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IDEAL HOLDINGS

Fuel for the next leg

Barba Stathis deal sealed at €166m EV; enhancing exposure to defensive sectors – IDEAL Holdings completed the acquisition of 100% of Barba Stathis (BBS) on March 31st, in a transaction valued at €166m EV (with the equity component at €130m). The deal was funded through a mix of internal cash and c€38m in debt and marks a strategic step toward reinforcing IDH's exposure to non-cyclical, cash-generative sectors. In our view, BBS fits squarely within the group's investment framework — a market leader in a mature, resilient category with meaningful upside from operating leverage and international expansion. We value the acquired company at c12x 2025e EV/EBITDA, namely a bit higher than the purchase price (implying >€0.30/share value creation) and at premium vs. global food packaging peers justified by the company's leading market positioning in Greece and operating leverage potential (c3.2 pps EBITDA margin accretion embedded in our estimates by 2029).

Eyeing 10% 4-year group EBITDAaL CAGR post BBS deal... – We recalibrate the pro-forma group picture, adding Bluestream (in IT) and the recently acquired Barba Stathis. For 2025e, we pin group revenues at c€520m and pro-forma EBITDAaL at c€60m, with the latter being quite diversified (IT contributing c29% of EBITDAaL, BBS near 26%, ADS making up c46%). With BBS margins expected to rise towards the 14% area, the deal looks set to have a mildly positive impact on group margins, which we estimate expanding to >12% by 2028e, from 11.2% in 2024 (PF). Overall, we come up with c10% group EBITDAaL CAGR over the 2024-28e period, stemming from a c10% CAGR for IT, another c15% for Barba Stathis and c5% for ADS.

...and still with ample headroom for capital deployment – Apart from enhancing the group's defensive exposure, the BBS acquisition also ticked the box for reinvesting the proceeds from the disposal of Astir, as stipulated in the terms of the €100m bond IDH issued in Dec'23. Importantly, the aforementioned transaction does not exhaust the group's war chest, especially as the latter is set to be further bolstered by the upcoming €48m capital increase. We estimate that post the c€100m inflow from OHA Group (for a 25% stake in the corporate entity controlling IDH's three core divisions) and the capital increase, the parent company maintains significant financial flexibility, standing on a net cash position (or small net debt post dividend payments). This, coupled with available credit lines of €120m and OHA's committed investment firepower (and M&A expertise), provide plenty of headroom for future capital deployment in value-accretive transactions.

Valuation – We recalibrate our model to reflect latest developments (BBS acquisition, OHA participation, internal restructuring in IT, addition of Bluestream). We continue to base our valuation on a SOTP of the 3 segments to which we apply a 10% holding discount, coming up with an indicative baseline fair value near €8.0/share, post-money for the upcoming c€48m capital increase (via the issuance of c8m new shares). In pro-forma terms (incl. a full year for Barba Stathis in 2025) this values IDH at c10.0x 2025e EV/EBITDA, justified in our view by the 2-digit growth and cash generative characteristics of the group's subsidiaries, along with the c29% exposure to the secular digitization theme. Flexing our WACC and perpetuity growth inputs by 0.5% yields a fair value range between €7.1 and €9.1/share.

Estimates pro-forma

EURm unless otherwise stated	2023 **	2024 **	2025e	2026e	2027e
Sales cont'd	418.9	508.8	519.4	552.8	591.7
Operational EBITDA - EBITDAaL cont'd	46.5	52.3	60.2	65.5	70.6
Net profit cont'd	14.9	19.3	22.3	26.0	28.4
EPS - adj. (€)	0.31	0.34	0.45	0.48	0.52
DPS (€)	0.20	0.40	0.30	0.30	0.30

Valuation

Year to end December	2023 **	2024 **	2025e	2026e	2027e
P/E adj.	16.0x	17.0x	13.7x	12.8x	11.7x
EV/oper. EBITDA pro forma	5.9x	5.1x	8.1x	7.2x	6.7x
Oper. EBIT pro forma/Interest exp.	6.5x	4.1x	7.7x	8.3x	9.1x
Dividend Yield	4.0%	6.6%	4.9%	4.9%	4.9%
ROE	18.0%	3.6%	5.9%	6.7%	7.0%

Source: Eurobank Equities Research

Market Cap (mn) €293.3
Closing Price (06/06) €6.11

Stock Data

Reuters RIC	IDER.AT
Bloomberg Code	INTEK GA
52 Week High (adj.)	€6.54
52 Week Low (adj.)	€5.08
Abs. performance (1m)	-2.9%
Abs. performance (YTD)	4.6%
Number of shares *	48.0mn
Avg Daily Trading Volume (qrt)	€534k
Est. 3yr EPS CAGR (pro forma)	12.6%
Free Float	63%

IDEAL Holdings Share Price



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*See Appendix for Analyst Certification and important disclosures. * Pre capital increase. ** 2023 PF figures do not include BBS Stathis and include ADS for a full year; 2024 PF includes BBS for a full year.*

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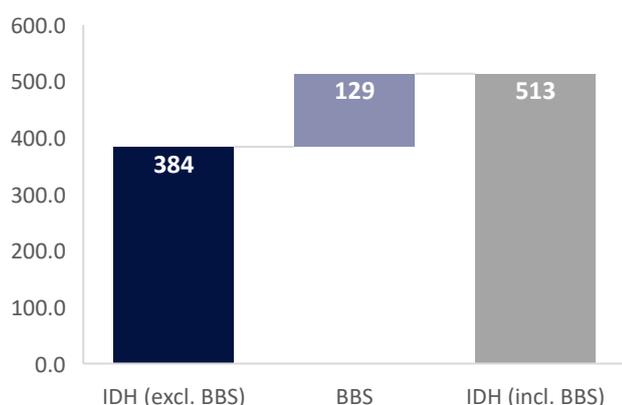
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Barba Stathis deal boosts defensive exposure

