PMI CAPITAL research

Equity Research
INITIAL COVERAGE
Euronext Growth Milan

COMTEL

Sector: ICT (Business Services)

Target Price (€) 3.01

Price (€) **1.92**
Market Cap (€ m) **35.3**
EV (€ m) **42.3**

As of April 9th, 2025

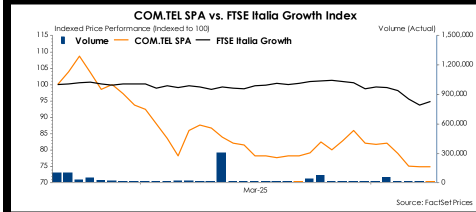
Share Data

Listing Market	Euronext Growth Milan
Ticker	CMTL
ISIN	IT0005632945
N. of Shares	18,422,000
Free Float	10.98%
Reference Shareholder	Nextaly S.r.l. (56.98%)
Chairman	Davide Cilli
CEO	Fabio Maria Lazzerini

Financials

	24A	25E	26E
Sales	42.1	83.4	89.9
EBITDA	2.1	5.3	8.0
EBITDA %	*5.0%*	*6.3%*	*8.9%*
EBIT	1.1	3.8	6.6
EBIT %	*2.6%*	*4.6%*	*7.4%*
Net Income	0.1	2.0	4.1
Net Debt	2.6	(0.4)	(5.2)

Stock Performance



Sustainability ESG profile available

This Note is issued by arrangement with MIT SIM SpA, the Specialist engaged by the Company.

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We initiate coverage on Com.tel with a target price of 3.01 p.s., obtained by a combination of a DCF model and multiple analysis and which provides for a potential upside vs. current stock price of c. +57%. At our target price, the stock would be trading at FY25/26 EV/EBITDA multiples at 13.0x and 8.5 vs. peers' of 11.7x and 10.7x and current trading of 8.1x.and 5.3x.

Com.tel S.p.A. (Comtel) is a technology company operating in the field of digital transformation and innovation. It specializes in the design and implementation of ICT solutions for the Italian market, structured around four core competence centers: Infrastructure Technology, Customer & User Interaction, Networking & Security, and Audio Video. Comtel serves a diversified client base across both the private and public sectors.

With the reshuffling of the management team in in 2024, including the appointment of a new CEO, the Company accelerated the execution of its strategic plan to drive revenue growth and profitability. This strategy focuses on geographic and industrial expansion, enhancing product and service offerings in high-growth technology sectors such as Digital Enablers & Transformers (AI, IoT, Cybersecurity, and Cloud Computing), and improving organizational efficiency. As part of this growth strategy, the Company successfully listed on Euronext Growth Milan on February 19th, 2025, raising Euro 4.9 m.

Shortly after the IPO, the company acquired 60% of Novanext S.r.l. (Novanext), a well-established ICT firm with expertise in Cybersecurity, IoT, Cloud, and Networking with FY24 sales of Euro 37 m. This acquisition is a strategic milestone in Comtel's M&A roadmap, driving revenue growth, service expansion, cost optimization, and stronger market positioning in Italy's rapidly evolving ICT sector. Additionally, Novanext 's training division plays a key role in developing ICT professional skills, reinforcing Comtel's commitment to driving digital innovation.

Between 2021 -2024 Comtel stand-alone grew revenues at +8% CAGR, driven by an expanded range of product and service offering. On a pro-forma basis, post-acquisition the combined entity achieved consolidated FY24 sales Euro 79 m, an EBITDA of and Euro 3.7 m (5% margin). Over the next years we expect the Group to continue to increase revenues above market rates (6% CAGR 2024-2026 vs. market expected market growth at 4%), also leveraging on commercial and operational synergies. We expect consolidated FY26 sales at Euro 90 m and an EBITDA margin 9%. (Euro 8.0 m)

In 2023, the Italian digital market grew by 2.1%, reaching Euro 78.7 b, fuelled by ICT services (+9.0% YoY), cloud computing, and cybersecurity. Future growth, expected at a CAGR of 4% through 2027, will be shaped by public investment and emerging technologies such as AI, IoT, wearable technologies, blockchain and a cybersecurity. As a system integrator, Comtel is well-positioned in this market and is poised to capitalize on the rising demand for digital solutions.

ComTel – Key Data

Y/E Dec. (Euro m)	2023A	2024A	2025E	2026E
Sales	41.9	42.1	83.4	89.9
YoY %	-2.1%	0.5%	97.8%	7.9%
EBITDA	2.0	2.1	5.3	8.0
EBITDA % (on VoP)	4.9%	5.0%	6.3%	8.8%
EBIT	1.6	1.1	3.9	6.7
Net Income	(4.4)	0.1	1.9	4.2
Net Debt/(Cash)	4.5	2.6	4.2	(0.6)
Implicit EV/EBITDA	12.2x	11.9x	13.2x	8.7x
Implicit P/E	n.m.	146.8x	26.0x	12.1x
FCF Yield	9.1%	5.0%	n.m.	12.6%

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COMTEL SNAPSHOT

Company description

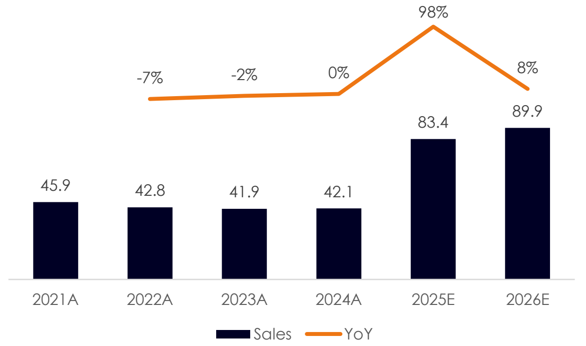
Comtel is an Italian system integrator with over 30 years in the market, specializing in Customer & User Interaction, Networking & Security, Infrastructure Technology, and Audio & Video. Known for strong partnerships with global ICT players, it provides innovative solutions for global connectivity and simplified business management. With 8 offices across Italy and a team of 115 employees, Comtel aims to drive digital transformation and help businesses reach their full potential through scalable, "one-stop shop" solutions. In February 2025, Comtel acquired Novanext, with 35+ years of ICT experience and offices in Turin, Milan, and Rome. This acquisition strengthens Comtel's presence in Enterprise Networking, Cyber Security, IoT, Data Center & Cloud, and Digital Workplace.

Management

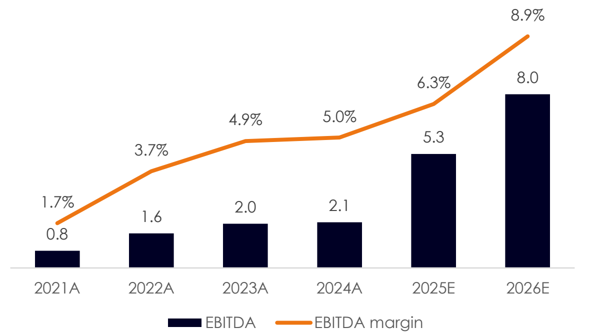
Fabio Lazzerini – CEO
Mattia Conti - General Manager
Renato Dedonatis – Strategy & Innovation
Marco Bariletti – CFO
Marco Uccellini – Chief Supply Chain Officer

Key Shareholders
Nextaly Srl (Davide Cilli) 56.98%

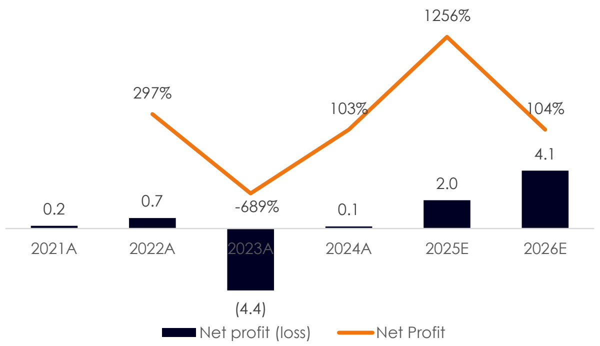
Comtel – 2021-2026E Sales Evolution (€M)



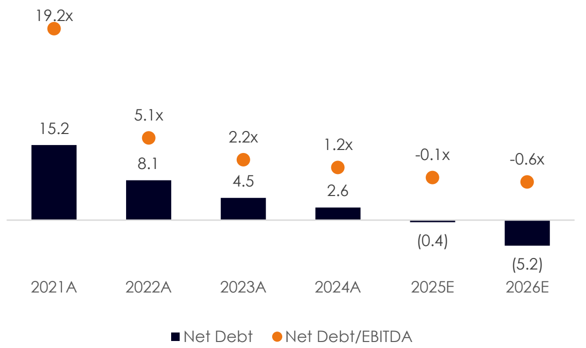
Comtel – 2021-2026E EBITDA Evolution (€M)



Comtel – 2021-2026E Net Income Evolution (€M)



Comtel – 2021-2026E Net Debt (€M) Net Debt/Ebitda



Source: Company Data

Strengths/Opportunities

Experienced Leadership. A management team with deep expertise in technological solutions, driving innovation and strategic growth.
Strong Market Position. Established reputation and long-term relationships with major telecom operators and tech partners (Huawei, MS, HP, etc.).
Diverse Offerings & Reach. Broad service portfolio and extensive territorial coverage.
Technological Adaptability. Ability to swiftly integrate emerging trends (Cloud, AI, IoT) and AI-driven operational improvements.
Growth & Expansion. Potential for vertical development, complementary product integration, and new partnerships (consulting firms, vendors, universities).
Industry Potential. – Dynamic sector with significant development opportunities and increasing demand for innovative solutions.

Risks/Weaknesses

Client Concentration: TIM accounted for 44% of 2023 revenues, expected to drop to ~30% post-Novanext acquisition. Further diversification remains a challenge.

Market Uncertainty: Competition, economic cycles, and regulatory restrictions on key technologies may introduce volatility and impact growth.

Supply Chain Risk: 13% of purchases in 2023 came from Chinese suppliers; Comtel aims to reduce reliance and diversify sourcing to mitigate regulatory risks.

Time-to-Market: Faster product development and deployment are crucial to seizing opportunities, staying competitive, and driving revenue growth.

KEY FINANCIALS

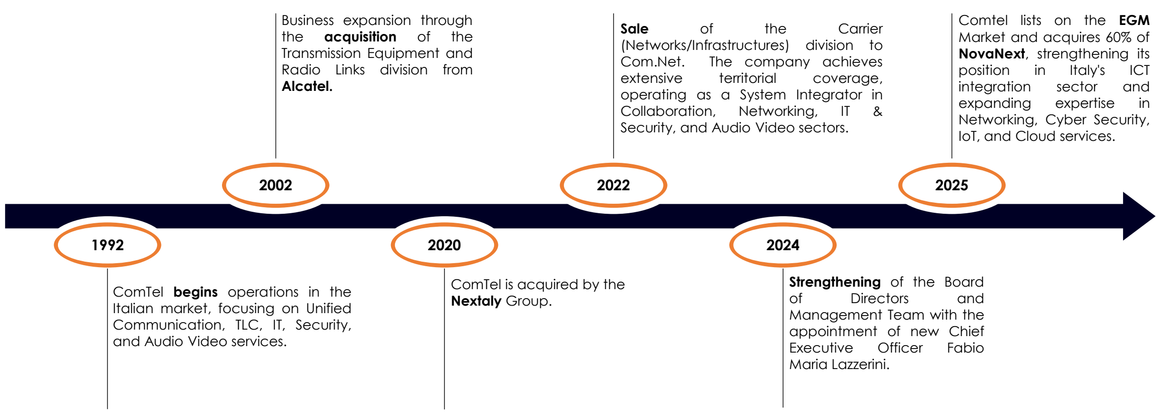
Profit&Loss Stetement		2021A	2022A	2023A	2024A	2025E	2026E
Sales		45.9	42.8	41.9	42.1	83.4	89.9
EBITDA		0.8	1.6	2.0	2.1	5.3	8.0
EBIT		0.6	1.3	1.6	1.1	3.8	6.6
Net Financial Income (charges)		(0.4)	(0.4)	(0.5)	(0.6)	(1.0)	(0.9)
Pre-tax profit (loss)		0.2	0.8	(4.1)	0.5	2.8	5.7
Tax		(0.0)	(0.1)	(0.3)	(0.4)	(0.8)	(1.6)
Net profit (loss)		0.2	0.7	(4.4)	0.1	2.0	4.1
Balance Sheet							
Net working capital (NWC)		18.1	7.3	3.7	1.0	2.5	2.7
Net fixed assets		2.3	6.6	2.2	3.1	8.1	7.2
M/L Funds		(0.7)	(0.7)	(0.7)	(0.5)	(3.1)	(3.1)
Net Capital Employed		19.6	13.2	5.3	3.5	7.4	6.7
Net Debt		15.2	8.1	4.5	2.6	(0.4)	(5.2)
Equity		4.4	5.2	0.8	0.9	7.8	11.9
Cash Flow							
Net Income		0.2	0.7	(4.4)	0.1	2.0	4.1
Non-cash items		0.0	0.3	0.4	0.4	1.4	1.4
Change in Working Capital		0.0	10.7	3.6	2.7	0.5	(0.2)
Cash Flow from Operations		0.2	11.7	(0.4)	3.3	4.0	5.3
Capex		0.0	(1.2)	(1.1)	(1.4)	(1.4)	(0.5)
Financial assets		0.0	(3.4)	5.1	0.0	0.0	0.0
Operating Free Cash Flow		0.2	7.1	3.5	1.9	2.6	4.8
Acquisitions							
Dividend							
Other (equity)		0.0	(0.0)	(0.0)	0.0	4.9	0.0
Free Cash Flow		0.2	7.1	3.5	1.9	n.m.	4.8
Check			-7.1	-3.5	-1.9	-3.0	-4.8
Per Share Data							
Current Price	1.92						
Total shares out fully diluted (mn)	18.42						
EPS		0.0	0.0	(0.2)	0.0	0.1	0.2
DPS		0.0	0.0	0.0	0.0	0.0	0.0
FCF		0.0	0.4	0.2	0.1	n.m.	0.3
Pay out ratio		0%	0%	0%	0%	0%	0%
Ratios							
EBITDA margin		1.7%	3.7%	4.9%	5.0%	6.3%	8.9%
EBIT margin		1.3%	2.9%	3.8%	2.6%	4.6%	7.4%
Net Debt/Equity		342.4%	155.7%	585.1%	279.7%	-5.0%	-43.3%
Net Debt/(Net Debt + Equity)		77.4%	60.9%	85.4%	73.7%	-5.2%	-76.5%
Net Debt/EBITDA		19.19	5.06	2.21	1.22	-0.07	-0.65
Interest cover EBIT		1.60	3.08	3.05	1.90	3.74	7.28
ROE		4.2%	14.4%	-568.5%	16.1%	25.8%	34.5%
ROCE		3.3%	10.2%	35.9%	42.6%	62.0%	121.7%
Growth Rates							
Sales			-7%	-2%	0%	97.8%	8%
EBITDA			101%	28%	3%	149%	52%
EBIT			108%	26%	-29%	243%	73%
Net Profit			297%	-689%	103%	1256%	104%

COMPANY OVERVIEW

Com.tel SpA is a leading Italian company specializing in digital transformation and technological evolution offering expertise across four key areas: Customer & User Interaction, Networking & Security, Infrastructure Technology, and AudioVideo solutions for both private and public sector clients. With its 115 employees, the company recorded sales of Euro 42 in 2024. In February 2025, just days after its IPO, Comtel acquired Novanext an ICT company with over 35 years of experience and a strong presence in Enterprise Networking, Cybersecurity, IoT, Data Center & Cloud, and Digital Workplace solutions. With the integration Comtel has significantly strengthened its position as a comprehensive ICT solutions provider. With 122 employees Novanext realized approximately Euro 37 m in revenue in 2024 and brings recognized expertise in hybrid cloud, cybersecurity, and intelligent networks. Additionally, its training division plays a key role in developing ICT professional skills, reinforcing Comtel's commitment to driving digital innovation.

