

Buy

PT: €88.00

Changes	2025E	2026E
Revenue	-	1.2%
EPS	-2.3%	-3.6%

Key data

Ticker	PHN IM
Price (14 March 2025)	€53.60
Upside to Price Target (%)	64.2
Market Cap (m)	€518.9
Free Float (%)	35.0
No. of Shares (m)	9.68
1mth perf (%)	3.1
3mth perf (%)	(1.7)
12mth perf (%)	(9.5)
12mth high-low (€)	61 - 45

Key financials

(In EUR M)

Year to Dec	2024A	2025E	2026E
Group revenue	115	131	145
EBITDA (rep.)	31.0	35.0	39.0
EBIT (rep.)	27.4	31.0	34.8
EPS (adj.)	1.71	2.15	2.43
DPS	1.00	1.20	1.26
Net debt/(cash)	(6.9)	(16)	(26)
ROCE (NOPAT) (%)	44.0	48.2	52.7
EPS (adj.) y/y (%)	7.1	25.7	13.1
Net debt/EBITDA	(0.2)	(0.5)	(0.7)
EV/Sales	4.5	3.9	3.4
EV/EBITDA (adj.)	16.6	14.5	12.7
EV/EBIT (adj.)	18.9	16.4	14.3
P/E (adj.)	31.3	24.9	22.1
Dividend yield (%)	1.9	2.2	2.4
Free CF yield (%)	3.3	3.6	4.2
EV/CE	8.3	7.9	7.5

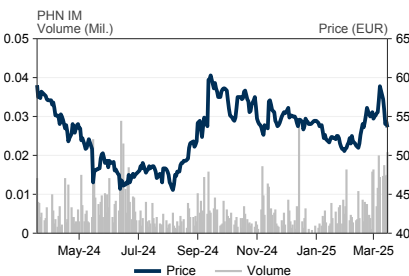
Priced as at close on 14 March 2025

Completed: 16 March 2025 17:26EDT

Disseminated: 17 March 2025 02:00EDT

All sources unless otherwise stated: Company data, FactSet, Stifel estimates

Share price performance (indexed)



A self-help growth story to look in 2025

Summary

- PharmaNutra delivered a solid set of FY-24 results, with some key projects yielding initial contribution following prior investments and cash flow generation far exceeding expectations.
- The 2025 outlook looks promising, with recurring business projected to achieve low double-digit growth and key projects providing an additional boost, without mentioning Germany. Management anticipates margin constraints in 2025-26 due to increased investments. However, as seen in the past, this guidance may undervalue operating leverage potential.
- In our view, PharmaNutra stands out as an exceptionally compelling self-help growth story within the European SMID Cap space. Alongside its promising long-term outlook, Q1 benefits from an easy comparative base, while the contribution from special projects is mounting during the year. We reaffirm our conviction, Buy.

Key Points

Q4/FY-24 revenue in brief. Q4/FY-24 revenue came in line with January's preliminary figures. Specifically, FY-24 sales rose by +15% YoY to €115.4m, driven by volumes and reflecting +11% sales increase in Q4 (vs SFe and consensus +15% and +17% in 9M). This performance was driven by strong growth in Italy, with a +14% YoY increase in Q4 (vs +10% in 9M), and +6% rise in international markets (vs +34% in 9M), with Europe outperforming the Middle East. The contributions from newer ventures (the US, Spain, and Cetilar Nutrition) remain modest in 2024. However, China exceeded initial expectations, achieving ~€2m revenue (~€0.8 in Q4 only) and showcasing promising prospects for the future. By product line, all-important Sideral recorded a +9% increase in Q4 (vs +15% in 9M) against challenging comparatives. Cetilar displayed robust growth, rising +14% in Q4 (vs +13% in 9M), while ApportAL decelerated sequentially to +10% in Q4 (vs +36% in 9M). Akern exceeded expectations with a +32% increase in Q4 (vs +13% in 9M), benefiting from seasonality and synergies ramp-up.

The market share dynamics. Despite the increased competition, SiderAL's Italian unit market shares held steady in 2024 at 46.7%, a slight decrease from 47.4% in 2023. Cetilar and ApportAL expanded their unit market shares by 0.3% to 3.2% and 0.5% to 3.9%, respectively.

Focus on profitability and cash generation. FY-24 EBITDA was up +17% YoY to €31m, 4% softer than expected due to higher operating costs, with a margin of 26.9% on net revenue (+50bps YoY). Excluding c.€6m start-up costs (marketing, advisory fees and G&A) related to (China, US, Spain and Nutrition), the recurring EBITDA margin increased 100bps to 31.4%. The 39% tax rate remained above the pre-Covid level of 32%. Better-than-expected WC drove a significant beat to FCF (c.€15m, 15% on net sales) and net cash of c.€6m (vs €4m net debt in 2023).

Optimistic outlook for 2025. Management expects the recurring business to grow in line with FY-24 (we estimate around +12%), with US contributions starting in H2-25 and strong growth in China (we estimate ~€4m sales in FY-25). Strong cash flow generation (above €20m) will fund new project expansions, causing only a slight margin decrease in 2025 and 2026.

Conference call takeaway. (1) Current trading commentary highlighted a positive performance in January and February; (2) An update on the German market sales will be provided in the next months; (3) ApportAL started international distribution and a new online platform was launched in China in December. In 2024, SiderAL, Cetilar, and ApportAL contributed 93%, 5%, and 2% to international sales, respectively. Specific DTC initiatives are planned for ApportAL in H2 in Italy; (4) Cetilar Nutrition launched new SKUs and is investing in digital marketing activities. Although it remains a niche market, management expects an interesting contribution in 2025; (5) Export costs to the US are minimal currently; however, management intends to relocate manufacturing overseas once volumes reach a satisfactory level; (6) The capital allocation strategy remains unchanged: no extraordinary CapEx are planned, with extra cash directed toward growth through increased OpEx. M&A may be considered in a few years, while dividends remain slightly above 50%.

