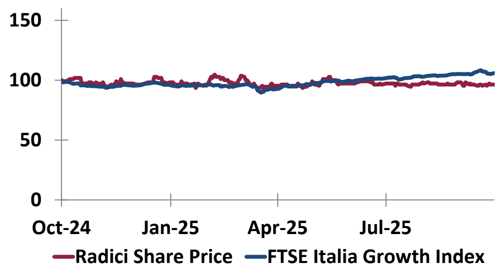
RADICI

OUTPERFORM

Current Share Price (€): 1.04

Target Price (€): 2.35

Radici Pietro Industries & Brands - 1Y Performance



Source: S&P Capital IQ - Note: 21/10/2024=100

Company data

ISIN number	IT0005379737
Bloomberg code	RAD:IM
Reuters code	RADIC.MI
Industry	Manufacturing
Stock market	Euronext Growth Milan
Share Price (€)	1.04
Date of Price	21/10/2025
Shares Outstanding (m)	8.8
Market Cap (€m)	9.2
Market Float (%)	24.9%
Daily Volume	0
Avg Daily Volume YTD	5,993
Target Price (€)	2.35
Upside (%)	126%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
Radici - Absolute (%)	-2%	-1%	0%	-4%
FTSE Italia Growth (%)	1%	4%	13%	6%
1Y Range H/L (€)			1.13	1.00
YTD Change (€) / %			-0.01	-1%

Source: S&P Capital IQ

Analysts

Luigi Tardella - Head of Research
ltardella@envent.it
Viviana Sepe vsepe@envent.it

EnVent Italia SIM S.p.A.
Via degli Omenoni, 2 - 20121 Milano (Italy)
Phone +39 02 22175979

This Note is issued by arrangement with MIT SIM, Issuer's Specialist

This document may not be distributed in the United States, Canada, Japan or Australia or to U.S. persons.

Softer top-line, other fundamentals sound, on track

Stock trading: stable

Over last year, Radici stock price range was narrowed between €1.00-1.13, showing modest movement and trading closely to the Italia Growth index, except for last trading weeks. Overall, Radici is at -4% LTM, vs +6% of the index.

H1 2025: steady figures, on track for FY25 guidance

Radici delivered a softer top-line performance in H1 2025, with sales of €28.1m, down by 4% on H1 2024, reflecting the persisting challenges in the Automotive market, which however plays a marginal role, both strategically and as to margin potential. By region, sales decreased in the domestic market (-11% YoY) and in the USA (-2% YoY), while increasing in Europe (+8% YoY), driven by Eastern European markets. By industry: Residential & Contract €12.9m stable, Marine €7.6m at -2% YoY due to delays in some US orders, Sport €6m at -1% YoY, Automotive €1.6m at -37% YoY following the market downturn. EBITDA was €2.3m, 8.1% margin on sales, vs 8.6% in H1 2024. Net income was at breakeven, vs €0.3m in H1 2024. Net financial debt was €12.1m as of June 2025, from €13.3m as of year-end 2024, in the region of 2.7x on EBITDA vs 2.4x as of December 2024), after proceeds of the sale of Cazzano Sant'Andrea facility portion.

Management confirmed FY25 sales and EBITDA guidance (respectively €65m and 9% of sales), supported by new supply agreements, also in the Automotive sector, and recent order intake.

Target Price €2.35 and OUTPERFORM rating confirmed

Based on H1 2025 performance, we emphasize the stable performance of Radici, which becomes particularly significant during periods of economic and geopolitical turbulence. We confirm our last estimates, the €2.35 target price per share, over +100% on current price, and the OUTPERFORM rating on the stock. Radici is currently trading at 2025E EV/Revenues of 0.3x, vs 0.8x of peers, while our valuation points at 0.5x.

KEY FINANCIALS AND ESTIMATES (€m)	2023	2024	2025E	2026E	2027E
Sales	**56.0**	**56.2**	**64.8**	**69.5**	**74.7**
EBITDA	**4.9**	**5.2**	**6.3**	**7.2**	**7.7**
Margin on Sales	*9%*	*9%*	*10%*	*10%*	*10%*
Net Income (Loss)	**0.4**	**1.3**	**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 AND MULTIPLES					
TWC/Sales	42%	36%	36%	37%	36%
Net Debt/EBITDA	3.2x	2.5x	2.1x	1.7x	1.3x
EV/Revenues	0.4x	0.4x	0.3x	0.3x	0.3x
EV/EBITDA	4.3x	4.1x	3.4x	3.0x	2.8x

