

MAGIS

Sector: Packaging Goods

Balance Sheet Strength Backs the Recovery

Magis SpA is active in the design, manufacturing and commercialization of adhesive tapes and closure systems for nappies and incontinence pads, recognized for its commitment to R&D, excellence in product development, and customer-focused approach. These elements have been instrumental in building strong ties with clients, across industries like logistics, food & beverage, pharma, electronics, clothing and baby care.

1H26 On Track, Balance Sheet Solid Despite Higher NWC

1H26 delivered a good set of results, in line with MGS guidance, and with solid progress in both sales and profitability despite persistent raw-material inflation and still-cautious demand in some end markets. The key message here is that the Company is using its balance-sheet strength to improve its P&L: longer payment conditions help preserve pricing discipline and avoid early-payment discounts, effectively supporting margins at the cost of higher short-term working capital. More specifically, we highlight:

- VoP at €42.6mn (+5.9% y/y), with Revenues from sales at €43.2mn (+7.0%) led by Adhesive Tapes (~+11% y/y, Specialty tapes ~+19%) on a better mix and the pass-through of higher raw-material costs, while Body Care was broadly stable at €11.4mn;
- EBITDA at €5.5mn (+29.1% y/y), margin 12.9% of VoP (+232bps y/y), reflecting a richer product mix and the pass-through of higher raw-material costs to customers;
- Net Cash at €5.6mn (€7.5mn at FY25 year-end), with the decline driven by ~€4.0mn of NWC absorption, ~€1.7mn of capex and ~€0.4mn of buyback.

Estimates: P&L Ok, Net Cash Fine-Tuned For Investments

Following 1H26 results and the call with management, we broadly confirm our estimates, as the medium-term framework remains intact and the 2026 targets were reiterated. As for FY26-28E, we expect cumulative ~€35mn EBITDA turning into ~€11.8mn EFCF (after taxes and financial charges, before shareholder distributions), after capex for the new Hot Melt coating line and cutting units. Management also disclosed an Invitalia tender covering the full Hot Melt line (€5.8mn) and the photovoltaic upgrade, implying an overall eligible investment which we estimate around €6-7mn a portion of which would be funded through a non-repayable grant.

Fair Value Revised To €13.0/Share (€12.75/Share)

Our updated DCF (€13.6/share) and peer-based valuation (€12.5/share) point to ~€13.0/share, which we adopt as our fair value (from €12.75/share). This implies ~6.2x EV/EBITDA 2026E at fair value, vs 4.4x at the current price. Note that the non-repayable grant is not currently quantified and as such excluded from our valuation. As a rule of thumb, on ~5.8mn shares, every €1mn of grant would add c.€0.15-0.20/share to equity value.

Luca Bernini

luca.bernini@value-track.com

Marco Greco

marco.greco@value-track.com

FAIR VALUE (€) **13.00**

MARKET PRICE (€) **9.60**

MARKET CAP (€mn) **55.9**

KEY FINANCIALS	FY25	FY26E	FY27E
VALUE OF PRODUCTION	77.6	81.8	84.5
EBITDA	8.6	10.7	11.7
EBIT	5.1	7.0	7.8
NET PROFIT	3.1	4.7	5.4
GROUP NET EQUITY	45.2	49.5	54.8
NET DEBT (-) / NET CASH (+)	7.5	8.6	12.1
EPS ADJ.	0.56	0.81	0.92
DPS	0.00	0.00	0.31

Source: Magis (historical figures), Value Track (estimates)

RATIOS AND MULTIPLES	FY25	FY26E	FY27E
EBITDA MARGIN (%)	11.1	13.0	13.8
EBIT MARGIN (%)	6.5	8.6	9.2
NET PROFIT MARGIN (%)	4.1	5.8	6.3
ROIC b.t. (%)	13.5	17.2	18.3
ROE b.t. (%)	9.6	13.2	13.4
EV/SALES (x)	0.6	0.6	0.5
EV/EBITDA (x)	9.5	4.4	3.7
EV/EBIT (x)	9.4	6.7	5.6
P/E ADJ. (x)	17.2	11.8	10.5

Source: Magis (historical figures), Value Track (estimates)

