

EdiliziAcrobatica

Sector: Real Estate Services



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Growth goes on

EdiliziAcrobatica SpA (EDAC) is by far the Italian leader in outdoor maintenance and renovation of real estate assets, through an innovative double safety rope and no use of scaffoldings technique.

9M23 Revenues (gross of banking fees): €118mn, +6% y/y

EDAC has reported unaudited data for 9M23 Revenues (gross of banking fees) standing at ca. €118mn, up 6% y/y and confirming the growth rate of 1H23 y/y. Standalone, 3Q23 came out at ca. €40mn (+7% y/y). In terms of 9M23 sales breakdown, we highlight the strong performance of Energy Acrobatica and Enigma Capital, more than offsetting the weaker results of EdiliziAcrobatica SPA and of the French subsidiary. More in details:

- ◆ EdiliziAcrobatica SPA (Italy, parent company) reporting ca. €86mn revenues, -17% y/y due to the stop of invoice discounting on Bonus Facciate and the adverse weather conditions of 2Q23;
- ◆ Energy Acrobatica (now focused on energy efficiency projects) reporting €23.4mn sales, >6x y/y vs. €3.7mn in 9M22;
- ◆ Enigma Capital contributing €4.4mn revenues, despite being consolidated only since the end of March 2023;
- ◆ France at €3.1mn (-14% vs. 9M22 €3.6mn) due to lack of workers;
- ◆ Spain at €0.91mn vs. €0.71mn in 9M22 (+28% y/y).

Becoming larger and larger

We remind that 9M22 results were still impacted by invoice discounting on fiscal aids works, therefore 9M23 figures are good signs of business resiliency and development. EDAC was indeed able to (i) acquire much more orders y/y (+53%), (ii) secure a massive client base (+78% y/y), (iii) enlarge the number of directly managed branches (Italian BUs at 97 from 82 in 9M22), (iv) increase the number of employees by 1/3 (from 1,590 in 9M22 to 2,373 in 9M23) and (v) drive innovative commercial (partnership with Banca Sella), internationalization (acquisition of 51% of Enigma Capital) and diversification (Energy Acrobatica to surf the opportunities from the *Energy Performance of Buildings Directive*) strategies.

9M23 consistent with our estimates: forecasts confirmed

We confirm our estimates, which for 2025E entail VoP at €198.3mn (14% CAGR_{22A-25E}), EBITDA at €35.1mn (EBITDA Margin at ca. 18%) and Net Debt at €18.5mn, after 17.4mn cumulated dividends.

Fair Value confirmed at €20.00 p/s

We confirm EDAC fair value at €20,00 p/s. At fair value the stock would trade at 1.1x EV/Sales, 6.5x EV/EBITDA, 13.7x P/E 2024E.

Fair Value (€)	20.00
Market Price (€)	13.00
Market Cap. (€m)	108.1

KEY FINANCIALS (€m)	2022A	2023E	2024E
VALUE OF PRODUCTION	134.5	154.6	177.5
EBITDA	34.0	24.0	30.2
EBIT	28.4	16.0	21.8
NET PROFIT	14.7	8.1	12.2
EQUITY	33.8	31.5	43.0
NET FIN. POS.	-5.0	-42.6	-30.6
EPS ADJ. (€)	1.8	1.0	1.5
DPS (€)	1.3	0.4	0.4

Source: EdiliziAcrobatica (historical figures), Value Track (2023E-24E estimates)

RATIOS & MULTIPLES	2022A	2023E	2024E
EBITDA MARGIN (%)	25.3	15.5	17.0
EBIT MARGIN (%)	21.2	10.4	12.3
NET DEBT / EBITDA (x)	0.1	1.8	1.1
EV/SALES (x)	1.0	1.0	0.8
EV/EBITDA (x)	3.9	6.3	4.6
EV/EBIT (x)	4.7	9.4	6.3
P/E (x)	8.7	13.3	8.9
DIV YIELD (%)	8.4	3.1	3.1

Source: EdiliziAcrobatica (historical figures), Value Track (2023E-24E estimates)

STOCK DATA

FAIR VALUE (€)	20.00
MARKET PRICE (€)	13.00
SHS. OUT. (m)	8.32
MARKET CAP. (€m)	108.1
FREE FLOAT (%)	26.4
AVG. -20D VOL. (#)	9,705
RIC / BBG	EDAC.MI / EDAC IM
52 WK RANGE	11.95 – 18.50

Source: Stock Market Data



Business Description

EdiliziAcrobatica S.p.A. (EDAC) is active in the Italian market of real estate assets outdoor maintenance and renovation through an innovative approach based on the double safety rope tool. The company carries out maintenance works ranging from securing and prompt intervention, to renovation, installation, proofing, maintenance, and rebuilding, all executed without the use of scaffoldings or fixed-aerial solutions. Founded back as of 1994, the company has experienced a successful growth thus becoming nowadays the largest European company in its niche-segment.

