eVISO
Sector: Technology

Strong 1H results despite a volatile Italian energy market

BUY
Unchanged

TP 3.5
Unchanged

Target price upside: 48%

Change in EPS est.	FY22E	FY23E
	-0.5%	2.2%

A strong set of 1H 2022 results in a volatile Italian market of energy commodities confirms the soundness of the business model. eVISO has developed a proprietary AI platform for commodity markets with physical delivery and has successfully deployed it in the Italian energy business. Growth potential in energy is not yet fully exploited and, in our view, eVISO could take advantage on the current environment of high electricity prices to gain market share. The exploitation of the AI platform in other commodities (fruits, cereals, metals...) is a key opportunity and management priority. eVISO has already achieved important milestones in the apple market. The business shift from buy&sell of electricity to data driven services should boost profitability in the medium term and trigger market re-rating. We have increased our top line estimates (on higher electricity prices) and kept EBITDA estimates roughly unchanged. We confirm our Buy rating with TP of Eu3.5/share

		EVS MI
Ticker (BBG, Reut)	EVS IM	EVS MI
Share price Ord. (Eu)		2.4
N. of Ord. shares (mn)		24.7
Total N. of shares (mn)		24.7
Market cap (Eu mn)		58
Total Market Cap (EU mn)		58
Free Float Ord. (%)		21%
Free Float Ord. (Eu mn)		12
Daily AVG liquidity Ord. (Eu k)		88

	1M	3M	12M
Absolute Perf.	3%	-5.1%	7.6%
Rel.to FTSEMidCap	4%	7.2%	6.8%
52 weeks range		2.1	3.0

- **Strong top line growth driven by the electricity to Resellers.** eViso reported the full set of 1H22 (YE 30/06) last Monday. Some preliminary top line figures and net debt were already available. Net Sales reached Eu99.1mn, up 222% YoY. In the electricity business, volumes sold in the period rose by 90% yoy and average price by 70%. Growth of volumes was driven by the Resellers business (up 259% yoy). The number of resellers served tripled from 21 (in 1H21) to 61. As of February 2022, the company has a 7.5% market share of the resellers in the trade-liberalized energy market. Volumes with direct clients were up 12% yoy. In the Gas business, eViso delivered 668k smc in 1H22, a steep increase from the 10k smc sold in 1H21. In Apples (still at very early stage) volumes traded were 100 tons.

eVISO SpA - Price Relative to FTSE Italia Mid Cap
eVISO SpA - Price

- **Reported EBITDA impacted by increasing electricity prices in 1H.** EBITDA came out at Eu1.8mn, up *only* 62% yoy. It was down to 1.9% on sales from 3.6% in 1H 2021, but in a context of strong increase in electricity prices (which are mainly a pass-through for the group). We highlight that, for some contracts, prices applied to clients are adjusted with some delay. With a stable price of electricity, EBITDA on sales would have been 4.0% and EBITDA would have increased by 115% yoy to Eu2.4mn in 1H22. The impact should revert in a scenario of declining electricity prices (as the one witnessed in Jan and Feb 22). PUN was again up in March, but with a declining trend over the last few days. eVISO managed to offset the negative effect on the PFN stemming from the elimination of system charges (i.e. "Oneri di Sistema") in the electricity business. The group delivered a NFP of Eu5mn, with only Eu1.9mn cash absorption from June 2021.

- **Upward revision of top line while keeping EBITDA roughly stable.** We increase our revenue estimates for 2022 and 2023 by 8% and 29.0% respectively, on the back of higher expected energy prices (despite the decision of the Italian government to eliminate the system charges from the entire 1H 2022 from previous 1Q only) and stronger than expected business with resellers and Services. We expect the revenues from the direct electricity business to grow at a 23% 21-24 CAGR, while the Reseller business should experience a >60% CAGR in the same period. We keep our EBITDA estimates roughly unchanged (Adj. EBITDA at Eu4.8mn and Eu5.9mn in 2022 and 2023 respectively), as gross margin mainly depends on volumes sold. eVISO is expected to generate around Eu13mn FCF in the period 22-24.

