

Italian Mid/Small Caps Monthly

Constructive View On Mid/Small Caps, Preference for Leaders

by Intermonte Research Team

Italian Equity Market

- **Performance (-).** The Italian equity market (prices as at 16 January 2025) has posted a positive 2.8% performance in the last month and is up 4.4% Ytd. The FTSE Italy Mid-Cap index (-0.5%) has underperformed the main index in the last month by 3.3% (-4.1% Ytd on a relative basis), with the FTSE Italy Small Caps index (-2.0%) performing 4.8% below the market and -5.7% on a relative basis Ytd. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has decreased 0.8% in the last month, outperforming Italian small caps.
- **Estimates (=).** Since the beginning of 2024, we have implemented a -9.8%/-11.2% revision to our 2024/2025 EPS estimates; notably, in the last month, estimate revisions have been slightly positive for large caps (+0.4%/+0.4% on 2024/2025 EPS). On the other hand, focusing on our mid/small cap coverage, we have changed our 2024/2025 EPS by -1.8%/-3.6% since January 2024 while, in the last month, estimate revisions have been negligible (+0.1%/-0.2%).
- **Valuations (+).** If we compare performances since January 2024 to the change in FY24 estimates over the same period, we see that FTSE MIB stocks have recorded a 28.3% re-rating (the same metric was +25.2% one month ago); mid-caps have re-rated by 6.4%, while small caps have re-rated by 35.4%. On a P/E basis, our panel is trading at a 23% premium to large caps, above the historical average premium (18%) but below the level one month ago (29%).
- **Liquidity (+/-).** Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 27.3% higher than in the corresponding period one year ago and is up 18.3% Ytd. The picture is similar for mid-caps while it is weaker for small caps: specifically, since 1/1/25 liquidity is up 31.1% YoY for mid-caps while it is flat for small caps.
- **Investment strategy.** 2024 marked the third consecutive year in which mid/small cap indices underperformed the FTSE MIB. In our opinion, this trend should reverse in 2025: in a scenario of steadily declining interest rates, a rebalancing of portfolios toward growth stocks is likely, and in Italy these are concentrated in the mid/small cap segment. Our preference remains for quality stocks, leaders in their respective sectors, whose valuations are justified by realistic growth prospects or backed by strong cash generation. As ever, liquidity will remain very important: some mid/small cap funds have suffered from poor inflows after weak performances, but we think foreign investors may increase their investments, especially in light of relatively greater political stability than elsewhere in Europe. In this context, initiatives such as the National Strategic Fund could make a positive contribution. This initiative will harness public (max 49%) and private capital (min 51%) to invest in Italian mid/small caps over an extended time horizon. The initial amount of €0.7-1.0bn should help invert the trend, generating inward investments to mid/small caps that have suffered from PIR fund outflows in the last few years.

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Performance

Mid/small caps underperformed large caps in the last month

The Italian equity market (prices as at 16 January 2025) has posted a positive 2.8% performance in the last month and is up 4.4% Ytd. The FTSE Italy Mid-Cap index (-0.5%) has underperformed the main index in the last month by 3.3% (-4.1% Ytd on a relative basis), with the FTSE Italy Small Caps index (-2.0%) performing 4.8% below the market and -5.7% on a relative basis Ytd.

Italian Market Indexes – performance analysis (prices as at 16 January 2025)

Index	Price (Eu)	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap	47,903	-0.5%	1.8%	-1.7%	0.3%	8.1%	13.4%	-0.1%	17.0%
FTSE Italia Small Cap	27,954	-2.0%	-1.2%	-4.0%	-1.3%	1.3%	-5.0%	-12.4%	22.5%
FTSE Italia Star	45,484	-2.3%	-2.4%	-5.4%	0.3%	-2.6%	-8.3%	-24.3%	14.5%
FTSE Italia Growth Index	7,848	0.3%	-4.5%	-3.5%	-0.7%	-4.7%	-17.6%	-30.2%	-0.9%
FTSE Italia All-Share	37,987	2.8%	3.2%	3.7%	4.4%	17.1%	35.5%	26.5%	45.6%
FTSE MIB	35,820	3.1%	3.3%	4.2%	4.8%	18.1%	38.3%	30.0%	49.6%
Relative Performance vs FTSE Italy All Share		% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap		-3.3%	-1.4%	-5.4%	-4.1%	-9.0%	-22.1%	-26.7%	-28.7%
FTSE Italia Small Cap		-4.8%	-4.4%	-7.7%	-5.7%	-15.8%	-40.5%	-38.9%	-23.1%
FTSE Italia Star		-5.1%	-5.6%	-9.1%	-4.1%	-19.7%	-43.7%	-50.9%	-31.1%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has decreased 0.8% in the last month, outperforming Italian small caps.

European Market Indexes – performance analysis

Index	Price	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
MSCI Europe	174	0.9%	0.2%	0.5%	2.6%	9.8%	14.8%	8.8%	23.4%
MSCI Europe Small Cap	430	-0.8%	-2.7%	-3.5%	0.0%	6.0%	6.0%	-11.8%	6.8%

Source: FactSet

For individual stocks, in the following tables we rank the best and worst performers over two periods: the last month and YTD.

