

Growth in Sight after Portfolio Rationalization

ADD | Fair Value: €2.33 | Current Price: €1.80 | Upside: +29%

Equity Research

October 21st, 2025 – 7.00 h

€ Million	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Sales Revenues	28.4	32.5	34.3	38.9	40.1	43.9	47.8
Total Revenues	28.8	32.7	34.7	39.4	40.8	44.9	49.1
EBITDA Adjusted	2.9	3.9	0.6	1.9	2.9	3.7	4.6
margin	10.2%	11.9%	1.7%	4.9%	7.1%	8.3%	9.4%
Net Profit	0.2	0.9	(1.5)	0.1	0.6	1.2	1.9
margin	0.6%	2.9%	-4.3%	0.2%	1.5%	2.7%	3.9%
Free Cash Flows	0.2	(2.3)	(3.9)	0.6	0.6	1.0	1.4
Net Debt (Net Cash)	(1.8)	(3.2)	1.0	0.3	(0.5)	(2.0)	(4.2)

Overview. Founded in 2006 and headquartered in Siena, Emma Villas is Italy's leading luxury villa rental operator managing 700+ exclusive properties across 17 regions through capital-light model without owning directly the villas. The Group operates four contract types (Standard, Minimum Guaranteed, Empty for Full, and Full Property Investment) providing flexible income formulas for villas owners while maintaining full operational control over the villas managed. In FY24 it generated €34.7mn revenues with 88% international clientele, primarily from UK, US, and Germany. M&A activity occurred in the first half of 2024 expanded the Villas portfolio through Marche Holiday Villas and Domus Rental acquisitions, while the 2025 launch of the Food & Experience services creates additional revenue streams beyond booking fee.

Investment Thesis. Emma Villas' exclusive management model creates immediate booking confirmation and independent pricing control versus non-exclusive competitors, while structural cash flow timing provides natural financing as >70% of guest payments occur in H1 versus >70% of owner payouts in H2. The company acts as consolidator in Italy's fragmented luxury rental market, targeting operators with 20-80 villa portfolios and proven track records. With luxury travel demand growing and 55k+ annual international guests providing geographic diversification, Emma Villas leverages its scalable operational platform and trusted owner relationships to capture market share in the expanding premium vacation rental segment.

KT&P's Estimates. In FY25E, revenues are projected at €39.4mn (+13.6% YoY), driven mainly by the FY24 acquisitions of Marche Holiday and Domus Rental, which added 100+ properties to the portfolio. In FY25, the company is renegotiating contracts to reduce costs and absorb fixed obligations under Minimum Guarantee and Empty for Full agreements. Even so, legacy commitments are expected to continue pressuring margins, with adjusted EBITDA projected at €1.9mn (4.9%). From FY24 to FY28E, revenues are expected to grow at a 9.1% CAGR to €49.1mn, based on a conservative assumption of c.40 additional villas managed per year. Adjusted EBITDA is projected to reach €4.6mn with a 9.4% margin by FY28E as contract rationalization lowers COGS incidence through 26E-28E.

Valuation. Our valuation of the group is based on: (i) DCF with a 9.6% WACC and 2% terminal growth rate; (ii) comps multiple EV/EBITDA Adj applying a 20% size/liquidity discount. The average between the two yields a fair value of €2.33ps, 29% upside vs current price, implying a 8.9x multiple on Emma Villas' FY25E EBITDA adj.

Relative Performance Chart YTD



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Market Data

Mkt Cap (€ mn)	12.5
EV (€ mn)	13.6
Shares out. (mn)	6.97
Free Float	12.9%

Market multiples	2024	2025E	2026E
EV/EBITDA			
Emma Villas (KT&P Valuation)	29.2x	8.9x	5.9x
Emma Villas (Market)	23.0x	7.0x	4.7x
Comps Median	9.8x	9.6x	9.0x
Emma Villas vs Median	136%	-27%	-48%

Stock Data

Avg. Daily Turnover 90d (€ k)	14,975
Price Change 1w (%)	0.00
Price Change 1m (%)	-4.76
Price Change YTD (%)	-18.55

Key Financials

Per Share Data	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Total shares outstanding (mn)	n.m.	n.m.	7.0	7.0	7.0	7.0	7.0	7.0
EPS	n.m.	n.m.	0.1	(0.2)	0.0	0.1	0.2	0.3
Profit and Loss (EUR million)								
Sales Revenues	18.1	28.4	32.5	34.3	38.9	40.1	43.9	47.8
Total Revenues	18.5	28.8	32.7	34.7	39.4	40.8	44.9	49.1
growth (%)	n,a,	55.9%	13.5%	6.0%	13.6%	3.7%	9.9%	9.4%
EBITDA Adjusted	0.6	2.9	3.9	0.6	1.9	2.9	3.7	4.6
EBITDA Adj margin (%)	3.2%	10.2%	11.9%	1.7%	4.9%	7.1%	8.3%	9.4%
EBITDA	0.6	1.3	1.9	(0.7)	1.1	1.9	2.7	3.6
EBITDA margin (%)	3.2%	4.5%	5.8%	-2.1%	2.9%	4.7%	6.0%	7.4%
EBIT	0.5	0.7	1.3	(1.9)	0.0	0.9	1.7	2.6
EBIT margin (%)	2.5%	2.3%	3.9%	-5.4%	0.1%	2.2%	3.7%	5.3%
Net Income	0.3	0.2	0.9	(1.5)	0.1	0.6	1.2	1.9
Net Income margin (%)	1.5%	0.6%	2.9%	-4.3%	0.2%	1.5%	2.7%	3.9%
Balance Sheet (EUR million)								
Total fixed assets	11.4	10.6	7.3	9.4	8.9	8.8	8.8	8.8
Trade Working Capital (TWC)	(3.3)	(3.5)	(2.4)	0.7	1.0	0.9	0.8	0.6
Total Net capital employed	5.2	4.0	2.6	5.2	4.6	4.4	4.1	3.8
Net financial position/(Cash)	(0.7)	(1.8)	(3.2)	1.0	0.3	(0.5)	(2.0)	(4.2)
Total Shareholder's Equity	6.0	5.8	5.8	4.2	4.3	4.9	6.2	8.1
Cash Flow (EUR million)								
Operating cash flow	n.m.	1.4	(0.6)	(0.9)	1.6	1.8	2.5	3.1
Change in TWC	n.m.	0.2	(1.9)	0.7	(0.2)	0.1	0.1	0.2
Capital expenditure	n.m.	(0.4)	(1.2)	(3.2)	(1.0)	(1.0)	(1.0)	(1.0)
Free cash flow	n.m.	0.2	(2.3)	(3.9)	0.6	0.6	1.0	1.4
Enterprise Value (EUR million)								
Market Cap	n.m.	n.m.	21.1	18.5	12.5	12.5	12.5	12.5
Net financial position/(Cash)	(0.7)	(1.8)	(3.2)	1.0	0.3	(0.5)	(2.0)	(4.2)
Enterprise value	n.m.	n.m.	24.3	19.5	12.8	12.0	10.5	8.3
Ratios								
Gearing - Debt/equity	64%	63%	46%	158%	144%	115%	76%	39%
NFP/EBITDA	-1.3x	-0.6x	-0.8x	1.7x	0.2x	-0.2x	-0.5x	-0.9x
ROCE	9%	17%	49%	-36%	1%	20%	41%	67%
ROE	5%	3%	16%	-36%	2%	13%	20%	24%
TWC/Sales	-18%	-12%	-8%	2%	3%	2%	2%	1%
Free cash flow yield	n.m.	n.m.	-18%	-31%	5%	5%	8%	11%
Multiples (x)								
EV/Sales	n.m.	n.m.	0.4x	0.4x	0.3x	0.3x	0.3x	0.3x
EV/EBITDA adj.	n.m.	n.m.	3.5x	23.0x	7.0x	4.7x	3.7x	2.9x
P/E	n.m.	n.m.	13.4x	(8.3x)	158.9x	19.9x	10.2x	6.6x

Source: Company Data (2021-2024), KT&Partners' Estimates (2025E-2028E)

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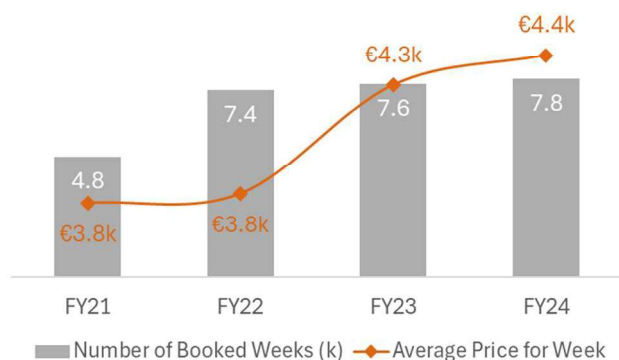
Total Revenues (€mn) and YoY growth (%)



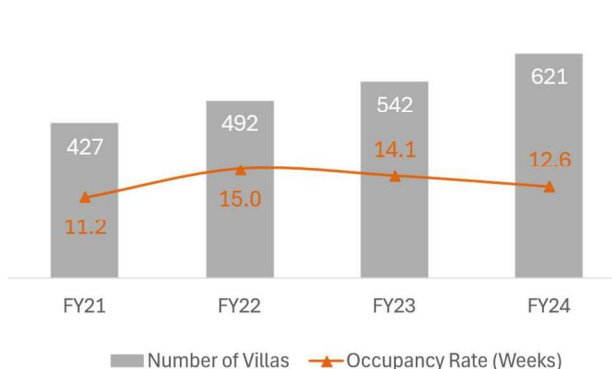
EBITDA Adj. (€mn) and EBITDA Adj. Margin (%)



Number of Booked Weeks (#) and Avg. Price per Week (€)



Number of Villas Generating Rev. (#) and Occupancy Rate



Emma Villas Value Chain



Company Overview

Founded in 2006 and headquartered in Siena, Emma Villas is Italy's leading luxury villa rental operator, specializing in the exclusive short-term rental of high-end villas and country homes with private pools. Positioned at the intersection of hospitality and real estate services, the Group offers a vertically integrated platform that combines property management, guest services, and digital booking solutions. With a growing portfolio of >700 exclusive villas across 17 Italian regions, Emma Villas maintains a dominant presence in Tuscany, Umbria, Sicily, and Marche, and has recently expanded its footprint through targeted acquisitions and digital investment. All Italian villas are managed under exclusive agreements, which give Emma Villas full control over pricing, availability, and service quality—further reinforcing its premium positioning.