- **BUY confirmed with TP of Eu3.5/share.** We value eVISO with calendarized 2022-23 EV/EBITDA multiples of other Italian technological players. We confirm our BUY rating with TP of Eu3.5/share. Exploitation of the AI platform outside the buy&sell of electricity business should trigger a re-rating of the stock.
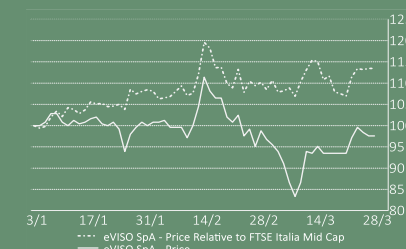
	FY21A	FY22E	FY23E
Sales	77	191	241
EBITDA adj.	3.3	4.8	5.9
Net profit adj.	1.3	2.6	3.3
EPS adj.	0.060	0.107	0.135
DPS - Ord.	0.016	0.025	0.033
EV/EBITDA adj.	14.4x	10.8x	8.0x
P/E adj.	42.4x	22.1x	17.5x
Dividend yield	0.7%	1.1%	1.4%
FCF yield	-0.5%	-0.4%	8.8%
Net debt/(Net cash)	(7.5)	(6.8)	(11.3)
Net debt/EBITDA	nm	nm	nm

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Financial Summary (FY ends on 30/06)

P&L account (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total Revenues	48.6	76.7	191.4	240.5	228.5
Gross Margin	4.9	6.0	8.9	10.5	12.4
EBITDA reported	2.3	3.3	4.8	5.9	8.1
D&A	(0.7)	(1.2)	(1.9)	(2.1)	(2.1)
EBIT reported	1.7	2.1	2.9	3.8	5.0
Net financial charges	(0.1)	(0.4)	(0.1)	(0.0)	(0.0)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	1.6	1.8	2.8	3.7	4.9
Taxes	(0.4)	(0.4)	(0.7)	(1.0)	(1.4)
Minorities	0.0	0.0	0.0	0.0	(1.4)
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	1.2	1.3	2.0	2.7	3.6
EBITDA adjusted	**2.3**	**3.3**	**4.8**	**5.9**	**7.1**
EBIT adjusted	**1.7**	**2.1**	**3.5**	**4.4**	**5.5**
Net profit adjusted	**1.2**	**1.3**	**2.6**	**3.3**	**4.2**

Margins (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Gross margin	10.0%	7.8%	4.6%	4.4%	5.4%
EBITDA margin (adj)	4.8%	4.3%	2.5%	2.4%	3.1%
EBIT margin (adj)	3.4%	2.8%	1.8%	1.8%	2.4%
Pre-tax margin	3.2%	2.3%	1.4%	1.6%	2.1%
Net profit margin (adj)	2.4%	1.7%	1.4%	1.4%	1.8%

Growth rates (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Sales	12.8%	57.9%	149.5%	25.7%	-5.0%
EBITDA	11.8%	41.4%	43.3%	23.6%	37.2%
EBITDA adjusted	11.8%	41.4%	43.3%	23.6%	20.2%
EBIT	13.1%	27.4%	35.3%	32.3%	30.9%
EBIT adjusted	13.1%	27.4%	63.4%	26.8%	26.7%
Pre-tax	11.4%	13.0%	57.0%	35.6%	31.3%
Net profit	10.2%	14.8%	53.5%	34.1%	30.3%
Net profit adjusted	10.2%	14.8%	98.2%	26.4%	24.9%

Per share data	FY20A	FY21A	FY22E	FY23E	FY24E
Shares	20.000	24.571	24.662	24.662	24.662
N. of shares AVG	20.000	22.286	24.662	24.662	24.662
N. of shares diluted AVG	10.000	22.286	24.662	24.662	24.662
EPS	**0.058**	**0.060**	**0.083**	**0.111**	**0.144**
EPS adjusted	**0.058**	**0.060**	**0.107**	**0.135**	**0.168**
DPS - Ord.	**0.017**	**0.016**	**0.025**	**0.033**	**0.043**
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	**0.147**	**0.887**	**0.868**	**0.954**	**1.064**

Enterprise value (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Share price Ord. (Eu)		2.3	2.4	2.4	2.4
Market cap	na	56.2	58.2	58.2	58.2
Net debt/(Net cash)	(0.0)	(7.5)	(6.8)	(11.3)	(18.4)
Adjustments	(1.4)	(0.9)	(0.2)	0.2	0.3
Enterprise value		47.9	51.2	47.0	40.1

