

GBC Research (Anno)

Somec S.p.A.



IMPORTANT NOTICE:

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Note in accordance with the MiFID II regulation on research regarding 'minor non-monetary benefits': this research meets the criteria for classification as a 'minor non-monetary benefit'. Further information on this can be found in the disclosure under 'I. Research under MiFID II'.

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Somec S.p.A. *5a, 5b, 6a, 11

H1 2026: Strong operating profit; record order book achieved enables a return to growth in the medium term

Industry: shipbuilding / construction
Focus: glass systems for shipyards, shipowners and the construction sector
Founded: 1978

Employees: approximately 1,000 (as at 30 June 2026)
Headquarters: San Vendemiano (Italy)
Management: Oscar Marchetto (CEO), Alessandro Zanchetta, Davide Callegari

Somec S.p.A. (Somec) specialises in the engineering, design and implementation of complex projects in the civil and marine sectors and operates across three business divisions: Horizons (customised systems for naval architecture and building façades), Talenta (professional kitchen systems and products), and Mestieri (design and production of bespoke interior fittings). The companies within the group work in an integrated and synergistic manner, adhering to strict quality and safety standards, and guarantee a high degree of individuality and specialist know-how in the processing of various materials – a fundamental prerequisite for high-value-added projects. Over its 40-year history, Somec has earned a global reputation for quality and operational and financial reliability through rigorous certification and accreditation processes. The Group has a presence in twelve countries across three continents.

in € million	FY 24	FY 25	FY 26e	FY 27e	FY 28e
Revenue	382.82	370.02	375.13	389.87	408.54
EBITDA	29.58	33.32	36.25	38.13	42.09
EBIT	8.16	16.67	23.67	26.31	30.68
Consolidated net result	-0.46	7.08	13.04	15.01	17.95
Net result (after minorities)	-3.30	4.82	10.63	12.43	15.22
Earnings per share (EPS)	-0.48	0.66	1.46	1.71	2.09
Dividend per share	0.00	0.00	0.00	0.00	0.00
EV/Revenue	0.54	0.56	0.55	0.53	0.51
EV/EBITDA	6.99	6.21	5.71	5.43	4.92
EV/EBIT	25.36	12.41	8.74	7.86	6.74
P/E ratio (a.m.)	neg.	36.71	16.65	14.24	11.63
P/B		6.82			

Investment Case

- The Somec Group holds strong market positions, particularly in the maritime sector (world market leader in marine glazing, etc.) and in the US façade business.
- A successful growth strategy, backed by a strongly positive M&A track record, has led to a more than doubling of consolidated revenue since the IPO in 2018, reaching € 370.0 million most recently (based on the 2025 financial year).
- The record order book, most recently standing at over € 1.1 billion, ensures a high degree of visibility and predictability for the business.
- With its highly synergistic and complementary business divisions, the Somec Group operates globally in many attractive end markets.
- In particular, the expected sustained boom in the cruise industry opens up significant growth and earnings potential for the Somec Group across its various divisions. Through the 'Mestieri' division, further growth potential is being tapped in promising sectors (e.g. the luxury hospitality segment).
- **Attractive valuation with upside potential:** based on our revised forecasts, we have significantly raised our previous price target to € 26.95 (previously: € 22.70). Given the current share price level, we maintain our 'BUY' rating and see significant upside potential in Somec shares.

Rating: BUY

Target price: € 26.95
(previously: € 22.70)

Share and key data



Closing price (previous day)	EUR 24.30
Stock exchange	Euronext Milan
ISIN	IT0005329815
WKN	A2JL41
Number of shares (m)	7.28
Market capitalisation (m EUR)	176.95
Enterprise value (m EUR)	206.91
Market segment	Euronext Milan
End of financial year	31 December
Financial reporting	IFRS

Shareholder structure

Venezia S.p.A.	76.2%
Management	1.0%
Free float	22.8%

Financial dates

Analysts

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Latest GBC Research

Date: Publication / Target price in EUR / Rating
20/04/2026 / RS / € 22.70 / BUY
03/12/2025 / RS / € 23.35 / BUY
08/10/2025 / RS / € 23.35 / BUY
24/07/2025 / RS / € 22.50 / BUY

** The research reports listed above can be viewed at www.gbc-ag.de

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First distribution: 22/10/2026 (10:30 am)

Validity of the price target: until 31 December 2027 at the latest

* List of potential conflicts of interest on p. 28

EXECUTIVE SUMMARY

● In the 2025 financial year, Somec recorded a 3.3% decline in consolidated turnover to € 370.02 million (PY: € 382.82 million), primarily due to adverse exchange rate effects and an increased focus on higher-margin projects. On a constant exchange rate basis, the decline in turnover amounted to 2.1%. In contrast, EBITDA and the operating margin rose significantly by 12.7% to € 33.32 million (PY: € 29.58 million) and to 9.0% (PY: 7.7%), respectively, primarily due to the increased focus on higher-margin contracts. In parallel with this, net profit (after minority interests) also improved significantly to € 4.82 million (PY: € -3.30 million).

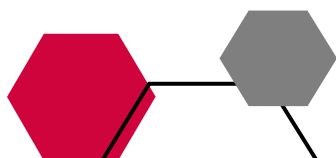
● With regard to the first half of 2026, Somec had to contend with a 3.3% decline in turnover to € 186.32 million (H1 2025: € 192.72 million), primarily due to adverse currency effects and a deliberately more selective approach to project selection. On a constant exchange rate basis, the decline in turnover was just 1.4%. In contrast, significant improvements were achieved through a greater focus on higher-margin contracts, a more balanced revenue mix and greater efficiency gains at all levels of profitability. EBITDA rose significantly by 10.8% to € 17.54 million (H1 2025: € 15.83 million), resulting in an increase in the EBITDA margin to 9.4% (H1 2025: 8.2%). Net profit (after minority interests) also improved significantly to € 6.12 million (H1 2025: € 1.63 million).

● The Somec Group has not issued any specific guidance for the current financial year 2026. Nevertheless, according to statements made by the engineering company's management during the half-year earnings call, it expects a slight improvement in consolidated revenue performance for the second half of the 2026 financial year.

● According to statements made by Somec's management to Teleborsa in mid-September 2026, the group is expected to return to a growth trajectory across all three business divisions in the medium term. Specifically, the 'Horizons' division is expected to see its core business return to a sustainable growth path following a period of consolidation. The civil façade business, new shipbuilding and the refitting business have been identified as key growth drivers in this regard. With regard to the 'Talenta' business division, Somec expects growth to continue, particularly in the areas of new shipbuilding and maritime refitting activities. With regard to the 'Mestieri' division, Somec also anticipates a return to growth in the medium term, based on the expected resumption of various interiors projects. In addition, the company aims to resume M&A activities in the 'Mestieri' business division from 2027 onwards, which could subsequently provide further impetus for growth.

● In order to return to a significant growth trajectory from the 2027 financial year onwards, the Somec Group can draw on an extensive order book. The total order book increased significantly as at 30 June 2026 to € 956.0 million (31 December 2025: € 771.0 million). Thanks to the major contracts secured by Somec after the half-year reporting date, such as the prestigious 350 Park Avenue record contract for Fabbrica, the total order book most recently even reached a record level of over € 1.1 billion.

● Against the backdrop of Somec's weaker half-year turnover, which fell short of our expectations, we have revised our previous turnover estimates for the current financial year 2026 slightly downwards to € 375.13 million (previously: € 379.94 million). Nevertheless, in view of the strong operating profit performance and profitability in the first half of the year, we have maintained our previous EBITDA estimate (EBITDA GBCe: € 36.25 million) for the current financial year.