Estimates review. Our ~3% EPS cut on average for FY-25/26 mainly reflects modestly higher sales growth (+13% in 2025 and +11% in 2026), alongside increased operating expenses and a higher tax rate. The stock trades at historical lows of 25x FY-25 PE, for +26% EPS growth and a historically high 15% FCF on sales.

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All relevant disclosures and certifications appear on pages 8 - 11 of this report.

Key data¹

Profit and Loss Account (€m)				
	2024A	2025E	2026E	2027E
Group revenue	115	131	145	162
EBITDA (rep.)	31.0	35.0	39.0	44.4
EBIT (rep.)	27.4	31.0	34.8	40.1
Pre-tax results	27.2	31.0	34.9	40.1
Income tax and other items	(11)	(10)	(11)	(13)
Net result group	16.6	20.8	23.5	27.1
Minorities and other items	0.06	0.06	0.06	0.06
Net result shareholders, rep.	16.6	20.9	23.6	27.1
EPS	1.72	2.15	2.43	2.80
Exceptionals in EBIT	0	0	0	0
Profit and Loss Account (adj) (€m)				
	2024A	2025E	2026E	2027E
EBITDA	31.0	35.0	39.0	44.4
EBIT	27	31	35	40
Operating result (company definition)	27.4	31.0	34.8	40.1
Net result, shareholders	16.6	20.8	23.5	27.1
EPS (adj.)	1.71	2.15	2.43	2.80
Cash Flow Statement (€m)				
	2024A	2025E	2026E	2027E
EBITDA (rep.)	31.0	35.0	39.0	44.4
Change in working capital	(3)	(3)	(2)	(2)
Other operating cash flow items	(8)	(10)	(11)	(13)
Cash flow before capex	20.5	22.3	26.0	29.4
Capital expenditure	(4)	(4)	(4)	(4)
Free cash flow	16.9	18.6	21.8	25.3
Acquisitions/Disposals/Financial assets	0	0	0	0
Dividends, minority payouts	(8)	(10)	(12)	(12)
Equity measures, other	0.79	0.00	0	0
Change in net cash	10	8.96	10.2	13.1
Net cash (debt)	7	16	26	39
Balance Sheet (€m)				
	2024A	2025E	2026E	2027E
Fixed assets	49.0	48.6	48.5	48.3
Current Assets	68.5	81.3	95.3	112
t/o Inventories	6.94	7.82	8.70	10
t/o Trade receivables	22.1	25.0	27.9	31.0
t/a Cash and equivalents	31.2	40.1	50.4	63.4
Group equity	62.2	73.3	85.3	100
t/o Shareholders equity	62.2	73.3	85.2	100
Interest-bearing liabilities	24.3	24.3	24.3	24.3
Other liabilities and provisions	31.0	32.3	34.3	36.4
t/o Trade liabilities	15.8	17.1	19.1	21.2
Balance sheet total	117	130	144	161
Net Working Capital	13.2	15.7	17.5	19.5
Capital Employed (incl. Goodwill)	62.2	64.3	66.0	67.8
Ratios (€m)				
	2024A	2025E	2026E	2027E
Revenue y/y (%)	15.3	13.1	11.4	11.4
EBITDA Margin (adj.) (%)	26.9	26.8	26.8	27.4
EBIT adj margin (%)	23.7	23.7	23.9	24.7
EPS (adj.) y/y (%)	7.1	25.7	13.1	15.0
Working capital intensity (%)	11.4	12.0	12.0	12.0
DSOs	69.7	69.9	69.9	69.8
Inventory turnover (Days)	21.9	21.9	21.8	21.8
Net debt (cash) / EBITDA (adj.)	(0.2)	(0.5)	(0.7)	(0.9)
EBITDA (adj.) / Capex	8.63	9.50	9.50	10.87
Free CF yield (%)	3.3	3.6	4.2	4.9
Oper. FCF Yield (%)	3.3	3.7	4.4	5.2

Key information

Target price methodology/risks

A weighted average of DCF valuation, computed using a WACC of 8.0% and a terminal growth rate of 4.0%, and peer multiples.

- **Macroeconomic and country risk:** Any deterioration in its key markets due to macro-related issues.
- **Strategy execution risk:** Slower/faster-than-expected delivery against the 2022-30 business plan.
- **Operational risk:** Lack of skilled workforce or labor cost inflation; global supply chain constraints leading to higher manufacturing costs; higher-than-budgeted costs to develop the US market.
- **Capital allocation:** Cheap/expensive M&A or capital injections to accelerate growth.
- **Competition risk:** New product launches undermining its leadership in the oral iron market.
- **Regulatory risk:** Change in food supplements regulation.
- **Technological risk:** From the obsolescence of patented technologies and approvals in new markets.

Investment Case Summary

PharmaNutra's competitive advantage stems from its proprietary raw materials employed in its products and its patented technologies, which serve as a valuable barrier to entry from the competition. In the past 20 years, the company grew revenue from zero to ~€100m, maintaining healthy profitability and strong free cash generation. As the company is still at an earlier stage of development while enjoying a clear leading position in the OTC oral iron supplements market in Italy, we believe it can benefit from multiple growth opportunities going forward, both organically and externally.

Business description

Established by Andrea and Roberto Lacorte in 2003, PharmaNutra (PHN) is an Italian operator active in the R&D, commercialisation, and distribution of nutraceutical products and medical devices. The company is the market leader in the OTC oral iron supplement segment, with its SiderAL product line retaining a ~54% market share in Italy. It also focuses on topical muscle pain treatments through its Cetilar product line. Its flagship products are covered by patents. PHN's business model relies on R&D, with a widespread distribution network in Italy, including ~160 scientific sales representatives, providing access to doctors and pharmacies. Abroad, PHN operates in through exclusive key partners, selected among the world's primary pharmaceutical companies.

