

ATON GREEN STORAGE

Sector: Industrial

Breathtaking 1H22 results

ATON delivered an exceptional top and bottom line, with triple-digit growth of both revenues and EBITDA. As of 1H22 the company has already reached 83% of its previous budgeted FY22 top line and 92% of EBITDA. ATON is playing a major role in the Italian energy transition panorama, thanks to its all-in-one custom-made storage systems. On the back of this solid performance we revise our estimates upwards. We confirm our BUY rating and we increase our TP to Eu9.4/share, from Eu8.7

- Exceptional top-line, with triple-digit growth yoy.** ATON reported an extremely solid top line of Eu28.2mn (up 243% yoy) in 1H 2022, principally fuelled by the Storage division, which recorded sales for Eu23.5mn (up 218% yoy). The Industrial division posted revenues for Eu0.6mn (up 7% yoy) while the Energy Efficiency business grew from nil in 1H21 to Eu1.0mn. We believe that the substantial expansion of the Storage division was driven by a solid demand in Italy for PV systems, which require substantial investments in storage capacity to be effective. According to the Osservatorio FER, the installed PV capacity in 1H22 (ca. 1,060MW) surpassed the amount installed for the entire FY21 (ca. 940MW), with installations below 10kW growing by 193% yoy (+360MW in 1H22), prompted by the ongoing energy transition and the fiscal incentives. On the geographical front, revenues in Italy landed at Eu24.7mn, up from Eu7.5mn in 1H21. Even though business development activities outside Italy remain limited (2% of net revenues), the management plans a substantial international expansion in 2023.
- Solid margins expansion thanks to economies of scale on personnel costs and D&A.** ATON has reported an extremely solid EBITDA margin accretion, going from 18.9% in 1H21 to 21.4% in 1H22, and reaching an EBITDA of Eu6.1mn (up 289% yoy). Margin expansion was driven by substantial economies of scale at personnel level (whose incidence decreased from 8.3% in 1H21 to 3.6% of sales in 1H22), which more than offset a decline in gross margin. EBIT reached Eu5.4mn, up 464% yoy and landing at a 19.1% margin (up from 11.7% in 1H21, favoured by a much lower incidence of D&A on sales). The structure in place was able to face the expansion of the volumes and (according to the company) the growth expected in 2023. Net profit was Eu3.7mn, up 478% yoy, with a net profit margin of 13.3% (up from 7.9% in 1H21). On the negative side, the NFP reached Eu12.5mn, up from the Eu3.3mn at YE21. The trend was linked to operating working capital increase, linked to the strong top line growth and the high NWC intensity of the business. The cash burn has been funded with new debt.
- Previously set 2022 guidance almost already reached. New products set to kick in from 2H.** In May 2022, the company disclosed a FY22 guidance of Eu34mn for top line and Eu6.6mn for EBITDA. As of 1H22 ATON had already reached 83% of that top line target and 92% of EBITDA. A new quantitative guidance has not been released. During 2H22, an additional upside should come from the commercialization of the new Plug & Play photovoltaic systems for domestic use, and storage systems for apartment buildings (which are both ready to start commercialization). Finally, the management disclosed that 28 projects in the Energy Efficiency division were ongoing at the end on June and should be completed by YE.
- Estimates revised upwards.** We raise our FY22/FY23 top line and EBITDA estimates by, respectively, 51%/42% and 44%/21%. Our new numbers assume 2H22E top line below 1H (as we believe that large clients have already secured a stock of RBESS to complete ongoing projects by YE) and moderate growth in 2023E and 2024E, linked to the phase-out of 110% fiscal incentive. The phase-out could also have a negative impact on profitability.
- We confirm our BUY rating with new TP of Eu9.4/share from Eu8.7.** At 5.8x 2023 EV/EBITDA, ATON trades at strong discount versus multiples of Italian industrial stocks exposed to green / energy transition trends. We highlight that ATON has lower size, trading volumes and shorter market track record than peers, but stronger M/L growth profile (being a pure green player). We increase our TP to Eu9.4/share from Eu8.7, based on FY23 EV/EBITDA of the selected Italian peers (7.8x).