We have also left our revenue and EBITDA estimates for the subsequent financial year 2027 unchanged.

● In view of the record order book (most recently over € 1.1 billion), which has significantly increased visibility on future revenue, and the medium-term return to growth for the Group anticipated by Somec management, we have raised our revenue and EBITDA estimates for the 2028 financial year to € 408.54 million (previously: € 399.73 million) and € 42.09 million (previously: € 40.53 million) respectively.

● In view of the improved financial result at the end of the first half of 2026 and depreciation and amortisation (D&A) costs that were lower than we had expected, we have also raised our previous net profit and EBIT estimates for the 2026 financial year and subsequent years.

● Overall, the engineering group should continue to benefit in future from the global cruise industry, which remains buoyant, thanks to its extensive business activities, which are firmly rooted in the maritime sector. The prestigious record-breaking contract for Fabbrica should also enable the US façade business to regain momentum in the coming financial years. The planned resumption of M&A activities from the coming financial year 2027, with a focus on the Mestieri Division, opens up additional growth potential and could further significantly boost the pace of future growth.

● **Based on our revised revenue and earnings forecasts for the current financial year and subsequent years, we have raised our previous price target to € 26.95 (previously: € 22.70). Our increase in the target price stems primarily from our significantly raised forecasts for the 2028 financial year and the associated higher baseline for estimates in subsequent years. The so-called 'roll-over effect' (new target price horizon 31 December 2027 instead of the previous 31 December 2026) also contributed to the increase in the target price. By contrast, our increased cost of capital (WACC), resulting from the rise in the risk-free interest rate (from 3.0% previously to 3.5% currently), had a downward effect on the target price. In view of the current share price level, we therefore maintain our 'BUY' rating.**

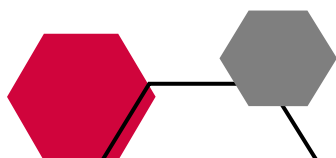
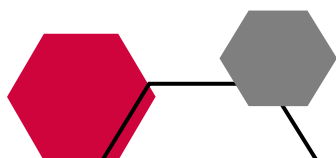


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COMPANY

Company profile

Somec S.p.A. is an Italian, internationally-active engineering group specialising in the design, development, production and implementation of complex projects in the maritime and civil sectors. Founded in 1978, the group has evolved from its original core competence in ship glazing through organic growth and targeted acquisitions into a diversified provider of glazing and façade solutions, professional kitchen systems and high-quality interior fittings.

Business activities are now organised into the following three divisions: **Horizons**, **Talenta** and **Mestieri**. Horizons comprises bespoke glazing and façade systems for cruise ships and buildings and, with a share of turnover most recently well over half of total revenue, continues to form the Group's core business. Talenta brings together business relating to professional kitchen systems and appliances, whilst Mestieri focuses on bespoke interior fittings for the maritime sector as well as high-quality commercial projects.

Synergistic divisions of the engineering group

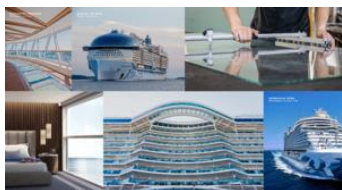


Sources: Somec S.p.A.; GBC AG

A key competitive advantage of the Somec Group lies in its highly integrated business model. The Group covers a large part of the relevant value chain itself, from engineering and design through to manufacturing and project management, right through to installation and after-sales services. At the same time, there are significant synergies between the individual divisions in terms of project management, procurement and customer structure. In the maritime business in particular, existing relationships with shipyards and shipping companies can be utilised across divisions.

The cruise industry is of particular importance to the Somec Group. We estimate that more than half of the Group's turnover is generated with customers from the maritime sector. Thanks to its presence in various areas of a cruise ship – from glazing solutions and galleys to interior fittings – Somec is able to benefit both from the construction of new ships and from modernisation and refit projects involving existing fleets.

‘Horizons’ business division



The Horizons business division encompasses the development, production, installation and maintenance of glazing and façade systems for the shipbuilding and building construction sectors and forms the Somec Group's traditional core business. In the 2025 financial year, this division accounted for around 59.4% of the Group's turnover.

The maritime business forms the main focus here. Somec develops and manufactures bespoke glazing systems for cruise ships and regularly undertakes their installation at shipyards. According to our estimates, the company holds a market share of around 80.0% in its key core markets of Europe and the USA for glazing systems for new cruise ships, making it one of the world's leading suppliers. Its customers include almost all major European cruise shipyards. In addition, Somec maintains business relationships with major cruise lines.

In addition to new-build projects, Somec is also active in the modernisation and refurbishment of existing ships. This refitting business offers additional, comparatively steady market potential due to the steadily growing global cruise fleet and the regular need for modernisation measures. In this context, Somec can offer not only glazing work but also services from the Group's Talenta and Mestieri divisions.

Horizons' second key business area is the commercial façade sector. This is operated primarily through the US subsidiary **Fabbrica**, which specialises in high-quality and technically sophisticated façade solutions. The regional focus has so far been on the northeast of the USA, encompassing the metropolitan areas of New York, Boston and Washington D.C. Fabbrica has already completed various prestigious large-scale projects in recent years and is now one of the established providers in this region. Through Fabbrica Europe S.r.l., a company established recently, Somec is also active in the European façade business. The overall focus is on sophisticated commercial and public construction projects, whilst the more cyclical private residential construction sector does not play a significant role.

The “Talenta” and “Mestieri” business divisions



Somec's **Talenta** division brings together the company's activities in the field of professional kitchen systems and kitchen appliances. The division has been built up over recent years through a number of targeted acquisitions and now encompasses both complete, bespoke kitchen systems and a range of professional kitchen appliances.

The maritime business is of particular importance in this regard. Through its group company Oxin, Somec develops, manufactures and maintains, in particular, high-quality kitchen systems for cruise ships and large yachts. The product portfolio is complemented by companies such as Inoxtrend, Primax, Pizza Group and GICO, enabling the Group to also serve restaurants, hotels, catering companies and other hospitality clients. As a result, Somec now offers a broad range of products and solutions and is able to provide comprehensive kitchen and catering solutions from a single source, particularly in the maritime sector.

With a share of group turnover of around 16.9% in the 2025 financial year, Talenta was the group's smallest division at that time. According to our estimates, around half of the division's turnover is likely to come from the maritime sector. The shared customer base with Horizons creates significant cross-selling potential, particularly for new cruise ship builds and refit projects.



The **Mestieri** division brings together the Somec Group's activities in the field of high-quality, bespoke interior fittings. Through various subsidiaries, the Group possesses extensive expertise in the processing of wood, metal, marble and other high-quality materials. The range of services extends from engineering and project management to the manufacture and installation of bespoke interior solutions.

Mestieri serves both the maritime and civil sectors. In the cruise sector, it focuses in particular on fitting out public areas, restaurants, lounges and other interiors on newbuilds and existing vessels. In the civil sector, the focus is on high-quality projects in the luxury segment, such as hotels, upmarket retail, catering, exclusive residential properties and public buildings.

The division has been systematically expanded in recent years through various acquisitions and has thus developed into the Group's second-largest business division. Divisional turnover rose from € 30.8 million in the 2018 financial year to € 95.3 million in the 2025 financial year. We estimate that around half of their revenue is attributable to their maritime business.

By combining various specialist trade skills, in-house manufacturing capacities and extensive project management capabilities, Mestieri is also able to undertake complex large-scale projects. At the same time, the business division benefits from the Somec Group's existing customer relationships and its financial and organisational infrastructure. In addition to further organic growth, management sees additional potential for further acquisitions in this division in particular over the medium to long term.

