

Litix

SIM INTEGRÆ

Euronext Growth Milan | Art & Technology | Italy

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Rating
BUY

Target Price
€ 3,80

Risk



Medium

Upside potential
171,2%

Stocks performance relative to FTSE Italia Growth



Stock Data

Price	€ 1,40
Target price	€ 3,80
Upside/(Downside) potential	171,2%
Ticker	LTX IM
Market Cap (€/mln)	€ 9,25
EV (€/mln)	€ 7,56
Free Float (% on Ordinary Shares)	20,4%
Share Outstanding	6.608.000
52-week high	€ 1,66
52-week low	€ 1,38
IPO Price (05/07/2024)	€ 1,40

Key Financials (€/mln)	FY23A	FY24E	FY25E	FY26E
Value of Production	5,43	8,30	9,95	13,25
EBITDA	1,23	1,60	2,25	3,55
EBIT	0,95	1,15	1,65	2,85
Net Income	0,71	0,80	1,15	2,00
NFP	0,43	(1,70)	(3,05)	(6,05)
EBITDA margin	22,6%	19,3%	22,6%	26,8%
EBIT margin	17,5%	13,8%	16,6%	21,5%
Net Income margin	13,0%	9,6%	11,6%	15,1%

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1. Company Overview

1.1 Business Activity

Litix SpA (hereinafter also referred to as “Litix” or “the Company”) is a unique Company within the market, as it combines art and technology, tradition and innovation, to meet the needs of those who wish to create works in marble and other materials. The Company is classified as a highly integrated player, offering its customers services for the direct creation of the desired work of art, as well as advanced technological solutions to enable autonomous production. Litix, based in Carrara (MC), was founded in 2023 following the merger by incorporation of Robotor Srl (hereinafter also referred to as “Robotor”), a company specialised in the design and assembly of anthropomorphic robots for multi-axis milling, into Torart Srl (hereinafter also referred to as “Torart”), a company that creates sculptures and various types of contemporary art and design works, with the subsequent change of name from Torart to Litix. The Company currently operates through its two Business Units: Robotor and Torart.

The Company is also the Parent Company of the Group with the same name (hereinafter also referred to as “the Group”), which includes the subsidiary Aivox Srl (hereinafter also referred to as “Aivox”), established in July 2023 with a 60.0% shareholding held by Litix, a 20.0% shareholding by Matteo Lomaglio and a 20.0% shareholding by Francesco Perego. The Aivox start-up was created as a meeting point between design, software and production to help organisations design and produce in a faster and more intelligent way.

The Company does not only provide a single product or service, instead offering a broad spectrum of solutions and services that encompass the entire materials processing activity. This includes several phases, ranging from the creation of artworks and artefacts, to the provision of advanced technologies. Operational innovation is a key element for Litix’s business success, allowing the Group to establish a completely new market, unlocking various possibilities and attracting an interesting range of well-known and highly appreciated faces in the sector. These include avant-garde artists such as Jeff Koons, who require specialised and reliable support to create and bring their boldest visions to life. Jeff Koons has, for many years, chosen Litix to create marble works that were previously only imaginable. Religious communities, such as the Mormons, also rely on the Group to express their spirituality through majestic statues, sculpted with precision and devotion by Litix robots. Moreover, academic and cultural institutions, such as the Institute of Digital Archaeology in London (IDA), look at digital technologies as a way to relive and reconnect with the artistic tradition: not as an element of disjunction with the past, but as tools that offer significant added value. The IDA-Litix collaboration focused on creating replicas of several Parthenon statues was particularly interesting in this regard.

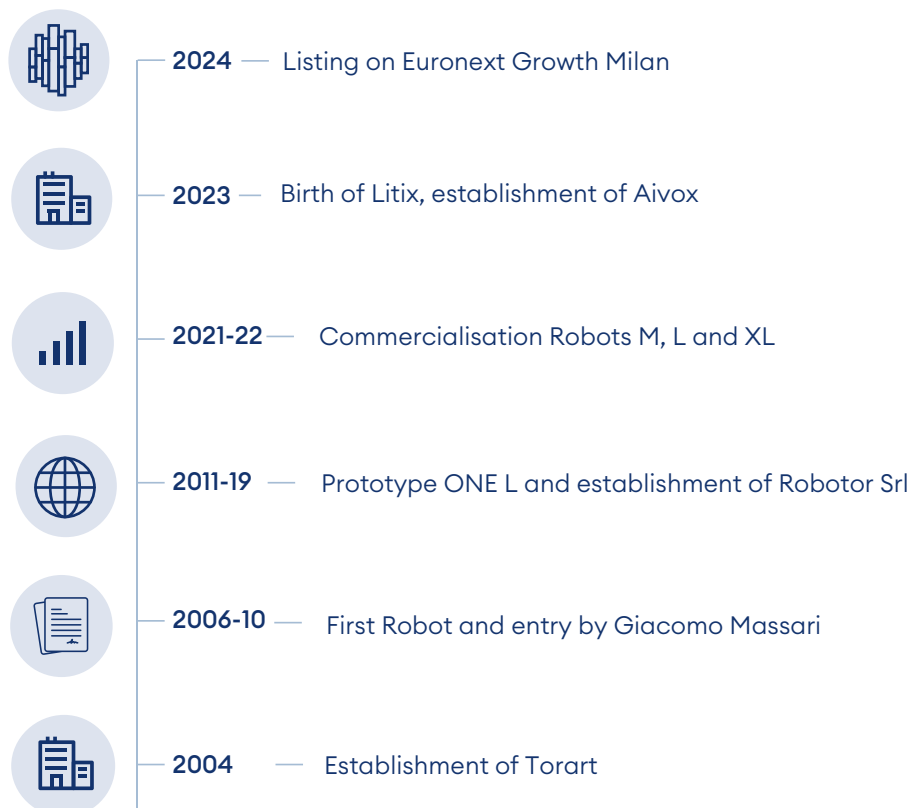
CHART 1 – LITIX’S REPLICAS: “TESTA DI CAVALLO DEL PARTENONE” (2023) AND “AMORE E PSICHE” (2019)



Source: Litix

1.2 Company Story

CHART 2 – COMPANY STORY



Source: Litix

- In **2004** Filippo Tincolini founds Torart company in Carrara (MC), the city of marble, specialised in sculpture, contemporary art and design, fusing traditional processing methods with the most advanced technologies;
- In **2006** the first robot is installed, perceiving the great opportunities that can arise from the application of robotics to sculpture. Subsequently, in **2010**, Torart transforms into an Srl with Giacomo Massari's entry into the company. The company sees a growth in orders and the need to be more and more organised and professional to respond to requests arriving from all over the world;
- In **2011** the increasingly complex requests and the desire for continuous improvement lead to the creation of the ONE L prototype, the first robot designed for sculpture. More and more artists are turning to Torart to create their marble works, allowing the company to lay solid foundations for major international collaborations. In **2017** the company begins using the Beta version of OR-OS, the self-programming software designed specifically to simplify robot programming. In **2018** the ONE XL is introduced, a natural evolution of the ONE L, capable of processing huge pieces in terms of size and weight, without any limit to the creation of stone works. In **2019** Robotor Srl is founded. It is a company created to make the technology developed over the years by Torart available to everyone;
- In **2021**, with the new Robotor headquarters within "Marmi Carrara", one of the largest marble companies in the world, an expansion of the production and distribution of robots is seen worldwide. In **2022** the M, L and XL versions of the Robotor robots are marketed together with the definitive version of the OR-OS software, integrated with the OR-Interface component for real-time milling control, and the OR-Safe Control component designed to manage the state of the robot and of the components in real time;
- In **2023** Litix is founded, company resulting from the merger by incorporation of Robotor into Torart, and the subsequent change of name of Torart into Litix. In July of the same year, Aivox, 60.0% controlled by Litix, is established to carry out research and development of new materials, products and processes and to expand the range of industrial applications of robots;
- Finally, on **July 8th, 2024**, the Group completed its listing process on the Euronext Growth Milan market of Borsa Italiana.

1.3 Shareholders and Group Structure

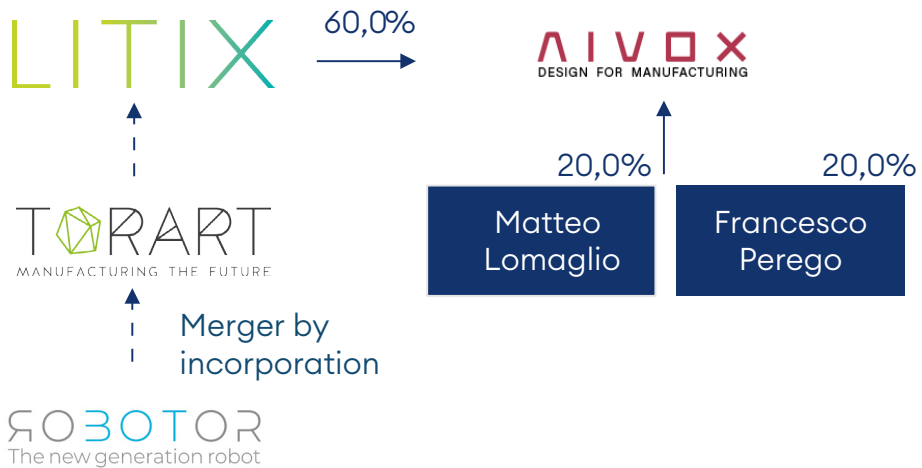
TABLE 1 – SHAREHOLDERS

Shareholders	# Shares	Multiple Voting Shares	% on Ordinary Shares	% on Voting Share Capital	% on Total Share Capital
Bianco Srl	2.000.000	500.000	35,66%	44,85%	37,83%
Bernini Srl	2.000.000	500.000	35,66%	44,85%	37,83%
Algebris Investment Limited	465.000		8,29%	2,98%	7,04%
Free Float	1.143.000		20,38%	7,32%	17,30%
Total	5.608.000	1.000.000	100,00%	100,00%	100,00%

Source: Litix

Following the listing on the stock exchange, achieved through the placement of 1,608,000 ordinary shares, the share capital of Litix is composed of 6,608,000 shares, of which 1,000,000 are multiple voting shares, granting 10 votes each. Bianco Srl, a company related to Giacomo Massari, holds 35.66% of the share capital; an equivalent share is held by Bernini Srl, a company related to Filippo Tincolini. Algebris Investments Limited holds 8.29% of the share capital; the remaining portion represents the floating capital, amounting to 20.39%.

CHART 3 – SHAREHOLDERS AND GROUP STRUCTURE

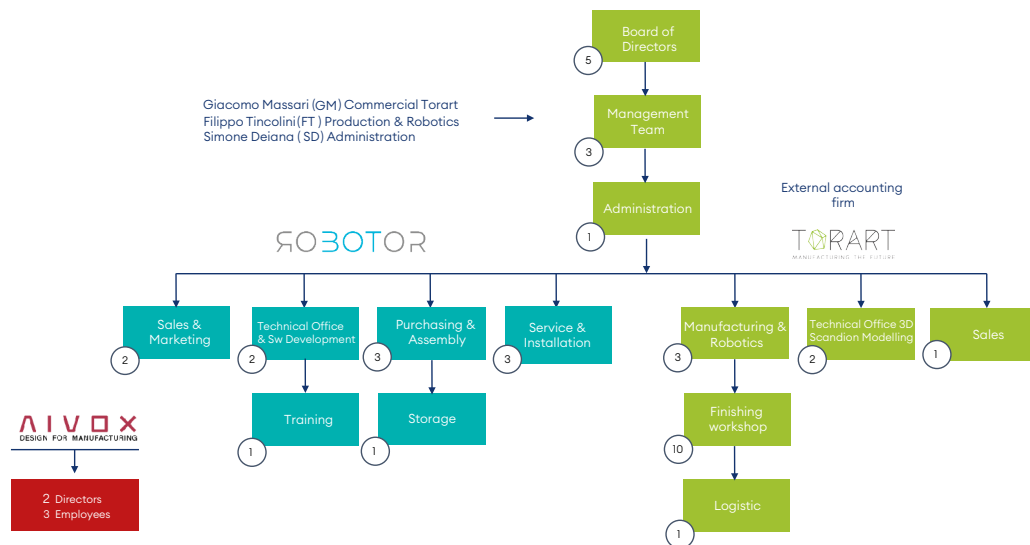


Source: Litix

As Parent Company, Litix also holds a 60.0% stake in Aivox, a subsidiary and start-up established in July 2023, founded as a meeting point between design, software and production that relies on creative engineering and automation technologies to create products, processes and tools.

1.4 Corporate Governance

CHART 4 – CORPORATE GOVERNANCE



Source: Litix

As of April 30th, 2024, the Group’s organisational structure includes 22 employees.

The Board of Directors will consist of 5 members and will remain in office until the approval of the Financial Statements for the year ending on December 31st, 2026. In particular:

- Giacomo Massari will hold the role of Chairman and Managing Director;
- Filippo Tincolini and Simone Deiana hold the role of Directors with mandates;
- Luciano Massari holds the role of Director;
- Paolo Daviddi holds the role of Independent Director.

The Board of Statutory Auditors will consist of the Chairman, two Standing Auditors and two Alternate Auditors, who will also remain in office until the approval of the Financial Statements for the year ending on December 31st, 2026. Specifically:

- Alessandro Anti holds the role of Chairman of the Board of Statutory Auditors;
- Bruno Anti and Domenico Rettura hold the role of Statutory Auditors;
- Matteo Gelmetti and Silvana Anti hold the role of Alternate Auditors.

1.5 Key People

Giacomo Massari – Chairman and Managing Director

After obtaining a secondary school diploma for technical studies, Giacomo Massari earned a degrees in business economics and foreign languages from the Universities of Pisa and Rome. Giacomo Massari boasts extensive experience in the business management sector and in the development of complex projects in Italy and abroad in various sectors (STX shipyard in France for MSC, Tender for Renzo Piano's Valletta City Gate Project in Malta, etc.). He served as production manager of the works of the XIV Carrara Sculpture Biennial during which he collaborated with artists including Paul McCarthy, Urs Fischer, Antony Gormley, Cai Guo-Quiang and Sam Durant.

Filippo Ticolini – Director of Operations

A graduate of the Carrara Academy of Fine Arts and sculptor, Filippo Ticolini has always combined respect for traditional (handmade) work with a passion for innovation thanks to the use of the most advanced technologies. Already in 1997, he began to frequent various Tuscan artisanal workshops and marble laboratories in Carrara where, after closely integrating himself into the local and territorial cultural and artistic *background*, in 2004 he created an ambitious project that has led to the founding and growth of the Torart company over the last 15 years.

Simone Deiana – Financial Director

Simone Deiana has been in charge of the administration of Litix's BUs since 2017 and previously held administrative roles in companies in the sector.

1.6 Innovative SME

Litix qualifies as an innovative SME as it satisfies two of the three specific objective requirements to be recognised as such (Article 4 of Legislative Decree 3/2015), namely:

- residence in Italy, or in another country in the European Economic Area, but with production headquarters or branch in Italy;
- certification of the latest Financial Statements and Consolidated Financial Statements (where available);
- not being listed on a regulated market;
- not being simultaneously registered in the special section of innovative start-ups.

To be considered truly innovative, an SME must also meet at least two of the following three subjective requirements. First, it must have incurred research and development (R&D) and innovation expenses equal to or greater than 3.0% of the higher between turnover or cost of production. Second, it must employ a significant number of highly qualified staff. Specifically, at least one fifth of the staff must be PhDs, PhD students or researchers, or at least one third must hold a Master's Degree. Third, the SME must be the owner, custodian or licensee of at least one patent, or it must be the owner of registered software. This criteria aims to promote and support innovation within the Italian and European entrepreneurial fabric.

Litix complies with the first requirement relating to R&D expenses (above € 160,000 in 2023) and is the owner of the registered OR-OS software.

2. Business Model

2.1 Industry Business System

CHART 5 – INDUSTRY BUSINESS SYSTEM



Source: Litix

As part of its business activity the Group caters to a multitude of customers, who seek solutions that combine craftsmanship with advanced technology, with a focus on excellence, originality and innovation in the processing of materials, design, fashion, art and architecture. The focus of the business is the processing of the raw material (marble, stone, wood, etc.), offering a range of different solutions: from processing on behalf of the customer with delivery of the finished product (Torart BU), to the supply of machines to customers for self-processing (Robotor BU) and the study of innovative tailor-made solutions (Aivox).

