

Italian Mid/Small Caps Monthly

Opportunity For Stock Picking at Attractive Valuations

by Intermonte Research Team

Italian Equity Market

- **Performance (-).** The Italian equity market (prices as at 17 March 2026) has posted a negative 2.7% performance in the last month and is down 1.0% YtD. The FTSE Italy Mid-Cap index (-9.6%) has performed 6.9% worse than the main index in the last month (and -8.1% YtD on a relative basis), with the FTSE Italy Small Caps index (-8.8%) performing 6.1% worse than the market and -10.6% on a relative basis YtD. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 4.3% in the last month, performing better than Italian mid/small caps.
- **Estimates (-).** Since the beginning of 2026, we have reduced our 2026/2027 EPS estimates by -2.7%/-1.3%; notably, estimate revisions in the last month have been slightly positive for large caps (+0.3%/+0.4% on 2026/2027 EPS, thanks to energy stocks). Focusing on our mid/small cap coverage, in the last month we have implemented a -1.3%/-1.7% reduction to 2026/2027 EPS.
- **Valuations (+).** If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 2.6% re-rating (+6.4% one month ago) while mid-caps have de-rated by 6.5% and small caps have de-rated by 9.7%. On a P/E basis, our panel is trading at a 16% premium to large caps, lower than the historical average premium (21%) and well below the level one month ago (22%).
- **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 6.2% higher than in the corresponding period one year ago (it was up 11.1% YoY one month ago) and up 16.9% YTD. The picture is also improving for mid/small caps: specifically, since 1/1/26, liquidity has increased 58.5% YoY for mid-caps and 40.4% for small caps.
- **Investment strategy.** Last month the market was down on macro fears triggered by the new war in the Middle East. Italian mid/small caps underperformed the market as a consequence of the market's risk-off inclination (Italian 10Y bond yields up 50bp) and fears of a resurgence in inflation. Despite FY results that have been reassuring on the whole, market sentiment has remained poor, especially on IT consultants. Consequently, mid/small caps are trading at close to a 5-year low relative to large caps. This leads us to reiterate our positive view on this asset class and, in particular, our preference for quality companies, leaders in their respective sectors, whose valuations are justified by realistic growth prospects or supported by strong cash generation. The Star Conference, which will be hosted by the Italian Stock Exchange next week, might provide the opportunity for Italian and foreign investors to reconsider some investment cases. In addition to IT enablers, we believe that appealing investment stories can also be found in the consumer and industrial sectors, particularly among companies that are successfully positioned in international markets thanks to the flexibility of their business models, the quality of their products and the reliability of their brands. Finally, we believe the media sector may regain ground, as it is currently trading at very attractive multiples. Improvements in mid/small cap liquidity are ongoing, and we expect this trend to be reinforced by the operational launch of the indirect National Strategic Fund (for which total funding is expected to reach c.Eu1bn).

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Performance

Mid/Small Caps underperformed in the last month

The Italian equity market (prices as at 17 March 2026) has posted a negative 2.7% performance in the last month and is down 1.0% YtD. The FTSE Italy Mid-Cap index (-9.6%) has performed 6.9% worse than the main index in the last month (and -8.1% YtD on a relative basis), with the FTSE Italy Small Caps index (-8.8%) performing 6.1% worse than the market and -10.6% on a relative basis YtD.

Italian Market Indexes – performance analysis (prices as at 17 March 2026)

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	53,464	-9.6%	-7.4%	-5.1%	-9.1%	4.5%	13.7%	28.6%	25.4%
FTSE Italia Small Cap	32,593	-8.8%	-9.3%	-9.5%	-11.6%	10.2%	19.3%	10.8%	35.3%
FTSE Italia Star	42,628	-11.4%	-13.1%	-12.3%	-14.8%	-5.1%	-8.4%	-10.8%	-12.0%
FTSE Italia Growth Index	8,327	-4.2%	-1.7%	-2.9%	-3.3%	7.0%	3.5%	-9.3%	0.9%
FTSE Italia All-Share	47,175	-2.7%	0.9%	5.9%	-1.0%	14.2%	30.7%	70.9%	78.6%
FTSE MIB	44,888	-1.9%	1.8%	7.0%	-0.1%	15.0%	32.3%	76.1%	84.9%

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	-6.9%	-8.2%	-11.0%	-8.1%	-9.7%	-17.0%	-42.2%	-53.2%
FTSE Italia Small Cap	-6.1%	-10.1%	-15.4%	-10.6%	-4.0%	-11.4%	-60.1%	-43.2%
FTSE Italia Star	-8.7%	-13.9%	-18.2%	-13.7%	-19.3%	-39.1%	-81.7%	-90.5%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 4.3% in the last month, performing better than Italian mid/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	201	-2.9%	4.1%	9.4%	1.9%	9.1%	18.9%	37.4%	42.9%
MSCI Europe Small Cap	485	-4.3%	2.4%	3.0%	-0.3%	8.0%	15.2%	25.2%	8.3%

