

EQUITY RESEARCH

UPDATE

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Pozzi Milano

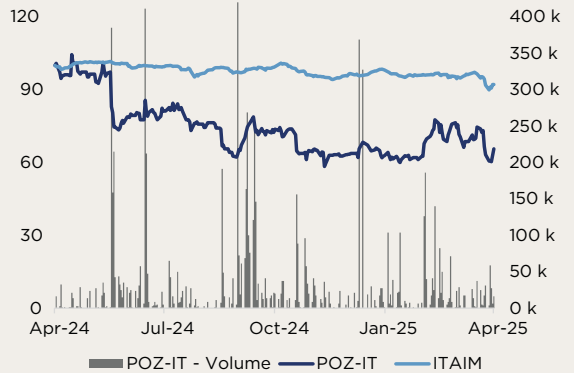
Euronext Growth Milan | Themed Tableware | Italy

<p>Rating</p> <p>BUY</p> <p>unchanged</p>	<p>Target Price</p> <p>€ 1,25</p> <p>unchanged</p>
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Key Multiples	FY24A	FY25E	FY26E	FY27E
EV/Sales	0,8x	0,6x	0,6x	0,5x
EV/EBITDA	6,5x	6,4x	5,2x	4,3x
EV/EBIT	7,8x	7,7x	6,0x	4,8x
P/E	14,4x	6,2x	10,1x	7,7x
NFP/EBITDA	n/a	0,2x	n/a	n/a

Key Financials (€/mln)	FY24A	FY25E	FY26E	FY27E
Value of Production	21,72	25,20	28,10	31,40
EBITDA	2,35	2,40	2,95	3,60
EBIT	1,98	2,00	2,55	3,20
Net Income	1,09	2,55	1,55	2,05
Net Financial Position	(0,33)	0,47	(0,88)	(2,93)
EBITDA Margin	11,8%	10,0%	11,0%	12,0%
EBIT Margin	9,1%	7,9%	9,1%	10,2%
Net Income Margin	5,0%	10,1%	5,5%	6,5%

Stocks performance relative to FTSE Italia Growth



Stock Data

Risk	Medium
Price	€ 0,45
Target price	€ 1,25
Upside/(Downside) potential	177,8%
Ticker - Bloomberg Code	POZ IM
Market Cap (€/mln)	€ 15,72
EV (€/mln)	€ 15,39
Free Float	25,5%
Shares Outstanding	34.846.250
52-week high	€ 0,70
52-week low	€ 0,39
Average Daily Volumes (3 months)	24.280

Stock performance	1M	3M	6M	1Y
Absolute	-9,4%	7,1%	-8,7%	-32,7%
to FTSE Italia Growth	-6,9%	13,2%	-1,4%	-24,9%
to Euronext STAR Milan	-1,4%	17,3%	3,9%	-18,8%
to FTSE All-Share	0,1%	10,1%	-7,8%	-33,3%
to EUROSTOXX	-1,9%	8,4%	-6,9%	-31,6%
to MSCI World Index	-4,5%	14,8%	-1,2%	-33,7%

Source: FactSet

Main Ratios	FY24A	FY25E	FY26E	FY27E
ROI	23,9%	17,2%	21,6%	27,1%
ROE	12,7%	22,9%	12,2%	13,9%
ROA	6,7%	10,7%	6,0%	7,3%

Source: FactSet

FY24A Results

In 2024, Pozzi Milano exceeded expectations, reaching a production value of € 21.72 million, up 12.4% from € 19.31 million in 2023, confirming the solidity of its business model even in a complex macroeconomic environment. EBITDA remained stable at € 2.35 million, with a margin of 11.8% (vs. 12.9% in 2023), while EBIT increased to € 1.98 million (+3.9%). Net Income reached €1.09 million, marking a 6.5% increase compared to the previous year. A notable improvement in NFP was also recorded, moving from a debt position of € 1.37 million to a positive cash position of € 0.33 million in FY24. This was made possible by solid cash generation and a rigorous optimization of working capital. The positive performance in 2024 laid the groundwork for a new phase of growth, which materialized in the early months of 2025 with two significant extraordinary transactions: the acquisition of 90.0% of Venditio SAS and 100.0% of Mascagni Casa Srl. These acquisitions aim to create an integrated Italian hub for tableware and home décor with an international vision.