Within the Industry Business System and through its Torart Business Unit Litix holds an intermediate position between suppliers and customers. Being the player that uses its robots within an integrated process for the creation of works of art and design, the Company in fact covers all phases of the process: from the creation of the preliminary design to the choice of materials, from milling to hand finishing, up to packaging and delivery.

The Company has closely integrated both hardware and software technologies into its system to automate the processing of stone, wood and other materials, used in the creation of works of art, design objects and architectural projects. Although designed internally, the mechanical components are produced and purchased from external suppliers. On the software front, Litix offers OR-OS, a proprietary “self-programming” software that contributes to significant savings in terms of costs and production timeframes.

Litix caters to a multitude of customers, including:

- Artists;
- Artisanal workshops and laboratories;
- Architects;
- Designers;
- Museums;
- Stone sector industry;
- Fashion;
- Industry 4.0.

Taking a closer look at each BU, Torart customers are mainly artists and art galleries, characterised by limited bargaining power given the unique nature of the processing offered. As regards Robotor, instead, as it is a B2B market, customers could have greater bargaining power, especially when purchasing in large volumes.

As regards suppliers, the latter are divided into two categories: technology and materials suppliers. With reference to technology suppliers, Litix collaborates with market leaders specialised in the production of mechanical parts, offering customised solutions that meet the specific needs of the company and subsequently adapted internally. Among these, the following stand out:

- **Kuka**, a renowned German manufacturer of industrial robots and industrial automation solutions, known for its functional and innovative anthropomorphic arms;
- **HST**, Italian leader in the production of Cyber Spindles¹ (electrospindles used in the processing of metal, alloys, composite materials and wood).

Litix's suppliers also include quarries and companies specialised in the sale of stone materials, such as marble and granite. These suppliers are key for the provision of high-quality raw materials necessary for the creation of works of art, design objects and architectural projects.

¹ *An electromechanical device, mounted on machine tools, equipped with an internal motor to rotate any installed tool and thus be able to carry out the intended processing activity. The main feature of the electrospindle is to increase the precision and machining capacity of the machine tool.*

2.2 Value Proposition

To successfully compete in the dynamic market of production technologies applied to art, design and industry, Litix has developed a distinctive value proposition, based on high quality and unparalleled operational efficiency. Backed by many years of experience, the Company is strongly committed to guaranteeing its customers reliability and innovation, establishing itself as a leader in the sector. What's more, Litix is strongly committed to the continuous updating of its technologies and the advanced training of its staff, investing in the most advanced solutions. This commitment is reflected in the following key business operations pillars:

- **Process optimisation and cost reduction:** thanks to Litix's advanced technologies, customers can refine their production processes, increasing productivity and minimising operating costs;
- **Superior quality guarantee:** the integration of latest generation robotics and automation software makes it possible to oversee every detail of the finished products, guaranteeing impeccable precision and quality;
- **Safe and sustainable working environment:** the Company is committed to implementing solutions that safeguard worker safety and reduce environmental impact, promoting responsible work ethics;
- **Commitment to innovation:** the research and development strategy is constantly focused towards innovation, allowing customers to always access the most recent and advanced technological solutions;
- **Promoting interdisciplinary collaboration:** Litix tools and platforms are specifically designed to facilitate communication and collaboration.

The Group embodies its business paradigm through a set of distinctive elements that position it as an integrated and prominent *player* in the niche sector in which it operates. Litix's unique proposal of advanced technological solutions translates into an innovative platform that integrates high performance hardware and *cloud-based* self-programming OR-OS software. This system allows the creation of complex works and sculptures using stone and composite materials, replacing traditional CNC (Computer Numerical Control) machining centres² and improving the relationship between time, costs and quality of work.

2 *Precision mechanical processing that implements classic tools such as lathes and mills. Computerised procedures are integrated within the latter, allowing to create models and add details to the processed material. CNC machining is carried out through milling and turning and, thanks to the same, the processed material is cut to the dimensions defined by the internal program with absolute precision. In essence, the numerical control centre machines integrate software used to set up the work: man has the important task of checking that everything is going well and intervening when errors occur.*

The technological heart of Litix is the proprietary software, developed internally and designed to automate CNC milling. This software transforms 3D files into autonomous toolpaths, guiding the robotic system without the need for manual intervention. The Company's "plug & play" solution requires minimal initial manual input and operates autonomously, offering precise, simplified, high-performance toolpath programming and simulation, reduced operating costs and increased environmental sustainability.

Litix also has a team of Founders and personnel with decades of experience and specific expertise in the processing of stone materials and robotic technology. The team leverages the knowledge acquired in Torart, a sculpture laboratory where robots have been used for years in challenging contexts, creating complex works. Moreover, collaboration with strategic suppliers and market leaders amplifies the versatility of the robots, which adapt to a wide range of applications for artists, craftsmen, architects, designers and industries, making it possible to design and create highly complex works with a high level of detail.

2.3 Business Model

Litix is the innovative product of the merger that took place in 2023 between Torart and Robotor, two leaders in the panorama of advanced processing technologies. Following the acquisition of 60.0% of Aivox, a company specialised in creative engineering and automation headquartered in the province of Monza, the Group has been enriched with new skills, thus expanding its range of operations in the industrial robotics sector. This strategic synergy has allowed Litix to position itself as a leader in hardware and software innovation, offering unique solutions for three-dimensional CNC milling.

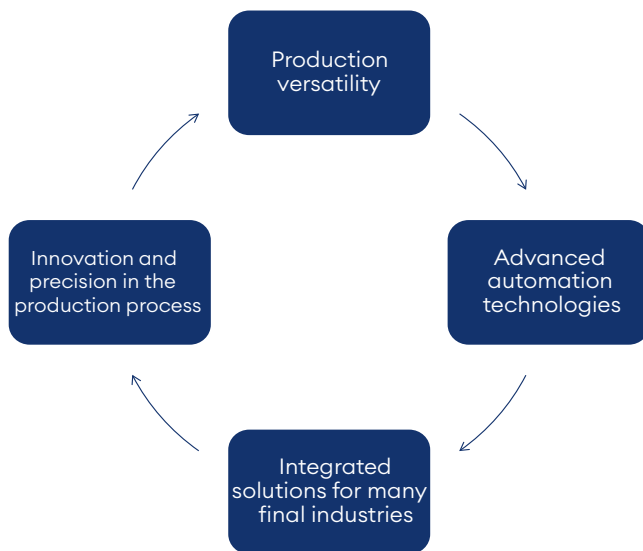
Since 2004, the year Torart was founded, the company has excelled in the creation of sculptures, contemporary works of art and design objects, exploiting cutting-edge technologies for the processing of marble, stone and composite materials. The experience gained led to the foundation of Robotor in 2019, specialised in the design and assembly of anthropomorphic robots for multi-axis milling, extending their use to materials such as wood and plastic. With the introduction of Aivox in 2023, Litix has further expanded its capabilities in terms of research and development of new materials and manufacturing processes, consolidating its presence in the sector with a value proposition that seamlessly integrates mechanical engineering with an innovative software.

Litix's advanced technological solution, which includes anthropomorphic robots and proprietary OR-OS software, developed by the Company's Founders, allows the autonomous and precise creation of sculptural and design elements from 3D files. The programming platform, compatible with CAD/CAM software, not only optimises toolpaths, but also guarantees the minimisation of interruptions, accurate control of processing times and a significant reduction in operating costs. This system, supervised by the operator, allows efficient

work progress and the simultaneous management of other activities, increasing the level of productivity and operational flexibility.

The Litix Group therefore stands out for an integrated approach that combines precision, power and flexibility, promoting a vision of advanced processing, directly responding to the different needs of the contemporary market.

CHART 6 – KEYS TO SUCCESS



Source: Litix

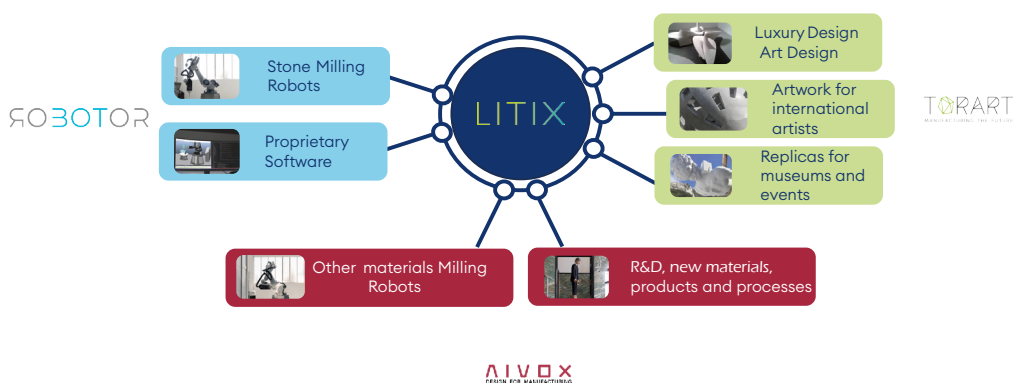
In an increasingly demanding and rapidly evolving market, Litix has been able to build a robust and adaptable business model, founded on deep technical expertise and a highly innovative vision. By accumulating a significant experiences over time and a strategic fusion of resources and talent, the Group has consolidated its position as a leading provider of advanced solutions, guaranteeing highest-quality services that closely respect the timelines and costs agreed with customers.

This resilience translates into the four fundamental pillars that define Litix’s exceptional value proposition:

- **Production versatility:** Litix produces works of art for international artists, design and luxury design items, as well as reproductions of works of art and monuments, both in small batches and as one-off pieces. The ability to vary its production, from art to original design or industrial works demonstrates considerable operational flexibility on the Company’s part;

- **Advanced automation technologies:** specialised in advanced technological solutions, the company adopts an integrated system, composed of proprietary software and hardware components such as anthropomorphic robots, to automate the production process. This system allows it to ensure an effective management of the processing of marble, stone, granite and composite materials, combining traditional processing methods, such as manual finishing, with advanced technologies such as anthropomorphic robots and 3D laser scanners;
- **Integrated solutions for various industries:** Litix provides an integrated solution in multi-axis milling, not only for the stone industry, but also for the wood and plastic sectors. This is possible thanks to the use of advanced programming software, scanning systems, anthropomorphic robots and subtractive manufacturing technologies.
- **Innovation and precision in the production process:** Litix's mission is to support customers in their innovation process, introducing cutting-edge technological tools that integrate and enhance human skills. These tools are capable of translating any image into three-dimensional shapes without limits in terms of material or size, replicating them with maximum precision and accuracy. This translates into significant savings in costs and production times. The integration of anthropomorphic robots into the operational flow eliminates the most demanding work phases, reduces execution timeframes and increases productivity and quality of the work, improving flexibility and precision without requiring specific skills, thanks to the self-programming OR-OS software developed by the Company's Founders.

CHART 7 – BUSINESS MODEL



Source: Litix

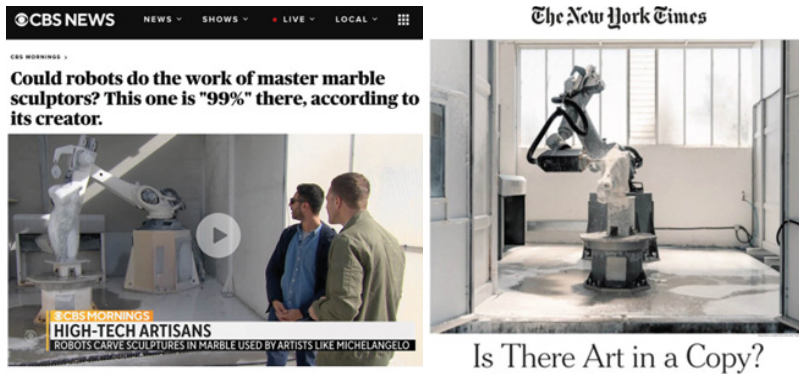
Litix's operating model is divided into three distinctive BUs: Robotor, Torart and Aivox. Each of these Business Units carries forward a legacy of excellence and innovation in its sector, contributing specialised solutions and advanced skills to the completion of complex projects and the satisfaction of customer needs. Below, we will take a closer look at the specific characteristics and activities of each Business Unit, outlining how these interact to form a cohesive and cutting-edge production ecosystem.

2.3.1 Robotor

The Business Unit Robotor specialises in the design and assembly of anthropomorphic robots for multi-axis milling, used with excellence in the processing of marble, stone, wood and plastic. This BU uses an advanced robotic island, designed in-house with high-quality components sourced from leading suppliers in the robotic systems industry. The operation of this sophisticated system is entrusted to the OR-OS software, developed by the Company's founders, which manages the production process through a specifically designed algorithm. The software is capable of analysing the raw marble block, identifying the optimal points for creating the sculpture, planning the workflow and selecting the appropriate tools for each phase, from roughing to finishing. All this, while minimising waste material and operating costs, energy consumption and production timeframes. The waste materials is subsequently reintroduced into the production cycle.

In 2023, with a team of 8 employees, Robotor sold 7 units of the Robotor ONE-L model, at an average price of € 230,000 each. The available models – M, L and XL – allow the creation of works that vary in size, with the XL being able to create works that reach up to 4.5 metres in height, ensuring the faithful reproduction of sculptures from models and 3D scans. Robotor also provides a complete after-sales support service, thus including quality services that cover all processing phases, from the initial 3D scanning to modifications using modelling software. The technical support service includes inspection, maintenance (ordinary and extraordinary) and repair activities of the robots throughout their life cycle, as well as the supply of spare parts, guaranteeing high quality standards at an international level. Training and specialisation courses on the system are offered both at the customer's premises and in the Company's offices.

CHART 8 – ROBOTOR'S MACHINES APPEAR IN MAJOR INTERNATIONAL NEWSPAPERS

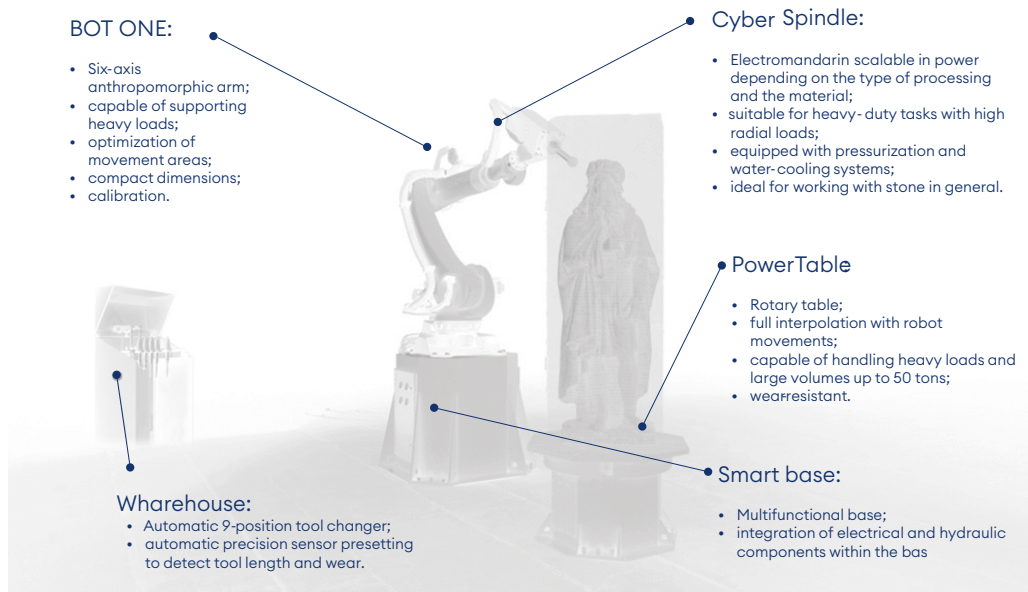


Source: Litix

Within the Business Unit, the organisational structure is well defined to guarantee efficiency and specialisation. The Sales Office is responsible for customer relations and the creation of quotes, taking on a role as the main point of contact for customer needs. At the same time, the Technical Office is focused on the design and preparation of robots for specific processing, ensuring that the final products meet technical expectations. The Purchasing Office, in charge of managing the acquisition of hardware and software components and relationships with suppliers, is crucial for the supply chain and the quality of materials. The Production department, on the other hand, specialises in the construction and assembly of the robots, maintaining high standards of quality and efficiency. Installation and Technical Assistance play an essential role in commissioning the robots at customer sites and in providing after-sales technical support, ensuring the correct functioning of the specific systems. Research and development, led by the R&D department, is at the heart of technological innovation and the expansion of artificial intelligence applications. Finally, the After-Sales Services team manages the licensing contracts for the OR-OS software, customer support and the organisation of training courses, underlining the Company's commitment to ongoing support and enhancing the skills of its users. This interconnected structure allows the Business Unit to easily respond to market demands and constantly push towards innovation.

