

EU MARKETS DEDICATED TO SMEs

Analysis of the first half of 2022



Euronext Growth Milan:

- **179 Euronext Growth Milan companies listed** as of June 30th 2022; including 6 companies on the PRO segment ---- 30.06.2021: 146 companies
- **€10.4 bln market cap** as of June 30th 2022, +27% vs. June 30th 2021 ---- 30.06.2021: €8.1 bln market cap
- **9 IPOs, €767 mln funds raised** in 6M 2022. 4 delistings ---- 30.06.2021: 13 IPOs, €318.5 mln funds raised in 6M
- Most of the companies has a market cap between €10 and €50 mln and there is a high concentration in the Digital & Technology sector representing the 35% out of the total

AIM UK:

- **835 companies listed** as of June 30th 2022
- **13 IPOs/Admissions** in 6M 2022, 30 delistings. Total money raised in IPO in 6M 2022: £93 mln ---- 30.06.2021: 35 IPOs, 21 delistings
- **£105 bln Market Cap**, -28% vs June 2021

Euronext Growth:

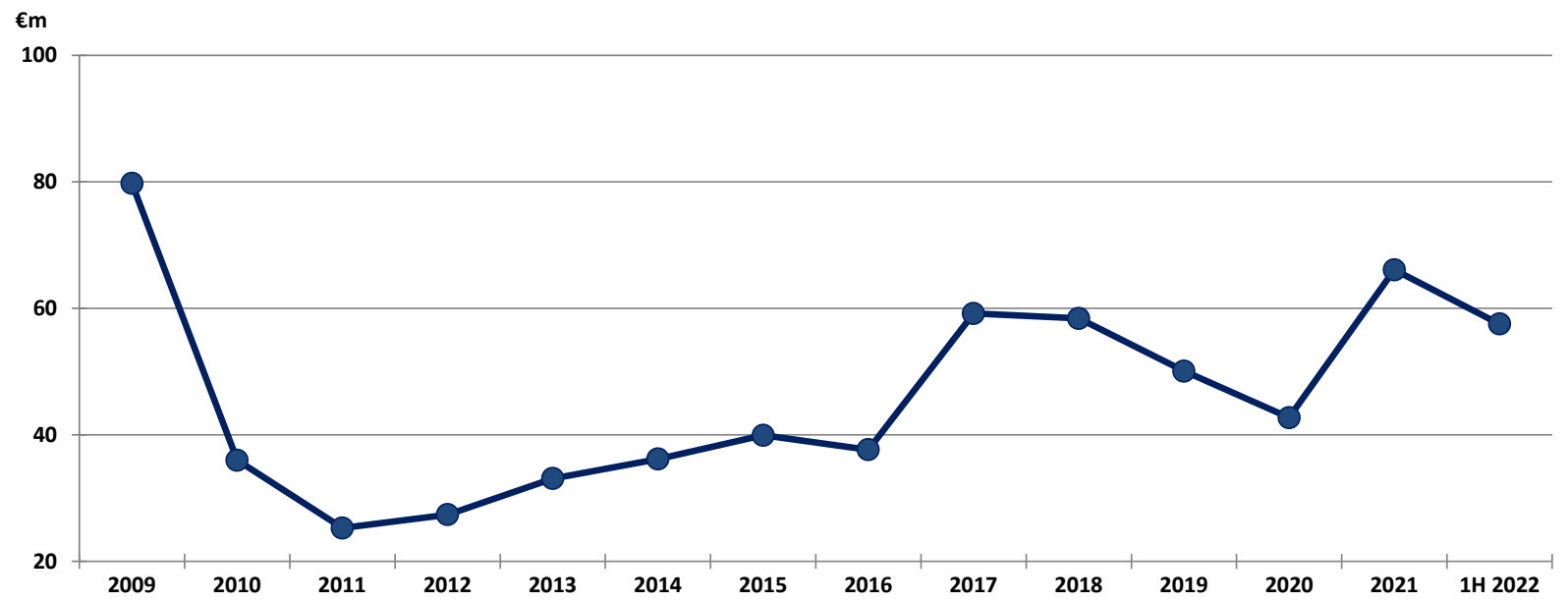
- **411 companies listed** as of June 30th 2022
- **21 IPOs** in 6M 2022 and €241 mln of capital raised
- **€32.6 bln Market Cap**, -23% vs full year 2021
- The most active market in terms of IPOs has been Paris with 14 IPOs

Euronext Growth Milan («EGM»)

Market Capitalization

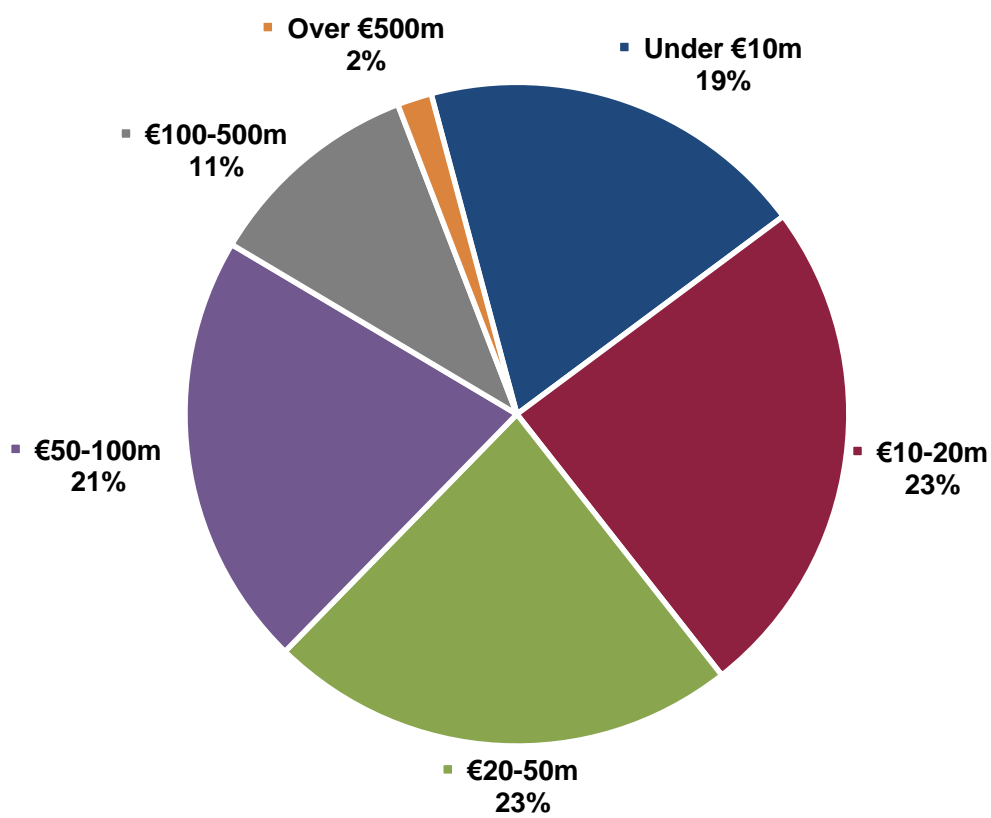
- **179 listed companies** as of June 30th, 2022.
- Average market cap. of **€58 mln** as of June 30th 2022; it was **€55 mln** as of 30.06.2021
- Almost 50% of listed companies with a market cap. between **€10 mln and €50 mln**

Average Market Cap. per company (€ mln)