Cash flow (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
EBITDA adjusted	2.3	3.3	4.8	5.9	7.1
Net financial charges	(0.1)	(0.4)	(0.1)	(0.0)	(0.0)
Cash taxes	(0.5)	(0.4)	(0.7)	(1.0)	(1.4)
Ch. in Working Capital	(1.1)	(0.0)	(0.7)	1.7	4.8
Other operating items	0.1	0.2	0.3	0.2	(0.0)
Operating cash flow	**0.8**	**2.7**	**3.6**	**6.7**	**10.4**
Capex	(2.1)	(3.0)	(3.8)	(1.6)	(2.5)
FCF	**(1.3)**	**(0.3)**	**(0.2)**	**5.1**	**7.9**
Disposals/Acquisitions	0.4	0.0	0.0	0.0	0.0
Changes in Equity	0.0	7.9	0.0	0.0	0.0
Others	0.0	0.1	0.0	0.0	0.0
Dividends	(0.3)	(0.3)	(0.4)	(0.6)	(0.8)
Ch. in NFP	**(1.3)**	**7.4**	**(0.6)**	**4.5**	**7.1**

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Capex/Sales	**4.4%**	**3.9%**	**2.0%**	**0.7%**	**1.1%**
Capex/D&A	3.1x	2.4x	2.0x	0.8x	1.2x
FCF/EBITDA	-56.6%	-8.3%	-4.6%	86.7%	112.1%
FCF/Net profit	-115.1%	-20.7%	-10.9%	186.8%	222.8%
Dividend pay-out	**nm**	**30.1%**	**30.1%**	**30.1%**	**30.1%**

Balance sheet (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital	(0.7)	(0.5)	0.2	(1.5)	(6.3)
Fixed assets	4.0	13.0	14.9	14.4	14.6
Provisions & others	(0.3)	(0.2)	(0.6)	(0.7)	(0.7)
Net capital employed	**2.9**	**12.3**	**14.6**	**12.2**	**7.8**
Net debt/(Net cash)	**(0.0)**	**(7.5)**	**(6.8)**	**(11.3)**	**(18.4)**
Equity	2.9	19.8	21.4	23.5	26.3
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital/Sales	**-1.4%**	**-0.6%**	**0.1%**	**-0.6%**	**-2.7%**
Net debt/Equity	**nm**	**nm**	**nm**	**nm**	**nm**
Net debt/EBITDA	**nm**	**nm**	**nm**	**nm**	**nm**

Valuation	FY20A	FY21A	FY22E	FY23E	FY24E
EV/CE		**3.8x**	**3.4x**	**3.6x**	**4.7x**
P/BV		2.8x	2.7x	2.5x	2.2x
EV/Sales		0.6x	0.3x	0.2x	0.2x
EV/EBITDA		14.4x	10.8x	8.0x	5.0x
EV/EBITDA adjusted		**14.4x**	**10.8x**	**8.0x**	**5.7x**
EV/EBIT		22.7x	17.9x	12.4x	8.1x
EV/EBIT adjusted		**22.7x**	**14.8x**	**10.8x**	**7.2x**
P/E		42.4x	28.6x	21.3x	16.4x
P/E adjusted		**42.4x**	**22.1x**	**17.5x**	**14.0x**
ROCE pre-tax	77.5%	26.7%	24.9%	31.2%	51.7%
ROE	**39.3%**	**6.7%**	**12.3%**	**14.1%**	**15.8%**
EV/FCF		-174.3x	-231.4x	9.2x	5.1x
FCF yield		**-0.5%**	**-0.4%**	**8.8%**	**13.6%**
Dividend yield		**0.7%**	**1.1%**	**1.4%**	**1.8%**

