

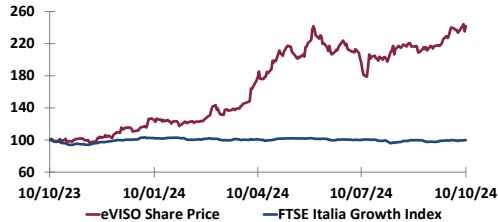


OUTPERFORM

Current Share Price (€): 5.90

Target Price (€): 7.50

eVISO - 1Y Performance



Source: S&P Capital IQ - Note: 10/10/2023=100

Company data

ISIN number	IT0005430936
Bloomberg code	EVISO IM
Reuters code	EVISO.MI
Industry	Energy
Stock market	Euronext Growth Milan
Share Price (€)	5.90
Date of Price	10/10/2024
Ordinary Shares Outstanding (m)	22.2
All Shares Outstanding (m)	24.7
Market Cap (€m)	131.2
Market Float (%)	19.3%
Daily Volume	16,790
Avg Daily Volume YTD	37,552
Target Price (€)	7.50
Upside (%)	27%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
eVISO - Absolute (%)	12%	33%	37%	139%
FTSE Italia Growth (%)	2%	-1%	0%	0%
1Y Range H/L (€)			5.96	2.36
YTD Change (€) / %			3.08	109%

Source: S&P Capital IQ

Analysts

Silvestro Bonora sbonora@envent.it
Ivan Tromba itromba@envent.it

EnVent Italia SIM S.p.A.

Via degli Omenoni, 2 - 20121 Milano (Italy)
Phone +39 02 22175979

This Note is issued by arrangement with MIT SIM, Issuer's Specialist

This document may not be distributed in the United States, Canada, Japan or Australia or to U.S. persons.

Platform scalability fuels FY24 results, EBITDA at all-time high +5x YoY, net cash €11.5m +€2.6m YoY, dvd proposal €0.045 per share

Trading update: excellent performance in a downtrend market

Since our last note released on 5th September, the stock has returned close to all-time high in the €5.90 area. Overall, the stock gained almost 140% LTM while the FTSE Italia Growth index has been stable.

FY 2024: volumes leap, EBITDA up 450% YoY, net cash position €11.5m, +€2.6m YoY

- Gross Margin €18m (€16.6m - €17.4m Management guidance) +166% YoY, +2.5x YoY
- Total revenues were €225m, €226m in FY 2023 (energy price reduction of 57% YoY)
- Energy & Gas supplied: 913 GWh (+53% YoY) and 4.6 Msmc (+171% YoY)
- Gross margin per unit: direct 29.9 €/MWh, +93 YoY; reseller 12.3 €/MWh, 133 YoY
- EBITDA at €11m (4.9% margin on revenues) vs €2m in FY23 (0.9%), +5.5x YoY
- Net income €4.9m vs net loss of €1.2m in FY23
- Energy Points of Delivery over 200k, +13% as of December 2023 and +34% YoY
- Net cash €11.5m after €4.6m capex and €1.5m buyback, vs net cash of €5.4m as of 31st March 2024 and net cash of €8.9m as of 30th June 2023
- Dividend proposed of €0.045 per share (€1.1m), 22% payout ratio

Amid market drivers and eVISO's growth proposition

Electrification needs to accelerate rapidly to meet the decarbonization targets. In the IEA scenario, the share of electricity in energy consumption will near 30% in 2030 (20% in 2023). Moreover, data centers are significant drivers of electricity demand growth, expected to double electricity consumption in 2026. Management push for recurring activities automation to sustain EBITDA/Gross margin conversion rate and new initiatives over the next 5 years, expected to generate substantial further gross margin increase.

Robust organic growth anticipated, cash generation expected upward

We expect total energy volumes to grow from ca. 1.3 TWh in FY25E to over 1.7 TWh in FY27E, and total gas volumes from ca. 7m Msmc to over 10m Msmc. We project gross margin and EBITDA FY24A-27E CAGR over 20%, with an EBITDA/Gross Margin conversion rate stable over 60%. Assuming working capital dynamic normalized to the last year, factoring in lower capex (i.e. 1% of sales) and stable dividend payment, we expect cumulative excess cash generation through FY27E over €30m, more than 20% on current market capitalization.

Target Price €7.50 per share (from €6.80), OUTPERFORM rating confirmed

FY24 results demonstrate the eVISO platform's scalability and bolster our investment thesis in the Company, especially regarding its robust cash generation. This financial strength will enable the Company to pursue its growth strategies. Our updated estimates and valuation lead to a Target Price per share of €7.50 (from €6.80), implying a 27% potential upside on current share price, and OUTPERFORM rating.

KEY FINANCIALS AND ESTIMATES

€m	06/2022	06/2023	06/2024	06/2025E	06/2026E	06/2027E
Revenues	209.6	225.7	225.1	302.3	355.2	396.0
EBITDA	5.0	2.0	11.0	15.5	18.1	20.4
Margin	2.4%	0.9%	4.9%	5.1%	5.1%	5.1%
Net Income (Loss)	(1.1)	(1.2)	4.9	8.4	10.2	11.6
Net Cash (Debt)	8.1	8.9	11.5	17.9	29.2	42.3
Equity	18.3	17.0	20.1	30.4	40.6	52.2

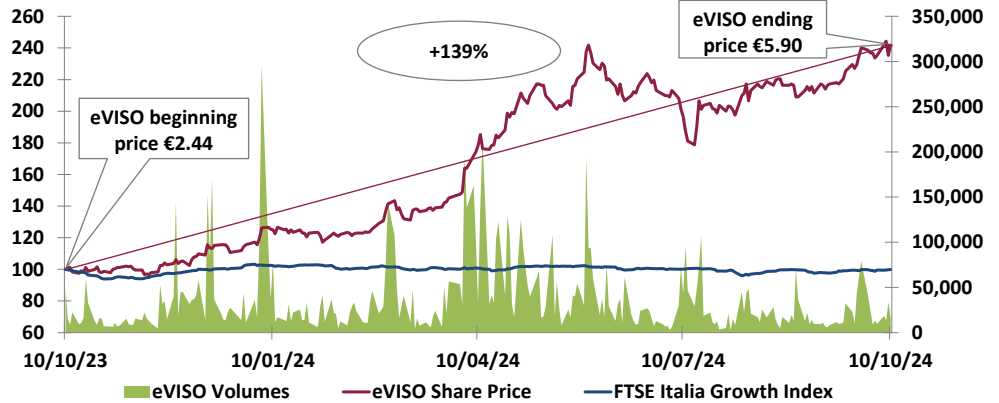
Current market price - Implied multiples

