Piquadro S.p.A.

Consumer Discretionary

KT&PARTNERS

Re-rating Opportunity in Affordable Luxury

ADD | Fair Value: €3.66 | Current Price: €2.70 | Upside: 36%

Initiation of Coverage

€ Million	Mar '22	Mar '23	Mar '24	Mar '25	Mar '26E	Mar '27E	Mar '28E	Mar '29E
Total Revenues	154.9	177.6	185.5	186.9	190.8	201.4	211.0	221.3
EBITDA Adj.	12.1	15.4	19.6	19.3	20.5	21.7	24.1	26.7
margin	7.8%	8.7%	10.6%	10.3%	10.7%	10.8%	11.4%	12.1%
Net Profit	4.4	6.5	10.5	11.6	12.3	12.8	14.1	16.3
margin	*2.9%*	*3.7%*	*5.7%*	*6.2%*	*6.4%*	*6.4%*	*6.7%*	*7.3%*
EPS	0.09	0.13	0.21	0.23	0.25	0.26	0.28	0.33
NFP	**33.0**	**18.3**	**23.8**	**30.2**	**28.1**	**25.7**	**22.4**	**19.6**

Source: Company Data (FY21-22 / FY24-25), KT&Partners' Forecasts (2025-2029)

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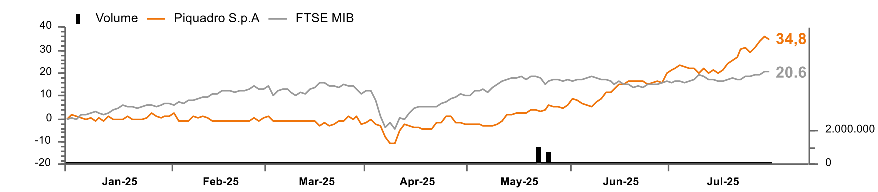
Overview. Founded in 1987, Piquadro S.p.A. operates in the premium leather goods market through Piquadro, The Bridge, and Lancel, offering business, travel and lifestyle accessories. The Group leverages a vertically integrated model with outsourced production while maintaining full control over design, prototyping, and distribution, a strategic choice that safeguards product quality, protects know-how, and supports faster innovation cycles. Sales rely on a dual-channel strategy combining 123 DOS, 49 franchised stores, wholesale, and e-commerce. In FY24–25, sales reached €184mn, with Piquadro accounting for 43%, Lancel 38%, and The Bridge 19%. Europe generated over 90% of sales, half of that in Italy. Channel-wise, revenues were split across DOS (€90mn), wholesale (€81mn), and e-commerce (€13mn).

Investment Thesis. PQ has a proven track record in value-accretive M&A, having significantly improved the profitability of acquired brands through operational turnaround and strategic repositioning. The Bridge's margin rose from 5% to 16%, while Lancel last year returned to positive EBITDA after restructuring and a shift toward accessible premium positioning. The Group's focus on affordable luxury and eco-conscious design aligns well with evolving consumer preferences, particularly among younger generations. However, this positioning also requires continuous investment and agile execution to keep pace with shifting trends, while navigating the complexity of an increasingly competitive market.

KT&P's Estimates. Over FY25–29E, total revenues are expected to grow at a 4.3% CAGR to €221mn, with The Bridge posting the fastest topline expansion (+5.8% CAGR), followed by Lancel (+5.2%) and Piquadro (+3.3%). DOS revenues are projected to grow at a 6.1% CAGR to €114mn, while Wholesale—despite a temporary contraction in FY25–26E from selective distribution—is expected to reach €88mn by FY28-29E, with Lancel offering the strongest upside potential. E-Commerce is projected to expand at a 7.8% CAGR to €17mn. EBITDA Adj margin is seen increasing from 10.3% in FY24–25 to 10.7% in FY25–26E, further to 12.5% by FY28–29E. Net cash (excl. IFRS) is projected to reach €19mn by FY28–29E, supported by solid cash generation. Dividend payout, expected to grow €1mn per year to €10mn in FY28-29.

Valuation Disconnect. Since its IPO in 2007, the company quadruplicated its revenues, doubled earnings per share, and tripled its dividends payments. Nevertheless, PQ market capitalization just recently surpassed its IPO level (€116mn). Our valuation of the group is based on: (i) DCF with a 9.8% WACC and 2% perpetual growth; (ii) market multiples: EV/Sales, EV/EBITDA and P/E multiples, applying a 25% discount. The average between the two yields a fair value of €3.66ps, 36% upside vs current price, implying a FY25E EV/EBITDA of 6.1x.

Relative Performance Chart YTD



Source: Factset

Market Data

Main Shareholders			
Piquadro Holding S.p.A.			68.4%
Mediobanca S.p.A. (free float)			5.0%
Quaero Capital SA (free float)			2.9%
Lazard Frères Banque (free float)			4.6%
Mkt Cap (€ mn)			128
EV (€ mn)			115
Shares out. (mn)			47.23
Treasury Shares			5.5%
Free Float			26.1%
Market multiples	**FY24-25**	**FY25-26E**	**FY26-27E**
EV/Sales			
Piquadro S.p.A.	0.8x	0.8x	0.8x
Comps Median	1.3x	1.4x	1.3x
Piquadro S.p.A. vs Median	*-34%*	*-41%*	*-42%*
EV/EBITDA			
Piquadro S.p.A.	3.7x	3.4x	3.2x
Comps Median	7.5x	8.0x	7.4x
Piquadro S.p.A. vs Median	*-51%*	*-57%*	*-56%*
P/E			
Piquadro S.p.A.	11.0x	10.4x	9.9x
Comps Median	13.7x	15.6x	15.4x
Piquadro S.p.A. vs Median	*-20%*	*-34%*	*-36%*

Stock Data

52 Wk High (€)	2.70
52 Wk Low (€)	1.77
Avg. Daily Trading 90d	50,560
Price Change 1w (%)	5.47
Price Change 1m (%)	15.88
Price Change YTD (%)	34.33

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Key Figures – Piquadro S.p.A.

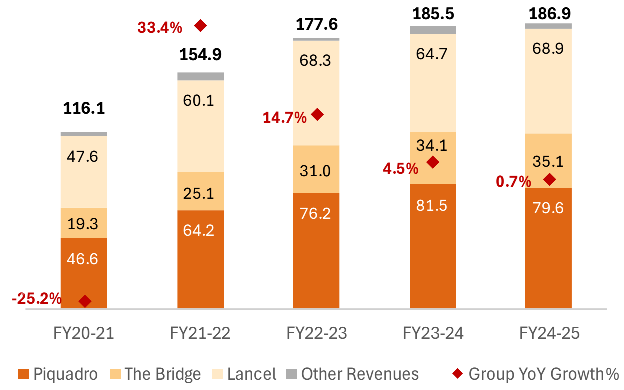
FY ending 31st March	FY21-22A	FY22-23A	FY23-24A	FY24-25A	FY25-26E	FY26-27E	FY27-28E	FY28-29E
Total shares outstanding (mn)	48.47	48.11	47.58	47.23	47.23	47.23	47.23	47.23
EPS	0.09	0.13	0.21	0.23	0.25	0.26	0.28	0.33
Dividend per share	0%	8%	10%	14%	14%	16%	18%	20%
Dividend pay out ratio (%)	0%	62%	47%	60%	57%	62%	64%	62%
Profit and Loss (EUR million)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
Total Revenues	154.9	177.6	185.5	186.9	190.8	201.4	211.0	221.3
EBITDA	25.3	27.8	32.0	31.4	33.4	35.3	38.6	41.6
EBITDA Adj. (excl. IFRS16)	12.1	15.4	19.6	19.3	20.5	21.7	24.1	26.7
EBIT	9.2	11.9	14.8	16.4	16.8	17.7	19.7	23.1
EBT	7.3	11.3	14.6	15.3	16.0	17.0	19.0	22.4
Taxes	(2.9)	(4.8)	(4.0)	(3.7)	(3.7)	(4.2)	(4.9)	(6.2)
Tax rate	39%	43%	28%	24%	23%	25%	26%	28%
Net Income	4.4	6.5	10.5	11.6	12.3	12.8	14.1	16.3
Balance Sheet (EUR million)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
Total fixed assets	76.0	64.5	62.2	65.6	67.6	67.5	67.2	68.3
Trade Working Capital (TWC)	25.6	29.4	37.8	42.8	44.0	46.5	48.6	51.0
Provisions	(6.3)	(6.6)	(6.1)	(6.1)	(6.1)	(6.1)	(6.1)	(6.1)
Total Net Capital Employed	91.9	81.7	90.7	100.6	103.8	106.2	108.1	111.5
Net financial position/(Cash)	33.0	18.3	23.8	30.2	28.1	25.7	22.4	19.6
Net financial position/(Cash) Adj.	(20.2)	(22.8)	(16.8)	(12.9)	(13.0)	(13.8)	(15.5)	(17.4)
Total Shareholder's Equity	59.1	61.1	64.7	68.8	74.1	79.0	84.0	90.3
Cash Flow (EUR million)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
Operating cash flow	26.0	23.8	15.5	20.2	27.7	28.0	30.8	32.4
Change in NWC	(2.5)	(5.5)	(15.7)	(7.9)	(1.2)	(2.5)	(2.2)	(2.3)
Capital expenditure	(6.6)	(3.3)	(3.4)	(4.7)	(7.6)	(5.6)	(8.8)	(5.1)
Free cash flow	4.7	3.2	0.7	4.1	7.8	9.3	8.0	12.4
Enterprise Value (EUR million)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
Market Cap	93.9	91.4	97.8	96.1	127.5	127.5	127.5	127.5
Net financial position/(Cash) Adj.	(20.2)	(22.8)	(16.8)	(12.9)	(13.0)	(13.8)	(15.5)	(17.4)
Minority Interests	-	-	-	-	-	-	-	-
Enterprise value	73.7	68.6	81.0	83.2	114.5	113.7	112.0	110.2
Ratios (%)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
EBITDA margin	16.4%	15.6%	17.2%	16.8%	17.5%	17.5%	18.3%	18.8%
EBITDA Adj (excl. IFRS16) margin	7.8%	8.7%	10.6%	10.3%	10.7%	10.8%	11.4%	12.1%
EBIT margin	5.9%	6.7%	8.0%	8.8%	8.8%	8.8%	9.3%	10.4%
Gearing - Debt/equity	63.8%	44.7%	23.9%	24.0%	22.3%	21.0%	19.7%	18.3%
NFP/EBITDA	1.30x	0.66x	0.74x	0.96x	0.84x	0.73x	0.58x	0.47x
ROCE	10.0%	14.5%	16.3%	16.3%	16.2%	16.7%	18.2%	20.7%
ROE	7.5%	10.7%	16.3%	16.8%	16.6%	16.2%	16.7%	18.0%
EV/Sales	1.04x	0.89x	0.86x	0.85x	0.83x	0.78x	0.75x	0.71x
EV/EBITDA	3.35x	3.06x	2.65x	3.65x	3.43x	3.25x	2.97x	2.75x
P/E	22.00x	15.04x	9.29x	11.01x	10.38x	9.94x	9.06x	7.85x
Growth Rates (%)	**FY21-22A**	**FY22-23A**	**FY23-24A**	**FY24-25A**	**FY25-26E**	**FY26-27E**	**FY27-28E**	**FY28-29E**
Sales	31.7%	17.5%	2.7%	1.9%	2.9%	5.6%	4.8%	4.9%
EBITDA	141.2%	9.5%	15.3%	-1.9%	6.5%	5.7%	9.3%	7.8%
EBITDA Adj. (excl. IFRS16)	n.m.	27.4%	27.6%	-1.8%	6.2%	6.1%	10.9%	10.8%
EBIT	n.m.	29.0%	25.0%	10.4%	2.4%	5.5%	11.5%	17.3%
Net Income	n.m.	46.3%	61.9%	10.0%	6.1%	4.3%	9.7%	15.5%

Source: Company Data (FY20-21 / FY24-25), KT&Partners' Forecasts (2026-2029)

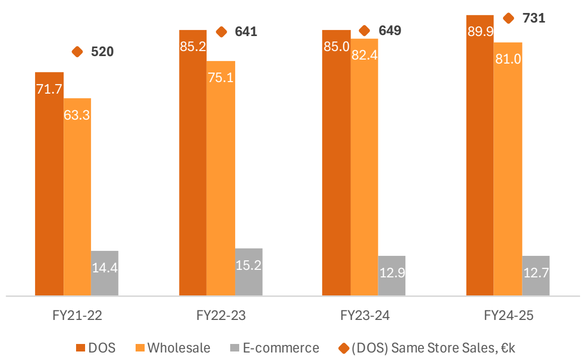
Contents

Key Chart

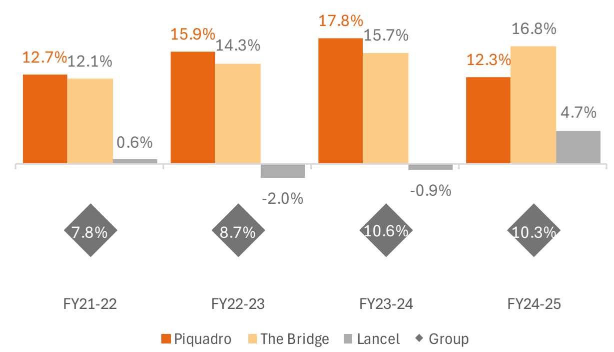
Group Revenues Breakdown by Brand (€mn)



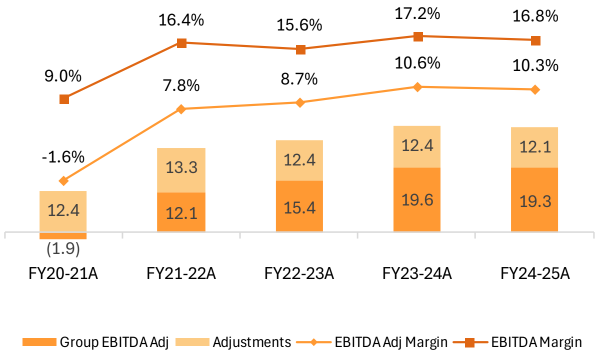
Group Revenues Breakdown by Distribution Channel



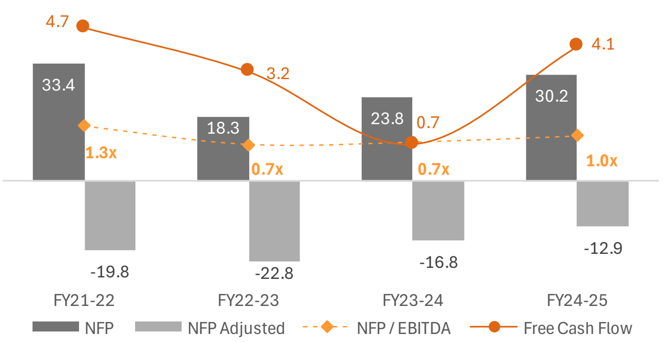
Adjusted EBITDA Margin (excluding IFRS) by brand



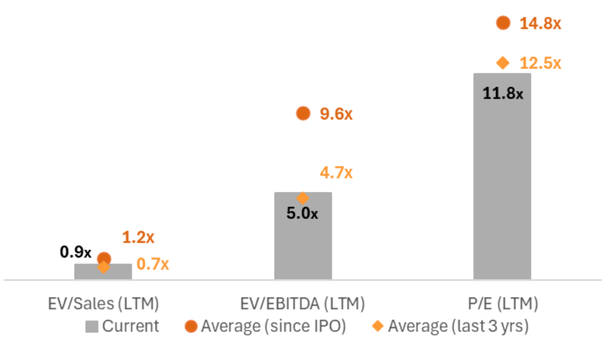
Group's EBITDA, EBITDA Adj. (€mn, Margin %)



NFP (Adj.), NFP/EBITDA and FCF (€mn, x)



Valuation Disconnect: Historical Multiples



Source: Factset, KT&Partners' elaboration

Investment Case

Valuation Disconnect. Piquadro's current valuation metrics highlight a significant discount relative to its historical performance. Since its IPO in 2007, the company quadruplicated its revenues, doubled earnings per share, and tripled its dividends payments. Nevertheless, PQ current market capitalization of €127.5mn just recently surpassed its IPO level of €116mn. Key valuation multiples, such as EV/Sales at 0.9x and EV/EBITDA at 5.0x (LTM), are significantly lower than both the historical IPO multiples (EV/Sales at 2.8x, EV/EBITDA at 9.4x) and the long-term averages, underscoring a potential mispricing. The erosion of profitability margins, driven by the increased reliance on Directly Operated Stores (DOS) and the acquisition of The Bridge and Lancel, has contributed to this re-rating. However, ongoing management efforts to improve operating efficiency and drive profitability across the acquired brands, suggest that the current valuation significantly underestimates the Group's performance, highlighting a clear re-rating opportunity.

Proven Track Record in Value-Driven M&A. Piquadro has consistently demonstrated its ability to enhance the operational and financial performance of acquired brands through targeted integration and restructuring. The acquisition of The Bridge in 2016 led to a significant improvement in profitability, with the Adjusted EBITDA margin rising from 5% pre-acquisition to 16% in FY23-24, driven by streamlined operations and cost efficiencies. Similarly, after acquiring Lancel in 2018, Piquadro addressed financial challenges by closing unprofitable stores in France and China, optimizing logistics, renegotiating supplier agreements, and reducing inefficiencies. Lancel was also repositioned from a high-end luxury niche to a more accessible premium segment, aligning it with the Group's portfolio. These efforts have driven Lancel's recovery, improving its Adjusted EBITDA margin from -38% in FY18-19 to -1% in FY23-24, turning positive to 4.7% in FY24-25.

Competitive Advantage Through Value Chain Control. Piquadro's in-house management of design, prototyping, and modelling provides a distinct competitive advantage in the fashion and leather goods industry, where manufacturing is predominantly outsourced. By retaining control over these critical phases, Piquadro ensures product quality, drives innovation, and safeguards its know-how—an area where many competitors, relying fully on external manufacturing, have lost expertise and suffered margin erosion. This approach strikes a balance between vertical integration in key areas and the efficiency of outsourcing, enhancing margins while reducing dependency on third-party suppliers. The ability to innovate internally and maintain rigorous quality control positions Piquadro to swiftly respond to market trends, sustaining its competitive edge in a dynamic industry.

Strategic Alignement with Market Trends. Piquadro's positioning as an affordable luxury brand with a strong focus on eco-driven design aligns well with evolving market trends. The growing demand for accessible premium products, particularly among younger generations such as Millennials and Gen Z, positions Piquadro to attract a broader customer base seeking high-quality, functional, and stylish products without the super-premium price tag. Moreover, the brand's commitment to sustainability, evident in initiatives like the PQ-BIOS collection and carbon-neutral products such as the Corner 2.0 trolleys, resonates strongly with eco-conscious consumers who prioritize ethical and environmentally friendly practices.

Key Risks

Market complexity. Piquadro operates in a highly competitive and rapidly evolving market where staying ahead of shifting consumer preferences is critical. The rise of eco-conscious consumers and demand for innovative, multifunctional designs require continuous investment in research, development, and marketing to maintain relevance and brand differentiation. Failure to anticipate or adapt to these trends could impact sales and market share. Additionally, Piquadro's focus on sustainability and affordable luxury presents execution risks, as aligning brand strategies while maintaining profitability can be challenging.

Managing FX Exposure. The Piquadro Group faces currency risks due to its international operations. While over 90% of revenues are in euros, key supplier transactions are settled in US Dollars, and wages at the Uni Best Leather Goods subsidiary are paid in Renminbi. Consequently, the Group's net income is sensitive to USD/EUR and, to a lesser extent, RMB/EUR fluctuations. To mitigate this, Piquadro employs financial hedges. In FY24-25, a +/- 10% change in the USD/EUR exchange rate would have impacted net income by +/- 4%.

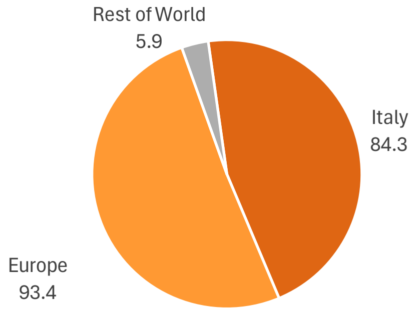
Company Overview

The Piquadro Group operates in the leather goods market, specializing in the design, production, and marketing of premium products under its three brands: Piquadro, The Bridge (acquired in 2016), and Lancel (acquired in 2018). These brands collectively represent the Group's commitment to innovation, craftsmanship, and functionality, catering to diverse customer segments and preferences. In FY24-25, the revenue contribution was split as follows: Piquadro (43.4%), Lancel (37.5%), and The Bridge (19.1%).

Piquadro's vertically integrated business model ensures control over all critical stages of production and distribution, from design and prototyping to quality assurance and marketing. While production is primarily outsourced to carefully selected suppliers, the Group maintains rigorous oversight to guarantee superior quality.

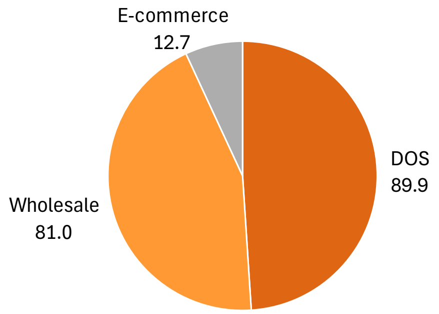
The Group employs a dual-channel distribution strategy, operating a global network of 123 Directly Operated Stores (DOS) alongside over 49 franchised mono-brand stores, multi-brand retailers, and dedicated e-commerce platforms. This approach reinforces the unique positioning and prestige of each brand, allowing Piquadro to address a broad spectrum of customer needs while capitalizing on geographic and channel-specific opportunities.

FY24-25 Geographical Revenues Breakdown (€mn)



Source: KT&P' Elaboration on Company Data

FY24-25 Revenues Breakdown by Distribution Channel (€mn)



Source: KT&P' Elaboration on Company Data

Piquadro’s Valuation Disconnect

Despite the 35%+ share price appreciation YTD, we believe Piquadro is currently undervalued, particularly when considering historical valuation trends since its IPO. On its first trading day, October 25th, 2007, Piquadro’s closing market capitalization stood at €116mn, with the following valuation multiples:

- EV/Sales: 3.6x FY06-07 (ending Mar-07) sales, or 2.8x FY07-08 sales.
- EV/EBITDA: 11.8x FY06-07 EBITDA, or 9.4x FY07-08 EBITDA.
- P/E: 21.7x FY06-07 net income, or 17.8x FY07-08 net income.

More than 15 years later, Piquadro's current market capitalization remains just above IPO levels at €127.5mn, despite the company’s significant growth:

- FY24-25 total revenues are over four times FY07-08 levels.
- FY24-25 EPS of €0.23, double the FY06-07 EPS of €0.11 (or €0.13 in FY07-08).
- FY24-25 total dividend payment of €7mn is almost three times the FY06-07 total dividend of €2.4mn (€2mn in FY07-08), with a current 5%+ dividend yield.