Source: FactSet

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

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

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
TXT E-SOLUTIONS	31.40	408	31%
IGD	4.11	454	8%
SECO	2.63	350	8%
AVIO	36.95	1,729	6%
IEG	11.85	366	5%
PHARMANUTRA	67.90	657	5%
CY4GATE	7.55	178	3%
REWAY GROUP	11.25	342	2%
AQUAFIL	1.42	104	2%
FERRAGAMO	6.81	1,149	1%
WIIT	27.55	772	1%
GPI	16.40	474	1%
ANTARES VISION	5.00	362	0%
BANCA SISTEMA	1.64	132	0%
STAR7	8.35	75	-1%
TINEXTA	14.98	707	-1%
CAREL INDUSTRIES	21.10	2,374	-1%
ANIMA	6.71	2,182	-2%
ENAV	5.12	2,774	-2%
NOTORIOUS PICTURES	0.66	15	-2%
FTSE Italia Mid Cap			-10%
FTSE Italia Small Cap			-9%
FTSE MIB			-2%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
THE ITALIAN SEA GROUP	1.05	56	-75%
MISITANO & STRACUZZI	0.56	15	-71%
TESMEC	0.14	82	-32%
MARR	6.80	452	-29%
WEBUILD	2.40	2,456	-28%
ESPRINET	4.62	233	-25%
FINE FOODS	8.34	184	-23%
MEDIA FOR EUROPE	2.43	1,893	-20%
MAIRE	12.63	4,151	-20%
DE' LONGHI	31.62	4,784	-19%
BREMBO	8.66	2,892	-19%
INTERPUMP	32.26	3,512	-18%
TIP	8.09	1,492	-14%
DATALOGIC	3.69	216	-14%
EL.EN.	12.10	973	-12%
PIAGGIO	1.55	555	-11%
BFF BANK	3.00	566	-11%
REVO INSURANCE	21.65	634	-11%
BANCA IFIS	22.34	1,375	-11%
CEMENTIR	14.72	2,342	-11%

Source: FactSet

Intermonte Mid & Small Cap Coverage – best and worst performers YTD

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
WIIT	27.55	772	36%
IEG	11.85	366	35%
AVIO	36.95	1,729	26%
PHARMANUTRA	67.90	657	25%
IGD	4.11	454	18%
REVO INSURANCE	21.65	634	13%
ACEA	24.80	5,282	12%
ANIMA	6.71	2,182	11%
ENAV	5.12	2,774	9%
RAI WAY	5.89	1,602	5%
REWAY GROUP	11.25	342	5%
INTERCOS	11.52	1,110	4%
UNIDATA	3.01	93	4%
IREN	2.66	3,460	4%
TXT E-SOLUTIONS	31.40	408	3%
TECHNOGYM	16.63	3,348	3%
GPI	16.40	474	3%
AQUAFIL	1.42	104	2%
FNM	0.47	206	1%
STAR7	8.35	75	0%
FTSE Italia Mid Cap			-9%
FTSE Italia Small Cap			-12%
FTSE MIB			0%

Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
THE ITALIAN SEA GROUP	1.05	56	-74%
MISITANO & STRACUZZI	0.56	15	-73%
BFF BANK	3.00	566	-68%
INTERPUMP	32.26	3,512	-31%
DOVALUE	2.09	398	-30%
WEBUILD	2.40	2,456	-30%
ELICA	1.19	75	-29%
REPLY	82.50	3,086	-28%
ESPRINET	4.62	233	-25%
MARR	6.80	452	-25%
SYS-DAT	4.66	146	-24%
CEMENTIR	14.72	2,342	-22%
MEDIA FOR EUROPE	2.43	1,893	-21%
DATALOGIC	3.69	216	-20%
FERRAGAMO	6.81	1,149	-17%
TESMEC	0.14	82	-15%
PIAGGIO	1.55	555	-15%
SESA	76.50	1,185	-15%
CAREL INDUSTRIES	21.10	2,374	-14%
INTRED	8.64	138	-14%

Source: FactSet

Earnings Momentum

2026 mid/small cap EPS forecasts reduced in the last month

Since the beginning of 2026, we have reduced our 2026/2027 EPS estimates by -2.7%/-1.3%; notably, estimate revisions in the last month have been slightly positive for large caps (+0.3%/+0.4% on 2026/2027 EPS, thanks to energy stocks). Focusing on our mid/small cap coverage, in the last month we have implemented a -1.3%/-1.7% reduction to 2026/2027 EPS.