STOCK DATA	
MARKET PRICE (€)	9.60
NOSH (mn)	5.8
MARKET CAP (€mn)	55.9
ENTERPRISE VALUE FY26E (€mn)	46.8
FREE FLOAT (%)	40.6(*)
AVG L30D VOLUME ('000)	2,944
RIC / BBG	MGS.MI / MGSIM
52 WK MAX - MIN (€)	11.00-8.60

Source: Stock Market Data, (*) Including ALI – IPO Club and Lazard Stakes

Description

Magis S.p.A. is a leading Italian company active in the design, manufacturing and marketing of adhesive tapes and closure systems for nappies and incontinence pads. Throughout its ~40-year history, Magis has been recognized for its commitment to R&D, excellence in product development and manufacturing, and customer-focused approach. These elements have been instrumental in building strong ties with clients, both large corporations and SMEs, and across various industries like logistics, food & beverage, pharmaceuticals, retail, electronics, clothing and baby care.

Financial Highlights

KEY FINANCIALS (OIC, €mn)	2025A	2026E	2027E	2028E
Value of Production	77.6	81.8	84.5	88.7
y/y (%)	-8.9%	5.4%	3.4%	5.0%
EBITDA	8.6	10.7	11.7	12.5
EBITDA Margin (%)	11.1%	13.0%	13.8%	14.1%
EBIT	5.1	7.0	7.8	8.3
EBIT Margin (%)	6.5%	8.6%	9.2%	9.4%
Net Profit	3.1	4.7	5.4	5.8
y/y (%)	-63.7%	50.6%	13.1%	8.1%
Adj. Net Profit	3.1	4.7	5.4	5.8
y/y (%)	-63.7%	50.6%	13.1%	8.1%
Net Fin. Position [Net Debt (-) / Cash(+)]	7.5	8.6	12.1	17.0
Net. Fin. Pos. / EBITDA (x)	nm	nm	nm	nm
Capex	-3.3	-5.5	-6.0	-3.0
OpFCF b.t.	-0.1	3.8	5.9	9.2
OpFCF b.t. / EBITDA (%)	-1.7%	36.0%	51.0%	74.1%

Source: Magis, Value Track Analysis

Investment Case

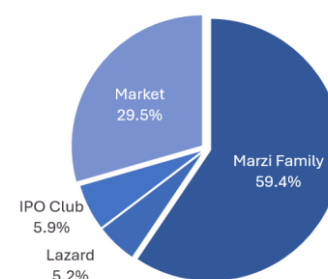
Strengths / Opportunities

- Excellence in products development, thanks to a vocation for R&D / product innovation; high flexibility; responsiveness to clients' needs;
- Optimal market positioning, characterized by: "premium" products focus; high diversification of end markets / geographies / client base;
- Cash-generative business model, with post-investment cash generation supported by capacity expansion and growth capex;

Weaknesses / Risks

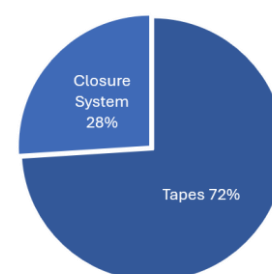
- Mature reference market with limited growth rates (single digit);
- Competitive landscape dominated by large conglomerates with global presence, dedicated R&D divisions and significant bargaining power;
- Rising EU competition as Asian suppliers are pivoting from US market to EU ones in order to avoid tariffs, saturating the commoditized tape segment.

SHAREHOLDERS' STRUCTURE



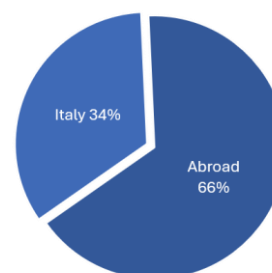
Source: Magis

SALES BY SEGMENT 1H26



Source: Magis

SALES BY GEOGRAPHY 1H26



Source: Magis

MULTIPLES @ FAIR VALUE	FY26E	FY27E
EV / SALES (x)	0.8	0.8
EV / EBITDA (x)	6.2	5.4
EV / EBIT (x)	9.5	8.1
EV / CAP. EMPLOYED	1.6	1.5
OpFCF Yield (%)	5.8	9.4
P / E (x)	16.0	14.2
P / BV (x)	1.5	1.4
Dividend Yield (%)	0.0	2.4

Source: Value Track Analysis

1H26 Results

1H26 Key Takeaways

- **Sales growth resumed:** VoP at €42.6mn (+5.9% y/y), led by Adhesive Tapes while Body Care was stable;
- **Profitability recovered:** EBITDA at €5.5mn (+29.1% y/y), margin 12.9% (+232bps), on a richer mix and the pass-through of higher raw-material costs;
- **Cash eased on working capital:** Net Cash at €5.6mn (from €7.5mn at FY25 year-end), as NWC absorbed ~€4.0mn, an effect management frames as temporary;
- **A solid balance sheet is supporting the P&L:** Magis can grant longer payment terms without early-payment discounts, protecting margins at the cost of short-term cash, while still funding its investment plan, including the Hot Melt line due in Q1 2027.

