

I.C.C.	Italy	Euronext Growth Milan	Digital Healthcare
Rating: BUY	Target Price: € 6,00	Initiation of Coverage	Risk: Medium

Stock performance	1M	3M	6M	1Y
absolute	N/A	N/A	N/A	N/A
to FTSE Italia Growth	N/A	N/A	N/A	N/A
to Euronext STAR Milan	N/A	N/A	N/A	N/A
to FTSE All-Share	N/A	N/A	N/A	N/A
to EUROSTOXX	N/A	N/A	N/A	N/A
to MSCI World Index	N/A	N/A	N/A	N/A

Stock Data

Price	€ 3,58
Target price	€ 6,00
Upside/(Downside) potential	67,7%
Bloomberg Code	ICC IM Equity
Market Cap (€m)	€ 15,57
EV (€m)	€ 13,94
Free Float (Greenshoe Excluded)	23,26%
Share Outstanding (Greenshoe Excluded)	4.349.908
52-week high	N/A
52-week low	N/A
IPO Price (08/12/2021)	€ 2,10

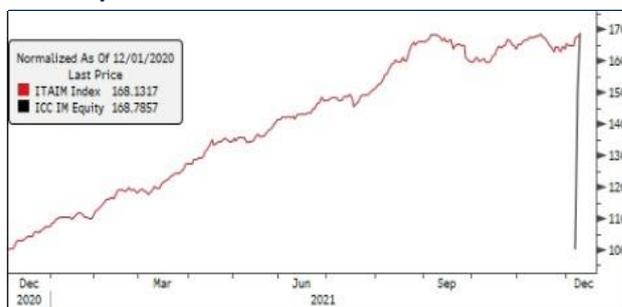
Key Financials (€m)	FY20A	FY21E	FY22E	FY23E
Revenues	4,5	4,3	6,4	8,9
VoP	4,9	4,5	6,8	9,2
EBITDA	-0,3	-0,2	0,9	2,3
EBIT	-0,9	-0,8	0,3	1,6
Net Profit	-0,8	-0,8	0,2	1,4
EBITDA margin	N.A.	N.A.	15,0%	25,3%
EBIT margin	N.A.	N.A.	4,2%	17,6%
Net Profit margin	N.A.	N.A.	2,6%	15,3%

Main Ratios	FY20A	FY21E	FY22E	FY23E
EV/EBITDA (x)	N.A.	N.A.	14,7	6,2
EV/EBIT (x)	N.A.	N.A.	52,4	8,9
P/E (x)	N.A.	N.A.	95,2	11,5

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Stocks performance relative to FTSE Italia Growth



Company Overview

International Care Company ("I.C.C.") was established in 2018 through the contribution of the assets of the World Wide Care Operations Centre business units by FD Service and the digital telemedicine services by FD W.OR.L.D. CARE. These two companies were subsequently merged within FD Holding (formerly Filo diretto), an essential player in the Italian insurance and assistance market. Thanks to the conferment, since its inception, I.C.C. became one of the leading Italian operators in providing assistance services, with a particular focus on digital health care services.

Market

I.C.C. operates in the National and World Wide assistance market and mainly in the digital health assistance market. Insurance companies are the main market for national and world wide care for car, home and travel. The global mobile and wireless healthcare market is estimated to be worth \$ 385.80 bn by 2025. The 2020-2025 CAGR forecast for this market segment is 24.6%. Growth will be possible due to an increased need for remote monitoring by customers, development of IT solutions in Healthcare, and more favorable legislation.

Valuation Update

Given the lack of comparable companies with I.C.C., we conducted the valuation of the Company's equity value based solely on the DCF methodology. The equity value resulting from the application of the DCF method (which in the calculation of the WACC also includes a specific risk of 2.5% for prudential purposes) is € 26.1 million. Therefore, the target price is equal to € 6.00, rating BUY, risk MEDIUM.

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1. Company Overview

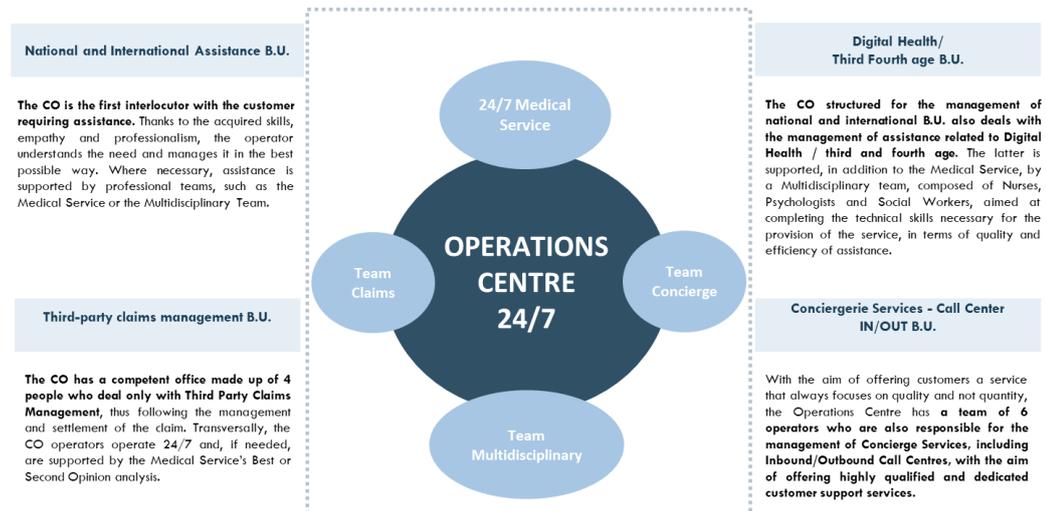
1.1 The activity

International Care Company (“I.C.C.”) was established in 2018 through the contribution of the *assets of the World Wide Care Operations Centre* business units by FD Service and the digital telemedicine services by FD W.OR.L.D. CARE. These two companies were subsequently merged within FD Holding (formerly Filo diretto), an essential player in the Italian insurance and assistance market. Thanks to the conferment, since its inception, I.C.C. became one of the leading Italian operators in providing assistance services, with a particular focus on digital health care services. It has operated for over 30 years with an internationally recognised brand. Thanks to its modern, multilingual, and multifunctional 24-hour Operations Centre and its thirty-year’s experience in this sector, its extensive network in Italy (10,000 providers) and around the world (720,000 providers), and its proprietary platform DOC 24, developed entirely in-house, the Company can manage more than 70,000 dossiers per year. Based in Agrate Brianza (MB), the Company operates internationally in the market for personal assistance services, including through its subsidiary International Assistance Group (based in Paris), of which it holds 9.53%. The Company will be registered in the register of Innovative SMEs starting in 2021.

The Operations Centre (“OC”), the operational headquarter and beating heart of I.C.C., is made up of a team of 30 operators (there are 50 direct employees in total) and 20 collaborators, including 14 doctors and 6 multidisciplinary consultants. The I.C.C. is the fundamental structure for the management of the assistance services: all the services offered by the Company depend on the operativity, efficiency and high professionalism of the operators. Depending on the type of service offered, I.C.C. also makes use of a team of *ad hoc* collaborators, transversal within the staff, who are committed to guaranteeing the quality of the services thanks to an average experience in the sector of more than 15 years and to the network of more than 10,000 suppliers specialized in assistance, health, furniture and automotive.

Below is a diagram aimed at representing the centrality and transversality of the Operations Centre in managing the services offered by the Company.

Chart 1 - 24/7 Operations Center



Source: I.C.C.

The Company operates through the following 4 business lines, all managed by the OC:

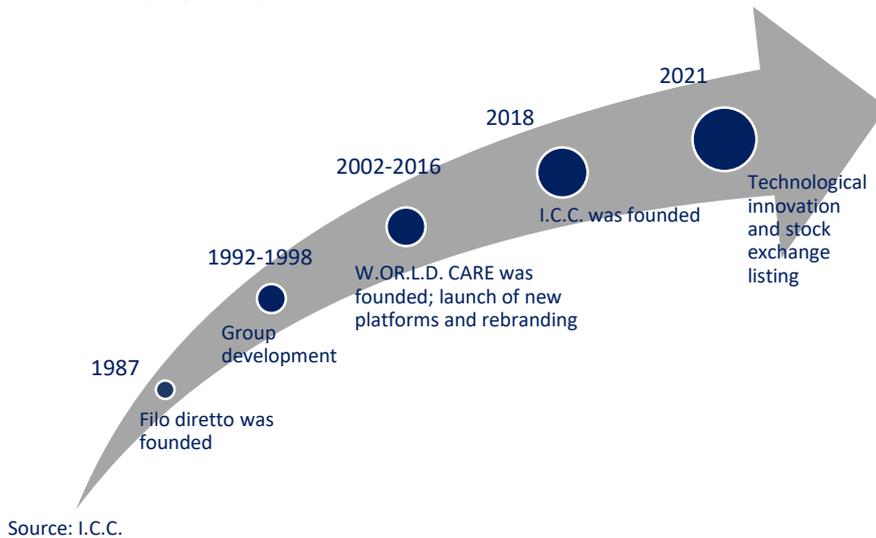
- **National & World Wide Assistance Services** for Travel, Home, Vehicles: the BU, which generated 57.77% of net revenues in FY20A, promotes a wide range of assistance services through the Operations Centre, which is the first point of contact with the client requesting assistance. Thanks to a set of soft skills acquired through years of experience, the operator acknowledges the need and manages it in the best possible way, with the support of professionals (e.g. craftsmen, doctors, etc.), where necessary;
- **Health Care Services - Digital Health & Third and Fourth Age:** through the DOC 24 corporate platform, I.C.C. offers various digital health care services such as telemedicine, general and specialist video consultations and automatic monitoring of vital parameters. In this case, the OC manages the assistance by collaborating with a multidisciplinary team (nurses, psychologists, social workers) who share the technical skills and expertise required to provide the service. The BU generated 15.88% of net revenues in FY20A and is the one on which the Company expects the greatest expansion in the coming years;
- **Conciergerie services - inbound and outbound call centre:** the Company provides dedicated client support services such as personalised client care, after-sales services, back-office services, document management and data entry, up- and cross-selling and marketing support functions; the aim is to focus increasingly on the quality and not the quantity of the services offered, as demonstrated by the dedicated team of operators made up of 6 specialised people who also deal transversally with the management of conciergerie services;
- **Claims management on behalf of third parties** (10.88% in FY20A): I.C.C. manages health-car-accident claims, on behalf of third-party operators, from their opening to their settlement. The BU also provides cost control and cost containment services at global level in case of hospitalisation and support services for risk assumption. The Operations Centre has a competent office made up of 4 operators working 24/7 who take care of requests and, if needed, supported by the analysis of the Medical Service; settlement procedures are carried out by qualified personnel.

The company also analyses all the functions involved on a monthly basis, collecting quality objectives and performance “targets” set internally, which make it possible to monitor activities and detect any criticalities so that corrective or improvement actions may be promptly implemented. During the three years of activity, I.C.C. has seen a constant improvement of these indicators, among which the following stand out:

- average response times below 10 seconds;
- brand awareness;
- commercial growth;
- a client satisfaction level of 93%: the result is very important both in absolute terms but especially when compared with the average figure for the sector, equal to 76% (ANIA survey), which in any event indicates a high level of overall satisfaction with relations with insurance companies. However, the Company aims to improve its performance and reach a level of 95%.

1.2 Company history

Chart 2 - Company History



- In 1987, Filo diretto was founded by Gualtiero Ventura, a company dedicated to offering insurance and assistance services throughout Italy.
- In 1992, the assistance becomes an insurance branch and consequently the Company turns into an Insurance Group, creating Filo diretto Assicurazioni. The International Assistance Group (IAG), an alliance of assistance companies, was founded in 1993 and now has 140 independent companies and has Filo diretto among its founders. In 1998, the Group became leader in the Travel Insurance segment. Filo diretto Service, an operating centre for third parties was founded in the same year.
- Filo diretto W.OR.L.D. CARE, a company with the aim of developing innovative telemedicine projects, was founded in 2002. In 2007, the new telemedicine platform Net-for-Care was launched to support travellers abroad and for Second Opinion, together with the first digital medical record "Medical Passport" translated in 10 languages. In 2015, the first basic version of DOC 24 was launched, with the aim of offering telemedicine services to its policyholders. In 2016, the Group sold Filo diretto Assicurazioni (FDA), exiting the insurance market and rebranded the Group becoming FD Holding Group: Filo diretto Service became FD Service, Filo diretto W.OR.L.D. CARE became FD W.OR.L.D. CARE.
- In 2018, I.C.C. was created through the contribution of the digital health care (FD W.OR.L.D. CARE) and care services (FD Service) business unit assets. In 2019, the new Company started working with the third and fourth age with the "Concierge of Life" care service dedicated to people 65 years old and over.
- In 2021, work began on refurbishing DOC 24, creating a Digital Clinic, developing services for the third and fourth age with the introduction of home automation and, finally, I.C.C. started the listing process.

