

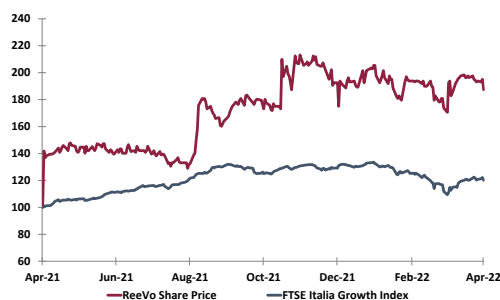
REEVO

OUTPERFORM

Current Share Price (€): 14.50

Target Price (€): 17.50

ReeVo - Performance since IPO



Source: S&P Capital IQ - Note: 06/04/2021 (IPO offer price)=100

Company data

ISIN number	IT0005438038
Bloomberg code	REEVO IM
Reuters code	REEVO.IM
Industry	Internet Services and Infrastructure
Stock market	Euronext Growth Milan
Share Price (€)	14.50
Date of Price	06/04/2022
Shares Outstanding (m)	5.1
Market Cap (€m)	73.3
Market Float (%)	23.8%
Daily Volume	3,500
Avg Daily Volume YTD	1,988
Target Price (€)	17.50
Upside (%)	21%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	1Y
ReeVo - Absolute (%)	10%	-9%	87%
FTSE Italia Growth (%)	10%	-9%	20%
1Y Range H/L (€)	16.50	7.74	
YTD Change (€) / %	-1.10	-7%	

Source: S&P Capital IQ

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Upgrading on the back of strong FY21 performance

Trading update: outperformance

Since the IPO (April 2021), ReeVo shares gained 87%, with peaks at €16.50 per share, exceeding our October 2021 target price of €15.82 and outperforming the Italia Growth index which went up 20% in the same period.

Revenues and margins flourish in FY21, on the back of a scalable business model founded on recurring revenues

ReeVo's performance in FY21 was made of revenues up by 42% to €11.5m, accompanied by an operating leverage effect driving +82% EBITDA growth to €3.1m, 27% margin (vs. 21% in FY20). EBIT and net income, respectively €1.9m and €1.3m, were over 90% higher than in FY20. Last December ReeVo raised €6m additional equity, bringing year-end net cash at €10.3m, from €4.3m as of June 2021.

Growth ambitions include more work for PA and further M&A

ReeVo's performance reflects strong market demand for cloud and cybersecurity services, also fueled by cyberattacks and data breaches on the rise last year. ReeVo's main catalysts for growth remain addition of technology, partnerships and expanding geographical penetration in Italy and Europe. ReeVo is ready to ride the cloud and cybersecurity wave which will flood into the Italian Public Administration as per the national programs. Starting from the recent award of the 5Y supply of cloud and cybersecurity services for the Italian Energy Market Manager (GME), a rising presence in the PA is on the to-do-list. According to management, further M&A should be expected.

Target Price €17.50 per share (from €15.82), OUTPERFORM rating from NEUTRAL

FY21 economics were in line with our expectations. ReeVo's business model supports short-term visibility and is delivering rewarding margins thanks to operating leverage. We have updated our estimates and introduced 2024E, confirming our expectation for ReeVo to continue its growth path. The resulting valuation indicates a target price of €17.50, from €15.82, 21% upside on current price. We upgrade our rating on the stock from NEUTRAL to OUTPERFORM.

KEY FINANCIALS AND ESTIMATES

€m	2019	2020PF	2021	2022E	2023E	2024E
Revenues	4.9	9.3	11.5	14.7	18.4	22.9
EBITDA	0.7	1.8	3.1	4.1	5.3	6.9
<i>Margin</i>	15%	20%	27%	28%	29%	30%
Net Income	0.3	0.8	1.3	1.8	2.3	3.0
Net (Debt) Cash	(1.2)	(1.0)	10.3	11.3	13.2	15.9
Equity	0.9	3.7	15.8	17.6	19.9	23.0

KEY RATIOS

ROE	29%	19%	9%	10%	12%	13%
Operating cash flow before capex/EBITDA	na	114%	92%	81%	82%	82%
Per-capita sales (€k)	369	205	225	242	258	281
Earnings per Share (€)	na	0.19	0.26	0.34	0.44	0.57