Emma Villas operates under a unique, capital-light model that combines contractual exclusivity with flexible income formulas for property owners (hosts), including "standard" (where income to the owner is directly tied to the number of weeks booked, with pricing set in agreement with Emma Villas), "minimum guaranteed" (where Emma Villas commits to a baseline annual income for the property), and "full property investment" (vuoto per pieno, where Emma Villas purchases the entire season from the owner for a fixed fee, assuming full operational and commercial risk). In FY24, the Group strategically enhanced its offering through the acquisition of Domus Rental and Marche Holiday Villas, expanding its inventory and reinforcing regional expertise. The Group now consolidates three brands under one platform—Emma Villas, Domus Rental, and Marche Holiday.

The company's distinctive edge lies in its ability to deliver a fully integrated value proposition to both hosts and guests. For hosts, Emma Villas handles marketing, bookings, check-in/check-out, housekeeping, maintenance, and revenue optimization via dynamic pricing. For guests, it curates tailor-made experiences through its "Food & Experience" project, launched in early 2025, offering bundled vacation services via an integrated e-commerce platform. Finally, high retention and satisfaction metrics are supported by initiatives like the Emma Villas Academy, which trains field personnel and enhances service quality across the network.

Investment Case

Growing Ahead of its reference market. The luxury villa rental market is growing as the demand for luxury travel experiences is constantly increasing, particularly in popular tourist destinations like Italy. The company's portfolio of more than 700 villas spans across most regions offers broad geographical diversification and caters to a wide range of preferences.

Exclusive Management Mandates. Emma Villa's business model operating on exclusive management mandates ensures a certain level of control over the properties when compared to competitors that don't operate with exclusivity. The main upsides for EV are: i) the ability to immediately confirm reservations; ii) the planning of long-term marketing actions over its managed properties (i.e. professional photographic shooting); iii) the independent pricing policy to maximise occupancy rates; and iv) the capacity to constantly guarantee high-quality standards through the management of the villas and its network of quality inspectors.

Trusted partner for property owners. Thanks to the complete service offered to owners, EV counts on long-term rental agreements and strong villa retention, offering among others: i) Continuitive assistance to boost the property profitability, also through structural investments completely anticipated by EV (ReHome program); ii) International exposure through its website and the main OTAs channels with the possibility to make a reservation 24/7; iii) insurance policy to hedge the risk of cancellation from guests and eventual damages to the property; and iv) the option of the "Minimum Guaranteed" dealership on properties that fulfil certain standards, enabling the owners to secure themselves a minimum stream of revenue, independently from the effective occupancy.

Structural healthy cash-flow generation. One of the main strengths of the revenue model is that the cash-in from guests is structurally long-anticipated from the repayment to owners, guaranteeing a constant and, also thanks to seasonality, foreseeable buffer in cash management. In 2024, >70% of total cash-in occurred in the first six months, while >70% of total cash-out in the last six months of the year.

A strong brand and scalable expertise. Emma Villas has built a solid reputation for high-quality villa rentals, consistently attracting and retaining customers. With long-standing expertise and a scalable business model, it has growth potential both in acquiring new properties in Italy and expanding abroad, supported by a strong foreign client base (more than 55k international guests every year).

Acting as a consolidator. Emma Villas has a well-defined external growth plan (and the firepower to pursue that consists of ongoing scouting of potential target villa rental companies that meet certain operating standards - operators with at least 5 years of activity, a valuable portfolio in the 20-80 villas range with a 3-4 year retention rate and a significant regional knowledge. The goal is to create an articulate and diversified group of complementary companies and the recent acquisition in April 2024 of Marche Holidays Villas (27 exclusive properties) and in July 2024 of Domus Rental (78 exclusive properties), goes in that direction.

Company's History

Company's foundation

Emma Villas was established in 2006 from the idea of Giammarco Bisogno, boasting more than 20 years of previous experience in the rental and tourism sector. Indeed, Giammarco founded "Rent Tuscany" in 2000, focused on vacation rentals in Tuscany, and later rebranded as "Emma Villas". boasting more than 20 years of previous experience in rental and tourism sector. Indeed, Giammarco founded "Rent Tuscany" in 2000s, focused on vacation rentals in Tuscany.

First TV spot

After the official launch of the brand and website "Emma Villas", in 2013 the company launched its first spot and television campaign on Sky channel.

Expansion towards additional services

In 2015, to further expand its offer, the company introduced a wide range of additional services for villas rental, such as transfer, first grocery, or chef at home.

First Emma Villas Tour

To increase Emma Villas brand awareness among villa's owners, in 2017 the company launched the first Emma Villas Tour, a tour of Italy aimed at meeting the owners in major Italian cities such as Florence, Chianciano, Pesaro and Catania. In 2018 the tour took place in five cities - reaching new renowned destinations such as Milan, Rome and Lecce – and, since then, it has usually been repeated every year to meet and update the owners about new proposals and services.

Moreover, in 2018 the company launched a completely restyled TV spot, reaching also other TV channels (i.e. La 7).

App Emma development and sales network establishment

In the period 2019 – 21 the company focused on i) technology investments, implementing a new CRM and developing its proprietary App "Emma", a sole showcase for both hosts and guests to streamline the services offered (i.e. online check-in, or tourist tax payment through App) and ii) Sales organization's strengthening, establishing a network of agents and dealers widespread in the main Italian cities.

EMV acquisition and new insurance policies

In 2021 the company enriched its owned properties portfolio through the acquisition of a majority stake (66%) in EMV International Ltd, an English company holding a portfolio of 11 villas managed in exclusivity located in Sicily and Apulia. Emma Villas then increased its stake to 83% in 2022, reaching the entire 100% in November 2023. In the same year (2021) the company introduced new insurance policies for both villas owners and guests.

Reorganization process: mergers and spin-off

With the aim to ensure a better core business management, in 2022 Emma Villas undertook a reorganization process through i) the merger through incorporation of Emmina Srl and Le Ville di Chiara Srl (the companies engaged in the additional services to the stay and real estate business) and ii) the consequent spin-off of the real-estate assets from the short-term villas rental business. The spin-off was effective starting from February 2023.

Listing on the EGM market and first flagship store opening

To pursue its growth path, on September 29th, 2023, Emma Villas went listed on the Euronext Growth Milan segment, at an IPO price of €3.30ps, raising €3.2mn (capital increase, the greenshoe option was not exercised). The company now aims at expanding its presence abroad – also through external lines – strengthening its commercial network for villas acquisition and empowering sales channels for attracting new clients. In 2023, the company also opened its first flagship stores in Siena, Orbetello and Porto Cervo, laying the ground for the construction of a physical network with villas owners.

Heading abroad with Chiara Travels

In November 2023 Emma Villas launched "Chiara Travels", an online platform focused on the main European touristic destinations. It currently offers a catalogue of 160+ luxury villas and mountain chalets aligned with Emma Villas' quality standards, although without exclusivity. EV targets reaching a portfolio of 600 international properties within Chiara Travels in the next three years.

Management team consolidation, 2 strategic M&A and new Hub Store.

In January 2024 Emma Villas announced a strategical consolidation process of its management team, through the introduction of new experienced resources in Sales, Portfolio Operations, Administration and Finance and HR areas. Moreover, in 2024, Emma Villas continued its external growth strategy with the acquisitions of Marche Holiday Villas, which exclusively manages 27 villas in the Marche region, and Domus Rental, which manages 78 villas exclusively in the Veneto region. During the year, the company also opened a new Hub Store to strengthen its on-site presence in the Marche region.

Launch of Food & Experience service and sign of a new partnership

In 2025, Emma Villas launched the “Food & Experience” platform, integrating curated local experiences and gourmet offerings into its website to complement villa bookings and create additional revenue streams; the initiative generated approximately €0.6mn as of 30 September 2025. In July, the company also signed an agreement with a leading international corporate welfare provider, which in the pilot phase from July to September delivered around 50 bookings and approximately €0.2mn in revenues.

Emma Villas Key Milestones



Source: Company Presentation

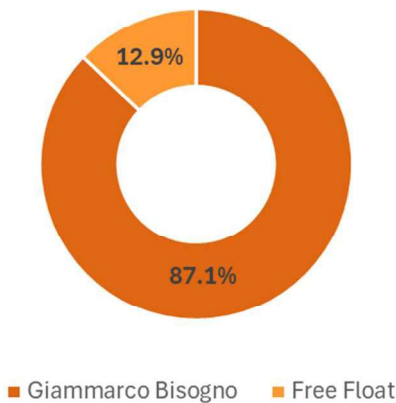
Ownership and Group Structure

As of 30th June 2025, Emma Villas main shareholder is Giammarco Bisogno (CEO and founder) holding an 87.1% stake in the company. After the IPO, the remaining stake of the company’s shareholding capital is held by the market, representing a free float of 12.9%.

As of 30th June 2025, EV group include the following subsidiaries:

- **EMV International Ltd:** a UK-based company founded by Massimo Provenza active in the villas rental activity through 11 villas located mainly in Sicily under Massimo Villas Brand. The first stake of the company was acquired in 2021 (leading Emma Villas holding a 66% stake), while an additional 17% was acquired in 2022; the final 17% was acquired in November 2023. In 1H25 the company generated 0.3mn revenues excluding intragroup operations.
- **Marche Holiday Villas Srl:** an Italian operator active in premium villa rentals through 27 villas located in the Marche region under the “Marche Holiday” brand. Emma Villas acquired 100% of the company in April 2024. Revenues for 1H25 were €28k after excluding intragroup activity.
- **Domus Rental S.r.l.:** an Italian operator active in exclusive villa and apartment rentals, with 78 properties concentrated in Verona and the Lake Garda area under the “Domus Rental” brand. Emma Villas acquired 100% of the company in July 2024. In 1H25, the company recorded €0.75mn in revenues net of intragroup transactions.