However, profitability margins have eroded over the years, primarily due to strategic changes. EBITDA Margin decreased from c.29% at the time of the IPO to a current adjusted EBITDA margin (excluding IFRS effects) just above 10%. This decline is largely driven by:

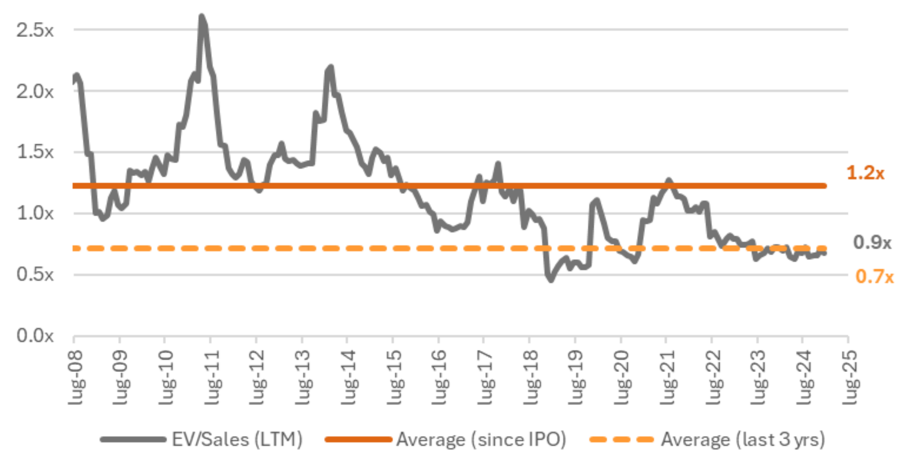
(i) Margins-dilutive acquisitions of The Bridge (2016) and Maison Lancel (2018), where profitability is improving under Piquadro’s management (see “*M&A Case Study*”). Nonetheless, limitations exist as their production remains in Italy, which is costlier compared to Piquadro’s outsourced production in Asia.

(ii) Increased reliance on Directly Operated Stores (DOS): The contribution of DOS to total revenue has increased substantially, rising from less than 10% at the time of the IPO to nearly 50% in FY24–25. While DOS play a strategic role in enhancing brand visibility and customer experience, they tend to be less profitable than the wholesale channel, primarily due to higher fixed costs.

While margin dilution has traditionally triggered downward re-ratings, we believe the market has overcorrected in Piquadro’s case. The company’s current valuation metrics appear compelling:

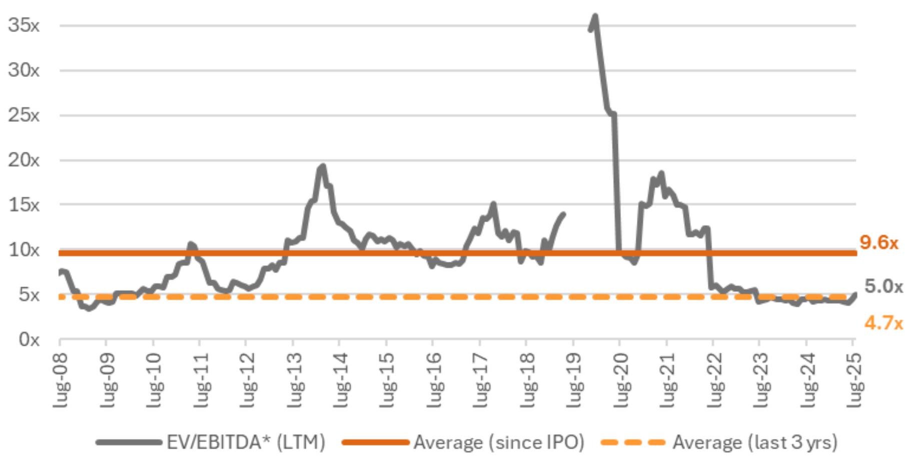
- EV/Sales: 0.9x FY24–25 sales revenue — just a quarter of the multiple at IPO
- EV/Adj. EBITDA: 8.1x FY24–25 adjusted EBITDA (excluding IFRS impacts) — more than 2x lower than post-IPO levels
- P/E: 11.8x FY24–25 net income — almost half the IPO valuation multiple

LTM EV/Sales Multiples Compared to Historical Averages



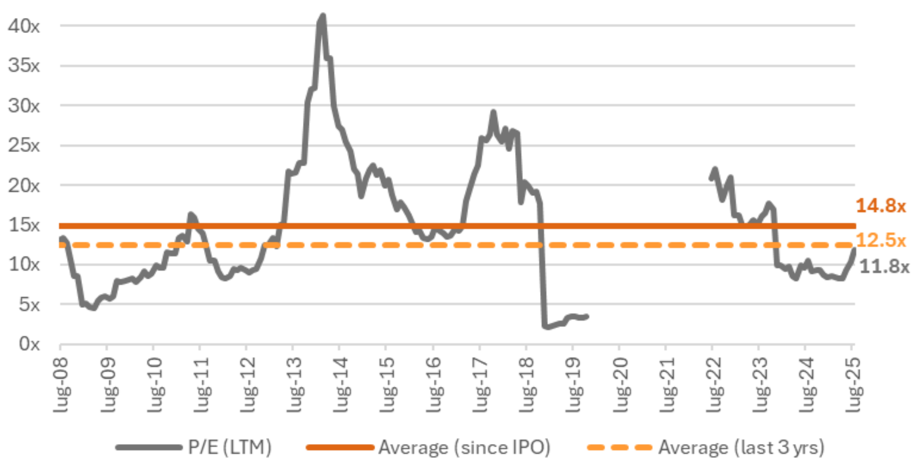
Source: FactSet, KT&Partners' Elaboration

LTM EV/EBITDA(*) Multiples Compared to Historical Averages



Source: FactSet, KT&Partners' Elaboration, Factse; (*) IFRS16 EBITDA

LTM P/E Multiples Compared to Historical Averages



Source: FactSet, KT&Partners' Elaboration

Group's History

1987 - Company's foundation

Piquadro was founded in 1987 in Bologna by 22-year-old engineering student Marco Palmieri (CEO) along with other partners. Originally established as "Piquadro di Palmieri Marco e Savigni Roberto S.n.c.", the company transitioned to "Piquadro S.p.A." in 1994, initally specializing on leather goods production for third parties, serving major Italian luxury brands.

The "Piquadro" brand is born

In 1998, leveraging its experience in third-party manufacturing, Piquadro started its own line of leather goods (folders, briefcases, etc.) targeting the mid-to-high market segment. This marked the birth of the "Piquadro" brand as the first DOS opened in Milan (2000), followed by a franchised store in Rome and a second DOS at Linate Airport (Milan). In 2003, two more monobrand stores were added: a franchised store in Catania and a DOS in Rome.

Internationalization of the Group

In 2004, as part of its internationalization strategy, Piquadro signed a strategic agreement with Hong Kong partners, acquiring a 45% stake in Uni Best Leather Goods Co. Ltd. (Uni Best 1) to delocalize production while keeping core operations within the Group. That same year, it began expanding its international footprint by establishing wholly owned subsidiaries to manage and support retail operations abroad — starting with Spain (2004), followed by Germany (2005), Hong Kong (2006), Taiwan (2009), UK (2013), and Russia (2016).

Listing on the Mercato Espandi

On October 25th, 2007, Piquadro listed via IPO on the "Mercato Espandi[1]" segment, raising €32mn with an initial free float of 35% (c.6% held by Mediobanca, the Bookrunner). The retail offering was oversubscribed almost 11 times, while the institutional offering almost 4 times.

External growth to consolidate premium accessory brands

In 2016, Piquadro launched its brand aggregation strategy, focused on integrating premium brands with iconic identities and operational synergies. That December, it finalized the acquisition of *The Bridge*—a historic Tuscan leather goods brand founded in 1969 and owned by Il Ponte Pelletteria S.p.A.—which employed around 60 staff at its Scandicci facility and 25 across its monobrand stores. Building on this success, Piquadro acquired *Lancel International S.A.* in June 2018, a Swiss company previously owned by the Richemont Group. Founded in Paris in 1876, Maison Lancel is renowned for its timeless luxury leather goods and accessories, boasting at the time 60 DOSs and 11 franchised boutiques in 39 countries, including China.

Sustainability and Innovation

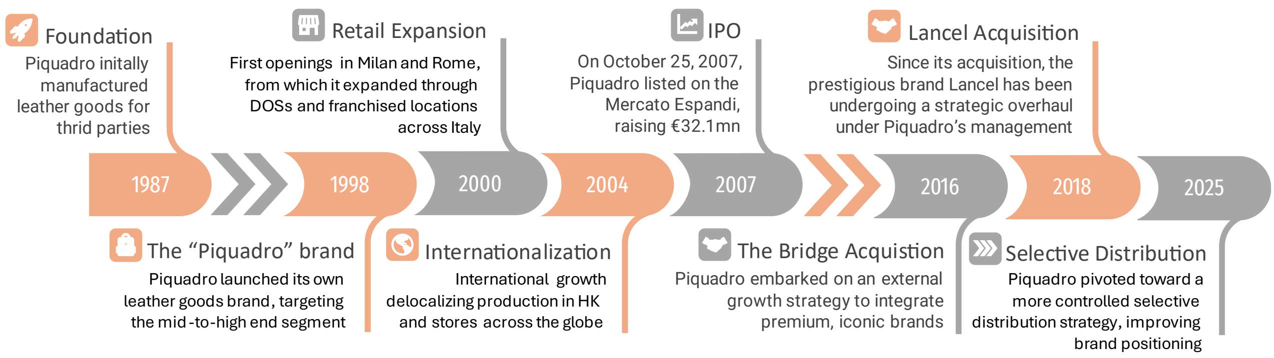
Although sustainability had long been part of Piquadro's philosophy, the Group made notable progress starting in 2020, introducing its first collection made entirely from recycled materials to help offset Scope 3 emissions and by 2022, the Group had achieved carbon neutrality for Scope 1 and 2 emissions across all operations.

Distribution shift & Lancel Turnaround

In January 2025, in order to strengthen brand positioning and ensure greater control over retail standards, the Company adopted selective distribution strategies for Piquadro and The Bridge. The approach limits product access to a network of carefully selected retailers that meet predefined criteria in customer service, store layout, and brand presentation—marking a strategic evolution in the Group's wholesale model and supporting a gradual shift toward DOS and digital channels. The transition is expected to slightly weigh on the topline in the short term, but with an estimated medium-term upside thanks to improved channel mix, pricing discipline, and stronger brand identity. Lancel, already applying selective distribution, continued to improve organically as Piquadro executed a strategic turnaround—repositioning the brand toward a broader market, optimizing operations, and rationalizing its store network—with FY24–25 marking its first year in positive EBITDA territory.

[1] The "Mercato Espandi" was a segment of the Italian stock market, established in 2004, with the primary purpose of facilitating the listing of smaller companies through less costly and less complex listing procedures. Managed by Borsa Italiana S.p.A., the Espandi Market ceased operations in 2009.

Key Milestones in Piquadro's History



Source: KT&Partners' Elaboration on Company Data

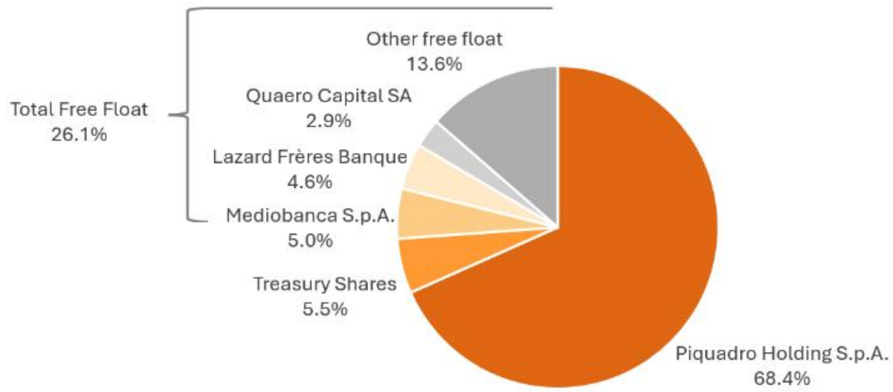
Ownership and Group Structure

Piquadro S.p.A. listed on the "Mercato Espandi" segment in Oct 2007, raising €32.1mn at a €110mn post-money valuation. Post-IPO (greenshoe option included), the ownership structure was the following:

- 65% owned by Piquadro Holding S.p.A., in turn 93.3% owned by Piqubo S.p.A., fully controlled by Marco Palmieri, and the remaining 6.7% owned by Pierpaolo Palmieri
- 35% free float. As of the 31st of March 2008 (end of FY) the free float included:
  - 6.9% owned by Fidelity International Limited, a global investment management firm with over $850bn AUM
  - 6.3% owned by Mediobanca S.p.A., which acted as Global Coordinator, Sole Bookrunner, Listing Partner and Underwriter in the IPO process
  - 5.1% owned by Egerton Limited Partnership, a London-based hedge fund specializing in long-short equity strategies with over $15bn AUM.
  - 14.6% residual free float

Since then, Egerton Ltd Partnership gradually reduced its ownership, fully exiting in 2010. Similarly, Fil Ltd progressively decreased its stake before exiting during FY15-16. In FY21-22, Quaero Capital, an independent asset manager (c.$2.5bn AUM)), acquired a 5.0% stake in Piquadro, which now accounts for 2.9%. In 2023, Lazard Frères Banque (c.$250bn AUM), joined Piquadro's shareholder base with a 4.1% stake, increased to 4.6% in FY24-25. As of now, free float stands at 26% (excl. Treasury Shares).

Piquadro's Shareholders (as of March 2025) – Free Float 26%



Source: KT&Partners' Elaboration on Company Data

Group Structure

The Piquadro Group's structure enables it to maintain control over all critical stages of its production and distribution processes. The Group manages design, planning, procurement, marketing, communication, and distribution entirely within its organization. While most production activities are outsourced, the Group ensures strict oversight of the quality and efficiency of these outsourced operations.

As of today, Piquadro S.p.A. fully owns several subsidiaries in both EU and non-EU countries, as well as 100% of Uni Best Leather Goods Zhongshan Co. Ltd, 100% of The Bridge S.p.A., and 100% of Lancel International SA.

The Company has established several 100% owned subsidiaries around the globe to oversee and manage its operations within that region. These subsidiaries are directly responsible for opening and operating both Directly Operated Stores (DOS) and stores in franchising, playing a key role in the group's strategy to expand brand awareness and strengthen its market presence in their respective regions. In chronological order: Piquadro established Piquadro España SLU (February 2004), Piquadro Deutschland Gmbh (June 2005), Piquadro Hong Kong Co. Ltd. (November 2006), Piquadro Taiwan Co. Ltd. (September 2009), Piquadro UK Limited (August 2013), and OOO Piquadro Russia (January 2016), and Piquadro Retail San Marino S.p.A. (June 2021). Throughout the years, the Company also established other subsidiaries which were liquidated later, mostly because the specific markets were no longer deemed competitive for Piquadro’s brands: Piquadro Macao (established in 2007, liquidated in 2017), Piquadro Middle East LLC (established in 2008; liquidated in 2012), Piquadro Trading (Shenzen) Co. Ltd. (established in 2008; liquidated in 2019), Piquadro BV (established in 2011; liquidated in 2013), Piquadro Swiss SA (established in 2013; liquidated in 2021), Piquadro France SARL (established in 2013; liquidated in 2019), Piquadro USA Inc, and its subsidiary Piquadro LLC (established in 2015; liquidated in 2021).

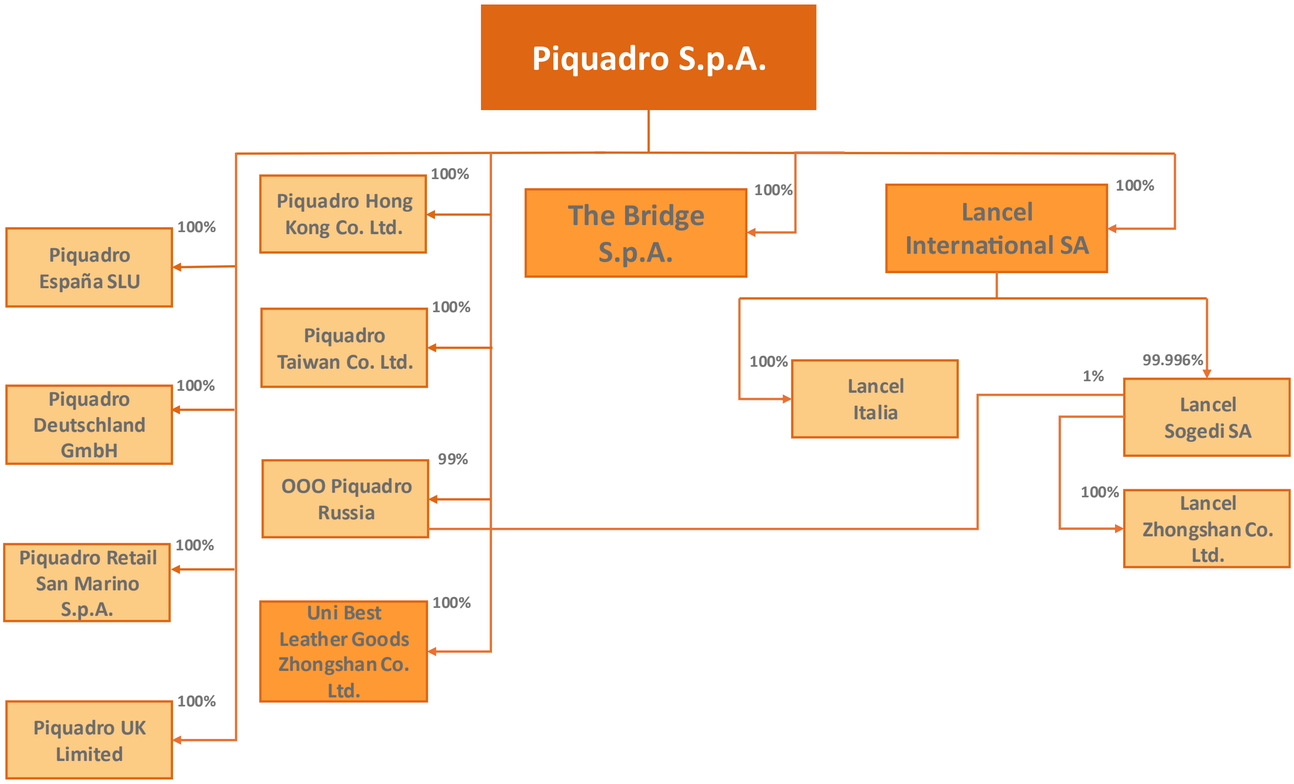
Uni Best Leather Goods Zhongshan Co. Ltd. (100%): In April 2004, Piquadro S.p.A. agreed to acquire a 45% stake in Uni Best Leather Goods Co. Ltd. (Uni Best 1), with an additional 5% owned by Marco Palmieri directly and the remaining 50% by Hong Kong partners. In November 2006, Piquadro’s Board of Directors approved the reorganization of its Chinese operations, creating the following year Uni Best Leather Goods Zhongshan Co. Ltd. (Uni Best 2). Based in Guangdong, China, the new entity was jointly owned, with Piquadro holding 50% and Uni Best 1 owning the other 50%. The business operations of Uni Best 1 were subsequently transferred to Uni Best 2, and from April 2007, Uni Best 2 managed Piquadro’s in-house production. In June 2010, Piquadro acquired the remaining 50% of Uni Best Leather Goods Co. Ltd. from its Chinese partners, securing full ownership of both Uni Best 1 (which was later liquidated, and its stake in Uni Best 2 redistributed among shareholders) and, indirectly, Uni Best Leather Goods Zhongshan Co. Ltd. (Uni Best 2). As of today, Uni Best 2 carries out 100% of the in-house manufacturing, equivalent to ca.20-25% of productions of Piquadro-branded products, mainly comprising large leather goods.

The Bridge S.p.A. (100%): In December 2016, Piquadro perfected the acquisition of an 80% stake in Il Ponte Pelletteria S.p.A. (renamed The Bridge S.p.A.) for a consideration of €3.175mn. Il Ponte Pelletteria is a Florence-based company managing the historic leather brand "The Bridge." At the time, the Company boasted €20mn in FY16 Sales Revenues, and operated an extensive retail network, including 8 DOS across Italy (12 as of Sep-24). This marked Piquadro’s first external growth initiative, reflecting the start of a broader strategy for the Group to bring together premium accessory brands with strong iconic identities. In January 2022, Piquadro completed the acquisition of the remaining 20% stake in The Bridge by exercising the agreed-upon call option, for a consideration of €0.8mn, making it a wholly-owned subsidiary.

Lancel International SA (100%): In June 2018, Piquadro S.p.A. signed a purchase agreement to acquire 100% of Lancel International SA, a Swiss company fully owned by the Richemont Group. Lancel International owns the "Lancel" brand through the French company Lancel Sogedi S.A., as well as fully owns the Spanish (Lancel Iberia, later liquidated in 2023) and Italian (Lancel Italia) subsidiaries that operate Lancel boutiques in those countries (the "Lancel Group"). Piquadro acquired 100% of Lancel International S.A. for a symbolic amount of €1. The acquisition price was supplemented by an earn-out mechanism equal to 20% of the annual profits (Net Income) generated by the Lancel Group over the ten years following the completion date of the transaction ("Annual earn-out"), and 50% of the sale price in the event of a resale of the Lancel Group or the majority of its assets to third parties, should such a transaction occur within the same period ("Sale earn-out"), up to a maximum cumulative amount of €35.0mn.

Founded in 1876, Lancel has its main operational headquarters in Paris and at the time of the acquisition had developed a network of 59 directly operated stores and 11 franchise locations, across 39 countries, totalling over €50mn in Sales. As part of this transaction, in September and December 2018, Piquadro established the Chinese subsidiary Lancel Zhongshan Co. Ltd and the Russian subsidiary OOO Lancel Russia, to further support the geographical expansion of the Group. These entities assumed responsibility for outlets previously managed by Richemont in their respective markets. Between 2022 and 2023, OOO Lancel Russia was merged into OOO Piquadro Russia as part of a reorganization aimed at improving operational efficiency and competitiveness.

Piquadro's Group structure



Source: KT&Partners' Elaboration on Company Data

Management Team

- **Marco Palmieri, Founder & CEO.** Marco Palmieri began his career in 1987, co-founding "Piquadro di Palmieri Marco e Savigni Roberto S.n.c." in Bologna, a company focused on producing leather goods for third parties. In 1998, he launched the "Piquadro" brand, offering aspirational leather products like briefcases and agendas. Under his leadership, Piquadro went public on the Italian stock exchange in 2007 and expanded internationally. Recognized as a *Cavaliere del Lavoro* in 2018, Palmieri is also committed to innovation and sustainability through his investments in start-ups and his work with the Fondazione Famiglia Palmieri.

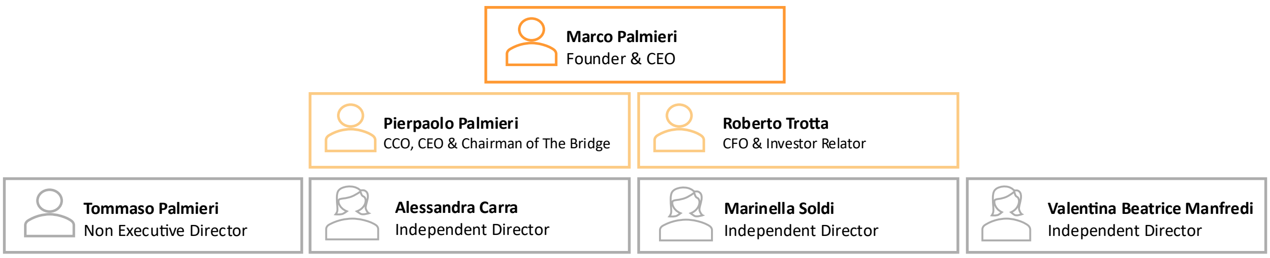
- **Roberto Trotta, CFO & Investor Relator.** Roberto Trotta began his career at the Fochi Group (1990–1995) as Financial Manager and Controller. He later worked at ARPA Emilia Romagna as Head of Financial Statements and Management Control Systems (1995–1999) before becoming CFO and Investor Relator at CTO S.p.A., a listed company, from 1999 to 2003. After holding leadership roles at Paritel Group and OVA G. Bargellini S.p.A. (now part of Schneider Electric), Trotta joined Piquadro in 2007 (the IPO year) as CFO.

