

Yakkyo SpA

Technology

FY25 Delivery Boosts the Investment Case

Yakkyo operates as an asset-light transaction-led MarTech platform, bridging the structural gap between Chinese manufacturers and worldwide merchants (mainly digital ones). Operational success is evidenced by ~893k managed orders in FY25 with Value of Production in the €20mn range, ~ 3x the FY23 figure.

FY25 Results: Earnings and Cash Position Beat Forecasts

Yakkyo posted solid FY25 figures, in line with expectations but for Net Profit and Adjusted Net Cash coming in above forecasts. Some numbers:

- i) VoP at €20.0mn (+49% YoY),
- ii) EBITDA at €1.9mn, implying 9.4% EBITDA Margin on VoP (vs 9.0% in FY24);
- iii) EBIT at nearly €1.5mn, more than 2x YoY;
- iv) Net Profit at €820k, up 65% YoY and 27% above est.;
- v) Adj. Net Cash at €1.4mn (including €670k from cash-on-hands like financial assets), vs €535k in FY24 and above our €1.3mn forecast, supported by an OpFCF b.t. / EBITDA conversion >70%.

Strategic Developments Support Growth and Market Visibility

Beyond strong FY25 results, the Company delivered key strategic initiatives to strengthen its organization and enhance market visibility. Main developments included the €3.0mn innovation plan in Puglia and the opening of the new Milan headquarter.

On the capital markets side, YKY completed the transfer to EGM, including an ABB that raised free float to 36.3%, with trading starting on 13 February 2026.

Forecasts Confirmed from FY26E-onwards

Estimates remain broadly unchanged, with only minor BS adjustments suggesting a slightly stronger FY25 Net Cash Position.

Overall forecasts are confirmed, although FY26E is still expected to be back-end loaded, with a softer 1H26E vs 2H26E due to normal business seasonality and the gradual contribution of the 1688 API integration launching in April. By FY28E, YKY is expected to reach: i) €34.5mn in VoP, implying around 20% CAGR from FY25, ii) EBITDA rising to €3.4mn and margins stabilizing at about 10%; iii) Adj. Net Cash is forecast to improve to €3.8mn, supported by stronger FCF conversion.

Fair Value unchanged at €2.5 p/s

Despite the recent rally, Yakkyo shares are trading at 2.4x-1.7x EV/EBITDA 2026E-27E. In light of our largely confirmed forecasts and unchanged valuation parameters, (5.0x EV/EBITDA, 7.0x EV/EBIT, 12.0x P/E), **we reiterate our Fair Value on Yakkyo at €2.5 p/s** on FY26E and €3.2 p/s on FY27E.

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FAIR VALUE (€) **2.50**

MARKET PRICE (€) **1.40**

MARKET CAP (€mn) **7.7**

KEY FINANCIALS	FY25	FY26E	FY27E
VALUE OF PRODUCTION	20.0	24.1	29.2
EBITDA	1.9	2.5	2.9
EBIT	1.5	1.8	2.2
NET PROFIT	0.8	1.1	1.4
GROUP NET EQUITY	4.6	5.6	7.0
ADJ. NET DEBT (-) / NET CASH (+)	1.4	1.8	2.6
EPSADJ.	0.15	0.19	0.25
DPS	0.00	0.00	0.00

Source: Yakkyo (historical figures), Value Track (estimates)

RATIOS AND MULTIPLES	FY25	FY26E	FY27E
EBITDA MARGIN (%)	9.4	10.2	10.1
EBIT MARGIN (%)	7.4	7.4	7.6
ADJ. NET DEBT / EBITDA (x)	nm	nm	nm
ADJ. NET DEBT / NET EQUITY (x)	nm	nm	nm
ROE (%)	18.0	18.7	19.6
EV / SALES (x)	0.2	0.2	0.2
EV / EBITDA (x)	2.2	2.4	1.7
EV / EBIT (x)	2.8	3.3	2.3
P / E ADJ. (x)	6.7	7.3	5.6

Source: Yakkyo (historical figures), Value Track (estimates)

STOCK DATA	
MARKET PRICE (€)	1.4
NOSH (mn)	5.5
MARKET CAP (€mn)	7.7
ENTERPRISE VALUE (€mn)	5.9
FREE FLOAT (%)	36.3
AVG L30D VOLUME ('000)	49,667
RIC / BBG	YKY.MI / YKY.IM
52 WK MAX - MIN (€)	0.90 – 1.46

Source: Stock Market Data

EQUITY RESEARCH PRODUCED ON BEHALF OF BANCA FINNAT S.P.A. ACTING AS SPECIALIST ON YAKKYO S.P.A. SHARES

Description

Yakkyo is an EGM-listed, technology-enabled and asset-light platform that connects China-based sourcing with global e-commerce merchants. Through its proprietary tech stack, it integrates procurement, fulfilment and logistics into a single end-to-end workflow, allowing merchants to scale internationally without holding inventory or managing cross-border operational complexity.

The business is transaction-driven and anchored in dropshipping, monetizing via product mark-ups and logistics service fees, supported by the Yakkyofy platform. A smaller wholesale activity complements the model but is structurally less scalable and more working-capital intensive, leading management to progressively reduce its contribution.

Financial Highlights

KEY FINANCIALS (IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Value of Production	20.0	24.1	29.2	34.5
YoY (%)	49%	21%	21%	18%
EBITDA	1.9	2.5	2.9	3.4
EBITDA Margin (as a % of VoP)	9%	10%	10%	10%
EBIT	1.5	1.8	2.2	2.7
EBIT Margin (as a % of VoP)	7%	7%	8%	8%
Net Profit	0.8	1.1	1.4	1.7
YoY (%)	65%	28%	30%	27%
Adj. Net Profit	0.8	1.1	1.4	1.7
YoY (%)	65%	28%	30%	27%
Adj. Net Fin. Position [Net Debt (-) / Cash(+)]	1.4	1.8	2.6	3.8
Net. Fin. Pos. / EBITDA (x)	nm	nm	nm	nm
Capex	-0.6	-0.7	-0.7	-0.7
OpFCF b.t.	1.5	1.1	1.7	2.2
OpFCF b.t. / EBITDA (%)	79%	46%	57%	65%

Source: Yakkyo, Value Track Analysis

Investment Case

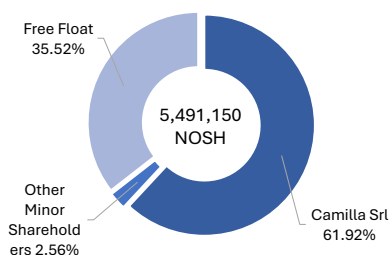
Strengths / Opportunities

- Integrated China-to-merchant operating layer (procurement + fulfilment + MarTech/AI);
- Asset-light scalability leveraged to structural dropshipping growth and global reach;
- Platform optionality from Yakkyofy as automation and data monetisation deepen.

Weaknesses / Risks

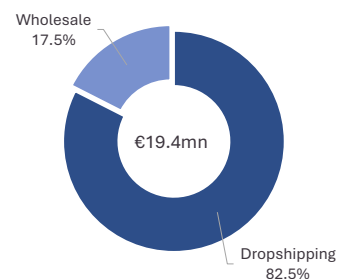
- Logistics and regulatory sensitivity (shipping inflation, EU low-value parcel duties);
- Working-capital friction from supplier prepayments and accelerated settlement cycles;
- Execution and concentration risk in a fragmented market with platform/CAC dependency.

SHAREHOLDERS' STRUCTURE



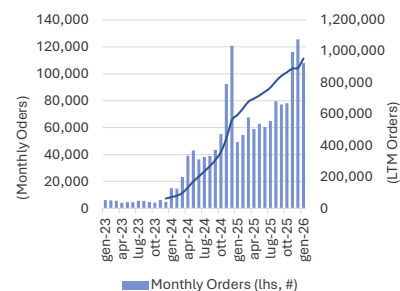
Source: Yakkyo

NET SALES BY SERVICES



Source: Yakkyo, FY25

ORDERS EVOLUTION



Source: Yakkyo

STOCK MULTIPLES @ FV	FY26E	FY27E
EV / SALES (x)	0.5	0.4
EV / EBITDA (x)	4.8	3.8
EV / EBIT (x)	6.7	5.0
EV / CAP. EMPLOYED	2.6	2.2
OpFCF Yield (%)	15%	21%
P / E (x)	13.0	10.0
P / BV (x)	2.4	2.0
Dividend Yield (%)	0%	0%

Source: Value Track Analysis

Yakkyo at a Glance

Introduction

With ~ 893k orders managed, 3.3mn items shipped and €19.4mn Net Sales in, **Yakkyo S.p.A.** (“Yakkyo” or “the Company”) operates as a **technology-enabled cross-border e-commerce infrastructure provider**. Founded back in 2016 by Giovanni Conforti and Carol Hsiao, the Company supports online merchants across sourcing, procurement, fulfilment and cross-border logistics through a specialized, platform-driven operating model.

The business combines a **core dropshipping stream** (82.5% of FY25 Net Sales) — automating order-on-demand sourcing and fulfilment via its proprietary platform **Yakkyofy** — with a complementary **wholesale procurement** channel (17.5% of FY25 Net Sales) for bulk orders, with the operating mix progressively shifting toward the more scalable dropshipping model.

Yakkyo connects a network of more than 4,500 suppliers (primarily China-based and largely accessed via 1688.com, i.e., China’s leading B2B marketplace) with a global base of merchants, integrating sourcing, automation and logistics execution within a single operating layer.

Economically, Yakkyo captures value across the full transaction through product mark-up, logistics and fulfilment services. The model benefits from limited inventory exposure and operating leverage, as incremental volumes scale with modest fixed-cost and working capital expansion, while remaining exposed to supplier and client concentration and execution risks related to upfront shipping payments.

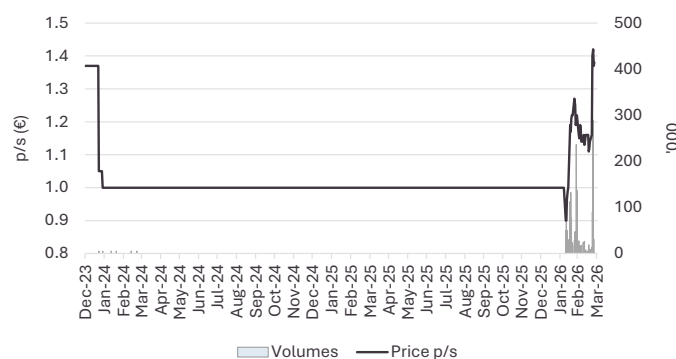
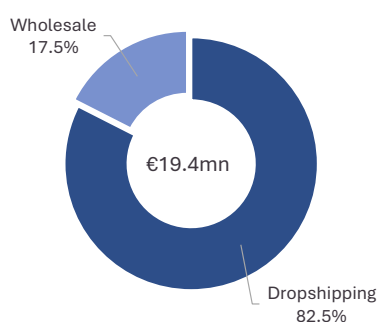
Key operating characteristics include:

- Transaction-driven model with limited inventory exposure;
- Integrated platform with embedded AI / analytics layer;
- Strong positioning in dropshipping, supported by high-volume / low-ticket economics;
- Growing international reach, with increasing exposure to North American demand.

