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HOLD

INVESTMENT SUMMARY

TPRO

Date:	30/01/2026
Current Price:	€ 15.63
Target Price:	€ 13.22
Downside:	15.42%
Dividend yield:	0.00%

STOCK DATA

Market Capitalization:	€10.21bn
Shares Outstanding:	653.26m
Exchange:	Italian Stock Exchange
Ticker:	TPRO.MI
52 week H/L:	€16.60 – 4.47€
Average daily volume:	700,236
YTD:	+28.11%

STOCK PERFORMANCE

IPO	February 15, 2022
Absolute:	+140.46%

SHAREHOLDERS STRUCTURE

Insider Ownership:	62.97%
Free Float:	16.40%

Exhibit n.1 – Historical Stock Performance



Exhibit n.2 - Financial Highlights

[m€]	2024	2025E	2026E	2027E	2028E	2029E	2030E
Revenues	543.2	627.3	752.8	926.0	1138.9	1372.4	1633.2
Growth	32.7%	15.5%	20.0%	23.0%	23.0%	20.5%	19.0%
EBITDA	136.4	205.8	248.4	299.1	362.2	446.0	538.9
EBITDAm	25.1%	32.8%	33.0%	32.3%	31.8%	32.5%	33.0%
NFP	-590.7	-652.1	-620.8	-586.1	-563.8	-604.0	-682.0
NFP/EBITDA	-4.3	-3.2	-2.5	-2.0	-1.6	-1.4	-1.3
FCFF	57.9	65.1	11.8	24.6	51.0	121.3	165.3
FCFF yield	9.6%	10.5%	1.6%	3.0%	5.4%	11.8%	15.0%
ROE	7.4%	8.9%	10.1%	11.2%	12.1%	13.8%	15.5%
EV/EBITDA	47.4	32.3	31.2	30.2	28.0	24.8	21.5

Source: Team Elaboration

INTRODUCTION

We initiate our coverage on Technoprobe S.p.A with a **HOLD recommendation** and a **1 year target price of €13.22**, implying a **15.4% downside** from the closing price of January 30, 2026. We strongly believe that Technoprobe, leading player in the semiconductor sector, is well-positioned to capture the key market trends expected to drive significant growth in the near future. Nevertheless, **we believe the market has already widely incorporated its effect into TPRO's current price**. In recent months, the market has significantly increased the value of the stock, bringing the share price to nearly €16 several times, presumably acknowledging the company's capabilities. However, **our analysis suggests caution**. The industry is currently navigating a period of transition: **AI still represents a challenge with uncertain outcomes**, and in a constantly evolving world, **geopolitical tensions continue to escalate**. For this reason, while recognizing Technoprobe's merits and values, **we do not recommend buying its shares at this time**, but rather waiting for the price to stabilize at lower figures before purchasing. At the same time, **we also do not recommend selling now that the price is high**: if the company is able to best address all the challenges that lie ahead, it could grow even further than our current projections suggest.

BUSINESS DESCRIPTION

Technoprobe is a **leading global player in the semiconductor testing equipment industry**, specializing in the **design and production of advanced Probe Cards**. Founded in **1996** and controlled by the **Crippa family**, the Group has evolved into the **second-largest Probe Card manufacturer worldwide**, with a strong international footprint across **Europe, Asia, and the United States**. Technoprobe operates at the core of the **wafer-level testing value chain**, a mission-critical phase characterized by high technological complexity and structurally high barriers to entry. The company benefits from a **differentiated business model** centered on **vertical integration, proprietary manufacturing processes, and a strong focus on R&D**, supported by over **600 patents** and **four dedicated research centers**.

INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

TPRO's technological leadership is particularly evident in **Vertical MEMS probe cards**, where it holds a **dominant market share of approximately 60%**, positioning the Group favorably to capture demand driven by AI, high-performance computing, and advanced semiconductor architectures. **Industry fundamentals remain attractive**, supported by increasing chip complexity, miniaturization, and the **expansion of AI-related applications**. Within this context, Technoprobe operates in a **highly concentrated, duopolistic market structure**, benefiting from **limited substitution risk and high entry barriers**, partially offset by **strong customer bargaining power and industry cyclicality**. Overall, Technoprobe is well positioned to leverage **secular growth trends in advanced semiconductors**, supported by technological differentiation, scale, and strategic M&A, although within a capital-intensive and cyclical industry environment.

FINANCIAL ANALYSIS

Over the last 5 years Technoprobe has demonstrated **exceptional growth**, achieving an **impressive 21.59% revenue CAGR**, far exceeding the **7-8% industry average**. However, during the same period the **EBITDA margin has contracted from 41.86% to 25.12%** and the **Net Income declined at -0.42%**, due to maturing operations and **high R&D spending**. Despite this margin contraction, which has converged with the industry peers, **Technoprobe still maintains a really solid NFP** which determines a **quick ratio of 686.38%**, far exceeding the peers in terms of liquidity. Looking into the future, **we expect a revenue growth of 19% by 2030** in a "base case", with **EBITDA margins expanding to 33%** as the company leverages its scale and historical investments.

VALUATION

We derive our **target price of 13.22€ per share** through a valuation which consist of: **a three-stage Discounted Cash Flow model (DCF)**, **a multiple analysis of industry peers** and **a robustness analysis including a Monte Carlo simulation and a sensitivity analysis**. Furthermore, through a scenario analysis, we have assessed the potential impact of the company's most significant risks on the target price. In our view, the **DCF model** is the most appropriate method to capture Technoprobe's **intrinsic value**, while the subsequent analyses are intended to support our **investment thesis**. Our **HOLD rating** on the one-year target price stems from the belief that **Technoprobe's current valuation already reflects its strong growth expectations**; therefore, we do not foresee significant upside over a one-year horizon, whereas an appreciation is more likely to occur in the short-to-medium term.

INVESTMENT RISKS

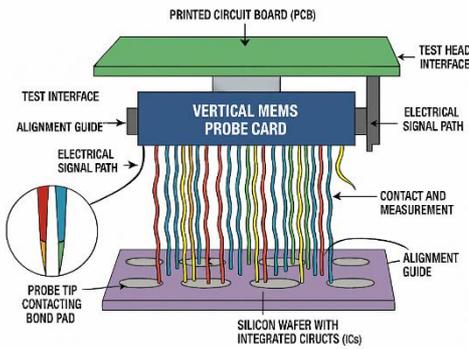
Technoprobe operates within an **undeniably volatile environment**. At the forefront, the semiconductor market sits at the epicenter of **intensifying geopolitical tensions** between the **West and China**, characterized by **Beijing's push for technological self-sufficiency** and the **precarious future of Taiwan**. Regarding the **AI paradigm**, the central question remains whether it represents a sustainable revenue driver or a **speculative bubble** poised to destabilize the current order. One thing is certain: to mitigate the strong consequences of the many dangerous risks which make the horizon so opaque, **Technoprobe needs to continuously invest in an effective R&D**, still maintaining a **strong financial position** and creating a **customer lock-in**. After all, even in the face of all the dangers highlighted, the real challenge to the Group will be the need to **face the rapid technological changes** which affect the market. Succeeding in doing so, this will be the key to its **long-term success**.

ESG

To assess **Technoprobe's ESG profile**, we developed a proprietary model analyzing **47 material metrics** against **9 selected peers**. The result is a **total weighted score of 5.79/10**, corresponding to a **B Grade**. The **Governance pillar** is the strongest one, with a score of **6.70/10**, thanks to a strategic balance between a stable family ownership and an industrial stability. Less strong are the **Social pillar**, with a score of **5.70/10**, and the **Environmental pillar**, with a score of **5.10/10**, where an efficient performance in Scope 1 Emission and Water Intensity is challenged by the need to define yet a formal decarbonization target and to reduce Scope 3 Emissions, far over the peer average. Given this **sub-optimal positioning**, any failure to address these environmental and social gaps could weigh on the long-term valuation, **a risk factor that further supports our HOLD recommendation**.

Exhibit n.3

The Vertical MEMS Probe Card



FUNCTIONAL EXPLANATION: VERTICAL MEMS PROBE CARD

Source: Team Elaboration

Exhibit n.4

+3.355

EMPLOYEES IN THE WORLD

+600

PATENT FOR PROPRIETARY PRODUCTS

EXCELLENT PERFORMANCE AWARD IN 2024 BY TSMC

4
R&D CENTRES

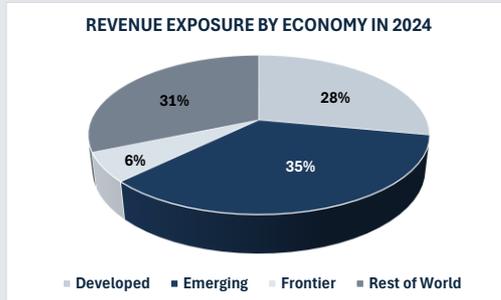
Source: Team Elaboration

Exhibit n.5



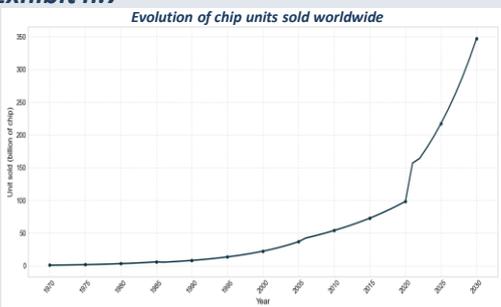
Source: Team Elaboration

Exhibit n.6



Source: Team Elaboration

Exhibit n.7



Source: Team Elaboration

BUSINESS DESCRIPTION

INTRODUCTION

Founded in 1996, Technoprobe has made its way in the advanced electronics' world under the leadership of the Crippa family, developing solutions for chip testing. Discovering that a chip doesn't work after having printed it would be a significant damage: and it is precisely here that Probe Cards come into the picture, and therefore Technoprobe. Pioneer in 2007 of vertical MEMS probe cards, Technoprobe is specialized in the design, development and production of electromechanical interfaces that allow testing the functioning of chips before they are individually packaged or while they are still on the wafers. Since its foundation, Technoprobe has evolved from a Milan-based company to being the second largest producer of Probe Cards worldwide in terms of volumes and turnover (and the only one in Italy). The Group has a strong presence across key markets - Europe (France and Germany), Asia (Taiwan, South Korea, Japan, Malaysia, the Philippines, China and Singapore) and the United States - totaling 23 registered offices. The Crippa family is the main shareholder of TPRO (over 56% of share), together with Advantest Corp. and Teradyne Inc., its partners in developing new testing solutions; however, the Group aims at opening towards new shareholders, both financial and from a manufacturing point of view.

KEY OPERATING SEGMENTS

The Group's products and services might be seen as leaders in the market of semiconductors, which are used across all types of applications, providing added value. Technoprobe operates through four core segments: Data Center, Mobile Communications, Industrial and Automotive, with the growth being strongly driven by the first two. The datacenter segment is currently the most affected by the potential developments of AI and High Performance Computing: the company is undergoing a structural transition and an expansion of its infrastructure (rapidly moving from CPU-based computing to GPU and AI accelerator computing). Demand for AI hardware is booming, with new products in full production and demand exceeding initial forecasts. The Group plays a vital role in the Mobile segment, being a leading global supplier: it provides the world's most advanced Probe Cards in terms of minimum pitch, enabling customers to gain a competitive advantage and significantly reduce testing costs/adapting to the request on advanced technologies produced by clients. The positive momentum stops when we look at the Industrial and automotive segments, with the first sector struggling to recover after several consecutive quarters of decline and the Automotive one striving to adapt to the recent global environmental policies (despite being the segment on which the Group has built its history).

A FULLY VERTICAL INTEGRATED PROCESS

To consolidate its competitive advantage, the Group has over time opted for a strategy of internalizing the technologies, machinery, and equipment needed to produce the most critical components of a Probe Card (such as PCBs through the acquisition of Harbor Electronics). Design and engineering represent the core value of TPRO. The four main components (Mechanics, PCB, Interconnection, Probe Head) used in Probe Card assembly are designed in-house (three of which are manufactured directly by the Issuer): in particular, the Interconnection and the Probe Head do not enter the supply chain, since the Group has the need to control and internalize the full process. This vertical integration creates additional barriers to entry, as the proprietary production processes are designed and developed on internally manufactured machinery and are not available off-the-shelf on the market. Furthermore, the Group produces and develops the most complex Probe Card components in Italy, thus ensuring stability and continuity in development. The Group also has production facilities, as "engineering support" departments, in the United States, Europe, and Asia, through which it maintains a presence in the main geographic areas where its customers operate, ensuring a high level of product customization, which is designed and manufactured according to their specific needs. This in-sourcing strategy, combined with dual sourcing policies for raw materials, ensures operational continuity and secures production know-how within the company's perimeter.

A HIGH CUSTOMER CONCENTRATION

Technoprobe's B2B business model means its clients are leading semiconductor companies, each specializing in a specific phase of the supply chain, resulting in high customer concentration and strong client bargaining power. As of December 31, 2024, revenues attributable to its largest customers were: 19.6% for the largest customer, 17.1% for the second largest customer and 11.6% for the third largest customer; other customers do not exceed 10% each. The top three customers therefore account for 48.3% of total revenues. After having STM as its sole customer for the first 15 years, the Cernusco Lombardone-based company now supplies technology giants: among the possible big clients are mentioned Apple, Qualcomm, Samsung, Nvidia, Advanced Micro Devices, Intel, TSMC, STMicroelectronics, GlobalFoundries, and Texas Instruments. Among its main customers is Taiwan Semiconductor Manufacturing Company (TSMC), the world's largest independent semiconductor manufacturer, headquartered in Taiwan. Although its production includes a wide variety of wafers (high-voltage, mixed-signal, and analog), the company is best known for its integrated circuit manufacturing. Relationships with major customers are in most cases not governed by specific agreements, but based on individual purchase orders, typically related to the development of a specific custom project. This means that all buyers will have significant bargaining power with Technoprobe, despite the market's high concentration (duopoly): the company seems to have no commercial power regarding the prices, as they are fixed, together with the delivery timing, by the customers themselves, who will of course take into consideration the after-sales services and the difficulties TPRO might face in the design working.

TECHNOLOGICAL LEADERSHIP THROUGH R&D

With over 600 patents and 4 proprietary research centers, R&D has been and will be also in the future the main focus of TPRO (11.7% of revenues in 2024), aiming at maintaining the competitive advantage in the MEMS market (60% market share) and growing in terms of market share in the Probe Card market (now at 34%). The entire business of the Group is based on R&D, with around 10 projects created per month (probability of succeeding is about 1/10 but, if the project is successful, it will generate nearly 50 million in revenues). R&D increased in absolute terms following the acquisition of the business operated by the Device Interface Solutions (DIS Tech) division acquired by the Teradyne Group effective May 27, 2024. Its entry into the consolidation scope instantly accelerated the design capacity for high-performance Device Interface Boards, a key component in the Technoprobe Group's value chain.

A BUFFER OF LIQUIDITY?

The large amount of liquidity held in bank accounts seems to be a specific strategy implemented by management which, while consciously penalizing the return on invested capital, allows the governing bodies to operate with extreme flexibility in a fast and unpredictable market, ready to undertake complex extraordinary transactions such as M&A in any eventuality and to invest in themselves in order to double their capacity. This strategy also prevents TPRO from being exposed to credit risk; the risk that arises, however, is that investors may be wary of investing equity capital in Technoprobe: looking at the financial statements, they could conclude that the company needs a safety cushion to protect itself from imminent dangers.

Exhibit n.8



Exhibit n.9

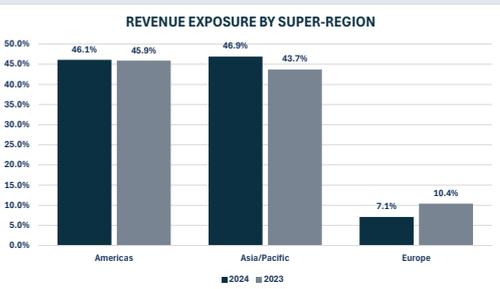


Exhibit n.10



Exhibit n.11

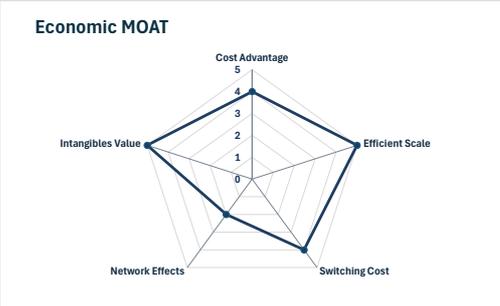
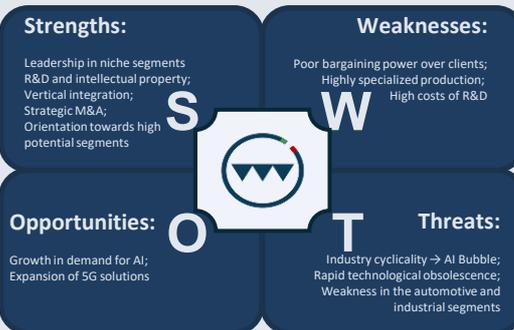


Exhibit n.12 - SWOT Matrix



VALUE AND REVENUE DRIVERS

Technoprobe's revenue performance in 2024 reflects a combination of **structural growth drivers and perimeter expansion**: while demand in automotive and industrial applications remained subdued, overall revenue growth was supported by **stronger momentum in consumer electronics** and, most notably, by the **continued expansion of artificial intelligence-related applications**. This confirms the **increasing relevance of AI as a core revenue engine**, capable of offsetting weakness in more cyclical or slower-moving segments, such as the Industrial and Automotive ones. A key qualitative driver of revenue growth during the year was the expansion of the **Group's consolidation perimeter**. The integration of **DIS Tech**, acquired from **Teradyne**, significantly reshaped the revenue mix by adding Device Interface Boards to Technoprobe's offering. This acquisition represents **more than a short-term revenue uplift**: it strategically **extends the company's presence along the semiconductor testing value chain**, increasing the depth and breadth of its customer relationships. In parallel, the full-year consolidation of **Harbor Electronics** further contributed to top-line growth; beyond the accounting impact, this acquisition supports **Technoprobe's broader strategy of selective inorganic growth** aimed at strengthening technological capabilities and expanding its addressable market. Revenue growth was also driven by a **recovery in consumer-related volumes**, which benefited from **improved demand dynamics**. Geographically, **revenues remain overwhelmingly international**, underscoring the **Group's global footprint** and close alignment with major semiconductor manufacturing hubs. In both 2023 and 2024 fiscal years, **revenues generated outside of Italy accounted for approximately 98% of the total**: the increasing contribution from **Asia** and the **Americas** reflects both customer concentration and the geographic distribution of advanced semiconductor production.

