

Euronext Growth Milan



Research Team

Tel: +39 02 80886654

info@value-track.com

EGM stock guide

About Value Track

Value Track is a capital markets and corporate finance firm focused on mid-small caps offering a wide range of services: Equity Research, Advisory, Investor Relations support. Our research is available on Value Track and Borsa Italiana websites, Bloomberg, FactSet, Thomson Reuters, S&P Capital IQ.

EGM stance: not so good

After a brilliant 2021, EGM is now showing some gloomy signs, being heavily impacted by recent geopolitical turmoil (Russia military attack on Ukraine) and macroeconomics uncertainties (fears of stagflation).

Indeed, as far as 2022 year to date is concerned, we note that:

1. ECM activity has been subdued: #4 IPOs (*Altea Green Power*, *Technoprobe*, *Rocket Sharing Company*, *Farmacosmo*) and less than €40mn raised (net of *Technoprobe*);
2. Trading volumes are getting lower: only #18 companies (out of #174) boast a daily turnover above €50k over the last month;
3. Index performance year to date is negative with ca. two thirds of EGM stocks market prices down at three months and one month date.

Not demanding valuation, but risk of downward revisions

Despite markets turmoil, current market consensus expects 2022E to be another strong year with Aggregated Revenues, EBITDA, EBIT up +24.5% +31% and +67% y/y respectively.

Likelihood of estimate revision is more skewed on the downside thus making the 20% discount of current stock trading multiples (1.6x EV/Sales, 8.9x EV/EBITDA, 16.6x P/E 2022E) vs. six months ago, likely overvalued.

List of stocks where market consensus is positive

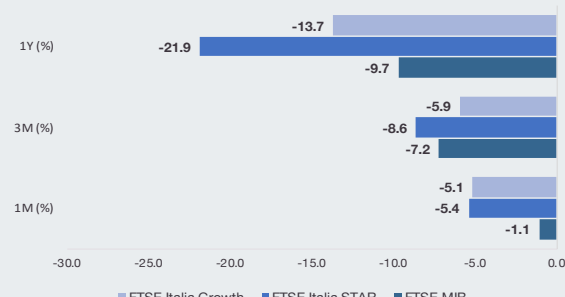
We believe that the current scenario might hide some investment opportunities among those companies that are either:

1. Best-positioned to ride favorable macro trends such as (i) clean energy transition, (ii) increasing defense spending, (iii) buildings renovation fiscal incentives, (iv) Italian NRRP funds, (v) digital transformation;
2. Structurally resilient, thanks to a lower correlation vs. GDP growth.

A list of stocks where market consensus is positive includes (in alphabetical order): *Agatos*, *Altea Green Power*, *Aton Green Storage*, *Comal*, *Compagnia dei Caraibi*, *Cyberoo*, *Digital Value*, *EdiliziAcrobatica*, *ESI*, *Eviso*, *International Care Company*, *Innovatec*, *Officina Stellare*, *Portobello*, *Sciuker Frames*, *Vantea*. These stocks are trading at median 0.9x EV/Sales, 7.5x EV/EBITDA, 14.9x P/E 2022E, while boasting above average growth rates, with ca. 50% Sales CAGR_{21A-23E}.

FTSE Italia Growth 9,749
Mkt Cap (€bn) 14.5

ITALIAN STOCK INDEXES: 1M-3M-1Y PERFORMANCE



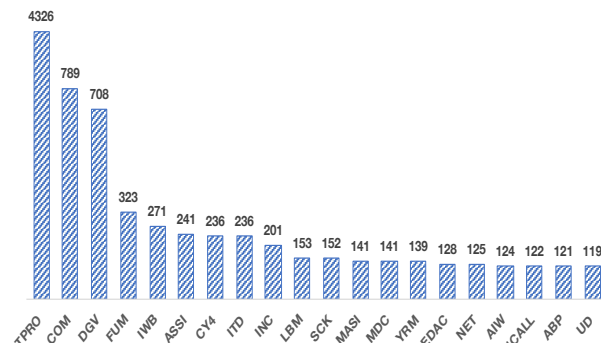
Source: Value Track Analysis

EGM VALUATION BY SECTOR

	EV/Sales (x)	EV/EBITDA (x)	P/E (x)
Energy & Utilities	2.3	8.6	15.5
Telcos	2.7	13.0	22.8
Health Care	1.1	10.9	20.1
Technology	1.9	8.7	18.9
Media	1.1	4.2	12.8
Consumer Goods	1.2	11.9	16.9
Consumer Services	1.5	11.0	11.1
Industrial Goods	1.1	7.0	16.0
Total EGM (*)	1.6	8.9	16.6

Source: Value Track Analysis

EGM STOCKS RANKED BY MKT CAP (€mn)



Source: Value Track Analysis



EGM – What's the deal today?

Euronext Growth Milan is now showing some downturn signs after an outstanding 2021, characterized by 1) #44 new admissions and ca. €828mn raised, 2) brilliant financial KPIs, strongly rebounding after the pandemic, 3) +17% FTSE Italia Growth index return.

2022 has indeed started with gloomy stats, heavily impacted by current economics and geopolitical surroundings: 1) only #4 IPOs (vs. 10 between Jan-May 2021), 2) lower and lower trading volumes, 3) negative index performances. However, not all is lost, as some stocks are reporting significant positive returns YTD thanks to their focus on valuable end-markets.

Introduction

The stance and outlook of all stock markets has deeply changed in the latest months on the back of:

- ◆ The geopolitical uncertainties generated by Russian military attack on Ukraine;
- ◆ A macroeconomic scenario with fears of stagflation, that's to say increasing inflation (driven by higher and higher energy prices and by problems in international supply chain mechanism) coupled with worsening GDP forecasts.

Euronext Growth Milan (EGM) as well has been impacted. Indeed:

- ◆ In 2021 ECM activity was brilliant (€828mn raised, #44 new listings) and stock prices went up (FTSE Italia Growth Index 2021 return ca. +17%), supported by a gradually improving liquidity;
- ◆ In the first four months of 2022 ECM activity has been subdued (net of Technoprobe only €32mn have been raised) and the FTSE Italia Growth index reported a negative -5.9% return, though overperforming FTSE MIB and FTSE Italia STAR. Trading volumes, as well, are getting lower and lower in the latest few weeks.

A recap on FY21 EGM Aggregated Financials

In our view the key messages that can be drawn from 2021FY EGM reporting season are the following:

1. Aggregate P&L strongly rebounded from Covid-19 affected FY20;
2. More and more EGM companies are achieving relevant size level, with Turnover more than doubling y/y;
3. On average there's a well-balanced capital structure, i.e. debt leverage is manageable.

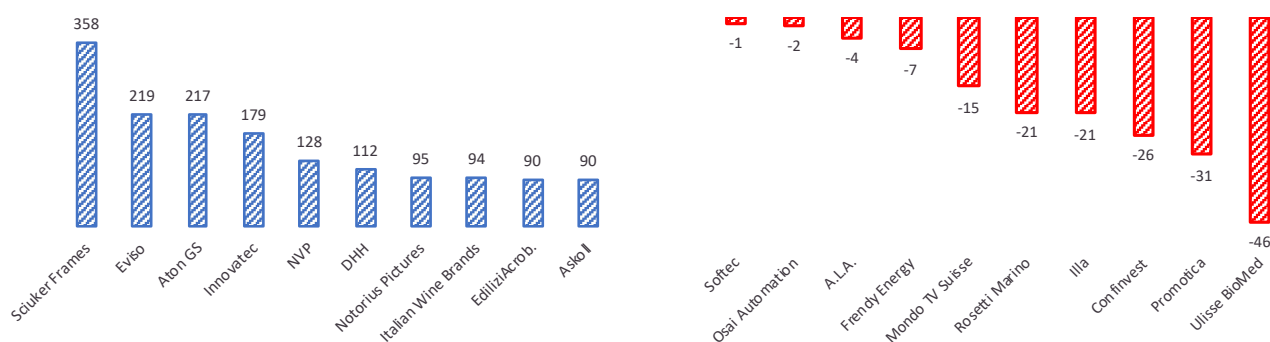
Euronext Growth Milan: Aggregate FY20 – FY21 results at a glance (#146 companies*)

€mn	FY20	FY21	y/y (% , €mn)
Revenues	5,228	6,905	32.1%
EBITDA	712	1,073	50.7%
<i>EBITDA Margin (%)</i>	13.6%	15.5%	+190bps
EBIT	249	510	105.2%
<i>EBIT Margin (%)</i>	4.7%	7.4%	+270bps
Net Profit	136.4	356	160.9%
Net Debt	766	756	-1.3%
<i>Net Debt/EBITDA (x)</i>	1.9x	1.5x	

Source: ValueTrack Analysis on companies' data

(*) Like-for-like comparison, i.e. both FY20 and FY21 figures include the same 146 companies even if not all these companies were listed as of December 2020. We excluded from our analysis #3 stocks suspended for much part of the year, (Sirio, Vetrya and ABC Company), #2 SPACS, (Revo and Industrial Stars of Italy 4), 4AIM Crowdfunding Compartment 2, #19 stocks that until the end of April haven't provided FY2021 financial statements, #2 stocks with fiscal year ending as of June 30th (Assiteca and ABP Nocivelli).

Top and Bottom 10 companies for 2021/20 Revenue Growth



Source: Value Track analysis on companies' data. FY21 positions

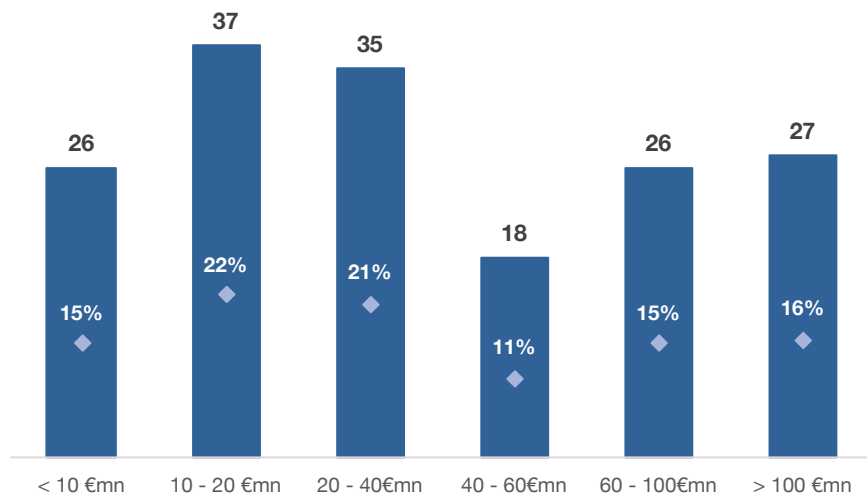
EGM as of today - Key Stats and Figures

As of the half of May 2022, **#174 companies were actively listed on Euronext Growth Milan** (4AIM counted as one), representing nine industries and **aggregate €14.2bn Market Cap**, (at current stock market price, including 171 companies, i.e. net of #2 SPACS and 4AIM Crowdfunding).

Market Capitalization differences across companies remain wide, ranging from €0.7mn of Visibilia Editore to ca. €4.3bn of Technoprobe.

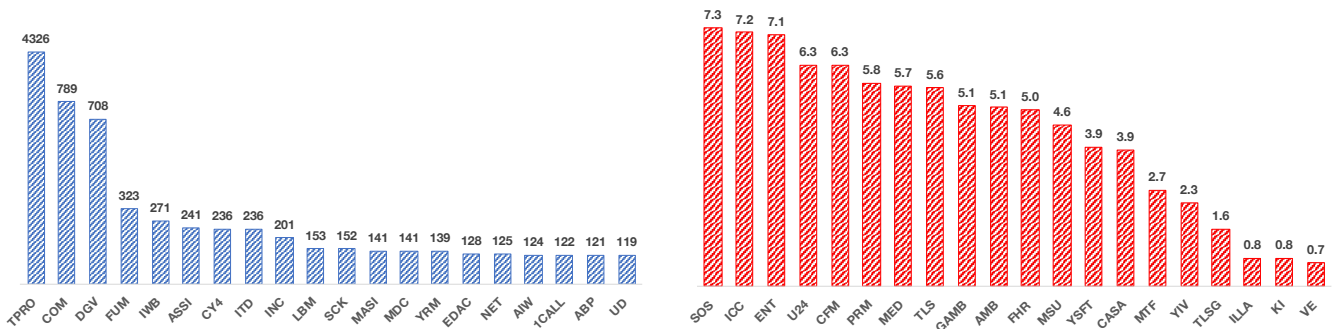
However, despite less than 1/2 of listed companies (#73) are currently trading at Market Cap lower than €40mn threshold (#26 lower than €10mn Mkt Cap), **the number of companies boasting a greater than €100mn Market Cap is increasing year by year, and now stands at 27**. Three companies are above the €500mn Mkt Cap threshold (Technoprobe, Comer, Digital Value).

Euronext Growth Milan: Number of companies by Market Cap.



Source: Borsa Italiana, Value Track Analysis

Top / Bottom 20 stocks by Market Cap.

