

FAE TECHNOLOGY

Sector: Technology

Solid 1H24 results amid anticipated growth slowdown

1H24 revenues soared by 62%, driven by the Solutions business, with proprietary embedded solutions and engineering services playing key roles. EBITDA nearly doubled to Eu5.8mn, with margins improving to 13%. Despite anticipated slower growth in the coming quarters due to macroeconomic challenges, FAE's focus on cost efficiency and innovation ensures it remains competitive. The recent acquisition of IpTronix strengthens its R&D and solution development capabilities. Revised estimates reflect tempered growth expectations. We reiterate the BUY rating, setting a new target price of Eu5.2/s from Eu5.5, reflecting confidence in FAE's business model and positive long-term growth trajectory.

- **1H24 revenues soared by 62% to Eu44.2mn**, driven primarily by the Solutions business line, supported by engineering activities and the sale of proprietary embedded solutions. FAE Technology once again significantly outperformed the reference market, which grew in the low single digit during the same period, thanks to its rapid execution and innovation capabilities. The Value of Production increased by 52% to Eu44.7mn. Excluding Elettronica GF, acquired in 2H23, we estimate organic growth to be around 40%.
- **EBITDA nearly doubled to Eu5.8mn**, up from Eu3.0mn in 1H23, 13.0% margin from 10.2%. The improvement was driven by raw material costs increasing slower than revenues. FAE Technology's accelerated growth, combined with a cost structure heavily weighted toward variable costs (over 86% of total costs in 1H24), enabled the company to benefit from operating leverage. EBIT came at Eu4.7mn, +88% YoY, margin up by 200bps to 10.4%. Net profit jumped by 81% to Eu3.0mn, 6.8% margin +110bps. Net Debt reached Eu8.3mn, up from Eu7.1mn in Dec-23 and Eu5.8mn in 1H23. The YoY increase is primarily attributable to the cash outflow resulting from the acquisition of Elettronica GF, with Eu3.5mn paid in 2H23.
- **R&D capacity and solution development remain key areas of focus** - The acquisition of IpTronix, recently announced, strengthens FAE Technology's capabilities in high-complexity electronic solutions, enhancing its R&D capacity and the customer base. The complementary expertise of IpTronix aligns with FAE's growth strategy, improving time-to-market and positioning the group as a leader in advanced electronics. This move is set to enhance synergies across group's three development centers, now staffed with approximately 50 engineers, and further boost its competitive edge in high-tech sectors.
- **FAE anticipates slower growth** in 2H24 due to macroeconomic challenges and geopolitical instability, with recovery expected by early 2025. In addition to these headwinds, the electric mobility sector, which has been a significant growth driver, is also projected to slow considerably compared to previous semesters. This moderation reflects market normalization after rapid expansion, potentially impacting the broader electronics sector. Despite this, FAE Technology's focus on cost optimization, engineering services, and proprietary solutions, positions it to navigate these slower growth phases and capitalize on future opportunities, outpacing the reference markets.
- **2024-26 estimates revised downwards** – The recent market signals suggest a deceleration in FAE's reference markets. We have revised downward projections for 2024 and 2025, reflecting more tempered growth expectations across its core business lines, factoring in a certain expansion of inventories specifically in 2H24. As a result, our new sales and EBITDA projections are 13% and 21% lower than our previous assumptions, respectively, on average in FY24-26E.
- **BUY confirmed, new TP of Eu5.2/s (5.5)** - Listed in Nov-22, FAE Technology's stock price is up 170% from Eu1.5/share to Eu4.1/share, largely outperforming the FTSE Italia Growth Index. Regardless of the downgrade in estimates, FAE remains a key player in the digital transition: its efficient business model, driven by rapid execution and advanced technological solutions, positions the company for future opportunities. BUY rating confirmed, with a new TP of Eu5.2/s (5.5), calculated as a weighted average of 2024E EV/EBITDA from selected peers (30% weight) and DCF (70% weight) and offers 27% upside.