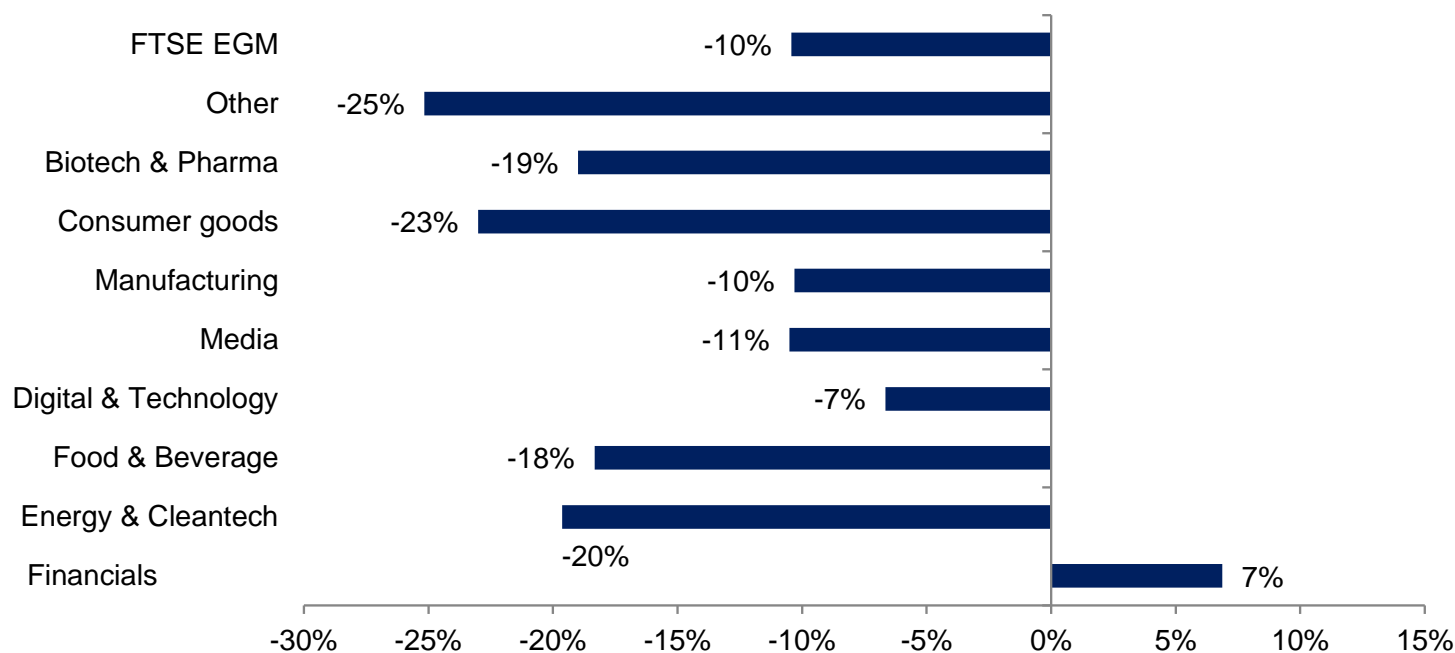
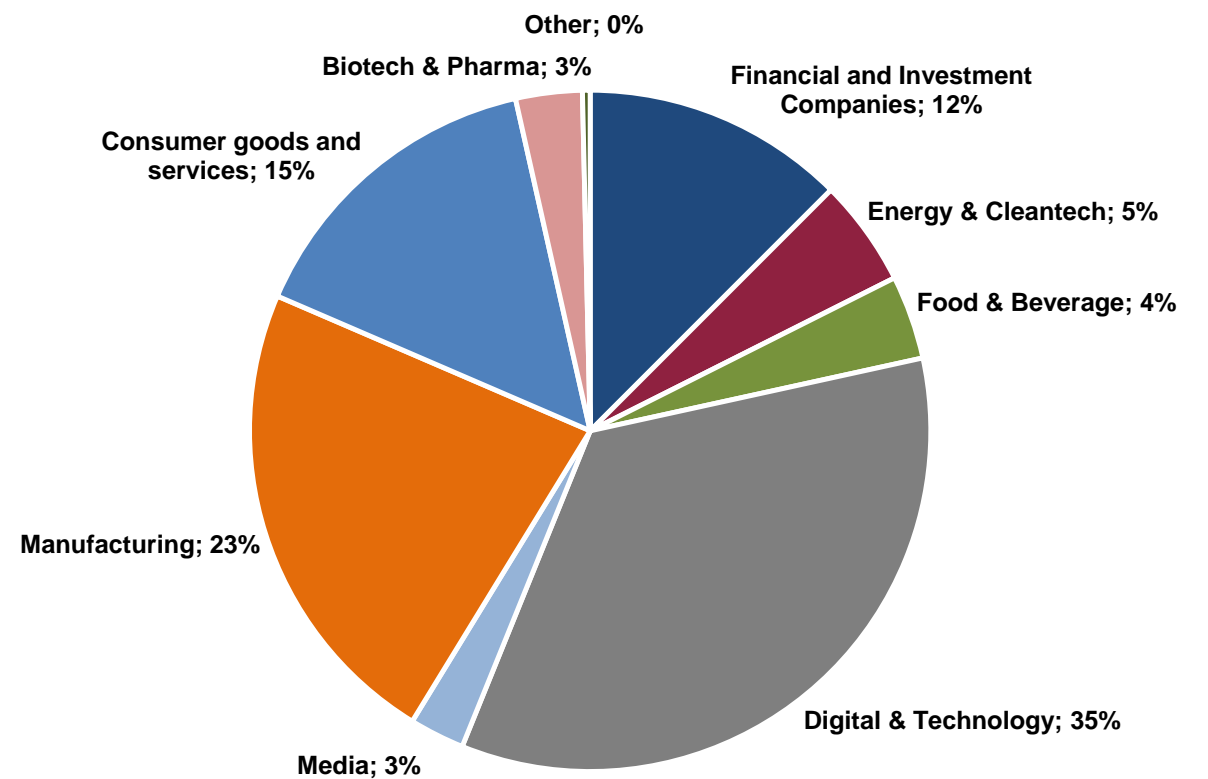


Source: EnVent on public data, Borsa Italiana, listed companies websites and Admission Documents ; Note: Funds collected include both money raised and vendor placings

Market Cap breakdown by range as of June 30th 2022



Market Cap breakdown by sector as of June 30th 2022

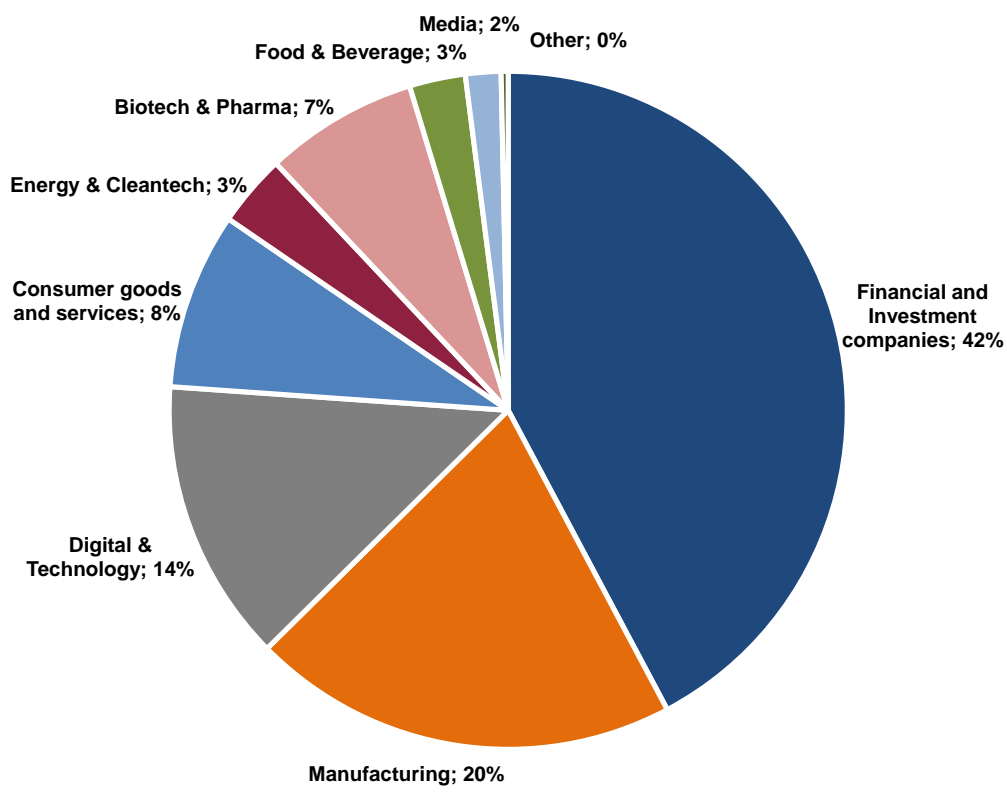


- The following graph shows the change in market cap from 31/12/2021 to 30/06/2022, compared to the EGM index
- The only sector that recorded an increase of the market cap from 31/12/2021 has been the financial sector

