

Digital Magics

Sponsored Research

Italy | Financial Services Holdings



Analysar

1 March 2023

Buy

Recommendation unchanged

Share price: EUR 3.21

closing price as of 28/02/2023

Target price: EUR 5.80

Target Price unchanged

Upside/Downside Potential 80.7%

Reuters/Bloomberg

DMG.MI/DM IM

Market capitalisation (EURm)

Current N° of shares (m)

Free float 37%

Daily avg. no. trad. sh. 12 mth (k) 5

Daily avg. trad. vol. 12 mth (k) 0.00

Price high/low 12 months 3.74 / 3.00

Abs Perfs 1/3/12 mths (%) -4.75/1.90/-13.24

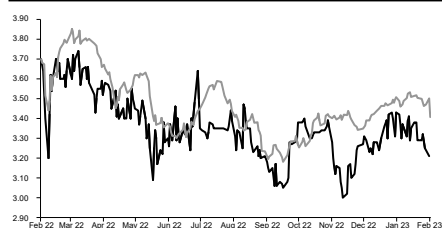
Total Net Asset Value 0.0 0%

NAVPS (EUR) nm

Share price*: EUR 3.21

Shareholders

StarTIP 23%; Innogest 6%;



Source: FactSet

— DIGITAL MAGICS — FTSE AIM Italia (Rebased)

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Investment in Italian start-ups reach EUR 1.9bn in 2022

The facts: according to VentureCapital Monitor - VeM, last year the Venture Capital investments in Italian start-up increased by 88% on 2021 to EUR 1,863m, involving 349 deals vs 291.

Our analysis: a very strong performance also in H2, following a 123% growth in the first half, which compares with the slowdown in investments at international level amid a complex geo-political and macro-economic scenario. This growth is based on both higher deal value (average EUR 5.9m from EUR 3.9m including follow-ons) and to the on increase on the number of transactions. Initial investments were worth EUR 1,440m vs. EUR 881m, while follow-ons increased to EUR 423m from EUR 111m. Including foreign start-ups founded by Italian entrepreneurs (EUR 302m in 2022 vs. EUR 919m the previous year) the total is EUR 2,165m (EUR 1,911m).

Conclusion & Action: Positive implications for the ecosystem and for DM, which has closed a capital increase to support an ambitious growth plan (doubling portfolio value in 4 years). With the increased public support (see the announced EUR 2.5bn new MISE/CDP funding) the future of Italian VC seems promising even in the current difficult context.