Source: Company data 2019-21A, EnVent Research 2022-24E

Market update: outperformance

ReeVo - Share price performance and trading volumes since IPO

Trading price range €7.74-16.50 per share

+87% for ReeVo, vs +20% of the Italia Growth Index

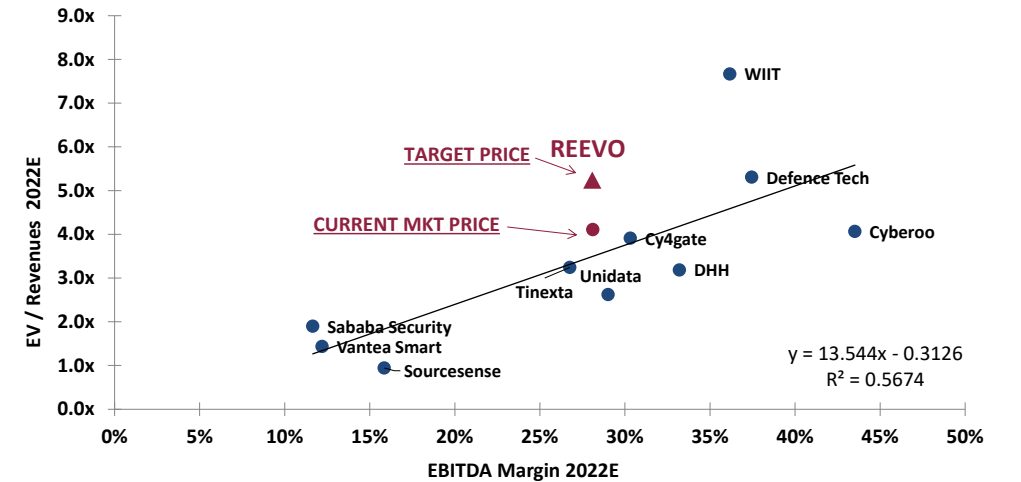


Source: EnVent Research on S&P Capital IQ - Note: 06/04/2021 (IPO offer price)=100

Italian peer group - Regression analysis and ReeVo target positioning

ReeVo above the line

Fair correlation

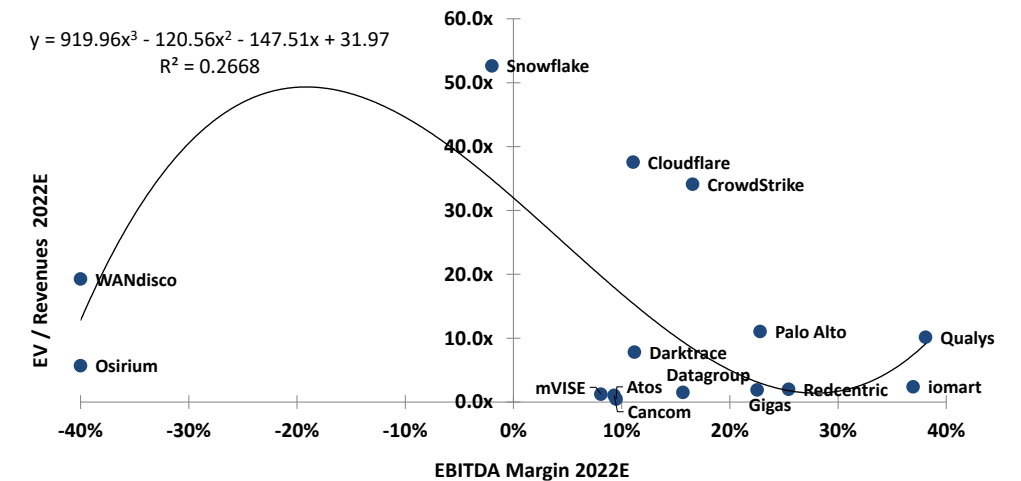


Source: EnVent Research on S&P Capital IQ, April 2022

Global peer group - Polynomial regression analysis

Polynomial regression to represent poor correlation of high revenue multiples regardless of losses or low profitability

International peers, including newcomers



Source: EnVent Research on S&P Capital IQ, April 2022 - Note: capped losses for WANdisco and Osirium

Investment case

An Italian cloud pioneer, business data as operations' core

Proprietary technology for a wide portfolio of services

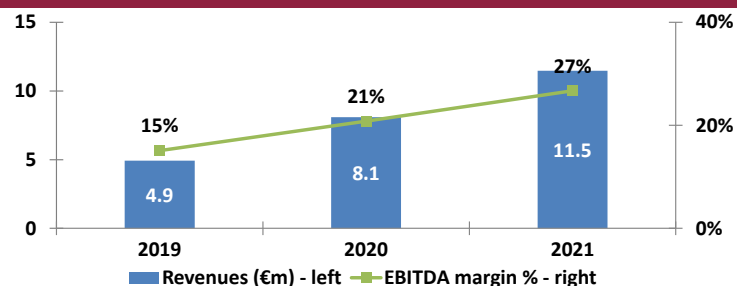
Strategy: constant technology update, M&A as pivotal tool

ReeVo, listed on Euronext Growth Milan, is an Italian provider of cloud infrastructure, cybersecurity and multi-cloud services, with a track record of 20 years in the IT industry, of which 15 in cloud computing and cybersecurity. The business proposal is a tailor-made flexible solution to SMEs for managing, storing securely and protecting business data. ReeVo reaches end-users through three distributors and 250 IT business partners, offering through proprietary technology Infrastructure (IaaS), Backup and Storage, Disaster recovery, Cloud cybersecurity, Managed cloud, Multi-cloud and Hybrid cloud. Services are delivered through its own infrastructure hosted within four *carrier neutral* Tier-IV data centers. Recurring revenues and scalable solutions make a solid ground for an effective operational leverage accompanying sales increases with higher operating margins and cash flow regardless the size of operations.