Since December 2023, Yakkyo has been admitted to trading on EGM PRO (ticker “YKY”) through a direct listing (no primary capital raised), at an implied equity valuation of ~€7.5mn (5.49mn shares outstanding; reference price €1.37 p/s).

In February 2026, following the completion of an accelerated bookbuilding, the Company has **migrated from EGM PRO to the EGM segment**, with a higher free float and a more diversified investors base. From early February to date, the Company’s p/s has re-rated by ~40%, alongside a material improvement in trading liquidity, with average daily volumes of ~50k shares and a peak of around 290k shares.

Yakkyo: FY25’s Net Sales by Services, and Price Evolution on Stock Exchange



Source: Yakkyo, Value Track Analysis

Historical Milestones

Yakkyo traces its origins to **2016** in **Rome** (Italy), founded by **Giovanni Conforti** and **Carol Hsiao** with the mission of automating and simplifying e-commerce logistics. In its early stage, the Company was selected for the Luiss EnLabs accelerator programme, securing an €80k micro-seed investment, which supported the initial development of its proprietary platform. Going more in detail, selected milestones include:

- **2017** – (i) Expansion of the business model with the launch of the Wholesale division, providing European merchants with direct access to Chinese suppliers at competitive prices; (ii) **Capital increase of €500k**, including €260k raised via Mamacrowd, at a €2.3mn pre-money valuation;
- **2018** – Launch of **Yakkyofy**, proprietary automated dropshipping platform integrating e-commerce front-ends with real-time sourcing, procurement and logistics orchestration;
- **2019–2021** – (i) Integration with Shopify and WooCommerce, significantly improving logistics and procurement efficiency; (ii) 2020 equity crowdfunding round raising **€487k via Mamacrowd**, at €8.2mn pre-money valuation;
- **2022** – Introduction of a **SaaS subscription model** with tiered pricing, enabling recurring revenues and enhanced operating leverage;
- **2023** – Admission in December to trading on **Euronext Growth Milan PRO** via direct listing (no capital raised), at an implied €7.5mn valuation (5.49mn shares outstanding; opening price €1.39 p/s); (ii) Launch of **Pandarocket.ai**, AI-driven SaaS suite designed to automate product sourcing, content creation and marketing processes; (iii) Expansion of the product catalogue to > 21mn SKUs;
- **2024** – (i) Launch of **Video Vibe**, AI-powered tool enabling automated video content creation for e-commerce marketing; (ii) Secured **€1.3mn financing from Banco BPM** to support investments in AI development and logistics automation;
- **2026** – In February, following the ABB completed in early February, Zest Investments S.r.l. fully exited its shareholding, facilitating the **Company's transition from EGM PRO to the EGM segment**, with a broadened institutional shareholder base and increased free float.

Worthy to note from a historical growth standpoint, post-2021 the Company delivered **around 22.7% Turnover CAGR (2021–25)**, albeit along a non-linear trajectory: revenues contracted in 2022 before re-accelerating, with **2025 marking a step-change in operating momentum as VoP rose 49% YoY**.

In parallel, profitability expanded consistently from 2021 to 2023, before experiencing sharp margin compression in 2024, driven by a material increase in shipping costs, which remained stable in 2025.

Yakkyo: P&L FY21-FY25

(IT GAAP, €mn)	FY21	FY22	FY23	FY24	FY25	YoY
Value of Production	8.8	6.5	6.7	13.4	20.0	49%
EBITDA	1.1	0.9	1.1	1.2	1.9	56%
EBITDA Margin (as a % of VoP)	12.5%	13.2%	17.0%	9%	9%	42bps
EBIT	0.6	0.2	0.6	0.7	1.5	121%
EBIT Margin (as a % of VoP)	6.3%	2.3%	9.5%	5%	7%	240bps
Net Profit	0.5	0.1	0.4	0.5	0.8	65%

Source: Yakkyo, Value Track Analysis

Yakkyo: Balance Sheet FY21-FY25

(IT GAAP, €mn)	FY21	FY22	FY23	FY24	FY25
Total Capital Employed	1.0	1.8	2.8	3.7	3.9
Group Net Equity	2.8	2.9	3.3	3.8	4.6
NFP [i.e. Net Debt (-) Cash (+)]	1.8	1.1	0.4	0.0	0.7
Other Financial Assets	0.7	0.6	0.7	0.7	0.7
Adjusted Net Debt (-) / Net Cash (+)	2.5	1.7	1.1	0.7	1.4

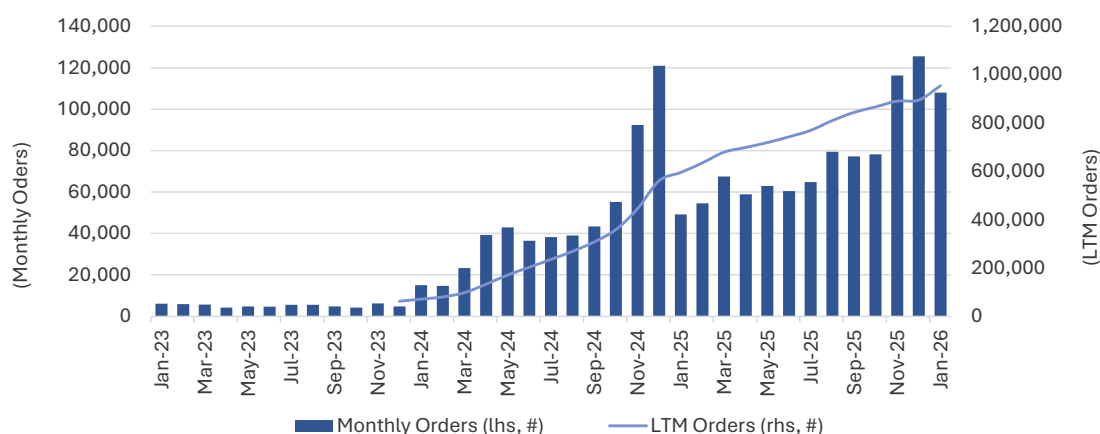
Source: Yakkyo, Value Track Analysis

Business Profile

Yakkyo is a **one-stop AI-driven "MarTech operating layer"** designed to simplify cross-border e-commerce by consolidating the entire supply chain into a single platform. Rather than managing 5–7 different vendors, merchants use Yakkyo as a central principal to handle everything from sourcing to final delivery, without owning inventory or handling logistics complexity.

Yakkyo is structurally transaction-driven and monetises across the full order value (product mark-up, logistics and fulfilment); as a result, **order volumes are the clearest proxy for platform scale and momentum**. The chart below highlights the platform's acceleration, with **monthly orders > 100k** in the most recent months and **LTM volumes approaching ~1mn**, supporting operating leverage through supplier optimisation, improved freight economics and higher monetisation efficiency per order.

Yakkyo: Orders Evolution (Monthly & LTM)

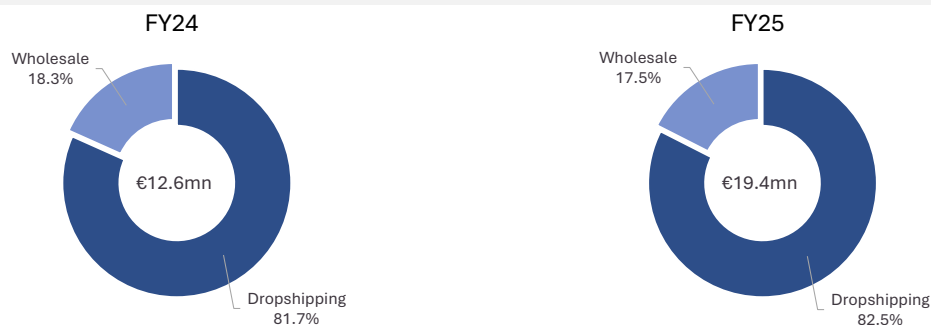


Source: Yakkyo

Particularly, Yakkyo's business model is structured across two complementary operating segments:

- 1. Dropshipping** (82% of FY25's Net Sales; €16.0mn) – Through Yakkyo, merchants integrate their e-commerce storefronts (e.g., Shopify, WooCommerce) and access a fully automated workflow covering product sourcing, procurement, quality control and global fulfilment, without holding inventory;
- 2. Wholesale** (18% of FY25's Net Sales; €3.4mn) – Bulk procurement model enabling clients to source large product volumes directly from Chinese manufacturers at competitive cost. Yakkyo manages supplier sourcing, storage, logistics and customs clearance, providing a streamlined and capital-efficient procurement framework for e-commerce operators and affiliate-driven distribution networks, frequently operating under cash-on-delivery (COD) structures.

Yakkyo: FY24-25's Net Sales by Services



Source: Yakkyo, Value Track Analysis

Key Features & Benefits of Yakkyo support to merchants

- **Integrated Execution:** Acts as a single accountable partner for sourcing, quality control, and end-to-end logistics, removing the need for a dedicated procurement team.
- **Advanced Tech Stack:** Utilizes the Yakkyofy API and Pandarocket.ai to automate workflows and provide market intelligence for identifying "winning" products.
- **Marketing & Branding:** Offers specialized tools for AR product photos, automated video creation, and custom packaging to help merchants scale their brand identity.
- **Operational Efficiency:** Features a "virtual warehouse" model to eliminate storage costs, with rapid order processing (1–5 days) and integrated real-time tracking.

Economic Model

Economically, the model monetises value across the full transaction: Yakkyo revenues reflect the total amount invoiced to the merchant, including: i) product value (supplier cost plus 35–40% markup); ii) shipping (logistics cost plus ~ 5% service fee); iii) fulfilment handling fees.

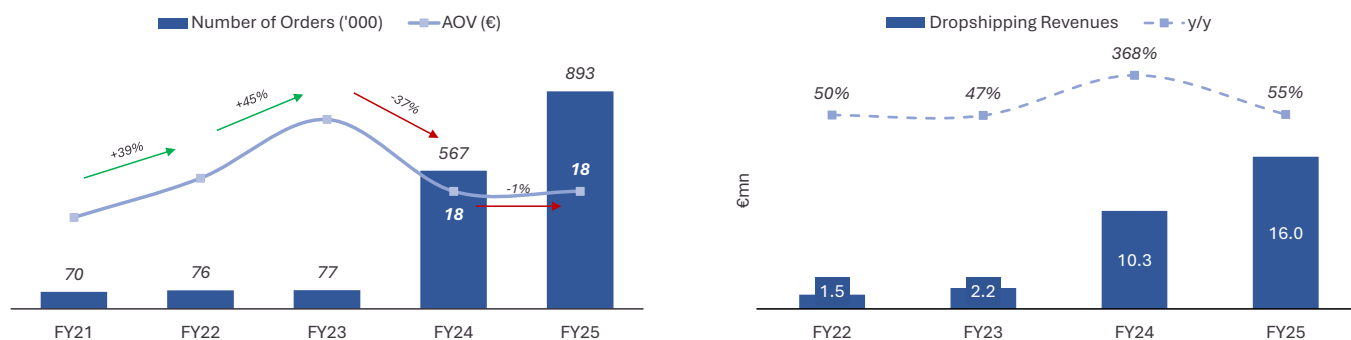
On a €100 order, Yakkyo typically pays ~ €65 to the supplier and ~ €15 in fulfilment costs, generating ~ €20 gross profit (GPM=20%), consistent with a scalable, platform-driven orchestration model.