Comtel was founded in Italy in 1992, specializing in Unified Communication, Telecommunications, IT, Security, and Audio-Video services. In 2002, the Company acquired Alcatel's Transmission Equipment and Radio Links division. In 2020, Comtel was acquired by Nextaly Group. In 2024, the Company sold its Carrier division to Com.Net S.p.A., a Nextaly Group subsidiary. That same year marked the start of the Company's managerial restructuring, with Fabio Maria Lazzerini joining as the new CEO to drive strategic growth and enhance operational performance. Renato Dedonatis, appointed as Chief Strategy and Innovation Officer, strengthens the Company's capabilities in strategic innovation and market adaptation, while Marco Bariletti, as the new CFO, brings expertise in financial stability and compliance. Together, these leaders contribute to a robust and forward-looking leadership team. On February 21st, 2025, Comtel completed the acquisition of 60% of Novanext Srl, a well-established Italian system integrator active in the Italian market since 1988, strengthening its position in the Italian ICT integration sector.

Historic Milestones



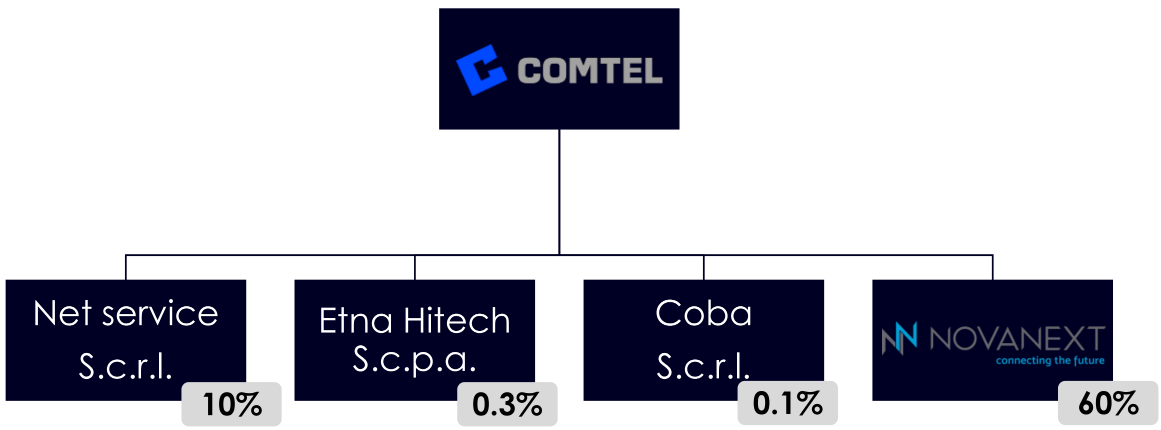
Shareholding structure

As of February 21st, 2025, Comtel holds a 60% stake in Novanext and has entered into a shareholders' agreement with the minority owners. This agreement includes a call option to acquire the remaining 40% of the share capital between January 1st and March 31st, 2027.

Additionally, Comtel maintains minority equity interests in several strategic ICT consortia:

- Netservice SCRL (10%) – A consortium providing professional services for TIM.
- Etna Hitech SCPA (0.31%) – Focused on fostering ICT business growth in Sicily.
- Coba SCRL (0.10%) – Established to deliver professional services under framework agreements.
- Novenext (60%) - ICT firm with expertise in Cybersecurity, IoT, Cloud, and Networking.

Comtel's share holdings



Source: Company Data and Press Release

Geographical presence

Comtel can rely on a strong nationwide geographical presence, with offices, warehouses, and a widespread network of employees and agents. As of June 30th, 2024, the Company had 115 employees, 15 collaborators, 4 interns, and 28 agents. It operates 8 offices (Milan, Turin, Padua, Rome, Naples, Palermo, Bologna, and Florence) and 1 warehouse in San Donato Milanese. While the Milan headquarters oversees corporate management, other offices focus on sales, pre-sales support, and technical maintenance.

With the acquisition of Novanext, Comtel strengthens its presence with 140 employees and three offices in Italy (Turin, Milan, and Rome).

THE IPO

Comtel was listed on the EGM market on February 19th, 2025. The IPO price was set at Euro 2.4 per share. The offering included the issuance of 2.022 m new shares resulting from the capital increase, bringing the total capital raised to Euro 4.9m and the market capitalization to Euro 44.2m.

With the Euro 4.9 m capital increase Comtel aims to fuel internal growth, investing in key staff functions (HR, finance), strengthening sales and marketing, and optimizing operations to expand its portfolio. Additionally, the company aims to pursue M&A opportunities, targeting acquisitions that enhance technology integration, support geographical expansion, and consolidate its market presence, with a focus on multi-connectivity, AI, cybersecurity, and IoT sectors.

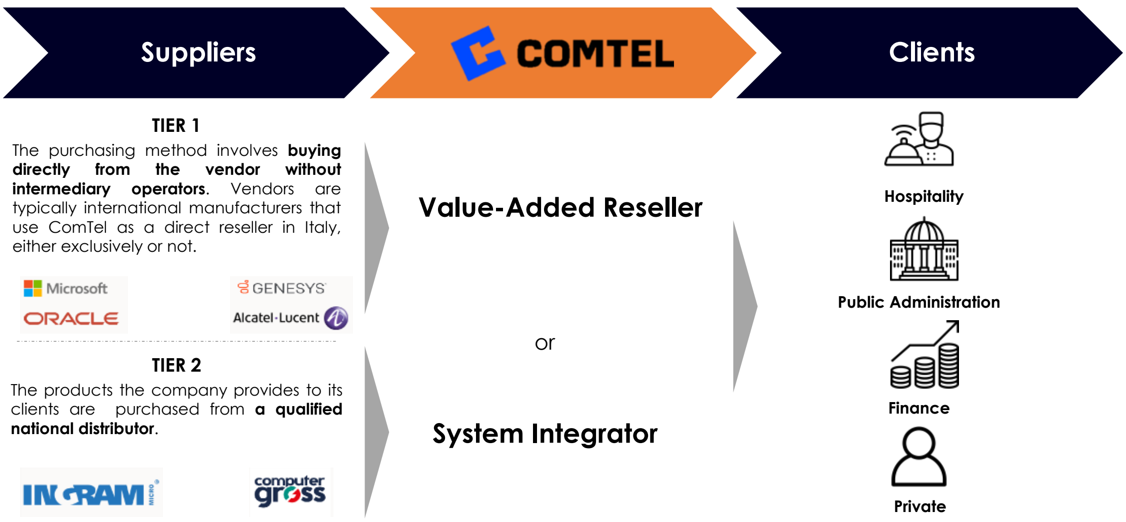
Comtel IPO and Use of Proceeds

KEY OFFER POINTS	USE OF PROCEEDS
ISSUER: COMTEL	INTERNAL GROWTH
LISTING MARKET: Euronext Growth Milan	EXPAND PRODUCT PORTFOLIO
CAPITAL RAISED: Euro 4.9 M	M&A
FREE FLOAT: 10.98%	

BUSINESS MODEL

As a system Integrator Comtel holds a significant position within the ICT industry business system by combining and integrating suppliers' hardware, software, and network services to create customized solutions for clients. Comtel performs this role by partnering with various vendors and technology partners to deliver communication, security, cloud computing, and data management solutions, ensuring efficient, secure, and advanced technological infrastructures. Depending on the supplier/partner (Tier 1 or Tier 2), Comtel acts either as a distributor of innovative products or a partner for market-leading brands as a sales outsourcer and distributor.

Comtel: Business Industry System



Source: PMI Capital elaboration on Company Data

Comtel's business model is structured around three primary types of segments:

- **Services**: Comtel offers a comprehensive range of professional services, including IT consulting, solution design, implementation, technical support, and maintenance. These services help clients optimize their IT infrastructures and enhance operational efficiency.
- **Supply**: Comtel provides high-quality hardware and software, selected from top vendors in the industry. This includes the sale of servers, networking devices, security systems, software applications, and more. The supply is often accompanied by configuration and installation services.
- **Mixed contracts**: These contracts combine elements of services and supply to offer integrated and complete solutions. Mixed contracts include the provision of hardware and software, followed by installation, customization, and ongoing maintenance of the solutions. This approach ensures that clients receive a comprehensive package that meets all their technical and operational needs.

Comtel: Value Chain

Comtel uses an integrated approach involving initial consulting, customized solution design, technology implementation, and continuous post-sales support. Vendors provide core components, while partners assist in distribution, implementation, and support to keep solutions up-to-date and high performing. This ensures clients receive high-quality, tailored services.

Business Development

- **Opportunity Identification:** Market analysis to identify potential customers and growth opportunities. Monitoring industry trends and emerging needs.
- **New Customer Acquisition:** Development of marketing and sales strategies to attract new customers, including events, advertising campaigns, and targeted promotions.
- **Solution Presentation**: Preparation and presentation of commercial proposals, product demonstrations, and customized solutions to meet specific customer needs.
- **Contract Negotiation:** Management of commercial negotiations with customers, definition of contract terms and conditions, and closing of agreements.

Involved Team: Engineering, Marketing, Commercial

Solution Design

- **Technical and Economic Offer:** Following a formal customer request or a bid win, the company issues a technical and economic offer. This phase is managed by ComTel's Engineering department, which assesses customer needs and prepares a detailed proposal. They analyze specific needs and customer expectations, designing tailored solutions that integrate various technologies. This may include a combination of hardware, software, network solutions, cloud services, and more.

Involved Team: Engineering, External, Vendors

Sales and Procurement

- **Order Formalization:** Upon customer acceptance of the offer, the order is formalized. This step confirms the acceptance of the proposal and initiates internal procedures for procurement and delivery.
- Selection of Partners and **Vendors:** Identification and evaluation of the most suitable technology partners and vendors for the supply of necessary materials, services, and components.
- Procurement Management: Issuing purchase orders to selected partners and vendors.
- **Logistics Coordination:** Management of logistics for the transport and delivery of goods, either directly from the supplier to the final customer or to ComTel's warehouse in San Donato Milanese (MI).

Involved Team: Purchasing, Logistics, External

Solution Delivery

- **Implementation:** Execution of installation and configuration activities at the customer's site, following project plans and technical specifications. The work is managed by ComTel's internal staff, while operational activities may be outsourced to specialized service companies.
- **System Integration:** Connecting and integrating the new solution with the customer's existing systems, ensuring compatibility and interoperability.
- **Testing:** Conducting comprehensive tests to verify the correct functioning of the implemented solution, resolving any issues, and optimizing performance.
- **Training:** Providing training to the customer's staff to ensure they can effectively use the new solution.

Involved Team: Delivery, AFC, External

Solution Management

- **Continuous Monitoring:** Ongoing surveillance of deployed solutions to quickly identify and resolve any issues or anomalies.
- **Preventive Maintenance**: Planning and execution of regular maintenance activities to prevent failures and ensure the longevity of the solution.
- **Technical Support:** Provision of technical support and customer assistance to resolve operational issues and answer queries.
- **Updates and Enhancements:** Implementation of software and hardware updates to improve solution performance and keep it up-to-date with the latest technological innovations.

Involved Team: Help Desk, Maintenance, Logistics, External

Legenda: Insourcing, Outsourcing

Source: PMI Capital elaboration on Company Data

Sales Channels

Comtel 's commercial strategy is structured through two distinct channels:

- **Direct Channel**: This involves direct interaction with the customer to offer personalized solutions.

  Public Administration: Comtel has gained access to numerous online public administration portals (such as Consip, MEPA, etc.) thanks to the certifications and ratings acquired over twenty years of experience. These portals allow participation in and awarding of public contracts. The Company generates recurring revenue from participating in public tenders, which are managed through the signing of contracts and agreements with durations ranging from 12 to 36 months. In this context, the selling price and associated margin are calculated based on the bid base and the costs to be incurred.

  Corporate: Through the acquisition of private contracts, typically with durations of 12 to 36 months, Comtel secures supply agreements for the periodic sale of materials and services, resulting in a recurring revenue stream. The Company positions itself in the market with classic and recognized flexibility in both its offerings and pricing. In this context, the price is determined either by the winning bid of the contract through traditional negotiation or via online tenders specifically arranged by the clients' purchasing departments.

