

SOGES GROUP

Sector: Hospitality

Lerici Project Adds Further Growth Potential

Soges Group is a rapidly expanding company specialized in high-end hotel facility management. Its portfolio comprises 12 properties, primarily in Tuscany, operated under the “Place of Charme” brand or via white-label mandates for international brands – the first of which launched in Venezia in August 2025 in collaboration with Meliá. A second Meliá-branded hotel, in Lerici, is set to open in 2029 and could be a game changer, with up to c.€12mn revenues at run-rate.

1H26: Solid Top-Line Growth, Ramp-Up Drag Shrinking

Soges’ interim results were in line with expectations, showing strong top-line growth driven by the new additions Meliá Venezia Lido and Hotel Malaspina, alongside a recovery in profitability progressing in step with the ramp-up of the same assets. We highlight

- (i) Sales at €14.7mn, +24.5% y/y (17.9% new additions / 6.6% organic);
- (ii) EBITDA at €0.5mn, +45.6% y/y, with 3.3% margin (+55bps y/y);

- (iii) Net Debt at €12.4mn (vs. €13.3mn in FY25) reflecting lower capex and a positive NWC contribution, also driven by the new non-refundable booking policy, which increased customer advances, partly offset by the net loss and financial charges.

Delivery in 2H26, with the high season and the Venice Film Festival at Meliá Venezia Lido, remains the key test for our FY26E.

Estimates Rephased to Include the New Lerici Hotel

As for FY26E, we confirm VoP at €31.8mn (upper half of Soges’ guidance) and fine-tune EBITDA to €2.8mn (low-end of Soges’ guidance) due to higher energy costs, inflationary pressure and a still gradual normalization of recently integrated assets. FY26E Net Debt is essentially unchanged at €11.5mn, as the stronger working-capital contribution offsets the lower EBITDA. The key change is the inclusion of the new Meliá-branded hotel in Lerici from 2029E, following the recently signed management agreement. We also shift the next new management contract to 2028E (from 2027E) and remove Podere Mezzastrada, discontinued at the end of September. Overall, we cut Revenues by ~4% and EBITDA by ~6% on average over FY26E-28E, and extend our explicit estimates to 2030E.

Our forecasts imply: (i) 2025–2030E ~14% revenue CAGR, supported by new contracts from 2028E and by the Lerici hotel (~€10mn revenues in 2030E); (ii) EBITDA margin above 11% in 2028E and at ~10% in 2030E, temporarily diluted by the ramp-up of the Lerici hotel; and (iii) ~€10mn cumulative FCF over FY26E-30E, driving Net Debt down to €3.1mn by 2030E (a €10.2mn cumulative deleverage vs. FY25).

Fair Value Confirmed at €2.9/sh.

We confirm our fair value at €2.9/share, as the DCF roll-forward to FY26E and the inclusion of the Lerici hotel offset softer near-term earnings and the peers’ de-rating. Valuation still derived from DCF (€3.59/share) and Peers’ Multiples analysis (€2.20/share).

Luca Bernini

luca.bernini@value-track.com

Marco Greco

marco.greco@value-track.com

FAIR VALUE (€) **2.90**

MARKET PRICE (€) **1.60**

MARKET CAP (€mn) **9.7**

KEY FINANCIALS (€mn)	FY25	FY26E	FY27E
VALUE OF PRODUCTION	27.1	31.8	33.2
EBITDAR	6.1	8.6	9.6
EBITDA	1.7	2.8	3.2
EBIT	-0.9	0.1	0.6
ADJ. NET PROFIT	-1.1	-0.3	0.2
NET FIN. POS.	-13.3	-11.5	-10.3
EPS ADJ. (€)	-0.19	-0.05	0.04
DPS (€)	0.00	0.00	0.00

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

RATIOS AND MULTIPLES	FY25	FY26E	FY27E
EBITDAR MARGIN (%)	22.3	27.1	28.8
EBITDA MARGIN (%)	6.2	8.8	9.7
EBIT MARGIN (%)	nm	0.2	1.7
NET DEBT / EBITDA (x)	7.9	4.1	3.2
NET DEBT / EQUITY (x)	3.3	3.9	3.7
EV/SALES (x)	0.8	0.7	0.6
EV/EBITDA (x)	13.7	7.6	6.2
EV/EBIT (x)	nm	>50	36.3
P/E ADJ. (x)	nm	nm	44.6

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

STOCK DATA	
MARKET PRICE (€)	1.60
NOSH (mn)	6.1
MARKET CAP (€mn)	9.7
ENTERPRISE VALUE FY26E (€mn)	21.2
FREE FLOAT (%)	22.1
AVG L30D VOLUME ('000)	2,045
RIC / BBG	SOGES.MI / SOGESIM
52 WK MIN - MAX (€)	1.49 – 1.96

Source: Stock Market Data

Description

Soges Group is a rapidly expanding hotel management company operating in the medium-to-high-end segment. Initially established in 2000 as a student housing company, Soges pivoted its business model in 2019 by divesting its student housing division and focusing entirely on the Ho.Re.Ca. sector. Since then, the company has grown significantly, achieving a 35% Sales CAGR 2019-2025, driven by a robust management contracts' acquisition strategy. As a result, the company manages a portfolio of 12 hotels including Lerici (for a total of 510 rooms), mainly located in Tuscany, and mostly operated under the commercial brand "Place of Charme".

