

EQUITY RESEARCH

OMER S.P.A.
RESULTS REVIEW

BUY

TP 6.0€ (vs 5.8€)

Up/Downside: 46%

Omer is speeding ahead in 2024

Omer S.p.A. closes 2024 with significant growth across all key metrics, confirming the positive trend of recent years and exceeding all forecasts, with record growth in Q4.

Omer S.p.A. released its 2024 annual results last night, once again posting **strong growth and exceeding our forecasts**.

As of year-end 2024, the company's order backlog stands at **€164m, up approximately 31% from 2023 (€125m)** and well above expectations. This level ensures at least **two years of revenue visibility**. The soft backlog amounts to €228m, down from €243m in 2023 due to conversions into backlog recorded during the year.

Consolidated revenue reached approximately €84.0m, marking a **25% increase** (vs. €67.3m in 2023) and a **record Q4**. This growth was mainly driven by increased production rates on specific contracts and the launch of new projects, particularly the **Dolce Vita project, whose production activities began in Q4 2024**.

EBITDA reached €18.7m, up 24% (vs. €15.1m in 2023), with an EBITDA margin of 22.3%, stable compared to 22.4% in 2023. This result is particularly strong given inflationary pressures on raw material costs and rising labor costs, driven by both workforce expansion and an increase in the average cost per employee.

The group's Net Financial Position remains positive (net cash) at €19.9m, stable compared to €19.8m as of December 31, 2023. This level, in line with our estimates, reflects strong cash generation from operations despite a **€9m increase in working capital**, mainly due to a strategic inventory build-up and higher trade receivables.

We believe these results once again confirm Omer's ability to sustain growth while generating cash, even in a challenging macroeconomic environment that could impact raw material prices. We anticipate an even stronger 2025 for the company, particularly with the ramp-up of the Dolce Vita project. **We raise our FY25 and FY26 revenue forecasts by 5% and our EBITDA forecasts by 10%**, and we remain convinced that the stock is undervalued by the market. **BUY, we increase our target price to €6.0**.

Key data

Price (€)	4.1
Industry	Transportation Equipment
Ticker	OMER-IT
Shares Out (m)	28.750
Market Cap (m €)	118.2
Average trading volumes (k shares / day)	0.229

Source: FactSet

Ownership (%)

Halfa Srl	74.0
Independance AM SICAV	4.3
Fideuram Asset Management SGR	1.9
Free float	26.0

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	0.39	0.40	0.45
Change vs previous estimates (%)	16.98	10.26	9.44

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	1.5	0.5	-4.4
Rel FTSE Italy	1.0	-3.0	-18.0



Source: FactSet

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m €)	67.8	78.0	87.3	93.7	EV/Sales	1.2	1.0	0.8
Current Op Inc (m €)	12.2	15.0	15.8	17.7	EV/EBITDA	5.1	4.4	3.4
Current op. Margin (%)	18.0	19.3	18.1	18.9	EV/EBIT	6.4	5.5	4.2
EPS (€)	0.29	0.39	0.40	0.45	PE	10.6	10.2	9.2
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	11.6	2.8	9.3	11.9				

Consensus FactSet - Analysts:2	12/24e	12/25e	12/26e
Sales	73.7	82.5	88.5
EBIT	13.4	14.7	16.6
Net income	9.5	10.5	11.8

Analyst

Alessio Olmi

alessio.olmi@tpicap.com

+33149241801





FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	54.3	58.4	67.8	78.0	87.3	93.7
Changes (%)	46.1	7.7	16.0	15.1	12.0	7.3
Gross profit	33.5	33.0	44.1	46.4	54.6	60.1
% of Sales	61.7	56.4	65.1	59.5	62.5	64.1
EBITDA	15.6	13.8	15.1	18.7	19.8	22.0
% of Sales	28.8	23.6	22.3	24.0	22.7	23.5
Current operating profit	13.8	11.4	12.2	15.0	15.8	17.7
% of Sales	25.5	19.4	18.0	19.3	18.1	18.9
Non-recurring items	-0.0	-0.1	-0.1	0.0	0.0	0.0
EBIT	13.8	11.3	12.1	15.0	15.8	17.7
Net financial result	0.0	-0.2	-0.7	0.2	0.2	0.2
Income Tax	-3.6	-2.8	-3.0	-4.2	-4.5	-5.0
Tax rate (%)	-25.9	-24.8	-26.6	-27.2	-27.9	-27.9
Net profit, group share	10.2	8.3	8.4	11.1	11.5	12.9
EPS	0.36	0.29	0.29	0.39	0.40	0.45
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	12.6	14.3	16.2	16.8	16.6	15.9
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.1	0.1	0.1	0.1	0.1
Working capital	9.5	25.3	19.8	27.5	29.9	31.6
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	22.2	39.7	36.1	44.3	46.6	47.5
Shareholders equity group	40.2	48.6	55.3	66.4	77.9	90.8
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	0.3	0.4	0.4	0.4	0.4	0.4
Net debt	-18.7	-9.6	-19.8	-22.7	-32.0	-43.9
Other liabilities	0.4	0.4	0.2	0.2	0.2	0.2
Liabilities	22.2	39.7	36.1	44.3	46.6	47.5
Net debt excl. IFRS 16	-18.7	-9.6	-19.8	-22.7	-32.0	-43.9
Gearing net	-0.5	-0.2	-0.4	-0.3	-0.4	-0.5
Leverage	-1.2	-0.7	-1.3	-1.2	-1.6	-2.0
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	14.9	10.5	12.0	14.8	15.6	17.3
Δ WCR	2.4	-15.6	4.5	-7.6	-2.5	-1.6
Operating cash flow	17.3	-5.2	16.5	7.1	13.1	15.6
Net capex	-3.5	-4.1	-4.9	-4.3	-3.8	-3.7
FCF	13.8	-9.3	11.6	2.8	9.3	11.9
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.3	0.0	-5.0	0.0	0.0	0.0
Change in borrowings	-1.7	-2.1	-1.3	0.0	0.0	0.0
Dividends paid	-5.0	0.0	-1.4	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	12.8	-0.2	-0.1	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	20.2	-11.5	3.7	2.8	9.3	11.9
ROA (%)	46.1%	21.0%	23.3%	25.0%	24.8%	27.1%
ROE (%)	25.4%	17.2%	15.2%	16.7%	14.8%	14.2%