Key Financials

€mn	2022A	2023E	2024E	2025E
Value of Production	134.5	154.6	177.5	198.3
Chg. % YoY	53.4%	15.0%	14.8%	11.7%
EBITDA	34.0	24.0	30.2	35.1
EBITDA Margin (%)	25.3%	15.5%	17.0%	17.7%
EBIT	28.4	16.0	21.8	26.4
EBIT Margin (%)	21.2%	10.4%	12.3%	13.3%
Net Profit	14.7	8.1	12.2	15.3
Chg. % YoY	32.2%	-44.8%	50.5%	25.4%
Adjusted Net Profit	14.7	8.1	12.2	15.3
Chg. % YoY	32.2%	-44.8%	50.5%	25.4%
Net Fin. Position	-5.0	-42.6	-30.6	-18.5
Net Fin. Pos. / EBITDA (x)	0.1	1.8	1.0	0.5
Capex	-10.0	-6.2	-6.7	-6.9
OpFCF b.t.	20.7	1.4	23.5	26.0
OpFCF b.t. as % of EBITDA (*)	60.8%	5.8%	77.8%	74.0%

Source: EdiliziAcrobatica (historical figures), Value Track (estimates)

Investment case

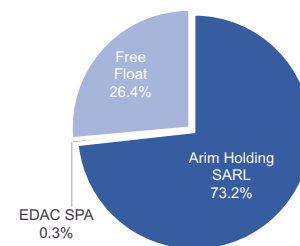
Strengths / Opportunities

- ◆ Innovative approach to “old” problems;
- ◆ Business model granting high scalability;
- ◆ Low level of capital expenditure.

Weaknesses / Risks

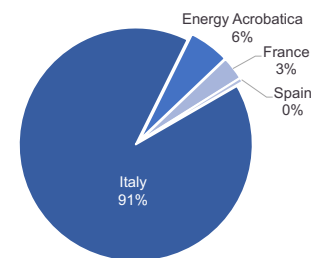
- ◆ Labor intensive business model, requiring highly-skilled workers;
- ◆ The company is braked in its (international) expansion by different regulatory landscapes;
- ◆ Credit collection takes long time, but bad debt risks are minimal.

Shareholders Structure



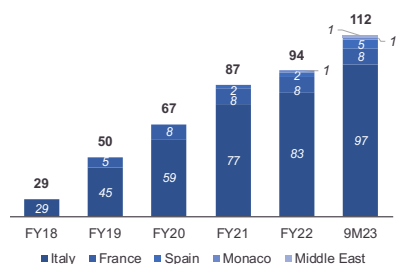
Source: EdiliziAcrobatica

Revenues by Geography



Source: EdiliziAcrobatica, Value Track, FY22

Directly Managed Branches



Source: EdiliziAcrobatica, Value Track, FY22

Stock Multiples @ €20.00 Fair Value

	2023E	2024E
EV / SALES (x)	1.3	1.1
EV / EBITDA (x)	8.7	6.5
EV / EBIT (x)	13.0	9.0
EV / CAP.EMP. (x)	2.8	2.7
OpFCF Yield (%)	0.7	12.0
P / E (x)	20.5	13.7
P / BV (x)	5.3	3.9
Div. Yield. (%)	2.0	2.0

Source: Value Track

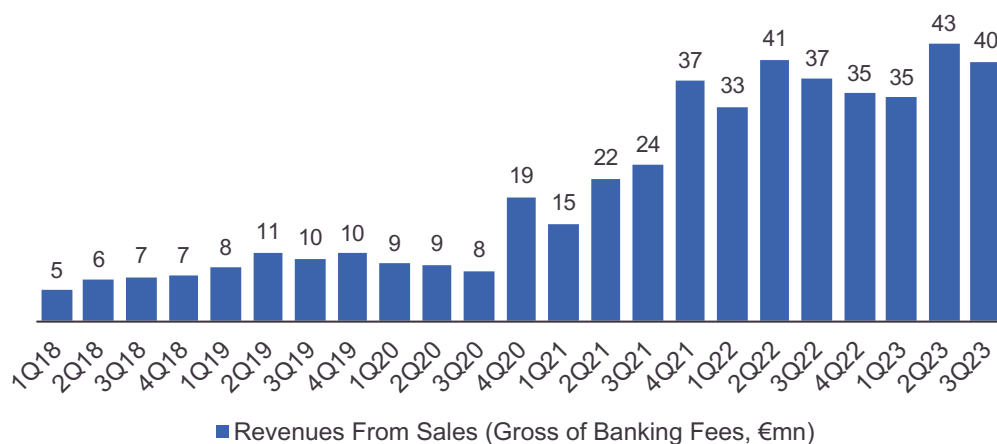
9M23 Revenues

EDAC: Revenues from Sales Breakdown 9M22-9M23

(IAS, €mn)	9M22	9M23	y/y
Italy (EdiliziAcrobatica SPA)	103.4	86.0	-16.7%
Energy Acrobatica (former EA 110)	3.7	23.4	>500%
France	3.6	3.1	-13.8%
Spain	0.7	0.9	28.3%
Middle-East (Enigma Capital)	//	4.4 (*)	nm
Revenues from Sales – Gross of Banking Fees	111.4	117.8	5.8%

Source: EdiliziAcrobatica, Value Track Analysis, (*) Consolidated since the end of March 2023

EDAC: Revenues from Sales (Gross of Banking Fees) by Quarters



Source: EdiliziAcrobatica, Value Track Analysis

EDAC: Revenues from Sales by Geographic Area / Entity 9M22 vs. 9M23



Source: EdiliziAcrobatica, Value Track Analysis

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