

# EGM Stock Guide

Research Team

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**FTSE Italia Growth** **7,769**  
**Mkt Cap (€bn)** **8.4**

## About ValueTrack

ValueTrack is a capital markets and corporate finance firm focused on mid-small caps offering a wide range of services: Advisory, Equity- Debt Research, Investor Access. Our research is available on ValueTrack and Borsa Italiana websites, Bloomberg, FactSet, Refinitiv, S&P Capital IQ.

## Italian Small Caps still out of fashion

The combined and nested effect of higher interest rates, Italian equity funds outflow and deteriorating economic conditions is still burdening Italian small cap equity as an asset class. Indeed, FTSE Growth Index is down on 1Y, YTD and 3M periods, with ca. 2/3 of EGM stocks recording a 1Y negative performance, and half recording daily traded turnover lower than €5k.

## 23E-24E EGM estimates revised down, but it's not enough

The long awaited macroeconomic slow-down is now taking its toll, as the majority of EGM companies had their 2023E-24E forecasts revised downwards. At aggregate level, we calculate that 2023E-24E EGM market Net Profit has been cut by some -28.4% and -21.9% respectively while Net Debt estimates have massively moved up (from €774mn to €1.3bn and from €248mn to €0.9bn respectively in 2023E-24E).

Still, updated consensus estimates appear too bullish: Aggregate EGM stock market Net Profit is seen up +37% and +34% y/y in 2023E-24E respectively, while Net Debt is expected decreasing from €1.3bn down to €0.9bn at the end of 2024E.

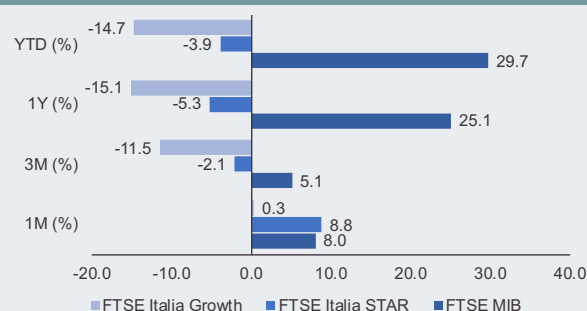
## EGM Stock Market Valuation: not demanding

We calculate that EGM is currently trading at average **1.2x-1.0x EV/Sales**, **7.9x-5.6x EV/EBITDA**, **15.7x-11.4x P/E 2023-E-24E** respectively, with current multiples being not far from four months ago, as stock prices de-rating went along the estimates downward review of latest three months.

## Several interesting investment opportunities out there

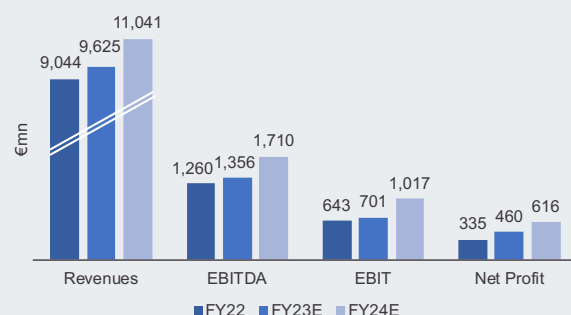
On EGM stock market we identify some interesting investment opportunities (clustered in four themes: *Momentum*, *Growth & Cash generative*, *Quality for Value*, *Excessively Derated stocks*) on which to position waiting for interest rates to start declining and becoming supportive of equity valuations. In particular, we underline that there is a dozen of companies expected to couple double digit growth rates and positive cash flow generation. **Inside the report the full list.**

### ITALIAN STOCK INDEXES EVOLUTION



Source: Borsa Italiana

### EGM STOCK MARKET: 2022A-23E-24E AGGREGATE FINANCIALS



Source: Market consensus, Value Track Analysis

### EGM STOCK MARKET: 2023E-24E MULTIPLES

	2023E	2024E
EV/Sales (x)	1.2	1.0
EV/EBITDA (x)	7.9	5.6
EV/EBIT (x)	12.0	8.4
P/E (x)	15.7	11.4

Source: ValueTrack Analysis on Market consensus data

## Executive Summary

### Stock Market Performances: Italian Small Caps still out of fashion

The combined and nested effect of higher interest rates, Italian equity funds outflow and deteriorating economic conditions has kept burdening Italian small cap equity as an asset class, especially if compared to blue-chip listed stocks (mainly banks). Indeed, FTSE Growth Index is down on 1Y, YTD and 3M periods, with ca. 2/3 of EGM stocks recording a 1Y negative performance.

Trading volumes as well remain subdued, with ca. 50% of EGM stocks recording daily turnover lower than €5k, but we note that in 3Q there has been a small rebound after five consecutive quarters of decrease y/y.

### 2023E-24E Estimates Revision: down, down, down

The analysis of EGM companies consensus estimates revision let us hint that the long awaited macroeconomic slow-down is now taking place, as the majority of EGM-listed companies had their FY23E-FY24E forecasts revised downwards. And this is the 3<sup>rd</sup> time in a row that we calculate consensus estimates to have been negatively revised.

As far as EGM aggregate 2023E-2024E consensus estimates are concerned, we calculate that:

- ◆ Revenues have been revised downward by -10.1% and -6.3% respectively, despite the inflationary impact of acquisitions finalized in the latest 12 months;
- ◆ Net Profit has been revised down by some -28.4% and -21.9% respectively;
- ◆ Net Debt estimates FY23E-FY24E have massively moved up (from €774mn to €1.3bn and from €248mn to €0.9bn respectively in 23E-24E).

More in details:

- ◆ Ca. 42% of EGM companies (#83) have seen their Top Line and Operating Profits estimates revised downwards for both current and next year;
- ◆ On the opposite, only ca. 12%-13% of EGM companies underwent a positive revision of consensus estimates for Top Line and Profitability forecasts respectively;
- ◆ Among the companies with the most negative revision of revenues estimate, we flag *Ecosuntek*, *Energy*, *Jonix*, *ESI*, *Vantea Smart*;
- ◆ Among the companies with the most positive revision of revenues estimate, we flag *A.L.A.*, *Casta Diva Group*, *FAE Technology*.

Worthy to note, there are only very few names that navigated successfully the past three estimates' reviews:

- ◆ #3 stocks at Top Line level, i.e., *A.L.A.*, *DBA Group* and *Powersoft*;
- ◆ #2 stocks at profitability level, i.e., *TraWell Co* and *Powersoft* again.

Conversely, there are many companies that have been experiencing 3/3 downwards estimates revisions at top line and profitability level, respectively. Some examples are *Askoll*, *Datrix*, *Farmacosmo*, *Jonix*, *MeglioQuesto*, *Mit Sim*, *Premia Finance*, *Tecma Solutions*.

### 2023E-2024E New Forecasts: likely, still too bullish

The updated picture of market consensus estimates on EGM companies following the recent “downward revision season” returns the following key messages:

1. 2023E aggregate consensus forecasts now appear almost achievable at Top line, estimated up +6% y/y, (revised from the +16% y/y forecasted back in July), i.e. very similar to the +8% y/y recorded in 1H23;
2. 2023E aggregate consensus forecasts are, on the contrary, still too bullish at Bottom line one. Indeed, this is forecasted up +37% y/y, (revised from the +68% y/y forecasted back in July) and compares with the -33% y/y decrease recorded in 1H23;
3. 2024E aggregate consensus forecasts highlight a strong rebound on all metrics (Top Line +15% y/y, EBITDA +26% y/y, Net Profit +34% y/y, Net Debt decreasing from €1.3bn down to €0.9bn) that, in our view, is difficult to be achieved;
4. There are several EGM companies that are expected to keep growing at double digit rates in 2023E-24E, but only some of them are expected to couple growth with cash generation. A list of these companies includes names such as: *Almawave, Altea Green Power, Circle, Cyberoo, DBA, DHH, Eles, ID-Entity, Imprendiroma, Iniziative Bresciane, Italian Wine Brands, NVP, Officina Stellare, Planetel, Powersoft, Promotica, Relatech, Rosetti Marino, Star7.*

### EGM Stock Market Valuation: not demanding

Based on current stock market prices, we calculate that **EGM is now trading at average 1.2x-1.0x EV/Sales, 7.9x-5.6x EV/EBITDA, 15.7x-11.4x P/E 2023-E-24E** respectively, with current multiples being very close to those of our July '23 report, as stock prices de-rating went along the estimates downward review of latest three months.

Energy & Utilities, Technology, Telecommunications sectors are trading at premium while Media apparently trades at discount.

Together with the massive downward revision on estimates, the majority of EGM companies continued to witness downwards reviews of their target price / fair value. Indeed:

- ◆ #86 stocks (ca. 43% of the total) had their fair value revised down. Out of these, for #27 companies (ca. 14%) this is the third time of downwards revision in a row;
- ◆ On the other hand, there are only three stocks that saw their target price rise three times in a row, i.e. *A.L.A., Reti and TraWell Co.*

### Top Picks Selection

As usual, we hereby flag some names of EGM companies boasting interesting features from a stock market point of view. They can be clustered as:

1. **Momentum**, i.e. companies that reported sound results in the latest reporting seasons and are experiencing upwards estimates revision. Examples are: *Almawave, A.L.A., Aton Green Storage, DBA, FAE Technology, Franchetti, Powersoft, TraWell Co, Rosetti Marino.*
2. **Growth & Cash generative**, i.e. companies that are forecasted to grow at double digit rates and are not expected to burn cash despite their growth. Examples are: *Altea Green Power, Circle, Cyberoo, DHH, Eles, NVP, Officina Stellare, Powersoft, Relatech, Star7, TraWell Co.*
3. **Quality for Value**, i.e. companies that boast a business model currently mispriced by the stock market and at the same time are not expected (hopefully) to get into financial troubles. Examples are: *Casta Diva Group, Comal, DBA, Fervi, Industrie Chimiche Forestali, Ilpra, Italian Wine Brands, NVP, Relatech, TPS.*
4. **Excessively Derated**, i.e. companies that currently trade very far from their all-time high or very close to their all-time low, and at the same time are not expected (hopefully) to get into financial troubles. Examples are: *Bellini, Farmacosmo, Eles, Grifal, Italian Wine Brands, MeglioQuesto, Officina Stellare, Pasquarelli Auto, Talea Group.*

## Stock Market Performance & Volumes

The combined and nested effect of higher interest rates, Italian equity funds outflow and deteriorating economic conditions has kept burdening Italian small cap equity as an asset class, especially if compared to blue-chip listed stocks (mainly banks). FTSE Growth Index is down on 1Y, YTD, 3M and 1M periods, with ca. 2/3 of EGM stocks recording a 1Y negative performance. Trading volumes as well remain subdued, with more than 30% of EGM stocks recording daily turnover lower than €5k, but we note that in 3Q there has been a small rebound after five consecutive quarters of decrease y/y.

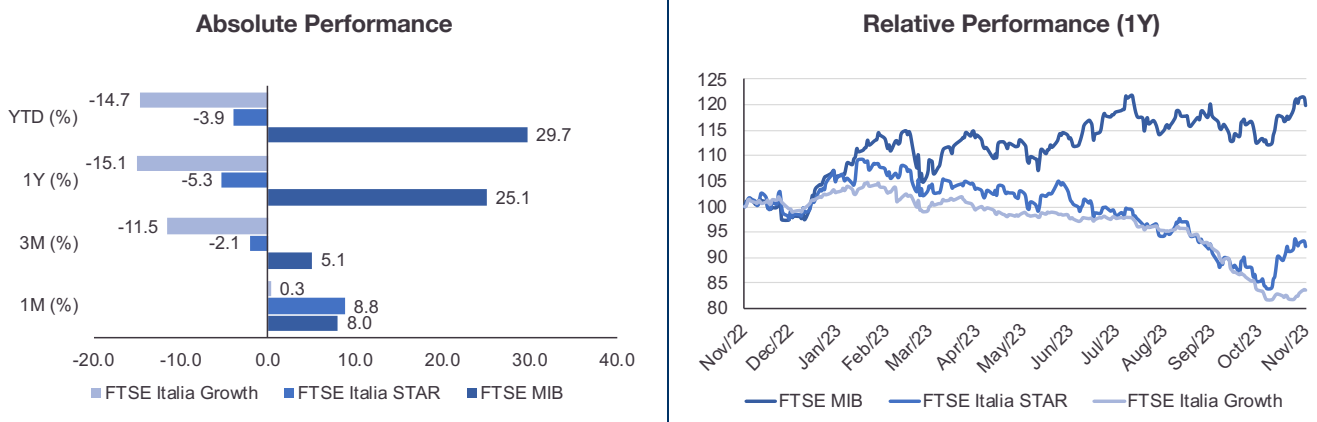
### Stock Market Performances: Italian Small Caps still out of fashion

The combined and nested effect of higher interest rates, funds outflow and deteriorating economic conditions has kept burdening Italian small cap equity as an asset class, especially if compared to blue-chip listed banks.

Indeed, in terms of stock market performance, we underline:

- ◆ FTSE Growth Index is down 15.1% y/y, 14.7% YTD, 11.5% 3M but up 0.3% 1M;
- ◆ FTSE Growth Index continues to underperform both FTSE MIB and FTSE STAR;
- ◆ FTSE STAR Index returns negative performances as well, widening the gap with FTSE MIB (up ca. 30% YTD) and confirming investors' loss of appetite for mid and small caps in favor of blue chips.

#### FTSE Italia Growth Index Absolute and Relative Performance



Source: Bloomberg, Value Track Analysis

Focusing on the stock performance of the close to 200 listed EGM companies, on the negative side we note that:

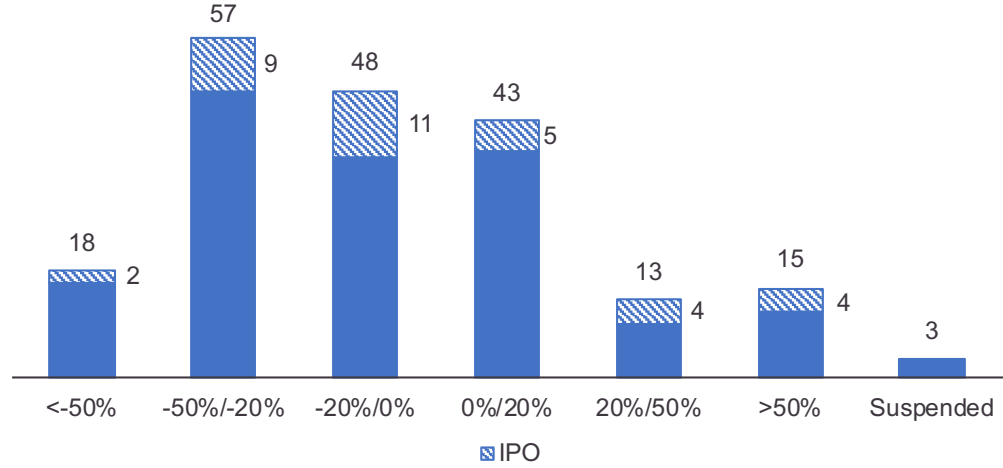
- ◆ Ca. 2/3 of EGM stocks (#123 companies) records a 1Y negative performance;
- ◆ There are #19 stocks experiencing a 1Y performance worse than -50%, including #2 IPOs occurred between December 2022 and today (*Impianti, Tmp Group*).