1.3 Shareholders and Group Structure

Table 1 - Shareholders

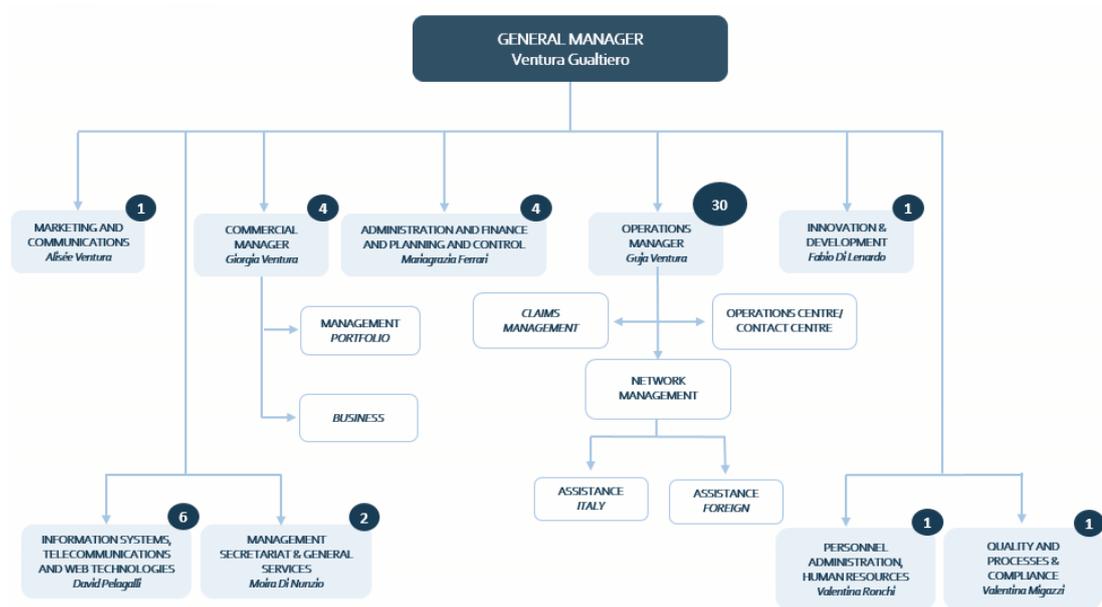
Shareholders	% Shares
FD Holding	71,06%
Other Shareholders	5,68%
Floating	23,26%

Source: I.C.C.

The Famiglia Ventura Holding is made up of Ventura Guja, Ventura Giorgia, Ventura Alisée Ventura Andrea and Aida Barilli, each with 20%. The Ventura family holds all of the share capital of the holding company AG3 Srl, which controls 54.24% of FD Holding SpA, held for approximately 1.53% by G. Lauricella and for the remainder by Gualtiero Ventura, through holding companies which he holds with a majority share, and by other holding companies which are also referable to the FD Group. I.C.C. is therefore 71.06% owned by FD Holding SpA, 23.26% by the market and the remaining 5.68% by a group of other shareholders, each with a stake of less than 5%.

1.3.1 Corporate Governance

Chart 3 - Organization



Source: I.C.C.

I.C.C. is administered by a Board of Directors currently composed of 4 members who will remain in office until the approval of the financial statements at December 31, 2021 (mandate currently being renewed for a further 3 years). Furthermore, the identification of the fifth member of the Board of Directors, who will hold the position of independent director, is in progress.

- Gualtiero Ventura is Chairman and Chief Executive Officer;
- Giorgia Ventura, Guja Ventura and Paolo M. Piazzalunga are Administrators and Directors;
- Independent Director (identification in progress).

As far as the Board of Statutory Auditors is concerned, in accordance with the regulations, it is made up of 5 members, of which three acting auditors from which a chairman is elected and two alternate auditors. They will remain in office until the approval of the financial statements at December 31, 2021 (mandate currently being renewed for a further 3 years):

- Luigina Zocco is the Chairperson of the Board;
- Alessandra M. Capè and Claudia S. Taini are standing auditors;
- Sergio C. Tamburello and Maria L. Ronchi are alternate auditors.

1.4 Key People

Gualtiero Ventura - Chairman and Chief Executive Officer

Founder of Filo diretto Group in 1987 and founding member of International Assistance Group (“IAG”). He led the growth of Gruppo Filo diretto, transforming it into one of the top players in the insurance and assistance market, with a consolidated turnover of almost € 90 mln. Italian pioneer of assistance services, telemedicine for the end user and Digital Medical Records (Medical Passport) that anticipate a nascent opportunity in the digital health care market and exploits the unique value of the Company’s Operations Centre.

Guja A. Ventura – Head of operational management of I.C.C. and member of the Board of Directors.

Graduated in Economics and Business Law at Luigi Bocconi University in Milan. In 2008, she joined the family company, initially as part of the Operations Management team. In 2009, she began to gain experience in the Marketing Department, where she remained until 2020. Starting in 2020, she holds the role of Chief Operating Officer of I.C.C.

Giorgia Ventura - Head of Commercial Management of I.C.C. and member of the Board of Directors.

Graduated in Economics and Business Management at the Catholic University of Sacred Heart in Milan. From 2012 to 2019, she gained experience in the national and international commercial field at the “Zanellato” fashion house, dealing with the extension of the brand both in the national Retail and international distribution sectors. She joined I.C.C. in 2019 as the Head of Commercial Management.

Alisée Ventura - Marketing and Communications Manager of I.C.C.

She gained experience at IAG Paris to refine her language skills while working in the International Network office. She studied at the Marangoni Institute in London and obtained a BA in Fashion Business from Manchester Metropolitan University UK. She gained experience at the Disquared2 fashion house in Milan and the Philipp Plein fashion house in Lugano. She joined I.C.C. as Marketing and Communications Manager in 2019.

Fabio di Lenardo - Head of Innovation & Development of I.C.C.

With more than 20 years of experience in the Italian Red Cross, he followed the conception, development and implementation of the CRI per le persone project, co-financed by the Ministry of Labour and Social Policies, achieving results such as the creation and launch of a National Operations Centre for access to services; the activation of a remote monitoring and geo-location service for fragile subjects through wearable devices and the acquisition of a public utility number issued by AGCOM and the Ministry of Health.

David Pelagalli – Head of Information Systems, Telecommunications and Technologies of I.C.C.

For more than 25 years he has been a freelance programmer and software and App developer, employee and manager of major companies including “Publikompass”, “Marsh” and “Atos”. From 2001 to 2016, he was IT manager at Filo diretto. Since 2017, he is responsible for I.C.C.’s information systems, telecommunications and web technologies.

Valentina Migazzi - Quality and Processes Manager of I.C.C.

She graduated in Philosophy from the Catholic University of the Sacred Heart in 2000. In 2000, she began her career path in the Filo diretto Group, covering, starting from 2003, the role of Head of the Secretarial and Commercial Support office, dedicated to the support of internal and territory sales officers, the management of the distribution network and the issuance of policies and contracts. In 2018, she left the Company to continue her experience at I.C.C. as Head of the Quality, Processes and Compliance department.

Michele Quinto - Health Director of I.C.C.

He obtained a degree in Medicine and Surgery in 1991 at the University of Milan; he subsequently held various positions to complete his training, as a Territorial Operating Physician and Coordinator of the Territorial Emergency Health Service in the Operations Centre of Bergamo, as well as being Head of the Insurance Legal Medicine Department of the Italian Red Cross of Monza and Brianza. He is currently a Fiduciary for the assessment of medical-legal disputes for an Insurance Broker and for more than 30 years he has been Medical Director first for the Filo diretto Group and now for I.C.C.

Mariagrazia Ferrari - Head of Administration and Finance at I.C.C.

She has an economic-financial background; she began her career working for the Filo diretto Group in 1995, dealing with the organisation and coordination of the technical-accounting area of the insurance company during its period of maximum expansion, both in terms of volumes and complexity, overseeing the computerisation processes in a complex regulatory scenario. She chaired the company's finance and budget area for 10 years and, in 2006, she joined the planning & control area as head of monthly reporting and development of controlling, budgeting and forecasting processes. In 2018, she began her experience at I.C.C. as head of the Administrative Department, with the aim of reorganising and implementing general accounting procedures.

2. The Business Model

2.1 Value Chain

I.C.C. can generate value for its clients thanks to several strategic guidelines. The activities can be ideally divided between primary and secondary. As far as primary activities are concerned, I.C.C. creates value through:

- **Internal Logistics:** I.C.C. offers an on-demand service via multichannel. Its operational priority is the verification of the technological components with which the service is provided (telephone line, server, internet, cloud);
- **Operations:** I.C.C. provides services through its 24-hour Operations Centre, which is the entry point for all services in all business lines. The OC employs operators (40% of whom are university graduates) who speak at least two languages fluently. Moreover, the Company also has a medical staff headed by a Medical Director who has been with the Company for more than 20 years. Finally, for third/fourth age services, I.C.C. offers its clients the support of a multidisciplinary team;
- **External logistics:** To ensure the efficiency and punctuality of the assistance services offered, the Company needs to continuously develop and maintain the network of Italian service operators. In many cases, I.C.C. enters into agreements with the latter with discounts from 10% to 20% for the benefit of the final client. At the global level, the Company collaborates with I.A.G. which has 140 partners and 730,000 providers;
- **Marketing - sales:** For the time being, I.C.C. has focused its communication on the B2B channel. In 2021, the Company began to approach the B2C market with a multi-channel communication plan.

In terms of secondary activities, I.C.C. creates value through:

- **Company infrastructure:** I.C.C. stands out for its propensity to anticipate the needs of consumers. In recent times it has adopted the measures foreseen for Assistance Companies in cases of Disaster Recovery, having a second, autonomous office, located in Brescia (BS), which, within 2 hours, can take over the activity carried out by the Operations Centre, without losing any data (duplication of server - centre, telephone - internet connections etc.);
- **Human resources management:** HR's goal is to assess any deficiencies in employees' skills in advance and periodically and constantly support them in training. HR uses ISO procedures for employee training, attendance register and training meetings and job description of each employee with annual verification. Thanks to the various activities carried out by the company, I.C.C. is certified DNV 2020 ISO:9001 - Quality, the globally recognised certification that defines the requirements of quality management systems in the workplace.
- **Technological development:** I.C.C. offers its clients the possibility to build ad hoc services that can meet market needs, thanks to the internal IT department that adapts the service to client requirements. To offer reliable services in compliance with the regulations in force, the Company activates an internal verification process before providing them, following operational instructions on the management of GDPR compliance, Data Breach management and Business Continuity plan management. Moreover, I.C.C. also presents the Penetration Test issued by Nforcer Srl, a process that assesses the security of an information system.

2.2 Model

For all services offered, I.C.C. follows an interconnected approach between service providers, clients, and the Company.

Chart 4 - Industry Business System



Source: I.C.C. Integrae SIM processing

2.2.1 National & World Wide Support Services

The National & World Wide Assistance Business Line offers people with all-round assistance by offering services based on a B2B2C model. The services offered are aimed at providing any type of assistance to the end client in case of any needs or emergencies, in any part of Italy and the world. The Operations Centre acts as a problem solver by relying on know-how, experience and external structure able to promptly to support the client in difficulty.

I.C.C. manages and maintains a dynamic national network of service providers ready to intervene wherever the client is at the time of the request. In particular, thanks to the support of the network of the subsidiary International Assistance Group, this BU can count on a network of over 730,000 providers, including:

- Plumbers, craftsmen, blacksmiths, glaziers;
- Body shops, tire shops, electricians;
- National Health Facilities Network;
- Clinics, multi-specialty centres and hospitals of excellence;
- Doctors, ambulances, medical planes.

The types of services offered are divided into three macro-areas:

- Car: includes roadside assistance, repatriation of the vehicle from abroad, replacement car, sending drivers or taxis, mechanics or spare parts, hotel expenses, ambulance transport, repatriation of the vehicle from abroad;
- Home: locksmith, plumber, electrician or craftsman in case of emergency, pet care and veterinary consulting, security and custody of property;
- Travel: trip cancellation or early return, management of medical expenses abroad, medical consultation, delivery of medicines, babysitting, advance payment of expenses.

I.C.C.'s role depends on the type of service offered. In case of **direct sale of the service**, services will be provided based on the requests received or directly through the Operations Centre or by activating the network of external providers after having assessed how to best help the Client in difficulty.

Either the client (through Insurance Companies) or I.C.C. will bear the external provider costs; as far as home/car assistance is concerned, I.C.C. bears all the costs related to the services provided, while this does not happen in the case of travel/health assistance, as all the costs are re-invoiced to the Insurance Company.

For this service, for which I.C.C. sells directly or indirectly through intermediaries and brokers, the clients are:

- Insurance Companies
- Automotive furnishing
- Funds
- Mutual funds
- Tour Operators/*Travel Agencies*

The service can also be provided on behalf of **other assistance companies**. I.C.C. acts as service provider as correspondent for Italy and applies a fee for the management of the service to the client company requesting the service, both for the use of the Operations Centre and for the management of the service requested by the client. Furthermore, regardless of the actual use of the service requested, the Company is assured the payment of a guaranteed minimum. The extra costs are charged to the end client.

The selling price is usually included with services of various types, with a price calculation weighted on the frequency of the risk of using the services. It should also be noted that the value perceived by the client who has included the service is higher than the actual cost. To date, the services are mainly distributed on inclusion channels, as in the case of insurance policies. In this scenario, the end consumer acquires the product indirectly through the ancillary guarantees provided by insurance policies. These services respond to the need of people who require immediate support and assistance in various circumstances. I.C.C. can meet these needs with the assistance given to the client, regardless of location and time, through the Multilingual Operations Centre H24.

I.C.C. operates the B2B market through this business line, and services are marketed directly through clients, mainly prominent insurance market stakeholders, important brokers or large furniture manufacturers, who are responsible for emphasising I.C.C.'s brand and increasing its brand awareness. Other means of promoting the services are publishing of press releases, participation in trade fairs, the publication of dedicated articles and advertising in sector newspapers.

2.2.2 Digital Health Third & Fourth Age

The Digital Health and Third & Fourth Age Health Care Services Business Line provides various digital and non-digital health care services. The client support activity is carried out through the Operations Centre or through the DOC 24 digital platform. To maximise the quality of the service offered, I.C.C. offers the end user a single access point to the health services, thus being able to support the client at the time of need.