BUY

Unchanged

TP 5.2

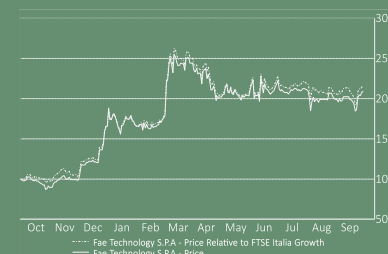
From 5.5

Target Price Upside 27%

Change in EPS est.	FY24E	FY25E
	-23.6%	-25.4%

Ticker (BBG, Reut)	FAE IM	FAE.MI
Share price Ord. (Eu)		4.1
N. of Ord. shares (mn)		17.4
Total N. of shares (mn)		19.4
Market cap (Eu mn)		71
Total Market Cap (EU mn)		71
Free Float Ord. (%)		20%
Free Float Ord. (Eu mn)		14
Daily AVG liquidity Ord. (Eu k)		128

	1M	3M	12M
Absolute Perf.	0.5%	-3.1%	113%
Rel. to FTSEMidCap	-0.6%	-4.3%	91%
52 weeks range		1.7	5.0



	FY23A	FY24E	FY25E
Sales	61	77	85
EBITDA adj.	6.4	8.0	9.4
Net profit adj.	3.3	4.6	5.6
EPS adj.	0.205	0.270	0.323
DPS - Ord.	0.000	0.000	0.000
EV/EBITDA adj.	10.2x	8.5x	6.3x
P/E adj.	15.6x	12.6x	9.5x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	-0.8%	4.4%	7.0%
Net debt/(Net cash)	7.1	8.1	6.2
Net debt/EBITDA	1.0x	0.7x	0.2x

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Summary Financials (ITA GAAP)

P&L account (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenues	39.4	60.7	77.2	85.0	101.0
First Margin	13.0	20.7	26.9	30.1	36.7
EBITDA reported	3.9	6.4	8.0	9.4	12.2
D&A	(0.8)	(1.4)	(1.4)	(1.5)	(1.8)
EBIT reported	3.1	5.0	6.6	7.9	10.4
Net financial charges	(0.2)	(0.4)	(0.3)	(0.2)	(0.2)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	2.9	4.6	6.3	7.7	10.2
Taxes	(0.8)	(1.3)	(1.7)	(2.1)	(2.8)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	2.1	3.3	4.6	5.6	7.5
EBITDA adjusted	3.9	6.4	8.0	9.4	12.2
EBIT adjusted	3.1	5.0	6.6	7.9	10.4
Net profit adjusted	2.1	3.3	4.6	5.6	7.5

Margins (%)	FY22A	FY23A	FY24E	FY25E	FY26E
First margin	32.3%	32.3%	34.5%	35.0%	36.0%
EBITDA margin	9.7%	10.0%	10.3%	11.0%	12.0%
EBITDA margin (adj)	9.7%	10.0%	10.3%	11.0%	12.0%
EBIT margin	7.8%	7.8%	8.4%	9.2%	10.2%
EBIT margin (adj)	7.8%	7.8%	8.4%	9.2%	10.2%
Net profit margin	5.2%	5.1%	5.8%	6.6%	7.3%
Net profit margin (adj)	5.2%	5.1%	5.8%	6.6%	7.3%

Growth rates (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenues	64.4%	54.1%	27.2%	10.0%	18.9%
EBITDA	52.5%	62.7%	25.6%	18.0%	29.4%
EBITDA adjusted	52.5%	62.7%	25.6%	18.0%	29.4%
EBIT	50.4%	58.9%	31.6%	20.4%	31.6%
EBIT adjusted	50.4%	58.9%	31.6%	20.4%	31.6%
Pre-tax	50.7%	57.1%	36.4%	23.3%	32.3%
Net profit	45.5%	53.9%	40.4%	23.3%	32.3%
Net profit adjusted	45.5%	53.9%	40.4%	23.3%	32.3%

Per share data	FY22A	FY23A	FY24E	FY25E	FY26E
Shares	15.33	16.37	17.44	17.44	17.44
N. of shares AVG	7.67	15.85	16.90	17.44	17.44
N. of shares diluted AVG	7.67	15.85	17.89	19.40	19.40
EPS	0.28	0.21	0.27	0.32	0.43
EPS adjusted	0.28	0.21	0.27	0.32	0.43
DPS - Ord.	0.00	0.00	0.00	0.00	0.00
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	1.40	1.15	1.46	1.74	2.17