Estimates and Valuation Update

Given the results achieved in the past fiscal year, we have updated our forecast for the 2025–2027 period, adjusting our estimates both for the current year and for the coming years. We estimate the Value of Production for FY25E at € 25.20 million, and EBITDA at € 2.40 million, corresponding to an EBITDA margin of 10.0%. For the following years, we expect the Value of Production to increase to €31.40 million by FY27E (representing a CAGR 24A–27E of 13.1%), with EBITDA reaching € 3.60 million (EBITDA margin of 12.0%), up from € 2.35 million in FY24A (EBITDA margin of 11.8%).

We conducted the equity valuation of Pozzi Milano using the DCF method, which prudently includes a specific risk premium of 2.5% in the WACC calculation. The analysis returns an equity value of €43.7 million. **As a result, the target price is set at €1.25 per share, with a BUY rating and a MEDIUM risk profile.**

Economics & Financials

TABLE 1 - ECONOMICS & FINANCIALS

CONSOLIDATED INCOME STATEMENT (€/mln)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenues	18,19	19,84	24,00	26,80	30,00
Other revenues	1,12	1,88	1,20	1,30	1,40
Value of Production	19,31	21,72	25,20	28,10	31,40
COGS	9,88	12,15	14,00	15,50	17,60
Services	4,89	4,83	6,00	6,65	7,00
Use of asset owned by others	0,47	0,60	0,60	0,65	0,70
Employees	1,54	1,60	2,00	2,10	2,20
Other operating expenses	0,17	0,18	0,20	0,25	0,30
EBITDA	2,35	2,35	2,40	2,95	3,60
<i>EBITDA Margin</i>	<i>12,9%</i>	<i>11,8%</i>	<i>10,0%</i>	<i>11,0%</i>	<i>12,0%</i>
D&A	0,45	0,38	0,40	0,40	0,40
EBIT	1,90	1,98	2,00	2,55	3,20
<i>EBIT Margin</i>	<i>9,8%</i>	<i>9,1%</i>	<i>7,9%</i>	<i>9,1%</i>	<i>10,2%</i>
Financial management	(0,44)	(0,41)	1,00	(0,40)	(0,40)
EBT	1,46	1,57	3,00	2,15	2,80
Taxes	0,43	0,47	0,45	0,60	0,75
Net Income	1,03	1,09	2,55	1,55	2,05
CONSOLIDATED BALANCE SHEET (€/mln)					
	FY23A	FY24A	FY25E	FY26E	FY27E
Fixed Assets	1,97	1,62	2,10	2,05	2,00
Account receivable	3,98	3,88	6,30	7,00	7,50
Inventories	5,57	6,88	9,00	9,30	9,60
Account payable	2,29	3,49	5,60	6,30	7,00
Operating Working Capital	7,27	7,26	9,70	10,00	10,10
Other receivable	1,15	0,73	1,80	2,00	2,20
Other payable	0,71	0,59	1,20	1,40	1,60
Net Working Capital	7,72	7,41	10,30	10,60	10,70
Severance & other provisions	0,82	0,77	0,80	0,85	0,90
NET INVESTED CAPITAL	8,86	8,26	11,60	11,80	11,80
Share Capital	0,70	0,70	0,70	0,70	0,70
Reserves	5,77	6,80	7,89	10,44	11,99
Net Income	1,03	1,09	2,55	1,55	2,05
Equity	7,49	8,58	11,13	12,68	14,73
Cash & cash equivalents	1,74	3,21	4,63	5,38	6,83
Short term financial debt	1,71	1,81	1,60	1,50	1,40
M/L term financial debt	1,40	1,07	3,50	3,00	2,50
NFP Adjusted	1,37	(0,33)	0,47	(0,88)	(2,93)
SOURCES	8,86	8,26	11,60	11,80	11,80

