

## Outperforming the Cycle

ADD | Fair Value: €4.30 (€4.48) | Current Price: €3.24 | Upside: +33%

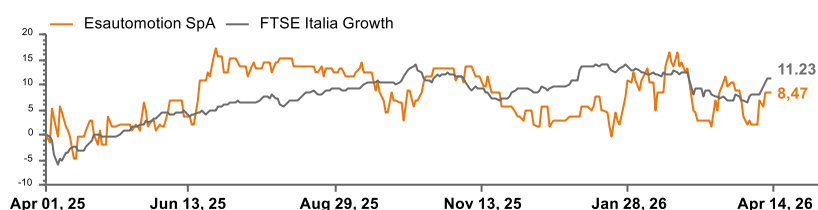
€ Million	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Sales Revenues	35.4	27.0	29.7	32.7	36.3	39.6	43.1
Total Revenues	35.7	27.2	30.0	33.0	36.6	39.9	43.5
EBITDA	8.4	4.0	5.8	6.8	8.4	9.8	10.8
margin	23.5%	14.6%	19.4%	20.7%	23.0%	24.5%	24.9%
Net Profit	4.3	0.9	2.2	2.9	3.9	4.6	5.4
Free Cash Flows	(4.8)	2.0	(1.7)	4.3	4.1	3.9	5.1
Net Debt (Net Cash)	(3.6)	(4.7)	(5.8)	(9.8)	(13.6)	(17.3)	(22.1)

**FY25 Financial Results.** ESAU reported FY25 total revenues of €30.0mn (+10.4% YoY), broadly in line with our €30.4mn estimate. This structural growth was driven by new clients exiting their adoption ramp and selective geographic expansion, which offset subdued capex from historical customers and allowed ESAU to vastly outperform FANUC's FA Division (-1%). Regionally, Italy rebounded to €15.2mn (+9.4% YoY) despite Industria 5.0 regulatory overhangs, while Turkey continued to dilute from its historical peaks due to Chinese competition. The absolute highlight was profitability: easing component costs expanded gross margin to 51.9%, while strict OPEX discipline drove EBITDA to €5.8mn (19.4% margin), comfortably beating our €5.4mn estimate. This strong operational leverage cascaded to the bottom line, pushing Net Income to €2.2mn, well ahead of our €1.6mn forecast.

**Change in Estimates.** Following FY25 results, we revise our estimates and extend the forecast horizon to FY29E. While FY25 revenues closed broadly in line with our prior forecast, we adopt a more cautious stance on the forward trajectory, reflecting the absence of a broad market recovery among historical customers and persistent macro and geopolitical headwinds weighing on machine tool capex. We revise FY26E-F28E revenues down approximately 6% across the board, with FY26E now at €33.0mn (vs €35.0mn previously), still implying a FY25-29E CAGR of around 10% anchored to new customer ramp-ups and geographic expansion. The revenue revision flows through to EBITDA proportionally, with FY26E now at €6.8mn (20.7% margin, vs €7.2mn and 20.6% previously); we continue to project steady margin expansion to 24.9% by FY29E on the back of operating leverage. On the balance sheet, capex normalizes to approximately €3.0mn per year from FY26E, and an expected €1.5mn inventory release supports free cash flow of €4.0mn in FY26E, with the net cash position reaching €9.8mn by year end.

**Valuation.** Our valuation, based on DCF (2.5% terminal growth rate; 12.4% WACC) and market multiples (EV/EBITDA and P/E from 6 comparables; 30% discount), returns an average equity value of €55mn or a fair value of €4.30ps, showing potential upside of 33% on current market price, implying an EV/EBITDA multiple of 7.3x for 2026E.

### Relative Performance Chart YTD



## Research Update

April 15<sup>th</sup>, 2026 - 7.00 h

Equity Research Team  
[connect@ktepartners.com](mailto:connect@ktepartners.com)

Michele FILIPPIG  
 Head of Research  
[mfilippig@ktepartners.com](mailto:mfilippig@ktepartners.com)  
 +39 331 6316783

### Market Data

Mkt Cap (€ mn)	42.0
EV (€ mn)	36.4
Shares outstanding (mn)	12.9
Free Float (%)	23.1%

Market multiples	2025	2026E	2027E
<b>EV/EBITDA</b>			
Esautomotion (KT Valuation)	8.6x	7.3x	5.9x
Esautomotion (Market)	6.3x	5.3x	4.3x
Comps Median	14.5x	13.5x	12.3x
Es vs Comps Median	-57%	-60%	-65%
<b>P/E</b>			
Esautomotion (KT Valuation)	25.1x	19.0x	14.2x
Esautomotion (Market)	19.1x	14.4x	10.8x
Comps Median	31.2x	21.3x	19.6x
Es vs Comps Median	-39%	-32%	-45%

### Stock Data

Avg. Daily Turnover 90d (€ k)	15.6
Price Change 1w (%)	3.2%
Price Change 1m (%)	-5.2%
Price Change YTD (%)	6.5%

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.