Intermonte Mid & Small Cap Coverage – best and worst performers, 1M

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
TALEA GROUP	5.48	47	21%
IEG	7.34	227	17%
AVIO	14.34	378	13%
MAIRE	8.87	2,915	11%
MISITANO & STRACUZZI	3.90	103	10%
FINCANTIERI	7.42	2,397	9%
SYS-DAT	5.33	167	4%
ABITARE IN	4.50	120	4%
CREDITO EMILIANO	11.24	3,836	4%
IREN	1.99	2,589	3%
DE' LONGHI	30.90	4,673	3%
BANCA IFIS	22.20	1,195	3%
LOTTOMATICA	13.20	3,322	3%
REWAY GROUP	6.38	194	3%
INTERCOS	14.30	1,376	2%
WEBUILD	2.91	2,981	2%
ANTARES VISION	3.23	227	2%
FERRAGAMO	6.88	1,161	1%
ANIMA	6.71	2,141	1%
THE ITALIAN SEA GROUP	7.62	404	1%
FTSE Italia Mid Cap			-1%
FTSE Italia Small Cap			-2%
FTSE MIB			3%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
GEOX	0.41	107	-26%
SESA	59.05	915	-25%
DATALOGIC	4.36	255	-16%
BFF BANK	7.53	1,418	-15%
BANCA SISTEMA	1.30	105	-12%
SECO	1.59	211	-11%
SERI INDUSTRIAL	2.50	135	-10%
ELICA	1.60	101	-9%
AQUAFIL	1.31	96	-9%
SOMEK	11.25	78	-8%
WIIT	18.58	521	-8%
DOVALUE	1.37	260	-7%
INTRED	10.60	169	-7%
TINEXTA	7.69	363	-7%
EMAK	0.90	148	-7%
CY4GATE	4.55	107	-7%
OVS GROUP	3.29	957	-7%
TESMEC	0.07	41	-7%
FINE FOODS	7.20	159	-6%
ESPRINET	4.18	211	-6%

Source: FactSet

Intermonte Mid & Small Cap Coverage – best and worst performers since 1/1/24

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
TALEA GROUP	5.48	47	20%
IEG	7.34	227	13%
MISITANO & STRACUZZI	3.90	103	9%
MAIRE	8.87	2,915	7%
FINCANTIERI	7.42	2,397	7%
ABITARE IN	4.50	120	7%
BANCA IFIS	22.20	1,195	5%
CEMENTIR	11.04	1,757	5%
INTRED	10.60	169	4%
IREN	1.99	2,589	4%
ANTARES VISION	3.23	227	3%
CREDITO EMILIANO	11.24	3,836	3%
AVIO	14.34	378	3%
SYS-DAT	5.33	167	3%
BANCA SISTEMA	1.30	105	3%
THE ITALIAN SEA GROUP	7.62	404	3%
LOTTOMATICA	13.20	3,322	3%
INTERCOS	14.30	1,376	3%
DE' LONGHI	30.90	4,673	3%
TXT E-SOLUTIONS	36.00	468	3%
FTSE Italia Mid Cap			0%
FTSE Italia Small Cap			-1%
FTSE MIB			5%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
GEOX	0.41	107	-25%
BFF BANK	7.53	1,418	-18%
DATALOGIC	4.36	255	-15%
SECO	1.59	211	-12%
AQUAFIL	1.31	96	-8%
CY4GATE	4.55	107	-8%
OMER	3.99	115	-7%
SERI INDUSTRIAL	2.50	135	-5%
SESA	59.05	915	-5%
DOVALUE	1.37	260	-5%
GPI	10.42	301	-5%
ELICA	1.60	101	-4%
REVO INSURANCE	11.75	289	-4%
INDEL B	21.80	127	-4%
FINE FOODS	7.20	159	-4%
WIIT	18.58	521	-4%
PHARMANUTRA	52.30	506	-4%
CYBEROO	2.04	84	-4%
MARR	9.69	645	-4%
EL.EN.	11.26	902	-4%

Source: FactSet

Earnings Momentum

In the last month, no significant changes to estimates for our mid/small cap coverage

Since the beginning of 2024, we have implemented a -9.8%/-11.2% revision to our 2024/2025 EPS estimates; notably, in the last month, estimate revisions have been slightly positive for large caps (+0.4%/+0.4% on 2024/2025 EPS). On the other hand, focusing on our mid/small cap coverage, we have changed our 2024/2025 EPS by -1.8%/-3.6% since January 2024 while, in the last month, estimate revisions have been negligible (+0.1%/-0.2%).

Italian Market – Intermonte changes to 2024 and 2025 estimates

EPS REVISION	Since January 1st 2024		Since 16/12/2024	
	% chg in EPS FY24	% chg in EPS FY25	% chg in EPS FY24	% chg in EPS FY25
Total Market	-9.8%	-11.2%	0.3%	0.4%
Total Market - Ex Energy	-7.8%	-10.9%	0.2%	0.2%
Domestic	7.9%	6.2%	0.3%	0.0%
Non domestic	-31.9%	-32.2%	0.5%	1.1%
Non domestic - Ex Energy	-33.3%	-35.0%	0.2%	1.1%
FTSE MIB	-10.3%	-11.7%	0.4%	0.4%
Mid Caps (our coverage)	1.2%	-2.2%	0.3%	-0.1%
Small Caps (our coverage)	-36.7%	-21.8%	-0.7%	-0.9%
Intermonte Mid&Small Caps coverage	-1.8%	-3.6%	0.1%	-0.2%

Source: Intermonte SIM

For individual stocks, the following tables rank the biggest changes to our 2024 adjusted net profit estimates since the start of last year.