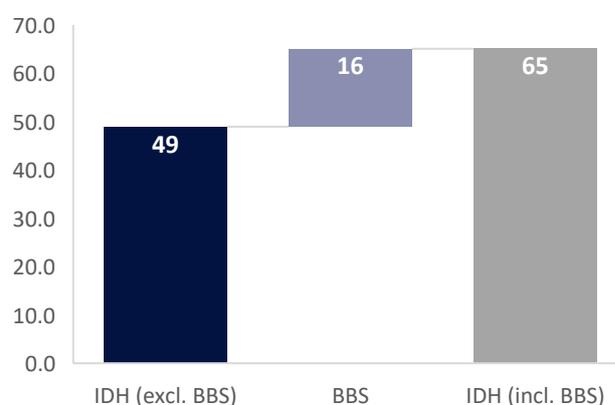
IDEAL announced on January 23rd the acquisition of 100% of Barba Stathis from CVC-Vivartia for a total consideration of €166m (EV) comprising €130m equity and €66m debt. The acquired company reported sales of €121m (+10.5% yoy) and adj. EBITDA of €13m (+1% yoy) in FY'24, while its net debt stood at €37m as of Dec'24. On forward-looking numbers, assuming c17% EBITDA growth in 2025e, this valuation corresponds to c11x 2025e EV/EBITDA, at premium compared to global food packaging peers (c9-10x, except for large cap multi-nationals which trade in the low to mid-teens), which we believe is justified by the company's strong domestic brand positioning and the solid cash generation.

The acquisition was financed through a combination of cash reserves (€91m) and debt (€39m). The group subsequently received regulatory approvals from both the Greek and Cypriot competition authorities, with the transaction finally being completed on March 31st.

Barba Stathis FY'25e revenue impact (pro-forma) in EURm



Barba Stathis FY'25e adj. EBITDAaL impact (pro-forma) in EURm



Source: Eurobank Equities Research, Company data.

Barba Stathis to deliver c15% EBITDA CAGR over 2024-28e, on our numbers

Below we summarize the key financials for Barba Stathis, having accounted for the spin-off of its pastry business, namely Arampatzis S.A. We model revenue CAGR of c8% and adj. EBITDA CAGR of c15% over 2024-28e, with the respective margin expanding to c14% by the end of the period, in sync with mgt updated base-case expectations. Our projections are based on Barba Stathis' **value creation plan** (product expansion, upgrades in facilities and capacity advancements - detailed in the section below).

Barba Stathis | Summary Financials (Pro-forma)

in EURm, unless otherwise stated	2023	2024	2025e	2026e	2027e	2028e
Revenue	109.7	121.2	129.8	140.1	154.2	164.7
<i>yoy growth</i>	3%	10%	7%	8%	10%	7%
EBITDA	12.5	13.0	15.4	17.7	20.1	23.1
<i>yoy growth</i>		4%	18%	15%	13%	15%
EBITDA margin	11.4%	10.7%	11.8%	12.6%	13.0%	14.0%
EBT	4.1	4.6	10.4	12.1	13.7	16.4
Net debt / (cash)	75.2	37.0	39.6	52.1	46.6	38.4
Net Debt/EBITDA	6.0x	2.8x	2.6x	2.9x	2.3x	1.7x

Source: Eurobank Equities Research, Company

Overall, although the acquisition represents another entry into a new industry, we view the deal as aligned with the group's investment strategy of acquiring high-quality assets and see it as a move to bolster IDH's defensive exposure. Mgt expressed optimism about the value-enhancing potential of Barba Stathis after the deal was concluded, highlighting the company's strong brand equity and its cash generative model.

The case for Barba Stathis: Market leader status + Potential for further operating leverage = Strong value optionality

Bolstering the portfolio with yet another high-quality asset

Barba Stathis is a leading Greek food packaging company specializing in the production and distribution of frozen vegetables, easy-to-prepare meals, and fresh salads, with product lines rooted in Greece’s culinary tradition. The company operates 3 vegetable packaging facilities in Northern Greece and has access to an expansive network of accredited suppliers, covering a total area of 3,000 hectares. Barba Stathis has a quite expansive offering, comprising >200 SKUs, and boasts access to c11,000 domestic and international points of sale. Although Greece remains the primary focus in terms of mix, the group has also sought to expand its international presence in recent years, now exporting to >20 countries.

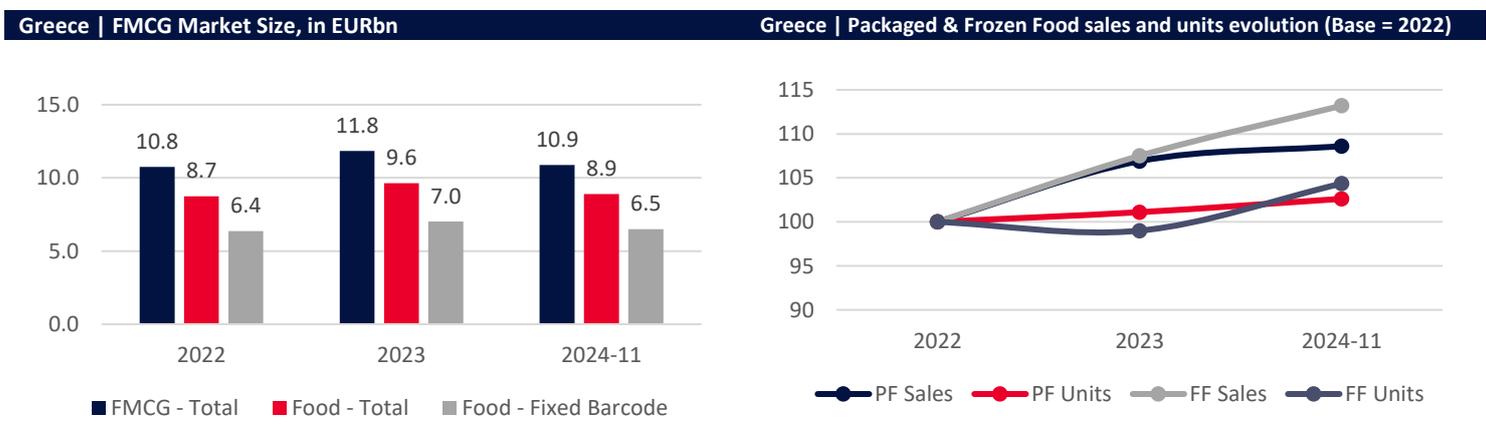
The product mix features an array of packaged foods, catering to both traditional Greek flavors and modern consumers, and includes:

- **Frozen Vegetables:** A large variety of freeze-dried packaged vegetable options, primarily targeted for conventional Greek consumers.
- **Fresh Salads:** Pre-chopped, packaged salads targeted at consumers seeking ready-to-eat healthy options without compromising on nutrition.
- **Easy-to-Prepare Meals:** Proprietary recipes pairing frozen vegetables with staple foods and legumes to create convenient, quick-to-make products for modern consumers. This product line is led by the flagship "Let's Cook" offering, centered around options based on traditional Greek recipes.