- **Pierpaolo Palmieri, CCO and CEO & Chairman of The Bridge.** Pierpaolo Palmieri is the brother of Marco Palmieri and joined Piquadro in 1996 as Sales Manager, a role he held until 2005 when he was appointed Chief Commercial Officer and Board Member. Additionally, he is CEO and Chairman of The Bridge, where he focuses on aligning its strategy with the group's growth objectives.

Board of Directors

Piquadro's Board of Directors has maintained consistent leadership since its IPO in 2007. On the 28th of July 2025, the Shareholders' Meeting appointed the new Board of Directors for a three-year term. Two new Independent Directors joined the Board: Alessandra Carra (CEO of Feltrinelli) and Marinella Soldi (former Chairwoman of RAI). They join Valentina Beatrice Manfredi, who was reappointed, bringing the total number of Independent Directors to three. The Board also includes Tommaso Palmieri—brother of CEO Marco Palmieri—who serves as a Non-Executive Director. With over 40% female representation, the new Board reinforces Piquadro's ongoing commitment to gender diversity and balanced governance.

Piquadro's Board of Directors



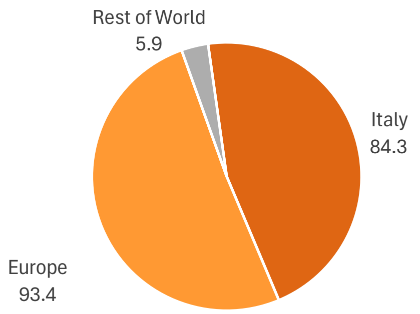
Source: KT&Partners' Elaboration on Company Data

Business Model

The Piquadro Group operates in the leather goods market, specializing in the design, manufacture, and marketing of products under its own brands: Piquadro (43.4% of Group revenues last year), The Bridge (19.1% of Group revenues), and Lancel (37.5%). These brands are characterized by a strong emphasis on design, technical innovation, and functionality, which are reflected in their range of bags, suitcases, and accessories.

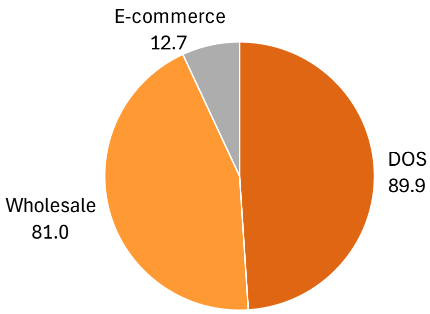
The Group's business model ensures control over all critical phases of the production and distribution process. This includes in-house management of design, modelling & prototyping, planning, production, procurement, quality assurance, marketing, communication, and distribution. While most production activities are outsourced, the Group maintains strict oversight to ensure quality and efficiency throughout all stages.

FY24-25 Geographical Revenues Breakdown (€mn)



Source: KT&P' Elaboration on Company Data

FY24-25 Revenues Breakdown by Distribution Channel (€mn)



Source: KT&P' Elaboration on Company Data

Production

Production activities for Piquadro, The Bridge, and Lancel-branded products are primarily outsourced to carefully selected external suppliers, a common practice in the industry. Prototypes are designed and developed in-house by the Piquadro Group, with rigorous quality inspections conducted by the Group's employees to ensure that all products meet their high standards. Approximately 20–25% of Piquadro-branded production, particularly large leather goods, is carried out at the Group's factory in Zhongshan, China, while the remaining production is split between China (large leather goods and suitcases) and India (small leather goods). For Lancel and The Bridge, the majority of production is outsourced within Italy.

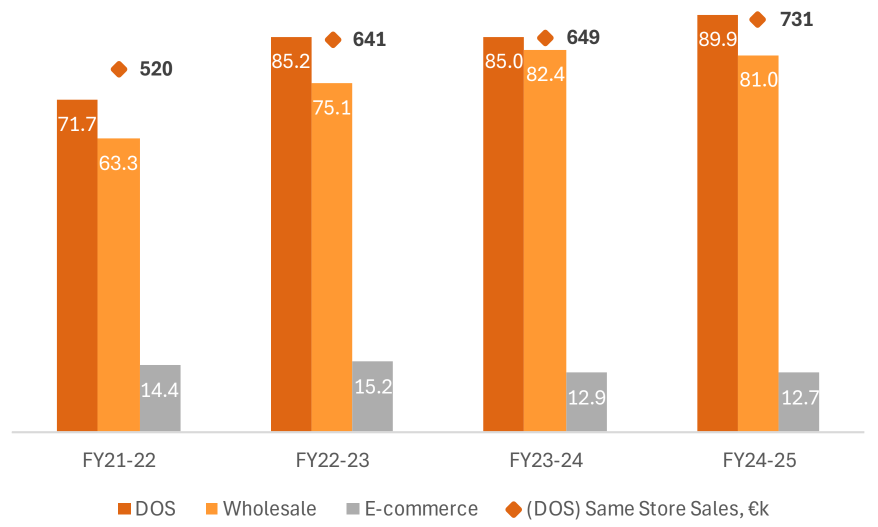
Distribution Channels

The products are distributed through a network of specialized stores designed to enhance the prestige of the Piquadro, The Bridge, and Lancel brands. To achieve this, the Piquadro Group leverages a dual-channel distribution strategy:

- **Direct Channel:** As of March 2025, this included 123 directly operated single-brand stores (Directly Operated Stores or DOSs), comprising 51 Piquadro stores, 13 The Bridge stores, and 59 Lancel stores, alongside the dedicated e-commerce platforms for all three brands.

- **Indirect Channel (Wholesale):** This consists of multi-brand shops and department stores, single-brand stores operated by third parties under franchise agreements (49 franchised stores as of March 31st, 2025, including 42 Piquadro stores, 2 The Bridge stores, and 5 Lancel stores), and distributors who supply specialized multi-brand shops with the Group's products.

Group Revenues Breakdown by Distribution Channel (€mn) and Same Store Sales (€k)



Source: KT&Partners' Elaboration on Company Data

Research & Development

The Piquadro Group's R&D activities are organized across its three brands: Piquadro, The Bridge, and Lancel. A dedicated in-house team of 72 individuals, based at the Group's various headquarters, focuses primarily on product development and design. The Group's R&D and design processes are managed internally, with occasional collaboration from external industrial designers, particularly for the Travel segment. These efforts are informed by insights on market trends provided by the internal Product Marketing and Sales departments, enabling the development of collections aimed at addressing unmet customer needs. The internal design team oversees the operational aspects of product development and coordinates external consultants when necessary, ensuring consistency and alignment with the Group's objectives. This approach allows the Group to innovate while maintaining control over its creative and production processes.

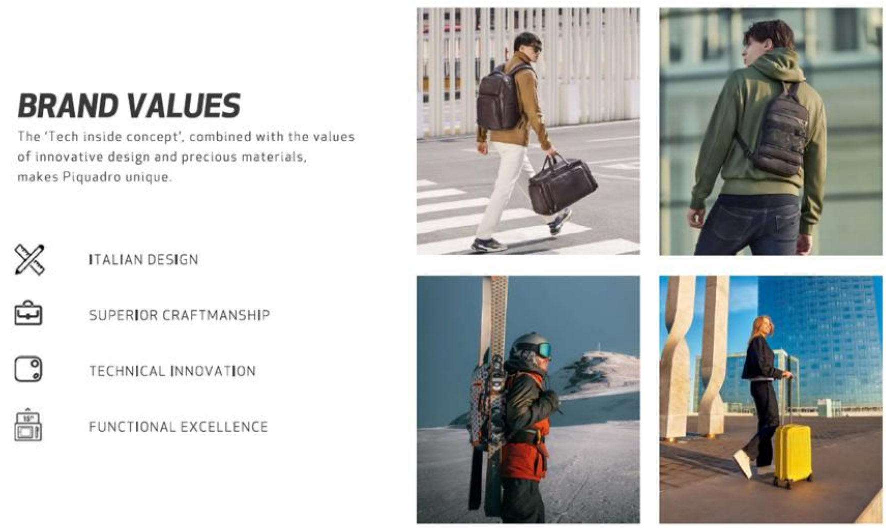
Headcount

As of March 31, 2025, the Piquadro Group employed 1,039 people, compared to 994 as of March 31, 2024. The workforce is distributed as follows: 14% in the Production area (138 employees), 52% in Retail (516), 21% (206) in Support Functions (including Administration, IT Systems, Procurement, Human Resources, Marketing, etc.), 8% in Research and Development (76), and 5% in Sales (58).

Piquadro

Piquadro is a premium Italian leather brand that delivers tech-design features for business professionals and travellers. The brand positioning is for innovative and highly functional products that make travel stress-free while allowing it to stand out from the crowd through elegant Italian design. In the financial year ending March 31, 2025 (FY24-25), 43.4% of the Piquadro Group's consolidated revenues were generated by Piquadro-branded products, totalling €79.6mn.

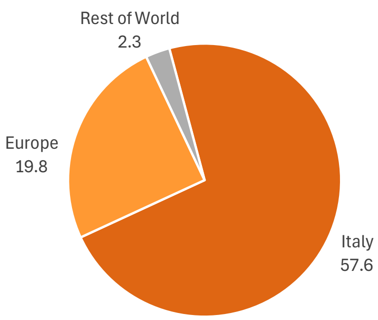
Piquadro Brand Values



Source: Piquadro Investor Presentation (Sep 24)

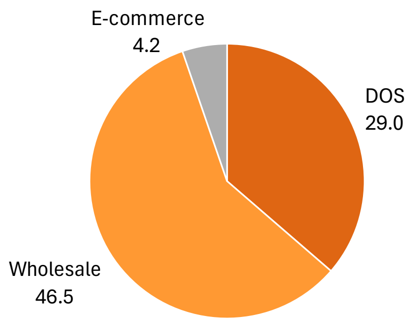
Piquadro-branded products are predominantly manufactured in Asia, with production evenly split between India and China. Approximately 20-25% of Piquadro-branded production, particularly large leather goods, is carried out at the Group's factory in Zhongshan, China, managed by the subsidiary Uni Best Leather Goods Zhongshan, while the remaining production is evenly split between China (large leather goods and suitcases) and India (small leather goods). The distribution network spans 50 countries worldwide and includes 93 single-brand boutiques, of which, 51 are directly operated stores (DOS), while 42 operate under franchise agreements.

FY24-25 Geographical Revenues Breakdown (€mn)



Source: KT&P' Elaboration on Company Data

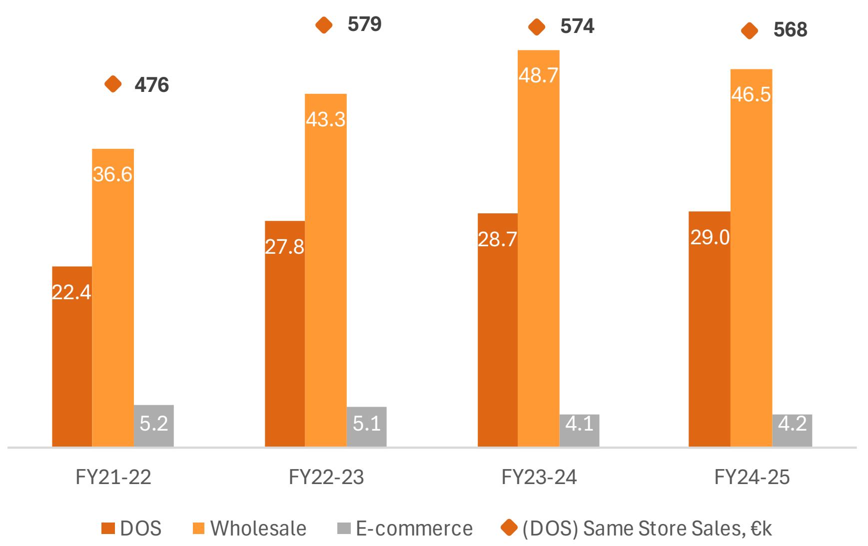
FY24-25 Revenues Breakdown by Distribution Channel (€mn)



Source: KT&P' Elaboration on Company Data

Piquadro is currently focused on strengthening its position in the luggage segment. The company's strategy centres on standing out from competitors by leveraging its tech-driven design, versatile product offerings, and dedication to sustainability. Piquadro has increasingly focused its design efforts on creating solutions for individuals who move fluidly to different occasions of use during the same day and therefore need containers that can adapt and/or transform. The brand's research and development has prioritized modular designs, enabling products to adapt, transform, and perform across various contexts, catering to the needs of all types of travellers.

FY21-FY24 Revenues Breakdown by Distribution Channel (€mn) and Same Store Sales (€k)



Source: KT&Partners' Elaboration on Company Data

Moreover, in recent years, Piquadro has accelerated its focus on sustainability (see *"Sustainability Check"* section), introducing eco-conscious products like the PQ-BIOS collection, made from recycled materials, and carbon-neutral Corner 2.0 trolleys, with emissions offset through reforestation projects. The launch of the Corner2.0 by ACBC sneakers further highlights this commitment, featuring innovative materials like recycled rubber (ReRubber), plastic bottles (RePet), and the leather alternative FreeBio™.

As of March 31, 2025, Piquadro SpA employed 296 people, compared to 287 as of March 31, 2024. The workforce is distributed as follows: 58% in the Retail area (172 employees), 27% (78) in Support Functions (including Administration, IT Systems, Procurement, Human Resources, Marketing, etc.), 5% in Research and Development (15), and 10% in Sales (31).

The Bridge

The Bridge's core brand values are: artisanship, strong local roots, sustainability, and iconic appeal. The Bridge, founded in the late 1960s in Florence, has a 50-year history of crafting high-quality leather bags. The brand is known for its use of Tuscan full-grain cowhide, tanned in renowned regional tanneries using natural vegetable tannins. The production is outsourced to selected Italian laboratories, with The Bridge also managing the production phase for Maison Lancel.

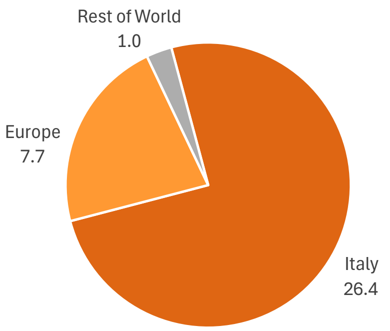
Sustainability is a core value, as the leather used is a recycled material, and the tanning process is eco-friendly. The Bridge is recognized for its timeless elegance, offering classic bags and accessories that combine craftsmanship, tradition, and functionality.

The Bridge Store

Source: Piquadro Investor Presentation (Sep 24)

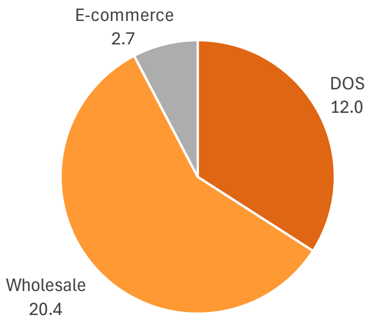
In FY24-25, 19.1% of the Piquadro Group's consolidated revenues were generated by The Bridge products, totaling €35.1mn.

FY24-25 Geographical Revenues Breakdown (€mn)



Source: KT&P' Elaboration on Company Data

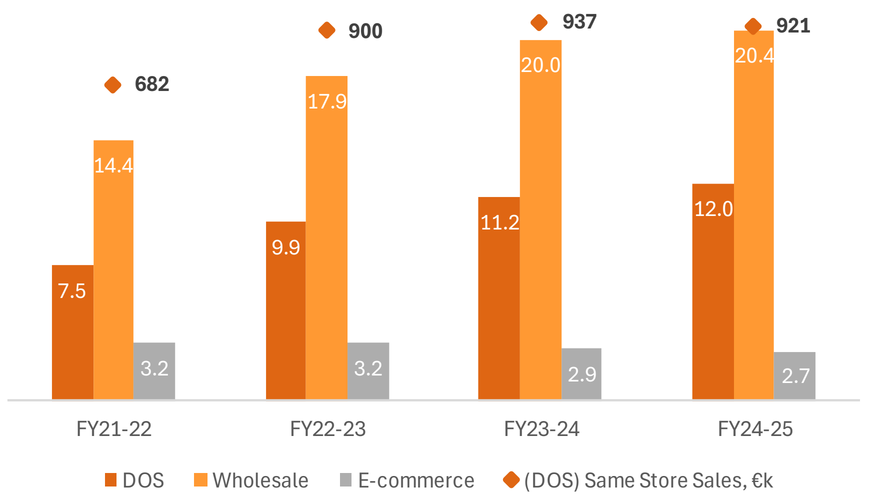
FY24-25 Revenues Breakdown by Distribution Channel (€mn)



Source: KT&P' Elaboration on Company Data

The distribution network includes 14 single-brand boutiques across Italy (Florence, Rome, Milan, Turin, Venice), Germany (Berlin, Munich), Austria (Wien, Salzburg), Switzerland (Zurich) and Ireland (Dublin). Of these, 13 are directly operated stores (DOS), while 2 operate under franchise agreements.

FY21-FY24 Revenues Breakdown by Distribution Channel (€mn) and Same Store Sales (€k)

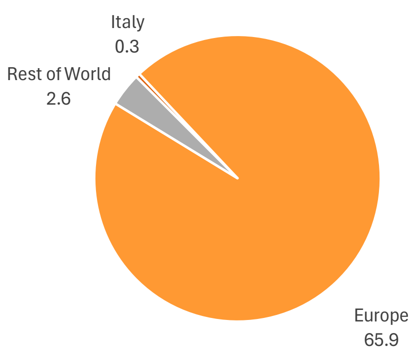


Source: KT&Partners' Elaboration on Company Data

Lancel

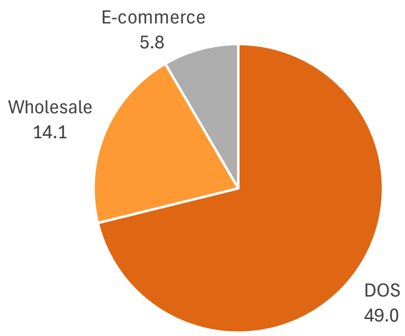
Lancel is a Parisian Maison of Haute maroquinerie (high fashion leather goods) with over 140 years of heritage, embodying the essence of French elegance. Its product offerings include: women's handbags and leather goods; women's shoes (introduced in FW22); women's eyewear (launched in FW21); gifts such as scarves, keyrings, belts, and jewellery; men's bags and leather goods; and travel essentials, including luggage and accessories. Approx. 90% of Lancel sales are generated in France.

FY23-24 Geographical Revenues Breakdown (€mn)



Source: KT&P' Elaboration on Company Data

FY24-25 Revenues Breakdown by Distribution Channel (€mn)



Source: KT&P' Elaboration on Company Data

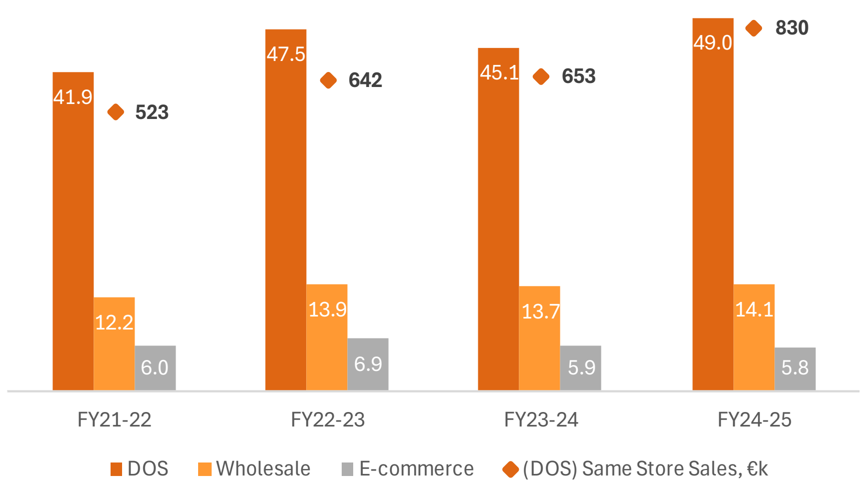
During the last financial year, approximately 37.5% of the Piquadro Group's consolidated revenues were generated by Lancel products, totaling €68.9mn.

Lancel Store

Source: Piquadro Investor Presentation (Sep 24)

Lancel products manufacturing is all outsourced, predominantly in Italy. The distribution network includes 64 single-brand boutiques, with 56 located in France and 8 abroad. Of these, 59 are directly operated stores (DOS), while 5 operate under franchise agreements. Over the last couple of years, Lancel closed eleven DOS and three franchised stores, mainly in France and China.

FY21-FY24 Revenues Breakdown by Distribution Channel (€mn) and Same Store Sales (€k)



Source: KT&Partners' Elaboration on Company Data

Selective Distribution

Starting from January 2025, Piquadro adopted selective distribution strategies across its brands (mainly Piquadro and The Bridge). This approach consists in restricting the sale of products to a carefully curated network of retailers that meet specific qualitative and operational standards defined by the brand. Selective distribution has been increasingly embraced by premium and luxury brands as a means to elevate positioning, particularly in categories exposed to commoditization or uncontrolled discounting.

The objective is not only to control the quality of the sales environment and safeguard the brand's image but also to help prevent overexposure and maintain the aura of exclusivity that is crucial to the luxury market. Under this model, access to product distribution is granted only to partners who comply with pre-established requirements regarding brand presentation, customer service, physical layout, and digital visibility.

For Piquadro, this new distribution policy marks a strategical shift in its wholesale strategy. While the Group will maintain a presence on the multi-brand channel, the number of active accounts is expected to decrease over the short term, as non-compliant or lower-performing partners are phased out. The transition, which began in early calendar 2025, had a limited impact in FY24–25 and it is mainly affecting FY25–26E, with a temporary contraction in wholesale revenues—particularly in regions where the legacy distribution network had limited control over brand positioning. Specifically, the estimated contraction in revenues amounts to ca. 10% of its FY24–25 wholesale revenues (€46.5mn), and to ca. 2.5% of the FY24-25 wholesale revenues for The Bridge (€20.4mn). The more limited exposure of The Bridge reflects its slightly more premium positioning and fully Made-in-Italy, which has historically ensured a more curated wholesale network. Lancel, already subject to selective practices under its former Richemont ownership and also Made-in-Italy, won't be impacted materially.

Looking ahead, Piquadro intends to consolidate its wholesale exposure around high-quality retailers that share the Group's long-term brand vision. In parallel, the selective strategy will support a rebalancing of the channel mix in favor of the DOS and digital channels—reinforcing pricing discipline and customer experience across touchpoints. Overall, the selective distribution framework is expected to foster brand positioning, reduce channel conflict, and contribute to more resilient margins, particularly in volatile market conditions.

M&A Case Study

Piquadro Group has strategically pursued acquisitions to build a portfolio of premium accessory brands with rich heritage and iconic appeal. This initiative began with the acquisition of The Bridge (Il Ponte Pelletteria S.p.A.) at the end of 2016. The success of this integration encouraged further expansion, culminating in 2018 with the acquisition of Maison Lancel, a historic French luxury brand previously owned by the Richemont Group. Through these acquisitions, Piquadro has demonstrated its commitment to leveraging synergies, preserving brand legacies, and expanding its presence in both domestic and international markets.

The Bridge

Transaction Details

In December 2016, Piquadro acquired an 80% stake in Il Ponte Pelletteria S.p.A. (rebranded "The Bridge S.r.l." after the acquisition), a Florence-based company renowned for producing high-quality leather bags and accessories under the "The Bridge" brand, for a total consideration of €3.175mn, paid in two tranches to Il Ponte S.p.A. (the previous owner). In FY15 (ending December 31), The Bridge reported €21.9mn in sales, a negative EBITDA of €3mn, and approximately €8.5mn in Net Debt, implying an Enterprise Value (EV) at c.€12.5mn. The transaction valued the company at approximately 0.6x EV/Sales, based on revenues generated in either FY15 or FY16.

