



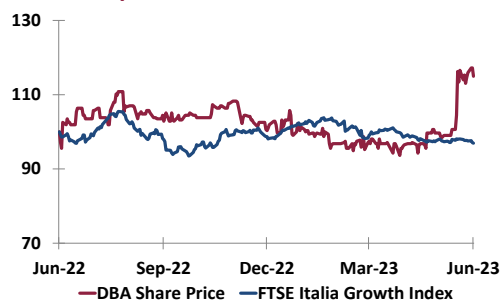
On the road again, looking at massive energy transition

OUTPERFORM

Current Share Price (€): 1.81

Target Price (€): 3.30

DBA Group - 1Y Performance



Source: S&P Capital IQ - Note: 21/06/2022=100

Company data

ISIN number	IT0005285942
Bloomberg code	DBA IM
Reuters code	DBA.MI
Sector	Engineering & IT Consulting
Stock market	Euronext Growth Milan
Share Price (€)	1.81
Date of Price	21/06/2023
Shares Outstanding (m)	11.5
Market Cap (€m)	20.8
Market Float (%)	56.7%
Daily Volume	24,300
Avg Daily Volume YTD	22,105
Target Price (€)	3.30
Upside (%)	83%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
DBA - Absolute (%)	15%	17%	13%	15%
FTSE Italia Growth (%)	-1%	-3%	-1%	-3%
1Y Range H/L (€)			1.84	1.47
YTD Change (€)/%			0.24	15%

Source: S&P Capital IQ

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Stock overperformance in 2023

Over the last 12 months DBA share price experienced a rally overperforming the market until 2023, when stocks moved closer to the Italia Growth index trend; recent management guidelines announcement pushed stocks up.

FY22: growing as expected, improved profitability

DBA consolidated revenues in FY22 were €84.5m, +7% YoY, driven by the Engineering & Project Management BU growth (+14% YoY). Value of Production at €85.4m, +7% YoY and in line with management guidance, almost equally shared between the Engineering & Project Management (€42.5m, 50% of VoP) and the Slovenian ICT (€40.3m, 47%) BUs. Adjusted EBITDA at €7.5m like FY21; reported EBITDA at €7.2m, 8.5% margin vs 6.1% in FY21, net of €0.3m reorganization costs after the C&G acquisition. Profitability improved due to higher operating margin on engineering and project management. EBIT at €3.4m vs €0.4m in FY21, after €2.5m D&A and €1.3m goodwill amortization. Net income was €0.6m, vs €(0.7)m loss in FY21, after €1.3m write-down of equity investment; net income adjusted for goodwill amortization and write-down would be €3.2m. TWC was €18.7m, steadily around 20% of revenues. Net financial debt from €11.3m as of June 2022 to €12.6m as of year-end 2022.

Outlook: green turn in 2023

In the short-medium term, the corporate strategy points to a target share of the energy transition market, focusing on national projects supported by NRRP, such as renewable energies, green hydrogen production, development of renewable energy communities and electric vehicle charging stations.

Management guidelines: digital and energy transition

Management released its 2023-26E guidance, focused on the two main pillars of Next Generation EU and New Green Deal EU. Drivers are organic growth and M&A, with about €10m investments in the forecasting period, targeting also other European countries. Guidelines include improved margins, through group process digitalization and reorganization. Revenues up to over €135m and EBITDA margin over 11% in 2026.

Estimates update

FY22 performance has been in line with our estimates and management guidelines. We recall that latest FY23 management guidance is €105m VoP, (+23% YoY, propelled by recent acquisition and new partnerships ahead) and €10.3m EBITDA. We have updated our estimates by factoring in guidelines with some conservative assumptions.

Target price of €3.30 and rating OUTPERFORM confirmed

DBA performance and 2023-26E perspective are in line with our expectations. Updated estimates and valuation concur in confirming the €3.30 target price, +83% potential upside on current price, and the OUTPERFORM rating.

KEY FINANCIALS AND ESTIMATES

€m	2020	2021	2022	2023E	2024E	2025E
Revenues	70.9	78.8	84.5	100.6	107.6	115.1
YoY %	19%	11%	7%	19%	7%	7%
Adj. EBITDA	4.4	7.4	7.5	9.7	11.1	12.1
Margin	6%	9%	9%	10%	10%	10%
EBIT	(0.7)	0.4	3.4	5.3	5.7	7.5
Margin	-1%	0%	4%	5%	5%	7%
Net Income (Loss)	(1.3)	(0.7)	0.6	3.3	3.6	4.9
Trade Working Capital	20.9	15.9	18.7	20.8	23.3	27.2
Net (Debt) Cash	(16.4)	(10.3)	(12.6)	(12.7)	(12.6)	(13.2)
Equity	19.3	18.5	19.5	22.8	26.4	31.3

