

Italy – Crowdfunding

Interim results in line and well on track to reach FY estimates

2nd October 2024

H1-24 RESULTS RELEASE

RIC: CFM.MI
BBG: CFM IM

CrowdFundMe posted a good set of interim results, showing soaring top line underpinned by a robust recovery in total fund raising as well as a good improvement in fee collection. Thus, EBITDA turned positive, reflecting higher revenues, which allowed to take advantage of economies of scale, coupled with cost synergies stemming from the ever-increasing integration between CrowdFundMe and Trusters.

Rating:

Buy

Price Target:

€ 2.70 (€ 2.60)

Upside/(Downside): 37.1%

Last Price: € 1.97

Market Cap.: € 3.4m

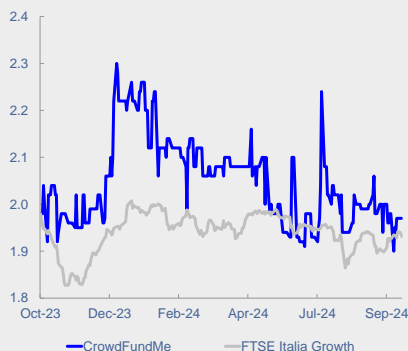
1Y High/Low: € 2.34 / € 1.88

Avg. Daily Turn. (3M, 6M): € 5k, € 5k

Free Float: 48.3%

Major shareholders:

Tommaso Baldissera Pacchetti	34.0%
Benedetto Pirro	12.0%
Digitech Srl (Trusters)	5.7%



Stock price performance

	1M	3M	12M
Absolute	-4.4%	2.1%	-0.5%
Rel.to FTSE IT Growth	-5.0%	2.8%	2.0%
Rel.to Peers	-22.0%	-32.1%	-170.2%

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Estimates fine-tuned. New DCF-based PT of € 2.70/s (€ 2.60). Buy confirmed

The crowd-investing market remained challenging in H1-24 primarily due to the still high-interest rate environment, especially delaying the recovery of equity crowdfunding initiatives. It is worth to underline that, compared to the first months of 2024, the visibility on the monetary easing path by ECB is clearer. Therefore, investors' risk-appetite for equity crowdfunding projects should improve over the next quarters. Following the H1-24 results release, we have updated our model by factoring in 1) a mild increase of revenues, mostly related to an upward revision in the applied fee, aligned with the recent results, 2) a fine-tuning of operating costs and, 3) lower than previously forecasted Capex. The combined result is an average 1.6% increase in Revenues and 5.5% decline in EBITDA in 2024-26, respectively. Moreover, CFO SIM has updated the valuation criteria, bringing the risk-free rate up to date (from 4.18% to 3.80%, considering the 10Y Italian government bond's 200-day moving average). The combined result points to a new DCF-based PT of € 2.70/s (€ 2.60), entailing a 37.1% upside to current price levels. Buy recommendation confirmed.

Revenues jumped by 35.5% YoY, thanks to a positive trend of both CFM and Trusters

Based upon a total fundraising of nearly € 18.0m (vs € 15.7m in H1-23, c. +14.5% YoY), Revenues soared by 35.5% YoY to € 972k, compared to € 717k registered in the first semester of 2023, driven by the robust performance of both CrowdFundMe and Trusters. Moreover, the implicit applied fee rose to approximately 5.4% from 4.6% in H1-23. Trusters, a leading platform in Real Estate P2P Lending projects, confirmed itself as the main source of group's revenues as well as a valuable asset in tough environments, thanks to its lower cyclicality and fixed-income nature. Equity crowdfunding projects showed a good performance in H1-24, albeit a stronger recovery was still curbed by persistently high interest rates.

EBITDA turned positive, driven by higher revenues and stable operating costs

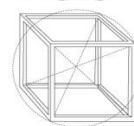
EBITDA turned positive for roughly € 57k, 5.9% margin (- € 78k in H1-23), reflecting higher revenues and almost unchanged operating costs, increasingly benefitting from the integration of Trusters within the group. Net Loss narrowed to € 232k from € 449k posted in H1-23, thanks to the abovementioned reasons and following lower D&A expenses YoY, mainly ascribable to the amortisation of goodwill related to the acquisition of Trusters in 2022 and R&D costs. Moreover, it comprises minority interests to the tune of € 36k, as a result of Trusters' positive bottom line, which came in at c. € 86k.

Net cash position strengthened in light of good CF generation and negligible Capex

Net Financial Position improved to € 139k cash from € 82k cash at year-end 2023, mainly on the back of good operating cash flow and almost negligible capex. Group Equity stood at € 2.7m.

