



Analyser

6 September 2022

Buy

Recommendation unchanged

Share price: EUR 1.06

closing price as of 05/09/2022

Target price: EUR 1.93

Target Price unchanged

Upside/Downside Potential 81.7%

Reuters/Bloomberg

DEA.MI/DEA IM

Market capitalisation (EURm) 277

Current N° of shares (m) 261

Free float 33%

Daily avg. no. trad. sh. 12 mth (k) 196

Daily avg. trad. vol. 12 mth (k) 102.79

Price high/low 12 months 1.39 / 1.06

Abs Perfs 1/3/12 mths (%) -5.68/-11.50/-18.93

Key financials (EUR) 12/21 12/22e 12/23e

Total Revenue (m) 107 76 78

Pre-Provision Profit (PPP) (m) 37 16 16

Operating profit (OP) 37 16 16

Earnings Before Tax (m) 37 16 16

Net Profit (adj.) (m) 24 10 10

Shareholders Equity (m) 446 430 424

Tangible BV (m) 346 330 324

RWA (m) 0 0 0

ROTE 5.3% 2.2% 2.2%

Cost/Income 65.4% 79.0% 79.4%

P/PPP 9.2 17.3 17.3

P/E (adj.) 14.4 28.5 28.9

P/BV 0.8 0.6 0.7

P/TBV 1.0 0.8 0.9

Dividend Yield 9.4% 5.6% 5.6%

PPPPS 0.14 0.06 0.06

EPS (adj.) 0.09 0.04 0.04

BVPS 1.71 1.65 1.62

TBVPS 1.33 1.26 1.24

DPS 0.10 0.06 0.06

Shareholders

De Agostini S.p.A. 67%;



Source: FactSet

— DEA CAPITAL — FTSE Italy STAR (Rebased)

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DeA Capital launches a new flexible capital fund

The facts: Yesterday, during market hours, DeA Capital disclosed that DeA Capital Alternative Funds SGR, part of the DeA Capital Platform, is further expanding its range of products by launching a new alternative special situations fund named the Flexible Capital Fund.

Our analysis: the new fund will invest in Italian companies with consolidated revenues of more than EUR 50m that are in temporary capital or financial distress but have adequate prospects for future profitability. This is a flexible product that can invest in any part of the capital structure, thereby aligning the interests of all stakeholders. The Fund was created in response to market changes, in particular the impact of COVID-19, higher costs and recent geopolitical crises, which have brought about an urgent need for alternative sources of funding and capital and given an increasingly prominent role to specialised asset managers. The fund, also with support from DeA Capital and the De Agostini Group, will have initial capital of over EUR 100m in addition to a fundraising target of EUR 300m.

Conclusion & Action: the aim of the Flexible Capital Fund is to support the Italian businesses that need capital; it enlarges DeA's offer in the alternative fund panorama improving its competitive position in the sector. We stick to Buy.