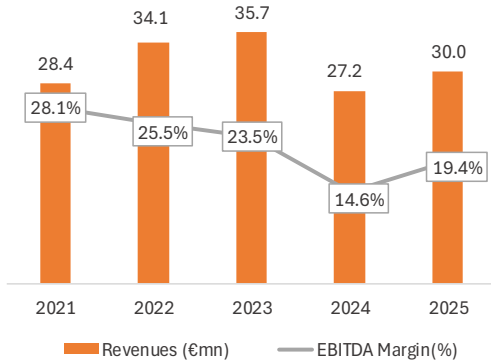
## Key Figures

Per Share Data	2022	2023	2024	2025	2026E	2027E	2028E	2029E
Total shares outstanding (m)	12.7	12.9	12.9	12.9	12.9	12.9	12.9	12.9
EPS	0.40	0.34	0.07	0.17	0.23	0.30	0.36	0.42
Dividend per share	0.10	0.10	0.05	-	-	-	-	-
Dividend pay out ratio (%)	n.a.	24.9%	14.9%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Profit and Loss (EUR million)</b>								
Sales Revenues	33.8	35.4	27.0	29.7	32.7	36.3	39.6	43.1
Total Revenues (VoP)	34.1	35.7	27.2	30.0	33.0	36.6	39.9	43.5
<i>growth (%)</i>	<i>n.a.</i>	5%	-24%	10%	10%	11%	9%	9%
EBITDA	8.7	8.4	4.0	5.8	6.8	8.4	9.8	10.8
<i>EBITDA margin (%)</i>	25.5%	23.5%	14.6%	19.4%	20.7%	23.0%	24.5%	24.9%
EBIT	6.8	6.0	1.6	3.1	4.1	5.5	6.8	7.8
<i>EBIT margin (%)</i>	20.0%	16.9%	5.9%	10.2%	12.4%	15.1%	17.0%	18.0%
Net Income	5.1	4.3	0.9	2.2	2.9	3.9	4.6	5.4
<i>Net Profit margin (%)</i>	15.0%	12.1%	3.2%	7.4%	8.8%	10.6%	11.6%	12.4%
<b>Balance Sheet (EUR million)</b>								
Total fixed assets	2.2	8.3	8.9	10.0	10.6	11.0	11.3	11.6
Trade Working Capital (TWC)	13.2	18.8	17.0	16.6	15.4	15.6	16.7	17.5
Total Net capital employed	15.0	26.3	25.5	26.3	25.2	25.3	26.3	26.9
Net financial position/(Cash)	(10.8)	(3.6)	(4.7)	(5.8)	(9.8)	(13.6)	(17.3)	(22.1)
Shareholder's Equity	25.8	30.0	30.1	32.2	35.1	39.0	43.6	49.0
<b>Cash Flow (EUR million)</b>								
Net operating cash flow	2.9	1.2	4.6	4.8	7.0	6.8	6.6	7.8
Change in TWC	(3.4)	(5.7)	1.7	0.2	1.1	(0.2)	(1.2)	(0.8)
Capital expenditure	(1.4)	(6.1)	(2.9)	(6.0)	(3.0)	(3.0)	(3.0)	(3.0)
Free cash flow	1.3	(4.8)	2.0	(1.7)	4.3	4.1	3.9	5.1
<b>Enterprise Value (EUR million)</b>								
Market Cap	53.2	58.0	32.7	42.0	42.0	42.0	42.0	42.0
Minorities	0.0	0.3	0.2	0.2	0.2	0.0	0.0	0.0
Net financial position/(Cash)	(10.8)	(3.6)	(4.7)	(5.8)	(9.8)	(13.6)	(17.3)	(22.1)
Enterprise value	42.4	54.6	28.3	36.4	32.4	28.4	24.8	19.9
<b>Ratios</b>								
ROCE	46%	23%	6%	12%	16%	22%	26%	29%
ROE	20%	14%	3%	7%	8%	10%	11%	11%
Interest cover on EBIT	0.1%	2.3%	22.6%	11.3%	8.6%	6.3%	5.2%	4.5%
NFP/EBITDA	-1.2x	-0.4x	-1.2x	-1.0x	-1.4x	-1.6x	-1.8x	-2.0x
Gearing - Debt/equity	4.1%	19.0%	19.0%	20.8%	0.0%	0.0%	0.0%	0.0%
TWC/Total Revenues	39%	53%	63%	55%	47%	43%	42%	40%
Free cash flow yield	4%	-13%	5%	-5%	12%	11%	11%	14%
<b>Multiples (x)</b>								
EV/Sales	1.1x	1.0x	1.3x	1.2x	1.1x	1.0x	0.9x	0.8x
EV/EBITDA	4.2x	4.4x	9.2x	6.3x	5.3x	4.3x	3.7x	3.4x
P/E	8.2x	9.7x	48.4x	19.1x	14.4x	10.8x	9.1x	7.8x

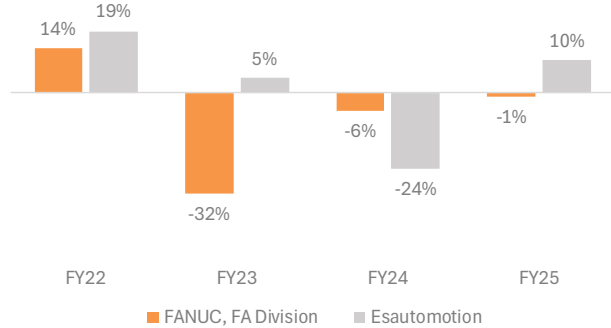
Source: Company Data (2022-2025), KT&Partners' Forecasts (2026-2029)

## Key charts

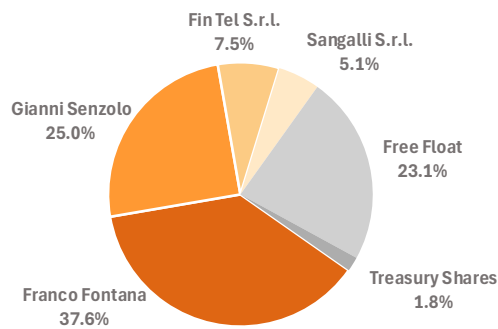
Revenue and EBITDA margin (€mn, %)



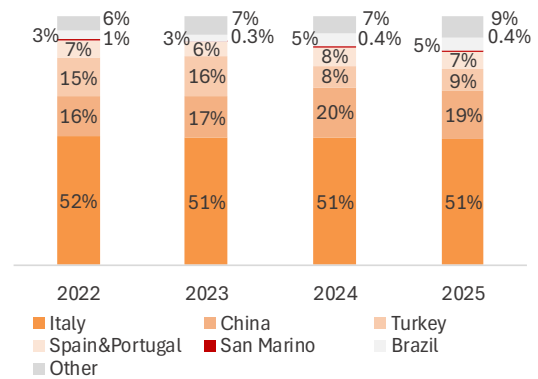
Esautomotion vs FANUC (Mkt Leader) – YoY Revenue Growth (%)