Senior management

- Andrea Lacorte, Chairman and co-founder
- Roberto Lacorte, CEO, Vice-chariman and co-founder
- Carlo Volpi, COO
- Francesco Sarti, CFO

Major shareholders

- Andrea Lacorte, Chairman: 31.4%
- Roberto Lacorte, CEO: 23.1%
- Carlo Volpi, COO: 10.5%
- Free Float: 35.0%

¹ Year end December

Data in millions, except per share and percentages
Source: Company data, FactSet, Stifel estimates

Summary of forecast changes

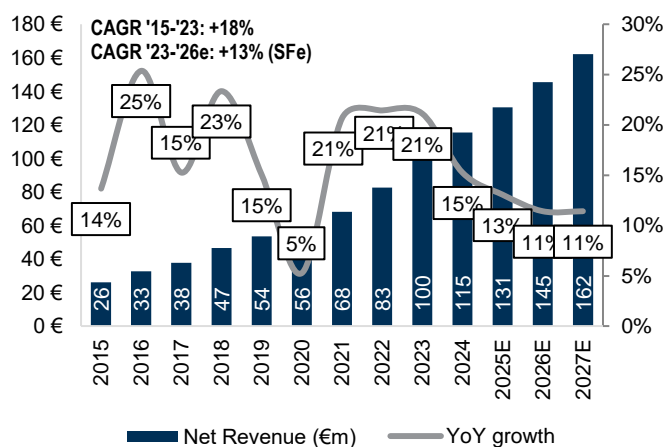
Figure 1: Changes to estimates

	FY23	FY24			FY25E			FY26E		
			new	old	diff%	new	old	diff%	new	old
NET REVENUES	100.2	115.5	116.6	-1.0%	130.6	130.7	-0.1%	145.5	143.8	1.2%
chge% YoY	21.1%	15.3%	16.4%		13.1%	12.1%		11.4%	10.0%	
EBITDA	26.5	31.0	32.4	-4.2%	35.0	35.4	-1.0%	39.0	40.1	-2.7%
chge% YoY	8.7%	17.2%	22.3%		12.9%	9.4%		11.3%	13.2%	
margin	26.4%	26.9%	27.8%		26.8%	27.1%		26.8%	27.9%	
ONE-OFFS	0.0	0.0	0.0		0.0	0.0		0.0	0.0	
Adj. EBITDA	26.5	31.0	32.4	-4.2%	35.0	35.4	-1.0%	39.0	40.1	-2.7%
chge% YoY	8.7%	17.2%	22.3%		12.9%	9.4%		11.3%	13.2%	
margin	26.4%	26.9%	27.8%		26.8%	27.1%		26.8%	27.9%	
D&A	(3.1)	(3.7)	(4.2)		(4.0)	(4.3)		(4.2)	(4.4)	
EBIT	23.4	27.4	28.2	-2.9%	31.0	31.1	-0.3%	34.8	35.7	-2.5%
margin	23.3%	23.7%	24.2%		23.7%	23.8%		23.9%	24.8%	
Net Financial Result	(0.1)	(0.2)	(0.5)		0.1	(0.1)		0.1	(0.1)	
PRE TAX PROFIT	23.3	27.2	27.7	-1.9%	31.0	31.1	-0.2%	34.9	35.7	-2.4%
Taxes	(10.4)	(10.6)	(9.9)		(10.2)	(9.8)		(11.3)	(11.2)	
NET INCOME	12.8	16.6	17.8	-6.9%	20.8	21.3	-2.4%	23.5	24.4	-3.6%
chge% YoY	-14.7%	29.0%	38.5%		25.7%	19.7%		13.1%	14.8%	
Adj. NET INCOME	15.5	16.6	17.8	-6.9%	20.8	21.3	-2.4%	23.5	24.4	-3.6%
NET DEBT (CASH)	2.6	(6.9)	(6.6)		(15.9)	(16.9)		(26.1)	(28.3)	
NET DEBT/EBITDAx	0.1 x	(0.2) x	(0.2) x		(0.5) x	(0.5) x		(0.7) x	(0.7) x	

Source: Company accounts, Stifel Research & estimates

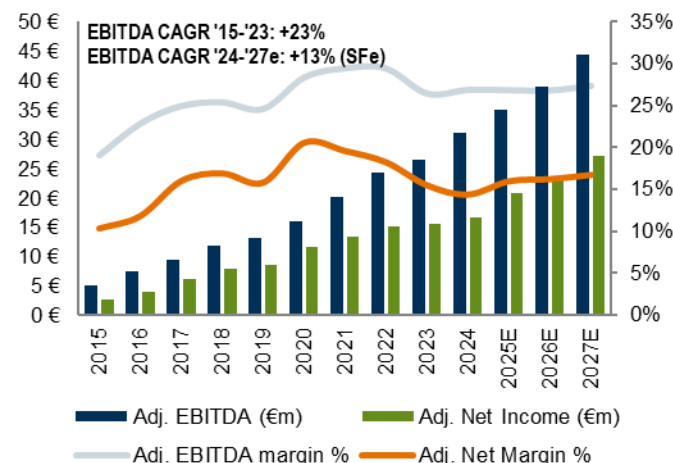
Top-line growth and profitability trends

