



SOCIETÀ BENEFIT S.P.A.

1H23 crescita top-line a doppia cifra, margini in ripresa

Settore: Tecnologia

Vendite del primo semestre 2023 aumentate del 49% grazie a crescita organica e M&A.

Nel 1H23, SG Company Società Benefit ha aumentato i suoi ricavi del +49%, raggiungendo Euro 12.0 m di euro, grazie alla crescita organica (+6%), leggermente al di sotto delle nostre aspettative per l'anno intero, e al contributo di Louder Italia per un totale di Euro 3.5 m (in linea con le aspettative di Euro 7.0 m per l'anno intero). Il margine lordo si è attestato a Euro 1.8 m, in aumento rispetto a Euro 1.2 m di euro nel 1H23 a seguito dei maggiori volumi di vendita, mentre il margine lordo è rimasto sostanzialmente stabile al 15% (14.9% vs. 15.1% nel 1H22). Le spese operative sono aumentate rispetto al 1H22 c. +57% YoY a Euro 2.3 m (Euro 1.5 m nel 1H23) principalmente, secondo il Management, a seguito dei costi diretti e indiretti legati all'attività di M&A. Di conseguenza, l'EBITDA si è attestato a Euro -224 k, in calo rispetto a Euro -51 k nel 1H23 mentre si registra un utile netto pari a Euro 0.1 m, rispetto a una perdita netta di Euro 0.1 m nel 1H23 grazie anche a Euro 0.4 m di dividendi versati dalle controllate. Ricordiamo che il Gruppo beneficia ancora della sospensione legata al Covid-19 delle D&A (prevista per scadere nel FY24). In riferimento allo stato patrimoniale, il debito netto si è attestato a Euro 4.9 m, in aumento rispetto a Euro 3.1 m alla fine dell'anno scorso riflettendo l'attività di M&A (uscita totale di cassa pari a Euro 2.5 m nel 1H23). Il patrimonio netto a Giugno 2023 si attesta a Euro 2.8 m (Euro 3.1 m nel FY22).

Impegno continuo nelle fusioni e acquisizioni a sostegno della futura crescita dei ricavi e dei margini.

Il Management non ha fornito una guidance per il FY23, ma ha espresso aspettative di crescita delle vendite e maggiore redditività nel secondo semestre data la stagionalità del business e il contributo positivo della recentemente acquisita FMA (closing a luglio 2023) e Geotag (closing previsto a dicembre 2023). In termini di sviluppo aziendale, finora nel FY23 il Gruppo ha aggiunto tre aziende al perimetro di consolidamento: i) Louder Italia (si veda il report precedente), ii) FMA, specializzata in Brand Activation e con un portafoglio clienti che include marchi come Ferrero, Cameo, Carlsberg, BIC Italia ecc. (vendite totali FY22 di Euro 2.9 m, un margine EBITDA del 15% e una posizione di cassa di Euro 0.9 m, vendite 1H23 + 38% YoY) e iii) Geotag, una Media Agency specializzata in Proximity Marketing (vendite totali FY22 di Euro 4.1 m, un margine EBITDA di c. 18% e una posizione di cassa di Euro 1.8 m). Inoltre, il Gruppo ha effettuato investimenti minoritari attraverso l'aumento di capitale in Kampaay (Euro fino a 3 m vedi il nostro ultimo rapporto) e Socialbroker (Euro 1.0 m per c 20% in agosto 2023) PMI innovative attive nello sviluppo e marketing di tecnologie software avanzate, con un focus su assicurazioni e finanza. Sebbene il Gruppo si stia avvicinando all'obiettivo stabilito nel piano di investimento annunciato nel luglio 2022 (investimenti totali in M&A di Euro 7.0 m entro il 2023), ci aspettiamo che il Management continui il suo implacabile impegno per la crescita esterna mirata a completare l'offerta di prodotti di comunicazione e servizi ad alto valore aggiunto congiuntamente ad un processo di internalizzazione delle competenze. A nostro avviso, i cambiamenti strutturali apportati negli ultimi due anni in termini di portafoglio prodotti, innovazione ed efficienze interne dovrebbero permettere al Gruppo di continuare a far crescere ricavi e margini anche nel medio termine e quindi confermiamo la nostra posizione positiva sul titolo.