COST DRIVERS

Technoprobe's 2024 cost structure reflects a **transitional year** marked by perimeter expansion, higher production volumes, and the execution of a **capital-intensive growth strategy**. The increase in cost of sales as a percentage of revenues was primarily driven by the **consolidation of Harbor Electronics and DIS Tech**. Higher volumes also contributed to an **absolute increase in variable manufacturing costs**. Depreciation increased materially, reflecting the **Group's elevated investment cycle** in plant, machinery, and production capacity in support of vertical integration and technological leadership. **Operating expenses rose as well**, mainly due to **higher selling costs** linked to commissions and to administrative expenses. Going forward, margin evolution will largely depend on the **Group's ability to absorb fixed costs through higher volumes**, realize integration synergies from recent acquisitions, and benefit from a **more favorable revenue mix driven by advanced, higher-value applications**.

MOAT ANALYSIS

Technoprobe has a strong and defensible economic moat. Its **cost advantage** comes from high vertical integration, while **efficient scale** is driven by its leadership in a highly specialized and concentrated niche market. **Switching costs** are high due to the extreme customization of probe cards and the operational risks for customers when changing suppliers. **Network effects** are limited, but this is offset by deep technical integration with customers. **Intangible assets**, especially proprietary MEMS technology, patents, and know-how, form the core of Technoprobe's long-term competitive advantage.

CORPORATE STRATEGY

The Group intends to increase its customer base and product range through **specific investments** in both **product innovation** and **process optimization** of the solutions already in its portfolio, through a constant monitoring of the strategic supply chain through the internalization of the highest value-added components. In particular, the Group intends to maintain a **continuous presence among customers**, ensuring timely response to their needs, and provide **innovative solutions in the final testing area**. Furthermore, the company aims to maintain a **significant production and development base in Italy**, a geographical area where qualified personnel with high technical and scientific expertise are present.

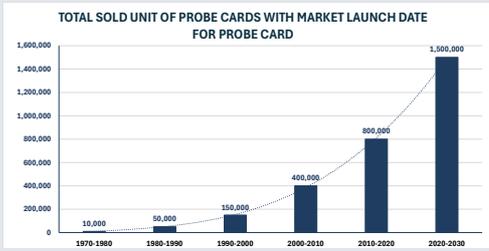
INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

The probe card market is **highly correlated and connected to the integrated circuit market**: the faster and more radically and disruptively this market evolves, the faster the Probe Card market will have to adapt to keep pace with technological progress. The **Semiconductor Probe Card market** is undergoing a **moderate recovery** following a **notable contraction in 2023**, with an **estimated value of \$2.7-3.0 billion** and a **projected long-term CAGR of 6-8%**. The growth is driven primarily by **increasing demand for advanced Probe Card technologies** and a revival in both memory and non-memory applications; segments such as MEMS - thanks to its accuracy in testing - and Vertical Probe Cards, in particular, are **exhibiting robust CAGR**, positioning themselves as key contributors to future market expansion. **The potential for developments related to Artificial Intelligence is accelerating the test board market**, and the Group is already seeing related orders contribute a growing share of its volumes. The market drivers are therefore an increasing demand for **miniaturization of pitches** (spaces smaller than 40 micrometers) and an adaptation to new architectures derived from the latest technological innovation, together with the expansion of the automotive semiconductor industry and vehicle electrification and a demand for **ever-increasing reliability** and testing **speed**. **TPRO focuses on the design and production of two types of Probe Card**, using two different technologies: the **Cantilever technology**, the oldest but still in place, used mainly for applications with a lower required level of precision compared to Vertical Probe Cards; the **Vertical MEMS technology**, used for AI and high-level technology applications (logic, memory and SoC testing).

SWOT ANALYSIS

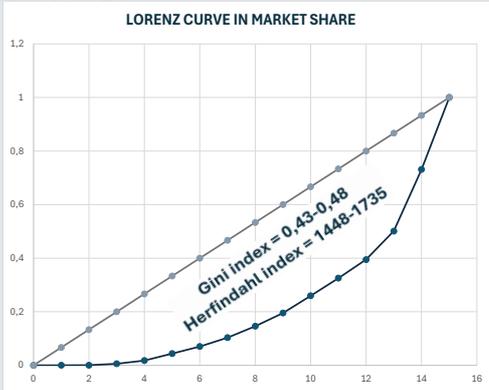
Technoprobe operates at the **core of the semiconductor testing value chain**, a segment characterized by **high technological intensity**, significant capital requirements, and structurally **high barriers to entry**. The company's positioning as a **leading provider of advanced Probe Card solutions** allows it to benefit from long-term secular trends in semiconductor complexity, while maintaining a defensible competitive moat driven by **specialization, intellectual property, and vertical integration**. One of the key elements underpinning Technoprobe's investment case is its **industrial strategy focused on vertical integration and portfolio expansion**. Through a series of acquisitions and strategic investments in adjacent areas, including Device Interface Solutions, the company has progressively evolved **from a purely Probe Card manufacturer into a more integrated testing solutions provider**. This approach enhances customer relationships, increases **cross-selling opportunities**, and improves visibility on medium-term revenues. The **strategic objective of achieving full in-house production** represents a further step in this direction, enabling tighter control over production timelines, quality standards, and proprietary processes. This strategy also reduces exposure to external supply

Exhibit n.13



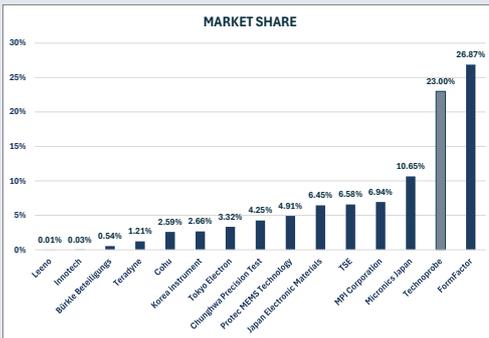
Source: Team Elaboration

Exhibit n.14



Source: Team Elaboration

Exhibit n.15



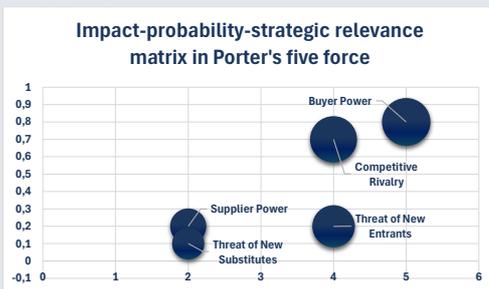
Source: Team Elaboration

Exhibit n.16



Source: Team Elaboration

Exhibit n.17



Source: Team Elaboration

chain bottlenecks, which have historically represented a **key risk factor for semiconductor equipment suppliers**. Technoprobe's technological leadership is further reinforced by its **sustained commitment to research and development**. The company holds an **extensive patent portfolio, with over 600 registered patents**. This global innovation footprint allows Technoprobe to remain closely aligned with **customers' evolving technical requirements** and to respond rapidly to shifts in **semiconductor architectures**. Importantly, the company's strong focus on a narrow and highly specialized product range limits competitive intensity and **reduces the risk of commoditization**, a common issue in broader semiconductor equipment markets. Since its IPO, Technoprobe has consistently demonstrated a **proactive approach to inorganic growth**, completing **several international acquisitions** aimed at expanding both geographic reach and technological depth. Given this track record, the company appears well positioned to continue deploying capital toward **value-accretive M&A opportunities**. In our view, this supports a **long-term growth narrative** based on both **organic expansion** and **strategic consolidation**. However, Technoprobe's increasing exposure to high-growth end markets represents a **critical upside driver**. In particular,, **Artificial Intelligence and high-performance computing** are expected to remain the primary growth engines over the medium term. The rapid scaling of AI workloads and the resulting increase in **chip complexity**, together with the **rollout of 5G infrastructure** and the broader trend towards **automation** are driving demand for **more advanced and customized testing solutions**, directly benefiting probe card suppliers. MEMS-based probe cards play a critical role in addressing these needs, positioning Technoprobe to benefit from structural demand drivers beyond short-term industry cycles. That said, **the company's cost structure** reflects the **inherent complexity of its products**. The design and manufacturing of MEMS probe cards involve high fixed costs, significant R&D expenditure, and the use of specialized materials and equipment. Moreover, despite operating in a highly concentrated market, **Technoprobe faces limited pricing power**, as customers are typically large semiconductor manufacturers with strong negotiating leverage. **This dynamic might constrain margin expansion**, particularly in **periods of weaker demand** or increased competitive pressure. **Cyclicality** remains a central risk factor in the investment thesis: the semiconductor industry is historically characterized by pronounced boom-and-bust cycles. Although **demand for Probe Cards is generally more resilient than demand for other types of semiconductor equipment**, since **testing remains a critical step even during production slowdowns**, Technoprobe is not immune to cyclical corrections. Furthermore, the rapid pace of technological innovation increases the **risk of product obsolescence**, requiring continuous investment to maintain technological relevance. Finally, **weaker demand trends in automotive and industrial end markets** could increase Technoprobe's reliance on a narrower set of growth drivers, potentially amplifying earnings volatility.

COMPETITIVE ANALYSIS

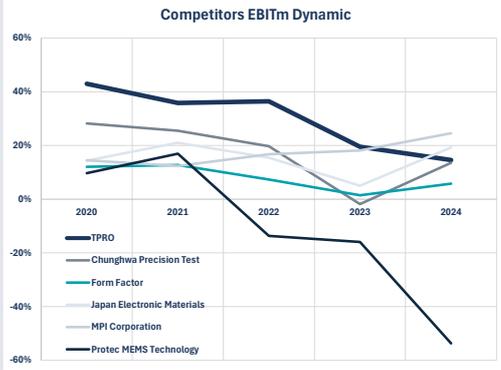
PORTER'S FIVE FORCES

Technoprobe operates in a segment of the semiconductor value chain that is **structurally attractive**, yet **difficult to penetrate at scale**. While the probe card market benefits from **solid long-term demand drivers** and **high strategic relevance within the wafer testing process**, the practical barriers to entry significantly limit the threat posed by new competitors. Entering this market requires not only substantial upfront capital investment, but also **deep operational expertise, long development cycles, and access to proprietary industrial technologies** protected by an **extensive patent landscape**. The complexity of MEMS-based Probe Card manufacturing, combined with stringent reliability and precision requirements imposed by leading semiconductor manufacturers, **makes large-scale entry challenging even for well-capitalized players**. As a result, **the risk of disruptive new entrants remains structurally low**. Similarly, **the threat of substitution is currently limited**: Probe Cards perform a **highly specific and non-replicable function in the wafer-level testing phase**. There are **no direct substitutes** capable of delivering comparable performance across the full range of applications served by probe cards. While **test houses** operate in adjacent stages of the value chain—focusing on the testing of packaged chips rather than wafers—these activities are **complementary rather than substitutive**. Although potential long-term technological innovations could theoretically reduce reliance on traditional probe card architectures, such scenarios would require significant breakthroughs and widespread industry adoption, neither of which appears imminent. In contrast, **customer bargaining power represents a more material structural constraint**. Technoprobe operates almost exclusively in a **B2B environment**, serving large, highly sophisticated semiconductor manufacturers that typically possess **strong negotiating leverage**. These customers demand solutions tailored to specific device architectures and production processes, which **increases switching costs** but also **limits suppliers' pricing power**. Technoprobe has responded by **continuously upgrading its technological offering** and deepening customer relationships. On the supply side, Technoprobe benefits from a more favorable balance of power. **Supplier relationships are characterized by long-term continuity and operational stability**, reducing the risk of sudden cost shocks or input shortages. Importantly, the company has progressively pursued **vertical integration**, internalizing a substantial portion of its production processes. **Of the four main components of a probe card, Technoprobe manufactures three in-house, owning control over the most technologically complex and value-added elements**, such as probes and ceramic transformers. The only outsourced component is the printed circuit board (**PCB**), which is widely produced using **standardized industrial processes** and **does not represent a critical technological bottleneck**. As a result, **supplier bargaining power is limited, and the risk of upstream integration by suppliers or quality deterioration in production inputs appears low**. Competitive rivalry within the Probe Card market is shaped by a highly concentrated structure. The industry effectively operates as a **duopoly**, with **Technoprobe and FormFactor occupying dominant positions**. Market share data indicate that these two players together control a substantial portion of global demand, while remaining competitors typically hold **marginal shares below 10%**. Notably, Technoprobe has continued to strengthen its position, **increasing its share of the serviceable addressable market to an estimated 36.6% in 2025**, up from 35.8% in the previous year. This incremental gain underscores the **company's robust technological moat**, particularly in vertical MEMS technology, and its ability to capture a disproportionate share of incremental demand. Rather than competing aggressively on price, Technoprobe has consistently pursued a **focused competitive strategy**, concentrating on a narrow set of **highly specialized products and applications**. The **duopolistic structure**, combined with strong exposure to secular megatrends such as artificial intelligence, supports a **relatively rational competitive environment**, where **differentiation, reliability, and technological performance** matter more than short-term pricing tactics.

Overall, **high barriers to entry, limited substitution risk, and strong supplier positioning** contribute to the **defensibility of Technoprobe's business model**. These positives are partially offset by the **strong bargaining power of customers** and the inherent cyclicality of semiconductor capital spending. However, Technoprobe's growing scale, increasing market share, and focus on technologically advanced, high-growth end markets **position the company favorably** within an otherwise demanding competitive landscape.

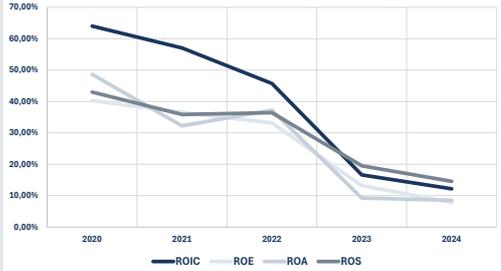
FINANCIAL ANALYSIS

Exhibit n.18



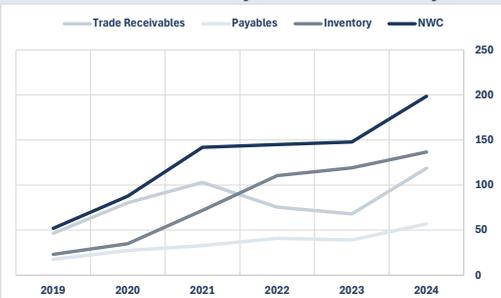
Source: Team Elaboration

Exhibit n.19 – Historical Profitability Ratios



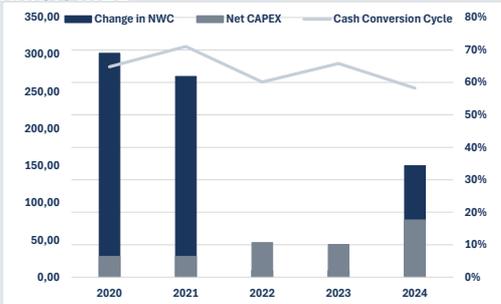
Source: Team Elaboration

Exhibit n.20 – NWC Cycle Trend Analysis



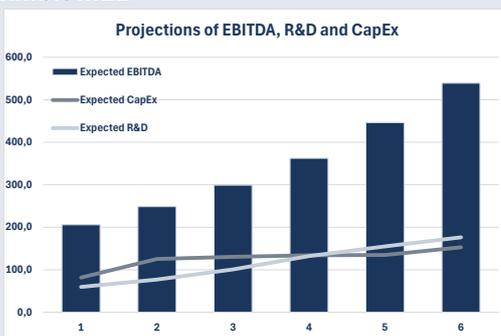
Source: Team Elaboration

Exhibit n.21



Source: Team Elaboration

Exhibit n.22



Source: Team Elaboration

Exhibit n.23

FCFF/EBITDA				
2024	2023	2022	2021	2020
42.44%	66.26%	77.65%	48.52%	11.66%

Source: Team Elaboration

HISTORICAL ANALYSIS

1. Profitability Analysis & Cost Structure

TPRO grew its top line at a **21.59% CAGR** over the last five-year period, a remarkable performance considering that competitors delivered, on average, a **7–8% CAGR** over the same time horizon. While TPRO achieved strong revenue growth over the years, its margins compressed over the same period. In particular, the **EBITDA margin declined from 41.86% to 25.12%**, while **net income recorded a -0.42% CAGR** over the last five years. It is difficult to assess whether this margin contraction is structural or cyclical; however, the most plausible explanation is that it stems from **temporary and strategic factors** rather than from a deterioration in the company's underlying profitability. Specifically, margin pressure may be driven by **higher fixed costs** incurred in anticipation of future revenue growth, **integration costs related to recent acquisitions**, and **increased R&D investments** aimed at supporting long-term competitiveness and future margin expansion. Additionally, management may have temporarily prioritized revenue growth over margin optimization. As these effects normalize and operating leverage improves, margins are expected to **gradually recover**.