Shareholding structure as of June 2025



Group Structure as of June 2025

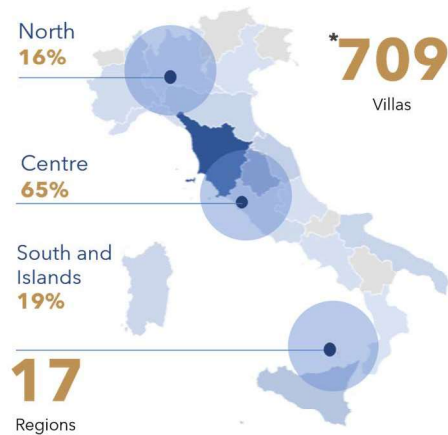


Source: KT&P’s elaboration on company data; *Domus Rental, acquired at the end of July 2024, is included in the consolidation scope only for balance sheet and financial position items, and is excluded from the income statement.

Villas Portfolio Composition and Type of contracts

As of June 30, 2025 Emma Villas accounts a portfolio of 709 exclusive villas (vs 660 in FY24) across 17 Italian regions, Emma Villas maintains a dominant presence in Tuscany, Umbria, Sicily, and Marche, and has recently expanded its footprint through targeted acquisitions in 2024 (Marche Holiday Villas and Domus Rental).

Emma Villas’ Properties geographical distribution

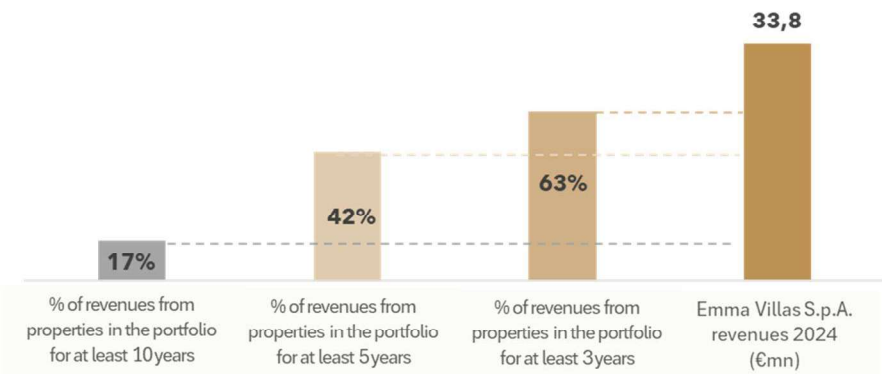


Source: Company data. * Number of properties under contract in June 2025. This is different than the number of villas that generated revenues as of the same date.

Emma Villas’ portfolio includes only properties managed under an exclusive agreement, which gives the company a privileged position in the short-term villa rental market when compared to its competitors who do not operate with exclusive villas such as calendar flexibility, high-quality standards, independent pricing policy and long-term planning.

Leveraging on its 360° property management offering, also through tailored contracts and additional services, Emma Villas enjoys a high level of owners’ retention with more than 60% of the contract above the standard 2 years contract duration in FY24.

Owners’ Retention (on FY24 sales, €mn,%)



Source: Company Presentation

Categories of contracts

The contracts stipulated with the owners are:

- **Standard (145 contracts as of December 2024, 22% of the total):** Under this contract type, no guaranteed income is provided to owners from the rental of the property, and both owners payments and EV margins depend on effective occupancy.
- **Minimum Guarantee (316, 48%):** Emma Villas agrees with owners to a guaranteed minimum annual income for the property (usually based on a minimum number of weeks expected to be booked), with the possibility for owners to earn more if more weeks than expected are occupied. This solution is attractive for owners as it offers a floor income from their villas. Emma Villa’s upsides from this type of contract are due to reduced competition (very few competitors offer the same agreement), and EV offering this contract just to properties with the potential for higher profitability and where demand is expected to be strong (to minimize the risk of under-booking vs guaranteed weeks).
- **Empty for full (140, 21%):** this contract foresees the purchase of the season for an agreed consideration with the owner. So, the owners do not earn more than the agreed income regardless of the number of weeks booked, with all the additional weeks occupied representing a potential gain for Emma Villas. This venue attracts demand given the limited competition from other players offering a guaranteed income to villas’ owners. However, it leads to higher financial risks in case of underperformance.
- **Full Property Investment (59, 9%):** started in 2024, in addition to a fixed payment, higher than in the classic empty for full, Emma Villas assumes responsibility for property management and provides initiatives aimed at improving the hospitality standards of the asset. The average annual investment per villa is c.€25-35k between FY24-25.

Emma new Full Property Investment formula Key Highlights			
FPI: How the model works		FPI: How the model works	
• Direct investments in selected properties • End-to-end property management (marketing, booking, guest stay) • Upgrades to improve standards • Fixed compensation paid to property owners		• Expand the portfolio in high-potential regions through “endogenous” acquisitions • Rebalance the contract mix to optimize profitability and management flexibility • Increase operational control over properties • Deliver a premium guest experience	
Budget and timeline		Benefits	
• Annual investment of €1.5–2.0mn in 2024–2025, heavier in year one, with stronger revenue flows and margins expected over the following 2–3 years		• Flexible pricing and promotions • Standardized quality and a guaranteed customer experience • Portfolio rebalancing • Higher customer loyalty and profitability and Stronger premium brand positioning	

Source: KT&P’s elaboration on company data

As of December 2024, EV had 660 contracts, up 22% YoY from 543. This increase was driven mainly by the rise in Standard contracts (+60% YoY to 145 from 92 in 2023) and the introduction in 2024 of the Full Property Investment contracts, with 59 agreements signed, equal to 9% of the portfolio.

Breakdown of contracts by type (%) – December 2024



Source: KT&P's elaboration on Company Data

In 2025, EV started risk-mitigation and cost-saving measures, including the roll-out of contracts without guarantee (Standard) to rebalance the portfolio and reduce exposure to minimum guarantees (especially Empty for Full / Full Property Investment).

Business Model

Emma Villas acts as an intermediary between Owners and Customers without owning directly the Villas since to ensure a leaner and capital light business model.

The company targets property owners who prefer not to manage their villas personally, instead entrusting them to professional intermediaries capable of active property management and valorization. On the demand side, Emma Villas serves customers who book their holidays either directly through the company's proprietary platform or indirectly through online travel agencies and local real estate partners. Operating exclusively through contractual agreements with villa owners, Emma Villas offers a comprehensive portfolio of premium properties complemented by full-service property management, advance financing for improvements and renovations, and rigorous quality control protocols.

Industry Business System



Source: KT&P's elaboration on company data

This dual-client approach, serving both property owners and guests, distinguishes Emma Villas as a fully integrated hospitality platform rather than a simple listing aggregator.

Group Value Chain

The Emma Villas Value Chain can be decomposed in 5 steps:

- **Phase 1 Marketing activities:** EV runs an integrated online and offline plan to feed both sides of the marketplace. Roughly 70% of the 2024 marketing budget was allocated to SEM and Google Ads to support direct traffic and direct bookings on emmavillas.com. Digital levers include SEO, website and blog management, newsletters and targeted email, multi-platform social activity, and video content. Offline levers include multichannel distribution on tourism portals, printed and digital catalogs, trade-fair attendance and Emma Villas Tour events, PR activities.
- **Phase 2 Exclusive property sourcing:** To ensure the acquisition of the best properties on the market, alongside securing a constantly updated and renewed offer to its guests, Emma Villas relies on a solid villas acquisition network widespread throughout the national area. The contacts with the owners take place through i) direct requests from the owners through the compilation of specific forms available online on the company's website, ii) the direct activity of the commercial network and iii) meetings with the owners during the Emma Villas Tours. As of June 2025 the structure was composed of 90 resources.
- **Phase 3 Bookings and sales network:** EV operates a dual-channel model. The direct channel accounts for 68% of 2024 reservations and combines the website's 24/7 availability and instant confirmation with a multilingual booking office open 7 days per week for at least 10 hours. The indirect channel accounts for 32% of 2024 reservations through OTAs (Online Travel Agencies) and B2B partners including platforms such as Airbnb, Booking.com, and others that extend reach and fill demand peaks. However, there is a "bounce back" effect whereby guests who first discover EV via OTAs later complete their stays by booking directly after searching for the EV website.
- **Phase 4 Property management and quality assurance:** Operations are executed by 50 dedicated Property Managers, each coordinating turnover, cleaning, maintenance, and check-in/check-out when requested by owners. More than 30 Quality Inspectors run periodic audits before onboarding and throughout the season to verify pools, gardens, facilities, and furnishings. Each villa has a Villa Specialist as single point of contact for owner and operations. Moreover, through the ReHome program, EV advises on upgrades and coordinates works to raise standards and rental appeal, helping owners improve performance while keeping the model asset-light.
- **Phase 5 Guest services and concierge experience:** EV concierges arrange tailored services including private chefs, car rental, pre-arrival grocery delivery, wine and food tours, and curated local experiences. In addition, guests can use the "Emma" app for real-time chat, service requests, house manuals, local recommendations, and feedback submission. Moreover, EV provides immediate issue resolution through technical interventions or, when necessary, relocation to alternative properties. Finally, insurance coverage includes cancellation protection and damage liability. Together, these elements deliver a luxury hotel-level standards while preserving the privacy and space of a villa stay.



Source: Company Presentation; *Data as of 31st December 2024; ** Source: Google Analytics

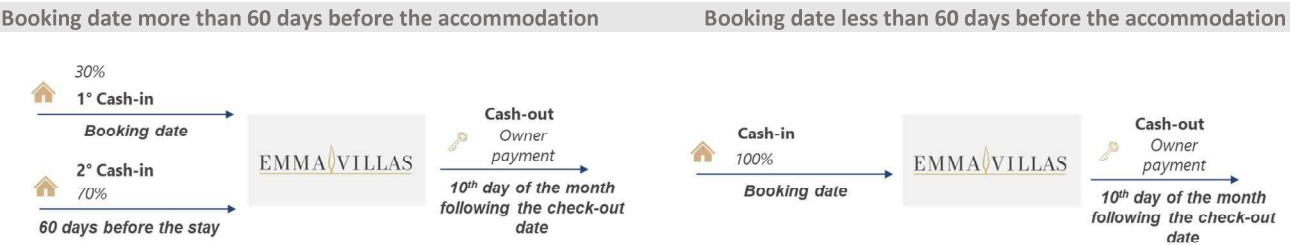
Group Revenue Model

Emma Villas' revenue model ensures advance payments to the guests' stay in villas compared to the owners' established payment dates. The model consistently secures early cash-in and deferred cash-out, providing a tangible cash-flow advantage.