The Company has more than 10,000 providers, including general practitioners and 24/7 external specialists, nurses, physiotherapists and assisted holiday facilities for the elderly. I.C.C.'s role depends on the type of service offered:

- **Sale of the service through B2B2C:** I.C.C. provides the service based on requests received either directly through its Operations Centre (information, medical consultations) or by activating the network of external providers, after assessing how best to help the Client in difficulty. Either the client (through Insurance Companies) or I.C.C. are responsible for the provider's external costs; the clients of this service include:
 - Insurance Companies
 - Automotive furnishing
 - Funds, Brokers and Mutual Funds
 - Tour Operators/Travel Agencies
- **Direct sale to B2C service:** I.C.C. sells the service directly through subscriptions or pay-per-use service that can be purchased on the relevant platforms (App DOC 24, www.doc24.it, www.conciergeoflife.it). For this type of sale the clients are directly the end users.
- **Service provided on behalf of other companies:** I.C.C. acts as service provider as a supplier for third parties (Operations Centre for third party medical devices such as Insurance Companies or Assistance Companies). In this case the clients, are other companies that refer to I.C.C. for the provision of telemedicine services or third and fourth age assistance.

With this Business Line, I.C.C. assumes the risk related to the provision of the service, making use of external collaborators on whom the risk of the service offered falls. For this reason, the Company is paid a fee for each client assisted. Also, in this case, the Company will be paid a guaranteed minimum regardless of the actual use of the Operation Centre. Moreover, I.C.C. sells subscriptions via web and app.

The selling price of the service is weighted on the frequency of use (frequency of risk that the user can actually use all the services during his subscription) and is represented by the payment of a subscription. Since the Digital Health market is in continuous evolution, the price variable is subject to continuous change. Currently, services are mainly distributed through B2B channels, including policies and various services. In this scenario, the end consumer acquires the product indirectly as a service given through company welfare benefits, ancillary services of other products (e.g. gas and electricity) and accessory guarantees to insurance policies. In the case of the B2C channel, the end consumer has the option of purchasing services independently and directly through dedicated portals. The services of this Business Line respond to the need for support, monitoring and immediate assistance to the person.

To do this, the Company offers telemedicine services through which it can break down the existing offline barriers with the client also through the use of the on-life concept (elimination of the boundaries between the digital and the physical). The capillarity, efficiency and rapidity of the service offered is possible not only because of the elements listed above but also thanks to the important national network of service providers available to the Company.

Depending on the reference market, I.C.C. adopts a different type of promotion:

- B2C market: promotion of services exclusively in leading newspapers and social media, in the future also via television commercials;
- B2B markets: the services are marketed directly through clients, mainly prominent stakeholders who are responsible for emphasising the brand and increasing brand awareness. Other means of promoting services are the publication of press releases and participation in events with a health focus.

2.2.3 Conciergerie Services - Inbound & Outbound Call Centre

The Business Line offers 24/7 call centre services in overflow (in excess of the capacity of the insurance company which turns them over to I.C.C.) and in overtime (after the client's hours, turned over to I.C.C. to guarantee 24/7 coverage). In addition, should the end client be found in an emergency, the BU will manage the immediate intervention to support the latter. The Company does not use service providers as it provides services directly to the end client.

I.C.C. provides clients with a variety of call centre services, including:

- Overflow and overtime call centre services;
- 24/7 services;
- Alert services: in the event of an emergency, I.C.C. handles immediate intervention through the client's respective provider networks or, in the event of non-availability, using the I.C.C. support network;
- Market Surveys.

The Company's clients who make use of this type of service are mainly banks, funds, utilities, pharmaceutical companies and real estate companies, which are contracted directly or through an intermediary. For these services, the Company invoices the client based on the minutes spent handling calls: In fact, I.C.C. receives a revenue per minute of use of the service. Normally, there are guaranteed minimums and initial costs for access to the Operations Centre.

The sales price is weighted according to the average duration of the call. There is a cost per minute for each call that varies depending on the characteristics of the call, i.e. whether it is inbound/outbound (incoming or outgoing), business days/holidays and whether there are further activities to be carried out in order to fulfil the contract (e-mail management, opening of assistance request tickets, etc.). Since the service is provided on behalf of third parties, there is no direct distribution. The services of this Business Line respond to the needs of people and companies that require, regardless of the time of day and their location, assistance in urgent and emergency situations and/or professional information for particular highly sensitive activities. I.C.C. can satisfy these needs thanks to the professional assistance given to the client, through the 24/7 multilingual Operations Centre. Client support is also possible thanks to I.C.C.'s possibility to have an alternative provider network available if the network provided by the client cannot intervene.

The service is marketed indirectly, as the company is recognised in the market for quality and efficiency and this is also possible thanks to the fact that there are not many operators on the market that perform the same type of activity.

2.2.4 Third-party claims management

The Business Line allows I.C.C. to operate as a Third-Party Administrator. The Company is mainly responsible for managing claims relating to health, motor, assistance, tourism, accident, life and salary-backed policies on behalf of clients. In this case, service providers are not use as the service, which mainly consists of four activities, is provided directly to the end client:

- Assumption of policy risk, in which I.C.C. assesses whether the end client can be insured for the relevant required policy;
- In case of request for hospitalisation, I.C.C. assesses the case, directly books the appropriate health facility and assumes interventions costs (with direct payment);
- In the event of a claim, I.C.C. collects the relevant documentation, assesses whether the insured is entitled to reimbursement based on policy conditions, and finally provides the Company with the documentation proving the claim, its assessment of the claim and the amount to be paid. In some cases, I.C.C. settles the claim directly from an insurance company bank account;
- With regard to health policies, once the medical documentation has been received, I.C.C. assesses, together with your medical staff, the compatibility of the invoice with the type of intervention and the application of any facilities that are part of the network (cost control and cost containment).

For this B.U., the Company's clients are mainly insurance companies, insurance funds and mutual societies, which are contracted exclusively on a direct basis by I.C.C.. For this type of service, the Company receives a variable payment that depends on the percentage of premiums issued by the Company and the number of claims handled. The sales price is weighted based either on a percentage of premiums written by the Company or on a fee per claim type and number of claims handled. There is no direct distribution, since the service is provided on behalf of third parties.

The services belonging to these Business Lines respond to the need of Insurance Companies, Insurance Funds and Mutual Societies to entrust third parties with the all-round management of claims (tourism, illness, accidents, motor vehicles, etc.) which allows them to reduce the cost of the claim and to take advantage of a network with which they have an agreement. I.C.C. can meet these needs thanks to a dedicated claims office, a 24/7 multilingual Operations Centre, the possibility of counting on a highly qualified medical staff and the use of a widespread network of Agreements (body shops, workshops, clinics, etc.) with discounts between 10% and 20%, in order to reduce the cost of the claim.

2.3 Research and Development

Chart 5 - Innovation History



Source: I.C.C.

I.C.C. has always stood out in the market for its attention to research and development of new products and services, anticipating emerging opportunities in the personal assistance services market and exploiting one of its strong points: the Operations Centre. This has been possible thanks to a constant and continuous investment in Research and Development. In conducting its business, I.C.C. focuses on the increasingly constant and innovative use of technology.

Between 2000 and 2014, the FD Group made several investments in innovation. *Net for Care* was created in 2000. This is a telemedicine platform designed to support travellers abroad in cases of injury/illness, through the installation of its systems in various holiday resorts, able to connect with Italian hospitals of excellence. Optess, a medical assistance platform used to assess emergency cases for employees on various BP and ENI oil platforms, connecting the platforms with the Operations Centre and the specialised hospital, was created in 2006.

Medical Passport, a digital medical record translated into 10 languages combined with a connection service between several hospitals of excellence abroad, was created in 2007. In 2010, Second Opinion, a telemedicine platform that stands out for being easy to use and user friendly, was created. Home Care, a telemedicine service mainly linked to insurance policies, thanks to which a tablet is provided with a pre-installed App and a kit of integrated medical devices to monitor the client's vital parameters was created in 2014.

2.3.1 DOC 24

Starting from the innovations finalised in the years before its creation, the Company has developed new platforms and applications that stand out for their usability, simplicity and range of services offered. Particular attention is paid to the innovation of the *Digital Health* service, which is now mainly provided through the **DOC 24** App, which aims to make access to medical assistance services advanced and immediate, even on the move and at low cost. Compared to what is offered by the Home Care service, I.C.C. was able to expand the range of services offered by reducing the monthly subscription fee from about € 150.00 to the current € 15.00.

Thanks to the wide range of solutions offered, this App has allowed for an important competitive advantage:

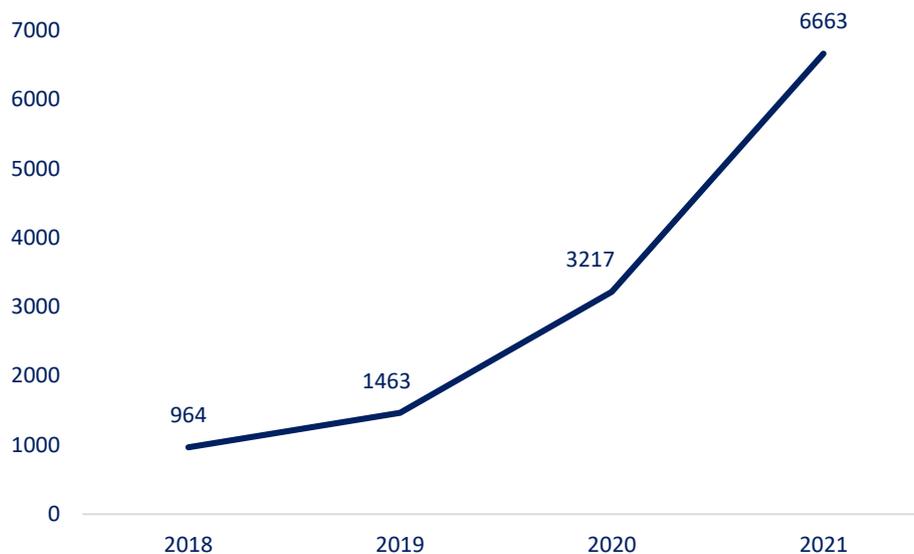
- the possibility to enter the measurements (minimum and maximum pressure, heart rate and respiratory rate, blood glucose, oxygen saturation, weight) taken with an electro-medical instrument owned or used by the client in both manual and automatic mode (through Bluetooth);
- the possibility of storing information, rendering it in graphic format and possibly classifying it for different users;
- sending the measurements to the Home Care application (via web service) to make them available to the Operations Centre and then to the Medical Passport online medical record in the client's personal area;
- the display of a set of information related to the client's medical history to be entered in Medical Passport;
- access to medical assistance through calls and videoconferencing sessions through an open source tool (opentok) used in Home Care. In this case, the app should, in dialogue with Home Care, make the expiry date and services available visible, and provide the possibility of subsequent renewals or purchases of packages of video calls or single calls with specialists.

There is also the possibility to take advantage of real time health care services, which include tele or video examinations with a general practitioner or specialist (by appointment) 24/7, dispatch of doctors or a general practitioner or specialist at home, access to the national network (clinics and outpatient clinics), manual tele-monitoring with integrated device with alert system for people in need of assistance and more. All consultations are followed by a medical report with the possible white prescription slip that can be downloaded from the App. The integration with the Company's software allows for real time connection for the teleconsultation, the monitoring of vital parameters and consultation of one's medical record, immediately translated into more than 10 languages. This service is offered through the opening to all devices integrated with *Health Kit* (pressure, pulse, breath, blood glucose) thanks to the collaboration with Apple.

The R&D division allows for continuous development of the application, which stands out for the innovation and quality of the services offered, but above all for the immediacy of understanding and ease of use, which could allow an opening to niche markets such as pharmaceutical companies, in relation to the care of chronic relatives and the over 60s. In 2020, special services were also introduced to deal with Covid-19 health emergencies: these include psychological support for post-traumatic stress, the Covid SOS Package with integration of services with the family doctor or work doctor, and others, all with the possibility of interacting directly with the Operations Centre to receive better support for any request.

The App can be distributed either through the B2B channel, i.e. through an offer with collective inclusion for a cluster of people (insurance policies) or through the B2C channel directly by accessing the site, although since this solution is less profitable it is sponsored much less. In fact, it is more convenient for I.C.C. to offer DOC 24 as an ancillary service to the one mainly offered by the client, be it an insurance company, a bank or a utility (electricity and gas services with assistance included). The fee is calculated based on the type of cluster, the duration of service coverage and the services to be included, and is estimated per person also on the basis of the historical frequency of use of each service.

Chart 6 - DOC 24 activated users



Source: I.C.C.

2.3.2 Concierge of Life

Observing the absence of adequate services in the territory and the trend of the third/fourth age market, in 2018, I.C.C. identified a great opportunity by exploiting its ability to deliver services through OC and medical staff 24/7. Therefore, following a research & development phase, the Company launched the **Concierge of Life** service in 2019. The service targets the medical care market for people belonging to the third and fourth age groups.

The development of the service has led to the inclusion in the OC of a multidisciplinary team consisting of a psychologist, social worker and professional nurse. The professionalism and knowledge of this team allows I.C.C. to offer the caregiver both psychological and administrative-bureaucratic support. In fact, the Company provides the caregiver with a report, in which the best possible choice of assistance is indicated, specifying, moreover, which assistance services can be provided at the elderly person's home or if it is appropriate to place the loved one in an assisted-living facility, always at agreed rates. I.C.C. is the only company to offer this type of assistance dedicated to the third and fourth age. An App is also being created for this service, to improve the user experience, especially in view of the launch of home automation services that can be controlled via App. Currently, the services offered are provided via a dedicated telephone or video line.