Intermonte Mid & Small Cap Coverage - largest changes to 2024 est. (up/down) since 1/1/24

Stock	Restated Net Profit 24 as of 31/12/23	Restated net profit 24 last estimate	% chg from 31/12/23
Upward Revision			
FINCANTIERI	-7	20	386.4%
IEG	19	31	63.2%
ANIMA	173	252	45.7%
CREDITO EMILIANO	429	607	41.6%
MAIRE	151	206	36.9%
TXT E-SOLUTIONS	16	21	30.2%
INTRED	6	7	24.0%
BANCA SISTEMA	15	19	23.4%
DE' LONGHI	274	309	12.8%
BANCA IFIS	152	167	10.2%
Downward Revision			
SERI INDUSTRIAL	-2	-29	-1639.2%
TALEA GROUP	1	-2	-247.8%
AQUAFIL	6	-6	-203.9%
TESMEC	9	-5	-158.5%
SECO	23	-3	-111.8%

Source: Intermonte SIM

Valuation

Mid/small cap valuation premium down in the last month

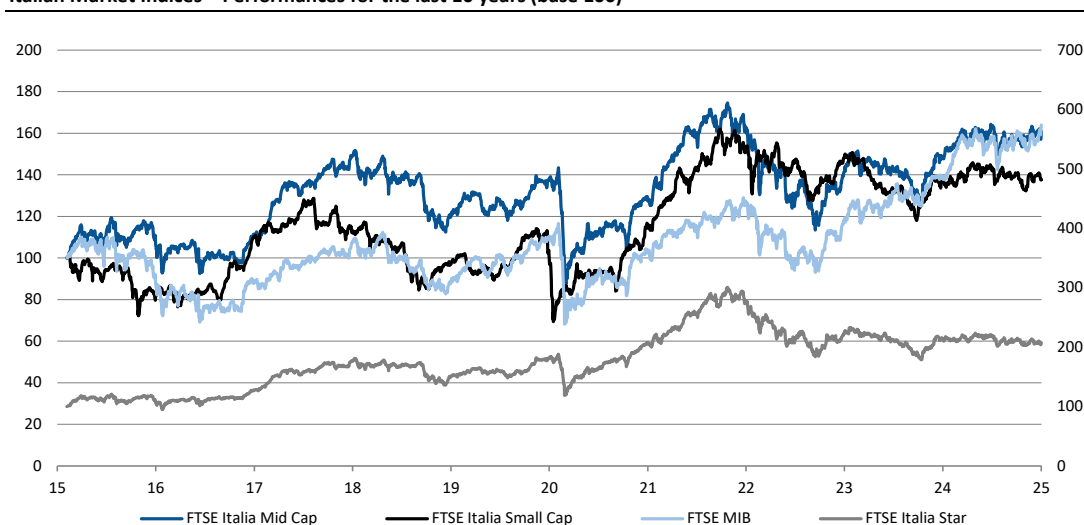
If we compare performance since January 2024 to the change in FY24 estimates over the same period, we see that FTSE MIB stocks have recorded a 28.3% re-rating (the same metric was +25.2% one month ago); mid-caps have re-rated by 6.4%, while small caps have re-rated by 35.4%.

Italian Market – re/de-rating by index since January 2024

Index	% Change YTD	on FY24 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	18.0%	-10.3%	28.3%
FTSE Italia Mid Cap	7.5%	1.2%	6.4%
FTSE Italia Small Cap	-1.3%	-36.7%	35.4%

Source: Intermonte SIM and FactSet

Italian Market Indices – Performances for the last 10 years (base 100)

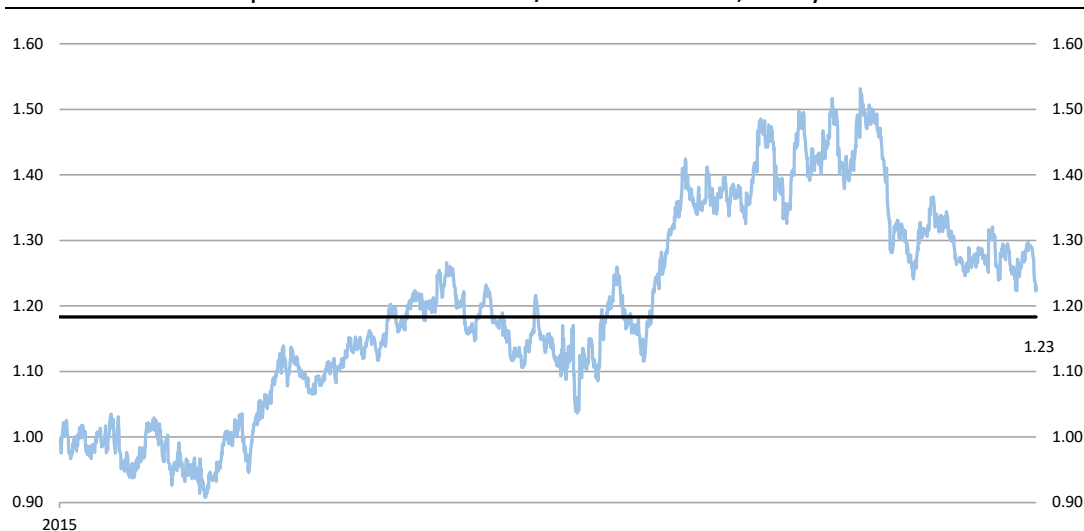


Source: FactSet

In addition to our analysis of the main Italian market indices, we have also compared valuations for our panel of Italian mid/small caps against the main FTSE MIB index.