For bookings made more than 60 days before arrival, guests pay 30% at the time of booking and the remaining 70% 60 days before the stay. Owner payouts occur later on the 10th day of the month following check-out.

For bookings made within 60 days of arrival, guests pay 100% at the time of booking. Owner payouts follow the same schedule, with settlement on the 10th day of the month after check-out.

Emma Villas' revenue model enables the company to self-finance, thanks to the cash-in of the bulk of payments from its guests in the first months of the year, while the owners' payments are concentrated in the second half of the year.

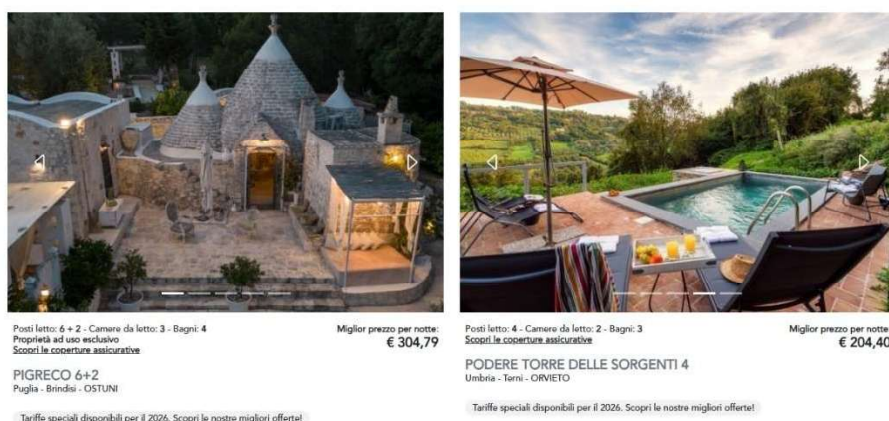


Source: Company Data

Sales Channels

The **direct channel (68% 2024 Bookings)** is represented by: i) the 24/7 website (emmavillas.com) with real-time availability and weekly pricing, mobile-friendly access, and detailed property pages; and (ii) a multilingual booking office operating 7 days a week for at least 10 hours per day, matching guests to suitable villas, supporting them from booking to arrival, and selling ancillary services and experiences.

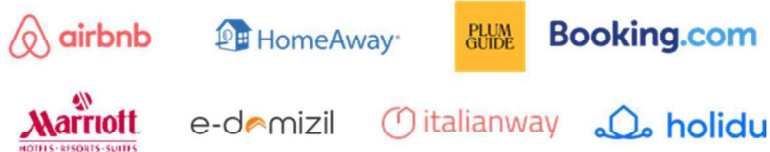
Emma Villas' website



Source: Emma Villas' website

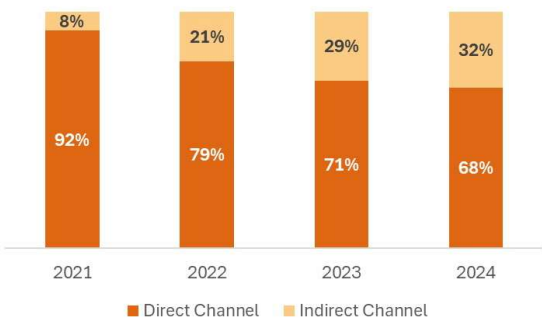
The **indirect channel (32% 2024 Bookings)** is represented by online travel agencies (OTA) – Airbnb, Italianway, Bookings and other niche platforms more focused on luxury villas' offer – and partnerships with local and international travel agencies, to ensure a better capillarity of its offer and an increasing brand reputation.

Online Travel Agencies (OTAs)



Despite the direct channel representing Emma Villas' main sales channel, over the last years the company strengthened also the indirect channel by signing partnership with leading online travel agencies (OTAs). In 2024 bookings via indirect channel represented 32% of total bookings compared to 8% in 2021. Bookings through indirect channels are subject to a fee to be paid to the OTAs (in a range between 12% and 20%).

Bookings through direct and indirect channel 2021-24 (%)



Source: KT&P's elaboration on Company data

Emma Villas' Customer Base

Based on EV Observatory data as of May 2025 for bookings already confirmed for the full year, Emma Villas serves a predominantly international clientele: 88% of guests are from abroad and 12% from Italy. EV's analysis also indicates that international guests are less price sensitive and show a higher propensity to spend on ancillary services and experiences.

Key international markets: United Kingdom (15.7% of bookings), United States (13.5%), Germany (11.7%, performing counter to broader market trends), and the Netherlands (9.7%).

Italian market: Although domestic guests represent only 12% of the total, 46.7% come from Lombardy, indicating a strong guest concentration in higher-income Northern regions.

Emerging markets: notable growth came from Iceland (+187%), Spain (+117%), and Israel (+64%). While absolute volumes remain modest, these trends signal healthy geographic diversification and the ability to attract new customer segments.

Regarding the guest preferences, Tuscany remained the top destination, accounting for 33% of Italian preferences and 52% of foreign ones, followed by Umbria (11% and 13%) and Sicily (about 8% for both groups). Among faster-growing regions were Abruzzo (+100%), Lazio (+27%), and Puglia (+14%).

The slight decline in recurring customer bookings (-3pp YoY reaching 17% in FY24) mainly reflects the Villas portfolio expansion that occurred in 2024.

Bookings Trend 2021-24 (%, #)



Source: KT&P's Elaborations on Company data

Emma Villas Service Portfolio Overview

The company has built a comprehensive suite of services through an integrated approach that serves both property owners and guests with online applications, professional properties management, insurance policies and ad-hoc training programs.

Property Management and Concierge Services: Emma Villas provides comprehensive property management through **50 property managers** who coordinate all aspects of vacation rental operations. The service encompasses professional check-in/check-out procedures, cleaning services, linen management, and both ordinary and extraordinary maintenance including garden and pool care. The company's **concierge team** of 4 dedicated resources assists guests from booking to checkout, offering exclusive experiences such as private chef services, travel kits, grocery shopping, and local food and wine tours. Quality assurance is maintained through **34 quality inspectors** supervised by 6 senior resources who conduct regular property inspections and provide enhancement advice to property owners.

Comprehensive Insurance Coverage: Emma Villas offers multiple insurance policies to protect both property owners and guests throughout the rental experience. The **Zer0Dep** policy eliminates traditional security deposits by covering accidental property damage during stays at a lower cost than typical deposits. The **Property Protection** policy, introduced in 2021, covers larger damages up to €20,000 for property owners. Additional coverage includes **booking cancellation** protection for unforeseen circumstances including health issues, COVID-19, pandemics, and terrorist attacks, plus optional **health insurance** for medical assistance and expenses during stays.

Smart Hospitality Technology: The proprietary "**Emma**" app, launched in 2021, improves the booking and service management experience for both guests and owners. Guests can complete online check-in by uploading documents, pay tourist taxes and utility charges, and purchase additional services through integrated payment systems. Property owners benefit from real-time calendar visibility, automated filing to Alloggiati Web and ISTAT systems, automatic tourist tax remittance to municipalities, and streamlined collection of flat-rate payments for utilities and extra services, which are treated as VAT-exempt expense reimbursements.

ReHome Renovation and Enhancement Services: Emma Villas ReHome leverages a network of qualified professionals to support property owners in **extraordinary maintenance and renovation projects**. The service focuses on interior design, architecture, and garden & pool improvements to enhance property value and guest experience. Emma Villas provides financial support through advance payments against guaranteed minimums, with contract term adjustments to ensure economic sustainability. This approach strengthens owner relationships, secures longer property availability, and creates a more consolidated and attractive portfolio offering.

Emma Villas Academy Training Program: Established in October 2022, the Emma Villas Academy represents the company's commitment to professional development and quality standards. The comprehensive training program targets employees, external collaborators, and new resources across key areas including villa acquisition, quality control, booking management, service packages, and administration. The Academy utilizes a dedicated web platform combining classroom, online, and team-specific training modules, supplemented by hands-on "on the job" sessions with senior team members. The 2024 edition successfully trained 160 professionals, including 50 dealers, 30 quality inspectors, 45 property managers, 5 managers, and 30 sales personnel.

Market Overview

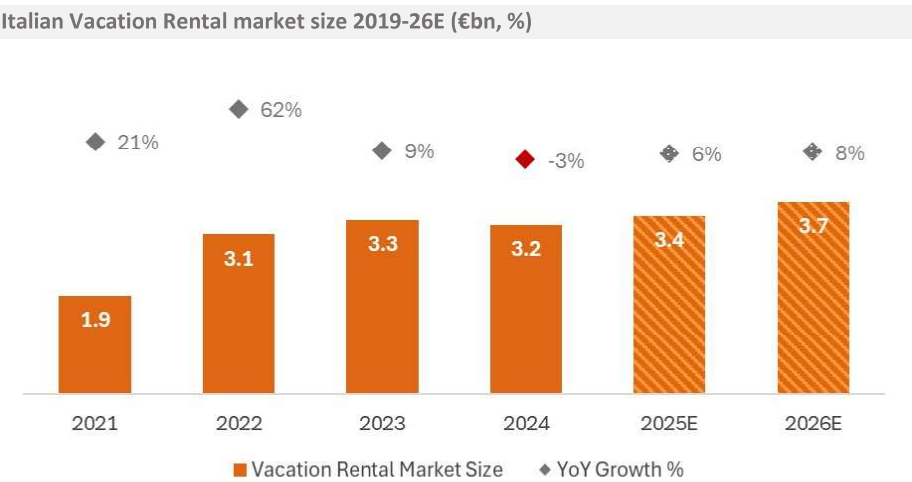
Italy’s hospitality landscape extends beyond traditional hotels and resorts as travelers increasingly seek distinctive, place-immersive stays. Emma Villas addresses this demand with a nationwide portfolio of exclusive villas and premium homes that offer authenticity in both countryside and coastal settings, positioning the company at the upper end of the segment.

According to ISTAT Data (Public Italian Market Research Institute), Italian inbound tourism registered a strong post-COVID rebound in 2021–2024 with a 21% CAGR in arrivals, peaking at 140mn in 2024. However, momentum is slowing in FY24 with only 4% YoY growth (vs. 13% in 2023), suggesting post-Covid demand is normalizing. Foreign visitors represented 53% of arrivals in 2024, a mix shift consistent with Emma Villas’ FY24 positioning, where international clients account for 88%.