The continuous exchange of feedback between Robotor BU and Torart BU is crucial, which contributes to the continuous improvement of robot performance and the development of new technological solutions, pro-actively responding to the emerging needs of customers and market dynamics. The Business Unit divides its activities into two distinctive business lines – Hardware and Software – both fundamental for the support and development of its advanced manufacturing operations.

CHART 9 – ROBOTOR HARDWARE







Source: Litix

The hardware infrastructure develops around the robotic island, a complex system that includes an anthropomorphic arm for processing, an electrospindle that moves the tools, an integrated base with electrical and hydraulic components for the operation of the arm, and a rotary table where the block to be machined is positioned. A tool magazine facilitates automatic change of the tools, depending on the type of processing. Functions supported by the system include extrusion, 7-axis milling and 5-axis water-jet cutting, allowing for continuous and precise machining to be carried out. These systems are designed internally and assembled with high quality components acquired from external suppliers, ensuring a level of effectiveness that meets the needs of controlling production timeframes and costs. The sale of Litix robotic islands, designed in-house and assembled using high-quality mechanical and electronic components acquired from external suppliers, is one of the Company’s main commercial activities. Specifically, the billing structure for the purchase of robotic islands provides for a 30.0% payment at the time of order and the balance of 70.0% upon completion of the construction of the robotic island, ensuring a clear and structured payment flow.

These advanced systems known as Robotor ONE, which manipulate stone and composite materials, are available in three sizes (M, L, XL) and are offered at an average price of € 230,000. The list price includes all the robotic island component and the software necessary for its operation.

The industrial robots developed by Torart are extremely versatile tools, designed to be used in a wide range of applications. From 2017 to 2019, Torart’s technical staff dedicated significant resources to the design phase of these robots, which are primarily used in the processing of stone materials such as marble, granite, stone, concrete, composite materials and polyurethane. These machines cover 90.0% of the processes used in the arts, design and architecture sectors, demonstrating their effectiveness and precision.

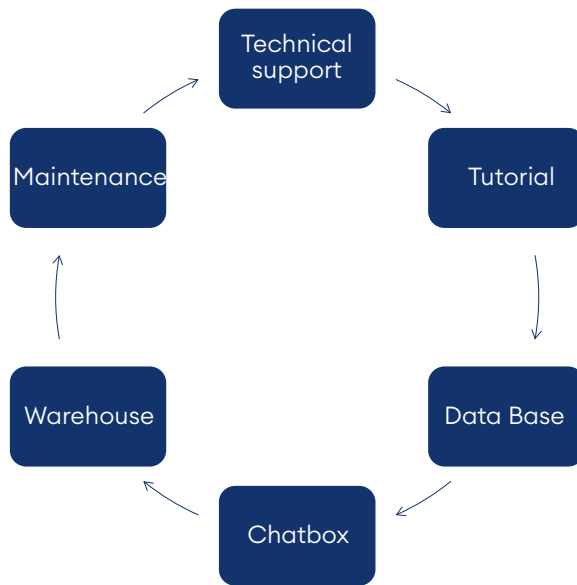
CHART 10 – ROBOTOR MODELS BY SIZE

	ONE•M	ONE•L	ONE•XL
Work capacity			
 Total weight	15 TON	35 TON	50 TON
 Volume	10 m ³	35 m ³	40 m ³
 Diameter	800 mm	1000 mm	1300 mm
 Max. height	2500 mm	3500 mm	4500 mm

Source: Litix

Technically, the three standard versions of the robot are equipped with a cyber spindle that varies in size, with diameters from 450 mm to 1,200 mm and lengths from 500 mm to 1,000 mm, and can reach a maximum speed of 12,000 RPM. The weight of these systems varies from 2,500 kg to 3,500 kg, while the installed power varies between 35 kW and 50 kW, thus guaranteeing high performance in different processing contexts.

CHART 11 – ROBOTOR SERVICES



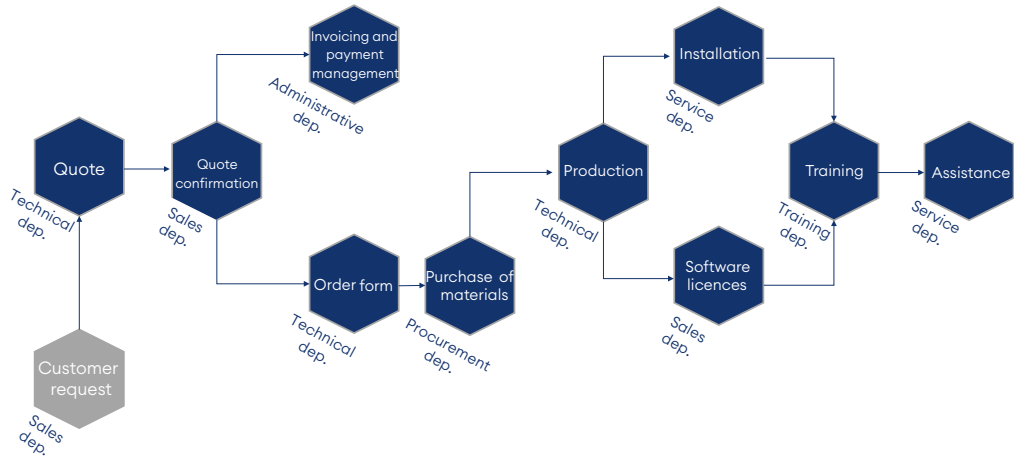
Source: Litix

The range of services offered to customers that purchase the machinery includes:

- expert and professional technical support, provided throughout the entire life cycle of the system to guarantee maximum production efficiency;
- a preliminary training course for the customer and continuous distance training aimed at maximising the robot's potential;
- a large database of 3D files available for Robotor customers;
- the assistance and training services managed by the sales department, which identifies the resources suitable to respond to the specific needs of the customer. In particular, a dedicated live chat is available, where customer service experts are available 24/7 to provide specialised help to customers with any type of request and problem;
- the large proprietary warehouse, where a wide range of parts and components are available, to optimise the speed in the execution of orders from customers all over the world;
- a maintenance service that includes commissioning, ordinary and extraordinary maintenance and remote diagnostics. Thanks to this approach, the Group guarantees its customers the ability to step in during all processing

phases, from the three-dimensional scanning of the models to the possibility of modifying them using 3D modelling software for CAD/CAM programming and calibration of robots and TCP.

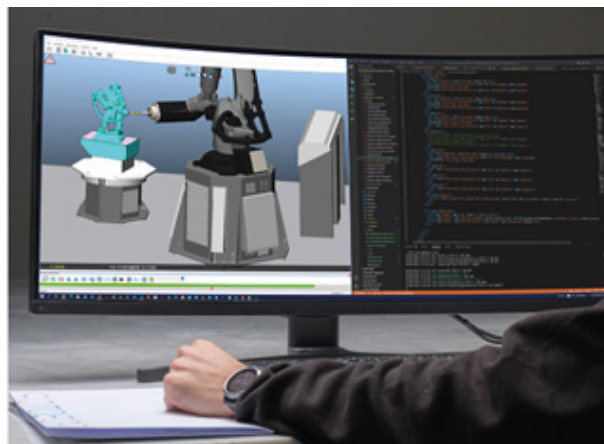
CHART 12 – ROBOTOR ORGANISATIONAL FLOW



Source: Litix

Software

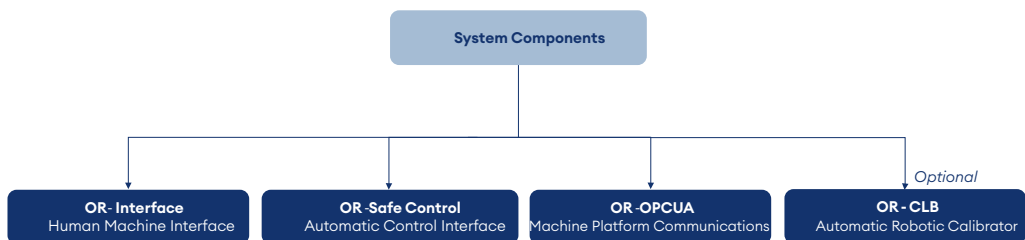
CHART 13 – OR-OS SOFTWARE



Source: Litix

The OR-OS software is the heart of Robotor’s automatic programming for CNC milling. Thanks to intuitive user interfaces, this system allows anyone to use the robot without the need for specific programming skills. OR-OS automatically manages the CAD/CAM software and simulation software to create optimised toolpaths. This process allows the robot to carry out the processing as effectively and efficiently as possible, translating digital designs into physical sculptures with extreme precision. The OR-OS software is accessible via cloud, in “Web unlimited” mode, allowing users to simply connect with a username and password on Google. Moreover, it can be used on both desktop and mobile devices, emphasising accessibility and ease of use in variable contexts. The OR-OS software, personally developed by the Company’s founders, plays a key role in managing the entire manufacturing process and is offered with three annual license options (Gold, Silver and Bronze), with subscription prices ranging between € 20,000 and € 5,000.

CHART 14 – OTHER SOFTWARE COMPONENTS



Source: Litix

While the OR-OS software is an optional feature and can also be sold separately from the robot, other essential software has been developed internally by the Group to guarantee the operational effectiveness of the robots:

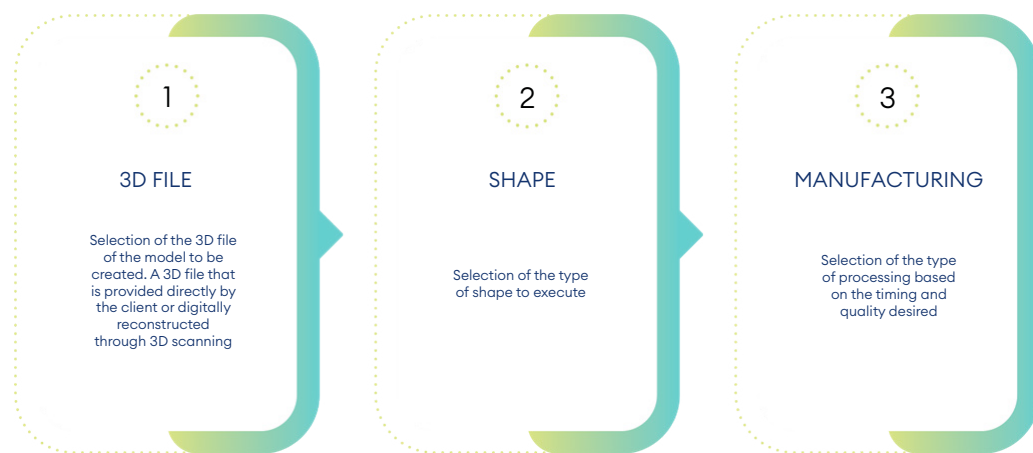
- **OR-Interface:** the man-machine interface through which OR-OS communicates with the OR-Interface to control the milling in real time. This interface is essential for managing anthropomorphic robots and supports several critical functions, including the controlled start of the CNC program, tool changes, the adjustment of the robot speed and of the cyber spindle. Some of the key innovative features include “Adaptive Cruise Control”, the “Resume Position” function, and the selection of an intelligent “Home” and “Tool list”, designed to optimise paths. The interaction with the software takes place via a SMART PAD, a portable touch screen tablet connected directly to the robot;
- **OR-Safe Control:** this automatic control and safety interface makes it possible to manage and monitor the status of the machine and its main components in real time using a touch screen. OR-Safe Control supervises the robot’s status, monitoring parameters such as effort, temperature and vibra-

tions, and facilitates intervention in the event of anomalies through immediate alerts;

- **OR-OPCUA:** The machine communication platform that allows remote management of OR-Safe Control and OR-Interface. This component allows remote control of the robot, ensuring effective management even from external positions.

Together, these modules compose a cohesive and highly functional software system, which places the Group in an advantageous position in its sector thanks to an unprecedented integration between design and operation. In addition to the components described, the software system also includes the OR-CLB option (*automatic robot calibrator*). This tool is essential for the automatic management of the TCP (Tool Centre Point) calibration phase, a key process to ensure that processing is started correctly. Thanks to the **OR-CLB** feature, the system is able to perform calibration in a fully automatic way, further increasing the efficiency and precision of the robot in the operational context. This functionality consolidates the software's position as a technologically advanced and fully automated solution, responding in a highly effective way to the needs for precision and reliability characterising Litix's sector.

CHART 15 – OR-OS FUNCTIONING



Source: Litix

At an operational level, OR-OS qualifies as an advanced self-programming software for CNC milling, marketed separately with annual licenses. This software is designed to start from a 3D file and automatically transform it into toolpaths, defining the shape and type of machining required with great precision. Thanks to the integrated 3D simulation, it is possible to analyse, correct and manage milling operations, thus optimising the production process and improving the overall productivity.

The OR-OS software is compatible both with the Company's robots and with those produced by other manufacturers, offering a wide range of applicability. Programming with OR-OS consists of three distinct phases:

1. **3D file:** the process starts with the selection of the 3D file of the model to be created, which can be provided directly by the customer or digitally recreated through 3D scanning techniques;
2. **Shape:** next comes the selection of the type of shape to create, allowing detailed customisation of the final product;
3. **Manufacturing:** finally, the type of processing is selected, based on the desired timing and quality criteria.

OR-OS is therefore a flexible and powerful software solution for programming CNC milling systems, ideal for maximising efficiency and precision in production operations. In summary, Robotor provides a fully integrated service for the creation of marble works, ensuring its customers not only the supply of high-quality hardware and software, but also complete support during the installation, design and production phases. This holistic approach represents the major added value that distinguishes Robotor in the industry, offering an end-to-end solution that facilitates artistic and technical excellence.

2.3.2 Torart

Torart Business Unit uses advanced technologies and anthropomorphic robots to transform projects created by the world's most renowned architects, designers and artists into physical works. This specialised BU is able to develop works starting from simple conceptual designs or detailed models provided by customers, creating both limited editions and unique pieces, ranging from art to industrial design.

CHART 16 – TORART WORKS



Source: Litix

The process begins with the purchase of the necessary materials such as marble or granite, which can be supplied by the customer or purchased directly from the Company. Using anthropomorphic robots and advanced 3D scanning techniques, the BU is able to create a precise digital replica of the desired work, in cases where the 3D model is not provided. This digitisation is key not only for the creation, but also for the classification, restoration and faithful reproduction of works of art, without the need for invasive interventions.

The technology used allows any object to be replicated with millimetric precision, maintaining the original proportions thanks to accurate measurements during the modelling phase. This ability translates into a considerable saving of time compared to traditional methods and allows the creation of large-scale works.

The applications of this technology are not limited to marble and stone, but extend to materials such as concrete, wood, plastic and others. A key example of its use is the reproduction of archaeological finds and damaged or destroyed statues, such as the realistic small-scale replica of the Monumental Arch of Palmyra in Syria, of which the original was destroyed in 2015 following an attack. These capabilities demonstrate the transformative impact of Torart BU in the field of artistic and industrial production.