Overall, Yakkyo's positioning combines sourcing arbitrage, platform automation and logistics orchestration, creating structural switching costs and execution barriers for merchants.

1# Dropshipping (€16.0mn or 82.5% of FY25's Net Sales)

Dropshipping is Yakkyo's core operating engine, designed to eliminate the complexities of sourcing and cross-border logistics through an automated, API-integrated workflow. By connecting storefronts, merchants can trigger order-on-demand procurement, leaving end-to-end execution—from Chinese factories to the customer's door—to Yakkyo.

Yakkyo: Dropshipping Performance – Volume, AOV and Revenue Growth



Source: Yakkyo, Value Track Analysis

Operating Flow

- **Integration:** Seamless connection with Shopify or WooCommerce;
- **Selection:** Merchants source products directly from the Yakkyofy catalog.
- **Procurement:** Orders are automatically triggered once the merchant captures a sale;
- **Quality Control:** Yakkyo performs visual inspections and quality checks in-house;
- **Fulfillment:** Global shipping includes real-time tracking and logistics management.

Pricing

This segment is the company's primary revenue driver, boasting 55% YoY growth. Yakkyo monetizes through a tiered markup model:

- Large Clients (€10k+ monthly): ~30% markup on product value;
- Smaller Merchants: Up to ~45% markup;
- Shipping: A 5%-10% service fee is applied to logistics costs.

Logistics Infrastructure

Execution centers on the proprietary "Special Line" network, offering Premium (3–10 days) and Standard (6–15 days) delivery. A dedicated California warehouse further compresses US delivery times to 24–48 hours, supporting an expected 800k US-bound orders.

While the merchant base is predominantly European, the model remains highly viable; retail prices typically reflect a 3–4x uplift over product costs to absorb marketing and service overhead.

Subscription (SaaS)

The subscription layer embedded in the platform is best viewed as a strategic monetisation overlay and a demand-quality filter that structurally supports the Group's transaction-led growth engine.

While **subscription revenues remain small**, the SaaS architecture plays a clear role in optimising customer acquisition efficiency: it discourages low-commitment, low-LTV users from entering the ecosystem, while enabling Yakkyo to selectively waive fees for high-volume merchants — where value capture is superior through transactional mark-ups and service revenues — thereby maximising conversion and retention of economically attractive accounts.

Pricing is offered on both monthly and annual billing, with annual plans providing a meaningful discount to incentivise longer-term lock-in. The plan structure is as follows:

- **Free** (\$0): core platform access (incl. unlimited order fulfilment), image-recognition product search, free warehouse space, basic quotations and product media tools;
- **Premium** (\$79/month | \$59/month billed annually): expanded operating toolkit (incl. manual sourcing for dropshipping, higher quotation volumes, warehouse space), plus private labelling/custom packaging, product media, pre-shipment quality checks and priority chat support;
- **Premium+** (\$299/month | \$229/month billed annually): full feature set and highest service level, with materially higher quotation capacity, dedicated account management and logistics tools (e.g., shipping calculator / parcel pick-up reminders), plus high-priority assistance via calls/WhatsApp.

Thus, this structure improves customer acquisition efficiency and supports long-term retention of high-value merchants, while preserving monetization optionality as the platform scales.

Yakkyo: SaaS Pricing Structure (Monthly vs Annual)

Plan	Monthly	Annually	Services
Free	\$0/month		Core platform access; unlimited order fulfilment; image-recognition product search; free warehouse space; basic quotations; sample evaluation; product media tools
Premium	\$79/month	\$59/month billed annually	Manual dropshipping sourcing; bulk quotations; POD & bundle management; private labelling & custom packaging; AR/3D product tools; product media; pre-shipment quality check; Shopify upsell; priority chat support
Premium+	\$299/month	\$229/month billed annually	All Premium features; expanded quotation capacity; dedicated account manager; shipping calculator; parcel pick-up reminders; high-priority assistance via calls/WhatsApp

Source: Yakkyo

2# Wholesale (€3.4mn or 17.5% of FY25's Net Sales)

Wholesale serves as Yakkyo's bulk-procurement arm, catering to structured retailers and affiliate networks. In this model, Yakkyo acts as a centralized intermediary managing the entire lifecycle—from factory sourcing and production coordination to customs clearance and final delivery.

Operating Flow

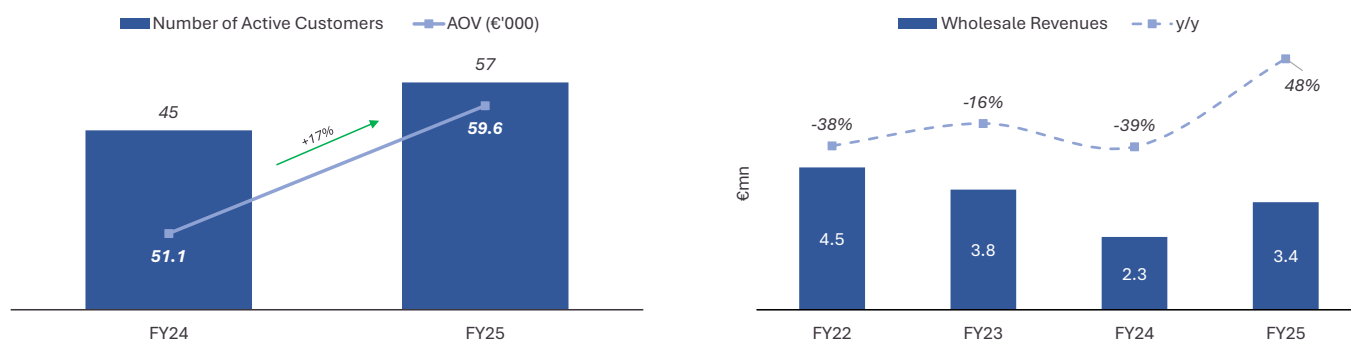
- **Quotation:** Detailed calculation of product costs and shipping (weight/volumetric);
- **Sourcing:** Selection via marketplaces or factory-direct for high-volume orders;
- **Production & Payment:** Coordination starts with a 30–50% client deposit; Yakkyo often advances the balance;
- **Quality Assurance:** Factory-level inspections (UNI ISO 2859) by third-party firms to mitigate compliance risks;
- **Logistics:** International transit (sea/rail) with full settlement required before customs clearance;
- **Delivery:** Final transit to client warehouses or FBA centers, often including private label requirements.

Strategic Shift & Financial Profile

While wholesale offers high ticket sizes — averaging **€60k per client** with **40–50% markups** — it is significantly more working-capital intensive than dropshipping. Lead times often stretch to 90 days (30 days production plus 60 days transit), and margins are susceptible to shipping-cost volatility.

Strategically, Yakkyo has rebalanced its portfolio to favor the scalability of dropshipping. Active wholesale clients stand at 57 in FY25 year end, reflecting a move away from high capital absorption. However, the segment remains a vital recurring channel for established brands requiring repeat, large-scale procurement.

Yakkyo: Wholesale Performance – Active Clients, AOV and Revenue Trend



Source: Yakkyo, Value Track Analysis

The charts illustrate the structural repositioning of the Wholesale segment: while the active client base declined materially vs historical peaks, FY25 indicates a rebound in active clients to 57 (from 45 in FY24), alongside a higher average ticket size. This supports the view that the segment is being refocused toward more structured, higher-quality counterparties, with volumes increasingly driven by repeat procurement rather than broad-based client proliferation. The observed revenue normalization therefore appears primarily driven by portfolio rationalization and capital allocation discipline, rather than underlying demand weakness. As a result, Wholesale is increasingly positioned as a complementary, cash-generative channel supporting recurring sourcing needs, rather than a primary growth lever versus the Company's core dropshipping engine.

Value Chain Positioning / Operating Model

As far as the value chain is concerned, in our view it can be summarized in five consecutive steps / players, with Yakkyo being positioned in the very middle :

1. **Manufacturers** (mainly chinese ones);
2. **Aggregators / Marketplaces**, i.e. Aliexpress or 1688;
3. **MarTech platforms**, i.e. Yakkyo
4. **Merchants**, (e-retailers / dropshippers);
5. **End Clients** (mainly retail ones).

Yakkyo: Value Chain



Source: Yakkyo

1. Manufacturers

Procurement is supported by a diversified supplier network primarily composed of Chinese manufacturers and wholesalers, leveraging 10–15 strategic partners to access 4,500+ suppliers.

Yakkyo operates through local partners in China that support procurement execution, supplier coordination and logistics handling, while retaining the ability to source directly from factories for larger-volume orders to improve economics and execution control.

The framework is designed to ensure supply continuity, multi-sourcing flexibility and execution reliability, particularly during seasonal demand peaks.

2. Aggregators / Marketplaces

Yakkyo performs its procurement activities mainly via aggregators / marketplaces. Such strategy has several advantages:

- **Cost Dominance:** Sourcing via Chinese marketplaces allows achieving prices that are not available elsewhere;
- **Operational Resilience:** Partners handle local collection; Yakkyo manages direct factory negotiations and quality control to mitigate supplier dependency;

We underline that in April Yakkyo should launch **1688 API access**. 1688.com offers prices 6–7x lower than AliExpress, with Yakkyo providing the essential RMB payment and export layer. Native integration will expand the catalog to 150M SKUs, positioning Yakkyo as a first-mover in automated 1688 connectivity.

MarTech platforms

Yakkyo sits at the intersection of two structurally disconnected worlds: China’s vast, price-efficient manufacturing base and Western merchants’ need for reliable, repeatable cross-border execution.

As such, we can view Yakkyo as a **technology-driven “China-to-merchant”** operating layer, bridging China’s fragmented supplier base with Western e-commerce merchants by integrating procurement, fulfilment/logistics and MarTech enablement into a single platform-led workflow.

Indeed, the Company acts as a strategic intermediary — often as a principal in B2B e-commerce flows — removing language, payment and operational friction upstream, while executing end-to-end downstream through a capital-light infrastructure.

More in details, Yakkyo takes care of Platform orchestration and Fulfilment, Virtual Warehousing & Logistics. On top of that it also offers AI powered demand enablement + product intelligence tools.

Platform Orchestration (API-driven automation)

Yakkyo is the automated backbone for Shopify-driven commerce, replacing 5–7 fragmented vendors.

- **Unified Flow:** Consolidates sourcing, procurement, and fulfillment into one API.
- **Efficiency:** Compresses time-to-market by replacing manual coordination with automation.
- **Autonomy:** Merchants retain control over demand capture and end-customer pricing.
- **Scale:** Seamlessly manages the entire supply chain from a single interface.