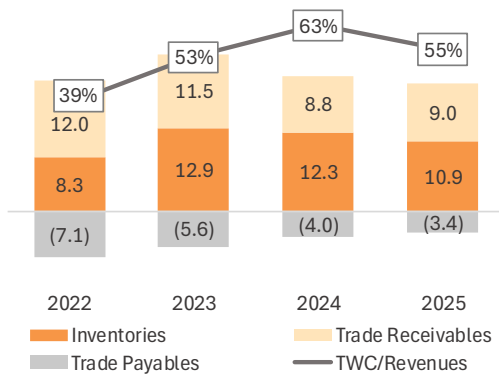
Shareholding Structure (% , as of March 2026 )



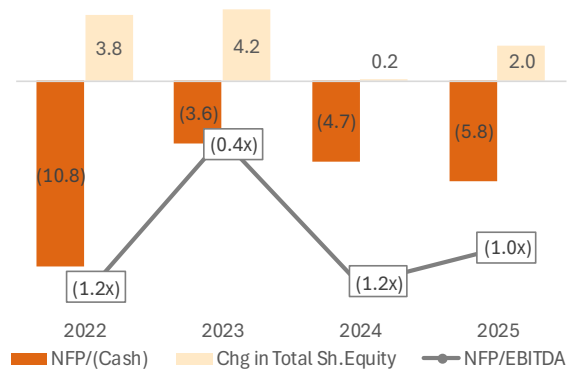
Revenues by Geography (%)



Trade Working Capital (€mn, %)



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



Source: KT&Partners' Elaboration on Company Data and Factset

## 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. €35mn 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 sales have gone from €8mn in FY12 to €30mn in FY25, while EBITDA margin went from 6.3% in FY12 to 19.4% in FY25. Finally, a strong cash generation was recorded as well, with cash conversion (Operating Cash Flow / EBITDA) averaging above 70% during the last three years. Leveraging on the strong cash position and balance sheet, greater growth could come from M&As.
- **New opportunities to foster business growth.** Despite global macroeconomic uncertainty, the Group is expanding counter-trend by acquiring new clients and entering new markets. This resilience is fueled by two long-term structural drivers: i) the replacement of aging CNC fleets in developed countries, supported by government incentives; and ii) the ongoing transition from manual to CNC machines in emerging markets, where current CNC penetration is still low (20%-50%).
- **A Global Presence.** Since 2011, ESAU-IT has also undertaken an internationalization process in 32 countries, which allowed the company to sell abroad ca. 50% of its products in 2025 (ca. 80% considering also indirect sales). China is one of the fastest growing markets, underlining the importance for Chinese manufacturers of equipping their industrial machines with high-quality CNC systems.

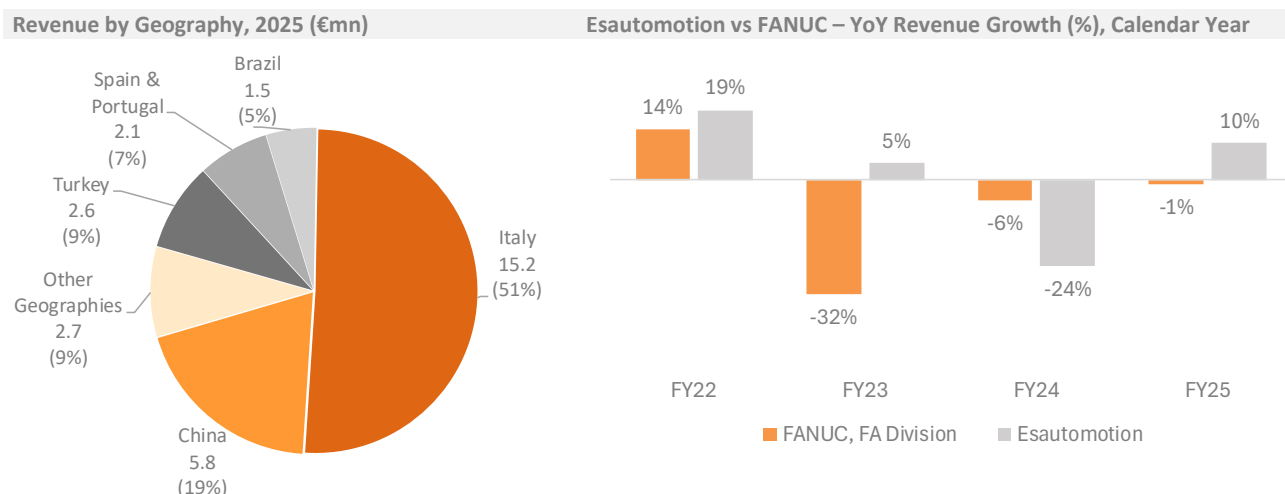
## FY25 Financial Results

ESAU reported FY25 total revenues of €30.0mn, up 10.4% YoY and broadly in line with our estimates (€30.4mn). The recovery did not reflect a broad market rebound: historical customers continued to operate at very muted level compared to their pre-cycle capacity, held back by a geopolitical environment that kept machine tool demand subdued. Growth was instead carried by new clients acquired during the 2023-2025 cycle, which after the typical 1-3 year adoption phase is now contributing meaningfully to order volumes, and by selective international expansion.

Benchmarking against FANUC’s FA Division reveals a meaningful divergence in FY25: ESAU grew +10% YoY while FANUC contracted -1%. FANUC’s performance mirrors the broader CNC market, still weighed down by destocking dynamics and subdued capex from machine tool manufacturers. This is while ESAU benefits from new clients scaling their order volumes and geographic expansion into underpenetrated markets gaining traction.