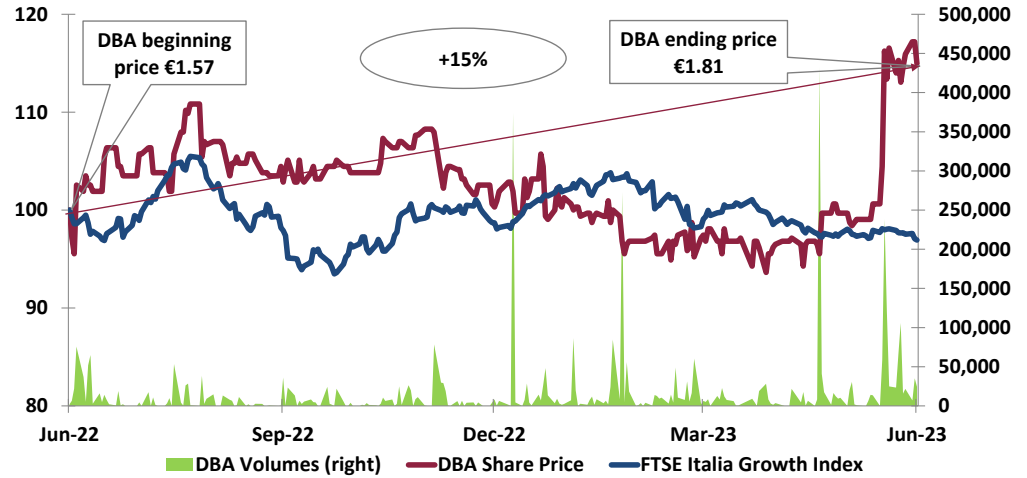
Source: Company data 2020-22A, EnVent Research 2023-25E

Market update

DBA Group - 1Y Share price performance and trading volumes

Trading price range €1.47-1.84 per share

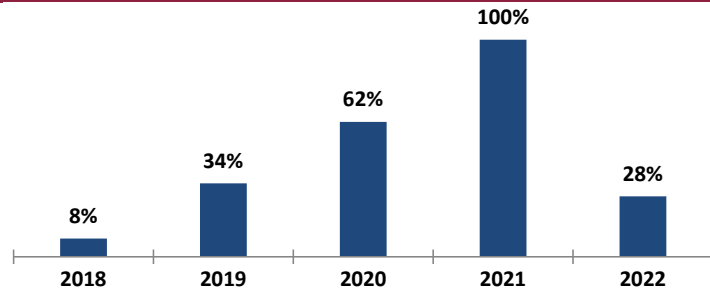
DBA mostly overperforming the Italia Growth Index



Source: EnVent Research on S&P Capital IQ - Note: 21/06/2022=100

DBA Group - Liquidity analysis and velocity turnover

In 2021 highest trading volumes

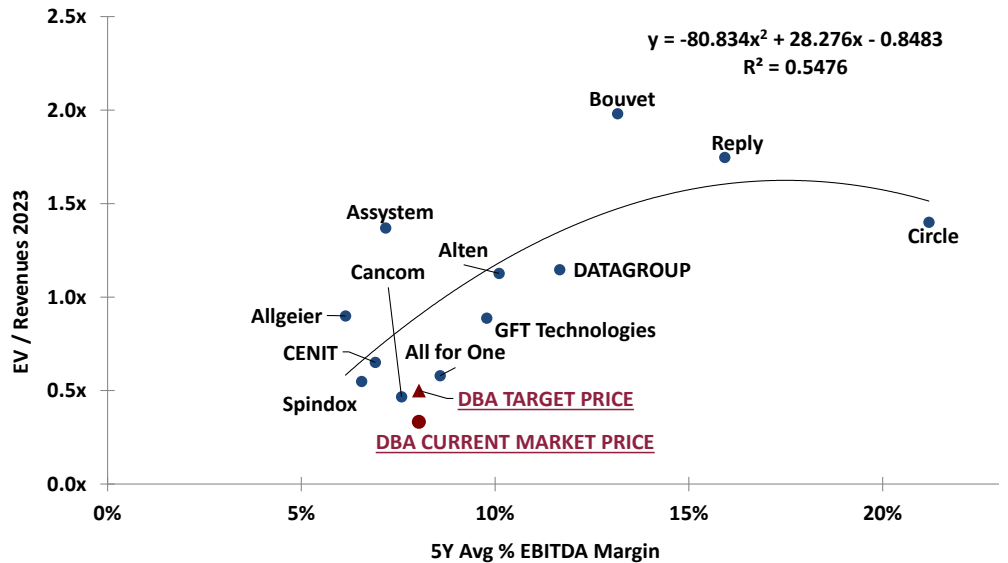


Source: EnVent Research on S&P Capital IQ - Velocity turnover=ratio of tot. traded shares to tot. ordinary shares

Peer group - Regression analysis and DBA target positioning

Polynomial regression to represent correlation of revenue multiples regardless of diverging profitability