On the contrary, on the positive side we note that:

- ◆ Out of the ca. 1/3 of EGM stocks (#71 companies) that vaunts a 1Y positive performance, #13 stocks were IPOed between December 2022 and today;

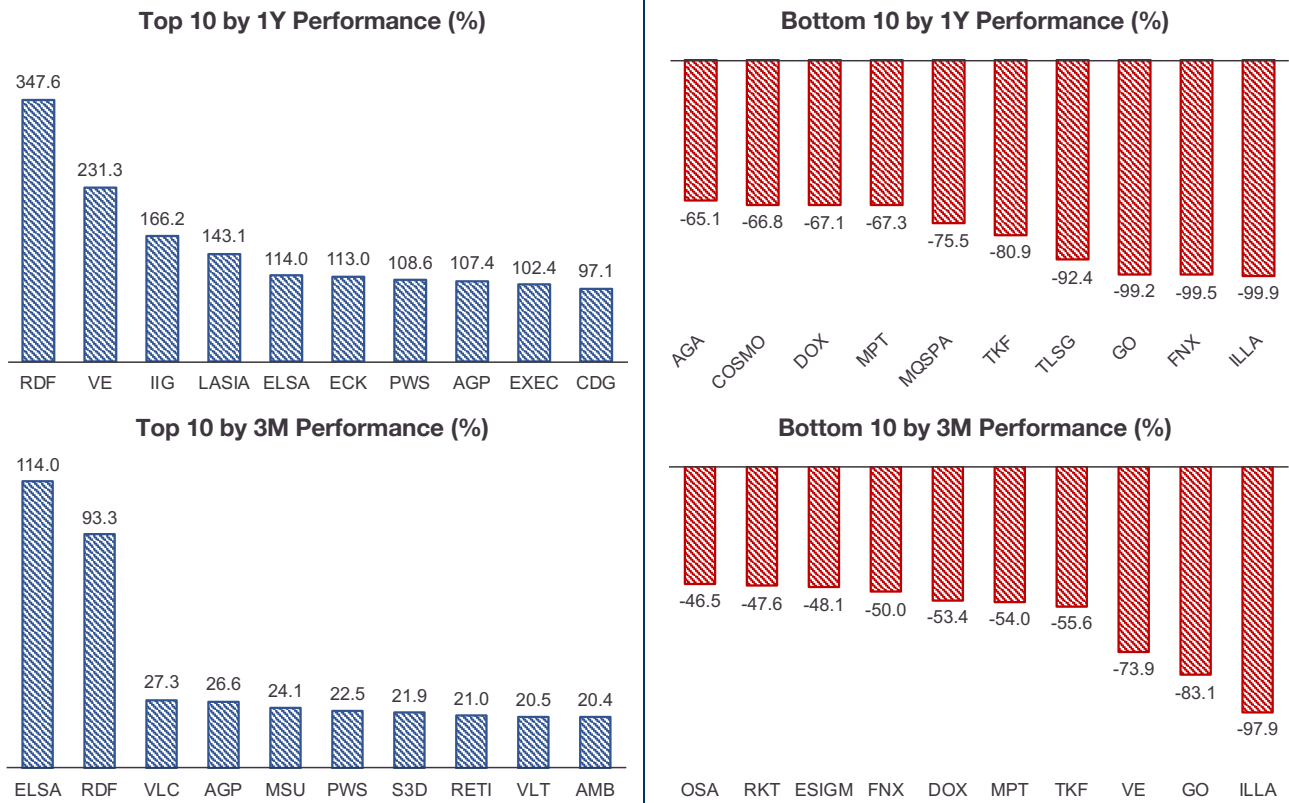
- ◆ There are #15 stocks that record a 1Y positive performance exceeding 50%, including #4 companies for which it was considered their performance since their respective IPO (*La SIA, Elsa Solutions, Execus, Dotstay*);
- ◆ Out of the #15 stocks that record a 1Y positive performance exceeding 50%, and that went public before December 2022, we flag names such as *Altea Green Power, Casta Diva, Powersoft, Redelfi*.

**Euronext Growth Milan: Number of Companies by 1Y Performance (\*)**



Source: Bloomberg, ValueTrack Analysis, (\*) Performance since IPO for stocks listed from November 2022

**Euronext Growth Milan: Top & Bottom by Stock Price Performance (\*)**



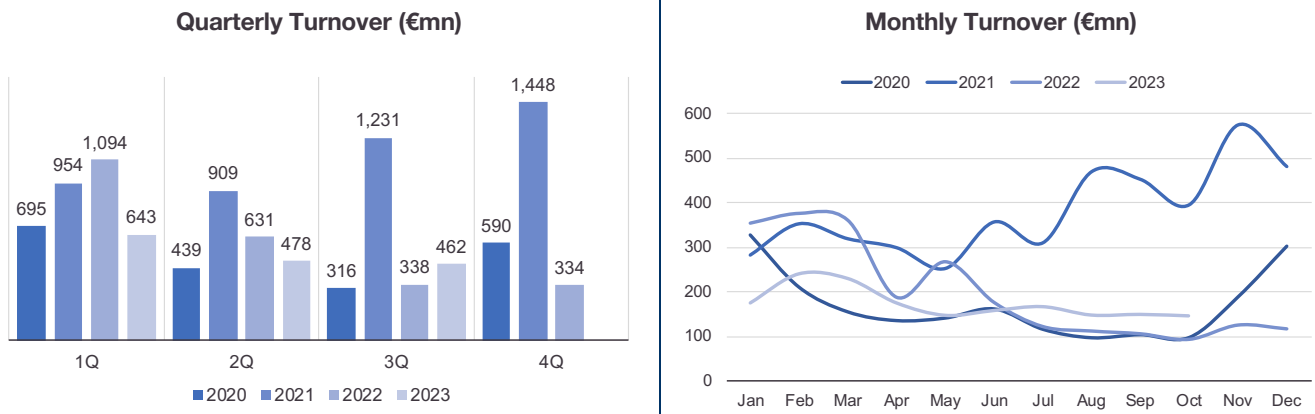
Source: Bloomberg, Value Track Analysis, (\*) Performance since IPO for stocks listed between December 2022 and 2023 YTD

### EGM Stock Market Trading Volumes remain subdued

EGM stock market trading turnover remains subdued, especially when compared to 2021, even if we note that from a statistical point of view 3Q23 figures highlight a small rebound after five consecutive quarters of decrease y/y. Indeed:

- ◆ 9M23 trading turnover is down -23% y/y at €1,583mn vs. €2,063mn in 9M22;
- ◆ 3Q23 trading turnover is up +37% y/y at €462mn vs. €338mn in 3Q22, albeit still representing very low figures.

#### Euronext Growth Milan: Turnover Figures



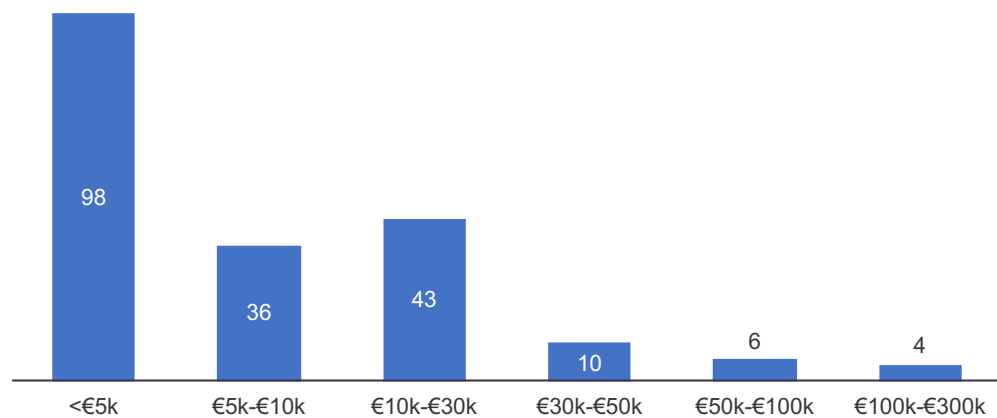
Source: Borsa Italiana, Value Track Analysis

The stock-by-stock analysis outlines that over the last thirty days:

- ◆ Only 5% of EGM (#10 stocks) boast a daily average turnover above €50k (vs. 18% in our July 2023 update);
- ◆ Ca. 50% of EGM (#98 stocks) record daily turnover lower than €5k (vs. 23% in our July 2023 update).

We hint that investors are concentrating their trades on a smaller number of stocks.

#### Euronext Growth Milan: Number of Companies by Last Month Daily Average Turnover (\*)



Source: Bloomberg, ValueTrack Analysis, (\*) Excluding XHS, VARV

### Flows of Funds: The switch towards Bonds continues

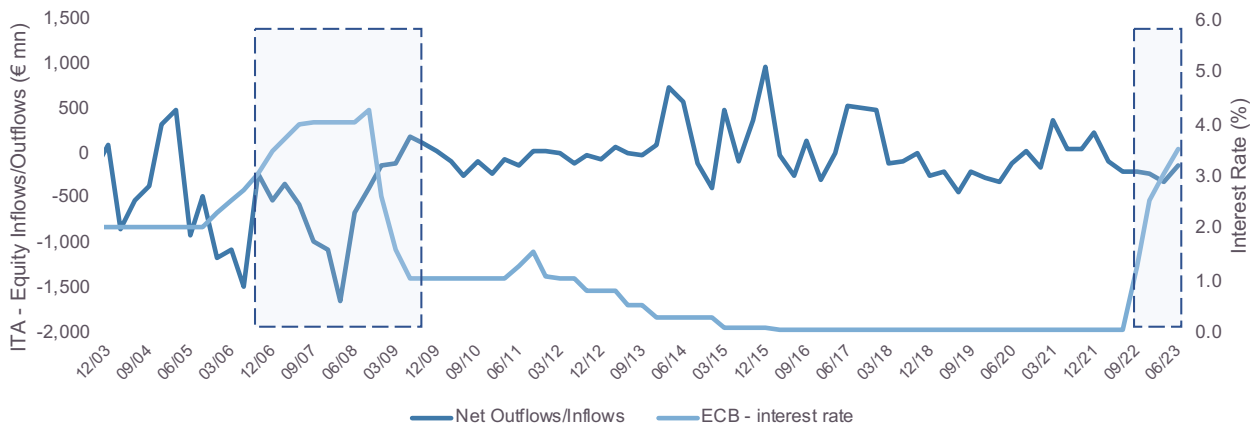
One of the most important drivers of the above-mentioned poor performance of Italian mid and small caps is the assets under management decrease of Italian equity funds as a result of the official rates hike that has shifted assets on fixed-income funds.

Indeed, according to Assogestioni figures, Italian equity funds experienced €132.9mn net outflows in 2Q23, registering a negative performance for the sixth consecutive quarter (cumulative €1,170mn withdrawals).

And if we look at the latest three quarters, Italian equity funds are recording cumulative €669m outflows vs. €1,6930mn inflows for fixed-income funds (of which €1,203mn in 2Q23).

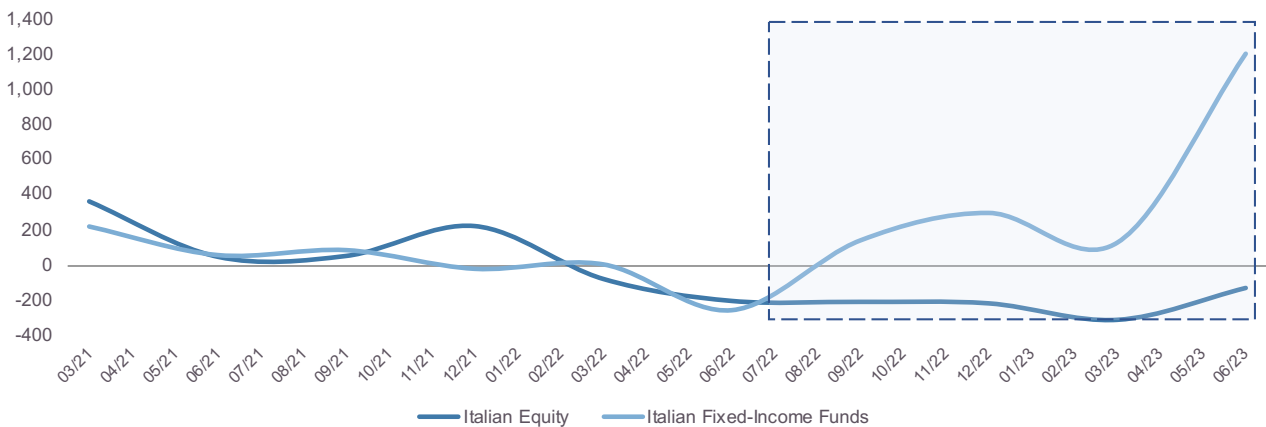
Worthy to note, the funds industry has already experienced such trends in the past when interest rates suffered similar upward movements.

#### Italian Equity Funds: Net Outflows/Inflows and ECB rates evolution



Source: Assogestioni, Value Track Analysis

#### Italian Equity Funds and Fixed-Income Funds: Net Outflows/Inflows



Source: Assogestioni, Value Track Analysis

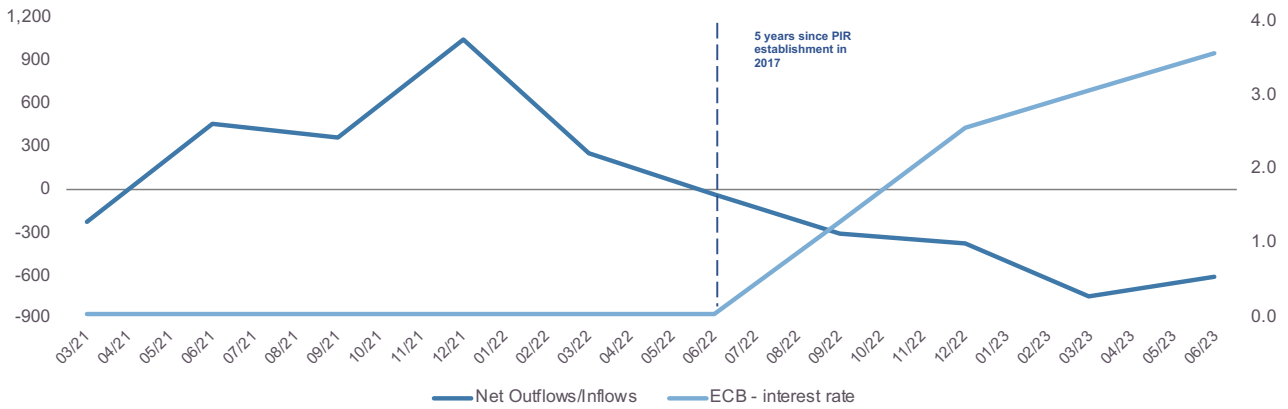
### The gloomy stance of PIR adds on top

Another negative burden on mid and small Cap is related to PIR funds current gloomy stance.

Indeed, many investors are exiting from PIR funds, having reached the minimum period of 5 years' holding to be allowed to dispose of their investment without paying capital gain tax (we remind that PIRs were established in 2017).

According to Assogestioni's data, PIRs have witnessed €609.7mn net outflows in 2Q23, registering a negative performance for the 5th consecutive quarter, with cumulative €2,102mn withdrawals.

#### Italian PIRs: Net Outflows/Inflows



Source: Assogestioni, Value Track Analysis



## 2023E-24E Estimates Revision

The analysis of EGM companies consensus estimates revision let us hint that the long awaited macroeconomic slow-down is now taking place, as the majority of EGM-listed companies had their FY23E-FY24E forecasts revised downwards (only ca. 12%-13% of EGM companies underwent a positive revision of consensus estimates). At aggregate level, FY23E-FY24E Net Profit estimates have been revised down by some -28.4% and -21.9% respectively, and Net Debt estimates FY23E-FY24E have massively moved up (from €774mn to €1.3bn and from €248mn to €0.9bn, respectively).

### Top-Down View

#### One step back: Quantifying the impact of macro deceleration of EGM companies

It's no more a news that the macroeconomic scenario is progressively deteriorating, (please see the detailed analysis of 1H23 earnings season that we published back in October), but at the same time it is useful to assess how EGM companies have been impacted by such slow down. Indeed, such analysis could allow us to better understand if the ongoing downward revision of 2023E-24E consensus forecasts is adequate or not.

That said, the evolution of EGM market historical y/y growth rates (i.e. FY0 vs. FY-1 figures) returns some self-explaining hints:

- ◆ Top line growth has suddenly become a single digit one, despite the positive impact of M&A deals finalized in the latest twelve months. This is the weakest results since covid-19 period;
- ◆ EBITDA as well has totally abated its y/y growth rates;
- ◆ EBIT and Net Profit are currently recording double digit y/y decrease rates;
- ◆ Net Debt / EBITDA ratio has sky scraped.

The increase of the percentage of loss-making companies on total confirms the slow down as well.