The FY25 top-line recovery came despite some major geographies still operating well below their FY23 peak. Turkey, once a meaningful contributor (16-18% revenue, now approx. half of that), continues to struggle with the structural displacement caused by Chinese competition. Growth was instead concentrated in newer geographies and new client relationships, with China remaining the largest single export market and South America and other developing markets beginning to contribute more meaningfully as CNC adoption accelerates. Italy recovered to €15.2mn (+9.4% YoY), in line with overall growth, with order activity weighted down by regulatory uncertainty around the Industria 5.0 tax credit, which cause clients defer purchasing.

In FY25, ESAU’s direct export level represented approximately 49% of revenues (€14.8mn), broadly stable YoY. This figure, however, understates the Group’s true international exposure: adding the share of products sold domestically and subsequently exported by Italian machine tool manufacturers, the combined direct and indirect export is estimated to reach approximately 75% of total revenues.



Source: KT&Partners’ Elaboration on Company Data and Factset

Profitability improved substantially across the board. The gross margin expanded to 51.9% from 50.6% in FY24, driven by a reduction in electronic component procurement costs that improved COGS absorption. This top-line expansion was further amplified by ESAU's high operating leverage and strict cost management. Personnel expenses decreased to €4.9mn (from €5.2mn in FY24) and service costs remained contained at €4.5mn, allowing the recovered revenues to flow directly to the bottom line.

As a result, EBITDA surged almost 50% YoY to €5.8mn (19.4% margin, +4.8 pp YoY), comfortably beating our €5.4mn estimate. The strong operational efficiency cascaded down the P&L: EBIT more than doubled YoY to €3.1mn (10.2% margin), while net income reached €2.2mn (7.4% margin), well above our €1.6mn forecast.

#### Income Statement FY24-25 (€mn)

€ Million	FY24	FY25	YoY Growth	FY25E	AvsE
Revenues from sales and servi	27.0	29.7	10.2%	30.2	-1.6%
Other Revenues	0.2	0.3	34.8%	0.2	20.4%
<b>Total Revenues</b>	<b>27.2</b>	<b>30.0</b>	<b>10.4%</b>	<b>30.4</b>	<b>-1.4%</b>
<i>Growth %</i>	-23.8%	10.4%		12.0%	
COGS	(13.4)	(14.4)		(15.4)	
<b>Gross Profit</b>	<b>13.8</b>	<b>15.6</b>	<b>13.1%</b>	<b>15.0</b>	<b>3.6%</b>
<i>Gross Margin</i>	50.6%	51.9%		49.4%	
Cost of Services	(4.3)	(4.5)		(4.8)	
Personnel Expenses	(5.2)	(4.9)		(4.5)	
Other Operating Expenses	(0.3)	(0.3)		(0.3)	
<b>EBITDA</b>	<b>4.0</b>	<b>5.8</b>	<b>46.6%</b>	<b>5.4</b>	<b>7.7%</b>
<i>EBITDA margin</i>	14.6%	19.4%		17.7%	
D&A and Provisions	(2.4)	(2.8)		(2.5)	
<b>EBIT</b>	<b>1.6</b>	<b>3.1</b>	<b>91.4%</b>	<b>2.9</b>	<b>5.3%</b>
<i>EBIT margin</i>	5.9%	10.2%		9.5%	
Financial Income and Expense	(0.4)	(0.3)		(0.6)	
<b>EBT</b>	<b>1.2</b>	<b>2.7</b>	<b>119.4%</b>	<b>2.3</b>	<b>19.4%</b>
Taxes	(0.4)	(0.5)		(0.6)	
<i>Tax Rate</i>	-29.6%	-18.6%		-28.0%	
<b>Net Income</b>	<b>0.9</b>	<b>2.2</b>	<b>153.7%</b>	<b>1.6</b>	<b>35.0%</b>
<i>Net margin</i>	3.2%	7.4%		5.4%	

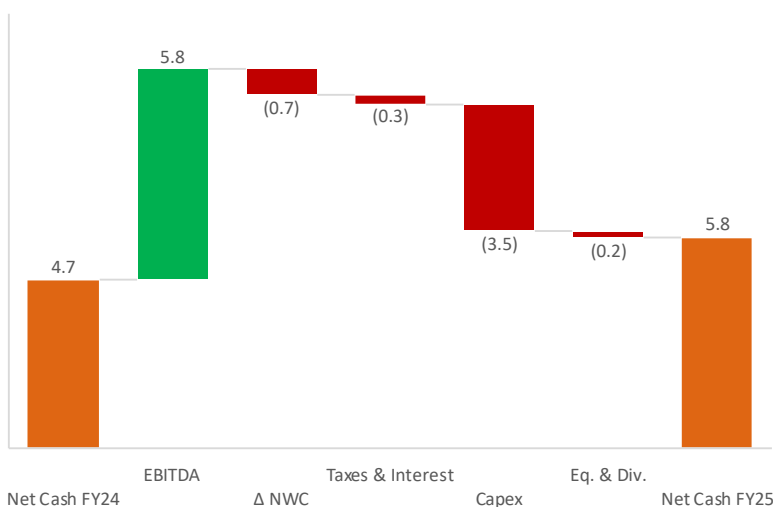
Source: Company Data (FY24-FY25), KT&P's Estimates (FY25E)

The Net Cash Position improved by €1.1mn to €5.8mn at year-end, in line with our expectations. We highlight that this includes the Sangalli call options (€3.4mn).

Working capital continued its gradual normalization, with inventory declining to €10.9mn (-€1.4mn YoY) as the company steadily absorbed the excess stock accumulated during the FY23 component shortage.

This inventory reduction largely offset a parallel contraction in payables, keeping Net Working Capital broadly stable at €16.8mn. Operationally, the company generated €4.8mn in operating cash flow. After €3.5mn in capex, which included the continued IFRS 16 recognition on the Sangalli property lease alongside normalized R&D and maintenance investments, ESAU closed the year with free cash flow of €1.2mn.