The services currently offered for sale include:

- Family Coach consulting with the multidisciplinary team;
- Analysis of the family situation in order to address the care of an elderly and/or frail parent through one or more interviews with the multidisciplinary team;
- Telephone or video interviews - orientation interview;
- Receipt of documentation where necessary for further evaluation;
- Situation analysis and implementation of the Personalized Plan (PAI);
- Services at home or insertion in dedicated structures (assisted-living facility);
- Sending reports to the caregiver to constantly update them on the caretaking;
- Periodic contact to maintain a constant relationship with the caregiver and to evaluate any improvements or worsening of the elderly/fragile.

The activation of services at home, where deemed necessary and confirmed by the client, are provided through affiliated providers throughout the country.

With the development of the app and the home automation services, a third solution will open up that can be offered to the post-consulting client, that is, home control through advanced wearable and non-wearable technological systems. Offered at a monthly expense, this will help keep your loved one monitored in a non-invasive way, with the guarantee of being able to count on the immediate intervention of the Operations Centre in case of emergency, for example in case of a fall.

The App will obviously be sold as part of the services offered, although we believe it will be very successful in the B2C channel. Thus, various packages will be offered depending on whether you need teleconsultation, environmental control systems or personal control systems, or combinations of these. On the other hand, sales to the B2B market will be limited to offering consultancy/client assistance, which is already included among the accessory services of the policies.

2.4 Innovative SME

The Company is registered with the Register of Companies of Innovative SMEs, Legal Decree 3/2015 thanks to the satisfaction of 2 out of 3 points required. In detail:

- **Expenditure on research, development and innovation** equal to or greater than 3% of the greater amount between the cost and the total value of the production of the innovative SME. The expenses for the purchase and lease of real estate are excluded from the calculation of the expenses for research, development and innovation; the expenses for the purchase of technologies with high innovative content are included in the calculation. For the purposes of this decree, in addition to what is provided for by the accounting principles, expenses relating to pre-competitive and competitive development, such as experimentation, prototyping and development of the business plan, are also to be included. The expenses result from the latest approved financial statements and are described in the notes to the financial statements;
- **Ownership**, also as depositary or licensee, of at least one industrial patent, relating to an industrial or biotechnological invention, to a topography of a semi-conductor product or to a new plant variety, or ownership of rights relating to an original computer program registered with the special public register for computer programs, provided that this patent is directly related to the company's object and activity.

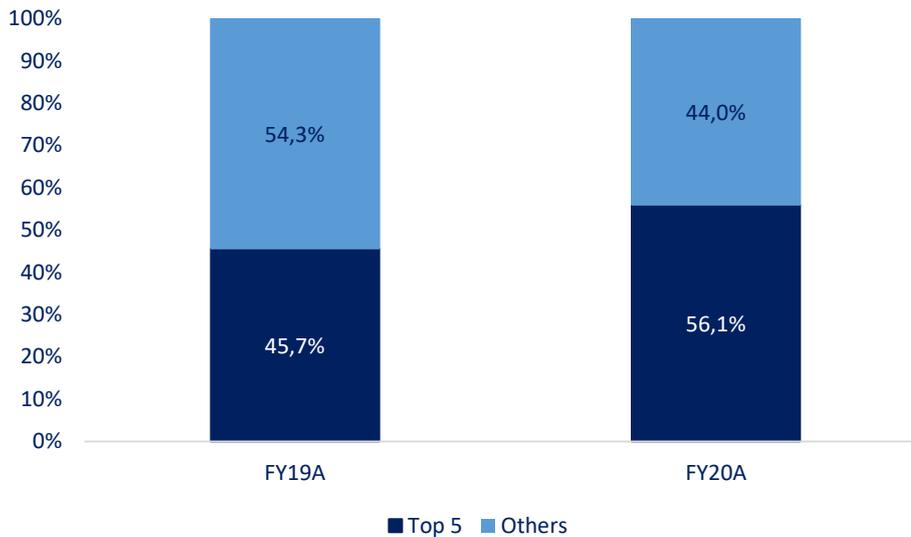
2.5 Clients

The Company has clients in many different sectors, addressing a wide range of very heterogeneous operators. The main interlocutors are insurance companies and those operating in the tourism sector (tour operators and travel agencies), but there are also banks, welfare companies and pharmaceutical companies. Therefore, I.C.C. presents a good degree of diversification, despite the fact that a large part of its turnover (50%) derives from its five largest clients and boasts a drop-out rate close to zero: in fact, considering the partnerships undertaken with clients, which provide for a multi-year contractual relationship, there has never been a drop-out except in one particular case, when the client went bankrupt.

The Company has always based its business strategy on the development and consolidation of having a very strong client retention with the aim of giving stability and continuity to the business through the creation of the average purchase value of the individual client and the average number of purchases per client. This objective is evidenced by the results achieved by the Company which, since the start of its operations, has not lost a single client, with the exception of companies whose economic impact was not significant. Furthermore, for 2020, in acquiring new clients the Company has estimated a Client Acquisition Cost (CAC) of € 1,292. The conditions underlying this strategy are mainly as follows:

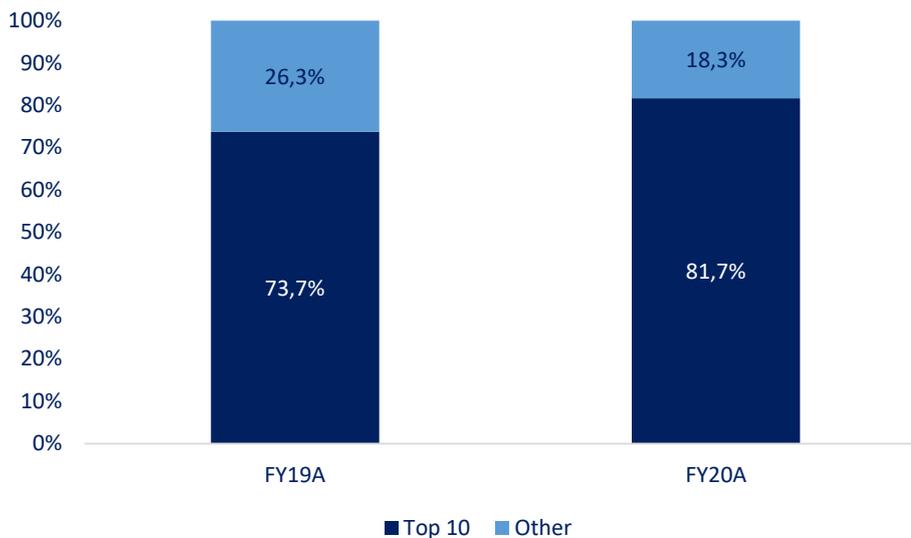
- **Seasonality of the services offered:** the offer of without “season” and always available services gives clients a wide and certain coverage for the development of their business. A recent example was the Covid-19 health emergency which led clients to require innovative and ready services for their users. This was made possible by the continuity of offer and development of the always available services offered by I.C.C. on the market that allowed not to be “left behind” in terms of the need that emerged;
- **Word of mouth:** the company’s history, know-how and market recognition in terms of efficiency and quality give it objective market recognition as one of the few, if not the only, individual and independent service providers offering integrated, innovative services available nationally and internationally. This is despite the fact that the brand awareness is not yet so consolidated. The Brand Reputation is very high in the market in which we operate because of the projects carried out over the years and because of the solidity with which large companies found on the market continue to use our services;
- **Bilateral relationship:** the client benefits from the offers that the Company dedicates and customises and knows that he or she can continuously count on the design and development support offered by the same. The company has always known how to approach the client’s needs, offering highly technological, integrable and fast solutions to respect the necessary time to market, which are not easily identifiable in other competitors/related operators on the market that offer much more complex and not very integrable structures. The assumption that clients carry out integrations with third party companies (e.g. software companies) entails a higher expense, involvement of various stakeholders in the grounding of the project (client, software companies, service providers), objective slowdowns on the possible implementation of projects. The offer of being able to design with only one party (service provider) that has the structural capabilities, skills and flexibility leads the client to opt for faster and much more optimal solutions in order to have better and highly personalised services.

Chart 7 - Top 5 Clients Weight



Source: Integrae SIM

Chart 8 - Top 10 Clients Weight



Source: Integrae SIM

BU National & World Wide Assistance

Clients in this segment vary depending on the service offered, but all requests received always pass through the Operations Centre. As far as the sale of direct services is concerned, the main clients, either directly or indirectly with the support of intermediaries and brokers, are: insurance companies, furniture and automotive companies, funds and mutual funds, travel agencies. On the other hand, if services are provided on behalf of other assistance companies, the clientele consists of foreign assistance companies who use the support of I.C.C. (in exchange for a fee) to manage unforeseen events and emergencies as *service* provider as correspondent for Italy, even if the final users of the service are consumers.

BU Digital Health & Third and Fourth Age

I.C.C. provides the service on the basis of requests through the Operations Centre or through its network of external providers, through subscriptions or pay-per-use services that can be purchased on the DOC 24 platform. In this case, the Company can operate on behalf of third parties to provide telemedicine services or third and fourth age assistance, or directly with B2B2C direct sales to clients in the following sectors: insurance, automotive, furniture, funds, travel agencies.

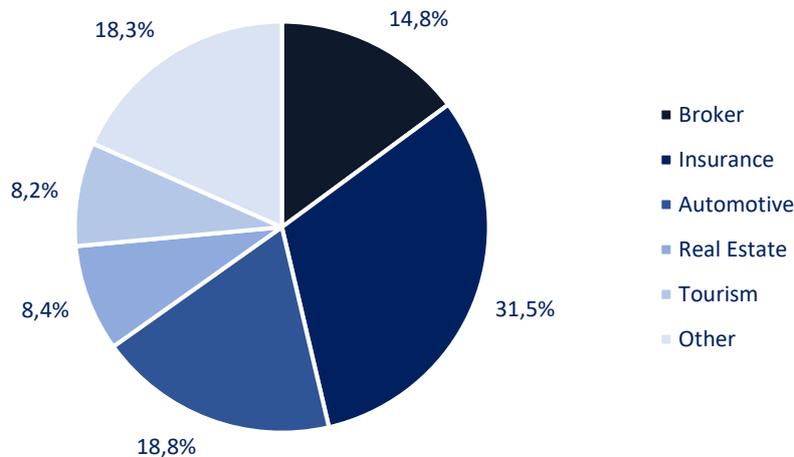
BU Call Centre, Inbound & Outbound

In this case, I.C.C.'s clients are banks, funds, utilities, intermediaries, pharmaceuticals and real estate, and can be contracted directly by the Operations Centre or through an intermediary. The Company provides these clients with agreed services such as a specialised 24-hour call centre or an alert in the event of an emergency, via the client's provider networks or its own networks in the case of non-availability.

BU Claims management for third parties

The Company acts as TPA managing claims relating to health, motor, assistance, tourism, accidents, life and so on, for operators in the insurance sector and insurance funds and mutual societies contracted exclusively directly by I.C.C.

Chart 9 - Top 10 Clients Breakdown by Segment FY20A



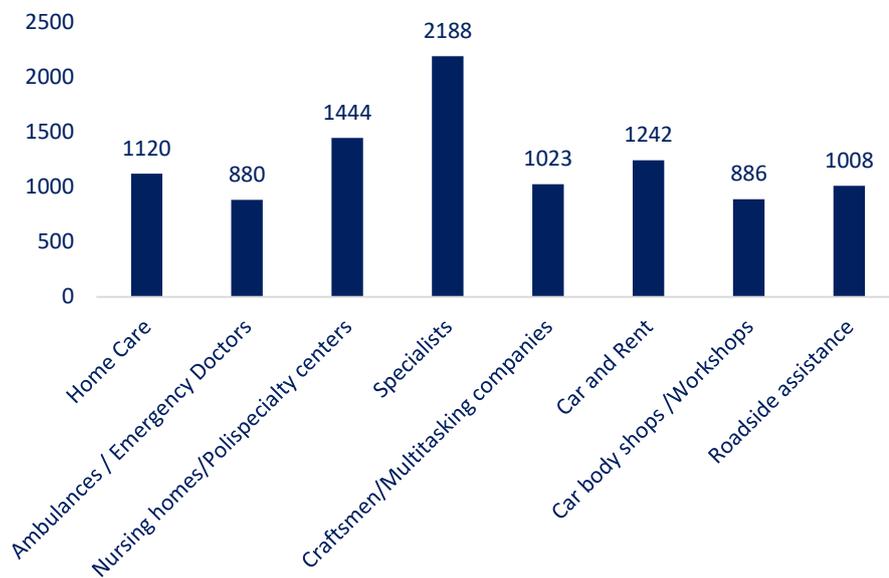
Source: I.C.C., Integrae SIM processing

As an Early Adopter on the market, the Company acts as a reference for important stakeholders to jointly design and develop ad hoc products and services that can create a competitive market advantage in terms of time to market and innovation of the service offered. Despite significant resources, these major stakeholders prefer to acquire services in outsourcing to optimise costs and time. I.C.C.'s value is that of being able to customise these services, making them unique for the end client, while respecting the *Client Journey* and offering innovation in terms of the services offered. This requires a significant design time that is generally distributed over 12 months at the end of which, if the development process of the ad hoc solution is successful, a multi-year contractual relationship is established between the Partner and the Company aimed at exploiting the synergies created during the design process.