#### Euronext Growth Milan: Evolution of FY0 vs FY-1 y/y Growth Rates in the Latest Years

Key Figures (%)	FY20 (Stock Guide May 21)	1H21 (Stock Guide Nov 21)	FY21 (Stock Guide Apr 22)	1H22 (Stock Guide Nov 22)	FY22 (Stock Guide Jul 23)	1H23 (Stock Guide Oct 23)
Revenues FY0 vs FY-1	-2%	35% (*)	33%	43% (*)	39%	8% (*)
EBITDA FY0 vs FY-1	-6%	107% (*)	49%	28% (*)	31%	0% (*)
EBIT FY0 vs FY-1	-35%	nm (*)	86%	55% (*)	60%	-14% (*)
Net Profit FY0 vs FY-1	-22%	nm (*)	106%	56% (*)	53%	-33% (*)
Net Debt / EBITDA FY0	0.7x	0.6x (*)	0.5x	0.4x (*)	1.0x	1.4x (*)

Source: Market Consensus, Value Track Analysis, (\*) Referring to 1H

#### Euronext Growth Milan: Loss-Making Companies by Stock Guide (% on Total Sample)

Key Figures (%)	FY20 (Stock Guide May 21)	1H21 (Stock Guide Nov 21)	FY21 (Stock Guide Apr 22)	1H22 (Stock Guide Nov 22)	FY22 (Stock Guide Jul 23)	1H23 (Stock Guide Oct 23)
EBITDA	12%	15%	na	15%	16%	19%
Net Profit	29%	34%	na	na	44%	34%

Source: Market Consensus, Value Track Analysis

### 2023E-24E consensus estimates evolution: down, for the third time in a row

We have collected updated FY23-24E market consensus estimates on all EGM stocks (excluding financial sector companies, suspended, and latest IPOs) as revised after 1H23 earning season results.

Not surprisingly, these updated figures return a negative revision of P&L consensus estimates. And this is the 3<sup>rd</sup> time in a row that we calculate consensus estimates to have been negatively revised. In details:

- ◆ Aggregate **Revenues FY23E-FY24E have been revised downward by -10.1% and -6.3%** respectively, despite the impact of acquisitions finalized in the latest 12 months;
- ◆ Negative operating leverage has driven aggregate **EBITDA FY23E-FY24E estimates down more than proportionally, -12.5% and -8.2% respectively.**  
This is a hint that rising production costs (raw materials, transportation, energy and external services), are still spreading their effect and may continue to do so in coming months;
- ◆ Aggregate **FY23E-FY24E Net Profit estimates** have been revised down even more: **-28.4% and -21.9%** respectively;

Aggregate estimates have been revised even more negatively at the Balance Sheet level. Indeed, **Net Debt estimates FY23E-FY24E** have moved **from €774mn to €1.3bn** and **from €248mn to €0.9bn** respectively.

#### EGM: Updates Est. vs. Old ones after / before 1H23 earning season (#173 companies) (\*)

Estimates Revision (€mn)	FY23E			FY24E		
	Old	New	Δ	Old	New	Δ
<b>Revenues</b>	<b>10,709</b>	<b>9,625</b>	<b>-10.1%</b>	<b>11,789</b>	<b>11,041</b>	<b>-6.3%</b>
<b>EBITDA</b>	<b>1,550</b>	<b>1,356</b>	<b>-12.5%</b>	<b>1,862</b>	<b>1,710</b>	<b>-8.2%</b>
<i>EBITDA Margin (%)</i>	<i>14.5%</i>	<i>14.1%</i>	<i>-39bps</i>	<i>15.8%</i>	<i>15.5%</i>	<i>-31bps</i>
<b>EBIT</b>	<b>939</b>	<b>701</b>	<b>-25.3%</b>	<b>1,210</b>	<b>1,017</b>	<b>-16.0%</b>
<i>EBIT Margin (%)</i>	<i>8.8%</i>	<i>7.3%</i>	<i>-148bps</i>	<i>10.3%</i>	<i>9.2%</i>	<i>-105bps</i>
<b>Net Profit</b>	<b>642</b>	<b>460</b>	<b>-28.4%</b>	<b>789</b>	<b>616</b>	<b>-21.9%</b>
<b>Net Debt</b>	<b>774</b>	<b>1,339</b>	<b>565.2</b>	<b>248</b>	<b>920</b>	<b>671.4</b>

Source: Value Track Analysis on Market Consensus, (\*) #199 companies minus Financials (#21), Suspended (#3), XHS, VARV

Analyzing consensus estimates revision company by company (#199 EGM companies, #163 companies actually, excluding #21 with no coverage and #15 no research updates in recent months or IoC) denotes that the majority of EGM-listed companies have had their FY23E-FY24E forecasts revised downwards.

More in details:

- ◆ Ca. 42% of EGM companies (#83) have seen their Top Line and Operating Profits estimates revised downwards for both current and next year;
- ◆ On the opposite, only ca. 12%-13% of EGM companies underwent a positive revision of consensus estimates for Top Line and Profitability forecasts respectively;
- ◆ As concerns Net Debt, approx. 54% of EGM companies have been revised negatively (only 10.6% positively).

**Euronext Growth Milan: FY23E-24E Estimates Revision company by company**

Estimates Revision (#)	Top Line	Profitability	NFP (*)
<b>Up</b>	<b>25</b>	<b>24</b>	<b>21</b>
<i>as % of Total</i>	<i>12.6%</i>	<i>12.1%</i>	<i>10.6%</i>
<b>Unchanged</b>	<b>55</b>	<b>56</b>	<b>35</b>
<i>as % of Total</i>	<i>27.6%</i>	<i>28.1%</i>	<i>17.6%</i>
<b>Down</b>	<b>83</b>	<b>83</b>	<b>107</b>
<i>as % of Total</i>	<i>41.7%</i>	<i>41.7%</i>	<i>53.8%</i>
<b>No Update</b>	<b>10</b>	<b>10</b>	<b>10</b>
<i>as % of Total</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>
<b>Initiation of Coverage</b>	<b>5</b>	<b>5</b>	<b>5</b>
<i>as % of Total</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>
<b>No Coverage</b>	<b>21</b>	<b>21</b>	<b>21</b>
<i>as % of Total</i>	<i>10.6%</i>	<i>10.6%</i>	<i>10.6%</i>
<b>Total</b>	<b>199</b>	<b>199</b>	<b>199</b>

Source: Market Consensus, Value Track Analysis, (\*) "Up" implies more cash, down more debt

**Breaking down aggregate estimates revision**

Aggregate numbers revisions are sometimes misleading as they are the result of a few peculiar situations. So, it's worthy to break them down in order to spot which companies have contributed one way or the other.

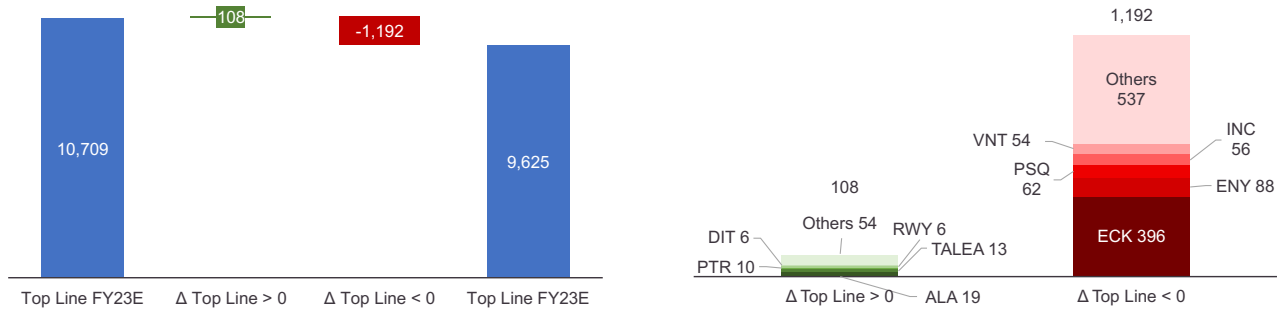
As far as aggregate Revenue estimates are concerned, we note the following:

- ◆ Companies undergoing a negative revision are contributing €1.2bn in FY23E and €1.0bn lower revenues in FY23E-FY24E, respectively;
- ◆ Some 33% and 22% of the downward revision in FY23E and FY24E, respectively, is explained by *Ecosuntek* alone, whose performance is strongly dependent on energy prices;
- ◆ Among the companies with the most negative revision of revenues estimate, in addition to *Ecosuntek* we flag *Energy*, *Jonix*, *ESI*, *Vantea Smart*;
- ◆ On the opposite, companies undergoing a positive revision are contributing €108mn and €298mn higher revenues in FY23E-FY24E, respectively;
- ◆ There is more dispersion for the upward revisions, with *ALA* being the main contributor in FY23E (18% of total);
- ◆ Among the companies with the most positive revision of revenues estimate, in addition to *ALA* we flag *Casta Diva Group*, *FAE Technology*.

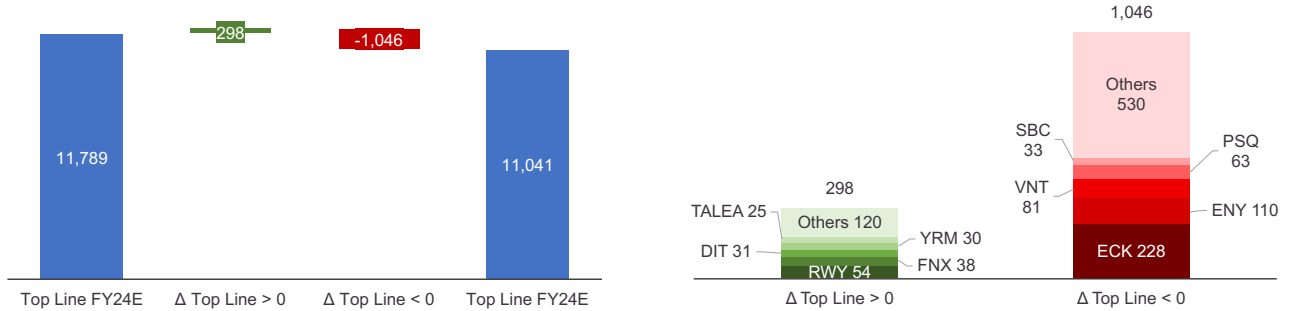
**Euronext Growth Milan: Top Line Estimates Revision FY23-24E (#173 Companies) (1/2)**

**Main Contributors to Consensus Revision (€mn)**

**FY23E**



**FY24E**

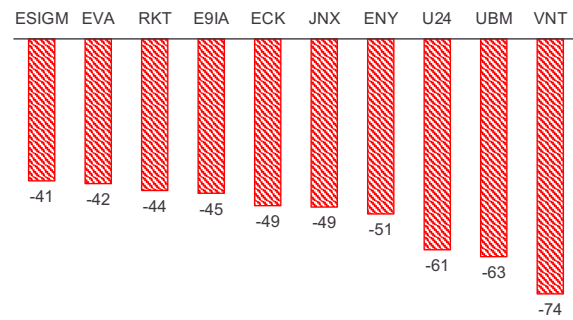
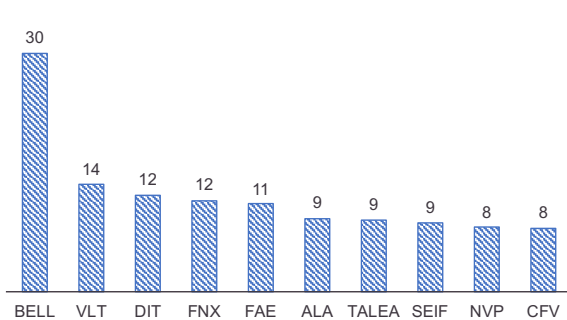


Source: Market Consensus, Value Track Analysis

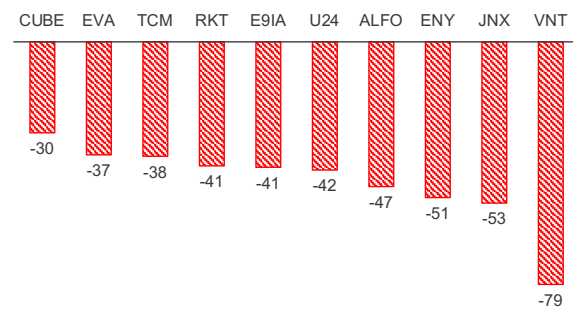
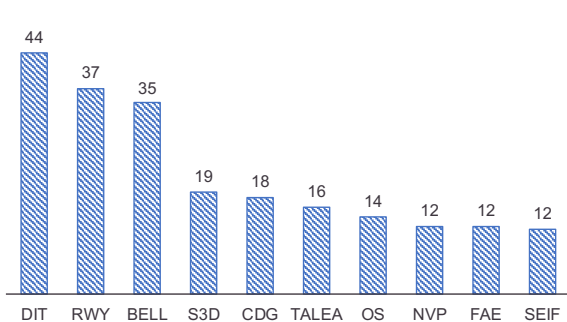
**Euronext Growth Milan: Top Line Estimates Revision FY23-24E (#173 Companies) (2/2)**

**Companies with the most positive (negative) revision of estimated Revenues (% , New vs Old Est)**

**FY23E**



**FY24E**

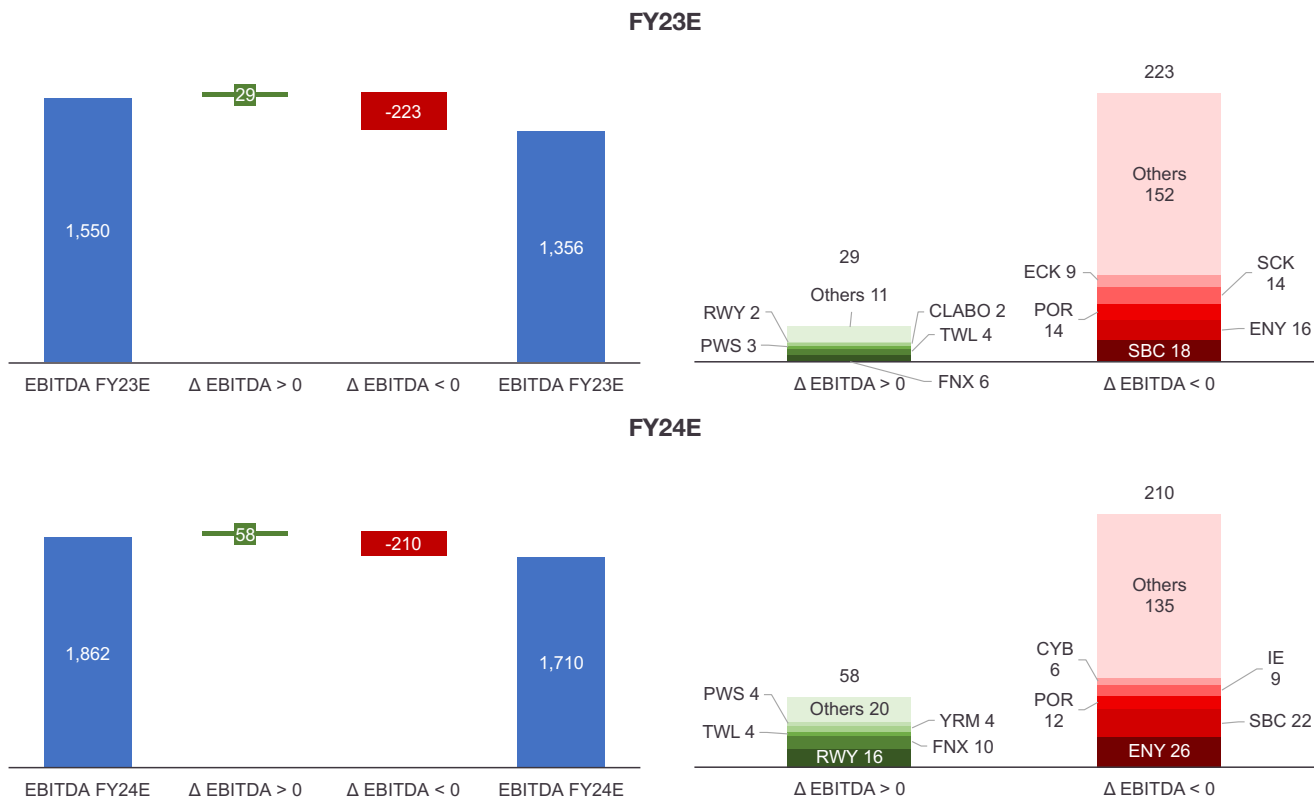


Source: Market Consensus, Value Track Analysis

The analysis is pretty similar if we look at the evolution of aggregate EBITDA estimates. On the positive side we flag *Reway* (accounting for 28% of the  $\Delta$  EBITDA FY24E due to the positive impact of M&A activity), while on the negative one *Energy* is the company with the highest impact (some 12% of total).