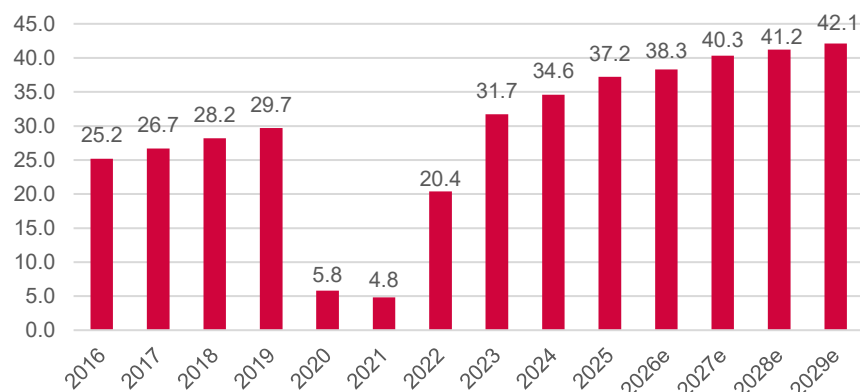
MARKET AND MARKET ENVIRONMENT

The Somec Group, with its three business divisions – Horizons, Talenta and Mestieri – is active in several end markets, with the maritime sector, and in particular the cruise industry, playing a key role. We estimate that around 55.0% of the Group's turnover is currently generated with customers from the maritime sector. At the same time, the contribution to operating profit from this business is likely to be disproportionately high due to the attractive margins. Accordingly, developments in the international cruise industry represent a key factor influencing the Somec Group's operating performance.

Continued positive outlook for the cruise industry

The global cruise industry remains on a structural growth trajectory. In the 2025 financial year, the number of cruise passengers carried worldwide rose by 7.5% to 37.2 million, according to CLIA, reaching a new record high. This growth trend is also expected to continue in the coming years. By 2029, the industry association anticipates a rise to 42.1 million passengers, corresponding to an average annual growth rate of around 4.2%.

Trend in the number of passengers carried on cruise ships worldwide (millions) – Sustainable growth following the COVID-19 dip



Sources: CLIA; GBC AG

The persistently high demand for cruises is having a correspondingly positive effect on cruise lines' willingness to invest. To provide additional capacity, the global cruise fleet is being continuously expanded. At the same time, European shipyards in particular – which build the vast majority of new cruise ships worldwide – have very high order books. The leading shipbuilders include Fincantieri, Meyer Werft and Chantiers de l'Atlantique, with whom Somec has maintained long-standing customer relationships through its various business divisions.

According to the industry portal Cruise Industry News, shipyards' order books most recently contained 74 cruise ships on firm order, with a total order value of more than USD 76.5 billion. This suggests that new-build activity is set to remain at a high level in the coming years. This development is particularly relevant for Somec, as the group is involved in fitting out new cruise ships, notably through Horizons, but also through Talenta and Mestieri.

Global number of cruise ships in service*



Sources: CLIA; Cruise Industry News; GBC AG *The fleet size shown includes only the cruise ships of CLIA member organisations

Growing existing fleet boosts the refitting business

Alongside new-build projects, the modernisation of existing ships is also becoming increasingly important. The growing global cruise fleet will, in the long term, increase the number of potential refitting projects. At the same time, existing ships must be regularly modernised in terms of technology, regulatory compliance and design in order to meet rising standards regarding efficiency, sustainability and passenger comfort.

Cruise ships are typically taken into dry dock at regular intervals for maintenance, modernisation and classification work. Industry experts estimate the annual market volume for refitting projects at around USD 4.0 billion. For Somec, this presents potential for recurring business, as the Group is able to offer not only glazing systems but also professional kitchen and catering solutions, as well as interior fittings, as part of such modernisation projects.

Overall, we continue to regard the market environment for the Somec Group as attractive. In particular, the structurally growing cruise industry, the shipyards' high order books and the expanding global fleet create favourable conditions for positive development in both the new-build and refit businesses. Given its strong positioning in several product and solution areas relevant to shipbuilding, Somec should, in principle, be in a position to benefit disproportionately from these market trends.

BUSINESS PERFORMANCE 2025

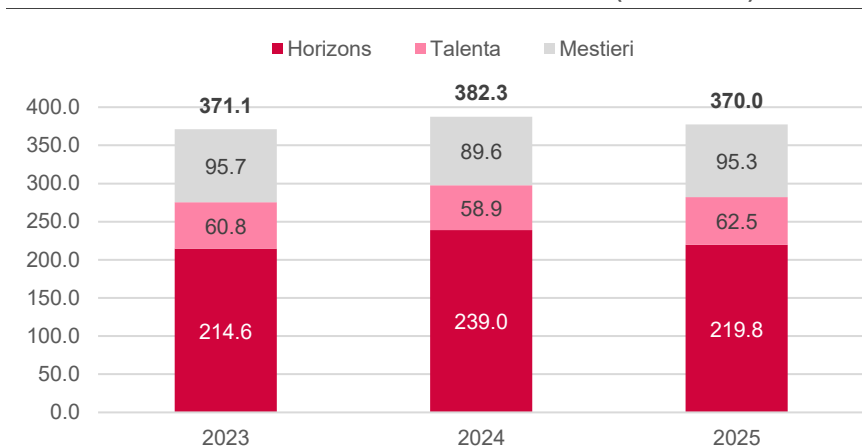
P&L (in € million)	FY 2023	FY 2024	FY 2025
Revenue	371.04	382.82	370.02
EBITDA	18.18	29.58	33.32
EBIT	0.15	8.16	16.67
Consolidated net result	-10.37	-0.46	7.08
Net result (after minorities)	-11.65	-3.30	4.82

Sources: Somec S.p.A.; GBC AG

Revenue trend

In March 2026, the Somec Group published its financial results for the past financial year 2025. According to these figures, the company recorded a 3.3% decline in consolidated turnover to € 370.02 million (PY: € 382.82 million), primarily due to adverse exchange rate effects and an increased focus on higher-margin projects. On a constant exchange rate basis, the decline in turnover amounted to 2.1%.

Trend in consolidated turnover and division revenue (in € million)*



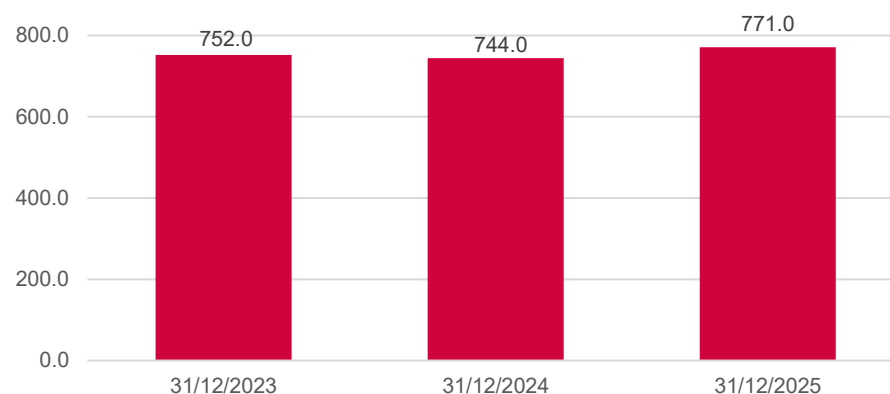
Sources: Somec S.p.A.; GBC AG *Figures before consolidation effects

In terms of revenue breakdown, the majority of Group revenue (approximately 59.4%) was attributable to the core 'Horizons' division. In this core business division, revenue declined by 8.0% to € 219.8 million (PY: € 239.0 million), mainly due to noticeable currency headwinds (revenue impact from exchange rate effects: approximately € 4.0 million) and changes to the completion schedule of glass façade projects in the US and Europe. Furthermore, the increased strategic focus on higher-margin glass façade projects with a particularly high value-added component also had an impact on revenue performance.