On a P/E basis, our panel is trading at a 23% premium to large caps, above the historical average premium (18%) but below the level one month ago (29%).

Intermonte Mid & Small Cap Panel – next twelve months' P/E relative to FTSE MIB, last 10 years



Source: Intermonte SIM and FactSet

The table below shows the stocks in our mid/small cap coverage that have posted the largest re-ratings/de-ratings since January 2024, based on 2024 estimates.

European Market – Valuations

	P/E14	P/E15	P/E16	P/E17	P/E18	P/E19	P/E20	P/E21	P/E22	P/E23	P/E24	P/E24 vs Italian Equivalen	Last 10Y Median	Premium / Disc. vs Avg
FTSE MIB	11.4 x	18.8 x	19.7 x	16.7 x	n.m.	15.7 x	21.6 x	11.5 x	8.6 x	8.0 x	11.5 x		13.6 x	-15.3%
FTSE Italy Mid Cap	15.4 x	22.0 x	20.2 x	16.6 x	18.4 x	19.2 x	60.7 x	18.3 x	15.5 x	12.0 x	13.4 x		18.3 x	-26.7%
FTSE Italy Small Caps	34.2 x	nm	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x		14.9 x	-17.2%
Germany DAX (TR)	12.9 x	15.5 x	14.3 x	14.2 x	14.8 x	20.5 x	20.8 x	13.1 x	12.4 x	12.4 x	15.3 x	32.3%	14.3 x	6.5%
Germany MDAX	16.7 x	19.7 x	21.6 x	16.3 x	21.0 x	55.5 x	43.8 x	26.6 x	16.4 x	21.2 x	16.5 x	23.2%	21.2 x	-22.3%
France CAC 40	16.1 x	16.2 x	16.1 x	15.3 x	16.0 x	nm	28.6 x	15.6 x	13.1 x	19.9 x	15.6 x	35.4%	15.8 x	-1.3%
France CAC Mid 60	20.4 x	20.4 x	36.8 x	16.2 x	15.6 x	nm	nm	20.2 x	13.3 x	12.8 x	22.9 x	71.0%	16.2 x	
France CAC Small	25.3 x	26.5 x	32.9 x	31.0 x	32.6 x	nm	nm	45.0 x	23.8 x	22.0 x	16.0 x	29.8%	31.0 x	-48.3%
FTSE 100	15.3 x	18.2 x	14.7 x	13.2 x	12.6 x	21.8 x	21.1 x	13.0 x	10.5 x	11.4 x	12.1 x	5.2%	13.0 x	-6.4%
FTSE 250	17.3 x	16.5 x	14.6 x	12.7 x	13.4 x	43.1 x	43.8 x	21.2 x	14.3 x	21.8 x	13.9 x	4.1%	14.6 x	-4.5%
IBEX 35	19.4 x	15.8 x	13.3 x	13.7 x	13.0 x	32.1 x	34.8 x	11.9 x	10.8 x	10.6 x	11.8 x	2.6%	13.0 x	-9.1%
IBEX MEDIUM	20.5 x	18.9 x	20.9 x	17.0 x	13.8 x	20.4 x	20.4 x	15.4 x	14.5 x	14.9 x	13.8 x	2.8%	15.4 x	-10.7%

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2024 estimates since Jan 2024