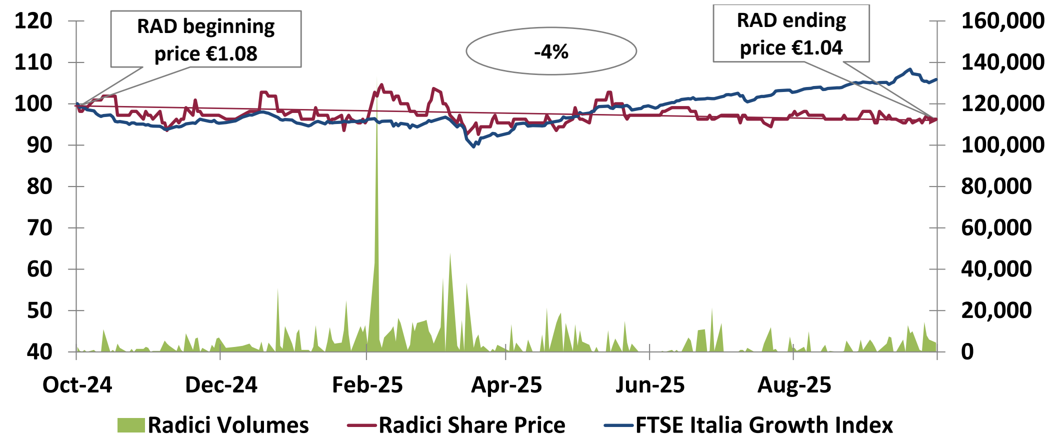
Source: Company data 2023-24A, EnVent Research 2025-27E - Note: current market price multiples

Market update

Radici - 1Y Share price performance and trading volumes

Trading price range €1.00-1.13 per share

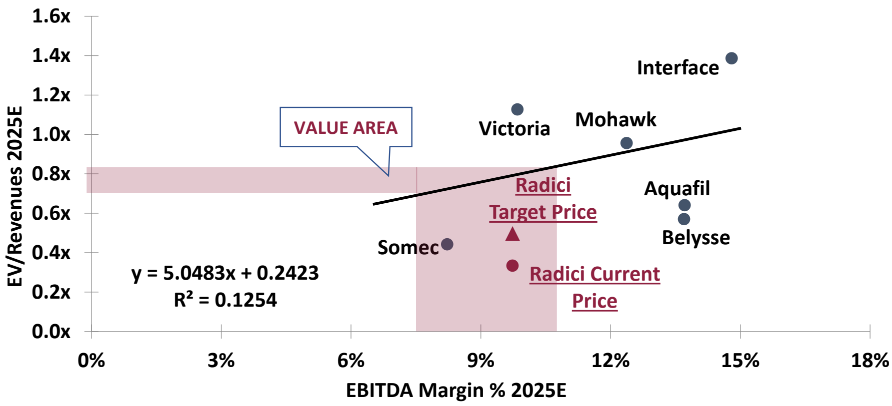
-4% for Radici, vs +6% of the Italia Growth Index



Source: EnVent Research on S&P Capital IQ - Note: 21/10/2024=100

Textile floor coverings producers - Regression analysis and Radici target positioning

Low correlation among industry players, given the differences in business model and size



Source: EnVent Research on S&P Capital IQ, October 2025

Investment case

Made in Italy since 1950

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 of history in the production of textile coverings for application in the Residential & Contract, Marine, Sports and Automotive industries.

High-end market segment

Main products are:

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

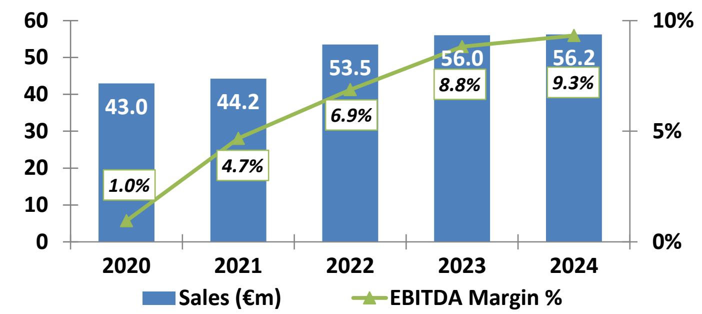
Wide geographical coverage

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.

