

## No Bugs, Just Synergies: FY24 Delivered, FY25 Set for Expansion

ADD | Fair Value: €6.42 (€6.42) | Current Price: €3.53 | Upside: +82%

€ Million	2022A	2023A	2024A	2025E	2026E	2027E
Value of Production	35.2	39.4	44.6	56.5	65.5	75.5
EBITDA	9.3	10.0	11.3	15.7	19.5	23.9
margin	26.5%	25.4%	25.2%	27.8%	29.8%	31.7%
Net Income	3.7	2.4	1.8	4.3	6.8	11.3
margin	10.5%	6.0%	4.1%	7.7%	10.4%	15.0%
EPS	n.a.	n.a.	0.1	0.3	0.5	0.8
NFP	20.4	25.6	1.3	(0.8)	(17.1)	(33.3)

Source: Company Data (2022-2024), KT&Partners' Elaboration (2025-2027)

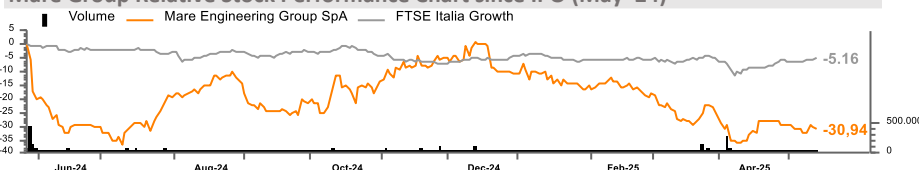
**Acquisition of a 10.29% stake in DBA Group.** On April 17th, 2025, Mare Group acquired a 10.29% equity stake in DBA Group S.p.A., a listed company active in engineering, ICT infrastructure, and lifecycle support services, through an investment of ca. €4.5mn for 1.19mn shares, implying a price of €3.80ps (-4% vs €3.96 pre-announcement price). The transaction values DBA at an Equity Value of €43.7mn and an EV of €52.9mn, corresponding to an implied EV/EBITDA multiple of 4.4x FY24 and 3.9x FY25E, below MARE's current 4.8x. The acquisition provides strategic exposure to a complementary operator generating €115.8mn in VoP and €12.0mn in EBITDA in FY24 (10.3% margin).

**FY24 Financial Results.** On March 28th, 2025, MARE reported FY24 results broadly in line with expectations, with a VoP of €44.6mn (+13.3% YoY), aligned with the top-end of FY24 guidance (€42-45mn) and aligned with our €44.8mn estimate. Sales revenues rose to €37.2mn (+24.5% YoY), driven by solid growth across all three business units. Reported EBITDA reached €11.3mn (+12.3% YoY), affected by ca. €2.0mn in extraordinary items, mainly related to liabilities and non-deductible tax expenses. On a like-for-like basis, adjusted EBITDA stood at €13.2mn, -2.4% below our €13.7mn projection. Margins improved thanks to lower incidence of personnel and service costs. As a result, the adjusted EBITDA margin rose by +3.1pp YoY to 29.9%, -0.6p.p. below our 30.5% estimate, while the reported margin remained stable at 25.2%. The NFP improved sharply to €1.3mn net debt (vs. €25.1mn in FY23), supported by strong cash generation and €22.7mn in capital increases from the IPO and ABB.

**Estimates Unchanged, Awaiting for La SIA's Closing.** We leave our estimates unchanged at this stage, pending the closing of the acquisition of the 70.6% stake in La SIA, when we expect management to provide formal guidance. Once fully consolidated, La SIA is expected to significantly enhance MARE's growth profile. For FY25, Mare Group guides for a standalone VoP of €60.0mn and EBITDA of €17.0mn, while on a pro forma basis including La SIA, guidance rises to €77.5mn in VoP (+73.7%) and €20.3mn in EBITDA (+53.8%), implying a standalone contribution from La SIA of €17.5mn in VoP and €3.3mn in EBITDA (+1.2% and +10.0% vs. consensus estimates, respectively).

**Valuation Unchanged.** We keep the valuation unchanged for now, pending further guidance on La SIA, at an Equity Value of €90.2mn or €6.42ps, implying an EV/EBITDA multiple of 5.8x for FY25 and 4.6x in FY26.

### Mare Group Relative Stock Performance Chart since IPO (May '24)



Source: Factset

May 15<sup>th</sup>, 2025 – 7:00h

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### Market Data

Main Shareholders	
Antonio Maria Zinno	20.06%
Marco Bellucci	14.64%
Valerio Griffa	11.81%
Algebris	6.24%
Invitalia SpA	6.25%
Other	29.08%

Mkt Cap (€ mn)	52.8
EV (€ mn)	54.1
Shares out.	15.0
Treasury Shares	0.83%
Free Float	11.08%

Market multiples	2024A	2025E	2026E
EV/EBITDA			
Mare Group (KT&P Old Valuation)	8.1x	5.8x	4.6x
Mare Group (Market Valuation)	4.8x	3.5x	2.8x
Comps Median	8.5x	8.3x	7.2x
Mare Group vs Comps Median	-43.0%	-58.1%	-61.4%

P/E			
Mare Group (KT&P Old Valuation)	49.5x	20.8x	13.3x
Mare Group (Market Valuation)	29.6x	12.3x	7.8x
Comps Median	12.2x	15.1x	12.9x
Mare Group vs Comps Median	142.3%	-18.7%	-39.4%

### Stock Data

52 Wk High (€)	5.90
52 Wk Low (€)	2.93
Avg. Daily Trading 90d	26,395
Price Change 1w (%)	2.32
Price Change 1m (%)	9.29
Price Change YTD (%)	-21.21

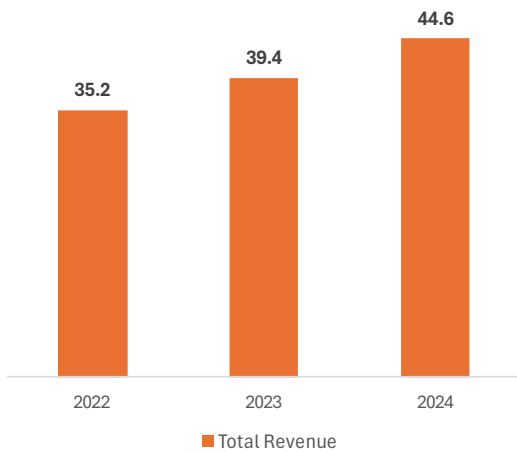
## Key Figures - Mare Engineering Group SpA