Profit & Loss

- **Value of Production** at €42.6mn (+5.9% y/y), with Revenues from sales at €43.2mn (+7.0% y/y) led by Adhesive Tapes (€31.8mn, +11.2%: Plain +12%, Printed +5%, Specialty +19%) on a better mix and the pass-through of raw-material increases, while Body Care was broadly stable (€11.4mn vs €11.8mn, with Frontal/Landing up to €2.9mn and Side Tapes at €7.2mn); VoP sits below sales as finished-goods inventories fell by €1.1mn, amid persistent competitive pressure and a stronger Euro;
- **Gross Profit** at €17.6mn (+11.4% y/y), margin at 41.3% (+204bps y/y), as a richer product mix and the pass-through of higher raw-material prices to customers (raw-material consumption +2.3% vs VoP +5.9%) more than offset the still-competitive pricing environment in Packaging;
- **EBITDA** at €5.5mn (+29.1% y/y), margin 12.9% (+232bps y/y), with Opex (excl. raw materials) up ~4.9%, below VoP growth — Services +2.1% and lower as a % of revenues, Personnel +6.4% on collective-agreement career advancements — and a favorable mix shift supporting the improvement in profitability;
- **Net Profit** at €2.4mn (+48.2% y/y), reflecting the improved operating profitability, despite a slightly higher net financial expense (€0.3mn) as lower financial income (the FX gains booked in 1H25 were not repeated) more than offset a reduction in financial charges.

Profit and Loss 1H25-1H26

(OIC, €mn)	1H25	1H26	Δ abs.	Δ YoY (%)
Value of Production	40.3	42.6	2.4	5.9%
Raw Materials	-24.5	-25.0	-0.6	-2.3%
Gross Profit	15.8	17.6	1.8	11.4%
Gross Margin (%)	39.2%	41.3%	204bps	
Costs of Services	-5.5	-5.6	-0.1	-2.1%
Personnel Costs	-4.9	-5.3	-0.3	-6.4%
Other Operating Costs	-1.2	-1.3	-0.1	-11.3%
Total Operating Costs	-36.0	-37.1	-1.1	-3.2%
EBITDA	4.3	5.5	1.2	29.1%
EBITDA Margin (%)	10.6%	12.9%	232bps	
D&A	-1.7	-1.7	-0.1	-3.2%
EBIT	2.6	3.7	1.2	46.2%
Net Financial Charges	-0.3	-0.3	-0.1	-21.4%
Pre-Tax Profit	2.3	3.4	1.1	49.0%
Taxes	-0.7	-1.0	-0.3	-50.9%
Net Profit	1.6	2.4	0.8	48.2%
Net Profit Margin (%)	4.1%	5.7%	163bps	

Source: Magis, Value Track Analysis

Cash Flow & Balance Sheet

Magis Net Cash was down to €5.6mn at 1H26 from €7.5mn at FY25 year-end, as the €5.5mn of EBITDA was absorbed by ~€4.0mn of net working capital, ~€1.0mn of taxes, ~€1.7mn of capex, ~€0.3mn of net financial charges and ~€0.5mn of net equity outflows (mainly share buybacks), leaving operating cash flow at ~€0.5mn, with no dividend paid in the period. Net working capital rose to €17.7mn (from €13.7mn at FY25 year-end), reflecting the usual H1 seasonality, the normalization of customers' payment terms and higher inventories driven by the cost of raw materials. Equity rose to €47.2mn (from €45.2mn at FY25 year-end).