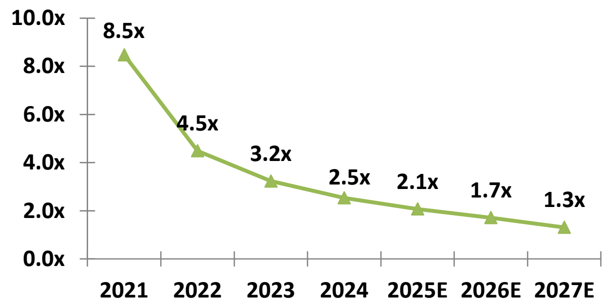
Strategy pillars:

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

Historical sales and EBITDA



Net Debt/EBITDA (x)



Source: EnVent Research on Company data 2020-24A; EnVent Research for 2025-27E

Drivers

Industry drivers

- Innovation and sustainability trends 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 distributor cost

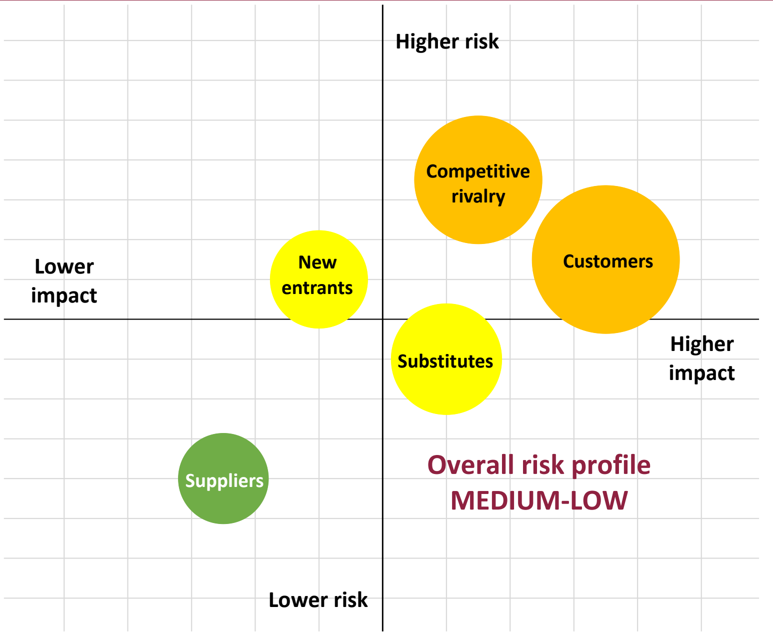
Risk/opportunity assessment

Business risk: medium/low

Competitive forces

Force	Factors
Competitive rivalry	• High competition • Major players also sell non textile products
Customers	• Easy switch for dissatisfaction about price, quality or customer service • Wide availability of market offers
Substitutes	• Constant technological innovation • Non textile products as alternative
New entrants	• Investments in equipment and product range • Development of sales organization • Marketing cost for customer acquisition
Suppliers	• Easy access to raw materials • Wide range of suppliers

Materiality of risk map

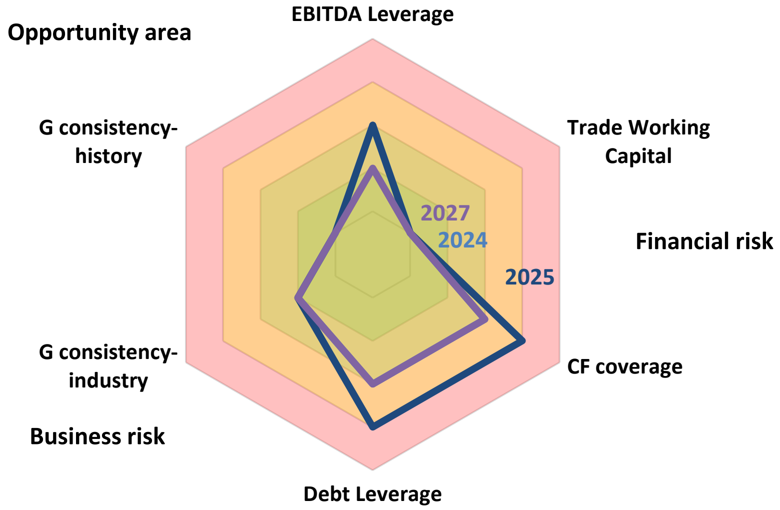


Source: EnVent Research

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	✓
Stakeholdels and stakeholders dialogue	✓

Sustainability targets

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

Social targets

Past target achievements	✓
Policies implementation	✓

Source: EnVent Research

H1 2025 results

Continuity on core industry products

Sales breakdown (€m)

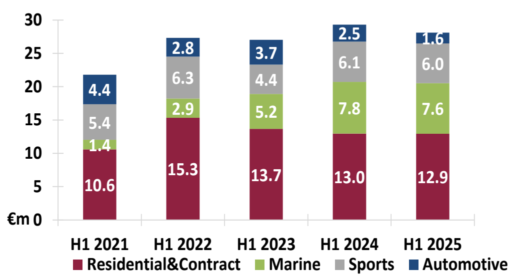
	H1 2025	H1 2024	Change %
Residential & Contract	12.9	12.9	0%
Marine	7.6	7.8	-2%
Sport	5.9	6	-1%
Automotive	1.6	2.5	-37%
Total	**28.1**	**29.3**	**-4%**