Stock	Restated Net Profit 24 as of 31/12/23	Restated net profit 24 last estimate	% Chg in Net Profit 24	Share Price perf. 31/12/23	De-rating(-) Re-rating(+)
SERI INDUSTRIAL	-1.7	-28.9	-1639%	-26%	1613%
TALEA GROUP	1.2	-1.7	-248%	-37%	211%
AQUAFIL	6.2	-6.4	-204%	-58%	146%
ALKEMY	6.7	0.4	-94%	25%	119%
ANTARES VISION	11.7	6.9	-41%	74%	115%
TESMEC	9.2	-5.4	-159%	-43%	115%
REVO INSURANCE	61.9	20.7	-67%	40%	106%
AVIO	13.2	11.9	-10%	70%	79%
IEG	18.8	30.6	63%	138%	75%
SECO	23.2	-2.7	-112%	-54%	58%
FERRAGAMO	55.1	-0.1	-100%	-44%	56%
ELICA	13.5	2.1	-84%	-30%	55%
TXT E-SOLUTIONS	16.2	21.1	30%	82%	51%
WEBUILD	244.9	266.0	9%	59%	51%
CY4GATE	11.2	0.6	-95%	-44%	50%
GPI	24.6	13.5	-45%	5%	50%
MAIRE	150.7	206.3	37%	81%	44%
OVS GROUP	76.4	81.2	6%	45%	39%
IGD	49.9	34.7	-31%	7%	37%
DATALOGIC	28.9	8.4	-71%	-36%	36%
NOTORIOUS PICTURES	6.4	1.7	-73%	-40%	32%
OMER	9.0	9.1	0%	32%	32%
BANCA IFIS	151.6	167.1	10%	41%	31%
EMAK	22.9	12.0	-48%	-18%	30%
ACEA	326.0	343.6	5%	35%	29%
TECHNOGYM	103.2	90.9	-12%	17%	29%
SOMECH	8.5	0.9	-89%	-61%	29%
REPLY	208.0	203.4	-2%	26%	29%
CEMENTIR	221.1	198.6	-10%	16%	26%
ANIMA	172.9	252.0	46%	67%	22%
FILA	41.8	42.7	2%	22%	19%
EL.EN.	54.5	54.0	-1%	15%	16%
CYBEROO	7.3	4.0	-45%	-32%	13%
MEDIA FOR EUROPE	291.0	316.7	9%	22%	13%
LU-VE	34.5	37.0	7%	19%	12%
ENAV	117.3	123.9	6%	17%	12%
WIIT	19.8	16.8	-15%	-5%	10%
INTERCOS	70.1	63.9	-9%	0%	9%
PIAGGIO	114.9	73.1	-36%	-29%	7%
RAI WAY	90.5	89.5	-1%	6%	7%
MARR	60.8	47.8	-21%	-16%	6%
IREN	284.8	271.6	-5%	1%	6%
ESPRINET	32.4	23.4	-28%	-24%	4%
MONDADORI	66.6	64.5	-3%	-3%	(0%)
CREDITO EMILIANO	428.6	606.7	42%	40%	(2%)
FINE FOODS	11.3	9.8	-14%	-18%	(4%)
UNIDATA	12.1	9.9	-19%	-25%	(6%)
BREMBO	294.3	253.2	-14%	-20%	(6%)
ERG	252.9	196.5	-22%	-31%	(9%)
INDEL B	17.0	17.0	0%	-9%	(9%)
PHARMANUTRA	17.7	18.3	3%	-7%	(11%)
DE' LONGHI	273.7	308.7	13%	1%	(12%)
THE ITALIAN SEA GROUP	44.7	47.6	6%	-7%	(14%)
BANCA SISTEMA	15.1	18.6	23%	9%	(15%)
FRANCHI UMBERTO MARMI	14.2	13.8	-3%	-22%	(19%)
BFF BANK	200.1	200.1	0%	-27%	(27%)
INTRED	5.7	7.1	24%	-4%	(28%)
TINEXTA	62.9	48.4	-23%	-62%	(39%)
DOVALUE	55.9	35.3	-37%	-77%	(40%)
GEOX	34.6	34.6	0%	-43%	(43%)
SESA	110.2	106.4	-3%	-52%	(49%)

Source: Intermonte SIM

Liquidity

Mid-cap liquidity up in the last month

Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 27.3% higher than in the corresponding period one year ago and is up 18.3% Ytd. The picture is similar for mid-caps while it is weaker for small caps: specifically, since 1/1/25 liquidity is up 31.1% YoY for mid-caps while it is flat for small caps.

Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2025			Avg Daily Volume * Avg Price (Eu mn) 2024			% Changes (YoY)		
	1M to 16/01	3M to 16/01	YTD to 16/01	1M to 16/01	3M to 16/01	YTD to 16/01	1M to 16/01	3M to 16/01	YTD to 16/01
FTSE MIB									
All stocks	59.09	61.83	58.19	46.43	50.37	49.18	27.3%	22.8%	18.3%
Top 20% by market cap	155.46	166.26	151.99	124.63	139.82	130.68	24.7%	18.9%	16.3%
FTSE Italia Mid Cap									
All stocks	2.12	2.18	1.99	1.61	1.62	1.54	31.1%	34.3%	29.1%
Top 20% by market cap	4.78	4.39	4.32	3.58	3.61	3.51	33.6%	21.8%	23.1%
FTSE Italia Small Cap									
All stocks	0.29	0.29	0.28	0.31	0.27	0.28	(5.5%)	9.1%	(0.3%)
Top 20% by market cap	0.88	0.91	0.78	0.72	0.65	0.71	23.5%	39.8%	9.7%

Source: FactSet

For individual stocks, the following table ranks liquidity in our mid/small cap coverage.