Current price (€)	Fair Value (€)		Sector				Free Float (%)
3.53	6.42		Technology				11.1%
Per Share Data	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Total shares outstanding (m)	n.a.	n.a.	n.a.	14.95	15.04	15.04	15.04
EPS	n.a.	n.a.	n.a.	0.12	0.29	0.45	0.75
Profit and Loss (EUR million)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Value of Production	24.3	35.2	39.4	44.6	56.5	65.5	75.5
Sales	18.4	25.3	29.9	37.2	50.1	59.2	68.5
EBITDA	6.8	9.3	10.0	11.3	15.7	19.5	23.9
EBIT	3.2	3.8	4.8	4.6	7.5	10.8	16.9
EBT	2.6	3.4	3.7	3.4	6.0	9.4	15.7
Taxes	(0.1)	0.3	(1.3)	(1.6)	(1.7)	(2.6)	(4.4)
Tax rate	0.0	(0.0)	0.0	0.0	0.3	0.3	0.3
Net Income	2.5	3.7	2.4	1.8	4.3	6.8	11.3
Group Net Income	2.1	3.7	2.2	1.8	4.3	6.8	11.3
Balance Sheet (EUR million)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Total fixed assets	18.5	24.6	29.1	32.3	24.1	18.1	14.0
Net Working Capital (NWC)	9.8	17.0	18.4	12.8	24.3	27.7	29.5
Provisions	(2.8)	(2.8)	(3.1)	(3.6)	(7.3)	(9.7)	(12.2)
Total Net capital employed	25.5	38.8	44.4	41.6	41.1	36.2	31.3
Net financial position/(Cash	11.8	20.8	25.6	1.3	(0.8)	(17.1)	(33.3)
Group Shareholder's Equity	10.7	18.0	18.6	40.2	41.7	53.1	64.4
Minorities	3.1	0.0	0.2	0.0	0.2	0.2	0.2
Total Shareholder's Equity	13.8	18.0	18.8	40.3	41.8	53.3	64.6
Cash Flow (EUR million)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Net operating cash flow	6.8	9.7	8.4	5.3	13.6	16.5	19.2
Change in NWC	(0.3)	(6.8)	(1.8)	(1.3)	(2.5)	(3.4)	(1.8)
Capital expenditure	(7.5)	(9.9)	(9.1)	(8.3)	(4.5)	(2.1)	(2.2)
Other cash items/Uses of fur	(2.6)	(1.8)	(0.3)	(12.8)	1.8	1.7	1.9
Free cash flow	(3.6)	(8.8)	(2.8)	(17.1)	8.4	12.6	17.1
Enterprise Value (EUR million)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Market Cap	n.a.	n.a.	n.a.	52.8	53.1	53.1	53.1
Minorities	3.1	0.0	0.2	0.0	0.2	0.2	0.2
Net financial position/(Cash	11.8	20.8	25.6	1.3	(0.8)	(17.1)	(33.3)
Enterprise value	n.m.	n.m.	n.m.	54.1	52.5	36.2	20.0
Ratios (%)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
EBITDA margin	0.3	26.5%	25.4%	25.2%	27.8%	29.8%	31.7%
EBIT margin	0.1	10.7%	12.1%	10.3%	13.3%	16.5%	22.4%
Gearing - Debt/equity	n.m.	n.m.	n.m.	3.3%	-1.9%	-32.2%	-51.7%
Interest cover on EBIT	16.04x	9.49x	4.34x	3.95x	9.52x	8.69x	13.59x
NFP/EBITDA	1.74x	2.23x	2.55x	0.12x	-0.05x	-0.88x	-1.39x
ROCE	12.7%	9.7%	10.8%	11.0%	18.3%	29.9%	54.1%
ROE	20.0%	20.6%	11.8%	4.5%	10.4%	12.8%	17.5%
EV/Sales	n.a.	n.m.	n.m.	1.46x	1.09x	0.92x	0.80x
EV/EBITDA	n.a.	n.m.	n.m.	4.84x	3.47x	2.79x	2.28x
EV/EBIT	n.a.	n.m.	n.m.	11.89x	7.25x	5.03x	3.22x
P/E	n.a.	n.m.	n.m.	29.57x	12.28x	7.81x	4.71x
Free cash flow yield	n.a.	n.m.	n.m.	-31.3%	15.4%	23.2%	31.4%
Growth Rates (%)	2021A	2022A	2023A	2024A	2025E	2026E	2027E
Value of Production	n.a.	n.a.	11.9%	13.3%	26.5%	16.0%	15.1%
EBITDA	n.a.	n.a.	7.4%	12.3%	39.4%	24.5%	22.5%
EBIT	n.a.	n.a.	27.2%	-4.2%	64.0%	44.1%	56.4%
Net Income	n.a.	n.a.	-35.8%	-23.5%	137.5%	57.2%	66.0%

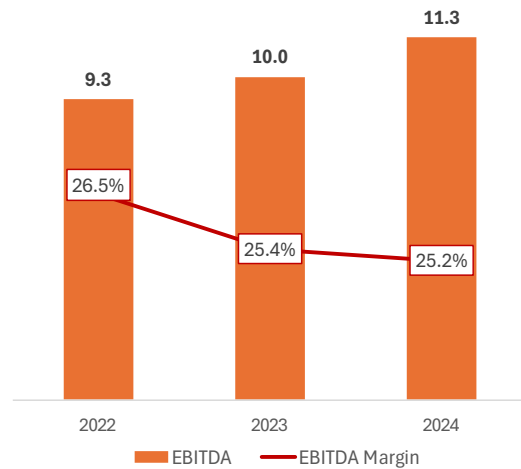
Source: Company Data (2021-2024), KT&amp;Partners' Forecasts (2023-2027)

## Key Charts

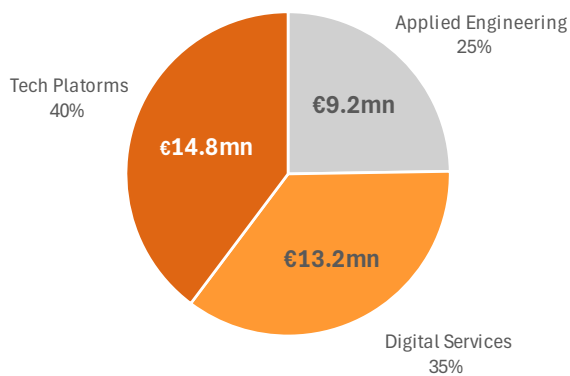
Total Revenues (€mn)