Notably, Yakkyo typically does not have visibility on merchants' end-customer pricing, as demand capture happens on the client side across multiple channels.

Fulfilment, Virtual Warehousing & Logistics Execution

Yakkyo executes through a capital-light logistics model, leveraging warehouse and courier partnerships rather than owning a heavy fixed-asset base.

The Company offers virtual warehousing (partner-operated storage) supported by real-time inventory visibility, enabling merchants to scale without storage costs or inventory handling.

Transport modality is optimised by order profile: dropshipping is typically routed via faster lanes (air-enabled), while wholesale leverages sea/rail for bulk cost efficiency and longer lead times.

On risk allocation, the principal operational exposure sits in shipping execution: shipping is paid upfront to couriers, representing the key residual execution risk in the flow, alongside supplier concentration, client concentration and platform dependency (Shopify-driven traffic).

Merchants

Yakkyo has built a broad top-of-funnel footprint, with ~ 3,850 registered customers, of which **184 were active in FY25** (placed at least 1 order, of which 127 related to dropshipping and 57 to wholesale), reflecting a deliberate commercial **focus on “quality of demand” rather than sheer account volume**.

The revenue profile is structurally concentrated with 20% of clients accounting for 80% of turnover and are predominantly large-scale dropshipping operators (typically “digital nomads”, predominantly young, internationally mobile entrepreneurs, based in low-tax jurisdictions such as Dubai and Cyprus).

These accounts are managed under a “VIP” logic — defined as customers processing ≥250 orders/day — where Yakkyo monetizes across the full transaction stack (product mark-up, logistics and fulfilment), and has intentionally deprioritized smaller merchants viewed as low-value “background noise”.

In this context, the **SaaS subscription layer acts as a soft entry barrier for small clients**, while client acquisition is bifurcated: small accounts are sourced via paid advertising (e.g., Meta), whereas larger customers are primarily driven by a structured referral engine (including Dubai-based community events), with referral fees linked to the referred client's sell-through performance.

Operationally, management indicates **multi-year client durability** (~ 2+ years) and low dispute intensity — often resolving defects via refunds given limited incremental shipping costs. Finally, while ~ 50% of underlying sell-out is generated in the US, Yakkyo's dropshipper base remains predominantly non-US, highlighting both the platform's cross-border reach and a potential whitespace in direct US merchant penetration.

End Clients

Yakkyo doesn't directly burden the legal risk of its clients' possible failures, but for sure is directly correlated to their success. The higher the revenues generated by merchants and the higher the fees earned by Yakkyo.

In terms of go-to-market, merchant demand is predominantly acquired through paid performance digital channels (Meta, TikTok Shop, Google and native ads).

FY25 Financials

On 27 March 2026, Yakkyo reported **FY25 Results** broadly in line with our estimates at the Value of Production and EBITDA level, while delivering better-than-expected profitability further down the P&L, with EBIT and Net Profit ahead of our forecasts by >€200k and €170k, respectively. In addition, Adj. NFP came in slightly stronger than forecast, at €1.4mn vs our €1.3mn assumption. Beyond the strong FY25 financial performance, the Company pursued several initiatives aimed at supporting innovation, strengthening its operating structure and enhancing the visibility and appeal of the stock.

FY25-to-date follow-up

Particularly, as for the main corporate events during FY25, we highlight the following:

- On 8 January 2025, Yakkyo applied for a PIA regional funding program in Puglia to support a 36-month innovation plan focused on digitalization, process efficiency and sustainability, with total investments of around €3.0mn and an expected grant contribution of about 50%;
- On 1 April 2025, the Company opened its new Milan headquarters in Via Mauro Macchi, strengthening its presence in Italy's main economic and technology hub;
- On 20 May 2025, Yakkyo appointed Isabella Siniscalchi as Senior Business Analyst, reinforcing its capabilities in strategic analysis, market intelligence and advanced financial modeling;
- On 3 June 2025, the Company ended the employment relationship with COO Francesco Malmusi through a settlement agreement;
- On 12 June 2025, Yakkyo registered its proprietary software “PandarocketAI” with the SIAE Public Special Register, enhancing protection of its intangible assets and technological know-how;
- In November 2025, the Board initially approved the start of activities aimed at proposing the delisting from EGM Pro to rationalize listing-related costs, but later suspended the process following updated strategic assessments and the majority shareholder's intention not to support the proposal;
- On 25 November 2025, the Company formally notified MIT SIM S.p.A. of the early withdrawal from the EGA agreement, effective from 28 December 2025.

As for the main events occurred after year-end, we highlight the following:

- On 22 January 2026, the Board approved the project for the transfer of the Company's shares from the Professional Segment of EGM to EGM, with the aim of broadening the shareholder base, improving liquidity and increasing market visibility. In the same meeting, the Board also resolved to submit to shareholders the authorization to buy and dispose of treasury shares, as well as a delegation to increase share capital by up to €5.0mn;
- On 2 February 2026, Yakkyo appointed Value Track SIM S.p.A. as Euronext Growth Advisor;
- In early February 2026, the Company successfully completed an ABB on 717.5k shares at €1.00 p/s, increasing the free float to 36.26%;
- On 9 February 2026, shareholders approved the transfer to EGM, with no issuance of new shares and therefore no dilution for existing shareholders. In the same session, shareholders also approved the authorization to purchase treasury shares, the related by-law amendments and the delegation to increase share capital up to €5.0mn;
- On 12 February 2026, the Company received the admission notice from Borsa Italiana, with trading on EGM starting on 13 February 2026;
- On 13 March 2026, the Company obtained a €700k liquidity facility from UniCredit, backed by an MCC guarantee, to support working capital needs.

FY25 Results

The key highlights from Yakkyo's FY25 financial results are as follows:

- **Value of Production** reached €20.0mn, up 49% YoY (vs €13.4mn in FY24) and broadly in line with our estimates, with Dropshipping accounting for 82% of the mix (~€16.0mn, +55% YoY) and Wholesale for 18% (~€3.4mn, +48% YoY);
- **EBITDA** came in at €1.9mn, with an EBITDA Margin of 9.4% (vs 9.0% in FY24 and 27bps below our estimate);
- **EBIT** reached nearly €1.5mn, >2x YoY (vs €670k in FY24) and coming in 18% above our €1.3mn forecast;
- **Net Profit** stood at €820k, up 65% YoY (vs €500k in FY24) and 27% above our €650k estimate;
- **Adj. Net Cash Position** (including €670k from wealth management activities) improved from €535k in FY24 to €1.4mn in FY25, compared with our €1.3mn forecast.

Yakkyo: Key Financials FY24-FY25

(IT GAAP, €mn)	FY24	FY25	YoY	FY25E	Chg (%)
Value of Production	13.41	19.98	49%	19.98	0%
EBITDA	1.20	1.88	56%	1.93	-3%
EBITDA Margin (%)	9.0%	9.4%	42bps	9.7%	-27bps
EBIT	0.67	1.48	121%	1.25	18%
EBIT Margin (%)	5.0%	7.4%	240bps	6.3%	111bps
Net Profit	0.50	0.82	65%	0.65	27%
Adj. Net Cash Position	0.54	1.37	0.83	1.30	0.07

Source: Yakkyo, Value Track Analysis

More specifically, we believe the main takeaways can be summarized in three key points:

1. **Scale-up continues, with dropshipping as the main driver;**
2. **EBITDA Margin holds firm as earnings accelerate;**
3. **A turning point in cash generation, driven by EBITDA and Δ NWC > 0**

1. Scale-up continues, with dropshipping as the main driver

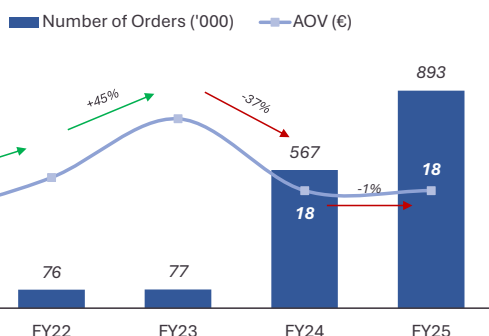
Yakkyo delivered a **~45% VoP CAGR_{FY22-FY25}**, reaching **€20.0mn in FY25** (+49% YoY), with Revenues from Sales amounting to €19.4mn (+54% YoY, vs €12.6mn in FY24). Growth has been overwhelmingly driven by the scale-up of dropshipping, while wholesale has been deliberately resized as the Group prioritized the structurally more scalable and higher-margin segment.

Key operating dynamics are as follows:

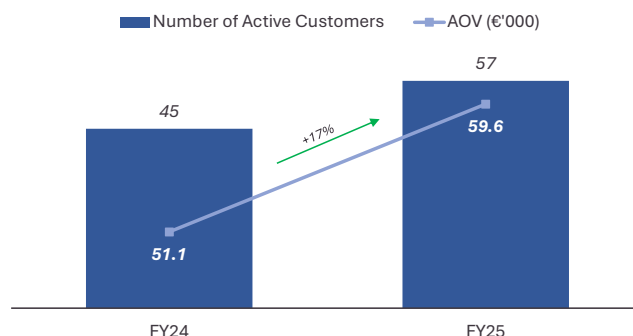
- **Dropshipping acceleration:** FY25 dropshipping revenues reached €16.0mn (+55% YoY), supported by a step-change in volumes to ~ 893k orders (vs ~ 567k and 77k in FY24 and FY23, resp.). This scale-up came with a lower ticket profile, with AOV declining to €18 (vs €28 in FY23 and broadly flat YoY), consistent with a shift toward higher-frequency, lower-ticket order flows;
- **Wholesale remains structurally resized** (but FY25 showed a quality-driven rebound): wholesale revenues increased YoY to €3.4mn in FY25 (+48% YoY vs €2.3mn in FY24), with a more structured base, through active wholesale clients rising to 57 (vs 45 in FY24) and AOV increasing +17% to ~ €60k (from ~ €51k).

Yakkyo: Dropshipping and Wholesale – KPIs

Dropshipping



Wholesale



Source: Yakkyo, Value Track Analysis

Yakkyo: Revenue from Sales by Service (FY21-FY25)

(IT GAAP, €mn)	FY21	FY22	FY23	FY24	FY25	CAGR _{FY21-25}
Wholesale	7.2	4.5	3.8	2.3	3.4	-17%
YoY (%)	nm	-38%	-16%	-39%	48%	//
As a % of VoP	82%	69%	57%	17%	//	//
Number of Active Customers	na	na	na	45	57	//
YoY (#)	na	na	na	nm	12	//
AOV per Customer (€'000)	na	na	na	51	60	//
YoY (%)	na	na	na	nm	17%	//
Dropshipping	1.0	1.5	2.2	10.3	16.0	100%
YoY (%)	nm	50%	47%	368%	55%	//
As a % of VoP	11%	23%	33%	77%	//	//
Number of Orders ('000)	70	76	77	567	893	//
YoY (%)	nm	8%	1%	639%	58%	//
AOV (€)	14.3	19.8	28.7	18.2	17.9	//
YoY (%)	nm	39%	45%	-37%	-1%	//
Other Sales / Subscriptions	0.6	0.5	0.7	0.8	0.6	-2%
YoY (%)	nm	39%	45%	21%	-29%	//
As a % of VoP	7%	8%	10%	6%	3%	//
Value of Production	8.8	6.5	6.7	13.4	20.0	23%
YoY (%)	nm	-26%	2%	101%	49%	//

Source: Yakkyo, Value Track Analysis

As for other FY25 VoP items, these amounted to €541k vs €823k in FY24. The contribution was mainly related to capital grants on R&D investments, chiefly associated with the evolution of the Yakkyofy platform, as well as operating grants tied to R&D tax credits and the capitalization of development costs on the Yakkyo platform, totaling €380k.