Enterprise value (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share price Ord. (Eu)	1.5	1.9	4.1	4.1	4.1
Market cap	22.9	31.4	71.1	71.1	71.1
Net debt/(Net cash)	3.5	7.1	8.1	6.2	2.8
Adjustments	0.8	1.9	2.3	2.5	3.0
Enterprise value	27.2	40.4	81.5	79.9	76.9

Cash flow (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
EBITDA reported	3.9	6.4	8.0	9.4	12.2
Net financial charges	0.0	(0.4)	(0.3)	(0.2)	(0.2)
Cash taxes	(0.9)	(1.3)	(1.7)	(2.1)	(2.8)
Ch. in Working Capital	(3.7)	(6.4)	(4.4)	(2.6)	(2.9)
Other Op. items	0.1	1.1	0.4	0.2	0.5
Operating cash flow	(0.6)	(0.7)	2.1	4.8	6.8
Capex	(3.3)	(4.4)	(2.6)	(1.7)	(1.8)
FCF	(3.9)	(5.1)	(0.6)	3.1	5.0
Disposals/Acquisitions	0.0	(3.5)	(2.4)	(1.2)	(1.6)
Changes in Equity	5.0	2.1	2.0	0.0	0.0
Others	0.0	2.9	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Ch. in NFP	1.1	(3.6)	(1.0)	1.9	3.4

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Capex/Sales	8.4%	7.2%	3.4%	2.0%	1.8%
Capex/D&A	4.2x	3.2x	1.8x	1.1x	1.0x
FCF/EBITDA	-99.3%	-79.9%	-7.2%	32.8%	40.9%
FCF/Net profit	-184.0%	-156.6%	-12.6%	55.0%	67.0%
Dividend pay-out	0.0%	0.0%	0.0%	0.0%	0.0%

Balance sheet (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital	9.6	16.0	20.4	23.0	25.9
Fixed assets	5.4	11.2	14.8	16.1	17.7
Provisions & others	(0.8)	(1.9)	(2.3)	(2.5)	(3.0)
Net capital employed	14.3	25.3	32.9	36.6	40.7
Net debt/(Net cash)	3.5	7.1	8.1	6.2	2.8
Equity	10.8	18.2	24.8	30.4	37.8
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital/Sales	24.4%	26.4%	26.4%	27.1%	25.7%
Net debt/Equity	32.5%	39.2%	32.8%	20.5%	7.5%
Net debt/EBITDA	0.9x	1.1x	1.0x	0.7x	0.2x

Valuation	FY22A	FY23A	FY24E	FY25E	FY26E
EV/CE	1.8x	1.5x	2.3x	2.0x	1.8x
P/BV	2.1x	1.7x	2.9x	2.3x	1.9x
EV/Sales	0.7x	0.7x	1.1x	0.9x	0.8x
EV/EBITDA	6.9x	6.3x	10.2x	8.5x	6.3x
EV/EBITDA adjusted	6.9x	6.3x	10.2x	8.5x	6.3x
EV/EBIT	8.7x	8.1x	12.4x	10.1x	7.4x
EV/EBIT adjusted	8.7x	8.1x	12.4x	10.1x	7.4x
P/E	10.8x	9.7x	15.6x	12.6x	9.5x
P/E adjusted	10.8x	9.7x	15.6x	12.6x	9.5x
ROCE pre-tax	26.1%	23.6%	21.0%	21.3%	25.1%
ROE	19.6%	17.9%	18.5%	18.5%	19.7%
EV/FCF	nm	nm	-142.1x	25.8x	15.4x
FCF yield	nm	nm	-0.8%	4.4%	7.0%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

Share price performance

FAE share price is up by 23% YTD



Valuation

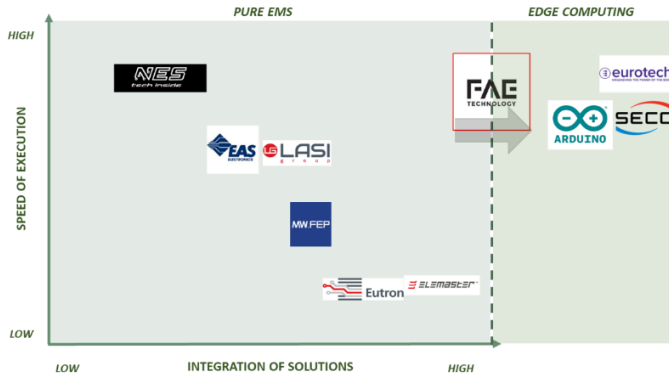
Multiples are still below those of its peers



