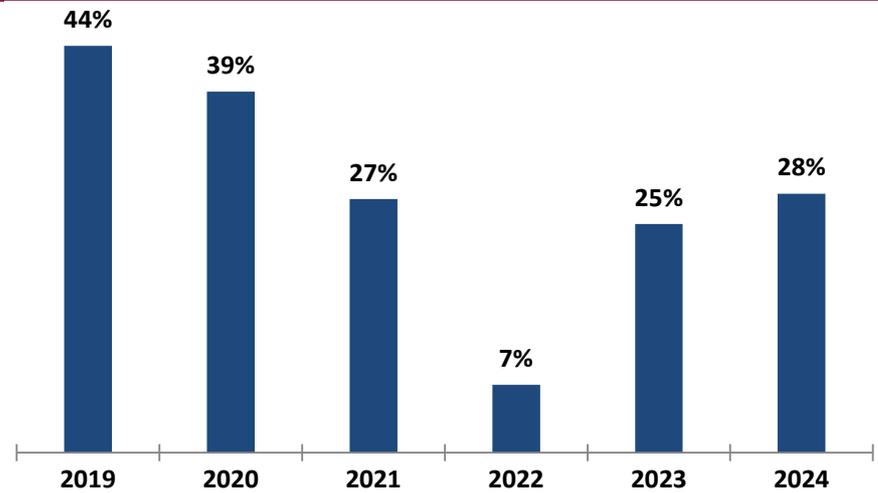
Source: Company data 2023-24A, EnVent Research 2025-27E

Market update

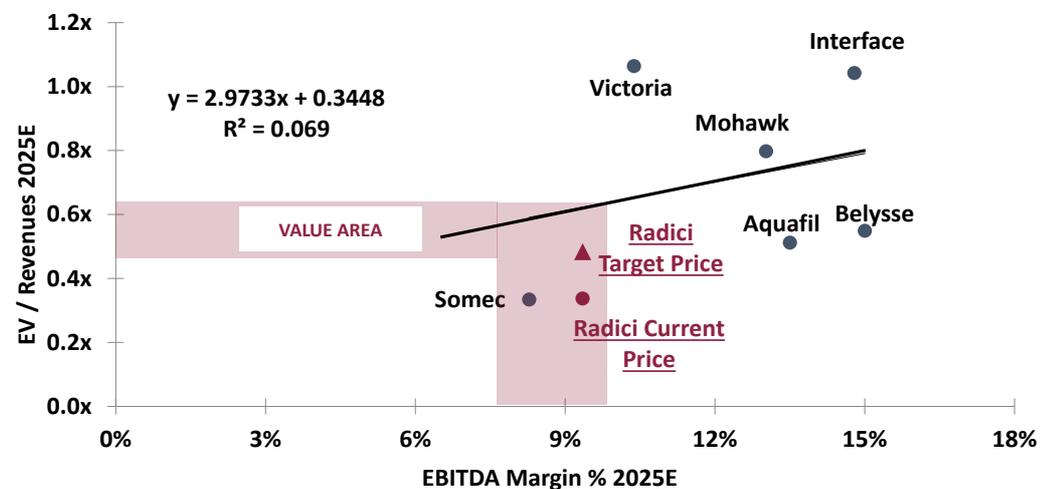
Radici - 1Y Share price performance and trading volumes



Radici - Liquidity analysis and velocity turnover



Textile floor coverings producers - Regression analysis and Radici target positioning



Investment case

Made in Italy since 1950

High-end market segment

Wide geographical coverage

Radici Pietro Industries & Brands, listed on Euronext Growth Milan, is an Italian group established in the textile district of Seriana Valley (Lombardy), with over 70 years' history in the production of textile coverings for application in the Residential & Contract, Marine, Sports and Automotive industries. Main products are:

- carpet tufting
- carpet weaving
- artificial turf
- non-woven
- complementary products