2. Return Metrics & Financial Soundness

ROIC measures the company's ability to generate operating returns on invested capital, independently of its capital structure. **At the end of 2024, TPRO's ROIC stood at 12.17%**, compared to peers such as **FormFactor (7.44%), MPI Corporation (42.43%), and Japan Electronic Materials (23.53%)**. This indicates that TPRO allocates capital efficiently, although less effectively than some competitors, based on return metrics calculated excluding excess cash. Conversely, **TPRO's ROE**, which reflects profitability for shareholders' invested capital, amounted to **7.81% at the end of 2024**, slightly below the peer average of approximately **15.5%**. TPRO's ROE is primarily driven by **operational performance rather than financial leverage**, as evidenced by its conservative financial structure. Although **TPRO's return metrics (ROIC, ROE, ROA, ROS)** are currently below the peer group average and have declined over the **2019–2024** period, the company continues to deliver solid results in both absolute and relative terms. Nevertheless, returns are expected to **gradually improve over the medium term**, supported by planned investments aimed at enhancing capacity, innovation, and long-term growth. This outlook is further reinforced by TPRO's exceptionally strong liquidity and financial position, reflected in a **positive Treasury Margin of €712.98 million**, a **quick ratio of 686.38%**, and a **net financial position of -€652.53 million** at the end of 2024. All these liquidity and financial indicators exceed those of the selected peers.

3. Cash Flows Analysis & Efficiency Metrics

As shown in Exhibit n.23, at the end of 2024 TPRO recorded a **FCFF/EBITDA ratio of 42.44%**, signaling solid cash conversion of operating profits. However, the strongest cash conversion was achieved during the **2022–2023** period, with **FCFF/EBITDA ratios of 37.65% and 66.26%**, respectively, which are particularly strong results. Over the same period, TPRO reported **changes in NWC of 2.10% and 2.02%**, significantly lower than the levels recorded two years earlier (**68.97% and 61.85%**). The reduced working capital absorption suggests a deliberate focus on **liquidity preservation**, consistent with the company's subsequent **acquisition of DIS Tech in 2023**, indicating that enhanced cash generation was likely intended to support inorganic growth initiatives. An analysis of the exhibits shows that **CapEx declined in relative terms but increased in absolute terms**. Moreover, the **Cash Conversion Cycle slightly decreased** over the period, as a significant increase in **days inventory outstanding** (from **83 days in 2020 to 141 days in 2024**) was more than offset by improved receivables collection, with **days sales outstanding declining from 92 to 79 days**, and a modest extension of payables, with **days payables outstanding increasing from 69 to 72 days**.

FUTURE ANALYSIS

The financial projections for TPRO are based on a five-year explicit forecast period and reflect a **conservative normalization of historical trends**, management guidance, and expected industry dynamics. **Revenue growth assumptions are deliberately moderated relative to historical performance**. While TPRO recorded a revenue CAGR of approximately 21.5% over the past five years, **we assume a lower growth rate of 15.5% for the current year**, for which financial statements have not yet been released. Revenue growth is then projected to **gradually reaccelerate**, reaching **20% by the final year of the forecast period**, reflecting continued market expansion while accounting for increasing business maturity. EBITDA and EBIT margins are assumed to remain **broadly stable with a gradual upward trend** over the forecast horizon, in line with management's stated objectives. The **EBITDA margin** is projected to increase from approximately **28% in the first forecast year to 33% by the end of the period**, supported by operating leverage and scale efficiencies. At the same time, **research and development expenses** are expected to remain stable and close to 10% of revenues, reflecting ongoing investments required to preserve TPRO's competitive positioning and technological leadership. Capital expenditures are based on a **normalized historical average**. However, **CapEx is assumed to exceed this level during the first two to three years** of the forecast period, reflecting management's investment plans, including potential acquisitions and capacity expansions. This assumption is consistent with **TPRO's elevated cash balances** observed in recent years. Net working capital is modeled using a component-based approach. Trade receivables are assumed to represent a relatively stable percentage of revenues, increasing only marginally over time. Trade payables are estimated as **COGS multiplied by a normalized days payables outstanding**, calculated as the historical average. Inventories are modeled as COGS multiplied by a normalized days inventory outstanding, also based on historical averages. Overall, **no material structural improvement in working capital efficiency is assumed** over the forecast horizon. The **effective tax rate** is assumed to remain constant at **24%**, in line with the company's statutory tax environment. These assumptions underpin the projected income statement and balance sheet and form the basis for the estimation of **expected free cash flows**.

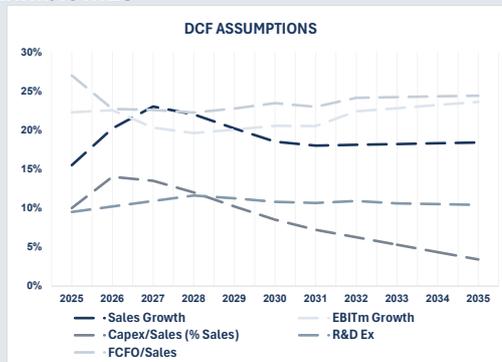
Industry	R&D/Revenue					Trend
	2020	2021	2022	2023	2024	
TECHNOPROBE	5.52%	7.96%	9.13%	11.61%	9.68%	
CHUNGHWA PRECISION TEST	15.96%	18.41%	21.75%	33.46%	24.22%	
FORM FACTOR	12.84%	13.11%	14.60%	17.46%	15.97%	
JAPAN ELECTRONIC MATERIALS	7.81%	5.99%	7.21%	9.36%	6.45%	
MPI CORPORATION	11.52%	11.44%	10.05%	10.19%	10.71%	
PROTEC MEMS TECHNOLOGY	4.24%	4.37%	9.16%	14.95%	16.18%	
LEENO INDUSTRIAL	2.99%	3.12%	3.13%	3.46%	3.45%	
COHU INC.	13.55%	10.37%	11.39%	13.92%	21.11%	

Exhibit n.24 – Three-Stage DCF: Key Metrics

	First stage	Second stage	Terminal Value
Years	2026E-2030E	2031E-2035E	2036E<
Sales CAGR	16.5%	4.9%	2.0%
Average EBITDam	32.6%	28.0%	26.6%
% on EV	6.4%	16.0%	77.6%

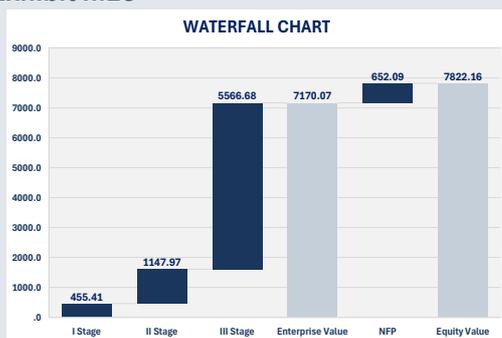
Source: Team Elaboration

Exhibit n.25



Source: Team Elaboration

Exhibit n.26



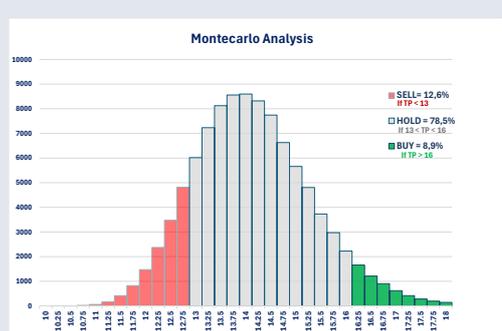
Source: Team Elaboration

Exhibit n.27 – WACC Calculation Framework

WACC	8.17%	Capital Asset Pricing Model
Cost of equity	8.23%	$Ke = r_{fr} + \beta \times ERP$
Risk-free rate	2.77%	Calculated as the average of the weekly returns of the 10-year German Bund over the past three months.
Equity Risk Premium	5.73%	Obtained by using the regional ERP for the areas where TPRO operates provided by Damodaran (Europe, Asia, and the Americas) and weighting them according to the company's geographic revenue contribution.
Beta β	0.89	Obtained through linear regression vs STOXX EURO 600 since TPRO's IPO.
Tax rate	24%	According to the annual corporate tax rate schedule compiled by KPMG.
D/E	1.00%	Estimated taking into account Technoprobe's minimal reliance on financial leverage
Cost of Debt	3.22%	Calculated as the sum of the risk-free rate and the default spread, based on the rating assigned by Damodaran according to the company's ICR

Source: Team Elaboration, Damodaran

Exhibit n.28



Source: Team Elaboration

VALUATION

INTRODUCTION & METHODS

We issue a **HOLD** recommendation on Technoprobe S.p.A, considering a target price of **€13.22**, which implies a **15.4% downside** from the closing price as of January 30th, 2026. Our valuation methodology follows a **dual approach**: an intrinsic valuation performed through an asset-side (unlevered) **DCF framework**, complemented by a relative assessment based on the trading **multiples of a peer group** screened through specific quantitative and qualitative criteria. Furthermore, to validate the robustness of our price target against sharp fluctuations in key business drivers, we performed a series of quantitative risk assessments, including a **Monte Carlo simulation** and a **sensitivity analysis**.

DISCOUNTED CASH FLOW MODEL

Our valuation leverages a **three-stage asset-side DCF framework** to determine **future unlevered cash flows**, which are **based on the projections outlined in the Financial Analysis (and scenarios) section and discounted using a separately calculated WACC**. We chose a **three-stage model** to reflect Technoprobe's high-growth market, as previously discussed, allowing us to identify: **I) a first stage**, covering the **2026–2030** period, during which Technoprobe, leveraging its **leading market position** and **solid financial structure**, may enter a phase of significant **growth and expansion**: substantial investments in **R&D** and expansion through **M&A transactions** could deliver the expected results in the medium term, with revenues projected to exceed **€1 billion** by 2027, while in the short term, this **extensive CAPEX** program is expected to be **cash-absorptive**, potentially resulting in a slight **contraction** of free cash flows. In this context, the adoption of artificial intelligence plays a crucial role, as it could significantly accelerate the development and design process of next-generation probe cards. **II) a second stage**: referring to the **2030–2035** period, during which a market stabilization phase in the probe card industry is assumed. Specifically, following a period of **significant market growth**, estimated at a CAGR of 9.4%, a more moderate increase in revenues is expected (Exhibit n.25), along with a softening of the expansionary strategy pursued during the first five-year period, thereby reducing the R&D-to-revenue ratio and the Capex-to-revenue ratio. **III) a third stage**, aimed at identifying the **Terminal Value** through the **perpetual growth rate**, estimated at approximately **2.0%**, that is, the growth rate estimated for global GDP. The growth rate's choice reflects our conservative approach given the **uncertainty** surrounding Technoprobe's ability to generate sustainable future cash flows. Our DCF valuation yields a **one-year target price of €13.22**, which is broadly in line with the current market price, albeit reflecting a slight downside. This suggests that Technoprobe's aggressive growth prospects are already **fully baked into the current market valuation**. Consequently, we see limited room for further appreciation over the next twelve months, which further supports our neutral stance and justifies our **Hold** recommendation.

DCF MODEL							
DATE	2025E	2026E	2027E	2028E	2029E	2030E	2035E
REVENUES	627	754	927	1132	1360	1612	3427
% growth YoY	16%	20%	23%	22%	20%	19%	14%
(OPEX)	488	584	739	910	1087	1281	2619
EBIT	140	170	188	222	273	331	809
% on revenues	22%	23%	20%	20%	20%	21%	24%
(Taxes)	34	41	45	53	65	79	194
NOPAT	106	129	143	169	207	252	615
D&A	66	79	111	138	169	203	368
% on revenues	11%	11%	12%	12%	12%	13%	11%
Changes in NWC	-3	-37	-45	-55	-67	-77	-127
% on revenues	0%	-5%	-5%	-5%	-5%	-5%	-4%
(Capex)	63	106	125	136	139	137	117
% on revenues	10%	14%	14%	12%	10%	9%	3%
FCFF	107	66	84	116	171	241	738
PV of FCFF		61	72	91	125	163	337

WACC

We have determined a **Weighted Average Cost of Capital (WACC)** of **8.17%**, based on the following assumptions. For the **risk-free rate** we considered the average yield of the **10-year German Bund** over the last three months, as it represents, according to our perspective, the international dimension of Technoprobe's business. Regarding the **financial leverage**, given Technoprobe's intention to rely as little as possible on debt and in light of the company's current financial soundness, we assumed a nearly **constant and minimal** contribution of it over time, with a **stable D/(D+E)** ratio of around **1.5%**. Consequently, the **cost of debt** was estimated by considering the interest coverage ratio of the most recent year and assigning a credit rating (Damodaran, AAA) to that value. Based on market estimates, each rating is associated with a **default spread** (Damodaran, 0.45%) which, when added to the risk-free rate, allows for the estimation of the cost of debt (Exhibit n.27). For what concerns the **cost of equity**, its value was calculated by taking into account the market equity risk premium, weighted by the geographic contribution of revenues (Damodaran, Facstet), and the systematic risk embedded in the **beta**. This indicator was obtained through a linear regression of **Technoprobe's weekly returns** since its IPO against the **STOXX Europe 600** index, thereby further reinforcing the company's international dimension (Annex 1). We believe that, assuming that the values used in the calculation remain broadly stable, the estimated WACC can be applied across the entire time horizon considered in the DCF model. Furthermore, given the negligible contribution of financial leverage to cash flow generation, we opted to calculate the Enterprise Value by discounting FCFFs; accordingly, the WACC was adopted as the discount rate.

MULTIPLE VALUATION ANALYSIS

The **market multiples analysis** allowed us to reinforce our valuation assessment and to understand how the market might price Technoprobe (Annex D4). Accordingly, we first compiled a **list of companies** operating in the same or related sectors as Technoprobe and evaluated their similarity to the company in terms of qualitative and quantitative parameters, weighted according to specific criteria (Annex D3). The metrics analyzed are **P/E, EV/EBITDA, and EV/REVENUES** multiples for **2026E**, whose averages are used to estimate the respective EVs and, consequently, a final average target price of 13.22. Comparing this value to the one obtained through DCF, the gap suggests that **the market has already priced in a**

Exhibit n.29 – Sensitivity Analysis 1

		WACC				
		13.22	7.37%	7.77%	8.17%	8.57%
Growth rate	2.30%	16.30	14.91	13.73	12.70	11.80
	2.15%	15.92	14.60	13.47	12.48	11.61
	2.00%	15.57	14.31	13.22	12.27	11.43
	1.85%	15.24	14.03	12.98	12.07	11.26
	1.70%	14.92	13.76	12.76	11.87	11.09

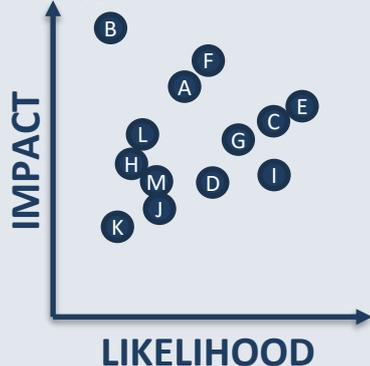
Source: Team Elaboration

Exhibit n.30 – Sensitivity Analysis 2

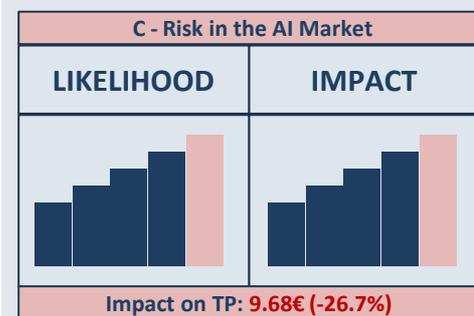
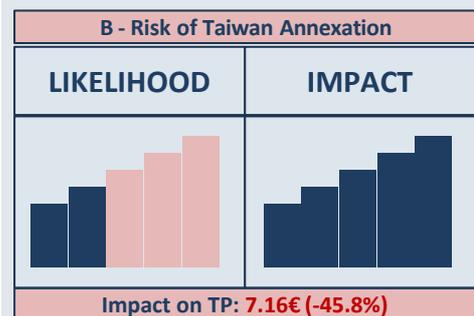
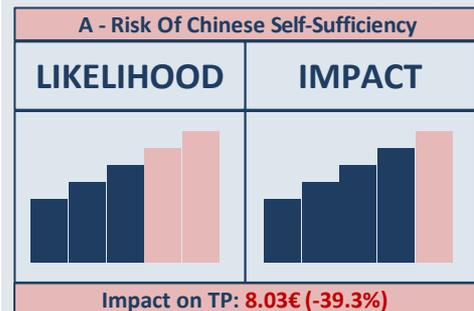
		AVG EBITm 25-28				
		13.22	22.00%	20.80%	19.60%	18.40%
Sales CAGR 25-28	21.4%	13.57	13.55	13.53	13.51	13.50
	21.1%	13.54	13.52	13.50	13.48	13.46
	20.8%	13.50	13.48	13.46	13.45	13.43
	20.5%	13.47	13.45	13.43	13.41	13.39
	20.3%	13.45	13.43	13.41	13.39	13.37

Source: Team Elaboration

Exhibit n.31



Source: Team Elaboration



'best-case scenario' for Technoprobe, leaving the stock vulnerable to any potential operational de-rating. This valuation above average, while partially justified by fundamentals, could pose a significant risk if the expectations of stabilization projected over the next 3–4 years fail to materialize, forcing the market to undergo a correction.