Source: Company data

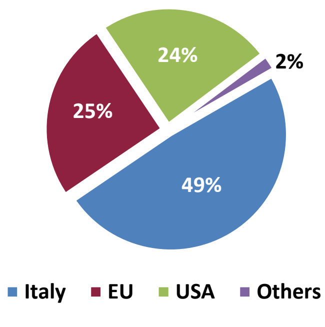
Sales were €28.1m, -4.1% YoY, impacted by the downturn in the Automotive sector, which brought sales down by 37%, while major business segments were stable.
By geography, sales decreased in the domestic market (-11% YoY) and in the US market (-2% YoY), while increasing in Europe (+8% YoY), driven by Eastern European markets.

Sales breakdown H1 2025

By industry



By geography



Source: Company data

Consolidated Profit and Loss

€m	H1 2024	H1 2025
Sales	29.3	28.1
Change in inventory	3.3	(0.4)
Other income	0.5	0.6
Total Revenues	**33.1**	**28.3**
YoY %	*19.8%*	*-14.6%*
Materials	(16.3)	(12.6)
Services	(8.5)	(7.7)
Personnel	(5.4)	(5.2)
Other operating costs	(0.4)	(0.4)
Operating charges	**(30.6)**	**(26.0)**
EBITDA	**2.5**	**2.3**
Margin on sales	*8.6%*	*8.1%*
D&A	(1.7)	(1.7)
EBIT	**0.8**	**0.6**
Margin on sales	*2.8%*	*2.2%*
Interest	(0.6)	(0.5)
Exchange gain (loss)	0.0	(0.1)
EBT	**0.3**	**0.0**
Margin on sales	*1.1%*	*0.1%*
Income taxes	(0.0)	0.0
Net Income (Loss)	**0.3**	**0.0**
Margin on sales	*1.0%*	*0.1%*

Consolidated Balance Sheet

€m	H1 2024	2024	H1 2025
Inventory	25.7	25.1	25.0
Trade receivables	12.0	9.6	11.1
Trade payables	(14.3)	(13.4)	(13.8)
Trade Working Capital	20.9	20.5	21.6
Other assets (liabilities)	(1.2)	1.3	(1.1)
Net Working Capital	**19.8**	**21.8**	**20.5**
Intangible assets	1.8	1.0	1.1
Property, plant and equipment	30.7	29.4	29.0
Equity investments and financial assets	0.1	0.3	0.3
Non-current assets	**32.6**	**30.7**	**30.5**
Provisions	**(6.0)**	**(4.8)**	**(4.9)**
Net Invested Capital	**46.3**	**47.8**	**46.1**
Bank debt	11.6	12.4	15.1
Other financial debt	1.9	2.7	0.3
Cash and equivalents	(0.4)	(1.7)	(3.3)
Net Debt (Cash)	**13.1**	**13.3**	**12.1**
Equity	**33.2**	**34.5**	**33.9**
Sources	**46.3**	**47.8**	**46.1**

Consolidated Cash Flow

€m	H1 2024	H1 2025
EBIT	**0.8**	**0.6**
Current taxes	(0.0)	0.0
D&A	1.7	1.7
Provisions	(0.1)	(0.1)
Cash flow from P&L operations	**2.4**	**2.2**
Trade Working Capital	2.5	(1.1)
Other assets and liabilities	0.3	2.4
Capex	(1.9)	(1.4)
Operating cash flow after WC and capex	**3.4**	**2.1**
Interest	(0.6)	(0.5)
Exchange gain (loss)	0.0	(0.1)
Equity adjustments	0.1	(0.3)
Net cash flow	**2.9**	**1.2**
Net (Debt) Cash - Beginning	(16.0)	(13.3)
Net (Debt) Cash - End	(13.1)	(12.1)
Change in Net (Debt) Cash	**2.9**	**1.2**

Source: Company data

Ratio analysis

Key ratios	H1 2024	H1 2025
ROE	3%	3%
ROS (EBIT/Sales)	6%	4%
DOI	142	162
DSO	55	59
DPO	83	98
TWC/Sales	36%	39%
Net Debt/EBITDA	2.6x	2.7x
Net Debt/Equity	0.4x	0.4x
Net Debt/(Net Debt+Equity)	0.3x	0.3x
Cash flow from P&L operations/EBITDA	97%	96%
FCF/EBITDA	135%	92%

Note: H1 KPIs calculated on LTM economics

Management guidelines

Management confirmed FY25 sales and EBITDA guidance, underpinned by new supply agreements also in the Automotive sector, expected to offset the H1 gap.
According to management, order intake accelerated in the first months of H2, supported by product innovation with a focus on sustainability.
We recall latest management guidelines for 2025.