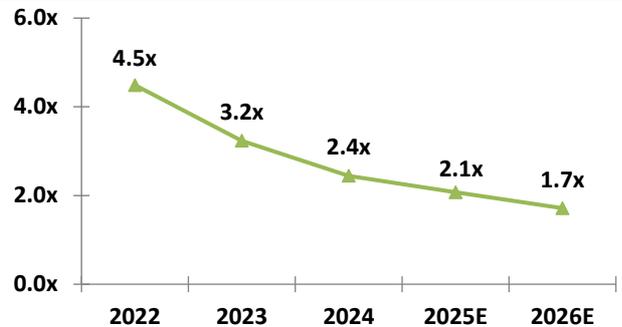
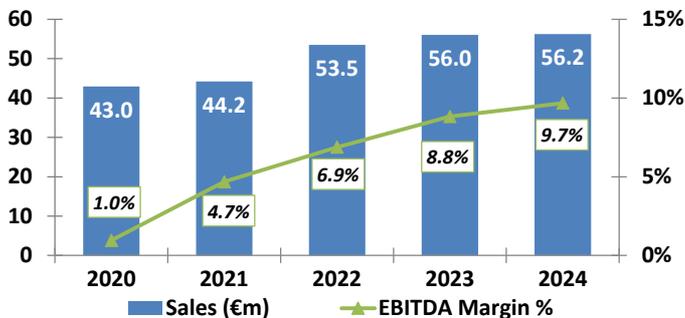
Radici reaches over 2,000 customers in 90 countries. The two production sites are in Italy and Hungary, supported by sales and storage branches in the USA, France, Poland and Czech Republic, as well as through a network of distributors covering other markets. Activities cover key production stages, from raw materials procurement and processing to product testing and distribution.

Main pillars:

- Expansion of sales network of local agents and partners in countries with growth prospects and marketing investments to involve architecture and design firm
- Sustainability is cornerstone in product innovation
- M&A for both geographical penetration and production chain integration

Historical sales and EBITDA

Net Debt/EBITDA



Source: EnVent Research on Company data; EnVent Research for 2024-26E

Drivers

Industry drivers

- Innovation and sustainability trend in renovation activities
- Fashion/luxury spaces ongoing renovation, fueled by rising luxury lifestyle expense
- Artificial turf growing popularity
- Cruise market rebound after pandemic
- Quality driven market

Company drivers

- Entering the circular economy
- Superior quality, wide and diversified product portfolio
- Made in Italy textile tradition blended with innovation
- State-of-the-art manufacturing, flexibility and plenty of capacity
- International presence

Challenges

- High rivalry in the flooring industry
- Key role of local experts in suppliers' selection
- Macroeconomic conditions
- Profitability affected by distributors cost

Risk / opportunity assessment

Business risk: medium-low

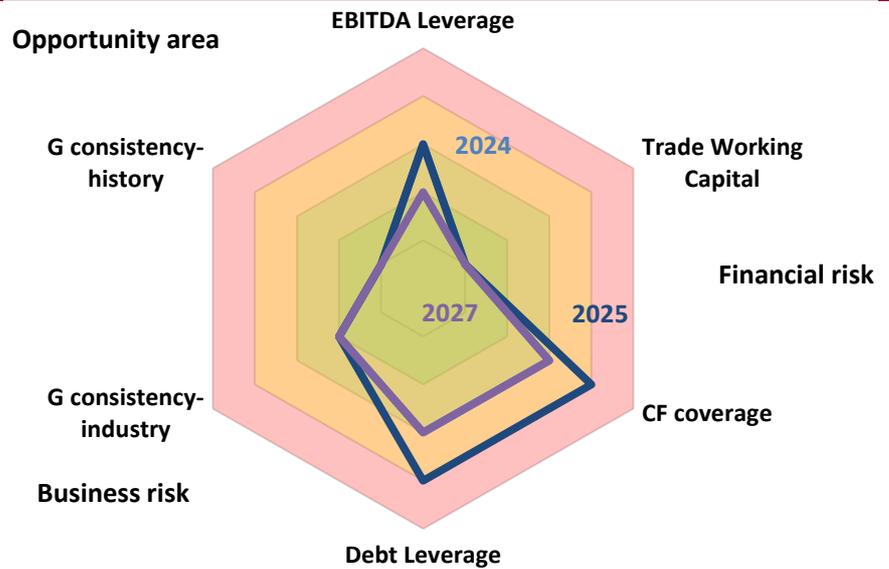
Competitive forces		Materiality of risk map	
Force	Factors	Lower impact	Higher impact
Competitive rivalry	<ul style="list-style-type: none"> • High competition • Major players also sell non textile products 		Higher risk
Customers	<ul style="list-style-type: none"> • Easy switch for dissatisfaction about price, quality or customer service • Wide availability of market offers 		Competitive rivalry
Substitutes	<ul style="list-style-type: none"> • Constant technological innovation • Non textile products as alternative 	New entrants	Customers
New entrants	<ul style="list-style-type: none"> • Investments in equipment and product range • Development of sales organization • Marketing cost for customer acquisition 		Substitutes
Suppliers	<ul style="list-style-type: none"> • Easy access to raw material • Wide range of suppliers 	Suppliers	Higher impact
		Lower risk	Overall risk profile MEDIUM-LOW

