

EQUITY RESEARCH

ILPRA
 RESULTS REVIEW
BUY**TP 7.5€****Up/Downside: 39%**

The potential is in there – it just needs to be unlocked

FY2025 closes above expectations, driven by double-digit organic growth, resilient margins and solid cash generation despite an active M&A agenda. Order book visibility remains good, with potential upside stemming from the integration of recent acquisitions.

The company reported FY2025 results slightly above our expectations in terms of growth, with revenues of €84m (vs. €80m est.), supported by excellent organic momentum (+14%), continuing to outperform a market growing at around 3%. Domestic performance was particularly strong, with Italian revenues up 28% to €32m, accounting for 38% of total sales (vs. 36% in 2024), also supported by the integration of Gelmini. The growth profile remains well balanced between organic development and M&A, with a solid order book providing good visibility into early 2026.

On profitability, the company broadly replicated H1 trends and slightly exceeded our expectations, reporting EBITDA of €16.2m (vs. €15.6m est.) and a margin of 19.3%, a contained 170bps decline vs. 2024. This expected contraction reflects the strengthening of the organisational structure and dilution from recent acquisitions, which still require a rationalisation phase before fully delivering synergies. Despite this, net income increased by 14% to €7.6m, confirming solid operating efficiency and a resilient business model.

Net financial position increased to €22.7m (vs. €20.1m in 2024), a level consistent with the group's growth profile (1.4x leverage); the c. €2.7m increase remains contained given nearly €5m invested in M&A. Cash generation remains solid (FCF/EBITDA of 22–23%), while ROCE, estimated at 18.5% for 2025, remains well above the industrial sector average.

Looking ahead to 2026, the outlook remains moderately positive: the company continues to outperform the packaging market, benefits from good order visibility and offers upside potential from the integration of recent acquisitions. **We believe FY2025 results confirm the robustness of the business model and support our unchanged assumptions. We therefore maintain our target price at €5.5 and reiterate our BUY recommendation,** underpinned by attractive valuation multiples (4.6x–3.9x EV/EBITDA 2026–27, 7.2x NTM P/E), structurally above-market growth and high profitability.

TP ICAP Midcap Estimates	12/25	12/26e	12/27e	12/28e	Valuation Ratio	12/26e	12/27e	12/28e
Sales (m €)	84.0	94.1	107.3	111.5	EV/Sales	0.9	0.7	0.6
Current Op Inc (m €)	10.9	14.8	17.7	19.5	EV/EBITDA	4.6	3.7	2.8
Current op. Margin (%)	13.0	15.8	16.5	17.4	EV/EBIT	5.7	4.4	3.3
EPS (€)	0.51	0.75	0.94	1.08	PE	7.2	5.7	5.0
DPS (€)	0.12	0.18	0.22	0.25	Source: TPICAP Midcap			
Yield (%)	2.2	3.3	4.1	4.7				
FCF (m €)	3.8	5.9	8.0	16.5				

Key data

Price (€)	5.4
Industry	Industrial Machinery
Ticker	ILP-IT
Shares Out (m)	12.039
Market Cap (m €)	65.0
Average trading volumes (k shares / day)	5.400
Next event	1H 2025 - 26.09.2025

Source: FactSet

Ownership (%)

Holds Srl	70.5
Free float	29.5

Source: TPICAP Midcap estimates

EPS (€)	12/26e	12/27e	12/28e
Estimates	0.75	0.94	1.08
Change vs previous estimates (%)	4.95	3.47	12.06

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	0.0	0.0	-3.6
Rel FTSE Italy	0.7	9.5	1.2