CrowdFundMe, key financials and ratios

€ m	2022	2023	2024e	2025e	2026e
Revenues	1.001	1.516	2.056	2.462	2.830
Value of Production	1.155	1.786	2.070	2.476	2.843
EBITDA	(0.121)	(0.170)	0.134	0.396	0.574
EBIT	(0.422)	(0.897)	(0.369)	(0.045)	0.185
Net Profit	(0.422)	(0.902)	(0.447)	(0.130)	0.042
NFP (cash)/debt	(0.435)	(0.082)	(0.197)	(0.501)	(0.946)
EBITDA margin	-12.1%	-11.2%	6.5%	16.1%	20.3%
EBIT margin	-42.2%	-59.2%	-18.0%	-1.8%	6.5%
EPS stated FD €	(0.26)	(0.53)	(0.26)	(0.08)	0.02
EPS growth	n.m.	n.m.	n.m.	n.m.	n.m.
ROCE	neg.	neg.	neg.	neg.	6.7%
NWC/Sales	-18.7%	-14.1%	-10.9%	-8.5%	-7.4%
EV/Sales x	5.78	2.73	1.56	1.18	0.87
EV/EBITDA x	n.m.	n.m.	23.9	7.3	4.3
EV/EBIT x	n.m.	n.m.	n.m.	n.m.	13.2
PER x	n.m.	n.m.	n.m.	n.m.	80.1
Free Cash Flow Yield	-57.4%	-7.9%	3.4%	9.0%	13.1%



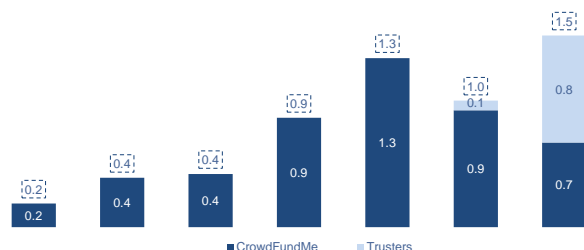
The Company at a Glance

Founded in 2013 by the current CEO, Tommaso Baldissera Pacchetti, CrowdFundMe is the first-mover and one of the leading crowdfunding platforms in Italy, allowing start-ups and SMEs to raise capital to fund their innovative projects via its user-friendly online portal. Originally focused on Equity Crowdfunding campaigns, over the years CrowdFundMe has continuously completed its offering of crowdfunding investment instruments, introducing Real Estate and P2P Lending projects as well as mini-bonds dedicated to debt investors. CrowdFundMe is authorised by the public authority responsible for regulating the Italian financial markets (CONSOB), and represents today the only crowdfunding platform listed on the Italian stock exchange.

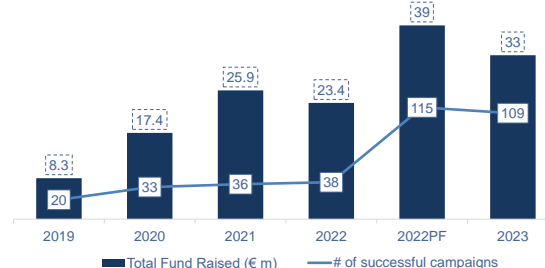
In the period 2016-22, the total funds raised per year as well as the number of projects launched on CrowdFundMe's platform soared exponentially. Indeed, the number of projects successfully concluded went from just 3 in 2016 to 38 in 2021, increasing more than tenfold. Moreover, by considering the acquisition of Trusters in 2022 as if it was consolidated at the beginning of the year, the total number of initiatives successfully concluded skyrocketed to 115. Consequently, total funds raised passed from € 300k in 2016 to € 41.5m in 2022, with approximately 18,000 investors participating to the campaigns compared to just 157 in 2016.

FY-23 results showed Revenues of € 1.5m, EBITDA negative for € 170k, as well as a bottom line negative for € 902k. Net Financial Position stood at € 0.1m (cash).