Main strategic goal on the path toward ReeVo deserved market share is the continuous upgrade of *state-of-the-art* technology into service offer, leveraging on business partners and on the SMEs digital transformation trend. M&A is a strategy core pillar, an efficient way to acquire technology and add solutions to portfolio, as done through two acquisitions to add cybersecurity solutions, managed cloud and multi-cloud.

Steady and profitable growth

Historical revenues and EBITDA



Source: Company data

Industry and Company drivers

- Relentlessly growing data economy and rising need for data security
- Increasing investments on cloud infrastructure
- Over 5m of SMEs in Italy going digital
- Full-service portfolio, cloud solutions tailor-made and industrialized
- In-house developed cloud platform, highest-grade data centers
- Go-to-market by industry partnerships, recurring revenues, and earnings
- Wide customer base, low concentration, and low churn rate
- Capital-free, scalable, and repeatable business model

Challenges

- High rivalry in a profitable segment attracting new entrants
- Potential pressure on pricing over time
- Keep up with innovation and technological change pace

Quality of earnings and effective operating leverage

ReeVo, as a tech solutions company, operates through a business model which implies investment in fixed costs to develop and update technologies and applications, while the cost of services provided to end-users, such as cloud facilities and materials, is variable and recovered by volume-based fees from customers, according to terms of a subscription contract. Such a revenue model guarantees recurring revenues visibility and scalability through incremental coverage of investment and personnel cost. Regularity of collections and minimal receivable risk add stable working capital investment to the mix. The operating leverage has proven quite effective according to 2020 and 2021 financials, in which sales increase at 62% and 39%, respectively, has been accompanied by EBITDA increase at 126% and 82%.

Rewarding business model regardless of operation width

Degree of operating leverage calculation

	2020	2021
YoY change in Sales	62%	39%
YoY change in EBITDA	126%	82%
YoY change in EBIT	176%	92%
Degree of operating leverage on EBITDA	203%	211%
Degree of operating leverage on EBIT	284%	238%

Source: EnVent Research on Company data

Business update: PA tenders and addition of advanced technologies

Award from the Italian Energy Market Manager

Addition of RTA cybersecurity technology for advanced cloud and cybersecurity services

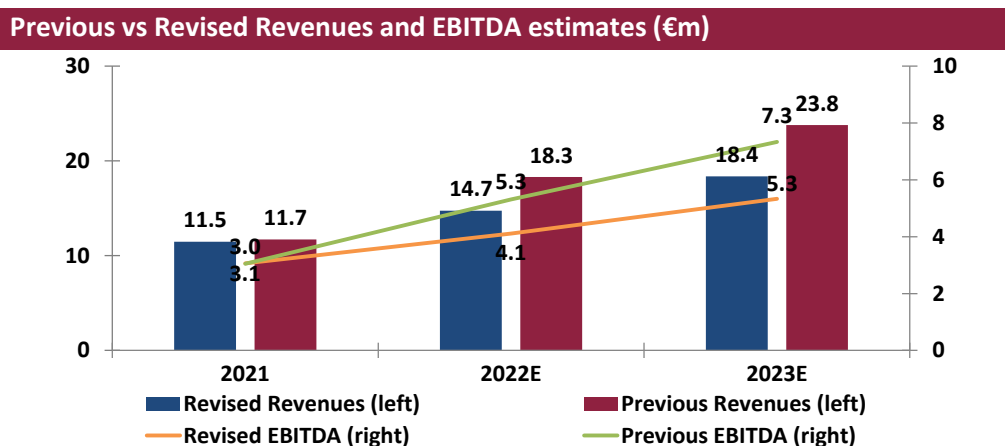
Larger corporate end-customers

- Award from the Italian Energy Market Manager (GME) for the 5Y supply of cloud and cybersecurity services
- ReeVo, through a partnership with Cy4Gate, Italian company in the cyberintelligence and cybersecurity market, will integrate into its Security Operation Center services the Cy4Gate's Real Time Analytics technology in SaaS mode. In addition, the cybersecurity teams of both companies will collaborate in an Incident Response taskforce to promptly respond to cyber-attacks to customers protected by ReeVo services.
- New customers as a large-scale furniture retailer, two asset management companies, a consumer loans provider, an international company specialized in equipment for geotechnical engineering are increasing annual revenues per user

Estimates revision

ReeVo FY21 economics were in line with our expectations. Looking ahead, we have restated sales growth as more consistent with present organic growth. Aside from operating costs fine-tuning, we leave other main assumptions unchanged and introduce our 2024E.