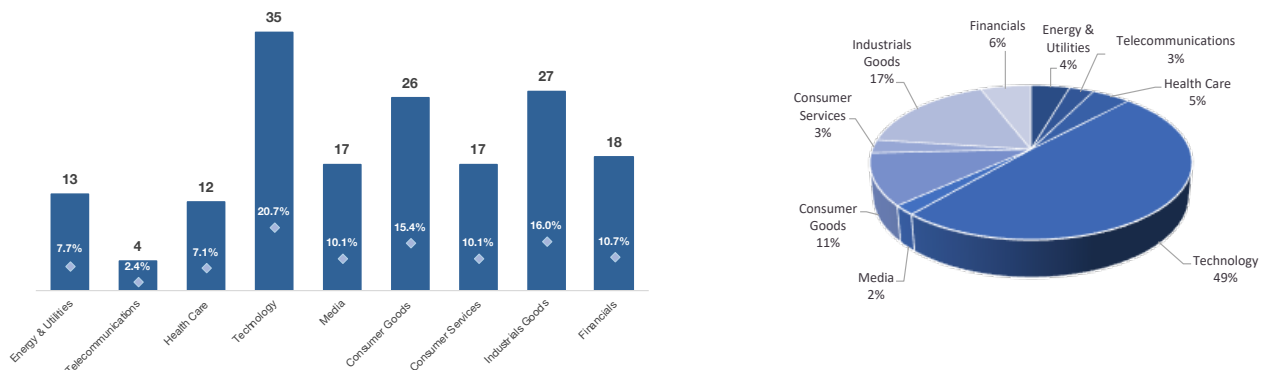


Source: Borsa Italiana, Value Track analysis

In terms of market structure by sector, we highlight:

- ◆ There's a good diversification in terms of industry composition. Only *Teleco* industry is currently represented by a number of firms in the single-digit space;
- ◆ *Technology* is the first industry by total Market Cap (€2.6bn, ca. 27% of total), not even considering Technoprobe.

Euronext Growth Milan: Number of companies by Market Cap and Industry



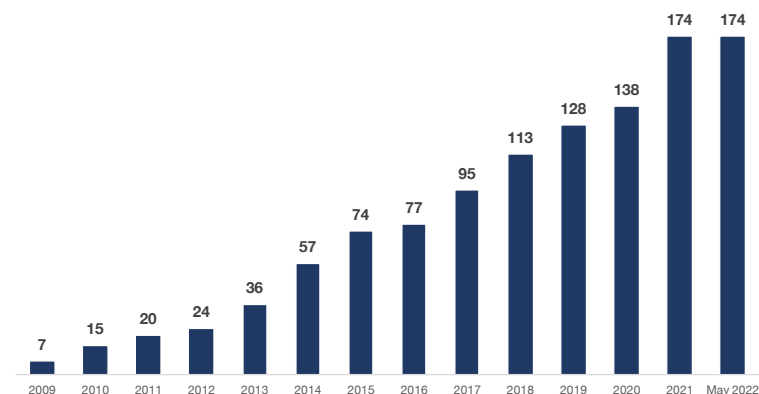
Source: Borsa Italiana, Value Track analysis

ECM Activity: So brilliant in 2021, so gloomy in first four months of 2022

The change in EGM stance and outlook is more than clear if we look at ECM activity and at post-IPO performances of newly listed stocks:

- ◆ **2021 - #44 companies have been admitted** to Euronext Growth Milan (€826mn Capital Raised, that is on average €19.2mn), while 6 companies have been delisted (*Capital for Progress*, *Elettra Investimenti*, *CFT*, *Amm*, *Eurocosmetic*, *Vetrya*), and #3 companies moved to MTA (*AbitareIn*, *Antares Vision* and *FineFoods & Pharmaceuticals*);
- ◆ **2022 to date - only #4 companies have been admitted** to Euronext Growth Milan (*Altea Green Power*, *Technoprobe*, *Rocket Sharing Company* and *Farmacosmo*, €32mn Capital Raised net of Technoprobe IPO worth ca. €781mn, that is **on average €10.5mn**), and **#3 companies have been delisted** (*Energica Motor Company*, *SITI B&T*, *Sirio*).

Euronext Growth Milan: # of listed companies evolution since 2009



Source: Borsa Italiana, Value Track Analysis

Euronext Growth Milan: Listings since Jan '21

Company	Date	Offer (€mn)	Company	Date	Offer (€mn)
Vantea Smart	27-gen	5.1	Defence Tech Holding	29-ott	25
Almawave	11-mar	30	Medica	03-nov	22.9
Casasold	18-mar	2.7	Soluzione Tasse	05-nov	13
A.B.P. Nocivelli	30-mar	11	Cofle	11-nov	15
Reevo	06-apr	5.5	Racing Force	16-nov	31.1
Premia Finance (*)	26-apr	1.1	Nice Footwear	18-nov	5.5
Jonix	04-mag	6.2	Take Off	25-nov	12.5
Acquazzurra (*)	13-mag	2	Alfonsino	22-nov	4
G Rent	26-mag	3.3	Datrix	03-dic	15
Revo	26-mag	220	Intl. Care Company	08-dic	2.5
4AIM **	08-giu	2	Svas Biosana	09-dic	23
Aton Green Storage	17-giu	10	SIF Italia	16-dic	2.8
MeglioQuesto	28-giu	17.2	Sababa Security	17-dic	9
Id-Entity	06-lug	2.9	Lindbergh	20-dic	4.5
Spindox	06-lug	7	Estrima	20-dic	15
Industrial Stars of Italy 4	08-lug	138	Homizy	21-dic	10
Ala	20-lug	25	Iscc Fintech	21-dic	14.5
Giglio.Com	23-lug	10.6	Directa Sim	22-dic	6.8
Compagnia dei Caraibi	28-lug	13.8	Star7	23-dic	1.8
Omer	04-ago	25.4	Finanza.tech	29-dic	3.5
Nusco	04-ago	4.6	Altea Green Power	1-feb 22	4.4
Ulisse BioMed	06-ago	5	Technoprobe	15-feb 22	780.9
Destination Italy	19-ott	3.5	Rocket Sharing	28-feb 22	4
Intermonte Partners Sim	21-ott	38.5	Farmacosmo	30-mar 22	23

Source: Borsa Italiana, ValueTrack Analysis (*) Admitted to professional segment

Euronext Growth Milan: Delistings and transilisting since Jan '21

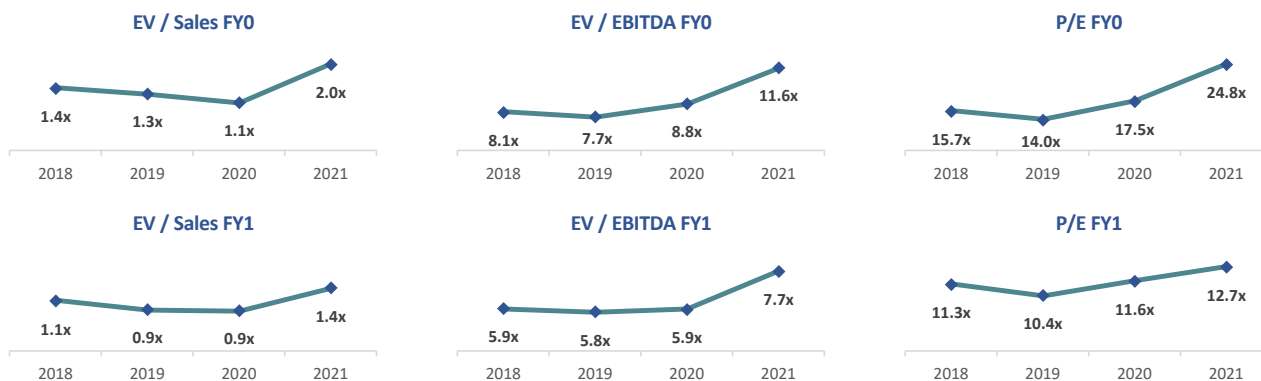
Company	Date	Delisting Type
Capital for Progress	04-gen 21	Voluntary basis
Abitare In	01-mar 21	STAR
CFT	22-mar 21	Tender Offer
Antares Vision	05-may 21	STAR
Elettra Investimenti	04-jun 21	Tender Offer
FineFoods & Pharmaceuticals	12-jul 21	STAR
AMM	27-jul 21	Tender Offer
Vetrya	11-nov 21	Insolvency Procedure
EuroCosmetic	28-dec 21	Tender Offer
Energica Motor Company	14-mar 22	Tender Offer
SITI B&T	21-mar 22	Tender Offer
Sirio	19-apr 22	Insolvency Procedure

Source: Borsa Italiana, ValueTrack Analysis

As far as IPO multiples and post IPO stock price performances are concerned, we note:

- ◆ Average EV/EBITDA FY1 IPO multiples increased at 7.7x, from 5.9x in 2020;
- ◆ Only 5 names recorded negative returns (ca. -16% on average) while, on the contrary, **17 stocks** experienced a **remarkable positive performance** (>40% on average);
- ◆ **Positive correlation** between **oversubscription** multiple and **1-week IPO performance**.

EGM IPO Multiples 2018 - 2020



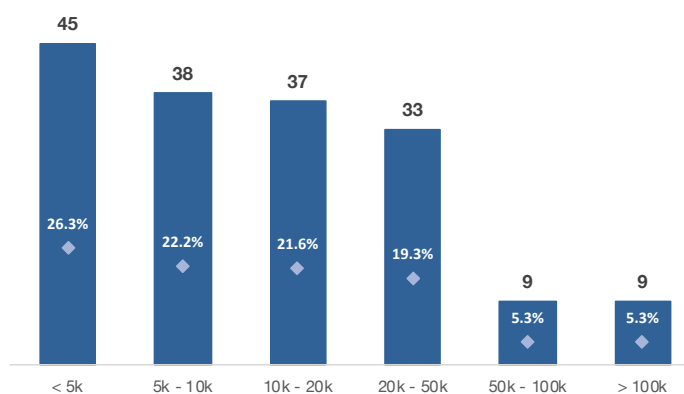
Source: Value Track Analysis

Market Liquidity starting to be negatively affected by top down scenario

Technoprobe IPO influenced EGM trading volumes in the first three months of 2022, all up y/y. Indeed, as of the end of 1Q22, **quarterly turnover** amounted at €1.1bn (net of Technoprobe), up +14.6% y/y. However:

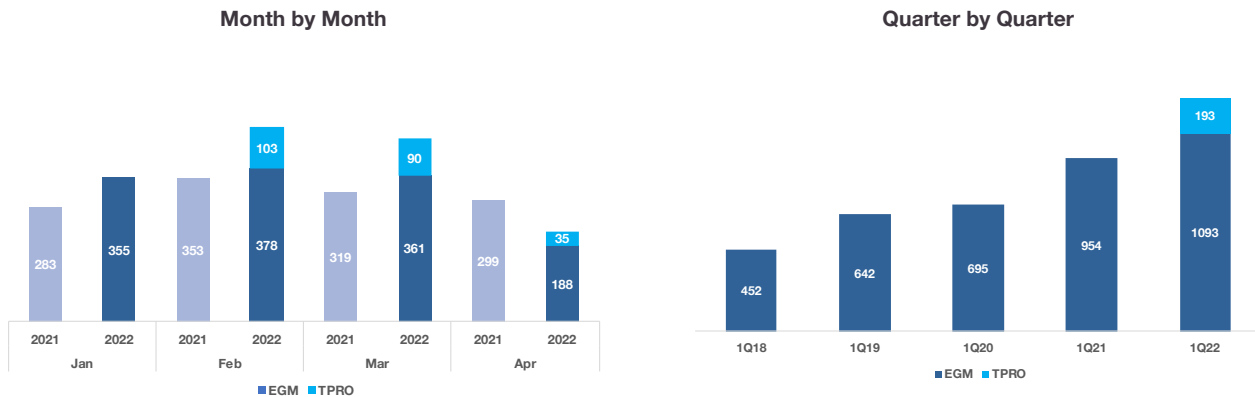
- ◆ The number of companies with daily turnover - calculated as the average of the latest 30 days - above the €50k threshold remains very small (#18 companies), corresponding to 10.6% of total companies listed in EGM;
- ◆ **The countervalue of Trading volumes in April 2022 was down y/y and m/m.**

Euronext Growth Milan: Latest 30 days Volume Turnover by cluster



Source: Borsa Italiana, Value Track Analysis

Euronext Growth Milan: Monthly and quarterly countervalue of Trading Volumes (€mn)



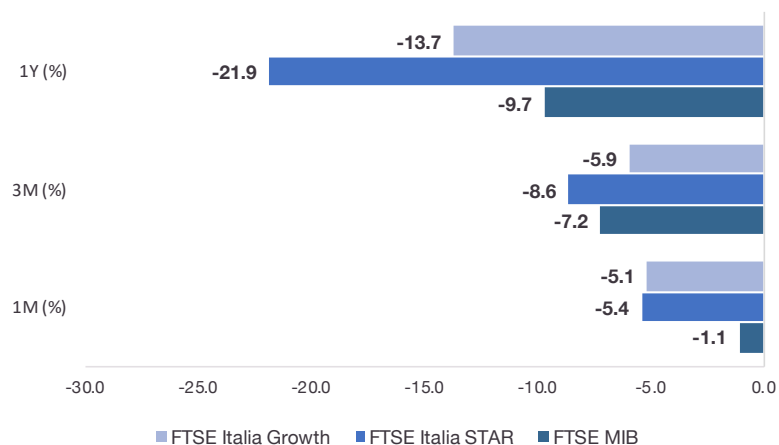
Source: Borsa Italiana, Value Track Analysis

Indexes Performance down in 2022 year-to-date

As a consequence of the gloomier scenario, all Italian Stock Market Indexes are down year-to-date. More in particular:

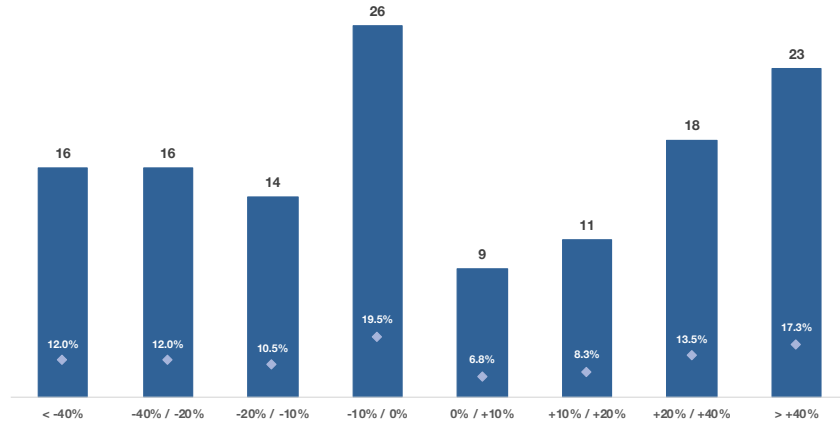
- ◆ **1-year return of Euronext Growth Milan is negative (-13.7%)**, underperforming if compared to FTSE MIB index, which reported a +3.0% 1-year return and overperforming if compared to FTSE Italia STAR index, which reported a -8.3% 1-year return;
- ◆ A different scenario can be noticed by looking at the 3-months performance, with **the FTSE Italia Growth index reported a negative return (-5.9%)** overperforming other indices;
- ◆ **EGM is showing a negative result also in the short run** (1-month performance), however below those recorded in the medium run, ca. 4% less than FTSE MIB index;
- ◆ Only one third of EGM stocks boast market prices up at three months and one month date.