Source: EnVent Research

Financial risk: low

Ratios map

Low financial risk after debt improvements in recent years



Source: EnVent Research

ESG

ESG profile

Analysis and reporting

Sustainability reports and reporting standards	■
Sustainability initiatives and memberships	✓
Sustainability risk management information	✓
Governance information	✓
Stakeholders and stakeholders dialogue	✓

Source: EnVent Research

Sustainability targets

Scope 1 emissions (Direct emissions)	■
Scope 2 emissions (Energy consumption)	■
Scope 3 emissions (Value chain)	■

Social targets

Past target achievements	✓
Policies implementation	✓

FY24 results

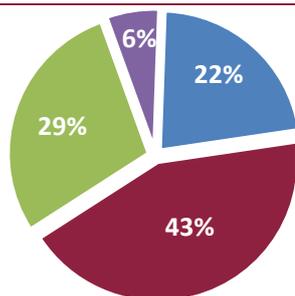
Revenues were in line with FY23 at €56.2m, breakdown by industry:

- Residential & Contract: €24.3m (22% of sales), -8% YoY, affected by domestic contract market slowdown
- Marine: €12.4m (22%), +4% YoY
- Sport: €16.1m (29%), +40% YoY, driven by NRRP funds disbursement, Turfrecyclers acquisition and General Contractor orders
- Automotive: €3.4m (6%), -43% YoY, still affected by automotive market turmoil.

Sport is now second reference industry; by geography, domestic market is still leading, USA sales (24%) almost equal to EU (25%) as second reference market. EBITDA at €5.4m, close to 10% margin on sales, including €1.1m capital gain on facilities sale.

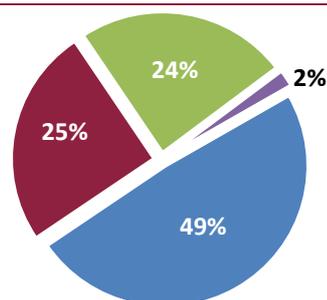
Revenues breakdown, FY24 (%)

By industry



■ Marine ■ Residential&Contract
■ Sports ■ Automotive

By geography



■ Italy ■ EU ■ USA ■ Others

Source: Company data

Consolidated Profit and Loss

€m	2023	2024
Sales	56.0	56.2
Change in inventory	(0.0)	0.9
Other income	1.6	2.7
Total Revenues	57.6	60.0
YoY %	-0.8%	4.2%
Materials	(27.1)	(27.8)
Services	(15.7)	(15.8)
Personnel	(9.0)	(10.0)
Other operating costs	(0.8)	(0.8)
Operating charges	(52.6)	(54.5)
EBITDA	4.9	5.4
Margin on revenues	8.6%	9.1%
Margin on sales	8.8%	9.7%
D&A	(3.4)	(3.8)
EBIT	1.5	1.6
Margin	2.6%	2.7%
Non-recurring items	0.2	0.0
Interest	(1.2)	(1.1)
Exchange gain (loss)	0.0	0.0
EBT	0.5	0.6
Margin	0.8%	1.0%
Income taxes	(0.0)	0.9
Net Income (Loss)	0.5	1.5
Margin	0.8%	2.5%

Source: Company data

Consolidated Balance Sheet

€m	2023	2024
Inventory	22.4	25.1
Trade receivables	14.7	9.6
Trade payables	(12.8)	(13.4)
Trade Working Capital	23.5	20.5
Other assets (liabilities)	(0.9)	1.3
Net Working Capital	22.6	21.8
Intangible assets	1.4	1.0
Property, plant and equipment	30.9	29.4
Equity investments and financial assets	0.0	0.3
Non-current assets	32.3	30.7
Provisions	(6.1)	(4.8)
Net Invested Capital	48.8	47.8
Bank debt	14.6	12.4
Other financial debt	1.8	2.7
Cash and equivalents	(0.4)	(1.7)
Net Debt (Cash)	16.0	13.3
Equity	32.8	34.5
Sources	48.8	47.8

