

Analysar

10 June 2022

Accumulate

Recommendation unchanged

Share price: EUR **3.63**

closing price as of 08/06/2022

Target price: EUR **5.40**

Target Price unchanged

Upside/Downside Potential **48.8%**

Reuters/Bloomberg

SHE.MI/SHE.IM

Market capitalisation (EURm) **41**

Current N° of shares (m) 11

Free float **13%**

Daily avg. no. trad. sh. 12 mth (k) 5

Daily avg. trad. vol. 12 mth (k) 0.00

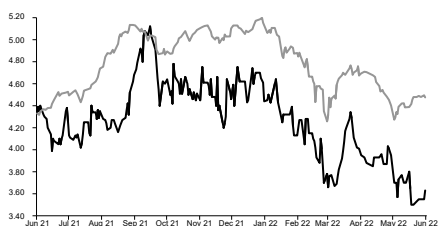
Price high/low 12 months 5.12 / 3.50

Abs Perfs 1/3/12 mths (%) -8.10/-0.82/-16.17

Key financials (EUR)	12/21	12/22e	12/23e
Sales (m)	46	49	54
EBITDA (m)	9	10	11
EBITDA margin	19.1%	20.0%	21.0%
EBIT (m)	6	7	8
EBIT margin	13.0%	13.3%	13.9%
Net Profit (adj.)(m)	4	5	5
ROCE	18.5%	21.3%	23.6%
Net debt/(cash) (m)	(7)	(9)	(11)
Net Debt/Equity	-0.2	-0.3	-0.3
Debt/EBITDA	-0.8	-1.0	-1.0
Int. cover(EBITDA/Fin. int)	41.3	46.5	53.8
EV/Sales	1.1	0.7	0.6
EV/EBITDA	5.6	3.4	2.8
EV/EBITDA (adj.)	5.6	3.4	2.8
EV/EBIT	8.2	5.2	4.2
P/E (adj.)	13.5	9.1	7.9
P/BV	1.9	1.4	1.3
OpFCF yield	29.8%	9.3%	11.7%
Dividend yield	6.1%	6.1%	6.1%
EPS (adj.)	0.35	0.40	0.46
BVPS	2.47	2.65	2.89
DPS	0.22	0.22	0.22

Shareholders

Di Maio 88%;



Source: FactSet

— SHEDIR PHARMA — FTSE AIM Italia (Rebased)

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New acquisition able to expand the group's presence on foreign markets

The facts: yesterday, Shedir Pharma announced the 100% acquisition of Again Life Italia S.r.l. and its associated companies for an equity value of EUR 1.2m.

Again Life group the group specializes in biotechnology research, development and marketing mainly abroad through partnerships of innovative food supplements and medical devices mainly in oncology, ophthalmology, gynecology, diabetology. The group has obtained the granting of numerous patents in more than one hundred and twenty countries around the world. The products are supported by clinical studies published and presented at major conferences, which have certified the efficacy of the products and their therapeutic value, especially in the area of supportive care, mainly in oncology.

Again Life holds distribution contracts for its products in more than 70 countries. It recorded FY 21 turnover of approximately EUR 1m developed in approximately 15 foreign countries, including key markets such as France, Germany, Switzerland, Austria, Sweden, Finland, Denmark, Norway, Poland, the Philippines, Thailand and the United States. FY 21 EBITDA margin was approximately 13% and Net financial debt as of March 31, 2022 was approximately EUR 1.4 m.

Our analysis: *the total consideration for the deal implies a multiple FY 21 EV/EBITDA of 20x.*

This acquisition is very positive from a strategic point of view because the acquisition of the Again group will allow Shedir Pharma to extend its commercial presence on several foreign markets, accelerating the growth path already undertaken by signing some distribution agreements abroad. The deal will allow Shedir Pharma to enter especially the US market. Further development could come from the Italian market through the process of integration and commercial development with the Shedir Pharma structure in currently unmanned therapeutic areas such as oncology and long-covid.

Conclusion & Action: *positive view on the stock confirmed.*