Management guidelines (March 2025)

€m	2024	2025E
Marine	12.4	13.0
Residential & Contract	24.3	27.8
Sports	16.1	19.1
Automotive	3.4	5.2
Sales	**56.2**	**65.1**
EBITDA	**5.4**	**6.0**
Margin on Sales	*9.7%*	*9.2%*
Net (Debt) Cash	**(13.3)**	**(13.1)**

Source: Company data

Corporate period facts

In July 2025, Radici entered into a preliminary sale agreement concerning a portion of a facility in Bergamo. The transaction is expected to be completed by end of October at a sale price of €0.685m.

Financial projections

Based on the consistency of H1 2025 results with our previous full-year 2025 estimates, we carry forward latest 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**
YoY %	*-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)	(1.0)	(0.8)	(0.9)	(1.1)
Operating charges	**(52.6)**	**(54.7)**	**(61.2)**	**(65.4)**	**(69.4)**
EBITDA	**4.9**	**5.2**	**6.3**	**7.2**	**7.7**
Margin on Sales	*8.8%*	*9.3%*	*9.7%*	*10.3%*	*10.3%*
Margin on Total Revenues	*8.6%*	*8.7%*	*9.4%*	*9.9%*	*10.0%*
D&A	(3.4)	(3.8)	(3.6)	(3.7)	(3.9)
EBIT	**1.5**	**1.4**	**2.8**	**3.5**	**3.8**
Margin	*2.6%*	*2.4%*	*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**	**0.4**	**1.7**	**2.5**	**2.7**
Margin	*0.8%*	*0.6%*	*2.6%*	*3.4%*	*3.6%*
Income taxes	(0.0)	0.9	(0.5)	(0.7)	(0.8)
Net Income (Loss)	**0.4**	**1.3**	**1.2**	**1.8**	**1.9**
Margin	*0.8%*	*2.2%*	*1.8%*	*2.4%*	*2.5%*

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

Debt position improvement trend well below Trade Working Capital

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)**	**(5.0)**	**(5.0)**	**(5.1)**	**(5.1)**
Net Invested Capital	**48.8**	**47.6**	**48.6**	**49.5**	**49.2**
Net Debt (Cash)	**16.0**	**13.3**	**13.1**	**12.3**	**10.1**
Equity	**32.8**	**34.3**	**35.5**	**37.2**	**39.2**
Sources	**48.8**	**47.6**	**48.6**	**49.5**	**49.2**

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

Consolidated Cash Flow

€m	2023	2024	2025E	2026E	2027E
EBIT	**1.5**	**1.4**	**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)	(1.1)	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

Key ratios	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%	6%
TWC/Sales	42%	36%	36%	37%	36%
Net Debt/EBITDA	3.2x	2.5x	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%	97%	92%	90%	90%
FCF/EBITDA	33%	40%	20%	25%	43%
Basic EPS (€)	0.05	0.15	0.14	0.20	0.22

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

Valuation

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

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.5% (last 30 days average. Source: Bloomberg, October 2025)
- Market return: 13.3% (last 30 days average. Source: Bloomberg, October 2025)
- Market risk premium: 9.8%
- Beta: 1.0 (judgmental based on financial risk assessment)
- 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%
- Perpetual growth rate after explicit projections (G): 2.5%
- Terminal Value assumes 11% EBITDA margin on revenues

DCF model

€m		2023	2024	2025E	2026E	2027E	Perpetuity
Revenues		**57.6**	**60.0**	**67.5**	**72.6**	**77.1**	**79.0**
EBITDA		**4.9**	**5.2**	**6.3**	**7.2**	**7.7**	**8.7**
Margin		*8.6%*	*8.7%*	*9.4%*	*9.9%*	*10.0%*	*11.0%*
EBIT		**1.5**	**1.4**	**2.8**	**3.5**	**3.8**	**6.4**
Margin		*2.6%*	*2.4%*	*4.1%*	*4.8%*	*4.9%*	*8.1%*
Taxes		(0.4)	(0.4)	(0.8)	(1.0)	(1.0)	(1.8)
NOPAT		**1.1**	**1.0**	**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)	(1.1)	0.1	0.0	0.0	0.0
Cash flow from operations		**3.9**	**3.8**	**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)	(3.8)	(4.0)	(2.3)	(2.3)	(2.3)
Yearly unlevered free cash flow		***1.2***	***0.8***	***1.0***	***1.5***	***3.0***	***3.3***
- H1 unlevered free cash flow				***(1.9)***			
Free Cash Flow to be discounted				**(0.9)**	**1.5**	**3.0**	**3.3**
WACC	10.7%						
Long-term growth (G)	2.5%						
Discounted Cash Flows				**(0.9)**	**1.3**	**2.4**	
Sum of Discounted Cash Flows	2.8						
Terminal Value							**39.7**
Discounted TV	30.8						
Enterprise Value	**33.6**						
Net Debt as of 30/06/25	(12.1)						
Equity Value	**21.4**						