Wide discount to peers, despite low comparability



Source: EnVent Research on S&P Capital IQ, June 2023

Investment case

The mission critical network infrastructure specialist

30 years of history, >700 people, 7 acquisitions

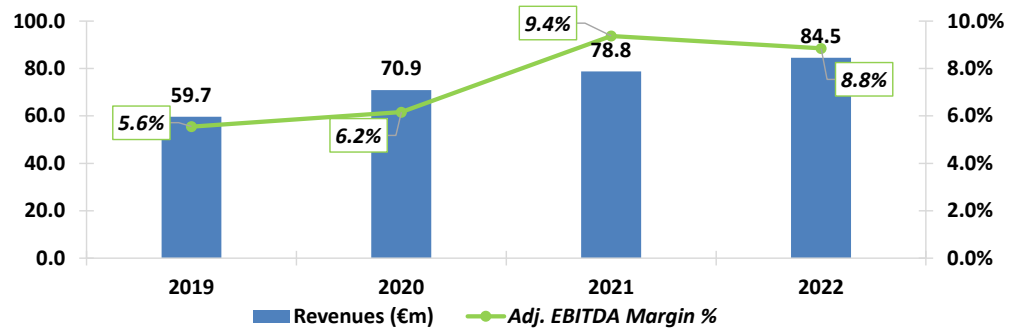
Strategy

DBA, listed on Euronext Growth Milan, is an Italian technology consulting group specialized in mission critical infrastructure connectivity and lifecycle management. DBA operates through three BUs: Engineering & Project Management, ICT Slovenia, ICT Italy. The business model is a combination and synergy of multidisciplinary teams providing conception, planning, digitalization, connectivity, operation and maintenance of critical infrastructures. The client portfolio is diversified across industries: Telco, Transportation and Logistics, Energy, Oil & Gas, Real Estate.

Founded in 1991, DBA got listed in 2017, then grew organically and through 7 acquisitions supporting business mix and geographical diversification.

Main strategic goals are concentrating on infrastructure lifecycle management, increasing the exposure on the Italian and European markets and capturing the opportunities from infrastructure and energy investment plans, and digital transition, also through M&A.

Historical Revenues and EBITDA



Source: Company data

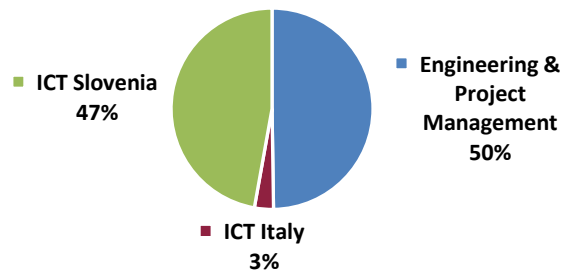
Industry and Company drivers

- Global investments in infrastructure and connectivity
- Ultra-broadband evolution calls for new expansion cycles
- IoT emerging as the third wave of internet development
- Global urbanization and mobility trends
- Integrated business model built around infrastructure lifecycle
- A defensive engineering consulting operator
- Meticulous M&A and integration of acquired companies
- Management-shareholder alignment of interests

Challenges

- Infrastructure investment cycles
- Revenue concentration
- Delays in projects and execution delivery risk
- Increasing competition
- Staff utilization, charge-out rates and retention rates

Revenue breakdown by BU, 2022



Source: Company data

Business update

- January 2023: Engineering and project management services for wharfs electrification in the port of Civitavecchia
- February 2023: Provision of IT infrastructure to the Slovenian Ministry of Labour, Family, Social Affairs and Equal Opportunities
- April 2023: Engineering and project management for SETA SpA hydrogen dispensing systems in Modena
- April 2023: Engineering and project management services for new breakwater and three *cold ironing* systems in the port of Taranto

Management guidelines 2023-26E

In June 2023 DBA's management released the 2023-26E guidance: revenue and EBITDA growth expectations (respectively 12.3% and 22% CAGR 2022-26E) rely on the expected demand for engineering and ICT services boosted by Next Generation EU and New Green Deal EU, consolidating current market position and targeting new European countries. Expected 2026 results breakdown by BU:

- Engineering: €86.1m revenue and €12.3m EBITDA
- ICT Slovenia: €45.7m revenue and €3.6m EBITDA
- ICT Italy: €3.9m revenue, EBITDA at breakeven

Digital transition

Leveraging on its consolidated experience in TLC networks and Ultra-wideband development, DBA aims to exploit NRRP opportunities, enhancing Building Information Modeling methodology use in architecture, engineering and project management services for IT Infrastructure.

Energy transition

- Transformation of existing facilities and development of new facilities to deliver sustainable energy sources: electric, geothermal and hydrogen
- Electricity transmission and distribution
- Environmental impact improvement of transport and logistic infrastructures

Financial guidelines 2023-26E

Management guidance 2023-26E (June 2023)			
€m	2022A	2023E	2026E
Total Revenues (incl. capitalization of intangibles)	85.4	105.0	135.7
EBITDA	7.5	10.3	15.9
<i>Margin</i>	<i>8.8%</i>	<i>9.8%</i>	<i>11.7%</i>
Net (Debt) Cash	(12.6)	(12.3)	(13.4)
<i>Net Debt/EBITDA</i>	<i>1.7x</i>	<i>1.2x</i>	<i>0.8x</i>

Source: Company data

Industry outlook

Major target industries and markets in DBA portfolio are expected to keep growing in the short/mid-term.