ROBUSTNESS AND SENSITIVITY ANALYSIS

As an add As an additional strengthening element, we conducted a series of robustness tests, including a double **sensitivity analysis** and a **Monte Carlo** simulation, aimed at assessing how potential deviations in the key underlying assumptions primarily affect EV and, subsequently, the target price. Our first **sensitivity analysis** is based on incremental shifts in the **WACC and Terminal Growth Rate (g)** of **0.40%** and **0.15%**, respectively. The second one aims to capture **potential operational shifts** that could impact the target price: the variables taken into consideration are the average **EBIT margin** forecasted between 2025 and 2028 and the **revenue CAGR** projected over the same period. The results demonstrate that the target price is highly sensitive to these marginal adjustments, leading to significant fluctuations in valuation. Consequently, we advise a cautious approach, maintaining our stance until the evolution of fundamentals becomes clearer over the coming quarters. Regarding the **Monte Carlo simulation**, we selected three key value drivers modeled as normal distributions :I) **Revenue Growth**, with a mean of **19.5%** and a standard deviation of **1%**, II) **WACC**, with a mean of **8.17%** and a standard deviation of **0.4%**;III) **Terminal Growth Rate (g)**, with a mean of **2.00%** and a standard deviation of **0.15%**.

The means for these drivers correspond to our **DCF Base Case** assumptions, while the standard deviations align with the parameters used in our sensitivity tables. The simulation, conducted over **100,000 iterations**, reveals that more than **75%** of the outcomes fall within the **'Hold' range** (target prices between €12.6 and €15). Meanwhile, 'Sell' and 'Buy' scenarios account for approximately **15%** and **10%** of the distribution, respectively.

INVESTMENT RISKS

INTRODUCTION

The **complex landscape** in which Technoprobe operates is defined by significant **geopolitical and operational volatility**. As the semiconductor industry sits at the epicenter of international friction—driven by rising deglobalization and the 'New Cold War' between the U.S. and China—the **company faces severe systemic risks that are, by nature, unpredictable and beyond its control**. However, this environment also presents some **unique strategic openings**. In an era of persistent structural change, the ability of Technoprobe to **anticipate industry dynamics and pivot more effectively than its peers** would enable the company not only to withstand current market conditions, but also to achieve and sustain a position of market leadership over the long term.

GEOPOLITICAL AND MARKET RISKS

A - Risk Of Chinese Self-Sufficiency

Technoprobe maintains a **solid presence in the Chinese market**, including an office in Wuxi, in the eastern province of Jiangsu. This guarantees its position as a **relevant player in one of the world's most important and strategic markets**, which is projected by numerous estimates to become the **primary semiconductor producer by 2030**. At the same time, its presence in the Chinese market cannot be guaranteed indefinitely. The recent **Fourth Plenary Session of the 20th Central Committee of the Communist Party**, which set the main objectives for the **15th Five-Year Plan (2026-2030)**, highlighted serious intentions to achieve **technological self-sufficiency across the country in the short term**, especially in strategic sectors like semiconductors, artificial intelligence, and robotics. The risk, therefore, is that the central government may aid its own domestic probe card manufacturers, thus **crowding out foreign companies like Technoprobe**, which might no longer find a place in the Chinese territory.

MITIGATION: NONE

This risk is material and should not be underestimated; however, it remains **largely exogenous to Technoprobe's operational control**. Accordingly, the company's scope for mitigation is primarily limited to maintaining strong institutional relationships with Chinese authorities, leveraging diplomatic channels to preserve its presence in a strategically important and profitable geography.

B - Risk of Taiwan Annexation

Technoprobe has a **major office in Taiwan**, which also manufactures probe cards. Recent **geopolitical escalations** mean that a near-term Chinese military escalation against the **long-claimed island** cannot be ruled out. Such an event would inevitably trigger an **immediate shock to the semiconductor supply chain**, blocking logistical routes and interrupting critical supplies, leading to **severe delays and soaring costs**, including for Technoprobe. Demand for chips would become volatile, particularly from businesses, and our company would be forced to **negatively revise its supply chain structure and its contracts with employees, customers, and suppliers**. The **business continuity** of the Taiwanese office would be **at risk**, compromising a strategic node in the company's Eastern market presence. In any case, it is important to emphasize that the **probability of military escalation remains low today**. China itself is reliant on Taiwanese chips and on EUV technology, which is exclusively manufactured globally by the **Dutch company ASML** and is expressly prohibited from being exported to China. However, in late 2025 reports revealed that China might be much closer to get those technologies that the West had imagined.

MITIGATION: NONE

Despite the severe impact that a Chinese military aggression would have on Technoprobe, **the company has no capacity to prevent or mitigate such an event**.

C - Risk in the AI Market

The fear that **Big Tech giants may fail to generate sufficient cash flows** to adequately compensate for the hefty investments sustained to develop AI technologies is becoming increasingly concrete among investors and analysts. If the market heavily revised its expectations downwards, **Technoprobe's major clients would be negatively impacted**, potentially requiring substantial and continuous external financing despite their significant liquidity reserves. This chain of consequences would generate a **systemic crisis in the American economy**, inevitably reducing semiconductor production and, consequently, the demand for silicon wafer testing. However, Technoprobe possesses the **resilience to weather even the most catastrophic scenarios**. While initial headwinds would be inevitable, the company's survival is anchored by **two key pillars**: a **sanctioned government bail out for 'too big to fail' enterprises** and, on the other hand, by a **lower exposure to structural risk** given the **need to test chips even in difficult times**.

MITIGATION: DIVERSIFY? NO: PREPARE FOR THE IMPACT

In our opinion, Technoprobe should secure **adequate financial backing**, but **without slowing down its industrial development towards the technologies of the future**. This would allow the firm to **overcome initial difficulties** while remaining competitive in the market and preparing for future technological challenges. Moreover, although the AI market presents **highly dangerous characteristics**, similar to what happened in 2000 with the **dot-com bubble**, this does not mean that the technology the world is currently investing in is **not the technology of the future**. Preemptively exiting the AI sector while remaining in the probe card sector would be **not only irrational but also ahistorical**.

D - Risk of Rearmament and Aerospace

In the current increasingly fragmented geopolitical context, **the defense sector** appears to promise **significant growth in the coming years**, driven by the development of **new technologies** that make weapons increasingly efficient and "intelligent." This is also true in **Europe**, where, more than ever in recent months, the topic of **rearmament** has become a **central focus of political and economic debate** (just think of the recent **Michelangelo Dome** proposed by **Leonardo Spa** as an advanced defense system of the future). In this scenario, thanks in part to its territorial presence in the European Union, **Technoprobe could become an indispensable strategic player** for working with high-performance chips requiring **"zero-defect" testing**. The risk, therefore, is that Technoprobe might miss this opportunity and **remain marginal in a sector with high future profitability**.

MITIGATION: BETTING ON AEROSPACE

Faced with consolidation moves among giants like **Leonardo, Thales, and Airbus**, Technoprobe must secure a **central role in Europe's emerging integrated defense industry**. The primary medium-term objective must be to **increase R&D** to obtain **strategic patents specific to this sector**, in order to secure the certifications necessary to develop the specific know-how for testing chips in extreme conditions. To do this, it is imperative to collaborate immediately with major players, **signing advantageous contracts** to guarantee a strategic role in a market that promises to be **one of the most profitable of the next decade**.

OPERATIONAL AND TECHNOLOGICAL RISKS

E – Technological Risk

Technoprobe is currently recognized as one of the global leaders in the production of **Vertical MEMS cards**, a technology that accounts for approximately **97% of its products**. The primary technological risk it faces therefore derives from the emergence of **innovative probe card alternatives** that are more effective than the current Vertical MEMS. Attention appears to be shifting towards:

High-frequency contactless probes (RF), which use electric fields or millimeter waves to measure signals without touching the wafer, minimizing the wear and tear on testing equipment;

Optical and laser-based probing, which leverage light to test chips, minimizing the possibility of damaging the wafers;

Tests directly integrated into the packaging, which shift the control from the silicon wafer to the moment of chip assembly, making the process more efficient and reducing the need for traditional probe cards.

MITIGATION: CONTINUOUS INNOVATION

Technoprobe must **defend its competitive edge**, a position currently fortified by a portfolio of over 600 patents and four proprietary research centers, by **continuously investing in R&D**. Vertical MEMS cards **currently represent the best alternative on the market**, but in a technologically evolving world, **it's unrealistic to assume they will remain so forever**. The company must therefore understand and master emerging technologies, ready to implement new hybrid solutions should the semiconductor market require a radical paradigm shift.

F – Risk from Built-in Self-Tests (BIST)

Today, the probe card market has proven to be mature and central for validating chips' functionality while they remain on silicon wafers. However, **MEMS microstructures require slow and expensive production processes**, a challenge further complicated by the **inevitable customization**: each probe card must be designed for a specific silicon wafer. **Built-in Self-Tests (BISTs)** offer a **partial solution to these challenges**. BISTs are **self-testing systems embedded directly within the chips themselves**, reducing reliance on external testing equipment to identify potential faults and defects. Consequently, **they represent a potentially significant threat to Technoprobe's core business**. Nevertheless, **in the short term, BIST—which currently complement conventional testing mechanisms—are unlikely to fully replace probe cards**. This is because many parametric and process measurements still necessitate wafer-level testing, particularly in areas requiring higher technological complexity.

MITIGATION: ESTABLISHING A PRESENCE IN THE EMERGING INDUSTRY

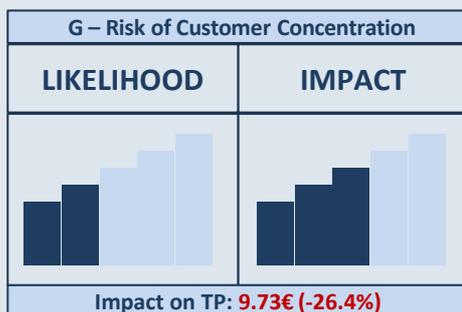
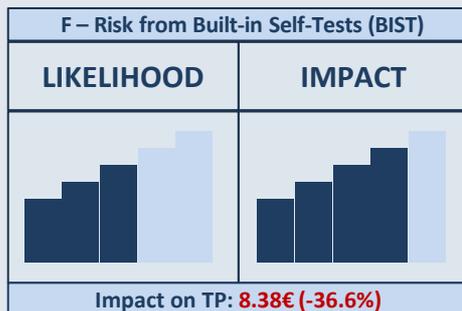
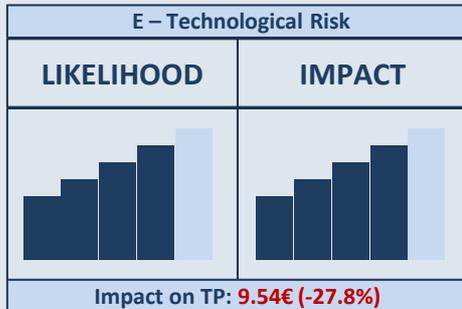
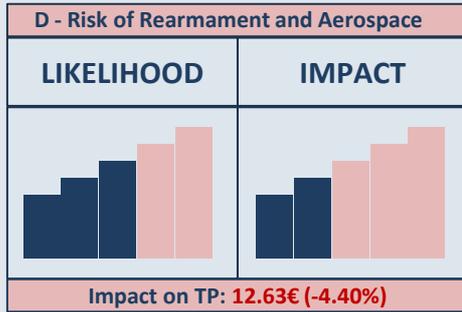
Considering BIST as the future direction of chip testing, Technoprobe must **proactively make its proprietary know-how available to chip manufacturers**. This strategy will allow the company to capture profitability early on and be prepared to establish itself as a key player over the next decade.

G – Risk of Customer Concentration

As previously reported, **a significant portion of Technoprobe's revenue depends on a small number of major clients**, who have entered into contracts with the company that permit termination at any time without just cause. The potential interruption or non-renewal of existing relationships with one or more of the principal clients, or the loss or decrease of revenue generated by a significant customer, could negatively affect the company's financial results and economic stability.

MITIGATION: CREATING TECHNOLOGICAL LOCK-IN AND SWITCHING COSTS

The company must **aim to make itself irreplaceable for its customers**: through efficient and, above all, collaborative service, it must be able to maintain its status as a critical strategic partner over the years. It must continue to accumulate technological know-how in collaboration with its customers to **create lock-in mechanisms** that generate **high switching costs for them**, so that changing partners would be strategically inconvenient for them.



H – Risk Associated with Vertical Integration	
LIKELIHOOD	IMPACT
Impact on TP: 11.22€ (-15.1%)	

H – Risk Associated with Vertical Integration

Technoprobe's strategy is geared towards achieving **full control over its technology** through the **near-complete vertical integration of all production processes**, including probe card design, manufacturing, and assembly. While this approach protects expertise and reduces dependence on external suppliers, it also **significantly increases operating leverage**, exposing the company to **greater risks during downturns in market cycles**. A decline in revenue, even a modest one, could therefore translate into an excessive reduction in operating margins and overall profitability.

MITIGATION: COMBINING FLEXIBILITY AND SOLIDITY

To address this type of risk, Technoprobe must focus the three fronts of **operational flexibility, diversification, and financial strength**. The primary objective is to train personnel with vertical expertise in their specific sector, but with the necessary training to operate across multiple production lines if necessary. Secondly, it is also essential to **maintain a solid net financial position** to sustain fixed costs even in the most challenging periods, which Technoprobe certainly does, as discussed in the "liquidity risk" section.

I – Currency Risk	
LIKELIHOOD	IMPACT
Impact on TP: 12.28€ (-7.19%)	

FINANCIAL RISKS

I – Currency Risk

Technoprobe holds various assets (primarily receivables and liquidity) denominated in U.S. dollars on its balance sheet. This places the company at a disadvantage, particularly given the **dollar devaluation policies** that the **Trump Administration** has adopted and appears **committed to continuing**. As of June 30, 2025, the company recorded a loss on exchange rates amounting to €35.885 million due to this exposure, of which €30.737 million was unrealized.

MITIGATION: HEDGING DERIVATIVES

To address the currency risk, Technoprobe should **invest in hedging derivatives** capable of specifically **protecting it against a falling dollar**. This strategy aligns with the expected trend of the currency continuing to decline over time due to Trump's industrial policies, especially in light of the Federal Reserve's future and imminent interest rate cuts.

J – Interest Rate Risk	
LIKELIHOOD	IMPACT
Impact on TP: 13.03€ (-1.43%)	

J – Interest Rate Risk

Technoprobe is **not** (as of the reporting date) **significantly exposed to interest rate risk**. By holding substantial **liquidity in bank current accounts** and simultaneously being essentially unlevered, **the company benefits from rising rates but is disadvantaged by a decrease**. The sensitivity analysis presented in the financial statements as of December 31, 2024, confirms this.

MITIGATION: HEDGING DERIVATIVES

In light of the **anticipated interest rate cuts by the Fed**, it is necessary to **secure hedging derivatives** to protect against the **expected decline in the profitability of current accounts denominated in dollars**.

K – Liquidity Risk	
LIKELIHOOD	IMPACT
Impact on TP: 13.20€ (-0.01%)	

K – Liquidity Risk

To date, liquidity risk for Technoprobe **does not raise the issue of corporate solvency**, but rather highlights a **loss in terms of the opportunity cost of capital**, given the **large amount of liquidity held in bank accounts**. This is actually a specific strategy implemented by management, but the risk that arises, however, is that **investors may be wary of investing equity capital in Technoprobe**: looking at the financial statements, **they might conclude that the company doesn't know how to invest its assets or, worse still, needs a safety cushion to protect itself from imminent dangers**.

MITIGATION: JUSTIFYING THE DEPLOYMENT TO INVESTORS

The most appropriate mitigation management can implement is to **periodically explain to stakeholders**, through public communications, **the strategic and calculated reason behind holding such a large amount of liquidity**. This would reassure even the most wary that there are no imminent threats serious enough to require over €600 million in liquidity, as well as a clear strategy for deploying its resources.

L – Risk of Hacking and Cybersecurity Attacks	
LIKELIHOOD	IMPACT
Impact on TP: 11.01€ (-16.7%)	

ORGANIZATIONAL AND SECURITY RISKS

L – Risk of Hacking and Cybersecurity Attacks

Companies actively contributing to **today's most strategic technological sectors**, such as **semiconductors and artificial intelligence**, are those most exposed to the **continuous growth of hacking attempts**. Technoprobe, whose operational activity is strictly correlated with the proper functioning of its technological infrastructure and IT systems, is consequently **highly exposed to this risk**.