Branded products account for the majority of the mix

Sales are primarily driven by own-branded products under the Barba Stathis and Halvatzis brands, though the group also has presence in private label, mainly in the context of ongoing partnerships with domestic supermarkets. Despite its history as a staple in Greek households, Barba Stathis has increasingly focused on product innovation in recent years (e.g. ready-to-eat packaged meals, product lines for plant-based dietary preferences) in efforts to align with evolving consumer needs.

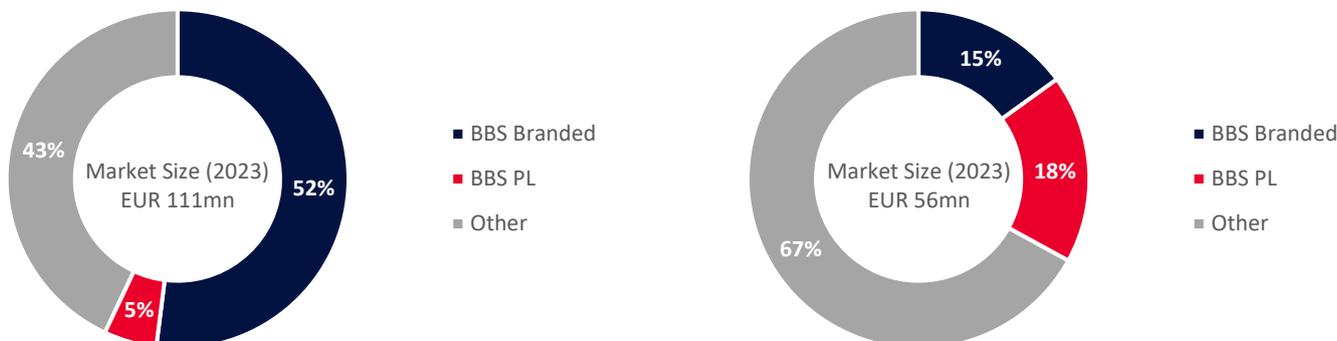
According to Circana data, the Greek food industry was valued at €6.5bn as of November 2024. In terms of dietary preferences, the majority of Greek consumers continues to favor traditional flavors, which are closely associated with quality and authenticity, and have strong ties to the country’s cultural identity. That said, consumer interest does seem to be gradually shifting to modern options as well, with some areas gaining increasing traction in recent years. Key areas of focus for Greek consumers include: 1) a growing presence of health-conscious food options; 2) rising demand for convenient ready-to-eat meals, particularly in urban areas and younger demographics; 3) a stronger focus on sustainable and environmentally friendly products.



Source: Circana.

Sales of packaged and frozen foods have ranked solidly among the top performing FMCG subcategories in recent years, with consumption levels significantly higher as of Nov. 2024 compared to 2022, both in terms of sales and volume.

Greece | Frozen Vegetable Market Shares (2023) Greece | Fresh Salads Market Shares (2023)



Source: Barba Stathis company estimates.

The Greek frozen vegetable industry was valued at c€111m in 2023, with Barba Stathis commanding an impressive 57% of the market. This reflects the company’s strong brand equity, which effectively not only solidifies its dominance in frozen vegetables but also facilitates its expansion into new vegetable subsegments (e.g. plant-based, ready-to-eat meals). The domestic fresh salad industry, valued near c€56m in 2023, is another area where the group holds a significant share of the market (c33%). Barba Stathis is primarily positioned through private label products in this market.

Potential for value to be unlocked through planned optimization

Overall, we consider the thesis for Barba Stathis to be quite compelling, considering its market-leading positioning, healthy balance sheet, and long-standing relationships with domestic suppliers and supermarkets. From a strategic perspective, we believe the case offers solid potential for value generation as IDH executes on its value creation plan in the coming years.

Key points of the plan, as shared by mgt, include:

- a) **Expansion of branded product lines:** Includes leveraging Barba Stathis’ leading market position to increase domestic market share by optimizing existing SKUs and broadening the product suite (incl. Halvatzis) through the introduction of innovative and health-oriented products.
- b) **Scaling up production capacity:** Barba Stathis is nearing the completion of a 5-year c€58m investment plan for capacity expansion across its facilities and has announced its intention to proceed with further >€50m investments through 2030, with the majority of these funds aimed at reopening a defunct packaging plant in Northern Greece. In our view, this next phase of investment is strategically important. Based on our discussions with management, Barba Stathis is currently operating below its commercial potential - particularly in international markets, where exports account for <10% of sales. The main constraint appears to be limited upstream production. By scaling up capacity and revamping infrastructure, the company aims to unlock access to a broader network of local growers, with a clear intention to channel incremental output into export markets.
- c) **Supply chain optimization:** Entails the construction of a new distribution center in Athens and new cold storage facilities in Sindos to support top line acceleration. Enhanced distribution capacity will enable faster, more reliable service to both retail and foodservice channels, while improved cold chain management will reduce spoilage risk and logistics bottlenecks. In turn, this will likely drive operating leverage, as higher throughput volumes will be handled more efficiently across the network.

