

Scale Up and Beyond

ADD | Fair Value: €8.00 (€7.39) | Current Price: €3.33 | Upside: +140%

Research Update

 April 30th, 2026 – 7:00h

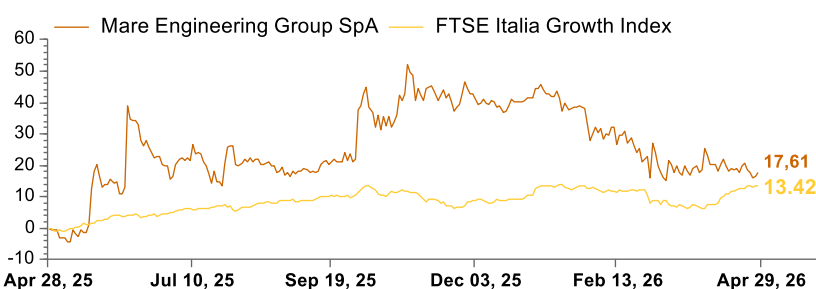
| € Million | 2024 (OIC) | 2024 (IFRS) | 2025 (IFRS) | 2026E | 2027E | 2028E | 2029E |
|--------------------------|------------|-------------|-------------|-------|-------|-------|-------|
| Sales Revenues | 37.2 | 36.7 | 53.5 | 90.9 | 104.5 | 120.2 | 138.3 |
| Total Revenues | 44.6 | 40.7 | 59.1 | 97.9 | 112.3 | 128.7 | 147.7 |
| EBITDA | 11.3 | 6.3 | 4.2 | 22.2 | 25.9 | 31.0 | 37.6 |
| margin | 25.2% | 15.5% | 7.1% | 22.7% | 23.1% | 24.1% | 25.5% |
| EBITDA adj. | 13.3 | 9.0 | 15.9 | 22.2 | 25.9 | 31.0 | 37.6 |
| Net Income | 1.8 | (0.3) | (8.3) | 6.6 | 10.2 | 13.9 | 18.7 |
| margin | 4.1% | -0.8% | -14.1% | 6.7% | 9.1% | 10.8% | 12.7% |
| Free Cash Flows | (14.9) | n.a. | (83.6) | 30.1 | 8.5 | 11.4 | 15.2 |
| Net Debt Adj. (not IFRS) | 1.3 | 3.0 | 24.2 | 17.5 | 13.3 | 6.5 | (3.9) |

FY25 Financial Results. Mare Group's FY25 results are reported under IFRS for the first time, with FY24 restated on the same basis. Consolidated total revenues reached €59.1mn (+45% YoY), driven by the progressive consolidation of acquisitions completed during the year alongside solid organic growth (approx. €8mn estimated) on the legacy perimeter. On a pro-forma basis, inclusive of all entities, revenues reached €85mn, reflecting the group's current scale. Adjusted EBITDA grew to €15.9mn on a consolidated basis (€19.0mn pro-forma, 22.4% margin), while reported EBITDA of €4.2mn reflects €11.7mn of non-recurring charges, principally M&A, OPA, and IFRS transition costs. Below EBITDA, €12.6mn of D&A and impairments includes €5.7mn of first-time IFRS 9 ECL provisions and a separate €3.9mn non-cash write-down of intangible assets, both non-recurring in nature; adjusted EBIT reached €8.9mn. Net financial income of €3.3mn is entirely non-recurring, mainly driven by fair value gains on the Eles stakes; adjusted EBT stood at €5.2mn. Adjusted NFP widened to €24.2mn from €3.0mn in FY24, reflecting €13.8mn of TWC absorption, €71mn of net capex inclusive of acquisition-related investments, partially offset by €25mn of equity inflows.

Estimates. We introduce our IFRS estimates on an organic-only basis, with any further M&A representing upside to our numbers. We forecast FY26E total revenues of €97.9mn, broadly in line with management's €95-100mn guidance. We model a c.15% organic revenue CAGR through FY29E, driven by backlog expansion and cross-selling across verticals. On profitability, we expect FY26E EBITDA of €22.2mn (22.7% margin), toward the upper end of guidance, expanding to €37.6mn (25.5% margin) by FY29E on operating leverage. Adjusted NFP (non-IFRS) is forecast at €17.5mn in FY26E, within management's €15-20mn guidance range and supported by a positive TWC swing, contained organic capex, and the net proceeds from the Eles disposal.

Valuation. Our valuation, based on DCF (2.5% terminal growth rate; 8.8% WACC) and market multiples (EV/EBITDA and P/E from 5 comparables; 15% discount), returns an average equity value of €153.2mn or a fair value of €8.00ps, showing potential upside of 140% on current market price, implying an EV/EBITDA multiple of 9.6x for 2026E.

Mare Group Relative Stock Performance Last 12 Months



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Market Data

| | |
|-----------------|-------|
| Mkt Cap (€ mn) | 72.3 |
| EV (€ mn) | 137.9 |
| Shares out. | 19.28 |
| Treasury Shares | 0.3% |
| Free Float | 45.5% |

Market multiples

| | 2026E | 2027E |
|-------------------------------|--------|--------|
| EV/EBITDA | | |
| Mare Group (KT&P Valuation) | 9.6x | 8.3x |
| Mare Group (Market Valuation) | 6.0x | 5.1x |
| Comps Median | 8.1x | 7.4x |
| Mare Group vs Comps Median | -26.5% | -30.8% |
| P/E | | |
| Mare Group (KT&P Valuation) | 23.6x | 15.2x |
| Mare Group (Market Valuation) | 10.9x | 7.0x |
| Comps Median | 19.4x | 16.3x |
| Mare Group vs Comps Median | -43.9% | -57.0% |

Stock Data

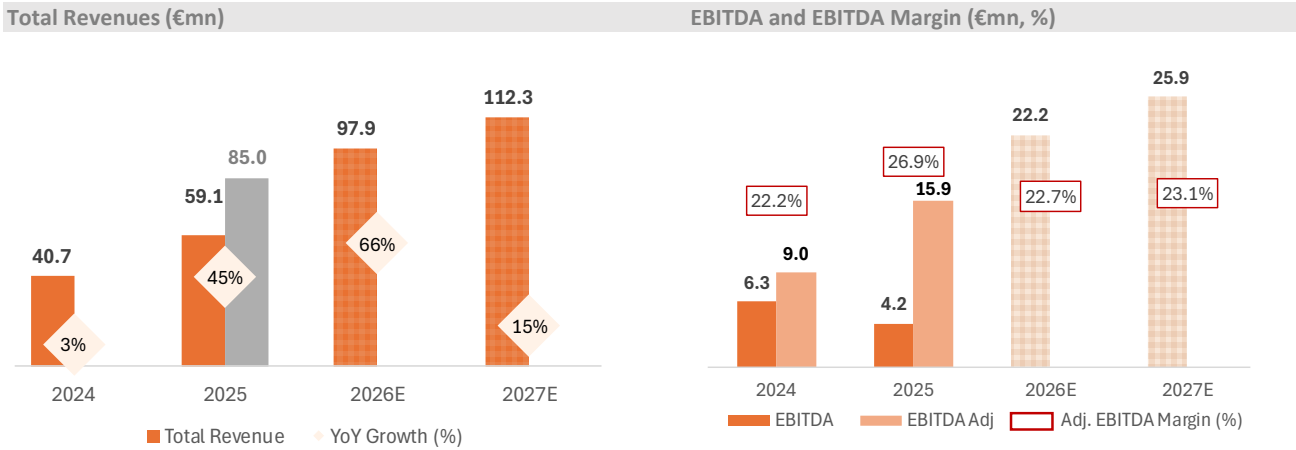
| | |
|-------------------------------|-------|
| 52 Wk High (€) | 4.3 |
| 52 Wk Low (€) | 2.3 |
| Avg. Daily Turnover 90d (€ k) | 174.8 |
| Price Change 1w (%) | -5.1 |
| Price Change 1m (%) | 11.6 |
| Price Change YTD (%) | 4.6 |