Share price performance

Good market performance from IPO

Source: Factset

Valuation

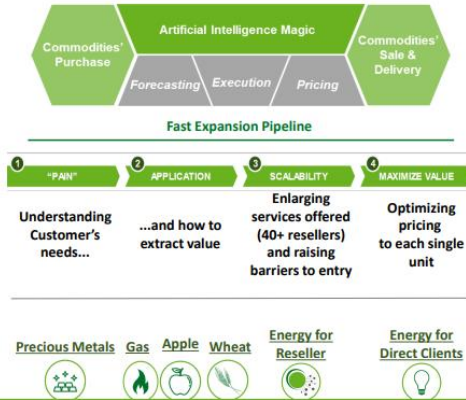*Market multiples recovered from recent lows*
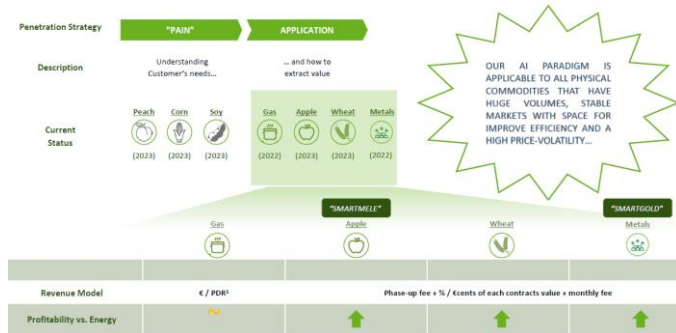

Source: Factset

Key Charts

eVISO's AI platform

A proprietary AI platform to create value in the business of commodities,…
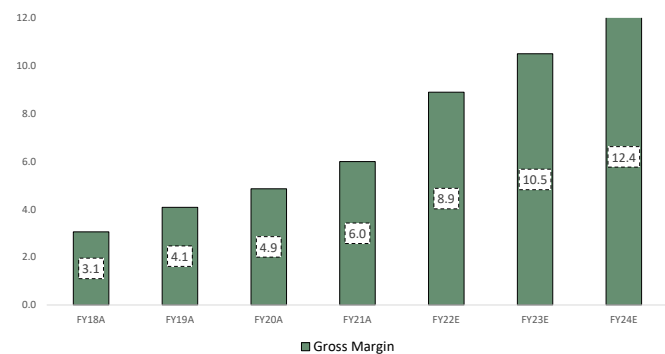

Source: Company presentation

Historical results

…already successfully exploited in the energy business in Italy

Source: Company presentation

Expansion into new commodity markets

Ongoing expansion into other commodities

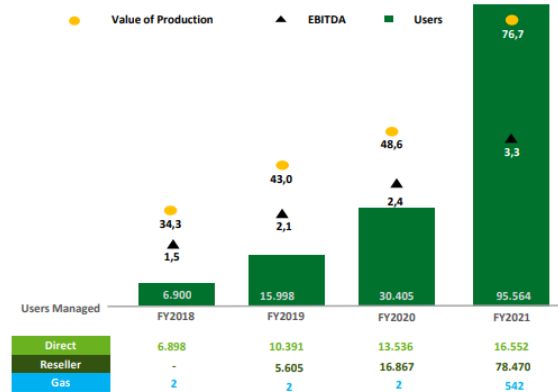

Source: Company presentation

Recent launch of a marketplace in the apple business

"Smartmele" is the first application in agri-commodities

Source: eVISO

Evolution of gross margin – Eu mn

Strong P&L growth profile…

Source: eViso, Alantra estimates

Evolution of net cash – Eu mn

…and sound balance sheet
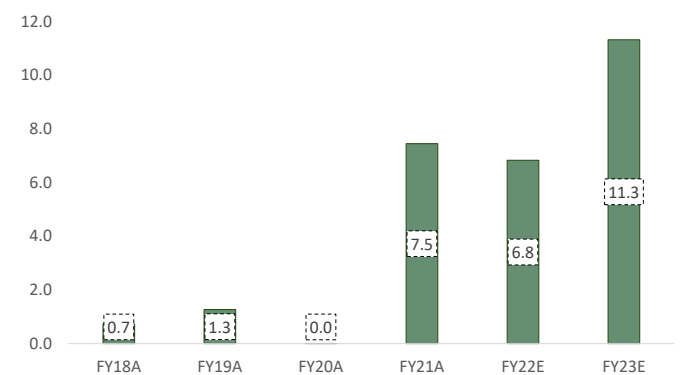
Source: eViso, Alantra estimates

Profile

Background

eVISO has developed a proprietary Artificial Intelligence platform for commodity markets with physical delivery, leveraging on the engineering know-how and sector expertise of its founder and management team. eVISO's AI platform is able to automatically collect, cluster and analyze Big Data and to elaborate forecasts to be applied on both demand and supply sides, optimizing volume and pricing

eVISO has successfully deployed its AI platform in the Italian electricity trading and sale business. The group buys electricity on the wholesale market and sells it to end-users or resellers, with an innovative business model: a) 1-to-1 approach to clients and preliminary selection of the most profitable end-users; b) Monitoring of clients' meters and grouping in different clusters, to enhance forecasting capabilities and to save penalties paid on the market; c) Algo trading execution in the complex electricity market. Efficiencies and value creation can be shared with the clients. The group has delivered sales growth, very low churn and gross margin above industry standard