Key Charts

Fast execution and highly integrated solutions

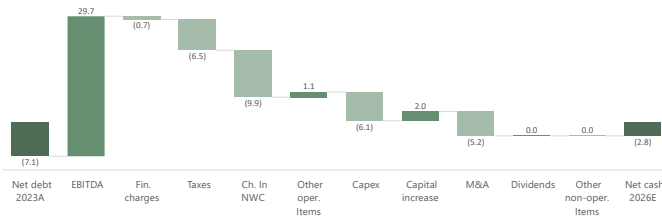
FAE provides the highest solution integration with the fastest execution



Source: Alantra, company presentation

FAE Technology, 2023-26E NFP bridge

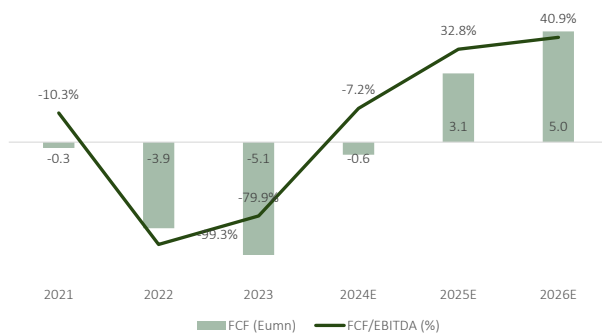
EBITDA generation, a good WC control and low capex requirement



Source: Company data, Alantra estimates

FAE Technology – Strong FCF from 2025

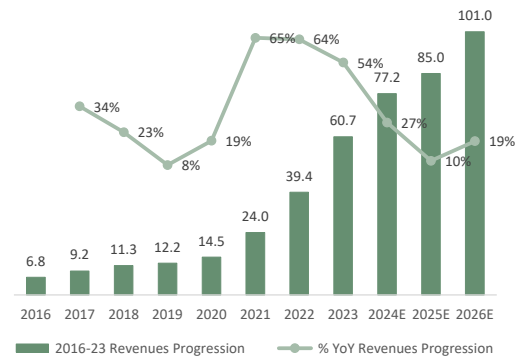
A sound EBITDA conversion in excess of 30% should be visible from 2025



Source: Company data, Alantra estimates

FAE Technology – Strong top line growth expected in 2023-26

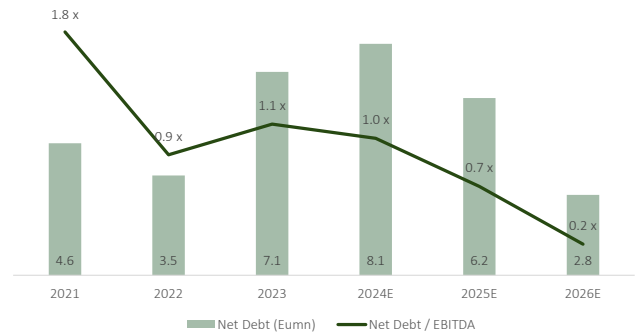
Revenues are anticipated to show a 19% CAGR in 2023-26



Source: Company data, Alantra estimates

FAE Technology – NFP and NFP/EBITDA 2021-26E

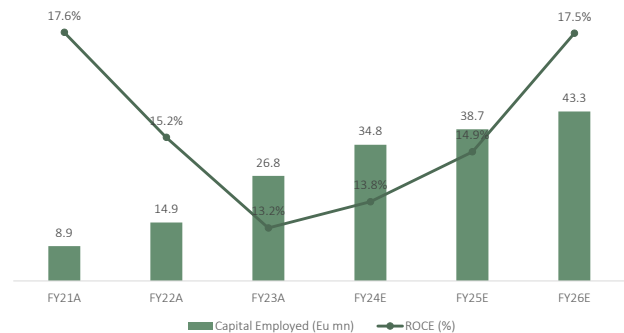
FAE Technology should face a fast-deleveraging path