Key Figures

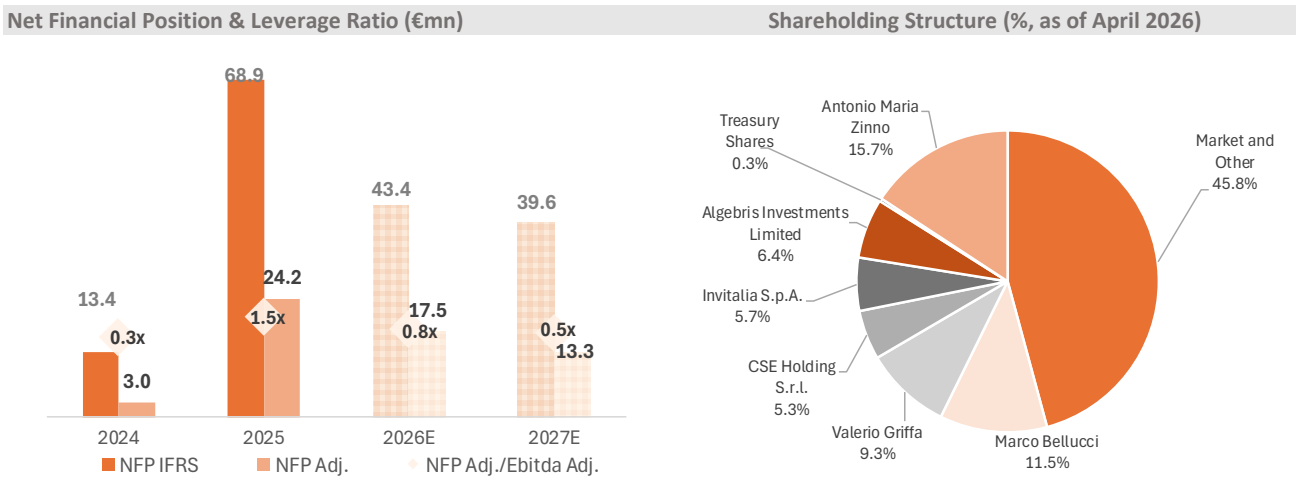
| Per Share Data | 2024 (OIC) | 2024 (IFRS) | 2025 (IFRS) | 2026E | 2027E | 2028E | 2029E |
|------------------------------------|------------|-------------|-------------|-------|-------|-------|-------|
| Total shares outstanding (mn) | 14.83 | 14.83 | 19.28 | 19.28 | 19.28 | 19.28 | 19.28 |
| EPS | 0.12 | -0.02 | -0.43 | 0.34 | 0.53 | 0.72 | 0.97 |
| Profit and Loss (EUR mn) | | | | | | | |
| Sales Revenues | 37.2 | 36.7 | 53.5 | 90.9 | 104.5 | 120.2 | 138.3 |
| Total Revenues | 44.6 | 40.7 | 59.1 | 97.9 | 112.3 | 128.7 | 147.7 |
| growth (%) | n.a. | n.a. | 45.1% | 65.8% | 14.6% | 14.7% | 14.7% |
| EBITDA | 11.3 | 6.3 | 4.2 | 22.2 | 25.9 | 31.0 | 37.6 |
| EBITDA Adj margin (%) | 25.2% | 15.5% | 7.1% | 22.7% | 23.1% | 24.1% | 25.5% |
| EBIT | 4.6 | 2.1 | (12.3) | 13.2 | 18.2 | 23.3 | 30.0 |
| EBIT margin (%) | 10.3% | 5.2% | -20.8% | 13.4% | 16.2% | 18.1% | 20.3% |
| Net Income | 1.8 | (0.3) | (8.3) | 6.6 | 10.2 | 13.9 | 18.7 |
| Net Income margin (%) | 4.1% | -0.8% | -14.1% | 6.7% | 9.1% | 10.8% | 12.7% |
| Balance Sheet (EUR mn) | | | | | | | |
| Total fixed assets | 32.3 | 30.9 | 99.8 | 79.0 | 78.8 | 78.7 | 78.5 |
| Net Working Capital (NWC) | 12.8 | 13.6 | 19.4 | 23.3 | 29.2 | 35.9 | 43.5 |
| Total Net Capital Employed | 41.6 | 41.3 | 112.3 | 95.3 | 101.1 | 107.6 | 115.1 |
| Net Financial Position/(Cash) IFRS | 1.3 | 13.4 | 68.9 | 43.4 | 39.6 | 33.2 | 23.2 |
| Net Financial Position Adjusted | | 3.0 | 24.2 | 17.5 | 13.3 | 6.5 | (3.9) |
| Total Shareholder's Equity | 40.3 | 29.5 | 45.9 | 51.9 | 61.4 | 74.4 | 91.9 |
| Cash Flow (EUR mn) | | | | | | | |
| Net Operating cash flow | 5.3 | n.a. | (1.8) | 19.8 | 16.5 | 19.4 | 23.2 |
| Change in NWC | (1.3) | n.a. | 5.9 | (2.4) | (5.4) | (6.2) | (7.1) |
| Capital expenditure | (8.3) | n.a. | (79.2) | 12.3 | (6.0) | (6.0) | (6.0) |
| Free cash flow | (17.1) | n.a. | (83.6) | 30.1 | 8.5 | 11.4 | 15.2 |
| Enterprise Value (EUR mn) | | | | | | | |
| Market Cap | 66.4 | 66.4 | 77.5 | 71.9 | 71.9 | 71.9 | 71.9 |
| Net Debt IFRS | 1.3 | 13.4 | 68.9 | 43.4 | 39.6 | 33.2 | 23.2 |
| Minorities | 0.0 | 0.1 | 7.7 | 7.8 | 8.0 | 8.3 | 8.8 |
| Enterprise value | 67.8 | 79.8 | 146.4 | 115.3 | 111.5 | 105.1 | 95.1 |
| Ratios | | | | | | | |
| ROCE | 11.0% | 5.1% | -10.9% | 13.8% | 18.0% | 21.7% | 26.0% |
| ROE | 4.5% | -1.1% | -18.2% | 12.7% | 16.7% | 18.7% | 20.3% |
| Interest cover on EBIT | 4.2x | 1.8x | 3.8x | 3.3x | 4.6x | 5.8x | 7.5x |
| NFP/EBITDA | 0.1x | 2.1x | 16.5x | 2.0x | 1.5x | 1.1x | 0.6x |
| Gearing - Debt/equity | 3.3% | 0.0% | 0.2% | 0.1% | 0.1% | 0.0% | 0.0% |
| NWC/Sales | 0.3x | 0.3x | 0.3x | 0.2x | 0.3x | 0.3x | 0.3x |
| Free cash flow yield | -25.2% | n.a. | -57.1% | 26.1% | 7.6% | 10.8% | 16.0% |
| Multiples (x) | | | | | | | |
| EV/Sales | 1.6x | 3.4x | 3.5x | 1.4x | 1.2x | 1.0x | 0.9x |
| EV/EBITDA | 6.5x | 22.2x | 49.4x | 6.0x | 5.1x | 4.3x | 3.5x |
| P/E | 39.3x | (196.5x) | (9.3x) | 10.9x | 7.0x | 5.2x | 3.8x |

Source: Company Data (2024-2025), KT&Partners' Forecasts (2026-2029)

Key Charts






*FY25 Pro-forma




Mare Group Market Sectors

Aerospace & Defence **Industry & Transportation** **Infrastructure & Building**

Large Corporates



2000+ SMEs

Investment Case

Mare's aggressive M&A strategy has prompted some investors to question whether the company's identity is being reshaped. In our view, these strategic moves are fully coherent with Mare's DNA, reinforcing rather than redefining its core pillars. The expansion systematically deepens capabilities across three foundational dimensions: engineering-led diversification, dual hardware-software competencies, and proprietary technology incubation. Rather than diluting focus, recent transactions consolidate Mare's positioning as what management describes as a "*super tech hub*", a unique convergence of industrial production, digital engineering, and multi-front technology development.

Manufacturing (HW) and Software (SW) Duality. Mare's most distinctive competitive differentiator lies in its manufacturing capabilities, a dimension entirely absent among pure-play digital competitors. Mare produces physical hardware, particularly in A&D where it manufactures testing systems, mechatronic components, and avionic qualification equipment for tier-one clients including Leonardo and ESA. This HW&SW duality creates differentiated value capture: Mare participates in both engineering design margins and hardware production economics, accessing market segments closed to software-only operators. The manufacturing footprint, reinforced through Powerflex and I.D.E.A. acquisitions, transforms Mare from solutions provider to integrated systems manufacturer. This positioning yields superior bargaining power with defense primes and OEMs.

Engineering-Led Diversification Across High-Growth Verticals. Mare defines itself as an engineering company with transversal capabilities applied across three distinct verticals: Aerospace & Defense (A&D), Industry & Transportation, Infrastructure & Building. The strategic logic is twofold: risk mitigation through sector-agnostic capabilities and deliberate exposure to asymmetric growth opportunities. Notably, Mare's increasing weight in A&D (the vertical exhibiting the highest growth trajectory driven by geopolitical tailwinds) positions the group to capture secular defense spending expansion in Europe. With a €17mn order backlog in A&D disclosed in mid-2025, Mare benefits from multi-year visibility in the sector poised for sustained outperformance.

