

Cofle

A breakless growth

January 18, 2022

BUY
Target Price: 24.3€
Upside: 61%

Strategic complementarity of activities

Cofle is a leading Italian multinational in the manufacture of spare parts for agricultural machinery and light vehicles. Its main products are mechanical cables and control systems, the group's activities are organized around two divisions:

i) OEM, where Cofle equips the primary market, mainly tractors. Involved from the development phase onwards, the group distinguishes itself from the competition by offering a high level of engineering services. Co-developing products directly with customers also enables Cofle to forge long-term commercial and industrial links.

ii) Aftermarket, where Cofle sells spare parts for the aftermarket. The group's strength lies in its efficient logistics network - allowing it to maximise its responsiveness while maintaining an optimised cost structure.

As these two activities are perfectly complementary, the group benefits from a strong resilience of its turnover.

A unique know-how

With 50+ years of experience, Cofle has developed a unique expertise which has resulted in the registration of 8 patents over the last 5 years. In addition, the excellence of its R&D and engineering centres enables the group to continually increase its technological lead. Indeed, the group is already positioned in promising markets such as mechatronics, i.e. the combination of mechanics and electronics, or electronic control sensors which are helping to promote the development of autonomous vehicles.

A dynamic market with promising growth drivers

Driven by the growth in global food demand and the increase in the rate of equipment in emerging countries, the annual production of agricultural tractors should increase by 42% by 2027, reaching 1.4 million units. Thanks to **i)** the high quality of its customer portfolio **ii)** its differentiating technologies **iii)** its attractive price-quality ratio, we consider that Cofle is ideally positioned to outperform its reference sector.

Valuation - €131.2m

Cofle's business model therefore concentrates **i)** strong long-term growth potential **ii)** significant competitive barriers, all with **iii)** a secure risk profile. In order to reflect these intrinsic qualities while integrating Cofle into the dynamics of its sector, our valuation is composed of a DCF weighted at 75% (€131.5m) and a comparable method weighted at 25% (€130.1m).

Market data

Sector	Parts manufacturer
Price	15.1
Market cap	83.6
Market	Euronext Growth
Bloomberg	CFL:IM

Shareholder structure

Valfin Srl	67%
Floating	33%

	2020	2021	2022	2023
Sales	38.1	52.1	58.6	63.2
Growth	0.0%	36.7%	12.6%	7.7%
EBIT	4.7	11.9	14.2	16.1
Margin	12.3%	22.9%	24.2%	25.4%
Net income	3.9	9.3	11.1	12.6
EPS	0.71	1.73	2.06	2.33
Growth	31.4%	142.0%	19.1%	13.1%
Dividend	0.00	0.00	0.00	0.00
Yield	0.0%	0.0%	0.0%	0.0%
FCF	2.6	6.2	11.8	10.4
ROCE	21.5%	24.0%	23.1%	21.2%
EV/Sales		1.3	1.2	1.1
EV/EBIT		5.8	4.9	4.3
PE		9.0	7.5	6.7
Net debt	8.4	-14.5	-26.0	-37.3
Gearing	114.9%	-	-	-

Estimations Midcap Partners

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Table of Contents

I. Essentials	3
II. History	5
III. Description of the activities	5
IV. A unique know-how	11
V. International presence	12
VI. Sector analysis	16
VII. Strategic positioning	22
VIII. Financial analysis	28
IX. Extra-financial analysis.....	31
X. Valuation	34
XI. Risks to consider	38
XII. Annexes	40
Financial data	43
Disclaimer	44



I. Essentials

Description

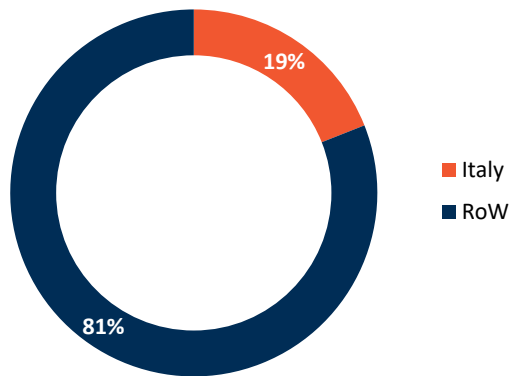
Cofle S.p.A. is a multinational company, leader in the manufacture of parts and equipment for the agricultural machinery and automotive industries. The group's turnover is divided into two activities: **i)** OEM, where Cofle equips the primary market, mainly tractors, and **ii)** Aftermarket, where Cofle supplies spare parts for the automotive industry.

Cofle stands out for its unique know-how based on 50+ years of experience, 2 R&D centres and 2 engineering centres - which enables it to guarantee an attractive quality/price ratio to its customers.

SWOT analysis

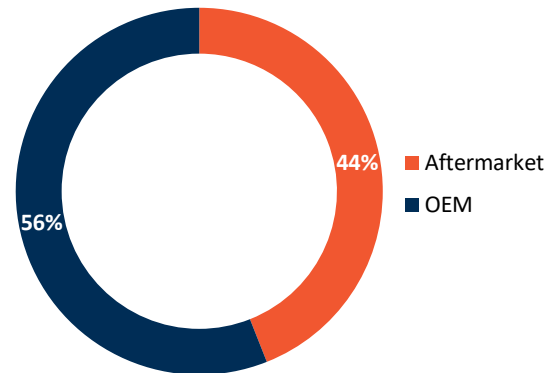
Strength	Weaknesses
<ul style="list-style-type: none"> International presence (+300 clients in 40 different countries) Excellent price/performance ratio thanks to efficient R&D Great complementarity of activities, maximizing the resilience of the turnover. 	<ul style="list-style-type: none"> Concentration of the customer portfolio (c.1/3 of the turnover depends on 2 customers). Low exposure to the Asian market, which is nevertheless buoyant
Opportunities	Threats
<ul style="list-style-type: none"> Population growth will require an increase in agricultural production capacity, and therefore in the number of tractors. The ageing of the vehicle fleet requires parts for repair. The technological development of tractors allows the appearance of new parts and new systems with high added value. 	<ul style="list-style-type: none"> Rising raw material prices, which can lead to a contraction in margins. Pressure from competitors on prices, with low-cost players from Asia

Breakdown of 2020 sales by zone



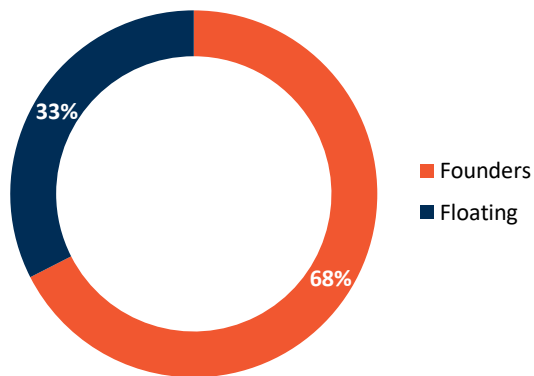
Source : company

Breakdown of sales by division



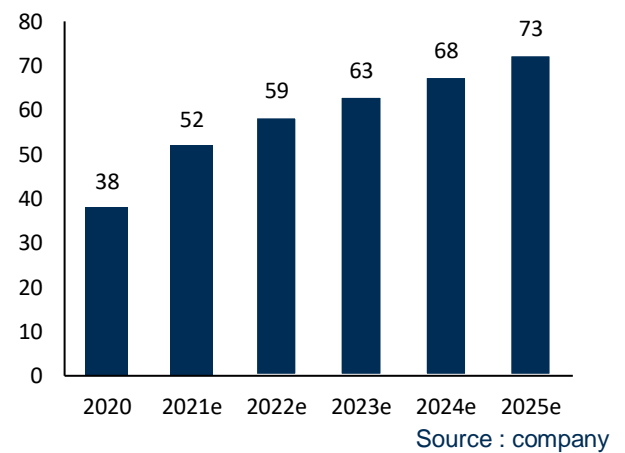
Source : company

Shareholding (pre IPO)

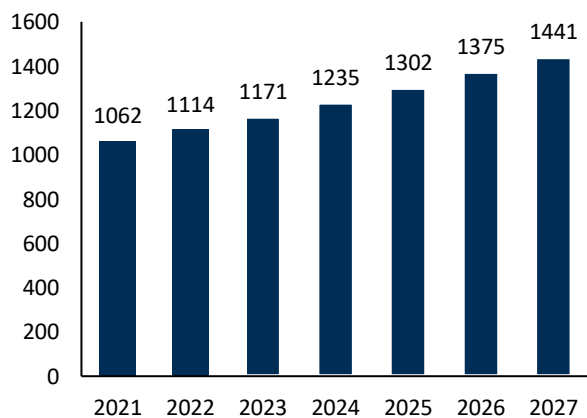


Source : company

Evolution of the activity (m€)

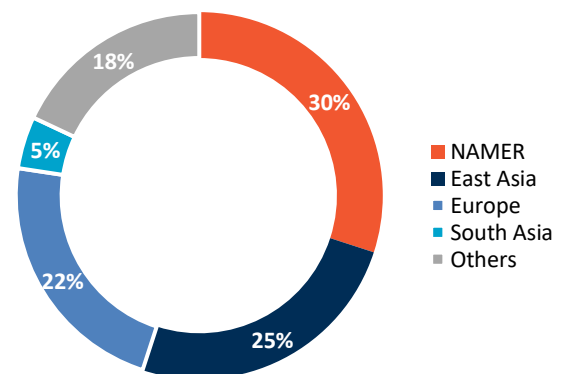


World tractor sales forecasts (k units)



Source: HNY Research

Distribution of tractor sales by region - forecast 2022



Source: HNY Research

II. History

Founded in 1964 by Bruno Barbieri as a garage workshop with the aim of developing an innovative cable manufacturing solution for the Italian automotive industry, the group became industrialized in the early 1970s.

During this industrialisation phase, Cofle also diversified by entering the spare parts market in the 1980s - which today forms the Aftermarket division.

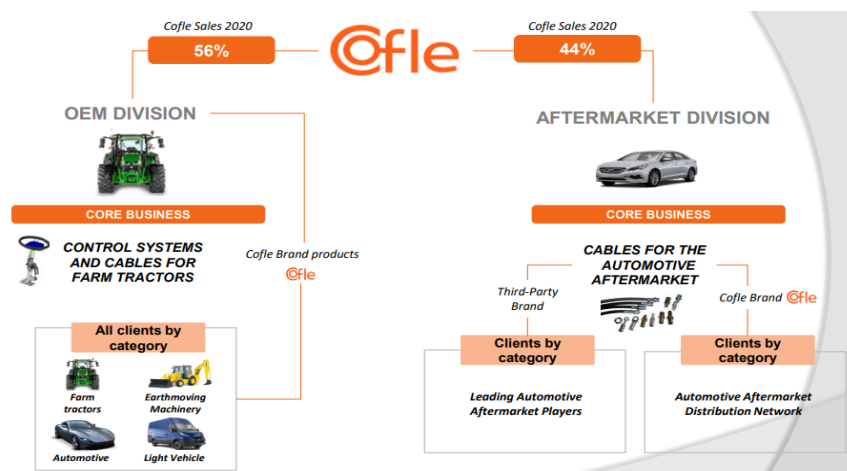
The 2000s marked the beginning of geographical expansion, with the foundation of various subsidiaries such as Cofle DCI and Cofle TK to accelerate development in the Turkish market. During this period, the group also established itself in Brazil and China.

Today, Cofle is a global group with strategic locations in 5 countries, 6 production sites and 500+ employees. Thanks to its long-standing know-how and the excellence of its R&D, Cofle has built up a catalogue of over 7,000 innovative solutions, making it the leader in its sector. In the short term, Cofle is looking to accelerate its development by expanding its product catalogue - notably through external growth operations.

III. Description of the activities

Cofle Spa is a producer of mechanical cables and control systems for the tractor and automotive industry. The group is organised around two divisions i) OEM, where Cofle equips the primary market, mainly tractors, and ii) Aftermarket, where Cofle supplies spare parts for the automotive industry.

Scheme of the group's activities



Source : Company

a. Original Equipment Manufacturer

The Original Equipment Manufacturer (OEM) division offers customised control systems and mechanical cables for tractors, construction vehicles and high-end cars. This activity is based on engineering and co-engineering.

When a customer, i.e. a Cofle client, initiates a new project, it exchanges with the group from the design phase in order to co-develop the various products. By making customised products, Cofle is able to respond exactly to the different needs of each of its customers. During this design phase, which can last up to 3 years, Cofle contributes its know-how and experience - enabling close commercial and industrial relations to be established.