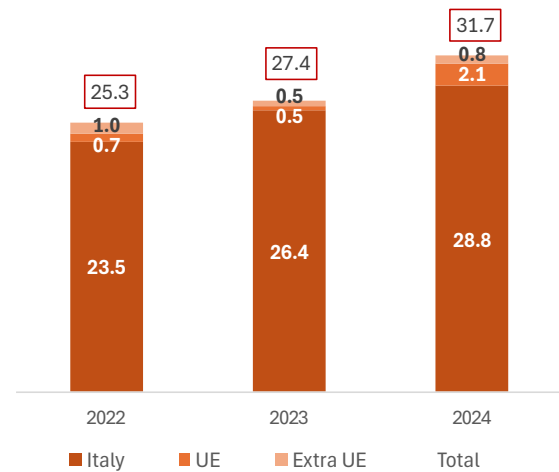
EBITDA ed EBITDA Margin (€mn, %)



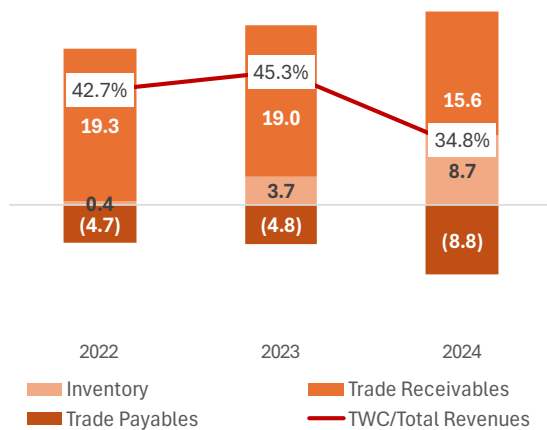
FY24 Sales Revenues Breakdown by Business Unit (€mn,%)



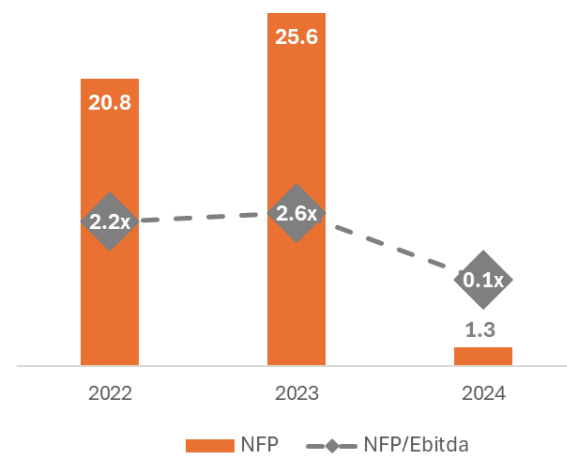
Sales Revenues Breakdown by Geography (€mn)



Trade Working Capital and TWC/Total Revenues (€mn, %)



Net Financial Position (€mn)



Source: KT&Partners elaboration on Company data

## Company Overview

Founded in 2001 at the University of Federico II in Naples, Mare Engineering Group SpA (“Mare Group”) is a digital engineering company at the forefront of innovation. The company collaborates with large enterprises to develop cutting-edge solutions while leveraging these technologies to create tailored products and services for small businesses. Mare Group is driving the digital and sustainability transition through its core business lines: Applied Engineering, Digital Services, and Technology Platforms.

**Applied Engineering** specializes in advanced design and optimization of products, processes, and infrastructures, in brief digital engineering for physical processes. Utilizing Industry 4.0 and Industry 5.0 technologies, it drives innovation in key sectors such as manufacturing, transportation, aerospace, automotive, and defense. Services include mechatronic testing, prototyping, and process enhancement.

**Digital Services** offers extensive digitalization solutions, including custom product development, cloud services, and scalable tools for businesses of all sizes. For SMEs, Mare Group provides flexible horizontal solutions, hardware sales, and office Software-as-a-Service (SaaS) offerings to facilitate their digital transformation. Its expertise also extends to computer vision applications for anomaly detection.

**Technology Platforms** enable scalable innovation, ensuring adaptability to market dynamics and client needs. These include: (i) **XR Line**: Extended reality solutions for training and remote support, featuring natural interaction and seamless integration; (ii) **Delfi.AI**: Competitive analytics and innovation path design, offering fund scouting for SMEs using only their VAT numbers. (iii) **Sypla**: An IoT and AI-based system for predictive maintenance and monitoring in sectors like energy optimization, building management, and railways.

Mare Group’s platforms are supported by strong R&D investments, particularly in Rail, Aerospace & Defense, and AI. The company operates through internally developed brands and acquisitions, including La SIA, a leader in digital engineering and mission-critical infrastructure. This acquisition positions Mare Group among Italy’s top 10 independent engineering firms, enhancing its capabilities in BIM methodologies, digital twin technologies, and AI-driven predictive modeling.

Mare Group’s innovation ecosystem is supported by a robust market presence, including over 1,000 clients, 500+ employees (as of February 2025), and 13 operational and sales offices. Its diverse product portfolio is continually enriched through significant R&D investments and strategic mergers and acquisitions. Since 2019, Mare Group has completed 15 M&A deals, including the acquisition of Powerflex and La SIA, enhancing its ability to deliver digital transformation and sustainability solutions tailored for Italian SMEs.

### Growth Through Strategic Acquisitions



Source: Company Presentation

## Investment Case

- **Emerging as the key aggregation hub for Italy's digital engineering sector...** Mare Group is a key player in digital engineering, integrating advanced design, digital services, and proprietary technology platforms to support enterprises in their digital and sustainability transition. The company provides solutions across multiple industries, including manufacturing, aerospace and defense, automotive, railways, leveraging AI, IoT, and Extended Reality (XR) to enhance efficiency and performance. Following more than 15 acquisitions since 2019, Mare Group is solidifying its position as the leading consolidator in Italy's digital engineering sector.

- **... Offering an ecosystem of enabling technologies to drive digital transformation...** The company operates through three strategic business lines: Applied Engineering, focused on advanced product and process optimization; Digital Services, offering cloud, software, and AI-driven solutions; and Technology Platforms, which includes XR Line, Delfi.AI, and Sypla, enabling predictive maintenance and innovation.