The main movements were:

- trade receivables up to €18.4mn from €13.7mn at FY25 year-end, reflecting the normalization of customers' payment behavior and terms (DSO at 77 days vs 65 at FY25 year-end);
- inventories up to €15.6mn from €13.6mn at FY25 year-end, mainly reflecting the higher cost of raw materials after the price rise of the first three months of the year (raw-material DIO at 76 days vs 58);
- trade payables up to €12.8mn from €11.7mn at FY25 year-end, reflecting a purchasing plan agreed with suppliers for longer payment terms (DPO at 75 days vs 74) and only partially offsetting the increase in current assets.

Despite the still-complex macro backdrop, management expects a further normalization of working capital across customers, suppliers and inventory in 2H26, in line with the seasonal pattern of the last four years (2H NWC on average ~25% lower than 1H over 2022-25) and supporting a recovery in cash generation. Management frames the H1 cash absorption as temporary and linked to investments aimed at driving growth over the next two to three years, notably the new Hot Melt coating line going live in Q1 2027.

Balance Sheet FY25-1H26

(OIC, €mn)	FY25	1H26	Δ abs.
Net Fixed Assets	24.5	24.4	-0.1
Net Working Capital	13.7	17.7	4.0
Provisions	0.5	0.5	0.0
Total Capital Employed	37.7	41.6	3.9
Group Net Equity	45.2	47.2	2.0
Net Financial Position	7.5	5.6	-1.9

Source: Magis, Value Track Analysis

Cash Flow 1H25-1H26

(OIC, €mn)	1H25	1H26	Δ abs.
EBITDA	4.3	5.5	1.2
Δ NWC	-8.4	-4.0	4.4
Capex (excl. Financial Inv.)	-1.7	-1.7	0.0
OpFCF b.t.	-5.8	-0.2	5.6
As a % of EBITDA	-135.4%	-3.0%	
Cash Taxes	-0.7	-1.0	-0.3
OpFCF a.t.	-6.4	-1.2	5.2
Capital Injections	0.0	0.0	0.0
Others (incl. Financial Inv.)	0.1	-0.5	-0.6
Net Financial Charges	-0.3	-0.3	0.0
Dividends Paid	-5.0	0.0	5.0
Δ Net Financial Position	-11.7	-1.9	9.8
Net Financial Position	3.0	5.6	2.6

Source: Magis, Value Track Analysis

Estimates Review

What We Took From the Call

The main takeaway from 1H26 call is that management's medium-term framework remains broadly intact, and 2026 targets are reiterated, although 4Q visibility remains limited given energy and raw-material costs and only gradual working-capital normalization.

- **Management sounded relatively constructive on near-term trading**, with comments pointing to a broadly satisfactory 3Q and a healthy pipeline. 4Q remains the less visible part of the year, particularly in light of higher gas and power costs since September, although management continues to view the 2026 projections as achievable and has not flagged any material supply constraints;
- **FY26 continues to be framed as the main recovery year**, with management reiterating the 13-14% EBITDA margin and expressing confidence in a 2H improvement, supported by better mix, pricing and the new investments, though the Middle East situation has limited the pace of recovery;
- **The key swing factor remained raw-material inflation**, with significant impacts that management said it managed to pass on to sales prices; raw materials are covered until year-end;
- **WC normalization is the main swing factor for 2H cash**: management expects better working-capital numbers by year-end but gave no precise forecast. We see two drivers: inventories bought at higher raw-material prices should keep unwinding (€15.6mn vs €13.6mn at FY25 year-end), while trade receivables (€18.4mn vs €13.7mn, DSO at 77 days vs 65) should normalize partially. Seasonality also helps: NWC has been lower in 2H than in 1H in every year from 2022 to 2025 (~25% on average), which applied to the €17.7mn at 1H26 would point to ~€13.3mn at year-end, versus the more cautious €15.0mn embedded in our FY26E;
- **Capital allocation will remain skewed towards investment**, with management prioritizing the current capex cycle over shareholder distributions, and no dividend planned for now. Resources are directed to the Hot Melt line and related equipment (~€5.8mn), while two new cutting units (~€2mn) are planned for 2027. The buyback program also remains in place (up to €0.8mn in total, with ~€0.4mn spent in 1H26) and may still absorb some cash in 2H;
- **The funding structure could materially lower the effective cost of the capex program**. Management disclosed that part of the investment program has been awarded Invitalia support, potentially combining a **non-repayable grant** with **subsidized financing**. While the final amount and timing remain subject to milestones and program execution, the grant component effectively represents non-dilutive funding that would not need to be repaid, while the subsidized loan should further reduce the cash burden of the investment. As a result, the net cash cost of the capex program could ultimately be meaningfully below the headline investment amount.