- **Infrastructure.** According to Italian export credit agency Sace, Italian expenditure in infrastructure is expected to grow at a 2.6% CAGR between 2021-26 (vs Eurozone average +2.2%), with the highest growth expected for airports and railways (3.8% vs 1.7% in Eurozone), fueled by exceptional availability of resources: in 2021-31 total investment for infrastructure is expected at €100bn, coming from National Recovery and Resilience Plan funds and from national resources.
- **Energy.** 2022 energy crisis, started with geopolitical tension due to the Russian-Ukraine conflict, is pressuring the energy industry, which was already stirred by the sustainability shift imposed by political authority to face the climate change. In Europe, energy transition investments are still far from the “Net zero by 2050” target, also partly slowed by the pandemic, while emerging and developing economies are still lagging behind. According to the international renewable energy agency Irena, wind and solar photovoltaic will lead the transformation, supplying 42% of global electricity generation by 2030 from slightly over 10% in 2022. According to industry association ChargeUp Europe, total EU charging points stock is estimated to reach nearly 30m units by 2030 from 3m in 2021, but massive investments to support EV fleet are needed.
- **Broadband and connectivity.** Italy is continuing in its digitalization path: fiber deployment reached 48% of homes, but there is still a gap in FTTH adoption. According to FTTH Council Europe, the number of FTTH subscribers in Italy is expected to grow up to 11.4m by 2027, at a 27% 2022-27E CAGR.
- **Data Centers.** The European data center market is expected to grow up to €60bn, at 5.5% 2022-27E CAGR, according to Research and Markets. Italy leverages its position as connection point between Europe, Middle East and Africa. Projections by Politecnico di Milano estimate within 2024 the development of 21 additional data center facilities, from 165 in 2022, and around 70 market players.
- **ICT.** Some ICT segments and investments were pushed by Covid-19 pandemic, such as cloud and smart working support, which recorded a strong increase in investments. The digital transformation is unfolding in businesses, which are

becoming more and more data-driven and need to be organized to react immediately to changing market conditions. According to market consensus and industry outlooks, this change asks for a new kind of IT consulting services, built on the drivers/pillars of current stage of digital transformation: Cloud Computing, Big Data and Analytics, Mobility and Social Business.

Sources:

Sace, *Focus On - Ieri, oggi e domani: le infrastrutture in Italia*, 2022

International Energy Agency, *Global Energy Transitions Stocktake*, 2022

Irena, *World Energy Transitions Outlook 2022*, 2022

ChargeUp Europe, *State of the Industry*, 2022

FTTH Council Europe, *FTTH Adoption Drivers and Hurdles in Europe*, 2023

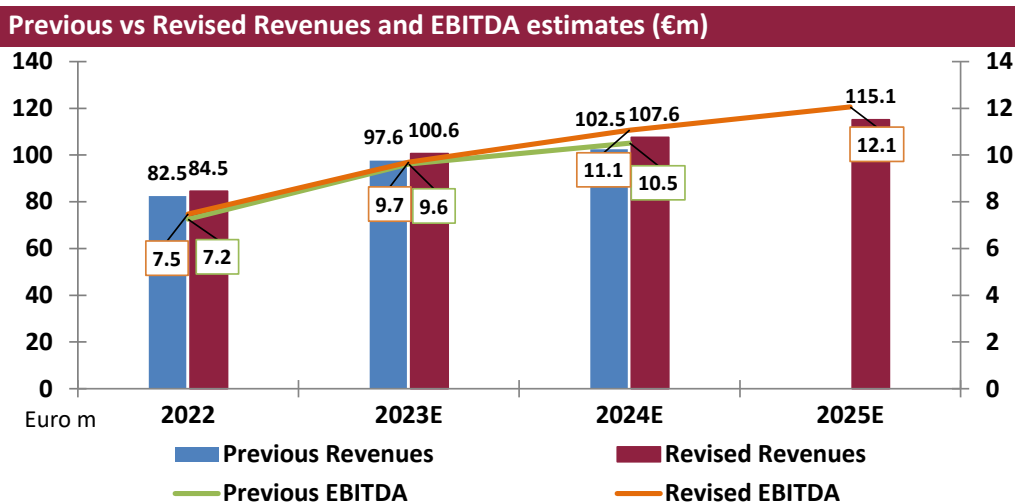
Politecnico di Milano – Osservatori.net, *Data Center: il sistema nervoso dell'Italia digitale*, 2023

Research and Markets, *Europe Data Center Market – Industry Outlook & Forecast 2022-2027*, 2022

Estimates revision

DBA FY22 results have been overall consistent with our revenue and profitability estimates and with 2022 management guidelines. We have updated our estimates by factoring in guidelines with some conservative assumptions, fine-tuning TWC and capex to factor in the recent dynamics; we also add 2025E to the forecasting period assuming consistent growth.