Italian Market – Intermonte changes to 2026 and 2027 estimates

EPS REVISION	Since 01/01/2026		Since 18/2/2026	
	% chg in EPS FY26	% chg in EPS FY27	% chg in EPS FY26	% chg in EPS FY27
Total Market	-2.7%	-1.3%	0.1%	0.3%
Total Market - Ex Energy	-2.9%	-2.1%	-0.5%	-0.5%
Domestic	-0.7%	2.2%	0.5%	0.7%
Non domestic	-7.0%	-7.5%	-0.8%	-0.7%
Non domestic - Ex Energy	-8.1%	-8.6%	-3.9%	-3.8%
FTSE MIB	-2.7%	-1.1%	0.3%	0.4%
Mid Caps (our coverage)	-2.9%	-2.9%	-1.3%	-1.7%
Small Caps (our coverage)	-1.9%	-1.9%	-1.5%	-1.7%
Intermonte Mid&Small Caps coverage	-2.8%	-2.8%	-1.3%	-1.7%

Source: Intermonte SIM

For individual stocks, the following tables rank the biggest changes to our 2026 adjusted net profit estimates since the beginning of 2026.

Intermonte Mid & Small Cap Coverage - largest changes to 2026 est. (up/down) since 1/1/26

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% chg from 31/12/25
Upward Revision			
AQUAFIL	10	12	15.1%
PHARMANUTRA	22	24	9.7%
BANCA IFIS	164	178	9.0%
SECO	16	17	7.2%
SYS-DAT	10	10	2.5%
UNIDATA	10	10	2.4%
CAREL INDUSTRIES	76	78	2.4%
AVIO	10	11	1.9%
DHH	5	5	1.3%
EMAK	21	21	0.9%
Downward Revision			
ELICA	2	0	-120.3%
MISITANO & STRACUZZI	2	1	-43.3%
TESMEC	11	8	-34.6%
FINE FOODS	18	14	-24.5%
BFF BANK	198	156	-21.2%
ERG	189	156	-17.2%
MARR	42	37	-12.0%
INTERCOS	77	69	-10.3%
PIAGGIO	55	50	-9.1%

Source: Intermonte SIM

Valuation

Mid/small cap valuation premium at the lowest level in the last 5 years

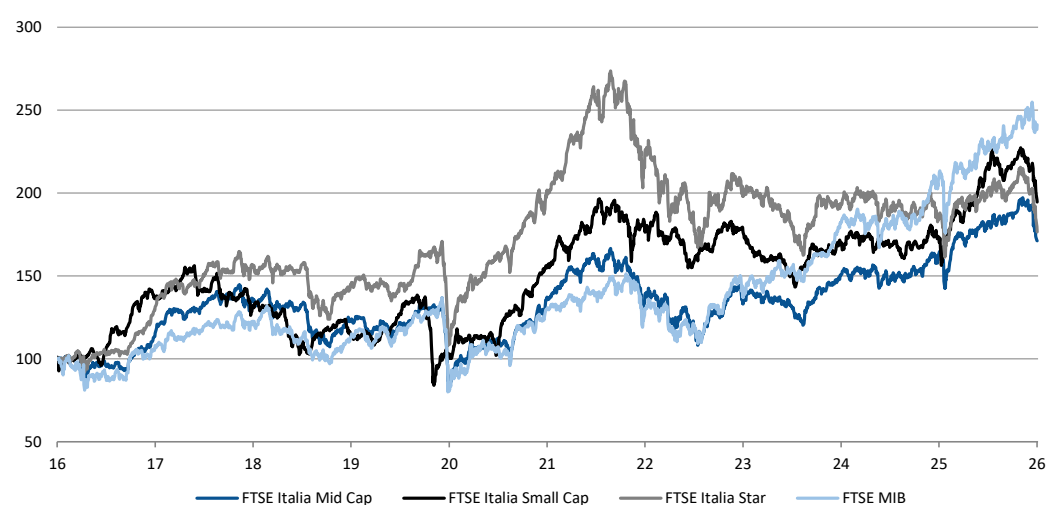
If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 2.6% re-rating (+6.4% one month ago) while mid-caps have de-rated by 6.5% and small caps have de-rated by 9.7%.