CONSOLIDATED CASH FLOW (€/mln)	FY23A	FY24A	FY25E	FY26E	FY27E
EBIT	1,90	1,98	2,00	2,55	3,20
Taxes	0,43	0,47	0,45	0,60	0,75
NOPAT	1,47	1,50	1,55	1,95	2,45
D&A	0,45	0,38	0,40	0,40	0,40
Change in NWC	(0,37)	0,31	(2,89)	(0,30)	(0,10)
<i>Change in receivable</i>	0,79	0,11	(2,42)	(0,70)	(0,50)
<i>Change in inventories</i>	(0,88)	(1,30)	(2,12)	(0,30)	(0,30)
<i>Change in payable</i>	(0,22)	1,20	2,11	0,70	0,70
<i>Change in others</i>	(0,06)	0,30	(0,45)	0,00	0,00
Change in provisions	(0,07)	(0,05)	0,03	0,05	0,05
Operating Cash Flow	1,48	2,14	(0,91)	2,10	2,80
Capex	(0,2)	(0,0)	(0,9)	(0,4)	(0,4)
Free Cash Flow	1,31	2,11	(1,79)	1,75	2,45
Financial Management	(0,44)	(0,41)	1,00	(0,40)	(0,40)
Change in financial debt	(2,70)	(0,23)	2,22	(0,60)	(0,60)
Change in equity	0,45	0,00	(0,00)	(0,00)	(0,00)
Free Cash Flow to Equity	(1,38)	1,47	1,42	0,75	1,45

Source: Pozzi Milano Historical Data and Integrae SIM estimates

*Cash flow estimate may be affected by differences in the composition of the Group in 2025 compared to 2024

Company Overview

Pozzi Milano SpA, the parent company of the Pozzi Group, is an Italian Company based in Monticelli Brusati (BS), operating in the tableware and home products market, designing and distributing mid-to-high-end Themed Tableware collections and gift and special occasion items. Pozzi's activity is centered around the development of trend-driven solutions in the world of fashionable tableware; leveraging the creativity of its internal resources, the Company creates collections of plates, cutlery, napkins, tablecloths, serving dishes, and various other items unified by a common decorative theme. The continuous production of new collections—an average of 25 per year—allows the Company to remain in demand and strategically relevant across all distribution channels, while also differentiating itself from competitors and ensuring the international success of its brand.

The defining element of the Group—key to long-standing customer loyalty and the strong sales growth recorded in recent years—is represented by “EasyLife”, a brand of decorated porcelain and melamine items that has been present on the market for over 15 years. The collections are also marketed under the proprietary brands “Pozzi”—which is also used for private label distribution of products manufactured by third parties—and “Castello Pozzi.”

In 2025, the Group initiated a new phase of growth through external lines, acquiring two strategic businesses: Venditio SAS, a French master agent in the tableware and kitchenware sector, formerly a commercial partner of Pozzi and now a direct reference point in the French market; and Mascagni Casa Srl, a historic Italian company active since 1930 in the design and distribution of home décor and furnishing accessories. The integration of these businesses allows Pozzi Milano to significantly expand its product portfolio and strengthen its international presence, accelerating its transformation into an integrated Italian lifestyle hub for the home.

FY24A Results

TABLE 2 - ACTUAL VS ESTIMATES FY24A

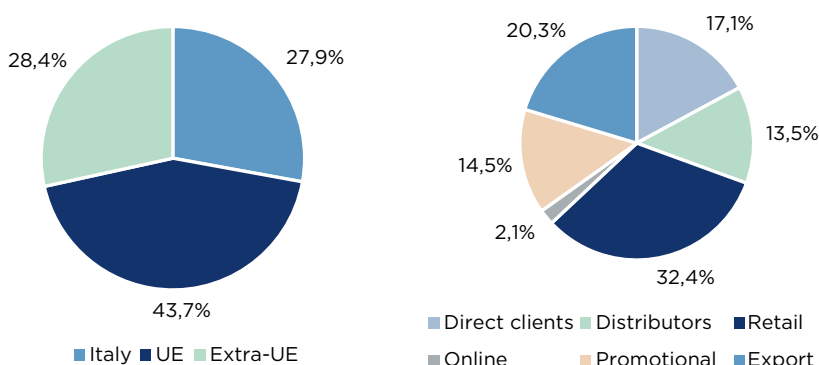
€/mln	Revenues	EBITDA	EBITDA %	EBIT	Net Income	NFP
FY24A	19,84	2,35	11,8%	1,98	1,09	(0,33)
FY24E	20,00	2,10	10,5%	1,70	0,95	0,81
<i>Change</i>	-0,8%	11,9%	1,3%	16,2%	14,9%	n/a

Source: Integrae SIM

2024 was a year of confirmation and consolidation, during which Pozzi Milano demonstrated operational resilience in a still-weak macroeconomic environment, marked by a contraction in demand, a physiological decline in consumer purchasing power, and persistent inflationary pressures. The solid 9.1% revenue growth is all the more significant when compared to the industry trend and the performance of major players in the tableware and home décor market, underscoring the effectiveness of the Group’s commercial strategies and the continued appeal of its product offering.