Intermonte Mid & Small Cap Coverage – most liquid stocks

Stock	Market Cap (Eu mn)	6M Avg Volume * Avg Price (Eu)
ERG	2,990	9,279,683
ANIMA	2,141	5,519,862
FINCANTIERI	2,397	5,398,659
REPLY	5,649	4,932,457
BREMBO	2,960	4,779,684
MAIRE	2,915	4,106,245
BFF BANK	1,418	3,719,961
FERRAGAMO	1,161	3,507,190
IREN	2,589	3,082,980
LOTTOMATICA	3,322	2,945,668
DE' LONGHI	4,673	2,916,701
BANCA IFIS	1,195	2,553,122
OVS GROUP	957	2,523,949
SESA	915	2,427,253
PIAGGIO	756	2,278,535
TECHNOGYM	2,132	2,027,224
ACEA	3,972	1,898,017
ENAV	2,182	1,681,982
CREDITO EMILIANO	3,836	1,638,282
TINEXTA	363	1,539,886
DOVALUE	260	1,526,920
INTERCOS	1,376	1,315,771
RAI WAY	1,469	1,241,846
MARR	645	1,143,288
EL.EN.	902	1,108,678
MEDIA FOR EUROPE	1,922	1,096,282
FILA	431	796,449
ESPRINET	211	793,775
AVIO	378	648,307

Source: FactSet

Criteria for investing in mid/small caps

Italian Mid & Small Cap Coverage - geographical breakdown of sales (FY23)

Stock	Italy	Europe (incl. Russia, UK, Turkey)	North America (incl. Mexico)	South America	Asia (incl. China, India, South East Asia)	RoW (Africa, Middle East, Australia, Japan)
Intermonte Coverage	53%	24%	10%	1%	7%	4%

Source: Company data and Intermonte SIM (financial companies excluded from the sample)

A ranking of stocks with the highest expected earnings growth for 2024 vs. 2023, and the highest 2024 dividend yields, can be found in the following tables.

Intermonte Mid & Small Cap Coverage – dividend yield 2024

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 24	DPS 24	Yield 24 %	PayOut 24 %	Net Debt/EBITDA 24
BANCA IFIS	22.2	1195	3.106	2.177	9.8%	70%	
PIAGGIO	2.1	756	0.206	0.195	9.2%	95%	1.5
IREN	2.0	2589	0.209	0.128	6.4%	61%	3.3
MONDADORI	2.1	541	0.247	0.132	6.4%	53%	1.0
MEDIA FOR EUROPE	4.0	1922	0.557	0.250	6.3%	45%	0.8
ENAV	4.0	2182	0.229	0.253	6.3%	111%	0.9
RAI WAY	5.4	1469	0.329	0.328	6.1%	100%	0.8
MARR	9.7	645	0.719	0.575	5.9%	80%	1.3
CREDITO EMILIANO	11.2	3836	1.778	0.660	5.9%	37%	
ESPRINET	4.2	211	0.472	0.236	5.6%	50%	(0.4)
BANCA SISTEMA	1.3	105	0.232	0.073	5.6%	32%	
ANIMA	6.7	2141	0.793	0.340	5.1%	43%	
ERG	19.9	2990	1.307	1.000	5.0%	77%	3.8
ACEA	18.7	3972	1.613	0.916	4.9%	57%	3.3
THE ITALIAN SEA GROUP	7.6	404	0.898	0.370	4.9%	41%	(0.4)
GPI	10.4	301	0.488	0.500	4.8%	103%	3.3
MISITANO & STRACUZZI	3.9	103	0.289	0.170	4.3%	59%	0.5
NOTORIOUS PICTURES	0.7	17	0.077	0.031	4.2%	40%	2.2
FRANCHI UMBERTO MARMI	5.4	177	0.420	0.210	3.9%	50%	1.0
INDEL B	21.8	127	2.911	0.800	3.7%	27%	0.1
MAIRE	8.9	2915	0.628	0.323	3.6%	51%	(0.6)
DATALOGIC	4.4	255	0.150	0.150	3.4%	100%	0.1
WEBUILD	2.9	2981	0.267	0.100	3.4%	37%	(0.7)
EMAK	0.9	148	0.073	0.028	3.1%	38%	3.2
BREMBO	8.9	2960	0.790	0.253	2.9%	32%	0.4
OVS GROUP	3.3	957	0.331	0.089	2.7%	27%	0.7
DE' LONGHI	30.9	4673	2.044	0.835	2.7%	41%	(0.8)

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – EPS growth, 2024 vs. 2023

Stock	Price (Eu)	Mkt Cap (Eu mn)	P/E 23	P/E 24	EPS Growth
GPI	10.4	301	44.5	21.4	108%
FINE FOODS	7.2	159	37.3	18.8	98%
TESMEC	0.1	41	nm	nm	82%
MAIRE	8.9	2915	23.2	14.1	64%
MEDIA FOR EUROPE	4.0	1922	10.4	7.1	46%
REWAY GROUP	6.4	194	16.2	11.2	45%
REVO INSURANCE	11.8	289	19.5	14.0	40%
ANIMA	6.7	2141	11.5	8.5	36%
FILA	10.0	431	15.7	12.0	31%
THE ITALIAN SEA GROUP	7.6	404	10.9	8.5	29%
STAR7	6.2	56	9.6	7.6	27%
OVS GROUP	3.3	957	12.6	9.9	27%
DE' LONGHI	30.9	4673	18.6	15.1	23%
UNIDATA	3.0	91	11.2	9.3	21%
PHARMANUTRA	52.3	506	32.8	27.7	18%
TECHNOGYM	10.6	2132	27.5	23.4	17%
ACEA	18.7	3972	13.5	11.6	17%
DHH	22.6	118	33.3	28.7	16%
TXT E-SOLUTIONS	36.0	468	23.2	20.1	15%
LOTTOMATICA	13.2	3322	15.9	13.8	15%
INTERCOS	14.3	1376	24.4	21.5	13%
EL.EN.	11.3	902	18.6	16.7	12%
BFF BANK	7.5	1418	7.9	7.0	12%
ENAV	4.0	2182	19.3	17.6	10%
BANCA IFIS	22.2	1195	7.8	7.1	9%
REPLY	151.0	5649	30.3	27.8	9%
BANCA SISTEMA	1.3	105	6.1	5.6	9%
OMER	4.0	115	13.6	12.6	8%
FRANCHI UMBERTO MARMI	5.4	177	13.6	12.8	6%
SESA	59.1	915	8.9	8.6	4%
CEMENTIR	11.0	1757	9.1	8.8	3%
INDEL B	21.8	127	7.7	7.5	3%
MARR	9.7	645	13.7	13.5	1%
CREDITO EMILIANO	11.2	3836	6.3	6.3	0%
TIP	8.2	1514	11.4	11.4	0%
CYBEROO	2.0	84	21.3	21.4	0%
AVIO	14.3	378	32.4	32.6	-1%
RAI WAY	5.4	1469	16.0	16.4	-2%
IREN	2.0	2589	9.3	9.5	-2%