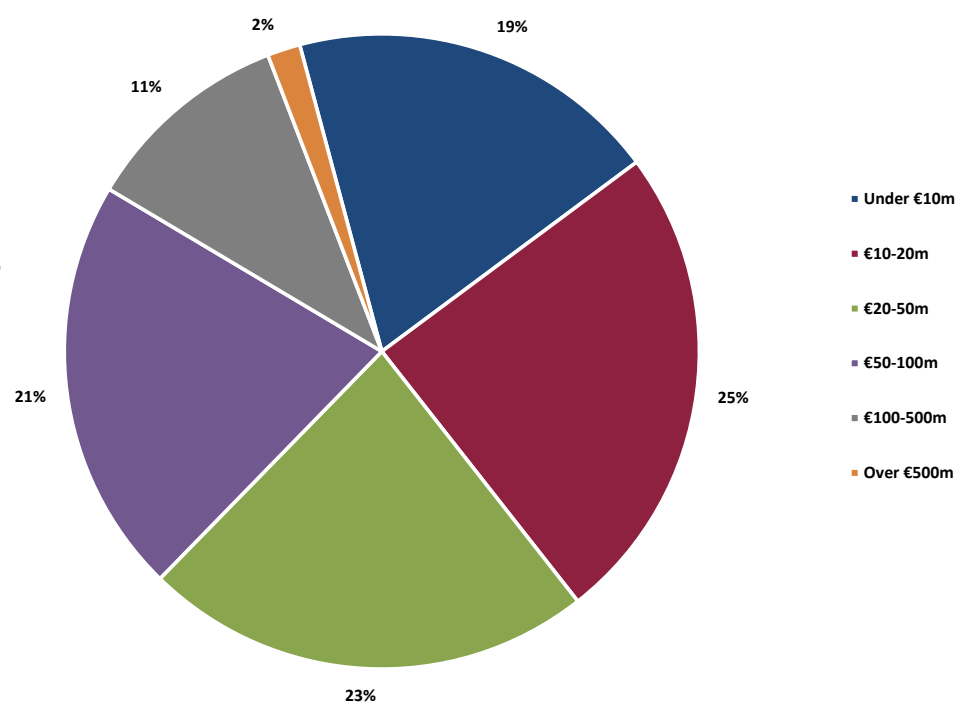
Source: EnVent on public data, Borsa Italiana, listed companies websites and Admission Documents

Money Raised

Money Raised breakdown by sector as of June 30th 2022



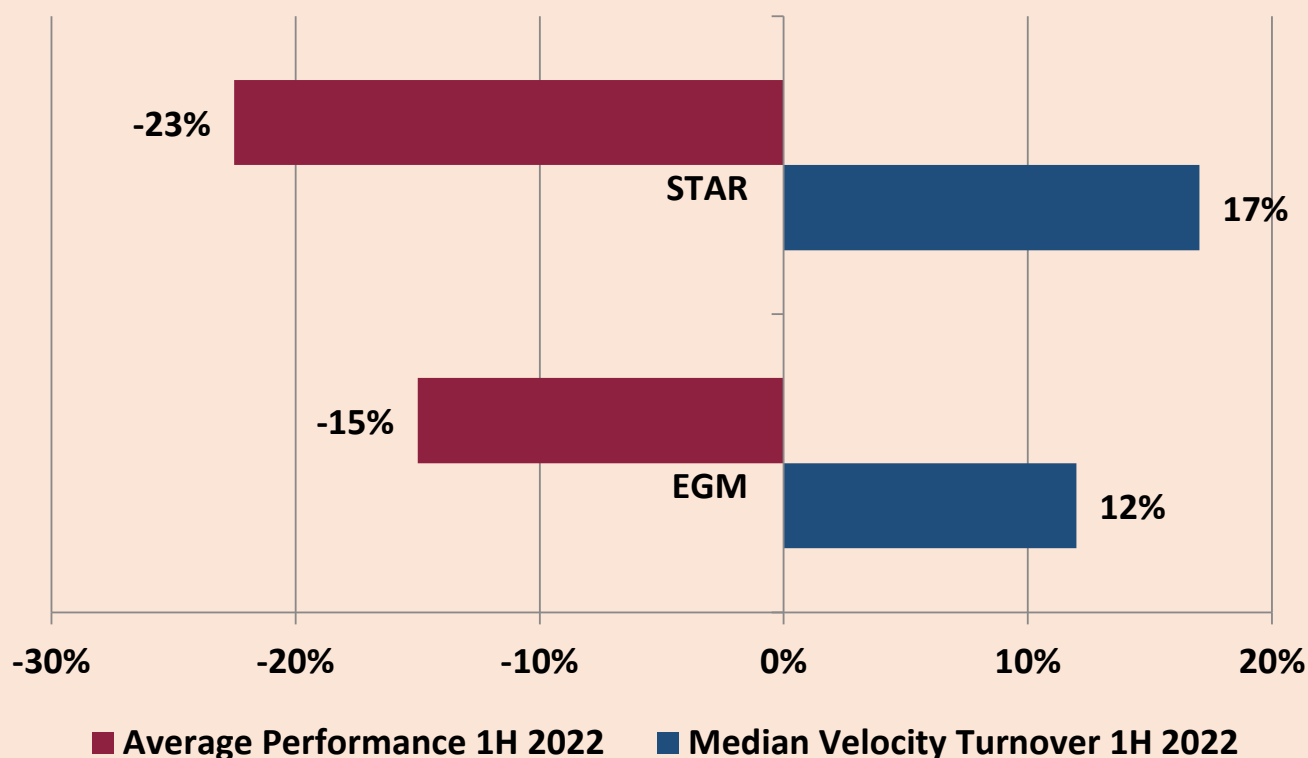
Money Raised breakdown by range as of June 30th 2022



- **9 IPOs** in 6M 2022, vs **13** in 6M 2021
- Total money raised, including also vendor placing, has been **€767 mln** in 6M 2022, **+€449 mln vs 6M 2021**
- Around 70% of companies raise on average between **€1 mln and €10 mln**

Source: EnVent on public data, Borsa Italiana, listed companies websites and Admission Documents - Note: Funds collected include both money raised and vendor placings