Italian Market – re/de-rating by index since 1/1/2026

Index	% Change since 1/1/2026	on FY26 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	-0.1%	-2.7%	2.6%
FTSE Italia Mid Cap	-9.1%	-2.7%	-6.5%
FTSE Italia Small Cap	-11.6%	-1.9%	-9.7%

Source: Intermonte SIM and FactSet

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

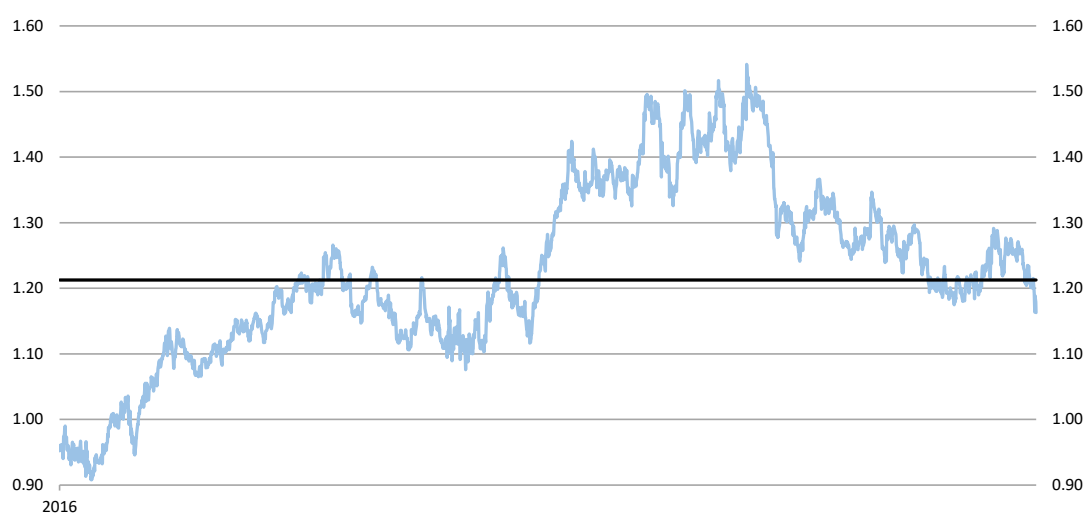


Source: FactSet

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 16% premium to large caps, lower than the historical average premium (21%) and well below the level one month ago (22%).

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 the beginning of the year, based on 2026 estimates.

European Market – Valuations

	P/E16	P/E17	P/E18	P/E19	P/E20	P/E21	P/E22	P/E23	P/E24	P/E25	P/E26	P/E26 vs Italian Equivalen	Last 10Y Median	Premium / Disc. vs Avg
FTSE MIB	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	13.8 x	12.7 x		12.7 x	0.0%
FTSE Italy Mid Cap	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	11.9 x	12.9 x		16.0 x	-19.5%
FTSE Italy Small Caps	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x	17.0 x	13.7 x		14.9 x	-8.0%
Germany DAX (TR)	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	17.9 x	15.0 x	18.4%	14.9 x	0.7%
Germany MDAX	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	20.8 x	15.7 x	21.3%	20.9 x	-25.0%
France CAC 40	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	21.3 x	15.8 x	24.3%	15.8 x	0.0%
France CAC Mid 60	36.8 x	16.2 x	15.6 x	nm	nm	20.2 x	13.3 x	12.8 x	22.9 x	21.2 x	13.9 x	8.0%	15.9 x	
France CAC Small	32.9 x	31.0 x	32.6 x	nm	nm	45.0 x	23.8 x	22.0 x	16.0 x	207.4 x	23.3 x	69.9%	27.4 x	-14.9%
FTSE 100	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	15.9 x	13.6 x	6.7%	13.1 x	3.6%
FTSE 250	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	14.3 x	11.5 x	-11.1%	14.3 x	-19.7%
IBEX 35	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	16.1 x	13.7 x	7.8%	13.4 x	2.6%
IBEX MEDIUM	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	16.2 x	13.1 x	1.2%	15.2 x	-13.9%

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2026 estimates since 1st Jan 2026