EGM Index Performance vs. Italian Indices

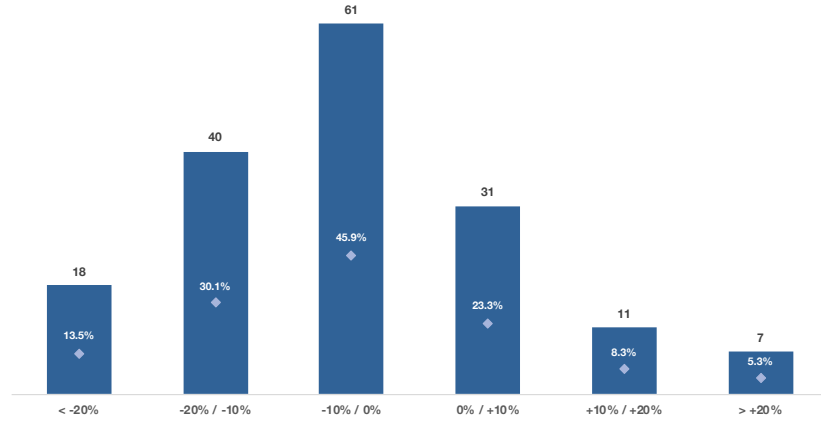


Source: Borsa Italiana, Value Track Analysis

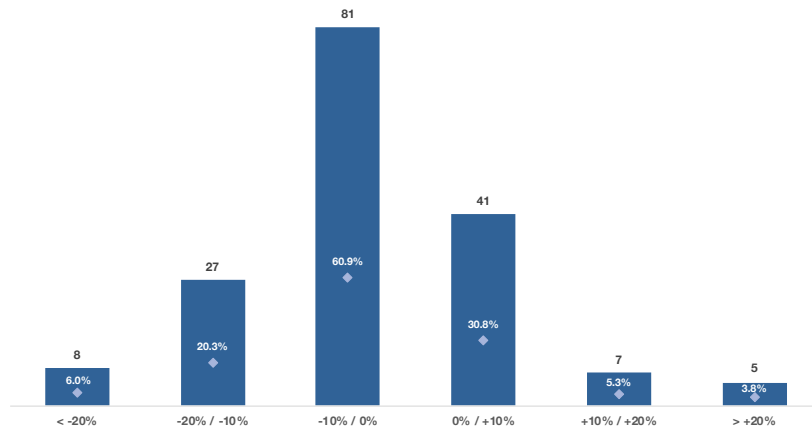
Euronext Growth Milan: Absolute Performance 1-year by cluster



Euronext Growth Milan: Absolute Performance 3-months by cluster



Euronext Growth Milan: Absolute Performance 1-month by cluster



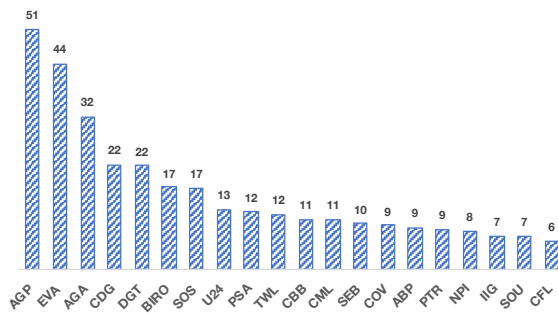
Source: Borsa Italiana, Value Track Analysis

Below we provide six charts relating to 1m, 3m, 1y Top and Bottom Stocks Performance. We highlight:

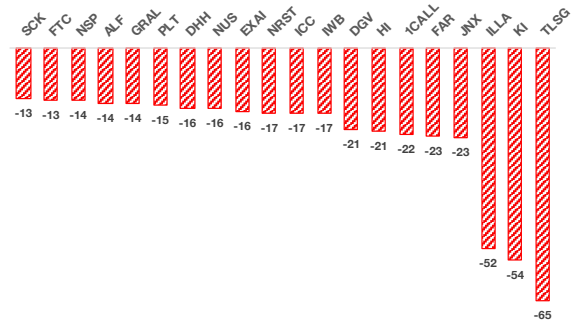
- ◆ *Altea Green Power* as the best 1-month stock performance (+ 51%) because of both renewable transaction and re-power hype;
- ◆ *Fedon*, the best 3-months stock performance (+ 126%) due to PTO launched by Luxottica;
- ◆ *Innovatec*, (+236% 1 year performance) thanks to its business' focus on renewables and circular economy and to 110% fiscal incentives;
- ◆ *KI Group, The Lifestyle Company, Illa, Prismi*, all being down more than 50% in the latest three months.

Euronext Growth Milan: Stock Performance Top and Bottom

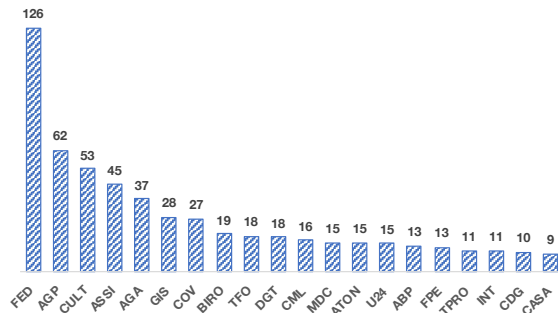
1-month, Top



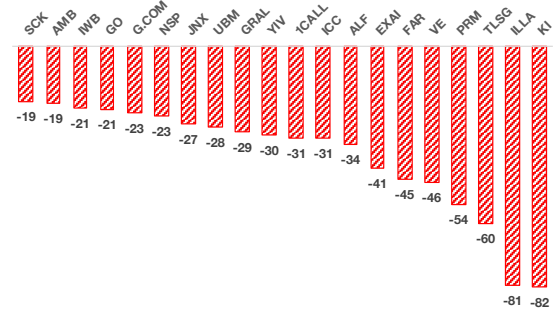
1-month, Bottom



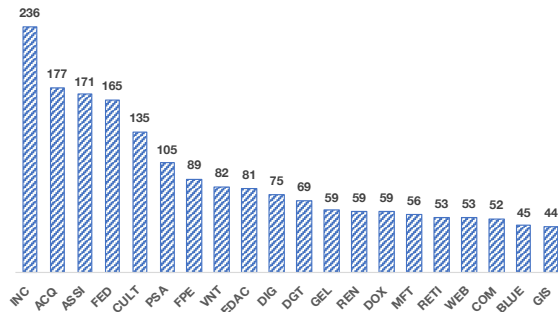
3-months, Top



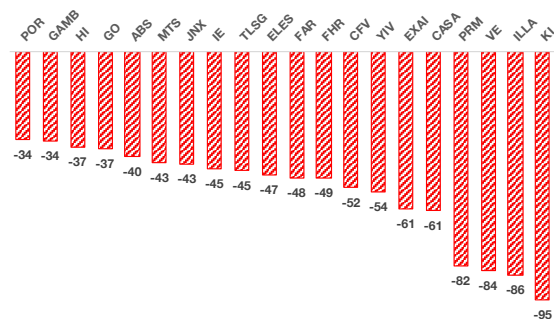
3-months, Bottom



1-year, Top



1-year, Bottom



Source: Value Track Analysis on companies' data.

EGM - What's ahead?

Euronext Growth Market is currently trading at average 1.6x EV/Sales, 8.9x EV/EBITDA, 16.6x P/E 2022E, embedding 20% discount compared to 6 months ago and reflecting the huge market correction post-Tech stocks sky high valuations, inflationary data and Ukraine invasion.

Financial markets are still in big turmoil but market consensus expects another year of positive economic/financial performance for EGM, with much upside potential for certain domestic stocks.

We believe there is space for some investment opportunities among those companies that are either best-positioned to ride favorable macro trends or more resilient than others, including being less correlated with GDP growth.

Introduction

Given the current macroeconomic scenario, financial markets do not seem to have a bright future ahead. However, market consensus believes that 2022 should be another positive year for EGM in terms of economic/financial performance, with aggregated turnover, margins and financial leverage expected to enhance with respect to 2021.

That said, we think that the sell-off of last months might hide some investment opportunities, especially considering those stocks that still boast much upside potential, both in terms of target price and potential IRR and given their direct or indirect exposure to either:

- 1. Favorable macro trends**, i.e. (i) clean energy transition, (iii) increasing defense spending (including cyber security), (iii) fiscal incentives related to the various buildings renovation bonuses, (iv) Italian NRRP funds, (v) digital transformation;
- 2. Strong resilience** history, i.e. companies that have either rapidly recovered from Covid-19 implications (with sound FY21 financials also exceeding FY19 financial performance) or less exposed to GDP (stagnant) growth.

Expected Financials FY22

Taking into consideration all EGM companies but for those that went public in 2022, we calculate that market consensus expects 2022E to be another strong year. Indeed:

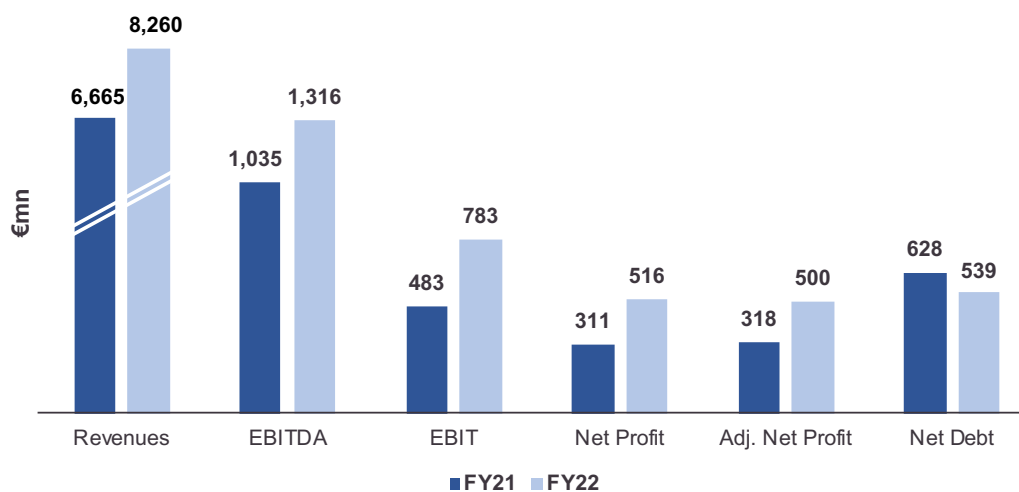
- ◆ Aggregated Revenues are seen up +24.5% y/y;
- ◆ EBITDA and EBIT are forecasted up a more than proportional +31% and +67% y/y respectively;
- ◆ EBITDA and EBIT margin up by ca. 80bps and 250bps to 16.3% and 9.9% respectively;
- ◆ Net Profit forecasted up +64% y/y.
- ◆ Net Debt / EBITDA ratio reducing at just 0.5x (vs. 1.5x of FY21).

However, we suggest a cautious approach on these estimates considering that EGM is a market dominated by growth companies, likely to suffer if the macroeconomic scenario deteriorates further.

Euronext Growth Milan: Aggregate FY21A– FY22E comparison (#146 companies)(*)

€mn	FY21A	FY22E	y/y (% , €mn)
Revenues	6,905	8,597	+24.5%
EBITDA	1,073	1,402	+30.6%
<i>EBITDA Margin (%)</i>	<i>15.5%</i>	<i>16.3%</i>	<i>+80bps</i>
EBIT	510	851	+66.5%
<i>EBIT Margin (%)</i>	<i>7.4%</i>	<i>9.9%</i>	<i>+250bps</i>
Net Profit	356	584	+63.7%
Net Debt	756	428	-43.3%
<i>Net Debt/EBITDA (x)</i>	<i>1.5x</i>	<i>0.5x</i>	

Source: ValueTrack Analysis on companies' data, Value Track Estimates for those companies without equity research provider
 (*) FY22 including the same companies previously analyzed for FY21-FY20 performance, i.e. also net of 2022 IPO

FY21A vs FY22E Key Aggregate financial figures (#130 companies)(*)


Source: ValueTrack analysis on consensus, Revenues bars are adjusted for better visibility, (*) # Companies net of Financial stocks

Valuation Analysis: where EGM stands now

Stock Multiples at Current Market Prices

Based on current market prices and on our data set of #151 companies, i.e. #174 companies listed as of May 2022 net of *ABC Company*, *Rocket Sharing Group* (with no coverage yet) and Financial sector stocks, we calculate that **EGM is trading at average 1.6x EV/Sales, 8.9x EV/EBITDA and 16.6x P/E FY1 (2022E)**, i.e. at ca. 20% discount vs. our last snapshot of November 2021, reflecting the substantial market correction of recent months.