Permanent Technology Incubator Generating Proprietary IP. Mare operates as a systematic incubator, maintaining 2-3 disruptive technologies in parallel development with 3-7 year commercialization horizons. Three horizontal platforms—XR Line (extended reality for training/simulation), Sypla (IoT/AI predictive maintenance), and Delfi.ai (AI-driven SME decision support)—are deployed across all three verticals, creating scalable technology leverage. Management deliberately sacrifices near-term margin to fund proprietary R&D, building defensible IP that drives differentiation and pricing power.

That proprietary technology development represents a core pillar is evidenced by R&D investments averaging >15% of revenues over the past five years. The R&D function, led by Chairman Marco Bellucci and Managing Director Luigi Di Palma (PhD in Aerospace Engineering and 25+ years internationally recognized activity in advanced engineering), focuses on Key Enabling Technologies that generate sustainable competitive advantage. Mare has secured 4 granted patents and 2 pending applications in Industry 4.0/5.0 domains, building a proprietary IP portfolio that feeds operating margin expansion. Crucially, Mare's R&D model converts market requirements into co-funded national and European programs, de-risking development while securing tier-one OEM partnerships with Leonardo and Airbus. This institutional validation reinforces Mare's positioning as a strategic technology partner, cementing the convergence of industrial manufacturing, engineering excellence, and innovation that defines its competitive moat.

Company Overview

Founded in 2001 at the University of Federico II in Naples, Mare Engineering Group SpA (“Mare Group”) is a digital engineering company at the forefront of innovation. The company collaborates with large enterprises to develop cutting-edge solutions while leveraging these technologies to create tailored products and services for small businesses. Mare Group is driving the digital and sustainability transition through a market-vertical operating model built on a common technology stack. Activities are organized into four client verticals—Aerospace & Defense, Industry & Transportation, Infrastructure & Building, and SMEs (cross-sector)—all powered by the Group’s horizontal platforms (XR Line, Sypla and Delfi.ai).

Aerospace & Defense focuses on mechatronics, testing and qualification, predictive maintenance, and XR-based training/simulation. The vertical leverages recent acquisitions (e.g., Powerflex, I.D.E.A., Rack Peruzzi) to address multi-year programs with tier-one clients.

Industry & Transportation covers the Group’s core engineering perimeter: industrial/product/process design and optimization, digital transformation for factories, and mobility/railway solutions. It integrates enabling technologies such as digital twin/XR and AI-driven predictive maintenance to improve efficiency, quality and time-to-market.

Infrastructure & Building created with the integration of La SIA—spans telecom network engineering, mobility infrastructure and civil/architectural design. The unit applies BIM, digital twins and safety/lifecycle monitoring to public-tender and framework-contract projects across critical infrastructure and construction.

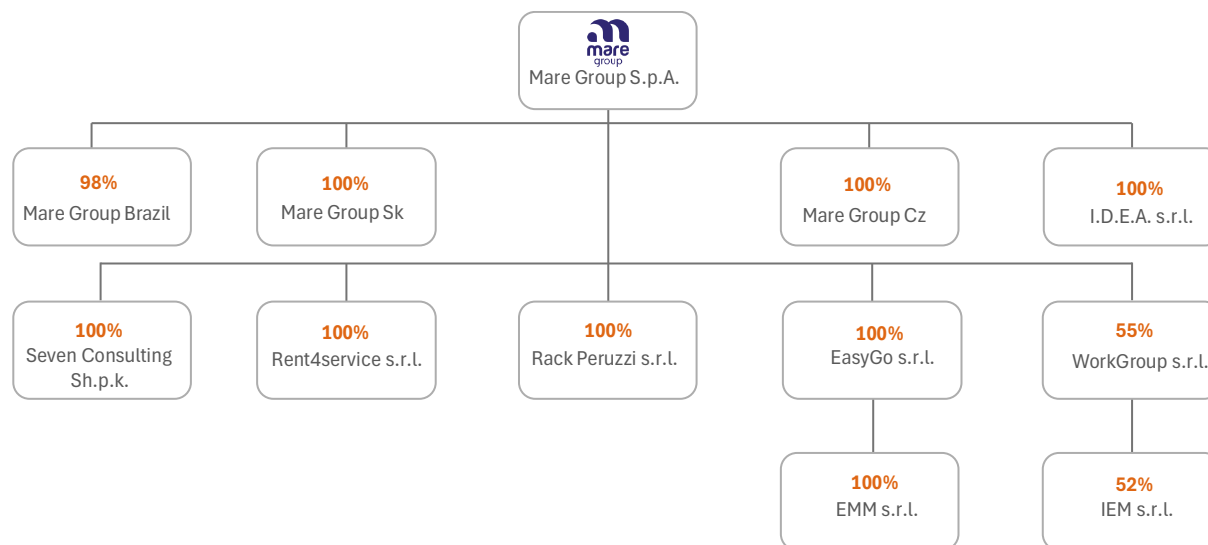
Mare Group’s innovation ecosystem is supported by a robust market presence, including over 2,000 clients, 700+ employees (as of December 2025), and 35 operational and sales offices. Its diverse product portfolio is continually enriched through significant R&D investments and strategic mergers and acquisitions. Since 2019, Mare Group has completed 19 M&A deals, including the acquisition of Powerflex and La SIA, enhancing its ability to deliver digital transformation and sustainability solutions tailored for Italian SMEs.

Growth Through Strategic Acquisitions



Source: Company Presentation

Group Structure



Recent Developments

- Asset Monetization and Strategic Expansion.** In December 2025, the Group reached 100% ownership of its subsidiary Mare Group CZ s.r.o. and increased its stake in TradeLab to 22.4% through a €3.0mn reserved capital increase and the concurrent spin-off and sale of a business unit and two platforms for €3.88mn (€0.88mn cash, €3.0mn in TradeLab shares). On 19 Dec 2025, Mare Group acquired a 55% stake in Workgroup S.r.l. for a total consideration of ~€5.1mn, structured as: (i) contribution of a Mare Group business unit valued at ~€2.2mn against a reserved capital increase, and (ii) a cash payment of ~€2.85mn (€0.65mn at closing, €2.2mn deferred Jan 2026–Jan 2027); an earn-out of up to €0.7mn is payable subject to EBITDA targets in FY26–FY27. Workgroup provides digital solutions to 1,200+ SMEs, boasting a €3.8mn FY24 VoP and a 39% Adj. EBITDA margin. Building on this acquisition, in March 2026, Mare acquired a 52% stake in IEM S.r.l. (~€0.35mn revenues) to enhance its business data management capabilities.
- Launch of EasyGo Search Fund and Acquisition of EMM s.r.l.** On 29 Dec 2025, Mare Group and Borgosesia S.p.A. launched EasyGo S.r.l., a search fund targeting succession-driven acquisitions of Italian SMEs in the digital space. EasyGo completed an oversubscribed initial capital raise of €7.5mn. On 31 Dec 2025, EasyGo completed its first acquisition, purchasing 100% of EMM Systems S.r.l. for an equity value of €7.5mn (€3.0mn paid at closing, €3.0mn due Jun 2026, €1.5mn held in escrow until Jun 2027). EMM Systems is a supply chain digitalization software provider focused on the pharma sector, reporting FY24 VoP of €17.7mn, EBITDA of €2.2mn (~12% margin), and net cash of €1.2mn (as of 19 Dec 2025). On 3 Mar 2026, Mare Group exercised its contractual call option to acquire the remaining 49% stake in EasyGo from Borgosesia for €10mn, achieving 100% direct ownership of EasyGo and 100% indirect ownership of EMM Systems.