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% Chg in Net Profit 26	Share Price perf. 31/12/25	De-rating(-) Re-rating(+)
WIIT	22.1	21.5	-3%	36%	39%
IEG	34.2	33.6	-2%	35%	37%
AVIO	10.5	10.7	2%	26%	24%
TESMEC	11.5	7.5	-35%	-15%	20%
IGD	48.5	48.3	0%	18%	19%
ERG	188.8	156.4	-17%	-2%	16%
REVO INSURANCE	37.8	36.8	-2%	13%	15%
ACEA	355.5	344.2	-3%	12%	15%
PHARMANUTRA	21.8	23.9	10%	25%	15%
INTERCOS	76.7	68.8	-10%	4%	15%
ANIMA	267.3	267.3	0%	11%	11%
ENAV	91.0	91.0	0%	9%	9%
RAI WAY	87.9	86.5	-2%	5%	7%
REWAY GROUP	32.6	32.6	0%	5%	5%
IREN	321.1	321.1	0%	4%	4%
TECHNOGYM	132.7	132.7	0%	3%	3%
TXT E-SOLUTIONS	33.1	33.2	0%	3%	3%
GPI	28.8	28.8	0%	3%	3%
UNIDATA	9.9	10.1	2%	4%	2%
PIRELLI & C	610.0	591.8	-3%	-1%	2%
FNM	67.5	67.5	0%	1%	1%
STAR7	10.6	10.6	0%	0%	0%
TINEXTA	55.3	55.3	0%	0%	(0%)
ANTARES VISION	16.6	16.6	0%	0%	(0%)
MAIRE	301.4	298.0	-1%	-3%	(2%)
BANCA SISTEMA	28.4	28.4	0%	-3%	(3%)
ABITARE IN	7.9	7.9	0%	-3%	(3%)
NOTORIOUS PICTURES	3.6	3.6	0%	-4%	(4%)
CREDITO EMILIANO	528.0	522.1	-1%	-5%	(4%)
MONDADORI	76.7	74.3	-3%	-8%	(5%)
PIAGGIO	54.6	49.6	-9%	-15%	(6%)
DE' LONGHI	394.8	369.2	-6%	-13%	(7%)
LU-VE	45.3	45.5	0%	-7%	(7%)
EMAK	20.7	20.8	1%	-7%	(8%)
BREMBO	233.0	233.0	0%	-8%	(8%)
INTRED	9.1	8.7	-5%	-14%	(9%)
DHH	5.0	5.1	1%	-8%	(10%)
OVS GROUP	101.4	101.4	0%	-10%	(10%)
OMER	9.9	9.9	0%	-10%	(10%)
EL.EN.	58.3	57.3	-2%	-13%	(11%)
SOMEK	8.6	8.6	0%	-12%	(12%)
MARR	42.0	37.0	-12%	-25%	(13%)
FILA	46.1	46.1	0%	-13%	(13%)
AQUAFIL	10.4	12.0	15%	2%	(13%)
SESA	104.0	103.5	-1%	-15%	(14%)
CAREL INDUSTRIES	76.2	78.1	2%	-14%	(16%)
CEMENTIR	211.8	201.3	-5%	-22%	(17%)
SECO	15.7	16.8	7%	-10%	(17%)
DATALOGIC	16.9	16.9	0%	-20%	(20%)
BANCA IFIS	163.7	178.5	9%	-12%	(21%)
MEDIA FOR EUROPE	360.7	360.7	0%	-21%	(21%)
ESPRINET	24.9	24.0	-4%	-25%	(21%)
INTERPUMP	253.7	232.7	-8%	-31%	(23%)
REPLY	257.3	251.6	-2%	-28%	(26%)
SYS-DAT	9.7	10.0	3%	-24%	(26%)
DOVALUE	47.1	46.3	-2%	-30%	(29%)
WEBUILD	402.1	402.1	0%	-30%	(30%)
MISITANO & STRACUZZI	2.0	1.1	-43%	-73%	(30%)
BFF BANK	198.4	156.3	-21%	-68%	(47%)

Source: Intermonte SIM

Liquidity

Mid Small 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 6.2% higher than in the corresponding period one year ago (it was up 11.1% YoY one month ago) and up 16.9% YTD. The picture is also improving for mid/small caps: specifically, since 1/1/26, liquidity has increased 58.5% YoY for mid-caps and 40.4% for small caps.

Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2026			Avg Daily Volume * Avg Price (Eu mn) 2025			% Changes (YoY)		
	1M to 17/03	3M to 17/03	YTD to 17/03	1M to 17/03	3M to 17/03	YTD to 17/03	1M to 17/03	3M to 17/03	YTD to 17/03
FTSE MIB									
All stocks	100.38	91.03	92.12	94.51	76.84	78.78	6.2%	18.5%	16.9%
Top 20% by market cap	240.78	210.87	213.83	253.11	194.70	200.22	(4.9%)	8.3%	6.8%
FTSE Italia Mid Cap									
All stocks	4.33	4.12	4.19	3.18	2.63	2.64	36.0%	56.6%	58.5%
Top 20% by market cap	7.63	7.32	7.24	6.82	5.64	5.66	11.8%	29.8%	27.9%
FTSE Italia Small Cap									
All stocks	0.46	0.40	0.41	0.33	0.29	0.29	36.8%	37.3%	40.4%
Top 20% by market cap	1.15	0.98	1.00	0.88	0.79	0.77	31.4%	23.3%	30.5%

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)
AVIO	1,729	29,113,526
BFF BANK	566	14,895,937
INTERPUMP	3,512	12,419,433
PIRELLI & C	5,770	11,828,009
REPLY	3,086	10,602,866
WEBUILD	2,456	8,745,219
MAIRE	4,151	8,699,670
ERG	3,253	7,251,969
MEDIA FOR EUROPE	1,893	6,078,834
DE' LONGHI	4,784	5,532,061
BANCA IFIS	1,375	5,287,609
BREMBO	2,892	3,967,159
FERRAGAMO	1,149	3,844,836
IREN	3,460	3,625,084
SESA	1,185	3,351,499
TECHNOGYM	3,348	3,245,162
CEMENTIR	2,342	3,094,913
ENAV	2,774	2,920,618
DOVALUE	398	2,825,209
CREDITO EMILIANO	4,963	2,362,472
OVS GROUP	1,117	2,286,714
TIP	1,492	2,097,199
FILA	365	1,781,284
RAI WAY	1,602	1,767,650
TINEXTA	707	1,762,557
CAREL INDUSTRIES	2,374	1,753,524
WIIT	772	1,694,122
PIAGGIO	555	1,692,923
ANIMA	2,182	1,571,209