Source: Company data, Alantra estimates

FAE Technology – Capital Employed (Eumn) and ROCE (%)

We expect ROCE to exceed 17.0% in 2026E



Source: Company data, Alantra estimates

Background	FAE Technology specialises in custom electronic products, including single-board computers and microcontrollers, essential for embedded systems across industries. They excel in fast development, supply chain management, and manufacturing processes, emphasising speed as a competitive edge. With facilities in Bergamo, Italy, they offer integrated services throughout the product lifecycle. FAE operates with high levels of customisation, serving innovative sectors like automotive, smart mobility, and aerospace. In 2023, the company reported robust growth, with revenues of Eu60.7mn, up 54.1% year-on-year, attributed to effective commercial efforts and disciplined cost control, resulting in improved profitability.
Positioning	FAE Technology stands out from its competitors due to several key attributes. These include its unmatched speed in executing offers and innovating processes, its comprehensive commitment to digitizing all aspects of operations to become a leading smart factory, its enduring dedication to innovation, and its dynamic management team comprising both youthful energy and seasoned expertise. These combined qualities solidify FAE's position as an industry leader, ensuring its continued prominence and competitive edge. Moreover, FAE has transitioned from a traditional electronic manufacturing service provider to a specialist in edge computing solutions, driven by strategic acquisitions like Elettronica GF. This reflects its proactive approach to embracing advanced technologies, addressing emerging market needs, and positioning itself for future growth, thereby accelerating innovation and diversification to meet the evolving demands of a technology-driven landscape.
Growth	FAE Technology successfully navigated challenges in 2022-23, maintaining strong revenue growth despite supply chain constraints and rising raw material costs. Projected revenue growth at a 18.5% CAGR to Eu101.0mn by 2026, driven by both organic expansion and the integration of Elettronica GF and IpTronix. The Solutions business line is expected to lead this growth. Supply chain disruptions are expected to ease from 2023 onwards. Although raw material costs may decrease as a percentage of sales, there may be a slight increase in personnel costs. Integration of Elettronica GF brings technological expertise and software development capabilities, leading to projected EBITDA improvement to Eu12.2mn by 2026 with margins reaching 12.0%.
Strategy	FAE Technology aims to sustain growth by prioritising customer loyalty, market expansion, and increasing market share. Strategies involve leveraging strengths, resources, and innovation while emphasizing continuous evaluation and adaptation in the EMS industry. The acquisition of Elettronica GF aligns with FAE's strategy, creating a comprehensive entity covering sensors and edge computing. FAE's evolution from local electronics to edge computing signifies a shift towards system integration, enhancing profitability. Future steps may involve entering the cloud, AI, and big data markets through external growth for larger market access and higher returns, considering estimated market growth projections. As with Elettronica GF, the most appropriate and effective way to gain a foothold in this market is through external growth. Transitioning in EMS from edge computing to cloud services, AI, and big data offers growth avenues and competitiveness, necessitating a strategic approach and tech investment. Benefits encompass innovation, industry adaptation, efficiency gains, competitive edge, and customer-centricity. Challenges involve skill acquisition, data security, privacy compliance, and operational integration complexities. Strategic planning is vital for successful adoption.

Strengths	Weaknesses	
<ul style="list-style-type: none"> R&D: leading to distinctive innovations Innovative digital services: "My Fast PBCA" meets customer needs effectively Established supply chain allows for faster execution compared to market average Talent attraction: ability to attract talent within its geographical district 	<ul style="list-style-type: none"> Elevated personnel expenses compared to Asian rivals A certain cash absorption due to ongoing expansion A rather concentrated customer base 	
Opportunities	Threats	
<ul style="list-style-type: none"> High-value digital services: opportunity to further develop these services Market expansion into untapped niches M&A consolidating competitive position and expand into new geography Scalability of "My Fast PBCA": room for services with high added value 	<ul style="list-style-type: none"> Increased raw material costs due to macroeconomic factors Supply chain disruption, amid ongoing international uncertainty 	
Key shareholders	Management	Next events
<ul style="list-style-type: none"> GML Ventures (Lanza family): 67% Gian Franco Argnani: 6% NextStage AM: 6% Sehme Sagl (Facchinetti Family): 1% Free Float: 20% 	<ul style="list-style-type: none"> Gianmarco Lanza - Chairman and CEO Marco Ferrari - CFO Dario Ne - COO Gabriele Braga - Sales & Mkt Director 	<ul style="list-style-type: none"> -