**Euronext Growth Milan: EBITDA Estimates Revision FY23-24E (#173 Companies) (1/2)**

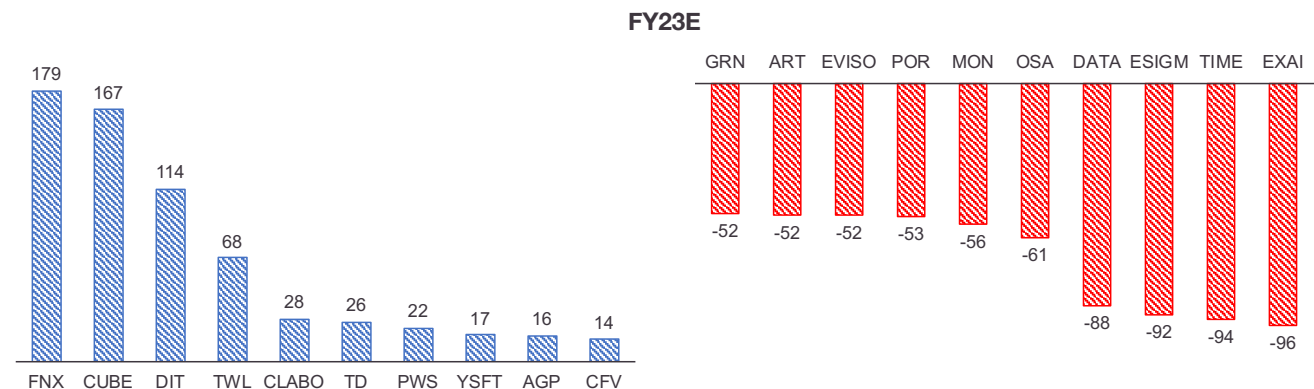
**Main Contributors to Consensus Revision (€mn)**



Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: EBITDA Estimates Revision FY23-24E (#173 Companies) (2/2)**

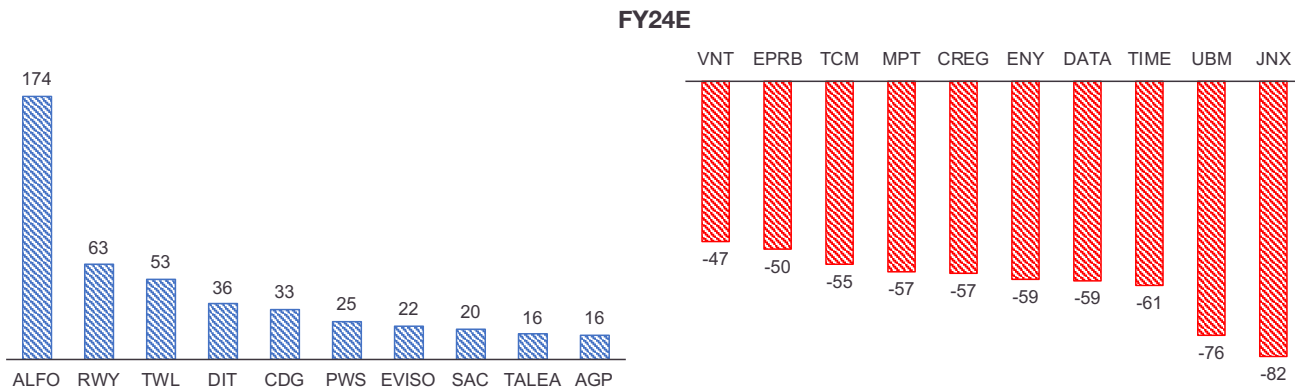
**Companies with the most positive (negative) revision of estimated EBITDA (% , New vs Old Est)**



Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: EBITDA Estimates Revision FY23-24E (#173 Companies) (2/2)**

Companies with the most positive (negative) revision of estimated EBITDA (% , New vs Old Est)



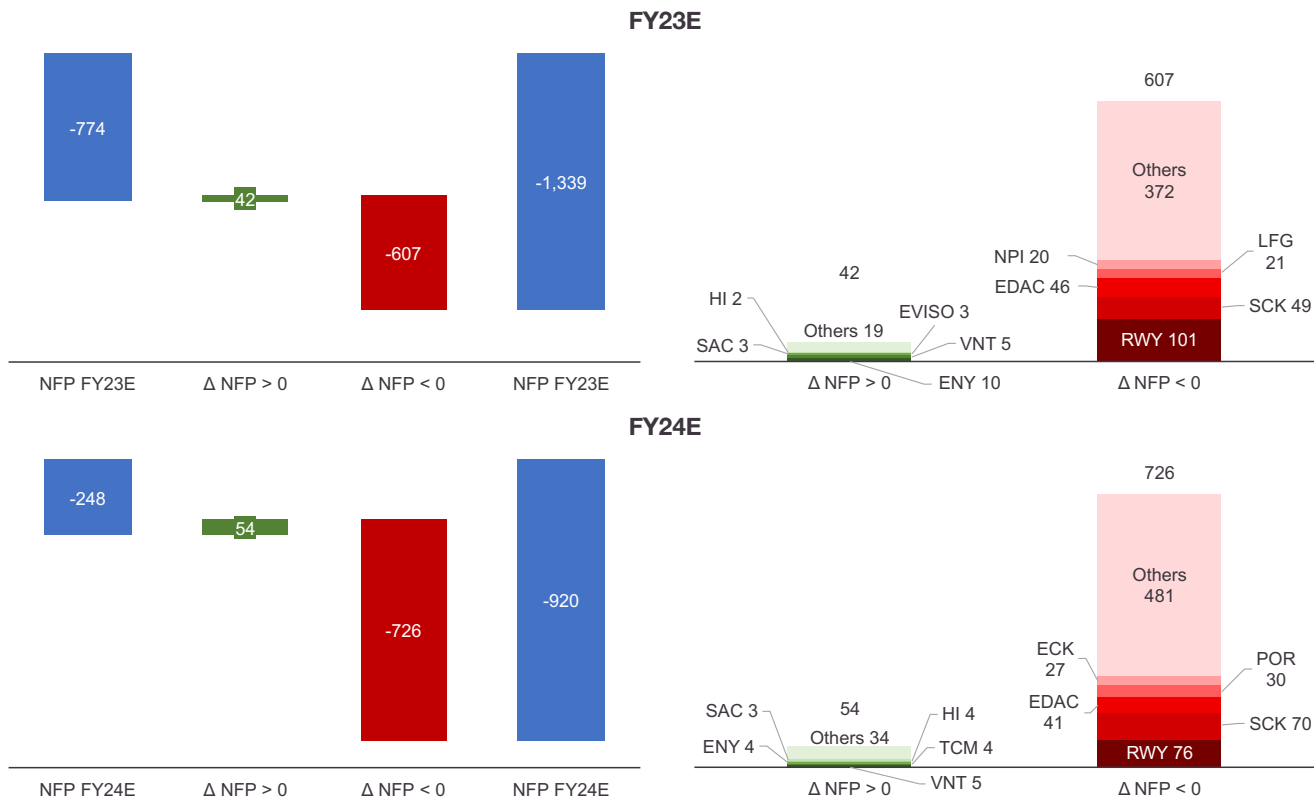
Source: Market Consensus, Value Track Analysis

As far as aggregate Net Debt estimates are concerned, we note the following:

- ◆ Out of the #173 companies considered, only #27 underwent a positive estimate revision in FY23E and #31 in FY24E. This means ca. 16% of total vs. ca. 18%, respectively;
- ◆ The worst revision of NFP estimate for FY23E is *Reway* (-€101.0mn, due to ca. €95.5mn M&A transaction), followed by *Sciuker Frames* and *EdiliziAcrobatica* with €48.9mn and €45.6mn of  $\Delta$  Net Debt estimate.

**Euronext Growth Milan: Net Financial Position Estimates Revision FY23-24E (#173 Companies)**

Main Contributors to Consensus Revision (Absolute Value)



Source: Market Consensus, Value Track Analysis

## Cross check with previous stock guides

Comparing the recent earnings revision season with the ones described in our previous stock guides shows how the percentage of downward revisions has recently increased. Indeed:

- ◆ The number of upward estimates relative to the total has declined from 28% and 13% in November 2022 to 13% and 12% in October 2023 for top-line and profitability estimates, respectively;
- ◆ Conversely, downward estimates relative to the total have moved from 27% and 44% to 42% and 42%.

### Euronext Growth Milan: # Companies' Historical Estimates Revision

Est. Revision (#)	Stock Guide Nov. 22 (post 1H22 results)		Stock Guide July 23 (post FY22 results)		Stock Guide Oct 23 (post 1H23 results)	
	Top Line	Profitability	Top Line	Profitability	Top Line	Profitability
<b>Upwards Revision</b>	<b>53</b>	<b>24</b>	<b>54</b>	<b>33</b>	<b>25</b>	<b>24</b>
<i>As % of Total</i>	28%	13%	30%	18%	13%	12%
<b>Downwards Revision</b>	<b>51</b>	<b>84</b>	<b>55</b>	<b>83</b>	<b>83</b>	<b>83</b>
<i>As % of Total</i>	27%	44%	30%	45%	42%	42%
<b>Unchanged Estimates</b>	<b>52</b>	<b>48</b>	<b>36</b>	<b>29</b>	<b>55</b>	<b>56</b>
<i>As % of Total</i>	27%	25%	20%	16%	28%	28%
<b>No Update</b>	<b>5</b>	<b>5</b>	<b>16</b>	<b>16</b>	<b>10</b>	<b>10</b>
<i>As % of Total</i>	3%	3%	9%	9%	5%	5%
<b>No Coverage</b>	<b>20</b>	<b>20</b>	<b>27</b>	<b>27</b>	<b>21</b>	<b>21</b>
<i>As % of Total</i>	10%	10%	15%	15%	11%	11%
<b>Initiation of Coverage</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>
<i>As % of Total</i>	1%	1%	2%	2%	3%	3%
<b>Total</b>	<b>183</b>	<b>183</b>	<b>192</b>	<b>192</b>	<b>199</b>	<b>199</b>

Source: Market Consensus, Value Track Analysis, (\*) Up implies more cash, down more debt

Worthy to note, there are only very few names that navigated successfully the past three estimates' reviews:

- ◆ #3 stocks at Top Line level, i.e., *A.L.A.*, *DBA Group* and *Powersoft*;
- ◆ #2 stocks at profitability level, i.e., *TraWell Co* and *Powersoft* again.

Conversely, there are many companies that have been experiencing 3/3 downwards estimates revisions at top line and profitability level, respectively. Some examples are *Askoll*, *Datrix*, *Farmacosmo*, *Jonix*, *MeglioQuesto*, *Mit Sim*, *Premia Finance Tecma Solutions*.

## 2023E-2024E New Forecasts

After the severe downward revision of market consensus estimates on EGM companies, the updated forecasts drive some key thoughts: 1) 2023E aggregate consensus forecasts now appear almost achievable at Top line level, but still too bullish at Bottom line one; 2) 2024E aggregate consensus forecasts highlight a strong rebound on all metrics that, in our view, is difficult to be achieved; 3) there are several EGM companies that are expected to keep growing at double digit rates in 203E-24E, but only some of them are expected to couple growth with cash generation.

The updated picture of market consensus estimates on EGM companies following the recent “downward revision season” returns the following key messages:

1. 2023E aggregate consensus forecasts now appear almost achievable at Top line level, but still too bullish at Bottom line one;
2. 2024E aggregate consensus forecasts highlight a strong rebound on all metrics that, in our view, is difficult to be achieved;
3. There are several EGM companies that are expected to keep growing at double digit rates in 203E-24E, but only some of them are expected to couple growth with cash generation.

### Key message # 1: 2023E aggregate consensus forecasts now appear almost achievable at Top line level, but still too bullish at Bottom line

Updated 2023E aggregate consensus estimates, (calculated taking into consideration all EGM companies net of *Financials*, suspended stocks and the #2 most recent IPOs), are as follows:

- ◆ **Revenues** are expected to grow at mid-single digit rate: 6% y/y;
- ◆ **EBITDA** is forecasted to grow a bit more (+8% y/y), with EBITDA Margin increasing by ca. +20bps to 14.1%;
- ◆ **EBIT** as well is seen growing a bit more than proportionally (+9% y/y) if compared to Top line, with EBIT Margin gaining ca. +20bps reaching 7.3%;
- ◆ **Net Profit** is seen growing at very high pace: +37% y/y;
- ◆ **Net Debt** is forecasted to remain substantially unchanged at ca. €1.3bn (Net Debt / EBITDA ratio at 1.0x).

### Euronext Growth Milan: Aggregate Financials FY22A-23E (#173 Companies)

(IT GAAP, €mn)	FY22A	FY23E
<b>Revenues</b>	<b>9,044</b>	<b>9,625</b>
y/y (%)	nm	6.4%
<b>EBITDA</b>	<b>1,260</b>	<b>1,356</b>
EBITDA Margin (%)	13.9%	14.1%
<b>EBIT</b>	<b>643</b>	<b>701</b>
EBIT Margin (%)	7.1%	7.3%
<b>Net Profit</b>	<b>335</b>	<b>460</b>
<b>Net Debt</b>	<b>1,253</b>	<b>1,339</b>
Net Debt / EBITDA (x)	1.0x	1.0x

Source: Market Consensus, Value Track Analysis



We saw before that current consensus estimates on FY23E figures are the result of several downward revisions that took place after the latest earnings seasons. Indeed, FY23E vs. FY22A expected growth rates have been more than halved in the latest five months.

#### Euronext Growth Milan: Expected Growth Rates FY23E vs. FY22A by Stock Guide

	Stock Guide Jul 2023	Stock Guide Nov 2023
Revenues growth 2023E/22A	16%	6%
EBITDA growth 2023E/22A	23%	8%
EBIT growth 2023E/22A	39%	9%
Net Profit growth 2023E/22A	68%	37%
Net Debt / EBITDA 2023E year-end	0.6x	1.0x

Source: Market Consensus, Value Track Analysis

We believe that current consensus estimates are achievable at Top Line level, as the expected +6% y/y FY23E Top line growth is very similar to the +8% y/y recorded in 1H23;

On the contrary, EBITDA-EBIT-Net Profit FY23E estimates appear demanding. Indeed:

- ◆ The expected +8% y/y FY23E EBITDA growth compares with the flat y/y stance recorded in 1H23;
- ◆ The expected +9% y/y FY23E EBIT growth compares with the -13.5% y/y decrease recorded in 1H23;
- ◆ The expected +37% y/y FY23E Net Profit growth compares with the -33% y/y decrease recorded in 1H23.

A cross check with 9M top line figures released so far (#37 EGM companies) confirms that risks are more on the downside:

- ◆ For #22 companies (59%) FY23E appears somewhat overstated;
- ◆ For #10 companies (27%) FY23E could be revised upward;
- ◆ For #5 companies (14%) FY23E seems fair.

A further confirmation of our view comes from the comparison of the current FY23E consensus forecast of the percentage of companies with negative EBITDA and Net Profit. Indeed:

- ◆ Only 9% of EGM stocks are seen recording FY23E EBITDA <0 (vs. 5% in old estimates) vs. 19% in 1H23 and 16% in FY22;
- ◆ Only 23% of EGM stocks are seen recording FY23E Net Profit <0 (vs. 17% in old estimates) vs. 34% as of 1H23 and 44% as of FY22.