Positioning

eVISO (a digital native player) has developed solutions in the electricity market that incumbents, with legacy business models and traditional commercial approaches, have difficulties to replicate

First mover competitive advantage is an entry barrier for potential newcomers. We do not see examples of B2C players in the Italian electricity market, which leverage on an AI technology. This also makes eVISO a potential technology partner for resellers and for incumbents. Some ad-hoc services have been launched in 2021

According to our estimates, the group should remain a niche player in the electricity business, suggesting potential for M/L term further expansion

Growth

We expect >40% sales CAGR over FY21-24 period, driven by electricity, but with initial contribution from other commodities

We expect eVISO to continue to post above sector-average profitability in the energy business: the expansion of the direct client base and diversification in new commodities with a platform approach (most of revenues flow to gross margin) should be two profitability tailwinds in the future. By contrast, expansion in the reseller business (although important to cover fixed costs) should be a headwind. Overall, we expect eVISO to post 27% gross margin CAGR with yield on revenues declining from 7.8% in 2021 to 5.4% in 2024

Although we expect eVISO to invest in its AI platform in the coming years, GM growth should trigger margin expansion. We expect EBITDA to grow from Eu3.3mn in FY21 to Eu7.1mn in FY24, posting a 28% CAGR

Strategy

eVISO is managing expansion into other commodities: gas (where the electricity business model can be replicated and upselling potential exploited), apples and metals. In agri-commodities the business model should be skewed to services / marketplace. While new ventures should represent only 3.8% of sales in FY24E, successful expansion would pave the way for margin improvement, the penetration of other areas and the future exploitation of the huge amount of collected data

Over the coming years, new opex / capex will be needed to (i) develop the AI platform; (ii) build a new headquarter. Operating cash flow generation and the proceeds from the IPO should support the expected acceleration of the growth plan

Strengths	Weaknesses
Proprietary AI platform for data analysis, forecasting and execution	Time required to train high quality salesforce
Proven and profitable aplication in the Italian electricity market	Intrinsically low margin business
Limited capital requirements and strong FCF generation	Credit risk (commercial receivables versus SMC clients)

Opportunities	Threats
Expansion in other commodities	Increasing commercial competition on high-margin clients
Market share growth in the electricy business and sale of services to other utilities	Failure to exploit the platform in new commodities
Data monetisation in global commodities	Regulatory changes in the electricity market

Key shareholders	Management	Next events
O Caminho Srl, 52.7%	Gianfranco Sorasio - Founder & CEO	1H 2022 results: 22 March 2022
Iscat Srl, 13.9%	Carlo Cigna - Algo Intelligence Director	General meeting: 27/28 October 2022
Pandora SS, 12.2%	Sergio Amorini - Sales and Customer Care Director	
Free Float, 21.2%	Federica Berardi - CFO	
	Joao Cordovil Wemans - Data Service Director	
	Lucia Fracassi - COO	

Release of 1H 2022 (YE June 2022) results

1H 2022 results

Strong top line growth driven by the electricity to Resellers. Reported EBITDA impacted by increasing electricity prices in 1H (the effect should revert in the future)

Eu mn	1H21A	1H22A	YoY %	2H22E	FY21A	FY22E	YoY %
Direct - Electricity Business	19.4	36.4	*87.4%*	31.9	39.7	68.3	*72.2%*
% on VoP	*62.0%*	*36.5%*		*34.8%*	*51.7%*	*35.7%*	
Reseller - Electricity Business	8.1	52.6	*549.5%*	48.6	28.2	101.2	*258.5%*
% on VoP	*25.9%*	*52.7%*		*53.0%*	*36.8%*	*52.9%*	
Revenues	30.8	99.1	*221.8%*	91.0	75.7	190.1	*151.0%*
on sales %	*98.3%*	*99.4%*		*99.3%*	*98.7%*	*99.3%*	
Value of Production	31.3	99.8	*218.5%*	91.6	76.7	191.4	*149.5%*
on sales %	*100.0%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
Gross Margin	2.5	3.0	*19.3%*	5.9	6.0	8.9	*48.3%*
Gross Margin %	*8.0%*	*3.0%*		*6.4%*	*7.8%*	*4.6%*	
EBITDA Adjusted	1.1	1.8	*62.3%*	2.9	3.3	4.8	*43.3%*
Ebitda Margin %	*3.6%*	*1.9%*		*3.2%*	*4.3%*	*2.5%*	
Exceptional Items	0.0	0.0		0.0	0.0	0.0	
EBITDA Reported	1.1	1.8	*62.3%*	2.9	3.3	4.8	*43.3%*
Restated Net Profit	0.2	0.6	*165.7%*	1.4	1.3	2.6	*98.2%*
Net Profit Margin %	*0.7%*	*0.6%*		*1.6%*	*1.7%*	*1.4%*	
Net cash end of the period	6.9	5.0		6.8	7.5	6.8	

