

An Extra "Engine" to Withstand the Adverse Scenario

ADD | Fair Value: €8.10 (€8.90) | Current Price: €4.42 | Upside: +83.3%

€ Million	FY19A	FY20A	FY21A	FY22A	FY23E	FY24E	FY25E	FY26E
Total Revenues	18.6	17.7	28.6	34.1	36.4	44.3	49.5	53.6
EBITDA	3.4	3.6	8.0	8.7	9.6	12.3	14.2	15.4
margin	18.2%	20.1%	28.1%	25.5%	26.4%	27.8%	28.6%	28.7%
Net Profit	1.7	2.4	5.0	5.1	5.5	7.7	9.3	10.3
margin	9.1%	13.8%	17.6%	15.0%	15.1%	17.4%	18.8%	19.1%
EPS	0.13	0.19	0.40	0.40	0.43	0.60	0.72	0.80
NFP	(7.0)	(8.3)	(10.5)	(10.8)	(2.9)	(8.0)	(14.8)	(22.2)

Source: Company data; KT&Partners' elaboration

9M23 Financial Results. On October 27th, 2023, ESAU-IT released 9M23 main financial KPIs. The company reached €27.6mn of sales revenues, increasing by 8.8% YoY mainly thanks to the €1.3mn contribution from the consolidation of Sangalli Servomotori starting from July 1st, 2023. The positive performance was even more meaningful considering the difficult market scenario, in which the FA division of the market leader FANUC experienced a decrease of -21.0% YoY. Focusing on organic growth, the company recorded €26.3mn of total revenues (compared to €25.3mn in 9M22) recording a more contained +3.7% YoY growth. Considering only 3Q23, ESAU-IT registered a slight decrease of -7.0% vs 3Q22, achieving €8.3mn of consolidated sales consequently to the uncertain macroeconomic scenario and the consequent market slowdown. As for the balance sheet, ESAU-IT reported a net cash position of €1.5mn worsening by ca. 8mn from the net cash position of €9.7mn as of June 30th, 2023 in light of the acquisition of 65% of Sangalli Servomotori, which entailed: i) an initial cash out of €5.4mn; ii) a €3.5mn call option for the future purchase of the residual 35%; iii) the consolidation of Sangalli's debt for €0.4mn. We note that, as of October 27th, 2023, the company held 213k treasury shares.

9M2023 - 3Q2023 Sales Revenues and YoY change (€mn, %)

€ Millions	9M2022	9M2023	YoY %
Sales Revenues	25.3	27.6	8.8%

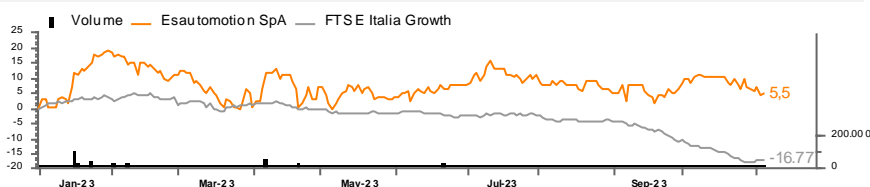
€ Millions	3Q2022	3Q2023	YoY %
Sales Revenues	8.9	8.3	-7.0%

Source: Company data

Change in Estimates. On the back of 9M2023 financial KPIs release, also considering the persisting uncertain market scenario, we revised downward our top line projections over the 2023–26 period. We now anticipate FY23E total revenues to be €36.4mn (vs 40.9mn previously expected), growing at a CAGR22A-26E of 12.0% and reaching €53.6mn in FY26E (vs €57.8mn forecasted before). Focusing on profitability, we confirm FY23 EBITDA margin at 26.4%, increasing to 28.7% in FY26E. In absolute terms, we now project FY23E EBITDA at €9.6mn (vs €10.8mn prior), expected to reach €15.4mn (vs €16.6mn previously expected) in FY26 and growing at a CAGR22A-26E of +15.4%. Looking at the bottom line, we estimate FY23E net income at €5.5mn (vs €6.4mn prior) with a net margin equal to 15.1%, reaching a net income of €10.3mn (vs €11.1mn of our old estimates) and a net margin of 19.1% in FY26E. Finally, we revised net cash position estimates to reflect a higher net working capital absorption, projecting FY23E NFP at -€2.9mn (worsening from -€5.6mn of our previous estimates), progressively improving in the following years up to -€22.5mn in FY26E (vs -€26.5mn forecasted before).