Liquidity and Performance 1H 2022: EGM vs STAR

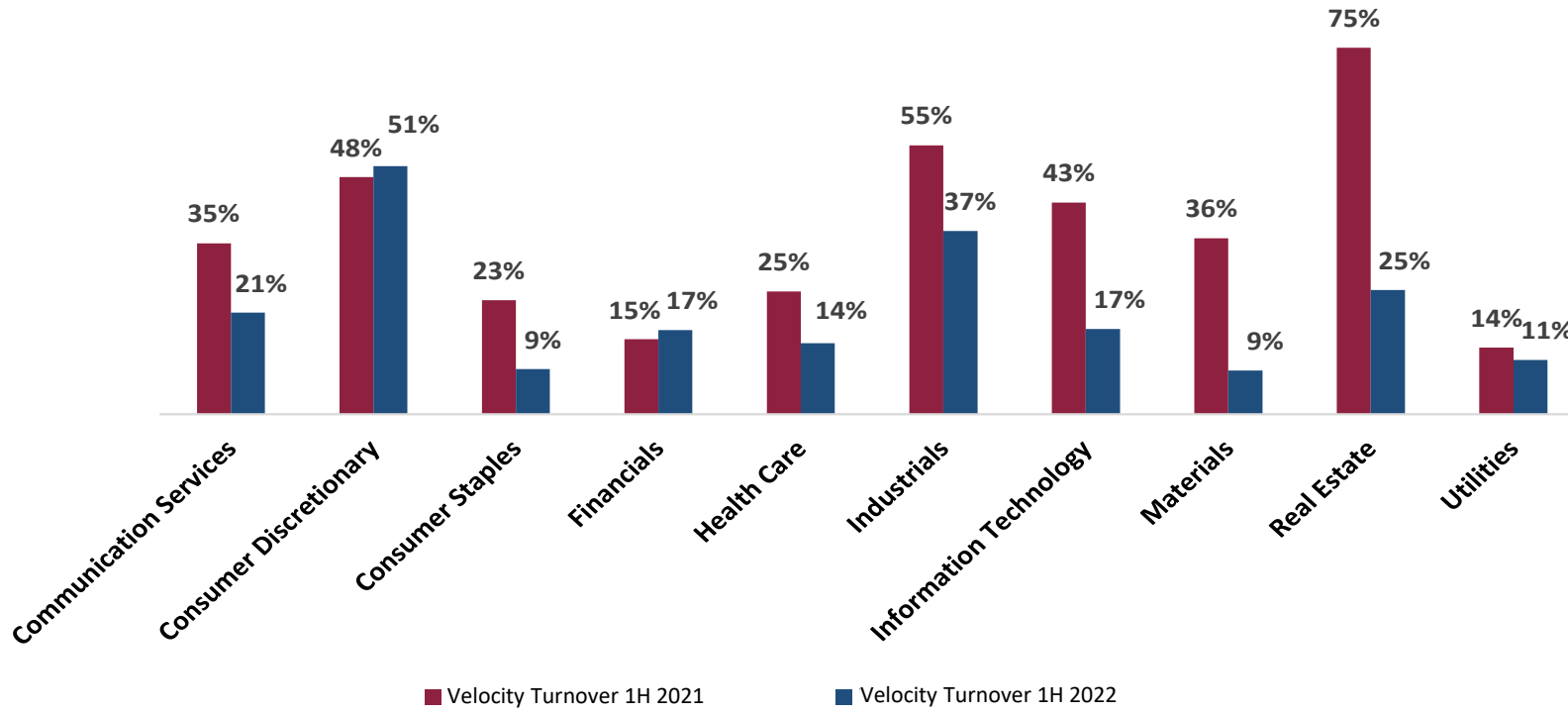


- The graph compares performance and liquidity of all companies listed on the EGM and STAR segments in the first half of 2022.
- The current season in international markets highlights unexpected characteristics of the Italian Stock Exchange's EGM segment, where liquidity and size are no longer the parameters that shelter against Bear attacks.
- If the STAR appears more exposed to volatility, in contrast the investment in the EGM criteria seem different. Those who have entered Small Caps generally know that these are patient investments and as such tend to be less prone to sell off in very complex phases of the market representing, of course, for the highest quality companies, good defensive opportunities.

Source: EnVent on public data, S&P Capital IQ, Bloomberg

Liquidity Analysis EGM

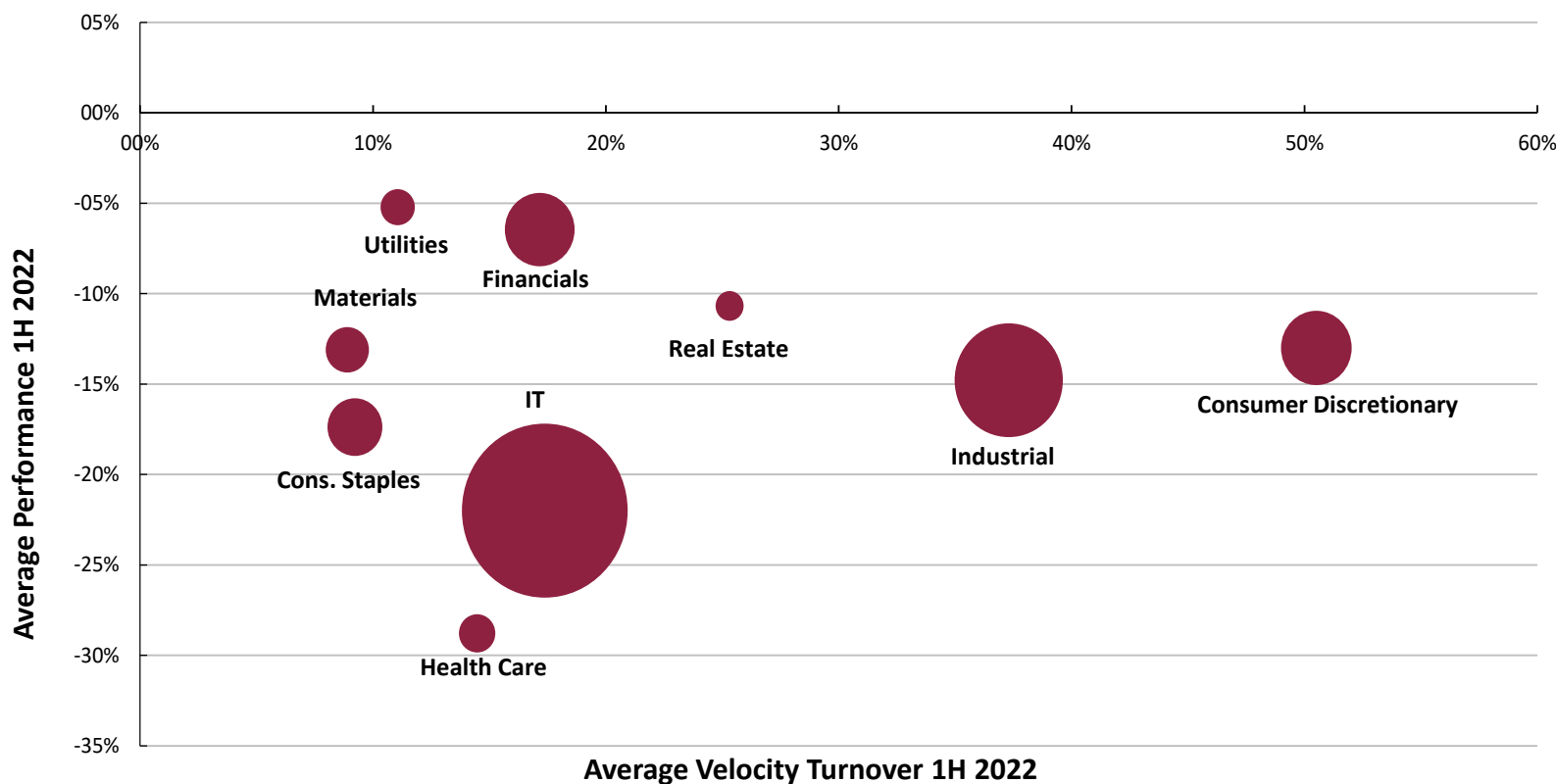
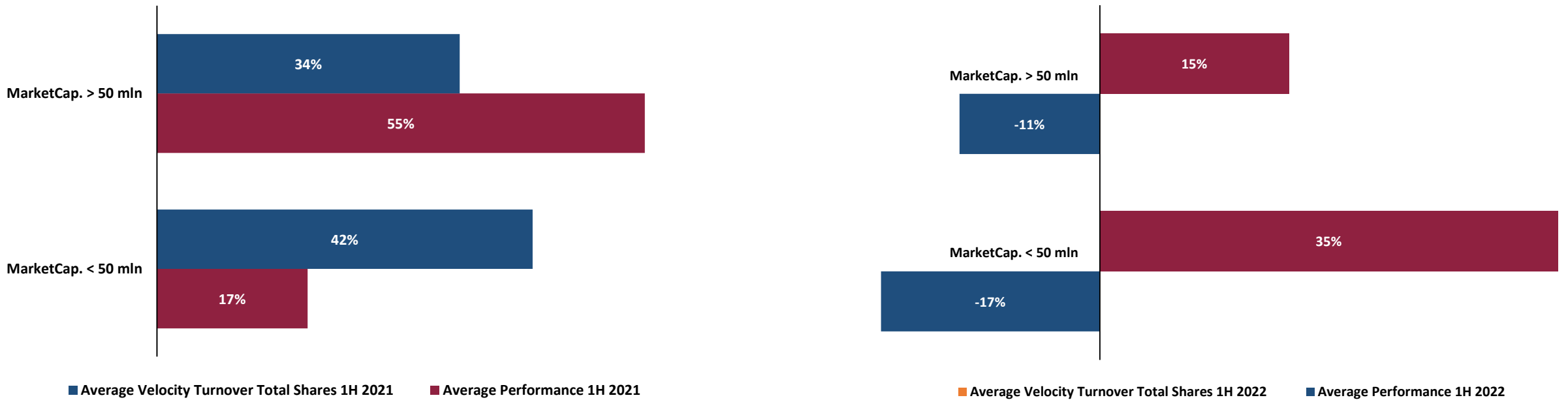
Velocity Turnover by sector – 1H 2021 vs 1H 2022



Source: EnVent on public data, Borsa Italiana, Capital IQ

- In the first half 2021 the market liquidity on EGM was much wider than 2022, and all sectors registered higher velocity turnover except financials and consumer discretionary sector.
- Whereas in the first half of 2022, only two sectors have reported a significant liquidity ratio: Consumer Discretionary (51%) and Industrials (37%).