Source: eVISO, Alantra estimates

Revision of our FY estimates

New versus old estimates

Upward revision of top line while keeping EBITDA roughly stable

(Eu mn)	New			Change			Old		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Total Revenues / Value of Production	191.4	240.5	228.5	8.3%	28.6%	21.7%	176.8	187.0	187.8
EBITDA Adjusted	4.8	5.9	7.1	-0.4%	1.8%	-1.4%	4.8	5.8	7.2
EBIT Adjusted	3.5	4.4	5.5	-0.5%	2.4%	-1.8%	3.5	4.3	5.6
Pretax Profit	2.8	3.7	4.9	-0.7%	2.8%	-2.1%	2.8	3.6	5.0
Net profit	2.0	2.7	3.6	-0.6%	2.7%	-2.0%	2.0	2.7	3.6
Net profit restated	2.6	3.3	4.2	-0.5%	2.2%	-1.7%	2.6	3.3	4.2
EPS	0.107	0.135	0.168	-0.5%	2.2%	-1.7%	0.107	0.132	0.171
Net financial position	6.8	11.3	18.4	-1.6%	1.9%	6.0%	6.9	11.1	17.4

Source: Alantra estimates

Detailed top line and GM estimates

Detailed top line estimates

We expect strong top line growth in the coming years

Eu mn		FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Electricity		**33.7**	**42.4**	**47.8**	**75.6**	**188.1**	**235.0**	**220.2**
	YoY Growth		*25.7%*	*12.8%*	*58.1%*	*148.9%*	*24.9%*	*-6.3%*
	on total sales %	*100.0%*	*100.0%*	*100.0%*	*99.8%*	*99.0%*	*98.2%*	*96.9%*
Direct		**27.8**	**34.8**	**33.6**	**39.7**	**68.3**	**80.0**	**73.7**
	YoY Growth		*25.3%*	*-3.6%*	*18.2%*	*72.2%*	*17.1%*	*-8.0%*
	on electricity sales %	*82.5%*	*82.2%*	*70.3%*	*52.5%*	*36.3%*	*34.1%*	*33.5%*
Reseller			**1.1**	**8.0**	**28.2**	**101.2**	**131.8**	**124.1**
	YoY Growth			*654.3%*	*253.8%*	*258.5%*	*30.2%*	*-5.8%*
	on electricity sales %		*2.5%*	*16.7%*	*37.3%*	*53.8%*	*56.1%*	*56.4%*
Services BAU and BIG DATA		**0.6**	**0.7**	**0.8**	**1.2**	**2.5**	**3.1**	**3.6**
	YoY Growth		*12.2%*	*10.1%*	*61.3%*	*105.5%*	*23.8%*	*16.3%*
	on electricity sales %	*1.8%*	*1.6%*	*1.6%*	*1.6%*	*1.3%*	*1.3%*	*1.6%*
AOD platform revenues		**5.3**	**5.8**	**5.5**	**6.4**	**16.1**	**20.1**	**18.7**
	YoY Growth		*9.2%*	*-5.4%*	*17.5%*	*149.6%*	*24.9%*	*-6.6%*
	on electricity sales %	*15.7%*	*13.7%*	*11.5%*	*8.5%*	*8.5%*	*8.5%*	*8.5%*
Other Commodities					**0.2**	**2.0**	**4.3**	**7.1**
	YoY Growth					*828.7%*	*118.0%*	*65.3%*
	on total sales %				*0.3%*	*1.0%*	*1.8%*	*3.1%*
Total Revenues		**33.7**	**42.4**	**47.8**	**75.7**	**190.1**	**239.2**	**227.2**
	YoY Growth		*25.7%*	*12.8%*	*58.4%*	*151.0%*	*25.9%*	*-5.0%*
Other items		**0.6**	**0.7**	**0.8**	**1.0**	**1.3**	**1.3**	**1.3**
Value of Production		**34.3**	**43.0**	**48.6**	**76.7**	**191.4**	**240.5**	**228.5**
	YoY Growth		*25.5%*	*12.8%*	*57.9%*	*149.5%*	*25.7%*	*-5.0%*