In contrast, the 'Mestieri' division – the second-largest in terms of volume – performed well, recording a significant rise in turnover of 6.4% to € 95.3 million (PY: € 89.6 million). Key drivers of this growth were substantial contributions to turnover from shipfitting projects and increasingly effective synergies between the three business divisions. According to the company, the large, prestigious contracts secured in recent months have confirmed the management's successful approach to the 'Mestieri' division, which has also been further bolstered by the division's increased integration into the group.

In the **'Talenta'** division, which is the smallest in terms of volume, significant revenue growth of 6.1% to € 62.5 million (PY: € 58.9 million) was also achieved. This revenue growth was driven by an increase in project volume in the kitchens and catering segment within the shipbuilding sector. The expansion of maritime revenue was supported by a stronger presence in foreign shipyards, thereby further consolidating the Group's market position amongst the industry leaders in this sector.

Development of the order book at the end of the financial year (in € million)



Sources: Somec S.p.A.; GBC AG

The Somec Group's order book also showed a positive trend. As at 31 December 2025, the engineering company was able to significantly increase its order book to € 771.0 million (31/12/2024: € 744.0 million) compared with the same date the previous year.

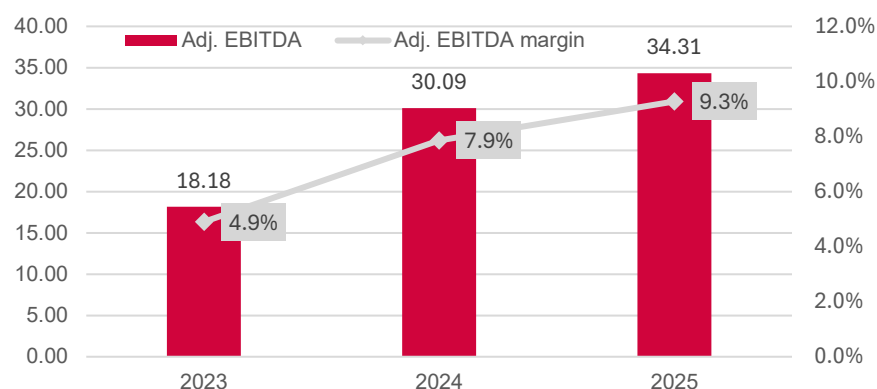
As a result, we fell short of our revenue guidance (GBCe revenue: € 387.76 million). The main reason for this was the weaker-than-expected performance of the Horizons core business. This could only be partially offset by the positive business performance of the other divisions.

Earnings performance

In terms of earnings performance, the Somec Group was able to achieve significant improvements in earnings and, consequently, profitability across all profit levels, despite the decline in revenue, primarily thanks to an increased focus on higher-margin projects. EBITDA improved by 12.7% to € 33.32 million (PY: € 29.58 million). At the same time, the EBITDA margin rose significantly to 9.0% (PY: 7.7%). This increase in the margin reflects the management's long-term strategy of increasingly concentrating on selected high-margin contracts, achieving a better balance in the revenue mix and improving cost efficiency.

Adjusted for non-recurring items (e.g. arising from restructuring or one-off effects), adjusted EBITDA (Adj. EBITDA) actually rose significantly by 14.0% to € 34.31 million (PY: € 30.09 million). At the same time, the EBITDA margin also rose significantly to 9.3% (PY: 7.9%).

Trend in adjusted EBITDA (Adj. EBITDA / in € million)

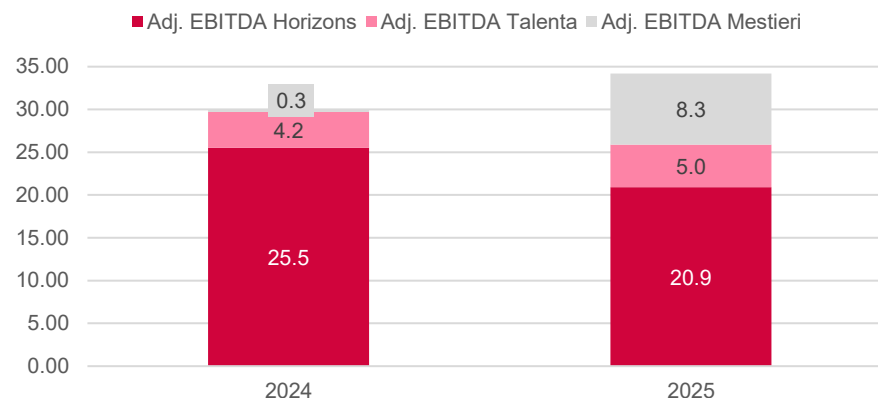


Sources: Somec S.p.A.; GBC AG

In terms of profit distribution, the majority of the (absolute) consolidated operating profit (approximately 61.0% of consolidated Adj. EBITDA) was attributable to the 'Horizons' core business division, with the 'Mestieri' division being the primary profit driver.

The "Horizons" core division recorded a decline in Adj. EBITDA to € 20.9 million (PY: € 25.5 million) due to weaker performance in the glass façade business, which was negatively impacted primarily by tariffs on raw materials in the US market. This corresponds to a decline in the Adj. EBITDA margin to 9.5% (PY: 10.7%).

Operating division performance (in € million)



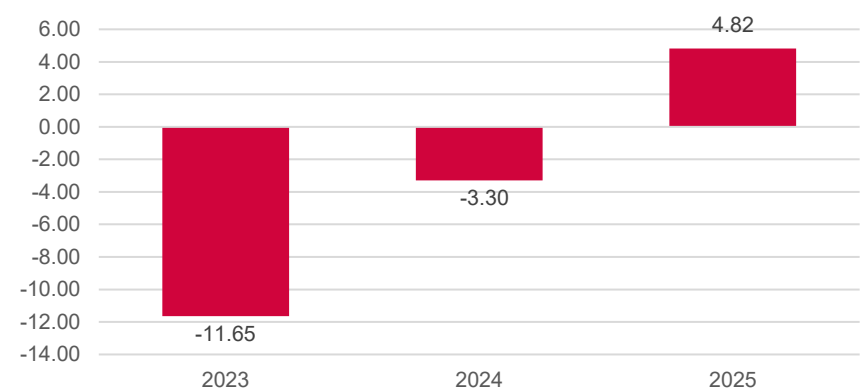
Sources: Somec S.p.A.; GBC AG

In contrast, the 'Mestieri' division achieved a sharp rise in Adj. EBITDA to € 8.3 million (PY: € 0.30 million) and a significant improvement in the Adj. EBITDA margin to 8.8% (PY: 0.4%). This strong improvement in key figures is mainly attributable to a robust performance in the area of ship interior projects, which has also benefited significantly from the reorganisation and reintegration measures implemented within the division in recent years.

The 'Talanta' division also performed well, with Adj. EBITDA rising by 19.0% to € 5.0 million (PY: € 4.2 million), resulting in an improved Adj. EBITDA margin of 8.0% (PY: 7.2%) compared with the previous year. The improvement in earnings was driven by a strong performance in maritime projects in the ship's galley sector.

The Somec Group has thus met its qualitative guidance regarding a significant improvement in operating margins. Our operating profit forecast (EBITDA GBCe: € 33.17 million) was also achieved.

Development of consolidated net profit (after minorities / in € million)



Sources: Somec S.p.A.; GBC AG

At the net profit level too, the Somec Group achieved a strong improvement in earnings, returning to a positive net profit for the year. Thanks to stronger operating performance compared with the previous year and, in particular, lower depreciation and amortisation effects (regular and exceptional), the engineering company was able to achieve a net profit (after minority interests) of € 4.82 million.