Change in estimates



Source: EnVent Research

€m	Revised				Previous			Change %		
	2022	2023E	2024E	2025E	2022E	2023E	2024E	2022	2023E	2024E
Total Revenues	84.5	100.6	107.6	115.1	82.5	97.6	102.5	2%	3%	5%
EBITDA	7.5	9.7	11.1	12.1	7.2	9.6	10.5	3%	1%	5%
<i>Margin</i>	9%	10%	10%	10%	9%	10%	10%			
EBIT	3.4	5.3	5.7	7.5	1.4	4.0	4.5	151%	33%	26%
<i>Margin</i>	4%	5%	5%	7%	2%	4%	4%			
Net Income (Loss)	0.6	3.3	3.6	4.9	0.7	2.5	2.9	-5%	30%	22%
Net (Debt) Cash	(12.6)	(12.7)	(12.6)	(13.2)	(13.1)	(12.1)	(6.9)			

Source: EnVent Research

Financial projections

Consolidated Profit and Loss

€m	2020	2021	2022	2023E	2024E	2025E
Revenues	70.9	78.8	84.5	100.6	107.6	115.1
YoY %	18.9%	11.1%	7.2%	19.0%	7.0%	7.0%
Personnel	(24.0)	(25.1)	(27.3)	(31.4)	(33.3)	(35.9)
Services	(23.0)	(26.9)	(31.8)	(38.2)	(40.9)	(43.8)
Other operating costs	(19.6)	(19.4)	(18.0)	(21.3)	(22.4)	(23.5)
Operating costs	(66.6)	(71.4)	(77.0)	(90.9)	(96.5)	(103.1)
Adjusted EBITDA	4.4	7.4	7.5	9.7	11.1	12.1
Margin	6.2%	9.4%	8.8%	9.6%	10.3%	10.5%
Non-recurring costs	(0.5)	(2.6)	(0.3)	0.0	0.0	0.0
EBITDA	3.9	4.8	7.2	9.7	11.1	12.1
Margin	5.5%	6.1%	8.5%	9.6%	10.3%	10.5%
D&A	(3.1)	(2.9)	(2.5)	(2.8)	(3.3)	(2.5)
EBITA	0.8	1.9	4.7	6.9	7.8	9.6
Margin	1.1%	2.4%	5.6%	6.9%	7.2%	8.3%
Goodwill amortization	(1.4)	(1.5)	(1.3)	(1.7)	(2.1)	(2.1)
EBIT	(0.7)	0.4	3.4	5.3	5.7	7.5
Margin	-0.9%	0.5%	4.0%	5.2%	5.3%	6.5%
Interest	(0.6)	(0.7)	(0.4)	(0.7)	(0.7)	(0.7)
Writedown of shareholding after imp test	0.0	0.0	(1.3)	0.0	0.0	0.0
EBT	(1.2)	(0.3)	1.7	4.6	5.0	6.8
Margin	-1.7%	-0.4%	2.0%	4.6%	4.7%	5.9%
Income taxes	(0.1)	(0.4)	(1.1)	(1.3)	(1.4)	(1.9)
Net Income (Loss)	(1.3)	(0.7)	0.6	3.3	3.6	4.9
Margin	-1.9%	-0.9%	0.7%	3.3%	3.4%	4.3%

Source: Company data 2020-22A, EnVent Research 2023-25E

Consolidated Balance Sheet

€m	2020	2021	2022	2023E	2024E	2025E
Work in progress	4.5	4.4	5.0	6.1	6.5	6.9
Inventory	0.6	1.3	2.0	2.0	2.0	2.0
Trade receivables	28.2	29.0	29.1	33.6	36.0	38.5
Trade payables	(12.4)	(18.8)	(17.5)	(20.9)	(21.1)	(20.2)
Trade Working Capital	20.9	15.9	18.7	20.8	23.3	27.2
Other assets (liabilities)	(2.5)	(3.3)	(3.5)	(3.8)	(4.1)	(4.4)
Net Working Capital	18.5	12.5	15.2	17.0	19.2	22.8
Intangible assets	6.6	6.3	6.1	5.9	5.4	5.4
Goodwill	8.7	7.9	5.8	7.8	9.9	11.8
Property, plant and equipment	3.5	3.4	3.8	4.0	3.8	4.1
Equity investments and financial assets	0.6	1.0	3.5	3.5	3.5	3.5
Non-current assets	19.3	18.6	19.2	21.2	22.6	24.8
Provisions	(2.1)	(2.3)	(2.4)	(2.7)	(2.8)	(3.0)
Net Invested Capital	35.8	28.8	32.1	35.5	39.0	44.5
Net Debt (Cash)	16.4	10.3	12.6	12.7	12.6	13.2
Equity	19.3	18.5	19.5	22.8	26.4	31.3
Sources	35.8	28.8	32.1	35.5	39.0	44.5