## Net Financial Position (NFP) Bridge (€mn, FY24-25)



## Balance Sheet FY24-25 (€mn)

€ Million	FY24	FY25	Delta YoY	FY25E
Goodwill	2.7	2.7	0.0	2.7
Intangible	2.5	2.4	(0.2)	2.4
Tangible	3.7	4.9	1.3	4.7
<b>Fixed Assets</b>	<b>8.9</b>	<b>10.0</b>	<b>1.1</b>	<b>9.8</b>
Trade receivables	8.8	9.0	0.3	9.6
Inventory	12.3	10.9	(1.4)	11.1
Trade Payables	(4.0)	(3.4)	0.6	(3.7)
<b>Trade Working Capital</b>	<b>17.0</b>	<b>16.6</b>	<b>(0.5)</b>	<b>17.0</b>
Other assets and liabilities	(0.1)	0.2	0.3	(0.1)
<b>Net Working Capital</b>	<b>16.9</b>	<b>16.8</b>	<b>(0.2)</b>	<b>16.9</b>
Provisions	(0.4)	(0.5)	(0.0)	(0.9)
<b>Net Capital Employed</b>	<b>25.5</b>	<b>26.3</b>	<b>0.9</b>	<b>25.9</b>
Group shareholders' equity	29.9	31.9	2.0	31.4
Minority shareholders' equity	0.2	0.2	(0.0)	0.2
<b>Total shareholders' equity</b>	<b>30.1</b>	<b>32.2</b>	<b>2.0</b>	<b>31.7</b>
Cash & Cash Equivalents	(9.4)	(11.6)	(2.2)	(12.9)
Short-term debt	0.5	0.4	(0.1)	0.5
Long-term debt	4.2	5.3	1.1	6.7
<b>Net Financial Position</b>	<b>(4.7)</b>	<b>(5.8)</b>	<b>(1.2)</b>	<b>(5.8)</b>
<b>Sources</b>	<b>25.5</b>	<b>26.3</b>	<b>0.9</b>	<b>25.9</b>

Source: Company Data (FY24-FY25), KT&P's Estimates (FY25E)

## Change in Estimates

Following FY25 results, we revise our estimates and extend the forecast horizon to FY29E.

Despite FY25 closed broadly in line with our revenue estimate, we are adopting a more cautious stance on the forward revenue trajectory, reflecting the absence of a broad market recovery among historical customers and the persistence of macro and geopolitical headwinds that continue to weigh on machine tool capex globally.

We have revised our FY26E-FY28E revenue estimates down by approximately 6% across the board, now projecting FY26E at €33.0mn (€35mn before). The FY25-29E revenue CAGR of approximately 10% remains consistent with the Group's commercial trajectory, anchored to new customer adoption cycles and continued geographic expansion.

On profitability, the revenue revision translates to the same extent into a modest EBITDA reduction of 5-6% across the forecast period, with FY26E EBITDA now at €6.8mn (20.7% margin, vs €7.2mn and 20.6% previously). We project EBITDA margins expanding to 24.9% in FY29E, with continued operating leverage tailwinds.

FY25 closed with €5.8mn net cash, and with capex normalizing to approximately €3.0mn per year from FY26E onwards, we project free cash flow accelerating from €4.0mn in FY26E to €4.8mn in FY29E. On working capital, we expect inventory normalization to contribute approximately €1.5mn of cash release in FY26E, as the company continues to absorb the excess stock built during the FY23 component shortage cycle. Beyond FY26E, working capital dynamics gradually reverse as revenues scale, but operating cash conversion remains solid throughout the forecast period, modeled at around 80% of EBITDA, consistent with the 84% delivered in FY25.

Change in Estimates											
€ Million	2025	2026E	2026E	Change	2027E	2027E	Change	2028E	2028E	Change	2029E
	Actual	Old	New		Old	New		Old	New		New
<b>Total Revenues</b>	30.0	35.0	33.0	-6%	38.8	36.6	-6%	42.3	39.9	-6%	43.5
<i>YoY Change (%)</i>	10.4%	15.0%	9.9%		11.0%	11.0%		9.0%	9.0%		9.0%
<b>EBITDA</b>	5.8	7.2	6.8	-5%	8.9	8.4	-5%	10.3	9.8	-6%	10.8
<i>EBITDA margin %</i>	19.4%	20.6%	20.7%		22.9%	23.0%		24.4%	24.5%		24.9%
<b>EBIT</b>	3.1	4.2	4.1	-3%	5.3	5.5	5%	6.1	6.8	11%	7.8
<i>EBIT margin %</i>	10.2%	12.1%	12.4%		13.6%	15.1%		14.5%	17.0%		18.0%
<b>Net Income</b>	2.2	2.6	2.9	12%	3.7	3.9	4%	4.3	4.6	7%	5.4
<i>Net margin %</i>	7.4%	7.4%	8.8%		9.6%	10.6%		10.3%	11.6%		12.4%
<b>NFP/(Cash)</b>	(5.8)	(9.7)	(9.8)	(0.1)	(10.3)	(13.6)	(3.3)	(15.5)	(17.3)	(1.7)	(22.1)
<i>YoY Change (€mn)</i>	(1.2)	(4.0)	(4.0)		(0.6)	(3.8)		(5.3)	(3.6)		(4.8)

Source: KT&Partners' Elaboration on Company Data (2025), KT&P's Estimates (2026-2029)