Management Guidance

We remind that management's guidance still points to the following:

- Revenue growth of 5-8% p.a. in 2026–27;
- EBITDA margin improvement to 13-14% in 2026 and further upside thereafter.

Management Guidance (Midpoint)*

(OIC, €mn)	FY25	FY26E	FY27E
Revenues	75.0	79.9	85.1
EBITDA	8.3	10.8	11.9
<i>EBITDA Margin (%)</i>	<i>11.0%</i>	<i>13.5%</i>	<i>14.0%</i>

Source: Magis, Value Track Analysis, (*) See previous research on MGS for sensitivity

Implications on Estimates and Our Revision

We broadly confirm our P&L estimates, with only minor fine-tuning to reflect the renewed labour agreement, which adds c.€0.3mn per year to personnel costs. This does not materially alter the earnings profile, with FY26E EBITDA still around €10.7mn and margins expected to recover gradually thereafter. The main revision is on the Net Cash position, which we lower by c.€1.5mn on average over 2026-28E, mainly due to higher working capital, heavier capex and the share buyback. NWC is now expected at c.18% of VoP in FY26E (from ~16%), although we still see a gradual normalization from year-end and through 2027. Our **forecasts imply ~€35mn cumulative EBITDA and ~€11.8mn cumulative EFCF (before shareholder distributions)** over the period assuming capex of €5.5mn in FY26E and €6.0mn in FY27E (Hot Melt coating line and the two new cutting units, ~€2mn, needed to absorb the new volumes), with cash generation supporting further development in premium/specialty products. As management prioritizes the capex cycle, we no longer assume a dividend on FY26 earnings and see scope for Magis to resume an ordinary dividend from FY27E earnings, in the absence of additional investment operations.

Old vs. New Estimates FY26-28E

(OIC, €mn)	2026E			2027E			2028E		
	Old	New	Chg. %	Old	New	Chg. %	Old	New	Chg. %
Value of Production	80.1	81.8	2.0%	84.5	84.5	0.0%	88.7	88.7	0.0%
EBITDA	10.6	10.7	0.3%	12.0	11.7	-2.9%	12.8	12.5	-2.8%
<i>EBITDA Margin (%)</i>	<i>13.3%</i>	<i>13.0%</i>	<i>-22bps</i>	<i>14.2%</i>	<i>13.8%</i>	<i>-41bps</i>	<i>14.5%</i>	<i>14.1%</i>	<i>-41bps</i>
EBIT	6.6	7.0	6.2%	8.2	7.8	-4.9%	8.8	8.3	-5.2%
<i>EBIT Margin (%)</i>	<i>8.2%</i>	<i>8.6%</i>	<i>34bps</i>	<i>9.7%</i>	<i>9.2%</i>	<i>-47bps</i>	<i>9.9%</i>	<i>9.4%</i>	<i>-52bps</i>
Net Profit	4.6	4.7	2.0%	5.6	5.4	-5.0%	6.1	5.8	-5.5%
Net Financial Position	10.9	8.6	-21.1%	13.7	12.1	-11.6%	18.1	17.0	-5.9%

Source: Magis, Value Track Analysis

FY25-28E P&L, Balance Sheet and Cash Flow

Profit and Loss FY25-FY28E

(OIC, €mn)	FY25	FY26E	FY27E	FY28E	CAGR _{FY25-28E}
Value of Production	77.6	81.8	84.5	88.7	4.6%
Raw Materials	-46.7	-47.7	-49.0	-51.5	3.3%
Gross Profit	30.9	34.0	35.5	37.3	6.4%
Gross Margin (%)	39.8%	41.6%	42.0%	215bps	327bps
Costs of Services	-10.5	-10.7	-11.0	-11.5	3.3%
Costs of Rent	-1.8	-1.8	-1.9	-1.9	1.5%
G&A	-0.3	-0.5	-0.3	-0.4	4.6%
Labour Costs	-9.8	-10.4	-10.7	-11.0	4.2%
EBITDA	8.6	10.7	11.7	12.5	13.2%
EBITDA Margin (%)	11.1%	13.0%	13.8%	14.1%	297bps
D&A (excl. Goodwill)	-3.5	-3.6	-3.9	-4.1	5.6%
Provisions	0.0	0.0	0.0	0.0	nm
EBIT	5.1	7.0	7.8	8.3	17.9%
Interest Expenses	-0.7	-0.5	-0.4	-0.4	-17.7%
Pre-Tax Profit	4.3	6.5	7.4	8.0	22.6%
Taxes	-1.2	-1.8	-2.0	-2.2	22.6%
Net Profit	3.1	4.7	5.4	5.8	22.6%
Net Profit Margin (%)	4.1%	5.8%	6.3%	6.5%	247bps