Change in estimates



Source: EnVent Research

€m	Revised			Previous			Change %		
	2021	2022E	2023E	2021E	2022E	2023E	2021	2022E	2023E
Revenues	11.5	14.7	18.4	11.7	18.3	23.8	-2%	-19%	-23%
EBITDA	3.1	4.1	5.3	3.0	5.3	7.3	1%	-23%	-27%
<i>Margin</i>	27%	28%	29%	26%	29%	31%			
EBIT	1.9	2.5	3.3	2.0	3.8	5.2	-4%	-33%	-36%
<i>Margin</i>	16%	17%	18%	17%	21%	22%			
Net Income	1.3	1.8	2.3	1.4	2.7	3.7	-2%	-34%	-37%
Net (Debt) Cash	10.3	11.3	13.2	4.8	6.1	8.1			
<i>Net Debt / EBITDA</i>	cash	cash	cash	cash	cash	cash			

Source: EnVent Research

Financial projections

Organic sales growth in 2021, in 2020 a mix of organic and external growth

Consolidated Profit and Loss

€m	2019	2020	2021	2022E	2023E	2024E
Sales	4.8	7.8	10.8	14.0	17.5	21.9
Capitalization of R&D costs	0.1	0.2	0.5	0.5	0.6	0.8
Other income	0.1	0.1	0.2	0.2	0.2	0.2
Total Revenues	4.9	8.1	11.5	14.7	18.4	22.9
YoY %	16.5%	64.0%	41.8%	28.4%	24.6%	24.7%
Materials	(2.1)	(2.7)	(3.0)	(4.1)	(5.1)	(6.3)
Services	(1.5)	(2.4)	(3.5)	(4.3)	(5.1)	(6.1)
Personnel	(0.5)	(1.2)	(1.9)	(2.2)	(2.7)	(3.4)
Other operating costs	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
Operating costs	(4.2)	(6.4)	(8.4)	(10.6)	(13.0)	(16.0)
EBITDA	0.7	1.7	3.1	4.1	5.3	6.9
Margin	15.1%	20.8%	26.7%	27.9%	29.0%	30.0%
D&A	(0.4)	(0.7)	(1.2)	(1.6)	(2.0)	(2.6)
EBIT	0.4	1.0	1.9	2.5	3.3	4.3
Margin	7.2%	12.1%	16.4%	17.1%	18.0%	18.6%
Interest	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
EBT	0.4	0.9	1.8	2.5	3.2	4.2
Margin	7.7%	11.5%	15.7%	16.6%	17.7%	18.3%
Income taxes	(0.1)	(0.2)	(0.5)	(0.7)	(0.9)	(1.2)
Net Income	0.3	0.7	1.3	1.8	2.3	3.0
Margin	5.4%	8.4%	11.7%	12.0%	12.7%	13.2%

Source: Company data 2019-21A, EnVent Research 2022-24E

Consolidated Balance Sheet

€m	2019	2020	2021	2022E	2023E	2024E
Inventory	0.0	0.0	0.1	0.0	0.0	0.0
Trade receivables	1.1	1.7	2.3	3.0	3.8	4.8
Trade payables	(1.0)	(1.1)	(1.8)	(2.3)	(2.8)	(3.4)
Trade Working Capital	0.1	0.6	0.6	0.8	1.1	1.4
Other assets (liabilities)	0.1	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)
Net Working Capital	0.2	0.4	0.2	0.5	0.7	1.0
Intangible assets	0.4	0.8	1.1	1.6	2.2	2.5
Goodwill	0.0	2.0	2.0	1.8	1.6	1.4
Right-of-use assets	0.9	1.0	0.8	0.7	0.7	0.8
Property, plant and equipment	0.6	1.2	2.1	2.5	2.7	2.7
Equity investments and financial assets	0.1	0.1	0.1	0.1	0.1	0.1
Non-current assets	2.0	5.0	6.1	6.8	7.3	7.5
Provisions	(0.2)	(0.8)	(0.8)	(1.0)	(1.2)	(1.5)
Net Invested Capital	2.1	4.6	5.6	6.3	6.8	7.1
Net Debt (Cash)	1.2	1.0	(10.3)	(11.3)	(13.2)	(15.9)
Equity	0.9	3.7	15.8	17.6	19.9	23.0
Sources	2.1	4.6	5.6	6.3	6.8	7.1

Source: Company data 2019-21A, EnVent Research 2022-24E

Consolidated Cash Flow

€m	2020	2021	2022E	2023E	2024E
EBIT	1.0	1.9	2.5	3.3	4.3
Current taxes	(0.2)	(0.5)	(0.7)	(0.9)	(1.2)
D&A	0.7	1.2	1.6	2.0	2.6
Provisions	0.6	0.0	0.1	0.2	0.3
Cash flow from P&L operations	2.1	2.7	3.5	4.7	6.0
Trade Working Capital	(0.5)	0.1	(0.2)	(0.3)	(0.3)
Other assets and liabilities	0.4	0.1	0.0	0.0	0.0
Operating cash flow before capex	1.9	2.8	3.3	4.4	5.7
Capex	(3.7)	(2.3)	(2.3)	(2.5)	(2.8)
Operating cash flow after WC and capex	(1.8)	0.5	1.1	1.9	2.8
Interest	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
IPO proceeds	0.0	4.8	0.0	0.0	0.0
Paid-in Capital	2.1	5.7	0.0	0.0	0.0
Change in equity	0.0	0.3	0.0	0.0	0.0
Net cash flow	0.2	11.3	1.0	1.9	2.8
Net (Debt) Cash - Beginning	(1.2)	(1.0)	10.3	11.3	13.2
Net (Debt) Cash - End	(1.0)	10.3	11.3	13.2	15.9
Change in Net Debt (Cash)	0.2	11.3	1.0	1.9	2.8