The process of creating the works consists of five main phases:

1. **3D drawing:** the work is reconstructed three-dimensionally, starting from a 3D file provided by the customer or from a photograph. Torart supports the customer in transposing the project from 2D to 3D and in 3D scanning to digitise the physical object. The 3D scanning system offers a simple and flexible method to copy an object, facilitating reverse engineering and data processing;
2. **Choice of material:** the block of material suitable for the creation of the work is selected;
3. **Programming of the work:** after the 3D scanning, a matrix is created to be used by the software to automatically program the machining process and transmit the data to the robotic system;
4. **Roughing phase:** the robot, equipped with specific tools, works the structure defining level curves with pre-determined depths, modelling the object in its rough shape;
5. **Manual finishing phase:** after the robotic roughing, the final production phase is entrusted to the manual skill of the operator, who finishes the work with care and precision.

Through these phases, Torart combines technological precision with artisanal expertise, ensuring high-quality results that reflect the needs and visions of its customers.

Torart's sculpture laboratory uses a refined subtractive manufacturing process to transform photographic images or three-dimensional files, supplied by the client or generated internally through the Company's 3D scanning service, into commissioned statues and works of art. These works are often requested by world-famous artists. The advanced artificial intelligence software processes the data, while anthropomorphic robots carry out the physical processing of the works.

To estimate the work, the software extracts three key pieces of data from the 3D file, including the block volume, the 3D file volume and the 3D file area. This data is then used to create an estimate file, whose main parameters for determining the offer price include:

- Material to be used, calculated based on the price per quantity;
- Wire cutting, for preparing the material;
- The robotic roughing, calculated in hours of processing based on the hourly cost;

- The robotic finishing, also calculated in hours of processing based on the hourly cost;
- Manual finishing, evaluated in hours of processing based on the hourly cost.

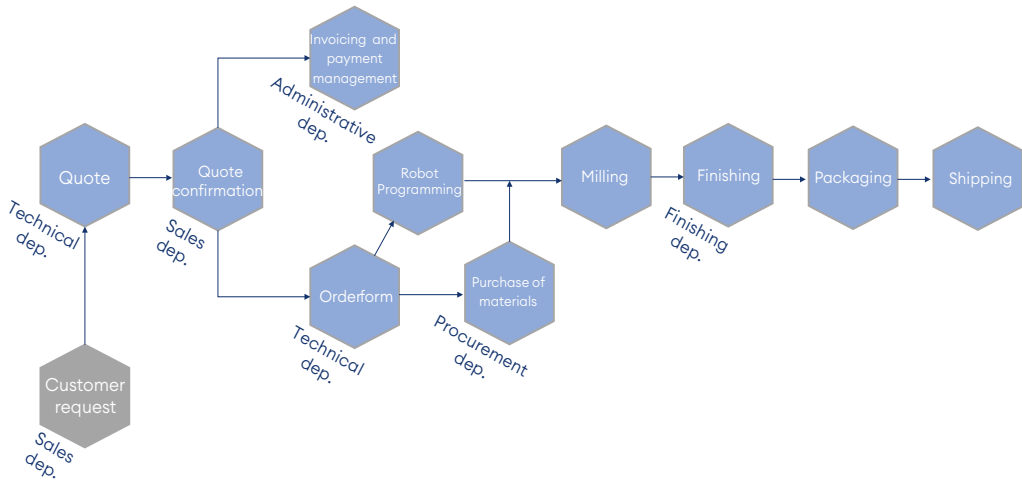
Furthermore, Torart offers an after-sales service to ensure complete customer satisfaction. For longer projects invoicing is carried out in instalments, with advance payments from the customer and a final payment before the delivery of the work. The standard payment model includes:

- a 50.0% deposit when the order is placed;
- a 50.0% balance before delivery of the finished work.

This payment and invoicing system ensures that both the client's and Torart's operational needs are equally met, facilitating an effective workflow and the production of high-quality work.

Torart's technical, commercial and production organisation is structured in such a way as to optimise efficiency and guarantee the highest quality in every phase of the creative process. The Sales Office is responsible for managing relationships with customers and generating the necessary estimates for each project. In parallel, the Technical Office is focused on the design and preparation of materials for the robot-assisted processing, ensuring that technical specifications are respected and that the materials are ready for the next phase. Production is the operational heart where robot processing takes place, together with the management of the maintenance and efficiency of the tools and equipment. Completing the production cycle, the manual finishing laboratory looks after manually finishing the sculptures, ensuring that every detail reflects Torart's high quality standards. Finally, the Shipping and Packaging department ensures that each work is carefully packaged and delivered safely to the customer, completing the process while ensuring an excellent service right up to the last step. This integrated organisation allows Torart to maintain superior quality control and respond in an effective manner to the needs of its customers around the world.

CHART 17 – TORART ORGANISATIONAL FLOW



Source: Litix

2.3.3 Aivox

Aivox, founded in July 2023, is a company 60.0% owned by Litix. Specialised in supporting customers in the design and development of new solutions and products, Aivox uses cutting-edge technologies to offer advanced manufacturing process engineering and automation, CNC machining, large-scale 3D printing and high-quality manufacturing services for art and fashion. The company specialises in parametric design, computational engineering and artificial intelligence and, thanks to the contribution of its management team, it boasts excellent know-how regarding industrial projects and architectural installations, often in collaboration with academic bodies.

Aivox’s expertise covers a wide range of areas, including software design, with a focus on user interface (UI) and user experience (UX), process optimisation and creating intelligent systems, solving complex engineering problems through model simulation and analysis, 3D printing, the use of numerically controlled machines, process automation and the development of sustainable materials.

Aivox’s business model focuses on computational engineering and design consultancy, as well as providing product development and manufacturing services. The subsidiary designs custom software for process control and produces prototypes and small batches using technologies such as 3D printing, CNC machining, laser cutting and robotic assembly. In addition, Aivox collaborates with research institutes and universities to carry out joint research projects and specialised training programmes.

Aivox's main works include multi-material 3D printing for the industrial sector, software development, product development and consulting services in computational design. This multi-disciplinary approach guarantees innovative and tailor-made solutions for each client.

The start-up primarily carries out work in three sectors: design, software development and production. These areas are integrated to create tailor-made solutions, satisfying the specific needs of customers. As it is a recently founded company, Aivox is currently engaged in the organisation and structuring of its corporate divisions, to ensure maximum efficiency and respond to market demands in an effective manner.

CHART 18 – AIVOX'S PROJECT WITH TONINO LAMBORGHINI SPA "VITA" PRESENTED AT THE MILAN DESIGN WEEK



Source: Litix

2.4 Value Chain

CHART 19 – VALUE CHAIN: TORART BU



Source: Litix

Litix's activities can be divided into a sequence of phases, different from each other, depending on the BU of reference. As regards **Torart**, the Group's primary BU in terms of revenues, subtractive manufacturing includes 6 phases:

- initially the artist provides a three-dimensional file or photograph, which is then converted into a 3D file. This file can be created directly through digital modelling or by physically modelling the object, which is subsequently scanned in 3D;
- through 3D scanning or interpolation of a set of photos, a point cloud is subsequently obtained, in other words a representation of an object or surface obtained through the union of a set of points in space. Each point is positioned using the X, Y, Z axes and can be associated with intensity values. The point cloud is the tool that allows to graphically represent a real geometry and obtain a three-dimensional mathematical model, which shows the coordinates of each point, together with its colour, chromatic scale, reflectance and other characteristics. To create the work, the point cloud makes it possible to have the exact reference of the size of the block that will need to be processed;
- the matrix is then inserted into the OR-OS software, a self-programming system that automates the entire processing. This software processes the data and sends it to the robot responsible for creating the work;
- the first processing phase, instead, consists of roughing the block, which can be purchased from the company or supplied by the customer. During this process, the work begins to take shape and level curves with a pre-determined depth are created. The robots are capable of autonomously and automatically removing the superfluous material, following the programmed instructions based on speed and penetration parameters which the diamond tool, driven by the electrospindle, maintains while in contact with the surface of the block. The tool is water-cooled, which also serves to reduce friction during contact with the surface;

- after the roughing phase we move on to the manual finishing phase carried out by the operator, allowing the work to be completed;
- the robots free the artist from the most tiring task of initial processing of the material, allowing them to concentrate on the final finishing phase, which is the phase of greatest added value.

With reference to the average processing times, it should be noted that on average 80.0% of orders are completed in 90 days, a further 15.0% in 90 to 150 days and 5.0% in 150 days.

CHART 20 – SUBTRACTIVE MANUFACTURING TECHNIQUE



Source: Litix

CHART 21 – VALUE CHAIN: ROBOTOR BU



Source: Litix

Regarding the hardware business for **Robotor**, designed to provide a quickly installable and easily usable *plug and play* solution, which does not require specific skills, the orders carried out for customers involve 3 key phases:

- **Placing the order:** first, the customer must choose the specific Robotor-One model to purchase, allowing the company to order any missing components, if they are not already available in stock. It should be noted that the warehouse inventory is replenished on a regular basis;
- **Assembly:** when all the necessary components are available, Litix proceeds with the assembly of the robots in a plug and play solution; the system is therefore composed of pre-configured modules, which can be easily positioned during installation;

- **Installation:** the last phase involves turnkey installation accompanied by complete training for employees, allowing them to master the use of the OR-OS operating system. This approach guarantees the full availability of the company's staff for the immediate completion of the works.

With reference to timing, in the event that it does not have all the mechanical parts in stock, the Group takes approximately 6 months to assemble a robot. In the opposite case, however (in other words if all the mechanical components are available in stock), Litix takes around 3 weeks to integrate the mechanical parts, plus one week for installation.

CHART 22 – VALUE CHAIN: AIVOX BU



Source: Litix

In conclusion, it should be noted that the value chain of **Aivox**, the BU dedicated to innovative technologies, is composed of four key phases:

- **Software development:** the first of the four phases involves the development of custom software for design and manufacturing, as Aivox integrates design with manufacturing to develop highly efficient, productive workflows;
- **Design engineering:** subsequently, using computational design, the team moves on to the engineering of a product and of the processes for its manufacturing;
- **Product development:** once the engineering phase has been completed, the actual manufacturing and development of the product begins, creating and prototyping product ideas for customers;
- **Additive manufacturing:** the process concludes with the adoption of technologies such as 3D printing and other digital manufacturing methods to create prototypes and small production batches.

2.5 Product and service portfolio

As explained earlier, Litix offers a range of solutions and services that cover the entire spectrum of materials processing, from the creation of works and artefacts, to the provision of advanced technologies.

As regards the creation of works, be they replicas or works of contemporary art, various examples can be cited including the Monumental Arch in Palmyra (Syria), a large arched structure that connected the central and eastern sections of the Great Colonnade of Palmyra, likely built during the reign of Septimius Severus, between the end of the 2nd and the beginning of the 3rd century AD. The arch was renovated in the 1930s and then almost completely destroyed in 2015 by the militias of the Islamic State of Iraq and Syria (ISIS) terrorist organisation. In 2016, several events highlighted the vulnerability of the world's artistic and cultural heritage, passed down to us by past civilizations. A scale replica (1:3) of the Arch of Palmyra was exhibited on two continents, covering over 7,000 km. Its first public presentation took place in London, in Trafalgar Square in front of the National Gallery on April 19th, 2016, and was subsequently exhibited in New York, in City Hall Park, on September 19th, 2016. The reconstruction of the Arch of Palmyra received a great deal of recognition, selected as one of the most emblematic works of 2016 according to the New York Times, underlining its symbolic and social value. The Arch of Palmyra was once again the centre of international attention during the 2017 World Government Summit in Dubai, a global event focused on using innovation and technology to tackle humanity's universal challenges. The reconstruction of the Arch was made possible thanks to advanced technology and accurate philological fidelity characterising the replica created by Torart in collaboration with the Institute for Digital Archaeology, a joint venture between Harvard University, Oxford University and the Dubai Future Foundation, which promotes the use of digital imaging and 3D printing in archaeology and cultural heritage conservation.



Source: Litix

On the bicentenary celebration of the death of Antonio Canova, Torart responded to the invitation extended by the Vetulonia Museum creating a life-size replica of Terpsichore, the Muse of Dance and Chorus, one of the favourite themes of the famous master of Neoclassicism. The work, standing 182 cm tall, was loaned to the “Isidoro Falchi” Civic Archaeological Museum of Vetulonia, contributing to the “A tempo di danza. In armonia, grazia e bellezza” exhibition. The realistic reproduction in Carrara marble was made possible thanks to the first 3D scan carried out by Torart on the original preserved at the Magnani Rocca Foundation in Mamiano di Traversetolo, in the province of Parma. The scan was carried out using software developed internally by Torart, which automatically generated the program used by an anthropomorphic robot produced by Robotor to sculpt the stone and “recreate” the statue.

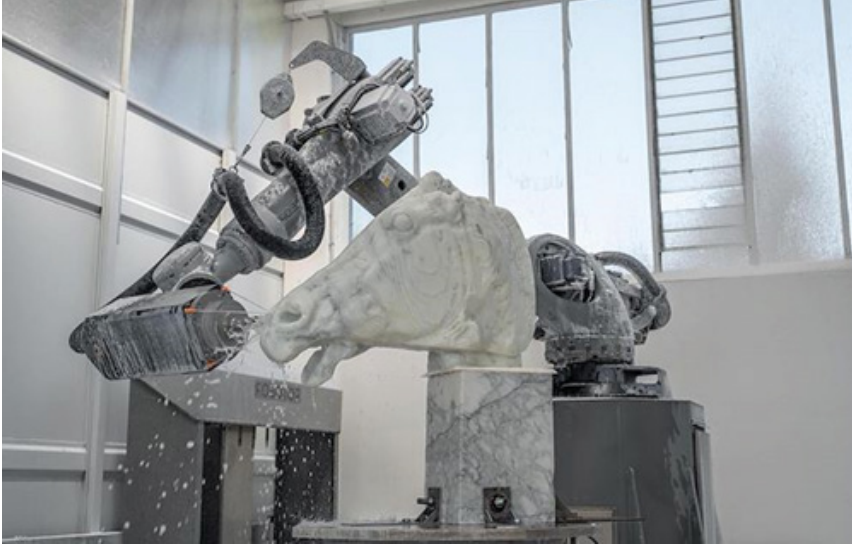


Source: Litix

Among the various works of art with which it has been commissioned, Torart also created the life-size copy of the head of Selene's horse, originally from the Parthenon in Greece and kept in the British Museum in London since 1817. This reproduction demonstrates how realistic replicas of classical works can offer a solution to cultural controversies, such as the one between Greece and England over the Parthenon works. While Greece demands the return of the works, the British Museum claims to have acquired them legitimately.

This situation could be mitigated through the use of robotic machining, an idea supported by Roger Michel, executive director of the Institute of Digital Archaeology at the University of Oxford, who has previously collaborated with Robotor and Torart on the Arch of Palmyra. Pending a resolution to the dispute, the horse's head will be on display demonstrating how the replica can offer a practical solution to the disagreement and potentially increase the accessibility of the works to a wider audience.

CHART 25 – HEAD OF SELENE’S HORSE



Source: Litix

With regard to the creation of contemporary works of art, instead, we highlight “Ballet Couple” by Jeff Koons or “La nona ora” by Maurizio Cattelan. These works were created with a material other than marble, also demonstrating the application of Litix’s technology to other materials.

CHART 26 – “BALLET COUPLE” AND “LA NONA ORA”



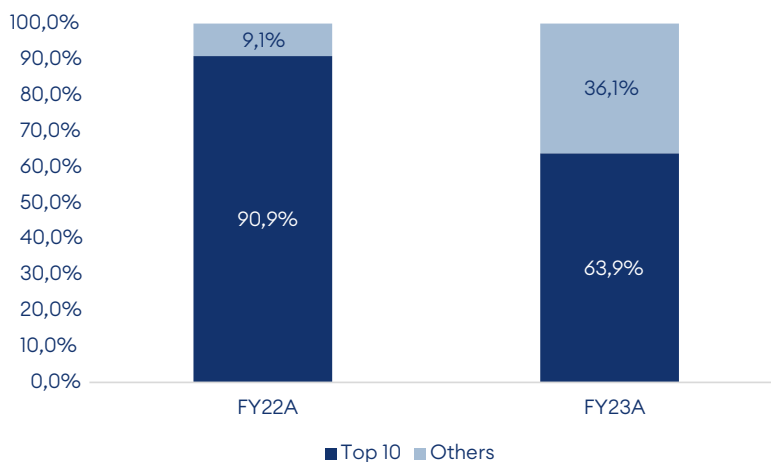
Source: Litix

2.6 Customers and Suppliers

2.6.1 Customers

From 2004 to today, Torart and Robotor have collaborated with a multitude of world-renowned architects, designers and artists including Jeff Koons, Barry X Ball, Francesco Vezzoli, Vanessa Beecroft, Giuseppe Penone, Zaha Hadid and Maurizio Cattelan. These professionals, together with prestigious museums and large companies, have chosen Torart and Robotor's advanced technology to replicate artistic masterpieces of the past, gaining considerable international media recognition. As previously mentioned, a significant example of Torart's work is the collaboration with the Institute of Digital Archaeology (IDA), with which in 2016 the Company created a scale reproduction of the Monumental Arch of Palmyra, destroyed by ISIS at the end of 2015. This work has travelled across two continents, covering more than 7,000 km, with its first public presentation in London. Currently, Torart is engaged in a project with IDA to help resolve a cultural controversy that has continued for over a century, relating to the sculptures and bas-reliefs of the Parthenon, which were transferred to England in the early 1800s. While waiting for a definitive solution, it was decided to create replicas of these works to broaden access to this artistic heritage dating back to 447 BC.