- **... strengthened by the acquisition of La SIA, expanding capabilities in mission-critical infrastructure...** The recent acquisition of La SIA S.p.A., a leader in digital engineering and architectural solutions, enhances Mare Group's expertise in mission-critical infrastructure, smart mobility, and AI-driven predictive modelling. This integration reinforces Mare Group's position among Italy's top 10 independent engineering firms<sup>1</sup>, extending its reach into civil engineering, telecommunications, and large-scale infrastructure projects through BIM methodologies and digital twin technologies.

- **... operating with a scalable and capital-efficient model...** Mare Group follows an asset-light approach, developing high-value digital solutions while leveraging strategic acquisitions to expand capabilities. The integration of La SIA introduces cross-selling opportunities and operational synergies, improving scalability and driving recurring revenue models.

- **... backed by strong financial performance and a clear growth trajectory.** Between FY2020 and FY2024, Mare Group delivered a CAGR of 26.5%, with Value of Production rising from €17.5mn to €44.6mn, while EBITDA grew at 13.6% CAGR, reaching €11.3mn in FY24. The company continues to pursue an ambitious growth strategy, targeting €100mn+ in revenues, supported by its technological expertise, M&A-driven expansion, and strong R&D investments.

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<sup>1</sup> Based on the Classifica Guamari of the top 200 Italian engineering firms, excluding companies belonging to larger corporate groups. The ranking is based on a pro-forma 2023 VoP of ~€60mn for Mare Group, including Powerflex and La SIA.

## Recent Developments

- **Acquisition of I.D.E.A. S.r.l.** On March 14, 2025, Mare Group finalized the acquisition of 100% of I.D.E.A. S.r.l., a company specialized in industrial automation and electro-mechanical systems, with operating branches leased from MO.S.A.I.C. (Motion System and Information Control S.r.l.), currently undergoing restructuring. The transaction, executed at nominal value (€10,000), is fully aligned with Mare's external growth strategy, strengthening its Applied Engineering division, particularly in Aerospace & Defense. In FY23, I.D.E.A. recorded €1.5mn in revenues and €23k in EBITDA, with a 1.5% EBITDA margin, based on an 8-month abbreviated financial year.
- **Acquisition of La SIA S.p.A.** On February 12, 2025, Mare Group signed a binding agreement to acquire a 70.6% stake in La SIA S.p.A., a leader in digital engineering and architecture, through a transaction valued at €2.48mn in cash and 2.56mn new Mare Group shares (€13.5mn consideration). Following the closing, Mare Group will launch a mandatory takeover bid (OPAS) for the remaining 29.4% of La SIA's share capital, marking the first operation of this kind on Euronext Growth Milan (total consideration of €19.2mn, valuing La SIA at €3.38ps with a premium of 16.7% on the closing price of February 12<sup>th</sup> and at an acquisition multiple EV/EBIT FY24E of 7.4x and 6.3x in FY25E, based on Consensus Estimates). *More info on this operation in §Appendix: Acquisition of La SIA S.p.A..*
- **€8 Million in New Financing.** On January 9, 2025, Mare Group secured an €8mn loan package from Cassa Depositi e Prestiti (CDP) and BPER Banca S.p.A.. The loans are backed by SACE's "Garanzia Futuro" program, featuring favorable terms with a 5y maturity and a 9m grace period.
- **Completion of €15.5mn ABB Capital Increase.** On December 20, 2024, Mare Group successfully completed an Accelerated Bookbuilding (ABB) procedure, raising €15.5mn through the placement of 3.44mn new shares at €4.50ps (€4.58ps the closing price on December 19<sup>th</sup>, 2024).
- **€4.5 Million Aerospace & Defense Agreement.** On December 3, 2024, Mare Group signed a framework agreement worth up to €4.5mn with a leading international Aerospace & Defense client. The project includes real-time monitoring, predictive algorithms, GIS sensor integration, and automated alert systems, with €0.5mn in expected revenue by year-end 2024 and completion within 24 months.
- **Entry into the Spanish Market.** On September 19, 2024 Mare Group expanded internationally by launching the Spanish website [objetivoeuropa.com](http://objetivoeuropa.com) for its subsidiary, Obiettivo Europa S.r.l., marking its entry into the Spanish market. Obiettivo Europa, a leader in monitoring and evaluating grant opportunities for SMEs in Italy, initiated its internationalization strategy targeting Spain due to its entrepreneurial similarity with Italy.
- **Acquisition of Powerflex S.r.l.** On July 21, 2024 Mare Group signed a binding agreement to acquire 100% of Powerflex S.r.l., a company specializing in defense, aerospace, and engineering solutions, for €1.15mn. The transaction was structured as 90% through the transfer of 250k Mare Group shares (132.7k treasury shares and 117.3k newly issued shares at €4.0ps) and 10% in cash (€150k). The acquisition was successfully closed on December 18, 2024.

## Acquisition of 10.29% of DBA Group S.p.A.

On April 17<sup>th</sup>, 2025, Mare Group announced the acquisition of a 10.29% equity stake in DBA Group S.p.A., a listed player on Euronext Growth Milan operating in engineering, infrastructure lifecycle support, and ICT services. The investment—amounting to ca. €4.5mn for 1.185 million shares—implies a price per share of ca. €3.80.

Based on this price, the transaction attributes a total equity value of approximately €43.7mn to DBA Group. Given the company's FY24 Net Financial Position of €9.2mn (net debt), the implied Enterprise Value (EV) stands at €52.9mn. With reported FY24 EBITDA of €12.0mn, the acquisition was executed at an implied EV/EBITDA multiple of 4.4x and of 3.9x in FY25E (based on €13.7mn FY25E EBITDA from consensus estimates), which compares favorably to Mare Group's current trading multiple of 4.8x on FY24 EBITDA, confirming the accretive nature of the deal.

The acquisition of a strategic minority stake in DBA Group is consistent with Mare Group's inorganic growth strategy, providing exposure to a synergistic and well-established player in network connectivity, ICT infrastructure, and engineering services (potential industrial and commercial collaborations). DBA operates across six countries, offering high-value-added solutions along the entire infrastructure lifecycle, and reported €115.8mn in VoP, €12.0mn in EBITDA (10.3% margin) and €3.0mn in Net Profit in FY24.