Source: Company data 2020-21A, EnVent Research 2022-24E

Ratio analysis

	2019	2020	2021	2022E	2023E	2024E
ROE	29%	19%	9%	10%	12%	13%
ROS (EBIT/Sales)	7%	13%	17%	18%	19%	19%
DSO	70	65	65	65	65	65
DPO	83	62	84	80	80	80
TWC/Sales	2%	8%	5%	6%	6%	6%
NWC/Sales	5%	5%	2%	3%	4%	5%
Operating cash flow before capex/EBITDA	na	114%	92%	81%	82%	82%
Per-capita sales (€k)	369	205	225	242	258	281
Degree of operating leverage on EBITDA	na	203%	211%	114%	119%	115%
Earnings per Share (€)	na	0.19	0.26	0.34	0.44	0.57

Source: Company data 2019-21A, EnVent Research 2022-24E

Market metrics

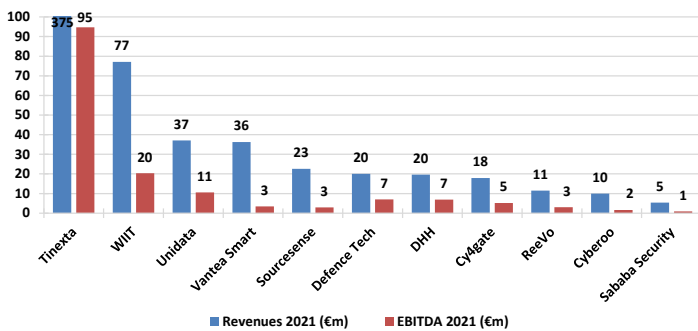
Tech environment segmentation criteria

Tech solutions companies operate through various business models depending on offer of product and services, fixed and variable cost, pricing, market access, distribution channels, revenue models. These models may range from substantial investment in fixed costs to develop and update technologies and applications to pure distribution of products, generally passing through different hybrid situations in which investments include the cost of developers and variable cost include client consulting teams. As opposite examples, software companies fixed costs are mainly developer salaries, but they are likely to have limited variable costs associated with each incremental software sale. These firms should have high

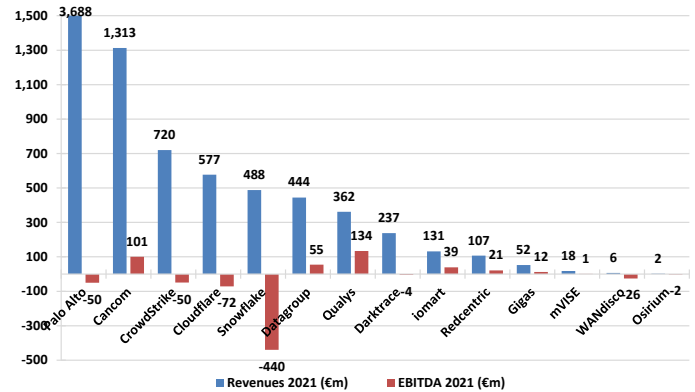
operating leverage. Conversely a consulting firm charges time of skilled teams and incurs variable costs in the form of consultant wages. These firms typically have low operating leverage. Within the digital technology’s ecosystem, the matter is complicated by the huge speed of progress and innovation investments, with fast both adoption of “must have” products and apps, with growing market niches or custom-made developments. A furtherly serious complication is the inherent scalability of most solutions, which is called upon as the very good reason to target huge markets and global reach for innovative technologies. A frequent consequence is a regular flow of brilliant companies going public in most developed countries and raising finance to support multi-year investments and related operating losses in view of a national, regional or global success. The following charts may represent the mix and diversity of financial performances and value perspectives for a number of cloud and cybersecurity players, including well-established companies and small-sized newcomers. As a widely recognized rule-of-thumb we have included revenues per employee, a meaningful metric to investigate profitability dynamics as they occur in different mixes of fixed cost and variable cost and gross margins.