Business performance in the first half of 2026

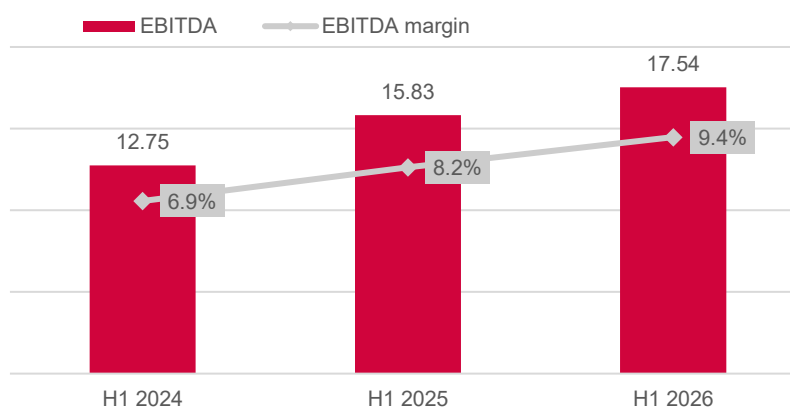
P&L (in € million)	H1 2024	H1 2025	H1 2026
Revenue	185.56	192.72	186.32
EBITDA	12.75	15.83	17.54
EBIT	2.47	8.17	11.24
Consolidated net result	-1.22	2.04	6.14
Net result (after minorities)	-2.14	1.63	6.12

Sources: Somec S.p.A.; GBC AG

The half-year figures were also primarily characterised by negative currency effects (an unfavourable euro-dollar exchange rate) and the deliberate strategic focus on higher-margin contracts. In view of this, the engineering company recorded a slight decline in consolidated turnover of 3.3% to € 186.32 million in the first six months of 2026 (H1 2025: € 192.72 million). On a constant exchange rate basis, however, the decline in turnover amounted to just 1.4% to € 190.10 million.

In contrast, the engineering group was able to achieve significant improvements at all levels of profitability thanks to its focus on higher-margin contracts, a more balanced revenue mix and greater operational efficiency gains. As a result, EBITDA rose by 10.8% in the first half of the year to € 17.54 million (H1 2025: € 15.83 million). At the same time, the EBITDA margin increased to 9.4% (H1 2025: 8.2%). Net profit (after minority interests) also rose sharply to € 6.12 million (H1 2025: € 1.63 million) due to the increase in operating profit, the improved financial result and lower tax charges.

Half-year performance of the Somec Group (in € million / in %)



Sources: Somec S.p.A.; GBC AG

In terms of revenue composition, the majority (60.5%) of consolidated revenue was attributable to the core business division **'Horizons'**, which recorded a moderate decline in revenue of 3.7% to € 112.67 million in the first half of the current financial year (H1 2025: € 116.99 million). The decline in revenue resulted from negative currency effects (euro-dollar exchange rate) and a routine adjustment to ongoing projects and project deliveries, which has already been fully factored into the company's order book and multi-year planning. Nevertheless, Somec was able to achieve a robust EBITDA of € 9.07 million in its core division compared with the same half-year of the previous year (H1 2025: € 10.22 million) and a largely stable EBITDA margin of 8.1% (H1 2025: 8.7%).

In the **'Mestieri'** business division, a significant decline in turnover of 25.8% to € 37.77 million (H1 2025: € 50.81 million) was recorded, primarily due to the planned realignment of business activities in the ship interiors sector (targeted reduction in lower-margin business volume). Thanks to the strategic repositioning of the business division and the higher-margin revenue mix, a stable EBITDA of € 3.90 million (H1 2025: € 3.99 million) was achieved despite the decline in volume. This resulted in an increased EBITDA margin of 10.3% (H1 2025: 7.8%).

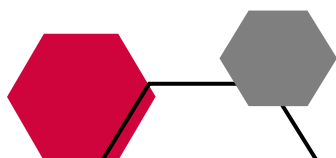
In contrast, the **'Talenta'** business division performed strongly, with dynamic growth of 41.3% to € 40.34 million (H1 2025: € 28.55 million). This strong growth was underpinned by the gradual ramp-up of projects acquired in previous periods, particularly in the commercial kitchens segment and the catering sector, both of which primarily serve the shipping market. Owing to the dynamic rise in business volume, particularly in the shipbuilding sector, EBITDA surged to € 4.57 million (H1 2025: € 1.58 million). At the same time, the EBITDA margin improved significantly to 11.3% (H1 2025: 5.5%).

The Somec Group's order book developed just as positively as its earnings situation. The total order book (comprising orders from contracts awarded and option agreements), which primarily comprises orders in the core 'Horizons' division (share: approximately 61.0%), stood at € 956.0 million as at 30 June 2026, significantly higher than the figure at the end of the previous year (31/12/2025: € 771.0 million).

Thanks to the major contracts secured by Somec after the half-year reporting date, such as the prestigious record-breaking 350 Park Avenue contract for Fabbrica, the Group's total order book most recently even exceeded € 1.1 billion.

The major contract for 350 Park Avenue in New York is of great strategic importance to the Somec Group. By delivering approximately 83,600 m² of façade area for one of New York's most significant new skyscrapers, the subsidiary Fabbrica has secured a record-breaking contract and further strengthened its competitive position in the North American façade market.

In addition to the significant contribution we expect this to make to long-term revenue and capacity utilisation visibility, the project is particularly important as a showcase for securing further large-scale and technically challenging façade projects in the US market. At the same time, the contract strengthens the diversification of the Horizons division between the traditionally strong marine business and the civil façade business.



Presentation of the balance sheet and financial position

in € million	31/12/23	31/12/24	31/12/25	30/06/26
Equity	19.66	17.69	25.96	32.16
Property, plant and equipment	19.11	18.01	18.08	17.61
Intangible assets	55.14	46.01	39.83	38.99
of which goodwill	37.42	33.06	31.23	31.41
Receivables	73.51	79.67	59.66	70.22
Inventories & contract assets	59.90	44.84	33.81	43.16
Interest-bearing financial loans	110.63	96.19	77.68	71.78
Total liquidity	46.96	47.48	47.72	38.29
Net financial position (NFP)*	84.31	58.58	36.54	36.12
Total assets	329.09	315.51	280.40	294.53

Source: Somec S.p.A. *NFP including the IFRS 16 effect

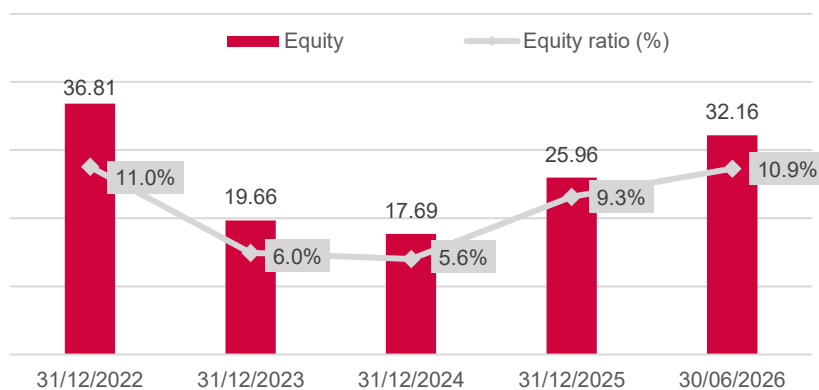
The corporate strategy pursued by Somec (involving both organic and inorganic growth) and the company's positive performance in recent years have been reflected accordingly in the engineering firm's consolidated balance sheet.