EV/EBITDA	8.3x	7.1x	6.3x
EV/EBIT	10.3x	8.7x	7.6x

Source: Company data 06/2022-06/2024, EnVent Research 06/2025-06/2027E

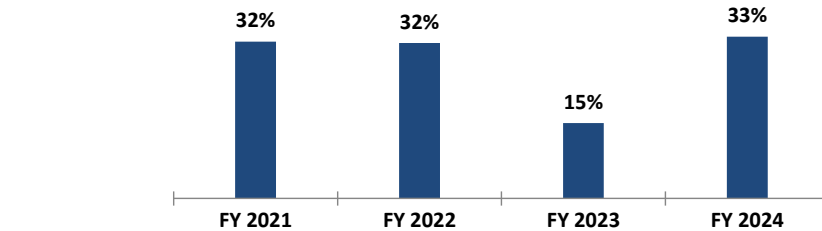
Market update

eVISO - 1Y Share price performance and trading volumes



Source: EnVent Research on S&P Capital IQ - Note: 10/10/2023=100

eVISO - Liquidity analysis and velocity turnover



Note: Fiscal year July 1st to June 30th

Investment case

eVISO, listed on Euronext Growth Milan, is an Italian *commod-tech* company which operates in energy and other commodities markets, leveraging on Artificial Intelligence (AI) to collect, consolidate, and analyze extensive datasets to build a competitive advantage. eVISO has developed an automated proprietary scalable AI platform which is applied to electricity, gas and global fresh apples trading. Catchment area includes direct channels for business-to-business (B2B), residential customers (B2C) and resellers (B2B2C). In the direct channel, eVISO serves small and medium-sized enterprises (SMEs), operating in both Low Voltage and Medium Voltage settings.

eVISO is specialized in the distribution to SMEs and helping companies to reduce energy management costs by optimizing consumption thanks to monitoring technologies and consultancy program, which includes monthly reports, alert in case of anomalous consumptions and site visits by expert engineers.

Trading price range €2.36-5.96 per share

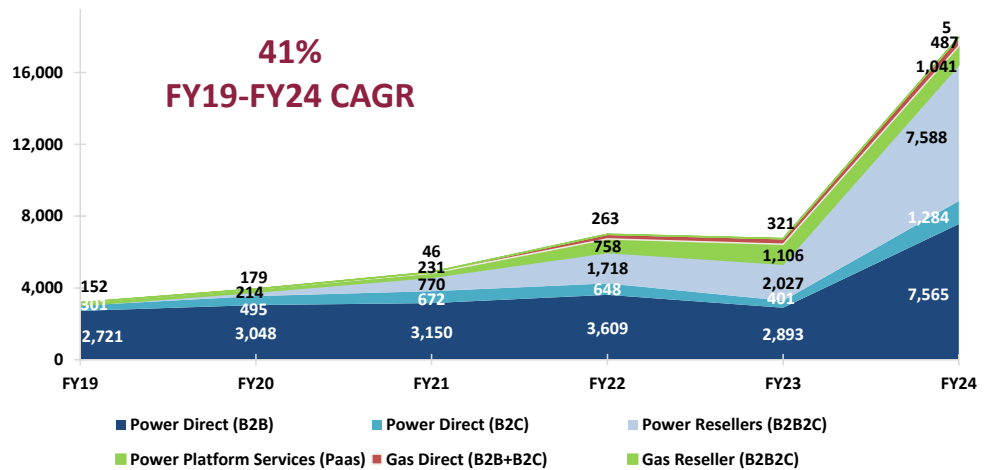
+139% for eVISO, vs flat for the Italia Growth Index

In FY 2024 higher trading volumes compared to FY 23, in line with previous years level

Automated proprietary scalable AI platform

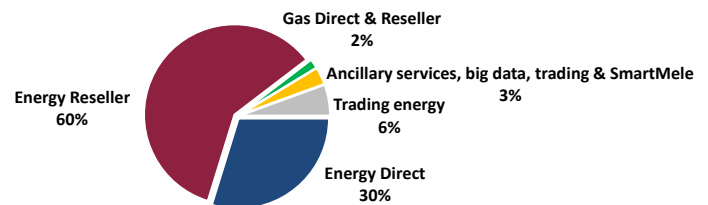
Supplier of electricity and gas for all kind of users

Gross margin by business unit (€k)



Source: Company data

Sales breakdown by BUs - FY 2024



Source: Company data

Drivers

Industry drivers

The momentum towards clean energy economy is accelerating. A fully decarbonized electricity sector is the foundation of a net zero energy system. Electricity is at the heart of modern economies, and its share of final energy consumption is projected to rise from 20% in 2022 to over 50% by 2050 in the Net Zero Emissions scenario as electricity demand increases rapidly to decarbonize end-use sectors.

Italy's protected electricity market comes to an end. The liberalization of the Italian electricity market will have a significant impact on millions of domestic customers still under to the protected market.

Switching economy. Switching economy refers to the increasing number of consumers switching to different service-providers, mainly due to dissatisfaction (about price and/or quality of service), through specialized players. It was born in the context of the liberalization of State monopolies in different industries such as gas, electric energy, telcos. The contract switch typically refers to services with long-term subscriptions, among which electricity and gas contracts, and telco. Customers see value in switching providers, aiming to save money and obtain a

better service. As such, the market opportunities are continuous and show a never-ending potential.

Artificial intelligence as game changer in the commodities market. AI-driven predictive analytics has emerged as a powerful tool for forecasting commodity prices, enabling market participants to make more informed decisions based on data-driven insights.

Company drivers

Scalable business model, adding new commodities. Revenues are driven by the proprietary AI platform which is designed for scalability. eVISO is in the position to replicate the business model originally setup on the electricity market in other commodities markets.

Moat and high entry barriers. The AI platform developed by eVISO poses a notable entry barrier due to years of algorithmic training: replicating this process is challenging and time-consuming, granting eVISO a competitive edge over potential new entrants.

Substantial computational capacity. eVISO's platform can accommodate a substantial increase in sales volume without significant additional investments.

Leveraging big data for the electricity value chain. eVISO controls the entire data value chain for the electricity market, from collecting billions of data to reliable forecasts elaboration, orders execution and pricing & billings.

Management with long experience in the field. eVISO was founded by a team of people with a deep technology and know-how. The management team has over 20 years of experience in the Energy industry.

Financial strength. Cerved Rating Agency confirmed eVISO's solid financial position, with an A3.1 rating, equivalent to A- from S&P's and FITCH, and A3 from MOODY'S. This rating provides a key safeguard, reducing financial risk and facilitating relationships with banks and suppliers for eVISO.

Challenges

Energy market dynamics and macroeconomic impact. The energy sector is facing an increasingly uncertain market environment. Challenges include wholesale price volatility, increasing competition and the potential negative impact on demand if recessionary pressures on the economy materialize.