Yakkyo: Value of Production b.down (FY21-FY25)

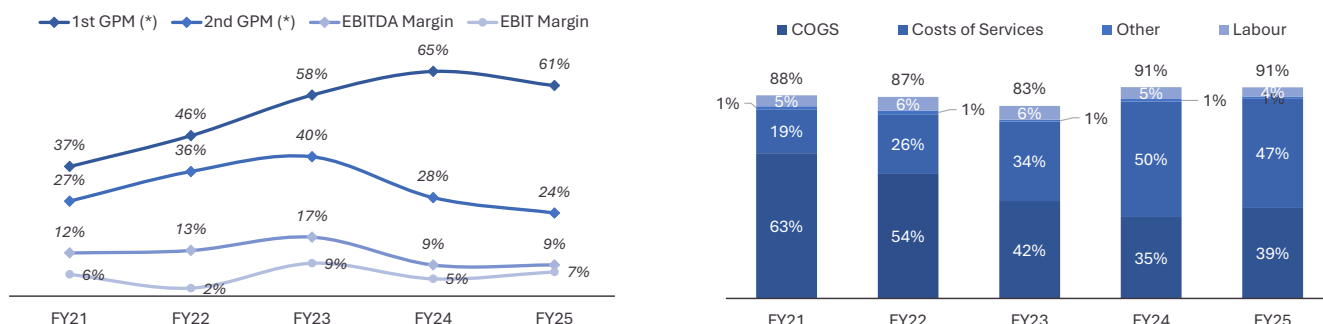
(IT GAAP, €mn)	FY21	FY22	FY23	FY24	FY25
Revenues from Sales	8.1	6.0	6.3	12.6	19.4
Other Revenues	0.7	0.5	0.3	0.6	0.5
o/w Grants	//	0.1	0.1	0.2	0.0
Other	//	0.4	0.2	0.4	0.5
Value of Production	8.8	6.5	6.7	13.4	20.0

Source: Yakkyo, Value Track Analysis

2. EBITDA Margin holds firm as earnings accelerate

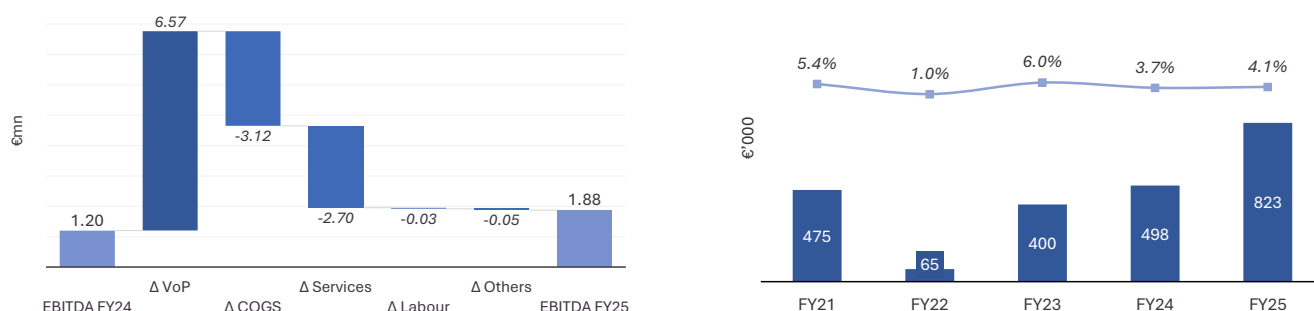
In FY25, **EBITDA** grew broadly in line with revenues, rising to **€1.9mn** from €1.2mn in FY24 (+56% YoY), while maintaining a stable margin profile, with EBITDA Margin improving by 42bps YoY from 9.0% in FY24 to 9.4%.

Yakkyo: Margin Evolution and Cost Structure (FY21-FY25)



Source: Yakkyo, Value Track Analysis; (*) Calculated as VoP – COGS; (**) Calculated as 1st Margin – Shipping Costs

Yakkyo: EBITDA Bridge FY24-FY25 and Net Profit Evolution



Source: Yakkyo, Value Track Analysis

In terms of cost structure (up to €18.1mn in FY25, vs €12.2mn in FY24), purchases of goods for resale and service costs remained structurally Yakkyo's two main cost items. More in detail, we note:

- **COGS** increased both in absolute terms and as a percentage of sales, reflecting the slight reduction in the average dropshipping order value (from €18.2 in FY24 to €17.9 in FY25) as well as the temporary increase in freight costs, which mainly affected the dropshipping business;
- **Service Costs** came in at €9.3mn in FY25 (+€2.7mn YoY), mainly driven by higher transport costs on sales (+€2.5mn), higher payment gateway commissions linked to volume growth, and higher legal, administrative and commercial advisory costs incurred for the launch and execution of funded projects;
- **Labour Costs** were broadly flat YoY, with headcount unchanged at 14 employees, confirming Yakkyo's lean and scalable operating structure despite the strong growth in business volumes;
- **Other OpEx** remained limited overall and do not appear to represent a major driver of profitability dynamics.

Below the EBITDA line, we believe it is worth highlighting that:

- **D&A** remained broadly stable YoY at ~€400k in FY25 (vs ~€500k in FY24), mainly reflecting amortization of intangible assets (€380k), largely related to proprietary software developed for the Yakkyofy platform;
- **Net Financial Charges** increased to €274k (vs €90k in FY24);
- **Taxes** came in at €379k (vs €81k in FY24), implying a tax rate in the ~ 30–32% range.

As a result, Yakkyo's FY25 **EBIT** more than doubled YoY to **€1.5mn** (vs €669k in FY24), while **Net Profit** reached **€820k** (vs €500k in FY24, i.e. +65% YoY).

Yakkyo: P&L FY24-FY25

(IT GAAP, €mn)	FY24	FY25	YoY
Value of Production	13.4	20.0	49%
COGS (incl. Δ Inventory)	-4.7	-7.8	66%
1st Gross Profit	8.7	12.1	40%
<i>1st Gross Margin (as a % of VoP)</i>	65%	61%	-408bps
Shipping Costs	-4.9	-7.4	51%
2nd Gross Profit	3.8	4.8	25%
<i>2nd Gross Margin (as a % of VoP)</i>	28%	24%	-461bps
Service Costs (excl. Shipping Costs)	-1.8	-2.0	11%
Use of 3rd Party Assets	-0.1	-0.1	11%
Other Costs	0.0	-0.1	80%
Labour Costs	-0.7	-0.7	5%
EBITDA	1.2	1.9	56%
<i>EBITDA Margin (as a % of VoP)</i>	9%	9%	42bps
D&A	-0.5	-0.4	-25%
EBIT	0.7	1.5	121%
<i>EBIT Margin (as a % of VoP)</i>	5%	7%	240bps
Total Fin Exp.	-0.1	-0.3	204%
Pre-Tax Profit	0.6	1.2	108%
Taxes	-0.1	-0.4	368%
Net Profit	0.5	0.8	65%
<i>Net Margin (as a % of VoP)</i>	4%	4%	41bps

Source: Yakkyo, Value Track Analysis

3. A turning point in cash generation, driven by EBITDA and ΔNWC > 0

Yakkyo's financial profile remains structurally capital-light and broadly unlevered, with cash generation and liquidity primarily driven by NWC dynamics rather than by heavy fixed-asset investments. As of FY25, the Company reported a Net Cash Position of €695k and an **Adjusted Net Cash Position** (including financial asset management positions held at BCC Cassano delle Murge e Tolve and treated as cash equivalents) of ~€1.4mn. On this basis, OpFCF b.t. on EBITDA (calculated as EBITDA – ΔNWC – Capex – Δ Provisions, over EBITDA) stood above 70%.

Key drivers include:

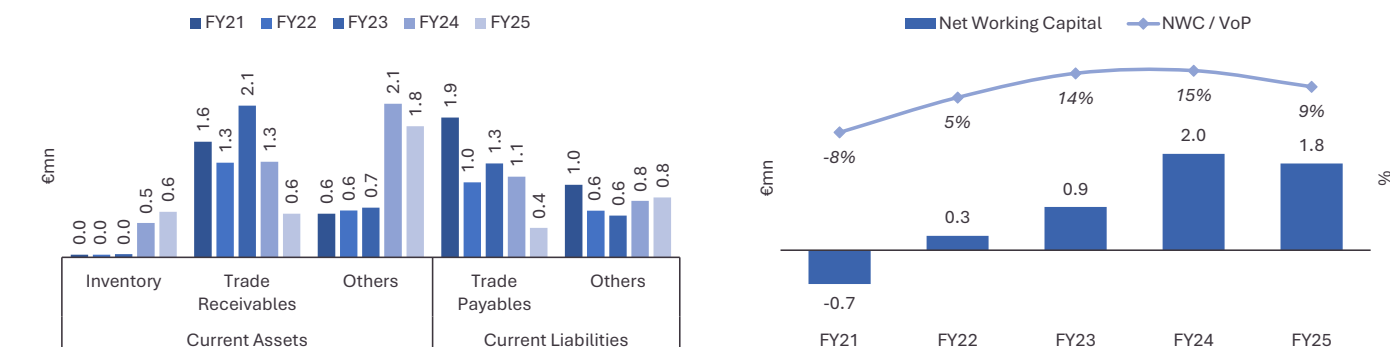
- **Capex** amounted to ~€650k in FY25 (vs ~€550k in FY24) and was mainly directed toward intangible assets, notably incremental developments on the Company's proprietary software platforms and the CRM currently under construction;
- **Net Working Capital** generated ~€195k of cash in FY25, with commercial working capital broadly in line with the previous year and total NWC slightly down YoY. Particularly:
 - Inventories increased from €470k in FY24 to €620k in FY25, a contained rise that appears consistent with the higher business volumes and the presence of goods in transit;
 - Trade receivables declined sharply from €1.3mn in FY24 to €595k in FY25, suggesting improved collection dynamics;
 - Trade payables also decreased materially, from €1.2mn in FY24 to €560k in FY25, reflecting shorter payment terms from key suppliers, partly due to the higher incidence of dropshipping transactions, which in some cases require payment upon shipment. The YoY reduction also reflects a revised accounting treatment applied from FY25 and retroactively to FY24 with

respect to certain overdue balances amounting to €174k, o/w 75% related to a dispute with Poste;

- **Net Equity** continued to provide adequate balance-sheet support, confirming the Company's conservative financial structure.