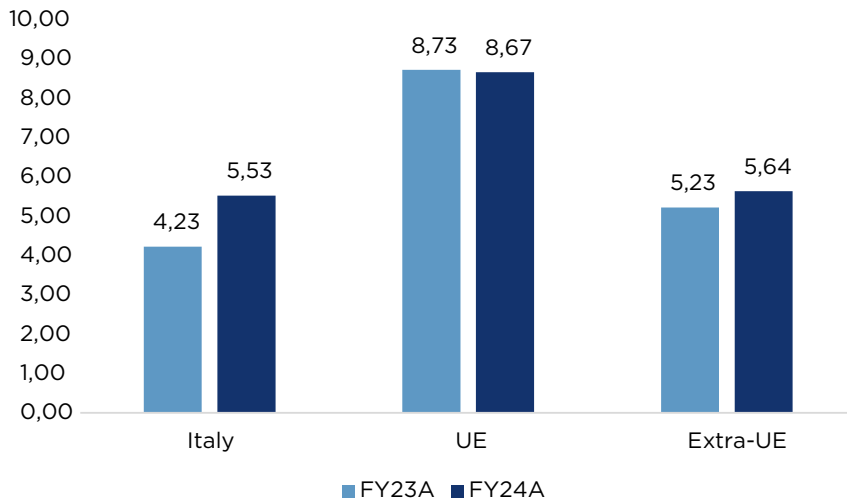
The export-oriented strategy remains a key driver of business growth, with foreign markets accounting for over 72.1% of total revenues in 2024. In absolute terms, Europe remains the most relevant macro-area, supported by overall stability despite a decline in sales in France (from € 3.64 million in 2023 to € 2.74 million, -24.6%). France has historically contributed significantly to the Group’s revenues, with an average weight of 20.0% between 2021 and 2023, which fell to 13.6% in 2024. The Americas benefited from the acceleration of commercial partnerships established in North America—particularly in Mexico—contributing € 2.47 million (+49.3% YoY). Also noteworthy was the performance of the domestic market, which recorded an increase of over € 1.3 million (+30.1% YoY), driven by promotional sales and the strong reception of new collections.

CHART 1 - REVENUES BREAKDOWN FY24A



Source: Integrae SIM

CHART 2 - REVENUES BREAKDOWN FY24A VS FY23A



Source: Integrae SIM

2024 marked a clear rebalancing in the composition of the commercial mix: while traditional channels (distributors, shops, and retail) recorded a decline of 42.4% and 17.7% respectively, the Company significantly strengthened promotional sales, which more than doubled in terms of revenue contribution and exceeded € 2.88 million.

From a profitability standpoint, margins remained at satisfactory levels, with EBITDA unchanged from the previous year at € 2.35 million, despite a physiological decline in the EBITDA margin from 12.2% to 10.8%. This trend mainly reflects the increased incidence of raw material purchase costs (+23.0% YoY), the mix effect resulting from the higher weight of promotional sales, and a slight increase in third-party asset usage costs. Nonetheless, EBIT rose by 3.9%, supported by a reduction in depreciation, leading to a Net Income of € 1.09 million compared to € 1.03 million recorded in 2023.

Pozzi also closed the fiscal year with a significant improvement in Net Financial Position, reaching a cash positive position of € 0.33 million, versus a net debt of € 1.37 million in 2023. The improvement reflects prudent working capital management and strong operating cash generation—over € 2.00 million—which enabled the Company not only to support investments in new brands and products but also to lay the groundwork for extraordinary transactions aimed at strengthening its international presence.

Indeed, in the early months of 2025, the Company decisively launched a new phase of its growth through external expansion, completing two significant acquisitions that mark a major turning point in the Group's strategic trajectory: the acquisition of 90.0% of the share capital of Venditio SAS, completed at the end of March, and of 100.0% of Mascagni Casa Srl. Both transactions follow a clearly defined industrial rationale and represent the first concrete step towards the creation of an integrated Italian hub for tableware and home décor, with an international outlook.