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Analyst certifications

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Methodology

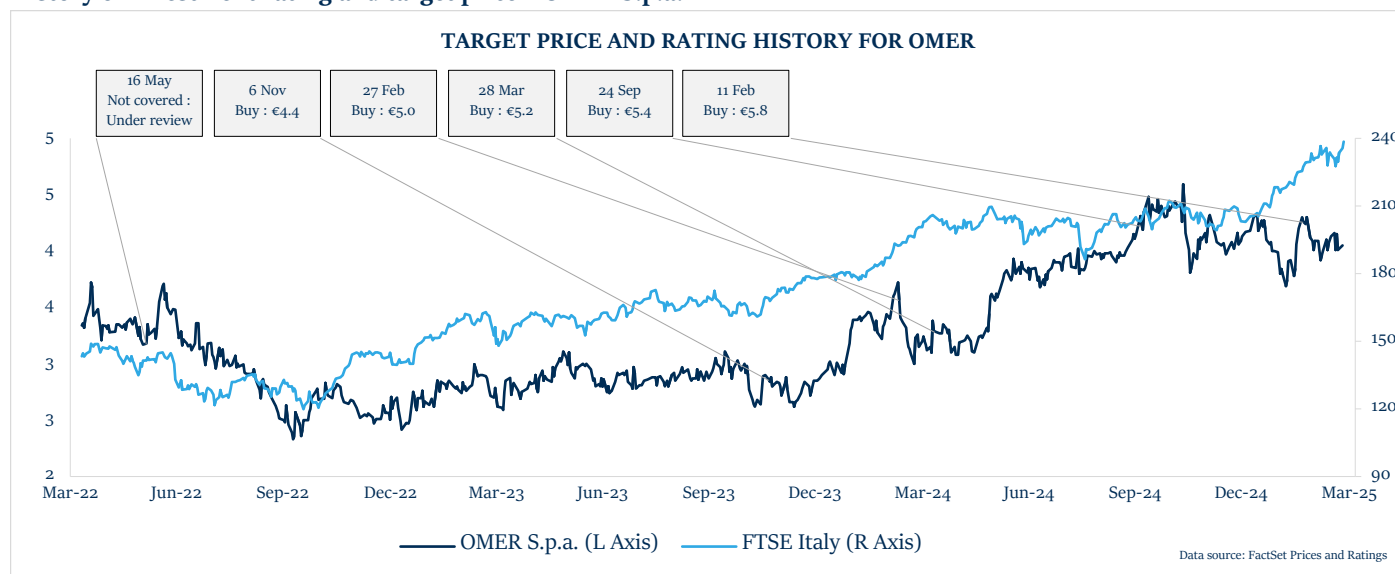
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: OMER S.p.a.

History of investment rating and target price – OMER S.p.a.



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
19 Mar 25 - 08:15:56	Alessio Olmi	€ 5.80	€ 5.80	€ 4.05	Achat	Buy
11 Feb 25 - 08:17:42	Alessio Olmi	€ 5.40	€ 5.80	€ 4.30	Achat	Buy
27 Jan 25 - 08:01:19	Alessio Olmi	€ 5.40	€ 5.40	€ 3.80	Achat	Buy
19 Nov 24 - 08:17:58	Davide Longo	€ 5.40	€ 5.40	€ 4.16	Achat	Buy
12 Nov 24 - 17:54:06	Davide Longo	€ 5.40	€ 5.40	€ 3.93	Achat	Buy
08 Oct 24 - 08:29:52	Davide Longo	€ 5.40	€ 5.40	€ 4.35	Achat	Buy
27 Sep 24 - 08:15:19	Davide Longo	€ 5.40	€ 5.40	€ 4.35	Achat	Buy
24 Sep 24 - 08:37:44	Davide Longo	€ 5.20	€ 5.40	€ 4.31	Achat	Buy
18 Sep 24 - 08:02:34	Davide Longo	€ 5.20	€ 5.20	€ 4.15	Achat	Buy
10 Jun 24 - 08:19:16	Davide Longo	€ 5.20	€ 5.20	€ 3.80	Achat	Buy
24 May 24 - 15:14:40	Davide Longo	€ 5.20	€ 5.20	€ 3.58	Achat	Buy
21 May 24 - 08:24:09	Davide Longo	€ 5.20	€ 5.20	€ 3.56	Achat	Buy
16 May 24 - 08:12:37	Davide Longo	€ 5.20	€ 5.20	€ 3.44	Achat	Buy
28 Mar 24 - 08:08:58	Davide Longo	€ 5.00	€ 5.20	€ 3.38	Achat	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	79%	61%
Hold	16%	70%
Sell	3%	20%
Under review	2%	100%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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