Euronext Growth Milan – Stock Multiples @ Current Mkt Price by Sector

Sector	# Stocks	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
			FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Energy & Utilities	13	554.3	3.3	2.3	1.9	12.8	8.6	6.5	28.8	15.5	13.6
Telcos	4	410.0	3.4	2.7	2.3	10.7	13.0	8.6	27.5	22.8	21.0
Health Care	12	359.1	1.4	1.1	1.5	9.6	10.9	10.8	20.1	20.1	17.9
Technology	35	1,859.8	2.2	1.9	1.5	13.3	8.7	6.7	23.5	18.9	14.1
Media	17	285.5	1.5	1.1	0.9	4.6	4.2	3.8	15.7	12.8	7.9
Consumer Goods	26	1,148.9	1.3	1.2	1.0	12.5	11.9	7.3	15.9	16.9	15.8
Consumer Services	17	247.4	2.1	1.5	1.0	7.0	11.0	8.7	17.6	11.1	12.8
Industrial Goods	27	1,955.8	1.3	1.1	1.1	9.3	7.0	5.1	17.2	16.0	10.6
Total EGM (No. FIN)		6,820.8	1.9	1.6	1.3	10.5	8.9	6.7	20.0	16.6	13.3

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

As expected, *Technology* is the most impacted sector, trading ca. 34% lower than 6 months ago, followed by *Industrial Goods* (27%) and *Consumer Services* (23%).

On the other hand, *Media* and *Health Care* industries are the least penalized, - 2% and -6%, respectively. No sector is trading in line or at premium with respect to our report of November.

Valuation Analysis: where EGM should stand in the future

Stock Multiples at Fair Value

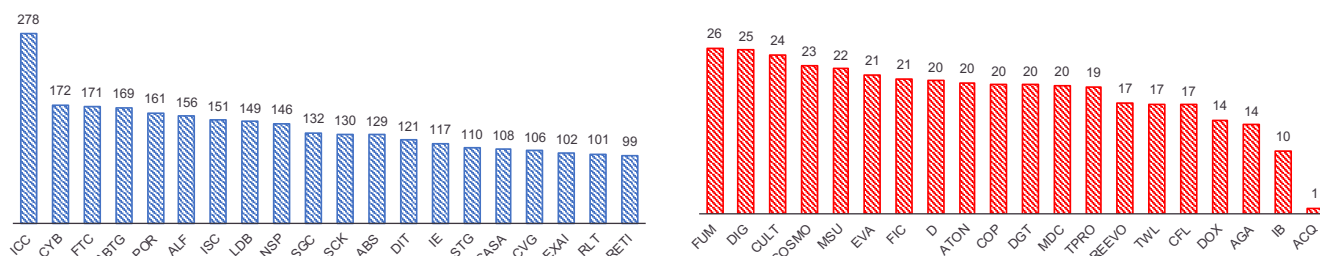
We looked at the implicit upside between the market consensus fair value per share of each EGM stock (considering #129 stocks with equity research coverage and no taking into account financial stocks) vs. its current market price, hereby providing top #20 and bottom #20 companies for this analysis.

We highlight that:

- ◆ There are #9 stocks with an upside potential of over 100% (i.e. expected to more than double their current market price) and #8 stocks with an upside lower than 20%;
- ◆ *Technology* and *Consumer Services* are the most represented sectors in the top #20 standing; however, *Technology* is also the prominent industry in the bottom 20 as well, with some stocks that have been closing the gap with their fair value despite recent market turmoil (e.g. *Digital360*);

- ◆ *International Care Company, Cyberoo, Finanza.tech* are the top #3 companies for potential upside, based on market consensus fair value, while *Acquazzurra, Iniziative Bresciane, Agatos* are the worst #3 (*UCapital24* has negative upside as it is trading above its consensus fair value);
- ◆ Interestingly, *Sicuker Frames*, despite a very positive 1Y performance still bears a 130% potential upside.

Top and Bottom 20 Companies by Fair Value Upside vs. Current Mkt Price (%)



Source: Borsa Italiana, Value Track analysis

At fair value levels, EGM would trade at 2.1x EV/Sales, 11.7x EV/EBITDA and 19.9x P/E 2022E, i.e. at ca. 30% premium vs. current multiples and with EV/Sales figures almost in line with what the market was trading back in November 2021.

Euronext Growth Milan – Stock Multiples @ Fair Value by Sector

Sector	# Stocks (*)	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
			FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Energy & Utilities	10	718.1	3.3	2.4	2.0	16.6	11.0	8.4	18.9	16.4	14.3
Telcos	3	553.0	4.1	3.4	2.9	14.8	12.4	9.2	29.3	32.1	21.9
Health Care	10	495.4	2.0	1.6	1.4	10.6	13.7	10.2	21.5	22.0	19.7
Technology	33	2,925.8	3.7	2.7	2.3	19.1	13.3	10.4	33.0	26.4	21.0
Media	12	450.0	1.8	1.3	1.1	5.6	6.1	5.0	6.8	9.3	11.2
Consumer Goods	23	1,667.7	1.8	1.6	1.3	13.9	13.5	9.9	20.8	19.6	17.5
Consumer Services	12	354.7	3.3	2.2	2.0	17.3	12.1	9.3	26.1	12.9	15.0
Industrial Goods	26	2,606.1	2.1	1.8	1.7	13.5	10.9	8.1	22.8	20.7	16.2
Total EGM (No. FIN)		9,770.8	2.7	2.1	1.8	14.3	11.7	9.0	23.1	19.9	17.2

Source: ValueTrack analysis on market consensus (as of 11/05/2022) (*) 22 stocks not considered due to no target price available

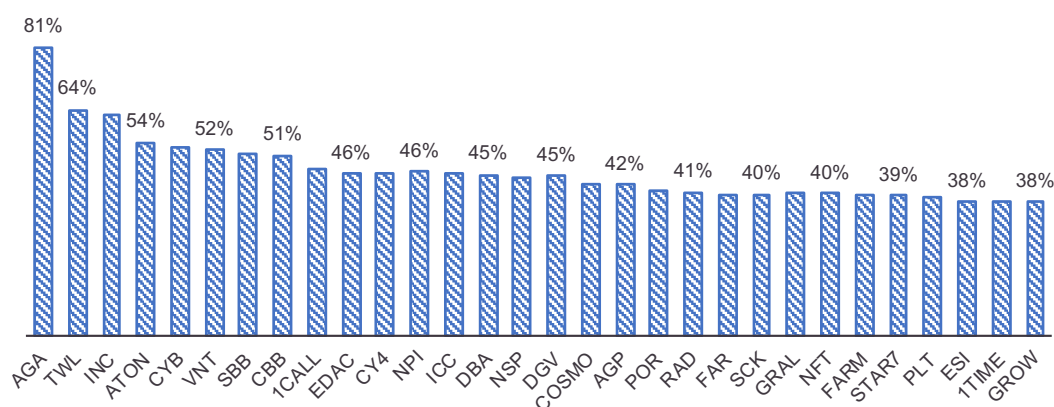
Stocks Upside based on IRR Analysis

We performed an IRR Analysis based on market consensus estimates, and assuming a two years investment horizon and exit multiples equal to current ones or converging at sector average values or a combination of the two, depending on current over or under valuation with respect to each stock's comparables.

Here below the 30 companies boasting the higher expected IRR:

- ◆ *Agatos, TraWell, Innovatec, Aton Green Storage, Cyberoo* as top #5 stocks;
- ◆ #10 *Technology* companies in the top 30, with #4 (*Cyberoo, Vantea, Sababa, MeglioQuesto*) in the top #10, being exposed to some of the most attractive market segments such as cyber security and AI-enabled omnichannel customer experience;
- ◆ #5 stocks (*Agatos, Innovatec, Aton Green Storage, Altea Green Power, ESI*) in the top 28 belonging to the *Energy* sector and expected to benefit from the clean energy transition trend;
- ◆ #3 stocks (*Innovatec, EdilizAcrobatica, Sciuker*) linked to Ecobonus fiscal incentives.

Top 30 Stocks by Value Track IRR Analysis



Source: Borsa Italiana, Value Track Analysis

EGM Stock Picks based on market consensus figures

We select #16 top EGM picks based on market consensus estimates and taking into account:

- ◆ those **promising macro trends** currently present on the market (clean energy transition, increasing defense spending, buildings renovation fiscal incentives, Italian NRRP funds, digital transformation) and
- ◆ the **resiliency** showed by some companies during the pandemic or by others that we assume less correlated to GDP growth.

These #16 top stocks:

- ◆ Belong to #4 different industries, with the majority active in the Energy sector and exposed to the **clean energy transition** trend (more detail on our thematic report of March 16th, 2022);
- ◆ Trade at **appealing market multiples**, i.e. median 0.9x EV/Sales, **7.5x EV/EBITDA**, 14.9x P/E 2022E;
- ◆ Boast **above average growth rates**, with ca. 50% Sales CAGR_{21A-23E}.

EGM Stock Picks: Current Stock Market Multiples

Company	Sector	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
			FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Comp. dei Caraibi	Consumer	53.6	1.1	0.8	0.7	9.5	6.9	5.3	21.4	13.5	10.7
Agatos	Energy	14.6	1.7	0.6	0.5	nm	6.7	4.8	nm	8.4	5.2
Altea GP	Energy	38.5	7.6	3.1	2.2	22.0	9.7	6.9	38.9	17.0	12.5
Aton GS	Energy	54.3	2.4	1.6	1.4	12.2	8.3	6.4	20.1	13.9	11.8
Comal	Energy	43.2	1.2	0.9	0.7	14.6	10.4	7.2	37.3	20.1	13.1
Cyberoo	Technology	75.5	3.5	1.8	1.0	20.9	4.1	1.7	nm	9.8	4.1
Digital Value	Technology	707.8	1.2	1.0	0.8	12.0	9.3	7.2	23.4	18.8	14.9
EdiliziAcrob.	Consumer	127.9	1.4	1.0	0.9	5.8	4.9	4.3	11.5	8.8	7.9
ESI	Energy	20.6	3.9	0.8	0.7	nm	8.1	6.1	nm	15.8	12.4
Eviso	Energy	59.2	0.7	0.3	0.2	15.6	11.0	8.2	44.6	29.0	21.6
Int. Care Comp.	Consumer.	7.2	1.1	0.7	0.2	11.6	4.7	1.0	nm	26.7	4.6
Innovatec	Energy	200.6	1.1	0.9	0.8	7.7	6.3	5.4	22.4	14.0	10.4
Officina Stellare	Industrial	79.5	nm	nm	4.1	25.5	16.8	9.1	nm	47.9	18.4
Portobello	Consumer	114.5	1.4	0.9	0.6	7.4	4.8	3.3	12.0	7.6	5.3
Sciuker	Consumer	151.8	1.5	1.2	0.8	5.3	4.9	3.3	9.9	13.8	9.5
Vantea Smart	Technology	82.8	2.5	1.4	1.0	24.2	12.2	7.6	46.0	21.2	13.1
Average		114.5	2.2	1.1	1.0	13.9	8.1	5.5	26.1	17.9	11.0
Median		67.4	1.4	0.9	0.8	12.1	7.5	5.7	22.4	14.9	11.3

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

EGM Stock Picks: 2021A-23E financials

Company	Sector	CAGR 2021A-23E (%)			EBITDA Margin (%)			ROE (%)		
		Sales	EBITDA	Net Profit	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Comp. dei Caraibi	Consumer	25%	30%	42%	12%	12%	13%	12%	16%	17%
Agatos	Energy	90%	nm	nm	0%	9%	10%	nm	28%	32%
Altea GP	Energy	71%	66%	76%	35%	32%	32%	60%	30%	29%
Aton GS	Energy	26%	30%	31%	20%	19%	21%	19%	22%	21%
Comal	Energy	22%	36%	69%	8%	9%	10%	9%	15%	19%
Cyberoo	Technology	67%	> 100%	nm	17%	45%	60%	nm	22%	34%
Digital Value	Technology	21%	22%	25%	10%	10%	10%	24%	24%	23%
EdiliziAcrob.	Consumer	23%	13%	21%	24%	21%	21%	50%	42%	34%
ESI	Energy	> 100%	> 100%	> 100%	1%	10%	11%	3%	26%	25%
Eviso	Energy	77%	33%	44%	4%	3%	2%	7%	10%	12%
Int. Care Comp.	Consumer.	29%	> 100%	nm	10%	14%	24%	nm	4%	21%
Innovatec	Energy	17%	19%	47%	14%	15%	14%	108%	75%	58%
Officina Stellare	Industrial	> 100%	62%	83%	77%	58%	46%	13%	11%	23%
Portobello	Consumer	43%	43%	50%	19%	18%	19%	25%	28%	29%
Sciuker	Consumer	39%	29%	2%	28%	24%	25%	39%	32%	32%
Vantea Smart	Technology	55%	75%	87%	10%	12%	13%	15%	25%	28%
Average		52%	85%	66%	18%	19%	21%	30%	26%	27%
Median		41%	36%	47%	13%	15%	17%	19%	24%	27%

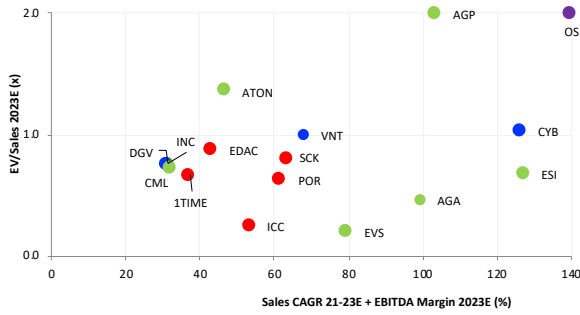
Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Looking at Value Maps, we note a slightly positive correlation between EV/Sales multiples vs the efficiency ratio (Sales CAGR + EBITDA Margin). Interestingly, *Eviso*, *Agatos* and *ESI* are all Energy stocks trading well below the other selected companies, showing some additional potential not currently embedded in their stock valuation.