Velocity Turnover by Market Cap



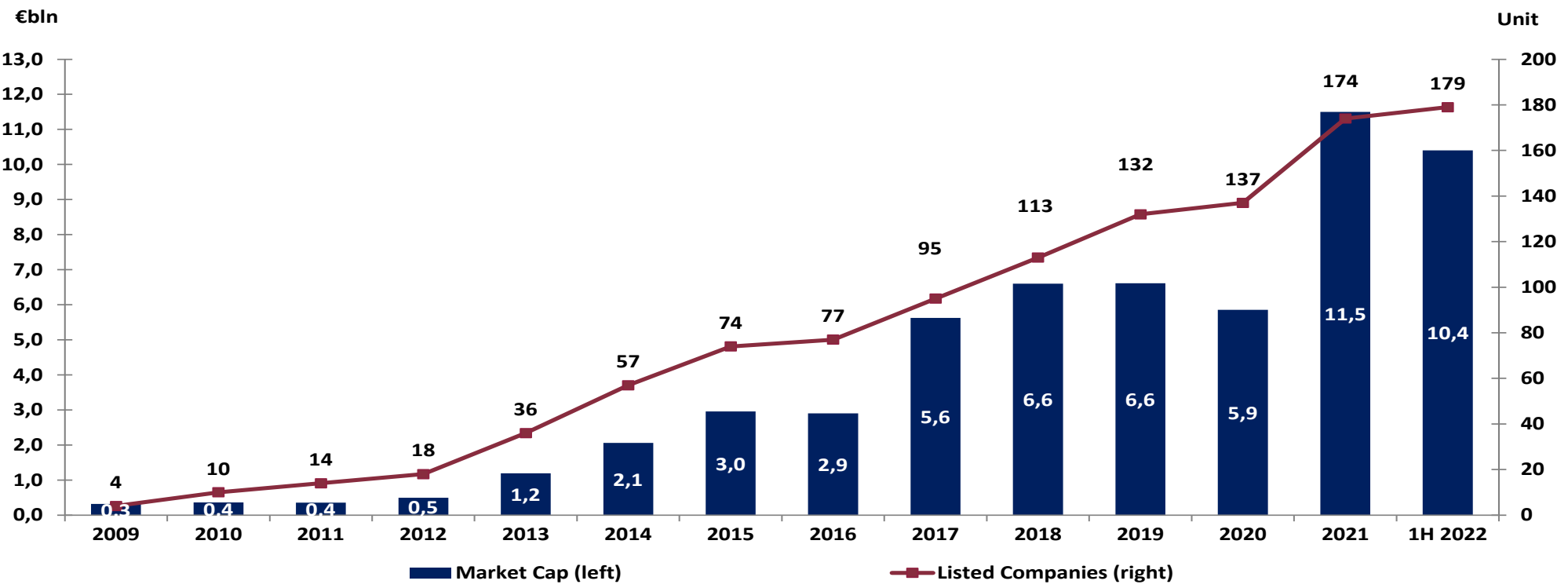
Source: EnVent on public data, Borsa Italiana, Capital IQ

- The analysis of the two graphs above shows that a common trait is present in both the first half of 2021 and the first half of 2022: companies with a market cap less than 50 million despite higher velocity turnover performed worse than those with a market cap greater than 50 million
- The graph compares performance and velocity turnover of the EGM sectors. The Market Cap is represented by the size of the bubbles.

Market Cap and number of companies

Euronext Growth Milan

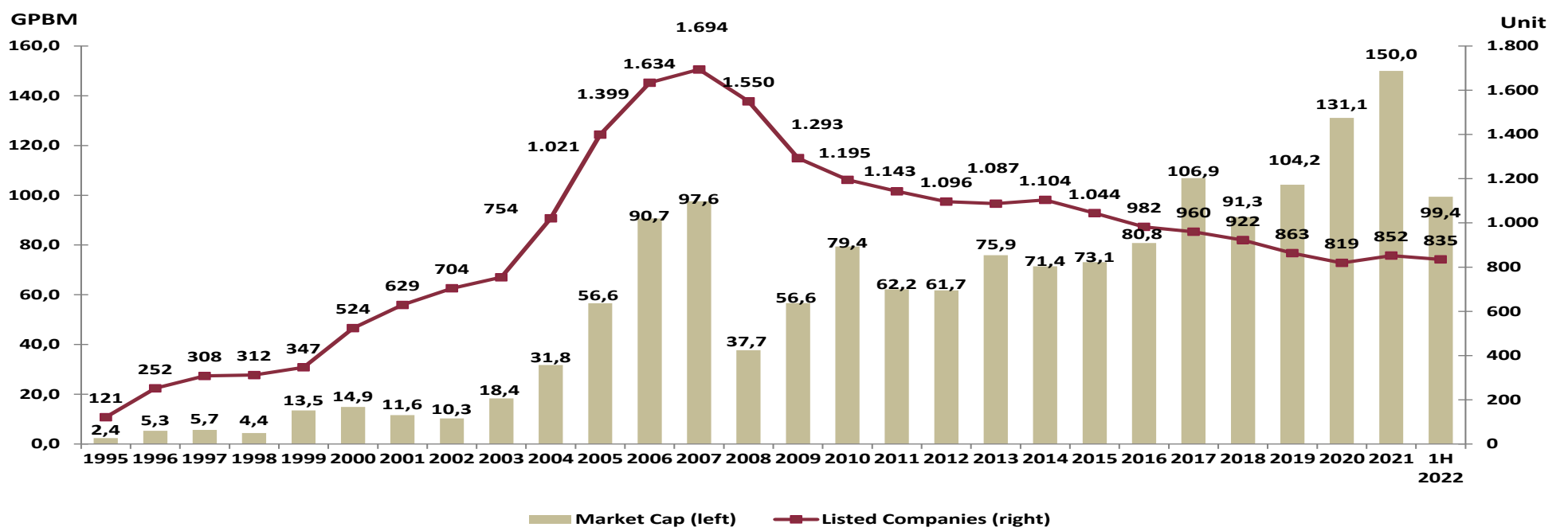
- **179 companies** as of June 30th, 2022.
- **+5 companies** compared to December 31st, 2021
- Market Cap **€10.4 bln** as of June 30th, 2022, **-13%** compared to December 31st, 2021