Venditio is a French master agent (headquartered in Montélimar) specializing in the promotion and sale of tableware and kitchenware products, and has long been a commercial partner of the Group for the distribution of EasyLife and Pozzi Milano 1876 products in key markets such as France and Belgium, with a total volume of business

managed over the past three years exceeding € 10.00 million. The transaction involved the acquisition of 90.0% of the share capital for a consideration of € 0.68 million, fully financed with internal resources, as well as the option to exercise a call option on the remaining 10.0% for an additional € 0.08 million, bringing the total transaction value to € 0.75 million. The integration of Venditio represents a strategic step, enabling the establishment of a direct presence in the French market—identified as a priority area for the Group's development. In the medium-to-long term, the acquisition will allow for the creation of a European commercial hub serving all portfolio brands and will act as a lever for the expansion of new brands, in line with the Group's multi-brand strategy. It will also enable the following:

- strengthening of the local distribution network and commercial penetration;
- greater control over the supply chain and logistics optimization for the French market;
- increased commercial efficiency and enhanced customer support through the internalization of agency activities and the integration of Venditio's know-how.

Mascagni Casa, the second extraordinary transaction completed by the Group since its IPO, is a historic Italian company active since 1930 in the design, development, and distribution of mid-to-high-end photo frames, home décor, and furnishing accessories. Pozzi acquired 100.0% of the share capital for a total consideration of € 1.00 million (financed through medium-term debt), of which € 0.70 million has already been paid in cash, while the remaining € 0.30 million will be paid in eight quarterly installments. This valuation is particularly attractive, considering that the company has a net equity of € 0.90 million and annual sales exceeding € 5.00 million (implying an EV/Sales multiple of 0.18x) in both 2023 and 2024, with a strong and well-established brand in both Italy and Europe.

Although Mascagni's profitability was negative at the time of acquisition, with EBITDA of € -0.20 million in 2023, the synergies expected from integration into the Pozzi Group are expected to enable margin improvement initiatives on multiple fronts. In particular, potential synergies include logistics optimization, consolidation of finance functions, streamlining of general and administrative expenses, and alignment of management systems, all of which will support a gradual strengthening of EBITDA in the coming years. From a strategic standpoint, the transaction reflects a clear logic of product range expansion and penetration into new market segments, fully aligned with Pozzi Milano's lifestyle positioning. The integration of Mascagni Casa enables entry into the home décor segment with an offering complementary to the tableware universe, opening up cross-selling opportunities in both domestic and international markets. Additionally, the Company gains access to a new customer base—particularly photographers, concept stores, and home accessories retailers—and strengthens its presence in specialized distribution channels.

The two acquisitions represent a qualitative leap in scale, expanding the offering both geographically—within a key European market—and in terms of product, with entry into the home décor segment. With these transactions, Pozzi lays the foundation for further expansion in both volume and potential profitability, leveraging the scalability of its structure and the ability to enhance the creative and commercial value of the acquired assets.

FY25E - FY27E Estimates

TABLE 3 - ESTIMATES UPDATES FY25E - FY27E

€/mln	FY25E	FY26E	FY27E
Value of Production			
New	25,2	28,1	31,4
Old	22,3	24,5	0,0
<i>Change</i>	<i>13,0%</i>	<i>14,7%</i>	<i>n/a</i>
EBITDA			
New	2,4	3,0	3,6
Old	2,5	3,0	0,0
<i>Change</i>	<i>-2,0%</i>	<i>0,0%</i>	<i>n/a</i>
EBITDA margin			
New	10,0%	11,0%	12,0%
Old	11,1%	12,2%	n/a
<i>Change</i>	<i>-1,1%</i>	<i>-1,2%</i>	<i>n/a</i>
EBT			
New	2,0	2,6	3,2
Old	2,1	2,6	0,0
<i>Change</i>	<i>-2,4%</i>	<i>0,0%</i>	<i>n/a</i>
Net Income			
New	2,6	1,6	2,1
Old	1,3	1,6	0,0
<i>Change</i>	<i>104,0%</i>	<i>-3,1%</i>	<i>n/a</i>
Net Financial Position			
New	0,5	(0,9)	(2,9)
Old	(0,5)	(2,4)	0,0
<i>Change</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Source: Integrae SIM