#### Euronext Growth Milan: Loss-Making Companies by Stock Guide (% on total sample)

(Key Figures %)	1H23A (Stock Guide Oct 23)	FY23E
EBITDA	19%	9%
Net Profit	34%	23%

Source: Market Consensus, Value Track Analysis

## Key message # 2: 2024E aggregate consensus forecasts highlight a strong rebound that, in our view, is difficult to be achieved

Taking into consideration all EGM companies (net of *Financials* and of suspended stocks), aggregate FY24E financial forecasts are as follows:

- ◆ **Revenues** are expected to grow by ca. 15% y/y;
- ◆ **EBITDA** is seen up by ca. +26% y/y, with EBITDA Margin increasing by ca. +140bps to 15.5%;
- ◆ **Net Profit** is forecasted to record a +34% y/y growth;
- ◆ **Net Debt** is seen decreasing massively (at ca. €920mn, Net Debt / EBITDA ratio at 0.5x).

### Euronext Growth Milan: Aggregate Financials FY22A-24E (#173 Companies)

(IT GAAP, €mn)	FY23E	FY24E
<b>Revenues</b>	<b>9,625</b>	<b>11,041</b>
<i>y/y (%)</i>	6.4%	14.7%
<b>EBITDA</b>	<b>1,356</b>	<b>1,710</b>
<i>EBITDA Margin (%)</i>	14.1%	15.5%
<b>EBIT</b>	<b>701</b>	<b>1,017</b>
<i>EBIT Margin (%)</i>	7.3%	9.2%
<b>Net Profit</b>	<b>460</b>	<b>616</b>
<b>Net Debt</b>	<b>1,339</b>	<b>920</b>
<i>Net Debt / EBITDA (x)</i>	1.0x	0.5x

Source: Market Consensus, Value Track Analysis

With the current macroeconomic slowdown in mind, we believe such consensus estimates to be extremely demanding, especially as far as the forecasted rebound in profitability and the positive cash flow generation. We wonder if the cut in 2024E estimates has been severe enough.

### Euronext Growth Milan: Expected Growth Rates FY24E vs. FY23E by Stock Guide

Key Figures (%)	Stock Guide Jul 2023	Stock Guide Nov 2023
Revenues growth 2024E/23E	9%	15%
EBITDA growth 2024E/23E	19%	26%
EBIT growth 2024E/23E	27%	45%
Net Profit growth 2024E/23E	21%	34%
Net Debt / EBITDA 2024E year-end	0.2x	0.5x

Source: Market Consensus, Value Track Analysis

### Euronext Growth Milan: Loss-Making Companies (% on Total Sample)

(%)	FY23E	FY24E
EBITDA	9%	3%
Net Profit	23%	12%

Source: Market Consensus, Value Track Analysis

### Key message # 3: There are several EGM companies that are expected to keep growing at double digit rates in 2023E-24E, but only some should also generate cash

Based on updated consensus estimates there are ca. 5% of EGM companies that are expected to post negative growth 2022A-24E on all P&L metrics (Revenues, EBITDA, EBIT, Net Profit).

At the same time, there are several EGM companies that are expected to keep growing at double digit rates in 203E-24E. It's less frequent, however, to find companies that are expected to couple high growth (in absolute terms and in percentage ones) with positive cash generation. A list of these companies includes names such as: *Almawave, Altea Green Power, Circle, Cyberoo, DBA, DHH, Eles, ID-Entity, Imprendiroma, Iniziative Bresciane, Italian Wine Brands, NVP, Officina Stellare, Planetel, Powersoft, Promotica, Relatech, Rosetti Marino, Star7.*

#### Euronext Growth Milan: Companies coupling high absolute growth and cash generation

(€mn)	Revenues FY22A	Revenues FY24E	Δ (€mn)
Rosetti Marino	316.5	500.0	183.5
Italian Wine Brands	396.2	450.7	54.5
Relatech	70.0	115.3	45.3

(€mn)	EBITDA FY22A	EBITDA FY24E	Δ (€mn)
Italian Wine Brands	29.7	48.3	18.6
Iniziative Bresciane	11.3	21.8	10.5
Relatech	13.2	21.9	8.7
Almawave	10.2	18.8	8.6
Imprendiroma	9.7	18.0	8.3
Powersoft	12.4	19.8	7.4
Cyberoo	6.7	14.1	7.4

(€mn)	EBIT FY22A	EBIT FY24E	Δ (€mn)
Italian Wine Brands	19.2	35.8	16.6
Rosetti Marino	18.8	29.0	10.3
Imprendiroma	9.4	17.3	7.9
Relatech	8.7	15.6	6.9
Promotica	4.2	10.8	6.6
Altea Green Power	6.0	12.6	6.6
Star7	7.4	13.9	6.6

(€mn)	Net Profit FY22A	Net Profit FY24E	Δ (€mn)
Rosetti Marino	4.6	18.6	13.9
Italian Wine Brands	11.2	20.8	9.6
Relatech	1.7	11.0	9.3
Iniziative Bresciane	-0.5	7.4	7.9
Promotica	3.2	8.9	5.7
Star7	3.2	8.8	5.6
Imprendiroma	6.6	12.2	5.6

Source: Market Consensus, Value Track Analysis (\*) # 173 companies

**Euronext Growth Milan: Companies coupling high % y/y growth and cash generation**

(€mn)	Revenues FY22A	Revenues FY24E	CAGR <sub>22A-24E</sub> (%)
Officina Stellare	8.0	24.5	74.8
ID-Entity	9.9	23.3	53.2
RES	17.9	35.9	41.6

(€mn)	EBITDA FY22A	EBITDA FY24E	CAGR <sub>22A-24E</sub> (%)
Officina Stellare	3.2	8.6	64.8
Cyberoo	6.7	14.1	44.7

(€mn)	EBIT FY22A	EBIT FY24E	CAGR <sub>22A-24E</sub> (%)
Officina Stellare	0.8	5.4	162.3
NVP	1.2	5.3	107.6
Iniziative Bresciane	2.0	8.2	102.8
Planetel	2.0	6.5	80.3
Eles	1.2	3.7	75.6

(€mn)	Net Profit FY22A	Net Profit FY24E	CAGR <sub>22A-24E</sub> (%)
NVP	0.2	3.0	258.1
Officina Stellare	0.5	4.0	187.0
Relatech	1.7	11.0	154.4
DHH	0.7	4.3	140.2
DBA	0.6	2.4	100.0
Rosetti Marino	4.6	18.6	99.9
Circle	0.8	3.2	95.2
Planetel	1.2	4.6	94.2

Source: Market Consensus, Value Track Analysis (\*) # 173 companies

## Valuation Analysis

Based on current stock market prices, we calculate that EGM is now trading at average 1.2x-1.0x EV/Sales, 7.9x-5.6x EV/EBITDA, 15.7x-11.4x P/E 2023-E-24E respectively, with current multiples being very close to those of our July '23 report, as stock prices de-rating went along the estimates downward review of latest three months. Energy & Utilities, Technology, Telecommunications sectors are trading at premium while Media apparently trades at discount. When looking at the stock with the highest upside on consensus target price /fair value, we still find an inverse correlation between resilient / high quality companies and the respective stock price potential assigned by consensus.

### Stock Multiples Today vs. Previous Stock Guides

In terms of EGM stock market valuation, based on current stock market prices, updated estimates post-1H23 earnings season and with our data set considering #173 companies (#199 stocks currently listed minus #21 financial sector companies, #3 suspended stocks and #2 November IPOs), we calculate:

- ◆ EGM is now trading at average **1.2x-1.0x EV/Sales, 7.9x-5.6x EV/EBITDA, 15.7x-11.4x P/E 2023-E-24E** respectively;
- ◆ Current multiples are very close to those of our July '23 report, as stock prices de-rating went along the estimates downward review of latest three months;
- ◆ On a two years period, EGM is currently trading at ca. 30% discount with respect to the “peak” figures of our November 2021 Stock Guide, and at ca. 10% premium with respect to the “bottom” figures of our January 2023 Stock Guide, when consensus estimates were still materially bullish.

#### Euronext Growth Milan: Average Stock Multiples evolution -2Y

Stock Guide	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
	FY1	FY2	FY1	FY2	FY1	FY2
November 2021	2.0	1.5	10.7	8.9	21.7	17.4
May 2022	1.6	na	8.9	na	16.6	na
October 2022	1.4	1.2	8.9	6.5	17.1	13.3
January 2023	1.2	1.1	6.8	4.9	13.4	11.6
July 2023	1.3	1.1	7.7	5.7	15.0	11.6
<b>November 2023</b>	<b>1.2</b>	<b>1.0</b>	<b>7.9</b>	<b>5.6</b>	<b>15.7</b>	<b>11.4</b>
<b>Premium (+) / Discount (-) vs. Previous (%)</b>	<b>-3%</b>	<b>-8%</b>	<b>3%</b>	<b>-3%</b>	<b>5%</b>	<b>-2%</b>

Source: Market Consensus, Value Track Analysis

Looking at current sector multiples, we calculate that:

- ◆ Sectors that are trading at premium are: Energy & Utilities, Technology, Telecommunications;
- ◆ The sector that is trading at material discount is Media;
- ◆ All other sectors are substantially in line with the market.

Also, as far as sector multiples are concerned, we note that compared to July 2023 Stock Guide:

- ◆ *Energy & Utilities* and *Media* stocks trading multiples re-rated by ca. 30% and 20% on average, respectively, as the revision of forecasts has been pretty “cruel”;
- ◆ *Healthcare* and *Consumer Goods* companies suffered a 30% and 10% valuation drop as estimates revision was milder.

### Euronext Growth Milan: Stock Multiples @ Current Market Price

Industry	# Stocks	Mkt Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
			FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Energy & Utilities	14	769	2.4	1.5	12.0	5.5	15.5	9.8
Telecommunications	3	186	1.8	1.5	7.7	5.8	18.3	18.7
Health Care	12	372	0.7	1.2	9.3	4.8	13.6	13.8
Technology	39	1,605	1.6	1.2	8.5	7.0	19.0	11.8
Media	18	206	0.9	0.7	4.0	2.6	10.3	10.0
Consumer Goods	34	1,365	1.0	0.8	8.3	6.3	13.1	12.2
Consumer Services	21	684	0.8	1.0	7.7	4.1	19.4	11.6
Industrial	32	1,711	1.1	0.9	7.0	5.8	15.5	10.5
<b>EGM (*)</b>	<b>173</b>	<b>6,897</b>	<b>1.2</b>	<b>1.0</b>	<b>7.9</b>	<b>5.6</b>	<b>15.7</b>	<b>11.4</b>

Source: Market Consensus, Value Track Analysis, (\*) #199 listed stocks minus #21 Financials, #3 Suspended. #1 XHS, #1 VARV

## Stock Multiples at Expected Target Price / Fair Value

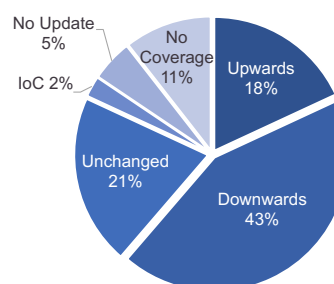
### Target Price Review

Together with the massive downward revision on estimates, the majority of EGM companies continued to witness downwards reviews of their target price / fair value. Indeed:

- ◆ #86 stocks (ca. 43% of the total) had their fair value revised down, driven by a weaker-than-expected earnings season and peers de-rating. Out of these, #37 companies (ca. 19%) already saw their target price drop after FY22 earnings season, and for #27 companies (ca. 14%) is the third time of downwards revision in a row;
- ◆ On the other hand, there are only three stocks that saw their target price rise three times in a row, i.e. *A.L.A.*, *Reti* and *Trawell*, while 24 companies experienced two fair value increase.

### Euronext Growth Milan Number of Companies by Target Price Revision

Target Price Revision	EGM Stocks (#)
Upwards Revision	36
Downwards Revision	86
Unchanged	41
Initiation of Coverage	5
No Update	10
No Coverage	21
<b>Total</b>	<b>199</b>



Source: Market Consensus, Value Track Analysis

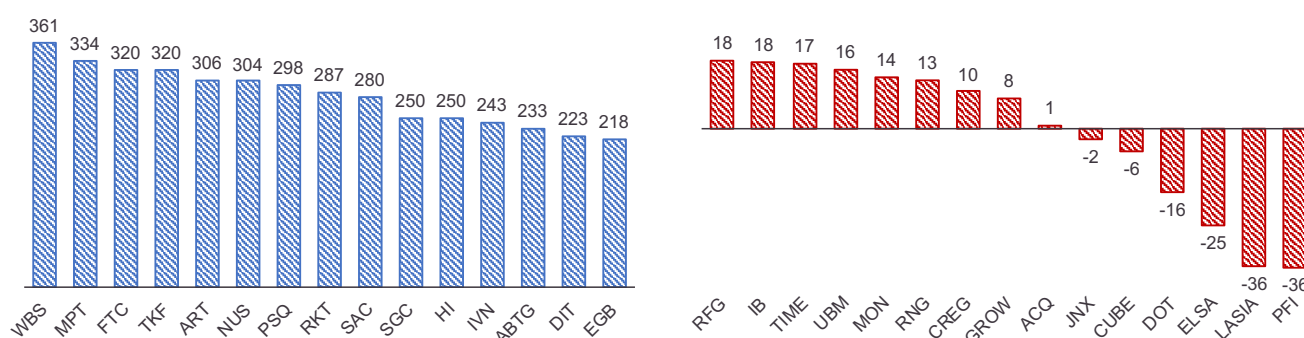
### Stock Upside Potential vs. Current Market Price

When looking at the stock with the highest upside potential on consensus target price, we note that:

- ◆ We still find an inverse correlation between resilient / high quality companies and the respective stock price potential assigned by consensus. Examples are provided by the fact that:
  - Out of the 15 companies with the highest upside potential, only two experienced an upward top line estimate revision after 1H23 earnings season;

- Again, out of the 15 companies with the highest upside potential, only *Health Italia* (ca. +11%) and *Alfio Bardolla* (ca. +6%) recorded a positive 1Y stock price performance, while *Take Off* was the worst performer (ca. -81%), followed by *Impianti* (ca. -67% since IPO) and *Websolute* (ca. -45%);
- ◆ Out of the 15 companies with the highest upside potential, #5 belong to *Consumer Goods/Services* sector, and #4 to *Financial* one;
- ◆ In the whole sample under analysis, we count #58 companies with a target price upside above 100%, and only #19 below 20%;
- ◆ There are #6 companies with current market price being higher than their fair value (*Premia Finance*, *La Sia*, *Elsa Solutions*, *Dotstay*, *Cube Labs*, *Jonix*), with #4 of them being listed between the end of 2022 and 2023 and recording positive performances vs. their IPO price (led by *La Sia* at ca. +143% and *Elsa Solutions* at ca. +114%);

### Euronext Growth Milan: Top and Bottom 15 Stocks by Target Price Upside vs. Current Market Price



Source: Market Consensus, Value Track Analysis

### Stock Multiples at Target Price

We calculate that at fair value, EGM implicit valuation multiples (**2.0x-1.7x EV/Sales, 11.7x-9.2x EV/EBITDA, 23.8x-17.8x P/E 2023E-24E**) look extremely demanding and would generate a higher than 50% upside on FY23 consensus. We're pretty skeptical about the feasibility of such a scenario given the current uncertainties on macroeconomic evolution.

### Euronext Growth Milan: Stock Multiples @ Target Price

Industry	# Stocks	Mkt Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
			FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Energy & Utilities	13	1,130	2.5	1.9	11.0	8.2	22.4	15.1
Telecommunications	2	371	4.2	3.7	11.8	10.0	36.1	12.7
Health Care	12	678	1.6	2.2	9.7	8.7	26.2	18.5
Technology	35	2,431	2.6	2.1	12.3	10.7	26.0	20.4
Media	11	329	1.3	1.0	7.9	4.6	23.3	13.6
Consumer Goods	30	2,148	1.6	1.3	13.7	10.3	22.6	19.7
Consumer Services	18	1,068	1.6	1.6	13.4	9.0	23.1	17.7
Industrial	31	2,486	1.7	1.4	10.7	8.6	22.1	16.1
<b>EGM (*)</b>	<b>152</b>	<b>10,641</b>	<b>2.0</b>	<b>1.7</b>	<b>11.7</b>	<b>9.2</b>	<b>23.8</b>	<b>17.8</b>

Source: Market Consensus, Value Track Analysis

(\*) #199 listed stocks minus #21 Financials, #3 Suspended. #1 XHS, #1VARV, #21 with no target price available

## Top Picks Selection

As usual, we hereby flag some names of EGM companies boasting interesting features from a stock market point of view. They can be clustered as:

1. Momentum;
2. Growth & Cash generative;
3. Quality for Value;
4. Excessively Derated.

### Momentum

These are companies that:

- ◆ Reported sound results in the latest reporting seasons;
- ◆ Are experiencing upwards estimates revision.