Source: KT&Partners elaboration on ISTAT data.

Statista data (Market Research Firm) also reflect this slowdown: the Italian vacation rental market contracted by 3% YoY in 2024 after the strong post-Covid rebound (c.20% CAGR 21-24). The decline is attributed mainly to geopolitical tensions that have softened demand, particularly in luxury rental segments.



Source: Statista 2025

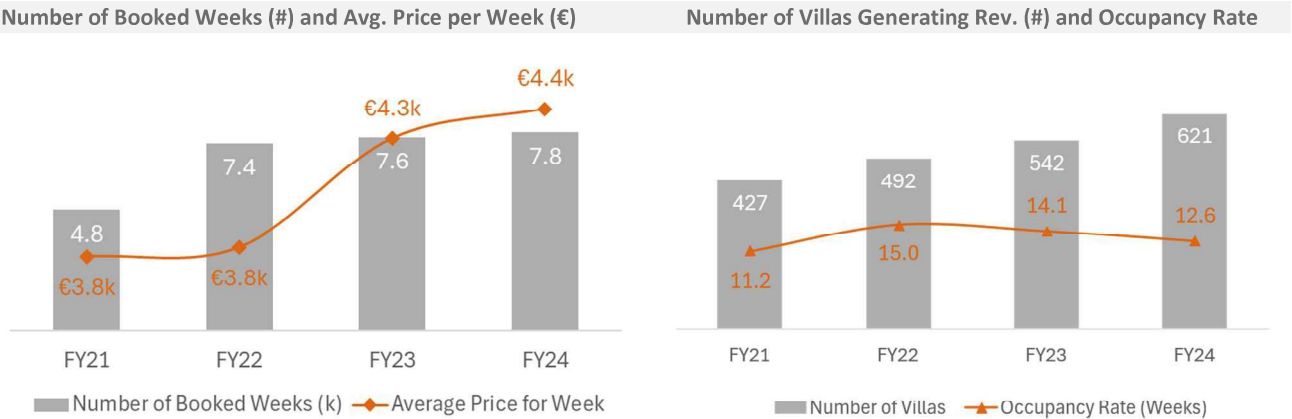
Historical financials

Revenues Analysis

Between FY22 and FY24, Emma Villas delivered a solid topline expansion, although with differing dynamics across years. Total revenues increased from €28.8mn in FY22 to €32.7mn in FY23 (+14% YoY) and €34.3mn in FY24 (+5.5% YoY) at a 25% FY22-24 CAGR, reflecting the Company’s growing brand awareness and portfolio scale-up, partially offset by a normalization in booking trends in the most recent year.

In FY23, the Group consolidated its positioning across the Italian luxury vacation rental segment, expanding its managed portfolio from 492 villas in FY22 to 543 in FY23 (+10.4%). Weekly reservations rose from 7,390 to 7,633, while the average price per week increased markedly from €3,831 to €4,253 (+11% YoY), supported by a higher-end property mix and improved pricing power. Although sales through indirect channels grew, increasing the share of low-season bookings, the occupancy rate slightly declined from 15.0 to 14.1 weeks per villa, reflecting a broader inventory base and more off-peak utilization.

In FY24, revenues continued to expand to €34.3mn, despite a challenging tourism backdrop. The number of managed villas grew sharply to 660 (+21.8% YoY), primarily driven by two M&A transactions — the acquisition of *Marche Holiday Villas S.r.l.* (April 2024, 24 villas) and *Domus Rental S.r.l.* (July 2024, 75 units). The enlarged portfolio contributed to revenue growth, but booked weeks increased only marginally to 7,836 (+2.7%), as only 621 villas were revenue-generating during the year. The delayed integration of the Domus Rental portfolio, combined with a general slowdown in high-end travel demand, resulted in a lower average occupancy rate of 12.6 weeks per property. Nonetheless, the average price per week rose 2.3% YoY to €4.4k, sustaining the topline despite macro pressures.



Source: KT&Partners’ Elaboration on Company Data

Sector headwinds weighed on demand in FY24, including higher airfares (+10–15% across Europe), adverse weather events (heatwaves, Etna’s volcanic eruptions, and floods in Emilia-Romagna), and economic uncertainty in Emma Villas’ main source markets (U.S., U.K., and Germany, which represented >40% of FY23 revenues). To preserve competitiveness and secure premium properties, the Company increased the share of “empty-for-full” and “minimum-guaranteed” contracts — schemes that guarantee villa owners a fixed income regardless of occupancy. These strengthened supply and owner relationships but also introduced higher fixed costs, limiting flexibility in periods of weaker bookings.

Despite these challenges, Emma Villas’ three-year trajectory highlights a steady capacity expansion (+34% villas vs FY22), increasing average weekly pricing (+15%), and broader channel diversification. The Company to expand its portfolio by adopting more “empty for

full” and “minimum guaranteed” contracts, where villa owners are paid a fixed income regardless of occupancy. While these formats bolster the Group’s competitive positioning—few peers offer comparable terms—they also reduce flexibility and exacerbate margin pressure when bookings fall short of expectations, as seen in FY24. Additionally, while the Company increased the share of bookings from indirect channels such as OTAs and B2B partners—helping partially offset market headwinds—this shift also negatively affected profitability due to higher commission fees and lower contribution margins. As a result, Gross Margin declined to 41.1%, down from 46.9% in FY23 (–5.8 p.p.), as COGS rose by 17.6% YoY, reaching €20.4mn in FY24. Moving forward, the Company will focus more on “Standard” contracts to sustain margins.

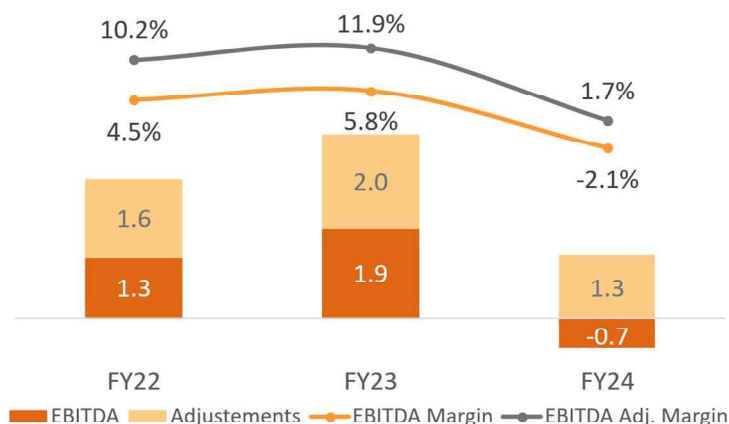
Profitability Analysis

From FY22 to FY23, Emma Villas achieved strong margin expansion before facing a temporary contraction in FY24, mainly due to the cost impact of portfolio enlargement, extraordinary items, and softer market conditions.

FY23 Adjusted EBITDA reached €3.9mn (11.9% margin), up from €2.9mn (10.2%) in FY22, marking a +33% YoY increase, thanks to a lower COGS incidence (payments to villa owners) and solid operating leverage, which offset the higher incidence of service costs (linked to greater sales through indirect channels and higher commissions) and personnel expenses (six new hires across key functions). EBITDA, after €2.0mn in non-recurring costs (mainly IPO-related and an energy reimbursement plan to villa owners), stood at €1.9mn (5.8% margin), versus €1.3mn (4.5%) in FY22, which also included €1.6mn of exceptional expenses related to receivable write-offs and the first year of the energy reimbursement plan.

In FY24, profitability weakened as the Group absorbed higher structural costs and extraordinary charges against slower revenue growth. COGS rose +17.6% YoY to €20.4mn, causing Gross Margin to fall to 41.1% (–5.8 p.p. YoY). The decline was mainly driven by the shift toward guaranteed rental contracts and higher commissions to third-party distribution channels. Service costs increased to €10.0mn (29.1% of revenues) from €8.6mn (26.5%), reflecting rising marketing and commercial spending, while personnel expenses expanded to €2.1mn (6.0%) from €1.4mn (4.2%) due to the enlargement of central functions and regional salesforces. Consequently, reported EBITDA turned negative at –€0.7mn (–2.1% margin). On an adjusted basis, excluding c.€1.3mn in extraordinary items, linked to the temporary absorption of guests’ electricity costs during the high season, Adjusted EBITDA amounted to €0.6mn in FY24. The utilities absorption initiative, implemented to sustain customer satisfaction and booking levels, will not recur from FY25 as costs are passed back to guests.

FY22-1H25 EBITDA (Adjusted) (€mn, %)



Source: KT&Partners’ Elaboration on Company Data (FY22-1H25)

At the bottom line, Net Income swung from €0.9mn in FY23 (vs €0.2mn in FY22) to a €1.5mn net loss in FY24, also impacted by higher D&A (€1.1mn in FY24 vs €0.6mn a year prior), reflecting continued investments in the property management platform and villa improvements.