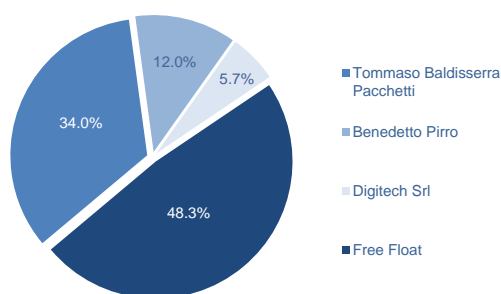
2017-23 top line evolution



2019-23 n. of campaigns and funds raised



Shareholders Structure



Peer group absolute performance

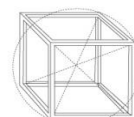
%	1D	1W	1M	3M	6M	YTD
Funding Circle Holdings PLC	(0.4)	8.3	40.3	35.5	240.3	243.8
LendingClub Corp	(2.4)	2.4	(5.1)	32.9	28.2	27.6
Median	(1.4)	5.3	17.6	34.2	134.3	135.7
CrowdFundMe SpA	0.0	1.0	(4.4)	2.1	(5.3)	(11.3)

Sources: CFO SIM, Refinitiv Eikon

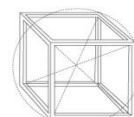
Peer group multiples table

Price & EV multiples x	Sales FY1	Sales FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2
Funding Circle Holdings PLC	1.91	1.63	17.5	8.3	n.m.	15.7	neg.	32.6
LendingClub Corp	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	27.8	13.1
Median	1.91	1.63	17.5	8.3	n.m.	15.7	27.8	22.8
CrowdFundMe SpA	1.56	1.18	23.9	7.3	neg.	neg.	neg.	neg.

Sources: CFO SIM, Refinitiv Eikon



Income statement (€ m)	2022	2023	2024e	2025e	2026e
Revenues	1.001	1.516	2.056	2.462	2.830
Value of Production	1.155	1.786	2.070	2.476	2.843
Raw material and processing	(0.005)	(0.004)	(0.004)	(0.005)	(0.006)
Services	(0.719)	(1.210)	(1.209)	(1.305)	(1.472)
Personnel expenses	(0.489)	(0.580)	(0.617)	(0.647)	(0.657)
Other opex	(0.064)	(0.162)	(0.105)	(0.123)	(0.136)
EBITDA	(0.121)	(0.170)	0.134	0.396	0.574
D&A	(0.301)	(0.727)	(0.503)	(0.441)	(0.388)
EBIT	(0.422)	(0.897)	(0.369)	(0.045)	0.185
Financials	0.001	0.002	(0.003)	(0.003)	(0.003)
Re/(Devaluation) of financial assets	(0.002)	0.000	0.000	0.000	0.000
Forex gain/(loss)	0.000	0.000	0.000	0.000	0.000
Pre-Tax profit	(0.423)	(0.895)	(0.372)	(0.049)	0.182
Income taxes	0.000	(0.004)	0.000	0.000	(0.050)
Minorities	0.000	(0.003)	(0.074)	(0.082)	(0.089)
Net Profit	(0.422)	(0.902)	(0.447)	(0.130)	0.042
Balance sheet (€ m)	2022	2023	2024e	2025e	2026e
Net Working Capital	(0.187)	(0.214)	(0.224)	(0.209)	(0.211)
Net Fixed Assets	3.755	3.217	2.758	2.417	2.129
Equity Investments	0.001	0.001	0.001	0.001	0.001
Other M/L Term A/L	(0.152)	(0.133)	(0.151)	(0.178)	(0.201)
Net Invested Capital	3.417	2.871	2.384	2.031	1.718
Net Financial Position	(0.435)	(0.082)	(0.197)	(0.501)	(0.946)
Minorities	0.083	0.086	0.160	0.242	0.331
Group's Shareholders Equity	3.769	2.867	2.420	2.290	2.332
Financial Liabilities & Equity	3.417	2.871	2.384	2.031	1.718
Cash Flow statement (€ m)	2022	2023	2024e	2025e	2026e
Net income before minorities	(0.423)	(0.899)	(0.372)	(0.049)	0.132
Depreciation	0.301	0.727	0.503	0.441	0.388
Other non-cash charges	(0.340)	0.129	0.019	0.026	0.023
Cash Flow from Oper. (CFO)	(0.462)	(0.043)	0.150	0.419	0.543
Change in NWC	0.051	0.026	0.010	(0.014)	0.001
FCF from Operations (FCFO)	(0.411)	(0.017)	0.160	0.404	0.545
Net Investments (CFI)	(3.188)	(0.288)	(0.045)	(0.100)	(0.100)
Free CF to the Firm (FCFF)	(3.599)	(0.304)	0.115	0.304	0.445
CF from financials (CFF)	3.126	(0.047)	0.000	(0.000)	0.000
Free Cash Flow to Equity (FCFE)	(0.472)	(0.351)	0.115	0.304	0.445
Financial ratios	2022	2023	2024e	2025e	2026e
EBITDA margin	-12.1%	-11.2%	6.5%	16.1%	20.3%
EBIT margin	-42.2%	-59.2%	-18.0%	-1.8%	6.5%
Net profit margin	-42.2%	-59.5%	-21.7%	-5.3%	1.5%
Tax rate	0.0%	-0.4%	0.0%	0.0%	27.5%
Op NWC/Sales	-18.7%	-14.1%	-10.9%	-8.5%	-7.4%
Interest coverage x	n.m.	n.m.	39.59	116.80	169.28
Net Debt/EBITDA x	n.m.	n.m.	n.m.	n.m.	n.m.
Net Debt-to-Equity x	n.m.	n.m.	n.m.	n.m.	n.m.
ROIC	Neg.	Neg.	Neg.	Neg.	2.5%
ROCE	Neg.	Neg.	Neg.	Neg.	6.7%
ROACE	Neg.	Neg.	Neg.	Neg.	6.9%
ROE	Neg.	Neg.	Neg.	Neg.	1.8%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%
Per share figures	2022	2023	2024e	2025e	2026e
Number of shares # m	1.71	1.71	1.71	1.71	1.71
Number of shares Fully Diluted # m	1.71	1.71	1.71	1.71	1.71
Average Number of shares Fully Diluted # m	1.59	1.71	1.71	1.71	1.71
EPS stated FD €	(0.26)	(0.53)	(0.26)	(0.08)	0.02
EBITDA €	(0.08)	(0.10)	0.08	0.23	0.33
EBIT €	(0.26)	(0.52)	(0.22)	(0.03)	0.11
BV €	2.25	1.72	1.51	1.48	1.55
FCFO €	(0.26)	(0.01)	0.09	0.24	0.32
FCFF €	(2.26)	(0.18)	0.07	0.18	0.26
FCFE €	(0.30)	(0.20)	0.07	0.18	0.26
Dividend €	0.00	0.00	0.00	0.00	0.00