DCF - Implied multiples		**2023**	**2024**	**2025E**	**2026E**	**2027E**
EV/Revenues		0.6x	0.6x	0.5x	0.5x	0.4x
EV/EBITDA		6.8x	6.4x	5.3x	4.7x	4.4x
EV/EBIT		22.4x	23.2x	12.2x	9.6x	8.9x
P/E		48.3x	16.5x	17.6x	12.2x	11.1x
Discount of current mkt price vs DCF	***-37%***					
Current market price - Implied multiples		**2023**	**2024**	**2025E**	**2026E**	**2027E**
EV/Revenues		0.4x	0.4x	0.3x	0.3x	0.3x
EV/EBITDA		4.3x	4.1x	3.4x	3.0x	2.8x
EV/EBIT		14.2x	14.7x	7.7x	6.1x	5.7x
P/E		20.6x	7.1x	7.5x	5.2x	4.7x

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	0.6x	0.6x	0.6x	4.7x	4.2x	4.1x	14.6x	10.5x	10.3x	14.8x	8.9x	7.5x
Somec	0.4x	0.4x	0.4x	5.4x	4.8x	4.4x	10.5x	8.4x	7.1x	17.3x	9.8x	7.5x
Belysse	0.6x	0.6x	0.5x	4.2x	3.9x	3.6x	8.7x	7.4x	6.3x	12.2x	5.2x	4.0x
Interface	1.4x	1.3x	1.2x	9.4x	8.6x	7.9x	11.9x	10.8x	9.8x	16.2x	14.6x	13.2x
Mohawk	1.0x	0.9x	0.9x	7.7x	7.1x	6.6x	14.1x	12.0x	10.7x	14.4x	12.5x	11.2x
Victoria	1.1x	1.2x	1.1x	11.4x	10.0x	7.8x	nm	28.8x	16.5x	neg	neg	neg
Mean	**0.9x**	**0.8x**	**0.8x**	**7.1x**	**6.4x**	**5.7x**	**12.0x**	**13.0x**	**10.1x**	**15.0x**	**10.2x**	**8.7x**
Mean w/out extremes	**0.8x**	**0.8x**	**0.8x**	**6.8x**	**6.2x**	**5.7x**	**12.2x**	**10.4x**	**9.5x**	**15.1x**	**10.4x**	**8.8x**
Median	**0.8x**	**0.8x**	**0.7x**	**6.6x**	**6.0x**	**5.5x**	**11.9x**	**10.6x**	**10.0x**	**14.8x**	**9.8x**	**7.5x**

Source: EnVent Research on S&P Capital IQ, 21/10/2025

We have updated our multiples valuation, applying to our estimates the median EV/Revenues and EV/EBITDA from the peer group. As peers presents limited comparability to Radici, we deem more reliable the valuation through the fundamentals on which is based the DCF.

Market multiples above DCF

Market multiples application

€m

Radici		Multiple	EV	Net Debt	Equity Value
2025E Sales	64.8	0.8x	51.8	(12.1)	**39.6**
2026E Sales	69.5	0.8x	49.9	(12.1)	**37.8**
Mean					**38.7**
2025E EBITDA	6.3	6.6x	41.4	(12.1)	**29.2**
2026E EBITDA	7.2	6.0x	37.6	(12.1)	**25.5**
Mean					**27.4**

Source: EnVent Research

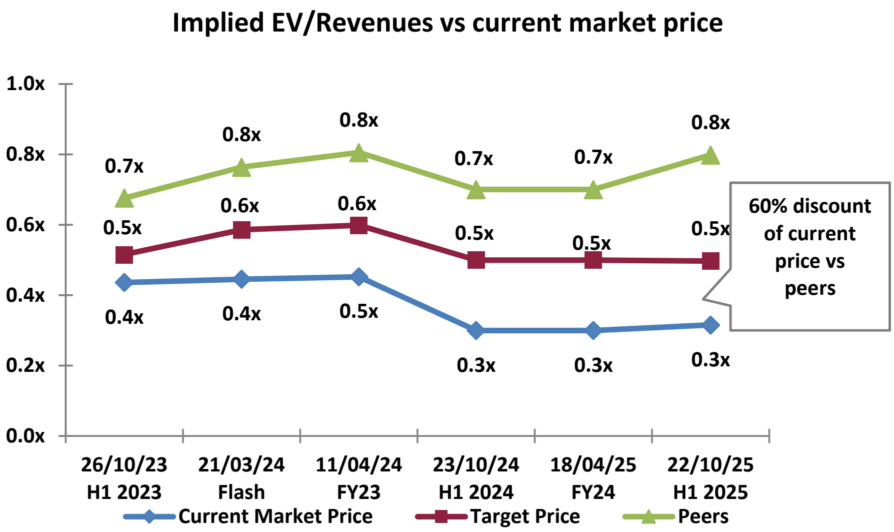
Target Price

Our updated valuation, supported by market multiples, confirms the previous €2.35 target price, implying over 100% upside on current price, and the OUTPERFORM rating on the stock.