Revenues and EBITDA, 2021

Italian cloud and cybersecurity peers



Global cloud and cybersecurity peers



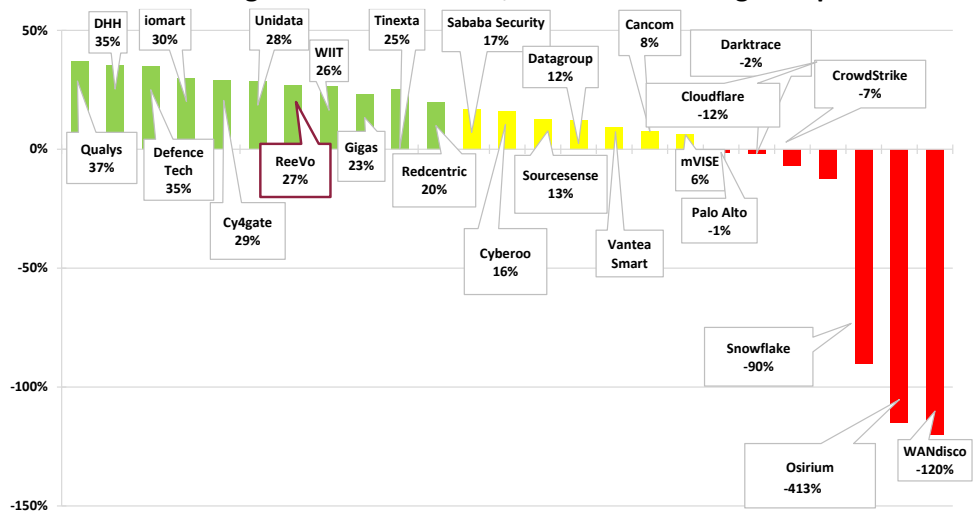
Source: EnVent Research on S&P Capital IQ data - Notes: for some companies 2021E data; capped revenues for Tinexta and Palo Alto

EBITDA margin on total revenues, 2021 - Italian and global peers

Green: over 20% EBITDA

Yellow: breakeven to 20% EBITDA

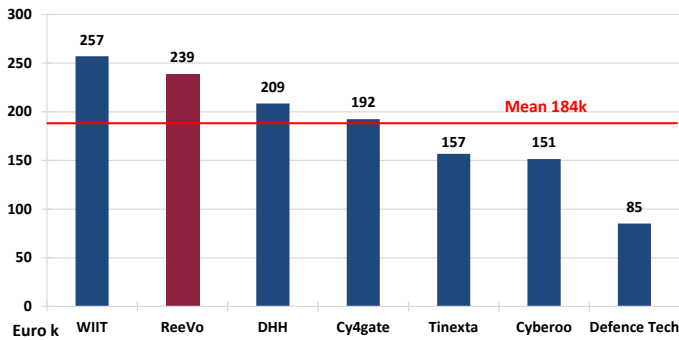
Red: losses



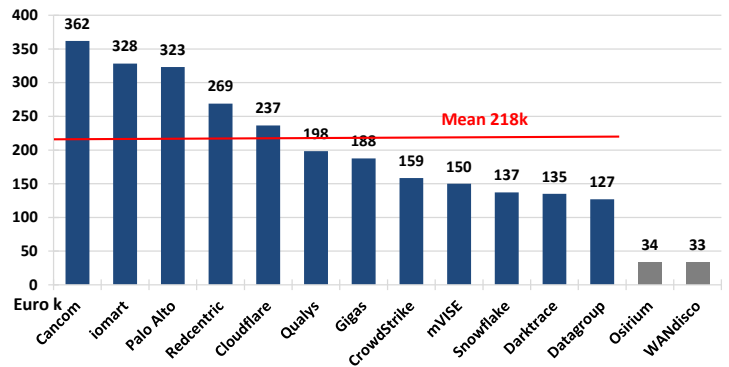
Source: EnVent Research on S&P Capital IQ - Notes: for some companies 2021E data; capped losses for WANdisco

Per-capita revenues, 2021

Italian cloud and cybersecurity peers



Global cloud and cybersecurity peers



Source: EnVent Research on S&P Capital IQ data - Note: for some companies 2021E data

Valuation

We have updated our DCF with an additional explicit projection for 2024 and market multiples analysis.

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 1.0% (Italian 10-year government bonds interest rate - 3Y average. Source: Bloomberg, April 2022)
- Market return: 12.5% (3Y average. Source: Bloomberg, April 2022)
- Market risk premium: 11.5%
- Beta: 0.85 (EnVent analysis on selected peers. Source: Bloomberg)
- Cost of equity: 10.8%
- Cost of debt: 2.5%
- Tax rate: 24% (IRES)
- 40% debt/(debt + equity) as target capital structure
- WACC calculated at 7.3%, according to above data
- Perpetual growth rate after explicit projections (G): 3%
- Terminal Value assumes EBITDA margin at 29% and EBIT margin at 21%

