

Sector Analysis and Strategic Fit

As part of our acquisition strategy, we have identified five industrial sectors that align with our combined expertise and market vision. The following section outlines the rationale, opportunities, and risks associated with each.

Mechanical Components and Industrial Automation

Strategic Fit: This sector directly leverages Alessandro D'Angelo's experience in sales and business development within the automation and actuation markets. It offers a strong B2B foundation with recurring revenue from OEMs and integrators.

- Opportunities:
- High product customization potential
- Long-term customer relationships
- Expansion through service and product integration
- Risks:
- Price competition, especially on standard components
- Capital needs for product development or certification
- Exposure to single-client concentration in some cases

Plastic Compounding and Transformation

Strategic Fit: Francesco Vacca brings over 20 years of experience in this industry. His ability to manage production processes, regulatory requirements, and product innovation gives us a key advantage in this technically complex and highly fragmented market.

- Opportunities:
- Strong technical and regulatory barriers to entry
- Possibility to carve out niche markets
- Acquisition or consolidation potential
- Risks:
- Raw material price volatility
- Compliance with increasing environmental regulation

- Operational complexity and capex intensity

Third-Party Manufacturing (Chemicals, Cosmetics, Technical Food)

Strategic Fit: This model allows us to focus on operational excellence and customer service without exposure to brand risk. Francesco's experience in regulated industries and Alessandro's commercial skills create a strong base for contract manufacturing.

- Opportunities:
 - Stable and recurring revenues
 - Low marketing and branding costs
 - Potential to scale with multi-client contracts
- Risks:
 - Dependency on few large customers
 - Pressure on pricing and margins
 - Quality and traceability requirements

Technical B2B Distribution

Strategic Fit: This sector benefits from Alessandro's proven track record in industrial sales and channel development. Francesco complements with organizational and supply chain management skills.

- Opportunities:
 - Lean and scalable model
 - Potential to represent foreign technical brands
 - Value-added services
- Risks:
 - Thin margins if poorly positioned
 - Risk of direct-buying disintermediation
 - High competition on pricing

Industrial Maintenance and Services

Strategic Fit: A sector aligned with our hands-on and service-oriented approach. It offers contractual stability

and the ability to grow through additional technical services.

- Opportunities:

- High customer loyalty and repeat business
- Potential to offer integrated solutions
- Positioned to benefit from Industry 4.0 and energy efficiency trends

- Risks:

- Difficulty in hiring and retaining qualified technicians
- Operational complexity in scheduling and service delivery
- Risk of dependency on specific industrial sites

Summary Table - Sector Fit and Evaluation

Sector	Opportunities	Risks
Mechanical / Automation	Customization, recurring clients	Price competition, CAPEX
Plastics / Compounding	Niche markets, barriers to entry	Volatile costs, complexity
Third-Party Mfg	Stable revenues, scalability	Customer dependency
B2B Distribution	Scalable, low entry cost	Thin margins, disintermediation
Maintenance / Services	Loyal clients, contracts	Technical staffing, complexity