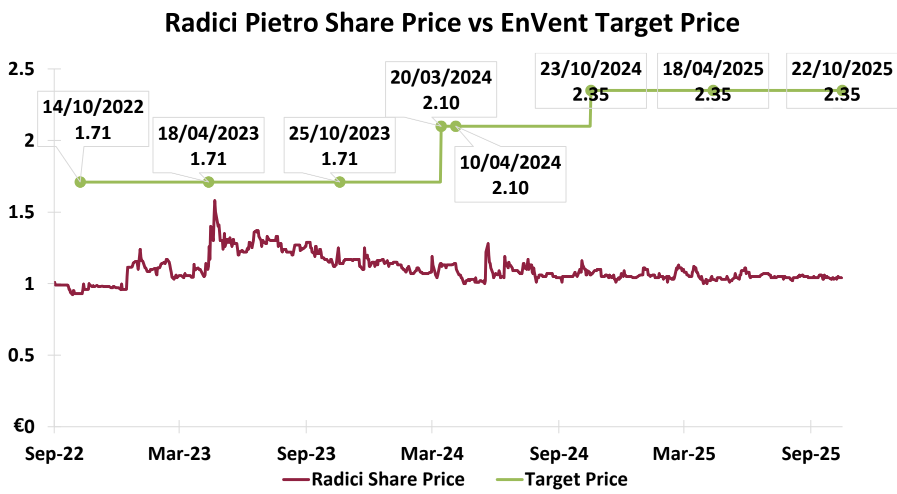
Please refer to important disclosures at the end of this report.

Radici Pietro Price per Share	€
Target Price	**2.35**
Current Share Price (21/10/2025)	1.04
Premium (Discount)	**126%**

Source: EnVent Research



Source: EnVent Research on S&P Capital IQ, 22/10/2025



Source: EnVent Research on S&P Capital IQ, 22/10/2025

DISCLAIMER (for more details go to www.enventgroup.eu under "Disclaimer")
This publication has been prepared by Luigi Tardella, Head of Research Division, and Viviana Sepe, Equity Analyst, on behalf of the Research & Analysis Division of EnVent Italia SIM S.p.A. ("EnVent"). EnVent Italia SIM is authorized and regulated in Italy by Consob (Register of Investment Firms Reg. No. 315).
According to article 35, paragraph 2b of Euronext Growth Milan Rules for Companies (Regolamento Emittenti Euronext Growth Milan), EnVent has been commissioned to produce Equity Research, and particularly this publication, for the Company by arrangement with MIT SIM, the Specialist engaged by the Company.

This publication does not represent to be, nor can it be construed as being, an offer or solicitation to buy, subscribe or sell financial products or instruments, or to execute any operation whatsoever concerning such products or instruments. This publication is not, under any circumstances, intended for distribution to the general public. Accordingly, this document is only for persons who are Eligible Counterparties or Professional Clients only, i.e. persons having professional experience in investments who are authorized persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 and COBS 4.12 of the FCA's New Conduct of Business Sourcebook. For residents in Italy, this document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation n. 16190 of the 29th October 2007, as subsequently amended and supplemented.
This publication, nor any copy of it, can not be brought, transmitted or distributed in the United States of America, Canada, Japan or Australia. Any failure to comply with these restrictions may constitute a violation of the securities laws provided by the United States of America, Canada, Japan or Australia.
EnVent does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. The price of the investments and the income derived from them can go down as well as up, and investors may not get back the amount originally invested. Therefore, EnVent and/or the author(s) of the present publication cannot in any way be held liable for any losses, damage, or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.
The purpose of this publication is merely to provide information that is up to date and as accurate as possible. The information and each possible estimate and/or opinion and/or recommendation contained in this publication is based on sources believed to be reliable. Although EnVent makes every reasonable endeavour to obtain information from sources that it deems to be reliable, it accepts no responsibility or liability as to the completeness, accuracy or exactitude of such information and sources. Past performance is not a guarantee of future results.
Most important sources of information used for the preparation of this publication are the documentation published by the Company (annual and interim financial statements, press releases, company presentations, IPO prospectus), the information provided by business and credit information providers (as Bloomberg, S&P Capital IQ, AIDA) and industry reports.
EnVent has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the case that any matter, opinion, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if the research on the subject company is withdrawn. The estimates, opinions, and recommendations expressed in this publication may be subject to change without notice, on the basis of new and/or further available information.
EnVent intends to provide continuous coverage of the Company and the financial instrument forming the subject of the present publication, with a semi-annual frequency and, in any case, with a frequency consistent with the timing of the Company's periodical financial reporting and of any exceptional event occurring in its sphere of activity.
A draft copy of this publication may be sent to the subject Company for its information and review (without valuation, target price and recommendation), for the purpose of correcting any inadvertent material inaccuracies. EnVent did not disclose the rating to the issuer before publication and dissemination of this document.