MITIGATION: CYBERSECURITY

In order to mitigate the risk of hacking attacks, Technoprobe must **continuously invest in cybersecurity**. This includes **constant monitoring and maintenance of its IT systems and infrastructure**, along with continuous professional development for the specialized technicians with whom the company has been successfully collaborating for years.

M – Risk of Dependence on Key Personnel	
LIKELIHOOD	IMPACT
Impact on TP: 11.35€ (-14.1%)	

M – Risk of Dependence on Key Personnel

The company's business and development are significantly dependent on **several key management figures**, including **Roberto Crippa, Cristiano Crippa, and Stefano Felici**, as well as many talented engineers who have signed a non-competition agreement, such as **Davide Appello**. The risk is that any termination of working relationships with some of these key figures, or the company's potential **inability to replace them**, could negatively impact business continuity, especially if rival companies gain the trust of these individuals.

MITIGATION: CREATING AN APPROPRIATE WORK ENVIRONMENT

The company, aware of the significant and irreplaceable role that various workers play within the company, must create a **working environment that aligns the incentives offered**, not only monetary, **with the needs of these workers**. The work environment must remain welcoming and at least aligned with the alternatives offered by competitors, among which FormFactor clearly stands out. This also allows for the introduction of the importance of **ESG issues**, discussed in the next section.

Exhibit n.32 – ESG Grade Attribution

Combined ESG Score [Min – Max]	Grade
[9.17 – 10]	AAA
[8.34 – 9.16]	AA
[7.51 – 8.33]	A
[6.67 – 7.50]	BBB
[5.84 – 6.66]	BB
[5.01 – 5.83]	B
[4.17 – 5.00]	CCC
[3.34 – 4.16]	CC
[2.51 – 3.33]	C
[0 – 2.50]	D

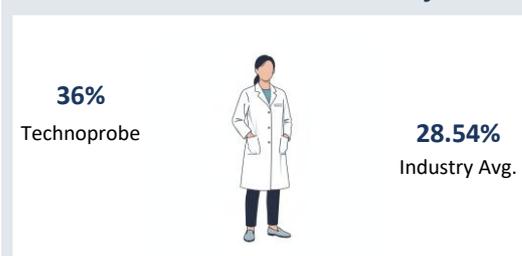
Source: Refinitiv

Exhibit n.33 – ESG Technoprobe Score

PILLAR	E	S	G	Overall
Weight	35%	35%	30%	100%
Score	5.10	5.70	6.70	5.79

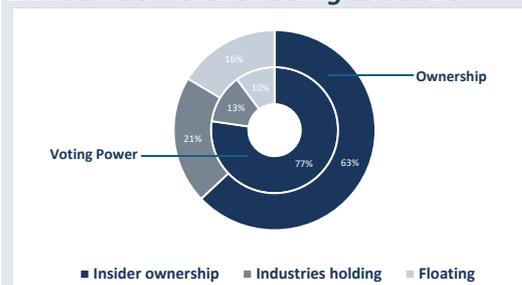
Source: Company data, Team Elaboration

Exhibit n.34 – Women in the Workforce



Source: Company data, Team Elaboration

Exhibit n.35 – Shareholding Structure



Source: Company data, Team Elaboration

Exhibit n.36 – Shareholding Breakdown

Shareholders	Ownership	Voting Power
T-Plus Spa	56.43%	69.26%
Cristiano A. Crippa	2.34%	2.87%
Roberto A. Crippa	2.34%	2.87%
Monica Crippa	1.86%	2.28%
Teradyne Inc	10.00%	6.14%
Alba Spa	6.10%	3.69%
Other	4.53%	2.83%
Floating	16.40%	10.06%
Total	100.00%	100.00%

Source: Company data, Team Elaboration

CONCLUSION

In conclusion, while Technoprobe navigates a **multifaceted risk landscape**, its long-term sustainability is fundamentally tied to its **ability to out-innovate a rapidly evolving technological paradigm**. The ultimate challenge lies in **maintaining high R&D intensity and operational agility** to ensure resilience amidst systemic global volatility. Ultimately, the company's success will depend on its **capacity to convert these exogenous pressures into a sustained competitive advantage within the semiconductor ecosystem**.

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Based on a proprietary analysis of **47 material industry metrics (21 Environmental, 12 Social, 14 Governance)** sourced from FY2024 sustainability reports, annual reports and corporate disclosures, we benchmarked Technoprobe against a **select group of 9 peers** with a directly comparable business model within the Probe Card and Semiconductor Testing sectors. Our methodology utilizes a **mean-reversion scoring model**, where a specific score is assigned to each individual metric on a **1-10 scale** based on Technoprobe's percentage deviation from the 2024 peer group average. In our weighting framework (Annex E1), we assigned equal strategic priority to **Environmental (35%)** and **Social (35%)** factors, identifying them as the primary dynamic drivers for medium-to-long term competitiveness and human capital retention. Conversely, **Governance (30%)** was weighted as a foundational prerequisite, reflecting the stability inherent in the company's family-owned structure. To ensure granular accuracy, this strategic weighting logic is extended to the sub-category level, where specific metric clusters were individually weighted according to their financial materiality and sector-specific relevance. This approach yields a **final weighted ESG Score of 5.79/10**, which corresponds to a **Grade B** according to the **ESG Grade Attribution framework** (Exhibit n.32). Overall, Technoprobe's ESG standing reflects a **mid-range risk profile**, where a **resilient Governance framework** (Score: 6.70, BBB) provides a stable platform for the **progressive integration of Environmental** (Score: 5.10, B) and **Social** (Score: 5.70, B) value drivers.

ENVIRONMENTAL: INTERNAL EFFICIENCY CONTRASTS WITH SUPPLY CHAIN GAPS

Technoprobe's Environmental pillar (**Score: 5.10, Grade: B**) reveals an **evolving profile**, characterized by a sharp contrast between solid internal efficiency and external supply chain challenges. **The company performs well in managing direct resource intensity**: Scope 1 Intensity (2.54 tCO2e/€M) is notably lower than the peer average (8.38 tCO2e/€M), and Water Intensity (41.74 M3/€M) significantly outperforms the sector norm (290.42 M3/€M), reflecting optimized manufacturing processes within its direct operations. Despite these operational strengths, **Technoprobe has not yet defined formal decarbonization targets**, though a 2024 efficiency plan is currently driving facility modernization and technological upgrades to reduce energy consumption. However, significant margins for improvement remain in indirect emissions and circularity. **Scope 3 Intensity** (153.94 tCO2e/€M) **currently exceeds the peer average** (32.36 tCO2e/€M), signaling a heavy reliance on carbon-intensive raw materials and logistics inherent to the value chain. Similarly, the Waste Recycling Ratio (4.49% vs. 39.86% peer average) is constrained by the complexity of recovering hazardous materials, such as galvanic solutions and acids used in production. These factors suggest that while direct impact is well-controlled, the path to a higher rating requires a strategic shift towards supply chain decarbonization and advanced waste recovery solutions.

SOCIAL: STRONG SAFETY & WELFARE, YET TURNOVER PERSISTS

Technoprobe's Social pillar (**Score: 5.70, Grade: B**) reflects an operational structure where **solid safety standards** meet an **expanding welfare system**, yet talent retention remains the primary challenge. The company demonstrates **robust Health & Safety performance**, with a Lost Time Injury Frequency Rate (LTIFR) of 0.33, significantly better than the peer average of 0.78. Beyond safety, management has prioritized a supportive work environment: Vice President Roberto Crippa emphasizes **flexibility and work-life balance**, backed by tangible benefits such as free tax/legal consulting and a €1,000 birth bonus for employees. However, human capital metrics present a mixed picture. While **inclusivity is a strength**, with Women in the Workforce (36.00%) outperforming the peer average (28.54%), **the Gender Pay Gap remains a critical concern** at 29.00% (vs. 14.23% peers), suggesting **vertical segregation issues**. Simultaneously, the **Employee Turnover Rate** stands at 14.00%, nearly double the sector average of 7.33%, posing a potential "brain drain" risk for R&D operations. Looking forward, the Group is transitioning toward a more structured management approach: 2025 marks the introduction of the **"Employee Engagement Survey"**, a strategic tool designed to establish objective "Key Human Indicators" and promote an evidence-based culture to support organizational growth.

GOVERNANCE: BALANCING FAMILY VISION WITH EVOLVING RISK STRUCTURES

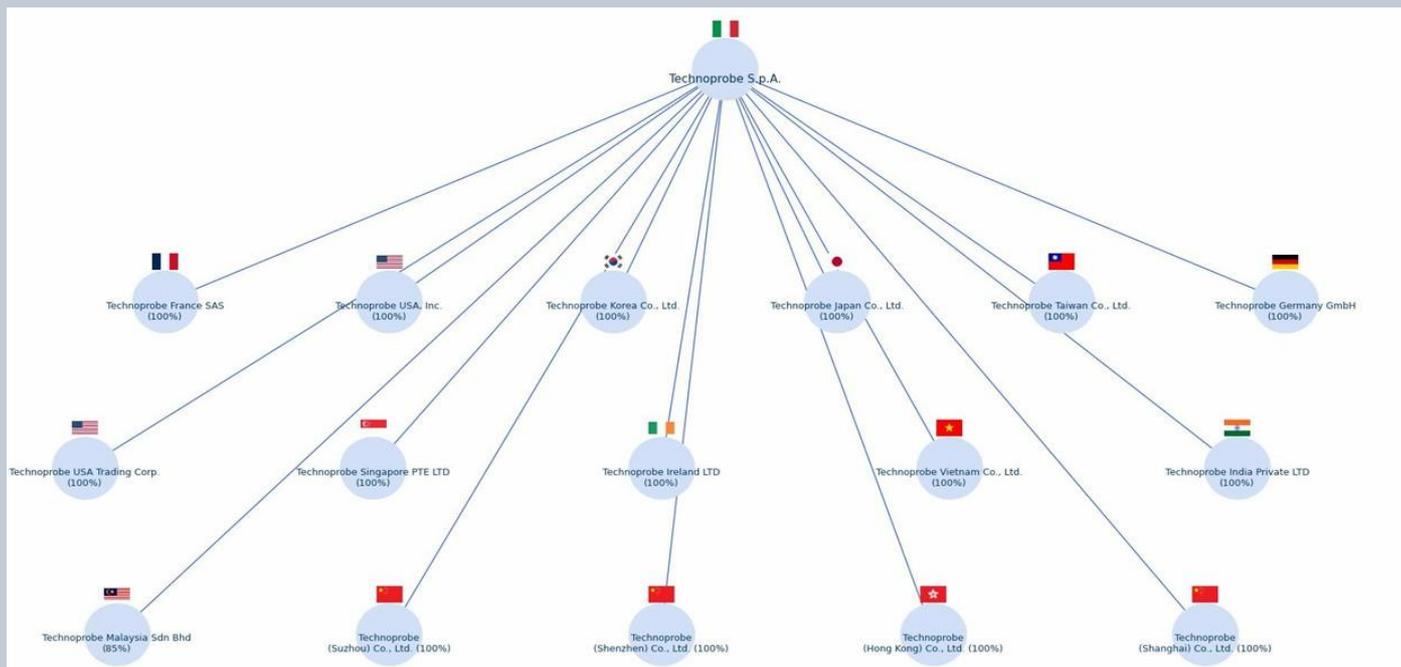
Technoprobe's Governance pillar (**Score: 6.70, Grade: BBB**) stands as **the strongest component of the ESG profile**, defined by a strategic balance between family stewardship and industrial stability. Control is firmly held by the **Crippa family** (~63%, primarily through T-Plus S.p.A.), ensuring a **long-term vision** that insulates management from short-term market pressures. This stability allows **CEO Stefano Felici** to maintain a sustained focus on **R&D investments**, a critical advantage in the semiconductor testing sector. The **Board of Directors** (Annex E2) is composed of **10 members**, blending the founding family's vision with external professional experience. **The structure maintains a balanced profile** with 50% Board Independence and a 20% female presence. Regarding risk oversight, the company has implemented active **Whistleblowing channels** to ensure ethical compliance. However, the **absence of a formalized Enterprise Risk Management (ERM) framework** remains a structural weakness in monitoring complex operational threats. From a market perspective, the low free float (16.40%) currently limits stock liquidity and minority influence, though management has signaled intentions to progressively increase market accessibility. Ultimately, Technoprobe's governance serves as a strategic anchor, where family control functions not as a liability, but as a guarantee of industrial continuity.

OVERALL: B (BRIDGING BUSINESS & BEHAVIOR)

Technoprobe's final ESG Score of 5.79/10 (Grade B) identifies a **mid-range ESG Risk profile**. In the short-to-medium term (1-5 years), the financial materiality of these ESG risks appears **limited**. Technoprobe operates in a **highly technical B2B context** where clients prioritize performance, precision, and reliability over sustainability metrics. Consequently, **the current ESG positioning is not expected to negatively impact immediate revenue generation**. However, **looking at the long-term horizon, the persistence of a mid-range rating presents tangible risks**. As global regulatory frameworks (e.g., CSRD, supply chain due diligence) become stricter, **failing to improve Scope 3 and circularity metrics could progressively erode the company's competitive positioning** relative to more sustainable peers. Furthermore, from an investment perspective, while this profile ensures eligibility for generalist equity portfolios, it currently precludes inclusion in **"Dark Green" (Article 9 SFDR) funds** and strict Best-in-Class investment criteria. To attract these capital pools and mitigate long-term risks, Technoprobe should focus on **further aligning its sustainability goals with its core business strategy**, evolving from reporting compliance to a fully integrated ESG model. In this scenario, given the **current sub-optimal positioning**, any inability to mitigate these environmental and social gaps could weigh on the long-term valuation, a risk factor that further **supports our HOLD recommendation**.

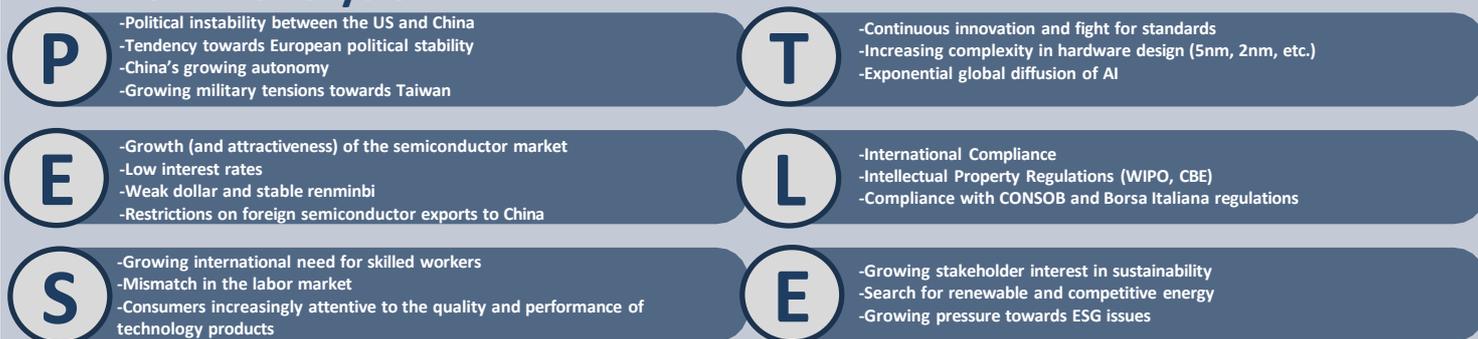
TECHNOPROBE: ANNEX

A. BUSINESS DESCRIPTION



B. INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

B1. PESTLE analysis



Political: Given that the semiconductor supply chain is highly outsourced and globalized, potential restrictions on the export of advanced technologies to China—together with the possible entry of new players financially supported by the Chinese government, or higher costs due to US tariffs—could reduce demand from most chip manufacturers, even though such demand is relatively inelastic. Conversely, European players emerge strengthened due to their neutrality, independence, and reliability. Although Europe is not a global leader in chip manufacturing, it is investing heavily in the sector. For Technoprobe, this translates into greater access to funding, incentives, and a regulatory environment that is more predictable and easier to plan around. This favourable outlook could enhance production capacity and improve the planning of CAPEX and R&D investments. Another factor that cannot be underestimated is the risk of China annexing Taiwan, leading to the island's isolation. For Technoprobe this represents a persistent threat given that its most important customer is TSMC.

Economical: The semiconductor industry is experiencing extremely strong growth, driven primarily by the exponential increase in demand for chips and memory from AI companies, cloud providers, and consumer electronics manufacturers. Technoprobe benefits directly from these trends: the more chips are produced, the more probe cards are required. Moreover, the industry is oligopolistic and characterized by high entry barriers. As a result, Technoprobe and FormFactor are positioned to capture this surge in demand more than proportionally compared to smaller competitors. The outlook is even more favourable when considering two additional factors: low central bank interest rates, which enable the ability to leverage bank financing for production expansion or increased R&D investment; and monetary stability between the countries where Technoprobe sources materials and where it sells its products, which simplifies planning and reduces the need for financial hedging instruments.