Valuation. Our valuation – based on both DCF and EV/EBITDA multiple models – returns an equity value of €106.17mn or €8.10ps, implying an upside of 83.3% on the current market price.

Relative Performance Chart YTD



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Research Update

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Market Data

Main Shareholders			
Franco Fontana			34.56%
Gianni Senzolo			30.69%
Mkt Cap (€ mn)			57.9
EV (€ mn)			56.1
Shares issued (mn)			13.1
Shares outstanding (mn)			12.7
Free Float (%)			26.2

Market multiples	2022	2023E	2024E
EV/EBITDA			
Esautomotion SpA	5.4x	4.9x	3.8x
Comps median	12.9x	16.4x	13.8x
Esautomotion SpA vs Median	-58%	-70%	-72%
P/EPS			
Esautomotion SpA	11.0x	10.3x	7.4x
Comps median	20.2x	21.5x	20.3x
Esautomotion SpA vs Median	-45%	-52%	-64%

Stock Data	
52 Wk High (€)	5.08
52 Wk Low (€)	3.93
Avg. Daily Trading 90d	4,485
Price Change 1w (%)	-3.5%
Price Change 1m (%)	-3.5%
Price Change YTD (%)	5.5%

Note: Share Capital is calculated considering multiple-voting shares.
 Enterprise Value has been calculated taking into consideration FY22 NFP adjusted by the cash-out for the acquisition of Sangalli Servomotori.

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

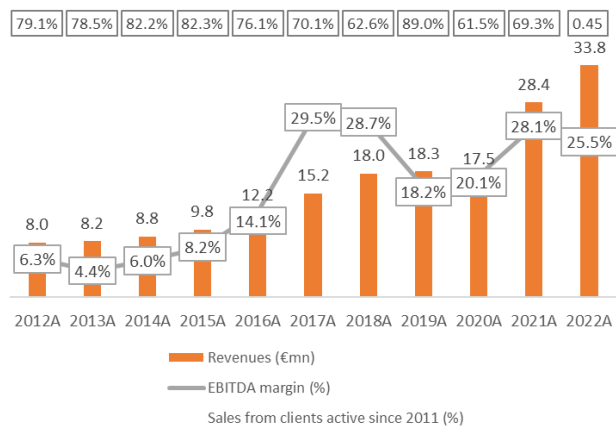
Key Figures - Esautomotion S.p.A.