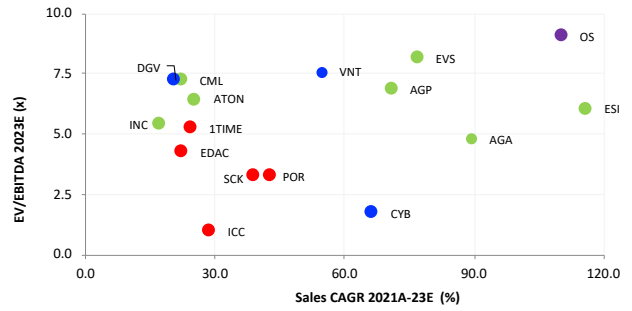
Moreover, from EV/IC vs ROCE chart, different linear correlations depending on reference sectors.

Value Maps: Stock Picks Market Multiples @ Market Prices

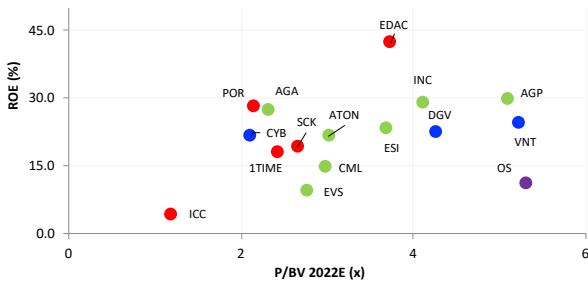
EV/Sales vs (Sales Growth + EBITDA Margin)



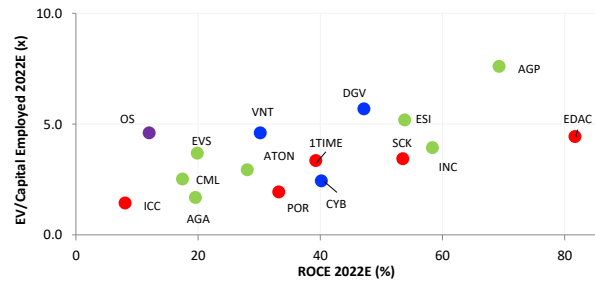
EV/EBITDA vs Sales Growth



PB vs ROE



EV/IC vs ROIC



Source: ValueTrack analysis on market consensus (as of 11/05/2022)

At target price, multiples are obviously more demanding. Indeed, EGM would trade at median 1.7x EV/Sales, 12.5x EV/EBITDA, 22.5x P/E 2022E.

Euronext Growth Milan –Stock Picks Market Multiples @ Fair Value

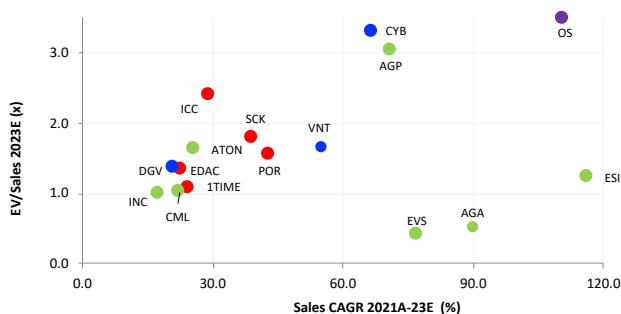
Company	Sector	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
			FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Comp. dei Caraibi	Consumer	81.1	1.8	1.3	1.1	15.2	11.1	8.6	32.4	20.5	16.2
Agatos	Energy	16.6	1.9	0.7	0.5	nm	7.4	5.3	nm	9.6	5.9
Altea GP	Energy	61.1	nm	4.2	3.0	28.9	13.1	9.4	nm	22.5	16.6
Aton GS	Energy	65.3	2.8	1.9	1.6	14.6	10.0	7.8	24.2	16.6	14.2
Comal	Energy	61.5	1.6	1.3	1.0	20.0	14.3	10.1	nm	28.6	18.6
Cyberoo	Technology	100.3	nm	5.4	3.3	nm	11.9	5.6	nm	26.6	11.1
Digital Value	Technology	1,204.8	2.1	1.7	1.4	20.6	16.2	13.0	39.6	31.8	25.3
EdiliziAcrob.	Consumer	187.5	2.1	1.5	1.3	8.6	7.3	6.5	16.9	12.9	11.5
ESI	Energy	34.8	6.6	1.5	1.2	nm	14.3	11.1	nm	26.8	21.1
Eviso	Energy	110.6	1.3	0.5	0.4	nm	21.7	16.9	nm	nm	40.4
Int. Care Comp.	Consumer	27.2	4.7	3.6	2.4	nm	25.7	9.9	nm	nm	17.3
Innovatec	Energy	269.9	1.4	1.2	1.0	10.0	8.1	7.0	30.9	19.4	14.4
Officina Stellare	Industrial	126.5	nm	nm	6.4	nm	26.0	14.1	nm	nm	28.9
Portobello	Consumer	275.1	3.3	2.1	1.6	17.7	11.6	8.3	31.2	19.7	13.9
Sciuker	Consumer	349.7	3.4	2.5	1.8	12.0	10.3	7.3	22.8	31.8	21.9
Vantea Smart	Technology	139.9	4.1	2.4	1.7	nm	20.4	12.8	nm	35.9	22.2
Average		194.5	2.9	2.1	1.9	16.4	14.3	9.6	28.3	23.3	18.7
Median		105.5	2.1	1.7	1.5	15.2	12.5	9.0	30.9	22.5	16.9

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

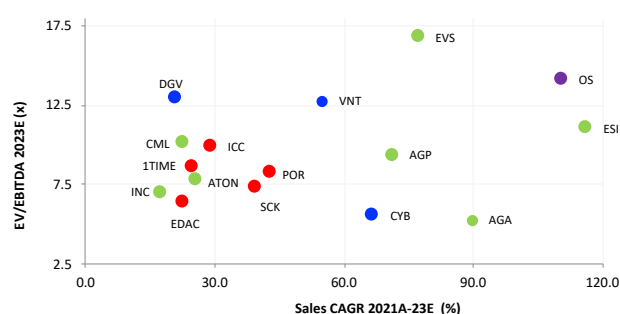
A positively correlated pattern arises if we look at EV/Sales vs Sales CAGR Value Maps at target prices. Here, while some sectors suffered more from the Russian military attack on Ukraine consequence, almost all Energy sector stocks are currently experiencing a Sales CAGR_{21A-23E} at high-double digit due to previsions on the renewable transaction.

Value Maps: Stock Picks Market Multiples @ Fair Value

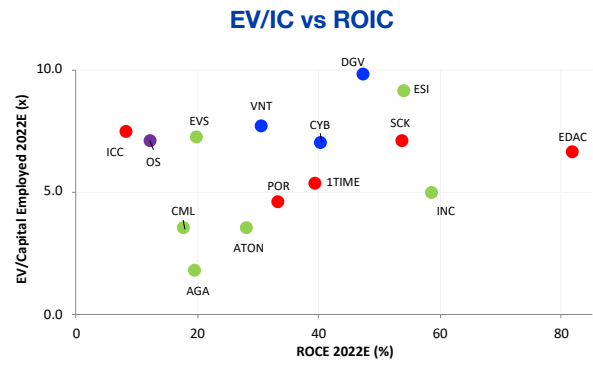
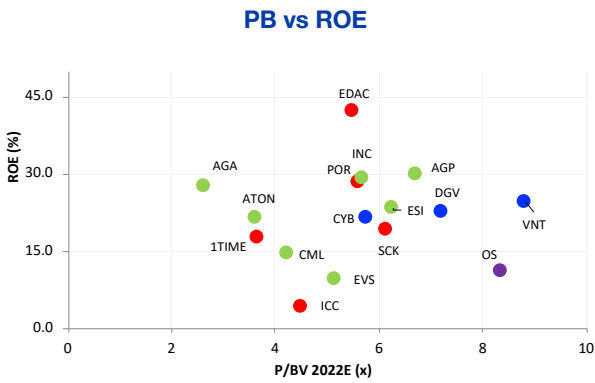
EV/Sales vs Sales Growth



EV/EBITDA vs Sales Growth



Value Maps: Stock Picks Market Multiples @ Fair Value

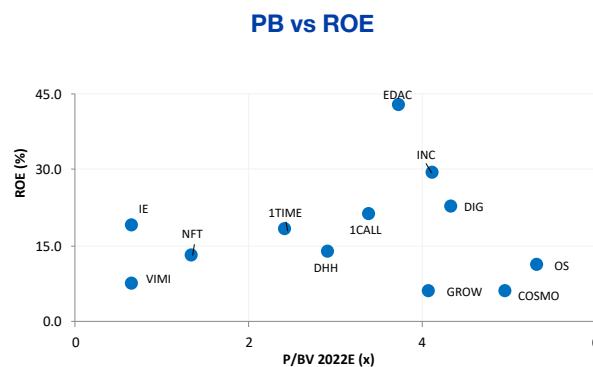
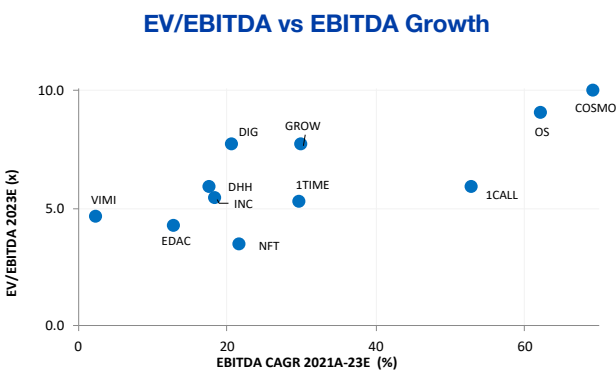
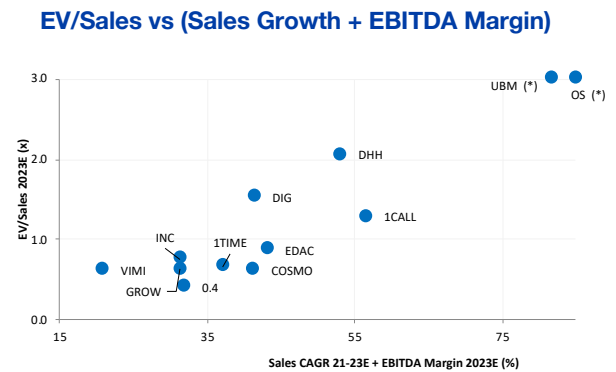
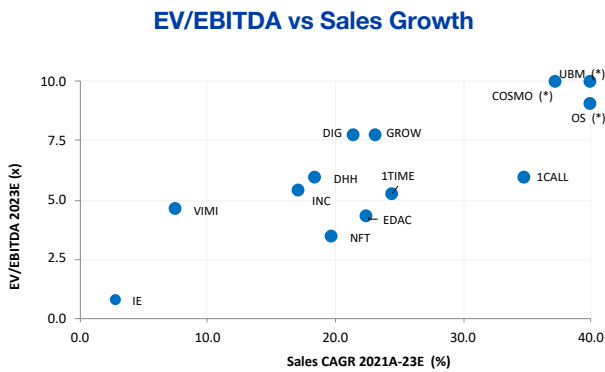


Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Value Track Stocks under coverage @ Market Prices

If we look at PB vs ROE Value Maps of VT stocks under coverage, a little dispersion arises. Interestingly, the highest positive correlation can be found in both EV/Sales vs. Efficiency Ratio (i.e. the sum of Sales Growth rate plus EBITDA Margin) and EV/EBITDA vs Sales Growth.

Value maps: Value Track stocks under coverage @ market prices



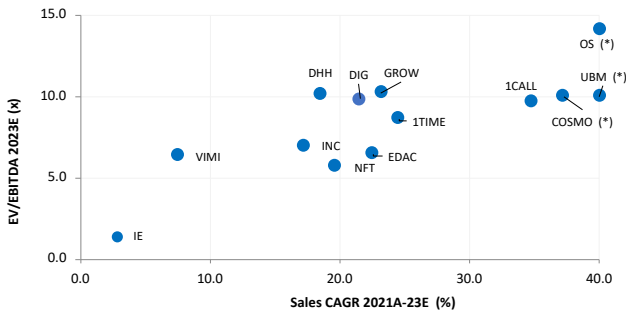
Source: ValueTrack analysis

Value Track Stocks under coverage @ Fair Value

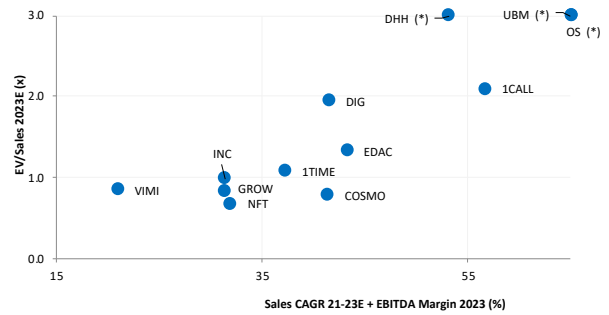
Instead, as regards Value Maps at Target Prices of VT stocks under coverage, the positive correlation stands out in terms of EV/EBITDA vs Sales Growth and EV/Sales vs Efficiency Ratio matching on what Value Maps at Market Prices stated.

