

Yakkyo SpA

Technology

1H26 Sales Nearly 3x in Two Years

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.

1H26 Preliminary Revenues: €11.6mn (+26% YoY)

Yakkyo has released 1H26 preliminary revenues, reporting sales of €11.6mn, up +26% YoY from €9.2mn in 1H25 (and from 3.1mn in 1H24). Growth continues to be driven by the dropshipping business, with order volumes reaching around 559k in the period, up 56% YoY from 358k in 1H25.

Management attributed the acceleration primarily to the consolidation of the integration with 1688, the world's largest wholesale marketplace, which is said to be generating tangible commercial results and supporting the company's growth objectives.

We view the update as positive and broadly in line with our expectations, confirming that the company continues to perform well. 1H26 revenues represent around 50% of our FY26E estimate of €23.4mn, implying 2H26E of €11.8mn (+15% YoY, vs €10.2mn in 2H25), consistent with Yakkyo's typical seasonal skew toward the second half.

Forecasts Confirmed from FY26E-onwards

Following the strong 1H26 figure, we reckon that the seasonality we had previously assumed, with a softer 1H26E vs 2H26E, now appears less pronounced, supported by the solid performance delivered in the first half.

That said, for the time being we confirm our overall FY26E estimates, which continue to benefit from the gradual contribution of the 1688 API integration, launched in April, expected to accelerate further in the second half.

By FY28E, Yakkyo is expected to reach: i) €34.5mn in VoP, implying a FY25-28E CAGR of around 20%; ii) EBITDA rising to €3.4mn, with margins stabilizing at ~10%; iii) Adj. Net Cash improving to €3.8mn, supported by stronger FCF conversion.

Fair Value Confirmed at €2.5 p/s

Since our mid-April update, Yakkyo shares have delivered a strong performance, appreciating by around 50%. As a result, and despite our unchanged forecasts and fair value parameters (5.0x EV/EBITDA, 7.0x EV/EBIT, 12.0x P/E), Yakkyo shares are now trading at 3.6x-2.7x EV/EBITDA on FY26E-27E, materially higher than the levels observed at the time of our previous update. **We maintain our FV on Yakkyo at €2.50 p/s on FY26E and €3.2 p/s on FY27E.**

Marco Greco

marco.greco@value-track.com

Tommaso Martinacci

tommaso.martinacci@value-track.com

FAIR VALUE (€)	2.50
MARKET PRICE (€)(*)	1.94
MARKET CAP (€mn)(*)	10.63

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	0.4	0.3
EV / EBITDA (x)	2.2	3.6	2.7
EV / EBIT (x)	2.8	5.0	3.6
P / E ADJ. (x)	6.7	10.1	7.8

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

STOCK DATA (*)	
MARKET PRICE (€)	1.9
NOSH (mn)	5.5
MARKET CAP (€mn)	10.6
ENTERPRISE VALUE (€mn)	8.9
FREE FLOAT (%)	36.3
AVG L30D VOLUME ('000)	60,417
RIC / BBG	YKY.MI / YKY.IM
52 WK MAX - MIN (€)	0.90 – 1.94

Source: Stock Market Data

(*) Stock price as of July 13th market close

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

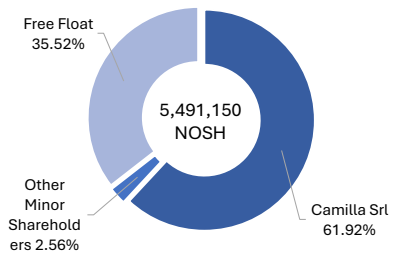
Strengths / Opportunities

- 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

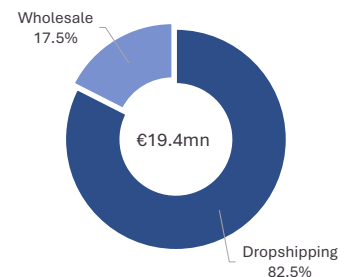
- Logistics and regulatory sensitivity (shipping inflation, EU low-value parcel duties);
- Working-capital friction from supplier prepayments and accelerated settlement cycles;
- Execution and concentration risk in a fragmented market with platform/CAC dependency.

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

Financial Forecasts FY26E-FY28E

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%
Shipping Costs	-7.4	-8.4	-10.2	-11.4	15%
2nd Gross Profit	4.8	6.0	7.3	9.3	25%
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>	<i>9%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>53bps</i>
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>	<i>7%</i>	<i>7%</i>	<i>8%</i>	<i>8%</i>	<i>49bps</i>
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>	<i>4%</i>	<i>4%</i>	<i>5%</i>	<i>5%</i>	<i>95bps</i>

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
<i>As a % of VoP</i>	<i>9%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>
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
<i>Other Financial Assets</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>
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
<i>As a % of EBITDA</i>	<i>79%</i>	<i>46%</i>	<i>57%</i>	<i>65%</i>
Cash Taxes	-0.4	-0.5	-0.6	-0.8
OpFCF a.t.	1.1	0.7	1.1	1.5
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

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