2.5 Suppliers

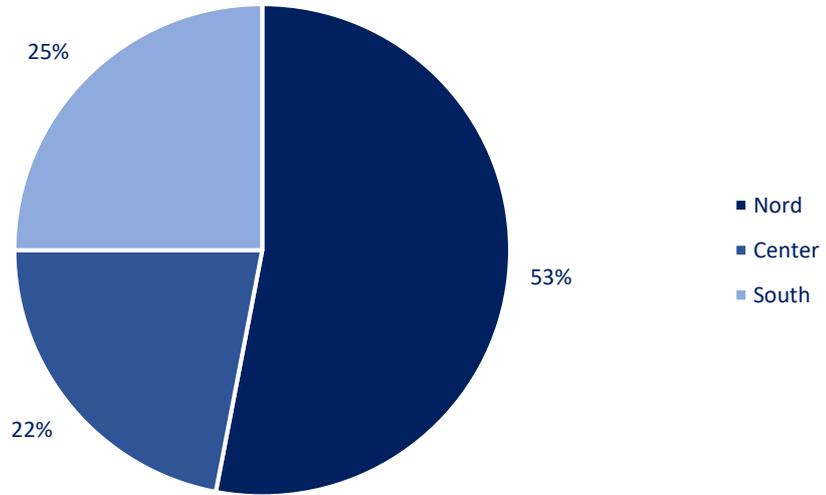
The Company operates mainly with a B2B2C business model and needs to be able to count on a national network of service providers. Thanks to this extensive network, I.C.C. can meet the needs of end clients that may occur throughout the country, such as the manifestation of a need by the end user that often arises from an unforeseen event. Therefore, it is difficult for I.C.C. to foresee where these emergencies may occur and consequently which provider to use. Therefore, a network of more than 10,000 suppliers is needed, even if not all of them are at full capacity. To guarantee the efficiency of the services offered, I.C.C. exclusively assigns two people from the Operations Management to the management, maintenance and discounted rates of the service providers.

Chart 10 - Distribution of service provider by category



Source: Integræ SIM

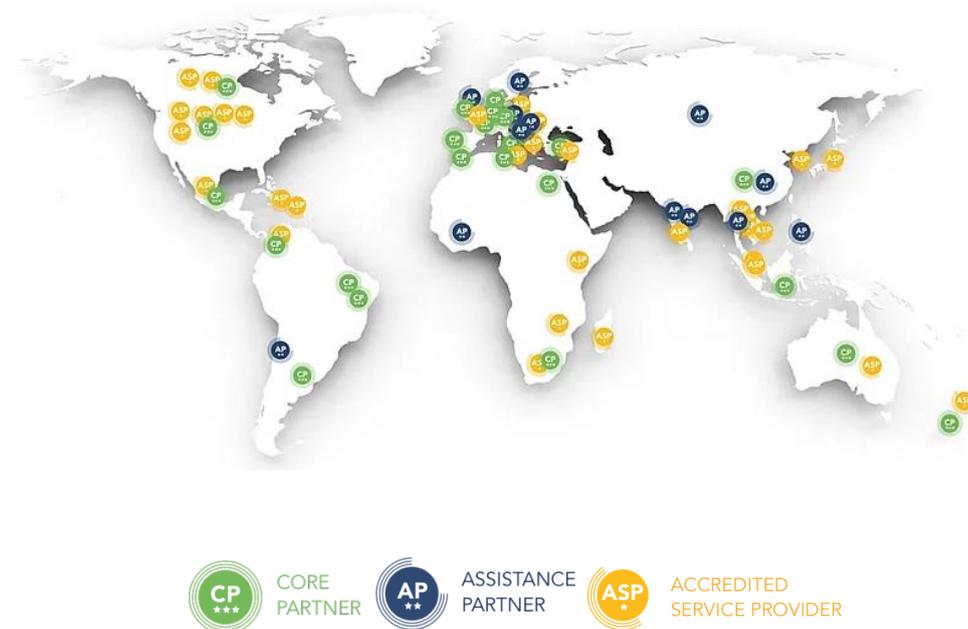
Chart 11 - Distribution of service provider by geographical area



Source: Integrae SIM

In addition to operating in the Italian market, I.C.C. offers its services internationally as a core partner in the international group I.A.G., thus establishing itself as the only exclusive partner for the Italian market. International Assistance Group was founded in Paris in 1993 by CEO Gualtiero Ventura together with a French (CGS France) and a Spanish (ADA Spain) assistance company, pooling the national networks of service providers and jointly developing the foreign network so as to send its staff to find correspondents in any part of the Globe.

Chart 12 – I.A.G. Network



Source: I.C.C.

3. The market

I.C.C. operates in the National and World Wide care market and primarily in the digital health care market.

3.1 National and World Wide Assistance

Insurance Companies are the reference market that concerns National and World Wide assistance for car, home and travel. In Italy, assistance services are almost exclusively provided by specialised companies (Branch 18) owned by large groups. In the majority of cases, turnover derives almost entirely from captive business and in particular from car assistance. On the other hand, as far as health assistance is concerned, some of the companies make use of I.C.C. as 24/7 providers. The comparison of the turnover of the individual companies cannot be homogeneous since the Enterprise Value is determined by internal policies within the same group, and it is, therefore, difficult to make an estimate of the overall real market value divided by assistance areas.

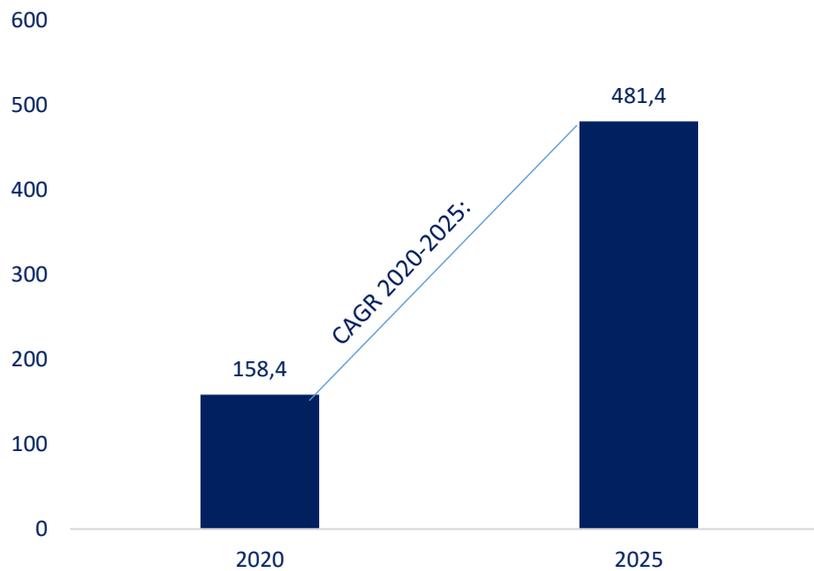
In this market, IAG plays a key role: in terms of aggregate turnover and worldwide presence, it ranks between the first and second largest groups, with a far greater capillarity (fundamental for the travel segment) than IMA, Unipol, Blue Assistance and IPA. As an alternative to these large insurance groups, there are also niche service companies that specialise in a specific sector, such as, for example:

- ACI Global: Car assistance;
- DKV: Heavy-duty vehicle servicing;
- Covercare: Home Care;
- Assistenza Casa (Edison Group): Home Assistance.

3.2 Digital Health Care

The Company operates mainly in the digital care market through the “Digital Health and Third and Fourth Age Care Services” Business Unit. Particular interest and focus on this market is due to the fact that I.C.C. has invested about 3% of its turnover in 2020 in R&D to finance the development of innovations inherent in the sector mentioned above. In fact, it should be remembered that to date the registered trademarks with the greatest impact and exclusivity are those of DOC 24 and Concierge of life, both related to health care. The Company’s desire to maintain its position as an early adopter in the market analysed is mainly due to its potential and growth trends.

Chart 13 - Global Digital Healthcare Market (Data in \$bn)



Source: Mordor Intelligence

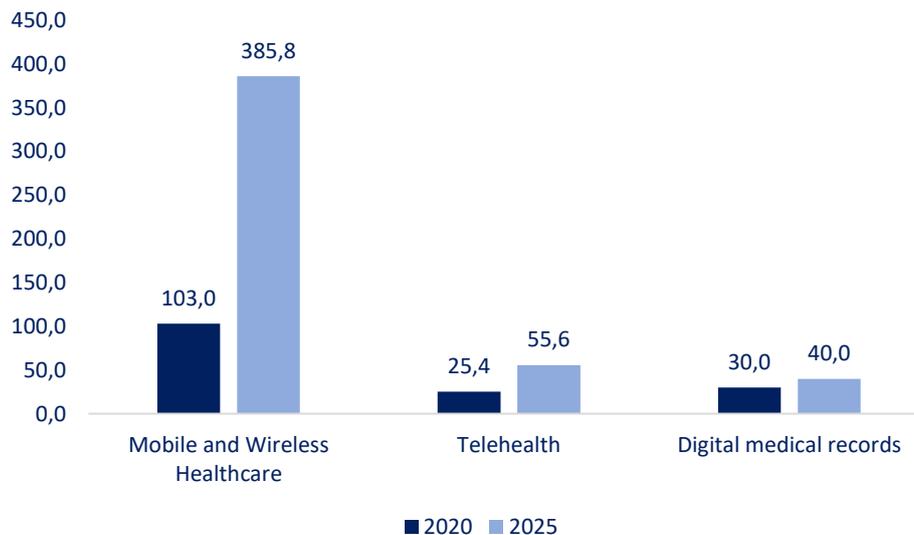
Globally, a CAGR of 24.9% is estimated for the period between 2020 and 2025. The growth drivers of the digital health market in Italy are mainly 4:

- Ageing society and inefficiency of the health system:** Italy is the “oldest” country in Europe, 22.8% of the population is over 65 years old. This figure will reach 34% in 2045. The consequence of the ageing population is an increase in the pressure on the national health system, which is already being experienced on a daily basis. An example of this inefficiency is represented by the long waiting lists typical of Italian healthcare, often exceeding 12-18 months. These complexities underline the importance of Digital Healthcare and how it can be a solution to the problems highlighted.
- Investment growth:** In 2018, the expenditure dedicated to Digital Health was € 1.39 bln (or 1.2% of public health expenditure), up 7% compared to that recorded in 2017. Departmental systems and electronic medical records are the areas of digital innovation that have garnered the most interest with respective investment shares of € 97 mln and € 50 mln. The growth trend recorded in 2018 is expected to develop further in the years to come. This will also be possible thanks to the Recovery Plan funds of which around € 18 bln will be allocated to healthcare.
- Technological innovation:** Technological innovation is certainly an important element for the development of digital health. The development has involved and will involve the creation of Apps, platforms and wearables, fundamental tools to allow clients to receive digital health services. The expansion of AI solutions that can generate useful information to improve the efficiency of operators, increase the accuracy of diagnosis, personalise care, improve the client experience is fundamental. Finally, Big Data Technologies used to efficiently manage client health information will also play a leading role.
- Infrastructure development and 5G network:** A further relevant element for the development of digital health will be the creation of modern and innovative health

infrastructures. This transition, envisaged by the Recovery Plan, will certainly also pass through the diffusion of 5G coverage in our country, a process underway for which the conclusion is expected at the end of 2022. The development of this new network is also essential to give the possibility to all Italians to use the technologies at the base of digital health services.

I.C.C. operates transversally in the digital assistance market through the DOC 24 platform. Specifically, the Company is one of the few Italian players able to offer services in the main segments of the reference market: Digital Medical Records, Telehealth and Wireless and Mobile Healthcare, in which the Company is most active.

Chart 14 - Growth of Digital Health Market segments (Data in \$bn)



Source: Cision PR Newswire; BusinessWire

The global mobile and wireless healthcare market is estimated to be worth \$385.80B in 2025. The 2020-2025 CAGR projected for this market segment is 24.6%. The growth will be possible due to an increased need for clients to receive “remote monitoring”, development of IT solutions in Healthcare, and more favourable legislation. Market development will also be possible due to the increasing popularity of wearable smartphones and other applications that can monitor client health.

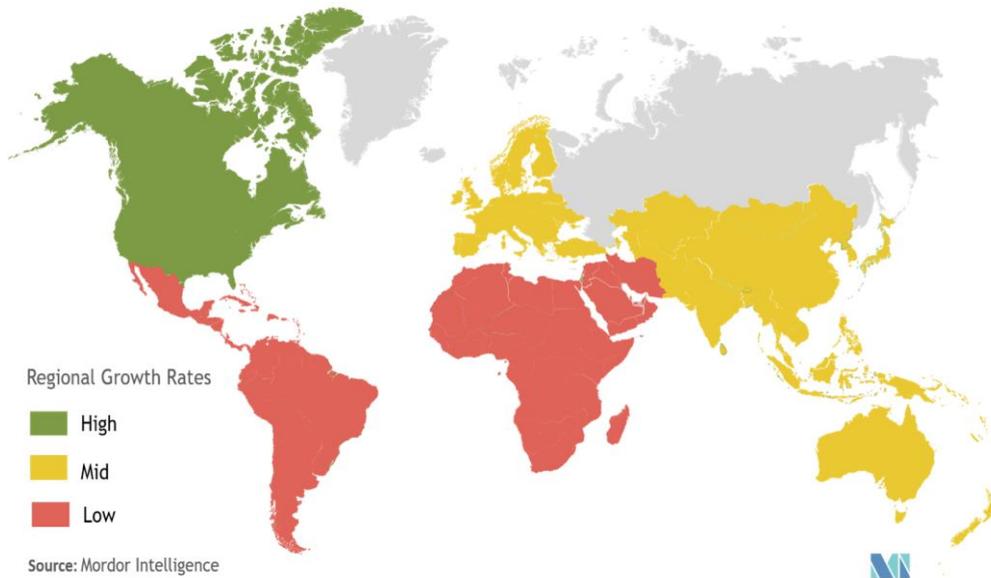
The global telehealth market is estimated to reach a value of \$55.60B by 2025.

The 2020-2025 CAGR projected for this market is 16.9%. The growth will be possible due to a larger population, a future shortage of physicians which will further highlight the limitation of the current healthcare system, continued innovations in telecommunications, and more intense government support.

Finally, the global Digital Medical Records market will reach a value of \$40.0B by 2025, according to BusinessWire estimates. The 2020-2025 CAGR projected for this market is 6%. The development of the market will be possible due to increased demand for the creation of centralised and efficient digital healthcare systems, growing awareness about the importance and benefits of using a digital medical record, and finally a development of IT solutions in Healthcare.