	Current price (€)	Fair Value (€)	Sector						Free Float (%)
	4.42	8.10	Industrial Software						26.2
Per Share Data	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E
Total shares issued (mn)	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10
Total shares outstanding (mn)	12.93	12.83	12.72	12.72	12.72	12.89	12.89	12.89	12.89
EPS	0.23	0.13	0.19	0.40	0.40	0.43	0.60	0.72	0.80
Dividend per share (ord)	0.05	0.04	0.05	0.05	0.10	0.10	0.11	0.15	0.18
Dividend pay out ratio (%)	10.1%	16.7%	37.6%	26.0%	25.2%	25.2%	25.2%	25.2%	25.2%
Profit and Loss (EUR million)									
Total Revenues	18.5	18.6	17.7	28.6	34.1	36.4	44.3	49.5	53.6
EBITDA	5.0	3.4	3.6	8.0	8.7	9.6	12.3	14.2	15.4
EBIT	3.8	1.8	1.9	6.4	6.8	7.4	10.3	12.5	13.7
EBT	3.7	1.8	1.7	6.4	6.8	7.4	10.3	12.4	13.7
Taxes	(0.7)	(0.1)	0.8	(1.4)	(1.7)	(1.9)	(2.6)	(3.1)	(3.5)
Tax rate	18%	4%	-44%	21%	25%	25%	25%	25%	25%
Net Income	3.0	1.7	2.4	5.0	5.1	5.5	7.7	9.3	10.3
Net Income attributable to the Group	3.0	1.7	2.4	5.0	5.1	5.5	7.7	9.3	10.3
Balance Sheet (EUR million)									
Total fixed assets	2.0	2.6	2.4	2.4	2.2	10.6	10.2	10.1	10.1
Net Working Capital (NWC)	5.8	6.6	7.0	9.4	13.1	18.4	20.5	21.5	22.7
Provisions	(0.3)	(0.3)	(0.3)	(0.4)	(0.3)	(0.8)	(1.3)	(1.9)	(2.5)
Total Net capital employed	7.6	9.0	9.1	11.4	15.0	28.1	29.3	29.8	30.3
Net financial position/(Cash)	(7.7)	(7.0)	(8.3)	(10.5)	(10.8)	(2.9)	(8.0)	(14.8)	(22.2)
Total Shareholder's Equity	15.2	16.0	17.4	21.9	25.8	31.0	37.3	44.6	52.5
Cash Flow (EUR million)									
Net operating cash flow	4.3	3.3	3.2	6.7	7.0	7.7	9.7	11.0	11.9
Change in NWC	(1.5)	(0.8)	(0.4)	(2.4)	(3.7)	(3.7)	(2.1)	(1.1)	(1.1)
Capital expenditure	(1.9)	(1.6)	(0.7)	(1.1)	(1.1)	(11.7)	(1.4)	(1.4)	(1.4)
Other cash items/Uses of funds	(0.1)	(0.0)	(0.1)	(0.1)	(0.3)	0.2	0.2	0.3	0.3
Free cash flow	0.9	0.9	1.9	3.1	1.8	(7.4)	6.5	8.8	9.7
Enterprise Value (EUR million)									
Market Cap	41.4	36.3	23.4	41.7	53.9	57.9	57.9	57.9	57.9
Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial position/(Cash)	(7.7)	(7.0)	(8.3)	(10.5)	(10.8)	(2.9)	(8.0)	(14.8)	(22.2)
Enterprise value	33.7	29.3	15.1	31.2	43.2	55.1	49.9	43.1	35.8
Ratios (%)									
EBITDA margin	27.2%	18.2%	20.1%	28.1%	25.5%	26.4%	27.8%	28.6%	28.7%
EBIT margin	20.4%	9.7%	10.6%	22.4%	20.0%	20.3%	23.3%	25.1%	25.6%
Gearing - Debt/equity	-50.3%	-44.0%	-47.9%	-48.1%	-41.8%	-9.3%	-21.4%	-33.3%	-42.3%
Interest cover on EBIT	2.6%	2.4%	9.3%	-0.5%	0.1%	0.1%	0.1%	0.1%	0.1%
NFP/EBITDA	-1.5x	-2.1x	-2.3x	-1.3x	-1.2x	-0.3x	-0.6x	-1.0x	-1.4x
ROCE	49.8%	20.2%	20.6%	56.2%	45.6%	26.3%	35.2%	41.8%	45.3%
ROE	19.7%	10.6%	14.1%	23.0%	19.8%	17.8%	20.7%	20.9%	19.6%
EV/Sales	2.6x	2.5x	2.7x	1.6x	1.4x	1.3x	1.1x	1.0x	0.9x
EV/EBITDA	9.4x	14.0x	13.3x	5.9x	5.4x	4.9x	3.8x	3.3x	3.1x
P/E	19.1x	33.5x	23.0x	11.1x	11.0x	10.3x	7.4x	6.1x	5.6x
Free cash flow yield	n.m.	2%	4%	7%	4%	-17%	15%	21%	23%
Growth Rates (%)									
Revenues	18.5%	0.5%	-4.8%	61.8%	19.2%	6.7%	21.9%	11.8%	8.2%
EBITDA	9.3%	-32.9%	5.3%	126.3%	8.1%	10.6%	28.3%	14.9%	8.6%
EBIT	7.5%	-52.0%	3.2%	242.8%	6.8%	8.0%	39.9%	20.7%	10.2%
Net Income	21.6%	-43.5%	44.5%	106.1%	1.1%	8.0%	39.9%	20.7%	10.2%