Figure 2: Revenue trend



Source: Company accounts, Stifel Research & estimates

Figure 3: Adj. EBITDA and Adj. Net Income trend



Source: Company accounts, Stifel Research & estimates

Our new detailed model assumptions

Figure 4: Revenue and earnings model

Year to December (EUR m)	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Revenue	38	47	54	56	68	83	100	115	131	145	161
YoY Growth	15.3%	23.4%	15.0%	5.3%	20.7%	21.4%	21.1%	15.3%	13.1%	11.4%	10.5%
Net Revenue by product	2017	2018	2019	2020	2021E	2022	2023	2024	2025E	2026E	2027E
Sideral	n.a.	37	40	44	53	59	71	81	91	102	113
YoY Growth	n.a.	n.a.	10%	8%	21%	12%	21%	13%	13%	12%	11%
Cetilar	n.a.	4	5	6	7	8	10	11	13	14	15
YoY Growth	n.a.	n.a.	21%	2%	19%	24%	23%	13%	12%	11%	9%
Apportal	n.a.	0	2	2	4	8	8	10	13	14	16
YoY Growth	n.a.	n.a.	421%	24%	62%	112%	-2%	30%	20%	12%	11%
Ultramag	n.a.	0	1	1	1	1	1	1	2	2	2
YoY Growth	n.a.	n.a.	84%	-36%	55%	1%	17%	42%	8%	7%	6%
Others	n.a.	3	3	2	2	2	3	3	3	3	3
YoY Growth	n.a.	n.a.	1%	-30%	-6%	25%	6%	8%	21%	1%	1%
Total Finished Products	36	45	52	54	66	78	93	107	121	135	149
% YoY growth	15%	23%	15%	5%	21%	21%	21%	15%	13%	11%	10%
Raw Materials	2	2	2	2	2	2	2	3	3	3	3
Akern	-	-	-	-	-	2	5	6	7	8	9
Total Net Revenue	38	47	54	56	68	83	100	115	131	145	161
Net Revenue by channel	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Italy (LB1)	30	34	39	40	48	57	64	71	78	85	91
YoY Growth	11%	15%	14%	3%	20%	20%	11%	11%	11%	9%	8%
% of sales	79%	74%	73%	71%	70%	69%	62%	60%	59%	58%	56%
RoW (LB2)	8	12	15	16	20	23	32	39	46	53	61
YoY Growth	37%	52%	18%	13%	23%	15%	36%	23%	17%	16%	14%
% of sales	21%	26%	27%	29%	30%	31%	38%	40%	41%	42%	44%
Total Net Revenue	38	47	54	56	68	81	95	110	124	138	152
Adjusted EBITDA	9.4	11.8	13.2	16.0	20.1	24.4	26.5	31.0	35.0	39.0	44.4
% yoy growth	25.4%	25.4%	11.3%	21.5%	25.4%	21.3%	8.7%	17.2%	12.9%	11.3%	13.7%
% Margin	24.9%	25.4%	24.6%	28.4%	29.5%	29.4%	26.4%	26.9%	26.8%	26.8%	27.4%
Adjusted Net Income	6.0	7.9	8.5	11.6	13.3	15.0	15.5	16.6	20.8	23.5	27.1
% yoy growth	56.6%	30.3%	7.5%	37.2%	14.8%	13.0%	2.7%	7.1%	25.7%	13.1%	15.0%
% Margin	15.9%	16.8%	15.8%	20.5%	19.5%	18.2%	15.4%	14.3%	15.9%	16.2%	16.7%
Adjusted diluted EPS	0.62	0.81	0.87	1.20	1.38	1.56	1.60	1.71	2.15	2.43	2.80
% yoy growth	+44.8%	+30.3%	+7.5%	+37.2%	+14.8%	+13.4%	+2.3%	+7.1%	+25.7%	+13.1%	+15.0%
DPS (€)	0.33	0.50	0.46	0.67	0.71	0.80	0.85	1.00	1.20	1.26	1.45
Payout	53%	62%	53%	56%	52%	51%	53%	58%	56%	52%	52%
Free cash flow pre-acquisitions	5	6	7	10	15	7	-1	17	19	22	25
Capex	-1	-1	-5	-1	-5	-11	-13	-4	-4	-4	-4
Operating net working capital	7	8	9	10	10	10	11	13	16	18	19
Net Debt / (Net Cash)	-9	-11	-14	-19	-28	-11	3	-7	-16	-26	-39