The life phases of a project

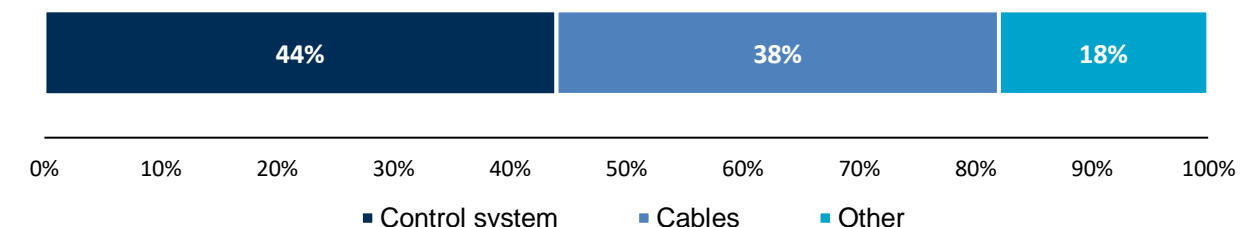


Source : Company

The OEM division's products are divided into three main families **i)** Control systems: joysticks, pedals, coil valves, electric shuttles etc. **ii)** Traction cables, i.e. brake, clutch, accelerator cables and others. Cofle has recognised expertise in this family of products and has developed a unique know-how - for more details, see part IV. **iii)** other customised systems such as steering columns, motion drive systems, die-cast parts etc.

FY20 sales for the OEM division were split between product families as follows - these proportions are broadly stable over time.

Breakdown of sales by product



Source : Company



Focus on Cofle's products for the tractor industry

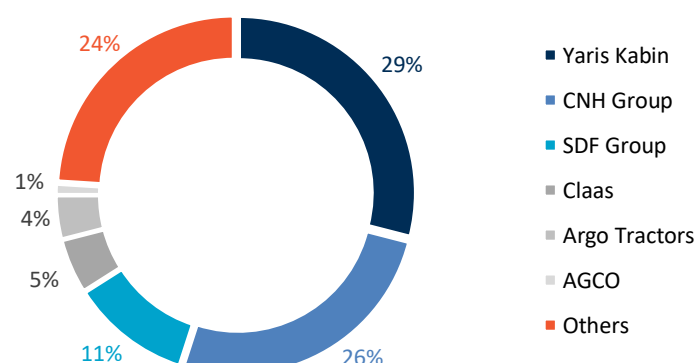


Source : Company

The group's products are mainly used in agricultural and earthmoving machinery - 95% of the OEM division's sales. In the high-end car market, which accounts for an average of 5% of the division's sales, the products are gear levers, handbrakes and front and rear bonnet cables. Proof of the excellence of the products developed by Cofle is the fact that the group counts among its customers prestigious companies such as Ferrari, Maserati - among others.

Mechanically, the division's main customers are therefore concentrated around the agricultural equipment and construction machinery industries. The division's main customers were as follows.

Breakdown of the OEM division's customers (in 2020)



Source : Company

In sum, the top customer accounts for an average of c.30% of the OEM division's sales, or c.16% of Cofle's total sales. The top 5 customers account for nearly 75% of the division, or 42% of consolidated sales. This concentration of the customer portfolio is common among OEMs. For example, Plastic Omnium's top 3 customers account for c.47% of its FY20 revenue, and this rises to 65.7% at Akwel.

Presentation of the top 5 clients

Name	Head office	Main products
Yaris Kabin	Turkey	Cabs for tractors and construction machines
CNH Group	Netherlands	Trucks, agricultural and construction machinery
SDF Group	Italy	Tractors, agricultural machinery and diesel engines
Claas	Germany	Agricultural machinery
Argo Tractors	Italy	Tractors

Source: TP ICAP, Factset

b. Aftermarket

The Aftermarket (AM) division corresponds to a standardised product offering based on "reverse engineering". In other words, Cofle adapts to the standards of the automotive industry and offers spare parts compatible with the greatest number of vehicles.

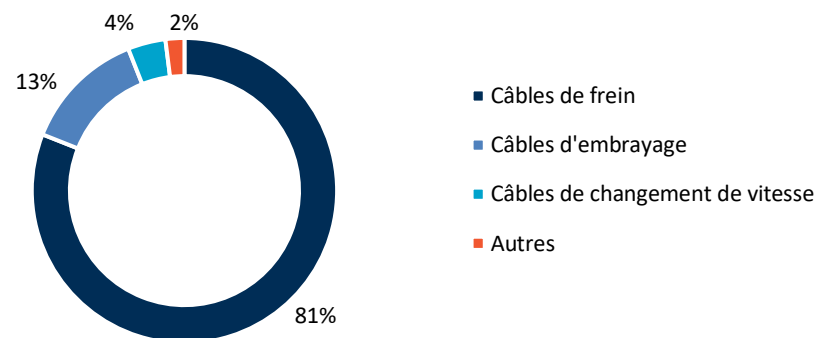
The life phases of an Aftermarket project



Source : Company

The group mainly produces brake cables, accounting for an average of 80% of the division's sales, and clutch cables, accounting for an average of 13% of the division's sales. A detailed list of the products offered by Cofle is available in the appendix.

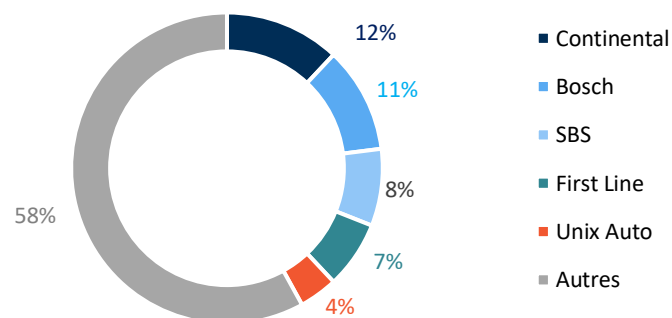
Breakdown of sales by product for the Aftermarket (FY20)



Source : Company

These products are mainly sold to B2B third parties, such as retail platforms, or directly to other equipment manufacturers (e.g. Continental, Bosch, TRW Automotive). The equipment leaves Cofle's factories directly with the customer's branding, ready to be marketed. This route accounts for an average of 63% of the division's turnover. Unlike the OEM division, the Aftermarket therefore benefits from a diversified customer portfolio (130+ customers), with the top 3 customers accounting for 31% of the division's sales, or c.15% of group sales.

Breakdown of sales by customer for the AM division

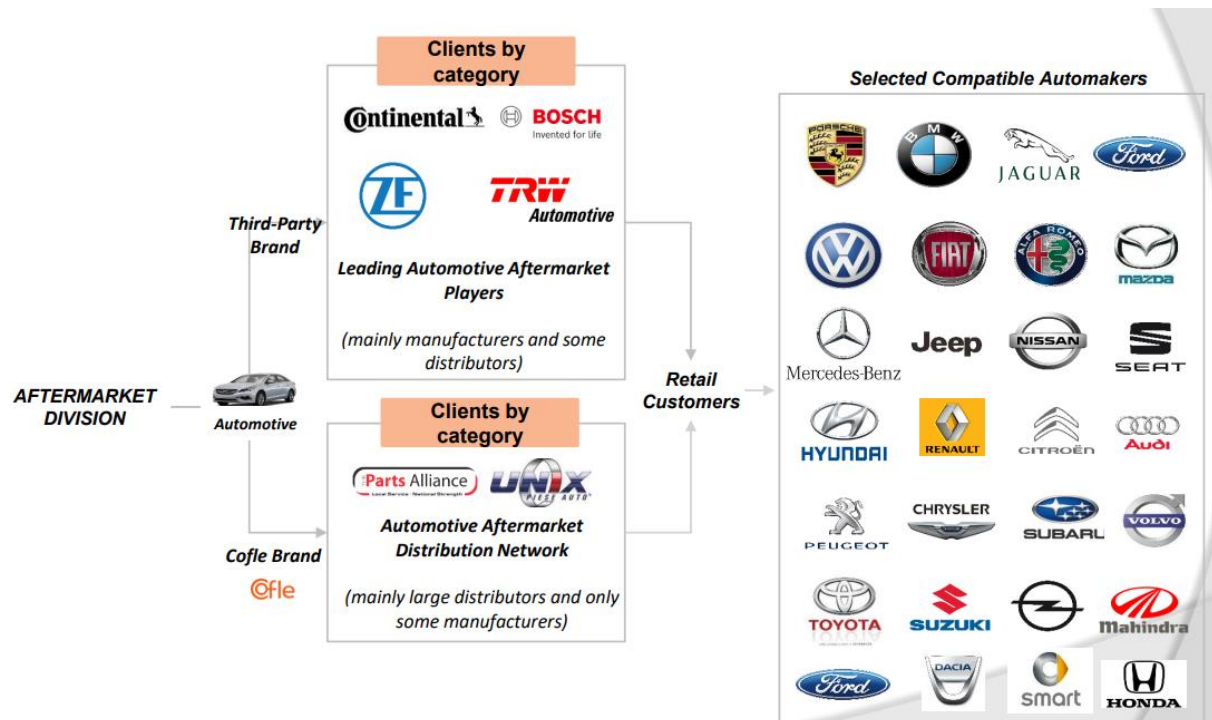


Source : Company

Cofle also sells its products directly under its own brand, such as in Parts Alliance and Unix stores in Eastern Europe and the UK. This distribution channel accounts for an average of 37% of the division's sales.

Today, the challenge for the Aftermarket division is to expand its product catalogue and/or its distribution network (for products sold under the Cofle brand), potentially via an external growth operation.

Value chain of the AM division



Source : Company

c. A perfect symbiosis of activities

Cofle's activities are therefore perfectly complementary. On the one hand, the OEM business, based on a long-term relationship with a limited number of strategic customers, is a cyclical business. On the other hand, the Aftermarket business is by nature counter-cyclical and experiences positive momentum in periods of macroeconomic uncertainty - when consumers prefer to repair and/or upgrade their existing vehicles, rather than make a new acquisition. In addition, this division relies on a broad distribution network, limiting the concentration of the customer portfolio.

In sum, we believe that Cofle's unique know-how built up through decades of experience, coupled with this strategic complementarity of activities, should enable the group to grow faster than its reference sector and with a limited risk profile - thanks to a resilient turnover.

IV. A unique know-how

With its historical experience built up over nearly 60 years, Cofle has developed unique know-how in its various activities. Providing its expertise to its customers during the development phases of new products, the Italian group does not simply sell spare parts but offers a unique commercial package making it a partner of choice for the heavyweights of the agricultural equipment industry. As far as the Aftermarket is concerned, the production process developed by the group allows it to guarantee its competitiveness while supplying quality products - for more information see VII Strategic Positioning.

Thanks to its two R&D centres and its engineering centres with 30+ employees, Cofle is today an innovative player developing high value-added solutions. These centres are strategically located in Italy and Turkey, close to Cofle's major customers. The main areas of research are **i)** mechatronics, i.e. the combination of mechanical and electronic systems - mainly to adapt to the expected electrification of vehicles **ii)** electronic sensors and control systems to support the development of autonomous vehicles **iii)** the integration of new electronic and mechanical systems

As proof of its unique know-how, Cofle has developed numerous innovations in recent years, such as the electronic parking brake for tractors - which limits the need for maintenance compared with a mechanical brake - or the self-adjusting handbrake cable, which is more flexible and resistant than a conventional mechanism. All in all, Cofle has registered 8 patents in the last 5 years, granting it exclusive rights in 5 countries.