H1-24 Results

CrowdFundMe posted interim results characterised by soaring top line, thanks to a robust recovery in total fundraising coupled with a good improvement in fee collection. EBITDA turned positive, mainly resulting from the contribution of Trusters and almost unchanged operating costs, whereas bottom line came in still negative, burdened by the amortisation of goodwill.

Although the crowd-investing market remained challenging in H1-24 primarily due to the still high-interest rate environment, **a more accommodating monetary policy by the ECB should reignite investors' risk-appetite for equity crowdfunding projects** over the next quarters.

Table 1 – CrowdFundMe, H1-24 results

€ m	H1-24	H1-23	% YoY
Revenues	0.972	0.717	35.5
Increase in finished products	0.000	0.000	
Other revenues	0.011	0.184	
Value of Production	0.983	0.901	9.1
Raw material and processing	(0.002)	(0.002)	
Services	(0.549)	(0.604)	
Personnel expenses	(0.319)	(0.302)	
Other opex	(0.055)	(0.070)	
EBITDA	0.057	(0.078)	n.m.
% margin	5.9	(10.8)	
D&A	(0.252)	(0.364)	
EBIT	(0.194)	(0.442)	n.m.
% margin	(20.0)	(61.6)	
Financials	(0.002)	(0.002)	
Pre-Tax profit	(0.196)	(0.444)	n.m.
% margin	(20.2)	(61.9)	
Income taxes	0.000	0.000	
Tax rate	0.0%	0.0%	
Minorities	(0.036)	(0.005)	
Net Profit	(0.232)	(0.449)	n.m.
% margin	(23.9)	(62.6)	
NFP debt/(cash) *	(0.139)	(0.082)	n.m.
Shareholders' Equity*	2.718	2.867	

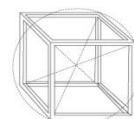
Source: Company data, *compared to FY-23

Based upon a total fundraising of nearly € 18.0m (vs € 15.7m in H1-23, **c. +14.5% YoY**), **Revenues soared by 35.5% YoY to € 972k**, compared to € 717k registered in the first semester of 2023, driven by the robust performance of both CrowdFundMe and Trusters. Moreover, the implicit applied fee rose to approximately 5.4% from 4.6% in H1-23.

Trusters, a leading platform in Real Estate P2P Lending projects, **confirmed itself as the main source of group's revenues** as well as a valuable asset in tough environments, thanks to its lower cyclicity and fixed-income nature. Equity crowdfunding projects showed a good performance in H1-24, albeit a stronger recovery was still curbed by persistently high interest rates.

EBITDA turned positive for roughly € 57k, 5.9% margin (- € 78k in H1-23), reflecting higher revenues and almost unchanged operating costs, increasingly benefitting from the integration of Trusters within the group.