Source: Company accounts, Stifel Research & estimates

Figure 5: P&L statement

Year to December (EUR m)	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Revenue	37.8	46.6	53.6	56.4	68.1	82.7	100.2	115.5	130.6	145.5	162.1
YoY Growth	15.3%	23.4%	15.0%	5.3%	20.7%	21.4%	21.1%	15.3%	13.1%	11.4%	11.4%
Other revenues	0.1	1.5	0.6	2.2	0.7	0.7	1.8	1.4	1.1	1.1	1.1
Total Revenue	37.9	48.1	54.2	58.7	68.8	83.4	102.0	116.9	131.7	146.6	163.2
YoY Growth	15.3%	27.1%	12.7%	8.2%	17.3%	20.5%	23.0%	14.7%	12.6%	11.3%	11.3%
- Raw materials, consumables and supplies	(2.5)	(2.7)	(2.6)	(2.5)	(3.3)	(4.8)	(5.1)	(5.0)	(5.1)	(5.2)	(5.3)
YoY growth	2.7%	8.1%	-6.8%	-3.2%	31.8%	46.8%	7.4%	-3.6%	2.5%	2.5%	2.5%
On sales %	-6.7%	-5.7%	-4.7%	-4.2%	-4.7%	-5.7%	-5.0%	-4.2%	-3.9%	-3.6%	-3.3%
- Change in inventories	0.8	0.3	(0.3)	(0.2)	1.0	2.0	2.7	(1.4)	1.0	1.0	1.0
On sales %	2.1%	0.6%	-0.5%	-0.4%	1.4%	2.4%	2.6%	-1.2%	0.8%	0.7%	0.6%
- Costs for services	(23.8)	(29.7)	(34.3)	(35.3)	(41.5)	(50.4)	(65.4)	(69.2)	(81.4)	(91.5)	(101.8)
YoY growth	15.8%	25.2%	15.2%	3.0%	17.7%	21.4%	29.7%	5.8%	17.7%	12.4%	11.3%
On sales %	-62.8%	-61.8%	-63.2%	-60.1%	-60.3%	-60.4%	-64.1%	-59.2%	-61.8%	-62.4%	-62.4%
- Personnel costs	(2.5)	(2.8)	(3.3)	(3.7)	(4.3)	(5.1)	(6.8)	(8.0)	(8.6)	(9.0)	(9.5)
YoY growth	32.8%	10.3%	16.5%	13.7%	15.5%	19.0%	33.4%	18.1%	7.0%	5.0%	5.0%
On sales %	-6.7%	-5.8%	-6.0%	-6.3%	-6.2%	-6.1%	-6.7%	-6.9%	-6.5%	-6.2%	-5.8%
- Other operating costs	(0.4)	(0.5)	(0.7)	(1.4)	(0.6)	(0.7)	(0.8)	(2.3)	(2.6)	(2.9)	(3.2)
On sales %	-1.0%	-1.1%	-1.2%	-2.4%	-0.9%	-0.8%	-0.8%	-2.0%	-2.0%	-2.0%	-2.0%
- Total OpEx	(28.4)	(35.5)	(41.0)	(43.1)	(48.8)	(59.0)	(75.5)	(85.9)	(96.6)	(107.6)	(118.9)
YoY growth	12.4%	25.1%	15.4%	5.1%	13.1%	21.1%	27.9%	13.8%	12.6%	11.3%	10.5%
On sales %	-75.1%	-73.9%	-75.7%	-73.5%	-70.8%	-70.8%	-74.0%	-73.4%	-73.4%	-73.4%	-72.8%
EBITDA	9.4	12.6	13.2	15.6	20.1	24.4	26.5	31.0	35.0	39.0	44.4
YoY Growth	25.4%	33.2%	4.8%	18.0%	29.1%	21.3%	8.7%	17.2%	12.9%	11.3%	13.7%
EBITDA Margin %	25.0%	27.0%	24.6%	27.6%	29.5%	29.4%	26.4%	26.9%	26.8%	26.8%	27.4%
EBITDA Adjusted	9.4	11.8	13.2	16.0	20.1	24.4	26.5	31.0	35.0	39.0	44.4
Margin %	24.9%	25.4%	24.6%	28.4%	29.5%	29.4%	26.4%	26.9%	26.8%	26.8%	27.4%
- D&A	(0.6)	(0.7)	(1.0)	(2.3)	(1.4)	(1.3)	(3.1)	(3.7)	(4.0)	(4.2)	(4.3)
On sales %	-1.5%	-1.4%	-1.8%	-4.0%	-2.0%	-1.6%	-3.1%	-3.1%	-3.1%	-2.9%	-2.6%
EBIT	8.9	11.9	12.2	13.2	18.7	23.0	23.4	27.4	31.0	34.8	40.1
YoY Growth	34.5%	34.5%	2.4%	8.3%	41.4%	23.3%	1.4%	17.2%	13.2%	12.3%	15.1%
EBIT Margin %	23.4%	25.6%	22.8%	23.4%	27.4%	27.9%	23.3%	23.7%	23.7%	23.9%	24.7%
Net Financial Result	(0.1)	(0.1)	(0.0)	0.1	0.1	0.4	(0.1)	(0.2)	0.1	0.1	0.1
Pre-tax profit	8.8	11.9	12.2	13.3	18.8	23.4	23.3	27.2	31.0	34.9	40.1
YoY Growth	44.9%	35.1%	2.9%	9.1%	41.4%	24.5%	-0.7%	16.8%	14.3%	12.3%	15.0%
Taxes	(2.7)	(3.3)	(3.7)	0.8	(5.0)	(8.4)	(10.4)	(10.6)	(10.2)	(11.3)	(13.0)
Tax Rate	-31%	-28%	-31%	6%	-27%	-36%	-45%	-39%	-33%	-33%	-33%
Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
NET INCOME	6.0	8.6	8.5	14.1	13.8	15.0	12.8	16.6	20.9	23.6	27.1
YoY Growth	56.6%	41.9%	-1.2%	66.5%	-2.1%	9.3%	-14.7%	29.4%	25.6%	13.1%	15.0%
Margin %	15.9%	17.8%	15.6%	24.0%	20.0%	18.0%	12.6%	14.2%	15.8%	16.1%	16.6%
NET INCOME Adjusted	6.0	7.9	8.5	11.6	13.3	15.0	15.5	16.6	20.8	23.5	27.1
YoY Growth	56.6%	30.3%	7.5%	37.2%	14.8%	13.0%	2.7%	7.1%	25.7%	13.1%	15.0%
EPS Adj	0.62	0.81	0.87	1.20	1.38	1.56	1.60	1.71	2.15	2.43	2.80
YoY Growth	44.8%	30.3%	7.5%	37.2%	14.8%	13.4%	2.3%	7.1%	25.7%	13.1%	15.0%

Source: Company accounts, Stifel Research & estimates

Figure 6: Cash Flow statement

Year to December (EUR m)	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Debt / (Net Cash) beginning of the period	1.9	(9.1)	(11.4)	(13.6)	(19.4)	(28.1)	(10.6)	2.6	(5.6)	(14.6)	(24.8)
Net Income	6.0	8.6	8.5	14.1	13.8	15.0	12.8	16.6	20.8	23.5	27.1
D&A & Provisions	0.6	0.7	1.0	2.3	1.4	1.3	3.1	3.9	4.0	4.2	4.3
Change in net working capital	(1.5)	0.7	(2.4)	0.5	(3.9)	3.6	(0.8)	(2.8)	(2.5)	(1.8)	(2.0)
(Increase)/Decrease in Inventories	(0.8)	(2.9)	(2.0)	(0.0)	(1.6)	(5.0)	2.4	(2.8)	(3.0)	(2.8)	(3.2)
(Increase)/Decrease in Trade receivables	(1.3)	(0.3)	0.3	(0.0)	(1.0)	(2.4)	(2.9)	1.2	(0.9)	(0.9)	(1.0)
Increase/(Decrease) in Trade payables	0.7	1.8	1.5	(1.0)	2.6	7.1	(0.8)	(0.3)	1.3	1.9	2.2
(Increase)/Decrease in other AL	(0.0)	2.1	(2.1)	1.5	(3.9)	3.8	0.4	(0.9)	0.0	0.0	0.0
Other	0.6	(3.5)	4.9	(5.1)	9.2	(2.5)	(3.1)	2.9	0.0	0.0	0.0
Cash flow from operations	5.7	6.4	12.0	11.8	20.4	17.5	12.1	20.5	22.3	26.0	29.4
Capex	(0.9)	(0.8)	(4.9)	(1.3)	(5.0)	(10.7)	(12.7)	(3.6)	(3.7)	(4.1)	(4.1)
Capex on net sales %	2.5%	1.7%	9.1%	2.4%	7.3%	13.0%	12.7%	3.1%	2.8%	2.8%	2.5%
FCF	4.8	5.6	7.1	10.5	15.4	6.7	(0.6)	16.9	18.6	21.8	25.3
FCF on net sales %	13%	12%	13%	19%	23%	8%	-1%	15%	14%	15%	16%
Acquisitions	(0.5)	(0.5)	(0.4)	0.7	0.0	(11.3)	0.0	0.0	0.0	0.0	0.0
FCF post-acquisitions	4.3	5.2	6.7	11.2	15.4	(4.6)	(0.6)	16.9	18.6	21.8	25.3
Dividends	(1.7)	(3.2)	(4.8)	(4.5)	(6.5)	(6.9)	(7.7)	(8.2)	(9.7)	(11.6)	(12.2)
Buybacks	0.0	0.0	0.0	0.0	0.0	(2.4)	(1.7)	(0.6)	0.0	0.0	0.0
Equity financing	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0
Others	8.5	0.3	0.3	(0.9)	(0.2)	(3.6)	(3.3)	0.0	0.0	0.0	0.0
Net change in cash/(Debt)	11.0	2.3	2.2	5.8	8.7	(17.4)	(13.2)	8.2	9.0	10.2	13.1
Net Debt / (Net Cash) end of the period	(9.1)	(11.4)	(13.6)	(19.4)	(28.1)	(10.6)	2.6	(5.6)	(14.6)	(24.8)	(37.9)