Summary of patents filed by Cofle over 5 years

Patents	Country	Date of issue
Multifunctional steering column	Italy, France, Germany, United Kingdom, Turkey	06/04/2016
Joint in a tiltable steering column	Italy, France, Germany, United Kingdom, Turkey	06/04/2016 and 27/04/2016
Universal flexible transmission	Italy	08/02/2016 and 20/02/2019
Tiltable steering column	Italy, France, Germany, United Kingdom, Turkey	20/11/2018 02/01/2019
Brake lever assembly	Italy, France, Germany	19/10/2020
Control cable arrangement	Italy	13/07/2017
Control lever arrangement	Italy	13/07/2017
Composable modular ladder	Italy	13/0/2017

Source : Company



V. International presence

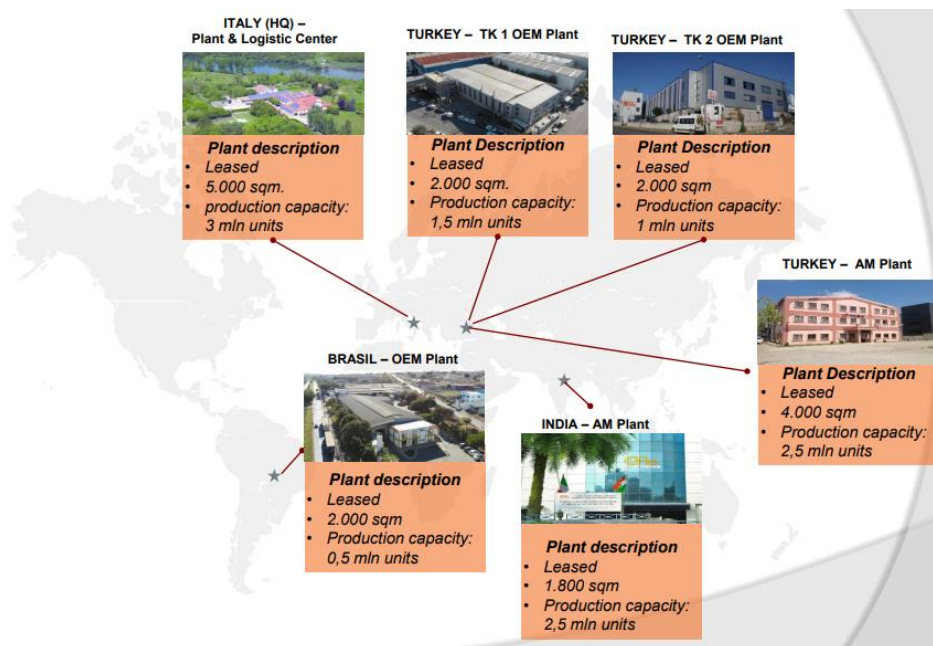
With a portfolio of 300+ customers and operations in 40 different countries, Cofle is a fully international group - which allows it to maximise its growth potential, taking advantage of growth drivers in Asia (for the OEM division) or Eastern Europe (for the AM division). In FY20 more than 80% of the turnover was generated abroad.

a. Geographical distribution of assets

In total, Cofle has a production capacity of 11 million units per year - 45% in Turkey, 27% in Italy, 23% in India and 5% in Brazil.

This geographical location enables Cofle to maintain close proximity to its strategic customers, while optimising production costs linked to labour, which represent on average 20% of turnover. For more details, see Financial Analysis, Margin Analysis.

Geographical distribution of the Group's various patents



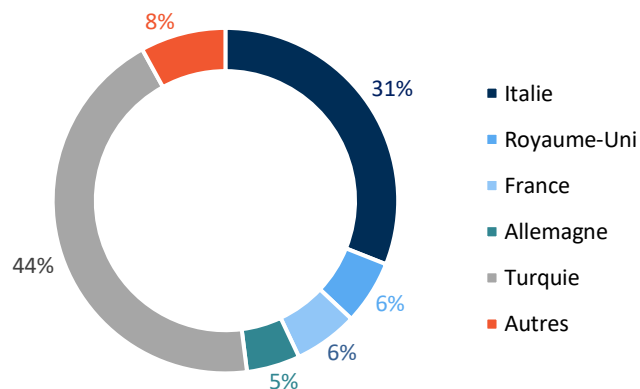
Source : Company

In the short/medium term, the group wishes to increase its production capacity in India, with the development of new production lines. The aim is to position itself as a leader in this promising market where competition is concentrated on low added value products. Indeed, India is the country of origin of the world's leading tractor producer¹ (Mahindra Tractor), representing c.8% of global production¹.

b. Geographical distribution of the OEM division

The OEM division generates 48% of its sales in Europe and 44% in Turkey. The remaining 8% is generated in some 15 countries, mainly Brazil, India and the US.

Breakdown of OEM Division sales by country



Source : Company

This concentrated geographical distribution is explained by the importance of the OEM division's main customer, the Turkish company Yaris Kabin. As the Group is committed to further developing its commercial relationship with this customer, three plants, a storage warehouse, an R&D center and an engineering center are now located in Turkey.

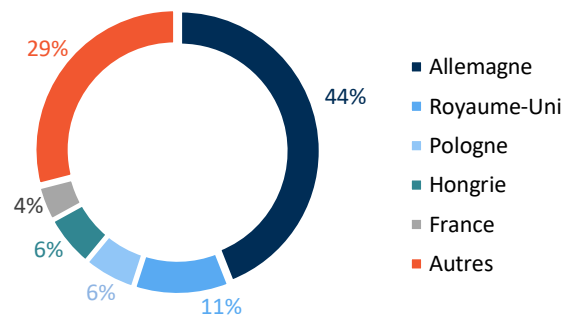
In the medium term, we consider that it could be strategic for the group to develop its presence in China - accounting for 29% of tractor production, the world's¹ largest tractor producing country. The group currently has an administrative headquarters in the country, but it could be strategic for it to set up an engineering centre - in order to highlight the high quality of its products, in a country where the competition is mainly concentrated on low-cost, low-value-added products - see VII Strategic positioning.

¹ According to Farmingbase

c. Geographical distribution of the Aftermarket division

More than 99% of the Aftermarket Division's sales are generated in the EMEA region, with Germany accounting for 44%.

Breakdown of AM sales by country

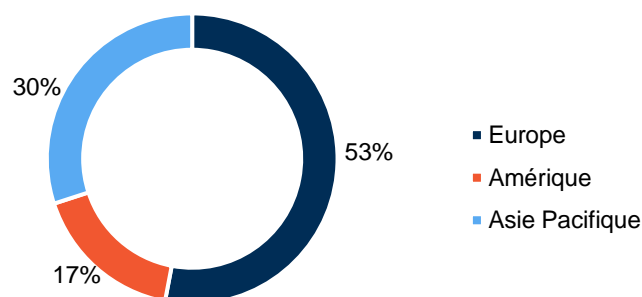


Source : Company

As with the OEM division, it is strategic for Cofle to be as close as possible to its customers in order to develop the activities of the AM division. In practice, this means supporting the main customers in their geographical expansion.

Proof of Cofle's mastery of this strategy is the fact that the geographical distribution of the Aftermarket Division's sales corresponds roughly to that of its two main customers, i.e. Bosch and SBS, with a concentration in Europe, and more particularly in Germany.

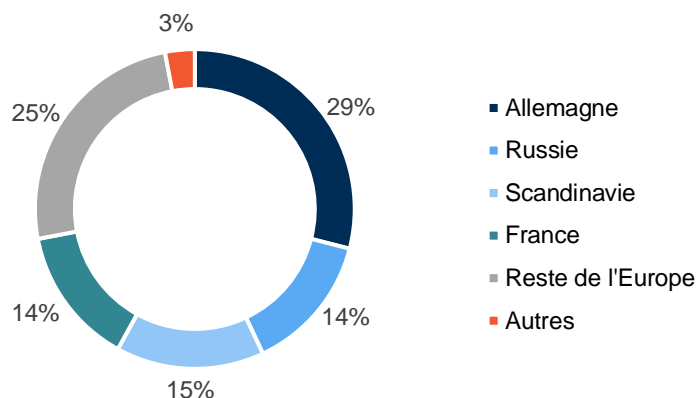
Bosch sales by region



Source : Company



Breakdown of SBS sales by country



Source : Company

In terms of production, the AM division has two factories: one in Turkey and one in India, with a total capacity of 5+ million pieces. Cofle also has a logistics centre in Italy, which is strategic for supplying the whole of Europe. In sum, this strategic positioning allows us to optimise our cost structure while maintaining strong exposure to attractive markets, i.e. the countries where our main B2B customers are located. We also see Eastern Europe as highly strategic - due to the average age of vehicles in the region, driving demand for spare parts.

The primary problem of this division being the logistics of spare parts, the fine geographical network built up by Cofle is a competitive advantage which should enable it to maintain, if not develop, its commercial relations with third-party dealers.

d. Perspectives

In addition to developing its production capacity in India, Cofle wishes to develop its international presence, particularly in Latam - a market populated by obsolete agricultural tractors where the group will be able to highlight its differentiating technologies and unique know-how. Tractor sales in this promising region should grow by 43% by 2027 (compared to 2020), against 35% in North America.

In addition, we consider that the group should be able to leverage its production capacity in Turkey and India to expand its exposure to Eastern Europe, using Italy as a strategic distribution hub.

VI. Sector analysis

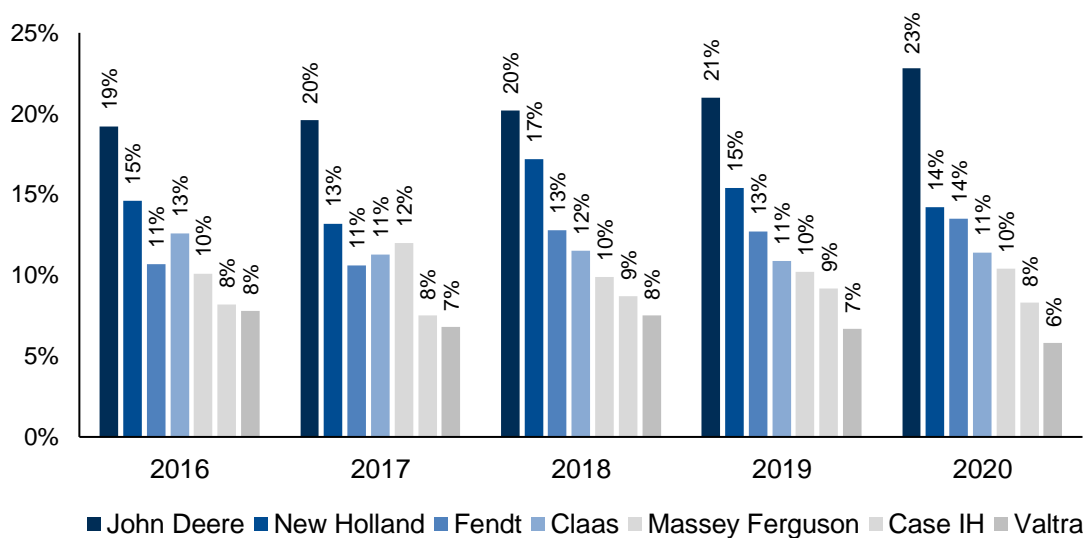
a. State of the art of the OEM market

With precision farming gaining popularity, the agricultural machinery and equipment industry is under pressure to develop new solutions to increase farm production with fewer inputs. As a result, demand is concentrated around a limited number of manufacturers with a technological edge that allows them to offer innovative solutions to increase productivity at attractive prices.

For example, historical John Deere number 1 in the sector, has even been able to strengthen its market leadership position by increasing its market share by 3 points between 2016 and 2020 - good news given that Cofle has recently become its supplier. A strategic high, this new customer should allow the group to increase its volumes and therefore benefit from economies of scale - which should materialise in FY22 figures.

We consider that the market should continue to concentrate around the current leaders. The quality of Cofle's customer portfolio and its high-end positioning coupled with its service offering should enable Cofle to benefit from this trend.

Evolution of the market shares of the tractor manufacturers



Source : Axema

b. OEM drivers

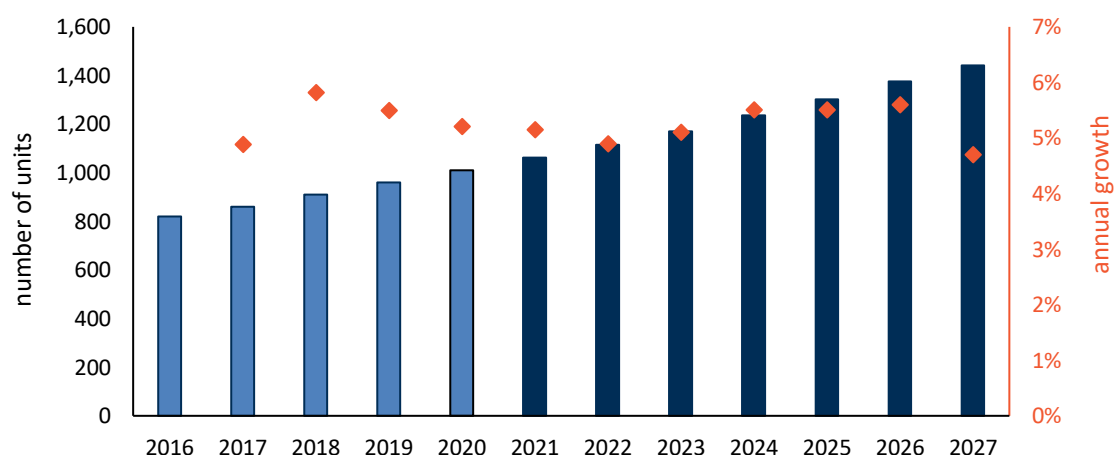
The first sectoral drivers are macro-economic. As the world population is constantly increasing, the demand for food is growing mechanically year after year. The FAO ²estimates that to feed the world's population in 2050, food production must increase by 70%.

At the same time, the amount of agricultural land around the world is only marginally increasing, and there is no sign of a change in this trend - see annex.