Consolidated Cash Flow

€m	2023	2024
EBIT	1.5	1.6
Current taxes	(0.0)	0.9
D&A	3.4	3.8
Provisions	(0.6)	(1.3)
Cash flow from P&L operations	4.4	5.1
Trade Working Capital	(1.8)	2.9
Other assets and liabilities	0.7	(2.2)
Capex	(1.7)	(3.8)
Operating cash flow after WC and capex	1.6	2.1
Non-recurring items	0.2	1.9
Interest	(1.2)	(1.1)
Equity investments and financial assets	0.0	(0.3)
Equity adjustments	(0.1)	0.1
Net cash flow	0.5	2.7
Net (Debt) Cash - Beginning	(16.5)	(16.0)
Net (Debt) Cash - End	(16.0)	(13.3)
Change in Net (Debt) Cash	0.5	2.7

Source: Company data

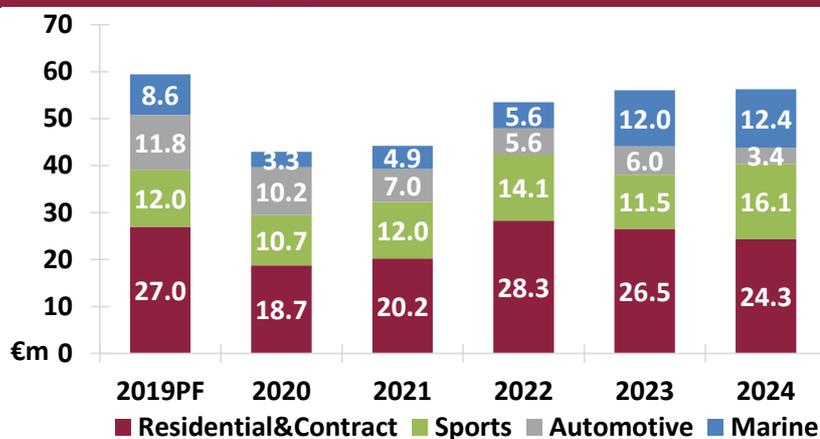
Ratio analysis

KPIs	2023	2024
ROE	1%	4%
ROS (EBIT/Sales)	3%	3%
DOI	146	160
DSO	78	50
DPO	88	90
TWC/Sales	42%	36%
Net Debt / EBITDA	3.2x	2.4x
Net Debt / Equity	0.5x	0.4x
Net Debt / (Net Debt+Equity)	0.3x	0.3x
Cash flow from P&L operations / EBITDA	88%	94%
FCF / EBITDA	33%	38%

Business update

Diversification strategy has proven resilience in the long term, as over years Radici has been capable to offset industry or geography slowdown. Sales mix after Covid drastically evolved: after 2022 rebound, Residential&Contract is slightly slowing down, with Marine in 2023 and Sports in 2024 driven Radici growth. Besides Marine, all other industries are not in line with management 2024 target. For Sports, a further boost is expected by Turfreycler synergies and by NRRP funds deployment. Automotive reference ongoing market turmoil has made sales highly volatile and unpredictable.

Sales breakdown by industry (€m)



Source: Company data

- January 2025: €2.2m proceeds from Cazzano Sant'Andrea facility portion sales has been used to redeem €1.7m financing from controlling shareholder

Management guidelines

On the back of FY24 results and considering downturn market trend affecting Residential&Contract and Sports segments since H2 2024, management update guidelines for 2025, resulting in lower sales and EBITDA and improvement in net debt. Management also expected €4.0m capex in tangible assets (machinery improvements and turf recycling) and sales network.

Management guidelines review (March 2025)

€m	Previous guidelines		Actual	Review
	2024E	2025E	2024	2025E
<i>Marine</i>	11.6	12.6	12.4	13.0
<i>Residential & Contract</i>	30.1	30.7	24.3	27.8
<i>Sports</i>	18.4	21.5	16.1	19.1
<i>Automotive</i>	5.8	5.8	3.4	5.2
Sales	65.9	70.6	56.2	65.1
EBITDA	6.6	7.9	5.4	6.0
<i>Margin on Sales</i>	10.0%	11.2%	9.7%	9.2%
Net (Debt) Cash	(17.9)	(15.2)	(13.3)	(13.1)

