

## Italy – Digital Innovation

## New Business Plan targets unveiled to surf the AI revolution

30<sup>th</sup> July 2024

BUSINESS PLAN 2024-28

RIC: NSP.MI  
BBG: NSP IM

Neosperience's 2024-28 Business Plan envisages a substantial downward revision in relation to the financial targets set for 2024 and 2025 in May-23. Nonetheless, the updated organic targets set a still ambitious growth path both in terms of top line, expected to grow in excess of 20% YoY until 2028, and profitability. The focus is on organic growth while keeping an eye on potential add-ons and penetration into new strategic markets.

Rating:

**Buy**

Price Target:

**€ 2.20 (€ 2.30)**

Upside/(Downside): 67.3%

Last Price: € 1.32

Market Cap.: € 27.4m

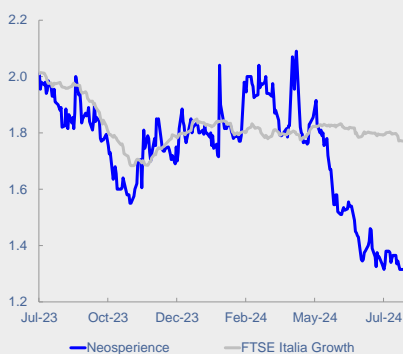
1Y High/Low: € 2.24 / € 1.28

Avg. Daily Turn. (3M, 6M): € 73k, € 158k

Free Float: 56.9%

Major shareholders:

Neos Srl 34.4%  
RH Tech Consulting Srl 11.8%



### Stock price performance

	1M	3M	12M
<b>Absolute</b>	-3.3%	-29.1%	-33.6%
<b>Rel.to FTSE IT Growth</b>	-1.7%	-26.2%	-21.5%
<b>Rel.to Sector</b>	-3.3%	-35.5%	-37.0%

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**Estimates fine-tuned. New DCF-based PT points to € 2.20/s (€ 2.30). Buy confirmed**

On the back of the announcement of the 2024-28 Business Plan, we have fine-tuned our model, factoring-in: 1) a slight decrease in FY-24 revenues while leaving our top line assumptions for 2025-26 essentially unchanged, 2) an upward revision in D&A expenses in 2024-26. The combined result is an average 0.3%, 1.2% and 35.5% decline in Revenues, EBITDA and EBIT in 2024-26. CFO SIM has updated the DCF valuation criteria, bringing the risk-free rate up-to-date (3.95% based on the 200-days moving average vs. prev. 4.20%). As a consequence, our new DCF-based PT for NSP points to € 2.20/s (€ 2.30), 67.3% upside, also resulting from the weak price performance (~-25.0%) registered since our last update. Further upside could arise from a better-than-expected cash flow generation resulting from a normalisation of capex greater than our estimate of € 5m/year in 2025-26, on average. Buy recommendation confirmed.

**Revenues and EBITDA CAGR<sub>23-28</sub> of 20.3% and 29.8%, respectively**

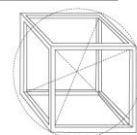
On July 25<sup>th</sup>, Neosperience unveiled the next stage of its growth path by presenting the 2024-28 Business Plan, entirely drafted on an organic basis. In greater detail, Revenues are expected to increase from € 21.2m in 2023 to € 53.4m in 2028 (CAGR<sub>23-28</sub> of 20.3%), underpinned by the vast market opportunities opened up by the recent AI-driven innovations. EBITDA is predicted to soar from € 5.1m, 24.0% margin in 2023 (on an adjusted basis) to € 18.7m, 34.9% margin in 2028 (CAGR<sub>23-28</sub> of 29.8%), driven by a combination of growing top line and a higher contribution of recurring revenues stemming from SaaS solutions. EBIT is predicted to reach € 14.8m, 27.7% margin in 2028, benefitting from operating leverage effect and a significant decline in D&A charges from 2026 onwards, reflecting a normalisation of capex. In the 2024-25 period, the updated Revenues and EBITDA estimates are, on average, 22.4% and 33.6% lower than the previous ones, resulting in a meaningful impact on margins. As opposed to the previous BP, NFP targets were not disclosed, although the management is confident to reach a net cash position by 2028.

**New targets fairly aligned with our previous 2024-25 Revenues and EBITDA forecasts**

The new targets for 2024 are bang in line with our previous expectations (updated as of 19<sup>th</sup> April, following FY-23 results) as regards Revenues (-0.9% vs prev. CFO) and EBITDA (-1.6% vs prev. CFO) while being considerably lower on EBIT, reflecting higher-than-expected D&A charges (€ 5.7m vs our estimate of € 5.0m). 2025 targets are slightly higher in terms of top line (+5.5% vs prev. CFO) and EBITDA (+8.4% vs prev. CFO) whereas EBIT is expected to be negatively affected by the abovementioned reasons. Moreover, Neosperience disclosed targets for 2026, showing higher Revenues (€ 37.2m vs prev. CFO € 35.2m, +5.7%) and EBITDA (€ 11.8m vs prev. CFO € 10.7m, +10.8%), mainly reflecting 1) a higher starting base, 2) a slightly faster YoY growth, and, 3) better assumptions on margins.

**Neosperience, key financials and ratios**

€ m	2022	2023	2024e	2025e	2026e
Revenues	21.0	21.2	24.2	29.7	35.2
Value of Production	25.2	26.1	28.0	33.1	38.1
EBITDA	6.4	4.5	6.5	8.8	10.7
EBIT	1.5	1.4	0.8	2.4	5.3
Net Profit	0.7	0.2	(0.2)	1.0	3.1
NFP (cash)/debt	11.6	14.4	13.5	12.6	9.4
EBITDA margin	30.6%	21.5%	26.8%	29.6%	30.5%
EBIT margin	7.2%	6.8%	3.2%	8.0%	15.0%
EPS stated FD €	0.04	0.01	(0.01)	0.05	0.15
EPS growth	-48.3%	-77.3%	n.m.	n.m.	n.m.
ROCE	3.0%	2.7%	1.3%	3.6%	7.7%
NWC/Sales	27.5%	34.2%	27.9%	27.9%	27.4%
Free Cash Flow Yield	-22.2%	-13.7%	3.1%	3.3%	11.8%
PER x	53.4	n.m.	Neg.	28.4	9.0
EV/Sales x	2.28	2.45	1.69	1.35	1.04
EV/EBITDA x	7.4	10.2	6.3	4.6	3.4
EV/EBIT x	31.7	35.9	52.9	16.9	7.0