- **Indirect Channel**: This involves collaboration with Telecom Operators (carriers) to integrate their services and reach the customer. Comtel offers products and services that are then validated, certified, and listed by the telecommunications operators, typically in a resale mode. Operators in this sector are also often the winners of "State Conventions" (through CONSIP) in areas such as FTA, IT services, supplies, etc. The duration of these contracts typically ranges from two to three years. In this specific case, Comtel, as an accredited supplier to telecommunications operators, acts as a partner/supplier (often exclusive) for various types of supplies and services included in the conventions. It is important to note that all public entities must first acquire and favor this type of purchase, which avoids public tenders since a price list for each component is already established in advance.

Comtel: Indirect sales channel

Source: PMI Capital Elaboration on Company Data

Services

Comtel's offerings encompass the design of tailored solutions, installation of appropriate systems, and the provision of specialized support and maintenance. These services are customized to meet the needs of various client types, including large corporations, small businesses, and public administration entities. More in detail the Company, is specialized in providing ICT systems with focus on 4 main competence centres.

Customer & User Interaction	Networking security	Infrastructure technology	Audio Video
Voice & Unified Communication Solutions that improve the internal and external communication of companies. Thanks to VoIP and UC technologies, companies can benefit from voice calls, video conferences, instant messaging, and other tools integrated into a single platform.	**Data Networking** Includes Assessment, Low Level Design, Commissioning, and Acceptance Testing, ensures efficient and secure solutions. This practice excels in managing complex projects across various domains, offering innovative solutions such as SD-WAN and Multi-Cloud Networking.	**Cloud & IT Transformation** The "Cloud & IT Transformation" Practice modernizes IT infrastructures and adopts cloud solutions to make business systems more agile and scalable. Services include analyzing existing infrastructures, designing cloud architectures, and executing in secure environments.	Design and creation of multimedia rooms for conferences, auditoriums, business areas, remote diagnostics systems, and entertainment installations.
Session Border Control & Media Gateway ensures end-to-end communication control through the SBC & MG Practice, which includes the use of Session Border Controllers (SBC). These devices allow control over VoIP environments. SBCs can be integrated with UC & IP-PBX platforms.	**Networking Security** essential for defending against IT threats, both internal and external. By guiding clients in the implementation of technologies such as Network Segmentation, Firewalls, NAC, and IDPSs, this practice ensures secure and protected networks.	**Data Center Solutions & Services** designs customized solutions that consider scalability, security, and energy efficiency, and follows a detailed plan for the implementation and installation of technologies.	
Modern Work enhances collaboration and business productivity with tools like Microsoft Teams and SharePoint. Com.tel ensures the secure management of identities and devices, protecting company data with solutions such as Microsoft Defender.	**Transmission & Access** Using WDM and OTN technologies, ComTel designs and builds geographic backbones for long distances, essential for telecommunications and enterprise clients, as well as supporting low-latency connections between Data Centers.	**Cybersecurity** The security of IT infrastructures has become crucial for any organization, given the constant evolution and increasing sophistication of cyber threats. In this regard, ComTel offers a wide range of cybersecurity services.	
Public Administration, Private	Public Administration, Private	Private, Finance	Public Administration, Private

Source: Company Data

Clients
Comtel 's offering targets both public and private B2B end-customers across various industry sectors.

In 2023, 44% of total sales were generated by the Company's largest client, TIM (carrier), indicating a significant concentration, which however has been gradually reduced over the last three years (51% in 2021). The top two clients together accounted for approximately 58% of total sales, while clients ranked 3 through 10 contributed a cumulative 17%, with each contributing between 1% and 3%. The top 10 clients accounted for 75% of the group's reported revenues.

Regarding the partnership with TIM, we highlight that the first contract with TIM was signed in 2004. Currently, the Company has around ten different contracts with TIM, each with a duration of two to three years, subject to potential extensions and budget adjustments.

Client	2023 %	2022 %	2021 %
TIM	**44%**	**46%**	**51%**
2	14%	5%	0%
3	3%	1%	0%
4	3%	3%	4%
5	2%	1%	0%
6	2%	0%	0%
7*	2%	3%	4%
8	2%	1%	4%
9*	1%	0%	1%
10	1%	6%	0%
Top 10 Clients	75%	67%	63%
Other Clients	25%	33%	37%
Total Revenues (Eu m)	41.9	44.1	45.4

Note: The clients marked with an asterisk partially or entirely refer to invoices related to the Carrier division, discontinued in 2022.

Suppliers
Comtel sources from both international and domestic suppliers, covering a wide range of services from IT product distribution to network and telecommunications infrastructure management and logistics operations. Comtel's main suppliers are categorized as Vendors and Partners. The vendors provide essential technological components, while the partners collaborate in distribution, implementation, and support, ensuring that solutions are always up-to-date and high performing. In FY23, the top 10 suppliers accounted for 48% of the Comtel consolidated purchases of raw materials.

Supplier	2023 %	2022 %*	2021 %*
1	13%	20%	14%
2	9%	8%	8%
3	8%	0%	0%
4	5%	1%	0%
5	3%	3%	3%
6	3%	5%	3%
7	2%	7%	9%
8	2%	1%	0%
9	2%	1%	2%
10	2%	0%	0%
Top 10 Suppliers	48%	46%	38%
Other Suppliers	49%	54%	62%
Total Purchases (Euro m)	34.5	39.0	35.8

Certifications & patents

Comtel 's integrated management system is designed to govern procedures and processes in compliance with a series of voluntary international standards (ISO), thus ensuring a high level of quality, environmental management, safety, and information protection. The main certifications obtained are as follows:

Certification	1st Year of Achievement	Description
IMQ CERTIFIED QUALITY MANAGEMENT SYSTEM ISO 9001:2015	2003	**QUALITY MANAGEMENT SYSTEMS** ensures consistent customer satisfaction, improved efficiency, and cost reduction through continuous improvement and a process-based approach.
IMQ CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM ISO 14001:2015	2013	**ENVIRONMENTAL MANAGEMENT SYSTEMS** ensures effective environmental management by helping organizations identify, manage, and reduce environmental impacts. It promotes sustainability, compliance with regulations, and improved operational efficiency, enhancing environmental performance and customer trust while managing ecological responsibilities.
ISO 27001	2023	**INFORMATION SECURITY** ensure the selection of adequate and proportionate security controls that help protect information in line with increasingly rigid regulatory requirements such as the GDPR (General Data Protection Regulation) and NIS (Network and Information Systems) Regulations.
System Certification LIBEROASSURANCE ISO 45001:2018	2021	**OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT** ensure organisations can provide a safe and healthy working environment for their employees. The standard covers areas such as risk assessment, training, emergency preparedness, monitoring and measurement, etc.
CQOP SOA Costruttori Qualificati Opere Pubbliche 62756/10/00	2016	**SOA CERTIFICATION** is a document issued by accredited organizations by the Ministry of Infrastructure and Transport, required for participating in public and private tenders and accessing construction tax incentives. It demonstrates a company's technical, financial, and organizational suitability, ensuring transparency and compliance with industry standards.

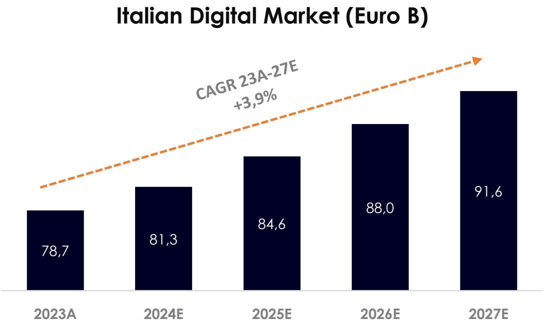
Source: Company website

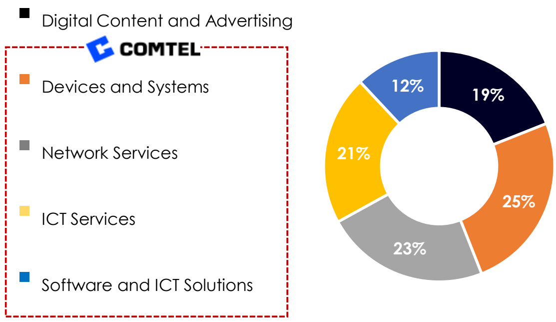
MARKET OVERVIEW

Italian Market Overview

Comtel operates within the Italian digital market, which, according to the 'Digital in Italy 2024' report by Anitec-Assinform, is divided into five sub-segments: Network Services, ICT Services, Software & ICT Solutions, Devices & Systems, and Digital Content & Advertising. The Company's activities encompass the first four of these segments, which together represent approximately 80% of the total market. Comtel is not present in the Digital Content & Advertising segment.

Italian Digital Market





Source: Il digitale in Italia 2024, Anitec-Assinform, June 2024

The Italian digital market recorded a growth of 2.1% in 2023, reaching a total value of Euro 78.7 b. This growth rate surpasses the national GDP growth (+1.5%), with varying trends across different segments. Whereas Devices & Systems with 25% of the total market represented, the largest share ICT services demonstrated the most significant variation, driven by cloud computing and cybersecurity services.

- **Network Services**: It includes fixed network services such as voice, data transmission, internet access, and fixed network value-added services (VAS), excluding data center services, online advertising, and telecom outsourcing. It also encompasses mobile network services, including voice, SMS/MMS, data transmission, mobile broadband, and other VAS, excluding entertainment content. In Italy, this sector grew by 0.2% YoY in 2023
- **ICT Services**: ICT services encompass project services such as Development and Systems Integration (including development and maintenance services, application and infrastructure systems integration, and embedded systems), Consulting, Training, Technical Support, Data Center services, and Cloud services. In Italy, this sector grew by 9.0% YOY in 2023.
- **Software and ICT Solutions**: consists of on-premises software components, which are not accessed remotely. In Italy, this sector grew by 5.8% YOY in 2023.
- **Devices and Systems:** This macro area is represented by four product categories as follows: Personal & Mobile Devices: Includes fixed-location user devices (e.g., desktops, printers) and mobile devices (e.g., laptops, tablets, smartphones). Home & Office Devices: Comprises fixed-location business equipment (e.g., high-end systems, servers, workstations). Infrastructure: Encompasses network systems for both fixed and mobile environments, including IoT and satellite systems. In Italy, this sector experienced a contraction of -4.8% YOY in 2023.
- **Digital Content and Advertising:** Digital content revenue includes income from digital content sold via fixed and mobile networks, excluding physical media (e.g., CDs, DVDs). Online advertising revenue, which is currently the main economic driver, encompasses earnings from various types of ads such as display, classified, online search, and Web TV. It is important to note that Comtel does not operate in the Digital Content and Advertising segment and therefore does not generate any revenue from activities related to this segment. In Italy, this sector grew by 5.5% YOY in 2023.

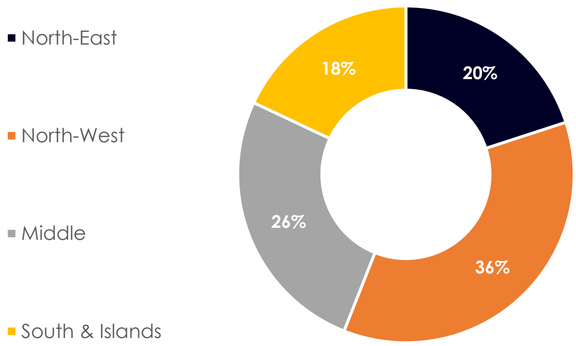
Through 2027, the Italian digital market is expected to accelerate, with a projected overall CAGR of 4%, reaching Euro 91.6 b. Among the market segments, ICT services are anticipated to be the fastest growing, with a CAGR of 8.2%, followed by Software & ICT solutions at 5%, Digital Content & Marketing at 4.4%, Network Services at 1.7%, and Devices & Solutions at 1.1%. Key drivers of market growth are expected to include:

- **Innovative Technological Components:** advanced technologies such as AI, IoT, and Cloud Computing (known as Digital Enablers & Transformers) are driving the digital transformation of Italian companies, allowing them to improve operational efficiency and develop new business models.
- **Transition to Digitalized Energy Infrastructures:** the shift towards digitalized energy infrastructures and the adoption of renewable energy sources are stimulating market growth while simultaneously improving efficiency and environmental sustainability.
- **Investments from the National Recovery and Resilience Plan:** investments aimed at the digitalization of the Public Administration, as outlined in the National Recovery and Resilience Plan, are significantly modernizing public services, enhancing transparency, efficiency, and accessibility for citizens.
- **Expansion of Smart Working:** the growth of smart working has increased the demand for remote collaboration tools, driving the adoption of innovative digital solutions.
- **Increase in Investments in Intangible Assets:** there is a rise in investments in intangible assets (e.g., software, research and development, training, and business process improvement), also supported by the Transition Plan 5.0.
- **Growth in Online Sales:** the increase in online sales is enabling businesses to reach a broader audience both nationally and internationally, fostering the development of the digital market.

Market Overview by Geography

In the Italian digital market, the North-West and Central Regions collectively account for nearly 62% of total expenditure in 2023. However, both areas are experiencing a deceleration in spending growth. Specifically, Central Regions have seen a growth rate of 2.9%, down 3.3% from the previous year, while the North-West Regions have reported a 2.4% increase compared to 3.2% in 2022. In contrast, the North-East has demonstrated a slight improvement with a 2.3% growth rate, up from 1.7% in 2022. Meanwhile, the South and Islands continue to represent the smallest expenditure volume with the slowest investment dynamics, amounting to Euro 14.4 billion and a growth rate of just 0,5%. Regionally, spending remains concentrated primarily in Lombardy, with Euro 19.7 billion (up 2.6%), and Lazio, with Euro 13 billion (up 3.6%).