- d) Ramp-up of international business:** Expanding the international footprint forms a core pillar of Barba Stathis' growth strategy, aiming to diversify revenue streams and reduce reliance on the domestic market. As mentioned above, exports accounted for less than 10% of FY'24. We see international expansion as a strategic necessity for Barba Stathis to be able to sustain high single-digit top-line growth. The domestic frozen food market is mature and relatively saturated, limiting the scope for volume-led growth. As such, tapping into new markets is essential to unlock fresh demand and drive scale.
- e) Creating synergies through M&A:** Adding complementary products to enter new market segments, screening for targets that will create operational synergies across the supply chain. We note that our forecasts do not assume any effects from M&A additions going forward.

IDEAL post the addition of Barba Stathis

Pro forma figures point to more balanced EBITDAaL mix, with margins >11% across segments

Following the completion of the Barba Stathis deal and restructuring in the IT division, IDEAL will boast a more balanced EBITDAaL mix, with IT contributing c28-29%, Specialty Retail c43-46% and Barba Stathis c26-30% of the total operating profitability in the 2025-28e period.

In the following table we present our updated pro-forma revenue and EBITDAaL (after leases) figures, where we:

- 1) strip out the Industry segment from group numbers following the disposal of Astir in Aug'24,
- 2) add Blue Stream pro-forma results into 2024 pro-forma figures of the IT segment,
- 3) recalibrate IT for the spin-off of the distribution business, namely Ideal Tech and Metrosoft to Ideal parent company, and
- 4) incorporate Barba Stathis results into 2024, on a pro-forma basis (i.e. assuming €13m EBITDA contribution).

We now eye group adj. EBITDAaL CAGR of 10% through 2028e

Per segment, we calculate 3% revenue CAGR in IT, filtering through to 10% adj. EBITDA CAGR and 5% revenue CAGR in ADS, which trickles down to 5% annual segmental EBITDAaL growth over the 4-year period up to 2028e. As mentioned above, for Barba Stathis we have taken a base case scenario with c8% revenue CAGR, which translates to 15% annual adj. EBITDA growth, thanks to the greater operational leverage we envisage for the business. **All in all, our forecasts correspond to group EBITDAaL CAGR of 10% through 2028e on a comparable basis, pointing to a quite compelling growth profile.**

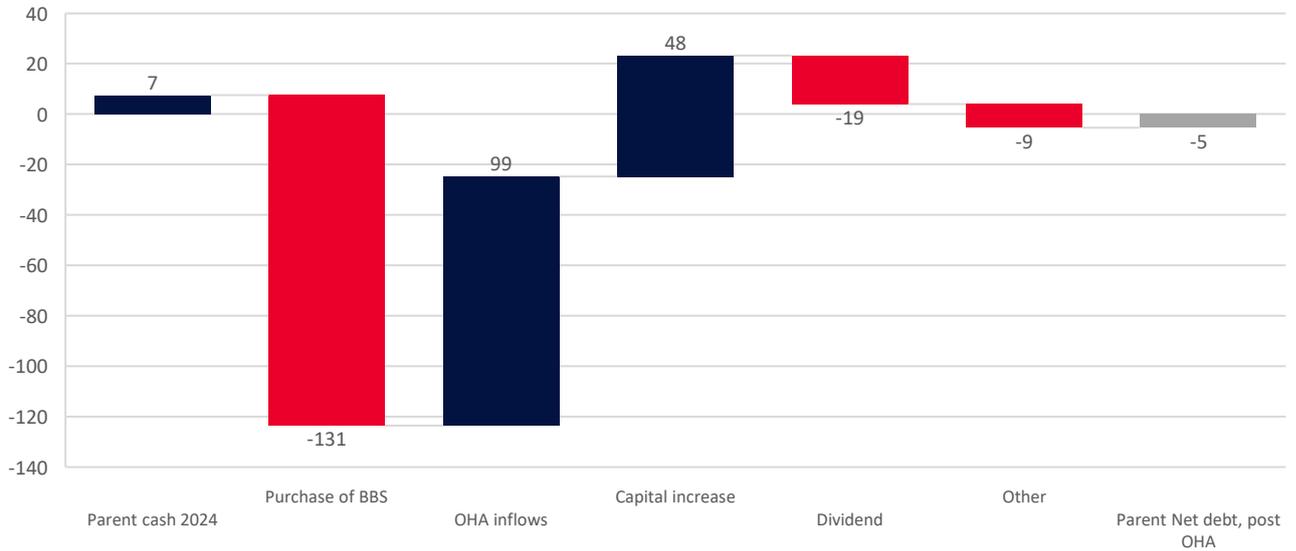
IDEAL Holdings proforma estimates incl. Barba Stathis					
EURm unless otherwise stated	2024	2025e	2026e	2027e	2028e
Group Revenue	508.8	519.4	552.8	591.7	625.8
<i>of which</i>					
IT	114.6	105.6	113.4	122.4	129.4
Attica	231.9	242.3	254.9	267.7	281.1
Barba Stathis	121.2	129.8	140.1	154.2	164.7
Corporate/Consolidation	41.0	41.6	44.4	47.4	50.7
yoy growth in Revenue	21%	2%	6%	7%	6%
<i>of which</i>					
IT	19%	-8%	7%	8%	6%
Attica	9%	4%	5%	5%	5%
Barba Stathis	10%	7%	8%	10%	7%
Group Adj. EBITDAaL	52.3	60.2	65.5	70.6	76.0
<i>of which</i>					
IT	13.3	14.9	16.8	18.1	19.3
Attica	26.2	27.6	29.1	30.5	32.3
Barba Stathis	13.0	15.4	17.7	20.1	22.5
Corporate/Consolidation	-0.3	2.3	2.0	1.8	1.9
yoy growth in Adj. EBITDAaL	12%	15%	9%	8%	8%
<i>of which</i>					
IT	8%	12%	13%	8%	6%
Attica	10%	5%	5%	5%	6%
Barba Stathis	4%	18%	15%	13%	12%
Adj. EBITDAaL margins	10.3%	11.6%	11.9%	11.9%	12.1%
<i>of which</i>					
IT EBITDAaL margin	11.6%	14.1%	14.8%	14.8%	14.9%
Attica EBITDAaL margin	11.3%	11.4%	11.4%	11.4%	11.5%
Barba Stathis EBITDAaL margin	10.7%	11.8%	12.6%	13.0%	13.7%

Source: Eurobank Equities Research, Company data.