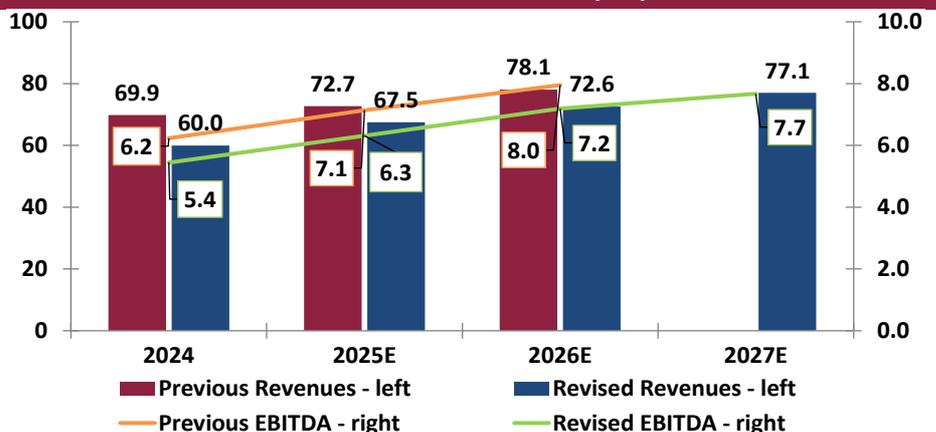
Source: Company data

Estimates revision

Based on FY24 results, new 2025 budget target by management and market trend, we prudentially updated our previous estimates lining up sales with guidelines and sales mix with current trend, resulting in previous estimates target one year shift. We also factor in current costs, working capital and capex dynamics, including €4.0m capex expected in 2025. Furthermore, we add 2027E to our estimates period.

Change in estimates

Previous vs Revised Revenues and EBITDA estimates (€m)



Source: EnVent Research

€m	Revised				Previous			Change %		
	2024	2025E	2026E	2027E	2024E	2025E	2026E	2024	2025E	2026E
Sales	56.2	64.8	69.5	74.7	66.0	70.5	75.5	-15%	-8%	-8%
Revenues	60.0	67.5	72.6	77.1	69.9	72.7	78.1	-14%	-7%	-7%
EBITDA	5.4	6.3	7.2	7.7	6.2	7.1	8.0	-13%	-12%	-10%
<i>Margin</i>	9%	9%	10%	10%	9%	10%	10%			
EBIT	1.6	2.8	3.5	3.8	2.8	3.4	4.1	-42%	-20%	-16%
<i>Margin</i>	3%	4%	5%	5%	4%	5%	5%			
Net Income (Loss)	1.5	1.2	1.8	1.9	1.1	1.6	2.1	32%	-22%	-16%
Net (Debt) Cash	13.3	13.1	12.3	10.1	14.0	10.8	8.7			
<i>Net Debt / EBITDA</i>	-2.4x	-2.1x	-1.7x	-1.3x	-2.2x	-1.5x	-1.1x			

Source: EnVent Research

Financial projections

Consolidated Profit and Loss					
€m	2023	2024	2025E	2026E	2027E
Sales	56.0	56.2	64.8	69.5	74.7
Change in inventory	(0.0)	0.9	1.6	1.9	1.1
Capitalization of intangible assets	0.0	0.1	0.1	0.1	0.1
Other income	1.6	2.7	0.9	1.0	1.1
Total Revenues	57.6	60.0	67.5	72.6	77.1
<i>YoY %</i>	-0.8%	4.2%	12.5%	7.6%	6.1%
Materials	(27.1)	(27.8)	(32.6)	(35.0)	(37.2)
Services	(15.7)	(15.8)	(17.3)	(18.6)	(19.7)
Personnel	(9.0)	(10.0)	(10.5)	(11.0)	(11.4)
Other operating costs	(0.8)	(0.8)	(0.8)	(0.9)	(1.1)
Operating charges	(52.6)	(54.5)	(61.2)	(65.4)	(69.4)
EBITDA	4.9	5.4	6.3	7.2	7.7
<i>Margin on Sales</i>	8.8%	9.7%	9.7%	10.3%	10.3%
<i>Margin on Total Revenues</i>	8.6%	9.1%	9.4%	9.9%	10.0%
D&A	(3.4)	(3.8)	(3.6)	(3.7)	(3.9)
EBIT	1.5	1.6	2.8	3.5	3.8
<i>Margin</i>	2.6%	2.7%	4.1%	4.8%	4.9%
Non-recurring items	0.2	0.0	0.0	0.0	0.0
Interest	(1.2)	(1.1)	(1.0)	(1.0)	(1.0)
EBT	0.5	0.6	1.7	2.5	2.7
<i>Margin</i>	0.8%	1.0%	2.6%	3.4%	3.6%
Income taxes	(0.0)	0.9	(0.5)	(0.7)	(0.8)
Net Income (Loss)	0.5	1.5	1.2	1.8	1.9
<i>Margin</i>	0.8%	2.5%	1.8%	2.4%	2.5%