Importantly, **FY25 Cash & Deposits amounted to €5.2mn**, providing meaningful optionality to fund incremental growth initiatives and potential M&A.

Yakkyo: Net Working Capital Breakdown and Incidence on Net Sales (FY21-FY25)



Source: Yakkyo, Value Track Analysis

Yakkyo: Balance Sheet FY24-FY25

(IT GAAP, €mn)	FY24	FY25
Net Working Capital	2.0	1.8
As a % of VoP	15%	9%
Net Fixed Assets	2.0	2.2
Provisions	0.1	0.1
Total Capital Employed	3.9	3.9
Group Net Equity	3.8	4.6
NFP [i.e. Net Debt (-) Cash (+)]	-0.1	0.7
Other Financial Assets	0.7	0.7
Adjusted Net Debt (-) / Net Cash (+)	0.5	1.4

Source: Yakkyo, Value Track Analysis

Yakkyo: Net Financial Position Breakdown FY24-FY25

(IT GAAP, €mn)	FY24	FY25
Cash & Deposits (+)	5.4	5.2
Current Financial Credits (+)	0.1	0.0
Financial Debts < 12 Months (-)	-1.4	-1.3
Current Net Financial Position	4.1	3.8
Financial Debts > 12 Months (-)	-4.2	-3.2
Others (-)	0.0	0.0
Non-Current Net Financial Position	-4.2	-3.2
Net Debt (-) / Net Cash (+)	-0.1	0.7
Other Financial Assets	0.7	0.7
Adjusted Net Debt (-) / Net Cash (+)	0.5	1.4

Source: Yakkyo, Value Track Analysis

Yakkyo: Cash Flow Statement FY24-FY25

(IT GAAP, €mn)	FY24	FY25
EBITDA	1.2	1.9
Δ Net Working Capital	-1.1	0.2
Capex	-0.5	-0.6
Δ Provisions	0.0	0.1
OpFCF b.t.	-0.4	1.5
<i>As a % of EBITDA</i>	-32%	79%
Cash Taxes	-0.1	-0.4
OpFCF a.t.	-0.5	1.1
Others (incl. Fin. Investments, Buyback)	0.0	0.0
Net Financial Charges	-0.1	-0.3
Dividends Paid	0.0	0.0
Δ Net Financial Position	-0.6	0.8

Source: Yakkyo, Value Track Analysis

Yakkyo: Adjusted Cash Flow Statement FY24-FY25

(IT GAAP, €mn)	FY24	FY25
Revenue from Sales Cash	12.8	19.4
Opex Cash (adj. For IPO costs)	-12.5	-18.7
<i>o/w P&L Costs</i>	-12.2	-18.1
<i>IPO costs</i>	0.2	0.0
<i>Intangible Capex</i>	-0.5	-0.6
= EBITDA Cash	0.3	0.7
Δ Net Working Capital	-1.1	0.2
Other Capex	0.0	0.0
Δ Provisions	0.0	0.1
Adj. OpFCF b.t.	-0.8	0.9
<i>As a % of EBITDA Cash</i>	<0	132%
Cash Taxes	-0.1	-0.4
Adj. OpFCF a.t.	-0.9	0.6
Other	0.4	0.5
<i>o/w Other Revenues (Capitalized Costs + Grants)</i>	0.6	0.5
<i>o/w IPO costs</i>	-0.2	0.0
<i>o/w others</i>	0.0	0.0
Net Financial Charges	-0.1	-0.3
Δ Net Financial Position	-0.6	0.8

Source: Yakkyo, Value Track Analysis

Forecasts 2026E-onwards confirmed

Our **estimates are broadly unchanged**, with only minimal BS revisions reflecting the somewhat stronger Net Cash Position reported in FY25. We therefore confirm our forecasts overall, while continuing to expect a structurally softer 1H26E vs 2H26E, with the year remaining back-end loaded (*for a detailed overview of the underlying growth drivers, please refer to our Initiation of Coverage published on 2 March 2026*).

This reflects both the business's normal phasing and the fact that the 1688 API integration, scheduled to launch in April, is likely to require some time before generating a meaningful contribution.

Given the significant growth runway in the reference market, Yakkyo's strategy remains centred on execution rather than transformation. The Company's growth trajectory continues to rest on five pillars: i) launch of the 1688 API integration; ii) utilisation of low-CAC organic client acquisition strategies; iii) US geographic expansion; iv) organizational strengthening; and v) targeted wholesale expansion.

Forecasts FY26E-28E

By FY28E, we forecast:

- **VoP reaching €34.5mn**, implying a CAGR_{FY25–FY28E} of ~ 20%, slightly above the underlying dropshipping market growth rate;
- **EBITDA expanding to €3.4mn**, with profitability stabilizing around an approx. 10% EBITDA Margin;
- **Adj. Net Cash strengthening to €3.8mn**, supported by improving FCF conversion and a mid-term OpFCF b.t. / EBITDA ratio somewhat above 50%.

Yakkyo: P&L FY25-FY28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E	CAGR _{FY25-28E}
Value of Production	20.0	24.1	29.2	34.5	20%
COGS (incl. Δ Inventory)	-7.8	-9.6	-11.7	-13.8	21%
1st Gross Profit	12.1	14.5	17.5	20.7	19%
<i>1st Gross Margin (as a % of VoP)</i>	61%	60%	60%	60%	-81bps
Shipping Costs	-7.4	-8.4	-10.2	-11.4	15%
2nd Gross Profit	4.8	6.0	7.3	9.3	25%
<i>2nd Gross Margin (as a % of VoP)</i>	24%	25%	25%	27%	318bps
Service Costs (excl. Shipping Costs)	-2.0	-2.4	-3.0	-4.2	29%
Use of 3rd Party Assets	-0.1	-0.2	-0.3	-0.3	38%
Other Costs	-0.1	-0.1	-0.1	-0.1	5%
Labour Costs	-0.7	-0.9	-1.0	-1.2	20%
EBITDA	1.9	2.5	2.9	3.4	22%
<i>EBITDA Margin (as a % of VoP)</i>	9%	10%	10%	10%	53bps
D&A	-0.4	-0.7	-0.7	-0.7	21%
EBIT	1.5	1.8	2.2	2.7	23%
<i>EBIT Margin (as a % of VoP)</i>	7%	7%	8%	8%	49bps
Total Fin Exp.	-0.3	-0.3	-0.2	-0.2	-8%
Pre-Tax Profit	1.2	1.5	2.0	2.5	28%
Taxes	-0.4	-0.5	-0.6	-0.8	26%
Net Profit	0.8	1.1	1.4	1.7	29%
<i>Net Margin (as a % of VoP)</i>	4%	4%	5%	5%	95bps

Source: Yakkyo, Value Track Analysis

Yakkyo: Balance Sheet FY25-FY28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Net Working Capital	1.8	2.4	3.0	3.5
As a % of VoP	9%	10%	10%	10%
Net Fixed Assets	2.2	2.3	2.3	2.3
Provisions	0.1	0.1	0.2	0.2
Total Capital Employed	3.9	4.5	5.1	5.6
Group Net Equity	4.6	5.6	7.0	8.8
NFP [i.e. Net Debt (-) Cash (+)]	0.7	1.1	1.9	3.1
Other Financial Assets	0.7	0.7	0.7	0.7
Adjusted Net Debt (-) / Net Cash (+)	1.4	1.8	2.6	3.8

Source: Yakkyo, Value Track Analysis

Yakkyo: Cash Flow Statement FY25-FY28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
EBITDA	1.9	2.5	2.9	3.4
Δ Net Working Capital	0.2	-0.6	-0.6	-0.5
Capex	-0.6	-0.7	-0.7	-0.7
Δ Provisions	0.1	0.0	0.0	0.0
OpFCF b.t.	1.5	1.1	1.7	2.2
As a % of EBITDA	79%	46%	57%	65%
Cash Taxes	-0.4	-0.5	-0.6	-0.8
OpFCF a.t.	1.1	0.7	1.1	1.5
Others (incl. Fin. Investments, Buyback)	0.0	0.0	0.0	0.0
Net Financial Charges	-0.3	-0.3	-0.2	-0.2
Dividends Paid	0.0	0.0	0.0	0.0
Δ Net Financial Position	0.8	0.4	0.8	1.2

Source: Yakkyo, Value Track Analysis

Yakkyo: Adjusted Cash Flow Statement FY25-FY28E

(IT GAAP, €mn)	FY25	FY26E	FY27E	FY28E
Revenue from Sales Cash	19.4	23.4	28.4	33.6
Opex Cash (adj. For IPO costs)	-18.7	-22.3	-27.0	-31.7
o/w P&L Costs	-18.1	-21.6	-26.3	-31.1
IPO costs	0.0	0.0	0.0	0.0
Intangible Capex	-0.7	-0.7	-0.7	-0.7
= EBITDA Cash	0.7	1.0	1.4	1.8
Δ Net Working Capital	0.0	-0.7	-0.6	-0.6
Other Capex	0.0	0.0	-0.1	-0.1
Δ Provisions	0.0	0.0	0.0	0.0
Adj. OpFCF b.t.	0.6	0.3	0.8	1.2
As a % of EBITDA Cash	97%	31%	58%	66%
Cash Taxes	-0.3	-0.5	-0.6	-0.8
Other	0.6	0.8	0.8	0.9
o/w Other Revenues (Capitalized Costs + Grants)	0.6	0.8	0.8	0.9
o/w IPO costs	0.0	0.0	0.0	0.0
Net Financial Charges	-0.3	-0.3	-0.2	-0.2
Δ Net Financial Position	0.6	0.4	0.9	1.2

Source: Yakkyo, Value Track Analysis

Valuation

Fair Equity Value confirmed at €2.5 p/s

Given the limited revisions to our estimates and the unchanged valuation parameters, we confirm our valuation. We continue to value Yakkyo using a **peer-derived rolling multiple framework**, extending the peer comparison beyond the NTM horizon through the application of a consistent set of reference trading multiples to forward-year estimates.

This approach yields an implied equity value of **€2.5 p/s on FY26E** and **€3.2 p/s on FY27E**, based on fixed valuation parameters of 5.0x EV/EBITDA, 7.0x EV/EBIT and 12.0x P/E in both years.

At FV, Yakkyo would trade at 4.8x–3.8x EV/EBITDA and 13.0x–10.0x P/E over FY26E–FY27E. Versus the current share price, our FY26E Fair Value still implies upside of just under 80%, supported by the Company's discounted starting valuation and the earnings normalization embedded in our estimates.

Yakkyo: Sensitivity Analysis at Different Stock Prices

Price p/s (€)	EV / EBITDA (x)		EV / EBIT (x)		P / E (x)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
1.50	2.6	1.9	3.6	2.5	7.8	6.0
2.00	3.7	2.9	5.1	3.8	10.4	8.0
2.50	4.8	3.8	6.7	5.0	13.0	10.0
3.00	5.9	4.7	8.2	6.2	15.6	12.0
3.50	7.1	5.7	9.7	7.5	18.2	14.0

Source: Value Track Analysis

Our Fair Value remains closely linked to execution and will therefore be reassessed after the 1H results release, as the Company's strategic initiatives begin to translate into tangible operating performance. In particular, we view the 1688 API integration as a key catalyst for both earnings progression and potential valuation re-rating.