Market breakdown by geography



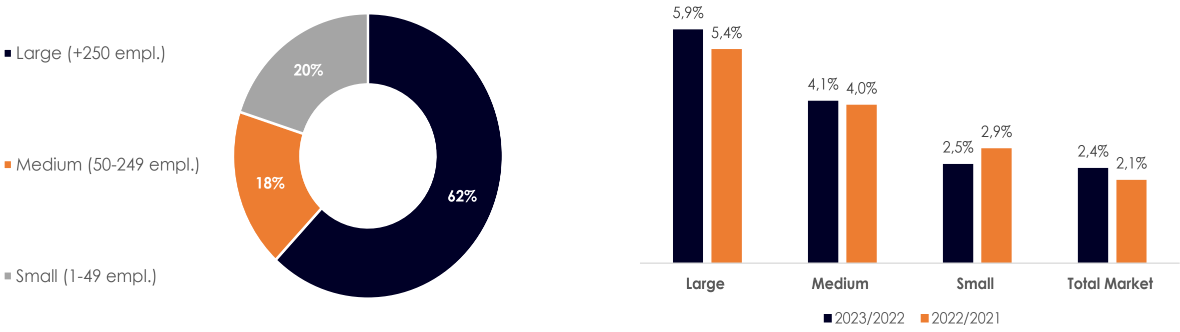
Source: Il digitale in Italia 2024, Anitec-Assinform, June 2024

Market Overview By Application sector

In 2023, the digital market grew across most sectors, except for Telecommunications and Media, which declined by 2.6% due to restructuring and reduced investments. Public Administration saw significant growth, with central (+10.2%) and local (+8.9%) spending supported by NPRR projects. Healthcare grew by 8.5%, and the insurance sector's digital spending increased by 6.3% to Euro 2.63 billion. Key priorities include bolstering security through enhanced risk management and cybersecurity. The Energy & Utility sector grew by 4.5% to Euro 2.2 billion, focusing on environmental and infrastructural initiatives. Distribution and Services spending reached over Euro 3.8 billion, up 2.8%, mainly on customer relationship improvements. The Travel and Transportation sector, after recovering from lockdown challenges, is now experiencing a slowdown.

Market overview by enterprise size
In 2023, small businesses (1-49 employees) increased their digital spending to Euro 9.8 b (+2.9%), but this growth was slower than that of large enterprises (Euro 30.2 b, +5.4%) and medium-sized businesses (Euro 8.8 b, +4%). The data reveals that larger companies spend more on digital technologies. While 60.7% of Italian SMEs use at least 4 of the 12 digital activities in the index, they lag behind in specialized areas like data analysis (25.7% of SMEs vs. 74.1% of large enterprises). Italian SMEs also trail European counterparts in using management software and cloud computing and show weaker adoption of social media. Despite progress in digitalization, there is a need for further development, particularly in acquiring skills to fully utilize emerging technologies. Notably, 55.1% of companies considered artificial intelligence last year but didn't implement it due to a lack of expertise. This underscores the importance for SMEs to invest in specialized skills and training.

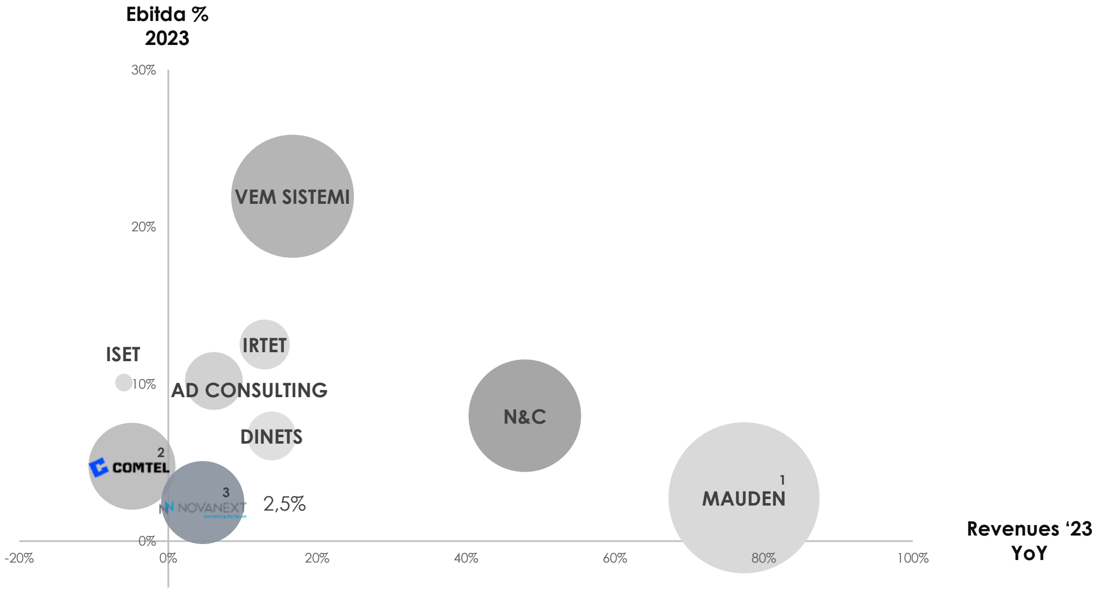
Market breakdown by enterprise type



Source: Il digitale in Italia 2024, Anitec-Assinform, June 2024

COMPETITIVE LANSCAPE
Comtel is entering the system integration market, which varies significantly depending on the size and scale of operations. This sector presents diverse opportunities and challenges, influenced by factors such as company size, operational scope, and market demands.

- **Large companies** (with revenues exceeding Euro 1 b) offer a wide range of ICT products, tools, and systems across networking, data centres, cloud, IoT, and cybersecurity. They provide advanced technological solutions, including management software, automation processes, consulting services, design support, engineering, and maintenance. Their clientele includes global leaders from both the public and private sectors, as well as governments and organizations focused on developing their digital core business. These companies operate with multiple sites distributed across various continents, ensuring a global reach and support network. Large companies cluster includes names such as Accenture, PwC, Deloitte, Ernst & Young, Almaviva, Eng, and Indra.
- **Medium-sized companies** (with revenues between Euro 100 m and Euro 1 b) are active across various IT sectors, including management consulting and Information & Communication Technology (ICT). They provide IT solutions aimed at digital transformation for medium and large Italian enterprises. Their clientele typically consists of mid-to-large ICT players, including banks, insurance companies, public administration, energy and utility sectors, and telecommunications. These companies operate globally with a strong presence in Europe, often specializing their sites for larger players. Medium-sized companies include names such as Lutech, Var Group, Corvallis, Aubay, Maticmind, Infocert, and Impresoft.
- **Small companies** (with revenues of less than Euro 100 million) offer system integration tools, focusing on consulting, installation, and maintenance of audio-video systems. They specialize in communication, multimedia, and home automation, as well as solutions for smart working and smart workplaces. Their clientele mainly consists of private sector players across various industries, including healthcare, education, and finance. These companies typically operate with one to three sites, primarily within their national territory, although some, like N&C, have multiple production sites extending beyond European borders. Comtel is positioned within this cluster. Other related companies include Irtet, Mauden, Iset, Dinets, Vem Sistemi



Source: Aida
1.The latest available financial statement is as of 31/03/2024 and covers a 15-month period.
2.Comtel's VoP for 2022 net of the impact from the sale of the "Carrier" division to Com.Net S.p.A
3.Novanext's fiscal year ended on September 30, 2022.

STRATEGY

Following the divestment of its carrier business, the Company has refocused its efforts on restructuring its core operations to improve internal efficiency while driving revenues growth and enhancing profitability. A new, highly experienced management team has been brought on board, featuring key figures with complementary skills, including CEO Fabio Lazzerini (appointed in February 2024), Renato Dedonatis, Chief Strategy and Innovation and Marco Bariletti CFO (October 2024).

Based on a thorough analysis of Geographical Market & Technology opportunities and internal strengths and weaknesses, Management has individuated a growth strategy aiming at significantly increase revenues and margins over the next three years and based both on organic growth and M&A:

1. **Market and Industry Expansion**: i) expansion in the national market with focus on high-growth areas where the Company currently has weak presence, ii) exploring the possibility of entering foreign markets, iii) developing additional channels such as large system integrators currently underutilized, and iv) strengthening the Direct Sales Channel in the highest growth sectors (Central and Local Public Administration and Healthcare):
    - **Geographical Expansion:** the Northwest, North East, and Central regions are experiencing sustained growth in digital investments, representing high-potential markets. Expanding into underrepresented or less-covered areas allows Comtel to access new markets, increase market share, and reduce dependence on regional revenue.
    - **Industry Penetration:** Sectors such as Healthcare and Public Administration, both local and central, are receiving significant digital transformation investments driven by government initiatives like the NPRR. Strengthening Comtel 's presence in underutilized or weakly covered industries can diversify its revenue streams and position the Company as a key player in high-growth markets.

2. **Technology Innovation (Portfolio Strategy)**: i) focus on offering lines with the greatest growth potential: Infrastructure Technology and Networking & Security, ii) Adoption of innovative technologies to enhance the current offerings and iii) integration of Digital Enabler & Transformers representing the fastest growing market niche (Artificial Intelligence, IoT, Cloud Cybersecurity, & Cloud Computing):
    - **Integration current portfolio with complimentary solutions and expertise:** the market demands integrated and comprehensive IT solutions due to the rising need for complex services and digital transformation. Comtel intends to address this by integrating its current portfolio offering with complementary skills and solutions,

providing a more complete and satisfying service package. This approach will enhance service quality and increase customer satisfaction and loyalty.

- **New Business Portfolio:** Rapid technological evolution requires constant innovation and strategic diversification to seize complementary business opportunities and improve profitability. Adding new business areas can enhance the value offered to existing clients and attract new customer segments. Developing complementary businesses can enrich Comtel 's service portfolio, increase customer value, and generate new revenue streams (Artificial Intelligence, Cybersecurity, Cloud Computing).

3. **Organizational Efficiencies:** The strategy involves implementing structural improvements in key areas, particularly in Human Resources and Administration, Finance & Control, Commercial Marketing, and Operations. Internal interventions are carried out by Comtel to ensure the ability to adapt to technological advancements and market changes. These interventions aim to increase operational efficiency, profitability, and business value; improve market penetration and strengthen competitiveness; enhance reputation; and develop corporate human resources, ensuring that the Company remains competitive and aligned with new trends. Here are the main objectives for the Company's related functions.
    - **Operations**: Optimizing business processes, updating the service portfolio to stay current with market needs, and modernizing the UC Competence Center. This also includes boosting Networking and Security expertise by adding new resources.
    - **Commercial and Marketing**: Fully engaging the commercial team in promoting and selling all offerings. This involves targeted communication, incentive programs, and new roles. The focus will be on high-value solutions like Cybersecurity and AI, strengthening direct customer relationships, reducing reliance on carriers, and shifting focus towards services to increase recurring revenue. Expansion will include Public Administration, Healthcare, and partnerships with System Integrators and IT Vendors.
    - **Staff Areas**: A new CHRO will implement policies for retention, welfare, and career development. Purchasing will be aligned with group directives and focused on managing services and supplier contracts. Quality improvements will involve developing a certification plan to enhance standards and perceptions.

M&A strategy

In support of its organic growth, Comtel has identified specific targets to enhance its business portfolio, enter new sectors, and expand its offerings. The table below outlines the types of targets based on the Company's strategic focus.

Portfolio Business			New Business Outside Portfolio
Integrating Complementary Solutions & Expertise	**Geographical Expansion**	**Industry Penetration**	**Industry Penetration**
TARGET Companies With specialized solutions or expertise that complement ComTel's existing offering, allowing for an expansion of the product and service portfolio.	**TARGET** Local companies to quickly establish a presence and leverage existing customer bases in these regions.	**TARGET** Start-ups or small companies that enable offering customers multi-connectivity solutions and complementary solutions (i.e. Artificial Intelligence, Cybersecurity, Cloud Computing).	**TARGET** Start-ups or small companies that enable offering customers multi-connectivity solutions and complementary solutions (i.e. Artificial Intelligence, Cybersecurity, Cloud Computing).

Source: PMI Capital Elaboration on Company Data

GOVERNANCE

Shareholders structure

Shareholder	Number of Shares	Percentage
Nextaly S.r.l.	10,496,000	56.98%
Bellante Maddalena	1,640,000	8.90%
Khoty Holding S.r.l.	820,000	4.45%
Tanlo S.r.l.	820,000	4.45%
Bellante Sauro	164,000	0.89%
Bariletti Marco	164,000	0.89%
Costanzo Mario	164,000	0.89%
Pisani Emiliano	164,000	0.89%
Rastelli Paolo	164,000	0.89%
Other shareholders (<5%)	1,804,000	9.79%
Market	2,022,000	10.98%
Total Share Capital	**18,422,000**	**100.00%**

Source: Comtel Website

Board of directors
Davide Cilli – Chairman & Shareholder
Fabio D. M. Lazzerini – Chief Executive Officer (CEO)
Carlo Nardello – Vice Chairman
Mattia S. A. Conti - Director
Mario Costanzo - Director
Ambrosella I. Landonio – Director
Valeria Conti - Independent Director
Rosa Lombardi - Independent Director
Maria C. Murelli - Independent Director

Board of Statutory Auditors:
Vincenzo M. Dispienzieri – Chairman
Daniele Planamente - Standing Auditor
Silvano Guardiani - Standing Auditor
Gigliola Sistino - Alternate Auditor
Sabrina Travaglini - Alternate Auditor

Key Managers

Fabio Lazzerini: Chief Executive Officer
Fabio Maria Lazzerini, born in 1964, is an Italian expert in marketing and business management, graduated from L. Bocconi University in Milan. Currently, he serves as CEO of Comtel Spa since February 2024, where he focuses on strategy and operations, emphasizing organic growth and mergers and acquisitions. Prior to this, he was CEO and General Manager of ITA Airways Spa from November 2020 to August 2023, where he created and developed the new Italian airline, leading to a significant increase in revenue and the implementation of a new commercial plan. He also worked as Chief Business Officer for Alitalia from September 2017 to November 2020, where he conducted a strategic reorganization and achieved revenue growth, and as Managing Director of Emirates Italy from July 2013 to September 2017, realizing a 67% revenue increase over four years. Previously, he held the position of Managing Director at Amadeus Italy, contributing to a market share increase from 24% to 52%. He is a member of the Scientific Committee of ASVIS and has served on the Board of Directors of ENIT. Additionally, he has taught at LUISS Guido Carli University and was awarded the honor of Officer of the Order of Merit of the Italian Republic in June 2015. His key competencies include business strategy, operational management, marketing, and economic and environmental sustainability.