Because of this dissonance between the evolution of demand (growing) and supply (stable), the agri-food industry must invest massively and increase its yields - which explains, in part, the increase in sales volumes of tractors and other agricultural machinery.

Global tractor sales are expected to grow to 1.44 million units in 2026, an increase of 42% compared to 2020 - the global market is expected to reach a size of \$85.5 billion (compared to \$66.7 billion in 2020).

Tractor industry growth outlook



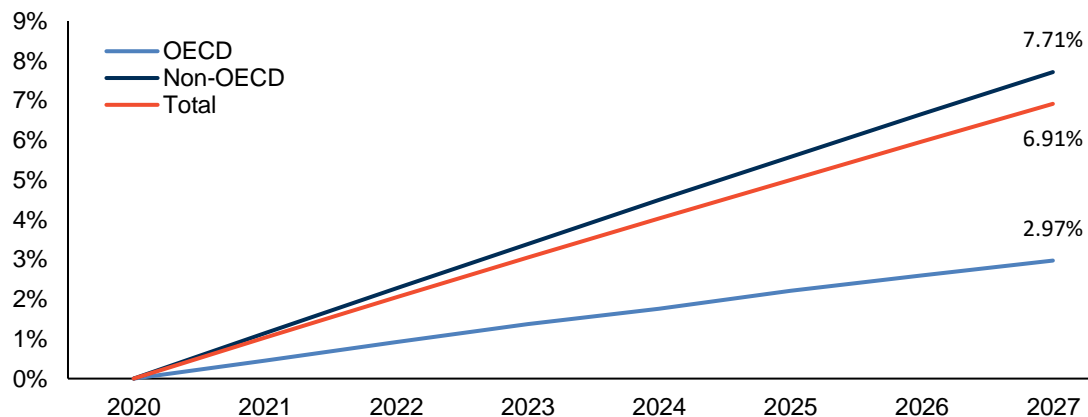
Source: HNY Research, June 2021

² Food and Agriculture Organization of the United Nations

c. Strong growth potential in developing countries

As explained, population growth is the primary factor influencing the demand for food products, and therefore for agricultural machinery. This is particularly true in developing countries, where population growth by 2027 is expected to be 2.6 times higher than in OECD countries (+2.9% versus +7.7%, based on 2020).

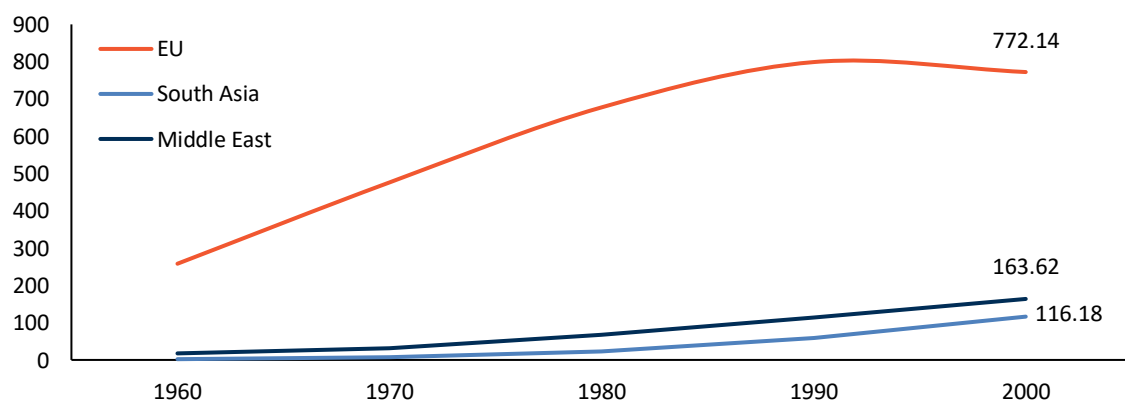
Population growth, base 100 in 2020



Source: OECD

In the medium term, in addition to this natural growth linked to the increase in population, the growth in demand for tractors and agricultural machinery in emerging countries should also come from an increase in the equipment rate. In fact, the countries of South Asia and the Middle East have a tractor equipment rate that is 6.6x and 4.7x lower than in Europe, respectively. As explained in part V. International presence, these geographical areas represent promising growth drivers for the Group.

Equipment rate - Tractors per 100km² of agricultural land



Source: OECD



d. Return to local agriculture in mature countries

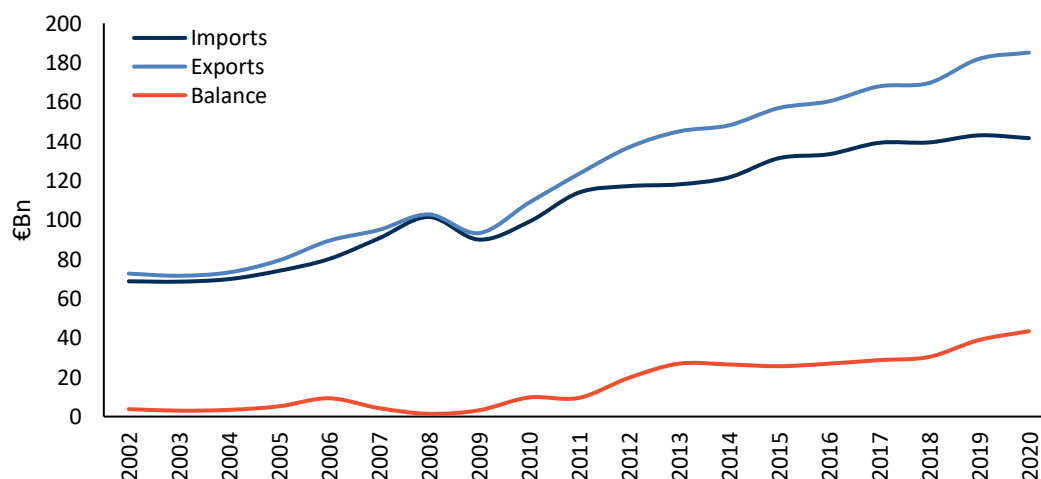
Demand in developed regions should benefit from a return to local agriculture, especially with the rise of organic farming.

As organic food is most often accompanied by a relocation of production and short-distance consumption, this societal trend should have a positive impact on the agri-food industry in developed countries, particularly in the European Union.

The organic market is currently valued at €15bn in Germany, €13.2bn in France and €4.4bn in Italy³ - the entire European market is expected to grow at a CAGR of 8.34% between 2020 and 2025⁴

These elements are already visible in the figures: European imports of agri-food products are slowing down, while exports are increasing.

European Union trade balance for food and agricultural products



Source: Eurostat

³ <https://agriculture.gouv.fr/infographie-lagriculture-biologique>

⁴ <https://www.mordorintelligence.com/industry-reports/europe-organic-food-and-beverages-market>

e. Perspectives

The new technologies developed to increase precision and maximize agricultural production while limiting inputs are revolutionizing the agricultural machinery sector. An "agritech" sector is developing and being structured around start-ups or the R&D offices of major groups. For example, the Swiss company Bühler Industries, via its subsidiary Kuhn, is banking on robotization and is planning to put the first fully autonomous food distribution robot on sale in the short term

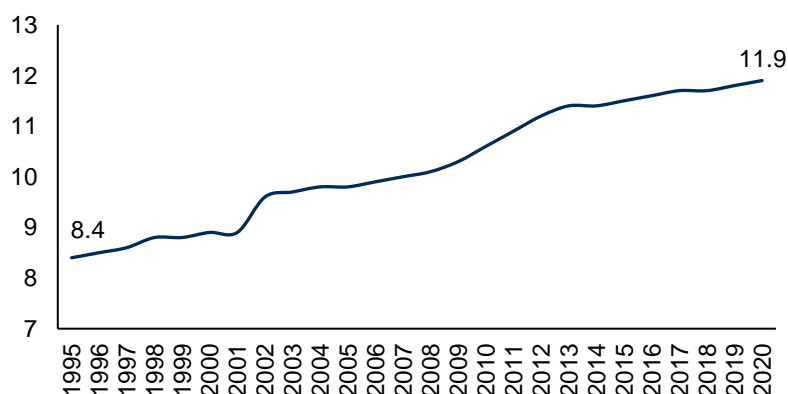
With this rise in technology in the agricultural world, equipment manufacturers are tending to orient their business model towards services - positioning themselves as partners to farmers and no longer simply suppliers of equipment. As farmers are increasingly confronted with tougher environmental constraints and increased competitiveness requirements, manufacturers working to increase productivity through data collection and processing should experience positive momentum in the short/medium term. We therefore consider that the R&D areas developed by Cofle, particularly with regard to sensors but also mechatronics, are perfectly in line with tomorrow's needs.

f. Aftermarket

By its very nature, the spare parts market is counter-cyclical and benefits from a positive momentum during macro-economic uncertainties, i.e. when motorists prefer to renovate or repair their vehicle rather than buy a new one.

The gradual increase in the average age of the vehicle fleet (+42% in 25 years), also implies an increase in demand for spare parts. This is particularly the case in Eastern Europe: Lithuania, Estonia and Romania have the oldest vehicle fleet, with vehicles older than 16 years on average ⁵- this region is therefore considered to be highly promising.

Average age of the US car fleet (years)

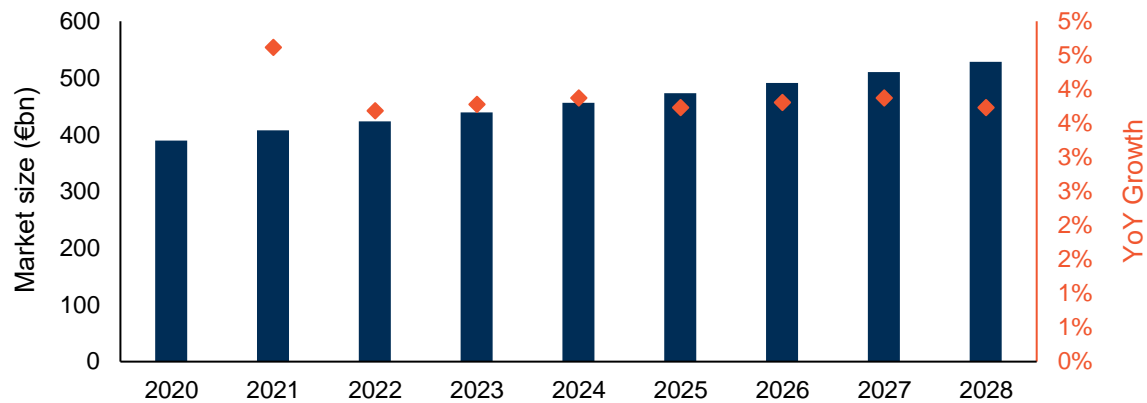


Source IHS

⁵ Source: Acea Auto, "Average age of the EU motor vehicle fleet, by vehicle type" (2021); BCG

In sum, the global automotive parts market is valued at over \$390 billion. This is after the impact of the pandemic. Driven by the desire of motorists to maximize the life of their vehicles, this market is expected to grow at a CAGR of 3.8%, between 2021 and 2028 - to reach a size of \$529bn.

Growth forecasts for the global automotive aftermarket (in \$bn)

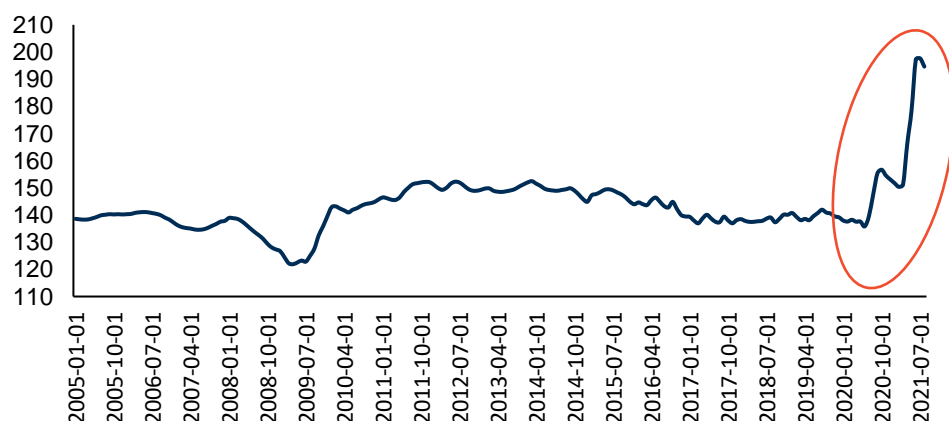


Source: Grand View Research, Inc - Aftermarket Automotive Parts Markets 2020

g. Perspectives

We consider that in the short/medium term the Aftermarket division should be driven by the shortage of components. As the production volume is not sufficient to fully satisfy demand, the latter should mechanically move towards used vehicles - driving growth in the aftermarket, to increase the vehicle's lifespan and/or condition it before a sale. Supporting this hypothesis, the increase in demand for used vehicles is already reflected in the FRED index, which has jumped 41% YTD.