Financial Highlights

KEY FINANCIALS (OIC, €mn)	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
Value of Production	27.1	31.8	33.2	37.6	46.3	51.9
y/y (%)	61.2%	17.3%	4.5%	13.2%	23.0%	12.1%
EBITDA	1.7	2.8	3.2	4.3	4.7	5.2
EBITDA Margin (%)	6.2%	8.8%	9.7%	11.3%	10.1%	10.0%
EBIT	-0.9	0.1	0.6	1.7	2.1	2.6
EBIT Margin (%)	-3.2%	0.2%	1.7%	4.4%	4.5%	4.9%
Net Profit	-1.7	-1.1	-0.2	0.6	1.0	1.4
y/y (%)	nm	nm	nm	nm	59.3%	42.4%
Adj. Net Profit	-1.1	-0.3	0.2	1.1	1.5	1.9
y/y (%)	nm	nm	nm	nm	34.0%	28.9%
Net Debt (-) / Cash(+)	-13.3	-11.5	-10.3	-8.2	-5.9	-3.1
Net. Fin. Pos. / EBITDA (x)	7.9	4.1	3.2	1.9	1.3	0.6
Capex	-3.7	-1.2	-1.2	-1.2	-2.0	-1.5
OpFCF b.t.	1.4	2.9	2.1	3.1	3.4	3.9
OpFCF b.t. / EBITDA (%)	82.3%	105.0%	63.9%	72.5%	71.5%	75.5%

Source: Soges Group, Value Track Analysis

Investment Case

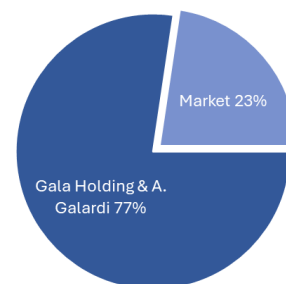
Strengths / Opportunities

- Scalability of the business model, relying on a systematic process for properties selection & management, leading to rapid economies of scale;
- Fast growth, positive operating leverage, asset-light business model and negative working capital;
- Attractive market potential in Tuscany and the broader Italian market, with ample acquisition opportunities.

Weaknesses / Risks

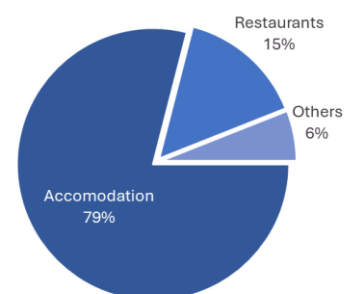
- Exposure to inherent volatility of the tourism sector;
- Small size in a market crowded by large international operators;
- Acquiring new contracts remains a key lever for stock upside potential.

SHAREHOLDERS' STRUCTURE



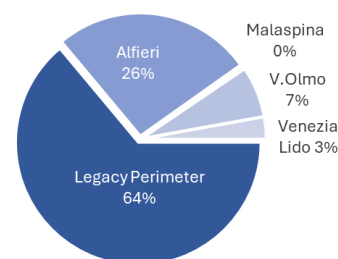
Source: Soges Group

SALES BY SEGMENT FY25



Source: Soges Group (Last FY Available)

SALES BY STRUCTURE FY25



Source: Soges Group (Last FY Available)

MULTIPLES @ FAIR VALUE	FY26E	FY27E
EV / SALES (x)	0.9	0.8
EV / EBITDA (x)	10.5	8.6
EV / EBIT (x)	>30	>50
EV / CAP. EMPLOYED (x)	2.0	2.1
OpFCF Yield (%)	12.8	9.1
P / E (x)	nm	>50
P / BV (x)	5.9	6.4
Dividend Yield (%)	0.0	0.0

Source: Value Track Analysis

1H26 Results

Profit & Loss

- **Revenues from Sales** reached €14.7mn in 1H26, up 24.5% y/y versus 1H25, mainly driven by the full consolidation of the two assets added in 2H25, **Meliá Venezia Lido** and **Hotel Malaspina**, which contributed a combined €2.1mn. On a like-for-like basis, revenues grew 6.6% y/y. VoP amounted to €14.8mn, up 22.0% y/y.

By segment, **Accommodation** grew 26.6% and reached 80.8% of sales, while **F&B** was up 21.7% and ancillary services declined 12.4%. Within the legacy perimeter, growth was led by Palazzo Alfieri (+11.6%, 26% of Group sales), Borgo di Cortefreda (+15.2%) and Certosa di Pontignano (+14.5%), while Villa Neroli and Art Atelier were broadly flat and Villa Olmo / Podere Mezzastrada lagged.

Operational KPIs remained solid, with **Group ADR at ~€170** and **occupancy at 83%**. The Florence cluster was temporarily affected by exceptionally high summer temperatures, which shifted part of demand towards the following months. As for the new assets, **Malaspina** performed broadly in line with expectations, with solid occupancy and a positive EBITDA contribution. **Meliá Venezia Lido** is ramping up more slowly than expected, mainly due to softer F&B, although trading is gradually improving.

Revenues by Structure: 1H25-1H26

Revenues (€mn)	1H25	1H26	Δ YoY (%)	Notes
Art Hotel Villa Agape	1.09	1.16	6.5%	
Art Hotel Atelier	0.91	0.92	1.2%	
Villa Neroli	2.19	2.20	0.4%	
Borgo di Cortefreda	1.21	1.39	15.2%	Strong F&B performance
Boccioleto Resort & Spa	0.43	0.44	3.1%	
Certosa di Pontignano	1.12	1.29	14.5%	
Park Hotel Chianti	0.57	0.57	-0.4%	
Podere Mezzastrada	0.16	0.15	-9.1%	Discontinued as of 1st October
Palazzo Alfieri	3.45	3.85	11.6%	Pillar of revenues (26%)
Villa Olmo	0.68	0.62	-8.1%	
Total Revenues L4L	11.81	12.58	6.6%	Excl. Malaspina & Lido
Hotel Malaspina	/	0.80	/	Opened Nov-25 (ramp-up)
Meliá Venezia Lido	/	1.31	/	Opened Aug-25 (ramp-up)
Total Revenues	11.81	14.69	24.5%	Of which 17.9% by “M&A”