Aggiornamento delle stime e nuovo TP. In riferimento a quando è stato sopra descritto, abbiamo leggermente ridotto la previsione di vendite per il FY23 tenendo conto di crescita organica inferiore alle aspettative, parzialmente compensata da nuovi M&A. Si prevedono vendite per il FY23 di Euro 30.6 m (Euro 32 m pr.) e un EBITDA di Euro 1.1 m (Euro 1.9 m pr.). Per il FY24 ci aspettiamo vendite di Euro 40.5 m, +9% rispetto a Euro 37 m pr. a seguito della piena consolidazione di FMA e Geotag, mentre si lasciano invariate le nostre aspettative di crescita organica al 15%. Prevediamo un EBITDA FY24 di Euro 4.0 m rispetto a Euro 3.7 m pr. Nel complesso, ciò si traduce in un aumento medio delle vendite e dell'EPS rispettivamente del +2% e del -14%. Sulla base delle nostre stime aggiornate, abbiamo fissato un nuovo TP di 0.83 p.a., confermando in gran parte il precedente a Euro 0.82 p.a.. La nostra valutazione, basata su un modello DCF, prevede un potenziale upside del +238%.

Target Price **0.83 (0.82 pr.)**

Market Cap (€ m) **5.0**

EV (€ m) **10**

Market Price (€) **0.24**

Al 13 ottobre 2023

Share Data

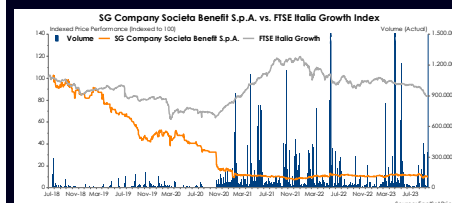
Market	Euronext Growth Milan
Bloomberg	SGC.IM
ISIN	IT0005337172
N. of Shares	31,863,070
Market	62,35%
Warrants Outstanding	17,967,265
Strike price war. (Eu)	0.66
Exerc. Period war.	Nov 23-27
CEO	Davide Verdesca

Financials

	2021A	2022E	2023E	2024E
Sales	11.4	16.9	30.6	40.5
YoY %	+14%	48%	82%	32%
EBITDA	1.5	0.7	1.2	4.0
EBITDA %	13%	4%	4%	10%
EBIT	(0.1)	0.4	0.9	3.2
EBIT %	n.m.	3%	3%	8%
Net Income	(0.1)	0.2	0.9	2.3
Net D/(C)	0.8	3.4	5.5	3.8
Net Equity	2.9	3.1	4.0	6.3

Performance

	1M	3M	6M
Absolute %	-15%	-21%	-24%
Relative (FTSE Italia Growth)	-8%	-11%	-11%
52-week High/Low (Eu)	0.36	/	0.22



Sustainability

Sustainability and impact reports available

Luisa Primi

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La presente è emessa previo accordo con MIT SIM SpA, lo Specialist ingaggiato da parte della Società.

Dati finanziari

Profit&Loss Statement	2020A	2021A	2022A	2023E	2024E
Revenues	10.0	11.4	16.9	30.6	40.5
EBITDA	(3.4)	1.5	0.7	1.2	4.0
EBIT	(4.1)	(0.1)	0.4	0.9	3.2
Financial Income (charges)	(0.1)	(0.0)	(0.1)	0.3	(0.2)
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit (loss)	(4.1)	(0.1)	0.4	1.1	3.1
Taxes	1.0	(0.0)	(0.1)	(0.3)	(0.7)
Net profit (loss)	(3.1)	(0.1)	0.2	0.9	2.3

Balance Sheet					
Net working capital (NWC)	0.8	2.5	3.0	3.4	4.4
Net fixed assets	2.2	2.9	4.4	7.0	6.6
M/L Funds	(1.1)	(1.7)	(0.9)	(0.9)	(0.9)
Net Capital Employed	1.9	3.7	6.5	9.5	10.1
Net Debt	3.0	0.8	3.4	5.5	3.8
Minorities	0.0	0.0	0.0	0.0	0.0
Equity	(1.1)	2.9	3.1	4.0	6.3

