

CLABO

2019 outlook and update of strategic plan

Updated business plan shows increase in margins: The Company recently announced an outlook for FY 2019 and a revision of the 2020 business plan. According to the outlook the Company will close FY2019 with revenues of Euro 54.5 m, +3% vs. FY 2018 and with an EBITDA in a range between Euro 6.5-7.2 m (Euro 6.1 m in FY 2018) and with an EBITDA margin of 11.9-13.2%.

Management also presented an update of the strategic plan for FY 2020. The plan highlights continuous focus on the integration of the production facilities and production efficiency which should lead to an increase in profitability already in the short term. More in detail, revenues should reach Euro 60 m, +10% vs FY 2019E, but below the previous plan (Euro 71 m) mainly due to the strategic choice of Management to delay the introduction of the storage production line previously expected for 2020 following the uncertainties regarding the impact on raw material costs of the ongoing trade dispute between USA and China. Management expects 2020 EBITDA to reach Euro 8.7 m with an EBITDA margin of 14.5%, up significantly vs. expectations for FY 2019 thanks to the recent investments in production efficiency ("Factory 4.0"), shift in product mix with the introduction of new high margin models/product lines and continuous focus on savings in fixed costs.

Reinforcement of the Management team to boost integration synergies: in October the Company also announced the appointment of Riccardo Bottura as General Manager in order to give a boost to the industrial and managerial integration of the Chinese and US operations. As of January, he will cover the role of CEO. Bottura has previously held similar positions in KMI Italy and Alival (Nuova Castelli Group).

Conclusions: We have not revised our estimates or target price as we expect the release of FY 2019 results to do so. As newly announced results are largely in line, or even higher than our profitability estimates (2020 EBITDA of Euro 8.7 m vs. our estimate of Euro 8.5 m) and as we believe that the recent announcements are positive news for the Company, we confirm our positive outlook for Clabo.

FLASH NOTE

AIM Italia – November 29th, 2019 6:00 p.m.

Sector: Manufacturing

Target Price (Euro)	2.68 (3.13 pr)
Market Price (Euro)	1.11
Market Cap (Euro m)	9.3
EV (Euro m)	36
<i>(as of November 28th, 2019)</i>	

Share Data

Market	AIM ITALIA
Bloomberg	CLA.IM
ISIN	IT0005091324
N. of Shares	8,455,900
Free Float	29.76%
General Manager	Riccardo Bottura

Aim Positioning

FY 2018	Comp any	AIM Sector	AIM Italia
VoP (Eu m)	53	97	45
Yoy	18%	37%	29%
EBITDA %	11%	11%	14%
ND/EBITDA (x)	3.9	2.8	3.9

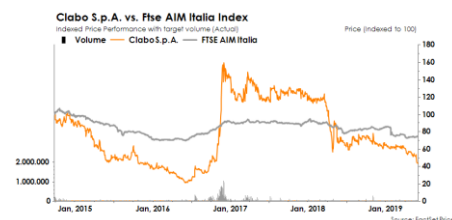
Market Data	Company	AIM Sector	AIM Italia
Mkt Cap (Eu m)	13	69	53
Perf. from IPO	-59%	-18%	-9%
Free Float	30%	27%	35%
ADTT YTD (Eu k)	21	68	149

Performance

	1M	3M	6M
Absolute	-22.9%	-30.2%	-31.9%
Relative	-24.3%	-29.8%	-25.7%
52-week High/Low (Eu)	2.07/1.09		

IR TOP RESEARCH

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Key Figures (Euro m)	Revenues (VoP)	Yoy %	EBITDA	EBITDA %	EBIT	EBIT %	Net Profit	Net Debt
2018A	53.0	+13%	6.1	12%	2.7	5%	(0.0)	23.9
2019E	57.3	+8%	7.0	12%	2.2	4%	0.2	27.0
2020E	64.8	+13%	8.5	13%	3.6	6%	1.4	25.3
2021E	73.5	+13%	10.5	14%	5.6	8%	2.6	22.1

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Date	Target Price	Market Price	Validity Time
October 3 rd , 2019	2.68	1.50	12 months
April 4 th 2019	3.13	1.93	12 months

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