

EQUITY RESEARCH

EVISO SPA
NEWS
Press release

BUY
TP 3.8€
Up/Downside: 66%

Record Energy Delivered in June 2023

eVISO returned to growth and set its own record for energy delivered for both the direct and reseller segments, with 270GWh (vs. 230GWh YoY) and 560GWh (vs. 400GWh YoY) respectively.

The sharp fall in electricity and gas prices has enabled eVISO to resume its commercial growth. May's average PUN reached 105MWh (-65% vs. 2022's average and -15% vs. 2021's average), while the first 10 days of June saw an even more attractive average value of 90MWh.

Volume growth confirmed the effectiveness of eVISO's proprietary infrastructure, capable of fully automating the sector's value chain and bridging the gap between raw material demand and supply (electricity, then gas, and finally apples).

Despite the sector's increasingly favourable price dynamics and the fact that eVISO has resumed its commercial growth (80% of the order book signed to date with reseller customers has been served), the stock continues to trade at low levels due to H1 being weighed down by prices never before seen in the history of the electricity market. Nevertheless, the company is well positioned, with a solid financial position and an unprecedented amount of energy delivered.

With the publication of the annual report (preliminary figures are expected on 31 August) and the continuation of the growth campaign, in the current stable but favourable market environment, we believe that the stock will enjoy a strong period over the coming months.

We reiterate our Buy rating and without hesitation confirm our TP of €3.8.

Key data

Price (€)	2.3
Industry	Technology Services
Ticker	EVS-IT
Shares Out (m)	24.662
Market Cap (m €)	56.5
Average trading volumes (k shares / day)	6.405

Ownership (%)

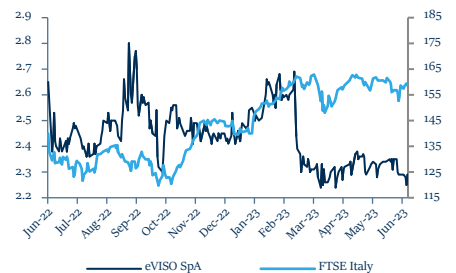
O Caminho S.r.l.	52.7
Iscat S.r.l.	13.9
Pandora S.S.	12.2
Arca Fondi SGR	3.0
Free float	21.2

EPS (€)

	06/23e	06/24e	06/25e
Estimates	0.03	0.09	0.15
Change vs previous estimates (%)	0.00	0.00	0.00

Performance (%)

	1D	1M	YTD
Price Perf	1.8	0.4	-9.8
Rel FTSE Italy	2.3	2.2	-20.4



TP ICAP Midcap Estimates	06/22	06/23e	06/24e	06/25e	Valuation Ratio	06/23e	06/24e	06/25e	Consensus FactSet - Analysts:na	06/23e	06/24e	06/25e
Sales (m €)	208.1	259.5	240.3	282.9	EV/Sales	0.2	0.2	0.1	Sales	245.3	233.6	275.4
Current Op Inc (m €)	3.2	2.0	4.0	5.8	EV/EBITDA	11.9	7.3	4.9	EBIT	1.0	3.9	5.6
Current op. Margin (%)	1.5	0.8	1.7	2.0	EV/EBIT	25.2	11.8	7.3	Net income	-2.0	2.1	3.4
EPS (€)	-0.04	0.03	0.09	0.15	PE	74.3	24.9	15.7				
DPS (€)	0.00	0.00	0.00	0.00								
Yield (%)	0.0	0.0	0.0	0.0								
FCF (m €)	5.2	-1.9	2.5	5.8								

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FINANCIAL DATA

Income Statement	06/20	06/21	06/22	06/23e	06/24e	06/25e
Sales	47.8	75.7	208.1	259.5	240.3	282.9
Changes (%)	12.8	58.3	174.9	24.7	-7.4	17.7
Gross profit	30.3	44.4	43.9	54.3	70.4	92.9
% of Sales	63.3	58.6	21.1	20.9	29.3	32.8
EBITDA	2.4	3.3	5.0	4.2	6.5	8.6
% of Sales	5.0	4.4	2.4	1.6	2.7	3.0
Current operating profit	1.7	2.2	3.2	2.0	4.0	5.8
% of Sales	3.5	2.9	1.5	0.8	1.7	2.0
Non-recurring items	0.0	0.1	0.3	0.5	0.6	0.5
EBIT	1.7	2.1	2.8	1.5	3.5	5.2
Net financial result	0.1	0.4	0.2	0.4	0.3	0.2
Income Tax	0.4	0.4	3.7	0.3	0.9	1.4
Tax rate (%)	25.7	24.6	142.7	27.9	27.9	27.9
Net profit, group share	1.2	1.3	-1.1	0.8	2.3	3.6
EPS	0.05	0.05	na	0.03	0.09	0.15
Financial Statement	06/20	06/21	06/22	06/23e	06/24e	06/25e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	2.8	12.6	14.6	15.1	14.7	14.3
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	1.1	4.9	4.6	4.6	4.6	4.6
Working capital	-0.6	-0.3	-8.4	-6.2	-6.0	-7.9
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	3.3	17.2	10.8	13.5	13.3	11.0
Shareholders equity group	2.9	19.8	18.3	19.0	21.3	24.9
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	0.4	0.3	0.6	0.6	0.6	0.6
Net debt	-0.0	-3.0	-8.1	-6.2	-8.7	-14.5
Other liabilities	0.0	0.2	0.1	0.1	0.1	0.1
Liabilities	3.3	17.2	10.8	13.5	13.3	11.0
Net debt excl. IFRS 16	-0.0	-3.0	-8.1	-6.2	-8.7	-14.5
Gearing net	-0.0	-0.2	-0.4	-0.3	-0.4	-0.6
Leverage	-0.0	-0.9	-1.6	-1.5	-1.3	-1.7
Cash flow statement	06/20	06/21	06/22	06/23e	06/24e	06/25e
CF after elimination of net borrowing costs and taxes	1.9	2.7	4.4	3.0	4.8	6.4
Δ WCR	-1.0	-0.0	4.7	-2.2	-0.1	1.8
Operating cash flow	0.8	2.7	9.1	0.8	4.6	8.3
Net capex	-2.1	-3.0	-3.8	-2.7	-2.1	-2.4
FCF	-1.3	-0.3	5.2	-1.9	2.5	5.8
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.9	-0.1	-0.1	0.0	0.0	0.0
Change in borrowings	3.1	0.2	3.3	0.0	0.0	0.0
Dividends paid	0.0	-0.3	-0.4	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	-0.3	7.9	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	2.8	7.8	2.9	0.0	0.0	0.0
ROA (%)	34.8%	7.7%	na	5.6%	17.1%	32.6%
ROE (%)	39.4%	6.7%	na	4.0%	10.7%	14.5%
ROCE (%)	57.0%	11.0%	17.4%	10.5%	19.0%	23.2%

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Analyst certifications

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Methodology

This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: eVISO SpA

History of investment rating and target price – eVISO SpA



Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	82%	65%
Hold	16%	43%
Sell	1%	50%
Under review	1%	0%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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