CHART 27 – TOP 10 CLIENTS WEIGHT FY23A VS. FY22A



Source: Litix

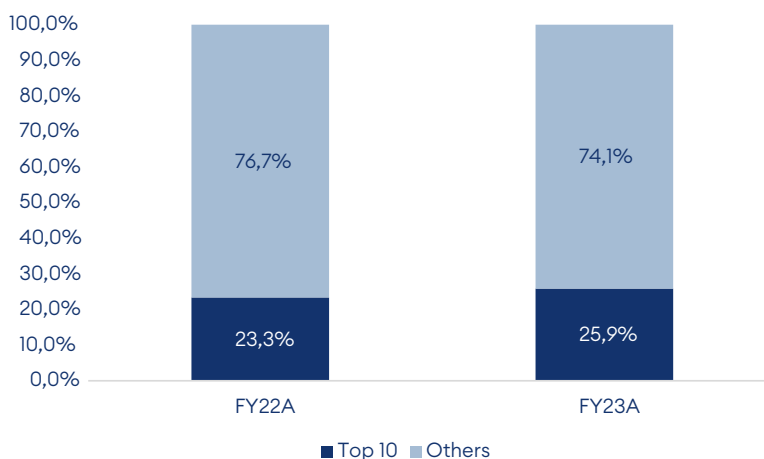
The graph above shows the distribution of revenues from the Group's top 10 customers, which include companies specialised in the processing and trade of stone materials, sculpture workshops and artists. Unlike the FY22A scenario, FY23A is not characterised by a significant concentration of clientele, but rather by a series of collaborations, often multi-year, with various artists.

2.6.2 Suppliers

Within the supply chain, as regards robotics, the Group relies on leading market players specialised in the production of mechanical parts which provide customised solutions for Litix's needs and subsequently customised internally by the Company. As regards materials, on the other hand, the Company collaborates closely with quarries and companies selling stone materials in general. Strategic suppliers include Kuka in the anthropomorphic robots sector. Kuka is a renowned German manufacturer of industrial robots and automation solutions, part of the Chinese Midea Group. Kuka Robotics boasts a global presence with 25 subsidiaries located in various parts of the world including the United States, Canada, Mexico, Brazil, China, Japan, Korea, Taiwan, India and most European countries. The name "Kuka" is an acronym derived from "Keller und Knappich Augsburg", also used as a registered trademark on industrial robots and other products manufactured by the company. In 2021, the company recorded revenues exceeding € 3.30 billion. For its electrospindles, instead, the Group relies on HSD Mechatronics. HSD is the second largest operator in the world in the production of electrospindles. Recognised as a global point of reference in the automation and mechatronics sectors, HSD is part of the Biesse Group and has generated a turnover of approximately € 80.00 million. Finally, as regards stone materials, the quarries and stone material sales companies are directly selected.

Looking at the composition of the Company's suppliers, there is no significant concentration towards the main counterparties or a high dependence on individual suppliers. The chart below presents the data corresponding to the concentration of the Company's top 10 suppliers in FY22A and FY23A respectively. Specifically, the incidence of the Group's top 10 suppliers is equal to 23.3% for FY22A and 25.9% for FY23A.

CHART 28 – TOP 10 PROVIDERS WEIGHT FY23A VS FY22A



Source: Litix

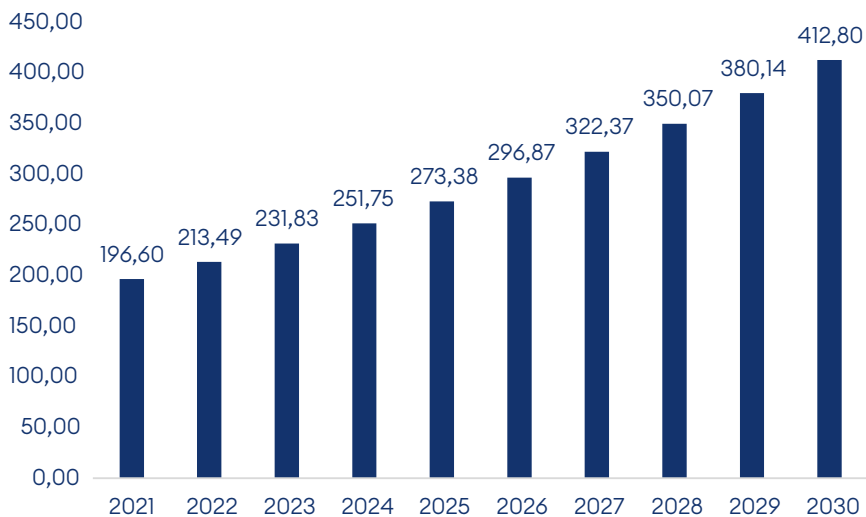
3. The market

Through its business, Litix operates in the automation sector and, through the Torart Business Unit, also in the arts sector.

3.1 The automation market

Advances in Industry 4.0 technology have led to a new era of automation, with companies investing more and more in automated systems to improve efficiency and reduce costs. With this premise, we can state that automation and the use of 3D printing and AI represent a great opportunity for creativity and innovation. Brands are investing in R&D at a global level to automate their design processes, with the goal staying relevant and exciting.

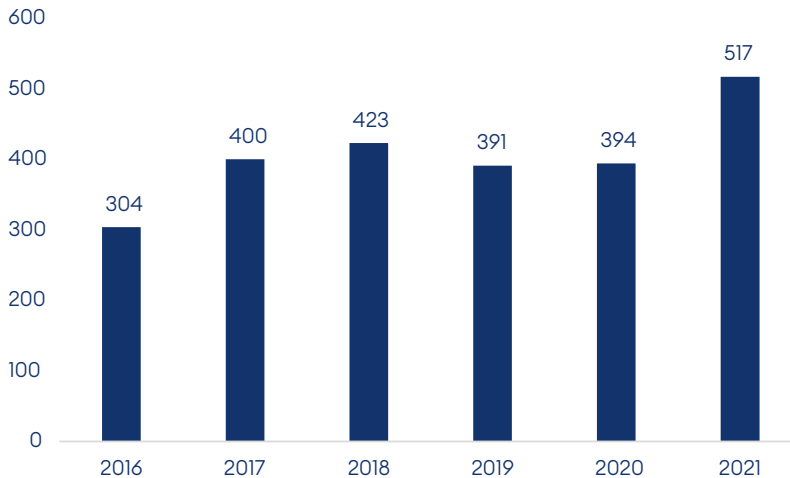
CHART 29 – INDUSTRIAL AUTOMATION MARKET SIZE, 2021-2030 (\$/BLN)



Source: Precedence Research

The global industrial automation market was valued at \$ 196.6 billion in 2021 and is expected to reach a value of \$ 412.80 billion by 2030, with a 21-30 CAGR of 8.6%.

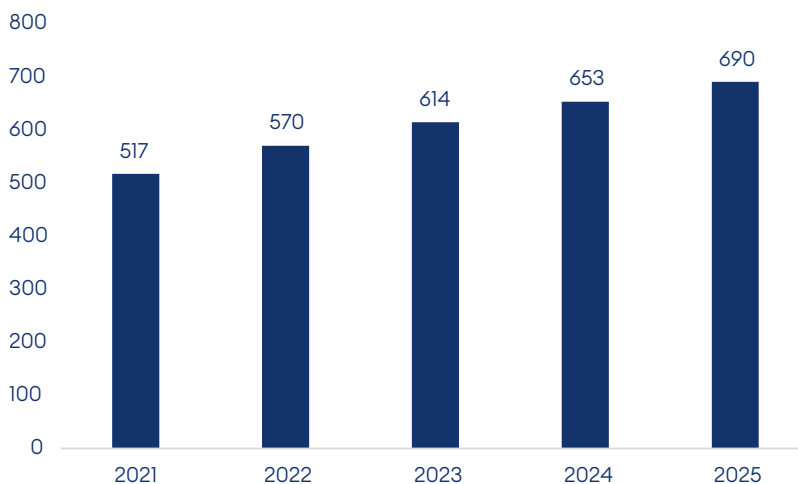
CHART 30 – INDUSTRIAL ROBOT INSTALLATION (000)



Source: World Robotics 2022

During 2021, approximately 517,000 new industrial robots were installed globally, recording a growth of 31.0% compared to the previous year and reaching an installed and functioning base of approximately 3.50 million robots. 2021 was a record year for industrial robot installations, laying solid foundations for growth in subsequent years. In particular, observing the graph below, growth of approximately 33.5% is expected for 2025 compared to 2021, amounting to approximately 690,000 robots that will be installed globally. Of these, most will be expected in Asia, while growth in Europe will be more limited over the years, mainly due to the Russian-Ukrainian conflict, the trade embargo on Russia, as well as the tightening of monetary policies.

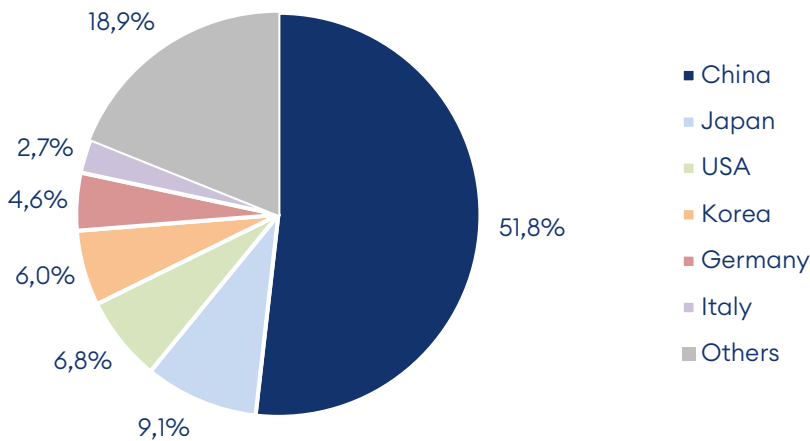
CHART 31 – INDUSTRIAL ROBOT INSTALLATION ESTIMATES (000)



Source: World Robotics 2022

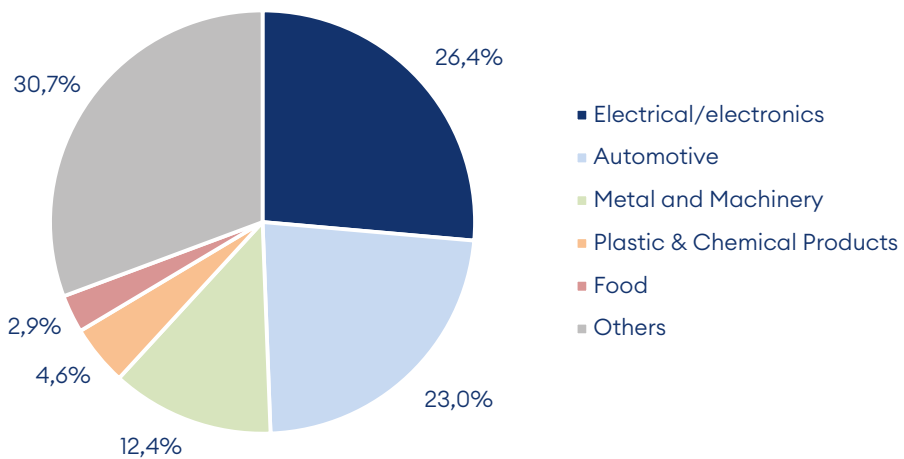
Globally, Asia represents the largest market for industrial robots, with 74.0% of all newly deployed robots in 2021 installed on the continent. Specifically, the number of installations in China grew by 51.0% with a total of 268,000 units. At a European level, Germany ranks first in terms of robot installations in 2021, with a total of 23,000 units. Italy, on the other hand ranks sixth, representing 2.7% of the global total in 2021 with 14,000 units, recording a growth of 65.0% compared to the previous year. As regards the United States, 50,000 units were installed in 2021, 31.0% more than in 2020. Finally, observing the subdivision of the robots installed based on the sectors of use, it can be seen that the main areas concern Electrical/Electronics (26.4%), Automotive (23.0%) and of Metal and Machinery (12.4%).

CHART 32 – GEOGRAPHICAL BREAKDOWN OF INSTALLED ROBOTS (2021)



Source: World Robotics 2022

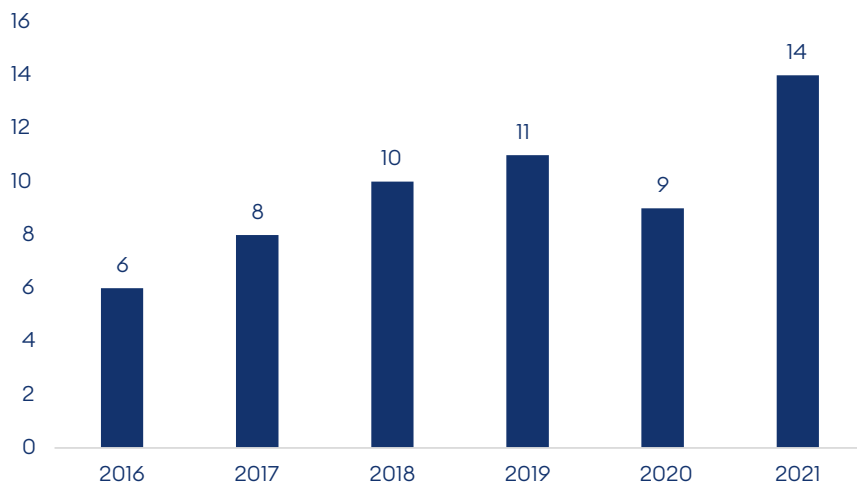
CHART 33 – INSTALLED ROBOTS’ BREAKDOWN BY FIELD OF USE (2021)



Source: World Robotics 2022

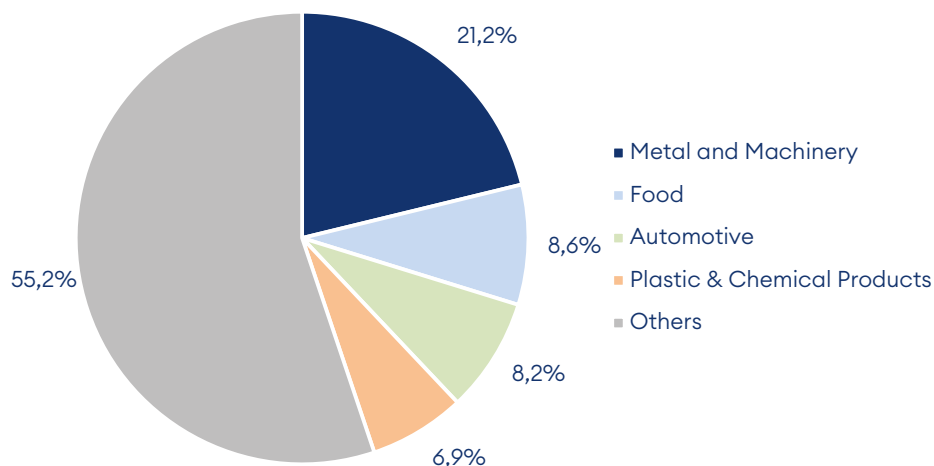
In order to more closely examine the dynamics of industrial robots and of the automation sector at a national level, we note that in Italy robot installations increased by 65.0%, reaching 14,083 units in 2021. Italy is considered the second largest robot market in Europe after Germany. The 2021 result was primarily positively influenced by the effects of the recovery from the Covid-19 pandemic and previous purchases due to a reduction in tax credits in 2022. At a sector level, the majority of installations in Italy in 2021 were in the metals and machinery sector, with a share of 2,968 units installed, equal to 21.0% of the total. Installations in the metal products sector increased by 27.0% to 1,580 units, while the industrial machinery segment recorded a growth rate of 82.0%, equal to 1,265 units. The situation, however, is different for demand in the automotive industry, which in 2021 recorded a decline of 4.0%, reaching 1,146 units. The Food & Beverage sector performed excellently on the other hand, having become an important customer of industrial robots in Italy in recent years. Annual installations exceeded 1,000 units for the first time in 2019 and reached a new peak of 1,199 units in 2021 (+18.0%). Finally, robot installations in the plastics and chemical products sector accounted for 6.9% of the total installations, amounting to approximately 960 units (+28.0%).

