



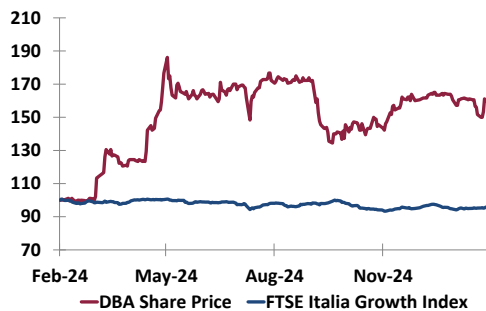
FLASH NOTE

OUTPERFORM

Current Share Price (€): 2.89

Target Price (€): 4.20

DBA Group - 1Y Performance



Source: S&P Capital IQ - Note: 26/02/2024=100

Company data

ISIN number	IT0005285942
Bloomberg code	DBA IM
Reuters code	DBA.MI
Industry	Engineering & IT Consulting
Stock market	Euronext Growth Milan
Share Price (€)	2.89
Date of Price	24/02/2025
Shares Outstanding (m)	11.5
Market Cap (€m)	33.3
Market Float (%)	56.4%
Daily Volume	6,300
Avg Daily Volume YTD	12,861
Target Price (€)	4.20
Upside (%)	45%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
DBA - Absolute (%)	0%	12%	-7%	61%
FTSE Italia Growth (%)	1%	2%	-2%	-4%
1Y Range H/L (€)			3.35	1.78
YTD Change (€)/%			-0.02	-1%

Source: S&P Capital IQ

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Continued M&A deal flow and guidance for 2025

Three acquisitions in a row, entering the data center Spanish market

In December 2024, DBA acquired 100% of Serteco, Italian engineering company specialized in construction, plant engineering and infrastructure projects, for a deal consideration of €1.9m, corresponding to 1x EV/Revenues and 6x EV/EBITDA. Avg.2019-23 figures: €1.8m revenues, €0.3m EBITDA. DBA had acquired also a majority stake in the Slovenian company COMCOM IT, specialized in SAP solutions for HR management. In January 2025, to access the Spanish market, DBA acquired 60% of the engineering company Proyectos IFG, specialized in data centers. The deal consideration was €2.8m, corresponding to 1x EV/Revenues and 5.8x EV/EBITDA. FY24 pre-closing figures: €4.7m revenues, €0.8m EBITDA, €0.5m net cash. Overall, we see the above transaction multiples consistent with industry figures.

2025 guidance: Revenues >€125m, EBITDA margin 11%, net debt 0.4x EBITDA

DBA management disclosed 2025 budget, within its 2023-26E guidelines: €126.9m revenues (value of production), +9.3% on 2024 budget, of which €7.1m inorganic and €3.6m organic; EBITDA €14.3m, +18.7% on 2024 budget, 11.2% margin; net financial debt expected at €5.7m, 0.4x EBITDA, improving from €8.8m FY24 guidance and €11.6m as of June 2024. The 2025 forecast includes in the scope of operations the recent acquisitions with revenues higher than our last estimates (€127m vs €122m); EBITDA in line, with profitability in the 11% region; net financial debt scaling back to €0.4x EBITDA vs 0.9x. DBA management also stated that 2024 performance is in line with budget.

Stock performance: +61% LTM

The positive trend remarked in our last update continued for DBA stock price, reaching current €2.80-2.90 area, +61% LTM, while the Italia Growth Index is down 4%.

Target Price of €4.20 and OUTPERFORM rating confirmed

Our last estimates for 2025 are meaningful, on the conservative side, with management guidance. We point out that the expected further progression towards reduction of financial debt strengthens our valuation and rating on DBA. We wait for FY24 actual financial data for a comprehensive update of our estimates. We confirm the OUTPERFORM rating and our €4.20 target price, +45% potential upside on current price.

KEY FINANCIALS AND ESTIMATES (€m)	2021	2022	2023	2024E	2025E	2026E
Revenues	78.8	84.5	111.6	115.1	122.5	133.6
Adj. EBITDA	7.4	7.5	12.6	12.5	14.1	15.6
Margin	9.4%	8.8%	11.2%	10.9%	11.5%	11.7%
EBIT	0.4	3.4	7.9	8.2	9.1	9.9
Margin	0.5%	4.0%	7.1%	7.2%	7.4%	7.4%
Net Income (Loss)	(0.7)	0.6	4.4	5.3	5.9	6.5
Trade Working Capital	15.9	18.7	23.4	28.2	35.2	41.0
Net Debt (Cash)	10.3	12.6	8.4	9.0	12.0	12.9
Equity	18.5	19.5	23.0	27.3	31.6	36.3

KEY RATIOS AND MULTIPLES	2021	2022	2023	2024E	2025E	2026E
Per-capita revenue (€k)	108	113	138	129	138	150
Net Debt/EBITDA	1.4x	1.7x	0.7x	0.7x	0.9x	0.8x
Basic EPS (€)	neg	0.05	0.40	0.48	0.53	0.59
EV/Revenues	0.6x	0.5x	0.4x	0.4x	0.4x	0.3x
EV/EBITDA	6.1x	6.0x	3.6x	3.6x	3.2x	2.9x

Source: Company data 2021-23A, EnVent Research 2024-26E

DBA is an Italian Technology Consulting group, specialized in mission critical infrastructure connectivity and lifecycle management. The dedicated business units Engineering & Project Management and Information and Communication Technology provide services to Telecommunications, Transportation and Logistics, Oil & Gas, Real Estate industries and Government institutions. DBA has a track record of 30 years of growth, both organic and through acquisitions.

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The “OUTPERFORM”, “NEUTRAL”, AND “UNDERPERFORM” recommendations are based on the expectations within a 12-month period from the date of rating indicated in the front page of this publication. Equity ratings and valuations are issued in absolute terms, not relative to market performance.

Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks are among the least attractive in a peer group, with the target price 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;

NOT RATED: no rating or target price assigned.

Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.

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

Date and time of Production: 24/02/2025 h. 6.20pm

Date and time of Distribution: 25/02/2025 h. 6.15pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
01/06/2018	OUTPERFORM	5.05	3.40
07/11/2018	OUTPERFORM	4.41	2.90
18/04/2019	OUTPERFORM	4.14	2.22
27/11/2019	OUTPERFORM	2.83	1.62
16/06/2020	OUTPERFORM	1.91	1.11
16/11/2020	OUTPERFORM	1.56	0.71
31/05/2021	OUTPERFORM	1.75	1.29
04/11/2021	OUTPERFORM	2.22	1.69
22/03/2022	OUTPERFORM	2.74	1.61
05/04/2022	OUTPERFORM	2.74	1.63
05/07/2022	OUTPERFORM	3.30	1.60
11/01/2023	OUTPERFORM	3.30	1.66
22/06/2023	OUTPERFORM	3.30	1.81
13/11/2023	OUTPERFORM	3.30	1.72
03/06/2024	OUTPERFORM	4.20	2.94
30/10/2024	OUTPERFORM	4.20	2.59
25/02/2025	OUTPERFORM	4.20	2.89

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