Source: Company accounts, Stifel Research & estimates

Q4/FY-24 Results review

Figure 7: PharmaNutra Q4/FY-24 results review – P&L, FCF and Net Financial Position

€ Mn	1H23	3Q23	9M23	4Q23	2H23	2023	1H24	3Q24	9M24	4Q24	4Q24E	Δ (%)	2H24	2024	2024-E	Δ (%)
P&L																
NET REVENUES	49.6	21.8	71.4	28.7	50.6	100.2	56.1	27.4	83.5	32.0	33.2	-3%	59.4	115.5	116.6	-1%
chge% YoY	25.0%	6.0%	18.5%	28.0%	17.6%	21.1%	13.0%	25.7%	16.8%	11.4%	15.4%		17.5%	15.3%	16.4%	
Adj. EBITDA	14.1	5.0	19.0	7.5	12.4	26.5	16.2	8.0	24.2	6.8	8.2	-16%	14.8	31.0	32.4	-4%
chge% YoY	13.2%	-25.5%	-0.3%	41.7%	4.1%	8.7%	15.3%	60.8%	27.2%	-8.2%	9.9%		19.4%	17.2%	22.3%	
margin	28.2%	22.8%	26.5%	25.9%	24.5%	26.4%	28.9%	29.2%	28.9%	21.4%	24.7%	-330bp	25.0%	26.9%	27.8%	-90bp
EBIT	13.2	4.4	17.8	5.7	10.2	23.4	14.5	6.7	21.1	6.2	7.0	-12%	12.9	27.4	28.2	-3%
chge% YoY	11.7%	-29.8%	-2.0%	16.6%	-9.4%	1.4%	9.8%	50.3%	19.0%	8.6%	22.9%		26.8%	17.2%	20.7%	
margin	26.6%	20.3%	24.9%	20.0%	20.1%	23.3%	25.8%	24.3%	25.3%	19.5%	21.2%	-170bp	21.7%	23.7%	24.2%	-50bp
Net Financial Result	0.0	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.2)	(0.1)	(0.3)	0.1	0.0		0.0	(0.2)	(0.5)	
PRE TAX PROFIT	13.2	4.3	17.7	5.7	10.1	23.3	14.2	6.5	20.8	6.4	6.9	-8%	12.9	27.2	27.7	-2%
Taxes	(6.0)	(2.0)	(8.0)	(2.5)	(4.5)	(10.4)	(5.4)	(2.3)	(7.6)	(3.0)	0.0		(5.3)	(10.6)	(9.9)	
Tax Rate (%)	-45.2%	-31.5%	-45.0%	-43.2%	-44.3%	-44.8%	-37.6%	-34.7%	-36.7%	-46.9%	0.0%		-40.7%	-39.1%	-35.8%	
NET INCOME	7.2	2.4	9.7	3.2	5.6	12.8	8.9	4.3	13.2	3.4	4.6	-27%	7.7	16.6	17.8	-7%
ONE-OFFS	(2.1)	0.0	(2.1)	(0.6)	(0.6)	(2.6)	0.0	0.0	0.0	0.0	0.0		0.0			
Adj. NET INCOME	9.3	2.5	11.8	3.7	6.2	15.5	8.9	4.3	13.2	3.4	4.6	-27%	7.7	16.6	17.8	-7%
chge% YoY	12.8%	-46.1%	-8.4%	68.3%	-9.4%	2.7%	-4.1%	71.0%	11.8%	-7.9%	0.0%		24.0%	7.1%	15.0%	
Adj. EPS	0.96	0.26	1.22	0.38	0.64	1.60	0.92	0.44	1.36	0.35	0.48	-27%	0.79	1.71	1.84	-7%
Cash Flow & Balance Sheet																
Capex	-9.6	-2.6	-12.1	-0.6	-3.1	-12.7	-1.3	-1.2	-2.5	-1.1	-1.5	-26%	-2.3	-3.6	-4.0	-10%
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	
FCF	(9.4)	0.5	(8.9)	8.3	8.8	(0.6)	6.6	5.0	11.5	5.4	3.1	73%	10.3	16.9	14.6	16%
NET DEBT / (CASH)	10.0	9.9	9.9	0.0	0.0	2.6	4.5	(0.5)	(0.5)	0.5	(3.5)	-114%	0.0	(5.6)	(3.5)	58%
NET DEBT/EBITDAx	0.7 x	2.0 x	0.5 x	0.0 x	0.0 x	0.1 x	0.3 x	(0.1) x	(0.0) x	0.1 x	(0.4) x		0.0 x	(0.2) x	(0.1) x	