Mattia Conti: General Manager
Mattia Conti is an expert professional in the Information Technology and Telecommunications sector with over twenty-five years of experience. Currently, he is the General Manager of Comtel SpA, managing all company resources and coordinating departments such as Sales, Marketing, Engineering, and Post-Sales. He previously served as Chief Operating Officer and Commercial Manager at Comtel . Before that, he was the Regional Commercial Manager at NextiraOne srl and began his career at Alcatel Lucent SpA. He holds a degree in Business Administration from Università Cattolica del Sacro Cuore in Milan.

Renato Dedonatis: Chief Strategy and Innovation
Renato Dedonatis is a seasoned executive with 30 years of experience, including 25 years as an International Partner at Accenture, where he led significant transformations in the automotive sector and managed a portfolio exceeding Euro 145 m, achieving an average annual growth rate of 18%. As a Senior Partner, Dedonatis oversaw strategic initiatives for major clients such as Iveco, Magneti Marelli, Bosch, and Fiat Auto. He spearheaded a comprehensive transformation of supply chain operations, reducing inventory by over 34% while improving service levels by more than 20%.
He later co-founded Bluesof S.p.A., driving its growth to over Euro 30 m in revenue and 280 employees, and served as Sales & Marketing VP at Aubay Italia, where he contributed to the Company's expansion to over Euro 120 m in revenue and 2,200 employees by developing new capabilities to meet market demands. Since 2024, Dedonatis has served as the Head of Strategy and Innovation at Comtel S.p.A., an Independent Director at Egomnia S.p.A., and a Member of the Surveillance Committee at Mercatone Uno S.p.A.

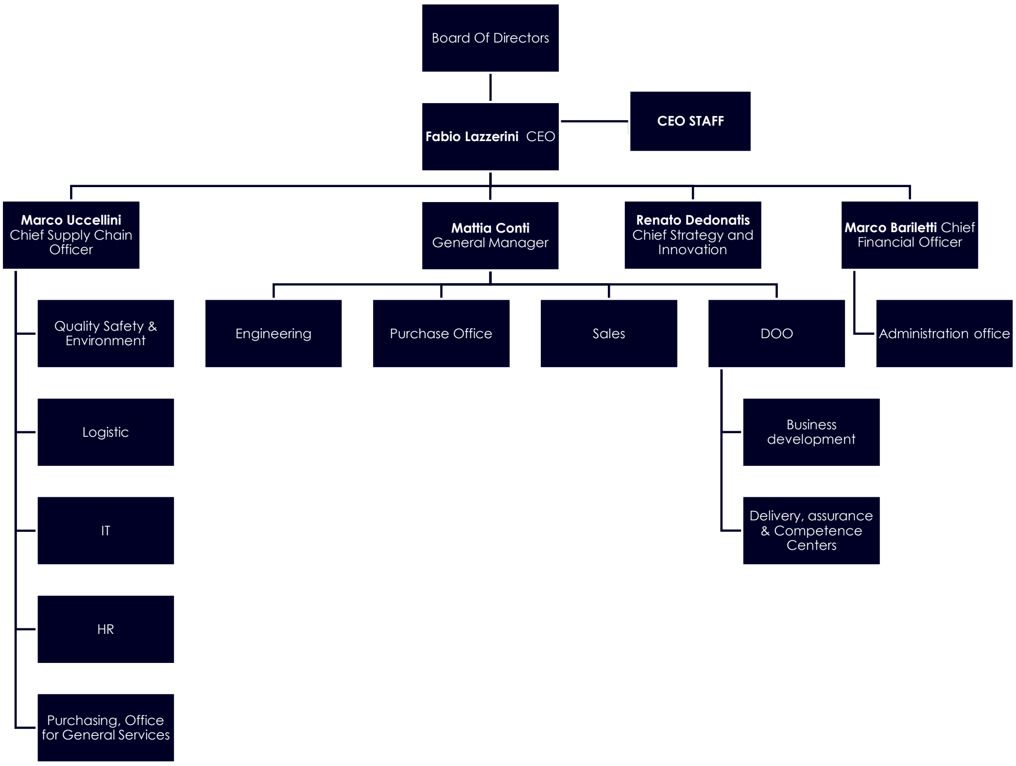
Marco Bariletti: CFO
Marco Bariletti is a seasoned finance professional with extensive experience in leading financial operations across various industries. He has been appointed as the Chief Financial Officer (CFO) of Comtel starting October 1, 2024. Bariletti brings over three decades of experience in administration, finance, and control, having held key leadership roles at prominent organizations. Before joining Comtel , Bariletti served as CFO at Linkem S.p.A. from December 2017, where he managed financial reporting, budgeting, and compliance for the Company. His previous roles include CFO at the Moby-Tirrenia Group from 2015 to 2017, where he also served as a board member for Tirrenia and Onorato Armatori, and CFO at Moby S.p.A. from 2007 to 2014. He also held senior financial positions at Fintecna S.p.A., Cementir S.p.A., and Andersen Corporate Finance, which later became Deloitte.
Bariletti began his career at Banco di Roma in 1990, where he worked in merchant banking and credit analysis. He holds a degree in Economics and Commerce from the University "La Sapienza" of Rome, graduating with honors in 1988. Additionally, he is a certified public accountant and registered auditor.

Marco Uccellini: Chief Supply Chain Officer
Marco Uccellini is an experienced professional in the telecommunications and energy industries. He currently serves as Chief of Chief Supply Chain Officer at Comtel Spa and as CFO and Fleet Manager at both Braga Moro Sistemi di Energia Srl and Comtel Spa, roles he has held since October 2000. In these positions, he oversees a team of fifteen, managing financial reporting, budgeting, compliance, and Company assets, including a fleet of 40 vehicles. He also maintains relationships with banks and other key stakeholders. Previously, Uccellini was Business Unit Controller at ABB Industria Spa (now Hitachi) and held positions at ELSAG BAILEY Spa and HARTMANN & BRAUN ITALIA Spa. He holds a diploma in Accounting from Pietro Verri in Milan and furthered his education in Business Economics and Accounting at the University of Milan.

Organizational structure

As of June 30, 2024, the Company's team includes 115 employees, 15 contractors, 4 interns, and 28 agents, structured into key functional departments (Engineering, Purchasing, Sales, and DO) under Mattia Conti's leadership. Logistics, IT, Quality, Safety & Environment, Human Resources, and General Services Purchasing are managed by Marco Uccellini, while Marco Bariletti oversees the Administration Office.

Comtel's organizational structure



Source: PMI Capital elaboration on Company presentation

ESG PROFILE

Company Management has outlined a clear ESG path to be implemented over the next years, including the redaction of the Company's first sustainability report in 2025 on (FY 2024 data) Other initiatives include:

ESG Category	Ongoing initiatives	In progress
Environmental	Fleet Renewal: ongoing process to upgrade the Company fleet with low CO2 emission green vehicles.	Commitment to Sustainability reporting and Internal & External Communication
	Emission Reduction Plan: aiming for a 20% reduction in emissions by using at least 40% renewable energy, recycling 30% of waste, and developing low environmental impact technical offerings.	Monitoring of Key Business KPIs on Consumption (fuel, paper usage per capita at main Locations, electrical consumption)
	ISO 14001 Certification: ensures the organization meets its environmental policy, complies with laws, reduces pollution, and improves performance.	
Social	Welfare Platform: implemented to enhance employee well-being. Female quota: increase in the female workforce component (from 18% to 30%) Junior Talent Academy: training program for junior roles.	Engaging Stakeholders: establishment of a Major Advisory Board Raising Awareness on Consumption: official Company Communications to Staff
Governance	Board of Directors: composed of 9 members, with 22% women and 2 independent advisors. Board of Statutory Auditors: composed of 5 members, including 2 women (40%).	

NOVANEXT – A PERFECT STRATEGIC FIT

On February 21, 2025, Comtel successfully completed the closing of its acquisition of a 60% stake in Novanext for a total consideration of Euro 1.9m. The transaction was funded through internal resources, with an initial payment of Euro 372k made in September 2024 and the remaining Euro 1.53m settled at closing. Additionally, a call option has been agreed upon for the remaining 40% stake, exercisable between January and March 2027, based on a predefined valuation formula.

Novanext: Business Model

Novanext operates a comprehensive ICT solutions business model, focusing on the design, implementation, and management of advanced digital infrastructure. With a specialization in enterprise networking, cybersecurity, IoT, data centre & cloud, and digital workplace solutions, Novanext delivers tailored technology-driven services to clients across various industries, including banking & finance, telecom & media, industrial, IT & software, and public administration.

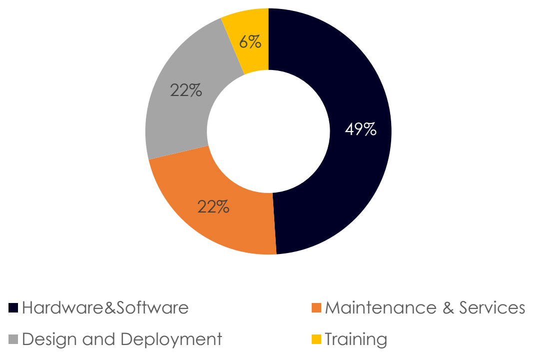
Novanext primarily operates in Northern Italy, with a technical hub in Rivoli (TO) housing its laboratory and training facilities, and additional offices in Milan and Rome, where further training rooms are located. The company also has a sales network of 28 professionals across the country. At the end of September Novanext employed 122 people.

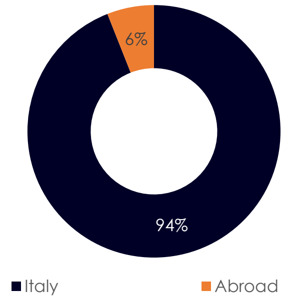
Novanext focuses on delivering customized solutions that help businesses transform and optimize their operations through technology. Its business model is structured around three primary revenue streams, supported by four key business lines that ensure a diversified approach to ICT service delivery.

- **Revenue streams**
  - Services: IT consulting, system design, technical support, and digital training to help businesses optimize their technological infrastructure.
  - Product Supply & Integration: Reselling and integration of IT hardware and software, including cloud solutions, networking equipment, and security systems from industry-leading partners.
  - Hybrid Contracts: End-to-end solutions that combine product supply, installation, maintenance, and long-term support, providing businesses with a seamless technology experience.

- **Business Lines**
  - **Enterprise IT & Cloud Solutions**. Cloud transformation, data center management, networking, and IT infrastructure modernization.
  - **Cybersecurity & Compliance**. Security monitoring, Governance, Risk & Compliance (GRC), Security Operations Center (SOC) services, penetration testing, and cyber threat intelligence.
  - **Managed Services & Continuous Support.** Custom IT system designs, proactive monitoring, and ongoing technical assistance to ensure operational efficiency and security.
  - **Training & Certification**. Professional ICT training programs, offering certifications from Cisco, Microsoft, Oracle, and IBM, enhancing workforce skill development and digital expertise. A key differentiator for Novanext is its certification as a Cisco Learning Partner, enabling it to offer a wide range of training courses and services in collaboration with third parties. Novanext has been a Cisco Gold Partner since 1999, maintaining a longstanding relationship with one of the global leaders in intelligent networking and IT architectures.

FY24 Revenues by segment | **FY24 Revenues by geography**

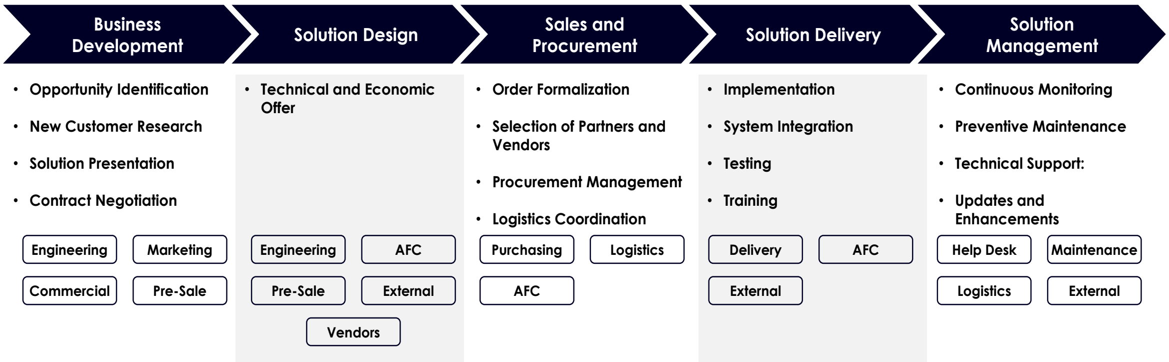




Souce: Admission Document

Value chain

Novanext's value chain includes business development activities, ICT solution design, the sales and procurement process, and, finally, the delivery of the solution and the provision of its management services.



Source: Admission document

Strategic Partnerships

Novanext maintains strategic partnerships with leading technology providers, including Cisco (Gold Partner and Learning Partner) with 37 certified professionals, Fortinet (Advanced Partner), and Check Point (Tier 2 Partner). These partnerships enable Novanext to operate both as a reseller and a managed service provider, delivering cutting-edge, diversified technologies tailored to its clients' evolving needs.