Chart 15 - Growth Rate of Digital Assistants in Healthcare Market by Geography (2020 - 2025)

Digital Assistants in Healthcare Market - Growth Rate by Geography (2020 - 2025)



Source: Mordor Intelligence

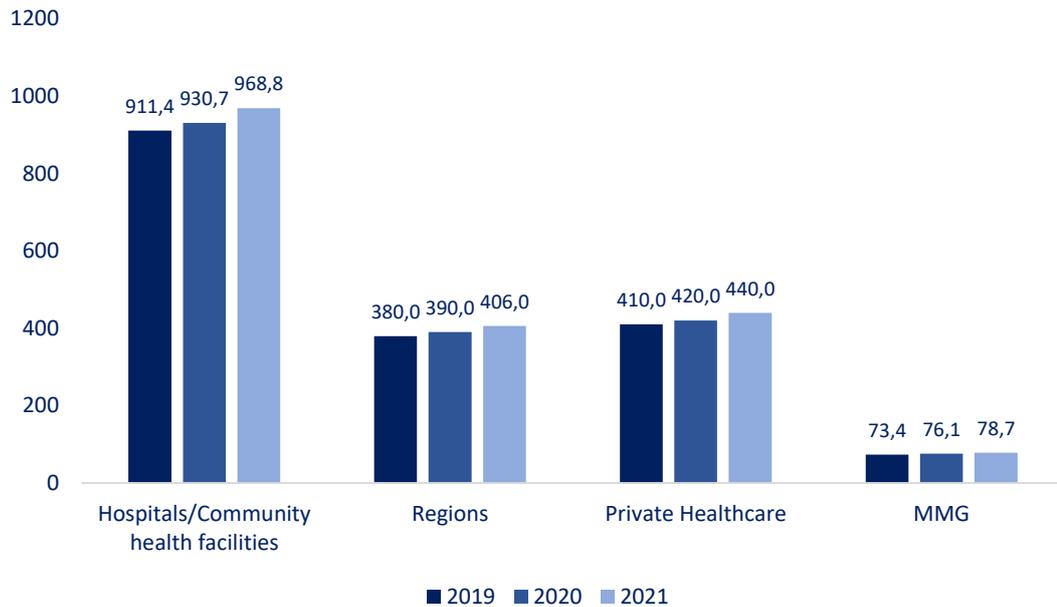
However, the expected growth at global level will not be homogeneous at geographical level. In fact, different rates of progress are expected depending on the continent considered. It can be deduced that the northern area of the American continent has the highest expected growth rate, while Europe, Asia and Oceania are the continents for which average growth is expected.

Compared to other continents, the USA and Canada have seen a greater uptake of smartphones and smart wearables in recent years. These devices are essential for offering digital health services to clients. In addition, especially in the United States it is estimated that the population over 65 years old will increase to 24% in 2060. This phenomenon will cause greater pressure on the healthcare system that will need new technologies and digital services that can meet the growing demand. Moreover, it is also pointed out that healthcare in the U.S. is private, a condition that makes the market more profitable by encouraging investment and development of innovations.

The Asian continent is also poised for lucrative growth in the coming years due to increasing use of smart devices and mHealth services.

Medical device companies are continuously collaborating with software developers to create different monitoring and diagnostic tools, making it easier for clients to connect with healthcare professionals. Emerging economies such as Malaysia and Thailand are also promoting the production of low-cost mobile technology.

Chart 16 - Italian Digital Healthcare Market



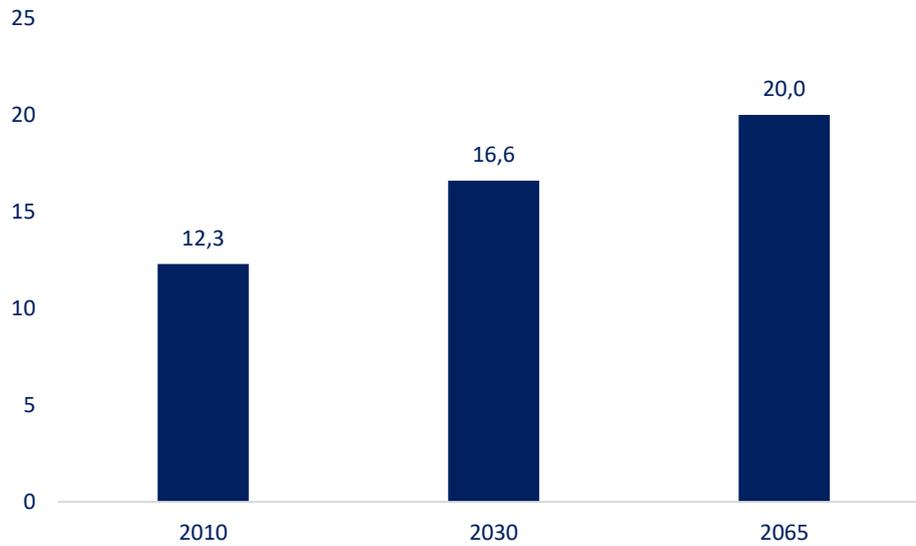
Source: DHS - The Digital Health Marketplace

In 2019, the Italian digital health market grew approximately 4.5%, from a value of €1.72bn in 2018 to around €1.80bn in 2019. This increase confirmed the positive trend of Digital Health in Italy, which has been registering growth rates since 2017. According to estimates provided during the Digital Health Summit 2020, the market will register further expansion in 2020 (+2.3%) and 2021 (+4.2%). It is important to emphasise how private healthcare is expected to have the highest growth rate between 2020 and 2021 (+4.8%), an element that underlines the primary importance of these players in the growth of the sector. In addition, there was a slight increase in the share of expenditure allocated to new projects, even though most of the expenditure was absorbed by activities aimed at keeping the machine operational, including to deal with the Covid-19 emergency.

3.3 Care for the third and fourth age

A further reference market for the Company is constituted by the medical assistance to people belonging to the third and fourth age groups. Through the Concierge of Life service, I.C.C. is able to offer caregivers psychological and administrative-bureaucratic support aimed at assisting them in caring for the elderly or in placing their loved ones in an assisted-living facility. Thus, the Silver Economy market represents an important growth opportunity for the Company.

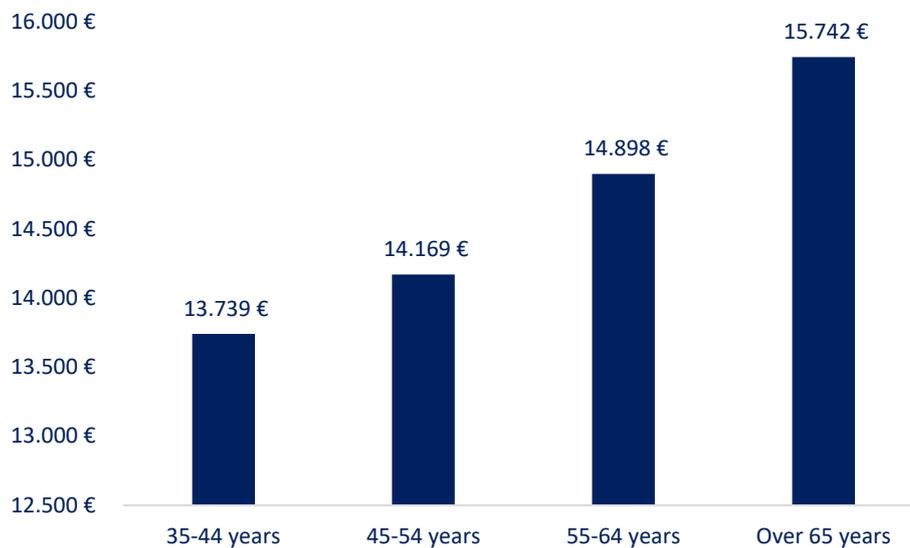
Chart 17 - Ageing of the Italian population



Source: Il Sole 24 Ore

The Italian population is characterized by a very long life expectancy (81 years for men and 85 years for women) and with a quota of over 65s among the highest in the world. In fact, the Italian population over 65 is expected to grow by about 42% in the next 45 years, reaching 20 million people in 2065. Moreover, the Italian over-65s are characterised by a higher average per capita consumption than all other age groups.

Chart 18 - Average per capita consumption



Source: Il Sole 24 Ore

3.4 Call Center and Claims Management

For the “Call Centre” market, we believe I. C. C. not to be compared with other competitors on the market as the activities and business model of a pure Call Centre (based on the creation of volume through less qualified personnel and with a low/medium company cost) are very different from the activities carried out by I.C.C. as an Operational Assistance Centre with trained and multilingual resources and with a strong focus on service quality.

As far as the reference “Claims Management” market is concerned, this activity is delegated, in the majority of cases, within the settlement structures of large national and international insurance companies. Also in this case, the specific I.C.C. and value-added activity is linked above all to the timely ability to be able to assess the assumption of risk (illness/accident) through the presence in the Operations Centre of the medical staff 24/7.

4 Competitive Positioning

Chart 19 - Business Lines competitors



Source: I.C.C.

4.1 National & World Wide Support

Thanks to the experience gained from the Filo diretto Insurance Company and its current corporate structure, and despite its small size compared to its competitors, I.C.C. can offer the same services provided by the main players in the insurance sector. The critical success factor that allows the company to stand out from its competitors is the presence of medical staff, operating 24/7, and multidisciplinary staff in the Operations Centre. It should also be noted that competitors operating in the national and international assistance market are focused on individual sector businesses (car, home, etc.), unlike I.C.C. which has the ability to offer cross-sector services, managing them all through both the OC and its network of affiliates in the area.

Chart 20 - National & World Wide Assistance competitors

COMPANY	REVENUE MODEL	OPERATIONS CENTER H24	HEALTH ASSISTANCE	REMOTE ASSISTANCE	HOME ASSISTANCE	CAR ASSISTANCE	TRAVEL ASSISTANCE	ITALY NETWORK	W.W. NETWORK
Medicall	B2B	✓	✓	✗	✗	✗	✗	✓	✗
BMC h24	B2B	✓	✗	✗	✗	✗	✗	✓	✗
assistenza casa	B2B2C	✓	✗	✗	✓	✗	✗	✓	✗
covercare	B2B2C	✓	✓	✗	✓	✗	✗	✓	✗
MAPFRE	B2B B2C	✓	✓	✗	✓	✓	✓	✓	✓
europ assistance	B2B B2B2C	✓	✓	✗	✓	✓	✓	✓	✓
AXA	B2B B2C	✓	✓	✗	✓	✓	✓	✓	✓
IMA ITALIA ASSISTANCE	B2B B2C	✓	✓	✗	✓	✓	✓	✓	✗
ICC	B2B B2B2C	✓	✓	✓	✓	✓	✓	✓	✓

Source: I.C.C.

4.2 Digital Health/Third Age

Compared to competitors in the Digital Health industry, I.C.C.:

- offers stand-alone support services through its DOC 24 App;
- uses its know-how to offer its structure and services on the market, customising them and integrating them with third-party Apps.

There are no direct competitors in this market that can match the structure, know-how and availability of the Company's national and international providers. Many operators in the Digital Health market develop the technological part (software) for platforms, Apps and monitoring devices, but do not have the possibility to sell this system together with an assistance service. For this reason, competitors tend to outsource the assistance service, which is a strong barrier to market entry. As a consequence, I.C.C. has already signed many contracts with some of the main competitors on the national market, including:

- Sant'Agostino;
- Medicoora;
- You Healthy.

As far as the Third and Fourth Age sector is concerned, the Company's potential competitors are pharmaceutical companies. However, for compliance reasons, all services designed for client monitoring cannot be provided internally by the pharmaceutical company, and this implies the need to outsource them to a third party. To date, I.C.C. has already developed several projects with pharmaceutical companies aimed at monitoring chronic patients through telemedicine / teleassistance services.

Chart 21 - Digital Health/Third fourth age competitors

COMPANY	REVENUE MODEL	OPERATIONS CENTER R24	REAL TIME MEDICAL CONSULTATION	MEDICAL CONSULTATION BY APPOINTMENT	REAL TIME SPECIALIST	SPECIALIST BY APPOINTMENT	ONLINE MEDICAL RECORDS	HOME SERVICES	CONSULTATION / MEDICAL REPORT	3th and 4th AGE SERVICES	ACTIVE MONITORING
babylon	B2C	✗	✓	✓	✓	✓	✓	✓	✓	✗	✗
practo	B2C	✗	✓	✓	✓	✓	✓	✓	✓	✗	✗
TELADOC	B2C	✗	✓	✓	✓	✓	✓	✓	✓	✗	✗
UniSalute	B2B B2C	✓	✓	✓	✗	✓	✓	✓	✗	✗	✗
dottori.it	B2C	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗
CareAngel	B2B B2C	✓	✗	✗	✗	✗	✗	✗	✗	✓	✓
SEREMY	B2B B2C	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗
trillio	B2B B2B2C	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗
ICC	B2B B2B2C	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Source: I.C.C.

4.2.1 DOC 24

Also with reference to the App, there are other companies on the market that are starting to offer Digital Health assistance services. Among these we find:

- **Blu Assistance:** Operations Centre linked to the Reale Mutua insurance group, it offers telemedicine services, which it buys from I.C.C.;
- **Sant'Agostino:** 24/7 emergency telephone triage services which are provided and managed by I.C.C.. following technological integrations with the client's Database;
- **Medicoora:** Telemedicine App launched in August 2020, offers tele-video consultation services and of which I.C.C. is a partner in the provision of all services;
- **YouHealthy:** Telemedicine App that offers both generic telephone and video consultation and home services provided and managed by I. C. C. , has developed ad hoc services related to nutrition or psychological support, also provided by the Company;
- **Comarch:** offers telemedicine services developed both for users and doctors. I.C.C. is finalising a contract with this company for the provision of telephone and video examination services linked to the e-car platform starting in 2022.