OHA has committed an additional €200m for co-investments

Importantly, the co-investment agreement grants OHA the right to invest alongside IDH in corporate transactions over a 2-year period, **with a €200m capital commitment and a right of first refusal on all transactions through April 2027**. OHA will also participate fully in the investment decision-making process and provide strategic expertise in evaluating opportunities.

Expected liquidity injection from Oak Hill Advisors



Source: Eurobank Equities Research.

We note that, as part of the partnership with OHA, IDH has agreed to carve out its two IT distribution subsidiaries (IDEAL Electronics, Metrosoft) from the holding company, placing both under the newly established corporate vehicle. In our view, this move signals a more consolidated and focused approach to future investments and corporate structure.

Valuation

**SOTP fair value range
between €7.1-9.1 per share**

We update our valuation on IDH in light of the Barba Stathis transaction, valuing the acquired company at €185m, above the announced transaction consideration (€166m) **after accounting for planned investments with c16% return on capital (pre-tax) as per our assumptions.** Turning to the existing segments, we push through modestly higher numbers for IT to account for the addition of 75% of Bluestream, while we make more modest adjustments in our forecasts for ADS. Our baseline valuation is predicated on a sum-of-the-parts (SOTP) of the 3 main segments, namely IT, ADS, and the newly added Barba Stathis, as well as any other claims related to the parent company financial position. We also account for the intended share capital raise via the issuance of 8m shares within a price range of €5.8-6.1/share (we assume €6 for modelling purposes) and the planned cancellation of 1.5m treasury shares.

Our SOTP is detailed in the table below. Our base case exercise yields a fair equity value post money near €8.4 (ex-div). To this we apply a 10% holding discount and come up with an indicative 12-mth fwd fair value (ex-div) of €8.0 per share.

Sum of the parts valuation		
EURm unless otherwise stated	2025e	x 2025e EBITDA
IT	195	13.1x
ADS	203	7.4x
Barba Stathis	185	12.0x
Consolidation/Other	19	
Group EV	602	10.0x
- Group net debt 2024, proforma for BBS acq. & OHA proceeds	-38	
+ Capital increase	48	
- non-controlling interests 2025e (market value, based on EE target valuation) / other adjustments	-152	
Equity value, post money	460	
Number of shares (mn) – post money / treasury share cancellation*	54.5	
Fair price ex div (€)	8.4 €	
Assumed holding discount	10%	
12m fair value - ex div	8.0 €	

Source: Eurobank Equities Research. *Assuming €48m raised at €6/share.

Our segmental DCF assumptions are presented in the following tables:

**IT division EV at almost
€200m following the internal
restructuring (c13x EBITDA)**

- **For IT we model:**

- a blended 9.4% WACC.
- Mid-single-digit revenue CAGR, but more notably c9% EBITDA CAGR over 2024-29e, as we expect IT segment companies to begin adopting a value-over-volume approach, introducing higher-quality contracts to the pipeline. Our forecasts reflect more than 300bps EBITDA margin expansion over the same period.
- We envisage revenue growth in the mid single digits in the medium term.
- Mid-to-high-single-digit incremental ROIC in perpetuity, justifiable in our view by the technology-dependent nature of the segment.

IT DCF							
EURm unless otherwise stated	2025e	2026e	2027e	2028e	2029e	...	TV
NOPAT	10.8	12.3	13.6	14.6	15.6	...	
Depreciation	1.3	1.2	1.0	0.9	0.8	...	
Reinvestment	-2.7	-2.3	-2.5	-2.5	-2.2	...	
Unlevered free cash flow	9.3	11.3	12.1	13.0	14.3	...	18.8
Sum of PV	105.1						
PV of terminal value	90.2						
Enterprise Value	195.3						

Source: Eurobank Equities Research.

Specialty Retail EV forecast just above €200m, materially above the acquisition value

- **For Attica Department Stores:**
 - o We incorporate 9.5% WACC into our forecasts for ADS
 - o We maintain our c5% annual revenue growth rate in the short-term fading to c1.5% in the medium-term.
 - o We forecast c6% operational EBITDA CAGR over 2024-29, thanks to positive operating leverage reflecting mild EBITDA margin accretion over the next 5 years.
 - o Our 0.5% LT growth rate assumption implies low single digit incremental ROIC in perpetuity as ADS's competitive advantage fades given the competitive nature of the broad retail sector.

Attica Department stores DCF							
EURm unless otherwise stated	2025e	2026e	2027e	2028e	2029e	...	TV
NOPAT (cash)	20.0	21.1	22.1	23.4	24.7	...	
Depreciation (pre IFRS 16)	3.6	3.8	4.0	4.2	4.4	...	
Reinvestment	-12.2	-7.4	-7.6	-8.2	-8.5	...	
Unlevered free cash flow	11.5	17.4	18.6	19.4	20.6	...	17.6
Sum of PV	123.6						
PV of terminal value	79.7						
Enterprise Value	203.3						

Source: Eurobank Equities Research.

Packaged Food value >€180m on solid operating leverage potential

- **For Barba Stathis:**
 - o We apply a 9.0% WACC to reflect both the current interest rate environment and the defensive, cash-generative profile of the food packaging business, which typically warrants a lower equity risk premium relative to more cyclical sectors.
 - o We forecast c8% sales CAGR over 2024-29e led by identified growth and expansionary opportunities, especially in Greek salad and international frozen.
 - o We expect growth investments and synergies to lead to a more than 3pps margin expansion, with our 2024-2029e EBIT CAGR estimated at c14%.
 - o We assume sustainable incremental ROIC in the mid-teens underpinned by the fairly low capital intensity of the business and the brand's strength in Greece, which gives it pricing power in line with inflation, we reckon, coupled with a c1% long-term growth rate.

Barba Stathis DCF							
EURm unless otherwise stated	2025e	2026e	2027e	2028e	2029e	...	TV
NOPAT	8.5	9.7	11.1	13.3	14.3	...	
Depreciation	4.6	5.3	6.0	6.2	6.4	...	
Reinvestment	-14.0	-25.8	-8.0	-6.4	-4.4	...	
Unlevered free cash flow	-0.9	-10.8	9.1	13.1	16.3	...	18.9
Sum of PV	84.3						
PV of terminal value	100.7						
Enterprise Value	185.0						

Source: Eurobank Equities Research.