Source: Soges Group, Value Track Analysis

- **EBITDAR** rose 30.3% y/y to €3.1mn (21.1% margin on VoP vs. 19.7% in 1H25 restated, +136bps), with the margin expansion mainly driven by operating leverage on higher volumes and the optimization of labor costs, whose incidence on VoP fell from 40.0% to 36.4%;
- **EBITDA** stood at €0.5mn, up 45.6% y/y, with a 3.3% margin on VoP (+55bps), despite absorbing higher rents on the new assets (17.7% of VoP vs. 16.9%) and ~€135k of higher energy costs at constant perimeter. Reported EBITDA is still weighed by the ramp-up of Hotel Malaspina and Hotel Meliá Venezia Lido, but the drag looks contained: we estimate a combined EBITDA loss of only ~€0.1mn (Malaspina positive, Meliá Venezia Lido at c.€-0.2mn), despite 1H including the low season for the Lido, a summer-driven asset.

Ramp-Up Impact on 1H26 Profitability

Value of Production	1H26 L4L	1H26	Ramp-up Impact (abs.)
Revenues from Sales	12.6	14.7	2.1
Other Revenues	0.1	0.1	0.0
Value of Production	12.7	14.8	2.1
Operating Costs	-10.0	-11.7	-1.7
EBITDAR	2.7	3.1	0.4
EBITDAR Margin	21.1%	21.1%	-4bps
Cost of Rent	-2.1	-2.6	-0.5
EBITDA	0.6	0.5	-0.1
EBITDA Margin	5.0%	3.3%	-165bps

Source: Soges Group, Value Track Analysis. Impact = Hotel Malaspina and Meliá Venezia Lido, based on Value Track estimates by structure; margins on VoP; other revenues not allocated.

- **Net Loss** at €-1.4mn, in line with 1H25 (€-1.4mn), as the operating improvement was absorbed by higher D&A (€1.4mn vs. €1.2mn, mainly goodwill from the Hotel Bretagna and Incorsi mergers and start-up/pre-opening costs capitalized for the two new hotels) and higher financial charges (€0.5mn, +5.6% y/y), as well as ~€0.1mn of extraordinary one-off charges related to the recalculation of the local waste tax at Villa Agape and to legal fees for a lawsuit won at Certosa di Pontignano, in a seasonally weak half; excluding goodwill amortization (net of tax shield), Adj. Net Loss would stand at ~€-1.1mn (vs. €-1.2mn in 1H25).

Profit and Loss 1H25-1H26

Value of Production	1H25	1H26	Δ YoY (%)
Value of Production	12.2	14.8	22.0%
Raw Materials, Δ Inv.	-1.2	-1.5	20.3%
Gross Profit	10.9	13.3	22.1%
Gross Margin (%)	89.8%	89.9%	14bps
Costs of Services	-3.6	-4.7	31.9%
Costs of Rent	-2.1	-2.6	27.8%
G&A	-0.1	-0.1	17.7%
Labour Costs	-4.9	-5.4	11.0%
EBITDA	0.3	0.5	45.6%
EBITDA Margin (%)	2.8%	3.3%	55bps
D&A	-1.2	-1.4	14.8%
Provisions	0.0	0.0	nm
EBIT	-0.9	-0.9	nm
Interest Expenses	-0.5	-0.5	5.6%
Other Non-Operating Inc./Exp.	0.0	0.0	nm
Pre-Tax Profit	-1.3	-1.4	nm
Taxes	0.0	0.1	nm
Extraordinaries	0.0	-0.1	nm
Net Profit	-1.4	-1.4	nm
Net Profit Adj.**	-1.2	-1.1	nm

Source: Soges Group, Value Track Analysis. 1H25 as restated by the Company (certain operating items reclassified to extraordinary); margins calculated on VoP; Pre-Tax Profit shown before extraordinaries, (**) Adjusted for goodwill amortization effect net of tax shield.

Cash Flow & Balance Sheet

Soges Group **Net Debt** stood at **€12.4mn** (vs. €13.3mn at FY25 year-end), an improvement of **~€0.9mn** driven by positive operating cash generation (**OpFCF b.t. of €1.4mn**) thanks to a **~€2.0mn** working-capital inflow and a sharp slowdown in capex (**~€0.8mn** vs. €3.3mn in 1H25), which more than covered €0.5mn of financial charges. Cash rose to €1.8mn despite the repayment of bank debt (**~€0.2mn**) and of the bond (€0.25mn), which had no impact on Net Debt. The composition of debt shifted towards the short term: following the release in January of the €3.0mn escrow account tied to the Palazzo Alfieri lease, which extinguished the related financial receivable and payable, non-current debt fell to €9.6mn (from €13.1mn) and net current financial debt rose to €2.8mn.

At the same time, **Net Working Capital turned further negative at €-4.0mn** (vs. €-2.1mn at FY25), i.e. a **~€2.0mn net working-capital inflow**, mainly driven by: **i)** an increase in other current liabilities (€3.7mn), due to higher customer advances following the greater share of non-refundable bookings and to seasonal peaks in personnel accruals; and **ii)** higher trade payables (€2.7mn), only partly offset by higher trade receivables (€1.2mn) on the larger activity volumes. We view this inflow as largely seasonal and expect it to partly unwind in 2H26 (FY26E NWC at €-3.4mn).