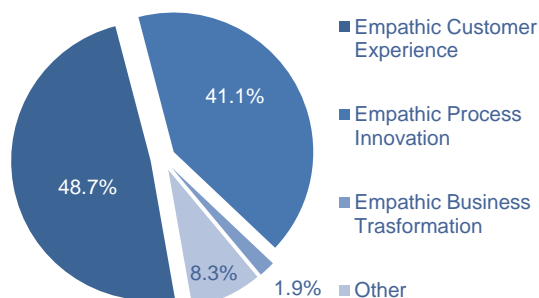


## The company at a glance

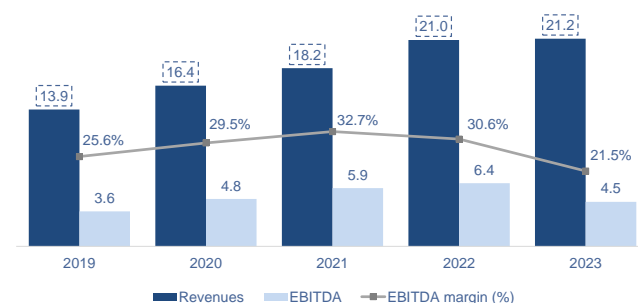
Set up in Brescia by Dario Melpignano and Luigi Linotto in 2006, today Neosperience is a leading software vendor operating in the digital customer experience & customer analytics sector. Thanks to its deep knowledge of software and app development, the group internally designed Neosperience Cloud, an innovative cutting-edge Customer Data Platform based on Artificial Intelligence helping businesses to acquire new customers and increase the value of existing ones. Neosperience's 'empathy in technology' vision perfectly explains the distinctiveness of the group's offer: by applying machine learning to the results of decades of research in cognitive, social, and behavioural psychology, organisations can provide their customers with a customised and optimised experience based on their personality.

The company reported a 26.2% Sales CAGR<sub>16-23</sub> mainly driven by the increase in sales of solutions based on its proprietary Neosperience Cloud platform as well as by the strategic acquisition of a few small companies operating in the digital customer experience arena. FY-23 figures exhibited Revenues of € 21.2m, EBITDA of € 4.5m, 21.5% margin and Net Profit of € 0.2m. Net Financial Position was € 14.4m, corresponding to 3.2x NFP/EBITDA.

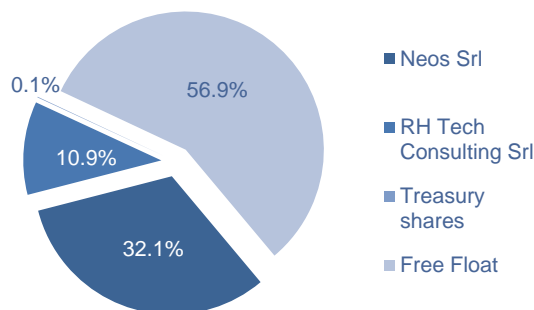
### 2023 Revenues breakdown by business lines



### 2019-23 Revenues and EBITDA evolution



### Shareholder structure



### Peer group absolute performance

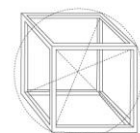
%	1D	1W	1M	3M	6M	YTD
Accenture PLC	(0.7)	(1.6)	7.8	7.6	(12.6)	(7.0)
Adobe Inc	(1.1)	(3.3)	(4.2)	13.4	(14.9)	(10.1)
Alkemy SpA	0.4	0.0	(0.4)	17.0	23.5	31.1
dotDigital Group PLC	0.6	(1.6)	(2.1)	0.9	(4.3)	(5.0)
Gartner Inc	(0.0)	(0.2)	6.7	4.9	1.5	4.4
Growens SpA	(0.5)	(0.8)	4.8	11.7	55.2	54.6
HubSpot Inc	1.2	3.2	(15.8)	(21.6)	(18.2)	(14.1)
Maps SpA	(0.8)	0.0	0.0	3.7	(18.8)	(19.9)
Reply SpA	(1.0)	(4.5)	(3.2)	6.4	3.8	10.3
Salesforce Inc	(1.6)	1.8	0.9	(6.2)	(10.2)	(1.7)
TechTarget Inc	(2.0)	(0.7)	2.9	16.1	(8.1)	(8.5)
<b>Median</b>	<b>(0.7)</b>	<b>(0.7)</b>	<b>0.0</b>	<b>6.4</b>	<b>(8.1)</b>	<b>(5.0)</b>
<b>Neosperience SpA</b>	<b>0.0</b>	<b>(3.7)</b>	<b>(3.3)</b>	<b>(29.1)</b>	<b>(28.5)</b>	<b>(27.7)</b>

Source: Refinitiv Eikon

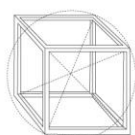
### Peer group multiples table

Price & EV multiples x	Sales FY1	Sales FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2
Accenture PLC	3.11	2.94	16.5	15.2	19.7	18.7	26.8	25.2
Adobe Inc	10.86	9.62	22.0	19.7	23.6	20.8	28.9	26.0
Alkemy SpA	0.77	0.68	7.5	6.3	12.4	9.1	16.0	11.4
dotDigital Group PLC	3.50	3.18	11.5	10.3	18.2	16.0	21.6	20.1
Gartner Inc	6.04	5.56	24.9	23.0	30.1	27.1	39.8	36.4
Growens SpA	1.07	1.02	n.m.	59.2	n.m.	n.m.	n.m.	n.m.
HubSpot Inc	9.58	8.00	48.4	38.9	57.3	45.2	64.3	53.4
Maps SpA	1.40	1.18	6.2	4.9	13.5	9.4	14.9	10.5
Reply SpA	1.99	1.76	12.4	10.9	15.1	13.2	23.4	21.1
Salesforce Inc	6.25	5.43	14.8	13.0	19.2	16.0	25.4	22.7
TechTarget Inc	4.46	3.81	14.3	12.0	18.8	14.3	16.3	16.1
<b>Median</b>	<b>3.50</b>	<b>3.18</b>	<b>14.6</b>	<b>13.0</b>	<b>19.0</b>	<b>16.0</b>	<b>24.4</b>	<b>21.9</b>
<b>Neosperience SpA</b>	<b>1.69</b>	<b>1.35</b>	<b>6.3</b>	<b>4.6</b>	<b>52.9</b>	<b>16.9</b>	<b>n.m.</b>	<b>28.4</b>