Below we present a basic sensitivity of our DCF-derived sum-of-the-parts on a combination of WACC and terminal growth rates. As can be seen, flexing our WACC and perpetuity growth inputs by 0.5% yields a fair value range between c€7.1 and c€9.1 per share.

DCF Sensitivity of our calculated group fair value per share to the WACC and LT growth assumptions						
		WACC (Blended)				
		10.3%	9.8%	9.3%	8.8%	8.3%
Terminal growth (Blended)	1.8%	7.4	8.0	8.8	9.6	10.6
	1.3%	7.1	7.7	8.3	9.1	10.0
	0.8%	6.8	7.3	8.0	8.7	9.5
	0.3%	6.5	7.1	7.6	8.3	9.0
	-0.1%	6.4	6.9	7.4	8.0	8.7

Source: Eurobank Equities Research.

Estimates changes

We recalibrate IDH group for structural changes...

We have recalibrated our forecasts to account for the various changes in IDH businesses.

Specifically, we:

- a) include Barba Stathis as a new division in Food-Packaged products (deal announced in Jan'25 and completed end-March 2025),
- b) include Bluestream in the IT division (deal completed in Q3'24),
- c) strip out the industry business, following the completion of Astir sale (Q3'24), factored in as discontinued operations in 2024 numbers, and
- d) account for the restructuring of the IT segment (completed May 2025) through which IDH has merged the technology distribution companies (IDEAL Technologies, Metrosoft) into the parent company.

...while also reflecting latest trends and 2024 results

In addition, we have fine-tuned our projections to incorporate the actual 2024 figures, which came in with slightly lower-than-expected EBITDAaL margins in both IT and ADS. We now assume EBITDAaL margins in the range of 11-15% for all divisions over 2025-27e, just below our previous group-level assumption of 12-16%.

In what follows, we present a summary of the changes in our IDEAL Holdings forecasts. For comparability, we present our previous forecasts on a like-for-like basis, namely including Barba Stathis and Bluestream (IT) on a proforma basis. The reduction in our group EBITDAaL forecasts is primarily driven by a downward revision in IT, where we have adopted a more conservative stance to reflect recent execution dynamics. We also apply more cautious assumptions for Attica (lower margin vs previously assumed, on higher A&P, staff and operation costs) while also factoring in a slower ramp-up of the Ellinikon project, which we now expect to phase in with a delay relative to our earlier expectations.

Group estimate changes (proforma figures)			
EURm	2025e	2026e	2027e
New (pro forma for full year)			
Sales	519.4	552.8	591.7
EBITDAaL	60.2	65.5	70.6
Old (proforma for Barba Stathis & Bluestream)			
Sales	505.9	544.0	585.5
EBITDAaL	65.0	71.5	78.3
New vs. Old			
Sales	3%	2%	1%
EBITDAaL	-7%	-8%	-10%
Source: Company, Eurobank Equities Research.			

FY'24 results overview

IDEAL reported solid FY'24 pro-forma results, with revenue at €380.3m (+23% yoy) and adj. EBITDAaL at €39.9m (+17% yoy). Growth was driven primarily by organic acceleration in IT, thanks to the ramp-up in project execution throughout the year, while performance in retail was supported by improved mix and expanded store capacity. Consolidated PBT came in at €23.9m (+11% yoy) as the strong growth at EBITDAaL level was eroded somewhat by c€4-5m in one-offs related to corporate engagements, as we had expected.

Delving into FY'24 performance for each division in more detail:

IT: Demand tailwinds and project execution ramp-up drive rebasement; H2'24 margins tick higher as project mix pivots back to private sector

- Pro-forma FY'24 IT revenue totaled €148.5m (+55% yoy, majority organic) as IDEAL continued to execute on its digitization backlog, while underlying demand for trust services and cybersecurity remained strong. As expected, top line growth was less pronounced in H2 compared to H1, as mgt appeared to shift its focus back to margin-accretive private sector projects.
- The pivot towards private sector projects was also reflected in pro-forma IT adj. EBITDA, which came in at €16.3m (+31% yoy), corresponding to an adj. EBITDA margin of 11% (c2pp lower yoy, pro-forma). As we have highlighted previously, the dilution in FY'24 margins stemmed primarily from the execution of Greek state projects in H1. This is better reflected when comparing IT division margins in H1'24 vs. H2'24, with H1 margin standing at 9.9% and H2 at 12.2%.

Retail: ADS delivers +9% adj. EBITDAaL yoy growth on robust H2'24 foot traffic, store capacity increases, brand elevation

- Increased retail capacity in flagship venues and the ongoing brand elevation strategy enhanced value generation, while strong customer inflows throughout the year drove Retail pro-forma FY'24 revenue to €231.9m (+9% yoy). The group also reported stronger e-commerce sales yoy thanks to the addition of new brands, as well as increased tax free sales to incoming tourists (+24% yoy).
- Retail pro-forma adj. EBITDAaL reached €27.4m for FY'24 (+15% yoy) translating to a margin of 11.8% (vs. 11.2% in FY'23). Q4 profitability appears particularly strong, suggesting that investments in retail capacity have largely reached a more mature stage, and that the evolving brand mix continues to support margin accretion.

We highlight that consolidated profitability figures were impacted by some c€4-5m in one-offs related to corporate engagements (primarily the sale of Industry) with IDEAL pro-forma FY'24 PBT ultimately shaping at €23.9m.

IDEAL Holdings FY'24 results overview (pro-forma)			
in EURm, unless otherwise stated	FY'23	FY'24	% yoy
Revenue	309.1	380.3	23%
of which:			
IT	96.1	148.5	55%
Retail	213.1	231.9	9%
Adj. EBITDAaL	34	39.9	17%
Adj. EBITDAaL margin	11.0%	10.5%	-0.5pps
of which:			
IT	12.4	16.3	31%
% margin	12.9%	11.0%	-1.9pps
Retail	23.9	27.4	15%
% margin	11.2%	11.8%	0.6pps
- Corporate	-2.3	-3.8	
PBT	21.6	23.9	11%
Net cash (debt)	-73.3	28.8	

Source: Company data, Eurobank Equities Research.