## FY24 Financial Results

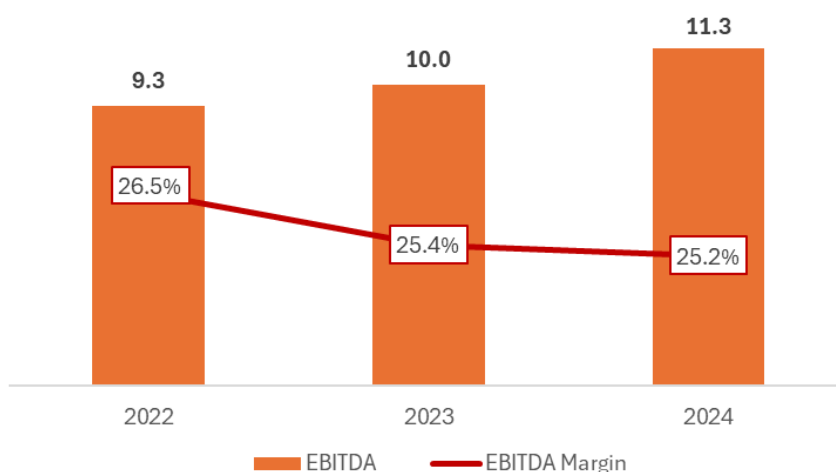
On March 28th, 2025, Mare Group closed FY24 with a Value of Production of €44.6mn, showing a +13.3% YoY growth compared to €39.4mn in FY23. The result came in slightly below our estimate of €44.8mn (-0.4%), but was perfectly aligned with the top-point of company previous guidance (€42–45mn).

Breaking down FY24 VoP (€44.6mn, +13.3% YoY), the Group recorded €37.2mn in sales revenues, up from €29.9mn in FY23 (+24.5% YoY) and almost aligned with our €37.8mn previously estimated (-1.8%). In particular the three new BUs (see §Appendix): i) **Tech Platforms** (40% of Sales Revenues) contributed the largest share with €14.8mn, driven by increased traction of proprietary solutions such as XR Line, Sypla, and Delfi.AI; ii) **Digital Services** (35%) followed with €13.2mn; and iii) **Applied Engineering** (25%) generated €9.2mn.

Non-core components of VoP included €3.5mn from **Increase in fixed assets for internal works**, down from €5.2mn in FY23 (-33%, completely aligned with previous estimates) and Other revenues slightly decreased to €4.0mn (vs. €4.4mn in FY23, +14.2% vs est.).

EBITDA (including €4.4mn of other operating costs, o/w ca. €2.0mn in extraordinary items, mainly related to extraordinary liabilities/assets and non-deductible tax expenses - vs. €0.6mn in FY23 - ) in FY24 reached €11.3mn, up +12.3% YoY vs. €10.0mn in FY23, though -17.6% below our estimate of €13.7mn (-2.4% if we adjust the EBITDA for the ca. €2.0mn of extraordinary expenses). Breaking down by each operating cost: i) **Personnel costs** decreased from 53% of sales revenues in FY23 to 43% in FY24, but stable to €15.9mn; ii) **Cost of services** at 20.0% of sales, down from 22.0% in FY23, totaling €7.4mn; iii) **Rental costs** declined to 3.6% of sales (€1.3mn) from 4.8% the year before; and iv) **Other operating expenses** increase from 4.0% to 13.1% of sales (€4.1mn including €2.1mn of extraordinary expenses). As a result, the EBITDA margin remained broadly stable, moving from 25.4% in FY23 to 25.2% in FY24 (-0.2pp), while the adjusted EBITDA margin improved by +3.1pp YoY to 29.9%, slightly below our projected 30.5%.

EBITDA & EBITDA Margin (€mn, %)



Source: KT&Partners elaboration on Company data

D&A and provisions amounted to €6.7mn in FY24, up from €5.2mn in FY23, reflecting investments made in prior years, and increased amortization linked to R&D investments. Net financial expenses remained broadly stable at €1.2mn, slightly exceeding our estimate of €1.0mn, as a result of higher average debt levels in the first half of the year. The effective tax rate spiked to 46.7%, well above our projected 30% (given by ca. €0.3mn of deferred taxes liabilities), weighing on bottom-line performance. Consequently, Net Income declined to €1.8mn (-23.5% YoY, €2.4mn), missing our forecast of €3.5mn.

As of December 31<sup>st</sup>, 2024, Mare Group's Net Financial Position improved sharply to €1.3mn net debt, compared to €25.1mn at the end of FY23. The improvement reflects strong operational cash generation and a cash conversion rate of 56%, significantly higher than the 32% recorded in FY23. In addition, company benefited from total capital increases of €22.7mn, including net proceeds from the IPO in May and the ABB transaction completed in December. The reported NFP includes €1.8mn in adjustments, such as treasury shares and deferred tax positions.