As part of the acquisition agreement, Piquadro and the selling shareholders granted each other reciprocal call and put options for the remaining 20% stake. The selling shareholders could exercise their put option during two specified timeframes: (i) January 2021: The 20% stake could be sold for a value ranging from €1.75mn to €3.15mn, with potential upsides linked to The Bridge's EBITDA performance; (ii) March 2023: The stake could be sold at a fair value determined by the original transaction (€0.8mn). If the selling option was not exercised during the second window, Piquadro retained the right to exercise a call option between April and May 2023, also at €0.8mn (the fair value established during the original transaction). On January 28, 2022, Piquadro finalized the acquisition of the remaining 20% share capital of Il Ponte Pelletteria for a consideration of €0.8mn, ahead of the originally scheduled window.

Financial Performance

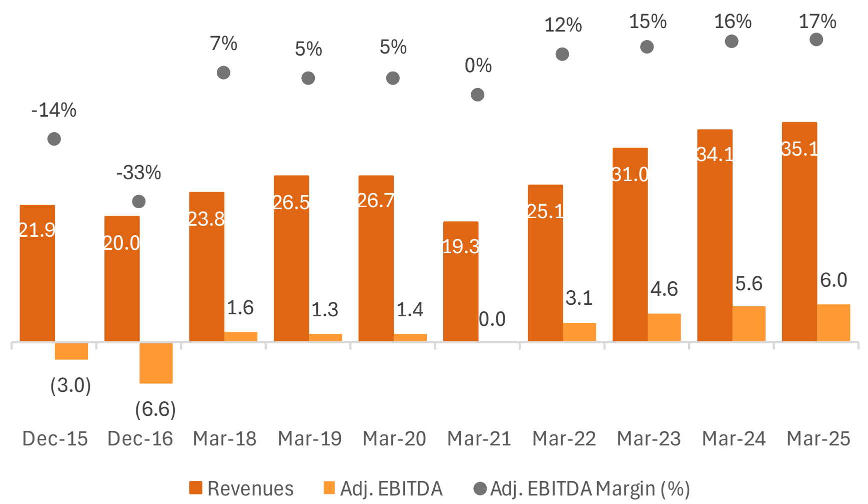
The financial performance of The Bridge over the years highlights the significant positive impact of Piquadro's acquisition on its operations. When the acquisition of the initial stake was announced in December 2016, The Bridge reported Sales Revenues of €20.0mn in FY16 (ending December 31, 2016), reflecting a -9% YoY decline, while Adjusted[2] EBITDA showed a loss of €6.6mn, widening from a €3.0mn loss in the previous year. The acquisition spurred a rapid and substantial turnaround. In FY17-18 (ending March 31, 2018), Sales Revenues grew to €23.8mn (+19% compared to the FY16 ending in December), and Adjusted EBITDA rebounded to a positive €1.6mn, with a 7% margin. Over the subsequent two fiscal years (up to FY ending March 2020), revenues grew at an average annual rate of approximately 6%, with EBITDA margins stabilizing around 5%.

The onset of the COVID-19 pandemic in 2020 had a pronounced impact on the company's financial performance, driven primarily by the closure of physical retail locations. Sales Revenues in FY20-21 fell to €19.3mn, representing a 28% YoY decline, with Adjusted EBITDA breaking even for the year. Despite this setback, The Bridge demonstrated resilience, recovering most of the lost topline in the following fiscal year and significantly expanding profitability thereafter. From FY20-21 to FY24-25, The Bridge achieved an impressive 16%

[2]Adjusted EBITDA is defined as EBITDA, excluding the effects arising from the adoption of IFRS 16. We opted to analyze EBITDA Adj as to allow for a fair comparison with previous years, as well as it's more representative of the Company's operations.

CAGR in revenues, reaching €35.1mn revenues in FY24-25, with Adjusted EBITDA margin rising sharply to 16.8% in the most recent fiscal year (€6.0mn in absolute terms).

The Bridge Profitability Improvements



Source: KT&Partners' Elaboration on Company Data

Lancel

Transaction Details

In June 2018, Piquadro acquired 100% of Lancel International S.A., previously owned by the Richemont Group, for a symbolic amount of €1. The acquisition price was supplemented by an earn-out mechanism equal to 20% of the annual profits (Net Income) generated by the Lancel Group over the ten years following the completion date of the transaction ("Annual earn-out"), and 50% of the sale price in the event of a resale of the Lancel Group or the majority of its assets to third parties, should such a transaction occur within the same period ("Sale earn-out"), up to a maximum cumulative amount of €35.0mn. As of FY24–25, Lancel generated a modest net income of approximately €0.4mn, resulting in an earn-out payment of €87k. Nonetheless, Piquadro Group still accounts for a €3.2mn provision related to the earn-out mechanism (of which €87k classified as short-term debt, included in the Adjusted PFN, 20% of FY24-25 Net Income). Given the limited profitability expected for the coming years, the current provision appears inflated, as it would imply sustained net income levels that seem unlikely under the current outlook for the next two years.

Financial Performance

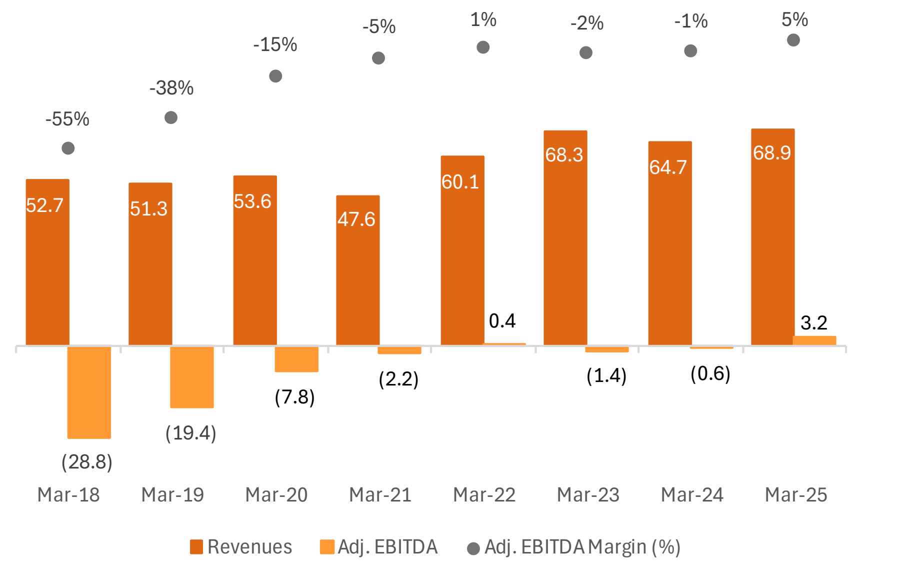
Piquadro's acquisition marked a pivotal turning point for Lancel, initiating a transformative process that has gradually revitalized the brand's financial performance. Supported by a net cash position of approximately €41.0mn deployed over the years to fund industrial and organizational changes, Lancel's turnaround is still underway but showing encouraging results.

Before the acquisition, Lancel was facing significant financial difficulties. In FY17-18, while revenues reached €52.7mn, adjusted EBITDA showed a substantial loss of €28.8mn, highlighting the urgent need for intervention. Following its acquisition, Lancel's performance began to steadily improve, even during the challenges of the COVID-19 pandemic.

Under Piquadro's management, Lancel underwent a strategic repositioning to target a lower market segment. Departing from its previous high-end luxury positioning under Richemont—characterized by a "one-bag-per-year" exclusivity approach—Piquadro shifted the focus to broader collections, aligning Lancel's strategy with the rest of the Group. Operationally, the brand underwent a significant restructuring, including cost base optimization, streamlined transportation logistics, and a rationalization of its store network through selective closures. These measures led to notable improvements in profitability despite setbacks, such as the unsuccessful expansion into China, where efforts to grow the brand fell short, prompting the ongoing phased withdrawal from the market.

The results of this transformation are evident in Lancel's topline growth, with a 4.5% CAGR from FY17-18 to FY24-25, culminating in €68.9mn in revenue in the most recent fiscal year. This includes an 11% pandemic-induced decline in FY20-21 (ending March 2021), which was quickly recovered with a 26% YoY rebound in FY21-22. More importantly, cost optimization efforts significantly improved the company's margins. Adjusted EBITDA moved from a loss of €28.8mn in FY17-18 to near breakeven, with a €0.6mn loss in FY23-24 and turning positive at €3.2mn in FY24–25.

Lancel Profitability Improvements



Source: KT&Partners' Elaboration on Company Data

Sustainability Check

ADVISORY

In collaboration with ADvisory S.r.l.s., we analyzed Piquadro's ESG themes, focusing only on the aspects that are considered material for Piquadro.

The purpose of the Sustainability Check in KT&Partners Equity Research Report is to identify the relevant ESG themes that are material for Piquadro, to evaluate risks or opportunities that are not typically identified and valued using traditional financial data.

More in detail, the score is calculated based on the presence (in the Company's information and Sustainability Report) of the information requested by specific ESG Indicators and on the relevant trend. Most of the Indicators used in the Sustainability Check refer to the GRI (Global Reporting Initiative) KPI standards.

SUSTAINABILITY REPORT	✓

MATERIAL ASPECTS	ENVIRONMENT	PRESENCE OF INFORMATION OR INDICATOR	KPI TREND	SCORE
YES	**RAW MATERIALS AND MATERIALS**			
	Materials used (renewable, on-renewable)	YES		
	KPI - % raw materials or materials from recycling or reuse	NO	-	
YES	**ENERGY**			
	Energy consumption within the organization	YES		
	KPI - % of energy consumed from renewable sources	YES		
	Reduction of energy consumption	YES		
	KPI - Energy intensity index [GJ/h]	NO	-	
	Energy consumption outside the organization	YES		
NO	**WATER**			
	Water withdrawals by source	-		
	Water discharges by destination	-		
	Water consumptions	-		
	KPI - Water withdrawals per hour worked or unit of product	-	-	
YES	**WASTE**			
	Waste generated	YES		
	Waste directed to disposal	YES		
	Waste diverted from disposal	YES		
	KPI - Waste per hour worked or unit of product	NO	-	
	KPI - % of waste recycled or recovered on total waste	YES	POSITIVE	
YES	**GREENHOUSE GAS EMISSIONS**			
	Direct GHG emissions (scope 1)	YES		
	Indirect GHG emissions (scope 2)	YES		
	Indirect GHG emissions (scope 3)	YES		
	Reduction of greenhouse gas emissions	YES		
	KPI - Emission intensity indices (scope 1,2,3)	NO	-	
NO	**AIR EMISSIONS**			
	Emissions of ozone-depleting substances	-		
	Other harmful emissions (NOX, SOX, CO, Dust, SOV, VOC)	-		
NO	**BIODIVERSITY**			
	Operational sites in (or near) protected or high-biodiversity areas	-		
	Significant impacts on biodiversity	-		
			TOTAL	**64%**

Note: The score is calculated on a percentage basis and each dot represents 20%.

Note: The score is powered by ADvisory S.r.l.s.

MATERIAL ASPECTS	SOCIAL	PRESENCE OF INFORMATION OR INDICATOR	KPI TREND	SCORE
YES	**EMPLOYEMENT**			
	Employees and workers who are not employees	YES		
	New employee hires and employee turnover	YES		
	Benefits provided to employees	YES		
YES	**OCCUPATIONAL HEALTH AND SAFETY**			
	Occupational health and safety management system	YES		
	Occupational health services	YES		
	Work-related injuries	YES	NEGATIVE	
	Work-related ill health	NO	-	
YES	**TRAINING AND EDUCATIIONS**			
	Programs for upgrading employee skills	YES		
	Average hours of training per year per employee	YES	POSITIVE	
	Percentage of employees receiving regular performance and career development reviews	NO	-	
YES	**DIVERSITY AND EQUAL OPPORTUNITY**			
	Diversity of management and employees	YES		
	Ratio of basic salary and remuneration of women to men	NO	-	
	Incidents of discrimination and corrective actions taken	YES	POSITIVE	
YES	**HUMAN RIGHTS**			
	Operations and suppliers at significant risk for incidents of compulsory or child labor	YES		
	Incidents of violations involving human rights	YES	POSITIVE	
YES	**CUSTOMER HAEALTH AND SAFETY**			
	Assessment of the health and safety impacts of product and service categories	YES		
	Incidents of non-compliance concerning the health and safety impacts of products and services	YES	POSITIVE	
NO	**MARKETING AND LABELLING**			
	Requirements for product and service information and labeling	-		
	Incidents of non-compliance concerning product and service information and labeling	-	-	
	Incidents of non-compliance concerning marketing communications	-	-	
NO	**CUSTOMER PRIVACY**			
	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	
YES	**LOCAL COMMUNITIES**			
	Operations with local community engagement, impact assessments, and development programs	YES		
	Direct economic value generated and distributed to local communities	YES	POSITIVE	
			TOTAL	**75%**

Note: The score is calculated on a percentage basis and each dot represents 20%.
Note: The score is powered by ADvisory S.r.l.s.

The company has undertaken an analysis of its economic activities in line with the EU Taxonomy, assessing their alignment with sustainability standards. This proactive approach reflects Piquadro's commitment to ESG practices, enhancing its transparency and accountability.

MATERIAL ASPECTS	GOVERNANCE	PRESENCE OF INFORMATION OR INDICATOR	KPI TREND	SCORE
YES	**CORPORATE GONERNANCE**			
	Governance structure and composition	YES		
	Presence of Independent members of the Highest Government Body	YES		
	Diversity of the highest governace body	NO		
	Nomination and selection of the highest governance body	YES		
	Role of the highest governance body in overseeing the management of impacts and in sustainability reporting	YES		
	Delegation of responsibility for managing impacts	YES		
	The processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated	YES		
	Communication of critical concerns to the highest governance body	YES		
	Evaluation of the performance of the highest governance body	YES		
	Remuneration policies for members of the highest governance body and senior executives	YES		
	Annual total compensation ratio	YES		
	Change in the annual total compensation ratio	YES	POSITIVE	
YES	**SUSTAINABILITY STARTEGY, POLICY AND PRACTICES**			
	Statement on sustainable development strategy from the highest governance body or most senior executive	YES		
	Sustainability policy commitments and embedding	YES		
	Mechanisms for seeking advice and raising concerns and processes to remediate negative impacts	YES		
	Compliance with laws and regulations	YES	POSITIVE	
	Membership associations	YES		
YES	**STAKEHOLDER ENGAGEMENT**			
	Approach to stakeholder engagement	YES		
	Collective bargaining agreements	YES		
YES	**VALUE CHAIN**			
	Description of the value chain	YES		
	New suppliers that were screened using ESG criteria	NO	-	
			TOTAL	**92%**

Note: The score is calculated on a percentage basis and each dot represents 20%.
Note: The score is powered by ADvisory S.r.l.s.

Piquadro demonstrates a strong commitment to sustainability, as reflected in its performance across the Environmental, Social, and Governance (ESG) dimensions. The company's highest score is in Governance, at 92%, indicating a robust corporate framework that prioritizes transparency, accountability, and sustainability integration. Key aspects include the presence of independent members on its governing body, a structured process for performance evaluation, and a clear sustainability strategy embedded within corporate policies. Stakeholder engagement and compliance with regulations are also evident strengths. The Social score of 75% reflects Piquadro's dedication to employee welfare, professional development, and community engagement. The company offers permanent contracts to employees, invests heavily in training programs (averaging 40 hours per employee annually), and upholds strong human rights standards. Community involvement is another highlight, with Piquadro contributing to local projects that generate direct economic value. On the Environmental front (64%), Piquadro is taking meaningful steps to adopt sustainable practices, including resource management and waste reduction, while exploring opportunities for emissions reduction and renewable energy adoption. By focusing on these areas, Piquadro is positioning itself to achieve even greater environmental milestones in the future. Tightening ESG criteria for suppliers and pursuing innovative sustainability initiatives are key areas of potential that the company is actively addressing to enhance its overall performance.

Moreover, talking about new milestones, the company has taken decisive steps towards environmental responsibility by achieving carbon neutrality for Scope 1 and Scope 2 emissions during the 2022/2023 fiscal year. Piquadro offset 1,784 tons of CO_2eq by purchasing certified carbon credits through reforestation projects in Brazil's Cerrado region and deforestation prevention initiatives like the Rio Anapu Pacajá project. These projects not only address climate change but also foster biodiversity conservation and community benefits. In addition to achieving carbon neutrality for Scope 1 and Scope 2 emissions during the 2022/2023 fiscal year, the company is actively working on calculating its Scope 3 emissions to better understand and address its broader environmental impact. Additionally, the company extended its carbon compensation efforts to approximately 40 best-selling products from Piquadro and The Bridge.

Socially, Piquadro demonstrates a strong commitment to its communities and employees, reinforcing its ties with the territories where it operates. The group made several charitable donations in 2023/2024, including food vouchers for individuals in need and support for recreational therapy camps for children with severe illnesses. Furthermore, in response to significant events like the Emilia-Romagna flood, Piquadro donated €100,000 and contributed another €100,000 towards the restoration of the historic Garisenda Tower in Bologna. The group's dedication to community development extends to promoting sustainable tourism in the local mountains, with efforts to revitalize ski facilities and encourage youth employment while preserving environmental sustainability. Partnerships with local educational institutions like Polimoda and MI.TA in Florence further underlines its commitment to fostering professional growth and talent development through internships and apprenticeships.

Standard Ethics' Outlook

Recently, Standard Ethics, a renowned agency specializing in sustainable finance and ESG studies, assigned a "Positive" Outlook for Piquadro's Corporate Standard Ethics Rating (SER) of "EE-" and its Long Term Expected SER of "EE." This upgrade highlights the company's robust advancements in sustainability policies and the strengthening of safeguards related to health and safety, supply chain management, and environmental impact.

Key achievements in 2024 include expanding the scope of carbon-compensated products, calculating Scope 3 emissions, launching an employee welfare platform, and refining procurement processes. In the short term, Piquadro aims to introduce new human rights and anti-corruption policies, update its Code of Ethics to align with UN, OECD, and EU guidelines, and improve ESG-related supplier selection procedures. The company is also working on a medium-to-long-term sustainability plan in line with global strategies such as the UN's 2030 Agenda.

In comparison to its industry peers, Piquadro's ratings align with key competitors such as Moncler and Brunello Cucinelli, both of which also hold an EE- rating. However, while Moncler maintains a stable outlook, Brunello Cucinelli recently saw its outlook downgraded to "Negative" due to governance challenges. Meanwhile, leaders like Adidas and Burberry lead the sector with EE ratings, reflecting exemplary ESG strategies. Other brands, including Salvatore Ferragamo, have made notable progress, upgrading their rating to E+, while companies like Kering and Inditex remain in lower tiers, highlighting the challenges many face in aligning fully with sustainability goals. This context underscores Piquadro's positive trajectory and its growing leadership in ESG implementation within the fashion and luxury sector.

Eco-Driven Design: Commitment Across the Group

Piquadro demonstrates a profound commitment to sustainability through its innovative product designs and materials. The Group integrates eco-friendly practices across its brands—Piquadro, The Bridge, and Lancel—by prioritizing environmental responsibility, functionality, and high-quality craftsmanship.

Piquadro focuses on developing products that balance modern functionality with sustainability. The PQ-BIOS collection exemplifies this ethos, incorporating recycled materials and featuring the PQ-Recycled Index, which measures the proportion of recycled materials used in each product. The brand also compensates for the carbon footprint of selected best-seller items, including Corner 2.0 trolleys, which are carbon neutral, thanks to emissions-offsetting projects like forest restoration in Brazil. Packaging materials, including FSC-certified paper and soy-based inks, further enhance environmental stewardship.

The Bridge embodies traditional Tuscan craftsmanship while adopting eco-conscious practices. Leather production follows vegetable tanning methods with natural dyes and treatments free from heavy metals, reflecting the brand's dedication to reducing its ecological impact. Additionally, collaborations with local fashion institutes like Polimoda highlight The Bridge’s dedication to fostering local talent and sustainable practices within its community.

The Corner2.0 by ACBC sneakers

Piquadro's new sneaker collection for Autumn-Winter 2023-24 showcases the brand’s steadfast commitment to sustainability and circularity. Developed in collaboration with ACBC, Italy’s first B Corp specializing in sustainable footwear, this line combines cutting-edge material innovation with eco-conscious design. The Corner2.0 by ACBC sneakers are crafted using advanced technologies like ReRubber and RePet, which repurpose discarded rubber and recycled plastic bottles, respectively, as well as FreeBio™, a pioneering leather alternative derived from recycled polyamide fibers and coated with water-based PU. This approach ensures high performance and durability while minimizing environmental impact. The collection includes two distinct models, inspired by the classic tennis shoe and the original Corner line, a hallmark of Piquadro's early 2000s success. These sneakers feature uppers made from recycled PU and fabric, cork insoles, and soles containing plastics recovered from industrial waste, emphasizing Piquadro's dedication to circularity. Offered in seven and six different color combinations, these designs merge style with sustainability.

Corner2.0 by ACBC sneakers

Source: Company’s website

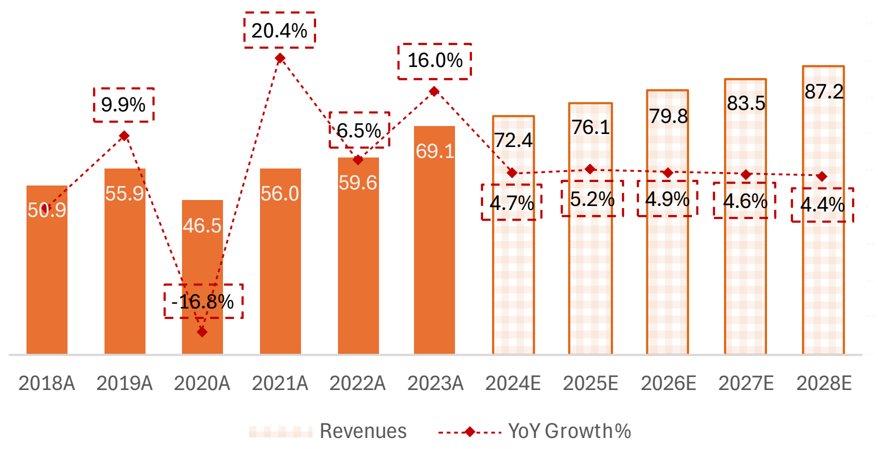
Market Overview – Luxury Leather Goods

The luxury leather goods market encompasses handbags, suitcases, briefcases, and small leather goods such as wallets. According to a Statista Market Insight study, the global market generated approximately $69bn in revenues in 2023. This figure, presented at retail value, includes retail markups and sales taxes and is based on companies with revenues exceeding $150mn, excluding smaller companies and artisanal production. Key players in this market include LVMH (brands like Louis Vuitton, Rimowa, Moynat, and Loewe), Kering (Gucci, Saint Laurent, Bottega Veneta, and others), Coach, Michael Kors, and Hermès.

Statista projects a 4.7% CAGR for the market between 2023 and 2028, compared to a 6.3% CAGR during 2018–2023. The earlier period included a significant COVID-19-related contraction of around 17% in 2020, followed by a strong 20% rebound in 2021, which brought the market back to 2019 levels. For 2024, Statista forecasts a 4.7% YoY global growth, while an updated study from Bain & Company in collaboration with the Altagamma Foundation[3], reports a 3–5% decline in the leather goods segment to €78bn (vs 3% to 4% growth projected last year), after years of outperformance.

Bain-Altagamma's analysis highlights a deceleration in 2024 after the luxury boom of 2021–2023. Growth is now driven primarily by price increases rather than volume expansion, marking the first global volume decline in a decade. This shift reflects a market increasingly focused on fewer but more affluent customers. Bain also notes heightened demand for "core" items and exclusive, investment-oriented pieces, signaling evolving consumer preferences within the sector.