Source: Company data 2023-24, EnVent Research 2025-27E

Debt position improvement trend

Consolidated Balance Sheet

€m	2023	2024	2025E	2026E	2027E
Inventory	22.4	25.1	26.6	28.6	29.7
Trade receivables	13.8	8.8	10.8	11.6	12.5
Trade payables	(12.8)	(13.4)	(14.4)	(14.6)	(15.1)
Trade Working Capital	23.5	20.5	23.1	25.6	27.0
Other assets (liabilities)	(0.9)	1.3	(0.7)	(0.7)	(0.8)
Net Working Capital	22.6	21.8	22.4	24.9	26.3
Intangible assets	1.4	1.0	0.7	0.5	0.2
Property, plant and equipment	30.9	29.4	30.2	28.9	27.6
Equity investments and financial assets	0.0	0.3	0.3	0.3	0.3
Non-current assets	32.3	30.7	31.2	29.7	28.1
Provisions	(6.1)	(4.8)	(4.8)	(4.9)	(4.9)
Net Invested Capital	48.8	47.8	48.8	49.7	49.4
Net Debt (Cash)	16.0	13.3	13.1	12.3	10.1
Equity	32.8	34.5	35.7	37.4	39.4
Sources	48.8	47.8	48.8	49.7	49.4

Source: Company data 2023-24, EnVent Research 2025-27E

Consolidated Cash Flow

€m	2023	2024	2025E	2026E	2027E
EBIT	1.5	1.6	2.8	3.5	3.8
Current taxes	(0.0)	0.9	(0.5)	(0.7)	(0.8)
D&A	3.4	3.8	3.6	3.7	3.9
Provisions	(0.6)	(1.3)	0.1	0.0	0.0
Cash flow from P&L operations	4.4	5.1	5.8	6.5	6.9
Trade Working Capital	(1.8)	2.9	(2.6)	(2.5)	(1.4)
Other assets and liabilities	0.7	(2.2)	2.0	0.1	0.0
Capex	(1.7)	(3.8)	(4.0)	(2.3)	(2.3)
Operating cash flow after WC and capex	1.6	2.1	1.2	1.8	3.3
Non-recurring items	0.2	1.9	0.0	0.0	0.0
Interest	(1.2)	(1.1)	(1.0)	(1.0)	(1.0)
Equity investments and financial assets	0.0	(0.3)	0.0	0.0	0.0
Equity adjustments	0.0	0.1	0.0	0.0	0.0
Net cash flow	0.5	2.7	0.2	0.8	2.3
Net Debt (Beginning)	(16.5)	(16.0)	(13.3)	(13.1)	(12.3)
Net Debt (End)	(16.0)	(13.3)	(13.1)	(12.3)	(10.1)
Change in Net Debt (Cash)	0.5	2.7	0.2	0.8	2.3

Source: Company data 2023-24, EnVent Research 2025-27E

Ratio analysis

KPIs	2023	2024	2025E	2026E	2027E
ROE	1%	4%	3%	5%	5%
ROS (EBIT/Sales)	3%	3%	4%	5%	5%
ROIC (NOPAT/Invested Capital)	2%	2%	4%	5%	5%
TWC/Sales	42%	36%	36%	37%	36%
TWC/Net Debt	147%	154%	177%	208%	269%
Net Debt /EBITDA	3.2x	2.4x	2.1x	1.7x	1.3x
Net Debt/Equity	0.5x	0.4x	0.4x	0.3x	0.3x
Net Debt/(Net Debt+Equity)	0.3x	0.3x	0.3x	0.2x	0.2x
Cash flow from P&L operations/EBITDA	88%	94%	92%	90%	90%
FFO / Total Debt	11%	17%	15%	17%	19%

Source: Company data 2023-24, EnVent Research 2025-27E

Valuation

We have updated our Radici valuation through the Discounted Cash Flows and market multiples methods.