1H24 Results

Strong top-line growth accompanied by a rise in profitability

Strong top-line growth was complemented by enhanced profitability, driven by efficient cost management and operational improvements

Eu mn	1H23A	1H24A	YoY %	2H23A	Old 2H24E	YoY %	FY23A	Old FY24E	YoY %
Net revenues	27.3	44.2	61.9%	33.4	40.8	22.0%	60.7	85.0	39.9%
Value of Production	29.5	44.7	51.8%	34.4	41.1	19.6%	63.9	85.9	34.5%
EBITDA	3.0	5.8	92.9%	3.4	4.3	27.1%	6.4	10.1	58.3%
<i>Ebitda Margin %</i>	10.2%	13.0%		9.8%	10.4%		10.0%	11.8%	
EBIT	2.5	4.7	88.1%	2.5	3.8	53.0%	5.0	8.5	70.5%
<i>Ebit Margin %</i>	8.4%	10.4%		7.3%	9.3%		7.8%	9.9%	
Pretax Profit	2.3	4.4	85.8%	2.2	3.8	71.2%	4.6	8.2	78.6%
<i>Pretax Margin %</i>	8.0%	9.7%		6.5%	9.3%		7.2%	9.5%	
Net Profit	1.7	3.0	81.0%	1.6	2.9	87.0%	3.3	6.0	
<i>Net Profit Margin %</i>	5.7%	6.8%		4.6%	7.1%		5.1%	7.0%	
NFP at YE (debt)/cash	(5.8)	(8.3)		(7.1)	(6.9)		(7.1)	(6.9)	

Source: Company data and Alantra estimates

Change in estimates

Estimates downgraded

New estimates factor in recent market signals suggesting a deceleration in FAE's key reference markets

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Total Revenues / Value of Production	77.2	85.0	101.0	-9.1%	-17.0%	-11.5%	85.0	102.3	114.1
EBITDA Adjusted	8.0	9.4	12.2	-20.6%	-23.8%	-14.9%	10.1	12.4	14.4
EBIT Adjusted	6.6	7.9	10.4	-22.8%	-25.0%	-15.5%	8.5	10.5	12.3
Pretax Profit	6.3	7.7	10.2	-23.6%	-25.4%	-15.8%	8.2	10.3	12.1
Net profit	4.6	5.6	7.5	-23.6%	-25.4%	-15.8%	6.0	7.6	8.8
Net profit restated	4.6	5.6	7.5	-23.6%	-25.4%	-15.8%	6.0	7.6	8.8
EPS	0.262	0.323	0.427	-23.6%	-25.4%	-15.8%	0.343	0.433	0.508
Net financial position	(8.1)	(6.2)	(2.8)	18.1%	55.0%	-261.1%	(6.9)	(4.0)	1.8

Source: Company data and Alantra estimates

Peers

Financials – FAE Technology versus selected peers

Margins broadly in line with peers median. Expected growth rates far above comparable, also thanks to the acquisition of Elettronica GF and IpTronix