BUY

Unchanged

TP 9.4

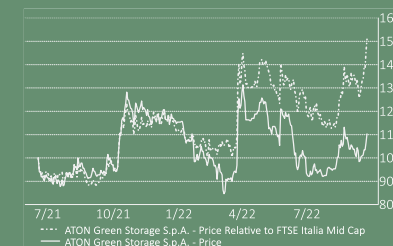
From 8.7

	FY22E	FY23E
Change in estimates	53.8%	26.6%

Target price upside 34%

Ticker (BBG, Reut)	ATON IM	ATON MI
Share price Ord. (Eu)		7.0
N. of Ord. shares (mn)		7.5
Total N. of shares (mn)		7.5
Market cap (Eu mn)		53
Total Market Cap (Eu mn)		53
Free Float Ord. (%)		33%
Free Float Ord. (Eu mn)		18
Daily AVG liquidity Ord. (Eu k)		84

	1M	3M	12M
Absolute Perf.	0.6%	5.3%	7.6%
Rel. to FTSEMidCap	10.2%	12.5%	36.3%
52 weeks range		5.4	8.4



	FY21A	FY22E	FY23E
Sales	24	46	49
EBITDA adj.	4.7	9.6	9.7
Net profit adj.	2.7	6.0	5.8
EPS adj.	0.355	0.799	0.773
DPS - Ord.	nm	0.000	0.000
EV/EBITDA adj.	11.4x	6.2x	5.8x
P/E adj.	19.9x	9.8x	9.6x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	-13.9%	-5.1%	6.2%
Net debt/(Net cash)	3.3	6.0	2.7
Net debt/EBITDA	0.7x	0.6x	0.3x

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Summary Financials

P&L account (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Value of Production	8.3	24.1	45.7	48.5	51.8
Gross margin	na	na	na	na	na
EBITDA reported	0.1	4.7	9.6	9.7	10.5
D&A	(1.0)	(1.3)	(1.4)	(1.8)	(2.4)
EBIT reported	(1.1)	3.4	8.2	7.9	8.1
Net financial charges	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	(1.2)	3.2	8.1	7.8	8.0
Taxes	0.3	(0.7)	(2.3)	(2.2)	(2.2)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	(1.0)	2.5	5.8	5.6	5.7
EBITDA adjusted	0.1	4.7	9.6	9.7	10.5
EBIT adjusted	(1.1)	3.6	8.4	8.2	8.3
Net profit adjusted	(1.0)	2.7	6.0	5.8	5.9

Margins (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Gross margin	na	na	na	na	na
EBITDA margin (adj)	1.2%	19.5%	21.0%	20.0%	20.2%
EBIT margin (adj)	-12.8%	15.0%	18.4%	16.8%	16.0%
Pre-tax margin	-14.8%	13.2%	17.7%	16.1%	15.4%
Net profit margin (adj)	-11.6%	11.1%	13.1%	11.9%	11.4%

Growth rates (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Sales	nm	190.9%	89.8%	6.2%	6.7%
EBITDA	nm	4728.9%	104.6%	1.2%	8.1%
EBITDA adjusted	nm	4728.9%	104.6%	1.2%	8.1%
EBIT	nm	nm	nm	-3.3%	1.9%
EBIT adjusted	nm	nm	nm	-3.2%	1.8%
Pre-tax	nm	nm	nm	-3.3%	1.9%
Net profit	nm	nm	nm	-3.3%	1.9%
Net profit adjusted	nm	nm	nm	-3.2%	1.9%

Per share data	FY20A	FY21A	FY22E	FY23E	FY24E
Shares	7.500	7.500	7.500	7.500	7.500
N. of shares AVG	7.500	7.500	7.500	7.500	7.500
N. of shares diluted AVG	7.500	7.500	7.500	7.500	7.500
EPS	0.330	0.776	0.750	0.750	0.764
EPS adjusted	0.355	0.799	0.773	0.787	0.787
DPS - Ord.	0.000	0.000	0.000	0.000	0.000
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	1.907	2.683	3.433	4.197	

Enterprise value (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Share price Ord. (Eu)	6.6	7.0	7.0	7.0	7.0
Market cap	49.7	52.8	52.8	52.8	52.8
Net debt/(Net cash)	3.3	6.0	2.7	0.4	0.4
Adjustments	0.4	0.5	0.5	0.5	0.5
Enterprise value	53.4	59.3	56.0	53.7	

Source: Company data

Cash flow (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
EBITDA reported	0.1	4.7	9.6	9.7	10.5
Net financial charges	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)
Cash taxes	0.0	(0.0)	(2.3)	(2.2)	(2.2)
Ch. in Working Capital	2.0	(8.5)	(7.8)	(1.5)	(1.7)
Other operating items	(0.1)	(0.5)	0.1	0.0	0.0
Operating cash flow	1.9	(4.5)	(0.5)	5.9	6.5
Capex	(0.8)	(2.4)	(2.2)	(2.7)	(4.1)
FCF	1.0	(6.9)	(2.7)	3.3	2.4
Disposals/Acquisitions	0.0	0.0	0.0	0.0	0.0
Changes in Equity	0.0	10.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Ch. in NFP	1.0	3.1	(2.7)	3.3	2.4