Worldwide Luxury Leather Market ($bn)



Source: Statista, Luxury Leather Goods - Worldwide

Geographic Trends

Geographically, North America (approximately 21% of global revenues in 2023, according to Statista) and Europe (c.26%) remain key revenue drivers for the luxury leather goods market. However, the Asia-Pacific region is witnessing accelerated growth, fueled by rising middle-class consumption and an increasing appetite for luxury goods in markets such as China (16% of global revenues in 2023) and India (c.3%). The Middle East (c.4%) also contributes

3 “Luxury in Transition: Securing Future Growth”, Bain-Altagamma, January 2025

significantly, supported by a robust luxury ecosystem driven by affluent local consumers and high-profile global events.

China and the United States continue to serve as primary growth engines for the luxury leather goods market. China's rapid economic recovery and the reopening of international travel have boosted demand both domestically and through luxury tourism. According to Statista, China recorded a 7.9% CAGR between 2018 and 2023 and is projected to grow at a 5.6% CAGR from 2023 to 2028. Meanwhile, in the United States, sustained high disposable income levels and the strength of luxury e-commerce remain key growth drivers. Increased tourism spending has further bolstered the market, with the U.S. achieving a 6.0% CAGR from 2018 to 2023 and an estimated 9.0% CAGR from 2023–2028.

Looking ahead, emerging markets such as Southeast Asia and Latin America are poised to play a critical role in the industry's growth. Rising purchasing power in these regions is expected to drive demand for more accessible luxury goods, creating opportunities for brands like Piquadro to capitalize on their strategic positioning in this segment.

Generational Shifts

The evolving preferences of millennials and Generation Z are reshaping the luxury market landscape. According to Bain-Altagamma, by 2030, Gen Z is expected to account for 25–30% of luxury market purchases, while millennials will represent 50–55%. These generations are emerging as critical growth drivers, prioritizing sustainability, timeless investment pieces, and ethical production practices. Their preference for durable, high-quality products has elevated brands that focus on responsible sourcing and innovative manufacturing techniques.

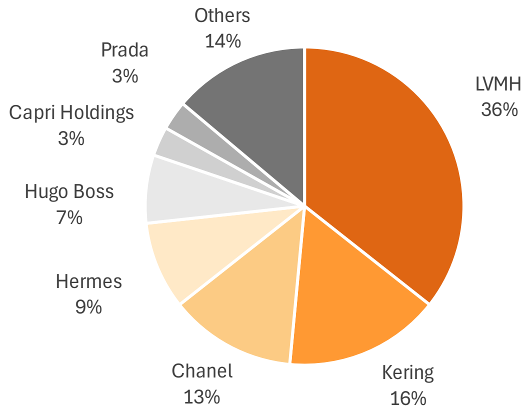
As sustainability becomes a pivotal factor, companies are increasingly adopting eco-friendly practices such as vegetable tanning and leather recycling to align with these evolving consumer values. Additionally, younger generations are redefining purchasing behaviour by blending physical retail experiences with advanced digital tools, including personalized e-commerce platforms and augmented reality shopping, further transforming how luxury brands engage with their audiences. According to Statista, e-commerce accounted for 12% of global luxury leather goods revenues in 2018. Following the consumer behaviour changes accelerated by the pandemic, this share is expected to grow to 18% in 2024 and approximately 23% by 2028.

European Focus

The Piquadro Group generates over 95% of its revenues in Europe across its three brands. Europe, accounting for approximately 26% of global luxury leather goods revenues ($18.3bn in 2023, according to Statista), continues to thrive on its rich heritage of craftsmanship, high-quality products, and a legacy of iconic luxury brands such as LVMH, Gucci, and Hermès, which remain dominant players in the market. This reputation as the birthplace of many renowned luxury houses sustains Europe's strong position in the global market.

However, Statista reports a modest 3.5% CAGR between 2018 and 2023, with a slightly lower projected CAGR of 3.1% for 2023–2028. This subdued growth reflects perceived market saturation and more cautious consumer behaviour, influenced by persistent inflationary pressures and geopolitical uncertainties. Amid these challenges, tourism-related spending has emerged as a key driver of growth, playing an increasingly vital role in the expansion of Europe's luxury market.

European Key Players' Market Share



Source: Statista, Luxury Leather Goods - Europe

Focusing on Italy's market, it was valued at $1.6bn in 2023, representing approximately 2.3% of global luxury leather goods revenues. However, it is important to highlight that Statista's analysis only considers companies with revenues exceeding $150mn, narrowly including Piquadro Group (approx. $190mn in revenue). This methodology excludes the densely competitive landscape of small and medium-sized enterprises, a defining characteristic of Italy's economy and particularly prominent in the luxury sector. This omission likely understates the true scope and vibrancy of Italy's contribution to the market.

Segment cannibalization – An Opportunity for Piquadro?

Luxury leather goods are undergoing significant price adjustments as brands strategically focus on super-premium positioning to maintain exclusivity and profitability amid stagnating sales volumes. For instance, we tracked the retail price trends[4] in the U.S. market for three iconic super-premium handbags—Hermès' Birkin, Louis Vuitton's Neverfull, and Chanel's Classic Flap —revealed an average annual price increase of 8.0% between 2019 and 2024. This growth rate is more than double the average inflation for the same region and period (approximately 3.7% per year).

This shift toward higher pricing tiers has intensified market segmentation, prioritizing affluent clients capable of purchasing super-premium items. According to a BCG-Altagamma Report[5], the top 1% of consumers—those spending over €50,000 annually on a single brand—contributed 21% of global luxury market revenues in 2023, doubling their share over the last decade. However, this strategy has also reduced accessibility for mid-range customers, many of whom now turn to the second-hand market or gravitate toward 'affordable luxury' brands like Piquadro, Samsonite, and Longchamp.
As the luxury market tilts further toward exclusivity, Piquadro is well-positioned to capitalize on the following dynamics:

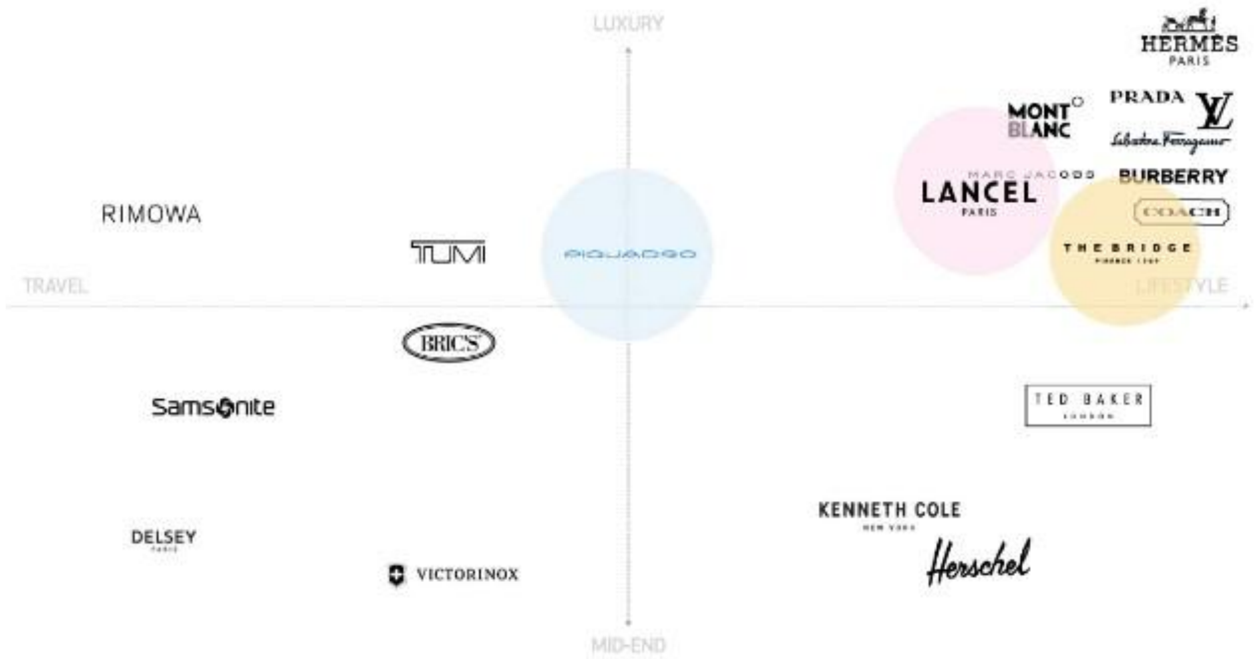
- Positioning as an Affordable Luxury Brand: Piquadro offers high-quality, Italian-made leather goods at competitive prices, appealing to consumers seeking premium products without entering the super-premium pricing tier. This positions the brand as a key alternative for customers priced out of super premium options.
- Sustainability Appeal: by emphasizing eco-friendly production and sustainability, Piquadro aligns with the preferences of younger, affluent consumers, enhancing its competitive advantage and reinforcing its brand values.

[4] Price data sourced from Bagaholic, an online authentication service for designer bags and popular fashion blog
[5] "True Luxury Global Consumer Insight 2024", BCG-Altagamma, July 2024

Competitive Arena

We have compiled a list of European and global companies whose business models align with that of the Piquadro Group. This selection includes renowned high-luxury brands such as Louis Vuitton, Hermès, and Rimowa, which represent the super-premium lifestyle segment. Additionally, we have incorporated other lifestyle companies operating in the mid-high (e.g., Coach) and mid-end (e.g., Ted Baker) segments. To provide a comprehensive overview of the referenced market, most of the comparables in our list are key brands in the travel segment, reflecting the significant contribution of the Piquadro brand to the overall Group's results. This includes mid-high luxury brands like Tumi, as well as mid-range leaders such as Samsonite. Notably, all except two are public companies, and most of them are part of larger groups, reflecting the aggregation phenomenon in the luxury and fashion markets, where consolidation has become a defining trend.

Brand Positioning



Source: Piquadro Investor Presentation (Sep 24)

Direct Comparables and KPIs

Company / Group	Brand	Last FY Revenues (mn)	Last FY EBIT Margin (%)*	Brand Description
Piquadro SpA (Public)	PIQUADRO	€ 80	17%	Italian leather goods company specializing in business and travel items. Piquadro's product range includes professional bags, luggage, and small leather accessories for both men and women.
	LANCEL	€ 69	-5%	Lancel is a French luxury leather goods brand with a rich heritage dating back to 1876. The main products inlude women's handbags and leather goods, men's bags and accessories, and travel luggage.
	THE BRIDGE FIRENZE 1969	€ 35	13%	The Bridge, established in Florence in 1969, is an Italian fashion brand celebrated for its premium leather goods, including handbags, briefcases, wallets, and accessories. Known for its craftsmanship, it combines high-quality materials with traditional techniques to create timeless designs.
LVMH SE** (Public)	LOUIS VUITTON	€ 41,060***	37%***	Louis Vuitton is a French luxury fashion house, founded in 1854. Famous for its iconic monogrammed handbags, trunks, clothing, and accessories, it's a flagship brand of the LVMH group. Known for its collaborations with renowned designers and artists, as well as its strong presence in haute couture, Louis Vuitton is one of the major players in the fashion industry worldwide.
	RIMOWA			Rimowa is a German luxury luggage brand, known for its aluminum suitcases and cutting-edge, minimalist designs. Founded in 1898, it has remained a leader in the luxury travel segment, thanks to its signature modern shapes.
Hermès International (Public)	HERMÈS PARIS	€ 15,170**	40.5%**	Hermès Paris is an iconic French luxury brand renowned for its craftsmanship in handbags, silk scarves, and ready-to-wear fashion. Founded in 1837, it is celebrated for its commitment to craftsmanship, producing high-quality, handmade products, often becoming symbols of wealth and prestige.
Samsonite International SA** (Public)	Samsonite	$ 1,867	18%**	Samsonite is a leader in the luggage and travel products market, offfering durable and versatile options for all segments. Founded in 1910, it features a wide range of travel solutions, from its nototrious hardside luggage, to backpacks and business cases.
	TUMI	$ 860		Tumi is an American premium luggage and travel accessories brand, known for its innovative designs, high-quality materials, and practical features. Founded in 1975, it is widely recognized for its durable, business-focused travel gear, offering solutions for both frequent travelers and professionals.
Longchamp (Private)	LONGCHAMP PARIS	n.a.	n.a.	Longchamp is a French luxury brand, known for its iconic tote bags, as well as other leather and nylon accessories. Founded in 1948, its products have become synonym of practical luxury.
Ted Baker Group (Private)	TED BAKER LONDON	£ 428	n.a.	Ted Baker is a British fashion brand, offering contemporary clothing, footwear, and premiumn accessories. Founded in 1988, it is known for its distinctive use of color, prints, and witty details, through which it carved out a niche in the global market for accessible luxury fashion.
Capri Holdings (Public)	MICHAEL KORS	$ 3,016	11%	Michael Kors is an American luxury brand offering stylish handbags, watches, and ready-to-wear apparel. Founded in 1981, it has become sunonymous of modern accessible luxury, with a global following for its chic and versatile designs that blend fashion and functionality.
Tapestry, Inc (Public)	COACH	$ 5,095	32%	Coach is an American luxury brand specializing in leather handbags, accessories, and footwear. Founded in 1941, it is now known for its high-quality leather goods and has embraced modern trends through collaborations and innovative designs.

**EBIT Margin net of IFRS16 impact (when available)*

*** Revenues and/or EBIT Margin available only for the whole group*

***As for LVMH, data comprises only the "Fashion & Leather Goods" BG

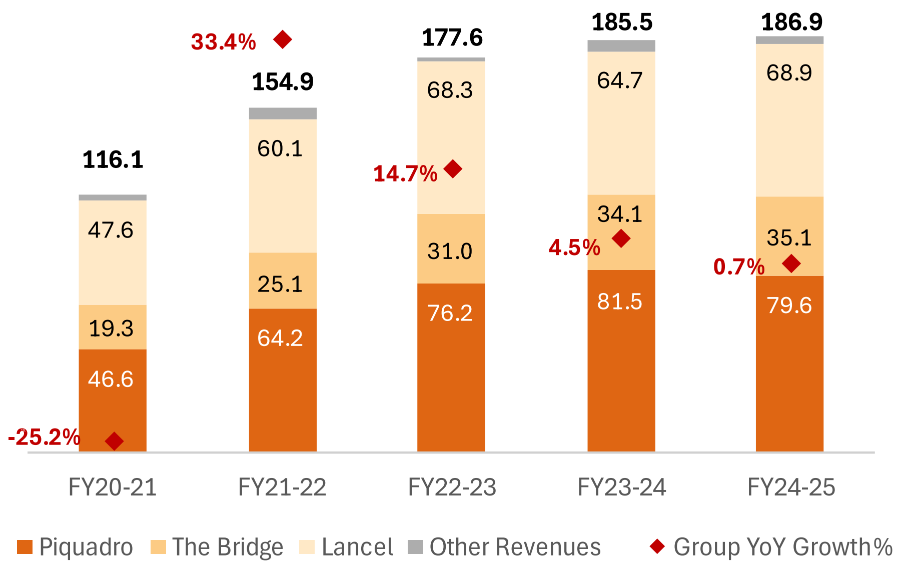
Source: KT&Partners' Elaboration

Historical Financials

Revenues Breakdown

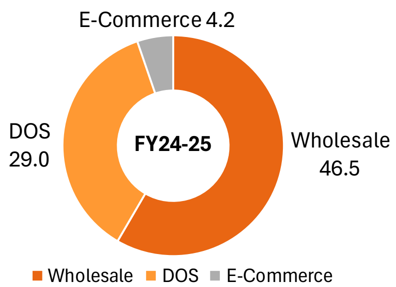
Over the past five years, Piquadro Group's topline has been shaped by a pandemic-driven decline in FY20-21 (ending March 2021), primarily due to the closure of physical retail stores and mobility restrictions. During this period, the Group's total revenues dropped by 25% YoY, with individual brands impacted as follows: Piquadro (-35%), The Bridge (-28%), and Lancel (-11%). Piquadro and The Bridge were particularly affected, given their significant exposure to the Italian market (approximately 75% of revenues), which was particularly hit by lockdowns and social restrictions. This decline was followed by a sharp recovery, with topline revenues rebounding to near pre-pandemic levels in FY21-22 and showing strong momentum in FY22-23, when Group total revenues grew by approximately 15% YoY. Over the full period, from FY19-20 (ending March 2020) to FY24-25 (ending March 2025), the Group achieved a 3.8% CAGR in topline growth, with individual brands contributing as follows: Piquadro (2.1%), The Bridge (5.6%), and Lancel (5.1%).

Revenues Breakdown by Brand (€mn)



Source: KT&Partners' Elaboration on Company Data

Breaking down by brand:

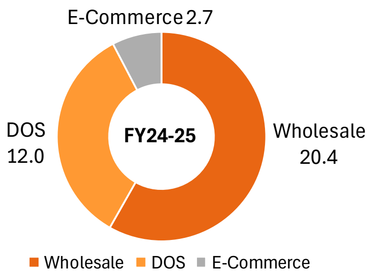


Source: KT&Partners elaboration of company data

Piquadro (43.4% of FY24-25 Group Sales Revenues), growing at FY19-20 to FY24-25 CAGR of 2.1% (14.3% CAGR from FY20-21): FY24-25 revenues at €79.6mn, -2.3% YoY. Breaking it down by distribution channel:

- DOS (Directly Operated mono-brand Stores) reached €29.0mn in FY24–25, up +0.9% YoY, with SSS (Same Store Sales) –1.1% YoY from €574k to €568k in FY24-25, reflecting slight dilution effect from the opening a new store;
- E-Commerce generated €4.2mn, up +2.2% YoY (vs €4.1mn), despite ongoing platform and CRM transition, thanks to customer retention initiatives and efficient Formula 1 marketing campaign;
- Wholesale generated €46.5mn, -4.5% YoY (€48.7mn in FY23-24), impacted by two main factors: (i) predominantly due to supply chain disruptions in maritime

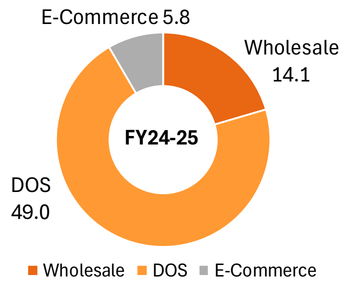
transport (Piquadro's production is in Asia), which caused delays in product availability and deliveries to partners; (ii) the initial effect of selective distribution (*see "Selective Distribution"*) policies introduced in January '25.



Source: KT&Partners elaboration of company data

The Bridge (19.1% of FY24-25 Group Sales Revenues), growing at a FY19-20 to FY24-25 CAGR of 5.6% (16.1% CAGR from FY20-21), posted FY24-25 revenues of €35.1mn, up 2.9% YoY. Breaking it down by distribution channel:

- DOS revenues amounted to €12.0mn (+6.5% YoY), despite SSS declining by –1.7% to €921k (1 new store opened in FY23–24);
- E-Commerce declined to €2.7mn (–7.1% YoY), mainly due to CRM implementation that temporarily affected campaign management and customer engagement;
- Wholesale generated 20.4mn, up 2.3% YoY, with domestic sales growing by 3.3% and international sales increasing by 1.5%.

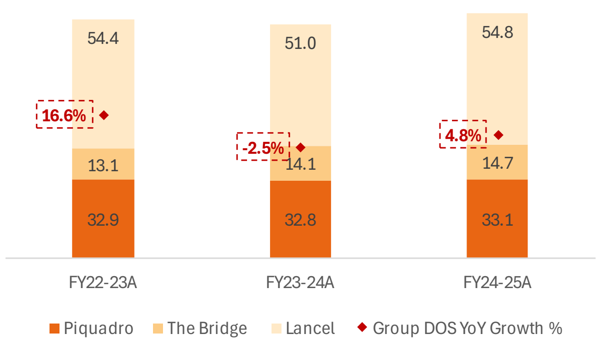


Source: KT&Partners elaboration of company data

Lancel (37.5% of FY24-25 Group Sales Revenues), growing at a FY19-20 to FY24-25 CAGR of 5.1% (9.7% CAGR from FY20-21), posted FY24-25 revenues of €68.9mn, up 6.5% YoY. Breaking it down by distribution channel:

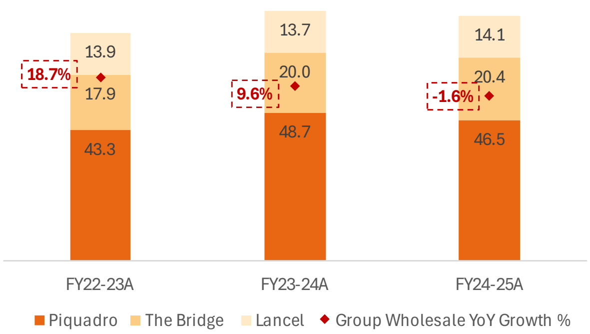
- DOS revenues reached €49.0mn, up +8.7% YoY, mainly driven by strong Same Store Sales of +27%, reaching €830k avg sales per store, which benefitted from the closure of 10 underperforming locations that lifted overall store productivity and leading to revenue concentration in fewer stores;
- E-Commerce slightly declined to €5.8mn (–1.8% YoY vs €5.9mn), reflecting CRM implementation delays;
- Wholesale generated €14.1mn, increasing 2.8% from €13.7mn in FY23-24.

DOS Revenues (Including E-Commerce) per Brand (€mn)



Source: KT&P' Elaboration on Company Data

Wholesale Revenues per Brand (€mn)



Source: KT&P' Elaboration on Company Data

Profitability Analysis

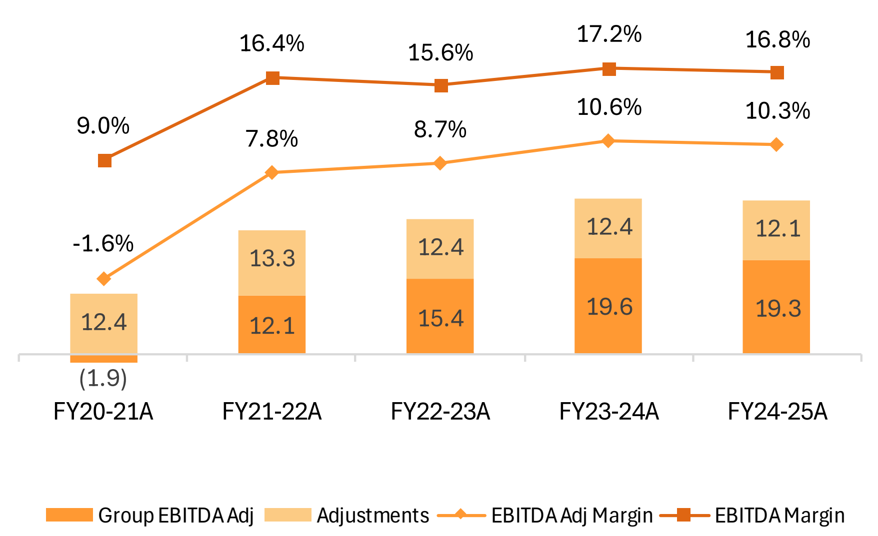
Under IFRS 16, operating costs no longer fully capture the economic nature of the business. A key expense for the Group—fixed rental costs for its Directly Operated Stores, representing approximately 7% of Total Revenues in FY24-25A (higher incidence in previous years)—is no longer recorded as an operating expense. Instead, these costs are capitalized as Right-of-Use assets on the Balance Sheet and flow through the P&L as Depreciation and Amortization (D&A). Given this accounting treatment, we consider Adjusted EBITDA (excluding IFRS 16 adjustments) to be more accurate indicators of the Group's profitability, providing a clearer view of its underlying cash-generation capability.