Source: CFO SIM, Refinitiv Eikon



<b>Income statement (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Revenues	21.0	21.2	24.2	29.7	35.2
Value of Production	25.2	26.1	28.0	33.1	38.1
Raw material and processing	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)
Services	(8.4)	(8.7)	(9.6)	(11.3)	(13.5)
Personnel expenses	(8.9)	(9.8)	(10.5)	(11.3)	(11.9)
Other opex	(1.1)	(2.7)	(1.1)	(1.2)	(1.5)
EBITDA	6.4	4.5	6.5	8.8	10.7
D&A	(4.9)	(3.1)	(5.7)	(6.4)	(5.5)
EBIT	1.5	1.4	0.8	2.4	5.3
Financials	(0.4)	(0.6)	(1.0)	(0.9)	(0.8)
Re/(Devaluation) of financial assets	(0.0)	(0.2)	0.0	0.0	0.0
Forex gain/(loss)	0.0	0.0	0.0	0.0	0.0
Pre-Tax profit	1.1	0.6	(0.2)	1.5	4.5
Income taxes	(0.2)	(0.4)	0.0	(0.4)	(1.3)
Minorities	(0.2)	(0.0)	(0.0)	(0.1)	(0.1)
Net Profit	0.7	0.2	(0.2)	1.0	3.1
EBITDA Adjusted	6.4	5.1	6.5	8.8	10.7
Net Profit Adjusted	0.7	0.2	(0.2)	1.0	3.1
<b>Balance sheet (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Net Working Capital	7.0	8.9	7.8	9.2	10.4
Net Fixed Assets	37.5	42.5	42.7	41.8	40.9
Equity Investments	1.0	0.7	0.7	0.7	0.7
Other M/L Term A/L	(1.4)	(3.1)	(3.3)	(3.7)	(4.1)
Net Invested Capital	44.1	49.0	48.0	48.1	48.0
Net Financial Debt	11.6	14.4	13.5	12.6	9.4
Minorities	4.1	1.8	1.8	1.9	1.9
Group's Shareholders Equity	28.4	32.9	32.6	33.6	36.7
Financial Liabilities & Equity	44.1	49.0	48.0	48.1	48.0
<b>Cash Flow statement (€ m)</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Total net income	0.9	0.2	(0.2)	1.0	3.1
Depreciation	4.9	3.1	5.7	6.4	5.5
Other non-cash charges	2.1	1.4	0.2	0.4	0.4
Cash Flow from Oper. (CFO)	7.9	4.7	5.8	7.8	9.0
Change in NWC	(1.5)	(2.0)	1.1	(1.4)	(1.2)
FCF from Operations (FCFO)	6.4	2.7	6.9	6.4	7.7
Net Investments (CFI)	(12.5)	(6.5)	(6.0)	(5.5)	(4.5)
Free CF to the Firm (FCFF)	(6.1)	(3.8)	0.9	0.9	3.2
CF from financials (CFF)	1.2	3.7	5.0	5.0	0.0
Free Cash Flow to Equity (FCFE)	(4.9)	(0.0)	5.9	5.9	3.2
<b>Financial ratios</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
EBITDA margin	30.6%	21.5%	26.8%	29.6%	30.5%
EBIT margin	7.2%	6.8%	3.2%	8.0%	15.0%
Net profit margin	3.2%	0.8%	-0.9%	3.3%	8.7%
Tax rate	21.4%	68.7%	0.0%	30.0%	30.0%
Op NWC/Sales	27.5%	34.2%	27.9%	27.9%	27.4%
Interest coverage x	3.97	2.35	0.81	2.59	6.44
Net Debt/EBITDA x	1.80	3.16	2.08	1.44	0.87
Debt-to-Equity x	0.41	0.44	0.41	0.38	0.26
ROIC	1.5%	0.3%	Neg.	2.0%	6.4%
ROCE	3.0%	2.7%	1.3%	3.6%	7.7%
ROACE	3.3%	2.8%	1.4%	3.8%	7.9%
ROE	2.4%	0.5%	Neg.	2.9%	8.3%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Per share figures</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Number of shares # m	19.18	20.78	20.78	20.78	20.78
Number of shares Fully Diluted # m	19.18	20.78	20.78	20.78	20.78
Average Number of shares Fully Diluted # m	19.18	19.98	20.78	20.78	20.78
EPS stated FD €	0.04	0.01	(0.01)	0.05	0.15
EPS adjusted FD €	0.04	0.01	(0.01)	0.05	0.15
EBITDA €	0.34	0.23	0.31	0.42	0.52
EBIT €	0.08	0.07	0.04	0.11	0.25
BV €	1.69	1.67	1.66	1.71	1.86
FCFO €	0.33	0.14	0.33	0.31	0.37
FCFF €	(0.32)	(0.19)	0.04	0.04	0.16
FCFE €	(0.26)	(0.00)	0.28	0.28	0.16
Dividend €	0.00	0.00	0.00	0.00	0.00



## Business Plan 2024-28 unveiled

On July 25<sup>th</sup>, Neosperience unveiled the next stage of its growth path by presenting the **2024-28 Business Plan**. Notably, the company's management updated the financial targets for 2024 and 2025 previously outlined in the Business Plan 2023-25 approved in May-23 and, additionally, announced its expectations for 2026-28.

As opposed to the previous Business Plan, targets relative to Net Financial Position were not disclosed, although **NSP's management stated that is confident to reach a net cash position by year-end 2028**.

Please consider that **the Business Plan is entirely organic**, thus it does not take into account any M&A transactions nor potential new resources arising from capital increases. Considering the latter scenario, **the management was optimistic about successfully listing its 90%-owned subsidiary Neosperience Health on NASDAQ within 2024**.

The new targets are built upon the following strategic pillars:

- **Customer Engagement and Growth**, namely AI-powered tools to furtherly enhance lead generation activities and improve consumer-brand relationships;
- **Process Optimisation and Automation**, driving the seamless integration of Large Language Models and generative AI solutions to empower data-driven business decisions, with positive impact on operating processes and profitability;
- **Digital Transformation Consulting**, by leveraging on a modular and flexible approach to drive the digitalisation of SMEs as well as the evolution of their business models, starting from the ERP systems.

**Table 1 – Neosperience, 2024-28 Business Plan**

€ m	2023	2024e	2025e	2026e	2027e	2028e	CAGR <sub>23-28</sub>
<b>Revenues</b>	<b>21.2</b>	<b>24.3</b>	<b>31.3</b>	<b>37.2</b>	<b>44.5</b>	<b>53.4</b>	<b>20.3</b>
YoY (%)	-	14.7%	29.0%	18.8%	19.7%	19.8%	
<b>Value of Production</b>	<b>26.1</b>	<b>29.2</b>	<b>35.8</b>	<b>40.7</b>	<b>47.5</b>	<b>56.9</b>	<b>16.9</b>
<b>EBITDA</b>	<b>5.1*</b>	<b>6.6</b>	<b>9.6</b>	<b>11.8</b>	<b>14.5</b>	<b>18.7</b>	<b>29.8</b>
% margin	24.0	27.3	30.6	31.8	32.7	34.9	
<b>EBIT</b>	<b>1.4</b>	<b>0.9</b>	<b>3.0</b>	<b>7.4</b>	<b>10.3</b>	<b>14.8</b>	<b>59.3</b>
% margin	6.8	3.8	9.7	19.9	23.1	27.7	

Source: Company data

\* on an adjusted basis

In greater detail, the key financial targets outlined in the 2024-28 Business Plan are the following:

- **Revenues** are expected to increase **from € 21.2m in 2023 to € 53.4m in 2028 (CAGR<sub>23-28</sub> of 20.3%)**. The robust growth trajectory is underpinned by the vast market opportunities in the software industry opened up by the recent advent of Large Language Models and AI-driven innovations, where Neosperience has invested a sizeable number of resources over the last couple of years. In particular, the company expects to gain a bolder presence in key market sectors (i.e. Fashion & Luxury, Retail, Manufacturing and Healthcare).