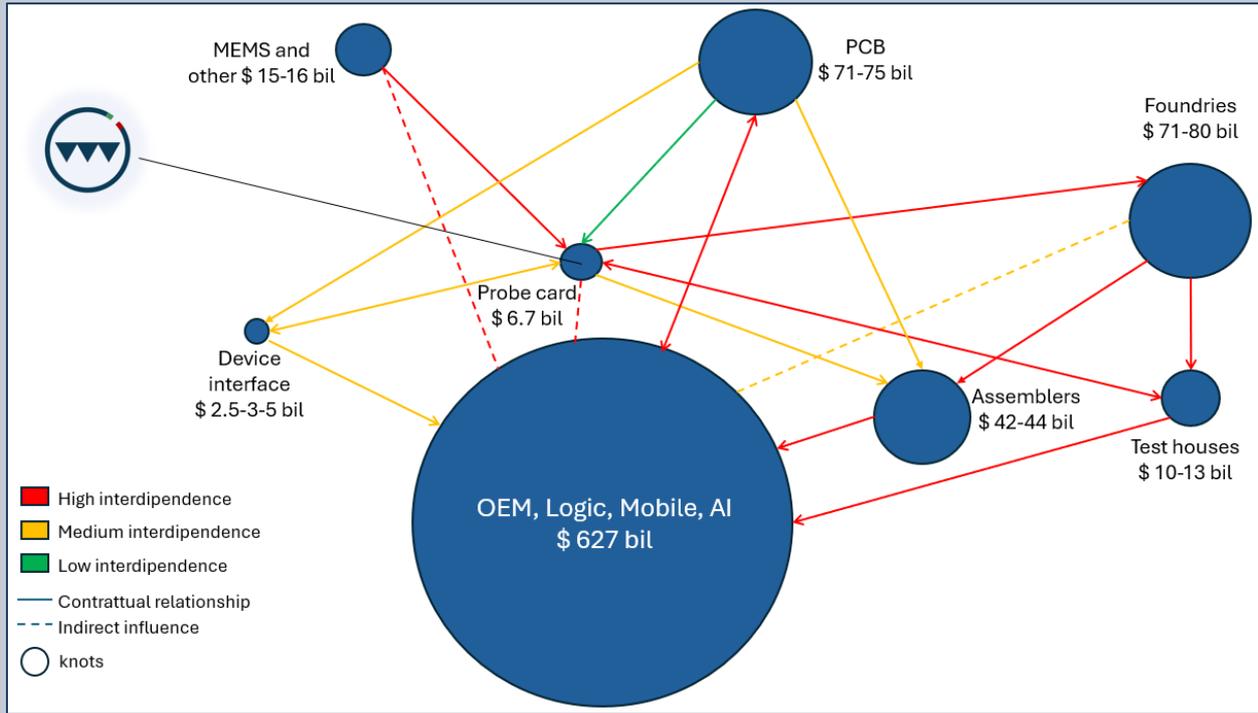
Social: The sector requires highly skilled labour, particularly engineers specialized in microelectronics, materials science, and design, as well as other experts involved in R&D and production. Technoprobe must compete globally to attract talent, countering the Italian trend of brain drain. To remain competitive, the company must enable training initiatives, partnerships with universities and scientific research centres. If the demand for qualified engineers exceeds supply, there is a risk that the company may be unable to expand productivity or meet market requirements. This risk is amplified by the increasing complexity and sophistication demanded by end-consumers of electronic devices. Technoprobe is mitigating part of this challenge by integrating AI into design and production processes.

Technological: The industry evolves through both product and process innovation, driven by the introduction of new materials, new packaging formats, and new testing standards. Innovation is typically reactive with respect to downstream players: major chip designers introduce new technologies, and Technoprobe must determine the most effective way to test those chips, often confronting disruptive innovations. A key advantage of this technological complexity is that the combination of know-how, intellectual property, R&D investment, and long-standing relationships with major chip manufacturers makes the sector difficult for new entrants to access.

Legal: The semiconductor industry is subject to stringent controls (ITAR, EAR, US export controls). Although Technoprobe is a European company, it serves global customers and must ensure that its probe cards do not violate restrictions on advanced technologies destined for sensitive countries. This regulatory complexity increases compliance costs and requires robust legal structures. The protection of patents, designs, and production processes is crucial. Technoprobe must defend itself against attempts at reverse engineering, patent infringements, and competition from Asian firms supported by local governments. Furthermore, operating in a market with only a few global players means that Technoprobe must pay close attention to antitrust regulations, particularly in the context of acquisitions or strategic partnerships.

Environmental: Chip manufacturing is energy-intensive and requires critical materials. Although Technoprobe does not produce semiconductors, it operates within a supply chain that is under increasing pressure to reduce environmental impact. Customers such as TSMC, Intel, and Samsung demand increasingly stringent standards regarding emissions, energy consumption, and material traceability. This pushes Technoprobe to invest in more efficient production processes and advanced ESG reporting.

B2. PROBE CARD POSITIONING WITHIN THE SEMICONDUCTOR MANUFACTURING VALUE CHAIN



Assessing the Probe Card segment and the bargaining power of its participants requires a comparison with the other segments of the semiconductor manufacturing value chain.

Device interface: technologies enabling junction interfaces between semiconductor materials required for the formation of diodes and transistors. Estimated market size of USD 2.5–3.5 Billion in 2024 (Yole Group; TechInsights).

Assemblers (OSAT): outsourced semiconductor assembly and packaging of chip components into a single functional unit. Estimated market size of USD 42–44 Billion in 2024 (sources: Polaris Market Research; Gartner).

Foundries: fabrication of integrated circuits starting from silicon wafers. Estimated market size of USD 71–80 Billion in 2024 (sources: Fortune Business Insights; Precedence Research).

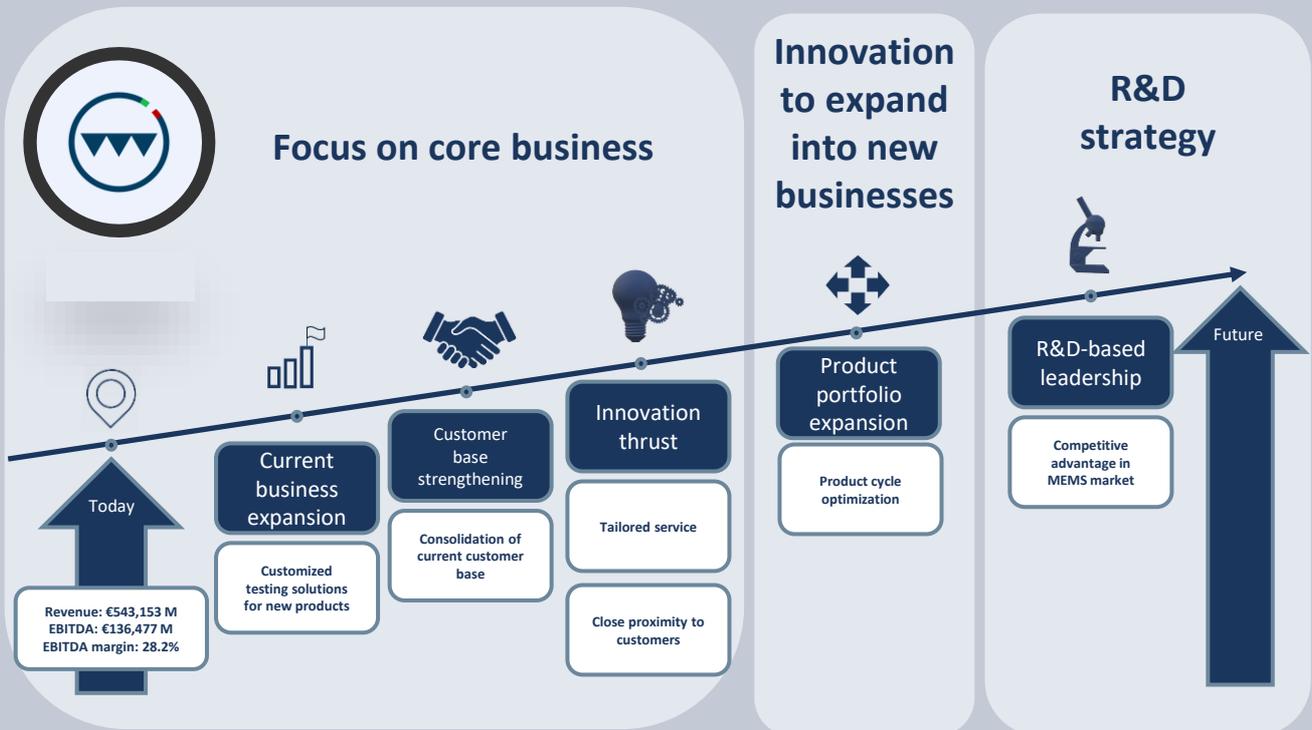
Test houses: providers responsible for electrical and functional validation of packaged chips. Estimated market size of USD 10–13 Billion in 2024 (sources: SNS Insider; Mordor Intelligence).

Probe Cards: wafer-level testing equipment used to assess the functional yield potential of dies prior to packaging. Estimated market size of USD 6.7 Billion in 2024 (source: Market.us).

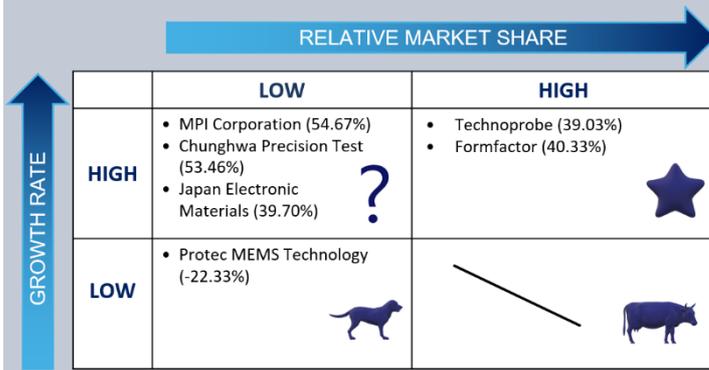
Printed Circuit Boards (PCB): physical substrates that mechanically support and electrically interconnect electronic components such as microprocessors. Estimated market size of USD 71–75 Billion in 2024 (sources: Fortune Business Insights; Global Market Insights).

MEMS: micro-electromechanical systems integrating mechanical and electronic elements on silicon, typically serving as sensors, actuators, or resonant components. Estimated market size of USD 15–16 Billion in 2024 (sources: Fortune Business Insights; Grand View Research).

OEM / Logic / Mobile / Automotive / AI: downstream end-market players commercializing finished products to consumers and non-semiconductor enterprises. Estimated market size of USD 627 Billion in 2024 (sources: Deloitte; IDC; WSTS).



B3. BCG matrix



The distribution of firms within the BCG matrix for the probe card sector reflects a rapidly expanding market, characterized by high entry barriers and increasing technological complexity. The two global leaders are positioned in the high-growth, high-market-share area (stars) because they possess scalable production capabilities, long-standing relationships with major foundries, and a technological asset base that is extremely difficult to replicate. Their position stems not only from the rising demand for advanced chips, but also from their flexibility and ability to adapt quickly to innovations introduced by semiconductor manufacturers, while maintaining a high level of commitment through continuous investment aimed at improving efficiency. In the same high-growth area, several emerging Asian players also appear, supported by public investment and by their countries' strategic ambition to achieve greater technological autonomy. However, their market share remains limited: restricted access to major global customers, lower technological maturity, and the difficulty of meeting very high quality standards place them in a still-unstable competitive position. At the opposite end, firms with low growth and low market share illustrate the selective nature of a sector that rewards only those capable of continuous innovation. The increasing sophistication of chips rapidly renders less advanced technologies obsolete, penalizing companies unable to sustain the required pace of investment. The absence of true "cash cows" indicates that the sector has not yet reached a mature phase: even the leading firms continue to reinvest heavily to maintain their position.

C. FINANCIAL ANALYSIS

C1. INCOME STATEMENT

INCOME STATEMENT												
[€m]	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E
REVENUE	204.4	317.5	391.7	548.9	409.3	543.2	627.3	752.8	926.0	1138.9	1372.4	1633.2
(COGS)	81.7	126.3	163.6	226.3	224.0	331.1	338.8	406.5	500.0	615.0	741.1	881.9
(R&D)	12.8	17.5	31.2	50.1	47.5	52.6	59.6	76.8	100.9	132.1	155.1	176.4
(SG&A Expense)	24.3	22.3	31.5	35.8	15.0	23.0	23.2	21.1	25.9	29.6	30.2	35.9
EBITDA	85.5	151.3	165.4	236.7	122.8	136.4	205.8	248.4	299.1	362.2	446.0	538.9
(Depreciation and Amortization)	11.8	14.8	25.0	36.7	42.9	57.3	65.9	79.0	101.9	136.7	171.6	205.8
EBIT	73.8	136.5	140.4	200.0	79.8	79.1	139.9	169.4	197.2	225.5	274.5	333.2
(t*EBIT)	17.7	32.8	33.7	48.0	19.2	19.0	33.6	40.7	47.3	54.1	65.9	80.0
NOPAT	56.1	103.7	106.7	152.0	60.7	60.1	106.3	128.7	149.9	171.4	208.6	253.2
(Interest Expenses)	0.0	0.0	0.2	0.2	0.3	1.7	0.1	0.3	0.4	0.5	0.6	0.6
NET INCOME	56.0	103.7	106.5	151.8	60.4	58.4	106.2	128.4	149.5	170.9	208.0	252.6

C2. BALANCE SHEET

BALANCE SHEET												
[€m]	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E
Trade receivables	46.3	80.3	102.8	75.4	67.8	118.8	131.7	160.0	199.1	247.7	301.9	359.3
Inventory	23.0	34.8	71.9	110.4	119.0	136.8	129.9	155.9	191.8	235.9	284.3	338.3
(Payables)	17.4	27.3	32.8	40.9	39.0	56.9	60.3	72.4	89.0	109.5	132.0	157.1
NWC	52	88	142	145	148	199	201	244	302	374	454	541
PPE	92.2	127.3	169.2	209.7	252.3	295.1	315.1	350.2	381.0	403.2	408.5	409.7
Intangible Assets	16.8	15.1	16.4	21.1	43.3	109.3	105.0	116.7	127.0	134.4	136.2	136.6
NET FIXED ASSETS	109	142	186	231	296	404	420	467	508	538	545	546
NET INVESTED CAPITAL	161	230	328	376	443	603	621	710	810	912	999	1087
Short term Debt	17.9	58.5	39.2	43.2	42.1	61.9	62.6	63.4	64.2	65.0	65.8	66.6
Medium and Long term Debt	2.0	6.0	5.5	5.8	10.4	13.8	14.0	14.2	14.4	14.6	14.8	15.0
(Liquidity)	92.2	158.3	146.8	411.0	361.8	666.4	728.7	698.4	664.7	643.3	684.6	763.6
NFP	-72	-94	-102	-362	-309	-591	-652	-621	-586	-564	-604	-682
Share Capital	5.0	5.8	5.8	6.0	6.0	6.5	19.9	59.2	106.8	164.7	28.3	31.8
Reserves	206.1	288.2	402.5	689.5	786.4	1187.2	1253.7	1271.1	1289.4	1311.2	1575.0	1737.2
EQUITY	211	294	408	695	792	1194	1274	1330	1396	1476	1603	1769
NET ACQUIRED CAPITAL	161	230	328	376	443	603	621	710	810	912	999	1087

C3. CASH FLOW STATEMENT

CASH FLOW STATEMENT												
[€m]	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	
NOPAT	103.7	106.7	152.0	60.7	60.1	83.4	100.8	123.9	152.8	208.6	253.2	
Depreciation and Amortization	14.8	25.0	36.7	42.9	57.3	65.9	81.1	97.9	118.5	143.8	174.8	
Change in trade receivables	-34.0	-22.6	27.4	7.6	-51.0	-12.9	-28.2	-39.1	-48.6	-54.2	-57.4	
Change in payables	10.0	5.5	8.1	-1.9	17.9	3.4	12.1	16.7	20.5	22.5	25.1	
Change in inventory	0.2	9.7	6.1	0.0	1.7	6.8	-26.0	-35.9	-44.1	-48.4	-54.0	
FCFO	94.8	124.4	230.3	109.3	86.1	146.6	139.8	163.5	199.0	272.3	341.7	
Capex	-77.1	-44.1	-46.5	-28.0	-28.2	-81.6	-128.0	-138.9	-148.1	-151.0	-176.4	
FCFF	17.6	80.3	183.8	81.4	57.9	65.1	11.8	24.6	51.0	121.3	165.3	

D. VALUATION

D1. EQUITY RISK PREMIUM AND BETA

EQUITY RISK PREMIUM:

The ERP is calculated by considering the **specific regional ERPs for Europe, North America, and Asia** (Damodaran, 2025), each **weighted according to its respective share of revenues**. Forward-looking estimates of revenue contribution reflect Technoprobe's intention to **continue investing in strategic areas for market development**—particularly China and the United States—leading to a cautious assumption of revenue growth in these regions, offset by a reduction in Europe.