Source: Alantra estimates

Detailed Gross Margin estimates

Gross margin as % of sales should be diluted by the increase in the electricity price in FY 2022

Eu mn	FY18A	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Electricity	**2.5**	**3.4**	**4.1**	**4.9**	**7.1**	**8.3**	**9.7**
YoY Growth		*38.2%*	*20.2%*	*20.3%*	*45.1%*	*15.7%*	*17.0%*
gross margin %	*7.3%*	*8.0%*	*8.6%*	*6.5%*	*3.8%*	*3.5%*	*4.4%*
on total gross margin %	*80.7%*	*83.5%*	*84.3%*	*82.2%*	*80.4%*	*78.8%*	*78.1%*
Direct	**2.1**	**3.0**	**3.5**	**3.8**	**4.4**	**4.9**	**5.5**
YoY Growth		*43.4%*	*17.5%*	*8.2%*	*14.8%*	*10.7%*	*13.6%*
gross margin %	*7.6%*	*8.7%*	*10.5%*	*9.7%*	*6.4%*	*6.1%*	*7.5%*
on electricity gross margin %	*85.3%*	*88.5%*	*86.5%*	*77.8%*	*61.6%*	*58.9%*	*57.2%*
Reseller		**0.0**	**0.2**	**0.8**	**2.2**	**2.7**	**3.3**
YoY Growth			*756.4%*	*267.4%*	*175.7%*	*23.8%*	*23.3%*
gross margin %		*2.4%*	*2.7%*	*2.8%*	*2.1%*	*2.0%*	*2.7%*
on electricity gross margin %		*0.7%*	*5.2%*	*16.0%*	*30.4%*	*32.5%*	*34.2%*
Services BAU and BIG DATA	**0.2**	**0.3**	**0.2**	**0.3**	**0.6**	**0.7**	**0.8**
YoY Growth		*9.8%*	*-16.6%*	*35.2%*	*89.0%*	*23.8%*	*16.3%*
gross margin %	*40.3%*	*39.4%*	*29.8%*	*25.0%*	*23.0%*	*23.0%*	*23.0%*
on electricity gross margin %	*10.0%*	*7.9%*	*5.5%*	*6.2%*	*8.0%*	*8.6%*	*8.6%*
AOD platform revenues	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
YoY Growth							
gross margin %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
on electricity gross margin %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Other Commodities				**0.1**	**0.5**	**0.9**	**1.4**
YoY Growth					*489.2%*	*106.6%*	*50.3%*
gross margin %				*36.7%*	*23.3%*	*22.1%*	*20.0%*
on total gross margin %				*1.3%*	*5.1%*	*9.0%*	*11.5%*
Other items	**0.6**	**0.7**	**0.8**	**1.0**	**1.3**	**1.3**	**1.3**
Gross Margin	**3.1**	**4.1**	**4.9**	**6.0**	**8.9**	**10.5**	**12.4**
YoY Growth		*33.6%*	*18.9%*	*23.4%*	*48.3%*	*18.1%*	*17.9%*
gross margin on VoP %	*8.9%*	*9.5%*	*10.0%*	*7.8%*	*4.6%*	*4.4%*	*5.4%*