Beyond this, the primary operating cost for the Piquadro Group is Service Costs, which have accounted for approximately 40% of Total Revenue over the years. These costs are primarily associated with: (i) Third-party manufacturing and processing (averaging 13% of Total Revenue through the years); (ii) Advertising and marketing (avg 9%); (iii) Administrative, business, and transport services (around 12%); (iv) Leases and rentals (approximately 6%), mainly tied to variable rental costs, such as those for corner shops. Personnel Expenses, accounting for roughly 25% of Total Revenue, have shown improvement over time (23% in FY24-25). Lastly, COGS (Cost of Goods Sold) remain steady at around 19–20% (slightly higher in FY24-25 to 21.7%, due to the impact of longer maritime transports).

Historically, IFRS 16 adjustments to the EBITDA (DOS rents) were c.€0.1mn per store, totaling €12.1mn in FY24-25.

At the Group level, the Adjusted EBITDA margin has shown significant operational improvements over the years, driven by enhancements across all brands. The Group progressed from near break-even earnings in FY19-20 (ending March 2020) with €0.5mn in adjusted EBITDA (0.3% margin) to a robust 10.3% adjusted margin (€19.3mn in absolute terms) in FY24-25 (ending March 2025).

FY20-25 Group's EBITDA Adj, Adjustments & EBITDA Adj Margin (€mn, %)



Source: KT&Partners' Elaboration on Company Data

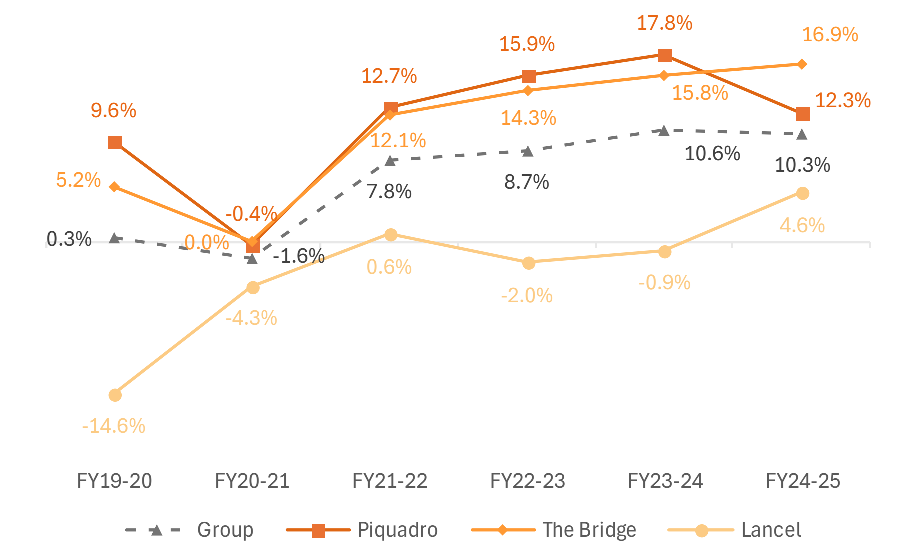
A detailed breakdown by brand reveals the following:

- Piquadro: Profitability improved from a pre-pandemic (FY19-20) margin of approximately 10% to around 18% in FY23-24, and to ca. 12% in FY24-25, which has been conservatively maintained as the baseline throughout the plan. The decline reflects a combination of rising transportation costs, €1mn increase in marketing expenses (also driven by the Formula 1 sponsorship), and higher personnel costs (ca. €900k) due to both higher wages and new hires at corporate and retail levels. In addition, Piquadro absorbs a share of the Group's central costs (e.g., corporate management and digital investments).

- The Bridge: The brand achieved the most substantial margin improvement within the Group, increasing from approximately 5% pre-pandemic to 17% in FY24-25. The brand benefits from a leaner cost structure compared to the other two brands, owing to a smaller directly operated store network, which supports its structurally higher profitability. In addition, this success reflects the cost efficiencies and operational enhancements implemented under Piquadro's management (see the *"M&A Case Study"* section for further details).

- Lancel: While recording a slight adjusted EBITDA loss, Lancel has made substantial progress, with its margin improving from approximately -38% in FY18-19 to around -1% in FY23-24 and turning positive at ca. 5% in FY24-25. These improvements reflect Piquadro's effective restructuring and operational optimization initiatives, including the closure of unprofitable Directly Operated Stores (DOS) in France and China (see *"M&A Case Study"* for details). However, Lancel's profitability remains constrained by its significant reliance on the DOS channel, which accounts for approximately 70% of revenues—substantially higher than Piquadro and The Bridge (ca. 35%)—and carries higher costs compared to the more profitable wholesale channel.

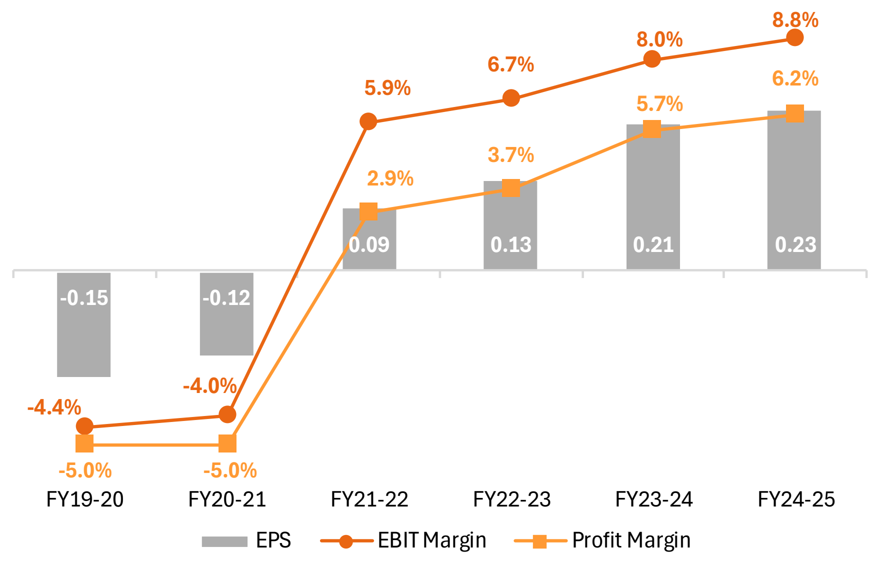
Adj. EBITDA Margin (%) per Brand



Source: KT&Partners' Elaboration on Company Data

At a consolidated level, after accounting for Depreciation & Amortization expenses (including the impact of IFRS 16), which have averaged 7–10% of total revenues in recent years (down from 13–14% pre-pandemic), marginal net interest expenses (approximately <1% of topline), and an average tax rate of ca. 30%, Piquadro has achieved positive and improving Net Income since FY21-22. In FY24-25, the Group reported a Profit Margin of 6.2%, marking a significant turnaround from prior years, which were heavily affected by Lancel's losses. Earnings per Share (EPS) have followed this positive trajectory, improving from a negative €0.15 per share in FY19-20 (ending March 2020) to a positive €0.23 ps in FY24-25, reflecting the Group's overall operational improvements and sustained profitability.

FY20-25 EBIT & Profit Margin, and EPS



Source: KT&Partners' Elaboration on Company Data

FY20-21 to FY24-25 Consolidated Income Statement (€mn)

€ Million	FY20-21A	FY21-22A	FY22-23A	FY23-24A	FY24-25A
Piquadro	46.6	64.2	76.2	81.5	79.6
The Bridge	19.3	25.1	31.0	34.1	35.1
Lancel	47.6	60.1	68.3	64.7	68.9
Sales Revenues	**113.5**	**149.4**	**175.6**	**180.3**	**183.6**
Other Revenues	2.6	5.4	2.0	5.3	3.2
Total Revenues	**116.1**	**154.9**	**177.6**	**185.5**	**186.9**
Growth %	*-25.2%*	*33.4%*	*14.7%*	*4.5%*	*0.7%*
COGS	(22.3)	(31.6)	(35.7)	(35.6)	(40.5)
Cost of Services	(50.9)	(60.3)	(68.4)	(73.8)	(76.4)
Change in inventories	(1.7)	3.0	(1.5)	0.3	5.8
Personnel Expenses	(29.3)	(38.8)	(42.7)	(42.6)	(42.9)
Other Operating Expenses	(0.8)	(1.1)	(0.9)	(1.0)	(0.9)
Credit Provisions	(0.7)	(0.8)	(0.7)	(0.8)	(0.5)
EBITDA	**10.5**	**25.3**	**27.8**	**32.0**	**31.4**
EBITDA Margin	*9.0%*	*16.4%*	*15.6%*	*17.2%*	*16.8%*
EBITDA Adjusted	**(1.9)**	**12.1**	**15.4**	**19.6**	**19.3**
EBITDA Adj. Margin	*-1.6%*	*7.8%*	*8.7%*	*10.6%*	*10.3%*
D&A and Changes in Value	(15.2)	(16.1)	(15.9)	(17.2)	(15.0)
EBIT	**(4.7)**	**9.2**	**11.9**	**14.8**	**16.4**
EBIT margin	*-4.0%*	*5.9%*	*6.7%*	*8.0%*	*8.8%*
Financial Income & Expenses	(2.2)	(1.9)	(0.5)	(0.3)	(1.1)
EBT	**(6.9)**	**7.3**	**11.3**	**14.6**	**15.3**
Taxes	1.1	(2.9)	(4.8)	(4.0)	(3.7)
Tax Rate	*15.6%*	*39.5%*	*42.7%*	*27.7%*	*24.1%*
Group Net Income	**(5.8)**	**4.4**	**6.5**	**10.5**	**11.6**
Net margin	*-5.0%*	*2.9%*	*3.7%*	*5.7%*	*6.2%*
Net loss (income) from minorities	(0.3)	-	-	-	-
Piquadro Net Income	**(6.1)**	**4.4**	**6.5**	**10.5**	**11.6**

Source: Company Data

Capital Structure & Cash Flows Analysis

FY24-25 Balance Sheet Highlights:

- Tangible assets at €12.6mn, primarily composed of land, buildings, plants and machinery, and industrial and commercial equipment.

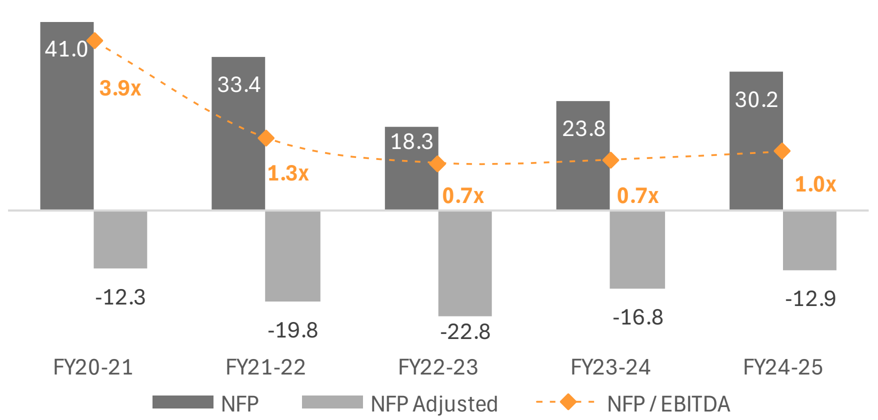
- Intangible assets at €7.0mn, including: (i) Goodwill of €4.7mn, accounted for a significant portion, tied to the acquisitions of The Bridge; (ii) €2.3mn in proprietary software, trademarks, licenses, and other patent rights.

- Right-of-Use of Assets (RoUA) at €40.8mn, heavily weighted on Piquadro's financial structure due to the Group's leasing of retail spaces. These assets, linked to the IFRS 16 accounting standard, are mainly composed of assets related to lease agreements for directly operated stores (fixed rentals), for the Piquadro Group's showroom, offices or logistics.

- Trade Working Capital stood at €42.8mn in FY24-25, or 23% of Total Revenues, a ratio that has remained stable between 17% and 23% over the past six years: (i) Inventory at €43.1mn (134 days), steadily improving from the pandemic peak of 180 days in FY20-21 (135 days in FY19-20); (ii) Trade Receivables at €38.1mn (74 days), consistently ranging between 58 and 74 days over the last six years, increasing over the past couple of years due to widespread longer collection periods across the economy (iii) Trade Payables at €38.4mn (120 days), progressively down from 168 days in FY20-21 (138 days in FY19-20).

- Net Financial Position Adjusted (excluding IFRS16 effects) at €12.9mn net cash, consisting of: i) €32.7mn in cash and other current financial assets; ii) €11.8mn in current financial debt (maturity within twelve months); ii) €4.7mn in non-current financial debt; iii) €3.0mn debt provision for the Earn-Out to Richemont, tied to the Lancel acquisition, implies c.€16mn in net income from Lancel over two years—an aggressive assumption, given FY24-25 is its first breakeven year (c.€0.4mn net income). Per IFRS, the FY24-25 Net Financial Position includes approximately €25.9mn in current right-of-use liabilities and €17.1mn in non-current right-of-use liabilities. This results in a total Net Financial Position of €30.2mn, equivalent to 1.0x on FY24-25 EBITDA or 1.6x on Adjusted EBITDA.

NFP, NFP Adjusted, NFP / EBITDA



Source: KT&Partners' Elaboration on Company Data

FY20-FY24 Consolidated Balance Sheet (€mn)

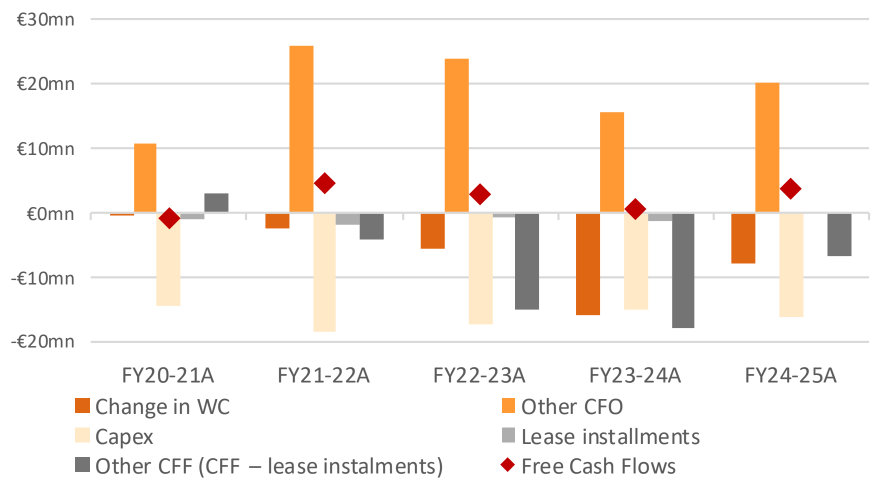
€ Million	FY20-21A	FY21-22A	FY22-23A	FY23-24A	FY24-25A
Intangible	7.1	7.1	7.1	6.4	7.0
Tangible	12.9	15.0	13.9	12.4	12.6
Financial Assets	0.0	0.0	0.0	0.0	0.0
Right of use Assets	48.2	48.0	38.4	38.0	40.8
Other LT assets	8.6	5.8	5.2	5.4	5.3
Fixed Assets	**76.8**	**76.0**	**64.5**	**62.2**	**65.6**
Trade receivables	23.2	27.9	28.3	36.1	38.1
Inventory	36.2	39.0	37.4	37.3	43.1
Trade Payables	(33.7)	(41.4)	(36.2)	(35.5)	(38.4)
Trade Working Capital	**25.7**	**25.6**	**29.4**	**37.8**	**42.8**
Other assets and liabilities	0.2	(2.8)	(8.0)	(5.5)	(3.3)
Net Working Capital	**25.9**	**22.8**	**21.4**	**32.4**	**39.5**
Other Provisions	(6.7)	(6.3)	(6.6)	(6.1)	(6.1)
Net Capital Employed	**96.0**	**92.4**	**79.4**	**88.5**	**99.0**
Total shareholders' equity	**55.0**	**59.1**	**61.1**	**64.7**	**68.8**
Cash & Equivalents	57.2	61.4	53.7	35.5	32.7
Short-term debt	31.7	32.6	33.8	33.9	41.0
Long-term liabilities	66.5	62.2	38.3	25.3	21.8
Net Financial Position	**41.0**	**33.4**	**18.3**	**23.8**	**30.2**
Net Financial Position Adj	**(12.3)**	**(19.8)**	**(22.8)**	**(16.8)**	**(12.9)**
Sources	**96.0**	**92.4**	**79.4**	**88.5**	**99.0**

Source: Company Data

Piquadro maintains a strong balance sheet and liquidity position. This is evidenced by:

- Net Financial Position to EBITDA (NFP/EBITDA): Consistently below 1.5x over the past three fiscal years, showing significant improvement from the pandemic-impacted FY20-21 (3.9x) and FY19-20 (2.8x).
- Quick Ratio (Current Assets excluding Inventory / Current Liabilities): Maintained historically above 1.0x (0.9x in FY24-25), with a five-year average of 1.1x, reflecting robust short-term liquidity.
- Interest Coverage Ratio: Averaged 18.9x over the past five years, calculated as EBIT to Net Interest Expenses, with steady improvement post-pandemic.

Group Cash Flows FY20-25(€mn)



Source: KT&Partners' Elaboration on Company Data

Deconstructing Forecasts

Our financial projections from FY25–26E (FY ending March 31st, 2026) to FY28–29E are based on the Group's brand-by-brand strategic positioning and reflect the differentiated commercial and distribution dynamics of Piquadro, The Bridge, and Lancel. The estimates incorporate the effects of retail network expansion (notably for The Bridge and Piquadro), a more selective wholesale strategy, and operational improvements supporting Lancel's turnaround.

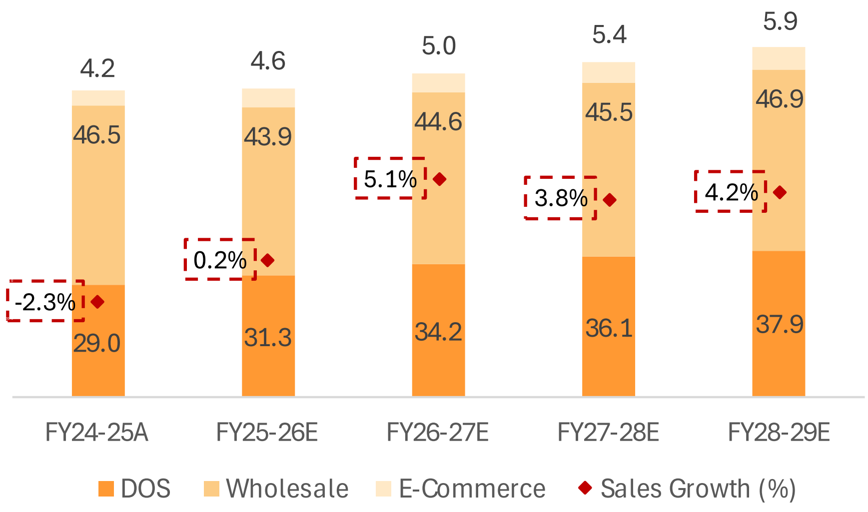
Starting from Sales Revenues, the Group is expected to grow from €184mn in FY24–25 to €189mn in FY25-26E (+2.9% YoY), and further to €219mn by FY28–29E, implying a 4.5% CAGR from 31st of March '25 to 31st of March '29. The evolution is driven by a diversified contribution across brands and channels, with The Bridge projected to contribute with a +5.8% CAGR, followed by Lancel (+5.2%) and Piquadro (+3.3%).

Growth is expected to be driven primarily by retail expansion plans, with 12 new store openings expected during the current year, offsetting 3 planned closures – 6 new stores for Piquadro (and 1 closure), 3 new locations for The Bridge and 3 new shops for Lancel (with 2 closures). Additional support will come from a gradual recovery in wholesale revenues, following current optimization efforts and a shift toward selective distribution (*see "Selective Distribution"*) —expected to temporarily weigh on FY25–26E performance. The rationalization is projected to generate a net contraction of approximately €4.5mn at Group level, mostly attributable to Piquadro (c.€4mn), with €1.5mn partially offsetting growth from upgraded distributors. The Bridge is expected to be modestly impacted as well, with an estimated €0.5mn reduction. From FY26–27E onward, the selective policy should stabilize, enabling a healthier channel mix, improved sell-out performance, and more efficient allocation of marketing resources.

Breaking down sales revenues by each brand:

- **Piquadro (43% Sales Revenues in FY24-25, or €79.6mn).** Sales Revenues are projected stable at €79.8mn in FY25-26E (+0.2% YoY), improving to €90.7mn in FY28–29E, implying a 3.3% CAGR25-29E. Breaking down by channel: i) ***Directly Operated Stores*** (c.36% Brand Revenues in FY24-25) are projected to generate to €31.3mn in FY25-26E, with a 8.0% YoY increase from €29.0mn in FY24-25. This growth reflects a step-up in store openings during the year, despite a slight dilution in average sales per store, expected to dip 1.6% YoY to €558k in FY25-26E. The retail strategy includes six new openings in FY25–26 — notably two in Milan (including a repositioning), one in Palermo, and three international locations (one in Madrid, and two in Taiwan) — pushing the store count from 51 to 56 in FY25–26. After an initial negative impact due to several stores not contributing for the full year, this expansion is expected to fuel a short-term acceleration in DOS revenues, with an average annual growth of ~9% over FY25–27E. Growth is then projected to normalize to ~5% over FY27–29E as the pace of openings moderates (2 new stores per year). We project 62 stores by FY28-29E, with average sales per store gradually improving to €612k by FY28-29E (projecting an overall 1.9% FY25-29E CAGR); ii) ***Wholesale*** (c.58% Brand Revenues in FY24-25) is expected to slightly fall to €43.9mn in FY25-26E, -5.5% YoY from €46.5mn in FY24–25, mainly due to selective distribution (expected to impact c.€4mn revenues, or 9% wholesales revenues), and by ongoing supply chain delays, particularly related to prolonged shipping times at the beginning of the FY. The segment is projected to stabilize as the network is rationalized and remaining partners comply with brand standards, reaching €46.9mn by FY28–29E (+0.2% CAGR25-29E); iii) ***E-commerce*** (c.6% Brand Revenues in FY24-25) is set to grow steadily from €4.2mn in FY24–25 to €4.6mn in FY25-26E and to reach €5.9mn in FY28–29E (+9.0% CAGR25-29E), boosted from the upgrade of the CRM platform finalized in FY24-25.