- ***Eles Semiconductor Equipment S.p.A.: Takeover Bid and Subsequent Divestment.***
In June 2025, Mare Group launched a voluntary partial tender offer on Eles Semiconductor Equipment S.p.A. ("Eles") at €2.25 per share, representing a c.40% premium to the prior closing price. By August 2025, Mare had reached a 29.04% stake in Eles' share capital. The strategic rationale centred on expanding the Group's footprint in the Aerospace & Defense sector by integrating Eles' semiconductor testing capabilities with Mare Group's engineering. In October 2025 Mare Group launched a voluntary totalitarian tender offer (later converted into an obligatory offer after surpassing Eles' 30% share capital) for all remaining Eles shares (and warrants) at €2.25 per share in cash, aiming to resolve a governance stalemate. A competing bid from Xenon Private Equity, a Luxembourg- and Milan-based independent PE firm, acting in concert with Eles' founding shareholders to delist Eles from public markets, prompted a bidding war, with both parties raising their consideration to €2.65 per share before Xenon further increased its offer to €3.20 per share, which ultimately prevailed. Mare Group closed the tendering period holding 37.59% of Eles through tender acceptances, market purchases, and warrant exercises. Having failed to secure a controlling stake, in the first quarter of 2026 the Group disposed of its entire position in Eles for €26.3 million, generating a capital gain of approximately €5.6 million.
- ***Approval of Mergers by Incorporation of La SIA, M2R Holding, and Powerflex.***
Between late September and early October 2025, Mare Group's Board of Directors approved the mergers by incorporation of La SIA S.p.A., M2R Holding S.r.l., and Powerflex S.r.l. into Mare Engineering Group S.p.A. The mergers will eliminate redundant costs linked to the former standalone entities (especially the listed one), such as governance, compliance, and administrative expenses, while streamlining internal processes and improving scalability.
- ***Acquisition and full integration of La SIA S.p.A.*** Between February and August 2025, Mare Group completed the full acquisition of La SIA S.p.A., a leader in digital engineering and architecture. The transaction began on February 12th, with the signing of a binding agreement for a 70.6% stake. The closing took place on May 30th, 2025, following regulatory and Golden Power clearances, and was followed by the launch of a mandatory takeover bid (OPAS) for the remaining 29.4% of the share capital. On August 5th, 2025, Mare exceeded the 95% ownership threshold, triggering the squeeze-out procedure and finalizing La SIA's full integration into the Group. The deal implied a total equity value of €19.2mn for La SIA, corresponding to €3.38 per share and a 16.7% premium on the pre-announcement price. Based on La SIA's FY24 and FY25 consensus estimates, the transaction was executed at an EV/EBIT multiple of 7.4x and 6.3x.

R&D Developments

R&D investments remain a core pillar of Mare Group's identity, averaging over 15% of annual revenues over the past five years and generating proprietary IP assets that position the group as a technology hub across its A&D, Industry & Transportation, and Infrastructure & Building verticals. Projects are primarily developed in partnership with Italian and European universities and research centers, spanning five key enabling technology areas: AI and data fusion, digital twin, advanced engineering simulation, extended reality, and IoT and sensoristics.

Aerospace & Defence. R&D activity in A&D focused on advanced structural simulation, crashworthiness, and green aviation architectures. Under HERFUSE, Mare continued the numerical development and validation of fuselage and tail structures for hybrid-electric regional aircraft, including structural dimensioning and digital model refinement for design traceability. Under CRYOSTAR (Horizon Europe, Clean Aviation Joint Undertaking, €5.1mn total, €0.7mn allocated to Mare), the group advanced technical-scientific preparation on the safe integration of liquid hydrogen cryogenic tanks in fuselage, developing multiphysics simulation models and validation criteria in support of the certification pathway. Under NOZZLE-TEC, of which Mare is lead partner alongside ESTECO and CIRA, the group completed simulation and design activities for thermo-fluid-dynamic characterization of water injection nozzles for cryogenic wind tunnel testing, consolidating the FEM model and benchmarking fluid-structure simulation methodologies.

Industry & Transportation. Projects in this vertical targeted AI-driven digitalization of manufacturing, energy efficiency, and predictive maintenance. Under IMPROVE, coordinated by Mare alongside the University of Salerno, CLIO, GELEISIS, and 3DnA, the group consolidated industrial use cases and advanced predictive modelling on manufacturing process data, with parallel development of the software platform architecture ahead of factory validation. Under SINERGIA, developed with GIAS as lead partner and the University of Calabria, Mare contributed to the design of a modular digital twin and data collection backend for AI and IoT-based energy efficiency optimization in agri-food production processes.

Infrastructure & Building. Following the full consolidation of La SIA, Mare reinforced its R&D presence in this vertical, extending its SYPLA platform toward infrastructure and civil building asset management. Development in 2025 focused on data collection logic, predictive diagnostics, and operational modules integrating BIM, IoT health monitoring, and digital twin capabilities inherited from La SIA, opening cross-sector transfer opportunities with the group's industrial data-driven platforms.

Cross-Sector. Mare continued several transversal projects spanning cultural heritage, healthcare, and environmental management. PAS (lead partner: Mare, with Università Parthenope, University of Salerno, EVA Group, and DeliverTI) advanced VR environment design and digital twin architectures for immersive fruition of submerged archaeological sites. ARKETIPO progressed AI and data fusion tools for early clinical diagnosis and risk prediction. DIGIMEDFOR developed XR and digital tools for sustainable forest resource management.

FY25 Financial Results

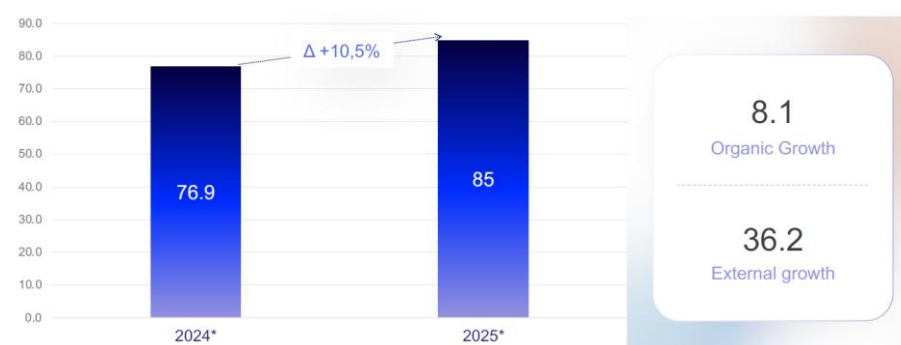
FY25 marks Mare Group's first reporting year under IFRS, with FY24 figures restated on the same basis to ensure comparability. Given the accounting transition and the significant expansion of the consolidation perimeter across the year, a comparison against our prior OIC-based estimates would not be meaningful; we therefore focus the discussion on the FY25 vs. FY24 IFRS comparison, supplemented by the pro-forma view where relevant.

Topline. Consolidated total revenues reached €59.1mn in FY25, up 45% YoY versus €40.7mn in FY24, driven by both organic growth and the progressive consolidation of entities acquired during the year, principally La SIA (consolidated from June), Powerflex (consolidated from 1st January), Rack Peruzzi (from June), and I.D.E.A (from March).

We estimate that the c.€19mn increase in consolidated revenues can be approximated as follows: c.€6-9mn from La SIA (consolidated from June 2025), c.€1.5-2mn from Powerflex (full year contribution), and c.€2-2.5mn from the remaining acquisitions in aggregate. The residual c.€8mn is attributable to organic growth on the legacy perimeter. This breakdown should be treated as indicative, as the enlarged group perimeter has itself been a driver of commercial momentum, with combined capabilities unlocking contract opportunities that would not have been accessible to any single entity in isolation.

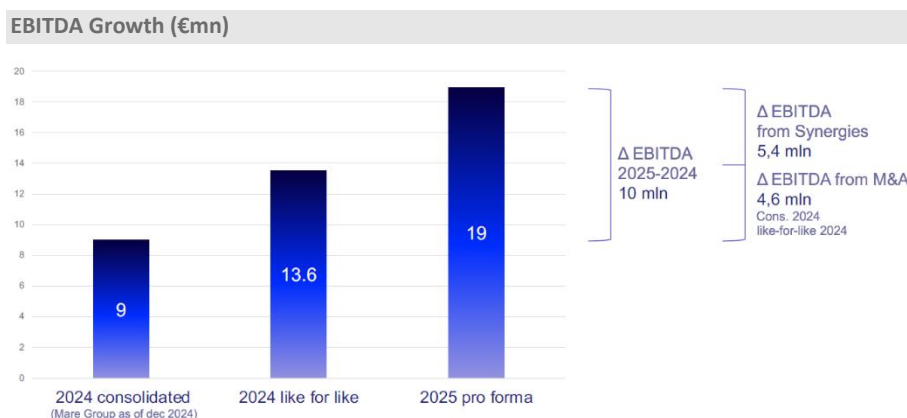
On a pro-forma basis, which assumes full-year consolidation of all entities (including EMM), total revenues amounted to €85.0mn, providing a cleaner read of the group's current operating scale.

Like-For-Like Revenues Growth (€mn)



Source: Company Presentation; (*) excluding WorkGroup's contribution, 2025 revenue growth is 9.2%

Adjusted EBITDA on a consolidated basis grew to €15.9mn from €9.0mn in FY24 (+76% YoY). On a pro-forma basis, adjusted EBITDA reached €19.0mn, implying a pro-forma margin of 22.4%. The €11.7mn gap between adjusted and reported EBITDA is mainly due to M&A/OPA/merger exceptional costs, and in secondary parts from IFRS transition costs; stock option/grant accruals and net negative contingencies for €3mn. Reported EBITDA consequently stood at €4.2mn (7.1% margin).