NFP Evolution (€mn)					
€ Million	FY25	FY26E	FY27E	FY28E	FY29E
<b>EBITDA</b>	<b>5.8</b>	<b>6.8</b>	<b>8.4</b>	<b>9.8</b>	<b>10.8</b>
Chg in Provision	0.0	0.2	0.2	0.2	0.2
Change in TWC	0.2	1.1	(0.2)	(1.2)	(0.8)
Other changes in WC	(0.9)	-	-	-	-
Taxes	(0.3)	(0.8)	(1.3)	(1.8)	(2.1)
Net financial income (expens	(0.0)	(0.4)	(0.4)	(0.4)	(0.4)
Other Adjustments	-	-	-	-	-
<b>Operating Cash Flow</b>	<b>4.8</b>	<b>7.0</b>	<b>6.8</b>	<b>6.6</b>	<b>7.8</b>
Capex	(3.5)	(3.0)	(3.0)	(3.0)	(3.0)
Change in Equity	(0.2)	-	-	-	-
Dividend	-	-	-	-	-
<b>Free Cash Flow</b>	<b>1.2</b>	<b>4.0</b>	<b>3.8</b>	<b>3.6</b>	<b>4.8</b>
<b>NFP Increase (decrease)</b>	<b>(1.2)</b>	<b>(4.0)</b>	<b>(3.8)</b>	<b>(3.6)</b>	<b>(4.8)</b>
Begin NFP	(4.7)	(5.8)	(9.8)	(13.6)	(17.3)
End NFP	(5.8)	(9.8)	(13.6)	(17.3)	(22.1)

Source: Company Data (FY25), KT&P's Estimates (FY26E-FY29E)

## Valuation

Based on Esautomotion projected financials, we performed the valuation of the company using the market multiples and the Discounted Cash Flow (DCF) methodologies.

- Market Multiples (EV/EBITDA and P/E):** using a peer group of 6 publicly listed comparables, we applied the median FY25E, FY26E and FY27E EV/EBITDA and P/E multiples to Esautomotion forecasted financials. We applied a 30% discount to the peer derived multiples. The results yield an implied equity value of €58mn or €4.5ps.
- Discounted Cash Flow (DCF):** We projected Esautomotion Free Cash Flows over the FY26E-FY29E period and discounted them using a WACC of 12.4% and a terminal growth rate of 2.5%. This approach returns an implied equity value of €53mn or €4.1ps.

In both our valuation methodologies, we accounted for FY25 Net Cash of €5.8mn and €0.2mn minorities. The average of the two methods yields a fair value of €4.3ps or an equity value of €55mn.

### Valuation Recap

	Equity Value €mn	Value per share €
P/E	45	3.5
EV/EBITDA	71	5.5
<b>Multiples Average</b>	<b>58</b>	<b>4.5</b>
DCF	53	4.1
<b>Total Average</b>	<b>55</b>	<b>4.3</b>

Source: FactSet, KT&Partners' elaboration

## Market Multiples Valuation

With the sample of comparable companies selected for ESAU Group, we proceeded to define the multiples for our relative valuation, focusing on the 2025–27E data points.

### Peer Comparison – Market Multiples 2025–27E

Company Name	Exchange	Market Cap	Avg. EBITDA Margin (25-27)	CAGR Sales (24-27)	EV/EBITDA			P/E		
					2025	2026	2027	2025	2026	2027
Fanuc Corporation	Tokyo	29,223	28%	1.7%	19.8x	17.4x	16.1x	33.8x	29.3x	26.9x
Dassault Systemes SE	Euronext Paris	23,643	35%	2.6%	10.4x	9.9x	9.4x	13.6x	13.3x	12.5x
Renishaw plc	London	3,009	22%	3.9%	16.3x	14.5x	13.0x	26.1x	23.1x	20.5x
Hexagon AB Class B	Stockholm	22,104	37%	2.0%	12.8x	12.5x	11.5x	35.8x	10.7x	18.8x
OMRON Corporation	Tokyo	4,939	12%	1.3%	12.0x	10.2x	9.2x	28.6x	19.4x	16.9x
Rockwell Automation	NYSE	35,506	22%	1.6%	28.0x	22.2x	20.0x	47.1x	31.9x	28.5x
<b>Average</b>		<b>19,737</b>	<b>26.0%</b>	<b>2.2%</b>	<b>16.5x</b>	<b>14.4x</b>	<b>13.2x</b>	<b>30.8x</b>	<b>21.3x</b>	<b>20.7x</b>
<b>Median</b>		<b>22,874</b>	<b>25.0%</b>	<b>1.9%</b>	<b>14.5x</b>	<b>13.5x</b>	<b>12.3x</b>	<b>31.2x</b>	<b>21.3x</b>	<b>19.6x</b>
Esautomotion	Milan	42	21%	10.4%	6.3x	5.3x	4.3x	19.1x	14.4x	10.8x

Source: Factset, KT&Partners' elaboration

In our valuation, we included a size/liquidity discount of 30% to account for the relatively smaller size of ESAU compared to its comparables, and to the lower trading liquidity of its stock. We end up with ESAU equity value of €70.8mn or €5.50ps based on the EV/EBITDA valuation, and €44.6mn or €3.46ps using the P/E method.

### EV/EBITDA Multiple Valuation

EV/EBITDA	Median		
Multiple Valuation (€mn)	2025A	2026E	2027E
EV/EBITDA Comps	14.5x	13.5x	12.3x
Esautomotion EBITDA	5.8	6.8	8.4
Enterprise value	84.4	92.1	103.0
Average Enterprise value	93.2		
Liquidity/Size Discount	30%		
EV Post-Discout	65.2		
NFP / (Cash) FY25	(5.8)		
Minorities	0.2		
Equity Value	70.8		
# shares (mn)	12.9		
Fair value per share	5.50		

### P/E Multiple Valuation

P/E	Median		
Multiple Valuation (€mn)	2025A	2026E	2027E
P/E Comps	31.2x	21.3x	20.7x
Esautomotion Net Income	2.2	2.9	2.9
Equity value	68.8	62.0	60.2
Average Equity Value	63.6		
Liquidity/Size Discount	30%		
Equity Value	44.6		
# shares (mn)	12.9		
Fair value per share	3.46		

Source: FactSet, KT&Partners' elaboration

## DCF Valuation

We also performed a 4-year DCF valuation, assuming a cost of equity of 14.3%, a cost of debt of 4.5%, and a D/E ratio of 20% (average 24-26E). The cost of equity is derived from a risk-free rate of 3.9% (Italian 10Y BTP rate), an equity risk premium of 5.3% (Damodaran, Italy ERP based on CDS spreads), and a size and liquidity premium of 3.1% (Duff & Phelps). These inputs imply a WACC of 12.4%.