Balance Sheet 1H25-FY25-1H26

(OIC, €mn)	1H25	FY25	1H26	Abs. vs FY25
Net Fixed Assets	20.6	21.6	21.0	-0.6
Net Working Capital	-1.6	-2.1	-4.0	-2.0
Provisions	2.2	2.2	1.9	-0.2
Total Capital Employed	16.8	17.4	15.0	-2.3
Group Net Equity	4.4	4.1	2.6	-1.4
Net Financial Position	-12.4	-13.3	-12.4	0.9

Source: Soges Group, Value Track Analysis

Cash Flow 1H25-1H26

(OIC, €mn)	1H25	1H26
EBITDA	0.3	0.5
Δ NWC	2.0	2.0
Capex (excl. Financial Inv.)	-3.3	-0.8
Δ Provisions	1.0	-0.2
OpFCF b.t.	0.0	1.4
As a % of EBITDA	2.3%	282.3%
Cash Taxes	0.0	0.1
OpFCF a.t.	0.0	1.5
Capital Injections	0.6	0.0
Others (incl. Financial Inv.)	1.8	0.0
Net Financial Charges	-0.5	-0.5
Dividends Paid	0.0	0.0
Δ Net Financial Position	1.9	0.9

Source: Soges Group, Value Track Analysis

Estimates Review

FY26E Revenues on Track, EBITDA Towards the Low End of Guidance

1H26 confirmed solid top-line momentum (Revenues at ~46% of our FY26E, ADR at ~€170, occupancy at 83%), and early 2H26 trading is also supportive, with a record September and a strong October offsetting a softer summer in Florence. For FY26E forecasts, we see:

- **VoP** confirmed at €31.8mn, in the upper half of the €30–32mn guidance range;
- **EBITDA** trimmed to €2.8mn, at the low end of guidance (€2.8–3.2mn), on higher energy costs, inflation and the gradual ramp-up of Meliá Venezia Lido and Malaspina;
- **Other supporting factors** are the new non-refundable rate policy (fewer cancellations, advance payments, no-shows turned into revenues) and central costs stable at ~€3.1mn (<10% of VoP).

Estimates Rephased to Reflect the New Lerici Hotel and a More Visible Pipeline

The main change to our estimates is the inclusion of the new Meliá-branded hotel in Lerici from 2029E, following the recently signed management agreement; given its relevance, we now extend our explicit estimates to 2030E.

- **Lerici hotel:** 5-star luxury, 80–90 rooms; revenues of ~€8mn and ~€10mn in the first two years, up to c.€12mn at run-rate; lease with a fixed component from €1.5mn to €2.58mn plus 25% of revenues above €8mn; ~€1mn of capex (mainly FF&E);
- **Pipeline:** several new management contracts under negotiation, but none signed yet for 2027; given the timing, we prudently shift the next new asset to 2028E (from 2027E);
- **Perimeter:** Podere Mezzastrada, discontinued at the end of September, and thus removed from 2027E;
- **Revisions:** Revenues ~4% and EBITDA ~6% lower on average over FY26E-28E, Adj. Net Profit ~€0.3mn lower per year, EBITDA margins broadly confirmed;
- **Key risks:** last-minute bookings in November-December (weather, utility costs), F&B recovery at Meliá Venezia Lido and the Florence properties, low profitability of smaller properties in less touristic areas.

Old vs. New Estimates FY26-30E

	2026E			2027E			2028E			2029E	2030E
	Old	New	Chg. %	Old	New	Chg. %	Old	New	Chg. %	New	New
VoP	31.9	31.8	-0.3%	35.8	33.2	-7.1%	39.8	37.6	-5.5%	46.3	51.9
EBITDA	3.0	2.8	-6.9%	3.5	3.2	-7.2%	4.4	4.3	-2.6%	4.7	5.2
<i>EBITDA margin</i>	9.4%	8.8%	-61 bps	9.7%	9.7%	-1 bps	11.0%	11.3%	+34 bps	10.1%	10.0%
Net Profit Adj.	0.0	-0.3	nm	0.6	0.2	-65.2%	1.3	1.1	-16.9%	1.5	1.9
Net Fin. Position	-11.5	-11.5	-0.1	-9.5	-10.3	-0.8	-7.1	-8.2	-1.1	-5.9	-3.1

Source: Value Track Analysis

Outlook Still Constructive

We still view Soges' mid-term outlook as constructive, although execution remains key. Our forecasts imply:

- **2025–2030E Revenue CAGR of ~14%**, supported by new management contracts from 2028E (~€2.7mn) and 2030E (~€2.8mn) and by the Lerici hotel from 2029E (~€8mn, rising to ~€10mn in 2030E);
- **EBITDA margin expanding above 11%** in 2028E and settling at ~10% in 2030E, temporarily diluted by the ramp-up of the Lerici hotel;
- **Cumulative FCF of ~€10mn over FY26E-30E**, net of ~€7mn of capex (incl. ~€1mn in 2029E for Lerici), driving Net Debt down to €3.1mn by 2030E.

Profit and Loss FY26E-FY30E

(OIC, €mn)	FY26E	FY27E	FY28E	FY29E	FY30E
Value of Production	31.8	33.2	37.6	46.3	51.9
Raw Materials, Δ Inventory (Finished Goods)	-3.0	-3.2	-3.6	-4.4	-4.9
Gross Profit	28.8	30.1	34.0	41.9	47.0
Gross Margin (%)	90.6%	90.5%	90.5%	90.5%	90.5%
Costs of Services	-8.9	-9.0	-10.3	-13.0	-14.5
Costs of Rent	-5.8	-6.3	-6.8	-8.6	-10.0
G&A	-0.5	-0.5	-0.6	-0.7	-0.8
Labour Costs	-10.8	-11.0	-12.0	-14.9	-16.4
EBITDA	2.8	3.2	4.3	4.7	5.2
EBITDA Margin (%)	8.8%	9.7%	11.3%	10.1%	10.0%
D&A	-2.7	-2.7	-2.6	-2.6	-2.6
Provisions	0.0	0.0	0.0	0.0	0.0
EBIT	0.1	0.6	1.7	2.1	2.6
Interest Expenses	-1.0	-0.9	-0.7	-0.6	-0.5
Other Non-Op. Income/Expenses	0.0	0.0	0.0	0.0	0.0
Pre-Tax Profit	-1.0	-0.4	0.9	1.5	2.1
Taxes	0.0	0.1	-0.3	-0.5	-0.7
Extraordinaries	-0.1	0.0	0.0	0.0	0.0
Net Profit	-1.1	-0.2	0.6	1.0	1.4
Net Profit Adj.	-0.3	0.2	1.1	1.5	1.9
Net Profit Margin (%)	<0	0.7%	2.9%	3.2%	3.6%