Source: Company data 2020-22A, EnVent Research 2023-25E

Consolidated Cash Flow

€m	2020	2021	2022	2023E	2024E	2025E
EBIT	(0.7)	0.4	3.4	5.3	5.7	7.5
Current taxes	(0.1)	(0.4)	(1.1)	(1.3)	(1.4)	(1.9)
D&A	4.1	4.3	3.8	4.4	5.4	4.6
Provisions	0.1	0.3	0.0	0.3	0.2	0.2
Cash flow from P&L operations	3.4	4.6	6.1	8.7	9.8	10.3
Trade Working Capital	(1.0)	5.1	(2.8)	(2.1)	(2.5)	(3.9)
Capex - intangibles	(1.2)	(1.2)	(1.1)	(1.2)	(1.2)	(1.2)
Capex - acquisitions	(0.2)	(0.7)	(0.5)	(3.7)	(4.1)	(4.0)
Capex - PPE	(1.4)	(1.3)	(1.6)	(1.5)	(1.5)	(1.5)
Other assets and liabilities	(0.3)	0.9	0.1	0.3	0.3	0.3
Operating cash flow after WC and capex	(0.6)	7.3	0.2	0.6	0.7	0.0
Interest	(0.6)	(0.7)	(0.4)	(0.7)	(0.7)	(0.7)
Equity investments and financial assets	0.1	(0.4)	(2.5)	0.0	0.0	0.0
Paid-in Capital - IPO proceeds (2017)	0.0	0.0	0.0	0.0	0.0	0.0
Capex - IPO costs	(0.0)	0.0	0.0	0.0	0.0	0.0
Changes in Equity	(0.5)	(0.1)	0.4	0.0	0.0	0.0
Net cash flow	(1.6)	6.2	(2.3)	(0.1)	0.1	(0.6)
Net (Debt) Cash - Beginning	(14.8)	(16.4)	(10.3)	(12.6)	(12.7)	(12.6)
Net (Debt) Cash - End	(16.4)	(10.3)	(12.6)	(12.7)	(12.6)	(13.2)
Change in Net (Debt) Cash	(1.6)	6.2	(2.3)	(0.1)	0.1	(0.6)

Source: Company data 2020-22A, EnVent Research 2023-25E

Ratio analysis

KPIs	2020	2021	2022	2023E	2024E	2025E
ROE	-7%	-4%	3%	14%	14%	16%
ROS (EBIT/Revenues)	-1%	0%	4%	5%	5%	7%
ROIC (NOPAT/Invested Capital)	2%	5%	16%	0%	0%	0%
DSO	121	111	104	100	100	100
DPO	87	121	105	105	100	90
TWC/Revenues	30%	20%	22%	21%	22%	24%
NWC/Revenues	26%	16%	18%	17%	18%	20%
Net Debt/EBITDA	3.8x	1.4x	1.7x	1.3x	1.1x	1.1x
Net Debt/Equity	0.8x	0.6x	0.6x	0.6x	0.5x	0.4x
Net Debt/(Net Debt+Equity)	0.5x	0.4x	0.4x	0.4x	0.3x	0.3x
Cash flow from P&L operations/EBITDA	78%	62%	81%	90%	88%	86%
FCF/EBITDA	neg	99%	3%	6%	7%	0%
Per-capita revenue (€k)	111	108	112	111	119	127
Per-capita cost (€k)	41	39	41	40	42	46
Basic EPS (€)	neg	neg	0.05	0.29	0.31	0.43

Source: Company data 2020-22A, EnVent Research 2023-25E

Valuation

For the valuation of DBA we keep applying the DCF method. As an additional value indication, we also run our valuation through market multiples by BU under the sum of the parts approach.

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.7% (Italian 10-year government bonds interest rate - last 30 days average. Source: Bloomberg, June 2023)
- Market return: 11.7% (last 30 days average. Source: Bloomberg, June 2023)
- Market risk premium: 8%
- Beta: 1 (judgmental in absence of reliable comparable figures)
- Cost of equity: 11.7%
- Cost of debt: 4% (Source: average historical rate)
- Tax rate: 24% (IRES)
- 30% debt/(debt + equity) as target capital structure
- WACC calculated at 9.1%
- Perpetual growth rate after explicit projections (G): 2.5%
- Terminal Value assumes an EBITDA margin of 8%

€m	DCF valuation						
	2020	2021	2022	2023E	2024E	2025E	Perpetuity
Revenues	70.9	78.8	84.5	100.6	107.6	115.1	118.0
EBITDA	4.4	7.4	7.5	9.7	11.1	12.1	9.4
<i>Margin</i>	6.2%	9.4%	8.8%	9.6%	10.3%	10.5%	8.0%
EBITA	0.8	1.9	4.7	6.9	7.8	9.6	6.9
<i>Margin</i>	1.1%	2.4%	5.6%	6.9%	7.2%	8.3%	5.9%
Taxes	(0.2)	(0.5)	(1.3)	(1.9)	(2.2)	(2.7)	(1.9)
NOPAT	0.6	1.3	3.4	5.0	5.6	6.9	5.0
D&A	3.1	2.9	2.5	2.8	3.3	2.5	2.5
Provisions	0.1	0.3	0.0	0.3	0.2	0.2	0.0
Cash flow from operations	3.8	4.5	5.9	8.1	9.1	9.6	7.5
Trade Working Capital	(1.0)	5.1	(2.8)	(2.1)	(2.5)	(3.9)	(0.6)
Capex	(2.7)	(3.2)	(3.2)	(6.4)	(6.8)	(6.7)	(2.5)
Other assets and liabilities	(0.3)	0.9	0.1	0.3	0.3	0.3	0.0
Unlevered free cash flow	(0.3)	7.3	0.0	(0.0)	0.0	(0.7)	4.4
Free cash flow to be discounted				(0.0)	0.0	(0.7)	4.4
WACC	9.1%						
Long-term growth (G)	2.5%						
Discounted Cash Flows				(0.0)	0.0	(0.5)	
Sum of Discounted Cash Flows	(0.6)						
Terminal Value							66.1
Discounted TV	50.9						
Enterprise Value	50.3						
Net Debt as of 31/12/22	(12.6)						
Minorities as of 31/12/22	(0.1)						
Equity Value	37.7						