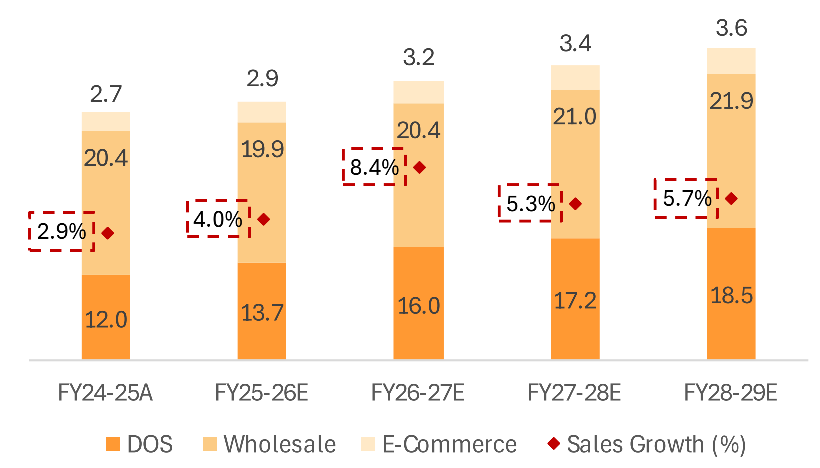
Piquadro's Sales Estimates per Distribution Channel FY24-25 to FY28-29E (€mn, %)



Source: KT&Partners' Elaboration on Company Data

- **The Bridge (19% Sales Revenues in FY24-25, or €35.1mn)** is projected to deliver the highest growth across the portfolio, with sales expected to increase to €36.5mn in FY25–26E (+4.0% YoY from €35.1mn in FY24-25), and further to €44.1mn in FY28–29E, implying a 5.8% CAGR. This trajectory comes from: i) ***Directly Operated Stores*** (accounting for ~34% of brand revenues for FY24-25) are projected to generate €13.7mn in FY25–26E, with a 14.0% YoY growth from €12.0mn in FY24-25, supported by the expansion of the store network from 13 to 16 locations. This includes the recently inaugurated store in Venice and a new flagship store in Milan's Galleria Vittorio Emanuele II (opening expected by December 2025). Reflecting the impact of partial-year contributions from new openings, average sales per store are projected to decline by 7.4% YoY to €853k in FY25-26E (from €921k in FY24-25). Over the medium term, DOS revenues are expected to rise to €18.5mn by FY28–29E, as we project its network to expand to 20 stores and a recovery in productivity. Average sales per store are projected to increase to €927k by FY28–29E, reflecting a 0.2% CAGR from FY24–25 (2.8% CAGR26-29) as new stores mature and reach full operating potential, with one opening per year modelled. This combination of moderate footprint growth and gradual efficiency recovery results in a 11.6% CAGR in DOS revenues over the FY25–29E horizon; ii) ***Wholesale*** revenues are forecast to grow at a moderate pace, decreasing from €20.4mn in FY24-25 (c. 58% of brand Revenues) to €19.9mn in FY25–26 (-2.5% YoY), and recover to €21.9mn in FY28–29E (+1.7% CAGR25-29E), supported by targeted B2B client development and improved positioning through tighter brand control. FY25–26 is expected to show a temporary deceleration because of selective distribution (–2.5% YoY), before returning to low single-digit growth from FY26–27E onward; iii) ***E-commerce*** (8% of FY24-25 brand revenues) is also expected to gain traction, growing from €2.9mn in FY25–26E to €3.6mn in FY28–29E, with a 7.7% CAGR;

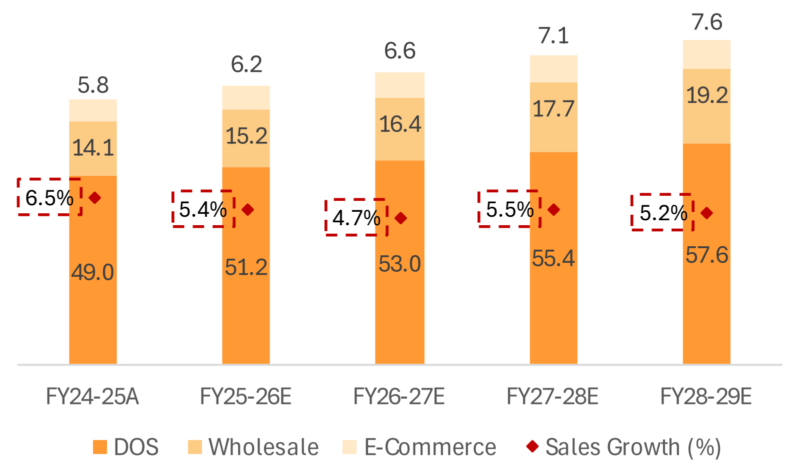
The Bridge's Sales Estimates per Distribution Channel FY24-25 to FY28-29E (€mn, %)



Source: KT&Partners' Elaboration on Company Data

- **Lancel (38% Sales Revenues in FY24-25, or €68.9mn)** sales revenues are projected to increase from €68.9mn in FY24-25 to €72.6mn in FY25–26E (+5.4% YoY), and further to €84.3mn in FY28–29E, implying a 5.2% CAGR. Breaking down by distribution channel: i) ***Directly Operated Stores*** (accounting for ~70% of sales revenues in FY24–25) are expected to generate €51.2mn in FY25–26E, growing by 4.5% YoY from €49.0mn in FY24–25. This increase reflects the expansion of the retail network from 59 to 60 stores and a 2.8% uplift in average sales per store to €853k (from €830k), with a limited dilution from the new opening. Looking ahead, DOS revenues are projected to reach €57.6mn by FY28–29E, implying a 4.1% CAGR25-29E. The store base is expected to grow gradually to 62 locations, with an average pace of one new store per year. Revenue growth will be further supported by rising average sales per store, driven in part by initiatives tied to the brand's 150th anniversary. As a result, average sales per store are projected to reach €929k by FY28–29E (2.8% CAGR from FY24–25); ii) ***Wholesale*** – currently representing 20% of Lancel's sales, significantly below Piquadro (c.60%) and The Bridge (c.60%) – is expected to provide stronger upside than the other brands, with revenues projected to grow from €15.2mn in FY25–26E (+8.0% YoY) to €19.2mn by FY28–29E (+8.0% CAGR); iii) ***E-commerce*** revenues are projected to grow from €6.2mn in FY25–26E to €7.6mn in FY28–29E (7.0% CAGR).

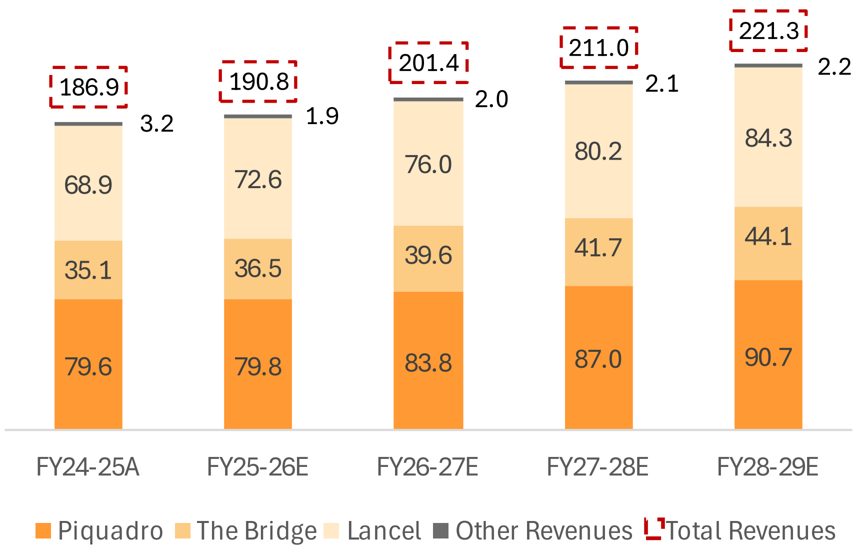
Lancel's Sales Estimates per Distribution Channel FY24-25 to FY28-29E (€mn, %)



Source: KT&Partners' Elaboration on Company Data

Other Revenues are assumed to remain stable at 1.0% of Sales Revenues throughout the forecast period (approx. €2mn py). As a result, Total Revenues are projected to grow from €186.9mn in FY24–25 to €190.8mn in FY25–26E (+2.1% YoY), and further up to €221.3mn in FY28–29E, reflecting a 4.3% CAGR from March '25 to March '29.

Revenues per Brand & Total Revenue FY24-25 to FY28-29E (€mn)



Source: KT&Partners' Elaboration on Company Data

Piquadro's cost structure over the FY26–29E period reflects the Group's multi-brand model and gradual retail expansion. Breaking down by each operative cost:

i) **COGS** are expected to normalize from 21.7% of total revenues in FY24–25 (€40.5mn), when impacted by maritime transport disruptions, to 19.0% in FY25–26E (€36.2mn) and progressively decline to 18.5% by FY28–29E (€40.9mn).

ii) **Cost of Services**, which includes third party manufacturing (c.30% of Cost of Services), Advertising & Marketing (c.20%), Leases & Rentals (c.20%, only for franchises' leasing, since DOS are under IFRS 16) and other G&A expenses (c.30%), represents the largest cost block and are expected to remain broadly stable in relative terms, moving from 39.8% of total revenues in FY25–26E to 39.0% in FY28–29E (–0.8 p.p.). The overall stability reflects a mix effect: increasing incidence of marketing expenses – particularly in FY26–27 amid brand-building initiatives (notably for Lancel's 150th anniversary) – is largely offset by moderate economies of scale across other service-related costs, including logistics, overheads, and rentals. In absolute terms, Cost of Services are projected to rise from €75.8mn to €86.3mn over the forecast period;

iii) **Personnel Expenses** are forecast to maintain a constant weight of 23.0% on total revenues over the period. In absolute terms, they are expected to increase from €43.8mn in FY25–26E to €50.8mn in FY28–29E, driven by the expansion of the store network and inflationary wage effects; and

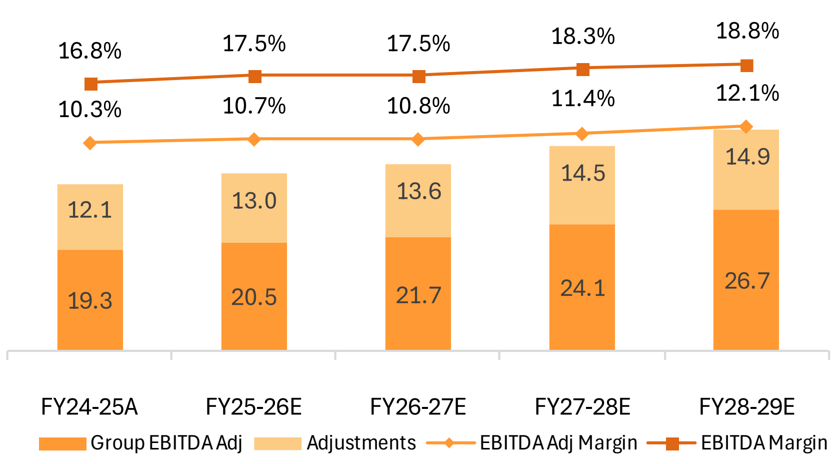
iv) **Other Operating Expenses** (incl. Credit Provisions) are assumed approx.€1.5mn per year throughout the estimated period.

As a result of the above dynamics, EBITDA is expected to grow from €33.4mn in FY25–26E (+6.5% YoY, €31.3mn) to €41.6mn in FY28–29E, implying a 7.3% CAGR. EBITDA margin is expected to increase in FY25–26E to 17.5% (+0.7p.p. from 16.8% in FY24–25), primarily driven by an improvement in gross margin (+0.8p.p. vs FY24-25), and gradually expand to 18.8% by FY28–29E.

Given the significant weight of lease-related costs within the Group's structure – largely tied to the DOS network – we consider the Adjusted EBITDA (excluding IFRS 16 lease accounting effects, as we prefer to include lease expenses in EBITDA, since they represent a core business cost directly tied to the Group's retail operations) to provide a more accurate picture of underlying Group's profitability. Adjustments are projected at €13.0mn in FY25–26E, increasing to €14.9mn by FY28–29E, following the growth of the DOS network from 123 to 144 stores over the period (we keep average renting costs/adjustments per store broadly stable through the years at approx.€0.1mn).

On this basis, Adjusted EBITDA is expected to grow from €20.4mn in FY25–26E (+6.2% YoY vs €19.3mn in FY24-25) to €26.7mn in FY28–29E (8.5% CAGR25-29), with the margin improving from 10.7% (+0.4p.p. vs FY24-25) to 12.1% of total revenues

FY25-29 Group's EBITDA Adj, Adjustments & EBITDA Adj Margin (€mn, %)



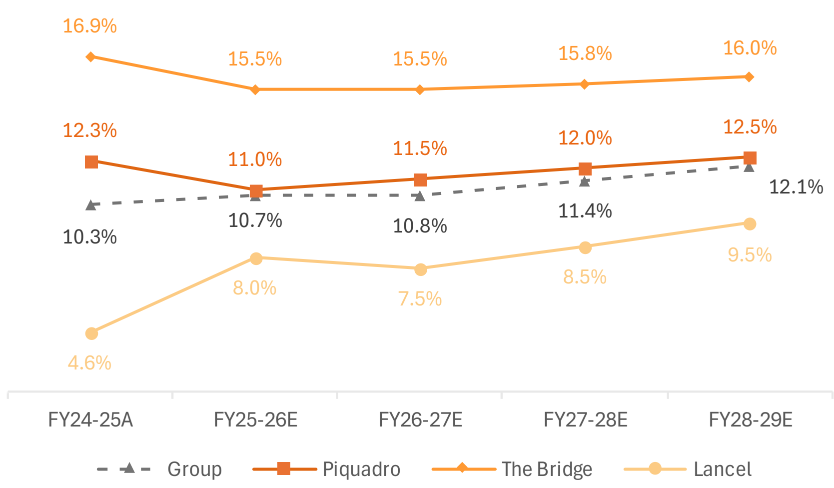
Source: KT&Partners' Elaboration on Company Data

From a brand-level perspective, Adjusted EBITDA trajectories reflect distinct operating profiles and business strategies. Piquadro is expected to see its EBITDA adj. increase from €9.9mn in FY24–25 to €11.4mn by FY28–29E, with the margin improving from 12.3% to 12.5%. FY25–26, due to selective distribution should represent a low point (-10.9% YoY to €8.9mn and an 11.0% margin), with a recovery supported by efficiency gains, the new base of wholesales partners, and full absorption of the fixed cost base.

The Bridge shows a steadier margin profile, with EBITDA adj. margins hovering between 15.5% and 16% over the forecast period. Margins slightly compress in FY25–26E (15.5%, –1.4 p.p. YoY), mainly due to the selective distribution impact (less extensive than Piquadro's) and ramp-up costs related to the new flagship in Galleria Vittorio Emanuele II (expected to open by Dec. 2025, contributing marginally to FY25-26E revenues).

Lancel is set to deliver the strongest margin expansion, with EBITDA adj. growing from €3.2mn in FY24–25 to €5.9mn in FY25-26E (+80.4% YoY), and further to €8.1mn by FY28–29E, with margins rising from 8.0% (+3.4p.p. vs FY24-25) to 9.5% at the end of forecast period. The brand benefits from favourable operating leverage, particularly in wholesale – which accounts for only 22% of FY24–25 sales versus ~58% both in Piquadro and The Bridge – leaving room for significant upside in terms of higher profitability. Margins briefly dip in FY26–27E (7.5%) due to one-off marketing campaign for the 150th anniversary, before recovering and expanding steadily in the final two years of the plan.

Adj. EBITDA Margin (%) per Brand

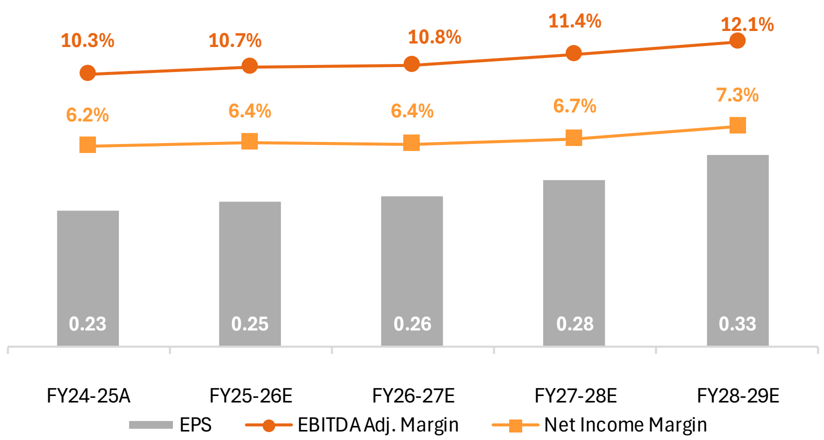


Source: KT&Partners' Elaboration on Company Data

D&A expenses are expected to increase to 8.7% of total revenues in FY25–26E (-0.7p.p. vs 8.0% in FY24-25), and decrease to 8.4% by FY28–29E, reflecting the stabilization of store investments following the peak in FY25–26E. Net financial charges are projected to decrease from €1.1mn in FY24–25 to €0.8mn in FY25–26E, reaching €0.7mn by FY28–29E.

We model a tax rate of 24% in FY25-26E (flat rate YoY), gradually increasing to 27% projected in FY28.29E, as the fiscal benefits from Lancel's past Net Losses diminish. As a result, net income is projected at €12.3mn in FY25–26E (+6% YoY) and increasing to €16.3mn by FY28–29E, with the net margin at 6.4% for FY25-26E (+0.2pp), reaching 7.3% at the end of the forecasted period.

EBITDA Adj. & Net Income Margin and EPS FY24-25 to FY28-29E (€mn)



Source: KT&Partners' Elaboration on Company Data

FY24-25 to FY28-29 Consolidated Income Statement (€mn)

€ Million	FY24-25A	FY25-26E	FY26-27E	FY27-28E	FY28-29E
Piquadro	79.6	79.8	83.8	87.0	90.7
The Bridge	35.1	36.5	39.6	41.7	44.1
Lancel	68.9	72.6	76.0	80.2	84.3
Sales Revenues	**183.6**	**188.9**	**199.4**	**208.9**	**219.1**
Other Revenues	3.2	1.9	2.0	2.1	2.2
Total Revenues	**186.9**	**190.8**	**201.4**	**211.0**	**221.3**
Growth %	*0.7%*	*2.1%*	*5.6%*	*4.8%*	*4.9%*
COGS	(40.5)	(36.2)	(38.3)	(39.0)	(40.9)
Cost of Services	(76.4)	(75.8)	(80.1)	(83.4)	(86.3)
Change in inventories	5.8	-	-	-	-
Personnel Expenses	(42.9)	(43.8)	(46.3)	(48.5)	(50.8)
Other Operating Expenses	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)
Credit Provisions	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
EBITDA	**31.4**	**33.4**	**35.3**	**38.6**	**41.6**
EBITDA Margin	*16.8%*	*17.5%*	*17.5%*	*18.3%*	*18.8%*
EBITDA Adjusted (non IFRS)	**19.3**	**20.5**	**21.7**	**24.1**	**26.7**
EBITDA Adj. Margin	*10.3%*	*10.7%*	*10.8%*	*11.4%*	*12.1%*
D&A and Changes in Value	(15.0)	(16.7)	(17.6)	(18.9)	(18.5)
EBIT	**16.4**	**16.8**	**17.7**	**19.7**	**23.1**
EBIT margin	*8.8%*	*8.8%*	*8.8%*	*9.3%*	*10.4%*
Financial Income & Expenses	(1.1)	(0.8)	(0.7)	(0.7)	(0.7)
EBT	**15.3**	**16.0**	**17.0**	**19.0**	**22.4**
Taxes	(3.7)	(3.7)	(4.2)	(4.9)	(6.2)
Tax Rate	*24.1%*	*23.0%*	*24.5%*	*26.0%*	*27.5%*
Group Net Income	**11.6**	**12.3**	**12.8**	**14.1**	**16.3**
Net margin	*6.2%*	*6.4%*	*6.4%*	*6.7%*	*7.3%*
Net loss (income) from minorities	-	-	-	-	-
Piquadro Net Income	**11.6**	**12.3**	**12.8**	**14.1**	**16.3**

Source: Company Data

On the balance sheet side, Intangible Assets are estimated at €2.1mn in FY25-26E (from €2.3mn the year prior) as intangible CAPEX are projected to stabilize around €0.6mn per year over the forecasted period – mostly linked to the Group's digital investments (CRM and Shopify platform). Tangible Assets (PPE) stood at €12.6mn in FY24–25, are projected to increase to €15.5mn in FY25–26E and remain broadly stable through FY28–29E at €15.0mn. The increase is mostly concentrated in FY25–26, which incorporates peak investments of €7.0mn (vs €3.2mn in FY24–25), mainly related to the retail network: over €3mn for new store openings (12 new openings), c.€2mn for store refitting, and €0.7mn for franchise contributions. From FY26–27 onward, tangible CAPEX is projected to normalize at €5mn per year, with projected 4 new openings per year until the end of the forecasted period. Right-of-Use Assets – mainly linked to lease contracts for DOS – represented the largest component of fixed assets at €40.8mn in FY24–25 and are projected to €41.3mn by FY28–29E, in line with the planned network expansion.

Over the forecast period, Trade Working Capital is expected to increase from €44.0mn in FY25–26E to €51.0mn in FY28–29E, implying a cash absorption ranging from €2.2mn to €2.4mn per year (excluding €1.2mn absorption in FY25-26E). This dynamic reflects the Group's volume growth and operational stability, with DSO assumed flat at 76 days (vs 74 in FY24–25 due to the macroeconomic situation and longer supply chain timelines), DIO stable at 134 days, and DPO maintained at 120 days. As a percentage of sales, TWC remains stable at 23%. Moreover, in FY27–28E, we estimate €3.2mn Lancel earn-out payment (included in operating cash flows), completely offsetting prior Lancel provisions (€3.2mn).

Nevertheless, the Group is set to generate solid and consistent operating cash flow, increasing from €28.5mn in FY25–26E to €33.1mn in FY28–29E, resulting in a stable cash conversion ratio of ~80% over the explicit forecast horizon.

Investing Cash Flows are expected to decline from €7.6mn in FY25–26E to €5.6mn in FY28–29E. Intangible CAPEX are projected to average €0.6mn per year (maintenance), while tangible investments are expected to fall from €7.0mn to €5.0mn, reflecting the above-mentioned DOS opening plan.

On the financing side, IFRS 16 lease instalments increased from 12.1mn in FY24-25 to 13.0mn in FY25-26E and further averaging to 13.5mn over the explicit period, in line with the expansion of the DOS network. Dividends are projected to increase by €1mn per year, from €7mn in FY25–26E to €10mn in FY28–29E. This implies a dividend per share of €0.14 in FY25–26E (vs €0.14 in FY24–25A) and an annual increase of €0.02ps, reaching €0.20 by FY28–29E.

As a result of the above dynamics, the Group's Net Financial Position is expected to improve in FY25–26E at €28.1mn compared to €30.2mn in FY24–25, reflecting: : i) €33.4mn EBITDA; ii) €1.2mn cash absorption from TWC; iii) €18.6mn capex, including €11mn related to right-of-use, and the rest mostly related to the DOS network expansion (€7.0mn tangibles); iv) €7.0mn total cash-out for dividends; and v) €4.5mn absorption from taxes and net financial charges. Thereafter, the PFN is projected to improve steadily, reaching €19.6mn by FY28–29E. Leverage is expected to progressively decline, with the PFN/EBITDA ratio improving from 0.8x in FY25–26E (1.0x in FY24–25) to 0.5x by FY28–29E.

The Group's Adjusted Net Financial Position (Adjusted, excl. IFRS), which includes lease liabilities, is expected to move from €12.9mn net cash in FY24–25 to €13.0mn net cash in FY25–26E and further improving thanks to cash flow generation to €17.4mn net cash by FY28–29E.