FY22-1H25 Income Statement (€mn)

€ Million	FY22	FY23	FY24	1H25
Sales Revenues	28.4	32.5	34.3	8.9
Other Revenues	0.4	0.2	0.4	0.1
Total Revenues	28.8	32.7	34.7	9.0
Growth %	55.9%	13.5%	6.0%	
COGS	(16.1)	(17.4)	(20.4)	(5.5)
Gross Profit	12.8	15.4	14.2	3.5
Gross Margin	44.3%	46.9%	41.1%	38.7%
Cost of Services	(7.4)	(8.6)	(10.0)	(4.7)
Rental Costs	(0.3)	(0.5)	(0.6)	(0.3)
Personnel Expenses	(1.2)	(1.4)	(2.1)	(1.2)
Other Operating Expenses	(1.0)	(1.0)	(1.0)	(0.5)
Exceptional Items	(1.6)	(2.0)	(1.3)	(0.7)
EBITDA	1.3	1.9	(0.7)	(4.0)
EBITDA Margin	4.5%	5.8%	-2.1%	-44.5%
Growth %	121.7%	47.2%	-139.0%	
EBITDA Adjusted	2.9	3.9	0.6	(3.3)
EBITDA Adj. Margin	10.2%	11.9%	1.7%	-36.7%
D&A and Provisions	(0.6)	(0.6)	(1.1)	(0.6)
EBIT	0.7	1.3	(1.9)	(4.6)
EBIT margin	2.3%	3.9%	-5.4%	-51.4%
Growth %	44.8%	91.7%	-248.2%	
Financial Income and Expenses	(0.2)	0.1	0.1	0.0
EBT	0.5	1.3	(1.8)	(4.6)
Taxes	(0.3)	(0.4)	0.3	1.0
Tax Rate	65.1%	28.9%	16.6%	22.2%
Net Income	0.2	0.9	(1.5)	(3.6)
Net margin	0.6%	2.9%	-4.3%	-40.0%
Growth %	-40.3%	464.5%	-260.3%	

Source: KT&Partners' Elaboration on Company Data (FY22-1H25)

Balance Sheet and Cash Flow Analysis

Emma Villas' Fixed Assets declined to €7.3mn in FY23 from €10.6mn in FY22, primarily due to the spin-off of the real estate branch in February 2023. The reduction in tangible assets was partially offset by investments in HQ renovations and new store openings in Siena, Orbetello, and Porto Cervo, which increased both tangibles (furnishings) and intangibles (software and maintenance on non-owned assets). In FY24, Fixed Assets increased significantly, driven by investments in the property management platform and capitalized improvements, reflected in higher D&A of €1.1mn (vs. €0.6mn in FY23). Additionally, the Group capitalized c.€1.1mn in costs related to "vuoto per pieno" (full property investment) contracts, securing around 60 villas expected to generate revenues starting from FY25E

Net Working Capital (NWC) improved from -€4.4mn in FY22 to -€2.6mn in FY23 and -€2.1mn in FY24, however reflecting underlying shifts in Trade Working Capital (TWC), which deteriorated from -€2.4mn in FY23 to €0.7mn in FY24.

Trade Receivables declined to €2.1mn in FY24 (6% of Sales) from €2.5mn in FY23 (7.7%), despite revenue growth, due to fewer confirmed bookings at year-end. In FY23, receivables had spiked following increased sales through indirect channels (OTAs, B2B partners), where cash-in is postponed to guest check-in rather than collected at booking—a dynamic that pressured liquidity during the year. The FY24 reduction reflects both improved collections and softer booking momentum at year-end.

Trade Payables fell sharply to €1.4mn in FY24 (6.8% of COGS) from €5.0mn in FY23 (28.9%), primarily due to an internal reclassification to "Other Current Liabilities" (growing from €0.3mn in FY23 to €3.4mn in FY24) rather than genuine operational improvement.

Emma Villas' Net Financial Position (NFP) deteriorated sharply from €3.2mn net cash in FY23 to €1.0mn net debt in FY24, reflecting total cash absorption of €4.2mn. This deterioration was driven by: (i) negative EBITDA of €0.7mn; (ii) elevated capex of €3.2mn, largely tied to M&A activity (Marche Holiday Villas and Domus Rental acquisitions) and capitalized costs for "vuoto per pieno" contracts; and (iii) limited support from working capital, which absorbed approximately €0.2mn.

The FY24 cash outflow was exacerbated by the combination of negative operating profitability and growth-related investments, highlighting the tension between scaling the portfolio and maintaining financial flexibility. The shift to "vuoto per pieno" and "minimum guaranteed" contracts—while strategically sound for competitive positioning—requires upfront cash commitments that strain liquidity in periods of weak occupancy, as experienced in FY24.

FY22-1H25 Balance Sheet (€mn)

€ Million	FY22	FY23	FY24	1H25
Intangible	6.5	6.8	8.9	8.5
Tangible	3.8	0.2	0.2	0.2
Financial Assets	0.2	0.3	0.3	0.3
Fixed Assets	10.6	7.3	9.4	9.0
Trade receivables	0.8	2.5	2.1	3.4
Inventory	-	0.1	0.1	0.0
Trade Payables	(4.4)	(5.0)	(1.4)	(1.3)
Trade Working Capital	(3.5)	(2.4)	0.7	2.1
Other assets and liabilities	(0.9)	(0.1)	(2.8)	(20.4)
Net Working Capital	(4.4)	(2.6)	(2.1)	(18.2)
Other Provisions	(2.2)	(2.1)	(2.1)	(2.1)
Net Capital Employed	4.0	2.6	5.2	(11.3)
Group shareholders' equity	5.8	5.8	4.2	0.6
Total shareholders' equity	5.8	5.8	4.2	0.6
Short-term debt / Cash (-)	(4.5)	(4.8)	(1.4)	(14.3)
Long-term liabilities	2.6	1.6	2.4	2.4
Net Financial Position	(1.8)	(3.2)	1.0	(11.9)
Sources	4.0	2.6	5.2	(11.3)

Source: KT&Partners' Elaboration on Company Data (FY22-1H25)

1H25 Financial Highlights

On September 30th, 2025, Emma Villas reported its first consolidated half-year results. Given the business's pronounced seasonality—with revenues concentrated in July-August while costs remain distributed throughout the year—first-half results provide limited insight into full-year performance.

Consolidated revenues reached €8.9mn in 1H25, with Emma Villas S.p.A. standalone contributing €7.8mn (-2% YoY from €8.0mn in 1H24). The marginal decline does not impair the Company's consolidation trajectory, as confirmed by cumulative revenues of €31.5mn as of August 31, 2025 for Emma Villas S.p.A. (including confirmed bookings for September-December), in line with the prior year. The three subsidiaries (EMV International Ltd, Marche Holiday Villas, and Domus Rental S.r.l.) collectively generated €1.2mn. As of June 30th, 2025, the Group managed 709 contractualized villas. Geographically, Puglia and Sicilia continued to gain traction, while customer mix remained diversified with the UK (+9% YoY) and Italy leading source markets. Germany and the US showed continued weakness.

Consolidated EBITDA stood at -€4.0mn in 1H25 (EBITDA Adj. -€3.3mn). For Emma Villas S.p.A., EBITDA improved 11% YoY to -€3.9mn, while EBITDA Adj. reached -€3.2mn (+24% YoY, from -€4.2mn), thanks to better operational cost management and progressive digitalization of operations. Cost of Services declined to 50% of revenues (from 57% in 1H24) despite Personnel Expenses rising to €1.1mn (13% of revenues) from €1.1mn in 1H24, as the Company strengthened its sales, booking, and experience teams.

EBIT improved 5% to -€4.4mn for Emma Villas S.p.A. (from -€4.7mn in 1H24), despite higher D&A of €0.6mn (vs €0.3mn) reflecting investments in the property management platform. Net Income was -€3.6mn at the consolidated level and -€3.4mn for Emma Villas S.p.A., substantially flat compared to -€3.6mn in 1H24.

On the balance sheet, NFP improved sharply to €11.9mn net cash at the consolidated level (from €14.0mn in 1H24), benefiting from upfront customer deposits and cost optimization initiatives. Other Current Liabilities surged to €21.2mn (from €20.0mn in 1H24), reflecting 30% advance payments collected at booking for 2H25 stays—a structural feature that generates significant upfront cash inflows. The strong liquidity position provides financial flexibility ahead of peak season, supporting the Company's ongoing investments in technology, portfolio expansion, and new revenue streams such as the Food&Experience platform.

Deconstructing Forecasts

Revenue Build-up

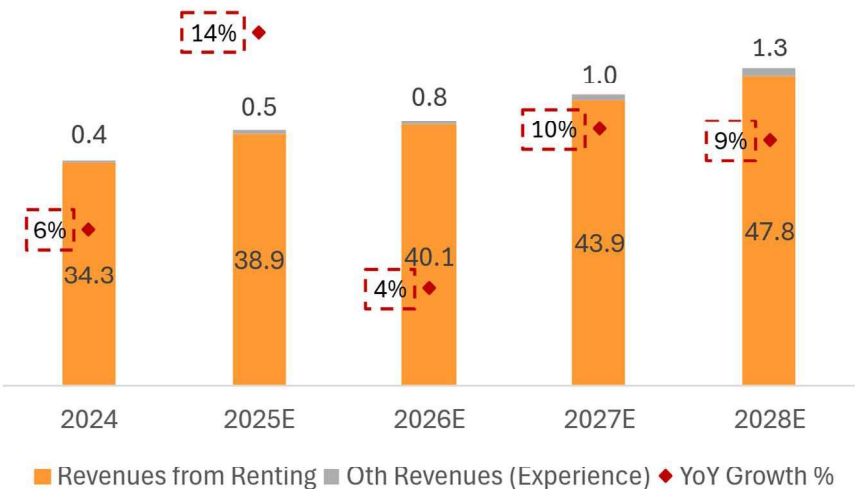
FY25E consolidated revenues are estimated at €39.4mn (+13.6% YoY), supported by portfolio expansion and pricing discipline, though still reflecting weak occupancy conditions that marked FY24. The topline is composed of €38.9mn from villa rentals and €0.5mn from external services/experiences (other revenues).

Villa rental revenues reflect three key drivers. First, and most tangibly, the number of revenue-generating villas expands from 621 in FY24 to an estimated 700 in FY25E, driven by the Marche Holiday and Domus Rental acquisitions completed in FY24, which added 100+ properties to the portfolio. While the consolidated portfolio reached 709 contracted villas at 1H25, not all properties generate revenues immediately due to onboarding timing and seasonal availability. By FY28E, we forecast 780 contributing to revenues. Second, occupancy rate recovery from the FY24/FY25 bottom, where booked weeks per property declined to 12.6 in FY24 (from 14.1 in FY23) and are projected at similar rate in FY25E before gradually normalizing toward 13.2 weeks by FY28E. The weakness stems from macro headwinds (travel cost inflation, geopolitical instability, extreme weather) and the natural ramp-up phase of newly acquired properties, particularly those under Full Property Investment contracts requiring 2-3 years to reach full productivity. Third, average weekly rates are expected to grow broadly in line with inflation.

Other revenues (external services) represent a new strategic initiative launched in FY24, offering ancillary experiences such as food delivery, wellness packages, and enogastronomic activities through a dedicated e-commerce platform. This segment is projected to reach €0.5mn in FY25E (+39% YoY), €0.8mn in FY26E, and €1.3mn by FY28E. While still modest in absolute terms, this revenue stream offers higher margins and strengthens customer engagement, positioning Emma Villas as a holistic vacation experience provider rather than a pure accommodation intermediary.