Last but not least we underline that Yakkyo investment risk profile appears relatively contained in our view. Indeed:

- 1. Steady State Discounted Cash Flow analysis.** If we assume that Yakkyo from now on might not grow any more in excess of 2.0% inflation rate, (despite the supportive growth outlook of the reference market), the resulting ultra conservative Steady-State DCF would result in a €2.4 p/s Fair Equity Value, much higher than the current market price;
- 2. Rolling Discounted Cash Flow analysis.** Assuming our explicit forecasts through 2034E and a 1.0% perpetual growth rate beyond 2034, the resulting Rolling DCF yields an implied Fair Equity Value of €4.0 p/s, with the discounted Terminal Value accounting for <60% of Enterprise Value.

Peers Analysis

Peers Selection

Yakkyo operates within the digital commerce enablement ecosystem, combining merchant sourcing, marketplace access, and outsourced e-commerce execution. Notably, **there are currently no listed companies whose core business model is pure-play dropshipping**, making a direct like-for-like peer comparison structurally unfeasible.

We therefore set up a **peer group of 10 listed operators** active across adjacent segments of the e-commerce value chain, selecting companies exposed to merchant enablement, marketplace infrastructure, cross-border commerce, and outsourced digital operations. While these players do not operate a pure dropshipping model, they are positioned within the same structural market environment — namely platform-driven retail, technology-enabled commerce, and asset-light distribution.

The selected peer set includes *Baozun*, *transcosmos*, *Triboo*, *Websolute*, *Shopify*, *Shoper*, *eBay*, *Alibaba*, *Global-e Online*, and *The Platform Group*, collectively capturing the main functional layers surrounding Yakkyo's operating model. This approach allows for a relevant valuation benchmark despite the absence of directly comparable listed dropshipping peers.

Stock Market Multiples Benchmark

The peer group displays a **wide valuation dispersion**, reflecting differences in scale, growth profile, geographic exposure, and business model positioning. Based on our selected comparable universe, the sector trades at a median **EV/EBITDA of ~10.9x–9.2x for FY26E–FY27E**, compared with 11.5x–10.5x in our Initiation of Coverage published in early Feb-2026, with the de-rating primarily driven by recent geopolitical shocks.

It is worth noting that *The Platform Group* is excluded from our core multiple benchmark, given the ongoing transformative M&A activity and related capital increases, which currently distort its valuation and reduce comparability on a normalized earnings basis. Recent strategic M&A in the broader digital commerce ecosystem provides an additional qualitative reference point. In particular, eBay has agreed to acquire Depop from Etsy for approximately \$1.2bn in cash (expected closing in 2Q26E, subject to approvals), reinforcing its positioning in secondhand fashion and expanding reach into younger, community-led demand segments.

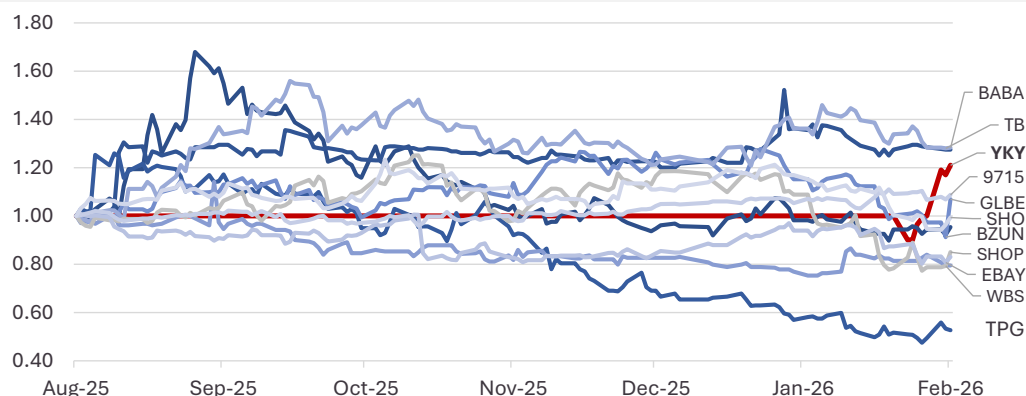
Among Italian peers, *Triboo* and *Websolute* trade at structurally lower multiples, reflecting smaller scale, lower liquidity, and more limited profitability profiles relative to the broader international peer set. At the opposite end, global platforms such as *Alibaba* and *Shopify* trade at significantly higher valuation levels; while excluded from the calculation of mean and median multiples due to being outside our applicable valuation range, they remain strategically relevant as key reference players within the global digital commerce ecosystem.

Yakkyo: Peers Trading Multiples (*)

Y/N	Peers	Market Cap. (€mn)	EV/EBITDA (x)		EV / EBIT (x)		P/E (x)	
			FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Y	Baozun,	339	10.7	8.4	23.5	15.6	18.6	11.6
Y	Triboo	11	2.2	na	6.6	na	6.1	na
N	Platform Group	57	2.1	1.6	2.5	1.9	1.2	1.1
Y	Global-e Online	4,568	16.8	11.7	21.9	14.7	27.0	20.1
Y	Websolute	12	na	na	na	na	na	na
Y	Alibaba Group	2,025,897	>30	>30	>40	>40	>50	>50
Y	Shopify	128,470	>30	>30	>40	38.9	>50	48.3
Y	eBay	36,018	11.9	11.0	13.3	12.4	15.3	14.4
Y	transcosmos	809	3.4	2.9	4.3	3.6	11.4	10.5
Y	Shoper Spolka Akcyjna	264	11.2	9.2	14.3	11.5	18.5	15.0
	Average	244,043	9.3	8.6	14.0	16.1	16.1	20.0
	Median	809	10.9	9.2	13.8	13.5	16.9	14.7
	Yakkyo	8	2.4	1.7	3.3	2.3	7.3	5.6
	<i>Discount vs Average (%)</i>	//	-74%	-80%	-76%	-86%	-55%	-72%
	<i>Discount vs Median (%)</i>	//	-78%	-81%	-76%	-83%	-57%	-62%

Source: Factset, Value Track Analysis, (*) Prices as of 27 March 2026

Peer Group Indexed Performance (1 = Start Date, Last 6M)



Source: FactSet, Value Track Analysis; (*) TB and WBS excluded (last updates: Oct-25 and Sep-25)

Fair Valuation based on Peers

We apply a **conservative, fixed-multiple benchmark** of **5.0x EV/EBITDA**, **7.0x EV/EBIT**, and **12.0x P/E**, rather than relying on peer averages. Relative to the broader peer set, these reference multiples imply an **embedded discount in the ~20%–60% range**, reflecting Yakkyo's smaller scale, limited trading liquidity, and early-stage listed profile.

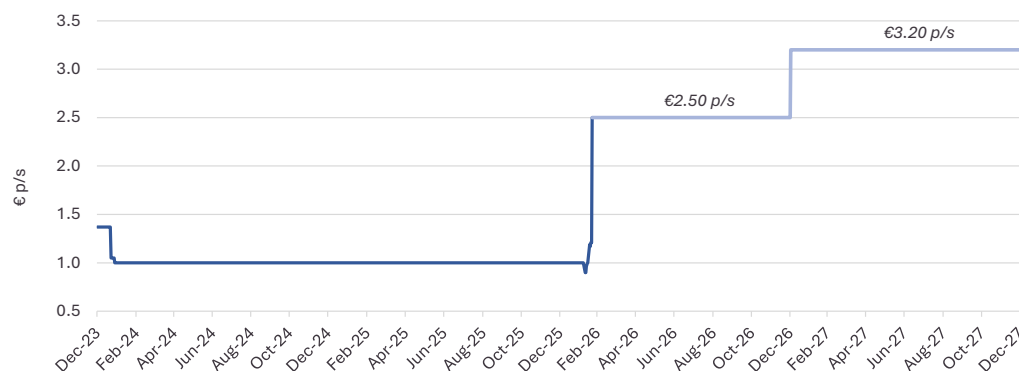
Applying these fixed benchmarks to our forward estimates yields an implied fair equity value of **€2.5 p/s on FY26E** and **€3.2 p/s on FY27E**, calculated as the simple average of the equity values derived from the three reference multiples (EV/EBITDA, EV/EBIT, and P/E). The year-on-year uplift is primarily driven by the expected earnings normalization across the forecast period.

Yakkyo: Multiples-Based Valuation

(€mn)	EV/EBITDA (x)		EV / EBIT (x)		P/E (x)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Fair Multiples	5.0x		7.0x		12.0x	
Discount vs Median (%)	-54%	-46%	-49%	-48%	-29%	-18%
Fair Enterprise Value (€)	12.4	14.7	12.5	15.6		
NFP [i.e. Net Debt (-) Cash (+)]	1.1	1.9	1.1	1.9		
EV Adjustments (*)	0.7	0.7	0.7	0.7		
Fair Equity Value (€)	14.1	17.3	14.3	18.2	12.7	16.5
Number of Shares (mn)	5.5					
Fair Equity Value p/s (€)	2.58	3.15	2.61	3.31	2.31	3.00

Source: Value Track Analysis

Yakkyo: Share Price Evolution FY23-25 vs Fair Value FY26E-27E



Source: Yakkyo, Value Track Analysis

Valuation Safety Checks

1# Discounted Cash Flow Model

Our valuation framework is primarily based on a DCF methodology, applied under two complementary configurations: 1) **Rolling DCF**, 2) **Steady-State DCF**.

Both models rely on **identical WACC assumptions**, ensuring full internal consistency and allowing us to isolate the impact of different growth and terminal dynamics rather than changes in the cost of capital.

Across both approaches, we assume:

- 2.0% Risk-Free Rate,
- 4.95% Italian Equity Risk Premium,
- 0.80 unlevered beta (average of Damodaran Retail Distributors and Diversified sectors),
- 5.0% company-specific risk premium,
- 30% target capital structure,
- 24% tax rate,

resulting in a Cost of Equity of 12.25%, Cost of Debt of 4.56%, and **WACC of 9.94%**.

Rolling DCF (Explicit Forecast Period)

We adopt a **rolling DCF structure**, with explicit forecasts spanning **2026E–2034E**, followed by a terminal phase assuming a **1.0% perpetual growth rate**.

The model yields an equity value of **€4.0 p/s** with the discounted Terminal Value contributing less than 60% of total Enterprise Value. The implied **TV/EBITDA 2023E stands at 5.2x**, broadly aligned with normalized small-cap distribution benchmarks.

Steady-State DCF (Inflation-Linked Perpetuity Growth)

Under **Steady-State DCF** framework, we assume financial performance to extend in perpetuity at a **2.0% long-term growth rate linked to inflation**, effectively modeling the Company as a structurally cash-generative platform rather than a compounding growth story.