Examples are: *Almawave, A.L.A., Aton Green Storage, DBA, FAE Technology, Franchetti, Powersoft, TraWell Co, Rosetti Marino.*

### Growth & Cash generative

These are companies that:

- ◆ Are forecasted to grow at double digit rates;
- ◆ Are not expected to burn cash despite their growth.

Examples are: *Altea Green Power, Circle, Cyberoo, DHH, Eles, NVP, Officina Stellare, Powersoft, Relatech, Star7, TraWell Co.*

### Quality for Value

These are companies that:

- ◆ Boast a business model currently mispriced by the stock market;
- ◆ At the same time, they are not expected to get into financial troubles.

Examples are: *Casta Diva Group, Comal, DBA, Fervi, Industrie Chimiche Forestali, Ilpra, Italian Wine Brands, NVP, Relatech, TPS.*

### Excessively Derated

These are companies that:

- ◆ Currently trading very far from their all-time high or very close to their all-time low;
- ◆ At the same time, they are not expected to get into financial troubles.

Examples are: *Bellini, Farmacosmo, Eles, Grifal, Italian Wine Brands, MeglioQuesto, Officina Stellare, Pasquarelli Auto, Talea Group.*

Please find in the following pages the main stock trading multiples (at current market price and at current fair value) and the main KPIs for the above mentioned stocks.



**EGM “Momentum Stocks”: Multiples @ Current Market Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Almawave	115.8	1.8	1.5	9.0	5.6	22.7	12.7
A.L.A.	128.7	0.8	0.7	7.1	6.0	13.8	11.2
Aton Green Storage	38.4	1.0	0.9	5.0	4.3	6.9	5.9
DBA	20.0	0.3	0.3	3.2	2.8	5.6	4.7
FAE Technology	30.4	0.6	0.5	5.6	4.4	8.4	6.8
Franchetti	23.7	3.5	2.2	9.0	5.5	13.9	9.3
Powersoft	103.0	1.3	1.1	5.3	4.4	10.8	8.8
TraWell Co	20.5	1.4	1.0	4.0	3.0	41.8	16.8
Rosetti Marino	149.6	0.4	0.3	7.8	4.0	18.6	8.1
<b>Average</b>	<b>70.0</b>	<b>1.2</b>	<b>0.9</b>	<b>6.2</b>	<b>4.5</b>	<b>15.8</b>	<b>9.4</b>
<b>Median</b>	<b>38.4</b>	<b>1.0</b>	<b>0.9</b>	<b>5.6</b>	<b>4.4</b>	<b>13.8</b>	<b>8.8</b>

Source: Market Consensus, Value Track Analysis

**EGM “Momentum Stocks”: Multiples @ Target Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Almawave	197.4	3.2	2.7	15.9	10.0	38.7	21.7
A.L.A.	154.0	0.9	0.8	8.1	7.0	16.5	13.4
Aton Green Storage	57.8	1.4	1.2	7.0	5.9	10.3	8.9
DBA	34.5	0.5	0.4	4.6	4.2	9.6	8.0
FAE Technology	64.4	1.2	1.0	10.9	8.9	17.9	14.5
Franchetti	49.2	7.4	4.9	19.0	12.0	28.9	19.3
Powersoft	142.1	1.9	1.6	7.7	6.3	15.0	12.1
TraWell Co	34.7	1.8	1.5	5.4	4.2	>50	28.5
Rosetti Marino	nm	nm	nm	nm	nm	nm	nm
<b>Average</b>	<b>91.8</b>	<b>2.3</b>	<b>1.8</b>	<b>9.8</b>	<b>7.3</b>	<b>19.6</b>	<b>15.8</b>
<b>Median</b>	<b>61.1</b>	<b>1.6</b>	<b>1.3</b>	<b>7.9</b>	<b>6.7</b>	<b>16.5</b>	<b>13.9</b>

Source: Market Consensus, Value Track Analysis

**EGM “Momentum Stocks”: Key Financials**

Company	CAGR 2022A-24E (%)			EBITDA Margin (%)		ROCE (%)	
	Sales	EBITDA	Net Profit	FY23E	FY24E	FY23E	FY24E
Almawave	18%	36%	38%	20%	27%	14%	22%
A.L.A.	25%	27%	21%	11%	11%	17%	19%
Aton Green Storage	2%	2%	-5%	20%	20%	22%	22%
DBA	14%	21%	50%	10%	10%	17%	18%
FAE Technology	27%	39%	45%	11%	12%	27%	29%
Franchetti	41%	46%	45%	39%	40%	42%	53%
Powersoft	26%	26%	36%	25%	26%	104%	100%
TraWell Co	12%	14%	nm	34%	35%	20%	30%
Rosetti Marino	26%	9%	100%	5%	7%	7%	15%
<b>Average</b>	<b>21%</b>	<b>25%</b>	<b>41%</b>	<b>19%</b>	<b>21%</b>	<b>30%</b>	<b>34%</b>
<b>Median</b>	<b>25%</b>	<b>26%</b>	<b>41%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>22%</b>

Source: Market Consensus, Value Track Analysis

**EGM “Growth + Cash Generation Stocks”: Multiples @ Current Market Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Altea Green Power	81.5	3.8	2.9	8.6	6.4	13.0	9.7
Circle	24.2	1.4	1.1	7.2	4.9	9.3	7.5
Cyberoo	103.8	4.2	3.2	9.9	7.0	21.9	14.9
DHH	67.8	1.9	1.6	7.0	5.2	19.8	15.6
Eles	23.8	0.8	0.7	5.7	3.9	19.8	10.3
NVP	21.9	1.2	0.8	3.9	2.6	15.1	7.4
Officina Stellare	58.6	3.5	2.5	10.0	7.1	27.1	14.6
Powersoft	103.0	1.3	1.1	5.3	4.4	10.8	8.8
Relatech	90.6	1.0	0.8	5.7	4.2	11.2	8.2
Star7	56.7	0.9	0.8	6.2	4.2	8.9	4.9
TraWell Co	20.5	1.4	1.0	4.0	3.0	41.8	16.8
<b>Average</b>	<b>59.3</b>	<b>1.9</b>	<b>1.5</b>	<b>6.7</b>	<b>4.8</b>	<b>18.1</b>	<b>10.8</b>
<b>Median</b>	<b>58.6</b>	<b>1.4</b>	<b>1.1</b>	<b>6.2</b>	<b>4.4</b>	<b>15.1</b>	<b>9.7</b>

Source: Market Consensus, Value Track Analysis

**EGM “Growth + Cash Generation Stocks”: Multiples @ Target Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Altea Green Power	114.2	5.1	3.9	11.7	8.8	17.7	13.3
Circle	31.0	1.8	1.5	9.6	6.8	11.9	9.7
Cyberoo	155.3	6.2	4.8	14.5	10.4	31.5	21.4
DHH	109.6	3.1	2.7	11.2	8.6	32.3	25.6
Eles	60.6	1.9	1.6	13.4	9.5	>50	26.4
NVP	59.6	2.6	2.0	8.6	6.4	41.1	20.2
Officina Stellare	97.3	5.6	4.1	16.2	11.6	44.9	24.3
Powersoft	142.1	1.9	1.6	7.7	6.3	15.0	12.1
Relatech	182.1	1.9	1.6	10.8	8.4	22.5	16.6
Star7	108.9	1.4	1.2	9.5	6.6	17.0	9.4
TraWell Co	34.7	1.8	1.5	5.4	4.2	>50	28.5
<b>Average</b>	<b>99.6</b>	<b>3.0</b>	<b>2.4</b>	<b>10.8</b>	<b>7.9</b>	<b>26.0</b>	<b>18.9</b>
<b>Median</b>	<b>108.9</b>	<b>1.9</b>	<b>1.6</b>	<b>10.8</b>	<b>8.4</b>	<b>22.5</b>	<b>20.2</b>

Source: Market Consensus, Value Track Analysis

**EGM “Growth + Cash Generation Stocks”: Key Financials**

Company	CAGR 2022A-24E (%)			EBITDA Margin (%)		ROCE (%)	
	Sales	EBITDA	Net Profit	FY23E	FY24E	FY23E	FY24E
Altea Green Power	31%	44%	45%	44%	45%	54%	50%
Circle	26%	38%	95%	19%	22%	30%	32%
Cyberoo	31%	45%	61%	43%	46%	45%	52%
DHH	17%	31%	28%	28%	31%	16%	25%
Eles	21%	37%	81%	14%	17%	8%	12%
NVP	26%	35%	258%	30%	32%	14%	25%
Officina Stellare	75%	65%	187%	35%	35%	16%	23%
Powersoft	26%	26%	36%	25%	26%	104%	100%
Relatech	28%	29%	43%	17%	19%	22%	29%
Star7	18%	20%	25%	15%	19%	12%	20%
TraWell Co	12%	14%	nm	34%	35%	20%	30%
<b>Average</b>	<b>28%</b>	<b>35%</b>	<b>86%</b>	<b>28%</b>	<b>30%</b>	<b>31%</b>	<b>36%</b>
<b>Median</b>	<b>26%</b>	<b>35%</b>	<b>53%</b>	<b>28%</b>	<b>31%</b>	<b>20%</b>	<b>29%</b>

Source: Market Consensus, Value Track Analysis

**EGM “Value Stocks”: Multiples @ Current Market Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Casta Diva Group	26.7	0.3	0.3	4.7	2.6	14.0	5.8
Comal	39.0	0.6	0.5	6.8	5.3	8.5	6.3
DBA	20.0	0.3	0.3	3.2	2.8	5.6	4.7
Fervi	40.9	0.8	0.7	5.4	4.4	9.0	8.0
Industrie Chim. For.	35.3	0.5	0.5	5.6	4.1	9.5	7.7
Ilpra	59.7	1.1	0.9	4.8	3.9	9.5	7.7
Italian Wine Brands	165.4	0.7	0.6	6.9	5.6	10.4	8.0
NVP	21.9	1.2	0.8	3.9	2.6	15.1	7.4
Relatech	90.6	1.0	0.8	5.7	4.2	11.2	8.2
TPS	39.2	0.5	0.4	2.7	2.1	8.7	8.0
<b>Average</b>	<b>53.9</b>	<b>0.7</b>	<b>0.6</b>	<b>5.0</b>	<b>3.8</b>	<b>10.1</b>	<b>7.2</b>
<b>Median</b>	<b>39.1</b>	<b>0.6</b>	<b>0.6</b>	<b>5.1</b>	<b>4.0</b>	<b>9.5</b>	<b>7.7</b>

Source: Market Consensus, Value Track Analysis

**EGM “Value Stocks”: Multiples @ Target Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Casta Diva Group	37.1	0.5	0.4	6.1	3.5	19.2	7.9
Comal	100.1	1.2	1.0	13.2	10.6	21.8	16.1
DBA	34.5	0.5	0.4	4.6	4.2	9.6	8.0
Fervi	62.2	1.2	1.0	7.8	6.5	13.7	12.2
Industrie Chim. For.	47.2	0.7	0.6	7.4	5.5	13.9	11.2
Ilpra	120.4	2.0	1.7	9.0	7.5	19.2	15.5
Italian Wine Brands	264.9	0.9	0.8	9.2	7.6	16.7	12.7
NVP	59.6	2.6	2.0	8.6	6.4	41.1	20.2
Relatech	182.1	1.9	1.6	10.8	8.4	22.5	16.6
TPS	68.8	1.2	1.0	6.0	5.1	15.3	14.0
<b>Average</b>	<b>97.7</b>	<b>1.3</b>	<b>1.1</b>	<b>8.3</b>	<b>6.5</b>	<b>19.3</b>	<b>13.5</b>
<b>Median</b>	<b>65.5</b>	<b>1.2</b>	<b>1.0</b>	<b>8.2</b>	<b>6.4</b>	<b>17.9</b>	<b>13.4</b>

Source: Market Consensus, Value Track Analysis

**EGM “Value Stocks”: Key Financials**

Company	CAGR 2022A-24E (%)			EBITDA Margin (%)		ROCE (%)	
	Sales	EBITDA	Net Profit	FY23E	FY24E	FY23E	FY24E
Casta Diva Group	18%	37%	59%	7%	10%	28%	51%
Comal	25%	29%	36%	9%	10%	18%	20%
DBA	14%	21%	50%	10%	10%	17%	18%
Fervi	4%	12%	20%	15%	16%	16%	19%
Industrie Chim. For.	2%	14%	4%	10%	11%	4%	6%
Ilpra	14%	23%	22%	22%	23%	25%	27%
Italian Wine Brands	7%	28%	32%	10%	11%	10%	11%
NVP	26%	35%	258%	30%	32%	14%	25%
Relatech	28%	29%	43%	17%	19%	22%	29%
TPS	15%	13%	17%	20%	20%	40%	41%
<b>Average</b>	<b>15%</b>	<b>24%</b>	<b>54%</b>	<b>15%</b>	<b>16%</b>	<b>19%</b>	<b>25%</b>
<b>Median</b>	<b>15%</b>	<b>25%</b>	<b>34%</b>	<b>12%</b>	<b>13%</b>	<b>17%</b>	<b>23%</b>

Source: Market Consensus, Value Track Analysis

**EGM “Derated Stocks”: Multiples @ Current Market Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Bellini Nautica	8.2	0.5	0.4	4.8	3.2	nm	nm
Farmacosmo	25.7	0.3	0.3	16.5	7.4	nm	nm
Eles	23.8	0.8	0.7	5.7	3.9	19.8	10.3
Grifal	26.8	1.3	1.0	9.4	7.2	29.5	10.7
Italian Wine Brands	165.4	0.7	0.6	6.9	5.6	10.4	8.0
MeglioQuesto	29.7	0.7	0.6	5.2	3.5	46.6	5.4
Officina Stellare	58.6	3.5	2.5	10.0	7.1	27.1	14.6
Pasquarelli Auto	23.4	0.2	0.1	3.3	2.1	3.2	2.0
Talea Group	57.0	0.6	0.4	35.3	12.9	nm	40.7
<b>Average</b>	<b>46.5</b>	<b>0.9</b>	<b>0.7</b>	<b>10.8</b>	<b>5.9</b>	<b>22.8</b>	<b>13.1</b>
<b>Median</b>	<b>26.8</b>	<b>0.7</b>	<b>0.6</b>	<b>6.9</b>	<b>5.6</b>	<b>23.4</b>	<b>10.3</b>

Source: Market Consensus, Value Track Analysis

**EGM “Derated Stocks”: Multiples @ Target Price**

Company	Mkt. Cap (€mn)	EV/Sales (x)		EV/EBITDA (x)		P/E (x)	
		FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Bellini Nautica	19.8	1.0	0.8	10.3	7.2	nm	nm
Farmacosmo	58.3	nm	nm	nm	nm	nm	nm
Eles	60.6	1.9	1.6	13.4	9.5	>50	26.4
Grifal	32.0	1.4	1.1	10.4	7.9	35.1	12.7
Italian Wine Brands	264.9	0.9	0.8	9.2	7.6	16.7	12.7
MeglioQuesto	69.7	1.1	0.9	8.3	5.8	>50	12.8
Officina Stellare	97.3	5.6	4.1	16.2	11.6	44.9	24.3
Pasquarelli Auto	93.1	0.5	0.4	8.6	5.7	12.7	7.9
Talea Group	113.6	1.0	0.8	>50	21.8	nm	>50
<b>Average</b>	<b>89.9</b>	<b>1.7</b>	<b>1.3</b>	<b>10.9</b>	<b>9.6</b>	<b>27.3</b>	<b>16.1</b>
<b>Median</b>	<b>69.7</b>	<b>1.1</b>	<b>0.9</b>	<b>10.3</b>	<b>7.8</b>	<b>25.9</b>	<b>12.8</b>