DCF Valuation

€m	2019	2020	2021	2022E	2023E	2024E	Perpetuity
Revenues	4.9	8.1	11.5	14.7	18.4	22.9	23.6
EBITDA	0.7	1.7	3.1	4.1	5.3	6.9	6.8
<i>Margin</i>	15%	21%	27%	28%	29%	30%	29%
EBIT	0.4	1.0	1.9	2.5	3.3	4.3	4.8
<i>Margin</i>	7%	12%	16%	17%	18%	19%	21%
Taxes	(0.1)	(0.3)	(0.5)	(0.7)	(0.9)	(1.2)	(1.4)
NOPAT	0.3	0.7	1.4	1.8	2.4	3.1	3.5
D&A		0.7	1.2	1.6	2.0	2.6	2.0
Provisions		0.6	0.0	0.1	0.2	0.3	0.3
Cash flow from operations		2.0	2.6	3.5	4.6	6.0	5.8
Trade Working Capital		(0.5)	0.1	(0.2)	(0.3)	(0.3)	(0.0)
Capex		(3.7)	(2.3)	(2.3)	(2.5)	(2.8)	(2.0)
Other assets and liabilities		0.4	0.1	0.0	0.0	0.0	0.0
Yearly unlevered free cash flow		(1.8)	0.5	1.1	1.9	2.8	3.7
Free cash Flow to be discounted				1.1	1.9	2.8	3.7
WACC	7.3%						
Long-term growth (G)	3.0%						
Discounted Cash Flows				1.0	1.7	2.3	
Sum of Discounted Cash Flows	4.9						
Terminal Value							90.7
Discounted TV	73.5						
Enterprise Value	78.4						
Net Cash as of 31/12/21	10.3						
Minorities as of 31/12/21	(0.3)						
Equity Value	88.5						
Equity Value per share (€)	17.50						

DCF - Implied multiples	2020	2021	2022E	2023E	2024E
EV/Revenues	9.7x	6.8x	5.3x	4.3x	3.4x
EV/EBITDA	46.5x	25.6x	19.1x	14.7x	11.4x
EV/EBIT	80.0x	41.6x	31.1x	23.6x	18.4x
P/E	129.5x	65.7x	50.1x	37.9x	29.3x
Discount of current valuation vs. DCF	-19%				
Current market price - Implied multiples	2020	2021	2022E	2023E	2024E
EV/Revenues	7.8x	5.5x	4.3x	3.4x	2.8x
EV/EBITDA	37.5x	20.6x	15.4x	11.9x	9.2x
EV/EBIT	64.5x	33.6x	25.1x	19.1x	14.8x
P/E	107.3x	54.4x	41.5x	31.4x	24.3x

Source: EnVent Research

Market multiples

We have updated our Italian and global cloud and cybersecurity peer groups, including newly listed companies, and reviewed the constituents based on revenue model and business mix criteria to find comparability with ReeVo.

The following chart includes the companies which we consider better comparable than others among those analyzed. Major selection criteria are IT-cloud-based services, including cloud and cybersecurity services; business mix with

specialization in IaaS multi-cloud and hybrid cloud services; profitability.

Market multiples

Company	EV/REVENUES			EV/EBITDA			EV/EBIT			P/E		
	2021	2022E	2023E	2021	2022E	2023E	2021	2022E	2023E	2021	2022E	2023E
Italian cloud and cybersecurity peers												
WIIT	14.3x	7.7x	7.1x	54.3x	21.2x	18.5x	nm	37.6x	30.2x	neg	50.9x	39.2x
Cy4gate	10.3x	3.9x	2.9x	35.7x	12.9x	9.1x	39.3x	18.8x	12.6x	35.5x	25.4x	17.5x
Cyberoo	7.2x	4.1x	2.6x	44.5x	9.3x	4.5x	neg	12.9x	5.2x	neg	19.6x	7.9x
Defence Tech	7.5x	5.3x	4.5x	21.3x	14.2x	11.6x	29.9x	17.7x	15.0x	49.8x	28.7x	23.9x
Sababa Security	3.7x	1.9x	1.2x	21.9x	16.3x	5.7x	34.2x	11.5x	5.4x	47.4x	24.0x	11.0x
Mean	8.6x	4.6x	3.7x	35.5x	14.8x	9.9x	34.4x	19.7x	13.7x	44.2x	29.7x	19.9x
Median	7.5x	4.1x	2.9x	35.7x	14.2x	9.1x	34.2x	17.7x	12.6x	47.4x	25.4x	17.5x
Global cloud and cybersecurity peers												
Qualys	11.8x	10.1x	8.7x	31.9x	26.6x	22.2x	41.8x	32.3x	27.1x	75.1x	46.1x	38.8x
Redcentric	2.3x	2.0x	1.8x	11.6x	7.9x	7.3x	24.8x	12.5x	11.1x	21.1x	15.3x	13.3x
mVISE	1.4x	1.2x	1.1x	23.1x	15.3x	12.2x	neg	nm	24.4x	neg	nm	19.1x
Datagroup	2.0x	1.5x	1.4x	16.3x	9.6x	8.9x	31.2x	17.5x	15.7x	38.5x	24.1x	22.0x
Darktrace	12.4x	7.8x	6.0x	neg	69.9x	55.2x	neg	339.5x	608.6x	neg	629.9x	8,190.8x
Palo Alto	13.6x	11.0x	9.0x	neg	48.4x	39.1x	neg	59.0x	45.8x	neg	76.8x	59.1x
Osirium	3.6x	5.7x	na	neg	neg	na	na	neg	na	na	neg	na
Mean	6.7x	5.6x	4.7x	20.7x	14.8x	12.6x	32.6x	20.8x	19.6x	44.9x	28.5x	23.3x
Median	3.6x	5.7x	3.9x	19.7x	12.4x	10.5x	31.2x	17.5x	20.1x	38.5x	24.1x	20.6x
ReeVo	6.0x	4.3x	3.4x	22.4x	15.4x	11.9x	36.5x	25.1x	19.1x	58.5x	41.5x	31.4x