Increasing competition could trigger margin pressure. The very fragmented competitive arena, populated by large national companies, industrial groups and a

number of small local/regional players, is a permanent feeder of competition and pressure on margins.

Regulatory risk. eVISO operates in a highly regulated industry subjected to material changes in relevant regulations.

Cash liquidity pressure. In order to purchase electricity and natural gas on the exchange markets and to enter into agreements with its suppliers, eVISO must provide collaterals to guarantee supply costs and orders execution. The ability to obtain these guarantees from banks and insurance companies is influenced by track record of operations and financial position. Cash collaterals could be reduced or increased accordingly, impacting significantly NFP.

Risk profile: *Medium*

Competitive forces		
Force	Factors	Risk map
Competitive rivalry	<ul style="list-style-type: none"> Fragmented market Large ex incumbents dominating market share High competition on pricing 	<p>Higher risk</p> <p>Competitive rivalry</p> <p>New entrants</p> <p>Substitutes</p> <p>Lower impact</p> <p>B2B customers</p> <p>B2C customers</p> <p>Suppliers</p> <p>Higher impact</p> <p>Overall risk profile MEDIUM</p> <p>Lower risk</p>
Customers	<ul style="list-style-type: none"> Medium B2B, low concentration Medium B2C, very low conc. 	
New entrants	<ul style="list-style-type: none"> Organization and technology investment barriers new entrants 	
Substitutes	<ul style="list-style-type: none"> Renewables, Nuclear and hydrogen impact upstream 	
Suppliers	<ul style="list-style-type: none"> Suppliers high power, electricity to substitute fossils 	

Source: EnVent Research

Corporate period facts and business update

- €4.6m investment for new headquarters in Saluzzo
- To date eVISO holds over 888k treasury shares (3.60% of share capital)
- eASY-My eVISO app launch: is be able to manage up to 400,000 direct electricity and gas customers, 15 times higher than the 31,000 users served in the first half of FY24
- Agreement of apples supply for a turnover of approximately €1m in two years
- Gas supply agreements with gas resellers for 6 million cubic meters, turnover of approximately €5m
- Agreement with Credito Cooperativo di Cherasco to offer energy solutions to members and domestic customers of the bank, to support organic growth

- Long-term agreement for the supply of apples, turnover €1m in two years

Industry outlook

National demand update

According to Italian transmission grid operator Terna, in the first eight months of 2024, the national demand for electricity grew by 2.5% compared to the same period in 2023 (Source: Terna, *Pubblicazioni statistiche*, 2024).

Global electricity demand is expected to rise over the next three years

The rising demand will be driven primarily by an improving economic outlook, which will contribute to faster electricity demand growth both in advanced and emerging economies. In addition, electrification needs to accelerate rapidly to meet the world's decarbonisation targets. In the IEA's Net Zero Emissions by 2050 Scenario electricity's share in final energy consumption nears 30% in 2030 (20% in 2023) (Source: International Energy Agency, *Electricity 2024: analysis and forecast to 2026*, 2024).

Electricity consumption from data centers and artificial intelligence (AI) could double by 2026

Data centers are significant drivers of growth in electricity demand in many regions. After globally consuming an estimated 460 terawatt-hours (TWh) in 2022, data centers' total electricity consumption could reach more than 1 000 TWh in 2026. Updated regulations and technological improvements, including on efficiency, will be crucial to moderate the surge in energy consumption from data centers (Source: International Energy Agency, *Electricity 2024: analysis and forecast to 2026*, 2024).

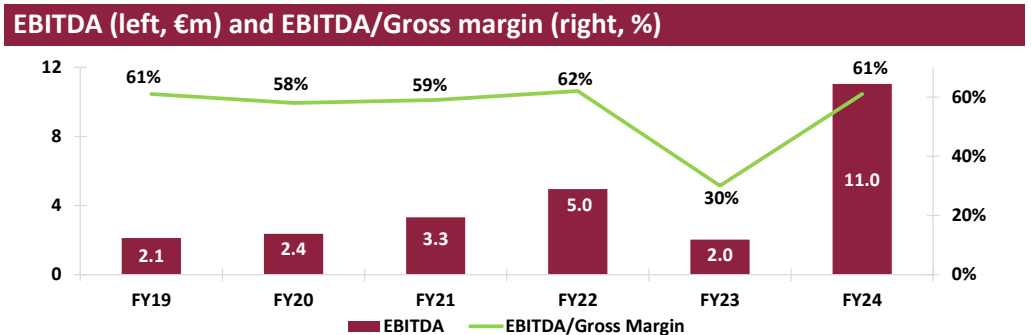
FY 2024 results

- Total revenues were €225m, €226m in FY 2023 (energy price reduction of 57% YoY)
- Energy & Gas supplied: 913 GWh (+53% YoY) and 4.6 Msmc (+171% YoY)
- Gross Margin €18m (€16.6m-€17.4m Management range) +166% YoY
- Operating costs €221m, -5% YoY, due to reduced costs in purchasing of energy and services related
- Personnel costs were €3.8m, +39% YoY (headcount from 95 to 113)
- EBITDA leap up at €11m (4.9% margin), vs €2m in FY23 (0.9% margin),
- Net cash flow €2.6 (€0.8 in FY23)
- Net income €4.9m, vs net loss of €1.2m in FY23
- Energy Points of Delivery over 200k, +13% as of December 2023 and +34% YoY
- Net cash €11.5m after €4.6m of headquarters capex and €1.5m buyback, vs

All-time high EBITDA +5x YoY, strong cash generation

net cash of €5.4m as of 31st March 2024 and net cash of €8.9m as of 30th June 2023

- Dividend proposed of €0.045 per share, 22% payout ratio



FY24 EBITDA/Gross margin back to sound profitability

Source: Company data

Breakdown by business unit, FY 2024

Energy Direct

- Sales €66.7m, -11% YoY (30% on total revenues from 34% in FY23)
- Gross Margin €8.8m, +169% YoY
- Gross margin (€/MWh) €29.9, +93%
- Users (POD) over 21k (12-m rolling), +31% YoY
- Energy supplied 296 GWh, +39% YoY

Energy Reseller

- Sales €134.1m, 13% YoY (60% on total revenues from 53% in FY23)
- Gross Margin €7.6m, +274% YoY
- Gross margin (€/MWh) €12.3, +133% YoY
- Users (POD) almost 180k (12-m rolling), +34% YoY
- Energy supplied 617 GWh, +61% YoY

Gas Direct & Reseller

- Sales €3.8m, +115% YoY (2% on total revenues, in line with FY23)
- Gross Margin €0.5m, +53% YoY
- Gross margin (€/Smc) €0.11, -42% YoY
- Users (PDR) over 3.4k (12-m rolling), +127% YoY
- Gas supplied 4.6 Msmc, +172% YoY