ERP		2026E	2027E	2028E	2029E	2030E
Region	Damodaran (2025E)	5.73%	5.73%	5.72%	5.72%	5.72%
REVENUE CONTRIBUTION						
Europe	7.45%	7.1%	6.9%	6.7%	6.5%	6.3%
North America	5.94%	46.1%	46.2%	46.3%	46.4%	46.5%
Asia	7.87%	46.9%	47.0%	47.1%	47.2%	47.3%

BETA ANALYSIS:

The beta analysis is conducted through a **linear regression of the stock's weekly returns against the weekly returns of the STOXX EURO 600 index** starting from February 2022, the date of Technoprobe's IPO. For analytical consistency, **the risk-free rate is identified as the average yield over the past three months of the 10-year German Bund**.



D2. BULL & BEAR SCENARIOS

BULL SCENARIO

1 Successful R&D execution

Technoprobe's **R&D investments** and the **strategic decisions undertaken in previous years** prove successful, strengthening the company's competitive position and enabling **margin expansion and higher profitability**. As revenues grow, **market share increases accordingly**, supporting an appreciation in Technoprobe's share price. (TP + 12.86%)

2 Virtuous development of Artificial Intelligence

The development of **Artificial Intelligence** is not driven by a speculative bubble nor by market mispricing. Its progressive adoption by companies and consumers generates a **virtuous scenario** in which Technoprobe's customers experience **exponential growth**, leading to a significant increase in order volumes for the company based in Cernusco. This allows Technoprobe to **enhance profitability to levels never achieved before**. (TP + 17.17%)

3 New customer partnerships

The substantial revenues generated from the testing of **next-generation AI chips** enable Technoprobe to expand into **additional markets**, supported by its increased international reputation and a **favorable geopolitical environment**, without compromising the solidity of its financial structure. This allows the company to enter into **significant and highly profitable contracts with new customers** operating across diversified industries, pushing margins to historically unprecedented levels. (TP + 23.22%)

BEAR SCENARIO

4 AI market correction

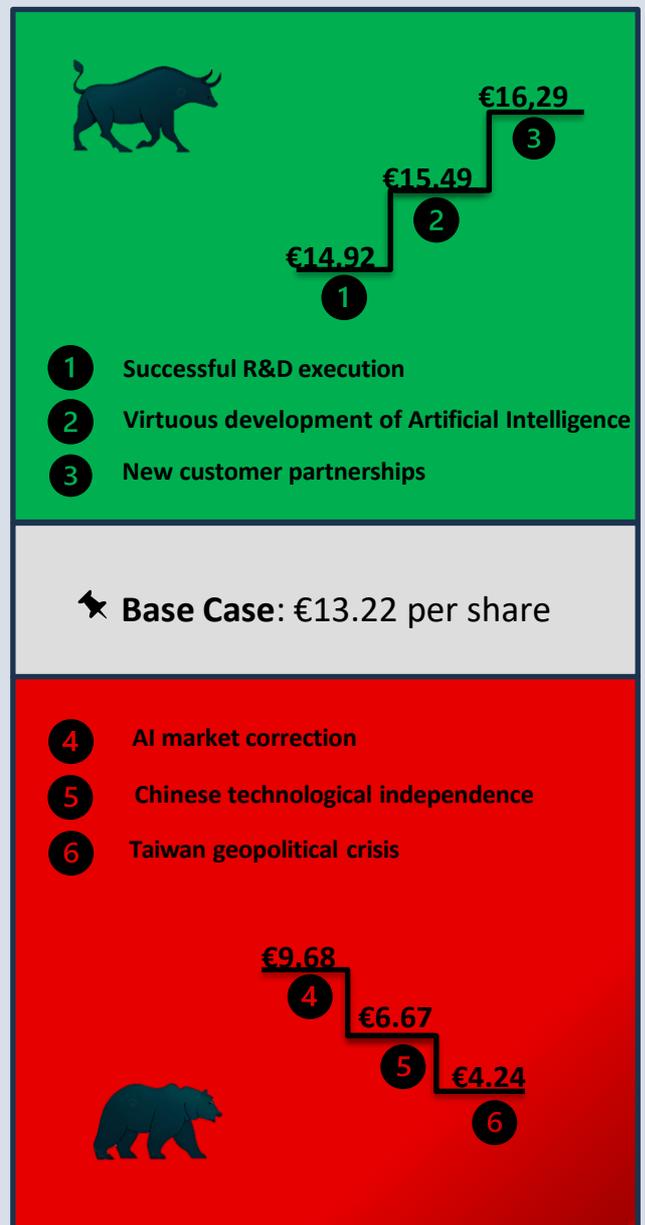
The significant investments in **Artificial Intelligence** undertaken by Technoprobe's key customers **fail to generate sufficient cash flows** to justify such expenditures, placing these players under **severe financial pressure**. Technoprobe, in turn, is adversely affected: in a scenario of global uncertainty, **orders from major customers decline**, leading to **margin compression and negatively impacting the company's share price**. (TP - 26.7%)

5 Chinese technological independence

In addition to the **AI downturn**, and in response to the long-standing trade conflict with Western countries, **China progressively achieves technological self-sufficiency**. This results in the **replacement of Technoprobe by domestic competitors** in the local market, effectively excluding the company from one of the world's largest semiconductor markets. (TP - 39.3%)

6 Taiwan geopolitical crisis

Geopolitical tensions escalate into a **military confrontation involving the siege of Taiwan**, leading to a shutdown of chip production at TSMC and **severe disruptions across the global semiconductor supply chain**. Such an event would undermine business continuity for several technology companies and would have a **profoundly negative impact on Technoprobe as well**. (TP - 67.9%)



D3. PEERS ANALYSIS

The Peers Analysis, aimed at identifying the companies most comparable to Technoprobe in order to achieve a more accurate relative valuation, considers a group of firms operating in the probe cards industry or in closely related sectors. For each company, data is collected across six variables:

- 1 Size & Growth**, which includes Market Capitalization (as of 30 January 2026), 2026 revenues, and the revenue CAGR for the 2021–2024 period, is assigned a weight of 17%.
- 2 Revenue Contribution** identifies the breakdown of revenues across EMEA, Asia, and the Americas. Given the strategic importance of end markets, this variable is weighted at 15%.
- 3 Margins**, composed of EBITDA margin and EBIT margin, is assigned a weight of 17%. The relevance of this variable lies not only in the calculation of multiples, but also in the fact that Technoprobe itself considers its high margins a key competitive strength relative to its peers.
- 4 Returns**, divided into ROI, ROE, and ROIC, is weighted at 17%.
- 5 Risk & Leverage**, comprising D/E, Net Debt/Total Capital, and beta, reflects the contribution of financial leverage and local systematic risk for each company. The limited role of financial leverage in Technoprobe's operating model justifies the 17% weight assigned to this variable.
- 6 Innovation & Technology**, including 5-year average Capex-to-revenues, R&D-to-revenues, and R&D CAGR over the 2021–2024 period, is assigned a weight of 17%, given the critical importance of R&D investment—particularly in a rapidly expanding sector such as probe cards.

GENERALS		SIZE & GROWTH			REVENUE CONTRIBUTION			MARGINS		RETURNS			RISK & LEVERAGE			INNOVATION & TECHNOLOGY			Score	Outcome
Company Name	Country	Market Cap (mln)	Revenues (mln)	Revenue's CAGR FY21-24	EMEA	Asia	Americas	EBITDA Margin	EBIT Margin	ROA	ROE	ROIC	D/E	Net Debt to Total Capital	Beta	Capex/Revenues 5Y Avg	R&D/Revenues	R&D CAGR FY21-24		
TECHNOPROBE	ITA	10,206.6	626.9	11.4%	7%	47%	46%	32%	22%	5%	6%	6%	1.4%	-51.2%	0.7	16%	10%	19%	1.00	-
MPI CORPORATION	TWN	6,822.7	355.1	16.2%	5%	79%	16%	34%	29%	17%	30%	23%	49.0%	1.2%	1.5	11%	11%	12%	0.70	YES
FORMFACTOR	USA	4,949.4	662.5	-0.3%	5%	70%	25%	18%	12%	3%	4%	4%	3.3%	-22.4%	2.1	8%	16%	10%	0.76	YES
CHUNGHWA PRECISION TEST	TWN	2,894.6	129.6	-5.3%	2%	70%	29%	31%	24%	12%	13%	13%	0.3%	-46.6%	1.3	12%	24%	1%	0.75	YES
PROTEC MEMS TECHNOLOGY	KOR	23.6	16.53	-26.3%	3%	93%	4%	-49%	-73%	-29%	-59%	-51%	130.3%	53.7%	0.9	15%	21%	4%	0.46	NO
JAPAN ELECTRONIC MATERIALS	JPN	327.4	143.9	-11.7%	2%	94%	4%	25%	20%	10%	14%	12%	21.5%	-26.1%	1.5	8%	7%	-4%	0.68	YES
MICRONICS JAPAN	JAP	1,834.8	374.5	11.6%	3%	98%	0%	29%	20%	13%	20%	18%	11.6%	-14.1%	1.5	11%	9%	7%	0.77	YES
INNOTECH CORP	JAP	151.5	275.5	8.3%	0%	86%	14%	8%	5%	3%	5%	5%	39.4%	7.8%	1.0	4%	6%	11%	0.62	NO
TSE CO.	KOR	471.2	241.1	4.2%	0%	90%	9%	18%	11%	8%	12%	12%	13.9%	-3.4%	1.4	14%	1%	0%	0.75	YES
COHU, INC.	USA	1,120.2	384.5	-21.1%	20%	60%	20%	7%	2%	-7%	-9%	-8%	6.5%	-16.3%	1.7	2%	21%	0%	0.61	NO
LEENO	KOR	3,333.5	209.1	-3.1%	0%	100%	0%	50%	47%	22%	24%	24%	0.0%	-62.4%	0.9	13%	3%	0%	0.74	YES
BE SEMICONDUCTOR IND.	NED	14,503.8	591.2	-6.7%	12%	68%	20%	34%	29%	13%	36%	16%	148.9%	2.1%	1.6	5%	9%	26%	0.70	YES
ASM INTERNATIONAL	NED	34,715.7	3,101.5	19.3%	6%	73%	21%	37%	29%	16%	22%	21%	1.5%	-26.2%	2.0	11%	13%	35%	0.60	NO
AMKOR TECHNOLOGY	USA	10,594.6	5,665.8	4.0%	13%	24%	63%	16%	6%	4%	7%	6%	45.6%	-2.3%	2.1	12%	3%	2%	0.56	NO
SILTRONIC	GER	1,398.0	1,327.0	0.2%	16%	74%	10%	23%	-3%	-1%	-1%	-1%	83.1%	30.6%	1.4	45%	6%	1%	0.69	YES

Subsequently, we applied a **min-max normalization** to each micro-variable to assess its positioning within the distribution. Once these values were established, we calculated the **standard deviation** relative to Technoprobe for each peer across every macro-variable. To determine the final degree of similarity between each peer and Technoprobe, we utilized the **weighted Euclidean distance**, calculated as the square root of the sum of the standard deviations weighted by the importance assigned to each macro-variable. Naturally, smaller distances indicate a higher degree of proximity, and vice versa. Finally, to derive the **score**, we normalized the distances on a scale from 0 to 1; consequently, only peers with a score exceeding **0.65** were included in the multiples valuation.

	TPRO	MPI	FORM	CHUNGHWA	PROTEC	JEM	MICRONICS	INNOTECH	TSE	COHU	LEENO	BESI	ASM	AMKOR	SILTRONIC
Market Cap (mln)	0.32	0.24	0.15	0.08	0.00	0.01	0.06	0.01	0.01	0.04	0.11	0.45	1.00	0.34	0.05
Revenues (mln)	0.11	0.06	0.11	0.02	0.00	0.02	0.06	0.05	0.04	0.07	0.03	0.10	0.55	1.00	0.23
Revenues CAGR FY21-24	0.83	0.93	0.57	0.46	0.00	0.32	0.83	0.76	0.67	0.11	0.51	0.43	1.00	0.66	0.58
EMEA	0.35	0.24	0.26	0.09	0.16	0.10	0.13	0.00	0.02	1.00	0.00	0.59	0.29	0.65	0.81
Asia	0.30	0.72	0.61	0.60	0.91	0.92	0.97	0.81	0.87	0.48	1.00	0.58	0.64	0.00	0.66
Americas	0.73	0.26	0.39	0.45	0.06	0.07	0.00	0.23	0.15	0.31	0.00	0.32	0.34	1.00	0.15
EBITDA Margin	0.82	0.84	0.67	0.81	0.00	0.74	0.79	0.58	0.67	0.57	1.00	0.83	0.86	0.66	0.73
EBIT Margin	0.79	0.85	0.71	0.81	0.00	0.77	0.78	0.65	0.70	0.62	1.00	0.85	0.85	0.66	0.58
ROA	0.68	0.91	0.64	0.80	0.00	0.77	0.83	0.63	0.73	0.44	1.00	0.84	0.88	0.66	0.57
ROE	0.68	0.94	0.67	0.76	0.00	0.77	0.83	0.68	0.75	0.53	0.87	1.00	0.85	0.70	0.61
ROIC	0.76	1.00	0.74	0.85	0.00	0.84	0.93	0.75	0.84	0.57	1.00	0.89	0.97	0.76	0.67
D/E	0.99	0.67	0.98	1.00	0.12	0.86	0.92	0.74	0.91	0.96	1.00	0.00	0.99	0.69	0.44
Net Debt to Total Capital	0.90	0.45	0.66	0.86	0.00	0.69	0.58	0.40	0.49	0.60	1.00	0.44	0.69	0.48	0.20
Beta	1.00	0.46	0.02	0.59	0.84	0.47	0.47	0.79	0.50	0.32	0.90	0.35	0.06	0.00	0.49
Capex/Revenues 5Y Avg	0.31	0.20	0.13	0.24	0.29	0.14	0.20	0.03	0.28	0.00	0.25	0.05	0.20	0.23	1.00
R&D/Revenues	0.38	0.43	0.66	1.00	0.89	0.26	0.36	0.20	0.00	0.89	0.10	0.37	0.51	0.07	0.21
R&D CAGR FY21-24	0.58	0.39	0.35	0.13	0.20	0.00	0.26	0.39	0.11	0.11	0.10	0.77	1.00	0.16	0.13

Total weight		TPRO	MPI	FORM	CHUNGHWA	PROTEC	JEM	MICRONICS	INNOTECH	TSE	COHU	LEENO	BESI	ASM	AMKOR	SILTRONIC
Market Cap (mln)	17%	0.00	0.01	0.03	0.06	0.10	0.10	0.07	0.10	0.09	0.08	0.05	0.02	0.47	0.00	0.07
Revenues (mln)		0.00	0.00	0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.00	0.19	0.80	0.02
Revenues CAGR FY21-24		0.00	0.01	0.07	0.13	0.68	0.26	0.00	0.00	0.03	0.51	0.10	0.16	0.03	0.03	0.03
TOTAL		0.000	0.020	0.093	0.199	0.797	0.360	0.071	0.106	0.122	0.589	0.152	0.175	0.687	0.823	0.145
EMEA	15%	0.00	0.01	0.01	0.07	0.04	0.07	0.05	0.12	0.11	0.42	0.12	0.06	0.00	0.09	0.21
Asia		0.00	0.18	0.10	0.09	0.37	0.38	0.44	0.26	0.32	0.03	0.49	0.08	0.12	0.09	0.13
Americas		0.00	0.23	0.12	0.08	0.46	0.44	0.54	0.25	0.34	0.18	0.54	0.17	0.15	0.07	0.33
TOTAL		0.000	0.416	0.033	0.035	0.130	0.132	0.154	0.095	0.116	0.095	0.172	0.045	0.041	0.037	0.101
EBITDA Margin	17%	0.00	0.000	0.022	0.000	0.668	0.006	0.001	0.058	0.020	0.062	0.033	0.000	0.002	0.026	0.008
EBIT Margin		0.00	0.004	0.006	0.000	0.625	0.000	0.000	0.020	0.009	0.029	0.044	0.003	0.004	0.016	0.045
TOTAL		0.000	0.001	0.005	0.000	0.220	0.001	0.000	0.013	0.005	0.015	0.013	0.001	0.001	0.007	0.009
ROA	17%	0.00	0.053	0.001	0.016	0.456	0.009	0.025	0.002	0.003	0.057	0.105	0.026	0.044	0.000	0.012
ROE		0.00	0.066	0.000	0.006	0.465	0.007	0.021	0.000	0.005	0.023	0.036	0.101	0.028	0.000	0.006
ROIC		0.00	0.057	0.000	0.009	0.576	0.007	0.029	0.000	0.007	0.035	0.058	0.018	0.044	0.000	0.008
TOTAL		0.000	0.030	0.000	0.005	0.255	0.004	0.013	0.000	0.002	0.019	0.034	0.025	0.020	0.000	0.004
D/E	17%	0.00	0.102	0.000	0.000	0.750	0.018	0.005	0.065	0.007	0.001	0.000	0.982	0.000	0.088	0.301
Net Debt to Total Capital		0.00	0.204	0.061	0.002	0.815	0.047	0.102	0.257	0.169	0.090	0.009	0.211	0.046	0.177	0.496
Beta		0.00	0.288	0.966	0.170	0.025	0.281	0.286	0.044	0.248	0.461	0.010	0.425	0.880	1.000	0.260
TOTAL		0.000	0.101	0.175	0.029	0.270	0.059	0.067	0.062	0.072	0.094	0.003	0.275	0.157	0.215	0.180
Capex/Revenues 5Y Avg	17%	0.00	0.012	0.033	0.005	0.000	0.029	0.013	0.078	0.001	0.098	0.004	0.067	0.012	0.007	0.472
R&D/Revenues		0.00	0.002	0.078	0.383	0.258	0.014	0.000	0.033	0.145	0.258	0.077	0.000	0.017	0.100	0.029
R&D CAGR FY21-24		0.00	0.036	0.054	0.207	0.149	0.341	0.102	0.039	0.226	0.229	0.231	0.036	0.173	0.182	0.209
TOTAL		0.000	0.009	0.028	0.101	0.069	0.065	0.020	0.025	0.063	0.099	0.053	0.018	0.034	0.049	0.121
TOTAL d i		0.00	0.30	0.24	0.25	0.54	0.32	0.23	0.38	0.25	0.39	0.26	0.30	0.40	0.44	0.31