Cash Flow					
Net Profit	(3.1)	(0.1)	0.2	0.9	2.3
D&A	0.0	0.0	0.0	0.0	0.5
Other non cash items	(0.2)	0.6	(0.9)	0.0	0.0
Change in Working Capital	1.0	(1.6)	(0.5)	(0.4)	(1.1)
Cash Flow from Operations	(2.3)	(1.1)	(1.2)	0.5	1.8
Capex	1.1	(0.8)	(1.5)	(2.6)	(0.1)
Operating Free Cash Flow	(1.1)	(1.9)	(2.7)	(2.0)	1.7
Change in Net Equity	(0.1)	4.1	(0.0)	(0.0)	0.0
Free Cash Flow	(1.2)	2.2	(2.7)	(2.1)	1.7

Per Share Data						
Current Price		0.24				
Total shares out m		31.86				
EPS		(0.1)	(0.0)	0.0	0.0	0.1
FCF		(0.0)	0.1	(0.1)	(0.1)	0.1
Pay out ratio		0%	0%	0%	0%	100%

Ratios					
EBITDA margin	n.s.	13.1%	4.1%	3.9%	9.9%
EBIT margin	n.s.	n.s.	2.6%	2.9%	7.9%
Net Debt/Equity	-268.2%	25.8%	110.9%	138.8%	60.4%
Net Debt/(Net Debt + Equity)	159.5%	20.5%	52.6%	58.1%	37.7%
Net Debt/EBITDA	n.s.	0.50	4.91	4.61	0.95
Interest cover EBIT	n.s.	n.s.	4.73	-3.33	21.42
ROE	278.5%	-4.1%	7.1%	22.0%	36.9%
ROCE	-268.3%	-1.8%	8.8%	12.2%	39.0%
Free Cash Flow Yield	n.m.	28.5%	n.m.	n.m.	21.8%

Growth Rates					
Revenues	-73%	14%	48%	82%	32%
EBITDA	-60%	144%	-53%	71%	237%
EBIT	-37%	98%	714%	98%	264%
Net Profit	16%	96%	286%	297%	167%

FY22 Dati finanziari

Euro m	1H23	1H22	1H21	1H20	1H19	FY22	FY21	20A	19A
Revenues	12.0	8.1	4.0	5.6	17.5	16.9	11.4	10.0	37.4
yoy	+49%	+102%	-18%	-68%	+10%	+48%	+14%	-73%	12%
EBITDA adj	(0.2)	(0.1)	(0.1)	(2.0)	(1.7)	0.7	1.5	(3.4)	(2.1)
Margin	n.s.	n.s.	n.s.	n.s.	n.s.	4%	13%	n.s.	n.s.
EBIT adj	(0.2)	(0.1)	(0.4)	(2.1)	(1.8)	0.4	(0.1)	(3.8)	(2.5)
Margin	n.s.	n.s.	n.s.	n.s.	n.s.	3%	n.s.	n.s.	n.s.
Pre tax profit	0.2	(0.1)	(0.6)	(2.2)	(2.2)	0.4	(0.1)	(4.1)	(4.3)
Net Profit/ (Loss)	0.1	(0.1)	(0.6)	(1.7)	(1.8)	0.2	(0.1)	(3.1)	(3.7)
Net Working Capital	3.1	2.1	1.8	1.2	2.5	2.9	1.8	1.2	1.9
Fixed net assets	5.6	3.2	2.4	2.2	1.5	4.4	2.9	2.2	2.2
Funds	(1.0)	(1.0)	(1.0)	(1.1)	(0.9)	(0.8)	(1.7)	(1.1)	(0.9)
Net Capital Employed	7.7	4.3	3.2	2.3	3.1	6.5	3.7	2.3	3.2
Net Financial Position (Cash)	4.9	1.4	2.2	3.4	0.5	3.4	0.8	3.4	1.1
Total Equity	2.6	2.9	1.0	(1.1)	2.6	3.1	2.9	(1.1)	2.0
Sources	7.7	4.3	3.2	2.3	3.1	6.6	3.7	2.3	3.2