Source: Soges Group, Value Track Analysis

Balance Sheet FY26E-FY30E

(OIC, €mn)	FY26E	FY27E	FY28E	FY29E	FY30E
Net Fixed Assets	20.1	18.6	17.2	16.5	15.4
Net Working Capital	-3.4	-3.3	-3.4	-4.0	-4.2
Provisions	2.2	2.3	2.2	2.3	2.4
Total Capital Employed	14.5	13.0	11.6	10.3	8.9
Group Net Equity	3.0	2.7	3.4	4.4	5.8
Net Financial Position	-11.5	-10.3	-8.2	-5.9	-3.1

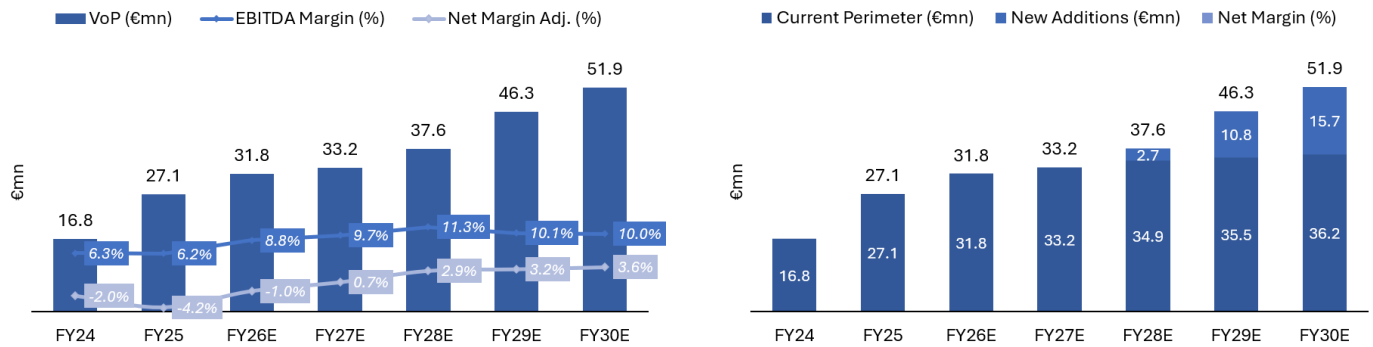
Source: Soges Group, Value Track Analysis

Cash Flow FY26E-FY30E

(OIC, €mn)	FY26E	FY27E	FY28E	FY29E	FY30E
EBITDA	2.8	3.2	4.3	4.7	5.2
Δ NWC	1.3	0.0	0.1	0.5	0.2
Capex (excl. Financial Inv.)	-1.2	-1.2	-1.2	-2.0	-1.5
Δ Provisions	0.1	0.1	-0.1	0.1	0.1
OpFCF b.t.	2.9	2.1	3.1	3.4	3.9
<i>As a % of EBITDA</i>	<i>105.0%</i>	<i>63.9%</i>	<i>72.5%</i>	<i>71.5%</i>	<i>75.5%</i>
Cash Taxes	0.0	0.1	-0.3	-0.5	-0.7
OpFCF a.t.	2.9	2.2	2.8	2.9	3.3
Capital Injections	0.0	0.0	0.0	0.0	0.0
Others (incl. Financial Inv.)	-0.1	0.0	0.0	0.0	0.0
Net Financial Charges	-1.0	-0.9	-0.7	-0.6	-0.5
Dividends Paid	0.0	0.0	0.0	0.0	0.0
Δ Net Financial Position	1.8	1.3	2.1	2.3	2.8
Net Financial Position	-11.5	-10.3	-8.2	-5.9	-3.1

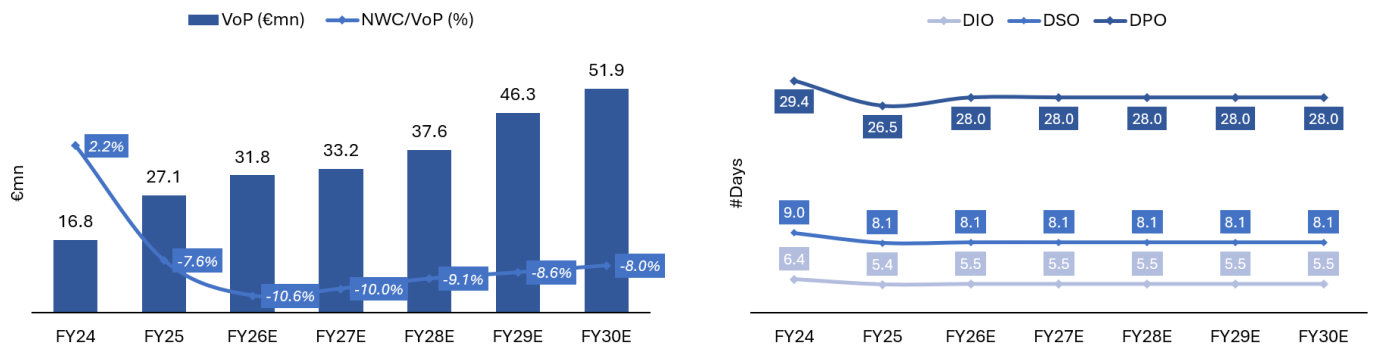
Source: Soges Group, Value Track Analysis