In terms of business lines, the recently-developed platforms, such as **Neosperience Health and Elibra, are anticipated to meaningfully contribute to top line progression, especially from 2025 onwards**.

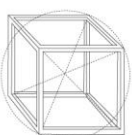
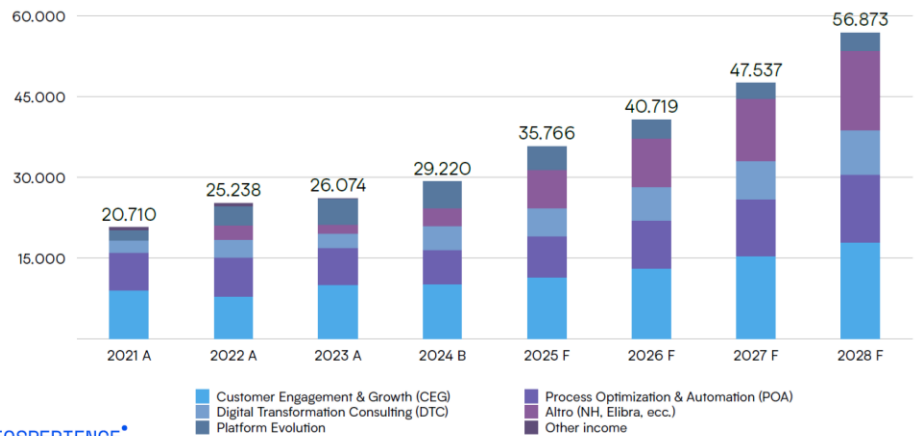


Chart 1 – Neosperience, 2024-28 Business Plan's revenues breakdown by business line



NEOSPERIENCE<sup>•</sup>

Source: Company presentation

- **EBITDA** is predicted to soar from € 5.1m, 24.0% margin, in 2023 (on an adjusted basis) to € 18.7m, 34.9% margin in 2028 (CAGR<sub>23-28</sub> of 29.8%), thus growing more than proportionately to top line, driven by a combination of growing top line and a higher contribution of recurring revenues stemming from SaaS solutions;
- **EBIT** is anticipated to grow more than tenfold, from € 1.4m, 6.8% margin in 2023 to € 14.8m, 27.7% margin in 2028 (CAGR<sub>23-28</sub> of 59.3%), mainly benefitting from operating leverage effect and a significant decline in D&A charges. In fact, D&As are expected to approximately remain in the region of € 4m in the 2027-28 period, reflecting a normalisation of capex after the huge investments in the recent years (€ 11m and € 7m in 2022-23, respectively) mostly intended to enrich Neosperience Cloud, the company's proprietary platform, with new promising verticals;
- As opposed to the previous Business Plan, **the company's management did not disclose targets with respect to Net Financial Position**, although is confident to reach a net cash position by 2028. **In our view**, on an organic basis, **this target could only be attained thanks to a robust cash flow generation in the coming years.**

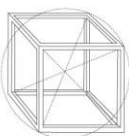
Compared to the previously-disclosed estimates for 2024 and 2025, Neosperience revised downward its targets for FY-24, also as a result of FY-23 results below expectations, mainly due to the uncertain macroeconomic environment that led customers to postpone the investments into technological advancement and the digitisation of processes. **The targets set in the new BP for 2024 and 2025 with respect to Revenues and EBITDA are, on average, 22.4% and 33.6% lower compared to the previous BP, resulting in a meaningful impact on margins.**

Table 2 – Neosperience, 2024e estimates comparison between CFO, NEOS' new and old BP

€ m	CFO*	BP NEW	BP OLD	% diff BP NEW vs BP OLD	% diff BP NEW vs CFO
Revenues	24.5	24.3	30.4	(20.3)	(0.9)
Value of Production	28.2	29.2	35.0	(16.5)	3.5
EBITDA	6.7	6.6	10.1	(34.2)	(1.6)
% margin	27.5	27.3	33.0	-576bps	-20bps
EBIT	1.7	0.9	4.3	(78.7)	(47.4)
% margin	7.1	3.8	14.1	-1034bps	-335bps

Source: Company data, CFO SIM

\*CFO SIM estimates updated as of 19<sup>th</sup> April 2024



The new targets for 2024 are broadly aligned with our previous expectations (updated as of 19<sup>th</sup> April, following FY-23 results) as regards Revenues (-0.9% vs prev. CFO) and EBITDA (-1.6% vs prev. CFO) while being considerably lower on EBIT. The main difference compared to our expectation reflects the higher-than-expected D&A charges (€ 5.7m vs our estimate of € 5.0m). Please note that, in FY-23, Neosperience made use of the option to suspend the amortisation of the intangible assets, totalling € 3.4m.

Table 3 – Neosperience, 2025e estimates comparison between CFO, NEOS' new and old BP

€ m	CFO*	BP NEW	BP OLD	% diff BP NEW vs BP OLD	% diff BP NEW vs CFO
Revenues	29.7	31.3	41.4	(24.4)	5.5
Value of Production	33.1	35.8	45.6	(21.6)	8.1
EBITDA	8.8	9.6	14.3	(33.1)	8.4
% margin	29.8	30.6	34.5	-394bps	82bps
EBIT	4.0	3.0	7.7	(60.6)	(23.9)
% margin	13.4	9.7	18.6	-889bps	-373bps

Source: Company data, CFO SIM

\*CFO SIM estimates updated as of 19<sup>th</sup> April 2024

2025 targets are slightly higher compared to our projections in terms of Revenues (+5.5%) and EBITDA (+8.4%) whereas EBIT is expected to be negatively affected by the abovementioned reasons.

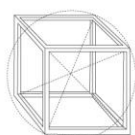
Table 4 – Neosperience, 2026e estimates comparison between CFO, NEOS' new and old BP

€ m	CFO*	BP NEW	BP OLD	% diff BP NEW vs BP OLD	% diff BP NEW vs CFO
Revenues	35.2	37.2	-	-	5.7
Value of Production	38.1	40.7	-	-	6.9
EBITDA	10.7	11.8	-	-	10.8
% margin	30.4	31.8	-	-	146bps
EBIT	5.9	7.4	-	-	25.9
% margin	16.7	19.9	-	-	320bps

Source: Company data, CFO SIM

\*CFO SIM estimates updated as of 19<sup>th</sup> April 2024

Moreover, Neosperience unveiled targets for 2026, exhibiting higher Revenues (€ 37.2m vs prev. CFO € 35.2m, +5.7%) and EBITDA (€ 11.8m vs prev. CFO € 10.7m, +10.8%) compared to our estimates, mainly on the back of 1) a higher starting base, 2) a slightly faster YoY growth, and, 3) better assumptions on margins. EBIT is anticipated to reach € 7.4m, 19.9% margin, in 2026, driven by a combination of soaring top line and lower D&A expenses, also in the wake of a normalisation of Capex after the peak registered in the prior years.