Net Loss narrowed to € 232k from € 449k posted in H1-23, thanks to the abovementioned reasons and following lower D&A expenses YoY, mainly ascribable to the amortisation of goodwill related to the acquisition of Trusters in 2022 and R&D costs. Moreover, it comprises **minority interests to the tune of € 36k**, as a result of Trusters' positive bottom line, which came in at c. € 86k.



Net Financial Position improved to € 139k cash from € 82k cash at year-end 2023, mainly on the back of good operating cash flow and almost negligible capex. **Group Equity stood at € 2.7m.**

Estimates, Valuation & Risks

CrowdFundMe posted a good set of interim results, showing soaring top line underpinned by a robust recovery in total fund raising as well as a good improvement in fee collection. Thus, EBITDA turned positive, reflecting higher revenues, which allowed to take advantage of economies of scale, coupled with cost synergies stemming from the ever-increasing integration between CrowdFundMe and Trusters.

The crowd-investing market remained challenging in H1-24 primarily due to the still high-interest rate environment, especially delaying the recovery of equity crowdfunding initiatives. On the contrary, demand for Real Estate P2P Lending crowdfunding projects was robust, confirming Trusters as a valuable asset for the group capable of smoothing the volatility of results.

It is worth to underline that, compared to the first months of 2024, the visibility on the disinflation and the monetary easing path by ECB is clearer. Therefore, **investors' risk-appetite for equity crowdfunding projects** should improve over the next quarters.

Following the H1-24 results release, **we have updated our model** by factoring in 1) a mild increase of revenues, mostly related to an upward revision in the applied fee, aligned with the recent results, 2) a fine-tuning of operating costs and, 3) lower than previously forecasted Capex. **The combined result is an average 1.6% increase in Revenues and 5.5% decline in EBITDA in 2024-26, respectively.**

Table 2 - CrowdFundMe, 2024e new/old estimates

€ m	New	Old	Δ %.	Δ € m
Revenues	2.056	2.035	1.0	0.021
EBITDA	0.134	0.140	(4.0)	(0.006)
% margin	6.5	6.9		
EBIT	(0.369)	(0.439)	n.m.	0.070
% margin	(18.0)	(21.6)		
Net Profit	(0.447)	(0.442)	n.m.	(0.004)
% margin	(21.7)	(21.7)		
Net debt/(cash)	(0.197)	(0.137)	n.m.	(0.060)

Source: CFO SIM

Table 3 – CrowdFundMe, 2025e new/old estimates

€ m	New	Old	Δ %.	Δ € m
Revenues	2.462	2.415	1.9	0.047
EBITDA	0.396	0.424	(6.6)	(0.028)
% margin	16.1	17.6		
EBIT	(0.045)	(0.074)	n.m.	0.029
% margin	(1.8)	(3.1)		
Net Profit	(0.130)	(0.104)	n.m.	(0.027)
% margin	(5.3)	(4.3)		
Net debt/(cash)	(0.501)	(0.443)	n.m.	(0.058)

Source: CFO SIM

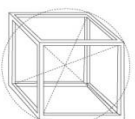


Table 4 – CrowdFundMe, 2026e new/old estimates

€ m	New	Old	Δ %.	Δ € m
Revenues	2.830	2.778	1.9	0.052
EBITDA	0.574	0.610	(6.0)	(0.036)
% margin	20.3	22.0		
EBIT	0.185	0.179	n.m.	0.006
% margin	6.5	6.5		
Net Profit	0.042	0.081	n.m.	(0.039)
% margin	1.5	2.9		
Net debt/(cash)	(0.946)	(0.908)	n.m.	(0.038)

Source: CFO SIM

Moreover, CFO SIM has updated the valuation criteria, bringing the risk-free rate up to date (from 4.18% to 3.80%, considering the 10Y Italian government bond's 200-day moving average). **The combined result points to a new DCF-based PT of € 2.70/s (€ 2.60)**, entailing a 37.1% upside to current price levels. Buy recommendation confirmed.

DCF

In applying the DCF valuation method, we assess explicit estimates until 2028 and a cautious long-term growth of 2.5%. Cash flows are discounted back at a weighted average cost of capital calculated according to the following parameters:

Table 5 – WACC derived from:

Interest costs, pre-tax	4.5%
Tax rate	27.5%
Int. costs, after taxes	3.3%
Risk premium, incl. small size premium	9.0%
Risk-free (10Y Gov. Bond 200dd mov. avg.)	3.80%
Beta levered (x)	1.00
Required ROE	12.8%

Source: CFO SIM, Refinitiv Eikon

Risk premium at 9.0% factors in the minute size of the company and basically all Euronext Growth Milan market segment related concerns that an investor might have. The WACC is computed using a **Beta = 1** and a **100%-equity** structure, as CrowdFundMe still operates in an early-stage phase and is basically debt-free.