Ancillary Services & Big Data

- Sales €6.9m, +74% YoY (3% on total revenues, in line with FY23)
- Gross Margin €1m, in line with FY23
- Gross margin (€/dossier) €20 vs €23 in FY 23
- Total dossiers over 50k, +4% YoY

SmartMele

- Sales €0.1m, in line with FY23
- Traded apples 127 tons, +20% YoY

Energy Trading

- Sales €12.5m, -50% YoY (6% on total revenues from 11% in FY23)

Profit and Loss

€m	06/2023	06/2024
Sales	224.9	224.3
Other income	0.8	0.9
Total Revenues	225.7	225.1
YoY %	7.7%	-0.2%
Cost of sales	(183.4)	(113.1)
Gross profit	42.2	112.1
<i>Margin</i>	18.7%	49.8%
Services	(35.4)	(93.9)
Leases	(0.1)	(0.1)
Gross margin	6.7	18.0
Other operating costs	(1.9)	(3.2)
Personnel	(2.7)	(3.8)
EBITDA	2.0	11.0
<i>Margin</i>	0.9%	4.9%
D&A	(2.3)	(3.5)
EBIT	(0.3)	7.5
<i>Margin</i>	neg	3.3%
Net Financial Charges	(0.4)	(0.5)
Writedown	(0.0)	0.0
EBT	(0.7)	7.0
<i>Margin</i>	neg	3.1%
Income taxes	(0.5)	(2.1)
Net Income (Loss)	(1.2)	4.9
<i>Margin</i>	neg	2.2%

Source: Company data

Balance Sheet

€m	06/2023	06/2024
Trade receivables	17.7	28.9
Trade payables	(17.3)	(28.8)
Trade Working Capital	0.4	0.2
Other assets (liabilities)	(12.3)	(14.4)
Net Working Capital	(11.9)	(14.3)
Intangible assets	9.8	9.1
Property, plant and equipment	8.1	10.9
Equity investments and financial assets	2.2	3.3
Non-current assets	20.2	23.4
Provisions	(0.4)	(0.6)
Net Invested Capital	7.9	8.6
Net Debt (Cash)	(8.9)	(11.5)
Equity	16.8	20.1
Sources	7.9	8.6

Note: Equity includes €1.8m own shares from FY23 and FY24 share buyback.

Cash Flow

€m	06/2023	06/2024
EBIT	(0.3)	7.5
Current taxes	(0.5)	(2.1)
D&A	2.0	2.5
Provisions	(0.1)	0.1
Cash flow from P&L operations	1.1	8.0
Trade Working Capital	1.3	0.2
Other assets and liabilities	2.0	2.1
Operating cash flow before capex	4.4	10.4
Capex	(5.4)	(4.6)
Operating cash flow after WC and capex	(1.0)	5.8
Interest	(0.4)	(0.5)
Equity investments and financial assets	2.4	(1.1)
Changes in equity	(0.2)	(1.5)
Net cash flow	0.8	2.6
Net (Debt) Cash - Beginning	8.1	8.9
Net (Debt) Cash - End	8.9	11.5
Change in Net (Debt) Cash	0.8	2.6

Ratio analysis

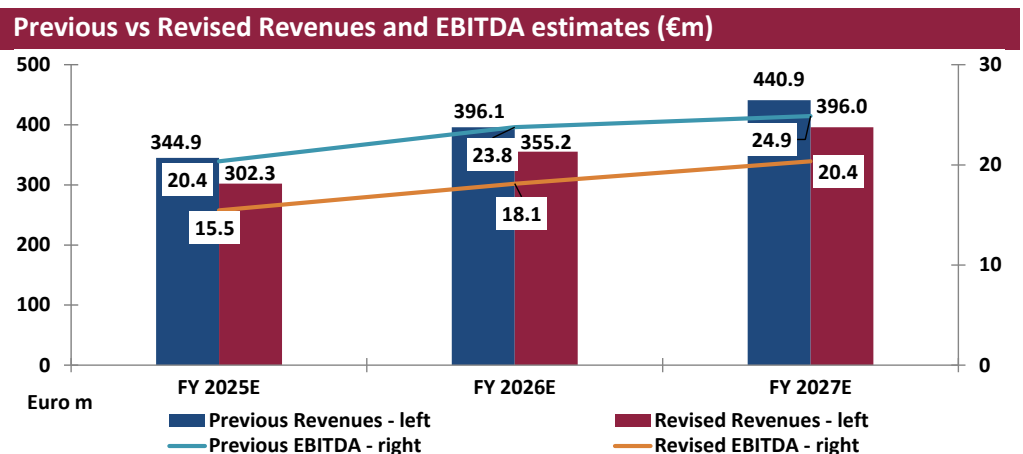
	06/2023	06/2024
ROE	neg	24%
ROA	0%	10%
ROS	0%	3%
ROI	neg	87%
DSO	24	39
DPO	23	40
TWC/Sales	0%	0%
NWC/Sales	neg	neg
Capex/Sales	2%	2%
Net Debt/Revenues	cash	cash
Net Debt/EBITDA	cash	cash
Net Debt/EBIT	cash	cash
Net Debt/Equity	cash	cash
Cash flow from P&L operations/EBITDA	54%	73%
FCF/EBITDA	neg	53%
Basic EPS (€)	neg	0.20

Source: Company data

Estimates revision

We have factored FY24 performance and have finetuned our estimates, assuming consistent organic growth. We also estimate higher cash generation in the coming years than our previous estimates.

Change in estimates



Source: EnVent Research

€m	Revised			Previous			Change %		
	FY 2025E	FY 2026E	FY 2027E	FY 2025E	FY 2026E	FY 2027E	FY 2025E	FY 2026E	FY 2027E
Total Revenues	302.3	355.2	396.0	344.9	396.1	440.9	-12%	-10%	-10%
Gross Margin	23.9	28.5	32.5	27.7	32.4	34.8	-14%	-12%	-7%
EBITDA	15.5	18.1	20.4	20.4	23.8	24.9	-24%	-24%	-18%
<i>Margin</i>	5.1%	5.1%	5.1%	5.9%	6.0%	5.6%			
EBIT	12.4	14.9	16.9	17.2	20.4	21.3	-28%	-27%	-20%
<i>Margin</i>	4%	4%	4%	5%	5%	5%			
Net Income (Loss)	8.4	10.2	11.6	11.7	14.0	14.6	-28%	-27%	-21%
Net (Cash) Debt	(17.9)	(29.2)	(42.3)	(17.3)	(26.8)	(37.9)	4%	9%	12%