Q1'25 results overview

IDEAL reported a solid set of Q1'25 results despite tough yoy comps, with pro-forma adj. EBITDAaL at €11.1m (+52% yoy) and reported revenue at €83.1m (-9% yoy). At group level (pro-forma), strong performances from ADS and Barba Stathis more than compensated for the rather tepid IT result (Q1'25 revenue -30% yoy; adj. EBITDA +4% yoy, reflecting the high base from the sizeable project pipeline executed in Q1'24). The combination of stronger group profitability and the absence of one-offs from transactions during the quarter ultimately trickled down to pro-forma Q1'25 EBT of €6.3m (+117% vs. Q1'24).

Looking at each portfolio subsector in more detail:

- **IT:** Q1'25 IT revenue came in at €24.1m (-30% yoy), as IDEAL faced challenging comps vs. the prior year, where it had executed a quite substantial pipeline of Greek state digitization projects. Despite the slower top line, pro-forma adj. EBITDA grew +17% yoy (to €4m) as IDH carried out its strategic restructuring plan, effectively stripping out its IT distribution activities to concentrate on margin-accretive activities. Given the healthier margin structure, Q1'25 pro-forma EBT grew +14% yoy (to €3.5m).
- **Specialized Retail:** Attica Department Stores delivered Q1'25 revenue +4% higher yoy (at €48.8m) and Q1'25 pro-forma EBITDA +5% yoy (at €3.5m) supported by solid growth across the offering, and especially by improving sales to international customers (+21% yoy) as well as the e-commerce platform. ADS pro-forma EBT thus reached €1.9m (+9% yoy).
- **Food:** The recently added Barba Stathis reported Q1'25 pro-forma revenue of €32.1m (+4% yoy), driven by stronger volumes and product mix diversification. The improving mix also translated to stronger operating profitability, with pro-forma EBITDA at €3.2m (+6% yoy) and pro-forma EBT at €1.6m (+90% yoy), the latter also benefiting from lower net financial expenses following a reduction in debt levels vs. Q1'24.

IDEAL Holdings Q1'25 overview			
in EURm, unless otherwise stated	Q1'24	Q1'25	% yoy
Revenue*	91.7	83.1	-9%
of which:			
IT	34.4	24.1	-30%
ADS	46.9	48.8	4%
- Corporate	10.3	10.2	N/A
EBITDA*	11.5	11.6	4%
EBITDA margin (%)	12.5%	14.0%	1.4pps
EBT*	2.3	3.3	4%
adj. EBITDAaL (pro-forma)	7.3	11.1	52%
of which:			
IT	3.4	4.0	17%
ADS	3.3	3.5	5%
Barba Stathis		3.2	N/A
- Corporate	0.5	0.4	
EBT (pro-forma)	2.9	6.3	117%
of which:			
IT	3.1	3.5	14%
ADS	1.7	1.9	9%
Barba Stathis		1.6	N/A
- Corporate	-1.9	-0.7	

Source: Company data, Eurobank Equities Research. *Reported figures according to IFRS

Group Financial Statements

Reported Figures * in EURm					
Group P&L	2023	2024	2025e	2026e	2027e
Revenues - reported	181.5	374.2	486.9	552.8	591.7
Gross Profit	62.2	124.6	164.1	184.9	196.6
EBITDA - reported	23.4	50.0	72.3	80.6	85.0
EBITDA margin	12.9%	13.4%	13.9%	14.6%	14.4%
Operating EBITDA	18.3	35.2	56.4	65.5	70.6
EBIT - reported	16.3	32.5	53.0	59.4	64.1
Financial income (expense)	-9.8	-17.5	-14.1	-13.9	-14.6
Exceptionals/other income	2.2	-0.1	0.0	0.0	0.0
PBT - reported	8.8	14.9	38.9	45.5	49.6
Income tax	-3.8	-6.4	-8.5	-10.1	-10.9
Non-controlling interest	-0.9	-0.6	-8.1	-9.5	-10.3
Net Profit reported	4.9	7.9	22.3	26.0	28.4
EPS - adjusted (EUR)	0.31	0.34	0.45	0.48	0.52
DPS (EUR)	0.20	0.40	0.30	0.30	0.30
Group Cash Flow Statement	2023	2024	2025e	2026e	2027e
EBITDAaL	18.3	34.0	56.4	65.5	70.6
Change in Working Capital	6.4	-5.8	4.3	-1.5	-4.5
Net Interest	-3.6	-10.5	-6.6	-6.5	-6.0
Tax	-3.4	-8.7	-8.5	-10.1	-10.9
Other	17.0	23.0	0.0	0.0	0.0
Operating Cash Flow	34.7	31.9	45.5	47.4	49.2
Capex	-8.8	-8.0	-35.1	-28.5	-12.5
Other investing	-94.7	103.6	-30.3	0.0	0.0
Net Investing Cash Flow	-103.5	95.6	-65.4	-28.5	-12.5
Dividends	-7.5	-12.6	-19.2	-16.4	-16.4
Other	21.6	-12.8	-5.6	-9.1	-10.1
Net Debt (cash)	73.3	-28.8	15.9	22.6	12.3
Equity Free Cash Flow	-72.2	118.3	-29.1	9.7	26.6
Group Balance Sheet	2023	2024	2025e	2026e	2027e
Tangible Assets	57.3	46.7	202.5	220.7	222.2
Intangible Assets	163.8	170.7	221.7	220.4	219.0
Other Long-term assets	247.0	253.6	257.4	261.1	265.5
Non-current Assets	468.1	471.1	681.7	702.2	706.7
Inventories	91.1	78.4	101.4	117.5	128.4
Trade Receivables	65.8	60.4	71.8	82.0	87.8
Other receivables	29.1	24.1	24.1	24.1	24.1
Cash & Equivalents	155.5	157.3	112.6	95.9	96.2
Current assets	341.5	320.2	309.9	319.6	336.5
Total Assets	809.6	791.2	991.6	1,021.8	1,043.2
Shareholder funds	146.3	219.2	270.2	272.5	277.1
Non-controlling interest	1.9	0.5	107.3	116.8	127.1
Total Equity	148.3	219.7	377.6	389.3	404.2
Long-term debt	455.1	375.2	379.0	372.7	367.1
Other long-term liabilities	13.0	16.1	16.1	16.1	16.1
Long Term Liabilities	468.1	391.4	395.2	388.8	383.3
Short-term debt	29.3	17.3	17.3	17.3	17.3
Trade Payables	113.4	119.6	154.7	176.3	189.2
Other current liabilities	50.6	43.3	46.9	50.2	49.3
Current liabilities	193.2	180.1	218.9	243.7	255.8
Equity & Liabilities	809.6	791.2	991.6	1,021.8	1,043.2
Key Financial Ratios	2023	2024	2025e	2026e	2027e
P/E-adj	16.0x	14.6x	13.7x	12.8x	11.7x
P/BV	1.6x	1.3x	0.9x	0.9x	0.8x
EV/EBITDAaL-reported	17.0x	7.9x	8.1x	7.2x	6.7x
Rep. Oper. EBIT/Int. expense	2.1x	2.9x	7.2x	8.3x	9.1x
Net Debt (cash)/EBITDAaL rep.	2.2x	-0.8x	0.3x	0.3x	0.2x
Dividend Yield	4.0%	6.6%	4.9%	4.9%	4.9%
ROE	9.4%	3.6%	5.9%	6.7%	7.0%
Equity Free Cash Flow yield	-30.4%	40.8%	-8.7%	2.9%	8.0%
Payout Ratio (cont'd)	64.6%	109.8%	67.3%	62.9%	57.7%