**FY22-24 Income Statement A vs E (€mn)**

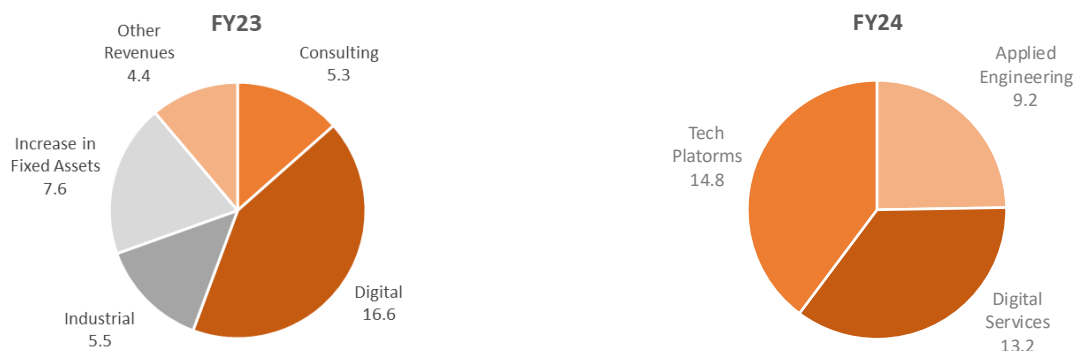
	2022	2023	2024	A vs E	2024
€ million	Actual	Actual	Actual	%	Estimates
Sales Revenues	25.3	29.9	37.2	-1.8%	37.8
Growth %	37.2%	18.3%	24.5%		38.1%
Increase in Fixed Assets for Internal Works	5.1	5.2	3.5		3.5
Other Revenues	4.9	4.4	4.0	14.1%	3.5
Value of Production	35.2	39.4	44.6	-0.4%	44.8
Growth %	45.8%	11.9%	13.3%		13.7%
Products and Raw materials	(3.4)	(4.4)	(4.6)	-0.6%	(4.6)
Gross Profit	31.8	35.0	40.1	-0.4%	40.2
Gross Margin	90.4%	88.9%	89.7%		89.7%
Cost of Services	(6.8)	(6.6)	(7.4)	3.4%	(7.2)
Rental Costs	(1.5)	(1.4)	(1.3)	-7.4%	(1.4)
Personnel Expenses	(13.8)	(15.9)	(15.9)	-6.8%	(17.0)
Other Operating Expenses	(0.5)	(1.1)	(4.1)		(0.9)
EBITDA	9.3	10.0	11.3	-17.6%	13.7
EBITDA margin (% VoP)	26.5%	25.4%	25.2%		30.5%
D&A and Impairments	(5.6)	(5.2)	(6.7)	-8.2%	(7.3)
EBIT	3.8	4.8	4.6	-28.3%	6.4
EBIT margin	10.7%	12.1%	10.3%		14.3%
Growth %	20.1%	27.2%	-4.2%		17.5%
Financial Income and Expenses	(0.4)	(1.1)	(1.2)	14.5%	(1.0)
Extraordinary items	0.0	(0.0)	(0.0)		(0.5)
EBT	3.4	3.7	3.4	-30.0%	4.9
Taxes	0.3	(1.3)	(1.6)	12.7%	(1.4)
Tax Rate	-10.2%	34.9%	46.7%		29.0%
Net Income	3.7	2.4	1.8	-47.5%	3.5
Net margin	10.5%	6.0%	4.1%		7.7%

Source: KT&Partners elaboration on Company data

## Appendix: Optimization of Mare Group’s Business Lines

Mare Group, alongside its FY24 guidance, has announced a strategic reorganization of its three former commercial brands—*Mare Digital*, *Mare Consulting*, and *Mare Industrial*—into three newly defined business units: *Applied Engineering*, *Digital Services*, and *Technology Platforms*. This transformation reflects a refined focus on delivering value through specialized expertise and streamlined operations.

### FY23 Value of Production by Previous Brand Structure vs. FY24 VoP Distribution by New Business Units



Source: Company Guidance and Data, Note: ( ) based on the upper bounds of approved guidance

### Applied Engineering

This business unit focuses on the design and optimization of products and processes, accounting for 40% of FY24 Value of Production (VoP).

Applied Engineering is an evolution of the previous *Mare Industrial*, which served medium and large industrial enterprises by driving innovation in product and process development, optimizing costs, and minimizing waste. Its offerings include product and process engineering, along with plant and green engineering services. The *Sypla Platform*, previously under *Mare Industrial*, has now been realigned to the Technology Platforms division.

### Digital Services

This business unit is dedicated to the end-to-end development of software and cloud-based products and services, as well as enabling the digital transformation of businesses of all sizes, contributing 35% of FY24 Value of Production (VoP).

The new Digital Services BU evolves from the former *Mare Digital*, which integrated advanced digital technologies into business processes for medium and large enterprises, as well as public administrations. It specialized in creating bespoke solutions and providing essential ICT services. The *XR Line* has been separated and integrated into the new *Technology Platforms* division, detailed below. Additionally, portions of the former *Mare Consulting* operations have been consolidated into Digital Services. This includes expertise in assisting SMEs with securing and managing funds for innovation, competitive enhancement, and providing services such as Training 4.0, Brand & Business Value, and IP & ESG Management. However, *Delfi.AI*, a major channel of *Mare Consulting*, has been transferred to the *Technology Platforms* division, outlined below.

## Technology Platforms

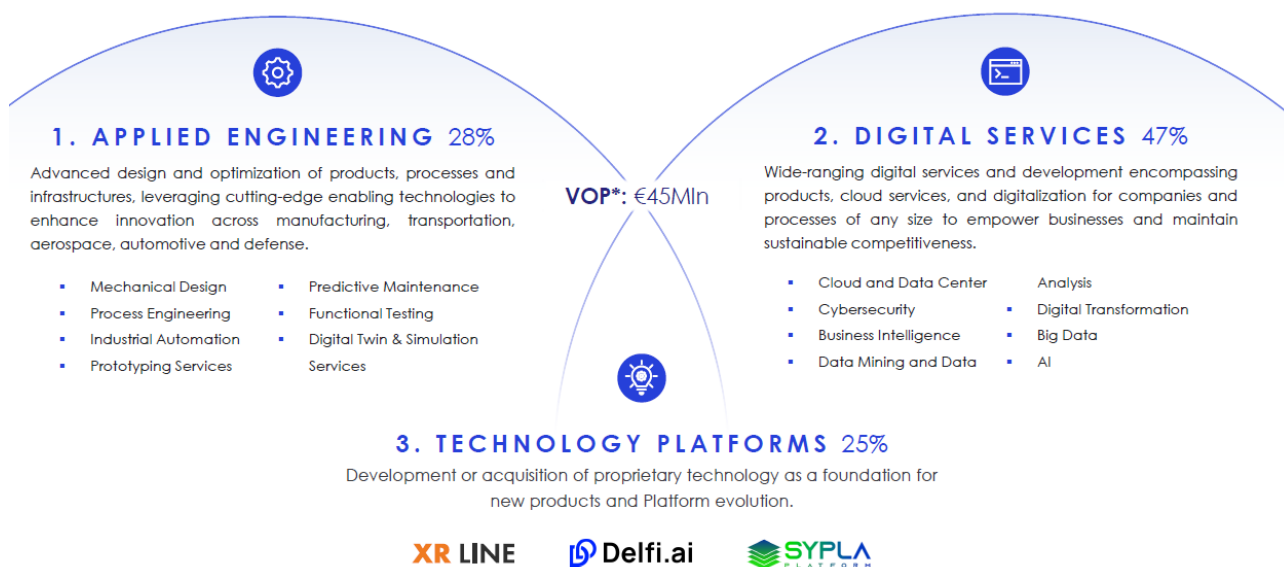
Contributing 25% to the FY24 VoP, the Technology Platforms business unit consolidates Mare Group’s proprietary technologies, forming the foundation for new products and platform evolution. This new BU includes three key technologies.