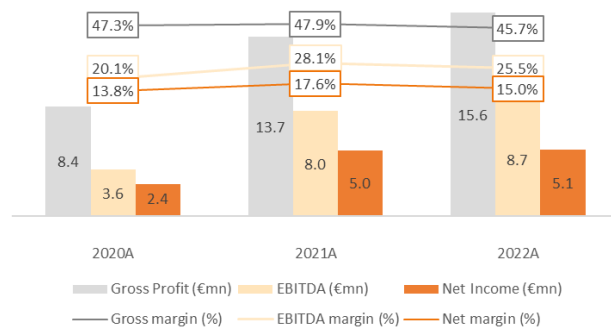
Source: Company data, KT&Partners' elaboration

Key charts

Revenue and EBITDA margin (€mn, %)



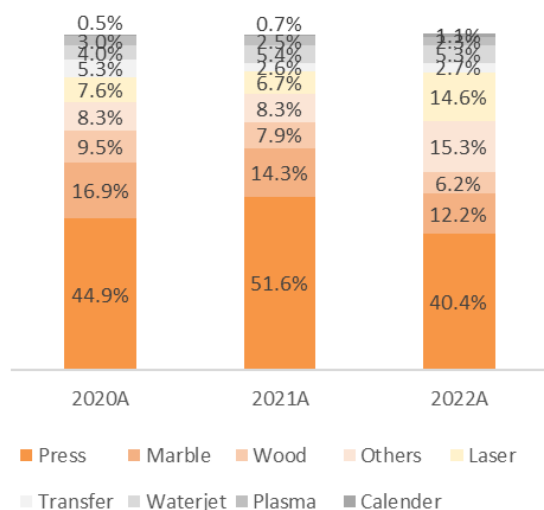
Profitability Evolution (€mn, %)



Source: Company data, KT&Partners' elaboration.

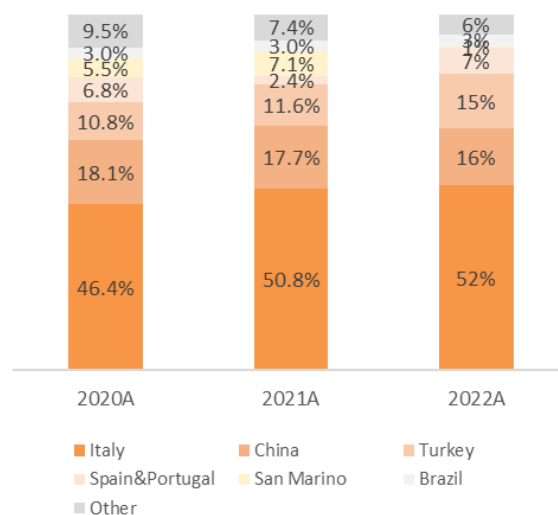
Source: Company data, KT&Partners' elaboration

Revenues by Application (%)



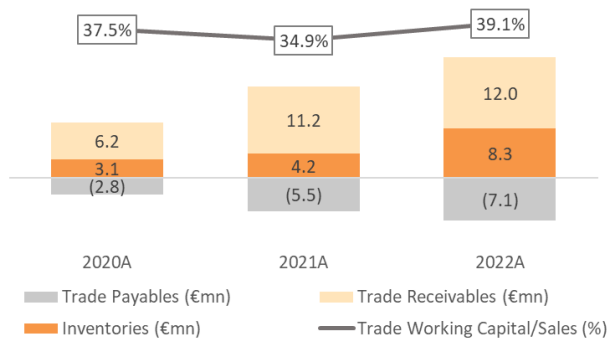
Source: Company data, KT&Partners' elaboration

Revenues by Geography (%)



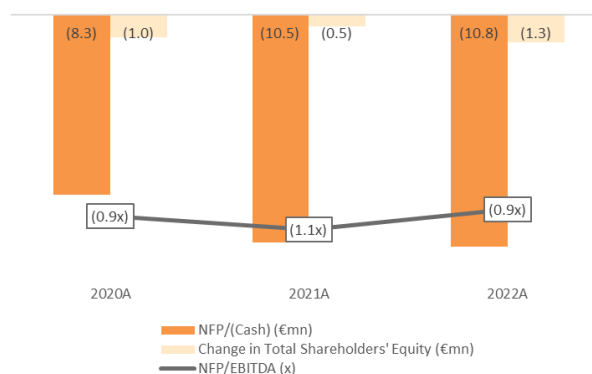
Source: Company data, KT&Partners' elaboration

Trade Working Capital (€mn, %)



Source: Company data, KT&Partners' elaboration

NFP and Change in Total Shareholders' Equity (€mn)



Source: Company data, KT&Partners' elaboration

Overview

Company description

Esautomotion (ESAU-IT) is active in the B2B high-end CNC market, developing and selling Integrated Mechatronic CNC Systems (Software and HW), Motors, Drivers, and other tools for the automation of industrial production machines. ESAU-IT is the only manufacturer in the world that offers integrated CNC systems able to cover all the processing phases (up to the interface) of sheet metal, wood, and marble.