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Capex/VoP	10.1%	10.0%	4.7%	5.5%	8.0%
Capex/D&A	0.9x	1.8x	1.5x	1.5x	1.7x
FCF/EBITDA	1052.6%	-147.2%	-28.1%	33.6%	22.5%
FCF/Net profit	-106.2%	-278.2%	-46.4%	57.9%	41.1%
Dividend pay-out	0.0%	0.0%	0.0%	0.0%	0.0%

Balance sheet (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital	6.5	14.8	22.6	24.1	25.8
Fixed assets	2.1	3.2	3.9	4.8	6.5
Provisions & others	(0.3)	(0.4)	(0.5)	(0.5)	(0.5)
Net capital employed	1.8	17.6	26.1	28.5	31.8
Net debt/(Net cash)	0.0	3.3	6.0	2.7	0.4
Equity	1.8	14.3	20.1	25.7	31.5
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital/VoP	78.6%	61.3%	49.5%	49.8%	49.8%
Net debt/Equity	nm	22.9%	29.7%	10.5%	1.1%
Net debt/EBITDA	nm	0.7x	0.6x	0.3x	0.0x

Valuation	FY20A	FY21A	FY22E	FY23E	FY24E
EV/CE		3.0x	2.2x	1.9x	1.7x
P/BV		3.5x	2.6x	2.1x	1.7x
EV/Sales		2.2x	1.3x	1.2x	1.0x
EV/EBITDA		11.4x	6.2x	5.8x	5.1x
EV/EBITDA adjusted		11.4x	6.2x	5.8x	5.1x
EV/EBIT		15.9x	7.2x	7.1x	6.7x
EV/EBIT adjusted		14.8x	7.0x	6.9x	6.5x
P/E		21.4x	10.1x	9.9x	9.3x
P/E adjusted		19.9x	9.8x	9.6x	9.0x
ROCE pre-tax		35.9%	37.8%	29.4%	27.1%
ROE		18.6%	29.8%	22.5%	18.8%
EV/FCF		-7.7x	-22.0x	17.2x	22.8x
FCF yield		-13.9%	-5.1%	6.2%	4.5%
Dividend yield		0.0%	0.0%	0.0%	0.0%

Share price performance

Market price significantly down from record highs...



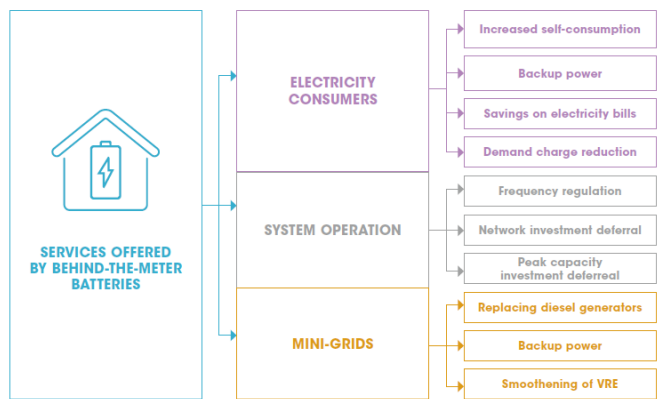
Valuation

...due to de-rating



ATON – Benefits of Residential Battery Energy Storage Systems

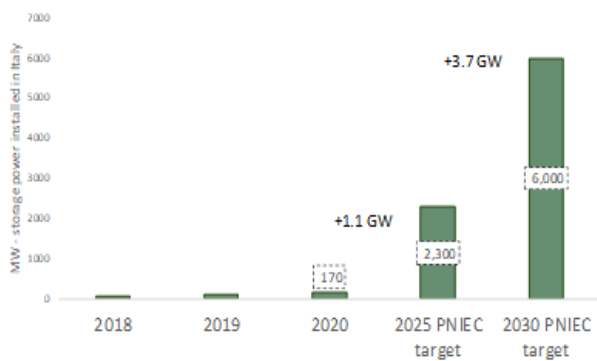
RBESS provide different benefits to consumers and system operations



Source: Alantra

ATON – Evolution of RBESS capacity in Italy

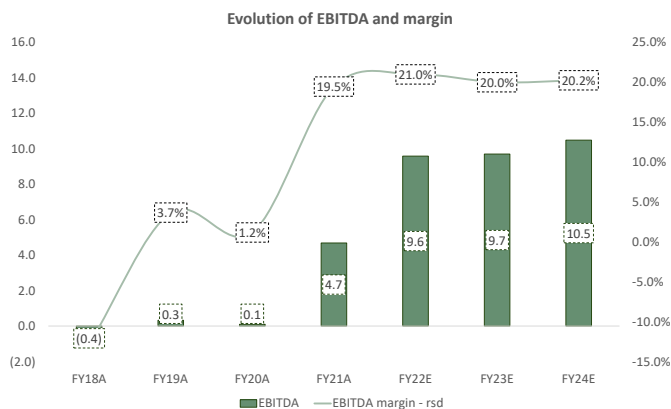
The reference market should experience a strong growth