Source: EnVent Research on S&P Capital IQ, 06/04/2022

Apart from the Italian peers, which however enjoy rewarding market valuations compared to other sectors, we note that some global tech stocks current price levels look unrelated with their underlying fundamentals and short-term earnings potential, with exceptionally high multiples compared to more mature peers. We also note that the peer groups show erratic multiples, reflecting inconsistent performances or in some cases loss-making. As a consequence, we consider more reliable the outcome of the DCF methodology as a proper expression of sound company fundamentals.

However, we have applied to our 2022-23 estimates the mean and median Revenues and EBITDA multiples of the peer groups, using data from 2Y analyst consensus, as a comparison with market data, recalling the warning of the high subjectivity of using averages resulting from two distant extremes.

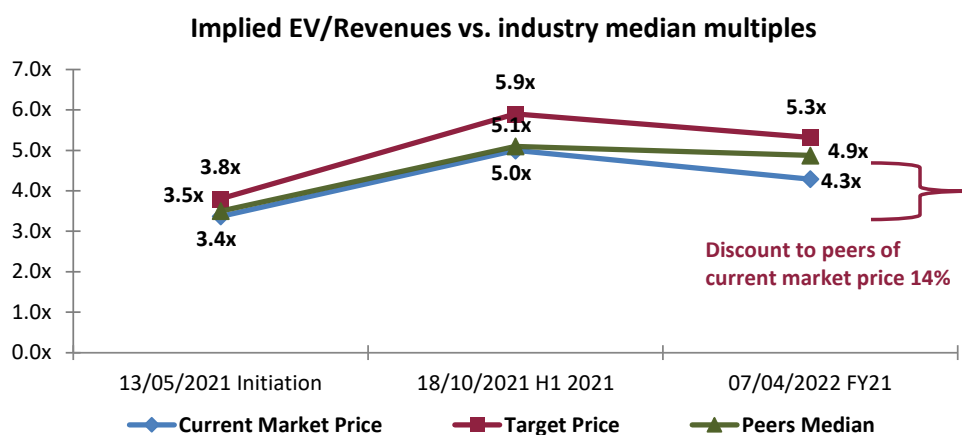
Multiples application

Multiples - Italian peers		€m	Multiple	EV (€m)	Net Cash (€m) 31/12/21	Minorities	Equity Value (€m)
ReeVo							
2022E	Revenues	14.7	Mean 4.6x Median 4.1x	67.4 60.0	10.3	(0.3)	77.4 70.0
2023E	Revenues	18.4	Mean 3.7x Median 2.9x	67.4 53.7	10.3	(0.3)	77.4 63.8
<i>Mean</i>							72.2
2022E	EBITDA	4.1	Mean 14.8x Median 14.2x	60.8 58.3	10.3	(0.3)	70.8 68.3
2023E	EBITDA	5.3	Mean 9.9x Median 9.1x	52.8 48.8	10.3	(0.3)	62.8 58.8
<i>Mean</i>							65.2

Multiples - Global peers		€m	Multiple	EV (€m)	Net Cash (€m) 31/12/21	Minorities	Equity Value (€m)
ReeVo							
2022E	Revenues	14.7	Mean 5.6x Median 5.7x	83.0 83.8	10.3	(0.3)	93.1 93.8
2023E	Revenues	18.4	Mean 4.7x Median 3.9x	85.9 71.6	10.3	(0.3)	95.9 81.7
<i>Mean</i>							91.1
2022E	EBITDA	4.1	Mean 14.8x Median 12.4x	61.0 51.1	10.3	(0.3)	71.1 61.1
2023E	EBITDA	5.3	Mean 12.6x Median 10.5x	67.3 56.2	10.3	(0.3)	77.4 66.2
<i>Mean</i>							69.0

Source: EnVent Research

Target Price



Source: EnVent Research

Our updated DCF-based valuation of ReeVo yields a target price of €17.50 per share, from €15.82 of our prior note, 21% upside potential on current share price. We upgrade our rating from NEUTRAL to OUTPERFORM.

ReeVo Price per Share	€
Target Price	17.50
Current Share Price (06/04/2022)	14.50
Premium (Discount)	21%

Source: EnVent Research

ReeVo Share Price vs. EnVent Target Price



Please refer to important disclosures at the end of this report.

Source: EnVent Research

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Date and time of Production: 06/04/2022 h. 6.20pm

Date and time of Distribution: 07/04/2022 h. 6.45pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
13/05/2021	NEUTRAL	12.32	11.00
18/10/2021	NEUTRAL	15.82	13.55
06/04/2022	OUTPERFORM	17.50	14.50

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