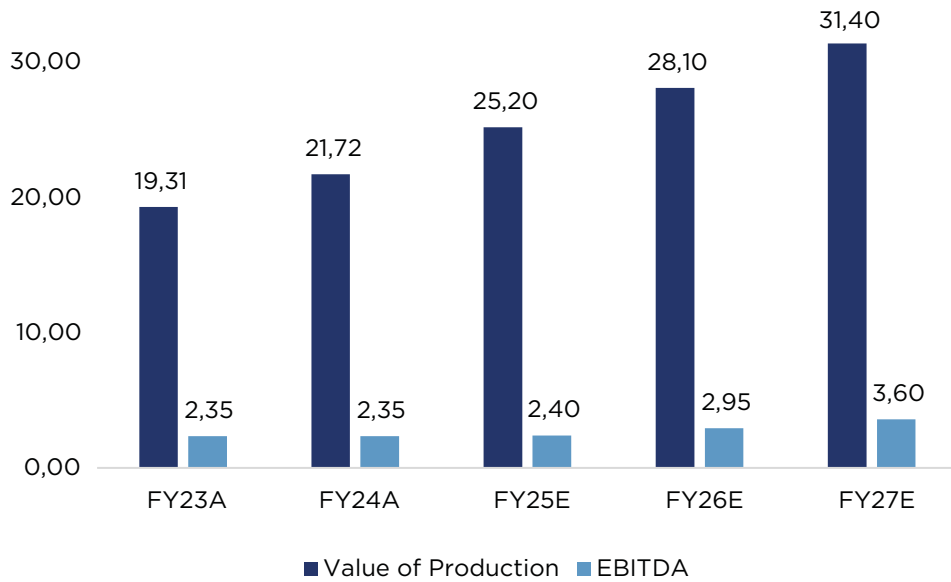
In light of the results published in the FY24A annual report and the recent extraordinary transactions, we revise our estimates for both the current year and the coming years, extending the forecast horizon to 2027.

The consolidation of the newly acquired companies will lead, in the short term, to an immediate increase in sales volumes—primarily due to the contribution of Mascagni Casa’s revenues—and to a different margin profile, initially declining in percentage terms due to Mascagni’s low profitability. Specifically, for FY25E, we expect a value of production of € 25.20 million and EBITDA of € 2.40 million, corresponding to a margin of 10.0%. The temporary decrease in profitability reflects integration costs related to the new subsidiaries and an initially neutral EBITDA contribution from Mascagni. However, we anticipate a path of gradual recovery, driven by growing synergies and the scalability of the Group’s operating model.

The Mascagni transaction also involved the waiver, by the selling shareholders, of a receivable from the company amounting to € 1.40 million, related to end-of-service indemnities (TFM - Trattamento di Fine Mandato). This resulted in a non-recurring gain of the same amount recognized in the income statement. To highlight the non-core nature of this item, it was included under the “financial management” line, and will contribute to an increase in Net Income for 2025, which is expected to reach € 2.55 million.

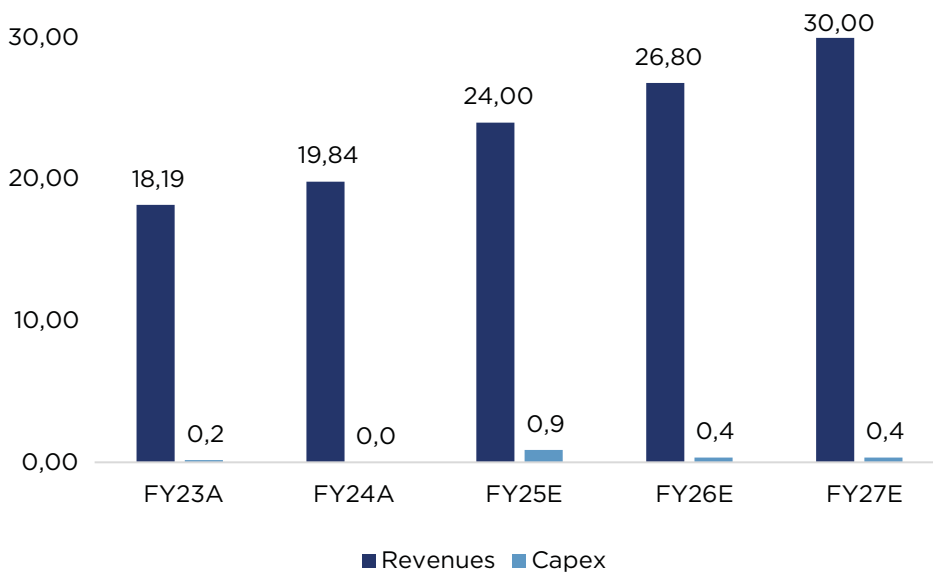
For 2027, we forecast a value of production rising to € 31.40 million (CAGR FY24A-FY27E: 13.1%) and EBITDA of € 3.60 million, corresponding to a margin of 12.0%, in line with the 2024 figure. Finally, despite the outlay of approximately € 1.60 million in own funds for the two acquisitions and the increase in working capital following the consolidation of Mascagni—which will result in a deterioration of the Net Financial Position from a € 0.33 million cash positive in 2024 to € 0.47 million in debt in 2025—we expect Pozzi to continue generating cash and to return to a cash positive Net Financial Position of € 2.93 million by 2027.