**XR Line.** Previously part of *Mare Digital*, the XR Line leverages experiential technologies such as Virtual Reality (VR) and Augmented Reality (AR) to support production, design, prototyping, presentation and remote support. The XR line empowers clients to independently create virtual training environments without requiring specialized development skills, enabling scalability and cost-efficiency. The XR Line generates approximately €3 million in VoP for FY24.

**Delfi.ai.** Formerly part of *Mare Consulting*, Delfi.ai is Mare Group’s AI-driven platform designed to help SMEs evaluate and improve their innovation capabilities. It offers a quick self-assessment via an intuitive interface, providing a free report that reveals the company's innovation index and tailored strategies for growth. Acting as a marketplace, Delfi.ai also connects businesses to products and services that drive digital transformation. Launched in 2022, the platform reflects Mare Group’s commitment to making advanced technology accessible to all businesses. The Delfi.ai platform contributes ca.€7mn in VoP for FY24.

**Sypla** – Previously part of *Mare Industrial*, SYPLA RAIL is a predictive diagnostics system built on the SYENMAINT® Platform, combining sensors, hardware, firmware, and software to optimize rail system maintenance. By analysing extensive datasets collected from intelligent sensors installed on trains and utilizing proprietary algorithms, SYPLA RAIL can pre-emptively identify the optimal timing for maintenance activities on railways, even before any anomalies or failures occur. The system dynamically schedules interventions, monitors rolling stock and infrastructure, and streamlines maintenance processes.

### Mare Group New Business Units



Source: Mare Group 2024 Guidance Presentation, Note; (I) based on the upper bounds of approved guidance

## Appendix: Acquisition of La SIA

On February 12, 2025, Mare Group announced the acquisition of a 70.6% stake in La SIA S.p.A., a leader in digital engineering and architecture solutions. This acquisition strengthens Mare's position among Italy's top independent engineering firms, integrating La SIA's expertise in infrastructure, civil engineering, and sustainable mobility with Mare's XR Line (digital twin) and Sypla (AI-driven predictive maintenance) platforms. As Mare's largest acquisition to date, the deal supports its goal of surpassing €100mn in revenues and reinforces its leadership in digital engineering.

### Mare Group and La SIA business combination (FY25E)

FY25E (€mn)	Mare Group	La SIA	Combined
Value of Production	56.5	17.3	73.8
EBITDA	15.7	3.0	18.7
EBITDA Margin	27.8%	17.1%	25.3%
EBIT	7.5	2.4	9.9
EBIT Margin	13.3%	13.6%	13.4%
Net Income	4.7	1.6	6.3
# Employees	358	150	508

Source: KT&P's estimates (Mare Group), Consensus estimates (La SIA)

The acquisition aligns with the increasing convergence of engineering and ICT consultancy/system integration, as seen in Accenture's December 2024 acquisition of IQT Group, an engineering services provider for large infrastructure projects.

## Transaction Details

Mare Group will acquire 70.6% of La SIA from its founding shareholders—CSE Holding (Maurizio Ciardi), Aspasia (Mario Rampini), and GLSR (Riccardo Sacconi)—through a payment structure of 82.3% in shares and 17.7% in cash. Specifically: 2.56mn Mare shares will be issued via a reserved capital increase; €2.48mn in cash will be paid. The deal values La SIA at €3.38 per share, a 17% premium to its pre-announcement price, and Mare at €4.31 per share, based on its market price at the time of the announcement. The deal values La SIA at €3.38 per share, representing a 17% premium to its pre-announcement price, and Mare at €4.31 per share (market price at the time of the announcement). La SIA's equity is valued at €19.2mn (€3.38/share), with an Enterprise Value (EV) of €16.3mn, factoring in its FY24 consensus net cash position of €2.9mn. This implies an EV/EBIT multiple of 7.4x for FY24E and 6.3x for FY25E, based on consensus estimates.

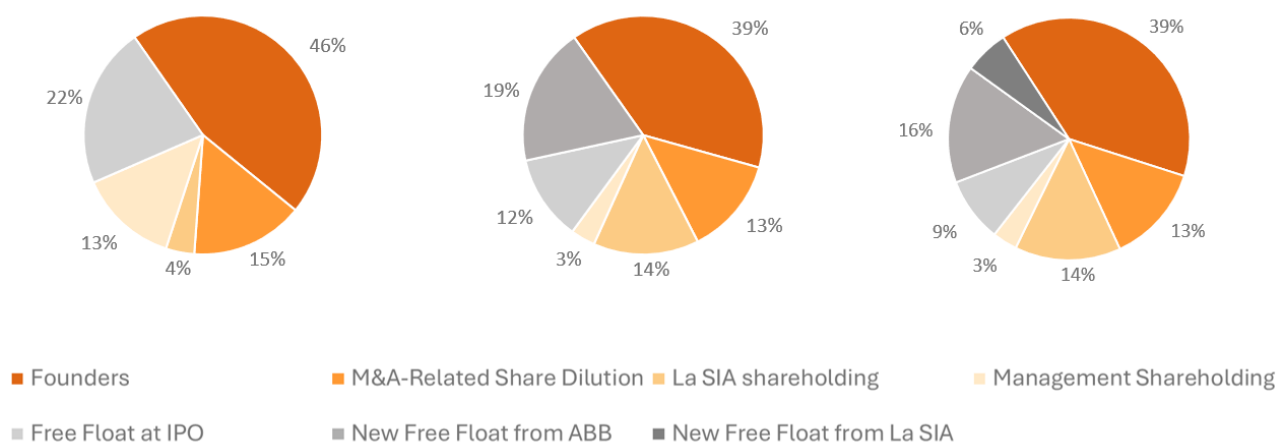
Following closing, Mare will launch a mandatory takeover bid for the remaining 29.4% of La SIA, offering 320 Mare shares + €310 in cash per 500 La SIA shares—in line with the initial acquisition terms. This is the first OPAS (Offerta Pubblica di Acquisto e Scambio) among two companies listed in the EGM segment. The total consideration includes €1.03mn in cash and 1.07mn Mare shares.

Upon completion of the deal, La SIA's founders will become significant shareholders in Mare Group and will assume key managerial roles within the company. Notably, Maurizio Ciardi will join Mare Group's Board of Directors with operational responsibilities for La SIA's business unit. Furthermore, the agreement includes a lock-up commitment of 36 months for Aspasia and GLSR and 24 months for CSE Holding.