Source: Intermonte SIM and FactSet

Intermonte PIR Mid Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2024	P/E 2025	EV/ EBITDA 2024	EV/ EBITDA 225	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ACEA	11.6	11.7	6.6	6.7	4.9%	5.1%	-0.7%	1.0%	3.3x	3.2x
ANIMA	8.5	9.3			5.1%	5.1%				
BANCA IFIS	7.1	7.0			9.8%	10.0%				
BFF BANK	7.0	6.1			12.7%	14.2%				
BREMBO	11.2	10.1	5.6	4.4	2.9%	3.2%	1.9%	6.5%	0.4x	0.3x
CEMENTIR	6.3	7.4			5.9%	4.9%				
CREDITO EMILIANO	15.1	13.5	7.4	6.7	2.7%	3.0%	4.7%	6.3%	-0.8x	-1.0x
DE' LONGHI	16.7	15.7	8.0	8.0	2.0%	2.0%	6.0%	5.8%	-0.9x	-1.2x
EL.EN.	17.6	16.6	7.3	7.3	6.3%	6.5%	8.1%	12.1%	0.9x	0.4x
ENAV	15.2	14.3	10.4	8.6	5.0%	5.0%	-9.5%	3.8%	3.8x	3.5x
ERG	8.8	8.6	3.3	3.3	2.5%	2.6%	9.2%	12.3%	-0.7x	-1.1x
FERRAGAMO	nm	63.9	6.1	4.0	0.0%	0.8%	-3.4%	4.2%	3.1x	3.3x
FINCANTIERI	nm	24.2	8.5	6.7	0.0%	0.0%	-11.2%	7.2%	4.6x	3.8x
INTERCOS	21.5	18.0	10.5	8.6	1.2%	1.4%	3.0%	3.6%	0.5x	0.3x
IREN	9.5	8.6	5.5	5.4	6.4%	7.0%	0.9%	3.6%	3.3x	3.3x
LOTTOMATICA	13.8	9.6	6.8	6.0	2.2%	3.2%	5.2%	8.0%	2.8x	2.1x
LU-VE	16.6	15.6	8.1	8.1	1.5%	1.6%	4.7%	5.1%	1.4x	1.0x
MAIRE	14.1	12.7	5.2	6.0	3.6%	4.5%	3.3%	3.4%	-0.6x	-0.5x
MARR	13.5	12.2	7.4	6.5	5.9%	6.5%	2.6%	-6.0%	1.3x	1.8x
MEDIA FOR EUROPE	7.1	6.9	2.9	2.6	6.3%	6.3%	16.8%	18.4%	0.8x	0.5x
MONDADORI	8.4	7.5	4.7	3.9	6.4%	7.0%	12.9%	13.0%	1.0x	0.7x
OVS GROUP	9.9	8.9	4.1	4.2	2.7%	3.0%	8.0%	8.9%	0.7x	0.4x
PHARMANUTRA	27.7	23.8	15.8	13.7	1.8%	2.1%	2.8%	4.3%	-0.1x	-0.4x
PIAGGIO	10.2	7.8	4.6	3.7	9.2%	10.2%	9.2%	9.5%	1.5x	1.4x
RAI WAY	16.4	16.9	8.3	9.2	6.1%	5.9%	7.8%	7.9%	0.8x	1.4x
REPLY	27.8	24.3	12.4	12.4	0.7%	0.8%	3.9%	4.4%	-0.7x	-1.1x
SESA	8.6	8.7	7.2	4.2	1.7%	1.6%	12.5%	6.6%	0.0x	0.2x
TECHNOGYM	23.4	19.5	10.0	9.7	2.1%	2.5%	5.0%	5.3%	-1.0x	-1.3x
THE ITALIAN SEA GROUP	8.5	7.0	6.0	3.9	4.9%	5.9%	13.8%	16.4%	-0.4x	-0.9x
TINEXTA	7.5	6.2	10.4	6.3	1.9%	3.8%	7.0%	8.6%	3.1x	2.4x
TIP	11.4	10.9			1.9%	2.2%				
WEBUILD	10.9	9.0	1.8	2.1	3.4%	4.1%	-23.4%	5.8%	-0.7x	-0.7x