CHART 3 - VOP AND EBITDA FY23A - FY27E (€/MLN)



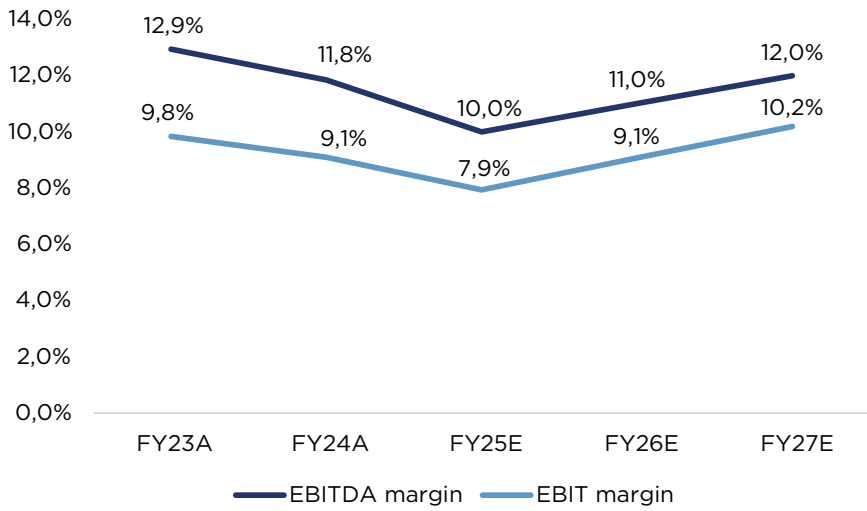
Source: Integrae SIM

CHART 4 - CAPEX FY23A - 27E



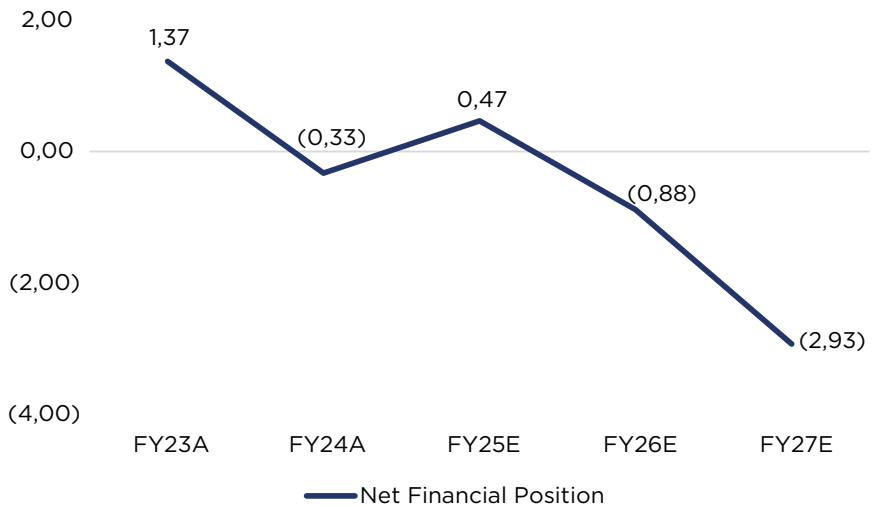
Source: Integrae SIM

CHART 5 - MARGIN % FY23A - FY27E



Source: Integrae SIM

CHART 6 - NFP FY23A - FY27E (€/MLN)



Source: Integrae SIM

Valuation

We conducted our valuation of the equity value of Pozzi Milano based on the DCF method and multiples of a sample of comparable companies.