ESAU-IT listed on Euronext Growth Milan on July 6, 2018, with an IPO market capitalization of ca. €35.1mn and ca. €9mn of capital raised, aimed at i) further expanding eastward (China, Turkey, and India); ii) expanding offer in both high- and low-end CNC markets, including other hardware components as well; and iii) acquiring self-making CNC manufacturers and/or manufacturers of complementary products to CNC.

Investment case

- **Strong Performance, Profitability, and Cash Generation.** Since the management buyout, the Group has shown a great ability in matching sustainable growth with profitability and cash-flow generation, leveraging the growth of the reference market, cross-selling opportunities, and operating efficiency. ESAU-IT's turnover has gone from €8mn in FY12 to €33.8mn in FY22, while EBITDA margin went from 6.3% in FY12 to 25.5% in FY22. Finally, a strong cash generation was recorded as well. At the end of 2021, OCF/EBITDA and FCF/EBITDA ratios stood at 33% and 20%, respectively, leading net cash position to €10.8mn. Leveraging on the strong cash position and balance sheet, greater growth could come from M&As.
- **Strategy's validity confirmed also during weakening macroeconomic scenarios.** The adoption over the 2019-20 period of a counter-cyclical strategy (i.e., aggressive price policy in order to acquire and retain clients, expansion of the product range to include hardware components, expansion in China and Turkey, and relocation of part of production eastward) has allowed ESAU-IT to show a good resilience in a weakening macroeconomic scenario.
- **New opportunities to foster business growth.** The recovery in global demand for machine tools – the primary market for CNC systems – has been driven by i) a renovation wave involving CNC machines in developed countries, also boosted by government measures, where the installed fleet is 5-20 years old and risks becoming obsolete; ii) the gradual shift from manual machines to CNC machines in emerging countries, where the current installed CNC fleet is 20%-45% of the total.
- **A Global Presence.** Since 2011, ESAU-IT has also undertaken an internationalization process in 32 countries, which allowed the company to directly sell abroad ca. 48% of its products in 2020 (ca. 80% if also considering indirect sales). China is one of the fastest growing markets, with an incidence on turnover of ca. 16% in FY22, underlining the importance for Chinese manufacturers of equipping their industrial machines with high-quality CNC systems.

Change in Estimates

On the back of 9M2023 financial KPIs release, also considering the persisting uncertain macroeconomic scenario at global level, we revised downward our top line projections over the 2023–26 period. We now anticipate FY23E total revenues to be €36.4mn (vs 40.9mn prior), growing at a CAGR22A-26E of 12.0% and reaching €53.6mn (vs €57.8mn previously expected) in FY26E.

Focusing on profitability, we left unchanged our forecasts. Indeed, we confirm FY23 EBITDA margin at 26.4%, increasing to 28.7% in FY26E. In absolute terms, following the downward revision of total revenues estimates, we now project FY23E EBITDA at €9.6mn (vs €10.8mn prior), expected to reach €15.4mn (vs €16.6mn forecasted before) in FY26 and growing at a CAGR22A-26E of +15.4%.

Looking at the bottom line, we estimate FY23E net income at €5.5mn (vs €6.4mn previously projected) with a net margin equal to 15.1%, reaching a net income of €10.3mn (vs €11.1mn prior) and a net margin of 19.1% in FY26E.

As for the balance sheet, we revised net cash position estimates downward to reflect a higher net working capital absorption. As a result, the FY23E net cash position is projected at €2.9mn (vs €5.6mn of our previous estimates), progressively improving in the following years up to €22.2mn (vs €26.5mn in our old estimates).