Source: FactSet

Criteria for investing in mid/small caps

Italian Mid & Small Cap Coverage - geographical breakdown of sales (FY24)

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	46%	28%	12%	2%	7%	6%

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

A ranking of stocks with the highest expected earnings growth for 2026 vs. 2025, and the highest 2026 dividend yields, can be found in the following tables.

Intermonte Mid & Small Cap Coverage – 2026 dividend yield

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 26	DPS 26	Yield 26 %	PayOut 26 %	Net Debt/EBITDA 26
BFF BANK	3.0	566	0.827	0.827	27.6%	100%	
THE ITALIAN SEA GROUP	1.1	56	0.509	0.217	20.6%	43%	0.9
MEDIA FOR EUROPE	2.4	1,893	0.516	0.280	11.5%	54%	2.4
BANCA IFIS	22.3	1,375	2.887	2.148	9.6%	74%	
MONDADORI	1.9	509	0.285	0.169	8.7%	59%	1.1
MARR	6.8	452	0.556	0.520	7.6%	93%	1.8
ANIMA	6.7	2,182	0.822	0.500	7.5%	61%	
ESPRINET	4.6	233	0.487	0.341	7.4%	70%	0.4
DOVALUE	2.1	398	0.244	0.134	6.4%	55%	2.3
NOTORIOUS PICTURES	0.7	15	0.161	0.040	6.1%	25%	1.4
EMAK	0.9	141	0.127	0.051	5.9%	40%	2.4
ENAV	5.1	2,774	0.168	0.290	5.7%	173%	0.1
IREN	2.7	3,460	0.247	0.150	5.6%	61%	3.1
RAI WAY	5.9	1,602	0.318	0.318	5.4%	100%	1.0
BANCA SISTEMA	1.6	132	0.353	0.088	5.4%	25%	
CREDITO EMILIANO	14.5	4,963	1.530	0.770	5.3%	50%	
MAIRE	12.6	4,151	0.907	0.659	5.2%	73%	(0.5)
PIAGGIO	1.6	555	0.140	0.080	5.2%	57%	1.8
FNM	0.5	206	0.155	0.024	5.0%	15%	3.6
ACEA	24.8	5,282	1.616	1.200	4.8%	74%	3.5
DE' LONGHI	31.6	4,784	2.444	1.485	4.7%	61%	(1.3)
ERG	21.6	3,253	1.041	1.000	4.6%	96%	4.0
IGD	4.1	454	0.438	0.180	4.4%	41%	7.8
PIRELLI & C	5.8	5,770	0.545	0.238	4.1%	44%	0.9
DATALOGIC	3.7	216	0.289	0.150	4.1%	52%	0.1
FILA	8.5	365	0.904	0.316	3.7%	35%	1.5
WEBUILD	2.4	2,456	0.395	0.081	3.4%	21%	(0.4)
OVS GROUP	4.4	1,117	0.414	0.143	3.3%	35%	0.5
BREMBO	8.7	2,892	0.728	0.266	3.1%	37%	1.0
GPI	16.4	474	0.959	0.500	3.0%	52%	2.8

