

PLATFORM COMPANY FOR SALE - ITALY

ELECTRO MECHANICAL AND METAL SUB COMPONENT MANUFACTURER

Company Overview

Founded in 1965 and now second 2nd generation ownership requiring succession.

Integrated precision partner: Focus on multi-process industrial platform (automated laser cut, bend, weld, machining); 3rd party electro mechanical assembly, delivering turnkey modules for blue-chip OEMs.

The **company serves** Wind, Medical, Textile, Rail, Logistic & Automation markets with approx. 100 FTEs in 6 buildings of approx. 10.0 00 sq m and including storage capacity.

Mechanical Tech. & Metalworking

Size & growth: Europe's Heavy & light steel work market growth is projected from \$8.65B in 2024 to \$13.72B by 2031, with a CAGR of 6.7%, driven by construction, aerospace, heavy machinery, and prefabricated structures.

Expanding Sector Opportunities: High-growth sectors like Battery Energy Storage Systems, hydrogen, offshore wind, logistics automation, and data centers show a CAGR of more than 10%.

Structure & barriers: This industry is highly fragmented, with high quality requirements, customer proximity and capability to address custom demands and complex project requirements.

Total Addressable Markets ("TAM"): Given the Company's scope a conservative TAM of >€5bn to €10bn across Italy and EU is reasonable.

KEY HIGHLIGHTS

Premium margins: Sustained at 21 to 25% adj. EBITDA.

Stable revenues: 60% reoccurring; Top-10 average 58% with limited concentration.

Energy advantage: 50% self generated electricity (photovoltaic solar power and wind power).

Solid balance sheet: FY25 net cash est. is at €10.9m pre-deal with no leverage.

Scalable base: New Machinery & Plant for extra capacity (30-40%), with full stack certified production (e.g. ISO).

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FINANCES

The second-generation owners will remain engaged for 24 months post-closing and committed to reinvest, ensuring continuity and alignment. Key transaction parameters are:

- **Enterprise Value:** €18.0 million
- **Revenue:** €16.9 million
- **EBITDA:** €3.7 million (22% margin)
- **EV/EBITDA:** 4.86x
- **Seller commitment:** €1.9 million rollover equity and €3.0 million seller loan.

Equity Contribution: €7.5M, Preferred equity including rolled search equity.

Seller Note: €3.0M at 4.0% p.a. amortized over 5 years.

Senior Debt: €8.0M, (2.09 x of EBITDA) with a term of 5 years with potential balloon payments.

Rollover Equity: €1.9M, The sellers will reinvest via rollover equity up to 20% on a pari passu basis.

VALUE CREATION

The value creation plan is already underway with focus on:

- Customer Growth- 30% to 40% headroom without CAPEX.
- Cross-sales and market diversification.
- Expansion of assembly and FAT capabilities.
- Implementation of structured Sales & Operations Planning and KPI frameworks.
- Strengthening of key account management.



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