Change in Estimates

€ Million	2022A	2023E Old KT&P	2023E New KT&P	Change	2024E Old KT&P	2024E New KT&P	Change	2025E Old KT&P	2025E New KT&P	Change	2026E Old KT&P	2026E New KT&P	Change	CAGR Old 2022-'26	CAGR New 2022-'26
Total Revenues	34.1	40.9	36.4	-11.2%	49.4	44.3	-10.2%	53.4	49.5	-7.2%	57.8	53.6	-7.2%	14.1%	12.0%
YoY Change (%)	19.2%	20.1%	6.7%		20.6%	21.9%		8.1%	11.8%		8.2%	8.2%			
EBITDA	8.7	10.8	9.6	-11.2%	13.7	12.3	-10.2%	15.3	14.2	-7.2%	16.6	15.4	-7.2%	17.5%	15.4%
YoY Change (%)	8.1%	24.5%	10.6%		26.9%	28.3%		11.2%	14.9%		8.6%	8.6%			
EBITDA margin %	25.5%	26.4%	26.4%		27.8%	27.8%		28.6%	28.6%		28.7%	28.7%			
EBIT	6.8	8.6	7.4	-14.2%	11.8	10.3	-12.2%	13.6	12.5	-8.1%	14.9	13.7	-8.0%	21.6%	19.1%
YoY Change (%)	6.8%	25.9%	8.0%		36.7%	39.9%		15.3%	20.7%		10.1%	10.2%			
EBITDA margin %	20.0%	21.0%	20.3%		23.8%	23.3%		25.4%	25.1%		25.8%	25.6%			
Net Income	5.1	6.4	5.5	-14.2%	8.8	7.7	-12.2%	10.1	9.3	-8.1%	11.1	10.3	-8.0%	21.6%	19.1%
YoY Change (%)	1.1%	26.0%	8.0%		36.7%	39.9%		15.3%	20.7%		10.1%	10.2%			
Net income margin %	15.0%	15.7%	15.1%		17.8%	17.4%		19.0%	18.8%		19.3%	19.1%			
NFP	(10.8)	(5.6)	(2.9)	2.8	(11.8)	(8.0)	3.8	(19.0)	(14.8)	4.1	(26.5)	(22.2)	4.3		

Source: Company data, KT&Partners' elaborations

Valuation

Following the projections of ESAU-IT's future financials, we carried out the valuations of the company by applying the DCF and market multiples methods:

1. EV/EBITDA and P/EPS multiples, which returns a value of €9.49ps;
2. DCF analysis based on WACC of 12.2% and 1.5% perpetual growth, returns a value of €6.72ps.

The average of the two methods yields a fair value of €8.10ps or an equity value of €106.17mn.

Valuation Recap

	Equity Value €mn	Value per share €
DCF	88.05	6.72
EV/EBITDA	131.37	10.03
P/EPS	117.21	8.95
Average Multiples	124.29	9.49
Total Average	106.17	8.10

Source: FactSet, KT&Partners' elaboration

Market Multiples Valuation

Following the comparables' analysis, we proceeded with the definition of market multiples for each peer group, focusing on 2022–24 data.

Peer Comparison – Market Multiples 2022–24

Company Name	Exchange	Market Cap	EV/SALES 2022	EV/SALES 2023	EV/SALES 2024	EV/EBITDA 2022	EV/EBITDA 2023	EV/EBITDA 2024	EV/EBIT 2022	EV/EBIT 2023	EV/EBIT 2024	P/EPS 2022	P/EPS 2023	P/EPS 2024
Fanuc Corporation	Tokyo	23,937	3.2x	4.0x	3.7x	11.4x	16.8x	13.8x	14.3x	23.3x	18.5x	18.8x	29.1x	23.9x
Renishaw plc	London	2,563	2.9x	2.9x	3.0x	9.7x	12.4x	11.9x	11.8x	15.1x	15.4x	18.0x	19.6x	20.2x
Dassault Systemes SA	Euronext Paris	52,710	9.1x	8.6x	7.9x	26.7x	24.4x	22.1x	39.0x	26.6x	24.0x	n.m	32.8x	30.0x
Hexagon AB Class B	OMXStockholm	21,838	4.9x	4.7x	4.4x	12.9x	13.4x	11.9x	16.8x	16.6x	15.4x	21.6x	19.4x	17.6x
Rockwell Automation, Inc.	NYSE	28,219	4.2x	3.6x	3.5x	21.2x	16.4x	15.6x	25.1x	19.6x	17.6x	33.4x	21.5x	20.3x
Average peer group		25,853	4.9x	4.8x	4.5x	16.4x	16.7x	15.0x	21.4x	20.2x	18.2x	23.0x	24.5x	22.4x
Median peer group		23,937	4.2x	4.0x	3.7x	12.9x	16.4x	13.8x	16.8x	19.6x	17.6x	20.2x	21.5x	20.3x
Esautomotion SpA	Milan	58	1.4x	1.3x	1.1x	5.4x	4.9x	3.8x	6.9x	6.4x	4.6x	11.0x	10.3x	7.4x