Source: MISE

ATON – Evolution of EBITDA and margin

Strong margin expansion from 2021



Source: Alantra estimate

ATON – Business mix

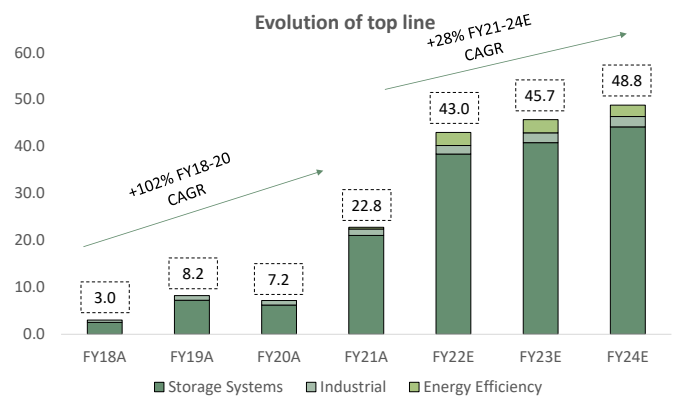
ATON is the Italian pioneer in RBESS



Source: Company

ATON – Evolution of net consolidated sales

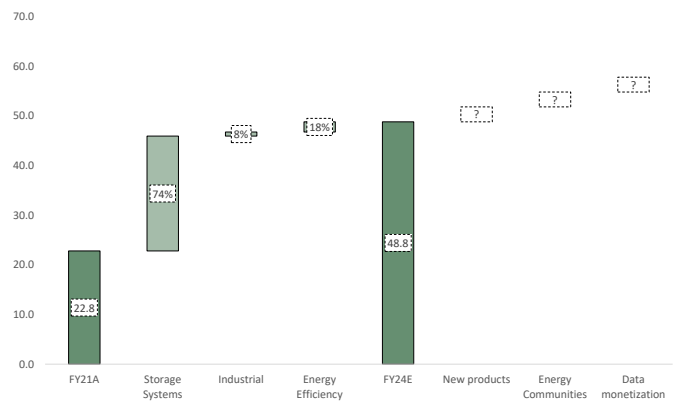
Strong historical and expected top line growth



Source: Alantra estimate

ATON – 2021-2024 net top line bridge

Growth should be led by RBESS



Source: Alantra estimate

Profile

Background	ATON is the Italian first mover in the design and production of Residential Battery Energy Storage Systems (RBESS) and a leading player with 11% share in Italy. Leveraging on a strong know-how in its legacy industrial business (14% of 2020 sales), the company launched its first RBESS in 2014. Following the same path of global leaders (e.g. Sonnen, Tesla), ATON developed a full range of “all-in-one” fully-integrated solutions made up of battery modules and inverters sourced from large manufacturers and integrated by in-house developed hardware and software (the so-called Energy Management System - EMS). Integrated storage solutions with performance and functionalities comparable to those of renowned brands, but with higher flexibility, customization and better pricing allowed ATON to be chosen as preferred supplier by large Italian and international multiutilities. In 2021, ATON has launched a new business line (general contracting on turn-key domestic energy efficiency projects)
Positioning	ATON has installed 2,830 storage systems in Italy over 2015-19, with an estimated market share of 11%. We estimate that, taking into account only installations powered by <i>intelligent</i> storage systems, market share would be up to above 25%. ATON competes with the two global pioneers in RBESS: the German Sonnen (100% owned by Shell group from 2019) and Tesla. In addition, other national and international groups active in the production of batteries and inverters are developing all-in-one storage systems. ATON’s products are competitive in terms of quality and functionalities, but we believe that the real advantage in the Italian market is represented by: 1) flexibility/customization, which has favored the business with multiutilities. ATON sells white label products to ENEL X under specifications defined by the utility; 2) value proposition with installation companies: quality “made in Italy” products with strong references with national and international utilities; 3) local presence and network, which allows the anticipation of local regulatory changes
Growth	ATON’s top line was up almost 3x in FY19 versus FY18. By contrast, it was down 13% yoy in FY20, as a result of: (i) Covid-19 related slowdown in storage systems installations and (ii) regulatory uncertainty around fiscal incentives. We believe that ATON is now ready to face a period of strong growth. The group posted a strong rebound of 2021 net sales (up >200% yoy). Growth should continue in the coming years (expected 28% Net revenues CAGR over FY21-24). We expect EBITDA margin to expand from 1.2% in FY20 to 20.2% in FY24 with EBITDA at Eu10.5mn in 2024 (Eu4.7mn in 2021). Adjusted net profit should be up to Eu5.9mn in 2024E from Eu2.7mn in 2021
Strategy	ATON aims to consolidate its leadership in domestic energy storage systems in Italy, continuing to invest in R&D and enlarging its installed base. Energy storage system should contribute to 74% of revenues expansion over FY21-24E period. The residual share of revenues growth should come from the recently launched B2C Energy Efficiency business (18%) and the Industrial “legacy” solutions (8%). We expect R&D efforts to continue and further accelerate over the coming years, as the company is planning to improve its product offering, addressing large scale-residential users to catch the opportunities offered by the so called “energy communities”. ATON is also actively working on new products development which should be launched over the coming years. Finally, we believe that ATON could be able to exploit the data collected from its growing installed base of BESS to improve its algorithms and potentially offer value added services (to both B2B and B2C clients)

