

# Daily Regional Update

Greece/Italy/Cyprus

AXIA Research



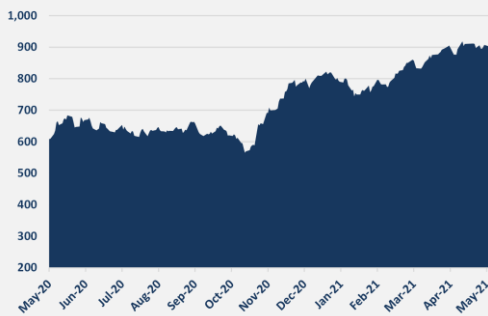
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May 25, 2021

## Greece

ATHEX Composite Index



### Economy

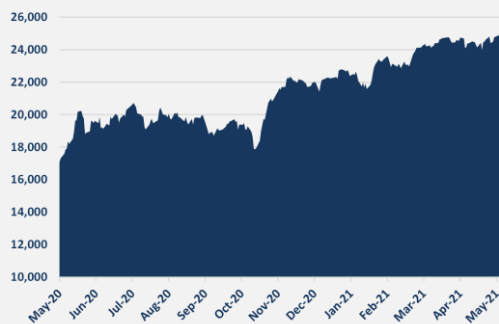
- According to ELSTAT, in March 2021 the turnover index in industry increased 18.6% y-o-y, while in March 2020 the index had decreased 9.0% y-o-y.

### Market

- Hellenic Petroleum announced that yesterday's scheduled EGM was postponed following a relevant request the Hellenic Republic Assets Development Fund (HRADF), owner of 35.47% of the company's shares. HRADF submitted draft proposals for certain issues in the items of the agenda that provide for notification process.
- NBG announced that it has completed the disposal of a Romanian-risk corporate NPE portfolio (Project Danube) with a total Gross Book Value of cEUR174m (EUR102m of allocated collateral value) to Bain Capital. The transaction is capital neutral. According to capital.gr, NBG to upon the release of the Q1:21 results to present its ratified business plan that among others will call for the reduction of NPEs to single digit by 2021.
- Mytilineos announced that through its Renewables and Storage Development (RSD) Business Unit and NextChem, which is Maire Tecnimont S.p.A.'s subsidiary, have signed an agreement to develop engineering activities for the implementation of a green hydrogen plant via electrolysis in Italy.
- According to the property consultants agency Proprius, commercial real estate rents in the Greek high street declined in Q1:21, continuing a trend that became more evident towards the end of the year.
- ElvalHalcor announced that its BoD and the BoD of Fitco have decided the commencement of preparatory activities for the merger by absorption of Fitco by ElvalHalcor.
- Moody's to release tonight its credit rating review for Greece. Moody's currently rates Greece at Ba3 with Stable outlook.

## Italy

FTSE MIB INDEX

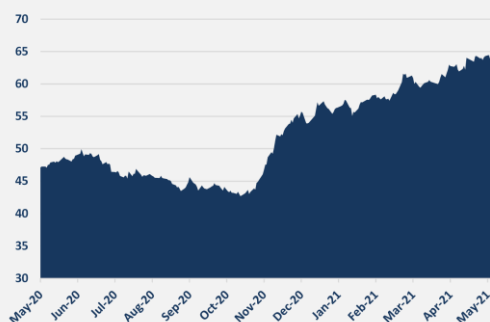


### Market

- As reported by Milano Finanza, Italian eyewear group Safilo could seek a merger with US-based competitor Marchon Eyewear. Safilo's controlling shareholder HAL Holding supports a merger of equals that would lead to its 49.8% stake in the Italian eyewear company being diluted. In 2020, Safilo registered a turnover of EUR 780m, while Marchon reached EUR 850m. Marchon is currently owned by vision care health insurance group VSP Global.
- According to Il Corriere della Sera, investment fund NextEnergy Capital is preparing to kick off the sale of Nextpower II fund's Italian solar portfolio. The IM is expected to be distributed in mid-June, while due diligence on the assets will be conducted around September. The assets, which are valued in the region of EUR 600m, have attracted strategic buyer such as Italian public utility company A2A as well as Private Equity firm Tages. The portfolio entails 105 plants located across 13 Italian regions, mainly in Southern Italy, for an overall capacity of 150MW.
- Member of Tod's founding family and CEO Diego Della Valle announced he is willing to consider further share sales to LVMH. Della Valle claimed that he is prepared to give out control to other family member or possibly to Bernard Arnaud, LVMH's owner. LVMH acquired a 6.8% interest in Tod's in April for EUR 75m, adding to the 3.2% stake it already controlled. Della Valle added that if he decides to sell Tod's eventually, the buyer would surely be LVMH.
- Lombardy-based water utility company Gruppo Cap has confirmed that it is in talks over a merger with Metropolitana Milanese (MM), the water utility for Milan. Gruppo Cap's CEO Alessandro Russo announced talks were ongoing over technical and financial valuation. The deal will likely entail MM selling all of its operations to Gruppo Cap aside from its engineering activities and public housing management. In 2020, Gruppo Cap reported revenues of EUR 344m, EBITDA of EUR 86.14m and a net profit of EUR 18.56m.
- Il Sole 24 Ore reports that US-based supplier of special-purpose utility solutions ESCO Technologies has acquired Italian electrical test equipment producer ISA Altanov Group. While financial terms were not disclosed, ISA was expected to fetch a valuation of c. EUR 80m based on 2020 EBITDA of EUR 7.5m. ISA's founder, shareholder and CEO Gino Amadi has agreed to remain with the company.
- As reported by Milano Finanza, the sale of leading consulting firm Business Integration Partners (BIP) is contended by two players. The two frontrunners are Private Equity firms CVC and Intermediate Capital Group (ICG). BIP is backed by Apax France and is being marketed off 2021 EBITDA of EUR 68m, with the deal value expected to be between EUR 650m and EUR 700m. The transaction consists of the majority stake of 61.5% owned by Apax France, while the remaining 38.5% owned by smaller shareholders will not be part of the deal.
- As reported by Milano Finanza, Private Equity fund Charme Capital Partners is in exclusive talks to acquire Italian medical diagnostic group Bialalisi. The parties are preparing to sign a deal immediately, with Charme set to purchase c. 70% of Bialalisi's share capital. Vendor Columna Capital, which invested in Bialalisi in 2016, would see its exit valued at c. EUR 400m, based on the Italian medical company's 2020 EBITDA of EUR 25m. The Caslini family owns a 70% stake in Bialalisi while the remainder is held by Columna Capital.
- As reported by Il Sole 24 Ore, Italian security management company Gruppo Servizi Associati (GLA), controlled by Private Equity firm Armonia, has attracted an offer from infrastructure fund Iter Capital Partners. The offer is challenging previous bid from state-owned investment group Fondo Strategico Italiano. Until a few months ago, GSA was valued at between EUR 250m and EUR 300m. In 2020, GLA reported a turnover of EUR 130m and an EBITDA of c. EUR 29m, while expects to close 2021 with revenues of EUR 165m and an EBITDA of c. EUR 35m.

## Cyprus

CSE General Market Index



### Economy

- According to CySTAT, in 1Q21 the turnover index in transport and storage decreased 27.9% y-o-y.
- According to the Central Bank of Cyprus (CBC), the total assets of the investment funds increased significantly by approximately 18.9% to EUR 6,678.4bn in March 2021, compared with EUR 5,616.8bn in December 2020.
- According to the bank lending survey by the Central Bank of Cyprus in 4Q20 the lending criteria have become stricter for both businesses and households and expectations for 1Q21 are that they will become stricter.

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