Value maps: Value Track stocks under coverage @ Fair Value

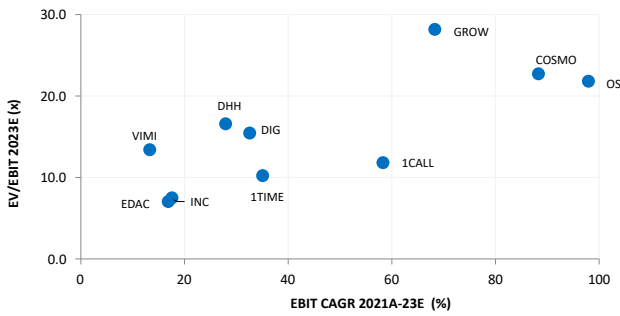
EV/EBITDA vs Sales Growth



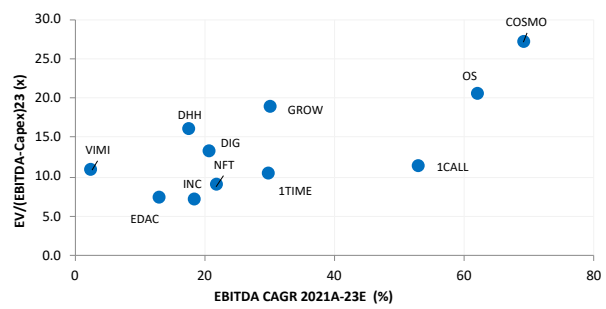
EV/Sales vs (Sales Growth + EBITDA Margin)



EV/EBIT vs EBIT Growth



EV/(EBITDA-Capex) vs EBITDA Growth



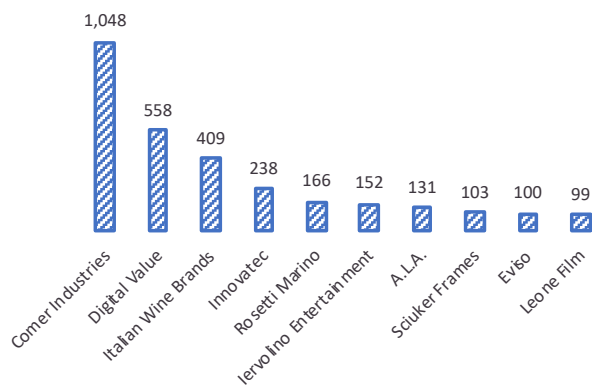
Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Appendix

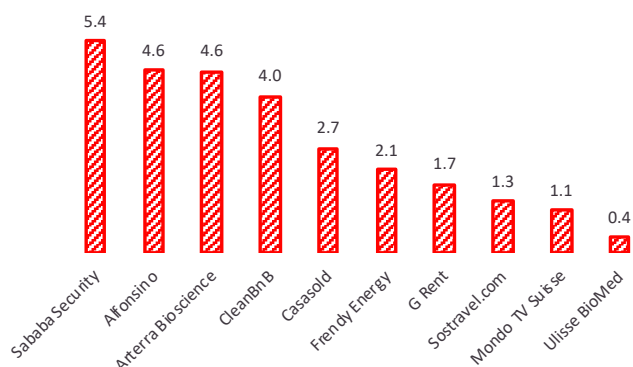
EGM companies ranked by size (FY21)

Top / bottom companies in terms of P&L figures (€mn)

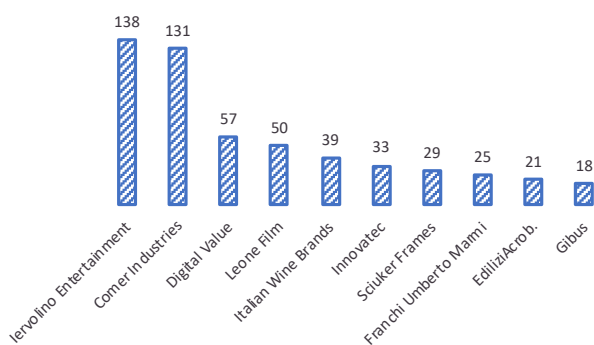
Top 10 by Revenues FY21



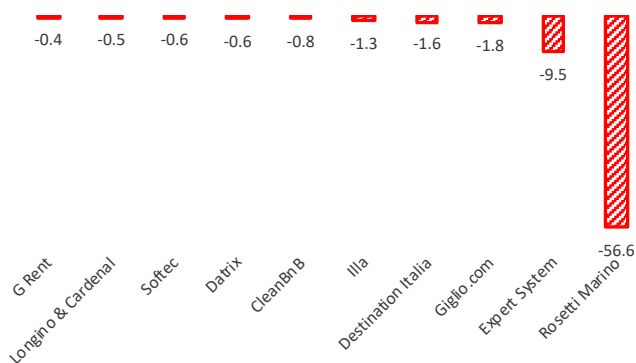
Bottom 10 by Revenues FY21



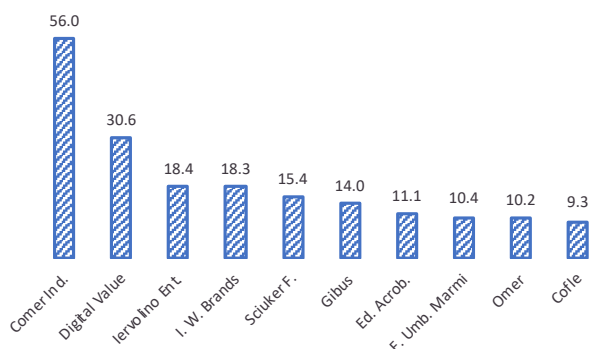
Top 10 by EBITDA FY21



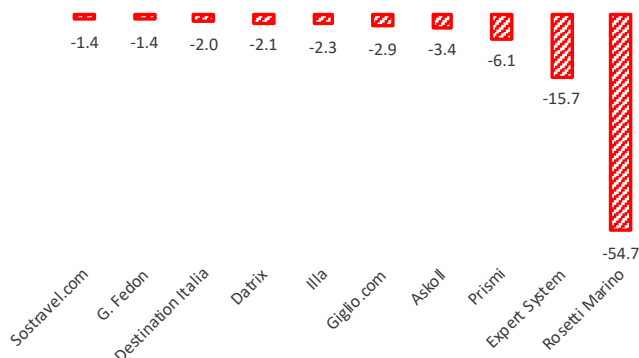
Bottom 10 by EBITDA FY21



Top 10 by Adjusted Net Profit FY21



Bottom 10 by Adjusted Net Profit FY21

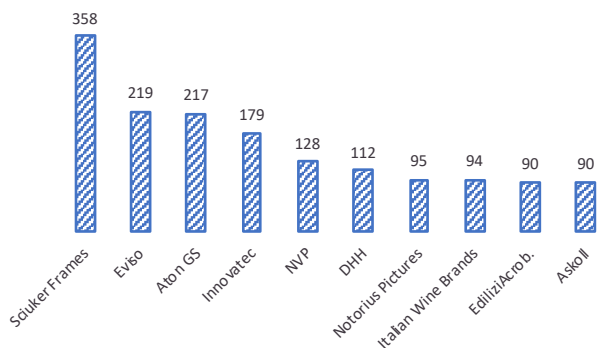


Source: ValueTrack analysis on companies' data.

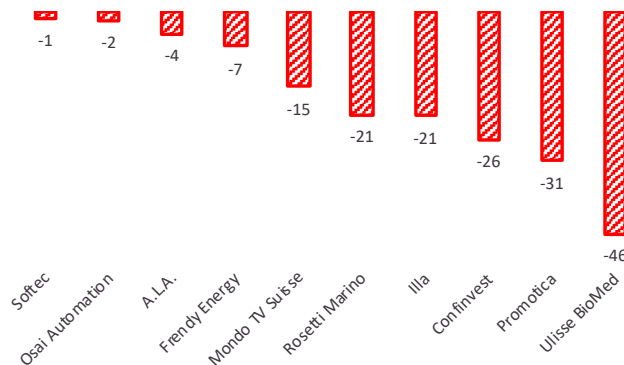
EGM companies ranked by growth (FY21 vs. FY20)

Top companies in terms of P&L figures growth FY21/FY20 (% , y/y)

Top in meaningful Revenues growth FY21/FY20 (*)

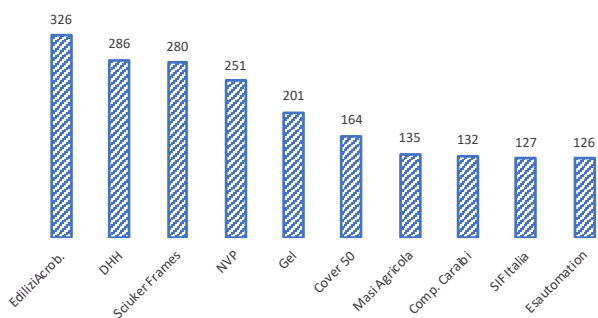


Bottom in Revenues growth FY21/FY20

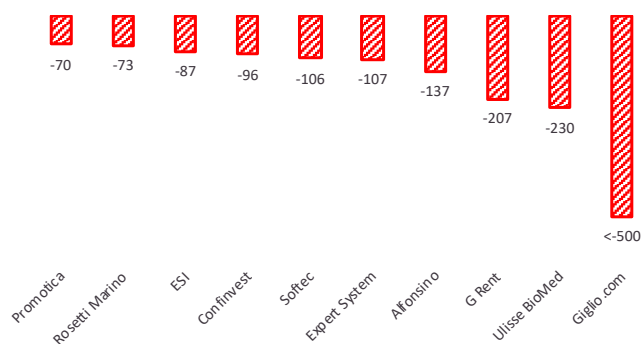


(*) Revenues above €5mn in FY20 and FY21

Top in EBITDA growth FY21/FY20 (*)

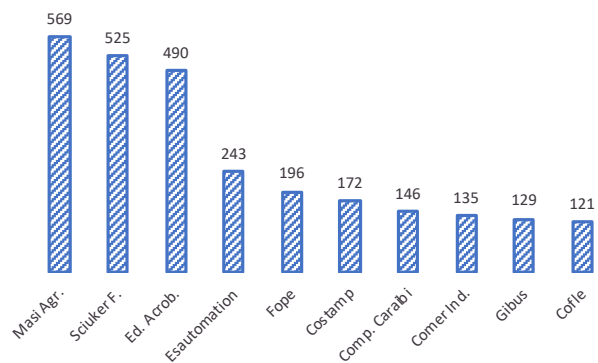


Bottom in EBITDA growth FY21/FY20

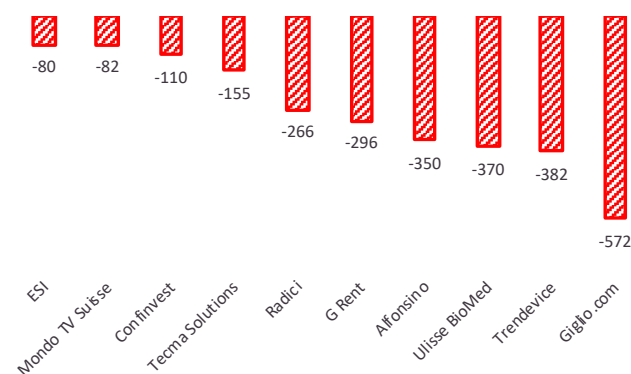


(*) EBITDA above €1mn in FY20 and FY21

Top in EBIT growth FY21/FY20 (*)



Bottom in EBIT growth FY21/FY20



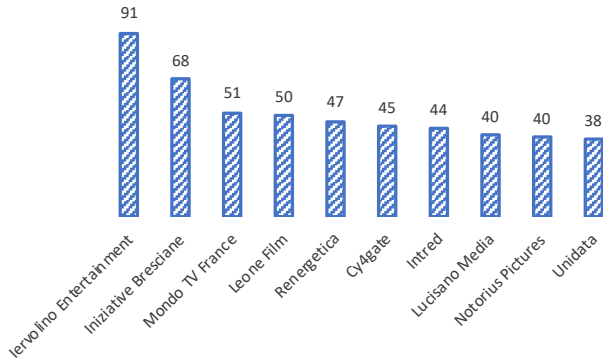
(*) EBITDA above €1mn in FY20 and FY21

Source: ValueTrack analysis on companies' data.

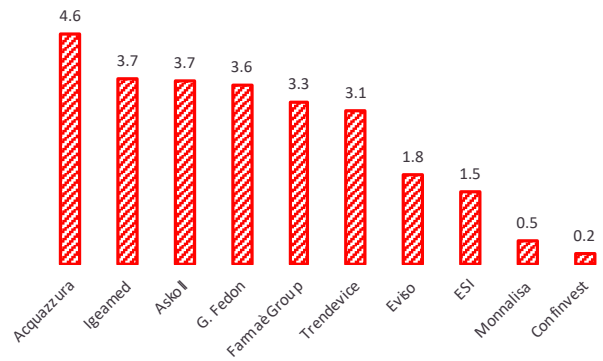
EGM companies ranked by profitability (FY21)

Top / Bottom companies in terms of profitability ratios FY21 (%)

Top 10 for meaningful % EBITDA margin FY21 (*)

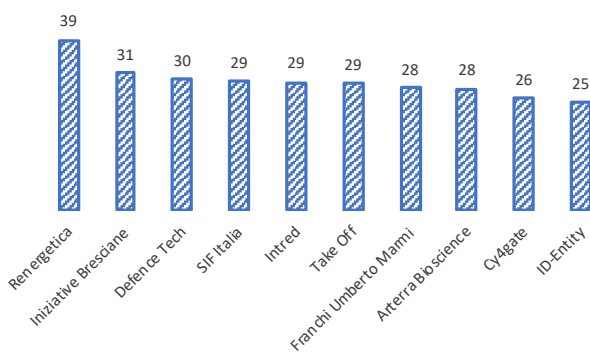


Bottom 10 for meaningful % EBITDA margin FY21 (*)



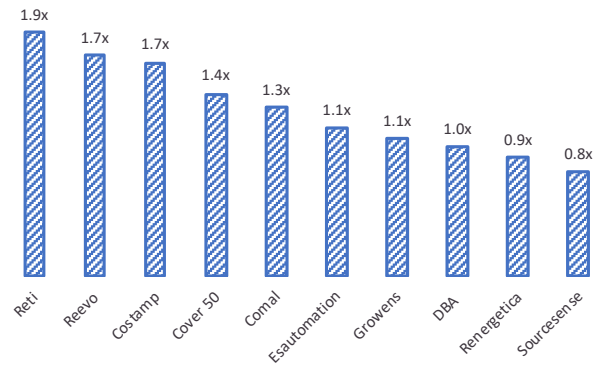
(*) EBITDA FY21 above €2mn

Top 10 for meaningful % EBIT margin FY21 (*)