## Estimates, Valuation & Risks

Neosperience's 2024-28 Business Plan envisages a downward revision of the financial targets for 2024 and 2025 outlined in the 2023-25 Business Plan approved in May-23, mainly on the back of FY-23 results below expectations. Nonetheless, **the updated targets set a new ambitious growth path both in terms of top line, expected to grow in excess of 20% YoY until 2028, and profitability.** Indeed, the company aims to play a leading role as a first-class technological partner able to improve the entire customer journey as well as business processes of companies, by leveraging on **proprietary AI-driven solutions integrated according to an agile and modular approach** based upon specific customer requests.

On the back of the announcement of the 2024-28 Business Plan, we have fine-tuned our model, by factoring-in: 1) a slight decrease in FY-24 revenues while leaving our top line assumptions for 2025-26 essentially unchanged, 2) an upward revision in D&A expenses in 2024-26. **The combined result is an average 0.3%, 1.2% and 35.5% decline in Revenues, EBITDA and EBIT in 2024-26.**

**Additional upside could arise from a better-than-expected cash flow generation resulting from a normalisation of capex greater than our estimate of € 5m/year in 2025-26, on average.** Excess cash could be deployed in favour of high-growth projects or M&A initiatives. From an operational standpoint, the fast-changing environment amid the AI-driven revolution could add further competitive pressure, especially on margins.

**Table 5 – Neosperience, 2024e new/old estimates**

€ m	New	Old	% Diff.	€ m Diff.
<b>Revenues</b>	<b>24.2</b>	<b>24.5</b>	<b>(1.0)</b>	<b>(0.2)</b>
<b>EBITDA</b>	<b>6.5</b>	<b>6.7</b>	<b>(3.4)</b>	<b>(0.2)</b>
% margin	26.8	27.5		
<b>EBIT</b>	<b>0.8</b>	<b>1.7</b>	<b>(55.7)</b>	<b>(1.0)</b>
% margin	3.2	7.1		
<b>Net Profit</b>	<b>(0.2)</b>	<b>0.5</b>	<b>n.m.</b>	<b>(0.7)</b>
% margin	(0.9)	2.0		
<b>Net debt/(cash)</b>	<b>13.5</b>	<b>13.7</b>	<b>(1.0)</b>	<b>(0.1)</b>

Source: CFO SIM

**Table 6 – Neosperience, 2025e new/old estimates**

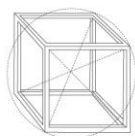
€ m	New	Old	% Diff.	€ m Diff.
<b>Revenues</b>	<b>29.7</b>	<b>29.7</b>	<b>(0.1)</b>	<b>(0.0)</b>
<b>EBITDA</b>	<b>8.8</b>	<b>8.8</b>	<b>(0.7)</b>	<b>(0.1)</b>
% margin	29.6	29.8		
<b>EBIT</b>	<b>2.4</b>	<b>4.0</b>	<b>(40.6)</b>	<b>(1.6)</b>
% margin	8.0	13.4		
<b>Net Profit</b>	<b>1.0</b>	<b>2.1</b>	<b>(53.8)</b>	<b>(1.1)</b>
% margin	3.3	7.1		
<b>Net debt/(cash)</b>	<b>12.6</b>	<b>13.1</b>	<b>(3.9)</b>	<b>(0.5)</b>

Source: CFO SIM

**Table 7 – Neosperience, 2026e new/old estimates**

€ m	New	Old	% Diff.	€ m Diff.
<b>Revenues</b>	<b>35.2</b>	<b>35.2</b>	<b>0.1</b>	<b>0.0</b>
<b>EBITDA</b>	<b>10.7</b>	<b>10.7</b>	<b>0.4</b>	<b>0.0</b>
% margin	30.5	30.4		
<b>EBIT</b>	<b>5.3</b>	<b>5.9</b>	<b>(10.2)</b>	<b>(0.6)</b>
% margin	15.0	16.7		
<b>Net Profit</b>	<b>3.1</b>	<b>3.5</b>	<b>(12.3)</b>	<b>(0.4)</b>
% margin	8.7	9.9		
<b>Net debt/(cash)</b>	<b>9.4</b>	<b>10.0</b>	<b>(6.4)</b>	<b>(0.6)</b>

Source: CFO SIM



CFO SIM has updated the DCF valuation criteria, bringing the risk-free rate up-to-date (3.95% based on the 200-days moving average vs. prev. 4.20%). As a consequence, our **new DCF-based PT for NSP points to € 2.20/s** (€ 2.30), 67.3% upside to current price levels, also in light of the weak price performance (~-25.0%) registered since our last update. **Buy recommendation confirmed.**

## DCF

In our DCF-based valuation, we assess explicit estimates until 2028 and assume a long-term growth rate of 2.0%. Cash flows are discounted back at a weighted average cost of capital calculated according to the following parameters:

**Table 8 – WACC derived from:**

Interest costs, pre-tax	4.5%
Tax rate	30.0%
<b>Int. costs, after taxes</b>	<b>3.2%</b>
Risk premium, incl. small size premium	9.0%
Risk-free (10Y Gov. Bond 200dd mov. avg.)	3.95%
Beta levered (x)	1.00
<b>Required ROE</b>	<b>13.0%</b>

Sources: CFO SIM, Refinitiv Eikon

**Risk premium at 9.0%** factors in the minute size of the company and basically all concerns an investor might have in relation to the Euronext Growth Milan market segment. **Beta** has been set **at 1.00**. The WACC is computed using a sustainable 30:70 debt/equity balance-sheet structure.