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.9% (last 30 days average. Source: Bloomberg, April 2025)
- Market return: 13.3% (last 30 days average. Source: Bloomberg, April 2025)
- Market risk premium: 9.4%
- Beta: 1.0 (judgmental)
- Cost of equity: 13.3%
- Cost of debt: 6.0%
- Tax rate: 24% (IRES)
- 30% debt/(debt + equity) as target capital structure
- WACC calculated at 10.7%, according to above data, from 9.2%
- Perpetual growth rate after explicit projections (G): 2.5%
- Terminal Value assumes a 11% EBITDA margin on revenues

DCF Valuation

€m	2023	2024	2025E	2026E	2027E	Perpetuity
Revenues	57.6	60.0	67.5	72.6	77.1	79.0
EBITDA	4.9	5.4	6.3	7.2	7.7	8.7
<i>Margin</i>	8.6%	9.1%	9.4%	9.9%	10.0%	11.0%
EBIT	1.5	1.6	2.8	3.5	3.8	6.4
<i>Margin</i>	2.6%	2.7%	4.1%	4.8%	4.9%	8.1%
Taxes	(0.4)	(0.5)	(0.8)	(1.0)	(1.0)	(1.8)
NOPAT	1.1	1.2	2.0	2.5	2.7	4.6
D&A	3.4	3.8	3.6	3.7	3.9	2.3
Provisions	(0.6)	(1.3)	0.1	0.0	0.0	0.0
Cash flow from operations	3.9	3.7	5.6	6.3	6.7	6.9
Trade Working Capital	(1.8)	2.9	(2.6)	(2.5)	(1.4)	(1.4)
Other assets and liabilities	0.7	(2.2)	2.0	0.1	0.0	0.0
Capex	(1.7)	(3.0)	(4.0)	(2.3)	(2.3)	(2.3)
Yearly unlevered free cash flow	1.2	1.5	1.0	1.5	3.0	3.3
Free Cash Flow to be discounted			1.0	1.5	3.0	3.3
WACC	10.7%					
Long-term growth (G)	2.5%					
Discounted Cash Flows			0.9	1.2	2.2	
Sum of Discounted Cash Flows	4.4					
Terminal Value						39.8
Discounted TV	29.4					
Enterprise Value	33.8					
Net Debt as of 31/12/24	(13.3)					
Equity Value	20.5					
DCF - Implied multiples	2023	2024	2025E	2026E	2027E	
EV/Revenues	0.6x	0.6x	0.5x	0.5x	0.4x	
EV/EBITDA	6.8x	6.2x	5.4x	4.7x	4.4x	
EV/EBIT	22.6x	20.6x	12.2x	9.7x	9.0x	
P/E	44.1x	13.7x	16.8x	11.7x	10.6x	
<i>Discount of current mkt price vs DCF</i>	-34%					
Current market price - Implied multiples	2023	2024	2025E	2026E	2027E	
EV/Revenues	0.4x	0.4x	0.3x	0.3x	0.3x	
EV/EBITDA	4.5x	4.1x	3.5x	3.1x	2.9x	
EV/EBIT	14.9x	13.6x	8.1x	6.4x	5.9x	
P/E	19.3x	6.0x	7.4x	5.1x	4.6x	

Source: EnVent Research

Market multiples

Company	EV/Revenues			EV/EBITDA			EV/EBIT			P/E		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Aquafil	0.5x	0.5x	0.5x	3.8x	3.5x	3.4x	10.7x	8.7x	9.0x	11.5x	6.5x	5.8x
Somec	0.3x	0.3x	0.3x	4.0x	3.8x	3.4x	8.5x	7.6x	5.8x	13.0x	9.1x	7.5x
Belysse	0.5x	0.5x	0.5x	3.7x	3.5x	3.5x	6.7x	6.2x	5.9x	8.1x	5.2x	3.0x
Interface	1.0x	1.0x	0.9x	7.0x	6.4x	5.9x	9.2x	8.1x	7.3x	11.8x	10.3x	9.3x
Mohawk	0.8x	0.8x	0.8x	6.1x	5.6x	5.4x	10.7x	9.1x	8.5x	10.7x	9.1x	8.4x
Tarkett	na	na	na									
Victoria	1.1x	1.0x	1.0x	10.2x	7.7x	6.7x	nm	nm	nm	neg	7.4x	3.2x
Mean	0.7x	0.7x	0.7x	5.8x	5.1x	4.7x	9.2x	7.9x	7.3x	11.0x	7.9x	6.2x
Mean w/out extremes	0.7x	0.7x	0.7x	5.2x	4.8x	4.5x	9.5x	8.1x	7.2x	11.3x	8.0x	6.2x
Median	0.7x	0.7x	0.6x	5.1x	4.7x	4.4x	9.2x	8.1x	7.3x	11.5x	8.3x	6.6x