Strengths

Pioneer in the Italian market of all-in-one RBESS
 Strong references with national and multinational utilities
 Quality "made in Italy" value proposition with installation companies

Weaknesses

Low scale compared to international leaders
 Relatively high concentration of clients and suppliers
 High net working capital requirements

Opportunities

Development of a B2C energy efficiency offer
 Development of products and services dedicated to energy communities
 Enlargement of the product portfolio (charger stations and Plug&Play PV systems)

Threats

Stronger competition in Italy from large international players
 Disruption of the supply chain and price pressure from large clients
 Margin pressure on the B2C division as soon as 110% fiscal incentive is over

Key shareholders

Vasco Energia S.r.l. 66.67%
 Free Float 33.33%

Management

Ettore Uguzzoni - Chairman and CEO
 Mauro Nervosi - Executive Director & CTO

Next events

1H22 Results

ATON – 1H22 Results

Strong performance in 1H 2022

Eu mn				Alantra			Alantra		
	1H21A	1H22A	YoY %	2H21A	2H22E	YoY %	FY21A	FY22E	YoY %
Net Revenues	7.9	25.1	216.2%	14.8	17.9	20.4%	22.8	43.0	88.7%
<i>on net sales %</i>	96.5%	88.9%		93.6%	102.5%		94.6%	94.1%	
VoP	8.2	28.3	243.4%	15.9	17.4	10.0%	24.1	45.7	89.8%
<i>on sales %</i>	100.0%	100.0%		100.0%	100.0%		100.0%	100.0%	
EBITDA	1.6	6.1	289.4%	3.1	3.5	12.8%	4.7	9.6	104.6%
<i>Ebitda Margin %</i>	18.9%	21.4%		19.7%	20.2%		19.5%	21.0%	
EBIT	1.0	5.4	463.9%	2.4	2.8	15.0%	3.4	8.2	142.8%
<i>Ebit Margin %</i>	11.7%	19.1%		15.2%	15.9%		14.0%	17.9%	
Pretax Profit	0.9	5.2	506.6%	2.3	2.9	23.2%	3.2	8.1	154.4%
<i>Pretax Margin %</i>	10.5%	18.5%		14.6%	16.4%		13.2%	17.7%	
Net Profit	0.6	3.7	477.9%	1.8	2.1	13.3%	2.5	5.8	134.8%
<i>Net Profit Margin %</i>	7.9%	13.3%		11.5%	11.9%		10.3%	12.7%	
NFP at YE (debt)/cash	0.2	(12.5)		(3.3)	(6.0)		(3.3)	(6.0)	

Source: Company data and Alantra estimates

Net versus Old estimates

Positive revision of 2022-23 estimates

(Eu mn)	NEW estimates			Difference			OLD estimates		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Total Revenues / Value of Production	45.7	48.5	51.8	51.4%	41.5%	45.8%	30.2	34.3	35.5
EBITDA Reported	9.6	9.7	10.5	43.6%	21.1%	26.3%	6.7	8.0	8.3
EBIT Reported	8.2	7.9	8.1	55.3%	27.2%	29.4%	5.3	6.2	6.2
Pretax Profit	8.1	7.8	8.0	56.3%	27.6%	29.9%	5.2	6.1	6.1
Net profit	5.8	5.6	5.7	56.3%	27.6%	29.9%	3.7	4.4	4.4
EPS	0.8	0.8	0.8	53.8%	26.6%	28.7%	0.5	0.6	0.6
Net financial position	(6.0)	(2.7)	(0.4)	7.3	5.5	6.2	1.3	2.8	5.9