Fonte: Bilancio Consolidato della Società

Revisione stime

Euro m	23E Old	23E New	Var FY23	24E Old	24E New	Var FY24	Var av.
Revenues	32.2	30.6	-5%	37.0	40.5	9%	2%
yoy	91%	82%		15%	32%		
EBITDA	1.9	1.2	-38%	3.7	4.0	9%	-14%
margin	6%	4%		10%	10%		
EBIT	1.6	0.9	-45%	2.9	3.2	9%	-18%
margin	5%	3%		8%	8%		
Pre tax profit	1.5	1.1	-21%	2.8	3.1	10%	-5%
Net Profit	1.1	0.9	-21%	2.1	2.3	10%	-5%

Euro m	23E Old	23E New	Var FY23	24E Old	24E New	Var FY24	Var av.
Net Working Capital	3.7	3.4	-8%	4.2	4.4	6%	-1%
Fixed net assets	4.9	7.0	43%	4.5	6.6	46%	44%
Funds	(0.9)	(0.9)	0%	(0.9)	(0.9)	0%	0%
Net Capital Employed	7.7	9.5	23%	7.8	10.1	29%	26%
Net Debt/ (Cash)	3.5	5.5	58%	1.5	3.8	154%	106%
Total Equity	4.2	4.0	-6%	6.3	6.3	0%	-3%
Sources	7.7	9.5	23%	7.8	10.1	29%	26%

Fonte: Stime di PMI Capital research

VALUTAZIONE

Abbiamo aggiornato il nostro modello di valutazione basato sul DCF tenendo conto delle nostre nuove stime, del tasso risk free e dell'ERP aggiornati. Abbiamo quindi ottenuto un Fair Value di SG Company SB di Euro 25.4 m, o Euro 0.83 p.a., confermando in gran parte il precedente a Euro 0.82 p.a.. Il nostro Target Price prevede un upside rispetto al prezzo corrente delle azioni di c. 238%. La nostra valutazione si basa esclusivamente sull'analisi del Discounted Cash Flow (DCF), abbiamo deciso di escludere la Relative Valuation basata sui multipli poiché è necessario un arco di tempo più lungo per riflettere il fair value della Società: ad oggi il settore si sta ancora riprendendo dagli effetti devastanti della pandemia.

DCF Valuation	
WACC	9.17%
Perpetual growth rate (g)	1%
Sum of PV 2023-28 FCFs	12.7
Discounted terminal value	17.9
Enterprise Value	30.6
Indebitamento Finanziario Netto (1H23)	4.9
Minorities (1H23)	0.3
Equity Value	25.4
Azioni circolanti (al netto delle proprie) m	31.6
Prezzo per azione (Euro)	0.83

SG COMPANY SOCIETA' BENEFIT SNAPSHOT

PROFILO SOCIETA'

SG Company Società Benefit S.p.A. è una PMI innovativa operante nel campo della tecnologia con un portafoglio clienti di alto livello, quotata su Euronext Growth Milan di Borsa Italiana (ticker: SGC). Da oltre 20 anni tra i principali attori in Italia, opera nel settore dell'Intrattenimento & Comunicazione ed è specializzata, attraverso le sue varie controllate, in attività di Comunicazione Digitale & Live; produzione di eventi e M.I.C.E. (Sinergie S.r.l. e Louder Italia S.r.l.); in campagne digitali; in Branded Content e progetti di intrattenimento; analisi e piattaforme per Eventi Digitali (Brainwaves S.r.l.); in progetti Commerciali, aziendali e advertising digitale; Produzione e post Produzione Video e audio; motion graphic e sound design (Double S.r.l.); in strategie di comunicazione integrata e digitale (Mission to Heart S.r.l.) e in attivazione shopper & brand; sviluppo & design retail; eventi & street marketing; strategia & consulenza; Customer Marketing (FMA S.r.l.). In linea con la sua mission della "Sharing Growth", l'azienda ha intrapreso anche il percorso ESG (Ambientale, Sociale e di Governance) credendo fermamente nel valore delle attività di beneficio collettivo e adottando il modello organizzativo 231. Inoltre, Sinergie S.r.l. è certificata ISO 9001 per la qualità e ISO 37001 per l'anticorruzione al fine di garantire una gestione sostenibile e trasparente dell'azienda sempre più orientata al futuro.