Therefore, I.C.C. is a key market player that is essential to the other operators in the sector and contributes to create a series of partnerships and collaborations with them.

4.3 Third-party claims management

Also in this case, reference must be made to the limited availability of direct competitors in the market, since the companies that provide third-party claims management and settlement services deal exclusively with that business. I.C.C.'s management of this BU allows many World Wide assistance clients to rely on the same provider for the management of claims, in the case of assistance linked to insurance policies. This makes it possible to be competitive on the market and to forge relationships with the client in multi-year partnerships.

4.4 Conciergerie Services - Inbound & Outbound Call Centre

Conciergerie services (inbound/outbound Call Centre) lead to a particular area of development, for which it is difficult to find competitors on the national market. I. C. C. makes the know-how of its operators through assistance services available 24/7. Therefore, in this line of business it is not possible to refer to the classic in/out call centres, which operate according to business models based on the quantity of calls handled rather than on the type of assistance offered. When determining fees, I.C.C. also takes into account the average duration of calls, which is generally longer than the standard duration of calls of traditional call centres, and the type of support offered to clients experiencing difficulties.

4.5 Swot Analysis

Strengths:

- Thirty years of management experience;
- Transversality of the services offered;
- Customisation of the services offered according to the needs of the clients;
- Early Adopters: thanks to continuous investments in R&D, the Company can anticipate market trends and gain a competitive advantage;
- Own Operations Centre consisting of 22 operators with an average of 12 years' experience and 17 staff, most of whom are university graduates and fluent in English;
- The Company holds several registered trademarks and software that allow for greater exclusivity and brand awareness;
- Membership in the I.A.G. group;
- Ability to guarantee the client KPIs and SLAs that are far more efficient than those of competitors.
- Ability to retain clients, establishing long-lasting and consolidated relationships with them.

Weaknesses:

- Difficulty in getting some clients to perceive the value of the services offered by the Company;
- Limited size of the Company compared to the main players, when compared to the insurance world, operating in the sector;
- Complexity in defining the flow of interaction between the end client and the Company as it occurs in most cases after an unforeseen event;
- Client Concentration.

Opportunities:

- Growing interest in immediate response to health problems and prevention;
- Greater attention to Corporate Welfare and Corporate Social Responsibility;
- Evolution of the regulatory framework;
- Increased investment (public and private) in health digitisation and the Silver Age;
- Ageing of the company which will lead to an increase in potential clients;
- Ability to scale the business through entry into new markets;
- Reduction in the presence of the State in the world of health with a strong limitation of the services offered and of the quality due to the lack of adequate resources;
- Covid-19 pandemic that led to a breakdown of cultural barriers on the use of technological systems in healthcare;
- Potential to offer its clients services different from those contracted until now, with ad hoc customisations.

Threats:

- The economic crisis caused by the pandemic situation has also led to a substantial limitation of travel for citizens, reducing the volume of business for the National and World Wide assistance Business Line;
- Possible entry into the market of substantial players (Amazon/Google Health) who have the ability to offer services directly to the end client;
- Possible entry into the market of unstructured players who would offer services at a lower price, but without guaranteeing their efficiency.

5 Economics & Financials

Table 2 - Economics & Financials

INCOME STATEMENT (€/mln)	FY19A	FY20A	FY21E	FY22E	FY23E	FY24E
Revenues	7,57	4,52	4,25	6,35	8,90	10,00
Other Revenues	0,27	0,36	0,25	0,45	0,30	0,30
Value of Production	7,84	4,87	4,50	6,80	9,20	10,30
COGS	0,23	0,17	0,25	0,25	0,30	0,30
Services	6,07	2,69	1,95	2,80	3,50	3,80
Use of assets owned by others	0,10	0,12	0,15	0,20	0,25	0,25
Employees	2,10	1,92	2,15	2,45	2,75	3,15
Other Operating Expenses	0,34	0,30	0,15	0,15	0,15	0,15
EBITDA	(1,00)	(0,32)	(0,15)	0,95	2,25	2,65
<i>EBITDA Margin</i>	-13,2%	-7,0%	-3,6%	15,0%	25,3%	26,5%
D&A	1,58	0,62	0,61	0,68	0,68	0,73
EBIT	(2,57)	(0,94)	(0,76)	0,27	1,57	1,92
<i>EBIT Margin</i>	-34,0%	-20,8%	-17,8%	4,2%	17,6%	19,2%
Financial Management	0,02	0,11	(0,01)	(0,01)	(0,01)	(0,01)
EBT	(2,55)	(0,83)	(0,77)	0,26	1,56	1,91
Taxes	(0,17)	(0,05)	0,00	0,09	0,20	0,50
Net Income	(2,38)	(0,78)	(0,77)	0,16	1,36	1,41

BALANCE SHEET (€/mln)	FY19A	FY20A	FY21E	FY22E	FY23E	FY24E
Fixed Assets	4,48	3,99	4,20	4,00	3,65	3,30
Account receivable	1,73	1,22	0,90	1,40	2,00	2,25
Inventories	0,02	0,01	0,01	0,01	0,01	0,01
Account payable	1,61	0,78	0,70	0,95	1,15	1,30
Operating Working Capital	0,14	0,45	0,21	0,46	0,86	0,96
Other receivable	0,71	0,87	0,85	0,75	0,50	0,55
Other payable	1,39	1,59	1,35	1,40	1,70	1,85
Net Working Capital	(0,54)	(0,27)	(0,29)	(0,19)	(0,34)	(0,34)
Severance Indemnities & Other Provisions	0,39	0,37	0,35	0,50	0,65	0,80
NET INVESTED CAPITAL	3,54	3,35	3,56	3,31	2,66	2,17
Share Capital	6,15	6,15	4,96	4,96	4,96	4,96
Reserves	0,75	(1,63)	1,00	0,24	0,40	1,76
Net Income	(2,38)	(0,78)	(0,77)	0,16	1,36	1,41
Equity	4,52	3,74	5,20	5,36	6,72	8,12
Cash & Cash Equivalent	0,98	0,39	1,63	2,05	4,06	5,96
Financial Debt	0,00	0,00	0,00	0,00	0,00	0,00
Net Financial Position	(0,98)	(0,39)	(1,63)	(2,05)	(4,06)	(5,96)
SOURCES	3,54	3,35	3,56	3,31	2,66	2,17

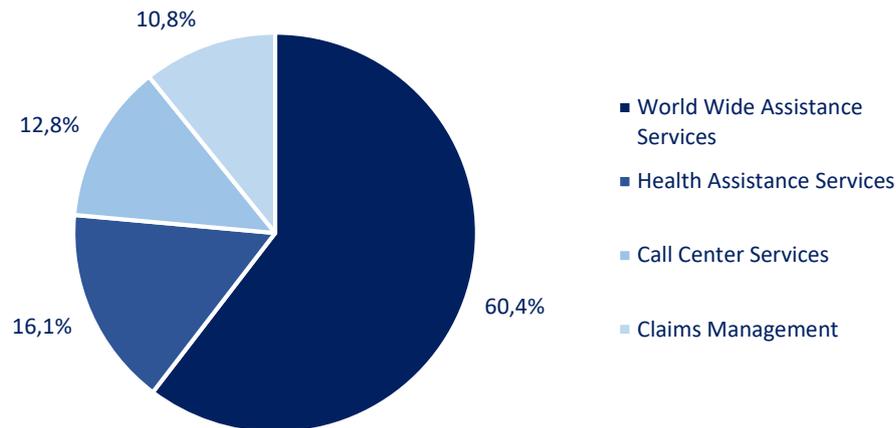
CASH FLOW (€/mln)	FY19A	FY20A	FY21E	FY22E	FY23E	FY24E
EBIT		(0,94)	(0,76)	0,27	1,57	1,92
Taxes		(0,05)	0,00	0,09	0,20	0,50
NOPAT		(0,89)	(0,76)	0,17	1,37	1,42
D&A		0,62	0,61	0,68	0,68	0,73
Change in receivable		0,52	0,32	(0,50)	(0,60)	(0,25)
Change in inventories		0,00	0,00	0,00	0,00	0,00
Change in payable		(0,83)	(0,08)	0,25	0,20	0,15
Change in others		0,04	(0,22)	0,15	0,55	0,10
<i>Change in NWC</i>		(0,27)	0,02	(0,10)	0,15	0,00
Change in provisions		(0,02)	(0,02)	0,15	0,15	0,15
OPERATING CASH FLOW		(0,57)	(0,15)	0,91	2,35	2,30
Capex		(0,14)	(0,81)	(0,48)	(0,33)	(0,39)
FREE CASH FLOW		(0,71)	(0,97)	0,42	2,02	1,91
Financial Management		0,11	(0,01)	(0,01)	(0,01)	(0,01)
Change in Debt to Bank		0,00	(0,00)	0,00	0,00	0,00
Change in Equity		0,00	2,22	0,00	0,00	0,00
FREE CASH FLOW TO EQUITY		(0,59)	1,25	0,41	2,01	1,90

Source: Integrae SIM estimates

5.1 FY20A Results

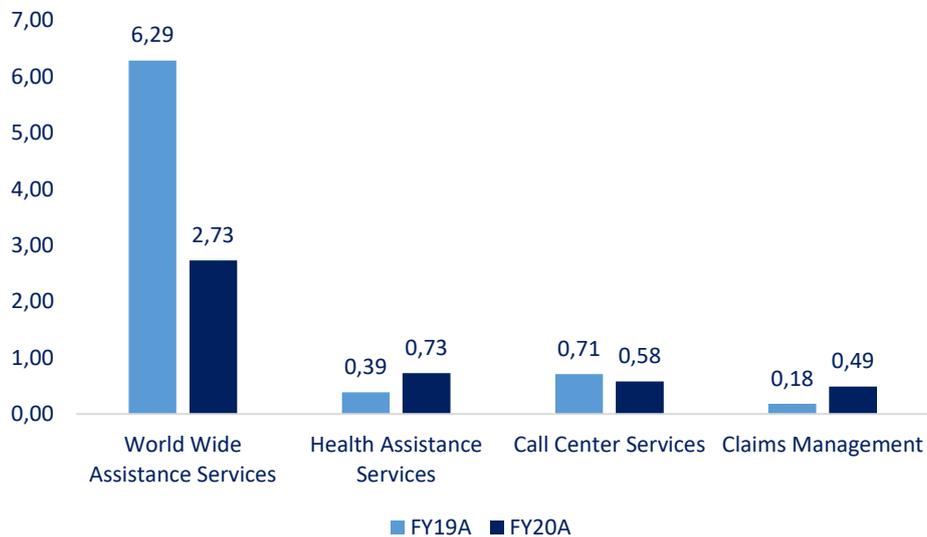
In 2020, due to the impact of the Covid 19 pandemic, there was a decrease in the value of production compared to the previous year, from € 7.84 mln in FY19A to € 4.87 mln, for a negative change of 40.0%. Despite this, considering the previous years' figures, the value of production shows an upward trend and we expect it to reach pre-pandemic levels again in the coming years.

Chart 22 -Revenues Breakdown by BU



Source: Integrae SIM

Chart 23 -Revenues Breakdown by BU FY19A vs FY20A



Source: Integrae SIM

In terms of revenues generated, the main source is the World Wide Assistance BU, accounting for 60.4% of the total in FY20A, or € 2.73 mln; in FY19A the same BU had generated more than 80% of revenues, for a total of € 6.29 mln. This was followed by the Health Assistance and Call Centre divisions, which generated 16.1% (€ 0.73 mln) and 12.8% (€ 0.58 mln) of revenues respectively, and finally the Claims Management BU, which recorded the highest growth compared to the others, contributed the remaining 10.8% with € 0.49 mln generated.

EBITDA amounted to a negative value of -€ 0.32 million, but still improved compared to the FY19A result of -€ 1.00 million, showing that despite the drop in turnover, the Company managed to improve its cost structure. The marginality (EBITDA margin) goes from -13.2% to -7.0%.

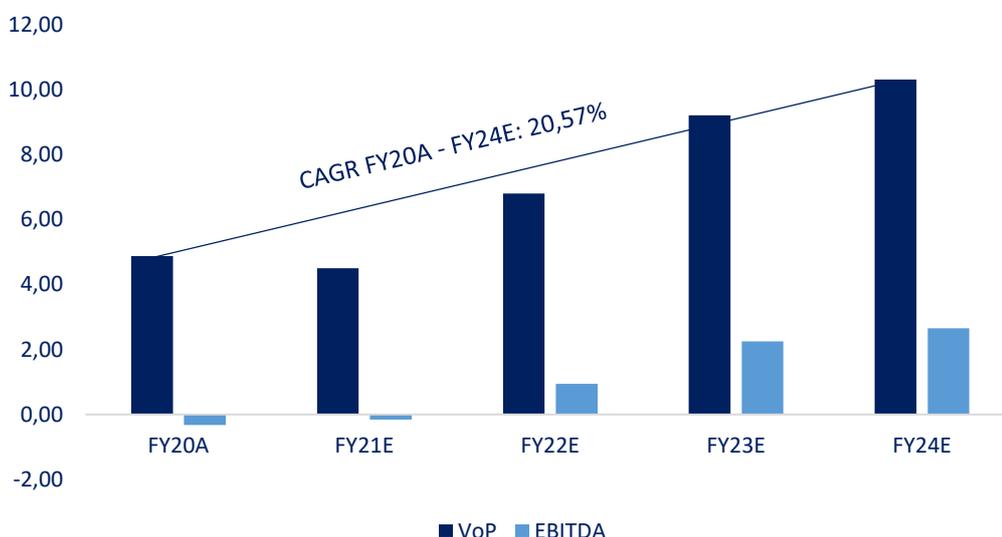
Worth noting is the important change in depreciation and amortisation, which goes from € 1.58 mln in FY 2019 to € 0.62 mln in FY20A. This leads to an EBIT value of -€ 0.94 mln, a strong improvement when compared to -€ 2.57 mln in FY19A, as shown by the EBIT margin which goes from -34.0% to -20.8%.