## Changes in Shareholder Structure

Following the acquisition of 70.6% of La SIA, its three founding partners will collectively hold 14% of Mare Group's share capital, making them the second-largest shareholder as a group, behind CEO & Founder Antonio Maria Zinno, who will retain a 17% stake post-closing of the majority acquisition.

Change in Shareholder's structure: Post ABB, Post Closing of La SIA's Majority Stake, and Post OPAS



Source: KT&P's elaboration on company data

## Strategic Rationale and Key Synergies

Mare Group's acquisition of La SIA accelerates its growth strategy, **expanding its presence in critical infrastructure, civil engineering, and sustainable mobility**. This move enhances its technological edge, leveraging proprietary platforms like XR Line for digital twin modeling and Sypla for AI-driven predictive maintenance to improve efficiency, scalability, and cost optimization.

- **Expansion of Applied Engineering beyond manufacturing** – The integration of La SIA allows Mare Group to extend its Applied Engineering division beyond industrial applications, incorporating critical infrastructure and civil engineering. This enhances its ability to design and manage large-scale projects, particularly in urban development, smart mobility, and public infrastructure.
- **Integration of proprietary technology platforms** – Mare Group's advanced technology solutions will be embedded into La SIA's workflows, improving scalability and operational efficiency. The XR Line platform will drive digital twin modeling, playing a crucial role in the entire construction lifecycle—from training and safety compliance to real-time conformity checks, automated support, and remote supervision. **With BIM methodologies becoming mandatory, XR Line serves as an enabling technology, significantly reducing errors, waste, and accidents while improving project execution.** Simultaneously, Sypla will enable AI-driven predictive maintenance, leveraging IoT and artificial intelligence to **shift from a reactive to a proactive maintenance model**. By introducing a complete predictive maintenance platform, Sypla extends the billing cycle across the full life span of infrastructure assets, optimizing cost structures and creating **recurring revenue streams**.

## Softwares' synergies



Source: Company Presentation

## La SIA's Rationale for Joining Mare Group

The acquisition by Mare Group provides La SIA with the scale, technology, and market access needed to overcome key structural challenges and accelerate its growth trajectory. By integrating into a larger, technology-driven group, La SIA gains the tools to diversify its business, enhance its technological offering, and improve its competitive positioning.

- **Access to New High-Value Verticals** - Becoming part of Mare Group allows La SIA to expand beyond its core markets, leveraging Mare's established industry relationships and financial strength to pursue larger-scale infrastructure and industrial projects. This broader market access enables a more balanced revenue mix, reducing exposure to cyclical demand fluctuations, at the same time reducing La SIA's historical reliance on a few large telecom clients.
- **Technological Leap in Digital Engineering** - By embedding Mare's proprietary platforms—XR Line for digital twin modeling and Sypla for AI-driven predictive maintenance—La SIA closes its gap in AI, IoT, and automation. The integration supports predictive maintenance models, transitioning La SIA from one-off project revenue to scalable, recurring income streams.
- **Strengthening Workforce and Talent Development** - Mare's university partnerships and R&D ecosystem provide a structured framework for talent acquisition and upskilling, addressing challenges in employee retention and specialized expertise. Access to larger, more complex projects enhances career development and workforce stability.

## La SIA - Company Description

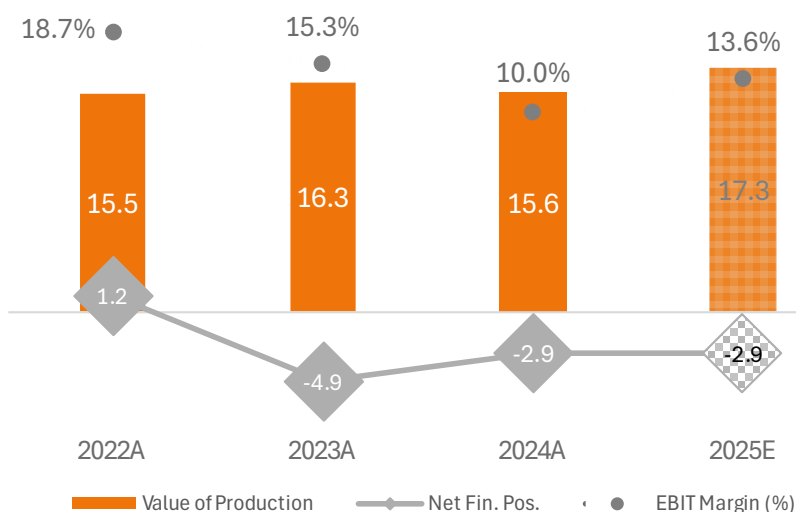
Founded in 2004, La SIA S.p.A. is a leading Italian engineering and design firm. The company went public on Euronext Growth Milan in August 2023, raising €6.0mn at €3.6 per share.

La SIA specializes in Design & Engineering services for corporate clients and public institutions across Telecommunications, Civil & Architectural Design, Project & Works Management, and Infrastructure Development. The company leverages advanced digital methodologies, including Building Information Modeling (BIM), Digital Twin technology, and geospatial analysis tools (drones, laser scanning), delivering high-precision solutions across the project lifecycle. Key Business Areas are:

- Civil Engineering (48% VoP in 9M24) → Designs public buildings (schools, hospitals, offices, data centers) with a focus on sustainability, energy efficiency, and safety, leveraging BIM for cost and project optimization.
- Telecommunications (40% VoP in 9M24) → Develops fiber-optic networks, 5G infrastructure, and smart buildings, specializing in FTTH, data centers, and digital twin modeling for seamless connectivity.
- Utility & Infrastructure (12% VoP in 9M24) → Manages energy, water, and transport infrastructure, including photovoltaic plants, high-voltage systems, and urban mobility solutions, integrating smart monitoring and predictive maintenance.
- Architecture & Urban Design → A growing segment focused on architectural design, procurement consultancy, and urban planning, expanding through public tenders and design competitions.

La SIA has eight operational offices across Italy and a flexible workforce model (46% employees, 54% contractors), optimizing project execution. It holds a 27% win rate in competitive tenders (2021-2022) and has delivered major engineering projects in aerospace, automotive, industrial manufacturing, and civil infrastructure.

La SIA S.p.A. VoP (€mn), PFN (€mn), EBIT Margin (%)



Source: KT&P's Elaboration on Company Data and on Consensus Estimates

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