Table 6 – CrowdFundMe, DCF model

€ m	2024e	2025e	2026e	2027e	2028e	TV
EBIT	(0.4)	(0.0)	0.2	0.6	0.8	
Tax rate	27.5%	27.5%	27.5%	27.5%	27.5%	
Operating profit (NOPAT)	(0.3)	(0.0)	0.1	0.4	0.6	
Change working capital	0.0	(0.0)	0.0	0.0	0.0	
Depreciation	0.5	0.4	0.4	0.3	0.1	
Investments	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	
Free Cash Flows	0.2	0.3	0.4	0.6	0.6	5.5
Present value	0.2	0.3	0.3	0.4	0.3	3.3
WACC	12.8%	12.8%	12.8%	12.8%	12.8%	
Long-term growth rate	2.5%					

Source: CFO SIM

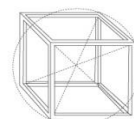


Table 7 – CrowdFundMe, DCF derived from:

€ m	
Total EV present value € m	4.8
	<i>thereof terminal value</i>
NFP FY-23	69.1%
Pension provision	0.1
Minorities 24e (valued at P/BV 1.2x)	(0.0)
	(0.2)
Equity value € m	4.7
#m shares	1.7
Equity value €/s	2.70
<i>% upside/(downside)</i>	<i>37.1%</i>

Source: CFO SIM

The application of our DCF model generates an equity value of € 4.7m, € 2.70/s for CrowdFundMe, 37.1% upside with respect to current price levels.

The following tables illustrate that sensitivity, 1) compared to changes in the terminal growth rate, produces an equity value of € 2.58-2.90/s (perpetuity range between 1.75% and 3.25%), while 2) if compared to changes in the free risk rate it produces an equity value of € 2.53-2.96/s (risk-free range between 4.55% and 3.05%) and 3) if compared to changes in the risk premium, including small size premiums, it results in an equity value of € 2.36-3.22/s (risk premium range between 10.5% and 7.50%).

Table 8 – CrowdFundMe, equity value sensitivity to changes in terminal growth rate

€ m	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
Present value of CF	1.5	1.5	1.5	1.5	1.5	1.5	1.5
PV of Terminal Value	3.1	3.2	3.2	3.3	3.4	3.5	3.6
Total value	4.6	4.6	4.7	4.8	4.9	5.0	5.1
NFP FY-23	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension provision	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Minorities 24e (valued at P/BV 1.2x)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Equity value	4.4	4.5	4.6	4.7	4.8	4.9	5.0
Equity value/share €	2.58	2.63	2.68	2.70	2.78	2.84	2.90

Source: CFO SIM

Table 9 – CrowdFundMe, equity value sensitivity to changes in risk-free rate

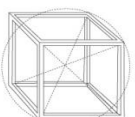
€ m	3.05%	3.30%	3.55%	3.80%	4.05%	4.30%	4.55%
Present value of CF	1.5	1.5	1.5	1.5	1.5	1.5	1.5
PV of Terminal Value	3.7	3.6	3.4	3.3	3.2	3.1	3.0
Total value	5.2	5.1	4.9	4.8	4.7	4.6	4.5
NFP FY-23	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension provision	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Minorities 24e (valued at P/BV 1.2x)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Equity value	5.1	4.9	4.8	4.7	4.6	4.4	4.3
Equity value/share €	2.96	2.88	2.80	2.70	2.66	2.59	2.53

Source: CFO SIM

Table 10 – CrowdFundMe, equity value sensitivity to changes in risk premium

€ m	7.50%	8.00%	8.50%	9.00%	9.50%	10.00%	10.50%
Present value of CF	1.5	1.5	1.5	1.5	1.5	1.5	1.4
PV of Terminal Value	4.1	3.8	3.6	3.3	3.1	2.9	2.7
Total value	5.7	5.4	5.1	4.8	4.6	4.4	4.2
NFP FY-23	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Pension provision	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Minorities 24e (valued at P/BV 1.2x)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Equity value	5.5	5.2	4.9	4.7	4.4	4.2	4.0
Equity value/share €	3.22	3.04	2.88	2.70	2.59	2.47	2.36

Source: CFO SIM



Market Multiples

CrowdFundMe is one of the leading crowdfunding platforms in Italy, allowing start-ups and SMEs to raise capital to fund their innovative projects via its user-friendly online portal. Over the years CFM has continuously completed its offering of crowdfunding investment instruments, introducing Real Estate and P2P Lending projects as well as mini-bonds dedicated to debt investors.