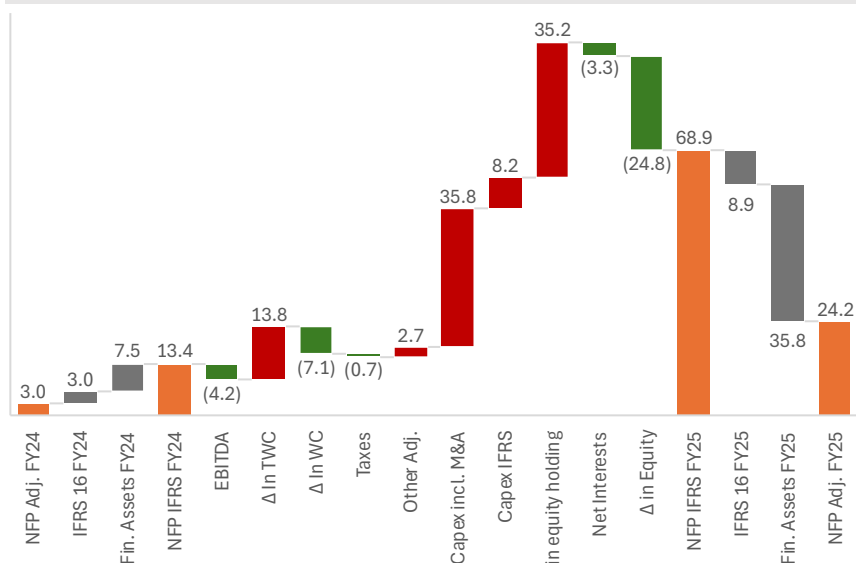
Source: Company Presentation

D&A and impairments totaled €12.6mn, up sharply from €4.1mn in FY24. Adjusted D&A, comprising ordinary amortization and depreciation, accounted for €6.9mn of this figure, rising in line with the enlarged asset base. The remaining €5.7mn consists of non-recurring items, mostly ECL provisions on trade receivables under IFRS 9, applied for the first time. In addition, a separate €3.9mn write-down of non-current intangible assets, reflecting prudential revaluations of software platforms in connection with the IFRS transition, reduce reported EBIT. As a result, reported EBIT stood at (€8.4mn), while adjusted EBIT, reached €8.9mn.

Below the operating line, net financial income was €3.3mn versus a cost of €1.5mn in FY24. This swing is entirely non-recurring: gross financial income of €7.0mn reflects fair value adjustments on listed equity stakes under IFRS 9 FVTPL accounting, specifically the mark-to-market gain on Eles (+€8.9mn) and a partial offset from TradeLab (-€2mn). Financial charges rose to €3.7mn from €1.7mn in FY24, consistent with a larger debt base. Stripping out the non-recurring fair value items, adjusted EBT reached €5.2mn versus €3.3mn in FY24. Reported net income attributable to the group was (€8.7mn), while adjusted net income was €3.0mn.

Balance Sheet and Net Debt. The group's NFP on an IFRS basis stood at €68.9mn net debt at year end, versus €13.4mn in FY24. Stripping out IFRS 16 lease liabilities (€8.9mn) and non-operating financial assets (€35.8mn, principally the Eles stake valued at €22.8mn, DBA at €6.9mn, and TradeLab at €1.7mn), the adjusted NFP was €24.2mn net debt versus €3.0mn in FY24.

The €21.2mn deterioration in adjusted Net Debt is explained by three drivers. First, trade working capital absorbed €13.8mn; reflecting both the enlarged consolidation perimeter and the longer payment cycles typical of Aerospace & Defense contracts. Second, net capex totaled €71.0mn, comprising tangible and intangible assets, €35mn related to the acquisition of equity stakes, and €27mn of goodwill arising from business combinations completed during the year. Third, equity inflows of €24.8mn, primarily from shares issued in connection with acquisitions, partially offset the above outflows. It is worth noting that the Eles was subsequently divested in early 2026 for approximately €26.3mn, generating a net gain of c.€5.6mn and deleveraging the balance sheet.

Net Financial Position (NFP) Bridge (€mn, FY24-25)**FY24-25 Income Statement (€mn)**

| € million | FY24-IFRS | FY25-IFRS |
|---|--------------|---------------|
| Sales Revenues | 36.7 | 53.5 |
| Growth % | n.a. | 43.8% |
| Other Revenues | 4.0 | 5.6 |
| Total Revenues | 40.7 | 59.1 |
| Growth % | n.a. | 32.3% |
| Products and Raw materials | (4.6) | (5.5) |
| Cost of Services | (7.5) | (23.6) |
| Personnel Expenses | (15.6) | (23.2) |
| Other Operating Expenses | (6.6) | (4.4) |
| EBITDA | 6.3 | 4.2 |
| EBITDA margin (% VoP) | 15.5% | 7.1% |
| Extraordinary Income (Expenses) | (2.7) | (11.7) |
| EBITDA Adjusted | 9.0 | 15.9 |
| EBITDA Adj. margin (% VoP) | 22.2% | 26.9% |
| D&A | (4.2) | (12.6) |
| Impairment/Reversal of non-curr. Assets | (0.1) | (3.9) |
| EBIT | 2.0 | (12.3) |
| EBIT margin | 5.2% | -20.8% |
| D&A Adj. | (4.0) | (6.9) |
| EBIT Adjusted | 5.0 | 8.9 |
| Financial Income and Expenses | (1.5) | 3.3 |
| EBT | 0.5 | (9.0) |
| Financial Income/Expenses Adj. | (1.7) | (3.7) |
| EBT Adjusted | 3.3 | 5.2 |
| Taxes | (0.9) | 0.7 |
| Tax Rate | 155.7% | 7.5% |
| Net Income | (0.4) | (8.3) |
| Net margin | 0.0% | -14.1% |
| Minorities | 0.0 | 0.3 |
| Net Income attributable to the Group | (0.5) | (8.7) |
| Net margin | -0.9% | -14.7% |
| Net Income Adj | 2.4 | 3.0 |

Source: Company Data (FY24-FY25)

FY24-25 Balance Sheet (€mn)

| € thousand | FY24-IFRS | FY25-IFRS |
|---|--------------|---------------|
| Goodwill | 2.2 | 29.5 |
| Intangible | 19.5 | 17.0 |
| Right of Use | 2.8 | 9.6 |
| Tangible | 1.5 | 5.5 |
| Equity Holding | 0.2 | 31.5 |
| Other LT Assets | 4.8 | 6.8 |
| Fixed Assets | 30.9 | 99.8 |
| Trade receivables | 12.5 | 31.2 |
| Inventory | 1.0 | 4.5 |
| Trade Payables | 8.8 | 17.2 |
| Trade Working Capital | 4.7 | 18.5 |
| Contract Assets | 7.6 | 14.9 |
| Other Current Liabilities | (10.9) | (25.9) |
| Other Current Assets | 16.4 | 19.6 |
| Other Non-Current Liabilities | (4.0) | (7.6) |
| Net Working Capital | 13.6 | 19.4 |
| Other Provisions | (3.3) | (7.0) |
| Net Capital Employed | 41.3 | 112.3 |
| Group shareholders' equity | 29.4 | 38.2 |
| Minority shareholders' equity | 0.1 | 7.7 |
| Total shareholders' equity | 29.5 | 45.9 |
| Short-term financial debt | 15.3 | 29.6 |
| Other current financial assets | (13.2) | (3.2) |
| Cash and Cash Equivalent | (2.6) | (52.9) |
| Long-term financial debt | 12.1 | 92.9 |
| Net Financial Position IFRS | 13.4 | 68.9 |
| <i>IFRS Adjustments</i> | <i>(3.0)</i> | <i>(8.9)</i> |
| <i>Other financial activities</i> | <i>(7.5)</i> | <i>(35.8)</i> |
| Net Financial Position Adjusted (non-IFRS) | 3.0 | 24.2 |
| Sources | 41.2 | 112.3 |

Deconstructing Forecasts

FY25 marks Mare Group's first IFRS reporting year. Given the accounting transition and the material expansion of the consolidation perimeter, a comparison against our prior OIC-based estimates would not be meaningful; we therefore introduce our estimates on a clean IFRS basis, using FY25 as the base year.

Our projections reflect organic growth only and do not model further M&A; however, given the group's track record, we expect the external growth trajectory to continue, representing potential upside to our estimates.