We discounted 2026E–29E annual cash flow and considered a terminal growth rate of 2.5%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

### DCF Valuation

€ Million	FY26E	FY27E	FY28E	FY29E
<b>EBIT</b>	<b>4.1</b>	<b>5.5</b>	<b>6.8</b>	<b>7.8</b>
Taxes	(0.9)	(1.4)	(1.9)	(2.2)
D&A	2.4	2.6	2.7	2.7
Change in Net Working Capital	1.1	(0.2)	(1.2)	(0.8)
Change in Funds	0.5	0.5	0.5	0.5
<b>Net Operating Cash Flow</b>	<b>7.3</b>	<b>7.1</b>	<b>6.9</b>	<b>8.1</b>
Capex	(3.0)	(3.0)	(3.0)	(3.0)
<b>FCFO</b>	<b>4.3</b>	<b>4.1</b>	<b>3.9</b>	<b>5.1</b>
g	2.5%			
Wacc	12.4%			
<b>FCFO (discounted)</b>	<b>3.9</b>	<b>3.3</b>	<b>2.8</b>	<b>3.3</b>
Discounted Cumulated FCFO	13.4			
TV	52.6			
TV (discounted)	34.0			
<b>Enterprise Value</b>	<b>47.4</b>			
NFP FY25	(5.8)			
Minorities	0.2			
<b>Equity Value</b>	<b>53.0</b>			
Current number of shares (mn)	12.9			
<b>Value per share (€)</b>	<b>4.11</b>			

Source: Company data, KT&Partners' elaboration

### Sensitivity Analysis (€mn)

€ Million		WACC				
		12.9%	12.7%	12.4%	12.2%	11.9%
Terminal growth Rate	2.0%	49.1	50.1	51.2	52.3	53.5
	2.3%	49.9	51.0	52.1	53.3	54.5
	2.5%	50.7	51.8	53.0	54.2	55.5
	2.8%	51.6	52.7	54.0	55.2	56.6
	3.0%	52.5	53.7	55.0	56.3	57.7

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 Tokyo Stock Exchange (6954) with market cap of €29bn, Fanuc develops and manufactures CNC systems, servo motors, drives, and laser systems through its Factory Automation (FA) division, which holds 65% global CNC market share. Like Esautomation, it offers complete CNC solutions with lifetime maintenance support through 270+ service locations globally. In 2025, the company revenues reached €4.5bn, €1.1bn from the FA division.
- **Dassault Systèmes SE:** listed on Euronext Paris (DSY-FR) with market capitalization of €24bn, Dassault Systèmes provides CAD/CAM software and PLM solutions via its 3DEXPERIENCE platform, serving industrial equipment manufacturers with design, manufacturing, and simulation applications. Like Esautomation, it serves the machine tool ecosystem, though Dassault operates at the software layer above CNC hardware rather than providing integrated mechatronic systems. In 2025, the company revenues reached €6.2bn.
- **Renishaw plc:** listed on London Stock Exchange (RSW-GB) with market capitalization of €3.0bn. Renishaw manufactures precision measurement systems, position encoders, and machine tool probes for CNC automation and motion control applications. The company supplies automated tool setting systems, in-process inspection solutions, and calibration systems that optimize CNC machine performance, with products integrating across multiple CNC vendor platforms. In FY25 the company revenues reached €0.8bn.
- **Hexagon AB Class B:** listed on Stockholm Stock Exchange (HEXA.B) with market capitalization of €22bn. Hexagon operates a Manufacturing Intelligence division, combining metrology hardware with CAD/CAM software for CNC toolpath generation and quality management. The company provides end-to-end manufacturing solutions from design through production and inspection, with digital twin platforms connecting design, simulation, and manufacturing execution for aerospace, automotive, and industrial equipment sectors. In 2025, the company revenues reached €5.4bn.
- **Omron Corporation:** listed on Tokyo Stock Exchange (6645) with market capitalization of €5.0bn. Omron is a technology provider in industrial automation, healthcare, and electronic components. The company offers machine automation controllers, motion control systems (servo motors, drives), PLCs, sensors, HMIs, and safety components via its Sysmac platform for discrete manufacturing including packaging, automotive assembly, and electronics production. In FY25, revenues reached €4.5bn.
- **Rockwell Automation, Inc.:** listed on the NYSE, with a market capitalization of €35bn, Rockwell 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 2025, the company revenues reached €7.2bn.

## DISCLAIMER

THIS DOCUMENT WAS PREPARED BY MICHELE FILIPPIG – VICE PRESIDENT – ON BEHALF OF KT&PARTNERS S.R.L., WITH REGISTERED OFFICE AT VIA DELLA POSTA 10, MILAN, ITALY, MILAN COMPANY REGISTER NO. 1926922, SPECIALIZING IN FINANCIAL RESEARCH AND ANALYSIS (HEREINAFTER, “KT&PARTNERS”).

NO OTHER PEOPLE OR COMPANY CONTRIBUTED TO THE RESEARCH. NEITHER THE MEMBERS OF THE RESEARCH TEAM, NOR ANY PERSON CLOSELY ASSOCIATED WITH THEM HAVE ANY RELATIONSHIPS OR ARE INVOLVED IN CIRCUMSTANCES THAT MAY REASONABLY BE EXPECTED TO IMPAIR THE OBJECTIVITY OF THE RESEARCH, INCLUDING INTERESTS OR CONFLICTS OF INTEREST, ON THEIR PART OR ON THE PART OF ANY NATURAL OR LEGAL PERSON WORKING FOR THEM, WHO WAS INVOLVED IN PRODUCING THE RESEARCH.