Company	Country	Mkt Cap (Eu mn)	FY24E - FY26E average margins					CAGR FY23A - FY26E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	Net profit
FAE TECHNOLOGY	ITALY	71	11.1%	9.3%	6.6%	2.4%	0.0%	18.5%	24.3%	27.7%	31.8%
PEERS	Average	5,465	15.7%	10.0%	8.6%	6.7%	30.0%	8.4%	51.1%	-85.6%	6.8%
	Median	2,088	17.2%	9.4%	5.9%	3.9%	29.0%	5.0%	16.6%	1.3%	19.5%
Advantech Co., Ltd.	TAIWAN	8,237	19.7%	17.8%	16.2%	1.3%	75.4%	5.6%	7.5%	7.7%	6.3%
Eurotech S.p.A.	ITALY	37	3.7%	-2.4%	-3.1%	4.1%	0.0%	-2.4%	16.6%	-291.4%	-194.9%
Jabil Inc.	UNITED STATES	12,415	7.8%	5.5%	3.6%	2.3%	3.6%	-6.3%	-3.9%	-0.5%	18.9%
Kontron AG	GERMANY	1,079	11.0%	7.1%	5.9%	3.9%	44.0%	21.9%	32.3%	33.8%	22.5%
Plexus Corp.	UNITED STATES	3,323	7.5%	5.5%	4.0%	2.6%	na	3.1%	na	3.2%	15.9%
SECO S.p.A.	ITALY	279	21.1%	11.6%	4.9%	8.8%	0.0%	4.4%	8.7%	15.9%	20.0%
Shenzhen Fastprint Circuit Tech Co. Ltd. Class A	CHINA	2,088	19.6%	5.0%	5.4%	19.0%	71.6%	18.0%	68.6%	-394.3%	46.7%
Silergy Corp.	TAIWAN	5,282	22.0%	19.7%	20.1%	3.7%	29.0%	24.4%	249.1%	-349.0%	115.6%
Sino Wealth Electronic Ltd. Class A	CHINA	878	17.2%	15.2%	15.9%	2.5%	34.2%	18.3%	86.8%	128.7%	29.7%
STMicroelectronics NV	FRANCE	24,804	28.9%	16.1%	14.6%	18.8%	12.5%	-3.0%	-5.4%	-10.5%	-12.5%
TTM Technologies, Inc.	UNITED STATES	1,694	13.9%	9.4%	7.1%	6.5%	na	na	na	na	na
Electronic Technology	Average		15.7%	10.0%	8.6%	6.7%	30.0%	8.4%	51.1%	-85.6%	6.8%
	Median		17.2%	9.4%	5.9%	3.9%	29.0%	5.0%	16.6%	1.3%	19.5%

Source: Factset, Alantra

Trading multiples

FAE trades at discount to peers

Company	Country	Mkt Cap (Eu mn)	EV/EBITDA			EV/EBIT			PE			EV/Sales		
			FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
FAE TECHNOLOGY	ITALY	71	10.2 x	8.5 x	6.3 x	12.5 x	10.1 x	7.4 x	15.6 x	12.7 x	9.6 x	1.1 x	0.9 x	0.8 x
Premium (discount) to Peers' Median			2%	-20%	-6%	-14%	-16%	-41%	-45%	-33%	-39%	-66%	-66%	-68%
PEERS	Average		18.9 x	13.0 x	9.7 x	26.4 x	16.7 x	12.6 x	40.7 x	21.7 x	16.5 x	4.9 x	5.1 x	4.2 x
	Median		10.0 x	10.6 x	6.7 x	14.5 x	12.1 x	12.5 x	28.2 x	19.0 x	15.8 x	3.1 x	2.7 x	2.4 x
Advantech Co., Ltd.	TAIWAN	8,237	25.4 x	19.2 x	15.5 x	28.6 x	21.5 x	16.8 x	31.3 x	25.1 x	21.2 x	4.4 x	3.9 x	3.3 x
Eurotech S.p.A.	ITALY	37	na	13.8 x	6.5 x	na	na	14.8 x	na	na	13.9 x	0.8 x	0.7 x	0.6 x
Jabil Inc.	UNITED STATES	12,415	6.5 x	6.9 x	6.2 x	9.2 x	9.8 x	8.9 x	14.4 x	14.1 x	12.1 x	0.5 x	0.5 x	0.5 x
Kontron AG	GERMANY	1,079	6.6 x	5.0 x	4.1 x	10.7 x	7.6 x	6.1 x	10.7 x	8.3 x	7.1 x	0.7 x	0.6 x	0.5 x
Plexus Corp.	UNITED STATES	3,323	10.0 x	13.6 x	11.9 x	13.0 x	19.4 x	16.0 x	25.0 x	20.6 x	17.7 x	13.0 x	19.4 x	16.0 x
SECO S.p.A.	ITALY	279	10.4 x	6.8 x	5.7 x	29.2 x	11.2 x	8.8 x	86.9 x	17.4 x	13.0 x	1.8 x	1.5 x	1.3 x
Shenzhen Fastprint Circuit Tech Co. Ltd. Clas	CHINA	2,088	na	na	na	na	na	na	85.2 x	46.3 x	27.0 x	na	na	na
Silergy Corp.	TAIWAN	5,282	55.9 x	28.3 x	19.4 x	72.1 x	32.5 x	19.7 x	73.4 x	34.6 x	23.9 x	8.6 x	6.6 x	5.3 x
Sino Wealth Electronic Ltd. Class A	CHINA	878	40.7 x	23.3 x	16.3 x	48.7 x	26.0 x	18.1 x	49.2 x	27.1 x	19.7 x	5.4 x	4.2 x	3.4 x
STMicroelectronics NV	FRANCE	24,804	7.0 x	5.5 x	4.3 x	14.5 x	10.2 x	6.9 x	18.4 x	13.5 x	9.9 x	1.8 x	1.6 x	1.4 x
TTM Technologies, Inc.	UNITED STATES	1,694	7.3 x	7.6 x	6.9 x	11.6 x	12.1 x	10.1 x	12.1 x	10.2 x	na	11.6 x	12.1 x	10.1 x
Electronic Technology	Average		18.9 x	13.0 x	9.7 x	26.4 x	16.7 x	12.6 x	40.7 x	21.7 x	16.5 x	4.9 x	5.1 x	4.2 x
	Median		10.0 x	10.6 x	6.7 x	14.5 x	12.1 x	12.5 x	28.2 x	19.0 x	15.8 x	3.1 x	2.7 x	2.4 x