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – EPS growth, 2026 vs. 2025

Stock	Price (Eu)	Mkt Cap (Eu mn)	P/E 25	P/E 26	EPS Growth
AQUAFIL	1.4	104	23.0	10.3	123%
DOVALUE	2.1	398	15.7	8.6	83%
MEDIA FOR EUROPE	2.4	1,893	7.5	4.7	60%
SOMEK	13.0	95	16.4	10.4	58%
GPI	16.4	474	25.5	17.1	49%
SECO	2.6	350	31.0	20.8	49%
PIAGGIO	1.6	555	16.2	11.1	46%
FNM	0.5	206	4.4	3.1	43%
ANTARES VISION	5.0	362	30.3	21.3	42%
WEBUILD	2.4	2,456	8.2	6.1	35%
FILA	8.5	365	12.6	9.4	34%
WIIT	27.6	772	46.8	36.0	30%
EL.EN.	12.1	973	22.0	16.9	30%
REVO INSURANCE	21.7	634	22.2	17.2	29%
EMAK	0.9	141	8.5	6.7	26%
BANCA IFIS	22.3	1,375	9.7	7.7	25%
TINEXTA	15.0	707	15.4	12.8	20%
INTERCOS	11.5	1,110	19.3	16.1	20%
PHARMANUTRA	67.9	657	32.9	27.5	20%
MARR	6.8	452	14.6	12.2	20%
CAREL INDUSTRIES	21.1	2,374	36.2	30.4	19%
ESPRINET	4.6	233	11.3	9.5	19%
TECHNOGYM	16.6	3,348	29.9	25.2	19%
THE ITALIAN SEA GROUP	1.1	56	2.4	2.1	18%
STAR7	8.4	75	8.3	7.1	17%
IGD	4.1	454	11.0	9.4	17%
DE' LONGHI	31.6	4,784	15.1	12.9	17%
CEMENTIR	14.7	2,342	13.6	11.6	16%
INTRED	8.6	138	18.4	15.8	16%
IEG	11.9	366	12.6	10.9	16%
DATALOGIC	3.7	216	14.7	12.8	15%
BANCA SISTEMA	1.6	132	5.3	4.6	15%
SYS-DAT	4.7	146	16.8	14.6	15%
MAIRE	12.6	4,151	15.9	13.9	14%
REWAY GROUP	11.3	342	15.3	13.4	14%
INTERPUMP	32.3	3,512	16.9	15.1	12%
ENAV	5.1	2,774	34.0	30.5	12%
SESA	76.5	1,185	12.4	11.2	10%
OVS GROUP	4.4	1,117	11.6	10.6	10%

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 2025	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ACEA	14.0	15.3	7.1	8.1	4.8%	4.8%	-0.7%	0.8%	3.5x	3.5x
ANIMA	8.7	8.2			6.7%	7.5%				
AVIO	80.9	nm	nm	33.0	0.4%	0.3%	7.6%	-5.7%	-18.3x	-14.9x
BANCA IFIS	9.7	7.7			9.5%	9.6%				
BFF BANK	3.7	3.6			0.0%	27.6%				
BREMBO	12.8	11.9	5.8	5.3	2.9%	3.1%	1.4%	7.3%	1.3x	1.0x
CAREL INDUSTRIES	36.2	30.4	19.6	17.2	0.9%	0.9%	4.3%	2.2%	-0.1x	-0.2x
CEMENTIR	13.6	11.6	4.7	4.3	2.0%	2.1%	7.9%	8.1%	-1.1x	-1.4x
CREDITO EMILIANO	9.2	9.5			5.2%	5.3%				
DE' LONGHI	15.1	12.9	6.4	6.0	4.0%	4.7%	6.0%	7.6%	-1.2x	-1.3x
EL.EN.	22.0	16.9	7.6	7.5	2.1%	2.3%	6.4%	5.6%	-1.9x	-2.0x
ENAV	34.0	30.5	9.2	10.8	5.5%	5.7%	10.6%	8.6%	0.4x	0.1x
ERG	21.0	20.8	9.3	9.8	4.6%	4.6%	2.7%	0.6%	3.9x	4.0x
FERRAGAMO	nm	nm	5.4	5.6	0.0%	0.0%	-10.4%	-2.6%	2.7x	2.5x
INTERCOS	19.3	16.1	8.4	7.4	1.5%	1.5%	2.5%	3.7%	0.7x	0.7x
INTERPUMP	16.9	15.1	9.7	7.5	1.1%	1.1%	6.4%	7.3%	0.8x	0.3x
IREN	11.4	10.8	6.4	6.4	5.2%	5.6%	2.0%	1.6%	3.1x	3.1x
LU-VE	17.9	18.0	8.9	9.1	1.3%	1.3%	4.4%	5.2%	0.8x	0.5x
MAIRE	15.9	13.9	6.7	6.9	4.6%	5.2%	4.7%	4.4%	-0.6x	-0.5x
MARR	14.6	12.2	7.7	5.5	6.4%	7.6%	1.4%	3.6%	1.9x	1.8x
MEDIA FOR EUROPE	7.5	4.7	7.7	4.1	11.1%	11.5%	16.7%	19.3%	3.9x	2.4x
MONDADORI	7.1	6.8	4.5	4.2	7.9%	8.7%	12.8%	11.9%	1.0x	1.1x
OVS GROUP	11.6	10.6	5.0	5.4	3.0%	3.3%	6.0%	6.2%	0.8x	0.5x
PHARMANUTRA	32.9	27.5	13.7	16.3	1.8%	2.0%	2.5%	3.2%	-0.3x	-0.5x
PIAGGIO	16.2	11.1	5.0	3.9	2.6%	5.2%	-1.2%	18.1%	2.3x	1.8x
PIRELLI & c	9.9	10.6	4.5	4.8	5.9%	4.1%	8.3%	7.9%	0.8x	0.9x
RAI WAY	17.4	18.5	9.1	9.5	5.6%	5.4%	7.3%	7.3%	0.8x	1.0x
REPLY	12.3	12.3	10.0	5.2	1.6%	1.8%	9.1%	8.8%	-1.0x	-1.5x
SESA	12.4	11.2	6.1	4.9	1.3%	1.4%	4.6%	8.1%	0.3x	0.2x
TECHNOGYM	29.9	25.2	11.9	13.4	2.3%	2.7%	3.9%	3.9%	-0.6x	-0.8x
TINEXTA	15.4	12.8	8.2	8.3	1.2%	1.7%	6.9%	6.2%	2.3x	1.9x
TIP	10.7				2.2%					
WEBUILD	8.2	6.1	2.5	1.6	3.4%	3.4%	-30.3%	4.9%	-0.4x	-0.4x
WIIT	46.8	36.0	10.7	13.5	1.1%	1.4%	2.8%	3.6%	3.5x	3.0x