CHART 34 – INDUSTRIAL ROBOT INSTALLATION IN ITALY (/000)



Source: World Robotics 2022

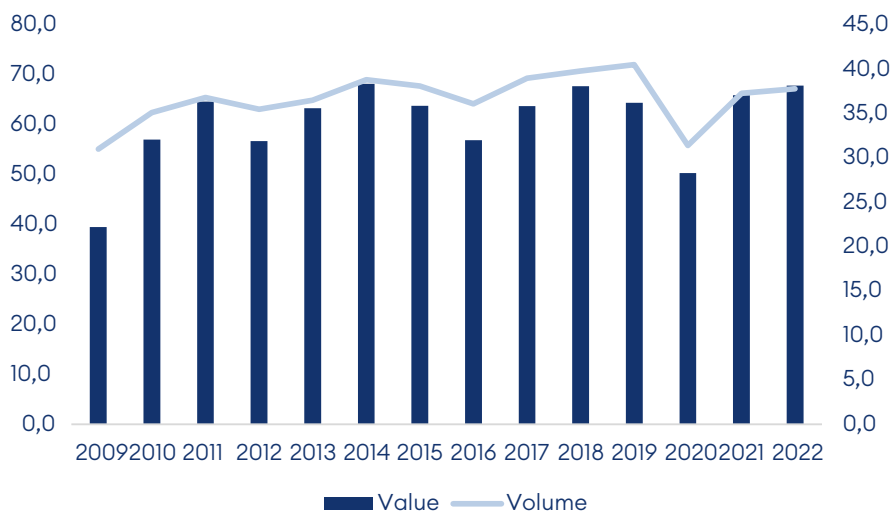
CHART 35 – INSTALLED ROBOTS’ BREAKDOWN BY FIELD OF USE IN ITALY (2021)



Source: World Robotics 2022

3.2 The art market

CHART 36 – ART MARKET GLOBAL SALES IN VALUE (\$/BLN) AND VOLUME (MLN)



Source: The Art Market 2023

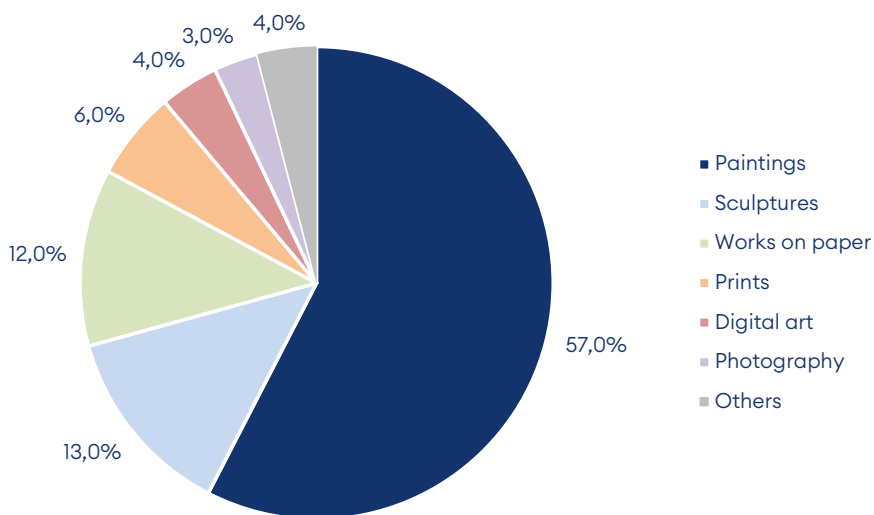
2022 was the year of the return to normality for the international art market, with the restoration of in-person fairs and the holding of exhibition events and auctions at full capacity.

Global art sales increased 3.0% year-on-year to an estimated \$ 67.80 billion, taking the market to a higher level compared to the pre-pandemic value (\$ 64.40 billion in 2019). Geographically, the USA maintained its lead in the global ranking, standing at 45.0%. Next comes the United Kingdom, which accounts for approximately 18.0% of the total sales value, while China, which ranks third, saw a decrease from 20.0% to 17.0%.

New collectors are increasingly attracted to contemporary art works by living artists, especially if they have a strong internet presence. In terms of categories of works, paintings, sculptures and works on paper continue to dominate gallery sales accounting for 82.0% of the total in 2022.

2022 saw higher spending by collectors compared to the pre-pandemic period, with a greater focus on the high end of the art market. Specifically, a significant reduction in the share of spending on works priced below \$ 0.05 million was observed between 2019 and 2022, while the proportion in the price range above \$ 1.00 million increased from 18. 0% to 31.0% and spending over \$ 10.00 million more than doubled.

CHART 37 – MARKET BREAKDOWN BY TYPES OF WORK OF ART (2022)



Source: The Art Market 2023

Finally, the Contemporary Art market has experienced exceptional growth throughout the 21st century. From a total of \$ 103.00 million between 2000 and 2001, the market value has risen 22 times higher, reaching \$ 2.30 billion in 2023. During 2023, the global contemporary art market traded an absolute record number of works of art, standing at more than 123,000, doubling the figure observed 10 years earlier and being 100 times higher than that observed in the early 2000s.

4. Competitive Positioning

TABLE 2 – MAIN COMPETITORS (2022 DATA)

€/mln	Revenues 2022	VoP 2022	Ebitda 2022	Ebitda % 2022	Net Income 2022	Net Income % 2022	NFP 2022
Company							
Fabrica Machinale Srl	10,22	11,36	0,86	7,6%	0,43	3,8%	4,24
Donatoni Macchine Srl	55,23	56,34	8,15	14,5%	5,25	9,3%	(13,74)
Ronchini Massimo Srl	4,42	4,72	0,24	5,1%	(0,89)	-18,8%	5,15
QD Design Srl	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Henraux SpA	32,23	32,91	3,33	10,1%	0,15	0,5%	27,91
Margraf SpA	59,30	68,36	8,22	12,0%	2,03	3,0%	15,05
Median	32,23	32,91	3,33	10,1%	0,43	3,0%	5,15
Litix FY23A	4,60	5,43	1,23	22,6%	0,71	13,0%	0,43
Litix FY22A*	6,33	5,51	1,21	21,9%	0,63	11,5%	0,01

Source: Orbis, Integrae SIM elaboration

*Pro-forma data

The table above shows Litix's main competitor companies at a national level. It should be noted that the companies shown are active in one of the two reference BUs in which the Company operates, namely Robotor BU and Torart BU. Specifically, the main competitors of Robotor BU are:

- Fabrica Machinale Srl (Roboticom):** Roboticom is a brand managed by Fabrica Machinale Srl, a company specialised in the design, production and supply of industrial robotic systems. These systems incorporate advanced hardware and software technologies, developed in-house. In 2015, Roboticom was acquired by the American group Epica International, further expanding its reach and capabilities. The company operates in various sectors including aerospace, furnishings, the automotive industry, sculpture and design. Roboticom's technical expertise extends to various manufacturing processes such as milling, polishing, cutting and drilling. This broad spectrum of capabilities allows the company to work with a variety of materials including marble, stone, wood, metals, polyurethane, polyester and other lightweight materials, thus meeting the specific needs of each industry;
- Donatoni Srl:** company specialised in the design and creation of advanced technological solutions for the processing of marble and other stone materials, primarily used in sectors such as flooring, coverings, construction, large-

scale bathroom furnishings, as well as in design and sculptures. The company operates in sectors ranging from furniture to construction, sculpture and design. Donatoni manages a variety of technical processes, including milling, handling, polishing, cutting and welding. This allows the company to offer tailor-made solutions for the processing of high-quality materials such as marble, satisfying the specific needs of a wide spectrum of customers;

- **Ronchini Massimo Srl:** company specialised in the design and manufacturing of CNC machines, including milling and cutting machines, as well as robotic cells equipped with 6 or 7 interpolated axes specifically designed for three-dimensional milling. The integrated hardware and software system makes it possible to create sophisticated toolpaths, essential for high-precision work. 52.0% controlled by the Spal Ventures holding, the company is a leading player in sculpture and design, prototyping, scenography and the creation of bas-reliefs. The company's expertise covers processes such as milling, polishing, cutting and drilling, making it possible to work with a variety of materials such as marble, stone, foams, wood and plastic. This diversity of materials and processes reflects the company's versatility and technological innovation in responding to the complex needs of its customers.
- **QD Design:** the company known as QD Robotics specialises in developing robotic technologies for machining and finishing a variety of materials. It has developed an advanced design software that makes it possible to virtually simulate robots' work programs through a path generated by a CAM system, thus facilitating automation and processing precision. QD Robotics was acquired by ESA SpA and is now an integral part of the ESA Robotics division, where it contributes to the creation of robot cells. The company operates in various sectors including automotive, industry, sculpture and design, managing processes such as milling, cutting and surface treatments. The wide spectrum of materials it works with includes marble, stone, wood, metals and plastics, demonstrating its versatility and advanced technical ability in the robotics field;

With reference to Torart, on the other hand, it is positioned uniquely in the sector, without real direct competitors. Although we find traditional workshops in Italy that work stone using manual methods, these could only be considered competitors in a very broad sense. Some of these laboratories have started to integrate anthropomorphic robots into their production process, some of which have been created directly by Robotor, but none of these manages to offer a complete service like Torart. Specifically, the main competitors of Torart are:

- **Henraux SpA:** company specialised in the marble and granite excavation and processing sector, with its own quarries that guarantee direct access to quality raw materials. With almost two centuries of experience to rely on,

Henraux has developed a broad manufacturing capacity that allows it to participate in the creation of architectural projects of great prestige and importance. Recently, the company expanded its technical capabilities with the acquisition of two advanced robots from Robotor. Henraux marble has been and continues to be used in important architectural projects and in sculptures created by the most famous contemporary masters, confirming the company's role as a point of reference in the processing of natural materials panorama.

- **Margraf SpA:** brand belonging to the Linea Marmo Group, Margraf is an Italian company specialised in the extraction and processing of marble, well known for its marble and natural stone coverings. Headquartered in Chiampo (Vicenza), the company exports high-quality marble all over the world and manages ten owned quarries, as well as production plants in Italy and Slovenia. Margraf is known for its involvement in various international projects of great prestige, including airports, hospitality centres, offices and places of worship, thus demonstrating its versatility and ability to respond to diverse and complex architectural needs. The company owns a robot on which Robotor regularly carries out maintenance, guaranteeing efficiency and precision of the work. Moreover, Margraf has a sculpture laboratory specialised in the creation of artistic works in stone material, where craftsmanship blends with technological innovation to create unique pieces of significant artistic value.
- **Franco Cervietti:** the Cervietti sculpture laboratory constitutes a union between tradition and modernity, equipped with advanced technologies that complement the traditional methods for processing marble and stone sculpture. Using Torart, the laboratory has created notable works such as “The Rape of Proserpina” and the “Bandini Stone”, demonstrating the ability to combine technological precision and artistic sensitivity. Specialising in the reproduction of both classical and modern sculptures, Cervietti's laboratory also stands out for its forays into sacred and funerary art. In addition to these activities, the laboratory produces commissioned portraits and dedicates itself to the restoration of works in marble and other stones. The processes adopted include detailed artistic work, finishing and the creation of preliminary designs, primarily using materials such as marble and stone in general. This versatility allows the laboratory to effectively respond to a wide range of requests and artistic projects.
- **Paolo Costa & C.:** Paolo Costa & C. is characterised by a family history spanning three generations in the artistic processing of marble and similar materials. The company is the guardian of old traditions, which it strives to keep alive on a daily basis through its work applying artisanal techniques which, today, have almost disappeared. Recently, the company took a step

forward in technological innovation by purchasing two Robotor robots, creating a bridge between traditional craftsmanship and modern precision technologies. Specialised in the creation of architectural accessories of great artistic value, Paolo Costa & C. specialises in artistic work, finishing and the creation of preliminary designs. The main materials that the company works with include marble and stones in general, selected for their beauty and durability.

4.1 SWOT Analysis

Strengths:

- The Group is able to satisfy any customer need, from the creation of the product, to the supply of technological solutions to create the product itself;
- Proven, consolidated and recognised technical skills in the robotic and laboratory fields for the creation of sculptures and works;
- Internally developed programming software;
- The clientele includes leading artists at an international level.

Weaknesses:

- Robotor's limited brand awareness;
- Management control system currently in the process of being optimised.

Opportunities:

- New application sectors with high access requirements that the Group can easily approach, such as the naval sector;
- Possibility to use OR-OS software for new applications;
- Evolving sector requiring continuous innovation;
- Scalability of the business model.

Threats:

- Possible challenges in making continuous investments in know-how;
- Difficulty in finding qualified resources in the sector.