Source: EnVent on public data, Borsa Italiana, Bloomberg

AIM UK

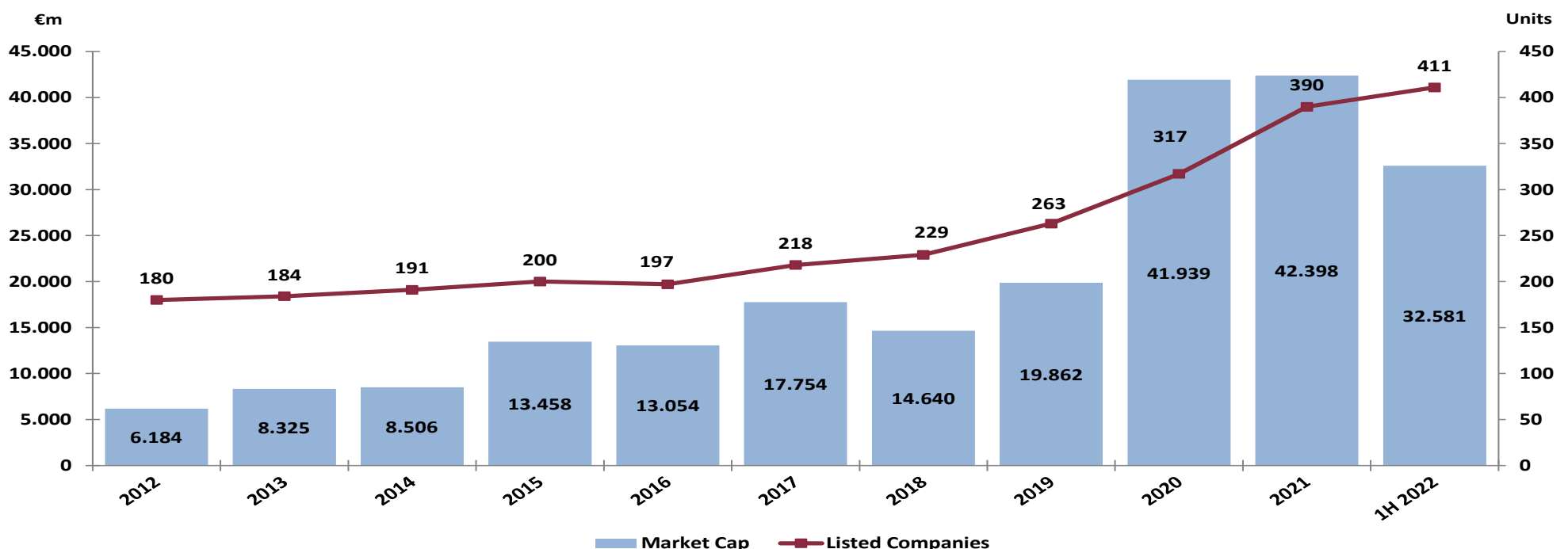
- **835 companies** as of June 30th, 2022.
- **-17 companies** compared to December 31st, 2021
- Market Cap **£105 bln** as of June 30th, 2022, **-30%** compared to December 31st, 2021



Source: EnVent on London Stock Exchange data, AIM UK Market Statistics

Euronext Growth

- **411 companies** as of June 30th, 2022.
- **+21 companies** compared to December 31st, 2021
- Market Cap **€32,6 bln** as of June 30th, 2022, **-23%** compared to December 31st, 2021

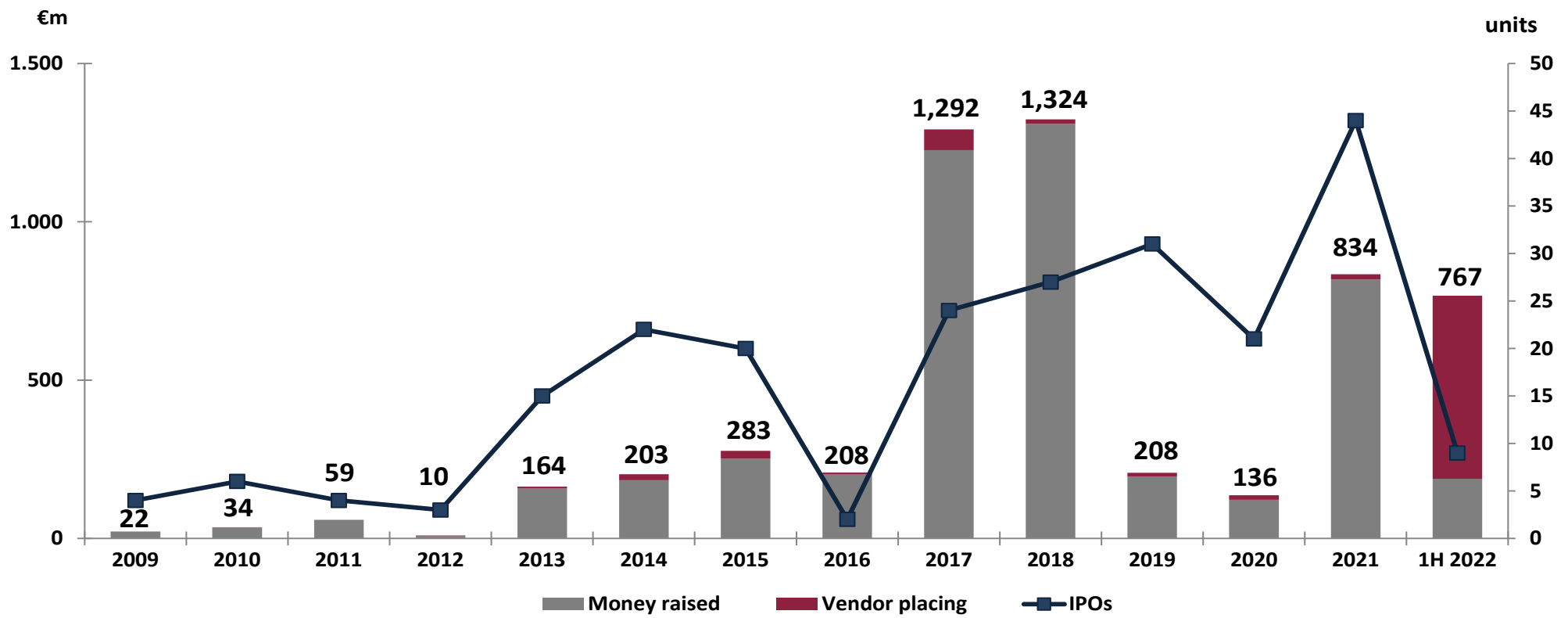


Source: EnVent on Euronext Yearly Factbook.

IPOs and Money raised

Euronext Growth Milan

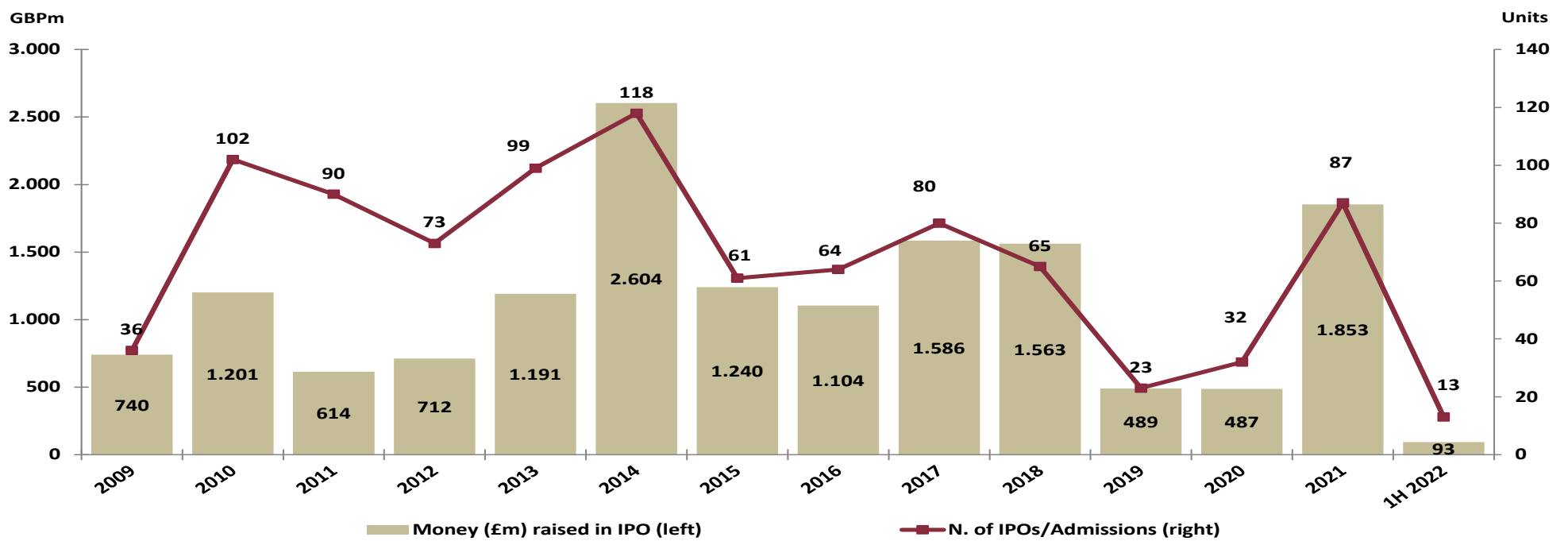
- **€767 mln** raised in 6M 2022, **+€449 mln** vs 6M 2021
- **€5.4 bln** raised since 2013
- **€579 mln** are in vendor placing