Source: FactSet

Analyst

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FINANCIAL DATA

Income Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Sales	62.0	69.9	84.0	94.1	107.3	111.5
Changes (%)	27.4	12.7	20.2	12.0	14.0	4.0
Gross profit	41.1	47.2	54.9	63.7	70.7	73.2
% of Sales	66.2	67.5	65.3	67.7	65.9	65.6
EBITDA	13.9	14.7	16.2	18.4	21.4	23.1
% of Sales	22.4	21.0	19.3	19.5	19.9	20.7
Current operating profit	9.3	9.8	10.9	14.8	17.7	19.5
% of Sales	15.0	14.0	13.0	15.8	16.5	17.4
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.3	9.8	10.9	14.8	17.7	19.5
Net financial result	-1.9	-1.4	-1.1	-1.6	-1.2	-1.2
Income Tax	-1.9	-1.8	-2.2	-2.8	-3.8	-3.9
Tax rate (%)	-25.0	-21.3	-22.9	-21.3	-22.9	-21.3
Net profit, group share	5.6	6.6	7.6	10.4	12.7	14.4
EPS	0.33	0.44	0.51	0.75	0.94	1.08
Financial Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	25.2	29.0	26.4	26.6	26.5	26.6
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.7	0.1	4.7	4.7	4.7	4.7
Working capital	29.5	35.0	41.6	46.4	51.6	49.8
Other Assets	0.0	0.5	0.5	0.5	0.5	0.5
Assets	55.3	64.7	73.2	78.2	83.3	81.6
Shareholders equity group	28.2	38.7	43.4	50.6	59.9	70.2
Minorities	5.9	0.7	1.9	3.3	4.6	6.0
LT & ST provisions and others	0.0	1.2	1.2	1.2	1.2	1.2
Net debt	15.3	20.1	22.6	19.0	13.6	0.2
Other liabilities	5.9	4.1	4.1	4.1	4.1	4.1
Liabilities	55.3	64.7	73.2	78.2	83.3	81.6
Net debt excl. IFRS 16	15.3	20.1	22.6	19.0	13.6	0.2
Gearing net	0.4	0.5	0.5	0.4	0.2	0.0
Leverage	1.1	1.4	1.4	1.0	0.6	0.0
Cash flow statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
CF after elimination of net borrowing costs and taxes	12.2	14.0	14.0	15.6	17.6	19.2
Δ WCR	-11.9	-4.8	-6.6	-4.8	-5.2	1.8
Operating cash flow	0.3	9.2	7.4	10.8	12.4	21.0
Net capex	-13.8	-8.5	-2.5	-3.3	-3.2	-3.3
FCF	-14.4	-0.8	3.8	5.9	8.0	16.5
Acquisitions/Disposals of subsidiaries	0.0	0.5	-4.1	0.5	0.5	0.5
Other investments	-0.7	-1.1	0.2	-0.4	0.0	0.0
Change in borrowings	12.2	2.4	0.0	0.0	0.0	0.0
Dividends paid	-1.8	-2.0	-1.4	-1.4	-2.1	-2.6
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	-0.1	-0.1	0.0	0.0	0.0	0.0
Others	2.2	0.5	-1.0	-1.0	-1.0	-1.0
Change in net cash over the year	-3.9	0.3	-1.4	5.2	6.7	14.6
ROA (%)	6.0%	6.3%	6.6%	8.4%	9.2%	9.5%
ROE (%)	11.8%	13.4%	13.6%	16.8%	17.6%	17.0%
ROCE (%)	21.0%	18.5%	18.4%	23.2%	26.2%	29.1%

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Methodology

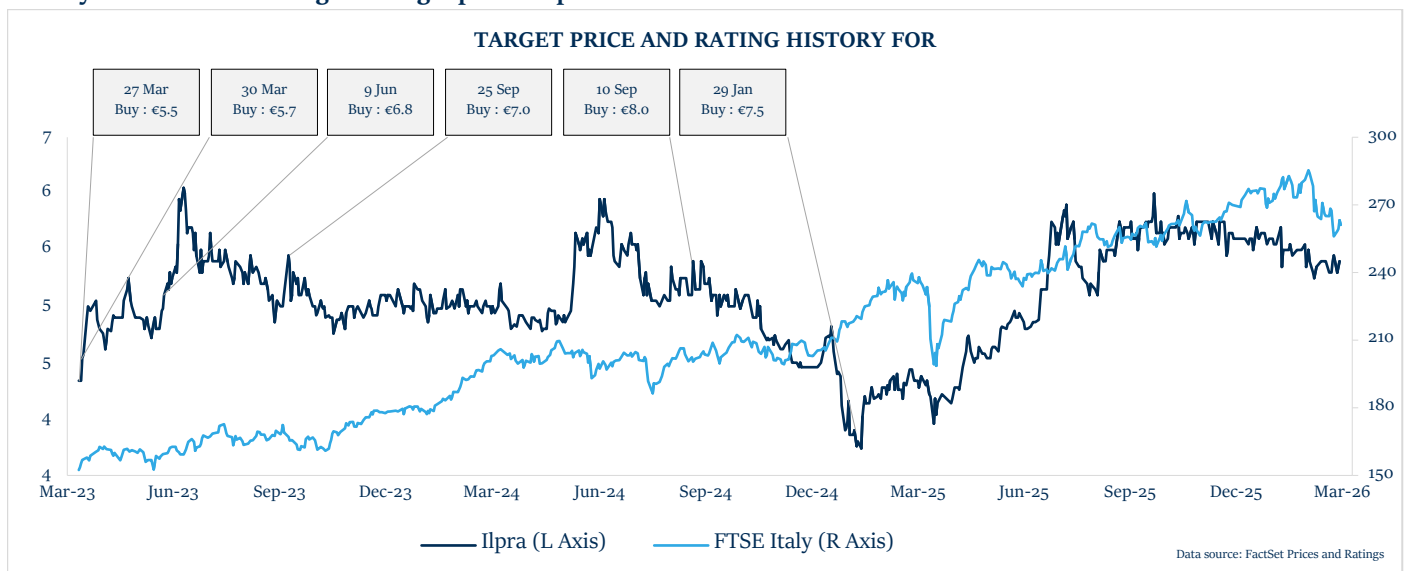
This Report may mention evaluation methods defined as follows:

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: Ilpra

History of investment rating and target price - Ilpra



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
29 Sep 25 - 08:02:12	Alessio Olmi	€ 7.50	€ 7.50	€ 5.60	Buy	Buy
17 Jun 25 - 08:23:11	Alessio Olmi	€ 7.50	€ 7.50	€ 4.96	Buy	Buy
18 May 25 - 20:12:44	Alessio Olmi	€ 7.50	€ 7.50	€ 4.64	Buy	Buy
31 Mar 25 - 08:14:07	Alessio Olmi	€ 7.50	€ 7.50	€ 4.36	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	71%	73%
Hold	22%	57%
Sell	3%	40%
Under review	4%	86%

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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