**Table 9 – Neosperience, DCF model**

€ m	2024e	2025e	2026e	2027e	2028e	Term. Val.
EBIT	0.8	2.4	5.3	6.9	8.9	
Tax rate	30.0%	30.0%	30.0%	30.0%	30.0%	
<b>Operating profit (NOPAT)</b>	<b>0.5</b>	<b>1.7</b>	<b>3.7</b>	<b>4.8</b>	<b>6.2</b>	
Change working capital	1.1	(1.4)	(1.2)	(0.7)	(0.1)	
Depreciation	5.7	6.4	5.5	4.5	3.5	
Investments	(6.0)	(5.5)	(4.5)	(4.0)	(3.5)	
<b>Free Cash Flows</b>	<b>1.4</b>	<b>1.1</b>	<b>3.4</b>	<b>4.6</b>	<b>6.1</b>	<b>78.1</b>
Present value	1.3	1.0	2.7	3.4	4.0	<b>51.2</b>
WACC	10.0%	10.0%	10.0%	10.0%	10.0%	
<b>Long-term growth rate</b>	<b>2.0%</b>					

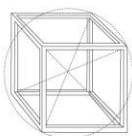
Source: CFO SIM

**Table 10 – Neosperience, DCF derived from:**

€ m	
Total EV present value € m	63.7
thereof terminal value	80.5%
NFP FY-23	(14.4)
Pension provision	(1.8)
Minorities (valued at 1.1x P/BV)	(2.0)
<b>Equity value € m</b>	<b>45.5</b>
#m shares (excl. treasury shares)	20.77
<b>Equity value €/s</b>	<b>2.20</b>
% upside/(downside)	67.3%

Source: CFO SIM

**The outcome of our DCF model generated an equity value of € 45.5m for Neosperience, € 2.20/s (€ 2.30).**





The following tables illustrate that sensitivity 1) compared to changes in the terminal growth rate produces an equity value of € 1.96-2.46/s (perpetuity range between 1.25% and 2.75%), while, 2) if compared to changes in the free risk rate, it produces an equity value of € 1.98-2.43/s (free risk range between 4.70% and 3.20%) and 3) if compared to changes in the risk premium, including small size premiums, it results in an equity value of € 1.80- 2.70/s (risk premium range between 10.50% and 7.50%).

**Table 11 – Neosperience, equity value sensitivity to changes in terminal growth rate**

€ m	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%
Present value of CF	12.4	12.4	12.4	12.4	12.4	12.4	12.4
PV of terminal value	46.5	48.0	49.6	51.2	53.0	54.9	56.9
<b>Total value</b>	<b>58.9</b>	<b>60.4</b>	<b>62.0</b>	<b>63.7</b>	<b>65.4</b>	<b>67.3</b>	<b>69.4</b>
NFP last reported	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)
Pension provision	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
Minorities (valued at 1.1x P/BV)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
<b>Equity value</b>	<b>40.7</b>	<b>42.2</b>	<b>43.8</b>	<b>45.5</b>	<b>47.2</b>	<b>49.1</b>	<b>51.2</b>
<b>Equity value/share €</b>	<b>1.96</b>	<b>2.03</b>	<b>2.11</b>	<b>2.20</b>	<b>2.27</b>	<b>2.37</b>	<b>2.46</b>

Source: CFO SIM

**Table 12 – Neosperience, equity value sensitivity to changes in free risk rate**

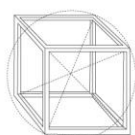
€ m	3.20%	3.45%	3.70%	3.95%	4.20%	4.45%	4.70%
Present value of CF	12.6	12.6	12.5	12.4	12.4	12.3	12.3
PV of terminal value	56.0	54.3	52.7	51.2	49.8	48.4	47.1
<b>Total value</b>	<b>68.6</b>	<b>66.9</b>	<b>65.2</b>	<b>63.7</b>	<b>62.2</b>	<b>60.7</b>	<b>59.3</b>
NFP last reported	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)
Pension provision	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
Minorities (valued at 1.1x P/BV)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
<b>Equity value</b>	<b>50.4</b>	<b>48.7</b>	<b>47.0</b>	<b>45.5</b>	<b>44.0</b>	<b>42.5</b>	<b>41.1</b>
<b>Equity value/share €</b>	<b>2.43</b>	<b>2.34</b>	<b>2.26</b>	<b>2.20</b>	<b>2.12</b>	<b>2.05</b>	<b>1.98</b>

Source: CFO SIM

**Table 13 – Neosperience, 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	12.8	12.7	12.6	12.4	12.3	12.2	12.1
PV of terminal value	61.5	57.7	54.3	51.2	48.4	45.8	43.4
<b>Total value</b>	<b>74.3</b>	<b>70.4</b>	<b>66.9</b>	<b>63.7</b>	<b>60.7</b>	<b>58.0</b>	<b>55.5</b>
NFP last reported	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)	(14.4)
Pension provision	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
Minorities (valued at 1.1x P/BV)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
<b>Equity value</b>	<b>56.1</b>	<b>52.2</b>	<b>48.7</b>	<b>45.5</b>	<b>42.5</b>	<b>39.8</b>	<b>37.3</b>
<b>Equity value/share €</b>	<b>2.70</b>	<b>2.51</b>	<b>2.34</b>	<b>2.20</b>	<b>2.05</b>	<b>1.92</b>	<b>1.80</b>

Source: CFO SIM



## Market Multiples

Neosperience is a leading software vendor operating in the digital customer experience & customer analytics sector. The group helps businesses to design their digital transformation process by optimising the digital experience for each customer's personality.

In order to run a market multiple valuation, we set up a list of comparable companies in the **global digital transformation arena**. The list includes both players operating as digital transformation consultants as well as software companies providing their clients with digital technologies able to turn a traditional business into a digital business.

**Accenture PLC** is a multinational organisation offering management and strategic consulting services as well as technology services and outsourcing solutions in a vast array of industries.

**Adobe Inc** is a software company offering products and services used by professionals, marketers, knowledge workers, application developers, enterprises and consumers for creating, managing, measuring, optimising and engaging with compelling content and experiences. Its Digital Experience segment provides solutions and services for how digital advertising and marketing are created, managed, executed, measured and optimised.

**Alkemy SpA** is an Italy-based company engaged in the digital marketing sector. The Company focuses on the development of digital transformation technologies. Its offer comprises the creation of digital and omnichannel strategies, data analytics and CRM tools, the design of online stores, online content production, the development of cross-channel campaigns, social media management, user experience (UX) design, the execution of websites and mobile applications, search engine optimisation (SEO), retargeting, as well as integrated channel planning, among others.

**dotDigital Group PLC** provides software, service technology and tools for digital marketing. Furthermore, it offers Software as a Service (SaaS) technologies, email marketing consultancy and managed services for businesses.

**Gartner Inc** provides research and analysis on the computer hardware, software, communications, and related information technology industries. The company's business segments include research, consulting, measurement, events, and executive programs

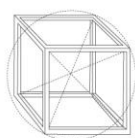
**Growens SpA** is a leading international scaleup company in the European Cloud Marketing Technologies market, one of the fastest growing industries worldwide. The group is a vertically integrated player focusing on messaging and data-driven/multi-channel marketing automation, providing over 23,000 clients in 115 countries with a wide range of solutions.

**HubSpot Inc** provides a cloud-based marketing and sales software platform. The company offers integrated applications that help in lead generation and social marketing.

**Maps SpA** is an Italy-based IT company, which provides data management solutions. The company develops technological solutions for the acquisition of information by extracting it from unstructured data and turning it into usable knowledge.

**Reply SpA** is a highly specialised group, supporting leading industrial firms in defining and developing business models to optimise and integrate processes, applications and devices, using new technology and communication paradigms, such as Big Data, Cloud Computing, Digital Communication, Internet of Things, Mobile and Social Networking.