Under these assumptions, the Steady-State DCF yields a **Fair Equity Value of €2.4 p/s**, corresponding to an implied TV/EBITDA of ~6.4x, consistent with normalized small-cap distribution benchmarks and incorporating a prudent discount for scale, execution, and liquidity risk.

Yakkyo: DCF Model (Rolling Case and Steady-State)

€mn	Rolling Case	Steady-State
PV of future cash flows 2026E–2034E	8.6	5.8
<i>As a % of Enterprise Value</i>	<i>42%</i>	<i>49%</i>
Terminal Value	27.8	13.8
Discounted Terminal Value	12.1	6.0
<i>As a % of Enterprise Value</i>	<i>58%</i>	<i>51%</i>
Fair Enterprise Value	20.8	11.8
FY25 's Net Debt (-) / Net Cash (+)	0.7	
EV Adjustments	0.7	
Fair Equity Value	22.1	13.1
NOSH (mn)	5.5	
Fair Equity Value p/s (€)	4.0	2.4

Source: Value Track Analysis

Appendix #1 – Corporate Profile

Corporate Governance

Top Management: Structure & Powers

Yakkyo is led by an execution-driven **leadership team** combining strong entrepreneurial vision, international operating experience and solid financial and technological expertise:

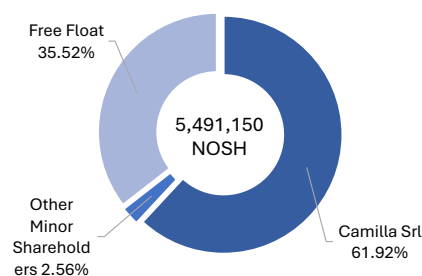
- **Giovanni Conforti** – *Co-Founder, CEO & Chairman*. He holds a degree in Economics and Commerce from UNIBA and brings over 20 years of experience in international trading, distribution and eCommerce. With a strong focus on business and customer development, he founded an IT distribution company and acted as a key commercial partner for leading international players, including Telecom Italia (2007), Groupalia Italy (2011), Groupon Europe (2012–2015) and Asiagroup (Singapore, 2015–2016), contributing to the structuring and scaling of cross-border commercial platforms;
- **Virgilio Picca** – *CFO & Director*. Graduate in Economics and Business Management, chartered accountant and statutory auditor, he developed his professional background at KPMG, specialising in the audit of industrial companies, including NYSE-listed issuers. He later served as CFO in the aerospace sector, gaining significant exposure to M&A and corporate finance. Founder of 74 Advisory (fractional CFO services) and co-founder of Orient, he also sits on the boards of The Digital Box and Zakeke and is recognised as an Innovation Manager by the Italian Ministry of Economic Development;
- **Carol Hsiao** – *Co-Founder & COO*. She holds an MBA and brings over 20 years of experience in supply chain and operational management. Her career includes executive roles in leading IT companies listed on the Taipei Stock Exchange. In 2007, she acted as a key supplier to Telecom Italia, followed by the launch of group-deal operations with Groupalia Italy. Between 2012 and 2015, she became one of the main suppliers for Groupon Europe, managing thousands of SKUs across major European markets. From 2015 to 2016, she expanded operations into Asia-Pacific, serving Asiagroup across Singapore, the Philippines, Malaysia, Australia and New Zealand;
- **Domingo Lupo** – *Chief Technology Officer*. A technology expert, he earned a degree in Electrical Engineering from the University of Carabobo (Venezuela) at the age of 22 and later completed an MBA (2011), supported by the Italian Ministry of Foreign Affairs. His career includes roles as ICT Consultant and, in 2014, the co-founding of GrowishPay, an innovative social payment platform based on e-wallet solutions, where he also served as CTO, bringing deep expertise in digital architecture, fintech and platform scalability.

Yakkyo's Board of Directors (chaired by **Giovanni Conforti**) includes: (i) **Virgilio Picca** – Director and CFO; (ii) **Giulio Limongelli** – Director; General Management, Bocconi University; former founder of Citydeal Italia sold to Groupon, ex-MD Italy and VP Southern Europe & Middle East at Groupon; international executive roles at WeWork and DoveVivo; (iii) **Gabriele Menotti Lippolis** – Independent Director; Economics and Business Administration; entrepreneur in tourism, green events and sustainable communication; President of Confindustria Brindisi and Head of Energy at Confindustria Puglia; (iv) **Angelo Coletta** – Director; Business Economics; serial entrepreneur with two completed exits; President of InnovUp and CEO of Zakeke.com, a cloud-based SaaS platform.

Shareholders Structure

Yakkyo has **5,491,150 shares** outstanding. Following the ABB completed in early February 2026, Zest Investments Srl (formerly LVenture Group SpA) fully exited its position, placing 717,500 shares with institutional investors. The transaction was instrumental in enabling the Company's migration from the PRO segment (where the Company had not opened its share capital to third-party investors) to EGM. As a result, **free float-base** increased to **38.08%** (o/w 2.56% related to other minor shareholders), while the **remaining share capital is held by Camilla S.r.l.**, an investment vehicle attributable to Giovanni Conforti, Chairman and Chief Executive Officer of Yakkyo.

Yakkyo: Board of Directors and Ownership Structure



Source: Yakkyo

Yakkyo: Shareholders Structure

Shareholders	Pre-ABB	As of now
Camilla Srl	3,500,000	3,400,000
Zest Investments Srl	717,500	0
Other Minority Shareholders (*)	140,400	140,400
Free Float	1,132,250	1,950,750
Total	5,491,150	5,491,150

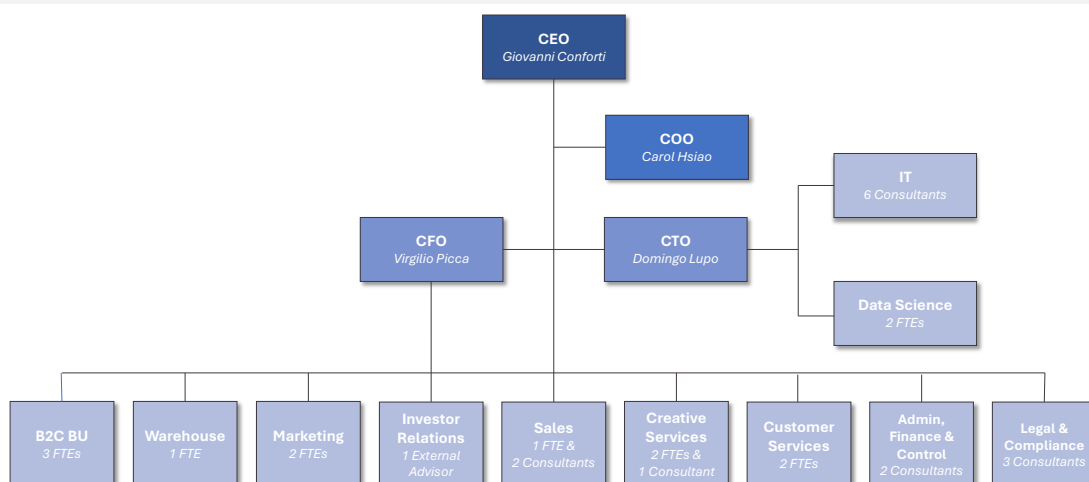
Source: Yakkyo, Value Track Analysis, (*) Non-dematerialised shareholders (<5%), no lock-up

Organizational Structure

The organization remains deliberately lean: **as of February 2026 it counts 13 FTEs**, complemented by consultants and fractional profiles – primarily in legal, finance, investor relations and IT. Internally, staffing is concentrated on execution (B2C and warehouse operations fully covered, alongside customer service, sales/marketing, creative, IT and data science), whereas governance and selected support functions (notably legal, compliance and IR) are largely outsourced, with the main capacity gaps in AFC, marketing and business intelligence.

The Company also leverages an extended footprint in China, with **~35 China-based staff** operating a 2,500 sqm warehouse in Dongguan and the Asian team coordinated by the Co-Founder, albeit largely structured through consultancy arrangements.

Yakkyo: Group Structure as of February 2026



Source: Yakkyo

Appendix #2 – Peers Selection

Yakkyo: Peers Description

Baozun (BZUN-US) – Leading Chinese e-commerce solutions provider for global and domestic brands. The company delivers end-to-end services across the full digital value chain — including IT infrastructure, online store operations, digital marketing, customer service, logistics and fulfillment — enabling international brands to access and scale in China and broader Asian markets.

Triboo (TB-IT) – Milan-listed Italian digital transformation group providing integrated e-commerce management, digital consulting, marketing, content production, technology and media/advertising services. Triboo supports brands in designing and executing their omnichannel digital strategies, both domestically and internationally.

Platform Group (TPG-DE) – German software and marketplace group operating vertical e-commerce platforms across multiple European countries. Originally focused on premium & luxury fashion, the Group has expanded into four segments — Consumer Goods, Freight Goods, Industrial Goods, and Service & Retail Goods — covering the entire e-commerce value chain for its partners.

Global-e Online (GLBE-US) – Israeli software platform specialized in cross-border direct-to-consumer e-commerce. The company enables retailers and brands to sell globally with a fully localized customer experience, including price and content localization, local payment methods, international logistics, duties management, and tax compliance.

Websolute (WBS-IT) – Italian digital company focused on e-commerce, digital strategy, and performance marketing for SMEs and mid-sized brands. Websolute provides integrated services spanning platform development, digital consulting, online marketing, and data-driven customer engagement, supporting clients in building and scaling their online commercial presence.

Alibaba Group (BABA-US) – One of the world’s largest digital commerce ecosystems, operating leading online marketplaces across China and globally (including B2C, B2B and wholesale platforms). The Group provides integrated infrastructure covering payments, logistics, cloud computing, and digital marketing, enabling merchants and brands to reach consumers at massive scale across domestic and cross-border channels.

Shopify (SHOP-US) – Global commerce software platform enabling merchants to build, manage, and scale online and omnichannel retail operations. Shopify offers a fully integrated ecosystem including storefront technology, payments, logistics, data analytics, and merchant services, serving businesses ranging from small entrepreneurs to large enterprise brands.

eBay (EBAY-US) – Global online marketplace connecting buyers and sellers across a wide range of product categories. eBay operates an asset-light platform model focused on enabling third-party commerce, providing sellers with global reach, transaction infrastructure, and value-added services such as payments, advertising, and seller tools.

transcosmos (9715-JP) – Leading Asian digital Business Process Outsourcing (BPO) group, specializing in end-to-end outsourcing of e-commerce processes for large corporates and international brands. The company operates as an “e-commerce factory for brands,” providing an integrated operating platform that manages the full online selling lifecycle, from storefront operations and digital marketing to customer care, payments, and fulfillment orchestration.

Shoper Spolka Akcyjna (SHO-PL) – Poland-based e-commerce software provider offering SaaS solutions for online store creation and management. The company delivers an integrated platform including storefront technology, payments, logistics integrations, and marketing tools, primarily serving SMEs and small merchants across Central and Eastern Europe.

Source: Factset, Value Track Analysis

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