Source: EnVent Research

DCF - Implied multiples	2020	2021	2022	2023E	2024E	2025E
EV/Revenues	0.7x	0.6x	0.6x	0.5x	0.5x	0.4x
EV/EBITDA	11.5x	6.8x	6.7x	5.2x	4.5x	4.2x
EV/EBITA	65.2x	26.9x	10.7x	7.2x	6.5x	5.3x
P/E	neg	neg	60.3x	11.4x	10.4x	7.7x
Discount of current market price vs DCF -33%						
Current market price - Implied multiples	2020	2021	2022	2023E	2024E	2025E
EV/Revenues	0.5x	0.4x	0.4x	0.3x	0.3x	0.3x
EV/EBITDA	7.8x	4.6x	4.5x	3.5x	3.1x	2.8x
EV/EBITA	43.9x	18.2x	7.2x	4.9x	4.4x	3.5x
P/E	neg	neg	34.0x	6.4x	5.9x	4.3x

Source: EnVent Research

Sum of the Parts valuation on market multiples per business unit

Market multiples

Company	EV/REVENUES			EV/EBITDA			EV/EBIT			P/E		
	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E
Core business peers												
Alten	1.2x	1.1x	1.0x	7.8x	9.0x	8.3x	9.4x	10.9x	10.0x	13.3x	15.2x	14.0x
Assystem	1.5x	1.4x	1.3x	14.6x	15.3x	13.7x	20.8x	22.9x	19.6x	16.5x	17.8x	15.4x
Circle	1.8x	1.4x	1.2x	6.2x	6.3x	5.1x	10.6x	9.9x	7.4x	na	na	na
Mean	1.5x	1.3x	1.2x	9.5x	10.2x	9.0x	13.6x	14.6x	12.3x	14.9x	16.5x	14.7x
Median	1.5x	1.4x	1.2x	7.8x	9.0x	8.3x	10.6x	10.9x	10.0x	14.9x	16.5x	14.7x
International IT consultants/system integrators												
Bouvet	2.0x	2.0x	1.8x	12.6x	13.2x	12.4x	15.1x	15.8x	14.6x	20.2x	21.6x	19.9x
Reply	2.0x	1.7x	1.6x	12.7x	11.0x	10.0x	15.3x	13.5x	12.1x	22.3x	19.3x	17.2x
Cancom	0.6x	0.5x	0.4x	6.1x	5.9x	4.9x	10.3x	10.8x	8.2x	20.0x	20.0x	15.9x
DATAGROUP	1.2x	1.1x	1.1x	7.8x	7.4x	6.9x	14.4x	12.7x	11.6x	19.4x	16.8x	15.3x
Allgeier	1.0x	0.9x	0.8x	7.7x	6.8x	5.8x	13.3x	10.8x	8.8x	16.4x	15.5x	10.1x
CENIT	0.7x	0.7x	0.6x	9.1x	6.8x	5.9x	18.1x	10.4x	9.2x	25.8x	20.9x	14.2x
GFT Technologies	1.0x	0.9x	0.8x	9.9x	7.7x	6.8x	13.0x	10.2x	8.7x	18.6x	14.8x	12.5x
Spindox	0.6x	0.5x	0.5x	7.5x	6.7x	5.7x	13.4x	10.8x	9.2x	18.7x	17.0x	13.4x
All for One	0.6x	0.6x	0.5x	5.8x	6.4x	5.0x	15.8x	19.0x	10.5x	21.4x	25.3x	12.8x
Mean	1.1x	1.0x	0.9x	8.8x	8.0x	7.0x	14.3x	12.7x	10.3x	20.3x	19.0x	14.6x
Median	1.0x	0.9x	0.8x	7.8x	6.8x	5.9x	14.4x	10.8x	9.2x	20.0x	19.3x	14.2x

Source: EnVent Research on S&P Capital IQ, 21/06/2023

Aware of the limited comparability of DBA to industry peers, we have used revenue and EBITDA metrics per BU, applying a 50% judgmental cut to core business current trading multiples. The resulting values leave wide room for upside.