Source: EnVent Research

Financial projections

Profit and Loss						
€m	06/2022	06/2023	06/2024	06/2025E	06/2026E	06/2027E
Sales	208.1	224.9	224.3	301.5	354.3	395.0
Other income	1.5	0.8	0.9	0.8	0.9	1.0
Total Revenues	209.6	225.7	225.1	302.3	355.2	396.0
YoY %	173.2%	7.7%	-0.2%	34.3%	17.5%	11.5%
Cost of sales	(164.3)	(183.4)	(113.1)	(151.8)	(178.4)	(198.9)
Gross profit	45.3	42.2	112.1	150.4	176.8	197.1
<i>Margin</i>	21.6%	18.7%	49.8%	49.8%	49.8%	49.8%
Services	(38.0)	(35.4)	(93.9)	(126.4)	(148.1)	(164.3)
Leases	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)
Gross margin	7.3	6.7	18.0	23.9	28.5	32.5
Personnel	(2.1)	(2.7)	(3.8)	(4.3)	(5.0)	(5.7)
Other operating costs	(0.2)	(1.9)	(3.2)	(4.1)	(5.4)	(6.4)
EBITDA	5.0	2.0	11.0	15.5	18.1	20.4
<i>Margin</i>	2.4%	0.9%	4.9%	5.1%	5.1%	5.1%
D&A	(2.2)	(2.3)	(3.5)	(3.0)	(3.2)	(3.4)
EBIT	2.8	(0.3)	7.5	12.4	14.9	16.9
<i>Margin</i>	1.3%	neg	3.3%	4.1%	4.2%	4.3%
Net Financial Charges	(0.2)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
EBT	2.6	(0.7)	7.0	11.9	14.4	16.4
<i>Margin</i>	1.2%	neg	3.1%	3.9%	4.0%	4.1%
Income taxes	(3.7)	(0.5)	(2.1)	(3.5)	(4.2)	(4.8)
Net Income (Loss)	(1.1)	(1.2)	4.9	8.4	10.2	11.6
<i>Margin</i>	neg	neg	2.2%	2.8%	2.9%	2.9%

Source: Company data 06/2022-06/2024, EnVent Research 06/2025-06/2027E

Balance Sheet

€m	06/2022	06/2023	06/2024	06/2025E	06/2026E	06/2027E
Trade receivables	25.7	17.7	28.9	39.3	46.2	51.5
Trade payables	(24.0)	(17.3)	(28.8)	(33.3)	(39.1)	(43.6)
Trade Working Capital	1.7	0.4	0.2	6.0	7.0	7.9
Other assets (liabilities)	(10.3)	(12.3)	(14.4)	(16.4)	(18.4)	(20.4)
Net Working Capital	(8.6)	(11.9)	(14.3)	(10.5)	(11.4)	(12.5)
Intangible assets	10.6	9.8	9.1	8.9	8.5	7.9
Property, plant and equipment	4.0	8.1	10.9	11.3	11.6	12.0
Equity investments and financial assets	4.6	2.2	3.3	3.3	3.3	3.3
Non-current assets	19.2	20.2	23.4	23.6	23.5	23.2
Provisions	(0.5)	(0.4)	(0.6)	(0.6)	(0.7)	(0.8)
Net Invested Capital	10.1	7.9	8.6	12.5	11.4	9.8
Net Debt (Cash)	(8.1)	(8.9)	(11.5)	(17.9)	(29.2)	(42.3)
Equity	18.3	17.0	20.1	30.4	40.6	52.2
Sources	10.1	8.1	8.6	12.5	11.4	9.8

Source: Company data 06/2022-06/2024, EnVent Research 06/2025-06/2027E

Cash Flow

€m	06/2022	06/2023	06/2024	06/2025E	06/2026E	06/2027E
EBIT	2.8	(0.3)	7.5	12.4	14.9	16.9
Current taxes	(3.7)	(0.5)	(2.1)	(3.5)	(4.2)	(4.8)
D&A	2.1	2.0	2.5	2.7	2.9	3.1
Provisions	0.1	(0.1)	0.0	(0.1)	(0.1)	(0.0)
Cash flow from P&L operations	1.2	1.1	8.0	11.6	13.6	15.2
Trade Working Capital	(2.8)	1.3	0.2	(5.8)	(1.1)	(0.9)
Other assets and liabilities	10.8	2.0	2.1	2.0	2.0	2.0
Operating cash flow before capex	9.2	4.4	10.4	7.8	14.5	16.4
Capex	(3.8)	(5.4)	(4.6)	(2.7)	(2.7)	(2.7)
Operating cash flow after WC and capex	5.4	(1.0)	5.8	5.1	11.8	13.7
Interest	(0.2)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
Equity investments and financial assets	0.3	2.4	(1.1)	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	(1.1)	(1.1)	(1.1)
Changes in equity	(0.4)	0.0	(1.8)	2.9	1.1	1.1
Net cash flow	5.1	1.0	2.3	6.4	11.3	13.1
Net Cash (Beginning)	3.0	8.1	8.9	11.5	17.9	29.2
Net Cash (End)	8.1	8.9	11.5	17.9	29.2	42.3
Change in Net Cash (Debt)	5.1	0.8	2.6	6.4	11.3	13.1

Source: Company data 06/2022-06/2024, EnVent Research 06/2025-06/2027E

Ratio analysis

KPIs	06/2022	06/2023	06/2024	06/2025E	06/2026E	06/2027E
ROE	neg	neg	27%	33%	29%	25%
ROA	4%	0%	10%	14%	14%	13%
ROS	1%	0%	3%	4%	4%	4%
ROI	27%	neg	87%	100%	131%	172%
DSO	37	24	39	39	39	39
DPO	35	23	40	35	35	35
TWC/Sales	1%	0%	0%	2%	2%	2%
NWC/Sales	-4%	-5%	-6%	-3%	-3%	-3%
Capex/Sales	2%	2%	2%	1%	1%	1%
Net Debt/Revenues	cash	cash	cash	cash	cash	cash
Net Debt/EBITDA	cash	cash	cash	cash	cash	cash
Net Debt/EBIT	cash	cash	cash	cash	cash	cash
Net Debt/Equity	cash	cash	cash	cash	cash	cash
Cash flow from P&L operations/EBITDA	24%	54%	73%	75%	75%	75%
FCF/EBITDA	108%	neg	53%	33%	65%	67%
Basic EPS (€)	neg	neg	0.20	0.34	0.41	0.47

Source: Company data 06/2022-06/2024, EnVent Research 06/2025-06/2027E

Valuation

The valuation of eVISO has been performed through:

- Discounted Cash Flows applied to our FY 2025-27E financial projections
- Market multiples

Treasury shares

To date, eVISO has 888,361 treasury shares, corresponding to 3.60% ownership share. We calculate per share value using net outstanding number of shares (23,773,265).