Source: FactSet, KT&Partners' elaboration

We based our evaluation upon our estimates of ESAU-IT's EBITDA and EPS for 2023 and 2024. Our valuation considered a 25% liquidity discount and a FY2022 NFP adjusted for the cash-out related to Sangalli Servomotori M&A.

EV/EBITDA Multiple Valuation

Multiple Valuation (€mn)	2023E	2024E
EV/EBITDA Comps	16.7x	15.0x
ESA EBITDA	9.6	12.3
Enterprise value	160.2	185.4
Liquidity Discount	25%	
Enterprise value Post-Discount	120.1	139.0
ESA FY22A Net Debt Adj*	-1.8	-1.8
Equity Value Post-Discount	121.9	140.8
Average Equity Value Post-Discount	131.4	
Number of shares (mn)	13.1	
Value per Share €	10.0	

Source: FactSet, KT&Partners' elaboration

P/EPS Multiple Valuation		
Multiple Valuation (€mn)	2023E	2024E
P/EPS Comps	24.5x	22.4x
ESA EPS	0.43	0.60
Equity Value per Share	10.5	13.4
Average Value per Share	11.9	
Liquidity Discount	25%	
Value per Share €	8.9	

Source: FactSet, KT&Partners' elaboration

DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 13.4% cost of equity, 4.5% cost of debt, and a D/E ratio of 12.9% (Damodaran for the Machinery industry where ESAU-IT is included). The cost of equity is a function of the risk-free rate of 4.5% (Italian 10y BTP), 4.67% equity risk premium (Damodaran – ERP T12 m with sustainable payout), and a premium for size and liquidity of 2.5%. We, therefore, obtained 12.2% WACC.

We discounted 2023E-26E annual cash flows and considered a terminal growth rate of 1.5%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

DCF Valuation

€ Million	2023E	2024E	2025E	2026E
EBIT	7.4	10.3	12.5	13.7
Taxes	(1.9)	(2.6)	(3.1)	(3.5)
D&A	2.0	1.7	1.4	1.4
Change in Net Working Capital	(3.7)	(2.1)	(1.1)	(1.1)
Net Operating Cash Flow	4.3	7.9	10.2	11.1
Capex	(10.6)	(1.4)	(1.4)	(1.4)
Organic	(1.7)			
M&A	(9.0)			
FCFO	(6.4)	6.5	8.8	9.7
g	1.5%			
Wacc	12.2%			
FCFO (discounted)	(6.2)	5.7	6.9	6.8
Discounted Cumulated FCFO	13.1			
TV	92.2			
TV (discounted)	64.1			
Enterprise Value	77.3			
NFP FY22	(10.8)			
Equity Value	88.1			
Current number of shares (mn)	13.1			
Value per share (€)	6.72			

Source: Company data, KT&Partners' elaboration

Sensitivity Analysis (€mn)

€ Million		WACC				
Terminal growth Rate		12.7%	12.5%	12.2%	12.0%	11.7%
	1.0%	81.3	83.1	84.9	86.8	88.8
	1.3%	82.7	84.5	86.4	88.4	90.5
	1.5%	84.2	86.1	88.1	90.1	92.3
	1.8%	85.7	87.7	89.7	91.9	94.2
	2.0%	87.3	89.4	91.5	93.8	96.2

Source: Company data, KT&Partners' elaboration

Appendix

Peer Comparison

We carried out an in-depth analysis of public companies that could potentially be considered as peers of ESAU-IT, considering its two business units together with its growth profile and the profitability structure.