Strategic Rationale for the Acquisition by Comtel

The acquisition of Novanext aligns with Comtel's growth strategy, reinforcing its technological expertise, market position, and operational efficiency. Key strategic drivers include:

Technological Complementarity: Novanext's expertise in Cybersecurity, IoT, Cloud, and Networking, combined with its Cisco Gold Partner status, enhances Comtel's service portfolio and strengthens its position as a full-service ICT provider.
Geographic Expansion: Novanext's strong presence in Northern Italy extends Comtel's national reach, reducing regional dependence and enabling growth in underrepresented areas.
Customer Base Diversification: Novanext serves large enterprises in banking, telecom, and industrial sectors, complementing Comtel's focus on mid-sized clients and expanding its customer portfolio.
Cross-Selling & Revenue Growth: The integration facilitates cross-selling opportunities across Comtel's and Novanext's client bases, boosting recurring revenues and reinforcing long-term business relationships.
Operational Synergies: The acquisition creates opportunities for cost optimization, shared resources, and improved efficiency through integrated sales, operations, and technology.
Market Positioning: Strengthens Comtel's role as a leading system integrator, reinforcing its ability to compete in high-growth ICT segments, including Enterprise Networking, Digital Workplace, and Managed IT Services.

This acquisition is a key step in Comtel's M&A strategy, positioning the company for sustained growth, improved margins, and stronger competitive advantage in the evolving digital transformation landscape. Management expects to be able to unlock significant synergies from the integration, and in in particular.

Commercial Alignment
Unified Client Approach: A "one face to the customer" strategy enhances service integration and strengthens brand perception.
Joint Commercial Policies: Promotes cross-selling and drives higher collective revenues through a shared product and service portfolio.
Expanded Market Reach: Comtel's 28+ commercial professionals will support Novanext's geographic expansion and entry into new market segments.

Exchange of Expertise & Resources
Shared Technology & Infrastructure: Optimized IT systems and resources enhance cost efficiency and operational performance.
Enhanced Technical Capabilities: Integration of specialized expertise improves project execution and expands service offerings.

Organizational Synergies
Centralized Functions: Streamlining HR, finance, and operations improves coordination, efficiency, and strategic alignment.
Process Optimization: Eliminating inefficiencies reduces operational costs and enhances business agility.
Stronger Market Position: Increased scale strengthens negotiation power with technology vendors, securing better terms and pricing.

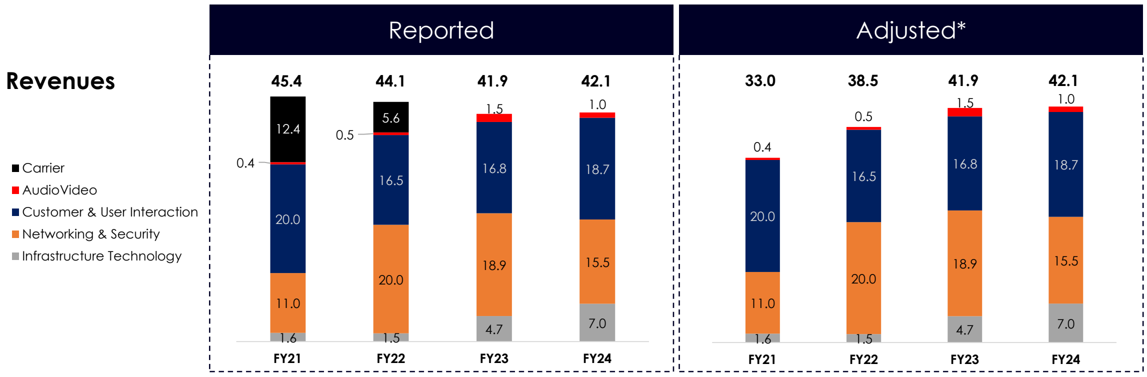
These synergies drive efficiency, growth, and competitiveness, reinforcing Comtel's leadership in the Italian ICT sector.

HISTORICAL RESULTS OVERVIEW

FY24 sales of Comtel stood at Euro 42.1 m, +0.5% YoY as the net result of strong growth in Infrastructure & Technology (+48% YoY) and Customer & User Internaction (+11% YoY) partially offset by a contraction in Networking and Security (-18% YoY) and Audio Video (-35% YoY). In 2023, Comtel closed with reported sales of Euro 41.9 m, down vs. prior year by c. -2.1% following the tails of the sale of the carrier business in December 2022. Adjusted for this event FY23 revenues were up by +9%, recording a FY21-23 CAGR of +13%. This growth was driven by the activation of new business with the Audio & Video and Infrastructure Technology business units cumulatively accounting for 15% of total sales in 2023 (6% in 2021) and the Network and Security business which posted FY21-23 CAGR of +31%.

Revenue breakdown FY21-24

(Euro m)	FY24	FY23	% FY24	% FY23	Δ FY24-FY23	Δ % FY24-FY23
Networking & Security	15.5	18.9	36.7%	45.1%	(3.4)	-18.1%
Customer & User Interaction	18.7	16.8	44.4%	40.1%	1.9	+11.3%
Infrastructure Technology	7.0	4.7	16.5%	11.2%	2.3	+48.2%
Audio Video	1.0	1.5	2.3%	3.6%	(0.5)	-35.2%
Revenues	**42.1**	**41.9**	**100.0%**	**100.0%**	**0.2**	**+0.5%**

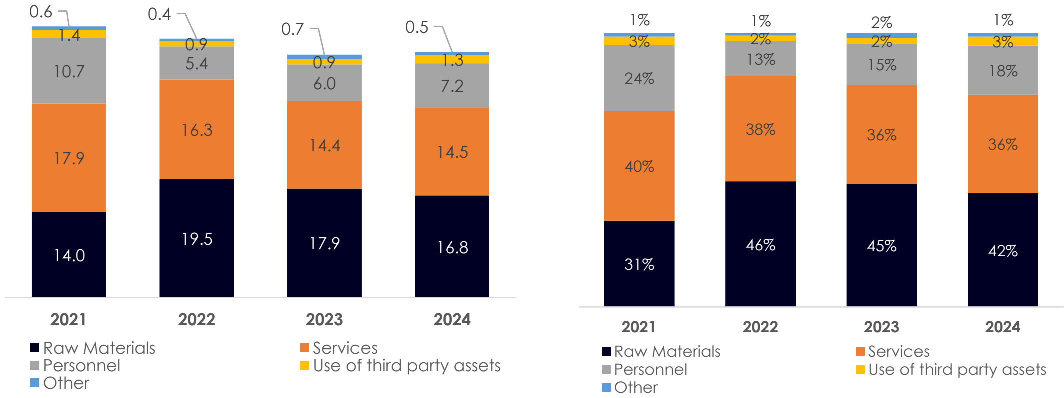


**Net of the effect arising from the sale of the 'Carrier' business unit to Com.Net S.p.A. on December 31st, 2021*
Source: PMI Capital elaboration on Company Data

Looking at the cost structure, raw materials and services are the most important cost items representing 45% and 36% of total costs respectively in FY23. Raw material largely includes acquisition of hardware and software from vendors.

Regarding the rest of the cost structure, the Company has progressively adopted an insourcing strategy over the past three years, aiming to internalize functions that were previously outsourced (cabling and installation). This strategic shift has resulted in, on the one hand an increase in personnel costs, rising to Euro 7.2 m in 2024 from Euro 5.4 m in 2022, while on the other a decrease in services costs (from 40% in FY21 to 36% in FY24).

Comtel: Cost structure FY21-24 (Euro m)



Source: Company Annual reports

Following the above, EBITDA reached Euro 2.1 m in FY24, reflecting a 3% YoY growth, with an EBITDA margin of 5%, stable vs. FY23 but significantly above 2021 and 2022 (2% and 4% respectively). This improvement is primarily attributed to the corporate reorganization that resulted in the disposal of a lower-value business unit in 2022 (which generated Euro 5.6 m in sales in FY22 and Euro 12.4 m in FY21), along with a favourable shift in revenue mix, particularly due to increased revenues from services.

With FY24 D&A of Euro 0.6 m, up by c. Euro 0.4 m compared to FY23, and credit write-downs of Euro 0.4 m in FY24 (Euro 0.1 m in FY23), FY24 EBIT came in at Euro 1.1 m, 3% on revenues (Euro 1.6 m, 4% in FY23). At the bottom line the Company recorded a Net Income of Euro 0.1 m, up significantly form a Net loss of Euro 4.4 m in FY23 as this result was negatively impacted by the write-down of long-term receivables, including Euro 2.6 m from Nextaly Srl (the parent company) and Euro 2.5 m owed by Com.net Spa (a subsidiary of Nextaly) related to the transfer of the 'Carrier' branch.

Income Statement (Euro m)	*FY21*	*FY22*	*FY23*	*FY24*
Net Sales	45.9	42.8	41.9	42.1
YoY %		*-6.7%*	*-2.1%*	*0.5%*
∆ Inventories Value	(1.6)	0.5	(0.9)	(0.2)
Other revenues	1.1	0.8	1.0	0.5
Value of Production	**45.4**	**44.1**	**42.0**	**42.5**
Raw Materials	(14.0)	(19.5)	(17.9)	(16.8)
Gross profit	**31.4**	**24.6**	**24.1**	**25.7**
Gross Profit % (on VoP)	*69%*	*56%*	*57%*	*61%*
Services	(17.9)	(16.3)	(14.4)	(14.5)
Use of third-party assets	(1.4)	(0.9)	(0.9)	(1.3)
Personnel	(10.7)	(5.4)	(6.0)	(7.2)
Other	(0.6)	(0.4)	(0.7)	(0.5)
EBITDA	**0.8**	**1.6**	**2.0**	**2.1**
EBITDA % (on VoP)	*2%*	*4%*	*5%*	*5%*
D&A	(0.2)	(0.3)	(0.4)	(0.6)
Provisions	0.0	(0.1)	(0.1)	(0.4)
EBIT	**0.6**	**1.3**	**1.6**	**1.1**
EBIT % (on VoP)	*1%*	*3%*	*4%*	*3%*
Financial Expenses	(0.4)	(0.4)	(0.5)	(0.6)
L-T receivables writedown	0.0	0.0	(5.1)	0.0
EBT	**0.2**	**0.8**	**(4.1)**	**0.5**
EBT % (on VoP)	*0%*	*2%*	*-10%*	*1%*
Taxes	(0.0)	(0.1)	(0.3)	(0.4)
Net Income / (loss)	**0.2**	**0.7**	**(4.4)**	**0.1**

Source: Comtel 's annual reports

The Company's business model is rather asset light and at the end of FY24 **Net fixed asset stood at** Euro 3.1 m of which Euro 2.6 m represented by intangible assets, Euro 0.3 m by tangible assets and Euro 0.1 m by financial assets. The increase in fixed assets was mainly attributable to the capitalization of IPO-related costs, amounting to approximately Euro 0.7 m in FY23. Fixed assets saw a sharp decrease due to the above-mentioned Euro 5.1 m write-down, on long-term receivables.

Net Working Capital Between 2021-2022, Net Working Capital was heavily affected by the extraordinary transaction at the end of 2022. Normalized for this event, at the end of 2023 NWC stood at Euro 3.7 m (9% on sales) and made up by Trade Working Capital at Euro 5.7m (14% on sales) and other payable/receivables of Euro -1.9 m. During the period considered, trade receivables decreased mainly due to factoring operations between 2022 and 2023. In FY24 trade working capital remained in line with FY23 (13% on sales) whereas other payable/receivables increased to Euro -4.3, m mainly due to customer advances, which in FY24 amounted to Euro 3.1 m compared to Euro 0.3 m in FY23 driving NWC on sales to 2%. We highlight that at year end 2024 overdue trade payables exceeding 60 days totalled Euro 2.0 m (Euro 3.1 m in FY23).

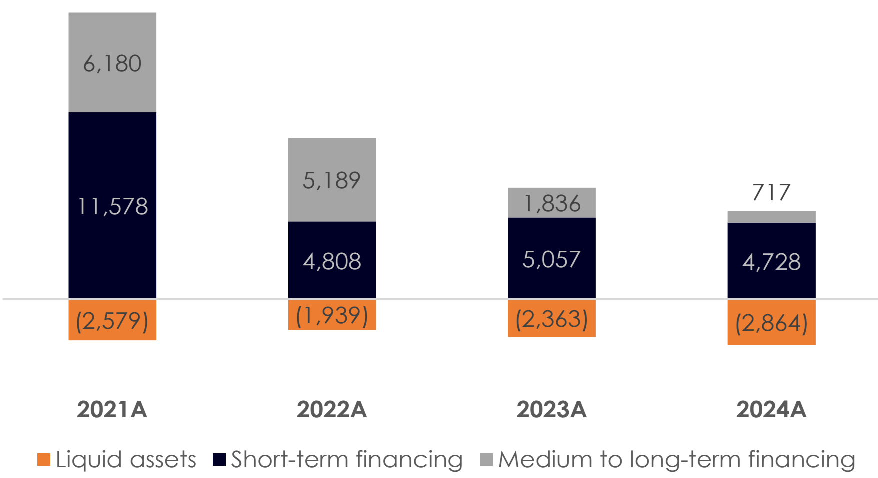
Net debt at year-end 2024 stood at Euro 2.6 m, a significant decrease from Euro 4.5 m in 2023 and Euro 8.1 m in 2021. This improvement was primarily driven by strong operating cash flow (Euro 3.9 m in FY24), supported by an increase in customer advances and the Group's asset-light capital structure, with net capex limited to Euro 1.4 m.

Net Debt/EBITDA ratio stood at 2.3x (2.9x in FY23). Adjusting net debt for overdue by more than 60 days trade payables of Euro 2.0 m as of 31 December 2024 (Euro 3.1m in FY23) this time stood at Euro 4.7 m at year-end 2024, showing a significant improvement compared to Euro 7.6 m as of 31 December 2023.

Net Equity at the end of the period considered reached Euro 0.9 m, up from 0.8 m in FY23. The decrease in Net Equity in FY23 from 5.2 m to Euro 0.8 m was the result of the extraordinary write-down already mentioned.