Source: EnVent on public data, Borsa Italiana, Bloomberg

AIM UK

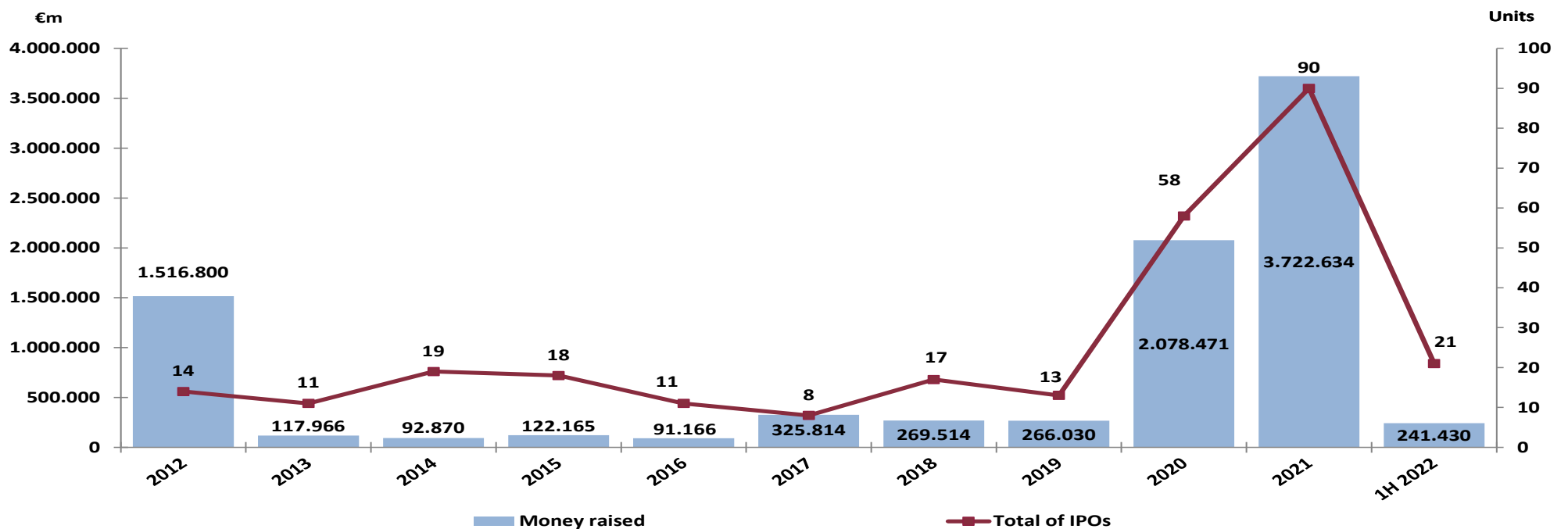
- Over **£93 mln** raised in 6M 2022, **-£1,7bln** vs 6M 2021
- **£12,2 bln** raised since 2013
- **13 IPOs** in 6M 2022, **vs 35** in 6M 2021



Source: EnVent on London Stock Exchange data, AIM UK Market Statistics

Euronext Growth

- Over **€240 mln** raised in 6M 2022
- **€8,8 bln** raised since 2012
- **21 IPOs** in 6M 2022



Source: EnVent on Euronext Yearly Factbook.

Stock Market Performance

First half of 2022 small stocks performance

The following analysis compares the first half of 2022 of the main European Small Cap markets, in consideration of the general slowdown of listings on markets around the world. This first half of 2022 has revealed a strong market change respect to the highly positive trend observed in the 2021.

What emerges from the analysis is:

- All the indices analyzed, recorded highly negative performances in the first half, with the exception of the FTSE 100 UK, that recorded a performance of -3%.
- Interestingly, isolating the performances from the beginning of the conflict, the indices of the Small Cap MTF markets, except the AIM UK, reacted slightly better than the main indices, demonstrating a greater capacity for adaptation and flexibility in the new framework and the new adverse macroeconomic conditions.
- European SMEs confirmed the trend to equity capital markets fundraising, though the corporate fundraising as a whole, either new stock or debt issuances, chilled sharply

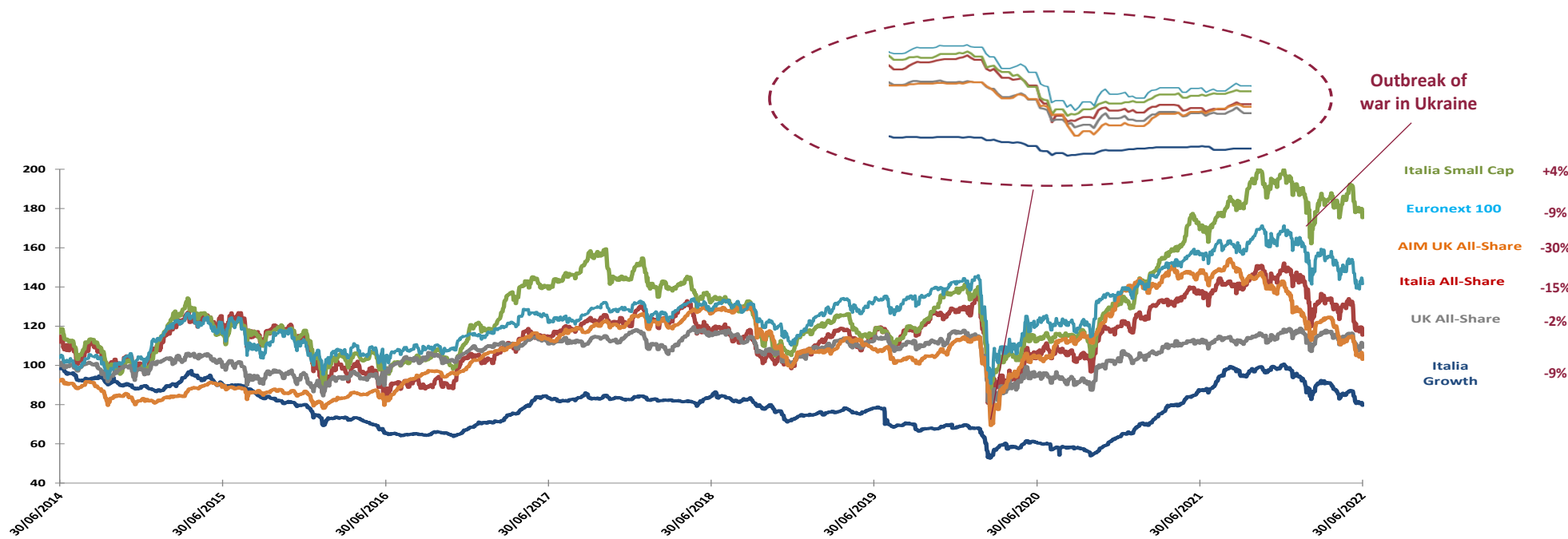
Index	YTD		From the outbreak of the war	
	Performance		Performance	
FTSE MIB	-22.13%		-17.96%	
FTSE EGM	-20.58%		-10.70%	
PARIS CAC 40	-17.20%		-12.65%	
Euronext Growth	-26.56%		-11.06%	
FTSE 100 UK	-2.92%		-4.39%	
FTSE AIM UK 100	-30.80%		-15.56%	

IPOs 1H 2022			
Country	Total IPOs	Number of total IPOs made on the small segment	Mkt. Cap. (€ bln)
Italia	12	EGM	10,4
UK	23	AIM UK	105,0
France	31	Euronext Growth	32,58