Revenues and profitability. Our FY26E total revenues of €97.9mn are broadly aligned with the company's guidance of €95-100mn, implying approximately 66% growth on a consolidated IFRS basis and c.15% on a like-for-like comparison against the FY25 pro-forma of €85mn. From FY27 onwards, we model a steady organic growth trajectory of approximately 15% per annum through FY29, supported by the group's expanding backlog and cross-selling opportunities across verticals.

However, management's broader ambition is doubling the group's size again within the next 18 months from the current pro-forma base of €85mn, a target that is aspirational in nature and implicitly assumes continued M&A activity alongside organic momentum.

On profitability, we expect EBITDA adjusted to reach €22.2mn in FY26E (22.7% margin), toward the upper end of the company's €21-22.5mn guidance range. We model EBITDA progressing towards €37.6mn by FY29E (25.5% margin), with the margin expansion driven by operating leverage.

Cash flow and deleveraging. We model adjusted NFP (non-IFRS) declining to €17.5mn in FY26E from €24.2mn in FY25, broadly consistent with management's guidance of €15-20mn, and continuing to deleverage from there. Working capital is expected to be a tailwind in FY26, as the group optimizes its credit collection cycle across the enlarged perimeter, renegotiates supplier payment terms leveraging its increased procurement scale, and recovers credits temporarily blocked during post-merger integration. We model a FY26 operating cash flow of €19.8mn, against an EBITDA of €22.2mn. Second, organic capex remains contained throughout the plan, with FY26 running below the normalized run-rate of €6mn per annum from FY27 onwards, reflecting asset portfolio optimization. The FY26 IFRS NFP also benefits from the March 2026 disposal of the Eles stake for €26.3mn, partially offset by the investment in EasyGo.

Dividend. The board has proposed a dividend of €0.03 per share for FY25 (€580k gross, payment date May 2026), representing a yield of approximately 0.9% on the March 2026 closing price. We model the dividend growing by €0.01 per share annually throughout the plan period.

FY24-FY29E Income Statement (€mn)

| € million | FY24-IFRS | FY25-IFRS | FY26E | FY27E | FY28E | FY29E |
|---|--------------|---------------|-------------|--------------|--------------|--------------|
| Sales Revenues | 36.7 | 53.5 | 90.9 | 104.5 | 120.2 | 138.3 |
| Growth % | n.a. | 43.8% | 70.0% | 15.0% | 15.0% | 15.0% |
| Other Revenues | 4.0 | 5.6 | 7.0 | 7.7 | 8.5 | 9.4 |
| Total Revenues | 40.7 | 59.1 | 97.9 | 112.3 | 128.7 | 147.7 |
| Growth % | n.a. | 32.3% | 65.8% | 14.6% | 14.7% | 14.7% |
| Products and Raw materials | (4.6) | (5.5) | (7.8) | (9.0) | (10.3) | (11.8) |
| Cost of Services | (7.5) | (23.6) | (24.5) | (28.1) | (32.2) | (36.9) |
| Personnel Expenses | (15.6) | (23.2) | (38.0) | (43.0) | (48.0) | (53.0) |
| Other Operating Expenses | (6.6) | (4.4) | (5.9) | (6.7) | (7.7) | (8.9) |
| EBITDA | 6.3 | 4.2 | 22.2 | 25.9 | 31.0 | 37.6 |
| EBITDA margin (% VoP) | 15.5% | 7.1% | 22.7% | 23.1% | 24.1% | 25.5% |
| Extraordinary Income (Expenses) | (2.7) | (11.7) | - | - | - | - |
| EBITDA Adjusted | 9.0 | 15.9 | 22.2 | 25.9 | 31.0 | 37.6 |
| EBITDA Adj. margin (% VoP) | 22.2% | 26.9% | 22.7% | 23.1% | 24.1% | 25.5% |
| D&A | (4.2) | (12.6) | (9.1) | (7.7) | (7.6) | (7.7) |
| Impairment/Reversal of non-curr. Assets | (0.1) | (3.9) | - | - | - | - |
| EBIT | 2.0 | (12.3) | 13.2 | 18.2 | 23.3 | 30.0 |
| EBIT margin | 5.2% | -20.8% | 13.4% | 16.2% | 18.1% | 20.3% |
| D&A Adj. | (4.0) | (6.9) | - | - | - | - |
| EBIT Adjusted | 5.0 | 8.9 | 22.2 | 25.9 | 31.0 | 37.6 |
| Financial Income and Expenses | (1.5) | 3.3 | (4.0) | (4.0) | (4.0) | (4.0) |
| EBT | 0.5 | (9.0) | 9.2 | 14.2 | 19.3 | 26.0 |
| Financial Income/Expenses Adj. | (1.7) | (3.7) | - | - | - | - |
| EBT Adjusted | 3.3 | 5.2 | 22.2 | 25.9 | 31.0 | 37.6 |
| Taxes | (0.9) | 0.7 | (2.6) | (4.0) | (5.4) | (7.3) |
| Tax Rate | 155.7% | 7.5% | -28.0% | -28.0% | -28.0% | -28.0% |
| Net Income | (0.4) | (8.3) | 6.6 | 10.2 | 13.9 | 18.7 |
| Net margin | 0.0% | -14.1% | 6.7% | 9.1% | 10.8% | 12.7% |
| Minorities | 0.0 | 0.3 | 0.1 | 0.2 | 0.3 | 0.5 |
| Net Income attributable to the Group | (0.5) | (8.7) | 6.5 | 10.1 | 13.6 | 18.2 |
| Net margin | -0.9% | -14.7% | 6.6% | 9.0% | 10.6% | 12.3% |
| Net Income Adj | 2.4 | 3.0 | 6.5 | 10.1 | 13.6 | 18.2 |

Source: Company Data (FY24-FY25), KT's Estimates (FY26E-FY29E).

NFP Evolution (€mn)

| € Million | FY25 | FY26E | FY27E | FY28E | FY29E |
|----------------------------------|---------------|-------------|-------------|-------------|-------------|
| EBITDA | 4.2 | 22.2 | 25.9 | 31.0 | 37.6 |
| Income Taxes | 0.7 | (2.6) | (4.0) | (5.4) | (7.3) |
| Change in TWC | (13.8) | 0.4 | (2.8) | (3.2) | (3.6) |
| Other Changes in WC | 7.1 | (0.3) | (2.6) | (3.0) | (3.5) |
| Operating Cash Flow | (1.8) | 19.8 | 16.5 | 19.4 | 23.2 |
| Other Adjustments | (2.7) | - | - | - | - |
| Capex | (35.8) | (4.0) | (6.0) | (6.0) | (6.0) |
| Delta IFRS assets | (8.2) | (2.0) | (2.0) | (2.0) | (2.0) |
| Change in equity holding | (35.2) | 16.3 | - | - | - |
| Free Cash Flow | (83.6) | 30.1 | 8.5 | 11.4 | 15.2 |
| Net Interests | 3.3 | (4.0) | (4.0) | (4.0) | (4.0) |
| Change in Equity | 24.8 | (0.6) | (0.8) | (1.0) | (1.2) |
| Change in NFP | (55.5) | 25.5 | 3.7 | 6.4 | 10.0 |
| Change in IFRS RoU | 6.0 | 1.3 | 0.5 | 0.4 | 0.3 |
| Change in Other Financial Assets | 28.4 | (20.1) | - | - | - |
| Change in NFP Adj. | (21.2) | 6.6 | 4.2 | 6.8 | 10.4 |
| Begin NFP Adj. | 3.0 | 24.2 | 17.5 | 13.3 | 6.5 |
| Begin NFP Adj. | 24.2 | 17.5 | 13.3 | 6.5 | (3.9) |

Source: Company Data (FY24-FY25), KT's Estimates (FY26E-FY29E).

Valuation

Following the projections of Mare Group's future financials, and while M&A remains a structural component of the Group's growth strategy, our FY26–29E estimates are based on the current consolidation perimeter. On this basis, the company's valuation was performed using two standard methodologies: market multiples and Discounted Cash Flow (DCF).

- **Market Multiples (EV/EBITDA, P/E):** Using a selected peer group of European and Italian digital engineering companies, we applied average FY26E–FY27E EV/EBITDA and P/E multiples to Mare Group's forecasts, incorporating a 15% liquidity and size discount. The adjustment reflects the company's smaller market capitalization compared with peers and EGM's inherently lower liquidity. The application of peer multiples yields an implied equity value of €118.9mn, or €6.20ps.

- **Discounted Cash Flow (DCF):** We projected Mare Group's Free Cash Flows over the FY26E–FY29E period, discounted at a WACC of 8.8% and a terminal growth rate of 2.5%. This approach results in an implied equity value of €187.4mn, or €9.70ps.