NFP Adj Bridge FY25-29 (€mn)

€mn	*FY24-25A*	*FY25-26E*	*FY26-27E*	*FY27-28E*	*FY28-29E*
EBITDA adj (excl. IFRS)	**19.3**	**20.5**	**21.7**	**24.1**	**26.7**
Income Taxes	(3.7)	(3.7)	(4.2)	(4.9)	(6.2)
Change in TWC	(4.9)	(1.2)	(2.5)	(2.2)	(2.3)
Other changes in WC	(2.0)	-	-	-	-
Operating Cash Flow	**8.6**	**15.5**	**15.1**	**17.0**	**18.2**
Capex	(4.8)	(7.6)	(5.6)	(5.6)	(5.6)
Free Cash Flow	**3.9**	**7.9**	**9.5**	**11.4**	**12.6**
Net financial income (expenses)	(1.1)	(0.8)	(0.7)	(0.7)	(0.7)
Change in Equity	(0.5)	-	-	-	-
Dividends Paid	(7.0)	(7.0)	(8.0)	(9.0)	(10.0)
Other Adjustments	0.8	-	-	-	-
Change in NFP adj. (excl. IFRS)	**(3.9)**	**0.1**	**0.8**	**1.7**	**1.9**
Begin NFP adj. (excl. IFRS) (net cash)	(16.8)	(12.9)	(13.0)	(13.8)	(15.5)
End NFP adj. (excl. IFRS) (net cash)	(12.9)	(13.0)	(13.8)	(15.5)	(17.4)

Source: KT&Partners' Elaboration on Company Data

FY25-FY29 Consolidated Balance Sheet (€mn)

€ Million	FY24-25A	FY25-26E	FY26-27E	FY27-28E	FY28-29E
Intangible	7.0	6.8	6.7	6.7	6.7
Tangible	12.6	15.5	15.5	15.1	15.0
Financial Assets	0.0	0.0	0.0	0.0	0.0
Right of use Assets	40.8	40.0	40.0	40.2	41.3
Other LT assets	5.3	5.3	5.3	5.3	5.3
Fixed Assets	**65.6**	**67.6**	**67.5**	**67.2**	**68.3**
Trade receivables	38.1	39.7	41.9	43.9	46.1
Inventory	43.1	41.1	43.4	44.9	46.7
Trade Payables	(38.4)	(36.8)	(38.9)	(40.2)	(41.8)
Trade Working Capital	**42.8**	**44.0**	**46.5**	**48.6**	**51.0**
Other assets and liabilities	(3.3)	(3.3)	(3.3)	(3.3)	(3.3)
Net Working Capital	**39.5**	**40.8**	**43.2**	**45.4**	**47.7**
Other Provisions	(6.1)	(6.1)	(6.1)	(6.1)	(6.1)
Net Capital Employed	**99.0**	**102.2**	**104.6**	**106.5**	**109.9**
Total shareholders' equity	**68.8**	**74.1**	**79.0**	**84.0**	**90.3**
Cash & Equivalents	32.7	32.8	33.6	32.0	33.9
Short-term financial debt	15.0	15.0	15.0	11.8	11.8
Long-term financial debt	4.7	4.7	4.7	4.7	4.7
Net Financial Position Adj (Net Cash)	**(12.9)**	**(13.0)**	**(13.8)**	**(15.5)**	**(17.4)**
Right of use Liabilities	43.1	41.1	39.5	37.9	37.0
Net Financial Position	**30.2**	**28.1**	**25.7**	**22.4**	**19.6**
Sources	**99.0**	**102.2**	**104.6**	**106.5**	**109.9**

Source: KT&Partners' Elaboration on Company Data

Valuation

Based on Piquadro's projected financials, we performed a valuation of the company using two standard methodologies: market multiples and Discounted Cash Flow (DCF).

- **Market Multiples (EV/Sales, EV/EBITDA and P/E)**: Using a peer group of seven publicly listed comparables, we applied the average FY25E and FY26E EV/Sales, EV/EBITDA and P/E multiples to Piquadro's forecasted financials. We applied a 25% discount to the peer-derived multiples. Averaging the results of the three multiples yields an implied equity value of €189.6mn.

- **Discounted Cash Flow (DCF):** We projected Piquadro's Free Cash Flows over the FY26E–FY29E period and discounted them using a WACC of 9.8% and a terminal growth rate of 2.0%. This approach returns an implied equity value of €158.8mn.

In our valuation approach, we adopt the adjusted Net Financial Position—excluding IFRS 16 lease liabilities—as it more accurately reflects the Group's underlying financial structure and cash-generation profile, free from accounting distortions introduced by lease capitalization.

Valuation Recap

	Equity Value (€mn)	Value per share (€)
EV/Sales	211.2	4.44
EV/EBITDA	211.4	4.44
P/E	146.1	3.07
Average Multiples	**189.6**	**3.98**
DCF	158.8	3.34
Average	**174.2**	**3.66**

Source: KT&P's estimates, Factset consensus data

By averaging the outputs of both methodologies, we derive a fair equity valuation of €174.2mn, corresponding to a target price of €3.66 per share, and implying an EV/EBITDA multiple of 6.1x on FY25-26E.

KT&Partners' Implied Multiples

	FY24-25A	FY25-26E	FY26-27E
EV/SALES implied	1.1x	1.1x	1.0x
EV/EBITDA implied	6.5x	6.1x	5.8x
P/E implied	17.6x	16.6x	15.9x

Source: KT&P's estimates, Factset consensus data

Peers Overview

To assess Piquadro's valuation and positioning within the global premium and accessible luxury space, we identified a peer group of seven listed companies operating in adjacent categories such as leather goods, fashion accessories, footwear, and travel products. While Piquadro remains rooted in its Italian heritage and operates on a smaller scale, its business model—centered on multi-brand development, vertical integration, and international distribution—shares strong operational similarities with these global players.

The selected peers include both mono-brand companies (e.g., Salvatore Ferragamo, Hugo Boss, Geox) and multi-brand groups (e.g., Tapestry, Samsonite, Capri Holdings), covering handbags, luggage, footwear, and apparel. These players adopt hybrid distribution strategies that combine directly operated stores, franchised mono-brand networks, wholesale, and digital channels across Europe, North America, and Asia. This structure mirrors Piquadro's go-to-market approach, with its three brands (Piquadro, The Bridge, and Lancel) targeting complementary segments ranging from business travel to premium leather craftsmanship.

Overall, this peer group provides a comprehensive benchmark for evaluating Piquadro's financial and strategic positioning in terms of product range, channel diversification, and international expansion.

The selected sample include:

- **Tapestry, Inc.**: listed on the New York Stock Exchange (TPR-US), with a market capitalization €19bn, Tapestry is an American multinational fashion holding company. The business is built around three iconic lifestyle brands—Coach (premium handbags, wallets, footwear, accessories), Kate Spade (women's handbags, apparel, lifestyle products), and Stuart Weitzman (luxury footwear and accessories)—all unified under Tapestry's strategy of brand-led, data-informed omnichannel retailing. While significantly larger in scale, Tapestry shares with Piquadro a multi-brand structure and a strategic focus on international retail expansion supported by both directly operated and franchised mono-brand stores. In FY24, group revenues reached €6.2bn.

- **Burberry Group plc**: listed on the London Stock Exchange (BRBY-GB), with a market capitalization of €5.6bn, Burberry is a British luxury fashion house. Founded in 1856, the company operates globally across core categories—outerwear, scarves, leather goods, and footwear—combining heritage craftsmanship with contemporary positioning. Under the "Burberry Forward" strategy launched in late 2024, the group is executing a turnaround plan focused on tightening distribution, refocusing on core product lines, and driving cost efficiencies through structural savings and workforce optimization. While positioned in a higher-end luxury segment, Burberry shares with Piquadro a strong emphasis on heritage, product quality, and selective distribution strategy, through a combination of owned stores and retail partnerships. In FY24-25 (ending in March 2025), Burberry posted revenues of €2.9bn.

- **HUGO BOSS AG:** listed on the Frankfurt Stock Exchange (BOSS-DE), with a c.€3.0bn market capitalization, Hugo Boss is a German fashion group active in the premium and upper-accessible luxury segments. The company operates through two brands—BOSS, focused on modern tailoring and casualwear, and HUGO, targeting a younger, fashion-forward demographic—with a portfolio spanning apparel, footwear, and accessories. Its business model combines owned retail, wholesale, and e-commerce channels, complemented by licensing revenues in fragrances, eyewear, and watches. Like Piquadro, Hugo Boss combines a multi-brand architecture with an international retail model blending owned and franchised mono-brand stores, aimed at optimizing brand control while expanding global reach. In 2024, the group reported revenues of €4.3bn.

- **Samsonite Group S.A.**: listed in Hong Kong (1910-HK), with a market capitalization of €2.7bn, Samsonite is a global leader in travel goods and lifestyle accessories. The Group manages a portfolio of internationally recognized brands—including Samsonite, TUMI, American Tourister, and Hartmann—spanning travel luggage, business bags, casual backpacks, and related accessories. Its distribution model combines wholesale, e-commerce, and an expansive direct-to-consumer retail network, which reached 1,119 stores worldwide in 2024. While significantly larger in scale, Samsonite shares with Piquadro a strategic focus on multi-brand positioning and channel diversification across owned retail, franchising, and online platforms. In 2024, the Group reported sales of €3.3bn.

- **Capri Holdings Limited**: listed on the New York Stock Exchange (CPRI-US), with a market capitalization of c.€2.0bn, Capri is a multinational fashion group overseeing the brands Michael Kors, Jimmy Choo, and—until its 2025 divestment—Versace, sold to Prada for €1.25bn. The group operates across accessible and high-end luxury segments, distributing through a global network of over 1,200 stores, as well as wholesale and e-commerce channels. While operating on a different scale, Capri's strategy echoes Piquadro's focus on brand segmentation across distinct market tiers, allowing each label to address specific customer profiles. In FY24-25 (ending in March 2025), the group reported revenues of €3.9bn.

- **Salvatore Ferragamo S.p.A.**: listed on the Italian Stock Exchange (SFER-IT), with a market capitalization of approximately €0.9bn, Ferragamo is a heritage Italian luxury house founded in Florence in 1927. The brand's product mix is anchored in footwear and leather goods, which accounted most of its FY24 topline, complemented by apparel, accessories, and licensed categories such as eyewear and fragrances. Its distribution spans mono-brand retail stores, wholesale channels, and e-commerce, with more than 400 stores worldwide. While Ferragamo plays in the high-end luxury segment, it shares with Piquadro a strong Made-in-Italy identity and a focus on leather craftsmanship as the core of brand positioning. In 2024, the group reported €1.0bn in sales.

- **Geox S.p.A.**: listed on Euronext Milan (GEO-IT), with a market capitalization of approximately €0.1bn, Geox is an Italian footwear and apparel company known for its patented breathable and waterproof membrane technology. Founded in 1995, the group's core offering remains focused on functional footwear, complemented by casual apparel collections. Products are distributed through mono-brand retail stores, franchised partners, wholesale accounts, and digital platforms, with a total of 616 stores at year-end 2024. While positioned in a different segment, Geox shares with Piquadro a focus on innovation-led product differentiation and a hybrid retail strategy that combines direct control with third-party partnerships. In 2024, the group reported revenues of €0.6bn.

Market Multiples Valuation

Peer comparison – EBITDA Margin 2022-2027

Company Name	2022	2023	2024	2025	2026	2027	Avg 2022-24	Avg 2025-27
	EBITDA Margin							
Tapestry, Inc.	*21.2%*	*20.4%*	*23.2%*	*22.5%*	*23.1%*	*23.8%*	***21.6%***	***23.1%***
Burberry Group plc*	*31.7%*	*27.6%*	*19.2%*	*22.8%*	*25.3%*	*27.4%*	***26.2%***	***25.2%***
HUGO BOSS AG	*18.9%*	*18.3%*	*17.9%*	*17.9%*	*18.6%*	*18.6%*	***18.4%***	***18.4%***
Samsonite Group S.A.	*20.7%*	*23.4%*	*24.0%*	*17.4%*	*18.0%*	*17.9%*	***22.7%***	***17.8%***
Capri Holdings Limited*	*17.5%*	*10.8%*	*6.0%*	*7.5%*	*8.9%*	*10.2%*	***11.4%***	***8.9%***
Salvatore Ferragamo S.p.A.	*22.9%*	*20.4%*	*19.1%*	*20.0%*	*21.4%*	*22.3%*	***20.8%***	***21.2%***
Geox S.p.A.	*9.0%*	*11.5%*	*8.9%*	*12.3%*	*13.2%*	*n.a.*	***9.8%***	***12.8%***
Peers Median	**20.7%**	**20.4%**	**19.1%**	**17.9%**	**18.6%**	**20.4%**	***20.8%***	***18.4%***
Piquadro S.p.A.*	**15.6%**	**17.2%**	**16.8%**	**17.5%**	**17.5%**	**18.3%**	***16.6%***	***17.8%***

Source: Company Data, KT&P's Estimates, Factset data

** Fiscal year ends on March 31st. The corresponding data has been attributed to the preceding calendar year (e.g., Piquadro's FY24–25, ending March 31, 2025, is reported under 2024 figures), as nine months overlap.*

The peer group can be segmented into three clusters based on market positioning—high luxury, premium, and accessible/functional—highlighting how brand architecture and operating model impact profitability.

In the high luxury segment, Burberry and Ferragamo—both vertically integrated mono-brand houses—deliver high and stable profitability, averaging 26.2% and 20.8% EBITDA margin over 2022–24. Their performance suggests strong pricing power and full control over retail execution This translates into relatively high EV/EBITDA multiples (approx. 11x for Burberry), as markets reward high-margin, brand-driven models with premium valuations. Ferragamo, despite its solid profitability, trades at a lower multiple (7x), a gap partly explained by its smaller enterprise value.

The premium cluster includes Hugo Boss, Tapestry, and Capri Holdings. Hugo Boss operates as a dual-brand player with a well-developed omnichannel sales model, balancing owned retail, wholesale, and e-commerce. Its margin profile (approx. 18%) reflects the brand's vertical approach of efficiency without luxury-level price points. Tapestry combines higher margins (c.22%) with global scale and a well-integrated omnichannel strategy, and accordingly trades at a much higher EV/EBITDA multiple (15.5x in FY24). Capri, while global and multi-brand, underperforms with an approx. 8% average margin, weighed down by internal inefficiencies and brand integration issues.

Among accessible and functional players, Samsonite stands out with a 24% FY24 margin, supported by scale, strong cost control, and a broad global retail footprint; consequently, it trades at sustained multiple of 8.0x (FY25 EV/EBITDA). Finally, Geox underperforms structurally (9% FY24 margin), constrained by limited pricing power, a high fixed-cost store base, and weaker online scalability.

Piquadro, though smaller in scale, exhibits a business model aligned with premium multi-brand players, combining a focused portfolio of three distinct brands with a hybrid distribution mix across DOSs, franchising, wholesale, and digital channels. Over 2022–24, the Group delivered an average EBITDA margin of 16.6%, positioned below the peer median (20.8%) but outperforming structurally weaker peers, reflecting disciplined expansion and brand repositioning efforts.

Sales trends across the peer group reflect varied levels of brand maturity, geographic exposure, and post-COVID recovery effects.

Among high luxury peers, growth has been modest or negative, with Burberry and Ferragamo posting –3.7% and –2.6% 2022–24 CAGR, reflecting slower retail conversion. In the premium segment, Capri Holdings, despite being a multi-brand platform, contracted by –6.1%, weighed down by Michael Kors' performance and lack of synchronization across brands and geographies. Most of these players expect low-to-mid single-digit recoveries through 2027 as they remain exposed to cyclical demand and repositioning risk. Hugo Boss reported a strong 16.2% CAGR (2022–24), supported by brand revitalization and a omnichannel ecosystem.

Among functional players, Samsonite experienced a sharp rebound (26.9% 2022-24 CAGR) due to the reopening of travel markets post-COVID. This momentum, however, is not sustained, as its growth is projected to decline (–0.4% 2025–27E CAGR).

Piquadro delivers one of the most balanced growth trajectories across the panel. With a 7.3% 2022-24 CAGR and a projected 4.4% CAGR in 2025–27E, the Group ranks above the peer median in both periods. Its growth reflects a disciplined international rollout, a well-calibrated brand mix, and a lean omnichannel model spanning directly operated stores, franchised locations, wholesale accounts, and e-commerce.

Peer comparison – Sales growth 2022-2027

Company Name	Sales growth						CAGR	CAGR
	2022	*2023*	*2024*	*2025*	*2026*	*2027*	2022-24	2025-27
Tapestry, Inc.	*23.2%*	*7.3%*	*-3.2%*	*-2.1%*	*2.5%*	*3.9%*	***9.1%***	***1.4%***
Burberry Group plc*	*7.7%*	*-3.4%*	*-15.5%*	*-4.0%*	*5.6%*	*6.1%*	***-3.7%***	***2.6%***
HUGO BOSS AG	*31.1%*	*14.9%*	*2.6%*	*-0.9%*	*3.3%*	*4.1%*	***16.2%***	***2.2%***
Samsonite Group S.A.	*60.3%*	*23.4%*	*-2.9%*	*-7.6%*	*3.8%*	*4.2%*	***26.9%***	***0.2%***
Capri Holdings Limited*	*11.0%*	*-11.7%*	*-17.6%*	*-24.2%*	*4.7%*	*1.2%*	***-6.1%***	***-6.1%***
Salvatore Ferragamo S.p.A.	*10.2%*	*-7.6%*	*-10.5%*	*-4.8%*	*3.9%*	*3.0%*	***-2.6%***	***0.7%***
Geox S.p.A.	*20.8%*	*-2.2%*	*-7.8%*	*-3.3%*	*3.0%*	*n.a.*	***3.6%***	***-0.1%***
Peers Median	**20.8%**	**-2.2%**	**-7.8%**	**-4.0%**	**3.8%**	**4.0%**	*3.6%*	*0.7%*
Piquadro S.p.A.*	**17.5%**	**2.7%**	**1.9%**	**2.9%**	**5.6%**	**4.8%**	*7.3%*	*4.4%*

Source: Company Data, KT&P's Estimates, Factset data

** Fiscal year ends on March 31st . The corresponding data has been attributed to the preceding calendar year (e.g., Piquadro's FY24–25, ending March 31, 2025, is reported under 2024 figures), as nine months overlap.*

Piquadro—despite delivering a 17.3% average EBITDA margin (FY23–26E) and above-median revenue growth—trades at notably lower multiples, with 5.0x FY24-25 EV/EBITDA and 11.2x P/E. This positions the company closer to the lower end of the valuation spectrum, alongside structurally weaker peers, despite outperforming many of them on fundamentals. The current valuation suggests room for re-rating towards multiples of the premium segment.

Peer Comparison – Market Multiples 2024–26E

Company Name	Exchange	Market Cap (€mn)	EBITDA margin (Avg FY23-26E)	EV/SALES 2024	EV/SALES 2025	EV/SALES 2026	EV/EBITDA 2024	EV/EBITDA 2025	EV/EBITDA 2026	P/E 2024	P/E 2025	P/E 2026
Tapestry, Inc.	NYSE	19,359	22.3%	3.6x	3.7x	3.6x	15.5x	16.3x	15.5x	25.7x	19.9x	19.4x
Burberry Group plc	London	5,549	23.8%	2.3x	2.4x	2.3x	12.2x	10.7x	9.1x	n.m.	81.6x	33.8x
HUGO BOSS AG	XETRA	2,931	18.2%	0.9x	0.9x	0.9x	5.2x	5.3x	4.9x	13.7x	12.5x	11.2x
Samsonite Group S.A.	Hong Kong	2,667	20.7%	1.3x	1.4x	1.3x	5.3x	8.0x	7.4x	8.3x	10.4x	9.4x
Capri Holdings Limited	NYSE	1,960	8.3%	1.2x	1.6x	1.5x	19.8x	20.9x	16.8x	n.m.	15.6x	11.5x
Salvatore Ferragamo S.p.A.	Milan	867	20.2%	1.3x	1.4x	1.3x	6.8x	6.8x	6.2x	n.m.	n.m.	79.9x
Geox S.p.A.	Milan	120	11.5%	0.7x	0.7x	0.7x	7.5x	5.6x	5.1x	n.m.	n.m.	n.m.
Average peer group		4,779	***17.9%***	***1.6x***	***1.7x***	***1.7x***	***10.3x***	***10.5x***	***9.3x***	***15.9x***	***28.0x***	***27.5x***
Median peer group		2,667	***20.2%***	***1.3x***	***1.4x***	***1.3x***	***7.5x***	***8.0x***	***7.4x***	***13.7x***	***15.6x***	***15.4x***
Piquadro S.p.A.	Milan	130	***17.3%***	***0.8x***	***0.8x***	***0.8x***	***5.0x***	***4.7x***	***4.4x***	***11.2x***	***10.6x***	***10.1x***

Source: Factset data, KT&Partners' elaboration

We end up with Piquadro's equity value of €211mn for EV/Sales and EV/EBITDA and €146mn through the P/E method.

EV/Sales Multiple Valuation

Multiple Valuation (€mn)	2025E	2026E
EV/Sales Comps	1.4x	1.3x
Piquadro Sales	188.9	199.4
Enterprise value	**262.2**	**266.6**
Average Enterprise value	**264.4**	
Liquidity/Size Discount	*25%*	
Enterprise Value Post-Discount	**198.3**	
FY24-25 NFP Adj.	(12.9)	
FY24-25 Minorities	-	
Equity Value	**211.2**	
Number of shares (mn)	*47.6*	
Value per Share €	**4.44**	

EV/EBITDA Multiple Valuation

Multiple Valuation (€mn)	2025	2026
EV/EBITDA Comps	8.0x	7.4x
Piquadro EBITDA	33.4	35.3
Enterprise value	**267.1**	**262.2**
Average Enterprise value	**264.6**	
Liquidity/Size Discount	*25%*	
Enterprise Value Post-Discount	**198.5**	
FY24-25 NFP Adj.	(12.9)	
FY24-25 Minorities	-	
Equity Value	**211.4**	
Number of shares (mn)	*47.6*	
Value per Share €	**4.44**	

P/E Multiple Valuation

Multiple Valuation (€mn)	2025	2026
P/E Comps	15.6x	15.4x
Piquadro Net Income	12.3	12.8
Equity Value	**191.9**	**197.9**
Average Equity Value	**194.9**	
Liquidity/Size Discount	*25%*	
Equity Value Post-Discount	**146.1**	
Number of shares (mn)	*47.6*	
Value per Share €	**3.07**	

Source: KT&Partners' estimates

DCF Valuation

We have conducted our valuation using a four-year DCF model, based on 11% cost of equity, 5.0% cost of debt, and a D/E ratio of 20% (target).

The cost of equity is a function of the risk-free rate of 3.6% (Italian 10y BTP yield, last 3 months average) and the equity risk premium of 5.2% (Damodaran: Italian equity risk premium with country risk based on CDS spread), and a premium for size and liquidity 1.7% (Duff&Phelps). The Industry Beta Unlevered is 0.96 (peer's average), which is relevered at 1.09 for Piquadro (applying a 28% Tax Rate). We, therefore, obtained a 9.8% WACC.

In our DCF model, we start from the Adjusted EBITDA—excluding IFRS 16 effects—as it better captures the Group's actual operating cash flow generation. Consistently, we use the NFP Adj., net of lease liabilities, to ensure alignment with the financial structure.

We discounted FY26–29E annual cash flows and considered a terminal growth rate of 2.0%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

According to our valuation method, our estimated fair value is equal to €3.34ps.

DCF Valuation

€ Thousands	FY25-26E	FY26-27E	FY27-28E	FY28-29E
EBITDA Adj (excl. IFRS)	**20,453**	**21,697**	**24,072**	**26,668**
- Taxes on EBIT	(3,855)	(4,333)	(5,127)	(6,358)
+ Other Value adjustments	-	-	-	-
Net operating cash flow	**16,597**	**17,364**	**18,945**	**20,310**
-/+ Change in working capital	(1,247)	(2,456)	(5,384)	(2,323)
- CAPEX	(7,600)	(5,600)	(5,600)	(5,600)
Free Cash Flow	**7,751**	**9,308**	**7,962**	**12,387**
Growth rate (g)	2.0%			
WACC	9.8%			
FCF discounted	**7,283**	**7,969**	**6,208**	**8,800**
Discounted Cumulated FCFO	30,260			
Terminal Value	162,814			
Discounted TV	115,666			
Enterprise Value	**145,926**			
FY24-25 NFP Adj.	(12,898)			
FY24-25 Minorities	-			
Equity Value	**158,824**			
# shares (thousands)	47,581			
Value per share (€)	**3.34**			

Source: Company data, KT&Partners' elaboration

Sensitivity Analysis

€ Millions		WACC				
		9.3%	9.5%	9.8%	10.0%	10.3%
Terminal growth Rate	1.50%	160.5	155.8	151.3	147.1	143.1
	1.75%	164.7	159.7	154.9	150.5	146.3
	2.00%	169.2	163.8	158.8	154.1	149.7
	2.25%	174.0	168.3	163.0	158.0	153.3
	2.50%	179.1	173.1	167.4	162.1	157.2

Source: Company data, KT&Partners' elaboration

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IN THIS STUDY DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

- ADD - FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD - FOR A FAIR VALUE <15% o >-15% ON CURRENT PRICE
- REDUCE - FOR A FAIR VALUE < -15% ON CURRENT PRICE

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