Given the absence of a domestic peer, as **CrowdFundMe is the only listed crowdfunding platform in Italy, we set up a peer group made up of two international companies operating in the crowdfunding, P2P Lending as well as micro-credit industries.** As such, we have selected:

Funding Circle Holdings plc provides a loan platform for small and mid-size enterprises. The company operates through four segments: 1) United Kingdom Loans, 2) United States Loans, 3) United Kingdom Flexipay and, 4) Other Loans. The Other Loans segment includes the company's businesses in Germany and the Netherlands. It reinvents small business lending through machine learning, technology, and data. Its 4D work system includes data accumulation, data engineering, data science, and decision engine platform. The company's products include FlexiPay, FlexiPay card, and embedded finance. FlexiPay is a line of credit that allows businesses to make purchases and then spread the cost over three months, paying it back in three equal monthly installments. FlexiPay card is another way for customers to use their FlexiPay line of credit, helping them to pay for everyday business expenses and make purchases. Its embedded finance solution enables partners to offer its loans on their platforms.

LendingClub Corporation is a bank holding company, which operates a digital marketplace bank. The bank's customers can gain access to a range of financial products and services designed to help them digitally manage their lending, spending and savings. It offers a range of products and services aimed at supporting its members and further improving their financial health. The company offers products and services to commercial customers, as well as to range of institutional investors for its unsecured personal loans and auto loans, and for its patient and education finance loans. For depositors, it offers digital experience features, such as ATM fee rebates, rewards and interest rates. Its commercial lending business includes commercial and industrial loans, commercial real estate loans, small business loans and equipment loans and leases.

Based on CFO SIM estimates, entailing only organic growth, **CrowdFundMe offers investors considerably higher sales growth whereas it shows a lower EBITDA margin.**

Table 11 – CrowdFundMe, peer group summary table

€ m	Country	Mkt Cap	Sales FY1	EBITDA FY1	EBITDA margin	Sales CAGR ₂₃₋₂₆	EBITDA CAGR ₂₃₋₂₆	EBIT CAGR ₂₃₋₂₆	EPS CAGR ₂₃₋₂₆	NFP/EBITDA	NFP FY1
Funding Circle Holdings PLC	UK	558	190	21	10.9%	8.9%	n.m.	n.m.	n.m.	n.m.	(194)
LendingClub Corp	US	1,127	700	101	14.4%	8.1%	25.0%	86.8%	45.2%	n.m.	(927)
Median		842	445	61	13.7%	8.5%	25.0%	86.8%	45.2%	n.a.	(561)
CrowdFundMe SpA	IT	3	2	0	6.5%	23.1%	n.m.	n.m.	n.m.	n.m.	(0.20)

Sources: CFO SIM, Refinitiv Eikon

Table 12 – CrowdFundMe, peer group EV multiple table

x	Sales FY1	Sales FY2	Sales FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3
Funding Circle Holdings PLC	1.91	1.63	1.39	17.5	8.3	5.3
LendingClub Corp	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Median	1.91	1.63	1.39	17.48	8.3	5.3
CrowdFundMe SpA	1.56	1.18	0.87	23.9	7.3	4.3
% premium/(discount) to peers	(18.5)	(28.0)	(37.5)	36.4	(11.5)	(19.1)

Sources: CFO SIM, Refinitiv Eikon

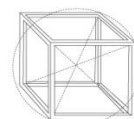
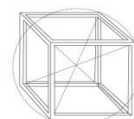


Table 13 – CrowdFundMe, peer group EV & price multiple table

x	EBIT FY1	EBIT FY2	EBIT FY3	PER FY1	PER FY2	PER FY3
Funding Circle Holdings PLC	n.m.	15.7	7.6	neg.	32.6	16.2
LendingClub Corp	n.m.	n.m.	n.m.	27.8	13.1	10.4
Median	n.a.	15.7	7.6	27.8	22.8	13.3
CrowdFundMe SpA	neg.	neg.	13.2	neg.	neg.	80.1
<i>% premium/(discount) to peers</i>	<i>n.m.</i>	<i>n.m.</i>	<i>74.2</i>	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>

Sources: CFO SIM, Refinitiv Eikon



Peer Stock Performance

CrowdFundMe was listed on Euronext Growth Milan on 25-Mar-19 at € 9.00/share corresponding to a post-money market capitalisation of € 13.3m. **CrowdFundMe now trades below the IPO price**, and reached a 1Y maximum price of € 2.34/s on 20-Dec-23 and a minimum level of € 1.88/s on 25-Sep-24.