To calculate Equity Value, we use the FY25 adjusted Net Debt position of €52.6mn, which is FY25 IFRS Net Debt of 68.9mn, adjusted for the €26.3mn Eles stake disposal, netted by the €10mn Easy Go investment.

Valuation Recap

| | Equity Value €mn | Value per share € |
|--------------------------|------------------|-------------------|
| EV/EBITDA | 105.2 | 5.50 |
| P/E | 132.7 | 6.90 |
| Average Multiples | 118.9 | 6.20 |
| DCF | 187.4 | 9.70 |
| Average Value | 153.2 | 8.00 |

Source: FactSet, KT&Partners' Elaboration

By averaging the outputs of both methodologies, we derive a fair equity valuation of €153.2mn, corresponding to a target price of €8.0 per share, and implying an EV/EBITDA multiple of 9.6x on FY26E EBITDA (8.3x on FY27E EBITDA).

KT&Partners' Implied Multiples

| | FY26E | FY27E |
|--------------------------|--------------|--------------|
| EV/EBITDA implied | 9.6x | 8.3x |
| P/E implied | 23.6x | 15.2x |

Source: KT&P's estimates, Factset consensus data

Market Multiples Valuation

Following the comparables analysis, we proceeded with the definition of peers' market multiples focusing on 2025-27 data. MARE trades at notably lower multiples if compared to the peer group, with 6.0x FY26 EV/EBITDA and -9.3x FY26 P/E.

Peer Comparison – Market Multiples 2025-27

| Company Name | Exchange | Market Cap | Avg. EBITDA Margin (25-27) | CAGR Sales (24-27) | EV/EBITDA 2025 | EV/EBITDA 2026 | EV/EBITDA 2027 | P/E 2025 | P/E 2026 | P/E 2027 |
|------------------------------|------------|--------------|----------------------------|--------------------|----------------|----------------|----------------|---------------|--------------|--------------|
| Indra Sistemas, S.A. Class A | Spain | 8,683 | 13% | 16% | 15.2x | 10.6x | 9.1x | 19.9x | 19.4x | 16.3x |
| QinetiQ Group plc | London | 2,628 | 16% | 3% | 7.8x | 7.1x | 6.7x | 14.1x | 12.9x | 11.9x |
| SECO S.p.A. | Milan | 379 | 22% | 10% | 11.3x | 9.2x | 7.9x | 692.4x | 36.6x | 23.9x |
| Tinexta SpA | Milan | 711 | 24% | 7% | 9.4x | 7.9x | 7.3x | n.m. | 22.7x | 18.0x |
| TXT e-solutions S.p.A. | Milan | 436 | 15% | 16% | 8.8x | 8.1x | 7.4x | 16.6x | 15.1x | 13.4x |
| Average | | 2,567 | 18.0% | 903.0% | 10.5x | 8.6x | 7.7x | 185.8x | 21.3x | 16.7x |
| Median | | 711 | 15.8% | 10.2% | 9.4x | 8.1x | 7.4x | 18.3x | 19.4x | 16.3x |
| Mare Group | EGM | 72 | 19.0% | 43.5% | 49.4x | 6.0x | 5.1x | -9.3x | 10.9x | 7.0x |

Source: FactSet, KT&Partners' Elaboration

We based our evaluation on Mare Group's estimated EBITDA and Net Income for 2026 and 2027 estimates. The 15% liquidity/size adjustment reflects the company's smaller market capitalization compared with peers and EGM's inherently lower liquidity.

Multiple Valuation - EV/EBITDA and P/E

| EV/EBITDA | Median | | P/E | Median | |
|---------------------------------|--------------|--------------|--------------------------------|--------------|--------------|
| Multiple Valuation (€mn) | 2026E | 2027E | Multiple Valuation (€mn) | 2026E | 2027E |
| EV/EBITDA Comps | 8.6x | 7.7x | P/E Comps | 21.3x | 16.7x |
| Mare EBITDA | 22.2 | 25.9 | Mare Net Income | 6.6 | 10.2 |
| Enterprise value | 190.8 | 198.8 | Equity Value | 140.9 | 171.2 |
| Average Enterprise value | 194.8 | | Average Equity value | 156.1 | |
| <i>Liquidity/Size Discount</i> | <i>15%</i> | | <i>Liquidity/Size Discount</i> | <i>15%</i> | |
| EV Post-Discount | 165.6 | | Equity Value | 132.7 | |
| NFP / (Cash) FY25 adjusted | 52.6 | | # shares (mn) | 19.3 | |
| Minorities | 7.7 | | Fair value per share | 6.90 | |
| Equity Value | 105.2 | | | | |
| # shares (mn) | 19.3 | | | | |
| Fair value per share | 5.50 | | | | |

Source: FactSet, KT&Partners' elaboration

DCF Valuation

We have conducted our valuation using a four-year DCF model, based on 11.5% cost of equity, 4.9% cost of debt (risk-free rate + Damodaran premium based on Interest Coverage Ratio) and a D/E ratio of 50%. The cost of equity is a function of the risk-free rate of 3.5% (Italian 10y BTP), 5.5% equity risk premium (Damodaran country risk premium for Italy) and a premium for size and liquidity of 2.5% (source: Duff&Phelps). We, therefore, obtained 8.8% WACC.

We discounted 2026-29E annual cash flows and considered a terminal growth rate of 2.5%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

| DCF Valuation | | | | |
|--------------------------------|--------------|-------------|-------------|-------------|
| € Thousands | 2026E | 2027E | 2028E | 2029E |
| EBIT | 13.2 | 18.2 | 23.3 | 30.0 |
| - Taxes on EBIT | (3.7) | (5.1) | (6.5) | (8.4) |
| Tax rate (%) | -28% | -28% | -28% | -28% |
| NOPAT | 9.5 | 13.1 | 16.8 | 21.6 |
| + D&A & Provisions | 9.1 | 7.7 | 7.6 | 7.7 |
| Net operating cash flow | 18.5 | 20.8 | 24.4 | 29.2 |
| -/+ Change in working capital | (2.4) | (5.4) | (6.2) | (7.1) |
| - CAPEX | 12.3 | (6.0) | (6.0) | (6.0) |
| Free Cash Flow | 28.5 | 9.4 | 12.2 | 16.1 |
| Growth rate (g) | 2.5% | | | |
| WACC | 8.8% | | | |
| FCF discounted | 26.9 | 8.1 | 9.8 | 11.8 |
| Discounted Cumulated FCFO | 56.6 | | | |
| Terminal Value | 260.8 | | | |
| Discounted TV | 191.2 | | | |
| Enterprise Value | 247.8 | | | |
| NFP FY25 adj. | 52.6 | | | |
| Minorities FY25 | 7.7 | | | |
| Equity Value | 187.4 | | | |
| # shares (mn) | 19.3 | | | |
| Value per share (€) | 9.70 | | | |

Source: Company Data, KT&Partners' Elaboration

| Sensitivity Analysis | | | | | | |
|----------------------|------|-------|-------|-------|-------|-------|
| € Millions | | WACC | | | | |
| | | 9.3% | 9.1% | 8.8% | 8.6% | 8.3% |
| Terminal growth Rate | 2.0% | 157.3 | 164.7 | 172.5 | 181.0 | 190.2 |
| | 2.3% | 163.4 | 171.3 | 179.7 | 188.8 | 198.7 |
| | 2.5% | 170.0 | 178.4 | 187.4 | 197.2 | 207.9 |
| | 2.8% | 177.1 | 186.1 | 195.8 | 206.4 | 217.9 |
| | 3.0% | 184.7 | 194.4 | 204.9 | 216.3 | 228.9 |

Source: KT&Partners' Elaboration

Appendix - Peer Comparison

The peer group comprises 5 companies selected to provide comparable benchmarks across Mare's distinctive positioning as an engineering-driven technology group with manufacturing capabilities and vertical market specialization. The sample balances sector-specific comparability (aerospace & defense, infrastructure engineering, industrial technology) with geographic relevance, spanning Italian, and European markets.

From a business model perspective, the selection acknowledges Mare's unique hybrid profile—combining applied systems engineering, digital services, and niche hardware integration—which creates inherent comparability challenges versus pure-play software peers. The group includes engineering-focused defense and aerospace operators (Indra Sistemas, QinetiQ), advanced technology and IoT providers (TXT e-solutions, SECO), and digital services platforms (Tinexta), reflecting the multi-dimensional nature of Mare's operations across its four verticals: Aerospace & Defense, Industry & Transportation, Infrastructure & Building, and SMEs.

The Italian peers (TXT e-solutions, Tinexta, SECO) offer closer scale and domestic market dynamics comparability, while larger European operators (Indra Sistemas, QinetiQ) illustrate sector-specific valuation frameworks and long-term growth trajectories as Mare scales through M&A and organic expansion.