Source: Company data and Alantra estimates

Financials – ATON versus selected peers

Higher profitability and growth rates than Italian peers

Company	Country	Mkt Cap (Eu mn)	FY22E - FY24E average margins					CAGR FY21A - FY24E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	Net Profit
ATON	ITALY	53	20.4%	16.6%	11.8%	6.1%	0.0%	29.1%	30.8%	32.0%	32.3%
Carel Industries SpA	ITALY	1,870	20.1%	16.0%	11.9%	3.7%	29.2%	14.1%	13.3%	15.8%	15.1%
Comal S.p.A.	ITALY	35	11.3%	8.9%	5.8%	3.7%	na	19.2%	32.0%	43.3%	na
Seri Industrial S.p.A.	ITALY	313	15.8%	5.3%	2.5%	na	na	82.4%	104.5%	nm	nm
Energy SpA	ITALY	125	18.7%	17.8%	13.1%	4.1%	0.0%	61.3%	61.1%	59.9%	60.9%
LU-VE SpA	ITALY	477	12.9%	6.9%	5.6%	5.8%	25.5%	9.2%	11.1%	12.2%	10.8%
Zignago Vetro SpA	ITALY	973	23.5%	13.9%	10.6%	9.5%	64.5%	11.3%	8.6%	10.2%	9.4%
Italian Peers	Average		15.8%	11.0%	7.8%	4.3%	18.2%	37.2%	44.4%	32.8%	28.9%
	Median		15.8%	8.9%	5.8%	3.9%	25.5%	19.2%	32.0%	29.6%	15.1%
Ferroamp AB	SWEDEN	89	0.9%	-2.2%	-3.3%	na	na	68.2%	na	-196.5%	na
Eguana Technologies Inc	CANADA	124	-17.0%	-23.9%	-25.1%	2.1%	na	151.0%	nm	nm	nm
Contemporary Amperex Technology Co., Ltd. Class A	CHINA	145,706	15.3%	12.1%	9.8%	11.6%	7.3%	57.8%	50.8%	49.8%	49.9%
Invinity Energy Systems PLC	UNITED KINGDOM	45	-60.7%	-63.0%	-64.3%	6.9%	0.0%	155.8%	nm	nm	nm
Storage Systems Producers	Average		-15.4%	-19.3%	-20.8%	6.9%	3.7%	108.2%	50.8%	-73.4%	49.9%
	Median		-8.0%	-13.1%	-14.2%	6.9%	3.7%	109.6%	50.8%	-73.4%	49.9%
Sungrow Power Supply Co., Ltd. Class A	CHINA	18,528	9.9%	9.2%	7.8%	3.4%	10.3%	49.9%	53.0%	60.5%	59.8%
Pylon Technologies Co., Ltd. Class A	CHINA	8,800	20.2%	18.8%	16.2%	5.7%	23.4%	96.8%	98.2%	102.5%	100.1%
LG Chem Ltd.	SOUTH KOREA	33,477	14.3%	7.8%	5.5%	12.5%	26.6%	17.4%	8.9%	5.0%	3.5%
EVE Energy Co. Ltd. Class A	CHINA	23,450	12.9%	10.8%	9.9%	13.3%	9.3%	74.8%	71.1%	50.5%	46.6%
BYD Company Limited Class H	HONG KONG	100,692	8.3%	4.5%	2.9%	6.3%	8.6%	38.6%	32.0%	68.8%	83.8%
Jiangsu Goodwe Power Supply Technology Co., Ltd. Class A	CHINA	5,084	12.4%	11.1%	9.4%	3.9%	24.9%	83.1%	70.0%	83.8%	75.6%
SMA Solar Technology AG	GERMANY	1,749	6.6%	3.0%	2.1%	4.6%	8.3%	11.6%	138.5%	-230.6%	-233.6%
Enphase Energy, Inc.	UNITED STATES	39,142	29.5%	19.1%	14.7%	2.0%	0.0%	37.8%	41.0%	51.6%	35.3%
SolarEdge Technologies, Inc.	UNITED STATES	15,357	17.3%	13.2%	9.7%	3.4%	0.0%	34.7%	36.9%	57.2%	54.1%
Varta AG	GERMANY	2,371	24.4%	12.6%	8.3%	20.3%	91.9%	6.8%	0.2%	-5.9%	-6.3%
Batteries and Inverters Producers	Average		15.6%	11.0%	8.7%	7.5%	20.3%	45.2%	55.1%	24.3%	21.9%
	Median		13.6%	10.9%	8.8%	5.2%	9.8%	38.2%	47.0%	54.4%	50.4%