We built a six-company sample, which includes:

- **FANUC Corporation:** listed on the Tokyo stock exchange, with a market capitalization of €23.9bn, FANUC Corp. engages in the development, manufacture, sales. and maintenance of CNC systems, lasers, robot systems, robomachines, roboshot, robocut, and nano robots. It operates through the following divisions: Factory Automation (FA), Robot, and Robomachine. In 2022, the company revenues reached €6.0bn.
- **Renishaw plc.:** listed on the London stock exchange, with a market capitalization of €2.6bn, Renishaw engages in the design, manufacture, and marketing of metrology and healthcare products. In 2022, the company revenues reached €0.8bn.
- **Dassault Systemes SA:** listed on the Paris Euronext with a market capitalization of €52.7bn, Dassault Systemes provides software solutions and consulting services. It offers end-to-end software applications that cover a wide range of industry segments. In 2022, the company revenues reached €5.7bn.
- **Hexagon AB:** quoted on the Stockholm stock exchange, with a market capitalization of €21.8bn, Hexagon AB provides information technology solutions that drive productivity and quality across geospatial and industrial enterprise applications. The company operates through the following business segments: Geospatial Enterprise Solutions and Industrial Enterprise Solutions. In 2022, the company revenues reached €5.2bn.
- **Rockwell Automation, Inc.:** listed on the NYSE, with a market capitalization of €28.2bn, Rockwell Automation, Inc., engages in the provision of industrial automation and information services. It operates through the Architecture and Software, and Control Products and Solutions segments. The Architecture and Software segment contains hardware, software, and communication components of its integrated control and information architecture. In 2022, the company revenues reached €7.2bn.

Peers Comparison – Sales (€mn) and Sales CAGR (%)

Company Name	Sales					CAGR 21-'25
	2021	2022	2023	2024	2025	
Fanuc Corporation	5,617	6,045	4,895	5,273	5,813	97.5%
Dassault Systemes SA	4,860	5,665	5,967	6,494	7,083	75.4%
Renishaw plc	640	795	799	789	838	81.7%
Rockwell Automation, Inc.	5,854	7,177	8,530	8,749	9,112	71.8%
Hexagon AB Class B	4,347	5,175	5,437	5,757	6,157	77.0%
Esautomotion SpA	29	34	36	44	50	66.3%
Average Peers	4,264	4,972	5,126	5,412	5,801	79.4%

Source: FactSet, KT&Partners' elaboration

Peers Comparison – EBITDA Margin, EBIT Margin and Net Margin

Company Name	EBITDA Margin					EBIT Margin					Net Margin				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Fanuc Corporation	31.4%	28.2%	23.7%	26.8%	28.6%	25.0%	22.5%	17.0%	20.0%	22.6%	21.2%	20.0%	16.0%	18.0%	20.0%
Dassault Systemes SA	33.2%	34.1%	35.4%	35.9%	36.0%	21.6%	23.3%	32.4%	33.1%	33.6%	15.9%	16.4%	26.4%	26.8%	27.2%
Renishaw plc	27.6%	30.3%	23.6%	24.9%	27.2%	20.8%	24.9%	19.3%	19.2%	21.3%	19.6%	17.9%	16.9%	16.4%	18.3%
Rockwell Automation, Inc.	20.4%	20.0%	21.8%	22.4%	22.8%	17.7%	16.9%	18.2%	19.7%	20.7%	19.4%	12.0%	15.3%	15.1%	15.7%
Hexagon AB Class B	39.0%	38.2%	35.0%	37.3%	38.0%	29.7%	29.4%	28.3%	28.7%	29.5%	18.4%	19.5%	17.7%	20.2%	21.2%
Average	30.3%	30.2%	27.9%	29.4%	30.5%	23.0%	23.4%	23.1%	24.1%	25.5%	18.9%	17.2%	18.5%	19.3%	20.5%
Median	20.5%	21.8%	23.6%	24.9%	27.2%	15.4%	16.6%	18.2%	19.7%	21.3%	15.9%	11.1%	15.6%	15.7%	17.0%
Esautomotion SpA	28.1%	25.5%	26.4%	27.8%	28.6%	22.4%	20.0%	20.3%	23.3%	25.1%	17.6%	15.0%	15.1%	17.4%	18.8%

Source: FactSet, KT&Partners' elaboration

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



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