Source: Magis, Value Track Analysis

Balance Sheet FY25-FY28E

(OIC, €mn)	FY25	FY26E	FY27E	FY28E
Net Fixed Assets	24.5	26.4	28.5	27.4
Net Working Capital	13.7	15.0	14.8	15.0
Provisions	0.5	0.5	0.5	0.5
Total Capital Employed	37.7	40.9	42.7	41.8
Group Net Equity	45.2	49.5	54.8	58.9
Net Financial Position	7.5	8.6	12.1	17.0

Source: Magis, Value Track Analysis

Cash Flow FY25-FY28E

(OIC, €mn)	FY25	FY26E	FY27E	FY28E
EBITDA	8.6	10.7	11.7	12.5
Δ NWC	-5.5	-1.3	0.3	-0.2
Capex (excl. Financial Inv.)	-3.3	-5.5	-6.0	-3.0
OpFCF b.t.	-0.1	3.8	5.9	9.2
<i>As a % of EBITDA</i>	<i>-1.7%</i>	<i>36.0%</i>	<i>51.0%</i>	<i>74.1%</i>
Cash Taxes	-1.2	-1.8	-2.0	-2.2
OpFCF a.t.	-1.3	2.1	3.9	7.1
Capital Injections	0.0	-0.5	0.0	0.0
Others (incl. Financial Inv.)	-0.2	0.0	0.0	0.0
Net Financial Charges	-0.7	-0.5	-0.4	-0.4
Dividends Paid	-5.0	0.0	0.0	-1.8
Δ Net Financial Position	-7.2	1.1	3.5	4.9
Net Financial Position	7.5	8.6	12.1	17.0

Source: Magis, Value Track Analysis

Valuation

We raise our fair value to €13.0/share (from €12.75), the average of DCF (€13.6/share) and peers analysis (€12.5/share). Our fair value implies **6.2x EV/EBITDA** and **16.0x P/E 2026E**, vs 4.4x and 11.8x at the current price. Note that the potential non-repayable grant from Invitalia is not included in our fair value: every €1mn would add about €0.15-0.20 per share.

Sensitivity of implicit stock trading multiples at market price and at fair value

Equity Value p/s	EV / Sales (x)		EV / EBITDA (x)		EV / EBIT (x)		P/E Adj. (x)		OpFCF Yield (%)	
	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
€13.00	0.81	0.75	6.2	5.4	9.5	8.1	16.0	14.2	5.8	9.4
€9.60	0.57	0.52	4.4	3.7	6.7	5.6	11.8	10.5	8.2	13.6

Source: Value Track Analysis

More in detail, we have taken into consideration the following methodologies:

- **DCF model**, aimed at capturing Magis medium-term growth potential, cash generation capability and risk profile, leading to €13.6/share;
- **Peers Analysis**, aimed at assessing Magis valuation based on its 2026-27E expected performance compared to peers and leading to €12.5/share.

Discounted Cash Flow Model

We run a DCF model and calculate €13.6 Equity Value /sh., mid-point of two methodologies depending on Magis capital structure. Our DCF assumptions are:

- Reference date Dec 2026, with 2027-32E as explicit forecasts time horizon;
- 2.0% Risk Free Rate in line with medium term inflation target;
- TV calculated with perpetual growth model ($g=1\%$), which implies exit multiples of 4.6x-4.9x EV/EBITDA 2032E, below the peers' median FY26E multiple (5.8x);
- Unlevered Beta at 1.05, usual conservative value for a small cap;
- 4.95% implied Italian equity risk premium (Source: Damodaran);
- 3.0% Magis specific small-size risk premium;
- 5.0% pre-tax and 3.8% after-tax cost of debt;
- Target Capital structure with Net Debt at 20% of the Capital Invested, assuming excess cash to be deployed through M&A or internal investments (e.g. machinery upgrades or capacity enhancements);
- WACC fixed at 10.2%-9.7% for rolling and target 20% capital structure respectively, with the first being equal to the cost of equity as the company is cash positive and beta equal to 1.05.