Total revenues are expected to reach €49.1mn by FY28E (€47.8mn villa rentals + €1.3mn services), implying a FY24-28E CAGR of 9.1%.

FY24-28E Emma Villas Revenues Estimates (€mn, %)



Source: Company data (2024), KT&Partners' Estimates (25E-28E)

Profitability Dynamics

COGS represent the largest expense item, reflecting payments to property owners under various contractual formulas (standard, minimum guaranteed, vuoto per pieno, and Full Property Investment). In FY25E, we model COGS of €21.5mn (55% of Total Revenues) as the Group continues to absorb fixed commitments from minimum guaranteed and vuoto per pieno contracts signed in prior periods. The FY24 expansion strategy, aimed at securing supply in a competitive environment, resulted in elevated COGS (€20.4mn, 59% of Sales Revenues) as certain properties underperformed expectations, generating negative contribution margins on guaranteed contracts. The FY24 cost structure also embedded €1.1mn in capitalized investments related to Full Property Investment contracts, where the company bears upfront renovation and furnishing costs. Management has proactively addressed this issue through a comprehensive contract renegotiation program, reducing baseline guaranteed commitments by approximately €2-3mn for FY26E. This optimization—targeting properties with historically weak performance—enables a meaningful COGS reduction to €20.4mn in FY26E (50% of Sales Revenues) despite higher volumes, as the Group shifts toward more flexible, performance-based contract structures. Moreover, we account for the maturation of FPI properties, which after initial investments begin generating stronger unit economics. From FY27E onward, we expect COGS to grow in line with revenues.

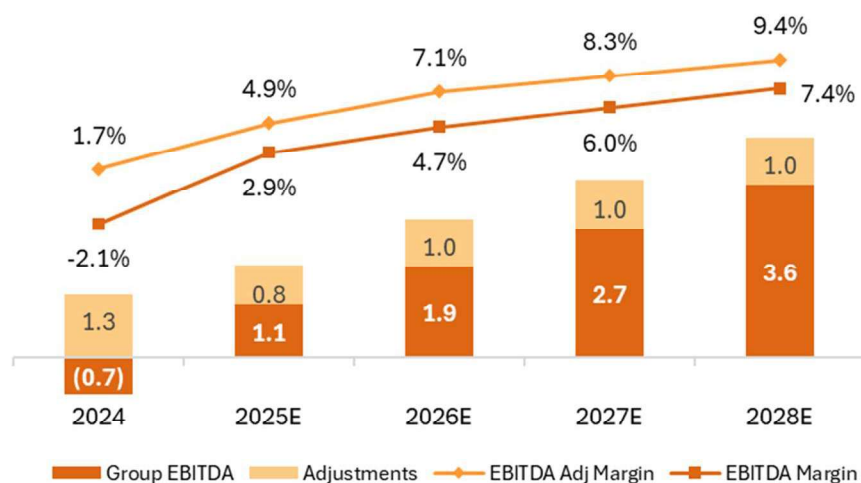
Cost of Services is projected to increase from €10.0mn in FY24 (29% of Sales Revenues) to €11.8mn in FY25E (30%), reflecting the full-year consolidation of Domus Rental, whose business model entails owner payouts classified as service costs rather than COGS. We model this line item growing broadly tracking topline expansion with modest efficiency gains.

Personnel Expenses are expected to remain elevated at €2.4mn in FY25E (6.2% of Total Revenues), reflecting the structural investments made post-IPO to strengthen central management, expand regional sales forces, and support new strategic initiatives. These costs surged 50% YoY in FY24 as the Group scaled its organizational capabilities ahead of revenue growth. We anticipate gradual operating leverage from FY26E onward, with personnel costs reaching €3.0mn by FY28E (6.1% of Total Revenues).

Exceptional items are estimated at ~€0.8-1.0mn annually (FY25E-28E) based on historical trends, primarily reflecting one-off operational adjustments and non-recurring initiatives.

All told, we project Adj. EBITDA of €1.9mn in FY25E (4.9% margin), a material improvement from the €0.6mn (1.7% margin) in FY24 but still well below pre-IPO profitability levels (€3.9mn, 11.9% margin in FY23). The muted FY25E profitability reflects the lag between revenue recovery and cost base optimization, as fixed commitments from legacy contracts and structural investments continue to weigh on margins. However, the trajectory improves markedly from FY26E onward as contract renegotiations materialize, portfolio quality improves, and operating leverage emerges. We forecast Adj. EBITDA of €2.9mn in FY26E (7.1% margin), €3.7mn in FY27E (8.3%), and €4.6mn in FY28E (9.4%), approaching—though not yet reaching—the double-digit margins targeted in the original business plan. Reported EBITDA follows a similar path, reaching €3.6mn by FY28E (7.4% margin).

FY24-28E Emma Villas EBITDA Adj, Adjustments & EBITDA Adj Margin (€mn, %)



Source: Company data (2024), KT&Partners' Estimates (25E-28E)

FY24-28E Income Statement (€mn)

€ Million	FY24	FY25E	FY26E	FY27E	FY28E
Sales Revenues	34.3	38.9	40.1	43.9	47.8
Other Revenues	0.4	0.5	0.8	1.0	1.3
Total Revenues	34.7	39.4	40.8	44.9	49.1
Growth %	6.0%	13.6%	3.7%	9.9%	9.4%
COGS	(20.4)	(21.5)	(20.4)	(22.4)	(24.5)
Gross Profit	14.2	17.9	20.4	22.4	24.5
Gross Margin	41.1%	45.5%	50.0%	50.0%	50.0%
Cost of Services	(10.0)	(11.8)	(13.1)	(13.9)	(14.7)
Rental Costs	(0.6)	(0.8)	(0.8)	(0.9)	(1.0)
Personnel Expenses	(2.1)	(2.4)	(2.6)	(2.8)	(3.0)
Other Operating Expenses	(1.0)	(1.0)	(1.0)	(1.1)	(1.2)
Exceptional Items	(1.3)	(0.8)	(1.0)	(1.0)	(1.0)
EBITDA	(0.7)	1.1	1.9	2.7	3.6
EBITDA Margin	-2.1%	2.9%	4.7%	6.0%	7.4%
Growth %	-139.0%	-252.3%	69.1%	41.4%	33.4%
EBITDA Adjusted	0.6	1.9	2.9	3.7	4.6
EBITDA Adj. Margin	1.7%	4.9%	7.1%	8.3%	9.4%
D&A and Provisions	(1.1)	(1.1)	(1.0)	(1.0)	(1.0)
EBIT	(1.9)	0.0	0.9	1.7	2.6
EBIT margin	-5.4%	0.1%	2.2%	3.7%	5.3%
Growth %	-248.2%	-102.0%	2258.8%	90.6%	54.1%
Financial Income and Exp,	0.1	0.1	(0.0)	0.0	0.1
EBT	(1.8)	0.1	0.9	1.7	2.6
Taxes	0.3	(0.0)	(0.2)	(0.5)	(0.7)
Tax Rate	16.6%	27.4%	28.0%	28.0%	28.0%
Net Income	(1.5)	0.1	0.6	1.2	1.9
Net margin	-4.3%	0.2%	1.5%	2.7%	3.9%
Growth %	-260.3%	-105.4%	674.6%	94.7%	55.3%

Source: Company data (2024), KT&Partners' Estimates (25E-28E)

Cash Flow Dynamics and Balance Sheet

Operating Cash Flow is projected at €1.6mn in FY25E, supported by positive EBITDA and modest working capital absorption of approximately €0.2mn, improving steadily to €3.1mn by FY28E as cash conversion stabilizes at ~60-70%. Annual capex (primarily intangible assets related to technology platforms and property acquisition costs) is estimated at €1.0mn across the forecast horizon, resulting in positive Free Cash Flow from FY25E onward: €0.6mn in FY25E, scaling to €2.1mn by FY28E. This cash generation is expected to drive a progressive deleveraging of the balance sheet, with Net Financial Position improving from €1.0mn net debt at end-FY24 to €0.3mn net debt by end-FY25E and €4.2mn net cash by end-FY28E.

FY24-28E Consolidated Balance Sheet (€mn)

€ Million	FY24	FY25E	FY26E	FY27E	FY28E
Intangible	8.9	8.4	8.4	8.4	8.3
Tangible	0.2	0.2	0.2	0.2	0.2
Financial Assets	0.3	0.3	0.3	0.3	0.3
Fixed Assets	9.4	8.9	8.8	8.8	8.8
Trade receivables	2.1	2.3	2.4	2.6	2.9
Inventory	0.1	0.1	0.1	0.1	0.1
Trade Payables	(1.4)	(1.4)	(1.5)	(1.9)	(2.3)
Trade Working Capital	0.7	1.0	0.9	0.8	0.6
Other assets and liabilities	(2.8)	(3.1)	(3.1)	(3.1)	(3.1)
Net Working Capital	(2.1)	(2.1)	(2.2)	(2.3)	(2.5)
Other Provisions	(2.1)	(2.2)	(2.3)	(2.4)	(2.5)
Net Capital Employed	5.2	4.6	4.4	4.1	3.8
Group shareholders' equity	4.2	4.3	4.9	6.2	8.1
Total shareholders' equity	4.2	4.3	4.9	6.2	8.1
Short-term debt / Cash (-)	(1.4)	(2.0)	(2.7)	(4.1)	(6.2)
Long-term liabilities	2.4	2.3	2.2	2.1	2.0
Net Financial Position	1.0	0.3	(0.5)	(2.0)	(4.2)
Sources	5.2	4.6	4.4	4.1	3.8

Source: Company data (2024), KT&Partners' Estimates (25E-28E)

NFP Bridge FY24-28E (€mn)

€ Million	FY24	FY25E	FY26E	FY27E	FY28E
EBITDA	(0.7)	1.1	1.9	2.7	3.6
Income Taxes	-	(0.0)	(0.2)	(0.5)	(0.7)
Change in TWC	0.7	(0.2)	0.1	0.1	0.2
Other changes in WC	(0.9)	0.8	0.1	0.1	0.1
Operating CF	(0.9)	1.6	1.8	2.5	3.1
Capex	(3.2)	(1.0)	(1.0)	(1.0)	(1.0)
Free Cash Flow	(4.2)	0.6	0.8	1.5	2.1
Net financial income (exp.)	0.1	0.1	(0.0)	0.0	0.1
Change in Equity	(0.1)	-	-	-	-
Change in NFP	(4.2)	0.7	0.8	1.5	2.2
Begin NFP	(3.2)	1.0	0.3	(0.5)	(2.0)
End NFP	1.0	0.3	(0.5)	(2.0)	(4.2)

Source: Company data (2024), KT&Partners' Estimates (25E-28E)

Valuation

Based on Emma Villas’s projected financials, we performed a valuation of the company using two standard methodologies: market multiples and Discounted Cash Flow (DCF).