Source: EnVent on public data, S&P Capital IQ, Bloomberg

Euronext Growth Milan index vs. Italy, Euronext and UK reference indices, 30/06/2014 – 30/06/2022

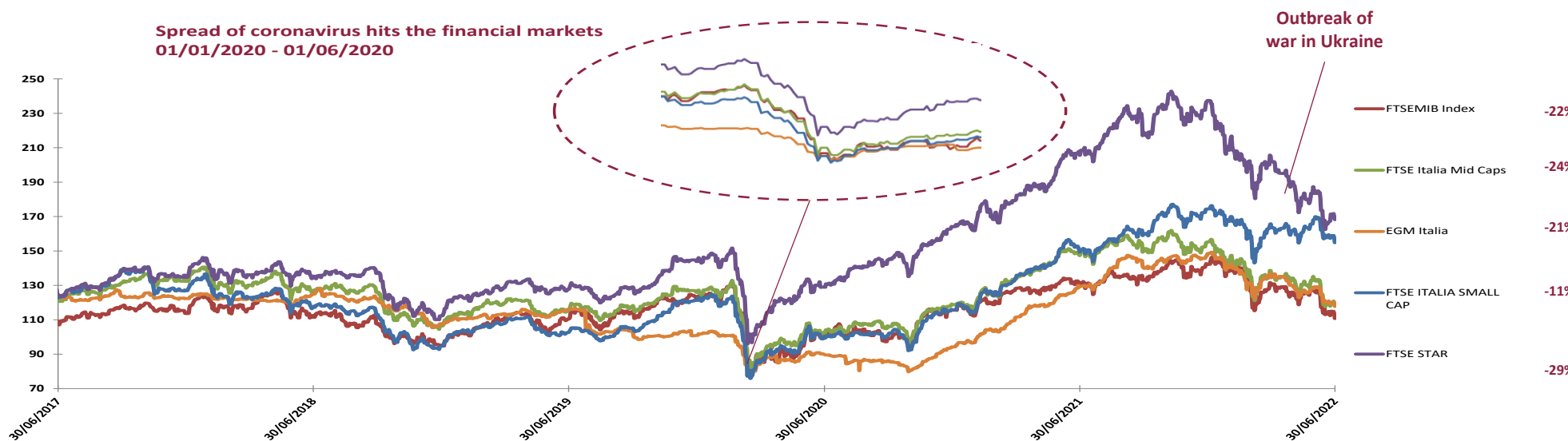
In the last 12 months all the indices showed in the graph recorded a negative performance, except for the FTSE Italia Small Cap.



Source: EnVent on Bloomberg – Note: FTSE indices

Euronext Growth Milan and other Italy reference indices since PIR inception, 30/06/2017 – 30/06/2022

All indices have shown a negative performance YTD



Source: EnVent on Bloomberg – Note: FTSE indices

2022 EGM listings

New listings (IPOs and Admissions) as of June 30th, 2022 (€ mln)

Company Name	Business	Transaction Type	First Trading Date	Money Raised	Vendor Placing	Market Cap at listing	Performance since IPO	Float at listing
Altea Green Power	Energy	IPO	01/02/2022	3,5	0,0	15,5	116%	22,6%
Technoprobe	Industrial/Semiconductor Distributors	IPO	15/02/2022	142,5	570,0	841,3	18%	17,8%
Rocket Sharing Company	Energy	IPO	28/02/2022	3,6	0,4	9,6	-49%	42,2%
Farmacosmo	Pharma	IPO	30/03/2022	17,0	6,0	81,3	-11%	28,3%
Bifire	Industrial Services	IPO	31/05/2022	9,0	1,0	64,0	-23%	15,6%
Redelfi	Financial Services	IPO	08/06/2022	3,0	0,5	10,1	0%	34,2%
High Quality Food	Food	IPO	09/06/2022	2,9	0,0	16,9	-19%	17,0%
Bellini Nautica	Nautical Services	IPO	15/06/2022	3,9	0,4	16,9	2%	24,9%
Erfo	Pharma	IPO	29/06/2022	3,0	0,5	13,5	21%	25,6%
Total				188,3	578,7	1.069,0		

6M 2022:

- 9 IPOs;
- 0 companies suspended;
- 4 delistings (Siti B&T, Energica Motor Company, Vetrya, Sirio);

Source: EnVent on public data, Borsa Italiana, websites and Admission Documents - Note: Data include, when applicable, the exercise of greenshoe options

Listing requirements

	Euronext Growth	Euronext Access - Paris	Euronext Growth Milan	Euronext Growth Milan (professional segment)
Minimum Float	€ 2,5 mln (Paris : market cap > € 5 mln)	n.a.	10% distributed among at least 5 institutional investors	- 10% between any party, as long as not a related party; - Suspension if 2% < float < 10%.
Financial Statements	2 certified financial statements	2 financial statements, if relevant and without certification requirements	1 certified financial statement	
Accounting Principles	IFRS o local GAAP		OIC, IFRS, US GAAP	
Intermediaries	Listing Sponsor	Listing Sponsor	Euronext Growth Adviser	
Documents	<ul style="list-style-type: none"> • UE Prospect: for IPO > € 8 mln (Paris and Bruxelles), > € 5 mln (Dublin and Lisbon) • Admission Document: IPO (Paris, Dublin and Lisbon) • Information Note: IPO (Bruxelles) 		Admission Document	
Operations	Public Offer, Private Placement, Direct Admission	Public Offer, Private Placement, Technical Admission	Public Offer, Private Placement	Direct Listing, Private Placement
Corporate Governance	n.a.		At least 1 independent advisor in BoD	n.a.
OPA	Only on Paris: OPA for > 50% for companies in France; for others, local legislation applies	n.a.	Obligation to refer to the TUF regulations in the Articles of Association	
Annual Reporting	Audited financial statements and business reports	Financial statements	Annual financial statements published within 6 months after closure	
Semestral Reporting	Unaudited half-yearly report and business report	n.a.	Half-yearly report published within 3 months after closure	
Ongoing Intermediaries	Listing Sponsor - Euronext Growth Adviser	n.a.	Euronext Growth Adviser	
Specialist	Non Mandatory		Mandatory	Non Mandatory
Information obligation for exceeding relevant threshold	For all % quotas that are multiples of 3% and 5%.	n.a.	For significant shareholders (5%, 10%, 15%, 20%, 25%, 30%, 50%, 66,6% e 90%)	n.a.
Website area dedicated to investors	Yes		Yes	

Source: EnVent on public data, Borsa Italiana.

Glossary

ADMISSION	Transfers and just listings from other markets
CAPITAL RAISE/INCREASE	Money raised by a company through a right assigned to existing shareholders or reserved to new shareholders to underwrite additional new issued shares at a determined price
CORPORATE BOND	Debt securities issued by a company
EGM	Euronext Growth Milan market
FLOAT	Ordinary shares available for trading on the market, owned by non-significant shareholders (stakes under 5% of share capital on Euronext Growth Milan)
EGA	Euronext Growth Advisor
GREENSHOE OPTION	Also referred to as over-allotment option, it is granted by the Issuer to the Global Coordinator, giving the faculty to increase the size of the IPO by the sale of additional existing shares
IPO	Initial Public Offer: sale of ordinary shares of a private company on the equity capital market within the listing process on a stock exchange
MARKET CAPITALIZATION/CAP	Total market value of 100% Equity of a company listed on a stock exchange
MONEY RAISED	Funds collected in IPO by a private company from the underwriting of new issued shares
SPAC (Special Purpose Acquisition Company)	New company usually formed for the sole purpose of raising capital to identify and acquire a suitable business opportunity
VELOCITY TURNOVER	Ratio of total traded shares to total ordinary shares in a given period
VENDOR PLACING	Funds collected in IPO (or in other placement) by existing shareholders of a company from the sale of existing shares and from the greenshoe option exercise
VOLUMES	Number of financial instruments traded in a certain period
WARRANT	Derivative financial instrument giving the holder the right to underwrite new issued shares of a company at a determined price within a certain time frame

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