Used Vehicle Price Index (in the US)



Source : FRED

VII. Strategic positioning

a. OEM

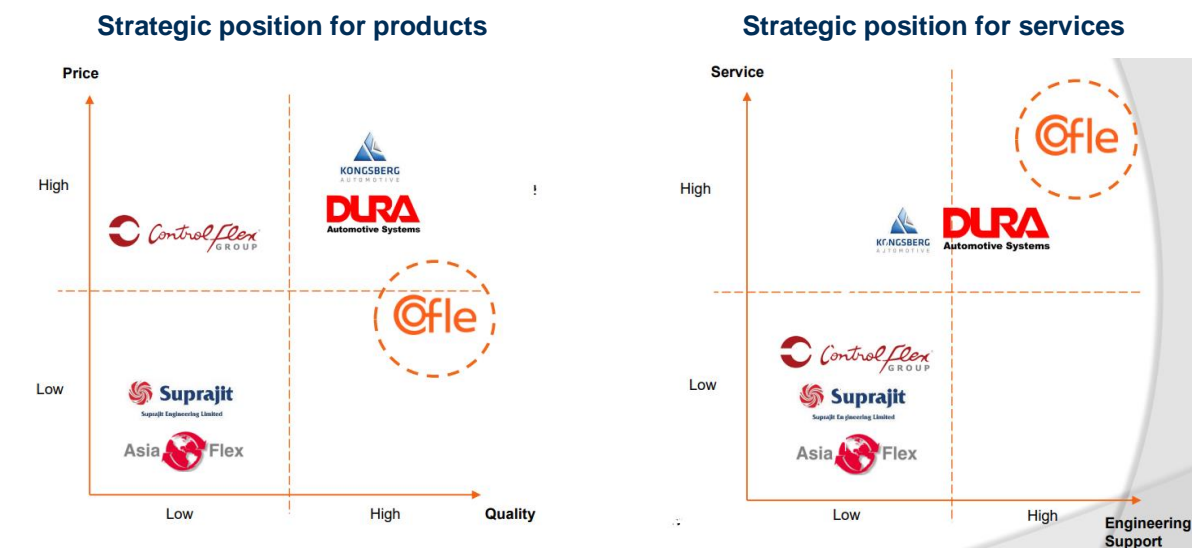
As explained, the great strength of the OEM division is the group's know-how and expertise, enabling it to offer co-design and customization services to its customers.

In fact, the group develops its products jointly with its customers to match their needs exactly. With design and engineering phases lasting on average 1 to 3 years, this business model allows the group to build unique relationships with its customers and thus erect significant competitive barriers.

The other key point for the success of Cofle is its excellent quality-price ratio. With 50+ years of experience, the group has developed a unique industrial process that enables it to guarantee its competitiveness. The excellent quality-price ratio of the group's products is a strong commercial argument in the face of the rise of competitors from developing countries such as Suprajit (India) or Ningbo (China), among others - who are more often than not focused on a low-cost commercial proposition.






Proof of the relevance of the group's commercial offer and its intrinsic qualities, a Cofle part will be present in c.15% of all tractors produced in the world in 2020 - making the group the leader in its sector.

Strategic positioning of the OEM division



Source : Company

List of the main competitors of the OEM division

Company	Origin	Description
	Kongsberg Denmark	OEM manufacturer, listed on the Oslo Stock Exchange, with 2020 sales of €1bn. 43.2% in Europe, 35.9% in the US. Sales of powertrains and chassis account for c.1/3 of sales.
	Dura US	Specialized provider of design, engineering and manufacturing solutions for the evolution of mobility. The group has a turnover of >1\$mld.
	Suprajit India	Listed on the NYSE, the Indian group focuses on the production of cables and halogen lamps. The group achieved a turnover of >200€M in 2020.
	Controlflex Brazil	Mainly based in Brazil, the group concentrates its production around the production of cables and generates a turnover of <\$30M
	Ningbo China	Chinese manufacturer of cables and other equipment parts for the automotive industry.

Source: Company, TP ICAP, Factset

In the medium/long term, the Group's strategy is to develop its OEM division by **i)** solidifying commercial relationships with current strategic customers and to develop its sales to John Deere **ii)** increasing its market share, mainly with the launch of new high value-added products, i.e. control systems **iii)** investing in R&D to continuously increase its competitive advantage **iv)** increasing its production capacity to cope with the growth in demand

In order to meet all of these strategic objectives, the group says it is ready to carry out external growth operations. The health crisis, followed by the shortage of components, has had an unprecedented impact on the sector, worsening the financial health of certain players. We therefore believe that market consolidation is inevitable. Indeed, we believe that companies with strong balance sheets, such as Cofle, should take advantage of the low valuation ratios in the sector to expand their business and increase their market share.

b. Description of the two main competitors

Kongsberg Automotive

Norwegian company, listed on the Oslo Stock Exchange with a capitalization of €250m as of 10/15/21. In 2020, Kongsberg Automotive had a turnover of €969m. The turnover comes from 3 different business segments:

1- Powertrain and Chassis: This division serves passenger cars and commercial vehicles. The product portfolio includes custom cable controls, gear shift systems, clutch actuation systems, gear shift cables and gear shift towers for transmissions. This segment will account for 38% of the group's sales in 2020, with Ford, General Motors and John Deere as its main customers.

2- Specialty Products: providing fluid handling systems for the automotive and commercial vehicle markets, coupling systems for compressed air systems in heavy vehicles, control systems for motorsports, construction, agriculture, outdoor power equipment and electronics-based products. This division accounts for 33% of sales in 2020 and the main customers are Volvo, Scania, John Deere and Jaguar.

3- Interior: In this segment, the Group is a world leader in the development and manufacture of comfort systems and mechanical and electro-mechanical motion controls for light vehicles. The product range includes seat adjustment cables and other wiring systems, lumbar supports and side bolsters, seat heating, ventilation and massage systems and headrests. This division accounts for 28% of sales and the main customers are Adient, Faurecia and Jaguar.

Kongsberg's financials

	2018	2019	2020
Gross Margin	54.7%	55.8%	54.8%
EBITDA Margin	7.9%	9.5%	6.2%
EBIT Margin	4.8%	5.3%	1.1%
Net profit margin	2.1%	2.4%	-12.1%

Source : Company

Suprajit Group

Suprajit Group is an Indian group, the 3rd largest manufacturer of light vehicle control cables in the world and the largest manufacturer of vehicle halogen bulbs in India. Like Cofle, Suprajit Group has a long history in the cable industry (35+ years in automotive cables, 75+ years in non-automotive).

The group is listed on the Bombay Stock Exchange and has a capitalization of ₹46bn, or approximately €552m (10/15/2021). In FY20-21, the group had a revenue of ₹16744.47m, or about €201m. For FY2020-21, 80% of Suprajit's revenue was from cable sales and the remaining 20% from bulbs. Suprajit is divided into 3 different brands:

1- Suprajit Engineering, which supplies cables for the automotive industry. The main customers of this division are BMW, Ford, Renault, Jaguar or even Bosch.

2- Phoenix Lamps, which produces and sells halogen lamps for car headlights.

3- Wescon Controls, which deals with the manufacture of non-automotive cables, such as for boats, tractors, motorsports etc. The main customers of this branch are MTD, Toro, Piaggio, Honda, John Deere or even Whirlpool. Suprajit produces all kinds of cables, such as brake cables, clutch cables, starter cables, gear shift cables and speed control cables.

Suprajit's financials

	2018-2019	2019-2020	2020-2021
Gross Margin	45.9%	42%	43%
EBITDA Margin	14.6%	13.9%	14.4%
EBIT Margin	12.1%	10.3%	10.7%
Net profit margin	8.2%	6.6%	8.6%

Source : Company

c. Aftermarket

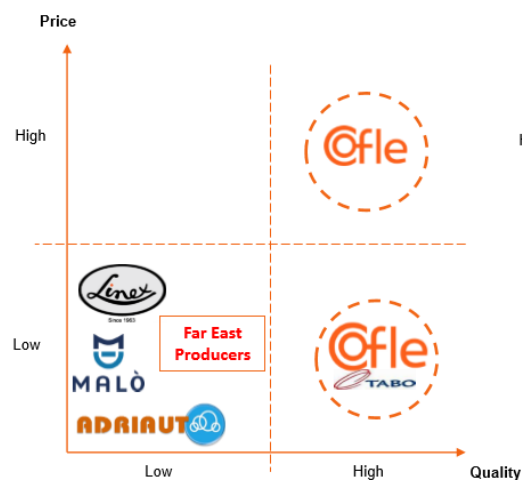
As explained above, Cofle's objective is to have the most standardised production possible, in order to **i)** reduce production costs - benefiting from economies of scale and **ii)** be compatible with the maximum number of vehicles - Cofle's products are already compatible with all European and Japanese car manufacturers.

As with the OEM division, Cofle stands out for the high quality of its products, while offering attractive prices. This is made possible by the geographical location of the group's assets, with production mainly in India and Turkey and Italy as a logistics hub for distribution throughout Europe.

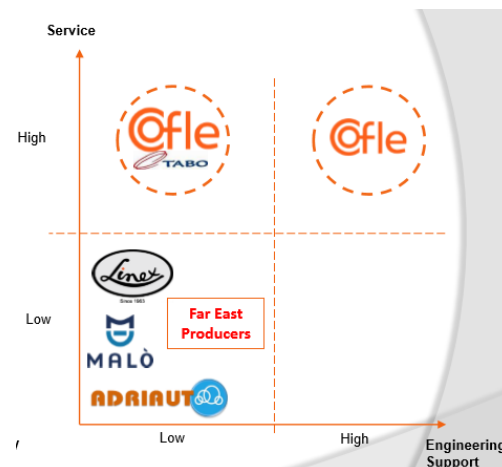
Thanks to this good positioning, the Cofle Group has unique business relationships with leading aftermarket companies such as Bosch or Continental, but also with international distributors such as Federal Mogul or Unix.

Strategic positioning of the Aftermarket division

Strategic position for products



Strategic position for services



Source : Company

List of the main competitors of the aftermarket division



LINEX Sp.zo.o. is Polish manufacturer of automotive control cables on the Polish and European markets.



Malò S.p.A. is an Italian based company specialized in the distribution of aftermarket of a wide range of automotive aftermarket products.



Adriauto S.r.l. is an Italian based company specialized in the production of flexible cables for cars and industrial vehicles

**Far East
Producers**

In the last decades far east producers emerged as low quality, low price producers of aftermarket products

Source : Company

Cofle's development strategy for its AM division is to **i)** strengthen its market share in Eastern Europe, a market considered highly promising - due to the average age of vehicles being higher than the European average **ii)** seize opportunities linked to the development of the electric parking brake (EPB) and a range of brake pipes.

To this end, as for the OEM division, the group remains open to potential acquisitions in order to increase its market share, expand its product catalogue or develop new distribution networks.

VIII. Financial analysis

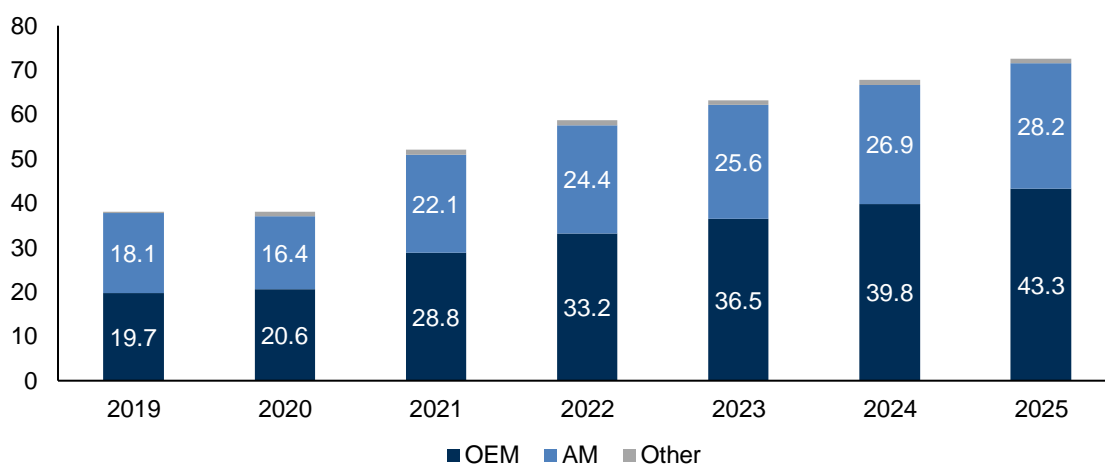
a. Analysis of turnover

Down 8.9%, mainly due to the impact of COVID-19, the Aftermarket division nevertheless showed strong resilience compared with the reference market - down 14.4%⁶. Conversely, despite the difficult context and slowdowns on various projects, the group managed to grow its OEM business (+8.9%). In short, Cofle's business model has proven its resilience in this particularly turbulent period.