All selected peers demonstrate capabilities in applying technology—whether software, engineering methodologies, edge computing, or integrated solutions—to mission-critical industrial applications. However, none fully replicates Mare's unique convergence of engineering diversification, applied digital platforms, and proprietary technology incubation.

- **Indra Sistemas S.A.:** Listed on BME (IDR-ES) with market cap €8.7bn. Spanish technology and consulting multinational operating across transport & traffic, defense & security, energy & industry, and financial services. Strong comparability across multiple dimensions: engineering capabilities, defense/aerospace exposure, hardware-software duality, and vertical diversification strategy. Most comprehensive peer despite scale differential. FY25 revenues: €5.5bn.
- **QinetiQ Group plc:** Listed on LSE (QQ-UK) with market cap £2.6bn. QinetiQ provides defense technology, engineering services, and products to military and government customers, spanning air, land, sea, and cyber domains. Offers direct comparability with Mare's A&D vertical in both engineering services and hardware manufacturing (testing equipment, specialized components). Demonstrates valuation framework for defense-oriented technology providers. FY25 revenues: £2.2bn.
- **SECO S.p.A.:** Listed on Euronext STAR Milan (IOT-IT) with market cap €380mn. SECO specializes in edge computing, IoT, and AI, integrating hardware manufacturing with proprietary software across medical, industrial, and transportation sectors. It offers comparability to Mare Group through its focus on industrial digital transformation and hardware capabilities. However, SECO is deep anchored in physical hardware and device manufacturing, contrasting with Mare's pure software foundation. In FY25, SECO reported €198mn of revenues.
- **Tinexta SpA:** Listed on Euronext Milan (TNXT-IT) with market cap €711mn. Italian digital services provider operating through Digital Trust (cybersecurity, compliance), Business Innovation (credit management, marketing), and Credit Information divisions. Limited operational overlap with Mare's core engineering activities; included as Italian technology services benchmark but weak comparability on business model. FY25 revenues: €457mn.

- **TXT e-solutions S.p.A.:** Listed on Euronext Milan (TXT-IT) with market cap €436mn. TXT develops vertical software for aerospace, aviation, and industrial sectors, including flight simulation, planning optimization, and fintech solutions. Its aerospace focus provides partial overlap with Mare's A&D vertical, though TXT operates as pure-play software without manufacturing capabilities. Comparable in Italian market positioning and technological depth in aerospace applications. FY25 revenues: €394mn.

Appendix- Sustainability Check

In collaboration with Advisory S.r.l.s., we conducted the analysis on Mare Group's ESG themes. As an SME listed on Euronext Growth Milan, Mare Group is not currently subject to CSRD or NFRD mandatory disclosure obligations. This is the fourth edition of the sustainability report, covering FY25 (1 January to 31 December 2025). The report is prepared in accordance with the EFRAG VSME standard, Comprehensive Module. A double materiality analysis was conducted following EFRAG IG1 methodology. The consolidation scope covers 20 Italian operating sites; foreign subsidiaries and entities merged in December 2025 are excluded. No external assurance on ESG data is disclosed. Certifications held include ISO 9001, ISO 14001, ISO 45001, ISO/IEC 27001, ISO 37001, EN 9100, and UNI/PdR 125 (gender equality).

Reported ESRS Thematic Standards

The double materiality analysis identifies three dominant clusters. Human capital sits at the top of the priority stack: for an asset-light digital engineering group, compensation, training, and workforce stability are both the primary operational risk and the key competitive lever. Ethics and governance score the maximum financial opportunity rating across all time horizons, reflecting the reputational sensitivity of serving large aerospace and defence primes such as Leonardo and Airbus. Environmental topics, principally energy and emissions from IT infrastructure and the vehicle fleet, round out the picture, with circular resource use scoring the highest single impact value in the entire analysis.

ESG Highlights FY25

Environment

- **Electricity Consumption:** Total electricity consumption fell 44.7% YoY to 108.5 MWh in FY25 (from 196.1 MWh in FY24), driven by energy efficiency measures across operating sites; all electricity consumed is classified as non-renewable.
- **Fleet Fuel Tracking:** Fleet fuel consumption totalled 692 MWh (71,953 litres across diesel and petrol vehicles; 91 cars); FY24 comparison not available as fleet tracking was introduced for the first time in FY25.
- **GHG Emissions:** Scope 1 emissions declined 12.9% YoY to 183.4 tCO₂e; Scope 2 (location-based) fell 65.5% to 22.9 tCO₂e; combined total of 206.3 tCO₂e compares to 277.1 tCO₂e in FY24, a reduction of approximately 25%.
- **Emissions Intensity:** GHG intensity more than halved to 0.000004 tCO₂e per euro of revenue (FY24: 0.000008), evidencing progressive decoupling of growth from carbon footprint as revenues grew by approximately 69% YoY to €53.5mn.
- **Water Management:** Water consumption dropped 43% YoY to 3,421 m³ (FY24: 6,000 m³); 6 of 20 sites are located in high or extremely high water-stress areas per WRI Aqueduct, providing a baseline for targeted conservation.
- **Biodiversity & Land Use:** All 20 sites confirmed outside protected areas or Natura 2000 zones; sealed land area measured for the first time at 3,000 m².

Social

- **Workforce & Contracts:** Headcount reached 391 at 31 December 2025 (up 27% YoY from 308), with 97% on permanent contracts; 13 employees on part-time arrangements.
- **Gender Diversity:** Women represent 25% of total workforce, stable YoY despite significant inorganic growth; gender ratio at management level is 1:3 (women to men) and 1:6 at Board level.
- **Gender Pay Gap:** Gender pay gap stands at 24%, acknowledged by management as a structural feature of the engineering and technology sector and subject to progressive remediation commitments.

- **Employee Training:** Training intensity normalised in FY25 following a biennial cycle: average hours per employee were 64 for men (FY24: 141) and 14 for women (FY24: 83), reflecting completion of mandatory safety modules in the prior year.
- **Health, Safety & Human Rights:** One workplace injury recorded in FY25; injury rate of 0.25 per 200,000 hours worked. Zero incidents in FY24. No confirmed cases of forced labour, child labour, discrimination, or human rights violations reported.
- **Disability Inclusion & Turnover:** 22 employees hired under Italian disability inclusion law (L. 68/1999); employee turnover at approximately 12%.
- **Collective Bargaining & Compensation:** All 391 employees covered by collective bargaining agreements (78% Metalmeccanico Industria, 17% Studi Professionali, remainder Commercio and Dirigenti Industria); compensation above contractual minima supported by discretionary supplements.

Governance & Business

- **Governance & Ethics Framework:** Governance framework anchored by the D.Lgs. 231/2001 Organisational Model, a formal Code of Ethics, and an active Supervisory Body (OdV) with independent powers of inspection; whistleblowing channels include a dedicated platform, email, and physical mailbox.
- **Anti-Corruption:** ISO 37001 anti-corruption certification renewed in FY25; zero convictions or fines for corruption or bribery recorded in the period.
- **Financial Audit:** Financial audit entrusted to Deloitte & Touche S.p.A. for FY25 to FY27; no ESG assurance engagement disclosed.
- **Board Composition & Oversight:** Board composed of 7 members including 2 independent directors; Statutory Auditors (Collegio Sindacale) and a separate OdV provide layered oversight.
- **Business Exclusions & Compliance:** No revenues from controversial weapons, tobacco, fossil fuels, or agrochemicals; full compliance with EU benchmark exclusion criteria confirmed.

Mare Group's ESG maturity is consistent with a growth-stage SME voluntarily adopting a robust framework above its regulatory obligations. The choice of the VSME Comprehensive Module, combined with a rigorous double materiality process and an extensive certification stack, signals a structured rather than cosmetic approach. Governance oversight is substantive: the Board supervises ESG strategy through a dedicated ESG Manager, an integrated Risk Management function, and the 231 Model, though formal integration of climate and social risks into the Risk Management system remains an open initiative. Operationally, the reported environmental improvements are material, with GHG intensity halving and electricity consumption down 44.7% despite rapid inorganic growth. The gender pay gap of 24% and the below-parity female representation in management are the most visible social gaps. The planned inclusion of Powerflex in the FY26 reporting perimeter will expand the environmental and waste disclosure materially, representing the next meaningful step in coverage maturity.

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IN THIS STUDY, DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

- ADD – FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD – FOR A FAIR VALUE < 15% AND > – 15% ON CURRENT PRICE
- REDUCE – FOR A FAIR VALUE < – 15% ON CURRENT PRICE