Management

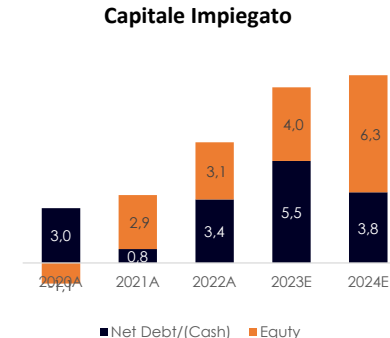
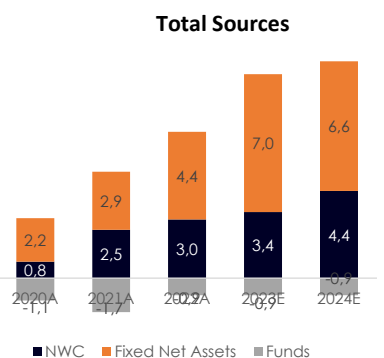
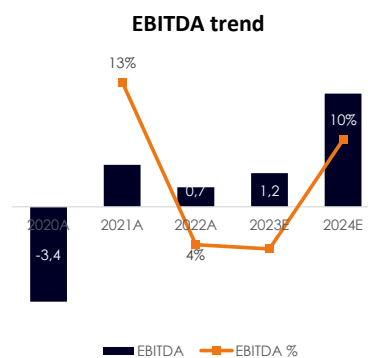
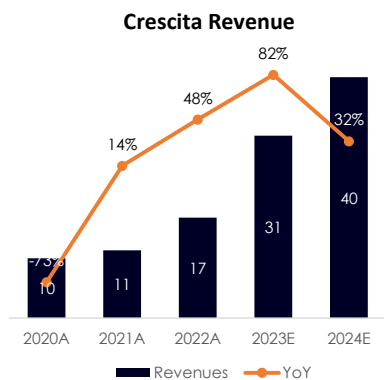
Davide Verdesca – Chairman and CEO
 Francesco Merone – CFO
 Luigi Spinolo – Non executive Board Member
 Davide Mantegazza - Non executive Board Member
 Silvia Pugi - Non executive Board Member
 Carlo Altomonte – Independent Board Member

Azionisti

DL Srl	31.39%
Davide Verdasca	5.41%
Azioni proprie	0.85%
Mercato	62.35%

Francesco Merone detiene il 2.96% delle azioni incluse nella voce "Mercato"

SG Company Società Benefit grafici



Tesi di investimento

- Buona reputazione e track record basati su oltre 20 anni di esperienza nel mercato e su un team di professionisti altamente qualificati in grado di innovare in termini di format e contenuti.
- Crescita guidata da mercati con alti tassi di crescita previsti per i prossimi anni (MarTech, Live Events e Video).
- Sfruttare l'attuale base di clienti per lo sviluppo di nuove aree di business. Il Gruppo può contare su un portafoglio di clienti fidelizzati di alto profilo come A2A, ABI Eventi, Allianz, BlackRock, Medtronic, Vodafone, Eolo, Wind3, PWC, Bayer, Basf, Ferrari, Mediolanum, Sisley, LVMH, Daikin, BMW, Dainese, Enel, Eolo, CheBanca! Youtube, Generali, Lavazza, Vorwerk, Google, L'Oréal, Luxottica, Pandora e Sky, TIM, Siemens, DAZN.
- Clientela ben diversificata in termini di settore. Nel corso degli anni dalla quotazione, il Gruppo è stato in grado di diversificare in modo significativo il rischio industriale puntando su nuovi mercati.
- PMI innovativa e Benefit Corporation con un percorso ESG ben delineato. A partire da marzo 2022, SG Company BC ha adottato un Modello Organizzativo ai sensi della legge 231/2001.