Following the delays in 2020, the years 2021 and 2022 should be marked by a catch-up effect in the automotive and tractor production sectors. Based on sector trends and Cofle's historical outperformance of its benchmark sector, we therefore expect sustained growth in the medium term: sales up 36.7% and 12.6% for FY21 and FY22, respectively.

In the medium term, the group should experience a period of normalisation of its growth. We expect sales CAGR of 13.7% for the period between FY20 and FY25. In the long term, as Cofle has the major industry players in its customer portfolio, its sales growth should be broadly in line with the industry (LTGR is 1% in our DCF).

Evolution of Cofle's turnover



Source: TP ICAP

⁶ According to the ANFIA 2020 report

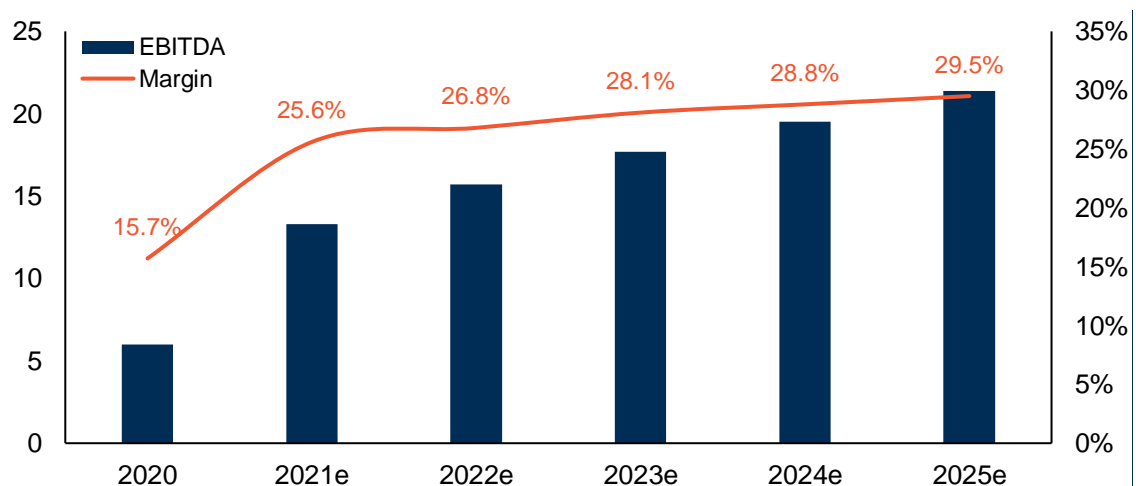
b. Margin analysis

By 2025, the group aims to increase its EBITDA margin by around one point per year. We see the two main levers to achieve this objective as **i)** greater robotisation of production processes, increasing the efficiency of existing plants and **ii)** increasing production capacity in India, with investments in new production lines and machinery. Our model forecasts a reduction in the weight of personnel costs in relation to sales of 3 percentage points between FY20 and FY25 (20% versus 23%).

In addition, we consider that the current cost structure of the group shows potential for further economies of scale - the cost of leases & rentals of the current factories is kept constant in our forecast model and should therefore represent the equivalent of 1.5% of sales in FY25 versus 2.9% in FY20. The weight of the other main costs, i.e. services (c.18% of sales) and raw materials (c.31% of sales), are kept constant over the forecast period.

In the short/medium term, exogenous factors, such as raw material prices, could cause margin volatility. However, this risk should be qualified as a regular revaluation of sales prices to take account of changes in raw material prices is included in the contracts between Cofle and its main customers.

Evolution of EBITDA margin - m€ & %.

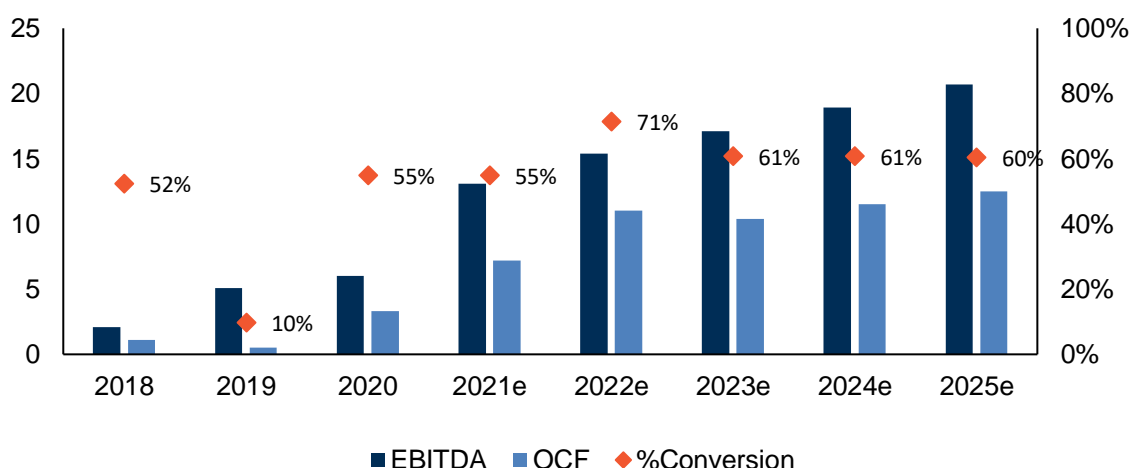


Source: TP ICAP

c. Analysis of cash generation

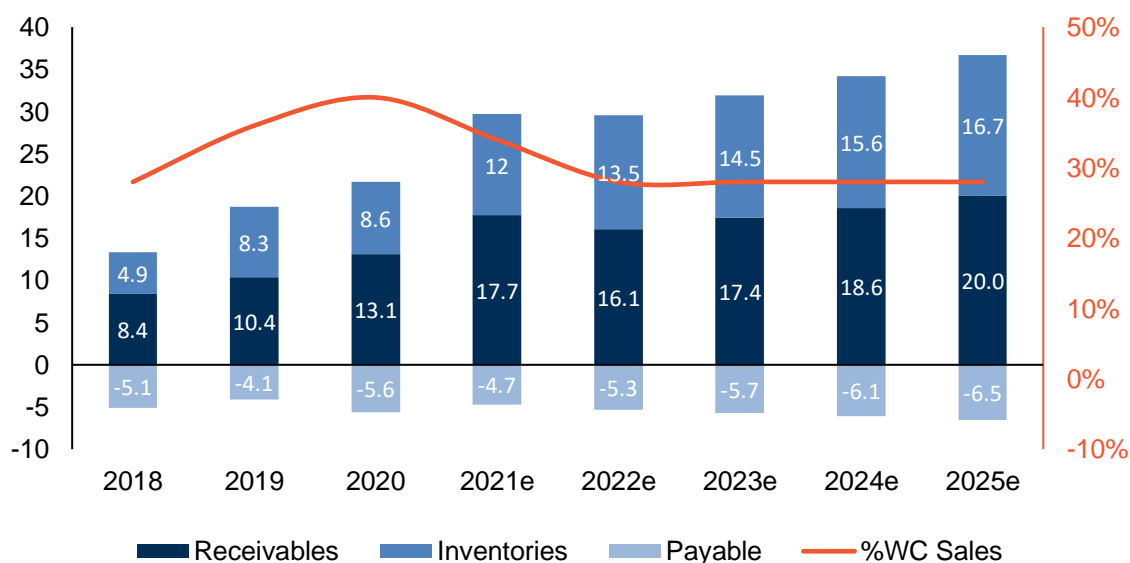
Working capital is the primary driver of volatility in the Group's cash generation. For example, the increase in inventories is the main reason for the low conversion ratio in FY19 - excluding the WCR effect, cash conversion in FY19 was even higher than in FY18 (112% vs 95%). At €3.3m, operating cash flow has shown strong resilience during the health crisis, as has EBITDA. In the long term, our model is based on normalising working capital to sales, leading to a conversion rate of around 60%.

Evolution of the operational conversion



Source: TP ICAP

Changes in working capital requirements



Source: TP ICAP



IX. Extra-financial analysis

a. Environment

Aware of the urgency of climate change, Cofle constantly strives to limit its impact on the environment. This is formalised through several concrete actions.

Firstly, the group's production sites are ISO14001 certified, guaranteeing that the production process complies with regulatory requirements and respect for the environment. Going further than current regulations, Cofle aims to ensure that its factories co-exist with the surrounding parks and biodiversity areas - this includes strict and permanent control of all waste generated by its activities.

In addition, the group is constantly improving its energy efficiency and water consumption. For example, as early as 2012, solar panels were installed to supply the factories with renewable electricity. The group also has the 'Plastic Free' project, promoting the use of recyclable or recycled materials for more environmentally friendly production.

Recently, the group joined the "Corporate Golden Donor" program of the Italian environmental fund FAI in 2021 to protect and manage natural resources.

However, we consider that the lack of quantified objectives, allowing for the monitoring of the evolution of the company's practices, remains an area to be developed in order to improve ESG communication.

b. Social

With a view to consolidating the know-how of its employees and reinforcing its position as an innovative player, Cofle is setting up various training courses for its employees - enabling them to improve their skills and limiting employee turnover. As proof of the group's commitment to this issue, solutions have been put in place to guarantee training even during the health crisis.

Cofle's other focus is the safety of the various trades working in its plants. The company is careful to assess its safety practices and to adopt operational precautions to protect its employees as best as possible.

In addition, with a view to improving the well-being within the company, the company has started from 2019 the construction of its service buildings with modern and spacious structures that ensure compliance with the rules of social distancing.

c. Governance, board members

Walter Barbieri - President and CEO



CEO since 2010 and General Manager since 1996, Walter Barbieri began his career at Cofle as a technical designer and later became responsible for production.

Alessandra Barbieri - Member



Alessandra Barbieri is responsible for internal and external communications and manages and maintains relations with the authorities, the press and the Italian and foreign media in order to promote the Group's reputation.

Diego Galbussera - CFO



Diego Galbussera has been Administrative and Financial Director and Director of Human Resources since 1998.

Duties include:

- Drafting of financial statements
- Tax returns
- Management of a team of 3 people

Gianni Crespi - Head of OEM



Gianni Crespi has been with the Cofle Group since 1987 and is responsible for sales in the OEM division.

His main responsibilities are:

- Sales and market development
- Review of the cost analysis
- Setting sales prices
- Setting up the sales budget
- Client follow-up

Valentina Ressa - Head of AM



Valentina Ressa joined Cofle as sales manager of the AM division in 2015, she was previously in charge of exports at Gaviota Simbac

She is now responsible for the strategic approach, pricing, market development and customer care of the global aftermarket division.