Net Debt structure 2021-2024

Net Debt (k Euro)	15,178	8,058	4,530	2,582



Source: Company Data

Balance Sheet (Euro m)	FY21	FY22	FY23	FY24
Fixed Assets	2.3	6.6	2.2	3.1
Net Working Capital	18.1	7.3	3.7	1.0
Funds	(0.7)	(0.7)	(0.7)	(0.5)
NET INVESTED CAPITAL	**19.6**	**13.2**	**5.3**	**3.5**
Net Debt/(Cash)	15.2	8.1	4.5	2.6
Net Equity	4.4	5.2	0.8	0.9
TOTAL SOURCES	**19.6**	**13.2**	**5.3**	**3.5**

Source: Company's Annual Reports

HISTORICAL FINANCIALS OVERIVIEW - NOVANEXT

In FY 2023 (year-end close on 30 September 2023) Novanext recorded Sales of Euro 37.7 m and an EBITDA of Euro 1.0 m, 2.5% (on VoP). Net working capital stood at Euro 2.6 m. This number included Euro 2.4 m fiscal debt related to an old tax dispute which was settled in 2023 (related to fiscal periods 2010-2011). The amount is to be paid in instalments until fully paid in 2028. At the end of the period considered Net Debt was of Euro 3.6 m (Euro 6.0 m when adjusted for the residual amount of tax penalty debt) while Net Equity was of Euro 0.2 m.

In 1H24 Sales stood at Euro 16.6 m while Ebitda was negative of Euro -0.0 m. According to Management, this result was influenced by the seasonality of revenues, with a higher weight of 2H. This trend resulted in a temporary loss as of March 31, 2024, which eroded the net equity (Euro -0.2 m). Net Debt at Euro 1.3 m improved significantly vs. FY23 reflecting a reduction in NWC.

In FY24, Sales at Euro 37.3 m, EBITDA at Euro 1.6 m (4.3% on VoP), and Net Income at Euro 0.3 m. On the balance sheet, Net Debt amounted to Euro 2.9 m (not adjusted), while Net Equity stood at Euro 0.5 m, confirming a seasonal recovery in the second half of the year.

(Euro m)	FY24	FY23	% FY24	% FY23	Δ FY24-FY23	Δ % FY24-FY23
Hardware & Software	18.3	15.0	49.0%	39.8%	3.2	+21.6%
Maintenance & Services	8.3	10.8	22.4%	28.6%	(2.4)	-22.7%
Design and Deployment	8.3	9.7	22.3%	25.7%	(1.4)	-14.0%
Training	2.4	2.2	6.3%	5.9%	0.1	+5.9%
Revenues	**37.3**	**37.7**	**100.0%**	**100.0%**	**(0.4)**	**-1.1%**

Novanext Historical Financials FY21-FY24 (Fiscal Year-End close 30 September)

Income Statement Euro m	*FY22*	*FY23*	*1H24*	*FY24*
Sales	**36.4**	**37.7**	**16.6**	**37.3**
Value of Production	**36.7**	**38.4**	**16.4**	**37.0**
EBITDA	**0.5**	**1.0**	**(0.0)**	**1.6**
EBITDA % (on VoP)	*1.5%*	*2.5%*	*n.m.*	*4.3%*
EBIT	**0.1**	**0.5**	**(0.3)**	**1.1**
EBIT % (on VoP)	*0.4%*	*1.4%*	*n.m.*	*3.0%*
EBT	**0.1**	**0.3**	**(0.4)**	**0.5**
EBT % (on VoP)	*0.4%*	*0.9%*	*n.m.*	*1.4%*
Taxes	(0.1)	(2.2)	0.0	(0.3)
Net Income / (loss)	**0.0**	**(1.9)**	**(0.4)**	**0.3**
Net Income % (on VoP)	*0.0%*	*-4.9%*	*n.m.*	*0.7%*

Balance Sheet Euro m	*FY22*	*FY23*	*1H24*	*FY24*
Fixed Assets	3.9	3.7	3.5	3.4
Net Working Capital	4.6	2.6	0.1	2.7
Funds	(3.3)	(2.4)	(2.5)	(2.6)
NET INVESTED CAPITAL	**5.2**	**3.9**	**1.1**	**3.5**
Net Debt/(Cash)	3.0	3.6	1.3	2.9
Net Equity	2.1	0.2	(0.2)	0.5
TOTAL SOURCES	**5.2**	**3.9**	**1.1**	**3.5**

**October-March Semiannual Results*
Source: Information Memorandum
Note: Financial data is as of the fiscal year ending September 30.

Proforma financial results Comtel & Novanext

In Comtel's admission document, the pro-forma financial results of the combined entity are provided, covering FY 2023 (January–December for Comtel and October–September for Novanext). In addition, with the approval of FY24 results Management also provided FY24 pro forma results simulating the economic and financial impact as if it had occurred on 1 January 2024. The pro forma statements for the 2024 financial year were prepared based on: (i) Comtel's financial statements for the year ended 31 December 2024, prepared in accordance with Italian GAAP (OIC); and (ii) Novanext's financial statements for the year ended 30 September 2024, also prepared in accordance with Italian GAAP (OIC). Pro Forma Statements (FY23 and FY24) should be interpreted independently, and not sequentially.

	PROFORMA	
Income Statement (Euro m)	**FY23**	**FY24**
Value of Production	**80.4**	**79.5**
Raw Materials	(33.3)	(32.3)
Gross profit	**47.1**	**47.2**
Gross Profit % (on VoP)	*59%*	*59%*
Services	(27.6)	(25.4)
Use of third-party assets	(2.1)	(2.6)
Personnel	(13.5)	(14.9)
Other	(0.9)	(0.6)
EBITDA	**3.0**	**3.7**
EBITDA % (on VoP)	*4%*	*5%*
D&A	(1.0)	(1.5)
Provisions	0.0	0.0
EBIT	**2.0**	**2.2**
EBIT % (on VoP)	*3%*	*3%*
Financial Expenses	(0.8)	(1.2)
L-T receivables writedown	(5.1)	0.0
EBT	**(4.0)**	**1.0**
EBT % (on VoP)	*-5%*	*1%*
Taxes	(2.5)	(0.6)
Net Income / (loss)	**(6.5)**	**0.4**

	FY23E	**FY24E**
NWC	6.0	3.0
on sales %	*8%*	*4%*
Fixed Assets	7.8	8.1
Funds	(3.1)	(3.1)
NCE	10.7	8.0
Net Debt	10.0	7.1
Equity	0.7	0.9

Source: Comtel's Proforma Data

FY25-26 Estimates Comtel + Novanext

Over the last three years, Comtel has achieved revenue growth at a CAGR of +8%, driven by an expanded range of product and service offering. With Novanext, we believe the new Group is well positioned to continue to grow above-market rates in the coming years, supported by its strong market presence across competence centres and the implementation of a strategic plan aimed at further expanding offering and geographical expansion. Additionally, we have evaluated the strategic alignment between Comtel and Novanext, which we believe has the potential to unlock significant commercial and operational synergies. Main assumption to our estimates are:

- Consolidated sales of Euro 83.4 m in FY25, +5% YoY as the result of:
    - +8% YoY for Comtel as the company continues to focus on offering lines with greater growth potential (Infrastructure Technology and Networking&Security. This growth should be further supported by new recruitments and enhanced capacity to

manage the back log, particularly in high-growth market segments (PA and healthcare).
- a prudential +2% YoY for Novanext.

- Consolidated sales of Euro 89.9 m in FY26, +8% YoY as we expect commercial synergies to fully kick in. Overall, we expect sales to grow at a FY24-26 CAGR of +6%.

- EBITDA CAGR of +47% as EBITDA margin increases from 5% as of pro-forma 2024 results to 9% in FY26E driven by higher sales volumes, enhanced sales mix (continuous increase of the service component), cost saving and increased operational efficiencies, partially offset in FY25 by and increase in personnel costs.

- Tax rate of 28%

- As for cash flow we expect Net Working Capital to normalize in FY 26 at 3% on sales (4% in FY24 pro-forma) reflecting a slight reduction in DSOs from strategic initiatives in credit management and a focus on established client relationships, stricter credit policies and a diversification strategy targeting low-risk, high-margin clients. Total Capex in the 25-26 period of Euro 1.0 m (net of IPO costs). At year- end 2026 we expect the group to reach a Net Cash position of Euro 5.1. m (considering IPO proceeds In FY24)

- We did not assume dividend payments

- Although M&A is a key pillar in Management's growth strategy our forecast does not include any other M&A activity and represent Comtel on a stand-alone basis.

Income Statement (Euro m)	**FY24A**	**Pro-forma 24**	**FY25E**	**FY26E**
Sales	42.1	79.5	83.4	89.9
yoy	0%	0%	5%	8%
Value of Production	42.5	79.5	83.9	90.5
yoy	1%	-2%	6%	8%
EBITDA	2.1	3.7	5.3	8.0
EBITDA % (on VoP)	5%	5%	6%	9%
EBIT	1.1	2.2	3.8	6.6
EBIT % (on VoP)	3%	3%	5%	7%
EBT	0.5	1.0	2.8	5.7
EBT % (on VoP)	1%	1%	3%	6%
Net Income / (loss)	0.1	0.4	2.0	4.1

Balance Sheet (Euro m)	**FY24A**	**Pro-forma 24**	**FY25E**	**FY26E**
NWC	1.0	3.0	2.5	2.7
on sales %	2%	4%	3%	3%
Fixed Assets	3.1	8.1	8.1	7.2
Funds	(0.5)	(3.1)	(3.1)	(3.1)
Net Capital Employed	**3.5**	**8.0**	**7.4**	**6.7**
Net Debt	2.6	7.1	(0.4)	(5.2)
Equity	0.9	0.9	7.8	11.9

Source: PMI Capital Research Estimates

COMTEL ON EURONEXT GROWTH MILAN

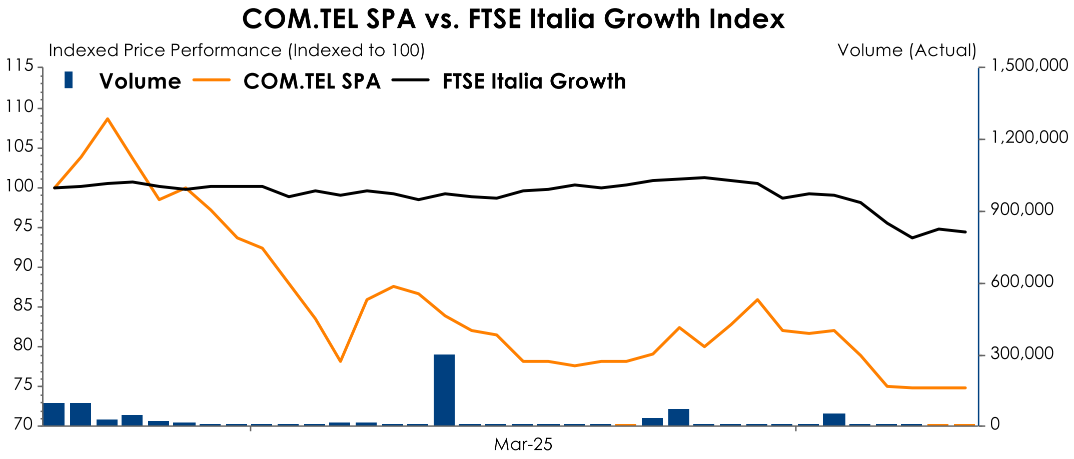
IPO
Trading Market: Euronext Growth Milan
Date: February 19th, 2025
Price: Euro 2.40
Capital raised: Euro 4.9 m
Capitalisation: Euro 44.2 m

SHARES *(as of April 09, 20252025)*

Code: CMTL
Bloomberg: CMTL:IM

ISIN: IT0005632945
Shares: 18,422,000
Price: Euro 1.92
Performance from IPO: -20%
Capitalisation: Euro 35.3m
Free Float on ordinary shares: 10.98%
Euronext Growth Advisor, Specialist: MiT Sim S.p.A.
Auditing firm: Ernst & Young S.p.A.

STOCK PERFORMANCE



Source: FactSet Prices

VALUATION

We initiate coverage of Comtel with a target price of 3.01 per share, implying an upside of approximately + 57% vs. the current market price. Our valuation is based on a blended approach, combining a DCF model and a multiples analysis. At our target price, the stock would trade at EV/EBITDA multiples of 13.0x and 8.5x for FY25-26.

Valuation Summary

Method	Weight	Price (Euro)	Equity Value (Euro m)
Multiple Comparison (FY 25-26 EV/EBITDA, 20% discount)	50%	2.50	46.1
DCF (FCFS FY25-29, 8.23% WACC, 1% g)	50%	3.52	64.8
Target Price		**3.01**	**55.4**

Implicit multiples @our valuation	EV/EBITDA
FY24E	18.5x
FY25E	13.0x
FY26E	8.5x

Source: PMI Capital Estimates and FactSet data as of April 9th, 2025

DCF Valuation

The DCF model utilized a three-stage approach with explicit estimates for 2025-2026, followed by a three-year projection to 2029 with normalized growth (1%). All cash flows and the terminal value were discounted using a 8.23% Weighted Average Cost of Capital (WACC) and a 1% growth rate. According to our model, the fair equity value is Euro 64.8m, translating to Euro 3.52 per share.

Euro m	FY25E	FY26E	TV
EBIT	3.8	6.6	
Tax	(0.8)	(1.6)	
NOPAT	**3.0**	**5.0**	
D&A	1.2	1.2	
Change in NWC	0.5	(0.2)	
Capex	(1.4)	(0.5)	
FCF	**3.4**	**5.5**	**81.9**
Discounted free cash flows	3.2	4.8	56.4
Discounted free cash flows FY25-26E	8.0	10%	
Discounted free cash flows FY27-29E	13.3	17%	
NPV of Terminal Value	56.4	73%	
EV	**77.6**	**100%**	
Net Debt	7.1		
Ipo Proceeds	(4.9)		
Minorities	10.6		
Fair Value of Equity	**64.8**		

Source: PMI Capital Research Estimates

Market Multiples

Using a peer group of companies active in digital transformation and applying a 20% discount for size and liquidity to FY25–26 EV/EBITDA multiples only, our multiples-based valuation returns a fair value of approximately Euro 46.1 m.