Discounted Cash Flows

We favor the discounted cash flow method as our primary valuation tool, as it best reflects eVISO's unique characteristics.

In our projections, we assume an organic growth, normalized energy commodity prices and linear working capital and investment financing needs.

By evaluating a corresponding operating profile for the calculation of WACC, we assigned eVISO a beta aligned with that of utilities. Our projections factor in a perpetual growth rate of 3.5%, acknowledging the scalability potential of eVISO's proprietary technology within the energy and gas markets, and its potential to spill over into other commodity markets. Additionally, we have factored up our post-pandemic inflation assumptions compared to pre-pandemic levels.

WACC assumptions:

- Risk free rate: 3.2% (last 30 days average. Source: Bloomberg, October 2024)
- Market return: 11.3% (last 30 days average. Source: Bloomberg, October 2024)

- Market risk premium: 8.2%
- Beta: 0.85
- Cost of equity: 10.1%
- Cost of debt: 6.5%
- Tax rate: 24% IRES
- 0% debt/(debt + equity) as target capital structure
- WACC calculated at 10.1%, from 10.5%
- Perpetual growth rate after explicit projections (G): 3.5%
- Terminal Value assumes a 5.0% EBITDA margin

DCF Valuation

€m	06/2024	06/2025E	06/2026E	06/2027E	Perpetuity
Revenues	225.1	302.3	355.2	396.0	409.8
EBITDA	11.0	15.5	18.1	20.4	20.5
<i>Margin</i>	4.9%	5.1%	5.1%	5.1%	5.0%
EBIT	7.5	12.4	14.9	16.9	17.5
<i>Margin</i>	3.3%	4.1%	4.2%	4.3%	4.3%
Taxes	(2.2)	(3.6)	(4.3)	(4.9)	(5.1)
NOPAT	5.3	8.8	10.6	12.0	12.4
D&A	2.5	2.7	2.9	3.1	3.0
Provisions	0.0	(0.1)	(0.1)	(0.0)	0.0
Cash flow from P&L operations	7.8	11.5	13.4	15.1	15.4
Trade Working Capital	0.2	(5.8)	(1.1)	(0.9)	(0.3)
Other assets and liabilities	2.1	2.0	2.0	2.0	0.0
Capex	(4.6)	(2.7)	(2.7)	(2.7)	(3.0)
Unlevered free cash flow	5.6	5.0	11.7	13.5	12.2
Free Cash Flows to be discounted		5.0	11.7	13.5	
WACC	10.1%				
Long-term growth (G)	3.5%				
Discounted Cash Flows		4.5	9.6	10.1	
Sum of Discounted Cash Flows	24.3				
Terminal Value					190.4
Discounted TV	142.6				
Enterprise Value	166.9				
Net cash as of 30/06/24	11.5				
Equity Value	178.5				
Equity Value per share (€)	7.5				

DCF - Implied multiples	06/2025E	06/2026E	06/2027E
EV/Revenues	0.6x	0.5x	0.4x
EV/EBITDA	10.8x	9.2x	8.2x
EV/EBIT	13.4x	11.2x	9.9x
P/E	21.1x	17.6x	15.4x

Discount of current valuation vs 23%

Current market price - Implied multiples	06/2025E	06/2026E	06/2027E
EV/Revenues	0.4x	0.4x	0.3x
EV/EBITDA	8.3x	7.1x	6.3x
EV/EBIT	10.3x	8.7x	7.6x
P/E	16.6x	13.8x	12.1x

Source: Company data 06/2024, EnVent Research 06/2025-06/2027E

eVISO - DCF sensitivity

		WACC				
		12.1%	11.1%	10.1%	9.1%	8.1%
Terminal - G	4.5%	6.5	7.4	8.7	10.5	13.3
	4.0%	6.1	7.0	8.0	9.6	11.8
	3.5%	5.8	6.6	7.5	8.8	10.6
	3.0%	5.6	6.2	7.0	8.2	9.7
	2.5%	5.3	5.9	6.6	7.6	8.9

Source: EnVent Research

Valuation based on market multiples

Company	EV/Revenues			EV/EBITDA			EV/EBIT			P/E		
	2023	2024E	2025E	2023	2024E	2025E	2023	2024E	2025E	2023	2024E	2025E
Utilities												
Enel	1.6x	1.6x	1.7x	8.5x	6.5x	6.5x	11.5x	9.8x	9.9x	20.7x	10.3x	10.4x
Eni	0.7x	0.7x	0.7x	3.9x	3.4x	3.6x	7.6x	5.8x	6.3x	9.5x	7.5x	7.8x
E.ON	0.8x	0.8x	0.8x	18.9x	8.1x	7.8x	69.6x	12.5x	12.4x	64.9x	11.5x	11.7x
Engie	0.9x	0.9x	1.0x	4.7x	5.0x	5.2x	6.6x	7.6x	8.3x	17.1x	7.1x	8.9x
Iberdrola	2.9x	3.0x	2.9x	10.9x	9.2x	9.0x	16.1x	13.8x	14.3x	17.4x	15.8x	15.2x
Centrica	0.1x	0.1x	0.2x	neg	1.6x	2.1x	neg	2.1x	3.1x	1.6x	6.3x	8.1x
A2A	0.7x	0.8x	0.8x	6.2x	4.9x	5.0x	11.2x	9.0x	9.8x	9.6x	8.6x	9.9x
Hera	0.6x	0.6x	0.7x	7.2x	6.2x	6.1x	11.1x	11.9x	11.6x	11.4x	12.1x	11.9x
Iren	1.2x	1.2x	1.3x	7.7x	6.3x	6.0x	17.8x	14.7x	14.1x	10.0x	9.6x	8.9x
ACEA	2.2x	2.2x	2.2x	8.6x	6.7x	6.5x	19.0x	15.0x	14.8x	12.2x	12.1x	12.0x
Societatea Energetica Electrica	0.7x	1.1x	1.0x	5.6x	5.7x	5.7x	8.0x	11.1x	11.8x	6.1x	9.5x	9.4x
Elmera Group	0.2x	0.3x	0.3x	9.5x	5.8x	5.8x	13.0x	9.2x	9.4x	17.9x	11.3x	12.0x
Polenergia	1.1x	1.5x	1.4x	11.7x	8.2x	10.0x	15.7x	10.5x	13.5x	22.2x	14.5x	18.2x
Mean	1.1x	1.1x	1.2x	8.6x	6.0x	6.1x	17.3x	10.2x	10.7x	17.0x	10.5x	11.1x
Median	0.8x	0.9x	1.0x	8.1x	6.2x	6.0x	12.3x	10.5x	11.6x	12.2x	10.3x	10.4x
Tech platforms												
Alkemy	0.8x	0.7x	0.7x	9.1x	7.2x	6.3x	11.5x	11.8x	9.4x	19.7x	15.8x	11.3x
Inspired Plc	1.1x	0.9x	0.8x	6.8x	3.8x	3.5x	8.5x	4.7x	4.3x	neg	na	na
Cy4gate	2.1x	1.7x	1.5x	31.8x	6.5x	5.4x	neg	23.4x	13.4x	neg	110.3x	27.6x
Expert.ai	4.7x	4.4x	4.0x	neg	19.3x	15.0x	neg	305.7x	51.0x	neg	na	54.2x
Maps	1.3x	1.3x	1.2x	8.3x	6.1x	5.1x	29.7x	13.2x	9.6x	35.5x	19.3x	10.6x
Neosperience	1.5x	1.5x	1.3x	4.9x	5.6x	4.6x	21.0x	52.0x	15.3x	21.3x	neg	18.5x
Datrix	1.2x	na	na	50.5x	na	na	neg	na	na	neg	na	na
Cyberoo	5.2x	4.5x	3.7x	12.8x	9.4x	7.2x	18.9x	13.1x	9.6x	29.0x	19.2x	14.4x
Mean	2.2x	2.2x	1.9x	17.8x	8.3x	6.7x	17.9x	60.6x	16.1x	26.4x	41.2x	22.7x
Median	1.4x	1.5x	1.3x	9.1x	6.5x	5.4x	18.9x	13.2x	9.6x	25.1x	19.2x	16.4x
Commodities trading												
Glencore Plc	0.4x	0.4x	0.4x	6.0x	5.9x	5.0x	10.6x	11.7x	8.7x	15.8x	15.2x	11.7x
Archer Daniels Midland	0.4x	0.4x	0.4x	7.9x	7.9x	7.9x	9.8x	14.7x	13.5x	7.9x	10.4x	10.7x
Mean	0.4x	0.4x	0.4x	6.9x	6.9x	6.4x	10.2x	13.2x	11.1x	11.9x	12.8x	11.2x
Median	0.4x	0.4x	0.4x	6.9x	6.9x	6.4x	10.2x	13.2x	11.1x	11.9x	12.8x	11.2x
Full sample												
Mean	1.2x	1.2x	1.2x	11.1x	7.0x	6.4x	15.1x	28.0x	12.6x	18.4x	21.5x	15.0x
Median	0.9x	0.9x	0.9x	8.0x	6.5x	6.0x	13.8x	12.3x	10.8x	16.4x	14.1x	12.7x