Source: Market Consensus, Value Track Analysis

**EGM “Derated Stocks”: Key Financials**

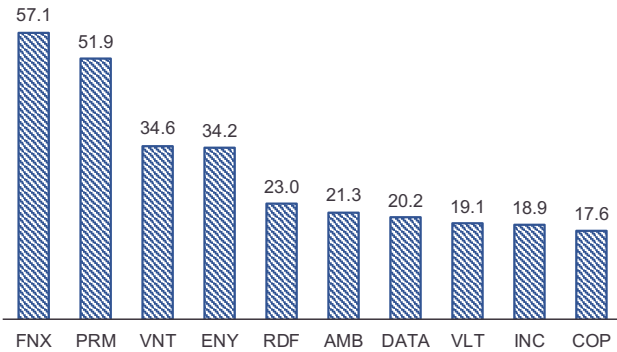
Company	CAGR 2022A-24E (%)			EBITDA Margin (%)		ROCE (%)	
	Sales	EBITDA	Net Profit	FY23E	FY24E	FY23E	FY24E
Bellini Nautica	30%	20%	nm	10%	11%	16%	24%
Farmacosmo	21%	772%	nm	2%	3%	nm	2%
Eles	21%	37%	81%	14%	17%	8%	12%
Grifal	14%	26%	144%	14%	14%	5%	9%
Italian Wine Brands	7%	28%	32%	10%	11%	10%	11%
MeglioQuesto	18%	23%	37%	14%	16%	nm	12%
Officina Stellare	75%	65%	187%	35%	35%	16%	23%
Pasquarelli Auto	24%	42%	47%	5%	6%	21%	28%
Talea Group	26%	75%	nm	2%	3%	nm	5%
<b>Average</b>	<b>26%</b>	<b>121%</b>	<b>88%</b>	<b>12%</b>	<b>13%</b>	<b>13%</b>	<b>14%</b>
<b>Median</b>	<b>21%</b>	<b>37%</b>	<b>64%</b>	<b>10%</b>	<b>11%</b>	<b>13%</b>	<b>12%</b>

Source: Market Consensus, Value Track Analysis

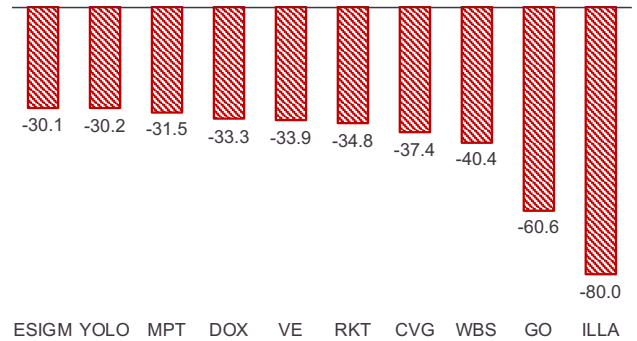
# Appendix

## Euronext Growth Milan: Top & Bottom by Stock Price Performance (\*)

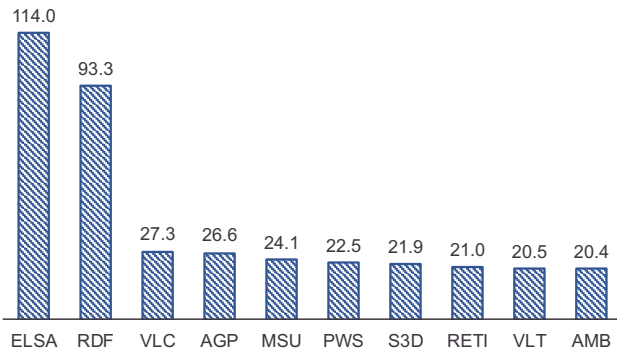
**Top 10 by 1M Performance (%)**



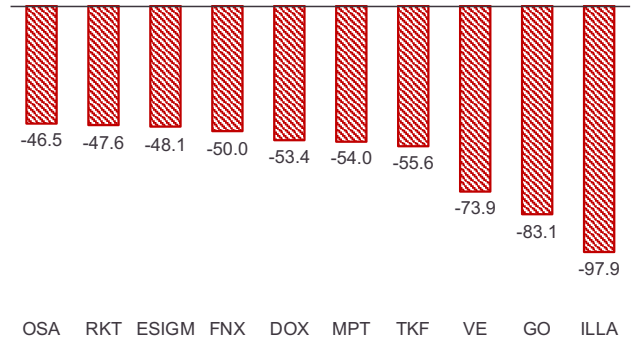
**Bottom 10 by 1M Performance (%)**



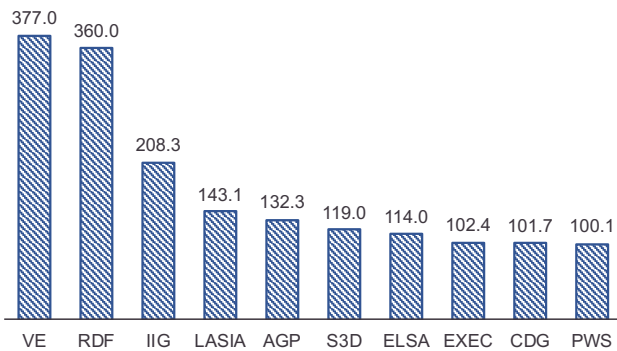
**Top 10 by 3M Performance (%)**



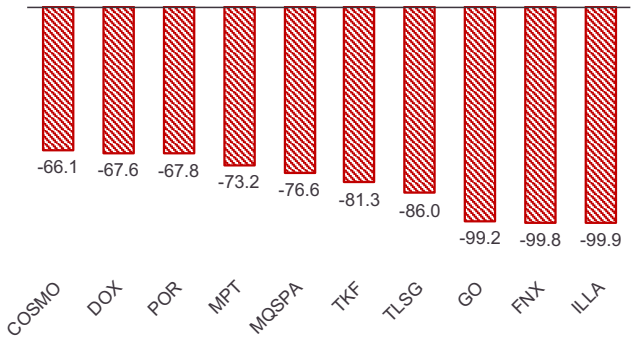
**Bottom 10 by 3M Performance (%)**



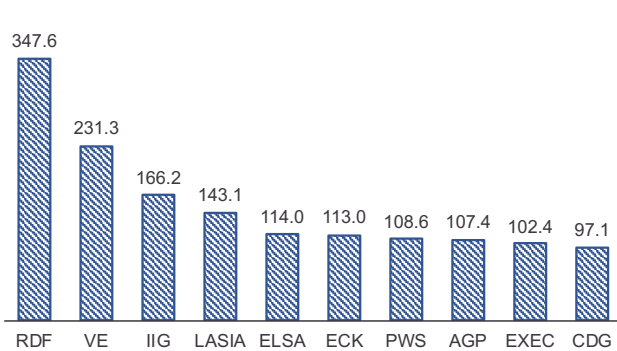
**Top 10 by YTD Performance (%)**



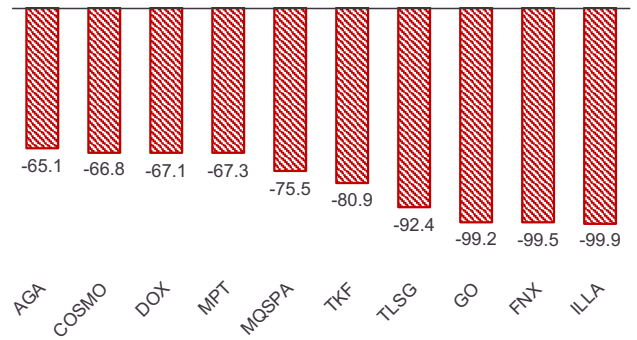
**Bottom 10 by YTD Performance (%)**



**Top 10 by 1Y Performance (%)**



**Bottom 10 by 1Y Performance (%)**

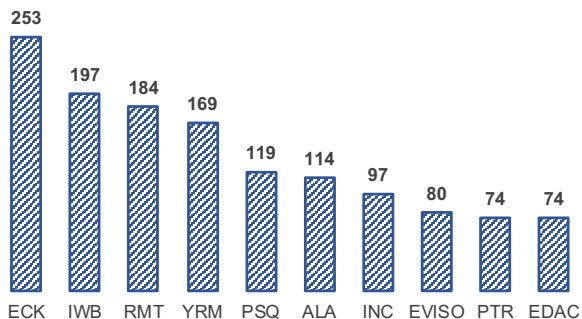


Source: Value Track Analysis, (\*) For stocks IPOed between Dec 2022 and 2023YTD if data is missing the analysis returns the performance since IPO

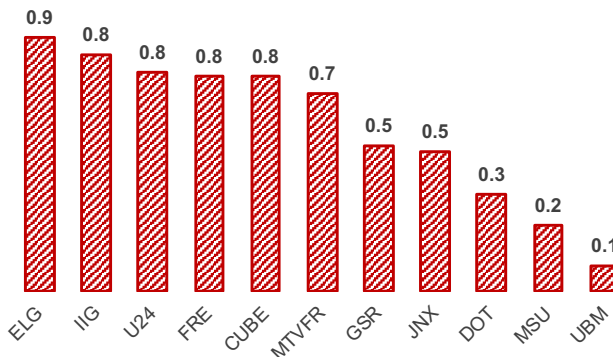
### EGM Companies by Current Size (1H23)

#### Euronext Growth Milan: Top & Bottom by Size

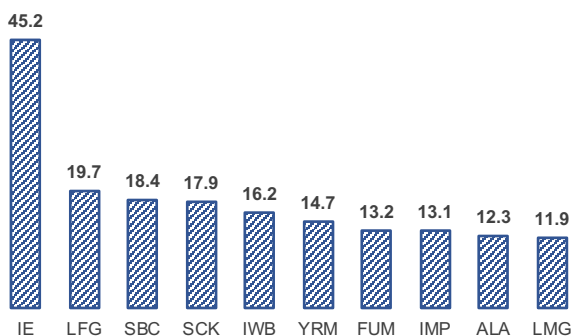
Top 10 by Revenues 1H23 (€mn)



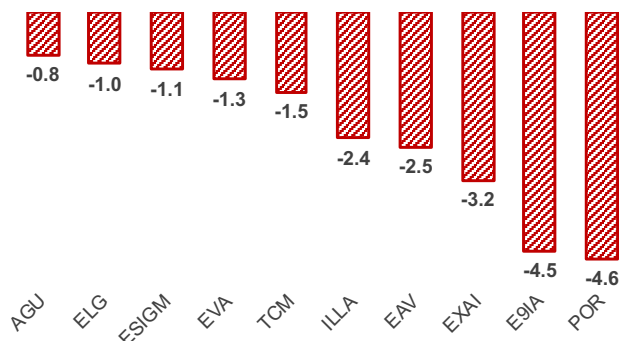
Bottom 10 by Revenues 1H23 (€mn)



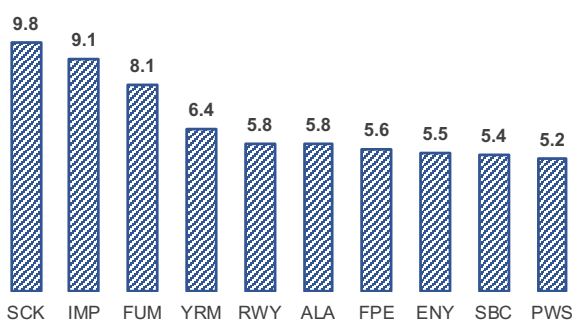
Top 10 by EBITDA 1H23 (€mn)



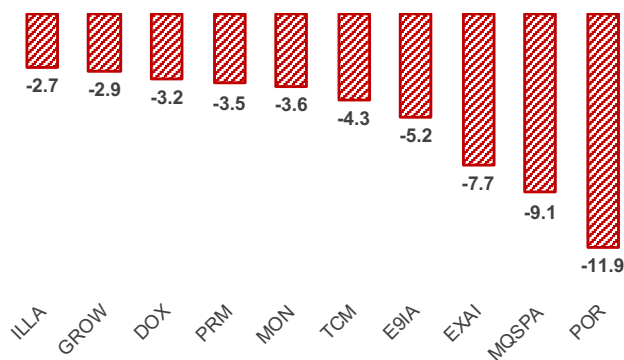
Bottom 10 by EBITDA 1H23 (€mn)



Top 10 by Net Profit 1H23 (€mn)



Bottom 10 by Net Profit 1H23 (€mn)

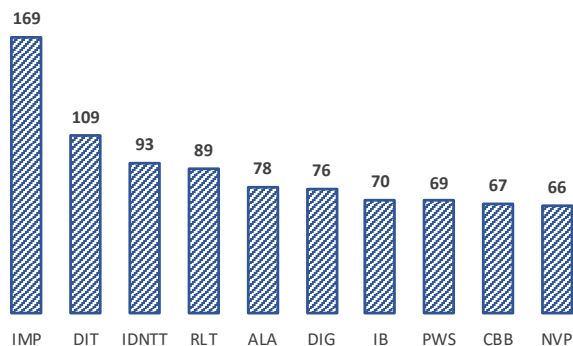


Source: ValueTrack analysis on companies' data.

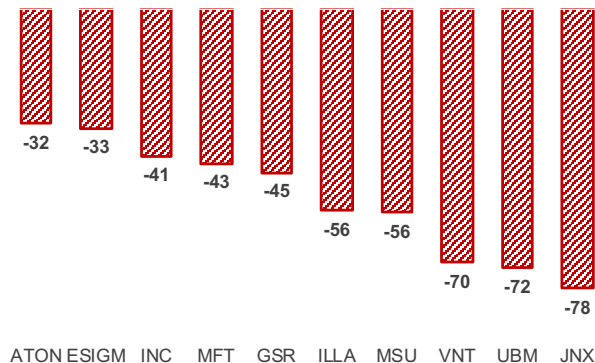
### EGM Companies by Historical Growth (1H23)