DCF Method

TABLE 4 - WACC

WACC				10,6%
D/E 53,8%	Risk Free Rate 2,81%	β Adjusted 1,2	α (specific risk) 2,50%	
Kd 5,00%	Market Premium 7,26%	β Relevered 1,4	Ke 14,32%	

Source: Integrae SIM

We included a specific risk of 2.5%. The result is a WACC of 10.6%.

TABLE 5 - DCF VALUATION

DCF	% of EV	
FCFO Actualized	9,99	23,1%
TV Actualized DCF	33,34	76,9%
Enterprise Value	43,33	100,0%
NFP (FY24A)	(0,33)	
Equity Value	43,66	

Source: Integrae SIM

Based on the data outlined above and taking into account our estimates and assumptions, the resulting equity value is € 43.66 million. **The target price is therefore set at € 1.25. We confirm our BUY rating and MEDIUM risk profile.**

TABLE 6 - EQUITY VALUE SENSITIVITY ANALYSIS

€/mln	WACC							
	9,1%	9,6%	10,1%	10,6%	11,1%	11,6%	12,1%	
Growth Rate (g)	3,0%	64,1	58,7	54,2	50,3	46,9	43,9	41,2
	2,5%	60,0	55,3	51,3	47,8	44,7	42,0	39,6
	2,0%	56,5	52,3	48,8	45,6	42,8	40,4	38,2
	1,5%	53,4	49,7	46,5	43,7	41,1	38,9	36,9
	1,0%	50,8	47,4	44,5	41,9	39,6	37,5	35,7
	0,5%	48,4	45,4	42,7	40,4	38,2	36,3	34,6
	0,0%	46,3	43,6	41,1	38,9	37,0	35,2	33,6

Source: Integrae SIM

TABLE 7 - CURRENT PRICE IMPLIED VALUATION MULTIPLES

Multiples	FY24A	FY25E	FY26E	FY27E
EV/EBITDA	6,5x	6,4x	5,2x	4,3x
EV/EBIT	7,8x	7,7x	6,0x	4,8x
P/E	14,4x	6,2x	10,1x	7,7x

Source: Integrae SIM

TABLE 8 - TARGET PRICE IMPLIED VALUATION MULTIPLES

Multiples	FY24A	FY25E	FY26E	FY27E
EV/EBITDA	18,4x	18,1x	14,7x	12,0x
EV/EBIT	21,9x	21,7x	17,0x	13,5x
P/E	40,0x	17,1x	28,2x	21,3x

Source: Integrae SIM

Disclosure Pursuant to Delegated Regulation UE n. 2016/958

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Date	Price	Recommendation	Target Price	Risk	Comment
16/04/2024	0,65	Buy	1,50	Medium	Update
05/08/2024	0,49	Buy	1,50	Medium	Breaking News
14/10/2024	0,49	Buy	1,25	Medium	Update
05/11/2024	0,43	Buy	1,25	Medium	Breaking News
25/02/2025	0,51	Buy	1,25	Medium	Breaking News
25/03/2025	0,48	Buy	1,25	Medium	Breaking News

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The BUY, HOLD and SELL ratings are based on the Upside Potential (increase in value or return that he investment could achieve based on the current price and a future target price set by the analysts), and the risk associated to the share analyzed. The degree of risk is based on the liquidity and volatility of the share, and on the rating provided by the analyst and contained in the report. Due to daily fluctuations in share prices, the upside potential may temporarily fall outside the proposed range

Upside Potential (for different risk categories)

Rating	Low Risk	Medium Risk	High Risk
BUY	Upside >= 7.5%	Upside >= 10%	Upside >= 15%
HOLD	-5% < Upside < 7.5%	-5% < Upside < 10%	0% < Upside < 15%
SELL	Upside <= -5%	Upside <= -5%	Upside <= 0%
U.R.	Under Review		
N.R.	Not Rated		

Valuation methodologies (long term horizon: 12 months)

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