Source: Company accounts, Stifel Research & estimates

Figure 8: PharmaNutra Q4/FY-24 results review – Sales mix by Product and Geography

€ Mn	1Q23	2Q23	3Q23	4Q23	2023	1Q24	2Q24	3Q24	4Q24	4Q24E	A.vs.E	2024	2024-E	A.vs.E
Sales by geography (€ Mn)														
LB1 (Italy) - including Akern	16.6	18.9	14.8	17.7	68.0	16.0	21.4	17.9	20.1	21.0	-4%	115.5	116.6	-1%
chge% YoY	27.1%	18.8%	3.5%	10.6%	14.8%	-3.5%	13.2%	20.8%	13.7%	18.8%		15.3%	16.4%	
LB2 (Row) - including Akern	7.0	7.1	7.0	11.1	32.2	7.7	11.0	9.5	12.0	12.2	-2%	40.0	39.5	1%
chge% YoY	21.2%	43.5%	12.3%	70.9%	37.2%	9.9%	53.7%	35.5%	7.9%	10.0%		24.1%	0.0%	
Total	23.6	26.0	21.8	28.2	100.2	23.7	32.3	27.4	32.0	33.2	-3%	115.5	116.6	-1%
chge% YoY	25.3%	24.7%	6.0%	28.0%	21.1%	0.5%	24.3%	25.7%	11.4%	17.5%		15.3%	16.4%	
Sales by product line (€ Mn)														
Sideral	16.1	18.7	15.5	21.0	71.3	15.7	23.3	18.7	22.8	24.2	-6%	80.6	82.0	-2%
chge% YoY	14.5%	26.0%	11.1%	31.6%	21.2%	-2.3%	24.6%	20.6%	8.9%	15.5%		13.1%	15.0%	
Cetilar	2.4	2.5	2.2	2.9	10.0	2.6	2.9	2.6	3.3	3.3	1%	11.4	11.3	0%
chge% YoY	75.3%	-0.4%	14.0%	25.1%	23.2%	7.3%	15.8%	17.1%	13.7%	12.2%		13.4%	13.0%	
Apportal	1.8	2.2	2.0	2.0	8.1	2.2	3.0	3.1	2.2	2.3	-8%	10.5	10.7	-2%
chge% YoY	-0.2%	15.1%	-19.6%	2.2%	-2.0%	20.0%	32.6%	53.9%	9.6%	19.1%		29.7%	32.0%	
UltraMag	0.3	0.3	0.2	0.2	1.0	0.2	0.4	0.5	0.3	0.3	-20%	1.4	1.5	-4%
chge% YoY	33.0%	39.4%	-11.7%	8.4%	16.9%	0.0%	32.6%	166%	3.7%	29.5%		41.8%	48.0%	
Others	0.6	0.7	0.4	0.8	2.6	0.6	0.8	0.5	0.9	0.9	2%	2.8	2.7	1%
chge% YoY	10.8%	-3.9%	-16.8%	30.4%	6.0%	-7.4%	6.1%	24.9%	13.0%	10.9%		7.8%	7.1%	
Total FP	21.2	24.5	20.4	26.9	93.0	21.4	30.3	25.5	29.5	31.0	-5%	106.7	108.2	-1%
chge% YoY	17.8%	20.8%	6.3%	27.9%	18.5%	0.6%	24.0%	25.1%	9.5%	15.4%		14.8%	16.4%	
Raw Materials	0.8	0.4	0.5	0.4	2.2	0.9	0.7	0.6	0.6	0.4	47%	2.9	2.7	8%
chge% YoY	3.7%	-34.2%	6.9%	14.7%	-3.9%	10.3%	67.5%	16.5%	45.2%	-1.5%		29.2%	20.0%	
Akern	1.5	1.2	0.9	1.4	5.0	1.4	1.3	1.3	1.9	1.7	9%	5.9	5.8	3%
chge% YoY	na	na	1.0%	35.0%	157%	-5.9%	14.4%	42.2%	32.0%	20.5%		18.2%	15.0%	
Total	23.6	26.0	21.8	28.7	100.2	23.7	32.3	27.4	32.0	33.2	-3%	115.5	116.6	-1%
chge% YoY	25.3%	24.7%	6.0%	28.0%	21.1%	0.5%	24.3%	25.7%	11.4%	17.5%		15.3%	16.4%	

Source: Company accounts, Stifel Research & estimates

Valuation

We derive our €88.00 price target for PharmaNutra using a combination of a discounted cash flow model and peer group multiples. We assign a higher weight to our DCF (60%), as we believe it is the best way to capture the long-term prospects of the business.

Figure 10: PharmaNutra – Target Price summary

Equity Value, by methodology	2025E	2026E	AVG	Weight
DCF valuation (WACC @8.3%, g @4%)	970	970	970	60%
Multiples	678	669	673	40%
EV/Sales FY1 @6x FY2 @5.5x	794	821		
PE FY1 @27x FY2 @22x	562	518		
Equity Value	853	850		851
Liquidity discount				0%
Equity Value Adjusted				851
Shares outstanding (mn)				9.7
Fair value per share (Eu)				88
Actual share price				53.6
Upside/(Downside)				64.1%

Source: Stifel Research & estimates

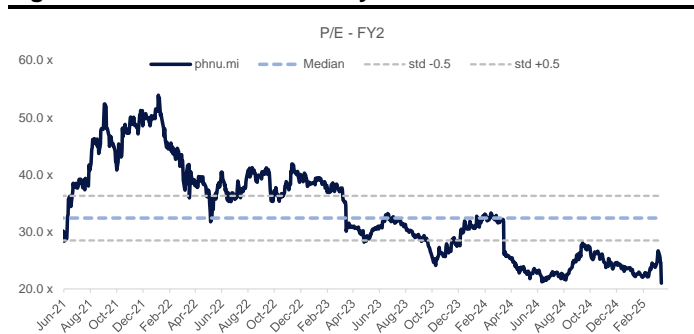
Peer multiples historical valuation charts