VoP, EBITDA & Net Margin Adj. FY24-28E (left) & New Hotel Contribution to Net Sales (right)



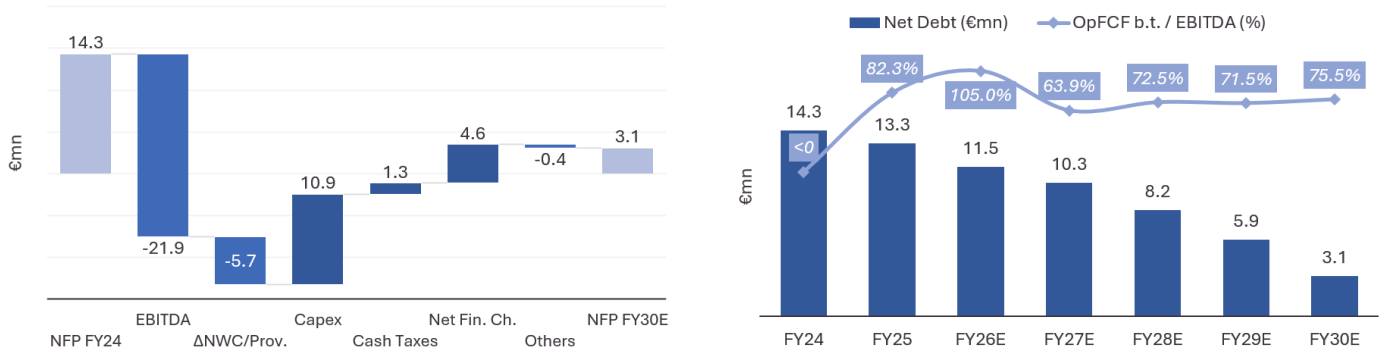
Source: Soges Group, Value Track Analysis

FY24-28E NWC on VoP (€mn, %, left) and Cash Conversion Cycle (days, right)



Source: Soges Group, Value Track Analysis

Net Debt Bridge (left) and Net Debt & OpFCF/EBITDA Evolution (right)



Source: Soges Group, Value Track Analysis

Valuation

We confirm our fair value at **€2.90 per share**, as the roll-forward of our DCF to a FY26E base and the inclusion of the new Meliá-branded hotel in Lerici from 2029E offset the softer near- to mid-term earnings trajectory and the lower peers-based valuation. While the listed hotel peer group has de-rated since our last update, despite broadly solid 1H26 results, we keep applying a prudent discount to Soges in relative valuation, given the still-wider gap in size, liquidity and execution visibility vs. larger operators.

Sensitivity of Implicit Stock Trading Multiples at Market Price and at Fair Value

Equity Value p/s	EV/EBITDA (x)			FCF Yield (%)		
	2026E	2027E	2028E	2026E	2027E	2028E
€ 1.60	7.6	6.2	4.2	18.8	12.3	22.2
€ 2.90	10.5	8.6	6.0	10.4	6.8	12.2

Source: Value Track Analysis

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

- **DCF model**, aimed at capturing Soges Group medium-term growth potential, cash generation capability and risk profile, leading to €3.59 p/s, up from €3.35, as the roll-forward of the model to a FY26E base and the inclusion of the Lerici hotel from 2029E (with the explicit forecast period extended to 2032E) more than offset the lower short-term forecasts;
- **Peers Analysis**, aimed at assessing Soges Group valuation based on its 2026E-27E-28E expected performance compared to peers and leading to €2.20 p/s, down from €2.45.

Discounted Cash Flow Model

Our rolling DCF model incorporates the following key updates:

- Roll-forward of the base year to 2026E, with explicit forecasts now covering the period 2027E-2032E and FY26E Net Debt as starting point;
- Updated estimates, including the opening of the new Meliá-branded hotel in Lerici from 2029E.

All other assumptions remain unchanged:

- Italian ERP at 4.95% as per Damodaran's last update and cost of debt at 7.0% pre-tax (5.3% after-tax);
- 2.0% Risk Free Rate in line with medium term inflation target;
- Unlevered Beta at 1.0, usual conservative assumption for Italian SMEs;
- 2.5% Soges specific small-size risk premium;
- 1% Perpetuity Growth Rate ("g");

The result is a WACC that starts from 9.2% in 2027E (79% Net Debt/TCE) and lands at 9.5% in 2032E.

Terminal Value is calculated with perpetual growth model, and implies 6.1x EV/EBITDA exit multiple, still much below current FY26 sector multiples.

Soges: DCF Model

€mn	Rolling Capital Structure
PV of future cash flows (2027E-2032E)	12.5
PV of Terminal Value	20.9
Fair EV	33.3
NFP 2026E	-11.5
Fair Equity Value	21.8
Fair Equity Value p.s.	3.59

Source: Value Track Analysis

Peers Analysis

Since our last update, listed hotel operators have slightly de-rated, with the fair **EV/EBITDA multiples we apply to Soges down 2/3% on average over FY1E–FY3E**, despite broadly solid 1H26 results. Results were fairly good but not strong enough to beat elevated expectations, with guidance mostly confirmed, amid concerns over the Middle East conflict, long-haul travel flows and energy costs. Hilton reported Q2 system-wide RevPAR of +3.9% (U.S. +5.4%) and adjusted EBITDA of \$1,054mn, raising FY26 RevPAR guidance to +3.0–3.5%. Accor posted 1H RevPAR of +2.2% (+4.6% ex-Middle East) and recurring EBITDA up 6.5% at constant currency to €563mn, but only confirmed its FY26 EBITDA guidance of €1,260–1,285mn. Meliá delivered 1H RevPAR of +11.7%, yet EBITDA ex-capital gains grew just 2.5% to €244.8mn, held back by renovation closures, with recurring net profit of €83.4mn before the €79.4mn provision for its exit from Cuba.

