

REWAY GROUP

Infrastructures Maintenance and Reparation

83.4% Stake Sale, Mandatory PTO to Follow

Reway Group is active in viaduct, tunnel and bridges rehabilitation, installation of safety and sound-absorbing barriers, seismic upgrading, and various other activities related to extraordinary maintenance of highways / roads / railways.

The Fact: Public Tender Offer on Reway Group S.p.A.

Renaissance Partners signed binding agreements to acquire an aggregate 83.4% stake in Reway Group from core shareholders i.e. Mr. Paolo Luccini, the Casillo family and Mr. Radini, at a base price of €10.31/share, with the transaction to be followed by a mandatory tender offer on the remaining free float ultimately aimed at delisting the shares of the company from EGM.

On the announced terms, the block under contract is worth roughly €333mn, implying an equity value for 100% of Reway of about €400mn.

The agreed price may move up through a daily ticking fee if closing slips beyond 31 July 2026, and down in case of leakage on part of the acquired stakes.

Completion remains subject, among other things, to antitrust and golden power clearance by 30 September 2026.

Mr. Paolo Luccini is expected to reinvest and retain an indirect 30% stake in HoldCo post-closing.

Our Read-Through

The transaction price is in line with our latest Fair Value of €10.35 per share, and therefore looks more like a confirmation of value than a takeover price surprise.

At €10.31 per share, the deal implies:

- EV/EBITDA: 9.4x 2025A, 7.6x 2026E;
- P/E: 15.5x 2025A, 12.6x 2026E.

In our view, these multiples look consistent with Reway's asset quality, backlog visibility and medium-term growth profile, but do not point to a meaningful majority control premium.

Reway shares back on Friday were trading at €10.80 stock price, i.e. above the announced PTO consideration. The market was likely assigning some probability to an extraordinary deal with better terms. That said, with binding agreements already secured over 83.4% of the share capital, any residual upside would be linked to deal mechanics rather than to standalone fundamental value.

Luca Bernini

luca.bernini@value-track.com

Marco Greco

marco.greco@value-track.com

FAIR VALUE (€) **10.35**

MARKET PRICE (€) **10.80**

MARKET CAP (€mn) **419.1**

KEY FINANCIALS	FY25	FY26E	FY27E
VALUE OF PRODUCTION	278.3	313.0	344.3
EBITDA	49.6	60.0	66.5
EBITA	45.7	55.0	60.6
NET PROFIT	20.9	26.9	29.7
NET INV. CAP.	179.6	192.4	201.8
GROUP NET EQUITY	111.4	139.0	168.7
NET DEBT (-) / NET CASH (+)	-68.2	-53.3	-33.1
EPS ADJ.	0.66	0.82	0.89

Source: Reway Group (historical figures), Value Track (estimates)

RATIOS AND MULTIPLES	FY25	FY26E	FY27E
EBITDA MARGIN (%)	17.8	19.2	19.3
EBITA MARGIN (%)	16.4	17.6	17.6
NET DEBT / EBITDA (x)	1.4	0.9	0.5
NET DEBT / NET EQUITY (x)	0.6	0.4	0.2
ROE (%)	18.9	19.6	17.6
EV / SALES (x)	1.7	1.5	1.3
EV / EBITDA (x)	9.6	7.9	6.8
EV / EBITA (x)	10.4	8.6	7.5
P / E ADJ. (x)	15.8	13.2	12.1

Source: Reway Group (historical figures), Value Track (estimates)

STOCK DATA	
MARKET PRICE (€)	10.80
NOSH (mn)	38.8
MARKET CAP (€mn)	419.1
ENTERPRISE VALUE FY26E (€mn)	472.4
FREE FLOAT (%)	17.4
AVG L30D VOLUME ('000)	9,250
RIC / BBG	RWY.MI / RWY IM
52 WK MAX - MIN (€)	12.30-7.12

Source: Stock Market Data, (*) Including Indépendance AM

Description

Reway Group (RWY) is a leading Italian company active in: 1) Viaduct and tunnel rehabilitation; 2) Installation of safety and sound-absorbing barriers; 3) Seismic upgrading of viaducts; 4) Various other activities related to extraordinary maintenance of highways / roads / railways. RWY is one of the few Italian players covering all stages of the restoration chain and offering a “One stop shop” service, highly valued from clients who only have to deal with a single counterpart.