Massimo Mandelli



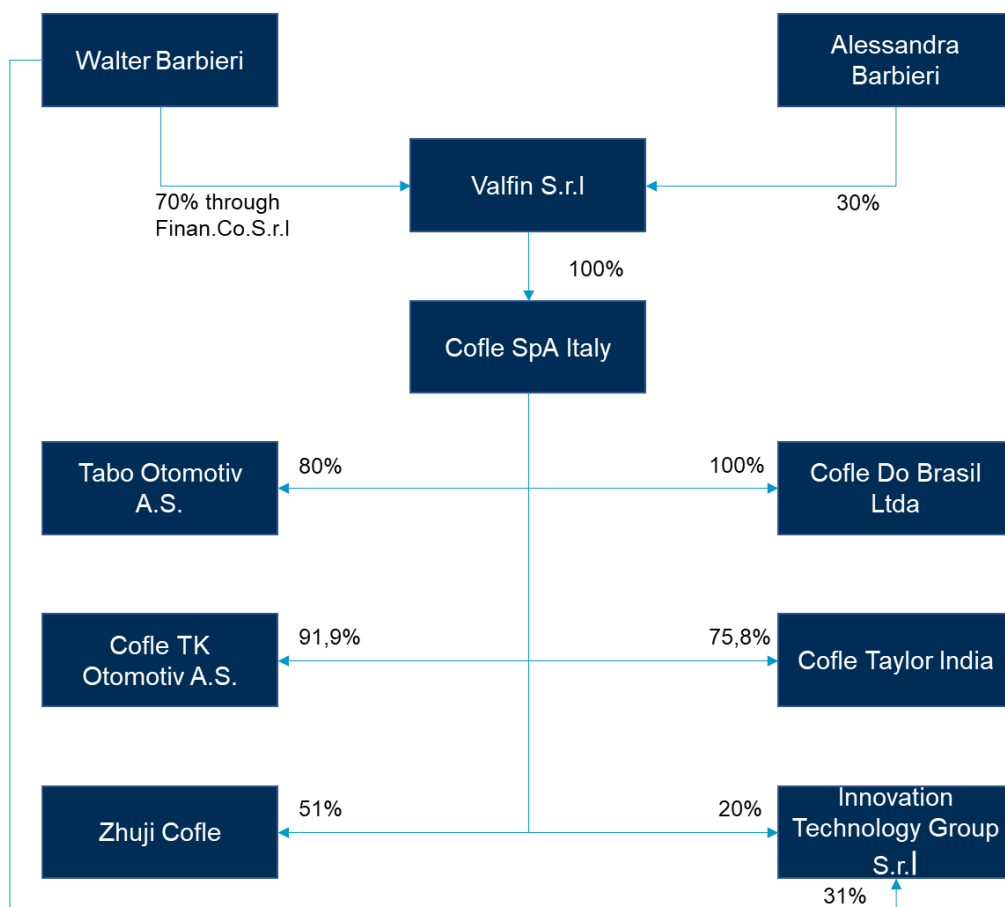
Massimo Mandelli joined Cofle in 1994 as Director of Quality. Responsible for testing and prototypes from the co-engineering and analysis of the new product with the customer (choice of materials, design, optimization of components), he manages Turkey, Brazil, Italy, China and India. Mr. Mandelli is also plant manager in Italy.

Matteo Merla



Previously manager at Acerbis, Matteo Merla joined Cofle in 2008 as Supply Chain Manager. He is also Project Manager in the start-up and integration of the group's new plants, and is also involved in the operational implementation of ERP management software.

Company structure



Source: Company, TP ICAP

X. Valuation

a. DCF - €131.5m

Cofle thus offers exposure to attractive short-term growth potential combined with promising growth drivers and a considerable increase in EBITDA margin in the medium term - all with a limited risk profile thanks to its resilient top line. In order to best reflect the intrinsic qualities of the company, we have opted for a discounted cash flow valuation (DCF)

Valuation by DCF

	> Forecasts					Transition period					
DCF €m	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Sales	38.1	52.1	58.6	63.2	67.7	72.6	77.0	80.7	83.5	85.4	86.2
Growth (%)	0.0%	36.7%	12.6%	7.7%	7.2%	7.3%	6.0%	4.8%	3.5%	2.3%	1.0%
EBIT	4.7	11.9	14.2	16.1	17.7	19.5	20.1	20.6	20.7	20.6	20.3
Margin (%)	12.3%	22.9%	24.2%	25.4%	26.1%	26.8%	26.2%	25.5%	24.8%	24.2%	23.5%
NOPAT	3.7	9.3	11.1	12.5	13.8	15.2	15.7	16.0	16.2	16.1	15.8
%Sales	9.6%	17.9%	18.9%	19.9%	20.4%	20.9%	20.4%	19.9%	19.4%	18.8%	18.3%
Non cash expenses	1.3	1.4	1.5	1.6	1.8	1.9	2.1	2.3	2.4	2.5	2.6
%sales	3.4%	2.7%	2.6%	2.6%	2.6%	2.7%	2.7%	2.8%	2.9%	2.9%	3.0%
CAPEX	0.9	2.1	2.3	2.5	2.7	2.9	2.9	2.9	2.8	2.7	2.6
%Sales	2.4%	4.0%	4.0%	4.0%	4.0%	4.0%	3.8%	3.6%	3.4%	3.2%	3.0%
Delta NWC	1.5	2.4	-1.6	1.2	1.3	1.4	1.0	0.8	0.5	0.2	0.0
%Sales	3.9%	4.6%	-2.6%	2.0%	1.9%	1.9%	1.3%	0.9%	0.6%	0.3%	0.0%
Unlevered FCF	2.6	6.2	11.8	10.4	11.6	12.9	13.9	14.6	15.2	15.6	15.8
dFCFF		5.90	9.91	7.78	7.73	7.62	7.33	6.86	6.34	5.80	5.23

WACC calculation	
Kd	4.1%
Tax	22%
Net Kd	3.2%
Wd	27%
Rf	0.5%
Raw Beta	1.10
Premium risk	8.0%
Specific risk	6.5%
Ke	15.8%
We	73%
WACC	12.4%
LTGR	1.0%

Terminal value	
TV m€	140.7
Discount	33%
Weight	52%

EV (M€)	117.0
Debt (M€)	11.6
Cash (M€)	26.1
Equity (M€)	131.5
Target Price	24.35€

Source: TP ICAP, Factset

Sensitivity of the DCF

WACC		9.9%	10.4%	10.9%	11.4%	11.9%	12.4%	12.9%	13.4%	13.9%	14.4%	14.9%
L T G R	131.5	157.5	150.1	143.4	137.2	131.7	126.5	121.8	117.5	113.5	109.7	106.2
	0.0%	159.2	151.6	144.7	138.4	132.7	127.5	122.7	118.2	114.1	110.3	106.8
	0.2%	161.0	153.1	146.0	139.6	133.8	128.4	123.5	119.0	114.8	111.0	107.4
	0.4%	162.8	154.7	147.5	140.9	134.9	129.4	124.4	119.8	115.5	111.6	107.9
	0.6%	164.8	156.4	149.0	142.2	136.0	130.4	125.3	120.6	116.3	112.3	108.5
	0.8%	166.8	158.2	150.5	143.5	137.2	131.5	126.3	121.5	117.0	112.9	109.2
	1.0%	168.9	160.0	152.1	144.9	138.5	132.6	127.2	122.3	117.8	113.6	109.8
	1.2%	171.1	162.0	153.8	146.4	139.8	133.7	128.3	123.2	118.6	114.4	110.4
	1.4%	173.4	164.0	155.5	147.9	141.1	134.9	129.3	124.2	119.5	115.1	111.1
	1.6%	175.9	166.1	157.3	149.5	142.5	136.2	130.4	125.1	120.3	115.9	111.8
	1.8%	178.4	168.3	159.2	151.2	143.9	137.4	131.5	126.1	121.2	116.7	112.5

Source: TP ICAP

b. Peers - €130.1m

To reflect the current market dynamics and the good stock market performance of the sector, we have also valued the group via the median EV/Sales FY21e of its peers. A 10% discount was applied to reflect the potential risks associated with the stock's low liquidity.

Valuation based on peers

Name	Ticker	Country	Market cap.	EV.	Sales	EBITDA	Net Inc.	EV/Sales
Exel Industries	EXE-FR	France	504.9	505.0	938.0	84.3	45.1	0.5
Graco	GGG-US	US	11,540.3	12,362.7	1,732.4	519.0	372.3	7.1
Bucher Industries	BUCN-CH	Switzerland	4,509.7	3,762.5	3,058.0	402.4	245.8	1.2
CNH Industrial	CNHI-US	US	19,273.7	34,345.8	27,348.4	2,748.7	1,502.1	1.3
Suprajit	532509-IN	Inde	731.8	444.4	225.2	34.4	21.6	2.0
Kongsberg	KOA-NO	Norway	313.6	5,239.2	1,122.9	86.8	5.6	4.7
Deere & Co.	DE-US	US	102,836.4	147,434.3	41,773.0	8,253.5	6,043.1	3.5

Median EV/Sales	1.97
Discount	10%
Post Discount	1.78
EV (M€)	104.1
Debt	11.6
Cash	37.6
Equity value (M€)	130.1
Target Price	24.09

Source: TP ICAP, Factset

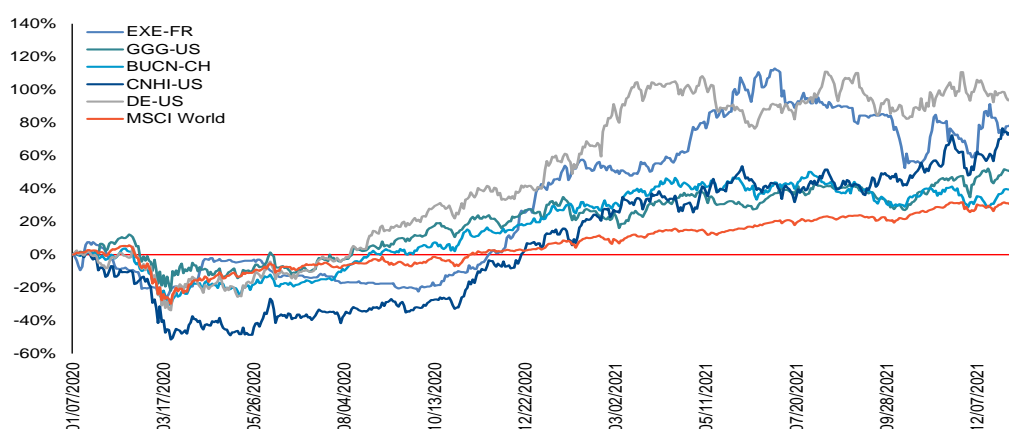


Comparable financial figures

	Exel	Graco	Bucher	CNHI	Suprajit	Kongsberg	Deere	Median
Sales n+1	867	1,970	3,177	32,260	18,852	110,975	40,154	25,556
Sales n+2	903	2,075	3,457	34,158	22,250	116,525	45,227	28,204
Sales n+2	930	2,180	3,599	34,861	25,112	122,347	47,436	29,987
EBITDA n+1	77	609	415	3,595	2,820	970	8,234	1,895
Margin	9%	31%	13%	11%	15%	1%	21%	14%
EBITDA n+2	86	659	455	3,985	3,499	1,199	9,583	2,349
Margin	10%	32%	13%	12%	16%	1%	21%	14%
EBITDA n+3	93	691	470	4,171	4,048	1,329	10,706	2,688
Margin	10%	32%	13%	12%	16%	1%	23%	15%
EBIT n+1	59	545	331	2,619	2,241	504	7,381	1,393
Margin	7%	28%	10%	8%	12%	0%	18%	11%
EBIT n+2	67	584	367	2,895	2,890	709	8,756	1,799
Margin	7%	28%	11%	8%	13%	1%	19%	11%
EBIT n+3	73	622	376	3,095	3,438	815	9,531	1,955
Margin	8%	29%	10%	9%	14%	1%	20%	11%
NI n+1	39	439	253	1,794	1,782	210	5,940	1,110
Margin	4%	22%	8%	6%	9%	0%	15%	8%
NI n+2	46	470	279	2,009	2,320	364	6,857	1,239
Margin	5%	23%	8%	6%	10%	0%	15%	8%
NI n+3	51	501	286	2,160	2,775	443	7,342	1,330
Margin	5%	23%	8%	6%	11%	0%	15%	8%

Source: TP ICAP, Factset

Stock market performance of peers



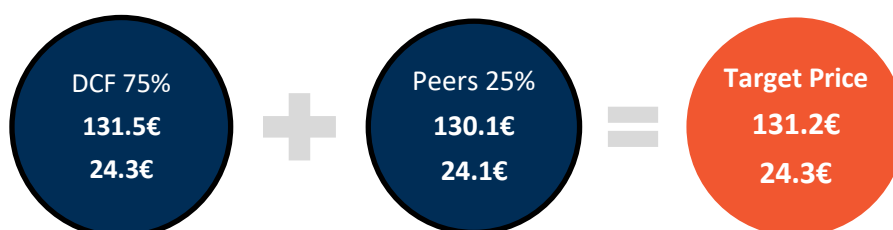
Source: TP ICAP, Factset



c. Summary

To best reflect the potential for future growth and margin improvement, the DCF valuation has been weighted at 75%, leading to a target capitalization of €131.2m

Summary of the valuation and the resulting multiples



	FY21e	FY22e	FY23e	FY24e	FY25e
EV/Sales	2.24	1.99	1.85	1.72	1.61
EV/EBITDA	8.75	7.42	6.58	5.98	5.44
EV/EBIT	9.78	8.21	7.26	6.59	5.98
PE	14.08	11.82	10.45	9.49	8.62