**Salesforce.Com Inc** focuses on customer relationship management (CRM) technology. The company's Customer 360 platform delivers a source which connects customer data across systems, applications and devices to help companies sell, service, market and conduct commerce from anywhere.



**TechTarget Inc** operates a portfolio of industry-specific portals. The company focuses on portals that deliver resources to information technology professionals within specific vertical market segments.

Based on CFO SIM estimates, Neosperience exhibits **higher-than-median Sales, EBITDA, EBIT and EPS (> 100%) CAGR as well as EBITDA margin.**

**Table 14 – Neosperience, peer group summary table**

€ m	Country	Mkt Cap	Sales FY1	EBITDA FY1	% EBITDA margin	% Sales CAGR <sub>23-26</sub>	% EBITDA CAGR <sub>23-26</sub>	% EBIT CAGR <sub>23-26</sub>	% EPS CAGR <sub>23-26</sub>	NFP /EBITDA
Accenture PLC	UK	188,859	59,470	11,189	18.8%	4.4%	9.3%	5.5%	8.1%	n.m.
Adobe Inc	US	219,921	19,978	9,851	49.3%	11.6%	20.6%	23.2%	24.2%	n.m.
Alkemy SpA	IT	69	123	13	10.3%	6.9%	5.8%	5.6%	25.6%	2.1
dotDigital Group PLC	UK	343	94	28	30.4%	11.4%	10.5%	11.1%	7.8%	n.m.
Gartner Inc	US	33,785	5,754	1,394	24.2%	8.4%	11.4%	13.2%	10.5%	0.7
Growens SpA	IT	114	79	1	0.6%	5.6%	n.m.	n.m.	n.m.	n.m.
HubSpot Inc	US	23,491	2,357	467	19.8%	19.3%	n.m.	n.m.	n.m.	n.m.
Maps SpA	IT	33	30	7	22.7%	5.2%	22.5%	55.1%	62.0%	1.3
Reply SpA	IT	4,948	2,278	364	16.0%	8.6%	7.5%	8.2%	11.3%	n.m.
Salesforce Inc	US	231,605	34,944	14,746	42.2%	9.6%	23.7%	39.3%	45.1%	n.m.
TechTarget Inc	US	841	216	67	31.2%	7.9%	73.8%	n.m.	146.5%	1.8
<b>Median</b>		<b>4,948</b>	<b>2,278</b>	<b>364</b>	<b>22.7%</b>	<b>8.4%</b>	<b>11.4%</b>	<b>12.2%</b>	<b>24.2%</b>	<b>1.5</b>
<b>Neosperience SpA</b>	<b>IT</b>	<b>27</b>	<b>24</b>	<b>6</b>	<b>26.8%</b>	<b>18.5%</b>	<b>33.2%</b>	<b>54.2%</b>	<b>n.m.</b>	<b>2.1</b>

Sources: CFO SIM, Refinitiv Eikon

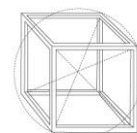
**Table 15 – Neosperience, peer group EV multiple table**

EV multiples x	Sales FY1	Sales FY2	Sales FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3
Accenture PLC	3.11	2.94	2.71	16.5	15.2	13.8
Adobe Inc	10.86	9.62	8.50	22.0	19.7	17.4
Alkemy SpA	0.77	0.68	0.61	7.5	6.3	5.7
dotDigital Group PLC	3.50	3.18	2.91	11.5	10.3	9.4
Gartner Inc	6.04	5.56	5.10	24.9	23.0	20.9
Growens SpA	1.07	1.02	1.16	n.m.	59.2	38.1
HubSpot Inc	9.58	8.00	6.56	48.4	38.9	27.6
Maps SpA	1.40	1.18	0.94	6.2	4.9	3.8
Reply SpA	1.99	1.76	1.53	12.4	10.9	9.5
Salesforce Inc	6.25	5.43	4.66	14.8	13.0	11.4
TechTarget Inc	4.46	3.81	3.31	14.3	12.0	9.6
<b>Median</b>	<b>3.50</b>	<b>3.18</b>	<b>2.91</b>	<b>14.6</b>	<b>13.0</b>	<b>11.4</b>
<b>Neosperience SpA</b>	<b>1.69</b>	<b>1.35</b>	<b>1.04</b>	<b>6.3</b>	<b>4.6</b>	<b>3.4</b>
% premium/(discount) to median	(51.7)	(57.5)	(64.1)	(56.7)	(64.9)	(69.8)

**Table 16 – Neosperience, peer group EV & price multiple table**

EV & Price multiples x	EBIT FY1	EBIT FY2	EBIT FY3	PER FY1	PER FY2	PER FY3
Accenture PLC	19.7	18.7	17.0	26.8	25.2	23.2
Adobe Inc	23.6	20.8	18.4	28.9	26.0	23.0
Alkemy SpA	12.4	9.1	8.6	16.0	11.4	9.8
dotDigital Group PLC	18.2	16.0	14.2	21.6	20.1	18.7
Gartner Inc	30.1	27.1	23.3	39.8	36.4	31.3
Growens SpA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
HubSpot Inc	57.3	45.2	33.4	64.3	53.4	40.6
Maps SpA	13.5	9.4	6.7	14.9	10.5	8.5
Reply SpA	15.1	13.2	11.3	23.4	21.1	19.1
Salesforce Inc	19.2	16.0	13.2	25.4	22.7	19.8
TechTarget Inc	18.8	14.3	11.5	16.3	16.1	13.9
<b>Median</b>	<b>19.0</b>	<b>16.0</b>	<b>13.7</b>	<b>24.4</b>	<b>21.9</b>	<b>19.4</b>
<b>Neosperience SpA</b>	<b>52.9</b>	<b>16.9</b>	<b>7.0</b>	<b>n.m.</b>	<b>28.4</b>	<b>9.0</b>
% premium/(discount) to median	n.m.	5.6	(49.2)	n.m.	29.5	(53.9)

Sources: CFO SIM, Refinitiv Eikon



We applied an arbitrary **25.0% discount** to the peer multiple median in order to factor in the smaller size of Neosperience and the lower liquidity of the stock, on the back its listing on the Euronext Growth Milan market. On the other hand, Neosperience unveils higher-than-median Sales, EBITDA, EBIT and EPS CAGR as well as EBITDA margin, thus reducing the potential discount applicable. By applying the discounted peer group EV/EBITDA multiple median to Neosperience's 2024 metric, we get an **appraisal of Neosperience to the tune of € 2.70/s, 105.3% upside**, perfectly in line with our previous market multiples valuation performed after FY-23 results.