Source: Factset

Trading multiples

Strong valuation discount

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
ATON	ITALY	53	1.3 x	1.2 x	1.0 x	6.2 x	5.8 x	5.1 x	7.2 x	7.1 x	6.7 x	10.1 x	9.9 x	9.3 x
Premium (discount) to Peers' Median			-70%	-56%	-49%	-77%	-65%	-60%	-91%	-70%	-64%	-97%	-65%	-57%
PEERS	Average		4.3 x	2.6 x	2.0 x	26.6 x	16.4 x	12.8 x	78.7 x	23.9 x	18.5 x	349.6 x	28.5 x	21.3 x
	Median		2.8 x	1.9 x	1.7 x	21.1 x	16.1 x	12.5 x	31.8 x	22.9 x	16.7 x	47.6 x	27.6 x	22.8 x
Carel Industries SpA	ITALY	1,870	3.8 x	3.3 x	2.9 x	18.8 x	16.8 x	15.3 x	24.2 x	21.2 x	18.9 x	32.0 x	27.7 x	24.1 x
Comal S.p.A.	ITALY	35	0.9 x	0.7 x	0.5 x	8.4 x	5.8 x	4.4 x	11.5 x	7.4 x	5.3 x	na	na	na
Seri Industrial S.p.A.	ITALY	313	1.5 x	1.2 x	0.4 x	11.1 x	7.4 x	2.3 x	28.9 x	na	na	45.2 x	15.1 x	3.1 x
Energy SpA	ITALY	125	1.1 x	0.9 x	0.8 x	6.4 x	4.7 x	3.7 x	6.7 x	5.0 x	3.9 x	9.9 x	7.2 x	5.2 x
LU-VE SpA	ITALY	477	1.1 x	1.0 x	1.0 x	8.2 x	8.1 x	7.4 x	16.4 x	15.0 x	13.3 x	14.1 x	14.0 x	12.7 x
Zignago Vetro SpA	ITALY	973	1.9 x	1.8 x	1.7 x	8.8 x	7.6 x	7.1 x	15.7 x	12.9 x	11.5 x	16.2 x	13.7 x	12.5 x
Italian Peers	Average		1.7 x	1.5 x	1.2 x	10.3 x	8.4 x	6.7 x	17.2 x	12.3 x	10.6 x	23.5 x	15.5 x	11.5 x
	Median		1.3 x	1.1 x	0.9 x	8.6 x	7.5 x	5.7 x	16.0 x	12.9 x	11.5 x	16.2 x	14.0 x	12.5 x
Ferroamp AB	SWEDEN	89	na	na	na	na	na	na	na	na	na	na	na	34.6 x
Eguana Technologies Inc	CANADA	124	12.2 x	1.9 x	1.4 x	na	na	19.2 x	na	na	39.3 x	na	na	na
Contemporary Amperex Technology Co., Ltd. Class A	CHINA	145,706	3.4 x	2.6 x	2.0 x	25.6 x	16.1 x	12.1 x	31.8 x	20.6 x	15.4 x	39.7 x	24.7 x	18.1 x
Invinity Energy Systems PLC	UNITED KINGDOM	45	0.3 x	0.2 x	0.1 x	na	na	na	na	na	na	na	na	na
Storage Systems Producers	Average		5.3 x	1.6 x	1.2 x	25.6 x	16.1 x	15.6 x	31.8 x	20.6 x	27.3 x	39.7 x	24.7 x	26.4 x
	Median		3.4 x	1.9 x	1.4 x	25.6 x	16.1 x	15.6 x	31.8 x	20.6 x	27.3 x	39.7 x	24.7 x	26.4 x
Sungrow Power Supply Co., Ltd. Class A	CHINA	18,528	4.2 x	2.7 x	1.9 x	45.8 x	26.5 x	18.8 x	48.7 x	28.4 x	20.2 x	58.2 x	34.2 x	25.6 x
Pylon Technologies Co., Ltd. Class A	CHINA	8,800	11.7 x	5.7 x	3.9 x	60.2 x	26.4 x	19.7 x	65.7 x	28.8 x	20.6 x	75.7 x	33.6 x	24.4 x
LG Chem Ltd.	SOUTH KOREA	33,477	1.0 x	0.9 x	0.8 x	7.3 x	6.3 x	5.5 x	13.9 x	11.5 x	9.6 x	18.3 x	13.8 x	11.1 x
EVE Energy Co. Ltd. Class A	CHINA	23,450	5.0 x	2.9 x	1.9 x	42.1 x	21.3 x	14.5 x	52.5 x	25.7 x	16.5 x	51.2 x	27.6 x	18.4 x
BYD Company Limited Class H	HONG KONG	100,692	1.7 x	1.3 x	1.0 x	21.1 x	15.3 x	11.4 x	44.5 x	28.2 x	18.8 x	57.6 x	36.2 x	26.0 x
Jiangsu Goodwe Power Supply Technology Co., Ltd. Class A	CHINA	5,084	6.5 x	3.2 x	2.0 x	53.0 x	23.9 x	17.4 x	62.1 x	27.6 x	18.0 x	69.9 x	34.0 x	22.8 x
SMA Solar Technology AG	GERMANY	1,749	1.5 x	1.3 x	1.1 x	35.3 x	18.9 x	13.0 x	737.0 x	38.8 x	20.9 x	4,956.0 x	61.2 x	31.5 x
Enphase Energy, Inc.	UNITED STATES	39,142	17.1 x	12.7 x	10.2 x	57.2 x	42.9 x	35.4 x	99.3 x	65.8 x	49.2 x	68.7 x	56.2 x	47.5 x
SolarEdge Technologies, Inc.	UNITED STATES	15,357	4.7 x	3.5 x	2.8 x	32.0 x	19.6 x	14.4 x	54.4 x	24.6 x	16.5 x	49.9 x	29.6 x	24.2 x
Varta AG	GERMANY	2,371	2.8 x	2.6 x	2.4 x	11.9 x	10.6 x	9.2 x	24.6 x	21.0 x	16.7 x	30.7 x	27.1 x	20.9 x
Batteries and Inverters Producers	Average		5.6 x	3.7 x	2.8 x	36.6 x	21.2 x	15.9 x	120.3 x	30.0 x	20.7 x	543.6 x	35.3 x	25.2 x
	Median		4.4 x	2.8 x	2.0 x	38.7 x	20.5 x	14.5 x	53.5 x	27.9 x	18.4 x	57.9 x	33.8 x	24.3 x