D4. RELATIVE VALUATION

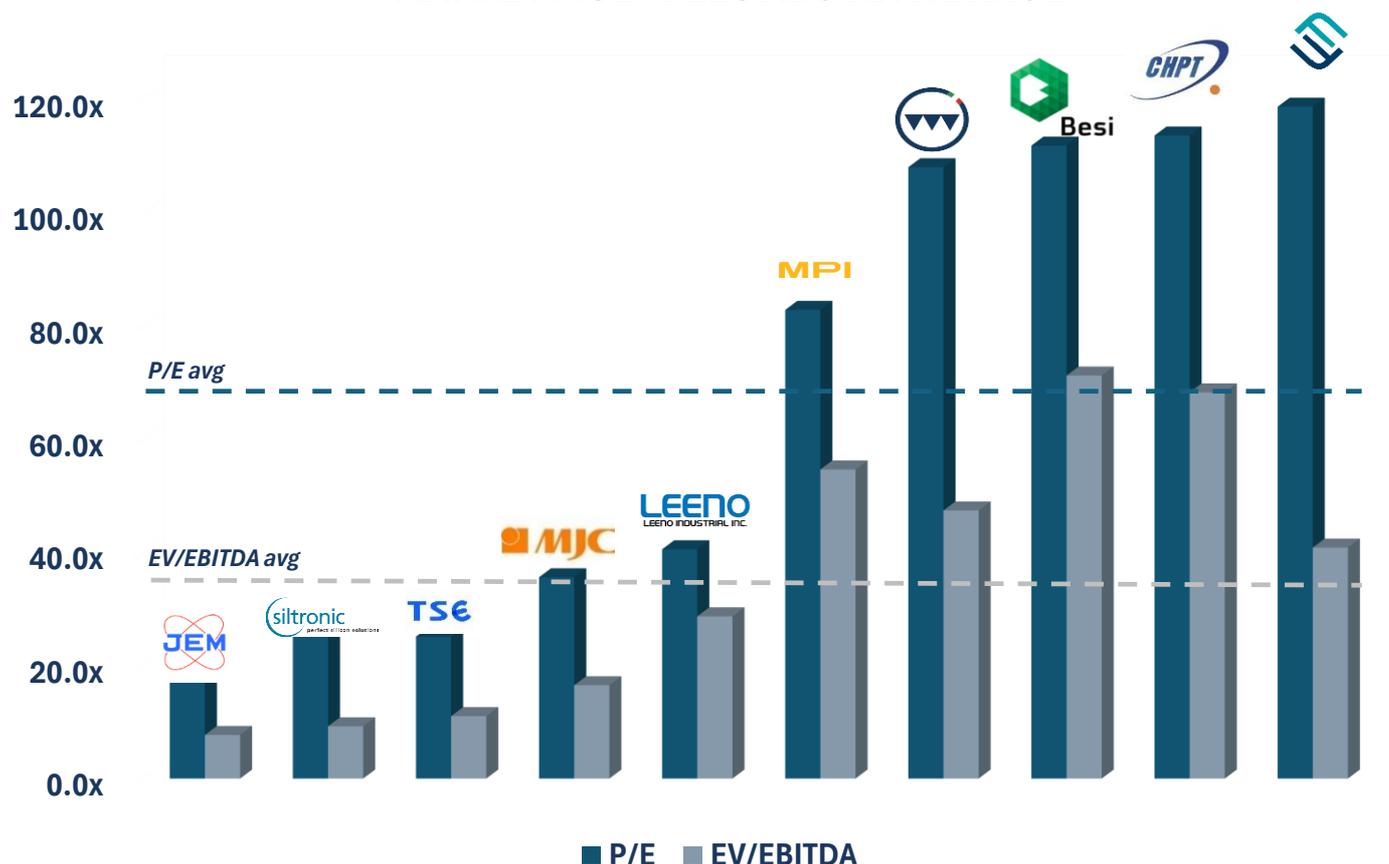
The **relative valuation** provided insights into how the market currently prices Technoprobe. After selecting the peer group, we gathered financial and valuation data to derive **EV/EBITDA**, **EV/Revenues**, and **P/E** multiples, as we believe these metrics offer a more accurate representation of Technoprobe's value. The one-year target prices derived from the industry averages of these multiples are **€13.08**, **€13.05**, and **€11.74**, respectively. The average of these figures yields a one-year target price of **€12.49**, which is **5.52% lower** than the value obtained through the DCF valuation. Furthermore, when observing peer multiples, Technoprobe appears **overvalued**, as it significantly exceeds the industry average across all analyzed metrics.

Peers	Financials in €mln				Market Data in €mln				Valuation Multiples			
	Ticker	Revenue	EBITDA	Net Income	Market Cap	Share Price	Shares Outstanding	Net Debt	Enterprise Value	EV/EBITDA	EV/REVENUE	P/E
TECHNOPROBE	TPRO-IT	627	202	95	10,207	16	644	-652	9,555	47.4x	15.2x	108.0x
MPI CORPORATION	6223-TW	353	123	82	6,823	73	94	-101	6,721	54.6x	19.1x	82.8x
FORMFACTOR	FORM-US	656	115	42	4,949	62	79	-273	4,676	40.8x	7.1x	118.7x
CHUNGWA PRECISION TEST	6510-TW	128	41	25	2,895	88	33	-111	2,784	68.2x	21.7x	113.6x
JAPAN ELECTRONIC MATERIALS	6855-JP	145	36	19	327	27	12	-53	275	7.7x	1.9x	17.5x
MICRONICS JAPAN	6871-JP	378	108	52	1,835	50	37	-52	1,783	16.5x	4.7x	35.6x
TSE CO.	131290-KR	239	45	19	471	45	10	20	491	11.0x	2.1x	25.1x
LEENO	058470-KR	213	107	82	3,334	48	69	-261	3,072	28.7x	14.4x	40.5x
BE SEMICONDUCTOR IND.	BESI-NL	592	201	130	14,504	176	83	-179	14,325	71.2x	24.2x	111.8x
SILTRONIC	WAF-DE	1,324	306	63	1,578	53	30	1,245	2,823	9.2x	2.1x	25.0x
High										71.2x	24.2x	118.7x
75th Percentile										52.8x	18.1x	110.9x
Average										38.2x	12.3x	72.6x
Median										34.7x	10.8x	61.7x
25th Percentile										12.4x	2.8x	27.7x
Low										7.7x	1.9x	17.5x
TECHNOPROBE VALUATION										EV/EBITDA	EV/REVENUE	P/E
Implied Enterprise Value										7,716.7	7,697.4	6,862.2
Net Debt										-651.7	-651.7	-651.7
Implied Market Value										8,368.4	8,349.0	7,513.9
Shares Outstanding										640.0	640.0	640.0
Implied Value Per Share										13.08	13.05	11.74

TARGET PRICE

12.49

MARKET MULTIPLES ABOVE AVERAGE



E. ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

E1. ESG SCORE

Our mean-reversion scoring model evaluates **47 key metrics** across Technoprobe and **9 industry peers**, structured under the **Environmental (35%), Social (35%), and Governance (30%) pillars**. Quantitative scores are derived from the percentage deviation against the peer group average, anchored to a baseline of **6.0/10**. Qualitative metrics are assessed based on peer adoption: unique best practices boost the score toward 10, while the absence of common standards reduces it. To ensure statistical consistency, all values are bounded within a **1-10 range**. The benchmarking cluster consists of FormFactor, MPI Corporation, Chungwa Precision Test, Micronics Japan, Japan Electronic Materials, Protec MEMS Technology, TSE, LEENO and Cohu.

1. ENVIRONMENTAL SCORE

ENVIRONMENTAL (WEIGHT 35% - SCORE: 5.10 - GRADE: B)

Key factors	Metric	TPRO 2024	Peer Average 2024	Best 2024	Worst 2024	Score	
						Metric	Key factors
Emissions (22.5%)	Scope 1 Intensity (tCO2e/€ Mln Revenue)	2.54	8.38	2.54	15.77	8.79/10	5.07/10
	Scope 2 Intensity (tCO2e/€ Mln Revenue)	53.56	57.66	14.70	139.21	6.28/10	
	Carbon Intensity (tCO2e/€ Mln Revenue)	56.10	66.04	18.04	154.99	6.60/10	
	Scope 3 Intensity (tCO2e/€ Mln Revenue)	153.94	32.36	20.24	153.94	1.00/10	
	Carbon Reduction Targets	F	67% T - 33% F	T	F	2.67/10	
Energy (22.5%)	Total Energy Consumption (MWh)	50,334	31,697	18,300	50,334	3.65/10	5.15/10
	Renewable Energy Share (%)	1.50%	11.26%	26.80%	0%	2.53/10	
	Energy Intensity (MWh/€ Mln Revenue)	92.67	128.83	47.29	284.91	7.12/10	
	ISO 50001 Certification	F	0% T - 100% F	F	F	6.00/10	
	Energy Management Policy	T	89% T - 11% F	T	F	6.44/10	
Waste (22.5%)	Total Waste Generated (tons)	2,871	641	313	2,871	1.00/10	3.65/10
	Waste Recycled (%)	4.49%	39.86%	75.95%	4.49%	2.45/10	
	Waste Intensity (tons/€ Mln Revenue)	5.29	3.12	1.20	6.84	3.22/10	
	Hazardous Waste to Total Waste (%)	19.68%	48.24%	7.67%	73.34%	8.37/10	
	Eco-design Policies	F	56% T - 44% F	T	F	3.22/10	
Water (22.5%)	Total Water Consumption (M3)	22,674	70,478	20,000	112,382	8.71/10	5.65/10
	Water Recycled (%)	1.11%	12.56%	62.76%	0%	2.35/10	
	Water Intensity (M3/€ Mln Revenue)	41.74	290.42	41.74	660.34	9.43/10	
	Water Management Policy	F	78% T - 22% F	T	F	2.11/10	
Product Stewardship (10%)	RoHS/REACH Compliance	T	67% T - 33% F	T	F	7.33/10	7.11/10
	Investments in Green Manufacturing Technologies	T	78% T - 22% F	T	F	6.89/10	

Source: Company Data, Team Elaboration

2. SOCIAL SCORE

SOCIAL (WEIGHT 35% - SCORE: 5.70 - GRADE: B)							
Key factors	Metric	TPRO 2024	Peer Average 2024	Best 2024	Worst 2024	Score	
						Metric	Key factors
Workforce (35%)	Revenue Per Employee (€ Mln Revenue/Employee)	0.16	0.26	0.62	0.09	4.46/10	3.93/10
	Employee Turnover Rate (%)	14.00%	7.33%	3.21%	14.00%	2.36/10	
	Gender Pay Gap (%)	29.00%	14.23%	2.12%	31.47%	1.85/10	
	Women in the Workforce (%)	36.00%	28.54%	36.00%	19.48%	7.05/10	
Health & Safety (20%)	LTIFR (Lost Time Injury Frequency Rate)	0.33	0.78	0	1.74	8.31/10	7.16/10
	Adherence to ISO 45001 Guidelines	T	100% T - 0% F	T	T	6.00/10	
Responsible Sourcing (20%)	Supplier Code of Conduct	T	78% T - 22% F	T	F	6.89/10	6.67/10
	Human Rights and Anti-child Labor Policies	T	89% T - 11% F	T	F	6.44/10	
Community Engagement (5%)	Partnerships with Schools/Universities	T	78% T - 22% F	T	F	6.89/10	7.11/10
	Investments in Community Projects	T	67% T - 33% F	T	F	7.33/10	
Product & Service Quality (20%)	Product Quality & Safety Certifications	T	100% T - 0% F	T	T	6.00/10	6.00/10
	ISO 9001 Certification	T	100% T - 0% F	T	T	6.00/10	

Source: Company Data, Team Elaboration

3. GOVERNANCE SCORE

GOVERNANCE (WEIGHT 30% - SCORE: 6.70 - GRADE: BBB)							
Key factors	Metric	TPRO 2024	Peer Average 2024	Best 2024	Worst 2024	Score	
						Metric	Key factors
Board Structure (45%)	Board Size	9	7	11	3	7.14/10	7.47/10
	Board Independence (%)	55.56%	44.59%	77.77%	33.00%	6.98/10	
	CEO/Chairman Separation	T	89% T - 11% F	T	F	6.44/10	
	Board Diversity (% women)	22.22%	13.69%	33.33%	0%	8.49/10	
	Board Committees (Audit, Remuneration)	T	89% T - 11% F	T	F	6.44/10	
	Related Party Transactions Committee	T	11% T - 89% F	T	F	9.56/10	
	Succession Planning Disclosure	T	56% T - 44% F	T	F	7.78/10	
	Executive Pay Disclosure	T	78% T - 22% F	T	F	6.89/10	
Ethics & Compliance (20%)	Code of Ethics/Anti-Corruption	T	89% T - 11% F	T	F	6.44/10	7.11/10
	Whistleblowing reports	T	56% T - 44% F	T	F	7.78/10	
Risk Management (17.5%)	Enterprise Risk Management (ERM) Framework	F	78% T - 22% F	T	F	2.11/10	4.50/10
	Cybersecurity & Data Privacy Framework	T	78% T - 22% F	T	F	6.89/10	
Transparency & Reporting (17.5%)	Tax Transparency	T	89% T - 11% F	T	F	6.44/10	6.44/10
	Formal Reporting Alignment (CSRD, ESRS, GRI, etc.)	T	89% T - 11% F	T	F	6.44/10	

Source: Company Data, Team Elaboration

E2. BOARD OF DIRECTORS

Name	Current Role	Age	Education	Background
Cristiano Alessandro Crippa	Chairman	55	Technical Commercial Diploma	Joined the company in 1992, contributing directly to its foundation and industrial development. Previously served as Managing Director of DA-TOR S.p.A. (2018-2022), an Italian mechanical engineering firm specializing in hydraulic components.
Roberto Alessandro Crippa	Vice Chairman	45	Degree in Chemical Engineering	Joined in 2002, focusing on product development and authoring numerous international patents. Served as Managing Director of DA-TOR S.p.A. (2018-2022). Named in Forbes' "Top 100 Italian Managers" list in 2019 for his leadership impact.
Stefano Felici	CEO	52	Degree and PhD in Electronic Engineering	Joined in 1999, initially leading R&D and process development. Served as General Manager of Technoprobe America (2007-2015), driving US sales and operations. Holds directorships in key subsidiaries including Microfabrica, Technoprobe Japan and Technoprobe Korea.
Giulio Sirtori	Independent Director	65	Classical High School Diploma	General Manager of Confindustria Lecco-Sondrio since 2015. Previously Director of Confindustria Lecco and CEO of Union Service S.r.l. Brings deep expertise in institutional frameworks and local industrial relations.
Susanna Pedretti	Independent Director	48	Degree in Law	Founding Partner of Auditability S.r.l., specializing in governance and compliance. Serves on Boards and Committees for Digital Bros and Fine Foods, focusing on internal controls and risk management frameworks.
Elisabetta Cugnasca	Independent Director	51	Degree in Economics and Commerce	Head of Investor Relations at Interpump Group. Formerly held key financial and audit roles at Autogrill and Aquafil. Honorary President of the Italian Investor Relator Association and board member of Zurich Bank.
Antonio Sanna	Independent Director	70	Degree in Law; Degree in Political Science	Former Head of Legal Affairs and Risk & Compliance at ACEA Group. Previously held senior counsel roles at Tim, Telecom, Autostrade per l'Italia and Aeroporti di Roma. Specialized in corporate legal affairs and governance.
Gregory Stephen Smith	Non-Independent Director	62	Degree in Electronic Engineering	President and CEO of Teradyne Inc. Previously held engineering and management roles at Raytheon and LTX. Brings strategic insight into the global Automatic Test Equipment (ATE) market dynamics.
Carlos Ortega Arias Paz	Independent Director	59	Degree and MBA in Economics	Co-CEO of Corporación Financiera Alba and Chairman of Acerinox. Former Managing Director at Goldman Sachs and Crédit Agricole with over 23 years of investment banking experience in New York, London, and Madrid.
Chih-Kuang Yang	Non-Independent Director	51	Degree and PhD in Chemical Engineering	Founder and General Manager of Yee Wei Inc., the Group's R&D subsidiary. Former CTO of Princo Corporation. Deep expertise in advanced materials, AI thermal solutions, and semiconductor innovation.

Source: Company Data, Team Elaboration