

EQUITY RESEARCH

PHARMANUTRA
 RESULTS REVIEW

BUY

TP 78.0€

Up/Downside: 50%

In line

Pharmanutra released its 2024 revenue figures on Monday, reaching €115M (+15% YoY), perfectly in line with our expectations.

Pharmanutra released its 2024 revenue figures on Monday evening, achieving a new sales record of €115M, up 15% YoY, perfectly in line with our expectations.

Breaking down the performance, the group reported 11% growth in its domestic market. As anticipated, the primary growth driver remains the group's international operations, which posted a 24% increase, also in line with expectations.

Management highlighted a strong performance in the Chinese market, with revenue reaching €2M. However, operations in the US, launched in Q3 2023, have yet to take off, with only marginal revenue reported.

Following this release, our estimates remain unchanged. We reiterate our **Buy** recommendation, with a target price maintained at €78.

Key data

Price (€)	52.0
Industry	Healthcare
Ticker	PHN-IT
Shares Out (m)	9.680
Market Cap (m €)	503.4
Average trading volumes (k shares / day)	1.214

Source: FactSet

Ownership (%)

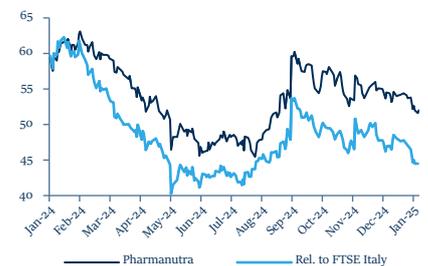
Andrea Lacorte	31.4
Roberto Lacorte	23.1
Beda srl	10.5
Free float	35.0

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	1.92	2.34	2.93
Change vs previous estimates (%)	0.00	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	0.8	-4.6	-4.4
Rel FTSE Italy	-0.2	-5.3	-7.0



Source: FactSet

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m €)	102.0	115.0	136.1	160.0	EV/Sales	4.3	3.6	2.9
Current Op Inc (m €)	23.4	26.7	32.5	40.3	EV/EBITDA	15.8	12.8	10.3
Current op. Margin (%)	22.9	23.3	23.9	25.2	EV/EBIT	18.6	14.9	11.6
EPS (€)	1.23	1.92	2.34	2.93	PE	27.1	22.2	17.8
DPS (€)	0.85	0.87	0.96	1.17				
Yield (%)	1.6	1.7	1.8	2.3				
FCF (m €)	-2.1	17.9	22.0	26.4				

Source: TPICAP Midcap

Consensus FactSet - Analysts:na	12/24e	12/25e	12/26e
Sales	114.7	130.4	146.7
EBIT	26.1	30.1	35.2
Net income	17.5	13.9	14.8

Analyst

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FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	68.8	83.4	102.0	115.0	136.1	160.0
Changes (%)	17.3	21.1	22.3	12.8	18.3	17.6
Gross profit	66.5	80.6	99.5	109.5	129.5	152.3
% of Sales	96.7	96.6	97.6	95.2	95.2	95.2
EBITDA	20.1	24.4	26.5	31.4	37.8	45.4
% of Sales	29.2	29.2	26.0	27.3	27.8	28.4
Current operating profit	18.7	23.0	23.4	26.7	32.5	40.3
% of Sales	27.2	27.6	22.9	23.3	23.9	25.2
EBIT	18.7	23.0	23.4	26.7	32.5	40.3
Net financial result	0.1	0.4	-1.0	-1.0	-1.0	-1.0
Income Tax	-5.0	-8.4	-10.4	-7.2	-8.8	-11.0
Tax rate (%)	-26.8	-35.8	-46.6	27.9	27.9	-27.9
Net profit, group share	13.8	15.0	11.9	18.6	22.7	28.4
EPS	1.42	1.55	1.23	1.92	2.34	2.93
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	0.0	17.6	17.6	17.6	17.6	17.6
Tangible and intangible assets	13.1	20.3	30.6	29.1	27.2	26.1
Right of Use	0.8	0.7	0.7	0.7	0.7	0.7
Financial assets	0.2	0.2	0.3	0.3	0.3	0.3
Working capital	5.7	9.7	10.5	12.6	15.3	18.3
Other Assets	1.7	2.6	4.6	4.6	4.6	4.6
Assets	21.5	51.1	64.3	64.9	65.6	67.5
Shareholders equity group	45.1	50.9	54.4	63.7	77.1	94.1
LT & ST provisions and others	4.0	9.3	7.0	7.0	7.0	7.0
Net debt	-27.6	-9.1	2.9	-5.7	-18.4	-33.5
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	21.5	51.1	64.3	64.9	65.6	67.5
Net debt excl. IFRS 16	-28.4	-9.9	2.1	-6.5	-19.2	-34.3
Leverage	-1.4	-0.4	0.1	-0.2	-0.5	-0.7
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	16.4	17.9	12.2	23.2	28.0	33.5
Δ WCR	3.8	-4.2	-1.0	-2.1	-2.7	-3.0
Operating cash flow	20.2	13.7	11.2	21.1	25.4	30.4
Net capex	-5.0	-11.2	-13.2	-3.2	-3.4	-4.0
FCF	15.2	2.5	-2.1	17.9	22.0	26.4
Acquisitions/Disposals of subsidiaries	0.0	-12.0	0.0	0.0	0.0	0.0
Other investments	-0.6	-0.8	-2.0	0.0	0.0	0.0
Change in borrowings	0.0	11.4	9.4	0.0	0.0	0.0
Dividends paid	-6.5	-6.9	-7.7	-9.3	-9.3	-11.3
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.0	0.0	-0.0	0.0	0.0	0.0
Others	0.1	-2.4	-1.7	0.0	0.0	0.0
Change in net cash over the year	8.2	-8.1	-3.8	9.2	12.7	15.1
ROA (%)	19.3%	15.0%	10.6%	14.9%	16.0%	17.4%
ROE (%)	30.5%	29.5%	21.9%	29.1%	29.4%	30.1%
ROCE (%)	66.5%	29.9%	20.5%	30.7%	36.7%	44.2%

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This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

No conflict of interests between TP ICAP Midcap and the Issuer

History of investment rating and target price – Pharmanutra



Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	81%	63%
Hold	13%	73%
Sell	4%	33%
Under review	2%	100%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

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Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

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