SG COMPANY SOCIETÀ BENEFIT S.P.A. ON EURONEXT GROWTH MILAN

AZIONI (al 13 Ottobre, 2023)

Code: SGC
Bloomberg: SGC IM
Reuters: SGC.MI
ISIN: IT0005337172
Shares: 31.863.070
Price: Euro 0.31
Performance from IPO: -88%
Capitalisation: Euro 5 m
Market: 62.35%
EGA: Banca Profilo

IPO

Mercato: Euronext Growth Milan
Data: Luglio 26th, 2018
Prezzo: 2.00
Capitale raccolto: Euro 3.0 m
Capitalizzazione: Euro 23.0 m

WARRANT 2018-2027 (al 13 Ottobre, 2023)

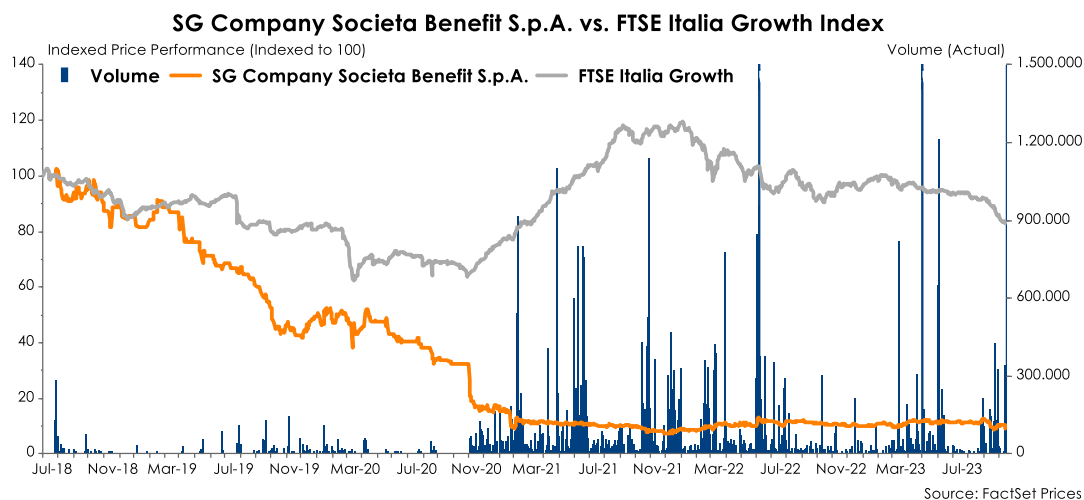
Codice alfanumerico: WSGC25
ISIN: IT0005347593
Warrants emessi: 24.140.159
Exercise ratio: 1 nuova azione ogni 1 warrants
Warrants in circolazione: n. 17.968.265

Azionariato

Azionisti	%
DL Srl*	31.39%
Davide Verdasca (CEO)	5.41%
Mercato	62.35%
Own Shares	0.85%
Total	100.00%

*Francesco Merone (CFO) detiene il 2.96% delle azioni incluse nella voce "Mercato"

PERFORMANCE DEL TITOLO



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Date	Target Price	Market Price	Validity Time
16 October, 2023	0.83	0.24	12 months
5 April, 2023	0.82	0.31	12 months
5 October 2022	0.67	0.28	12 months
5 April 2022	0.64	0.28	12 months
8 November 2021	0.63	0.22	12 months
23 June 2021	0.62	0.28	12 months

VALUATION METHODOLOGY (HORIZON: 12M)

IRTop obtained a fair value using a Discounted Cash Flow model.

Detailed information about the valuation or methodology and the underlying assumptions and information about the proprietary model used is accessible at IRTop premises.

RESEARCH TEAM:

Luisa Primi, (Senior Analyst. AIAF Associated)

No other people or companies participated or anyhow contributed to the Research. Neither the members of the research team, nor any person closely associated with them have any relationships or are involved in circumstances that may reasonably be expected to impair the objectivity of the Research, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them who was involved in producing the Research.

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