We take into account as reference multiple the EV/EBITDA one, and we apply a 30% discount vs. peers to embed the execution risk related to Soges' business model pivoting and to its different positioning in terms of size, liquidity and market exposure.

Applying the resulting **7.8x-6.9x-6.2x EV/EBITDA** multiples to Soges' FY26E-27E-28E EBITDA, we derive a **Fair Equity Value of €2.20 per share** (from €2.45). The decline mainly reflects our lower EBITDA estimates and the higher expected Net Debt over FY27E-28E, while the impact of the slight peers' de-rating is limited.

Peers Multiples Analysis

Company	EV/Sales			EV/EBITDA			EV/(EBITDA-CAPEX)		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Hilton Worldwide	6.6	6.2	5.8	21.2	19.6	18.2	21.7	20.2	18.8
InterContinental	5.0	4.8	4.5	19.0	17.6	16.3	21.2	19.5	18.1
Hyatt Hotels	2.7	2.5	2.3	16.4	14.4	12.9	18.4	16.1	14.2
Accor	2.3	2.2	2.0	10.4	9.6	8.8	11.8	11.4	10.4
Wyndham	5.4	5.1	4.8	10.8	10.1	8.5	11.5	10.8	9.0
Marriott Vacations	1.4	1.3	1.3	9.2	8.5	8.9	10.0	9.4	9.8
Meliá Hotels	2.0	1.9	1.7	7.6	7.0	6.5	10.4	9.0	8.3
Xenia Hotellerie	0.7	0.6	0.6	11.4	7.0	4.7	<0	<0	9.5
Total Average	3.3	3.1	2.9	13.2	11.7	10.6	15.0	13.8	12.3
Total Median	2.5	2.3	2.2	11.1	9.9	8.8	11.8	11.4	10.1
Soges @ Mkt Price	0.7	0.6	0.5	7.6	6.2	4.2	13.6	9.8	5.8
<i>Discount vs. Avg. (%)</i>	<i>-80%</i>	<i>-80%</i>	<i>-83%</i>	<i>-42%</i>	<i>-47%</i>	<i>-60%</i>	<i>-9%</i>	<i>-29%</i>	<i>-52%</i>