Source: EnVent Research on S&P Capital IQ, 10/10/2024

We have applied the combined 2024-2025E consensus multiples of selected utilities, digital tech companies, and commodities trading firms to reflect the unique nature of eVISO's operations within this sector.

We note that the results vary significantly, probably due to the distinct operating model and the uneven impact of government policies on energy emergency adopted in the past two years on individual entities in the sector.

Multiples application

eVISO Valuation (€m)		Combined Multiples	Enterprise Value	Net Cash (Debt) as of 06/2024	Equity Value
2025E EBITDA	15.5	<i>Median</i> 6.5x	101.1	11.5	112.6
2026E EBITDA	18.1	<i>Median</i> 6.0x	107.8	11.5	119.4
<i>Mean 2025E-26E</i>			104.4		116.0
2025E EBIT	12.4	<i>Median</i> 12.3x	153.2	11.5	164.7
2026E EBIT	14.9	<i>Median</i> 10.8x	160.2	11.5	171.7
<i>Mean 2025E-26E</i>			156.7		168.2
eVISO Equity Value					142.1

Source: EnVent Research

eVISO - Multiples sensitivity (€m)

Lower	Base	Higher
116.0	142.1	168.2

Source: EnVent Research

While acknowledging the shortcomings of the methodology in this case, applying a purely statistical approach, using multiples yields an average equity value of eVISO of €142m, in a range of €116m to €168m.

Target Price

Rationale on eVISO investment:

- Net cash position
- Remarkable Gross margin growth rate, over 40% CAGR over the last seven years
- Stable EBITDA/Gross margin around 60%

We feel comfortable in considering the DCF outcome as an adequate proxy of value assessment of eVISO, recalling the limited comparability with listed industry peers.

Our updated valuation yields a target price* of €7.50 per share (from €6.80), implying a 27% upside on current stock price. We confirm the OUTPERFORM rating on the stock.

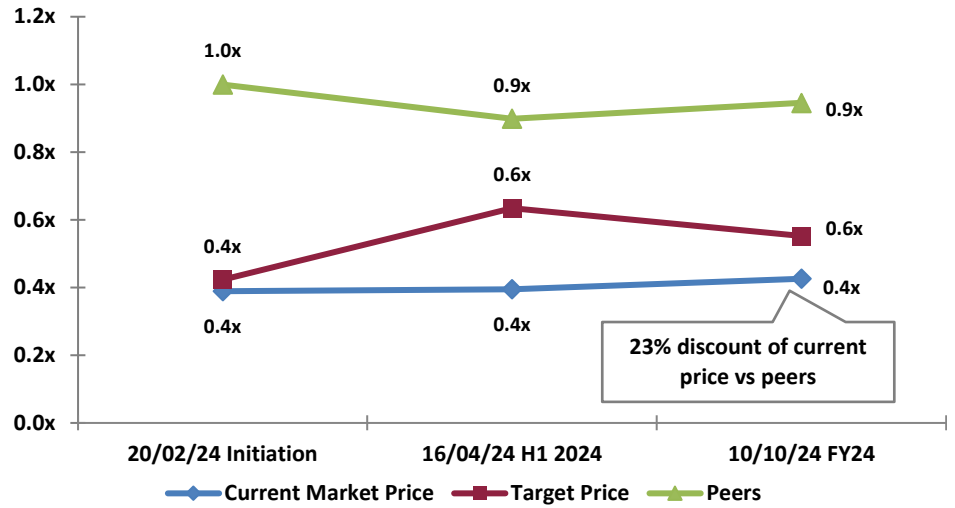
Please refer to important disclosures at the end of this report.

eVISO Price per Share	€
Target Price	7.50
Current Share Price (10/10/2024)	5.90
Premium (Discount)	27%

Source: EnVent Research

*Note: including multiple-voting shares

Implied EV/Sales vs current market price



Source: EnVent Research on S&P Capital IQ, 10/10/2024

eVISO Share Price vs EnVent Target Price



Source: EnVent Research on S&P Capital IQ, 10/10/2024

DISCLAIMER (for more details go to www.enventgroup.eu under “Disclaimer”)

This publication has been prepared by Luigi Tardella, Head of Research Division, and Silvestro Bonora and Ivan Tromba, Equity Analysts, on behalf of the Research & Analysis Division of EnVent Italia SIM S.p.A. (“EnVent”). EnVent Italia SIM is authorized and regulated in Italy by Consob (Register of Investment Firms Reg. No. 315).