Source: Intermonte SIM

Intermonte PIR Small Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2024	P/E 2025	EV/ EBITDA 2024	EV/ EBITDA 225	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ABITARE IN	20.0	6.2	12.0	5.6	0.0%	4.7%	-38.7%	13.5%	5.2x	2.1x
ALKEMY	nm	26.2	11.1	9.4	0.0%	0.0%	5.1%	3.1%	5.4x	2.7x
ANTARES VISION	33.1	20.7	9.9	8.7	0.0%	0.0%	1.7%	4.8%	5.4x	2.5x
AQUAFIL	nm	7.1	5.7	3.6	0.0%	0.0%	12.1%	25.2%	4.1x	3.0x
AVIO	32.6	25.1	8.2	9.1	1.0%	2.0%	-11.1%	3.9%	-1.1x	-1.1x
BANCA SISTEMA	5.6	3.6			5.6%	6.9%				
CY4GATE	nm	27.4	7.5	5.0	0.0%	0.0%	-1.8%	1.0%	0.8x	0.6x
CYBEROO	21.4	15.2	13.0	6.7	0.0%	0.0%	-4.1%	2.0%	0.0x	-0.2x
DATALOGIC	29.2	14.6	7.9	4.7	3.4%	4.6%	8.2%	7.3%	0.1x	-0.1x
DHH	28.7	25.0	8.7	8.4	0.0%	0.0%	3.7%	4.9%	0.1x	-0.3x
DOVALUE	3.1	2.5	4.0	2.8	11.0%	18.3%	56.6%	71.9%	2.5x	2.2x
ELICA	47.8	48.0	5.9	5.1	2.5%	1.3%	4.5%	8.9%	1.9x	1.7x
EMAK	12.3	8.0	5.8	4.9	3.1%	5.0%	3.4%	10.5%	3.2x	2.7x
ESPRINET	8.9	7.4	3.4	2.2	5.6%	8.2%	8.5%	16.6%	-0.4x	-0.6x
FILA	12.0	10.8	3.3	3.3	1.5%	2.3%	33.1%	33.2%	2.7x	2.2x
FINE FOODS	18.8	14.5	8.4	7.0	1.6%	1.6%	-3.3%	-11.2%	1.7x	2.1x
FRANCHI UMBERTO MARMI	12.8	11.7	8.3	6.9	3.9%	4.3%	4.0%	11.4%	1.0x	0.5x
GEOX	3.1	3.0	4.2	3.4	16.2%	16.8%	20.8%	54.3%	2.9x	2.6x
GPI	21.4	18.1	6.6	5.8	4.8%	4.8%	-10.4%	8.6%	3.3x	3.0x
IEG	7.4	9.3	3.5	4.8	1.7%	1.8%	8.2%	-4.3%	1.2x	1.4x
IGD	7.8	7.6	10.2	10.7	2.2%	6.3%	1.9%	12.9%	7.9x	7.9x
INDEL B	7.5	6.8	4.2	3.5	3.7%	4.6%	13.4%	12.0%	0.1x	-0.3x
INTRED	23.7	21.4	8.1	7.6	1.1%	1.2%	-1.0%	-2.5%	1.2x	1.3x
MISITANO & STRACUZZI	13.5	12.3	6.7	7.2	4.3%	3.7%	-3.7%	4.7%	0.5x	0.4x
NOTORIOUS PICTURES	9.6	6.6	3.4	3.3	4.2%	6.0%	-16.1%	47.0%	2.2x	2.3x
OMER	12.6	11.7	5.9	5.3	0.0%	0.0%	3.3%	9.4%	-1.4x	-2.0x
REVO INSURANCE	14.0	8.7			1.0%	1.7%				
REWAY GROUP	11.2	9.2	7.0	6.2	0.0%	0.0%	2.4%	2.9%	1.4x	1.0x
SECO	nm	20.3	17.9	7.8	0.0%	0.0%	-0.6%	2.2%	3.3x	1.5x
SERI INDUSTRIAL	nm	nm	nm	nm	0.0%	0.0%	-39.7%	-44.3%	55.7x	34.7x
SOMECE	84.1	18.5	7.8	4.7	0.0%	0.0%	7.3%	24.7%	3.1x	2.0x
STAR7	7.6	6.7	5.0	4.2	0.0%	0.0%	10.2%	9.1%	2.0x	1.5x
SYS-DAT	30.6	24.3	10.0	9.2	0.0%	0.0%	3.2%	3.5%	-2.8x	-2.8x
TALEA GROUP	nm	13.5	22.2	7.8	0.0%	0.0%	22.8%	1.8%	9.9x	3.7x
TESMEC	nm	nm	5.9	4.8	0.0%	0.0%	-30.6%	13.8%	4.4x	3.8x
TXT E-SOLUTIONS	20.1	15.2	10.4	9.8	0.8%	1.0%	1.0%	3.8%	3.0x	2.0x
UNIDATA	9.3	7.4	5.7	4.3	0.5%	0.6%	10.2%	10.3%	1.7x	1.3x
WIIT	31.0	20.9	13.5	10.8	1.6%	2.4%	2.2%	5.7%	3.7x	2.9x

Source: Intermonte SIM

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- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium of 5.5% are being used.

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