DCF Model Outcomes

€mn	Rolling Capital Structure	Target Capital Structure
PV of future cash flows (2027-2032)	27.2	27.6
PV of Terminal Value	40.7	44.1
Fair EV	67.9	71.7
NFP 2026E	8.6	8.6
Treasury Shares at Market Value	0.5	0.5
Fair Equity Value	77.0	80.8
Fair Equity Value p.s.	13.2	13.9

Source: Value Track Analysis

Sensitivity of DCF model @ Target Capital Structure

g =1%		0.50%	0.75%	1.0%	1.25%	1.5%
WACC (%)	9.2%	14.1	14.4	14.6	14.9	15.2
	9.5%	13.8	14.0	14.3	14.5	14.8
	9.7%	13.4	13.7	13.9	14.1	14.4
	10.0%	13.1	13.3	13.5	13.8	14.0
	10.2%	12.8	13.0	13.2	13.4	13.6

Source: Value Track Analysis

Peers Analysis

Since our previous update, the average of the peer multiples used in our valuation is broadly stable (-1.3%), with the move driven more by the upward revision of estimates for some peers (contributing about -10% on multiples) than by share prices, which instead added about +9%. Among the special cases (EV/EBITDA 2026E): Grifal moved from 8.3x to 5.1x as its EBITDA estimates were revised up by ~67% (share price -13%); H.B. Fuller from 8.5x to 6.8x on a -17% share price and EBITDA estimates +10%; Zignago Vetro from 6.5x to 5.7x (price -8%, EBITDA +5%). In the opposite direction, Neodecortech re-rated from 3.9x to 4.6x (share price +59%) and Henkel from 7.6x to 8.6x, on a +12% share price and net debt rising from ~€0.5bn to ~€2.3bn. As such, we continue to see sector multiples as **broadly unchanged in underlying terms**. Importantly, Magis still trades at a sizeable 17-34% discount to the peers' median on 2026E multiples: -25% on EV/EBITDA, -34% on EV/EBIT and -17% on P/E.

Applying what we view as fair peer median multiples, we get to 5.8x - 5.3x EV/EBITDA, 10.1x – 9.1x EV/EBIT, 14.2x – 11.4x Adj. P/E 2026-2027E respectively. Such analysis leads to **€12.5 fair Equity Value per share**.

Peers' Trading Multiples

Company	EV/EBITDA		EV/EBIT		P/E		EV/(EBITDA-CAPEX)	
	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
Domestic Peers								
ICF	4.3	3.6	6.5	5.3	12.9	10.3	5.1	4.2
Grifal	5.1	3.8	18.0	8.5	>50	4.7	8.7	4.8
Zignago Vetro	5.7	4.9	13.5	10.1	17.0	12.6	11.6	9.5
Neodecortech	4.6	4.1	7.4	6.7	6.6	6.3	8.0	7.4
Average	4.9	4.1	11.4	7.6	12.2	8.5	8.4	6.5
Median	4.8	3.9	10.5	7.6	12.9	8.3	8.4	6.1
International Peers								
H.B Fuller Company	6.8	7.0	9.7	9.6	10.0	9.5	9.2	8.9
Arkema Group	6.0	5.7	13.8	12.7	26.3	19.7	11.2	10.5
Henkel AG&CO	8.6	7.9	10.5	9.6	14.2	13.3	10.7	9.7
Nitto Denko Corp.	6.7	6.3	9.3	8.6	15.4	14.3	11.8	10.2
Average	7.1	6.7	10.9	10.1	16.5	14.2	10.7	9.8
Median	6.8	6.6	10.1	9.6	14.8	13.8	10.9	10.0
Total Average	6.0	5.4	11.1	8.9	14.6	11.3	9.5	8.1
Total Median	5.8	5.3	10.1	9.1	14.2	11.4	9.9	9.2

Source: Value Track Analysis (*) the EV/(EBITDA - Capex multiple is shown for reference and is not included in the valuation)

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