Financial Highlights

KEY FINANCIALS (IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
Value of Production	278.3	313.0	344.3	371.8	394.1	417.8
YoY (%)	nm	12.5%	10.0%	8.0%	6.0%	6.0%
EBITDA	49.6	60.0	66.5	72.4	77.1	82.1
EBITDA Margin (% on VoP)	17.8%	19.2%	19.3%	19.5%	19.6%	19.7%
EBIT	38.7	48.0	53.6	58.8	63.3	68.3
EBIT Margin (% on VoP)	13.9%	15.3%	15.6%	15.8%	16.1%	16.3%
Net Profit	20.9	26.9	29.7	33.1	36.3	39.7
YoY (%)	nm	28.7%	10.3%	11.6%	9.6%	9.6%
Adj. Net Profit	25.8	31.8	34.6	38.0	41.2	44.6
YoY (%)	nm	23.3%	8.7%	10.0%	8.3%	8.4%
Net Debt (-) / Cash(+)	-68.2	-53.3	-33.1	-7.4	27.0	63.8
Net. Fin. Pos. / EBITDA (x)	1.4	0.9	0.5	0.1	nm	nm
Capex	-7.4	-5.6	-5.8	-6.7	-7.1	-7.5
OpFCF b.t.	16.2	35.2	50.5	51.5	61.3	65.4
OpFCF b.t. / EBITDA (%)	32.6%	58.6%	76.0%	71.2%	79.6%	79.6%

Source: Reway Group, Value Track Analysis

Investment Case

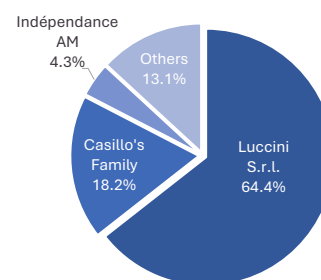
Strengths / Opportunities

- Strong revenue visibility supported by a >€1bn backlog and solid exposure to long-cycle extraordinary infrastructure maintenance;
- Italian road / railway infrastructure benefitting from multi-year investment plans.
- Room for better margin and cash conversion as execution discipline improves and internal organization becomes more structured

Weaknesses / Risks

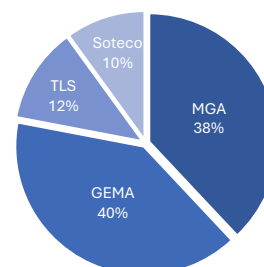
- Revenue concentration on a few clients;
- Raw-material cost volatility remains a risk, although partly mitigated by contractual price-adjustment mechanisms;
- Strong growth can absorb working capital and delay deleveraging / cash generation.

SHAREHOLDER STRUCTURE



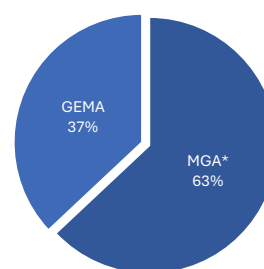
Source: Reway Group

SALES BY SUBSIDIARY*



Source: Reway Group, *FY24 (last available)

BACKLOG BY SUBSIDIARY



Source: RWY, FY25, (*) Soteco & TLS merged in MGA

STOCK MULTIPLES @ FV	FY26E	FY27E
EV / SALES (x)	1.5	1.3
EV / EBITDA (x)	7.6	6.5
EV / EBITA (x)	8.3	7.2
EV / CAP. EMPLOYED	2.4	2.2
OpFCF Yield (%)	8.2	12.1
P / E ADJ. (x)	12.6	11.6
P / BV (x)	2.9	2.4
Dividend Yield (%)	0.0	0.0

Source: Value Track Analysis

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