Source: Alantra estimates

Peers

Trading multiples

>35% discount versus peers on 2022-2023 EV/EBITDA and EV/EBIT

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
eVISO (Calendarised)	ITALY	59	0.2 x	0.2 x	0.2 x	9.2 x	6.7 x	4.8 x	12.6 x	8.8 x	6.0 x	19.6 x	15.6 x	12.3 x
Premium (discount) to Peers' Italian Technology			-93%	-92%	nm	-46%	-41%	nm	-40%	-42%	nm	-35%	-31%	nm
CY4Gate SpA	ITALY	251	5.4 x	7.6 x	na	17.2 x	18.9 x	na	32.1 x	26.8 x	na	27.3 x	22.5 x	na
PITECO SpA	ITALY	176	5.4 x	4.7 x	na	11.3 x	9.6 x	na	16.7 x	14.8 x	na	15.9 x	15.0 x	na
Expert.ai S.p.A.	ITALY	83	2.1 x	1.6 x	1.2 x	na	13.8 x	5.0 x	na	na	14.2 x	na	na	53.3 x
Tecma Solutions SpA	ITALY	82	3.7 x	2.2 x	na	17.3 x	10.2 x	na	22.2 x	13.1 x	na	32.7 x	19.5 x	na
Almawave S.p.A.	ITALY	125	2.7 x	2.2 x	na	11.6 x	9.4 x	na	19.4 x	15.3 x	na	33.4 x	26.2 x	na
Datrix S.p.A.	ITALY	63	2.8 x	2.0 x	1.4 x	49.0 x	12.5 x	5.8 x	nm	22.1 x	7.8 x	nm	27.0 x	12.1 x
ALL PEERS Italian Technology	Average		3.7 x	3.4 x	1.3 x	21.3 x	12.4 x	5.4 x	22.6 x	18.4 x	11.0 x	27.3 x	22.0 x	32.7 x
	Median		3.2 x	2.2 x	1.3 x	17.2 x	11.3 x	5.4 x	20.8 x	15.3 x	11.0 x	30.0 x	22.5 x	32.7 x

Source: Factset, Alantra

Financials – eVISO (calendarized) versus selected peers

Lower margins versus technological peers (due to peculiarities of the business model), but similar growth rates

Company	Country	Mkt Cap (Eu mn)	FY21A - FY23E average margins					CAGR FY20A - FY23E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA Adj	EBIT Adj	EPS Adj
eVISO (Calendarised)	ITALY	59	2.8%	1.8%	1.2%	1.5%	30.1%	55.3%	31.7%	38.1%	44.4%
CY4Gate SpA	ITALY	251	38.7%	22.6%	22.5%	10.3%	0.0%	69.9%	65.6%	60.4%	20.6%
PITECO SpA	ITALY	176	48.4%	31.7%	32.9%	na	29.8%	21.3%	29.0%	29.6%	20.7%
Expert.ai S.p.A.	ITALY	83	-3.5%	-24.6%	-26.2%	22.4%	0.0%	26.2%	nm	nm	nm
Tecma Solutions SpA	ITALY	82	20.5%	15.5%	11.1%	16.5%	0.0%	62.5%	54.9%	54.8%	55.3%
Almawave S.p.A.	ITALY	125	23.0%	14.3%	10.0%	na	0.0%	28.8%	29.2%	32.3%	0.0%
Datrix S.p.A.	ITALY	63	5.1%	-4.2%	-4.5%	15.1%	0.0%	40.1%	nm	nm	nm
PEERS Italian Technology	Average		22.0%	9.2%	7.6%	16.1%	5.0%	41.5%	44.7%	44.3%	24.1%
	Median		21.8%	14.9%	10.6%	15.8%	0.0%	34.5%	42.0%	43.5%	20.6%

Source: Factset, Alantra

Performance

Recent market performance in line with that of peers

Company	Country	Mkt Cap (Eu mn)	Performance					
			1W	1M	3M	6M	1YR	3YR
eVISO	ITALY	59	4.3%	2.6%	-5.1%	-13.7%	7.6%	na
CY4Gate SpA	ITALY	251	-2.2%	8.6%	-10.7%	-9.1%	14.4%	na
PITECO SpA	ITALY	176	8.2%	-4.2%	-20.7%	-22.5%	-8.2%	106.6%
Expert.ai S.p.A.	ITALY	83	-2.0%	-3.8%	-30.2%	-43.5%	-47.4%	-5.3%
Tecma Solutions SpA	ITALY	82	4.5%	8.9%	-1.9%	43.2%	42.8%	na
Almawave S.p.A.	ITALY	125	6.8%	8.4%	-3.1%	-4.3%	3.6%	na
Datrix S.p.A.	ITALY	63	-0.3%	4.3%	-13.8%	na	na	na
PEERS Italian Technology	Average		2.5%	3.7%	-13.4%	-7.2%	1.0%	50.7%
	Median		2.1%	6.3%	-12.3%	-9.1%	3.6%	50.7%

Source: Factset, Alantra

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