Companies	HQ	Mkt Cap	Price	Sales 2024	Sales YoY 24/23	EBITDA % 2024	EBIT % 2024	NI % 2024
NEXUS	DEU	1,201	69.6	261.5	8%	22%	15%	12%
Netcompany Group	DNK	1,719	34.4	876.5	7%	17%	13%	7%
TietoEVRY	FIN	1,748	14.7	2,802.8	-2%	17%	11%	-2%
Capgemini	FRA	21,041	122.8	22,096.0	-2%	16%	13%	9%
Infosys	IND	60,942	16.0	17,345.1	1%	24%	21%	16%
Accenture	IRL	170,105	271.7	58,117.1	-4%	19%	15%	12%
Reti	ITA	21	1.7	32.3	4%	11%	7%	4%
Reply	ITA	5,069	135.5	2,295.9	8%	18%	15%	9%
OBIC	JPN	13,859	27.8	758.1	7%	67%	65%	53%
Globant	LUX	4,493	102.0	2,310.6	19%	20%	15%	12%
Bouvet	NOR	627	6.0	336.3	9%	16%	13%	10%
EPAM Systems	USA	8,220	144.0	4,513.8	4%	18%	16%	13%
Oracle	USA	354,870	126.5	51,737.0	6%	54%	44%	30%
Cognizant Tech. Sol.	USA	32,661	66.0	19,032.7	6%	18%	15%	11%
Int. Business Machines	USA	197,667	213.2	60,157.2	5%	25%	18%	15%
Average		**58,282.9**	**90.1**	**16,178.2**	**5%**	**24%**	**20%**	**14%**
Com.Tel	**ITA**	**35.3**	**1.9**	**41.9**	**-2%**	**5%**	**4%**	**-10%**

Source: Factset as of April 9th 2025

Companies	2024E	2025E	2026E
NEXUS	19.2x	17.3x	15.5x
Netcompany Group	17.2x	11.6x	10.1x
TietoEVRY	6.3x	5.9x	5.6x
Capgemini	8.7x	6.9x	6.7x
Infosys	16.1x	12.9x	11.7x
Accenture	17.5x	14.4x	13.7x
Reti	8.1x	6.5x	5.9x
Reply	13.0x	10.6x	9.8x
OBIC	21.2x	19.9x	18.1x
Globant	20.7x	10.1x	8.9x
Bouvet	12.2x	11.2x	10.3x
EPAM Systems	14.6x	9.4x	8.3x
Oracle	15.5x	14.0x	12.1x
Cognizant Tech. Sol.	10.6x	9.3x	8.9x
Int. Business Machines	15.7x	16.1x	15.3x
Average	**14.4x**	**11.7x**	**10.7x**
Com.Tel	**11.5x**	**8.1x**	**5.3x**
Premium/Discount to Peers	*-21%*	*-31%*	*-51%*

Source: Factset as of April 9th 2025

PEERS DESCRIPTIONS

Company	Description	Revenue Breakdown By Geography	Revenue Breakdown By Business Unit
NEXUS AG	NEXUS AG engages in the development and sale of software and hardware solutions. It operates through the following segments: NEXUS/DE, NEXUS/DIS, and NEXUS/ROE. The NEXUS/DE segment develops and distributes software solutions for the healthcare sector in the administrative and medical sectors in the German market. The NEXUS/DIS segment offers diagnostic software solutions, which are developed and distributed for both the German and international Market. The NEXUS/ROE segment involves in the development and distribution of software solutions for the healthcare sector in the administrative and medical sectors in the international market. The company founded by Edgar Kuner in 1989 is headquartered in Donaueschingen, Germany.	Germany - 55%; Switzerland/Liechtenstein - 21%; Netherlands - 11%; Poland - 5%; France - 3%; Austria - 2%; Other Regions - 3%	NEXUS / ROE: 46%, NEXUS / DE: 32%, NEXUS / DIS: 22%

Netcompany Group A/S	Netcompany Group A/S engages in the provision of information technology services. It operates through the Public and Private segments. The Public segment consists of benefits and payment, citizen service, grant management, debt collection and refunds, case management, regulations, fillings and reporting, digital infrastructure, analytics and evaluation, and internal support service areas. The Private segment is involved in the following industry sectors insurance, pension, and banking; energy and utilities; transport and logistics; telecommunications and media; retail and wholesale; pharma and life science; and unions and unemployment insurance funds. The company was founded by André Rogaczewski, Claus Jørgensen and Carsten Krogh Gomard in 2000 and is headquartered in Copenhagen, Denmark.	Denmark - 48%; Greece - 13%; Belgium - 12%; United Kingdom - 11%; Norway - 5%; Luxembourg - 4%; Other - 5%	Public: 68%, Private: 32%
TietoEVRY Oyj	TietoEVRY Oyj engages in the provision of software and digital services. It operates through the following segments: Tietoevry Create, Tietoevry Banking, Tietoevry, Care, Tietoevry Industry, and Tietoevry Tech Services. Tietoevry Create segment focuses on the development and provision of business advisory and design, data engineering, and software research and development services. The Tietoevry Banking segment refers to pre-integrated Banking-as-a-Service and scalable software and services within domains such as payments, cards, wealth management, financial crime prevention and credit. The Tietoevry Care offers modular, open and interoperable software for customers in the health and social care sectors to enhance the care experience across the Nordics. Using advanced analytics and embedded AI provides decision support and process automation. The Tietoevry Industry segment provides industry-specific software and data platform services for customers. The Tietoevry Tech Services operates cloud platform focuses on infrastructure services. The company was founded in 1968 and is headquartered in Espoo, Finland.	Finland - 23%; Norway - 33%; Sweden - 32%; Other - 13%	Data Evry Tech Services: 36%, Data Eve Create: 28%, Data Sheet Banking: 19%, Information Evry Industry: 9%, Data Cover: 8%
Capgemini SE	Capgemini SE engages in the provision of cloud, data, artificial intelligence, connectivity, software, and digital engineering and platforms. It operates through the following geographical segments: Rest of Europe; North America; France; the United Kingdom and Ireland; and Asia-Pacific and Latin America. The company was founded by Serge Kampf on October 1, 1967 and is headquartered in Paris, France.	France - 20%; Rest of Europe - 30%; North America - 29%; United Kingdom & Ireland - 12%; Asia-Pacific & Latin America - 9%	Consulting, Digital Transformation, Technology Services & Inter Alia Multi-Annual Services: 100%

Infosys Limited Sponsored ADR	Infosys Ltd. is a digital services and consulting company, which engages in the provision of end-to-end business solutions. It operates through the following segments: Financial Services, Retail, Communication, Energy, Utilities, Resources, and Services, Manufacturing, Hi-Tech, Life Sciences, and All Other. The company was founded by Dinesh Krishnan Swamy, Senapathy Gopalakrishnan, Narayana Ramarao Nagavara Murthy, Raghavan N. S., Ashok Arora, Nandan M. Nilekani, and S. D. Shibulal on July 2, 1981 and is headquartered in Bangalore, India.	India - 3%; North America - 60%; Europe - 28%; Rest of the World - 10%	Financial Services & Insurance: 27%, Retail: 15%, Manufacturing: 15%, Energy, Utilities, Resources & Services: 13%, Communication: 12%, Hi-Tech: 8%
Accenture Plc Class A	Accenture is a global professional services company that helps the world's businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services, creating tangible value at speed and scale. The firm combines technology and leadership in cloud, data and AI with industry experience, functional expertise and global delivery capability. Its services include Strategy & Consulting, Technology, Operations, Industry X, and Song. It operates through the following geographical segments: North America, EMEA, and Growth Markets. The company was founded in 1951 and is headquartered in Dublin, Ireland.	EMEA - 34%; Ireland - 1%; United States - 45%; Growth Markets - 17%; North America - 2%	Products: 30%, Health & Public Service: 21%, Financial Services: 18%, Communications, Media & Technology: 17%, Resources: 14%

Reti SpA	Reti SpA is an information technology company, which engages in the provision of information technology consulting solutions. If offers IT Solutions, Business Consulting, and Managed Service Provider. The company was founded by Bruno Paneghini on May 27, 1994 and is headquartered in Busto Arsizio, Italy.	Italy - 100%	Information Technology Solutions: 59%, Managed Service Provider: 14%, Business Consulting: 14%, Ancillary: 12%
Reply S.p.A.	Reply SpA engages in the development of communication and digital media solutions. It operates through the following segments: Technologies, Applications, and Processes. The company was founded by Mario Rizzante and Oscar Pepino in June 1996 and is headquartered in Turin, Italy.	Italy, United States, Brazil, Poland, Romania, China & New Zealand - 63%; Germany, Switzerland, China & Croatia - 20%; United Kingdom, Luxembourg, Belgium, Netherlands, France, Belarus, Singapore, Hong Kong & Malaysia - 18%; Global - 0%; Interfrasector - - 2%	Technologies: 61%, Applications: 26%, Process: 13%
OBIC Co., Ltd.	OBIC Co., Ltd. engages in the provision of solution system services. It operates through the following segments: System Integration, System Support, and Office Automation. The System Integration segment develops software packages based on customer needs. The System Support segment provides hardware maintenance and system operation support services. The Office Automation segment sells telecommunication equipment, computer products, related supplies, and office furniture. The company was founded by Masahiro Noda and Mizuki Noda on April 8, 1968 and is headquartered in Tokyo, Japan.	Japan - 100%	System Support: 50%, System Integration: 42%, Office Automation: 7%

Globant SA	Globant SA engages in the provision of information technology services. It includes application development, testing, infrastructure management, and application maintenance. The company was founded by Martín Migoya, Martín Gonzalo Umaran, Guibert Andrés Englebienne, and Néstor Augusto Nocetti in 2003 and is headquartered in Luxembourg.	United States - 58%; Spain - 7%; Argentina - 7%; Chile - 5%; Mexico - 5%; Brazil - 3%; United Kingdom - 3%; Canada - 2%; Italy - 1%; Other countries - 9%	Media & Entertainment: 22%, Banks, Financial Services & Insurance: 18%, Consumer, Retail & Manufacturing: 17%, Professional Services: 12%, Technology & Telecommunications: 12%, Travel & Hospitality: 9%, Health Care: 8%, Other Verticals: 2%
Bouvet ASA	Bouvet ASA operates as a consulting company. It engages in the provision of information technology, digital communications, and enterprise management solutions. The firm operates through the following geographical segments: Norway; Sweden; and Other Countries. Its services include Artificial Intelligence and Software Engineering. The company was founded on May 3, 1995 and is headquartered in Olso, Norway.	Norway - 97%; Sweden - 3%; Other Countries - 0%	Oil & Gas: 41%, Public Admin: 17%, Power Supply: 17%, Service Industry: 5%, Transportation: 5%, Industry: 4%, Info & Communication: 4%, Retail: 3%, Health: 2%, Other: 2%
EPAM Systems, Inc.	EPAM Systems, Inc. engages in the provision of digital engineering, cloud, and artificial intelligence-enabled transformation services. It operates through the following geographical segments: North America, Europe, and Russia. The company was founded by Leonid Lozner and Arkadiy Dobkin in 1993 and is headquartered in Newtown, PA.	North America - 59%; Europe - 41%; Russia - 0%	Professional Services: 99%, Licensing & Others: 1%

Oracle Corporation	Oracle Corp. engages in the provision of products and services that address aspects of corporate information technology environments, including applications and infrastructure technologies. It operates through the following business segments: Cloud and License, Hardware, and Services. The Cloud and License segment markets, sells, and delivers enterprise applications and infrastructure technologies through cloud and on-premise deployment models including cloud services and license support offerings. The Hardware segment provides infrastructure technologies including Oracle Engineered Systems, servers, storage, industry-specific hardware, operating systems, virtualization, management, and other hardware-related software. The Services segment offers consulting, advanced support, and education services. The company was founded by Lawrence Joseph Ellison, Robert Nimrod Miner, and Edward A. Oates on June 16, 1977 and is headquartered in Austin, TX.	United States - 55%; EMEA - 17%; Asia Pacific - 10%; Americas - 8%; United Kingdom - 5%; Germany - 3%; Japan - 3%	Cloud & License: 84%, Services: 10%, Hardware: 6%
Cognizant Technology Solutions Corporation Class A	Cognizant Technology Solutions Corp. engages in providing information technology, consulting, and business process outsourcing services. Its services include application services, artificial intelligence, business process services, cloud solutions, and core modernization. It operates through the following segments: Financial Services (FS), Healthcare Sciences (HS), Products and Resources (P and R), and Communications, Media, and Technology (CMT). The FS segment focuses on banking and insurance services. The HS segment is involved in healthcare and life sciences. The P and R segment includes retail and consumer goods. The CMT segment relates to communications, information, media and entertainment, and technology. The company was founded by Wijeyaraj Kumar Mahadeva and Francisco D'Souza on April 6, 1988 and is headquartered in Teaneck, NJ.	North America - 132%; Continental Europe - 18%; United Kingdom - 17%; Rest of World - 12%	Financial Services: 30%, Health Sciences: 29%, Products & Resources: 24%, Communications, Media & Technology: 17%

International Business Machines Corporation	International Business Machines Corp. is an information technology company, which engages in the provision of integrated solutions that leverage information technology and knowledge of business processes. It operates through the following segments: Software, Consulting, Infrastructure, Financing, and Other. The Software segment combines hybrid cloud platform and software solutions to help clients become more data-driven, and to automate, secure, and modernize their environments. The Consulting segment focuses on integrating skills on strategy, experience, technology and operations by domain and industry. The Infrastructure segment offers solutions for hybrid cloud, and is the foundation of the hybrid cloud stack. Infrastructure is optimized for infusing AI into mission-critical transactions and tightly integrated with IBM Software including Red Hat for accelerated hybrid cloud benefits. The Financing segment refers to the client and commercial financing, facilitating IBM clients' acquisition of IT systems, software, and services. The company was founded by Charles Ranlett Flint and Thomas J. Watson Sr. on June 16, 1911 and is headquartered in Armonk, NY.	United States - 41%; Europe/Middle East/Africa - 30%; Asia Pacific - 19%; Americas - 10%	Software: 43%, Consulting: 32%, Infrastructure: 24%, Financing: 1%, Other: 0%

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