Given the large number of acquisitions made in recent years (three M&As in 2022 alone), Somec's balance sheet traditionally comprises a significant proportion of intangible assets and goodwill, which, as at the balance sheet date of 30 June 2026, amounted to € 38.99 million, representing approximately 13.2% of the balance sheet total and thus remained almost at the same level as at the end of the previous year (31/12/2025: € 39.83 million).

Inventories, contract assets and receivables also represent significant items on the assets side of the engineering company's consolidated balance sheet and had risen significantly as at 30 June 2026 to € 43.16 million (31/12/2025: € 33.81 million) and € 70.22 million (31/12/2025: € 59.66 million) respectively.

The Somec Group's business activities are traditionally financed, in addition to equity and operating cash flow, primarily through conventional bank loans. Accordingly, the percentage share of interest-bearing loans in the balance sheet total as at 30 June 2026 remained unchanged at a significant level of 24.7%, although this ratio has fallen compared with the end of the previous financial year (31/12/2025: 27.7%).

Historical development of equity and the equity ratio (€ million / %)

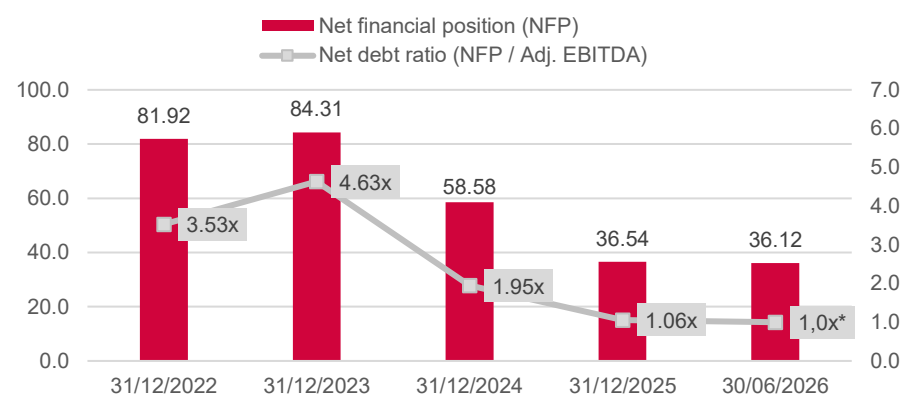


Sources: Somec S.p.A.; GBC AG

In view of the positive half-year performance, equity had grown to € 32.16 million as at the balance sheet date of 30 June 2026 (31/12/2025: € 25.96 million). In parallel with this, the equity ratio rose to 10.9% (31/12/2025: 9.3%). Interest-bearing financial liabilities, on the other hand, were once again reduced to € 71.78 million as at 30 June 2026 (31/12/2025: € 77.68 million).

With regard to cash and cash equivalents, Somec had total liquidity of € 38.29 million as at the balance sheet date of 30 June 2026 (31/12/2025: € 47.72 million). Based on this, the company's net financial position (NFP, including IFRS 16 effects) at the end of the first half of 2026 stood at € 36.12 million (31/12/2025: € 36.54 million). At the same time, the net gearing ratio (NFP / Adj. EBITDA) was slightly reduced to 1.0x (31/12/2025: 1.1x) on a pro forma basis (full-year or LTM basis) as at the balance sheet date of 30 June 2026. Somec's management is aiming to further improve the gearing ratio to below 1.0x by the end of the year.

Trend in net financial position (€ million) and gearing ratio



Sources: Somec S.p.A.; GBC AG *On a pro forma full-year basis

SWOT ANALYSIS

Strengths	Weaknesses
- Strong market position in the marine glazing business for new-build and refit projects (clear global market leadership). - Diversified yet highly synergistic business divisions, primarily due to the overlaps between all divisions within the maritime sector. - Comprehensive coverage of the key stages of the value chain in the core business activities (from design and production through to installation). - An 'asset-light' business model, which, amongst other things, enables significant growth even without major investments. - Improved cost control through the introduction of price adjustment clauses and additional hedging instruments. - The extensive order book ensures a high degree of visibility and predictability.	- A low proportion of equity in the financing mix for business operations, as well as a significant goodwill position within the balance sheet structure. - High dependence on the costs of various raw materials (aluminium, glass, etc.). - Significant weight and influence of staff-related fixed costs. - High dependence on individual executives within the top management team.
Opportunities	Risks
- Participation in the booming cruise market through increased business activities with shipbuilders and cruise lines (shipping companies/ship owners). - Expansion of the Fabbrica glass façade business to the US West Coast. - Greater utilisation of synergies between Group divisions and acquired companies (high cross-selling potential). - A successful transformation of the 'Mestieri' division could have a significantly positive impact on future growth momentum and profitability. - Further M&A activity would significantly accelerate the pace of growth and could substantially strengthen individual business divisions (e.g. the 'Mestieri' division).	- A significant deterioration in the economic environment (e.g. significantly higher interest rates) over an extended period would have a negative impact on customer demand. - Significant increases in the prices of raw materials and intermediate products could only be passed on to customers to a limited extent and with a time lag. - Any serious problems in the implementation of major projects would have a negative impact on business performance. - Orders suddenly withdrawn by major customers or project delays caused by customers could significantly weigh on revenue and earnings performance.

FORECASTS AND MODEL ASSUMPTIONS

P&L (in € million)	FY 25	FY 26e (New)	FY 26e (Old)	FY 27e (New)	FY 27e (Old)	FY 28e (New)	FY 28e (Old)
Revenue	370.02	375.13	379.94	389.87	389.87	408.54	399.73
EBITDA	33.32	36.25	36.25	38.13	38.13	42.09	40.53
EBIT	16.67	23.67	21.12	26.31	22.91	30.68	25.19
Consolidated net result	7.08	13.04	11.38	15.01	12.80	17.95	14.38
Net result (after minorities)	4.82	10.63	8.09	12.43	9.36	15.22	10.79

Sources: Somec S.p.A.; GBC AG

Revenue and profit forecasts

The Somec Group has not issued a traditional quantitative revenue and earnings forecast for the current financial year 2026. Nevertheless, according to its own statements during the half-year earnings call, the engineering company's management expects a slight improvement in consolidated revenue performance for the second half of 2026. A balanced business division mix and increased refitting activity, particularly in the core Horizons division, are expected to contribute to the anticipated positive revenue trend. In addition, the Mestieri division, which made a weaker contribution to revenue in the first six months of the financial year, is expected to regain significance in the second half of the financial year.

According to statements made by Somec's management to Teleborsa in mid-September 2026, the engineering group is set to return to a growth trajectory across all three business divisions in the medium term. Specifically, the core division of the main 'Horizons' business division is expected to return to a sustainable growth path following a period of consolidation. The civil façade business, new shipbuilding and the refitting business are seen as key growth drivers in this regard. In particular, the US façade business has gained considerable strategic importance thanks to the major contract for 350 Park Avenue in New York.