Source: Factset, Alantra

Performance

The stock outperformed peers YTD

Company	Country	Mkt Cap (Eu mn)	Performance						
			1M	3M	6M	1YR	3YR	5YR	YTD
FAE TECHNOLOGY	ITALY	71	0.5%	-3.1%	-17.2%	113.2%	na	na	25.4%
PEERS	Average		-1.2%	-1.3%	-7.3%	-0.8%	-13.2%	70.1%	-18.1%
	Median		-0.5%	-4.6%	-16.4%	-5.8%	-24.4%	49.8%	-16.6%
Advantech Co., Ltd.	TAIWAN	8,237	-2.2%	-8.6%	-16.7%	-2.5%	1.2%	49.8%	-9.1%
Eurotech S.p.A.	ITALY	37	-20.4%	-6.8%	-38.3%	-55.2%	-80.2%	-85.6%	-57.6%
Jabil Inc.	UNITED STATES	12,415	13.7%	13.4%	-10.0%	16.3%	96.2%	247.3%	-4.0%
Kontron AG	GERMANY	1,079	-1.6%	-14.3%	-26.3%	-9.1%	-29.9%	-12.1%	-24.0%
Plexus Corp.	UNITED STATES	3,323	7.7%	33.3%	46.1%	49.8%	47.6%	118.1%	26.2%
SECO S.p.A.	ITALY	279	-16.9%	-29.1%	-41.4%	-47.7%	-65.1%	na	-39.1%
Shenzhen Fastprint Circuit Tech Co. Ltd. Cl	CHINA	2,088	9.5%	-2.4%	-16.0%	-16.6%	-18.9%	21.1%	-34.2%
Silergy Corp.	TAIWAN	5,282	0.5%	3.9%	44.0%	58.3%	-56.4%	152.0%	-3.1%
Sino Wealth Electronic Ltd. Class A	CHINA	878	17.4%	3.0%	19.7%	-18.8%	-64.3%	-1.8%	-11.5%
STMicroelectronics NV	FRANCE	24,804	-1.9%	-24.3%	-32.0%	-31.0%	-30.6%	54.6%	-39.3%
TTM Technologies, Inc.	UNITED STATES	1,694	-6.8%	-4.2%	19.6%	47.0%	46.1%	51.5%	17.5%
Electronic Technology	Average		-1.2%	-1.3%	-7.3%	-0.8%	-13.2%	70.1%	-18.1%
	Median		-0.5%	-4.6%	-16.4%	-5.8%	-24.4%	49.8%	-16.6%

Source: Factset, Alantra

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