SOP application

€m

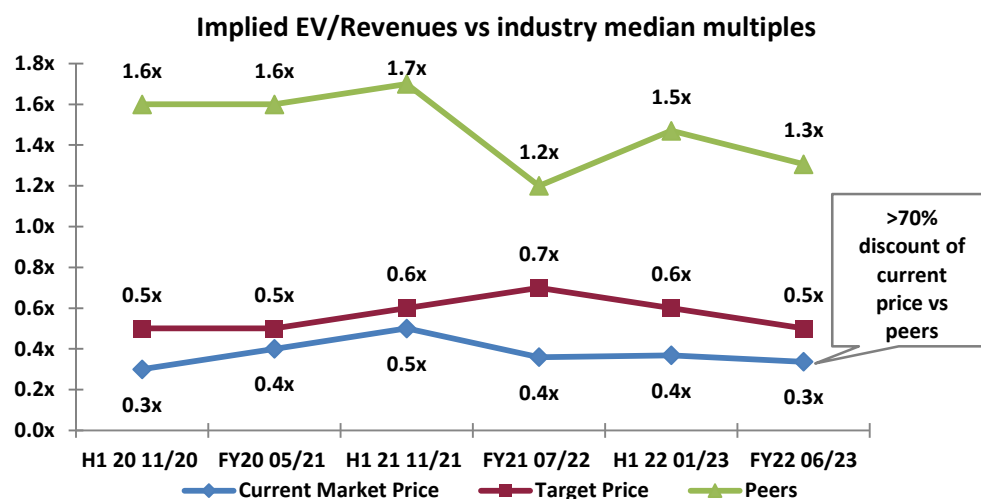
DBA Group		2023E Market multiples	
<i>EV EPM+ICT Ita</i>			
2023E Revenues	62.3	50% cut 0.6x	40.4
<i>EV ICT Slo</i>			
2023E Revenues	38.3	0.9x	34.0
SOP EV DBA Group			74.4
Net Debt as of 31/12/22			(12.6)
Minorities as of 31/12/22			(0.1)
Equity value DBA Group			61.8

€m

DBA Group		2022E Market multiples	
<i>EV EPM+ICT Ita</i>			
2023E EBITDA	6.8	50% cut 5.1x	34.6
<i>EV ICT Slo</i>			
2023E EBITDA	2.9	6.8x	20.0
SOP EV DBA Group			54.5
Net Debt as of 31/12/22			(12.6)
Minorities as of 31/12/22			(0.1)
Equity value DBA Group			41.9

Source: EnVent Research

Target Price



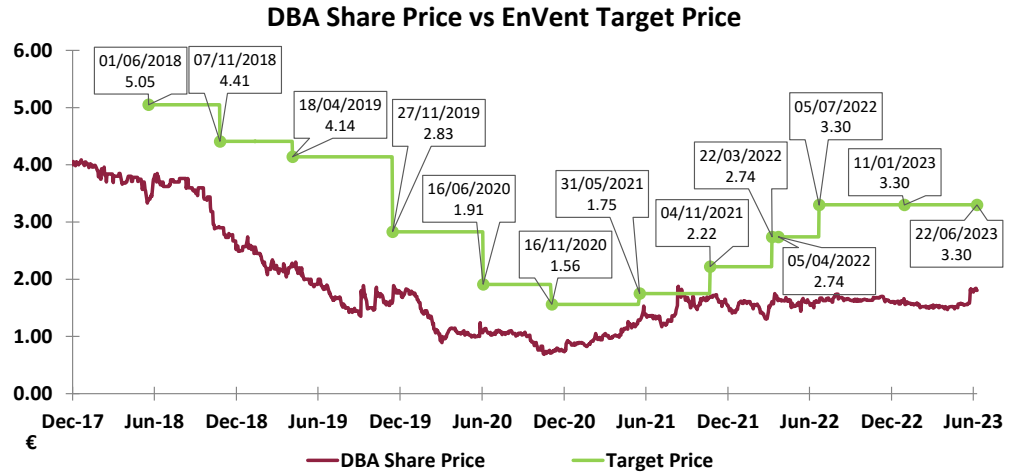
Source: EnVent Research on S&P Capital IQ, 22/06/2023

DBA performance in 2022 and 2023-26E perspective are in line with our expectations of stability, together with a regular pace in the expansion of business scope. Updated estimates and valuation concur in confirming the target price per share of €3.30, implying a 83% upside potential on DBA current price. We confirm the OUTPERFORM rating.

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

DBA Price per Share	€
Target Price	3.30
Current Share Price (21/06/2023)	1.81
Premium (Discount)	83%

Source: EnVent Research



Source: EnVent Research on S&P Capital IQ, 22/06/2023

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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 are among the least attractive in a peer group, with the target price 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;

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The stock price indicated in the report is the last closing price on the day of Production.

Date and time of Production: 21/06/2023 h. 6.05pm

Date and time of Distribution: 22/06/2023 h. 6.35pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
01/06/2018	OUTPERFORM	5.05	3.40
07/11/2018	OUTPERFORM	4.41	2.90
18/04/2019	OUTPERFORM	4.14	2.22
27/11/2019	OUTPERFORM	2.83	1.62
16/06/2020	OUTPERFORM	1.91	1.11
16/11/2020	OUTPERFORM	1.56	0.71
31/05/2021	OUTPERFORM	1.75	1.29
04/11/2021	OUTPERFORM	2.22	1.69
22/03/2022	OUTPERFORM	2.74	1.61
05/04/2022	OUTPERFORM	2.74	1.63
05/07/2022	OUTPERFORM	3.30	1.60
11/01/2023	OUTPERFORM	3.30	1.66
22/06/2023	OUTPERFORM	3.30	1.81

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of which EnVentCM clients % *		79%	100%	na	100%	50%	na

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