Net Income was negative and equal to -€0.78 million.

With regard to NFP, there was a slight worsening as we went from a cash positive value of € 0.98 mln in FY19A to the FY20A figure, still cash positive, of € 0.39 mln.

5.2 FY21E - FY24E Estimates

Chart 24 - VoP and EBITDA 20A-24E and



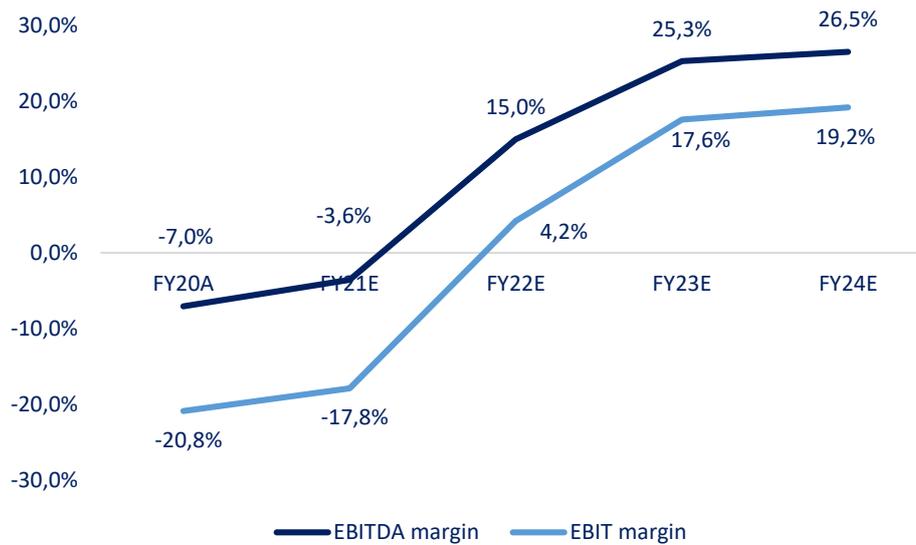
Source: Integræ SIM processing

For the next few years, we expect value of production to increase from € 4.87 mln in FY20A to € 10.30 mln in FY24E (CAGR 20A-24E: 20,57%). I.C.C.'s business strategy foresees an increase in the importance of the Digital Health division, as the BU that best lends itself to short and medium-long term development plans: software improvements and expansion of the range of services offered are already in the pipeline. We believe that the growth of the BU can be driven by the following drivers:

- Increase of the presence in the market of assistance to Third & Fourth age, through the implementation and offer of new services such as home automation for remote control of the environment and the person through the use of technologies not yet present in the Italian market;
- Entry into new markets such as real estate, individuals, peripheral or disadvantaged areas, which require real time assistance services. This will be possible thanks to the relationship with IAG that guarantees the opportunity to collaborate with the Group's partners allowing the expansion of its business model;

- Increase market share in telemedicine services through the development and integration of the DOC 24 App based on user experience;
- Implementation, by the Italian State, of the National Recovery and Resilience Plan, in which € 3.5 billion are foreseen to relaunch the Over 65 care at home and to reconvert assisted-living facilities into independent apartments: this will bring a huge increase in the demand of social services for elderly people and consequently represents a very good perspective for the Company. In addition to this there are € 1.0 billion of incentives for telemedicine.

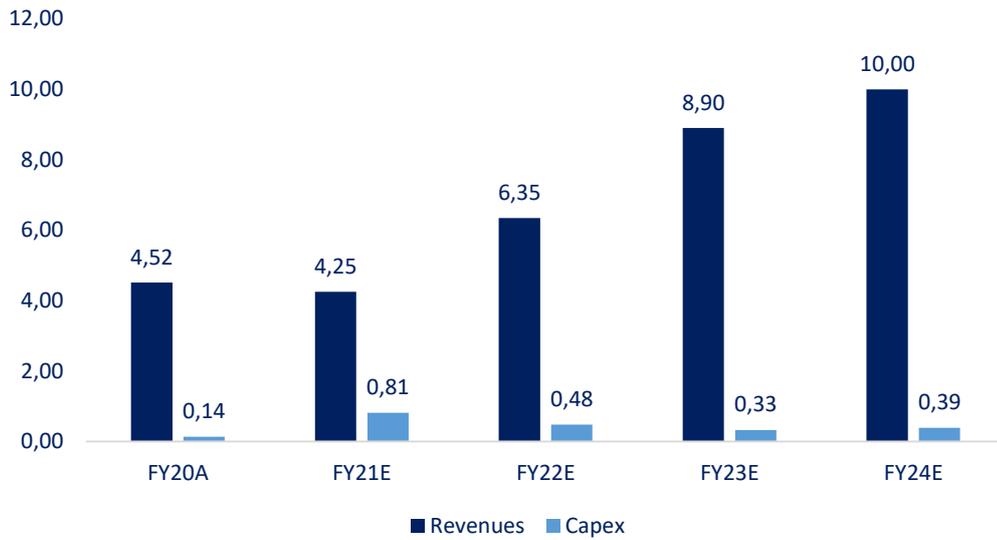
Chart 25 - EBITDA% and EBIT% 20A-24E



Source: Integrae SIM processing

Similarly, we expect an increase in EBITDA which, according to our estimates, will rise from - € 0.32 mln in FY20A to € 2.65 mln in FY24E, with a consequent increase in marginality which, according to our estimates, will rise from -7.0% recorded in FY20A to 26,5% in FY24E. The increase in margins would be a direct consequence of the increase in production volumes since, since I.C.C.'s Business Units are highly integrated with each other, it is easy for a client to expand its commercial relationship over time also to the Company's other service lines making it a partner rather than a mere supplier. Synergies and efficiencies are created and often the growth of the client leads to the growth of the Company and vice versa.

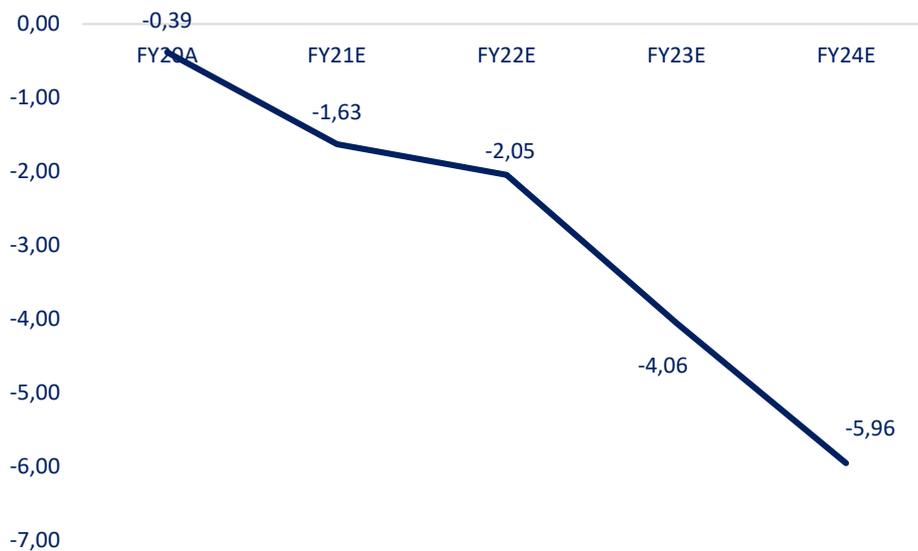
Chart 26 - Revenues, Capex 20A-24E



Source: Integrae SIM processing

At the Capex level, for the next few years, we expect above all investments linked to the improvement of brand awareness for both clients (such as established companies in the insurance, tourism and medical sectors) and the end users of the service (insurance policyholders). The main focus will be on advertising through television channels, social media and online and offline press, and participation in conferences and trade fairs dedicated to the third and fourth age care business. Most of the investments will be related to the further development of the two Apps DOC 24 and Concierge of Life.

Chart 27- NFP 20A-24E



Source: Integrae SIM processing

We estimate that the Group can continue to improve its NFP over the next few years due to the positive cash flows generated from its core operations.

5.3 Use of Proceeds

The Company plans to list its shares on the Euronext Growth Milan market in order to raise resources for continued growth. In particular, I.C.C. has planned to invest the proceeds of the listing to continue its growth through diversified investments, both nationally and internationally, with a view to significantly increase turnover and to better monitor and consolidate current markets by raising barriers to entry for potential competitors, introducing new value-added services in addition to the services currently provided. Among the main objectives:

- Help consolidate the telemedicine/teleassistance business, expanding it through partnerships aimed at integrating wearable devices to improve the user experience and telemonitoring. In this regard, one option is to identify a Multi-Specialty Centre to be acquired to channel its clientele;
- Identify new technologies to be combined with the services currently offered to complement the home care offer and provide a set of controls relating to the home environment and monitoring of falls and vital parameters such as breathing and pulse;
- Strengthen international presence through IAG by expanding into developing markets mainly in Mediterranean Europe;
- Invest in Brand awareness with resources in communication and advertising;
- Expanding the range of services offered through the possible acquisition of a Mutual Company, so as to exploit I.C.C.'s expertise in the insurance field.

6 Valuation

Due to the lack of comparable companies with I.C.C., we assessed the Company's equity value based solely on the DCF methodology.

6.1 DCF Method

Table 3 - WACC

WACC		8,54%
Risk Free Rate	0,04% α (specific risk)	2,50%
Market Premium	6,85% Beta Adjusted	1,0
D/E (average)	11,11% Beta Relevered	1,1
Ke	9,41% Kd	1,00%

Source: Integrae SIM

Specifically:

- The Risk-Free Rate is represented by the November 2021 Yield with maturities between 3 years and 7 months and 4 years and 6 months;
- The Market Premium coincides with the risk premium for the Italian market calculated by Professor A. Damodaran;
- D/E is calculated based on Integrae SIM's estimates;
- Ke was calculated using CAPM;
- Alfa, or additional specific risk, typical of equity investments in companies characterised by reduced operating size. Being small, the additional small cap risk was assumed to be 2.5%, an average value among those suggested by the main studies on the subject (Massari Zanetti, Financial Valuation, McGraw-Hill, 2004, p. 145, A. Damodaran, Cost of Equity and Small Cap Premium in Investment Valuation, Tools and Techniques for Determining the Value of Any Assets, 3rd edition 2012, Guatri Bini, Nuovo Trattato sulla Valutazione delle Aziende, 2009 p. 236);
- The Beta was set equal to the market Beta because the Beta calculated based on competitors was not statistically significant;
- Kd coincides with the Company's current cost of debt.

Using this data, the WACC is 8.54%.

Table 4 - DCF Valuation

DCF Equity Value		26,1
FCFO actualized	4,3	18%
TV actualized DCI	20,2	82%
Enterprise Value	24,5	100%
NFP (FY21E)	(1,6)	

Source: Integrae SIM

With the above data and taking our estimates and assumptions as a reference, this results in an **equity value of € 26.1 million.**

Table 5 - Equity Value - Sensitivity Analysis

€/mln		WACC						
		7,0%	7,5%	8,0%	8,5%	9,0%	9,5%	10,0%
Growth Rate (g)	2,5%	41,5	37,4	34,0	31,1	28,7	26,6	24,8
	2,0%	38,0	34,6	31,6	29,2	27,1	25,3	23,6
	1,5%	35,2	32,2	29,7	27,5	25,7	24,0	22,6
	1,0%	32,8	30,2	28,0	26,1	24,4	23,0	21,7
	0,5%	30,7	28,5	26,6	24,9	23,4	22,0	20,8
	0,0%	29,0	27,0	25,3	23,7	22,4	21,2	20,1
	-0,5%	27,5	25,7	24,1	22,8	21,5	20,4	19,4

Source: Integrae SIM

7 Equity Value

Table 6 - Equity Value

Equity Value (€/mln)	26,1
Equity Value DCF (€/mln)	26,1
Target Price (€)	6,00

Source: Integrae SIM

Observing the value obtained using the DCF method, we arrive at an equity value of € 26.1 million. **The target price is therefore equal to € 6.00, rating BUY, risk MEDIUM.**

Table 6 - Implied Multiples - Sensitivity Analysis

Equity Value (€/mln)	EV/EBITDA			EV/EBIT		
	2022E	2023E	2024E	2022E	2023E	2024E
23,0	22,5x	9,5x	8,1x	80,3x	13,6x	11,1x
24,0	23,5x	9,9x	8,4x	84,1x	14,3x	11,7x
25,0	24,6x	10,4x	8,8x	87,8x	14,9x	12,2x
26,0	25,7x	10,8x	9,2x	91,6x	15,6x	12,7x
27,0	26,7x	11,3x	9,6x	95,4x	16,2x	13,2x
28,0	27,8x	11,7x	9,9x	99,1x	16,8x	13,8x
29,0	28,8x	12,2x	10,3x	102,9x	17,5x	14,3x

Source: Integrae SIM

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Equity Total Return (ETR) for different risk categories			
Rating	Low Risk	Medium Risk	High Risk
BUY	ETR >= 7.5%	ETR >= 10%.	ETR >= 15%
HOLD	-5% < ETR < 7.5%	-5% < ETR < 10%	0% < ETR < 15%
SELL	ETR <= -5%	ETR <= -5%	ETR <= 0%
U.R.	Rating and/or target price Under Review		
NR.	Stock Not Rated		

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