(*) Positive revenue growth y/y

Top 10 for meaningful FCF/EBITDA FY21 (*)



(*) EBITDA FY21 above €2mn; FCF net of IPO proceeds and after dividends

Source: ValueTrack Analysis on companies' data. Analysis excludes outliers

EGM Stocks Multiples @ Current Mkt Prices

Euronext Growth Milan – Energy & Utilities Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Agatos	14.6	1.7	0.6	0.5	nm	6.7	4.8	nm	8.4	5.2
Altea Green Power	38.5	7.6	3.1	2.2	22.0	9.7	6.9	38.9	17.0	12.5
Aton Green Storage	54.3	2.4	1.6	1.4	12.2	8.3	6.4	20.1	13.9	11.8
Comal	43.2	1.2	0.9	0.7	14.6	10.4	7.2	37.3	20.1	13.1
Convergenze	18.6	2.4	2.2	1.7	12.0	6.6	4.7	nm	17.7	11.8
Ecosuntek	15.9	0.2	0.2	0.1	8.0	4.8	3.5	18.9	10.0	7.7
Enertronica	7.1	0.9	0.6	0.4	9.5	6.4	3.5	nm	9.5	2.6
ESI	20.6	3.9	0.8	0.7	nm	8.1	6.1	nm	15.8	12.4
Eviso	59.2	0.7	0.3	0.2	15.6	11.0	8.2	44.6	29.0	21.6
Frendy Energy	18.7	7.8	7.2	6.5	16.1	13.8	12.1	nm	nm	42.7
Iniziativa Bresciane	102.0	8.4	7.1	6.4	12.4	9.6	8.3	28.0	17.0	14.6
Innovatec	200.6	1.1	0.9	0.8	7.7	6.3	5.4	22.4	14.0	10.4
Renenergetica	53.6	4.9	4.1	3.2	10.4	10.2	7.9	20.4	13.9	10.8
Average	49.8	3.3	2.3	1.9	12.8	8.6	6.5	28.8	15.5	13.6
Median	38.5	2.4	0.9	0.8	12.2	8.3	6.4	25.2	14.9	11.8

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Telecommunications Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Go Internet	11.0	2.5	1.9	1.6	nm	23.8	11.6	nm	nm	nm
Intred	236.2	5.6	4.7	4.2	13.1	11.3	10.0	27.5	25.1	21.9
Planetel	43.5	2.3	1.5	1.2	10.3	6.8	4.8	39.7	20.8	12.8
Unidata	119.3	3.3	2.9	2.3	8.6	10.0	7.8	15.2	22.4	28.2
Average	102.5	3.4	2.7	2.3	10.7	13.0	8.6	27.5	22.8	21.0
Median	81.4	2.9	2.4	1.9	10.3	10.6	8.9	27.5	22.4	21.9

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Health Care Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Arterra Bioscience	15.0	1.5	1.9	1.5	4.1	4.7	3.4	13.4	13.5	10.5
Farmacosmo	72.1	1.4	0.8	0.6	nm	25.4	15.0	nm	nm	38.2
Farmaè Group	94.6	1.3	0.9	0.8	nm	27.2	19.9	nm	nm	nm
Friulchem	8.2	0.5	0.4	0.3	7.0	5.0	3.8	nm	19.4	10.0
Health Italia	24.3	0.9	0.7	0.6	6.2	4.3	3.3	22.8	9.6	7.4
Kolinpharma	14.1	1.2	0.9	0.7	6.8	4.5	3.5	23.1	13.8	12.1
Labomar	153.4	2.7	2.1	1.9	18.0	11.9	10.1	18.3	25.6	22.2
Medica	141.1	2.6	2.4	2.0	13.2	11.3	9.1	28.8	29.4	22.7
Igeamed	5.7	0.7	0.7	0.7	19.3	14.8	11.9	nm	41.8	32.8
Shedir Pharma Group	43.9	0.8	0.7	0.6	4.3	3.6	2.9	11.3	9.6	8.3
Svas Biosana	65.5	nm	0.9	0.8	7.8	7.0	6.4	22.7	18.5	14.5
Ulisse BioMed	13.3	nm	nm	7.8	nm	nm	39.9	nm	nm	nm
Average	54.3	1.4	1.1	1.5	9.6	10.9	10.8	20.1	20.1	17.9
Median	34.1	1.3	0.9	0.7	7.0	7.0	7.8	22.7	18.5	13.3

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Technology (1/2) Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Almawave	124.2	3.3	2.8	2.4	14.3	14.9	12.1	28.8	33.4	26.9
Cy4gate	236.2	nm	3.6	2.6	29.8	13.1	8.6	nm	26.6	17.0
Cyberoo	75.5	3.5	1.8	1.0	20.9	4.1	1.7	nm	9.8	4.1
Datrix	51.3	3.4	2.3	1.6	nm	nm	11.2	nm	nm	25.9
Doxee	94.5	4.2	3.6	2.8	16.6	14.8	9.2	nm	nm	21.6
Defence Tech H.	116.2	5.5	4.3	3.6	15.5	11.5	9.2	29.1	25.8	21.5
Expert System	57.1	2.0	1.9	1.5	nm	nm	nm	nm	nm	nm
Growens	74.9	1.0	0.8	0.6	13.1	10.4	7.7	nm	nm	36.0
ID-Entity	24.7	2.6	1.7	1.2	8.7	5.9	3.8	14.3	9.9	7.3
Lindbergh	14.9	1.0	0.6	0.5	7.8	4.6	3.4	11.4	8.3	8.1
Maps Group	38.1	2.0	1.5	1.2	8.5	6.3	4.7	15.0	17.8	11.7
Neurosoft	18.7	1.2	0.9	0.8	7.7	6.7	5.9	20.8	13.3	11.3

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Technology (2/2) Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Neosperience	37.3	2.3	1.6	1.2	8.0	6.2	4.3	nm	27.7	11.8
Prismi	5.8	1.2	0.9	0.6	10.3	5.3	2.8	nm	24.0	2.0
Sababa Security	24.0	3.4	1.9	1.2	17.0	7.5	4.1	27.6	25.3	8.2
Star7	66.4	1.9	1.4	1.1	13.9	7.1	5.8	31.2	17.6	13.2
Sourcesense	28.6	1.1	0.8	0.6	8.5	5.6	4.0	20.5	13.6	9.8
Tecma Solutions	78.7	5.8	3.8	2.4	34.9	nm	18.8	nm	nm	nm
Vantea Smart	82.8	2.5	1.4	1.0	24.2	12.2	7.6	46.0	21.2	13.1
Softec	3.9	1.2	1.4	1.2	nm	21.3	11.0	nm	nm	13.2
MeglioQuesto	121.6	2.1	1.7	1.3	12.4	8.4	5.9	24.8	16.2	10.7
Circle	15.7	1.6	1.3	0.9	11.1	6.5	4.2	35.0	20.3	12.2
DBA	18.1	0.4	0.3	0.3	4.7	3.9	3.3	11.3	7.2	6.2
Digitouch	30.2	0.9	0.7	0.6	5.3	4.6	3.8	13.7	10.8	9.7
DHH	68.3	3.3	2.4	2.1	9.5	7.4	5.9	23.8	21.4	16.9
Digital360	80.2	2.5	1.9	1.5	12.2	9.8	7.7	26.7	19.4	15.6
FOS Group	19.7	1.2	1.0	0.8	5.7	4.2	3.5	18.4	10.7	9.4
Reevo	75.6	5.1	3.2	2.4	18.8	10.7	7.5	nm	25.4	18.6
Reti	25.1	1.3	1.1	1.0	11.6	9.2	7.1	25.4	16.7	12.3
Relatech	82.7	2.3	1.3	1.2	11.6	6.7	5.6	15.3	13.6	10.9
Spindox	83.4	1.2	1.0	0.8	15.6	11.5	8.6	31.4	24.2	17.0
TPS	36.7	0.6	0.5	0.4	2.9	2.8	2.1	9.9	10.0	8.8
Websolute	26.1	1.4	1.1	0.9	9.5	6.8	4.5	nm	26.1	13.8
Digital Value	707.8	1.2	1.0	0.8	12.0	9.3	7.2	23.4	18.8	14.9
Technoprobe	4,326.0	nm	8.5	6.8	24.0	20.0	15.5	36.6	33.0	25.3
Average	199.2	2.2	1.9	1.5	13.3	8.7	6.7	23.5	18.9	14.1
Median	57.1	2.0	1.4	1.2	11.8	7.2	5.9	23.8	18.8	12.3

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Media Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Casta Diva Group	7.6	0.3	0.2	0.1	5.8	3.1	1.3	nm	8.4	4.4
Fenix Entertainment	22.4	0.8	0.8	0.7	3.6	2.4	2.0	7.5	5.0	4.8
Iervolino Ent.	67.9	0.6	0.6	0.6	0.7	0.8	0.8	3.7	3.5	3.7
Leone Film	38.3	1.0	1.3	1.0	2.0	2.8	2.0	6.5	10.4	7.4
Lucisano Media	19.5	1.2	0.9	0.8	2.9	2.4	2.0	8.0	3.6	2.6
Mondo TV Suisse	4.6	4.3	3.3	2.8	13.8	7.0	6.0	nm	15.3	11.5
Mondo TV France	2.7	0.7	0.7	0.7	1.4	1.3	1.4	4.8	3.9	2.8
Notorius Pictures	35.1	2.0	1.3	1.0	5.0	3.1	2.8	9.9	7.2	5.5
NVP	25.8	2.1	1.6	1.2	7.2	4.7	3.5	nm	13.6	8.1
Telesia	5.6	0.9	0.9	0.8	5.8	5.0	4.4	14.5	9.1	7.7
Blue Fin. Comm.	11.9	0.8	0.7	0.6	5.9	5.6	4.5	45.7	12.9	9.7
Gambero Rosso	5.1	1.2	1.0	0.9	4.2	3.5	2.9	nm	12.7	8.1
Poligrafici Printing	12.3	0.7	0.6	0.5	3.0	2.4	2.0	6.3	5.8	4.9
Società Ed. il Fatto	11.0	0.3	0.3	0.3	1.7	1.6	1.4	49.7	39.0	19.9
SG Company	8.8	0.8	0.5	0.3	6.4	18.2	7.8	nm	41.9	17.2
Ucapital24	6.3	6.4	2.9	2.0	nm	nm	15.6	nm	nm	nm
Visibilia Editore	0.7	nm	nm	nm	nm	nm	nm	nm	nm	nm
Average	16.8	1.5	1.1	0.9	4.6	4.2	3.8	15.7	12.8	7.9
Median	11.0	0.9	0.8	0.8	4.2	3.1	2.4	7.7	9.1	7.4

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Consumer Goods Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Cover 50	37.4	0.8	0.7	0.7	4.8	5.1	4.8	14.8	14.6	13.2
G. Fedon	31.7	0.8	0.6	0.5	23.0	5.5	4.0	nm	28.3	24.9
Fope	85.9	2.1	1.8	1.6	9.6	8.4	7.1	17.1	14.9	13.6
Giglio.com	33.4	0.8	0.6	0.4	nm	nm	nm	nm	nm	nm
Gismondi	17.0	1.7	1.4	1.2	16.7	11.4	7.7	nm	22.7	13.6
Italia Independent	15.4	2.0	1.5	1.1	nm	18.8	10.7	nm	nm	42.0
Monnalisa	17.8	0.6	0.5	0.4	nm	8.5	6.0	nm	nm	17.8
Nice Footwear	20.3	0.8	0.5	0.4	7.0	4.9	3.4	12.8	10.4	7.9
Pattern	83.3	1.1	0.9	0.7	10.3	7.9	6.0	27.4	25.7	17.9
Take Off	75.0	2.2	1.7	1.1	6.6	5.0	3.0	13.4	11.7	8.1
Acquazzura	30.7	1.7	1.0	0.7	nm	16.2	11.7	nm	36.6	25.8
Cover 50	37.4	0.8	0.7	0.7	4.8	5.1	4.8	14.8	14.6	13.2
Culti Milano	47.5	2.0	1.8	1.5	8.5	7.1	5.7	21.1	19.8	16.5
Illa	0.8	0.6	0.7	0.6	nm	nm	nm	nm	nm	nm
Ki Group	0.8	0.4	3.8	2.6	0.5	22.9	12.6	0.0	1.6	0.3
Portobello	114.5	1.4	0.9	0.6	7.4	4.8	3.3	12.0	7.6	5.3
Trendevice	13.5	1.2	0.9	0.7	nm	8.4	5.4	nm	nm	24.1
Comp. dei Caraibi	53.6	1.1	0.8	0.7	9.5	6.9	5.3	21.4	13.5	10.7
Italian Wine Brands	271.1	1.2	0.8	0.7	12.7	8.5	6.7	18.6	12.0	9.5
Longino & Cardenal	21.8	1.0	0.8	0.8	nm	nm	15.8	nm	nm	33.5
Masi Agricola	141.5	2.2	1.9	1.7	11.1	9.5	8.5	26.2	22.5	19.2
Estrima	37.7	1.0	0.9	0.8	nm	nm	12.5	nm	nm	nm
Askoll	25.3	1.7	1.5	1.2	nm	nm	11.8	nm	nm	nm
Gibus	71.9	0.8	0.8	0.8	3.0	4.0	3.6	5.1	7.0	6.4
Nusco Porte	26.2	1.2	1.1	0.9	12.3	8.7	5.7	nm	21.9	11.2
Sciuker Frames	151.8	1.5	1.2	0.8	5.3	4.9	3.3	9.9	13.8	9.5
Average	56.3	1.3	1.2	1.0	12.5	11.9	7.3	15.9	16.9	15.8
Median	35.4	1.1	0.9	0.7	8.5	7.9	5.9	14.8	14.6	13.4

