

COSTAMP GROUP

Growing margins and strong order backlog

Growing margins and continuous focus on R&D: Costamp Group, leader in the engineering, production and trade of dies for die casting, concluded the reverse takeover of Modelleria Brambilla in 2018. Since, Management has worked on the rationalization of the Group structure and the integration of the business units with recovery in profitability and a growing order backlog as a result. 1H 2019 closed with an EBITDA margin of 10.2% recording a significant increase vs. FY 2018 PF (2.7%) despite a slight decrease in revenues (-9%) reflecting uncertain conditions in the automotive market. Management has recently confirmed strategic guidelines with focus on international expansion, R&D aimed at innovative projects and widening of product range.

Strong order backlog: Management also announced an order backlog at the end of June of Euro 55 m, showing an increase of +19% vs. 1H 2018 and to be evaded within year end 2020.

Ongoing technology process: The Group, is strongly focused on R&D and continues to invest in innovative projects: Puzzle Die Configuration, Cavity Insert Fast Change Configuration and Low-Pressure Forging Technology.

Increase in profitability in 1H 2019: revenues in 1H 2019 came in at Euro 28.7 m (vs. Euro 31.5 m 1H 2018 PF). EBITDA was of Euro 2.9 m (vs. Euro 2.8 m in 1H 2018PF) with an EBITDA margin of 10.2% (8.8% ex IFRS 16). Net Profit was of Euro 0.6 m (vs. Euro 0.8 m in 1H 2018PF). Net Debt stood at Euro 28.6 m. The Company continued to benefit from a strong international presence with 40% of total revenues realized outside Italy.

Expected revenue growth and margin expansion: We believe that after the recent reorganization and integration the Group is ready to start to reap the benefits with cost efficiencies, synergies and economies of scale. Based on 1H 2019 results and the thick order backlog we expect revenues to grow at a 2018PF-2021 CAGR of +6%. EBITDA margin should reach 13% in 2021 (+280 bps vs. 1H 2019) with a Net Debt of Euro 21.2 m (Net Debt/EBITDA ratio of 2.4x (13.9x FY 2018PF)).

Sector: Manufacturing

Market Price (Euro) 2.20
Market Cap (Euro m) 94
EV (Euro m) 122
(as of November 12th, 2019)

Share Data

Market		AIM Italia
Bloomberg/Reuters	MOLD IM / MOLD.MI	
ISIN	IT0005068249	
N. of Shares	42,605,447	
Free Float	6.59%	
Main Shareholder	Co.Stamp Srl (Corti Family) (93.28%)	
CEO	Marco Corti	

AIM Positioning

FY 2018	Company	AIM Sector	AIM Italia
Revenues (Eu m)	58	97	45
Revenues YoY	-2%	37%	29%
EBITDA Margin	3%	11%	14%
NFP (cash) (Eu m)	21.8	18.5	7.2
NFP/EBITDA (x)	14.0	2.8	3.9

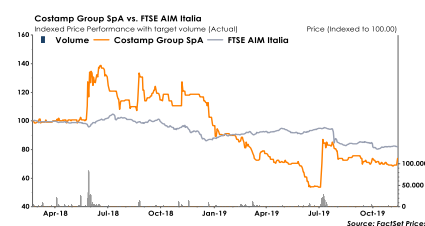
Market Data (Eu m)	Company	AIM Sector	AIM Italia
Capitalisation	88	68	52
Perf. YTD	-18%	-18%	-11%
Free Float	7%	27%	35%
ADIT YTD (Eu)	7,066	69,116	125,100

Performance

	1M	3M	1Y
Absolute	5.8%	1.9%	-37.5%
Relative (TSE AIM Italia)	4.0%	3.2%	-27.2%
52-week High/Low (Eu)	3.54 / 1.60		

IR TOP RESEARCH

Luisa Primi – l.primi@irtop.com
Andrea Praga – a.praga@irtop.com
T +39 02 89056957



Key Figures (Eu m)	Revenue	Yoy %	EBITDA	EBITDA %	EBIT	EBIT %	Net Profit	Net Debt
2018PF	58.0	-2%	1.6	3%	(1.7)	-3%	(1.7)	21.8
2019E	57.0	-2%	5.6	10%	2.1	4%	0.8	26.9
2020E	62.5	+10%	6.8	11%	3.1	5%	1.5	24.9
2021E	68.5	+10%	8.9	13%	5.0	7%	2.9	21.2