Table 14 – CrowdFundMe, peer group and index absolute performance

	1D	1W	1M	3M	6M	YTD	1Y
Funding Circle Holdings PLC	(0.4)	8.3	40.3	35.5	240.3	243.8	254.4
LendingClub Corp	(2.4)	2.4	(5.1)	32.9	28.2	27.6	84.9
Median	(1.4)	5.3	17.6	34.2	134.3	135.7	169.6
CrowdFundMe SpA	0.0	1.0	(4.4)	2.1	(5.3)	(11.3)	(0.5)
MSCI World Index	(0.8)	(0.2)	2.7	4.4	8.5	16.5	30.1
EUROSTOXX	(0.8)	0.5	1.2	1.8	(0.7)	8.1	17.4
FTSE Italia All Share	(1.0)	(0.2)	(0.2)	0.7	(1.6)	10.6	20.9
FTSE Italia STAR	(0.7)	0.9	(0.1)	(3.2)	(3.2)	(3.5)	10.0
FTSE Italia Growth	(0.4)	(0.1)	0.6	(0.8)	(0.8)	(3.4)	(2.5)

Source: Refinitiv Eikon

Table 15 – CrowdFundMe, relative performances

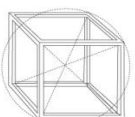
	1D	1W	1M	3M	6M	YTD	1Y
to Peers Median	1.4	(4.3)	(22.0)	(32.1)	(139.5)	(146.9)	(170.2)
to MSCI World Index	0.8	1.3	(7.1)	(2.3)	(13.8)	(27.8)	(30.6)
to EUROSTOXX	0.8	0.5	(5.6)	0.2	(4.6)	(19.3)	(17.9)
to FTSE Italia All Share	1.0	1.3	(4.1)	1.3	(3.7)	(21.9)	(21.4)
to FTSE Italia STAR	0.7	0.1	(4.3)	5.3	(2.1)	(7.8)	(10.5)
to FTSE Italia Growth	0.4	1.1	(5.0)	2.8	(4.5)	(7.9)	2.0

Source: Refinitiv Eikon

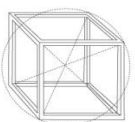
Risks

The principal investment **risks** associated with CrowdFundMe include:

- higher interest rates or adverse macroeconomic conditions could harm equity crowdfunding campaigns;
- tight credit constraint could slow down business expansion;
- a lower operating cash flow could jeopardise key investments to update and improve the crowdfunding platform;
- regulatory changes could reshape competitive landscape and nullify previously secured competitive advantages.



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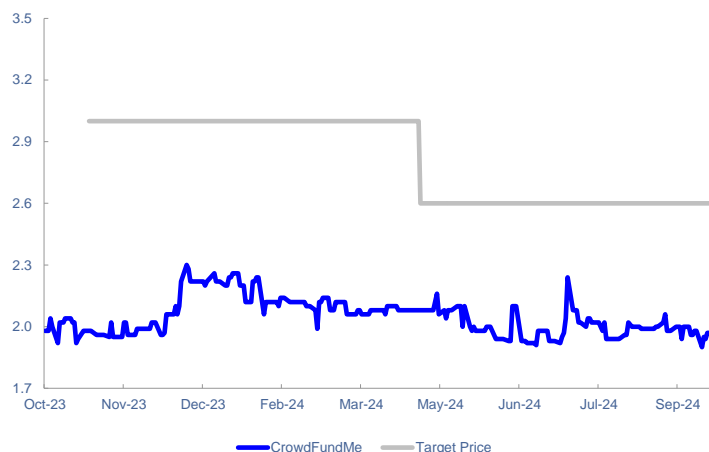
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DATE	TARGET PRICE	RATING
02/10/2024	€ 2.70	BUY
23/04/2024	€ 2.60	BUY
26/10/2023	€ 3.00	BUY

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- a **BUY** rating is assigned if the target price is at least 15% higher than the market price;
- a **SELL** rating is assigned if the target price is at least 15% lower than the market price;
- a **NEUTRAL** rating is assigned if the difference between the current price and target price lies within the +/-15% range identified using the preceding criteria.

The rating is determined on the basis of the **expected absolute return over a 12-month period** and not on the basis of the estimated outperformance or underperformance relative to a market index. Thus, the rating can be directly linked to the estimated percentage difference between current and target prices. The prices of the financial securities mentioned in the report (also used for the calculation of market capitalisation and market multiples) are the reference prices of the stock market trading day preceding the publication date of the report, otherwise stated.