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Consumer Services Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
Alfio Bardolla	15.5	1.0	1.0	1.0	3.7	3.6	3.4	17.0	9.2	6.8
Alfonsino	14.5	2.5	1.6	0.8	nm	nm	5.6	nm	nm	18.2
Casasold	3.9	0.8	0.7	0.5	6.1	3.5	2.3	38.2	12.7	6.4
CleanBnB	10.3	1.9	1.0	0.6	nm	nm	7.8	nm	nm	nm
Confinvest	13.7	0.4	0.4	0.3	nm	41.6	30.7	nm	nm	nm
Destination Italia	14.3	1.8	0.5	0.2	nm	nm	37.6	nm	nm	nm
Edilizia Acrobatica	127.9	1.4	1.0	0.9	5.8	4.9	4.3	11.5	8.8	7.9
Fabilia	5.0	1.4	1.3	nm	nm	23.4	nm	nm	nm	nm
G Rent	17.2	8.7	3.2	1.1	nm	nm	5.5	nm	nm	10.7
Homizy	50.7	nm	nm	nm	nm	nm	nm	nm	nm	48.2
International Care C.	7.2	1.1	0.7	0.2	11.6	4.7	1.0	nm	26.7	4.6
Promotica	44.4	0.9	0.7	0.6	7.1	5.6	4.7	11.8	8.8	8.1
Portale Sardegna	8.0	1.4	0.3	0.1	nm	3.5	1.6	nm	4.7	3.1
SIF Italia	19.5	3.3	2.7	2.5	8.7	6.8	6.0	12.8	8.9	7.4
Sostravel.com	7.3	4.6	7.9	4.6	nm	nm	nm	nm	nm	nm
Soluzione Tasse	20.5	0.6	0.6	0.4	6.1	3.8	2.4	14.5	8.6	6.3
TraWell CO	15.3	1.4	1.0	0.7	nm	19.9	8.5	nm	nm	25.9
Average	23.2	2.1	1.5	1.0	7.0	11.0	8.7	17.6	11.1	12.8
Median	14.5	1.4	1.0	0.6	6.1	4.9	5.1	13.6	8.9	7.6

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

Euronext Growth Milan – Industrial Goods Sector Multiples @ Current Mkt Prices

Company	Mkt. Cap (€mn)	EV/Sales (x)			EV/EBITDA (x)			P/E (x)		
		FY21A	FY22E	FY23E	FY21A	FY22E	FY23E	FY21A	FY22E	FY23E
A.B.P. Nocivelli	120.6	1.4	1.3	0.9	7.3	6.3	5.6	14.0	13.8	13.0
Clabo	23.3	1.2	1.1	0.9	10.5	6.6	5.6	nm	13.0	8.4
Franchi Umb. Marmi	323.1	5.3	4.7	4.3	17.6	12.9	11.6	32.6	19.4	15.2
Fervi	39.1	1.3	0.8	0.7	8.6	5.8	4.4	12.2	10.5	8.3
Gel	13.3	0.9	0.8	0.8	5.5	6.6	6.0	6.6	14.8	14.6
Grifal	32.2	1.7	1.3	0.9	14.2	7.5	3.5	nm	16.2	5.1
Ilpra	43.3	1.0	0.9	0.8	4.6	4.2	3.5	9.7	9.7	8.6
Omer	93.7	1.3	1.2	1.0	4.8	4.8	4.0	9.2	9.8	9.6
Radici Pietro Ind.	10.9	0.6	0.5	0.4	13.3	7.1	5.0	nm	25.8	9.6
Sebino	78.6	1.3	1.0	0.8	6.7	5.0	4.2	10.9	8.7	7.6
Tenax International	10.1	1.4	0.9	0.6	14.2	8.2	5.2	40.5	25.3	9.2
Rosetti Marino	139.2	0.1	0.2	0.1	nm	5.8	1.7	nm	nm	10.1
A.L.A.	109.3	0.8	0.7	0.6	8.0	7.2	5.6	16.7	15.3	11.4
Cofle	101.2	1.8	1.6	1.3	7.6	6.3	4.9	12.3	10.8	8.9
Comer Industries	788.6	0.9	0.8	0.7	7.5	6.6	5.8	14.1	11.8	10.0
Industrie Chimiche	41.0	0.6	0.6	0.5	8.9	5.4	3.5	17.5	9.4	6.1
Marzocchi Pompe	30.0	0.8	0.7	0.6	5.3	4.3	3.6	19.0	15.4	12.0
Costamp	28.6	0.9	0.8	0.7	5.6	5.2	4.6	7.5	7.2	6.7
Vimi Fasteners	19.7	0.8	0.7	0.6	5.4	5.3	4.6	11.3	9.0	8.2
Eles	32.0	1.5	1.4	1.0	9.0	10.2	5.5	40.0	nm	16.8
Esautomation	50.6	1.5	1.3	1.1	5.5	4.6	3.8	11.0	10.5	9.3
Finlogic	45.4	0.9	0.8	0.6	5.9	5.1	4.1	15.0	11.3	8.6
Jonix	21.6	2.7	2.6	1.7	13.0	12.6	6.6	21.8	31.3	14.5
Matica Fintech	23.2	1.5	1.2	1.0	7.0	5.6	4.3	18.9	13.3	9.5
Officina Stellare	79.5	nm	nm	4.1	25.5	16.8	9.1	nm	47.9	18.4
Osai Automation	53.4	2.0	1.3	1.1	15.4	9.4	6.9	nm	24.3	15.7
Powersoft	50.4	0.8	0.6	0.5	5.5	4.1	3.1	20.7	16.4	11.3
Average	89.0	1.3	1.1	1.1	9.3	7.0	5.1	17.2	16.0	10.6
Median	43.3	1.3	0.9	0.8	7.5	6.3	4.6	14.1	13.3	9.6

Source: ValueTrack analysis on market consensus (as of 11/05/2022)

DISCLAIMER

THIS DOCUMENT IS PREPARED BY VALUE TRACK S.R.L. THIS DOCUMENT IS BEING FURNISHED TO YOU SOLELY FOR YOUR INFORMATION ON A CONFIDENTIAL BASIS AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, IN WHOLE OR IN PART, TO ANY OTHER PERSON. IN PARTICULAR, NEITHER THIS DOCUMENT NOR ANY COPY THEREOF MAY BE TAKEN OR TRANSMITTED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, INTO CANADA OR JAPAN OR AUSTRALIA TO ANY RESIDENT THEREOF OR INTO THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS. THE DISTRIBUTION OF THIS DOCUMENT IN OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE LAWS OF ANY SUCH OTHER JURISDICTION. THIS DOCUMENT DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER, INVITATION OR INDUCEMENT TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES, AND NEITHER THIS DOCUMENT NOR ANYTHING CONTAINED HEREIN SHALL FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH OR ACT AS AN INVITATION OR INDUCEMENT TO ENTER INTO ANY CONTRACT OR COMMITMENT WHATSOEVER. THIS DOCUMENT HAS NOT BEEN PUBLISHED GENERALLY AND HAS ONLY BEEN MADE AVAILABLE TO INSTITUTIONAL INVESTORS. IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND ITS GROUP INCLUDING THE MERITS AND RISKS INVOLVED. THIS DOCUMENT IS FOR DISTRIBUTION IN OR FROM THE UNITED KINGDOM ONLY TO PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED, THE “**FINANCIAL PROMOTION ORDER**”), (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC.”) OF THE FINANCIAL PROMOTION ORDER, (III) ARE OUTSIDE THE UNITED KINGDOM, OR (IV) ARE PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000) IN CONNECTION WITH THE ISSUE OR SALE OF ANY SECURITIES MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS DOCUMENT IS DIRECTED ONLY AT RELEVANT PERSONS AND MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. IN ITALY THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED AT QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 100 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS AMENDED, AND ARTICLE 34-TER, PARAGRAPH 1, LETTER B), OF CONSOB REGULATION ON ISSUERS NO. 11971 OF MAY 14, 1999, AS SUBSEQUENTLY AMENDED (THE “**ISSUERS’ REGULATION**”) PROVIDED THAT SUCH QUALIFIED INVESTORS WILL ACT IN THEIR CAPACITY AND NOT AS DEPOSITARIES OR NOMINEES FOR OTHER SHAREHOLDERS, SUCH AS PERSONS AUTHORISED AND REGULATED TO OPERATE IN FINANCIAL MARKETS, BOTH ITALIAN AND FOREIGN, I.E.: A) BANKS; B) INVESTMENT FIRMS; C) OTHER AUTHORISED AND REGULATED FINANCIAL INSTITUTIONS; D) INSURANCE COMPANIES; E) COLLECTIVE INVESTMENT UNDERTAKINGS AND MANAGEMENT COMPANIES FOR SUCH UNDERTAKINGS; F) PENSION FUNDS AND MANAGEMENT COMPANIES FOR SUCH FUNDS; G) DEALERS ACTING ON THEIR OWN ACCOUNT ON COMMODITIES AND COMMODITY-BASED DERIVATIVES; H) PERSONS DEALING EXCLUSIVELY ON THEIR OWN ACCOUNT ON FINANCIAL INSTRUMENTS MARKETS WITH INDIRECT MEMBERSHIP OF CLEARING AND SETTLEMENT SERVICES AND THE LOCAL COMPENSATORY AND GUARANTEE SYSTEM; I) OTHER INSTITUTIONAL INVESTORS; L) STOCKBROKERS; (2) LARGE COMPANIES WHICH AT INDIVIDUAL COMPANY LEVEL MEET AT LEAST TWO OF THE FOLLOWING REQUIREMENTS: – BALANCE SHEET TOTAL: 20,000,000 EURO, – NET REVENUES: 40,000,000 EURO, – OWN FUNDS: 2,000,000 EURO; (3) INSTITUTIONAL INVESTORS WHOSE MAIN ACTIVITY IS INVESTMENT IN FINANCIAL INSTRUMENTS, INCLUDING COMPANIES DEDICATED TO THE SECURITISATION OF ASSETS AND OTHER FINANCIAL TRANSACTIONS (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THIS DOCUMENT IS NOT ADDRESSED TO ANY MEMBER OF THE GENERAL PUBLIC IN ITALY. UNDER NO CIRCUMSTANCES SHOULD THIS DOCUMENT CIRCULATE AMONG, OR BE DISTRIBUTED IN ITALY TO (I) A MEMBER OF THE GENERAL PUBLIC, (II) INDIVIDUALS OR ENTITIES FALLING OUTSIDE THE DEFINITION OF “QUALIFIED INVESTORS” AS SPECIFIED ABOVE OR (III) DISTRIBUTION CHANNELS THROUGH WHICH INFORMATION IS OR IS LIKELY TO BECOME AVAILABLE TO A LARGE NUMBER OF PERSONS. THIS DOCUMENT IS BEING DISTRIBUTED TO AND IS DIRECTED ONLY AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (“**EEA**”) WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC), (“**QUALIFIED INVESTORS**”). ANY PERSON IN THE EEA WHO RECEIVES THIS DOCUMENT WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT IS A QUALIFIED INVESTOR. ANY SUCH RECIPIENT WILL ALSO BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT HAS NOT RECEIVED THIS DOCUMENT ON BEHALF OF PERSONS IN THE EEA OTHER THAN QUALIFIED INVESTORS OR PERSONS IN THE UK, ITALY AND OTHER MEMBER STATES (WHERE EQUIVALENT LEGISLATION EXISTS) FOR WHOM THE INVESTOR HAS AUTHORITY TO MAKE DECISIONS ON A WHOLLY DISCRETIONARY BASIS. THE COMPANY, VALUE TRACK S.R.L. AND THEIR AFFILIATES, AND OTHERS WILL RELY UPON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATIONS AND AGREEMENTS. ANY PERSON IN THE EEA WHO IS NOT A QUALIFIED INVESTOR SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THE EXPRESSION “PROSPECTUS DIRECTIVE” MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE AND THE EXPRESSION “2010 PD AMENDING DIRECTIVE” MEANS DIRECTIVE 2010/73/EU. ANY FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE ENTIRELY THOSE OF VALUE TRACK S.R.L. AND ARE GIVEN AS PART OF ITS NORMAL RESEARCH ACTIVITY AND SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORISED OR APPROVED BY ANY OTHER PERSON. VALUE TRACK S.R.L. HAS NO AUTHORITY WHATSOEVER TO MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF THE COMPANY, ITS SHAREHOLDERS, ANY OF ITS ADVISORS, OR ANY OTHER PERSON IN CONNECTION THEREWITH. WHILE ALL REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE FACTS STATED HEREIN ARE ACCURATE AND THAT THE FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE FAIR AND REASONABLE, VALUE TRACK S.R.L. HAS NOT VERIFIED THE CONTENTS HEREOF AND ACCORDINGLY NONE OF VALUE TRACK S.R.L., THE COMPANY, ITS SHAREHOLDERS, ANY ADVISORS TO THE COMPANY OR ITS SHAREHOLDERS OR ANY OTHER PERSON IN CONNECTION THEREWITH NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS OR EMPLOYEES, SHALL BE IN ANY WAY RESPONSIBLE FOR THE CONTENTS HEREOF AND NO RELIANCE SHOULD BE PLACED ON THE ACCURACY, FAIRNESS, OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DOCUMENT. NO PERSON ACCEPTS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM THE USE OF THIS DOCUMENT OR OF ITS CONTENTS OR OTHERWISE ARISING IN CONNECTION THEREWITH. TO THE EXTENT PERMITTED BY LAW AND BY REGULATIONS, VALUE TRACK S.R.L. (OR ITS OFFICERS, DIRECTORS OR EMPLOYEES) MAY HAVE A POSITION IN THE SECURITIES OF (OR OPTIONS, WARRANTS OR RIGHTS WITH RESPECT TO, OR INTEREST IN THE SHARES OR OTHER SECURITIES OF) THE COMPANY AND MAY MAKE A MARKET OR ACT AS A PRINCIPAL IN ANY TRANSACTIONS IN SUCH SECURITIES.