5. Economics & Financials

TABLE 3 – ECONOMICS & FINANCIALS

CONSOLIDATED INCOME STATEMENT (€/mln)	FY22A*	FY23A	FY24E	FY25E	FY26E	FY27E
Revenues	6,33	4,60	8,70	10,45	12,75	15,00
Other revenues	(0,81)	0,84	(0,40)	(0,50)	0,50	0,90
Value of Production	5,51	5,43	8,30	9,95	13,25	15,90
COGS	2,03	1,24	2,80	3,25	4,35	5,35
Services	1,27	1,38	2,20	2,25	2,65	2,95
Use of asset owned by others	0,20	0,28	0,35	0,45	0,50	0,50
Employees	0,78	1,04	1,40	1,75	2,20	2,50
Other operating costs	0,02	0,26	0,00	0,05	0,05	0,05
EBITDA	1,21	1,23	1,55	2,20	3,50	4,55
<i>EBITDA Margin</i>	<i>21,9%</i>	<i>22,6%</i>	<i>18,7%</i>	<i>22,1%</i>	<i>26,4%</i>	<i>28,6%</i>
D&A	0,19	0,28	0,45	0,65	0,75	0,90
EBIT	1,02	0,95	1,10	1,55	2,75	3,65
<i>EBIT Margin</i>	<i>18,5%</i>	<i>17,5%</i>	<i>13,2%</i>	<i>15,6%</i>	<i>20,8%</i>	<i>23,0%</i>
Financial management	(0,03)	(0,02)	0,00	0,00	0,00	0,05
EBT	0,99	0,93	1,10	1,55	2,75	3,70
Taxes	0,35	0,22	0,35	0,50	0,85	1,15
Net Income	0,63	0,71	0,75	1,05	1,90	2,55
Minorities Equity	0,00	(0,02)	0,05	0,15	0,15	0,15

CONSOLIDATED BALANCE SHEET (€/mln)	FY22A*	FY23A	FY24E	FY25E	FY26E	FY27E
Fixed Assets	0,97	1,93	2,90	2,62	2,34	2,11
Account receivable	0,32	0,25	0,50	0,60	0,75	0,85
Inventories	2,99	3,73	2,95	2,10	2,15	2,45
Account payable	0,60	0,71	1,10	1,25	1,60	1,90
Operating Working Capital	2,72	3,27	2,35	1,45	1,30	1,40
Other receivable	0,71	0,57	0,73	0,65	0,77	0,43
Other payable	3,07	3,49	2,58	1,50	2,07	2,03
Net Working Capital	0,36	0,35	0,50	0,60	0,00	(0,20)
Severance & other provisions	0,11	0,09	0,20	0,25	0,35	0,45
NET INVESTED CAPITAL	1,21	2,20	3,20	2,97	1,99	1,46
Share capital	0,02	0,02	0,07	0,07	0,07	0,07
Reserves	0,49	1,04	4,00	4,69	5,59	7,34
Net Income	0,69	0,72	0,70	0,90	1,75	2,40
Equity	1,20	1,78	4,76	5,66	7,41	9,81
Minorities equity	0,00	(0,01)	0,04	0,19	0,34	0,49
Cash & cash equivalents	1,11	0,64	2,25	3,28	5,96	8,94
Short term financial debt	0,56	0,41	0,25	0,20	0,10	0,10
M/L term financial debt	0,56	0,66	0,40	0,20	0,10	0,00
Net Financial Position	0,01	0,43	(1,60)	(2,88)	(5,76)	(8,84)
SOURCES	1,21	2,20	3,20	2,97	1,99	1,46

CONSOLIDATED CASH FLOW (€/mln)	FY23A	FY24E	FY25E	FY26E	FY27E
EBIT	0,95	1,10	1,55	2,75	3,65
Taxes	0,22	0,35	0,50	0,85	1,15
NOPAT	0,73	0,75	1,05	1,90	2,50
D&A	0,28	0,45	0,65	0,75	0,90
Change in NWC	0,00	(0,15)	(0,10)	0,60	0,20
Change in receivable	0,07	(0,25)	(0,10)	(0,15)	(0,10)
Change in inventories	(0,74)	0,78	0,85	(0,05)	(0,30)
Change in payable	0,11	0,39	0,15	0,35	0,30
Change in others	0,55	(1,07)	(1,00)	0,45	0,30
Change in provisions	(0,02)	0,11	0,05	0,10	0,10
OPERATING CASH FLOW	0,99	1,16	1,65	3,35	3,70
Capex	(1,24)	(1,42)	(0,37)	(0,47)	(0,67)
FREE CASH FLOW	(0,25)	(0,25)	1,28	2,88	3,03
Financial Management	(0,02)	0,00	0,00	0,00	0,05
Change in Financial debt	(0,06)	(0,41)	(0,25)	(0,20)	(0,10)
Change in equity	(0,14)	2,28	0,00	0,00	0,00
FREE CASH FLOW TO EQUITY	(0,48)	1,61	1,03	2,68	2,98

Source: Integrae SIM

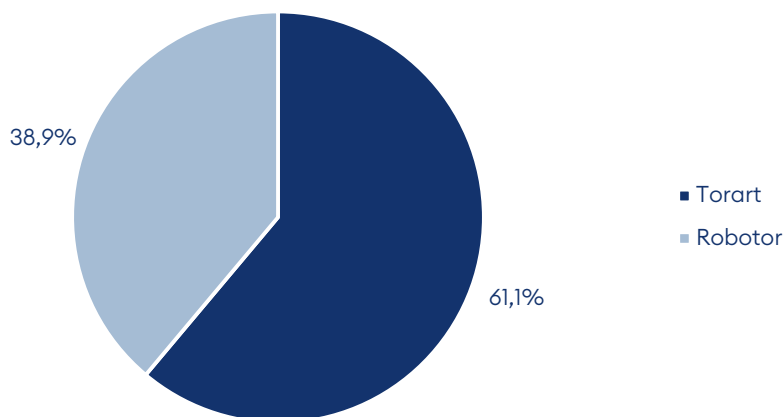
*pro-forma data

5.1 FY23A Results

The pro-forma financial statement data as at December 31st, 2022 reported above was prepared in order to have a homogeneous perimeter with the FY23A financial statements, the Group's first consolidated financial statements. Specifically, the aforementioned pro-forma financial statement retroactively shows the economic effects of the merger by incorporation of Robotor into Torart, as if it had virtually occurred on January 1st, 2022. It should also be noted that Aivox is only included within the FY23A consolidated financial statements, as it was established in July 2023 and, therefore, not considered for the purposes of the 2022 pro-forma financial statements.

In the consolidated financial statements approved as of December 31 st, 2023, the Company achieved a value of production of € 5.43 million, more or less in line with the 2022 pro-forma, equal to € 5.51 million. Specifically, the reduction in revenues was counterbalanced by an increase in work in progress of € 0.66 million relating to Torart and by approximately € 0.11 million in increases in fixed assets, concerning the capitalisation of Research and Development costs relating to personnel.

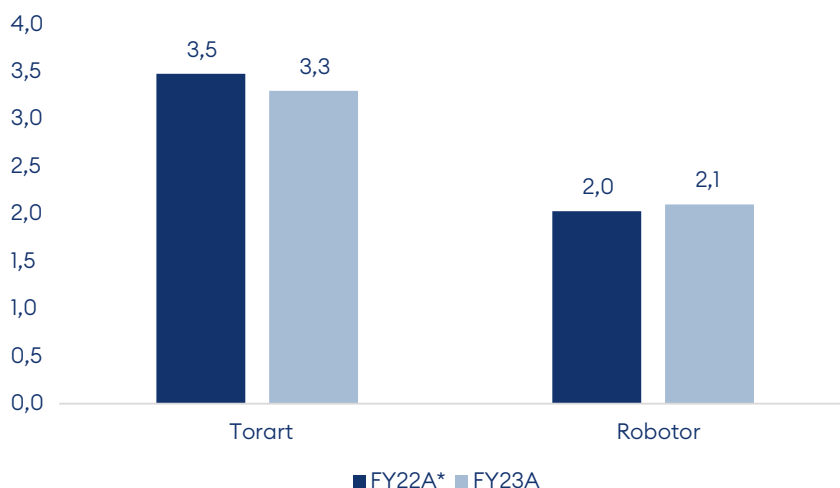
CHART 38 – VALUE OF PRODUCTION BREAKDOWN BY BUSINESS UNIT FY23A



Source: Litix

During 2023, Torart contributed primarily to the value of production, amounting to approximately € 3.30 million (61.1% of the total), compared to € 3.50 million in the previous year. The remaining part was generated by Robotor (38.9%), which reached approximately € 2.10 million, compared to a FY22A* value of € 2.00 million. In FY23A, 7 robotic islands were sold, one more unit than the previous year. It should be noted that the spare parts and after-sales assistance activities accounted for approximately 4.0% of the total production value of Robotor. Aivox, on the other hand, as it refers to the company established in July, generated revenues of only around € 0.02 million and was not included in the graph above, as it is not relevant with respect to the Group total.

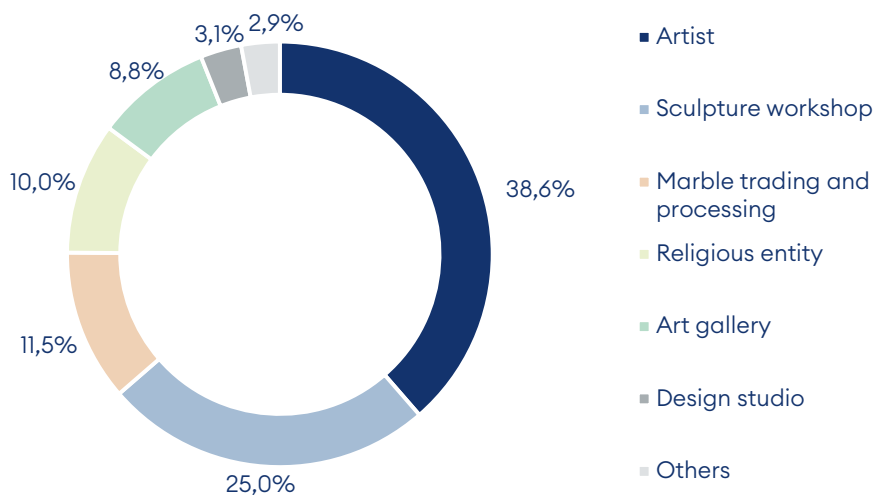
CHART 39 – VALUE OF PRODUCTION BREAKDOWN BY BUSINESS UNIT FY22A VS. FY23A



Source: Litix

Observing, instead, the breakdown of revenues based on the type of customers in 2023, it can be seen that 38.6% of sales revenues refer to works commissioned by Italian and international artists (approximately 28.0%) and robots sold to same artists (about 10.6%). This is followed by the sculpture laboratories, which in FY23A accounted for 25.0% of the total, divided equally between the two Business Units. Religious bodies accounted for 10.0% of total revenues and related to a work commissioned to Torart for € 0.15 million and a robot for € 0.25 million. Finally, art galleries, design studios and other types of customers are mainly linked to the activities carried out by Torart, representing respectively 8.8%, 3.1% and 2.9%.

CHART 40 - VALUE OF PRODUCTION BREAKDOWN BY BUSINESS UNIT FY22A VS. FY23A



Source: Litix

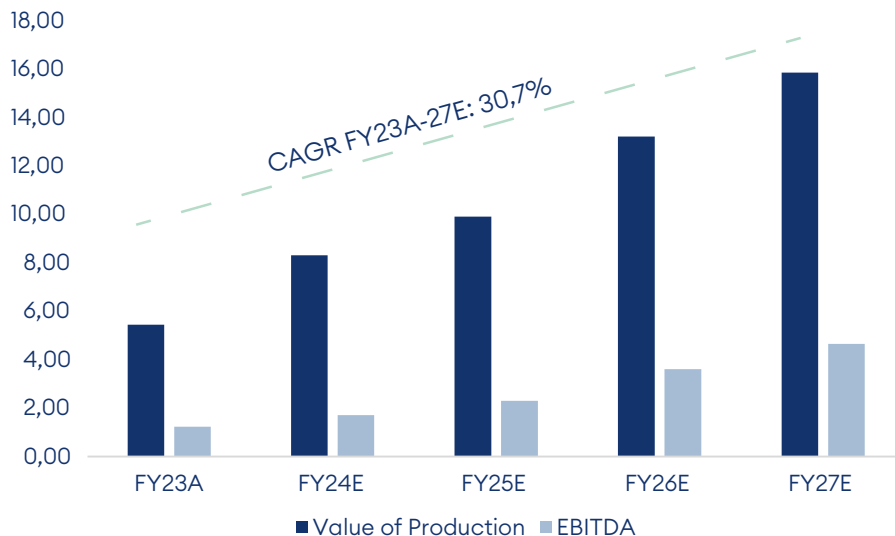
EBITDA stands at a value of € 1.23 million, slightly up compared to the FY22A* value, equal to € 1.21 million. At an EBITDA Margin level, the latter went from 21.9% in FY22A* to 22.6% in the financial year ended December 31st, 2023. The figure for 2023 was impacted by Aivox's EBITDA, negative by approximately € 0.05 million, mainly due to start-up and consolidation costs within the Group. Some of the most significant items in terms of cost include the COGS, with a value of € 1.24 million, compared to € 2.03 million in FY22A*; the strong decrease in the COGS item is attributable to the fact that in 2023 the work in progress on multi-year orders led to a reduction in purchase costs, as in FY22A* part of the same relates to orders processed in 2023, leading to an increase of semi-finished products. Costs for services stand at € 1.38 million and include third-party work attributable to Torart, advertising and marketing expenses and Directors' retribution. Personnel costs increased from € 0.78 million to € 1.04 million, primarily due to the inclusion of 2 units in Robotor and the adjustment of personnel costs relating to the same BU. Finally, other operating costs in FY23A include contingent liabilities totalling approximately € 0.18 million and adjustment of inventories for approximately € 0.06 million.

EBIT, after depreciation, amortisation and writedowns in the amount of € 0.28 million, stood at € 0.95 million (€ 1.02 million at the end of the previous year). The EBIT Margin is equal to 17.5%, down compared to 18.5% in FY22A*, primarily due to investments in plants and machinery, including a robot used in Torart, as well as in capitalisation of personnel costs for software development and concessions, licenses and rights relating to the OR-OS software. Net income at the end of FY23A stood at € 0.71 million, up compared to the result of the previous year, equal to € 0.63 million.

Regarding the balance sheet, the NFP worsened compared to the previous year, from a debt position of € 0.01 million to an NFP, again negative, of € 0.43 million. This was primarily attributable to the effect of the investments mentioned above and the strong increase in work in progress on commissioned works, which had a negative impact on trade working capital, counterbalanced, however, by an increase in the other payable item, which primarily includes advances on works.

5.2 FY24E – FY27E Estimates

CHART 41 – VOP AND EBITDA FY23A – FY27E



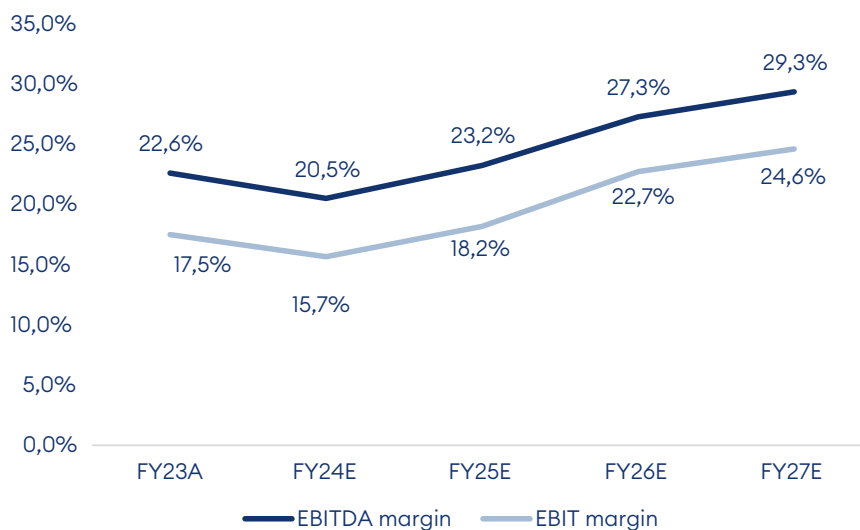
Source: Integrae SIM

Over the next few years, we expect an increase in the value of production which, according to our estimates, will go from € 5.43 million in FY23A to € 15.85 million in FY27E, with a FY23A-FY27E CAGR of 30.7%. Organic growth will be driven by the development of the 3 Business Units. In particular:

- For Robotor, we expect that in the next few years the Group will be able to increase the number of Robotor ONE units sold, also thanks to an increase in commercial and marketing activities that the Group has already started to support in FY23A. Starting from 2024 and thanks to the experience gained in the creation of the Robotor ONE, the Group will begin the production and sale of Mini Robots, small robots designed to carry out small and medium-sized works. Moreover, the increase in the sale of licenses for OR-OS software starting from 2024 will also contribute to the growth in turnover;
- For Torart, we estimate that the Group will be able to increase the latter's revenues taking into consideration the multi-year projects already underway for 2024 and 2025, as well as by considering the gradual increase in production efficiency thanks to the use of additional Robotor ONE units and the Mini Robots that will be introduced in 2024 for the creation of smaller works;
- Finally, Aivox is expected to see strong development, also thanks to the industrial and commercial synergies deriving from being part of the Group,

which will primarily focus on technology development, product development, design engineering and research and development activities.