- **Market Multiples (EV/EBITDA):** Using seven listed comparables, we apply the median FY25E and FY26E EV/EBITDA multiples to Emma Villas’s forecasts, with a 20% size/liquidity discount. This yields an implied equity value of €16.9mn, or €2.42ps.
- **Discounted Cash Flow (DCF):** We projected Emma Villas’s Free Cash Flows over the FY25E–FY28E period and discounted them using a WACC of 9.6% and a terminal growth rate of 2.0%. This approach returns an implied equity value of €15.5mn or €2.23 ps.

To calculate Enterprise Value, we use the FY24 Net Debt position of €1.0mn.

Valuation Recap

	Equity Value €mn	Value per share €
EV/EBITDA	16.9	2.42
DCF	15.5	2.23
Average Value	16.2	2.33

Source: KT&P’s estimates, Factset consensus data

By averaging the outputs of both methodologies, we derive a fair equity valuation of €16.2mn, corresponding to a target price of €2.33 per share, and implying an EV/EBITDA Adj multiple of 8.9x on FY25E EBITDA Adj.

KT&Partners’ Implied Multiples

	FY25E	FY26E
EV/SALES implied	0.4x	0.4x
EV/EBITDA implied	8.9x	5.9x

Source: KT&P’s estimates, Factset consensus data

Peers Overview

To define Emma Villas's peer sample, we carried out an in-depth analysis of Italian and internationally listed companies active in the Travel/Hospitality Industry. In selecting potential peers, we consider Emma Villas's business model, growth, and profitability profile.

For peer analysis, we built a sample of seven companies, which include:

- **Accor SA:** Listed on Euronext Paris, with a market cap of €10.2bn, Accor is a global hospitality group operating through an asset-light model based on hotel management and franchising. The Company is structured into Hotel Services (management and franchise fees), Hotel Assets (owned and leased properties), and New Businesses, which include digital services and luxury private rentals. Its diversified service model and shift toward fee-based operations provide a relevant benchmark for Emma Villas' transition toward scalable growth. In 2024 the group sales revenues amounted to €5.6bn;
- **Xenia Hotellerie Solutions SpA:** Listed on Euronext Growth Milan stock exchange with a market cap of €10mn, Xenia is an Italian hospitality group specializing in B2B accommodations for corporate clients (airlines, cruises, etc.), complemented by hotel management under the proprietary brand PHI Hotels across Italy. Its asset-light operating structure and focus on outsourced accommodation position it as a relevant domestic comparable. In 2024 the company reached €57mn sales revenues.
- **Soges Group SpA:** Listed on Euronext Growth Milan stock exchange with a market cap of €11mn, Soges Group is an Italian hospitality company specializing in medium-to-high-end accommodation services within buildings of historical and cultural significance such as historic villas, former monasteries, and farmsteads. The Group operates primarily through its Place of Charme brand, managing a curated portfolio of 12 distinctive facilities totaling 510 rooms mainly across Tuscany's Florence and Chianti regions. The group sales in 2024 amounted to €17mn;
- **Pierre et Vacances SA:** Listed on Euronext Paris with a market cap of €0.8bn, it operates holiday villages, leisure residences, and hotels across Europe under the Pierre & Vacances, Maeva, Center Parcs, Sunparks, and Adagio brands, under a hybrid ownership and management structure, making it a suitable reference for Emma Villas' positioning within the premium vacation rental segment. The group reported €1.8bn in 2024 sales;
- **Travel + Leisure Co:** Listed on the NYSE with a market cap of €3.3bn, it's a leading vacation-ownership and travel-membership operator. The Group manages 270+ vacation club resorts and serves more than 800,000 timeshare owners through brands including Club Wyndham, WorldMark by Wyndham, Margaritaville Vacation Club, and the RCI exchange network. The group sales in 2024 reached €3.6bn;
- **Marriott Vacations Worldwide Corporation:** Listed on NYSE stock exchange with a market cap of \$2.0bn, is a global hospitality and leisure group engaged in vacation ownership, resort management, and rental. Its focus on managed vacation properties and long-term customer relationships makes it a relevant international benchmark. The Group generated \$4.6bn in revenues in 2024;
- **eDreams ODIGEO:** Listed on the Spanish stock exchange with a market cap of €0.9bn, the group offers online travel services (such as flight and hotel reservations) through various brands including eDreams. Its technology-driven OTA offers useful insights into digital distribution dynamics relevant to Emma Villas' e-commerce. In 2024 reached €0.7bn sales revenues;

Market Multiples Valuation

Emma Villas trades at lower multiples if compared to the peer group, with 7.0x FY25 EV/EBITDA and 0.3x EV/Sales.

Peer Comparison – Market Multiples 2025E–27E										
Company Name	Exchange	Market Cap (€mn)	Avg. EBITDA Margin (25-27)	CAGR Sales (24-27)	EV/EBITDA 2025	EV/EBITDA 2026	EV/EBITDA 2027	EV/SALES 2025	EV/SALES 2026	EV/SALES 2027
Accor SA	Euronext Paris	10,183	21%	5%	12.3x	11.4x	10.4x	2.5x	2.4x	2.2x
Xenia Hotellerie Solution S.P.A. Societa' Benefit	Milan	10	8%	17%	8.6x	4.2x	2.8x	0.5x	0.3x	0.3x
Soges Group SpA	Milan	11	9%	30%	10.3x	3.9x	3.2x	0.5x	0.4x	0.4x
Pierre et Vacances SA	Euronext Paris	770	10%	5%	22.0x	20.8x	18.8x	2.1x	2.0x	2.0x
Travel + Leisure Co.	NYSE	3,344	25%	1%	9.4x	9.0x	8.5x	2.3x	2.2x	2.1x
Marriott Vacations Worldwide Corporation	NYSE	1,983	15%	1%	9.6x	9.0x	8.5x	1.4x	1.4x	1.3x
eDreams ODIGEO	Spain	899	25%	8%	6.6x	5.8x	5.1x	1.5x	1.4x	1.3x
Average		2,457	16.1%	9.4%	11.3x	9.2x	8.2x	1.6x	1.5x	1.4x
Median		899	15.4%	4.8%	9.6x	9.0x	8.5x	1.5x	1.4x	1.3x
Emma Villas	EGM	13	6.9%	8.6%	7.0x	4.7x	3.7x	0.3x	0.3x	0.3x

Source: Factset data, KT&Partners’ elaboration

We apply the comps median FY25E and FY26E EV/EBITDA Adj multiples to Emma Villas’s forecasts, with a 20% size/liquidity discount. We end up with Emma Villas’s equity value of €16.9mn or €2.42ps.

EV/Sales Multiple Valuation		
EV/EBITDA Adj	Median	
Multiple Valuation (€mn)	2025E	2026E
EV/EBITDA Comps	9.6x	9.0x
Emma Villas EBITDA Adj	1.9	2.9
Enterprise value	18.6	26.2
Average Enterprise value	22.4	
Liquidity/Size Discount	20%	
EV Post-Discount	17.9	
NFP / (Cash) FY24	1.0	
Equity Value	16.9	
# shares (mn)	7.0	
Fair value per share	2.42	

Source: KT&Partners’ estimates

DCF Valuation

We have conducted our valuation using a four-year DCF model, based on a 9.6% WACC and 2.0% terminal growth rate.

The 19.9% cost of equity is a function of the risk-free rate of 3.5% (last 3 months average of the Italian 10y BTP yield), an equity risk premium of 5.4% and a premium for size and liquidity of 6.3% (Duff&Phelps). With an Unlevered Beta of 1 (Industry Beta, Damodoran), relevered to 1.9 (considering a 30% Tax Rate and 120% D/E, in line with historical financials and estimates), we obtained a 9.6% WACC.

In our DCF model, we applied a 2.0% terminal growth rate, consistent with the Company's revenue growth forecasted and in line with the outlook of its reference market. Our DCF valuation brings us to an estimated fair value of €15.5mn, or €2.23ps.

DCF Valuation				
€ Thousands	2025E	2026E	2027E	2028E
EBIT	0.0	0.9	1.7	2.6
- Taxes on EBIT	(0.0)	(0.3)	(0.5)	(0.8)
Tax rate (%)	30%	30%	30%	30%
NOPAT	0.0	0.6	1.2	1.8
+ Provisions	0.1	0.1	0.1	0.1
+ D&A	1.1	1.0	1.0	1.0
+ Other Value adjustments	0.4	-	-	-
Net operating cash flow	1.6	1.8	2.3	2.9
-/+ Change in working capital	(0.0)	(0.2)	(0.3)	(0.6)
- CAPEX	(1.0)	(1.0)	(1.0)	(1.0)
Free Cash Flow	0.6	0.6	1.0	1.4
growth rate (g)	2.0%			
WACC	9.6%			
FCF discounted	0.6	0.5	0.8	1.0
Discounted Cumulated FCFO	2.9			
Terminal Value	18.3			
Discounted TV	13.6			
Enterprise Value	16.5			
NFP FY24	1.0			
Equity Value	15.5			
# shares (thousands)	7.0			
Fair value per share (€)	2.23			

Source: FactSet, KT&P's Elaboration

We subsequently carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

Sensitivity Analysis

€ Millions		WACC				
Terminal growth Rate		10.1%	9.9%	9.6%	9.4%	9.1%
	1.5%	13.7	14.1	14.6	15.1	15.7
	1.8%	14.1	14.5	15.1	15.6	16.2
	2.0%	14.5	15.0	15.5	16.1	16.7
	2.3%	14.9	15.4	16.0	16.6	17.3
	2.5%	15.4	15.9	16.6	17.2	17.9

Source: KT&P's Elaboration

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- ADD - FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD - FOR A FAIR VALUE <15% o >-15% ON CURRENT PRICE
- REDUCE - FOR A FAIR VALUE < -15% ON CURRENT PRICE



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