#### Euronext Growth Milan: Top & Bottom by Growth y/y

**Top 10 by Revenues Growth 1H23 y/y (%,\* )**

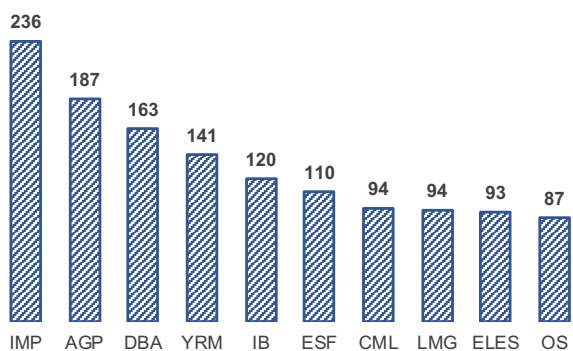


**Bottom 10 by Revenues Growth 1H23 y/y (%)**

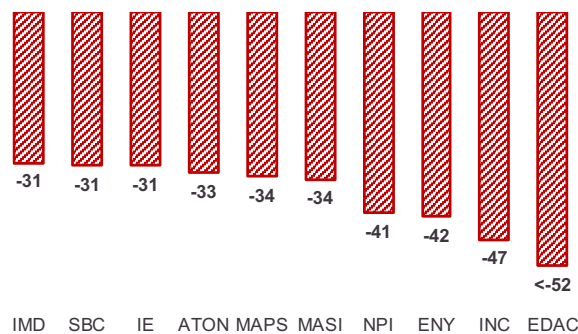


(\*) Revenues above €1mn in 1H22 and above €5mn 1H23

**Top 10 by EBITDA Growth 1H23 y/y (%,\* )**

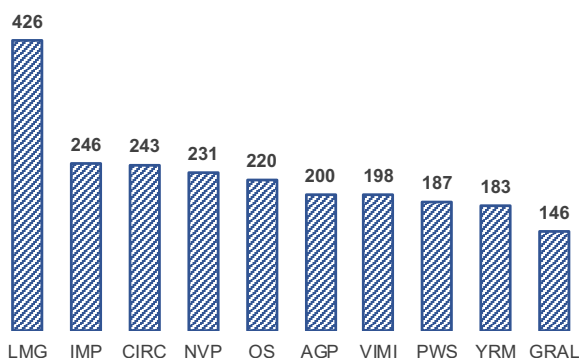


**Bottom 10 by EBITDA Growth 1H23 y/y (%)**

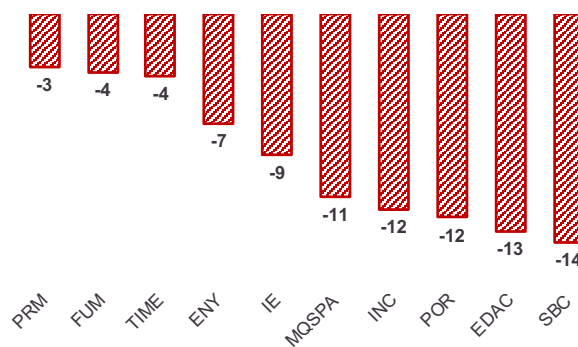


(\*) EBITDA above €1mn in 1H22 and 1H23

**Top 10 by EBIT Growth 1H23 y/y (%,\* )**



**Bottom 10 by EBIT Growth 1H23 y/y (€mn)**

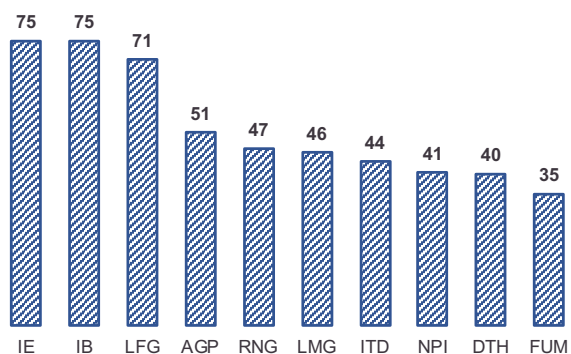


(\*) EBIT above €0.2mn in 1H22 and above €1mn 1H23

## EGM Companies by Historical Profitability (1H23)

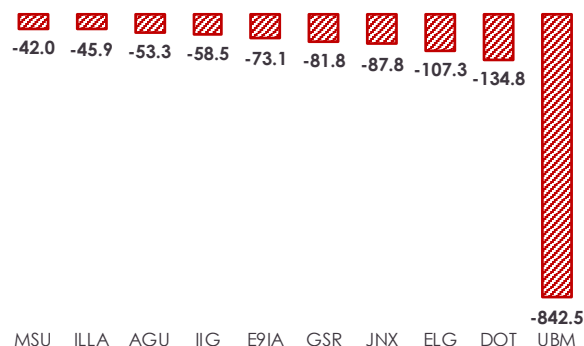
### Euronext Growth Milan: Top & Bottom by Profitability

Top 10 by EBITDA Margin 1H23 (% ,\*)

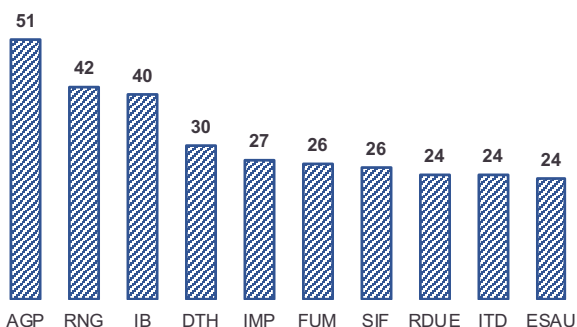


(\*) Revenues 1H23 above €2mn

Bottom 10 by EBITDA Margin (%)



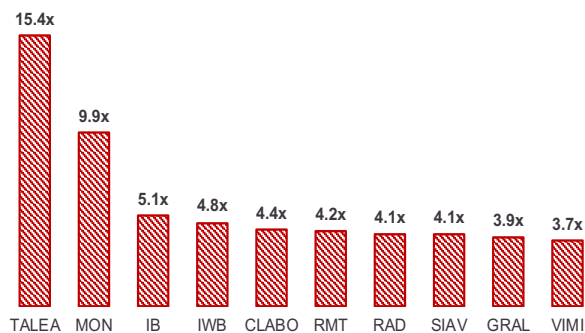
Top 10 by EBIT Margin 1H23 (% ,\*)



(\*) Revenues 1H23 above €1mn

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

Highest 10 by Net Debt / Annualized EBITDA 1H23 (\*)



(\*) EBITDA 1H23 above €2mn and annualized



## EGM Companies by Expected Growth 2022A-24E

### Euronext Growth Milan: Top 15 companies by Revenues CAGR<sub>22A-24E</sub> (#173 companies)

(€mn)	Revenues FY22A	Revenues FY24E	CAGR <sub>22A-24E</sub> (%)	NFP FY22A	NFP FY24E	Δ (€mn)
Arras Group	1.6	13.4	187.1	-0.3	3.4	3.7
G Rent	2.0	11.2	134.6	0.8	-0.8	-1.5
Dotstay	0.4	1.8	109.5	1.9	1.1	-0.7
Destination Italia	28.1	100.0	88.8	-1.4	-8.1	-6.6
Valica	2.8	9.0	79.3	-1.7	1.1	2.8
Officina Stellare	8.0	24.5	74.8	-6.4	-2.5	3.9
Ulisse BioMed	0.5	1.4	64.7	3.8	1.9	-1.9
Execus	2.5	6.1	55.9	0.5	4.2	3.7
SG Company	16.9	40.5	54.8	-3.4	-3.8	-0.4
ID-Entity	9.9	23.3	53.2	1.9	5.8	3.9
Leone Film	56.2	115.2	43.2	-80.6	-75.1	5.5
Erredue	13.8	27.9	42.3	17.4	8.7	-8.7
RES	17.9	35.9	41.6	-2.9	2.6	5.5
Porto Aviation Group	2.4	4.8	41.4	0.0	-0.4	-0.4
Franchetti	4.9	9.7	40.8	0.2	2.2	2.1

Source: Market Consensus, Value Track Analysis

### Euronext Growth Milan: Top 15 companies by Revenues Growth 2022A-24E (€mn, #173 companies)

(€mn)	Revenues FY22A	Revenues FY24E	Δ (€mn)	NFP FY22A	NFP FY24E	Δ (€mn)
Riba Mundo Tecnologia	329.1	547.8	218.7	-16.2	-12.5	3.7
Rosetti Marino	316.5	500.0	183.5	-24.7	4.2	28.9
Pasquarelli Auto	203.8	315.0	111.2	-18.0	-18.2	-0.2
A.L.A.	158.7	249.3	90.6	-28.7	-34.7	-6.0
Reway Group	117.4	198.6	81.2	-3.9	-41.9	-38.1
Destination Italia	28.1	100.0	71.9	-1.4	-8.1	-6.6
Talea Group	116.3	184.2	67.9	-21.3	-24.5	-3.2
Portobello	129.9	190.0	60.1	-42.4	-47.1	-4.7
Leone Film	56.2	115.2	59.0	-80.6	-75.1	5.5
Italian Wine Brands	396.2	450.7	54.5	-146.5	-104.3	42.2
Relatech	70.0	115.3	45.3	-9.5	0.1	9.6
Comal	77.8	122.0	44.2	-20.4	-22.8	-2.4
Edilizia Acrobatica	133.7	174.4	40.7	-5.0	-30.6	-25.6
Spindox	82.4	119.5	37.1	-3.9	-3.8	0.1
Medica	50.9	87.3	36.4	-4.3	-7.0	-2.7

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by EBITDA CAGR<sub>22A-24E</sub> (#173 companies)**

(€mn)	EBITDA FY22A	EBITDA FY24E	CAGR <sub>22A-24E</sub> (%)	NFP FY22A	NFP FY24E	Δ (€mn)
Sostravel.com	0.0	1.5	853.6	-0.9	0.3	1.2
Farmacosmo	0.0	3.3	772.1	5.2	1.1	-4.1
Porto Aviation Group	0.0	0.9	392.6	0.0	-0.4	-0.4
Acquazzura	0.1	1.9	268.4	-0.9	1.0	1.9
Valica	0.2	1.5	173.9	-1.7	1.1	2.8
SG Company	0.7	4.0	139.0	-3.4	-3.8	-0.4
Cube Labs	0.1	0.3	136.5	-3.3	-2.2	1.1
CleanBnB	0.3	1.4	116.0	3.8	6.2	2.4
Impianti	0.1	0.7	115.5	0.5	-0.1	-0.6
Emma Villas	1.3	5.6	110.7	1.8	10.4	8.6
Mondo TV France	0.6	2.3	97.4	-1.4	1.8	3.2
RES	3.1	11.3	90.9	-2.9	2.6	5.5
Talea Group	2.1	6.4	74.6	-21.3	-24.5	-3.2
Officina Stellare	3.2	8.6	64.8	-6.4	-2.5	3.9

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by EBITDA Growth 2022A-24E (€mn, #173 companies)**

(€mn)	EBITDA FY22A	EBITDA FY24E	Δ (€mn)	NFP FY22A	NFP FY24E	Δ (€mn)
Leone Film	39.0	62.3	23.3	-80.6	-75.1	5.5
Reway Group	19.6	42.4	22.8	-3.9	-41.9	-38.1
Expert System	-14.4	7.4	21.8	-15.9	-22.1	-6.2
Italian Wine Brands	29.7	48.3	18.6	-146.5	-104.3	42.2
Iniziativa Bresciane	11.3	21.8	10.5	-103.9	-99.7	4.2
A.L.A.	16.8	27.1	10.3	-28.7	-34.7	-6.0
Pasquarelli Auto	9.7	19.6	9.9	-18.0	-18.2	-0.2
Relatech	13.2	21.9	8.7	-9.5	0.1	9.6
Almawave	10.2	18.8	8.6	10.5	13.1	2.6
Imprendiroma	9.7	18.0	8.3	3.6	16.3	12.7
RES	3.1	11.3	8.2	-2.9	2.6	5.5
Portobello	18.2	26.1	7.9	-42.4	-47.1	-4.7
Powersoft	12.4	19.8	7.4	24.3	18.0	-6.3
Cyberoo	6.7	14.1	7.4	1.9	8.7	6.8
Star7	15.1	21.9	6.8	-35.3	-27.3	8.0

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by EBIT CAGR<sub>22A-24E</sub> (#173 companies)**

(€mn)	EBIT FY22A	EBIT FY24E	CAGR <sub>22A-24E</sub> (%)	NFP FY22A	NFP FY24E	Δ (€mn)
SG Company	0.4	3.2	182.8	-3.4	-3.8	-0.4
Officina Stellare	0.8	5.4	162.3	-6.4	-2.5	3.9
Emma Villas	0.7	4.8	157.9	1.8	10.4	8.6
Cube Labs	0.0	0.3	150.7	-3.3	-2.2	1.1
Telesia	0.2	0.9	133.2	-1.0	-4.5	-3.6
iVision Tech	0.3	1.5	119.8	-3.0	-1.9	1.2
NVP	1.2	5.3	107.6	-8.9	-4.8	4.0
RES	2.0	8.5	106.2	-2.9	2.6	5.5
Iniziative Bresciane	2.0	8.2	102.8	-103.9	-99.7	4.2
Mondo TV Suisse	0.2	0.5	82.6	-0.5	1.0	1.5
SolidWorld Group	1.4	4.6	81.3	-12.3	-12.2	0.1
Planetel	2.0	6.5	80.3	-11.9	-6.4	5.5
Eles	1.2	3.7	75.6	-7.9	-1.9	6.0
Execus	0.9	2.8	74.5	0.5	4.2	3.7
Grifal	1.3	3.9	72.1	-18.9	-22.9	-4.0

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by EBIT Growth 2022A-24E (€mn, #173 companies)**

(€mn)	EBIT FY22A	EBIT FY24E	Δ (€mn)	NFP FY22A	NFP FY24E	Δ (€mn)
Expert System	-23.1	-1.3	21.8	-15.9	-22.1	-6.2
Italian Wine Brands	19.2	35.8	16.6	-146.5	-104.3	42.2
Reway Group	16.2	29.4	13.2	-3.9	-41.9	-38.1
Rosetti Marino	18.8	29.0	10.3	-24.7	4.2	28.9
Italia Independent	-11.2	-1.3	9.9	-22.9	-32.3	-9.3
Pasquarelli Auto	8.1	17.8	9.6	-18.0	-18.2	-0.2
Imprendiroma	9.4	17.3	7.9	3.6	16.3	12.7
A.L.A.	13.6	20.9	7.3	-28.7	-34.7	-6.0
Almawave	6.4	13.5	7.1	10.5	13.1	2.6
Fenix Entertainment	-7.8	-0.7	7.1	-18.7	-23.0	-4.3
Relatech	8.7	15.6	6.9	-9.5	0.1	9.6
Promotica	4.2	10.8	6.6	-18.1	-8.6	9.5
Altea Green Power	6.0	12.6	6.6	0.9	1.8	0.9
Star7	7.4	13.9	6.6	-35.3	-27.3	8.0
RES	2.0	8.5	6.5	-2.9	2.6	5.5

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by Net Profit CAGR<sub>22A-24E</sub> (#173 companies)**

(€mn)	Net Profit FY22A	Net Profit FY24E	CAGR <sub>22A-24E</sub> (%)	NFP FY22A	NFP FY24E	Δ (€mn)
SolidWorld Group	0.1	3.0	400.0	-12.3	-12.2	0.1
Emma Villas	0.2	3.1	286.3	1.8	10.4	8.6
Radici P. Industries	0.1	1.3	260.6	-16.5	-13.8	2.7
NVP	0.2	3.0	258.1	-8.9	-4.8	4.0
SG Company	0.2	2.3	239.1	-3.4	-3.8	-0.4
Mondo TV Suisse	0.0	0.4	195.8	-0.5	1.0	1.5
Officina Stellare	0.5	4.0	187.0	-6.4	-2.5	3.9
Relatech	1.7	11.0	154.4	-9.5	0.1	9.6
Grifal	0.4	2.5	144.5	-18.9	-22.9	-4.0
DHH	0.7	4.3	140.2	-6.0	1.0	7.1
DBA	0.6	2.4	100.0	-12.6	-9.8	2.8
Rosetti Marino	4.6	18.6	99.9	-24.7	4.2	28.9
iVision Tech	0.3	1.1	98.2	-3.0	-1.9	1.2
Circle	0.8	3.2	95.2	2.9	5.6	2.7
Planetel	1.2	4.6	94.2	-11.9	-6.4	5.5

Source: Market Consensus, Value Track Analysis

**Euronext Growth Milan: Top 15 companies by Net Profit Growth 2022A-24E (€mn, #173 companies)**

(€mn)	Net Profit FY22A	Net Profit FY24E	Δ (€mn)	NFP FY22A	NFP FY24E	Δ (€mn)
Expert System	-23.8	-2.3	21.5	-15.9	-22.1	-6.2
Rosetti Marino	4.6	18.6	13.9	-24.7	4.2	28.9
Italian Wine Brands	11.2	20.8	9.6	-146.5	-104.3	42.2
Relatech	1.7	11.0	9.3	-9.5	0.1	9.6
Italia Independent	-9.7	-1.5	8.2	-22.9	-32.3	-9.3
Iniziativa Bresciane	-0.5	7.4	7.9	-103.9	-99.7	4.2
Fenix Entertainment	-8.5	-2.0	6.5	-18.7	-23.0	-4.3
Pasquarelli Auto	5.5	11.9	6.4	-18.0	-18.2	-0.2
Promotica	3.2	8.9	5.7	-18.1	-8.6	9.5
Star7	3.2	8.8	5.6	-35.3	-27.3	8.0
Imprendiroma	6.6	12.2	5.6	3.6	16.3	12.7
Powersoft	6.3	11.7	5.4	24.3	18.0	-6.3
Iervolino Entertainment	3.0	8.0	5.0	-26.0	-44.6	-18.6
E-Globe	2.2	7.2	4.9	1.0	16.7	15.7
Eviso	-1.1	3.5	4.6	8.1	12.0	3.9

Source: Market Consensus, Value Track Analysis

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