Source: Factset

Market performances

ATON has outperformed its peers over the last 6 months

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
ATON	ITALY	53	0.6%	5.3%	13.0%	7.6%	na	na
PEERS								
Average			-12.0%	4.3%	10.3%	0.5%	260.2%	1807.6%
Median			-11.1%	-1.1%	0.7%	-6.7%	157.8%	104.9%
Carel Industries SpA	ITALY	1,870	-15.0%	4.8%	-19.4%	-25.2%	49.1%	na
Comal S.p.A.	ITALY	35	-12.3%	-18.1%	-15.7%	4.6%	na	na
Seri Industrial S.p.A.	ITALY	313	-9.9%	-10.3%	-24.3%	-18.3%	261.5%	34.2%
Energy SpA	ITALY	125	0.0%	na	na	na	na	na
LU-VE SpA	ITALY	477	-0.5%	8.9%	12.9%	-6.7%	110.3%	104.9%
Zignago Vetro SpA	ITALY	973	-7.1%	-5.9%	-13.4%	-38.6%	6.8%	34.4%
Ferroamp AB	SWEDEN	89	-7.2%	-1.1%	2.8%	-2.7%	112.6%	na
Eguana Technologies Inc	CANADA	124	9.3%	86.4%	41.4%	41.4%	256.5%	95.2%
Contemporary Amperex Technology Co., Ltd. Class A	CHINA	145,706	-24.8%	-18.1%	-19.1%	-15.9%	454.4%	na
Invinity Energy Systems PLC	UNITED KINGDOM	45	-33.7%	-36.8%	-60.4%	-73.0%	-37.6%	-92.9%
Sungrow Power Supply Co., Ltd. Class A	CHINA	18,528	-18.4%	22.0%	0.7%	-8.2%	857.6%	599.0%
Pylon Technologies Co., Ltd. Class A	CHINA	8,800	-13.0%	39.6%	222.1%	95.0%	na	na
LG Chem Ltd.	SOUTH KOREA	33,477	-2.0%	13.2%	27.2%	-10.7%	90.3%	69.6%
EVE Energy Co. Ltd. Class A	CHINA	23,450	-23.7%	-12.2%	5.6%	-0.9%	382.7%	571.0%
BYD Company Limited Class H	HONG KONG	100,692	-22.7%	-27.5%	-1.2%	-11.5%	420.6%	204.5%
Jiangsu Goodwe Power Supply Technology Co., Ltd. Class A	CHINA	5,084	-31.5%	4.3%	6.9%	19.3%	na	na
SMA Solar Technology AG	GERMANY	1,749	-2.0%	19.0%	33.3%	36.0%	94.7%	50.2%
Enphase Energy, Inc.	UNITED STATES	39,142	1.0%	46.6%	49.9%	79.3%	932.5%	20015.6%
SolarEdge Technologies, Inc.	UNITED STATES	15,357	-6.2%	-3.4%	-16.7%	-3.9%	203.0%	911.0%
Varta AG	GERMANY	2,371	-19.9%	-30.3%	-37.8%	-50.1%	-32.5%	902.7%

Source: Factset

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