ANALYST DISCLOSURES
For each company mentioned in this publication, all of the views expressed in this publication accurately reflect the financial analysts' personal views about any or all of the subject company (companies) or securities.
Neither the analysts nor any member of the analysts' households have a financial interest in the securities of the subject Company. Neither the analysts nor any member of the analysts' households serve as an officer, director or advisory board member of the subject company. Analysts' remuneration was not, is not or will be not related, either directly or indirectly, to specific proprietary investment transactions or to market operations in which EnVent has played a role (as Euronext Growth Advisor, for example) or to the specific recommendation or view in this publication. EnVent has adopted internal procedures and an internal code of conduct aimed to ensure the independence of its financial analysts. EnVent research analysts and other staff involved in issuing and disseminating research reports operate independently of EnVent Group business. EnVent, within the Research & Analysis Division, may collaborate with external professionals. It may, directly or indirectly, have a potential conflict of interest with the Company and, for that reason, EnVent adopts organizational and procedural measures for the prevention and management of conflicts of interest (for details www.enventgroup.eu under "Disclaimer", "Procedures for prevention of conflicts of interest").

MIFID II DISCLOSURES

Radici Pietro Industries & Brands S.p.A. (the "Issuer or the "Company") is a corporate client of EnVent. This document, being paid for by a corporate Issuer, is a Minor Non-monetary Benefit as set out in Article 12 (3) of the Commission Delegated Act (C2016) 2031. This note is a marketing communication and not independent research. As such, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and this note is not subject to the prohibition on dealing ahead of the dissemination of investment research.

CONFLICTS OF INTEREST

In order to disclose its possible conflicts of interest, EnVent states that it acts or has acted in the past 12 months as Euronext Growth Advisor to the subject Company on the Euronext Growth Milan market, a Multilateral Trading Facility regulated by Borsa Italiana (for details www.enventgroup.eu under "Disclaimer", "Potential conflicts of interest").

CONFIDENTIALITY

Neither this publication nor any portions thereof (including, without limitation, any conclusion as to values or any individual associated with this publication or the professional associations or organizations with which they are affiliated) shall be reproduced to third parties by any means without the prior written consent and approval from EnVent.

VALUATION METHODOLOGIES

EnVent Research & Analysis Division calculates range of values and fair values for the companies under coverage using professional valuation methodologies, such as the discounted cash flows method (DCF), dividend discount model (DDM) and multiple-based models (e.g. EV/Revenues, EV/EBITDA, EV/EBIT, P/E, P/BV). Alternative valuation methodologies may be used, according to circumstances or judgement of non-adequacy of most used methods. The target price could be also influenced by market conditions or events and corporate or share peculiarities.

STOCK RATINGS

The "OUTPERFORM", "NEUTRAL", AND "UNDERPERFORM" recommendations are based on the expectations within a 12-month period from the date of rating indicated in the front page of this publication.
Equity ratings and valuations are issued in absolute terms, not relative to market performance.
Rating system and rationale (12-month time horizon):
OUTPERFORM: stocks are expected to have a total return above 10%;
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;
UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;
SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;
NOT RATED: no rating or target price assigned.
Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.
The stock price indicated in the report is the last closing price on the day of Production.
Date and time of Production: 21/10/2025 h. 7.00pm
Date and time of Distribution: 22/10/2025 h. 6.45pm

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
22/10/2025	OUTPERFORM	2.35	1.04

ENVENT RECOMMENDATION DISTRIBUTION (September 30th, 2025)

Number of companies covered:	30	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		83%	10%	3%	0%	3%	0%
of which EnVent clients % *		83%	100%	100%	na	100%	na

* Note: Companies to which corporate and capital markets services were supplied in the last 12 months.

This disclaimer is constantly updated on the website at www.enventgroup.eu under "Disclaimer".
Additional information available upon request.