Source: Value Track Analysis

DISCLAIMER

THIS DOCUMENT IS PREPARED BY VALUE TRACK VT S.R.L. THIS DOCUMENT IS BEING FURNISHED TO YOU SOLELY FOR YOUR INFORMATION ON A CONFIDENTIAL BASIS AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, IN WHOLE OR IN PART, TO ANY OTHER PERSON. IN PARTICULAR, NEITHER THIS DOCUMENT NOR ANY COPY THEREOF MAY BE TAKEN OR TRANSMITTED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, INTO CANADA OR JAPAN OR AUSTRALIA TO ANY RESIDENT THEREOF OR INTO THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS. THE DISTRIBUTION OF THIS DOCUMENT IN OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE LAWS OF ANY SUCH OTHER JURISDICTION. THIS DOCUMENT DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER, INVITATION OR INDUCEMENT TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES, AND NEITHER THIS DOCUMENT NOR ANYTHING CONTAINED HEREIN SHALL FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH OR ACT AS AN INVITATION OR INDUCEMENT TO ENTER INTO ANY CONTRACT OR COMMITMENT WHATSOEVER. THIS DOCUMENT HAS NOT BEEN PUBLISHED GENERALLY AND HAS ONLY BEEN MADE AVAILABLE TO INSTITUTIONAL INVESTORS. IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND ITS GROUP INCLUDING THE MERITS AND RISKS INVOLVED. ANY DECISION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN ANY OFFERING MUST BE MADE SOLELY ON THE BASIS OF THE INFORMATION CONTAINED IN THE ADMISSION DOCUMENT (*DOCUMENTO DI AMMISSIONE*) IN ITALIAN LANGUAGE (AND ANY SUPPLEMENTS THERETO) ISSUED IN CONNECTION WITH SUCH OFFERING. THIS DOCUMENT IS FOR DISTRIBUTION IN OR FROM THE UNITED KINGDOM ONLY TO PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED, THE “**FINANCIAL PROMOTION ORDER**”), (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC.”) OF THE FINANCIAL PROMOTION ORDER, (III) ARE OUTSIDE THE UNITED KINGDOM, OR (IV) ARE PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000) IN CONNECTION WITH THE ISSUE OR SALE OF ANY SECURITIES MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS DOCUMENT IS DIRECTED ONLY AT RELEVANT PERSONS AND MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. IN ITALY THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED AT QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 100 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS AMENDED, AND ARTICLE 34-*TER*, PARAGRAPH 1, LETTER B), OF CONSOB REGULATION ON ISSUERS NO. 11971 OF MAY 14, 1999, AS SUBSEQUENTLY AMENDED (THE “**ISSUERS’ REGULATION**”) PROVIDED THAT SUCH QUALIFIED INVESTORS WILL ACT IN THEIR CAPACITY AND NOT AS DEPOSITARIES OR NOMINEES FOR OTHER SHAREHOLDERS, SUCH AS PERSONS AUTHORISED AND REGULATED TO OPERATE IN FINANCIAL MARKETS, BOTH ITALIAN AND FOREIGN, I.E.: A) BANKS; B) INVESTMENT FIRMS; C) OTHER AUTHORISED AND REGULATED FINANCIAL INSTITUTIONS; D) INSURANCE COMPANIES; E) COLLECTIVE INVESTMENT UNDERTAKINGS AND MANAGEMENT COMPANIES FOR SUCH UNDERTAKINGS; F) PENSION FUNDS AND MANAGEMENT COMPANIES FOR SUCH FUNDS; G) DEALERS ACTING ON THEIR OWN ACCOUNT ON COMMODITIES AND COMMODITY-BASED DERIVATIVES; H) PERSONS DEALING EXCLUSIVELY ON THEIR OWN ACCOUNT ON FINANCIAL INSTRUMENTS MARKETS WITH INDIRECT MEMBERSHIP OF CLEARING AND SETTLEMENT SERVICES AND THE LOCAL COMPENSATORY AND GUARANTEE SYSTEM; I) OTHER INSTITUTIONAL INVESTORS; L) STOCKBROKERS; (2) LARGE COMPANIES WHICH AT INDIVIDUAL COMPANY LEVEL MEET AT LEAST TWO OF THE FOLLOWING REQUIREMENTS: — BALANCE SHEET TOTAL: 20,000,000 EURO, — NET REVENUES: 40,000,000 EURO, — OWN FUNDS: 2,000,000 EURO; (3) INSTITUTIONAL INVESTORS WHOSE MAIN ACTIVITY IS INVESTMENT IN FINANCIAL INSTRUMENTS, INCLUDING COMPANIES DEDICATED TO THE SECURITISATION OF ASSETS AND OTHER FINANCIAL TRANSACTIONS (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THIS DOCUMENT IS NOT ADDRESSED TO ANY MEMBER OF THE GENERAL PUBLIC IN ITALY. UNDER NO CIRCUMSTANCES SHOULD THIS DOCUMENT CIRCULATE AMONG, OR BE DISTRIBUTED IN ITALY TO (I) A MEMBER OF THE GENERAL PUBLIC, (II) INDIVIDUALS OR ENTITIES FALLING OUTSIDE THE DEFINITION OF “QUALIFIED INVESTORS” AS SPECIFIED ABOVE OR (III) DISTRIBUTION CHANNELS THROUGH WHICH INFORMATION IS OR IS LIKELY TO BECOME AVAILABLE TO A LARGE NUMBER OF PERSONS. THIS DOCUMENT IS BEING DISTRIBUTED TO AND IS DIRECTED ONLY AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (“**EEA**”) WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2017/1129), (“**QUALIFIED INVESTORS**”). ANY PERSON IN THE EEA WHO RECEIVES THIS DOCUMENT WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT IS A QUALIFIED INVESTOR. ANY SUCH RECIPIENT WILL ALSO BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT HAS NOT RECEIVED THIS DOCUMENT ON BEHALF OF PERSONS IN THE EEA OTHER THAN QUALIFIED INVESTORS OR PERSONS IN THE UK, ITALY AND OTHER MEMBER STATES (WHERE EQUIVALENT LEGISLATION EXISTS) FOR WHOM THE INVESTOR HAS AUTHORITY TO MAKE DECISIONS ON A WHOLLY DISCRETIONARY BASIS. THE COMPANY, VALUE TRACK VT S.R.L. AND THEIR AFFILIATES, AND OTHERS WILL RELY UPON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATIONS AND AGREEMENTS. ANY PERSON IN THE EEA WHO IS NOT A QUALIFIED INVESTOR SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THE EXPRESSION “PROSPECTUS DIRECTIVE” MEANS DIRECTIVE 2017/1129 (AND AMENDMENTS THERETO). **SOGES GROUP S.P.A.** (THE “**COMPANY**”) IS A RESEARCH CLIENT OF VALUE TRACK S.R.L. HOWEVER, THIS DOCUMENT HAS BEEN PRODUCED INDEPENDENTLY OF THE COMPANY AND ITS SHAREHOLDERS, AND ANY FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE ENTIRELY THOSE OF VALUE TRACK VT S.R.L. AND ARE GIVEN AS PART OF ITS NORMAL RESEARCH ACTIVITY AND SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORISED OR APPROVED BY ANY OTHER PERSON. VALUE TRACK VT S.R.L. HAS NO AUTHORITY WHATSOEVER TO MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF THE COMPANY, ITS SHAREHOLDERS, ANY OF ITS ADVISORS, OR ANY OTHER PERSON IN CONNECTION THEREWITH. WHILE ALL REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE FACTS STATED HEREIN ARE ACCURATE AND THAT THE FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE FAIR AND REASONABLE, VALUE TRACK VT S.R.L. HAS NOT VERIFIED THE CONTENTS HEREOF AND ACCORDINGLY NONE OF VALUE TRACK VT S.R.L., THE COMPANY, ITS SHAREHOLDERS, ANY ADVISORS TO THE COMPANY OR ITS SHAREHOLDERS OR ANY OTHER PERSON IN CONNECTION THEREWITH NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS OR EMPLOYEES, SHALL BE IN ANY WAY RESPONSIBLE FOR THE CONTENTS HEREOF AND NO RELIANCE SHOULD BE PLACED ON THE ACCURACY, FAIRNESS, OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DOCUMENT. NO PERSON ACCEPTS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM THE USE OF THIS DOCUMENT OR OF ITS CONTENTS OR OTHERWISE ARISING IN CONNECTION THEREWITH. TO THE EXTENT PERMITTED BY LAW AND BY REGULATIONS, VALUE TRACK VT S.R.L. (OR ITS OFFICERS, DIRECTORS OR EMPLOYEES) MAY HAVE A POSITION IN THE SECURITIES OF (OR OPTIONS, WARRANTS OR RIGHTS WITH RESPECT TO, OR INTEREST IN THE SHARES OR OTHER SECURITIES OF) THE COMPANY.