Source: EnVent Research on S&P Capital IQ, 17/04/2025

We have updated our multiples valuation, applying the median EV/Revenues and EV/EBITDA from the peer group to our 2025-26 estimates. We recall that those peers present limited comparability to Radici and thus we deem more reliable the DCF valuation.

Market multiples application

€m

Market multiples above DCF

Radici	Multiple	EV	Net Debt	Equity Value	
2025E Sales	64.8	0.7x	43.7	(13.3)	30.4
2026E Sales	69.5	0.7x	42.6	(13.3)	29.3
Mean					29.8
2025E EBITDA	6.3	5.1x	32.0	(13.3)	18.7
2026E EBITDA	7.2	4.7x	29.5	(13.3)	16.2
Mean					17.5

Source: EnVent Research

Target Price

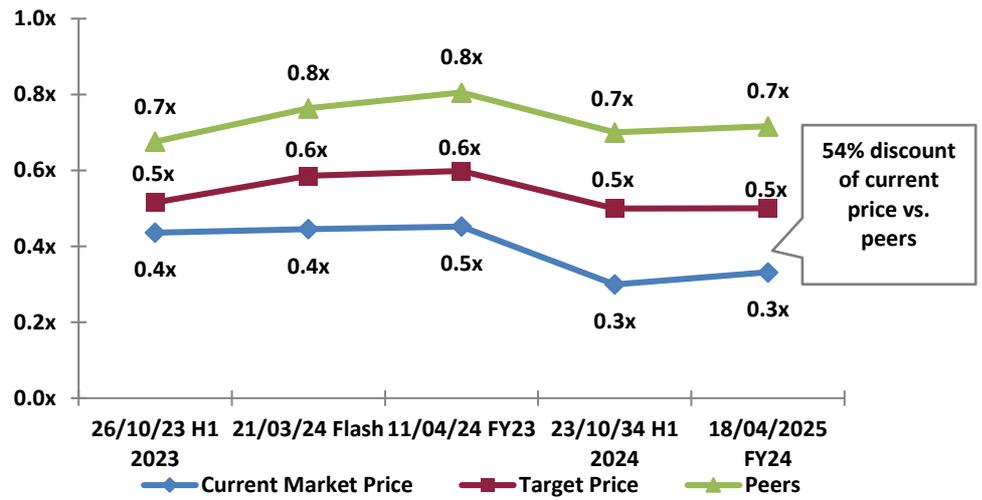
Our updated estimates and DCF valuation, supported by market multiples, yields to €2.33, thus confirming our previous €2.35 target price (128% upside on current stock price) and the OUTPERFORM rating on the stock.

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

Radici Price per Share	€
Target Price	2.35
Current Share Price (17/04/2024)	1.03
Premium (Discount)	128%

Source: EnVent Research

Implied EV/Revenues vs current market price



Source: EnVent Research on S&P Capital IQ, 18/04/2025

Radici Share Price vs EnVent Target Price



Source: EnVent Research on S&P Capital IQ, 18/04/2025

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Rating system and rationale (12-month time horizon):

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NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks expected to have a downside within the reference market or industry, with a target price more than 10% below the current market price;

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Date and time of Production: 17/04/2025 h. 7.00pm

Date and time of Distribution: 18/04/2025 h. 4.30pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
17/10/2022	OUTPERFORM	1.71	0.93
19/04/2023	OUTPERFORM	1.71	1.26
26/10/2023	OUTPERFORM	1.71	1.13
21/03/2024	OUTPERFORM	2.10	1.14
11/04/2024	OUTPERFORM	2.10	1.14
23/10/2024	OUTPERFORM	2.35	1.06
18/04/2025	OUTPERFORM	2.35	1.03

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of which EnVent clients % *		87%	67%	100%	na	na	na

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