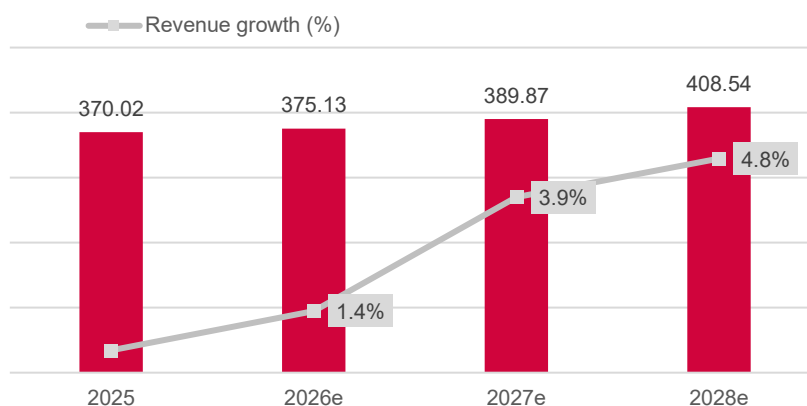
With regard to the "Talenta" business division, Somec expects growth to continue, particularly in the area of new shipbuilding and maritime refit business activities. With regard to the "Mestieri" division, too, Somec's management anticipates a return to growth in the medium term, based on the expected resumption of various interiors projects. In addition, the company aims to resume M&A activities in the 'Mestieri' business division from 2027 onwards, which could provide further impetus for growth.

To enable the Somec Group to return to a growth trajectory from the 2027 financial year onwards, it can draw on a substantial order book. The total order book (comprising orders already awarded and option agreements) stood at € 956.0 million as at 30 June 2026, significantly higher than the figure at the end of the previous year (31/12/2025: € 771.0 million). Thanks to the major contracts secured by Somec after the half-year reporting date – such as the prestigious record-breaking contract for 350 Park Avenue on behalf of Fabbrica – the Group's total order book has recently even reached a record level of over € 1.1 billion (9M 2026).

However, against the backdrop of the Somec Group's weaker half-year turnover, which fell short of our expectations, we have initially adjusted our turnover estimates for the current financial year 2026 slightly downwards to € 375.13 million (previously: € 379.94 million). Nevertheless, in view of the strong operating profit performance in the first half of the year, we have maintained our previous

EBITDA estimate (EBITDA GBCe: € 36.25 million) for the current financial year. We have also left our revenue and EBITDA estimates for the subsequent financial year 2027 unchanged.

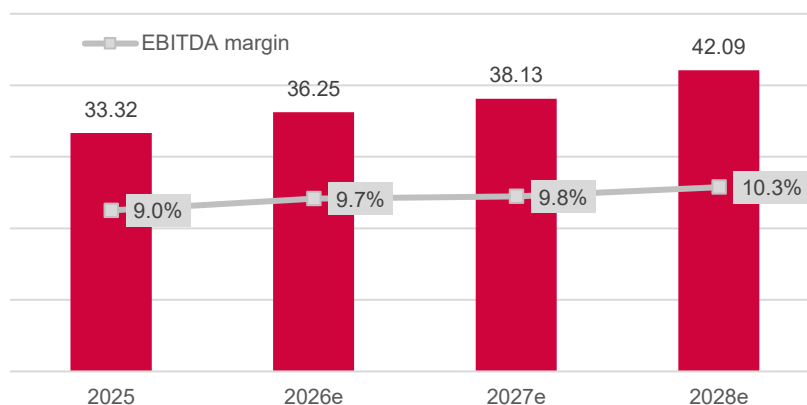
Expected development of consolidated revenue (in € million)



Sources: Somec S.p.A.; GBC AG

In view of the record order book, which has significantly increased visibility on future revenue, and the medium-term return to growth for the engineering group anticipated by Somec's management, we have raised our revenue and EBITDA estimates for the 2028 financial year to € 408.54 million (previously: € 399.73 million) and € 42.09 million (previously: € 40.53 million) respectively.

Expected development of EBITDA and the operating margin (€ million / %)



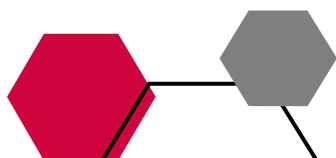
Sources: Somec S.p.A.; GBC AG

In view of the improved financial result at the end of the first half of 2026 and depreciation and amortisation (D&A) costs that were lower than expected, we have raised our previous net profit and EBIT estimates for the financial year 2026 and the following year, 2027.

Overall, this should enable the Somec Group to continue to benefit in future from the global cruise industry, which remains buoyant, through its extensive business activities, which are firmly rooted in the maritime sector. Thanks to the prestigious record order for Fabbrica, the US façade business should also be able to regain momentum in the coming financial years. The planned resumption of M&A

activities from the coming financial year, with a focus on the Mestieri division, opens up additional growth potential.

Based on our revised revenue and earnings forecasts for the current financial year and subsequent years, we have raised our previous price target to € 26.95 (previously: € 22.70). Our increase in the target price stems primarily from our revised forecasts for the 2028 financial year and the associated higher baseline for estimates in subsequent financial years. The so-called roll-over effect that has occurred and the resulting new price target horizon of 31 December 2027 (instead of the previous 31 December 2026) has also contributed to the increase in the price target. By contrast, our increased cost of capital (WACC), resulting from the rise in the risk-free interest rate (from 3.0% previously to 3.5% currently), had a downward effect on the target price. In view of the current share price level, we therefore maintain our 'BUY' rating.



Valuation

Model Assumptions

We have valued Somec S.p.A. using a three-stage DCF model. Starting with specific estimates for the years 2026 to 2028 in Phase 1, the second phase, covering 2029 to 2033, involves forecasting based on value drivers. In the second phase, we expect revenue growth of 2.5% (previously: 2.5%). We have assumed a target EBITDA margin of 10.3% (previously: 10.1%). We have factored in a tax rate of 29.7% to 32.0% (previously: 29.0% to 30.7%) in Phase 1 and 30.0% (previously: 30.0%) in Phase 2. In the third phase, a residual value is also determined using the perpetual annuity method after the end of the forecast horizon. For the terminal value, we assume a growth rate of 2.0% (previously: 2.0%).

Determination of the cost of capital

The weighted average cost of capital (WACC) for Somec S.p.A. is calculated from the cost of equity and the cost of debt. To determine the cost of equity, the fair market premium, the company-specific beta and the risk-free rate of interest must be established.

The risk-free interest rate is derived from current yield curves for risk-free bonds in accordance with the recommendations of the IDW's Expert Committee on Business Valuations and Business Administration (FAUB). This is based on the zero-coupon bond yields published by the Deutsche Bundesbank using the Svensson method. To smooth out short-term market fluctuations, the average yields over the preceding three months are used. The risk-free interest rate currently applied is 3.5% (previously: 3.0%).

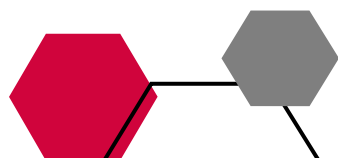
We assume the historical market premium of 5.5% as a reasonable expectation of the market premium. This is supported by historical analyses of equity market returns. The market premium reflects the percentage by which the equity market is expected to outperform low-risk government bonds.

According to the GBC estimation method, the beta is currently calculated at 1.38 (previously: 1.38).

Based on the assumptions made, the cost of equity is calculated at 11.1% (previously: 10.6%) (beta multiplied by the risk premium plus the risk-free rate). As we assume a sustained weighting of 80.0% for the cost of equity, this results in a weighted average cost of capital (WACC) of 10.1% (previously: 9.7%).

Valuation result

Future cash flows are discounted using the entity approach. We have calculated the corresponding cost of capital (WACC) at 10.1% (previously: 9.7%). The resulting fair value per share at the end of the 2027 financial year corresponds to a target price of € 26.95 (previously: € 22.70). Our increase in the target price resulted mainly from the revised upwards estimates for the 2028 financial year and the associated higher baseline for our estimates for subsequent periods. The roll-over effect that has occurred also contributed to the increase in the target price, leading to an updated target price horizon of 31 December 2027 (previously: 31 December 2026). Conversely, the increase in our cost of capital (WACC) as a result of the rise in the risk-free interest rate (from 3.0% previously to 3.5% currently) had a downward effect on the price target.