According to article 35, paragraph 2b of Euronext Growth Milan Rules for Companies (Regolamento Emittenti Euronext Growth Milan), EnVent has been commissioned to produce Equity Research, and particularly this publication, for the Company by arrangement with MIT SIM, the Specialist engaged by the Company.

This publication does not represent to be, nor can it be construed as being, an offer or solicitation to buy, subscribe or sell financial products or instruments, or to execute any operation whatsoever concerning such products or instruments. This publication is not, under any circumstances, intended for distribution to the general public. Accordingly, this document is only for persons who are Eligible Counterparties or Professional Clients only, i.e. persons having professional experience in investments who are authorized persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 and COBS 4.12 of the FCA’s New Conduct of Business Sourcebook. For residents in Italy, this document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation n. 16190 of the 29th October 2007, as subsequently amended and supplemented.

This publication, nor any copy of it, can not be brought, transmitted or distributed in the United States of America, Canada, Japan or Australia. Any failure to comply with these restrictions may constitute a violation of the securities laws provided by the United States of America, Canada, Japan or Australia.

EnVent does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. The price of the investments and the income derived from them can go down as well as up, and investors may not get back the amount originally invested. Therefore, EnVent and/or the author(s) of the present publication cannot in any way be held liable for any losses, damage, or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.

The purpose of this publication is merely to provide information that is up to date and as accurate as possible. The information and each possible estimate and/or opinion and/or recommendation contained in this publication is based on sources believed to be reliable. Although EnVent makes every reasonable endeavour to obtain information from sources that it deems to be reliable, it accepts no responsibility or liability as to the completeness, accuracy or exactitude of such information and sources. Past performance is not a guarantee of future results.

Most important sources of information used for the preparation of this publication are the documentation published by the Company (annual and interim financial statements, press releases, company presentations, IPO prospectus), the information provided by business and credit information providers (as Bloomberg, S&P Capital IQ, AIDA) and industry reports.

EnVent has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the case that any matter, opinion, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if the research on the subject company is withdrawn. The estimates, opinions, and recommendations expressed in this publication may be subject to change without notice, on the basis of new and/or further available information.

EnVent intends to provide continuous coverage of the Company and the financial instrument forming the subject of the present publication, with a semi-annual frequency and, in any case, with a frequency consistent with the timing of the Company’s periodical financial reporting and of any exceptional event occurring in its sphere of activity.

A draft copy of this publication may be sent to the subject Company for its information and review (without valuation, target price and recommendation), for the purpose of correcting any inadvertent material inaccuracies. EnVent did not disclose the rating to the issuer before publication and dissemination of this document.

ANALYST DISCLOSURES

For each company mentioned in this publication, all of the views expressed in this publication accurately reflect the financial analysts’ personal views about any or all of the subject company (companies) or securities.

Neither the analysts nor any member of the analysts’ households have a financial interest in the securities of the subject Company. Neither the analysts nor any member of the analysts’ households serve as an officer, director or advisory board member of the subject company. Analysts’ remuneration was not, is not or will be not related, either directly or indirectly, to specific proprietary investment transactions or to market operations in which EnVent has played a role (as Euronext Growth Advisor, for example) or to the specific recommendation or view in this publication. EnVent has adopted internal procedures and an internal code of conduct aimed to ensure the independence of its financial analysts. EnVent research analysts and other staff involved in issuing and disseminating research reports operate independently of EnVent Group business. EnVent, within the Research & Analysis Division, may collaborate with external professionals. It may, directly or indirectly, have a potential conflict of interest with the Company and,

for that reason, EnVent adopts organizational and procedural measures for the prevention and management of conflicts of interest (for details www.enventgroup.eu under “Disclaimer”, “Procedures for prevention of conflicts of interest”).

MIFID II DISCLOSURES

eVISO S.p.A. (the “Issuer or the “Company”) is a corporate client of EnVent. This document, being paid for by a corporate Issuer, is a Minor Non-monetary Benefit as set out in Article 12 (3) of the Commission Delegated Act (C2016) 2031.

This note is a marketing communication and not independent research. As such, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and this note is not subject to the prohibition on dealing ahead of the dissemination of investment research.

CONFLICTS OF INTEREST

In order to disclose its possible conflicts of interest, EnVent states that it acts or has acted in the past 12 months as Euronext Growth Advisor to the subject Company on the Euronext Growth Milan market, a Multilateral Trading Facility regulated by Borsa Italiana (for details www.enventgroup.eu under “Disclaimer”, “Potential conflicts of interest”).

CONFIDENTIALITY

Neither this publication nor any portions thereof (including, without limitation, any conclusion as to values or any individual associated with this publication or the professional associations or organizations with which they are affiliated) shall be reproduced to third parties by any means without the prior written consent and approval from EnVent.

VALUATION METHODOLOGIES

EnVent Research & Analysis Division calculates range of values and fair values for the companies under coverage using professional valuation methodologies, such as the discounted cash flows method (DCF), dividend discount model (DDM) and multiple-based models (e.g. EV/Revenues, EV/EBITDA, EV/EBIT, P/E, P/BV). Alternative valuation methodologies may be used, according to circumstances or judgement of non-adequacy of most used methods. The target price could be also influenced by market conditions or events and corporate or share peculiarities.

STOCK RATINGS

The “OUTPERFORM”, “NEUTRAL”, AND “UNDERPERFORM” recommendations are based on the expectations within a 12-month period from the date of rating indicated in the front page of this publication.

Equity ratings and valuations are issued in absolute terms, not relative to market performance.

Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks expected to have a downside within the reference market or industry, with a target price more than 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;

NOT RATED: no rating or target price assigned.

Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.

The stock price indicated in the report is the last closing price on the day of Production.

Date and time of Production: 10/10/2024 h. 6.50pm

Date and time of Distribution: 10/10/2024 h. 7.10pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
20/02/2024	OUTPERFORM	4.70	3.00
16/04/2024	OUTPERFORM	6.80	4.29
05/09/2024	OUTPERFORM	6.80	5.20
10/10/2024	OUTPERFORM	7.50	5.90

ENVENT RECOMMENDATION DISTRIBUTION (September 30th, 2024)

Number of companies covered:	26	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		88%	12%	0%	0%	0%	0%
of which EnVent clients % *		73%	33%	na	na	na	na

* Note: Companies to which corporate and capital markets services were supplied in the last 12 months.

This disclaimer is constantly updated on the website at www.enventgroup.eu under “Disclaimer”.

Additional information available upon request.

© Copyright 2024 by EnVent Italia SIM S.p.A. - All rights reserved