Figure 11: PharmaNutra– Peer multiples analysis and valuation snapshot

	HQ	MC (EUR mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE			Dividend Yield %			FCF yield %		
			2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
PharmaNutra SpA @ consensus est.	IT	519	4.0 x	3.5 x	3.4 x	14.3 x	12.5 x	12.6 x	16.5 x	14.2 x	14.3 x	23.9 x	20.5 x		1.8%	2.0%		4.2%	4.8%	5.3%
Nutraceuticals																				
Biogaia AB	SE	1,022	6.1 x	5.4 x	4.9 x	17.5 x	15.3 x	13.4 x	18.6 x	16.2 x	14.1 x	26.7 x	23.5 x	20.7 x	1.9%	2.2%	3.6%	3.7%	4.2%	4.8%
Median			6.1 x	5.4 x	4.9 x	17.5 x	15.3 x	13.4 x	18.6 x	16.2 x	14.1 x	26.7 x	23.5 x	20.7 x	1.9%	2.2%	3.6%	3.7%	4.2%	4.8%
Average			6.1 x	5.4 x	4.9 x	17.5 x	15.3 x	13.4 x	18.6 x	16.2 x	14.1 x	26.7 x	23.5 x	20.7 x	1.9%	2.2%	3.6%	3.7%	4.2%	4.8%
European Mid-cap Pharma																				
Recordati Industria Chimica e Farmaceutica Sp	IT	11,021	4.7 x	4.4 x	4.2 x	12.4 x	11.6 x	11.0 x	15.5 x	14.3 x	13.3 x	19.0 x	17.3 x	16.0 x	2.9%	3.3%	3.5%	5.8%	6.2%	6.8%
Bachem Holding AG	CH	4,175	5.6 x	4.1 x	3.6 x	18.9 x	13.5 x	11.6 x	25.8 x	18.1 x	15.3 x	30.5 x	22.0 x	19.7 x	1.7%	1.9%	2.3%	-2.5%	-4.6%	-2.2%
Dermapharm Holding SE	DE	2,100	2.4 x	2.3 x		9.1 x	8.6 x	8.8 x	13.1 x	12.3 x		16.8 x	15.1 x		3.0%	3.4%	5.1%	8.2%	8.8%	
Laboratorios Farmaceuticos ROVI SA	ES	2,662	3.8 x	3.2 x	2.7 x	13.1 x	10.0 x	7.8 x	15.2 x	11.3 x	8.4 x	19.1 x	14.1 x	10.3 x	1.9%	2.2%	3.0%	4.8%	6.2%	8.7%
Almirall SA	ES	2,201	2.0 x	1.8 x	1.6 x	9.8 x	8.1 x	7.1 x	25.9 x	17.0 x	11.9 x	34.0 x	21.0 x	15.6 x	1.7%	1.8%	2.3%	4.4%	6.0%	8.8%
Median			3.8 x	3.2 x	3.1 x	12.4 x	10.0 x	8.8 x	15.5 x	14.3 x	12.6 x	19.1 x	17.3 x	15.8 x	1.9%	2.2%	3.0%	4.8%	6.2%	7.8%
Average			3.7 x	3.2 x	3.0 x	12.7 x	10.4 x	9.3 x	19.1 x	14.6 x	12.2 x	23.9 x	17.9 x	15.4 x	2.3%	2.5%	3.3%	4.1%	4.5%	5.8%
OTC Focused operators																				
Perrigo Company PLC	IE	3,419	1.5 x	1.5 x	1.5 x	8.9 x	8.2 x	7.6 x	10.2 x	9.6 x	8.9 x	9.2 x	8.6 x	7.6 x	4.2%	4.5%	4.8%	11.9%	11.4%	13.4%
Prestige Consumer Healthcare Inc	US	3,811	4.5 x	4.4 x	4.3 x	13.6 x	13.2 x	12.9 x	14.8 x	14.4 x	14.0 x	18.6 x	17.5 x	16.6 x	0.0%	0.0%	0.0%	6.5%	6.6%	6.9%
Median			3.0 x	3.0 x	2.9 x	11.2 x	10.7 x	10.2 x	12.5 x	12.0 x	11.4 x	13.9 x	13.1 x	12.1 x	2.1%	2.2%	2.4%	9.2%	9.0%	10.2%
Average			3.0 x	3.0 x	2.9 x	11.2 x	10.7 x	10.2 x	12.5 x	12.0 x	11.4 x	13.9 x	13.1 x	12.1 x	2.1%	2.2%	2.4%	9.2%	9.0%	10.2%

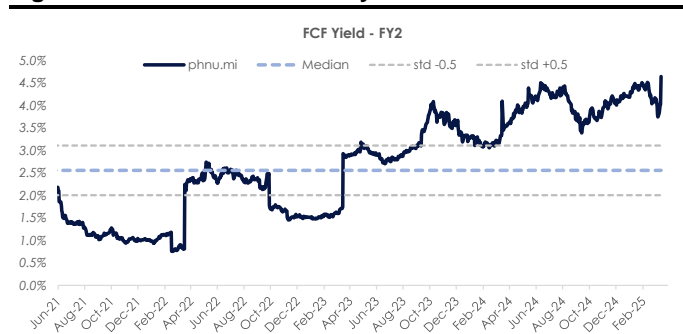
Source: Refinitiv Eikon

Figure 12: PharmaNutra - Two-year forward PE



Source: Refinitiv Eikon

Figure 13: PharmaNutra - Two-year forward FCF Yield



Source: Refinitiv Eikon

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Completed: 16 March 2025 17:26EDT
Disseminated: 17 March 2025 02:00EDT

PharmaNutra (PHN IM) as of March 14, 2025 (in EUR)



*Represents the value(s) that changed.

Buy=B; Hold=H; Sell=S; Discontinued=D; Suspended=SU; Discontinued=D; Initiation=I

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