FOR THIS PURPOSE, THE MEMBERS OF THE RESEARCH TEAM CERTIFY THAT: (I) THEY HAVE NOT RECEIVED AND WILL NOT RECEIVE ANY DIRECT OR INDIRECT COMPENSATION IN EXCHANGE FOR ANY VIEWS EXPRESSED IN THE RESEARCH; (II) THEY DO NOT OWN ANY SECURITIES AND/OR ANY OTHER FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY OR ANY FINANCIAL INSTRUMENT WHICH THE PRICE DEPENDS ON, OR IS LINKED TO ANY SECURITIES AND/OR ANY FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY; (III) NEITHER THE ANALYSTS NOR ANY MEMBER OF THE ANALYST’S HOUSEHOLD SERVE AS AN OFFICER, DIRECTOR OR ADVISORY BOARD MEMBER OF THE COMPANY.

KT&PARTNERS HAS IN PLACE AN EQUITY RESEARCH POLICY, IN ORDER TO RULE RESEARCH SERVICES IN COMPLIANCE WITH PARLIAMENT REGULATION (EU) NO.596/2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 958/2016 ON MARKET ABUSE. IN THIS POLICY, THERE ARE ALSO DESCRIBED THE ORGANIZATIONAL MECHANISMS ADOPTED BY KT&PARTNERS TO PREVENT AND PROFESSIONALLY MANAGE CONFLICTS OF INTEREST THAT MAY ARISE DURING THE PERFORMANCE OF THE RESEARCH. IN ANY CASE, CHINESE WALLS AND OTHER INFORMATION BARRIERS ARE IN PLACE TO AVOID THE EXCHANGE OF CONFIDENTIAL INFORMATION BETWEEN THE EQUITY RESEARCH DEPARTMENT AND OTHER SERVICES AREAS.

KT&PARTNERS PREPARED THIS DOCUMENT ON BEHALF OF ESAUTOMOTION SPA ACCORDING TO AN AGREEMENT ENTERED WITH THE SAME AND ON THE BASIS OF THE DATA AND PUBLIC INFORMATION PROVIDED BY THE SAME OR DERIVED FROM SOURCES DEEMED SERIOUS AND RELIABLE ON THE FINANCIAL MARKET BUT WHOSE ABSOLUTE TRUSTWORTHINESS, COMPLETENESS, AND ACCURACY CANNOT BE GUARANTEED. THE FEES AGREED FOR THIS RESEARCH DO NOT DEPEND ON THE RESULTS OF THE RESEARCH.

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

KT&PARTNERS RELEASED ESAUTOMOTION EQUITY RESEARCH UPDATE ON OCTOBER 24<sup>th</sup>, 2025, WITH A FAIR VALUE OF €4.48PS.

THIS DOCUMENT IS A SOURCE OF INFORMATION ONLY, AND IS NOT PART OF, AND IN NO WAY MUST BE CONSIDERED AN OFFER TO SELL, SUBSCRIBE OR TRADE, OR A SOLICITATION TO PURCHASE, SUBSCRIBE OR TRADE, FINANCIAL INSTRUMENTS/PRODUCTS, OR IN GENERAL TO INVEST, NOR MUST IT BE CONSIDERED ANY FORM OF CONSULTING FOR AN INVESTMENT IN FINANCIAL INSTRUMENTS.

THE INFORMATION PROVIDED IN THIS DOCUMENT MUST NOT BE UNDERSTOOD AS A REQUEST OR SUGGESTION TO CONDUCT OR CARRY OUT A SPECIFIC TRANSACTION.

EACH INVESTOR MUST FORM HIS/HER OWN OPINION BASED EXCLUSIVELY ON HIS/HER ASSESSMENT OF THE ADVISABILITY OF INVESTING. ANY INVESTMENT DECISION MADE ON THE BASIS OF THE INFORMATION AND ANALYSES IN THIS DOCUMENT IS THE EXCLUSIVE RESPONSIBILITY OF THE RECIPIENTS OF THIS DOCUMENT, WHO MUST CONSIDER THIS DOCUMENT MERELY AS A SOURCE OF INFORMATION AND ANALYSIS TO SUPPORT SUCH DECISION.

ANY OPINIONS, FORECAST OR ESTIMATES CONTAINED HEREIN CONSTITUTE A JUDGEMENT AS AT THE DATE OF THIS DOCUMENT, AND THERE CAN BE NO ASSURANCE THAT THE FUTURE RESULTS OF THE COMPANY AND/OR ANY FUTURE EVENTS WILL BE CONSISTENT WITH ANY OF SUCH OPINIONS, FORECAST OR ESTIMATES.

KT&PARTNERS MAKES NO EXPLICIT OR IMPLICIT GUARANTEE WITH RESPECT TO PERFORMANCE OR THE OUTCOME OF ANY INVESTMENT OR PROJECTIONS MADE.

THEREFORE, KT&PARTNERS, ITS REPRESENTATIVES AND/OR EMPLOYEES WILL NOT BE LIABLE FOR ANY EFFECT DERIVING FROM THE USE OF THIS DOCUMENT, AND HEREBY DECLINE ALL LIABILITY FOR ANY DIRECT OR INDIRECT DAMAGES, FINANCIAL OR OTHERWISE, DERIVING FROM ANY USE OF THE INFORMATION IT CONTAINS.

KT&PARTNERS AIMS TO PROVIDE CONTINUOUS COVERAGE OF THE COMPANY IN CONJUNCTION WITH ANY EXCEPTIONAL EVENT THAT OCCURS AFFECTING THE ISSUER'S SPHERE OF OPERATIONS AND IN ANY CASE AT LEAST TWICE PER YEAR.

IN THIS STUDY DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

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

KT&PARTNERS

Via della Posta, 10 – Piazza Affari, 20123 Milano – Italy  
Tel: +39.02.83424007 Fax: +39.02.83424011  
[segreteria@ktepartners.com](mailto:segreteria@ktepartners.com)