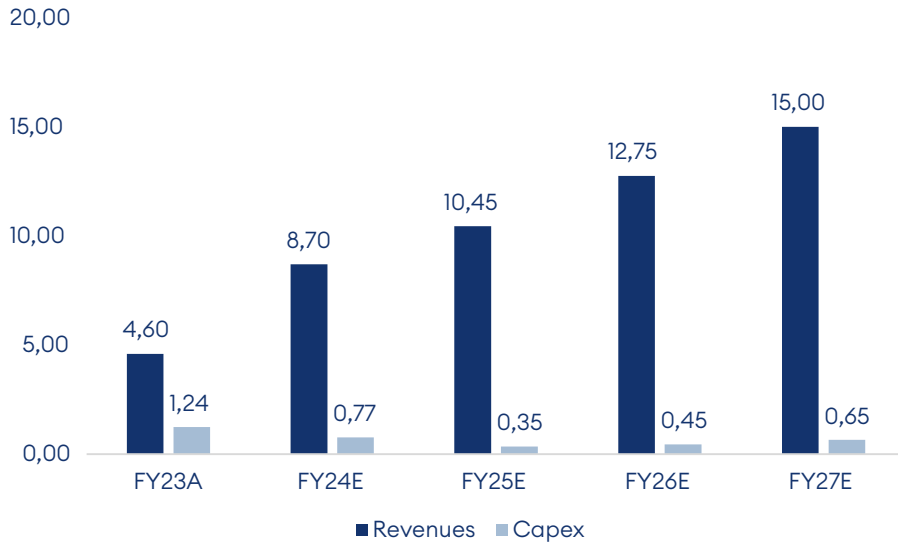
CHART 42 – EBITDA AND EBIT MARGIN FY23A – FY27E



Source: Integrae SIM

Similarly, we expect a rise in EBITDA, which we estimate will increase from € 1.23 million in FY23A to € 4.65 million in FY27E. We believe that Litix may be able to improve its margins, not only due to the business growth attributable to the reasons described above, but also thanks to the gradual increase in the efficiency of operating costs. The continuous investments in proprietary technologies will allow a progressive automation of the manufacturing process, in turn leading to a reduced incidence of the manual and human component in the process of creating works of art. It should be noted that in FY23A the incidence of COGS, primarily represented by marble, consumables and packaging, is lower than the average incidence recorded in subsequent years, as in FY23A the work in progress on multi-year contracts led to a reduction in costs for purchases, already made in 2022. For prudential purposes, therefore, the impact for subsequent years was estimated taking into consideration that recorded in FY22A*.

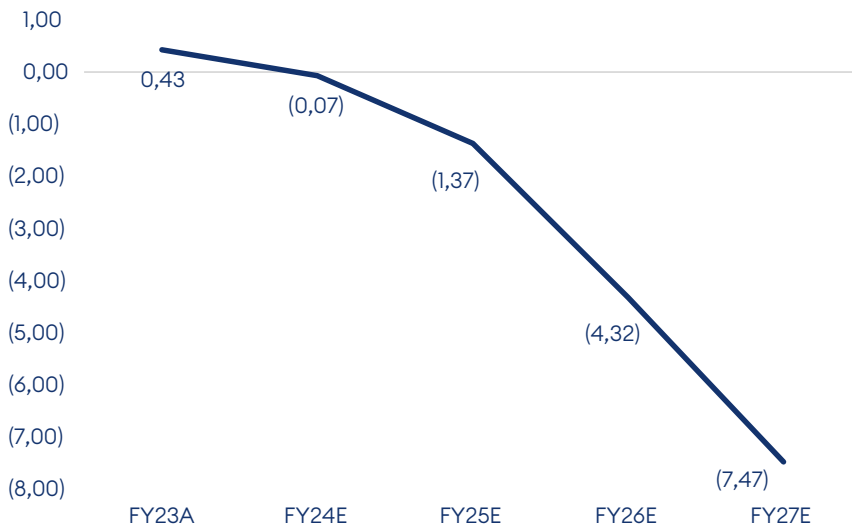
CHART 43 – REVENUES AND CAPEX FY23A – FY27E



Source: Integrae SIM

Regarding Capex, we believe the Group will continue to pursue its investment objectives. In particular, we expect that the Group will focus its investments on capitalising the cost of personnel, services and consultancy, as well as on the purchase of components in the development of robots and OR-OS software.

CHART 44 – NET FINANCIAL POSITION FY23A – FY27E



Source: Integrae SIM

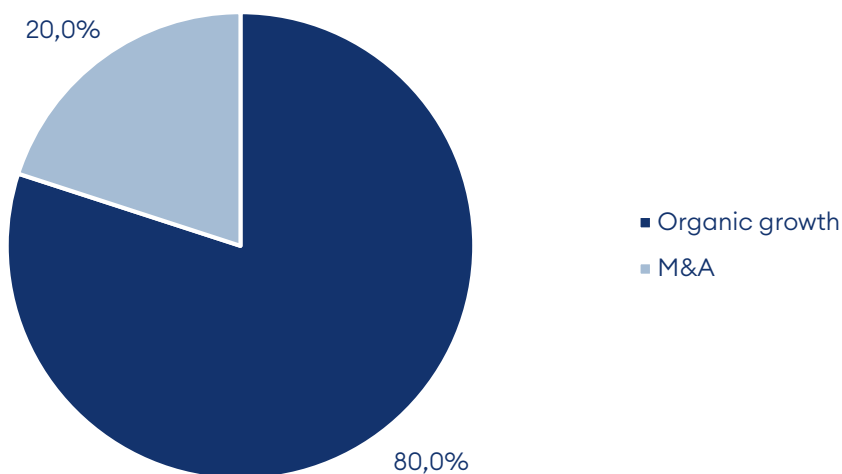
Regarding the balance sheet, we expect an improvement in NFP which, according to our estimates, will go from a debt value of € 0.43 million in FY23A to a cash positive value in

FY27A equal to € 7.47 million. The Group will be able to improve its NFP thanks, above all, to a gradual increase in efficiency in the management of its warehouse, acquiring orders with a time to market (in other words with a shorter delivery timeframe in order to reduce the burden of multi-year contracts). The Group will also improve its financial standing thanks to the cash flows generated by its core business.

5.3 Use of Proceeds

The Company has completed the listing on the Euronext Growth Milan market to secure resources aimed at continuing its growth trajectory. In particular, Litix has planned as post-funding objectives both strategies aimed at consolidating its competitive position, as well as at evaluating external growth through extraordinary finance operations.

CHART 45 – USE OF PROCEEDS



Source: Integrae SIM

Taking a closer look, the Group's internal growth will be aimed at:

- expanding the existing range of robots, introducing a new model (mini robot) with a lower cost than the current ones, useful for entering new markets;
- using robots for other applications in the world of design and architecture, particularly in the production of kitchen worktops. These markets require robots specifically designed to meet the unique and detailed needs of these industries;
- continuing with R&D investments to develop new technologies and improve existing ones, including the advancement of the OR-OS self-programming software and the expansion of the operational capabilities of anthropomorphic robots;
- purchasing new machinery and equipment, expanding its production facilities and optimising existing production processes to respond to growing market demand;

- hiring staff to ensure technical and creative skills remain at the forefront of the sector;
- enhancing marketing and branding activities to consolidate Litix's presence in existing markets and penetrate new segments;

As regards external growth, instead, the Group plans to pursue the following initiatives:

- develop new product lines and enter new market segments that align with the Group's mission and technology;
- acquire other companies that can facilitate the expansion of Litix's existing product lines, or that offer innovative technologies to be integrated into the existing offer portfolio in the Company's reference area;
- establish partnerships and collaborations to access new resources, skills and markets;
- expand into existing markets (USA, Europe, China) and enter new international markets (Middle East, Asia), particularly in areas where the demand for high-quality artistic workmanship and design is growing. This could include opening offices or production facilities in new regions.

6. Valuation

We conducted the equity range valuation of Litix based on the DCF methodology and multiples of a sample of comparable companies.

6.1 DCF Method

TABLE 4 – WACC

WACC				12,16%
D/E 17,65%	Risk Free Rate 3,40%	β Adjusted 1,2	α (specific risk) 2,50%	
K_d 2,50%	Market Premium 6,79%	β Relevered 1,3	K_e 13,99%	

Source: Integrae SIM

In particular:

- The Risk-Free Rate is represented by the June 2024 State bond (Rendistato) interest rate with maturities between 3 years and 7 months and 4 years and 6 months;
- The Market Premium coincides with the Italian market risk premium calculated by Professor A. Damodaran;
- The D/E ratio is calculated based on estimates by Integrae SIM;
- K_e is calculated using the CAPM (capital asset pricing model);
- Alpha, or additional specific risk, typical of equity investments in companies characterised by a small operational size. Being small in size, the additional small cap risk was assumed to be 2.5%, an average value among those suggested by the main studies on the subject (Massari Zanetti, Valutazione Finanziaria, McGraw-Hill, 2004, page 145, A. Damodaran, Cost of Equity and Small Cap Premium in Investment Valuation, Tools and Techniques for Determining the Value of Any Assets, III edition 2012, Guatri Bini, Nuovo Trattato sulla Valutazione delle Aziende, 2009 page 236);

- The Beta is calculated starting from the 5-year Unlevered Beta corresponding for competitors;
- Kd coincides with the Company's current cost of debt.

Using these figures, a WACC of 12.16% can be noted.

TABLE 5 – DCF VALUATION

DCF		% of EV
FCFO actualized	8,0	28%
TV actualized DCF	20,8	72%
Enterprise Value	28,8	100%
NFP (FY24E)	(1,7)	
Equity Value	30,5	

Source: Integrae SIM

With the above figures and taking our estimates and assumptions as reference, this results in an equity value of € 30.5 million.

TABLE 6 – EQUITY VALUE – SENSITIVITY ANALYSIS

€/mln	Growth Rate (g)	WACC						
		10,7%	11,2%	11,7%	12,2%	12,7%	13,2%	13,7%
	3,0%	40,8	38,2	36,0	33,9	32,1	30,5	29,0
	2,5%	38,9	36,6	34,5	32,7	31,0	29,5	28,1
	2,0%	37,3	35,1	33,3	31,6	30,0	28,6	27,3
	1,5%	35,8	33,8	32,1	30,5	29,1	27,8	26,6
	1,0%	34,4	32,7	31,1	29,6	28,3	27,0	25,9
	0,5%	33,2	31,6	30,1	28,7	27,5	26,3	25,3
	0,0%	32,2	30,6	29,2	28,0	26,8	25,7	24,7

Source: Integrae SIM

6.2 Multiples Method

6.2.1 Panel composition

- **Solid World Group SpA**

Solid World Group is the leading Italian 3D Digital System Integrator specialised in 3D digital innovation. Founded in 2004, the Group, controlled by the SolidWorld SpA Parent Company, is made up of more than ten subsidiary companies that cover all phases of the digital supply chain dedicated to 3D Digital Manufacturing. Through 14 operational offices and 3 technological hubs, the SolidWorld Group operates throughout the Italian territory offering 3D printing services, training services and, supporting the design and production departments of the most modern Italian production companies, integrated services in sectors such as the automotive industry, aerospace, mechanics, mechatronics, sports systems, home design and fashion.

- **Stratasys Ltd.**

Stratasys Ltd. is a multinational company based in Israel and the United States, specialised in the production of 3D printers and additive manufacturing technologies. Founded in 1989, the company is known for developing technologies such as Fused Deposition Modeling (FDM) and Poly-Jet. Stratasys serves a broad range of industries, including aerospace, the automotive industry, healthcare and consumer goods, offering solutions for rapid prototyping, manufacturing tooling and the production of final parts. With a strong global presence, Stratasys is recognised as one of the leaders in the 3D printing market.

- **Autodesk, Inc.**

Autodesk Inc. is an American multinational corporation headquartered in San Rafael, California, specialised in the development of software for design and 3D engineering. Founded in 1982, Autodesk is known for AutoCAD, computer-aided design (CAD) software and a wide range of applications in the architecture, engineering, construction, manufacturing, media and entertainment industries. Autodesk products, such as Revit, Inventor, and Maya, are used for designing buildings, industrial products, animations and games. The company is recognised for its innovation and its commitment to promoting sustainable solutions and advanced technologies.

- **Proto Labs, Inc.**

Proto Labs Inc. is an American company specialised in the rapid production of prototypes and custom parts using digital manufacturing technologies. Founded in 1999, Proto Labs offers CNC machining, injection moulding, 3D printing and metal casting services. The company stands out for its ability to supply high-quality parts in very short timeframes, often in just a few days, thanks to an automated and highly efficient production system. Proto Labs serves a broad range of sectors including electronics, healthcare, the automotive industry and aerospace, supporting companies through product development and low-volume manufacturing.

TABLE 7 – COMPARABLES MARKET DATA FY23A (€/MLN)

Company	Country	Market Cap	EV	NFP	EV/EBITDA	P/E	NFP/EBITDA
Solid World Group SpA	Italy	36,91	46,76	15,36	15,15	n/a	4,52
Stratasys Ltd	USA	589,82	452,94	(130,54)	n/a	n/a	n/a
Autodesk, Inc	USA	50.067,04	50.998,06	349,83	40,75	54,92	0,03
Proto Labs, Inc	USA	743,51	660,31	(88,10)	10,45	41,87	n/a
Median	n/a	666,67	556,62	(36,37)	15,15	48,39	2,27
Litix	Italy	9,25	7,56	(1,70)	6,15	7,96	n/a

Source: FactSet

TABLE 8 – COMPARABLES FINANCIAL HIGHLIGHTS FY23A (€/MLN)

Company	Revenues	EBITDA	EBIT	Net Profit	EBITDA Margin	EBIT Margin	Net Profit Margin
Solid World Group SpA	61,98	3,09	(0,58)	(1,63)	5,0%	-0,9%	-2,6%
Stratasys Ltd	579,05	(26,30)	(71,60)	(113,84)	-4,5%	-12,4%	-19,7%
Autodesk, Inc	5.027,01	1.155,10	1.028,50	837,22	23,0%	20,5%	16,7%
Proto Labs, Inc	466,07	60,96	26,25	15,93	13,1%	5,6%	3,4%
Peer Median	522,56	32,03	12,84	7,15	9,0%	2,3%	0,4%
Litix	4,60	1,23	0,95	0,71	22,6%	17,5%	13,0%

Source: FactSet

6.2.2 Multiples Method

TABLE 9 – MARKET MULTIPLES

Company Name	EV/EBITDA		EV/EBIT		P/E	
	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Solid World Group SpA	9,5 x	6,4 x	49,8 x	15,5 x	n/a	23,3 x
Stratasys Ltd	11,7 x	8,4 x	28,0 x	14,8 x	61,6 x	27,9 x
Autodesk, Inc	23,7 x	21,5 x	25,3 x	22,7 x	31,2 x	28,1 x
Proto Labs, Inc	8,7 x	8,3 x	16,4 x	13,0 x	20,9 x	19,3 x
Peer median	10,6 x	8,4 x	26,7 x	15,2 x	30,5 x	25,3 x

Source: FactSet

TABLE 10 – MARKET MULTIPLES VALUATION

€/mln	FY24E	FY25E
Enterprise Value (EV)		
EV/EBITDA	16,96	18,88
EV/EBIT	30,54	25,00
P/E	24,27	29,13
Enterprise Value post 25% discount		
EV/EBITDA	12,72	14,16
EV/EBIT	22,90	18,75
P/E	18,20	21,85
Equity Value		
EV/EBITDA	14,42	17,20
EV/EBIT	24,60	21,79
P/E	18,20	21,85
Average	19,07	20,28

Source: Integrae SIM

Litix's equity value was calculated using the average between the EV/EBITDA, EV/EBIT and P/E market multiples. In order to also include in the price the lower liquidity that will presumably characterise the Litix stock compared to its peers, we have applied a discount of 25.0%: the result is therefore an **equity value of €19,7 million**.

7. Equity Value

TABLE 11 – EQUITY VALUE

Equity Value (€/mln)	25,1
Equity Value DCF	30,5
Equity Value Multiples	19,7
Target Price (€)	3,80

Source: Integrae SIM

Consequently, by observing the values obtained using the DCF method and those derived from the multiples method, an average equity value of € 25.1 million is reached. Therefore, the **target price is €3.80, with a BUY rating and MEDIUM risk.**

TABLE 12 – TARGET IMPLIED MULTIPLES

Multiples	FY23A	FY24E	FY25E	FY26E
EV/EBITDA	19,1x	14,6x	10,4x	6,6x
EV/EBIT	24,6x	20,4x	14,2x	8,2x
P/E	35,5x	31,5x	21,8x	12,5x

Source: Integrae SIM elaboration

TABLE 13 – CURRENT IMPLIED MULTIPLES

Multiples	FY23A	FY24E	FY25E	FY26E
EV/EBITDA	6,2x	4,7x	3,4x	2,1x
EV/EBIT	8,0x	6,6x	4,6x	2,7x
P/E	13,1x	11,6x	8,0x	4,6x

Source: Integrae SIM elaboration

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U.R.	Rating e/o target price Under Review		
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