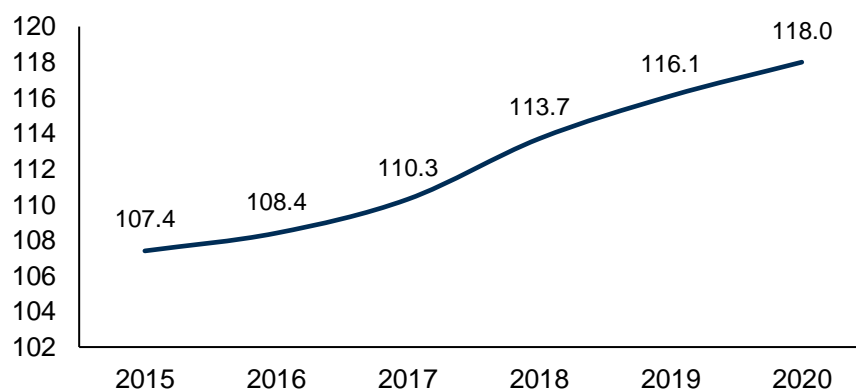
Source: TP ICAP, Factset

XI. Risks to consider

a. Increasingly shared procurement

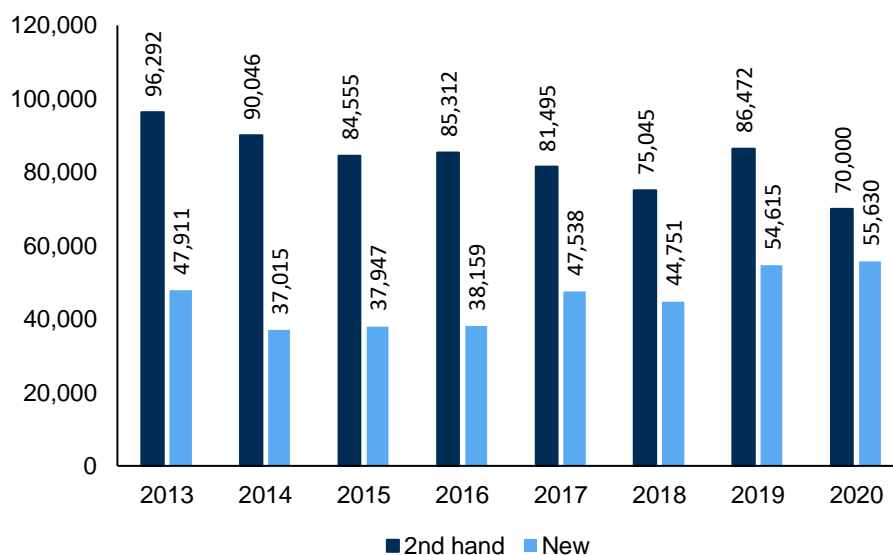
Due to **i)** the constant increase in the price of agricultural machinery and **ii)** the fact that a farmer uses on average 15 to 20 machines, we consider that the consumption pattern is likely to move towards more pooling of purchases or towards second-hand products - in order to limit costs. This would have a negative effect on the sales of the OEM division. However, although used tractors account for 50-60% of French registrations, no paradigm shift is observed - yet.

Agricultural equipment price index



Source : XERFI

Registrations of used agricultural tractors (in France)

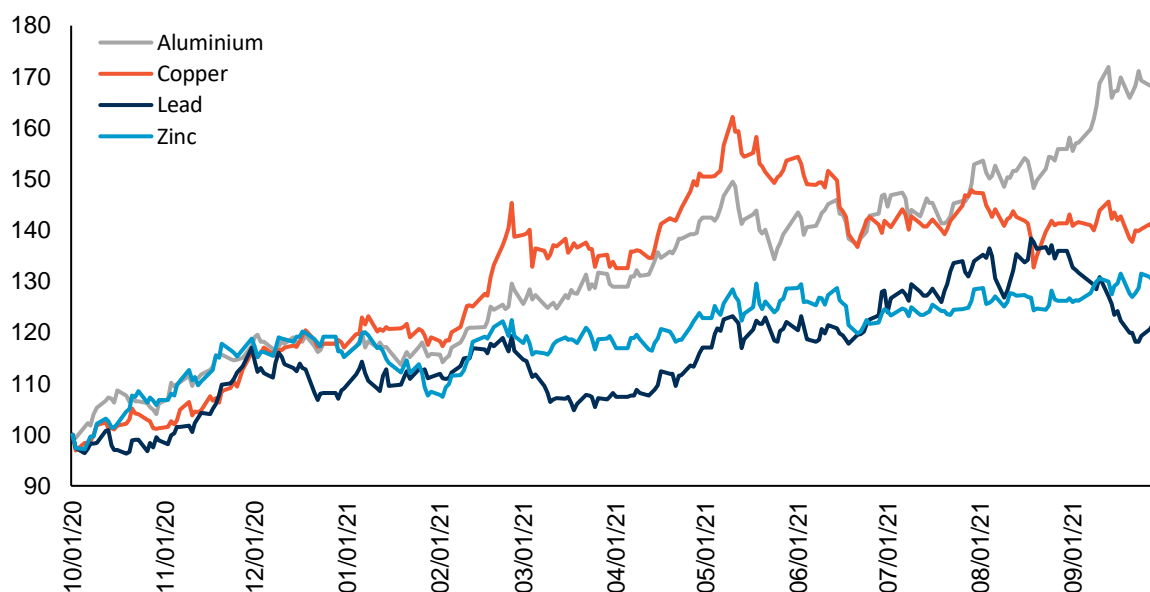


Source : XERFI

b. The price of raw materials

The recent evolution of metal prices, particularly aluminium, could have a negative impact on the group's margins. Indeed, being the first item of operating expenses, the purchase of raw materials represents 30-35% of turnover. However, this risk must be qualified because the regular revaluation of sales prices to take account of changes in raw material prices is included in the contracts between Cofle and its main customers.


Evolution of the price of some raw materials (base 100)



Source: Factset

XII. Annexes

Summary of products offered by Cofle for the Aftermarket

CORE PRODUCTS				
	Clutch Cables	Brake Cables	Brake Hoses	Gear Shift Cables
OTHERS				
	Bonnet Cables	Cable for Electric Puller	Choke Cables	
				
	Accelerator Cables	EPB Servomechanism	Speedometer Cables	

Source : Company

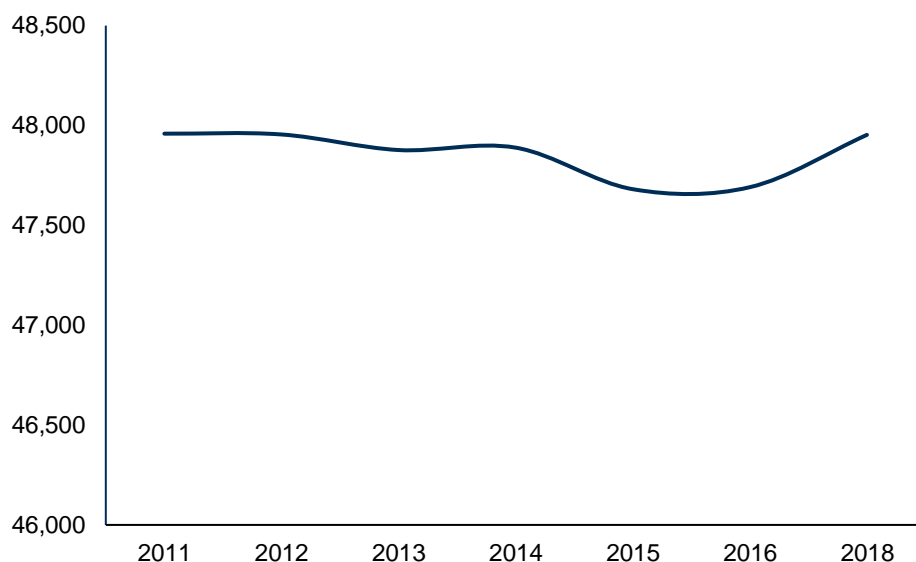
Type of processes and products by subsidiary

Subsidiaries	Processes	Products
Cofle Italy (Italy)	<ul style="list-style-type: none"> • Assembly • Extrusion • Robotic welding • Mechanical machining 	<ul style="list-style-type: none"> • Electronic control buttons • Cable puller • Gear shift cables • Brake cables • Mechanical joysticks • Gear shift towers • PTO levers • Steering Columns
TaboOtomotiv (Turkey)	<ul style="list-style-type: none"> • Assembly • Extrusion • Sheets 	<ul style="list-style-type: none"> • Cable pullers • Parking brakes • Clutch cables • Throttle cables
Cofle TK (Turkey)	<ul style="list-style-type: none"> • Assembly • Extrusion • Laser cutting • Plastic injection moulding • Welding • Sheet metal bending 	<ul style="list-style-type: none"> • Brake levers • Cable pullers • Gear shift cables • PTO levers • Mechanical joysticks • Brake hoses
Cofle Taylor India (India)	<ul style="list-style-type: none"> • Assembly 	<ul style="list-style-type: none"> • Cable puller • Gear shift cables • Brake levers • PTO levers • Mechanical joysticks
Cofle DO Brasil (Brazil)	<ul style="list-style-type: none"> • Assembly • Plastic injection moulding 	<ul style="list-style-type: none"> • Cable puller • Gear shift cables • Brake levers • PTO levers • Mechanical joysticks • Gear shift towers • Steering Columns
Cofle Zhuji (China)	<ul style="list-style-type: none"> • Packaging • Delivery 	<ul style="list-style-type: none"> • Cable puller • Gear shift cables • Cables and PTO valves • Brake levers • PTO levers • Remote control levers

Source : company



Available agricultural land in the world (Km2)



Source: World Bank

Geographical distribution of tractor demand - thousands of units sold

	2022	2023	2024	2025	2026	2027	CAGR
Namer	335	348	371	387	407	424	6.08%
E. Asia	278	293	306	329	352	366	7.49%
Europe	249	266	281	294	310	327	7.40%
S. Asia	51	54	56	59	62	66	7.01%
H.E. Asia	46	48	51	53	56	59	6.57%
Mid. East	49	52	55	58	61	64	6.97%
Africa	24	25	26	27	29	30	6.57%
Oceania	23	24	25	27	28	30	6.72%
S. Amer	54	56	59	63	66	69	6.46%
RoW	5	5	5	5	6	6	5.99%
Total	1 114	1 170	1 234	1 302	1 375	1 440	6.86%

Source: HNY Research



Financial data

IS m€	2019	2020	2021e	2022e	2023e	2024e
Sales	38.3	37.4	52.1	58.6	63.2	67.7
<i>Growth</i>	31%	0%	37%	13%	8%	7%
Gross margin	25.9	24.5	35.9	40.4	43.6	46.7
%Sales	68%	64%	69%	69%	69%	69%
Staff costs	-10.9	-9.8	-12.0	-12.9	-13.3	-13.9
Others	-9.9	-8.7	-10.6	-11.8	-12.6	-13.4
EBITDA	5.1	6.0	13.3	15.7	17.7	19.5
%Sales	13%	16%	26%	27%	28%	29%
EBIT	4.0	4.7	11.9	14.2	16.1	17.7
%Sales	10%	12%	23%	24%	25%	26%
Non-recurring	-	-	-	-	-	-
Financial result	-0.2	0.3	0.0	0.0	0.0	0.0
Tax	-0.9	-1.1	-2.6	-3.1	-3.5	-3.9
Tax rate	-23%	-22%	-22%	-22%	-22%	-22%
Net income	2.9	3.9	9.3	11.1	12.6	13.8

BS m€	2019	2020	2021e	2022e	2023e	2024e
PPE & Intangibles	4.3	5.9	8.0	9.6	11.3	13.1
Financial fixed assets	1.1	1.0	1.0	1.5	1.5	1.5
Current assets	20.7	23.5	32.2	32.3	34.7	37.1
Cash	1.2	3.2	26.1	37.6	48.9	61.4
Assets	27.3	33.6	67.3	80.9	96.3	113.1
Equity	7.0	10.1	31.0	34.0	36.9	39.8
Provisions	1.8	1.6	8.1	14.4	21.8	30.0
Financial debt	5.6	8.7	8.7	8.7	8.7	8.7
Other LT liabilities	0.3	1.5	1.8	4.4	8.3	12.8
Current liabilities	12.4	11.3	17.0	18.5	19.6	20.6
Tax liabilities	0.3	0.4	0.8	0.9	1.1	1.2
Liabilities	20.4	23.5	36.3	46.9	59.4	73.3
L+E	27.4	33.6	67.4	80.9	96.3	113.1

CF m€	2019	2020	2021e	2022e	2023e	2024e
Operating cash flows	4.2	5.0	10.7	12.6	14.2	15.6
Delta BFR	5.6	1.5	2.4	-1.6	1.2	1.3
CAPEX	0.0	0.9	2.1	2.3	2.5	2.7
FCF	-1.4	2.6	6.2	11.8	10.4	11.6
Net financial investments	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4
Change in borrowings	0.0	1.9	15.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Change in cash	-1.2	2.6	22.4	11.5	11.3	12.5

Source: company, TP ICAP

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Company	Conflict Type
Cofle Spa	E, G

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