Source: Eurobank Equities

Company description

IDH is a holding group active in 3 distinct sectors via specialized companies. Its portfolio spans across 3 segments: 1) IT (cybersecurity, trust services, and system integration), 2) Specialty Retail, through Attica Department Stores, and 3) Packaged Food, through the recent acquisition of Barba Stathis. In the past year the group spun off its Industry division following the sale of Astir (crown corks manufacturer) in Aug'24.

Risks and sensitivities

•**Macro and other demand risks:** IDH's segments are to a great extent consumer-related, and, in that regard, are sensitive to the macroeconomic environment. The IT portfolio is affected by changes in the domestic IT landscape and the pace of digitization initiatives in Greece, while demand in specialty retail is tied to consumer sentiment and discretionary spending trends.

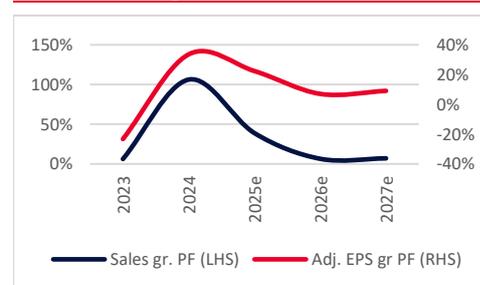
•**Personnel costs:** Human capital is the overriding factor behind all of IDH's segments, namely software, retail and food. In that regard, group margins may be impacted by accelerating wage inflation, which could drive the need for IDH to invest more into personnel.

•**Commodity prices:** The packaged food segment is influenced by raw material/input costs and thus susceptible to commodity trends.

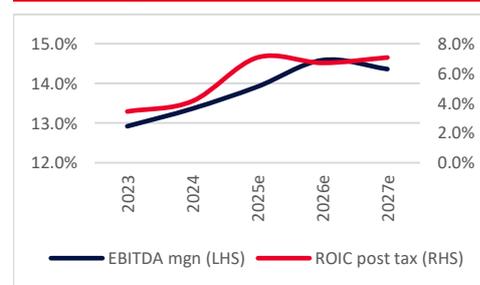
•**M&A risk:** There is risk of non-value-accretive M&A, namely overpaying for assets at the wrong point in cycle.

•**Sensitivity:** We estimate that flexing our revenue assumption by 1% would result in a similar change in group EBITDA.

Sales and EPS growth - ProForma



Profitability and returns



* Actual figures include Attica as of Sep'23, Bluestream as of Jul'24, IT Distribution in 2023-24 figures and Barba Stathis as of Q2'25e. Also In 2024 Ideal divested from the industry business, recording a c€80m gain.

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This report has been submitted to IDEAL Holdings for review prior to its publication. Some changes have been made by Eurobank Equities S.A. to this report as a result of the review from IDEAL Holdings.

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This report has been written by Stamatios Draziotis (CFA), Natalia Svyriadi and Marios Bourazanis (Equity Analysts).

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12-month Rating History of IDEAL Holdings

Date	Rating	Stock price	Target price
10/06/2025	Not Rated	€ 6.11	-
17/01/2025	Not Rated	€ 5.95	-

Eurobank Equities Investment Firm S.A. Rating System:

Stock Ratings	Coverage Universe		Investment Banking Clients		Other Material Investment Services Clients (MISC) - as of 15th Apr 2025	
	Count	Total	Count	Total	Count	Total
Buy	28	74%	2	7%	14	50%
Hold	4	11%	0	0%	3	75%
Sell	0	0%	0	0%	0	0%
Restricted	1	3%	0	0%	1	100%
Under Review	1	3%	0	0%	1	100%
Not Rated	4	11%	0	0%	2	50%
Total	38	100%				

Coverage Universe: A summary of historic ratings for our coverage universe in the last 12 months is available [here](#).

Analyst Stock Ratings:

Buy:	Based on a current 12-month view of total shareholder return (percentage change in share price to projected target price plus projected dividend yield), we recommend that investors buy the stock.
Hold:	We adopt a neutral view on the stock 12-months out and, on this time horizon, do not recommend either Buy or Sell.
Sell:	Based on a current 12-month view of total shareholder return, we recommend that investors sell the stock.
Restricted:	Under Eurobank Group policy and / or regulations which do not allow ratings
Under Review:	Our estimates, target price and recommendation are currently under review
Not Rated:	Refers to Sponsored Research reports