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modefinance Corporate Credit Rating (Solicited) for
BIOVALLEY INVESTMENTS PARTNER S.P.A.: B1+ (Upgrade)

modefinance published the

Solicited Corporate Credit Rating of BIOVALLEY INVESTMENTS PARTNER S.P.A. on the website (<http://cra.modefinance.com/en>) and the rating assigned to the entity is B1+ (Upgrade). The analysis revealed it is an adequate company with average capability of repaying financial obligations and it is little affected by adverse economic scenarios.

The Company BIOVALLEY INVESTMENTS PARTNER S.P.A. (abbreviated as “BIP S.P.A.”, or hereinafter referred to as the “Company”) is an enterprise part of an integrated industrial group, founded in 2016 and specialized in sale of products and services. In particular, the Group invests in the BioHighTech sector (BioMed, BioTech and Pharma, BioICT), in innovative companies operating in life sciences, medicine and digital markets.

Key Rating Assumption

The Company confirms the adequate economic and financial situation, characterized by solid capitalization and proper financial balance. This is accompanied by historically modest, but gradually growing, profitability. The investments made by the Company during 2022 fully absorbed the resources injected by operations and financing activities, without significantly affecting the balance of the net financial position. The management of credit lines granted to the Company by the banking system is confirmed to be correct, with punctuality in payments and the absence of financial tension.

The system of governance and control is confirmed to be appreciable, with the collegiality of internal bodies and confirmation of the appointment of the auditing firm. The structure of the Group, albeit articulated, proves to be clear in its power relations.

Comparing the Company’s economic and financial performance with its reference peer group, it emerges that it is well-positioned in terms of size and solvency, while it remains weak in terms of ROE. The peer group expresses a solid capital endowment, while the sector expresses adequate performance in terms of liquidity and profitability.

The Italian macroeconomic situation manifests modest growth, with rising interest rates, high inflation and an unfavorable international scenario acting as factors of uncertainty. This is countered by strengthened political stability. The macroeconomic forecast data could be revised upward.

Sensitivity Analysis

In the following table, the addressing factors, actions or events that could lead to an upgrade or a downgrade are summarized:

Action	Description of the addressing factors, actions or events
Upgrade	<ul style="list-style-type: none"> Profitability indicators reach adequate levels; Balance is noted between investment and financing activities, benefiting corporate liquidity; The macroeconomic conditions improve, with GDP growth exceeding expectations. <p>In the case these conditions are met, the rating could upgrade to A3.</p>
Downgrade	<ul style="list-style-type: none"> Excessive contraction of indebtedness, leading to problematic NFP/EBIDTA values; Geopolitical tensions and continued high uncertainty undermines the economic growth. <p>If these conditions were to occur, we can expect a downgrade to B1-.</p>

IMPORTANT

The present Corporate Credit rating is issued by modefinance under EU Regulation 1060/2009 and following amendments.

The present rating is solicited and is based on both private and public information. The rated entity and/or related third parties have provided all private information used. modefinance had access to some accounts and other relevant internal documents of the rated entity and/or related third

parties. Solicited and unsolicited ratings issued by modefinance are of comparable quality, as the solicitation status has no effect on methodologies used. More comprehensive information on modefinance Corporate Credit Ratings are available at: <http://cra.modefinance.com/en>
The present Corporate Credit Rating is issued on MORE Methodology 2.0 and Rating Methodology 1.0. A comprehensive description of both methodologies, as well as information on modefinance Rating Scale and Mappings, is available at <http://cra.modefinance.com/en/methodologies>.

For information on historical default rates of modefinance Corporate Credit Ratings please refer to ESMA Central Repository: <https://cerep.esma.europa.eu/cerep-web/> and ESMA European Rating Platform https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_radar.

modefinance refers to default as a company under bankruptcy, or under liquidation status, or under administration or for which missed payments on a financial obligation are officially recorded.

The quality of the information available on the rated entity and used to determine the present rating was judged by modefinance as satisfactory. Please note that modefinance does not perform any audit activity and is not in a position to guarantee the accuracy of any information used and/or reported in the present document. As such, modefinance can accept no liability whatsoever for actions taken based on any information that may subsequently prove to be incorrect.

The present credit rating was notified to the rated entity in order to identify potential factual errors, as prescribed by the CRA Regulation. No amendments were applied after the notification process.

The rated entity is not a buyer of ancillary services provided by modefinance

The rating action issued by modefinance was performed independently. The analysts, members of the rating team involved in the process, modefinance Srl and its members and shareholders do not have any conflicts of interest in relation to the Rated Entity and/or Related Third Parties. If in the future a potential conflict of interest is identified in relation to the persons reported above, modefinance Ratings will provide the appropriate information and if necessary the rating will be withdrawn.

The present Credit Rating is an opinion of the general creditworthiness that modefinance issues on the rated entity, and should be relied upon to a limited degree. The issued rating is subject to an ongoing monitoring until withdrawal.

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