DCF MODEL

Phase	Estimate		Consistency						Final
in EUR million	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e	FY 31e	FY 32e	FY 33e	
Revenues	375.13	389.87	408.54	418.75	429.22	439.95	450.95	462.23	
Sales growth	1.4%	3.9%	4.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.0%
EBITDA	36.25	38.13	42.09	43.14	44.22	45.33	46.46	47.62	
EBITDA margin	9.7%	9.8%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	
EBIT	23.67	26.31	30.68	31.73	32.09	32.43	32.74	33.03	
EBIT margin	6.3%	6.7%	7.5%	7.6%	7.5%	7.4%	7.3%	7.1%	7.1%
NOPLAT	16.64	18.23	21.02	22.21	22.47	22.70	22.92	23.12	
Working capital (WC)	1.31	7.60	14.84	16.75	17.17	17.60	18.04	18.49	
Fixed assets (OAV)	80.32	79.67	80.07	85.10	90.52	96.29	102.41	108.39	
Invested capital	81.63	87.27	94.91	101.85	107.69	113.89	120.45	126.88	
Return on investment	22.0%	22.3%	24.1%	23.4%	22.1%	21.1%	20.1%	19.2%	18.6%
EBITDA	36.25	38.13	42.09	43.14	44.22	45.33	46.46	47.62	
Taxes on EBITA	-7.03	-8.08	-9.66	-9.52	-9.63	-9.73	-9.82	-9.91	
Change OAV	-4.87	-11.17	-11.81	-16.44	-17.55	-18.67	-19.84	-20.57	
Change WC	-13.68	-6.29	-7.24	-1.91	-0.42	-0.43	-0.44	-0.45	
Investments in goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free cash flow	10.67	12.59	13.38	15.28	16.62	16.50	16.36	16.69	259.15

Development of cost of capital	
Risk-free return	3.50%
Market risk premium	5.50%
Beta	1.38
Cost of equity	11.06%
Target weighting	80.00%
Borrowing costs	8.50%
Target weighting	20.00%
Tax shield	24.99%
WACC	10.13%

Determination of fair value	FY 26e	FY 27e
Value of operating business	204.99	213.15
Present value of explicit FCFs	73.06	67.87
Present value continuing value	131.93	145.29
Net debt	22.91	13.54
Value of equity	182.08	199.61
Minority interests	-3.09	-3.39
Value of the shared capital	178.99	196.22
Outstanding shares in million	7.28	7.28
Fair value of the share in EUR	24.58	26.95

Sensitivity analysis						
		WACC				
Return on capital		8.1%	9.1%	10.1%	11.1%	12.1%
	16.6%	32.98	28.13	24.54	21.79	19.63
	17.6%	34.76	29.58	25.74	22.81	20.50
	18.6%	36.54	31.03	26.95	23.82	21.37
	19.6%	38.32	32.48	28.15	24.84	22.23
	20.6%	40.10	33.92	29.35	25.85	23.10

ANNEX

§1 Research under MiFID II – minor non-monetary benefits

- I. An agreement exists between GBC AG, as a research provider, and the issuer regarding the independent preparation, publication and distribution of research on the respective issuer. GBC AG is remunerated by the issuer for this. The existing contractual and remuneration relationship is disclosed in the respective research report.
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The conflict of interest policy and further disclosures can be viewed on the GBC AG website under the 'Disclosure' section.

V. 5% Turnover Threshold

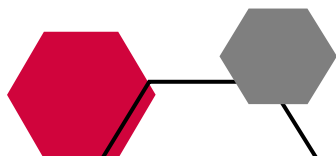
Revenue generated from the business relationship with the issuer, including remuneration for issuer-sponsored research and other issuer-related revenue, did not exceed 5.0% of GBC AG's consolidated gross revenue in the previous financial year.

VI. Contractual and client relationship

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VII. External Research Analysts

No external or third-party research analyst has made a material contribution to the preparation of this research report.



VIII. Draft Review

Where a draft of the research report was made available to the issuer prior to publication, this was done solely for the purpose of verifying its factual accuracy and/or compliance with legal or regulatory obligations. Such a draft did not contain any final or indicative recommendation, rating, price target, valuation section, investment case or investment conclusion. The issuer had no right to authorise, amend, block, delay or prevent the publication of the research report. GBC AG decided independently whether and to what extent factually or legally justified comments were taken into account.

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I. Updates

No specific update to this analysis is currently scheduled for a fixed date. GBC AG reserves the right to update the analysis without prior notice.

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II. Recommendations/Ratings

GBC AG has been using a three-tier absolute share rating system since 1 July 2006. Since 1 July 2007, the ratings have been based on a time horizon of between six and 18 months. Previously, the ratings were based on a time horizon of up to twelve months.

Upon publication of the analysis, investment recommendations are determined in accordance with the classifications described below, based on the expected return. Temporary price deviations outside these ranges do not automatically lead to a change in classification, but may give rise to a review of the original recommendation.

BUY

The expected return, based on the calculated target price and including expected dividend payments within the relevant time horizon, is at least +10.0%.

HOLD

The expected return, based on the calculated price target and including expected dividend payments within the relevant time horizon, is more than -10.0% and less than +10.0%.

SELL

The expected return, based on the calculated target price and including expected dividend payments within the relevant time horizon, is no more than -10.0%.

GBC AG's share price targets are set on the basis of the determined fair value per share. This is calculated using generally accepted and widely used methods of fundamental analysis, such as the discounted cash flow method, a peer group comparison and/or the sum-of-the-parts method.

In doing so, fundamental factors and capital measures such as share splits, capital reductions, capital increases, M&A activities or share buy-backs are taken into account, where relevant.

III. Historical recommendations

GBC AG's historical recommendations relating to this analysis can be viewed in the disclosure register on the GBC AG website.

IV. Information Basis

This analysis has been prepared using publicly available information about the issuer, which GBC AG considers to be reliable. This may include, in particular, annual and quarterly reports, ad hoc announcements, press releases, prospectuses, company presentations and other publicly available information.

In addition, discussions may have been held with the management or other representatives of the company under analysis in order to obtain further clarification on publicly known facts, business activities and business performance.

The issuer is obliged to clearly identify any non-public, confidential or potentially insider information as such prior to its transmission. GBC AG may refuse to accept such information.

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The following potential conflicts of interest exist in relation to the securities or financial instruments discussed in the analysis: (5a, 5b, 6a, 11)

VI. List of potential conflicts of interest

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- (3) GBC AG or an affiliated legal entity acts as a market maker or designated sponsor for financial instruments of the analysed company.
- (4) GBC AG or an affiliated legal entity has played a leading or supporting role in a public issue of financial instruments of the analysed company within the last twelve months.
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- (8) The analyst responsible for the company under analysis is a member of a management or supervisory body of that company.
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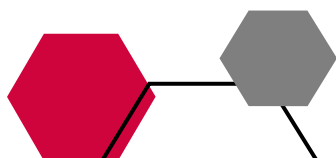
VIII. Responsibility for preparation

The company responsible for the preparation of this analysis is GBC AG, with its registered office in Augsburg.
GBC AG is represented by its board members Manuel Hölzle and Jörg Grunwald.

The analysts responsible for this analysis are:

Marcel Goldmann, M.Sc., Financial Analyst

Cosmin Filker, Graduate in Business Administration (FH), Deputy Chief Analyst



Other person involved in this study:

Manuel Hölzle, Graduate in Business Administration (Uni), Chief Analyst

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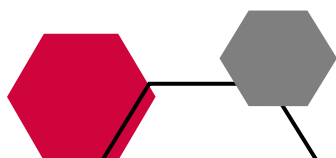
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