**Table 17 – Neosperience, equity value assessment, 1#3**

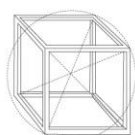
Neosperience Equity Value € m	Sales FY1	Sales FY2	Sales FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3
<b>Median Peers (x)</b>	<b>3.50</b>	<b>3.18</b>	<b>2.91</b>	<b>14.6</b>	<b>13.0</b>	<b>11.4</b>
Neosperience metric	24.2	29.7	35.2	6.5	8.8	10.7
NFP	(13.5)	(12.6)	(9.4)	(13.5)	(12.6)	(9.4)
Minorities (valued at 1.1x P/BV)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
<b>Neosperience Equity Value</b>	<b>48.1</b>	<b>56.0</b>	<b>65.5</b>	<b>55.4</b>	<b>70.9</b>	<b>80.1</b>
<b>Neosperience Equity Value/share €</b>	<b>2.32</b>	<b>2.70</b>	<b>3.15</b>	<b>2.67</b>	<b>3.41</b>	<b>3.86</b>
% upside/(downside)	76.1	n.m.	n.m.	n.m.	n.m.	n.m.

Sources: CFO SIM, Refinitiv Eikon

**Table 18 – Neosperience, equity value assessment, 3#3**

€/s	FY1	FY2	FY3
EV/EBITDA	<b>2.70</b>	<b>3.41</b>	<b>3.86</b>
Weighting	100.0%	0.0%	0.0%
<b>Equity Value</b>	<b>2.70</b>		
% upside/(downside)	105.3%		

Sources: CFO SIM, Refinitiv Eikon



## Peer Stock Performance

Neosperience was listed on Euronext Growth Milan on 20<sup>th</sup> February 2019 at € 3.42/share (€ 1.71/share reparametrised after the stock split), corresponding to a post-money market capitalisation of € 22.1m. The stock reached a 1Y intraday maximum price of € 2.24/s on 12-Apr-24 and a minimum price of € 1.28/s on 17-Jun-24.

**Table 19 – Neosperience, peer group and indexes absolute performance**

%	1D	1W	1M	3M	6M	YTD	1Y
Accenture PLC	(0.7)	(1.6)	7.8	7.6	(12.6)	(7.0)	3.4
Adobe Inc	(1.1)	(3.3)	(4.2)	13.4	(14.9)	(10.1)	1.5
Alkemy SpA	0.4	0.0	(0.4)	17.0	23.5	31.1	13.7
dotDigital Group PLC	0.6	(1.6)	(2.1)	0.9	(4.3)	(5.0)	1.6
Gartner Inc	(0.0)	(0.2)	6.7	4.9	1.5	4.4	34.2
Growens SpA	(0.5)	(0.8)	4.8	11.7	55.2	54.6	29.7
HubSpot Inc	1.2	3.2	(15.8)	(21.6)	(18.2)	(14.1)	(10.4)
Maps SpA	(0.8)	0.0	0.0	3.7	(18.8)	(19.9)	(22.8)
Reply SpA	(1.0)	(4.5)	(3.2)	6.4	3.8	10.3	31.3
Salesforce Inc	(1.6)	1.8	0.9	(6.2)	(10.2)	(1.7)	14.6
TechTarget Inc	(2.0)	(0.7)	2.9	16.1	(8.1)	(8.5)	(2.0)
<b>Median</b>	<b>(0.7)</b>	<b>(0.7)</b>	<b>0.0</b>	<b>6.4</b>	<b>(8.1)</b>	<b>(5.0)</b>	<b>3.4</b>
<b>Neosperience SpA</b>	<b>0.0</b>	<b>(3.7)</b>	<b>(3.3)</b>	<b>(29.1)</b>	<b>(28.5)</b>	<b>(27.7)</b>	<b>(33.6)</b>
MSCI World Index	0.1	(1.6)	0.2	5.4	9.0	11.3	15.3
EUROSTOXX	(0.6)	(1.5)	(1.3)	(2.8)	3.4	5.1	6.0
FTSE Italia All Share	(0.5)	(2.8)	(0.2)	(1.8)	10.6	10.3	13.7
FTSE Italia STAR	(0.7)	(3.0)	(2.1)	(2.0)	(1.9)	(2.6)	(0.0)
FTSE Italia Growth	(0.1)	(1.5)	(1.6)	(2.9)	(3.9)	(3.8)	(12.1)

Source: Refinitiv Eikon

**Table 20 – Neosperience, relative performances**

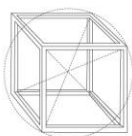
%	1D	1W	1M	3M	6M	YTD	1Y
to MSCI World Index	(0.1)	(2.0)	(3.5)	(34.5)	(37.5)	(39.0)	(48.9)
to EUROSTOXX	0.6	(2.1)	(2.0)	(26.3)	(32.0)	(32.9)	(39.5)
to FTSE Italia All Share	0.5	(0.9)	(3.1)	(27.3)	(39.1)	(38.1)	(47.3)
to FTSE Italia STAR	0.7	(0.7)	(1.2)	(27.1)	(26.7)	(25.1)	(33.6)
to FTSE Italia Growth	0.1	(2.2)	(1.7)	(26.2)	(24.6)	(23.9)	(21.5)
to Peer Median	0.7	(2.9)	(3.3)	(35.5)	(20.5)	(22.8)	(37.0)

Source: Refinitiv Eikon

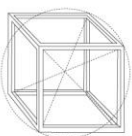
## Risks

The primary investment **risks** associated with Neosperience include:

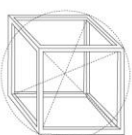
- Fast technological development increasing competitive pressure;
- Possible ICT malfunctions;
- Profit margin dilution stemming from the acquisition campaign;
- Impact on the profit & loss and balance sheet profiles triggered by a deep decline in global economic growth and/or geopolitical instability;
- Departure of one, or a few, of the key people;
- M&A execution hampered by potential consolidating players in the industry with huge firepower.



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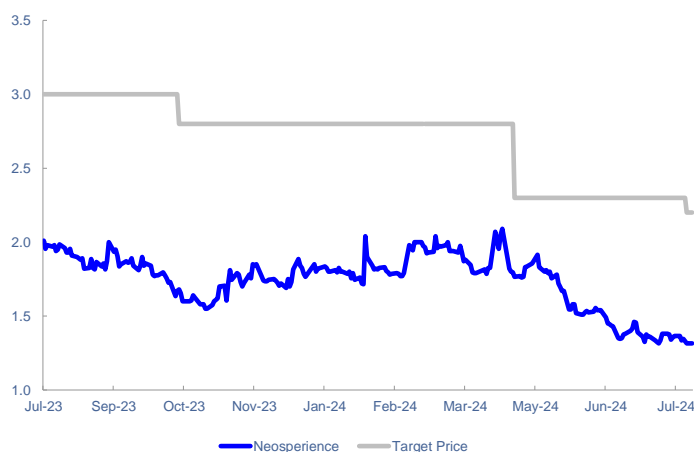
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DATE	TARGET PRICE	RATING
30/07/2024	€2.20	BUY
19/04/2024	€2.30	BUY
11/10/2023	€2.80	BUY
27/04/2023	€3.00	BUY

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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