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 2025	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ABITARE IN	nm	9.2	21.3	9.9	0.0%	0.0%	-82.3%	26.3%	13.5x	6.4x
ANTARES VISION	30.3	21.3	9.8	9.0	0.0%	0.0%	2.8%	5.0%	2.2x	1.2x
AQUAFIL	23.0	10.3	4.7	3.9	0.0%	0.0%	7.2%	17.3%	3.4x	2.5x
BANCA SISTEMA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CY4GATE	nm	nm	6.5	8.1	0.0%	0.0%	12.9%	4.1%	0.7x	0.3x
DATALOGIC	14.7	12.8	5.8	4.1	3.3%	4.1%	0.2%	9.1%	0.5x	0.1x
DHH	25.1	23.1	8.7	7.3	0.0%	0.0%	3.4%	4.6%	-0.2x	-0.5x
DOVALUE	15.7	8.6	4.0	3.4	4.1%	6.4%	19.4%	25.3%	2.1x	2.3x
ELICA	nm	nm	6.2	4.6	0.0%	0.8%	17.2%	9.5%	2.9x	2.0x
EMAK	8.5	6.7	5.1	4.4	3.5%	5.9%	13.6%	17.0%	2.9x	2.4x
ESPRINET	11.3	9.5	4.2	3.5	7.6%	7.4%	15.2%	18.0%	0.6x	0.4x
FILA	12.6	9.4	5.3	4.2	2.8%	3.7%	11.8%	15.1%	1.9x	1.5x
FINE FOODS	16.7	15.3	6.6	6.6	1.9%	1.6%	-2.2%	-1.9%	1.4x	1.4x
FNM	4.4	3.1	3.6	4.0	4.9%	5.0%	-69.5%	-230.9%	3.3x	3.6x
GPI	25.5	17.1	6.3	6.7	3.0%	3.0%	-0.6%	4.1%	3.1x	2.8x
IEG	12.6	10.9	4.6	5.2	1.7%	1.8%	-5.1%	7.9%	1.3x	0.9x
IGD	11.0	9.4	11.5	12.3	3.7%	4.4%	6.4%	8.8%	8.0x	7.8x
INTRED	18.4	15.8	7.8	6.2	1.4%	1.4%	-3.6%	4.2%	1.6x	1.3x
MISITANO & STRACUZZI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NOTORIOUS PICTURES	nm	4.1	4.3	1.9	0.0%	6.1%	-4.6%	33.6%	3.2x	1.4x
OMER	10.3	10.2	6.3	4.0	0.0%	0.0%	3.1%	15.4%	-1.2x	-2.1x
REVO INSURANCE	22.2	17.2			1.2%	1.5%				
REWAY GROUP	15.3	13.4	7.6	8.3	0.0%	0.0%	1.4%	4.3%	1.2x	0.7x
SECO	31.0	20.8	9.5	8.5	0.0%	0.0%	1.0%	1.5%	1.4x	0.9x
SOMECE	16.4	10.4	4.2	3.0	0.0%	3.0%	14.1%	28.0%	1.3x	0.5x
STAR7	8.3	7.1	4.3	4.5	0.0%	0.0%	9.4%	8.7%	1.4x	0.9x
SYS-DAT	16.8	14.6	9.8	6.3	0.7%	0.9%	6.8%	7.3%	-1.0x	-1.1x
TESMEC	nm	10.9	4.5	4.5	0.0%	0.0%	26.0%	4.6%	3.2x	2.7x
THE ITALIAN SEA GROUP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
TXT E-SOLUTIONS	12.9	12.0	9.1	7.5	1.1%	1.2%	7.4%	7.8%	1.9x	1.4x
UNIDATA	9.6	9.2	4.3	4.5	0.4%	0.4%	5.4%	7.5%	1.3x	1.3x

Source: Intermonte SIM

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GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (DCF) model or similar methods such as a dividend discount model (DDM)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- 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.

Frequency of research: quarterly.

Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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